



FINANCE AND BUDGET COMMITTEE

Monday, October 17, 2022 at 5:30 PM

AGENDA

In compliance with the Americans with Disabilities Act, individuals needing special accommodations / during this meeting should notify the City of Dillingham at 907-842-5212 at least three working days before the meeting.

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>

Meeting ID: 832 2363 3340; participant #; passcode: 119471

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

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

- [1.](#) Minutes of September 19, 2022, Finance & Budget Committee Meeting

APPROVAL OF AGENDA

STAFF REPORTS

- [2.](#) September Financial Report

COMMITTEE BUSINESS

- [3.](#) Fish Tax

PUBLIC/COMMITTEE COMMENT(S)

ADJOURNMENT



FINANCE AND BUDGET COMMITTEE

Monday, September 19, 2022 at 5:30 PM

MINUTES

CALL TO ORDER

The Finance and Budget Committee met on Monday, September 19, 2022, in the City Council Chambers, Dillingham, AK, and via Zoom video conference call. Curt Armstrong called the meeting to order at 5:31 p.m.

ROLL CALL

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

Alice Ruby

Robert Mawson

Perry Abrams

Anita Fuller

Curt Armstrong

Committee members excused:

Aksel Buholm

APPROVAL OF MINUTES

- Minutes of May 31, 2022; Finance & Budget Committee

MOTION: Alice Ruby moved, and Anita Fuller seconded the motion to approve the minutes of May 31, 2022.

VOTING: the motion passed by unanimous consent.

APPROVAL OF AGENDA

MOTION: Robert Mawson, moved and Anita Fuller seconded the motion to approve the agenda.

VOTING: the motion passed by unanimous consent.

STAFF REPORTS

- August 2022 Revenue and Expense Report

- Overall, the budget is doing well.
- Journal entries still need to be taken care of.
- Sales tax and business license delinquency letters have gone out.
- Marijuana excise tax coming it at 33%. This is above expectations.
- All bond reimbursement received to date are for prior years. Expectation for current year reimbursement to have a positive effect on the budget.
- Expenditures are in line with expectations.

COMMITTEE BUSINESS

- FY21 Audit

- Auditors indicate timing to complete will be end of October or first of November.
- Delays and turnover have contributed to the late timing.
- The FY21 audit will have a late file finding.

4. FY22 Audit

- Audit is on schedule. All items requested by the auditors have been submitted.
- Carmen Jackson’s Accounting firm has been retained to complete the CPA portion of the audit.
- Auditors will be in town the week of October 24, with a follow up visit in December.

5. Fish Tax Discussion

- Goal is to have something in place so council action can happen early next year before the fishing season.
- Discussions with food processors, fisherman, and community members are ongoing.
- Request to provide formula and information previous manager was using for fish tax.
 - Purported challenge to proposed excise tax as presented by processor could result in a larger levy than intended.
 - Excise was per pound. A percentage would need to be done as a sales tax.
- Might want to consider looking into a sales tax and compare to excise tax.
- Recommend outreach to processors to obtain input regarding amount going forward.
- Revisit at the next Budget & Finance Committee meeting to assess where we left off and establish a plan going forward.

PUBLIC/COMMITTEE COMMENT(S)

- Committee summary for Budget & Finance goals and responsibilities for next year reviewed.
- Requested committee become more involved in city enterprises.
- Finance & Budget Committee plays an important role in procedures and city activities in an advisory capacity.

ADJOURNMENT

The meeting adjourned at 6:23 p.m.

Neil C. Armstrong, Chair

ATTEST:

Lori Goodell, City Clerk

Approved: _____



MEMORANDUM

DATE: October 16, 2022
TO: City Manager
FROM: Anita Fuller, Finance Director
SUBJECT: Staff Report

STAFF REPORT

- Audit update
- Department staffing
- Collections
- Budget
- Revenue and Expense review for September 2022

Audit Update:

FY21 Audit is with the senior accountant getting reviewed.

FY22 Audit – Auditors arrive 10/24/2022 for testwork.

Department staffing:

Account Tech III – Taxes/Collection: Position has been reduced to taxes. Promoted Basil Tilden 10/14/2022 to fill this role

Account Tech II – Summar Roehl's has transitioned to an on-call status on 10/15/2022. Summar has been a great asset to the Finance Department in the time she has been with us. We wish her well on her future endeavors. Ryan Johnson has taken the position of Receivables. His knowledge of the department will help greatly in his new role.

Account Tech I – Cashier: Position is open until filled.

Collections

Foreclosure listing for 2018 Action have passed the period of redemption (4 properties at \$21,810.51).

Foreclosure listing for 2019 Action have passed the period of redemption (4 properties at \$8,332.93).

Potential 2022 foreclosure action (31 properties at \$82,272.32). Two properties were added to the original list that are promissory notes in default. A final list is ready for publication.

Thirty-two past due utility notices were sent out. Thirteen tags were hung to notify residents of water shut off. Several non-working curbstops are being repaired to allow for shut off.

Notices were sent to business for lack of business license renewal for 2022. Responses have been received and has increased compliance as well as an increase in sales tax reporting.

Grants

FY22 NTS and NSIP final report has been submitted.

Budget

FY23 Budget revision is in initial stage.

Revenue and Expense review September 2022 –

Information provided for percentages below 0% or above 45%. Revenues are high and expenditures are low. Most expenditures are low. Contributing factors include open staffing positions and a delay in projects that were budgeted.

General Fund Revenues

- All taxes are reported 1 month behind. FY22 taxes are still included. 36% is above expected.
- Real and personal property tax are recognized at 100%. Real property has been collected at 27%. Personal property has been collected at 53%. First half payment is due 11/1/2022.
- PILT has come in above expected at 105%. Audit review will determine if funds belong to FY22.
- Admin overhead is at 50% which is related to the expenditures of Dock at 48% and Harbor at 54%.

Special Revenues & Other Funds Revenue

- Dock revenue is at 48% which is reflected higher than last year due to prompt invoicing.
- Debt services is exceeded due to the state providing support from unfunded prior years.
- Mary Carlson Estate investments have reported in the negative for the previous two months.

Transfers

- Senior Center transfer has increased due to funding support change.

General Fund Expenditures

- City School – payment already made for 2nd quarter.

Special Revenues & Other Funds Expenditures

- Dock expenditures are at 48%. Equipment maintenance and other costs have been paid. Insurance proceeds are still in review.
- Harbor expenditures are high due to increased labor costs. A port director position was filled with an Acting Harbor master.

Grant and Bond Revenues/Expenditures

- ANTHC – Grant is fully expended and is in the process of being closed out.

Capital Project Revenues/Expenditures

- Insurance Proceeds– Funds received for landfill shop building that will be kept in reserve until project begins.

City of Dillingham
 Unaudited Revenues and Expenditures As of September 30, 2022

Data Collected on:
 10/15/2022

Section . Item 2.

	09/30/22			09/30/21		Uncollected	% Adj
	Budget - FY23	YTD	Percent	YTD	INC/(DEC)		
General Fund Revenues							
General Sales Tax	\$ 3,000,000	\$ 1,142,036	38%	\$ 679,378	\$ 462,658	(2,670.43)	38%
General Sales Tax - Remote	400,000	116,621	29%	0			
Alcohol Sales Tax	260,000	86,361	33%	63,797	22,563		33%
Alcohol Sales Tax - Remote	-	51		-	51		
Transient Lodging Sales Tax	120,000	47,199	39%	22,870	24,329	-	39%
Gaming Sales Tax	65,000	13,139	20%	4,571	8,568		20%
Tobacco Excise Tax	350,000	87,338	25%	64,730	22,608		25%
Marijuana Excise Tax	75,000	28,266	38%	-	-		
Penalty & Interest - Sales Tax	20,000	3,730	19%	9,035	(5,305)	(383.20)	17%
Total Sales Tax	4,290,000	1,524,742	36%	844,381	535,473		35%
Real Property Tax	2,410,000	2,379,730	99%	2,084,566	295,164	(1,725,144.31)	27%
Personal Property Tax	450,000	452,818	101%	478,884	(26,066)	(214,035.32)	53%
Penalty & Interest - Property Tax	70,000	26,171	37%	29,459	(3,288)		37%
Total Property Taxes	2,930,000	2,858,719	98%	2,592,909	265,810		31%
Telephone Gross Receipts State Tax	65,000	-	0%	-	-		0%
Shared Fisheries	600,000	-	0%	-	-		0%
Raw Fish Tax	20,000	-	0%	-	-		0%
Community Sharing	73,072	-	0%	84,575	(84,575)		0%
Payment in Lieu of Taxes (PILT)	460,000	480,895	105%	473,299	7,596		105%
State Jail Contract	645,000	-	0%	-	-		0%
Ambulance Fees	50,000	22,064	44%	2,098	19,965		44%
Lease & Rental Income	35,000	2,700	8%	-	2,700		8%
Admin Overhead	130,300	64,760	50%	24,190	40,571		50%
PERS on Behalf	67,126	24,653	37%	55,995	(31,342)		37%
PERS Forfeiture Fund	20,000	-	0%	2,617	(2,617)		0%
Other Revenues	145,400	49,631	34%	39,885	9,747	(1,020.00)	33%
Total	2,310,898	644,703	28%	682,659	(37,956)		28%
Total	\$ 9,530,898	\$ 5,028,164	53%	\$ 4,119,949	\$ 763,327		32%
Special Revenue & Other Funds Revenue							
Water	232,087	64,442	28%	59,979	4,464	(17,802.84)	20%
Sewer	457,000	121,583	27%	144,165	(22,583)	(24,033.83)	21%
Landfill	256,459	109,030	43%	101,147	7,882	(3,713.00)	41%
Port - Dock	721,915	344,640	48%	262,966	81,674	(47,764.54)	41%
Port - Harbor	184,295	33,278	18%	31,095	2,183	(10,632.56)	12%
Asset Forfeiture Fund	2,000	29	1%	(10)	39		0%
E-911 Service	65,000	16,814	26%	17,095	(281)		26%
Senior Center (Non-Grant)	40,597	5,393	13%	6,426	(1,033)		13%

City of Dillingham
 Unaudited Revenues and Expenditures As of September 30, 2022

Data Collected on:
 10/15/2022

Section . Item 2.

	<u>Budget - FY23</u>	<u>09/30/22</u> YTD	<u>Percent</u>	<u>09/30/21</u> YTD	<u>INC/(DEC)</u>	
Senior Center (Grant)	131,000	642	0%	(11,570)	12,212	0%
Library (Grants)	123,302	36,608	30%	29,200	7,408	30%
Debt Service	305,000	1,773,338	581%	-	1,773,338	
Mary Carlson Estate	1,000	(695)	-69%	(816)	122	-69%
Total	\$ 2,519,655	\$ 2,505,102	99%	\$ 639,678	\$ 1,865,425	95%
Transfers				18,081		
<i>From General Fund to Other Funds</i>						
Landfill	340,323	-	0%	-	-	
Senior Center	184,242	85,559	46%	22,004	63,555	
Ambulance Reserve	45,000	2,206	5%	105	2,101	
Equipment Replacement	600,000	-		-	-	
Capital Projects	-	-		1,304	(1,304)	
Debt Service SRF Loans	47,400	-	0%	-	-	
Debt Service School Bond	765,500	-	0%	-	-	
Debt Service Firehall Bond	45,000	-	0%	13,000	(13,000)	
Debt Service Streets Bond	226,750	-	0%	68,375	(68,375)	
<i>From Dock Fund to Harbor Funds</i>						
Port - Harbor	54,858	17,388	32%	31,528	(14,140)	
Port - Harbor - Ice Machine	-	-	0%	-	-	
Port - Harbor - Bathhouse	13,308	-	0%	4,064	(4,064)	
<i>From Department to Department</i>						
Transfer from E911	52,084	10,275	20%	6,847	-	
Transfer from Mary Carlson Estate	4,000	-	0%	-	-	
Total	\$ 2,378,465	\$ 115,428	5%	\$ 147,227	\$ (35,226)	
Total Revenues & Transfers	\$ 14,429,018	\$ 7,648,694	53%	\$ 4,906,853	\$ 2,593,525	

City of Dillingham
 Unaudited Revenues and Expenditures As of September 30, 2022

Data Collected on:
 10/15/2022

Section . Item 2.

EXPENDITURES:	<u>Budget - FY23</u>	<u>09/30/22</u>	<u>Percent</u>	<u>09/30/21</u>	<u>INC/(DEC)</u>
		<u>YTD</u>		<u>YTD</u>	
General Fund Expenditures					
City Council	\$ 85,350	\$ 24,512	29%	\$ 5,233	\$ 19,279
City Clerk	158,775	34,715	22%	29,401	5,314
Administration	505,373	103,467	20%	75,452	28,014
Finance	884,069	193,349	22%	177,019	16,329
Legal	60,000	20,372	34%	3,231	17,141
Insurance	313,400	1,016	0%	63,788	(62,772)
Non-Departmental	0	0		13,511	(13,511)
Planning	213,884	36,003	17%	39,246	(3,243)
Foreclosures	6,000	1,971	33%	0	1,971
IT	282,688	67,404	24%	36,899	30,504
Meeting Hall above Fire Station	0	0		221	(221)
Public Safety Administration	194,510	45,340	23%	40,753	4,586
Dispatch	520,844	102,758	20%	116,627	(13,869)
Patrol	1,010,368	208,799	21%	170,442	38,357
Corrections	750,223	73,510	10%	124,796	(51,286)
DMV	60,373	12,889	21%	11,087	1,802
Animal Control Officer	119,767	25,668	21%	23,638	2,031
Fire	344,013	104,365	30%	16,642	87,723
Fire Department Donation	0	0		0	-
EOC	0	0		8,090	(8,090)
Public Works Administration	348,747	23,496	7%	31,996	(8,500)
Building and Grounds	401,788	37,463	9%	43,811	(6,348)
Shop	505,287	89,350	18%	89,095	254
Street	484,679	36,930	8%	107,116	(70,187)
Library	169,187	40,225	24%	29,943	10,282
City School	1,300,000	650,000	50%	325,000	325,000
Transfers to Other Funds	2,254,215	87,766	4%	23,413	64,352
Total	\$ 10,973,540	\$ 2,021,365	18%	\$ 1,606,450	\$ 414,915

City of Dillingham
 Unaudited Revenues and Expenditures As of September 30, 2022

Data Collected on:
 10/15/2022

Section . Item 2.

	<u>Budget - FY23</u>	<u>09/30/22</u> YTD	<u>Percent</u>	<u>09/30/21</u> YTD	<u>INC/(DEC)</u>
<u>Special Revenue Funds Expenditures</u>					
Water	243,834	33,666	14%	61,492	(27,826)
Sewer	310,834	52,785	17%	62,577	(9,791)
Landfill	596,782	82,811	14%	159,925	(77,114)
Port - Dock	721,915	344,640	48%	144,862	199,777
Port - Harbor	256,953	137,555	54%	99,620	37,935
Asset Forfeiture Fund	2,000	-	0%	4,872	(4,872)
E-911 Service	52,084	10,275	20%	6,847	3,428
Senior Center (Non-Grant)	219,839	86,091	39%	32,569	53,522
Senior Center (Grant)	136,000	212	0%	32,951	(32,739)
Library (Grants)	123,302	33,634	27%	18,613	15,021
Mary Carlson Estate	6,201	118	2%	514	(397)
Ambulance Reserve Fund	50,478	800	2%	5,800	(5,000)
Debt Service SRF Loans	47,400	-	0%	-	-
Debt Service School Bond	1,065,500	-	0%	-	-
Debt Service Firehall Bond	45,000	-	0%	-	-
Debt Service Streets Bond	231,750	-	0%	-	-
Equipment Replacement	600,000	114,091	19%	5,849	108,242
Total	\$ 4,709,872	\$ 896,678	19%	\$ 636,491	\$ 260,187
	\$ 15,683,412	\$ 2,918,044	19%	\$ 2,242,941	\$ 675,103
Net Increase (Decrease) to Fund Balances	\$ (1,254,394)	\$ 4,730,651		\$ 2,663,912	\$ 1,918,423

City of Dillingham
 Unaudited Revenues and Expenditures As of September 30, 2022

Data Collected on:
 10/15/2022

Section . Item 2.

	<u>Budget - FY23</u>	<u>09/30/22</u> YTD	<u>Percent</u>	<u>09/30/21</u> YTD	<u>INC/(DEC)</u>
Grant & Bond Revenues					
ANTHC-Lagoon	146,778	152,721	104%	227	152,494
State Public Safety	-	-		-	-
COVID - ARPA	-	-		284,843	(284,843)
COVID - LGLR	2,786,321	532,541	19%	-	-
SRF Loan - Lagoon Aeration	670,000	-	0%	-	-
SRF Loan - Waterfront	114,125	-	0%	-	-
SRF Loan - Water	44,000	-		-	-
SRF Loan - Wastewater	60,000	-	0%	-	-
SRF Loan - Landfill	-	-		5,320	(5,320)
Southern Region EMS	-	-		360	(360)
Curyung-Ice Machine	2,000	160	8%	-	160
BBEDC Intern Program	56,682	-	0%	19,407	(19,407)
BBEDC Training Reimb	-	-		-	-
BBEDC Pass Thru	-	-		-	-
Bond Investment Income	-	4,190		129	4,061
Total	\$ 3,879,906	\$ 689,612	18%	\$ 783,070	\$ (625,999)
Grant & Bond Expenditures					
ANTHC-Lagoon	146,778	146,538	100%	-	146,538
State Public Safety	-	-		1,353	(1,353)
COVID - LGLR	2,786,321	275,124	10%	-	-
SRF Loan - Lagoon Aeration	670,000	-	0%	-	-
SRF Loan - Waterfront	114,125	-	0%	-	-
SRF Loan - Water	44,000	-		-	-
SRF Loan - Wastewater	60,000	-	0%	-	-
SRF Loan - Landfill	-	-		8,364	(8,364)
Southern Region EMS	-	-		-	-
Curyung-Ice Machine	2,000	407	20%	2,326	(1,920)
BBEDC Intern Program	56,682	23,827	42%	22,747	1,079
BBEDC Training Reimb	-	7,250		-	7,250
BBEDC Pass Thru	-	-		-	-
Total	\$ 3,879,906	\$ 453,145	12%	\$ 34,791	\$ 143,230
	\$ -	\$ 236,467		\$ 748,278	\$ (482,769)

City of Dillingham
 Unaudited Revenues and Expenditures As of September 30, 2022

Data Collected on:
 10/15/2022

Section . Item 2.

	<u>Budget - FY23</u>	<u>09/30/22</u> YTD	<u>Percent</u>	<u>09/30/21</u> YTD	<u>INC/(DEC)</u>
Capital Project Funds Revenues					
Investment Income	-	-		-	-
Insurance Proceeds	-	214,490		-	214,490
Total	\$ -	\$ 214,490		\$ -	\$ 214,490
Capital Project Funds Expenditures					
Major Building Maintenance	400,000	-		-	-
Landfill Groundwater Well	-	-		4,101	(4,101)
Total	\$ 400,000	\$ -	0%	\$ 4,101	\$ (4,101)
	\$ (400,000)	\$ 214,490		\$ (4,101)	\$ 218,591

	Budget	Actual
General Fund Revenue	\$ 9,530,898	\$ 5,028,164
Special Fund Revenue	\$ 2,519,655	\$ 2,505,102
Transfers In	\$ 2,378,465	\$ 115,428
Grant and Bond Revenue	\$ 3,879,906	\$ 689,612
CIP Revenue	\$ -	\$ 214,490
	\$ 18,308,924	\$ 8,552,796
General Fund Expenditures	\$ 10,973,540	\$ 2,021,365
Special Fund Expenditures	\$ 4,709,872	\$ 896,678
Grant and Bond Expenditures	\$ 3,879,906	\$ 453,145
CIP Expenditures	\$ 400,000	\$ -
	\$ 19,963,318	\$ 3,371,188
Net Increase (Decrease) to Fund Bal	\$ (1,654,394)	\$ 5,181,608

CODE ORDINANCE

Requested by: Finance Committee

Introduced: March 5, 2022

Referred to Finance & Budget Committee: March 5, 2022

Public Hearing:

Adopted:

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2022-04

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL AMENDING TITLE 4 OF THE DILLINGHAM MUNICIPAL CODE LEVYING AN EXCISE TAX ON SEAFOOD PRODUCTS IMPORTED FOR PROCESSING IN DILLINGHAM

WHEREAS, the City of Dillingham has historically devoted substantial public resources for construction, operation and maintenance of public infrastructure intended to support commercial fisheries catching and processing salmon landed in waters of Bristol Bay adjacent to Dillingham; and

WHEREAS, much of the infrastructure supporting Bristol Bay commercial fishing was constructed with federal and state grants which do not provide for ongoing maintenance or replacement funds; and

WHEREAS, it is anticipated that there will be a need to improve infrastructure related to commercial fishing and that state and federal grant funds will not be as available as they were in the past; and

WHEREAS, all other municipalities of similar size and with similar fishing related infrastructure needs in the general Bristol Bay area levy a tax on raw fish including, the Bristol Bay Borough, the Lake and Peninsula Borough and the cities of Togiak, Egegik and Pilot Point; and

WHEREAS, the estimated taxable value of commercial salmon harvested in or adjacent to Dillingham and imported into the City of Dillingham for processing is estimated to range between \$15,000,000 and \$25,000,000 annually; and

WHEREAS, the Dillingham City Council believes it to be in the best interests of the residents of Dillingham to adopt a seafood processing excise tax to raise revenue so the City may continue to adequately support the fishing industry and for other public purposes.

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

Section 1. Classification. This is a code ordinance.

Section 2. Amendment of Title 4. Title 4 of the Dillingham Municipal Code is hereby amended by adoption of a new Chapter 4.27, Seafood Processing Excise Tax, to read as follows:

Chapter 4.27

SEAFOOD PROCESSING EXCISE TAX

Sections:

4.27.010	Definitions
4.27.020	Levy of Tax
4.27.030	Registration Required
4.27.040	Tax Rate
4.27.050	Exemptions
4.27.060	Collection and Administration
4.27.070	Enforcement and Penalties
4.27.080	Excise Tax Return Verification
4.27.090	Confidentiality
4.27.100	Liability for and Collection of Severance Tax
4.27.110	Penalties and Interest

4.27.010 Definitions.

When not clearly otherwise indicated by the context, the following words and phrases, as used in this chapter, have the following meanings:

“City” means City of Dillingham.

“Harvester” means a person, company, corporation, or other entity engaged in the business of severing or harvesting natural resources. It includes persons who harvest seafood products outside the boundaries of the City and transfer those seafood products for delivery and processing at locations within the City provided that the sales made by such harvesters are not already subject to the City Raw Fish Tax. It does not include persons who harvest seafood products for subsistence or sport uses.

“Seafood Processing” or “Processed” means heading, gutting, cleaning, filleting, canning, freezing, glazing, packaging, or otherwise preserving a seafood product.

“Seafood Processor” means any person engaged in seafood processing within the City boundaries, except for personal or subsistence purposes.

“Seafood Products” means any raw finfish, groundfish, shellfish, mollusks and other commercial products of the sea.

4.27.020 Levy of tax.

There is levied, on any Seafood Processor engaged in Seafood Processing in the City, an excise tax on all Seafood Products for which no tax has been collected under the provisions of the City Raw Fish Tax. The tax rate shall be the applicable rate as set forth in subsection 4.27.040.

4.27.030 Registration Required.

All Seafood Processors, except those exempted under section 4.27.050, must register with the City and hold a valid City Business License as set forth in Section 4.16 of DMC.

4.27.040 Tax rate.

The tax levied by this Chapter shall be at the rate set forth in the following table for all Seafood Products processed within the corporate limits of the city.

Species	Tax per pound in dollars
Pink Salmon	\$0.004
Chum Salmon	\$0.012
Coho Salmon	\$0.032
Chinook Salmon	\$0.037
Sockeye Salmon	\$0.044
Halibut	\$0.24
Herring	\$0.0075
All other species	\$0.02

4.27.050 Exemptions.

- A. Seafood Processors who process less than ten thousand pounds of Seafood Products are exempt from taxation under this chapter.
- B. The first ten thousand pounds of Seafood Products subject to this tax purchased from a Harvester by a Seafood Processor not exempt under subsection A are exempt from taxation under this chapter.
- C. Any person who harvests Seafood Products strictly for personal or subsistence use, and does not sell any Seafood Products harvested are exempt from any provision of this chapter.

4.27.060 Collection and Administration.

- A. Every Seafood Processor who makes payments for a seafood product subject to excise tax shall submit to the City a City of Dillingham annual seafood processing excise tax return, under oath, containing the following information:
 1. The number of pounds of Seafood Product purchased from Harvesters during the preceding twelve (12) months;
 2. The number of pounds of Seafood Product exempt from tax; and
 3. The name and location of the Seafood Processor
- B. The return along with all taxes due the City for the year must be received by the City on or before November 1st for the preceding twelve (12) month period.
- C. This tax constitutes a lien chargeable against all property whether tangible or intangible owned by the Seafood Processor. The lien may be foreclosed by the City in the same manner as any other lien against real or personal property.

4.27.070 Enforcement and Penalties.

- A. The superior court, upon request of the City, shall issue an injunction requiring compliance with the provisions of this chapter.
- B. The City may determine the excise tax on parties who have not filed a return in an amount based on historical data or the best information reasonably available to the City.
- C. A person who fails, refuses, or neglects to file an excise tax return in compliance with this chapter shall, in addition to any other penalties provided by law, be liable for a penalty of ten (10) percent of the tax.

4.27.080 Excise Tax Return Verification.

The City Manager or his/her designee may:

- A. Require a Seafood Processor or harvester, or any agent or employee of this person, to furnish any additional information reasonably necessary to compute the amount of the tax or to determine if a tax is due;
- B. Examine the books, records, and files of any such person;
- C. Conduct hearings and compel the attendance of witnesses and the production of books, records, and papers of any person; and
- D. Make an investigation or hold any inquiry reasonably necessary to a disclosure of facts as to:
 1. The amount of pounds of Seafood Product delivered or imported into the City for processing; and
 2. The purchaser of the Seafood Product

4.27.090 Confidentiality.

Information and materials in the possession of the City which disclose the particulars of the business or affairs of then payer of taxes under this chapter will be kept confidential by the City except in connection with an official investigation by the City or other agency enforcing the laws of the City or the State. The City may publish statistics in a manner which prevents identification of particular returns and may publish tax lists showing the names, taxes, penalties, and interest with respect to taxpayers who are delinquent to assist in the collection of taxes.

4.27.100 Liability for and Collection of Excise tax.

The Seafood Processer purchasing Seafood Product taxed under this chapter is liable for the amount of taxes, interest, and penalties due. The tax, together with penalties and interest, may be collected in a personal action brought in the name of the City.

4.27.110 Penalties and Interest.

All taxes due under this chapter but not timely paid as required are subject to a penalty of 10% of the tax due. Interest shall accrue on the tax due including penalties and interest at the rate of 6% per year from the date such taxes are due. Partial payments shall be applied first to accrued penalties, then to interest, and then to principal. A payment is timely paid when mailed to the City postage prepaid bearing a postmark date no later than the due date.

Section 3. Amendment to Section 1.20.040

That Dillingham Municipal Code Section 1.20.040 - Minor offense fine schedule is amended to by the addition of new language to read as follows:

Code Section	Offense	Penalty/Fine
4.27.030	Failure to register as a processor of seafood products.	\$500
4.27.060	Failure to file seafood processor excise tax return.	\$1000
4.27.060	Falsifying seafood processor excise tax records.	\$1000
4.27.080	Failure to allow inspection of records.	\$500

Section 4. Effective Date. This ordinance shall be effective as of XXX 1, 2022.

Section 5. Repeal of Chapter 4.22. Chapter 4.22 of the Dillingham Municipal Code is hereby repealed in its entirety.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on April 7, 2022.

Alice Ruby, Mayor

[SEAL]

ATTEST:

Lori Goodell, City Clerk