

Mayor

Kristin Smith

Council Members

Debra Adams

Lee Collins

Aaron Hansen

Kasey Kinsman

Michael Mickelson

Wendy Ranney

David Zastrow

City Manager

Samantha Greenwood

City Clerk

Susan Bourgeois

Deputy City Clerk

Colette Gilmour

**City Council Work Session
October 7, 2026 @ 6:00 pm
Cordova Center Community Rooms
Agenda**

A. Call to order

B. Roll call

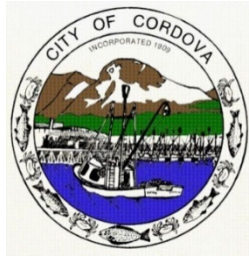
Mayor Kristin Smith, Council members Debra Adams, Lee Collins, Aaron Hansen, Kasey Kinsman, Michael Mickelson, Wendy Ranney, and David Zastrow

C. Work Session topic

1. 2027 Budget Discussions: General Fund Revenues
 - City Manager's Memo..... (page 1)
 - PWS Commercial Salmon Performance 2023-2026..... (page 3)
 - General Fund Revenues 2024 actual, 2025 actual,..... (page 4)
2026 budget & ytd, 2027 proposed

D. Adjournment

If you have a disability that makes it difficult to attend city-sponsored functions, you may contact 907-424-6200 for assistance; all City Council agendas and packets available online at www.cityofcordova.net



AGENDA ITEM 1

Budget Work Session Date: 10/7/26

CITY COUNCIL COMMUNICATION FORM

FROM: Samantha Greenwood, City Manager

DATE: 10/7/26

ITEM: 2027 Budget Work Session – Proposed General Fund Revenues

☐ Ordinance
☐ Resolution

☐ Motion
☒ Information

This work session presents the proposed General Fund revenue estimates for Fiscal Year 2027 (FY27) for City Council consideration. This session begins the FY27 budget development process and provides a starting point for upcoming budget discussions.

We begin the budget process by reviewing expected revenues and making sure our spending plans are based on what the City can realistically afford. This supports the City Council’s goal of living within our means. As a municipality, our opportunities to increase revenues are limited, so establishing a realistic revenue outlook is an important first step before developing expenditure plans. Once we clearly understand anticipated revenues, we can continue developing expenses and align spending with available resources.

The revenue estimates in the attached spreadsheet are based on the information currently available to staff, including historical collection trends, known changes in the local economy and tax base, and other anticipated changes that may affect revenues in FY27. These estimates will provide the foundation for the next steps in developing the FY27 budget.

Below are a few key considerations to keep in mind as you review the attached spreadsheet.

- Property Tax – \$3,750,836 is based on the FY26 mill rate and assessed values.
- Sales Tax - Currently, our sales tax (101-300-40010) is \$170,000 less than what we had collected this time last year, but our remote sales tax (101-300-40009) is \$150,000 more than what we had collected this time last year. We will continue to review this and provide updated numbers throughout the budget process.
- Surtaxes – Public Accommodations, Vehicle Rental, and MAT Surtaxes have all been estimated based on Council’s approval of Ordinance 1240, bringing each of them to 14%.

- Fish Tax – The fish tax revenue received in FY27 will be based on the 2026 fishing season. This projection reflects the significant decline in the 2026 fishing season and the anticipated corresponding impact on fish tax revenues.
- Forest Receipts – No revenue was budgeted based on the inconsistency of receiving these funds and the direction of council.

A few pivotal dates need to occur before the next step in the budget. We are working through the final steps of negotiations. Our current timeline is that the resolution for City Council to vote on approving the agreement between the City and the union will be ready to present on 10/22/26. This is the final piece to solidify the personnel numbers and will impact the budget moving forward.

The work session on October 21st will be a big-picture budget discussion with the Council. At that time, we will discuss reserving some of the unbudgeted Fish Tax and Forest Receipts revenue received in 2026 for use in the FY27 budget. Keep in mind that a portion of these unbudgeted funds is being used in 2026 to offset the unforeseen increase in inflation costs for utilities, freight, fuel, and other operational expenses. Therefore, the full amount received in 2026 will not be available for revenue in 2027.

At the October 28th work session, we will schedule a follow-up discussion and updates on the October 21st Work session and the draft Enterprise Fund budgets for Refuse, Water, Sewer, Harbor, and Odiak Camper Park.

FY27 City Budget Development Schedule

10/21	Regular Meeting and Work Session: Big Picture and Fees
10/22 or 23	tentative Special Meeting to vote on the Union Contract
10/28	Work Session: Big Picture follow-up and Enterprise Funds
11/4	Regular Meeting and Work Session: General Fund
11/11	Work Session: General Fund and Fee Schedule
11/18	Regular Meeting and Work Session: Final Budget Review
Thanksgiving week – work session early in the week, if needed	
12/2	Public Hearing & Regular Meeting: Budget & Fee Schedule Approval
12/9	Work Session if needed (if we didn't approve budget on 12/2)
12/16	Public Hearing & Regular Meeting (if we didn't approve budget on 12/2)

Prince William Sound Commercial Salmon Performance (2023–2026)

Fishing Year/City Raw Fish Tax Received	Total Salmon Harvested (Fish)	Estimated Ex-Vessel Value	Regional Context & Season Notes
2026 (<i>In season / Est.</i>)	~1.9+ million (<i>partial tracking</i>)	<i>Final value TBD</i>	Low Volume, Record High Prices: While total fish volume crawled, initial prices per pound skyrocketed (\$5.52 for Chinook, \$3.13 for sockeye), rescuing seasonal revenue.
2025/\$637,516	51.56 million	\$90.88 million	Near Average Volume: Strong late pink and chum hatchery returns stabilized the season, finishing just 3% below the historical 10-year average.
2024/\$922,230	15.02 million	\$53.00 million	Catastrophic Low: Pink salmon returns cratered to under 10 million fish. Seine net revenue dropped down to \$7.53 million compared to its \$203,000 average per permit.
2023/\$1,182,62	~60+ million	~\$70–80 million	High Volume, Market Collapse: A massive physical run of fish occurred, but a global market collapse forced processors to stop buying early on August 26, depressing values.

4-Year Average Benchmarks (2023–2026)

Account Number	Title	2024 Actual	2025 Actual	2026 Budget	2026 Actual	2027 Proposed
General Fund						
Taxes						
101-300-40001	Property Tax	2,983,285	3,569,364	3,585,632	2,955,826	3,750,836
101-300-40003	Property Tax-Penalties	22,334	23,967	14,000	0	14,000
101-300-40005	Property Tax-Interest	2,693	3,984	2,000	0	2,000
101-300-40006	Property Tax Exemption Fees	0	2,150	0	1,150	500
101-300-40008	ARSSC - Sales Tax Fees Contra	-48,890	-56,183	-50,000	-62,176	-75,000
101-300-40009	ARSSC - Sales Tax	635,619	613,242	640,973	514,429	675,000
101-300-40010	Sales & Use Taxes	4,496,727	4,079,233	4,100,000	2,596,578	4,100,000
101-300-40011	Public Accommodations Surtax	228,389	288,333	230,000	123,374	336,000
101-300-40012	Vehicle Rental Surtax	20,117	41,330	20,000	9,473	45,000
101-300-40015	MAT Surtax	196,246	194,019	210,000	119,325	240,000
101-300-40030	Penalties & Int. - Sales Tax	32,807	54,232	12,000	11,397	12,000
101-300-40035	Penalty & Interest A/R	2,130	26,849	3,500	17,750	3,500
101-300-40040	In Lieu Tax Payments	531,057	555,942	545,000	555,683	545,000
101-300-40041	Payment in Lieu of Tax - Other	13,073	6,547	7,500	434	7,500
Total Taxes:		9,115,587	9,403,009	9,320,605	6,843,243	9,656,336
Licenses & Permits						
101-301-40100	General Business Licenses	24,070	9,770	20,000	4,850	20,000
101-301-40120	Taxi - For Hire Operators	150	195	0	175	0
Total Licenses & Permits:		24,220	9,965	20,000	5,025	20,000
Other Governmental						
101-302-40205	DOR- FISH BUSINESS SHARED TAX	922,230	637,516	1,000,000	1,500,200	500,000
101-302-40210	Liquor Licenses - Share Tax	0	11,750	10,000	15,750	10,000
101-302-40211	Marijuana Licenses	0	0	0	0	0
101-302-40215	Share Revenue - CAP SOA	0	190,922	105,659	500	105,659
101-302-40220	Forest Receipts - Roads	51,233	1,283	0	120,309	0
101-302-40221	Forest Receipts - School	691,327	11,978	13,261	1,065,784	13,261
101-302-40225	Utility Cooperative Shared Tax	12,967	296,211	337,000	349,224	337,000
101-302-40230	DCCED - Shared Fish Bus Tax	15,287	7,251	20,000	0	20,000
101-302-40239	Pension State Relief	127,237	160,858	193,405	0	193,405
101-302-40240	Library Grant	0	7,000	7,000	0	7,000
101-302-40245	E-Rate Grant (Library)	0	0	0	0	0
Total Other Governmental:		1,820,281	1,324,769	1,686,325	3,051,767	1,186,325
Leases & Rents						
101-303-40320	N. Harbor Fill Lease	214,389	212,259	221,569	154,359	221,569
101-303-40330	S. Harbor Fill Lease	22,000	47,782	55,176	25,783	55,176
101-303-40350	Other Land Leases	72,376	54,918	43,495	41,394	43,495
101-303-40360	Other Building Leases	34,741	35,725	60,326	23,552	60,326
101-303-40400	LT Leases - Interest Revenue	2,676	2,338	0	0	0
101-303-51110	Lease Rev Pass-Thru Mt Eyak	50,030	68,928	73,888	49,692	73,888
Total Leases & Rents:		396,212	421,950	454,454	294,780	454,454

Account Number	Title	2024 Actual	2025 Actual	2026 Budget	2026 Actual	2027 Proposed
Law Enforcement						
101-304-40245	State Contract - Jail	465,949	309,565	228,743	148,013	568,420
101-304-40250	Surcharge - SOA	50	250	200	0	200
101-304-40265	State Dispatch Services	0	7,842	4,725	4,725	4,725
101-304-40267	USFS Dispatch Services	0	13,500	6,750	0	6,750
101-304-40268	NVE MOU	0	0	0	0	0
101-304-40269	City of Whittier - Dispatch	0	0	0	0	0
101-304-40370	Court Fines & Forfeitures	1,970	829	1,500	0	1,500
101-304-40371	Citations	1,355	2,108	3,500	717	3,500
101-304-40380	ATV Registration Fees	75	125	300	250	300
101-304-40400	Dog Licenses	255	615	550	455	550
101-304-40410	Dog Impounds	125	265	200	480	200
101-304-40420	Dog Citations	0	465	250	70	250
101-304-40440	Airline Security Service	66,395	63,609	75,000	38,594	75,000
101-304-40450	Fingerprinting Services	2,170	3,075	3,000	2,670	3,000
101-304-40545	Impound	4,837	9,664	6,000	7,559	6,000
101-304-40700	Case File Fees	90	625	250	1,175	250
101-304-49740	Miscellaneous Revenue P.D.	1,730	17,036	1,000	7,287	1,000
Total Law Enforcement:		545,001	429,573	331,968	211,995	671,645
D. M. V.						
101-305-40255	MV, Boat, Snow Trans	14,496	5,337	31,000	19,710	40,000
101-305-40260	Driver License & ID Fee	2,338	853	6,000	6,415	10,000
101-305-40266	Vehicle Registration Tax	-6,528	0	-15,000	-10,059	-20,000
101-305-40268	Mtr Vehicle Reg Tax St of AK	22,916	21,151	40,000	60,066	75,000
101-305-49740	Road Tests & Misc Revenue DMV	2,933	0	1,000	420	1,000
Total D. M. V.:		36,155	27,341	63,000	76,552	106,000
Planning						
101-323-40170	Building & Construction Fees	4,495	5,025	5,000	3,800	5,000
101-323-40175	Subdivision Fees	0	0	0	0	0
101-323-40180	Zoning Fees	0	0	0	750	0
101-323-40190	City Property Fees	0	0	0	158,722	0
101-323-48014	Other Revenue	275	5,298	2,000	123	2,000
Total Planning:		4,770	10,323	7,000	163,395	7,000
Recreation						
101-345-40505	Activity Fees	7,068	17,738	10,000	11,536	10,000
101-345-40520	Skaters Cabin Rental	5,754	2,588	0	112	0
101-345-40525	Bidarki Entrance Fees	90,771	114,382	95,000	68,449	95,000
101-345-40535	Facility Rental	3,090	3,014	2,500	1,285	2,000
101-345-42100	Fisherman's Memorial Park	1,262	2,710	1,000	2,365	1,000
101-345-49740	Bidarki Misc.	-977	43,909	0	-2,413	0
101-345-49745	Merchandise Sales - P&R	1,531	1,550	1,500	1,676	1,500
101-345-49800	Recreation Field Rentals	0	0	0	101	0
101-345-49805	Snack Shack Rentals	0	0	0	0	0
Total Recreation:		108,499	185,891	110,000	83,111	109,500

Account Number	Title	2024 Actual	2025 Actual	2026 Budget	2026 Actual	2027 Proposed
Bob Korn Pool						
101-346-40600	Pool Entrance Fees	46,839	43,714	37,500	59,935	70,000
101-346-40620	Program Fees	3,116	2,164	3,000	0	3,000
101-346-40630	Rental Fees	1,712	1,096	1,000	0	1,000
101-346-49740	Pool Misc.	-53	-128	0	-339	0
101-346-49745	Merchandise Sales - Pool	0	0	0	0	500
Total Bob Korn Pool:		51,614	46,846	41,500	59,596	74,500
Sale of Property						
101-347-40710	Sale of Equipment	0	0	0	638	0
101-347-40720	Sale of Cemetery Lots	1,100	1,500	2,000	475	2,000
101-347-40740	Sale of Property	0	0	0	18,000	0
Total Sale of Property:		1,100	1,500	2,000	19,113	2,000
Interfund Transfers In						
101-390-41000	Allocated Administrative Costs	620,283	693,050	647,463	323,732	647,463
Total Interfund Transfers In:		620,283	693,050	647,463	323,732	647,463
Other Revenue						
101-397-40325	Investment Earnings	250,642	302,412	200,000	102,397	200,000
101-397-49740	Misc. Revenue	935,634	41,760	346,149	1,455,478	346,149
101-397-49760	Streets-Cut Revenue	0	0	0	0	0
101-397-49770	Cordova Center Revenue	67,219	97,644	55,000	38,150	55,000
101-397-49800	Donations	265	20,818	1,000	0	1,000
Total Other Revenue:		1,253,760	462,634	602,149	1,596,025	602,149
State Debt Service Reimbursmen						
101-398-40200	State Debt Service Reimb	899,581	570,051	675,000	79,939	675,000
Total State Debt Service Reimbursmen:		899,581	570,051	675,000	79,939	675,000
General Fund Revenue Total:		16,697,344	14,911,671	15,647,789	15,860,040	15,398,697