
City of Bethel, Alaska

Finance Committee Minutes

March 23, 2015

Regular Meeting

Bethel, Alaska

I. CALL TO ORDER

A regular meeting of the Finance Committee was held on March 23, 2015 at 6:30 p.m. in the City Council Chambers.

Chairman Carol Ann Willard called the meeting to order at 6:30 PM.

II. ROLL CALL

Comprising a quorum of the Committee, the following were **present**:

Willard, Carol Ann- Chair
Shantz, Mike- Vice Chair
Albertson, Leif- Council Rep
Tranthum, Dave- Member
Cochrane, Jon- Member
Egoak, Delbert- Member
Russell, Emily- Alternate

Excused absences:

Shear, Milanna- Member

Also in attendance were the following:

Hansel Mathlaw, Finance Director
Tonya Hendrix, Assistant Finance Director (also fill in duties as Recorder for Carole Jung)

III. PEOPLE TO BE HEARD

There was no one present to be heard.

IV. APPROVAL OF AGENDA

Main Motion: To approve agenda.

Moved by:	Russell
Seconded by:	Cochrane
Action:	Motion carries by a vote of 7-0
In favor:	Willard, Shantz, Albertson, Trantham, Cochrane, Egoak, Russell
Opposed:	None

Primary

Amendment: Strike from the agenda item **a.** FY14 Audit, under old business.

Moved by:	Cochrane
Seconded by:	Albertson
Action:	Motion carries by a vote of 7-0
In favor:	Willard, Shantz, Albertson, Trantham, Cochrane, Egoak, Russell
Opposed:	None

V. APPROVAL OF MINUTES of February 23, 2015

Main Motion: To approve meeting minutes from February 23, 2015

Moved by: |
Seconded by: | Trantham
Action: | Motion carries by a vote of 7-0
In favor: | Willard, Shantz, Albertson, Trantham, Cochrane, Egoak, Russell
Opposed: | None

VI. NEW BUSINESS:

Item A - Time Change For "People To Be Heard" From 5 min to 10 min (Member Trantham)

Trantham, Dave - Discusses the different time regulations for other councils and committees. This would encourage the public to share their suggestions.

Council Rep Albertson supports having a time limit, stating it creates equal opportunities for everyone. He agrees to extend the time limit from 5 min to 10 min. Member Cochrane agrees that we should have a time limit, and that 5 min should be enough time for people to be heard. Some communities have a hard time when a large amount of people come in to discuss a "hot topic" and each person talks for ten minutes which adds up. Member Shantz, 3 min is too short, no min is too long. 10 and 12 min is enough time for people to be heard.

To discuss and change the time for "People to be Heard" from 5 min to 10 min.

Main Motion: |
Moved by: | Trantham
Seconded by: | Shantz
Action: | Motion carries by a vote of 4-2
In favor: | Shantz, Trantham, Cochrane, Egoak,
Opposed: | Albertson, Russell

Item B – Sales Tax & Collection Efforts. How To Collect And What Are Our Processes (Member Cochrane)

Cochrane, Jon – States In the past he has been told there was a position that is responsible for following up on the collection of sales tax payments.

Assistant Finance Director Hendrix States, "we do have someone that takes care of the sales tax." The finance director mentions that there was a sales tax supervisor and a sales tax technician, but it was changed to one employee who is swamped with his work. Member Cochrane has done research on this and found out that there are organizations and entities in this town that do not pay sales tax, and others that do. Member Shantz feels like it's too late in this budget year to add this position. Mr. Mathlaw, says it's not too late. Member Trantham, says that many businesses do not have business license, and we need to enforce current ordinances. Member Albertson states he would rather see the committee make a recommendation on what they want to do against larger business, and that another option could be to hire an outside agency to collect our sales tax.

Main Motion: To recommend to council that the City reinstate an employee with the responsibility solely of auditing, enforcement, and collection of sales tax.

Moved by: Cochrane

Seconded by: Trantham

Action: Motion carries by a vote of 7-0

In favor: Willard, Shantz, Albertson, Trantham, Cochrane, Egoak, Russell

Opposed: None

Item C – Sales Tax Audits (Council Rep. Albertson)

Albertson, Leif – Suggests that Business’s should be part of the audit process. Maybe look at an outside organization to perform the audits.

(The Committee discusses the auditing process and options.)

Member Cochrane did a little research, and some businesses are tax exempt from taxes. He suggests we need more advice from the City Attorney to find out who is exempt and who is not. Council Rep Albertson states that tribal organizations and federal organizations are exempt, and that we could ask the council to aggressively pursue auditing. Alternate member Russell states, “It’s not us being vindictive; it’s the tax that is due.” Member Cochrane, says before increasing taxes we have an obligation to collect these taxes, and that the City should pursue these people that owe taxes. Member Shantz wants to make sure we can afford another position in the Finance Department before discussing their duties. Member Trantham, “Can we not afford to do this. In my opinion is that this is a criminal act.”

Item D – City of Bethel Finance Re-Organization Chart (Finance Director Mathlaw)

Trantham, Dave – Asks is this re- org chart is an action item and in the future it would be a good idea to list if it the agenda item is an action item or discussion only item, so that everyone is on the same page.

Finance Director Mathlaw: discusses two organizational charts suggested by City Manager Capela as possible restructuring of the Finance Department.

(The Committee discusses the different options for the chain of command on the chart.)

After discussing the different options for the reorganizational chart options the committee thinks the movement of the Grant under the supervision of the Finance Director would be positive. The Finance Director says that the reason we need to re-organize the chart is because everything is dumped on the general ledger right now, and that another option is to add a Risk and Safety person in the chart. Member Shantz thinks that putting the Grant Manager under the supervision of the Finance Director is a good idea, and that Risk and Safety is also an important. Mr. Mathlaw, States the reason why the City Manager wanted this item put this on the agenda was because claims were not being investigated.” Member Shantz agrees that this is why we need someone to take care of these issues on a regular basis. Member Russell agrees with everyone, she agrees that the movement of one position and the creation of two new positions, Accounts Payable Tech I and Executive Assistant-Risk & Safety positions may be a good fit for the City needs right now.

VII. OLD BUSINESS:

This Item was removed from the agenda.

VIII. COUNCIL REP. COMMENTS

Council Rep Albertson– adds there is a Public Hearing tomorrow about the Alcohol License. Pass the word along, this is an important issue.

IX. FINANCE DIRECTOR’S COMMENT

Finance Director Mathlaw states alcohol is interesting issue. They shut the old store down back in 1974. He did research and found out that they received large amounts of funds through a local liquor store.

X. FINANCE COMMITTEE MEMBER COMMENTS

Committee Chair Willard – Expresses she appreciates the topics that everyone brought to the agenda this evening.

Vice Chairman Shantz – Had no comments.

Member Tranthum– States it is a pleasure to have a full committee at the meeting. It makes him feel very, very good. Back when the City of Bethel owned and operated the Liquor store. Some of the clerks that worked at the liquor store are still alive. Bootleggers will still be a problem. People do it every where it is all over. Thank you.

Member Cochrane – States the Liquor store meeting will be tomorrow. He feels there is no lack of alcohol, people are still getting their alcohol without generating revenue from it. Not sure if a liquor store will increase the problems and feels currently we are just giving our money to Gold Rush Liquors in Anchorage.

Egoak, Delbert (Member) - *Excused*

Alternate Member Russell- Had no comments

XI. ADJOURNMENT

Main Motion: Adjourn

Moved by: Shantz

Seconded by: Cochrane

Action: Motion carries by a vote of 7-0

In favor: Willard, Shantz, Albertson, Trantham, Cochrane, Egoak, Russell

Opposed: None

Committee adjourned the meeting at 7:50pm.

APPROVED THIS ___ DAY OF _____, 2015.

Carol Ann Willard, Chair

ATTEST:

Tonya Hendrix, Recorder