
City of Bethel, Alaska

Finance Committee Minutes

July 28, 2014

Regular Meeting

Bethel, Alaska

CALL TO ORDER

A regular meeting of the Finance Committee was held on July 28, 2014 at 6:30 p.m. in the office behind the Council Chambers.

Meeting was called to order by Chair Carol Willard at 6:30 PM.

ROLL CALL

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

Egoak, Shear, Trantham, Shantz, and Willard

Excused absences: Albertson

Unexcused absences: Cochrane

Also in attendance were the following:

Hansel Mathlaw, Finance Director
Tonya Hendrix, Assistant Finance Director
Carole Jung, Recorder

PEOPLE TO BE HEARD

There were no people to be heard.

MOTION: APPROVAL OF AGENDA

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| MOVED BY: | Shantz | To approve the agenda for the meeting. |
| SECONDED BY: | Shear | |

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| VOTE ON MOTION | Motion carried by unanimous vote. |
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MOTION: APPROVAL OF MINUTES of May 28, 2014 and June 23, 2014 Regular Meetings

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| MOVED BY: | Shantz | To approve the minutes of the two meetings. |
| SECONDED BY: | Egoak | |

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| VOTE ON MOTION | Motion carried by unanimous vote. |
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NEW BUSINESS

Powers and Duties of a Committee Member-Trantham

Member Trantham added this to the agenda to review the powers and duties of a member and stated he would like to be told when he is "out of line." Member Shantz wanted to discuss

attendance. He wanted to clarify the difference between excused and unexcused attendance. Excused absence would be when a member calls someone else on the committee to let them know if they would not be attending. It was decided that Chair Willard would be getting in touch with any member who haven't attended regular meetings for a while to touch base and see what is going on.

OLD BUSINESS

Sales Tax Revision-Finance Director

Copies of the Sales Tax Revision were handed out to the members. The Sales Tax Revision was re-written by the city attorney. The finance director asked the members for any changes/recommendations that they would like to make and he said he will present the changes to city council. The finance director mentioned that a part of the sales tax rewrite includes the expiration date for the senior tax exempt cards so if we would like to change it that would be a good time. It was decided that we would make a motion to recommend the expiration date change from two years to five years.

MOTION: To Change the Expiration Date on Senior Tax Exempt Cards from 2 to 5 years.

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| MOVED BY: | Shantz | To change the expiration date from 2 to 5 years on the senior tax exempt cards. |
| SECONDED BY: | Trantham | |

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| VOTE ON MOTION | Motion carried by unanimous vote. |
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One of the changes proposed in the rewrite is that it changes the tax exempt eligibility from Bethel residents only to residents of Alaska. The Committee would like to make a motion to extend the tax exempt eligibility to residents of Alaska instead of only residents of Bethel.

MOTION: to Change the Proof of Residence for tax exemption from Bethel to residents of Alaska

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| MOVED BY: | Shear | To change the proof of residence for tax exemption to residents of Alaska. |
| SECONDED BY: | Shantz | |

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| VOTE ON MOTION | Motion carried by unanimous vote. |
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In the proposed change 4.16.100, Buyers Protest of Imposed Taxes, on the 4th line it states that items purchased no later than 60 days past the date of sale would be eligible to protest sales tax. The old code says that it should be 10 days past the date of sale. The finance director is proposing that 60 days is too long and that we should leave it the way it was originally written but to change it to 15 days.

MOTION: To change the proposed 60 days to 15 days past the point of sale for a sales tax protest.

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| MOVED BY: | Shantz | To change the proposed 60 days to 15 days for buyers to protest sales tax. |
| SECONDED BY: | Trantham | |

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| VOTE ON MOTION | Motion carried by unanimous vote. |
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That was all the changes that the finance director had for now. The finance director advised the committee that if they had other changes/recommendations to let him know.

Swimming Pool Budget- Trantham

Member Trantham wanted to voice concerns from the public about the swimming pool in regards to sustainability. The pool operator stated at a public council meeting, that this pool project is sustainable only for a number of years. The pool operator also told the council that there is a

problem coming down the road in sustainability. She said that its time to start looking down the road in terms of money. Inflation is going to happen and we need revenue to meet the increase in expenditures. Member Trantham would like to see the old business plan versus the new business plan in terms of comparison. The public has been told over and over that this project is sustainable. Finance Director Mathlaw wanted to clarify that it wasn't just the operator who came up with these numbers but it was the association of the city and pro-dev. (Project Development.) The number of years the project was given was 14 years and that the first year net loss would be a little over \$300,000 for the operating budget.

The Finance Director stated that they are going to assemble the operating budget in mid-August and it will be approved in September. The committee wants to add this to the agenda again in September.

A few projects that the city had were the bowling alley, the Laundromat, the hustle buggy and a museum. These projects were not sustainable and no longer in business.

FINANCE DIRECTOR COMMENTS

Hansel Mathlaw-Before the meeting I passed out the monthly financial statements. The first page is the general fund, and these numbers are from June 30, 2013. These numbers are going to change because we were in the process of doing the annual audit. There are going to be changes. It looks good right now. The other pages are special revenue funds and enterprise funds. The annual audit is scheduled for the week of Oct. 6.

Member Shantz asked the finance director if the committee can see the sales tax delinquent list at an upcoming meeting. The Finance Director added that the information that they are requesting is confidential and would have to be left at the meeting when that info is given to the members.

MEMBER COMMENTS

Member Shear- No comment.

Member Trantham- He had an opportunity to review the 2015 budget and has some concerns. He is very concerned about the budget and he states that he has served on the city council and he has dealt with many audits and budget reviews. He has never seen a budget this high in personnel. The ratio of personnel vs. materials and everything else is very high. He would like to thank the finance department for the good working relationship between the park project and the finance dept.

Member Egoak- No comment.

Member Shantz- He stated that he will not be here for the next meeting in August and wanted to thank Hansel, Tonya and Carole for getting everything ready for the meetings.

Chair Willard- No comments but added that she will speak to Member Cochrane to see where he stands.

ADJOURNMENT

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| MOVED BY: | Shantz | To adjourn the meeting. |
| SECONDED BY: | Trantham | |

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| VOTE ON MOTION | Motion carried by unanimous vote. |
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APPROVED THIS ____ DAY OF _____, 2014.

Carole Jung, Recorder

Carol Ann Willard, Chair