

# City of Bethel

## Special Finance Committee Agenda

Monday August 05, 2019 – 6:30 p.m.  
Council Chambers, City Hall-300 State Highway

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Cecilia Franko  
Finance Committee Chair  
Term Ends 2019

Perry Barr  
City Council Representative  
Term Ends 20

Dave Trantham, Jr.  
Finance Committee Member  
Term Ends 2021

Jason Brown  
Finance Committee Member  
Term Ends 2019

Mark Taylor  
Term Ends 2019

Joni Beckham  
Finance Committee Vice-Chair  
Term Ends 2020

Vacant  
Term, End 2020

Vacant  
Alternate Committee Member

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Christine Blake  
Finance Director  
543-1379  
[cblake@cityofbethel.net](mailto:cblake@cityofbethel.net)

Alicia Ebertz  
Recorder  
543-3150  
[aebertz@cityofbethel.net](mailto:aebertz@cityofbethel.net)

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. PEOPLE TO BE HEARD** Ten minutes per person
- IV. APPROVAL OF AGENDA**
- V. APPROVAL OF MINUTES**
  - a) 07/22/2019 meeting minutes
- VI. UNFINISHED BUSINESS**
- VII. NEW BUSINESS**
  - A)** FY19 Audit Schedule and factors affecting our ability to meet the deadline provided in BMC 4.04.090 (C.Blake)
  - B)** Consider change to Audit to extend the timeline for Council submission to grant them 150 days. (C.Blake) BMC 4.04.090
- VIII. EX OFFICIO MEMBER REPORT**
- IX. FINANCE COMMITTEE MEMBER COMMENTS**
- X. ADJOURNMENT**

**4.04.090 Audit**  SHARE  SHARE 

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An independent **audit** shall be made of all accounts of the city at least annually, and more frequently if deemed necessary by the council. The annual **audit** shall be made by certified public accountants employed by the council, and shall be completed within one hundred fifty (150) days following the close of the fiscal year. An analysis of the **audit** shall be made public by the council. [Ord. 17-43 § 2; Ord. 06-24 § 2; Ord. 161 § 2, 1985.]

# Centralized Audit Regime Overview

- **Important Elections:** There are at least three ways that partnerships may opt-out or otherwise adjust their liability under the new audit rules:
  - **The True Opt-Out Election: Section 6221 Election**
    - Applies only to small partnerships and must be made when return is filed
    - Limitations on eligible partners for valid opt-out election to apply
  - **Voluntary Reporting During 270-Day Period: Section 6225 Reporting**
    - Partners affected by a reallocation must agree to file individual amended returns or similar reports; OR
    - Partnership demonstrates that a portion of the imputed underpayment is allocable to a tax-exempt entity or a C-corporation or individual with LTCG or qualified dividends with a lower maximum tax rate than the highest marginal rate (37% in 2018)
    - **The Pull-In Procedure:** Reviewed year partners can choose to pay the tax, make binding changes to their tax attributes for later years, and provide the IRS with the information necessary to substantiate that the tax was correctly computed and paid
  - **The Push-Out Election: Section 6226 Election**
    - The Partnership Representative elects on behalf of the partnership to push-out the audit adjustment to the former partner group from the year under review
    - Tax on the adjustment is reported on the current year return

**4.04.090 Audit**  

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