
City of Bethel, Alaska

Finance Committee Minutes

December 30, 2013

Regular Meeting

Bethel, Alaska

CALL TO ORDER

A regular meeting of the Finance Committee was held on December 30, 2013 at 6:30 p.m. at the City Council Chambers.

Mike Shantz called an order to elect Dave Trantham as temp chair. Dave accepted and called the meeting to order at 6:38 PM.

ROLL CALL

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

Albertson Shantz Willard (arrived late at 6:50 PM)

Shear Trantham

Excused absence(s): Davis

Unexcused absence(s): none

Also in attendance were the following:

Lee Foley, City Manager
Patty Burley, City Attorney
Bobby Sutton, Acting Finance Director (via telephone)
Tonya Hendrix, Assistant Finance Director
Carole Jung, Recorder

MOTION to allow Trantham to hold the position of temp chair.

MOVED BY:	Shantz	Motion to allow Trantham to be the temporary chair until the chair arrived at the meeting.
SECONDED BY:	Albertson	

VOTE ON MOTION	Motion carried by unanimous vote.
-----------------------	-----------------------------------

PEOPLE TO BE HEARD

- A. Lorin Bradbury- Pastor of United Pentecostal church and the president of the Bethel conference of Churches. He came to the meeting to be a part of the discussion to make the churches tax exempt. In 1999 religious organizations began paying local tax. Lorin was at the last meeting of November 25.
- B. Steven Aluska- Minister of United Pentecostal Church. Came to the meeting to show support for the cause to become tax exempt.

APPROVAL OF AGENDA

MOVED BY:	Trantham	To approve the agenda.
SECONDED BY:	Albertson	

VOTE ON MOTION	Motion carried by unanimous vote.
-----------------------	-----------------------------------

APPROVAL OF MINUTES

MOVED BY:	Trantham	To approve the minutes from the regular meeting of November 25, 2013.
SECONDED BY:	Albertson	

VOTE ON MOTION	Motion carried by unanimous vote.
-----------------------	-----------------------------------

NEW BUSINESS

Item A: Collection of Delinquent Taxes- Patty Burley.

Council Rep. Albertson had added Burley to the agenda so that she could explain the process of collecting delinquent taxes. Patty stated that she first sends a letter to the business asking for them to pay. She said that sometimes just having a lawyer's name on the letter is enough for the delinquent customer to make their payment. Initially she doesn't do anything different than what the finance department does. If all attempts to collect fail, under the finance director or city manager's direction, then a civil complaint is filed thru the court. If they are still operating it will include a request to shut them down. The length of time must be watched since there is a one year statute of limitations to collect delinquent taxes.

The city manager added that the reason for a soft approach is because of council's direction to the administration that if there are people out there who are having a hard time paying their sales tax then we should work with them as closely as possible in order to eliminate any embarrassment to the customer in the community. It is only as a last resort that the list is brought to Patty to collect the taxes.

Shantz requests that we write a note next to each name so that we can see the individual status of each business. He states that the way council is dealing with the problem is the best way. Trantham thanks the city manager and council for being professional and trying to collect what is due.

MOTION to Move Item C Forward as the Next Item on the Agenda.

MOVED BY:	Trantham	To move Item C to the next item on the agenda as a courtesy to our guests.
SECONDED BY:	Shantz	

VOTE ON MOTION	Motion carried by unanimous vote.
-----------------------	-----------------------------------

Item B- Possible Tax Exemption for Religious Organizations

Albertson asks what kind of fiscal impact would tax exemption have on our city budget. The Finance Director says there is no way to tell unless you go to individual churches. Their expenses vary from church to church. Unless its under the direction of the council, we would not go out and seek the potential of cutting revenue. It would not be wise for our office to do this independently unless council asked us to.

Bradbury states that he went and looked at the constitution and it says that there should be no taxation for real estate. We don't have real estate taxes here. In lieu of that we have sales tax. Bradbury states that they are not exempt from anything. Electricity and fuel are the biggest expenses. He states that they keep very good record books so it would be easy to figure out exactly how much in taxes they have paid to the city.

Trantham stated that the last two recommendations from the finance committee were rejected before council. (two different items.)

Shantz suggests that maybe we give them a meeting or two to find out what they can and come back to the committee. Bradbury appreciates the fact that it is being talked about and brought up.

Item C - Potential Revision of BMC 4.16.095.

This sprang from an earlier meeting and was tabled. It was decided that we will provide new signs for the businesses. Patty states that it would be hard for the city to enforce this code. It was also decided that it shouldn't even be in there. She has to prove that she has the city, state, and federal laws covered. Shantz states that maybe section D can just be removed.

ADJOURNMENT

MOVED BY:	Shear	To adjourn the meeting.
SECONDED BY:	Trantham	

VOTE ON MOTION	Motion carried by unanimous vote.
-----------------------	-----------------------------------

APPROVED THIS 28th DAY OF April, 2013⁴.

Carole Jung
Carole Jung, Recorder

Carol Ann Willard
Carol Ann Willard, Chair