
City of Bethel, Alaska

Finance Committee Minutes

Monday May 23, 2016

Regular Meeting

Bethel, Alaska

CALL TO ORDER

A regular meeting of the Finance Committee was held on May 23, 2016 at 6:30 p.m. in City 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:

Willard, Shantz, Russell, Shear, Egoak (arrived at 6:40 PM)

Excused absences: Cochrane, Trantham, Albertson

Unexcused Absences: None

Also in attendance were the following:

Hansel Mathlaw, Finance Director

Carole Jung, Recorder

PEOPLE TO BE HEARD

There were no people to be heard

MOTION: APPROVAL OF AGENDA

MOVED BY:	Shear	To approve the agenda.
SECONDED BY:	Shantz	

VOTE ON MOTION	Motion carried by unanimous vote.

MOTION: APPROVAL OF MINUTES OF April 25, 2016

MOVED BY:	Shantz	To approve the minutes from the April 25, 2016 meeting.
SECONDED BY:	Russell	

VOTE ON MOTION	Motion carried by unanimous vote.
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NEW BUSINESS

1. Legal Issues surrounding the gaming sales tax recommendation to council-Cochrane (Tabled from last month’s meeting)

The City Attorney came and explained that since the state of Alaska already taxes 30% (?) on pull tabs. State of Alaska calls it a sales tax and we cannot tax it as an excise tax. We can’t excise tax what the state already calls a sales tax. So if we want to tax it we have to tax it as a sales tax. Our sales tax is set at 6% but that doesn’t mean that we can’t lead where we want to go. Member Russell stated that the non profits said that the calculation of the ideal net was a very complicated and arduous process and maybe not even possible to calculate accurately. They were proposing to do it on the gross receipts minus less prizes awarded.

At this point Chair Willard stepped out of the meeting due to a conflict of interest. The chair stated that we might have to stop the meeting because her stepping out would mean that there wouldn’t be a quorum anymore. Does that table the discussion since we don t have enough people?

Then Delbert Egoak joined the meeting at 6:40 PM allowing the meeting to go on. The meeting was handed over to member Shear, Chair stepped out due to conflict of interest. The recommendation didn’t get sent to city council. At prior meeting we listened to testimony and at the end Shantz made the motion to send to the council at the rate of 12%. So we asked for the recommendation to be passed to the council. Surprised that this came back to the committee. Somehow it didn’t make it to council. Patty Burley says that it did not go to council. We can call it a sales tax but cannot call it an excise. So then the recommendation didn’t go to council. Do we want to make a recommendation to send to council to make this a sales tax rather than an excise tax. It was decided to recommend to city council that the sales tax be changed to 12% of net deposits.

Recommendation: To change the gaming sales tax to 12% of net deposits gross minus prize payouts.

MOTION: To go into Committee as a Whole

MOVED BY:	Russell	To go into committee as a whole.
SECONDED BY:	Shantz	

VOTE ON MOTION	Motion carried by unanimous vote.
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MOTION: To come out of Committee as a Whole

MOVED BY:	Russell	To come out of committee as a whole.
SECONDED BY:	Shantz	

VOTE ON MOTION	Motion carried by unanimous vote.
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MOTION: To Make a recommendation to city council to change the gaming sales tax.

MOVED BY:	Russell	To make a recommendation to change the gaming sales tax to 12% on the net deposit.
SECONDED BY:	Shantz	

VOTE ON MOTION	Motion carried by unanimous vote.

The recommendation is: To change the Gaming Sales Tax to 12% on the net deposit.

2. Suspension of regular meetings of June, July and August- Shantz
The committee decided to suspend the summer meetings.

MOTION: To suspend the meetings for the summer

MOVED BY:	Shear	To suspend the meetings until the September meeting.
SECONDED BY:	Shantz	

VOTE ON MOTION	Motion carried by unanimous vote.

COMMENTS

Finance Director- No Comments.

Member Russell- No comments.

Member Shantz- No Comments.

Member Shear- No comments .

Member Egoak- No Comments.

Chair Willard- No Comments.

ADJOURNMENT

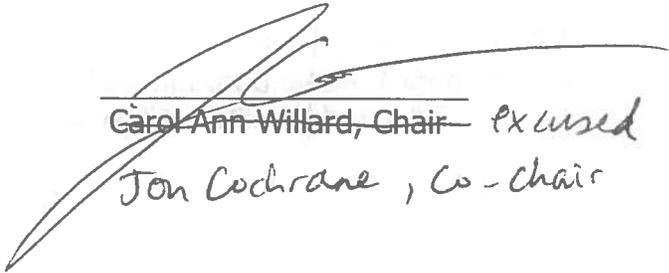
MOVED BY:	Shear	To adjourn the meeting.
SECONDED BY:	Shantz	

VOTE ON MOTION	Motion carried by unanimous vote.
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APPROVED THIS 27th DAY OF July, 2016.

Carole Jung

Carole Jung, Recorder


~~Carol Ann Willard, Chair~~ excused

Jon Cochrane, Co-chair