



Northwest Arctic Borough

SERVING THE COMMUNITIES OF:

Ambler Buckland Candle Deering Kivalina Kiana
Kobuk Kotzebue Noatak Noorvik Selawik Shungnak

Northwest Arctic Borough Assembly
Budget, Audit & Finance Committee Meeting Minutes
Monday, November 23, 2015 – 9:00 A.M.
Northwest Arctic Borough Assembly Chambers – Kotzebue, AK

CALL TO ORDER

Chair Miles Cleveland called the meeting to order at 9:00 A.M.

INVOCATION

Mr. Austin Swan Sr. provided the invocation.

ROLL CALL

Budget, Audit and Finance Committee Members Present:

Pete Schaeffer Lucy Nelson Miles Cleveland Sr.

Other Members Present

Nathan Hadley Jr. Larry Westlake Sr. Pete Schaeffer Walter Sampson
Austin Swan Sr. Elmer Armstrong Jr.

Introduction of Staff and Guests

Clement Richards Sr. Stella Atoruk Rosny Rizk Eugene Smith
Brad Reich Patrick Savok Noah Naylor Kathleen Lansdale
Yiyuk Henry Charlie Gregg Zach Stevenson Wayne Hall
Mildred Stalker Nina Lie

Member Nelson the roll call was incorrect, Elmer Armstrong is on the finance committee.

A quorum was present to conduct business.

APPROVAL OF AGENDA

Agenda presented for November 23, 2015 for approval. Member Westlake raised concern regarding Committee setting. Mayor Richards add Ordinance 15-05 am01 to agenda.

Member Nelson motioned, Member Armstrong seconded to approve agenda as amended. Motion passed unanimously.

APPROVAL OF PREVIOUS MINUTES

Minutes of September 21, 2015 Budget, Audit and Finance presented for approval.

Member Nelson motioned, Member Armstrong seconded to approve the minutes as presented. Motion passed unanimously.

COMMUNICATIONS AND APPEARANCES

Rosny Rizk provided summary of financial report and investment reports for September and October 2015.

Member Nelson request explanation of deficit; also raised concern regarding investment income between September and October; asked if the APCM team can recommend if it will be a positive gain or negative, also if Rosny has talked to them and asked what they project by the end of the year; also raised concern regarding IRS expense in Assembly; also requested information on donations and why it is exceeded; also raised concern regarding Shell grant; raised concern on bond debt.

Member Sampson raised concern regarding financials incase PILT doesn't come through; requested a strategic plan and expressed importance of a strategic plan of dollars being put out.

Member Nelson requested information on donation to Crowley and Northwest Arctic Borough.

Brandye Nicolai with Alaska Permanent Capital Management provided investment review of September 30, 2015 and October 31, 2015. Jason Roth with Alaska Permanent Capital Management provided investment review of September 30, 2015 and October 31, 2015.

Member Nelson raised concern regarding income by the end of the year; also raised concern regarding monitoring of the asset allocations.

Member Sampson clarified the allocation fund changes will reflect on Resolution 15-51; also requested information presented on the slide.

15 minute break; called back to order.

PUBLIC HEARINGS, ENACTMENT OF ORDINANCES & EMERGENCY ORDINANCES

None presented.

INTRODUCTION OF ORDINANCES

1. **Ordinance 15-05am01** *an ordinance of the Northwest Arctic Borough Assembly providing for the establishment and adoption of the line item budget for the fiscal year 2016*

Member Nelson clarified that the Borough Treasurer payment is through contract; raised concern regarding \$10,000 under Consultants; raised concern regarding increasing expenses; raised concern regarding operating transfers to VPSO housing; also raised concern regarding status of Christine Hess' employment.

Member Sampson clarifies that all the consultants and contractors that we will be dealing with will be based on the resolutions that will be forthcoming.

Member Loon will we be looking at the budget frequently at where we are in terms of increasing out departments? Also raised concern regarding getting VPSO housing in Selawik.

Member Westlake recommend do pass.

RESOLUTIONS

Resolution 15-45 *a resolution of the Northwest Arctic Borough Assembly authorizing a professional services agreement with Glenn Gray and Associates.*

Member Nelson requested information on funding.

Member Sampson expressed importance of strategic plans, looking at contracts and tightening budgets.

Member Schaeffer recommends do pass.

Resolution 15-47 *a resolution of the Northwest Arctic Borough Assembly disclaiming any interest in 2015 Department of Justice JADE Program Grant Funds for being awarded to the City of Kotzebue and for related purposes.*

Member Nelson request information on equipment.

Member Cleveland recommends do pass.

Resolution 15-49 *a resolution to approve a professional services agreement amendments for the Subsistence Mapping Project.*

Member Sampson raised concern regards to some of the work; also raised concern

regarding the information of subsistence use. Member Loon raised concern regarding copyrights. Member Schaeffer appreciate the effort that went into the document; raised concern regarding property rights;

Member Nelson recommends do pass.

Member Ramoth called in about 5 minutes ago.

Resolution 15-50 *a resolution of the Northwest Arctic Borough Assembly to approve a professional services agreement with Alaska Permanent Capital Management for Investment Management Services and related purposes.*

Member Nelson raised concern regarding the 4th whereas.

Resolution 15-51 *a resolution of the Northwest Arctic Borough Assembly establishing the FY16 Long-term investment allocations setting appropriate performance benchmarks and for related purposes.*

Resolution 15-52 *a resolution of the Northwest Arctic Borough Assembly amending a contract with Electric Power Systems Inc. for the Buckland Wind Diesel Project and for related purposes.*

Member Westlake request explanation of difficulties. Member Nelson request information on funding from Legislative Grant. Member Hadley raised concern with Buckland Wind Diesel Project. Member Sampson raises concern regarding KEA contracting with the Buckland Wind Diesel Project.

Member Nelson recommends do pass.

Resolution 15-53 *a resolution of the Northwest Arctic Borough Assembly approving amendment of a construction contract with STG for the Deering Wind Diesel Project and for related purposes.*

Member Sampson raised concern regarding the amendment.

Member Nelson recommends do pass.

OTHER BUSINESS

None presented.

COMMITTEE COMMENTS

None presented.

AUDIENCE COMMENTS

None presented.

ADJOURNMENT

With no other business to discuss, the meeting adjourned at 11:32 A.M.

Member Nelson motioned to adjourn.