

Budget, Audit & Finance Committee Meeting Minutes
Monday, February 27, 2017 – 1:30 P.M.
Northwest Arctic Borough Assembly Chambers – Kotzebue, AK

CALL TO ORDER

Madam Chair Lucy Nelson called the meeting to order at 1:49 P.M

INVOCATION

Member Hannah Loon provided invocation.

SAFETY MOMENT

Member Armstrong encourage to plan your trip with snow machine and travel safely.
Member Loon encouraged everyone to have a good supply of wood incase u run out of stove oil.

ROLL CALL

Budget, Audit and Finance Committee Members Present:

Lucy Nelson	Carl Weisner (late)	Elmer Armstrong Jr.
Dood Carr	Tanya Ballot – telephonic (late)	

Other Members Present

Hannah Loon	Walter Sampson	Larry Westlake Sr.
Austin Swan (telephonic)		Nathan Hadley Jr.

Introduction of Staff and Guests

Clement Richards	Matt Mead	Helena Hildreth	Ingemar Mathiasson
Patrick Savok	Noah Naylor	Angie Sturm	Stella Atoruk
Jade Hill	Grant Hildreth	Millie Stalker	Clara Jones

A quorum was present to conduct business.

APPROVAL OF AGENDA

Madam Chair Nelson recommended to add a Teck update to Item L. Other Business.
Member Hannah Loon also requested an update on Quintillion also to Item L., as she missed that meeting. Member Sampson commented about the retreat cost figure stated on State wide news. Ms. Angie Sturm reported that she can provide a spreadsheet on all the costs related to the retreat. Member Larry Westlake commented that he also would like this issue addressed during the Work session meeting.

By unanimous consent of the committee, the agenda was approved as amended.

APPROVAL OF PREVIOUS MINUTES

Budget, Audit and Finance Minutes of January 23, 2017

The BAF meeting minutes of January 23, 2017 as presented was approved by unanimous consent.

COMMUNICATIONS AND APPEARANCES

1. Financial and Investment Report – Ms. Angie Sturm

Ms. Angie Sturm, Finance Director, presented the Financial and Investment report for the month of December 2016. Ms. Sturm also highlighted the general fund expenditures and major activity in the general fund revenue.

INTRODUCTION OF ORDINANCES

1. **Ordinance 17-01** *an ordinance of the Northwest Arctic Borough Assembly amending Chapter 6.16 to provide for additional guidelines for Borough credit cards usage and for related purposes.*

Mayor Richards reported that he does not approve of passing this ordinance. He commented that administration has always kept accountability with usage of the credit cards. He strongly opposes this ordinance.

Member Weisner commented that the reason for this ordinance was to provide the appropriate oversight by the assembly to make sure we have the trust of the public when it comes to spending their money. The assembly's responsibility is to provide oversight over the borough's finances; and Ordinances 17-01 and 17-02 are two ways greater oversight can begin.

Member Carr commented that she is in support of this ordinance.

Member Loon commented about the proper usage of borough credit card in case a flight is missed. She also commented about meals and the way the business credit card should be used.

Mayor Richards commented that the assembly is doing good with turning in their receipts for usage of their credit cards.

Madam Chair Nelson reported she is in support of policing ourselves and anything we spend is public information.

Mayor Richards does not recommend due pass. By full concurrence of the committee, Ordinance 17-01 was approved for passage for first reading by the full assembly.

2. **Ordinance 17-02** *an ordinance of the Northwest Arctic Borough Assembly amending Chapter 6.12 of the Borough Code to provide for additional oversight for contract approval and execution.*

Member Weisner reported this is a result of assembly oversight on spending and to provide adequate oversight on daisy chain contracts. He added that the Seattle retreat appeared to be a very expensive trip and this ordinance is the Assembly doing something about unrestrained spending, given the financial climate at this time.

Mr. Mead gave a brief breakdown on the history of prior ordinances similar to this procurement ordinance.

Madam Chair Nelson expressed her support always of a conservative budget that was realistic and to date we do not have one. She advised to possibly have a budget work session meeting to discuss the details of our budget.

Member Lincoln commented that we need to make an effort in regards to our financial situation. She added that at time she will be supporting this ordinance.

Member Ballot commented that approving this ordinance will show that we are taking care of our organization and proving we are accountable.

Mayor Richards recommended not to pass Ordinance 17-02 for first reading.

By full concurrence of the committee, Ordinance 17-02 was recommended for passage and approval for first reading by the full assembly.

RESOLUTIONS

1. **Resolution 17-05** *a resolution of the Northwest Arctic Borough Assembly approving a professional services agreement with Qairrun, LLC for Human Resources Services and for related purposes.*

Member Carr recommended that we consider future hire within our borough versus outside hire.

Mayor Richards recommend due pass and Mr. Mead commented it is important we have a dedicated Human Resources function. By full concurrence of the committee, Resolution 17-05 was not recommended for passage by the full assembly.

2. **Resolution 17-06** *a resolution of the Northwest Arctic Borough Assembly approving a professional services agreement with Goldeneye Media Alaska.*

Member Weisner commented that the contract amount concerns him because our borough has charitable organizations such as the Nikaitchuat Immersion School, Chukchi College, Boys and Girls Club that we can consider to assist monetarily. He

expressed his concern that this contract does not make sense now during this time of our budget constraints.

Madam Chair Nelson asked how much we have paid Golden Eye Media to date since we have been in the 2017 budget year since July.

Member Hadley commented that it is good to get the message out with a picture.

Mayor Richards recommend due pass. By full concurrence of the committee, Resolution 17-06 was approved for passage by the full assembly.

3. Resolution 17-07 *a resolution of the Northwest Arctic Borough Assembly approving a professional services agreement with Qairrun, LLC for Economic Development Services and for related purposes.*

Member Nelson commented that we can find people within the region to manage this type of service on an employee basis.

Mayor Richards recommend due pass.

There was no recommendation for due passage of Resolution 17-07 by the committee so it was referred to the Work Session Meeting.

COMMITTEE COMMENTS

Member Carr thanked the committee members for their attendance and she added it's always a learning curve at our committee meetings.

Member Armstrong thanked everyone for a good meeting and good discussion on the resolution and ordinances.

AUDIENCE COMMENTS

No audience comments

ADJOURNMENT

Member Armstrong motioned to adjourn. With no other business to discuss, the meeting adjourned at 3:15 P.M.

Member motioned to adjourn.

A handwritten signature in blue ink, appearing to read "Stella Aron".