



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, April 21, 2014 – 9:00 A.M. Northwest Arctic Borough Assembly Chambers – Kotzebue, AK

CALL TO ORDER

Madam Chair Lucy Nelson called the meeting to order at 9:02 A.M.

INVOCATION

Mr. Miles Cleveland provided the invocation.

ROLL CALL

Budget, Audit and Finance Committee Members Present:

Miles Cleveland Sr. Carl Weisner Patrick Savok Lucy Nelson

Assembly Members Present:

Nathan Hadley Jr. Hendy Ballot Sr. Vern Cleveland Sr. Walter Sampson

Introduction of Staff and Guests

<i>Reggie Joule</i>	<i>Judy Hassinger</i>	<i>Matt Mead</i>	<i>Nina Lie</i>
<i>Noah Naylor</i>	<i>Martha Henry</i>	<i>Mary Sue Hyatt</i>	<i>Bill McClintock</i>
<i>Brenden Ryan</i>	<i>Stella Atoruk</i>		

A quorum was present to conduct business.

APPROVAL OF AGENDA

Agenda presented for April 21, 2014 for approval. Mayor Joule asked to add DMTS to other business which will need to go into executive session.

Mr. Carl Weisner moved, seconded by Mr. Patrick Savok to adopt the agenda as amended. Motion carried unanimously.

APPROVAL OF PREVIOUS MINUTES

Minutes of March 24, 2014 Budget, Audit and Finance presented for approval.

Mr. Miles Cleveland motioned, Mr. Carl Weisner seconded to approve the minutes as presented. Motion passed unanimously.

FINANCIAL REPORT

Judy Hassinger gave a brief summary of the financial report ending on March 31, 2014; nine months through our fiscal year and seventy-five percent spent for the year overall. President Sampson raised his concern regarding the server upgrade; is it just to fix or complete upgrade. President Sampson asked about the VPSO grant; based on the billing we receive currently be short for this fiscal year.

COMMUNICATIONS AND APPEARANCES

None presented.

PUBLIC HEARINGS, ENACTMENT OF ORDINANCES & EMERGENCY ORDINANCES

None presented.

INTRODUCTION OF ORDINANCES

1. **Ordinance 13-08am03** *an ordinance of the Northwest Arctic Borough Assembly providing for the establishment and adoption of the line item budget amendment for the fiscal year 2014.*

Mayor Joule and Judy gave a brief description of the proposed budget amendments. Under the Admin and Finance there had been an additional line item for the HR contract. Majority of the changes are for the servers and software that is needed; looking at three-four years with this server. Mr. Walter Sampson asked about the change for the VPSO increase; with the current billing then we would be short for the year. Fred Smith mentioned that Teck will fill in the charter; Noatak tank should be there this week. Mr. Sampson asked about other grants Borough may be able to do budget amendments. Mayor Joule mentioned the Personnel Committee has recommended having a HR department; although this may be amended out this fiscal year. Currently we have a contract with an individual to do this work. Mr. Sampson asked about an RFP process for this position.

Mr. Carl Weisner recommend do pass.

2. **Ordinance 14-01** *an ordinance of the Northwest Arctic Borough Assembly providing for the establishment and adoption of the line item budget for the fiscal year 2015.*

Mayor Joule mentioned the proposed budget; although with the upcoming funding on millage for funding, this will impact the next fiscal year. Judy Hassinger gave a summary of the next budget. Mayor Joule reported Revenue Sharing is expected to do away with the line item; Legislative session had expected to gavel out by midnight and they are still going. Mr. Savok raised his concern regarding the salaries of the HR position and Treasurer. Mayor Joule mentioned that the contribution to Nikaitchuat had been budgeted although they are asking for an additional fifty thousand. Mr. Miles Cleveland raised his concern regarding the Inupiat Iitqusait budget; is it by request? Miles asked about transferring the funds to Aqqaluk Trust so that residents can do a one stop shop. Mr. Ballot raised his concern regarding the Regional Elder's Council; what are the funds for? Some residents would like the meetings in the villages

also. Ms. Nelson express that the budget revenues are the same in regards to Nikaitchaut; and it's a choice of parents to attend a private school; Mayor Joule mentioned that the contribution remains the same although they are asking for an additional fifty thousand. Mr. Savok mentioned that we have requested reports to see the progress of what is being paid for along with success rate. President Sampson raised his concern regarding the students that go into a public school from private school; don't want to set up a child to failure. Mr. Ballot mentioned that we should be aware of resources or increased funding; need to be aware of increase of donations that would relate to over budget. Mr. Miles Cleveland asked about a contribution to School District for Language Programs in each community besides Nikaitchaut.

Mayor Joule mentioned that Mr. President and Mayor have met regarding the Economic Development Summit; should be receiving an amount for AEDS and there is supposed to be a shared cost. Ms. Hassinger recommend what have been done in the past; have a special revenue fund for the summit and that be appropriated through operating transfers.

Ms. Nelson brought up her concern regarding the financial advisor and government affairs/legal counsel being out of Borough area; this is added cost for that support. Mr. Savok raised his concern about the positions being advertised locally. Ms. Nelson raised her concern regarding the salary schedule; based on skill set and cost of living, are we at the local market and size? Mr. Savok asked about the treasurer position had been advertised locally or through the website.

President Sampson raised his concern regarding the consultant fee under Planning Department; can that be done in house? Mr. Savok raised his concern regarding the increase for dues and subscriptions in the Economic Development.

President Sampson raised his concern regarding the Battalion Fire Chiefs, are they full time employees. Mr. Ballot brought up the budget for village trips, are the funds being used?

Mr. Savok asked about the status of Sulianich being company on its own? Ms. Nelson raised her concern regarding the break even budget where we didn't incur deficit on the budget; are we trimming our actuals budget to those trends. Ms. Nelson raised her concern regarding the unfilled positions; why have the position? President Sampson raised his concern regarding the salary increases, what is being delivered; what justifications, what measurements are being made.

Also brought up the issue of the Noatak School, how do address the issue if something happen, do we have funds that are needed.

Ms. Nelson raised her concern regarding the Shell agreement, is that going to be carried over to the next year?

Mr. Carl Weisner recommend do pass.

RESOLUTIONS

None presented.

OTHER BUSINESS

Mayor Joule provided DMTS presentation; confidential information.

Ms. Lucy Nelson motion to executive session for DMTS discussion; motion passed unanimously.

COMMITTEE COMMENTS

No committee comments at this time.

AUDIENCE COMMENTS

No audience comments presented.

ADJOURNMENT

With no other business to discuss, the meeting adjourned at 11:50 A.M.

Mr. Patrick Savok motioned, Mr. Miles Cleveland seconded to adjourn.