



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
Tuesday, May 27, 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 9:03 A.M.

INVOCATION

Mr. Miles Cleveland provided the invocation.

ROLL CALL

Budget, Audit and Finance Committee Members Present:

Miles Cleveland Sr. *Patrick Savok* Lucy Nelson

Absent:

Carl Weisner

Assembly Members Present:

Nathan Hadley Jr. Hendy Ballot Sr. Larry Westlake Sr. Walter Sampson
Clyde Ramoth

Introduction of Staff and Guests

Reggie Joule	Judy Hassinger	Matt Mead	Nina Lie
Noah Naylor	Martha Henry	Christine Hess	Derek Martin
Fred Smith	Ingemar Mathiasson	Rudy Hecker Jr.	Jackie Lambert
Tula Lie	Winona Hawley	Stella Atoruk	

A quorum was present to conduct business.

APPROVAL OF AGENDA

Agenda presented for May 27, 2014 for approval; Mayor requested to add City of Kotzebue under communication and appearances regarding letter requesting funds as related to ordinance 14-01 for consideration. Mayor also added resolution 14-19 and 14-20 to the agenda for approval.

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

APPROVAL OF PREVIOUS MINUTES

Minutes of April 21, 2014 Budget, Audit and Finance presented for approval.

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

COMMUNICATIONS AND APPEARANCES

Derek Martin, City of Kotzebue Manager provided a brief summary of letter requesting funds for the Ambulance services; although Maniilaq had increased their contributions one hundred thousand more. Member Savok raised his concern on the current deficit, how do we incorporate critical care for the residents. Member Ballot asked about the program being fully funded; what is the fiscal year for the next cycle funding period? Madam Chair verified if Borough had funded the Ambulance before and if did; what amount? President Sampson brought up the issue, what if all the funds are not available; also, brought up how Borough Charter is written? President Sampson asked what if the funds are not available; also, discussed the situation of Borough being a Government although we have a responsibility of all the residence throughout the Borough which is critical. Member Ramoth raised his concern about patients taking a cab to the hospital; finding additional funding is critical. He also was concerned about the amount of medivacs throughout the Borough; how long have the records been kept.

FINANCIAL REPORT

Judy Hassinger presented report ending on April 30, 2014; provided a summary of the report. With ten months into the fiscal year we are at or below eighty-five percent spent. Madam Chair Nelson raised her concern regarding the current budget and presenting the next fiscal year with a deficit as well. President Sampson discussed a strategic plan, what are we paying for, need measures to show what is being produced for all employees. President Sampson clarified the consulting fee for admin and finance; also the battalion chief for the villages and any liability issues.

PUBLIC HEARINGS, ENACTMENT OF ORDINANCES & EMERGENCY 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.*

Judy Hassinger provided a brief summary of Ordinance 13-08am03 and there are no proposed changes from the first reading. President Sampson verified the cost for the Assembly lobbyist and raised his concern about the unused funds for the grants that have been expired.

Mr. Miles Cleveland 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 reported of the changes made since last presented; it was at two point three deficits and have gone down to one point four, although a million of that is the contingency. Judy Hassinger provided a summary of the changes; reduced by eight hundred sixty-nine thousand dollars. Member Westlake raised his concern regarding the salary increase. President Sampson verified the amount received from State for all the villages which show we should keep the lobbyist monies in the budget for the work. Madam Chair Nelson raised her concern regarding the NWALT and Arctic Partnership account. President Sampson mentioned that he supports the international issues because we are on the turn where international waters are being utilized soon; the only way we have is through United Nations through ICC. Member Westlake discussed the NWALT process; would like to have reports presented to the Assembly.

**Break taken at 10:29 A.M.
Reconvene at 10:38 A.M.**

Member Ballot raised his concern about the Noatak Airport lease, how long and what is it for? President Sampson asked about the liability of that? What is the next step for that building? Member Westlake verified the two positions be proposed in this budget, Mayor informed him that the Human Resources position have been removed; the next is Treasurer in Admin and Finance. President Sampson requested more information on Public Safety Commission, what is their role? Member Ramoth discussed the NALEPC commission having one Assembly member and the others don't; asked about the process. Member Westlake asked if the NALEPC has come up with a disaster plan. Member Savok mentioned the last meeting process; he wasn't able to attend although haven't received a packet or minutes. President Sampson raised his concern on the CIAP funding at seventy-five percent for each grant being different. Member Westlake mentioned the trial staking budget, why is it high this year? Member Ramoth brought up the ambulatory services is it safe to say we will be okay to prevent any loss. Member Westlake verified the return from debt reimbursement for revenue sharing. Madam Chair Nelson requested the past two years of fund balance to make sure we are going in the right direction. Member Westlake requested a copy of the contingency reserve ordinance and any financial ordinances for review; would like to see money going into, not taking out. Member Ballot mentioned the future, where are we going to be with no additional revenue coming in? Member Westlake requested more information on the bond.

Mr. Miles Cleveland recommend do pass.

INTRODUCTION OF ORDINANCES

1. **Ordinance 14-02** *an ordinance of the Northwest Arctic Borough Assembly to approve a professional services agreement with Zender Environmental for a CIAP-Funded Composting Toilet Project, and for related purposes.*

Member Ramoth raised his concern about the project working in an Arctic environment.

Mr. Miles Cleveland recommend do pass.

RESOLUTIONS

1. **Resolution 14-15** a resolution of the Northwest Arctic Borough Assembly authorizing a contract for legal services and for related purposes

Mr. Miles Cleveland recommend do pass.

2. **Resolution 14-16** a resolution of the Northwest Arctic Borough Assembly authorizing a contract for services with Judith A. Hassinger as the Borough Treasurer and for related purposes.

Mr. Miles Cleveland recommend do pass.

3. **Resolution 14-17** a resolution of the Northwest Arctic Borough Assembly approving the unincorporated community of Noatak for participation in the FY15 Community Revenue Sharing Program.

Madam Chair Nelson raised her concern about this resolution not having an amount listed.

Mr. Miles Cleveland recommend do pass.

4. **Resolution 14-18** a resolution of the Northwest Arctic Borough Assembly authorizing a professional services agreement with McClintock Land Associates for consulting, mapping, and surveying services related to the Borough's Municipal Land Entitlement, and for related purposes.

Mr. Patrick Savok recommend do pass.

5. **Resolution 14-19** a resolution of the Northwest Arctic Borough Assembly to approve the purchase of equipment for the VPSO Program and for related purposes.

Member Ramoth verified different quotes for the equipment to be purchased.

Mr. Miles Cleveland recommend do pass.

6. **Resolution 14-20** a resolution of the Northwest Arctic Borough Assembly accepting additional AEA Grant funds and approving construction and electric integration contracts for the Buckland Wind-Diesel Project and for related purposes.

President Sampson verified that this had been put out for bid by RFP.

Mr. Miles Cleveland recommend do pass.

OTHER BUSINESS

No other business presented.

COMMITTEE COMMENTS

No committee comments given.

AUDIENCE COMMENTS

No audience comments presented.

ADJOURNMENT

With no other business to discuss, the meeting adjourned at 11:52 A.M.

Mr. Miles Cleveland motioned to adjourn.