



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, September 22, 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 9:00A.M.

INVOCATION

Mr. Miles Cleveland provided the invocation.

ROLL CALL

Budget, Audit and Finance Committee Members Present:

Miles Cleveland Sr. Lucy Nelson Carl Weisner Walter Sampson

Other Members Present

Vern Cleveland Sr. Hendy Ballot Sr. Clyde Ramoth Larry Westlake Sr.

Introduction of Staff and Guests

Reggie Joule Martha Henry Judy Hassinger Matt Mead
Fred Smith Christine Hess Brenden Ryan Winona Hawley

A quorum was present to conduct business.

APPROVAL OF AGENDA

Agenda presented for September 22, 2014 for approval. Mayor Joule mentioned added the investment review under other business.

Member Sampson motioned, Member Weisner seconded to approve the agenda presented as amended.

APPROVAL OF PREVIOUS MINUTES

Minutes of August 26, 2014 Budget, Audit and Finance presented for approval.

Member Sampson motioned, Mr. Miles Cleveland seconded to approve the minutes as presented.

COMMUNICATIONS AND APPEARANCES

None presented.

FINANCIAL REPORT

Judy Hassinger presented a report ending August 31, 2014; she provided an update in regards to the audit held last week which went very well and clean option. Michelle Drew, BDO will present to the Assembly in November. Member Sampson verified the contingency reserve balance, location of the Noatak Lease, any reports from Nikaitchaut. Member Westlake verified the donation amount to Nikaitchaut. Madam Chair brought up her concern in regards to education summit being overspent although we are expecting reimbursements. Member Vern Cleveland asked if any other companies have been made to the Culture Camps besides Selawik as far as donations. Member Sampson verified the computer support company now. Member Ballot raised his concern as to whom considers the scholarship amounts for students. Member Vern Cleveland confirmed that dates of the scholarships and how it works, would like this information posted in the villages so residents know. Member Weisner verified the amount of burial assistance, is there a set policy, amount per family or how does that work?

Member Sampson brought up his concern in regards to Sulianich salary, does the Borough still pay for their salaries? Is that non-profit or corporation? Member Weisner requested an update of how Sulianich is doing. Madam Chair Nelson mentioned that looking at the monies received from general fund; we need to look at the plan as to when it should stand alone. Member Sampson raised he concern in regards to the Sulianich after hours along with insurance issues. Although there is a liability waiver for new user; how protected are we in an event if something happen? Member Sampson raised his concern as to pricing is set for products coming in from the villages. Member Ramoth have requested information on how some of the villages participate with tools, ivory, etc.; whom would they contact and who is all on the board? Madam Chair Nelson raised her concern as to the Rasmuson Grant for equipment, what is that used for? Member Sampson mentioned that we need to be open to make sure provisions are in place and not only in our community. Madam Chair requested a report from Sulianich as to what was the agreement with Borough.

PUBLIC HEARINGS, ENACTMENT OF ORDINANCES & EMERGENCY ORDINANCES

None presented.

INTRODUCTION OF ORDINANCES

None presented.

RESOLUTIONS

1. **Resolution 14-42** *a resolution of the Northwest Arctic Borough Assembly to approve the purchase of equipment for the City of Kobuk and for related purposes.*

Mayor Joule summarized Resolution 14-42; the previous equipment requested have been sold to another company. Member Westlake verified if the equipment is used and if it has been looked over by a mechanic? Also, is it electronic or computerized? Member Sampson raised his concern as to whom the CAT was sold to.

Fred Smith mentioned that they plan on shipping this along with the building materials to replace damages from the spring flood; currently fourteen homes need to be renovated. Member Sampson raised his concern in regards of sale of the CAT, would some of the funds be used for another piece of equipment? How the original CAT was purchased? It sat for approximately a year although it has been sold which is a separate piece of equipment. Member Sampson mentioned that we have other villages that need equipment also. Member Vern Cleveland asked if it would be cheaper to barge up instead of flying it by freight; also, have Borough been working with Sam's Barging? He is leaving his barge parked by Kiana and tug by Noorvik.

Member Weisner recommend do pass.

2. **Resolution 14-43** *a resolution of the Northwest Arctic Borough Assembly supporting AIDEA's evaluation of an industrial road to The Ambler Mining District and petitioning AIDEA for involvement in financial opportunities.*

Mayor Joule provided a summary of Resolution 14-43. Madam Chair raised her concern in regards to where as in the resolution states we are not financing anything, we want the opportunity to gain. Member Sampson mentioned after retirement he have created Sampson LLC and have been consulting with Joy Huntington of DOWL; although if any conflict arise then he will make a note of that. Member Weisner raised his concern in regards have Borough been working with Borough; would like to have a positive working relationship so they know where we are coming from. Member Sampson thinks it's critically important that Borough participate in the discussion on these things right from the beginning. This resolution states that we support the EIS process; not stating we support the road. Member Sampson mentioned that AIDEA has been looking for a private funding source to keep the road as a private road so that they would have better control as to who uses that system; would have a security system.

Member Miles Cleveland recommend do pass.

**Break taken at 10:00 A.M.
Reconvene at 10:11 A.M.**

3. **Resolution 14-44** *a resolution of the Northwest Arctic Borough Assembly supporting the Borough's grant application for Public Safety Housing Projects in the Region and for related purposes.*

Fred Smith provided a summary of Resolution 14-44 which is the next state of the housing application. Remote Solutions have been focusing on Ambler, Selawik and Noorvik as the first communities to work on. Member Sampson confirmed Remote Solutions working with Selawik on the application process for Alaska Housing Finance. Member Ballot raised his concern in relationships to these villages we have worked with a material list for Noorvik VPSO housing; any updates on that? Although still seeking funds for labor costs. Member Ramoth raised his concern in regards to if any communities has existing homes that can be renovated is that possible? Or just new homes? Member Sampson verified if any bids were put out, although Fred mentioned contract with Remote Solutions. Member Westlake raised his concern if includes the water and sewer also; mentioned that housing authority uses different funds now days for water and sewer. Member Miles Cleveland mentioned that Ridge Contractors helping out in Ambler and said that they would like to help out with something like this. Member Sampson checked with Member Miles Cleveland if they have been having trouble with local hire in Ambler; if so then call the office and schedule a meeting, although they shut down until May or June. Member Vern Cleveland mentioned that Borough needs to be involved in any village meetings.

Member Sampson recommend do pass.

OTHER BUSINESS

Mayor Joule mentioned the switch of investment managers; also passed a resolution of annual review with a certain process. Christine Hess summarized report ending August 31st; at the time we passed the eight million mark on investments, next goal is ten million. Included in the packet is the score sheet to complete by the committee member.

Mayor Joule provided a report from KeyBanc, our financial advisors. There had been a change in regulations recently; KeyBanc felt they cannot continue as our advisors for AIDEA project. He mentioned that have been in contact with AIDEA, they have requested a meeting in October in regards to the offer. Administration have been seeking for an advisor. Member Sampson raised his concern as regards working directly with Jeff instead of with KeyBanc?

COMMITTEE COMMENTS

Member Weisner mentioned he would like to discuss in the future the Selawik Water & Sewer debt and also AFN travel possibly during work session.

Member Miles Cleveland had no comment.

Member Walter Sampson raised his concern in regards to Wendy Chamberlain's contract amount, thought it was at fifty thousand.

Madam Chair Nelson had no comment.

AUDIENCE COMMENTS

No audience comments presented.

ADJOURNMENT

With no other business to discuss, the meeting adjourned at 10:37 A.M.

Member Sampson motioned to adjourn.