

AIDEA and AEA BOARD  
Budget and Audit Subcommittee  
Tuesday, October 19, 2021

**1. CALL TO ORDER**

Chair Albert Fogle called the AIDEA and AEA Budget and Audit Subcommittee to order on October 19, 2021, at 11:03 am. A quorum was established.

**2. ROLL CALL OF BOARD MEMBERS, STAFF AND PUBLIC**

Members present: Chair Albert Fogle (Public Member) (MS Teams); Julie Sande (Public Member) (MS Teams); and Anna MacKinnon (SOA-DOR) (MS Teams).

Staff present: Curtis Thayer (AEA); Morgan Neff; Alan Weitzner (AIDEA); Salina Bearden; Kevin Buckland; and Dona Keppers (AEA/AIDEA Shared Services).

Public present: Colette Grower (Accu-Type Depositions) (phone); and Ken Castner (phone).

**3. AGENDA APPROVAL**

**MOTION: A motion was made by Ms. MacKinnon to adopt the agenda. Motion seconded by Ms. Sande.**

**The motion to adopt the agenda passed without objection.**

**4. PUBLIC COMMENTS (2 minutes per person)**

Ken Castner, Homer, commented that he was heartened at the previous meeting because there were a number of items on the agenda that were discussed in public. He is disheartened that this agenda will occur all in secret. No information has been provided regarding what will be discussed in secret. The Open Meetings Act requires the disclosure of the topics that will be discussed and the companies that will be discussed.

Mr. Castner commented that the Budget and Audit Subcommittee (BAS) relies heavily on AS 44.88.215. He read two sections that are exceptions to the BAS rule of absolute secrecy; "(2) financial statements, profit-and-loss statements, and cash flow projections, except the information required by the authority to calculate debt service coverage on the loan". Mr. Castner stated that section means that the public needs to know that a loan is solid. He read AS 44.88.215 (6), "appraisals, except the name of the appraiser, the date of the appraisal, and the fair market value determined for the property appraised." Mr. Castner stated that section means that the public gets to know that there is good collateral behind the loans. He noted that neither disclosure has been made during any of the meetings he has attended. Mr. Castner believes these are topics that are freely discussed during executive session, but the Subcommittee does not make the information public. He is disheartened that the remainder of the meeting will be conducted in secret and he does not believe that is favorable to the public.

Alan Weitzner, Executive Director AIDEA, requested to make a statement for the record. Chair Fogle agreed. Mr. Weitzner informed that a publically accessible agenda was posted and identifies the sole topic of the executive session, which is to specifically review AIDEA and AEA's financial statement drafts with the auditor.

Chair Fogle added that the financial statements and audits will be available to the public once the Board has approved them. Mr. Weitzner agreed.

#### **5. PRIOR MINUTES - September 7, 2021**

**MOTION: A motion was made by Ms. Sande to approve the September 7, 2021 Meeting Minutes, as presented. Motion seconded by Ms. MacKinnon.**

**The motion to approve the September 7, 2021 Minutes passed without objection.**

**MOTION: A motion was made by Ms. Sande to enter into executive session to discuss confidential matters related to AIDEA and AEA annual audit and financial statements. This is supported by the Open Meetings Act, AS 44.62.310, which allows a board to consider confidential matters in executive session. In this case, the Board believes that these are subjects which would have an adverse effect upon the finances of AIDEA or are protected by law due to rules protecting personal privacy and certain business information. Motion seconded by Ms. MacKinnon.**

**The motion to enter into executive session passed without objection.**

#### **6. NEW BUSINESS**

##### **A. Executive Session: 11:20 am -- Discuss confidential information related to AIDEA and AEA Financial Statements draft review**

The Subcommittee reconvened its regular meeting at 12:20 pm. Chair Fogle advised that no formal action was taken on the matters discussed while in executive session.

Chair Fogle requested that Mr. Weitzner provide the public a brief description of what occurred during executive session and the reason it occurred during executive session. Mr. Weitzner informed that a review was conducted of the final drafts created by auditor Eide Bailly. Details were discussed with AIDEA's Chief Financial Officer, AIDEA/AEA Controller, and other staff to get to a final draft that will be shared with the full Board. These discussions are under a confidential basis because the financial statements have not been declared final. The declaration will occur during the full Board meeting on October 27<sup>th</sup> within executive session and then brought as a public discussion, during which time Eide Bailly will publically present AIDEA and AEA's financial statements.

Chair Fogle expressed appreciation to Mr. Weitzner for the timeline of the financial statements. He commented on the importance of keeping the public updated on the business conducted by AIDEA and AEA.

#### **7. BOARD COMMENTS**

Ms. MacKinnon thanked staff and the new auditors for their work and for moving expeditiously in understanding the material for both AIDEA and AEA. She looks forward to the public discussion regarding the financials. She expressed appreciation to Mr. Weitzner and Curtis Thayer, AEA Executive Director, and to Dona Keppers, Chief Financial Officer, and her team.

Chair Fogle thanked the Executive Directors, staff, and the new auditors for their diligent and productive work in preparing and reviewing the financial statements today.

**8. ADJOURNMENT**

There being no further business of the Subcommittee, the AIDEA and AEA Board Budget and Audit Subcommittee meeting adjourned at 12:24 pm.



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Alan Weitzner, AIDEA Executive Director  
Secretary