

ALASKA MENTAL HEALTH TRUST AUTHORITY  
EXECUTIVE COMMITTEE

October 22, 2014

12:40 p.m.

Taken at:

Alaska Mental Health Trust Authority  
3745 Community Park Loop, Suite 120  
Anchorage, Alaska 99508

**OFFICIAL MINUTES**

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Trustees present:

Laraine Derr, Chair  
Mike Barton (via telephone)  
Larry Norene  
Paula Easley  
John McClellan  
Russ Webb

Trust staff present:

Jeff Jessee  
Nancy Burke  
Miri Smith-Coolidge  
Kevin Buckland  
Michael Baldwin  
Marilyn McMillan

Trust Land Office staff present:

John Morrison

**PROCEEDINGS**

CHAIR DERR calls the Executive Committee meeting to order, recognizes the Trustees present, and asks for any announcements. There being none, she asks for any ethics disclosures and any additions to the agenda, other than the audit. There being none, the agenda is approved. She moved on to the minutes of October 30, 2013.

MR. JESSEE asks to put them off.

CHAIR DERR moves the approval of the October 30, 2013 minutes to the next executive meeting. She recognizes Kevin Buckland with the audit presentation.

MR. BUCKLAND introduces Eric and Bikky from BDO who will be doing the audit presentation.

MR. CAMPBELL states that he is Eric Campbell with BDO who performed the audit of the 2014 financial statements. He continues that there is an audit wrap-up document that documents any issues, problems or concerns. He adds that there are no disagreements with management, adding that management is not doing anything that should be brought to the board's attention. He states that BDO has a Website that has a lot of board educational-type materials available free of charge to board members, if they are interested. He begins with the financial statements of the independent auditor's report, stating that they are presented as management's financial statements. He continues that, in their opinion, the financial statements are presented fairly in all respects, giving an unqualified opinion or a clean opinion on the financial statements. He adds that the management's discussion and analysis puts the year in summary form. He recommends that the board review that to get a good understanding of the year in review. He goes through the report, explaining as he goes along. He states that the total assets for the year are \$610 million, up \$39 million from the prior year. He continues that the biggest increase is the cash and investments. He added that liabilities decreased \$19 million, and assets increased \$39 million.

MR. BUCKLAND explains that the change in liability is largely due to securities lending, and explains how the investments at Alaska Permanent Fund Corporation work.

MR. CAMPBELL continues going through the audit, explaining as he goes along.

A short discussion ensues on the expenditures.

MR. CAMPBELL moves on to the footnotes. He states that all of the accounting policies, the decision of how and why revenue and expenses were recognized and different policies are all described in those statements. He continues going through the breakdown of cash and investments on the pooled investment and the Alaska Permanent Fund capital, then the State's internally managed pool and the Trust's cash holdings.

A short discussion ensues on alternative investments.

MR. CAMPBELL moves on to notes receivable, and continued his presentation. He moves on and talks about the new accounting pronouncements coming out.

A short discussion ensues.

CHAIR DERR asks for any other questions from Trustees in regard to the audit.

TRUSTEE BARTON thanks Kevin Buckland and all the Trust staff for getting such a clean opinion.

MR. BUCKLAND offers his thanks to the auditors, and also Sarah and John who were a huge help with getting through the audit.

MR. CAMPBELL states that the records both at the Trust and the TLO, are in very good shape; everything is laid out, easy to find and follow. He continues that management has done a good job of keeping the records in good, auditable order.

CHAIR DERR thanks all, and asks for anything else to come before the Executive Committee.

MR. JESSEE mentions, for the benefit of the other Trustees, that Mike Barton has appointed an AMPS Ad Hoc Committee consisting of Laraine Derr, Larry Norene, and Paula Easley to look at the AMPS amendments, including adding the PRI information there.

CHAIR DERR thanks Trustee Barton for the opportunity of chairing the meeting, and asks for anything else.

TRUSTEE BARTON adds that the idea behind appointing this AMPS committee is to bring it to the full November board meeting.

CHAIR DERR declares the Executive Committee meeting adjourned.

(Executive Committee meeting adjourned at 1:23 p.m.)