

ALASKA MENTAL HEALTH TRUST AUTHORITY
EXECUTIVE COMMITTEE MEETING

December 15, 2015
11:17 a.m.

Taken at:

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

OFFICIAL MINUTES

Trustees present:

Mary Jane Michael (via Speakerphone)
Paula Easley
Larry Norene
Carlton Smith

Trust staff present:

Steve Williams
Jeff Jessee
Miri Smith-Coolidge
Kevin Buckland
Carrie Predeger (via Speakerphone)
Carley Lawrence
Amanda Lofgren
Mike Baldwin

Trust Land Office:

John Morrison
Sarah Morrison

Others participating:

Bikky Shrestha.

PROCEEDINGS

TRUSTEE MICHAEL calls the meeting to order and calls the roll. She states that there is a quorum. She asks for any announcements. There being none, she asks for approval of the agenda.

TRUSTEE NORENE makes a motion to approve the agenda.

TRUSTEE EASLEY seconds.

There being no objection, the motion is approved.

TRUSTEE MICHAEL moves to the presentation on the FY2015 audit and recognizes Kevin Buckland.

MR. BUCKLAND introduces Bikky Shrestha from BDO, who will continue.

MR. SHRESTHA states that he is the senior manager at BDO. He continues that there are two items in the packets: one of them is the audit wrap-up document; and the other is the draft of the financial statement. He begins with the audit wrap-up document, stating that professional standards require the communication regarding matters that are thought to be relevant and significant in the Trust's responsibility in overseeing the financial statements. He continues that the audit was conducted in accordance with auditing standards generally accepted in the United States, and under standards applicable under government audit standards. He points out that the objective of the audit is to obtain reasonable but not absolute assurance. He states that they are going to issue an unmodified opinion, which is a clean opinion. He adds that management cooperation was excellent throughout the process. He states that there was a delay in the financials this year because of the implementations of GASB 68 for pension, which is accounting for pension which resulted in a significant estimate to the financial statements. He continues that the liability estimate is based on actuarial and actual contribution data provided to the Trust by the Department of Retirement here in the State. He goes through explaining the audit wrap-up document page by page. He states that the representation letter that management is going to sign is that last thing to do on the audit. He moves on to the financial statements, explaining as he goes through them: The first paragraph reports on the financial statements; the second talks about management responsibility for the financial statements; the third describes the responsibility of the auditors, which is to express an opinion on the statements based on the audit. He then goes through the actual financials, explaining as he moves through them. He continues that next are the notes to the financial statement that are required by generally accepted accounting principles. He adds that this requires a summary of significant accounting policies and more information on some of the items in the financial statements. He states that the notes are pretty lengthy and the reason for that is there are a lot of investment-related disclosures that are included. He brings attention to several of them. He moves on to the report on internal control over financial reporting which was done in accordance with government auditing standards. He states that there was nothing found that had to be reported to the Trust. He concludes his report.

MR. BUCKLAND thanks him and asks for any questions from the trustees.

TRUSTEE SMITH states that in the management's discussion the Trust is defined as a component unit of the State of Alaska. He asks about that history.

MR. BUCKLAND replies that the Trust has always been a component unit of the State of Alaska. He explains that the Trust is governed by a separate board appointed by the Governor. For tax purposes the same employee identification number is used and the Trust is considered part of the State. He expresses appreciation to Mr. Shrestha and his staff for their hard work on the audit, and also recognizes the TLO staff and all that were significantly involved in doing all the work to prepare for the audit.

MR. JESSEE asks if the Executive Committee needs to take any action at this time to accept the audit.

MR. BUCKLAND replies that it was not done and believes that it is not necessary.

TRUSTEE MICHAEL asks for a motion to adjourn.

TRUSTEE NORENE makes a motion to adjourn the meeting.

TRUSTEE SMITH seconds.

There being no objection, the meeting is adjourned.

(Executive Committee meeting adjourned at 11:52 a.m.)