

**Prince William Sound Regional Citizens' Advisory Council
Special Board of Directors Meeting Minutes
October 15, 2021**

Members Present: Patience Andersen Faulkner (9:16am), Robert Archibald, Amanda Bauer, Mike Bender, Ben Cutrell, Wayne Donaldson, Mako Haggerty, Elijah Jackson, Melvin Malchoff, Dorthoy Moore, Rebecca Skinner, Michael Vigil, Kirk Zinck

Members Absent: Robert Beedle, Nick Crump, Patrick Domitrovich, Luke Hasenbank, Bob Shavelson, Angela Totemoff

Staff Present: Gregory Dixon, Jennifer Fleming, Joe Lally, Hans Odegard, Donna Schantz, Brooke Taylor,

Others Present: Allison Natcher (ADEC), Joe Levesque (Levesque Law Group), Gene Therriault

Call to Order and Roll Call: President Archibald called the meeting to order at 9:00am. A roll call was taken and the following 12 Directors were present, representing quorum for the conduct of business: Archibald, Bauer, Bender, Cutrell, Donaldson, Haggerty, Jackson, Malchoff, Moore, Skinner, Vigil and Zinck.

Archibald welcomed those present and thanked them for attending this meeting. He led the group in a moment of silence to remember staff member Natalie Novik, who recently passed away.

Approve Agenda: Bauer moved to approve the agenda as presented. Moore seconded. Archibald asked for amendments/objections; hearing none, the agenda was approved.

Public & Opening Comments: Archibald asked for opening comments from the public or members of the Board. There were none.

Contract Increase for State Legislative Monitor Contract: Schantz explained that staff is seeking Board approval to amend its recent action associated with the State Legislative Monitoring contract, which was approved at the September 2021 Board meeting, by increasing the contract for Gene Therriault by \$1,700 per year. Schantz explained that the initial amount of Therriault's contract was based on the proposal received from Therriault in response to the Council's Request for Proposals (RFP), and subsequent conversations with him.

Since the September Board meeting, Therriault expressed concern with the indemnity clause in our contract boilerplate that holds PWSRCAC harmless against all claims, damages, losses, and expenses that may arise from the performance and work of the consultant, and he asked if this clause could be removed or amended from the contract. PWSRCAC legal counsel Joe Levesque advised staff that this clause is important and should remain in the contract to protect PWSRCAC. Based on this, Therriault decided he wanted to obtain

insurance to reduce his risk and requested to increase the amount of his contract by \$1,700 per year to cover the additional cost of professional liability insurance.

Archibald asked if there were any questions regarding this item. Moore, a member of the Council's Legislative Affairs Committee, spoke in favor of the contract increase. There were no other questions.

Moore moved to amend the September 16, 2021 Board action by increasing the amount of the state legislative monitor contract by \$1,700 per year, and authorizing the Executive Director to enter into a contract for state legislative monitor services with Gene Therriault, dba GT Services, for a term of two years and compensation not to exceed \$25,700 per year. Skinner seconded. Archibald asked for discussion/objection; hearing none, the action was approved.

Correction to FY2022 Budget Modifications: Dixon explained that at its September 2021 meeting the Board approved several FY2022 budget modifications. Shortly after the Board meeting, the Financial Manager discovered an error in the information that was provided. Dixon reviewed the errors with the Board, including:

- The original budget expenses were stated as \$4,176,335 but should be \$4,182,255 since this is the amount approved by the Board in the original FY2022 budget.
- Consequently, the additional net assets available for FY2022 should be \$230,684 rather than \$236,605 as stated in the board briefing sheet.

Dixon explained that, as a result of these changes, the FY2022 contingency should be \$286,946 rather than \$292,867. He reiterated there were no other changes.

Bauer moved to amend the September 17, 2021 Board action by approving the FY2022 budget modifications as listed in the provided sheet, with the corrected revised contingency in the amount of \$286,946. Donaldson seconded. Archibald asked for objection; hearing none the motion was approved.

Updated June 30, 2021 Audited Financial Statements: Dixon explained that at the September 2021 Board meeting, the Board accepted the June 30, 2021 audited financial statements and audit report as presented by the Council's auditors, BDO. Dixon explained that Council staff and our auditors were on an unusually short timeframe between the time BDO did its audit field work and the time the information needed to be presented to the Board. Since the time of the presentation at the September 2021 Board meeting, BDO made a number of changes to the footnotes of the approved financial statements. Dixon reviewed the changes to the statements and noted there were no changes to the numbers, just to some of the footnotes. He noted that this is the first time in his 20 years with the Council that there has been a significant change from what was presented and accepted by the Board, to the final document delivered by our auditors. Due to the significance of the changes, staff felt it important to bring the statements back to the Board for acceptance. Dixon reviewed the changes BDO has made to the financial statements explaining these changes are due to a new revenue recognition standard that was applicable this year.

Archibald asked if there were any questions. Donaldson and Dixon discussed the revenue recognition standard stating that the Council was previously instructed to consider its payment from Alyeska as deferred revenue when it is received before the start of the fiscal year. A new accounting standard states it should be called a contract liability rather than deferred revenue.

Bauer moved to amend the September 16, 2021 Board action by accepting the updated June 30, 2021 audited financial statements as presented. Donaldson seconded. Archibald asked for objection; hearing none, the audited financial statements were accepted.

Closing Comments: Archibald asked for closing comments. Donaldson asked staff if there was any available update on the current recruitment process. Schantz explained that two positions were recently filled. The first is the Bookkeeper/Officer Coordinator position which was filled by Ashlee Hamilton who is scheduled to begin on October 25, 2021. The second is the Administrative Assistant position which has been filled by Jaina Willihan who is scheduled to begin on October 27. Schantz gave a brief update on each new hire. She explained that management is still in the process of reviewing applicants for the Director of Administration and Financial Manager positions.

Adjourn: Moore moved to adjourn. The meeting adjourned at 9:26am.

Secretary