

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Special Assembly Meeting to order by teleconference in each community on April 5, 2022 at 3:00 p.m.

ROLL CALL

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| Mayor Alvin D. Osterback | |
| Chris Babcock | Present |
| Carol Foster | Present |
| Warren Wilson | Present |
| Josephine Shangin | Present |
| Paul Gronholdt | Present |
| Brenda Wilson | Present |
| Denise Mobeck | Present |

Advisory Members:

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|---------------------------------|--------------------|
| Dailey Schaack, Cold Bay | Present |
| Samantha McNeley, Nelson Lagoon | Present |
| Tom Hoblet, False Pass | Absent - unexcused |

A quorum was present.

Staff Present:

Anne Bailey, Administrator
 Talia Jean-Louis, Assistant Administrator
 Ernie Weiss, Natural Resources Director
 Glennora Dushkin, Administrative Clerk
 Emil Mobeck, Maintenance Director

ADOPTION OF THE AGENDA

Hearing no changes or additions, the agenda will stand as written.

Mayor Osterback said the matter was first placed on an Executive Session regarding the Finance Department, the Administration reached out to both the former employee and current employee asking if they would waiver a public hearing, allowing the Assembly to enter into an Executive Session. Over the weekend, one of them changed their mind and asked the matter be brought up in a public meeting. This means we cannot have an Executive Session on the Finance Department and any discussion must take place in an open public meeting.

WARREN makes a motion to adopt the agenda second by DENISE

CHRIS asked if we have to let the Finance Department employees know about the meeting. The Boroughs Attorney Joe Levesque said when we have a subject that qualifies for an Open Meetings Act but has to do with individuals, we cannot talk personnel issues, but we could talk in general of the Finance Department.

COMMUNITY ROLL CALL AND PUBLIC COMMENTS ON AGENDA ITEMS

The communities of King Cove, Sand Point, Akutan, Cold Bay, False Pass, Nelson Lagoon and the Anchorage office were participating by teleconference. Also broadcast on KSDP radio.

There were no public comments.

CONFLICT OF INTEREST

Mayor Osterback asked for any potential **Conflict of Interests** to discuss. There were no conflicts on agenda items.

The Borough Attorney, Joe Levesque, said on April 5, 2022, the AEB would hold a Special Assembly Meeting and an Executive Session to discuss personnel issues regarding the Borough's Finance Department. We have identified two issues that the Assembly must keep in mind related to this Special Assembly meeting and Executive Session, which are give ample notice of the Special Meeting and that this matter may invoke a Separation of Power issue.

Notice Requirement of the Special Meeting:

Attorney Levesque proceeded to say that the Borough Assembly is not authorized to engage in personnel matters involving Borough employees, the Assembly is authorized to review individual departments and ongoing issues in the departments. Since this matter is not common, they have recommended that the Borough Administration provide more notice that it usually uses to notice the public of upcoming meeting and Executive Session. The Open Meetings Act requires that reasonable public notice be given for all meetings of the Borough Assembly.

Separation of Powers:

Attorney Levesque said whenever Assembly members directly involve themselves with Borough personnel issues, the Separation of Powers doctrine is or can be implicated. Under Borough Code, the Borough has adopted a strong Mayor form of government, meaning all Executive power and Administrative power are vested in the Mayor.

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The Borough did not go into Executive Session, but rather had an open discussion

EXECUTIVE SESSION

- Finance Department Discussion
The Assembly may move to enter into Executive Session to discuss the status of the Finance Department. Such discussions may include matters that tend to prejudice the reputations and character of past and present employees of the Finance Department (See: The State of Alaska's Open Meetings Act – AS 44.62.310(c)(1)(b) – subjects that tend to prejudice the reputations and character of any persons).

PAUL said he was not sure what the status was for the Finance Office is.

Administrator Bailey said currently our acting Finance Director is Jacki Brandell. We are in the process of preparing the next steps.

PAUL asked what the status is of the former employee.

Administrator Bailey said we have received a letter on March 5, 2022 of resignation from the employee.

PAUL asked who the contract employee is who plays a role in the Finance Department.

Administrator Bailey said Esplin and Associates is our contract accountant and they assist with audit prep and with the change over to new software. Also has been helping with this transition.

Joe Levesque said she is a contractor, not employee.

Administrator Bailey said entered into contract for full-chare bookkeeping which we need to update.

PAUL wants to clarify who the contract employee answers to.

Administrator Bailey said she works universally with everyone but answers to Administrator Bailey

JOSY asked if the finance department position has to be in King Cove or if it could go to other offices.

Mayor Osterback said nowhere technically written where it has to be. Personally, not planning on moving it.

WARREN said he would hate to see the job move away, but if the Borough was evolving with time and we are unable to find someone in King Cove that is qualified, it would be nice to be able to keep the office there open so people could come in for the teleconference meetings. If it comes down to the evolution of the Borough and we need to streamline things, that is just going to have to happen.

CAROL said she is saddened that we have evolved to make people in the Borough working feel like they are not adequate to do the job. She said she is deeply saddened that the old way ended so quickly though it seemed to work.

Mayor Osterback said we need two people in the finance department. Going to maintain two people for the finance department.

PAUL asked if the Assembly decided they wanted to review the communication between the finance department and administration for the next few months, do we have the right to do that

Joe Levesque said if it were strictly finance yes, but not personnel.

PAUL asked if the Assembly would have to make a motion if they wanted to look at the communication between the two departments.

Attorney Leveque said that is a great question, it would have to be the Assembly as a whole, not just one member.

PAUL said he thinks it would be appropriate if the Assembly made a motion to review the communications between the two departments.

Both Administrator Bailey and Mayor Osterback do not have any opposition to the review.

Mayor Osterback said all of the emails are there and not going anywhere, but said it would be a few months to get to since there's a lot going on at the moment.

BRENDA said to request to look at emails, we would have to separate out the emails and doesn't think this is something we should get out as a board, it seems like micromanaging and it's not something she likes.

Attorney Levesque said maybe just the monthly finance reports that are in the meeting packets would work

Mayor Osterback said there is nothing sinister out there that we received the same info as the Assembly

CHRIS agrees with Brenda but does echo with Carol and was very sad with the letter received from the former finance director. Doesn't understand why we need to change the finance software.

Administrator Bailey said the software was from the 80's and the updates weren't really updating things and having the new software would make everything more efficient in the department.

Attorney Levesque said it is like any software, then all of a sudden it is no longer supported and you need to get new software.

Mayor Osterback said we were told by our accountants and the auditors that our current system wasn't matching with their systems because it was so old. The new software will hopefully be more efficient.

Attorney Levesque suggested a work session with the potential new software group with the Assembly may be beneficial.

WARREN said after we received the resignation, we had time to sit on it, and with the other email received the other day we are respecting the former finance directors wishes to not do this in an Executive Session. I'm not saying I'm comfortable with it, we just have to go through our protocols to get this transition in place.

CHRIS said when we hired a new Clerk, the position stated the location was in Sand Point and he wants the finance director to be located in King Cove instead of the potential of it being moved.

Mayor Osterback said we want to try and keep the structure of the Borough the same.

PAUL said we have had a long-term employee who resigned a few years before retirement is troublesome to him.

DAILEY asked if anyone resigned, who the one who accepts the resignation and if someone doesn't know something that has been working with the Borough for a long time, would they have the opportunity to be taught.

Mayor Osterback said if someone resigned it goes through Administration and not Assembly. All personnel issues are done through Administration.

Attorney Levesque said the only exception would be the Clerk since the Clerk works for the Assembly. He also urges to do annual evaluations of the Clerk.

Mayor Osterback said staff receive a yearly evaluation where they have the opportunity to write down what they think they need to be better trained on and can potentially get the training.

DENISE said the letter from the former Finance Director said there was a need for someone with a higher education to work. Getting more training for something should be offered. Not sure if it is up to the employee or employer.

Attorney Levesque said he gives his employees an evaluation form to fill out and he fills one out and they sit and go over.

PAUL said there has been a change in the last few meetings with how the finance reports have been presented. Wants to put a motion out to get the appropriate emails between the Administration and Finance Department.

MOTION

PAUL makes a motion to get a copy of emails between the Administration and the Finance Department for the last six months. Second by JOSY

DISCUSSION

PAUL said to clarify the intent of the motion, it would not be every email, just the ones the duties of the Finance office and the consultant office. Not one that contain personnel issues.

Administrator Bailey said the emails with bank account numbers or sensitive information would have to be redacted.

Yeas: Paul, Josephine, Denise.

Nays: Brenda, Carol, Warren, Chris. Advisory: Dailey, Samantha.

MOTION FAILS

CAROL said if we don't do emails, but rather have a step by step showing how we pay bills and what goes into it.


Administrator Bailey said part of our strategic plan is to update policies and procedures. We have journal entry policies and bank reconciliation policies we have to follow for the audit purposes. As new policies and procedures come out, it can be shared with the Assembly, as of now, not much is in writing.

Mayor Osterback said when we have the new software up and running, we could have a workshop so the we can get an overview of things will work and who is responsible for what.

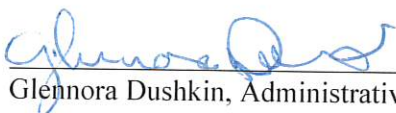
JOSY said she understand where Paul is coming from. It's not so much micromanaging, but wanting to be able to move forward after losing a long-term employee abruptly, this would to hopefully not end up in this situation again.

ADJOURNMENT

WARREN moved to adjourn and second by JOSY. Hearing no more, the meeting adjourned at 3:51PM



Mayor Alvin D. Osterback



Glennora Dushkin, Administrative Clerk

Date: 4/21/2022

