

**REQUEST FOR ADVISORY OPINION
BOARD OF ETHICS
AMC 1.15.080**

NAME: DANIEL A. SULLIVAN

POSITION: Current or former Employee
 Current or former Appointed member of municipal authority
 Current or former Elected Official
 Candidate for Municipal Office or employment
 Municipal Clerk Municipal Attorney

I AM REQUESTING INTERPRETATION AND APPLICABILITY OF THE FOLLOWING SECTION OF THE MUNICIPAL CODE OF ETHICS:

1.15.025 & 1.15.030

THE SITUATION IS: SEE MARCH 18, 2010 REQUEST FOR ADVISORY OPINION, ATTACHED. THERE IS ADDITIONAL DOCUMENTATION AND DETAIL AVAILABLE UPON REQUEST, AND I AM AVAILABLE TO ANSWER QUESTIONS FROM THE BOARD AT THE MARCH 19, 2010, OR OTHER MEETING CONVENED BY THE BOARD TO CONSIDER THIS REQUEST.

I understand Board of Ethics Advisory Opinions are required to be posted on the Municipal website. (AMC 1.15.080 C)

I waive confidentiality I request this advisory be kept confidential

DANIEL A. SULLIVAN
Printed Name

3400 SAGAN CIRCLE
Address

Daniel A. Sullivan
Signature

243-0998
Phone

3/18/10
Date

MAYOR
Position/Title

2010 MAR 18 PM 4:05

M.O.A.

MUNICIPALITY OF ANCHORAGE



Office of the Mayor

Phone: 907-343-7100

FAX: 907-343-7180

Mayor Dan Sullivan

MEMORANDUM

DATE: March 18, 2010
TO: Board of Ethics
FROM: Dan Sullivan *Dan Sullivan*
RE: Request for Advisory Opinion

2010 MAR 18 AM 9:58
CLEAN'S OFFICE
M.O.A.

I request an advisory opinion from the Board of Ethics regarding the applicability and interpretation of chapter 1.15, of the Ethics Code.

I am the appointed Trustee for the George M. Sullivan Irrevocable Life Insurance Trust. The following background information may be helpful:

1. In 1982, the Assembly and the Salaries & Emoluments Commission approved resolutions providing for \$193,000 in life insurance coverage for former Mayor George M. Sullivan. (Copies attached.)
2. In 1983, George M Sullivan created an irrevocable trust, and placed the right to receive \$193,000 into the trust.
3. In August, 1998, I was appointed Trustee of the trust. From that point forward, I delivered the required annual payments to the MOA.
4. On September 23, 2009, George M Sullivan died. At that point, I assumed the fiduciary responsibilities of the trust, including gathering trust assets.
5. In late 2009, I delivered a copy of George M. Sullivan's death certificate to the MOA benefits department.
6. I did not participate in any municipal discussions, emails, deliberations or decisions regarding the \$193,000.
7. On January 29, 2010, an Assembly Resolution to appropriate \$193,000 and an explanatory Assembly Memorandum were prepared and forwarded by the Dept. of Law to the Assembly for consideration. (Copies attached.)

Page 2
March 18, 2010

8. On February 16, 2010, after public hearing, the Assembly approved the Resolution on a vote of 9-1.

The Trust includes an obligation of the Municipality of Anchorage to pay \$193,000. In my capacity as the Trustee for the Trust, do I have a disclosure requirement under the ethics code?

If I have a disclosure requirement:

- a. Under which code provision is the requirement?
- b. When was/is the disclosure required to be made?
- c. What information must be disclosed?

Submitted by: Chair of the Assembly at the
Request of the Mayor

Prepared by: Dept. of Law

For reading: February 2, 2010

CLERK'S OFFICE

APPROVED

Date: 2-16-10 ANCHORAGE, ALASKA
AR No. 2010-33

1 A RESOLUTION OF THE MUNICIPALITY OF ANCHORATGE APPROPRIATING
2 ONE HUNDRED NINETY THREE THOUSAND DOLLARS (\$193,000.00) FROM
3 THE AREAWIDE GENERAL FUND (FUND 101) FUND BALANCE TO THE
4 EMPLOYEE RELATIONS DEPARTMENT BP 2009 OPERATING BUDGET (FUND
5 101) FOR DISBURSEMENT UNDER LIFE INSURANCE CONTRACT TO THE
6 GEORGE M. SULLIVAN IRREVOCABLE LIFE INSURANCE TRUST.
7

8
9 WHEREAS, in 1982, the Assembly and the Commission on Salaries and
10 Emoluments approved lifetime insurance coverage for Mayor George M. Sullivan;
11 and
12

13 WHEREAS, as required by the Assembly, annual payments for life insurance
14 coverage were made by or on behalf of Mayor George M. Sullivan, until his passing in
15 October 2009; and;
16

17 WHEREAS, payment of the life insurance contract is requested by the George M.
18 Sullivan Irrevocable Life Insurance Trust, the appropriate legal entity; now, therefore,
19
20

21 THE ANCHORAGE ASSEMBLY RESOLVES:
22

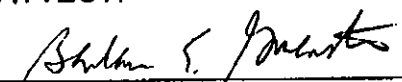
23 Section 1. The sum of ONE HUNDRED NINETY THREE THOUSAND DOLLARS
24 (\$193,000.00) is hereby appropriated from the Areawide General Fund (Fund 101)
25 Fund Balance to Employee Relations Department BP 2009 Operating Budget (Fund
26 101) for disbursement, upon proper documentation from the George M. Sullivan
27 Irrevocable Life Insurance Trust.
28

29 Section 2. This resolution shall be effective immediately upon passage and
30 approval by the Assembly.
31

32 PASSED AND APPROVED by the Anchorage Assembly this 16th day of
33 February, 2010.
34

35 
36 _____
37 Chair of the Assembly

38 ATTEST:

39 
40 _____
41 Municipal Clerk

42 Department of Appropriation:
43 Areawide General Fund (Fund 101) \$193,000.00

CLERKS OFFICE
2010 MAR 18 AM 10:49
M.O.A.

MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM

No. AM 76-2010

Meeting Date: February 2, 2010

1 **From: MAYOR**

2
3 **Subject: A RESOLUTION APPROPRIATING ONE HUNDRED NINETY**
4 **THREE THOUSAND DOLLARS (\$193,000.00) FROM THE**
5 **AREAWIDE GENERAL FUND (FUND 101) FUND BALANCE TO**
6 **THE EMPLOYEE RELATIONS DEPARTMENT BP 2009**
7 **OPERATING BUDGET (FUND 101) FOR DISBURSEMENT UNDER**
8 **LIFE INSURANCE CONTRACT TO THE GEORGE M. SULLIVAN**
9 **IRREVOCABLE LIFE INSURANCE TRUST.**

10
11
12 This resolution requests appropriation of One Hundred Ninety Three Thousand
13 Dollars (\$193,000.00) from the Areawide General Fund (Fund 101) to the Employee
14 Relations Department 2009 Operating Budget Fund (Fund 101) for disbursement
15 under a life insurance contract to the George M. Sullivan Irrevocable Life Insurance
16 Trust.

17
18 In 1982, the Assembly approved Assembly Resolution 82-30, a resolution asking
19 the Commission on Salaries & Emoluments to consider directing the Municipality to
20 provide life insurance coverage for Mayor George M. Sullivan for life. (See AR 82-
21 30, attached hereto.) Thereafter, the Commission directed the Municipality to
22 provide life insurance to Sullivan, at his cost, for the remainder of his life.
23 (Commission Resolution 82-1, attached.) Mayor Sullivan left municipal employment
24 in October 1982.

25
26 To meet the directive from the Salaries & Emoluments Commission, the Municipality
27 added Mayor George M. Sullivan to the MOA group life insurance plan with Aetna.
28 The amount of insurance purchased by Mayor George M. Sullivan was \$193,000;
29 the annual premium has varied, from a high of \$1,042.20 in 1982 to \$555.84 since
30 November 1995. A total of \$19,662.84 in premiums was received by the
31 Municipality and deposited into Fund 603 prior to 2002, and then into the 735 Fund
32 thereafter.

33
34 In March 2002, Aetna informed the Municipality that Mayor George M. Sullivan was
35 not eligible for group life insurance plan because he was no longer an employee;
36 Aetna was not carrying an individual policy on Sullivan, nor would Sullivan qualify for
37 an individual policy, due to his age. The Municipality was similarly unable to secure
38 an individual policy on Sullivan. However, the Municipality continued to accept the

1 annual premium payments, with payout to be appropriated in full following the
2 passing of Mayor George M. Sullivan. The good mayor passed in October 2009,
3 and this Resolution appropriates the funds to the trustee of the George M. Sullivan
4 Irrevocable Life Insurance Trust, the appropriate legal entity for the disbursement, to
5 meet the commitment of the Municipality.

6
7 The accounting detail is as follows:

8
9 **Revenue:**

Account Number	Account Name	Amount
101-0740	Fund Balance Available	\$193,000

11
12
13 **Expenditure:**

Account Number	Account Name	Amount
101-1810-3408-BP2009	Life Insurance Claims	\$193,000

14
15
16
17
18 **THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION**
19 **APPROPRIATING ONE HUNDRED NINETY THREE THOUSAND DOLLARS**
20 **(\$193,000.00) FROM THE AREAWIDE GENERAL FUND (FUND 101) FUND**
21 **BALANCE TO THE EMPLOYEE RELATIONS DEPARTMENT BP 2009**
22 **OPERATING BUDGET (FUND 101) FOR DISBURSEMENT UNDER LIFE**
23 **INSURANCE CONTRACT TO MAYOR GEORGE M. SULLIVAN IRREVOCABLE**
24 **LIFE TRUST.**

25
26 Prepared by: Dept. of Law
27 Approved by: Dennis A. Wheeler, Municipal Attorney
28 Concur: Nancy B. Usera, Employee Relations Director
29 Fund certification: Lucinda Mahoney, CFO
30 101-0740 \$193,000.00
31 (101 Fund Balance Available)
32 Concur: George J. Vakalis, Municipal Manager
33 Respectfully submitted: Daniel A. Sullivan, Mayor
34

-copy-

APPROVED
Date: 1-19-82

Submitted by: Assemblyman O'Connor
Prepared by: Department of Law
For Reading: January 19, 1982

ANCHORAGE, ALASKA
AR NO. 82-30

A RESOLUTION OF THE ANCHORAGE ASSEMBLY RECOMMENDING THE MUNICIPALITY PROVIDE CERTAIN LIFE INSURANCE BENEFITS TO FORMER MAYOR GEORGE M. SULLIVAN AND REFERRING THE MATTER TO THE COMMISSION ON SALARIES AND EMOLUMENTS.

WHEREAS, on January 2, 1981, the lengthy and distinguished service of Anchorage Mayor George M. Sullivan concluded with the inauguration of his successor to the Office of Mayor; and

WHEREAS, the citizens of Anchorage are and will be forever indebted to Mayor George M. Sullivan for the many outstanding contributions he made to the general well-being of the citizens of the Municipality of Anchorage during his years of public service; and

WHEREAS, Section 5.08 of the Home Rule Charter for the Municipality of Anchorage and AMC 4.10.030 require the Commission on Salaries and Emoluments to establish the compensation, including salaries, benefits and allowances, if any, of elected officials;

NOW, THEREFORE, the Anchorage Assembly resolves:

Section 1. That the Commission on Salaries and Emoluments be requested to consider directing that life insurance coverage be provided to former Mayor George M. Sullivan for the remainder of his life at the same rate and with the same coverage as in existence on January 1, 1982.

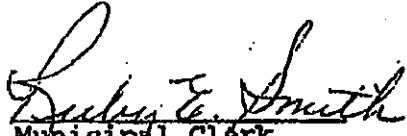
Section 2. This resolution takes effect immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Municipal Assembly, this 19th day of January, 1982.



Chairman

ATTEST:



Municipal Clerk

MUNICIPALITY OF ANCHORAGE
SALARY AND EMOLUMENTS COMMISSION
RESOLUTION 82-1

WHEREAS, by resolution adopted on January 19, 1982, the Anchorage Municipal Assembly requested that the Commission on Salaries and Emoluments consider directing that life insurance coverage be provided to former Anchorage Mayor George M. Sullivan for the remainder of his life at the same rate and at the same coverage as in existence on January 1, 1982; and

WHEREAS, by virtue of Section 5.01(e) of the Anchorage Municipal Charter the compensation of the Mayor shall be fixed by the Commission on Salaries & Emoluments;

NOW, THEREFORE, the Commission on Salaries & Emoluments resolves:


Section 1. That the Municipality shall provide life insurance coverage to former Anchorage Mayor George M. Sullivan at the remainder of his life at the same rate and with the same coverage as in existence on January 1, 1982.

Section 2. That the cost of providing said life insurance coverage shall be borne in full by former Mayor George M. Sullivan.

Section 3. This resolution takes effect at the beginning of the next fiscal year of the Municipality.

PASSED AND APPROVED by the Anchorage Commission on Salary and Emoluments, this 24th day of February, 1982.


Claude Millsap, Chairman


Ralph Amovak
Commissioner

Pamela Gotham
Commissioner

Loren Lounsbury
Loren Lounsbury
Commissioner

Richard Silberer
Commissioner

Content ID: 008670**Type:** AR_FundsApprop - Funds Approp Resolution

Title: A RESOLUTION APPROPRIATING ONE HUNDRED NINETY THREE THOUSAND DOLLARS (\$193,000.00) FROM THE AREAWIDE GENERAL FUND (FUND 101) FUND BALANCE TO THE EMPLOYEE RELATIONS DEPARTMENT BP 2009 OPERATING BUDGET (FUND 101) FOR DISBURSEMENT UNDER LIFE INSURANCE CONTRACT TO THE GEORGE M. SULLIVAN IRREVOCABLE LIFE INSURANCE TRUST.

Author: maglaquijp**Initiating Dept:** Legal**Review Depts:** ER, OMB, Legal, Finance, MuniManager

Description: APPROPRIATION of \$193,000 FROM AREAWIDE GENERAL FUND (FUND 101) FUND BALANCE TO EMPLOYEE RELATIONS BP 09 OPERATING BUDGET (FUND 101) FOR LIFE INS TO GEORGE M. SULLIVAN IRREVOCABLE LIFE INSURANCE TRUST.

Keywords: Appropriation, George Sullivan, life insurance**Date Prepared:** 1/29/10 9:48 AM**Director Name:** Dennis A. Wheeler**Assembly Meeting Date:** 2/2/10**Public Hearing Date:** 2/16/10

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	1/29/10 1:49 PM	Exit	Joy Maglaqui	Public	008670
MuniManager_SubWorkflow	1/29/10 1:49 PM	Approve	Joy Maglaqui	Public	008670
MuniManager_SubWorkflow	1/29/10 1:49 PM	Checkin	Joy Maglaqui	Public	008670
Finance_SubWorkflow	1/29/10 1:46 PM	Approve	Lucinda Mahoney	Public	008670
OMB_SubWorkflow	1/29/10 1:17 PM	Approve	Cheryl Frasca	Public	008670
ER_SubWorkflow	1/29/10 10:05 AM	Approve	Nancy Usera	Public	008670
Legal_SubWorkflow	1/29/10 9:59 AM	Approve	Rhonda Westover	Public	008670
FundsAppropWorkflow	1/29/10 9:56 AM	Checkin	Rhonda Westover	Public	008670