

SUNSET AUDIT REPORT

2018-S5

Municipal Airports Aviation Advisory Commission

Merrill Field Airport

August 10, 2018

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Municipality of Anchorage

Ethan Berkowitz, Mayor

Internal Audit Department

August 10, 2018

Honorable Mayor and Members of the Assembly:

I am pleased to present **Sunset Audit Report 2018-S5, Municipal Airports Aviation Advisory Commission, Merrill Field Airport**, for your review. A brief summary of the report is presented below.

In accordance with Assembly Ordinance Number 2011-64(S-1), Section 14, we have performed a sunset audit of the Municipal Airports Aviation Advisory Commission. The objective of this audit was to provide information to the Mayor and Assembly to assist them in determining if the Municipal Airports Aviation Advisory Commission should be reauthorized. Our audit included a review of meeting minutes, resolutions and agendas, and member authorization and participation.

Based on our review of meeting minutes, resolutions, and attendance records, we recommend that the Municipal Airports Aviation Advisory Commission be reauthorized.

The Municipal Airports Aviation Advisory Commission will sunset on October 14, 2018, unless reauthorized by the Assembly.

Michael Chadwick, CIA, CICA
Director, Internal Audit



Municipality of Anchorage

Ethan Berkowitz, Mayor

Internal Audit Department

August 10, 2018

Sunset Audit Report 2018-S5
Municipal Airports Aviation Advisory Commission
Merrill Field Airport

Introduction. We have performed a sunset audit of the Municipal Airports Aviation Advisory Commission (Commission) as required by Assembly Ordinance Number 2011-64(S-1), Section 14 which states:

“The Municipal Clerk shall notify the Assembly and the Mayor by assembly memorandum at least 120 days prior to the sunset of any board or commission, and an ordinance for reauthorization shall be introduced through the Assembly Chair with the assembly memorandum. The assembly memorandum shall include direction to the Office of Internal Audit to audit the board or commission under Anchorage Municipal Code section 3.20.110 D.3. and 4. The Office of Internal Audit shall report its findings to the Mayor and Assembly at least 60 days, prior to sunset, prior to vote by the Assembly on reauthorization.”

Objective and Scope. The objective of this audit was to provide information to the Mayor and Assembly to assist them in determining if the Commission should be reauthorized. Our audit included a review of meeting minutes, resolutions and agendas, and member authorization and participation.

We conducted this performance audit in accordance with generally accepted government auditing standards, except for the requirement of an external quality control review. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained

provides a reasonable basis for our findings and conclusions based on our audit objectives. The audit was performed during the period of May through July 2018.

Overall Evaluation. Based on our review of meeting minutes, resolutions, and attendance records, we recommend that the Commission be reauthorized.

SUNSET FACTORS

The following factors were used in our evaluation and are presented for information to the Mayor and Assembly:

1. Name of Commission.

Municipal Airports Aviation Advisory Commission

2. Sunset Date.

October 14, 2018

3. The purpose and goal of the Commission.

Anchorage Municipal Code (AMC) subsection 4.60.160B., Municipal airports aviation advisory commission, states "The commission shall:

- 1. Advise and make recommendations to the administration and assembly on all matters pertaining to the annual operating budget for municipal airports; and*
- 2. Advise and make recommendations to the administration and assembly on all matters pertaining to operations of municipal airports, including rules, regulations and administrative guidelines in force at municipal airports."*

4. Have Commission members been appointed?

AMC subsection 4.60.160A. states “There is established a municipal airports aviation advisory commission consisting of seven (7) persons, including one member of the Alaska Airmen's Association, Inc., two owners of residential real property located within one mile of the boundaries of any municipal airport, one business person who has a place of business on land leased from the municipality at a municipal airport, one business person with a place of business in the municipality, and at least one FAA-licensed general aviation pilot.”

Audit Finding. Currently, the Commission is staffed with six of the required seven members.

<u>Commission Member</u>	<u>Most Recent Assembly Confirmation</u>	<u>Term Expiration Date</u>
Sharon Chamard (Residential Real Property within 1 Mile of Airport)	10-27-15	10-14-18
Jamie Patterson-Simes (Business Person with Leased Land at Airport)	10-27-15	10-14-18
Terry Pena ¹ (Business Person with a Business in the Municipality)	10-27-15	10-14-18
Corey Hester (Member of the Alaska Airmen’s Association)	2-14-17	10-14-19
Chet Harris (Residential Real Property within 1 Mile of Airport)	4-25-17	10-14-19
Terry Cartee (Member-at-Large)	2-13-18	10-14-20
Vacant (FAA-Licensed General Aviation Pilot)		

¹Due to attendance issues, the Commission Chair and Co-Chair asked the Mayor to remove Mr. Pena from the Commission.

Source: Assembly Memorandums

5. Are the terms of the Commission members current?

AMC section 4.05.040, Terms, states “Except as otherwise specified in this Code, the regular term of each member of a board or commission is three years commencing on October 15 of

the year in which appointed and ending three years thereafter on October 14, provided however, to avoid a vacancy until new appointments can be made and confirmed, an appointed member's term is extended until a new appointment is confirmed or a maximum of 120 days which ever occurs first. The terms of initial or subsequent appointments to a board or commission shall be staggered so that, as nearly as possible, a pro rata number of its members shall be appointed each year of the established regular term of office."

Audit Finding. The terms for all Commission members are current.

6. Are positions deemed vacant after the maximum number of absences?

AMC subsection 4.05.060A., Attendance requirements; vacancies, states ". . . a vacancy shall occur if a member during any 12-month period while in office:

- 1. Is absent from three regular meetings without excuse;*
- 2. Is absent from:*
 - a. six regular meetings; or*
 - b. eight regular meetings for members of the planning and zoning commission, platting board, or zoning board of examiners and appeals; or*
- 3. Fails to attend a two-thirds majority of the regular meetings."*

Note: Attendance requirements found in AMC subsection 4.05.060A. were amended on April 24, 2018, by Assembly Ordinance Number 2018-31, as amended. According to Assembly Counsel, this ordinance is effective prospectively. As a result, the amended changes did not affect this sunset audit for the period beginning January 2017 and ending June 2018. AMC subsection 4.05.060A. cited above is the language prior to the April 24, 2018, amendment.

Audit Finding. No members were absent from three regular meetings without an excuse within any 12-month period from January 2017 through June 2018.

No members were absent from six regular meetings within any 12-month period from January 2017 through June 2018.

One member failed to attend two-thirds of the regular meetings in the 12-month period from January 2017 through December 2017. In addition, one member failed to attend two-thirds of the regular meetings in the 12-month period from April 2017 through March 2018. These members have not been removed from the Commission. Finally, one member failed to attend two-thirds of the regular meetings in the 12-month periods from January 2017 through December 2017 and from April 2017 through March 2018. The Commission Chair and Co-Chair asked the Mayor to remove this member from the Commission. At the time of this audit, staff at the Mayor's Office were trying to find a replacement.

7. **Does the Commission meet regularly?**

AMC section 4.05.090, Meetings, states "A board or commission shall hold regular monthly meetings at such time and place as may from time to time be designated by the board or commission, but meetings need not be held if no business is pending. Boards and commissions shall advise the public of their meeting schedules, or publicly advertise their meetings where necessitated by statutory requirements. The chairman of a board or commission, or the municipal employee who is designated as an ex officio member of the board or commission pursuant to section 4.05.140, or a majority of the board or commission, may call a special meeting of the board or commission. Meetings of all boards and commissions shall be open to the public, except for an executive session, from which the public may be excluded."

Audit Finding. From January 2017 through June 2018, the Commission met 10 times. Meetings are publicly announced on the Commission's website and on the Mayor's Boards and Commissions Events website.

8. **Are minutes taken and published?**

AMC section 4.05.130, Reports, minutes and public hearing records, states "A board or commission shall keep minutes of the board or commission proceedings, and such minutes

shall record the vote of each member physically present upon every question formally presented to the board or commissions for its consideration. The minutes shall be maintained in the custody of the municipal agency which supplies staff support to the board or commission and shall be a public record, open to inspection by any person. ”

Audit Finding. Meeting minutes were taken at each Commission meeting. Merrill Field staff keep a copy available for the public. In addition, the meeting minutes are available on Merrill Field Airport’s website.

9. **Do meetings have action items or other business?**

AMC subsection 4.60.160B. states “The commission shall:

- 1. Advise and make recommendations to the administration and assembly on all matters pertaining to the annual operating budget for municipal airports; and*
- 2. Advise and make recommendations to the administration and assembly on all matters pertaining to operations of municipal airports, including rules, regulations and administrative guidelines in force at municipal airports. ”*

Audit Finding. In September 2017, the Commission approved a resolution recommending that the Municipality of Anchorage’s Assembly approve the Merrill Field Airport 2018 Proposed Operating and Capital Improvement Budgets and the 2018-2023 Capital Improvement Program. In addition, in 2017, the Commission approved two resolutions honoring the work of a former Commission secretary and a former Commission member. Moreover, Commission meeting minutes included reports from the Merrill Field Airport Manager. These updates, along with other presentations, were discussed and covered a variety of topics such as noise complaints, bird control, snow removal, leasing updates, taxiway issues, security, lighting, air traffic control, Civil Air Patrol, and aircraft fueling protocols.