

SUNSET AUDIT REPORT

2021-S5

Municipal Airports Aviation Advisory Commission

Merrill Field Airport

August 13, 2021

MUNICIPALITY OF ANCHORAGE
Internal Audit Department
632 W 6th Avenue, Suite 710
P.O. Box 196650
Anchorage, Alaska 99519-6650
www.muni.org/departments/internal_audit



INTERNAL AUDIT DEPARTMENT
Michael Chadwick, CIA, CICA
Director
Phone: (907) 343-4438

E-Mail: michael.chadwick@anchorageak.gov



MUNICIPALITY OF ANCHORAGE
MAYOR DAVE BRONSON

INTERNAL AUDIT DEPARTMENT

August 13, 2021

Honorable Mayor and Members of the Assembly:

I am pleased to present for your review **Sunset Audit Report 2021-S5, Municipal Airports Aviation Advisory Commission, Merrill Field Airport**. 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. However, the Assembly should consider reminding the Municipal Airports Aviation Advisory Commission of their duties as stated in Anchorage Municipal Code subsection 4.60.160B., *Municipal airports aviation advisory commission*, since the Municipal Airports Aviation Advisory Commission did not issue any reports or resolutions from January 2020 to June 2021. In addition, we could not find in the Municipal Airports Aviation Advisory Commission's meeting minutes any discussion regarding Merrill Field Airport's operating budget, other than discussions regarding Coronavirus Aid, Relief and Economic Security Act funding. Moreover, the Municipal Airports Aviation Advisory Commission is fully staffed, but it does not currently have a member of the Alaska Airmen's Association. Finally, the terms for three Municipal Airports Aviation Advisory Commission members expired on October 14, 2019, and on October 14, 2020 (two Municipal Airports Aviation Advisory Commission members), but they continued to serve on the Municipal Airports Aviation Advisory Commission, despite efforts by the Merrill Field Airport Manager to fill vacancies.

The Municipal Airports Aviation Advisory Commission will sunset October 14, 2021, unless reauthorized by the Assembly.

Michael Chadwick, CIA, CICA
Director, Internal Audit



MUNICIPALITY OF ANCHORAGE
MAYOR DAVE BRONSON

INTERNAL AUDIT DEPARTMENT

August 13, 2021

Sunset Audit Report 2021-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 June through July 2021.

Overall Evaluation. Based on our review of meeting minutes, resolutions, and attendance records, we recommend that the Commission be reauthorized. However, the Assembly should consider reminding the Commission of their duties as stated in Anchorage Municipal Code (AMC) subsection 4.60.160B., *Municipal airports aviation advisory commission*, since the Commission did not issue any reports or resolutions from January 2020 to June 2021. In addition, we could not find in the Commission's meeting minutes any discussion regarding Merrill Field Airport's operating budget, other than discussions regarding Coronavirus Aid, Relief and Economic Security Act funding. Moreover, the Commission is fully staffed, but it does not currently have a member of the Alaska Airmen's Association. Finally, the terms for three Commission members expired on October 14, 2019, and on October 14, 2020 (two Commission members), but they continued to serve on the Commission, despite efforts by the Merrill Field Airport Manager to fill vacancies.

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, 2021

3. The purpose and goal of the Commission.

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.*”

4. **Is the Commission fully staffed?**

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 fully staffed.

<u>Commission Member¹</u>	<u>Most Recent Assembly Confirmation</u>	<u>Term Expiration Date</u>
Chet A. Harris (Residential Real Property within 1 Mile of Airport)	4-25-17	Expired 10-14-19
Terry A. Cartee (Member-at-Large)	2-13-18	Expired 10-14-20
David Knutson (FAA-Licensed General Aviation Pilot)	8-28-18	Expired 10-14-20
Sharon Chamard (Residential Real Property within 1 Mile of Airport)	11-7-18	10-14-21
Jamie Patterson-Simes (Business Person with Leased Land at Airport)	11-7-18	10-14-21
Stormy Jarvis (Business Person with a Business in the Municipality)	6-22-21	10-14-23
Jamie Klaes (Business Person with Leased Land at Airport)	6-22-21	10-14-23

¹The Commission does not currently have a member of the Alaska Airmen’s Association, Inc.

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 four of the seven Commission members are current. The terms for the remaining three Commission members expired on October 14, 2019, and on October 14, 2020 (two Commission members), but they continued to serve on the Commission, despite efforts by the Merrill Field Airport Manager to fill vacancies.

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

AMC subsection 4.05.060A., Attendance requirements; vacancies, states "The office of a member of a board or commission member shall become vacant if the member:

- 1. Ceases to meet the qualifications prescribed for the office;*
- 2. Resigns;*
- 3. Dies;*
- 4. Is judicially determined to be incompetent;*
- 5. Is convicted of a felony;*
- 6. Is removed from office for breach of the public trust; or*
- 7. During any 12-month period while in office:*
 - a. Is absent from three regular meetings without excuse;*
 - b. Is absent from:*
 - i. Six regular meetings; or*

- ii. *Eight regular meetings for members of the planning and zoning commission, urban design commission, platting board, or zoning board of examiners and appeals; or*
- c. *Fails to attend a two-thirds majority of the regular meetings without excuse."*

Audit Finding. No members were absent from three regular meetings without an excuse during any 12-month period from January 2020 through June 2021.

No members were absent from six regular meetings during any 12-month period from January 2020 through June 2021.

No members failed to attend two-thirds of the regular meetings without an excuse during any 12-month period from January 2020 through June 2021.

7. **Did 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 2020 through June 2021, the Commission met nine times. Meetings are publicly announced on the Commission's website and on the Municipality of Anchorage's Public Notices website.

8. Were 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 keeps a copy available for the public. In addition, the meeting minutes are available on Merrill Field Airport's website.

9. Did 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. The Commission did not issue any reports or resolutions from January 2020 to June 2021. In addition, we could not find in the Commission's meeting minutes any discussion regarding Merrill Field Airport's operating budget other than discussions regarding Coronavirus Aid, Relief and Economic Security Act funding. Commission meeting minutes included reports from the Merrill Field Airport Manager. These reports, along with other presentations, were discussed and covered a variety of topics such as noise complaints, vehicle/pedestrian deviation incursions, project/construction updates, rate increase updates, helicopter take offs, and simulators.