

**ALASKA MENTAL HEALTH TRUST AUTHORITY
AUDIT & RISK COMMITTEE MEETING
via ZOOM**

**January 7, 2026
11:00 a.m.**

**Originating at:
Alaska Mental Health Trust Authority
3745 Community Park Loop, Suite 200
Anchorage, Alaska 99508**

Trustees Present:

Kevin Fimon, Chair
Anita Halterman
Corri Feige
Brent Fisher, Ex-officio (Virtual)

Other Trustee present:

John Morris

Trust Staff Present:

Shannon Cochran
Valette Keller
Julee Farley
Michael Baldwin

Also participating:

Bikky Shrestha

PROCEEDINGS

CALL TO ORDER

CHAIR FIMON called the meeting to order and began with a roll call. He asked for any announcements. There being none, he moved to the agenda.

APPROVAL OF AGENDA

CHAIR FIMON asked for a motion for the approval of the agenda.

MOTION: A motion to approve the agenda was made by TRUSTEE HALTERMAN; seconded by TRUSTEE FEIGE.

After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Feige, yes; Chair Fimon, yes.)

ETHICS DISCLOSURE

CHAIR FIMON asked for any ethics disclosures. Hearing and seeing none, he moved to the approval of the minutes of October 16, 2025.

APPROVAL OF MINUTES

MOTION: A motion was made to approve the minutes of October 16, 2025, by TRUSTEE HALTERMAN; seconded by TRUSTEE FEIGE.

After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Feige, yes; Chair Fimon, yes.)

CHAIR FIMON stated that the main reason for the meeting is to get some information, and to go through the audit that was done by BDO. He continued that Bikky Shrestha, the assurance partner, would go through the audit. He added that there were handouts and reports for reference. He asked CFO Farley to introduce Mr. Shrestha.

FY25 FINANCIAL AUDIT

CFO FARLEY stated that the FY25 audit was finished. It was a little delayed because of working with the State as they finished and closed out the year-end processes. She continued that Mr. Shrestha has been on the account for a number of years, and his knowledge is much appreciated. The Trust is complicated financially, and it pulls in a lot of numbers from different sources. She turned the meeting over to Mr. Shrestha.

MR. SHRESTHA shared his report to the Board of Trustees. He thanked Julee, Mary, Sarah, and everyone else that gets all the information together to get through the audit. He noted that it is always a challenging process because it takes time for everything to close with the State system. The Trust financial statements are included in the State's financials as a component unit and are needed before the State financials can be printed. BDO is planning on printing them at the end of January, beginning of February, but they cannot be printed until the trustees approve what is in place. He continued that BDO is ready to go final after the approval at this meeting. He noted that they report to the trustees, but their main responsibility is to work with the trustees and with management to do the audit. The financial statements are the responsibility of management, and the opinions in the financial statements are the only thing that the auditors

own. The rest of the information is information provided by management to be audited. He stated that the object of a final audit is to obtain reasonable -- not absolute -- assurance about whether the financial statements are free from material misstatements. He continued that the audit is not designed to look at each and every thing that goes through the trial balance and statements. He stated that they were issuing an unmodified, or clean opinion, on the financial statements. In an audit, the highest level of opinion is the unmodified opinion. He continued that they also issue and report in accordance with government auditing standards on the internal control over the financial reporting process. He stated that all information requested by BDO was freely available for inspection; and management provided access to all information, and provided full cooperation throughout the process. He went through some of the significant risks which were also reported during the October meeting when the planning document was presented, and nothing really changed from the risk perspective. He added that the 2025 audit included all of the changes in valuation for all of the real estate assets, including the one that was sold subsequent to year-end. He stated that there was one uncorrected misstatement: The Icy Cape asset that was booked as capital assets in the prior years during the year management was looking at some of the expenses that were going to get capitalized as part of that project. In looking at that item, it should not have been capitalized in the first place because the GAAP rules in the U.S. do not allow for that. He added that everything in the mining activity that is capitalized is still in the prefeasibility area. He continued to the financial statements and explained and clarified them. He pointed out the statement of revenue expenditures and changes in fund balance which shows the result of this year's operation without counting the long-term assets and liabilities. He added that he pointed out the main items in the financials, and that there was more in the notes related to each of the investment categories for trustees' information.

CHAIR FIMON echoed his thanks to the CEO, CFO and all the staff, and he also thanked Mr. Shrestha and BDO for working with the trustees. He also appreciated the detail in the presentation. He asked for a motion.

MOTION: The Audit & Risk Committee recommends that the Board of Trustees accepts the Alaska Mental Health Trust Authority basic financial statements and government accounting standards auditor's report for the year ended June 30, 2025. The motion was made by TRUSTEE FEIGE; seconded by TRUSTEE HALTERMAN.

After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Feige, yes; Chair Fimon, yes.)

CHAIR FIMON asked for anything else to come before the Audit & Risk Committee. Hearing nothing, he asked for a motion to adjourn.

MOTION: A motion to adjourn the meeting was made by TRUSTEE HALTERMAN; seconded by TRUSTEE FEIGE.

After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Feige, yes; Chair Fimon, yes.)

(The Alaska Mental Health Trust Authority Audit & Risk Committee meeting adjourned at 11:45 a.m.)