



MINUTES

ANNUAL MEETING OF THE BOARD OF DIRECTORS NORTHERN TOBACCO SECURITIZATION CORPORATION November 20, 2024

The 2024 annual meeting of the board of directors of the Northern Tobacco Securitization Corporation (NTSC) was held at the Alaska Housing Finance Corporation (AHFC) 1st Floor Board Room, 4300 Boniface Parkway in Anchorage, Alaska, on November 20, 2024, commencing at approximately 9:40 a.m. Board members present in the room and via teleconference were:

FADIL LIMANI	Chair/President Deputy Commissioner Department of Revenue Designee
JULIE SANDE via telephonic	Commissioner Department of Commerce, Community, & Economic Development Member of the Board
HEIDI HEDBERG via telephonic	Commissioner Department of Health Member of the Board

- I. **ROLL CALL.** CHAIR LIMANI called the meeting to order. A quorum was declared present, and the meeting was duly and properly convened for the transaction of business.
- II. **APPROVAL OF AGENDA.** CHAIR LIMANI asked for a motion to approve the agenda. COMMISSIONER HEDBERG moved to approve the agenda as presented. COMMISSIONER SANDE seconded. Hearing no objections, the agenda was approved as presented.
- III. **APPROVAL OF MINUTES: November 29, 2023.** CHAIR LIMANI asked for a motion to approve the minutes. COMMISSIONER HEDBERG moved to approve the November 29, 2023, minutes as presented. COMMISSIONER SANDE seconded. Hearing no objections, the meeting minutes were approved as presented.
- IV. **PUBLIC COMMENTS:** There were no public comments.
- V. **ORGANIZATION OF THE BOARD**
 - A. **Oath of Office** - The Oath of office was administered to board members. All swore the oath. No conflicts of interest of board members were identified.
 - B. **Election of Officers-** CHAIR LIMANI stated the current officers for the Northern Tobacco Securitization Corporation are Fadil Limani as Chair/President, Bryan Butcher as Vice President, and Josie Stern as Secretary/Treasurer. COMMISSIONER HEDBERG informed the Board that Josie Stern is no longer with the Department of Health and recommended delegating the position back to her. COMMISSIONER HEDBERG moved to approve Fadil Limani to continue as Board Chair/President, Bryan Butcher to continue as Vice



President, Heidi Hedberg as Secretary/Treasurer. COMMISSIONER SANDE seconded the motion. Roll call vote was taken. Motion passed (3-0).

VI. NEW BUSINESS

- A. **Resolution No 2024-01: Review of Fiscal Year 2024 (FY24) Budget and Approval of Fiscal Year 2026 (FY26) Budget** - Mr. Butcher introduced the agenda item and Derrick Chan presented the budget to actuals chart and the proposed budget for FY26. Mr. Chan stated that overall, on the FY24 budget, AHFC came in under budget by about \$17,000. Two categories of expenses that had the greatest variance were the general expenses and trustee fees and expenses. The proposed FY26 budget uses the actuals from the FY24 as a starting point and then AHFC will adjust based on historical data. The main changes are a proposed reduction in general expenses to \$5,000 and trustees and fees was realigned and set at \$15,000. AHFC additionally gave a bump to audit fees. COMMISSIONER SANDE moved to approve *Resolution No 2024-01, Review of Fiscal Year 2024 Budget and Approval of Fiscal Year 2026 Budget*. COMMISSIONER HEDBERG seconded. A roll call vote was taken, and the resolution was approved unanimously. (3-0).
- B. **Resolution 2024-02: Approval of the Fiscal Year 2024 (FY24) Annual Report** - Mr. Butcher introduced the agenda item and Derrick Chan introduced David Fisher, the external auditor from Eide Bailly, to present on the FY24 Annual Financial Report. Mr. Fisher reported a clean and unmodified audit opinion with no findings and no material misstatements. Mr. Fisher went over the audit process and roles and responsibilities of management and the auditor. No major changes to the year-over-year income. The tobacco settlement revenue decreased slightly this year, but that was mainly due to year over year fluctuations. Concerning investments, everything is in money market funds, which are considered safe, low risk. Eide Bailly can confirm 100% of that balance and are comfortable with that as auditors. No significant change to the deferred outflow of resources, which is related to future tobacco purchases. This revenue has remained consistent. Concerning the debt, there were 2024 payoffs of bonds. Mr. Fisher asked if there were any questions. After a brief discussion among board members, COMMISSIONER HEDBERG moved to approve *Resolution No 2024-02, Approval of Fiscal Year 2024 Annual Report*. COMMISSIONER SANDE seconded. A roll call vote was taken, and the resolution was approved unanimously. (3-0).
- C. **Other Matters**- There were no other matters to come before the Board.

- VII. **ADJOURNMENT.** CHAIR LIMANI found no other matters to consider and asked for a motion to adjourn. COMMISSIONER HEDBERG moved to adjourn. COMMISSIONER SANDE seconded.

CHAIR LIMANI adjourned the meeting at 9:58 a.m.

ATTESTED:


Llewellyn Smyth
Chair/President