

# MEMORANDUM

(Open Session Report)

State of Alaska  
Department of Law

to: Board of Agriculture and  
Conservation  
  
Division of Agriculture,  
Department of Natural Resources

DATE: June 20, 2014

FILE NO.: BAC general

TEL. NO.: (907) 269-3039

SUBJECT: AAG report for July  
2, 2014 BAC meeting

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## **PART 1: NON-CONFIDENTIAL MATTERS FOR OPEN MEETING SESSION**

**General Comment Regarding Status of Loan Collections:** With the exception of Valley Dairy, the collection matters that have been assigned to the AG's office over the last several years have all been paid, or are in the process of being paid through the bankruptcy court. There has been one factor in particular that has made the difference between loans that have been collected in full and loans that have not: That factor is adequate collateral. Loans with adequate collateral have been paid in full, while loans with inadequate collateral have not. Additionally, loans that have been adequately collateralized have been paid (or moved out of default status) without the need for costly litigation. Over the last several years, the board and the loan officer have done a very good job of evaluating the collateral for ARLF loans and the low default rate shows the success of those efforts.

## **PART 2: CONFIDENTIAL MATTERS FOR EXECUTIVE SESSION**

Open Meetings Act – A.S. 44.62.310(b)<sup>1</sup>  
Attorney Client Privilege - Alaska Evidence Code §503(b)<sup>2</sup>

<sup>1</sup> A motion to convene in executive session must clearly and with specificity describe the subject of the proposed executive session. AS §44.62.310(b).

Board of Agriculture and Conservation Statutes<sup>3</sup>  
ARLF Regulations<sup>4</sup>

**No confidential matters for this meeting.**

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<sup>2</sup> Section 503(b) of the Alaska Evidence Code states in relevant part: “A client has a privilege to refuse to disclose and to prevent any other person from disclosing confidential communications made for the purpose of facilitating the rendition of professional legal services to the client...”

<sup>3</sup> AS §03.09.040 authorizes the board to classify some loan and marketing information confidential.

<sup>4</sup> ARLF Regulations at 11 AAC 39.061 makes most loan information confidential and 11 AAC 39.031(f) authorizes the board to meet in executive session to consider loan applications.