

CIRI management prevails

BY MARGIE BAUMAN

Wearied stockholders of Cook Inlet Region, Inc. (CIRI) emerged from their annual meeting early Monday: dissidents gained one seat on the board, but the leadership remained otherwise intact.

William Prosser, board secretary, received the highest number of votes, as he was re-elected to another three year term. Also elected were Allen Chase, Leo Stephan, B. Agnes Brown, and Frank Peratrovich. Peratrovich was the only one of five dissident candidates to win a board seat.

As the annual meeting adjourned at 2:30 a.m. Monday, nearly 42 hours after it had begun at Central Junior High in Anchorage, the board met and quickly re-elected Roy Huhndorf, president, and John Colberg, chairman of the board.

Also re-elected were Bob Rude, first vice president; Gosta Dag, second vice president; Charles Roehl, third vice president; William Prosser, secretary, and Jerry Brown, treasurer.

"The stockholders were pleased, very pleased, with the outcome," CIRI land manager Carl Morris told the Tundra Times. "Of the 482 shareholders in person at the annual meeting, over 90 percent of the votes went to the management side. That tells us that the stockholders are very supportive of what management is doing."

Challenge in Court

The dissidents were apparently not pleased, however, because they kept challenging management proxies. In an effort to assure a completely impartial election, both sides had agreed to election oversight by a three-judge panel selected by the American Arbitration Association. As a result of that compromise, the dissidents last week dropped their motion in Anchorage Superior Court for a preliminary injunction to halt the election.

Dissident board member Jerry Ward, an Anchorage realtor, said that he didn't endorse the election results and that he'd already filed a challenge of the validity of the elections in state

court.

"The arbitrators did a magnificent job, but where it was lacking was that the rules themselves were not adhered to," he said. "The rules that were to be supplied to the judges were those rules presented to (Alaska Superior Court) Judge (James) Singleton and this was not done." Ward has also charged the board with rigging last year's election. And he charged that some proxies coming in after the May 11 deadline were also counted.

CIRI has denied the charge, saying that only proxy revocations were counted. "Even if the court did overturn the revocation of proxies, it wouldn't change the outcome of the election," Morris said.

Voter Turnout High

Voter turnout, in person and by proxy at the annual meeting, included some 3,375 shareholders, more than half of those enrolled to CIRI. There was no problem getting a quorum, Morris noted.

Total votes by proxy came to
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● CIRI meeting

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over 1,446,700 and shareholders attending the annual meeting voted over 240,700 shares, Morris said.

Morris said CIRI shareholders were also satisfied with management's decision to list as income \$2.1 million received as an advance against natural gas sales.

Dissident shareholders, including Alaska Independence Party gubernatorial candidate Don Wright, had argued that the \$2.1 million should not have been listed as income. Rather, they said, it should have been noted as "7(i) monies, to be divided among all Native regional firms."

Section 7(i) of the Alaska Native Claims Settlement Act directs that natural resources revenues must be shared with

other in-state regional corporations under a specific formula. Before such distributions, however, the firm receiving the initial revenue is allowed to deduct connected expenses and CIRI maintains that expenses in this case were greater than \$2.1 million.

CIRI declared a profit of over \$519,000 for the past fiscal year, with assets now valued at over \$50,416,000. These assets include hotels and other property in the Anchorage area. The CIRI office building, with some 80,000 square feet of office space, lists among its tenants IBM, Husky Oil, Security National Bank, the U.S. Bureau of Indian Affairs, and Cook Inlet Properties, Inc. CIRI's administrative offices are also in that building.