THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Administration

ALASKA PUBLIC OFFICES COMMISSION

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TO: APOC Commissioners
DATE: September 21, 2026
FROM: Heather Hebdon, Executive Director
SUBJECT: Staff Report, Complaint 26-14-POFD, *Joel Borgquist v. Zachary Johnson*

SUMMARY OF COMPLAINT AND RESPONSE

On September 9, 2026, Joel Borgquist filed a complaint against candidate for Lieutenant Governor, Zachary Johnson, requesting expedited consideration.[1] The complaint alleged Mr. Johnson's 2026 Candidate Public Official Financial Disclosure ("POFD") Statement failed to disclose all sources of income and required details for a trust distribution reported as a source of income.[2]

On September 9, 2026, Mr. Johnson filed a prehearing brief opposing expedited consideration and requesting dismissal of the complaint.[3]

On September 10, 2026, the Commission held a special hearing to consider whether the complaint set forth sufficient grounds to merit consideration on an expedited basis. After consideration of the arguments presented by Mr. Borgquist and Mr. Johnson, the Commission declined to grant expedited consideration.[4] The Commission ordered an abbreviated timeline for investigation and a hearing on the merits to occur on or before October 8, 2026.[5]

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[1] Complaint 26-14-POFD, https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=28148
[2] *Id*.
[3] Respondent's Pre-Hearing Brief, https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=28156
[4] Order Denying Expedited Consideration, https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=28169
[5] *Id*.

FACTS

On June 1, 2026, Mr. Johnson filed a 2026 Candidate POFD Statement for his candidacy in the 2026 state election.[6]

Mr. Johnson's POFD disclosed salaried income and PFDs for him and his spouse, and income for himself noted as "Wiest Trust Distribution."[7] His statement also disclosed business ownership interests in Coyote Lake, LLC, Eagle Standard, LLC, Wild Air Farm, LLC and ZHJ, LLC.[8]

Based on Mr. Johnson's reported business interests and several news articles, Mr. Borgquist alleged that Mr. Johnson failed to disclose all sources of income, including tenants, or clients of the businesses in which he holds an interest, and a beneficial interest.[9]

Wild Air Farm, LLC

Mr. Johnson disclosed a partnership interest in Wild Air Farm, LLC ("WAF").[10] Through his affidavit, he explains that WAF was owned by his late grandmother and is currently part of her estate.[11] Through a limited power of attorney, the estate's executor granted Mr. Johnson operations management authority of WAF.[12] In this capacity, Mr. Johnson entered into a lease agreement with H&H Stables, LLC. Rent payments go directly to WAF and Mr. Johnson derives no rental income from H&H Stables and no income from WAF.[13]

Coyote Lake, LLC

Mr. Johnson disclosed a business ownership and real property interest in Coyote Lakes, LLC.[14] Through his affidavit, he explains that he owns this business and property

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[6] 2026 Candidate POFD Statement,
https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=34156&ViewType=POFD
[7] *Id.*
[8] *Id.*
[9] Complaint 26-14-POFD.
[10] 2026 Candidate POFD Statement.
[11] Prehearing Brief, Affidavit at p. 2.
[12] *Id.*
[13] *Id.*
[14] 2026 Candidate POFD Statement.

which is also adjacent to WAF.[15] Through Coyote Lakes, Mr. Johnson entered into a lease agreement with Morning Dove Therapeutic Riding Center beginning on January 1, 2026.[16] Mr. Johnson affirms that Morning Dove has not yet broken ground or taken any steps towards establishing tenancy. Coyote Lakes, LLC has not collected any rent payments and Mr. Johnson has not received any income from Coyote Lakes, LLC.[17]

LAW AND ANALYSIS

Alaska's POFD statutes require state candidates to file a statement disclosing personal business and financial interests at the time they declare for office.[18] The statement must be an accurate representation of the candidate's financial affairs and must disclose all sources of income over $1,000 received in the preceding year, to the extent that is ascertainable.[19] Reportable income includes compensation from an employer, dividends, interest, or other distributions from investments, as well as rental income.[20] When disclosing rental income, the filer must disclose by name and amount, any tenant that paid in excess of $1,000 during the preceding year, and if the property is managed by a third-party, the filer must disclose the name of the manager.[21]

Sources of Income

Here, based on two news articles about WAF, the Mr. Borgquist alleged that Mr. Johnson failed to disclose rental income (and tenants) related to leases with H&H Stables and Morning Dove Therapeutic Riding Center. However, Mr. Johnson's sworn statements clarify that the two underlying media stories relied on are simply inaccurate.

First, Mr. Johnson holds no business interest in WAF. Rather, WAF is part of Mr. Johnson's late grandmother's estate. His authority to facilitate the lease agreement with H&H Stables as noted in the news article, was granted by the estate's executor, through a

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[15] Prehearing Brief, Affidavit at p. 3.
[16] Prehearing Brief, Affidavit at p. 3.
[17] *Id.*
[18] AS 39.50.020(a).
[19] AS 39.50.030(b)(1). The statement must disclose the same information for the candidate's spouse and dependent children.
[20] 2 AAC 50.685.
[21] 2 AAC 50.725.

limited power of attorney. Rent payments go directly to WAF and Mr. Johnson receives no income or compensation from WAF.

The Morning Dove Therapeutic Riding Center's lease agreement is not with WAF. Rather, their lease is for property adjacent to WAF which is owned by Mr. Johnson through Coyote Lakes, LLC. That lease did not go into effect until January 1, 2026, which is outside of the reporting period for Mr. Johnson's 2026 candidate POFD statement.

Based on these facts, staff finds that WAF, its tenant, H&H Stables, and Morning Dove Therapeutic Riding Center were not sources of income which Mr. Johnson was required to disclose on his statement.[22]

Beneficial Interest

In addition to sources of income, the candidate's statement must also disclose any beneficial interest owned or held during the preceding year.[23] This requires a description and identification of the property in the trust and the extent of the interest held.[24]

Mr. Johnson's statement disclosed income from a "Wiest Trust Distribution" and a beneficial interest managed by PNC Bank in which he holds 25% ownership.[25]

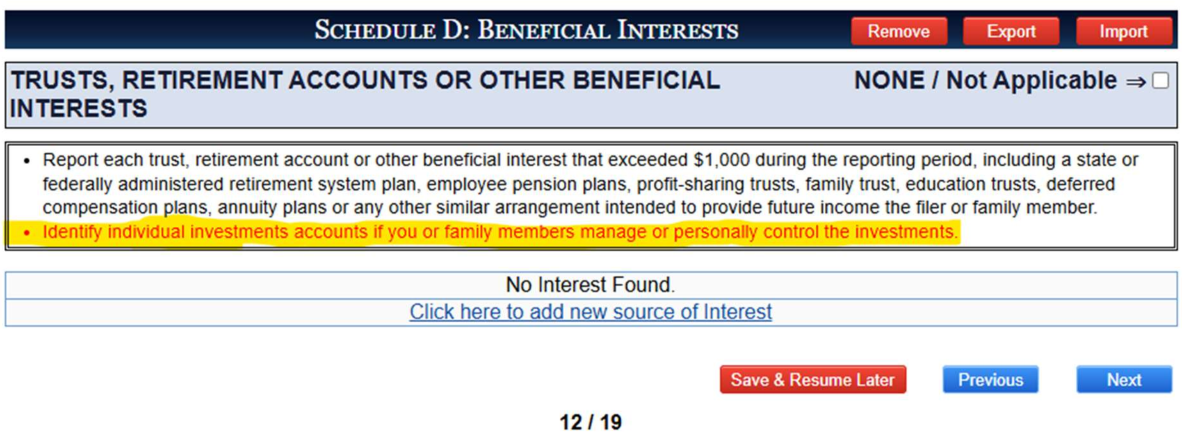
Filer	Dividend or Interest	Wiest Trust Distribution		**$200,000 - $500,000**

Filer	Beneficial	Managed By: PNC Bank	N/A Ownership: 25%

The complaint alleges that Mr. Johnson failed to identify the Wiest Trust as a beneficial interest and that he failed to identify the property held in the trust. Through his affidavit, Mr. Johnson states that his statement disclosed that he is a beneficiary of the "Wiest Trust," that he received income from the trust, and that the trust is fully managed

[22] Complainant also generally alleges that because Mr. Johnson reported four business interests—Wild Air Farm, LLC, Coyote Lakes, LLC, Eagle Standard, LLC, and ZHJ, LLC—that he failed to disclose income for those businesses. Mr. Johnson's sworn affidavit however affirms that he did not derive any income during 2025 from those four businesses.
[23] AS 39.50.030(b)(2)-(4).
[24] AS 39.50.030(b)(4).
[25] 2026 Candidate POFD Statement.

by PNC Bank.[26] He further explains that the trust contains no real property and that he put N/A in the description box because he exercises no control over the management or investment decisions for the trust.[27] A beneficial interest, such as a trust, requires the filer to identify the trust and to provide a "description and identification of the property contained in each trust...."[28] However, upon reviewing the online filing system, it appears the form itself is somewhat misleading. The instructions direct filers to "Include individual investment accounts if you or family members manage or personally control the investments."


SCHEDULE D: BENEFICIAL INTERESTS Remove Export Import

TRUSTS, RETIREMENT ACCOUNTS OR OTHER BENEFICIAL INTERESTS NONE / Not Applicable ⇒

- Report each trust, retirement account or other beneficial interest that exceeded $1,000 during the reporting period, including a state or federally administered retirement system plan, employee pension plans, profit-sharing trusts, family trust, education trusts, deferred compensation plans, annuity plans or any other similar arrangement intended to provide future income the filer or family member.
- Identify individual investments accounts if you or family members manage or personally control the investments.

No Interest Found.
Click here to add new source of Interest

Save & Resume Later Previous Next

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Although this is correct for business interests and/or investments, it is not accurate for beneficial interests such as a trust. In the matter at hand, Mr. Johnson disclosed income received from a Wiest Trust Distribution, disclosed his 25% ownership interest in the trust, and that it was managed by PNC Bank. Given this disclosure and the form's misleading instructions, staff finds that his disclosure of the trust to be substantially compliant. Nevertheless, staff recommends that the Commission order Mr. Johnson to amend his statement to identify the Wiest Trust, by name, as a beneficial interest and to include a description of the property held within the trust to the extent that it is ascertainable.

[26] Prehearing Brief, Affidavit at p. 3.
[27] *Id*.
[28] AS 39.50.030(b)(4).

CONCLUSION

After reviewing the allegations and facts as presented, staff finds that a preponderance of the evidence does not support the finding that Mr. Johnson failed to disclose any source of income. Staff recommends that the Commission order Mr. Johnson to amend his POFD to include further details about the trust that he has disclosed as a beneficial interest. Staff finds that the online filing system's instructions were likely a contributing factor that led to the error, and as such recommends that the Commission take no action against Mr. Johnson on this basis.

CERTIFICATE OF SERVICE: I hereby certify that on this date, I caused a true and correct copy of the foregoing to be delivered to:	
Scott Kendall Cashion Gilmore & Lindemuth 510 L Street, Suite 300 Anchorage, AK 99501 scott@cashiongilmore.com	☒ Certified Mail ☒ Email
Joel Borgquist 18730 Mills Bay Road Eagle River, AK 99577 Joel.gjj@gmail.com	☒ First Class Mail ☒ Email

Cari Rousselle 09/21/2026

Signature Date