

ALASKA MENTAL HEALTH TRUST AUTHORITY

FINANCE COMMITTEE MEETING

October 26, 2016
3:38 p.m.

Taken at:
3745 Community Park Loop, Suite 120
Anchorage, Alaska

OFFICIAL MINUTES

Trustees present:

Larry Norene, Chair
Laraine Derr
Carlton Smith
Russ Webb
Paula Easley
Mary Jane Michael
Jerome Selby

Trust staff present:

Jeff Jessee
Steve Williams
Miri Smith-Coolidge
Carley Lawrence
Amanda Lofgren
Kevin Buckland
Mike Baldwin
Katie Baldwin-Johnson
Heidi Wailand
Luke Lind
Carrie Predeger
Valette Keller

TLO staff present:

John Morrison
Leann McGinnis
Sarah Morrison

Others participating:

Kathy Craft; Kate Burkhart; Patrick Reinhart; Sherrie Wilson Henshaw; Faith Myers; Dorrance Collins; Susan Musante; Lisa Cauble; Brenda Moore; Charlene Tautfast; Mike Sobocinski (via speakerphone) Dave Beraty (via speakerphone); Lisa McKearney (via speakerphone); Tiffany Hall; Pam Westerlin; Jeff Jacobson (via speakerphone); Councilwoman June Rogers (via speakerphone); Mayor Jim Matherly (via speakerphone); Jennifer Harrison; Cody Chip (via speakerphone); Melanie Eisgrow (via speakerphone); Sarah Dewane; Ginny Parret; Joanne

Cummings; Royann Royer; Bryan Green; John Monroe; Tara Ford (via speakerphone); Eric Eisbirsch (via speakerphone).

PROCEEDINGS

CHAIR NORENE calls the meeting to order and notes that all trustees are present. He asks for any announcements. There being none, he asks for any ethics disclosures. There being none, he moves to the agenda.

TRUSTEE DERR asks to add the item of the Meketa report.

CHAIR NORENE adds the Meketa report after the staff reports. He moves to the minutes of August 11, 2016.

TRUSTEE WEBB makes a motion to approve the Finance Committee minutes of August 11, 2016.

TRUSTEE MICHAEL seconds.

TRUSTEE MICHAEL states that in the packet there is a Healthy Smiles Forever request for funding for a direct patient care dental clinic. She continues that her husband is a local dentist and donates a lot of services. He is not involved in the actual organization of this, but the person who organized it was one of his employees 20 years ago and is still a good friend. He may or may not be involved in providing services at the free clinic.

CHAIR NORENE thanks Trustee Michael, and goes back to the motion.

There being no objection, the motion is approved.

CHAIR NORENE moves to staff reports and begins with the cash management report. He recognizes Kevin Buckland.

STAFF REPORTS

CASH MANAGEMENT REPORT

MR. BUCKLAND states that the cash management sheets, which have been updated through September 30, are before the trustees. He continues that we are a quarter of the way through the fiscal year. He goes through the sheets, explaining as he moves along.

A short question-and-answer period ensues.

TRUSTEE WEBB asks that the TLO activity, the total principal investments and the return for the Real Estate Management Program, be included in the cash management sheet.

MR. BUCKLAND replies that he will include that. He continues his presentation, explaining as he goes through it. He asks for any questions.

TRUSTEE DERR asks how the audit came out.

MR. BUCKLAND replies that the audit is essentially still underway. He states that there were some delays related to the whole IRIS conversion, and then the auditors had other field work scheduled. He adds that they will be back in the office, and we will be working with them to try and get it wrapped up.

CHAIR NORENE states that the next item is the requested motion in regard to the continued suspension of quarterly transfers from the Trust Authority to the Alaska Permanent Fund Corporation.

MR. BUCKLAND states that this is an annual suspension of sending money to the Permanent Fund that built up in the TADA account that is available for other purposes or for future transfer.

TRUSTEE WEBB makes a motion that the Finance Committee recommends that the Full Board of Trustees suspend cash transfers or transfers of cash principal from the Trust Authority Development Account to the Alaska Permanent Fund Corporation through November 2017.

TRUSTEE MICHAEL seconds.

TRUSTEE SELBY asks for a roll call vote.

TRUSTEE NORENE calls the vote: Trustee Easley, yes; Trustee Selby, no; Trustee Derr, yes; Trustee Michael, yes; Trustee Webb, yes; Trustee Smith, yes; Trustee Norene, yes. There being one objection, the motion is approved.

TRUSTEE NORENE moves on to the Meketa report. He states that there is no report; a draft was submitted that was found to be incomplete. Therefore, the draft was not utilized. He continues that the intent is to have a conference call with Kevin Buckland, John Morrison, Russ Webb and himself with the contractor to ask some questions and perhaps get the report completed.

TRUSTEE DERR asks what the concerns were.

TRUSTEE NORENE states that he does not want to discuss it because we do not have the report.

TRUSTEE DERR states that this was a Trust-funded report and asks where the concerns were on the draft executive summary of the report.

TRUSTEE NORENE replies that the concerns lie with the facts that the allocation was not provided and no allocation information provided. He explains more fully.

TRUSTEE DERR states that she would like to be included in that conversation when it is done.

TRUSTEE NORENE replies yes, and that it will be done as soon as possible.

TRUSTEE SELBY states that this study was authorized by the board, and he is curious as to why the board was not provided with the draft copy.

TRUSTEE NORENE states that the Finance Chairman has the authority to accept the product if it has met the contractual obligations that were there. After consulting with the Chairman and John Morrison, it was deemed not to have met the obligations. Therefore, it was decided to not circulate it further until this matter was discussed with the contractor.

TRUSTEE SELBY puts on the record that he objects to that way of doing business because the board should have the right to review the draft document, provide some input to the Finance Chair.

TRUSTEE NORENE explains that the thought is not to make use of a report and have to pay for a preliminary report if it is in error.

TRUSTEE SELBY states that he had the floor and clarifies that report was authorized by the board of directors and is supposed to be coming back to the board for the purposes of trying to guide this organization on behalf of the Trust beneficiaries, which seems to be forgotten most of the time here, unfortunately. He continues that he would like to have the opportunity to have the Trust board review that along the way. He adds that the same conclusion may have been made. It seems to be inappropriate that one or two people on the board suddenly seem to have the authority to act on behalf of the board to determine what is in a report and what might be missing. Some of the others might have identified some other things that are missing that need to be cleared up and completed before that thing moves ahead. He states that it baffles him why, since there are seven capable people sitting up here, you would exclude five of them from having an opportunity to help make that as complete and as thorough and as useful a document as it could be. He wants to put this on the record and would like to have these comments read on the record reported verbatim in the minutes of the meeting.

TRUSTEE MICHAEL states that she resents those comments made about trustees not acting on behalf of the beneficiaries. She continues that she has heard that three times today and thinks it is inappropriate. She states that she has spent her life serving the beneficiaries, and would like that on the record, as well. She adds that Trustee Derr volunteered to review the document and that Trustee Selby has every opportunity to join these people and review the document, and encourages him to do so. She states that she does not need to look at the document and will trust people with more skills than she to look at that document.

TRUSTEE SELBY states that he would be glad to look at the document if he can get a copy of it.

TRUSTEE WEBB states that it seems that the board has operated with some pretty loose processes throughout the history of the board and some of those have come back to bite us. There has been some informal advice from staff on a number of items which ultimately have proven not to be accurate, and we have been led astray on a couple of things. He continues that there are three standing committees, each of which consists of the entire membership of the board. In the past, not all members of the board participated because they were not all members

of the committee. He states that it is time to begin to delve correctly into the bylaws and propose some changes to them.

TRUSTEE SMITH states that he was Finance Chairman at the time of the interaction with Meketa and apologizes to Trustee Selby. He continues that Mr. Buckland will verify that Meketa was the only respondent to the process. For the record, Meketa has laid out a very specific delivery schedule of a very preliminary document, which was not a draft document, but was a document to discuss internally prior to coming back to the committee and the Full Board. He states that this was a genuine admission, not of incompetence, but of a lack of knowledge of the history of the Trust and how we are somewhat different. He adds that it was a document that was released to him, and the chairman asked to confer on it. There will be an opportunity to look at it.

CHAIR NORENE moves back to the agenda and to the first approval from the Trust Land Office, the Icy Cape item.

TRUSTEE WEBB makes a motion that the Finance Committee recommends that the Trust Authority Board of Trustees approve the proposed action to fund the newly formed entity with principal from the Trust Authority Development Account, TADA, fund code 3320, with \$2 million. These funds do not lapse.

TRUSTEE MICHAEL seconds.

TRUSTEE WEBB explains that there was a lengthy discussion regarding these items in the Resource Management Committee meeting. He states that it is clear that this is a potentially tremendous resource developing. This is the third step, and we are trying to fund the entity that trustees authorized creation of, to move forward and try to begin to generate what is hoped to be a huge asset.

There being no objection, the motion is approved.

CHAIR NORENE moves to allocations, and we have a proposal in regard to the Rise Supported Employment Vocational program.

MS. LOFGREN begins by introducing the team from Anchorage Community Mental Health, who are here to answer any specific questions. She states that the memo describes this project which the Trust has been partnering with for the last two years to really develop supported employment. She highlights the work that has been done to really expand that across the organization.

TRUSTEE WEBB makes a motion to approve an FY17 Beneficiary Employment and Engagement focus area allocation not to exceed \$130,000 for Anchorage Community Mental Health Services for the Rise Supported Employment Vocational Project.

TRUSTEE SELBY seconds.

There being no objection, the motion is approved.

CHAIR NORENE states that the next focus area allocation is Recover Alaska through the Foraker Group.

MS. BALDWIN-JOHNSON acknowledges that Tiffany Hall, the executive director of Recover Alaska, is here today; also Pam Westerlin, the associate program manager. She states that this request is to approve \$200,000 of FY17 focus area funding to Sultana, Inc. She describes and adds that the funds in this request are going directly to partially support the operation, which includes personnel, technical assistance, and travel.

TRUSTEE SMITH states that he is not aware of the rich background that the Trust has with Recover Alaska and asks to have that background information at some point.

MS. BALDWIN-JOHNSON replies that she will get that information out to Trustee Smith.

TRUSTEE DERR states that she is not sure what this funding is and how the money splits out.

MS. HALL explains that half of the funding will be coming from the State, which is split out into three sections for the polling strategy: \$50,000 for the polling strategy; \$25,000 for an evaluation; and \$25,000 for the social norm strategy. It does not follow the same kind of time line as the other things in terms of rental facility and staffing. She explains in greater detail.

MS. BALDWIN-JOHNSON states that they can put together the total operating budget that shows all of the funding sources and the allocation and how those funds are designated.

A short discussion ensues.

TRUSTEE WEBB makes a motion to approve a \$200,000 FY17 Substance Abuse Prevention and Treatment focus area allocation to the Sultana New Ventures, LLC, doing business as the Foraker Group for the Recover Alaska project.

TRUSTEE SELBY seconds.

There being no objection, the motion is approved.

MS. BALDWIN-JOHNSON requests inviting Ms. Hall and Ms. Westerlin back at another date so they can introduce themselves and discuss what they do.

TRUSTEE WEBB states that would be great.

CHAIR NORENE moves on to partnerships and the Fairbanks Homeless Housing Services coordinator.

MS. LOFGREN states that this is a funding request from the City of Fairbanks to hire a housing and homeless coordinator to be co-located in the mayor's office to specifically address the housing and homeless concerns in Fairbanks. Also, to work with the community and the partners on what is called the coordinated entry. This coordinated entry is important to highlight

because, as part of receiving HUD funding, a coordinated entry is needed. She continues that it is really complicated and takes a lot of collaboration and partnership and reliance on data. She states that the intention would be to similarly create a memorandum of agreement with the City, if the trustees were to approve this request, that could be brought back for review and there would be a memorandum of agreement with the city council, as well as the mayor's office, that identifies the specific goals and objectives of the project.

MR. JACOBSON states that he is the chief of staff for the city and is with Councilwoman June Rogers, and the newly elected mayor, Jim Matherly.

MS. LOFGREN asks the trustees if they have any specific questions.

TRUSTEE WEBB asks if they had any comments that they would like to make.

MR. JACOBSON states that they are very excited about this opportunity to have a homeless and housing services coordinator housed at the City of Fairbanks. There is a great need in the community, and we are anxious to duplicate the successes that have happened in Anchorage with that position. He continues that the community is working to network as many organizations and agencies to address this great need, and we are looking forward to a long-term commitment for addressing homelessness and housing problems in the community.

TRUSTEE DERR states that she was in Fairbanks for the housing and homeless meeting they had and was impressed with what they are doing and planning to do.

TRUSTEE DERR makes a motion to recommend approval to the Full Board of Trustees for \$92,300 FY17 partnership grant with the City of Fairbanks for the Fairbanks Homeless and Housing Services Coordinator.

TRUSTEE MICHAEL seconds.

TRUSTEE MICHAEL thanks Fairbanks for taking the leadership to prioritize homelessness in their community.

There being no objection, the motion is approved.

CHAIR NORENE moves to partnerships. the Eastern Aleutian Tribes for a grant for planning and pre-implementation of employment-based outpatient services.

MS. BALDWIN-JOHNSON recognizes the folks from Eastern Aleutian Tribes and the Aleutian Pribilof Island Association representing the project who are and available to answer any questions that the trustees may have. She states that this request is to approve \$70,450 to the Eastern Aleutian Tribes for the planning and communication phase of the employment-based intensive outpatient treatment program. EAT and APIA have been engaged in discussions and planning around attempting to address the gaps, the imminent need in the region for those folks that are in need of access to treatment. She continues that the cost of running a residential treatment program in rural Alaska is very high. She explains in more detail.

TRUSTEE MICHAEL asks if this is a long-term plan, Medicaid funding for this project, or how is the long-term planning going to occur.

MS. BALDWIN-JOHNSON replies that it will be a combination of insurance, potentially self-pay, Medicaid grant dollars.

MS. HARRISON adds that there is a specific line item for some billing consultant to help resolve that gap.

TRUSTEE SMITH asks for some information on the entity.

MS. HARRISON replies that APIA was the original regional health corporation for the Aleutian Pribilof Islands. In 1991, seven of those tribes broke off and formed Eastern Aleutian Tribes, just for the medical clinics. For the last few decades they were running just the medical, and APIA has been running the medical and social in other communities. Both have been separated, and this is the first time that they are coming back together, which is exciting for all.

TRUSTEE EASLEY commends them for putting together this innovative project and wishes them the best of luck.

TRUSTEE WEBB makes a motion to recommend approval to the Full Board of Trustees for a \$70,450 FY17 partnership grant to Eastern Aleutian Tribes, Inc. for the planning and pre-implementation phase for employment-based, intensive outpatient treatment program.

TRUSTEE SELBY seconds.

There being no objection, the motion is approved.

CHAIR NORENE states that the next item is a partnership, Healthy Smiles Forever.

MS. LOFGREN begins with a couple of pictures of success stories of a project that will really articulate just how valuable this project is for the beneficiaries. She continues that this project is based off a model in Minnesota. It is a best practice that created a mobile dental clinic going to long-term care facilities and other residential programs to provide dental care. The funding for this project will allow them to expand capacity to actually bill for services. So they will be able to bill for Medicaid, some private pay, as well as potentially Medicare; in addition to updating the equipment to be able to eventually have mobile equipment to go to other residential programs. She continues that the team that is servicing beneficiaries, the dentists, the assistants and hygienists, are all volunteer-based. They all rotate and have a volunteer biller. Relying on volunteers long-term is not always a sustainable model. She adds that this is a one-time startup project.

A short discussion ensues.

TRUSTEE MICHAEL states that she has to abstain from voting because of her personal relationship with Ms. Royer.

TRUSTEE WEBB makes a motion that the Finance Committee approve the \$48,000 FY17 partnership grant with Christian Health Associates for the long-term care dental treatment project.

TRUSTEE SELBY seconds.

There being no objection, the motion is approved.

MS. LOFGREN thanks Christian Health Services, a great partner, and states that the Trust partners with them on a number of projects that serve our beneficiaries.

CHAIR NORENE moves to WICHE.

WICHE

MS. CRAFT states that AKPIC is the psychological internship program which allows Alaskan psychology students to stay in the state to get their internship hours. She adds that the American Psychological Association has changed their standards for accreditation, so those have to be in place before the new accreditation process is started, and it will get us accredited for the next seven years. She states that this is a request for \$22,500 for the management, oversight, and administrative things what WICHE does on behalf of the sites.

MR. BALDWIN states that money goes not to just the application, but all of the background research that goes along with policies and procedures and pulling everybody together. He continues that the request is for three years, FY17, '18 and '19. It is an intensive process.

TRUSTEE WEBB makes a motion that the Finance Committee approve the \$22,500 FY17 partnership grant to the Western Interstate Commission for Higher Education for the Alaska Psychology Internship Consortium preparing for the re-accreditation project.

TRUSTEE MICHAEL seconds.

There being no objection, the motion is approved.

CHAIR NORENE states that concludes the agenda and asks for any comments.

TRUSTEE WEBB makes a motion to adjourn.

There being no objection, the motion is approved.

(Finance Committee meeting adjourned at 4:50 p.m.)