

ALASKA MENTAL HEALTH TRUST AUTHORITY

FINANCE COMMITTEE MEETING

December 15, 2015

4:35 p.m.

Taken at:

Alaska Mental Health Trust Authority
3745 Community Park Loop, Suite 120
Anchorage, Alaska 99508

OFFICIAL MINUTES

Trustees present:

Carlton Smith, Chair
Mary Jane Michael
Paula Easley
Larry Norene (via Speakerphone)
Laraine Derr (via Speakerphone)
Russ Webb

Trust staff present:

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

Trust Land Office:

John Morrison

PROCEEDINGS

CHAIR SMITH calls the Finance Committee meeting to order and begins with the roll call. He states that there is a quorum and asks for any announcements. There being none, he asks for any ethics disclosures. Hearing none, he moves to the approval of the agenda.

TRUSTEE WEBB makes a motion to approve the agenda.

TRUSTEE MICHAEL seconds.

There being no objection, the motion is approved.

CHAIR SMITH moves on to the Trust Authority data analysis, policy planning and program officer capacity FY16 and FY17. He recognizes Mr. Jessee.

MR. JESSEE states that staff was asked to put together a job description for the capacity to have a higher-level policy data and planning function. He continues that three possible options for how to build this capacity were prepared. He asks Trustee Webb to talk about this.

TRUSTEE WEBB states that this was discussed at length at the November meeting. He continues that it is his belief and contention that the Trust needs to build this capacity in-house to carry out the responsibilities in the planning, making policy proposals, providing good information to make decisions and make good recommendations to the Governor, the Legislature and other departments.

MR. JESSEE states that there are a few ways to add this to the staff. He continues that one is to add a permanent position; the other is to add a nonpermanent position, referred to as a long-term nonperm. He explains both in greater detail. He adds that there is no room in the FY17 budget to add either a long-term nonperm nor a permanent position unless additional funding is provided.

A discussion ensues.

TRUSTEE WEBB makes a motion that trustees direct staff to hire a data analysis and policy planning officer using the currently vacant program officer position for FY16, and to seek OMB approval to hire a long-term nonperm program officer also for FY16. Further, the trustees approve a \$113,000 addition to the Trust admin budget for FY17, increasing the admin budget from \$3,612,000 to \$3,725,000.

TRUSTEE MICHAEL seconds.

CHAIR SMITH calls the vote: Trustee Webb, yes; Trustee Michael, yes; Trustee Norene, yes; Trustee Derr, yes; Trustee Easley, yes.

MR. WILLIAMS asks for clarification on whether the position will continue in '17 as a long-term nonperm or seek in the legislative process to get a permanent program officer PCN for FY17.

TRUSTEE WEBB suggests not seeking a permanent position in FY17, but seeking a long-term nonperm so as not to ask for a permanent position at a time when everyone else in State government will be losing positions.

A short discussion ensues.

TRUSTEE WEBB makes a motion to withdraw the previous motion and direct staff to seek a permanent program officer position in FY17 with the strategy to negotiate down to a long-term nonperm if that proves necessary. It would be the Board's intent to increase the Trust Authority's admin budget by \$150,000 from \$3,612,000 to \$3,762,000.

TRUSTEE MICHAEL seconds.

There being no objection, the motion is approved.

CHAIR SMITH moves to the Trust Land Office program-related investment PRI FY16 and FY17, and recognizes Mr. Morrison.

MR. MORRISON states that the PRI program within the Trust has grown in a variety of different ways and in a variety of different means. He continues that recent discussions with the trustees supported the idea of moving forward with a full-time position. He suggests implementing some of the same strategies in moving forward with a long-term nonperm, as previously discussed. He adds that it would eventually become a permanent position because of the challenges of not having the benefits of being a full-time position.

For purposes of discussion:

TRUSTEE WEBB makes a motion that the Trust Authority Board of Trustees direct the Trust Land Office executive director to create a new long-term nonperm position for program-related real estate management for FY16 and beyond. Funding for FY16 and FY17 will be absorbed by the approved TLO budgets, and the personal services costs for this position is estimated at \$178,000 and will be included in the full budget during the FY18 budget process.

TRUSTEE NORENE seconds.

TRUSTEE WEBB asks if it is strategically better to seek a permanent position and then negotiate back to get a long-term nonperm if a full-time permanent position were not approved.

A discussion ensues.

TRUSTEE WEBB amends his motion, stating that the Finance Committee recommends that the Trust Authority Board of Trustees concur with the creation of a new permanent full-time position for program-related real estate management for FY16 and beyond. Funding to create a long-term nonperm in FY16 and a permanent position in FY17.

The discussion continues.

TRUSTEE WEBB makes a motion that the Finance Committee recommends that the Trust Authority Board of Trustees concur with the creation of a new full-time permanent position of

program-related real estate management for FY17, personal services cost for this position, and add to the TLO budget an amount of \$178,000 in FY17.

TRUSTEE NORENE seconds.

CHAIR SMITH asks for any further discussion.

TRUSTEE EASLEY states that this seems like the kind of work that could be done very well under a long-term contract and would save money over the long term. She adds that benefits would have to be approved.

TRUSTEE WEBB states that he misstated the motion to add \$178,000 to the FY17 TLO budget.

TRUSTEE WEBB makes a motion that the Finance Committee recommends that the Trust Authority Board of Trustees concur with the creation of a new long-term permanent full-time position for program-related real estate management for FY17 and beyond. The funding for the FY17 budget will be absorbed by approved TLO budget.

TRUSTEE DERR asks how there is \$178,000 extra in the personal services line.

MR. MORRISON explains that the personal services line item budget is reconciled down to the penny. Part of what will be done is a line item transfer from the services budget into the personal services line item. He states that the money that is being absorbed is actually currently residing in a nonpersonal services line item.

A short discussion ensues.

There being no objection, the amended motion is approved.

CHAIR SMITH asks for any further business to come before the Finance Committee.

TRUSTEE MICHAEL comments on her feelings about this PRI position and the opportunities for more capital projects. She gives her vision of what this position entails.

TRUSTEE EASLEY states the hope that Mr. Morrison is prepared to do it all because she does not think there is the capacity on the program side.

TRUSTEE MICHAEL states the need for more capacity on the program side.

MR. JESSEE states that the programmatic business plan is a bigger hang-up to these projects than the capital. He adds that he does not have the resources to develop those pieces or to educate somebody at the land office on them.

MR. WILLIAMS states that the TLO, Trust staff and trustees have really been struggling to get the PRI moving, and it is. He continues that there is a programmatic capacity element to the PRI program that requires expertise, focus and time from the Trust Authority Office. This would be a

direction for channeling that effort in a way that continues the work that has been done and the work that will be needed regarding the comprehensive integrated mental health plan, as well as that around Medicaid redesign and reform.

CHAIR SMITH asks for any other comments. There being none, he adjourns the meeting.

(Finance Committee meeting adjourned at 5:33 p.m.)