

ALASKA MENTAL HEALTH TRUST AUTHORITY
FULL BOARD OF TRUSTEES MEETING

June 15, 2016
4:11 p.m.

Taken at:

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

OFFICIAL MINUTES

Trustees present:

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

Trust staff present:

Steve Williams
Jeff Jessee
Kevin Buckland
Katie Baldwin-Johnson
Carrie Predeger
Heidi Wailand
Valette Keller
Carley Lawrence
Michael Baldwin
Debbie Delong

Trust Land Office:

John Morrison

Others participating:

Kathy Craft; Denise Daniello, Alaska Commission on Aging (via telephone); Kate Burkhart, Alaska Mental Health Board and Advisory Board on Alcohol and Drug Abuse (via telephone).

PROCEEDINGS

CHAIR WEBB calls the meeting to order and notes that all trustees are present with the exception of Jerome Selby. He asks for any items to be added to the agenda. He states that he would like to put some discussion on how to get the Trust Land Office legal advice that may be needed in a timely manner that may be needed.

TRUSTEE SMITH asks to add a brief report on the contact with the Pew Charitable Trusts.

TRUSTEE MICHAEL makes a motion to approve the agenda, as amended.

TRUSTEE NORENE seconds.

There being no objection, the motion is approved.

CHAIR WEBB looks at the Review and Reconsideration of the FY17 Budget and states that it was gone through in detail in the Planning Committee. He continues that there were no motions to make any changes to the budget. He explains that everything was within the ability of staff to do. He asks Trustee Smith for a report on the contacts with Pew.

TRUSTEE SMITH states that he was asked to contact the Pew Charitable Trusts about their experience with reviewing board governance issues. He continues that he talked to Suzanne Morris, Pew Partnership Civic Change Leadership Chair, who has a national reach in working with larger nonprofits. She indicated that the board has just finished an up/down board-of-governance review, and she is happy to share it with the Trust as a courtesy.

CHAIR WEBB states that the folks at Pew have a lot of experience, and the hope was that they could provide some guidance on how to approach that.

TRUSTEE SMITH adds that she has been involved in national leadership initiatives at the local level and is highly interested in working with the Trust, offering some thoughts about where this focusing on best practices could go. He states that he is glad to do that.

CHAIR WEBB states that there have been some difficulties with getting legal advice in a timely or potentially any manner because of the difficulties at the Department of Law. He asks John Morrison to describe the situation.

MR. MORRISON states that there are two issues, one of which should be talked about in executive session. In general, there is a larger issue. He continues that the Trust is able to hire legal counsel to protect Trust interests without seeking further approval from any outside agency. He explains that the TLO, which is a part of DNR, is required to request that first through the Commissioner's office and the AG, and that approval ultimately goes all the way to the AG or someone who has been delegated the authority to hire counsel. He clarifies that many times the issues are well served efficiently and economically by the Attorney General's office. They are responsive to the needs and are able to do it at a fairly low cost. He continues that, in recent years, there are more situations where a conflict of interest with either DNR or another State

agency is felt; and we are not allowed to either seek outside counsel or get sufficient counsel from the AG's office. He adds that there have been other situations where access to outside counsel was denied because the AG's office felt, contrary to our belief, that they could meet the needs with their expertise. Quite frankly, there have been times that the AG's office does not have the available expertise needed to address specific issues. He states that the thought was that the Trust hire outside counsel to only represent Trust interests. It would be good to have a system to access legal counsel outside of the current system being used.

CHAIR WEBB asks if the Trust needs legal assistance, can it hire legal assistance.

MR. JESSEE replies yes.

CHAIR WEBB states that it is probably not in the Trust's long-term interest to simply be denied the ability to get counsel, particularly in light of some of the staff reductions in the Department of Law. He continues that it is increasingly difficult to just get regular advice from the Department of Law.

MR. MORRISON states that staff believes that we are generally relegated to the bottom of the list when it comes to who gets what representation in the Attorney General's office.

CHAIR WEBB asks what mechanism could be put in place to enable going out and getting the legal advice needed to protect the Trust's interests when it is needed. He asks if money is one issue.

MR. JESSEE replies that money is one issue.

MR. MORRISON states that, in general, the money to address these issues is available.

CHAIR WEBB asks what the other issue is.

MR. JESSEE asks if this is about a discrete type of advice amenable to one contract, or is it about potentially multiple general or business expertise.

MR. MORRISON replies that he thinks that it will develop on its own over the course of time, and sometimes there is not a choice when legal advice is needed.

TRUSTEE MICHAEL suggests it would be better to get a real estate law firm on board that can be called when needed.

MR. MORRISON states that part of the issue is the diverse nature of what the TLO does and does not believe there is one law firm in existence that could help with all of the various issues. He continues that there are two separate issues: The ability to hire an attorney, and the procurement process to actually get the services.

The discussion continues.

CHAIR WEBB states that Trustee Norene could hold a Resource Management Committee meeting and clearly define the need and write down a process for the long term. He asks if immediate assistance is needed.

MR. MORRISON replies that there is an issue that will need assistance, but we do not have to do anything today.

TRUSTEE NORENE suggests putting it on the agenda for the next Resource Management Committee and try to come up with a recommendation. He then asks the Chair to address the letter from Jim Gottstein. He adds that he is bringing attention to the issue. He asks if staff has a suggestion about it.

MS. BALDWIN-JOHNSON states that he was very interested in connecting the Trust with a doctor and actually brought him to the office. She continues that he had a presentation which is recorded and available on YouTube. She adds that he wants to raise awareness and bring information to the trustees. She was not sure if there was anything needing action.

MR. JESSE states, on the medication issue, there are extremes on the continuum. There are physicians that believe in medication first and asking questions later is the way to go. The other extreme is no medications, they are all toxic and do not take any. He continues that people presenting information and a different perspective can benefit beneficiaries in that they may fall in a different place on that continuum than the Trust itself.

MR. BALDWIN states that this is on the list for a Planning Committee meeting; it just has not been worked out yet. It will most likely be after the September board meeting.

MR. JESSEE moves back to the lawyer situation and states that there is no way to obligate some '16 monies to get ahead of it now.

MR. MORRISON states that he expects this particular issue to play out and would not be very fund-intensive in 2017. If it mushroomed to a bigger issue, it would be FY18 before it became expensive.

CHAIR WEBB frames the issue as he views it: If the TLO is having an issue that requires legal expertise of a particular sort that is not available, the Resource Management Committee or that committee chair is made aware of it. Someone is bringing the matter forward that indicates that the Trust's interests are at risk. He asks for any other issues, and recognizes Paula Easley.

TRUSTEE EASLEY states that she was looking at the other focus areas, and it would be nice to have a target for housing.

CHAIR WEBB agrees and asks staff to give some serious thought to looking at the focus areas and trying to identify and quantify getting closer to it and what is needed to get there. He asks for any other questions or comments. There being none, he asks for a motion to adjourn.

TRUSTEE NORENE makes a motion to adjourn the meeting.

TRUSTEE MICHAEL seconds.

There being no objection, the meeting is adjourned.

(Board of Trustees meeting adjourned at 4:45 p.m.)