

MEETING AGENDA

Meeting: Board of Trustee
Date: September 5-6, 2018
Time: 8:30 AM
Location: Trust Authority Building, 3745 Community Park Loop, Anchorage
Teleconference: (844) 740-1264 / Meeting Number: 807 311 633 # / Attendee No: #
<http://thetrust.webex.com>
Trustees: Mary Jane Michael (Chair), Chris Cooke (Vice Chair), Laraine Derr (Secretary), Verné Boerner, Paula Easley, Carlton Smith, Jerome Selby

Wednesday, September 5, 2018

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8:30a	Call to Order – Mary Jane Michael, Chair	
	Roll Call	
	Approval of Agenda	
	Review of Guiding Principles	6
	Ethics Disclosure	
	Approval of Minutes	
	• May 24, 2018	13
	Current Bylaws	48
8:35	Mission Moment	
	Family Outreach Center for Understanding Special Needs	
9:05	Staff Report	
	CEO Update	
9:20	Statutory Advisor Update	
	Denise Daniello, Executive Director, Alaska Commission on Aging	55
9:50	Statutory Advisor Updates	
	Patrick Reinhart, Executive Director, Governor’s Council on Disabilities and Special Education	66
10:30	Break	
10:45	Statutory Advisor Update	
	Angela Rodell, Chief Executive Officer, Alaska Permanent Fund Corporation	
12:15	Catered Lunch	
12:15	Statutory Advisor Update	
	Alison Kulas, Executive Director, Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse	68
1:15	Recess	

Thursday, September 6, 2018

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8:30a	Call to Order Announcements	
8:35	FY20 Budget Deliberations	hand-out
	Trust Land Office FY20 Operating Budget	71
	Trust Authority FY20 Admin Budget	71
10:05	Break	
10:15	Approve CEO Job Description	77
10:30	Board Elections	
10:45	Approval	
	• Item A – KI Energy JV Oil and Gas Lease	82
11:00	Open Meetings Act Training	
11:30	Lunch - Catered	
12:00	Public Comment	
	• For Public Comment Guidelines click here	
1:30	Trustee Comments	
1:45	Adjourn	

Additional Documents

• Finance Committee Report	70
• Resource Management Committee Report	81
• Audit & Risk Committee Report	87
• Program & Planning Committee Report	89
• Follow-Up Memo – August Program & Planning Meeting	92

Future Meeting Dates

Full Board of Trustee / Program & Planning / Resource Management / Audit & Risk / Finance

2018 / 2019 / 2020

(Updated – August 3, 2018)

- | | | |
|--------------------------------|--------------------------|------------------------|
| • Full Board of Trustee | Sep 5-6, <u>2018</u> | (Wed, Thu) – Anchorage |
| • Program & Planning Committee | October 17, <u>2018</u> | (Wed) |
| • Resource Mgt Committee | October 17, <u>2018</u> | (Wed) |
| • Audit & Risk Committee | October 17, <u>2018</u> | (Wed) |
| • Finance Committee | October 17, <u>2018</u> | (Wed) |
| • Full Board of Trustee | November 15, <u>2018</u> | (Thu) – Anchorage |

- | | | |
|--------------------------------|----------------------------|------------------------|
| • Program & Planning Committee | January 3, <u>2019</u> | (Thu) |
| • Resource Mgt Committee | January 3, <u>2019</u> | (Thu) |
| • Audit & Risk Committee | January 3, <u>2019</u> | (Thu) |
| • Finance Committee | January 3, <u>2019</u> | (Thu) |
| • Full Board of Trustee | January 30-31, <u>2019</u> | (Wed, Thu) – JUNEAU |
| • Program & Planning Committee | April 17, <u>2019</u> | (Wed) |
| • Resource Mgt Committee | April 17, <u>2019</u> | (Wed) |
| • Audit & Risk Committee | April 17, <u>2019</u> | (Wed) |
| • Finance Committee | April 17, <u>2019</u> | (Wed) |
| • Full Board of Trustee | May 8, <u>2019</u> | (Wed) – TBD |
| • Program & Planning Committee | July 30-31, <u>2019</u> | (Tue, Wed) |
| • Resource Mgt Committee | August 1, <u>2019</u> | (Thu) |
| • Audit & Risk Committee | August 1, <u>2019</u> | (Thu) |
| • Finance Committee | August 1, <u>2019</u> | (Thu) |
| • Full Board of Trustee | September 4-5, <u>2019</u> | (Wed, Thu) – Anchorage |
| • Program & Planning Committee | October 16, <u>2019</u> | (Wed) |
| • Resource Mgt Committee | October 16, <u>2019</u> | (Wed) |
| • Audit & Risk Committee | October 16, <u>2019</u> | (Wed) |
| • Finance Committee | October 16, <u>2019</u> | (Wed) |
| • Full Board of Trustee | November 14, <u>2019</u> | (Thu) – Anchorage |

Future Meeting Dates

Full Board of Trustee / Program & Planning / Resource Management / Audit & Risk / Finance 2018 / 2019 / 2020

(Updated – August 3, 2018)

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- | | | |
|--------------------------------|----------------------------|---------------------------------|
| • Program & Planning Committee | January 3, <u>2020</u> | (Fri) |
| • Resource Mgt Committee | January 3, <u>2020</u> | (Fri) |
| • Audit & Risk Committee | January 3, <u>2020</u> | (Fri) |
| • Finance Committee | January 3, <u>2020</u> | (Fri) |
| • Full Board of Trustee | January 29-30, <u>2020</u> | (Wed, Thu) – JUNEAU |
| | | |
| • Program & Planning Committee | April 22, <u>2020</u> | (Wed) |
| • Resource Mgt Committee | April 22, <u>2020</u> | (Wed) |
| • Audit & Risk Committee | April 22, <u>2020</u> | (Wed) |
| • Finance Committee | April 22, <u>2020</u> | (Wed) |
| • Full Board of Trustee | May 7, <u>2020</u> | (Thu) – TBD |
| | | |
| • Program & Planning Committee | August 4-5, <u>2020</u> | (Tue, Wed) |
| • Resource Mgt Committee | August 6, <u>2020</u> | (Thu) |
| • Audit & Risk Committee | August 6, <u>2020</u> | (Thu) |
| • Finance Committee | August 6, <u>2020</u> | (Thu) |
| • Full Board of Trustee | September 2-3, <u>2020</u> | (Wed, Thu) – Anchorage
– TAB |
| | | |
| • Program & Planning Committee | October 21, <u>2020</u> | (Wed) |
| • Resource Mgt Committee | October 21, <u>2020</u> | (Wed) |
| • Audit & Risk Committee | October 21, <u>2020</u> | (Wed) |
| • Finance Committee | October 21, <u>2020</u> | (Wed) |
| • Full Board of Trustee | November 19, <u>2020</u> | (Thu) – Anchorage – TAB |

Future Meeting Dates

Statutory Advisory Boards - 2018

(Updated – August 3, 2018)

Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse

- Executive Committee – monthly via teleconference (First Wednesday of the Month)
- October 9-10, 2018 - Kodiak
- March 4-8, 2019 – Juneau <tentative>

Governor's Council on Disabilities and Special Education

- September 26-27, 2018 – Anchorage – Annual Aging & Disability Summit
- September 29-30, 2018 – Anchorage – Self Advocates Summit
- November 15, 2018 – Anchorage – Supported Decision Making Agreements Summit
- October 1, 2018 – Anchorage – Statewide Workgroup on FASD
- October 2-3, 2018 – Anchorage

Alaska Commission on Aging

- September 12–15 – Nome – Rural Outreach Board Meeting
- September 26-27 – Anchorage – Annual Aging & Disability Summit
- December 12 by video/teleconference <tentative>
- February 11-13, 2019 (face-to-face) or February 13 by video/teleconference <tentative>
- May 1, 2019 by video/teleconference <tentative>

**The Trust's
Guiding Principles /
Mission Statement /
Trust Budget
Process Flowcharts**

Trust Guiding Principles

To improve the lives of Trust beneficiaries, The Trust is committed to:

Education of the public and policymakers on beneficiary needs;

Collaboration with consumers and partner advocates;

Maximizing beneficiary input into programs;

Continually improving results for beneficiaries;

Prioritizing services for beneficiaries at risk of institutionalization or needing long-term, intensive care;

Useful and timely data for evaluating program results;

Inclusion of early intervention and prevention components in programs;

Provision of reasonably necessary beneficiary services based on ability to pay.

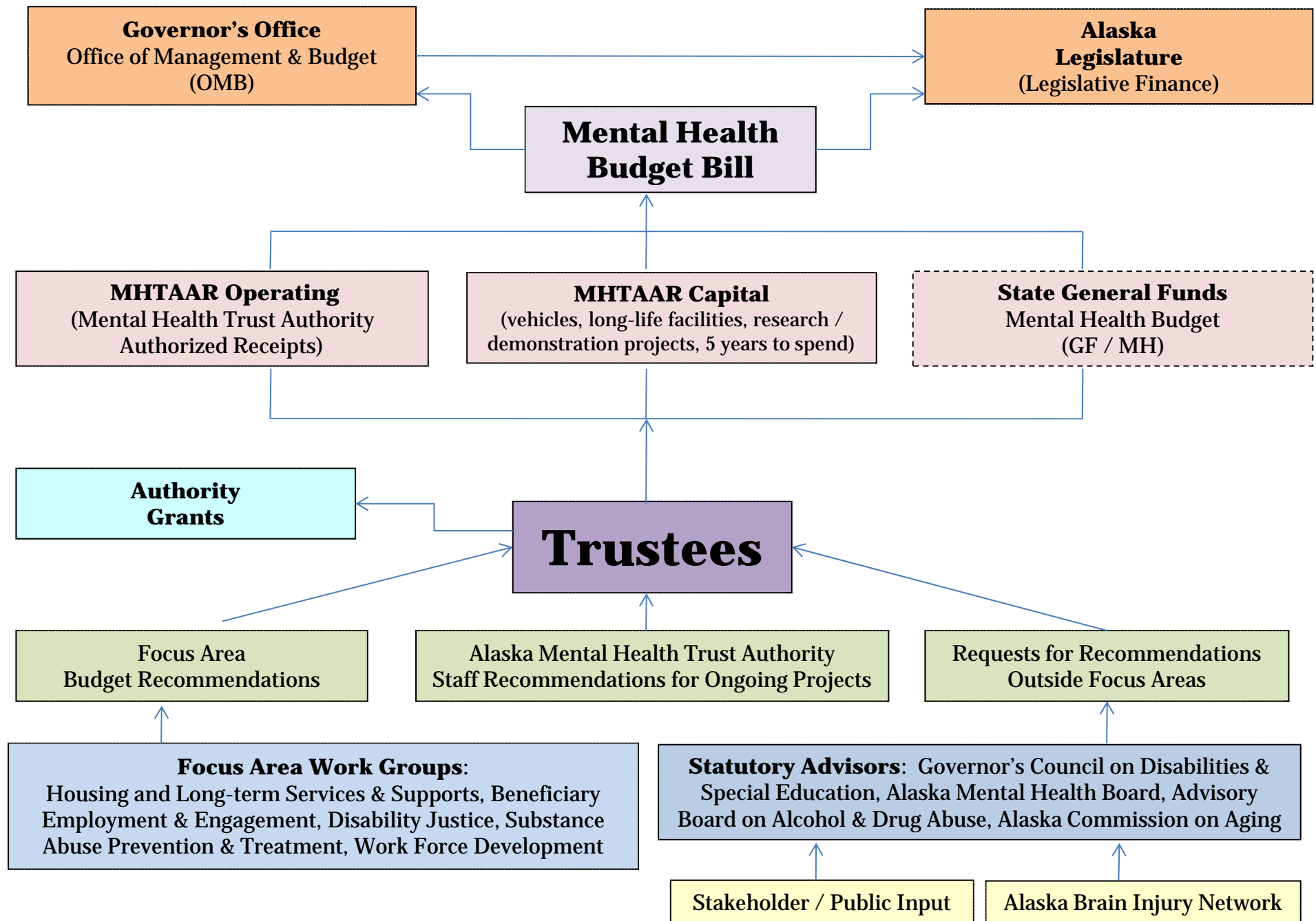
Approved 5-12-09, Board of Trustee meeting

Trust Mission Statement

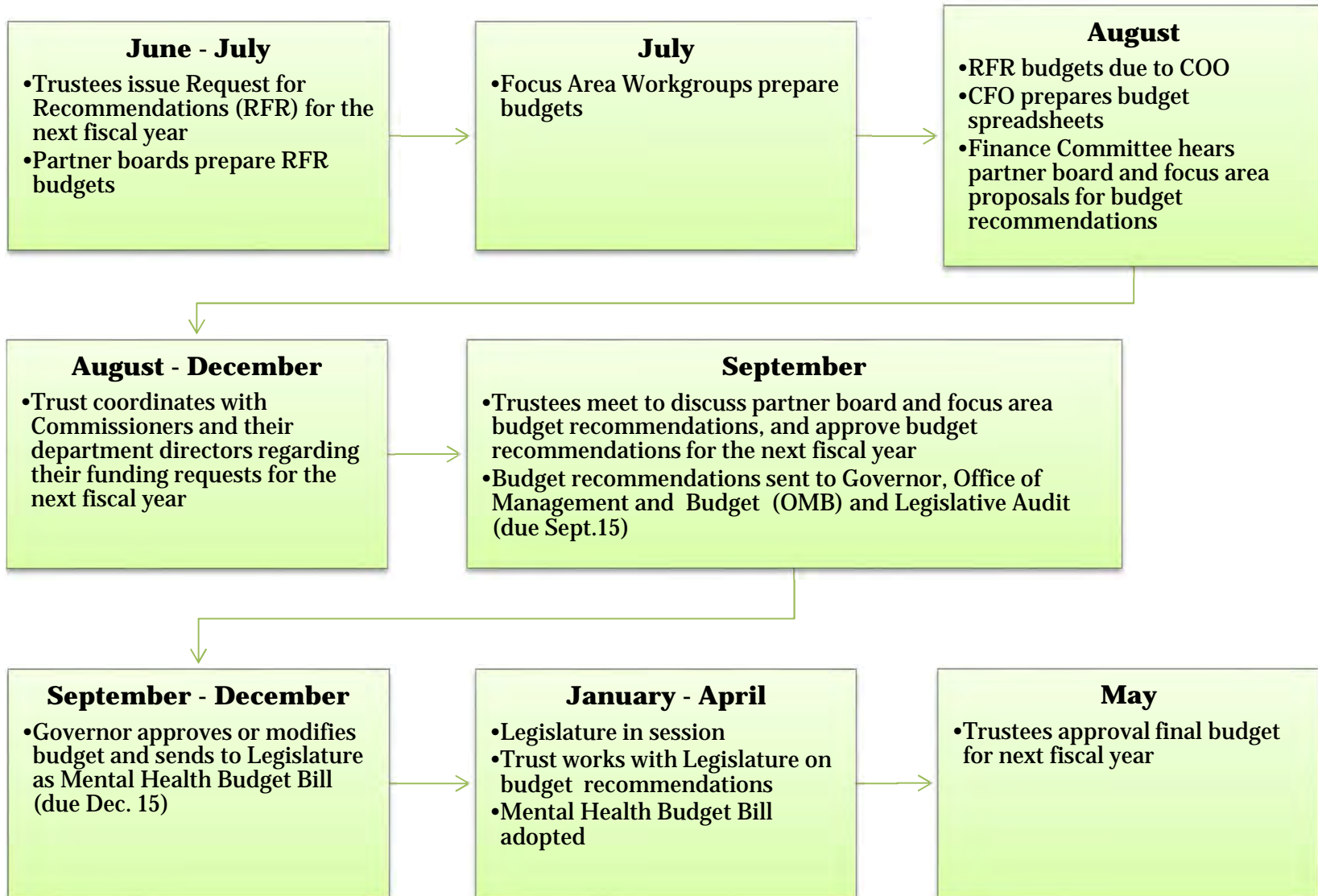
The Alaska Mental Health Trust Authority (The Trust) administers the Mental Health Trust to improve the lives of beneficiaries. Trustees have a fiduciary responsibility to protect and enhance trust assets in perpetuity for the beneficiaries. The Trust provides leadership in advocacy, planning, implementing and funding of the Comprehensive Integrated Mental Health Program; and acts as a catalyst for change.

Approved 5-12-09, Board of Trustee meeting

Alaska Mental Health Trust Authority Budget Process



Annual Mental Health Budget Bill Process

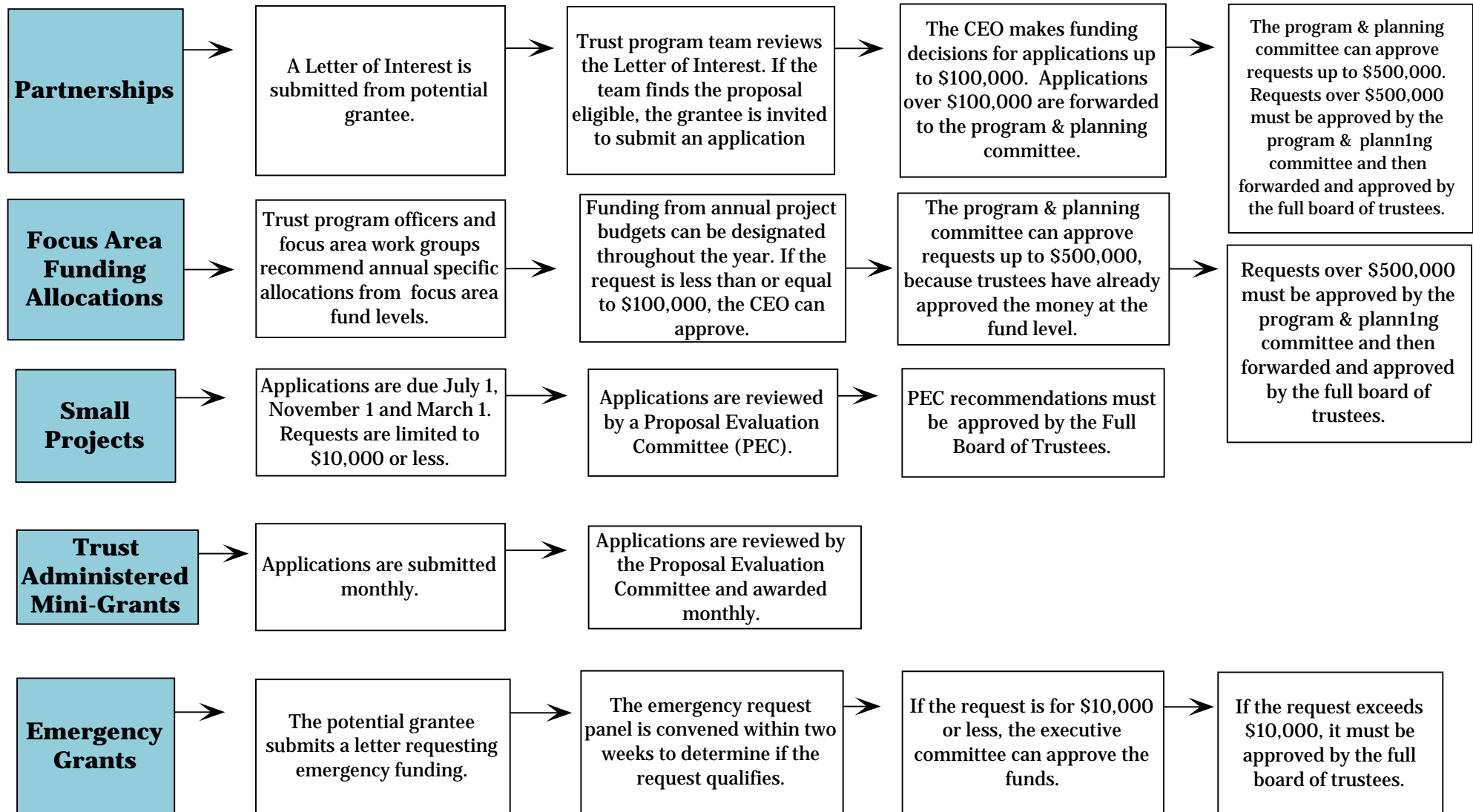


Note: timeline represents those items in the green boxes in the chart entitled "Alaska Mental Health Budget Process"

02/18/16

Grant Approval Process for Authority Grant Funds

All annual budgets are approved by the full board of trustees at the September meeting



Note: this chart depicts those items included in the blue box labeled "Authority Grants" on the chart entitled "Alaska Mental Health Trust Authority Budget Process"

Trust Annual Calendar

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Board Administration												
Trustee reports due to APOC – Mar 15			XX									
Trustee committee assignments					XX							
Officer elections									XX			
Board evaluations										XX	XX	
CEO evaluation											XX	
Trust Administration												
Legislature convenes	XX											
Trustees present budget to House/ Senate Finance Committees	XX	XX										
Legislature adjourns				XX								
Request for Recommendations (RFR) issued to partner boards April 30				XX								
Fiscal year ends June 30						XX						
Fiscal year begins July 1							XX					
RFRs due from partner boards July 30							XX					
Advocacy Summit											XX	
Staff drafts Trust office budget for next fiscal year								XX				
Staff coordinates w/DHSS on budget								XX	XX	XX	XX	XX
Trustee meeting to approve next fiscal year budget									XX			
Trust budget recommendations due September 15 to Governor/ Legislative Finance									XX			
Financial audit begins							XX					
Financial audit completed										XX		
Staff coordinates with OMB/DHSS on budget recommendations										XX	XX	XX
Trustees meet to finalize budget											XX	
Governor's budget released December 15												XX

04/17/15

**Minutes for the
May 24, 2018
Full Board of Trustee
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD OF TRUSTEES MEETING

May 24, 2018

8:30 a.m.

Taken at:

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

OFFICIAL MINUTES

Trustees present:

Mary Jane Michael, Chair
Carlton Smith
Laraine Derr
Paula Easley
Jerome Selby
Christopher Cooke

Trust staff present:

Mike Abbott	Steve Williams
Miri Smith-Coolidge	Carley Lawrence
Katie Baldwin-Johnson	Andy Stemp
Kelda Barstad	Jimael Johnson
Mike Baldwin	Valette Keller
Luke Lind	

Trustee Land Office present:

Wyn Menefee
Craig Driver
Sarah Morrison
Aaron O'Quinn
Jusdi Doucet
Jeff Reed

Also participating:

Kathy Craft; Jon McGhee; Sung Linder; Autumn Vea; Travis Welch; Eric Boyer; Patrick Reinhart; Denise Daniello; Gordon Glaser; Mary Shields; Alison Kulas; Stuart Goering; Maria Bahr; Randall Bruns; Gennifer Moreau; Marie Alfonsi; Annette Alfonsi.

PROCEEDINGS

CHAIR MICHAEL calls the meeting to order and asks for a roll call. She notes that Trustee Boerner may be able to join later. She asks for a motion to approve the agenda.

TRUSTEE SELBY makes a motion to approve the agenda.

TRUSTEE SMITH seconds.

There being no objection, the motion is approved.

CHAIR MICHAEL states that the Guiding Principles are in the packet and asks for any ethics disclosures. She moves to the minutes of January 24-25, 2018, and asks for approval.

TRUSTEE DERR makes a motion to approve the minutes of the January 24 and 25, 2018, meeting.

TRUSTEE SELBY seconds.

There being no objection, the motion is approved.

CHAIR MICHAEL moves to the minutes of February 9, 2018.

TRUSTEE DERR makes a motion to approve the minutes of February 9, 2018.

TRUSTEE EASLEY seconds.

There being no objection, the motion is approved.

CHAIR MICHAEL moves to the minutes of March 19, 2018.

TRUSTEE DERR makes a motion to approve the minutes of March 19, 2018.

TRUSTEE SELBY seconds.

There being no objection, the motion is approved.

CHAIR MICHAEL states that also in the packet are the current bylaws. She moves to the Mission Moment.

MISSION MOMENT

MS. JOHNSON states that for the Mission Moment, John McGhee and Sung Linder have come up from South Peninsula Behavioral Health Services to talk about some employment opportunities that they are exploring and developing in the Homer Community.

MR. MCGHEE states that it is a privilege to be here and an honor to share what is going on in the small community down in Homer. He explains that in the past year an IPS supportive employment program was developed. It is an individual placement and support program. He adds that it has different labor to it than what people typically know as supportive employment. He states that the IPS program has eight principles that it is founded on: First is focusing on competitive employment; second is eligibilities based on client choice; third is integration of rehabilitation and mental health services; fourth is attention to work preferences, which is client-driven; fifth is person-life benefits counseling; sixth is a rapid job search; seventh is systematic job development; and, eighth is a time unlimited and individualized support. Once a person is hired, he is provided ongoing job support, which is different for every individual. He states that the eight principles guide the program and is the process gone through with each client that is referred by the treatment team or by the individual coming to him. He continues that all that is needed is an interest in working. He spends time with them, gets to know them and explores the possibilities of their work goals or even their dream job. He adds that benefits analysis is worked on rather than finding that they have benefits. Then, resumes, mock interviews are done to prepare them. He states that during the process he is also interviewing employers, the job development aspect in the community. He met with over a hundred of them during the past year and developed a relationship with them all. He continues that they are going to be looked at as a resource and has employers calling to see if there are any good job matches for their positions before posting them anywhere else. He explains that he was hired in February of last year and developed a program; March had the first placement; and since then we have placed 19 individuals in different businesses, with two clients in one business. Everyone else is in individual businesses around town, producing diversity. Part of the IPS model is diversification. He states that there is a huge change being seen in the clients' outlook on life. The model of employment is a key part of recovery, which is very evident in this process. He adds that there is an article coming out in the Homer News about the program. He asks Sung Linder to share a bit of his story.

MR. LINDER states that he is a mental health client and has been mentally ill for over 20 years. He continues that one of the things missing in part of his recovery was what Mr. McGhee is doing now, being there on site as an employment specialist for those kind of services. When the program began, he was excited but still leery because his medications and services are so expensive that he was worried about losing benefits. He adds that on a previous work cycle he lost his benefits and it took a year to get back on. He states that Mr. McGhee's presence in the community is a great one and he is an extremely valuable resource. He explains that he did gain employment a year ago, but recently put in his 12-day notice due to some stress-related issues and a change of just trying to get out of the restaurant business. He adds that he thought it would be good to go look for something that he can stick with. The program has been so good that the next time he seeks employment he will definitely go through the program again. He states that there are a lot of positive dynamics in the Annex program, the mental health program that was not there before Mr. McGhee showed up. Being employed was beyond reach and is not like that now. He hopes that everyone will try to keep the program going. He has no negative connotation and no regrets. He thanks all.

TRUSTEE SMITH asks about the number of jobs available at any one time and also the seasonal numbers.

MR. MCGHEE replies that he does not know the number of jobs, but adds that it is either feast or famine. In the summertime he cannot find enough people in town to work, and in the winter a lot of businesses shut down or close for a month. He continues that his focus has always been to find year-round employment. Most of the employment found has been year-round, or positions that can easily transition to year-round from the summer.

TRUSTEE COOKE talks about the part of the interview in trying to determine a person's situation regarding support they may get; and if that is SSI and healthcare benefits from Medicaid versus the consequences of gaining employment which may not carry health insurance or be full-time. He asks if that has been resolved.

MR. MCGHEE replies that it depends on each client and some of their work goals. He states that a number of them are getting back in the workplace and we try to balance being able to work, and benefits will go down but will not go away completely. He continues that they try to keep that match until that track record is built where they know they can keep going if they lost them. He adds that it goes on case by case.

TRUSTEE EASLEY states that it is her impression that to avoid this all-or-nothing situation on losing benefits had a graduated way of being dealt with, the problem would be solved. She asks if there is anything seen in the future to pursue that with maybe losing some of the benefits and then not being discouraged from finding employment. She explains her concerns.

MR. MCGHEE replies that it is a broken system and we are doing our best to navigate that system and to put the client in the best position before they make that next jump within that system of losing certain elements of it.

CHAIR MICHAEL states that one of the successes is the outreach to employers. That is really critical because oftentimes people who work in this field are really good at working with people experiencing disabilities. It is a whole other thing to go out and do job development. She asks about his magic of success.

MR. MCGHEE states that he goes into it with the idea of building a relationship rather than a means to an end. There is care about the manager, care about their needs, care about where the business is going and, because it is a small community, everyone benefits when all do well. He continues that going in with the attitude of being in it all together is the difference.

TRUSTEE SELBY asks if there has been a chance to talk with other communities or if other communities are looking at trying to replicate this.

MR. MCGHEE replies that there are a number of grantees in Alaska, and he is meeting with a few of them to answer their questions, give them an understanding of the program and how it could be implemented. He states that he hopes that this success and experience can be used to benefit anyone else in Alaska because it is such a needed thing.

TRUSTEE COOKE states that it was mentioned that if there was an issue you were a phone call

away. He asks if you are a resource to employees to perhaps deal with some aspect of the client's life that they do not understand.

MR. MCGHEE replies absolutely. The employers have all expressed appreciation for the job-support element, because it takes the stress off of them in navigating things. He states that businesses have had us come out and do presentations on just mental illness and mental health so that their supervisors can better serve our clients. He adds that the employers that have hired people have come to appreciate that element and have used it.

TRUSTEE COOKE asks if having that additional element available made people more willing to take the clients on as employees.

MR. MCGHEE replies yes.

MS. JOHNSON thanks both men for joining and sharing their stories. She also acknowledges the partners at DBH. The Division has taken this model by the horns and made it happen. System employment is the first agency in the state to embrace the model and run with it, and they just had their six-month fidelity review a few weeks ago. This partnership with DVR is an incredibly important piece. This is a real cross-system effort, and the success is here at the table.

CHAIR MICHAEL thanks them for the presentation and adding that it was great and much appreciated. She states that next on the agenda is the staff report.

STAFF REPORT

MR. ABBOTT states that the Legislature adjourned and characterizes the session as generally a success for the Trust for the issues that were put forward. He continues that there was a general acknowledgement that the budget had been cut enough and this general spending level, General Fund and others, was about where the State needed to be. The conversation was more about revenues than it was about spending reductions. He adds that the big exception was Medicaid. There is a lot of frustration, particularly in the Senate, with the expense of the Medicaid program. Medicaid is a tough service to budget for because it is not discretionary spending. By statute, certain services are covered, and providers are paid at certain rates. He explains that if more people show up for services than were anticipated, then the expense of the program will be more than what was anticipated. He continues, that was a big portion of the funding challenge in the current fiscal year, and it will be the subject of some level of consternation in FY19, as well. He distributes a couple of different legislative summary products and explains them. He moves to a short update on the audit. The Legislative Budget and Audit Committee has scheduled a meeting on June 5 at 10:00 a.m. in Anchorage to discuss the audit on the Trust, and a few other agenda items. He believes the outcome of that will be the public release of the audit, along with the Trust's and DNR's response. He states that there is a communication plan that is pretty thoroughly developed, and we are doing a lot of outreach in advance of the audit's release to get people ready for it. There will also be a post-release communication effort, as well. He notes that he and Andy Stemp met with the trustees from the Permanent Fund and informed them, in Executive Session, what we expected the audit results to be, and we discussed the potential impact of that on the Permanent Fund. He continues that they agreed to work with the Trust over

the next several months to develop options for addressing any audit findings that relate to our investments. He adds that he was pleased that the Permanent Fund was receptive to that opportunity, and they were generous with their willingness to work and address any concerns regarding Trust investments. He asks for any questions.

TRUSTEE COOKE states that there have been some previous board meeting sessions and Executive Sessions to talk about matters pertaining to the audit and those issues. He asks if there is anything substantive that should be discussed in a manner similar to what was done last month.

MR. ABBOTT replies that he is not aware of any new developments on the substantive issues in the audit, and does not feel there is any reason for that. He continues that if anything new is learned, he will be prepared to describe those, and to reconvene for further discussion.

TRUSTEE SMITH asks if the trustees will get a refresher on what the communications plan looks like, and if he will be the point person.

MR. ABBOTT replies that the talking points will be revised, and new communications will be seen. He did not think that anything in the communications plan or the messages will be surprising. He states that he thinks we are ready to start talking about the next steps specifically related to the subport property in Juneau. There is a plan to advance that process. He continues with the services described in the mission statement of the Urban Land Institute, they “provide leadership in the responsible use of land and creating and sustaining thriving communities worldwide. ULI Northwest carries forth that mission by serving the Northwest’s public and private sectors with pragmatic land use expertise and education.” Their services have been secured to help identify the best path forward for the Trust related to that relatively valuable piece of land in Juneau; which has a variety of potential competing uses and options. That process will culminate in an onsite series of workshops in September in Juneau. He adds that the Trust Land Office is taking the lead on this, and we will be hearing more as this goes forward. He states that the process the ULI is helping to complete will provide guidance that can be used to make decisions on the disposition of that property, and there are a wide variety of options that are available. This will also provide a fair opportunity for stakeholders in Juneau to participate and to provide input into that decision-making process, as well.

TRUSTEE EASLEY comments that she does not believe that the Trust has ever used Urban Land Institute or any other organization to do that kind of analysis and public participation, and she thinks that is very good.

MR. ABBOTT credits Wyn Menefee and Craig Driver on the TLO staff for identifying the option and getting to this point.

TRUSTEE DERR states that her concern with Juneau is that there is a penchant to lock land up, keep it pristine, with no resource development. Her fear in hiring the Urban Land Institute is that they will come back and not say that the land should lie fallow and not be developed.

MR. ABBOTT states that the mission that will be given to the ULI is to help figure out how to

generate revenue from the property. The result will have to involve something that meshes with the Trust's interest in using this and any other of the parcels to generate resources for the mission. He asks Steve Williams and Katie Baldwin-Johnson for news on personnel.

MR. WILLIAMS replies that there are three new folks that will be joining Trust staff on June 4th. Autumn Vea is coming from the Department of Corrections and will be filling the position that Heidi Wailand held as an evaluation and planning officer. He recognizes Ms. Vea and asks her to introduce herself.

MS. VEA replies that she works at the Department of Corrections where she oversees substance abuse services for the Department. She has been instrumental in building new relationships for the Department of Corrections, the local community behavioral health providers, and getting new folks working in the system. She previously worked for the Division of Behavioral Health for a number of years as a program manager. She states that she brings a lot of different relationships and a lot of different knowledge bases to the table. She hopes to help the Trust board in developing the next phase of the comp plan.

MS. BALDWIN-JOHNSON introduces Eric Boyer and Travis Welch. Mr. Boyer has been with the Alaska Training Cooperative for about six years and has 20-plus years' experience working in community behavioral health, specifically with children and families. He will be taking on workforce initiatives and helping to expand the capacity to work behavioral health-related initiatives.

MR. BOYER thanks the trustees and staff for bringing him on board. He has worked with Trust staff over the last two years on various projects, and is familiar with the work done around the state.

MS. BALDWIN-JOHNSON introduces Travis Welch who will be focusing on criminal justice-related initiatives and has 10-plus years of experience in law enforcement. He comes from the North Slope Borough where he was, most recently, chief of police.

MR. WELCH thanks everyone for this opportunity and is grateful to be here. He states that he was chief of police for the last nearly three years, and prior to that served in different capacities within that organization. He looks forward to bringing his knowledge and expertise in criminal justice to work on these issues to better serve and meet the needs of the beneficiaries within the state of Alaska. He adds that this is an awesome opportunity.

CHAIR MICHAEL welcomes them all.

MR. ABBOTT states that the good news is that the Trust side of the operation will be fully staffed for the first time in a long time with the addition of these three positions. He continues that the bad news is that the Trust Land Office is losing a key contributor. Craig Driver has accepted a position at another Alaskan outfit, and his last day is in another week or so. He adds that Aaron O'Quinn is still on the team and will be assuming a lot of the responsibilities in the near term. Mr. Menefee will be working on a plan to make sure that there will be the right staff support in the real estate management/real estate investment area. He concludes his report.

CHAIR MICHAEL recognizes Patrick Reinhart.

GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION

MR. REINHART states that he is the Executive Director of the Governor's Council on Disabilities and Special Education. He continues with an overview of the legislative session and things that impact and potential impacts of the providers and beneficiaries. He states that the Developmental Disabilities Vision Bill sponsored by Senator Micciche was passed with lots of co-sponsors and 28 cross-sponsors. He thanks Senator Micciche, Representative Millett and the Trust for supporting it all along the way. He talks about the pilot project that the Trust is supporting where video vignettes of what it means to have a supportive decision-making agreement placed are being made. He states that a SDMA summit is being planned for November 15 where everyone will meet to discuss the needs and to adopt this whole new model of creating alternatives to guardianship. He moves to the Civil Legal Services Fund that passed and ended up with 10 percent of all civil court filing fees being set aside for legal services for low-income Alaskans. Another one that passed is the Reading Proficiency Task Force on Dyslexia which is a group that is going to be working on improving services in schools for people with dyslexia. He states that SB 198, the study of long-acting reversible contraceptives, did not pass, but \$500,000 was put in the budget to do the study. He moves on, stating that he is happy about the 11 new positions for the Office of Public Advocacy; those people are overwhelmed and are doing a good job as guardians, but it is not easy when there are 120 kids that have to be managed monthly. He continues that there are also 20 new positions to deal with the 18,000 application backlog in Public Assistance, which is very critical. He points out the employment training that has a new grant that is Small Business Administration Prime Funding. There have been trainings on the ABLE Act, which is another way for people -- that have acquired their disability before the age of 26 -- to put money in savings and not affect the benefits. He adds that Full Lives was three days, combined with the SDS Care Coordinator Conference, and it was a good event. There was a lot on supportive decision-making with 255 attendees and 26 exhibitors. He states that the Stone Soup Group had a successful parent conference and will focus on behavioral issues next year. He continues that the Disability Law Center is involved in two major lawsuits against the State. One is against Behavioral Health Services on the delay of implementing Applied Behavior Analysis service, and a class action was filed about the day habilitation restrictions. They are also participating in the human trafficking working group. There are a lot of people with significant disabilities being preyed upon. He adds that the Statewide Independent Living Council is the agent dealing with the assistive technology pilot which will be picking 12 waiver participants to receive an array of assistive technology services with the hopes of showing a decrease in those persons' needs for assistance, and to show an increase in independence. He states that SILC is also working on: Service animals education and training; training on the rights and responsibilities of businesses in this regard, as well as for people with disabilities. The next Council meeting is October 2nd and 3rd. There will be a Universal Screening Task Force meeting, developmental screening, June 5th; Aging and Disability Policy Summit, September 26-27; Self-Advocacy Summit, September 29-30; and, the day before the Council meeting there will be a full day of FASD face-to-face meetings. He moves to councilmember changes and states that Dean Gates, Amy Simpson, Sandra DeHart Mayor are leaving, and John Cannon of DVR, the Division director, retired.

Cindy Murphy-Fox has been picked as the VR rep. He continues that they are recruiting for a DD provider rep, and any parent of a child with a disability under six can apply. He adds that Corey Gilmore of Juneau, a self-advocate, is the vice-chair. He states that Senator Murkowski sponsored a bill to amend the CURES Act, which would delay a year the electronic visit verification requirements by every state. He explains that every time a provider visits a client there is a registration that they were there and when they leave, which he agrees with. He concludes his presentation.

CHAIR MICHAEL calls a 15-minute break.

(Break.)

CHAIR MICHAEL calls the meeting back to order and moves to the presentation from the Alaska Commission on Aging.

ALASKA COMMISSION ON AGING

MS. DANIELLO states that she is the Executive Director for the Alaska Commission on Aging. She introduces Gordon Glaser, the newly elected chair that will begin the position on July 1.

MR. GLASER states that he used to work in this building many years ago with children and families, doing one of the injury prevention programs. He continues that the Commission of Aging appreciates the opportunity and the support that the Mental Health Trust has given to the aging population. He explains that there are a number of programs that go across a whole spectrum of people and that look at aging as a positive phase of life. He thanks all for the warm welcome and the opportunity to address the Trust.

MS. DANIELLO begins her presentation and provides an overview of the topics. She states that there will be highlights from the legislative session; will touch on some of the joint advocacy priorities, as well as legislation and budget items of interest to seniors; the impacts on seniors; FY2019 in terms of planning and advocacy; provide some updates; and then conclude. She states that Governor Walker signed House Bill 236, which was the senior benefits reauthorization bill. This bill provided six additional years of reauthorization and fully funded FY19's benefits. She explains that beginning next year, FY20, this bill will raise the benefit level back up to \$125 a month for those recipients. In addition, it said that funding for the senior benefits program will be protected. She continues that it cannot be transferred to other programs when the benefits are pro-rated to seniors. She adds that the Commission also supported HB 186, the food donations bill, which allows businesses to donate their excess food without fear of liability to charitable organizations, including food banks. She states that the Commission also supported Senate Bill 169; this was one of two bills that aimed to improve access for behavioral health services. She explains that it changed the definition of supervisors to include physicians as well as psychiatrists, and allows the use of assistive technology, telehealth to allow for consultation. Also supported was the Civil Legal Services Fund which passed so that nonprofit organizations that provide civil legal services will benefit from this legislation and the funding. Alaska Legal Services has always been a good friend of seniors. She states that the Regulation of Smoking bill passed with the purpose of preventing secondhand smoke, to protect people in

workplaces and public places from secondhand smoke. She continues that the research is clear that secondhand smoke causes cancer. She adds that Public Health Fees passed. This will allow the charging of fees for some services that do not impact the services provided to patients. She moves on to the Crimes Against Medical Professionals and states that the Commission was divided on that bill. Some were in support because of concern for the health and safety of the hospital workers, but were also concerned about people with Alzheimer's and related dementia and other cognitive impairments that act out which is not in their control. Also supported was SB 165 which increases the sunset date for the Comprehensive Health Insurance Fund by six years; which was passed. She states that the Commission came out in strong support of HB 123, which was the disclosure of healthcare costs. The Marital/Family Therapy License, the Medical services bill was to improve access to behavioral health services. SB 105 passed; HB 123 did not. She moves on to the FY19 operating budget which was approved at \$10.4 million. She states that this was the first time the Legislature spent money from the Permanent Fund because there was not enough money in the constitutional budget reserve. \$1.7 billion was taken from the Permanent Fund to address the budget deficit, along with \$774 million from the constitutional budget reserve to address the budget deficit. There is now \$700 million for the budget deficit. The Legislature also approved a PDF payout of \$1,600 for every Alaskan. In terms of senior programs, there were no cuts to any of the services. The Senate Finance HSS Subcommittee recommended language to be put into the budget that would protect funding for senior-specific programs, which was not passed. She continues that there was some additional funding put in the Medicaid budget for FY19, and there is concern about the funding gap of \$20 million for this year. She looks ahead to next year and states that there are a couple of programs that are in need of improvement, especially in terms of funding. One is the Nutrition, Transportation, and Support Services program. This provides home-delivered meals, congregate meals at senior centers, transportation, homemaker services for seniors. This program is the largest of the senior grant-funded services, and has been serving more seniors, but funding has not kept up with the pace of the growth of the senior population. She continues that it focuses on the most vulnerable, including people that are low income, live alone, and have needs for assistance with activities of daily living. It is a very cost-effective program. She adds that another program is the Family Caregiver Support program, which is another grant-funded service, and provides assistance to family caregivers who take care of elderly in the home, as well as older people who are raising grandchildren. She states that it is very important to provide the supports they need in order to ensure that they will continue providing that care. She moves on and provides some updates regarding the Older Alaskans Month Activities, the Centenarian Project. This celebrates people who are 100 years of age and older. She continues that May is Older Americans Month in Alaska, and the theme is "Engage at Every Age." She continues that they have identified 50 centenarians across the state, and 23 provided consent to be recognized this year. She adds that data from the Permanent Fund Division was used, and this project was done in partnership with the Governor's office. She moved to an update about the State Plan Needs Assessment activities, which has the senior survey, which is in copies of the Senior Voice. This was just started, and more than a thousand completed surveys have been received. She thanks Randall Burns and the Division of Behavioral Health team for working with staff regarding a new software program that can be used to help. It is called Remark and helps putting all that data into the computer. She states that the Elder Senior Listening Session has begun, and it is interesting to hear what people say about the needs of their community. She continues and

thanks David Blacketer, the current chair from Kodiak, and Mary Shields, former chair and the new vice-chair. She asks Mr. Glaser for any other comments.

MR. GLASER thanks the trustees for the opportunity and patience. He states that in talking about things like medical services, housing, and transportation being the elements, they come from the plan. Putting input in it reflects what is needed, and then it is used to make choices. He continues that the Trust is an important element in that because too often some of the beneficiaries are left out of that plan. He put his examples on a personal level so that the concept is easier to understand. He adds that having a plan that works is what all those community centers and planning agencies use as a plan. He asks for input and also for money, hoping for both.

CHAIR MICHAEL recognizes Alison Kulas.

ALASKA MENTAL HEALTH BOARD, THE ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE AND THE STATEWIDE SUICIDE PREVENTION COUNCIL

MS. KULAS reminds all of their mission. She states that this is the State agency statutorily charged with advising the Governor, the Legislature, and the various departments in the planning and coordinating of behavioral health services funded by the State of Alaska. She continues that they look more broadly at what can be done in terms of program, services, and funding to promote independent, healthy Alaskans. She adds that Terry Tibbetts is the advocacy coordinator that works with all of the agencies to really present what the joint advocacy effort is. Next, is working with the Trust staff to really track and monitor a lot of that legislation, holding weekly meetings to advise all of the partners and beneficiaries on what legislation is moving forward and what is happening throughout the session. She explains that if there is any advocacy that is needed to get those moving or to get public comment out on any funding levels, alerts are sent out. She goes through some key legislation that was passed that were tracked, beginning with HB 151, which is a Foster Care bill that represents some key gold-standard legislation for foster care and for child protection. HB 312 started as a Crimes Against Medical Professionals bill and rolled into a number of other things at the end that made it a much larger bill. She states that this rose to their concern level and wants to continue to monitor the implementation of and really work with ASHNHA and the emergency care docs to make sure that this will be tracked on how it is implemented. She continues that additional funding in the ACHI funds and the disproportionate share hospital funds are received to relieve some of that pressure from API, so that people get the appropriate care. She moves to SB 104, which was interesting because at the end SB 128, a marijuana tax fund, was tracked, as well. It was sponsored by Senator Giessel and would give 25 percent of the State's marijuana tax to DHSS for an education and treatment fund. She explains that they were two competing bills and were different in how they were structured. At the end, the House rolled in the marijuana treatment fund, the Senate version, in SB 104. She continues explaining the different bills and then clarifies the Long-Acting Reversible Contraception study, LARC. This was a bill and then got put into the budget, then was removed from the budget and then back it. It ended up not being funded. Legislative Finance was contacted to confirm and may come back around next year. She goes through the budget, some of it was covered previously, and states that they are going to work with ASHNHA to make sure that these funds are really solving the issues that folks are having in the hospitals. She also

clarifies that the Medicaid shortfall was not due to the expansion population. It is the traditional Medicaid which is a 50/50 match. She states that the Department of Corrections had some intent language go into those, and it was great to see \$1.2 million of GF restored for additional early learning programs. The current focus areas will continue. A funding request for a long-term, nonpermanent position to analyze the data from adverse child experiences to see what the health outcomes are and what should be tracked. She continues that the work with the fetal alcohol spectrum disorders will continue. The ABADA group is incredibly interested in the alcohol and substance use disorders, and will continue to track the alcohol bills and support legislation. She adds that the criminal justice reform is also tracked and works closely with the Trust staff on those pieces. Maintaining that advocacy, the Medicaid oversight, and then being part of the Alaska Opioid Incident Response structure by serving as the interagency liaison. She moves to some of the emerging focus areas. She states that they are working on prevention and treatment for substance use disorders, housing and homelessness. It is critical to provide the housing supports so that people can become healthier. She continues that they are really addressing what the psychiatric needs are across the state; not just focusing on API, but looking at the boarder spectrum. She adds that there is also separate funding for the Suicide Prevention Council, and we are looking at how to reduce the legal means from the strategic plan that was produced in January. She thanks the Trust for the consideration, and asks for any questions.

MR. BURNS asks Ms. Kulas to talk about the forensic feasibility study.

MR. WILLIAMS states that the feasibility study was funded for \$318,000, which is jointly funded with Trust funds and the Department. It is a one-time increment. He adds that it will come up in the Program and Planning Committee portion of the agenda.

TRUSTEE SMITH states that he is interested in how eight focus areas are managed, and now there are three more.

MS. KULAS replies that is something that she is still learning. She states that she has an excellent staff who focus in on separate areas themselves. She continues that there is a team of people across the state that are really working on these things. She adds that they contribute to those conversations and bring the information back to the board members.

MR. ABBOTT asks for an update on the work being done related to psychiatric rights and that project or effort.

MS. KULAS replies that they have met with patient rights advocates who have been interested in pushing some legislation or some really sustainable changes for psychiatric patient rights. She states that speaks comprehensively of really understanding what is happening at facilities across the state and understanding the data so that some recommendation to better protect patients, staff members, and getting people the services that they need can be put together. She adds the hope to put this report together in the next few months to have something in the early winter.

CHAIR MICHAEL thanks Ms. Kulas and reminds all that Faith and Dorrance have presented several times about patient rights, and staff has worked to come up with a more intensive effort to really define what it is.

TRUSTEE COOKE states that there has been a lot of overlap in the three different presentations in dealing with the outcome of the legislative session. He asks if it would not be more efficient to have a joint presentation from the advisory boards about the legislative session, bills that were passed, budget issues; the things that they all have in common, and then focus on distinct points of individual interest to each committee.

MS. KULAS states that she also noticed that and agreed to change to that type of presentation for next year.

CHAIR MICHAEL asks for any other questions. There being none, she adjourned for lunch.

(Lunch break.)

CHAIR MICHAEL calls the meeting back to order. She asks Mr. Abbott to introduce the guests.

ETHICS TRAINING

MR. ABBOTT states that this portion of the agenda is labeled Ethics Training. He continues that, as a result of some of the concerns raised by the audit, opportunities will be taken at many of the quarterly meetings to refresh awareness of and compliance with a variety of ethics and open-meetings-type issues. He introduces Stuart Goering, the lead Assistant Attorney General for the Trust.

MR. GOERING states that he is assigned to the board to give advice, and because this is a specialized subject matter he calls upon State Ethics Attorney, Maria Bahr to continue.

MS. BAHR states that she is the ethics counsel for the Department of Law and prior to that was bar counsel for the Alaska Bar Association. She explains that when she left the Bar to come over and start doing ethics work with the State, Nelson Page took her job with the bar association. She continues that she and Nelson had some conversations, and she understands a little bit about the history of this board. She adds that her job here is not so much to understand, but to give an overview of the Alaska Executive Branch Ethics Act. She states that Act applies to all of you, whether you are State employees, nonsalaried board or commission members, such as the trustees on this board, all are basically considered public officers under the executive branch, and are all subject to the Executive Ethics Act. She continues that the Ethics Act was enacted in 1986 by the Legislature and was basically dictating what the executive body could or could not do. She adds that there are a lot of negatives in the Ethics Act, and it has been revised a number of times through the years, generally to deal with new issues that arise that were not necessarily contemplated in 1986: cell phones, laptops, the use of the State airplane. She states that in 2008, for instance, the Act was revised to include provisions about not accepting gifts from lobbyists, and to include provisions about whether one's family can ride on the State aircraft or not. She adds that the Act is many pages long and she will summarize it for what is most important to this board. She explains that this presentation is geared toward not just nonsalaried public officers that are trustees, but also to members of the state. There are some elements that apply only to State employees, and some that apply to commission or board members; she goes through some

of the definitions. A public officer is either a public employee, a State employee, or a member of a board or commission appointed by the Governor. The Act talks a lot about financial interest. That is an interest which is held by you or an immediate family member, and can include involvement in a business or property or some sort of professional or private relationship that is the source of income, or from which you can expect to receive income. It also means holding a position in a business, whether an employee, a trustee, a partner, or some position of management. She moves to a personal interest, which is that interest held by you or your immediate family that includes membership in an organization such as a nonprofit, a charitable or a political organization, any organization from which a benefit is derived. She explains that a benefit is anything that is to your advantage or self-interest and can be money, dividend, a pension, a salary, patronage, an advancement. The definition for immediate family is very broad under the Ethics Act: Your spouse or conjugal partner; children or stepchildren; parents; siblings; grandparents; aunts and uncles; but does not include nieces, nephews and cousins. She defines an official action as giving advice or participating, assisting, making a recommendation, approving/disapproving voting; any sort of different actions could qualify as official actions. Then, partisan political activities are those that are intended to benefit or harm a candidate, a potential candidate, a political party, or a group. She states that this is an important category to be aware of, especially being in an election year, and is something to pay a bit more attention to. There are some exceptions to these restrictions. The basic rule is: Do not do political things on State property or on State time. Finally, all have a designated ethics supervisor who is the person to go to for assistance and guidance when trying to figure out where to go or what to do under the Ethics Act. She continues that in the Trust setting, the Executive Director would be the DES for staff, and the Chair would be the DES for board members and the Executive Director. Then, the Chair goes to the Governor, who is her DES. The Governor has delegated that to Sean Henderson, and that is basically the hierarchy. She moves to the Ethics Act and states that the basic premise for both the trustee and immediate family is to avoid substantial and material conflicts of interest. She continues that neither may benefit financially or personally from the position and actions as a State officer. Also, conferring unwarranted benefits on others is prohibited. She adds that the scope of the Act prohibits substantial and material conflicts of interest. It states that: "A public officer and their immediate family members may not improperly benefit financially or personally from their position and actions as State officers." It also recognizes that "independent pursuits should not be discouraged." She explains this in greater detail. If the actions or influence would have an insignificant or a de minimis or merely a conjectural effect on a matter, then the conduct is prohibited. She advises people to act in a way that avoids even the appearance of impropriety; but just the appearance of impropriety is not enough to actually establish an ethics violation. She gives some examples and then talks about some of the provisions under the Act. The granddaddy of them all is the misuse of official position and is in statute AS 39.52.120; which has a laundry list of what cannot be done. She goes through this list.

MR. GOERING asks, for the purposes of the trustees who are not on the clock but do receive an honorarium for the times and days that meetings are attended, how would the partisan political purposes be applied.

MS. BAHR replies that a lot of the issues that come up under the Ethics Act are looked at on a

case-by-case basis. She states that her inclination would be that if a meeting is being attended and an honorarium is being received and the agenda is being followed, the time that is scheduled in the agenda would be the time blocked out, and the rest of the day would be personal time. She continues that the State Personnel Act acknowledges that State employees have a constitutionally protected right to be engaged in political activities and have free speech and ideas. State employees may not display or distribute partisan political materials while on State time, and cannot comment or participate in politics in their official capacity. She adds that the bottom line is to say no to politics on State time, in State buildings, with State resources, in State facilities. She launches into the part of the Ethics Act that deals specifically with board members, and there are two considerations. The first one is the declaration of potential violations, 39.52.220, and the next is improper representation. Under the declaration of potential conflicts, if a member of the board or commission is involved in a matter that may result in a violation of the Ethics Act because there is some sort of conflict of interest with a matter that is appearing before the board, a disclosure needs to be made. The Act states that it needs to be done in writing, but the regulations state that if it is declared in a public meeting that is being recorded and a transcript made, that satisfies the in-writing requirement. The potential conflict has to be disclosed on the record, then the designated ethics supervisor, who is the chair, then makes a determination as to whether that member's involvement would violate the Act as a real conflict of interest. This determination is also put on the record. If it is determined that the conflict is significant, then that member has to refrain from voting, deliberating, or participating in the matter. She moves on and goes through receiving gifts and what is proper and improper. She adds that disclosures of gifts to relatives also have to be reported. She continues with insider information, 39.52.140, which states that "as a current or a former public officer, you cannot disclose or use information gained in the course of your official duties that could result in a benefit to you or to your immediate family member if that information has not been publicly disseminated or is confidential by law." She states that this is one of only two provisions that apply when leaving State service; the other one has to do with the two-year restriction on post-State employment. She continues that this applies to the present position and the future once leaving State service. She talks about what it means to be publicly disseminated. According to regulations, that means that this particular piece of information has to have been put in a newspaper or a broadcast or has to have been part of a press release or a newsletter, part of a nonconfidential court filing put on the online public notice system has to have been part of a speech or some sort of public testimony. It has to fit one of these criteria in order to be considered publicly disseminated. She talks about outside employment or services and how that applies to State employees. Generally, a public employee may not render service to benefit a financial, personal interest or engage in employment outside the agency that they serve if that outside employment or service would be incompatible or in conflict with the proper discharge of their official duties. A second job can be had if it does not conflict with what is done at work.

MR. GOERING asks if volunteer work would be considered outside employment if expenses reimbursement was received.

MS. BAHR replies that volunteer work services may be found to be incompatible or in conflict. The rule that allows a second job does not apply to the heads of agencies. Post-State employment, 39.52.180, applies to State employees and members of boards and commissions. After leaving State service, there is a two-year restriction on working on a matter for

compensation in which there was personal and substantial participation through the exercise of official action.

MR. GOERING asks for clarification, for the purposes of trustees, if a particular activity or responsibility that was delegated to staff would fit into the oversight role.

MS. BAHR replies that it depends on the facts, and she goes through some scenarios. She states that it is very fact-specific and has to look at what the matter was, how involved the trustee was advocating for it, and how involved they were in communications with staff. She continues that the Ethics Act restriction on employment after leaving State service also prohibits certain former officials from working as paid lobbyists for one year. It also prohibits certain State officers from serving on boards for one year. She moves on, explaining what happens when the Ethics Act is violated. She states that there may be penalties of up to \$5,000 per violation, plus any other type of civil penalties that someone can creatively figure out how to impose; but they are also looking at the fact that any actions that happened as a result of the infraction all become voidable. She continues that it does have some very serious and negative outcomes if the provisions of the Ethics Act are violated. She adds that she or the designated ethics supervisor can be called to discuss questions or concerns about violations. She concludes her presentation and asks for any questions.

TRUSTEE SMITH asks if this type of law is fairly recent.

MS. BAHR replies 1986.

TRUSTEE SMITH asks what kind of case law is there since that time.

MS. BAHR replies that there is only one reported case, and it has to do with a Fish & Game employee who used information from internal studies to establish this second-job idea, a contracting business that basically capitalized on the information the employee had gained from the department that he worked in. She states that there are a lot of informal decisions concerning issues like accepting gifts from lobbyists, or family travel on the State airplane.

TRUSTEE COOKE states that the effect of the Open Meetings law on the board have been discussed from time to time, and asks if that will be talked about at a separate time or will we get into it now.

MR. ABBOTT replies that this session was intentionally about the Ethics Act, and the plan was that Open Meetings would be the next training topic at the September meeting. He recommends saving Open Meetings until then.

CHAIR MICHAEL asks for any other questions.

MR. ABBOTT states that both Trust staff and trustees have State laptops that are assigned to them and are in their personal possession and often taken home or on work-related or even personal travel. He asks what the rules are related to personal use of them.

MS. BAHR replies that, in general, the rule is to strive to use that for work-related activities. When taking it home, the need is to strive to use it for nonprohibited activities. She states that as long as it is not used in violation of a law, it should be okay.

MR. GOERING adds that there is a component to that which goes beyond ethics, and that is that the use of State information technology resources is governed by the State Security Office. There are rules about connecting to State networks and the use of State information resources. Those are in addition to any ethical requirements.

MS. BAHR adds that those laptops can be seized and searched.

MR. ABBOTT asks to what extent, when people do some or a lot of state business on personal gear, is the concern.

MS. BAHR replies that is a problem. There are people who have two phones; one personal and one for work. She states it can be difficult because it is easy to respond on a personal phone, and that is something to be aware of.

CHAIR MICHAEL states that she has a personal e-mail address and a government e-mail address. She has done work related to her position on the board with her AK address, but has also used her iPad with the personal address to send stuff out. She asks if it is the actual piece of equipment and not necessarily the address.

MR. GOERING replies that the use of the State e-mail address is the use of a State resource and cannot be used for prohibited purposes. That e-mail address cannot be used to send out political e-mails. He states that the fact that sending and receiving personal e-mails on there may result in having the personal e-mails exposed because of the fact that State business was done on that device. He continues, that is not an ethics consideration so much as it is an information security thing. He adds, that is going to be a separate presentation. There are a lot of public records and Records Management Act implications to the use of personal devices for State business, which is beyond the scope of today's conversation. He stated that they should be aware that if you connect to the State e-mail system, you have given the State permission to wipe your device. If the State decides there has been a compromise, that device can be remotely wiped, and all the information on there will be gone.

MS. BAHR states the best advice is to keep everything separate.

MR. ABBOTT states that the message to the trustees is to not do personal stuff on your State laptop, on your iPads. He continues that if it is stuff that would be prohibited as a State purpose, political stuff being the highlight, do not use the Trust iPad for that purpose, even if it is a Gmail account or a personal account on that device.

MS. BAHR states that is good general advice. She asks what the hard question is.

MR. ABBOTT replies that there are two of them, and first is the appearance of a conflict of interest. He states that there might be a legislative audit coming out that might say something

about whether appearances of conflicts of interest could or should have been disclosed. It might be described in definitive terms as if there was a bright line that trustees or staff should have been aware of and should not have crossed. He asks for help to understand how to live inside that type of standard.

MS. BAHR replies that, in general, the mere appearance of impropriety is not enough to establish a violation. Even if there is an appearance of a conflict of interest, her advice, given the Ethics Act, would be to follow the measures that were discussed earlier, and to disclose. She adds that it is difficult to give a one-size-fits-all answer. Her response is to raise the issue; let people air it out; and then there is a way to move forward. It may mean recusing that particular member from participating, which would, at least, prevent the voiding of certain actions that take place if that member is then found to have a conflict that should have required their recusal.

MR. ABBOTT asks how often does disclosure need to be done.

MS. BAHR replies every time there is a conflict.

MR. ABBOTT asks if that means if there is something on the agenda that is relevant to that potential conflict, does it need to be disclosed at every meeting.

MS. BAHR replies every meeting where there is a contemplation of awarding whatever it may be. She states to put it on the record and ask if that conflict would be an actionable conflict of interest. She continues, and states that she feels that she is being backed into a corner.

MR. ABBOTT explains that he believes that there will be criticism in certain cases for folks not making disclosures often enough, trustees and/or staff. He would like to get a good, clear understanding, from her perspective, about where that boundary is. He states concern on the criticism would be that conflicts that were disclosed during contemplation of actions might have been disclosed, but they were not disclosed at other times.

MS. BAHR states then she would look to the time the action was actually being taken on that matter, decisive action. There is deliberation and then voting, and if the conflict exists, that is when it has to be declared.

CHAIR MICHAEL asks for any other questions.

MS. BAHR states that one provision of the Act is if the trustee or staff come to her as ethics counsel with the attorney general's office and fully discloses all the facts and asks for an ethics determination and follows her determination, you are essentially bulletproof as long as all the facts have been fully disclosed. She adds that if only half the facts are shared, and she makes a determination on that half, and it turns out there is a lot more to it, then there would be no protection.

TRUSTEE EASLEY asks what would happen if there is an ethics violation.

MS. BAHR replies that if there is an ethics violation reported that an investigation is done. The

attorney general signs off on it and it goes up to the personnel board. The general way that these ethics violations progress is like a criminal case: there is a charge; then an investigation; then some sort of negotiation; and there is a method of resolving ethics complaints by a corrective or preventive action. That would be like changing the plea, and it would be your deal. She continues that there are times the issues can be resolved because everyone is in full agreement that this was not an intentional or malicious violation. That is resolved with some sort of corrective or preventive measure, and then the personnel board will generally accept those.

TRUSTEE EASLEY asks if there are conflicts that get that far.

MS. BAHR replies that most do not get that far. Most of them are issues that can be avoided before they get to be big because they are brought forward early on.

CHAIR MICHAEL asks where the Trust goes from here.

MS. BAHR states that she was asked if she could share copies of this presentation, and replies that it is on the website. She thanks all.

CHAIR MICHAEL states that next on the agenda is the Finance Committee report.

FINANCE COMMITTEE REPORT

TRUSTEE SELBY defers to the finance officer.

MR. STEMPEL states that there are several items in the packet, beginning with the Finance Committee report. He summarizes the report from the April 19, 2018, meeting and what was covered, beginning with the cash management report which included some very good suggestions on changing the format of the report to improve the usability. Staff are working with the Finance chair to come up with some options for future consideration. The FY19 budget update was touched on by the CEO. There is an additional topic, the real estate facility budget, which will be coming back today. He continues, that is one of the new items, and we heard about the lease renewals and other items being worked on from the real estate side, as well as the concept for providing a shared account to help address the building needs. He adds that there were no action items during the meeting, and proceeds to the new items. Trustee Derr asked for a verbal update on the inflation-proofing calculation, which was done in November of 2017; that number was \$42.45 million. There is new data, and updated CPI statistics for the entire 2017 period has been updated. He states that the overall average for the year went down from the first calculations, and that number dropped to \$41.15 million. He moved forward to a document with the requested motion for consideration, titled Proposed Method for Addressing Partnership Needs.

TRUSTEE SELBY made a motion, on behalf of the committee, that the trustees authorize the transfer of \$2 million in unallocated FY16 Authority Grant funds into the FY19 Partnership Grants category.

TRUSTEE DERR seconds.

MR. STEMPEL states that this request has analysis and background information presented for everyone's consideration. He thinks that it is important to note that a historical process has been gone through to make early commitments before the start of the fiscal year to various partners. This year experienced a larger volume of requests. He continues that concerns were raised on how to best address those needs, and four options on how to provide solutions where there could be partnership resources in the upcoming year. He states that staff identified old unallocated money from FY16 that would normally lapse and go back into the annual budget calculation. It would be distributed based on an average amount. He continues that there was careful consultation with the program officer, and we were assured that will not impact existing Trust commitments. This is being proposed as a way to meet the needs without touching reserve or impacting future flexibility.

TRUSTEE EASLEY asks about the changes made in the Medicaid program that caused an increase in the need for this funding.

MR. STEMPEL replies that this need is not necessarily driven by the Medicaid program.. He states that a variety of different partnership requests from a number of different avenues have been received. He believes that the partners will wrestle with overall State economics reimbursement rates, and they are turning to the Trust for help.

TRUSTEE COOKE asks about the lapsed funds and if they would go back into the Permanent Fund.

A brief discussion and explanation ensues.

MR. ABBOTT explains that the simplest category to place the money in and to provide maximum flexibility for the trustees and the staff going forward is to apply them into partnerships. He continues that the money is expended in three mechanical processes: The admin funds for both the Trust Land Office and the Trust Authority office; the MHTAAR money, which goes to the State agency partners; and then Authority Grants. In the first two categories, those monies lapse the year after the budget year. He adds that the historical pattern has been that authority grants do not lapse for four years. He states that policy may be revisited at some point. He believes that moving the entire balance of a little over \$2 million of unused Authority Grant money into FY19 and using it for the partnership category would be the best use for the funds.

TRUSTEE DERR states that she is bothered by the fact that this did not come to the Finance Committee on April 20th, and that taking action on it today does not give much time to think about it. She asks why transfer it to Partnership rather than Authority.

MR. ABBOTT replies that Partnerships are a category of Authority Grant, and these would still be Authority Grants in terms of the process used to spend the funds. For the purposes of this allocation, Partnerships are being recommended, although some of these Partnerships fit inside of focus areas going forward. He adds that staff would be glad to bring forward a more descriptive plan for the use of these funds at either a future committee or board meeting.

TRUSTEE DERR asks if this is changing the total bottom line of the budget.

MR. ABBOTT replies that it would essentially be adding \$2 million to the FY19 budget.

The discussion continues.

CHAIR MICHAEL asks for any further discussion.

There being no objection, the motion is approved.

MR. STEMP states that the second item for consideration is the follow-up to the earlier committee meeting discussion around the potential ways to develop a shared facilities fund or a shared resource to support the different needs of the facilities. He thanks Craig Driver and Aaron O'Quinn, and a number of other Land Office staff, for the solid research into developing this.

TRUSTEE SELBY makes a motion that the Trust Authority Board of Trustees authorize the use of Fund 3322 to create a central facility fund beginning immediately in FY 2018 to meet property expenses that exceed the amount of funds held at the property level. The CFO is directed to consult with the executive director at the Trust Land Office each quarter and transfer money from real estate rental income into the central facility fund in an amount mutually agreed upon until the fund reaches and is maintained at a total balance of \$2 million. Expenditures from this fund require approval of the CEO, RMC, or Board of Trustees within limitations expressed in the governance charter.

TRUSTEE SMITH seconds.

MR. STEMP states that there is a detailed write-up in the packet, and asks Mr. Menefee to continue.

MR. MENEFEЕ states that there are two motions, and we will go through and address both. He continues that in the real estate portfolio there are both program-related real estate and then there is the REMP, Real Estate Management Plan Properties. He talks about the properties and the obligation to maintain them. The issue is that if they are not maintained, that the value of the corpus will not be maintained because they need to be rented. He continues that they would like to bring forward a structure to be able to have a thoughtful way to approve facility expenditures. He goes through a PowerPoint, which explains and sets the stage for the motions.

MR. STEMP states that the goal is to be predictable and have a planned approach for dealing with things, and then use this central fund. This would be the safety net.

MR. MENEFEЕ adds that the priority is to try to manage everything through the cash flow management, to always have the rents pay for all expenses.

TRUSTEE SMITH asks how this will change the role of the professional managers that now

manage some of these properties.

MR. MENEFEE replies that he does not see that it would substantially change anything in the sense that we have been planning and have already put into practice this portfolio of cash-flow management.

TRUSTEE COOKE states that this sounds like this is proposing a reserve account to provide for out-of-the-ordinary expenses for all the properties. He asks if this central facility fund is a contingency or reserve account for all the properties.

MR. MENEFEE replies yes, and clarifies that there is a certain amount of taking care of what is coming down at the property level that is going to be done. At the property level, a certain amount will be set aside because it is a known obligation, and we will start to prepare for it.

A short discussion ensues.

TRUSTEE COOKE asks about the TADA account.

MR. MENEFEE replies that this is giving an alternative, and that having the extra option with the uncertainty in the current environment is very valuable. This will be something that is clearly funded from Trust income and income off the properties, and there would not be any of those questions around the use of that money.

MR. ABBOTT states that the single biggest structural change is creating a pot of money from the pooled portfolio rather than each property and, in the case of the IRS building, there is a big chunk of expense coming that one year's worth of rents from the IRS building would not be able to cover. He continues that they are trying to find options to avoid having to use the TADA account because of concerns expressed about the use of those funds for these types of investments.

TRUSTEE COOKE states that his final question is whether there is a legal opinion, and how does this mess with those who might think that rent derived from Trust properties should not be held by the Trust, but should flow directly into the Trust fund at the Permanent Fund.

MR. ABBOTT replied that based on what is anticipated from the audit, we are not aware of any concerns that were expressed that the proceeds from the investment properties were not available for use either to improve the properties or for programmatic and that kind of thing. He adds that legal guidance has not been sought on that question.

MR. STEMPEL states that he was directed by the CEO to consult with the Trust attorney prior to bringing this forward. There was an informal dialogue, and we did not ask for a formal opinion. He adds that based on that dialogue and the proposed use of the money and mapping out the structure on the flow chart, he had no concerns about it.

CHAIR MICHAEL asks for any further discussion.

TRUSTEE DERR asks where the fund resides.

MR. MENEFEE replies that there are cash accounts in the properties that are managed by the property managers. For them to expend certain cost, they have to be approved; but, essentially, they manage the cash account before any distributions are taken off the properties.

MR. DRIVER adds that there are institutional lenders on several of the properties that require specific escrow accounts for things such as real estate taxes, capital reserves, TIs, commissions, and those types of expenses. This will be a combination of cash reserves at the property operating account, lender reserves held in escrow at the lender, as well as this central facility fund. He continues that if this is viewed as an escrow account for these properties, that would allow for direct accountability per property tied to a larger fund, and allow for tracking how a particular property has performed, what it contributed to the central facility fund, what it has taken back out, and what remains, either as a surplus or a deficit, to each property.

TRUSTEE DERR asks how that is accounted for on the balance sheet and how much is in that account right now.

MR. STEMP states that, administratively, this proposed action is a good one and will clarify where the resources are. He continues that there is approximately \$105,000 in the reserve account right now; Fund 3322, that kind of dormant deferred maintenance account.

The discussion continues.

CHAIR MICHAEL asks for any objections to the motion.

There being no objection, the motion is approved.

TRUSTEE SELBY makes a motion that the Trust Authority Board of Trustees approve the incremental building expenditures totaling \$11,603,832 for the fiscal year 2019, to be paid by the property manager in the case of expenditures, primarily from rents and other income collected from the properties, or from the central facility fund for capital expenditures that cannot be covered by rents and other income from the properties. The cash flow for REMP and Non-Investment/Program Related Real Estate portfolios are to be managed respectively on a portfolio basis while maintaining appropriate building-specific accounting.

TRUSTEE COOKE seconds.

MR. MENEFEE states that much of this has already been discussed. This motion asks for approval to spend that amount of money. The biggest change is that we used to say the REMP properties were rent-funded and would pay for all of this, and then the program-related real estate would be Trust-funded. The difference is that it was moved up into the category that it is all rent-funded. These are the expenses needed in fiscal year '19.

CHAIR MICHAEL asks for any objections.

There being no objection, the motion is approved.

TRUSTEE SELBY concludes his report.

CHAIR MICHAEL moves to the Audit and Risk Committee Report. She recognizes Mr. Menefee.

MR. MENEFEE states that he does not know how long Craig Driver will be around, and asks if the chair has anything to say to him.

CHAIR MICHAEL states that she received news this morning that Mr. Driver has accepted a new position and will be leaving his position at the Land Office. On behalf of all the trustees, she extends the deepest appreciation and thanks for all of his hard work. The properties have been managed incredibly well because of your leadership, diligence to watching every penny, and how every property operates. She personally thanks him for all he has done for the Trust.

TRUSTEE DERR adds that she hopes he used the Trust as experience on your resume; all of the lumps and whatever you took working for the Mental Health Trust helped you achieve your new job.

MR. DRIVER states that he brought a lot of experience with him, but did experience some unique things to add to that list of prior experience that he probably will never experience again. He thanks all.

CHAIR MICHAEL moves to the Audit and Risk Committee Report.

AUDIT AND RISK COMMITTEE REPORT

TRUSTEE DERR states that the Audit and Risk Committee met on April 19th, explaining that they went through a great risk management training exercise. Other than that, there were no motions at the meeting, and there have been no meetings since. She adds that the next meeting will be August 2nd.

MR. STEMPEL provides another update to the trustees. He states that after the conclusion of the committee meeting, the audit partner, Eric Campbell, notified us that he will be retiring from his firm at the end of June. He continues that the anticipation is that the existing manager, Bikky Shrestha, will continue on the account. He adds that Mr. Shrestha was invited to the August 2nd meeting to make sure that the trustees have an opportunity to meet and interact with him and give him any guidance or suggestions as next year's audit is started.

TRUSTEE DERR concludes the Audit and Risk Committee Report.

CHAIR MICHAEL thanks Trustee Derr, and calls a 15-minute break.

(Break.)

CHAIR MICHAEL calls the meeting back to order and recognizes Trustee Smith for the Resource Management Committee report.

RESOURCE MANAGEMENT COMMITTEE REPORT

TRUSTEE SMITH states that there are two approvals. The first is a consultation that was approved by the RMC relating to 2600 Cordova and the ability to negotiate fair-market rents. He asks Trustee Selby to bring the motion on this one forward.

TRUSTEE SELBY makes a motion that the Alaska Mental Health Trust Authority Board of Trustees concur with the Trust Land Office recommendation for the executive director to negotiate fair-market leases for all or part of the 2600 Cordova Street building, including commercially reasonable terms, conditions, and inducements for similar space in the Midtown Anchorage office market.

TRUSTEE DERR seconds and states that a motion that comes from the committee does not need a second.

CHAIR MICHAEL asks for any discussion. There being none, she asks for any objections.

There being no objection, the motion is approved.

TRUSTEE SMITH states that before going to the second item, which is a new item for board action, Mr. Menefee would like to introduce a new staff member.

MR. MENEFEE introduces Jeff Reed, who will be presenting today. He states that he had been working for Parks at DNR.

MR. REED states that he worked for DNR for about five years and last year was in the director's office for the Division of Parks and Outdoor Recreation. He continues that he is excited to have the opportunity to move over to the Trust Land Office and do some work here.

CHAIR MICHAEL welcomes Mr. Reed.

TRUSTEE SELBY makes a motion that the Mental Health Trust Authority Board of Trustees concurs with the Trust Land Office disposing of two Trust parcels, FM-0962 and FM-0995, through a negotiated sale and subsequent disposal.

MR. REED states that this project began in the fall of 2015. The Department of Transportation approached the Trust Land Office to inquire about potential parcels that could be used on behalf of the Department of Military and Veterans Affairs for the location of a veterans' cemetery. These two parcels were selected and showed good potential for that. He continues that these parcels are good for this use as far as resources go, and they do not have much potential left there. He adds that it is a beautiful location and would serve that purpose.

MR. MENEFEE adds that the negotiated price would be 130 percent of the appraised value,

which is what DOT is willing to pay.

A brief discussion ensues.

TRUSTEE SMITH asks for a second.

TRUSTEE DERR seconds.

There being no objection, the motion is approved.

TRUSTEE SMITH concludes the Resource Management Committee report.

MR. ABBOTT states that the Trust is getting a lot of kudos for this. The military cemetery in Fairbanks has been a community need and a community request for 20 years. He continues that the opportunity for this to be on Trust land will get a lot of positive publicity for being able to provide the land that will ultimately be used for this purpose. He adds that it is a very popular project in the Fairbanks area.

TRUSTEE EASLEY states that she is thrilled to be doing this.

CHAIR MICHAEL states that next on the agenda is the Program and Planning Committee.

PROGRAM AND PLANNING COMMITTEE REPORT

TRUSTEE COOKE states that there is a brief memo describing the April 20th meeting that adequately summarized the presentation heard and other matters that were dealt with. He continues that the chart shows nine items that were approved by the committee within the committee's authority, and additional items that were recommended to the board by the committee. There are four motions to come before the board.

TRUSTEE SELBY states that, unless there is an objection, he will include the four motions in one motion.

TRUSTEE SELBY makes a motion that the board approve the \$545,000 FY19 MHTAAR reallocation to the Division of Behavioral Health for contractual support; the \$262,000 FY19 MHTAAR reallocation to the Division of Senior and Disabilities Services for contractual support; the \$200,000 FY19 MHTAAR reallocation to the Division of Healthcare Services for continued support for the implementation of the Coordinated Care Demonstration Project; and the \$85,000 FY19 MHTAAR reallocation to the Office of Rate Review for the SB 74 workgroup and stakeholder activities.

A brief discussion ensues.

There being no objection, the motion is approved.

TRUSTEE SELBY makes a motion to approve the reallocation of \$159,000 of FY19 MHTAAR

funds from the Department of Health and Social Services/Medicaid Services/Behavioral Health Medicaid Services to the Department of Health and Social Services/Division of Behavioral Health/Behavioral Health Administration for contractual support to perform a feasibility study of establishing a forensic hospital in the Anchorage area.

TRUSTEE COOKE seconds.

MR. WILLIAMS explains that this Trust funding of \$159,000 is matching money that the Department has in its budget for FY19 to do this feasibility study. He states that the Department has talked about this project previously at board and committee meetings, and the background behind this is that API's capacity is used in a couple of different ways. He continues that there are ten beds in the current configuration and capacity. This would increase timeliness in terms of the criminal processing and the competency restorations, and would free up capacity at API's current location for either adults or juveniles who are court-ordered for civil involuntary commitments. This study would be looking at all of that.

There being no objection, the motion is approved.

TRUSTEE SELBY makes a motion that the board approve a \$125,000 FY19 Partnership Grant for the Alaska Public Media for the Mental Health Content Initiative.

TRUSTEE COOKE seconds.

TRUSTEE DERR asks if an RFP asking for this has gone out.

MR. ABBOTT replies that there was no competitive process associated with this, and it is essentially a grant. Alaska Public Media was contacted for ideas that could be worked on together to increase awareness of mental health issues statewide and to reduce stigma for Trust beneficiaries.

TRUSTEE COOKE states his concerns on this proposal.

A discussion ensues.

There being no objection, the motion is approved.

TRUSTEE SELBY makes a motion that the board approve a \$125,000 FY19 Partnership Grant to the Governor's Council on Disabilities and Special Education for the FY19 Governor's Council on Disabilities and Special Education supplemental budget project.

TRUSTEE DERR seconds.

MS. JOHNSON states that this funding is requested as a supplement to currently allocated funds to the Governor's Council to support ongoing initiatives internally to the Governor's Council for outreach and advocacy efforts related to the beneficiary employment and engagement strategies. She adds that the memo provided has some context for the funding that has already been

approved.

MR. REINHART adds that at one point the Council received \$200,000 from this beneficiary engagement focus area, and we are ending a large federal grant that is specifically related to employment this next fiscal year. This is a supplemental.

A discussion ensues.

There being no objection, the motion is approved.

TRUSTEE SELBY makes a motion that the board approve a \$100,000 FY19 partnership grant to the Alaska Mental Health Board/Advisory Board on Alcoholism and Drug Abuse for the ACE Data Research Analyst.

TRUSTEE DERR seconds.

MS. JOHNSON explains that the funding is requested to increase the data analysis capacity within the State as designated by the Alaska Mental Health Board to look at the longstanding data around adverse childhood experiences, and to promote linkages with other data systems, including the Office of Children's Services. She states that the funding would essentially create a long-term, nonperm position that the Alaska Mental Health Board would use to support further data analysis and further data linkages to better understand the early trauma experiences of the beneficiaries.

MS. KULAS adds that this is a request for a long-term nonpermanent staff member, anticipating that the project would be about 12 to 18 months. It would provide a research analyst position to dive more deeply into the data. She continues that this person will really supplement the work that has already been started.

CHAIR MICHAEL asks if this is a one-year grant.

MS. KULAS replies that it is anticipated to be one year.

A discussion ensues.

TRUSTEE COOKE asks for any other questions or discussions.

There being no objection, the motion is approved.

TRUSTEE SELBY makes a motion that the board approve the \$89,960 partnership grant to the Alaska Commission on Aging for Advisory Board Capacity Enhancements.

TRUSTEE DERR seconds.

MS. BARSTAD states that this is a supplemental request to enhance the capacity of the Alaska Commission on Aging. She continues that there is work on the next four-year State plan, and

this is a significant undertaking. She adds that a few years ago, along with staff reductions that occurred across the Department of Health and Social Services, the Alaska Commission on Aging staff also received cuts in both positions, as well as in discretionary spending. She states that this is being requested because the State plan work is coming up in FY19. It is incredibly important that the information gained from Rural Alaska is included in the State plan, and it is an opportunity to give Rural Alaskan seniors and elders a voice in the State plan, and for the Commission to gain that information.

MS. DANIELLO introduces the vice chair, Mary Shields, who has attended previous meetings and also serves as the chair of the Commission. She states that this funding is very important in helping to build capacity, especially at this time with the four-year State plan for senior services. She also talks about the need to replace the ten-year-old copy machine which is used for a lot of internal copying.

MS. SHIELDS states that rural outreach is a passion of hers. On outreach trips in the past, the elders kept coming to meet us, to see a face. Last year they were limited to one outreach a year, and it is past time to get up north. She adds that they would be grateful to have this money.

MS. DANIELLO states that seniors are not one homogenous population, and they are becoming more diversified as time goes on with respect to culture, physical and cognitive needs. It is important to at least begin to capture that, and it would be a great segue into the comp plan, having the State plan for senior services to do that.

TRUSTEE COOKE asks for any further questions or discussion.

There being no objection, the motion is approved.

TRUSTEE SELBY makes a motion to approve a \$75,000 FY18 Substance Abuse Prevention and Treatment focus area allocation to Set Free Alaska for site acquisition and Facility Remodel 2.0.

TRUSTEE SMITH seconds.

MS. BALDWIN-JOHNSON states that the original request that was approved was for \$140,000 at the October Finance Committee meeting. Set Free had done a projection, based on the estimated cost of what was remaining to complete the project, and essentially there was a shortfall of \$220,000. She continues that Set Free came back looking for support, \$75,000, anticipating that two of the other major funding partners would also put in \$75,000 to enable completing this project.

TRUSTEE COOKE asks for any questions. There being none, he calls the question.

There being no objection, the motion is approved.

TRUSTEE COOKE completes the Program and Planning Committee report.

CHAIR MICHAEL states that the next item is the approval of the CEO job description, which is

in the packet. She continues that this is a draft created while working with the consultant last summer, and this is the outcome of that work. She asks for a motion.

TRUSTEE SELBY makes a motion that the board approve the CEO job description dated August 2, 2017.

TRUSTEE DERR seconds.

TRUSTEE SMITH states that he thinks this needs a little more work; the change that the CEO has is one of the most critical roles that the trustees have. He continues that he sees a few weaknesses. The personnel management aspect seems to be understated in view of the job that the CEO has to manage people. He adds that it has been his experience that when there is an effective job description, it works hand in hand with a strategic plan. He suggests creating a short interim committee for additional feedback.

CHAIR MICHAEL states that she is open to working on this, and is anxious to have a document in the policies that reflects a job description.

A brief discussion ensues.

CHAIR MICHAEL suggests two good committee people to work on this to have it done within the next 30 days.

TRUSTEE SELBY states that his intention is to move to postpone this to the September meeting to allow getting it in order. He adds that he would welcome input from Mr. Abbott.

CHAIR MICHAEL states that she does not want to postpone it any longer. She continues that this was sent out to all and comments were asked for, and we did a review based on those. This needs to be concluded. It does not want it delayed any longer. She adds that she would rather approve one that is not perfect. Then at least there would be something to work from.

TRUSTEE DERR asks if there is a recommended change from the conversation based on Mr. Abbott's recommendations.

MR. ABBOTT states that he is comfortable with the job descriptions and has been using it as his guide since he started. He adds that it could be tweaked and adjusted. He continues that it has been useful in guiding his authorities and understanding his responsibilities.

TRUSTEE EASLEY states that she has reviewed it and is comfortable with it as a job description, and is supportive of moving ahead with it.

TRUSTEE COOKE makes a proposal to amend the draft dated 8/2/17 to delete the second paragraph and the third paragraph where it says: Carry out responsibilities in accordance with the Mental Health Trust statutes, regulations, et cetera, Trust bylaws and charters. Simply inset that word somewhere in the sentence after bylaws. The other amendment is to stop the job description after Section 50, delete that section about desired characteristics and minimum

qualifications. Let all these accountabilities be the basic job description. He adds that there is a typo, DNR appears twice on the fifth line of the third paragraph.

TRUSTEE SELBY seconds the amendment, for purposes of discussion.

TRUSTEE COOKE clarifies his amendment.

MR. ABBOTT states that he has consulted with the in-house expert on job descriptions and the sense is that the section titled Desired Characteristics is not really a standard section in a State job description. He continues that removing that would not create a compliance or a nonstandard situation. However, the minimum qualifications section is a typical element of a State position description. He recommends maintaining that to allow continuing to, at least, follow the State template.

TRUSTEE COOKE states that he does not have a problem with that.

CHAIR MICHAEL asks for any further discussion on the amendment.

There being no objection, the amendment is approved.

CHAIR MICHAEL moves to the original motion and asks for any further discussion.

TRUSTEE SELBY asks if the charter was looked at when this was reviewed. He states that his underlying concern is to make sure that the charter and this are aligned.

CHAIR MICHAEL replies that will have to be done.

TRUSTEE SELBY states that changes can be made later, and he thinks that this does not need to be held up and can be moved ahead. He thinks that there is a need to have a staff personnel person look at it, and if some changes are needed to make the charter and job description align, that can be brought back at the September meeting.

CHAIR MICHAEL asks for approval of the motion, as amended.

TRUSTEE SMITH votes no, apologizes for not giving feedback, stating that he will address that.

There being one objection, the motion is approved.

CHAIR MICHAEL moves to the trustee comment period.

TRUSTEE COMMENT PERIOD

CHAIR MICHAEL recognizes Trustee Easley.

TRUSTEE EASLEY commends the CEO and Mr. Stemp. She states that the CEO has grasped all the nuances of the money and accounts and the who, why, what, where, and when in a short

time, and she is amazed and thrilled.

TRUSTEE SELBY thanks the staff leadership, in particular, Mike Abbott, Steve Williams and Andy Stemp, for doing an outstanding job, for keeping the ship afloat and on course during what has been a very busy several months here. They have done an outstanding job, and that is also to the entire staff.

TRUSTEE SMITH compliments Mike Abbott and Carly Lawrence for taking a real aggressive position on all of the communications. He states that is taking shape in Southeast Alaska with the media, and there is great progress in the way our story will be told. He adds that he wanted to recognize that and thanks all.

TRUSTEE DERR thanks Andy Stemp for doing the debt owed to the Permanent Fund in regard to Trust money, the inflation-proofing. She thanks staff for everything they do, and states that her gripe is the need to have things before coming to a meeting. She continues that she cannot read and process and think. She asks to get things earlier.

TRUSTEE COOKE echoes all the comments and commendations to staff and the partner boards. He states that, since the last meeting, he has developed an interest in finding out what is going on with opioid litigation and has questioned whether the investment policy was consistent with Trust values. He started looking into that and found a whole area called socially responsible investing that might, at some point, apply to Trust assets, which is a long-term undertaking. He states that he came across information about the opioid lawsuits that are going on all over the country. He continues that the State of Alaska has sued Purdue Pharma, the maker of Oxycontin, for deceptive practices and fraud and other bad conduct related to the explosion of these painkillers on the market, the way they were marketed, and misinformation that was provided to both medical professionals and the public about what they claimed a no risk of addiction, et cetera. He adds, that suit was filed by the State of Alaska last fall and is currently pending in Superior Court in Anchorage. There is an oral argument scheduled May 31st on Purdue's motion to dismiss the case, and usually cases do not get dismissed before getting into the facts of it. He states that litigation is going to go on for a while. It is interesting that there are hundreds of lawsuits all across the country filed by states, local governments, individuals, hospitals and health service entities against Purdue Pharma, which is not a publicly traded company. He states that this litigation is potentially going to be huge. He wrote to the attorney general and heard back about whether or not they are going to join the nationwide litigation; that decision has not yet been made. It is a big issue and, in theory, could produce a lot of money to help with treatment, prevention and education about opioids and overcoming this crisis. He adds that he will continue to keep his eye on what is going on there.

CHAIR MICHAEL calls a ten-minute recess, and then a return for public comment.

PUBLIC COMMENT

CHAIR MICHAEL calls the meeting back to order and reads the public comment guidelines. She begins in Anchorage and recognizes Marie Alfonsi and Annette Alfonsi.

MS. MARIE ALFONSI states that she is giving her time to Annette Alfonsi.

MS. ANNETTE ALFONSI states that years ago a woman shared public testimony at one of the grantee organization's board meetings. Another woman in the grantee organization was in attendance and was invited to be part of the focus group. Over time she began organizing events to benefit the clients and work for an organization. She continues that in 2017, she signed up for a training funded by the Trust and was told she could not participate as an individual because she worked part-time for that organization, but could attend it for free. She canceled her registration because she felt it was not fair and wanted to participate just like everyone else with the same contract. After canceling, she was told a few days before the event she could participate with the same contract, but was not able to. When she signed up for a webinar series advertised as being available to the community, she was told she could not participate because she is a patient. Her mother, a provider with an active license to practice in her field, signed up and was told the event was not for family members of patients, although this was not in the advertising. She states that they met with management asking for a definition of the word "patient," which did not exist, and questioned how people could be fairly screened out as patients. They pointed out the definition of provider changes with each event and clearly defined parameters are needed in order for people to self-screen. She continues that in 2018 she sought a new webinar series advertised and asked to meet with management. She was told clearly there would not be a meeting about this because it was not for patients or family members. Nothing had changed, but at the same time this was happening she was working on projects as a provider. At a separate board meeting which included a conference call with someone from an organization in Alaska that is a network about brain injury, the man on the phone invited consumers to collaborate and shared the conference was only for providers and not for patients. The woman asks for a definition of patient and provider and he said there was not one and did not think that one would be made; and would review applications to participate on a case-by-case basis. This man publicly spoke about his experience having a brain injury and that he was in a position to decide whether or not others fit the category of patient without any kind of criteria. She questions the logic of asking a consumer-led group to collaborate on a project knowing that they are going to be excluded from participating in the culmination of the project of the final event. Over the past two years the woman has been cautioned to purge the word "patient" from her vocabulary in disability services with other organizations. This was based on the two organizations that are supposed to be leading the way in brain injury in Alaska, and the response was that it did not matter, it was wrong, and she should lead by her own example. This year the Trust has asked beneficiaries to share public testimony to safeguard funding, among other reasons; but public testimony by those who acknowledge beneficiary status jeopardized the ability of people to bridge the gap between patient and provider or patients and person as evidenced by the previous stories. She states that The Trust's grantees are contributing to leaving beneficiaries in failure and unable to fulfill goals, experience feeling, or practice resilience and self-determination. Beneficiaries are left powerless based on information gleaned in public testimony sometimes from years ago, and you are asking people to step forward and provide more public testimony as there is funding to give to grantees that then exclude those who have provided the testimony to give them funding. This unfair circular logic is concerning to her. She states that she is here because she believes that this body is caring, intelligent and fair; and does not believe people who are asked to share public testimony knowing they will be discriminated against. Because of the reality of things now, she personally has not participated in public comment for the Trust this last session. She continues

that she asked multiple people to be here today and they said no. One person cited their mental health as the reason to stay away from the Mental Health Trust public testimony. She hopes the irony of that is pretty clear. She states that this is not a safe place to be honest and to work for positive change. She continues that she does not want brain injury or disability to be her sole identity, but the grantees are trying to force her into that position, which professionals say is unhealthy, unbalanced and undesired. Systems are made up of people, and people can change. It is time to change the system and practices in the grant language. If people cite the organization or work culture as being toxic, then it is time to change the organization. She states that the Trust has the ability to effect this change and therefore has an obligation to do something to effect positive change for beneficiaries when grantees choose to participate in negative, psychologically unhealthy, and toxic practices; as their funders, the Trust, holds significant strengths. She continues that many assume that she represents an organization because of the level of work she does, but can never disclose my own disability. She adds that this is solvable and believes that working together towards full inclusion is possible. She thanks all for their time.

CHAIR MICHAEL thanks her for her testimony.

TRUSTEE EASLEY asks for a copy of the testimony.

CHAIR MICHAEL asks for any other questions, and then asks for anyone else who wishes to testify.

TRUSTEE DERR makes a motion to adjourn.

TRUSTEE SELBY seconds.

There being no objection, the meeting is adjourned.

(Full Board of Trustees meeting adjourned at 4:59 p.m.)

Current Trust Bylaws

1
2
3 ALASKA MENTAL HEALTH TRUST AUTHORITY
4 BYLAWS
5

6
7 ARTICLE I
8 NAME
9

10 The name of this organization is the Alaska Mental Health Trust Authority.
11

12
13 ARTICLE II
14 PURPOSE OF THE AUTHORITY
15

16 The Alaska Mental Health Trust Authority acts in the best interest of the beneficiaries
17 of the trust. It is accountable to:

- 18 (a) Provide for sound governance, fiduciary oversight and direction in achieving the
19 mission of the Trust Authority;
20 (b) Ensure an integrated, comprehensive mental health program for the State of Alaska
21 in partnership with Department of Health and Social Services (DHSS); and
22 (c) Preserve, protect, and grow the trust corpus and administer trust assets.
23
24

25 ARTICLE III
26 BOARD OF TRUSTEE MEMBERSHIP AND TERMS OF OFFICE
27

28 Section 1. Trust Authority board of trustees composition:

- 29 (a) The Trust Authority shall be governed by its board of trustees.
30 (b) The Trust Authority board of trustees, hereafter referred to as the board, consists of
31 seven members appointed by the governor in accordance with AS 47.30.016 and
32 confirmed by the legislature.
33

34 Section 2. Term of office, vacancies, and removal:

- 35 (a) The members of the board serve staggered five-year terms. A member shall continue
36 to serve until the member's successor is appointed and confirmed by the legislature.
37 (b) A vacancy occurring in the membership of the board shall be filled within 60 days by
38 appointment of the governor for the unexpired portion of the vacated term.
39 (c) The governor may remove a member of the board only for cause per AS 47.30.021.
40 (d) Except for a trustee who has served two consecutive five-year terms, a member of
41 the board may be reappointed. A member of the board who has served two
42 consecutive five-year terms is not eligible for reappointment to the board until one
43 year has intervened as per AS 47.30.021(d).
44
45

ARTICLE IV
BOARD OF TRUSTEE DUTIES

Section 1: The role of the board is to:

- (a) Set the vision for the organization;
- (b) Set policies for the organization, including adoption of regulations as appropriate under AS 47.30.031;
- (c) Adopt charters that define the role, authority, operating procedures, duties, and responsibilities of the board and standing committees; and
- (d) Approve contractual agreements with advisors as defined in statute and the settlement agreement, specifically Alaska Permanent Fund Corporation (APFC), Department of Natural Resources (DNR), and Statutory Advisory Boards.
- (e) Fulfill the duties listed in AS 37.14.007(b)(1)-(12).

Section 2: The board will conduct business in accordance with AS 47.30.036.

ARTICLE V
OFFICERS AND DUTIES

Section 1. The board, by a majority vote of its membership, shall annually elect a Chair, Vice Chair, and Secretary from its membership.

Section 2. The officers will be elected by a majority vote at the annual budget approval meeting, and officers' terms of office commence upon adjournment of that meeting. Officers' terms of office end effective at adjournment of the meeting in which new officers are elected.

Section 3. Officers may be re-elected to the office in which they serve by vote of the membership of the board as above. The board's intention is to allow board members the opportunity to serve in officer roles in support of ongoing board development. To that end, no member may serve more than 2 consecutive terms in the same office except as provided for by affirmative vote of 5 board members.

Section 4. If the office of the Chair becomes vacant, the Vice Chair succeeds to the office of the Chair and serves until an election held at the next board meeting. The newly elected Chair will serve until the next annual election.

Section 5. Except for the office of Chair, if an office of the board becomes vacant, an election shall be held to fill the vacancy at the next regular meeting following the vacancy. The officer will serve until the next annual election.

Section 6. The duties of the officers shall be as follows:

(a) Chair

- 1. Call all meetings. Preside at all meetings.
- 2. Appoint chairs of committees and committee members.

3. Serve as ex-officio (voting) member of all committees, but may not concurrently serve as board Chair and chair of any standing committee, with the exception of the Executive Committee.
4. Act as primary spokesperson for the board.
5. Act as one of the official spokespersons for the Trust Authority, together with the Chief Executive Officer (CEO), when requested by the Chief Communications Officer.

(b) Vice Chair

1. Assist the Chair in the discharge of his/her duties.
2. Perform the duties of the Chair in the absence or incapacity of the Chair.
3. Perform other duties as assigned by the board.

(c) Secretary

1. Assume duties of the Chair when Chair and Vice Chair are unavailable.
2. Perform other duties as assigned by the board.
3. Assure that the records of board proceedings are maintained in accordance with these bylaws and in accordance with AS 37.14.007(b)(2) and the Records Management Act (AS 40.21).

ARTICLE VI
MEETINGS

Section 1. The board will hold four regular meetings each fiscal year. Committees will meet as necessary to accomplish their responsibilities.

Section 2. Special or emergency meetings of the board may be held at such time and place as the Chair may order; or upon the written request to the Chair of any four trustees.

Section 3. Reasonable public notice of board and committee meetings shall be provided in accordance with AS 44.62.310. Meetings of the board and its committees are subject to the Open Meetings Act, AS 44.62.310 and 44.62.312.

Section 4. A quorum at all board meetings shall consist of four board members. A quorum at committee meetings is a majority of the committee's members.

Section 5. No member of the board may designate a proxy.

Section 6. The board will schedule at least one period for public comment during each regularly scheduled board meeting.

Section 7. Formal actions by the board are accomplished through adoption of motions.

ARTICLE VII
COMMITTEES OF THE BOARD

There will be five standing committees of the board. Standing committee chairs and members will be appointed by the Chair after polling the board regarding individual trustee's interest and ability to serve. A member may serve as chair of only one standing committee at any time except as a stand-in until the next regularly scheduled board meeting. Standing committees will have a minimum of 3 committee members. The board chair may designate ad hoc committees to accomplish special purposes. Persons other than board members may serve on the board's ad hoc committees; however, such persons may not be voting members of such committees, only appointed board members may vote on committee actions. Committee recommendations will be reported to the board for action at the next regular board meeting.

Section 1. The Executive Committee of the board is composed of three board officers, the Chair, the Vice Chair, and the Secretary. The Executive Committee will:

- (a) Ensure development of policies for governing the Trust Authority for approval by the board.
- (b) Oversee implementation of governance policies at the direction of and on behalf of the board in accordance with law and the committee charter adopted by the board.
- (c) The Executive Committee will meet only as needed.

Section 2. The Resource Management Committee will, in consultation with the CEO and Executive Director (ED) of the TLO:

- (a) Ensure development of policies for protecting, enhancing, and managing the trust's non-cash resources in the best interests of the beneficiaries for approval by the board.
- (b) Oversee implementation of plans at the direction of and on behalf of the board in accordance with law and the committee charter adopted by the board.

Section 3. The Program and Planning Committee will, in consultation with the CEO and Executive Director (ED) of Mental Health Policy and Programs.:

- (a) Ensure development of policies to meet needs and improve the circumstances of beneficiaries; and recommends to the board for approval.
- (b) Oversee implementation of plans at the direction of and on behalf of the board in accordance with Trust Authority statutes and regulations and the committee charter adopted by the board.

Section 4. The Finance Committee will, in consultation with the CEO and Chief Financial Officer (CFO):

- (a) Ensure development of policies for investment and fiscal management for approval by the board.
- (b) Oversee implementation of approved investment and fiscal management policies on behalf of the board in accordance with Trust Authority statutes and regulations and the committee charter adopted by the board.

- 1 Section 5. The Audit and Risk Committee will, in consultation with the CEO and CFO:
- 2 (a) Ensure development of policies for managing the annual audit process and
- 3 identifying and addressing organizational risk for approval by the board.
- 4 (b) Oversee implementation of approved audit and risk management policies on behalf
- 5 of the board in accordance with Trust Authority statutes and regulations and the
- 6 committee charter adopted by the board.

7

8

9 ARTICLE VIII

10 CHIEF EXECUTIVE OFFICER

11

12 Section 1. The board shall select and employ a Chief Executive Officer as provided by law.

13

14 Section 2. The Chief Executive Officer is responsible for day-to-day operations of the Trust

15 Authority including planning, organizing, coordinating, and directing all activities

16 necessary to enable the Trust Authority to exercise its powers and duties, and

17 fulfill the purpose of the Trust Authority. The CEO will operate and conduct the

18 business and affairs of the Trust Authority according to the statutes, regulations,

19 bylaws, policies, and charters adopted by the board. The CEO duties and

20 responsibilities shall be set forth in a CEO Job description to be adopted by the

21 board.

22

23 Section 3. The Chief Executive Officer shall oversee administration of the contract with the

24 Trust Land Office on behalf of the Trust Authority to ensure compliance with

25 AS 37.14.009(a)(2).

26

27

28 Section 4. The board will evaluate the Chief Executive Officer's performance annually in

29 writing. The board will define the process for conducting annual reviews and

30 include it in the Board Operations Manual.

31

32 Section 5. Termination of employment of the Chief Executive Officer is by majority vote of

33 the board.

34

35

36 ARTICLE IX

37 PARLIAMENTARY AUTHORITY

38

39 Unless otherwise provided by law or these bylaws, the board's procedures shall be

40 governed by Robert's Rules of Order Newly Revised. The Chair may appoint an appropriate

41 person to serve as parliamentarian.

42

43

44 ARTICLE X

45 ETHICS

46

47 Board members are required to comply with the Alaska Executive Branch Ethics Act

48 (AS 39.52) and AS 47.30.016(c)(2).

1
2
3 ARTICLE XI
4 AMENDMENT OF BYLAWS
5

6 These bylaws may be amended at any meeting of the board. Amendment of these
7 bylaws requires 5 affirmative votes of board members provided that written notice and
8 copies of the proposed amendment have been submitted to the members 30 days prior to
9 the meeting, or by unanimous vote without notice.
10

11
12 ARTICLE XII
13 DEFINITIONS
14

15 In these bylaws,
16

17 **The Alaska Mental Health Trust** means the sum of all assets owned by the Alaska
18 Mental Health Trust as established by the Alaska Mental Health Trust Enabling Act, P.L. 84-
19 830, 70 Stat. 709 (1956) and the Mental Health Settlement Agreement (June 10, 1994),
20 including cash and non-cash assets.
21

22 **The Alaska Mental Health Trust Authority (the Trust Authority)** means the entity
23 charged with administering the trust, as trustee, is governed by a seven-member board. (AS
24 37.14.007, AS 47.30.011, AS 47.30.016)
25

26 **The Trust Land Office (TLO)** means the unit of the Alaska Department of Natural
27 Resources that is charged with managing the trust's natural resources, land, and other fixed
28 assets. (AS 44.37.050)
29

30 **Regular Meeting** means a board meeting that is scheduled at the annual budget
31 meeting to occur during the succeeding year, provided that a regular meeting that is
32 rescheduled on reasonable notice to the public is still a regular board meeting.
33

34 **Special Meeting** means any board meeting other than a regular meeting, including
35 an emergency meeting.
36

37 **Emergency Meeting** means any board meeting conducted for the purpose of
38 addressing time sensitive matters that may not be capable of resolution within the statutory
39 or delegated authority of the Executive Committee or the CEO. If an emergency meeting is
40 conducted on less than the customary public notice, public notice shall be published as
41 soon as practicable. If the agenda of an emergency meeting is not available in advance, the
42 agenda will be published as soon as practicable after the emergency meeting.

Mary Jane Michael, Chair

Laraine Derr, Secretary

Alaska Commission on Aging

Alaska Commission on Aging Presentation to the Alaska Mental Health Trust Authority

1



September 5, 2018
Denise Daniello, ACoA Executive Director
Gordon Glaser, ACoA Chair

"Getting old is like climbing a mountain; you get a little out of breath, but the view is much better!" ~Ingrid Bergman

Presentation Outline

2

- ❑ FY19 budget overview of core services for Senior Trust beneficiaries and other at-risk older Alaskans
- ❑ Advocacy planning for prospective ACoA advocacy priorities for FY2020 legislative session
- ❑ Federal policy items affecting Senior Trust beneficiaries
- ❑ ACoA updates
- ❑ Wrap-up: Questions and discussion



3

FY2019 Budget impacts for Senior Trust Beneficiaries and other at-risk older adults

Community Safety Net Services



On the horizon... Areas of Concern for Senior Trust Beneficiaries and other at-risk older Alaskans

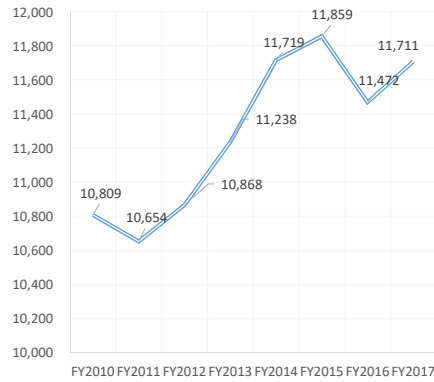
4

- ❑ Level funding for grant-funded senior services is no longer sufficient to maintain service capacity for an increasing senior population, particularly those at high risk, in order to reduce the need for higher cost care.
- ❑ Family caregivers of people with dementia without adequate supports and coaching are in danger of burnout, poor health, and diminished quality of life while their loved ones with dementia become at greater risk of institutional care.
- ❑ Older adults with mental illness, depression, alcohol, and substance misuse have limited treatment and placement options.
- ❑ Falls continue to be the leading cause of serious injury and deaths for older adults. The related costs for serious falls is increasing, as Alaska's population ages and health care costs continue to climb.

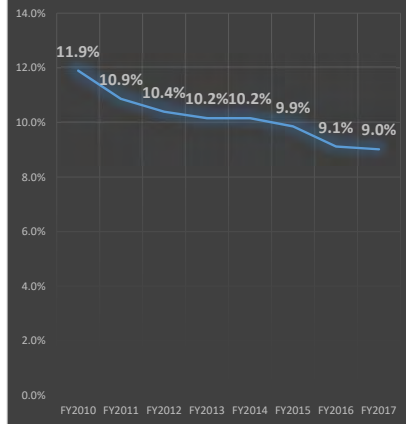
Utilization of Nutrition, Transportation, Support Services by Alaska Seniors, FY2011-FY2017

5

Number of Persons, age 60+ receiving NTS Services



Percentage of Persons, age 60+ receiving NTS services

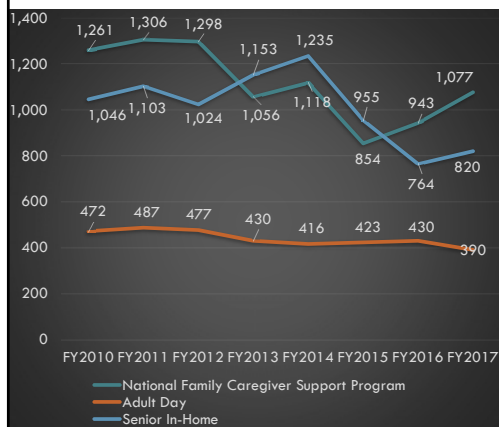


Source: Division of Senior and Disabilities Services, Grants Unit, July 2018

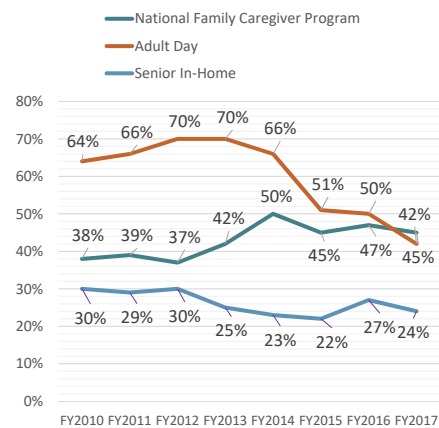
Home- and Community-Based Grant-Funded Services

6

Number of Senior Recipients, Age 60+



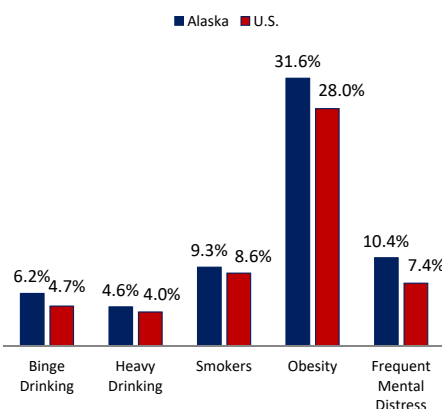
Percentage of Seniors w/ADRD Receiving Services



Source: Division of Senior and Disabilities Services, Grants Unit, July 2018

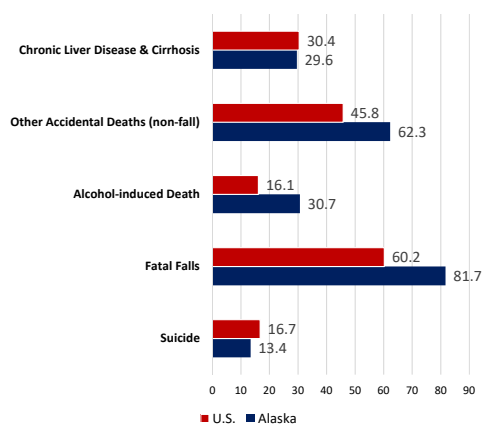
Senior Behavioral Health Indicators Alaska and U.S. Comparison (age 65+), 2016

Behavioral Risk Factor Surveillance
Survey Indicators, Alaska and U.S.



Source: BRFSS, Division of Public Health, Chronic Disease Prevention and Health Promotion, July 2018

Age-Adjusted Mortality Rates,
Alaska and U.S.



Source: Division of Public Health, Alaska Bureau of Health Analytics & Vital Records

Client Status Review, FY2017 AKAIMS Findings

Reporting 30 out of 30 days	Under 65	65 and Older
How many days during the past 30 days was your physical health (including physical illness and/or injury) not good?	6.49%	18.71%
How many days during the past 30 days was your mental health (including depression and/or problems with emotions, behavior, or thinking) not good?	7.68%	11.69%
How many days during the past 30 days did poor physical or mental health keep you from doing your usual activities, such as taking care of yourself, work, or recreation?	4.72%	11.83%

Source: Division of Behavioral Health, CSR FY2017 Data Combined March 2018

The Cost of Senior Falls

- ❑ Falls are the #1 cause of serious injury requiring acute care among Alaskans age 55+ and a leading cause of death.
- ❑ Data suggests that certain factors can increase the incidence of senior fall-related injuries such as age, gender, race/ethnicity, and region of residence.
- ❑ Excessive alcohol consumption, use of multiple prescription medications, and other drug use increase the risk of senior falls and fall-related injury.
- ❑ An average of 74% of acute trauma cases for seniors was related to serious injuries from falls, between 2012 and 2016.
- ❑ In 2016, the average cost of acute care per person due to a fall incident was \$80,000. The total amount billed for acute care was \$135 million in 2016, more than triple the amount charged in 2012 (\$45 million).

Source: Alaska Department of Health and Social Services. *Alaska Injury Facts Report – 2018*. Anchorage, Alaska: Section of Chronic Disease Prevention and Health Promotion, Division of Public Health, Alaska Department of Health and Social Services; June 2018.

Stay Independent: Falls are the main reason why older people lose their independence.

Check Your Risk for Falling

Please circle "Yes" or "No" for each statement below.		Why it matters	
Yes (2)	No (0)	I have fallen in the past year.	People who have fallen once are likely to fall again.
Yes (2)	No (0)	I use or have been advised to use a cane or walker to get around safely.	People who have been advised to use a cane or walker may already be more likely to fall.
Yes (1)	No (0)	Sometimes I feel unsteady when I am walking.	Unsteadiness or needing support while walking are signs of poor balance.
Yes (1)	No (0)	I steady myself by holding onto furniture when walking at home.	This is also a sign of poor balance.
Yes (1)	No (0)	I am worried about falling.	People who are worried about falling are more likely to fall.
Yes (1)	No (0)	I need to push with my hands to stand up from a chair.	This is a sign of weak leg muscles, a major reason for falling.
Yes (1)	No (0)	I have some trouble stepping up onto a curb.	This is also a sign of weak leg muscles.
Yes (1)	No (0)	I often have to rush to the toilet.	Rushing to the bathroom, especially at night, increases your chance of falling.
Yes (1)	No (0)	I have lost some feeling in my feet.	Numbness in your feet can cause stumbles and lead to falls.
Yes (1)	No (0)	I take medicine that sometimes makes me feel light-headed or more tired than usual.	Side effects from medicines can sometimes increase your chance of falling.
Yes (1)	No (0)	I take medicine to help me sleep or improve my mood.	These medicines can sometimes increase your chance of falling.
Yes (1)	No (0)	I often feel sad or depressed.	Symptoms of depression, such as not feeling well or feeling slowed down, are linked to falls.
Total		Add up the number of points for each "yes" answer. If you scored 4 points or more, you may be at risk for falling. Discuss this brochure with your doctor.	

Falls can be prevented

1. Begin an exercise program to improve your leg strength & balance
2. Ask your doctor or pharmacist to review your medicines
3. Get annual eye check-ups & update your eyeglasses
4. Make your home safer by:
 - ❑ Removing clutter & tripping hazards
 - ❑ Putting railings on all stairs & adding grab bars in the bathroom
 - ❑ Having good lighting, especially on stairs

Note: This checklist was developed by the Greater Los Angeles VA Geriatric Research Education Clinical Center and affiliates and is a validated fall risk self-assessment tool (Rubenstein et al. / *Safety Res*: 2011-42(6)493-499)

ACoA Advocacy Planning Going Forward...

- Increase funding for senior grant-funded services to build capacity for these low-cost services to keep pace with a growing older adult population and divert the need for higher cost care.
- Add “companion services” as a new service category in the continuum of care for seniors and persons with developmental disabilities.
- Provide effective supports to unpaid family caregivers to enable them to provide quality care in order to delay the need for more intensive care and slow down the growth rate of public expenditures.
- Promote education/awareness about the cost of senior falls and the value of senior fall prevention efforts.
- Continue to advocate for funding for AHFC’s Senior Housing Development Fund for development/renovation of senior housing projects and home accessibility/weatherization improvements.
- Educate newly elected officials about the needs of older Alaskans and the benefits they bring to the state.

Federal Policy/Budget Items of Interest to Senior Trust Beneficiaries

“Alzheimer’s is the most under-recognized threat to public health in the 21st century,”

-Dr. David Satcher, former U.S. Surgeon General and former Centers for Disease Control and Prevention (CDC) Director



Promising Developments for Alzheimer's Patients and their Families at the Federal Level

- **FY2019 Budget:** Pending increase in base funding for Alzheimer's research, National Institutes of Health
 - ▣ \$425 million approved by Senate Appropriations
 - ▣ \$401 million approved by House Appropriations
- **Palliative Care and Hospice Education and Training Act (PCHETA):** S. 693, Senator Tammy Baldwin, Wisconsin / H.R. 1676, Representative Eliot Engel, New York
- **Building Our Largest Dementia (BOLD) Infrastructure for Alzheimer's Act:** S. 2076, Senator Susan Collins, Maine / H.R. 4256 Rep Brett Guthrie, New York

ACoA Updates

Alaska State Plan for Senior Services,
FY2020-2013 Needs Assessment Efforts

ACoA Rural Outreach to Nome,
September 12-15 and 18, 2018

ACoA Commissioners



State Plan for Senior Services, FY2020-FY2023 Needs Assessment Efforts

- **Elder Senior Listening Sessions:** Completed in Wrangell, Anchorage, Fairbanks North Star Borough, and the Matanuska-Susitna Borough.
 - Each session identified concerns held in common as well as those unique to that locale.
- **Senior Survey, May 1 – July 13, 2018:**
 - A total of 3,091 surveys have been received through on-line (710) and paper surveys (2,381).
 - Of those completing the on-line survey, 31% were age 60-64 with 84% reporting being Caucasian and 74% were women.
 - Fifty-five percent have lived in Alaska for 30 years+ and only 4% lived in Alaska for 6 years or less.
 - More than one-third of the respondents identified Anchorage as their place of residence (35%) followed by 19% from the MatSu.
- **Provider Survey:** To be distributed in fall, will focus on provider perceived gaps in the continuum of senior care and barriers for older people accessing services.

Top Concerns Identified by 2018 and 2014 Senior Survey Respondents, Preliminary Comparison

2018 Senior Survey

- #1 Access to Health Care
- #2 Financial Security
- #3 Maintaining Health
- #4 Affordable and Accessible housing

2014 Senior Survey

- #1 Access to Health Care
- #2 Financial Security
- #3 Affordable and accessible housing
- #4 Having enough food to eat

Source: ACoA Senior Survey Respondent Analysis, 2014 and 2018

Please rate the importance of the following concerns based on how much you think they affect seniors in your community.

Concerns held by other seniors living in my community	“Very Important”
Access to health care services	89%
Affordable and accessible housing	73%
Services for seniors with dementia and their families	61%
Elder Protection	58%

Source: Alaska Commission on Aging, 2018 On-Line Senior Survey Preliminary Analysis

Other ACoA Updates...

- National Association of States United for Aging and Disabilities HCBS Conference, August 27-30, Baltimore.
- ACoA Rural Outreach Meeting to Nome, September 12-September 15 with visit to Shishmaref.
- ACoA welcomes new Commission members! Rosemary Hagevig of Juneau, was recently elected as Pioneer Home Advisory Board Chair. Bob Sivertsen, Ketchikan, was appointed by Governor Walker in July 2018.
- In memory of Marie Darlin, ACoA Commissioner from 6.1.2010 through 6.6.2018. ... *Marie was a citizen activist, historian, and political advocate who personifies the power of aging and the importance of elders through her demonstration of leadership, skills, and passion for helping Alaskans of all ages... (from the Alaska Legislature In Memoriam of Marie Darlin, April 23, 2018)*

Thank You!



September 22, 2018 is Senior Falls Prevention Awareness Day!

Governor's Council on Disabilities and Special Education

**The Governor's Council on Disabilities and
Special Education Report will be distributed at
the Full Board of Trustee meeting
on September 5-6, 2018**

**Advisory Board on
Alcoholism & Drug
Abuse /
Alaska Mental Health
Board**

**Alaska Mental Health Board /
Advisory Board on Alcoholism & Drug Abuse Report
will be distributed at
the Full Board of Trustee meeting
on September 5-6, 2018**

Finance Committee Report

To: Mary Jane Michael, Chair
Through: Mike Abbott, Chief Executive Officer
From: Andrew Stemp, Chief Financial Officer
Date: August 8, 2018
Re: Finance Committee Report

REQUESTED MOTION #1:

The full Board of Trustees approve the Finance Committee's recommended motion to approve the Trust Land Office operating budget for FY20 in the amount of \$4,539,200.

REQUESTED MOTION #2:

The full Board of Trustees approve the Finance Committee's recommended motion to approve the FY20 Trust Authority Office MHT Admin budget of \$4,135,331.

Meeting Summary:

There has been one meeting of the Finance Committee since the last board report. The meeting occurred on August 2, 2018 and was attended by trustees Christopher Cooke, Laraine Derr, Paula Easley, Vernè Boerner, Mary Jane Michael, Jerome Selby (by phone), and Carlton Smith. Trustee Derr served as acting Chair for the meeting.

The August 2, 2018 Finance Committee addressed six items:

Cash Management Report: The Committee reviewed the report provided, which included some estimated revenues and expenses, and had a brief discussion of the Trust's financial results for the year ended June 30, 2018. Overall results for the year are very positive, with good investment results and healthy revenues from Land Office activities.

Trust Land Office Operating Budget: Executive Director Wyn Menefee provided the committee members with a discussion of the proposed budget. The proposed budget reflected no change in total spending from the previous year. The committee took action and recommended that the budget be approved by the full board.

Trust Authority Operating Budget: CEO Mike Abbott provided the committee members with a discussion of the proposed budget. The proposed budget reflected no change in total spending from the previous year. The committee took action and recommended that the budget be approved by the full board.

Revenue Forecast: The committee reviewed expected revenues for the income and principal accounts. The current forecast is for positive trends on both accounts, due to good investment returns and high levels of land office activity. During discussion the staff received direction to analyze the account and provide the board with recommendations for how to manage expected principal receipts.

Progress Report on Permanent Fund Negotiations: The committee received a verbal update from the CFO on the status of ongoing discussions around the Trust real estate investments. Negotiations are ongoing and both parties are committed to a positive result. A formal proposal is expected to be received at the Trust prior to the September board meeting.

Status Report on Trust Reserves: CEO Mike Abbott provided an overview of reserve account status, as well as the potential for deploying reserves to meet Trust objectives. During discussion the staff received direction to develop a plan for potential utilization of reserves for consideration by the board.

The Finance Committee concluded at approximately 2:00 pm. The next scheduled meeting of the Finance Committee is ***October 17, 2018***.



Trust
Land Office

2600 Cordova Street
Anchorage, Alaska 99503
Phone: 907-269-8658
Fax: 907-269-8605

To: Jerome Selby, Chair
Finance Committee
From: Mike Abbott, Chief Executive Officer
Wyn Menefee, Executive Director
Date: 8/2/2018
Re: FY20 Operating Budget – Item 1
Fiscal Year: 2020
Amount: \$4,539,200

Approval

Proposed RMC Motion:

“The Finance Committee recommends that the Alaska Mental Health Trust Authority board of trustees approve the Trust Land Office operating budget for FY20 in the amount of \$4,539,200.”

Background:

The Trust Land Office (TLO) seeks the recommendation of the Finance Committee for the FY20 operating budget. Please see Exhibit 1 for a breakout of the proposed line items.

For this request, the FY20 budget is compared against the final FY19 budget. The FY20 proposed budget reflects no change from FY19.

Exhibit(s):

Exhibit 1 – FY20 Trust Land Office Budget Proposal

	A	B	C	D	E	G
1	TRUST LAND OFFICE OPERATING BUDGET					
2	FY20 Proposal					
3						
4						
5	Expenditures	FY18 YTD as of 7/20/2018 ¹	FY19 Trustee Approved Budget	FY19 Mgmt Plan*	FY20 Proposal	19-20 %
6	Personal Services	2,453,456	2,956,025	2,842,800	2,943,400	3%
7	Travel	69,615	133,000	133,000	125,200	-6%
8	Services	1,212,730	1,423,350	1,507,400	1,412,100	-7%
9	Supplies	98,740	56,000	56,000	58,500	4%
10	Capital Outlay	9,000				
11	Total	3,843,541	4,568,375	4,539,200	4,539,200	0%
12			Total FY20 Increase		0	
13						
14	Revenue	FY18 YTD as of 7/20/2018 ¹	FY19 Trustee Approved Budget	FY19 Mgmt Plan	FY20 Proposal	19-20 %
15	Principal	6,183,647	5,310,625	8,215,100	8,852,600	8%
16	Income	3,702,277	4,298,382	4,836,500	4,949,000	2%
17	Total	9,885,924	9,609,007	13,051,600	13,801,600	6%
18						
19	(1) Numbers are not final until the reappropriation period ends August 31					
20	* FY19 Management Plan per approved Conference Committee budget. FY19 Merit Increase not approved.					
21	<div>FY20 TRUSTEE REQUEST: \$4,539,200</div>					
22						
23						
24						
25						
26						
27						
28	Personal Services*					
29	FY20 Merit Inc. Est (Includes Benefits)	42,000				
30	*Request is rounded					
31						

MEMO

To: Jerome Selby, Finance Committee Chair
From: Mike Abbott, Chief Executive Officer
Andy Stemp, Chief Financial Officer
Date: July 24, 2018
Re: FY 20 Trust Authority Office MHT Admin budget request

REQUESTED MOTION:

The Finance Committee recommends that the full board of trustees approve the FY20 Trust Authority Office MHT Admin budget of \$4,135,331.

BACKGROUND

Staff have prepared the FY20 Trust Authority Office administrative budget and requests the Finance Committee recommend that the full board of trustees approve the MHT Admin funds as detailed in the attached document.

The FY20 proposed budget reflects no change from the FY19 funding level.

	A	B	C	D	E	F	G	H	I
1	<div>MENTAL HEALTH TRUST AUTHORITY OPERATING BUDGET</div>								
2									
3									
4									
5	EXPENDITURES	FY18 Actual + Projected as of July 16, 2018	FY19 Approved	FY20 Proposal	19-20 %age				
6	1000 Personal Services	2,246,656	2,937,106	2,952,595	0.5%				
7	Personal Services	2,181,889	2,878,650	2,891,639	0.5%				
8	cell phones		3,456	3,456	0.0%				
9	Honorarium	64,767	55,000	57,500	4.5%				
10	2000 Travel	89,991	127,000	122,000	-3.9%				
11	3000 Services	1,090,798	1,009,225	996,025	-1.3%				
12	4000 Supplies	85,052	62,000	64,711	4.4%				
13	5000 Equipment	30,044	-	-					
14	Total	3,542,542	4,135,331	4,135,331	0.0%				
15									
16	A-Personal Services activity reflects four vacant positions. FY19 and FY20 amounts reflect filled positions.								
17									
18	FUNDING SOURCE	FY18 Mgmt Plan	FY19 Approved Budget	FY20 Proposal					
19	MHT Admin	3,867,400	4,135,331	4,135,331					
20									
21									
22									
23	<div>FY2020 Request to TRUSTEES: <div>\$4,135,331</div></div>								
24									
25									
26									
27									
28									
29									
30									

Revised CEO Job Description

Alaska Mental Health Trust Authority Class Specifications

Class Title: Chief Executive Officer
Reports to: Board of Trustees
Class Range: 28

Position Description

Under general direction of the board of trustees and in partnership with the board, the Chief Executive Officer (CEO) is responsible for the oversight of the Alaska Mental Health Trust Authority (the Trust). The board and the CEO work together to accomplish the Trust's mission and vision and assure that the Trust is accountable to its beneficiaries.

The board delegates responsibility for management of operations to the CEO who has the authority to carry out these responsibilities in accordance with the Mental Health Trust Settlement, Alaska Statutes and Regulations, the Trust's bylaws and charters, and direction and policies established by the board. The CEO is responsible for management of relationships with key department partners including the Departments of Natural Resources (DNR), Revenue (DOR), Health and Social Services (DHSS), Corrections (DOC) and statutory advisory boards. The CEO is responsible for oversight of the **Trust Authority Office (TAO)**, Trust Land Office (TLO), a unit within DNR, pursuant to the Trust's bylaws, charters, and the current agreement between the Trust and DNR.

The CEO provides advice and counsel to the board of trustees as it carries out its statutory governance functions authorized under AS 47.30.026.

Duties and responsibilities include, but are not limited to:

Key accountabilities

1. Mission, policy and planning

- a) Works with the board and staff to implement the Trust's mission, communicate it effectively to staff, state agencies and statutory advisory boards, and ensure the mission serves continuously as an inspiration and guide.
- b) Works with staff to develop and implement systems required to execute the mission effectively.
- c) Keeps informed of factors and trends impacting the ability of the Trust to implement the Trust's mission and management of Trust assets.
- d) Keeps the board and public informed regarding the State of Alaska's comprehensive integrated mental health program, monitoring and evaluating effectiveness on an ongoing basis.
- e) Assists the board to monitor and evaluate the performance, effectiveness, and results of the Trust Authority Office (TAO), the TLO, and investments managed by Alaska Permanent Fund Corporation (APFC) and DOR.
- f) Responsible to the board of trustees to prepare and implement the Trust strategic plan and update on an annual basis.

2. Management and administration

- a) Develops programming, grant making and grant management strategies and systems that are effective and aligned with the Trust's vision/mission and ensures that such strategies and systems are implemented and evaluated.
- b) Develops accountability standards and systems that track and report on the financial and administrative performance of the TAO, TLO and the assets managed by the APFC.
- c) Provides oversight to the TLO, related to real estate investment and land asset management

approved May 24, 2018

Alaska Mental Health Trust Authority Class Specifications

strategies and systems that are effective and aligned with the Trust's vision/mission driven needs, and ensures that such strategies and systems are implemented.

3. Personnel management

- a) **Directly supervises the TAO Chief Operations Officer, Chief Financial Officer, and Chief Communications Officer as well as the TLO's Executive Director.**
- b) **Responsible for staff development and training.**
- c) **Establishes initiatives to ensure** a work environment that recruits, retains and supports a **diverse and** high performing team.

4. Financial management

- a) Working with the Chief Financial Officer (CFO), oversees the financial management of the Trust including budgeting, reporting, auditing and maintaining effective internal controls for the protection of the Trust's asset.
- b) Provides recommendations to the board based on periodic review of Trust initiatives, financial reporting and asset management operations for conformance to board policies.
- c) Works with the board to ensure financial support of all Trust activities.

5. Governance

- a) Works with the board to continually evaluate its governance functions and documentation to effectively demonstrate proper implementation of board authority to accomplish the mission of the Trust.
- b) Facilitates board action on long-range strategic issues relative to the comprehensive integrated mental health program plan.
- c) Provides recommendations to the board with respect to public policy issues affecting the Trust and its beneficiaries.

6. Public Relations and Brand Management

- a) Defines and implements a public relations plan for the Trust that clearly identifies public relations and brand priorities and strategies. Monitors performance against the plan, reports to the board, and ensures that the plan is updated annually.
- b) Defines and implements a public education plan to advocate for beneficiaries and their place in society. Monitors performance against the plan, reports to the board, and ensures that the plan is updated annually.
- c) Interacts with Alaskans who experience a mental health disorder, addiction, developmental disability, dementia, Alzheimer's disease, traumatic brain injury or other cognitive impairment as well their family, friends, others acting on their behalf, and those providing services to them.
- d) Works with legislators, advisory boards, key state agencies, Alaska Native organizations, service providers, and beneficiaries to promote legislative and regulatory policies that ensure the State's comprehensive integrated mental health program is in place to provide services and supports to Trust beneficiaries.
- e) Serves as chief spokesperson of the Trust and ensures proper representation of the Trust to relevant forums, stakeholder groups and the public.
- f) Initiates, develops and maintains cooperative relationships with key stakeholders.
- g) Actively seeks opportunities to gain funding for beneficiary services from state and federal agencies, corporations, and other philanthropic organizations and coordinates with outside organizations to advance the interests of beneficiaries.

approved May 24, 2018

**Alaska Mental Health Trust Authority
Class Specifications**

Minimum qualifications

Bachelor's degree in business, management, finance, public administration, public health or related fields is required. Graduate degree in business, public administration or health related field is preferred.

Minimum of 10 years in a senior management role of an organization such as a foundation, trust, private company or other autonomous or semi-autonomous organization or local, state, tribal or federal government.

The successful applicant must sign the State of Alaska's Confidentiality of Information Acknowledgement form, and agrees to and must pass a criminal background check if requested by the board of trustees.

Reasonable Accommodation

It is the Trust's business philosophy and practice to provide reasonable accommodations, according to applicable state and federal laws, to all qualified individuals with physical or mental disabilities. The Trust is an equal opportunity employer and does not tolerate discrimination or harassment of any kind.

Performance Review

The board of trustees will review and evaluate in writing the CEO's performance in carrying out policies, procedures, and directions of the board annually before the November trustee meeting. The board will ensure that the CEO has clear accountabilities and authority and will balance support for achievement with ensuring accountability for performance.

Employee meets essential functions and accepts job responsibilities as outlined in this job description.

Employee Signature

Print Name

Date

The board of trustees has reviewed the job responsibilities as described in this document and has discussed expected standards of performance with the employee.

Board Chair Signature

Print Name

Date

This job description is not an employment agreement or contract. The board of trustees has the exclusive right to alter the scope of work within the framework of this job description at any time.

approved May 24, 2018

Resource Management Committee Report

Memorandum



To: Mary Jane Michael, Chair
Through: Mike Abbott, Chief Executive Officer
From: Wyn Menefee, Executive Director
Date: August 2, 2018
Subject: August 2nd, 2018 – Resource Management Committee Meeting Summary

The Resource Management Committee met on August 2nd, 2018, received an update of key TLO activities, and reviewed one consultation presented by TLO staff. The one consultation requires the full board review. After consultation, the Resource Management Committee recommended the board of trustees concur with the proposal:

Item A – KI Energy JV Oil and Gas Lease, MHT 9200726

Proposed Motion: *“The Alaska Mental Health Trust Authority board of trustees concurs with the Trust Land Office recommendation for the negotiated lease of Tract 29 for exploration and development of Trust natural gas resources, as proposed.”*

Anticipated Revenues/Benefits: A lease issued for this tract will have a primary term of 10 years and an annual rental fee of \$10/acre with an escalation clause increasing the rental rate in the eighth year if the lease is not being diligently developed. Commercial production of gas will be subject to a 15 percent royalty. In addition, the lessee will be required to post a performance bond within 30 days of lease issuance to ensure that the Northern Dancer 1 well is properly plugged and abandoned according to the regulations of the Alaska Oil and Gas Conservation Commission.

cc: Board of Trustees
Mike Abbott, CEO Alaska Mental Health Trust Authority
Wyn Menefee, Executive Director, Trust Land Office



To: Carlton Smith, Chair
Resource Management Committee
From: Mike Franger
Date: 8/2/2018
Re: KI Energy JV Oil and Gas Lease, MHT 9200726
Fiscal Year: 2019

Consultation

Proposed RMC Motion:

"The Resource Management Committee recommends that the Alaska Mental Health Trust Authority board of trustees concur with the negotiated lease of Tract 29 for exploration and development of Trust natural gas resources, as proposed."

Background:

Revenue Projections:	Principal Income	\$0 \$62,640 in annual rental
-----------------------------	-----------------------------	--

Transaction/Resource: Negotiated oil and gas lease for Tract 29 for the purpose of exploration and potential development and production of the Trust's conventional and/or non-conventional (coal bed methane) natural gas resources to KI Energy JV.

Property Description/Acreage/MH Parcel(s): Tract 29 consists of multiple Trust parcels totaling 6,264 acres and is north of Horseshoe Lake in the Susitna Valley. It is in Township 17 North, Range 4 West, Seward Meridian.

General Background: The Northern Dancer No. 1 well was drilled on Tract 29 in 2006 by a previous lessee. The well was cased but never tested for commercial hydrocarbons. The potential exists for commercial production of both conventional and unconventional (coal bed methane or CBM) natural gas from this well and tract. This tract is in close proximity to a facility that is planned to be constructed by KI Energy JV to provide liquid natural gas (LNG) for various commercial markets in Cook Inlet and the Interior. KI Energy JV intends to test this well to determine if it could be a source of gas for its LNG facility.

Anticipated Revenues/Benefits: A lease issued for this tract will have a primary term of 10 years and an annual rental fee of \$10/acre with an escalation clause increasing the rental rate in the eighth year if the lease is not being diligently developed. Commercial production of gas will be subject to a 15 percent royalty. In addition, the lessee will be required to post a performance bond within 30 days of

lease issuance to ensure that this well is properly plugged and abandoned according to the regulations of the Alaska Oil and Gas Conservation Commission.

Anticipated Risks/Concerns: No unusual risks are anticipated if this tract is developed for its conventional gas resources. Some concerns may arise if the unconventional (CBM) resources are developed. However, production of CBM is an established process in North American and other parts of the world, but this resource has not been developed in Alaska. Previous attempts to develop CBM in Alaska occurred in the early 2000's and were basically unsuccessful. The activity raised significant questions and opposition from various groups and the public, but much of the opposition at the time was due to the leasing process conducted by the Department of Natural Resources, the proximity of proposed leases to developed areas, and publicity associated with adverse impacts caused by unscrupulous operators developing the resource in the Lower 48. Questions may arise again during the leasing and permitting process regarding the nature of the proposed development. However, the tract proposed for lease is not located in a residential area, and the applicant has stated that they have engaged consultants experienced in the latest techniques to develop CBM in a safe and environmentally sound manner.

Project Costs: No unusual costs are expected to be incurred for this proposal beyond typical field inspections and lease administration.

Other Considerations: If the CBM resource is developed on this tract, the benefit of developing this natural gas resource is that utility can be made of the Trust's significant deep coal resources in the Cook Inlet area that would otherwise be stranded since they are not economic to mine. Also, utility will be made of an existing well, and it will either be tested and proven to be commercially viable or it will be plugged and abandoned according to applicable regulations.

Due Diligence: TLO personnel have met with the applicant and discussed available information on their proposal as well as the lease terms and the leasing process. Personnel are also very familiar with the lease tract.

Alternatives: (1) Do not make the tract available for the proposed purpose. (2) Offer the tract on a competitive basis. We have had this available since June of 2015 without other credible interest being expressed on this tract.

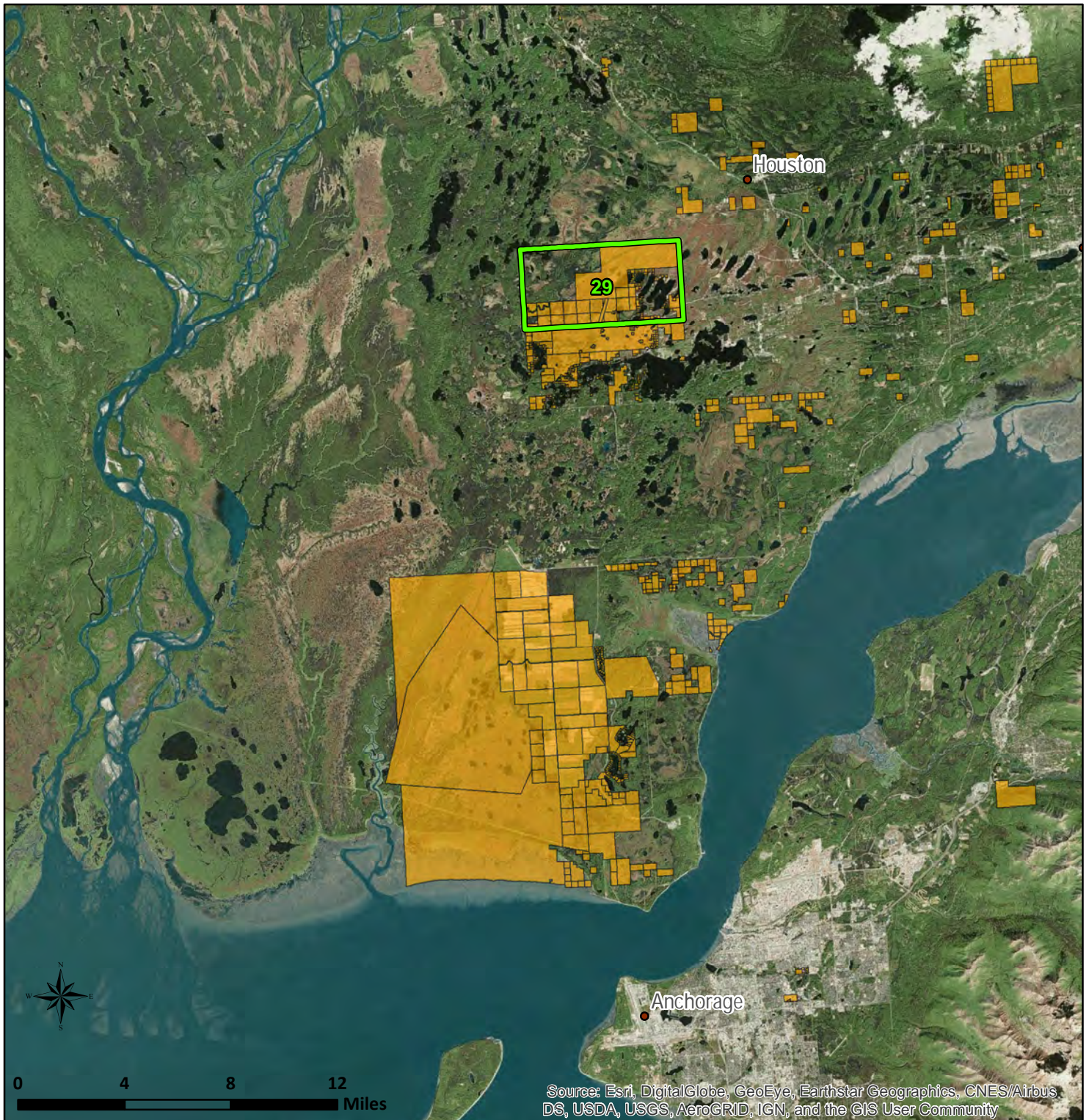
Consistency with the Resource Management Strategy: The proposal is consistent with the "Resource Management Strategy for Trust Land" (RMS), which was adopted January 2016 in consultation with the Trust and provides for the TLO to focus on land or resources that are in demand and at the high end of market values (best markets). Given the current value of natural gas in the Cook Inlet area and the potential markets for natural gas, the prospective lands affected by this decision are in a "best market" situation and should be offered now. Additionally, the proposed action is a step toward generating potentially significant revenue from the Trust's natural gas resources, consistent with a key Trust land management principle of encouraging a diversity of revenue generating uses of Trust land and resources.

Trust Land Office Recommendation: Lease the tract to KI Energy JV as proposed.

Applicable Authority: Alaska Statutes 37.14.009(a) and 38.05.801, and 11 AAC 99 (key statutes and regulations applicable to Trust land management and disposal).

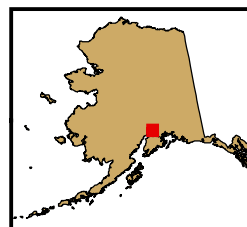
Trust Authority Consultation: This briefing document fulfills the consultation requirements that are applicable to the transaction. In the event that significant changes to the transaction are made necessary by the public notice process, the Trust Authority will be consulted regarding the changes.

Exhibit(s): Exhibit 1 - Map of proposed lease area



KI Energy JV Oil and Gas Lease Tract 29

- Oil & Gas Lease Tract
- AMHT Land Interest
(Includes all types of interest, Land, Mineral, Oil & Gas, Coal, etc.)



Discrepancies in boundary alignments are the result of merging multiple data sets from a number of different sources.

Albers Equal Area Conic Projection
NAD 1983 - Clarke 1866
Central Meridian = -154
Origin Latitude = 50
Parallels = 55, 65

Map Date: July 2018



Audit & Risk Committee Report

To: Mary Jane Michael, Chair
Through: Mike Abbott, Chief Executive Officer
From: Andrew Stemp, Chief Financial Officer
Date: August 9, 2018
Re: Audit & Risk Committee Report

Meeting Summary:

There has been one meeting of the Audit & Risk Committee since the last board report. The meeting occurred on August 2, 2018 and was attended by trustees Christopher Cooke, Laraine Derr (Chair), Paula Easley, Vernè Boerner, Mary Jane Michael, Jerome Selby (by phone), and Carlton Smith.

The August 2, 2018 Audit & Risk Committee addressed three items:

Change of Audit Partner: The Committee was introduced to Bikky Shrestha, the new BDO LLP audit partner assigned to the Trust account. The previous partner, Eric Campbell, retired from practice on June 30, 2018 and Bikky was promoted to partner at that time.

Audit Planning: Bikky Shrestha provided the committee members with the BDO audit planning document for the upcoming audit and reviewed key points of the audit plan. Following his presentation the committee members provided comments and input to Bikky.

Update on Changes in Accounting Standards: Committee members reviewed a presentation from Bikky Shrestha on two upcoming changes to accounting standards.

The first change is the treatment of post-retirement health care benefit costs. The current treatment is for those costs to be recorded by the retirement system and not reflected on the books of the Trust. The change in approach will require the Trust to record a liability for the net present value of these costs and adjust the amount each year. This change will result in a one-time adjustment to the balance sheet to reflect the liability and an annual charge to the Trust for any changes in the actuarial calculations. This change is to be implemented in the current fiscal year and will be reflected on the FY18 audit report.

The second change is the treatment of lease agreements. Under the new standards the Trust Land Office will be required to record the net present value of lease agreements as an asset of the Trust. Payments received during the year would be applied to the value of the assets and the calculation updated each year. This change will be implemented next year and will be reflected in the following audit report.

No motions were acted upon by the committee.

The Audit & Risk Committee concluded at approximately 12:00 pm. The next scheduled meeting of the Audit & Risk Committee is **October 17, 2018**.

Program & Planning Committee Report

To: Mary Jane Michael, Chair
Through: Mike Abbott, Chief Executive Officer
From: Steve Williams, Chief Operating Officer
Date: August 29, 2018
Re: Program and Planning Committee Report

There has been one meeting of the Program and Planning Committee since the last board report. The meeting occurred on August 1-2, 2018 and was attended by trustees Christopher Cooke (chair), Laraine Derr, Paula Easley, Vernè Boerner, Mary Jane Michael, and Carlton Smith.

There was no formal action taken by the committee at the meeting.

Meeting Summary:

The following items were presented and discussed by the committee.

Investing in Early Childhood and Prevention

Jimael Johnson (Trust Program Officer), Josh Arvidson (Anchorage Community Mental Health Services), and Jared Parrish (Dr. Jared Parrish, Epidemiologist, Department of Health and Social Services) provided a presentation to the committee on *Early Intervention as Prevention: Investment in Early Childhood*. The presentation covered areas such as brain development, Alaska data behavioral health needs of children 0 – 3 yrs. old, neuroscience of traumatic brain stress in early childhood, and the Alaska Longitudinal Child Abuse and Neglect Linkage project (ALCANLink).

Comprehensive Integrated Mental Health Plan (COMP Plan) Update

Michael Baldwin (Trust Senior Planning and Evaluation Officer) and Autumn Veal (Trust Planning and Evaluation Officer) presented a history, update and next steps for the update and revision to the existing Comprehensive Integrated Mental Health Plan (*Moving Forward 2006-2011*). There was committee dialogue with Trust staff about how to accelerate the updating of the COMP Plan in light of the work that has been accomplished and to mitigate any impacts of a potential Administration change. Trust staff committed to following up with the Department of Health and Social Services leadership and the Advisory boards regarding concerns identified by the committee.

DRAFT FY20/21 Trust Budget Presentation

Trust staff presented the FY20/21 program budget recommendations to the committee, providing a detailed review the strategies and projects contained in the budget. The review included project updates, data, and answering questions from committee members as needed. The Alaska Mental Health Board/Advisory Board on Alcoholism and Drug Abuse, the Alaska Commission on Aging and the Governor's Council on Disabilities and Special Education presented their joint FY20/21 joint capital requests contained in the budget recommendations as well. Trust staff noted requests for additional information to be gathered for the September

board meeting and the committee was encouraged to forward any additional questions or requests for information to Steve Williams (Trust Chief Operating Officer) or Katie Baldwin-Johnson (Senior Program Officer) by August 10, 2018.

Developing Projects

There were three separate presentations by partner agencies on developing projects targeted to improve services for beneficiaries:

- 1) Emerging Psychological & Behavioral Health Initiatives
 - a. Randall Burns – Dept. of Health and Social Services, Division of Behavioral Health
- 2) Expansion of the Hiland Mountain Women’s Mental Health Unit
 - a. April Wilkerson – Dept. of Corrections, Administrative Services
 - b. Laura Brooks – Dept. of Corrections, Health and Rehabilitative Services
 - c. Adam Rutherford – Dept. of Corrections, Health and Rehabilitative Services
- 3) Pay for Success Permanent Supportive Housing project
 - a. Nancy Burke – Municipality of Anchorage, Office of the Mayor
 - b. Dick Mandsager – Rasmuson Foundation Fellow
 - c. Jake Segal – Social Finance

The Program and Planning Committee adjourned at approximately 2:00 pm. The next scheduled meeting of the committee is ***October 17, 2018.***

To: Mary Jane Michael, Chair
Through: Mike Abbott, Chief Executive Officer
From: Steve Williams, Chief Operating Officer
Date: August 29, 2018
Re: Follow-up to Program and Planning committee questions

During the August 1-2, 2018 Program and Planning Committee meeting trustees asked several questions of staff that required additional research and gathering of information. Below are staff responses to the noted questions.

1) How could the Trust have an impact on early childhood intervention and prevention issues?

Staff response: Jimael Johnson was hired in late 2017 to begin exploring opportunities for more strategic early intervention and prevention investment. Identified areas to date include infant and early childhood as well as at-risk children, youth and families. Preliminary analysis of state leadership capacity and current investment reveals the need for a shared vision of early childhood and family services across sectors. There is continued recognition of the need to address Alaska's fragmented and gap-filled children's mental health service system.

Trust staff will focus FY19 efforts on developing continued partnerships and framework development to ensure future strategies are aligned with concurrent community and state efforts. There is considerable interest among funding partners, including foundations outside of Alaska, to collaborate with the Trust in this work and to formulate these funding relationships in FY19. We anticipate these activities will guide the FY20 work, which will focus on policy, data capacity, strategic partnerships, and technical assistance. Budget recommendations for FY21 will be revisited through this process and adjusted to accomplish identified target strategies in FY21. In FY21, staff will present trustees with a recommendation to consider early intervention and prevention as a potential future focus area.

Regarding the FY20 budget recommendation, Trust staff recommends a \$100.0 increase to the \$200.0 of Trust funding discussed during the Program and Planning Committee meeting. These funds are designated specifically for the Juneau Community Foundation to support the Juneau School District Trauma Informed "CLEAR" project. FY20 is the third and final year of Trust funding toward this early intervention/prevention project. Staff recommends building this into the Early Intervention/Prevention category as a specific strategy versus designating FY20 partnership funding for the final year.

2) What is the trend line and uses for the Technical Assistance services for beneficiary groups and initiatives?

Staff response: Trust staff are working to pull together a complete summary of the Technical Assistance resources including how the contracts are deployed, what assistance is provided and to whom. This information will be shared with trustees at a future date.

- 3) What are the potential uses for the FY20/21 budget recommendation (\$300.0) for Emergency Psychiatric Services Assistance?

Staff response: Alaska is experiencing an increase in the number of individuals in psychiatric crisis, whether related to mental illness, substance use or other complex cognitive conditions which result in beneficiaries languishing in settings least desirable for the most effective and responsive treatment. The issue is complex and involves multiple aspects of our system including public safety, emergency services, forensic psychiatric patients, hospital emergency departments, capacity of Alaska Psychiatric Institute (API), and the current nature of community mental health services. Multiple groups are looking at this issue from different perspectives.

Due to substantial negative impacts on Trust beneficiaries, Trust staff recommends a \$600.0 increase to the original \$300.0 of Trust funding for crisis/emergency services for a total of \$900.0 in FY20, if additional funds are available. There are several areas of effort under way in FY19 that will provide clarity and direction for Trust allocation of these resources in FY20. The Department of Health and Social Services - Division of Behavioral Health (DHSS/DBH) recently released a FY19 Request for Proposal (RFP) to expand Alaska's capacity to serve individuals with substance use disorders (SUD) as well as co-occurring serious mental illness (SMI). This RFP is a response to the urgent need to expand SUD services by addressing gaps in the continuum of care. Establishing a crisis residential stabilization center is one option to accomplish this by providing an alternative to hospital emergency room visits for individuals experiencing a temporary or situational behavioral health crisis. Trust funding could leverage state funding to ensure successful implementation of this service and/or be directed toward ancillary components of the system that will ensure an appropriate crisis service continuum is in place. This may include front end startup costs and capital expenses for Anchorage and/or other identified communities.

- 4) Should the Trust provide funding in FY20/21 to support the United Way 2-1-1 Alaska program? If not, what are staff recommendations for reallocating the funds?

Staff response: Alaska 2-1-1, a United Way program, provides information and referral services to Alaskans at no charge. In FY17, Alaska 2-1-1 received 28,753 calls and made 39,967 referrals. Basic needs were the top information requests. Alaska 2-1-1 does not ask callers to identify beneficiary categories, but does record when someone is willing to discuss that information. 428 known beneficiaries were served during FY17. Notably, 5,226 of these referrals were for behavioral health services.

The Trust has funded 2-1-1 annually for 10 years in the total amount of \$380.0 and includes approved FY19 funding for \$40.0. A trustee recommendation was made to discontinue

funding 2-1-1 in FY20 and to reallocate the funding to alternative strategies. At this time, Trust staff supports this recommendation given the duration of Trust commitment to 2-1-1 over time and the need to redirect resources to some of the emerging areas of work for the Trust.

- 5) Should the “Treatment Access” (\$600.0) and the “SUD Direct Service Professionals” (\$150.0) funding be combined into one line item? Is there sufficient funding allocated (\$600.0) for substance use disorder (SUD) treatment access?

Staff response: Staff recommends maintaining the “SUD/Direct Service Professionals” (\$150.0) as a distinct budget line item to maintain the workforce emphasis/intent. For the purposes of FY20, staff recommends not increasing the \$600.0 budget recommendation for “Treatment Access” presented to trustees in August. If there is a need for additional Trust funding in this category, Trust staff will bring that recommendation back to trustees for FY21 budget consideration.

- 6) Should the Disability Justice focus area budget be moved into the Criminal Justice Reform and Reinvestment section of the budget?

Staff response: Trust staff assessed moving the Disability Justice focus area budget items into the Criminal Justice Reform and Reinvestment section of the budget. Staff recommends at this time maintaining the current budget structure.

- 7) Should the Trust allocate funding for “Deferred Maintenance” in consecutive fiscal years, rather than every other fiscal year?

Staff response: The Trust currently provides Mental Health Trust Authority Authorized Receipts (MHTAAR) funds in even numbered fiscal years that match state general fund/mental health (gf/mh) funds to the DHSS capital budget for the “Deferred Maintenance” project. The capital grant funds are awarded to community non-profit organizations for deferred maintenance, renovation, American Disabilities Act (ADA) compliance and the repair of existing structures that house services, activities and programs for Trust beneficiaries.

Trust staff contacted staff at the Department of Health and Social Services and the Governor’s Council on Disabilities and Special Education to explore the option of providing funding every fiscal year rather than every other. Trust staff recommends funding this project on an annual basis.