

MEETING AGENDA

Meeting: Board of Trustee
Date: November 6, 2019
Time: 8:30 AM
Location: Trust Authority Building, 3745 Community Park Loop, Anchorage
Teleconference: (844) 740-1264 / Meeting Number: 806 317 603 # / Attendee No: #
<http://thetrust.webex.com>
Trustees: Mary Jane Michael (Chair), Chris Cooke (Vice Chair), Ken McCarty (Secretary), Verné Boerner, Chris Cooke, Laraine Derr, Anita Halterman, John Sturgeon

Wednesday, November 6, 2019

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8:30a	Call to Order – Mary Jane Michael, Chair	
	Roll Call	
	Announcements	
	Approval of Agenda	
	Review of Guiding Principles	5
	Ethics Disclosure	
	Approval of Minutes	
	• July 16, 2019	12
	• August 1, 2019	20
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	Current Bylaws	53
8:40	Mission Moment	
	Palmer Family Infant Toddler Court	
9:10	Staff Report	
	CEO Update	
9:55	Statutory Advisor Update	
	Governor’s Council on Disabilities and Special Education	60
	Kristin Vandagriff, Executive Director	
10:25	Break	
10:35	Statutory Advisor Update	
	Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse	81
	Bev Schoonover, Acting Executive Director	
11:05	Statutory Advisor Update	
	Alaska Commission on Aging	102
	Lesley Thompson, Acting Executive Director	

Wednesday, November 6, 2019 (continued)

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11:35	Psychiatric Crisis Continuum of Care / API	hand-out
12:20	Catered Lunch	
1:00	COMP Plan Update	
1:15	Approvals / Allocations / Consultations	
	• Authority Grant: Flexible Special Needs Housing COI Re-designation	125
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1:45	Recess	
3:30	Trustee Comments	
3:45	Break	
4:00	Public Comment	
	• For Public Comment Guidelines click here	
	CEO Annual Performance Evaluation	
	Executive session – (if necessary)	131
	<i>In accordance with the Open Meetings Act, AS 44.62.310(c).</i>	
	Adjourn	

Future Meeting Dates

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

(Updated – October 2019)

- | | | |
|--------------------------------|-----------------------------|------------------------|
| • Audit & Risk Committee | January 3, 2020 | (Fri) |
| • Finance Committee | January 3, 2020 | (Fri) |
| • Resource Mgt Committee | January 3, 2020 | (Fri) |
| • Program & Planning Committee | January 3, 2020 | (Fri) |
| • Full Board of Trustee | January 29-30, 2020 | (Wed, Thu) – Juneau |
| | | |
| • Audit & Risk Committee | April 22, 2020 | (Wed) |
| • Finance Committee | April 22, 2020 | (Wed) |
| • Resource Mgt Committee | April 22, 2020 | (Wed) |
| • Program & Planning Committee | April 22, 2020 | (Wed) |
| • Full Board of Trustee | May 20, 2020 | (Wed) – TBD |
| | | |
| • Program & Planning Committee | July 28-29, 2020 | (Tue, Wed) |
| • Audit & Risk Committee | July 30, 2020 | (Thu) |
| • Finance Committee | July 30, 2020 | (Thu) |
| • Resource Mgt Committee | July 30, 2020 | (Thu) |
| • Full Board of Trustee | August 26-27, 2020 | (Wed, Thu) – Anchorage |
| | | |
| • Full Board of Trustee | November 18-19, 2020 | (Wed, Thu) – Anchorage |

Future Meeting Dates

Statutory Advisory Boards

(Updated – October 2019)

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

- Executive Committee – monthly via teleconference (First Wednesday of the Month)
- January 14-16, 2020 – Board Meeting (Anchorage).

Governor’s Council on Disabilities and Special Education

- February 4-7, 2020 – Council Meeting & Joint Key Campaign Efforts (Juneau)

Alaska Commission on Aging

- December 11, 2019 – Winter Meeting
- February 24-27, 2020 – Board Meeting (Juneau)

**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.

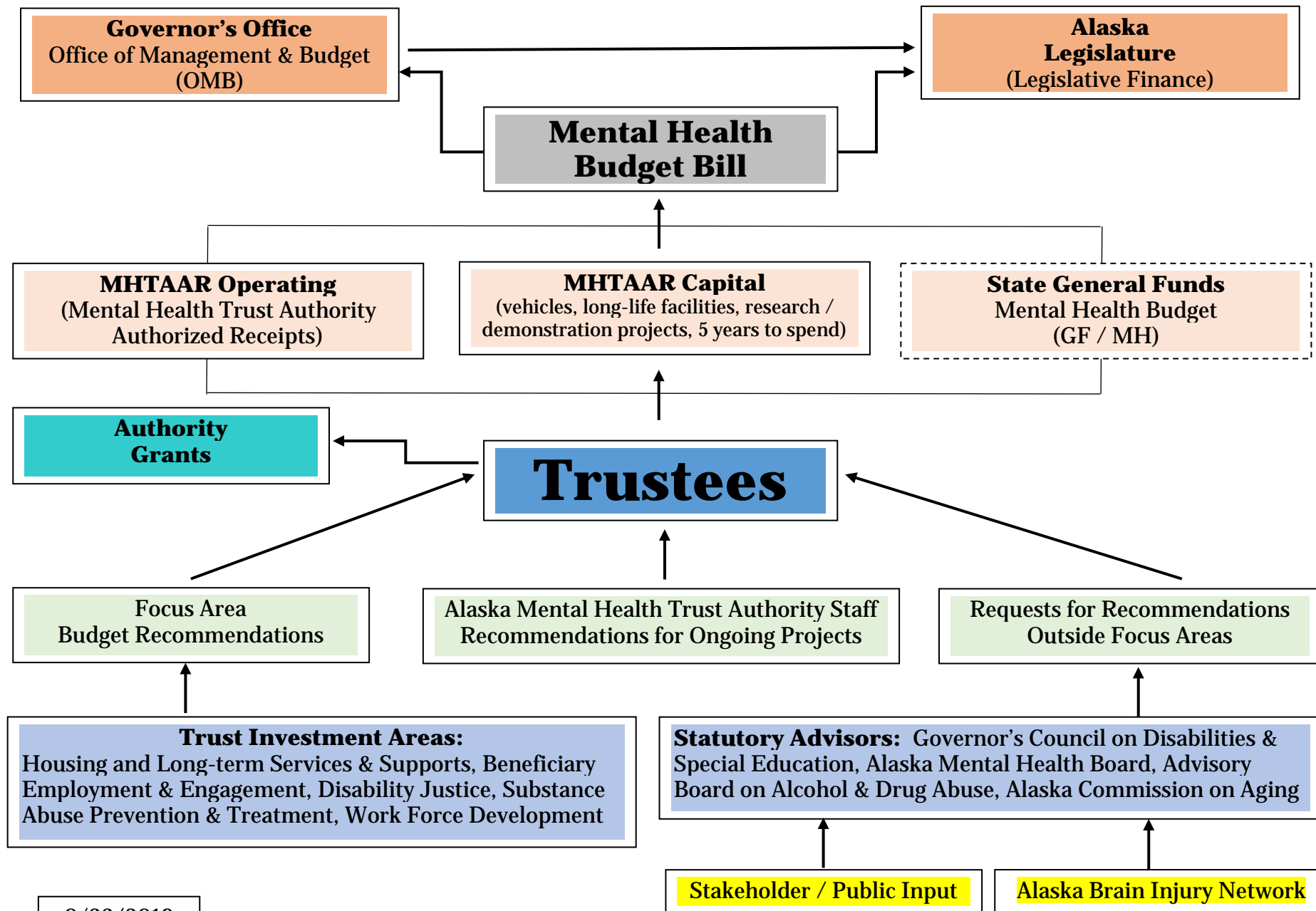
Approved 5-12-09, Board of Trustee meeting

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.

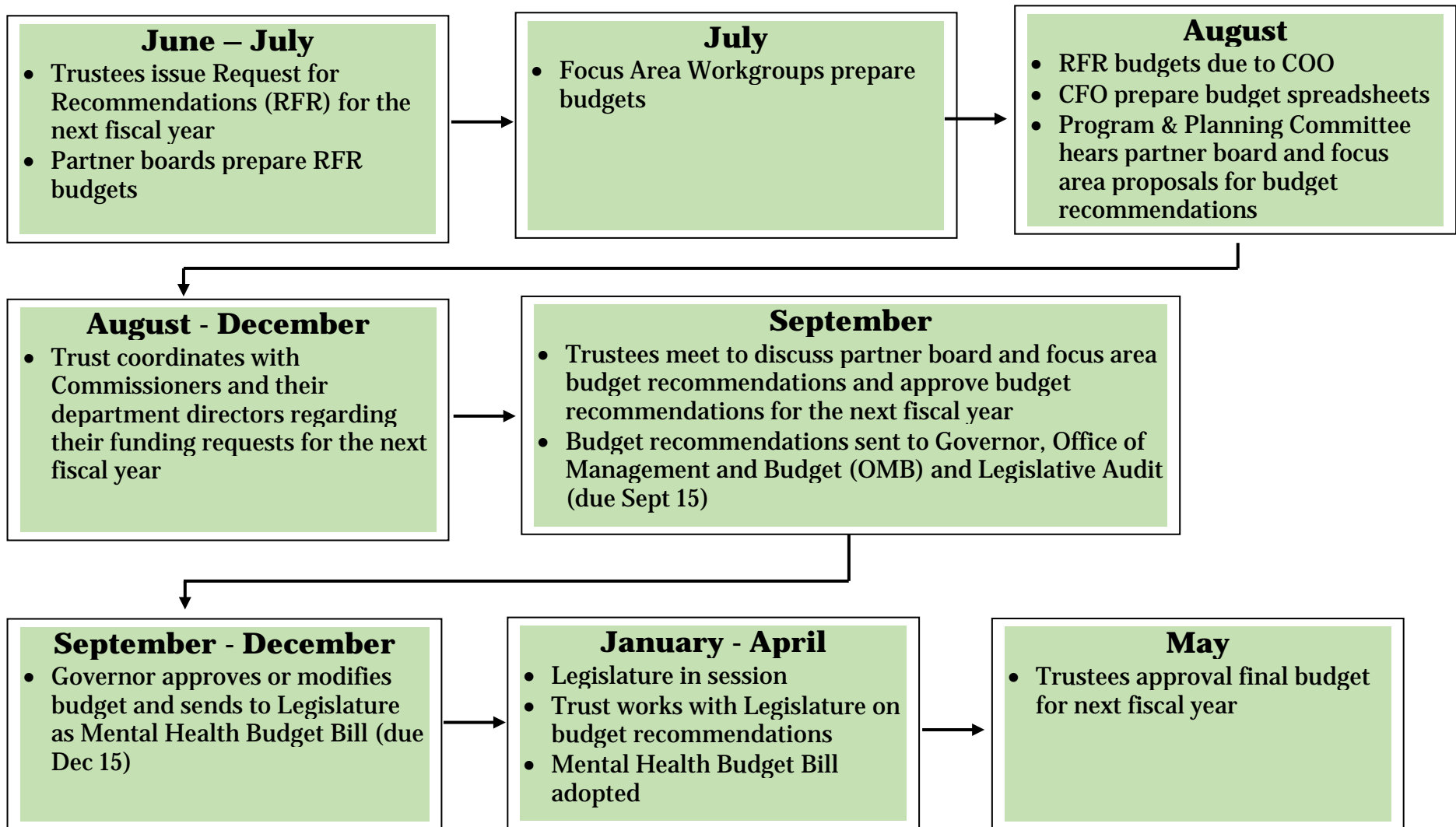
Approved 5-12-09, Board of Trustee meeting

Alaska Mental Health Trust Authority Budget Process



0/23/2019

Annual Mental Health Budget Bill Process

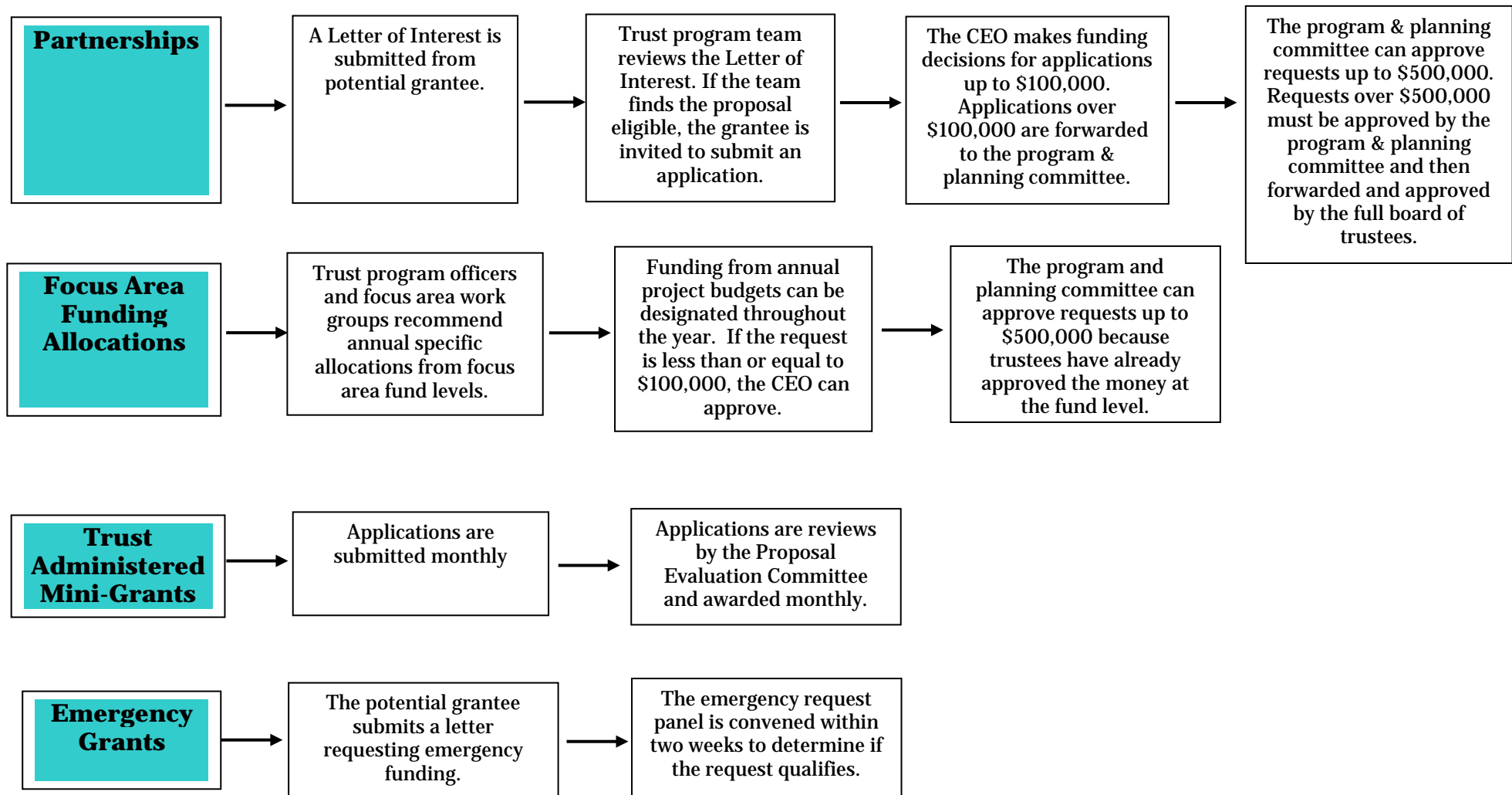


Note: timeline represents those items in the green boxes in the chart entitled “Alaska Mental Health Budget Process”

01/23/2019

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 teal box labeled "Authority Grants" on the chart entitled "Alaska Mental Health Trust Authority Budget Process"

Revised: 01/23/2019

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
July 16, 2019
Full Board of Trustee
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

SPECIAL FULL BOARD MEETING

July 16, 2019

1:30 p.m.

Taken at:

**3745 Community Park Loop, Suite 120
Anchorage, Alaska**

Trustees Present:

Mary Jane Michael, Chair

Chris Cooke

Paula Easley

John Sturgeon (via Speakerphone)

Laraine Derr (via Speakerphone)

Ken McCarty (via Speakerphone)

Verne' Boerner

Trust Staff Present:

Mike Abbott

Kelda Barstad

Mike Baldwin

Eric Boyer

Jimael Johnson

Steve Williams

Miri Smith-Coolidge

Andy Stemp

Alison Biastock

Valette Keller

Travis Welch

Katie Baldwin-Johnson

Autumn Veal

Trust Land Office Present:

Wyn Menefee

Jusdi Doucet

Heather Weatherell

Paul Slenkamp (via Speakerphone)

Aaron O'Quinn

Also participating:

Jason Steinberg; Patrick Ley; Dave Morgan; Mary Elizabeth Rider; Deputy Commissioner Sarah Longan.

PROCEEDINGS

CALL TO ORDER

CHAIR MICHAEL called the Special Full Board meeting of the trustees to order and began with a roll call. She thanked all of the trustees for attending. She asked for any announcements.

MR. ABBOTT stated that DNR Deputy Commissioner Sarah Longan will be joining and making a brief recognition of some TLO employees.

CHAIR MICHAEL asked for any other announcements. She moved to the agenda and changed the order of the day to do the lease option to purchase the Promontory Point property to 1:30, and the budget adjustments for 2:30.

APPROVAL OF AGENDA

MOTION: A motion was made to approve the agenda by TRUSTEE EASLEY; seconded by TRUSTEE COOKE.

There being no objection, the MOTION was approved.

ETHICS DISCLOSURES

CHAIR MICHAEL asked for any Ethics Disclosures.

TRUSTEE STURGEON stated that the company he works for, Ouzinkie Native Corporation, is in negotiation with the Great Land Trust and EVOS folks to sell some land in Kodiak Island near Sheridan Bay and Anton Larsen Bay. They are also in discussions with the Mental Health Land Office to possibly purchase some land in Sheridan Bay in the same area. He wanted to make the board aware of that.

TRUSTEE COOKE stated point of order and asked if it was relevant to bring this up if it does not concern a matter on the agenda.

CHAIR MICHAEL replied that if this transaction is occurring now and there is an opportunity to state the case now, she recommended to state it. She asked for any other Ethics Disclosures. There being none, she asked Mr. Menefee to continue.

PROMONTORY POINT PRESENTATION

TRUSTEE COOKE asked if a motion was needed.

MOTION: The motion is that the Alaska Mental Health Trust Authority Board of Trustees approve the future sale of the Promontory Point Asset at its appraised value but for not less than a premium over the original purchase price of \$15,500,000 expressed through a purchase option in a commercial lease currently being negotiated between the TLO and a prospective purchaser was made by TRUSTEE COOKE; seconded by TRUSTEE EASLEY.

MR. MENEFEE stated that this transaction is the first time that a sale of one of the commercial

real estate investments was considered for sale. He recognized Sarah Longan.

MS. LONGAN stated that she wanted to share that a team from the Trust Land Office was nominated for the Governor's Denali Performance Award. There are certificates that identify the individuals nominated, and the Governor will decide on the finalists. She asked Mr. Menefee to describe the team and their services.

MR. MENEFEE explained that the team was nominated by a peer and included Aaron O'Quinn, Heather Weatherell, and Paul Slenkamp for the U.S. Forest Service Land Exchange. The recognition was written up by one of the peers saying that they recognized it was quite the hurdle of effort to get that exchange through. He added that it is not done yet. He stated that Mr. O'Quinn is the project manager; Mr. Slenkamp has been working as a forester; and Ms. Weatherell works in the title shop, putting together a lot of the background work.

MS. LONGAN stated that there is one additional individual part of that team, who is instrumental with his long-term leadership: Mr. Menefee. She continued that the entire team at the Trust Land Office is a critical asset and part of the family at DNR. She felt confident in this package going forward for a Performance Peak Award because their work on the Land Exchange is important to Alaska and the goals of the Trust. She was thankful for the opportunity to recognize this team.

(Applause.)

CHAIR MICHAEL congratulated the team.

MR. MENEFEE stated that it was good team work. He asked Mr. O'Quinn to go through the details of this timely opportunity to potentially sell the Promontory Point asset.

MR. O'QUINN stated that two of the real estate consultants, Jason Steinberg and Patrick Lee, from Equitable Commercial Real Estate in Austin, Texas, are on the line; they have been advising the TLO on this deal, and assisting in negotiations. He gave a short background on the asset. He continued that the specifics of the deal are still under negotiation, but a premium has been negotiated over the price that the TLO initially paid for the asset. The purchase option follows the trend of five years into the future, and is reflective of that anticipated depreciation of the asset.

CHAIR MICHAEL asked the trustees for any questions.

TRUSTEE EASLEY asked for a better, more concise explanation, and about the assurances that the value of the asset is protected over that long period.

MR. O'QUINN explained that the way the purchase option is set up is that it would be sold to the buyer at the appraised value, but not to be less than a premium over the initial purchase price.

MR. MENEFEE added that it is triple net. The lessee would be required to maintain the building in the timeframe so that the value stays appropriate, because they have an obligation to keep the building in good shape.

TRUSTEE COOKE asked about the real estate market in Austin, the location of this building, the character of the area, and what the rental market or commercial lease market looks like.

MR. LEY replied that the asset is located in the northeast market of Austin which, traditionally, has been a back-office industrial plex market, and this asset falls within that plex office category. He continued that it is a one-story brick plex office type environment, and is 100 percent built out. It is a very nice, creative, cool office space by definition in Austin. He added that the market is very healthy and trending in the right direction. One of the main reasons of activity seen on this building for office tenants is that the two buildings accompany a large parking lot that is a future developable parcel, which gives it a good parking ratio.

MR. O'QUINN stated that this is an opportunity to take advantage of a premium opportunity.

MR. STEINBERG stated that this is an area where the majority of the building stock is '80s and '90s vintage. If there is new development going on, it is to build warehouse or smaller warehouse space.

TRUSTEE STURGEON asked if this is not done is there the possibility of getting stuck with no tenants.

MR. O'QUINN replied that any time that a tenant reduces its occupancy of a building it is cause for acknowledgment. He stated that the specifics of their reduction would be best discussed in executive session.

TRUSTEE COOKE asked if it would be appropriate to go into executive session at this point.

MR. ABBOTT recommended that there is a bit more information that the trustees would appreciate in Executive Session.

MOTION: A motion that the board go into executive session to discuss the lessee option to purchase the Promontory Point Complex in accordance with the Open Meetings Act, AS 44.62.310(c) was made by TRUSTEE COOKE; seconded by TRUSTEE BOERNER.

There being no objection, the MOTION was approved.

(Executive Session from 1:57 p.m. until 2:25 p.m.)

TRUSTEE MICHAEL resumed the meeting. She stated that there was a motion on the table and asked for further discussion.

TRUSTEE DERR stated, for the record, that no business was conducted in the Executive Session.

MR. ABBOTT stated that, for the proceeds of the sale, since the original investment was sourced from principal funds, the legal requirement is to treat that original investment amount as principal going forward. The fact that it was used to purchase real estate and has come back through the sale of that real estate does not change its character; that initial \$5.5 million will be

treated as principal. He added that regulatory or even statutory action between now and then could change that. He clarified, subject to the regulatory work that is underway, as a result of the April fund switch, all of the proceeds from the commercial real estate transactions could be used as income and either be contributed to the Mental Health Trust Fund or be used for a different purpose.

CHAIR MICHAEL called the motion with a roll call.

After the roll call vote, the MOTION was unanimously approved.

MR. ABBOTT acknowledged the work that the Trust Land Office did to bring this forward.

CHAIR MICHAEL thanked the property managers that were on-line.

TRUSTEE COOKE asked if any of the other commercial properties in a similar situation or are they more fully utilized.

MR. O'QUINN gave a quick rundown of the properties for a better idea of where they all were.

FY20 BUDGET ADJUSTMENTS

CHAIR MICHAEL moved to the FY20 budget adjustments, and recognized Mr. Abbott.

MR. ABBOTT began with a bit of context and stated that the budget was built with the adjustments that are being seen as if the budget the Legislature adopted would be the budget the Governor enacted. Since then, the Governor planned to further reduce the budget, and many of the programs are significantly smaller or less funded than were anticipated when the amendments were proposed. For the purposes of the conversation, he recommended to take some time to talk about the FY20 strategy and the approach to it. He stated that the fiscal year is almost two weeks into FY20, and service providers are already reducing their activity levels and are asking whether the Trust would consider being a replacement funder for some or all of that lost revenue from State sources that had been available up until June 30th. He continued that this is not a recommendation on that subject; just a conversation for some conceptual guidance from trustees. The plan is not to divert either existing FY20 allocations or change those to backfill State services, or to use resources from the reserves or other budget sources. He then described the resource situation for a sense of what could be done. He asked for guidance from the trustees on what to look at, investigate, contemplate options for something to go on and then reconvene, as necessary, to act on that guidance and any work to do in the meantime.

CHAIR MICHAEL asked if this would be talking about long-term funding for some of the agencies.

MR. ABBOTT replied that there is a valid concern that once that path is started, the State would never step back in. He added that other funders have also raised the concern of saving the day and having the State step out. He talked about some of the projects and the funding with the typical approaches to them.

TRUSTEE BOERNER stated that one of the things she appreciated as a new trustee was the

strong stance the trustees took with insisting that the State Government maintain its obligations. Those are defined within the Constitution. She continued that the resource the Trust has cannot make up for the current state, and added that this is a big challenge.

TRUSTEE McCARTY asked if there are certain beneficiaries in communities that have some added resources that others do not; and if there are any demographics on that.

MR. ABBOTT replied that there is nothing very detailed or specific. He stated that many Trust beneficiaries have access to healthcare outside of government-provided systems, but there is no good quantitative information available on that.

TRUSTEE DERR stated that staff knows very clearly who is in danger, and if they see something that is absolutely critical that would endanger the beneficiaries to let trustees know about it and do something on a temporary basis. She added that she is against completely assuming State responsibility.

TRUSTEE EASLEY wanted to know if staff has talked to various providers and encouraged some mergers of providers.

MR. ABBOTT replied that one of the constant objectives is to make these delivery systems more efficient, and one of the ways to do that is to get folks to consider consolidations. Staff is a constant source of motivation for that.

CHAIR MICHAEL asked Ms. Baldwin-Johnson to share with the trustees some of the direct impacts she has seen.

MS. BALDWIN-JOHNSON replied that some of the reach-out is around bridging payroll during a period where the budget deliberations are not final. The Department has not been able to issue notices of grant awards for programs that are dependent on grant funding. She stated that there are multiple calls daily from individual beneficiaries that are in crisis because of their dental situation.

TRUSTEE McCARTY concurred with hearing from a number of beneficiaries having tremendous anxiety and the concerns. He encouraged all of the providers to be careful of how beneficiaries are being approached, causing anxiety.

TRUSTEE COOKE shared his concern about the crisis and its impact, but stated that the role of the Trust should not be to bail out the State for its cutbacks.

MR. ABBOTT stated that the discussion was very helpful and was one of the reasons why there is such a high percentage of staff here listening for what the next steps might be; and they have received significant guidance. He continued that he will lower expectations out in the community that the Trust will be a replacement funder for historic State commitments.

TRUSTEE EASLEY asked if other states got the Medicaid block grants that were discussed.

MR. ABBOTT replied that no state has made a full and complete transition to block grants. Other states are further along in the consideration of them, and it has to be a cooperative

arrangement. He stated that a series of webinars on the subject are going to be sponsored, and the trustees are welcome to participate. They are being hosted by some national experts. It will be a very politically neutral presentation, and will discuss what block grants or the use of private insurance in lieu of Medicaid might look like.

CHAIR MICHAEL asked if any approval is needed from the trustees.

MR. ABBOTT replied no, and recommended that no motion be made on the proposed budget amendment. It may potentially morph it into something to consider later in July or August.

CHAIR MICHAEL followed up on the advocacy work and asked if anyone had any suggestions on what should be done.

TRUSTEE BOERNER stated that if there is advocacy work that staff is doing, she volunteered to go and support that as a trustee.

MR. ABBOTT stated that the biggest part of the advocacy is always trying to help the beneficiaries and the beneficiary providers be their own advocates. That is the work funded through Teri Tibbett and others. Second, the Trust itself is an advocate, and that is one of the relatively few explicitly described duties in the charter that the board endorsed for the CEO: to lead the advocacy efforts on behalf of the Trust. He stated appreciation for the willingness of trustees to support the advocacy.

TRUSTEE COOKE explained that he was in the Interior for the past few weeks, and asked where things stand on the budget as of now.

MR. ABBOTT replied that the Legislature enacted or adopted an operating budget in May, and adopted a capital budget, but failed to fund it. The capital budget that the Legislature adopted required supermajority votes, which did not succeed. The outcome was that the Governor had an operating budget on his desk which included a mental health budget bill and a partially funded capital budget. The Governor made line-item vetoes to all three of the budget bills: the mental health budget bill; the operating budget bill; and the partially funded capital budget bill. The Legislature failed to override every veto in the operating budget with 37 votes. It is still in Special Session, and they are still subject to the Governor's call, and are currently considering the adoption of another budget bill. He added that the House Finance Committee introduced a bill which restores all of the gubernatorial vetoes, funds an Alaska Permanent Fund Dividend, and is holding public hearings. He gave a short, concise explanation of the budget and the political process involved in going forward.

CHAIR MICHAEL asked for a motion to adjourn.

MOTION: A motion to adjourn the meeting was made by TRUSTEE COOKE; seconded by TRUSTEE BOERNER.

There being no objection, the MOTION was approved.

(Special Full Board meeting adjourned at 3:45 p.m.)

**Minutes for the
August 1, 2019
Full Board of Trustee
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

SPECIAL FULL BOARD MEETING

August 1, 2019

2:15 p.m.

Taken at:

**3745 Community Park Loop, Suite 120
Anchorage, Alaska**

Trustees Present:

Mary Jane Michael, Chair
Chris Cooke
Paula Easley
John Sturgeon
Laraine Derr
Ken McCarty
Verne' Boerner

Trust Staff Present:

Mike Abbott
Kelda Barstad
Mike Baldwin
Eric Boyer
Jimael Johnson
Steve Williams
Miri Smith-Coolidge
Andy Stemp
Luke Lind
Valette Keller
Carrie Predeger
Katie Baldwin-Johnson
Autumn Vea

Trust Land Office Present:

Wyn Menefee
Jusdi Doucet
Sarah Morrison
Becky Carpenter
Katie Vachris

Also participating:

Anita Halterman; Dan Gummo; Mary Elizabeth Rider.

PROCEEDINGS

CALL TO ORDER

CHAIR MICHAEL called the Special Full Board meeting of the Trustees to order, and stated that all trustees were present. She asked for any announcements.

TRUSTEE DERR stated that at the board meeting at the end of August there will be an election of officers. The Nominating Committee was done away with some time ago. She asked if someone will be in charge of that, and how the Chair would like to handle that. She volunteered to do that.

CHAIR MICHAEL asked Trustee Derr if she would talk to everyone and see if they are interested in serving. She announced that this would be Trustee Easley's last board meeting, and has asked Trustee Sturgeon to serve in the capacity of Chair of the Resource Management Committee until the appointments are made. She asked for any other announcements. There being none, she asked for a motion to approve the agenda.

APPROVAL OF AGENDA

MOTION: A motion was made to approve the agenda by TRUSTEE DERR; seconded by TRUSTEE COOKE.

There being no objection, the MOTION was approved.

ETHICS DISCLOSURES

CHAIR MICHAEL asked for any Ethics Disclosures. There being none, she recognized Mr. Abbott.

MR. ABBOTT thanked the trustees for their willingness and ability to meet for this Special Board Meeting. Discussed a few weeks ago was the benefit of the Trust to do good work for the beneficiaries by being nimble in deploying the resources. He recommended that the trustees endorse a series of budget amendments for FY20. He explained that these amendments take two basic forms, and the first is the largest number of individual changes; the same as the ones that were proposed in a memo two weeks ago.

CHAIR MICHAEL asked for a proposed motion.

MOTION: A motion was made by Trustee Cooke that the Board of Trustees adopt the amendments to the FY20 budget as included in this memo. The amendments and corresponding amounts total a net increase of \$995,400. The amended FY20 budget will be \$32,771,500; seconded TRUSTEE BOERNER.

MR. ABBOTT stated that the first two items on that list are new and were not described in the memo. The following four pages are the same as the proposed amendments that were sent in advance of the last special board meeting. They were, ultimately, not adopted in anticipation of this conversation. He explained that this is the million dollars from the previously unallocated FY20 revenue that is being recommended to be expended in these two program types. We are not proposing to use all of the unallocated revenues. The recommendation is to use approximately two-thirds of what is available. The proposal is to use 250,000 of additional

dollars to the dental programs. The Trust currently supports beneficiaries with dental issues in a couple of different ways, which he described. The other \$750,000 of new funding in the FY20 proposal would go towards the partnership account. This is the funding account that gives the maximum flexibility for grant-making that is typically at staff level; although occasionally partnerships are large enough to require trustee approval. The FY20 \$2.15 million would be increased to \$2.9 million. The proposal is to use this \$750,000 to assist entities that had been relying on State funds that are at a risk of losing those funds as a result of the decision-making process going on between the Legislature and the Administration right now. He continued that it is expected to support the housing and homelessness area, and the behavioral health area. He explained that the approach is not to provide replacement, but would spread them among the impacted provider community and help get through the next four to six weeks without having to make any service reductions. This would be bridge funding. He asked for questions.

CHAIR MICHAEL stated that the million dollars in funds will be used to bridge gaps right now. The rest is in funds that are already in the budget with a recalculation of where it can be most effectively utilized within focus areas. She stated that there is a motion on the table, and asked for any further discussion.

There being no objection, the MOTION was approved.

MR. ABBOTT thanked the trustees and would have a report at the board meeting later in August. He stated that there will be a report on the status of this bridge funding.

CHAIR MICHAEL stated that the budget adjustments had been completed and asked for trustees' comments. She took this opportunity to thank Paula Easley for all her service.

TRUSTEE EASLEY thanked all.

TRUSTEE COOKE stated that he has known Paula Easley for many years, and she is a selfless, dedicated, hard-working person and has been a huge asset to this board. He thanked her and appreciated all of her hard work.

TRUSTEE STURGEON stated that he has also known Paula Easley, and thanked her for all of her service on this board, and all the other boards she served on over the years.

TRUSTEE DERR commented 13 years, 6 months, and 31 days, and added that she had been on 6 months longer.

TRUSTEE BOERNER stated appreciation for the mentoring by Paula Easley and loved her dedication. She also thanked the staff, as well, and appreciated them all.

TRUSTEE McCARTY also appreciated all and stated that they were all in together trying to help others. He added that it was a pointed day for him in that his dad, who had some mental health issues, is right now meeting Trustee McCarty's kids for the first time after 40 years.

MR. WILLIAMS stated appreciation for Paula Easley's leadership on several levels, and noted how she used the assets to increase the Trust's assets, and increase the impact.

TRUSTEE EASLEY stated that she will write a note to trustees expressing her appreciation. She added that this staff is the most professionally run operation in the entire state, and thanks them for that.

(Applause.)

CHAIR MICHAEL asked Trustee Easley for a motion to adjourn.

MOTION: A motion to adjourn the meeting was made by TRUSTEE EASLEY; seconded by TRUSTEE DERR.

There being no objection, the MOTION was approved.

(Special Full Board Meeting adjourned at 3:30 p.m.)

**Minutes for the
August 28-29, 2019
Full Board of Trustee
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD MEETING

**August 28, 2019
9:00 a.m.**

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

Trustees Present:

Mary Jane Michael, Chair
Anita Halterman
Chris Cooke
Laraine Derr
John Sturgeon
Ken McCarty
Verne' Boerner

Trust Staff Present:

Mike Abbott
Katie Baldwin-Johnson
Mike Baldwin
Eric Boyer
Jimael Johnson
Steve Williams
Miri Smith-Coolidge
Andy Stemp
Luke Lind
Carrie Predeger
Valette Keller
Autumn Vea

Trust Land Office:

Wyn Menefee
Jusdi Doucet
Sarah Morrison
Becky Carpenter
Katie Vachris
Mike Franger
Aaron O'Quinn

Also participating:

Kendra Kapotak (via Speakerphone); John Klaus (via Speakerphone); Dianna Schollmeir (via Speakerphone); Gloria Burnett; Kristin Vandagriff; Bev Schoonover; Brenda Moore; Michael Bailey; Michelle Girault; Commissioner Al Wall; Jillian Gellings; Tom McRoberts, Marcus Sanders; Denise Daniello; Charlene Tautfest; Teri Tibbett; Eliza Eller (via Speakerphone); Michael Bailey.

PROCEEDINGS

CALL TO ORDER

CHAIR MICHAEL called the meeting to order and began with a roll call. She acknowledged the trustees that were present and welcomed Trustee Anita Halterman to her first official meeting. She moved to the approval of the agenda.

APPROVAL OF AGENDA

MOTION: A motion was made to approve the agenda by TRUSTEE COOKE; seconded by TRUSTEE DERR.

There being no objections, the MOTION was approved.

ANNOUNCEMENTS

CHAIR MICHAEL asked for any announcements.

TRUSTEE HALTERMAN stated that she would be present today and part of tomorrow, but needs to leave before the election votes are cast.

TRUSTEE COOKE suggested revising the agenda to accommodate Trustee Halterman.

MOTION: A motion to amend the agenda to move the elections to 9:35 Thursday morning was made by TRUSTEE DERR; seconded by TRUSTEE BOERNER.

There being no objections, the MOTION was approved.

CHAIR MICHAEL stated that the review of the Guiding Principles was in the packet.

ETHICS DISCLOSURES

CHAIR MICHAEL asked for any Ethics Disclosures. There being none, she moved to the approval of the minutes of March 28, 2019, May 8 and 9, 2019.

APPROVAL OF MINUTES

MOTION: A motion to approve the minutes of March 28, 2019, May 8, 2019, and May 9, 2019 was made by TRUSTEE COOKE, seconded by TRUSTEE STURGEON.

There being no objections, the MOTION was approved.

CHAIR MICHAEL stated that the bylaws are also in the packet, and turned the Mission Moment over to Eric Boyer.

MISSION MOMENT

MR. BOYER stated that some of the work that he does is around workforce, and he introduced Alaska Mental Health Trust Authority

Gloria Burnett, the director of the Alaska Center for Rural Health and Health Workforce at the University of Alaska, Anchorage. She is also the director of the Alaska Area Health Education Centers, AHEC, which has been supported by the Trust for a number of years.

MS. BURNETT thanked all for the invitation and stated that she would be talking about the Alaska Behavioral Health Clear Pathways which exists because of the Trust. The stem funds to pilot this program were provided in 2015, and 19 students participated that year. It was such a success that additional funding was received, and we since have served over 300 students throughout the state, with 90 percent of those students from rural and underserved communities. She continued that all of those students are tracked, and we try to connect them to opportunities for higher education and careers in social work, human services, and behavioral health. The funds have made an important impact on the individual students that have been reached. She stated that there are three representatives from the Southwest Regional School District on the line, Kendra Kapotak, Dianna Schollmeir, and John Klaus.

MS. KAPOTAK stated that she learned a lot of information at once. She took it all in and has been able to use it currently. She continued that she was able to help a lot of other students. There have been some past experiences with mental health issues, and it was cool getting an inside look about what is going on and learning what to do to help. She added that a lot of the other careers were interesting, and she realized that she did not want to be in that field, but knows that she has tools to help other students and future people in her life.

MR. KLAUS stated that he has been working with AHEC for at least three years and has been able to offer the behavioral health camp through a program with other school districts to provide courses for students around the Bristol Bay region. One of them being the behavioral health camp that has become an integral part of the Allied Health Pathway. He continued that this partnership has been able to provide the support for bringing high-quality instruction to students in this area in a mindful, positive environment in a classroom setting. He added that the people at AHEC are very passionate about what they do in providing high-quality programming for the kids.

MS. SCHOLLMEIR stated that the behavioral health camp is a starting point to beginning the Allied Health Pathway to health careers. It gets students to see the different pathways they can go through for an allied health field. There have been quite a few success stories. Last year, students that started with this behavioral health camp finished their senior year by becoming certified nurse aide assistants. She continued that six went through the program, and six of them completed the program. One of those students continued and is in a fast-track dental hygienist program and will be done with that in the next four to five weeks. She added that this cannot be done without the partnership with AHEC. They provide topnotch instructors and information to help success in these pathways.

MS. BURNETT thanked them and stated that one of the things she loves most about the behavioral health program is that, regardless of whether the students decide to go into behavioral health or not, they learn the key skills about understanding and reducing the stigma around mental health. She continued that, this past year, the curriculum was formalized into a manual that is being sold and spread to other states. The first purchase was the Kentucky AHEC, which will be utilizing this curriculum that was developed with Trust support; and we will use those funds to further sustain the program and reinvest that in getting out in the communities.

TRUSTEE BOERNER stated that her daughter was enrolled in the Biomedical Career Academy at Service High School and was invited to apply for the behavioral health camp and was accepted. She noted that her family hosted two other behavioral health camp members, one from Kenai and the other from the YK region. Her daughter remains friends with both and has stated that she would like to work in mental health. She was able to learn the skills, create friendships and was able to converse with adults about the importance and the need to share the experiences of rural Alaska, and was also exposed to other students from across the state. She stated that it was a great family experience.

TRUSTEE McCARTY asked about the different career paths and if there is some sort of certification to get started in the field early.

MS. BURNETT replied that virtually every career path in behavioral and allied health is talked about. A major exposure is done because a lot of the students have only seen a community health aide. She talked about building a stronger connection with the tribal health facilities this year so that when behavioral health aide positions are looked for, the lists can be cross-referenced to see who is in the behavioral health pathways. If they are still around, this is a great way to connect providers with someone that has already had mental health first-aid trainings, someone who understands the self-care pieces that are so essential in the behavioral health workforce.

TRUSTEE COOKE stated appreciation for the information and especially the concept that the career horizons are being expanded in a way that is relevant to the lives they are living. He asked about the structure and the funding path of the Trust participants.

MS. BURNETT explained that the AHEC is funded through HRSA, the Health Resources and Service Administration. There is a federal grant that provides the base funding. There are six regional centers throughout the state hosted by a variety of different organizations. The Trust funds were stem funds used to start the pilot. The Department of Education funds \$150,000 per year, and the Trust funded the formalizing of the curriculum.

CHAIR MICHAEL thanked them for their presentation, and recognized Mike Abbott.

STAFF REPORT

MR. ABBOTT stated that the plant owned in the Mat-Su Valley has an old oil well that never produced. Because of the drilling activity, the Trust inherited an obligation to plug and abandon the well. That process was completed earlier this summer. It cost a little over \$100,000, which came out of the FY19 budget. He added that the Trust was under an Alaska Oil and Gas Conservation Commission requirement to do so. This property was unsuccessfully marketed for a number of years. He added that the Commission should have and perhaps has collected a bond from whomever originally drilled the well to plug and abandon it. Now that work has been completed and, if the bond is still in good order, the costs may be recouped from that. He moved to the acquisition of a piece of property in Anchorage and converting it to a program-related use. After a significant amount of due diligence, that property will be very expensive to rehabilitate. It would have been cheaper to tear the building down and reconstruct new. Other options are being looked at to address the same need. He gave a brief update on three of the big resource development projects: Forest Service land exchange; the short field season planned for Icy Cape this summer has been completed; the latest plan of operations request for Constantine

Exploration program for the mining prospect north of Haines. He continued that Andy Stemp has announced his plans to move back to Barrow and take a position on the North Slope. Denise Daniello, from the Commission on Aging, has announced her plans to take a position with the University of Alaska Fairbanks in a few weeks. Teresa Holt, the long-term care ombudsman, has accepted the State director position with AARP. Staff will be working to fill that position. The last transition is that Mike Franger has announced his retirement, and a lot of TLO history will leave with him. He congratulated him. He stated that Sarah Morrison has become a 15-year state employee this month, and congratulated her for her 15 years of state services.

(Applause.)

MR. ABBOTT stated that Sarah will be the acting CFO starting September 1st. The plan at this point is to get Ms. Morrison into place and take the month of September to make sure that the position description for the CFO and the org chart still makes sense. Then, no later than October 1st we will aggressively be recruiting to fill the position permanently.

TRUSTEE STURGEON asked about Fort Knox. He stated that gold prices have gone up a fair amount and asked if the Trust gets paid a fixed amount or a percentage of the profit.

MR. ABBOTT replied that it is a net smelter royalty with a price component to it. He added that the net smelter royalty is declining significantly, and we are at the end of that mine's productive life, and the end of the royalty revenues.

CHAIR MICHAEL moved to the comp plan presentation.

COMP PLAN PRESENTATION

MR. ABBOTT stated that Deputy Commissioner Al Wall was invited to this presentation. There is a new comp plan, and the credit goes to Department leadership and specifically to some really strong staff work from a couple of folks. This plan is, according to statute and the settlement, supposed to guide the work of the Trust and, to a certain extent, guide the work of the Department. Staff wanted to build a system whereby the trustees would be updated on the status of the work to live the plan regularly. This would be an update of the status of the work against the comp plan at most trustee meetings. The Department leadership will be invited to join these presentations with the hope of developing a process of working together to advance the work described in the plan. He stated that Jillian Gellings from the Department and Autumn Vea from the Trust will start the presentation. He also welcomed Deputy Commissioner Wall to join in and participate.

TRUSTEE COOKE asked if this is an Alaska creation, or if it is required nationally.

MS. VEA replied that it is part of the Trust Settlement Act, and is unique to Alaska.

MS. GELLINGS stated that she is the Department representative that led this project from the Commissioner's office. She thanked everyone for their participation in putting together this plan, including the Trust Staff, the Department staff, and the Commissioner office leadership.

CHAIR MICHAEL welcomed Commissioner Adam Crum, and thanked him for attending.

MS. GELLINGS continued that this process of renewing the comp plan began as the new administrative change began, midway through the process. There were a lot of concerns about administrative support, but we got it done by the goal date of July 1st with a large amount of support from Commissioner Crum and Deputy Commissioner Wall. She continued that this comp plan has created a platform for a large integrated comprehensive mental health program for the State which was needed badly when the settlement occurred. This is the fourth plan, and it is really improving the system. It is named “Strengthening the System.” The benefits of this plan encompasses all beneficiary groups, all Alaska, and crosses anyone that may come in contact with the Trust. This five-year plan delineates Alaska’s publicly funded mental health program and establishes program-level visions and priorities. It serves as the glue that connects reform efforts, and will continue to evolve not only as the years go by, but also looking at the next five-year plan.

MS. VEA stated that her role in working with the plan was to rebuild the partnerships and relationships that were necessary to bring the individuals and partners together to collaborate and have a meaningful, useful plan to manage the logistics and the content of the plan itself. She explained the process, and stated that the public comment was published and included a summary of the concerns broken out by themes around the plan, eligibility, workforce development, service array, general questions, comments and concerns about the plan. She added that there were 388 individual revisions made based on public comment.

MS. GELLINGS focused on data that was included in how the resources that will be created can affect the change. The Alaska Scorecard was created from past versions of the comp plan and has been a useful tool for many agencies; and that shows how Alaska is doing on the things that were included in past versions of the comp plan. Based on the new strategies within the new comp plan, the format of the scorecard will be looked at and changed to really work with the new goals, new objectives, and strategies, and then give an annual update on the successes. She stated that the foundational goal is that the State of Alaska will provide adequate resources and funding to support a comprehensive behavioral health service system promoting independent, healthy Alaskans so they may live meaningful lives in the communities of their choosing. She explained that everything is going to circle around that goal and focus on the total lifespan from that prenatal moment all the way to the end of life.

MS. VEA stated that this is hosted under the Department of Health and Social Services, Office of Commissioner page. It is broken out by goal so anyone with a particular goal can print out the one that is appropriate to them. She then gave an example of what the Trust is already doing to support these efforts and went through Strategy A: establishing standards of care that ensure developmental screenings and caregiver education. She went through a few more examples that have tactics which are the steps that are necessary to help the strategies and objectives achieve the outcomes.

MS. GELLINGS stated that Goal 2 revolves around health care: “Alaskans have access to integrated healthcare options that promote optimal health, wellness, and independence.” The objective was narrowed down to: Alaskans have access to and receive quality health-care services. Medicaid is efficiently managed, and adequately resourced; and trauma-informed, person-centered health-care services are delivered.

MS. VEA stated that the Trust has made significant investments around this goal, around the 1115 waiver demonstration project, the ASO, the administrative services contract that is

currently being negotiated, all of the Medicaid-reform investments, working with DHSS to improve the behavioral health system as a whole to also include the dental grants that the Trust provides.

A brief discussion ensued.

MS. VEA responded that some of the investments that were highlighted were behavioral-health focused or substance-use-disorder focused. She explained more fully.

MR. ABBOTT stated that the resources should be focused to the greatest extent possible on the beneficiaries. He asked the trustees to challenge staff on funding recommendations that come through to make sure.

MR. WILLIAMS stated that he wanted to make sure that all recognize that this integration of physical health and mental health to include all of the beneficiary groups, which has been a movement for several years. He continued and challenged all to make sure that the term “behavioral health” includes all the beneficiary groups: Those with developmental and intellectual disabilities, as well as those who experience Alzheimer’s, dementia, other related disorders, traumatic brain injuries. This needs to be done from the Trust’s perspective and in working with the Department, as well.

MS. GELLINGS moved on to Goal 3 which focuses more on the economic and social well-being. “Trust beneficiaries have strong economic and social well-being.” There are four objectives under this goal, and she explained them.

MS. VEA gave some examples of each of these objectives that the Trust has invested in.

A discussion continued.

CHAIR MICHAEL recognized Deputy Commissioner Wall.

DEPUTY COMMISSIONER WALL stated appreciation for the conversation. One of the things focused on the most was just approaching people holistically and being historically focused on the type of service being provided for a group rather than the needs of beneficiaries. He pointed out that the goals are all interwoven.

CHAIR MICHAEL recognized Bev Schoonover.

MS. SCHOONOVER stated that there were two initiatives happening that are very exciting. It is hard for Trust beneficiaries to keep minimal jobs, knowing that supported employment services are needed. The Trust is supporting an initiative that is happening which is an Empowerment Through Employment conference. Part of that is trying to get employment support services for Alaskans with severe mental illness and substance use disorders. She continued that OSMAP, the Office of Substance Misuse and Prevention, is working on a project, an employer toolkit for folks that want to hire Alaskans with substance use disorders. They have been relying on the fishing and timber industry on how to employ folks with those challenges and how to best stop the turnover and get folks gainfully employed. She added that there are some incredible things happening in the state with this goal.

CHAIR MICHAEL thanked Ms. Schoonover and asked for the presentation to proceed.

MS. GELLINGS moved to Goal 4, which is substance use disorder prevention and is a huge initiative happening across the whole state. “Prevention and treatment for drug and alcohol misuse is provided through collaborative, effective, and informed strategies.” This is a large part of what is happening now with the opioid epidemic in the state.

MS. VEA talked about the strategy in developing research-based health education campaigns. The Trust has partners with Recover Alaska to do anti-stigma campaigns which have been really successful and a good investment. Many organizations can apply directly to the Trust for grant funding to access evidence-based practices that can help improve the provided quality of care.

MS. GELLINGS stated that Goal 5, suicide prevention: “Individuals, families, communities, and governments take ownership to prevent suicides and self-harm in Alaska.” This speaks volumes to work that is done by the Suicide Prevention Council.

MS. VEA stated that one recent partnership was with the Suicide Prevention Council, the Division of Behavioral Health, and the Trust to create brochures on gun safety that will be passed out to emergency rooms, primary\care settings that will be given directly to beneficiaries or their loved one in those times of crises. This talks about safety.

MS. GELLINGS moved to Goal 6 which focuses around protecting vulnerable Alaskans. “All Alaskans are free from abuse, neglect, self-neglect, and exploitation.” The Alaska Resiliency initiative was encouraged by this goal. We are excited to continue working and focusing on the prevention. This next objective, a new one, came from the public comment. Goal 7 is “Services in the Least Restrictive Setting: Trust beneficiaries’ behavioral health needs are accurately assessed and met in the least restrictive environment.” She went through the objectives of this goal.

MS. VEA highlighted the first strategy, which is ensuring that crisis stabilization services are available statewide. The Trust was allocated around \$900,000 for this strategy to help build the infrastructure necessary to support that crisis continuum of care.

MS. GELLING stated Goal 8, “Services in an Institutional Setting. Trust beneficiaries who are in an institutional setting receive the necessary services and recovery supports to return to the community of their choice.” She went through the objectives.

MS. VEA stated that quite a bit of input was received from the Department of Corrections and DJJ, and we will continue to work with them in the details, the tactics of Phase II.

MS. GELLING moved to the last goal which is: “The State of Alaska has the workforce capacity, data, and technology systems in place to support the resources and funding of the Alaska’s Comprehensive Integrated Mental Health Program.” This one has a number of objectives.

MS. VEA stated that the first strategy is engaging and preparing Alaska’s youth for health careers. One of the projects that the Trust has helped support is the Path Academy to create that career path for individuals to become direct services providers.

MS. GELLING moved to the Alaska Scorecard which has been updated annually by the Division of Public Health and Vital Statistics. This is put out annually with the coordination of the Trust, and it watches all of the indicators. This started with prior comp plans and is something to look at to change and update so it can better coordinate with the current version. The new goals will be able to be better tracked on the updated Alaska Scorecard.

MS. VEA explained that any agency can look at the plan and see what evidence-based practices or resources were used to design the strategies that are outlined in the plan by a goal. There are the resources that would be necessary to implement some of those strategies, programs and evidence-based practices.

MS. GELLING continued that upcoming is the start of the implementation action plan, and another work group will get together to focus and fill in the gaps of the tactics. She stated the hope of having a leadership summit where everyone gathers to coordinate this effort and make sure all are working together on this comp plan.

MS. VEA added that part of the leadership summit purpose will be hearing what data the Department currently collects, how it is used, what data gaps they may have so that the progress can be demonstrated on turning the curve by any one of the goals identified.

CHAIR MICHAEL asked for any questions from the trustees.

TRUSTEE HALTERMAN observed that there was no mention to the OCS populations and would have liked to have seen a bit more about the conflicts of interest. She thanked them.

CHAIR MICHAEL asked the Commissioner to say a few words.

COMMISSIONER CRUM apologized for being late and thanked them for all the work on this Comp Plan. He stated that this is a paradigm shift in looking at how mental health and behavioral health is being approached across the board for all the beneficiaries in the state. One of the important aspects of this, the key goal overall, is to live the life they want in the community of their choosing. This goes beyond just preparing the individuals who go to work and train in resources. A missed aspect is training employers how to actually respond to and know how to properly employ resources and supports to hire individuals with disabilities, developmental disabilities, and the like. He continued that he has worked with Commissioner Ledbetter with the Department of Labor to tackle this across the board. A physician that is entirely dedicated towards empowering foster youth to transition into the workforce has been hired. This is something that needs to be tackled moving forward in the Phase II process. The input on this was tremendous across the board. He added that the comment process was tremendous and was a buy-in from everyone in the state.

CHAIR MICHAEL thanked the Commissioner and, on behalf of the trustees, thanked the staff and stakeholders involved. It was a long time coming, and we have needed the leadership, the Commissioner's support and partnership on this to make it happen with everyone working together. This is greatly appreciated. She asked for any comments from the trustees.

TRUSTEE COOKE had a procedural comment about having just a summary of the things in the report. This report was seen today, and it has a lot of valuable data, charts, the narrative that accomplishes each of the goals, objectives and strategies to reach them.

MR. ABBOTT echoed the Chair's comments on the support received from the Department and for stepping up and supporting as ambitious a plan as the one described. The last plan was written in 2006 and was effective until 2011. The Trust has a statutory requirement to implement such a plan, and it is great to be back in compliance with that requirement. He continued that this is a great plan from the Trust's point of view, and we are thankful that the Department embraced it. They will continue to be invited to participate, and this plan will be talked about consistently. He thanked the Commissioner and Deputy Commissioner for their presence and participation.

CHAIR MICHAEL asked for any other comments or questions from the trustees.

TRUSTEE McCARTY stated that this is huge in the aspect of purpose of an individual. There is an opportunity if Alaska takes on being open for businesses to do things; otherwise there is a lot of compassion that cannot be implemented.

TRUSTEE COOKE echoed the comments about the participation of the Department and how much that is appreciated. He thanked all for their efforts.

CHAIR MICHAEL called a break.

(Break.)

CHAIR MICHAEL reconvened the meeting and moved to the statutory advisory groups' presentations.

STATUTORY ADVISORY GROUPS

MS. DANIELLO stated that the plan for the presentation is to give a bit of background information about the respective boards and to share some concerns about recent budget and policy actions with respect to the beneficiary populations; and to give an update on some of the activities. She began with the Alaska Commission of Aging, which began in 1981, for the purpose of working with seniors, helping them to maintain their health, dignity, and honor. The Commission satisfies a federal requirement through the Older Americans Act that each state have an advisory council to advise the State on aging matters; and the Alaska Commission on Aging fills that obligation. That also helps to fulfill the requirement for the State to draw down federal funds through the Older Americans Act. The Commission does education, community education outreach, which is done in collaboration with many partners, which includes the Trust. She moved to the senior population growth, which is almost 135,000 Alaskans age 60 and older; representing 18.2 percent of the state's total population. Almost 1 in 5 Alaskans are seniors. The fastest growing age are people between the ages of 60 to 64. She stated that the senior population is going to continue on aging and growing until about 2030 before it is stabilized. People age 80 years and older are the fast-growing populations, with more than 14,500 seniors. She continued that the Commission also focuses on seniors with Alzheimer's disease and related dementias.

MS. VANDAGRIFF stated that she is the Director of the Governor's Council on Disabilities and Special Education. The Council was instituted in 1978 by the Alaska State Legislature to bring together one entity to meet all of the different roles. The Developmental Disabilities Act, a

Federal law, states that every state is required to have one of these councils; a planning council that creates a five-year plan regarding developmental disabilities services and planning for those services. That is one of the Council's main roles. The next one comes from the Individuals with Disabilities Education Act, IDEA regards infants and toddlers. Essentially, this is working with the infant learning program at Senior and Disabilities Services. In regard to the education lines, the Council is the governing body for SESA, Special Education Services Agency, which looks at getting resources out in the more rural parts of the state, low-incidence disabilities. Another role is the Statutory Advisory Board to the Trust with respect to beneficiaries with developmental disabilities. The Council has 26 members; each one of them fulfills a unique role. She continued explaining and commenting as she went along.

MS. SCHOONOVER stated that she was the acting executive director of the Alaska Mental Health Board and the Advisory Board on Alcoholism and Drug Abuse. She explained that the advisory boards are charged with advising, planning, and coordinating the state and private stakeholders on behavioral health issues in Alaska. The mission is to advocate for programs and services that promote healthy, independent, productive Alaskans. She stated that these citizen-led advisory boards have connected the voices of Alaskans with mental health and substance use disorders to the Governor, Legislature, the Department for over 20 years. The community-based work created the Opioid Policy Task Force and Opioid Policy Task Force recommendations. There are a total of 32 board members, six full-time staff, and the Statewide Suicide Prevention Council is also co-located with the boards. There are 18 members and one full-time staff. She continued that they are partner advisory boards to the Trust, as well as grantees. Then, the statutory advisory roles for the Trust includes collaborating on the comprehensive plan, advising on the use of the money, and the Mental Health Trust Settlement. She added that they are also the hiring committee for the Trust CEO, among other projects and duties as assigned.

MS. DANIELLO continued the presentation and talked about the various budget impacts from the FY20 budget and went through some of the impacts that were seen for Trust beneficiaries. She shared the good news that full funding was restored for the Alaska Senior Benefits Program; of all the budget impacts that affected seniors, this program was most appreciated. She continued that not only was the funding restored for the FY20 budget for senior benefits of \$20.7 million, the supplemental funds of \$800,000 for senior benefit recipients were also restored. She thanked Governor Dunleavy for putting that money back into the budget.

TRUSTEE STURGEON asked to explain what the Senior Benefits Program is exactly.

MS. DANIELLO replied that this program was established in 2006, which included the senior care longevity bonus. It was created as a needs-based program. It is for seniors 65 and older. She explained the three levels of payment assistance, and explained what was happening with Medicaid. She added that the Department released an announcement that the Medicaid adult dental program went back into effect for this quarter. There will still be payments made until the end of September for Medicaid beneficiaries to finish their dental work. Going forward, we will be figuring out a new plan of how to serve people who are Medicaid beneficiaries with their dental health-care needs. She added that the Department is currently recruiting for a dental director. This is a new position that will work on developing a plan on oral health. She moved to more good news about funding that was restored for Alaska Legal Services. She also mentioned that Alaska's six Pioneer Homes currently have about 495 residents, and are almost at full capacity. She explained that the average age of a Pioneer Home resident is 87 years old. When they were first established, they were more like nice senior living places for people, and

over the years have changed and evolved. They are servicing a higher number of people with Alzheimer's and related dementias, as well as higher forms of care. The Department has made a few changes that are going forward through regulation, and one of them has to do with increasing rates for the residents. Another is that currently there are three levels of care, and after the new regulations go into effect there will be five progressive levels of care. The two new levels of care will focus on people with behavioral health needs as well as complex behaviors, and will include all the different types of services received at the lower levels of care.

MS. VANDAGRIFF stated that for individuals with developmental disabilities, Medicaid continues to be one of the biggest things watched with many concerns over, and are brought as part of that stakeholder feedback. She continued that the Council provided a letter stating that these were some areas that are important for stakeholders, and they have some concerns with respect to the reductions and ensuring that beneficiaries will still be able to get those needs met. She moved to the 50 percent executive branch travel reduction just in the respect that Council travel tends to be an important facet of the work with bringing together individuals with developmental disabilities from all across the state. It is very challenging to ensure that everyone fully understands the issues while on the phone or even during video conferencing. She moved on to the early intervention services and childhood programs that the Council really follows. She stated that funding was restored to the Head Start programs, early childhood grants, Parents as Teachers, and Best Beginnings.

CHAIR MICHAEL asked how the waitlist for DD services was impacted.

MS. VANDAGRIFF replied that the Developmental Disabilities Committee continues to monitor the waitlist. It is important to remember the Individualized Supports Waiver was a new waiver that has the opportunity to offer 600 slots, and we are not quite at the point of having all of them filled.

MS. SCHOONOVER stated that the boards have long advocated for smart spending by the State and putting investments in now that will save the State money later. The great news is that there was funding restored in the human services community matching grants, the community initiative matching grants -- resources to the homeless shelters and food banks, Anchorage, Fairbanks, Mat-Su, and throughout Alaska. She then talked about Medicaid and the boards' role is describing who is using it, what it is being used for, and how it is helping communities to be safe, and improving the health of Alaskans.

MS. DANIELLO mentioned that there were no cuts to senior grant-funded services in the original budget which includes the services that provide senior meals, home-delivered meals, adult day programs, transportation and many important grant-funded services. There was also \$1.57 million in AHFC's budget with a senior housing component to help develop new or renovate existing senior housing projects.

CHAIR MICHAEL asked for any questions.

TRUSTEE COOKE asked Ms. Schoonover, with respect to the legalization of recreational marijuana adopted a few years ago, if she was aware of any specific impact or study of the impact in terms of treatment.

MS. SCHOONOVER replied that they are looking to Colorado, who was one of the first to

broadly legalize it. They are doing a number of studies on how it is affecting youth, if it is impacting drunk or impaired driving. She stated that how it contributes to treatment and recovery just does not have enough available data.

MS. MOORE added that there are significant issues with API, and all the cuts to treatment have resulted in some internal issues which was more of a systems problem.

MS. VANDAGRIFF highlighted a couple of joint impact items for FY20 that the boards are looking at based on stakeholder input: transportation, housing, behavioral health, beneficiary safety and well-being, increasing numbers of beneficiaries at risk for higher care settings, workforce shortages, as well as declining caregiver ratio projections. She stated that the Council had put forth a caregiver carrier survey recently, and we are going through the analysis on that, but we are really looking at what some of the extreme challenges are for caregivers, especially in obtaining and maintaining employment.

MS. DANIELLO talked about the importance of caregivers. They are the foundation for long-term care for seniors, for people with physical, as well developmental disabilities. As the senior population continues to grow, it is growing faster than potential caregivers. Caregivers are really important to the long-term care system. She gave an update about the activities of the Alaska Commission on Aging. She thanked the Trust for the supported effort. She continued that this would be her last presentation to the trustees in this position. She stated that she had taken a new position with the University of Alaska Fairbanks for a new project that was recently funded. It is a five-year federal grant through the National Institutes of Health to establish a center for biochemical research excellence. The application of these studies will be used to help and improve prevention and treatment for seniors with diabetes. She continued that Lesley Thompson, the planner, will fill in as interim executive director. She added that it has been an honor and privilege to have worked with the Commission, serving Alaska seniors, and working with everybody. She thanked all for all the support given to the Commission on Aging over the years.

CHAIR MICHAEL thanked Ms. Daniello for her service, and commented that she has been a powerhouse, helped change many things, and has been very positive to work with. She stated that it has been a pleasure to work with her and wished her the best with the new endeavor.

MS. VANDAGRIFF continued that the Council voted unanimously to hire her as the executive director, and the Governor approved that appointment. They are now tasked with hiring someone for her old position and completing the process. The Council has moved to the Atwood Building, which is a great cost savings, and we are excited about those changes. She stated that the DD Vision continues to be a huge facet of the work that the Council does.

MS. SCHOONOVER talked about some staff turnover. She stated that the current focus areas are Medicaid Reform, API Governance, system reform, alcohol misuse prevention, criminal justice reform, FASD awareness and education, early childhood interventions, suicide prevention, and employment supports. The boards are meeting in Kenai, and the Trust staff and trustees have been invited.

CHAIR MICHAEL asked for any questions. There being none, she broke for lunch.

(Lunch Break.)

CHAIR MICHAEL stated that next on the agenda are some approvals.

MOTION: A motion to approve transferring the fund source of the \$1,145,000 grant to the Department of Corrections for the Hiland Mountain Correctional Center; Women's Mental Health Unit Remodel project from FY19 Authority Grant funds to FY19 MHTAAR funds was made by TRUSTEE DERR; seconded by TRUSTEE BOERNER.

CHAIR MICHAEL recognized Mr. Williams.

MR. WILLIAMS stated that this is a pretty straightforward request. As the motion, the detail and the background of the amendment suggests, trustees already approved this amount. He continued that these funds were approved to assist and partner with the Department of Corrections in remodeling the Hiland Mountain Women's Mental Health Unit and Mental Unit. It is the expansion of both. At the time, the plan was for the Trust to RSA these funds over to the Department. With the new Administration and the new budget, the fund source got switched to MHTAAR funds. This is switching the type of funds designated by the trustees, with the same amount for the same purpose, to complete the Hiland Mountain project. He added that the funds are there, and we just need the approval from the trustees to change it from Authority Grant funds to MHTAAR funds.

There being no objections, the MOTION was approved, with TRUSTEE COOKE abstaining.

MR. ABBOTT stated that staff will let the Department of Corrections know, and put those processes in place.

MOTION: A motion that the Alaska Mental Health Trust Board of Trustees approve the transfer of \$304,000 from the Central Facilities Fund (CFF) to fund improvements at the Cordova Street property and the Trust Authority building was made by TRUSTEE DERR; seconded by TRUSTEE COOKE.

CHAIR MICHAEL recognized Wyn Menefee.

MR. MENEFEE reminded the board that in May of '18, they created the Central Facilities Fund. It was created to deal with cash-flow-compression issues with commercial real estate buildings so that if there was no funding at a certain point in time for either the property costs that exceeded cash flows, some major repairs or replacement of building components that are outside or in advance of the regularly scheduled replacement, leasing obligations, tenant improvements, expansion or retrofit. The idea was to build it up to \$2 million by putting some money from the proceeds from commercial real estate in the potential facilities fund. It is an account that gives a balancing effect when it cannot be met with cash-flow compressions. This is the first request being made to the board for use of the Central Facility Fund. He asked Aaron O'Quinn to explain.

MR. O'QUINN stated that the two buildings are the Trust Authority building and the Cordova Street building where the TLO offices are. He explained the repairs that were made during the summer and then talked about the significant damage both buildings sustained in the earthquake; mostly cosmetic, but still expensive. Both buildings are covered by the State self-insurance

fund. Approximately \$50,000 was spent at each building after the earthquake. Claims have been submitted to have that repaid, but we have not yet received the money due to administrative difficulties. Additional funds are being requested to be disbursed to Cordova to cover the loan to the tenant should that be chosen to do, which would be paid over the life of that lease. He asked for any questions.

TRUSTEE DERR asked for an explanation of administrative difficulties and what that means in getting money from the State.

MR. MENEFEER replied that it was polite way of saying there are a bunch of errors in processing of something that normally is a fast turnaround.

TRUSTEE McCARTY asked about the guarantee that the people that are signing the lease will stay there.

MR. O'QUINN replied that there is no guarantee yet, but we will analyze their financial status and the projections for revenue. The tenant is Alaska Process Industry Construction Consortium. They rely on training for private entities and have been expanding their programming lately.

MR. MENEFEER added that on a loan like that interest is charged.

CHAIR MICHAEL asked for any other questions, and asked for any objections.

There being no objections, the MOTION was approved.

AMPS DISCUSSION

CHAIR MICHAEL moved to the next item on the agenda, and recognized Mr. Abbott.

MOTION: A motion that the Full Board of Trustees accept the Finance Committee recommendation to amend the Asset Management Policy Statement as proposed by Callan, LLC, was made by TRUSTEE DERR; seconded by TRUSTEE BOERNER.

MR. ABBOTT stated that this recommendation is that the board take action to endorse the Finance Committee action of a month ago. There have been no changes made in the draft Asset Management Policy Statement since the board reviewed it a month ago, and it was discussed with Callan. This was brought forth for final action.

CHAIR MICHAEL asked for questions or comments.

TRUSTEE DERR encouraged trustees to read through the Asset Management Policy Statement. There is a lot in there, and it determines the operation to the assets that have both finance, or cash and noncash. Some of the wording was changed. This is important.

TRUSTEE COOKE asked how this was integrated with the regulations changes that are being considered at this meeting.

MR. MENEFEER replied that the AMPS sets the policy direction, what is accomplished with everything from investments and how the funds are managed.

CHAIR MICHAEL asked for any objections.

There being no objections, the MOTION is approved.

TRUSTEE DERR thanked Mr. Stemp for all his work in putting this together. He performed a monumental task, and she wanted him recognized for it.

CHAIR MICHAEL moved to cost recovery regulations.

COST RECOVERY REGULATIONS

MOTION: A motion that the Full Board of Trustees authorize the Trust Authority staff to issue a public notice of proposed regulation change to 20 AAC 40.610 and 20 AAC 40.700 and start the regulation review public comment period was made by TRUSTEE DERR; seconded by TRUSTEE COOKE.

MR. ABBOTT stated that this is the first stage in the regulation-writing process necessary to implement the Board's action last spring in the establishment of the Trust Land Office Development Account. That is one objective. The other objective is to address one of the concerns that was raised in the Legislative audit which will be talked about later. He continued that the action today does not approve or adopt regulations; that will take place at a later trustee meeting. This authorizes the staff to start the public-comment process required of any state regulatory adoption proposal.

TRUSTEE DERR stated that AMPS was adopted, and AMPS are referred to in the regulations. She talked about changing the date of the AMPS policy in regulations.

MR. ABBOTT clarified that the recommendation is that not be included in this regulations-writing package. He stated that a subsequent proposal to adopt that regulatory change will be brought forward at a future meeting. He recommended a short briefing of what is in those regulations to inform the decision to initiate this regulations-writing process.

MR. STEMPT stated that the motion is summarized in a briefing paper that was developed and circulated to the advisory boards. It complemented the motion language and talked about the rationale behind the approach, the goals that the Trust is attempting to accomplish, and how this fits within the mandate to look out for the best interests of the Trust beneficiaries. He continued that this shows how a proposed change might take effect, and the wording that we're seeking to implement to facilitate the things the Trust wants to do. He clarified what staff is trying to achieve in this process. He added that this is being brought forward for consideration to assist all of the beneficiary groups, and to facilitate the business needs of the Trust.

CHAIR MICHAEL asked for any questions.

MS. SCHOONOVER stated that the Mental Health Board very seriously sees its statutory duties to advise the trustees on the money in the Trust Settlement Account. She cautioned on inherently changing the language which could cause a change and start the public process of the use of the funds, the land, the trustee structure, of everything that is done. She also stressed focusing on the beneficiaries more than focusing on the investments and the commercial real

estate properties.

CHAIR MICHAEL appreciated the comments and got the whole focus on the programs and beneficiaries. She explained that in the ten years that she has been here the Trust has changed. It is not the same place it was when she started; it did not have the infrastructure and did not have the expertise. She continued that it needs to be protected because there is growth and there is a need to think about the future. Relying on one source of revenue will not be sustainable. She added that it is scary, but there is the need to go forward.

TRUSTEE DERR stated the need to spend time to develop the resources, otherwise where will the money come from. She continued that she started on the board 14 years ago and there was just concentration on programs, and now there is a need to start doing resource development. If not, there will be no money for the programs.

TRUSTEE COOKE stated that there have been some TLO-related issues over the past few months that he wants to free up the incomes so it can be used for programs and services to beneficiaries. He talked about the land, which costs money to own, and stated that it needs to be protected, insured and developed so that it can be converted into a usable form.

CHAIR MICHAEL asked for any further discussion. There being none, she asked for any objections to the motion.

There being no objections, the MOTION was approved.

MR. ABBOTT thanked the Chair, and stated that the schedule is to visit Southcentral Foundation.

MS. JOHNSON gave a short briefing on the visit schedule and the services that will be seen.

CHAIR MICHAEL called a recess.

(Break.)

(Trustees' on-site visit to Child & Family Development Services, 4441 Diplomacy Drive, Anchorage, Alaska.)

PUBLIC COMMENT

CHAIR MICHAEL called the meeting back to order for the public-comment period. She went through the protocol for public comment. She asked for anyone on-line that would like to testify. She then recognized Michael Bailey.

MR. BAILEY stated that he works at Hope Community Resources and also serves as the board president for an Alaska association on development disability providers consisting of 50 members. He continued that the ADD connection with the Trust was solidified in 2013 when it was a collapse of the Medicaid payment system. There was a tremendous amount of work and research done by the Trust on the impact of that, and we since have built a great partnership. He added that he was here to say thank you because everything that is done translates directly to beneficiaries, whether it is making access to services easier or the quality of services delivered.

He gave a short update on some of the happenings and was just overflowing with gratitude.

CHAIR MICHAEL asked for some advice and direction on where he thinks the Trust should be focusing the funding and energy on other than what is being done. She asked if the right cylinders were being hit.

MR. BAILEY replied that, from listening today, the answer is yes. He added that he thinks the great burden on providers is workforce.

TRUSTEE McCARTY asked if there has been more of a turnaround in staff than before and having to do more training.

MR. BAILEY replied that it is a combination. He is seeing a lot of migration of even nondirect service providers who had to cut back on some of the support services. Some people begin to leave because their job may be next to be cut back.

TRUSTEE BOERNER stated that some great points were raised as challenges go. A colleague and friend won a statewide award for their work with beneficiaries through home-care. That person only made \$26,000 for the year, with no health insurance. That is a challenge.

CHAIR MICHAEL thanked Mr. Bailey for the work he does and stated appreciation for it. She asked for anyone on-line that wanted to testify.

MS. ELLER stated that she is Eliza Eller and thanked the trustees and the Trust staff for the work they have been doing, resources that have been put into peer support around the state and working with the Division. She is from Ionia on the Kenai Peninsula and they are doing peer-support training and working with peers, working the fields, providing these support services to folks. It is an awesome pleasure and honor to work with people in recovery who are turning around, and empowering others to follow in their footsteps and learn how to take care of themselves.

CHAIR MICHAEL thanked Ms. Eller, and stated appreciation for the comments. She asked for anyone else to testify. There being no one, she recessed the meeting.

(Alaska Mental Health Trust Authority Full Board Meeting recessed at 4:45 p.m.)

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD MEETING

**August 29, 2019
8:30 a.m.**

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

Trustees Present:

Mary Jane Michael, Chair
Anita Halterman
Chris Cooke
Laraine Derr
John Sturgeon
Ken McCarty
Verne' Boerner

Trust Staff Present:

Mike Abbott
Katie Baldwin-Johnson
Mike Baldwin
Eric Boyer
Jimael Johnson
Steve Williams
Miri Smith-Coolidge
Andy Stemp
Luke Lind
Carrie Predeger
Valette Keller
Autumn Veal

Trust Land Office:

Wyn Menefee
Jusdi Doucet
Sarah Morrison
Becky Carpenter
Katie Vachris

Also participating:

Michelle Girault; Roy Scheller; Dan Gummo; Tom McRoberts; Lisa Cauble; Jillian Gellings;
Marcus Sanders; Angela Rodell.

PROCEEDINGS

CALL TO ORDER

CHAIR MICHAEL called the meeting to order and asked for any announcements. She introduced the first presenter, Angela Rodell, the chief executive officer from the Alaska Permanent Fund Corporation and thanked her for being present.

MS. RODELL began her presentation with the general market overview. She stated that there is a lot of volatility, and the threat of a bear market continues to come closer. That is identified in that the U.S. rates continue to fall with this fear of a global slowdown. There are continued concerns over mounting trade tensions, which will continue daily; depending on what China or the White House say has a big impact on the daily market. She moved on to private markets which continue to outperform the public markets, and they are actively moving away from the public markets. There is increasing competition for investments, which keeps valuations up, but also makes it harder to deploy capital into the private market assets. She added that a bit of credit quality is eroding, part of that is because there are certain investors trying to get out of private markets in an effort to increase their cash liquidity position because private markets tend to be illiquid asset allocations.

TRUSTEE COOKE stated that the Fund was putting more assets into private equity. He asked what was being reduced.

MS. RODELL replied the exposure to public equities has been reduced slowly over the last four years; down 1 percent per year. The fixed income is remaining very constant. She stated that there are more assets in fixed income relative to its allocation, which has to do with deploying money into real estate. The real estate allocation is under its target, and rates are at really low levels; so, that allocation stays in fixed income while waiting to find good real estate opportunities. She continued that Callan prepares a ten-year forecast. For fiscal year '10 to '19, Callan forecasted earning 8.05 percent over that period. The actual return was 9.3 percent. She added that the last ten years have been really good for the Fund and for the Mental Health Trust. She stated that they are invested in perpetuity, and the portfolio is created with that in mind. It is allocated for the longer-term results, and the decisions are executed to lever specific opportunities within the market. She explained Callan's forecast for the next ten-year period, and stated that it is a wide range of outcomes which is reflective of the volatility that happens in the stock market. She continued that the Permanent Fund set up its allocation structure with the thought of it being two buckets; a growth bucket and an income bucket. She talked about economic growth, and added that income is the steady cash-flow-yielding asset. She went over the different strategies, and talked about the income being divided into liquids and illiquids. The most common liquid income is the fixed income, and then cash. She then moved to the benchmarks. There are three different benchmarks: Passive benchmark, which is a short-term benchmark; second is a performance benchmark, which has a lengthy definition; and third is a historical long-term CPI plus 5 percent. This follows the idea that the Fund should grow in perpetuity at 5 percent, holding steady for inflation. She pointed out that the Total Fund did not beat either of the benchmarks for the quarter, other than its total return objective, which has been annualized. She continued with her report on the performance and the equities in the portfolio, and then moved to income. She stated that as of June 30, 2019, the value of the Fund was at \$66.8 billion. This was a new high at the end of a fiscal year. She noted that it was also after

transferring \$2.7 billion to the State of Alaska under the new SB 26 percent-of-market-value rules. She then went over the Mental Health Trust and explained that the value of the portfolio increased, and there is \$530 million, which is a nice increase from just five years ago of just over \$450 million. It is doing really well and will continue to have resources to draw on for the programs for the Authority. She continued and talked about the APFC staff, because it is important to have confidence in the work that is being done in Juneau on the Trust's behalf.

TRUSTEE DERR talked about the Sovereign Wealth Fund, which is composed of funds from all over the world. She stated that Ms. Rodell is chairman of that group, and is bringing the whole group in two weeks to a meeting in Juneau. She continued that people from all over the world are going to be in Alaska because she is chair of that organization. She added, that is pretty remarkable.

MS. RODELL stated that she is currently the deputy chair and will be promoted to the chair of the International Forum of Sovereign Wealth Funds. She explained that the international forum is the group that was created by the World Bank, the IMF, and the U.S. Treasury in 2007-2008 in response to concerns about the lack of transparency in global sovereign wealth funds, which were investing for noncommercial reasons. It is a group to promote transparency and good governance on sovereign wealth funds. There are over 30 countries that are members, and the group represents over \$10 trillion of investment capital worldwide. She then stated that they continue to update the Fund's website, and there is a lot of good information there. She asked for any questions.

MR. ABBOTT asked about the current status of the earnings reserve account; and how the new State policy to withdraw funds affects Permanent Fund investment choices.

MS. RODELL explained that an operating budget was approved in June that kept the doors open. That budget provided for \$4 billion. The earnings reserve account is now moving into the corpus. This is good for the Fund and is a healthy move. This move is timed to happen at the end of the fiscal year instead of the beginning of the fiscal year. It will be shown as reserved accounts, which cannot be appropriated. She stated that the second thing that the Legislature and the Governor did was a provision for \$980 million to move into the corpus in inflation-proofing for FY20. She added that the \$4 billion was a big move that got lost in all the noise about the dividend. She also talked about the mission of keeping this money invested for future generations of Alaskans, which is the daily focus.

MR. ABBOTT thanked Ms. Rodell and her team at the Fund for being a fantastic partner.

MS. RODELL appreciated the kind comments because the partnership is important, and we take the responsibility seriously, not only to the Mental Health Trust, but also to the partners around the world.

CHAIR MICHAEL thanked Ms. Rodell for a great presentation. She moved to the board elections.

BOARD ELECTIONS

CHAIR MICHAEL asked Trustee Derr to present the slate.

TRUSTEE DERR stated that she sent out notices asking for recommendations. She heard from all but one trustee. Her recommendation on the slate is chair, Mary Jane Michael; vice chair, Chris Cooke; and secretary, Ken McCarty.

MOTION: A motion to elect Mary Jane Michael as chair, Chris Cooke as vice chair, and Ken McCarty as secretary was made by TRUSTEE DERR; seconded by TRUSTEE HALTERMAN.

CHAIR MICHAEL asked for any further nominations from the floor three times, as instructed by Robert's Rules of Order.

There being no objections, the MOTION was approved.

TRUSTEE DERR stated that she asked people what committees they may be interested in, and pursuant to the bylaws, the chair appoints committee chairs. She recommended to the returning chair to appoint Trustee Boerner to the Program & Planning Committee; Trustee Sturgeon to the Resource Committee; Trustee Halterman to the Audit and Risk Committee, and herself to continue as Finance Chair.

CHAIR MICHAEL accepted those recommendations and appointed those chairs to those positions. She moved to the next item on the agenda, the FY21 budget deliberations, and recognized Mr. Williams.

FY21 BUDGET DELIBERATIONS

MR. WILLIAMS began with a look toward FY21 in terms of revenue projections.

TRUSTEE DERR looked at the payout estimates for FY20, the current year, \$508,000 has not been budgeted. She explained the process.

MR. ABBOTT stated that the recommendation is to leave \$3.5 million unobligated, which is larger than usual. Because the State program is unknown, the recommendation is that money would have the maximum impact on beneficiaries. He explained that the environment is changing more than has been typical in years past, which is neither good nor bad. He believed that it would be more impactful to leave roughly 10 percent of the program spending unallocated at this time to be allocated before the start of the fiscal year.

MOTION: A motion that the Full Board of Trustees appropriate \$29,268,100 of MHTAAR and MHT Administration and Authority Grants for FY 2021, consisting of \$16,228,200 of MHTAAR and MHT Admin and \$13,039,900 of Authority Grants. These funds are to be used for the programs and committees described in the detailed FY21 budget recommendations spreadsheet prepared for the August 28 and 29, 2019 Full Board of Trustees Meeting. I further move that the Full Board of Trustees recommend the appropriation of \$5,910,700 of GF/MH funds and \$8,200,000 of other funds for FY2021 was made by TRUSTEE DERR; seconded by TRUSTEE COOKE.

MR. WILLIAMS gave some background on how this budget developed as a reminder of what was discussed in greater detail. He stated that, by statute, the Trust does a two-year budgeting

cycle, and this is the second of a two-year budget. He went through the process that took place in this budget development.

CHAIR MICHAEL asked for any questions or discussion. There being none, she called the motion.

There being no objections, the MOTION was approved.

CHAIR MICHAEL thanked Mr. Williams, Mr. Stemp, and Mr. Abbott for the presentation and for all the great work. She called a break.

(Break.)

CHAIR MICHAEL called the meeting back to order and recognized Maria Bahr and Stuart Goering.

MS. BAHR stated that she is the ethics counsel for the Department of Law and works for the Attorney General. She introduced Stuart Goering. She began with a brief training on the Alaska Executive Branch Ethics Act, which has been around since 1986. It is a long document and she summarized the provisions that are most important to the Trust, some of which apply to people who are state employees who work here, and others apply specifically to members of the board. She continued that the Alaska Executive Branch Ethics Act applies to all public officers. That includes any public employee, any state employee under the Executive Branch, as well as members of the boards or commissions who are appointed by the Governor. She added that would be pretty much everyone here. The Act talks about financial interests and has definitions for all of these phrases. A benefit, as defined by the Ethics Act, is anything that is to your advantage or self-interest, and does not have to be a financial gain. It can be a privilege, patronage, some sort of advancement or advantage, anything this is considered a value but not monetary value. So, basically, if you like it, it is probably considered a benefit under this Act. Statutory definitions of family depend on the framework being looked at, and we have to think of the family tree as being fairly broad. It includes the spouse, conjugal partner, children, stepchildren, parents, siblings, aunts and uncles, grandparents and even in-laws. When the Act talks about taking official action on something, it means voting and also participating in a discussion and making recommendations on a particular subject. Partisan Political Activities are those activities that also are intended to benefit or harm a candidate, a potential candidate, a political party, or a group. She stated that she is the designated ethics supervisor for the Governor, Lieutenant Governor, and everyone in the Department of Law. Everyone here has a designated ethics supervisor depending on where you sit within the organization. She continued that the basic premise underlying the Ethics Act is to avoid a substantial and material conflict of interest. This Act applies only to those within the Executive Branch. She moved to some of the major provisions of the Executive Branch Ethics Act. She talked about the misuse of official position; AS 39.52.120. This was put together by the Legislature and is a laundry list of things that the people in the Executive Branch cannot do. The first thing is not to use the position as officers for the state executive branch for personal gain or to give an unwarranted benefit or treatment to another person. The position cannot be used to accept or solicit outside compensation; cannot use state resources to benefit a personal or financial interest. It is also considered to be insignificant if that interest is worth less than \$5,000, which could be considered an insignificant or conjectural interest.

MR. GOERING talked about the idea of ex-parte contacts. For instance, advocating on behalf of a particular position should be done in public where all parties have an opportunity to hear what is being said.

MS. BAHR moved to politics and stated that State funds, State equipment, or State facilities cannot be used for partisan political purposes. Now, the legislators can and are given different allowances. But as a trustee, you cannot use your state computer or state time to send campaign letters in support of some cause or candidate that is supported. Being political needs to be done on your own time. The State Personnel Act does allow that state employees have First Amendment rights to political activity and free speech, but they still have to comply with the Personnel Act in the sense that State employees may not display or distribute political materials while on State time; and if they do comment or participate in political activities, they cannot purport to speak or act in their official capacity. The general rule is to say no to politics in the workplace.

MR. GOERING wanted to make sure that the trustees were aware of social media because it is an increasingly important way of communicating with the public. The Trust Authority has a very active presence in both the traditional and social media and are aware of the fact that the State does have a social media policy. He stated that the social media policy primarily addresses the agency's use of social media; but has some valuable guidance on individual personal use of social media. The important thing to be aware of is the fact that policy is out there and actually encompasses a lot more than just ethics considerations. It also covers questions involving Constitutional Law, the Records Management Act, and the Public Records Act, because all of those are implicated by State use of social media.

MS. BAHR stated that there are some special considerations in the Ethics Act that are directed just to board members. The first is the board member's obligation for declaration of a potential violation and then improper representation. In the declaration, a member must disclose a conflict on the public record or in writing. It does not have to be in writing, as long as the meetings are recorded; and these meetings are. The Chair, as the designated ethics supervisor, determines whether your involvement in the matter would violate any provision of the Ethics Act and then, also on the record, the Chair's determination as to whether or not that conflict rises to the level that the board member be recused. She added that the Chair makes the determination first, and if everyone is content with that, it is fine. If someone raises an objection to the Chair's determination, that means the board will vote on it. She stated that eventually this will be reported to her as part of the quarterly report. On the subject of gifts, a gift cannot be accepted or solicited if it is intended to influence action or judgment in official duties. She moved to insider information and stated that in AS 39.52.140, a current or former public officer may not disclose or use information that was gained in the course of their official duties that could in any way result in a benefit to them or immediate family if that information was not publicly disseminated or is confidential by law. Information confidential by law includes health-care information, Social Security numbers, certain tax type information, for example. She continued that most of the provisions of the Ethics Act only apply while in State service, serving as a trustee or on a board, on a commission, while actually working for the State. However, the insider trading provision, the one about confidentiality, people can be violated for that even after leaving State service. That is when it becomes an issue. Penalties for violating the Ethics Act can be up to \$5,000 per violation.

CHAIR MICHAEL thanked both for a great presentation.

MR. GOERING stated that there is an extensive ethics page maintained on the Department of Law's website. It contains some questions, answers and some information, all the forms mentioned under law, resources, ethics.

CHAIR MICHAEL moved on to recognize a few people that are leaving. She recognized Denise Daniello and thanked her for all of her service. She wished her the best in her new adventure.

TRUSTEE BOERNER stated appreciation for all the work Ms. Daniello did, and also for the passion and all the skill and excellence brought to her position, and for the willingness to share information. She continued that UAF is fortunate and lucky to steal her away.

MR. WILLIAMS stated that Ms. Daniello is always with a smile, is always kind, and presents with the glass half full. She has not only benefited the Commission on Aging, but also benefited the beneficiaries who are seniors. She has been a pleasure to work with.

MR. ABBOTT stated that it has been great getting to know Ms. Daniello, and he cannot wait to read about the hibernation patterns of Arctic mammals.

MS. DANIELLO thanked all from the bottom of her heart and stated that it has been a personal pleasure working with all the trustees, staff and her partners in the room. She continued that it has been very fulfilling, meaningful work, and we have done some really great things. She leaves with a sad heart and will keep all up to speed about those hibernating animals.

CHAIR MICHAEL shared a gift and a card. The card was signed by a lot of people and the painting was done by a beneficiary.

MS. DANIELLO thanked all and stated that the painting will be in her new office.

CHAIR MICHAEL took an opportunity to recognize Andy Stemp. She stated that his approach to everything has been levelheaded, his insights were wonderful, and he captured the big picture, which was necessary. He will be missed and very hard to replace. He has made a huge impact in a very short period of time.

TRUSTEE COOKE echoed Chair Michael's sentiments and stated that it has been a pleasure working with him. He did a terrific job and will be missed.

TRUSTEE. BOERNER stated that coming to the Trust was a big step for her and Mr. Stemp's confirmations to helping us get through all of that was quite phenomenal. She continued that she holds him in high regard. One of the values the Inupiat Iitqusiat has is humility and responsibility to try. Those are two things that were felt in working with him. She thanked him and appreciated all the skills and intellect he brought to the Trust. She is glad to know that he will continue dedicating that to the Alaska Tribal Health System, which will benefit the beneficiaries of the Trust.

MR. WILLIAMS also stated appreciation for Andy's expertise. He appreciated working with Mr. Stemp, which also resonates from the staff, is the constant bringing the financials back to the beneficiaries. He thanked him and offered good luck.

TRUSTEE McCARTY stated that Mr. Stemp's words were so calm and meaningful and thanked him for making it very easy.

TRUSTEE DERR stated two thumbs up.

TRUSTEE STURGEON complimented Mr. Stemp on his patience and calm demeanor. He wished him luck, and stated that it was nice working with him.

MR. ABBOTT stated that he and Mr. Stemp started about the same time. Andy stepped in and with good support from the rest of the staff was immediately impactful on the organization both through his temperament and his immediate understanding of the finances and the status of both the resources and the obligations. He thanked him for all his work at the Trust.

MR. STEMPE stated that he had first heard about the Trust years ago from a gentleman named John Malone. Mr. Malone had a constant drive for improvement, doing more for people, trying to serve and to build people up. He remembered having an interview and one of the conversation points that came out was that John was pretty reserved in his approach to things. But at one point he sent an e-mail with a compliment on something that I had done. I printed that off and saved it. He continued that Mr. Malone is now gone, but somehow feels that he was in a very select group in achieving a compliment from him. He extended his compliments and appreciation for allowing him to be a part of this and contributing to the overall success. He thanked all.

CHAIR MICHAEL thanked Mr. Stemp and asked the trustees for any final comments.

TRUSTEE McCARTY reiterated what Mr. Stemp said about an honor being here, thank you.

TRUSTEE BOERNER congratulated Trustee Halterman for her first trustee meeting. She also expressed her gratitude to the staff and the advisory boards. She stated that it is critically important in moving forward, through the challenging and uncertainties being faced to be able to stand together. She thanked the trustees for the inspirations and the learning.

TRUSTEE STURGEON thanked the board and staff for the patience with the questions. He appreciated the help in learning how the system and everything works.

TRUSTEE COOKE stated that this was one of the smoothest meetings that he has been in with the Trust. There was a wonderful balance between the various presentations. He appreciated Mr. Williams' emphasis on tying what was done at this meeting together with what was done at previous meetings. He talked about the conference coming up for people with developmental disabilities and finding employment opportunities for them. He hoped that the Trust can be a leader in finding ways to bring some of those beneficiaries into the fold, and be a leader in demonstrating how to help folks realize that potential for the employment area.

CHAIR MICHAEL thanked all for a great meeting. She appreciated the tour and thanked all for their work. She thanked the trustees for their willingness to serve as committee chairs and as officers. She appreciated everyone's offers to help with that. She entertained a motion to adjourn.

MOTION: A motion to adjourn the meeting was made by TRUSTEE DERR; seconded by TRUSTEE COOKE.

There being no objections, the MOTION was approved.

(Alaska Mental Health Trust Authority Full board meeting adjourned at 12:06 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

Governor's Council on Disabilities and Special Education



GOVERNOR'S COUNCIL ON DISABILITIES & SPECIAL EDUCATION

Trust Meeting Update

Kristin Vandagriff, Executive Director

Anne Applegate, Planner

November 2019

COUNCIL NEWS!

- Completely full Council right now — 26 Council members!
- Staffing — 1 vacant position



SAVE THE DATE

5TH ANNUAL DISABILITY AND AGING SUMMIT

SEPTEMBER 25-26, 2019

LOCATION

SPECIAL OLYMPICS ALASKA
JIM BALAMACI TRAINING CENTER
3200 MOUNTAIN VIEW DRIVE
ANCHORAGE, ALASKA



TOPICS INCLUDE:

- Aging of family caregivers who support individuals with developmental and intellectual disabilities by keynote speaker Dr. Tamar Heller from the University of Illinois-Chicago
- Unique circumstances affecting aging for older Alaska Native adults
- Emergency Preparedness
- Legislative panel and more!

Registration will open mid-August
for any additional information please visit:
specialolympicsalaska.org



PRESENTED BY:
THE ALASKA DISABILITY AND AGING COALITION

Attendance:

102 attendees (not including presenters and vendors)

53 agencies/groups were represented from
across the state



SELF ADVOCACY SUMMIT RESULTS:



105 Total attendees:

- 107 Individuals with developmental disabilities (64% increase from last year)
- 30 Supports (family members, support staff)
 - 5 Regions represented
 - Southeast, south central, southwest, interior, northwest

Outcomes:

- Pre/Post Survey Data = everyone gained knowledge from the summit

**3rd Annual
Peer Power Summit**
FOR INDIVIDUALS WITH
INTELLECTUAL/DEVELOPMENTAL
DISABILITIES

September 27, 28, and 29

Click [HERE](https://peerpower.ticketbud.com/summit2019) to Apply or visit <https://peerpower.ticketbud.com/summit2019>

Deadline to apply is August 15th

FOR MORE INFORMATION PLEASE CONTACT RIC.NELSON@ALASKA.GOV
(907)269-8989

Walmart

ACCESS ALASKA

Assets, Inc.

ENSTAR

Stone Soup Group

FRANFRAN

GOVERNOR'S COUNCIL ON DISABILITIES & SPECIAL EDUCATION

Hope

The Arc

LINKS

ResCare Alaska

Frontier

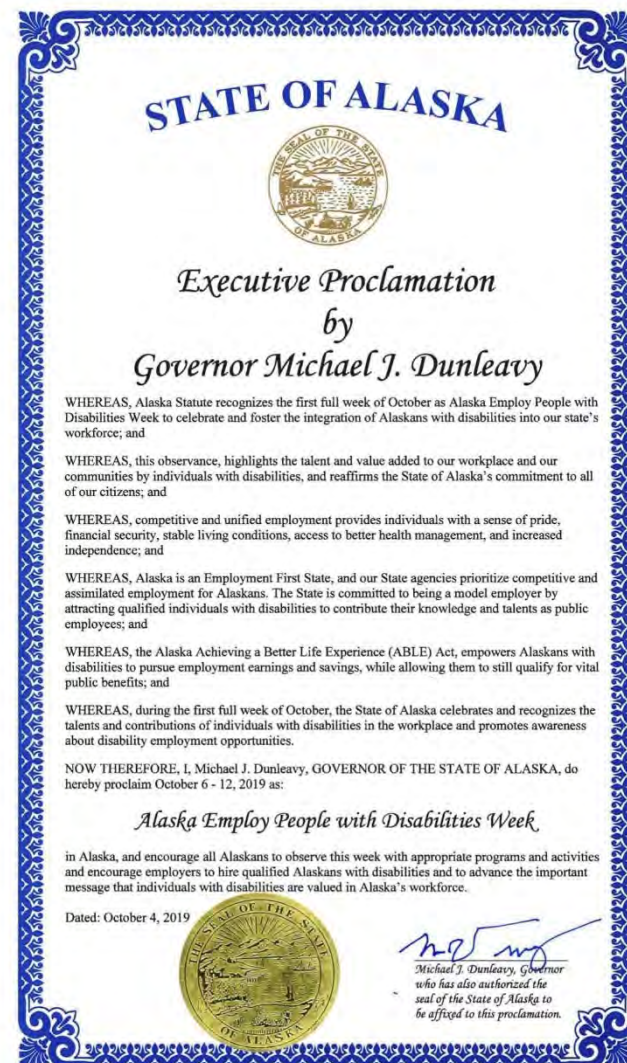
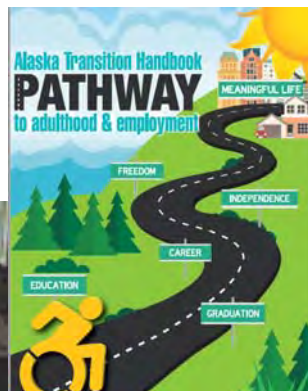
Trust Alaska Mental Health Trust Authority

MAT-SU HEALTH FOUNDATION



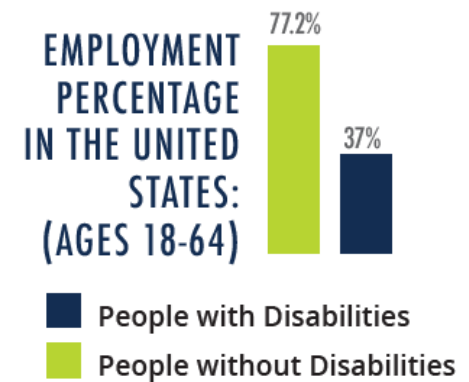
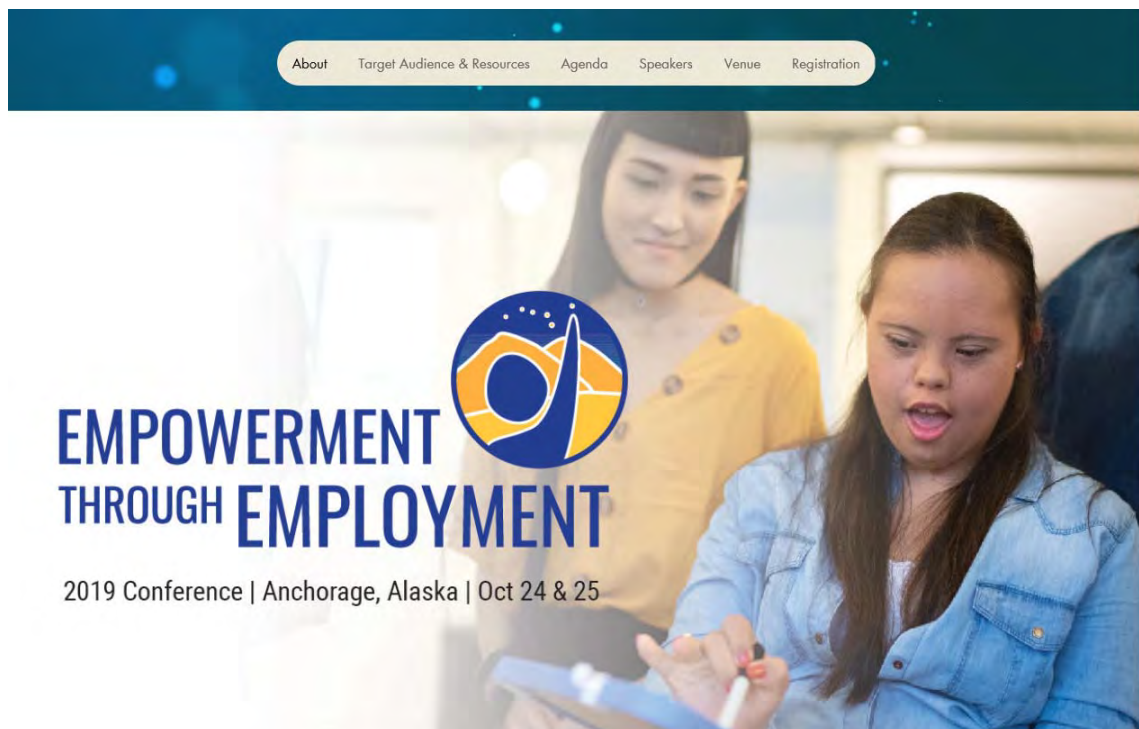
October was Disability Employment Awareness Month!

- The Council obtained a proclamation from Governor Dunleavy
- Project SEARCH support 
- Microenterprise support
- Transition Handbooks



EMPOWERMENT THROUGH EMPLOYMENT CONFERENCE

- Partnered with the Trust and boards on Empowerment Through Employment Conference (Oct. 24-25)
 - Led high level leadership meeting on policies October 23rd with SEED team



Employment Rate Alaskans with Disabilities



Employment Rate Alaskans without Disabilities

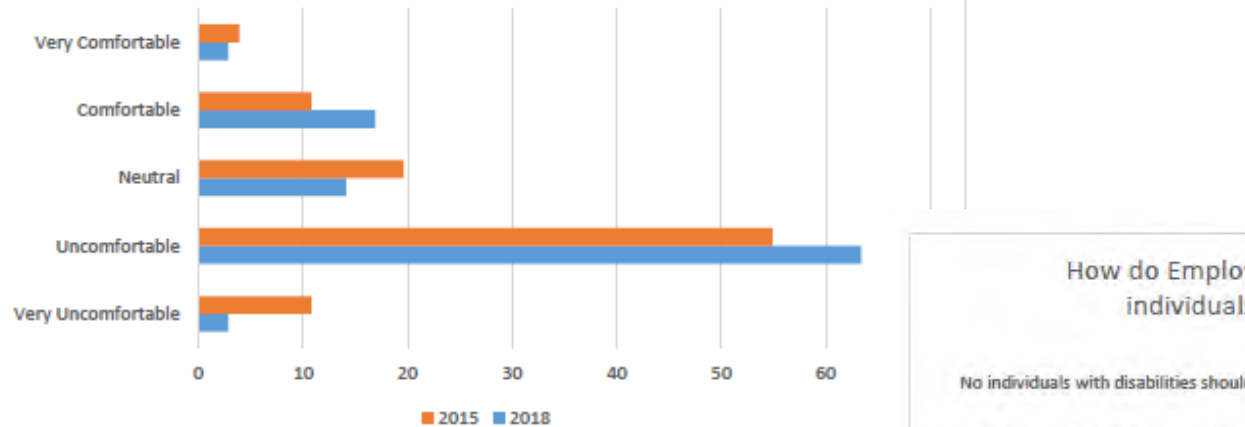


EMPLOYER SOCIAL NORMS SURVEY REPORT

Prepared by:
Lanny Mommsen, MPH, Research Analyst III
and
Kristin Vandagriff, Executive Director
September 2019

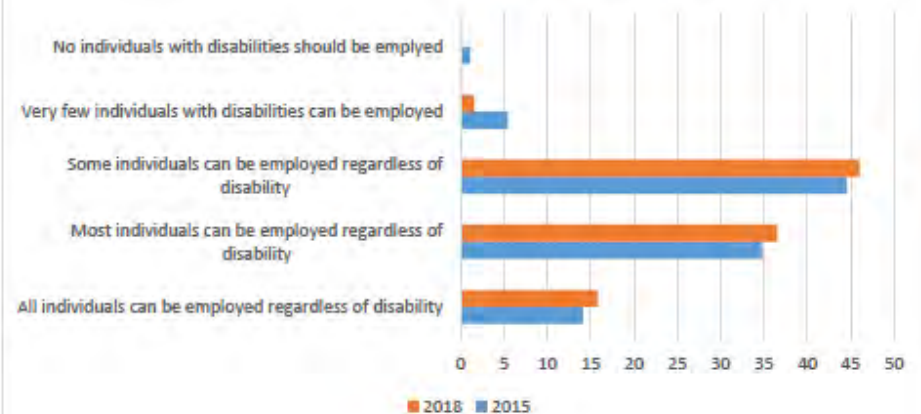


How Comfortable do you think Employees are regarding hiring individuals with disabilities? 2015 vs 2018



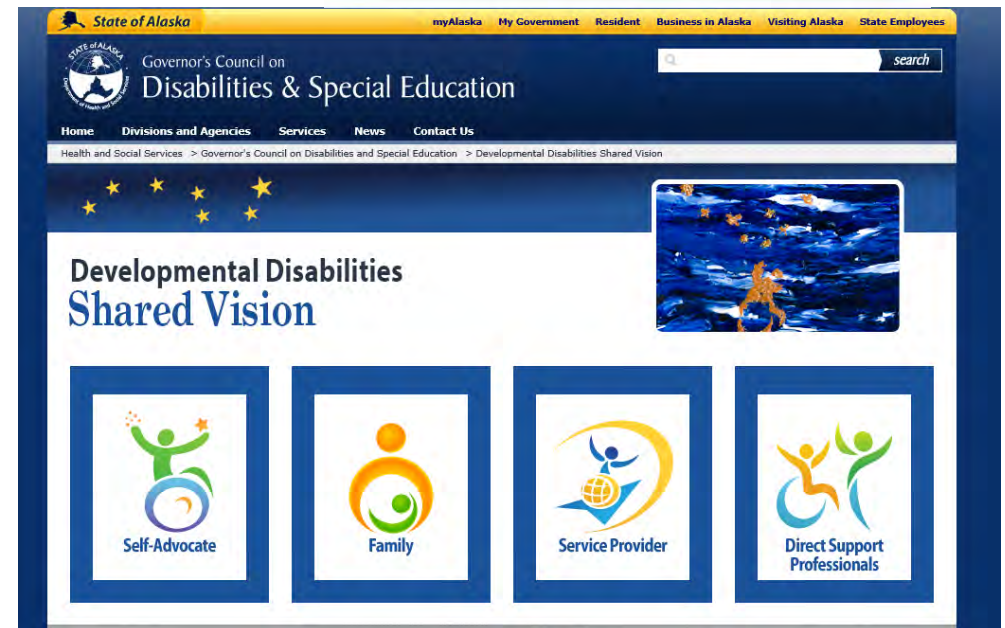
Additional Strategy: employer engagement presentations co-facilitated by individuals with disabilities.

How do Employees feel about the employability of individuals with disabilities 2018 vs 2015



DD COMMITTEE

- ❖ I/DD Registry # = 702 (as of September 2019)
- ❖ Individualized Supports Waiver (ISW):
 - ❖ There are 600 slots available on the waiver.
 - ❖ There are 269 individuals fully approved.
 - ❖ There are 309 plans of care in process
- ❖ Public Comment on 72-Hour Rule
 - ❖ Council supportive of new increased 14-day timeframe
- ❖ ACL Living Well Grant Efforts:
 - ❖ We have begun Grant Year 2



DD COLLABORATIVE



EARLY INTERVENTION COMMITTEE:

Participated in the Alaska's Early Childhood Joint Task Force Strategic Planning Kick Off discussion

- RE: purpose, values, needs assessment, and strategic planning scope of Alaska's EC Strategic Plan under Preschool Development Grant (PDG)

Took part in the Economic Impact of Early Care & Learning summit meeting organized by *thread*

- The summit brought early care and learning together with businesses, policymakers, and local communities for conversation and innovative thinking around the economics of early care and learning in Alaska.



ILP Coordinator's conference

All Alaska Pediatric Partnership (A2P2)

- The Council hosted a resource table

EDUCATION COMMITTEE UPDATE; RURAL TRANSITIONS

EPICS Conference (National Native American Special Education Conference)

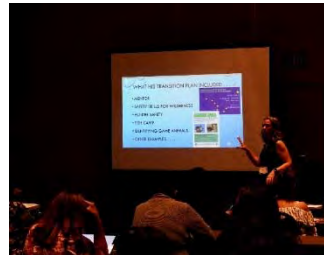
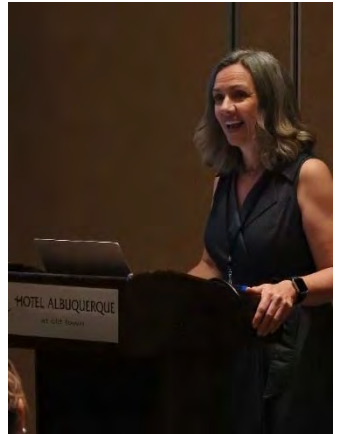
- Partnered with CHD specialist Rain Van Den Berg
- 70 attendees in the two-part session
 - provided curriculum, Transition Handbook

Electronic repositories for curriculum

- SESA
- Dillingham City School District

Planning for next two units:

- Winter Survival/Outdoor Skills
- Self-Employment/Creative Industries

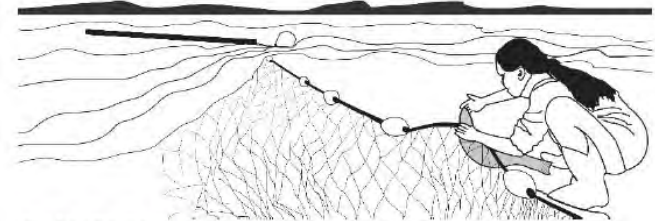


Traditional Alaska Transition Skills

Rain Van Den Berg and Robyn Chaney
UAA Center for Human Development
2019

Developed for the Dillingham School District and surrounding regions as a demonstration project to show how subsistence skills can be supported and integrated into transition planning for youth with IEPs.

These materials were created through the Developmental Disabilities Act partnership of the Governor's Council on Disabilities & Special Education and the Center for Human Development, with funding from the Alaska Department of Education & Early Development and the Alaska Mental Health Trust Authority.



Nova Picks a Fish graphic by Rain Van Den Berg, based on photo by Robyn Chaney.

Traditional Alaska Transition Skills 2019 Van Den Berg Chaney UAA Center for Human Development

EDUCATION COMMITTEE UPDATE; OTHER ACTIVITIES

Added new Education Committee member

- Special Education professor from UAS; SEAP membership maintenance
- Still need two parents/people with disability, and charter school representative

SESA Reauthorization

Starting Inclusive Practice Awards/Paraeducator of the Year

Restraint & Seclusion

- Engaged DD ACT partner Disability Law Center; public records request for Anchorage School District's count of incidents for two high-number disability categories
- The numbers change the previous trending data picture significantly
- Also: incident reporting from ASD for 2017-2018, 2018-2019
- Requesting the information from DEED for the rest of the state for 2017-2018, 2018-2019
- Obstacle: Education SME to enter the new data into the spreadsheets, convene task force

AUTISM AD HOC UPDATE:

Convened an ad hoc meeting September 10:

- ❖ Updated the work plan
- ❖ Analyzed the broad survey of autism services conducted by CHD that studied: housing, educational, employment, therapeutic and funding.
- ❖ Neurodevelopmental Outreach Clinics outside of Anchorage & Mat-Su: (September 26-27, Juneau; November 5, Kenai; and November 7-8, Bethel)
- ❖ Extension for **C**ommunity **H**ealthcare **O**utcomes (Center for Human Development) will resume the Autism Behavior Technician (ABT), Behavior Analysis, and Neurodevelopmental ECHOs soon.
- ❖ Working through some challenges regarding Medicaid billing and challenges regarding diagnosis.

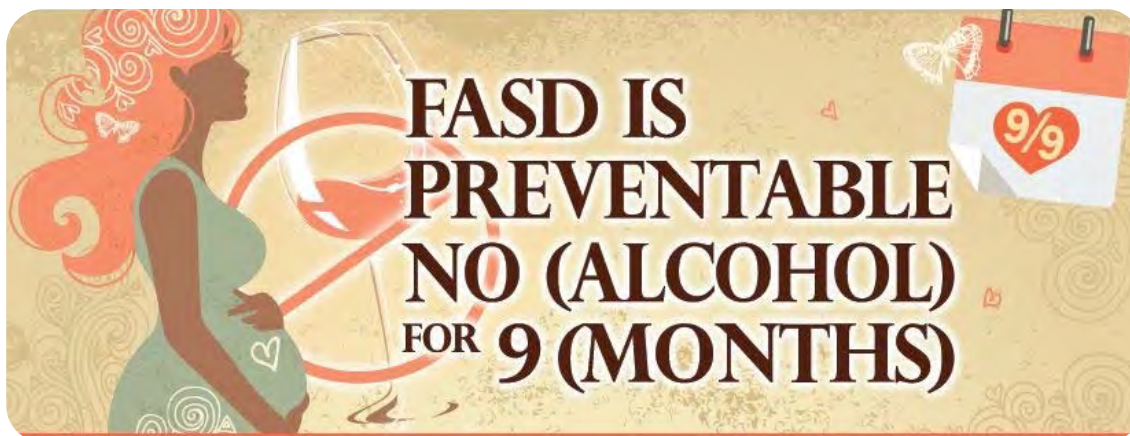


FASD WORK GROUP UPDATE:

The FASD workgroup met early October and is updating it's 5 year plan with 2020 Objectives for the Priority Areas.

FASD Awareness Month (September):

- Council led social media campaign for FASD awareness month
- Council obtained a Governor's proclamation for 9/9 as FASD Awareness Day



TABI WORKGROUP UPDATE

- Group mission - *To understand, educate, and advocate for the needs of all Alaskans regarding traumatic and acquired brain injury*
 - Discussed developing a set of core values for the workgroup
- A needs assessment was conducted in FY19 by CHD and is being finalized.
 - This also includes access to a data set to determine the incidence of TBI based on hospitalizations and ER visits
- State Plan:
 - Includes 5 priority areas: Prevention, Awareness, Resources, Data, and Infrastructure
 - Currently conducting a SWOT analysis for each of the priority areas to determine visions and goals
 - Provide a vision for the next 3-5 years with specific annual goals
 - FY19 listening sessions held to inform the state planning process
- The Head Injury ECHO launches a new round of sessions in January of 2020
- ABIN Brain Injury Screening Clinics
 - Ketchikan and Juneau just happened
 - Planning for Bethel, one other rural community, Matsu, and Anchorage

SUPPORTED DECISION MAKING AGREEMENTS (SDMAS)



New content on website!

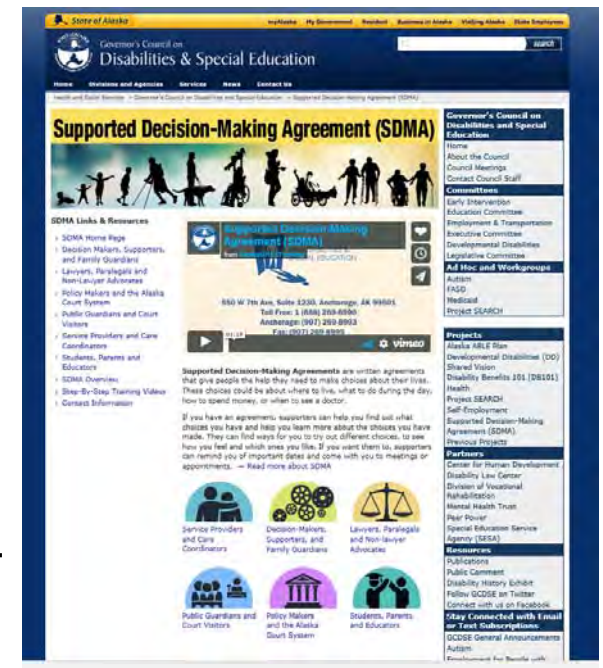
SDMA Symposium Planning

Writing *SDMA Guide for IEP Teams*

- Team of parents, educators, and administrators

Planning SDMA/A.T. Communication Demonstration Project

Continuing Outreach via Self-Determination Wednesdays Webinars, etc.



FEDERAL ISSUES



EMPOWER Act (Money Follows the Person)

Recognizing the Role of DSPs Act

Autism CARES Act

ABLE Age Adjustment Medicaid

DD Council (and other DD Network) funding



POSSIBLE LEGISLATIVE PRIORITIES:

SESA Reauthorization Bill

- June 30, 2021 is sunset date (if not reauthorized, SESA would have a year from this date to close up operations)

Supported Decision Making Agreements Act “thank you”

- An update and request to share the website and information with their constituents

DD Shared Vision Bill “thank you”

- An update and request to share the website and information with their constituents

Possible Alaska Achieving a Better Life Experience (ABLE) amendment bill

Importance of Home and Community Based Services and Medicaid for the DD System/Alaskans with I/DD

- Part 1: HCBS overall importance elucidated by sharing stories of self-advocates
- Part 2: Efficiency/cost-saving areas identified by the Council: companion services, budget authority, as well as Feb. 2019 white paper

Additional items to consider based on feedback thus far:

- DSDS separate funding allocation
- Adult dental
- Removing subminimum wage statute (Alaska DOL repealed the regulation in 2018)
- Following FY21 budget reductions and possible Medicaid restructuring

QUESTIONS:



GOVERNOR'S COUNCIL
ON DISABILITIES &
SPECIAL EDUCATION

Kristin Vandagriff

Executive Director

Governor's Council on Disabilities & Special Education

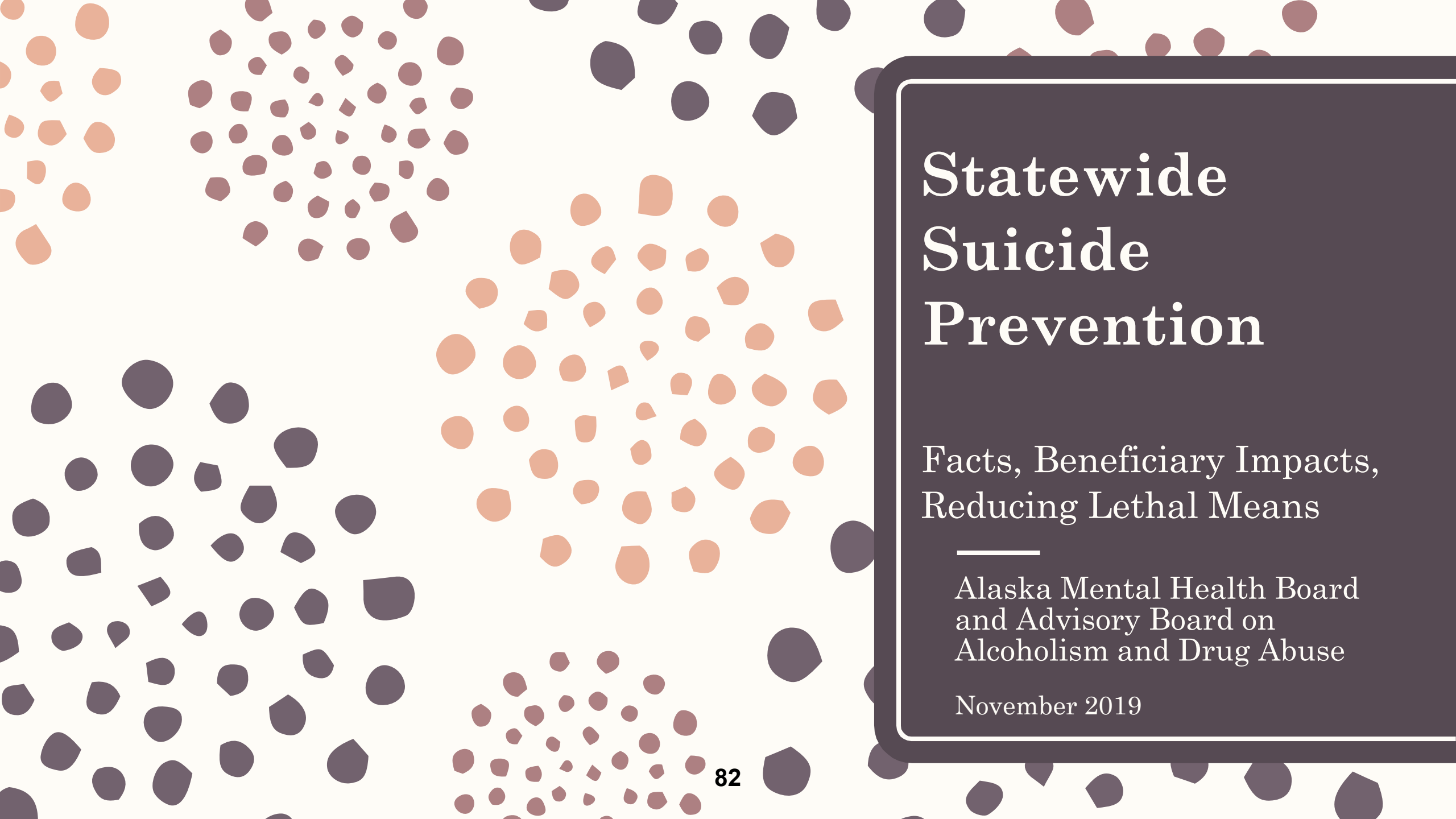
550 W 7th Ave, Suite 1230

Anchorage, Alaska 99501

907-269-8990

kristin.vandagriff@alaska.gov

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



Statewide Suicide Prevention

Facts, Beneficiary Impacts,
Reducing Lethal Means

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

November 2019

DBH Behavioral Health Advisory Boards and Councils

- Alaska Mental Health Board
- Advisory Board on Alcoholism and Drug Abuse
- Statewide Suicide Prevention Council





SSPC Annual Meeting

Wasilla, AK
October 2019

The Statewide Suicide Prevention Council (SSPC) is authorized by AS 44.29.350 to serve in an advisory capacity to the legislature and governor regarding suicide awareness and prevention.

The Council includes 17 council members total with 13 voting members, 2 non-voting members representing the Alaska House of Representatives and 2 representing the Alaska Senate.

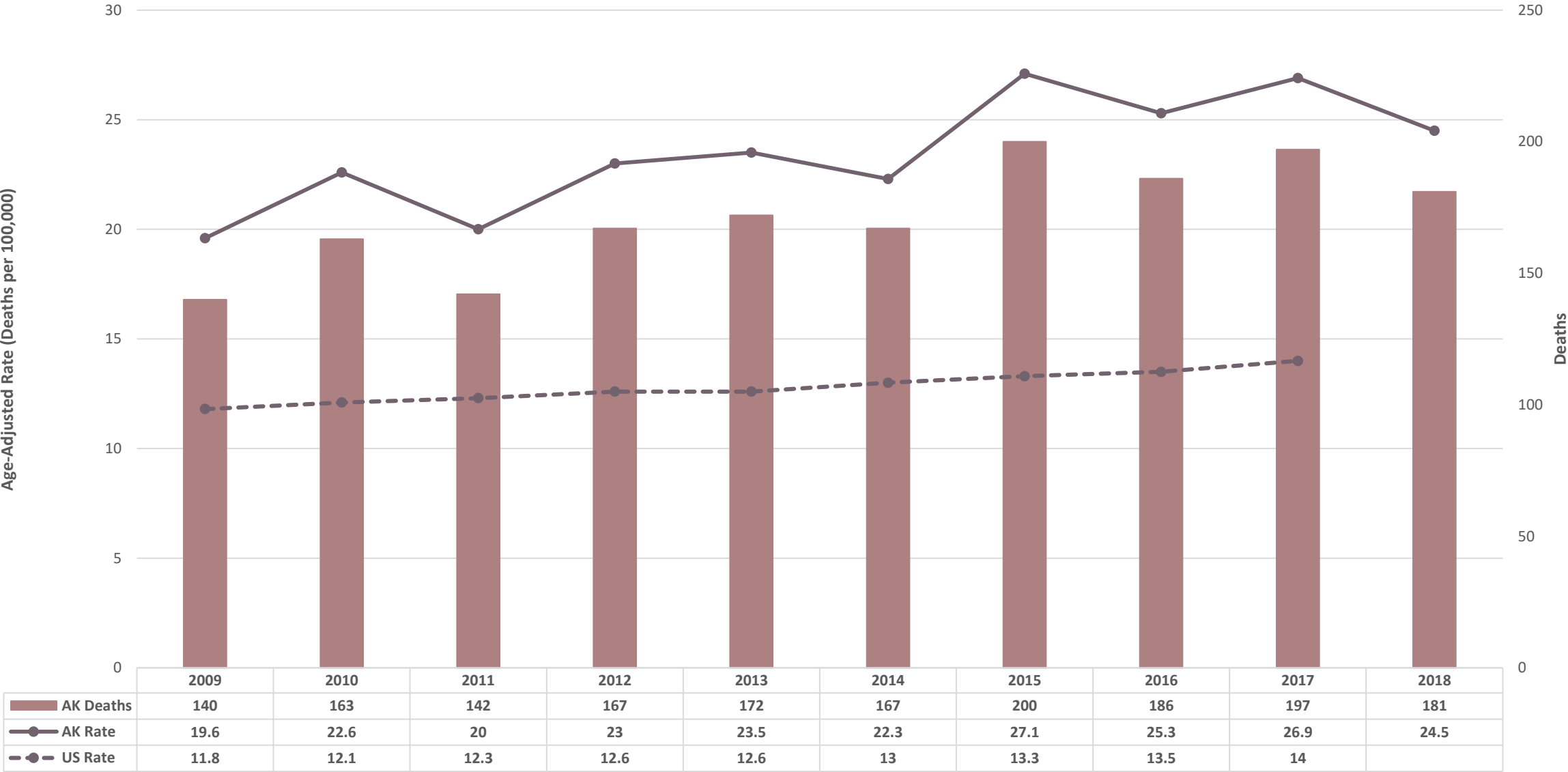
Trustee Update

- Suicide Data, Facts and Figures
- Reducing Lethal Means Campaign
- Other Statewide Suicide Prevention Efforts

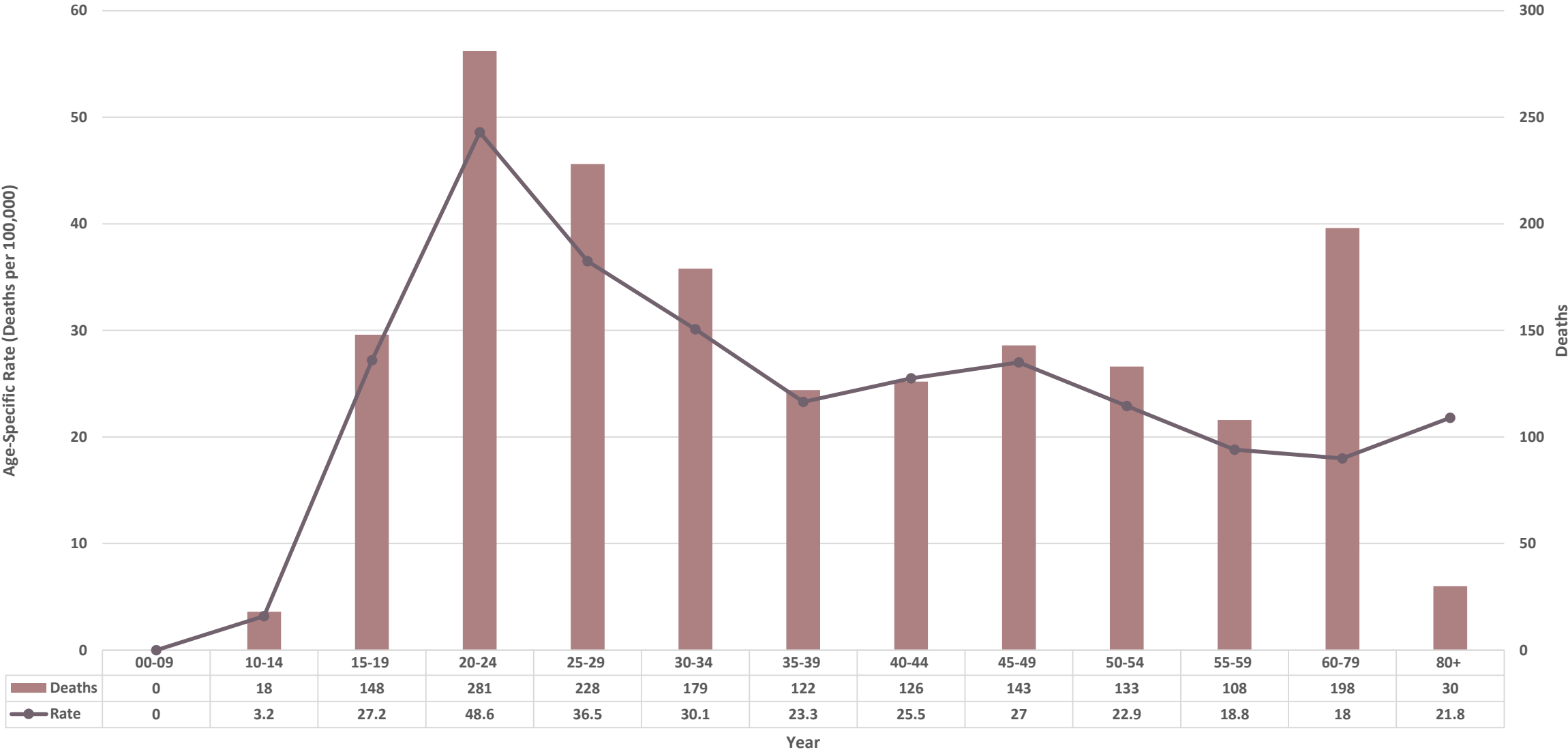
Suicide Statistics in Alaska



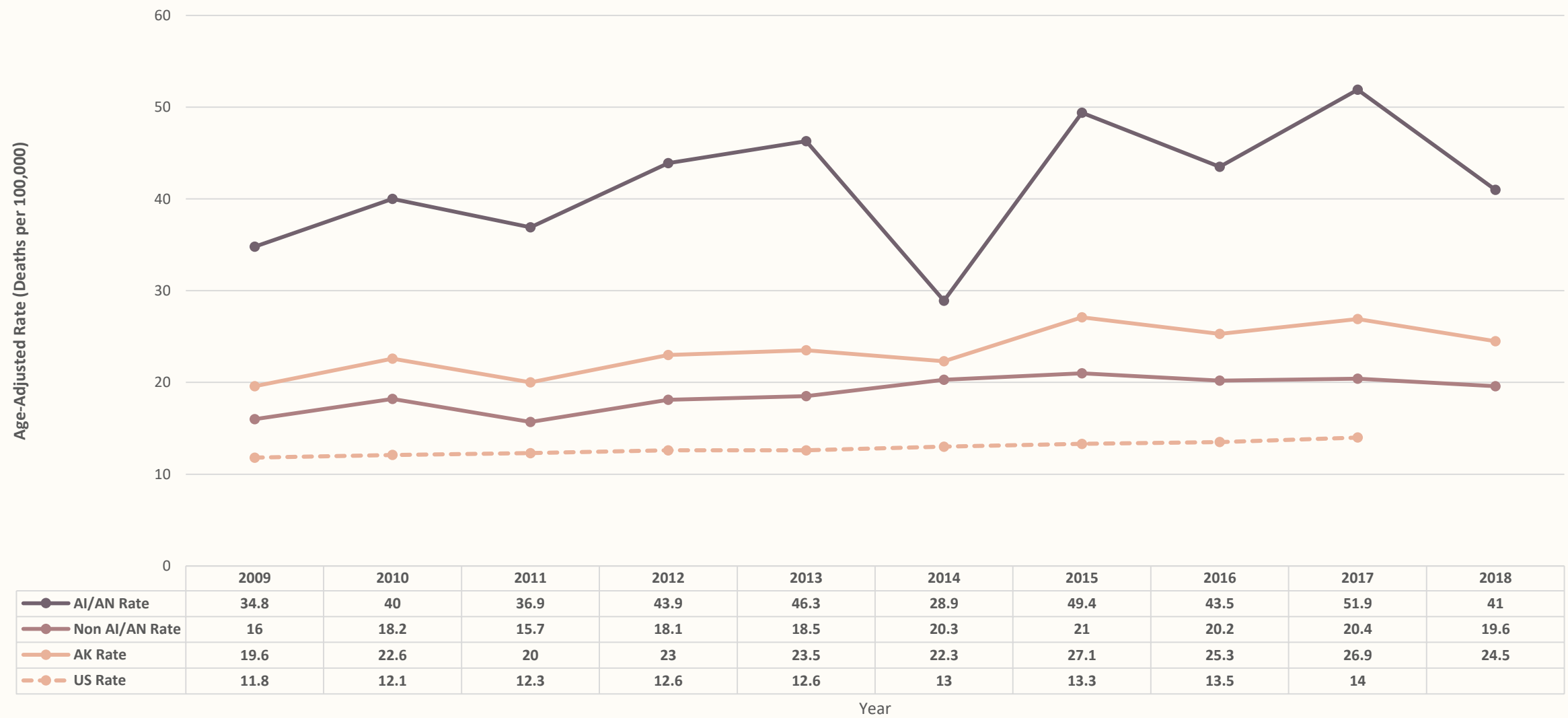
Intentional Self-Harm (Suicide) Mortality by Year
Alaska Residents and United States (2009-2018)



Intentional Self-Harm (Suicide) Mortality by Age Group
Alaska Residents (2009-2018)

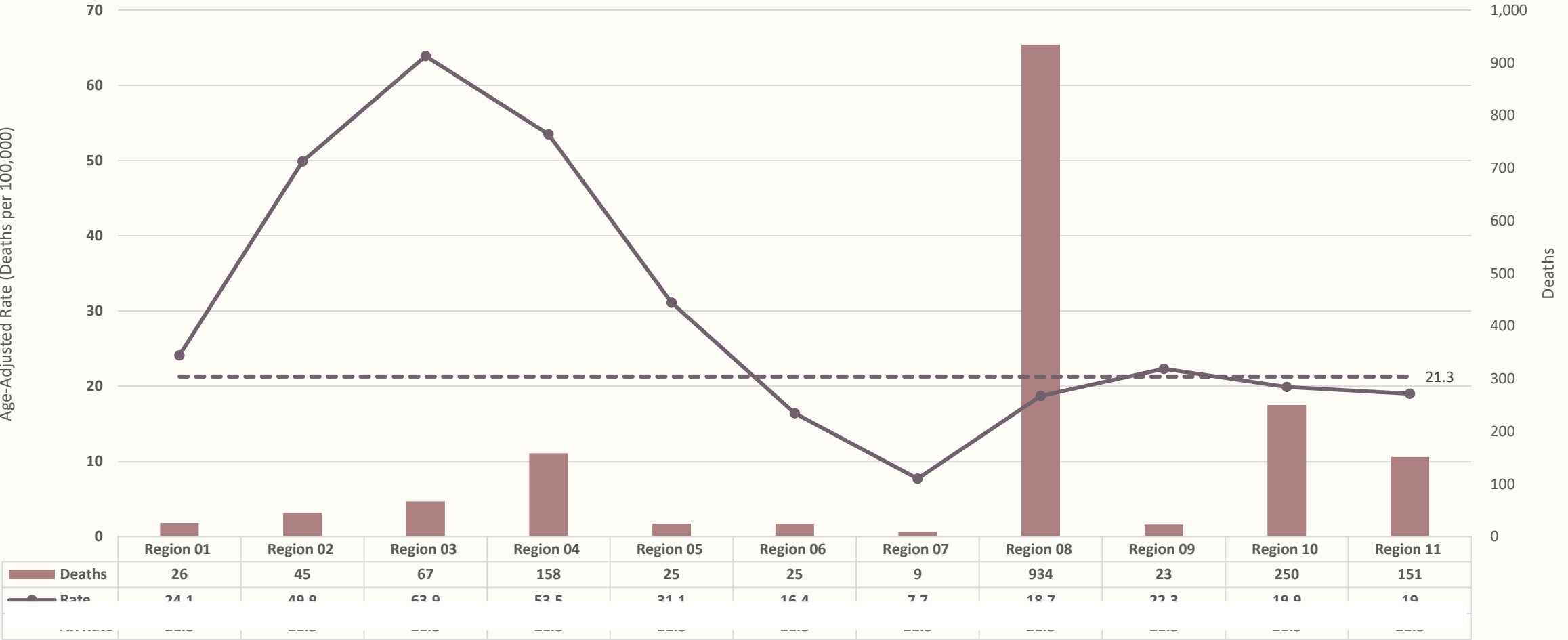


Intentional Self-Harm (Suicide) Mortality by Year and Race
Alaska Residents and United States (2009-2018)



Intentional Self-Harm (Suicide) Mortality by Region
Alaska Residents (2009-2018)

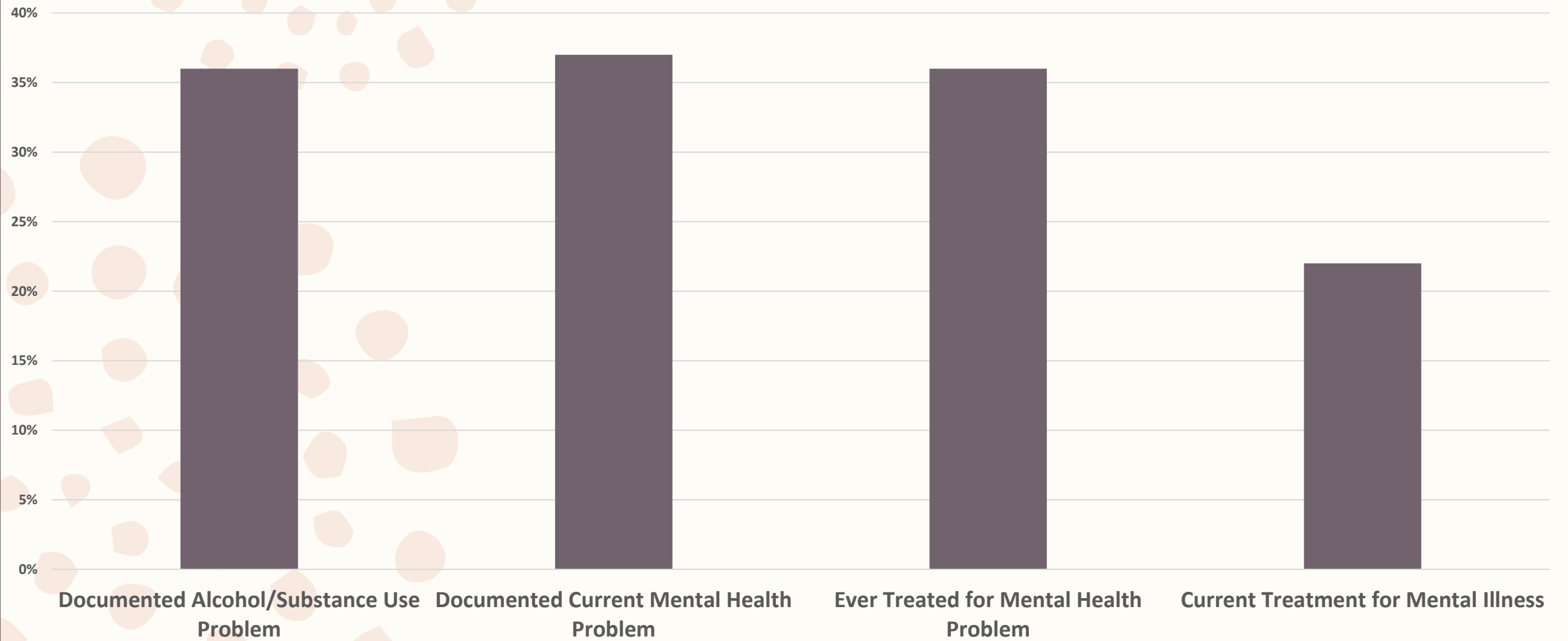
Statewide Deaths: 1,715
Statewide Rate: 21.3



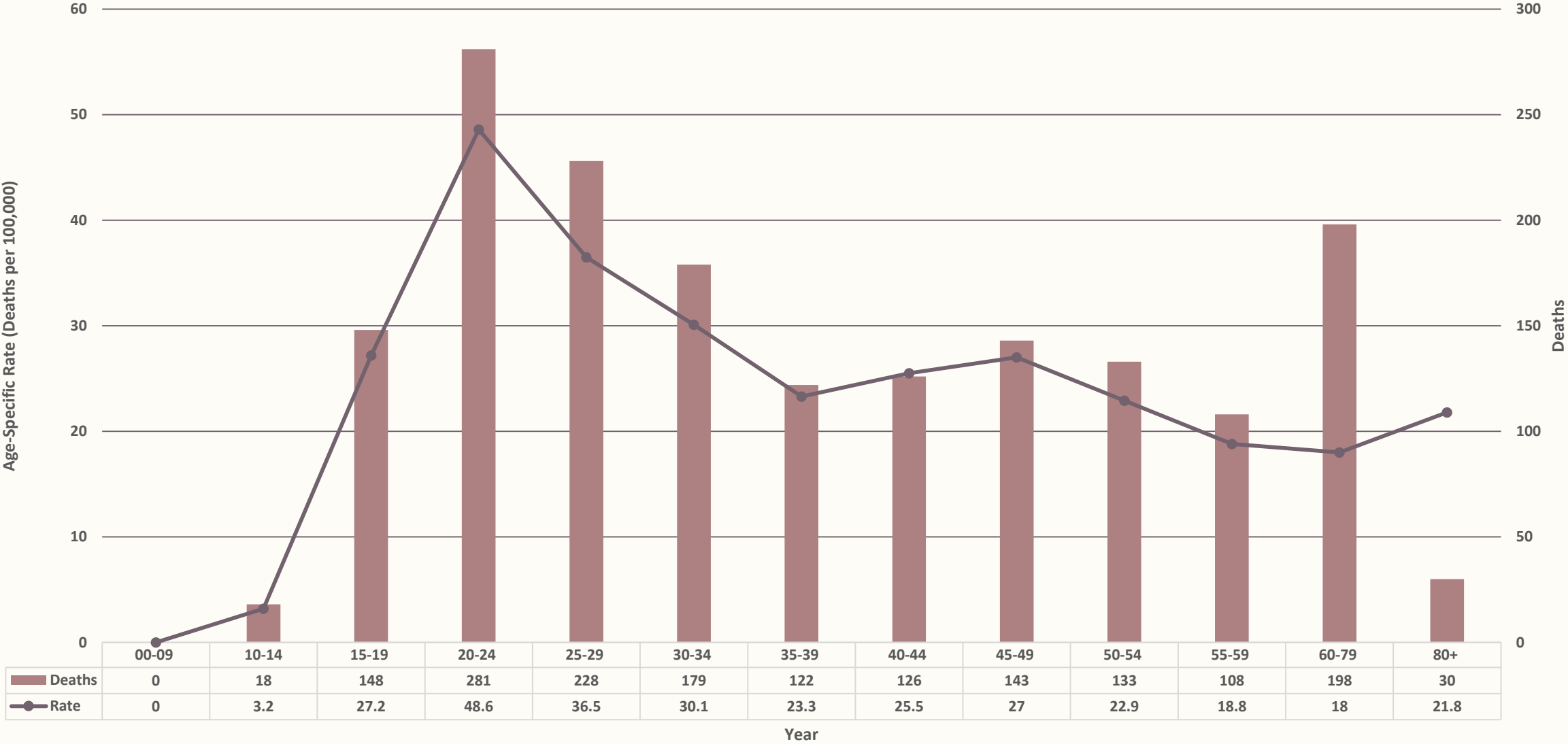
- Region 1: North Slope Borough
- Region 2: Northwest Arctic Borough
- Region 3: Nome
- Region 4: Wade Hampton, Bethel
- Region 5: Dillingham, Bristol Bay Borough
- Region 6: Kodiak Island Borough
- Region 7: Aleutians
- Region 8: Mat-Su, Anchorage, Kenai Peninsula
- Region 9: Valdez-Cordova
- Region 10: Yukon-Koyukuk, Fairbanks, Denali
- Region 11: Southeast

Beneficiary Specific Data

Incident Characteristics of Suicide in Alaska 2012-2017
(1,103 suicide deaths total)



Intentional Self-Harm (Suicide) Mortality by Age Group
Alaska Residents (2009-2018)



Reducing Lethal Means to Suicide Campaign

Alaska Mental Health Trust support:
\$75,000 for FY19-20

75% of all Alaskan gun deaths are by suicide.

- Alaska has a high number of firearm fatalities, with a mortality rate nearly double the national rate
- Of the 1,000 firearm fatalities in Alaska between 2009-2015, 75% were deaths by suicide, 15% were homicide, and the remaining 10% were due to unintentional injury, legal interventions or were undetermined.
- Nearly 1/3 of all suicide deaths by firearm in Alaska are by someone who has experienced at least one mental health condition such as depression, anxiety disorder, or bipolar disorder.

Separating suicidal individuals from lethal means is proven to reduce suicides

- Research has shown that separating suicidal individuals from a variety of lethal means can help prevent suicide.
- It can provide valuable time for suicidal risk and ideation to lessen and for someone to intervene with mental health support and resources.
- Gun owners have multiple options for safely storing and protecting firearms when they're not in use: cable locks, lock boxes, gun cases and full size gun safes.
- When off-site storage is not an option, any step that increases the time and distance between a suicidal impulse and a firearm will reduce suicide risk.

Keep Them Safe

Alaska is number one in the US in gun deaths



Trust
Alaska Mental Health
Trust Authority

Call 911 for emergencies

**Alaska Careline
1-877-266-HELP (4357)**

**National Suicide Prevention
Lifeline**

**1-800-273-TALK (8255)
Veterans: Press 1**

Suicide Warning Signs

These are common warning signs that someone is at risk of suicide:

- Threatening to hurt or kill him or herself, or talking about wanting to hurt or kill him or herself.
- Looking for ways to kill himself or herself by seeking access to firearms, pills or medications, or other means.
- Talking or writing about death, dying or suicide when these actions are out of the ordinary for the person.
- Acting recklessly or engaging in risky activities—seemingly without thinking.
- Experiencing dramatic mood changes.
- Expressing feelings of purposeless or seeing no reason for living.

Firearms Safety Checklist

- Properly storing your firearm and ammunition can reduce the risk of suicide and unintentional injury.
- Keep firearms unloaded and ammunition in a place that cannot be accessed by children and unauthorized adults.
- Store ammunition separate from firearms.
- Regularly reassess to ensure safe storage of firearms, especially during periods of increased stress or emotional crisis.
- When someone feels overwhelmed in a crisis, safely and securely storing firearms can provide critical life-saving moments between impulse and action.

Information is from the American Association of Suicidology

Other Suicide Prevention Efforts

Other Statewide Suicide Prevention Efforts

- Suicide Awareness, Prevention and Postvention Grant Program
 - School District Direct Grant Program
 - E Learning Modules
- “Recasting the Net- Promoting Wellness to Prevent Suicide in Alaska” data collection and assessment
- Statewide Suicide Surveillance System
- Ongoing partnerships and collaboration with local suicide prevention groups, partners and programs



Questions/Comments?

Alaska Commission on Aging

Alaska Mental Health Trust Authority



Alaska Commission on Aging

November 6, 2019

Lesley Thompson, Acting Executive Director

“Dementia is our most-feared illness, more than heart disease or cancer.”

David Perlmutter

Presentation Overview

- ❑ ACoA Updates
 - ▣ ACoA Commissioners
 - ▣ Alaska State Plan for Senior Services, FY2020-2023
 - ▣ 2019/2020 Budget Items
 - ▣ ACoA Legislative Advocacy Priorities Draft
 - ▣ Other Projects
 - ▣ Tok Quarterly Meeting in September
 - ▣ ACoA Winter Meeting, December 11, 2019
 - ▣ ACoA Legislative Meeting February 24-27, 2020
 - ▣ Transitions
- ❑ Wrap-Up with remaining questions and discussion

Current ACoA Commissions

- Gordon Glaser, Chair Anchorage
- Bob Sivertsen, Vice-Chair (pending) Ketchikan
- Linda Combs Palmer
- Michael Coons* Palmer
- Deb Etheridge (Dept. HSS) Juneau
- Anna Frank Fairbanks
- Rosemary Hagevig (Pioneer Home Advisory) Juneau
- Cheryl La Follette* Fairbanks
- Sandra Moller* (Community & Regional Affairs) Anchorage
- Paula Pawlowski* Anchorage
- Nona Safra (Provider)* Anchor Point

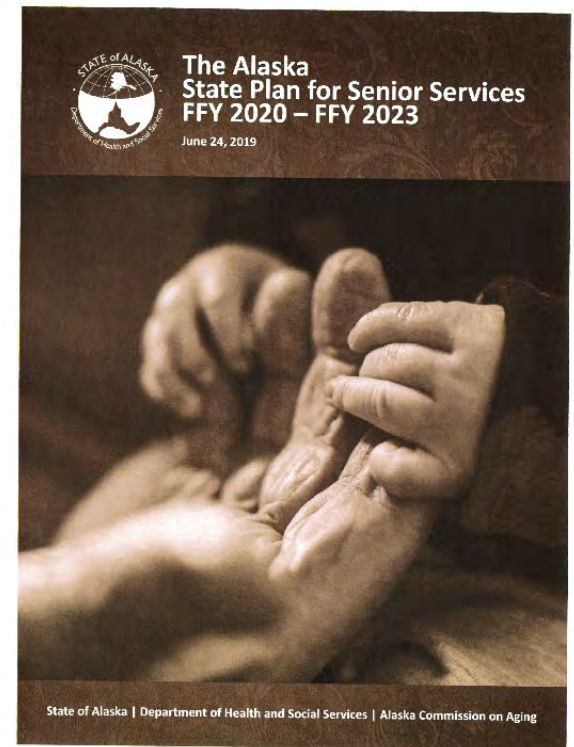
*Newly appointed within 12 months

Some of the ACoA Commissioners



The Alaska State Plan for Senior Services

- The Completed and Approved Alaska State Plan for Senior Services FFY 2020 – FFY 2023



Budget Items 2019/2020

HB 2001 - The Governor restored funding in the amounts below for the following operating and mental health budget items:

- **Senior Benefits Program** (\$20.7 million GF for FY20 and \$800.0 GF FY19 supplemental to cover May and June 2019 payments for the upper income tier who receive \$76 monthly).
- **Alaska Civil Legal Services Fund** (\$309,090 GF and \$450,000 from court filing fees) for a total of \$759,000

Senior
BENEFITS PROGRAM



Budget Items 2019/2020

HB 2001 operating budget items not restored:

- ❑ **Medicaid Services** (-\$50 million GF and matching federal funds) for health care coverage.
- ❑ **Medicaid Adult Preventative Dental** (-\$8 million GF and -\$18.73 million matching federal funds).
- ❑ **Adult Public Assistance** (-\$7.5 million GF).
- ❑ **Behavioral Health Treatment and Recovery Grants** (-\$6.1 million GF) for mental health and addiction treatment services statewide.

Potential Advocacy Issues

- ❑ Legislation to establish a “Family Caregiver Council”
- ❑ Protect or Increase the Senior Safety Net Investment
- ❑ Medicare Information Office – Volunteer Coordinator Needed
- ❑ Additional Support for Adult Protective Services
- ❑ Increase Senior Services in Rural Alaska



Potential Advocacy Issues

Legislation to establish a “Family Caregiver Council”

Legislation is requested to establish a family caregiver council that would be responsible for making recommendations to improve supports for family caregivers and address specific needs:

- Promote greater utilization of “person-centered” practices that take into account the needs of the caregiver.
- Address workplace and financial needs of the caregiver.
- Support development of caregiver peer support groups.

Potential Advocacy Issues

“Protect” or “Increase” the Senior Safety Net –

Low-cost home and community-based services help seniors to remain healthy and independent, rather than being dependent on more expensive (and frequently state-supported long-term care services saving the state funding and the ability to serve more seniors.)



Potential Advocacy Issues

Medicare Information Office – Volunteer Coordinator Needed

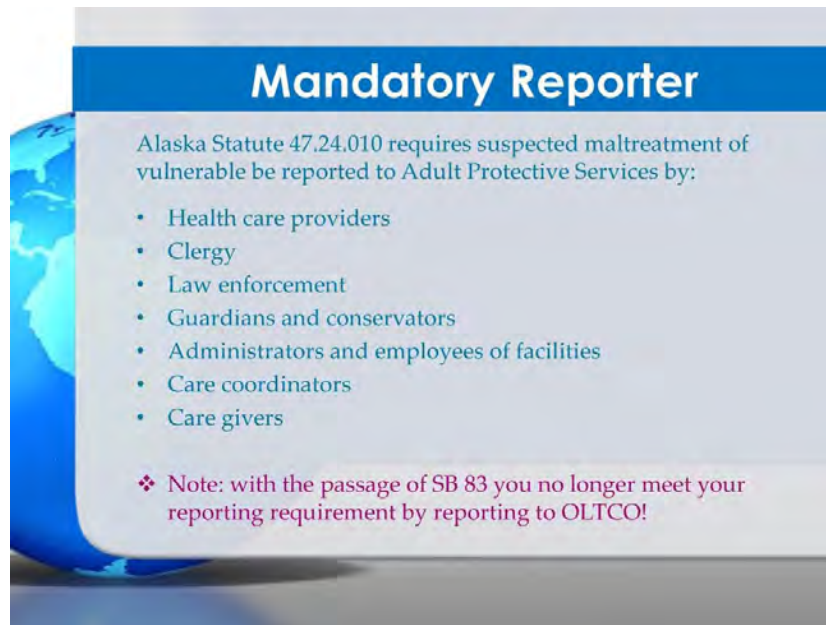
While offices are doing more with less, the Medicare Information office continues to serve more seniors than every before. They continue to recruit volunteers to help with this need and a staff position is needed to help manage the increase in volunteers around the state.



Potential Advocacy Issues

Additional Support for Adult Protective Services

As Alaskans struggle with the challenging state and person fiscal picture, Adult Protective Services has seen a significant increase in their caseloads. They need to be additional support for this division.



Mandatory Reporter

Alaska Statute 47.24.010 requires suspected maltreatment of vulnerable be reported to Adult Protective Services by:

- Health care providers
- Clergy
- Law enforcement
- Guardians and conservators
- Administrators and employees of facilities
- Care coordinators
- Care givers

❖ Note: with the passage of SB 83 you no longer meet your reporting requirement by reporting to OLTCO!

Potential Advocacy Issues

Increase Senior Services in Rural Alaska

Funding continues to be an issue around the state. Funding for senior programs has not kept up with the increasing number of seniors turning 60+. There is a significant disparity of types of services offered in urban versus rural areas. As the Commission travels to rural areas it is apparent to commissioners.



Other Projects

- Hiring Older Workers Taskforce
- Opioid Health Action Response Committee (OHAR)

Hiring Older Workers

- Department of Labor and Workforce Development (DOLWD): The Commission, in partnership with the DOLWD, are working together to raise awareness about the value of hiring the older worker



Other Projects

Opioid Health Action Response Committee (OHAR)

1. Working Subgroups Updates
 1. Provider education/coordination
 2. Law/first responders
 3. Insurers and communication to patients
 4. Community response and engagement
 5. Communication/Joint Information Center
 6. Other subgroups
 - a. Future Response Operations

Tok Meetings



More Pictures of Tok Meetings



Transitions for the Commission

- ❑ Hire a new Executive Director
- ❑ Train new Commissioners



Next Meetings

- ▣ ACoA Winter Meeting, December 11, 2019
Teleconference
- ▣ ACoA Legislative Meeting February 24-27, 2020
In Juneau

Thank You. Questions?



**I thought
growing old
would take
longer.**

Approvals / Allocations / Consultations

MEMO

To: Mary Jane Michael, Chair
Through: Mike Abbott, Chief Executive Officer
Date: October 25, 2019
Re: FY20 Flexible Special Needs Housing Change Of Intent
Amount: \$150,000.00
Project Title: Flexible Special Needs Housing

REQUESTED MOTION:

Recommend the approval of removing Alaska Housing Finance Corporation (AHFC) as the named grantee for the FY20 Flexible Special Needs Housing "Rent-up" project.

Assigned Program Officer: Travis Welch

STAFF ANALYSIS / BACKGROUND

The State of Alaska has a recidivism rate of 61%; contributing to this high rate is a lack of housing and housing supports for reentrants. Justice involved Trust beneficiaries have an average recidivism rate (40.7%) of nearly double that of other offenders (22%). In the FY20 budget, Trustees approved \$150,000 of Authority Grant funds to the Alaska Housing Finance Corporation (AHFC) for a reentry pilot program to address housing and housing supports for individual Trust beneficiary reentrants. The program goal is to provide supportive transitional housing to these beneficiaries to assist with the return to their community.

In partnership with AHFC, the original program plan was to grant \$150,000 of FY20 Trust Authority Grant funds to AHFC for this work. As a result of discussions with AHFC regarding the implementation of this project, a more effective approach to address the housing needs of beneficiary reentrants has been identified. Rather than granting the funds to AHFC, these funds would be granted to organizations around the state to meet beneficiary reentrant housing needs in their home communities. Therefore, it is recommended that AHFC be removed as the designated agency to receive these funds.

MEMO

To: Mary Jane Michael, Chair
Thru: Mike Abbott, Chief Executive Officer
From: Sarah Morrison, Interim Chief Financial Officer
Date: October 29, 2019
Re: Central Facilities Fund Request – Real Estate Investment Advisor

REQUESTED MOTION:

The Board of Trustees approves the use of up to \$380,000 from the Central Facilities Fund to pay for the real estate investment advisor contract during fiscal year 2020 and 2021. The Fund will be replenished using distributions from the commercial real estate portfolio.

Request:

The Trust Authority requests the use of up to \$380,000 from the Central Facilities Fund (CFF). The funds will be used to pay for the real estate investment advisor during fiscal years 2020 and 2021.

Background:

The Legislative Audit (the Audit) completed in 2018 asserted that the Trust's commercial real estate portfolio should be transferred to the Alaska Permanent Fund Corporation (APFC) for management. This option was diligently explored, but the proposal from APFC was cost prohibitive – over \$700,000 annually. To meet the spirit of the Audit, the Trust Authority, through a nationwide, competitive, RFP process, retained a real estate investment advisor.

Cost:

The base fixed price for the scope and deliverables is \$380,000 over 12 months. The contract includes language that allows for additional work to be completed by the advisor at the request of the CFO. Additional work would include projects such as assistance with a potential sale, major lease renegotiations, or negotiating portfolio-level debt. If any such additional funds are required, the CFO will seek approval from the board of trustees. Funds utilized from the CFF will be replenished using distributions from the investment properties.

Contract Time Horizon:

This contract has an initial one-year term with three optional renewals. The first year of the contract requires significant work for the advisor to come up to speed and make an assessment of the portfolio. It is anticipated that subsequent contract years will be at a lower cost.



To: Mary Jane Michael Chair
Alaska Mental Health Trust Authority
From: Aaron O'Quinn
Date: 11/6/2019
Re: MHT 9200318
Fiscal Year: 2020

Consultation

Proposed Motion:

"The Alaska Mental Health Trust Authority board of trustees approve the addition of three 15-year extension options to lease MHT 9200318, subject to further negotiation of commercial terms by the Trust Land Office."

Background:

Revenue Projections:

Income: \$168,000/yr, escalating to +\$350,000/yr by year 2058

Transaction/Resource:

Lease amendment – Term Extension Options

Original: One Extension Option for one 15-year period following lease expiration for option payment of \$20,000.

Proposed: Four Extension Options of 15-year periods each following lease expiration with an option payment of 25% of the rent for the year in which the option is exercised.

Additionally, various fees and requirements associated with the end of the lease will be revised from a fixed dollar amount to percentages of the rent in order to account for inflation. Those include the establishment of a reserve account at 125% of the annual rent and the requirement to seek approval of the Trust for improvements costing greater than 15% of the annual rent.

The TLO will also use this opportunity to renegotiate any terms deemed undesirable, such as the rent escalation schedule and methodology.

Property Description/Acreage/MH Parcel(s): Tract 2A, U-MED PROFESSIONAL PARK SUBDIVISION, according to Plat 2004-172, filed in the Anchorage Recording District, Third Judicial District, State of Alaska.

General Background: In February of 2003 the AMHTA board of trustees was consulted and in March 2003 the Executive Director of the TLO reached a best interest decision to lease the northern half of Tract E of the MHTL subdivision, plat number 2002-28 of the Anchorage recording district. Tract 2A was initially part of a larger parcel (6+ acres), Tract E-2, which was leased to Venture Development Group, LLC in 2003 (Lease MHT 9200232). Following several projects in the area, including the construction of 40th Avenue and Laurel Street, the area was re-platted into Tracts 2A and 2B of similar size. In August 2005, a new lease was created for Tract 2A, MHT 9200318, which is the subject of this consultation. Upon development and securing of improvement tenants, Lease MHT 9200318 was assigned in October 2005, with Lessor consent, by Venture Development Group, LLC to VDG-OPA, LLC, who now seeks this amendment.

Because this amendment is outside the scope of the original decision, a new best interest decision and consultation is required.

The site is located at 3801 Lake Otis Parkway, Anchorage, Alaska and is occupied by Orthopedic Physicians Alaska and other outpatient medical services. The building is a class A medical office building. The initial term of the lease expires on – June 30, 2058

Anticipated Revenues/Benefits: The request to make material changes to the lease by the Lessee represents a significant opportunity to re-examine the lease and make changes to provisions that are deemed unfavorable. These generally consist of items that were set at fixed dollar amounts without regard for inflation. Tying these amounts to the current rent and possibly re-establishing the methodology by which the rent is calculated will allow the Trust to receive the benefit of higher security and increased revenue.

Anticipated Risks/Concerns: Granting these option extensions may increase the value of ownership interests in the Lessee. This could result in sales or assignments of the underlying corporate lessee ownership interest and erosion of credit security. The TLO will seek to decrease credit risk by requiring the establishment of surety/demolition bonds or receive personal guarantees from company principals or requiring consent to market or divest ownership interests in the underlying Lessee organizations.

Project Costs: Staff time. Attorneys' fees will be reimbursed by Lessee.

Other Considerations: None

Due Diligence: Consultation with legal counsel.

Alternatives: Maintain status quo, which will forfeit leverage and opportunity to renegotiate unfavorable positions.

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 leasing of Trust land with an objective of providing stable and predictable streams of income and protecting the Trust from unnecessary risk.

Trust Land Office Recommendation: Approve the motion as presented.

Applicable Authority: AS 383.05.801 and 11 AAC 99.

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.

Exhibits: Exhibit A – Vicinity Map

Exhibit A – Vicinity Map



U-Med, Tract 2A, VDG-OPA, LLC

- MHT 9200318
- Easements
- Land Lease
- Land Sales Conveyed
- MHT Settlement Parcels



Full Board of Trustee Meeting
November 6, 2019

Motion:

Move that the Board go into Executive Session to perform the annual performance evaluation of the Chief Executive Officer in accordance with the Open Meetings Act, AS 44.62.310(c).