

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD MEETING

12:30 p.m.

August 26, 2021

Teleconference

Originating at:

3745 Community Park Loop, Suite 120

Anchorage, Alaska

Trustees Present:

Chris Cooke, Chair

Verne' Boerner

Brent Fisher

Anita Halterman

John Sturgeon

Rhonda Boyles

Kevin Fimon

Trust Staff Present:

Mike Abbott

Steve Williams

Eric Boyer

Carol Howarth

Miri Smith-Coolidge

Kelda Barstad

Valette Keller

Katie Baldwin-Johnson

Mike Baldwin

Autumn Vea

Alison Biastock

Luke Lind

Kat Roch

Travis Welch

Jimael Johnson

Trust Land Office:

Wyn Menefee

Sarah Morrison

Jusdi Doucet

Also participating:

Lisa Morley; Bev Schoonover; Lisa Cauble; Kristin Vandagriff.

PROCEEDINGS

CALL TO ORDER

CHAIR COOKE called the meeting back to order and noted that all trustees were present.

ANNOUNCEMENTS

CHAIR COOKE asked for any announcements. There being none, he moved to the FY23 budget deliberations, and asked for a motion.

FY23 BUDGET DELIBERATIONS

MOTION: A motion that the Full Board of Trustees approve the MHTAAR Mental Health Trust Administration and Authority Grant for fiscal year '23 in the amount of \$35,521,900. This consists of \$17,887,200 of MHTAAR and MHT Admin and \$17,634,700 of Authority Grants. These funds are to be used for programs and activities described in the detailed fiscal year '23 budget recommendations document prepared for the August 25 and 26, 2021 Board of Trustees' meeting. Included in this motion is a recommendation by the Full Board of Trustees for the State of Alaska appropriation of \$17,036,500 of GF/MH funds and \$8,138,100 of other funds for fiscal year '23, was made by TRUSTEE HALTERMAN; seconded by TRUSTEE BOERNER.

CHAIR COOKE continued that the matter was open for discussion, and recognized Mr. Abbott.

MR. ABBOTT stated that this is one of the biggest decisions of the year, and we spent a long time talking about it at the committee meetings a month ago. He continued that there have also been a lot of developments since this topic was last discussed. One of the important pieces of that was a communication received from the Governor, and staff has a recommendation for how to address the Governor's recommendations. He explained that all of the recommendations are exactly the sort of dialogue that should take place between the Administration and The Trust, and we hope that this will continue going forward. This is progress in improving the relationship with the Administration and creating a collegial, constructive relationship that was envisioned during the settlement and the drafting of the legislation that caused the Authority to come into existence. He broke the Governor's proposal into five separate recommendations that the Trust was asked to consider. The first is labeled State General Funds FY23. The Governor recommended that the Trust reduce the amount of General Funds it recommended that the State expend in support of the State's Comprehensive Integrated Mental Health Plan, the COMP plan. He explained that the Trust has a statutory obligation to make recommendations in order to see the program implemented. The Governor asked the Trust to reconsider the FY23 recommendations made last year before the FY23 budget is finalized. There is a recommendation from staff for reductions in the FY23 GF/MH recommendations that would bring the total into the range suggested by the Governor. He recommended an amendment to the motion to insert the alternate numbers in the GF/MH column in the FY23 budget. The change would bring the \$17,036,500 GF/MH recommendations down to \$7,431,500; a reduction of almost \$10 million.

CHAIR COOKE ruled to defer the detailed consideration of any change in the budget motion regarding General Funds until the entire review of the Governor's budget was completed.

MR. ABBOTT moved to the second topic and stated that it appears that the State is optimistic of the receipt of some amount of funds. The Governor suggested that the Trust, the State, and potentially other funding partners work together to use a combination of funds cooperatively in order to have the greatest impact possible on the opioid issues. He continued that this made sense, but there is not enough detail available to recommend a budget item. He recommended beginning discussion with the Commissioner and his designees on a program that would give greater clarity to how the funds could be used. Then an amendment could be considered at the next Program & Planning Committee meeting in October.

A brief discussion ensued.

MR. ABBOTT moved on to the specific projects category. The next one was funding for housing options for elderly Alaska Natives with mental health issues. This is a project that the Administration had not discussed, and we have not been approached by the State for funding of this type in the past. He stated that General Funds were being proposed with the Trust involved specifically requesting support of a State General Fund allocation of \$500,000. This could be made a part of the General Fund recommendations.

Questions and a discussion ensued.

MR. ABBOTT stated that he would propose and strongly endorse the project the Governor described, and commit to work on it. He moved on to the fourth request. The Governor's letter indicated frustration in his ability to get State land out of State ownership and into private ownership. The process the State uses for general State lands is rigorous, onerous, and is a difficult process to actually execute. The Trust is a lot different with greater flexibility in decisions and execution on the arrangements. He talked about the challenges which led to a discussion. He moved to the fifth proposal in the Governor's letter, which had to do with the 988 Suicide Prevention Mental Health Crisis Hotline. He explained that Congress passed Federal legislation designating 988 as the phone number for national suicide prevention and mental health crisis support system access. Very few states have this system in place, and Alaska does not. He continued that Federal legislation requires that there be such a system in place by July 16, 2022. He stated that the Trust has been part of the Department's planning effort with a possibility of this 988 system being a potential component of the Crisis Now system that is trying to be developed. He added that a phone-based system is the first line of contact for the Crisis Now model; and a planning effort is underway, but is still in the early stages. He continued that the Trust could and should be an active participant, but we are not comfortable recommending a \$1.5 million commitment without knowing more about the program.

CHAIR COOKE asked about the next move on this.

MR. ABBOTT proposed authoring and being a signatory on a letter back to the Governor describing the recommendations he brought forward with modifications from the trustees. He would draft it, and prepare it for delivery within a week. The tone of the letter would express appreciation for the engagement with the Governor on these important issues, and then some pages of specific responses to the individual proposals to follow.

A brief discussion ensued.

TRUSTEE HALTERMAN pointed out that the letter from the Governor was written to the Chair, and stated that it would be more palatable if the response came from the Chair.

CHAIR COOKE completed the review of the Governor's letter and moved to the proposed adjustments for reductions to the General Fund/MH component of the FY23 budget proposal. He asked for an amendment.

MOTION: A motion that the Board consider adjusting the General Fund request from \$17,036,500 to \$7,431,500 of GF/Mental Health was made by TRUSTEE HALTERMAN; seconded by TRUSTEE BOERNER.

CHAIR COOKE moved to a discussion of the proposed amendment.

MR. ABBOTT clarified, for the record, that the total was amended, and it is clear that staff has the authority to make the appropriate individual line adjustments as described in the memo. He stated that five reductions in the roughly 20 lines that have GF/MH recommendations are being proposed. They total a \$3.1 million reduction in the Crisis Now grant line. He talked about a new GF/MH request and lowering it from \$4 million to \$900,000. He added that the reduction is only in the GF/MH recommendation. The level of Trust funding, the largest single programmatic expenditure in the budget, would continue.

MR. WILLIAMS moved to the Alaska Justice Information Center which is housed at the University of Alaska. The recommendation is to zero out that \$225,000. This does not reduce the capacity or the operations of the Alaska Justice Information Center as it is currently operating in FY22. The reason the increment was in there was to be able to expand the operations and capacity of it. He moved to the next one, which is the holistic defense, which was to expand. Zeroing out the GF/MH will not impact the current service level or capacity of this project.

MR. ABBOTT stated there were three more items. The first two are the two AHFC-run programs, special needs housing grants and homeless assistance projects, SNHG and HAP. The recommendation is to reduce the earlier preference and match what AHFC is putting into their budget. He moved to the last one, the Alaska Training Cooperative. In the workforce-development area the total program expense is approximately a million dollars. He continued that the Trust has been the complete funder of that for 20 years. He explained in more detail and recommended maintaining the 10 percent reduction for another year.

TRUSTEE STURGEON suggested putting \$500,000 back in the budget, and made it a friendly amendment to Trustee Halterman's motion.

MR. ABBOTT explained that this is a proposal to amend the amendment, to add a \$500,000 GF/MH recommendation to the Housing and Long-Term Services and Supports focus area for the Department of Health and Social Services to engage in planning for rural assisted-living housing development.

MOTION: A friendly amendment was made by TRUSTEE STURGEON to put back \$500,000 in the budget for the Housing and Long-Term Services and Supports focus area; seconded by TRUSTEE BOERNER. It was accepted by TRUSTEE

HALTERMAN, who brought the original motion, and by TRUSTEE BOERNER, the second.

MR. ABBOTT recommended that the General Funds would be directed to AHFC as opposed to DHSS for this motion.

A discussion ensued.

CHAIR COOKE explained that the amendment would be to replace the last full line of the pending motion: State of Alaska appropriation of \$7,931,500. He called the question on the amendment.

After the roll-call vote, the MOTION was APPROVED. (Trustee Fimon, yes; Trustee Fisher, yes; Trustee Sturgeon, yes; Trustee Boerner, yes; Trustee Boyles, yes; Trustee Halterman, yes; Trustee Cooke, yes.)

CHAIR COOKE moved to the main motion, which encompassed the entire budget proposal.

MR. ABBOTT described the organization of the big spreadsheet in detail. He stated that if the budget was adopted as proposed, with the amendments added, there would still be about \$1.7 million left in unobligated for future funding decisions going forward. He added that the recommendation is that the trustees would likely be able to do whatever in support of the Governor's recommendations and still adopt the budget recommended today.

A brief discussion ensued.

TRUSTEE STURGEON called the question.

CHAIR COOKE stated that he would like to address one item in respect to the budget, particularly the amendment changes, and make his own motion. He passed the gavel to Trustee Halterman to assume the Chair.

CHAIR HALTERMAN agreed.

TRUSTEE COOKE called attention to Page 9 of the budget line 25, an adjustment to the budget for \$460,000 in a grant to go to the Department of Health and Social Services to deal with intensive at-risk early intervention services. After reading the proposal, he talked about it being an unproven program. A new program that would hire four staff to do some studies and evaluate high-risk families and employing Child Protective Services folks to address the needs of those families. He explained the reasons for his concerns.

MOTION: A motion to delete that \$460,000 item from the budget or, alternatively, put that into the new budget category of studying needs and opportunities and ways to provide elder housing throughout Alaska was made by TRUSTEE COOKE; seconded by TRUSTEE FIMON, for the purpose of discussion.

TRUSTEE BOERNER stated appreciation for some of the comments that Trustee Cooke brought forward. She spoke in opposition to the motion because, even today, there was a spectacular

very powerful visit that really highlighted complete vulnerability, and the fact that we create a system that forces our acuity to higher and higher levels before responding. She talked about her personal interventions and coming from that spectrum. She continued that earlier intervention is worth the investment. Her response is based on fact that if there is no intervention beforehand, that there is a forced creation of our own beneficiaries.

TRUSTEE STURGEON stated, respectfully, that he would not support the motion. His wife, who was actually Alaska's Teacher of the Year, has been a first-grade teacher for 46 years and he has heard every day the importance of early intervention.

CHAIR HALTERMAN asked for any further questions or comments.

TRUSTEE COOKE did not disagree with the need as a social need, but he thought that this program proposal is particularly sketchy.

CHAIR HALTERMAN clarified that this vote is on the amendment to strike \$460,000 from the intensive at-risk early intervention services. She called the vote.

After the roll-call vote, the MOTION FAILED. (Trustee Fimon, no; Trustee Fisher, no; Trustee Sturgeon, no; Trustee Boerner, no; Trustee Boyles, yes; Trustee Cooke, yes; Trustee Halterman, no.)

(The gavel was returned to Chair Cooke.)

MR. WILLIAMS stated that this program will serve Trust beneficiaries, has been tried and utilized in other states and has demonstrated outcomes. It was an oversight that the materials were not provided.

TRUSTEE HALTERMAN stated that she was struggling with the adult dental portion of the budget, primarily because the questions she asked were trying to get to the root of understanding who is being served with the adult dental.

MR. ABBOTT stated that the program only serves Trust beneficiaries through the different providers that are granted through these budget lines. The providers may serve nonbeneficiaries, but the funds are only used on Trust beneficiaries for services that are deemed critical.

A discussion ensued.

CHAIR COOKE called the vote on the main motion.

After the roll-call vote, the MOTION was APPROVED. (Trustee Fimon, yes; Trustee Fisher, yes; Trustee Sturgeon, yes; Trustee Boerner, yes; Trustee Boyles, yes; Trustee Halterman, yes; Trustee Cooke, yes.)

CHAIR COOKE stated that the budget for FY23 was approved, and called a break.

(Break.)

CHAIR COOKE reconvened the meeting and stated that all trustees were present. He continued that next on the agenda was the CEO transition.

MR. ABBOTT stated that the purpose of this conversation is to bring the trustees up to speed on the state of the work that has been done, and then make progress towards and complete the consideration of any changes to the position description that was last comprehensively rewritten three years ago. He continued that the trustees agreed to securing the services of a search firm to help identify candidates for consideration. A scope of services limited to the identification of candidates was developed with Trustee Halterman. The services of a contractor will be gained in the next couple of weeks. They will help in advertising and recruiting a pool of candidates to be considered. He went through the timeline and hoped that the process would proceed with a candidate on track to begin no later than the middle of January when his retirement would take effect. He moved to the description that generally reflects the expectations described in the Board and CEO charters.

A discussion and questions on the process ensued.

CHAIR COOKE stated that he had asked Trustee Halterman to lead the search process. He asked her to describe how this is moving forward.

TRUSTEE HALTERMAN replied that she and Ms. Keller were reviewing the RFP language and have made sure that the posting was in compliance with some legal challenges. A slight adjustment was made, and it was posted. She stated that they were in the process of collecting information from entrusted recruiting agencies that will screen applicants and send them forward. She asked for some advice on how to proceed when there are applicants.

The discussion continued.

MS. KELLER stated that the company will mainly recruit, and we have asked them to do a high-level, first-pass screening, but to still give us the full list of names, flagging those that may be a good fit. She added that background checks were not included in the RFP, which looked at widening the net and getting as many names and applications as possible.

MR. ABBOTT suggested that Trustee Halterman consider taking on one other trustee, along with Ms. Keller, to cull the applications.

TRUSTEE HALTERMAN asked for any objections to Trustee Fisher working on this project.

TRUSTEE BOERNER replied no objection, and offered to support the process after August 31st.

MR. ABBOTT stated that three would be the limit before this would get into an open meetings condition.

The discussion continued.

TRUSTEE HALTERMAN recommended one adjustment to the position description -- including a section that states that risks for audit and risk be identified, and policies developed with the

Board that align with the Trust's mission and vision to ensure that risks are mitigated, and that policies are implemented and evaluated.

MR. ABBOTT stated that this does a great job as currently presented, and he had no significant changes to recommend.

The discussion continued.

CHAIR COOKE stated that there was no need for an action for this. It was just approving a job description. He continued that time was set aside for executive session, but there is no need for that. He moved to the Board elections and trustee comments. He noted that the bylaws say that there are three officers elected annually: A Chair, Vice Chair and Secretary. Officers are to be elected by majority vote at the annual budget-approval meeting, which is this meeting. Officers' terms of office commence upon adjournment of that meeting. He stated that it had been his privilege to serve as Chair during the past year and a half. He has thoroughly enjoyed being on the Board, and was honored to have been the Chair. He continued that his term will officially end on March 1st, and that he did not intend to seek reappointment to the Board. He explained that he would like to continue as Chair while going through the CEO selection process, put to rest the Legislative Audit issues, while continuing discussions with the Administration about budget matters, if the Board concurred. He moved to the nominations.

NOMINATIONS:

TRUSTEE BOERNER nominated Trustee Cooke to continue in the role of Chair in the way he described.

CHAIR COOKE called for any nominations for the position of Chair three times. Hearing none, he closed nominations for Chair, and asked for any nominations for Vice Chair.

TRUSTEE BOERNER nominated Trustee Halterman for Vice Chair.

CHAIR COOKE asked for any other nominations for the office of Vice Chair three times. Hearing none, he closed nominations for Vice Chair. By unanimous consent, Trustee Halterman is Vice Chair. He continued that the third office is for Secretary, and asked for any nominations.

TRUSTEE HALTERMAN nominated Trustee Boyles for the office of Secretary.

CHAIR COOKE asked for any other nominations for the office of Secretary three times. Hearing none, the nominations for Secretary are closed. Trustee Boyles was elected as Secretary for the Board of Trustees for the next year.

(Applause.)

TRUSTEE COMMENTS

CHAIR COOKE told a story about the newest member of the Supreme Court going first, and then recognized Trustee Fimon, the newest trustee, for his comments.

TRUSTEE FIMON thanked the staff for their hard work and appreciated the patience they had with him. He appreciated Mr. Abbotts' candor, straightforwardness and honesty about what he

may have been up against and for all the information. He stated that the preparation has been phenomenal, including the quick turnaround of the information received after the Governor's letter. He noted how well the Board of Trustees respect and communicate with each other. He added that he is a bit overwhelmed, but appreciated the learning experience.

TRUSTEE FISHER stated that it was a great meeting, and he was impressed with everyone being amicable to one another. Staff is great, and he appreciated the way they made the trustees as comfortable as possible. He thanked Trustee Fimon for being the new guy.

TRUSTEE STURGEON thanked staff for all the hard work and making the trustees' job easy, and for making the trustees look good.

TRUSTEE BOERNER (speaking Native language) began with the staff, the work they do, and stated that it was inspiring and appreciated. She continued that she appreciated the diversity of thought the trustees have, sharing different perspectives, helping the critical thinking aspects that goes towards meeting the needs of the beneficiaries. She added that it is done with respect and admiration, and is highly valued. She stated that the Mission Moments are always inspirational, and thanked Rob.

TRUSTEE BOYLES thanked the staff and also thanked Mr. Abbott and Mr. Williams. She talked about last year and the lack of communication with the Governor. She enjoyed the presentation from the Department of Law because it was a good reminder of the priorities. That presentation needs to be foremost in our minds in administering the Trust solely in the interest of the beneficiaries.

TRUSTEE HALTERMAN stated that she came into this meeting with a bit of anxiety about the budget session, especially in light of the Governor's request for consideration. She appreciated the time staff put in to be able to be responsive with additional insight to the Board. She thanked staff and appreciated the court reporter's clarity and insight in how the Board functions. She missed the in-person interactions with everyone and stated that it is critical, allowing relationships to forge. She feels that she has a room full of friends and appreciated that.

CHAIR COOKE stated that he overlooked the business of the Chair appointing Committee Chairs at the annual meeting. He reappointed the current Committee Chairs: Trustee Sturgeon to Resource; Trustee Boerner to Planning; and Trustee Halterman to Finance and Risk Management. Hearing no objection, they are reappointed. He concurred with all that was said about staff, the presenters, Mission Moment, and added that they had just passed a budget for \$35 million. He added that they all did a good job. He stated that the organization is in good shape, and he appreciated everyone's efforts. He asked for a motion to adjourn.

MOTION: A motion to adjourn the meeting was made by TRUSTEE HALTERMAN; seconded by TRUSTEE STURGEON.

There being no objection, the MOTION was APPROVED.

(Alaska Mental Health Trust Authority Full Board meeting adjourned at 4:05 p.m.)