ALASKA MENTAL HEALTH TRUST AUTHORITY
SPECIAL FULL BOARD OF TRUSTEES MEETING
March 27, 2024
8:30 a.m.

Hybrid Meeting
Alaska Mental Health Trust Authority
3745 Community Park Loop, #200
Anchorage, Alaska 99508

Trustees Present:
Anita Halterman, Chair
Brent Fisher
Kevin Fimon
Agnes Moran (Virtual)
John Sturgeon
John Morris
Rhonda Boyles

Trust Staff Present:
Steve Williams
Katie Baldwin-Johnson
Miri Smith-Coolidge
Michael Baldwin
Julee Farley
Allison Biastock
Valette Keller
Kelda Barstad
Luke Lind
Debbie Delong
Carrie Predeger
Janie Ferguson
Eliza Muse
Eric Boyer

Trust Land Office staff present:
Jusdi Warner
Sarah Morrison
Jeff Green

Also Participating:
Gene Hickey; Katie Hegland; Ian Casey; Emily Ricci; John Springsteen; Kim Champney; Lynne Keilman-Cruz; Patrick Reinhart; Jimael Johnson; Bryce Coryell; Heather Maidl.

PROCEEDINGS

CALL TO ORDER

CHAIR HALTERMAN called the meeting to order and began with a roll call. She asked for any announcements. Hearing none, she asked for a motion to approve the agenda.

APPROVAL OF THE AGENDA

MOTION: A motion to approve the agenda was made by TRUSTEE STURGEON; seconded by TRUSTEE FIMON.

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

CHAIR HALTERMAN asked for any ethics disclosures. Hearing none, she turned the floor over to Steve Williams for The Arc of Anchorage discussion.

ARC OF ANCHORAGE

MR. WILLIAMS began with an introductory narrative related to The Arc's request for some short-term financial support explaining where we are, how we got here, and the situation surrounding The Arc. He said that it is not uncommon for organizations to go through periods of financial, staffing and service challenges. The Trust tries to work with our partners to "weather the storm." We have done this for almost 30 years in different ways. Today's request is from The Arc which sits to our west, directly behind the Whaley School, on a Trust parcel, which includes their main administration office buildings, as well as some of their buildings that are used for the rec center. He continued that today's request has a time sensitivity to it. The Arc has been engaged for the last few years looking at the way they provide services; how they provide them; how to make themselves more financially stable through revenue generation that involves changing the types of services that they provide; and to whom they provide those services. Right now, The Arc is in a cash-flow gap. The request in front of the trustees is a way to close that gap while The Arc awaits a payment through the Employee Retention Tax Credit program that is expected to arrive in the next six to eight months. This will allow The Arc to continue the changes that they have already implemented, and other changes that are going to happen to increase their cash flow and improve their financial stability into the future. The Arc is committed to repaying this grant in full for the amount of money that they expend, up to a million dollars, through that Employee Retention Tax Credit payment that they receive. If there is some other way to do it, they will to do it that way. He turned the presentation over to Mr. Boyer.

MR. BOYER stated that he would give just the highlights of the timeline so trustees can see how we got here, and the role that we played in working with The Arc. Our work with The Arc is the shared vision that developmental disabilities and ID providers have maintained to support Trust beneficiaries; and through that work, we have looked at how to enhance the services they provide. Part of that enhanced support is with the 1115 waiver for behavioral health services. One of those services is adult mental health residential. We have supported the organization for SUD treatment by really enhancing that ability for somebody coming in with co-occurring symptoms, who are really struggling with something on the mental health spectrum and adding in, potentially, SUD. We are short of mental health beds across our state, and that is where The Arc has really taken some of the work from contactors to build into their system, their services, and their business model. Over half of those beds now exist right over on The Arc campus, which is a pivotal part to this. Seven to nine years ago when the State looked at Medicaid expansion, part of the expansion plan was to fall in line with the Federal Government in terms of moving away from those grants to DD providers to provide those services, and going to home– and community–based waiver services through Medicaid. That plan took several years to enact. In the process, larger organizations like The Arc began to see deficits in terms of being able to meet their operational needs. They looked at how they could eliminate any overhead administratively; but that still did not meet the need. They had a pretty healthy endowment, which covered those operational losses month by month. Back in 2019, I was a program officer here at the Trust, and I had conversations with their chief finance officer as to how the Trust could work with them see how to change things. We were able to provide support, financial resources for TA contractor, Agnew::Beck, to do some strategic planning. That came to fruition in 2020 with changes in the business plan; and that is when we started looking at those services. Then in March of 2020, our world came to kind of a halt with COVID, and plans got put on hold. The majority of operational cost is in staff, and the issue became how to keep their core staff employed when they could not provide much of those daily services. They were able to keep some of their homes open because the people being served there didn't have anywhere to go, and the Federal Government provided payroll protection funding. Keeping staff is an issue with our providers and COVID just exacerbated that. Agnew::Beck came back later in 2020 with an addendum to the plan. The ability to move forward with some of the expansion of services into the 1115 waiver really got held up. The board and senior leadership at The Arc looked at how to stay viable and continue to provide these services. We brought in technical support with Laurie Wolf from the Foraker Group to look at realignment possibilities; potentially merging with another like-minded organization to keep a couple organizations moving in the right direction. This aspect of the merger did not seem to come up with a plan that would move either organization in a viable way to be more financially robust, or to meet their bottom lines. Moving forward to 2021, research through Agnew::Beck showed that the need for those adult mental health beds was profound. There is one organization that is providing less than 30 percent of the community's need. They needed to move in that direction, and those discussions between the Trust and Agnew::Beck and The Arc continued through 2021; and that is when we put together a proposal. They brought in Adam Rutherford, the deputy director of Health and Rehabilitative Services, who looked at The Arc opening some of those beds as a pipeline for some of our reentrants coming out of the Department of Corrections that have co-occurring disorders; not only mental health and substance-use needs, but developmental disabilities, which The Arc has expertise in. The Arc brought forward a proposal to the Trust in January of 2022, and that is when trustees considered a grant for $216,000 to expand treatment access to remodel three homes to meet the need for either three- or five-bed units. But because of city code issues, it took 18 months to get to the point where they could look at actually getting those opened up and providing services. There were also supply issues in this country due to COVID. The last of those units opened up last month, and they continue to provide services with habitation, rehabilitations, day hab, and group hab to our DD beneficiaries. Expanding and getting those 13 beds increased the capacity in Anchorage by about 30 percent over what we had; and there are plans to open another five-bed unit down the road, which was not part of the original expansion. Coming from the Trust perspective for programs, one of the dire needs is having somebody to be able to get the mental health treatment they need through a short-term, concise, intense treatment model to get them stabilized and then stepped down into a less restrictive setting even at the community level. Those beds are a critical part of that process. One of the hallmarks for the 1115 waiver and being able to expand those services, were because of constant conversations. This proposal to cover the gap came to me in February; so it has been a short turnaround that the critical nature of this need has come forward. Even though those 13 beds are full now, they are still months away from being reimbursed for each day of those beds being full. So this ask is for funding of a recoverable grant to bridge that reimbursement gap.

CHAIR HALTERMAN asked if there were any questions from trustees.

MR. WILLIAMS noted that the expansion of beds and capacity as part of The Arc's re-visioning and retooling of their operations is not just about increasing capacity; it is also about increasing their cash flow and their revenue. Right now, they are changing the trajectory of their cash flow going into the future to increase where they are in terms of generating revenue for their overall operating expenses. The other thing is that if the gap is not filled, there is the high likelihood that The Arc would go down a different path of giving notice to individual clients, families, and others, as well as staff. At that point, they will not be able to turn that back around.

CHAIR HALTERMAN stated that needing to bridge this gap are similar words to what she heard in the Legislature as they rolled out the Medicaid expansion years ago. We had similar problems at a statewide level over an entire population that got left behind until legislation passed that swept them into coverage. She noted that she was concerned about one issue: The Arc is going to be dependent on these fee-for-service rate changes, and they take years to get through. If they are depending on those rate changes, those funds are not going to be coming for a while. She then asked if anyone had a question or wanted to make a comment.

TRUSTEE FIMON asked if they participated in the Payroll Protection Plan that was out there starting somewhere in late 2020.

MR. CASEY stated that, yes, they did. They received the first payroll protection loan in April 2020. He continued that it is a refund on payroll taxes that were paid; and, because of the program, we overpaid those taxes, in a sense, we will get it as a tax refund. Because this grant is repayable, the way that the costs are broken out for this grant reflects a percentage of our general funds. So, that million dollars, as a bridge fund, will go to our regular costs. But there is no restriction on that ERC money that would prevent us from paying either one.

The discussion continued.

TRUSTEE FIMON stated that he was seeing what happened from approximately mid-2015 to mid-2019 where there was a rapid decline with some numbers that were not as favorable as we would like. But the third party was not engaged until January 31st of 2020. He asked why it took five years to address that.

MR. CASEY stated that there were a lot of programs taking up a lot of our time and energy from the finance teams, like the PPP, some HRSA grants, as well. In the meantime, we were going over the Agnew::Beck modeling and started to lay the groundwork.

TRUSTEE FIMON asked if 2015 and 2016 saw a real major trend, why the question was not addressed in 2017. He asked why they waited until 2020.

MR. CORYELL noted that his tenure on the Board started in 2016, and it was eye-opening to see how much money the organization was losing. At the time, we were fixing compliance issues and billing. Then we did a deficit reduction plan and management: if we lay off these key positions, we will be at break-even cash flow; or perhaps negative income from an earnings standpoint. We thought that if we dealt with the cash-flow issues, we would extend The Arc's runway, so to speak, very, very far into the future. So we had some layoffs and the revenues dropped commensurately. The Board had questions about confidence in management. There was disagreement with the PFO and CFO at the time. We did more layoffs, and then we engaged with Agnew::Beck. The next step was to look at outside expertise. Intermediary layoffs would bring us to a break-even, according to the best information that the Board had. Revenues kept dropping, due to the difficulty of getting new people approved for services, and then some of the people that were easiest to care for moved to home-based help.

TRUSTEE FIMON stated that the Board's decision-making was probably trying to make an attempt to adjust to what was happening, but some of those adjustments may have actually accelerated what was happening. He stated his appreciation for the candidness, and noted that who knew what was to come in 2020.

CHAIR HALTERMAN stated that it is important to remember that The Arc was suffering through some massive changes, and she thanked Ian Casey for stepping up into leadership to try to correct the ship. She noted that one factor that has not been thrown out is the fact that SDS was in the process of settling several class-action litigation cases, probably about the same time that everything came to a head for The Arc years ago. History probably complicated some of their reimbursement processes as the State started to force compliance with new regulations that got developed and adopted during that time period, or shortly before.

MR. CASEY noted that the population that the larger agencies have served has changed as the smaller providers, one-home providers, came onto the scene and cherry-picked the folks. These reimbursement rates are the same.

TRUSTEE FISHER stated that health-care organizations were not required to shut down during COVID. They could stay open the entire time. We did have a decline in patients coming in for studies, but with the PPP, we actually did better financially during COVID because the amount of money we were able to get with PPP did not actually exceed our expenses. He thought that The Arc would not have lost a lot of clients; that people would want to use your services, but you could still claim PPP. He thought that The Arc would have done better financially during COVID.

MR. CASEY replied that we did do better during COVID. In 2021, we were in the black about a million dollars. In 2022, we were in the black about a half a million dollars. Some service lines were shut down; so, day habilitation was curtailed immensely, because that is supposed to be provided in the community. The main services that continued were our group-home services. We did have some increased costs, especially when there was COVID found in the homes. We did hazard pay, shift bonuses, things like that, in order to retain staff. Staff retention was really a big problem, and that has continued. After the PPP monies, we retained enough staff that it was fine. We did pay the staff that were doing those services, even though they were not actually working. We did do better to extend our timeline going forward.

MR. CORYELL noted that the COVID monies did improve cash flow, but he did not think that they made a lot of positive progress during that time towards solving the operational structure issues outlined by Agnew::Beck. He stated that what really seems to have accelerated our progress towards this is when Mr. Casey became the interim CEO, and then CEO. Since we have had this change in management, things have picked up in terms of billable activities, our transition that was agreed upon three or four years ago, and then also the actual billings to Medicaid.

TRUSTEE FISHER noted that his businesses did not qualify for the ERC because we did not lose enough money. You have to lose a significant amount of money, like 30 percent, to qualify for the ERC. He asked of The Arc is able to show that they lost that much during that time period.

MR. CASEY responded, yes.

TRUSTEE FISHER noted that he has been in healthcare for over 30 years, and knows the landscape changes quite a bit. Those who make the changes quick enough do really well, because they are able to make significant cost changes. He asked what took The Arc so long to finally realize the need to change the way you operate.

MR. CASEY answered that there are limitations. We bill a limited CPT code set; and they are very strict through the home– and community–based waiver about how the services can be provided. Strict adherence is important, and it takes a lot of staff hours, which is our main cost. There are some pushes in our state association, AEDD, to look at technologies to help reduce staff hours and increase independence; but right now those are not reimbursable.

TRUSTEE FISHER asked for the total dollar value of grants the Trust has given to The Arc since 2015.

MR. BOYER stated that it totals close to about $300,000. The grant that the Board approved in January of 2022 is $216,000 to remodel three units and operationalize the staffing pattern. Approximately $30,000 was approved for Agnew::Beck for contractual support, and a similar amount for Foraker Group. There may have been two different grants in there for Agnew::Beck at a smaller amount. During COVID, when the original outbreak happened, the Trust approved giving grants up to $25,000 to help them.

TRUSTEE FISHER noted that if The Arc has been losing money pretty regularly since 2015, that kind of information was not highlighted for us as the trustees as we were making decisions to grant money, and possibly to come up with some ideas to help the supporting organizations to be more financially viable. We have charts that show a revenue increase that happened December 2022 through January 2024. The revenue graph does not tell me if The Arc actually made money from that increased revenue.

MR. CASEY stated, no, we are still operating at a loss; not at break-even. One of the scenarios has us losing around $10,000 a month by midsummer, which is much more stable with what we have left in our savings. We have a foundation to do more tweaking to work around that. He continued, losing $10,000 a month with $800,000 left; then we will have the 2 million from the ERC so that we can continue to tweak. There is no single bullet. But we are seeing marked improvement with the work that we are doing under all of the different scenarios.

MR. WILLIAMS noted that one thing not mentioned today is working with the Division on identifying clients that serve for higher acuity rates. That is another piece of changing the modeling and increasing the cash that is coming into The Arc.

MR. CASEY stated that he actually worked with the Department to make a path forward for modified acuity rates. So, 8-, 16-hour acuity rates, which is a lot more doable with the staffing that we have. We are still short on staff, and we have had to increase wages through the last few years. So, working with acuity, we have two people identified that have been getting one-on-one, 24 hours a day for years; and we are working with the Department to get those acuities established or reestablished in one case.

CHAIR HALTERMAN noted that Senate Bill 74 mandated the State go forth and look at these 1115 demonstration waivers, which allowed the State to exercise the exploration of 1915 (k) and (i) options, to identify some of the hardest-to-service beneficiaries. She asked if The Arc has seen any movement from the State SDS programs on some possible flexibilities that the Federal law allowed for those populations to explore additional funding that might be available to keep people independent and out of a more institutional setting.

MR. CASEY stated that they have. He had been working directly with Tony Newman at SDS to identify costs. There was a survey sent out recently, and we have been talking about environmental modifications like the true staffing costs for some of these harder-to-serve individuals.

TRUSTEE FISHER noted that with regard to Medicaid payments, that he worked in the hospice industry, and the prospective payment system was a great boon to getting end-of-life care for those in hospice. Maybe that is the kind of thing we need for mental health. He stated that the Federal Government is looking at prospective care for other areas besides hospice. Perhaps we at the State need to look at this to provide a limited number of providers what they need to continue to function. He asked if The Arc has looked at Chapter 7 or Chapter 11 to deal with cash-flow issues until additional funds come in.

MR. CASEY noted that they do not have lenders. All of our real estate is owned outright. We looked at the possibility of liquidation; but the group homes are our biggest revenue source, so that would just accelerate the downslide.

TRUSTEE STURGEON stated that one of the things he is concerned about is postponing the inevitable. People that are in financial crisis make assumptions that they are going to get out of this hole, and sometimes it is hard for a trustee to judge how valid those assumptions are. The money that you will be paying us back with is a one-time shot; so that is a bit of concern. A grant loan was discussed, but there is no such thing. It is either a grant or a loan. If it is a grant, you do not have to pay us back. If it is a loan, then normally you have to pay it back, and put up some collateral. That is kind of the business terms for grants and loans, and that is not the case in this situation. If it is inevitable and The Arc really cannot solve these problems, maybe we are better off spending that million dollars transitioning to something else to help the people. The Arc is not the only beneficiary that the Trust has. If we spend a million dollars, that means that is money that other beneficiaries are not going to get. I would like to understand better or really believe that if we go ahead with this grant/loan that The Arc is going to be able to dig itself out of the hole, and what kind of confidence you have that all the assumptions that have been made are really going to come to fruition.

MR. CASEY noted that the pro forma has an additional adult mental health residential opening with a larger chunk of additional revenue. We have opened three, and have learned quite a few lessons. The timeline of three to four months is doable for opening one more project, and we have a waitlist of six people. We are looking at four beds for one scenario, and nine for the other. And one of the scenarios is an additional residence. Another scenario is an additional residence plus a group home that we already have that meets all the codes for the Municipality of Anchorage. Also, the additional ASD and DVR partnership started last week in our building.

TRUSTEE STURGEON noted that he did not understand some of these funding sources. He asked what confidence level The Arc can give the Board that the scenario that The Arc has laid out to get themselves on their feet will actually happen.

MR. WILLIAMS stated that he has high confidence. The Board is committed to doing this; we will be monitoring this; and if we get some sort of warning sign from The Arc directly or see something, we will be talking to The Arc and trustees directly. In terms of the repayment or the recoverable aspect of the grant, the million dollars, if things go south, for whatever reason, they are committed to still repaying that million dollars. There are just a number of variables out there that are beyond The Arc's control, that are beyond our control. Their board is paying attention to it. It will be on us to make sure that we are working closely with The Arc through this process to prevent those left-field balls from turning them sideways, or making sure we know soon enough that we are aware of it, that the trustees are aware of it, and then we move forward.

TRUSTEE STURGEON asked if this a loan or a grant. If it is a loan, is the money going to be one big check, or will it be metered.

MR. WILLIAMS stated that it is a grant. If approved by the trustees, the million dollars would not go out in one lump-sum grant payment. The first grant payment would be $500,000 in April to The Arc; the second grant, $250,000 in July; and another one in October. If the ERC payment comes back in between April and July, then we would be repaid by The Arc for the amount of $500,000 that they expended of those funds. We will be working closely with The Arc, and we will pull Ms. Farley in and use her expertise to monitor their operational situation.

CHAIR HALTERMAN called for a five-minute break.

(Break)

CHAIR HALTERMAN called the meeting to order and turned the floor over to John Morris.

TRUSTEE MORRIS asked how many residents there are at The Arc complex.

MR. CASEY stated that is all the new adult mental health residential.

TRUSTEE MORRIS asked about how many people are in each group home.

MR. CASEY stated that you would think that would be a simple answer, but we have some duplexes that are licensed separately. We have 15 homes that we own outright. Some of those are duplexes, and are licensed. So licensed homes, we have more than that. We are the sponsoring agency for an 811 project that has two additional fourplexes and one duplex. We have 31 filled beds, and a capacity of 47.

TRUSTEE MORRIS stated that he saw that the plan is that if the money is not received by The Arc, a 45-day notice will be given to staff and clients. He asked what plans have been made for the clients if these group homes close in 45 days.

MR. CASEY explained that a plan has been established for the most difficult to care for.

TRUSTEE MORRIS asked if the Trust has come up with plans for what to do with our beneficiaries if the doors close.

MR. WILLIAMS stated that the ultimate responsibility for placement of individuals that receive notice is for the individual, the public guardian, the family member who is the legal guardian, or conservator, to start to coordinate in looking at services for that individual. That does not mean that The Arc would not be working with those individuals' care teams to help identify places to receive similar services in the least amount of time possible with the least impact.

TRUSTEE MORRIS stated that he is hearing that it is not actually The Arc's or the staff's responsibility to come up with a plan.

CHAIR HALTERMAN called for a quick break for a technical resolution.

(Break.)

CHAIR HALTERMAN called the meeting back to order, and asked Steve Williams to answer Trustee Morris' question.

MR. WILLIAMS continued that the second part to Trustee Morris' question was about the coordination of care should The Arc not be around and how to make sure that transition is as seamless as possible. We will be working closely with The Arc to identify if there is any role the Trust can play to make sure whatever transition there is happens smoothly and does not result in someone ending in a higher level of care than they currently are receiving.

TRUSTEE MORRIS asked if any Trust staff have looked at balance sheets, cash-flow statements from The Arc, or if we have been relying entirely on the consultants.

MR. WILLIAMS stated that we have been working with The Arc staff.

TRUSTEE MORRIS noted that Agnew::Beck was involved in the 2019-2020 plan for solvency by 2023, and they have not been involved since then.

MR. CASEY stated that that is correct.

TRUSTEE MORRIS asked if our CFO has seen their cash flows, balance sheets, and so forth.

CFO FARLEY stated that she has had a chance to look through their audited financial statements from BDO.

TRUSTEE MORRIS asked who generated the table of revenues and expenses on Page 16.

MR. CASEY answered that it is The Arc staff. That is pro forma for scenario 2.

TRUSTEE MORRIS noted that the majority of revenue comes from Medicaid. The plan for solvency would require a 32 percent increase in revenue in about six months, which is extraordinary for any line of work. The chart's findings indicate The Arc would still be operating at a loss at the last available date on the chart. He asked about the optimism for being able to grow revenue by a third, and how that leads to solvency when The Arc is still operating at a net loss.

MR. CASEY stated that this is a relatively short-term projection. We have increased revenue by 37 percent since February of last year, due to the opening of the AMHR programs, which was the main revenue generation. If we give an acuity for someone, our staff costs go up to zero. We have also been pushing additional folks in the group homes without any additional staff hours. That is a bottom-line net revenue of $150,00 a year. Someone moved in last month, and we are scheduled to have someone move in in April, with no additional staffing. Then the acuities are a little bit more than double. So, it is an additional $150,000 a year with no additional cost.

TRUSTEE MORRIS asked if they were taking out mortgages to handle this cash-flow issue that could be paid back with the ERC money.

MR. CASEY stated that they have looked into that, and are continuing to as an alternate method.

TRUSTEE MORRIS asked if they own clean titles to all the buildings here on the Trust lands that are right near us.

MR. CASEY stated that they do have clean titles, and that they lease the land from the Trust.

TRUSTEE MORRIS asked why they were asking for a million dollars when they think they are going to get 2 million in six months.

MR. CASEY responded that it is the timing of the ERC money. We do not want to come back and do this again and waste your time if the timelines are extended. Our fiscal year is July 1. We have some annual cash-heavy expenses coming up that are recognized. So June and July are insurance renewals; a big cash-spend time for us.

TRUSTEE MORRIS stated that he understood that they used to maintain a line of credit with a lending institution here in town and asked when and why that ended.

MR. CASEY replied that it ended two years ago because of their continued losses.

TRUSTEE MORRIS asked if the bank required his board members to personally sign for the line of credit.

MR. CASEY replied that he did not believe so.

TRUSTEE FISHER noted that Jeremiah was a member of ASRC, and until recently ASRC owned Alaska Growth Capital, which is a lender of last resort, or a lender to small businesses. He asked if The Arc had ever approached Alaska Growth Capital for opportunities for lending.

MR. CASEY stated that they have not.

CHAIR HALTERMAN asked how much was your endowment in 2015, and who funds that endowment.

MR. CASEY replied that it was around $10 million, funded by The Arc of Anchorage.

CHAIR HALTERMAN entertained a motion to move into Executive Session.

> **MOTION:** Per AS 44.62.310(c) (1), (c) (2), a motion that the Alaska Mental Health Trust Authority Full Board of Trustees move into Executive Session to discuss financial issues that will have a material effect on the finances of the Trust and that could harm or effect the character of The Arc of Anchorage. The motion was made by TRUSTEE FIMON; seconded by TRUSTEE MORRIS.
>
> *After the roll-call vote, the MOTION was APPROVED. (Trustee Boyles, excused; Trustee Moran, yes; Trustee Morris, yes; Trustee Fimon, yes; Trustee Sturgeon, yes; Trustee Fisher, yes; Chair Halterman, yes.)*

CHAIR HALTERMAN noted that our CFO, COO, CEO, Eric Boyer, and our Trust Land Office executive director are the people that are staying in the room besides Gene Hickey. Otherwise, it is only trustees.

(Executive Session from 10:35 a.m. until 11:41 a.m.)

CHAIR HALTERMAN asked for a motion to come out of the Executive Session.

> **NOTICE OF RETURN FROM EXECUTIVE SESSION:** For the record, myself, fellow trustees and members of the Trust Authority and Trust Land Office are returning to the Full Board of Trustees' Meeting from the Executive Session. We did not make any decisions during the Executive Session. The statement was made by TRUSTEE FIMON.

CHAIR HALTERMAN asked a trustee to read the motion on Page 4 of our packet.

> **MOTION:** The Board of Trustees approves a $1 million fiscal year '24 Mental Health and Addiction Intervention focus area allocation to the Arc of Anchorage for the Bridge Funding project. These funds will come from the fiscal year '24 Crisis Continuum of Care budget line. The motion was made by TRUSTEE FIMON; seconded by TRUSTEE FISHER.
>
> *After the roll-call vote, the MOTION was DENIED. (Trustee Moran, no; Trustee Morris, no; Trustee Fimon, no; Trustee Sturgeon, no; Trustee Fisher, no; Chair Halterman, no.)*

CHAIR HALTERMAN understood that there has been an offer made by a member of our Board to put you in contact with someone that might be able to help you with some financial decisions, and I suspect CEO Williams and staff will have some good dialogue with you after our Executive Session. She asked if any trustees had anything to add. Hearing none, she moved to the CEO performance evaluation discussion. We do need to go back into another Executive

Session on this matter. She added that we are at a point where trustees are trying to collect feedback in order to conduct our performance evaluation of our CEO; so, this is not a decision that we are ready to present in any other form except in an Executive Session.

CHAIR HALTERMAN asked for a motion to move into Executive Session.

> **MOTION:** In accordance with the Open Meetings Act, I move that the Alaska Mental Health Trust Authority Full Board of Trustees convene into Executive Session for the purpose of discussing confidential information pertaining to the annual performance evaluation of the Trust Authority's Chief Executive Officer. This motion is made pursuant to the Open Meetings Act, AS 44.62.310(b), AS 44.62.310(c)(2). Under applicable law, this discussion should take place in Executive Session unless the Chief Executive Officer requests a public discussion. During the Executive Session, the Board of Trustees may also discuss information related to the Chief Executive Officer that is required to be kept confidential pursuant to AS 44.62.310(c)(3), and that is auxiliary to the Chief Executive Officer annual performance evaluation. This motion was made by TRUSTEE FIMON; seconded by TRUSTEE MORRIS.
>
> *After the roll-call vote, the MOTION was APPROVED. (Trustee Moran, yes; Trustee Morris, yes; Trustee Fimon, yes; Trustee Sturgeon, yes; Trustee Fisher, yes; Chair Halterman, yes.)*

(Executive Session from 11:50 a.m. until 12:40 p.m.)

> **NOTICE OF RETURN FROM EXECUTIVE SESSION:** For the record, myself, fellow trustees and members of the Trust Authority are returning to the Full Board of Trustees' Meeting from the Executive Session. During the Executive Session, the Board of Trustees only discussed the items identified in the motion to move into Executive Session. The Board of Trustees did not take any action while in Executive Session. The statement was made by TRUSTEE FIMON.

CHAIR HALTERMAN called for a motion to adjourn.

> **MOTION:** A motion to adjourn the Special Full Board of Trustees meeting was made by TRUSTEE MORRIS; seconded by TRUSTEE MORAN.
>
> *After the roll-call vote, the MOTION was APPROVED. (Trustee Moran, yes; Trustee Morris, yes; Trustee Fimon, yes; Trustee Sturgeon, yes; Trustee Fisher, yes; Chair Halterman, yes.)*

CHAIR HALTERMAN stated that the meeting was adjourned.

(AMHTA Special Full Board of Trustees meeting adjourned at 12:43 p.m.)