



**MINUTES
REGULAR MEETING OF THE
GOVERNING BOARD
JULY 19, 2017 – 4:45 P.M.**

The Governing Board met in a Regular Meeting on Wednesday, July 19, 2017 at 4:55 p.m. in the Administrative Office, 1717 N. Indian Hill, Suite B, Claremont, California.

CALL TO ORDER Vice-Chair Martinez called the meeting to order at 4:55 p.m.

ROLL CALL A visual roll call was taken.

PRESENT: Edina Martinez, PsyD, City of Pomona, Vice-Chair
Carolyn Cockrell, City of La Verne, Board Member
Joseph M. Lyons, MA, PhD, City of Claremont, Board Member
Elizabeth Ontiveros-Cole, City of Pomona, Board Member
Ronald T. Vera, City of Claremont, Board Member
Bill Aguirre, City of La Verne, Alternate Board Member

ABSENT: Robin Carder, City of La Verne, Chair
Rubio R. Gonzalez, City of Pomona, Board Member

STAFF: Toni Navarro, Executive Director
Darold Pieper, General Counsel
Diana Acosta, Chief Financial Officer
Elizabeth Owens, Director of Clinical Program Services
Seeyam Teimoori, Medical Director
Rimmi Hundal, Director of MHSA and Ethnic Services
Trevor Bogle, Controller
Donald Pruyn, MHSA Housing Consultant
Mica Olmos, JPA Administrator/Clerk

CONSENT CALENDAR

There being no comment Board Member Lyons moved, and Board Member Ontiveros-Cole seconded, to approve the Consent Calendar. The motion was carried by the following vote: AYES: Board Members Cockrell, Lyons, Ontiveros-Cole, and Vera; and Vice-Chair Martinez. NOES: None. ABSTAIN: Alternate Board Member Aguirre. ABSENT: Board Member Gonzalez and Chair Carder.

1. APPROVAL OF MINUTES FROM THE JUNE 21, 2017 GOVERNING BOARD MEETING

Recommendation: "A motion to approve the Minutes of the Governing Board of June 21, 2017."

NEW BUSINESS

2. APPROVAL OF RESOLUTION NO. 440 ADOPTING THE PROPOSED OPERATING BUDGET AND CASH FLOW BUDGET FOR FY 2017-18

Chief Financial Officer Acosta explained the structure of the Budget pointing out that it also depicts the Total Agency budget, structure of MHSA account, and Clinical Operations budget. She then referred to the Cash Flow document located within the Total Agency section of the Budget and indicated that there is a difference of 4.9 million in cash received between the Total in FY 2016-17 and the Total in FY 2017-18, noting that this is the projected amount of cash that it is expected to flow-in related to FFP, Medi-Cal, and EPSDT, coming from the Federal Government through the State and the County. She reported that this difference in revenue is due to an outstanding reimbursement to Tri-City in the sum of 2.5 million because of a glitch in the State system; however, Tri-City expects to collect the 2.5 million in this new fiscal year for services already performed in FY 2016-17 that just closed. She added that the additional projected revenue of 1.1 million was not generated due to vacant positions and not working at full capacity.

Board Member Lyons inquired how Tri-City was able to continue to provide services which were unfunded. Chief Financial Officer Acosta replied due to the realignment funding that it is collected.

Board Member Vera referred to the monthly Financial Statements and inquired about the 10 million deficit between the operating expenditures and revenues. Chief Financial Officer Acosta explained that it is the structure of how the statement is presented, noting that the operating loss that this report shows is due to having revenues that are not considered operating; therefore, they are located in a different place in the Financial Statement noting that Realignment and MHSA are not included in the operating revenue; and that it is a Governmental Accounting Standards Board (GASB) reporting requirement and thus, technically, not an operating loss, rather just a revenue recognition policy that staff has to follow. She then stated that the last page of the Financial Statements is a presentation of the Change in Net Assets, not presented in accordance with GASB, but is presented only for a simple review of Tri-City's revenue sources together and expenses together which reflect the true amounts.

Discussion ensued about the structure of the different schedules and the distinction between different accounts such as Realignment and MHSA.

Board Member Vera expressed concern about how the difference of 4.9 million in cash received is presented in the Budget which can be misinterpreted as an actual deficit, even if it is a projected amount of cash Tri-City expects to receive. Chief Financial Officer Acosta responded that she would add language to the Budget explaining the delay in Medi-Cal reimbursement payments due to an IT system glitch at the State level and which will be received in FY 2017-18. Vice-Chair Martinez asked to also include a table to visualize the information as it was presented. Chief Financial Officer Acosta replied in the affirmative.

Discussion ensued regarding projected revenues and actual cash flows between FY 2016-17 and FY 2017-18; about the way MHSA funding is recognized; about the required prudent reserves under MHSA; and about the limited prudent reserves on the Tri-City side due to the bankruptcy.

Board Member Lyons commented that he appreciated the prefixes provided in the Budget because they are easily understood, make a terrific Budget document, and also provide a real sense of Tri-City's operations.

Board Member Vera commented that he also appreciates the detail provided in the Budget. He then inquired if the twenty positions listed to be filled are vacant or new positions. Chief Financial Officer Acosta explained that the majority are vacant positions and only a few new positions recently approved by the Board.

Vice-Chair Martinez thanked the staff for early distribution of the Budget for Board review and then called for the question, Board Member Lyons moved, and Board Member Ontiveros-Cole seconded, to approve and adopt Resolution No. 440 adopting Tri-City's FY 2017-18 Operating Budget and Cash Flow Budget.

Board Member Vera inquired about the 21 million reported in the Budget which appear to be what Tri-City has in reserves. Chief Financial Officer Acosta replied that is money already allocated for programming and stated that she would add a schedule that further clarifies the actual amount of cash on hand and where is it held. Executive Director Navarro thanked Board Member Vera for pointing out this perceived amount in reserves because it is a concern and an ongoing problem with Boards and the communities at-large in California because they mistake the end of the year cash balance for the cash on hand, which is not accurate because the whole year of upcoming planning for MHSA programming is part of that balance and commented that it will be great to show the actual amount of cash on hand which will demonstrate to the Tri-City Governing Board that the money is being spent effectively and fully. Board Member Lyons suggested having funding clearly labeled as being committed and uncommitted.

There being no further comment. The motion was carried by the following vote: AYES: Alternate Board Member Aguirre; Board Members Cockrell, Lyons, Ontiveros-Cole, and Vera; and Vice-Chair Martinez. NOES: None. ABSTAIN: None. ABSENT: Board Member Gonzalez and Chair Carder.

MONTHLY STAFF REPORTS

3. EXECUTIVE DIRECTOR REPORT

Executive Director Navarro reported that Tri-City had signed its Contract with the Los Angeles County Department of Mental Health (LAC DMH) for the provision of Medi-Cal services, had received the fully executed copy, and that a preface amendment to the contract which will give them a clear history of Tri-City and an understanding Tri-City's uniqueness, is currently being reviewed and approved by the LAC DMH Contracts Division and Legal to be added to the negotiated package. She then explained that the Medi-Cal reimbursement Federal portion to match the dollars expended to provide services for recipients of Expanded Medi-Caid, as a result of the Affordable Care Act, was reduced as legislated from 100% to 95% match for the year beginning in January 1, 2017; and unfortunately, the payment system at the State that receives those funds was not prepared for the change and stopped payments since February to all County behavioral health systems for their federal financial participation match for any batch of billing that included even one recipient of Medi-Caid expansion. She pointed out that there are 2.5 million pending in reimbursement to Tri-City and that 1991 Realignment and MHSA funding continue to arrive in a timely manner.

She then provided a California Behavioral Health Directors Association (CBHDA) update and referred to the Press Release listing all the advocacy priorities and key issues which CBHDA had advocated this year, had successfully resolved, and that are of benefit for Tri-City. She also reported that CBHDA had also advocated specifically for Tri-City not to be impacted by new legislation which will take any growth from 1991 realignment, saving Tri-City approximately 200,000 annually. She then talked about the Re-investing over \$100 million in county Mental Health Services Act funds that would have otherwise been reverted and explained that the MHSO Oversight and Accountability Commission (OAC) was looking to take nearly 100 million from counties from PEI and Innovation funding; however, the CBHDA successfully advocated for this not to happen and this money will not be taken from counties. She stated that some of the trouble was to get consensus of how Innovation money could be spent and the way OAC was awarding funding was becoming more narrow and constricting, resulting on having a lot of unspent Innovation funding; but now the OAC was committed to being much more cooperative and collaborative, less stringent, and going back to the original spirit of MHSO and promoting Innovation plans. She then expressed excitement for Rimmi Hundal being appointed co-chair of the State Wide Culturally Competency Committee for CBHDA, and for having Elizabeth Owens being recognized at the Children's System of Care meetings. She then stated that Tri-City received recognition from both Senator Leyva and Assembly Member Rodriguez's offices for its commitment and contributions to addressing health and wellness in their districts; that a couple of months ago Tri-City had also been recognized by Hilda Solis for participating in a health fair in Pomona, part of her district; and that Tri-City staff is doing a great job in being present in the community.

Board Member Lyons recommended using MHSO funding, provided that there is community involvement and engagement, to create community based organizations capacity building opportunities that will be part of early intervention strategies. He then requested that the Board be keep abreast of how the LA County Department of Mental Health will access Measure H funding if they are going to be the direct provider of services and if Tri-City has equivalence in the three communities that could benefit from. Executive Director Navarro stated that she had discussed Measure H with LAC DMH Mental Health Director Jon Sherin and that it is her understanding that the Measure H funding will go to LAC DMH and they, in turn, will contract with providers. She stated that Dr. Sherin made it clear that Tri-City will be the mental health contract provider for the three cities. She then talked about prevention and early intervention strategies, noting that she was not aware they were going to be under county mental health or public health; but that Tri-City's mission is to serve the outpatient mental health services in the three cities and was not sure if MHSO funding would be available for PEI; however, that there might be other organizations within the three cities to which Tri-City can provide information about accessing this funding. Board Member Lyons commented that the City Managers in each city should be engaged with the human services directors to make sure that those programs that are being rolled out in the LA County have their equivalent in the three cities, and perhaps a community organization can take the lead. Executive Director Navarro replied that she would provide an update next month about Measure H and suggested that the Board communicate to their respective cities representatives that Tri-City will provide them available information.

Vice-Chair Martinez commented that services under Measure H are too broad and that it does not matter where the services will take place because it would have to be a collaborative effort since not one agency alone can do all of it and be true to its mission.

Housing Consultant Don Pruyn reported that the Holt Family Apartments Project is back on track after the fire and that it is expected to be completed in December 2017; that the City of Pomona is in agreement with the insurance provider that the fire was caused by fireworks; and that the insurance will pay for the project delays. He then stated that the Baseline Project in Claremont is on hold and commented that future housing projects will be possible with funding available under the NPLH program which can be combined with existing MHSA funds; and noted that an acquisition project will be more feasible than a new development since it is cheaper and quicker.

Board Member Lyons inquired about how to access No Place Like Home (NPLH) funding. Executive Director Navarro explained that to apply for housing funding under NPLH, Tri-City is required to create a county wide specific Homeless Strategic Plan and stated that this was the reason that staff submitted an Application for Technical Assistance under NPLH in the amount of \$100,000 to hire a consultant to create a homeless plan for the three cities since Tri-City is eligible for 1.596 million under NPLH. Board Member Lyons further inquired when the funding would be distributed. Executive Director Navarro replied that NPLH was still in court validation and there have not been any updates on the status.

Housing Consultant Pruyn continued with his report and indicated that the clinic easement issue was almost resolved since the purchase-sale contract had been signed by Tri-City and the City of Pomona; that escrow had been opened; and that the property would be used to expand the clinic parking lot and develop the new Therapeutic Community Garden program.

Executive Director Navarro stated that the parking lot expansion project was developed because the City of Pomona indicated that the Clinic needed 14 additional parking spaces during the planning for permanent supportive housing next to the Clinic; thereafter, staff learned of the easement issue when Tri-City was getting ready to do the parking lot expansion project.

Board Member Vera inquired if a permanent supportive housing analysis had been conducted in the three cities. Don Pruyn replied in the negative. Executive Director Navarro added that affordable housing for persons with mental illness will be part of the Technical Assistance group because it is one of the issues to be identified for the county wide Strategic Homeless Plan.

4. CHIEF FINANCIAL OFFICER REPORT

Chief Financial Officer Acosta referred to the Schedule at the end of the Financial Statements and stated that it consolidated all the revenues and expenses. She also said that bankruptcy payments had not changed for the last several months because of the slowdown in payments from the State.

Board Member Vera inquired how much does Tri-City still owe in bankruptcy. Controller Bogle replied approximately 5.1 million as of June 30, 2017.

5. CHIEF OPERATIONS OFFICER REPORT

There was no comment.

6. DIRECTOR OF CLINICAL PROGRAM SERVICES REPORT

Director of Clinical Program Services Owens reported about challenges in staffing and discussed the openings currently available, noting that Tri-City is competing with managed care plans, insurance companies, and hospitals. She indicated that Tri-City is aggressively recruiting for Spanish speaking personnel due that 75% of Tri-City clients are Latino. She then reported four years is the average length of time that staff stays working for Tri-City, and discussed current strategies being implemented to boost staff morale. Vice-Chair Martinez inquired what the number one reason was for personnel leaving. Director of Clinical Program Services Owens replied that there was not one reason, rather numerous reasons and provided several examples including compassion fatigue. Board Member Lyons inquired if working hours could be more flexible for those individuals wanting to return to school, as well as removing some of the significant duties on a rotating basis to reduce stress levels, yet still meet the demands of the agency to help deal with the mental health and wellbeing of staff.

Discussion ensued regarding current changes made on schedules and certain job duties for some job positions, recruitment processes, employee surveys and results of those surveys, staffing reorganization, and new positions created as a result of the new implemented strategies including enforcing high standards for providing services, and training being huge priority at Tri-City which is made possible through the WET plan.

7. MEDICAL DIRECTOR STAFF REPORT

Medical Director Teimoori reported that Tri-City's crisis center and the Intensive Outreach and Engagement Team (IOET) continue to provide quality care to the three cities and provided services data for the month of June.

8. DIRECTOR OF MHSA AND ETHNIC SERVICES REPORT

Director of MHSA and Ethnic Services Hundal reported that Tri-City will start its stakeholder process for next year and invited the Board to participate as well as to encourage members in their community to participate; that the community mental health trainings are still going on steady since there continues to be a community need; that this month is Minority Mental Health month and discussed the planned activities to celebrate minority health month; that the creative minds gallery will have new artwork and will have a reception in the fall; that in June the housing division conducted its first electronic lottery drawing for the Holt Family Apartments and that 25 candidates were selected out of the 98 qualified individuals, and staff is helping them fill out their paperwork; that the Wellness Center wrapped their summer camp and discussed the various activities that the kids participated in; and that MHSA staff participated in the community health fair hosted by Senator Leyva and Assembly Member Rodriguez.

Executive Director Navarro talked about African-American Author Andrea J. Loney and of her book BunnyBear, stating that she was invited to do an activity/presentation Agency wide in November; and explained that July was recognized in 2008 as Bebe Moore Campbell National Minority Mental Health Awareness Month, noting that Mrs. Campbell was an author, advocate, and co-founder of NAMI Urban Los Angeles Chapter Inglewood, who passed away in November 2006.

Board Member Lyons inquired when the Innovations grant program begins. Director of MHSA and Ethnic Services Hundal replied in the fall. Executive Director Navarro added that the OAC had been pretty clear about what they feel it is important and fundable, and indicated that staff will put together information for the Innovation workgroups so that they are on track and aware what the OAC is looking to approve.

9. MANAGER OF BEST PRACTICES REPORT

There was no comment.

There being no further discussion, Alternate Board Member Aguirre moved, and Board Member Cockrell seconded, to receive and file the month of July staff reports. The motion was carried by the following vote: AYES: Alternate Board Member Aguirre; Board Members Cockrell, Lyons, Ontiveros-Cole, and Vera; and Vice-Chair Martinez. NOES: None. ABSTAIN: None. ABSENT: Board Member Gonzalez and Chair Carder.

GOVERNING BOARD COMMENTS

There was no comment.

PUBLIC COMMENT

There was no comment.

ADJOURNMENT

At 6:15 p.m., on consensus of the Governing Board its Regular Meeting of July 19, 2017 was adjourned. The next Regular Meeting of the Governing Board will be held on Wednesday, September 20, 2017 at 4:45 p.m., in the Administration Building, 1717 North Indian Hill Boulevard #B, Claremont, California. The Governing Board is Dark during the month of August.



Micaela P. Olmos, JPA Administrator/Clerk

