



BOARD OF DIRECTORS MEETING MINUTES June 21, 2022

The Richmond Behavioral Health Authority (RBHA) Board of Directors met at the Delta Hotel Richmond Downtown, 555 E. Canal Street in Richmond, VA 23219.

RBHA Board members present: Dr. Joy Bressler; Irvin Dallas, **Vice Chair**; Dr. Cheryl Ivey Green, **Chair**; Karah Gunther; Dr. Cynthia Newbille; Rev. Dana Sally-Allen; Malesia "Nikki" Taylor and Stephen Willoughby.

RBHA Board members absent: Scott Cannady; Denise Dickerson, **Secretary/Treasurer**; Shauntelle Hammonds; Dr. Brian Maiden; Sarah Mines and Eduardo Vidal.

Staff present: Dr. John Lindstrom, **CEO**; Amy Erb; Susan Hoover; Dr. Jim May; Shenee McCray; Carolyn Seaman; Michael Tutt; Steve Buffenstein and Melese Evans, Executive Assistant.

RBHA's Legal Counsel: Jon Joseph of Christian & Barton, LLP.

Guests: Eileen Davis, RBH Foundation Board member.

Proceedings:

- The meeting was called to order at 2:32 p.m. by Dr. Cheryl Ivey Green.
- Dr. Green welcomed everyone and asked each person to introduce themselves; as, two new RBHA Board members, Rev. Dana Sally-Allen and Stephen Willoughby were present as well as, Eileen Davis with the RBH Foundation Board.
- **Public Comment:** None.
- The Board meeting minutes for May 3, 2022, were approved with a motion by Dr. Cynthia Newbille, seconded by Irvin Dallas and unanimously approved by all members present.

Committee Reports:

Access & Service Delivery Committee – Malesia "Nikki" Taylor

- Deferred.

Advocacy & Community Education Committee – Scott Cannady

- Deferred.

Executive Committee – Dr. Cheryl Ivey Green

- Deferred.

Finance Committee Report – Denise Dickerson

- Deferred.

Human Resources Committee – Irvin Dallas

- Deferred.

Nominating & By-Laws Committee – Dr. Joy Bressler

- Deferred.

Approval and Installation of Board Officers for FY-2023 -

- Dr. Joy Bressler presented the proposed slate of RBHA Officers for FY-2023, as listed below. No additional nominations were recommended.

- ***Motion: Dr. Cynthia Newbille moved that the Board accept the RBHA Board Officers as listed below; seconded by Dr. Joy Bressler and unanimously approved by all members present.***
- The Board approved the following Board Officers for the 2023 Fiscal Year and Jon Joseph installed the officers.
 - Board Chair: Irvin Dallas
 - Board Vice-Chair: Karah Gunther
 - Board Secretary/Treasurer: Malesia "Nikki" Taylor

Board Chair Recognition -

- Dr. Cheryl Ivey Green was acknowledged for nine years of service on the RBHA Board and as Board Chair since July of 2019. Dr. John Lindstrom presented Dr. Green with an award of membership and serving on the Finance Committee; as well as, for her service as Board Chair.
- Dr. Cheryl Ivey Green thanked the Board and Leadership Team for all their support, all they have done and all they continue to do.

Approve Fiscal Year (FY) 2023 Budget and Continuing with FY 2022-2023 Performance Contract with subsequent amendments -

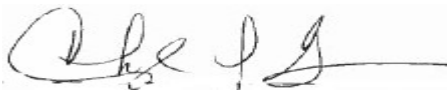
- The Board reviewed the Transmittal Memo regarding the proposed FY 2023 budget, RBHA's FY 2023 Budget Summary and RBHA's Budget Lookback from Dr. John Lindstrom, included with today's meeting minutes. The proposed FY 2023 Budget was pre-approved by the Finance Committee at their last meeting.
- **Irvin Dallas presented the following recommendation: The Finance Committee recommends approval of the Richmond Behavioral Health Authority's Fiscal Year 2023 Operating Budget and associated amendments to the Fiscal Year 2023 Performance Contract with the Virginia Department of Behavioral Health and Developmental Services.**

Motion: Irvin Dallas moved that the Board approve the proposed FY 2023 Operating Budget and associated amendments to the Fiscal Year 2023 Performance Contract with the Virginia Department of Behavioral Health and Developmental Services, as recommended by the Finance Committee; seconded by Dr. Joy Bressler and unanimously approved by all members present.

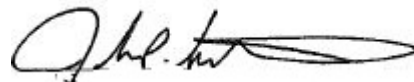
The meeting adjourned at 3:15 p.m.

The next Board of Director's meeting will take place on **Tuesday, July 5, 2022, at 3:00 p.m., at Richmond Behavioral Health Authority, 107 S. 5th Street in Richmond, VA 23219.**

Respectfully Submitted:



Dr. Cheryl Ivey Green
RBHA Board Chair



Dr. John P. Lindstrom
Chief Executive Officer

TO: **RBHA Board of Directors**

FROM: John P. Lindstrom, Ph.D., LCP
Chief Executive Officer

DATE: June 17, 2022

RE: **Proposed FY 23 Budget**

I am pleased to provide you with highlights of the proposed budget for Fiscal Year 2023. This budget is the product of a collaborative effort involving all members of the Leadership Team. Division and Department directors completed detailed reviews of this year's revenue and expense history, expected state and federal fund allocations, local funds, contracts, grants, and program adjusted fee for service revenues. Projecting revenues and expenses for FY 23 remains challenging because of uncertainties as to the potential for ongoing reductions in funds related to COVID 19. The proposed budget, at best, represents a plan that will require close monitoring and adjustments as operational and fiscal realities become more apparent. As of this date, we have not received a formal Letter of Notification from DBHDS addressing FY 23 funds due to the delayed resolution of the state budget. The proposed budget includes revenue based on current state warrants and adjustments in expected Fee Revenues.

Personnel remains RBHA's largest expenditure category (**\$52,586,000**). All active and vacant positions were validated in accordance with program needs. The result is a proposed **\$81,845,000** budget for next year, commencing July 1. The budget incorporates revenue increases associated with STEP VA funding and grants. Attached you will find a one-page summary of the proposed budget. The FY 23 Budget combines RBHA specific and Regional funds as required for audit. The RBHA portion increased by **\$5,913,000**. The Region 4 Fiscal Agent fund grew by 9.2 percent and reflects **\$11,533,000** of the total proposed budget. A **Fiscal Year 2023 Budget** summary sheet is attached along with a brief summary of budget growth over the last 7 years.

The FY 23 budget proposal accounts for a 14% vacancy rate, a conservative estimate given typical vacancy levels of the past two years in the 15%-18% range.

The FY 23 budget proposal accomplishes the following:

- Maintains all present clinical and administrative services;
- Fulfills Certified Community Behavioral Health Center requirements;
- Staffs all new positions funded by new STEP VA allocations;

- Provides an average compensation adjust of 3.9% for employees with at least one full year of service; increases of 2% to 7.5% based on length of service
- Adopts an FY 23 compensation strategy which partially addresses compression, a more pronounced development over the past few years as a result of workforce competition;
- Funds healthcare premiums with no increase cost to the agency or employees
- Fully restores purchased ID/DD services curtailed in the FY 22 budget
- Absorbs increased costs associated with building rent, debt service on the 420 building, and other indirect costs.

Assumptions underlying the FY 23 budget proposal include: 1) reasonably projected fee revenues; 2) no significant disruptions in billable services with continued improvements in revenue cycle management; and, 3) a vacancy rate of approximately 14% as previously reported.

I commend the Leadership Team for its painstaking efforts toward delivering a challenging budget for FY 23, a year that will be one of continued transition and growth for the Authority. The proposed budget will support our strategic initiatives and allow us to keep step with changes in the public behavioral health and developmental services system.

Finally, I would like to thank the RBHA Finance Committee for reviewing, approving, and advancing this budget proposal for action at the June 21st Board meeting. Should additional funds materialize, the Committee has asked that we consider further compensation adjustments including attention to cost of living, regrading critical positions, and/or additional steps to address any remaining compression.

Richmond Behavioral Health Authority Fiscal Year 2023 Budget

Budget Summary:

Category	General Admin	Mental Health	Developmental Services	Substance Abuse	AES	Elimination of Intracompany Transactions	FY 2023 Total Budget	FY 2022 Total Budget	\$ Change	% Change	Region 4 Fiscal Agent
STATE GENERAL FUNDS	278,000	13,379,000	9,326,000	3,666,000	1,742,000	-	28,391,000	27,347,000	1,044,000	3.8%	11,393,000
LOCAL FUNDS	127,000	1,448,000	830,000	1,808,000	634,000	-	4,847,000	4,958,000	(111,000)	-2.2%	-
FEDERAL FUNDS	-	2,390,000	205,000	10,398,000	335,000	(1,497,000)	11,831,000	9,226,000	2,605,000	28.2%	140,000
OTHER REVENUES	2,704,000	80,000	24,000	1,129,000	30,000	(3,191,000)	776,000	918,000	(142,000)	-15.5%	-
FEE REVENUES	-	11,834,000	4,505,000	6,633,000	333,000	-	23,305,000	20,585,000	2,720,000	13.2%	-
SERVICE REVENUES	-	-	-	88,000	-	(80,000)	8,000	72,000	(64,000)	-88.9%	-
PRIOR YEAR CARYOVER	-	27,000	1,127,000	-	-	-	1,154,000	1,293,000	(139,000)	-10.8%	-
TOTAL REVENUE	3,109,000	29,158,000	16,017,000	23,722,000	3,074,000	(4,768,000)	70,312,000	64,399,000	5,913,000	9.2%	11,533,000
PERSONNEL	5,559,000	18,337,000	10,631,000	13,206,000	3,040,000	-	50,773,000	46,527,000	4,246,000	9.1%	1,813,000
TRAINING	193,000	261,000	57,000	325,000	11,000	-	847,000	652,000	195,000	29.9%	76,000
RENT/FACILITY	609,000	1,230,000	572,000	1,466,000	202,000	-	4,079,000	3,775,000	304,000	8.1%	-
SUPPLIES	573,000	107,000	126,000	383,000	16,000	-	1,205,000	1,138,000	67,000	5.9%	42,000
VEHICLE & PARKING	805,000	195,000	58,000	27,000	3,000	-	1,088,000	1,132,000	(44,000)	-3.9%	44,000
CLIENT SERVICES	3,000	2,813,000	591,000	3,441,000	13,000	(2,583,000)	4,278,000	3,602,000	676,000	18.8%	4,168,000
CLIENT SERVICES CONTRACTS	35,000	52,000	1,514,000	1,272,000	150,000	-	3,023,000	3,114,000	(91,000)	-2.9%	3,850,000
ADMIN CONTRACTS	1,650,000	1,001,000	731,000	1,045,000	-	(2,185,000)	2,242,000	2,231,000	11,000	0.5%	1,368,000
OTHER OPERATING EXP	2,079,000	23,000	4,000	54,000	1,000	-	2,161,000	1,766,000	395,000	22.4%	171,000
CAPITAL ASSETS (OVER 5,000)	315,000	112,000	40,000	149,000	-	-	616,000	462,000	154,000	33.3%	1,000
TOTAL EXPENSES	11,821,000	24,131,000	14,324,000	21,368,000	3,436,000	(4,768,000)	70,312,000	64,399,000	5,913,000	9.2%	11,533,000
NET REVENUE OVER/ (UNDER) EXPENSE	(8,712,000)	5,027,000	1,693,000	2,354,000	(362,000)	-	-	-	(0)	0%	-
ADMIN % OF BUDGET	15.74%										
REVENUE CONTRIBUTION	4.14%	38.84%	21.33%	31.60%	4.09%		100.00%				
ALLOCATION OF EXPENSE	15.74%	32.14%	19.08%	28.46%	4.58%		100.00%				

RBHA Budget Lookback

	FY17	FY18	FY19	FY20	FY21	FY22	FY23
RBHA	46,588,008	47,701,220	53,008,839	64,763,762	62,559,260	64,398,490	70,308,838
Region 4	10,590,606	11,930,074	10,356,612	10,234,291	11,245,996	11,438,647	11,532,586
	<u>57,178,614</u>	<u>59,631,294</u>	<u>63,365,451</u>	<u>74,998,053</u>	<u>73,805,256</u>	<u>75,837,137</u>	<u>81,841,424</u>

18,475,973 5 year
29.16%

24,662,810 7 year
43.13%