



## BOARD OF DIRECTORS MEETING MINUTES June 13, 2023

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

RBHA Board members present: Tameisha Archer; Irvin Dallas, Chair; Kristi Babenko; Scott Cannady; Dr. Brian Maiden; Sarah Mines; Rev. Dana Sally-Allen; Malesia "Nikki" Taylor, Secretary/Treasurer; Eduardo Vidal; and Stephen Willoughby.

RBHA Board members absent: Jenny Aghomo; Karah Gunther, Vice Chair; Shauntelle Hammonds; Dr. Cynthia Newbille; and Ashley Young.

Staff present: Dr. John Lindstrom, CEO; Amy Erb; Bill Fellows; Susan Hoover; Dr. Jim May; Shenee McCray; Carolyn Seaman; Michael Tutt; Cristi Zedd; Steve Buffenstein; Meleese Evans, Executive Assistant; Dawn Farrell-Moore; and Dr. Neal Masri.

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

Guests: None.

Proceedings:

- The meeting was called to order at 2:40 p.m. by Irvin Dallas, Board Chair.
- Public Comment: None.
- Board meeting minutes for May 2, 2023, were approved with a motion by Scott Cannady; seconded by Stephen Willoughby, and unanimously approved by all Board members present.

Committee Reports:

Access & Service Delivery Committee – Rev. Dana Sally-Allen

- Deferred.

Advocacy & Community Education Committee – Scott Cannady

- Deferred.

Executive Committee – Irvin Dallas

- Deferred.

Finance Committee Report – Malesia "Nikki" Taylor

- Deferred.

Human Resources Committee – Karah Gunther

- Deferred.

Nominating & By-Laws Committee – Tameisha Archer

- Deferred.

Approval and Installation of Board Officers for Fiscal Year (FY) 2024

- The Executive Committee found that the existing incumbents are all willing to serve another term in their appointments. No additional nominations were recommended.
- The Board Officers for the 2024 Fiscal Year were reinstated and those present in today's meeting were sworn in by Jon Joseph.

Dr. Lindstrom asked for Board approval to add an item to today's agenda, requesting the Board to adopt a resolution empowering him to execute the terms to purchase the property on Mecklenburg Street.

- *Motion: Stephen Willoughby moved that the resolution be added to today's agenda, seconded by Malesia Taylor, and unanimously approved by all members present.*

#### Approve FY 2024 Budget

- The Board reviewed the Transmittal Memo regarding the proposed FY 2024 budget and RBHA's FY 2024 Budget Summary from Dr. John Lindstrom, included with today's meeting minutes. The proposed FY 2024 Budget was pre-approved by the Finance Committee at their last meeting.

*Motion: Malesia Taylor moved that the Board approve the proposed FY 2024 Budget with the 8% salary costs; seconded by Stephen Willoughby and unanimously approved by all members present.*

#### Approve FY 2024-2025 Community Services Performance Contract

- Dr. Lindstrom discussed the FY 2024-2025 Community Services Performance Contract included in today's meeting packet.

*Motion: Malesia Taylor moved that the Board authorize RBHA to complete the FY 2024-2025 Performance Contract and post it for public notice; seconded by Scott Cannady and unanimously approved by all members present.*

#### Approve Proceeding with Contract for Electronic Health Record Acquisition

- Dr. Lindstrom informed the Board that Susan Hoover and Jon Joseph have been in discussion regarding the proposed new electronic health record vendor. Jon's advise has been taken back to the proposed new vendor and discounts were negotiated.

*Motion: Malesia Taylor moved that the Board authorize Dr. Lindstrom to proceed with signing the contract with Netsmart and procure the consultation necessary for implementation; seconded by Scott Cannady and unanimously approved by all members present.*

#### Authorize CEO to negotiate with Virginia Supportive Housing

- Dr. Lindstrom requested the Board authorize him to negotiate with Virginia Supportive Housing the proposed transfer in ownership of properties for expanding supportive housing in Richmond. RBHA is proposing they give us 10% of the housing slots.

*Motion: Malesia Taylor moved that the Board authorize Dr. Lindstrom to move forward with negotiations with Virginia Supportive Housing and to provide more information on the negotiations at the next Board meeting; seconded by Scott Cannady and unanimously approved by all members present.*

#### Authorize CEO to Conclude Acquisition of 2000 Mecklenburg Street

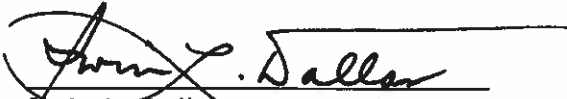
- The Board reviewed the Resolutions in today's meeting packet pertaining to the purchase of 2000 Mecklenburg Street in Richmond, VA.


*Motion: Stephen Willoughby moved that the Board authorize Dr. Lindstrom to conclude the purchase of 2000 Mecklenburg Street in Richmond, VA 23223 as noted in the attached resolutions; seconded by Malesia Taylor and unanimously approved by all members present.*

The meeting adjourned at 3:23 p.m.

The next Board of Director's meeting will take place on **Tuesday, July 11, 2023, at 3:00 p.m., in the Boardroom at RBHA, 107 S. 5<sup>th</sup> Street, Richmond, VA 23219.**

**Respectfully Submitted:**

  
Irvin L. Dallas  
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 13, 2023

RE: Proposed FY 24 Budget

I am pleased to provide you with highlights of the proposed budget for Fiscal Year 2024. 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. The proposed budget, at best, represents a plan that will require close monitoring and adjustments as operational and fiscal realities become more apparent. We are unaware of any assured new state funds for FY 24 as the **Commonwealth's budget for FY 24 has not been resolved**. The proposed budget includes revenue based on current state warrants, an increase in City funding required to keep up with match requirements, the recently received Letter of Notification from DBHDS, and adjustments in expected Fee Revenues.

**Personnel remains RBHA's largest expenditure category (\$57,211,000)**. All active and vacant positions were validated in accordance with program needs. The result is a proposed \$91,557,000 budget for next year, inclusive of regional operations as now required for audit purposes. Attached you will find a one-page summary of the proposed budget.

The FY 24 budget proposal accounts for a 18% vacancy rate, a conservative estimate given our current vacancy rate of 23%.

The FY 24 budget proposal accomplishes the following:

- Maintains all present clinical and administrative services;
- Fulfills Certified Community Behavioral Health Center grant requirements;
- Staffs all new positions funded by new STEP VA allocations;
- Provides an 8% salary increase for all employees
- Funds healthcare premiums with no increase cost to the agency or employees
- Funds first year implementation costs for the proposed new Electronic Health Care Record; and
- Absorbs increased costs associated with building rent, debt service on the 420 building, and other indirect costs.

Assumptions underlying the FY 24 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 18% as previously reported.

I commend the Leadership Team for its painstaking efforts toward delivering a challenging budget for FY 24. 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. The budget will not, however, further address salary compression or close the gap with neighboring jurisdictions and other competitors. A plan to outsource a classification/compensation study during the next year is under consideration.

The Executive Leadership Team is in the process of exploring several options for enhancing the employee experience. Examples include increasing rate of vacation leave accrual for less tenured staff, providing paid family leave separate from designated sick leave, suspending the requirement that new employees must work for a period of time before leave approval, and the option to buy back leave with amounts linked to years of service. Any such proposals will be brought back to the board for review and approval prior to implementing.

I would like to thank the RBHA Finance Committee for reviewing, approving, and advancing this budget proposal for action.

## Richmond Behavioral Health Authority Fiscal Year 2024 Budget

Budget Summary:

Category	General Admin	Mental Health	Developmental Services	Substance Abuse	AES	Elimination of Intracompany Transactions	FY 2024 Total Budget	FY 2023 Total Budget	\$ Change	% Change	Region 4 Fiscal Agent
STATE GENERAL FUNDS	330,000	17,497,000	10,481,000	5,273,000	1,456,000	-	35,037,000	28,391,000	6,646,000	23.4%	13,252,000
LOCAL FUNDS	127,000	1,675,000	830,000	1,661,000	383,000	-	4,676,000	4,847,000	(171,000)	-3.5%	-
FEDERAL FUNDS	-	1,160,000	204,000	8,248,000	354,000	(250,000)	9,716,000	11,831,000	(2,115,000)	-17.9%	140,000
OTHER REVENUES	5,724,000	58,000	-	62,000	30,000	(5,143,000)	731,000	776,000	(45,000)	-5.8%	-
FEE REVENUES	-	14,562,000	4,030,000	5,553,000	250,000	-	24,395,000	23,305,000	1,090,000	4.7%	-
SERVICE REVENUES	-	-	-	81,000	125,000	(80,000)	126,000	8,000	118,000	1475.0%	-
PRIOR YEAR CARRYOVER	466,000	-	3,018,000	-	-	-	3,484,000	1,154,000	2,330,000	201.9%	-
<b>TOTAL REVENUE</b>	<b>6,647,000</b>	<b>34,952,000</b>	<b>18,563,000</b>	<b>20,878,000</b>	<b>2,598,000</b>	<b>(5,473,000)</b>	<b>78,165,000</b>	<b>70,312,000</b>	<b>7,853,000</b>	<b>11.2%</b>	<b>13,392,000</b>
PERSONNEL	6,977,000	22,388,000	10,963,000	12,255,000	2,463,000	-	55,046,000	50,773,000	4,273,000	8.4%	2,165,000
TRAINING	273,000	304,000	59,000	176,000	24,000	-	836,000	847,000	(11,000)	-1.3%	86,000
RENT/FACILITY	706,000	1,287,000	567,000	2,522,000	208,000	-	5,290,000	4,079,000	1,211,000	29.7%	-
SUPPLIES	708,000	135,000	89,000	298,000	17,000	-	1,247,000	1,205,000	42,000	3.5%	44,000
VEHICLE & PARKING	835,000	155,000	65,000	38,000	20,000	-	1,113,000	1,088,000	25,000	2.3%	45,000
CLIENT SERVICES	5,000	3,027,000	135,000	1,571,000	4,000	(620,000)	4,122,000	4,278,000	(156,000)	-3.6%	5,420,000
CLIENT SERVICES CONTRACTS	66,000	36,000	1,457,000	1,632,000	141,000	-	3,332,000	3,023,000	309,000	10.2%	4,169,000
ADMIN CONTRACTS	2,132,000	1,768,000	2,017,000	2,240,000	-	(4,853,000)	3,304,000	2,242,000	1,062,000	47.4%	1,289,000
OTHER OPERATING EXP	3,553,000	34,000	354,000	(1,023,000)	-	-	2,918,000	2,161,000	757,000	35.0%	173,000
	-	-	-	-	-	-	-	-	-	-	-
CAPITAL ASSETS (OVER 5,000)	315,000	112,000	333,000	197,000	-	-	957,000	616,000	341,000	55.4%	1,000
<b>TOTAL EXPENSES</b>	<b>15,570,000</b>	<b>29,246,000</b>	<b>16,039,000</b>	<b>19,906,000</b>	<b>2,877,000</b>	<b>(5,473,000)</b>	<b>78,165,000</b>	<b>70,312,000</b>	<b>7,853,000</b>	<b>11.2%</b>	<b>13,392,000</b>
<b>NET REVENUE OVER/ (UNDER) EXPENSE</b>	<b>(8,923,000)</b>	<b>5,706,000</b>	<b>2,524,000</b>	<b>972,000</b>	<b>(279,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>0%</b>	<b>-</b>
ADMIN % OF BUDGET	18.62%										
REVENUE CONTRIBUTION	7.95%	41.79%	22.19%	24.96%	3.11%		100.00%				
ALLOCATION OF EXPENSE	18.62%	34.97%	19.18%	23.80%	3.44%		100.00%				

## **Richmond Behavioral Health Authority**

### **[Purchase of 2000 Mecklenburg Street, Richmond, Virginia 23223]**

#### **Resolutions**

WHEREAS, pursuant to a Letter of Intent dated November 10, 2022 between the **Richmond Behavioral Health Authority** (the “Authority”), as purchaser, and the **Trustees of Pilgrim Baptist Church** (the “Seller”), the Authority and the Seller entered into a real estate purchase agreement dated December 14, 2022 (the “Purchase Agreement”) for the purchase by the Authority of Seller’s real estate, together with all improvements thereon and appurtenances thereto, lying and being in the City of Richmond, Virginia, briefly described as **2000 Mecklenburg Street, Richmond, Virginia 23223** (the “Property”), for a purchase price (to include release of liens and settlement of Seller’s indebtedness secured by the Property) of \$850,000 (the “Purchase Price”), plus closing costs, subject to the Purchase Price adjustments agreed to by the Seller;

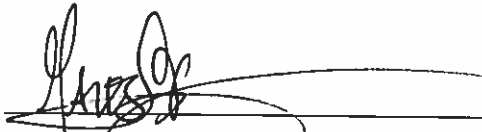
RESOLVED, that John P. Lindstrom, in his capacity as Chief Executive Officer of the Authority (the “Authorized Representative”), is hereby authorized to execute, deliver and approve, in consultation with the Authority’s legal counsel, such letters of intent, contracts, deeds, assignments, affidavits, certificates, instruments, agreements, closing or settlement statements and any other documents in connection with the purchase of the Property from the Seller (collectively, the “Closing Documents”) as the Authorized Representative may deem necessary or desirable to consummate the transaction. Such Closing Documents shall be executed, delivered or approved in the form, and with such additions, deletions, insertions and other changes as shall be approved by the Authorized Representative, such approval to be conclusively evidenced by the execution and delivery thereof by the Authorized Representative.

RESOLVED FURTHER, that the Authorized Representative is hereby authorized to do and perform or cause to be done and performed in the name and on behalf of the Authority or otherwise such other acts, to pay or cause to be paid on behalf of the Authority such related costs and expenses, and to execute and deliver, or cause to be executed and delivered, such other notices, requests, demands, directions, consents, approvals, orders, applications, certificates, agreements, undertakings, supplements, amendments, further assurances or other instruments or communications, in the name and on behalf of the Authority, as the Authorized Representative may deem to be necessary or advisable in order to effect the issuance and delivery of the Closing Documents and otherwise to carry into effect the intent of these Resolutions or to comply with the requirements of the instruments authorized, ratified, confirmed and approved by these Resolutions.

RESOLVED FURTHER, that any acts of the Authorized Representative and of any such person or persons designated and authorized in writing to act by the Authorized Representative, which acts would have been authorized by the foregoing Resolutions except that such acts were taken prior to the adoption of such Resolutions, are hereby severally ratified, confirmed, approved and adopted as acts in the name and on behalf of the Authority.

It is certified that neither these Resolutions nor any action to be taken pursuant hereto are or will be in contravention of any provision of the articles of incorporation, bylaws or any other agreement or instrument to which the Authority is a party.

These Resolutions shall take effect immediately upon their adoption.

  
\_\_\_\_\_, its Secretary

Adopted: June 13, 2023

*[Purchase of 2000 Mecklenburg Street, Richmond, Virginia 23223]*