

Valley Community Services Board
85 Sanger's Lane, Staunton, VA
May 24, 2023
5:30 p.m.

Members Present: Ross Parker, Chair; Dan Sullivan, Vice Chair; Debra Freeman-Belle, Treasurer; Misty Cook, Amanda Francis, Stephanie Huffman, Anna Leavitt, Mary Powell, Frank Pyanoe, Leslie Snyder

Members Absent: Jeremy Leach, Emily Malcolm, Sonya Pulliam-Payne

Staff Present: Dr. Kimberly McClanahan, Dereck Criner, Kathy Curry, Tammy DuBose, Tina Martina, Candy Calloway*, Jane Fetterman*, Dana Fitzgerald*

***Denotes via Zoom**

CALL TO ORDER: Vice Chair, Dan Sullivan, called the meeting to order at 5:34 pm.

ESTABLISH QUORUM: Mr. Sullivan established a quorum.

MINUTES: Mary Powell moved to approve the April 26, 2023 Board meeting minutes. Debra Freeman-Belle seconded. Approved.

EXECUTIVE DIRECTOR'S REPORT: Dr. Kim McClanahan commented on her 5.24.2023 report that was shared electronically with members.

COMMITTEE REPORT: Please see full report enclosed.

Finance Committee:

- Dereck Criner, Interim Director of Finance, shared the FY2023 April Financials. Highlights include:
- FY2023 April Balance Sheet: Total Cash \$12,994,533.35; Total Assets \$17,710,440.68; Total Liabilities and Equity \$17,710,440.68.
- Budget to Actual Total Agency: VCSB is projected to bring in \$14.8 million against a projected annual budget of \$15.7 million which is \$882,000 less than projected but with the misjudged million dollars in revenue that is good compared to prior years. Mr. Criner gave recognition to Patti Armstrong, Reimbursement Manager, and her team, case managers, and billing services team for the hard work they have accomplished. Year-to-Date Surplus \$2.6 million against a budget of approximately \$2.6 million.
- **The Fiscal Oversight Committee recommended approval of the FY2023 April Financial Reports. Motion carried.**
- **The Fiscal Oversight Committee recommended approval of the April 26, 2023 Fiscal Oversight Committee meeting minutes. Misty Cook abstained.. Motion carried.**
- Mr. Criner shared the FY2024 Budget Proposal of which hardcopies were shared with committee members. Highlights include:
 - o A side-by-side view of the FY2023 Budget and proposed FY2024 Budget was provided. Mr. Criner pointed out that there are two items that have caused recent changes to the FY2024 Budget Proposal that are not incorporated in the current copies: 1) there was a change earlier this week due to the jail program no longer being a part of VCSB, and 2) the initial results were received from SESCO Management Consultants' compensation analysis. FY2023 Budget Gross Charges: \$15.7 million; FY2024 Budget Gross Charges: \$16.1 million. Total Operating Expenses \$25.9 million, Net Revenue \$27 million, Surplus \$1.1 million.
 - o Mr. Criner will provide an amended FY2024 Budget Proposal to the Fiscal Oversight Committee next week; it will be presented at the June committee meeting for approval.

Nominating Committee: Mr. Sullivan announced that the Nominating Committee selected FY2024 slate of officers: Chair, Ross Parker; Vice Chair, Amanda Francis; and Treasurer, Anna Leavitt. The Board will vote on the slate of officers at the June meeting and will accept additional nominations at that time.

NEW BUSINESS:

- **Mr. Sullivan moved that in accordance with the bylaws regarding in-person attendance that Dr. Jeremy Leach, Staunton City representative, be removed from the Board for in-person non-attendance. Mary Powell seconded. Approved.**

OLD BUSINESS:

- **Financial Consultant Update:** Mr. Parker stated that a Financial Consultant has been selected from SHINE Management, Inc., to fill the Director of Finance vacancy, for at least the next year. Anticipated start date is June 1st. The individual will attend Board meetings, provide the Board financial updates, and is scheduled to be onsite once a week.
- **501c3 Update:** Dr. Kim McClanahan said that Lynn Harris has accomplished much work on the 501c3; however, an attorney is needed at this point. Discussions were held regarding a subsidiary, which is independent. Discussion was held with an attorney, and he agreed regarding the subsidiary. Five initial board members are needed to initiate incorporation papers. The attorney recommended that Dr. McClanahan be ex officio. Dr. McClanahan proposed that Dan Sullivan, Debra Freeman-Belle, Tammy DuBose, Lydia Campbell, and Dereck Criner be members. Dr. McClanahan suggested asking Dan Layman of The Community Foundation and VCSB realtor, Bill Hausrath, to be members.
- **Crisis Receiving Center/Crisis Stabilization Unit (CRC/CSU) Update:** Since last month's committee meeting, The Department has sent out essentially a Request for Proposals (RFPs) for CRCs/CSUs to all the CSBs. There is no state budget currently but they anticipate obtaining up to \$100 million to go toward these programs. Augusta Health has been helpful to VCSB regarding the development of a business plan. Dr. McClanahan would like to proceed with the purchase of property for the CRC/CSU. VCSB currently has \$1 million for the property. Ms. Cook asked if there was a buy-in from the localities for this project; a discussion ensued regarding this. A \$25,000 deposit is required to put an offer on the property and is nonrefundable. Ms. Cook shared her concerns regarding moving forward with the land purchase. Lt. Leslie Snyder said that immediate help is needed. Mr. Parker tabled the vote until there is clarification regarding funding. Dr. McClanahan stated that she would report back with fund clarification at next month's meeting. She said there is space in the VCSB Emergency Services Department to stand up an interim CRC/CSU to provide immediate relief to law enforcement; she is awaiting approval from The Department.
- **SESCO Management Consultants Update:** Mr. Criner shared compensation study highlights. Of the approximately 140 position types that were analyzed, approximately 40 were below market. The majority of the positions that were below market were between 95 and 99% of market. There are some pockets of the organization that are significantly below market, which is 89% of market. The cost would be \$790,000 annually to bring all positions (filled and vacant) up to market. One proposal for consideration by the Board is a calculation of where employees would have been since they started this year and offer them a prorated lump sum payment equal to the market adjustment. He would like to bring a formal proposal to the Board in June.
- **Day Support Partnership with Vector Industries Update:** Ms. Martina stated they named the project "CPP 2.0" (Community Participation Program 2.0) in honor of the original program. A licensing meeting was held this week and they are ensuring only one license is needed. There is a draft Memorandum of Agreement (MOA) that Vector's board will be reviewing. The Jumpstart Grant was resubmitted for \$30,000 for a third time. VCSB received \$10,000 from The Community Foundation Central Blue Ridge and the check will be presented at a special event on June 7th.
- **Orchard Lane Renovation Update:** Ms. Martina shared that two vendors went through the qualifications procurement process. Lee Building met all requirements and won the bid. A hardcopy of the Bid Proposal was shared with Board members. The base cost of the project is \$1,277,189. RSMeans data for 2023 is \$94,364 per bed construction (x6 beds); \$566,184 of \$1,277,189 will be reimbursable depreciated through the Medicaid Cost Report process; the remaining amount will be \$711,005. The other cost that is not on the bid form is for natural gas; the mainline has to be extended 197 feet from the road to the home; the projected estimated cost will be \$22,500. Once approved, estimated start date is June 15, 2023; estimated completion date is May 31, 2024. Lee building is ready to start.
- **Mr. Sullivan moved that VCSB move forward with the Orchard Lane Renovation Project financing it out of the fund balance. Lt. Snyder seconded. Approved.**

MEETING ADJOURNED: Mr. Sullivan moved to adjourn. Ms. Freeman-Belle seconded. Motion carried.

Respectfully submitted:
Kathy Curry