MINUTES OF WORK SESSION
OF THE NEWPORT NEWS CITY COUNCIL
HELD IN THE 10TH FLOOR CONFERENCE ROOM
2400 WASHINGTON AVENUE
August 13, 2019
4:15 p.m.

PRESENT: Marcellus L. Harris III; David H. Jenkins; McKinley L. Price, DDS; Sharon P. Scott, MPA; Tina L. Vick; Dr. Patricia P. Woodbury; and Saundra N. Cherry, D. Min.

ABSENT: None

OTHERS PRESENT: Cynthia D. Rohlf; Collins L. Owens; Mabel Washington Jenkins; Joye Thompkins; Darlene Bradberry; Lisa Cipriano; Cory Cloud; Constantinos Velissarios; Natale Christian; Sherry Hunt; Denise Newlon; Lisa Hogge; Daphne Cunningham; Chief Steve Drew; Eric D. Randall; Michael T. Hudgins, Shelia McAllister; Susan Goodwin; Florence Kingston; Matthew E. Johnson; Mallory Butler; Marc Rodgers; Elizabeth McCoury; Venneria Thomas; Sonia Alcantara-Antoine; Louis Martinez; Frank James; Craig Galant; Everett Skipper; Jannie Bazemore; Mary Vause; Alan Archer; David Freeman; Ralph Clayton; Cleder Jones; Kim Lee; Eoghan Miller; Lora Graham; Zina Middleton; and Josh Reyes

I. Hampton-Newport News Community Services Board (H-NNCSB) State Fiscal Year 2020 – 2021 Performance Contract Briefing

Ms. Cynthia Rohlf, City Manager, introduced Ms. Natale Christian, Executive Director, and Ms. Denise Newlon, Chief Financial Officer, Hampton-Newport News Community Services Board (H-NNCSB), to provide the FY 2020 Performance Contract Briefing (a copy of the presentation “Hampton-Newport News Community Services Board - State Fiscal Year 2020 Budget/Performance Contract Review,” is attached and made a part of these minutes).

Ms. Christian introduced members of the Leadership Team which included Ms. Lisa Hogge, Youth and Family Services Director; Ms. Daphne Cunningham, Deputy Executive Director; Ms. Sherry Hunt, Communications and Business Development Director, and Ms. Venneria Thomas, Vice-Chair, Board of Directors.

Ms. Christian stated the H-NNCSB’s State Fiscal Year 2020 Budget and Performance Contract described CSB’s commitment with the Department of Behavioral Health and Developmental Services (DBHDS) to the citizens of Newport News and Hampton. She stated
the budget required formal approval of the H-NNCSB Board of Directors and the City Councils of the Cities of Newport News and Hampton.

Ms. Christian advised that the H-NNCSB strategic commitment was to continue to provide premier behavioral health care and intellectual and developmental disability services, as well as to be recognized throughout Virginia for its leadership, excellence, and commitment to citizens of the Cities of Newport News and Hampton. The H-NNCSB was required, by the Code of Virginia, to provide individuals with behavioral health care and intellectual and developmental disability services.

Ms. Christian stated the H-NNCSB provided a Comprehensive System of Care which included approximately 90 programs. She stated that the H-NNCSB was committed to serve the Hampton Roads community and noted the percentage of residents served by locality and disability in FY 2018:

- **Locality**
  - Newport News 38%
  - Hampton 41%
  - Other (Regional) 21%

- **Disability**
  - Mental Health 75%
  - Substance Abuse 17%
  - Developmental Disabilities 8%

Ms. Christian indicated that H-NNCSB had provided services to over 16,000 individuals in the following categories:

- Mental Health 12,491
- Substance Use Disorders 2,769
- Developmental Disabilities 1,380

Ms. Christian stated H-NNCSB offered a number of Comprehensive Systems of Care that included:

- Prevention & Early Intervention
  - Early Intervention Services
  - Parenting Resources and Support Groups
  - After-School & Recreational Programs
- Community Based Outpatient Services
  - Case Management
  - Individual and Family Counseling
  - Emergency Services
  - PACT
  - Partners in Recovery
  - Mobile Crisis – Children & Adult
  - Medications Management
  - Comprehensive Outpatient Services
  - Peer Recovery Services
  - Medication Assisted Treatment (MAT)
  - Homeless Services
  - Drug Court
  - Juvenile Justice
  - Re-Entry & Jail Based Services
  - Virginia Veteran and Family Support
  - VA Choice Program
  - Behavioral Health Docket

- Day Support & Treatment
  - Creative Options – DD
  - Psychosocial Day Program
  - Deaf Services
  - Therapeutic Day Treatment

- Residential Assistance
  - Southeast Family Project
  - Waiver Group Homes
  - ICF – DD
  - MH Supervised Residential
  - Supported Living
  - MH Crisis Stabilization
  - Permanent Supportive Housing

- Acute Inpatient Services
Councilwoman Cherry inquired about the location of the Southeastern Family Project and what the program offered. Ms. Christian replied the Southeastern Family Project was a residential program for pregnant women with addiction problems. The facility was located on Terminal Avenue which was given to H-NNCSB by the City. She offered City Council a tour of the facility and to provide additional details about the program.

H-NNCSB was one of the premier employers on the Peninsula and provided approximately $45.5 million in staff salaries and benefits.

Ms. Christian stated H-NNCSB hired the best employees for the job which included:

- 879 Total Workforce
  - 710 Full-Time
  - 136 Part-Time
  - 23 On-Call
  - 10 Interns and Volunteers

- Clinical Staff
  - 9 Full-Time and Part-Time Psychiatrists
  - 3 Part-Time Primary Care Physicians
  - 4 Full and Part-Time Licensed Nurse Practitioners
  - 14 Full and Part-Time LCSWs
  - 3 Full-Time LCPs
  - 25 Full and Part-Time LPCs
  - 11 Full and Part-Time RNs
  - 25 Full and Part-Time LPNs
  - 22 Full-Time CSACs
Ms. Christian stated the H-NNCSB strategically provided Therapeutic Day Treatment (TDT) and other services in each school in Newport News and Hampton. She stated TDT was a Medicaid provided service at no cost to schools.

Ms. Christian reiterated that H-NNCSB strategically placed the following services:

- H-NNCSB provided Therapeutic Day Treatment (TDT) to students in each school in Newport News City Schools and had expanded to include Case Management Services.
- H-NNCSB partnered with the Southeastern Virginia Health System (SEVHS) to offer integrated primary health and behavioral health services on-site and Genoa to provide an on-site pharmacy
- H-NNCSB offered full continuum of Juvenile Services – including Juvenile Drug Court, Clinical Services, and Juvenile Detention
- H-NNCSB trained Newport News First Responders through Crisis Intervention Training (CIT)
- H-NNCSB offered a full array of housing options from homelessness to permanent supported housing to integrated housing
- H-NNCSB partnered with NN Health Families for Case Management
- H-NNCSB administered the NN Drug Court and Behavioral dockets
- H-NNCSB provided Emergency and Crisis Intervention, Mobile Crisis Services and Crisis Stabilization
- H-NNCSB continued to provide uncompensated services to Newport News residents without third party payers

Councilwoman Cherry questioned the benefits of the outpatient TDT for the youth that received those services. Ms. Christian replied that the outpatient TDT were for individuals who did not qualify for the TDT, but could also be for an individual who had maximized their insurance for TDT. The benefit and goal to assist individuals in need of behavioral health services, step-out of the classroom to get supportive counseling and re-enter the classroom, which provided an opportunity to deal with those concerns on-site (out of the classroom – in the school). She shared that intensive counseling, psychiatry, ongoing and family therapy needs were available at the H-NNCSB not in the schools.

Councilwoman Woodbury questioned whether H-NNCSB provided TDT or whether those services were contracted out. Ms. Christian replied that H-NNCSB provided the TDT services with approximately 55 Therapists on staff in Newport News schools.
Ms. Christian offered the following information on the Annual Operating Budget and Performance Contract:

- Parties: H-NNCSB and the Department of Behavioral Health and Development (DBHDS)
- Described H-NNCSB commitment to:
  - The individuals served
  - Cities of Newport News and Hampton
- Primary accountability and funding mechanism between H-NNCSB and DBHDS
- Budget requirements formally approved by the H-NNCSB Board of Directors and the City Councils of Newport News and Hampton

Ms. Christian stated that the State increased Behavioral Health funding in FY 2020. She thanked City Council for their continued support.

Ms. Christian introduced Ms. Denise Newlon, Chief Financial Officer, H-NNCSB, to continue the presentation. Ms. Newlon noted the following as H-NNCSB Annual Operating Budget and Budget Principles:

- Budget required formal approval of the HNNCSB Board of Directors
- Budget required formal approval of the cities of Hampton and Newport News
- Programs should be self-supporting, maximizing earned revenue
- Programs should economically and efficiently apply capital, human and support resources, and eliminate or reduce expenses where possible
- State and local funds and excess program revenue supports services for individuals with no payer source
- Programs/services were monitored and right sized to assure that there was sufficient revenue to cover the cost of services

Ms. Newlon noted the budget environment for the FY 2020 Performance Contract:

- Expenditures
  - Cost Growth – Compensation and Expenses
  - Revenue
  - Reduction in MH State General Funds
  - Trend of decreased fee revenue
  - STEP VA Initiatives
  - Grant opportunities for ARTS
o Cash Flow
   o Operating Reserves
   o Generally zero growth in third party reimbursement rates
   o Medicaid Expansion

• The Bottom Line
  o Declining Operating Margins

Ms. Newlon noted the five (5) items to be considered in the budget assumptions for the FY 2020 Performance Contract:

• Strategic Plan Initiatives
• Staff Compensation
• Program Revenue
• Operating Expenses and Investments
• Other Unfunded Needs

Ms. Newlon noted the FY 2020 H-NNCSB Performance Contract Budget Strategic Plan Initiatives as follows:

• Increased Workforce Development (Recruitment, Retention and Training)
  o Implementation of STEP VA initiatives to increase access to care
    1. Continuation of Same Day Access (Rapid Access)
    2. Primary care screenings – Nursing Component
    3. Enhancement of Outpatient Treatment
    4. Crisis Services
    5. Psychiatric Rehabilitation
    6. Targeted Case Management
    7. Care Coordination
    8. Peer Supports
    9. Intensive, Community-Based Mental Health Care for members of the armed services and veterans
    10. Person-Centered Treatment Planning
  o Continue Outcome Measurement and Best Practice Development based on data driven decisions

Councilwoman Woodbury inquired about STEP VA, what type of program and what services were provided. Ms. Newlon replied STEP VA was an initiative called 9 + 1 for services that CSBs had to provide. It was a program implemented for all 40 CSBs across the State
to standardize services to ensure that all of the same services were afforded throughout the state. There were nine (9) core services that CSBs had to operate, and H-NNCSB was working toward the implementation of those services. Ms. Christian noted that CSBs were mandated by the Code of Virginia to provide the remaining steps of STEP VA by 2021 through the SJ47 Joint Subcommittee to Study Mental Health Services in the 21st Century. She shared that H-NNCSB was working on the first three (3) steps and working on the fourth step.

Councilwoman Cherry inquired about the decrease in funding from the State, but the State added an unfunded mandate for some of the STEP VA services. Ms. Newlon replied that was correct; it was an unfunded mandate because H-NNCSB did not receive total funding to implement some of the programs. Ms. Christian indicated some funding had been provided for each step but not adequate.

Ms. Newlon noted the FY 2020 H-NNCSB Performance Contract Budget highlights as follows:

- **Staff Compensation**
  - Inability to fund a Cost of Living Salary Increase or continue second phase of the compensation study for FY2020 based on the current funding
  - Revisit employee compensation, if funding changes
  - Limit payroll lag to 2%

- **Fringe Benefits**
  - Maintain current health insurance rates with no increase to employees for the 3rd year.
  - Continue to re-evaluate health insurance to balance required savings with staff impact
  - VRS Long Term Care Plan – participate in new VRS long-term care plan as an additional benefit to employees.

Ms. Newlon noted the FY 2020 H-NNCSB Performance Contract Budget Program Revenue as follows:

- **Program Review**
  - Conducted stringent program review to consider program priorities, relative effectiveness and operational efficiency.

- **Assume Level Federal and Local Funding**
• **State Revenue**
  - Reduction of Mental Health State General Funds of $1.3 million
  - Medicaid Expansion –
    - Utilize DMAS data exchange to identify current Medicaid Expansion enrollees
    - Pursue additional revenue through Medicaid Expansion
  - Increase in Permanent Supportive Housing funds - $806,452
  - STEP VA Initiatives
    - Additional Funding for Primary Care Screenings - $329,025
    - Additional Funding to increase access to Outpatient Treatment - $198,656
    - Continued Funding for Same Day Access (Rapid Access) - $247,500
    - Balance insufficient funding with actual costs to implement the initiative

Ms. Christian noted the additional funding received by H-NNCSB was specific for STEP VA, the State general grant fund in the amount of $1.3 million was reduced with the anticipation that it would be made up in Medicaid revenue, which was not the case. She indicated the funds were decreased before there was an opportunity to earn revenue.

Vice Mayor Vick inquired whether the primary care screening required a certain number of screenings. Ms. Christian replied there was a requirement based on an individual's mental health diagnosis or serious mental illness. There was certain criteria for which the clinic had to screen. H-NNCSB agreed with those criteria was why they had a partnership with SEVHS to address both the physical and mental health at the same time; however, the level of details that the State required took time from all involved (R.N, Case Managers, etc.) and that took away from what H-NNCSB staff were doing. H-NNCSB was able to hire additional nurses at each clinic with the $329,025 funding received.

• **ARTS Initiatives**
  - State Opioid Response (SOR) Grant – Funding for consumers in Office Based Opioid Treatment (OBOT)
  - Substance Abuse and Mental Health Services Administration (SAMHSA)
    - Funding for consumers in treatment at our Methadone Clinic

Ms. Christian shared that H-NNCSB had received several grants from both State and Federal to enhance the opioid services, to eliminate waiting lists and included better access to services.
Councilwoman Woodbury indicated she thought that H-NNCSB had received additional money from the State for Opioid Response. Ms. Christian replied that N-NNCSB received additional funding, which was helpful and allowed for no waiting list.

Councilwoman Cherry questioned how individuals gained access to the methadone clinic. Ms. Christian replied there was a screening process and individuals could walk-in or be referred to either of the two locations.

- **Closure of Supportive Living Program**
  - We have had limited growth in the program based on various treatment opportunities in the community, eight (8) individuals linked to other providers. Staff transitioned to other programs within the agency

- **Restructuring Therapeutic Day Treatment Program (TDT)**
  - Newport News TDT –
    - Enhance Case Management services within the schools
    - Pilot Outpatient Services within two (20 schools
    - Provide consultation only to schools with limited TDT referrals & enrollment

Ms. Newlon noted the FY 2020 H-NNCSB Performance Contract Budget Operating Expenses and Investments as follows:

- **Operating Reserve**
  - Inability to fund additional operating reserve at this time due to funding constraints and state general funds reduction. Operating reserve balance was $2,022,566.
- **Maintain line of credit; however, line of credit had not been utilized since October 2014**
- **Maintained vehicle fleet and acquired/replaced nine (9) vehicles (7 year life)**
  - Maintain reserves for healthcare expenses.
- **Fund necessary facilities maintenance**
- **Maintain IT infrastructure:**
  - Explored cloud based services and potential upgrade to Electronic Health Record system.

Ms. Newlon noted the other unfunded needs of the FY 2020 H-NNCSB Performance Contract:
Ongoing expenses related to the administration of the Regional Crisis Stabilization Program
- Response to State Initiatives regarding hospital discharge
- Sustaining programs where the costs exceed the reimbursement rate
- Explore an upgrade to our Electronic Health Record
- Capital requirements for Vehicles, Equipment and other Building repairs

Ms. Newlon shared the changes in State, Federal, Local and Earned Revenue in the FY 2020 H-NNCSB Performance Contract as follows:

<table>
<thead>
<tr>
<th>Revenue by Source</th>
<th>FY2019</th>
<th>FY2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>State **</td>
<td>$22,172,209</td>
<td>$23,436,567</td>
<td>$1,264,358</td>
</tr>
<tr>
<td>Federal</td>
<td>$3,849,611</td>
<td>$4,458,611</td>
<td>$609,000</td>
</tr>
<tr>
<td>Local</td>
<td>$3,268,185</td>
<td>$3,347,593</td>
<td>$79,408</td>
</tr>
<tr>
<td>Fee</td>
<td>$33,727,581</td>
<td>$33,066,999</td>
<td>$(660,582)</td>
</tr>
<tr>
<td>Other</td>
<td>$2,185,765</td>
<td>$1,878,920</td>
<td>$(306,845)</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$65,203,351</td>
<td>$66,188,690</td>
<td>$985,339</td>
</tr>
</tbody>
</table>

**State revenue increased in FY 2020 due to increased deferred state revenue, STEP VA funding and additional housing funds. However State General funds decreased overall by $1.3 million due to Medicaid Expansion.**

Ms. Newlon noted the Program Expenses Comparison in the FY 2020 H-NNCSB Performance Contract as follows:

<table>
<thead>
<tr>
<th>Program Expenses</th>
<th>FY2019</th>
<th>FY2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crisis Services</td>
<td>$5,534,225</td>
<td>$4,934,804</td>
<td>$(599,421)</td>
</tr>
<tr>
<td>Adult MH Therapy/Medication</td>
<td>$4,860,227</td>
<td>$5,246,763</td>
<td>$386,536</td>
</tr>
<tr>
<td>Children's Therapy/Medication</td>
<td>$2,780,618</td>
<td>$2,773,111</td>
<td>$(7,507)</td>
</tr>
<tr>
<td>SA Outpatient</td>
<td>$3,982,609</td>
<td>$5,089,176</td>
<td>$1,106,567</td>
</tr>
<tr>
<td>MH/SA Residential</td>
<td>$2,689,563</td>
<td>$2,817,214</td>
<td>$127,651</td>
</tr>
<tr>
<td>Prevention</td>
<td>$493,765</td>
<td>$477,255</td>
<td>$(16,510)</td>
</tr>
<tr>
<td>Case Management</td>
<td>$10,127,456</td>
<td>$10,330,061</td>
<td>$211,605</td>
</tr>
<tr>
<td>IDDS Day</td>
<td>$2,567,320</td>
<td>$2,448,571</td>
<td>$(118,749)</td>
</tr>
<tr>
<td>MH Day</td>
<td>$9,294,496</td>
<td>$6,918,328</td>
<td>$(2,376,168)</td>
</tr>
<tr>
<td>IDDS Residential</td>
<td>$9,030,388</td>
<td>$9,193,169</td>
<td>$162,781</td>
</tr>
<tr>
<td>Consumer Support Services</td>
<td>$7,222,355</td>
<td>$8,796,366</td>
<td>$1,574,011</td>
</tr>
<tr>
<td>Contracted Physician Services</td>
<td>$219,043</td>
<td>$156,252</td>
<td>$(62,791)</td>
</tr>
<tr>
<td>Regional Programs</td>
<td>$6,401,286</td>
<td>$6,998,620</td>
<td>$597,334</td>
</tr>
<tr>
<td><strong>Total Program Activities</strong></td>
<td>$65,203,351</td>
<td>$66,188,690</td>
<td>$985,339</td>
</tr>
</tbody>
</table>
Ms. Newlon noted the Budget Summary in the FY 2020 H-NNCSB Performance Contract as follows:

<table>
<thead>
<tr>
<th>Revenue by Source</th>
<th>Amount</th>
<th>Expenses by Program Activity</th>
<th>Amount</th>
<th>Expenses by Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>$23,436,567</td>
<td>Crisis Services</td>
<td>$4,934,804</td>
<td>Personnel</td>
<td>$44,947,137</td>
</tr>
<tr>
<td>Federal</td>
<td>$4,468,611</td>
<td>Adult MH Therapy/Medication</td>
<td>$5,246,763</td>
<td>Staff Development</td>
<td>$239,723</td>
</tr>
<tr>
<td>Local</td>
<td>$3,347,593</td>
<td>Children's Therapy/Medication</td>
<td>$2,773,111</td>
<td>Facilities</td>
<td>$4,882,002</td>
</tr>
<tr>
<td>Fee</td>
<td>$33,086,999</td>
<td>Adult SA Outpatient</td>
<td>$5,069,176</td>
<td>Equipment</td>
<td>$3,086,290</td>
</tr>
<tr>
<td>Other</td>
<td>$1,878,920</td>
<td>MHSA Residential</td>
<td>$2,817,214</td>
<td>Travel</td>
<td>$536,733</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Prevention/Early Intervention</td>
<td>$477,255</td>
<td>Consultant</td>
<td>$6,372,084</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Case Management</td>
<td>$10,339,061</td>
<td>Client Support</td>
<td>$3,142,239</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IDDS Day</td>
<td>$2,448,571</td>
<td>Family Support</td>
<td>$14,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MH Day</td>
<td>$6,918,328</td>
<td>Contract Programs</td>
<td>$2,399,291</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IDDS Residential</td>
<td>$9,193,169</td>
<td>Miscellaneous</td>
<td>$567,191</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Consumer Support Services</td>
<td>$8,796,366</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Contracted Physician Service</td>
<td>$156,252</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Regional Programs</td>
<td>$6,996,620</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$66,188,690</td>
<td>Total Program Expense</td>
<td>$66,188,690</td>
<td>Total Expense</td>
<td>$66,188,690</td>
</tr>
</tbody>
</table>

Ms. Newlon reiterated that H-NNCSB was fee driven and offered a summary of the H-NNCSB FY 2020 Performance Contract Core Programs Revenue by Source:

- Fees: 58%  $32,345,990
- State: 25%  $14,038,846
- Federal: 8%  $4,458,611
- Local: 6%  $3,347,593
- Other: 3%  $1,878,920

Councilwoman Woodbury questioned what “other” was in the Core Programs Revenue. Ms. Newlon replied from contractual relationships, but the H-NNCSB provided services for other organizations.

Ms. Newlon noted the FY 2020 H-NNCSB Performance Contract Program Activities as follows:

- Case Management: 15.6%
- IDDS Residential: 13.9%
- Consumer Support: 13.3%
- Mental Health Day: 13%
- Regional Programs: 10.6%
- Adult Mental Health: 7.9%
- Substance Abuse Outpatient: 7.7%
- Crisis Services: 7.5%
MH/SA Residential 4.3%
Children’s Services 4.2%
IDDS Day 3.7%
Prevention 0.7%
Contracted Services 0.2%

Ms. Newlon noted the FY 2020 H-NNCSB Performance Contract Expense Comparison by Category as follows:

<table>
<thead>
<tr>
<th>Expenses by Category</th>
<th>FY2019</th>
<th>FY2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$45,520,963</td>
<td>$44,947,137</td>
<td>$(573,826)</td>
</tr>
<tr>
<td>Staff Development</td>
<td>$290,629</td>
<td>$239,723</td>
<td>$(50,906)</td>
</tr>
<tr>
<td>Facilities</td>
<td>$4,493,474</td>
<td>$4,882,002</td>
<td>$388,528</td>
</tr>
<tr>
<td>Equipment</td>
<td>$2,961,832</td>
<td>$3,086,290</td>
<td>$124,458</td>
</tr>
<tr>
<td>Travel</td>
<td>$533,566</td>
<td>$538,733</td>
<td>$5,167</td>
</tr>
<tr>
<td>Contractual</td>
<td>$5,915,594</td>
<td>$6,372,084</td>
<td>$456,490</td>
</tr>
<tr>
<td>Client Support</td>
<td>$3,142,239</td>
<td>$3,142,239</td>
<td>$388,528</td>
</tr>
<tr>
<td>Family Support</td>
<td>$25,000</td>
<td>$14,000</td>
<td>$(11,000)</td>
</tr>
<tr>
<td>Program Expense</td>
<td>$2,399,291</td>
<td>$2,399,291</td>
<td>$(1,112,564)</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$326,451</td>
<td>$567,191</td>
<td>$240,740</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td><strong>$65,203,351</strong></td>
<td><strong>$66,188,690</strong></td>
<td><strong>$985,339</strong></td>
</tr>
</tbody>
</table>

Ms. Newlon noted the FY 2020 H-NNCSB Performance Contract Elements of Personnel Expenses as follows:

- Salaries and Wages 77.9% $34,994,403
- Taxes 6.1% 2,757,667
- Health 11% 4,935,043
- Other Fringe Benefits 2.49% 1,135,067
- Disability & Life 0.7% 327,997
- Virginia Retirement System 1.3% 570,716
- Workers Compensation 0.5% 226,244

Ms. Newlon noted the concerning budget and Environment Trends/Challenges for the FY 2020 Performance Contract as follows:

- Declines in fee revenue based on regulatory guidelines, stagnant rates and fee structure changes. With the implementation of the seven (7) Managed Care Organization (MCO) plans, there had been a decrease in approved
authorizations and authorized units, resulting in decrease of services rendered and revenue earned.

- Recent changes in the operating environment have highlighted the importance of recruiting and retaining licensed and credential-able clinical staff including QMHPs (Qualified Mental Health Professionals) and CSACs (Certified Substance Abuse Counselors)
- Maintaining competitive salaries and benefits within the field
- State General Funds reduction related to Medicaid Expansion
- Continued focus on Eastern State Hospital Census Reduction
- Rapid implementation of STEP VA initiatives
- Continued focus on the Opioid Crisis

Councilwoman Woodbury inquired about the number of individuals at Eastern State Hospital (ESH). Ms. Newlon replied there were approximately 300 individuals at ESH which was 100% of its bed uses.

Ms. Christian shared, in addition to the challenges with the FY 2020 Performance Contract, was the inability to give a COLA to the employees as H-NNCSB had done for the past five (5) years. H-NNCSB would continue to monitor and continue to review ways to give a cost of living increase or bonus to staff.

Ms. Christian shared the budget summary for the FY 2020 Performance Contract:

- The FY2020 budget maintains high quality community programs that are responsive to our communities within available funds.
- The FY2020 budget continues to balance the fiscal constraints of the agency along with the service delivery model of the State.
- The FY2020 budget continues stewardship of public resources by providing effective and efficient services in a challenging financial environment.

Ms. Christian offered a summary of the H-NNCSB FY 2020 Budget:

- Maintained high quality community programs that were responsive to communities within available funds
- Continued to improve the financial health of the H-NNCSB and recognized changes to service delivery models
- Continued stewardship of public resources by providing effective and efficient services in a challenging financial environment
Ms. Christian noted the following challenges concerning the budget and environment trends:

- A decline in fee revenue based on regulatory and fee structure changes, as well as a decrease in referrals
- Recent changes in the operating environment have highlighted the importance of recruiting and retaining licensed and credential-able clinical staff including Qualified Mental Health Professions and Certified Substance Abuse Counselors
- To ensure that its salaries remain competitive within the field
- Effects of Medicaid Expansion on State General Funds
- Increase in the Aging Population
- Continued focus on Eastern State Hospital Census Reduction
- Focus on the implementation of Same Day Access Mental Health Screen Services model to increase access to care
- Focus on the Opioid Crisis

Ms. Newlon respectfully requested, on behalf of the H-NNCSB Board of Directors and staff, that the City Council approve the H-NNCSB FY 2020 Budget, Performance Contract, to ensure compliance with the State Performance Contract.

Mayor Price indicated that the Department of Medical Assistance Services (DMAS) had a new Medical Director who would hopefully be able to assist. Ms. Christian replied yes; DMAS had a new Medical Director and most of the concerns shared across the 40 CSBs and Virginia CSB met regularly with DMAS and its Medical Director, along with the Department of Behavioral Health Services to keep good communication about the concerns and problems along with ways to resolve some of those concerns. She advised that DMAS and Department of Behavioral Health Services were aware of the concerns and indicated they were working on the concerns of the CSBs.

Councilman Harris inquired about the TDT program, did H-NNCSB have access to the data from the schools such as disciplinary referrals and number of students that were seen, because of the reduction at two (2) of the schools based on limited enrollment. Ms. Christian replied that the data was accessed from the H-NNCSB, but CSB not have access to the school’s data. She advised that H-NNCSB had spoken with Dr. Parker, Superintendent of Schools, about getting access to other data such as disciplinary actions. Without reports from teachers or administration, both parties questioned whether the right students were being seen. H-NNCSB were looking at ways to get that important data from the schools and streamline the process, in order to get better results. H-NNCSB got the referral, screened the children based on the criteria for TDT that were set by DMAS and the family’s willingness for the child to be involved. All of the data for the treatment side was accessible, but what happened on the school’s side was not
accessible, except for a possible report from a teacher. Councilman Harris questioned whether the report from the teacher showed or gave any indication of the effectiveness. Ms. Christian replied yes, but not in an outcome data way. The supervisors and counselors were in communication with the teachers, and counselors sometimes sat in the classroom, monitored and observed the student’s behavior, but it was important to find a way to wed the treatment information with the school data. Ms. Lisa Hogge, Director, Youth and Family Services, advised that Dr. Parker had pledged to work with H-NNCSB and share school information (i.e. achievement performance and disciplinary information) to use that information in a meaningful way and prepare student services and intervention. She shared that the STEP VA grant implementation would assist with assessments and a number of programs could be made available.

Vice Mayor Vick indicated the release form signed by the parents use to be simple. She questioned whether the release forms were more complicated, in order to obtain information from the schools. Ms. Hogge replied there was not a variable to look at who was enrolling in school. Ms. Christian indicated the H-NNCSB needed to look at school by school. It would help to be able to see who was most at-risk. The TDT could work for an individual with Medicaid based on the funding, to work with the school in a broader way and could help with intervention and an array of other services whether the services were provided by H-NNCSB or a community partner. To have a broader picture of what was happening in schools and working with the school administration would be a way to address the overall population. Councilwoman Cherry indicated that was a great idea and she was glad the H-NNCSB paused and restructured. She wondered the effectiveness of the TDT program, whether it was more effective than in-home services and agreed that H-NNCSB should have more access to school data in order to provided more specific services needed for students. If those services could not be measured. She questioned what was being done. There had to be a measure and outcome and if TDT was not working, what changes were needed. She was glad that H-NNCSB was working with Dr. Parker. Ms. Christian replied that with SJ47 STEP VA everything was outcome driven, everything had metrics and reporting requirements demonstrated the outcome and effectiveness.

City Manager Rohlf reminded City Council that the H-NNCSB FY 2020 Budget, Performance Contract, would appear on the September 10, 2019 Regular City Council meeting agenda for action.

II. Police Department Crime Update

City Manager Rohlf introduced Chief Steve Drew, Newport News Police Department, to provide information about citywide ongoing activities, reports and initiatives (a copy of the presentation “Newport News Police Department – August 13, 2019,” (is attached and made a part of these minutes).
Chief Drew introduced Assistant Chief Michael T. Hudgins who was over Administration and Assistant Chief Eric D. Randall who was over Investigations.

Chief Steve Drew, Newport News Police Department (NNPD), advised that the Police Department saw a shift, and decrease, in crime as they continued to gain “momentum”. The NNPD had made progress and were making a difference in the communities in the City of Newport News.

Chief Drew advised, over the past five (5) years, the City had an average of 92 shootings each year, and averaged between 25 – 30 homicides each year, which was pretty consistent. There had to be change which was the reason for the restructure that reflected in the stats, and was paying off. It had to be evidence-based and support what was being done to show that the strategies were working effectively to change things in the City, both crime wise and with community relationships.

Chief Drew stated there had been a decrease in overall crime in the City. He noted from January 1, 2019 – August 11, 2019, citywide crimes were down by 10.1%; South Precinct crimes were down by 16.4% with the buy-ins of the citizens and taking the neighborhoods back, Central Precinct crimes were down by 10.8%; and North Precinct crimes were down by 3.1%. Changes were made, which included new leadership, more officers. New recruits had been placed in the North Precinct (see Newport News Police Department – August 13, 2019, presentation pages 2 – 6 attached and made a part of these minutes).

Vice Mayor Vick questioned why larceny was so high. Chief Drew replied that people left their car doors unlocked, people left laptops, iPads, cell phones, wallets, purses, play stations and other items of value in plain sight.

Chief Drew advised there had been 64 shooting victims in the City in 2018, and 42 shooting victims in 2019, which was a decrease of 34% in shooting victims in the City.

Chief Drew shared that 390 weapons were recovered in 2018, 490 weapons had been recovered in 2019, which was a 26% increase in weapons recovery in the City. He advised that a total of 659 weapons were recovered in 2018.

Chief Drew shared that Opioid related overdoses from January 1, 2019 – August 11, 2019, totaled 96, with nine (9) of those being fatal, which was an increase from 2018, which totaled 76 with 21 of those being fatal (see Newport News Police Department – August 13, 2019, presentation – pages 9 and 10 attached and made a part of these minutes).
Chief Drew advised that the decrease in fatal opioid overdoses in 2019 was due to quick response from Police, Fire and Rescue. The number of opioid overdoses for 2019 were those called into dispatch for Police. He believed that the numbers were considerably higher, but Police could account for what they were dispatched and responded too.

Mayor Price inquired about the statistics on repeated opioid overdoses. Chief Drew replied that was reviewed by the Narcotics Division, but they did not make arrests. There was a difference between how the City of Hampton handled opioid overdoses versus the City of Newport News. In Hampton, once the individual recovered at the hospital from an overdose, there would be an officer waiting to arrest that individual upon discharge. The individual would go to court, and the Judge would order treatment or jail time. In the City of Newport News, individuals were encouraged to seek treatment, but not forced or court ordered. Chief Drew shared that numbers were about the same in Hampton and Newport News; however, the City of Hampton repeat offenses were lower. Both Hampton and Newport News had the same Magistrate, and had an opportunity to talk with the Judges, and if an arrest was made, drug court would be offered.

Mayor Price advised that there was a push for citizens to be able to walk into a drug store and buy naloxone (narcan), but should that occur for someone who was addicted, they would repeat the cycle of overdosing and recovering. Chief Drew replied he would dare say there were some cases that individuals would call ahead of time, and indicate they were about to use heroin, and they knew they were about to overdose. The opioid overdoses were happening throughout the entire City.

Chief Drew advised during the reorganization and restructure the results were as follows:

- Street Units back in the precincts (HIP) – each street unit had six (6) Police Officers to deal with drug enforcement and firearms
- Robbery investigations – in the precincts
- Created Aggravated Assault Unit
- Increased Homicide Division / added cold case – Increased from 7 to 10 Officers
- Increase Forensic Technicians from 6 to 8 to speed up processing crime seen
- Community Youth & Outreach and added Outreach Workers
- New Direction for Narcotics / new location
- Creating a Traffic Division
- Sector Lieutenant concept
- Fully Staffed
Councilwoman Cherry questioned whether the communication in the community was any better with the Outreach Workers, or less, because those Outreach Workers worked with the Police Department. Chief Drew replied the Police Department needed to find a way to evaluate that in the three (3) neighborhoods (Marshall Ridley, Dresden Drive area – South Morrison, Courthouse Green). The Police Department and Outreach Workers were on the same page.

Councilwoman Scott inquired about what was being done at the Aqueduct Apartments as it had been a troublesome community for some time; and questioned whether additional patrols were out in that community. Chief Drew replied he was frustrated with Aqueduct Apartments as a lot of resources were put into the community. There were a few apartments that were the cause of many of the problems, and people were afraid to come forward. Captain Brandon Creswell was the new Captain for that area, and there were more patrols; he stated one could not go to Aqueduct Apartments and not see an Officer. It would be the next stop to distribute backpacks and needed to get youth involved in the community. The community was not willing to cooperate. The Police Department would try different strategies and focus on street level.

Chief Drew advised of new technology and additional strategies and initiatives as follows:

- 41 New Recruits
- National Integrated Ballistic Information Network (NIBIN)
- Automated Fingerprint Identification System (AFIS) – Full Time position needed
- Shot-Spotter was implemented and worked well
- Gray-Key – $15,000 device that had paid for itself – this device could encrypt cell phone data
- Upgrade Camera Room and Added Cameras (Helped with 150 arrest within the last 12 months in the Southeast Community alone)
- Training (Leadership, Investigations, and Autism)
- Freedom of Information Act (FOIA) Position
- Domestic Violence Coordinator – Best Practice
- Elementary School Partnership – There were 26 Elementary Schools and Early Learning Center in the City. Officers would be assigned to each schools and build a relationship with the principles of each school. Officers would be present at least 30 minutes out of the week, to see students get on and/or off the bus, walk the hallway, would have lunch with students and read to a class. It was important that students saw Police presence at the school.
Councilwoman Scott advised that the City had changed, and there were language barriers because of diversity. She questioned what was being done to combat those challenges. Chief Drew replied the Spanish speaking population had grown the most. Ten percent of each Academy Class would have to speak Spanish. Councilwoman Scott questioned whether there would be a Spanish speaking Officer at each Precinct. Chief Drew replied yes, there would be a Spanish speaking officer at each precinct. Councilwoman Cherry shared that there was a Hispanic Chaplain on staff and had been requested many occasions.

Councilman Harris inquired whether there were similar programs to DARE (Drug Abuse Resistance Education) that were available to address some of the challenges facing students today. Chief Drew replied there were programs available that would work in conjunction with other programs such as bullying and gun violence. The Police Department was working on a grant for a program, “What do you do if you find a gun, if you see a gun or hear about a gun”. Councilman Harris advised that schools had hotlines available for bullying and Counselors that addressed bullying, but nothing to discuss gun violence or gangs, especially at the elementary and middle school level. Chief Drew replied that there were no set programs to date, but would work to create a partnership, be creative to include counselors, and add a Police component, and work with school principals.

Vice Mayor Vick inquired about what was being done to curve domestic violence. Chief Drew replied that Domestic Violence Coordinators were being brought into the department in a proactive role. He shared that the Police Officers needed to reach young people, primarily females and middle and high school students during community events, pushing for awareness. He indicated there was a grant for the Domestic Violence Coordinator; however, whether the grant was awarded, the Police Department would still need to move forward.

III. Comments / Ideas / Suggestions

Councilwoman Cherry expressed concern that bulk trash/solid waste was not picked up in the 900 block of 12th Street on its scheduled day. City Manager Rohlf requested that Mr. Frank James, Interim Director, Department of Public Works (who was present at the meeting) and staff handle this matter.

Councilwoman Scott advised of citizen’s concerns about the grass cutting and trash in the North District. The on and off ramps were littered with trash. When the grass was cut, the trash would be cut-up with the grass and both the trash and dead grass would be left on top of the cut grass. The grass cutting procedures had changed since City Farm was no longer available. She indicated that something had to be done. City Manager Rohlf replied that she and staff were aware of the problems and concerns, and she advised that staff would make recommendations. The litter
problem on ramps was a VDOT issue, but because of limited resources, staff was also reviewing ways and resources to get the on ramps cleared of litter.

Councilwoman Scott advised that business owners should be held accountable for maintenance upkeep. She mentioned that employees traveled the routes throughout the City daily. That employees could make a report if any violation or issue was spotted. She shared that grass over a foot tall in any area of the City looked awful but was becoming more prevalent in the North end of the City. Councilwoman Scott shared that a business owner may cut their grass, but not the part over the other side of the sidewalk. She believed getting the City employees involved would be helpful. City Manager Rohlf replied that the City needed to do a better job at educating the business owners about their responsibility, as business owners were responsible for the up keep of the grass out to the street. There was a former program called “Workers on Watch,” and there had been an interest to bring that program or similar program back. Councilwoman Scott advised that she would certainly assist in any way possible. Dropping letters, brochures or informational piece to encourage business owners would be helpful. She stated that businesses changed management, the original business owners may have been aware of the maintenance procedures, but the new business owner might not be aware of the maintenance procedures. City Manager Rohlf indicated that the City had received feedback from some of the shops in one of the shopping centers; they were no longer concerned about the appearance as it was the responsibility of the owners of the building. During community meetings or Denbigh Business Association meetings, she suggested those individuals to assist the City and get the word out. Councilwoman Scott advised that she appreciated anything that could be done to assist with this concern.

City Manager Rohlf advised that she and Mayor Price had been in discussion about the grandfathering of the signs. There were businesses that had closed but the sign remained; unfortunately, there was not much the City could do, which affected the appearance of the City. She shared that the Department of Planning would need to review the concern and make recommendations and would get the Department of Codes Compliance to assist.

Councilwoman Scott advised that the “Welcome to Newport News” where Newport News annexed from York County on Denbigh Boulevard was never moved after the Huntington Point started development/construction. The “Welcome to Newport News” sign needed to be moved back to the City’s property line. City Manager Rohlf replied that staff would look into the matter.

Councilwoman Cherry advised that after the discussion concerning the Harpersville Road project, she saw the Transportation Alternative Program for Nettles Drive Improvement Project on the August 13, 2019 City Council Agenda. She asked why that same program could not be used for the Bayberry neighborhood, because the sidewalk project had been pushed out to
the FY 2024 CIP. City Manager Rohlf advised that she had spoken to Mr. Everett Skipper, Director, Department of Engineering, because she knew that would be a concern and asked Mr. Skipper to give the explanation.

Mr. Skipper explained that funding for the Harpersville Road Project was requested in October, 2017, as an application to the Virginia Department of Transportation (VDOT) for the first available funding, which was a Highway Safety Improvement Grant under the Bicycle and Pedestrian Safety Program. He advised, with the Harpersville Road Improvement Project, the City grabbed the first money available for funding, but it came with criteria that included a longer lead time. Some of the grant awards were three (3) to five (5) years out, and the City needed to be aware of the criteria moving forward. The Nettles Drive Sidewalk Improvement Project had a shorter period between applications and came with a smaller pool of money. It was $1.2 million for the entire district, and the City was requesting a large share of the relatively small pool.

Mr. Skipper advised that the City was granted the money for the Harpersville Road Improvement Project as following: (1) Funding for design would become available in FY 2021, which would begin in 2020; (2) Funding for land acquisition would be available in FY 2022, and would begin in the summer of 2023; and (3) Funding for construction would be available in FY 2023, and would begin in the summer of 2024.

City Manager Rohlf advised that the Nettles Drive Sidewalk Improvement Project funds had been applied for, but the City had not received the funding for that project to date. She advised that the money was committed for the Harpersville Road Improvement Project. VDOT had put the money into the Six-Year Plan.

Councilwoman Woodbury questioned why the sidewalk work stopped on Nettles Drive. Mr. Skipper advised that traveling from Bland Boulevard; there were existing sidewalk on the Warwick Boulevard side down to the area of the church – on the right side of the street there were a couple of businesses, but all front to Warwick Boulevard and replied there was a future plan for the sidewalk extension in that area. City Manager Rohlf advised that the sidewalk extension was for the apartment complex to be walkable to the HRT bus stop.

Councilwoman Cherry asked Mr. Skipper for documentation to convey the information to the residents. She also invited Mr. Skipper to attend a meeting to provide an explanation to the residents, particularly those in the Bayberry Watch Neighborhood Group, about the Harpersville Road Improvement Project; so they would understand about plans for the sidewalk improvement project and anticipated completion date. She wanted to assure the residents that they
were well represented, and that their voices were being heard. Mr. Skipper replied he would attend a future meeting.

IV. Closed Session

(5:40 p.m. – 6:33 p.m.)

THERE BEING NO FURTHER BUSINESS
ON MOTION, COUNCIL ADJOURNED 6:33 P.M.

Zina F. Middleton, MMC
Chief Deputy City Clerk

McKinley L. Price
Mayor
Presiding Officer

A true copy, teste:

City Clerk