

AGENDA
COLONIAL BEHAVIORAL HEALTH
BOARD OF DIRECTORS
JULY 17, 2026
2:00 PM

- **Welcome and Call to Order**
- **Roll Call**
- **Public Comment**
- **Consent Calendar**
 - Approval of the following meeting minutes:
 - June 2, 2026, Board of Directors Meeting
- **Action Items**
 - A-1 – Approval – Revisions to FY 2027 Operating Budget (S. Ousey)
 - A-2 – Approval – Capital Improvement Plan (CIP) (S. Ousey/
K. Cook)
- **Reports**
 - Executive Director’s Report (D. Coe)
- **Adjournment**
 - **Next Meeting:** Tuesday, September 8, 2026
3:00 PM
473 McLaws Circle, Williamsburg VA

COLONIAL BEHAVIORAL HEALTH BOARD MEETING

DATE: June 2, 2026

LOCATION: Colonial Behavioral Health, 473 McLaws Circle, Williamsburg, VA 23185

WELCOME AND CALL TO ORDER: 3:01pm

BOARD MEMBERS PRESENT:

Mr. Ryan Ashe – James City County
Ms. Lynette Diaz – James City County
Mr. Sean Dunn – Williamsburg
Mr. Jeff Gould – James City County
Mr. Bruce Keener – York County
Ms. Kristen Nelson – York County
Mr. Gerald Patesel – Poquoson
Ms. Amber Richey – York County
Ms. April Thomas – York County
Ms. Donyale Wells – James City County
Mr. Steven Miller – York County
Mr. Roy Witham – James City County

BOARD MEMBERS ABSENT:

Mr. John Collins – York County

CBH STAFF PRESENT:

David Coe, Chaenn Thomas, Marsha Obremski, Sherri Ousey, Kyra Cook, Linda Butler, Kristy Wallace, Katie Leuci, Allison Brody

GUESTS: None

PUBLIC COMMENT: None

CONSENT CALENDAR:

The consent calendar was presented for approval of the following meeting minutes:

- **May 5, 2026, Board of Directors Meeting**
- **May 18, 2026, Executive Committee Meeting**

Lynette Diaz made a motion to approve the consent calendar as presented. April Thomas seconded this motion.

The motion passed as follows:

Yes – 12

No – 0

Abstain – 0

INFORMATION/PRESENTATION

Capital Campaign Update – *Allison Brody*

Allison Brody provided a “Capital Campaign Update” (PowerPoint presentation) to the Board. The purpose of this campaign is to connect on a personal level for a cause. Giving comes in many forms: time, talent, treasure, testimony, ties. The amount of a gift will remain private. CBH needs 100% Board Member participation – it’s a public statement of confidence and commitment to the project. This campaign will involve a community of partners: James City County, City of Williamsburg, City of Poquoson, York County, Williamsburg Health Foundation and Williamsburg Community Foundation.

The Williamsburg Community Foundation has offered to receive gifts on behalf of CBH. This takes an administrative burden off CBH and stands as an endorsement to our campaign. April Thomas asked if the Community Foundation website has an option to give in other ways other than cash (stocks, etc.). Allison will look into this further and request that our EIN number be listed on the website.

Allison provided a copy of the case statement to Board members. The statement will be the cornerstone of the Capital Campaign; it is being tested with potential donors now. Allison requested feedback from Board members by Friday, June 5th.

Pre-Launch activities will consist of case statement (test and revise), testimonies, create video and social media, and engagement of community members with the capacity and propensity to give. Post-Launch activities will include ongoing donor (CSW) tours and events, direct mail, speaking engagements, and posting video and social media.

Allison requested three items from the Board members: 1. Think about the amount of your gift; 2. Consider being a part of the Capital Campaign Committee; 3. Read case statement and provide feedback.

Jeff Gould asked if we had a fundraising goal – it is not set in stone although we will aim for \$2M. Mr. Gould also asked how long the campaign will run – two years.

ACTION ITEMS:

A-1 Election – FY27 Board Officers (*Nominating Committee*)

Note: The CBH Board Executive Committee also serves as the Board of Directors for Colonial Community Services, Inc. The nominating committee (Roy Witham, Amber Richey, and April Thomas) presented the following Board members as the FY27 Board Officers:

Bruce Keener – Chair (York County)

Amber Richey – Vice Chair (York County)

Lynette Diaz – Secretary (James City County)

John Collins – Treasurer (York County)

Donyale Wells – Member-At-Large (James City County)

Sean Dunn made a motion to accept the slate of Board Officers for FY27 as presented. Kristen Nelson seconded the motion. The motion passed as follows:

Yes – 12

No – 0

Abstain – 0

A-2 Resolution – USDA Funding for Phase II Predevelopment (*Kyra Cook*)

This resolution is a part of the application process associated with Congressionally Directed Spending secured by Congressman Wittman for Phase II of Colonial Behavioral Health's campus development project. USDA Rural Development requires adoption of a formal governing body resolution authorizing the execution of application materials and related documents necessary to pursue federal financial assistance. The resolution affirms the Board's willingness to comply with the required federal agreements and documentation associated with the application process. The resolution further authorizes the Executive Director to execute, on behalf of Colonial Behavioral Health, the required USDA application materials and related documents associated with obtaining financial assistance. Approval of this resolution is a required procedural step in the USDA application process tied to the Congressionally Directed Spending request. CBH legal counsel has reviewed the resolution.

Bruce Keener made a motion that the Colonial Behavioral Health Board of Directors adopt the attached resolution required by USDA Rural Development in support of the application process associated with Congressionally Directed Spending for Phase II of the CBH campus project and authorize the Executive Director to execute the required documents on behalf of Colonial Behavioral Health. Steven Miller seconded this motion.

The motion passed as follows:

Yes – 12

No – 0

Abstain – 0

A-3 Approval – Stormwater Change Order (*Kyra Cook*)

The purpose of this memorandum is to request Board approval of a change order to the Center for Support & Wellness (CSW) Comprehensive Agreement with Henderson, Inc. in the amount of \$94,819.15 related to stormwater infrastructure repairs on the Colonial Behavioral Health campus site. The scope of the work specifically includes installation of new 24" RCP between two existing stormwater structures, pipelining services, and backfilling of new storm structures and piping using onsite excavated materials. Funding for this work is available through the capital funding awarded by the Williamsburg Health Foundation for Phase II campus development activities.

Steven Miller made a motion that the Board of Directors authorizes the Executive Director to execute a Change Order in the amount of \$94,819.15 for stormwater infrastructure repairs associated with the Colonial Behavioral Health campus project. Bruce Keener seconded this motion.

The motion passed as follows:

Yes – 12

No – 0

Abstain – 0

A-4 Approval – Revised JCSA Connection Fee (*Kyra Cook*)

During CBH's May Board meeting, our Board of Directors approved James City County Service Authority (JCSA) water and sewer connection fees in an amount not to exceed \$115,000 in order to maintain the construction schedule for the Center for Support & Wellness. After that approval, CBH formally submitted the utility connection application to JCSA. CBH's Accounts Payable received official notice from JCSA establishing that the required water and sewer connection fee at \$115,269.73. Since CBH requires Board authorization for expenditures exceeding approved amounts, staff must return to the Board to request updated authorization reflecting the final invoiced amount.

Bruce Keener made a motion to authorize the Executive Director of Colonial Behavioral Health to approve and execute payment to the James City County Service Authority for water and sewer connection fees in an amount not to exceed \$115,269.73, utilizing the most appropriate and timely payment method, including execution of a change order if necessary, in order to maintain the Center for Support & Wellness project schedule. Roy Witham seconded this motion.

The motion passed as follows:

Yes – 12

No – 0

Abstain – 0

A-5 MBP Contract Modification (*Kyra Cook*)

The purpose of this memorandum is to request Board authorization for the Executive Director to execute Contract Modification #1 with McDonough Bolyard Peck, Inc. (MBP) for continued Owner's Representatives services associated with the design phase of Colonial Behavioral Health's Phase II campus development project.

Under the proposed modification, MBP will assist CBH with a range of services including design phase meeting participation and coordination; Review of project invoices, payment applications, and change orders; Budget development and cost oversight; and quality assurance review of contractor cost estimates. The modification extends the period of performance through April 30, 2027. The proposed additional not-to-exceed amount is \$125,413.84, increasing the total contract value from \$22,500 to \$147,913.84. This work is included within the project budget. Approval is requested to allow the Executive Director to execute this contract modification on behalf of Colonial Behavioral Health.

Bruce Keener made a motion to authorize the Executive Director to execute Contract Modification #1 with McDonough Bolyard Peck, Inc. for continued Owner's Representative services related to the design phase of CBH's Phase II campus development project in an amount not to exceed \$125,413.84, for a total contract value of \$147,913.84. Roy Witham seconded this motion.

The motion passed as follows:

Yes – 12

No – 0

Abstain - 0

A-6 Policy Review: CBH Bylaws (*D. Coe*)

CBH Bylaws are reviewed periodically to assure continued compliance with state and federal statutes, and to reflect the Board's commitment to effective operations as a governing body. The Bylaws have been reviewed by legal counsel with no recommendations being made for revision.

Kristen Nelson made a motion that the CBH Board affirms the current CBH Bylaws. Amber Richey seconded this motion.

The motion passed as follows:

Yes – 12

No – 0

Abstain – 0

A-7 FY 2027 Operating Budget (*S. Ousey*)

This proposed preliminary budget reflects projected revenues and expenditures based on current knowledge for FY27. The General Assembly has not passed a biennial budget, so we cannot be fully certain of state funding levels. This proposed budget's effective dates are July 1, 2026, through June 30, 2027, with the understanding that a revised budget will be presented to the Board in July. This preliminary budget does not include the following: CSW budget, most director-submitted budget priorities for the year, and the Capital Improvement Plan (CIP) and budget. This preliminary budget can fund contracts and provide the July 1 increase to CBH staff. Bruce Keener made a motion that the Board of Directors approve the proposed preliminary Colonial Behavioral Health FY 2027 Operating Budget. Amber Richey seconded this motion.

The motion passed as follows:

Yes – 12

No – 0

Abstain – 0

A-8 Approval – VaRisk Insurance Renewal (*M. Obremski*)

CBH has been insured for many years in a manner similar to other Virginia public bodies through a VaRisk plan. There is a significant premium increase this year related to cyber security and auto coverage, as well as for coverage of the new Center for Support & Wellness (CSW).

Each year, VAcorp submits a proposal that provides a breakdown of each coverage type.

While the coverage period for this renewal is for Fiscal Year 2027, the annual premiums are paid within the preceding fiscal year.

Amber Richey made a motion to authorize the Executive Director of Colonial Behavioral Health to approve and execute the CBH's property FY 2027 Property & Casualty Insurance Renewal through VAcorp at a total premium cost of \$86,000 with premiums paid from FY 2026 funds.

April Thomas seconded this motion.

The motion passed as follows:

Yes – 12

No – 0

Abstain – 0

REPORTS:

Recruitment/Hiring/Retention Report (*Chaenn Thomas*)

For the period of April 14, 2026, through May 12, 2026, Colonial Behavioral Health (CBH) has successfully completed 4 hires (Full-time positions). The agency currently has thirty (33) vacant positions, this total includes twenty-seven (27) full-time positions, two (2) part-time positions and four (4) PRN/WAR positions. During the identified period CBH had a total of 9 separations (8 Full-time and 1PRN).

Since May 12, 2026, CBH has had five (5) additional separations (resignations). CBH will be participating in a job fair at the Hampton Convention Center on June 10th and we are advertising with five (5) local radio stations. Direct Service: DD Day and Residential are very short-staffed.

April 2026 Financial Report (*Sherri Ousey*)

Sherri Ousey (Director of Finance) presented the April 2026 Financial Report. Personnel remains at the top of our expenditures. Our operating budget remains consistent with previous month.

Executive Director's Report (*D. Coe*)

Agency Issues

CBH has been chosen to host the Governor's Fellows (25 individuals). We are in the process of gathering details. This group works on a project and then makes a policy recommendation.

Community Issues

CBH was invited to participate in the City of Williamsburg Student and Family Support Community of Practice planning sessions take place in 2026. The planning effort is being led by the WJCC School Division with involvement from an array of local leaders.

Public Policy

CBH continues to plan for submission of a SAMHSA CCBHC Expansion grant this summer, with an anticipated federal funding posting date of 5/29/26 (delayed). The Expansion Grant provides funding for 4 years but does not include an advantageous billing mechanism like the statewide grant. Marsha Obremski is leading this project.

CLOSED SESSION

Bruce Keener made the following motion to move to a closed session: I motion that a closed meeting of the Board be held as permitted under the Code of Virginia Sections 2.2-3705.6.3 and 2.2-3711, to discuss the follow matter: The annual performance evaluation of, and the Board's annual contract with, the CBH Executive Director. April Thomas seconded this motion.

Bruce Keener made a motion to conclude the closed session. Donyale Wells seconded the motion, which was unanimously approved. Board members were individually polled immediately coming out of the closed session to certify that only those matters covered in the motion for closed session were discussed.

ADJOURNMENT:

A motion to adjourn the meeting was made by Amber Richey and seconded by Lynette Diaz.

The motion passed as follows:

Yes – 12

No – 0

Abstain – 0

The meeting was adjourned at 5:06pm.

NEXT MEETING:

Date: Tuesday, July 17, 2026

Location: Williamsburg Police Station

Time: CBH Board meeting will occur after our Board Planning Day has commenced.

Ryan Ashe, Board Chair

Amber Richey, Secretary

Action Item A-1

Adoption of CBH Fiscal Year 2027 Operating Budget

Background:

This proposed budget reflects projected revenues and expenditures based on current knowledge for Fiscal Year 2027. The General Assembly passed the biennial budget on June 29, 2026. Very few changes are contained in the approved funding levels, but DBHDS has yet to determine local allocations for some funds.

This proposed budget's effective dates are July 1, 2026, through June 30, 2027. Additional information will need to be brought to the Board for allocation during the coming year.

Highlights of proposed revisions to the approved OPERATING BUDGET primarily consist of:

- The first-year projected operating budget for the Center for Support & Wellness (CSW); and
- An additional 0.5% increase in funds to support employee compensation.

Details of these items are attached to this memorandum.

*These revisions result in an overall annual budget increase of **\$3,344,800**, making the total budget to be **\$29,452,125**.*

Colonial Behavioral Health Organization	
FY27 Budget Summary with CSW	
Account	FY27 Budget w- CSW
Revenue	\$ 29,452,125
Fee Revenue	6,614,257
Local Revenue	4,361,175
State Revenue	17,351,432
Other Revenue	1,125,262
Expense	\$ 29,452,125
Personnel	22,350,033
All other operating expenses:	7,102,092
Operating Margin	\$ (0)

Action Item A-1

Most Director-submitted budget priorities for the year are not yet included in these numbers.

It will be necessary for staff to bring final revisions to this budget in September 2026 to appropriate any additional revenues, and to authorize CBH operations and plans not covered in previously approved budgets (including the Capital Improvement Plan).

Staff requests that the Board approve this revised budget to support needed CBH staff pay increases and to authorize CSW operating support.

Recommended Motion:

That the Board of Directors approve the proposed revisions to the Colonial Behavioral Health FY 2027 Operating Budget.

Center for Support & Wellness – Budget

Background:

The FY 2027 operating budget, approved by the Board in June 2026, did not include a budget for the new Center for Support & Wellness (CSW). The CSW is projected to open during the first half of the fiscal year. Capital expenses for construction, furniture and equipment are being covered fully by the Commonwealth of Virginia and are not part of this operating budget.

Considerations and Assumptions:

The CSW is set to receive ongoing state support of just over \$3.0 million annually. Due to timing of start-up support that should have begun in late FY 2026, CBH will be receiving slightly more in FY 2027 but reverting to the base in future years.

We have not projected fee revenue within this budget. While billing of insurance (primarily but not exclusively Medicaid) is part of the financial structure of these programs, the new services will not become eligible for reimbursement until the programs are open 24 hours daily for 7 days per week. We have therefore chosen a conservative approach to revenue projection for this year.

Colonial Behavioral Health Organization FY27 Budget Center for Support and Wellness

	Jun
REVENUES:	\$ 3,271,700
Fee Revenue:	-
Federal Funding:	-
State Funding:	3,271,700
Local Funding:	-
EXPENSES:	\$ 3,271,700
Personnel	2,161,694
Staff Development	2,000
Facility	451,936
Equipment & Supplies	201,500
Transportation	1,000
Consultant	29,220
Client Support	-
Miscellaneous	4,350
Allocated	420,000
	\$
OPERATING MARGIN:	(0)

Additional Proposed Salary Adjustment

Background:

The FY 2027 operating budget, approved by the Board in June 2026, included an across-the-board compensation increase of 3%. This had been proposed without an approved state budget, so the increase was proposed without reliance on new state funds to support that increase.

The state budget was adopted by the General Assembly on June 29, 2026. This budget included state funds to support a 3.5% increase in staff compensation effective July 25, 2026. Implementation of this change requires Board action.

*The total cost of a 0.5% increase in compensation has been calculated to be **\$73,100**.*

Proposed Strategy:

It is proposed that the additional 0.5% be utilized to make changes needed in compensation for Direct Service Professionals (DSPs) working in our DD Day and Residential Services.

Rationale:

Reasons for proposing this strategy include:

- These positions are among the lowest-paid staff in the agency (many at \$17-18 per hour);
- These positions are among the most difficult to recruit and retain, creating ongoing challenges to manage these intensive programs;
- Compensation is cited as a primary reason for difficulties in recruitment and retention;
- Mandated increases in the minimum wage require ongoing adjustments to compensation; and
- Targeting these funds will have a much greater impact than diluting limited dollars across a larger employee base.

Source of Funding:

State increases to compensation for State-Supported Local Employees is based on a formula that typically funds only 30-33% of the real cost of those increases.

It is to our advantage that we did not project new state funds to support the original budgeted increase of 3.0%. This allows CBH to utilize the state portion of 3.5% to fully fund the cost of this 0.5% amendment with approximately \$70-75,000 remaining to be allocated in other areas.

FY2027 Capital Improvement Plan

Background

The attached FY2027 Capital Improvement Plan continues the Board's practice of adopting an annual, multi-year capital planning document to guide the agency's long-term investment in facilities and infrastructure.

This year's CIP recommendation is narrowed to focus on major new construction projects. While last year's plan included some building maintenance items, staff recommends postponing expansion of those categories until an internal review can be completed regarding the appropriate treatment of recurring building maintenance, equipment replacement, and other expenditures to ensure a consistent distinction between operating and capital expenses.

Staff expects to complete that work during the current fiscal year so future Capital Improvement Plans provide a comprehensive picture of the agency's long-term capital needs.

As with any Capital Improvement Plan, this document is intended to serve as a planning document that will be reviewed and updated annually as project priorities, costs, schedules, and funding opportunities evolve.

Discussion

The most significant recommendation reflected in the FY2027 CIP is to schedule execution of the Comprehensive Agreement for Phase 2 of the Integrated Care Building in FY2028, rather than FY2027. Under this schedule, execution of the Comprehensive Agreement—and the commencement of construction activities—would occur no earlier than July 1, 2027, assuming the necessary funding commitments are secured.

This revised schedule provides additional flexibility while allowing the agency to continue advancing design, fundraising, and financing activities. Staff expects to have a much clearer understanding of the project's financial feasibility this fall following discussions with James City County, Poquoson, Williamsburg and York County, whose financial support will be critical to moving the project forward.

The plan also incorporates a 3% annual compounded construction cost escalation factor to provide more realistic long-range cost projections.

Fiscal Impact

Adoption of the Capital Improvement Plan establishes the agency's long-range capital planning assumptions but does not appropriate funds or authorize construction contracts. Individual projects and expenditures will continue to be presented to the Board for approval through the annual operating budget, future Capital Improvement Plans, and separate contract actions, as appropriate.

Recommendation

Staff recommends approval of the FY2027 Capital Improvement Plan as presented.

DRAFT Capital Improvement Plan FY 27

[illegible]

COLONIAL BEHAVIORAL HEALTH
Executive Director's Report – July 2026

Agency Issues

1. Our triennial accreditation survey with CARF (Commission on Accreditation of Rehabilitation Facilities) was completed in early June. All indicators point to a very positive review, but the written report has not yet been received. Our IOP (Intensive Outpatient Program for SUD) is the only service currently accredited by CARF.
2. The recently passed state budget includes the sunseting of Community Crisis Stabilization as a service during this Fiscal Year. This does not directly affect our CSW plans or operations but will somewhat limit options for services to prevent residential and inpatient admissions and readmissions.
3. The Federal Notice of Funding Opportunity has been released for the opportunity for individual programs to become Certified Community Behavioral Health Clinics (CCBHCs). Marsha Obremski is leading our application effort. The deadline for applications is August 17th, with awards announced in mid-November.

Community Issues

1. CBH is currently working on plans for CSW ribbon cutting and other internal/external opportunities to showcase the new building and services.
2. Our community's Sequential Intercept Mapping (SIM) exercise was held June 4–5. We are awaiting the final report from federal facilitators. A more detailed update was provided in the Board planning session.
3. Formal feedback sessions related to CBH's facility plans have now been completed, and our agency partners (SEVHS and Genoa Pharmacy) are actively engaged in planning with us and the Henderson/GuernseyTingle team.

Public Policy

1. The General Assembly did pass the biennial state budget on June 29th, but DBHDS has not notified CSBs of all funding levels as of the date this report was drafted.
2. DBHDS has issued the annual Performance Contract governing CSB core activities and use of state-controlled funds. The draft will be posted on our website for the required 30-day review period and submitted to our local governments for review and possible action. All actions must be completed by September 30th.
3. The VACSB Public Policy Conference will be held October 7-9 in Roanoke. If you are interested, please contact Kristy Wallace to manage your registration and lodging. Hotel rooms at the meeting site will fill up very quickly, and Board member transportation can either be arranged or supported by the agency.

Respectfully submitted,
David A. Coe