

Valley Community Services Board
85 Sanger's Lane, Staunton, VA
August 27, 2025
5:30 p.m.

Members Present: Mary Powell, Chair; Amanda Francis, Vice Chair; Gin Chandler, Treasurer; Amanda Kaufman, Frank Pyanoe, Mike Hamp, Stephanie Huffman, Nate Riddle, Tracy Henke

Members Absent: Sonya Pulliam-Payne, Jerri Botkin, Lt. Leslie Snyder, Jennifer Emanuel

Staff Present: Dr. Kimberly McClanahan, Tammy DuBose, Dana Fitzgerald, Candy Calloway, John Sandy, Dereck Criner, Tina Martina, Krista Lynch, Erin Botkin

***Denotes via Zoom**

CALL TO ORDER: Chair, Mary Powell called the meeting to order at 5:30pm.

ESTABLISH QUORUM: A quorum was established by Ms. Powell.

VIRTUAL PARTICIPATION: No virtual participants.

MINUTES APPROVAL: Frank Pyanoe made a motion to approve June 25, 2025, Board meeting minutes. Tracy Henke seconded. Motion carried.

PRESENTATION: Ms. Erin Botkin, Prevention Services Supervisor, shared a PowerPoint highlighting Prevention Service.

- ✚ What is Prevention Services: The mission of the Prevention Services Department is to provide best practice prevention strategies and evidence-based prevention programs, pertaining to substance misuse prevention, suicide prevention, problem gambling prevention, and mental health promotion in the communities of Augusta, Highland, Staunton and Waynesboro. The Prevention team is made-up of 3 staff: Erin Botkin - Prevention Services Supervisor, Dylan Morrison - Coalition Support Specialist, and Casey Rolfe - Prevention Specialist. Staff participate in numerous community events and trainings. Some initiatives the department oversees: Counter Tools - Tobacco merchant education/site visits, Lock and Talk VA - suicide prevention initiative, tabling community events, mental health promotion and suicide prevention trainings, problem gambling prevention, among other strategies.
- ✚ Funded: The program is funded by the following. Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG) – 20% set-aside for Prevention, State Opioid Response (SOR) Grant, Partnerships for Success (PFS), Problem Gambling Prevention State General funds, Regional Suicide Prevention Initiative State General funds.

Dr. McClanahan praised Ms. Botkin for her dedication to the Prevention Services Program and shared that there have been times when Ms. Botkin was the only staff in this program. Ms. Botkin thanked VCSB leadership and the Board for their continuous support throughout the years.

COMMITTEE REPORTS:

Fiscal Oversight Committee: Ms. Gin Chandler asked John Sandy to present the financials. Mr. Sandy started by saying that the July financial reports were delayed due to the sudden passing of our VCSB's Payroll Administrator, Ms. Kathy Fifer. Ms. Fifer was instrumental in assisting with end of month closing. The July financials will be presented at the September meeting. Mr. Sandy reminded the Board that the May financials were presented at the June meeting; however, they still need full Board approval tonight.

FY2025 June Financial Report: Hardcopies were shared with Board members. Mr. John Sandy shared the following highlights.

Balance Sheet- June 2025- EOY (finished FY25 with a healthy balance sheet)

- Total Assets were more than \$31.0M for FY 2025
- Represents a more than 18.7% improvement from FY 2024
- With Construction in Progress (e.g., First Street), purchase of the CRC land, vehicles and cash leading the way
- Total Liabilities were more \$8.1M.
- Represented nearly a 19.4% increase from FY 2024
- Other Liabilities leading the way
- Total FY 2025 Ending Fund Balance is \$19.3M with a YTD Income of nearly \$3.6M which equates to nearly \$23.0M.
 - Represents more than an 18.4% increase from FY 2024
 - Note: Much of the \$23M in Total Fund Balance is un-expendable (cannot be used for discretionary purposes), some are designated (e.g., \$1.5M set aside by the Board in June 2024) and some remain undesignated and may be used for one-time purposes such as the new CRC/CSU-D.
 - Rinse/Repeat: Best Practice is to expend Fund Balance on one-time uses, or for a Fiscal Reserve to weather financial crisis. But even this fund balance should eventually be replaced.

Budget to Actuals- June 2025 EOY

- Surplus over budget nearly \$3.6M for FY 2025.
- Same pattern - Mostly, due to lower-than-expected expenditures of Wages and Benefits (vacancies) coupled with underperforming reimbursement revenue and over projected expenditures and the site acquisition not being reflected in the income statement.
- VCSB performed better than FY 2024 Actuals for Net Revenue (15% increase) & spending more than FY 2024 Actuals (13% increase).
- Total surplus of approximately \$3.6M for FY 2025 is approximately 8% greater than what was experienced for FY 2024 which was \$3.3M.

Income Statement (month to month) June 2025 EOY

- Net Revenue decreased from May by nearly \$970,800 to nearly \$2.6M in June 2025.
- Total Operating Expenditures increased by \$140,326K from May 2025 to \$2,55M.
- Experienced a surplus of nearly \$42,608 at month end close in June 2025.

Ms. Chandler made a motion on behalf of the Fiscal Oversight Committee to approve the May and June Financial Reports. Motion carried. Ms. Chandler made a motion on behalf of the Fiscal Oversight Committee to approve May 28, 2025, Committee Minutes. Motion carried.

FY2025 Financial Audit Update: Mr. Sandy shared that the auditors have been on-site this week. He noted that the Board had received two letters in their packets tonight from the auditing firm. Along with normal auditing, this year's audit focuses on two specific areas; substance use and prevention, and fiscal state and local fiscal recovery funds. The bulk of the ARPA funding was used for CRC land purchase, so this is a focus, as well as a deep dive into account receivable and account payable accounts. Mr. Sandy noted that an RFP will go out this fall for Independent Auditing Services, we are required to do a new solicitation every five years.

Approval of Policy/Fee Schedule: Ms. Chandler shared that the committee reviewed both during the meeting tonight. **Ms. Chandler made a motion on behalf of the committee to approve both the Assessing Client Fees Ability to Pay Policy and the FY2026 Fee Schedule. Motion carried.**

EXECUTIVE DIRECTOR'S REPORT: Dr. McClanahan commented briefly on August 27, 2025, Executive Director's Report that was shared electronically with Board members.

- Dr. McClanahan shared that the DBHDS required CSBs to complete a "readiness" survey regarding the proposed Medicaid redesign. The bottom line is that the services proposed for the redesign are not sustainable at the rates that are being proposed. VCSB only has one program that this will affect and are already working on a solution for staff involved.
- Dr. McClanahan shared that we are still waiting on finalized plans from ZMM for the CRC project. Staff continue to meet with Project Management Team.
- Dr. McClanahan will be meeting in the next couple of weeks with Anna Leavitt from CAPSAW, as well as someone from the Opioid Abatement Authority, and Kurt Gleason from DBHDS. This meeting is to begin looking at a grant proposal that Ms. Leavitt will be writing for the SAW area to get Opioid Abatement funds for VCSB to use toward the CRC.
- Dr. McClanahan pointed out an article regarding the new recovery school in Waynesboro. Ms. Henke shared information that she received from a teacher at River Ridge. Ms. Henke and Ms. Candy Calloway plan to meet and talk further. Ms. Chandler asked about enrollment at the school. Ms. Calloway shared that she believes it is four.

NEW BUSINESS:

Board Composition for Performance Contract: Ms. Tammy DuBose distributed a form for members to complete. The form asked if members are or have ever received behavioral health service, if a family member has received or are currently receiving services. The forms are confidential and do not require names.

Executive Director's Contract: Ms. Powell shared that she met with Dr. McClanahan and that Dr. McClanahan agreed to a new contract for FY2026. Dr. McClanahan expressed her appreciation to the Board and to ELT for their support.

VCO (501c3) Update: Dr. McClanahan shared that the VCO Board met on July 29, 2025. The Board elected Ms. Dubose as Secretary; she will also continue in her role as Vice President. The Board voted to elect Frank Pynaoc as a new member. As the VCSB BOD governs the VCO Board, the VCSB BOD approval is required. **Ms. DuBose asked that VCSB BOD approve Frank Pynaoc as a member of the VCO Board. All approved.**

OLD BUSINESS:

- **Update on First Street Home:** Tina Martina commented on the ongoing progress of the construction while showing pictures. Ms. Martina shared detailed information regarding additional cost. These potential costs are under \$50,000. Ms. Martina presented the following change orders.
 - Upgraded LVT flooring- \$11,277.41; Concrete floor grinding- \$5,500.00; Additional railing- \$9,237.00; Large rock removal- \$2,400.00; Additional cabinetry- \$1,500.00. Revised closure hardware for door and keypad access controls- \$12,000.00. These total \$41,914.00.
 - Ms. Martina also talked about paving needed at the home. The back parking lot was not included in the original pricing. The cost of this is estimated at \$17,000. Discussion followed. Amanda Kaufman asked if there was a contingency budget for this project. Ms. Martina shared there is not. Mr. Hamp added that we need to finish the project even with the overages, excluding the paving at this time.
 - Ms. Martina agreed to get additional quotes for the paving.
 - Ms. Martina commented that construction should be completed by the end of October with 60-90 days for transition into the home.

Mr. Pynaoc made a motion to approve up to \$45,000 at this time. Ms. Huffman seconded. Motion carried.

ADJOURNMENT: Mr. Riddle made a motion to adjourn. Mr. Hamp seconded. Motion carried.

Respectfully submitted:

Tammy DuBose