

Valley Community Services Board
85 Sanger's Lane, Staunton, VA
02.25.26
5:30 p.m.

Members Present: Mary Powell, Chair; Amanda Francis, Vice Chair; Nate Riddle, Stephanie Huffman, Jerri Botkin, Jennifer Emanuel, Mark Larosa, Frank Pyanoe, Mike Hamp, Lt. Leslie Snyder

Members Absent: Gin Chandler

Staff Present: Dr. Kimberly McClanahan, Tammy DuBose, John Sandy, Dereck Criner, Tina Martina, Sheena Andes

***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.

MINUTES APPROVAL: Frank Pyanoe made a motion to approve January 28, 2026, Board meeting minutes. Jerri Boktkin seconded. Motion carried.

Fiscal Oversight Committee:

Balance Sheet Highlights:

JANUARY 2026 – FY 2026 FM 07

- Total Assets for month ending January 2026 FY26 were nearly \$33.7M, or approximately \$5.7M greater than the same period in FY 25.
- Total Liabilities were nearly \$10.2M which represented nearly an increase of nearly 33% from FY 2025 for the same period.
- Total FY 2026 Ending Fund Balance at January month-end was nearly \$22.2M with a YTD Income of \$1,455,868. This equates to a total fund balance of nearly \$23.6M.
- **Note:** Much of the \$23.6M in Total Fund Balance cannot be nonexpendable (cannot be used for discretionary purposes), some funds are designated (e.g., \$1.5M set aside by the Board in June 2024 and some for First Street during recent Board actions) 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 FY 2026

JANUARY 2026

- VCSB ran a YTD surplus of \$1,455,866 as of January 31, 2026, which was higher than FY 2025 YTD as of January 31, 2025, which stood at \$925,612. This is more than a 57% improvement than that same period last fiscal year.
- Month-ending January 2026 (FY26) surplus performed more than 17% higher than the projected for the FY 2026 Adopted Budget projection of \$1,243,941 for this same period.
- VCSB performed better during January FY 2026 than January FY 2025 Actuals for Net Revenue (more than a 5% increase) and spent more than FY 2026 Actuals (more than a 2% increase) for the same comparison.
- VCSB remains below its FY 2026 Adopted Budget forecast projections for revenue for FY 2026 Month-ending January 2026 by more than 9% and more than 11% below for expenditures.
- Spending categories which led the way this month are vacancy savings and occupancy for new positions for FY 2026.
- As mentioned, VCSB underperformed on the revenue side by more than by approximately 9% compared to the Adopted FY 2026 Budget prediction for January.
- VCSB revenues continued to lag due to several hard to fill vacancies and new positions approved as part of the FY 2026 that will eventually generate additional reimbursement revenue.

Income Statement (Month to Month)

JANUARY 2026 – FY 2026 FM 07

- Net Revenue for the month of January 2026 was approximately \$2.635M, which is slightly down compared to December 2025 which sat nearly \$2.652M, a decline of 0.6% with reimbursements and grant revenue leading the way.
- Total Operating Expenditures for January 2026 were approximately \$2.336M, compared to December 2025 levels of \$2.333M, which represented a slight increase of more than 0.16%.
- The total surplus for January 2026 (FY2026) was approximately \$298,372 compared to a surplus of \$318,950 for the month of December 2025 (FY2026), or a decrease of approximately 6.5%.

Nate Riddle made a motion on behalf of the Fiscal Oversight Committee to approve the January Financial Reports and approval of 1.28.26 Fiscal Oversight minutes as presented. Motion carried.

Update on CRC:

- Dr. McClanahan announced that progress continues as we are wrapping up any changes to the ZMM prototypical plans. Mr. Sandy and Dr. McClanahan are working on a grant proposal to

access Opioid Abatement funds. That proposal is due in March. If awarded, we will receive some of the funds on July 1, 2026.

- There was a meeting with DBHDS last week and we have been assured of the commitment of 9.6 million dollars. DBHDS has written a letter of support for the OAA grant proposal.
- Mr. Sandy noted that the Opioid funds were being officially applied for by the city of Waynesboro. We would be a subrecipient of \$5.77M over the course of two years.
- The design with Worley is not 100% complete but we are still working through it. We are hoping to have a full design by May. Then we will work on the procurement process for the construction site development and for bids of contractors. The goal will be to break ground sometimes this summer.

EXECUTIVE DIRECTOR'S REPORT: Dr. McClanahan gave a brief overview of the meeting with Region 1 ED's and the VACSB Leadership Team meeting.

- Dr. McClanahan spoke on Department of Behavioral Health and Developmental Services (DBHDS) expressed concerns about unexpected funds by CSBs. Over 40 CSBs, there is about 350 million in unexpended funds. CSBs are not given much opportunity for input as to how they should be managed.
- The DBHDS promised a couple years ago that the state general fund would never be managed in a reimbursement format, that is exactly the current plan.
- There is continued movement forward with the application of the Certified Community Behavioral Health Clinics (CCBHC).
- Both legislative houses have suggested a delay of the Medicaid redesign implementation to be delayed until July 1, 2027.
- The outgoing governor's budget removed community crisis stabilization as a paid Medicaid service and capped mobile crisis intervention at 4 hours. The current House report restores 72 million for community crisis stabilization and appears to remove the cap on number of hours for a mobile crisis service.
- The Marcus Alert (MA) implementation discussion is continuing and going well.
- Mr. Sandy spoke on budget talks within the VCSB for the next year. Mr. Sandy is meeting with different teams and says we seem to be on track timewise for next year's budget proposal for the board of directors.
- Dr. McClanahan mentioned the Valley Community Outreach (VCO) Board met to continue discussions as to how to raise funds for the VCSB.

- On a fun note, VCSB has a Souper Bowl Day where departments could choose to make soup for the staff. It was great fun and well-received.

NEW BUSINESS: None.

OLD BUSINESS:

- **First Street Home Update:** Tina Martina, Director of DS Services, gave an update.
- First Street is in the home stretch of completion. The residents are moving in on March 11th.
- American Movers of Virginia will be moving the residents into their new home.
- A team will take the residents for a fun day while items will be transferred from Greenstone to First Street.
- There were multiple open houses and the residents got to view the new home first and select their bedrooms.
- There was a night when families and guardians could come look at the new home. It was a great turnout. All families for the residents showed up.

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

Respectfully submitted:

Sheena Andes