

2021 Annual Report



THE VILLAGE COMMUNITY

OUR MISSION

...is to provide a place where people with disabilities are nurtured and valued; a place where they will be engaged in all aspects of their lives, learning and working alongside their friends, family, and members of the community.

www.TheVillageCommunity.org

How do we ensure that our children and others like them maintain a high-quality and engaging life?

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To Our Membership/Stakeholders

*The Executive Board of The Village Community (TVC) is proud to report on our seventh full year of operation. 2021 was another year of **adaptation and resilience** for TVC. We continued to face unprecedented challenges due to the COVID-19 pandemic. Along with other providers, we experienced pandemic-related concerns regarding safe provision of services, financial pressures, and staffing constraints.*

*We are proud to say that – through it all – we have never had a member or staff contract the virus due to a program exposure. Nor have we had to cease services, even temporarily, due to illness, exposures, or staff shortages. TVC leadership has prioritized consistent, high-quality, and safe programming so as not to disrupt **service continuity** for members and to maintain **uninterrupted employment** for our team of highly-valued direct care staff.*

***Practicing agility** and **defining a new normal** have been ongoing themes of 2021. Having adapted to service provision during a global pandemic, keeping our staff and members safe, and remaining financially stable, the Board is extremely **confident** in our **long-term success and sustainability**.*

*Looking back at what we've accomplished by being **focused, flexible, and innovative**, we know we can endure significant challenges while not wavering in prioritizing our staff, members, and families who are at the heart of The Village Community. We are grateful to our extended TVC "family," who have remained flexible and dedicated to supporting the health our organization by testing frequently, making quarantine sacrifices, and continuing to wear masks – long after mandates expired. It is refreshing to see everyone selflessly pulling together to preserve services for all TVC members.*

The following report shares some of the highlights from 2021 and looks ahead to the future of The Village Community.

2021 in Review:



HITS

- ✓ *CARF certification results among the top 3% of all survey organizations.*
- ✓ *Secured \$100k+ in pandemic grants.*
- ✓ *Installed commercial-grade outdoor fitness area & walking trail.*
- ✓ *Resumed to nearly pre-covid levels once vaccines available, with 100% of staff/ members protected.*



MISSES

- ✗ *None, considering the ongoing risks we mitigated and all that we again achieved.*

2021 Operational Highlights

In the past two annual reports, we highlighted The Village Community's proficiency in overcoming obstacles and persisting in providing high-quality services. The 2020 pandemic was, by far, the largest challenge we've encountered to date. But the 2021 Delta and Omicron surges offered fresh challenges to our stamina as the world experienced pandemic fatigue and protections were rolled back. Thankfully, in 2021, vaccines widely available and we immediately strove for 100% vaccinated staff and members.

The collective diligence of our families helped TVC remain **open and safe** throughout all surges when *many providers were closing their programs*. We recognized that we could have closed as well and been eligible for additional rounds of financial assistance. But we remained focused on supporting our members and staff with continuous programming, as long as we could do so safely. With all that we have successfully endured, we feel well-positioned for whatever 2022 brings.

Significant accomplishments in 2021:

- ✓ Received another 3-year certification from CARF International (*Commission on Accreditation of Rehabilitation Facilities*) in November. *Our survey report included no findings or corrective actions, which is a result only attained by the **top 3% of organizations** surveyed!*
- ✓ Adapted to the global pandemic, including variant surges.

We maintained relationships with local providers and Johnson County Public Health to refine best practices as we gradually brought the day program back to near 2019 service levels. We maintained our innovative – and now proven – safety practices, such as:

- *Small-group staff/member "silos" continued well into 2021, until all of our team members and attendees were fully vaccinated. This approach allowed us to limit everyone's weekly contacts,*
 - *Full use of all of our program spaces and buildings – indoors and outdoors – to keep our silos/teams safely separated throughout the day and limit potential exposures,*
 - *For those who could not attend in person... we continued the director-led, member Zoom calls to maintain important connections, stability, and excitement about returning to in-person programs.*
- ✓ Secured ~\$107,500 in pandemic-related grants, *including **\$100,000** from Mental Health/Disability Services of the East Central Region. This was a very large and impactful project for TVC as we sought to bridge the gap between pre- and post-pandemic options for community outings and exercise. With a focus on improving both mental and physical health, we proposed (and were funded for) an accessible outdoor fitness area complete with fitness equipment and a ¼ mile walking path.*

2022 Targets:



OPPORTUNITIES

- ⦿ Watch for new grant funding relevant to our mission.
- ⦿ Potentially accelerate some long-term goals, depending on availability of funds.



THREATS

- Inflation of goods and services, including a need to significantly increase staff wages.
- Steep housing market inflation (including local rental costs) may inhibit TVC's ability to provide services requiring a new location or property expansion.

- ✓ Maintained continuity and increased services and employment.

- *Once our members and staff were able to get fully vaccinated in early 2021, we were able to resume programming to near pre-pandemic levels. A few members came back slowly, having been away for a year, but we settled back into some normalcy – albeit with masks and social distancing.*

In an ideal world...

Similar to our approach in 2020, though we accomplished much and delivered a safe and creative program, there were projects that remained on the back-burner for 2021 (and possibly for 2022 as well). We will continue to prioritize the health and well-being of our members and staff, as well as the sustainability of our program. As time and finances allow, we will return to some initiatives we had originally planned for 2021, such as an expansion of residential services and the addition of a possible overnight respite service.

Looking Ahead

The Executive Board will continue to seek out and capitalize on opportunities in 2022-23 while continuing to anticipate and mitigate risks:

Opportunities:

- ⦿ Possibility of additional grants via recovery funds. *As the pandemic lingers and there are occasional announcements of recovery funds still available, there may be additional opportunities to pursue.*
- ⦿ Accelerating some key long-term goals. *If funding opportunities align, TVC would pursue any grants that would bring us closer to attaining two of our longer-term programming goals. Our priority would be respite care, due to pandemic-related caregiver burnout – especially that of familial caregivers. Additionally, we will be more assertive in seeking another residence, as there is a shortage of local options, and we have parents requesting residential services in the coming year.*

Threats/Anticipated Challenges:

- Inflation of goods and services. *With increasing prices (gas, groceries, utilities, maintenance/repair labor), an anticipated small cost rate increase will not cover these additional expenses. In addition, salaries must increase significantly to allow our staff to earn a living wage.*
- Housing costs. *Often moving independently of inflation/recession, the steep and prolonged increase in housing prices will prevent TVC from making an affordable near-term purchase. This comes at a time when we have families requesting residential services in the near term.*

2021 Financials

Our 2021 budget assumed a gradual return to normal once vaccines and boosters were widely available. This occurred earlier than planned, and many of our vulnerable members were able to resume some programming by midyear. Unfortunately, the Delta and Omicron variants derailed our plans for a full comeback. Thankfully, due to staff and family diligence in wearing masks, testing frequently, getting vaccinated, and quarantining when symptomatic or exposed, we were able to avoid any closures or TVC-related illnesses. This dedication allowed us to remain fully staffed and open, and some generous grants and donations allowed us to finish the year in a healthy financial position.

Financial Highlights

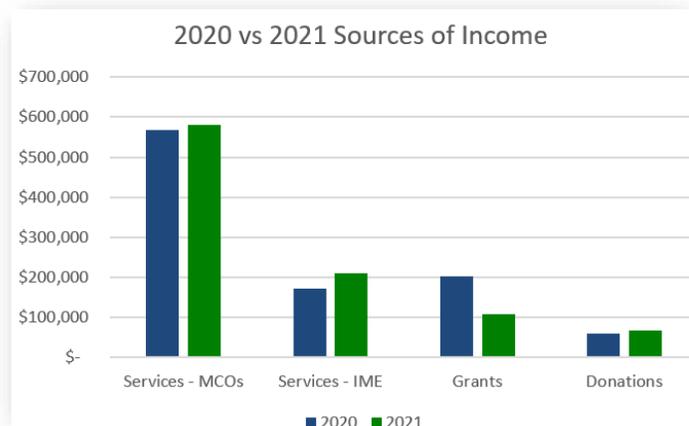
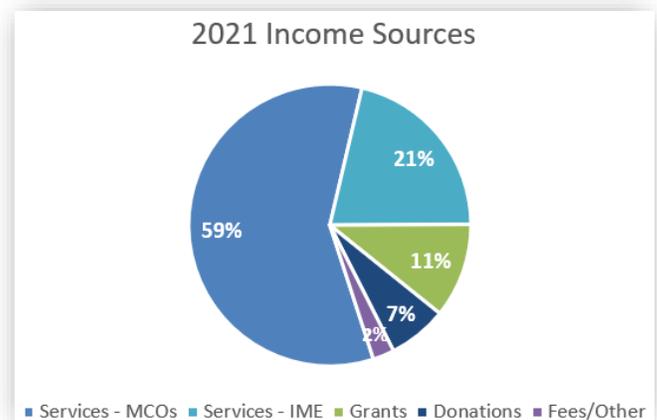
2021 income was again supplemented by grants and donations, representing 18% of income (compared to 25% in 2020). For reference, in prior years, grants and donations comprised 5-10% to gross income. The largest contributor in 2021 was a \$100,000 grant from Mental Health/Disability Services of the East Central Region. This grant funded the new outdoor fitness area and walking trail (depreciable assets) – amazing additions to our property! Note that the funds don't offset 2021 operational costs, as the 2020 pandemic grants did. Therefore, we saw a Net Income decrease. Similar to 2020, our generous families and supporters contributed significantly to this category! ♥

- **Income from services** ↑ 7% (+\$50k, gradually rebounding to pre-pandemic levels)
- **Income from grants/donations** ↓ 34% (Fewer funding opportunities, but still \$174k, which is incredible)
- **Net income (- depreciation)** ↓ 37% (CARES Act funds, donations, and decreased expenses)
- **Equity** ↑ 23%

2021 Income Sources

The graph on the right displays 2021 income sources as a percentage of total funding.

The 2021 share of service reimbursements from corporate MCOs fell slightly to 73% (from a 2020 high of 77%). This may somewhat reduce our risk of rate errors, non-timely payment, and services denials. However, the addition of a third MCO in Iowa could introduce new reimbursement issues.



2020-21 Income Comparison

This graph compares income amounts between 2020 and 2021. As noted, the ratio of MCO:IME service reimbursement shifted slightly in 2021, as some of our IME members returned to program. However, the corporate MCOs retain the much larger portion of services income, and TVC remains largely reliant on private insurance companies for full and timely reimbursement of services. Grants fell significantly between the two years and are expected to decrease further in 2022 as recovery funding ceases.

2021 Expenses

The Village Community’s spending remains in line with our mission to provide our members with high quality and engaging activities, settings, and staff. While our community outings were limited again in 2021, we were able resume on-site Music Therapy and enjoy our new outdoor fitness equipment and walking trails. TVC continued to provide safe and enriching member experiences, which – this year – meant investing in our property to provide a variety of healthy and fun outdoor activity options.

83% = Total Labor Costs: TVC will always prioritize the recruitment and recognition of highly-skilled and engaging direct care staff. We continue to enjoy very low turnover – a unique achievement (in 2021 and in the caregiver industry), as noticed in our CARF review. Total salaries represent 83% of our budget, similar to 2019 and 2020. The Exec/Admin portion dropped slightly to 9% of total salaries. With the challenges of the past two years, our leadership team has been stretched thin on many fronts (covering direct care absences, securing grants, etc). We will continue to monitor the administrative demands on our directors as this workload directly relates to our goal of long-term organizational sustainability.



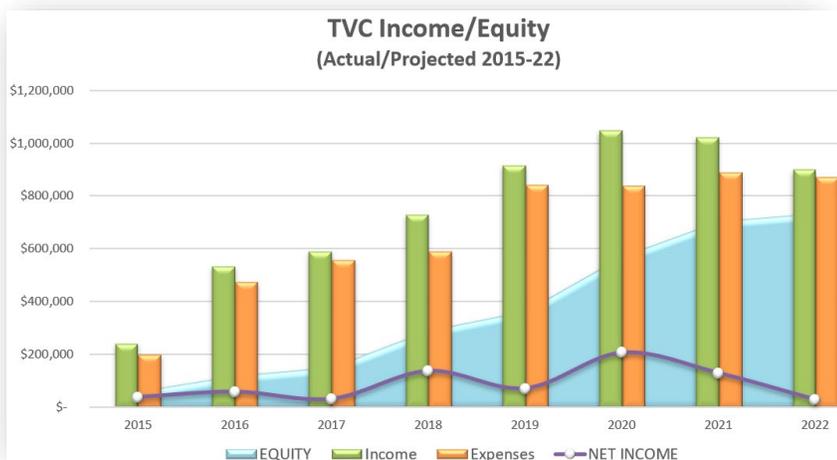
5% = Member Activities: This expense returned to the typical level of 5-6%, following a 2020 increase (when we purchased many new program items). While the 2021 outdoor fitness pad and trail were a large investment in on-site activities, those costs were categorized under property expenditures and as depreciable assets.

9% = Property expenditures: (maintenance, landscaping/gardening, mortgage interest, etc.). Up from the standard level of 5-6%, the increase is a result of the non-depreciable expenses associated with the outdoor fitness area and required paving of our lots, paths, and the new trail. Our staff and members are thoroughly enjoying this addition to our property, along with the flexible and healthy new options it provides.

3% = Costs of doing business: As always, we try to keep overhead costs to a minimum. Necessary expenses include accounting services, insurance, required subscriptions, accreditation, and dues. These expenses don’t directly improve the member experience, but they are critical to sustaining our business. This figure is up 1% due to the expense (direct payment to CARF) of the 3-year accreditation activity.

2015-22 Actual & Projected Financials

The steep 2020 Net Income boost (from grants and donations) is not likely a recurring event. In 2021, TVC again realized a very healthy bottom line (13%) and significant Equity growth. The increases were



again a result of higher-than-typical grants and donations. We do not anticipate 2022 yielding a similar financial upside. We have projected a relatively flat year. TVC’s 2022 budget conservatively assumes service levels similar to 2021, but without the grant opportunities we’ve had for the past two years.

That said, our Equity is significant, and TVC may be positioned to expand services per our long-term strategic goals. The Board will begin evaluating opportunities for the near future.

2021 Satisfaction Surveys

Summary of Results:

Member Engagement

99%

Program Activities/Space

96%

Communication

94%

Overall Satisfaction

97%

Member/Family Satisfaction

TVC conducted member and family surveys in July 2021. Those results are reported here and summarized in the sidebar.

Feedback was overwhelmingly positive and supportive. We do take the comments and feedback we receive, along with any significant change in scores (higher or lower than previous years), and use that information to make improvements, when possible. In the 2020 survey, our questions were tailored to service provision during the height of the pandemic and focused on Communication and COVID-19 Safety/Engagement. This year, we resurrected our standard questionnaire as most of our member families had returned to program in some form.

Member Engagement (99% satisfaction score) received high marks in 2021, despite our inability to fully return to community outings and activities. To protect our vulnerable members and highly-valued staff, we avoided most indoor venues (movies, restaurants, etc.) and large outdoor gatherings, like crowded playgrounds or events. But our staff and leadership were extremely creative in identifying safe and unique outings like petting and feeding baby goats at a local farm, going fishing, berry picking, and so on. We were occasionally able to rent out the bowling alley or movie theater to avoid crowds, and we resumed on-site Music Therapy. Our members seemed to appreciate and enjoy our efforts to keep them both safe and engaged.

Communication (94%) is one area in which it seems there is relative room for improvement. This past year, families were eager to know what members were doing at program every day. However, given the demands already placed on staff and leadership, frequent updates were not an option. We did our best to share important news (mostly variant/surge-related, along with unique activities and field trips) and will continue to do so going forward.

"Given the additional challenges imposed by COVID-19, TVC earned an A+++ this year in sharing important information with families. (The directors) are great at anticipating our questions and concerns before we even ask!"

"(Our daughter) feels a genuine sense of belonging at TVC and looks forward to the time she spends with her peers and staff."

"Beautiful, functional space. Creative thinking in how to incorporate member choice, especially for those who are more behaviorally affected and/or nonverbal."

"There is not a better program than The Village Community - we appreciate all the hard work staff and administration do to maintain this standard."

"TVC sets the standard for excellence in all areas (i.e., space, activities, phenomenal staff, member choice, promoting healthy eating and exercise)."

"As many local providers suspended day programs indefinitely... Thank You, TVC, for continuing to provide this valuable service!"

TVC Business Model

Fiscal Priorities

2020-2021 has been filled with challenges and uncertainties of an ongoing a global pandemic, followed by caregiver shortages and increasing operational costs due to inflation. Yet our fiscal priorities remain the same: operate a sustainable, high-quality program by allocating a majority of our budget to items that *directly* contribute to member engagement. Such as:

- Paying higher direct care staff wages than other local providers,
- Maintaining safe, attractive, functional and inviting areas for members,
- Participating in varied and engaging outings,
- Providing high-quality recreational therapies and activities on site.
- Essentially... **Prioritizing and investing in member success** rather than in overhead and administration.
- This model requires founding family investment, staff commitment, engagement of key families and community partners, and significant volunteer hours. But – year after year – we continue to agree – it is well worth it!

The founding families' original mission endures. TVC's priority will always be to provide high-quality, engaging member experiences delivered by exceptional and consistent direct care staff. Our budget will continue to reflect our priorities in a sustainable way. And we will continue to push for state policy that will *once again* recognize the value of effective, family-driven, low-overhead programs like ours.

Conclusion

While The Village Community Board's optimism was briefly shaken at times during 2020 and 2021, we are grateful for the widespread availability of vaccines and the priority status given to individuals with disabilities. TVC members and families enjoyed getting back to some normalcy and consistency during a time when many day programs remained closed or experienced temporary closures due to virus spread and/or staff shortages. Again, many thanks to our program directors and direct care staff for the creativity and dedication shown as TVC programs have remained open continuously and safely throughout 2021.

While we would have hoped to have turned a distinct corner and put this virus behind us, it is evident that will not likely happen for some time. So we will just continue to do our best to meet our members' needs with unwavering commitment to both their physical and mental health.

As we come off of another fiscally strong year, The Village Community Board has been discussing prudent ways to expand services to close some gaps that are ever-widening both locally and within the state. One topic that will be high on our list of priorities in 2022: How can we best meet the needs of individuals with disabilities and their families/caregivers?

Contact Information

The Village Community's Executive Board is available to answer your questions or hear suggestions for our organization. We are most easily reached at TVC@TheVillageCommunity.org



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For More Information

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