2005 Annual Report

Hope for Brighter Futures

The Villages
Foster Care • Adoption • Family Services
The Villages’ Mission & Vision

Mission
The Villages champions every child’s right to a safe, permanent and nurturing home. We are committed to strengthening families for all children and to embracing the dignity and diversity of every child, youth and family served.

Vision
Every child will flourish in a healthy, nurturing, self-sufficient family.

As Indiana’s largest child and family services not-for-profit agency, The Villages serves more than 1,000 children and their families daily.
Dear Friend of Children,

Few qualities define an individual more than their capacity to endure the challenges of their darkest hour, to strive for the seemingly impossible goal, and to exchange the challenges of today for the glory of a better tomorrow. The hundreds of children The Villages serves each year demonstrate this tenacity. It is in their honor that The Villages is passionate about Hope For A Brighter Future...their future.

Childhood should be a period filled with hope and joy for EVERY young person...yet daily in Indiana, an average of 140 children are reported as abused or neglected. Even more shocking is the reality that weekly at least one child dies as a result of that abuse or neglect — nearly three classrooms of children every year.

The Villages is relentless in its dedication to help heal and nurture the children who are victims of these horrific acts. How? By tirelessly working with their families of origin to assure that abuse will never again occur, the vast majority of these children are able to safely return to their homes and families. For other children, The Villages is supporting and sustaining a grandparent or relative in the important role of raising a child. When family ties can’t be honored, The Villages is intensely engaged in recruiting, screening, training and supporting heroic foster and adoptive families who rekindle the sense of hope and energy in the resilient abused children they so unselfishly serve.

Is there any other way to impact the horror and pain of child abuse? Absolutely...we can prevent it from ever occurring. Every year, The Villages is serving more children in preventative, family support programs — changing the “landscape” and restoring hope to childhood one child at a time. The agency's leadership in Healthy Families Indiana impacted more than 1,200 children last year, bolstering their first-time parents to be the best mom or dad ever. Our accredited Children’s Village Child Care Centers stimulate the critical early learning years and skillfully assimilate children with special needs so that youngsters learn the value of inclusiveness. A wide array of family support services enables families to more effectively master the relationships and roles so essential to successful living.

Indeed, hope is the very essence of the life-changing work of The Villages. For decades your investment has helped The Villages’ Board of Directors, staff, volunteers, foster and adoptive families plant powerful seeds of hope, one child at a time. Thanks to you, we are, together, creating a brighter future.

Gratefully,

Sharon E. Pierce
President & CEO

Dr. Timothy R. Franson
Board of Directors’ Chair
Great Expectations...

Baby’s first steps, the game-winning home run, graduation day — every accomplishment brings us one step closer to achieving our potential. And over time, life becomes a series of steps filled with miles of memories we never want to forget. Many children in Indiana, however, don’t know what it’s like to think that dreams can come true. In fact, The Villages fights every day for the rights of children who deserve to have a future full of hope. Creating a nurturing, safe environment for those who cannot do it alone, The Villages helps children see that there is plenty of good in the world — and happiness awaiting them.

The Villages needs your help to continue making an impact on the lives of abused and neglected children in Indiana. Together we can ensure that every child can have the tools to overcome obstacles and have hope for a brighter future.

Children are the HEART of HOPE!

Dream the impossible dream. Dreaming it may make it possible. It often has.
Hope understands that the darkest hour is the one just before the dawn.

For when hope does awaken, an entire life awakens along with it.

Hope assures that life has its own sweet surprises!

“All things are possible to the one who believes. Yet more to the one who hopes.”
— Brother Lawrence
Adoption
The Villages offers special needs, private and international adoptions that provide preparation, education and support throughout the journey of becoming a forever family.

Children’s Village Child Development and Education Centers
The Villages provides quality child care and early childhood development services through our accredited Children’s Village locations in Indianapolis and Bloomington. These state-of-the-art centers provide care for children 6 weeks old to kindergarten age.

Family Connection Network
The Villages’ Family Connection Network allows relatives, or any adult that has a kinship bond with a child, the opportunity to provide full-time care, nurturing and protection of a child. This program provides support groups, respite activities, youth scholarships, community links to service providers, and training opportunities.

Family Services
By working with families who have dedicated themselves to making necessary life changes, we strive to preserve or reunify families according to their unique needs. Services include family, group and individual counseling; assessment; skill-building and mentoring.

Healthy Families
By strengthening parent-child relationships in the early years, we prevent problems later. Our services to new parents utilize a child development curriculum and assist families in gaining skills and confidence as a parent while using community resources.

Therapeutic Foster Care
By placing children in nurturing homes, we re-establish bonds of trust between a vulnerable child and the adult world. Foster families receive specialized training and 24-hour access to services and support from their dedicated social worker at The Villages.

Transitional Living
By supporting young adults who are leaving the child welfare system with life skills training in a community-based living environment, we give them the opportunities they need to become independent, productive members of society.
Board of Directors

**Chairman of the Board**
Timothy R. Franson, M.D.

**Vice Chairman**
Kathi Postlethwait

**Secretary**
Kathleen Schuckel

**Treasurer**
Scott Read, C.P.A.

**The Villages’ Board Executive Committee**
John F. Ackerman
Shokrina Radpour Beering
Timothy R. Franson, M.D.
John E. Pless, M.D.
Kathi Postlethwait
Scott Read, C.P.A.
Kathleen Schuckel

**The Villages’ Board Members**
David Barrett
Thomas Blee
Karen Brown
Steve Dunn
Fred Haslam
Steven Humke
Karin Lauderback
David McAvoy
Richard M. Menninger
James E. Miller
Kris Pierce
Mathew Scherschel
Lt. Det. Richard Snyder
Hillard J. Trubitt
Stacy Wells
Edward A. West
Karl R. Zimmer, III

**The Villages’ Foundation Board of Trustees**
John F. Ackerman
Harold A. “Skip” Harrell
Richard M. Menninger
Angela J. Nealy
Sharon E. Pierce
John E. Pless, M.D.
Hillard J. Trubitt

**Emeritus Council**
John T. Hackett, Ph.D.
David L. Rice, Ph. D.
Richard O. Ristine, Sr.
J. David Smith, Ed. D.

**The Villages’ Major Gifts Task Force**
Stacy Wells, Chair
John Ackerman
Shokrina Radpour Beering
Timothy R. Franson, M.D.
Steve Humke
Heather Kidwell
Ulrich Koenig
David R. McAvoy
Jennifer Terry
Karl R. Zimmer, III
### Statements of Financial Position

**The Villages of Indiana, Inc. and The Villages of Indiana Foundation, Inc.**  
**December 31, 2005**

#### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,316,841</td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>394,380</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance of $93,223</td>
<td>2,751,604</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>195,250</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>1,091,022</td>
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<tr>
<td>Note receivable</td>
<td>—</td>
</tr>
<tr>
<td>Other receivables</td>
<td>174,315</td>
</tr>
<tr>
<td>Investments</td>
<td>164,297</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>221,109</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>2,080,470</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$8,389,288</strong></td>
</tr>
</tbody>
</table>

#### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>667,360</td>
</tr>
<tr>
<td>Accrued payroll and taxes</td>
<td>469,355</td>
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<tr>
<td>Accrued vacation</td>
<td>183,827</td>
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<tr>
<td>Other accrued expenses</td>
<td>175,288</td>
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<tr>
<td>Line of credit</td>
<td>283,324</td>
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<tr>
<td>Long-term debt</td>
<td>1,174,938</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$2,954,092</strong></td>
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#### Net Assets

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>$4,696,174</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>547,666</td>
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<tr>
<td>Permanently restricted</td>
<td>191,356</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>$5,435,196</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$8,389,288</strong></td>
</tr>
</tbody>
</table>

This consolidated statement of financial position of The Villages of Indiana, Inc. as of December 31, 2005, and the related consolidated statements of activities for the year then ended were compiled from our complete financial statements. Those financial statements, and BKD LLP’s opinion thereon, are available upon request.
The Villages of Indiana, Inc. and The Villages of Indiana Foundation, Inc.
Consolidated Statement of Activities 2005

Revenues, Gains and Other Support

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$478,929</td>
</tr>
<tr>
<td>Government grants</td>
<td>$4,713,444</td>
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<tr>
<td>Fees for services</td>
<td>$16,192,612</td>
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<tr>
<td>Investment income</td>
<td>$51,680</td>
</tr>
<tr>
<td>Other income</td>
<td>$288,789</td>
</tr>
<tr>
<td><strong>Total revenues, gains, and other support</strong></td>
<td><strong>$21,725,454</strong></td>
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</table>

Agency Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program expenses</td>
<td>$18,196,305</td>
</tr>
<tr>
<td>Management and general</td>
<td>$1,752,426</td>
</tr>
<tr>
<td>Other supporting activities</td>
<td>$298,156</td>
</tr>
<tr>
<td><strong>Total agency expenses</strong></td>
<td><strong>$20,246,887</strong></td>
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Return to fund balance

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,478,567</td>
</tr>
</tbody>
</table>

Expenses for Program Services

Total Program Services $18,196,305

Number of Children Served in 2005

Total Children Served 2,610
Thank You...

For helping us create brighter futures! The Villages is truly grateful to those who are so generously championing families for children!
The Villages strives to keep accurate gift records. If your name has been inadvertently omitted, we deeply apologize. Please call 317.273.7575 so we can correct our information.
For more information, visit www.villageskids.org or call 800.874.6880

The Villages
652 N. Girls School Road
Indianapolis, IN 46214

The Villages is among the one percent of child and family services agencies in the country that are accredited by the Council on Accreditation of Services for Families and Children.