

Board of Trustees Report

March 17, 2026



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Finance

FY26 – January Results for the Villa

- December reported \$186 ahead of budget and January reported \$12 thousand ahead of budget, bringing the year-to-date ahead of budget by \$857 thousand.
- Through January, the Annual Fund is reporting approximately 94% of its annual budget for the year!
- Total revenue is reporting 4% under budget year-to-date, but slightly ahead of the prior year. Total expenses are 10% below budget and slightly less than the prior year. Employee costs remain the driving factor in expense savings with 65% of the year-to-date expense budget savings related to wages and benefits.
- The month of January and February experienced a significant number of days of campus closure due to the snow and ice. Education services were able to pivot to remote learning during the closure. Villa policy is to bill for education services based on enrollment, not attendance; however some localities have contract provisions otherwise. Potentially \$35 thousand of education revenue is at risk if unpaid. Crisis services re-opened, as did some community based services; however Medicaid services provided on-site could not be provided, therefore were not billable during campus closure.
- Hourly employees are hit hardest when campus is closed; therefore the Villa evaluated multiple factors to establish an exception to the normal compensation structure, in order to provide some relief wages to those employees.

990s

- Housing Corporation Form 990 prepared by Forvis has been completed and is ready to file once reviewed by the Finance Committee.
- Villa Corporation, Foundation, and Villa Form 990s are drafted and are in the review process by the Finance Office.
- A date will be set for the Finance Committee to review all 4 returns prior to the filing extended due date of May 15th. The budget process has begun for FY2027. Service leaders are preparing their budget assumptions/needs and budget meetings will begin mid-February.

Budget – FY27

- The Subsidy calculation from the Foundation has increased for the FY2027 budget year due to the increase in the 12-quarter average portfolio balances ended December 31, 2025. The increase is approximately \$97 thousand from FY2026.
- The Foundation Board approved the Subsidy allocation at their March 4, 2026 meeting.
- The budget process has begun for FY2027. Service leaders have prepared their budget assumptions/needs and budget meetings began the week of February 23rd and continued the week of March 9th. Typically, the budgeting process takes three rounds of conversations with service leaders to ensure that calculations are valid and assumptions are reasonable, leading to a balanced budget. The process takes into consideration estimates of enrollments and populations, changes in funding, and appropriate staffing for each service based on their required ratios and individual business models.

- A date will be set for the Finance Committee to review and approve the budget so that it can be voted on by the Trustees at the May meeting.
- The Federal OMB Audit Compliance Supplement was issued; therefore the audit for the Housing Corp. was able to be completed. Forvis Mazars performed this audit remotely primarily with Landmark Properties. There was one internal control issue related to not accruing a June 2025 expense, which had been paid in July 2025. The expense was for sidewalk replacement and was a material dollar amount for their calculations; therefore a material weakness in internal control was noted. The material nature of the entry was not communicated until December.

403(b)

- Finance Committee will meet with Juno Financial during their March meeting to receive an annual overview of the Villa's 403(b) plan.

Financial Statements

**ST. JOSEPH'S VILLA
FY 2026 SUMMARY OPERATIONS REPORT**

2/16/2026

FOR SEVEN MONTHS ENDED JANUARY 31, 2026 - PRELIMINARY - UNAUDITED

PROGRAM		ACTUAL*	FY2026 BUDGET*	F/(U) VAR	FY2025 ACTUAL*	FY26-FY25 F/(U) VAR
CHILDREN'S EDUCATIONAL SERVICES	REVENUE	2,122,913	2,506,353	(383,439)	2,408,181	(285,268)
	EXPENSE	(1,995,343)	(2,276,703)	281,359	(1,900,394)	(94,949)
	INDIRECT	(198,139)	(241,309)	43,170	(184,399)	(13,740)
	SUB-TOTAL	(70,569)	(11,659)	(58,910)	323,388	(393,957)
AUTISM EDUCATIONAL SERVICES	REVENUE	5,502,245	5,619,240	(116,995)	5,311,165	191,080
	EXPENSE	(3,379,942)	(3,924,935)	544,993	(3,318,058)	(61,884)
	INDIRECT	(196,248)	(236,770)	40,522	(274,529)	78,282
	SUB-TOTAL	1,926,055	1,457,535	468,520	1,718,577	207,478
FLAGLER HOUSING & HOMELESS SERVICES	REVENUE	1,845,421	1,840,532	4,889	1,692,919	152,503
	EXPENSE	(1,627,636)	(1,674,071)	46,435	(1,463,118)	(164,517)
	INDIRECT	(216,541)	(253,465)	36,924	(198,946)	(17,595)
	SUB-TOTAL	1,245	(87,003)	88,248	30,854	(29,610)
COMMUNITY TRAINING AND SUPPORT SERVICES	REVENUE	26,300	29,167	(2,867)	28,275	(1,975)
	EXPENSE	(40,919)	(38,279)	(2,640)	(73,119)	32,199
	INDIRECT	(7,493)	(8,968)	1,475	0	(7,493)
	SUB-TOTAL	(22,112)	(18,081)	(4,032)	(44,844)	22,731
DEVELOPMENTAL DISABILITIES SERVICES	REVENUE	879,628	914,876	(35,248)	826,452	53,177
	EXPENSE	(857,930)	(902,708)	44,778	(927,280)	69,349
	INDIRECT	(88,937)	(107,293)	18,356	(102,686)	13,748
	SUB-TOTAL	(67,239)	(95,125)	27,886	(203,513)	136,274
DAY TREATMENT SERVICES	REVENUE	371,884	460,035	(88,151)	696,270	(324,386)
	EXPENSE	(459,928)	(490,558)	30,630	(736,516)	276,588
	INDIRECT	(56,018)	(64,998)	8,980	(133,785)	77,767
	SUB-TOTAL	(144,061)	(95,521)	(48,540)	(174,030)	29,969
BEHAVIORAL HEALTH SERVICES	REVENUE	2,066,212	2,132,641	(66,429)	1,744,190	322,022
	EXPENSE	(1,906,519)	(1,876,419)	(30,100)	(1,784,000)	(122,519)
	INDIRECT	(140,575)	(166,975)	26,400	(108,952)	(31,623)
	SUB-TOTAL	19,118	89,247	(70,129)	(148,762)	167,880
CLIENT SUPPORT SERVICES	REVENUE	52,114	47,950	4,164	36,731	15,382
	EXPENSE	(469,012)	(478,777)	9,765	(407,489)	(61,523)
	INDIRECT	86,321	47,301	39,020	85,367	954
	SUB-TOTAL	(330,577)	(383,526)	52,949	(285,390)	(45,187)
AGENCY SUPPORT SERVICES	REVENUE	689,926	593,500	96,426	683,131	6,795
	EXPENSE	(1,848,961)	(2,369,355)	520,394	(2,076,144)	227,184
	INDIRECT	817,630	1,032,478	(214,847)	917,929	(100,299)
	SUB-TOTAL	(341,404)	(743,377)	401,973	(475,084)	133,680
* TOTAL REVENUE		13,556,644	14,144,293	(587,649)	13,427,313	129,331
TOTAL EXPENSE		(12,586,190)	(14,031,804)	1,445,614	(12,686,117)	99,927
TOTAL INDIRECT		0	(0)	0	0	(0)
TOTAL OPERATIONS		970,454	112,489	857,965	741,197	229,258

* Actual and Budgeted revenue does not include the subsidy to the Villa of \$.951 million for FY2026 and \$.999 million for FY2025

Advancement

FY26 Progress

Annual Giving:	\$819,027.24
Private Grants:	\$1,320,818.82
Government Grants:	\$2,799,145.06
Speaking/Training:	\$12,700
Total:	\$4,951,691.12

Annual Giving

- The annual fund has raised \$686,021 (95% of \$720,000 goal) thus far in FY26.
- We have distributed/reserved \$95,000 in NAP credits, leaving \$8,000 remaining for the fiscal year.

Grants and Major Gifts

- Thus far in FY26, we have received \$1,320,818 in private grants and major gifts for Flagler, CATS, Mental Health, and capital projects.
- Pending requests as of 3/6 total \$735,000 and include: Bank of America, Memorial Foundation for Children, United Way, Dominion, Nunnally Trust, Peachtree House Foundation, June Guthrie Foundation, Kiwanis Foundation, Rock Foundation, Bon Secours, Seay Foundation, Cameron Foundation and 4 individual major donors.
- In February, Jenny and Elizabeth welcomed the Cabell Foundation's new ED, Emily Schott, to campus for a tour. We also hosted a group of Memorial Foundation for Children Board members to discuss our pending request for youth crisis services.

Planned Giving

- In February we received another small gift through the Community Foundation from the George W. and Carol Y. St. Clair Fund. We are encouraged that we will continue receiving gifts from this fund annually to support the Endowment.

Events and Trainings

- May 18 – Innsbrook Classic Golf Tournament will be held at the Federal Club. Registration opened last month, and we just broke \$100,000!
- We are working on securing a location for our annual Donor Celebration in June. Stay tuned!

Volunteers and Community Engagement

- We've kicked off another pro-bono project with Capital One to redesign and streamline the intake/admissions process for our youth crisis services. John Richardson-Lauve is leading the initiative and Don Alexander's daughter, Emily, will be working on the project too!
- Atlantic Union Bank is helping us activate the space in the Housing Success Center by developing a financial education workshop series. We're hoping to launch the first sessions this summer! our youth crisis services.

Marketing Communications

Staff participated in the several key advocacy days during the Virginia General Assembly:

- **Housing Advocacy Day:** February 11

Flagler staff advocated for increased investment in the Virginia Housing Trust Fund and homeless services.

- **Villa Lobby Day:** February 19

Our staff legislative committee met with 10 Delegates and Senators to share the Villa's legislative priorities. Several newly elected legislators expressed interest in touring the Villa this spring.

- **Autism Advocacy Day:** February 24

As a member organization of the Virginia Autism Coalition, we joined private day schools, service providers, and parent advocates from across the Commonwealth to engage on legislation impacting autism services and special education.

- Mental Health Advocacy Day, scheduled for January 26, was canceled due to inclement weather.

- Our Housing Success Center welcomed approximately 100 attendees of the Giving Wall's annual Evening of Gratitude event. Flagler Senior Director Katie Chlan shared remarks about the Villa and the impact of our partnership.
- A new Admissions portal will launch on our website this spring. Families enrolling in our education services will be able to complete and submit all application forms online.
- Our FY25 Annual Report, *A Place to Begin Again*, was mailed to more than 3,100 supporters and community partners at the end of January.

Operations

Services

- The weather was quite a challenge in January/February. In total, services were closed 8 days (January 26-February 4). The CSU and CRC were able to get back online as soon as staff were able to get in and the area was safe enough to maneuver.
- Transition and Wellness Services and Career and Transition Services (CATS) received a \$50,000 grant to install the walk-in freezer & refrigerator at culinary. In addition, the grant will provide upgrades to the Villa Grocery including new shelving, additional food and other supplies.
- Dominion Energy's Second SOUPer Bowl was a great success! The Villa Grocery received over 4000 cans and grocery items to stock the shelves and provide supplies to make food bags for our clients and staff.
- Power is coming to the greenhouses! Dominion Energy will help install power to both greenhouses on March 11. The greenhouses and the garden will now have power to run the vent fans, grow lights and other useful garden instruments.

Human Resources

- We continue to work with the Virginia Association of Independent Specialized Education Facilities (VAISEF) consortium group being facilitated by the Marsh McClennan Agency. We are scheduled for a final review in Mid-March before the submission of the RFP to Health Insurance vendors.
- We are implementing a new performance evaluation tool through ADP. We plan to have the software in place for the April/May staff evaluation process.
- Staff Development leadership has evaluated new Learning Management Systems to replace the current LITMOS software. Our new LMS will be RELIAS. This is a system that our schools have used, and it will now be implemented for all staff development

Strategic Plan

- A steering committee has been formed to facilitate the implementation of the Strategic Plan Operational Design.

Risk Management

- Installed the Text to Talk speakers in the rest of the building across campus. This is important because all beacons will now announce the type of emergency and the instructions to follow. Previously the beacons only sounded an alarm.
- Installed Panic buttons across campus. Now each building has immediate access to an alarm button (rather than connecting to a computer) to notify the campus of a serious threat.
- Team Safe is developing a Master Reunification plan in the event of a campus wide evacuation. This involves relocating approximately 400 individuals and successfully implementing a controlled release. We are using the Gold Star Method recommended by and in consultation with the Virginia Center for School and Campus Safety.