

Board of Trustees Report

May 19, 2026



Finance.....	1
Financial Statements.....	2
FY27 Budget Memo.....	3
Advancement.....	12
Operations.....	14



Finance

FY26 – March Results for the Villa

- March reported \$141 thousand ahead of budget, bringing the year-to-date ahead of budget by \$986 thousand.
- Through March, the Unrestricted fundraising is reporting approximately 112% of its annual budget for the year!
- The golf tournament revenue from sponsors and players (budgeted primarily for June) has come in earlier months and more will come as we approach the tournament on May 18th. This current budget overage will catch up with the budget in June.
- Villa Education Center is reporting a second month with 93 students as compared with a budget of 88. Graduation preparations are underway and referrals are in place to enter the program as graduates move on.
- Crisis Stabilization utilization is increasing overall and a larger than budgeted amount of recent clients have been able to be billed to Medicaid, bringing the year-to-date budget variance positive.
- Total revenue is reporting 4% under budget year-to-date, but well ahead of the prior year in actual dollars, primarily related to Crisis Stabilization Unit, Villa Education Center, and Development. Total expenses report a 9% budget savings and comparable actual dollars with the prior year. Employee costs remain the driving factor in expense savings, with 77% of the year-to-date expense budget savings related to wages and benefits.
- Two very large projects have been completed on campus. A generous donation and prior year surplus were used to fund the projects—the Chapel stained glass windows and Administration building roof repairs. These expenses are not included in the operations budget.

990s – FY25

- The Finance Committee reviewed the Forms 990/Form 990-EZ for all four entities in a virtual meeting on April 28, 2026. Two small corrections were noted which will be addressed prior to filing.
- Each Board member will receive by email a copy of its appropriate Form(s) 990 prior to the extended filing due date of May 15th. It is required by the IRS that board members receive them ahead of filing. Your approval is not required.

Budget – FY27

- The budget is balanced!
- The Finance Committee will review the FY2027 budget in detail on May 13th in a meeting which will also be attended by service leaders. Following their approval, they will recommend the budget to the Board of Trustees for approval at the May 19th meeting.

Financial Statements

ST. JOSEPH'S VILLA
FY 2026 SUMMARY OPERATIONS REPORT
FOR NINE MONTHS ENDED MARCH 31, 2026 - PRELIMINARY - UNAUDITED

4/13/2026

<u>PROGRAM</u>		<u>ACTUAL*</u>	<u>FY2026 BUDGET*</u>	<u>F/(U) VAR</u>	<u>FY2025 ACTUAL*</u>	<u>FY26-FY25 F/(U) VAR</u>
CHILDREN'S EDUCATIONAL SERVICES	REVENUE	2,915,685	3,479,357	(563,672)	3,204,402	(288,717)
	EXPENSE	(2,550,788)	(2,935,568)	384,780	(2,436,603)	(114,185)
	INDIRECT	(270,963)	(304,663)	33,701	(230,322)	(40,641)
	SUB-TOTAL	93,934	239,126	(145,192)	537,477	(443,543)
AUTISM EDUCATIONAL SERVICES	REVENUE	7,311,223	7,361,640	(50,417)	6,922,055	389,168
	EXPENSE	(4,363,872)	(5,064,028)	700,156	(4,265,796)	(98,076)
	INDIRECT	(263,414)	(298,612)	35,198	(442,467)	179,053
	SUB-TOTAL	2,683,937	1,998,999	684,938	2,213,793	470,145
FLAGLER HOUSING & HOMELESS SERVICES	REVENUE	2,335,054	2,344,254	(9,200)	2,178,970	156,083
	EXPENSE	(2,053,473)	(2,148,030)	94,557	(1,900,622)	(152,852)
	INDIRECT	(285,202)	(320,489)	35,287	(251,595)	(33,607)
	SUB-TOTAL	(3,622)	(124,266)	120,643	26,753	(30,375)
COMMUNITY TRAINING AND SUPPORT SERVICES	REVENUE	40,900	37,500	3,400	37,775	3,125
	EXPENSE	(52,541)	(49,216)	(3,326)	(94,396)	41,855
	INDIRECT	(10,096)	(11,315)	1,219	0	(10,096)
	SUB-TOTAL	(21,737)	(23,031)	1,293	(56,621)	34,884
DEVELOPMENTAL DISABILITIES SERVICES	REVENUE	1,054,500	1,212,793	(158,293)	1,086,354	(31,854)
	EXPENSE	(1,090,639)	(1,159,411)	68,772	(1,180,494)	89,855
	INDIRECT	(119,952)	(135,386)	15,434	(129,283)	9,331
	SUB-TOTAL	(156,091)	(82,004)	(74,087)	(223,423)	67,332
DAY TREATMENT SERVICES	REVENUE	489,727	628,090	(138,363)	911,454	(421,727)
	EXPENSE	(596,279)	(633,960)	37,681	(933,341)	337,062
	INDIRECT	(73,567)	(81,814)	8,247	(169,943)	96,376
	SUB-TOTAL	(180,120)	(87,684)	(92,435)	(191,831)	11,711
BEHAVIORAL HEALTH SERVICES	REVENUE	2,691,800	2,753,149	(61,349)	2,163,415	528,385
	EXPENSE	(2,474,147)	(2,405,377)	(68,771)	(2,268,571)	(205,576)
	INDIRECT	(184,188)	(210,359)	26,171	(133,719)	(50,469)
	SUB-TOTAL	33,465	137,414	(103,949)	(238,875)	272,339
CLIENT SUPPORT SERVICES	REVENUE	68,409	60,364	8,045	55,572	12,837
	EXPENSE	(582,686)	(593,414)	10,728	(532,869)	(49,817)
	INDIRECT	81,750	51,274	30,476	118,515	(36,764)
	SUB-TOTAL	(432,527)	(481,776)	49,249	(358,782)	(73,745)
AGENCY SUPPORT SERVICES	REVENUE	910,101	637,500	272,601	776,360	133,741
	EXPENSE	(2,526,227)	(2,985,310)	459,082	(2,686,545)	160,318
	INDIRECT	1,125,632	1,311,365	(185,733)	1,238,815	(113,182)
	SUB-TOTAL	(490,493)	(1,036,444)	545,951	(671,370)	180,877
* TOTAL REVENUE		17,817,399	18,514,646	(697,247)	17,336,358	481,042
TOTAL EXPENSE		(16,290,653)	(17,974,313)	1,683,660	(16,299,236)	8,583
TOTAL INDIRECT		(0)	(0)	0	0	(0)
TOTAL OPERATIONS		1,526,746	540,333	986,413	1,037,121	489,624

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



MEMORANDUM

from the desk of
Suzanne K. Hinton
Treasurer to the Boards
Chief Financial Officer

TO: Finance Committee of the Board of Trustees
FROM: Suzanne Hinton
DATE: May 19, 2026
SUBJECT: FY2027 Budget

Attached for your consideration is the FY2027 Budget Summary. It has been reviewed in detail and approved by members of Finance Committee of the Board of Trustees at a meeting held on May 13, 2026. The St. Joseph's Villa Foundation approved an operational grant to the Villa covering FY2027 for \$1,048,907 at their March 4, 2026 board meeting, an increase of \$96,923.

The budget process remained consistent with prior years and services were pushed by leadership to achievable but not over reaching limits. Highlights from the FY2027 budget include the following:

Overview of FY2027:

- In FY2027, total revenues of \$25,640,352 and total expenses of \$26,689,259 are budgeted as compared to total revenues of \$24,918,544 and total expenses of \$25,870,528, budgeted in FY2026. An increase in revenue of \$722,000 as compared with an increase in expenses of \$819,000 left a deficit in funding of approximately \$97,000 which is covered by the Foundation's operational subsidy.
- The Foundation granted an operational subsidy for FY2027 of \$1,048,907, an increase from \$951,984 in FY2026, and the first gift back over \$1 million since reaching the 4.0% spend rate. This calculation is based on the 12-quarter average market values of the Foundation portfolio at a 4.0% spend rate. The Foundation's Investment Policy Statement (IPS) and the spend calculation remains at 4.0%, unless changes are made to the IPS by the Foundation Board of Directors.
- As a general theme, we are still feeling the impact of inflationary pressures in wages, contractors, and supplies. We remain cautious of how federal policies might affect federal, state and local funding, however we cannot attempt to predict the unpredictable; therefore, the FY2027 budget was designed to be just slightly less conservative than last year in revenue streams while still covering necessary costs.
- There are several Medicaid programs that were due to have sunset in June of 2026, but have been extended to December 2026 because Virginia still has undefined replacements. There have been no Medicaid rate increases for FY2027 and the Villa is continuing to budget and plan for FY2027 as if the replacement programs will be similar in nature, or the sunset will continue to be extended given the lack of movement on replacement programs.
- Including any change in program staffing noted throughout, the employee costs for the Villa's programs have increased \$968,000, from the prior budget due primarily to performance merit

increases and continued wage inflation. The budget includes an provision for merit increases which will be determined following the performance evaluation process and will begin the first paycheck in July. In addition, a compensation study was referred to in the budgeting process for all levels, and all recommendations were implemented in the budget. Total employee costs of \$20,652,000 represents 77% of total budgeted expenses and 81% of total revenue earned, as compared with 76% and 79%, respectively, in the prior budget.

- Our employee benefits broker was able to negotiate a healthcare renewal with United Healthcare at an approximate 5.5% increase, which provides the least amount of service disruption to our employees. The Villa premium contribution percentage remained unchanged, but an additional HSA contribution was offered for those selecting the high deductible plan.
- The Department of Housing and Urban Development (HUD) recently announced the release of 2026 Continuum of Care Notice of Funding Opportunity (NOFO) to be published June 1, 2026. The funding appears to be less traditional housing and more provision of services, for example, case management, mental health treatment, childcare, etc. A shift in focus from HUD will be addressed in program operations, as/if necessary. Depending on the language of the actual NOFO release, the program as defined for the FY2027 budget may need re-designing for future fiscal years.
- Development for FY2027, in addition to the New Day Fund which is budgeted \$25,000 higher than FY2026, includes \$4,259,140 of programmatic components that are included in each respective program budget in the appropriate grant timelines:
 - Government and public grants totaling \$2,140,140 allocated 97% to Housing and Homeless Services and 3% to Alternative Education;
 - Private grants and gifts totaling \$1,317,000, allocated \$1,008,000 for Housing and Homeless Services, \$120,000 for Career and Transition Services, \$123,000 for Crisis Services and Mental Health, \$50,000 capital; \$16,000 to other.
 - Net income from the golf event netting approximately \$77,000, a portion of which supports Day Support.

Children's Educational Services (CES):

- The FY2026 budget included a planned merging of the Dooley School and Villa Education Center, which did not come to realization, therefore reporting throughout the year and for the FY2027 budget continues to evaluate them as separately licensed programs.
- The FY2027 Dooley School contribution to the Villa's revenue budget is \$149,000, up from \$93,000 from FY2026. It represents approximately 13% of the Villa's revenue and 12% of the Villa's expenses, comparable to FY2026.
- Elementary rates were increased from \$337/day to \$345.42/day, Secondary rates were increased from \$413/day to \$423.32/day, and One to One Counseling rates were increased from \$234/day to \$239.85/day. Each of these increases is the maximum 2.5% rate increase that was allowed in the Commonwealth of Virginia budget, which doesn't take into account the actual inflationary pressures in the industry.
- The Villa rates are analyzed alongside peer providers and necessary increases are evaluated annually and done only as necessary. Inflationary pressures are documented and communicated to localities as the new rate sheets are distributed to all. Those pressures include recruitment and retention of excellent teachers and staff in competition with our surrounding locality pay scales. For FY2027, the Villa's impact from pay scale adjustments alone ranged from 4-20%, not including benefits and other vendor inflationary pressures.
- We continue to post our fees as inclusive of both asynchronous and in-person learning, and inclusive of all dates enrolled without regard for attendance. The localities have been considerably stricter in their individual contracts with attendance clauses and required communications of absences, so the school must monitor attendance closely to ensure there are no unbillable days due to lack of

required communications or interpretations of unexcused absence. In addition, weather related closures has been a recent area where localities are specifying terms in their contracts.

- The school calendar for FY2027 includes 185 school days plus 33 days of extended summer school, which is the same as FY2026. There is no allowance for snow days, as it is our policy to invoice based on enrollment. We do retain a small amount of risk of non-payment for those localities that write weather attendance clauses into their contracts. FY2026 and FY2025 had significant closure days for weather and water crisis with write-offs approximating only \$7,000 and \$9,000, respectively.
- Enrollments were realistically budgeted based on current enrollments, graduations, planned movements between grades and referrals, and classroom staffing needs were aligned with enrollment projections.
- Enrollments for Dooley School have averaged 31 per month for the 2025-26 school year, increasing from 26 to 36 by March. The school year is budgeted to begin with 34 and increase to 40 by year-end. The summer enrollment is budgeted at 14, 18 in the prior year. Additionally, 12 one-to-one students are budgeted throughout the school year. Currently, there are 14 enrolled with a one-to-one counselor.
- The fee allocation to Career and Transitional Services (CATS) from the private day program was increased to \$25 per day per student in FY2027 up from \$24 in FY2026. This is an internal charge between the programs which provides for the contracted relationship that exists which benefits the school students.
- The CATS programming is well-received by philanthropic efforts, and as a result, is not fully dependent on school fees. The CATS budget includes \$120,000 in grant funding from long-term grantors and new opportunities, comparable to the prior year.
- The CATS budget also includes a provision for revenue for snacks that are provided to other services on campus at an internal charge. The budgets for those services receiving snacks, in turn, include an offsetting expense to CATS. Snack revenue totals \$20,400, unchanged in FY2027. The calculation is based on approximately \$2/snack, includes a margin to CATS, and is used as a part of CATS' educational programming.
- The Alternative Education (Alt Ed) service is a regional program funded partially by a grant from the Commonwealth of Virginia paired with monthly payments from three localities, Hanover, Henrico, and Richmond, which make up the Metro Richmond Alternative Education Program. The localities each maintain a number of slots for their students, as adjusted amongst themselves from time to time. The Virginia grant was decreased for FY2025, FY2026 and FY2027. The Villa has been working with the City of Richmond, fiscal agent of the Virginia grant, to assist in their advocacy for the program grant for the region, as related to proportionate allocations of dollars across programs in the entire state.
- Approximately \$69,000 has been reduced by the state calculation for FY2027; therefore increases have been applied to the locality partners so that the program can be maintained, as advocacy efforts continue. 68% of the budgeted revenue will be paid out in employee costs and the remainder of the budget is as streamlined as possible.
- Children's Education Services, being the second largest system, also utilizes a significant portion of the culinary service, the gym, and the occupancy, technology, staff development and management allocations across campus.

Autism Education Services (AES):

- As the largest system, the FY2027 Villa Education Center contribution to the Villa's budget is \$1,912,000, down \$407,000 from FY2026. It represents approximately 39% of the Villa's revenue, comparable to the prior year, and 30% of the Villa's expenses, up from 29%.
- Autism rates were increased from \$519/day to \$531.97/day, representing a 2.5% increase, as allowed in the Commonwealth of Virginia budget.

- FY2027 budgeted student enrollment remains at 88 for the year, taking into consideration current enrollment, graduations, other discharges back to the public schools and students on the current waiting list. The actual population for FY2026 has averaged 88 thus far, and is most recently 92, losing 11 to graduation.
- Enrollments were realistically budgeted based on current enrollments, graduations, planned movements between grades and referrals, and classroom staffing needs were aligned with enrollment projections.
- Each classroom is budgeted for 8 students and 7 staff. 58% of the budgeted revenue will be paid out in employee costs, compared with 54% in the prior budget. Employee costs increased \$442,000 and make up 71% of total expenses for the program, comparable to the prior year.
- Villa Education Center, being the largest system, also utilizes the majority of the culinary service, the gym, and the occupancy, technology, staff development and management allocations across campus.

Housing and Homeless Services (HHS):

- The HHS budgets are entirely funded by grants and contributions, with the exception of the Hollybrook office space rental.
- The HHS budget was prepared assuming that the federal funding for both Richmond and Petersburg, will open as scheduled. Should there be delays or denials in contracts or funding, the programs will have back-up plans for operations. Collectively, the two regions make up 12.20% of the Villa revenue budget, as compared to 12.75% for FY2026.
- The Villa currently operates as the coordinator for the Crater Area Coalition on Homelessness (CACH) in Petersburg. While we will continue to provide excellent navigation and case management service to the region, we are working with the Virginia Department of Housing and Community Development on a timeline for appropriate transfer of the CACH administrative responsibilities back to the state.
- The Petersburg area also lost HUD funding in this fiscal year for the Rapid Rehousing program.
- This budget considers a move back to campus to unite operations for both areas in the newly-renovated Housing Success Center, if possible. This would also allow for a revisit of duties and responsibilities for the program as a whole, which is a larger project to be undertaken in FY2027.
- The FY2027 budget also includes a provision to bring the Mental Health Skill Building (MHSB) program into the HHS system. In the prior years, the HHS programs partnered with the community based MHSB program to provide services to HHS clients. This was funded initially by the Bezos grant, one intention being that the service provider could assist the client in gaining Medicaid coverage, if eligible, then continue the service as a Medicaid funded client. In FY2026, the Villa closed operations of the MHSB program but maintained licensing. This reboot of the program considers just 1-2 Medicaid clients per month for an annual billable total of approximately \$38,000.
- The Petersburg area is budgeted to receive \$1,515,000 of grant revenue, as compared with \$1,849,000 of grant revenue in the FY2026 budget.
- The Richmond area is budgeted to receive \$1,612,000 of grant revenue, as compared with \$1,328,000 of grant revenue in the FY2026 budget.
- Employee costs have shifted across both regions commensurate with the funding in each region. 68% of grant funding was budgeted for employee costs in FY2027, as compared 69% in FY2026.
- \$2,067,000, 67% of the revenue provided is in the form of public grants, down from \$2,414,000, 76%, in the prior year due primarily to the loss of HUD Rapid Rehousing funding in the Petersburg region.
- The last component of the HHS system is the Hollybrook office. The St. Joseph's Villa Housing Corp. leases office space in Seton House for the third-party property management agent's on-site property and maintenance managers, and service coordinator. The current lease, which expires 6/30/2026, included a 3% annual escalation; however, occupancy charges have outpaced the

escalation. The renewed lease agreement includes a monthly rent increase that has been deemed appropriate and manageable by the property agent and a 4% escalation. The net budgeted rental loss is approximately (\$17,000) up from (\$21,000) in the prior year.

Community Training and Support:

- The Villa continues to benefit equally from the skills of our community trainer in roles needed inside the organization as well as in the community. Therefore, we continued this fiscal year with a 50% allocation of payroll to the clinical administrative needs across campus. Revenue generated from outside trainings has been increased slightly in the FY2027 budget based on actual FY2026 revenue. In FY2027, the training services is budgeted to net approximately (\$25,000) up from FY2026 budgeted to net (\$35,000).

Developmental Disability Services (DDS):

- Developmental Disability Services is made up of Adult Day Support and Outpatient Behavioral Therapy, both programs that supplement service to our clients from Villa Education Center during and after graduation from the VEC. A bill for increased waiver services rates for Day Support did not make it before the General Assembly this year, but the effort continues.
- The adult population has been consistent all year and the budget for adults for the FY2026 year has been set at 40, increasing to 41 by year end, similar to FY2026. The attendance factor is unchanged at 85%.
- The Day Support program receives a rate from Medicaid based on each service tier level. The Villa population spans all 4 tier levels therefore a weighted average rate is calculated for budget purposes based on the current enrollment at each tier. The weighted budget rate for FY2027 calculated to be \$17.50, comparable to FY2026.
- The Day Support program will be looking to license and pilot a Community Engagement program within the service, to do more programming in the community. Community Engagement bills at a higher rate and also requires a higher staff to client ratio. This is not included in the budget for FY2027, as it will be a limited pilot.
- As in FY2026, the Day Support program for FY2027 is designated to receive support from the golf tournament in the budgeted amount of \$31,000.
- Outpatient Behavioral Therapy (OBT) restructured the staffing model in FY2025 to share counselor staff with Villa Education Center. The model is working in recruiting and retention, and is not without its administrative burdens related to supervision and timekeeping. The sharing has also allowed staff to be utilized in such a way that maximizes the billable hours for OBT and also fills counselor needs during the school day with one full-time staff member.
- The billable rate in OBT is unchanged and is tied to the licensing of the staff member providing the service. A licensed clinician can bill at a substantially higher rate than an unlicensed counselor, positions for which have proven difficult to fill. FY2027, therefore, is budgeted for 22 to 25 clients, similar to FY2026, which is appropriate for the two full-time licensed behavioral analysts on staff.
- Employee costs are projected to expend 68% of generated fee revenue as compared with 69% in the prior year. As a percentage of total expenses, employee costs are 68%, up from 63%.
- OBT has benefitted from a reallocation of internal overhead and also overhead from support departments bringing the total net budget in FY2027 to approximately (\$5,000) from (\$83,000) in FY2026.

Day Treatment Services (DTX):

- DTX, as a system, is primarily dependent on Medicaid rates, which have not increased at the same rate as expenses. For FY2027 the system is budgeted to return \$33,000, approximately \$120,000 more than FY2026.
- These are vital services to the community and to Villa schools, and these services offer both a step-down and step-up approach to the Crisis Receiving Center and Crisis Stabilization Unit.
- This system's Medicaid funding was set to sunset in June 2026, now extended to December 2026, with still undefined replacement funding.
- The School Based Day Treatment program continues to be provided exclusively for campus-based students attending our private day school. This program depends on the enrollment and attendance at the school, and also cannot serve students that are already receiving the support of a 1:1 counselor provided through their Individual Education Plan. School Based Day Treatment was conservatively budgeted starting with 5 students and moving to 8 students through the year similar to FY2026. It is currently serving 6 students.
- It has also benefitted from a reallocation of internal overhead and overhead from support departments bringing the total net budget in FY2027 to approximately (\$27,000) from (\$47,000) in FY2026.
- Intensive In-Home (IIH) is a program supported almost equally through Medicaid funding and through a contract with the VA Dept. of Juvenile Justice (VADJJ). IIH is budgeting a conservative enrollment, consistent with the prior year, 11 and 14 clients, respectively, increasing to 16 and 18 by year-end. The treatment plans for each client can range from 60-90 days therefore the population mix is continually rotating through the year. Each client is budgeted for an average of 7.5 units per week. Hours authorized are also typically reduced upon re-authorization. The Medicaid rate per unit is unchanged for FY2026; however the VADJJ recently awarded a new contract to the Villa with an increased rate from the prior contract which now aligns with the Medicaid rate. VADJJ historically shows a year-end slowdown in authorized units before their new budget year opens.
- The IIH budget also contains revenue generated from Community Crisis Stabilization, which is provided in clients' homes during periods of time when a client is in crisis, and assists with diversion from hospitalization. These rates are tied to the licensed status of the staff providing the service. This service budget is structured for 2 clients per month with the appropriate blend of counselor time and licensed supervision, at their respective rates.

Behavioral Health System:

- In January 2022, the Richmond Behavioral Health Authority (RBHA) MOU for Crisis Stabilization Unit (CSU) funding was renewed for a one-year period, with 4 annual renewals. The annual funding from RBHA is \$727,816 and will expire January 2027, but no changes are anticipated in this budget. Historically, upon expiration, RBHA has renewed the MOU with the Villa and has not gone out for a competitive re-bid of the program. In the prior years, the MOU has included specific funding for nursing. That has been eliminated in the FY2027 budget. During the re-bid process, the Villa will ensure that we make our case for increased funding, given the budget this year is (\$119,000) as compared with \$83,000 in FY2026.
- The RBHA grant has been awarded assuming CSU will also cover its costs by receiving Medicaid benefits for clients; however, CSU has no control over the number of clients served who will qualify for Medicaid reimbursement. An estimate of Medicaid clients is budgeted from recent history and was increased from 6 clients to 10 clients per month in this budget. The length of stay budgeted was unchanged at 8 days for FY2027. The Medicaid rate has not changed. The increase in Medicaid clients still leaves a gap overall.

- Initially funded in FY2025, CSU is the continued recipient of additional funding from Dept. of Behavioral Health and Disability Services (DBHDS) through RBHA. This funding is ongoing to pay for specific required positions, and to cover some operational deficits that might exist due to inflationary pressures and shortages in estimated Medicaid dollars.
- CSU is also the beneficiary of private philanthropy. \$38,000 has been included in the FY2027 budget for private grants, down from \$92,000.
- Employee costs have seen a significant increase from FY2026 to FY2027 due to wage inflation but also a different staffing mix required by regulations and to cover the unit 24/7 at the estimated increased levels of population. The FY2027 budget includes approximately \$148,000 in increased revenue; however, expenses have increased approximately \$350,000, \$344,000 of which is employee costs.
- The Crisis Receiving Center (CRC) was operational beginning April 4, 2024. The Memo of Understanding with the County of Henrico to provide these services through their DBHDS funding, allows for renewal of operations with the Villa for 4 annual periods, the continued funding for which will be addressed annually. The funding commitment from Henrico remains unchanged for FY2027 at \$1,516,000.
- Like CSU, this service can also be Medicaid funded to those clients that are eligible for Medicaid, which are difficult to predict. The budget based on recent client usage has been increased to 8 Medicaid clients per month, up from 6.
- CRC is also the beneficiary of private philanthropy. \$85,000 has been included in the FY2027 budget for private grants, up from \$20,000.
- CRC is budgeted to provide net \$5,000 to the Villa's FY2027 budget, up from (\$16,000).

Client and Agency Support Services:

- Client and Agency support services are budgets of primarily payroll that support our other services.
- All of the non-revenue-generating support service departments together make up 14% of the total Villa expenses, after allocations.
- The increases in these budgets are primarily employee costs and other inflationary impacts related to supplies and campus contracts.
Some additional items of note are as follows:
- Culinary, Recreation, Facilities, Technology, Staff Development and Integrated Services, are budgeted to provide zero dollars of direct expense to the Villa, as these budgets are allocated entirely to the individual services based upon usage. These budgeted allocations are true-up monthly based on actual dollars expensed.
- The Culinary chargeback to services is based on the number of meals served per month and is approximately \$41,000 more than the FY2026 budget, due primarily to food, supplies and wages increases. The Culinary department makes a significant effort of working with multiple vendors throughout the year and matching food quality and selection with discounts and best prices.
- The Recreation chargeback is based on gym usage and is comparable to the prior year budget. Although there have been increases in wage and occupancy costs, there have also been increases in planned renters and rental rates.
- The Facilities chargeback to services is an allocation based on the campus square footage of useable space. Occupancy is charged back to programs as well as administrative departments. Each year, services see changes in their allocations based on their usage and moves around campus. The total facilities chargeback has increased approximately \$63,000 from FY2026 to FY2027 due, in part to wages, but primarily to contracted vendor increases.
- Staff Development allocation is performed based on the number of new hires in each program and administrative department for the year prior, as onboarding is a primary function of Staff

Development. The FY2027 budget increased by approximately \$61,000 from the FY2026 budget due to employee costs and a software enhancement to replace the current training management platform.

- Technology is allocated based on the number of devices supported across the entire Villa. The Technology budget chargeback increased only \$2,000 from FY2026, although there were increased employee costs offset by decreased equipment and software costs.
- Integrated Services is allocated to programs based upon estimated needs related to compliance, admissions, licensing, and clinical supervision. Integrated Services budget chargeback for the current year is approximately \$84,000 less than the prior year due primarily to employee costs. 1.5 FTE positions that were included in the FY2026 budget but vacant, have been adjusted for the FY2027 budget.
- The remaining management and fundraising budgets are also charged back to each program and administrative department as estimated by a time study, most recently completed January 2025. An update to the time study will be conducted every 3rd year unless significant programmatic changes require it more frequently. The infrastructure chargeback is based on historical capital needs data. The management, fundraising, and infrastructure chargebacks are noted as Indirect Costs to each result center.
- The Human Resources net budget shows a decrease to the Villa of approximately \$19,000 from the prior year. The amount of chargeback to other programs and departments based on the time study has increased \$40,000. The increase is due primarily to employee increases, and also due to increased orientation expenses and professional fees.
- Community Engagement budget provides a net decrease to the Villa of approximately \$30,000 from the prior year. The chargeback has increased \$69,000 due primarily to employee costs, which includes the addition of an FTE for operations support to the department.
- Infrastructure is the same as the prior year budget, to include \$150,000 of potential capital needs and a \$50,000 potential capital gift.
- The CEO and Boards budget for FY2027 is a net decrease of \$20,000 from the prior year. This result center contains all board related expenses, and the deferred compensation arrangement for both the CEO and the cash basis payments to the former CEO. In FY2027, an increase in special campus projects is budgeted.
- The Development budget for FY2027 is budgeted for a net decrease of approximately \$22,000 from FY2026, due primarily to the employee costs and increases in special activity and recognition.
- The Finance budget provides a net decrease to the Villa this year of approximately \$55,000. The total chargeback from the Finance department, however, has increased \$176,000 from FY2026 to FY2027. This significant increase in the annual budget is related primarily to a new contract with ADP Payroll Services for Comprehensive Payroll and enhanced HR utilization, and also employee costs. The Villa has been using ADP as a payroll software provider for many years, the bills for which were budgeted in the prior year for \$63,000. Payroll is incredibly complicated at the Villa and it has been difficult to find and retain qualified payroll accountants. As this is 77% of the Villa's budget, the decision was made to partner further with ADP in hopes that the additional service will alleviate strain on the payroll position. The prior ADP invoices had been split between the HR and Finance departments; however will be consolidated to the Finance budget going forward except for the Performance Evaluation module. For FY2027, the budget includes \$142,000 in Finance, and \$18,000 in HR for this enhanced relationship.
- Marketing and Communications budget for FY2027 is comparable to FY2026, with appropriate increases and decreases in budget categories related to employee costs and professional fees as needs and contracts have changed for print, website, photography and advocacy.
- The Administration budget includes dollars set aside for special projects identified by both the strategic plan and risk management plan as well as additional funding for projects and needs to be later identified, and a contingency fund for other programmatic unknowns. The total of the dollars

set aside is approximately \$339,000, \$448,000 less than FY2026. Appropriate needs for the funds will be determined as the year progresses, and can be used to cover other budget deficits. These set aside dollars are included in the budget on a quarterly basis for FY2027, in lieu of year-end. The Administrative chargeback does not include these special funds for either year and has increased approximately \$40,000 due to increased employee costs and professional fees.

- Unoccupied space in the FY2027 budget shows a decrease of \$32,000 from FY2026 due to the moves on campus, requiring shifts in square footage allocated to programs. Cottage 6 remains empty, Cottage 7 will be empty following Day Support's move to the recently updated Cottage 3, using approximately 62%, Cottage 8 is approximately 38% occupied. Also the chapel is considered unoccupied. Unoccupied space is allocated occupancy charges at only 50% of its square footage given that the full facilities team and utilities aren't in use if unoccupied. The Villa has been in discussions with Henrico County regarding rental of unoccupied cottages on campus by some of the county departments that have shared alignment with our mission or clients.

Housing Corporation:

- Landmark Property Services, the property management company for the Hollybrook Apartments, presented the budget for FY2027 to the Housing Corporation Board Chairman on May 11, 2026, which was approved.

This distribution is being made to give all Trustees an opportunity to review the Summary Budget for FY2027, and to give each of you the opportunity to have your questions answered prior to your vote to accept the recommendation of the Finance Committee to approve the FY2027 budget. If desired, the individual cost center details are available to all Trustees upon request. Please contact me either by phone at 804-553-3356 or via email (shinton@sjymail.net) if you would like to receive this detail. Additionally, please feel free to contact me at any time with any questions or concerns regarding the current year operations or the proposed FY2027 budget.

Regards,

Suzanne K. Hinton

Attachment

Advancement

FY26 Progress

Annual Giving:	\$963,713.24
Private Grants:	\$1,325,066
Government Grants:	\$2,799,167.09*
Speaking/Training:	\$40,900
Total:	\$5,128,846.33

*Reconciled as of 12/31/25

Annual Giving

- The annual fund has raised \$820,663 (113% 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.
- In April, we ran an internal fundraising campaign to support the Villa Cares Fund. In one month, we raised \$2,288. With each donation, staff were invited to vote for who they wanted to see “pied” at our April Staff Appreciation event. It was a fun way to engage staff, promote a culture of philanthropy, and support directly support colleagues.
- May and June will be our final pushes to invite folks to give. We’ll focus on past donors who have yet to make a gift this year, along with others who may help us fill restricted needs. Specifically, we’re looking to raise \$20,000 to support youth crisis services.
- Birdies for Charity is open! We have been approved to participate in the Korn Ferry Tour Championship’s 2026 Birdies for Charity program presented by TowneBank. All gifts made through the program will help generate a 10% bonus for the Villa!

Grants and Major Gifts

- Thus far in FY26, we have received \$1,325,066 in private grants and major gifts for Flagler, CATS, Mental Health, and capital projects. Additionally, we’ve received \$471,000 in private grants for FY27.
- Pending requests as of 5/8 total \$760,000 and include: Memorial Foundation for Children, Hunter Trust, Dominion, Nunnally Trust, Peachtree House Foundation, June Guthrie Foundation, Rock Foundation, Bon Secours, Cameron Foundation, Anne Carter Robins, Jr. Foundation, Columbia Gas Company, Pauley Family Foundation, Seay Foundation, Capital One, the Community Foundation, and 3 individual major donors.
- On May 5th, the Villa was awarded the Nonprofit Excellence in Philanthropy award from the Virginia Association of Fundraising Executives for the success of the Flagler Housing Success Center project.

Planned Giving

- Heritage Wealth Advisors has confirmed that they will join us as our featured guest panel for our next Archway Society Holiday. Save the date for December 9th! They will also feature the Villa on their “Philanthropy in Focus” podcast in October.

Events and Trainings

- Jenny was asked by the National Alliance to End Homelessness to facilitate a training on hosting legislative visits. More than 1,400 organizations attended the workshop.
- John has been busy hosting training sessions with community partners including Challenge Discovery Projects, Virginia Birth Injury Fund, HumanKind, ThriveB5 Family Counseling, among others.
- The Innsbrook Classic has sold out! We've raised \$140,000 thus far (127% of \$110,000 goal) and hope to raise additional funds on the course.
- Katherine and Richard Wintch will graciously host the annual Donor Celebration at their home on June 11th. Please plan to join us to celebrate another wonderful year of philanthropy and partnership.

Volunteers and Community Engagement

- The Capital One pro-bono project to redesign and streamline the intake/admissions process for our youth crisis services continues to progress. We're excited to see their final recommendations in the coming weeks.
- Atlantic Union Bank is helping us activate the space in the Housing Success Center by developing a financial education workshop series. We will launch the first session this summer!\
- In July, 60 volunteers from Altria will come to campus to support our annual Community Service Day. In addition to their help during the event, they will provide \$25,000 to fund improvement projects.
- We're gearing up for Back-to-School, collecting school supplies and classroom needs. Be on the lookout for forthcoming communications about ways to get involved.

Marketing Communications

- A new Admissions portal will launch on our website this spring, allowing families enrolling in education services to complete and submit all application forms online.
- We are currently reviewing and updating print materials to refine messaging and prioritize essential information. A similar update to the website will follow.
- We celebrated National Volunteer Week and Autism Acceptance Month on social media.
- Building on advocacy days at the General Assembly, we are inviting legislators for campus tours, including several first-time visitors:
 - Secretary of Education Jeffery Smith
 - Delegates Lindsey Dougherty, Dolores McQuinn, Leslie Mehta, May Nivar, and Charlie Schmidt
- The spring edition of our Villa Views newsletter will be mailed this month to more than 3,100 recipients.

Operations

Services

- Service leadership successfully completed their respective components of the budget process.
- We continue to collaborate with the City of Richmond, Henrico County, and Hanover County to secure ongoing funding for the Alternative Education Program.
- To assess the continued suitability of our client record software, the Services, Finance, and Technology teams met with a Lauris representative to review current limitations and operational challenges. Potential enhancements and opportunities to use existing functionality more efficiently were identified.
- Transition and Wellness Services and Career and Transition Services (CATS) received a \$50,000 grant from the Kenan Foundation to support installation of a walk-in freezer and refrigerator for the Culinary program. The grant will also fund upgrades to the Villa Grocery, including new shelving and additional food, supplies, and other needed items.
- The Crisis Stabilization Unit (CSU) was contacted by the Clinical Director of Poplar Springs Hospital to discuss partnering on children's acute care referrals. Following the closure of Poplar Springs' acute care unit, the hospital is now directing all applicable referrals to our CSU.
- Career and Transition Services (CATS) concluded another year of its VCU mentoring partnership with the Focused Inquiry class. Students showcased their work with VCU mentors through four short films presented at our 10th Short Film Festival. We also recognized the partnership during Villa Fest on April 29, which brought together students, clients, and staff for a morning of activities—including bouncy houses, snow cones and ice cream, a petting zoo, face painting, and more—in celebration of the mentoring program, Autism Awareness, and this year's accomplishments.
- More than 200 participants, including staff and clients—ran or walked the Villa Mile. Mascots Moe Hawk and Rodney the Ram attended to lead warm-ups and present medals to participants.
- New statistics from the DOE indicate that there are currently 115 private schools for students with disabilities in Virginia, 101 of which are accredited by VAISEF.
- The Villa Education Center continues to grow. We are now preparing to open a 13th classroom. We also have 27 postgraduates and are building a more robust vocational program to meet their needs.
- Two important events are scheduled for this month. Villa Prom will be held on May 8 and will feature dancing, refreshments, and photos. To close out the year, Graduation will be held at 10:00 a.m. on May 29 in the Chapel. Please join us if you are able—we are graduating 17 students this year.
- A newly launched staff mentoring program for new hires is underway. New team members are paired with experienced staff to support onboarding and orientation to the Villa. Early feedback has been very positive.

Human Resources

- We elected to opt out of the Virginia Association of Independent Specialized Education Facilities (VAISEF) consortium group facilitated by Marsh McLennan Agency. After review, we determined the consortium was not the right fit and would not meet our current coverage needs.
- We are completing annual staff evaluations using the new tool within ADP. Evaluations will now be conducted electronically, with goals tracked throughout the year.

Strategic Plan

- The Implementation Steering Group continues to meet regularly and is steadily advancing the work.

Risk Management

- We continue to develop the SJV Reunification Plan. This plan establishes a controlled release process in the event of a major emergency.
- We are implementing an enhanced security process at the Villa Education Center, consistent with practices already in place at Dooley School and the Dooley Center for Alternative Education.
- We conducted Emergency Preparedness training for all Villa managers, specifically addressing leadership roles and responsibilities during an emergency.