

Board of Trustees Report

November 18, 2025



Finance.....	1
Financial Statements.....	2
Advancement.....	3
Operations.....	5

Finance

FY26 – October Results for the Villa

- October reported \$366 thousand ahead of budget, bringing the year-to-date ahead of budget by \$544 thousand!
- The Annual Fund had a banner month of gifts totaling \$184 thousand including 4 gifts over \$25 thousand each, and one for \$50 thousand! Bravo to our advancement team for a fabulous month of work!
- Year to date, Education, Day Treatment and Behavioral Health systems are reporting behind revenue; however also reporting expense savings, primarily employee costs. Enrollments in Education services are picking up in October and November.
- Day Support and Outpatient Behavioral Treatment are currently at or above budgeted populations and staffing levels, thereby reporting ahead of budgeted revenues for the year to date.
- Support systems are reporting expense savings, related mostly to timing on budgeted expenses, for example, audit, grounds, workshops and dues. These savings pass through to program systems but will correct in the coming months.
- Related to the government shutdown, Katie Chlan, our Housing and Homeless Services Sr. Director, was able to ensure that the one federal grant that we had renewing October 1st was opened and available for drawdowns as of September 30, thereby avoiding a delay due to the shutdown. The portal is up and running for reimbursements through the shutdown. The next federal grant renewal is May 31, 2026.

Audits – FY25

- The audit for the Housing Corp. is complete. Forvis Mazars performed this audit remotely primarily with Landmark Properties. HUD had a September 30th deadline to upload financials to their REAC portal. The delay of the Audit Compliance Supplement from the Office of Management and Budget has created issues in the ability for the accounting firm to finalize the audit. HUD will allow an unaudited statement to be uploaded; however neither Landmark, nor myself have the ability to do so, and the government shutdown has limited the HUD responses to assist us.
- The audit for the Foundation is complete and issued. Keiter performed the majority of this audit remotely.
- The audit for the Villa is complete in draft form. The delay in the Audit Compliance Supplement from the Office of Management and Budget is an issue with the finalization of this audit as well due to the receipt of federal grants which require government auditing standards. Keiter will present the draft audit to the Finance Committee at their November 18th meeting.
- Keiter will also be performing the Cost Certification audit, much of which is already in progress, for the historic tax credits for the Housing Success Center, LLC, along with the tax return for that entity.

Financial Statements

ST. JOSEPH'S VILLA
FY 2026 SUMMARY OPERATIONS REPORT
FOR FOUR MONTHS ENDED OCTOBER 31, 2025 - PRELIMINARY - UNAUDITED

11/11/2025

<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	1,143,119	1,281,329	(138,209)	1,355,411	(212,292)
	EXPENSE	(1,176,849)	(1,321,577)	144,729	(1,006,355)	(170,494)
	INDIRECT	(112,195)	(141,089)	28,893	(94,496)	(17,699)
	SUB-TOTAL	(145,924)	(181,337)	35,413	254,560	(400,484)
AUTISM EDUCATIONAL SERVICES	REVENUE	3,175,649	3,354,120	(178,471)	3,116,120	59,529
	EXPENSE	(2,024,827)	(2,327,082)	302,255	(1,853,078)	(171,749)
	INDIRECT	(111,400)	(139,160)	27,760	(137,675)	26,275
	SUB-TOTAL	1,039,422	887,878	151,544	1,125,367	(85,944)
FLAGLER HOUSING & HOMELESS SERVICES	REVENUE	1,072,741	1,089,919	(17,178)	929,191	143,550
	EXPENSE	(943,448)	(970,463)	27,016	(808,392)	(135,056)
	INDIRECT	(125,286)	(149,565)	24,280	(99,714)	(25,571)
	SUB-TOTAL	4,008	(30,110)	34,118	21,085	(17,077)
COMMUNITY TRAINING AND SUPPORT SERVICES	REVENUE	16,300	16,667	(367)	5,525	10,775
	EXPENSE	(24,652)	(22,308)	(2,345)	(38,167)	13,515
	INDIRECT	(4,247)	(5,262)	1,014	0	(4,247)
	SUB-TOTAL	(12,600)	(10,903)	(1,697)	(32,642)	20,043
DEVELOPMENTAL DISABILITIES SERVICES	REVENUE	543,427	506,185	37,242	455,041	88,386
	EXPENSE	(525,234)	(531,653)	6,420	(514,385)	(10,849)
	INDIRECT	(50,423)	(62,885)	12,461	(49,760)	(663)
	SUB-TOTAL	(32,229)	(88,353)	56,123	(109,104)	76,875
DAY TREATMENT SERVICES	REVENUE	205,860	241,771	(35,911)	409,946	(204,087)
	EXPENSE	(262,681)	(281,671)	18,990	(401,575)	138,894
	INDIRECT	(31,582)	(38,149)	6,567	(66,265)	34,684
	SUB-TOTAL	(88,403)	(78,050)	(10,354)	(57,894)	(30,509)
BEHAVIORAL HEALTH SERVICES	REVENUE	1,156,075	1,206,130	(50,055)	972,642	183,433
	EXPENSE	(1,088,575)	(1,092,150)	3,575	(880,703)	(207,871)
	INDIRECT	(79,571)	(97,817)	18,246	(60,340)	(19,231)
	SUB-TOTAL	(12,071)	16,163	(28,234)	31,599	(43,670)
CLIENT SUPPORT SERVICES	REVENUE	38,080	27,828	10,252	21,078	17,002
	EXPENSE	(258,543)	(278,862)	20,319	(207,393)	(51,150)
	INDIRECT	36,631	24,979	11,652	39,453	(2,822)
	SUB-TOTAL	(183,832)	(226,054)	42,223	(146,863)	(36,969)
AGENCY SUPPORT SERVICES	REVENUE	291,418	162,500	128,918	339,764	(48,346)
	EXPENSE	(1,069,140)	(1,336,080)	266,940	(1,088,407)	19,267
	INDIRECT	478,073	608,947	(130,875)	468,798	9,274
	SUB-TOTAL	(299,649)	(564,633)	264,984	(279,845)	(19,804)
* TOTAL REVENUE		7,642,670	7,886,448	(243,778)	7,604,719	37,951
TOTAL EXPENSE		(7,373,948)	(8,161,847)	787,898	(6,798,455)	(575,493)
TOTAL INDIRECT		-	0	(0)	0	(0)
TOTAL OPERATIONS		268,722	(275,398)	544,120	806,263	(537,542)

* 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:	\$313,205
Private Grants:	\$757,828
Government Grants:	\$581,542
Speaking/Training:	\$7,900
Total:	\$1,660,475

Annual Giving

- The annual fund has raised \$307,470 (42% of \$720,000 goal) thus far in FY26. This fall, we received 2 very generous unrestricted gifts from new donors totaling \$75,000.
- We have distributed/reserved \$76,942 in NAP credits, leaving \$25,682 remaining for the fiscal year.
- Birdies for Charity raised \$24,866 for the annual fund this year, including the PGA's 10% bonus. We are hopeful that this program will return next year as part of the Korn Ferry Tour Championship!
- Save the date for Giving Tuesday! This year's International Day of Giving is on Tuesday, December 1.

Grants and Major Gifts

- Thus far in FY26, we have received \$757,828 in private grants and major gifts for Flagler, CATS, Mental Health, and capital projects. \$100,000 of this is a very special major gift from Kathy Duke to help restore the Chapel's stained-glass windows.
- Pending requests as of 11/7 total \$980,000 and include: Kenan Trust, Schaberg Foundation, John Randolph Foundation, Allianz, Gwathmey Trust, Publix Foundation, Nunnally Trust, among others. We also have a pending LOI with Bon Secours for an increased request to support Flagler and the start of its next chapter! We expect to close many of our pending requests in December.

Planned Giving

- On December 10th we will host the annual Archway Society Holiday Luncheon. Invitations are in the mail, and we are excited to welcome guests from Brown Advisory to join us in conversation about current trends in estate planning.

Events and Trainings

- We celebrated the grand opening of the Flagler Housing Success Center on Friday, November 14th. Joined by over 100 community partners, donors, and civic leaders, it was a special day marking the next chapter in Flagler's exciting history.
- The Innsbrook Classic is scheduled for May 18th at the Federal Club. Committee meetings will begin in January.

Volunteers and Community Engagement

- In November, the Community Foundation helped us coordinate a group of volunteers to improve our Staff Development space in Cottage 8. Friends from Brockenbrough helped assemble new furniture and paint the walls to create an inviting environment where new and old staff alike will be inspired to change lives! This project also came with \$7,500 in funding for supplies.
- Season of Hope is in full swing! We are currently collecting items through our Amazon Wishlist, and we hope you will consider making a donation to help make the holidays special for Villa families. This year, volunteers will help assemble and wrap gifts for students and clients that will be distributed to staff across campus. Please let us know if you'd like to help or have any questions.
- We will be hosting a Winter Festival for students on 12/16 where volunteers will help with crafts and games to celebrate the holiday season!

Marketing Communications

- We partnered with PR firm Rhudy & Co. to provide media outreach support for the Flagler Housing Success Center grand opening and generate local coverage. Henrico County's PR team is also promoting the Center through a feature video and coverage of the event. We streamed the ribbon-cutting ceremony on Facebook.
- We conducted an architectural photo shoot of the Flagler Housing Success Center to showcase the renovated space in marketing materials, award submissions, and fundraising for future projects.
- We adjusted our fall publications schedule to accommodate the timing of Center's grand opening. A digital-only version of our fall newsletter was sent to nearly 4,300 recipients in October, and we delayed the FY25 Annual Report in order to prominently feature and celebrate the Center. Please look for it at the beginning of 2026!
- Delegate Mike Cherry (Colonial Heights) visited for a tour of our programs at the end of September.
- Our friends at the Richmond Region Antique Automobile Club of America (AACA) will hold their 4th annual holiday parade for the Villa this year! Join us to celebrate the season on Thursday, December 11 at 12pm.
- We plan to hold our third Villa Lobby Day at the 2026 Virginia General Assembly to reconnect with current legislators and begin building relationships with newly elected officials.

Operations

The big news this month is the completion of our Council on Accreditation (COA) national accreditation site visit. The peer reviewers (auditors) were our guests for four days, October 26 – 29, 2025. We achieved outstanding results. For the first time since becoming nationally accredited 25 years ago, we received no areas in need of correction or improvement. A big shoutout to Linda Saltonstall, Director of Clinical Services, and her team for leading the 18-month preparation process with a truly remarkable finish!

Services

- Dr. Melisa Naumann joined us 9/22/25 as the Sr. Director of Education for the Villa Education Center and Dooley School. We have appointed Adam Wright as the interim Director of Education Clinical Services also for the Villa Education Center and Dooley School. These two will co-lead the schools to ensure both quality education and behavioral/clinical interventions.
- As we reported earlier, on July 1, 2026, the state Department of Medicaid Services (DMAS) will adopt new initiatives to replace current services known as “legacy services” (Intensive In-Home, Mental Health Skill Building and Day Treatment). Several staff attended a Virginia Association of Community Based Programs (VACBP) conference to participate in training sessions with the Department of Behavioral Health Services (DBHDS) and DMAS on the programmatic changes expected. They are beginning to create new models, but they are not yet fully formed. The new programmatic structure will be tier levels for severity and will require higher staff credentials for service provision.
- Our CRC and CSU census has been on a consistent uptick with CSU even operating at capacity on multiple days in this period. The CRC has now served over 130 children. The Villa Education Center’s population has finally seen an increase over the typical eighty-three students growing to eighty-eight with a healthy referral pool.

Human Resources

- We participated in two planning meetings (9/10 and 11/13) with the Virginia Association of Independent Specialized Education Facilities (VAISEF) consortium group being facilitated by the Marsh McClennan Agency. We covered potential:
 - Renewal dates and anniversary timing
 - Benefit plan designs and eligibility
 - Consortium participation details
 - RFP process for carriers
 - Risk sharing and operating guidelines
- Due to improved Workers Comp outcomes, we expect a \$39,000 savings in the upcoming year’s premium. Claims are down from 169 claims last year to 105 this year. Of those, claims under \$1,000 decreased from 161 last year to ninety-nine this year. Our experience mod is down from 1.87 last year to 1.4 projected for the upcoming year (a mod rate of 1.0 is an average rate). We currently have only one open claim.

Strategic Plan

- John Savay and Villa leadership finalized the operational plan for the strategic plan.