



MINUTES OF THE MARCH 4, 2026 MEETING OF THE ST. JOSEPH'S VILLA FOUNDATION BOARD

The meeting of the St. Joseph's Villa Foundation Board was held on March 4, 2026, from 8:30 AM until 9:30 AM, pursuant to notice given in accordance with the By-Laws.

Ms. Jean McGowan served as chair and Mrs. Caitlin Sneed served as secretary.

ATTENDANCE:

Board Members Present:

Thomas Zachry	Jean McGowan	Chris Layne	Karen Whelan
John Ackerly	Jack Catlett	Don Alexander	

Villa Staff Present by Invitation:

Drew Melson	Suzanne Hinton	Cindy Faison
Elizabeth Foster	Caitlin Sneed	Jenny Friar

OPENING REMARKS

Ms. McGowan welcomed board members and staff to the meeting.

CONSENT AGENDA

Ms. McGowan introduced the Consent Agenda including the minutes from the December 3, 2025 meeting.

Motion:

Upon a motion made and duly seconded, the minutes from the December 3, 2025 meeting were approved.

INVESTMENT COMMITTEE REPORT

Ms. McGowan reported that the Investment Committee met in person with Brown Advisory on December 2 and received a report from Mercer. The Mercer portfolio net return for 2025 was at 17.7% which was one basis point below the benchmark. They provided returns throughout the month of January and the portfolio is up about 2.4% which is about 5 basis points ahead of the market. Brown Advisory reported that they had performance issues in the last two quarters due to allocations and overweight to mid and small cap stocks verses large cap stocks. As of the end of 2025, the portfolio is up net 13.2% verses a benchmark of 17.4%. During the meeting, there were talks about recommendations to invest in different funds, but the committee wants to remain careful about investing in anything with less liquidity.

VILLA FINANCIAL RESULTS

Ms. Hinton began the financial report. December reported \$186 thousand ahead of budget, bringing the year-to-date ahead of budget by \$845 thousand. Employee costs remain the driving factor in expense savings with 69% of the year-to-date expense budget savings related to wages and benefits. The Villa is budgeted to spend 78.7 cents in employee costs for every dollar of revenue earned. The Villa overall is doing more with less, spending just 74 cents for every dollar of revenue earned. Fee based services are seeing employee savings to budget, however are spending a higher percentage in employee costs due in part to continued increased wages. Through December, the Annual Fund is reporting approximately 91%

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of its annual budget for the year. Total revenue is reporting 3% under budget year-to-date, but slightly ahead of the prior year. Total expenses are 10% below budget and slightly behind the prior year. Audits are all complete. 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. The audit for the Villa was presented at the November Finance Committee meeting in draft form. Since November, the lease and sublease have been finalized between the Villa and the Housing Success Center, LLC. The leases are necessary in order to facilitate the tax credit process. Lease accounting for generally accepted accounting principles requires a leased asset and a lease liability to be recorded on the Lessee side of the transaction. The Villa stand-alone statements will be adjusted to record the sublease and the entire transaction will be eliminated through the consolidation process. The consolidated statements as presented in November will remain unchanged. Keiter has also issued the Cost Certification audit, for the historic tax credits for the Housing Success Center, LLC. They will also complete the tax return for that entity. The budget process has begun for FY2027. Service leaders are preparing their budget assumptions/needs and budget meetings began in mid-February.

SUBSIDY APPROVAL

Ms. Hinton introduced the Foundation Subsidy Calculation for Fiscal Year 2027 at 4% (\$1,048,907) and asked for a motion to be made for the approval.

Motion:

Upon a motion made and duly seconded, the FY27 Foundation Subsidy Calculation was approved.

ADVANCEMENT UPDATE

Ms. Foster reported that so far in FY26, we have raised \$4.7 million. The annual fund has raised \$675,521 (94% of \$720,000 goal) thus far in FY26. On Giving Tuesday, we launched the 2x the Good Challenge, raising \$281,718 in unrestricted funds in the month of December. We have distributed/reserved \$95,000 in NAP credits, leaving \$8,000 remaining for the fiscal year. Thus far in FY26, we have received \$1,176,725 in private grants and major gifts. We received 2 six-figure grants in December: \$200,000 from the Kenan Charitable Trust, and \$300,000 from the Schaberg Foundation. Each will be split to be used both this year and in FY27. Pending requests as of February total \$660,000. On December 10th we welcomed 30 guests for the annual Archway Society Holiday Luncheon. The event featured an expert panel from Brown Advisory. The Luncheon was particularly fruitful as we learned of a new, 7-figure bequest from a longtime friend; another longtime supporter and Committee members shared that they have listed the Villa as a beneficiary of their life insurance policy; and one attendee shared that she had already included the Villa in her will many years ago. It was a more than \$1.5 million event! We also received documentation for the \$300,000 intention we were notified of over the summer. May 18 is the Innsbrook Classic Golf Tournament which will be held at the Federal Club. Registration opened last month, and we just broke \$100,000. Season of Hope served 350 families, and we had nearly 100 volunteers support the effort. We received nearly 500 items from our Amazon Wishlist; 200 winter coats thanks to Puritan Cleaners; \$10,000 in gas and grocery gift cards; and 20 community partners held collection drives for food, clothes, and toys. Capital One was once again a key partner in this effort both

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through volunteer service/collection drives and their pro-bono team who designed a new digital process for the initiative. Piggybacking on this success, we just signed on to work with Capital One on another pro-bono project that will help streamline the intake/admissions process for our youth crisis services.

MARKETING COMMUNICATIONS

Mr. Melson started the marketing report with the list of Advocacy Days that members of the Villa participated in at the General Assembly (Housing Advocacy Day, Villa Lobby Day, Autism Advocacy Day). 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, the Center, 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.

COO UPDATE

Ms. Faison started her update by explaining how the ice storm in January affected the campus. 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 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. 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 from Dominion Energy's SOUPer Bowl. 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. 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. We are also implementing a new performance evaluation tool through ADP. We plan to have the software in place for the April/May staff evaluation process. A steering committee has been formed to facilitate the implementation of the Strategic Plan Operational Design. 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.

CEO UPDATE

Ms. Friar began her report by sharing how the Buddhist Monks visited campus during their Walk for Peace in January. We are underway in several of our capital projects- The Admin building roof is in the process of repair; the walls in VEC were reinforced and refurbished to prevent damage; the stained-glass

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windows in the chapel are almost finished being restored. We are currently working with Henrico Parks and Rec to update several of our outdoor spaces and playground equipment.

Ms. McGowan adjourned the meeting at 9:22 AM.

NEXT MEETING:

The next scheduled meeting of the Foundation Board will be held September 2026 from 8:30 am to 9:30 AM.