



**MINUTES OF THE
May 7, 2025 MEETING OF THE
ST. JOSEPH'S VILLA FOUNDATION BOARD**

The meeting of the St. Joseph's Villa Foundation Board was held on May 7th, 2025, 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 Ms. Caitlin Sneed served as secretary.

ATTENDANCE:

Board Members Present:

Jack Catlett Jean McGowan J. Sarge Reynolds Karen Whelan

Villa Staff Present by Invitation:

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

OPENING REMARKS

Ms. McGowan welcomed members and staff to the meeting.

CONSENT AGENDA

Ms. McGowan introduced the Consent Agenda including the minutes from the March 5th, 2024 meeting.

Motion:

Upon a motion made and duly seconded, the minutes from the March 5th, 2024 meeting were approved.

Ms. McGowan and Ms. Friar presented the nomination of exiting Trustees member, Tom Zachry, to the Foundation Board.

Motion:

Upon a motion duly made and seconded, the appointment of Tom Zachry to the St. Joseph's Villa Foundation Board was approved.

INVESTMENT COMMITTEE REPORT

Ms. McGowan reported that the Investment Committee met with Mercer on May 6th, 2025 and received a report from Brown. We do still expect volatility and uncertainty within the market due to the government administration and tariffs. The Mercer portfolio, through March 31st, was down about 40 bases points, net of fees year to date. One of the benefits for the Villa, in terms of benchmark, the international market is outperforming the US market. In the first quarter, US stocks were down about 5% and international stocks were up about 5%. Luckily, our benchmark is about 40% US and 60% international. Fixed income allocation is up about 2%. Through April 25th, the performance was down about 0.5%. Mercer maintains the intent to rebalance the portfolio by taking advantage of when the market is down and aim to get closer to the Villa's targets. Mercer lowered the fees on their funds, meaning our net fee across all funds was 12 bases points, it is now 9. Brown's portfolio reports, through the end of the first quarter, are up .04% net of fees. They have less equity exposure than Mercer and their

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benchmark. Brown is up .5% of the benchmark. For the trailing 12 months, they are behind the benchmark.

VILLA FINANCIAL RESULTS

Ms. Hinton reported that the Villa is \$51,000 ahead of budget. We are under revenue but also under expenses. Dooley school is under budget for enrollment in March, as is Sarah Dooley. For the month of March, Outpatient Behavioral Therapy was ahead of budget and has been able to make up some ground on their year to date deficit now that they are more fully staffed with the licensed professionals needed. April 30th is when we first experienced the lack of funding or funding pull back from HUD. We had a HUD grant that was supposed to open on May 1st because the one ahead of it closed on April 30th, and the May grant did not open. Annual fund is in great shape with 105% of its goal. During March, we were able to connect with our partners on the contract for the programmatic grant from Richmond Behavioral Health Authority through Dept. of Behavioral Health and Disability Services. We are awaiting an invoicing template from DBHDS, however we found that we can bill retroactively to July 1. Also, the contract is worth \$600 thousand per year and with no end date. The 990s are due to the IRS with an extended deadline of May 15th. Three of the four have been reviewed by Controller and CFO and corrections made. The Housing Corporation 990 will be provided by Forvis for review the first week of March. The Finance Committee will review all four returns on March 12th. Each Board will receive a copy of their Form 990 prior to filing with the IRS. Budget creation is in process. Leaders are trained in the software and have been entering their own data this year. Our first round meetings began on March 3rd. As is typically the case, it takes several rounds of budgeting to come to zero. This year is more difficult than others given the economic conditions and uncertainty thus far in 2025. The FY26 budget (\$26 Million) is up \$1.5 Million over last year which is due to budget expenses, mainly being payroll. We have conducted compensation studies to ensure staff are being compensated fairly.

ADVANCEMENT & PUBLIC RELATIONS UPDATE

Ms. Foster announced that fundraising has raised \$5,375,269 in FY25 so far (excluding Housing Success Center). Thus far in FY25, the Annual Fund has raised \$643,115 (108% of our \$590,000 goal). The Housing Success Center has raised about \$3,400,000. Over 40 donors have made special tributes in memory of Dave Redmond, totaling more than \$7,000 – we are still receiving memorials daily and have been updating the family. We submitted our application to the Neighborhood Assistance Program through the Department of Education for FY26 and we still have \$17,400 credits available for eligible FY25 gifts. Thus far in FY25, we have been awarded \$951,755 in private grants and we are now applying for FY26 grants. We also received a generous 3-year commitment from the Virginia Sargeant Reynolds Foundation totaling \$75,000 to support the Housing Success Center and Flagler programs. Ms. Friar and Ms. Foster met with Kenan White and Liza White Weir who will be helping us approach family members in an effort to close the Campaign through a combination of Lewis family gifts. Ms. Friar met with Atlantic Union Bank who agreed to a \$75,000 3 year commitment. In late April, we received Dave Redmond's \$50,000 insurance distribution. The Innsbrook Classic will host 57 teams at the Federal Club on Monday May 12th and has raised \$117,000 thus far. 50- 100 Altria volunteers will be on campus on 5/13 for another large-scale project. The Community Foundation has helped organize the event to make improvements to "Cottage 7" and our Day Support program. The project also comes with ~\$15,000 in funding. Students from St. Christopher's and St. Catherine's came to campus for a Service-Learning project in April. They helped prepare "Welcome Home Kits" for Flagler families and learned about our program from Sr. Director, Katie Chlan. Another group of St. Christopher's students came to campus in

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early May to prepare “Comfort Kits” for youth in the CRC and learned about our youth mental health programming from John Richardson-Lauve. Senator Lashrecse Aird toured the Villa on March 12th. We introduced her to a few of our programs, and met with Flagler’s senior director Katie Chlan to share the critical role that State funds play in our work to help end chronic homelessness. Our spring newsletter has been published and mailed to nearly 3,200 recipients. We also created a publication celebrating Flagler’s 35 anniversary and future of the program with the launch of the Housing Success Center this fall. We are partnering with Henrico County’s PR team to raise community awareness of the Crisis Receiving Center. To celebrate the program’s one-year anniversary, we pitched a story to local media that resulted in coverage by NBC12, ABC8, and Virginia Public Media (VPM), featuring testimonials from families we served. Henrico is also helping us produce a short CRC video that we’ll premiere during Mental Health Month in May.

COO UPDATE

Ms. Faison reported that we are closely following the changes and occurrences in the state and federal governments. There is a 5% rate increase cap on locality reimbursement for private day placements included in the Governor’s budget. This is an improved change from the original proposed amendment of 2%. We are monitoring all potential federal shifts in HUD, Medicaid, and the Department of Education. We are closely connected to other community organizations and sharing information as it comes along. We worked with Managed Benefits to plan for FY26 Health Benefits. We expected a 9% increase based upon information from our broker, however we ended up with a 5.49% increase and were able to stay with our current health insurance provider. We completed a compensation study encompassing all positions. We are evaluating implementation strategies and have included changes in next year’s budget. Adam Dreyfus, Senior Director for Sarah Dooley Center for Autism, is leaving the Villa. Adam has been with the Villa for 11 years and we wish him all the best! For many reasons, we are currently exploring a merger with Sarah Dooley Center for Autism and Dooley School. We hired a new principal for Dooley School/SDCA, Dr. Mark Phillips. He will be the senior education leader for both schools. In the meantime, Diana Morris has returned as interim principal. John Sarvay (Florican) continued to facilitate the strategic planning process. All board members had the opportunity to meet with John to discuss details and give feedback. We hope to have final approval from the board at our March 2025 meeting. John has also had numerous sessions with staff groups to begin the process of operationalize the priorities. The Virginia Association of Independent Specialized Education Facilities (VAISEF) honored two Villa team members at their Annual Awards ceremony. Craig Coles (clinician) received the *Making a Difference Award*, and Gretchen Johnson (former faculty member and current volunteer) received the *Giving Back Award*. Kimberly Baker Marshall, Educational Specialist with Henrico County Public Schools, was nominated by the Villa and received the *Stakeholder of the Year Award*. As the weather turns warm and sunny, it is a very fun and exciting time at the Villa. The Dooley and Sarah Dooley students produced their own music and performed for the campus. We had a Villa Fest in April for all clients and staff that included food, crafts, bouncy houses, etc. to celebrate the year. Our annual Prom will be held in late May. All activities culminate with our year end graduation. We are excited to have 9 students preparing for graduation on May 30, 2025!

CEO UPDATE

Ms. Friar began with an update on the renovations of the Housing Success Center. As of now, it is on budget and on schedule and we are looking to have hard construction completed in August. We just received a site visit from Julie Langdon, the Director of the Department of Historic Resources, to review

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the historic tax credits of the building and the meeting went very well. The federal funds that are being withheld in the promised HUD grants equates to about \$2 million, which is about 70% of the Flagler budget. The loss of these funds is a tremendous impact to the mission of the Villa. Ms. Friar is working with fellow organizations about what can be done to received these funds and the grants awarded. One of the things we can control is maximizing our insurance billing. Henrico County has lent us their McGuire Woods contract, which brings us a consultant to help us identify the particular barriers to doing private insurance billing and overcome those barriers. Ms. Friar has been in talks with 2 Henrico entities about renting out empty Villa spaces which would be a source of revenue.

The meeting was adjourned at 9:32 AM.

NEXT MEETING:

The next scheduled meeting of the Foundation Board will be held Wednesday, September 10th, 2025 from 8:30 am to 9:30 AM.