



MINUTES OF THE DECEMBER 3, 2025 MEETING OF THE ST. JOSEPH'S VILLA FOUNDATION BOARD

The meeting of the St. Joseph's Villa Foundation Board was held on December 3, 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 Mrs. Caitlin Sneed served as secretary.

ATTENDANCE:

Board Members Present:

Thomas Zachry	Jean McGowan	Chris Layne	Karen Whelan
John Ackerly	Jack Catlett	J. Sarge Reynolds Jr.	

Villa Staff Present by Invitation:

Drew Melson	Suzanne Hinton	Caitlin Sneed	Jenny Friar
Elizabeth Foster			

OPENING REMARKS

Ms. McGowan welcomed members and staff to the meeting by wishing everyone a great Thanksgiving.

CONSENT AGENDA

Ms. McGowan introduced the Consent Agenda including the minutes from the May 7, 2025 meeting.

Motion:

Upon a motion made and duly seconded, the minutes from the May 7, 2025 meeting were approved.

INVESTMENT COMMITTEE REPORT

Ms. McGowan reported that the Investment Committee meeting that took place on December 2, 2026 welcomed Mercer in person and received a report from Brown. Mercer's portfolio as of October 31, 2025, the year-to-date return is up 16.6%, against the benchmark of 16.53%. The trailing 12 months is up 17.48% against the benchmark of 17.29%; and since inception (October 31, 2018) the portfolio is up 9.67%, against the benchmark of 9.87%. Mercer provided a comparison with AlphaNasdaq average annualized returns for Endowments and Foundations, as self-reported. The Foundation portfolio has less active investments, less hedge funds, and less private equity than the AlphaNasdaq average, but is reporting higher returns across all comparisons.

The Brown Advisory report was discussed briefly. Although aware that this has been a bad year for active managers, the committee would like to get a more thorough understanding from Brown Advisory at the March meeting regarding underperformance that might be due to more factors than those noted in the report. The committee would like to also hear about recent investment moves which may signal a strategy shift. The Brown portfolio is up 11.4% year-to-date, against a benchmark of 16%; up 11.36% for the trailing 12 months, as compared to the benchmark of 16.73%. Since inception, the portfolio is up 7.17%, against the benchmark of 8.3%.

VILLA FINANCIAL RESULTS

Ms. Hinton began the Villa financial report. October reported \$366 thousand ahead of budget, bringing

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the year-to-date ahead of budget by \$544,000. The Annual Fund had a banner month of gifts totaling \$184,000 including 4 gifts over \$25,000 each, and one for \$50,000. 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. The audit for the Foundation is complete and issued. Keiter performed the majority of this audit remotely and presented it for review to the Finance Committee of the Trustees board. The Committee will also review all four Form 990s when they are complete. 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 presented the draft audit to the Finance Committee of the Trustees board at their November 18th meeting. 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. 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.

ADVANCEMENT UPDATE

Ms. Foster reported that the Villa raised \$550,000 for the Annual Fund. We have distributed/reserved \$82,000 in NAP credits, leaving \$20,000 remaining for the fiscal year. Birdies for Charity raised \$24,866 for the annual fund this year, including the PGA's 10% bonus. During Giving Tuesday, we raise about \$12,000, which was one of the most meaningful Giving Tuesday we have seen. On December 10th we will host the annual Archway Society Holiday Luncheon, where one member has discussed giving a \$500,000 gift at the Luncheon and another member has reported a life insurance provision in their will for the Villa. 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. This year, the Season of Hope volunteers will help assemble and wrap gifts for students and clients that will be distributed to staff across campus. 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 for our staff. This project also came with \$7,500 in funding for supplies.

MARKETING COMMUNICATIONS

Mr. Melson started the marketing report with the successful media outreach at the Housing Success

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Center grand opening, in thanks to our partnership with the PR Firm Rhudy & Company. Prior to the grand opening, 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 Housing Success Center. In addition to attending Mental Health, Housing, and Autism Advocacy Days, 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.

COO UPDATE

With Ms. Faison is out due to medical reasons, Ms. Friar gave the COO report. Ms. Friar began with thanking the board members for their attendance at the grand opening of the Housing Success Center. 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. 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 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.

CEO UPDATE

Ms. Friar continued with the CEO report with news about possible tenants in some of our unoccupied spaces around campus as a way to bring in passive revenue for the Villa. We have been meeting with CASA about renting out Cottage 6, which may require renovations that go along with this partnership if they agree to making that building their new home. With the opening of the Housing Success Center, we already have one new tenant in one of the office spaces: The Giving Foundation (a nonprofit).

Ms. McGowan adjourned the meeting at 9:15 AM.

NEXT MEETING:

The next scheduled meeting of the Foundation Board will be held Wednesday, March 4, 2026, from 8:30 am to 9:30 AM.