



1016 Laurel Street  
San Carlos, CA 94070-3919

**A G E N D A**

**SEQUOIA HEALTHCARE DISTRICT  
REGULAR BOARD OF DIRECTORS MEETING**

**12:00 PM, Wednesday, June 3, 2026**

**San Mateo County Dental Society**

**939 Laurel Street, Suite #C, San Carlos, CA 94070**

This meeting will be held in person at 939 Laurel Street with access available via Zoom teleconference. To join the meeting from your cellphone dial [\(669\) 900-9128](tel:6699009128) and enter meeting ID: [837 5452 9528](https://us02web.zoom.us/j/83754529528) or join from a computer to <https://us02web.zoom.us/j/83754529528>. Additional information regarding the meeting can be located at our website: [www.seqhd.org](http://www.seqhd.org)

- |        |   |             |
|--------|---|-------------|
|        | 1. Call To Order And Roll Call  | 12:00-12:10 |
|        | 2. Public Comment On Non-Agenda Items*  |             |
| ACTION | 3. Consent Calendar - President Martinez  |             |
|        | a. Approve April 1, 2026 Regular Meeting Minutes  |             |
|        | b. Approve May 6, 2026 Special Meeting Minutes  |             |
|        | c. Accept March And April 2026 Financial Statements   |             |
|        | 4. CEO/Staff Reports: Kurtzman, Garcia, Mar   | 12:10-12:30 |
|        | 5. <b>New Business</b>  |             |
| ACTION | a. Appoint Director To Fill Vacant Board Of Directors Position (Board Policy 13) (Resolution 2026-03)   | 12:30-12:40 |
| ACTION | b. Approve Resolution 2026-04 Calling for Board Election: Zones A, C, and E   | 12:40-12:50 |
|        | c. Report On Performance Of District Pension Portfolio- Mr. Bixenman  | 12:50-1:00  |
| ACTION | d. Approve Resolution 2026-05 Certifying Signatories On Two Heritage Bank District Bank Accounts- Mr. Mar   | 1:00- 1:10  |
| ACTION | e. Consider Grant Request From Sonrisas For Up To \$425,950 For FY 2026-2027 To Support Ongoing Clinic, School, And Senior Oral Health Programming - Ms. Turner And Mr. Chakrabarti   | 1:10- 1:20  |
|        | 6. <b>Old Business</b>  |             |
| ACTION | a. Approve Proposed Changes To Board Policy and Procedures- Ms. Kurtzman  | 1:20- 1:30  |
| ACTION | b. Consider Adoption Of New Internal Controls Policy- Mr. Mar   | 1:30- 1:40  |
| ACTION | c. Consider Approval Of School Health Budget For 2026-27 For Up To \$4,552,321 And Approval Of Community Grants Recommendations For 2026-2027 For Up To \$3,068,000- Ms. Bratton  | 1:40- 2:00  |
| ACTION | d. Consider Adoption Of District Proposed Budget FY 2026-27 - Mr. Mar   | 2:00-2:10   |
| ACTION | e. Consider Grant To Ravenswood Family Health Network For \$150,000 To Help Narrow Reimbursement Gap Resulting From Federal And State Funding Cuts To Med-Cal And Approve Amendment To Lease Agreement Commencement Date- Ms. Kurtzman                    | 2:10-2:20   |
| ACTION | f. Consider Two Year Grant Request Of \$450,000 (\$225K/yr) To Reduce Hunger Among Hospital Patients- Mr. Jurow   | 2:20- 2:30  |
| ACTION | g. Director Requests For Future Agenda Items Per Board Policy 8.3 - President Martinez  |             |
| ACTION | 7. <b>Adjourn To Closed Session For Purposes Of:</b>  |             |
|        | Government Code Sections 54957 and 54957.6 PUBLIC EMPLOYEE PERFORMANCE EVALUATION 54957 (b) (1) PROCESS: Title: Chief Executive Officer of Sequoia Healthcare District. CONFERENCE WITH LABOR NEGOTIATOR (54957.6) Agency Designated Representative: Ivan |             |

Martinez, Board President & Rosanne Foust, Board Member Unrepresented Employee: Chief Executive Officer, Sequoia Healthcare District

ACTION 8. **Reconvene To Open Session:** Announce Any Reportable Action Taken In Closed Session.

ACTION 9. **Adjourn**

The Next Special Meeting Of The Board Of Directors Of Sequoia Healthcare District Is Scheduled For 12:00pm, Wednesday, August 5, 2026, San Mateo Dental Society, 939 Laurel Street, Suite #C, San Carlos, CA 94070

Ivan Martinez  
Board President

\*Public comment will be taken for each agenda item prior to the board's consideration on that item.

Any writings or documents provided to a majority of the Board of Directors regarding any item on this agenda will be made available for public inspection at the District office, 1016 Laurel Street, San Carlos, CA, during normal business hours. Please telephone 650-421-2155 ext 201 to arrange an appointment.

If you are an individual with a disability and need accommodation to participate in this meeting, please contact Sequoia Healthcare District at least 48-hours in advance at 650-421-2155 ext 201.

**MINUTES OF REGULAR MEETING  
BOARD OF DIRECTORS  
SEQUOIA HEALTHCARE DISTRICT  
April 1, 2026  
San Mateo County Dental Society  
939 Laurel Street, Suite C  
San Carlos, CA 94070**

<b><u>Directors Present</u></b> Director Fong Director Foust Director Lock Director Martinez	<b><u>Directors Excused</u></b>	<b><u>Also Present</u></b> Pamela Kurtzman, CEO Mr. Hudak, Legal Counsel Ms. Stamper, Recorder
<b><u>1. Call to Order and Roll Call</u></b>		
Vice-President Fong called the meeting to order at 12:00PM. Roll call attendance was taken. Director Martinez will be delayed in attending the meeting. A quorum was present.		
<b><u>2. Public Comment/Non-Agenda Items</u></b>		
Vice-President Fong asked if there was any public comment on non-agenda items. There was none.		
<b><u>3. Consent Calendar</u></b>		
<b>Motion:</b> to approve the consent calendar. <b>By:</b> Director Foust <b>Seconded by:</b> Director Lock Discussion to remove item b from consent calendar motion  Motion Amended: to approve consent calendar items a, c and d <b>By:</b> Director Foust <b>Seconded by:</b> Director Lock <b>Vote:</b> Ayes - Fong, Foust, Lock Nos -- Abstain -- Absent -- Martinez <b>Motion Passed: 3-0-0-1</b>		
<b>Motion:</b> to approve consent calendar item b - February 11 minutes <b>By:</b> Director Foust <b>Seconded by:</b> Director Lock <b>Vote:</b> Ayes - Foust, Lock Nos -- Abstain -- Fong Absent -- Martinez <b>Motion Passed: 2-0-1-1</b>		
<b><u>4. CEO/Staff Reports</u></b>		
CEO Kurtzman reported 1016 Laurel bids are due April 8 by 2:00pm. SHD has had more interest and site visits from prospective contractors. On May 6 <sup>th</sup> the committee will present the Board with a recommendation for a construction firm. The temporary office site is still available to house District during construction.		

Tuesday, April 7, 2026, at 10:00AM at the downtown Redwood City Fire Station, the County of San Mateo is hosting a VLF Press conference to raise awareness and support to solve the VLF funding shortfall impacting San Mateo County. San Mateo County is being shorted more than \$100 million annually due to a broken state funding formula. This rally highlights the urgent need to fix the formula and safeguard critical services such as public safety, health care, and housing programs.

Ms. Bratton reported that for the past two months she and Mr. Mar have been building the new Fluxx grants portal. The portal is live. They have received 24 draft applications to date. Applications are due by April 15<sup>th</sup>. The Grants Committee will review the application for 3 weeks and make recommendations prior to the June board meeting. In June Ms. Bratton will implement the Grantelligence feature that helps with data collation and reporting.

Ms. Bratton has met with hired consultant Jim Lianides, a retired school superintendent, to interview school superintendents and create a funding model for Healthy Schools Initiative grants.

Ms. Bratton is currently interviewing grants committee applications to fill 2 vacant positions.

Ms. Garcia reported that the Invitation to Bid documents are on the website and she filed a press release for the Ravenswood Redwood City Dental Clinic opening.

CFO Mar reported that the District is on track with disbursing grants and receiving tax revenues. The remaining grant obligations for FY26 of \$10.5M will be spent towards the end of the fiscal year. We are overbudget by \$631K as a result of an additional \$865K in revenues being offset by approximately \$1.5M in expenses that include the addition of collaboration grants, facilities depreciation, professional contracted fees and increased banking fees.

**5.a. Accept Resignation Of Board Member And Determine Whether To Fill Vacancy By Election Or Appointment**

Vice-President Fong tabled the discussion until later in the meeting.

**5b. Presentation On Pension Plan Actuarial Report**

Drew Ballard of Foster & Foster presented the hospital pension plan actuarial valuation based on data from January 1, 2026 for contributions for 2026 and 2027. There are a total of 806 total participants. 2024 had a 20.0% net return and 2025 a 10.4% net return, both of which caused the funded percentage to increase to 88% by January 1, 2026. This created the need for a decrease in actuarial valuation contributions from \$3.6M in 2024 and 2025 to \$2,373,948 in 2026 and 2027.

Motion: to approve the actuarial report

By: Director Foust

Seconded by: Director Lock

Vote: Ayes - Fong, Foust, Lock

Nos --

Abstain --

Absent -- Martinez

Motion Passed: 3-0-0-1

**5d. HSI Year In Review and Presentation Of FY 2026-27 School Health Draft Budget**

Vice-President Fong asked if there was public comment on this agenda item. There was none.

Ms. Wasson introduced Dr. John Baker the retiring superintendent of the Redwood City School District and Dr. Christian Rubalcaba the incoming superintendent. Dr. Baker discussed how impactful SHD grant funds have been in supporting the Redwood City School District for the past decade. He show cased several key programs funded by the healthcare district including: a health educator who works with 5th through 8th grade students on health education topics including health ed and LGBTQ+ issues, and nursing services in the district, which now includes four RNs, two LVNs, and student nurses from local colleges, who provide comprehensive care including managing chronic conditions, administering vaccines, and conducting home visits. Dr. Baker also praised the PE Plus program, which provides physical education time for kindergarten through 6th grade students, and acknowledged the contributions of the Director of Health and Wellness. He highlighted how the funding helped the school district expand counseling services during COVID-19 and now maintains clinicians at each school site, with additional support from external providers like One Life to address waitlists. The presentation also covered the district's implementation of restorative justice practices and professional development for staff in social-emotional learning.

Ms. Wasson presented a brief update on the Healthy Schools program, highlighting progress on goals and key findings from the landscape assessment. She noted that four out of six goals had been reached, with the remaining two in progress, including work on a logic model and data collection. Her proposed budget shows a net decrease due to reclassification of certain items, with no actual funding being removed.

### **B R E A K**

#### **5c. Presentation Of District Proposed FY 2026-27 Draft Budget**

Vice-President Fong asked if there was public comment on this agenda item. There was none.

Director Martinez joined the meeting at the start of this presentation.

CFO Mar presented the 2026-27 Draft District Budget, explaining that it was developed using a "bottoms up" approach to align with the strategic plan, follow GAAP standards, and the net income/loss targets a \$5 million loss, with revenue projected at \$22.8 million, grant expenses at \$24 million, and operating expenses at \$3.8 million, which includes increased costs for community engagement, elections, and depreciation. Mr. Mar noted that \$5 million from reserves would be allocated for community investments, and capital expenditure amounts remain uncertain pending further project scope definition for 1016 Laurel improvements. The discussion concluded with clarification about pension obligations.

#### **5.a. Accept Resignation Of Board Member And Determine Whether To Fill Vacancy By Election Or Appointment**

President Martinez reported that Director Shefren tendered his resignation on March 4, 2026. Directors discussed 2 options for filling the board vacancy: to call a special election or to appoint a replacement within 60 days. Directors Foust and Martinez volunteered to be on an ad hoc committee to interview candidates.

**Motion:** to accept the resignation of Director Shefren from the SHD board, appoint a member to the board following the District Vacancy policy, and to appoint Directors Foust and Martinez to an ad hoc committee to interview prospective replacement board member candidates and make a recommendation.

**By:** Director Fong

**Seconded by:** Director Lock

**Vote:** Ayes - Fong, Foust, Lock, Martinez

**DRAFT**

Nos --  
Abstain --  
Absent --

**Motion Passed: 4-0**

The board vacancy will be advertised and posted in accordance with the District Vacancy policy.

**5.f. Approve Amendment To Employment Contract Of District Chief Executive Officer**

Director Foust stated that the Board met in closed session to discuss CEO Kurtzman's performance review and calendar year 2026 Goals and Objectives. Directors Foust and Martinez, met with CEO Kurtzman and Donna Vallencourt of RPLG, to discuss a COLA adjustment for this year, and a mid-year review May 31<sup>st</sup> and August 31<sup>st</sup> for consideration of additional possible compensation and/or benefits.

**Motion:** to approve the eighth amendment to the employment contract for the District Chief Executive Officer

**By:** Director Foust

**Seconded by:** Director Lock

**Vote:** Ayes - Fong, Foust, Lock, Martinez

Nos --

Abstain --

Absent --

**Motion Passed: 4-0**

**5e. Director Requests for Future Agenda Items per Board Policy 8.3**

President Martinez asked Directors for any requests for future agenda items.

Directors would like CEO Kurtzman to meet with Mr. Hudak and continue reviewing and updating the board policies and procedures to be brought back to the board on May 6<sup>th</sup>, which will include reviewing and updating the policy regarding foundations, board stipends and board health insurance.

Director Foust requested a study session on the VLF. Directors agreed to reserve additional time at the May 6<sup>th</sup> board meeting (from 12PM-4PM) so the meeting can include a 1 hour study session, the regular board meeting and a closed session.

**6. Adjourn**

**Motion:** To adjourn the meeting at 2:23PM.

**By:** Director Lock

**Seconded by:** Director Foust

**All in favor**

**Motion Passed**

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 12:00 PM, Wednesday, May 6, 2026, at the San Mateo County Dental Society, 939 Laurel Street, Suite C, San Carlos, CA.

Respectfully Submitted,

Cama Lock, Secretary

**MINUTES OF REGULAR MEETING  
BOARD OF DIRECTORS  
SEQUOIA HEALTHCARE DISTRICT  
May 6, 2026  
San Mateo County Dental Society  
939 Laurel Street, Suite C  
San Carlos, CA 94070**

**Directors Present**

Director Fong  
Director Foust  
Director Lock  
Director Martinez

**Directors Excused**

**Also Present**

Pamela Kurtzman, CEO  
Mr. Hudak, Legal Counsel  
Ms. Stamper, Recorder

**1. Call to Order and Roll Call**

President Martinez called the meeting to order at 12:00PM. Roll call attendance was taken. A quorum was present.

**2. Public Comment/Non-Agenda Items**

President Martinez asked if there was any public comment on non-agenda items. There was none.

**3a. Presentation By Ravenswood On Anticipated Revenue And Policy Threats Affecting Clinic Operations And Clients; with Discussion of a Requested Amendment to the Dental Clinic Contract**

Ravenswood presented a request to modify their dental clinic lease with Sequoia Healthcare District due to significant revenue reductions expected from changes in Medi-Cal reimbursement policies. The clinic faces a structural deficit of \$807,000 in year one due to reduced payments for undocumented immigrants (UIS) transitioning from PPS rates to fee-for-service rates, which will drop from \$535 to \$77 per visit on average. The clinic started seeing patients on April 6, 2026. Ravenswood requested to reduce rent from \$12,500 monthly to \$1 annually until reimbursement conditions improve, with annual reviews to assess policy changes. The board discussed the implications of this request, including accounting considerations.

**3b. Consider Bid From Zone 4 General Contractor To Provide Tenant Improvements At 1016 Laurel Street**

CEO Kurtzman reported that 4 bids were received this round and asked the Board to approve the lowest qualified bid from Zone 4 Construction Inc, an experienced local contractor with positive references from Peninsula Health Care District. The project is expected to be completed by October.

Motion: to approve the Zone 4 Construction Inc. bid

**By:** Director Foust

**Seconded by:** Director Lock

**Vote:** Ayes - Fong, Foust, Lock, Martinez

Nos --

Abstain --

Absent --

**Motion Passed: 4-0**

**3c. Update On Oral Health Learning Collaborative (OHAPAA) Pilot Outcomes**

Dr. Carolyn Brown reported on the Oral Health Learning Collaborative pilot, which successfully recruited 10 dentists serving 135 Sequoia Healthcare District residents. To date, 101 residents have completed their treatment plans and all of the program dentists have renewed their 2 year contracts. The program has paid out approximately \$265,000 of the allocated \$350,000 in incentives to dentists, with some additional patient referrals occurring outside the district's coverage area, which HPSM covered and not paid through the grant.

**3d. Consider Adoption Of Resolution 2026-02 Regarding Board Director Compensation**

President Martinez asked if there was public comment on this agenda item. There was none.

Mr. Hudak drafted a resolution to implement a \$100 stipend for board directors per committee meeting, not to exceed five meetings per month, with the option to start implementation effective December 1, 2026. Directors would need to turn in paperwork for reimbursement.

Mr. Hudak consulted an HR benefits consultant to confirm that Board members are allowed to join the employee offered health insurance plan but not allowed in-lieu payments nor reimbursement for additional plans.

**Motion:** to adopt Resolution 2026-02

**By:** Director Foust

**Seconded by:** Director Lock

**Vote:** Ayes - Fong, Foust, Lock, Martinez

Nos --

Abstain --

Absent --

**Motion Passed: 4-0**

These changes will be included in the revised Policies and Procedures document that will be presented at the June Board meeting for approval and adoption.

**3e. Public Hearing On Vacant Positions Per Government Code Section 3502.3**

President Martinez opened the public hearing. There was no public comment.

CEO Kurtzman discussed the vacant newly created staff positions for a Director of Operations and Administration, and an Executive Assistant and Clerk of the Board, which were publicized and advertised per District guidelines.

President Martinez closed the public hearing.

**3f. Finance Report: Review Of Draft Internal Controls Policy And Update On Proposed FY2026-27 Budget**

The Grand Jury Report of June 2024 requires special districts to review and approve their Internal Controls policy annually. CFO Mar presented the updated Internal Controls policy which will be presented at the June Board meeting for approval and adoption.

CFO Mar reviewed the latest draft budget for fiscal year 2026-27, which contains minor changes including an increase in Zone 4 construction expenditure from \$500K to \$890K. The budget will be presented at the June board meeting for approval.

10 MINUTE BREAK

4a. Board Study Session - Strategic Plan Funding Areas And Policy Discussion

The Board discussed healthcare challenges in San Mateo County, including external factors and their impact on the Sequoia Healthcare District's strategic plan implementation. Key external risks identified included HR1 (federal healthcare cuts), vehicle license fee (VLF) impacts affecting the county's budget, and Proposition 56's expiration ending tobacco and alcohol tax revenue for dental coverage. The discussion highlighted challenges around nonprofit collaboration, competition for resources, and the need for coordination in serving the county's uninsured population. The Board would like to focus on maintaining access to care particularly for vulnerable populations and transition to fewer more targeted grants. Board members highlighted the need for sustainable and strategic partnerships to effectively address community health needs. Board members also reviewed current and proposed funding priorities across different health areas and considered how to structure reserves, including emergency funds and potential pension liability reserves.

4b. Director Requests for Future Agenda Items per Board Policy 8.3

President Martinez asked Directors for any requests for future agenda items. There were no requests.

5. Adjourn

**Motion:** To adjourn the meeting at 3:47PM.

**By:** Director Foust

**Seconded by:** Director Lock

**All in favor**

**Motion Passed**

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 12:00 PM, Wednesday, June 3, 2026, at the San Mateo County Dental Society, 939 Laurel Street, Suite C, San Carlos, CA.

Respectfully Submitted,

Cama Lock, Secretary

**Sequoia Healthcare District**  
**Balance Sheet - by Month**  
As of April 30, 2026

	Apr 30, 26
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
10190.1 · Heritage Checking #6398 Total	
10190-1 · Heritage Checking #6398	-701,623.71
10191-1 · Heritage Checking Sweep #6398	3,911,182.92
<b>Total 10190.1 · Heritage Checking #6398 Total</b>	<b>3,209,559.21</b>
10196.5 · Heritage COLLAB #6455 Total	
10195-5 · Heritage COLLAB Checking #6455	10,000.00
10196-5 · Heritage COLLAB Sweep #6455	1,170,277.25
<b>Total 10196.5 · Heritage COLLAB #6455 Total</b>	<b>1,180,277.25</b>
10201-1 · Schwab Cash	3,275,091.62
10300-1 · Schwab Acct #6621	11,894,038.29
10350-1 · Schwab Acct #2739	28,784,086.05
10490-1 · HFSA funding & deductions	
10491-1 · FSA Savings	35,878.06
10492-1 · FSA Pretax Deductions	-36,146.83
<b>Total 10490-1 · HFSA funding &amp; deductions</b>	<b>-268.77</b>
<b>Total Checking/Savings</b>	<b>48,342,783.65</b>
<b>Other Current Assets</b>	
10400-3 · Pension - Vanguard	53,573,863.95
10410-3 · Pension - PFG	2,504,170.60
10430-3 · Pension - Vanguard MMF	108,522.37
10440-3 · Pension -PCS	732,624.97
10500-4 · Pension Contribution Rcvble	19,918,979.00
10501-1 · Prepaid Expenses	111,014.20
10550-1 · Interest Receivable	341,517.45
10551-1 · DH Settlement Receivable	6,285,423.34
10555-1 · DH Settlement - Interest Rec.	85,115.10
12010-1 · Lease 525 Veterans - ST	2,801.74
<b>Total Other Current Assets</b>	<b>83,664,032.72</b>
<b>Total Current Assets</b>	<b>132,006,816.37</b>
<b>Fixed Assets</b>	
12100-4 · Land GW	1,766,109.00
12300-4 · 1016 Laurel Bldg GW	3,082,702.56
12310-4 · 525 Veterans Bldg GW	1,249,382.30
12315-4 · 525 Dental TI - GW	6,151,264.78
12360-4 · 1016 Laurel CIP - GW	100,818.09
12400-4 · Equipment GW	16,053.08
12420-4 · Right-of-Use Asset - GW	28,433.43
12500-4 · Accum Depr - GW	-1,438,836.11
12510-4 · Accum Amort -GW	-10,662.43
<b>Total Fixed Assets</b>	<b>10,945,264.70</b>
<b>Other Assets</b>	

**Sequoia Healthcare District**  
**Balance Sheet - by Month**  
 As of April 30, 2026

	Apr 30, 26
13000-1 · Suspense	-0.06
19010-1 · Lease Rec 525 Veterans - LT	1,906,696.08
<b>Total Other Assets</b>	<b>1,906,696.02</b>
<b>TOTAL ASSETS</b>	<b>144,858,777.09</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
20001-1 · Accrued Liabilities	546,613.69
21000-1 · Accrued Payroll	18,916.86
22210-4 · Capital Lease - ST	7,101.28
23100-4 · Compensated Balances (PTO) - ST	40,567.12
<b>Total Other Current Liabilities</b>	<b>613,198.95</b>
<b>Total Current Liabilities</b>	<b>613,198.95</b>
<b>Long Term Liabilities</b>	
22000-4 · Pension Contribution Payable	18,926,201.00
23200-4 · Compensated Balances (PTO) - LT	89,896.35
25010-4 · Deferred inflows - pension	992,778.00
25020-1 · Unavailable Revenue	6,706,297.57
25030-4 · Unavailable Revenue Offset	-6,706,297.57
25040-1 · Deferred Inflows - 525 V Lease	1,660,473.99
25110-4 · Capital Lease - LT	11,198.06
25210-1 · Deposit Payable - Gen Fund	25,000.00
<b>Total Long Term Liabilities</b>	<b>21,705,547.40</b>
<b>Total Liabilities</b>	<b>22,318,746.35</b>
<b>Equity</b>	
31010-1 · Unspendable - General	136,282.06
31510-4 · Unspendable - GW	-136,282.06
32000-1 · Retained Earnings-General	56,602,983.22
32000-4 · Retained Earnings-GW	1,886,776.20
39003-4 · Invested in Captial Assets - GW	5,374,971.25
39004-3 · Fiduciary Fund Balance	52,247,556.00
Net Income	6,427,744.07
<b>Total Equity</b>	<b>122,540,030.74</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>144,858,777.09</b>

1:18 PM

05/22/26

Accrual Basis

Sequoia Healthcare District  
Profit & Loss - by Month

July 2025 through April 2026

	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	TOTAL
<b>Ordinary Income/Expense</b>											
<b>Income</b>											
40400-1 · Tax Revenue	382,120.99	22,804.25	9,684.25	740,169.19	1,004,481.51	8,811,456.93	1,488,921.80	11,362.95	944,019.29	5,050,245.64	18,465,266.80
40500-1 · Gain/(Loss) on Investments	(132,563.85)	345,525.95	3,233.43	49,524.92	125,074.20	3,768.18	(10,494.60)	209,088.43	(346,877.78)	(7,035.83)	239,243.05
40530-3 · Gain/(Loss) on Investments -Pen	4,878.28	14,206.28	2,452,242.76	590,976.67	21,466.53	(371,157.61)	1,058,440.48	628,720.71	(2,524,410.81)	2,692,818.82	4,568,182.11
40600-1 · Int/Div Income	123,774.56	119,625.03	103,924.25	115,637.81	51,180.74	169,292.04	91,933.98	161,354.65	119,619.95	115,652.65	1,171,995.66
40600-3 · Int/Div Income - Pension	615.58	590.71	143,961.48	889.76	65,361.30	595,505.63	983.70	444.73	48,394.20	1,407.05	858,154.14
40610-1 · Interest - 525 Veterans Lease	0.00	0.00	35,983.10	12,154.65	12,235.68	12,317.25	12,399.36	12,398.69	12,398.02	12,397.34	122,284.09
40620-1 · DH Settlement Interest	0.00	0.00	0.00	0.00	89,124.79	17,023.02	17,023.02	17,023.02	17,023.02	17,023.02	174,239.89
40800-5 · Dignity Collab Revenue	0.00	0.00	0.00	0.00	510,000.00	0.00	0.00	0.00	0.00	0.00	510,000.00
40900-1 · Pension Income	0.00	0.00	0.00	0.00	3,600,000.00	0.00	0.00	0.00	0.00	0.00	3,600,000.00
41000-3 · Employer Trust Contributions	0.00	0.00	0.00	0.00	3,600,000.00	0.00	0.00	0.00	0.00	0.00	3,600,000.00
41110-1 · 525 Veterans Lease Revenue	0.00	0.00	21,107.72	7,035.91	7,035.91	7,035.91	7,035.91	7,035.91	7,035.91	7,035.91	70,359.09
<b>Total Income</b>	<b>378,825.56</b>	<b>502,752.22</b>	<b>2,770,136.99</b>	<b>1,516,388.91</b>	<b>9,085,960.66</b>	<b>9,245,241.35</b>	<b>2,666,243.65</b>	<b>1,047,429.09</b>	<b>(1,722,798.20)</b>	<b>7,889,544.60</b>	<b>33,379,724.83</b>
<b>Gross Profit</b>	<b>378,825.56</b>	<b>502,752.22</b>	<b>2,770,136.99</b>	<b>1,516,388.91</b>	<b>9,085,960.66</b>	<b>9,245,241.35</b>	<b>2,666,243.65</b>	<b>1,047,429.09</b>	<b>(1,722,798.20)</b>	<b>7,889,544.60</b>	<b>33,379,724.83</b>
<b>Expense</b>											
60100-1 · Admin. Expense											
60100.1 · Prof. Development	0.00	0.00	3,500.00	0.00	297.95	0.00	0.00	4,476.88	0.00	1,500.00	9,774.83
60100-1 · Admin. Expense - Other	2,902.80	3,111.06	3,642.99	5,682.10	2,475.59	1,654.53	1,574.36	3,850.29	4,319.94	1,543.91	30,757.57
<b>Total 60100-1 · Admin. Expense</b>	<b>2,902.80</b>	<b>3,111.06</b>	<b>7,142.99</b>	<b>5,682.10</b>	<b>2,773.54</b>	<b>1,654.53</b>	<b>1,574.36</b>	<b>8,327.17</b>	<b>4,319.94</b>	<b>3,043.91</b>	<b>40,532.40</b>
60101-1 · Administration Payroll	100,967.46	85,976.07	93,967.31	99,346.81	81,102.14	104,533.31	96,649.46	86,642.96	105,568.16	100,713.95	955,467.63
60109-3 · Pension Benefit Payments	768,976.25	574,961.04	803,263.79	572,489.58	573,728.96	570,657.30	567,289.81	611,145.53	562,883.32	630,031.31	6,235,426.89
60130-3 · Pension Admin Expenses	0.00	0.00	64,233.11	12,002.64	9,818.46	6,652.93	22,716.83	5,770.45	11,540.70	44,176.14	176,911.26
60199-4 · PTO Payroll Expense	(7,606.76)	(2,259.63)	(995.41)	8,110.11	6,302.93	2,683.93	9,548.54	8,864.83	1,660.78	9,765.41	36,074.73
60300-1 · Board Health Insurance	1,050.28	1,500.40	1,500.40	600.16	1,948.36	1,612.08	1,350.00	1,350.00	1,350.00	1,350.00	13,611.68
60310-1 · Employee Health Benefits	22,608.28	17,161.16	17,919.11	14,383.09	16,932.92	17,980.61	17,636.63	17,642.63	17,891.21	17,642.63	177,798.27
60350-1 · Employee Retirement Benefit	2,613.36	3,754.27	3,194.54	2,981.37	4,090.38	2,889.75	2,679.64	3,229.82	5,306.27	3,399.40	34,138.80
60400-1 · Investment Fees	0.00	0.00	14,292.31	17,110.74	0.00	0.00	47,536.91	0.00	0.00	0.00	112,108.35
60500-1 · Office Supplies/Equip Maint	1,207.28	831.85	2,254.81	973.06	87.48	820.66	704.48	736.58	252.14	1,235.98	9,104.32
69010-4 · Interest Expense - GW	0.00	0.00	234.42	74.38	72.48	70.59	68.68	66.77	64.85	62.93	715.10
60600-1 · Consulting Services	0.00	9,759.00	13,026.00	3,880.00	2,494.00	37,213.43	42,998.00	26,375.00	27,338.52	19,075.00	182,158.95
60610-1 · Accounting fees	0.00	812.50	3,282.50	0.00	250.00	22,900.00	0.00	1,700.00	0.00	0.00	28,945.00
60700-1 · Board Expense	0.00	537.67	565.63	2,502.34	984.16	456.95	0.00	2,431.44	805.87	2,316.34	10,600.40
60710-1 · Association/Membership Dues	878.67	878.67	1,978.67	10,878.67	3,618.45	3,378.67	3,378.67	3,832.67	3,378.67	3,378.67	35,580.48
60725-1 · Communications	919.28	482.70	21,984.40	22,202.30	0.00	2,825.59	0.00	1,523.77	3,975.24	4,520.40	58,433.68
60750-1 · Software-Hardware-IT	3,832.99	3,930.49	7,145.95	4,043.74	4,525.70	7,162.62	3,447.03	6,596.45	13,773.83	6,472.15	60,930.95
60775-1 · Pension Plan	0.00	0.00	0.00	0.00	3,600,000.00	0.00	0.00	0.00	0.00	0.00	3,600,000.00
60800-1 · Insurance	3,781.15	3,781.15	4,032.15	3,781.15	3,781.15	3,781.15	3,781.15	4,961.06	3,781.15	3,781.15	39,242.41
60806-1 · LAFCO fees	1,348.00	1,348.00	1,348.00	1,348.00	1,348.00	1,348.00	1,348.00	1,348.00	1,348.00	1,348.00	13,480.00
60810-1 · Legal Fees	2,250.00	2,500.00	1,224.74	3,060.00	2,475.00	2,835.00	4,500.00	6,390.00	6,500.00	3,135.00	34,869.74
60815-1 · Bank Fees	92.36	116.56	91.57	92.49	140.90	101.51	100.76	100.89	102.76	169.89	1,109.69
65100-1 · 1016 Laurel Occupancy Costs											
65101-1 · 1016 Laurel Maintenance	123.16	950.00	1,075.00	1,045.80	940.00	1,350.00	4,365.00	2,708.00	13,652.22	6,160.00	32,369.18
65102-1 · 1016 Laurel Utilities	4,824.38	2,515.36	899.23	2,424.23	1,947.76	3,303.57	3,415.79	3,403.80	3,819.10	801.96	27,355.18
65103-1 · 1016 Laurel Property Insurance	988.25	988.25	988.25	988.25	988.25	988.25	988.25	988.25	988.25	988.25	9,882.50
<b>Total 65100-1 · 1016 Laurel Occupancy Costs</b>	<b>5,935.79</b>	<b>4,453.61</b>	<b>2,962.48</b>	<b>4,458.28</b>	<b>3,876.01</b>	<b>5,641.82</b>	<b>8,769.04</b>	<b>7,100.05</b>	<b>18,459.57</b>	<b>7,950.21</b>	<b>69,606.86</b>
65450-1 · 525 Veterans Prop Ins -Gen Fund	454.79	454.79	454.79	454.79	454.79	454.79	454.79	454.79	454.79	454.79	4,547.90
65500-4 · Depreciation Expense - GW	19,624.52	19,624.52	(715.26)	12,844.59	12,844.59	12,844.59	12,844.59	12,844.59	12,844.59	12,844.59	128,445.91
65510-4 · Amortization Expense - GW	0.00	0.00	1,777.00	592.36	592.36	592.36	592.36	592.36	592.36	592.36	5,923.52
65610-1 · Capital Outlay - General	0.00	0.00	539,300.84	0.00	611,791.29	11,852.50	1,243,801.61	14,630.00	947,456.36	1,848,701.72	5,217,534.32
65610-4 · Capital Outlay - GW Offset	0.00	0.00	(539,300.84)	0.00	(611,791.29)	(11,852.50)	(1,243,801.61)	(14,630.00)	(947,456.36)	(1,848,701.72)	(5,217,534.32)
70200-1 · Grant Admin Expenses	53.02	0.00	73.36	86.00	3,554.66	3,554.66	3,554.66	3,809.41	3,760.83	3,554.66	22,001.26
70300-1 · Other Grants	0.00	0.00	6,500.00	0.00	0.00	6,200.00	7,500.00	0.00	1,000.00	0.00	21,200.00
70310-5 · Collab grant - Custodial Fund	0.00	0.00	244,558.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	244,558.06
70350-1 · Samaritan House	0.00	0.00	0.00	0.00	459,060.75	0.00	0.00	459,060.75	0.00	459,060.75	1,377,182.25
70560-1 · Ravenswood Family Health Center	500,000.00	0.00	0.00	0.00	0.00	0.00	0.00	500,000.00	0.00	0.00	1,000,000.00
70565-1 · LifeMoves LVN (Maple S shelter)	0.00	0.00	39,453.13	13,151.04	13,151.04	13,151.04	0.00	0.00	0.00	0.00	78,906.25
70566-1 · Pen Volunteers LYFT program	0.00	4,738.49	4,325.29	19,299.93	4,146.55	3,806.78	4,062.96	0.00	5,797.97	3,313.07	49,491.04
70568-1 · Sonrisas	0.00	0.00	0.00	0.00	237,140.00	0.00	0.00	173,913.00	0.00	0.00	411,053.00
70594-1 · Future Impact Funds	980,800.00	0.00	0.00	137,500.00	0.00	24,500.00	23,000.00	967,500.00	513,500.00	29,200.00	2,676,000.00
70603-1 · Community Grants	2,928,500.00	22,500.00	0.00	0.00	0.00	0.00	0.00	2,686,500.00	252,500.00	2,546.21	5,892,546.21
70706-1 · Sequoia Safe (+HeartSafe)	4,420.28	4,300.00	5,200.00	4,300.00	4,300.00	4,300.00	4,300.00	4,300.00	4,300.00	4,475.00	44,195.28
70800-1 · School Health Expense	1,800.00	1,770.42	(1,872.37)	3,206.82	17.97	5,399.73	0.00	163,599.63	(157,424.71)	15,020.10	31,517.59
70802-1 · School Health Grants	136,420.00	138,750.00	103,263.00	225,620.75	0.00	224,192.77	472,119.59	336,363.28	498,581.13	902,254.38	3,037,564.90
<b>Total Expense</b>	<b>5,483,829.80</b>	<b>905,774.79</b>	<b>1,467,666.47</b>	<b>1,207,057.29</b>	<b>5,055,613.73</b>	<b>1,096,197.15</b>	<b>1,364,506.94</b>	<b>6,115,073.88</b>	<b>1,926,207.94</b>	<b>2,330,052.77</b>	<b>26,951,980.76</b>
<b>Net Ordinary Income</b>	<b>(5,105,004.24)</b>	<b>(403,022.57)</b>	<b>1,302,470.52</b>	<b>309,331.62</b>	<b>4,030,346.93</b>	<b>8,149,044.20</b>	<b>1,301,736.71</b>	<b>(5,067,644.79)</b>	<b>(3,649,006.14)</b>	<b>5,559,491.83</b>	<b>6,427,744.07</b>
<b>Net Income</b>	<b>(5,105,004.24)</b>	<b>(403,022.57)</b>	<b>1,302,470.52</b>	<b>309,331.62</b>	<b>4,030,346.93</b>	<b>8,149,044.20</b>	<b>1,301,736.71</b>	<b>(5,067,644.79)</b>	<b>(3,649,006.14)</b>	<b>5,559,491.83</b>	<b>6,427,744.07</b>

**Sequoia Healthcare District**

**CEO Report June 2026**

**Pamela Kurtzman**

**I. PROGRAMS AND OPERATIONS UPDATE**

**1016 Laurel St.**

- The District is pleased to move forward with Zone 4 Construction as the selected contractor for the tenant improvement project. Construction is anticipated to begin on August 11, 2026, and conclude in November 2026. Ellis Schoichet will oversee the construction project from start to finish.
- District staff will temporarily relocate to the Pettinelli offices at 555 Veterans Blvd., with the move planned for August 1, 2026, to accommodate the construction schedule.
- On May 28, I will meet with Zone 4 to discuss potential value engineering opportunities to help identify cost efficiencies where feasible while maintaining the overall goals and functionality of the project.
- The roof repairs remain an important component of the work and will be addressed as part of the overall construction project timeline.

**II. PARTNER ORGANIZATION MAJOR GRANTS**

**1. Ravenswood Redwood City Dental Clinic**

- Stuart and I had additional discussions with Ravenswood following their presentation to the Board and are recommending a grant in the amount of \$150,000 for the fiscal year ending June 30, 2027. This grant is specifically for the Redwood City Dental clinic to help fill some of the funding gap resulting from federal funding cuts impacting their organization.
- In addition, SHD is moving forward with the First Amendment to the Lease and Construction Agreement dated May 1, 2024, between Sequoia Healthcare District and South County Community Health Center, Inc. dba Ravenswood Family Health Network. The amendment and the grant recommendation above, will be presented to the SHD Board for approval with a proposed commencement date of April 1, 2026.

**2. Sonrisas Dental Health**

- Our current agreement with Sonrisas ends June, 2026 and funding will end unless additional funds are granted. They are returning to the Board in June to request funding in FY26/27 to support a phased transition of dental services while expanding community-based oral health programming for children, families, and older adults. The proposal includes transitional clinical access funding for up to 1,500 visits through December 2026 for existing district residents currently receiving care at Sonrisas, with the goal of ensuring continuity of care and a smooth transition of patients to the new Ravenswood Family Dentistry clinic in Redwood City. The proposal also supports school-based oral health screenings and education for approximately 1,500 children,

specialized programming for youth with intellectual and developmental disabilities, and oral health coaching and resource navigation services for older adults.

### 3. Baby Bonus Program

- The SMC Baby Bonus Pilot Program, administered by [First 5 San Mateo County](#), has requested a no-cost extension of the current grant period through June 30, 2027 and will provide an update to the Board in August, on outcomes to date. The pilot program combines guaranteed income of \$300/mo with coordinated early childhood support services to evaluate the impact on family and infant well-being. Enrollment began in March 2025, and more than 185 families are currently receiving monthly cash gifts of \$300, while over 215 families are participating in Community Health Worker support services focused on connecting families to food, childcare, housing, healthcare, and other critical resources. Families have reportedly responded very positively to both the direct financial assistance and supportive services, and Stanford University has initiated Year 1 program evaluation surveys with participating families. The program is supported through a collaborative public-private funding partnership that includes First 5 San Mateo County, Health Plan of San Mateo, Jackie Speier Foundation, Stanford University, Sequoia Healthcare District. The District provided approximately \$243,000 in funding for the Baby Bonus Program during the 2025-26 grant cycle through the District's Equity, Innovation, and Collaboration (EIC) grant process.

## III. STRATEGIC PLAN

### • Advance Health Access Districtwide

#### Actions Taken to Date:

- Invested approximately \$3 million in urgent community health and safety-net support initiatives, including funding Planned Parenthood, Second Harvest of Silicon Valley, Meals on Wheels, etc., Advanced development of the Ravenswood Dental Clinic project to expand access to affordable oral health services for underserved residents.
- Increased investments in mental health, school wellness, food insecurity, and preventive health initiatives throughout the District.
- Evaluating additional short- and long-term investments to stabilize healthcare access amid anticipated federal and state funding reductions.

### • Strengthen Data, Metrics, and Accountability of Outcomes

#### Actions Taken to Date:

- Selected and implemented a new grants management platform to improve data tracking, reporting, transparency, and outcome evaluation.
- Developing more sophisticated grant analysis and evaluation processes to better measure community impact and return on investment.
- Implementing enhanced staff workplans, reporting expectations, and performance metrics aligned with District priorities and strategic goals.

### • Enhance Community Visibility and Engagement

#### Actions Taken to Date:

- Began collaboration with community engagement consultant Mitch Bailey to support outreach and implementation efforts. We developed a comprehensive four-part community engagement and visibility strategy to support implementation of the District’s strategic plan and strengthen alignment across jurisdictions.
  - Initiated stakeholder email outreach and ongoing communications to increase awareness of District priorities, investments, and activities.
  - Planning community listening sessions across District, CEO/ED roundtables with non-profit partner orgs to discuss emerging community needs
  - Planning presentations to city councils and the Board of Supervisors (Sept-December)
  - Expanded LinkedIn and other social media outreach to improve public visibility and engagement
  - Planning a Mayor’s Breakfast the week of June 23 to share the District’s strategic direction and hear directly from local elected leaders regarding emerging health concerns and community priorities.
  
- **Invest Strategically and Responsibly**  
**Actions Taken to Date:**
  - Increased financial oversight and long-range planning efforts to ensure responsible stewardship of District resources.
  - Strengthened internal controls, procurement practices, and financial review processes.
  - Prioritized strategic investments intended to leverage partnerships, maximize community impact, and maintain long-term fiscal sustainability.
  - Continued monitoring potential federal and state healthcare funding reductions and evaluating responsive funding strategies to protect critical local services.
  
- **Promote Collaboration Among Board, Partners, and Stakeholders**  
**Actions Taken to Date:**
  - Convened and participated in Safety Net Committee discussions focused on emerging healthcare access challenges and coordinated community response strategies.
  - Scheduled or completed meetings with major philanthropic, healthcare, and public-sector partners, including Silicon Valley Community Foundation, Sobrato Philanthropies, County of San Mateo, and Stanford University.
  - Expanding coordination efforts around safety-net stabilization, mental health, food insecurity, oral health, and emerging healthcare funding challenges.
  
- **Modernize Organizational Structure and Capacity**  
**Actions Taken to Date:**
  - Restructuring the school health program to improve operational alignment and efficiency
  - Hired a new Executive Assistant/Board Clerk to strengthen administrative and governance support functions. Search for Dir of Ops ongoing...

- Working on organizational restructuring efforts to clarify roles, improve internal coordination, and better align staffing with strategic priorities.

#### IV. ACHD

- Participated in monthly CEO Roundtable Discussions- April 16, May 21
- ACHD Board member meeting May 28
- Educational Webinars: For recordings of educational webinars you may have missed, here's a link those recordings: <https://www.achd.org/previous-webinar-recordings>
- ACHD Education Committee- Next Annual Meeting will be held in September 9-12 in Monterey. Mark your calendar! Registration is now open.

#### V. COMMUNITY ACTIVITIES AND EVENTS

- ALF Meeting April 10, May 8,
- Redwood City Together Exec Committee April 16, Leadership Committee May 21
- Virtual Town Hall- VLF Funding, May 21
- Visited Beach Cities HCD May 14, incl. Alcove and Adventure plex
- San Mateo County Safety Net Committee- April 15, May 27
- Oral Health Coalition quarterly meeting May 1, next meeting May 26

#### VI. FEDERAL MEDICAID (MEDI-CAL) FUNDING REDUCTIONS - Status Update as of May, 27, 2026

##### Local and Statewide Coverage Losses Becoming More Defined

- California health policy agencies and researchers now project that between 2 million and 3.4 million Californians could lose Medi-Cal coverage over the coming several years as federal Medicaid reductions, new eligibility requirements, and state budget actions take effect.
- County-level modeling continues to indicate substantial impacts in San Mateo County, **40 thousand** residents potentially **losing full-scope Medi-Cal coverage by 2028**. The largest drivers are expected to include new federal work requirements, more frequent eligibility redeterminations, enrollment freezes affecting undocumented adults, and increased administrative barriers.
- Emerging evidence continues to show that procedural disenrollments, including paperwork burdens, eligibility verification issues, and renewal failures, remain a major source of coverage loss, even among otherwise eligible individuals. Federal policy changes beginning in 2027 will require certain Medi-Cal populations to renew eligibility every six months rather than annually, increasing the likelihood of churn and interruptions in coverage.
- At the same time, uncertainty regarding continuation of enhanced **Affordable Care Act (ACA)** premium subsidies is expected to **increase the number of uninsured and underinsured working residents** who do not qualify for Medi-Cal but cannot afford commercial coverage.

### **Growing Pressure on Safety-Net Providers**

- Our safety-net clinics (Samaritan House and Ravenswood), SMC Medical Center and other hospitals, and emergency departments are expected to face increasing financial and operational strain as coverage declines and uncompensated care rises. Medi-Cal remains the primary funding source for many safety-net providers.

### **Ongoing Uncertainty**

- Implementation timelines continue to vary; some provider payment reductions begin in 2026, with more significant impacts phased in beginning in 2028. Important unknowns remain, including:
  - Final California policy responses and budget decisions (June 30, 2026)
  - Federal regulatory guidance and implementation details
  - Behavioral responses from eligible populations, including deterrence from applying or renewing coverage
  - Capacity of providers and counties to absorb increased demand and administrative workload

However, the overall direction of impact has become increasingly clear:

- Medi-Cal enrollment is expected to decline
- Administrative barriers to maintaining coverage will increase
- Uninsured and underinsured populations will grow
- Demand on local safety-net systems will rise
- Financial pressure on healthcare providers will intensify

### **Why This Matters for Sequoia Healthcare District (SHD)**

#### **Increased Role as a Local Stabilizer**

As federal and state healthcare funding retracts, SHD may play an increasingly important role in helping stabilize access to care for uninsured and underinsured residents within the District.

#### **Shift from Expansion to Preservation of Access**

Strategic investments may increasingly need to prioritize preservation of existing safety-net capacity, including:

- Maintaining clinic operations, workforce, and core service lines
- Preventing reductions or closures in essential services
- Supporting high-impact areas such as primary care, oral health, behavioral health, and preventive services

#### **Rising Uncompensated Care Pressures**

Local nonprofit and healthcare partners are expected to face:

- Increased uninsured patient volume
- Greater financial instability and reimbursement uncertainty
- Higher reliance on local philanthropy and public funding partnerships
- Increased demand for charity care and navigation services

#### **Need for Targeted, Data-Driven Interventions**

Given finite local resources, SHD will likely need to:

- Prioritize high-risk populations and emerging service gaps
- Strengthen outcomes tracking and utilization monitoring
- Align investments with measurable access and health impact outcomes
- Coordinate closely with County agencies, health plans, providers, and philanthropic partners

### **Strategic Timing Opportunity**

This transition period presents an opportunity for SHD to consider:

- Deploying bridge funding and stabilization investments during 2026-2027
- Aligning future investments with the District’s new strategic plan
- Strengthening cross-sector coordination around healthcare access and safety-net sustainability
- Identifying opportunities to preserve critical community-based infrastructure before service reductions occur

### **Broader Economic and Community Impacts**

Loss of healthcare coverage and reductions in federal funding are also expected to have broader community impacts, including:

- Increased household financial instability and medical debt
- Greater pressure on housing, food assistance, and social service systems
- Reduced economic stability for healthcare providers and workers
- Increased downstream fiscal pressures on local governments and community organizations

### **Compounding Local Fiscal Risk: State VLF Shortfall**

On May 21, 2026, attended a Virtual Town Hall where County leaders provided updates on the status of efforts to restore San Mateo County’s VLF funding. Below is a high-level summary of main points from the discussion, provided by the County:

#### **Sacramento Has Heard San Mateo County’s Message**

- Since January 1, we have successfully increased awareness of the VLF shortfall issue in Sacramento.

#### **Governor’s Revised Budget & VLF Backfill Funding Status**

- On May 14, Governor Newsom released his revised state budget, which did not include the County’s \$157M in-lieu VLF backfill.
- This funding can still be restored by the Legislature through the state budget process, which must be completed by June 15.
- Although state revenue receipts are up, the County’s backfill request will need to compete with numerous other significant state budget priorities, including H.R. 1.
- The County will continue to pursue a permanent solution, understanding that such changes often require sustained, multi-year advocacy, and that any solution must protect the interests of all stakeholders.

## **Projected Local Impacts**

If not restored, the County has indicated it may need to implement substantial service reductions, including:

- Closure of homeless shelters and displacement of thousands of residents
- Elimination of rental assistance and affordable housing investments
- Reductions in mental health, food security, and violence prevention programs
- Cuts to services for seniors, youth, and veterans
- In addition, all 21 cities within San Mateo County would face corresponding service reductions, further amplifying system-wide impacts.

## **Intersection with Federal Funding Changes**

This State funding risk is occurring concurrently with:

- Anticipated federal Medi-Cal funding reductions
- Increased administrative barriers to coverage
- Rising uninsured and underinsured populations

Together, these forces create a compounding effect:

- Increased demand for safety-net services
- Reduced capacity among County and city-funded programs
- Greater financial instability for community-based providers

## **Implications for SHD**

While SHD is not directly impacted by VLF funding, the downstream effects are significant:

- Increased reliance on SHD-funded programs and partners, particularly in behavioral health, care navigation, and access to care
- Greater need to stabilize core service providers at risk of funding loss
- Heightened importance of coordinated local response with County, cities, and health system partners

This convergence of federal and State funding pressures reinforces the need for SHD to prioritize targeted, data-driven investments and consider time-limited stabilization strategies to maintain access to care during this period of transition.

## **Looking ahead**

- While uncertainty remains regarding the full scope and timing of federal policy impacts, current trends clearly indicate increased pressure on coverage, providers, and local health systems. Proactive planning and targeted investment will be essential to maintaining access to care for District residents during this period of transition.
- Taken together, federal and State funding shifts represent one of the most significant near-term risks to the local health and social service infrastructure, underscoring the critical role of local leadership and strategic investment in sustaining access to care.

## Staff Report

### Luz Garcia — Communications & Engagement Officer

#### Public Outreach

- *Communication*
  - **SHD Website:** New amplify pages have been published for the Grants, Healthy Schools Initiative (HSI), Programs, Community Impact, Mission & History, Board & Staff, and Governance sections, with more content to be added soon. The primary modification involves the removal of the side menu bar and layout enhancements on each page, improving the user experience by creating a cleaner interface, and maximizing the visual space as users navigate through the information.
  - **Strategic Plan:** I met with Mitch Bailey to discuss and formulate a distribution strategy aligned with our new strategic plan. Subsequently, I established a dedicated page for the strategic plan on our website and drafted an email blast intended for our partners. Collaborating with Pamela and Mitch, we refined the email and successfully distributed it to our partners using our newsletter distribution software.
  - **Work Plan:** Pamela and I met to discuss upcoming initiatives related to communications. With the new strategic plan established, I have been developing a communications work plan focused on three key phases: collaborating with our partners on content creation, designing in-person engagement opportunities, and facilitating connections among the community and partners through a major annual event.
- *Community Engagement*
  - **Events:**
    - April 17<sup>th</sup> – M.A. Mental Health Resource Fair
      - This event gathered students to learn more about the Mental Health resources available in our community.
    - April 23<sup>rd</sup> - Thrive At The Table
      - This training taught how to effectively engage local officials to advance policy and advocacy goals, focusing on relationship-building, securing key votes, and timing meetings, using real-life examples and practice.
    - April 26<sup>th</sup> – North Fair Oaks Community Extravaganza
      - This event brought together the North Fair Oaks Community and included a resource fair, books & bikes, free health screenings, food and entertainment.
  - **Social media:** In observance of May Mental Health Month, I launched a spotlight series on social media to highlight our behavioral support partners. This initiative provided an excellent opportunity to acknowledge the remarkable work they do in this field while also educating community members about their organizations. To date, we have highlighted eight community partners.

#### Newsletters

- **April 2026:** VLF Funding Press Conference, Community Events & Board Vacancy Notice  
If you are aware of anyone who may be interested in joining our newsletter distribution list, please inform me so that I can add them. Alternatively, feel free to share my email address with them, allowing them to contact me directly.

# Finance Report

## June 3, 2026

Stuart Mar,  
CFO

- ▶ FY '26 Financial Activity Summary
- ▶ FY '26 Budget vs. Actual + Forecast
- ▶ Appendix
  - ▶ FY'26 Financial Reports (with and w/out Pension Effect)
    - ▶ Sources and Uses
    - ▶ Budget vs. Actuals + Forecast
    - ▶ YTD Actuals

# Financial Activity Summary - 10 months through 04/30/26

- ▶ Disbursed ~\$22.6M in Grants through April 2026, including \$5.1M in Ravenswood TI
- ▶ Received ~\$18.1M in Tax revenue through April 2026
- ▶ Operating Cash & Investments Balance: **\$48.3M at 4/30/26** compared to \$53.3M and \$52.6M at 12/31/25 and 6/30/25, respectively
- ▶ Outstanding FY '25-26 grants Obligation @ April 30, 2026 ~ \$6.3M including \$0.6M for Ravenswood TI

# FY '26 Budget Vs. Actual + Forecast Narrative

(without Pension Effect)

April 2026 Forecast

- ▶ Net Income (Loss) Worse than Budget (\$0.7M)
  
- ▶ Revenue Better than Budget (\$0.6M)
  - ▶ Revenue - Slightly increased tax revenue based upon recent receipt, estimated interest/reclassified bank fees to expense category and recognized Dignity Health collaboration unbudgeted \$510k contribution received in November 2025
  
- ▶ Net Expenses Worse than Budget (\$1.3M)
  - ▶ Grant increase (\$1.0M) - Primarily related to collaboration approved grants to SMC Navigation Center (\$100k), PVI-Meals on Wheels (\$444k), Ravenswood Family Health Center (\$460k) and St. Francis Magical Bridge Pocket Park (\$100k)
  - ▶ Facilities increase (\$160k) - Primarily related to 1016 Laurel depreciation
  - ▶ Professional Fees (\$85k) - Primarily related to Public Relation, Human Resource and Strategic Planning project resource additions in the fiscal year.
  - ▶ Banking Fees increase (\$77k) - Reclassed bank fees from investment income budget

# Appendix

# FY '26 Finance Reports

WITH Pension Effect

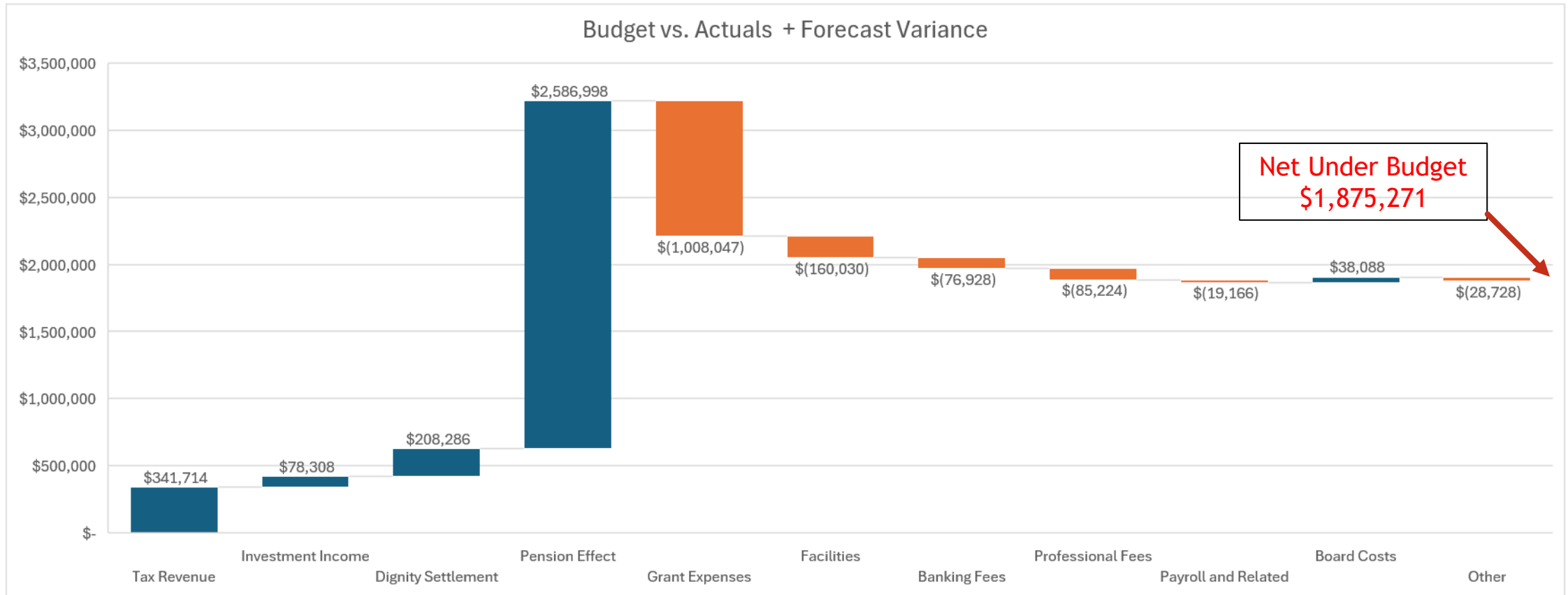
Sequoia Healthcare District											
Sources and Uses											
YTD Through April 30, 2026											
Unaudited for Management Discussion Purposes Only											
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	YTD
<b>Sources</b>											
Rental Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Revenue	44,148	22,804	9,684	740,169	1,004,482	8,811,457	1,488,922	11,363	944,019	5,050,246	18,127,294
Dignity Agreement Receipts	-	-	-	-	1,020,000	-	-	-	-	-	1,020,000
Unrealized Gain/(Loss)	(132,564)	345,526	3,233	49,525	125,074	3,768	(10,495)	209,088	(346,878)	(7,036)	239,243
Interest Income	100,340	118,103	114,652	75,225	82,601	186,228	52,471	131,586	108,957	126,762	1,096,925
<b>Total Cash Sources (Less Pension)</b>	<b>11,925</b>	<b>486,433</b>	<b>127,569</b>	<b>864,920</b>	<b>2,232,157</b>	<b>9,001,453</b>	<b>1,530,898</b>	<b>352,038</b>	<b>706,098</b>	<b>5,169,972</b>	<b>20,483,463</b>
Pension Income (loss)	105,888	1,218,177	1,275,893	591,866	3,686,828	224,348	1,059,424	629,165	(2,476,017)	2,694,226	9,009,799
<b>Total Cash Sources</b>	<b>\$ 117,812</b>	<b>\$ 1,704,610</b>	<b>\$ 1,403,462</b>	<b>\$ 1,456,786</b>	<b>\$ 5,918,985</b>	<b>\$ 9,225,801</b>	<b>\$ 2,590,322</b>	<b>\$ 981,203</b>	<b>\$ (1,769,918)</b>	<b>\$ 7,864,198</b>	<b>\$ 29,493,261</b>
<b>Uses</b>											
Payroll and Related	148,424	111,710	105,640	122,454	147,459	113,525	109,167	109,720	166,749	113,859	1,248,706
Administration	33,759	7,175	1,589	6,251	2,036	1,479	1,369	20,045	7,878	1,104	82,685
Board Expense	120	538	-	1,316	915	456	1,350	973	1,740	383	7,790
Investment/Bank Fees	53,691	117	92	17,203	101	102	47,638	134	103	33,299	152,478
Office Expenses	1,231	691	141	2,788	521	208	704	592	361	1,236	8,473
Professional Fees	9,260	36,693	14,733	3,510	27,003	49,214	20,185	48,678	45,124	16,710	271,108
Communications	919	483	21,737	21,719	-	2,826	-	1,524	3,975	6,231	59,413
Facilities	12,201	4,546	13,247	13,784	8,055	8,894	11,546	9,119	30,284	11,355	123,031
Insurance	62,690	-	251	485	243	-	243	1,428	497	249	66,086
<b>Total Cash Operating Uses</b>	<b>322,295</b>	<b>161,951</b>	<b>157,428</b>	<b>189,510</b>	<b>186,332</b>	<b>176,703</b>	<b>192,202</b>	<b>192,214</b>	<b>256,710</b>	<b>184,425</b>	<b>2,019,769</b>
Grant Expenses	5,426,855	526,324	1,993,081	339,636	700,365	259,139	506,683	5,324,028	1,114,117	1,370,377	17,560,604
Pension Expenses	799,560	574,961	803,264	601,603	583,547	577,310	590,007	616,916	574,424	674,207	6,395,800
Ravenswood Tenant Improvements	-	-	1,002,424	551,451	-	-	1,235,615	-	935,847	1,326,488	5,051,826
Capital Expenditures	22,720	9,534	-	35,820	14,986	11,853	8,187	14,630	11,609	-	129,338
Other	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Uses</b>	<b>\$ 6,571,430</b>	<b>\$ 1,272,770</b>	<b>\$ 3,956,197</b>	<b>\$ 1,718,019</b>	<b>\$ 1,485,231</b>	<b>\$ 1,025,005</b>	<b>\$ 2,532,693</b>	<b>\$ 6,147,788</b>	<b>\$ 2,892,708</b>	<b>\$ 3,555,497</b>	<b>\$ 31,157,337</b>
<b>Net Cash (Used)/Received</b>	<b>\$ (6,453,618)</b>	<b>\$ 431,840</b>	<b>\$ (2,552,735)</b>	<b>\$ (261,233)</b>	<b>\$ 4,433,754</b>	<b>\$ 8,200,796</b>	<b>\$ 57,630</b>	<b>\$ (5,166,585)</b>	<b>\$ (4,662,626)</b>	<b>\$ 4,308,701</b>	<b>\$ (1,664,076)</b>
<b>Operating Cash Balance</b>											
Heritage Operating	\$ 304,759	\$ 631,218	\$ 712,679	\$ 1,214,461	\$ 1,942,742	\$ 10,311,411	\$ 5,393,863	\$ 1,377,821	\$ 1,005,007	\$ 3,209,559	
Heritage Collaboration with Dignity	\$ 883,116	\$ 884,619	\$ 663,565	\$ 788,340	\$ 1,175,335	\$ 1,176,387	\$ 1,177,390	\$ 1,178,298	\$ 1,179,303	\$ 1,180,277	
Wells Fargo	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ -	\$ -	\$ -	
<b>Total Operating Cash</b>	<b>\$ 1,188,963</b>	<b>\$ 1,516,924</b>	<b>\$ 1,377,333</b>	<b>\$ 2,003,889</b>	<b>\$ 3,119,165</b>	<b>\$ 11,488,886</b>	<b>\$ 6,572,342</b>	<b>\$ 2,556,119</b>	<b>\$ 2,184,310</b>	<b>\$ 4,389,836</b>	
<b>Schwab Investments</b>	<b>\$ 45,672,219</b>	<b>\$ 45,132,882</b>	<b>\$ 42,247,109</b>	<b>\$ 41,369,056</b>	<b>\$ 41,584,254</b>	<b>\$ 41,768,291</b>	<b>\$ 46,273,048</b>	<b>\$ 45,110,436</b>	<b>\$ 43,870,059</b>	<b>\$ 43,953,216</b>	
<b>Total Cash and Investments</b>	<b>\$ 46,861,182</b>	<b>\$ 46,649,806</b>	<b>\$ 43,624,442</b>	<b>\$ 43,372,945</b>	<b>\$ 44,703,419</b>	<b>\$ 53,257,177</b>	<b>\$ 52,845,389</b>	<b>\$ 47,666,555</b>	<b>\$ 46,054,369</b>	<b>\$ 48,343,052</b>	
<b>Pension Assets</b>						<b>\$ (53,257,177)</b>					
Vanguard	\$ 50,553,849	\$ 50,952,229	\$ 51,619,249	\$ 51,581,494	\$ 55,240,001	\$ 54,298,137	\$ 54,719,143	\$ 54,760,465	\$ 51,715,193	\$ 53,682,386	
Principal Custodial Solutions	\$ 639,097	\$ 869,727	\$ 667,169	\$ 695,188	\$ 121,959	\$ 702,431	\$ 750,842	\$ 704,696	\$ 691,813	\$ 732,625	
Principal Financial Group	\$ 2,418,565	\$ 2,432,771	\$ 2,440,937	\$ 2,440,937	\$ 2,458,939	\$ 2,467,370	\$ 2,467,370	\$ 2,484,443	\$ 2,492,158	\$ 2,504,171	
	<b>\$ 53,611,511</b>	<b>\$ 54,254,727</b>	<b>\$ 54,727,355</b>	<b>\$ 54,717,619</b>	<b>\$ 57,820,899</b>	<b>\$ 57,467,937</b>	<b>\$ 57,937,355</b>	<b>\$ 57,949,604</b>	<b>\$ 54,899,163</b>	<b>\$ 56,919,182</b>	

**Sequoia Healthcare District**  
**Profit & Loss Budget Vs. Actual + Forecast**  
**FYE June 30, 2026**

Unaudited for Management Discussion Purposes Only

	Actuals											Forecast			2026 Budget Variance	
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	2026 Actual + Forecast	FY 2026		
														Approved Annual Budget	Budget Better/(Worse)	
<b>Income</b>																
Rental Income	\$ -	\$ -	\$ 21,108	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 84,431	\$ 75,000	\$ 9,431	
Tax Revenue	\$ 382,121	\$ 22,804	\$ 9,684	\$ 740,169	\$ 1,004,482	\$ 8,811,457	\$ 1,488,922	\$ 11,363	\$ 944,019	\$ 5,050,246	\$ 584,298	\$ 292,149	\$ 19,341,714	\$ 19,000,000	\$ 341,714	
Investment Income	\$ (132,564)	\$ 345,526	\$ 3,233	\$ 49,525	\$ 125,074	\$ 3,768	\$ (10,495)	\$ 209,088	\$ (346,878)	\$ (7,036)	\$ 200,000	\$ 200,000	\$ 639,243	\$ 800,000	\$ (160,757)	
Interest Income	\$ 123,775	\$ 119,625	\$ 139,907	\$ 127,792	\$ 63,409	\$ 181,609	\$ 104,333	\$ 173,753	\$ 132,018	\$ 128,050	\$ 92,396	\$ 92,396	\$ 1,479,065	\$ 1,240,000	\$ 239,065	
Dignity Agreement	\$ -	\$ -	\$ -	\$ -	\$ 599,125	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 718,286	\$ 510,000	\$ 208,286	
Total Income (Less Pension)	\$ 373,332	\$ 487,955	\$ 173,933	\$ 924,522	\$ 1,799,126	\$ 9,020,893	\$ 1,606,819	\$ 418,264	\$ 753,218	\$ 5,195,319	\$ 900,753	\$ 608,604	\$ 22,262,738	\$ 21,625,000	\$ 637,738	
Pension Income	\$ 5,494	\$ 14,797	\$ 2,596,204	\$ 591,866	\$ 3,686,828	\$ 224,348	\$ 1,059,424	\$ 629,165	\$ (2,476,017)	\$ 2,694,226	\$ 626,500	\$ 626,500	\$ 10,279,336	\$ -	\$ 10,279,336	
<b>Total Income</b>	\$ 378,826	\$ 502,752	\$ 2,770,137	\$ 1,516,389	\$ 5,485,953	\$ 9,245,241	\$ 2,666,244	\$ 1,047,429	\$ (1,722,798)	\$ 7,889,545	\$ 1,527,253	\$ 1,235,104	\$ 32,542,074	\$ 21,625,000	\$ 10,917,074	
<b>Expenses</b>																
Payroll and Related	\$ 118,582	\$ 104,632	\$ 114,086	\$ 124,821	\$ 108,428	\$ 129,700	\$ 126,514	\$ 116,380	\$ 130,426	\$ 131,521	\$ 156,372	\$ 169,648	\$ 1,531,112	\$ 1,511,946	\$ (19,166)	
Administration	\$ 5,129	\$ 5,338	\$ 10,470	\$ 17,909	\$ 7,740	\$ 6,381	\$ 6,301	\$ 13,508	\$ 9,047	\$ 7,771	\$ 7,727	\$ 7,727	\$ 105,046	\$ 71,904	\$ (33,142)	
Board Related Costs	\$ 1,050	\$ 2,038	\$ 2,066	\$ 3,103	\$ 2,933	\$ 457	\$ 1,350	\$ 3,781	\$ 2,156	\$ 3,666	\$ 2,156	\$ 2,156	\$ 26,912	\$ 65,000	\$ 38,088	
Investment/Banking Fees	\$ 92	\$ 117	\$ 14,384	\$ 17,203	\$ 101	\$ 102	\$ 47,638	\$ 101	\$ 103	\$ 33,338	\$ 125	\$ 40,125	\$ 153,428	\$ 76,500	\$ (76,928)	
Office Expenses	\$ 1,207	\$ 832	\$ 2,255	\$ 973	\$ 87	\$ 821	\$ 704	\$ 737	\$ 252	\$ 1,236	\$ 1,000	\$ 833	\$ 10,938	\$ 10,000	\$ (938)	
Professional Fees	\$ 2,250	\$ 13,072	\$ 17,533	\$ 6,940	\$ 5,219	\$ 62,948	\$ 47,498	\$ 34,465	\$ 33,839	\$ 22,210	\$ 25,000	\$ 24,250	\$ 295,224	\$ 210,000	\$ (85,224)	
Communications	\$ 919	\$ 483	\$ 21,984	\$ 22,202	\$ -	\$ 2,826	\$ -	\$ 1,524	\$ 3,975	\$ 4,520	\$ 4,000	\$ 4,000	\$ 66,434	\$ 65,000	\$ (1,434)	
Facilities	\$ 29,848	\$ 28,463	\$ 11,625	\$ 22,394	\$ 22,293	\$ 26,696	\$ 26,108	\$ 27,588	\$ 46,125	\$ 28,314	\$ 27,366	\$ 29,366	\$ 326,187	\$ 166,157	\$ (160,030)	
Insurance	\$ 3,781	\$ 3,781	\$ 4,032	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 4,961	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 46,804	\$ 45,000	\$ (1,804)	
Other Expenses	\$ -	\$ -	\$ 234	\$ 74	\$ 72	\$ 71	\$ 69	\$ 67	\$ 65	\$ 63	\$ 63	\$ 63	\$ 841	\$ -	\$ (841)	
Total Operating Expenses	\$ 162,860	\$ 158,755	\$ 198,669	\$ 219,401	\$ 150,655	\$ 233,782	\$ 259,963	\$ 203,112	\$ 229,769	\$ 236,421	\$ 227,589	\$ 281,949	\$ 2,562,924	\$ 2,221,507	\$ (341,417)	
Pension Costs	\$ 768,976	\$ 574,961	\$ 867,497	\$ 584,492	\$ 583,547	\$ 577,310	\$ 590,007	\$ 616,916	\$ 574,424	\$ 674,207	\$ 615,000	\$ 665,000	\$ 7,692,338	\$ -	\$ (7,692,338)	
Grant Expenses	\$ 4,551,993	\$ 172,059	\$ 401,500	\$ 403,165	\$ 721,371	\$ 285,105	\$ 514,537	\$ 5,295,046	\$ 1,122,015	\$ 1,419,424	\$ 1,900,781	\$ 3,624,544	\$ 20,411,540	\$ 19,403,493	\$ (1,008,047)	
<b>Total Expenses</b>	\$ 5,483,830	\$ 905,775	\$ 1,467,666	\$ 1,207,057	\$ 1,455,574	\$ 1,096,197	\$ 1,364,507	\$ 6,115,074	\$ 1,926,208	\$ 2,330,053	\$ 2,743,370	\$ 4,571,492	\$ 30,666,803	\$ 21,625,000	\$ (9,041,803)	
<b>Net Income (Loss)</b>	\$ (5,105,004)	\$ (403,023)	\$ 1,302,471	\$ 309,332	\$ 4,030,380	\$ 8,149,044	\$ 1,301,737	\$ (5,067,645)	\$ (3,649,006)	\$ 5,559,492	\$ (1,216,117)	\$ (3,336,388)	\$ 1,875,271	\$ -	\$ 1,875,271	

## FY '26 Budget vs. FY '26 Actual + Forecast (April '26 Forecast)



Sequoia Healthcare District											
YTD Profit & Loss											
10 Months Ended April 30, 2026											
Unaudited for Management Discussion Purposes Only											
	Actuals										
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	YTD
<b>Income</b>											
Rental Income	\$ -	\$ -	\$ 21,108	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 70,359
Tax Revenue	\$ 382,121	\$ 22,804	\$ 9,684	\$ 740,169	\$ 1,004,482	\$ 8,811,457	\$ 1,488,922	\$ 11,363	\$ 944,019	\$ 5,050,246	\$ 18,465,267
Investment Income	\$ (132,564)	\$ 345,526	\$ 3,233	\$ 49,525	\$ 125,074	\$ 3,768	\$ (10,495)	\$ 209,088	\$ (346,878)	\$ (7,036)	\$ 239,243
Interest Income	\$ 123,775	\$ 119,625	\$ 139,907	\$ 127,792	\$ 63,409	\$ 181,609	\$ 104,333	\$ 173,753	\$ 132,018	\$ 128,050	\$ 1,294,273
Dignity Agreement	\$ -	\$ -	\$ -	\$ -	\$ 599,125	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 684,240
Total Income (Less Pension)	\$ 373,332	\$ 487,955	\$ 173,933	\$ 924,522	\$ 1,799,126	\$ 9,020,893	\$ 1,606,819	\$ 418,264	\$ 753,218	\$ 5,195,319	\$ 20,753,381
Pension Income	\$ 5,494	\$ 14,797	\$ 2,596,204	\$ 591,866	\$ 3,686,828	\$ 224,348	\$ 1,059,424	\$ 629,165	\$ (2,476,017)	\$ 2,694,226	\$ 9,026,336
<b>Total Income</b>	<b>\$ 378,826</b>	<b>\$ 502,752</b>	<b>\$ 2,770,137</b>	<b>\$ 1,516,389</b>	<b>\$ 5,485,953</b>	<b>\$ 9,245,241</b>	<b>\$ 2,666,244</b>	<b>\$ 1,047,429</b>	<b>\$ (1,722,798)</b>	<b>\$ 7,889,545</b>	<b>\$ 29,779,718</b>
<b>Expenses</b>											
Payroll and Related	\$ 118,582	\$ 104,632	\$ 114,086	\$ 124,821	\$ 108,428	\$ 129,700	\$ 126,514	\$ 116,380	\$ 130,426	\$ 131,521	\$ 1,205,092
Administration	\$ 5,129	\$ 5,338	\$ 10,470	\$ 17,909	\$ 7,740	\$ 6,381	\$ 6,301	\$ 13,508	\$ 9,047	\$ 7,771	\$ 89,593
Board Related Costs	\$ 1,050	\$ 2,038	\$ 2,066	\$ 3,103	\$ 2,933	\$ 457	\$ 1,350	\$ 3,781	\$ 2,156	\$ 3,666	\$ 22,600
Investment/Banking Fees	\$ 92	\$ 117	\$ 14,384	\$ 17,203	\$ 101	\$ 102	\$ 47,638	\$ 101	\$ 103	\$ 33,338	\$ 113,178
Office Expenses	\$ 1,207	\$ 832	\$ 2,255	\$ 973	\$ 87	\$ 821	\$ 704	\$ 737	\$ 252	\$ 1,236	\$ 9,104
Professional Fees	\$ 2,250	\$ 13,072	\$ 17,533	\$ 6,940	\$ 5,219	\$ 62,948	\$ 47,498	\$ 34,465	\$ 33,839	\$ 22,210	\$ 245,974
Communications	\$ 919	\$ 483	\$ 21,984	\$ 22,202	\$ -	\$ 2,826	\$ -	\$ 1,524	\$ 3,975	\$ 4,520	\$ 58,434
Facilities	\$ 29,848	\$ 28,463	\$ 11,625	\$ 22,394	\$ 22,293	\$ 26,696	\$ 26,108	\$ 27,588	\$ 46,125	\$ 28,314	\$ 269,455
Insurance	\$ 3,781	\$ 3,781	\$ 4,032	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 4,961	\$ 3,781	\$ 3,781	\$ 39,242
Other Expenses	\$ -	\$ -	\$ 234	\$ 74	\$ 72	\$ 71	\$ 69	\$ 67	\$ 65	\$ 63	\$ 715
<b>Total Operating Expenses</b>	<b>\$ 162,860</b>	<b>\$ 158,755</b>	<b>\$ 198,669</b>	<b>\$ 219,401</b>	<b>\$ 150,655</b>	<b>\$ 233,782</b>	<b>\$ 259,963</b>	<b>\$ 203,112</b>	<b>\$ 229,769</b>	<b>\$ 236,421</b>	<b>\$ 2,053,387</b>
Pension Costs	\$ 768,976	\$ 574,961	\$ 867,497	\$ 584,492	\$ 583,547	\$ 577,310	\$ 590,007	\$ 616,916	\$ 574,424	\$ 674,207	\$ 6,412,338
Grant Expenses	\$ 4,551,993	\$ 172,059	\$ 401,500	\$ 403,165	\$ 721,371	\$ 285,105	\$ 514,537	\$ 5,295,046	\$ 1,122,015	\$ 1,419,424	\$ 14,886,216
<b>Total Expenses</b>	<b>\$ 5,483,830</b>	<b>\$ 905,775</b>	<b>\$ 1,467,666</b>	<b>\$ 1,207,057</b>	<b>\$ 1,455,574</b>	<b>\$ 1,096,197</b>	<b>\$ 1,364,507</b>	<b>\$ 6,115,074</b>	<b>\$ 1,926,208</b>	<b>\$ 2,330,053</b>	<b>\$ 23,351,941</b>
<b>Net Income (Loss)</b>	<b>\$ (5,105,004)</b>	<b>\$ (403,023)</b>	<b>\$ 1,302,471</b>	<b>\$ 309,332</b>	<b>\$ 4,030,380</b>	<b>\$ 8,149,044</b>	<b>\$ 1,301,737</b>	<b>\$ (5,067,645)</b>	<b>\$ (3,649,006)</b>	<b>\$ 5,559,492</b>	<b>\$ 6,427,777</b>

# FY '26 Finance Reports

WITHOUT Pension Effect

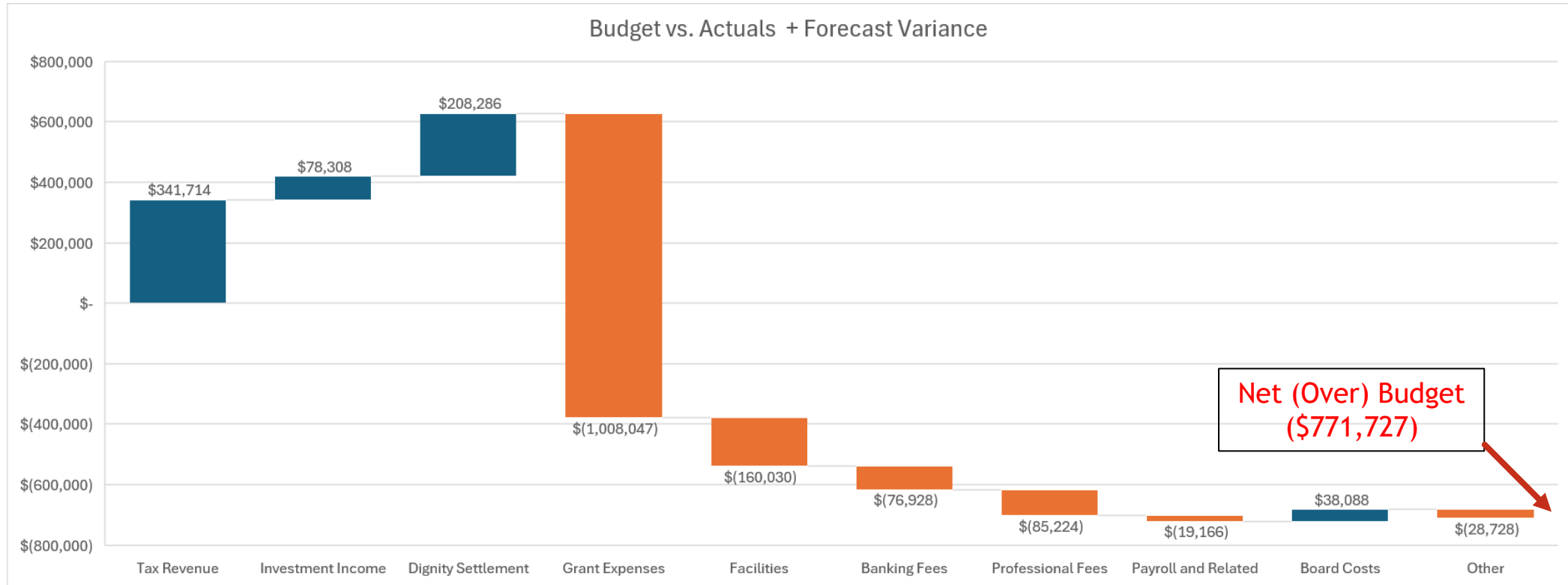
Sequoia Healthcare District											
Sources and Uses (Without Pension)											
YTD Through April 30, 2026											
Unaudited for Management Discussion Purposes Only											
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	YTD
<b>Sources</b>											
Rental Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Revenue	44,148	22,804	9,684	740,169	1,004,482	8,811,457	1,488,922	11,363	944,019	5,050,246	18,127,294
Dignity Agreement Receipts	-	-	-	-	1,020,000	-	-	-	-	-	1,020,000
Unrealized Gain/(Loss)	(132,564)	345,526	3,233	49,525	125,074	3,768	(10,495)	209,088	(346,878)	(7,036)	239,243
Interest Income	100,340	118,103	114,652	75,225	82,601	186,228	52,471	131,586	108,957	126,762	1,096,925
<b>Total Cash Sources</b>	<b>\$ 11,925</b>	<b>\$ 486,433</b>	<b>\$ 127,569</b>	<b>\$ 864,920</b>	<b>\$ 2,232,157</b>	<b>\$ 9,001,453</b>	<b>\$ 1,530,898</b>	<b>\$ 352,038</b>	<b>\$ 706,098</b>	<b>\$ 5,169,972</b>	<b>\$ 20,483,463</b>
<b>Uses</b>											
Payroll and Related	148,424	111,710	105,640	122,454	147,459	113,525	109,167	109,720	166,749	113,859	1,248,706
Administration	33,759	7,175	1,589	6,251	2,036	1,479	1,369	20,045	7,878	1,104	82,685
Board Expense	120	538	-	1,316	915	456	1,350	973	1,740	383	7,790
Investment/Bank Fees	53,691	117	92	17,203	101	102	47,638	134	103	33,299	152,478
Office Expenses	1,231	691	141	2,788	521	208	704	592	361	1,236	8,473
Professional Fees	9,260	36,693	14,733	3,510	27,003	49,214	20,185	48,678	45,124	16,710	271,108
Communications	919	483	21,737	21,719	-	2,826	-	1,524	3,975	6,231	59,413
Facilities	12,201	4,546	13,247	13,784	8,055	8,894	11,546	9,119	30,284	11,355	123,031
Insurance	62,690	-	251	485	243	-	243	1,428	497	249	66,086
<b>Total Cash Operating Uses</b>	<b>322,295</b>	<b>161,951</b>	<b>157,428</b>	<b>189,510</b>	<b>186,332</b>	<b>176,703</b>	<b>192,202</b>	<b>192,214</b>	<b>256,710</b>	<b>184,425</b>	<b>2,019,769</b>
Grant Expenses	5,426,855	526,324	1,993,081	339,636	700,365	259,139	506,683	5,324,028	1,114,117	1,370,377	17,560,604
Ravenswood Tenant Improvements	-	-	1,002,424	551,451	-	-	1,235,615	-	935,847	1,326,488	5,051,826
Capital Expenditures	22,720	9,534	-	35,820	14,986	11,853	8,187	14,630	11,609	-	129,338
Other	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Uses</b>	<b>\$ 5,771,870</b>	<b>\$ 697,809</b>	<b>\$ 3,152,933</b>	<b>\$ 1,116,416</b>	<b>\$ 901,683</b>	<b>\$ 447,694</b>	<b>\$ 1,942,686</b>	<b>\$ 5,530,872</b>	<b>\$ 2,318,284</b>	<b>\$ 2,881,289</b>	<b>\$ 24,761,537</b>
<b>Net Cash (Used)/Received</b>	<b>\$ (5,759,945)</b>	<b>\$ (211,376)</b>	<b>\$ (3,025,364)</b>	<b>\$ (251,497)</b>	<b>\$ 1,330,474</b>	<b>\$ 8,553,758</b>	<b>\$ (411,788)</b>	<b>\$ (5,178,834)</b>	<b>\$ (1,612,186)</b>	<b>\$ 2,288,683</b>	<b>\$ (4,278,075)</b>
<b>Operating Cash Balance</b>											
Heritage Operating	\$ 304,759	\$ 631,218	\$ 712,679	\$ 1,214,461	\$ 1,942,742	\$ 10,311,411	\$ 5,393,863	\$ 1,377,821	\$ 1,005,007	\$ 3,209,559	
Heritage Collaboration with Dignity	\$ 883,116	\$ 884,619	\$ 663,565	\$ 788,340	\$ 1,175,335	\$ 1,176,387	\$ 1,177,390	\$ 1,178,298	\$ 1,179,303	\$ 1,180,277	
Wells Fargo	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ -	\$ -	\$ -	
<b>Total Operating Cash</b>	<b>\$ 1,188,963</b>	<b>\$ 1,516,924</b>	<b>\$ 1,377,333</b>	<b>\$ 2,003,889</b>	<b>\$ 3,119,165</b>	<b>\$ 11,488,886</b>	<b>\$ 6,572,342</b>	<b>\$ 2,556,119</b>	<b>\$ 2,184,310</b>	<b>\$ 4,389,836</b>	
<b>Schwab Investments</b>	<b>\$ 45,672,219</b>	<b>\$ 45,132,882</b>	<b>\$ 42,247,109</b>	<b>\$ 41,369,056</b>	<b>\$ 41,584,254</b>	<b>\$ 41,768,291</b>	<b>\$ 46,273,048</b>	<b>\$ 45,110,436</b>	<b>\$ 43,870,059</b>	<b>\$ 43,953,216</b>	
<b>Total Cash and Investments</b>	<b>\$ 46,861,182</b>	<b>\$ 46,649,806</b>	<b>\$ 43,624,442</b>	<b>\$ 43,372,945</b>	<b>\$ 44,703,419</b>	<b>\$ 53,257,177</b>	<b>\$ 52,845,389</b>	<b>\$ 47,666,555</b>	<b>\$ 46,054,369</b>	<b>\$ 48,343,052</b>	
<b>Pension Assets</b>											
Vanguard	\$ 50,553,849	\$ 50,952,229	\$ 51,619,249	\$ 51,581,494	\$ 55,240,001	\$ 54,298,137	\$ 54,719,143	\$ 54,760,465	\$ 51,715,193	\$ 53,682,386	
Principal Custodial Solutions	\$ 639,097	\$ 869,727	\$ 667,169	\$ 695,188	\$ 121,959	\$ 702,431	\$ 750,842	\$ 704,696	\$ 691,813	\$ 732,625	
Principal Financial Group	\$ 2,418,565	\$ 2,432,771	\$ 2,440,937	\$ 2,440,937	\$ 2,458,939	\$ 2,467,370	\$ 2,467,370	\$ 2,484,443	\$ 2,492,158	\$ 2,504,171	
<b>Total Pension Assets</b>	<b>\$ 53,611,511</b>	<b>\$ 54,254,727</b>	<b>\$ 54,727,355</b>	<b>\$ 54,717,619</b>	<b>\$ 57,820,899</b>	<b>\$ 57,467,937</b>	<b>\$ 57,937,355</b>	<b>\$ 57,949,604</b>	<b>\$ 54,899,163</b>	<b>\$ 56,919,182</b>	

**Sequoia Healthcare District**  
**Profit & Loss Budget Vs. Actual + Forecast (Without Pension)**  
**FYE June 30, 2026**

Unaudited for Management Discussion Purposes Only

	Actuals												Forecast		2026 Budget Variance	
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	2026 Actual + Forecast	FY 2026		
														Approved Annual Budget	Budget Better/(Worse)	
<b>Income</b>																
Rental Income	\$ -	\$ -	\$ 21,108	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 84,431	\$ 75,000	\$ 9,431	
Tax Revenue	\$ 382,121	\$ 22,804	\$ 9,684	\$ 740,169	\$ 1,004,482	\$ 8,811,457	\$ 1,488,922	\$ 11,363	\$ 944,019	\$ 5,050,246	\$ 584,298	\$ 292,149	\$ 19,341,714	\$ 19,000,000	\$ 341,714	
Investment Income	\$ (132,564)	\$ 345,526	\$ 3,233	\$ 49,525	\$ 125,074	\$ 3,768	\$ (10,495)	\$ 209,088	\$ (346,878)	\$ (7,036)	\$ 200,000	\$ 200,000	\$ 639,243	\$ 800,000	\$ (160,757)	
Interest Income	\$ 123,775	\$ 119,625	\$ 139,907	\$ 127,792	\$ 63,409	\$ 181,609	\$ 104,333	\$ 173,753	\$ 132,018	\$ 128,050	\$ 92,396	\$ 92,396	\$ 1,479,065	\$ 1,240,000	\$ 239,065	
Dignity Agreement	\$ -	\$ -	\$ -	\$ -	\$ 599,125	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 718,286	\$ 510,000	\$ 208,286	
<b>Total Income</b>	<b>\$ 373,332</b>	<b>\$ 487,955</b>	<b>\$ 173,933</b>	<b>\$ 924,522</b>	<b>\$ 1,799,126</b>	<b>\$ 9,020,893</b>	<b>\$ 1,606,819</b>	<b>\$ 418,264</b>	<b>\$ 753,218</b>	<b>\$ 5,195,319</b>	<b>\$ 900,753</b>	<b>\$ 608,604</b>	<b>\$ 22,262,738</b>	<b>\$ 21,625,000</b>	<b>\$ 637,738</b>	
<b>Expenses</b>																
Payroll and Related	\$ 118,582	\$ 104,632	\$ 114,086	\$ 124,821	\$ 108,428	\$ 129,700	\$ 126,514	\$ 116,380	\$ 130,426	\$ 131,521	\$ 156,372	\$ 169,648	\$ 1,531,112	\$ 1,511,946	\$ (19,166)	
Administration	\$ 5,129	\$ 5,338	\$ 10,470	\$ 17,909	\$ 7,740	\$ 6,381	\$ 6,301	\$ 13,508	\$ 9,047	\$ 7,771	\$ 7,727	\$ 7,727	\$ 105,046	\$ 71,904	\$ (33,142)	
Board Related Costs	\$ 1,050	\$ 2,038	\$ 2,066	\$ 3,103	\$ 2,933	\$ 457	\$ 1,350	\$ 3,781	\$ 2,156	\$ 3,666	\$ 2,156	\$ 2,156	\$ 26,912	\$ 65,000	\$ 38,088	
Investment/Banking Fees	\$ 92	\$ 117	\$ 14,384	\$ 17,203	\$ 101	\$ 102	\$ 47,638	\$ 101	\$ 103	\$ 33,338	\$ 125	\$ 40,125	\$ 153,428	\$ 76,500	\$ (76,928)	
Office Expenses	\$ 1,207	\$ 832	\$ 2,255	\$ 973	\$ 87	\$ 821	\$ 704	\$ 737	\$ 252	\$ 1,236	\$ 1,000	\$ 833	\$ 10,938	\$ 10,000	\$ (938)	
Professional Fees	\$ 2,250	\$ 13,072	\$ 17,533	\$ 6,940	\$ 5,219	\$ 62,948	\$ 47,498	\$ 34,465	\$ 33,839	\$ 22,210	\$ 25,000	\$ 24,250	\$ 295,224	\$ 210,000	\$ (85,224)	
Communications	\$ 919	\$ 483	\$ 21,984	\$ 22,202	\$ -	\$ 2,826	\$ -	\$ 1,524	\$ 3,975	\$ 4,520	\$ 4,000	\$ 4,000	\$ 66,434	\$ 65,000	\$ (1,434)	
Facilities	\$ 29,848	\$ 28,463	\$ 11,625	\$ 22,394	\$ 22,293	\$ 26,696	\$ 26,108	\$ 27,588	\$ 46,125	\$ 28,314	\$ 27,366	\$ 29,366	\$ 326,187	\$ 166,157	\$ (160,030)	
Insurance	\$ 3,781	\$ 3,781	\$ 4,032	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 4,961	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 46,804	\$ 45,000	\$ (1,804)	
Other Expenses	\$ -	\$ -	\$ 234	\$ 74	\$ 72	\$ 71	\$ 69	\$ 67	\$ 65	\$ 63	\$ 63	\$ 63	\$ 841	\$ -	\$ (841)	
<b>Total Operating Expenses</b>	<b>\$ 162,860</b>	<b>\$ 158,755</b>	<b>\$ 198,669</b>	<b>\$ 219,401</b>	<b>\$ 150,655</b>	<b>\$ 233,782</b>	<b>\$ 259,963</b>	<b>\$ 203,112</b>	<b>\$ 229,769</b>	<b>\$ 236,421</b>	<b>\$ 227,589</b>	<b>\$ 281,949</b>	<b>\$ 2,562,924</b>	<b>\$ 2,221,507</b>	<b>\$ (341,417)</b>	
Grant Expenses	\$ 4,551,993	\$ 172,059	\$ 401,500	\$ 403,165	\$ 721,371	\$ 285,105	\$ 514,537	\$ 5,295,046	\$ 1,122,015	\$ 1,419,424	\$ 1,900,781	\$ 3,624,544	\$ 20,411,540	\$ 19,403,493	\$ (1,008,047)	
<b>Total Expenses</b>	<b>\$ 4,714,854</b>	<b>\$ 330,814</b>	<b>\$ 600,170</b>	<b>\$ 622,565</b>	<b>\$ 872,026</b>	<b>\$ 518,887</b>	<b>\$ 774,500</b>	<b>\$ 5,498,158</b>	<b>\$ 1,351,784</b>	<b>\$ 1,655,845</b>	<b>\$ 2,128,370</b>	<b>\$ 3,906,492</b>	<b>\$ 22,974,465</b>	<b>\$ 21,625,000</b>	<b>\$ (1,349,465)</b>	
<b>Net Income (Loss)</b>	<b>\$ (4,341,522)</b>	<b>\$ 157,141</b>	<b>\$ (426,237)</b>	<b>\$ 301,957</b>	<b>\$ 927,099</b>	<b>\$ 8,502,006</b>	<b>\$ 832,319</b>	<b>\$ (5,079,894)</b>	<b>\$ (598,566)</b>	<b>\$ 3,539,473</b>	<b>\$ (1,227,617)</b>	<b>\$ (3,297,888)</b>	<b>\$ (711,727)</b>	<b>\$ -</b>	<b>\$ (711,727)</b>	

## FY '26 Budget vs. FY '26 Actual + Forecast (April '26 Forecast without Pension)



Sequoia Healthcare District											
YTD Profit & Loss (Without Pension)											
10 Months Ended April 30, 2026											
Unaudited for Management Discussion Purposes Only											
	Actuals										
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	YTD
<b>Income</b>											
Rental Income	\$ -	\$ -	\$ 21,108	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 70,359
Tax Revenue	\$ 382,121	\$ 22,804	\$ 9,684	\$ 740,169	\$ 1,004,482	\$ 8,811,457	\$ 1,488,922	\$ 11,363	\$ 944,019	\$ 5,050,246	\$ 18,465,267
Investment Income	\$ (132,564)	\$ 345,526	\$ 3,233	\$ 49,525	\$ 125,074	\$ 3,768	\$ (10,495)	\$ 209,088	\$ (346,878)	\$ (7,036)	\$ 239,243
Interest Income	\$ 123,775	\$ 119,625	\$ 139,907	\$ 127,792	\$ 63,409	\$ 181,609	\$ 104,333	\$ 173,753	\$ 132,018	\$ 128,050	\$ 1,294,273
Dignity Agreement	\$ -	\$ -	\$ -	\$ -	\$ 599,125	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 17,023	\$ 684,240
<b>Total Income</b>	<b>\$ 373,332</b>	<b>\$ 487,955</b>	<b>\$ 173,933</b>	<b>\$ 924,522</b>	<b>\$ 1,799,126</b>	<b>\$ 9,020,893</b>	<b>\$ 1,606,819</b>	<b>\$ 418,264</b>	<b>\$ 753,218</b>	<b>\$ 5,195,319</b>	<b>\$ 20,753,381</b>
<b>Expenses</b>											
Payroll and Related	\$ 118,582	\$ 104,632	\$ 114,086	\$ 124,821	\$ 108,428	\$ 129,700	\$ 126,514	\$ 116,380	\$ 130,426	\$ 131,521	\$ 1,205,092
Administration	\$ 5,129	\$ 5,338	\$ 10,470	\$ 17,909	\$ 7,740	\$ 6,381	\$ 6,301	\$ 13,508	\$ 9,047	\$ 7,771	\$ 89,593
Board Related Costs	\$ 1,050	\$ 2,038	\$ 2,066	\$ 3,103	\$ 2,933	\$ 457	\$ 1,350	\$ 3,781	\$ 2,156	\$ 3,666	\$ 22,600
Investment/Banking Fees	\$ 92	\$ 117	\$ 14,384	\$ 17,203	\$ 101	\$ 102	\$ 47,638	\$ 101	\$ 103	\$ 33,338	\$ 113,178
Office Expenses	\$ 1,207	\$ 832	\$ 2,255	\$ 973	\$ 87	\$ 821	\$ 704	\$ 737	\$ 252	\$ 1,236	\$ 9,104
Professional Fees	\$ 2,250	\$ 13,072	\$ 17,533	\$ 6,940	\$ 5,219	\$ 62,948	\$ 47,498	\$ 34,465	\$ 33,839	\$ 22,210	\$ 245,974
Communications	\$ 919	\$ 483	\$ 21,984	\$ 22,202	\$ -	\$ 2,826	\$ -	\$ 1,524	\$ 3,975	\$ 4,520	\$ 58,434
Facilities	\$ 29,848	\$ 28,463	\$ 11,625	\$ 22,394	\$ 22,293	\$ 26,696	\$ 26,108	\$ 27,588	\$ 46,125	\$ 28,314	\$ 269,455
Insurance	\$ 3,781	\$ 3,781	\$ 4,032	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 4,961	\$ 3,781	\$ 3,781	\$ 39,242
Other Expenses	\$ -	\$ -	\$ 234	\$ 74	\$ 72	\$ 71	\$ 69	\$ 67	\$ 65	\$ 63	\$ 715
<b>Total Operating Expenses</b>	<b>\$ 162,860</b>	<b>\$ 158,755</b>	<b>\$ 198,669</b>	<b>\$ 219,401</b>	<b>\$ 150,655</b>	<b>\$ 233,782</b>	<b>\$ 259,963</b>	<b>\$ 203,112</b>	<b>\$ 229,769</b>	<b>\$ 236,421</b>	<b>\$ 2,053,387</b>
Grant Expenses	\$ 4,551,993	\$ 172,059	\$ 401,500	\$ 403,165	\$ 721,371	\$ 285,105	\$ 514,537	\$ 5,295,046	\$ 1,122,015	\$ 1,419,424	\$ 14,886,216
<b>Total Expenses</b>	<b>\$ 4,714,854</b>	<b>\$ 330,814</b>	<b>\$ 600,170</b>	<b>\$ 622,565</b>	<b>\$ 872,026</b>	<b>\$ 518,887</b>	<b>\$ 774,500</b>	<b># \$ 5,498,158</b>	<b>\$ 1,351,784</b>	<b>\$ 1,655,845</b>	<b>\$ 16,939,603</b>
<b>Net Income (Loss)</b>	<b>\$ (4,341,522)</b>	<b>\$ 157,141</b>	<b>\$ (426,237)</b>	<b>\$ 301,957</b>	<b>\$ 927,099</b>	<b>\$ 8,502,006</b>	<b>\$ 832,319</b>	<b>\$ (5,079,894)</b>	<b>\$ (598,566)</b>	<b>\$ 3,539,473</b>	<b>\$ 3,813,779</b>



1016 Laurel Street  
San Carlos, CA 94070-3919

650-421-2155 Phone

May 28, 2026

### **Board Recommendation from the Special Appointment Ad Hoc Committee**

Dear Board Members,

On behalf of the Special Appointment Ad Hoc Committee, I am pleased to share our recommendation that the Board appoint Dr. N. Lance Downing, MD to fill the current vacancy on the Sequoia Healthcare District Board of Directors.

After careful consideration, the committee believes Dr. Downing brings a strong combination of professional expertise, community connection, and alignment with the District's mission. His background as a board-certified internist and his experience in the medical field, including his work at Stanford Medical Center, provide him with a deep understanding of healthcare delivery, patient needs, and the broader challenges facing our local health systems.

The committee was especially impressed by Dr. Downing's thoughtful approach and his willingness to listen to the right community voices in pursuit of equitable and practical solutions. This shared perspective is particularly important as the District continues to focus on access to healthcare, health literacy, and reducing barriers for residents across our service area.

Dr. Downing also brings a meaningful personal connection to San Mateo County. His extensive family history in the county, along with his experience raising his own family here, gives him a grounded understanding of the community we serve. We believe this local perspective will strengthen his ability to contribute to Board discussions and decisions.

In addition, Dr. Downing has expressed the flexibility and bandwidth needed to become involved immediately. This is an important consideration given the responsibilities of the role and the Board's ongoing work. At this time, the committee has not identified any conflicts of interest that would prevent him from serving effectively.

For these reasons, the Special Appointment Ad Hoc Committee recommends that the Board appoint Dr. N. Lance Downing, MD to the vacant Board seat. We believe he will bring valuable insight, professionalism, and a strong commitment to the District's mission of improving the health and well-being of our community.

Respectfully,

Ivan Martinez

Board President Sequoia Healthcare District Chair, Special Appointment Ad Hoc Committee

**SEQUOIA HEALTHCARE DISTRICT  
County of San Mateo, State of California**

**RESOLUTION NO. 2026-03  
RESOLUTION FILLING VACANCY IN OFFICE OF MEMBER,  
BOARD OF DIRECTORS**

WHEREAS, there is a vacancy in the office of Member of Board of Directors of SEQUOIA HEALTHCARE DISTRICT caused by the resignation on March 5, 2026, of Director Gerald Shefren, MD, and Notice of such vacancy was duly posted in accordance with Government Code 1780 on the 2nd day of April, 2026, and

WHEREAS, said Board in Open Session has interviewed various applicants for said vacancy and considered their respective qualifications,

NOW THEREFORE, the Board of Directors of SEQUOIA HEALTHCARE DISTRICT does hereby resolve, determine and order as follows:

1. That N. Lance Downing, MD is hereby appointed forthwith as Member of Board of Directors of SEQUOIA HEALTHCARE DISTRICT, for the unexpired term of Gerald Shefren MD, expiring December 4, 2026.
2. Said N. Lance Downing, MD shall assume the position as said Board Member immediately upon taking the Oath of Office.

Passed and adopted by the Board of Directors of SEQUOIA HEALTHCARE DISTRICT this 3rd day of June, 2026, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Ivan Martinez  
President, Board of Directors  
SEQUOIA HEALTHCARE DISTRICT

Attest:

\_\_\_\_\_  
Cama Garcia Lock  
Secretary of Said Board

**SEQUOIA HEALTHCARE DISTRICT  
COUNTY OF SAN MATEO, STATE OF CALIFORNIA  
RESOLUTION 2026-04  
RESOLUTION DETERMINING DATE AND ADOPTING PROVISIONS  
FOR THE 2026 SEQUOIA HEALTHCARE DISTRICT GENERAL ELECTION**

WHEREAS, the terms of three (3) members of the Board of Directors of Sequoia Healthcare District expire at noon, local time, on the first Friday in December of 2026, i.e., on Friday, December 4, 2026 (Elections Code §§10505 and 10554); and,

WHEREAS, the three directors whose terms are expiring are William Lee Fong (Incumbent Zone A), Rosanne Foust (Appointed Incumbent, Zone C), and N. Lance Downing, MD (Appointed Incumbent Zone E); and,

WHEREAS, pursuant to Elections Code Section 1001, there is an established General Statewide Election to be held on November 3, 2026; and,

WHEREAS, the Chief Elections Officer for the County of San Mateo has notified Sequoia Healthcare District (the “District”) of certain legal requirements applicable to the District with respect to the General Election to be held on November 3, 2026; and,

WHEREAS, the District has adopted a resolution authorizing the election of directors by zones; and,

WHEREAS, the District has adopted a resolution designating Zones A, C, and E as the Zones in which Directors will be elected in 2026; and,

WHEREAS, pursuant to Part 3, Consolidation of Elections, and commencing with Section 10400 of the Elections Code, an election for members of the Board of Directors may be consolidated with another election to be held on the same day; and,

WHEREAS, pursuant to Elections Code Section 1002, the Board of Directors desires to adopt this resolution to request that the Board of Supervisors of the County of San Mateo permit the County’s Chief Elections Officer - Assessor - County Clerk - Recorder (the “Chief Elections Officer”) to render specified services to Sequoia Healthcare District relating to the conduct of the November 3, 2026 election.

NOW, THEREFORE, BE IT HEREBY RESOLVED that:

1. The Sequoia Healthcare District General Election shall be held on November 3, 2026.

2. At the election, individuals shall be chosen from each of Zones A, C, and E for the offices of Director, Sequoia Healthcare District. Each Director so elected shall serve a full term of four (4) years. Each person elected must reside within the District and within the Zone for which he or she is a candidate and shall be elected by the registered voters in that particular Zone.

3. Pursuant to Elections Code §10522, not less than 125 days before the November 3, 2026 election, the secretary of the District shall deliver to the Chief Elections Official of San Mateo County a map showing the boundaries of the District and the boundaries of the District's Zones A, C, and E effective for the election, along with a statement indicating that Directors are to be elected by such zones or divisions and not at large.

4. The Governing Board of the District requests that the Board of Supervisors of the County of San Mateo make available the services of the Chief Elections Officer as the County Elections Official for the purpose of rendering services in the conduct of the election to be held on November 3, 2026.

5. Each candidate may prepare a candidate's statement on the appropriate form provided by the Chief Elections Official. Each candidate's statement, if any, shall not exceed 200 words. The cost of printing, translating, and mailing the candidate's statement shall be billed to and paid by the District.

6. Pursuant to Elections Code Section 10509, the Board Secretary shall deliver a notice to the Chief Elections Officer. The notice shall bear the Secretary's signature and the District's seal and shall contain both of the following:

(a) The elective offices of the District to be filled at the next general election, specifying which offices, if any, are for an unexpired term.

(b) Whether the District or the candidate is to pay for the publication of a candidate's statement.

7. The Chief Elections Officer of San Mateo County is hereby requested and authorized to perform any and all duties of the District Secretary relating to such election, under the authority of Elections Code §10519, including publishing of such notices as required by law.

8. Pursuant to Election Code §10403, consolidation of the Sequoia Healthcare District General Election with the Statewide General Election on November 3, 2026, is hereby requested. The District acknowledges that the consolidated election will be held and conducted in the manner prescribed in Elections Code §10418.

9. The Chief Executive Officer of the District is authorized and directed to enter into an Elections Service Agreement with the Chief Elections Officer regarding the election to be held on November 3, 2026.

10. The Chief Elections Officer shall send an itemized invoice or invoices to the District for all services provided pursuant to the Elections Service Agreement when all costs have been determined. The District agrees to submit payment of such invoice(s) to the County of San Mateo within 45 days of receipt thereof.

11. A copy of this Resolution shall be delivered to the Board of Supervisors and the Office of the Chief Elections Officer of San Mateo County on or before June 30, 2026.

PASSED AND ADOPTED by the Board of Directors of Sequoia Healthcare District this 3rd day of June, 2026, by the following vote.

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_

\_\_\_\_\_  
Cama Lock  
Secretary, Board of Directors

ATTEST:

\_\_\_\_\_  
Clerk, Board of Directors

RVK

# Monthly Performance Report

## Sequoia Healthcare District Employees Pension Plan

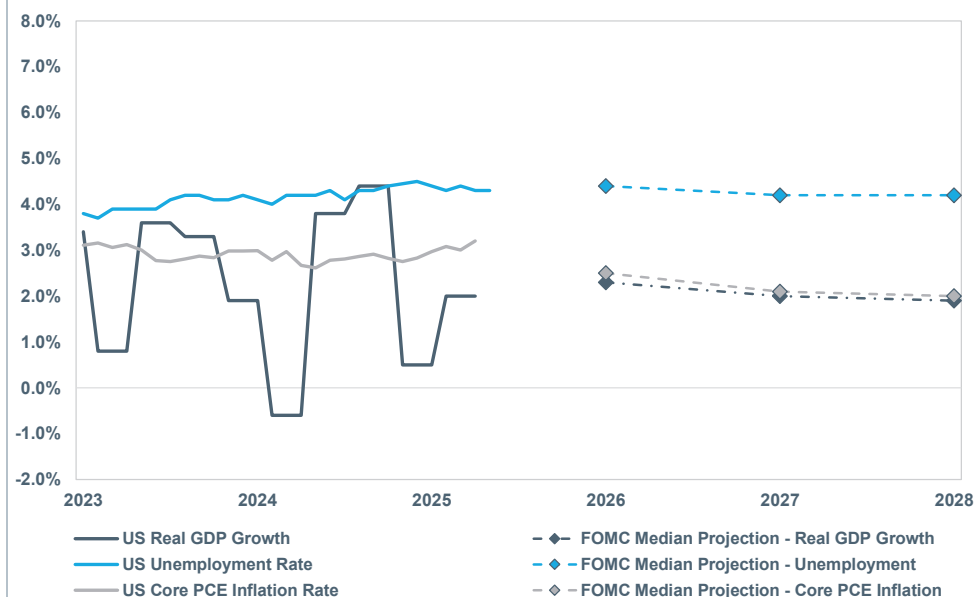
April 30, 2026

Agenda Item 5c  
Board of Directors meeting  
June 3, 2026

General Market Commentary

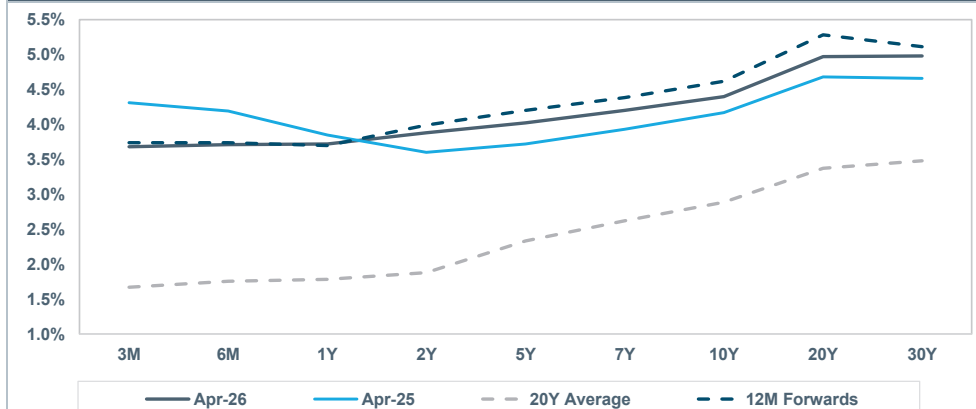
- Capital markets reacted positively to a ceasefire in the Middle East, though global energy prices remained substantially elevated from pre-conflict levels.
- U.S. Treasury rates continued to rise in April while credit market returns were boosted by spreads tightening to near-historic lows.
- Led by emerging markets and U.S. small cap growth, several segments of the global equity markets saw their best single month since 2020.

Growth, Inflation, and Unemployment



Economic Indicators		Apr-26	Rank	Dec-25	10 Yr	20 Yr
Growth	Real US GDP (%)	2.0*	▲ 36	0.5	2.7	2.1
	Consumer Spending YoY (PCE) (%)	2.12*	▲ 39	1.62	2.77	2.23
	Durable Goods Orders (billions) (\$)	318.91*	▼ N/A	321.34	259.49	236.25
	Housing Starts (thousands)	126.30*	▲ N/A	99.40	113.95	95.91
	Consumer Confidence (Conf Board)	92.80	▼ 40	94.20	110.15	92.40
	Leading Economic Index (Conf Board)	97.30*	▼ 39	97.60	108.04	98.67
Inflation	CPI YoY (Headline) (%)	3.8	▲ 82	2.7	3.2	2.5
	CPI YoY (Core) (%)	2.8	▲ 76	2.6	3.1	2.5
	Breakeven Inflation - 10 Year (%)	2.46	▲ 91	2.25	2.08	2.07
	PPI YoY (%)	5.99	▲ 89	3.14	3.28	2.65
	M2 YoY (%)	4.57*	▲ 31	4.04	6.35	6.36
Rates	Federal Funds Rate (%)	3.64	— 75	3.64	2.30	1.71
	SOFR (%)	3.66*	▼ 74	3.87	2.33	1.80
	2 Year Treasury (%)	3.88	▲ 79	3.47	2.41	1.88
	10 Year Treasury (%)	4.40	▲ 89	4.18	2.76	2.88
	10-2 Spread (%)	0.52	▼ 37	0.71	0.36	1.01
Capacity	Unemployment Rate (%)	4.30	▼ 30	4.40	4.56	5.78
	PMI - Manufacturing (%)	52.70	▲ 49	47.90	53.05	52.57
	PMI - Service (%)	53.60	▼ 35	53.80	55.59	54.44
Currency/ Commodity	US Dollar Trade Weighted Index	119.04	▼ 79	120.19	117.32	106.37
	WTI Crude Oil per Barrel (\$)	109	▲ 97	57	65	73

Treasury Yield Curve

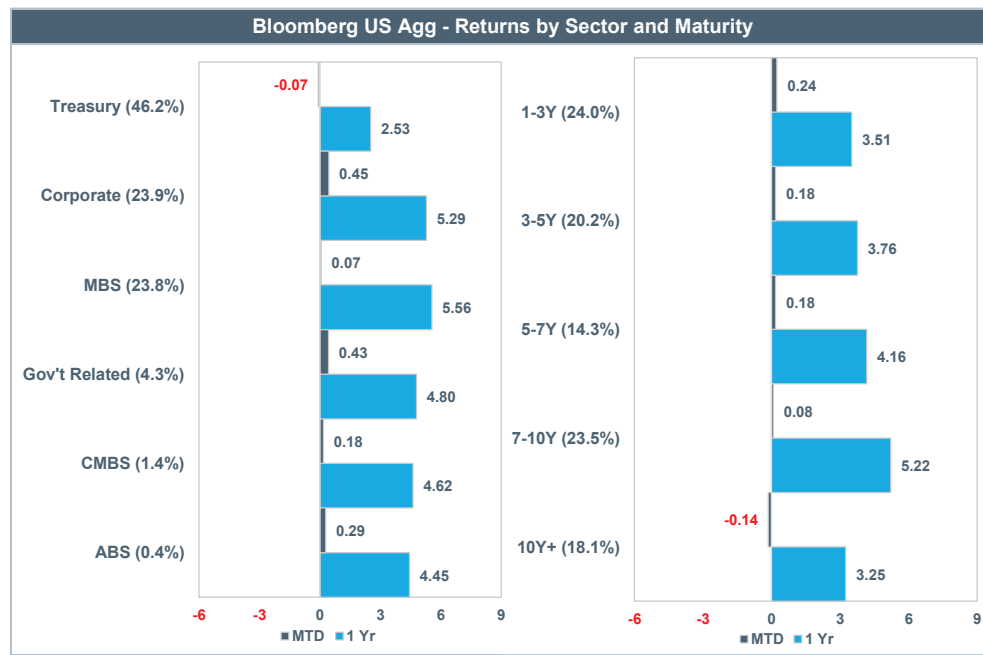
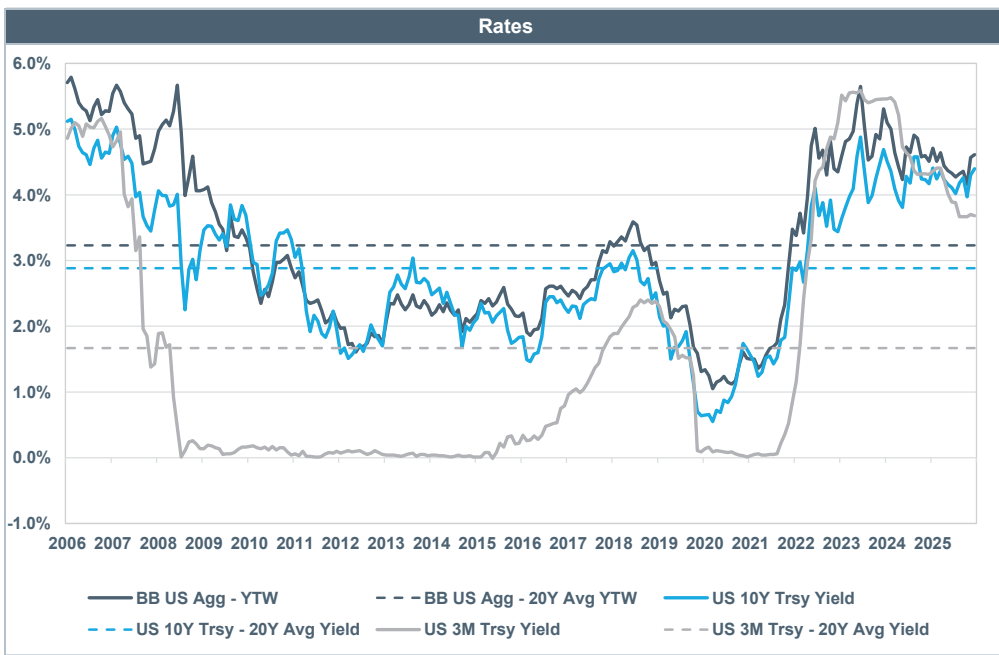
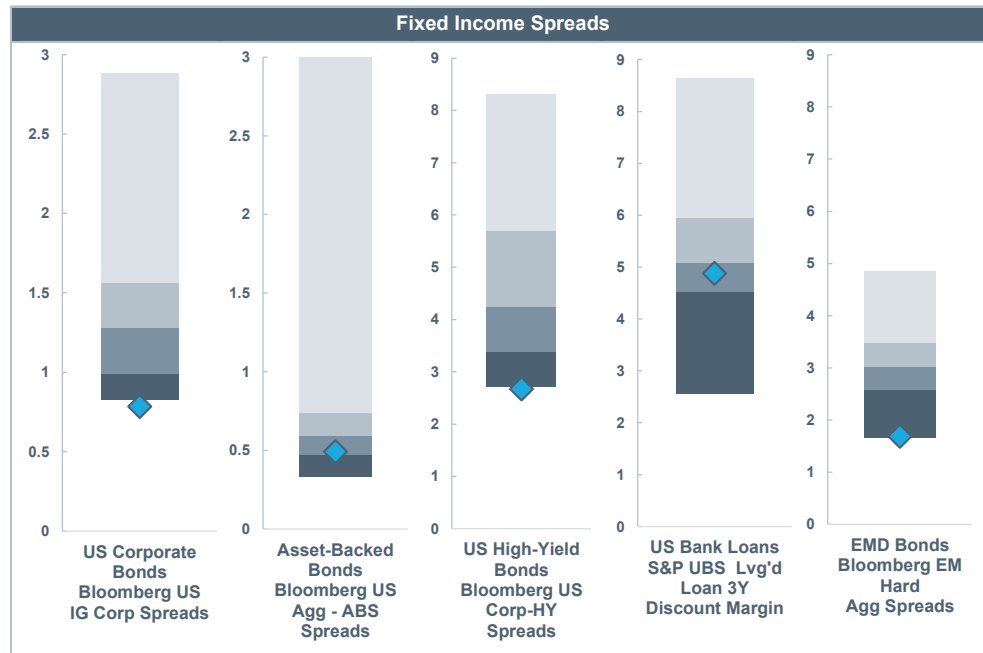


FOMC Rate Movement Probabilities

Meeting Date	3.75% - 4.00%	3.50% - 3.75%	3.25% - 3.50%	3.00% - 3.25%
6/17/2026	--	90.8%	9.2%	--
7/29/2026	--	88.3%	11.5%	0.3%
9/16/2026	--	88.3%	11.5%	0.3%

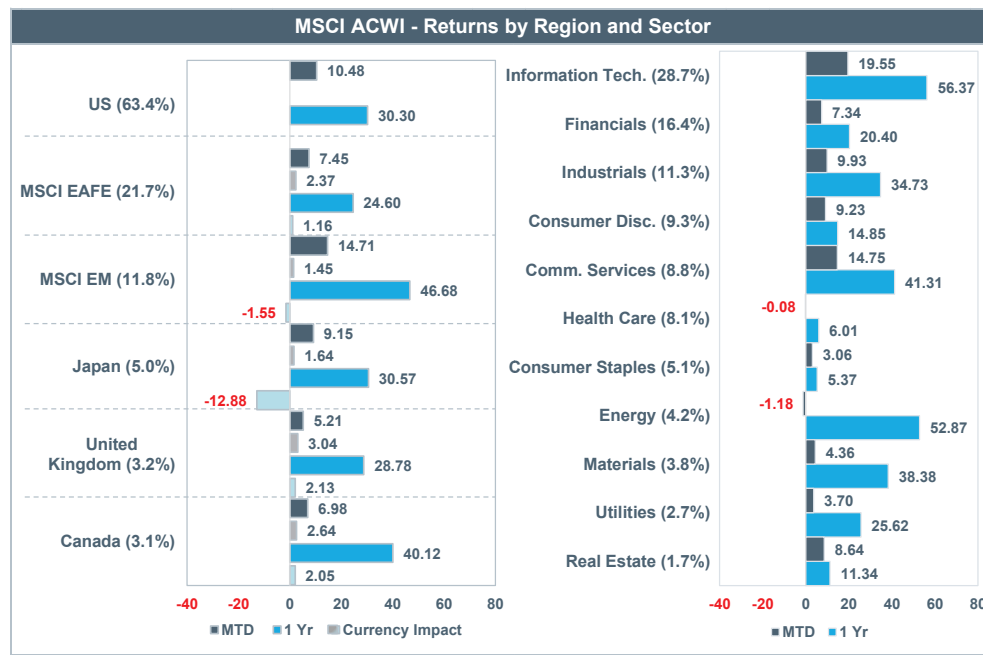
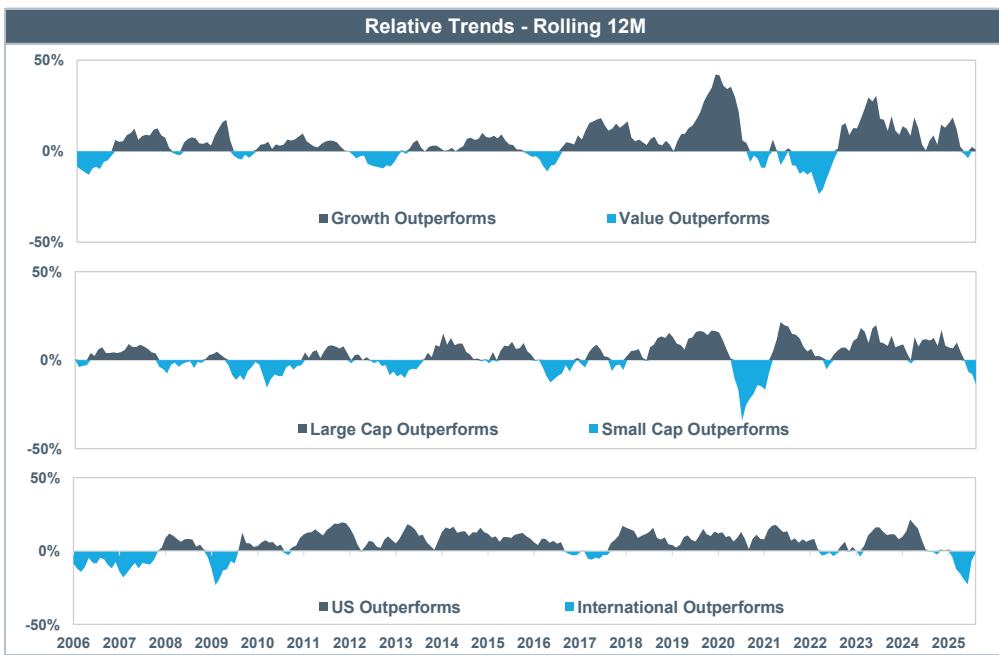
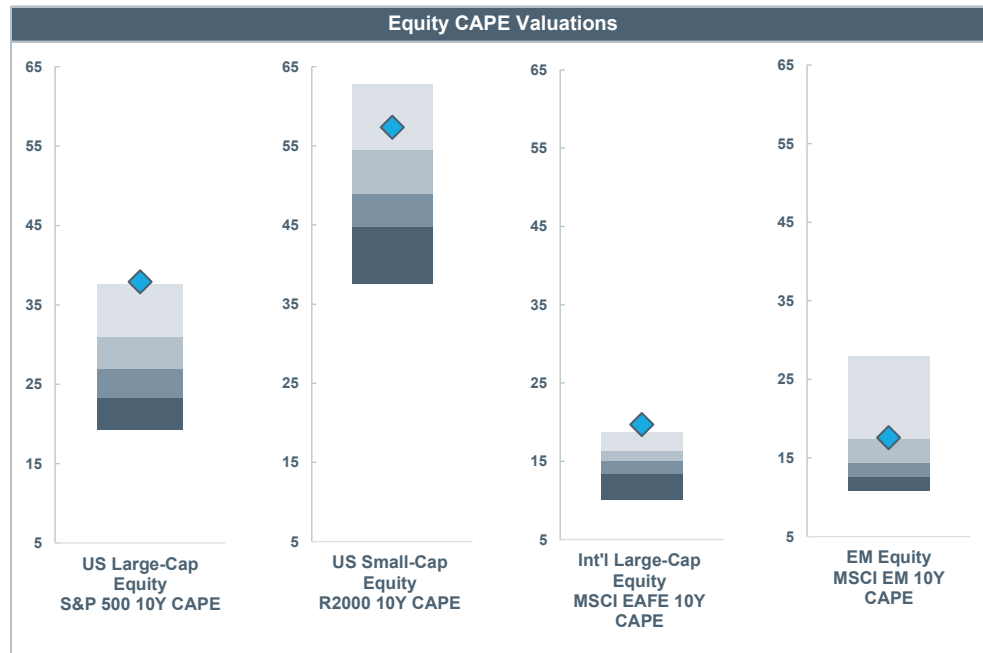
Data courtesy of FactSet. \*Indicates data is currently unavailable and is shown as of the most recently available date. Percentile rank is based on the trailing 20Y period. SOFR data is backfilled with LIBOR prior to April 2018. FOMC rate movement probability data is provided by FactSet and is based on futures data. Past performance is not indicative of future performance.

Performance		Index	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr
US Fixed Income	Aggregate	BB US Agg Bond	0.11	0.11	0.07	4.06	3.46	0.18	1.67
	Broad	BB US Gov't/Credit 1-3Y	0.24	0.24	0.52	3.42	4.31	2.07	2.03
		BB US Gov't/Credit	0.12	0.12	-0.08	3.55	3.24	0.09	1.75
		BB US Gov't/Credit Long	-0.14	-0.14	-0.90	3.21	0.62	-3.33	1.05
		BB US TIPS	1.15	1.15	1.42	4.07	3.54	1.43	2.75
		BB US Agg Securitized	0.08	0.08	0.48	5.49	4.10	0.44	1.50
		BB US IG Corp	0.45	0.45	-0.09	5.29	4.59	0.63	2.72
	Credit	BB US Corp - HY	1.69	1.69	1.19	8.84	8.85	4.35	5.90
		S&P UBS Lvg'd Loan	1.23	1.23	0.75	6.14	8.12	6.00	5.52
		BB Gbl Agg ex US	2.13	2.13	0.22	1.13	2.18	-2.84	-0.43
Int'l Fixed Income	Aggregate	BB Gbl Agg ex US	2.13	2.13	0.22	1.13	2.18	-2.84	-0.43
	Sovereign	FTSE Non-US WGBI	2.00	2.00	0.21	0.82	1.54	-4.17	-1.19
	EMD	BB EM Agg USD	2.11	2.11	0.74	9.43	8.27	2.09	3.60
		BB EM Local Broad	3.79	3.79	0.53	9.22	6.08	0.32	1.36



Data courtesy of FactSet. Parentheses include calculated percentage of the total index based on current market values. Fixed Income Spread distributions reflect the last 20 years of data. Past performance is not indicative of future performance.

Performance		Index	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr
US Equity	All-Cap	Russell 3000	10.20	10.20	5.84	31.01	21.30	11.91	14.75
	Large-Cap	S&P 500	10.49	10.49	5.70	31.05	21.69	13.14	15.26
		Russell 1000 Value	8.16	8.16	10.43	29.25	16.75	10.29	11.22
		Russell 1000	10.11	10.11	5.50	30.42	21.49	12.32	15.01
		Russell 1000 Growth	11.90	11.90	0.96	30.63	25.40	13.82	18.26
	Small-Cap	Russell 2000 Value	9.66	9.66	15.09	46.34	18.34	7.33	10.39
		Russell 2000	12.21	12.21	13.21	44.41	18.19	5.75	10.98
		Russell 2000 Growth	14.69	14.69	11.47	42.64	17.97	4.00	11.19
	Int'l Equity	All-Country	MSCI ACWI IMI ex US	9.68	9.68	8.94	32.47	17.30	8.14
Developed		MSCI EAFE Value	6.06	6.06	8.18	32.56	20.94	13.09	9.57
		MSCI EAFE	7.45	7.45	6.12	24.60	15.30	8.83	8.85
		MSCI EAFE Growth	9.04	9.04	3.90	16.83	9.78	4.49	7.86
EM		MSCI EM	14.71	14.71	14.52	46.68	20.67	6.05	9.23



Data courtesy of FactSet. Relative trends analysis utilize relevant Russell equity indices for US markets, and the MSCI ACWI ex US (USD) (Net) for international markets. CAPE distributions reflect the last 20 years of data. Parentheses include calculated percentage of the total index based on current market values. Return decomposition utilizes Net MSCI indices priced in both USD and local currencies. Past performance is not indicative of future performance.

Annual Asset Class Performance

As of April 30, 2026

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	YTD
Best	20.00	38.82	30.14	15.02	21.31	37.28	8.35	31.49	19.96	43.24	16.09	26.29	25.02	33.57	29.65
	18.23	32.39	19.31	9.59	17.13	33.01	1.87	26.00	18.40	28.71	7.47	18.24	11.54	31.83	14.52
	18.06	29.30	13.69	3.20	11.96	25.03	0.01	25.53	18.31	27.11	1.46	16.93	9.15	31.22	14.27
	17.32	22.78	12.50	1.38	11.77	21.83	-1.26	24.96	16.12	22.17	-5.31	13.73	8.73	17.88	13.21
	16.35	13.94	5.97	0.55	11.19	14.65	-2.08	22.01	12.34	14.82	-11.19	13.45	8.19	15.77	7.56
	16.00	8.96	4.89	0.05	8.77	10.71	-4.02	19.59	10.99	11.26	-11.85	13.16	7.50	12.81	6.12
	15.81	7.44	3.64	-0.27	8.52	7.77	-4.38	18.42	10.88	10.10	-13.01	9.83	5.38	10.48	5.70
	10.94	2.47	3.37	-0.81	6.67	7.62	-4.62	14.32	7.82	6.17	-14.45	7.13	5.25	8.62	4.74
	8.78	0.07	2.45	-1.44	4.68	7.50	-4.68	8.72	7.51	5.96	-18.11	6.07	3.82	7.30	1.42
	6.98	-2.02	0.04	-3.30	2.65	5.23	-11.01	8.43	7.11	5.28	-20.09	5.53	1.84	7.01	1.19
	4.79	-2.60	-2.19	-4.41	2.18	3.54	-11.25	8.39	1.19	0.05	-20.44	5.02	1.82	6.62	1.14
	4.21	-8.61	-4.90	-4.47	1.00	3.01	-13.79	7.69	0.67	-1.55	-21.39	3.90	1.25	4.18	0.07
	0.11	-8.83	-4.95	-14.92	0.51	1.70	-14.57	5.34	-3.12	-2.52	-24.34	-7.91	-1.43	3.79	-0.90
Worst	-1.06	-9.52	-17.01	-24.66	0.33	0.86	-17.89	2.28	-8.00	-2.54	-27.09	-12.02	-4.15	2.88	N/A
	S&P 500 - US Large Cap	R 2000 - US Small Cap	MSCI EAFE (Net) - Int'l Dev.	MSCI EAFE SC (Net) - Int'l SC	MSCI EM (Net) - Int'l Emg Mkts	Bloombrg US Agg Bond - FI	Bloombrg US Corp Hi Yield - FI	Bloombrg US Trsy US TIPS - FI	Bloombrg US Gov Credit Lng - FI	NCREIF ODCE (Gross) - Real Estate	FTSE NAREIT Eq REITs Index (TR)	HFRI FOF Comp Index - ARS	Bloombrg Cmdty (TR) - Commod.	ICE BofA 3 Mo T-Bill - Cash Equiv	

NCREIF ODCE (Gross) performance is reported quarterly; performance is shown N/A in interim-quarter months.

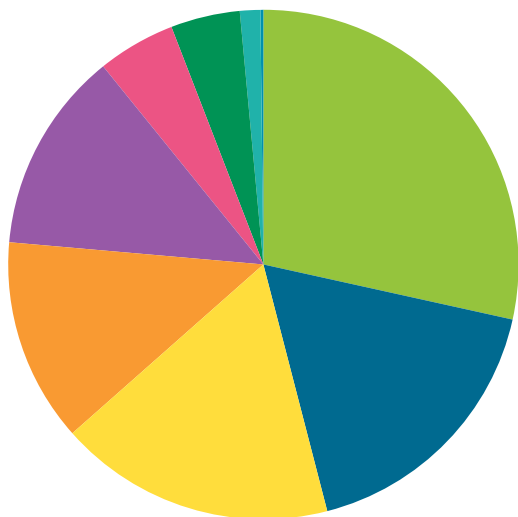


Sequoia Healthcare District Employees Pension Plan  
 Asset Allocation by Manager, Asset Allocation vs. Target Allocation, and Schedule of Investable Assets  
 Total Plan

As of April 30, 2026

Asset Allocation by Manager

April 30, 2026 : \$56,986,855

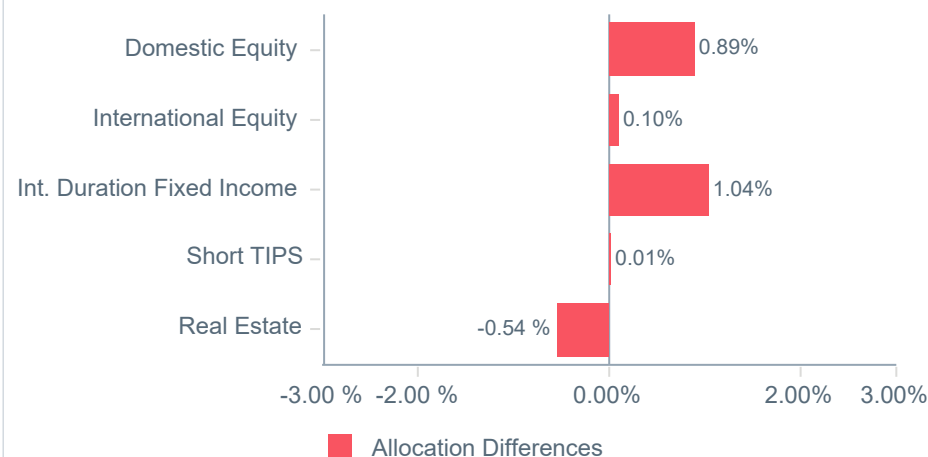


	Market Value (\$)	Allocation (%)
Vanguard Total Stock Market Idx I (VITSX)	16,221,080	28.46
TCW MetWest Total Return Bd I (MWTIX)	9,978,901	17.51
PIMCO Total Return Instl (PTTRX)	9,971,375	17.50
Vanguard International Growth Adm (VWILX)	7,362,729	12.92
Dodge & Cox International Stock I (DODFX)	7,291,648	12.80
Vanguard Shrt-Term Infl-Prot Sec Idx Adm (VTAPX)	2,814,238	4.94
Principal US Property (CF)	2,504,171	4.39
Principal Cash (PGWXX)	734,190	1.29
Vanguard Federal Money Market Investor (VMFXX)	108,522	0.19

Asset Allocation vs. Target Allocation

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Min. (%)	Max. (%)
<b>Total Fund ex Cash</b>	<b>56,144,142</b>	<b>100.00</b>	<b>100.00</b>	-	-
Domestic Equity	16,221,080	28.89	28.00	23.00	33.00
International Equity	14,654,377	26.10	26.00	21.00	31.00
Int. Duration Fixed Income	20,792,988	37.04	36.00	33.00	39.00
Short TIPS	2,814,238	5.01	5.00	3.00	7.00
Real Estate	2,504,171	4.46	5.00	3.00	7.00

Asset Allocation vs. Target Allocation Differences



Schedule of Investable Assets

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
CYTD	57,593,091	-2,455,078	1,848,842	56,986,855	3.33

Performance shown is net of fees. Performance and market values shown are preliminary and subject to change. Allocations shown may not sum up to 100% exactly due to rounding. Market value shown for the Intermediate Duration Fixed Income Composite includes Vanguard Federal Money Market Investor (VMFXX) and Principal Cash (PGWXX).

**Sequoia Healthcare District Employees Pension Plan  
Asset Allocation & Performance**

As of April 30, 2026

	Allocation		Performance (%)													
	Market Value (\$)	%	MTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2025	2024	2023	2022	2021	Since Incep.	Inception Date
<b>Total Plan - Net of Fees</b>	<b>56,986,855</b>	<b>100.00</b>	<b>4.99</b>	<b>3.33</b>	<b>17.13</b>	<b>11.25</b>	<b>4.37</b>	<b>8.22</b>	<b>8.66</b>	<b>15.50</b>	<b>8.69</b>	<b>12.94</b>	<b>-18.28</b>	<b>7.65</b>	<b>6.26</b>	<b>01/01/1999</b>
Target Allocation Index			5.49	4.37	18.51	11.85	5.96	7.77	7.87	15.99	8.53	12.66	-13.76	9.44	5.91	
Difference			-0.51	-1.04	-1.38	-0.60	-1.59	0.44	0.79	-0.50	0.16	0.28	-4.52	-1.79	0.35	
<b>Vanguard Total Stock Market Idx I (VITSX)</b>	<b>16,221,080</b>	<b>28.46</b>	<b>10.35</b>	<b>5.97</b>	<b>31.30</b>	<b>21.37</b>	<b>11.85</b>	<b>14.72</b>	<b>14.73</b>	<b>17.13</b>	<b>23.75</b>	<b>26.02</b>	<b>-19.51</b>	<b>25.74</b>	<b>8.63</b>	<b>05/01/1999</b>
Vanguard Spl TSM Index			10.35	5.97	31.31	21.37	11.86	14.72	14.74	17.15	23.77	25.98	-19.49	25.72	8.61	
Difference			0.00	0.00	-0.01	0.00	0.00	0.00	0.00	-0.02	-0.02	0.04	-0.02	0.02	0.03	
Large Blend Median			10.18	4.53	28.73	19.98	11.50	14.28	14.03	16.44	23.25	24.52	-18.19	26.61	8.05	
Rank			45	20	19	27	43	40	28	40	45	33	74	60	24	
<b>Vanguard International Growth Adm (VWILX)</b>	<b>7,362,729</b>	<b>12.92</b>	<b>7.83</b>	<b>2.30</b>	<b>17.79</b>	<b>11.78</b>	<b>0.56</b>	<b>9.25</b>	<b>11.02</b>	<b>20.21</b>	<b>9.48</b>	<b>14.81</b>	<b>-30.79</b>	<b>-0.74</b>	<b>7.18</b>	<b>06/01/1999</b>
MSCI ACW Ex US Grth Index (USD) (Net)			11.16	7.14	26.86	13.71	4.71	8.34	8.54	25.65	5.07	14.03	-23.05	5.09	5.54	
Difference			-3.33	-4.84	-9.07	-1.94	-4.15	0.91	2.48	-5.44	4.41	0.78	-7.74	-5.83	1.64	
IM ACWI Ex US Growth (MF)			8.34	4.06	16.87	11.11	2.88	7.61	8.24	20.19	4.82	15.36	-26.63	7.93	6.42	
Rank			59	65	47	43	76	17	4	50	14	59	81	93	18	
<b>Dodge &amp; Cox International Stock I (DODFX)</b>	<b>7,291,648</b>	<b>12.80</b>	<b>7.30</b>	<b>8.08</b>	<b>33.93</b>	<b>18.63</b>	<b>11.47</b>	<b>10.88</b>	<b>10.03</b>	<b>38.72</b>	<b>3.80</b>	<b>16.70</b>	<b>-6.78</b>	<b>11.03</b>	<b>19.03</b>	<b>04/01/2023</b>
MSCI ACW Ex US Val Index (USD) (Net)			8.28	10.53	37.66	21.19	12.09	10.49	9.48	39.50	6.04	17.30	-8.59	10.46	21.52	
Difference			-0.99	-2.45	-3.73	-2.55	-0.61	0.39	0.56	-0.78	-2.25	-0.60	1.81	0.57	-2.50	
IM ACWI Ex US Value (MF)			6.70	8.20	32.53	18.62	10.62	10.49	8.77	38.23	6.41	15.36	-11.04	10.01	19.16	
Rank			30	53	38	49	34	34	12	42	66	40	14	41	53	
<b>TCW MetWest Total Return Bd I (MWTIX)</b>	<b>9,978,901</b>	<b>17.51</b>	<b>0.05</b>	<b>0.12</b>	<b>4.21</b>	<b>3.53</b>	<b>-0.11</b>	<b>1.66</b>	<b>1.80</b>	<b>7.78</b>	<b>1.05</b>	<b>6.00</b>	<b>-14.79</b>	<b>-1.13</b>	<b>1.85</b>	<b>06/01/2015</b>
Bloomberg US Agg Bond Index			0.11	0.07	4.06	3.46	0.18	1.57	1.67	7.30	1.25	5.53	-13.01	-1.55	1.80	
Difference			-0.06	0.06	0.15	0.07	-0.29	0.09	0.13	0.48	-0.20	0.47	-1.78	0.42	0.05	
Intermediate Core-Plus Bond Median			0.35	0.17	4.66	4.12	0.46	1.97	2.14	7.40	2.24	6.28	-13.85	-0.78	2.12	
Rank			97	60	76	78	77	71	75	28	86	63	78	66	71	
<b>PIMCO Total Return Instl (PTRRX)</b>	<b>9,971,375</b>	<b>17.50</b>	<b>0.39</b>	<b>0.10</b>	<b>5.57</b>	<b>4.83</b>	<b>0.77</b>	<b>2.19</b>	<b>2.35</b>	<b>9.33</b>	<b>2.61</b>	<b>6.30</b>	<b>-14.09</b>	<b>-0.84</b>	<b>2.47</b>	<b>10/01/2013</b>
Bloomberg US Agg Bond Index			0.11	0.07	4.06	3.46	0.18	1.57	1.67	7.30	1.25	5.53	-13.01	-1.55	2.10	
Difference			0.28	0.04	1.52	1.37	0.59	0.62	0.68	2.03	1.36	0.77	-1.08	0.70	0.37	
Intermediate Core-Plus Bond Median			0.35	0.17	4.66	4.12	0.46	1.97	2.14	7.40	2.24	6.28	-13.85	-0.78	2.45	
Rank			38	63	8	16	29	34	38	1	33	49	58	53	50	
<b>Vanguard Shrt-Term Infl-Prot Sec Idx Adm (VTAPX)</b>	<b>2,814,238</b>	<b>4.94</b>	<b>1.28</b>	<b>2.24</b>	<b>4.38</b>	<b>5.07</b>	<b>3.59</b>	<b>3.92</b>	<b>3.18</b>	<b>6.03</b>	<b>4.75</b>	<b>4.60</b>	<b>-2.80</b>	<b>5.27</b>	<b>3.94</b>	<b>04/01/2019</b>
Bloomberg US TIPS 0-5 Yr Index			0.92	1.86	4.04	4.92	3.53	3.90	3.18	6.07	4.69	4.57	-2.74	5.34	3.92	
Difference			0.36	0.38	0.34	0.15	0.06	0.02	0.00	-0.04	0.06	0.04	-0.07	-0.07	0.02	
Inflation-Protected Bond Median			1.11	1.14	3.63	3.21	1.05	2.93	2.50	6.69	1.86	3.49	-12.06	5.06	2.95	
Rank			10	6	16	7	6	6	7	79	7	25	1	44	6	
<b>Principal US Property (CF)</b>	<b>2,504,171</b>	<b>4.39</b>	<b>0.48</b>	<b>1.49</b>	<b>5.09</b>	<b>-1.81</b>	<b>2.63</b>	<b>3.01</b>	<b>4.61</b>	<b>3.97</b>	<b>-2.21</b>	<b>-11.00</b>	<b>3.94</b>	<b>22.83</b>	<b>-1.30</b>	<b>02/01/2022</b>
NCREIF ODCE Index (AWA) (Net)			0.00	1.04	3.11	-2.81	2.34	2.44	3.79	2.92	-2.27	-12.73	6.55	21.02	-1.32	
Difference			0.48	0.45	1.97	1.01	0.29	0.57	0.82	1.05	0.06	1.73	-2.61	1.81	0.02	

Performance shown is net of fees unless otherwise noted. Performance and market values shown are preliminary and subject to change. Allocations shown may not sum up to 100% exactly due to rounding. Manager inception dates shown represent the first full month following initial funding. The inception date for Principal US Property Account (CF) is the first full month after funding. NCREIF ODCE performance is available quarterly; interim month returns assume a 0.00% return until the assets are revalued. Please see the Addendum for additional information regarding custom indices and performance. Italicized performance shown represents investment periods not experienced by Sequoia Healthcare District Employees Pension Plan. Additional historical performance is shown for illustrative and monitoring purposes.

**Sequoia Healthcare District Employees Pension Plan  
Asset Allocation & Performance**

**As of April 30, 2026**

	Allocation		Performance (%)													
	Market Value (\$)	%	MTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2025	2024	2023	2022	2021	Since Incep.	Inception Date
<b>Vanguard Federal Money Market Investor (VMFXX)</b>	<b>108,522</b>	<b>0.19</b>	<b>0.45</b>	<b>1.29</b>	<b>4.30</b>	<b>4.86</b>	<b>3.52</b>	<b>2.78</b>	<b>2.30</b>	<b>4.44</b>	<b>5.25</b>	<b>5.10</b>	<b>1.58</b>	<b>0.01</b>	<b>2.37</b>	<b>09/01/2016</b>
ICE BofA 3 Mo US T-Bill Index			0.29	1.14	3.95	4.73	3.40	2.73	2.28	4.18	5.25	5.02	1.46	0.05	2.35	
Difference			0.16	0.15	0.35	0.13	0.12	0.04	0.01	0.27	0.00	0.08	0.12	-0.04	0.01	
<b>Principal Cash (PGWXX)</b>	<b>734,190</b>	<b>1.29</b>	<b>0.29</b>	<b>1.16</b>	<b>3.87</b>	-	-	-	-	<b>4.08</b>	-	-	-	-	<b>3.94</b>	<b>01/01/2025</b>
ICE BofA 3 Mo US T-Bill Index			0.29	1.14	3.95	4.73	3.40	2.73	2.28	4.18	5.25	5.02	1.46	0.05	4.00	
Difference			-0.01	0.01	-0.08	-	-	-	-	-0.10	-	-	-	-	-0.06	

Performance shown is net of fees unless otherwise noted. Performance and market values shown are preliminary and subject to change. Allocations shown may not sum up to 100% exactly due to rounding. Manager inception dates shown represent the first full month following initial funding. The inception date for Principal US Property Account (CF) is the first full month after funding. NCREIF ODCE performance is available quarterly; interim month returns assume a 0.00% return until the assets are revalued. Please see the Addendum for additional information regarding custom indices and performance. Italicized performance shown represents investment periods not experienced by Sequoia Healthcare District Employees Pension Plan. Additional historical performance is shown for illustrative and monitoring purposes.

**Sequoia Healthcare District Employees Pension Plan  
Fee Schedule**

**As of April 30, 2026**

	<b>Fee Schedule</b>	<b>Market Value As of 04/30/2026 (\$)</b>	<b>Estimated Annual Fee (\$)</b>	<b>Estimated Annual Fee (%)</b>
Total Plan		56,986,855	188,646	0.33
Vanguard Total Stock Market Idx I (VITSX)	0.03 % of Assets	16,221,080	4,866	0.03
Vanguard International Growth Adm (VWILX)	0.26 % of Assets	7,362,729	19,143	0.26
Dodge & Cox International Stock I (DODFX)	0.61 % of Assets	7,291,648	44,479	0.61
TCW MetWest Total Return Bd I (MWTIX)	0.44 % of Assets	9,978,901	43,907	0.44
PIMCO Total Return Instl (PTTRX)	0.46 % of Assets	9,971,375	45,868	0.46
Vanguard Shrt-Term Infl-Prot Sec Idx Adm (VTAPX)	0.06 % of Assets	2,814,238	1,689	0.06
Principal US Property (CF)	1.10 % of Assets	2,504,171	27,546	1.10
Vanguard Federal Money Market Investor (VMFXX)	0.11 % of Assets	108,522	119	0.11
Principal Cash (PGWXX)	0.14 % of Assets	734,190	1,028	0.14

Mutual fund fees are sourced from Morningstar and/or the investment manager.

**Performance Related Comments**

- Performance shown is net of fees unless otherwise noted.
- Performance is annualized for periods greater than one year.
- Reported performance may differ from manager reported performance due to large flows and/or pricing differences.

**Manager Transition Comments**

- On 06/13/2007, Vanguard Inflation-Protected Secs Admiral (VAIPX), Vanguard Convertible Securities (VCV SX), and Vanguard REIT Index Admiral (VGSLX) were all inceptioned.
- On 06/20/2007, Vanguard REIT Index Admiral (VGSLX) converted from the Admiral Shares (VGSLX) to the Signal Shares (VGRSX).
- On 03/05/2012 and 03/08/2012, Vanguard Long-Term Bond Inv (VBLTX) and PIMCO All Asst All Authority Inst (PAUIX) were inceptioned, respectively.
- On 05/25/2012, Vanguard Long-Term Bond Inv (VBLTX) converted from the Investor Shares (VBLTX) to the Institutional Shares (VBLLX).
- On 08/27/2013, Vanguard Long-Term Bond Inst (VBLLX) was liquidated.
- On 09/10/2013, PIMCO Total Return Inst (PTTRX) was inceptioned.
- On 10/08/2013, Vanguard Total Bond Inst (VBTIX) was liquidated.
- On 10/24/2014, Vanguard REIT Index Signal (VGRSX) converted from the Signal Shares (VGRSX) to the Admiral Shares (VGSLX).
- On 05/19/2015, TCW MetWest Total Return Bd I (MWTIX) was inceptioned.
- On 07/27/2015, Westwood Income Opportunities Inst (WHGIX) was inceptioned.
- On 08/31/2016, Vanguard Federal Money Market Investor (VMFXX) was funded with proceeds from Vanguard Prime Money Market Investor (VMMXX).
- On 03/23/2017, Vanguard Convertible Securities (VCV SX) and Vanguard REIT Index Admiral (VGSLX) were liquidated.
- On 03/19/2019, Vanguard Shrt-Term Infl-Prot Sec Index Adm (VTAPX) was funded with proceeds from Vanguard Inflation-Protected Secs Admiral (VAIPX).
- On 05/03/2019, Westwood Income Opportunities Inst (WHGIX) was liquidated. The proceeds were used to rebalance the portfolio to the targets approved in 03/2019.
- On 01/15/2020, PIMCO All Asst All Authority Inst (PAUIX) was liquidated. The proceeds were used to rebalance the portfolio to targets approved in 12/2019.
- On 11/19/2021, Vanguard Shrt-Term Infl-Prot Sec Idx Adm (VTAPX) converted from the Admiral Shares (VTAPX) to the Institutional Shares (VTSPX).
- On 01/11/2022, Principal US Property Account (CF) was inceptioned.
- On 03/15/2023, Dodge & Cox International Stock I (DODFX) was funded with proceeds from Vanguard International Growth Adm (VWILX).
- On 08/16/2023, Vanguard Shrt-Term Infl-Prot Sec Idx Inst (VTSPX) converted from the Institutional Shares (VTSPX) to the Admiral Shares (VTAPX).
- On 12/18/2024, Wells Fargo Checking was inceptioned.
- On 01/01/2025, Principal Cash (PGWXX) was inceptioned.

**Custom Index Comments**

**Target Allocation Index** - The Target Allocation Index is calculated monthly and consists of the following allocations:

- As of 04/01/2026: **28%** Vanguard Spl TSM Index, **26%** MSCI ACW Ex US Index (USD) (Net), **36%** Bloomberg US Agg Bond Index, **5%** Bloomberg US TIPS 0-5 Yr Index, and **5%** NCREIF ODCE Index (AWA) (Net) (Monthly).
- As of 02/01/2022: **28%** Vanguard Spl TSM Index, **26%** MSCI ACW Ex US Index (USD) (Net), **33%** Bloomberg US Agg Bond Index, **8%** Bloomberg US TIPS 0-5 Yr Index, and **5%** NCREIF ODCE Index (AWA) (Net) (Monthly).
- As of 01/01/2020: **29%** Vanguard Spl TSM Index, **29%** MSCI ACW Ex US Index (USD) (Net), **32%** Bloomberg US Agg Bond Index, and **10%** Bloomberg US TIPS 0-5 Yr Index.
- As of 05/01/2019: **25%** Vanguard Spl TSM Index, **25%** MSCI ACW Ex US Index (USD) (Net), **27%** Bloomberg US Agg Bond Index, **8%** Bloomberg US TIPS 0-5 Yr Index, and **15%** All Asset Custom Index (EqI Wtd).
- As of 04/01/2019: **25%** Vanguard Spl TSM Index, **25%** MSCI ACW Ex US Index (USD) (Net), **24%** Bloomberg US Agg Bond Index, **8%** Bloomberg US TIPS 0-5 Yr Index, **9%** All Asset Custom Index (EqI Wtd) and **9%** Westwood Custom Index.
- As of 09/01/2018: **25%** Vanguard Spl TSM Index, **25%** MSCI ACW Ex US Index (USD) (Net), **24%** Bloomberg US Agg Bond Index, **8%** Bloomberg US Trsy US TIPS Index, **9%** All Asset Custom Index (EqI Wtd) and **9%** Westwood Custom Index.
- As of 04/01/2018: **25%** Vanguard Spl TSM Index, **25%** Vanguard Spl Int'l Index, **24%** Bloomberg US Agg Bond Index, **8%** Bloomberg US Trsy US TIPS Index, and **9%** All Asset Custom Index (EqI Wtd) and **9%** Westwood Custom Index.
- As of 04/01/2017: **30%** Vanguard Spl TSM Index, **28%** Vanguard Spl Int'l Index, **20%** Bloomberg US Agg Bond Index, **7%** Bloomberg US Trsy US TIPS Index, **7.5%** All Asset Custom Index (EqI Wtd) and **7.5%** Westwood Custom Index.
- From 05/01/2016 through 03/31/2017: **27%** Vanguard Spl TSM Index, **25%** Vanguard Spl Int'l Index, **18%** Bloomberg US Agg Bond Index, **7%** Bloomberg US Trsy US TIPS Index, **5%** Vanguard Spl Cnvrts Index (Net), **3%** Vanguard Spl REIT Index, **7.5%** All Asset Custom Index (EqI Wtd) and **7.5%** Westwood Custom Index.

**Custom Index Comments (continued)**

- From 08/01/2015 through 04/30/2016: **22%** Vanguard Spl TSM Index, **18%** Vanguard Spl Int'l Index, **20%** Bloomberg US Agg Bond Index, **5%** Bloomberg US Trsy US TIPS Index, **15%** Vanguard Spl Cnvrts Index (Net), **5%** Vanguard Spl REIT Index, **7.5%** All Asset Custom Index (Eql Wtd) and **7.5%** Westwood Custom Index.
- From 04/01/2015 through 07/31/2015: **22%** Vanguard Spl TSM Index, **18%** Vanguard Spl Int'l Index, **20%** Bloomberg US Agg Bond Index, **5%** Bloomberg US Trsy US TIPS Index, **15%** Vanguard Spl Cnvrts Index (Net), **5%** Vanguard Spl REIT Index, and **15%** All Asset Custom Index (Eql Wtd).
- From 10/01/2013 through 03/31/2015: **25%** Vanguard Spl TSM Index, **15%** Vanguard Spl Int'l Index, **28%** Bloomberg US Agg Bond Index, **5%** Bloomberg US Trsy US TIPS Index, **10%** Vanguard Spl Cnvrts Index (Net), **5%** Vanguard Spl REIT Index, and **12%** All Asset Custom Index (Eql Wtd).
- From 08/01/2013 through 09/30/2013: **25%** Vanguard Spl TSM Index, **15%** Vanguard Spl Int'l Index, **28%** Bloomberg US Agg Flt Adj Index, **5%** Bloomberg US Trsy US TIPS Index, **10%** Vanguard Spl Cnvrts Index (Net), **5%** Vanguard Spl REIT Index, and **12%** All Asset Custom Index (Eql Wtd).
- During 07/2013: **27%** Vanguard Spl TSM Index, **17%** Vanguard Spl Int'l Index, **20%** Bloomberg US Agg Flt Adj Index, **10%** Bloomberg US Gov't/Crdt Flt Adj Lng Index, **5%** Bloomberg US Trsy US TIPS Index, **8%** Vanguard Spl Cnvrts Index (Net), **5%** Vanguard Spl REIT Index, and **8%** All Asset Custom Index (Eql Wtd).
- From 05/01/2012 through 06/30/2013: **27%** Vanguard Spl TSM Index, **17%** Vanguard Spl Int'l Index, **20%** Bloomberg US Agg Flt Adj Index, **10%** Bloomberg US Gov't/Crdt Flt Adj Lng Index, **5%** Bloomberg US Trsy US TIPS Index, **8%** Vanguard Spl Cnvrts Index (Net), **5%** Vanguard Spl REIT Index, and **8%** All Asset Composite Index (Original).
- From 03/01/2012 through 04/30/2012: **29%** Vanguard Spl TSM Index, **20%** Vanguard Spl Int'l Index, **20%** Bloomberg US Agg Flt Adj Index, **5%** Bloomberg US Gov't/Crdt Flt Adj Lng Index, **5%** Bloomberg US Trsy US TIPS Index, **8%** Vanguard Spl Cnvrts Index (Net), **5%** Vanguard Spl REIT Index, and **8%** All Asset Composite Index (Original).
- From 10/01/2010 through 02/28/2012: **33%** Vanguard Spl TSM Index, **24%** Vanguard Spl Int'l Index, **8%** Vanguard Spl Cnvrts Index (Net), **5%** Vanguard Spl REIT Index, **25%** Bloomberg US Agg Flt Adj Index, and **5%** Bloomberg US Trsy US TIPS Index.
- From 01/01/2010 through 09/30/2010: **45%** Vanguard Spl TSM Index, **15%** Vanguard Spl Int'l Index, **5%** ICE BofA All Cnvrts Index (All Qual), **5%** Vanguard Spl REIT Index, **22%** Bloomberg US Agg Flt Adj Index, **5%** Bloomberg US Trsy US TIPS Index, and **3%** ICE BofA 3 Mo US T-Bill Index.
- From 07/01/2007 through 12/31/2009: **45%** Vanguard Spl TSM Index, **15%** Vanguard Spl Int'l Index, **5%** ICE BofA All Cnvrts Index (All Qual), **5%** Vanguard Spl REIT Index, **22%** Bloomberg US Agg Bond Index, **5%** Bloomberg US Trsy US TIPS Index, and **3%** ICE BofA 3 Mo US T-Bill Index.
- During 06/2007: **45%** Vanguard Spl TSM Index, **15%** MSCI EAFE Index (USD) (Net), **5%** ICE BofA All Cnvrts Index (All Qual), **5%** Vanguard Spl REIT Index, **22%** Bloomberg US Agg Bond Index, **5%** Bloomberg US Trsy US TIPS Index, and **3%** ICE BofA 3 Mo US T-Bill Index.
- From 01/01/1999 through 05/31/2007: **55%** Vanguard Spl TSM Index, **15%** MSCI EAFE Index (USD) (Net), **27%** Bloomberg US Agg Bond Index, and **3%** ICE BofA 3 Mo US T-Bill Index.

**Vanguard Spl TSM Index** - Benchmark consists of DJ US TSM Index (formerly known as the DJ Wilshire 5000 Index) through 04/22/2005; MSCI US Brd Mkt Index (USD) (Net) through 06/02/2013; and CRSP US Tot Mkt Index thereafter.

**MSCI ACW Ex US Grth Index (USD) (Net)** - Benchmark consists of MSCI EAFE Index (USD) (Net) through 12/31/2000; and MSCI ACW Ex US Grth Index (USD) (Net) thereafter.

# RVK

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**Deposit Account - Association**

Sequoia Healthcare District  
Resolution 2026-05 ("Company") Resolutions

I/we, the undersigned ("Undersigned"), hereby certify to Heritage Bank of Commerce ("Bank") that the undersigned am/are the representatives of the governing body of the Company, and designated keeper of the records and minutes of the Company;

WHEREAS, the following is a true and correct copy of Company Resolutions duly adopted by the governing authority of the Company at a meeting held on the 3rd day of June, 2026, at which a quorum was present and acting throughout, or adopted by the written consent of a majority of those entitled or required to act to bind the Company, and that such Company Resolutions are in full force and effect and have not been amended, modified or repealed;

WHEREAS, the Undersigned has/have reviewed and approved the Heritage Bank of Commerce Signature Card and Deposit Account Agreement and Disclosure (the "Agreement") to be entered into by and between the Company and Heritage Bank of Commerce;

WHEREAS, defined terms in this document shall have the meaning provided in the Agreement, unless otherwise provided herein; and

WHEREAS, the parties desire that the Agreement shall serve as the signature card for all accounts opened at Bank by Company, excepting such accounts as may be specifically designated in writing by Company as not subject to this Agreement;

WHEREAS, Company has determined that it is in the best interests of the Company to enter into the Agreement and subject to the terms and conditions of the Agreement, as amended from time to time;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

RESOLVED, that it is in the best interest of Company to establish and maintain one or more deposit accounts at Bank;

RESOLVED, that each person signing as an "Authorized Signer": (a) is an "Authorized Signer," as that terms is defined in the Agreement; and (b) all Authorized Signers, as well as all officers of Company (whether acting individually or together) are authorized to do each of the following on Company's own behalf: (i) negotiate and agree to the terms of the Agreement and related service agreements, as to accounts and services established for Company now and in the future; (ii) to open or close any deposit account that is subject to the Agreement, including any new accounts established in the future; and (iii) take such other action for and on behalf of Company as may be deemed by any one or more Authorized Signers or officers of Company as they deem reasonable or appropriate for the furtherance of the foregoing. Furthermore, any Authorized Signer (whether acting individually or together) are authorized to transact on any deposit account that is subject to the Agreement on behalf of Company, including any new accounts established in the future. Any Company restrictions on access to or authority to transact on any of the accounts by one or more Authorized Signers shall not apply to or limit Bank, even if Bank is aware of the same. For the avoidance of doubt, "transact" on an account shall include all services made available by Bank in connection with an account, signing and indorsing checks, making deposits and withdrawals, initiating payment orders and otherwise using the account services that are provided by Bank;

RESOLVED, that all such acts and deeds by an Authorized Signer or officer of Company are and shall be deemed to be the acts and deeds of Company;

RESOLVED, for the avoidance of doubt, the grant of authority to an Authorized Signer under these Company Resolutions does not preclude any person who is otherwise duly authorized by Company from performing or acting on behalf of Company in connection with an account or an account service, including as to matters included as within the scope of authority of an Authorized Signer;

RESOLVED, to the extent these Resolutions are inconsistent with prior resolutions of Company with respect to the authority granted herein, these Resolutions will supersede the prior resolutions; and

RESOLVED, the addition, deletion or other modification of an Authorized Signer may be taken by any person authorized by Company to do so and without limitation, the following are so authorized: any person authorized as a representative of the governing body of Company.

The Undersigned hereby certifies under penalty of perjury under the laws of the state of California that the foregoing resolutions were duly and legally adopted by the governing body of the Company and that said Company Resolutions have not been revoked and are currently in full force and effect:

Date: June 3, 2026

/s/  
Title: Secretary  
Print Name: Cama Lock

Date: \_\_\_\_\_

/s/  
Title: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

/s/  
Title: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

/s/  
Title: \_\_\_\_\_  
Print Name: \_\_\_\_\_

**Agenda Item 5e – Consider Grant Request From Sonrisas For Up To \$425,950 For FY2026-2027 To Support Ongoing Clinic, School, And Senior Oral Health Programming**



## Sonrisas Grant Proposal: July 1, 2026, to June 30, 2027

The partnership that Sequoia Healthcare District (SHD) and Sonrisas Dental Health (Sonrisas) have forged over the past seven years has meaningfully improved access to dental care and oral health education for district residents. Some of the impacts we have achieved together for underserved district residents are: by the end of this fiscal year in June, our partnership will have resulted in over **15,000 clinic visits for district residents facing barriers to care, over 3,600 district children receiving school-based dental screenings** (partnership starting in 2022), and **over 500 older adults** (partnership started in 2023) **benefiting from screenings, oral health education, and service connections.**

Our proposal for the 2027 fiscal year (FY27) will strengthen this longstanding partnership benefiting district residents by complementing the district’s existing work in oral health. As we work to support a successful and optional transition for clinic patients to the new clinic operated by Ravenswood Family Dentistry and supported by the district, we hope to build on your support for our community programming for youth and older adults.

A summary of our proposal is as follows:

FY27 SHD-Sonrisas Partnership			
Program Area	Number Served	Type	FY27 Maximum Funding
Access to Care Visits	1,500	Visits through December 2026	\$277,500
In-clinic CHW Services	80	Seniors 65+, visits through December 2026	\$8,240
Community Programming for Children and Families: School-based screenings and programming for youth with IDD	1,600	Youth	\$127,500
Senior Oral Health Coaching & Community Dental Program	~100	Older Adults	\$12,710
<b>Total SHD Funding Proposed (up to)</b>			<b>\$425,950</b>

## **CLINICAL CARE ACCESS: CONTINUITY OF CARE**

With the opening of a new dental clinic in Redwood City through a partnership between the district and Ravenswood Family Dentistry, Sonrisas proposes draw clinical access support from the district to a close after **a transition period lasting through December of 2026**. Accordingly, this proposal includes clinical access to care funding for up to 1,500 visits from district residents. This will help provide transitional continuity of care for district residents who are currently Sonrisas patients. Sonrisas is currently executing a communication plan to notify patients who are district residents of the new dental home option available at the Ravenswood clinic in Redwood City.

Due to the nature of this transition, Sonrisas proposes clinical care access funding provided under this section be billable, capped at 1,500 visits through December 31, 2026 (and at dollar amounts referenced in the summary table), and applicable **only to care provided to district residents who are Sonrisas patients of record as of June 30, 2026**. The district will not be responsible for reimbursing care gaps for individuals who become new patients of Sonrisas on or after July 1, 2026.

We are deeply grateful to have had the district's support and will continue to be prepared to respond to any additional needs that the district may see persisting beyond that point.

Through December of 2026, Sonrisas also proposes to continue funding to support in-clinic community health worker services for district residents 65+ under the same conditions as above. These services help older adults with health coaching and resource navigation support.

## **COMMUNITY PROGRAMMING FOR CHILDREN & FAMILIES: SCHOOL-BASED SCREENINGS, WHOLE FAMILY COACHING, AND PROGRAMMING FOR SPECIAL NEEDS CHILDREN**

As the clinical care support from the district is drawn down, Sonrisas continues to expand community programming tailored to children and older adults in the district. In the 2026 fiscal year, Sonrisas will have screened **nearly 2,000 children in district schools**, far exceeding our district funding level for that year. We propose increasing screening funding to cover up to **1,500 children attending district schools**. In addition to a visual assessment by a licensed dental professional, children also receive age, language, and culturally appropriate **in-classroom oral health education**, while parents and caregivers receive follow-up notifications as well as **whole-family oral health coaching and care navigation and appointment scheduling** in appropriate cases. This support is provided by Sonrisas' bilingual community health worker program.

Data from San Mateo County shows children from low-income families experience untreated decay at twice the rate of their more affluent peers. 19% of children in affluent schools show signs of decay, while 38% of children in priority schools show the same. Sonrisas provides more than 60% of all site-based oral health evaluations for children in San Mateo County schools.

Dental home referrals continue to constitute a significant element of the post-screening process at Sonrisas, and we are excited that the Ravenswood clinic in Redwood City adds significant capacity for care for underserved families. **Children in district schools identified with care needs during a screening funded through this proposal and without a dental home will receive a referral to Ravenswood's new clinic** to establish their dental homes.

In the past year, Sonrisas has incorporated into our children's and school-based programming a successful pilot initiative for children and adolescents living with **intellectual and developmental disabilities (IDD)**. Geared towards preparing youth with special healthcare needs for clinical care, this initiative partners with Special Education classrooms as well as other community-based programs for youth with IDDs and their families. Sonrisas staff provides desensitization training, helping familiarize youth with clinical expectations in already-familiar, trusted settings.

Sonrisas has been invited to this year's **National Network for Oral Health Access (NNOHA)** conference to lead a session on this program, demonstrating its potential as a national model.

This year's request includes **100 sessions with IDD youth** in district schools or programs designed for youth with special health care needs.

## **COMMUNITY ORAL HEALTH PROGRAMMING FOR OLDER ADULTS: HEALTH COACHING, PRESENTATIONS, AND RESOURCE NAVIGATION**

As the number of older adults approaches 1 in 5 of all San Mateo County residents, healthy aging is increasingly essential. Seniors disproportionately suffer systemic disparities and social consequences of poor oral health.

Often on fixed Social Security income and lacking dental insurance under Medicare, older adults are increasingly relying on community-based resources to maintain their dental health. Poor dental health results in nutritional deficits, associated illnesses – including memory-related illnesses, and social isolation, all holding special importance for the community of seniors living on limited resources.

Sonrisas' community programming for older adults is tailored to the unique needs of this population. Sonrisas participates in **community health fairs, providing vital sign checks, dental screenings, individualized oral health coaching, and resource and care navigation**. Providing these services where seniors live and socialize ensures access for those who need it most, including those with mobility challenges or transportation restrictions.

In addition to services at community events and health fairs, Sonrisas also provides targeted presentations at community centers and senior living facilities, targeted to both older adults themselves as well as family members and caregivers. At these presentations, staff is on hand to assist with benefits application and resource navigation as well.

Sonrisas will continue to provide a limited number of mobile dentistry services to older adults who find it difficult to find it difficult to travel to a clinic. We request funding for **6 such visits**. We also request support for participation in **6 community events** providing aforementioned services as well as **3 targeted presentations for older adults and caregivers**.

The chart below provides an overview of proposed SHD partnership on senior programming:

<b>Senior Community Programming</b>	<b>FY 27</b>	
Community events (with available screening, targeted care coordination and health coaching)	7	\$7,560
# Mobile Clinical Visits	5	\$4,375
# Oral Health Presentations	3	\$775
<b>Proposed SHD Support</b>		<b>\$12,710</b>

***Contact Information***

For questions regarding this proposal, please contact Spandan Chakrabarti, Director of Development at Sonrisas, at [schakrabarti@sonrisasdental.org](mailto:schakrabarti@sonrisasdental.org) or 650-727-3487.

## MEMORANDUM

**To:** Board of Directors, Sequoia Healthcare District  
**From:** Pamela Kurtzman, Chief Executive Officer  
**Date:** June 3, 2026  
**Subject:** Proposed Amendments to District Policies and Procedures

The attached draft Policies and Procedures document contains proposed revisions for Board consideration and approval at the upcoming Board meeting. The proposed amendments are intended to update the District's governance practices, improve administrative clarity, align policies with current operational practices and applicable law, and incorporate recent Board direction.

In the attached draft:

- Deleted language is shown in **strikeout**
- New language is shown as **underlined**

Key proposed revisions include the following:

### **Policy No. 1 – Mission and Vision**

- 1.1 and 1.2: Updates the District's Mission and Vision Statements to reflect the language developed through the Board's recent strategic planning process.

### **Policy No. 2 – Role of Directors**

- 2.7: Expands language regarding Director responsibilities, preparation for meetings, review of financial information, community engagement, and coordination with the Chief Executive Officer regarding official representation of the District.

### **Policy No. 6 – Board Meetings**

- 6.2: Updates the District office address to the current District headquarters location.
- 6.4: Revises the regular Board meeting start time.
- 6.6: Updates language regarding organizational meetings

### **Policy No. 7 – Attendance at Meetings**

- 7.3: Updates remote attendance language to reflect current Brown Act provisions and statutory limitations on teleconference participation.
- 7.4: Updates protocol related to technical disruptions of virtual meetings

### **Policy No. 8 – Agenda**

- 8.4: Updates posting location references to reflect the District's new office address

**Policy No. 9 – Topics for Discussion at Board Meetings**

- 9.10: Adds provisions requiring an annual public report regarding recruitment and retention practices pursuant to AB 2561.
- 9.11: Adds provisions requiring an annual report of District’s financial controls and procedures.

**Policy No. 14 – Conduct Related to Elections**

- 14.1: Removes outdated and repetitive language related to Director health insurance benefits.
- 14.5: Clarifies that candidate statement costs are eligible for reimbursement by the District.

**Policy No. 15 – Remuneration and Reimbursement**

- 15.1: Updates Director compensation provisions to reflect:
  - Resolution 2026-02 and current statutory authority regarding Board stipends
  - clarifies eligible meetings for compensation purposes and process for stipend payment
- 15.2: Updates and clarifies Director CalPERS health benefit provisions, including District contribution limits and Director premium sharing requirements.
- 15.8: Revises reimbursement reporting requirements to provide flexibility following attendance at meetings, conferences, or events.

**Policy No. 23 – Requests for Public Funds, Community Grants and Sponsorships**

- 23.5: Clarifies language regarding grants to nonprofit foundations and related entities to strengthen transparency and conflict-of-interest protections.

These proposed revisions are intended to modernize and clarify the District’s governance framework while maintaining consistency with applicable law and current District operations.

Mr. Hudak is currently developing a more comprehensive Conflict of Interest policy to be included in this manual, which will be presented to the Board in August. The policy is expected to include explicit provisions regarding grants to organizations where a District Director or employee serves on the board or receives compensation. It will also clarify that any conflicted Director may not participate in any aspect of the grant process, including application review, discussions with staff, evaluation of competing proposals, or Board deliberations and decision-making.

**Motion Requested:** The Board is requested to review the attached redline and clean draft and consider approval of the proposed amendments at the June 3, 2026 Board meeting.

**POLICIES AND PROCEDURES SEQUOIA  
HEALTHCARE DISTRICT**

**Restated August 5, 2020**

**February 6, 2019 Amended Policy 1.1 and 1.2 and Added Policy 1.3 Mission, Vision and Values**

**August 5, 2020 Amended Policy 15.2 Director Healthcare Benefits**

**August 5, 2020 Added Policy 23.6 State Requirement Grants Policy on District Website August 5, 2020 Added Policy 24.6 State Requirement District Website Content August 5, 2020 Added Policy 27.1 State Requirement AB1234 Ethics Training**

**August 5, 2020 Added Policy 27.2 State Requirement AB 1825, AB 1661, AB2053 and SB396 Harassment Training**

**June 24, 2022 -- Added 15.9, 24.7 and 24.8;  
Amended 23.1**

- POLICY NO. 1 MISSION, VISION AND VALUES**
- POLICY NO. 2 BASIS OF AUTHORITY; ROLE OF DIRECTORS**
- POLICY NO. 3 TERM OF OFFICE**
- POLICY NO. 4 OFFICERS OF THE DISTRICT**
- POLICY NO. 5 COMMITTEES OF THE BOARD; PUBLIC INFORMATION LIAISON; AUDITORS**
- POLICY NO. 6 BOARD MEETINGS: LOCATION, TIME, DATE, AND QUORUM**
- POLICY NO. 7 ATTENDANCE AT MEETINGS**
- POLICY NO. 8 AGENDA**
- POLICY NO. 9 TOPICS FOR DISCUSSION AT BOARD MEETINGS**
- POLICY NO. 10 CONDUCT OF MEETINGS**
- POLICY NO. 11 MINUTES**
- POLICY NO. 12 CONFLICT OF INTEREST, ETHICS AND HARASSMENT**
- POLICY NO. 13 APPOINTMENTS TO THE DISTRICT BOARD**
- POLICY NO. 14 CONDUCT RELATED TO ELECTIONS**
- POLICY NO. 15 REMUNERATION AND REIMBURSEMENT**
- POLICY NO. 16 MEMBERSHIP IN ASSOCIATIONS; TRAINING & EDUCATIONAL CONFERENCES**
- POLICY NO. 17 AUTHORITY AND RESPONSIBILITY OF THE CHIEF EXECUTIVE OFFICER; CONTRACTS AND BIDDING**
- POLICY NO. 18 COMPENSATION OF THE CHIEF EXECUTIVE OFFICER**
- POLICY NO. 19 PUBLIC RECORD REQUESTS**
- POLICY NO. 20 REVIEW OF ADMINISTRATIVE DECISIONS**
- POLICY NO. 21 DEFINITIONS OF, AMENDMENTS TO, AND SUSPENSION OF POLICIES & PROCEDURES**
- POLICY NO. 22 AMORTIZATION OF CAPITAL ASSETS; INVESTMENTS**
- POLICY NO. 23 REQUESTS FOR PUBLIC FUNDS, COMMUNITY GRANTS AND SPONSORSHIPS**
- POLICY NO. 24 SOCIAL MEDIA**
- POLICY NO. 25 RESERVES**
- POLICY NO. 26 USE OF DISTRICT EMAIL ACCOUNTS**
- POLICY NO. 27 TRAINING**

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These policies and procedures are adopted pursuant to the Ralph M. Brown Act and Section 32104 of the California Health and Safety Code, which provides as follows: “The board of directors shall provide for the time and place of holding its regular meetings and the manner of calling the same, and shall establish rules for its proceedings and may adopt such rules and regulations not inconsistent with law as may be necessary for the exercise of the powers conferred and the performance of the duties imposed upon the board.”

**POLICY NO. 1 MISSION, VISION AND VALUES**

1.1 Sequoia Healthcare District's Mission Statement: ~~To improve the health of District residents by enhancing access to care and promoting wellness through responsible stewardship of District taxpayer dollars.~~ To enhance the well-being of District residents through investment in health access, innovation, and collaboration (amended effective June 3, 2019~~26~~)

1.2 Sequoia Healthcare District's Vision Statement: ~~All District residents experience optimal physical and mental health at every stage of life~~ A Leader in creating a healthier community. (amended effective June 3, 2019~~26~~)

1.3 Sequoia Healthcare District's Core Values: Compassion, Action, Respect, Equity, Stewardship (CARES). (amended effective February 6, 2019).

## POLICY NO. 2 BASIS OF AUTHORITY; ROLE OF DIRECTORS

- 2.1 The Board of Directors is the governing body of the District. Apart from his or her normal function as a part of this governing body, a Director has no individual authority. Directors do not have authority to commit the District to any policy, act, or expenditure, unless the Board of Directors takes specific action to grant such authority as to a given matter.
- 2.2 Directors do not represent any fractional segment of the community, but are, rather, a part of the body that represents and acts for the community as a whole.
- 2.3 The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission. Routine matters concerning the operational aspects of the District are to be delegated to the Chief Executive Officer of the District.
- 2.4 Individual Directors shall not instruct District staff, District legal counsel, or District consultants, advisors, vendors, or contractors, but shall work through the Board President or the Board as a whole. However, the chairperson of any Board Ad Hoc committee shall be authorized to work with District staff and receive information and support from District staff with respect to matters within the Ad Hoc committee's jurisdiction.
- 2.5 Directors have a fiduciary duty to act in good faith and for the benefit of the District.
- 2.6 When requesting information from staff or making public records requests, Directors are encouraged to identify their specific issue of concern rather than making broad requests that require significant amounts of staff time and hinder staff's ability to devote the time necessary to the business of running the District. Any request by an individual Director for substantive information and/or research from District staff or advisors (other than a request for existing records), the response to which will require the use of material District staff time or resources, shall be submitted in writing (which includes email) through the Board President, who shall decide whether or not it is in the District's best interests to expend District resources in such a fashion and, for approved requests, shall advise staff regarding the appropriate level of resources to be devoted to the matter.

If an individual Director's request is denied by the Board President, the request shall, if the individual Director wishes, be placed on the agenda of the next meeting of the Board (for which an agenda has not yet been posted). If a majority of the Directors approve the request for information and/or research, the Chief Executive Officer shall respond to the individual Director's request for substantive information and/or research. Requests for existing District records shall be governed by the Public Records Act.

- 2.7 Directors make a significant commitment to their Board service, normally 10-20 hours per month. Directors are expected to remain informed on District affairs, strategic priorities, programs, and major initiatives. Directors are encouraged to serve on District Ad Hoc committees, represent the District at community events, engage with residents and stakeholders within their elected zone to understand community health needs and communicate the priorities and actions of the District. Board members are also encouraged to visit the facilities of grant recipients and attend intergovernmental meetings at which health care issues are discussed and decided. ~~become familiar with District financial reports~~ Directors are expected to maintain familiarity with District financial reports, budgets, and key performance metrics, and carefully

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review all materials in advance of Board meetings to ensure informed decision making. Official representation of the District at community events and visits to facilities should be coordinated through the Chief Executive Officer to ensure compliance with the Brown Act.

**POLICY NO. 3 TERM OF OFFICE**

3.1 The term of office of an **elected** Director begins at noon on the first Friday in December pursuant to California Elections Code Section 10554. The oath of office of an elected Director is taken and filed at the time the Director, as a candidate, files his or her declaration of candidacy.

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3.2 The term of office of an **appointed** Director begins effective upon appointment and upon taking the oath of office. The Director shall be sworn in by an official authorized to administer the oath of office.

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3.3 Officials authorized by law to administer the oath of office include every county officer and the officer's deputies (Government Code §24057), every executive and judicial officer and every member of the legislature (Government Code §1225), and the elections official (Elections Code §10265). Executive officers include persons who fill offices created by or under the authority of the Local Healthcare District Law. (Government Code §1001).

**POLICY NO. 4 OFFICERS OF THE DISTRICT**

- 4.1 The District officers shall be President, Vice President, and Secretary/Treasurer.
- 4.2 The President shall conduct the meetings of the Board and lead the Board and the District in fulfilling the District’s mission. The President shall appoint Ad Hoc committees and shall appoint individual Board members to specific tasks.
- 4.3 The Vice President shall conduct the meetings of the Board in the absence of the President and shall assist the President in leading the Board and the District.
- 4.4 The Secretary/Treasurer shall execute those documents required by law of the secretary or treasurer with respect to the minutes and other records of the District. The Secretary/Treasurer shall be the Board’s liaison with the District’s auditors and financial consultants and shall be available to staff as necessary with respect to such matters.
- 4.5 The term of office for each District officer shall be two years; provided, however, that if an officer leaves office mid-term for any reason, his or her replacement shall serve the balance of the original two-year term. The replacement of an officer, for any reason, shall be determined by a vote of the Directors at the next Board meeting.

**POLICY NO. 5 COMMITTEES OF THE BOARD; PUBLIC INFORMATION LIAISON;  
AUDITORS**

5.1 There shall be no standing committees of the Board.

5.2 The President of the Board shall appoint such Ad Hoc committees as may be deemed necessary or advisable by the President or by the Board. The duties of an Ad Hoc committee shall be outlined at the time of appointment, and the committee shall be deemed dissolved when its final report has been made.

5.3 The Chief Executive Officer shall serve as the Public Information Liaison to promote effective communications with the local community consistent with the mission of the District, as set by the Board.

5.4 For purposes of fiduciary oversight, the District may contract for audit services with the same or different firms **every three years** as determined by the Board.

5.5 The due date for completion of the District's annual audit shall be the December 31st of the fiscal year that is the subject of the audit.

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**POLICY NO. 6 BOARD MEETINGS: LOCATION, TIME, DATE, AND QUORUM**

6.1 It is the policy of Sequoia Healthcare District and its Board of Directors that all meetings shall be conducted in accordance with the Ralph M. Brown Act, Government Code 54950 et seq. and such additional requirements as are set forth in Policies and Procedures Nos. 6, 7, 8, 9, and 10. The Board of Directors encourages public participation at its meetings. To facilitate communication, the Board clerk will ensure that agendas are posted on the District’s website in addition to other legal requirements. Each agenda shall include a time for public comment on non-agenda items as well as comment on each agenda item when called.

6.2 Meetings of the Board of Directors shall be held at the District’s office located at ~~525 Veterans Boulevard, Redwood City, CA 94063~~ 1016 Laurel St, San Carlos, CA 94070 except as otherwise set forth in Government Code Section 54954(b) or (e) and Section 54953(b)(3) or successor provision. If any Director is attending a meeting by teleconference, the teleconference location shall be accessible to the public, which shall be provided an opportunity to address the Board directly. If a meeting includes any Director’s attendance by teleconference, at least a majority of the Directors shall participate in the meeting from locations within the boundaries of the District although it is not required that the majority all be at the same location within the District.

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6.3 Section 32106 of the California Health and Safety Code provides that “A majority of the members of the board shall constitute a quorum for the transaction of business.” The definition in policy 21.3 shall apply to this provision.

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6.4 Regular meetings of the Board shall be scheduled for ~~4:30~~ 12:00 p.m. and shall begin at that time or as soon thereafter as a quorum is present.

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6.5 The regular meetings of the Board shall be held on the first Wednesday of even-numbered months, i.e., February, April, June, August, October, and December.

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6.6 The ~~biennial~~ organizational meeting of the Board shall be the Board’s regular meeting in February or an earlier meeting, if called, in the odd-numbered years. At that meeting officers shall be elected, and the District Chief Executive Officer shall report on the state of the District.

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6.7 The fiscal year budget (July 1 – June 30) will be presented no later than the June meeting.

6.8 Emergency meetings of the Board may be called by the Board President or by a majority of the Directors at a time and for the purpose(s) specified in the call of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities. Emergency meetings of the Board may be called by the Board President or by a majority of the Board at a time and for the purpose(s) specified in the call in the case of an *emergency situation* involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities. An *emergency situation* is “a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both, as determined by a majority of the members of the legislative body” or “a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and

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significant *that requiring a* legislative body to provide one-hour notice before holding an emergency meeting...may endanger the public health, safety, or both, as determined by a

majority of the members of the legislative body.” The provisions of the Ralph M. Brown Act applicable to emergency meetings shall be followed.

6.9 Additional special meetings or study sessions can be called by the President of the Board as necessary to conduct business of the District.

6.10 Regular and special meetings (including adjourned regular and adjourned special meetings) may be adjourned to a future date and time. If, after a meeting has been convened, the number of Directors present drops below the number required for a quorum, no further action may be taken except that less than a quorum of the Board shall adjourn the meeting to a future date and time or to the next regular meeting. If no Directors are present, the clerk of the Board shall adjourn the meeting to a future date and time and shall give notice of the adjournment in the same manner as for special meetings. The subsequent meeting is known as an “adjourned meeting” or “adjourned special meeting.” A notice of the adjournment, including the future date and time of the adjourned meeting, shall be conspicuously posted on or near the door of the place where the meeting was held within 24 hours after the time of the adjournment. If the date of the adjourned meeting is within five (5) days of the original meeting, no new agenda need be posted (so long as the adjourned meeting is limited to the original agenda). If the date of the adjourned meeting is more than five (5) days from the original meeting, a new agenda must be prepared and posted.

6.11 District staff shall insure that appropriate information, including Board packets, is available for the audience at meetings of the Board of Directors and that physical facilities for meetings are functional and appropriate. Board packets shall be posted on the District’s web site at same time as the packets are sent to the Directors.

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## POLICY NO. 7 ATTENDANCE AT MEETINGS

7.1 Directors shall attend all regular and special meetings of the Board unless there is good cause for absence. Good cause for absence includes, but is not necessarily limited to, illness, accident, vacation, business or family commitments or other unavoidable personal matters. It is recognized that the timing of business and family commitments, since they involve additional people and outside factors, cannot always be controlled. However, to the extent reasonable, Directors are expected to make good faith efforts to schedule vacation, business, and personal commitments at times that will not conflict with the schedule of regular Board meetings.

7.2 Section 32100.2 of the California Health and Safety Code provides as follows:

“Notwithstanding any other provision of law, the term of any member of the board of directors shall expire if he or she is absent from three consecutive regular meetings, or from three of any five consecutive meetings of the board and the board by resolution declares that a vacancy exists on the board.”

7.3 As set forth in the Brown Act in Government Code Section 54953, Directors may attend a meeting by teleconference. Directors have two options for remote attendance: (a) the Director’s remote location is published in the agenda and is made open to the public and (b) the Director has just cause or emergency circumstances, as defined in Section 54953, for the remote attendance. Effective January 1, 2026, a Director may not attend remotely based on just cause or emergency circumstances for more than two meetings per calendar year. Directors who are unable to attend meetings in person due to a disability are subject to different rules.

7.38 7.4 As provided in Government Code 54953, if a Board meeting that is being conducted with call-in technology or internet-based service is disrupted due to technical issues that prevent public participation, the Board shall take no further action on agenda items until the call-in service or internet-based service is restored.

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## POLICY NO. 8 AGENDA

8.1 The District’s Chief Executive Officer, in consultation with the President of the Board of Directors, shall develop the agenda for each meeting of the Board of Directors. The ultimate authority for determining the agenda shall rest with the Board President.

8.2 Any Director or member of the public may request that a matter directly related to District business be placed on the agenda of a regular meeting of the Board of Directors. The request must be in writing and submitted to the Chief Executive Officer and Board President, together with supporting documents and information, if any, at least two weeks prior to the date of the meeting. It shall be up to the discretion of the Board President, as set forth in Policy No. 8.1, whether to place the requested item on the agenda.

8.3 Each regular meeting agenda shall include an item for discussion of future agenda topics. During the discussion, a Director may request that one item be placed on the agenda of a future meeting so long as the item is within the subject matter jurisdiction of the District and the item complies with Policy No. 9. The Board members shall not engage in a substantive discussion of the item being proposed. If the request is supported by at least one other Director, the item shall be placed on the agenda for the next regular Board meeting. If a Director makes a request under this Policy No. 8.3 and the request is not supported, the Director shall not make a request for the same or substantially similar item for a period of one year.

8.4 The agenda for each Board meeting shall be posted as required by the Brown Act, which requires, among other things, that the agenda be posted “in a location that is freely accessible to members of the public.” (California Government Code Sections 54954.2(a) and 54956) For Sequoia Healthcare District, that shall mean that the agenda shall be posted in the following location(s): outside the front entrance to the District’s Offices at ~~525 Veterans Avenue, Redwood City, 1016 Laurel St., San Carlos,~~ California and on the District’s website.

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8.5 For any meeting in which teleconferencing is to be used, the Brown Act also requires the District to “post agendas at all teleconference locations.” (California Government Code Section 54953(b)(3)) If the teleconference location is a private home, the agenda shall be posted on the front door, if that is freely accessible to the public, and otherwise at the point where the private driveway to the home meets the nearest public street. If the teleconference location is in a hospital, hotel, or other commercial establishment, the agenda shall be posted where notices of meetings or other events are commonly posted, if there is such a place, and otherwise in a location on the premises where the public commonly gathers or passes and where the notice can be read. If the teleconference location is elsewhere, the agenda shall be posted in the location most accessible to the public. The notice and agenda of the meeting shall identify each teleconference location and the agenda shall be posted at all teleconference locations for the required length of time (at least 72 hours before a regular meeting, at least 24 hours before a special meeting, and as otherwise required for an emergency meeting).

## POLICY NO. 9 TOPICS FOR DISCUSSION AT BOARD MEETINGS

9.1 For *regular* meetings, “No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcements, or make a brief report on his or her own activities.” California Government Code Section 54954.2(a).

9.2 However, the Board may take action on items of business not appearing on the posted agenda if (1) a majority of the Directors (meaning a majority of the directors present [in person or otherwise] and voting aye or no, except as may otherwise be required by law) determines that an emergency exists as defined in the Brown Act, (2) if at least two-thirds of the Directors present at the meeting (or, if fewer than two-thirds of the Board is present, all if the Directors present) determine that there is a need to take immediate action and that need came to the attention of the District after the agenda was posted, or (3) the item was posted for a prior meeting of the Board occurring no more than five calendar days earlier and the item was continued to the present meeting. California Government Code Section 54954.2(b).

9.3 For *special* meetings, “No other business [other than the business listed in the call and notice of the special meeting] shall be considered...by the legislative body.” California Government Code Section 54956.

9.4 “Every agenda for *regular* meetings shall provide an opportunity for members of the public to directly address the legislative body on any item of interest to the public, before or during the legislative body’s consideration of the item, that is within the subject matter jurisdiction of the legislative body, provided that no action shall be taken on any item not appearing on the agenda [except that the Board may adopt reasonable regulations such as limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker].” California Government Code Section 54954.3.

9.5 “Every notice for a *special* meeting shall provide an opportunity for members of the public to directly address the legislative body concerning any item that has been described in the notice for the meeting before or during consideration of that item.” California Government Code Section 54954.3.

9.6 Proposed resolutions, regulations, and policies shall be brought before the Board for discussion and action.

9.7 Proposed contracts shall be brought before the Board as set forth in Policy No. 17.

9.8 Each agenda for a regular and special meeting shall include an item for public comment on non-agenda items. Board members may offer such public comment as well as members of the public. Because such matters have not been noticed to the public, Board members may not engage in a substantive discussion of matters raised during public comment. However, the Board may direct staff to follow up on or verify information provided during public comment.

9.9 Actions within the scope of the authority of the Chief Executive Officer are not required to be brought before the Board.

9.10 Pursuant to AB 2561, the Chief Executive Officer shall present a n annual report to the Board in a public meeting regarding:

(a) Recruitment and retention policies;

(b) Staff vacancies and efforts to fill them;

(c) Policies that create barriers to recruitment or retention

9.11 Pursuant to a directive of the San Mateo Grand Jury, The Board shall annually instruct staff to review the District's financial controls and procedures and provide a report to the Board.

## **POLICY NO. 10 CONDUCT OF MEETINGS**

10.1 The Board prefers a flexible form of meeting under the procedures set forth in this policy and not under the formalized rules of *Robert's Rules of Order*. However, if procedural questions arise that are not covered by these Policies and Procedures they will be resolved by legal counsel at the meeting. A majority of the Board can overrule legal counsel's recommendation.

10.2 Any Director may make a motion to suspend the rules. This motion is debatable and requires a two-thirds vote of the members present to pass. The effect of the motion is to allow the Board to suspend a particular rule in the Policies and Procedures for a particular purpose. The motion shall specify which rule is to be suspended and for what purpose.

10.3 The President of the Board of Directors shall preside at all Board meetings at which he or she is present. The President shall have the same rights as the other Board members in voting, introducing or seconding motions and resolutions, and participating in discussions.

10.4 In the absence of the President, the Vice President of the Board of Directors shall perform the President's duties and have the President's rights. If both the President and Vice President are absent, the Secretary/Treasurer shall perform the President's duties and have the President's rights.

10.5 The President shall call the meeting to order at the time set on the agenda or as soon thereafter as a quorum is present. The meeting may continue only so long as a quorum is present.

10.6 The minutes from the prior meeting(s) shall be offered for approval as part of the Consent Calendar. Any Board member wishing to offer an amendment or correction to the minutes shall request that the minutes and financials be removed from the Consent Calendar for discussion and separate voting. If any correction is offered, the suggested correction shall be discussed and the voted upon by the Board. Corrections approved by a majority of the Directors shall be made to the minutes. Following discussion and voting on any correction, the President shall ask if there are any further corrections and, if none, shall state that the minutes are approved as corrected.

10.7 Ordinarily, items on the agenda will be considered in the order set forth in the agenda. However, the President may alter the order of items on the agenda, as the President deems necessary for the good of the meeting.

10.8 When necessary in order to complete consideration of the entire agenda in a timely fashion and to allow all interested persons an opportunity to speak, the President may limit the total time to be devoted to an item on the agenda and may limit the time allowed for each person to speak on such item. Public comment on non-agenda items may be limited to three minutes per speaker. The Board President shall announce any applicable time limits at the start of the meeting or when the particular item is introduced.

10.9 If a Director believes procedures are not being followed or are not adequate, he or she may raise a point of order, not requiring a second. The President shall rule on the point of order. If the ruling is not satisfactory to the Director who raised the point of order, the President shall

put the question to the Board and the ruling shall be approved or disapproved by a majority of the Directors

10.10 Any Director desiring to speak shall address the President and, upon recognition by the President, may address the subject under discussion.

10.11 Any Director, including the President, may make or second a motion. If a motion is made by one Director and seconded by another Director, the President shall restate the motion if necessary for clarity and then call for discussion. After full discussion, including any public comment on the motion, the President shall call for the vote.

10.12 If the public in attendance has had an opportunity to comment on a motion, and each Director has had an opportunity to comment, then any Director may move to bring the question to a vote immediately. This motion to call the question is not debatable. If the motion to call the question is seconded by another Director and approved by a majority of the Directors, then the main motion is voted upon without further discussion. If the motion to call the question is not seconded or does not pass, discussion on the main motion may resume.

10.13 After a motion has been made and seconded, a secondary motion concerning the main motion may be made and considered as follows:

Motion to Amend. A main motion may be amended before it is voted on, either by the consent of the Directors who moved and seconded or by a new motion and second.

Motion to Postpone. A main motion may be postponed to a certain time, by a motion to postpone, which is then seconded and approved by a majority of the Directors.

Motion to Table. A main motion may be indefinitely tabled before it is voted upon, by motion made to table, which is then seconded and approved by a majority of the Directors.

Motion to Refer to Committee. A main motion may be referred to a Board Ad Hoc committee for further study and recommendation, by a motion to refer to committee, which is then seconded and approved by a vote of the Directors.

10.14 Any Director who voted in favor of a motion that passed may make a motion to reconsider. Any other Director may second the motion to reconsider (regardless of how or whether the seconding Director voted on the original motion). However, a motion to reconsider may be made only at the same meeting at which the original motion was voted upon. A motion to reconsider requires approval by a majority of the Directors. If the motion to reconsider passes, the effect is that the original motion is back on the floor and must be considered again by the Board.

10.15 No action may be taken by secret ballot. (Government Code Section 54953(c))

10.16 All votes taken during a teleconferenced meeting shall be by roll call. (Government Code Section 54953(b)(2))

- 10.17 Votes taken on resolutions shall be by roll call.
- 10.18 Directors shall at all times during Board meetings conduct themselves with courtesy and respect to each other, to staff, and to members of the public.
- 10.19 Directors are free to question and discuss items on the agenda. Comments on an agenda item should be confined to that item and should be concise and avoid repetition.
- 10.20 Individual Directors have the right to disagree with ideas and opinions.
- 10.21 Directors shall observe all applicable conflict of interest rules (see Policy No. 12). In the event that the District is contemplating entering into a contract to which Government Code Section 1090 may apply, no such action shall be taken until it has been determined that the proposed action does not violate Section 1090.
- 10.22 A majority vote is a vote of more than 50%. Thus, for example, a 3-2 vote produces a majority, but a 2-2 vote does not. If only a quorum (three Directors) is in attendance, an item can be approved by a vote of 2 – 1 or 2 – 0 unless there is a statutory requirement for a 2/3 or 4/5 vote of the entire Board, as, for example, under California Government Code Sections 53790 and 53792 (which require a 4/5 vote of all Directors to expend public funds in excess of budget limitations to “meet a national or local emergency created by war, military, naval, or air attack, or sabotage, or to provide for adequate national or local defense”) or under California Government Code Section 54954.2(b)(2) (which is described in policy 9.2). An abstention does not count as a vote for or against.
- 10.23 The President shall take appropriate actions to preserve order and decorum during Board meetings. The President may direct security to remove any person or persons who persist in making repeated personal or slanderous remarks or otherwise disrupting the meeting after being asked by the President to cease such behavior. In the event security is not available, the President may call the police for assistance or suspend the meeting.
- 10.24 “In the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, [the presiding officer]...may order the room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the legislative body from establishing a procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.” California Government Code Section 54957.9.
- 10.25 If approved by a majority vote of the Directors, the Board may terminate any meeting at any place in the agenda to any time and place specified in the order of adjournment when, in the opinion of the majority, adjournment is advisable. Examples of situations where adjournment might be appropriate include prolonged power failure, natural disaster, unexpected absence or sudden illness of persons necessary to consideration of an agenda item, extreme lateness of the hour, or other significant, unanticipated impediments to the continuation of the meeting.

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10.26 The President may declare a short recess during any meeting.

10.27 Upon motion made, seconded, and approved by majority vote of the Board, the President shall adjourn the meeting.

## **POLICY NO. 11 MINUTES**

11.1 The clerk of the Board of Directors shall prepare and keep minutes of all regular and special meetings of the Board.

11.2 The Secretary-Treasurer of the Board of Directors shall sign the minutes after their approval by the Board.

11.3 Copies of the draft minutes of the previous regular meeting and any meeting(s) held since the previous regular meeting of the Board shall be distributed to Directors as part of the information packet for the next regular meeting of the Board, at which time the Board shall consider approving the minutes as presented or with modifications. Once approved by the Board, the minutes shall be kept in the District's official files.

11.4 An audio tape recording of regular and special meetings of the Board of Directors shall be made for the purpose of preparing the written minutes. The tape recording shall be kept for one year after the date of the recorded meeting, after which time the tape recording shall be erased.

11.5 Motions and resolutions shall be recorded in the minutes as having passed or failed. Individual votes for and against and abstentions shall be recorded unless the action was unanimous. All resolutions adopted by the Board shall be numbered consecutively, starting new at the beginning of each calendar year.

11.6 Minutes shall be kept in action format. The following information shall be included in each meeting's minutes:

- Date, place and type (regular or special) of meeting.
- Directors present and absent by name.
- Call to order (including time).
- Names and addresses (if given) of public commentators, and topic commented on.
- Vote to approve minutes.
- Time and name of late arriving Directors.
- Time and name of early departing Directors.
- Names of Directors absent during any agenda item upon which action was taken.
- Board directives to staff.
- Information described in Policy No. 11.5.
- Statement of motions made.
- Names of Directors making and seconding motions.
- Action taken on each motion.
- Time of adjournment.

11.7 Unapproved minutes are "preliminary drafts...that are not retained by the public agency in the ordinary course of business." (Government Code Section 6254) Releasing copies of unapproved draft minutes could create confusion and misunderstanding because the Directors have not had an opportunity to review and, if necessary, correct the draft. Therefore, minutes

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shall not be released until they have been approved by the Board; provided, however, that draft minutes, clearly identified as a draft on each page, shall be put on the District's website as part of the Director's packets as set forth in Policy No. 6.10.

## POLICY NO. 12 CONFLICT OF INTEREST, ETHICS AND HARASSMENT

12.1 All Directors and employees shall be held to the highest ethical standards and shall not have conflicts of interest when making decisions, except when permitted or required by law. There are three basic sources of rules about conflicts of interest: The Political Reform Act (California Government Code Sections 87100 et seq.) and California Government Code Section 1090, both of which address financial conflicts of interest, and the common law prohibition against conflicts of interest which focuses on the impartiality of the decision-maker on any basis.

12.2 California Government Code Section 87100 provides that “No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest.”

12.3 California Government Code Section 1090 provides that “Members of the Legislature, state, county, district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by anybody or board of which they are members.”

12.4 The common law conflict of interest rule has been stated in various ways by the courts, including, “A public officer is impliedly bound to exercise the powers conferred on him with disinterested skill, zeal, and diligence and primarily for the benefit of the public.” *Noble v. City of Palo Alto* (1928) 89 Cal.App. 47, 51. Also, “Public officers are obligated...[by virtue of their office], to discharge their responsibilities with integrity and fidelity.” *Terry v. Bender* (1956) 143 Cal.App.2d 198.

12.5 Cal. Const., Art. XII, § 7 provides that “A transportation company may not grant free passes or discounts to anyone holding an office in this state; and the acceptance of a pass or discount by a public officer, other than a Public Utilities Commissioner, shall work a forfeiture of that office.” The California Attorney General has interpreted this prohibition to apply to elected and nonelected public officers but not to employees, to apply to domestic, foreign, and interstate carriers and to transportation received both inside and outside of California, and to apply whether the pass or discount was provided in connection with personal or public business. However, the Attorney General has ruled that with respect to airline upgrades, discounts, etc. granted to a person as a member of a larger group unrelated to his official status or the function of his or her office, the constitutional prohibition does not apply.

12.6 The Political Reform Act requires each Director to file a Form 700 Statement of Economic Interests upon assuming office, annually while in office, and upon leaving office. The Form 700 shall be completed and filed in compliance with the District’s Conflict of Interest Code and applicable state law. In signing the Form 700, a Director is certifying under penalty of perjury that the information is true and correct. It is the responsibility of each Director to review each schedule and its instructions carefully and to complete the Form 700 accurately and comprehensively. Any Director needing assistance may consult the Fair Political Practices Commission (“FPPC”) Technical Advice Office. According to the FPPC, it is inappropriate for District staff members or District counsel to answer substantive questions regarding completion of the Form 700.

12.7 The Board of Directors first adopted a Conflict of Interest Code in 1986 and the most recent version was adopted August 6, 2014. The Conflict of Interest Code designates the employees, consultants, and others who must file an annual statement of economic interest. Statements are filed with the County Clerk of San Mateo County and are available for inspection at that office.

12.8 Additional ethical standards and procedures for District employees are set forth in the Employee Handbook.

12.9 Decisions by the Board and District employees shall be consistent with the Vision Statement and Mission Statement, and the strategic plan adopted by the District.

**POLICY NO. 13 APPOINTMENTS TO THE DISTRICT BOARD**

13.1 When the Board is notified of a vacancy or upcoming vacancy on the District Board, the Board shall determine at a regular or special meeting whether to fill the vacancy by election or appointment. Policy Nos. 13.2 through 13.7 shall apply if the Board decides to fill the vacancy by appointment.

13.2 The person appointed shall be a registered voter residing in the District (required by law) and be experienced in healthcare and/or in local community matters and be committed to and have an understanding of the mission, vision, values, and corporate purpose of the District.

13.3 The District shall advertise and fill the vacancy according to the procedures set forth in applicable law (currently Health and Safety Code Section 32100 and Government Code Section 1780).

13.4 Notice of the vacancy shall be posted for at least 10 days in at least three conspicuous places in the District, including in the District's offices. The notice of vacancy shall also be posted on the District's website and published in one or more daily newspapers circulated in the District.

13.5 The Board shall appoint an Ad Hoc committee of two Board members to interview all applicants and bring a recommendation to the full Board for consideration. Board members (including members of the Ad Hoc committee) and the Chief Executive Officer of the District may submit to the Ad Hoc committee names of persons to be considered for the vacancy, and the Ad Hoc committee shall contact any such persons and invite them to apply.

13.6 Persons interested in the position shall submit a resume, a statement explaining their interest in the position, and an acknowledgement that they will be subject to the District's conflict of interest policy and will be required to file Statements of Economic Interests.

13.7 Per State Law, the Board shall appoint a replacement within 60 days after the later of the date on which the Board is notified of the vacancy or the date on which the vacancy becomes effective. If necessary, the Board shall call a special meeting to make the appointment within the 60-day deadline.

## POLICY NO. 14 CONDUCT RELATED TO ELECTIONS

14.1 Sequoia Healthcare District has a five-member Board of Directors. Members must run for election and are elected by the residents of the District. Board members are expected to attend six regular Board meetings, occasional special meetings and usually participate on one or more ad hoc committee as assigned by the Board President. ~~Board members do not receive cash for their service; however, the District does pay health insurance benefits of up to \$1,500 a month for member and family minus 10% to be paid by the member.~~

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14.2 The term of an elected director is four years and there is no limit to the number of terms. Two positions are elected in November in the years evenly divisible by four and three positions are elected in November of the intervening even-numbered years.

14.3 Prospective Board members must be at least 18 years of age and must be District residents.

14.4 The candidate filing period for Statewide General Elections is set by law. All candidates running for office must file a Form 700 Statement of Economic Interest. Candidates must file their Form 700 at the Registration & Elections Division, Office of the Chief Elections Officer & Assessor-County Clerk-Recorder, 40 Tower Road in San Mateo by the deadline for all candidate documents.

14.5 The cost of the candidate's policy statement is limited to 200 words and is to be paid for by the District candidate and is eligible for reimbursement by the District.

14.6 Interested parties can learn more at San Mateo County's website [Shapethefuture.org](http://Shapethefuture.org).

14.7 By law, the District may not use public funds or resources to advocate for or against any ballot measure or candidate. Using public funds or resources in such a manner would be inherently unjust to the rights of taxpayers with differing views and further would create the possibility of incumbents taking advantage of their position to stay in office.

14.8 It is permissible, however, to use public funds for the dissemination of impartial educational information, to make a fair presentation of the facts to aid voters in making an informed judgment.

14.9 It is also permissible for the Board to go on record at a public meeting in favor of or opposed to a particular ballot measure. Any such action shall first be approved by two-thirds of the Directors present.

14.10 Directors shall not use any District resources, for example, photocopiers or paper supplies, or make any requests of staff to produce or disseminate any partisan campaign material to be used in support of or in opposition to any candidate for public office or any ballot measure.

14.11 During public meetings of the Board, individual Directors have a fiduciary duty to concentrate their attention on the meeting. They shall not hand out partisan campaign material supporting or opposing any candidate for public office or any ballot measure while the public Board meeting is in progress.

## POLICY NO. 15 REMUNERATION AND REIMBURSEMENT

15.1 ~~Directors shall receive no fee for attending meetings of the District Board of Directors.~~ Directors shall receive no fee for attending meetings of the District Board of Directors. Effective December 1, 2026, under Government Code Sections 32103 et seq., and As-as restated in Resolution 2019-02, dated October 2, 2019, May 6, 2026, each Director of Sequoia Healthcare District shall be entitled to receive \$100.00 as a stipend for each eligible meeting, as defined below, attended by the Director, not to exceed \$500.00 for each calendar month.

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Eligible Meetings include:

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- regular and special meetings of the Board of Directors.
  - meetings of each standing committee of the Board.
  - meetings of ad hoc or special committees that include at least one appointed Board member. A closed session held as a stand-alone special meeting shall be treated as a separate meeting eligible for compensation.
  - Meetings of the Grants Committee, the Pension Plan Committee, and the Finance Committee are meetings eligible for compensation.
  - Meetings that are not eligible:
    - A closed session of the Board of Directors held in connection with a regular or special meeting of the Board shall not be treated as a separate meeting.
    - Attending community events and meetings with staff, members of the public, or similar meetings shall not be eligible for compensation under this policy.
- Section 4.

Process for Compensation: Each Director may request compensation on a form developed by staff and submitted to the Chief Financial Officer within 60 days of the end of the month for which the claim is made. The Chief Financial Officer may request such further information as deemed necessary to ensure that proper claims are submitted and paid. Directors may decline the stipend.

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15.2 ~~The District offers to pay a portion of the CalPers premiums for health care insurance for all participating Directors and their dependents, who choose to enroll in CalPers while on the District Board. The healthcare benefit offered to Directors may not exceed the most generous schedule of benefits offered to regular employees of the District to a maximum of \$1,500 per month, and requires Directors to reimburse the District for 40% 45% of their premium, in addition to covering the cost of coverage over the \$1,500 per month limit the \$1,500 monthly limit. As restated in Resolution 2019-02, dated October 2, 2019, the District will pay a portion of premiums for CalPers health care coverage for Directors and their dependents, to a maximum of \$1,500 per month, while Directors are on the District Board, and requires. Further, any benefit provided must be group insurance, not individual. Consequently, the value of any healthcare premiums would be considered compensation to the Directors and would be taxable. The District would be required to issue a Form 1099-MISC for such benefits. Such payments shall cease effective at the end of the month the Director leaves the Board. (Amended October June 23, 2019 2026)~~

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15.3 The District shall reimburse Directors for actual necessary traveling and incidental expenses incurred in the performance of official duties as Directors, subject to the requirements of these Policies and Procedures and the law.

15.4 The following types of occurrences qualify for reimbursement if attended in the performance of official duties as Directors of the board and if prior approval is obtained as set forth in Policy 16.2:

- a. Training workshops, seminars, and conferences.
- b. Educational workshops, seminars, and conferences.
- c. Meetings of or sponsored by ACHD (the Association of California Health Care Districts), by CSDA (the California Special Districts Association), and by other state or national organizations relevant to the purposes of the District.
- d. Meetings of local governmental entities and bodies and Ad Hoc committees thereof.
- e. Meetings of local nonprofit organizations.
- f. Meetings of community or civic groups or organizations.
- g. Meetings of advisory groups and Ad Hoc committees organized or conducted by District staff.
- h. Meetings with District consultants, advisors, and other professionals.
- i. Any other activity approved by the Board in advance of attendance, whether the request for attendance was initiated by the Board or by a Director.

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15.5 Subject to Policies 15.7 and 15.8, reimbursement for travel, meals, lodging, and other expenses shall be made in accordance with Section 7.05 of the District's Employee Handbook, except as otherwise provided in Policy 16. (An excerpt of Section 7.05 is attached at the end of these policies.) The provisions of Policy 16.6 shall not be deemed to create any exception to this Policy 15.5.

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15.6 Subject to Policy 15.5, if there is no Internal Revenue Service rate established for an expense and if such expense is not reimbursable under Policy 15.5, such expense shall not be reimbursed unless the District board approved such expense in a public meeting before the expense was incurred.

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15.7 No expense shall be reimbursed except pursuant to an expense report meeting the requirements of this Policy and submitted by the Director to (and received by) District staff, within four weeks after the final date of the occurrence in connection with which the expense was incurred. The expense report shall document that the expenses meet the requirements of Policies

15 and 16 and shall include receipts for all expenses for which reimbursement is being requested.

15.8 ~~No reimbursement shall be paid unless, at the next regular meeting of the board following the occurrence for which the expense report was submitted, the Director submitting the expense report makes a brief report on the occurrence attended. If the Director is not in attendance at such next regular board meeting, a written report submitted by the Director and read aloud by staff or another Director shall suffice as the required brief report. If requested by the Board Chair, the Director shall provide a brief report of the meeting, event, or conference attended.~~

15.9 Reimbursement Reports (Govt. Code §53065.5) In compliance with California government code §53065.5, the District will create an annual report disclosing each reimbursement to officials and employees for an “individual charge” of \$100 or more (e.g., one meal, one day’s lodging, transportation, a registration fee) that will be published and made available for public inspection at least annually by a date determined by the district. (*effective June 24, 2022*)

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**POLICY NO. 16 MEMBERSHIP IN ASSOCIATIONS; TRAINING & EDUCATIONAL CONFERENCES**

16.1 The Board of Directors shall hold membership in such national, state, and local associations as are applicable to the functions of the District and deemed appropriate by the Board and shall approve, either as part of the budget or otherwise, the payment of any membership fees or dues for these organizations.

16.2 Directors are encouraged to attend educational or professional conferences, seminars, workshops, sessions, and meetings (“Professional Events”), including those of the organizations described in Policy No. 16.1, if such attendance will further the purposes of the District. If any Director wishes the District to pay, or to reimburse the Director, for the costs of attending a Professional Event (tuition, travel, lodging, and meals), the Director shall obtain the approval of the President of the Board of Directors before incurring the costs. The President shall approve the request if the President believes that attendance is appropriate based on the criteria set forth in this Policy No. 16.

16.3 Junkets (defined as a tour or journey for pleasure at public expense) will not be permitted.

16.4 Staff shall assist Directors, as they request, in making arrangements to attend a Professional Event approved by the President of the Board. All reimbursement requests and all bills for such Professional Events shall be submitted to staff, together with validated receipts.

16.5 Directors shall use all reasonable efforts to minimize the costs of tuition, transportation, meals, and lodging related to attending a Professional Event approved by the President of the Board by doing the following:

- a. Making reservations sufficiently in advance, when possible, to obtain discounted tuition, airfares, and hotel rates.
- b. Utilizing accommodations recommended by the event sponsor in order to obtain discounted rates or accommodations in the mid-range of quality and cost.
- c. Traveling with other Directors, where feasible and economically beneficial.
- d. Using shuttles, rather than taxis, where available and safe.

16.6 A Director shall not attend a conference or training event for which there is an expense to the District, if the event occurs after the Director has announced his or her pending resignation or after an election in which it was determined that the Director will not retain his or her seat on the Board.

16.7 Upon returning from a Professional Event for which there was an expense to the District, a Director shall make a report during the next regular meeting of the Board, in compliance with policy 15.8, explaining the purposes and nature of the Professional Event and how the District benefited by the Director's attendance at the Professional Event.

**POLICY NO. 17 AUTHORITY AND, RESPONSIBILITY OF THE CHIEF EXECUTIVE OFFICER; CONTRACTS AND BIDDING**

17.1 Comments or inquiries concerning the District from residents, property owners, staff, consultants, and advisors of the District shall be referred to the Chief Executive Officer. Safety concerns or hazards relative to the District shall also be referred to the Chief Executive Officer.

17.2 Contracts that do not require public bidding shall be let upon the authorization set forth below.

Amount of Contract	In the approved budget
\$1 - \$24,999	Chief Executive Officer may authorize
\$25,000-up	Chief Executive Officer may authorize with President's approval

Amount of Contract	Not in the approved budget
\$1 - \$5,000	Chief Executive Officer may authorize
Over \$5,000	Requires approval of the Board

17.3 Contracts that require public bidding shall be taken to the full Board for discussion and action.

17.4 The District shall comply with the requirements of California Health and Safety Code Section 32132, which sets forth the bidding requirements applicable to Sequoia Healthcare District. The general rule is that “the board of directors shall let any contract involving an expenditure of more than twenty-five thousand dollars (\$25,000) for labor, materials and supplies to be furnished, sold, or leased to the district, or any contract involving an expenditure of more than twenty-five thousand dollars (\$25,000) for work to be done, to the lowest responsible bidder” except that competitive bidding rules do not apply to “medical or surgical equipment or supplies, to professional services, or to electronic data processing and telecommunications goods and services” and do not apply to “change orders that do not materially change the scope of the work...and if each individual change order does not total more than 5 percent of the contract.”

17.5 As clarified in numerous decisions by various courts, the professional services to which the bidding rules do not apply include those of persons who are highly and technically skilled in their science or profession; persons with a peculiar skill or ability, such as attorney at law, architect, engineer, or artist; and persons whose work requires taste, skill, and technical learning and ability of a rare kind.

## **POLICY NO. 18 COMPENSATION OF THE CHIEF EXECUTIVE OFFICER**

18.1 The Chief Executive Officer of Sequoia Healthcare District (the “District”) is the principal representative of District, and the person responsible for the efficient operation of the District. Therefore, it is the desire of the District to provide a fair yet reasonable and not excessive compensation for the Chief Executive Officer.

18.2 The annual process for determining compensation is as follows: The District full board shall evaluate the Chief Executive Officer on his/her performance, and ask for his/her input on matters of performance and compensation.

18.3 A Compensation Ad Hoc Committee, appointed by the Board President will research and obtain information to make a recommendation to the full board for the compensation (salary and benefits) of the Chief Executive Officer based on a review of comparability data. For example, the Compensation Ad Hoc committee will secure data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similar organizations. This data may include the following:

1. Salary and benefit compensation studies by independent sources;
2. Written job offers for positions at similar organizations;
3. Documented telephone calls about similar positions at both nonprofit and for-profit organizations; and
4. Information obtained from the IRS Form 990 filings of similar organizations.

18.4 To approve the compensation for the Chief Executive Officer the board must document how it reached its decisions, including the data on which it relied, in minutes of the meeting during which the compensation was approved. Documentation will include:

- a) A description of the compensation and benefits and the date it was approved;
- b) The members of the board who were present during the discussion about compensation and benefits, and the results of the vote;
- c) A description of the comparability data relied upon and how the data was obtained; and
- d) Any actions taken (such as abstaining from discussion and vote) with respect to consideration of the compensation by anyone who is otherwise a member of the board but who had a conflict of interest with respect to the decision on the compensation and benefits.

18.5 No member of the Compensation Ad Hoc committee will be a staff member, the relative of a staff member, or have any relationship with staff that could present a conflict of interest.

**POLICY NO. 19 PUBLIC RECORDS REQUESTS**

19.1 Requests for public records shall be subject to the California Public Records Act (California Government Code Sections 6250 et seq.) and shall be handled according to the provisions of that act.

19.2 The District may charge a reasonable fee for copying records provided by the requesting party. The charge shall be \$0.15 per page for normal size pages and shall be adjusted for odd sized pages or copies that require special handling. The Chief Executive Officer or designee may waive the charge for incidental copies, not exceeding 10 pages, that require minimal handling. There shall be no charge for copies of documents provided as part of a public meeting.

19.3 If the request is expected to involve a significant amount of copies and effort, District staff may make an estimate of the cost. District staff may then ask the requesting party to confirm that the proposed charge and delivery time are acceptable and to signify acceptance in a reasonable manner (written approval, email, etc.). District staff may require a deposit of the estimated cost before making copies. Once the requesting party has agreed to the estimated cost and delivery date, District staff will have the copies made and will deliver the copies when full payment is received.

19.4 If a person requests to inspect certain documents, District staff will provide such an opportunity within a reasonable period of time after the request. The document inspection may, at District staff's discretion, be conducted under the supervision of a District employee. No documents may be removed, copied or tampered with in any way, without the District staff's permission. All copying requests will follow the procedures outlined in policies 19.1, 19.2 and 19.3.

19.5 The District shall issue an email address, using the District's domain name, to all employees and Directors.

- a) Employees are required to use their District email account for all District-related communications.
- b) Directors are encouraged to use their District email account for District-related communications. Email communications on a Director's personal or business account that relate to District business are subject to disclosure under the Public Records act. Directors who do not utilize their District email account shall make their personal and/or business email accounts available for review by the District's legal counsel when necessary to comply with a request under the Public Records Act.

**POLICY NO. 20 REVIEW OF ADMINISTRATIVE DECISIONS**

20.1 Section 1094.6 of the California Code of Civil Procedure shall govern any appeal of an administrative decision of the Board of Directors pursuant to Section 1094.5 of the California Code of Civil Procedure.

**POLICY NO. 21 DEFINITIONS OF, AMENDMENTS TO, AND SUSPENSION OF POLICIES & PROCEDURES**

21.1 By motion made, seconded, and approved by a majority of the Directors, the Board may amend or temporarily suspend these policies and procedures in whole or in part.

21.2 The word “majority” in policies 2, 6, 9, 10, 21 and 24 shall mean a majority of the Directors present at the meeting and voting aye or no. “Present at the meeting” shall include all Directors present in person and all Directors legally present by telephone or other allowed method.

21.3 For purposes of policy 6, the word “majority” shall be deemed to mean a “majority” of the Directors then in office, except as may otherwise be required by law.”

**POLICY NO. 22 AMORTIZATION OF CAPITAL ASSETS; INVESTMENTS**

22.1 Capital assets of \$5,000 or more shall be depreciated on the straight-line basis over the asset's estimated useful life or the lease term as follows:

Major Land and Building Improvements	15-20 years
Equipment and Furniture	3 – 5 years
Leasehold Improvements	Life of Lease
Improvements to Common Areas	3 – 5 years

22.2 The District's investments shall conform to all applicable law and regulation. As allowed by the same, the following policies shall apply:

1. U.S. Treasuries
2. U.S. Agencies – Federal Home Loan Bank, Federal Home Loan Mortgage Corp., Federal National Mortgage Association, Student Loan Marketing Association, Government National Mortgage Association and Federal Farm Credit Bank
3. Bankers Acceptances – Up to 40% of District's surplus money can be invested in Bankers Acceptances
4. Certificates of Deposit – Up to 30% of District's surplus money can be invested in Certificates of Deposit
5. Asset-Backed Securities – Exposure not to exceed 20% of portfolio; issuers must be rated 'AA' or better by Moody's or S&P
6. Commercial Paper – Exposure not to exceed 15% of portfolio and issuers' Short-term rating must be at least A1/P1
7. Medium Term Notes (Corporate Bonds) – Exposure limited to 30% of portfolio; issuers must be rated 'A' or better by Moody's or S&P; companies must be within the United States
8. Municipals – California only

General

- A. 20% maximum exposure per issuer (except U.S. Treasuries and Governments)
- B. 30% maximum per industry (except U.S. Treasuries, Governments and LAIF)
- C. Weighted average portfolio maturity of 5 years or less\*
- D. 40% of portfolio can have a maturity (average life) of greater than 5 years\*

E. Benchmark - Local Agency Investment Fund (LAIF)

\* Adopted 8/7/00

**POLICY NO. 23 REQUESTS FOR PUBLIC FUNDS, COMMUNITY GRANTS AND SPONSORSHIP**

23.1 Under the law, Sequoia Healthcare District may provide assistance to health care programs, services, facilities, and activities at any location within or ~~without~~ outside the District for the benefit of the District and the ~~people~~ persons served by the District, ~~and to any 501(c)(3)-nonprofit organization (excluding foundations) and clinics functioning in the community in order to provide for adequate health services to communities served by the District. (California Health and Safety Code Sections 32121(j) and 32126.5) Such financial support may be provided to nonprofit organizations and clinics functioning in the community in order to provide for adequate health services in the communities served by the District. Financial support ordinarily is not provided to foundations. In order to be considered for funding, a foundation must (a) be qualified under Section 501(c)(3) of the Internal Revenue Code, (b) conduct its own program or programs for which funding is requested, rather than making grants to other service providers, and (c) address a broad community need rather than a single site or program specific to the foundation (such as school foundations).~~

23.2 A community's health needs are served not only by traditional acute care hospitals, but also by a broad array of other health-related programs and initiatives. These include local health and wellness programs, community-based clinics, health provider educational programs, and other programs and organizations that promote physical, emotional and psychological well-being.

23.3 As allowed by the District's financial condition, the District shall have a Community Grants program to address identified community healthcare needs as envisioned by the Mission Statement and the strategic plan. In conjunction with setting the District's annual budget each year, the District shall determine whether to fund the Community Grants program for that budget year and, if so, in what amount. District staff shall administer the program with the District Board of Directors making the final decision regarding grant recipients. The Board President shall appoint an ad hoc Community Grants Committee to review grant applications and make recommendations to the Board. The Grants Committee shall include two Board members, District staff, and community members who shall serve without compensation. Information regarding the availability of the Community Grants and the application process shall be posted on the District's website and publicized appropriately so that eligible programs may make timely applications.

Requests for emergency or interim funding that fall outside the normal Community Grants application cycle may be presented to the Board after review by the Board President and Chief Executive Officer.

23.4 Requests for major program funding (in excess of \$100,000) and capital investments shall be made directly to the Board and presented in an open meeting. Such requests will be evaluated for consistency with the District's Mission Statement and strategic plan and by community needs. Funding requests for programs that are located or offer services outside of District boundaries must be able to demonstrate how services to District residents will be documented. Grants normally will be memorialized with a Memorandum of Understanding. Funding may be made in phases and may be subject to such conditions as the Board may impose.

Grants for the acquisition, leasing or substantial improvement of real property or other facilities

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shall be secured so that, if the facility is sold or leased to others for purposes that are not consistent with the original grant, the District may recover its funds for reinvestment in other programs or facilities.

23.5 The Sequoia Healthcare District will not sponsor fundraising events but may sponsor events that provide a community health benefit such as health education or health screening events up to \$~~23~~5,000 per event but not to exceed \$10,000 in any fiscal year. The staff/Board may purchase tickets to fundraising events or other community events as long as no more than \$~~300-600~~ is spent per event and the total for event attendance does not exceed \$~~35~~0,000 per year.

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The CEO will be required to report on any events sponsored or attended as part of the CEO report each Board Meeting including who attended representing the District and the purpose of the event.

23.6 Effective January 1, 2020, Sequoia Healthcare District will adopt annual policies and guidelines for grant funding in compliance with Health & Safety Code Section 32139 and post such policies and guideline on the District website. *(Added August 5, 2020)*

**POLICY 24: SOCIAL MEDIA POLICY**

24.1 The District maintains certain social media sites, including a website, a Facebook page, and a Twitter account (“social media”). Additional social media, including blogs, may be created from time to time. All District social media shall be clearly designated to indicate that it is maintained by the District.

24.2 Each of the social media maintained by the District is the sole property of the District. The Chief Executive Officer shall have the authority to create, maintain, operate, preserve, or discontinue such social media, subject to express direction from a majority of the Board of Directors.

24.3 No information or content shall be posted to or removed from the District’s social media unless approved by the Chief Executive Officer or designated staff; provided, that specific content shall be posted to or removed from the District’s social media if directed by the Board of Directors at a public meeting. All content shall be for the benefit of the District and for the purpose of providing information regarding District activities, programs, and issues. The District’s social media shall not be used to further the candidacy or political views of any Director, candidate, or employee. All content shall be respectful and maintain the privacy of employees and recipients of services provided by the District or its grantees.

24.4 No content shall be posted to the District’s social media by or on behalf of any individual Director except a statement from the Board President on behalf of the District when approved by the Board in accordance with this policy.

24.5 No Director or employee shall maintain or operate a private social media site that purports to be an official District social media.

24.6 Effective January 1, 2020, in compliance with California AB2019, the Sequoia Healthcare District will include specified information, on the District’s Internet Web site for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies. The District shall establish and maintain an Internet Web site that lists contact information for the District, and (1) The adopted budget, (2) A list of current board members, (3) Information regarding public meetings required pursuant to Section 32106 or the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), (4) A municipal service review or special study conducted by a local agency formation commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code), if any. (5) Recipients of grant funding or assistance provided by the district, if any, (6) Audits of the district’s accounts and records pursuant to Section 26909 of the Government Code or Section 32133 of this code, (7) Annual financial reports to the Controller, submitted pursuant to Section 53890 of the Government Code, (8) The district’s policy for providing assistance or grant funding described in policy 23.6, and (9) Any other information the board deems relevant. *(Added August 5, 2020)*

24.7 Website ADA Compliance (Govt. Code §§6270.6 and 53087.8) In compliance with Federal and state laws that require government websites work with accessibility assistance systems (e.g., screen readers, magnifiers), the District will ensure that their websites meet accessibility standards and check their websites regularly with ADA checker software. (*effective June 24, 2022*)

24.8 Computer Systems Transparency (Govt. Code §6270.5) In compliance with California government code §6270.5, the Sequoia Healthcare District will identify all computer systems and software used that collects information about the public, make the list available upon request in the district office, post the list in a “prominent” location on the website and update the list annually. (*effective June 24, 2022*)

**POLICY 25: RESERVES**

Sequoia Healthcare District will maintain financial reserves. This policy sets forth the purposes and uses of the reserve funds.

25.1 Reserve funds may be used for any legal purpose by Board vote including but not limited to overhead, grants, investments, and property.

25.2 The District will maintain a reserve fund of at least \$5 million. If emergency needs reduce the reserves below \$5 million, they will be replaced with revenue from any and all sources including tax revenue in order to return the reserve to the minimum level as soon as reasonably possible.

25.3 Reserve funds exceeding \$5 million may be used from time to time as approved by the Board at any meeting. Reserves used over the \$5 million level may or may not be replaced as determined by the Board.

25.4 All reserve funds will be invested in accordance with California law and Sequoia Healthcare District Investment Policy 22 with at least \$2.5 million in US treasuries to provide reasonable liquidity for emergencies or budgeted deficits.

25.5 Reserve funds may be used to fund overhead without replacement, in order to facilitate using 100% of tax revenue each year for grants, unless the reserves fall below \$5 million.

**POLICY NO. 26**

**USE OF DISTRICT EMAIL ACCOUNTS**

- A. The District shall issue an official email address, using the District’s domain name, to all Directors and employees. The District shall provide technical support to enable Directors and employees to access their official email accounts from mobile devices and home computers.
- B. Employees are required to use their official email account for all District-related communications.
- C. Communications from District employees to Directors regarding District business and meeting agendas shall utilize the Directors’ official email accounts. A Director may request, in writing, that such communications be sent to a different email account.
- D. Directors are encouraged to use their official email accounts for District-related communications. Email communications on a Director’s personal or business account that relate to District business are subject to disclosure under the Public Records Act. Directors who do not utilize their official email account shall make their personal and/or business email accounts available for review by the District’s legal counsel when necessary to comply with a request under the Public Records Act.
- E. In order to avoid inadvertent violations of the Brown Act, Directors and employees should exercise caution when using the “reply all” email function. Directors may not communicate with more than one other Director on a topic via email, except for trivial or scheduling matters. Comments or questions in a “reply all” response may constitute a serial meeting under the Brown Act.

**POLICY NO. 27**

**TRAINING**

27.1 California law (AB 1234, Chapter 700, Stats. of 2005) requires all Directors complete an ethics training course within six months of assuming office and complete the course every two-years thereafter. Several training options are available including training conducted by commercial organizations, nonprofits, or an agency's own legal counsel. An online training program has been established by the California Fair Political Practices Commission that allows local officials to satisfy the requirements of AB 1234 on a cost-free basis. The course can be accessed via the following link <http://localethics.fppc.ca.gov/login.aspx>. When the training is completed, the Director must print the Certification of Completion and provide it to the Office Manager to be uploaded to the District Website and retained in the office files. (added August 5, 2020)

27.2 Effective January 1, 2020, California laws AB 1825, AB 1661, AB2053 and SB396 require all elected officials and staff to complete Sexual Harassment training every two years that includes what constitutes sexual harassment and discrimination in the workplace, how to recognize and avoid harassment, what procedures to follow if you witness harassment or are harassed yourself, the potential consequences - including personal liability - of harassment, what constitutes abusive conduct in the workplace, and orientation, gender identity & gender expression. When the training is completed, the elected official and staff members must print the Certification of Completion and provide it to the Office Manager to be uploaded to the District Website and retained in the office files. (added August 5, 2020).

27.3 Effective Jan 1, 2026, SB 827 creates a new obligation for elected officials and some senior appointed officials to receive training in financial and fiscal matters every two years. The minimum training time is two hours. This legislation requires any officials who are appointed by the Board to make decisions or recommendations about financial administration, budgeting, or use of public resources to also take the training; this also includes the Chief Executive Officer and Chief Financial Officer. As with ethics and anti-sexual harassment training, certificates of completion must be maintained by the District for a period of five years. When the training is completed, the Director must print the Certification of Completion and provide it to the Office Manager to be uploaded to the District Website and retained in the office files. (added June 3, 2026)

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As reference to Policy 15.5, the following excerpt is from the District's Employee Handbook, adopted 12/2/09 and restated 6/24/22.

## 7.05 Expense Reimbursement

This policy establishes standards for Sequoia Healthcare District ("District") Employees who incur expenses during the course of business activities on behalf of or at the request of District. The purpose of this policy is to provide uniform standards for those employees who incur, authorize and approve business travel, out-of-pocket and entertainment expenses. The policy also defines the documentation necessary to support reimbursement for business travel, out-of-pocket and entertainment expenses.

Employees will be reimbursed for mileage at the rate allowed by the Internal Revenue Service. Meals will be reimbursed upon presentation of valid receipts. Personal cell phones used in the course of District business upon presentation of a valid invoice will be reimbursed up to \$75/month.

Employees are to exercise good judgment in incurring business travel and entertainment expenses. Reimbursement will be made for authorized business expenses that are reasonable, necessary and appropriately documented.

### A. Business Travel Expenses

Business travel expenses are reasonable and necessary expenses that an employee incurs while traveling away from home on District business or related activities approved by District. This Section A applies to basic expenses associated with travel on District business. Section B contains separate requirements related to business entertainment expenses.

1) Hotel Accommodations - Employees should use hotels that balance the needs for convenience, safety, and lower cost. Employees may not stay at luxury hotels such as Ritz Carlton, Four Seasons or utilize similarly expensive lodging unless it is a designated conference hotel. Employees will not be reimbursed for bottled water, in-room movies or mini-bar expenses.

2) Airfare - Employees must travel coach/economy class at the most economical rate available to reasonably accommodate business schedules.

Use of the long-term parking lots and/or off airport parking is encouraged to reduce overall travel costs.

3) Mileage/Ground Transportation - When it is more practical to use a personal automobile when traveling on business, reimbursement will be made at the currently established IRS rate per mile for the actual miles necessary to conduct the relevant business.

Other ground transportation (e.g. taxi, bus, subway, rail, etc.) will be reimbursed if it relates to District business.

Other costs associated with ground transportation such as parking and bridge tolls will be reimbursed.

4) Rental Cars - Luxury and premium cars are not reimbursable.

5) Meals - District will reimburse reasonable meal expenses incurred by employees traveling out-of-town on District business. Such meals should not exceed \$20 for breakfast, \$30 for lunch and \$40 for dinner.

6) Telephone Calls/Faxes/Mail Service While Traveling - Necessary business related telephone calls, faxes or mail service and business use of personal cell phone, home phone or faxes will be reimbursed with appropriate documentation.

Personal calls while traveling, such as reasonable calls to home, family members, baby sitters, etc., are allowable business expenses.

7) Spouse Travel - No reimbursement is allowed for travel expenses, (including, but not limited to, airfare, hotel, meals, transportation, tips, etc.) paid or incurred by an employee with respect to a spouse, dependent or other individual accompanying an employee on a business trip.

#### **B. Business Entertainment Expenses (including meals and gifts)**

Business entertainment expenses are those expenses incurred by the employee while (i) conducting/discussing District business and (ii) meeting with other District employees (including subordinates) and/or other persons who directly (or through another entity) do business with or support the District.

1) Business Meals - Business entertainment and meal expenses are the same as outlined in 5) Meals above.

District will only reimburse meal expenses involving District-only participants when a significant amount of the discussion/purpose of the meal is business related – whether the meeting takes place in a restaurant or the office.

Employees are reminded that they represent the District while on company business and that alcohol use, if any, must be responsible and in conjunction with a meal.

2) Business Gifts - Modest business gifts to non-employees (including board members and sponsors) will be reimbursed with the approval of the District's CEO or Board President and appropriate documentation.

3) Gifts to Employees - Generally, District will not reimburse an employee for gifts (including flowers) to subordinates, peers, or supervisors, including events such as a birthday, holiday (e.g., Christmas), wedding, special days (i.e., secretary day), birth of child or other life event.

With the CEO's or Board President prior approval, an employee may expense a gift to a District employee or board member for exceptional performance, as a thank you for a special effort, as a going away gift, or as an acknowledgement for completing a degree or training program. In addition, an employee may expense flowers or another appropriate and reasonable gift sent to a subordinate, peer, supervisor, or board member in the event of the death of an employee or immediate family member, the hospitalization of the employee or employee family member or other family crisis.

### **C. Expense Reporting and Documentation Requirements for the Paper Process**

Expense reports must be completed in accordance with the requirements of this policy.

- 1) Expense Reporting Signature and Approvals - Expense reports must be signed by the employee and approved by the employee's supervisor or the Board President. By signing the expense reports, employees and the individual approving reports are representing and confirming that the expense report complies with these standards.
- 2) Forms to be Used - Employees must use the current District expense report form(s) for reimbursement of out-of-pocket expenses, the current District mileage and associated reimbursement form for reimbursement of mileage.
- 3) Attachments to Forms - When preparing expense reports, receipts should be attached.
- 4) Substantiation of Expenses - Generally, a receipt should be provided in support of out of pocket expense items. Exceptions to this general requirement include bridge tolls, highway tolls, modest bus or subway fares, and tips to baggage handlers in hotels, airports. A receipt should accompany all District credit card purchases.

### **D. District Credit Cards**

Employees must follow the above requirements for allowable charges to District credit cards.

- 1) Credit Card Statement Approvals – Credit card statements must be signed by the employee and approved by the CEO or Board President. By signing the statement, employees and the individual approving reports are representing and confirming that the expense report complies with District policy for valid, allowable expenses.
- 2) Attachment and explanation of receipts - When you submit your credit card statement for payment, all receipts should be attached. If you are missing bridge tolls, highway tolls, bus or subway fares, and tips to drivers, servers, baggage handlers, etc. you will need to attach an explanation of the charge. In addition, you must specify which budget line item the charge should be billed against (i.e. office supplies, grants administration, etc.)

**POLICIES AND PROCEDURES SEQUOIA  
HEALTHCARE DISTRICT**

**Restated August 5, 2020**

**February 6, 2019 Amended Policy 1.1 and 1.2 and Added Policy 1.3 Mission, Vision and Values**

**August 5, 2020 Amended Policy 15.2 Director Healthcare Benefits**

**August 5, 2020 Added Policy 23.6 State Requirement Grants Policy on**

**District Website August 5, 2020 Added Policy 24.6 State Requirement**

**District Website Content August 5, 2020 Added Policy 27.1 State**

**Requirement AB1234 Ethics Training**

**August 5, 2020 Added Policy 27.2 State Requirement AB 1825, AB 1661, AB2053 and SB396 Harassment Training**

**June 24, 2022 -- Added 15.9, 24.7 and 24.8;  
Amended 23.1**

- POLICY NO. 1 MISSION, VISION AND VALUES**
- POLICY NO. 2 BASIS OF AUTHORITY; ROLE OF DIRECTORS**
- POLICY NO. 3 TERM OF OFFICE**
- POLICY NO. 4 OFFICERS OF THE DISTRICT**
- POLICY NO. 5 COMMITTEES OF THE BOARD; PUBLIC INFORMATION  
LIAISON; AUDITORS**
- POLICY NO. 6 BOARD MEETINGS: LOCATION, TIME, DATE, AND QUORUM**
- POLICY NO. 7 ATTENDANCE AT MEETINGS**
- POLICY NO. 8 AGENDA**
- POLICY NO. 9 TOPICS FOR DISCUSSION AT BOARD MEETINGS**
- POLICY NO. 10 CONDUCT OF MEETINGS**
- POLICY NO. 11 MINUTES**
- POLICY NO. 12 CONFLICT OF INTEREST, ETHICS AND HARASSMENT**
- POLICY NO. 13 APPOINTMENTS TO THE DISTRICT BOARD**
- POLICY NO. 14 CONDUCT RELATED TO ELECTIONS**
- POLICY NO. 15 REMUNERATION AND REIMBURSEMENT**
- POLICY NO. 16 MEMBERSHIP IN ASSOCIATIONS; TRAINING & EDUCATIONAL  
CONFERENCES**
- POLICY NO. 17 AUTHORITY AND RESPONSIBILITY OF THE CHIEF EXECUTIVE  
OFFICER; CONTRACTS AND BIDDING**
- POLICY NO. 18 COMPENSATION OF THE CHIEF EXECUTIVE OFFICER**
- POLICY NO. 19 PUBLIC RECORD REQUESTS**
- POLICY NO. 20 REVIEW OF ADMINISTRATIVE DECISIONS**
- POLICY NO. 21 DEFINITIONS OF, AMENDMENTS TO, AND SUSPENSION OF  
POLICIES & PROCEDURES**
- POLICY NO. 22 AMORTIZATION OF CAPITAL ASSETS; INVESTMENTS**
- POLICY NO. 23 REQUESTS FOR PUBLIC FUNDS, COMMUNITY GRANTS AND  
SPONSORSHIPS**
- POLICY NO. 24 SOCIAL MEDIA**
- POLICY NO. 25 RESERVES**
- POLICY NO. 26 USE OF DISTRICT EMAIL ACCOUNTS**
- POLICY NO. 27 TRAINING**

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These policies and procedures are adopted pursuant to the Ralph M. Brown Act and Section 32104 of the California Health and Safety Code, which provides as follows: “The board of directors shall provide for the time and place of holding its regular meetings and the manner of calling the same, and shall establish rules for its proceedings and may adopt such rules and regulations not inconsistent with law as may be necessary for the exercise of the powers conferred and the performance of the duties imposed upon the board.”

**POLICY NO. 1 MISSION, VISION AND VALUES**

1.1 Sequoia Healthcare District's **Mission Statement**: **To enhance the well-being of District residents through investment in health access, innovation, and collaboration** (amended effective June 3, 2026)

1.2 Sequoia Healthcare District's **Vision Statement**: **A Leader in creating a healthier community**. (amended effective June 3, 2026)

1.3 Sequoia Healthcare District's **Core Values**: **Compassion, Action, Respect, Equity, Stewardship (CARES)**. (amended effective February 6, 2019).

**POLICY NO. 2 BASIS OF AUTHORITY; ROLE OF DIRECTORS**

2.1 The Board of Directors is the governing body of the District. Apart from his or her normal function as a part of this governing body, a Director has no individual authority. Directors do not have authority to commit the District to any policy, act, or expenditure, unless the Board of Directors takes specific action to grant such authority as to a given matter.

2.2 Directors do not represent any fractional segment of the community, but are, rather, a part of the body that represents and acts for the community as a whole.

2.3 The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission. Routine matters concerning the operational aspects of the District are to be delegated to the Chief Executive Officer of the District.

2.4 Individual Directors shall not instruct District staff, District legal counsel, or District consultants, advisors, vendors, or contractors, but shall work through the Board President or the Board as a whole. However, the chairperson of any Board Ad Hoc committee shall be authorized to work with District staff and receive information and support from District staff with respect to matters within the Ad Hoc committee's jurisdiction.

2.5 Directors have a fiduciary duty to act in good faith and for the benefit of the District.

2.6 When requesting information from staff or making public records requests, Directors are encouraged to identify their specific issue of concern rather than making broad requests that require significant amounts of staff time and hinder staff's ability to devote the time necessary to the business of running the District. Any request by an individual Director for substantive information and/or research from District staff or advisors (other than a request for existing records), the response to which will require the use of material District staff time or resources, shall be submitted in writing (which includes email) through the Board President, who shall decide whether or not it is in the District's best interests to expend District resources in such a fashion and, for approved requests, shall advise staff regarding the appropriate level of resources to be devoted to the matter.

If an individual Director's request is denied by the Board President, the request shall, if the individual Director wishes, be placed on the agenda of the next meeting of the Board (for which an agenda has not yet been posted). If a majority of the Directors approve the request for information and/or research, the Chief Executive Officer shall respond to the individual Director's request for substantive information and/or research. Requests for existing District records shall be governed by the Public Records Act.

2.7 Directors make a significant commitment to their Board service, normally 10-20 hours per month. Directors are expected to remain informed on District affairs, strategic priorities, programs, and major initiatives. Directors are encouraged to serve on District Ad Hoc committees, represent the District at community events, engage with residents and stakeholders within their elected zone to understand community health needs and communicate the priorities and actions of the District. Board members are also encouraged to visit the facilities of grant recipients and attend intergovernmental meetings at which health care issues are discussed and decided. Directors are expected to maintain familiarity with District financial reports, budgets, and key performance metrics, and carefully review all materials in advance of Board meetings

to ensure informed decision making. Official representation of the District at community events and visits to facilities should be coordinated through the Chief Executive Officer to ensure compliance with the Brown Act.

**POLICY NO. 3 TERM OF OFFICE**

3.1 The term of office of an **elected** Director begins at noon on the first Friday in December pursuant to California Elections Code Section 10554. The oath of office of an elected Director is taken and filed at the time the Director, as a candidate, files his or her declaration of candidacy.

3.2 The term of office of an **appointed** Director begins effective upon appointment and upon taking the oath of office. The Director shall be sworn in by an official authorized to administer the oath of office.

3.3 Officials authorized by law to administer the oath of office include every county officer and the officer's deputies (Government Code §24057), every executive and judicial officer and every member of the legislature (Government Code §1225), and the elections official (Elections Code §10265). Executive officers include persons who fill offices created by or under the authority of the Local Healthcare District Law. (Government Code §1001).

**POLICY NO. 4 OFFICERS OF THE DISTRICT**

- 4.1 The District officers shall be President, Vice President, and Secretary/Treasurer.
- 4.2 The President shall conduct the meetings of the Board and lead the Board and the District in fulfilling the District’s mission. The President shall appoint Ad Hoc committees and shall appoint individual Board members to specific tasks.
- 4.3 The Vice President shall conduct the meetings of the Board in the absence of the President and shall assist the President in leading the Board and the District.
- 4.4 The Secretary/Treasurer shall execute those documents required by law of the secretary or treasurer with respect to the minutes and other records of the District. The Secretary/Treasurer shall be the Board’s liaison with the District’s auditors and financial consultants and shall be available to staff as necessary with respect to such matters.
- 4.5 The term of office for each District officer shall be two years; provided, however, that if an officer leaves office mid-term for any reason, his or her replacement shall serve the balance of the original two-year term. The replacement of an officer, for any reason, shall be determined by a vote of the Directors at the next Board meeting.

**POLICY NO. 5 COMMITTEES OF THE BOARD; PUBLIC INFORMATION LIAISON; AUDITORS**

5.1 There shall be no standing committees of the Board.

5.2 The President of the Board shall appoint such Ad Hoc committees as may be deemed necessary or advisable by the President or by the Board. The duties of an Ad Hoc committee shall be outlined at the time of appointment, and the committee shall be deemed dissolved when its final report has been made.

5.3 The Chief Executive Officer shall serve as the Public Information Liaison to promote effective communications with the local community consistent with the mission of the District, as set by the Board.

5.4 For purposes of fiduciary oversight, the District may contract for audit services with the same or different firms **every three years** as determined by the Board.

5.5 The due date for completion of the District's annual audit shall be the December 31st of the fiscal year that is the subject of the audit.

**POLICY NO. 6 BOARD MEETINGS: LOCATION, TIME, DATE, AND QUORUM**

6.1 It is the policy of Sequoia Healthcare District and its Board of Directors that all meetings shall be conducted in accordance with the Ralph M. Brown Act, Government Code 54950 et seq. and such additional requirements as are set forth in Policies and Procedures Nos. 6, 7, 8, 9, and 10. The Board of Directors encourages public participation at its meetings. To facilitate communication, the Board clerk will ensure that agendas are posted on the District's website in addition to other legal requirements. Each agenda shall include a time for public comment on non-agenda items as well as comment on each agenda item when called.

6.2 Meetings of the Board of Directors shall be held at the District's office located at 1016 Laurel St, San Carlos, CA 94070 except as otherwise set forth in Government Code Section 54954(b) or (e) and Section 54953(b)(3) or successor provision. If any Director is attending a meeting by teleconference, the teleconference location shall be accessible to the public, which shall be provided an opportunity to address the Board directly. If a meeting includes any Director's attendance by teleconference, at least a majority of the Directors shall participate in the meeting from locations within the boundaries of the District although it is not required that the majority all be at the same location within the District.

6.3 Section 32106 of the California Health and Safety Code provides that "A majority of the members of the board shall constitute a quorum for the transaction of business." The definition in policy 21.3 shall apply to this provision.

6.4 Regular meetings of the Board shall be scheduled for 12:00 p.m. and shall begin at that time or as soon thereafter as a quorum is present.

6.5 The regular meetings of the Board shall be held on the first Wednesday of even-numbered months, i.e., February, April, June, August, October, and December.

6.6 The biennial organizational meeting of the Board shall be the Board's regular meeting in February or an earlier meeting, if called, in the odd-numbered years. At that meeting officers shall be elected, and the District Chief Executive Officer shall report on the state of the District.

6.7 The fiscal year budget (July 1 – June 30) will be presented no later than the June meeting.

6.8 Emergency meetings of the Board may be called by the Board President or by a majority of the Directors at a time and for the purpose(s) specified in the call of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities. Emergency meetings of the Board may be called by the Board President or by a majority of the Board at a time and for the purpose(s) specified in the call in the case of an *emergency situation* involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities. An *emergency situation* is "a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both, as determined by a majority of the members of the legislative body" or "a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring a legislative body to provide one-hour notice before holding an emergency meeting...may endanger the public health, safety, or both, as determined by a

majority of the members of the legislative body.” The provisions of the Ralph M. Brown Act applicable to emergency meetings shall be followed.

6.9 Additional special meetings or study sessions can be called by the President of the Board as necessary to conduct business of the District.

6.10 Regular and special meetings (including adjourned regular and adjourned special meetings) may be adjourned to a future date and time. If, after a meeting has been convened, the number of Directors present drops below the number required for a quorum, no further action may be taken except that less than a quorum of the Board shall adjourn the meeting to a future date and time or to the next regular meeting. If no Directors are present, the clerk of the Board shall adjourn the meeting to a future date and time and shall give notice of the adjournment in the same manner as for special meetings. The subsequent meeting is known as an “adjourned meeting” or “adjourned special meeting.” A notice of the adjournment, including the future date and time of the adjourned meeting, shall be conspicuously posted on or near the door of the place where the meeting was held within 24 hours after the time of the adjournment. If the date of the adjourned meeting is within five (5) days of the original meeting, no new agenda need be posted (so long as the adjourned meeting is limited to the original agenda). If the date of the adjourned meeting is more than five (5) days from the original meeting, a new agenda must be prepared and posted.

6.11 District staff shall insure that appropriate information, including Board packets, is available for the audience at meetings of the Board of Directors and that physical facilities for meetings are functional and appropriate. Board packets shall be posted on the District’s web site at same time as the packets are sent to the Directors.

**POLICY NO. 7 ATTENDANCE AT MEETINGS**

7.1 Directors shall attend all regular and special meetings of the Board unless there is good cause for absence. Good cause for absence includes, but is not necessarily limited to, illness, accident, vacation, business or family commitments or other unavoidable personal matters. It is recognized that the timing of business and family commitments, since they involve additional people and outside factors, cannot always be controlled. However, to the extent reasonable, Directors are expected to make good faith efforts to schedule vacation, business, and personal commitments at times that will not conflict with the schedule of regular Board meetings.

7.2 Section 32100.2 of the California Health and Safety Code provides as follows:

“Notwithstanding any other provision of law, the term of any member of the board of directors shall expire if he or she is absent from three consecutive regular meetings, or from three of any five consecutive meetings of the board and the board by resolution declares that a vacancy exists on the board.”

7.3 As set forth in the Brown Act in Government Code Section 54953, Directors may attend a meeting by teleconference. Directors have two options for remote attendance: (a) the Director’s remote location is published in the agenda and is made open to the public and (b) the Director has just cause or emergency circumstances, as defined in Section 54953, for the remote attendance. Effective January 1, 2026, a Director may not attend remotely based on just cause or emergency circumstances for more than two meetings per calendar year. Directors who are unable to attend meetings in person due to a disability are subject to different rules.

7.4 As provided in Government Code 54953, if a Board meeting that is being conducted with call-in technology or internet-based service is disrupted due to technical issues that prevent public participation, the Board shall take no further action on agenda items until the call-in service or internet-based service is restored.

## **POLICY NO. 8 AGENDA**

8.1 The District's Chief Executive Officer, in consultation with the President of the Board of Directors, shall develop the agenda for each meeting of the Board of Directors. The ultimate authority for determining the agenda shall rest with the Board President.

8.2 Any Director or member of the public may request that a matter directly related to District business be placed on the agenda of a regular meeting of the Board of Directors. The request must be in writing and submitted to the Chief Executive Officer and Board President, together with supporting documents and information, if any, at least two weeks prior to the date of the meeting. It shall be up to the discretion of the Board President, as set forth in Policy No. 8.1, whether to place the requested item on the agenda.

8.3 Each regular meeting agenda shall include an item for discussion of future agenda topics. During the discussion, a Director may request that one item be placed on the agenda of a future meeting so long as the item is within the subject matter jurisdiction of the District and the item complies with Policy No. 9. The Board members shall not engage in a substantive discussion of the item being proposed. If the request is supported by at least one other Director, the item shall be placed on the agenda for the next regular Board meeting. If a Director makes a request under this Policy No. 8.3 and the request is not supported, the Director shall not make a request for the same or substantially similar item for a period of one year.

8.4 The agenda for each Board meeting shall be posted as required by the Brown Act, which requires, among other things, that the agenda be posted "in a location that is freely accessible to members of the public." (California Government Code Sections 54954.2(a) and 54956) For Sequoia Healthcare District, that shall mean that the agenda shall be posted in the following location(s): outside the front entrance to the District's Offices at 1016 Laurel St., San Carlos, California and on the District's website.

8.5 For any meeting in which teleconferencing is to be used, the Brown Act also requires the District to "post agendas at all teleconference locations." (California Government Code Section 54953(b)(3)) If the teleconference location is a private home, the agenda shall be posted on the front door, if that is freely accessible to the public, and otherwise at the point where the private driveway to the home meets the nearest public street. If the teleconference location is in a hospital, hotel, or other commercial establishment, the agenda shall be posted where notices of meetings or other events are commonly posted, if there is such a place, and otherwise in a location on the premises where the public commonly gathers or passes and where the notice can be read. If the teleconference location is elsewhere, the agenda shall be posted in the location most accessible to the public. The notice and agenda of the meeting shall identify each teleconference location and the agenda shall be posted at all teleconference locations for the required length of time (at least 72 hours before a regular meeting, at least 24 hours before a special meeting, and as otherwise required for an emergency meeting).

**POLICY NO. 9 TOPICS FOR DISCUSSION AT BOARD MEETINGS**

9.1 For *regular* meetings, “No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcements, or make a brief report on his or her own activities.” California Government Code Section 54954.2(a).

9.2 However, the Board may take action on items of business not appearing on the posted agenda if (1) a majority of the Directors (meaning a majority of the directors present [in person or otherwise] and voting aye or no, except as may otherwise be required by law) determines that an emergency exists as defined in the Brown Act, (2) if at least two-thirds of the Directors present at the meeting (or, if fewer than two-thirds of the Board is present, all if the Directors present) determine that there is a need to take immediate action and that need came to the attention of the District after the agenda was posted, or (3) the item was posted for a prior meeting of the Board occurring no more than five calendar days earlier and the item was continued to the present meeting. California Government Code Section 54954.2(b).

9.3 For *special* meetings, “No other business [other than the business listed in the call and notice of the special meeting] shall be considered...by the legislative body.” California Government Code Section 54956.

9.4 “Every agenda for *regular* meetings shall provide an opportunity for members of the public to directly address the legislative body on any item of interest to the public, before or during the legislative body’s consideration of the item, that is within the subject matter jurisdiction of the legislative body, provided that no action shall be taken on any item not appearing on the agenda [except that the Board may adopt reasonable regulations such as limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker].” California Government Code Section 54954.3.

9.5 “Every notice for a *special* meeting shall provide an opportunity for members of the public to directly address the legislative body concerning any item that has been described in the notice for the meeting before or during consideration of that item.” California Government Code Section 54954.3.

9.6 Proposed resolutions, regulations, and policies shall be brought before the Board for discussion and action.

9.7 Proposed contracts shall be brought before the Board as set forth in Policy No. 17.

9.8 Each agenda for a regular and special meeting shall include an item for public comment on non-agenda items. Board members may offer such public comment as well as members of the public. Because such matters have not been noticed to the public, Board members may not engage in a substantive discussion of matters raised during public comment. However, the Board may direct staff to follow up on or verify information provided during public comment.

9.9 Actions within the scope of the authority of the Chief Executive Officer are not required to be brought before the Board.

9.10 Pursuant to AB 2561, the Chief Executive Officer shall present an annual report to the Board in a public meeting regarding:

- (a) Recruitment and retention policies;
- (b) Staff vacancies and efforts to fill them;
- (c) Policies that create barriers to recruitment or retention (*added June 3, 2026*)

9.11 Pursuant to a directive of the San Mateo Grand Jury, The Board shall annually instruct staff to review the District's financial controls and procedures and provide a report to the Board. (*added June 3, 2026*)

**POLICY NO. 10 CONDUCT OF MEETINGS**

10.1 The Board prefers a flexible form of meeting under the procedures set forth in this policy and not under the formalized rules of *Robert's Rules of Order*. However, if procedural questions arise that are not covered by these Policies and Procedures they will be resolved by legal counsel at the meeting. A majority of the Board can overrule legal counsel's recommendation.

10.2 Any Director may make a motion to suspend the rules. This motion is debatable and requires a two-thirds vote of the members present to pass. The effect of the motion is to allow the Board to suspend a particular rule in the Policies and Procedures for a particular purpose. The motion shall specify which rule is to be suspended and for what purpose.

10.3 The President of the Board of Directors shall preside at all Board meetings at which he or she is present. The President shall have the same rights as the other Board members in voting, introducing or seconding motions and resolutions, and participating in discussions.

10.4 In the absence of the President, the Vice President of the Board of Directors shall perform the President's duties and have the President's rights. If both the President and Vice President are absent, the Secretary/Treasurer shall perform the President's duties and have the President's rights.

10.5 The President shall call the meeting to order at the time set on the agenda or as soon thereafter as a quorum is present. The meeting may continue only so long as a quorum is present.

10.6 The minutes from the prior meeting(s) shall be offered for approval as part of the Consent Calendar. Any Board member wishing to offer an amendment or correction to the minutes shall request that the minutes and financials be removed from the Consent Calendar for discussion and separate voting. If any correction is offered, the suggested correction shall be discussed and the voted upon by the Board. Corrections approved by a majority of the Directors shall be made to the minutes. Following discussion and voting on any correction, the President shall ask if there are any further corrections and, if none, shall state that the minutes are approved as corrected.

10.7 Ordinarily, items on the agenda will be considered in the order set forth in the agenda. However, the President may alter the order of items on the agenda, as the President deems necessary for the good of the meeting.

10.8 When necessary in order to complete consideration of the entire agenda in a timely fashion and to allow all interested persons an opportunity to speak, the President may limit the total time to be devoted to an item on the agenda and may limit the time allowed for each person to speak on such item. Public comment on non-agenda items may be limited to three minutes per speaker. The Board President shall announce any applicable time limits at the start of the meeting or when the particular item is introduced.

10.9 If a Director believes procedures are not being followed or are not adequate, he or she may raise a point of order, not requiring a second. The President shall rule on the point of order. If the ruling is not satisfactory to the Director who raised the point of order, the President shall

put the question to the Board and the ruling shall be approved or disapproved by a majority of the Directors

10.10 Any Director desiring to speak shall address the President and, upon recognition by the President, may address the subject under discussion.

10.11 Any Director, including the President, may make or second a motion. If a motion is made by one Director and seconded by another Director, the President shall restate the motion if necessary for clarity and then call for discussion. After full discussion, including any public comment on the motion, the President shall call for the vote.

10.12 If the public in attendance has had an opportunity to comment on a motion, and each Director has had an opportunity to comment, then any Director may move to bring the question to a vote immediately. This motion to call the question is not debatable. If the motion to call the question is seconded by another Director and approved by a majority of the Directors, then the main motion is voted upon without further discussion. If the motion to call the question is not seconded or does not pass, discussion on the main motion may resume.

10.13 After a motion has been made and seconded, a secondary motion concerning the main motion may be made and considered as follows:

Motion to Amend. A main motion may be amended before it is voted on, either by the consent of the Directors who moved and seconded or by a new motion and second.

Motion to Postpone. A main motion may be postponed to a certain time, by a motion to postpone, which is then seconded and approved by a majority of the Directors.

Motion to Table. A main motion may be indefinitely tabled before it is voted upon, by motion made to table, which is then seconded and approved by a majority of the Directors.

Motion to Refer to Committee. A main motion may be referred to a Board Ad Hoc committee for further study and recommendation, by a motion to refer to committee, which is then seconded and approved by a vote of the Directors.

10.14 Any Director who voted in favor of a motion that passed may make a motion to reconsider. Any other Director may second the motion to reconsider (regardless of how or whether the seconding Director voted on the original motion). However, a motion to reconsider may be made only at the same meeting at which the original motion was voted upon. A motion to reconsider requires approval by a majority of the Directors. If the motion to reconsider passes, the effect is that the original motion is back on the floor and must be considered again by the Board.

10.15 No action may be taken by secret ballot. (Government Code Section 54953(c))

10.16 All votes taken during a teleconferenced meeting shall be by roll call. (Government Code Section 54953(b)(2))

10.17 Votes taken on resolutions shall be by roll call.

10.18 Directors shall at all times during Board meetings conduct themselves with courtesy and respect to each other, to staff, and to members of the public.

10.19 Directors are free to question and discuss items on the agenda. Comments on an agenda item should be confined to that item and should be concise and avoid repetition.

10.20 Individual Directors have the right to disagree with ideas and opinions.

10.21 Directors shall observe all applicable conflict of interest rules (see Policy No. 12). In the event that the District is contemplating entering into a contract to which Government Code Section 1090 may apply, no such action shall be taken until it has been determined that the proposed action does not violate Section 1090.

10.22 A majority vote is a vote of more than 50%. Thus, for example, a 3-2 vote produces a majority, but a 2-2 vote does not. If only a quorum (three Directors) is in attendance, an item can be approved by a vote of 2 – 1 or 2 – 0 unless there is a statutory requirement for a 2/3 or 4/5 vote of the entire Board, as, for example, under California Government Code Sections 53790 and 53792 (which require a 4/5 vote of all Directors to expend public funds in excess of budget limitations to “meet a national or local emergency created by war, military, naval, or air attack, or sabotage, or to provide for adequate national or local defense”) or under California Government Code Section 54954.2(b)(2) (which is described in policy 9.2). An abstention does not count as a vote for or against.

10.23 The President shall take appropriate actions to preserve order and decorum during Board meetings. The President may direct security to remove any person or persons who persist in making repeated personal or slanderous remarks or otherwise disrupting the meeting after being asked by the President to cease such behavior. In the event security is not available, the President may call the police for assistance or suspend the meeting.

10.24 “In the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, [the presiding officer]...may order the room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the legislative body from establishing a procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.” California Government Code Section 54957.9.

10.25 If approved by a majority vote of the Directors, the Board may terminate any meeting at any place in the agenda to any time and place specified in the order of adjournment when, in the opinion of the majority, adjournment is advisable. Examples of situations where adjournment might be appropriate include prolonged power failure, natural disaster, unexpected absence or sudden illness of persons necessary to consideration of an agenda item, extreme lateness of the hour, or other significant, unanticipated impediments to the continuation of the meeting.

10.26 The President may declare a short recess during any meeting.

10.27 Upon motion made, seconded, and approved by majority vote of the Board, the President shall adjourn the meeting.

**POLICY NO. 11 MINUTES**

11.1 The clerk of the Board of Directors shall prepare and keep minutes of all regular and special meetings of the Board.

11.2 The Secretary-Treasurer of the Board of Directors shall sign the minutes after their approval by the Board.

11.3 Copies of the draft minutes of the previous regular meeting and any meeting(s) held since the previous regular meeting of the Board shall be distributed to Directors as part of the information packet for the next regular meeting of the Board, at which time the Board shall consider approving the minutes as presented or with modifications. Once approved by the Board, the minutes shall be kept in the District's official files.

11.4 An audio tape recording of regular and special meetings of the Board of Directors shall be made for the purpose of preparing the written minutes. The tape recording shall be kept for one year after the date of the recorded meeting, after which time the tape recording shall be erased.

11.5 Motions and resolutions shall be recorded in the minutes as having passed or failed. Individual votes for and against and abstentions shall be recorded unless the action was unanimous. All resolutions adopted by the Board shall be numbered consecutively, starting new at the beginning of each calendar year.

11.6 Minutes shall be kept in action format. The following information shall be included in each meeting's minutes:

- Date, place and type (regular or special) of meeting.
- Directors present and absent by name.
- Call to order (including time).
- Names and addresses (if given) of public commentators, and topic commented on.
- Vote to approve minutes.
- Time and name of late arriving Directors.
- Time and name of early departing Directors.
- Names of Directors absent during any agenda item upon which action was taken.
- Board directives to staff.
- Information described in Policy No. 11.5.
- Statement of motions made.
- Names of Directors making and seconding motions.
- Action taken on each motion.
- Time of adjournment.

11.7 Unapproved minutes are "preliminary drafts...that are not retained by the public agency in the ordinary course of business." (Government Code Section 6254) Releasing copies of unapproved draft minutes could create confusion and misunderstanding because the Directors have not had an opportunity to review and, if necessary, correct the draft. Therefore, minutes

shall not be released until they have been approved by the Board; provided, however, that draft minutes, clearly identified as a draft on each page, shall be put on the District's website as part of the Director's packets as set forth in Policy No. 6.10.

**POLICY NO. 12 CONFLICT OF INTEREST, ETHICS AND HARASSMENT**

12.1 All Directors and employees shall be held to the highest ethical standards and shall not have conflicts of interest when making decisions, except when permitted or required by law. There are three basic sources of rules about conflicts of interest: The Political Reform Act (California Government Code Sections 87100 et seq.) and California Government Code Section 1090, both of which address financial conflicts of interest, and the common law prohibition against conflicts of interest which focuses on the impartiality of the decision-maker on any basis.

12.2 California Government Code Section 87100 provides that “No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest.”

12.3 California Government Code Section 1090 provides that “Members of the Legislature, state, county, district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by anybody or board of which they are members.”

12.4 The common law conflict of interest rule has been stated in various ways by the courts, including, “A public officer is impliedly bound to exercise the powers conferred on him with disinterested skill, zeal, and diligence and primarily for the benefit of the public.” *Noble v. City of Palo Alto* (1928) 89 Cal. App. 47, 51. Also, “Public officers are obligated...[by virtue of their office], to discharge their responsibilities with integrity and fidelity.” *Terry v. Bender* (1956) 143 Cal.App.2d 198.

12.5 Cal. Const., Art. XII, § 7 provides that “A transportation company may not grant free passes or discounts to anyone holding an office in this state; and the acceptance of a pass or discount by a public officer, other than a Public Utilities Commissioner, shall work a forfeiture of that office.” The California Attorney General has interpreted this prohibition to apply to elected and nonelected public officers but not to employees, to apply to domestic, foreign, and interstate carriers and to transportation received both inside and outside of California, and to apply whether the pass or discount was provided in connection with personal or public business. However, the Attorney General has ruled that with respect to airline upgrades, discounts, etc. granted to a person as a member of a larger group unrelated to his official status or the function of his or her office, the constitutional prohibition does not apply.

12.6 The Political Reform Act requires each Director to file a Form 700 Statement of Economic Interests upon assuming office, annually while in office, and upon leaving office. The Form 700 shall be completed and filed in compliance with the District’s Conflict of Interest Code and applicable state law. In signing the Form 700, a Director is certifying under penalty of perjury that the information is true and correct. It is the responsibility of each Director to review each schedule and its instructions carefully and to complete the Form 700 accurately and comprehensively. Any Director needing assistance may consult the Fair Political Practices Commission (“FPPC”) Technical Advice Office. According to the FPPC, it is inappropriate for District staff members or District counsel to answer substantive questions regarding completion of the Form 700.

12.7 The Board of Directors first adopted a Conflict of Interest Code in 1986 and the most recent version was adopted August 6, 2014. The Conflict of Interest Code designates the employees, consultants, and others who must file an annual statement of economic interest. Statements are filed with the County Clerk of San Mateo County and are available for inspection at that office.

12.8 Additional ethical standards and procedures for District employees are set forth in the Employee Handbook.

12.9 Decisions by the Board and District employees shall be consistent with the Vision Statement and Mission Statement, and the strategic plan adopted by the District.

**POLICY NO. 13 APPOINTMENTS TO THE DISTRICT BOARD**

13.1 When the Board is notified of a vacancy or upcoming vacancy on the District Board, the Board shall determine at a regular or special meeting whether to fill the vacancy by election or appointment. Policy Nos. 13.2 through 13.7 shall apply if the Board decides to fill the vacancy by appointment.

13.2 The person appointed shall be a registered voter residing in the District (required by law) and be experienced in healthcare and/or in local community matters and be committed to and have an understanding of the mission, vision, values, and corporate purpose of the District.

13.3 The District shall advertise and fill the vacancy according to the procedures set forth in applicable law (currently Health and Safety Code Section 32100 and Government Code Section 1780).

13.4 Notice of the vacancy shall be posted for at least 10 days in at least three conspicuous places in the District, including in the District's offices. The notice of vacancy shall also be posted on the District's website and published in one or more daily newspapers circulated in the District.

13.5 The Board shall appoint an Ad Hoc committee of two Board members to interview all applicants and bring a recommendation to the full Board for consideration. Board members (including members of the Ad Hoc committee) and the Chief Executive Officer of the District may submit to the Ad Hoc committee names of persons to be considered for the vacancy, and the Ad Hoc committee shall contact any such persons and invite them to apply.

13.6 Persons interested in the position shall submit a resume, a statement explaining their interest in the position, and an acknowledgement that they will be subject to the District's conflict of interest policy and will be required to file Statements of Economic Interests.

13.7 Per State Law, the Board shall appoint a replacement within 60 days after the later of the date on which the Board is notified of the vacancy or the date on which the vacancy becomes effective. If necessary, the Board shall call a special meeting to make the appointment within the 60-day deadline.

**POLICY NO. 14 CONDUCT RELATED TO ELECTIONS**

14.1 Sequoia Healthcare District has a five-member Board of Directors. Members must run for election and are elected by the residents of the District. Board members are expected to attend six regular Board meetings, occasional special meetings and usually participate on one or more ad hoc committee as assigned by the Board President.

14.2 The term of an elected director is four years and there is no limit to the number of terms. Two positions are elected in November in the years evenly divisible by four and three positions are elected in November of the intervening even-numbered years.

14.3 Prospective Board members must be at least 18 years of age and must be District residents.

14.4 The candidate filing period for Statewide General Elections is set by law. All candidates running for office must file a Form 700 Statement of Economic Interest. Candidates must file their Form 700 at the Registration & Elections Division, Office of the Chief Elections Officer & Assessor-County Clerk-Recorder, 40 Tower Road in San Mateo by the deadline for all candidate documents.

14.5 The cost of the candidate's policy statement is limited to 200 words and is to be paid by the District.

14.6 Interested parties can learn more at San Mateo County's website [Shapethefuture.org](http://Shapethefuture.org).

14.7 By law, the District may not use public funds or resources to advocate for or against any ballot measure or candidate. Using public funds or resources in such a manner would be inherently unjust to the rights of taxpayers with differing views and further would create the possibility of incumbents taking advantage of their position to stay in office.

14.8 It is permissible, however, to use public funds for the dissemination of impartial educational information, to make a fair presentation of the facts to aid voters in making an informed judgment.

14.9 It is also permissible for the Board to go on record at a public meeting in favor of or opposed to a particular ballot measure. Any such action shall first be approved by two-thirds of the Directors present.

14.10 Directors shall not use any District resources, for example, photocopiers or paper supplies, or make any requests of staff to produce or disseminate any partisan campaign material to be used in support of or in opposition to any candidate for public office or any ballot measure.

14.11 During public meetings of the Board, individual Directors have a fiduciary duty to concentrate their attention on the meeting. They shall not hand out partisan campaign material supporting or opposing any candidate for public office or any ballot measure while the public Board meeting is in progress.

## POLICY NO. 15 REMUNERATION AND REIMBURSEMENT

15.1 Effective December 1, 2026, under Government Code Sections 32103 et seq., and as stated in Resolution 2026-02, dated May 6, 2026, each Director of Sequoia Healthcare District shall be entitled to receive \$100.00 as a stipend for each eligible meeting, as defined below, attended by the Director, not to exceed \$500.00 for each calendar month.

Eligible Meetings include:

- regular and special meetings of the Board of Directors,
- meetings of each standing committee of the Board,
- meetings of ad hoc or special committees that include at least one appointed Board member. A closed session held as a **stand-alone special meeting** shall be treated as a separate meeting eligible for compensation.
- Meetings of the Grants Committee, the Pension Plan Committee, and the Finance Committee are meetings eligible for compensation.
- Meetings that are not eligible:
- A closed session of the Board of Directors **held in connection with a regular or special meeting** of the Board shall not be treated as a separate meeting.
- Attending community events and meetings with staff, members of the public, or similar meetings shall not be eligible for compensation under this policy.

Process for Compensation: Each Director may request compensation on a form developed by staff and submitted to the Chief Financial Officer within 60 days of the end of the month for which the claim is made. The Chief Financial Officer may request such further information as deemed necessary to ensure that proper claims are submitted and paid. Directors may decline the stipend.

15.2 The District offers to pay a portion of the CalPers premiums for health care insurance for all participating Directors and their dependents who choose to enroll in CalPers while on the District Board. The healthcare benefit offered to Directors may not exceed the most generous schedule of benefits offered to regular employees of the District and requires Directors to reimburse the District for 5% of their premium, in addition to covering the cost of coverage over the monthly limit. Further, any benefit provided must be group insurance, not individual. Consequently, the value of any healthcare premiums would be considered compensation to the Directors and would be taxable. The District would be required to issue a Form 1099-MISC for such benefits. Such payments shall cease effective at the end of the month the Director leaves the Board. *(Amended June 3, 2026)*

15.3 The District shall reimburse Directors for actual necessary traveling and incidental expenses incurred in the performance of official duties as Directors, subject to the requirements of these Policies and Procedures and the law.

15.4 The following types of occurrences qualify for reimbursement if attended in the performance of official duties as Directors of the board and if prior approval is obtained as set forth in Policy 16.2:

- a. Training workshops, seminars, and conferences.

- b. Educational workshops, seminars, and conferences.
- c. Meetings of or sponsored by ACHD (the Association of California Health Care Districts), by CSDA (the California Special Districts Association), and by other state or national organizations relevant to the purposes of the District.
- d. Meetings of local governmental entities and bodies and Ad Hoc committees thereof.
- e. Meetings of local nonprofit organizations.
- f. Meetings of community or civic groups or organizations.
- g. Meetings of advisory groups and Ad Hoc committees organized or conducted by District staff.
- h. Meetings with District consultants, advisors, and other professionals.
- i. Any other activity approved by the Board in advance of attendance, whether the request for attendance was initiated by the Board or by a Director.

15.5 Subject to Policies 15.7 and 15.8, reimbursement for travel, meals, lodging, and other expenses shall be made in accordance with Section 7.05 of the District's Employee Handbook, except as otherwise provided in Policy 16. (An excerpt of Section 7.05 is attached at the end of these policies.) The provisions of Policy 16.6 shall not be deemed to create any exception to this Policy 15.5.

15.6 Subject to Policy 15.5, if there is no Internal Revenue Service rate established for an expense and if such expense is not reimbursable under Policy 15.5, such expense shall not be reimbursed unless the District board approved such expense in a public meeting before the expense was incurred. 15.7 No expense shall be reimbursed except pursuant to an expense report meeting the requirements of this Policy and submitted by the Director to (and received by) District staff, within four weeks after the final date of the occurrence in connection with which the expense was incurred. The expense report shall document that the expenses meet the requirements of Policies 15 and 16 and shall include receipts for all expenses for which reimbursement is being requested.

15.8 If requested by the Board Chair, the Director shall provide a brief report of the meeting, event, or conference attended.

15.9 Reimbursement Reports (Govt. Code §53065.5) In compliance with California government code §53065.5, the District will create an annual report disclosing each reimbursement to officials and employees for an "individual charge" of \$100 or more (e.g., one meal, one day's lodging, transportation, a registration fee) that will be published and made available for public inspection at least annually by a date determined by the district. (*effective June 24, 2022*)

**POLICY NO. 16 MEMBERSHIP IN ASSOCIATIONS; TRAINING & EDUCATIONAL CONFERENCES**

16.1 The Board of Directors shall hold membership in such national, state, and local associations as are applicable to the functions of the District and deemed appropriate by the Board and shall approve, either as part of the budget or otherwise, the payment of any membership fees or dues for these organizations.

16.2 Directors are encouraged to attend educational or professional conferences, seminars, workshops, sessions, and meetings (“Professional Events”), including those of the organizations described in Policy No. 16.1, if such attendance will further the purposes of the District. If any Director wishes the District to pay, or to reimburse the Director, for the costs of attending a Professional Event (tuition, travel, lodging, and meals), the Director shall obtain the approval of the President of the Board of Directors before incurring the costs. The President shall approve the request if the President believes that attendance is appropriate based on the criteria set forth in this Policy No. 16.

16.3 Junkets (defined as a tour or journey for pleasure at public expense) will not be permitted.

16.4 Staff shall assist Directors, as they request, in making arrangements to attend a Professional Event approved by the President of the Board. All reimbursement requests and all bills for such Professional Events shall be submitted to staff, together with validated receipts.

16.5 Directors shall use all reasonable efforts to minimize the costs of tuition, transportation, meals, and lodging related to attending a Professional Event approved by the President of the Board by doing the following:

- a. Making reservations sufficiently in advance, when possible, to obtain discounted tuition, airfares, and hotel rates.
- b. Utilizing accommodations recommended by the event sponsor in order to obtain discounted rates or accommodations in the mid-range of quality and cost.
- c. Traveling with other Directors, where feasible and economically beneficial.
- d. Using shuttles, rather than taxis, where available and safe.

16.6 A Director shall not attend a conference or training event for which there is an expense to the District, if the event occurs after the Director has announced his or her pending resignation or after an election in which it was determined that the Director will not retain his or her seat on the Board.

16.7 Upon returning from a Professional Event for which there was an expense to the District, a Director shall make a report during the next regular meeting of the Board, in compliance with policy 15.8, explaining the purposes and nature of the Professional Event and how the District benefited by the Director's attendance at the Professional Event.

**POLICY NO. 17 AUTHORITY AND, RESPONSIBILITY OF THE CHIEF EXECUTIVE OFFICER; CONTRACTS AND BIDDING**

17.1 Comments or inquiries concerning the District from residents, property owners, staff, consultants, and advisors of the District shall be referred to the Chief Executive Officer. Safety concerns or hazards relative to the District shall also be referred to the Chief Executive Officer.

17.2 Contracts that do not require public bidding shall be let upon the authorization set forth below.

Amount of Contract	In the approved budget
\$1 - \$24,999 \$25,000-up	Chief Executive Officer may authorize
	Chief Executive Officer may authorize with President’s approval

Amount of Contract	Not in the approved budget
\$1 - \$5,000 Over \$5,000	Chief Executive Officer may authorize
	Requires approval of the Board

17.3 Contracts that require public bidding shall be taken to the full Board for discussion and action.

17.4 The District shall comply with the requirements of California Health and Safety Code Section 32132, which sets forth the bidding requirements applicable to Sequoia Healthcare District. The general rule is that “the board of directors shall let any contract involving an expenditure of more than twenty-five thousand dollars (\$25,000) for labor, materials and supplies to be furnished, sold, or leased to the district, or any contract involving an expenditure of more than twenty-five thousand dollars (\$25,000) for work to be done, to the lowest responsible bidder” except that competitive bidding rules do not apply to “medical or surgical equipment or supplies, to professional services, or to electronic data processing and telecommunications goods and services” and do not apply to “change orders that do not materially change the scope of the work...and if each individual change order does not total more than 5 percent of the contract.”

17.5 As clarified in numerous decisions by various courts, the professional services to which the bidding rules do not apply include those of persons who are highly and technically skilled in their science or profession; persons with a peculiar skill or ability, such as attorney at law, architect, engineer, or artist; and persons whose work requires taste, skill, and technical learning and ability of a rare kind.

**POLICY NO. 18 COMPENSATION OF THE CHIEF EXECUTIVE OFFICER**

18.1 The Chief Executive Officer of Sequoia Healthcare District (the “District”) is the principal representative of District, and the person responsible for the efficient operation of the District. Therefore, it is the desire of the District to provide a fair yet reasonable and not excessive compensation for the Chief Executive Officer.

18.2 The annual process for determining compensation is as follows: The District full board shall evaluate the Chief Executive Officer on his/her performance, and ask for his/her input on matters of performance and compensation.

18.3 A Compensation Ad Hoc Committee, appointed by the Board President will research and obtain information to make a recommendation to the full board for the compensation (salary and benefits) of the Chief Executive Officer based on a review of comparability data. For example, the Compensation Ad Hoc committee will secure data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similar organizations. This data may include the following:

1. Salary and benefit compensation studies by independent sources;
2. Written job offers for positions at similar organizations;
3. Documented telephone calls about similar positions at both nonprofit and for-profit organizations; and
4. Information obtained from the IRS Form 990 filings of similar organizations.

18.4 To approve the compensation for the Chief Executive Officer the board must document how it reached its decisions, including the data on which it relied, in minutes of the meeting during which the compensation was approved. Documentation will include:

- a) A description of the compensation and benefits and the date it was approved;
- b) The members of the board who were present during the discussion about compensation and benefits, and the results of the vote;
- c) A description of the comparability data relied upon and how the data was obtained; and
- d) Any actions taken (such as abstaining from discussion and vote) with respect to consideration of the compensation by anyone who is otherwise a member of the board but who had a conflict of interest with respect to the decision on the compensation and benefits.

18.5 No member of the Compensation Ad Hoc committee will be a staff member, the relative of a staff member, or have any relationship with staff that could present a conflict of interest.

**POLICY NO. 19 PUBLIC RECORDS REQUESTS**

19.1 Requests for public records shall be subject to the California Public Records Act (California Government Code Sections 6250 et seq.) and shall be handled according to the provisions of that act.

19.2 The District may charge a reasonable fee for copying records provided by the requesting party. The charge shall be \$0.15 per page for normal size pages and shall be adjusted for odd sized pages or copies that require special handling. The Chief Executive Officer or designee may waive the charge for incidental copies, not exceeding 10 pages, that require minimal handling. There shall be no charge for copies of documents provided as part of a public meeting.

19.3 If the request is expected to involve a significant amount of copies and effort, District staff may make an estimate of the cost. District staff may then ask the requesting party to confirm that the proposed charge and delivery time are acceptable and to signify acceptance in a reasonable manner (written approval, email, etc.). District staff may require a deposit of the estimated cost before making copies. Once the requesting party has agreed to the estimated cost and delivery date, District staff will have the copies made and will deliver the copies when full payment is received.

19.4 If a person requests to inspect certain documents, District staff will provide such an opportunity within a reasonable period of time after the request. The document inspection may, at District staff's discretion, be conducted under the supervision of a District employee. No documents may be removed, copied or tampered with in any way, without the District staff's permission. All copying requests will follow the procedures outlined in policies 19.1, 19.2 and 19.3.

19.5 The District shall issue an email address, using the District's domain name, to all employees and Directors.

- a) Employees are required to use their District email account for all District-related communications.
- b) Directors are encouraged to use their District email account for District-related communications. Email communications on a Director's personal or business account that relate to District business are subject to disclosure under the Public Records act. Directors who do not utilize their District email account shall make their personal and/or business email accounts available for review by the District's legal counsel when necessary to comply with a request under the Public Records Act.

**POLICY NO. 20 REVIEW OF ADMINISTRATIVE DECISIONS**

20.1 Section 1094.6 of the California Code of Civil Procedure shall govern any appeal of an administrative decision of the Board of Directors pursuant to Section 1094.5 of the California Code of Civil Procedure.

**POLICY NO. 21 DEFINITIONS OF, AMENDMENTS TO, AND SUSPENSION OF POLICIES & PROCEDURES**

21.1 By motion made, seconded, and approved by a majority of the Directors, the Board may amend or temporarily suspend these policies and procedures in whole or in part.

21.2 The word “majority” in policies 2, 6, 9, 10, 21 and 24 shall mean a majority of the Directors present at the meeting and voting aye or no. “Present at the meeting” shall include all Directors present in person and all Directors legally present by telephone or other allowed method.

21.3 For purposes of policy 6, the word “majority” shall be deemed to mean a “majority” of the Directors then in office, except as may otherwise be required by law.”

**POLICY NO. 22 AMORTIZATION OF CAPITAL ASSETS; INVESTMENTS**

22.1 Capital assets of \$5,000 or more shall be depreciated on the straight-line basis over the asset's estimated useful life or the lease term as follows:

Major Land and Building Improvements	15-20 years
Equipment and Furniture	3 – 5 years
Leasehold Improvements	Life of Lease
Improvements to Common Areas	3 – 5 years

22.2 The District's investments shall conform to all applicable law and regulation. As allowed by the same, the following policies shall apply:

1. U.S. Treasuries
2. U.S. Agencies – Federal Home Loan Bank, Federal Home Loan Mortgage Corp., Federal National Mortgage Association, Student Loan Marketing Association, Government National Mortgage Association and Federal Farm Credit Bank
3. Bankers Acceptances – Up to 40% of District's surplus money can be invested in Bankers Acceptances
4. Certificates of Deposit – Up to 30% of District's surplus money can be invested in Certificates of Deposit
5. Asset-Backed Securities – Exposure not to exceed 20% of portfolio; issuers must be rated 'AA' or better by Moody's or S&P
6. Commercial Paper – Exposure not to exceed 15% of portfolio and issuers' Short-term rating must be at least A1/P1
7. Medium Term Notes (Corporate Bonds) – Exposure limited to 30% of portfolio; issuers must be rated 'A' or better by Moody's or S&P; companies must be within the United States
8. Municipals – California only

General

- A. 20% maximum exposure per issuer (except U.S. Treasuries and Governments)
- B. 30% maximum per industry (except U.S. Treasuries, Governments and LAIF)
- C. Weighted average portfolio maturity of 5 years or less\*
- D. 40% of portfolio can have a maturity (average life) of greater than 5 years\*

E. Benchmark - Local Agency Investment Fund (LAIF)

\* Adopted 8/7/00

## **POLICY NO. 23 REQUESTS FOR PUBLIC FUNDS, COMMUNITY GRANTS AND SPONSORSHIP**

23.1 Under the law, Sequoia Healthcare District may provide assistance to health care programs, services, facilities, and activities at any location within or outside the District for the benefit of the District and the persons served by the District. Such financial support may be provided to nonprofit organizations and clinics functioning in the community in order to provide for adequate health services in the communities served by the District. Financial support ordinarily is not provided to foundations. In order to be considered for funding, a foundation must (a) be qualified under Section 501(c)(3) of the Internal Revenue Code, (b) conduct its own program or programs for which funding is requested, rather than making grants to other service providers, and (c) address a broad community need rather than a single site or program specific to the foundation (such as school foundations).

23.2 A community's health needs are served not only by traditional acute care hospitals, but also by a broad array of other health-related programs and initiatives. These include local health and wellness programs, community-based clinics, health provider educational programs, and other programs and organizations that promote physical, emotional and psychological well-being.

23.3 As allowed by the District's financial condition, the District shall have a Community Grants program to address identified community healthcare needs as envisioned by the Mission Statement and the strategic plan. In conjunction with setting the District's annual budget each year, the District shall determine whether to fund the Community Grants program for that budget year and, if so, in what amount. District staff shall administer the program with the District Board of Directors making the final decision regarding grant recipients. The Board President shall appoint an ad hoc Community Grants Committee to review grant applications and make recommendations to the Board. The Grants Committee shall include two Board members, District staff, and community members who shall serve without compensation. Information regarding the availability of the Community Grants and the application process shall be posted on the District's website and publicized appropriately so that eligible programs may make timely applications.

Requests for emergency or interim funding that fall outside the normal Community Grants application cycle may be presented to the Board after review by the Board President and Chief Executive Officer.

23.4 Requests for major program funding (in excess of \$100,000) and capital investments shall be made directly to the Board and presented in an open meeting. Such requests will be evaluated for consistency with the District's Mission Statement and strategic plan and by community needs. Funding requests for programs that are located or offer services outside of District boundaries must be able to demonstrate how services to District residents will be documented. Grants normally will be memorialized with a Memorandum of Understanding. Funding may be made in phases and may be subject to such conditions as the Board may impose.

Grants for the acquisition, leasing or substantial improvement of real property or other facilities shall be secured so that, if the facility is sold or leased to others for purposes that are not consistent with the original grant, the District may recover its funds for reinvestment in other programs or facilities.

23.5 The Sequoia Healthcare District will not sponsor fundraising events but may sponsor events that provide a community health benefit such as health education or health screening events up to \$3,500 per event but not to exceed \$10,000 in any fiscal year. The staff/Board may purchase tickets to fundraising events or other community events as long as no more than \$600 is spent per event and the total for event attendance does not exceed \$5,000 per year.

The CEO will be required to report on any events sponsored or attended as part of the CEO report each Board Meeting including who attended representing the District and the purpose of the event.

23.6 Effective January 1, 2020, Sequoia Healthcare District will adopt annual policies and guidelines for grant funding in compliance with Health & Safety Code Section 32139 and post such policies and guideline on the District website. *(Added August 5, 2020)*

**POLICY 24: SOCIAL MEDIA POLICY**

24.1 The District maintains certain social media sites, including a website, a Facebook page, and a Twitter account (“social media”). Additional social media, including blogs, may be created from time to time. All District social media shall be clearly designated to indicate that it is maintained by the District.

24.2 Each of the social media maintained by the District is the sole property of the District. The Chief Executive Officer shall have the authority to create, maintain, operate, preserve, or discontinue such social media, subject to express direction from a majority of the Board of Directors.

24.3 No information or content shall be posted to or removed from the District’s social media unless approved by the Chief Executive Officer or designated staff; provided, that specific content shall be posted to or removed from the District’s social media if directed by the Board of Directors at a public meeting. All content shall be for the benefit of the District and for the purpose of providing information regarding District activities, programs, and issues. The District’s social media shall not be used to further the candidacy or political views of any Director, candidate, or employee. All content shall be respectful and maintain the privacy of employees and recipients of services provided by the District or its grantees.

24.4 No content shall be posted to the District’s social media by or on behalf of any individual Director except a statement from the Board President on behalf of the District when approved by the Board in accordance with this policy.

24.5 No Director or employee shall maintain or operate a private social media site that purports to be an official District social media.

24.6 Effective January 1, 2020, in compliance with California AB2019, the Sequoia Healthcare District will include specified information, on the District’s Internet Web site for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies. The District shall establish and maintain an Internet Web site that lists contact information for the District, and (1) The adopted budget, (2) A list of current board members, (3) Information regarding public meetings required pursuant to Section 32106 or the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), (4) A municipal service review or special study conducted by a local agency formation commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code), if any. (5) Recipients of grant funding or assistance provided by the district, if any, (6) Audits of the district’s accounts and records pursuant to Section 26909 of the Government Code or Section 32133 of this code, (7) Annual financial reports to the Controller, submitted pursuant to Section 53890 of the Government Code, (8) The district’s policy for providing assistance or grant funding described in policy 23.6, and (9) Any other information the board deems relevant. *(Added August 5, 2020)*

24.7 Website ADA Compliance (Govt. Code §§6270.6 and 53087.8) In compliance with Federal and state laws that require government websites work with accessibility assistance systems (e.g., screen readers, magnifiers), the District will ensure that their websites meet accessibility standards and check their websites regularly with ADA checker software. (*effective June 24, 2022*)

24.8 Computer Systems Transparency (Govt. Code §6270.5) In compliance with California government code §6270.5, the Sequoia Healthcare District will identify all computer systems and software used that collects information about the public, make the list available upon request in the district office, post the list in a “prominent” location on the website and update the list annually. (*effective June 24, 2022*)

**POLICY 25: RESERVES**

Sequoia Healthcare District will maintain financial reserves. This policy sets forth the purposes and uses of the reserve funds.

25.1 Reserve funds may be used for any legal purpose by Board vote including but not limited to overhead, grants, investments, and property.

25.2 The District will maintain a reserve fund of at least \$5 million. If emergency needs reduce the reserves below \$5 million, they will be replaced with revenue from any and all sources including tax revenue in order to return the reserve to the minimum level as soon as reasonably possible.

25.3 Reserve funds exceeding \$5 million may be used from time to time as approved by the Board at any meeting. Reserves used over the \$5 million level may or may not be replaced as determined by the Board.

25.4 All reserve funds will be invested in accordance with California law and Sequoia Healthcare District Investment Policy 22 with at least \$2.5 million in US treasuries to provide reasonable liquidity for emergencies or budgeted deficits.

25.5 Reserve funds may be used to fund overhead without replacement, in order to facilitate using 100% of tax revenue each year for grants, unless the reserves fall below \$5 million.

**POLICY NO. 26****USE OF DISTRICT EMAIL ACCOUNTS**

- A. The District shall issue an official email address, using the District’s domain name, to all Directors and employees. The District shall provide technical support to enable Directors and employees to access their official email accounts from mobile devices and home computers.
- B. Employees are required to use their official email account for all District-related communications.
- C. Communications from District employees to Directors regarding District business and meeting agendas shall utilize the Directors’ official email accounts. A Director may request, in writing, that such communications be sent to a different email account.
- D. Directors are encouraged to use their official email accounts for District-related communications. Email communications on a Director’s personal or business account that relate to District business are subject to disclosure under the Public Records Act. Directors who do not utilize their official email account shall make their personal and/or business email accounts available for review by the District’s legal counsel when necessary to comply with a request under the Public Records Act.
- E. In order to avoid inadvertent violations of the Brown Act, Directors and employees should exercise caution when using the “reply all” email function. Directors may not communicate with more than one other Director on a topic via email, except for trivial or scheduling matters. Comments or questions in a “reply all” response may constitute a serial meeting under the Brown Act.

**POLICY NO. 27****TRAINING**

27.1 California law (AB 1234, Chapter 700, Stats. of 2005) requires all Directors complete an ethics training course within six months of assuming office and complete the course every two-years thereafter. Several training options are available including training conducted by commercial organizations, nonprofits, or an agency's own legal counsel. An online training program has been established by the California Fair Political Practices Commission that allows local officials to satisfy the requirements of AB 1234 on a cost-free basis. The course can be accessed via the following link <http://locaethics.fppc.ca.gov/login.aspx>. When the training is completed, the Director must print the Certification of Completion and provide it to the Office Manager to be uploaded to the District Website and retained in the office files. (added August 5, 2020)

27.2 Effective January 1, 2020, California laws AB 1825, AB 1661, AB2053 and SB396 require all elected officials and staff to complete Sexual Harassment training every two years that includes what constitutes sexual harassment and discrimination in the workplace, how to recognize and avoid harassment, what procedures to follow if you witness harassment or are harassed yourself, the potential consequences - including personal liability - of harassment, what constitutes abusive conduct in the workplace, and orientation, gender identity & gender expression. When the training is completed, the elected official and staff members must print the Certification of Completion and provide it to the Office Manager to be uploaded to the District Website and retained in the office files. (added August 5, 2020).

27.3 Effective Jan 1, 2026, SB 827 creates a new obligation for elected officials and some senior appointed officials to receive training in financial and fiscal matters every two years. The minimum training time is two hours. This legislation requires any officials who are appointed by the Board to make decisions or recommendations about financial administration, budgeting, or use of public resources to also take the training; this also includes the Chief Executive Officer and Chief Financial Officer. As with ethics and anti-sexual harassment training, certificates of completion must be maintained by the District for a period of five years. When the training is completed, the Director must print the Certification of Completion and provide it to the Office Manager to be uploaded to the District Website and retained in the office files. (added June 3, 2026)

**As reference to Policy 15.5, the following excerpt is from the District’s Employee Handbook, adopted 12/2/09 and restated 6/24/22.**

## **7.05 Expense Reimbursement**

This policy establishes standards for Sequoia Healthcare District (“District”) Employees who incur expenses during the course of business activities on behalf of or at the request of District. The purpose of this policy is to provide uniform standards for those employees who incur, authorize and approve business travel, out-of-pocket and entertainment expenses. The policy also defines the documentation necessary to support reimbursement for business travel, out-of-pocket and entertainment expenses.

Employees will be reimbursed for mileage at the rate allowed by the Internal Revenue Service. Meals will be reimbursed upon presentation of valid receipts. Personal cell phones used in the course of District business upon presentation of a valid invoice will be reimbursed up to \$75/month.

Employees are to exercise good judgment in incurring business travel and entertainment expenses. Reimbursement will be made for authorized business expenses that are reasonable, necessary and appropriately documented.

### **A. Business Travel Expenses**

Business travel expenses are reasonable and necessary expenses that an employee incurs while traveling away from home on District business or related activities approved by District. This Section A applies to basic expenses associated with travel on District business. Section B contains separate requirements related to business entertainment expenses.

1) Hotel Accommodations - Employees should use hotels that balance the needs for convenience, safety, and lower cost. Employees may not stay at luxury hotels such as Ritz Carlton, Four Seasons or utilize similarly expensive lodging unless it is a designated conference hotel. Employees will not be reimbursed for bottled water, in-room movies or mini-bar expenses.

2) Airfare - Employees must travel coach/economy class at the most economical rate available to reasonably accommodate business schedules.

Use of the long-term parking lots and/or off airport parking is encouraged to reduce overall travel costs.

3) Mileage/Ground Transportation - When it is more practical to use a personal automobile when traveling on business, reimbursement will be made at the currently established IRS rate per mile for the actual miles necessary to conduct the relevant business.

Other ground transportation (e.g. taxi, bus, subway, rail, etc.) will be reimbursed if it relates to District business.

Other costs associated with ground transportation such as parking and bridge tolls will be reimbursed.

4) Rental Cars - Luxury and premium cars are not reimbursable.

5) Meals - District will reimburse reasonable meal expenses incurred by employees traveling out-of-town on District business. Such meals should not exceed \$20 for breakfast, \$30 for lunch and \$40 for dinner.

6) Telephone Calls/Faxes/Mail Service While Traveling - Necessary business related telephone calls, faxes or mail service and business use of personal cell phone, home phone or faxes will be reimbursed with appropriate documentation.

Personal calls while traveling, such as reasonable calls to home, family members, baby sitters, etc., are allowable business expenses.

7) Spouse Travel - No reimbursement is allowed for travel expenses, (including, but not limited to, airfare, hotel, meals, transportation, tips, etc.) paid or incurred by an employee with respect to a spouse, dependent or other individual accompanying an employee on a business trip.

#### **B. Business Entertainment Expenses (including meals and gifts)**

Business entertainment expenses are those expenses incurred by the employee while (i) conducting/discussing District business and (ii) meeting with other District employees (including subordinates) and/or other persons who directly (or through another entity) do business with or support the District.

1) Business Meals - Business entertainment and meal expenses are the same as outlined in 5) Meals above.

District will only reimburse meal expenses involving District-only participants when a significant amount of the discussion/purpose of the meal is business related – whether the meeting takes place in a restaurant or the office.

Employees are reminded that they represent the District while on company business and that alcohol use, if any, must be responsible and in conjunction with a meal.

2) Business Gifts - Modest business gifts to non-employees (including board members and sponsors) will be reimbursed with the approval of the District's CEO or Board President and appropriate documentation.

3) Gifts to Employees - Generally, District will not reimburse an employee for gifts (including flowers) to subordinates, peers, or supervisors, including events such as a birthday, holiday (e.g., Christmas), wedding, special days (i.e., secretary day), birth of child or other life event.

With the CEO's or Board President prior approval, an employee may expense a gift to a District employee or board member for exceptional performance, as a thank you for a special effort, as a going away gift, or as an acknowledgement for completing a degree or training program. In addition, an employee may expense flowers or another appropriate and reasonable gift sent to a subordinate, peer, supervisor, or board member in the event of the death of an employee or immediate family member, the hospitalization of the employee or employee family member or other family crisis.

### **C. Expense Reporting and Documentation Requirements for the Paper Process**

Expense reports must be completed in accordance with the requirements of this policy.

1) Expense Reporting Signature and Approvals - Expense reports must be signed by the employee and approved by the employee's supervisor or the Board President. By signing the expense reports, employees and the individual approving reports are representing and confirming that the expense report complies with these standards.

2) Forms to be Used - Employees must use the current District expense report form(s) for reimbursement of out-of-pocket expenses, the current District mileage and associated reimbursement form for reimbursement of mileage.

3) Attachments to Forms - When preparing expense reports, receipts should be attached.

4) Substantiation of Expenses - Generally, a receipt should be provided in support of out of pocket expense items. Exceptions to this general requirement include bridge tolls, highway tolls, modest bus or subway fares, and tips to baggage handlers in hotels, airports. A receipt should accompany all District credit card purchases.

### **D. District Credit Cards**

Employees must follow the above requirements for allowable charges to District credit cards.

1) Credit Card Statement Approvals – Credit card statements must be signed by the employee and approved by the CEO or Board President. By signing the statement, employees and the individual approving reports are representing and confirming that the expense report complies with District policy for valid, allowable expenses.

2) Attachment and explanation of receipts - When you submit your credit card statement for payment, all receipts should be attached. If you are missing bridge tolls, highway tolls, bus or subway fares, and tips to drivers, servers, baggage handlers, etc. you will need to attach an explanation of the charge. In addition, you must specify which budget line item the charge should be billed against (i.e. office supplies, grants administration, etc.)

**AGENDA ITEM 6.b. COVER MEMORANDUM**

**June 3, 2026**

**To:** SHD Board of Directors

**From:** Stuart Mar, CFO

**Subject:** Internal Controls over Financial Assets, Transactions and Reporting (Approval Requested)

**Background and Purpose**

Attached for Board Approval is the Internal Controls Policy intended to formalize and strengthen the District's financial control framework, clarify roles and responsibilities, and align District practices with recognized internal control principles, including the California State Controller's Internal Control Guidelines for Local Agencies.

While the District has long maintained internal control practices through established procedures, financial oversight, independent audits, and Board review of financial reports, this document consolidates those practices into a formal Board policy for greater clarity, transparency, and governance oversight.

The policy also responds to the Board's interest in codifying expectations for periodic review of internal controls and reflects ongoing efforts to strengthen internal governance and risk management.

**Action Requested**

Board action to approve Internal Controls Policy.

# **Internal Controls over Financial Assets, Transactions and Reporting**

**TO: SHCD Board**

**FROM: Stuart Mar, CFO**

**SUBJECT: Internal Controls over Financial Assets, Transactions and Reporting**

**Date: June 3, 2026**

## **PURPOSE**

- The purpose of this document is to establish internal controls that ensure accurate financial reporting, safeguard District assets, and promote compliance with best accounting standards and regulatory requirements. Best accounting standards include the following 6 Principles: 1) Segregation of Duties, 2) Financial Reporting, 3) Authorization and Approvals, 4) Asset Management, 5) Cash and Bank Controls, 6) Compliance and Monitoring.

## **INTERNAL CONTROL GOVERNANCE AND RISK ASSESSMENT**

Management, under oversight of the Board of Directors, is responsible for establishing and maintaining effective internal control. These activities are performed at a level commensurate with the District's size, complexity, and risk profile. This includes:

- Periodic identification and assessment of risks, including fraud risk, that may impact financial reporting, operations, or compliance
- Evaluation of changes in personnel, systems, or operations that may affect internal control
- Establishment of accountability of internal control responsibilities across all roles
- Maintenance of standards of conduct and expectation for ethical behavior
- Consideration of potential for fraud in assessing risks and designing control activities, including risks related to unauthorized disbursements and financial reporting override

## CASH DISBURSEMENTS

### **Risk:**

- *Unauthorized Disbursements*
- *Errors in Recording Transactions*

### **Controls**

#### **Physical Checks**

- Check stock ordered by Executive Assistant/Accounting Clerk (EA/AC) with supervision and approval of CFO
- EA/AC stores blank checks in a locked cabinet. Cabinet can be accessed by CFO.
- No other staff/Board members have access to checks.

#### **Invoice Approval**

- EA/AC will match invoices with supporting documentation and indicate General Ledger (GL) Coding (e.g. purchase orders and packing slips, credit card bill with receipts, operations approval, etc.).
- CFO or CEO reviews invoices and approves for payment and GL Coding.

#### **Check/Wire /ACH Processing**

- EA/AC process checks/wires/ACH payments from approved invoices or other documentation for payment and attaches check receipt to supporting documentation.
- EA/AC routes all checks/wire/ACH requests to CEO with supporting documentation for final review and approval. CEO signs checks or wire/ACH requests and returns to EA/AC.
- Second approval/signature is required for check/wire/ACH over \$24,999.
- EA/AC files check receipt and original supporting documents.
- All voided checks are maintained separately for sequence verification.
- EA/AC uploads date, check number, payee and amount to the Positive Pay System on the online banking platform.
- EA/AC mails check to vendors.
- EA/AC initiates wire/ACH payments on the online banking platform. (*note: the EA/AC has administrative access to initiate wire/ACH payments and review accounts online only. EA/AC does not have signing authority to approve payments for processing.*)
- CEO approves wire transfer/ACH payments on the banking platform. Authorized individuals include the Board Chair, Vice Chair and CEO.
- If banking fraud is discovered in any payment process, the fraud must be reported to the CEO and Board immediately.

**\*note:** *The Board Chair and another authorized signer can carry out the authorization and signature procedures above should a disbursement be required, and the CEO is unavailable.*

### **Bank Reconciliation**

- EA/AC receives all bank statements.
- EA/AC prepares the bank reconciliation and researches outstanding checks greater than 60 days.
- All bank reconciliations are stored in the Financial binder.

### **Other Internal Review**

- Cash Disbursements, Cash Receipts and Check Register reports from QuickBooks are provided to the Board and CEO monthly.
- CFO reviews and approves the bank reconciliations monthly.

## **CASH RECEIPTS**

### ***Risk:***

- *Misappropriation*
- *Errors in Recording Transactions*

### **Controls:**

#### **Receipt and Deposit of Checks**

- EA/AC receives checks by mail or dropped off in-person
  - EA/AC endorses the back of each check using a bank stamp with the account information for deposit.
  - CFO deposits check(s) remotely through the Bank's Remote deposit app.
  - Approved remote deposit receipt with attached check is provided to EA/AC and filed in the receipts binder.
  - EA/AC records deposits in QuickBooks

*\*Note: Checks held overnight are kept in a locked file drawer with limited access.*

#### **Deposits received directly to bank:**

- AE/AC provides supporting documentation and GL Coding for deposits made directly to bank via wire transfer/ACH/etc. CFO reviews and approves the transaction.
- AE/AC records deposits in QuickBooks
- All support documentation is filed in the Receipts binder.

### **Other Internal Review**

- Cash Disbursements, Cash Receipts and Check Register reports from QuickBooks are provided to the Board and CEO monthly.

## **PAYROLL**

### **Risk:**

- *Unauthorized Disbursements*
- *Errors in Recording*

### **Controls:**

#### **Hiring**

- Board approves employee positions and benefits through the budget process.
- Board approves any out-of-budget staff additions or reductions.
- CEO hires staff, determines salary (based on comparable market studies)
- Human Resources (HR) receives approved new hire and/or employee status/salary/benefit changes form from CEO.
- HR confirms employee submission of forms W4 and I9 and supporting documents from new employees and files supporting documentation in the employee file.
- HR processes new hire changes in the Paychex Platform according to the approved Salary/Benefit Change form.
- HR files the Salary/Benefit Change form in employee file.

#### **Preparation of Payroll**

- Payroll is processed by HR via the Paychex Platform every other week. Pay date is every other Tuesday.
- HR processes any approved Salary/Benefit Changes, PTO or leave requests received from CEO.
- Pay checks are issued via direct deposit. Paychex prepares and submits all government required deposits and reports.

#### **Approval of Payroll**

- CEO reviews and approves preliminary payroll reports received from HR
- CFO maintains all payroll information in payroll binder.
- EA/AC distributes individual employee checks in sealed envelope, if applicable.

#### **Recording of Payroll in Financials**

- EA/AC records payroll transactions via payroll journal entry in QuickBooks
- CFO approves payroll journal entry.

## **JOURNAL ENTRIES**

### **Risk:**

- *Unauthorized Entries to Financial Statements*
- *Override of Internal Controls*

- *Errors in Recording*

**Controls:**

- EA/AC enters approved journal entries as directed by CFO.
- EA/AC files journal entry documentation in journal entry binder.

## **FIXED ASSETS**

***Risk:***

- *Disposals of Assets without Notification to District*
- *Errors in recording transactions*

**Controls:**

- CFO prepares and maintains the Fixed Asset Listing and depreciation schedule.
- Asset disposals are approved by CEO.
- The EA/AC records all approved additions, deletions and depreciation via journal entry prepared by CFO in QuickBooks.

## **FINANCIAL STATEMENTS**

***Risk:***

- *Errors in Recording Transactions*

**Controls:**

**Financial Statement Preparation:**

- All approved journal entries by CFO are accompanied by supporting documentation and entered into financial system by EA/AC.
- Financial reports are prepared by the CFO and presented to the Board periodically
- For fiscal year end Audited Statements, the CFO reviews all GL accounts and prepares reconciliations for balance sheet accounts.
- Draft Fiscal Year-End Audited Financial Statements are reviewed and approved by CFO in conjunction with year-end independent auditor engagement. Independent Auditors present the Draft Fiscal Year-End Audited Financial Statements to the Board for approval.

**Other Internal Review**

- All transactions are accompanied by CFO approved supporting documentation.
- CFO reviews transactions during monthly close process and prepares monthly financial reports including budget versus actuals analysis and balance sheet account reconciliations
- CFO distributes the Cash Disbursements, Cash Receipts, and Check register reports to the Board monthly.

- CFO prepares Sources and Uses, Cash Position, YTD Profit and Loss and Budget vs. Actuals reports and presents at bi-monthly Board meetings.
- The bi-monthly board meeting Consent Calendar includes prior period financial statements that are reviewed and approved by Board vote.
- Management ensures that relevant and reliable financial information is communicated to the Board in a timely manner to support oversight responsibilities and decision-making.
- Board of Directors approve final Audited Financial Statements

### **INFORMATION SYSTEMS AND ACCESS CONTROLS**

The District utilizes financial and payroll systems (e.g., Quickbooks, Paychex and online banking platforms) with role-based access controls. Access to systems is limited based on job responsibilities, and authorization is required for all transaction processing and approvals. Management periodically reviews user access and permissions and removes access timely upon role changes or termination.

### **FINANCIAL AUDITS**

The above procedures represent the District's system of internal controls. The District requires an annual audit by an independent Certified Public Accountant. The audit is not relied upon as a substitute for the District's internal controls. In addition to external audit procedures that may identify control deficiencies, management monitors internal control performance and communicates any identified material deficiencies to the CEO and Board. Corrective actions are implemented and tracked to resolution.

Original Draft Policy reviewed by Board (April 2026).

## **ADDENDUM: Alignment with GAO Green Book (May 2025) – 17 Principles of Internal Control**

The Sequoia Healthcare District (the “District”) affirms that its system of internal control, as documented in this policy, is designed in alignment with the 17 Principles of internal control outlined in the *GAO Green Book (May 2025)*. These principles are organized under five components, each of which is addressed as follows:

### **Control Environment (Principles 1–5)**

The District demonstrates a commitment to integrity and ethical values through established governance practices and Board oversight. Roles and responsibilities are defined across management and staff, with appropriate segregation of duties. Management establishes expectations for competence and holds personnel accountable for internal control responsibilities through defined approval authorities and review processes.

### **Risk Assessment (Principles 6–9)**

Management identifies and analyzes risks related to financial reporting, operations, and compliance, including the risk of fraud. Risks are considered in the design of control activities, and management evaluates the potential impact of changes in operations, personnel, or systems on the internal control framework.

### **Control Activities (Principles 10–12)**

The District has implemented control activities, including approvals, reconciliations, segregation of duties, and supervisory reviews, to mitigate identified risks. These controls are embedded within key financial processes such as cash disbursements, receipts, payroll, journal entries, and financial reporting. Technology-dependent processes (e.g., banking platforms, accounting systems, payroll systems) incorporate appropriate access and authorization controls.

### **Information and Communication (Principles 13–15)**

Relevant financial and operational information is identified, captured, and communicated in a timely manner to support internal control responsibilities. Management provides regular financial reports to the Board, and communication channels exist for reporting issues, including potential fraud or control deficiencies.

### **Monitoring Activities (Principles 16–17)**

The District conducts ongoing monitoring through routine management reviews, reconciliations, and Board reporting. Any identified control deficiencies are communicated to appropriate parties, including executive management and the Board, and corrective actions are taken as necessary. The Board of Directors provide oversight of internal control through review of financial reporting, audit results, and related policies.

### **Conclusion**

Management has determined that the District’s internal control system is suitably designed to provide reasonable assurance that objectives related to financial reporting, compliance, and operations are achieved in accordance with the GAO Green Book framework. Management will periodically review and update controls to address evolving risks and operational changes.

## Caring Community and Healthy Schools Initiative Budget Narrative June 3, 2026

### I. *Caring Community Grants*

On May 8<sup>th</sup>, the 2026-27 Caring Community Grants Committee convened to review their scoring and discussed funding recommendations for the 2026-27 grants. Their recommendations are appended to this report with a slideshow presentation to follow. Please preview the list of grantees funding in preparation to vote for the approval of the **\$3.068** million Caring Community grant budget at this meeting.

For context, here is a comparison between FY26 and FY27 by priority areas:

Priority Health Areas	FY26	FY 27 Anticipated Funding
Health Literacy (Youth and Adults)	\$1,559,000	\$2,715,000
Health Literacy (Seniors)	\$849,000	
Food Security and Nutrition	\$1,015,000	\$1,015,000
Medical/Clinical	\$549,000	\$565,000
Substance Abuse Disorders	\$540,000	\$2,256,000
Behavioral Health	\$1,540,000	
<b>Total</b>	<b>\$6,052,000</b>	<b>\$6,551,000</b>

The funding total of pre-approved awards from FY26 total \$3,483,000. This amount is carried over into this year's Caring Community budget of \$3,068,000 for a new grand total of \$6,551,000. This amount is a 7% increase over last year's Caring Community total.

<b>2025-27 Cohort Total (35 grants)</b>	<b>\$3,483,000 (pre-approved)</b>
<b>2026-27 Cohort Total (36 grants)</b>	<b>\$3,068,000</b>
<b>2026-27 Total CC Ask</b>	<b>\$ 6,551,000</b>

The appended list of proposed grantees also includes a brief description of the program services. I included the anticipated number of SHD residents served by the program in the description for the Board to better understand the personal impact of their services.

There are nine new programs up for recommendation that warrant a brief introduction:

ORGANIZATION	PROGRAM	ASK	FY 27 Funding	PROGRAM DESCRIPTION
BACHAC (Bay Area Community Health Advisory Council)	<i>Community Health Villages "Pop-Up" Clinics</i>	\$ 30,000	\$30,000	Mobile clinics offering preventive care and screenings to 335 underserved residents at different community events
Connect Community Charter School RWC	<i>Connect Student Behavioral Health Initiative (in partnership with CASSY)</i>	\$ 150,000	\$40,000	Targeted behavioral health intervention and support by CASSY counselor for 138 students and staff
Felton Institute	<i>Peninsula Suicide Prevention - Community Education and Postvention</i>	\$ 200,000	\$50,000	Mental health education, suicide prevention training, and postvention support for 2,730 SHD residents (filled gaps left by StarVista in program delivery)
Free At Last	<i>Outpatient Drug Free Program</i>	\$ 65,000	\$30,000	Outpatient substance use treatment with comprehensive support services to improve health outcomes and reduce hospitalizations for 68 SHD clients
Health and Education Innovation Institute	<i>SkillTalk for Autistic Young Adults, with Implementation Support</i>	\$ 89,900	\$60,000	Online relationship skills training validated by research for 4,116 autistic young adults to improve social outcomes and mental health
Healthcare in Action Inc	<i>Healthcare in Action-Behavioral Health</i>	\$ 150,000	\$125,000	Comprehensive case management and navigation of psychiatric health services for 69 high-need unhoused clients
Levantar	<i>BeyondOK - Mental Health</i>	\$26,000	\$26,000	Workshops to help families (106 SHD residents) understand and manage anxiety through education, community support, and peer engagement
PJCC (Peninsula Jewish Community Center)	<i>PJCC Center for Healthy Longevity (CHL)</i>	\$50,000	\$50,000	This is a pilot program targeting 469 seniors that integrates fitness, brain health, social isolation, and volunteerism
YMCA of Silicon Valley	<i>Senior Fitness &amp; Mobility Program</i>	\$25,000	\$25,000	Physical health and social connection for 51 older adults through structured exercise classes

**Total: \$436,000**

The total amount of funding for these new programs is \$436,000. With the exception of the BACHAC's "Pop-Up" Clinics which falls under the medical/clinical (in purple) priority area, all of the new programs in this chart have been designated under behavioral health (in orange), which demonstrates the increased ask for support in this priority area.

In addition to scoring, members of the grants committee (along with Pamela and myself) participated in the following in-person and virtual site visits where new applicants were prioritized:

- PJCC (Peninsula Jewish Community Center)
- Branch Services
- Sequoia YMCA
- Upward Scholars
- St. Francis Center
- BACHAC (Bay Area Community Health Advisory Council)
- HEI (Health and Education Innovation Institute)
- CORA (Community Overcoming Relationship Abuse)
- Connect Community Charter RWC
- Healthcare in Action
- SMC Pride Center
- Free at Last
- El Centro de Libertad

Lastly, special thanks to the 2026-27 Caring Community grants committee who diligently scored and participated in the discussion: SHD Director William Fong along with community members Mary Bates, Bernie Mellott, Vinney Arora, Linda Slezak, and Stephen Arum. They also gave feedback on the new Fluxx scoring tool and made recommendations for improvements in FY28.

## ***II. Healthy School Initiative:***

A draft of the HSI budget was presented and included in the April Board packet. The numbers essentially remained the same, with a few minor adjustments, after MOU conversations with each of the eight districts. Appended is the revised list of the final HSI budget.

We ask for approval of the **\$4,552,321** HSI budget at this Board meeting.

As previously communicated with the Board, we have been exploring a funding formula for FY28 with the help of Jim Lianides. We will be hosting a study session in early fall to explore the implications of the funding model. Our goal is to communicate early on by November to the school districts our funding commitment so they can budget for FY28 accordingly. In the

same vein, we will also plan for an earlier timeline for MOU and budget finalization in future years to accommodate district board and contract schedules.

In response to our notification sent out on Monday May 18<sup>th</sup> regarding elimination of the HSI Director position, Pamela and I hosted a Zoom with the HSI Wellness Team and superintendents on May 26 in order to field any questions and concerns. We had anticipated that there would be confusion and some pronounced feelings over this news, as Ann has worked with the team for the past three years. The meeting allowed them to voice their concerns and provide us with valuable feedback. The main objective of this meeting was to assure the team that the district's commitment to their FY27 funding remains unchanged. Another was to move forward with next steps:

Based on the feedback, we have identified these next steps:

- Reach out to each district individually to review and finalize pending MOUs, ensuring all agreed-upon language and amounts are correct, and confirm with each district lead and coordinate with districts to ensure any required red-lined MOU versions are provided for legal review as needed.
- Ensure that all districts receive finalized MOUs as soon as possible after board approval, so districts can proceed with contracts and board submissions.
- Provide clarity and updates regarding access to the PD budget (previously managed by Ann) and confirm if/when group PD activities (e.g., suicide prevention) will proceed.
- Attend and lead the next scheduled team meeting, ensuring continuity of team collaboration and addressing outstanding issues (MOUs, PD, county connections, etc.).
- Moving forward, the team will send any questions or concerns to Jenny and Pamela ahead of the next team meeting for preparation and response.
- Hold a two-hour Board study session in August to discuss consultant, Jim Lianides, school funding formula recommendations and receive Board input on next steps.

We strongly feel that our efforts to streamline the HSI grants program will reduce duplication and allow for better alignment with our strategic plan. We look forward to continually working alongside our stakeholders to gather data and showcase our impacts to the Board in the upcoming year.

### **III. EIC Grants**

There is only one EIC grant budgeted for FY27:

- Service League for their Hope House program (\$20,000): This program provides in-house wellness supports for women who are undergoing residential substance abuse disorder treatment. *Note: Per Board policy, the CEO has authority to approve grants under \$25,000 if budget allows. For transparency, these grant amounts are reflected each year in the annual budget prepared and presented to the Board.*

**Pre-approved list of 2-year CC grants 2025-27**

<b>Organization</b>	<b>Program</b>	<b>Description</b>	<b>FY27</b>
AbilityPath	Stroke and Brain Injury	Serves individuals who have had strokes and/or traumatic brain injuries	\$25,000
AbilityPath	Adult Day Program	Provides physical and mental health activities and education for adults and seniors with intellectual and developmental disabilities	\$85,000
Adaptive Physical Education	Adaptive Physical Education	A specialized program with instructor expertise in adapted fitness, geriatrics, and the special needs of our client population	\$200,000
Bay Area Women's Sports Initiative	BAWSI Girls at Hoover Elementary	Introduces elementary school girls to physical activity, sports and leadership through fun games that build fitness and motor coordination	\$73,000
Boys and Girls Club of the Peninsula	Mental Health	Psychotherapists provides BGCP after school participants mental health services	\$107,000
Boys and Girls Club of the Peninsula	Triple Play	Incorporates three focus activities: 1) Healthy Habits, 2) Sports and Fitness Activities and 3) Social and Emotional Learning	\$200,000
CASA of SMC	CASA	Trains and supports community volunteers to serve as court-appointed special advocates (CASAs) for children and youth in the foster care and juvenile justice system	\$70,000
Edgewood	Healthy Generations 2.0	Targets physical and mental health and well-being of Kinship families and TAY (transitional-aged youth)	\$100,000
Jasper Ridge	Wellness Buddies	Clinician/therapists brings client children to Jasper Ridge Farm to integrate support animals into their therapy sessions	\$25,000
Kainos	Health & Wellness	Offer individuals with intellectual and developmental disabilities the opportunity to increase their physical and mental health services	\$40,000

**Pre-approved list of 2-year CC grants 2025-27**

NAMI (National Alliance on Mental Illness)	Continued Accessibility & Health Equity to Mental Health Resources for Youth and Teens of Underserved BIPOC Communities	The program title is descriptive of the services rendered by this organization	\$30,000
PARCA	Independent Living Skills	The Healthy Eating and Active Living Program is for residents of our supportive housing facilities and participants in Independent Living Skills and Community Living Options programs	\$24,000
Redwood City-PAL	PAL Healthy Lifestyles: Adult	Provides free, group wellness activities (Zumba, Fitness, and Yoga) that enhance physical health and create a stronger sense of belonging and connection	\$112,000
Redwood City-PAL	PAL Healthy Lifestyles: Youth	Introduces children (kindergarten through 8th grade) to activities that nurture social, emotional, and educational development through tutoring, creative arts, hands-on science experiments, counseling, and mentorship	\$200,000
Redwood City Together	Promoting Community Health w/Youth Promotores	Provides professional development training to youth in the community who participate in grassroots outreach to support access to care for the Redwood City/North Fair Oaks communities	\$45,000
Siena Youth Center (formerly St. Francis Center)	Siena Youth Center	Comprehensive services provided by SYC include: child care, academic support, positive mentoring, and access to mental health services	\$85,000
United Through Education	Resource Support	Comprehensive support services that address the diverse needs of the North Fair Oaks community such as diabetes and obesity and mental health	\$120,000
Vista Center for the Blind and Visually Impaired	Vision Loss Rehabilitation Program	Program participants receive customized, need assessed rehabilitation support plans to remain safe and independent at home and in their communities	\$90,000
ANewVista Community Services	Seniors Technology Competency Journey	Contributes to the health and well-being of seniors by providing comprehensive technology education and support that empowers them to confidently navigate the digital world and access essential resources	\$35,000

**Pre-approved list of 2-year CC grants 2025-27**

Catholic Charities CYO of the Archdiocese of San Francisco	Catholic Charities Adult Day Services San Mateo County	A licensed Adult Day Program that provides a safe, therapeutic, and caring environment for frail seniors and adults with disabilities	\$85,000
Coastside Adult Day Health Center	Aging-in-Place Scholarship	Offers a range of healthcare based services including nursing, personal care, physical therapy, occupational therapy, speech therapy, activities, memory care, door to door transportation and respite for caregivers	\$12,000
Foster City Villages	Building Community Wellness Together	Provides the Foster City Village senior participants, their families and local Community Residents with a variety of programs, special events, and activities focused on building relationships, life-long learning, and overall body/mind/spirit health and wellness	\$30,000
Jewish Family and Children's Services	Seniors At Home	Comprehensive services include: access to healthcare and community resources, care management, non-medical in-home care and respite care, increased information on healthy aging,	\$80,000
Ombudsman Services of San Mateo County, Inc.	Ombudsman Program	Ensures long-term care (LTC) residents having access to the medical and social services they need to maintain optimal health and quality of life	\$200,000
Peninsula Family Services	Fair Oaks Center	Serves older adults age 60+ from low-income backgrounds, providing activities that promote improved physical and emotional health and well-being	\$75,000
Peninsula Family Services	Senior Peer Counseling	Trained volunteer counselors offer weekly one-on-one or group support and companionship to diverse community members (aged 55+) to help manage transitions and life changes such as health concerns, mobility issues, caregiver needs, and grief	\$45,000
Peninsula Volunteers, Inc.	PVI Adult Day Services at Rosener House	Promotes engagement and social interaction for older adults with disabilities while providing respite for family caregivers	\$175,000
Rebuilding Together Peninsula	Safe At Home	Completes critical repairs and home safety modifications that allow low-income seniors to age in place by minimizing the threat of injury or accident, particularly from falling	\$50,000

**Pre-approved list of 2-year CC grants 2025-27**

Villages of San Mateo County	Healthy Seniors At Home	Helps vulnerable members navigate health and aging challenges, so they have the confidence to continue to live safely in their own homes	\$50,000
City of San Carlos Adult Community Center	Senior Meal Program	Provides meals four days a week at a reasonable price of \$5.00, and we currently serve an average of 520 meals per week	\$50,000
Friends of the Veterans Memorial Senior Center	Nutrition Program	Provides nutritious meals to seniors in the community five days a week	\$200,000
Peninsula Volunteers, Inc.(PVI)	Meals on Wheels	Provides nutritious home-delivered meals to seniors and adults with disabilities who are unable to shop or cook for themselves and have no reliable support to do so	\$200,000
San Carlos Service Club	Caring Cupboard	individuals on a weekly basis, either picked up at the San Carlos Adult Community center, or delivered by to non-mobile recipients by volunteers who source (or buy) food, sort and	\$20,000
Second Harvest of Silicon Valley	Food Assistance	Distribution of nutritious food, leveraging available food resources, and collaborating with organizations and people who share our belief that hunger is unacceptable	\$200,000
Second Harvest of Silicon Valley	Food Pharmacy	Implements food-as-medicine intervention program to help patients prevent, manage, and potentially reverse chronic health conditions, specifically diabetes	\$45,000
St Vincent de Paul SMC	Safety Net Programs	Helps the homeless, families and individuals throughout San Mateo County who are at risk of homelessness with basic survival needs, such as food, rent assistance, clothing and other necessities	\$100,000
St. Anthony's Padua	Feeding the Needy	Provides 300+ hot nutritious meals 312 days each year to anyone who comes to our door, as well as produce, bread, canned goods and other items when available for our clients to take home	\$200,000
<b>35 grants</b>			<b>\$3,483,000</b>

## List of new FY27 CC grants for approval June 2026

Behavioral    Medical/Clinical  
Health Literacy/Active Living    New

ORGANIZATION	PROGRAM	REQUEST	FY26 AMOUNT	PROPOSED FY 27 Funding	DESCRIPTION OF SERVICES PROVIDED
Adolescent Counseling Services	<i>Counseling and Substance Treatment for Youth (CSTY) Initiative</i>	\$ 50,000	\$ 50,000	\$50,000	Comprehensive mental health and substance use treatment, education, and support services for 350 at-risk youth and families
Adolescent Counseling Services	<i>Outlet Program</i>	\$ 150,000	\$ 120,000	\$137,000	Mental fitness counseling LGBTQ population which comprise of 10,000 SHD residents
California Clubhouse	<i>Aspire House</i>	\$ 100,000	\$ 75,000	\$93,000	Program is described as a healing refuge for 133 SHD clients with serious mental illness
Catholic Charities CYO of the Archdiocese of San Francisco	<i>Community Service Case Management</i>	\$ 85,000	\$ 50,000	\$80,000	Comprehensive, individualized case management services to 25 aging adults and adults with disabilities
Center for Wellness and Achievement in Education	<i>Integrative Wellness Program</i>	\$ 138,000	\$ 110,000	\$119,000	Workshops and meditation training for 184 school district staff to promote stress reduction and healthy lifestyle habits
BACHAC (Bay Area Community Health Advisory Council)	<i>Community Health Villages "Pop-Up" Clinics</i>	\$ 30,000	\$ -	\$30,000	Mobile clinics offering preventive care and screenings to 335 underserved residents at different community events
Connect Community Charter School RWC	<i>Connect Student Behavioral Health Initiative (in partnership with CASSY)</i>	\$ 150,000	\$ -	\$40,000	Targeted behavioral health intervention and support by CASSY counselor for 138 students and staff
CORA (Community Overcoming Relationship Abuse)	<i>Family Centered Mental Health Program</i>	\$ 200,000	\$ 180,000	\$142,000	Well-known program and trusted in the community to improve lives of 170 domestic violence survivors with trauma-informed therapies, improving emotional health and reducing PTSD symptoms
CORA (Community Overcoming Relationship Abuse)	<i>Family Violence Prevention Services</i>	\$ 120,000	\$ 100,000	\$120,000	CORA is the only org of its kind in our County providing therapy and support to 34 children and families affected by domestic violence to build resilience and reduce trauma
El Centro De Libertad	<i>Adult Substance Use Disorder Program 2026-2028</i>	\$ 150,000	\$ 90,000	\$137,000	Bilingual substance use and mental health treatment with strong case management in numerous areas to support 320 SHD clients

## List of new FY27 CC grants for approval June 2026

Behavioral    Medical/Clinical  
Health Literacy/Active Living    New

El Centro De Libertad	<i>Youth Intervention Program 2026-2028</i>	\$ 150,000	\$ 110,000	\$125,000	Culturally responsive outpatient substance use treatment and outreach for adolescents serving 634 SHD clients(62%)
El Concilio of San Mateo County	<i>Nuestra Salud: Health and Wellness Case Management Program</i>	\$ 139,095	\$ 50,000	\$139,000	Culturally responsive case management to help 318 underserved access health and social services with relationships with and support from major organizations in SMC and environs.
Felton Institute	<i>Peninsula Suicide Prevention - Community Education and Postvention</i>	\$ 200,000	\$ -	\$50,000	Mental health education, suicide prevention training, and postvention support for 2730 SHD residents (filled gaps left by StarVista in program delivery)
Free At Last	<i>Outpatient Drug Free Program</i>	\$ 65,000	\$ -	\$30,000	Outpatient substance use treatment with comprehensive support services to improve health outcomes and reduce hospitalizations for 68 SHD clients
Friends for Youth, Inc.	<i>Whole Health for Youth</i>	\$ 250,000	\$ 120,000	\$225,000	Youth and family mental health through coordinated, community-based prevention and early intervention services with demonstrated large impact all 1000 clients in SHD
Friends for Youth, Inc.	<i>1-to-1 Mentoring</i>	\$ 75,000	\$ 75,000	\$55,000	Popular mentoring program currently serving 40 SHD youth that is initiating a virtual mentoring program to deal with the waiting list of mentees.
Health and Education Innovation Institute	<i>SkillTalk for Autistic Young Adults, with Implementation Support</i>	\$ 89,900	\$ -	\$60,000	Online relationship skills training validated by research for autistic young adults to improve social outcomes and mental health
Healthcare in Action Inc	<i>Healthcare in Action</i>	\$ 200,000	\$ 160,000	\$200,000	Mobile and site-based healthcare at the County's Navigation Center with navigation support to improve access and continuity of care for 245 clients
Healthcare in Action Inc	<i>Healthcare in Action- Behavioral Health</i>	\$ 150,000	\$ -	\$125,000	Comprehensive case management and navigation of psychiatric health services for 69 high-need unhoused clients
KARA	<i>Bereavement Support, Grief Education, and Crisis Response for the Community</i>	\$ 50,000	\$ 45,000	\$50,000	Program is geared towards bereavement support and crisis response for individuals and families serving 427 SHD residents

## List of new FY27 CC grants for approval June 2026

Behavioral    Medical/Clinical  
Health Literacy/Active Living    New

<b>Latino Commission on Alcohol &amp; Drug Abuse Services of San Mateo County</b>	<i>Casa Aztlan Men's Recovery Home</i>	\$ 70,000	\$ 70,000	\$70,000	As a well-managed medical intervention and educational program for Latinos in San Mateo County, it is unique and breaks the cycle of addiction and other unhealthy life choices for 100 SHD residents, with trained medical support.
<b>Levantar</b>	<i>BeyondOK - Mental Health</i>	\$ 26,000	\$ -	\$26,000	Workshops to help families (106 SHD residents) understand and manage anxiety through education, community support, and peer engagement
<b>LifeMoves</b>	<i>Licensed Vocational Nurse (LVN) Services – LifeMoves Navigation Center</i>	\$ 158,000	\$ 160,000	\$125,000	On-site LVN services at LifeMoves Navigation Center to support 84 residents with complex health needs through care coordination, medication management, and access to healthcare, improving stability and housing outcomes
<b>LifeMoves</b>	<i>BehavioralMoves: Maintaining On-Site Behavioral Health Access</i>	\$ 150,000	\$ 150,000	\$125,000	Trauma-informed, on-site behavioral health services in interim housing, helping 267 residents access care, stabilize mental health, and progress toward housing stability
<b>MELP-AbleCloset</b>	<i>MELP/AbleCloset</i>	\$ 40,000	\$ 25,000	\$25,000	Free durable medical equipment to underserved populations, improving access and sustainability serving approx. 800 SHD residents per year
<b>Mission Hospice &amp; Home Care</b>	<i>Palliative Care and Transitions Program</i>	\$ 78,016	\$ 124,000	\$78,000	In-home support, care coordination, and symptom management for 218 individuals with serious illness
<b>National Center for Equine Facilitated Therapy</b>	<i>Equine-Assisted Programs for Children and Adults with Disabilities and Mental Health Challenges</i>	\$ 125,000	\$ 75,000	\$112,000	Equine-assisted therapy, mental health services, and adaptive programs to improve wellbeing for 98 individuals with disabilities and other needs
<b>One Life Counseling Center</b>	<i>Low-Fee Mental Health Counseling Program</i>	\$ 200,000	\$ 180,000	\$200,000	Addresses 716 low-income residents that don't have access to mental health service for free or by the ability to pay
<b>One Life Counseling Center</b>	<i>Music for the Mind Program</i>	\$ 35,000	\$ 35,000	\$30,000	As a long-time successful program increasing the quality of life for 150 older adults as they reside in their own homes or senior care facilities

## List of new FY27 CC grants for approval June 2026

Behavioral    Medical/Clinical  
Health Literacy/Active Living    New

<b>Peninsula Family Connections</b>	<i>Family Connections</i>	\$ 60,000	\$ 35,000	\$60,000	Inclusive program with partnership in which SHD only is funding one-tenth of the program for amazing support of 436 residents.
<b>PJCC (Peninsula Jewish Community Center)</b>	<i>PJCC Center for Healthy Longevity (CHL)</i>	\$ 50,000	\$ -	\$50,000	This is a pilot program targeting 469 seniors that integrates fitness, brain health, social isolation, and volunteerism in order to combat the physical and mental deterioration and its symptoms associated with aging
<b>San Carlos Charter Learning Center</b>	<i>SCC Learner Health Services &amp; School Counseling</i>	\$ 50,000	\$ 47,500	\$45,000	Health and counseling services to address 322 student's medical and mental health needs through a comprehensive, school-based approach
<b>SAN MATEO POLICE ACTIVITIES LEAGUE</b>	<i>Promoting Healthy Futures: Health Literacy Programming for Underserved Kids Ages 5-20 and their Families</i>	\$ 40,000	\$ 40,000	\$40,000	Diverse programs promoting health, education, and positive development for 172 youth and families
<b>The Peninsula Bridge Program</b>	<i>Peninsula Bridge Mental Health Wellness Program</i>	\$ 45,000	\$ 35,000	\$25,000	Mental health services to help 166 students and families build resilience and manage stress
<b>The Riekes Center</b>	<i>Riekes Center CORE Fitness for Youth</i>	\$ 25,000	\$ 25,000	\$25,000	Youth fitness, confidence, and personal growth through individualized training and mentorship for 95 clients
<b>YMCA of Silicon Valley</b>	<i>Senior Fitness &amp; Mobility Program</i>	\$ 25,000	\$ -	\$25,000	Physical health and social connection for 51 older adults through structured exercise classes
		<b>\$ 3,719,011</b>	<b>\$ 2,336,500</b>	<b>\$3,068,000</b>	<b>36 grants</b>

# DIRECT to SCHOOLS – Healthy Schools Initiative / 2026-27

**Total Recommendation: \$4,287,321**

Direct to School Districts	Staff Salaries Services & Programs	Award 2025-26	Recommendation 2026-27
Belmont Redwood Shores School District	Wellness Coordinator, School Nurse, School counselors, SEL, health education curriculum, P&S	\$793,997	\$814,563
Las Lomas Elementary School District	Wellness Coordinator, School Nurses, P&S	\$139,014	\$142,176
Menlo Park City School District	Wellness Coordinator, School Nurse, Emotional/ Behavioral Counselor, P&S	\$137,209	\$256,308
Portola Valley School District	Wellness Coordinator, School Nurse, P&S, School Counselor, SEL screener	\$79,896	\$81,843
Redwood City School District	Wellness Coordinator, Nurses, P&S, Sex Education Teacher, School Counselors	\$1,081,818	\$1,097,054
San Carlos School District	Wellness Coordinator, Nurses, School Counselors, sex education provider, P&S	\$793,763	\$816,277
Sequoia Union High School District	Wellness Coordinator, Health and Safety Project Manager, LVNs, School Counselors, P&S	\$953,156	\$1,002,856
Woodside Elementary School District	Wellness Coordinator, School Counselor, SEL, P&S	\$74,419	\$76,244
<b>TOTAL - Direct to School* Districts</b>		<b>\$4,053,272</b>	<b>\$4,287,321</b>

\* Direct to Schools Includes staff costs and programs or services (P&S) provided by 3<sup>rd</sup> party vendors @ school sites.

## MANAGEMENT – Healthy Schools Initiative / 2026-27

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### Total Recommendation: Program Management: \$265,000

<b>Program Management</b>	<b>Award 2026-27</b>	<b>Recommendation 2026-27</b>
Program & Contractor Support	\$67,000	\$67,000
Health Literacy Education	\$55,000	\$55,000
School Nurse Credential Scholarships	\$18,000	\$18,000
MTSS Tier 1 & Tier 2 training and support	\$125,000	\$125,000
<b>TOTAL Program Management and Support</b>	<b>\$265,000</b>	<b>\$265,000</b>

\* unchanged

# FY '27 Budget June 3, 2026

Stuart Mar,  
CFO

- ▶ Approve FY'27 Budget
- ▶ Appendix
  - ▶ FY'27 Budget Details (with and w/out Pension Effect)

**ACTION:**  
Approve  
FY '27  
Budget



## Draft “Without Pension” summary

- ▶ Net Income/ (Loss) target is \$5M Loss (Including \$5M allocated from cash reserves)
- ▶ Revenue - \$22.8M in FY’27 vs. \$22.5M in FY’26
- ▶ Grant Expense - \$23.8M in FY’27 vs. \$20.5M in FY’26 (Including \$5M allocated from reserves)
- ▶ Operating Expense - \$4.0M in FY’27 vs. \$2.6M in FY ’26 as a result of increased community engagement (including additional resources and communications), depreciation and election costs
- ▶ Capital Expenditure spend estimated at \$890k
- ▶ **\$100k~ increase in Operating expenses from May 6, 2026, Board Meeting Draft FY ’27 version presented** (Increase as a result of depreciation related to approved 1016 renovation project (\$130k~) offset primarily by reductions in payroll and related costs.

**Sequoia Healthcare District**  
**Draft Profit & Loss Budget (With Pension)**  
**FYE June 30, 2027**

**Unaudited for Management Discussion Purposes Only**

	Feb 2026 Forecast	2027 Budget	2026 to 2027 Change Better / (Worse)	Notes
<b>Income</b>				
Rental Income	\$ 84,431	\$ 84,432	\$ 1	
Tax Revenue	\$ 19,269,363	\$ 20,706,131	\$ 1,436,768	Est based upon 3.83% historical rate of increase
Gain(Loss) on Investments	\$ 1,011,334	\$ 640,000	\$ (371,334)	Est 2.81% historical annual Return
Int/Div Income	\$ 1,406,501	\$ 628,800	\$ (777,701)	Est 2.81% historical annual Return
Dignity Agreement	\$ 718,286	\$ 714,000	\$ (4,286)	
<b>Total Income (Less Pension)</b>	<b>\$ 22,489,914</b>	<b>\$ 22,773,363</b>	<b>\$ 283,449</b>	
Pension Contribution	\$ 3,600,000	\$ 2,573,948	\$ (1,026,052)	Lower actuary contribution rate
Pension Income	\$ 7,725,010	\$ 3,277,500	\$ (4,447,510)	Estimated lower investment returns
<b>Total Income</b>	<b>\$ 33,814,924</b>	<b>\$ 28,624,811</b>	<b>\$ (5,190,113)</b>	
<b>Expenses</b>				
Payroll and Related	\$ 1,525,854	\$ 1,910,842	\$ (384,988)	Increased HC and COLA
Administration	\$ 103,045	\$ 200,400	\$ (97,355)	Increased community engagement/involvement
Board Related Costs	\$ 33,904	\$ 66,310	\$ (32,406)	Increased primarily due to meeting stipend
Investment/Banking Fees	\$ 167,774	\$ 221,500	\$ (53,726)	Increased fees as a result of increased avg balances YOY
Office Expenses	\$ 10,950	\$ 12,000	\$ (1,050)	
Professional Fees	\$ 290,375	\$ 244,645	\$ 45,730	Decreased by strategic plan consultants in prior year
Communications	\$ 59,094	\$ 243,200	\$ (184,106)	Increased for higher communication activity and resource
Facilities	\$ 405,213	\$ 725,380	\$ (320,167)	Increase primarily due to 525/1016 TI depreciation
Insurance	\$ 46,804	\$ 51,000	\$ (4,196)	
Election Costs	\$ -	\$ 260,000	\$ (260,000)	Election costs in current year (Election every 2 years)
Other Expenses	\$ 854	\$ 840	\$ 14	
<b>Total Operating Expenses</b>	<b>\$ 2,643,866</b>	<b>\$ 3,936,117</b>	<b>\$ (1,292,251)</b>	
Pension Expenses	\$ 251,194	\$ 210,000	\$ 41,194	Estimated pension admin expense
Pension Benefit Payments	\$ 7,487,094	\$ 7,200,000	\$ 287,094	Estimated pension beneficiary payments
Grant Expenses	\$ 20,477,307	\$ 23,837,246	\$ (3,359,940)	Increased with \$5M investment from reserves
<b>Total Expenses</b>	<b>\$ 30,859,461</b>	<b>\$ 35,183,363</b>	<b>\$ (4,323,902)</b>	
<b>Net Income (Loss)</b>	<b>\$ 2,955,463</b>	<b>\$ (6,558,552)</b>	<b>\$ (9,514,014)</b>	
<b>Capital Expenditures</b>	<b>\$ 3,455,376</b>	<b>\$ 890,000</b>	<b>\$ 2,565,376</b>	Decrease in TI expenditures

**Sequoia Healthcare District**  
**Draft Profit & Loss Budget (Without Pension)**  
**FYE June 30, 2027**  
**Unaudited for Management Discussion Purposes Only**

	Feb 2026 Forecast	2027 Budget	2026 to 2027 Change Better / (Worse)	Notes
<b>Income</b>				
Rental Income	\$ 84,431	\$ 84,432	\$ 1	
Tax Revenue	\$ 19,269,363	\$ 20,706,131	\$ 1,436,768	Est based upon 3.83% historical rate of increase
Gain(Loss) on Investments	\$ 1,011,334	\$ 640,000	\$ (371,334)	Est 2.81% historical annual Return
Int/Div Income	\$ 1,406,501	\$ 628,800	\$ (777,701)	Est 2.81% historical annual Return
Dignity Agreement	\$ 718,286	\$ 714,000	\$ (4,286)	
<b>Total Income</b>	<b>\$ 22,489,914</b>	<b>\$ 22,773,363</b>	<b>\$ 283,449</b>	
<b>Expenses</b>				
Payroll and Related	\$ 1,525,854	\$ 1,910,842	\$ (384,988)	Increased HC and COLA
Administration	\$ 103,045	\$ 200,400	\$ (97,355)	Increased community engagement/involvement
Board Related Costs	\$ 33,904	\$ 66,310	\$ (32,406)	Increased primarily due to meeting stipend
Investment/Banking Fees	\$ 167,774	\$ 221,500	\$ (53,726)	Increased fees as a result of increased avg balances YOY
Office Expenses	\$ 10,950	\$ 12,000	\$ (1,050)	
Professional Fees	\$ 290,375	\$ 244,645	\$ 45,730	Decreased by strategic plan consultants in prior year
Communications	\$ 59,094	\$ 243,200	\$ (184,106)	Increased for higher communication activity and resource
Facilities	\$ 405,213	\$ 725,380	\$ (320,167)	Increase primarily due to 525/1016 TI depreciation
Insurance	\$ 46,804	\$ 51,000	\$ (4,196)	
Election Costs	\$ -	\$ 260,000	\$ (260,000)	Election costs in current year (Election every 2 years)
Other Expenses	\$ 854	\$ 840	\$ 14	
<b>Total Operating Expenses</b>	<b>\$ 2,643,866</b>	<b>\$ 3,936,117</b>	<b>\$ (1,292,251)</b>	
Grant Expenses	\$ 20,477,307	\$ 23,837,246	\$ (3,359,940)	Increased with \$5M investment from reserves
<b>Total Expenses</b>	<b>\$ 23,121,172</b>	<b>\$ 27,773,363</b>	<b>\$ (4,652,190)</b>	
<b>Net Income (Loss)</b>	<b>\$ (631,258)</b>	<b>\$ (5,000,000)</b>	<b>\$ (4,368,741)</b>	5
<b>Capital Expenditures</b>	<b>\$ 3,455,376</b>	<b>\$ 890,000</b>	<b>\$ 2,565,376</b>	Decrease in TI expenditures

**Sequoia Healthcare District  
Draft Profit & Loss Pension Budget  
FYE June 30, 2027**

**Unaudited for Management Discussion Purposes Only**

	<b>2026 Forecast</b>	<b>2027 Budget</b>	<b>2026 to 2027 Change Better / (Worse)</b>	<b>Notes</b>
<b>Income</b>				
Pension Contribution	\$ 3,600,000	\$ 2,573,948	\$ (1,026,052)	Lower actuary contribution rate
Pension Income	\$ 7,725,010	\$ 3,277,500	\$ (4,447,510)	Estimated lower investment returns
<b>Total Income</b>	<b>\$ 11,325,010</b>	<b>\$ 5,851,448</b>	<b>\$ (5,473,562)</b>	
<b>Expenses</b>				
Pension Expenses	\$ 251,194	\$ 210,000	\$ 41,194	Estimated pension admin expense
Pension Benefit Payments	\$ 7,487,094	\$ 7,200,000	\$ 287,094	Estimated pension beneficiary payments
<b>Total Expenses</b>	<b>\$ 7,738,289</b>	<b>\$ 7,410,000</b>	<b>\$ 328,289</b>	
<b>Net Income (Loss)</b>	<b>\$ 3,586,721</b>	<b>\$ (1,558,552)</b>	<b>\$ (5,145,273)</b>	

# Appendix

# FY '27 Draft Budget Details

(with and without Pension)

**Draft Profit & Loss Budget Details (with Pension)**

FYE June 30, 2027

Unaudited for Management Discussion Purposes Only

	Summary Account Classification	Draft FY 2027 Budget
<b>Income</b>		
40400-1 · Tax Revenue	Tax Revenue	\$ 20,706,131
40500-1 · Gain/(Loss) on Investments	Gain/(Loss) on Investments	\$ 640,000
40600-1 · Int/Div Income	Int/Div Income	\$ 480,000
40600-3 · Int/Div Income - Pension	Pension Income	\$ 548,000
40530-3 · Gain/(Loss) on Investments -Pen	Pension Income	\$ 2,729,500
40800-5 · Dignity Collab Revenue	Dignity Agreement	\$ 510,000
40610-1 · Interest - 525 Veterans Lease	Int/Div Income	\$ 148,800
41110-1 · 525 Veterans Lease Revenue	Rental Income	\$ 84,432
40620-1 · DH Settlement Interest	Dignity Agreement	\$ 204,000
41000-3 · Employer Trust Contributions	Pension Contribution	\$ 2,573,948
<b>Total Income</b>		<b>28,624,811</b>
<b>Expense</b>		
60100-1 · Prof. Development	Administration	\$ 62,500
60100-1 · Admin. Expense - Other	Administration	\$ 73,000
60101-1 · Administration Payroll	Payroll and Related	\$ 1,468,677
60109-3 · Pension Benefit Payments	Pension Benefit Payments	\$ 7,200,000
60130-3 · Pension Admin Expenses	Pension Expenses	\$ 210,000
60199-4 · PTO Payroll Expense	Payroll and Related	\$ 86,227
60300-1 · Board Health Insurance	Board Related Costs	\$ 17,010
60310-1 · Employee Health Benefits	Payroll and Related	\$ 301,967
60350-1 · Employee Retirement Benefit	Payroll and Related	\$ 53,971
60400-1 · Investment Fees	Investment/Banking Fees	\$ 220,000
60500-1 · Office Supplies/Equip Maint	Office Expenses	\$ 12,000
60600-1 · Consulting Services	Professional Fees	\$ 131,200
60610-1 · Accounting fees	Professional Fees	\$ 33,445
60700-1 · Board Expense	Board Related Costs	\$ 49,300
60710-1 · Association/Membership Dues	Administration	\$ 44,800
60715-1 Conference/Seminars	Administration	\$ 2,600
60725-1 · Communications	Communications	\$ 243,200
60750-1 · Software-Hardware-IT	Facilities	\$ 114,593
60800-1 · Insurance	Insurance	\$ 51,000
60805-1 · Election Fees	Election Costs	\$ 260,000
60806-1 · LAFCO fees	Administration	\$ 17,500
60810-1 · Legal Fees	Professional Fees	\$ 80,000
60815-1 · Bank Fees	Investment/Banking Fees	\$ 1,500
Total 65100-1 · 1016 Laurel Occupancy Costs		\$ 104,250
65500-4 · Depreciation Expense - GW	Facilities	\$ 499,429
65510-4 · Amortization Expense - GW	Facilities	\$ 7,108
65610-1 · Capital Outlay - General	Facilities	\$ 890,000
65610-4 · Capital Outlay - GW Offset	Facilities	\$ (890,000)
69010-4 · Interest Expense - GW	Other Expenses	\$ 840
<b>Non -Grant Expenses</b>		<b>\$ 11,346,117</b>
<b>Grant Expenses</b>		<b>\$ 23,837,246</b>
<b>Total Expense</b>		<b>\$ 35,183,363</b>
<b>Net Ordinary Income</b>		
<b>Net Income</b>		<b>\$ (6,558,552)</b>

**Draft Profit & Loss Budget Details (without Pension)**

**FYE June 30, 2027**

**Unaudited for Management Discussion Purposes Only**

				Summary Account Classification	Draft FY 2027 Budget
<b>Income</b>					
	40400-1	· Tax Revenue	Tax Revenue	\$	20,706,131
	40500-1	· Gain/(Loss) on Investments	Gain/(Loss) on Investments	\$	640,000
	40600-1	· Int/Div Income	Int/Div Income	\$	480,000
	40600-3	· Int/Div Income - Pension	Pension Income	\$	-
	40530-3	· Gain/(Loss) on Investments -Pen	Pension Income	\$	-
	40800-5	· Dignity Collab Revenue	Dignity Agreement	\$	510,000
	40610-1	· Interest - 525 Veterans Lease	Int/Div Income	\$	148,800
	41110-1	· 525 Veterans Lease Revenue	Rental Income	\$	84,432
	40620-1	· DH Settlement Interest	Dignity Agreement	\$	204,000
	41000-3	· Employer Trust Contributions	Pension Contribution	\$	-
<b>Total Income</b>					<b>22,773,363</b>
<b>Expense</b>					
	60100.1	· Prof. Development	Administration	\$	62,500
	60100-1	· Admin. Expense - Other	Administration	\$	73,000
	60101-1	· Administration Payroll	Payroll and Related	\$	1,468,677
	60109-3	· Pension Benefit Payments	Pension Benefit Payments	\$	-
	60130-3	· Pension Admin Expenses	Pension Expenses	\$	-
	60199-4	· PTO Payroll Expense	Payroll and Related	\$	86,227
	60300-1	· Board Health Insurance	Board Related Costs	\$	17,010
	60310-1	· Employee Health Benefits	Payroll and Related	\$	301,967
	60350-1	· Employee Retirement Benefit	Payroll and Related	\$	53,971
	60400-1	· Investment Fees	Investment/Banking Fees	\$	220,000
	60500-1	· Office Supplies/Equip Maint	Office Expenses	\$	12,000
	60600-1	· Consulting Services	Professional Fees	\$	131,200
	60610-1	· Accounting fees	Professional Fees	\$	33,445
	60700-1	· Board Expense	Board Related Costs	\$	49,300
	60710-1	· Association/Membership Dues	Administration	\$	44,800
	60715-1	· Conference/Seminars	Administration	\$	2,600
	60725-1	· Communications	Communications	\$	243,200
	60750-1	· Software-Hardware-IT	Facilities	\$	114,593
	60800-1	· Insurance	Insurance	\$	51,000
	60805-1	· Election Fees	Election Costs	\$	260,000
	60806-1	· LAFCO fees	Administration	\$	17,500
	60810-1	· Legal Fees	Professional Fees	\$	80,000
	60815-1	· Bank Fees	Investment/Banking Fees	\$	1,500
	Total 65100-1 · 1016 Laurel Occupancy Costs			\$	104,250
	65500-4	· Depreciation Expense - GW	Facilities	\$	499,429
	65510-4	· Amortization Expense - GW	Facilities	\$	7,108
	65610-1	· Capital Outlay - General	Facilities	\$	890,000
	65610-4	· Capital Outlay - GW Offset	Facilities	\$	(890,000)
	69010-4	· Interest Expense - GW	Other Expenses	\$	840
<b>Non -Grant Expenses</b>				\$	<b>3,936,117</b>
<b>Grant Expenses</b>				\$	<b>23,837,246</b>
<b>Total Expense</b>				\$	<b>27,773,363</b>
<b>Net Ordinary Income</b>					
<b>Net Income</b>				\$	<b>(5,000,000)</b>

**MEMORANDUM**

**TO:** Sequoia Healthcare District Board of Directors

**FROM:** Pamela Kurtzman, CEO

**DATE:** June 3, 2026

**RE:** Ravenswood Family Health Network - Redwood City Dental Clinic

At the May 6, 2026 public Board meeting, Ravenswood Family Health Network presented information regarding anticipated financial challenges associated with the new Redwood City Dental Clinic, including significant projected revenue reductions resulting from recent and proposed changes to Medi-Cal reimbursement policies and federal funding reductions. As part of that discussion, Ravenswood initially requested a five-year forgiveness of monthly rent obligations under the existing lease agreement.

Following the May 6 meeting, District staff engaged in additional discussions with Ravenswood leadership to further evaluate the organization's financial needs and potential alternatives. Based on those discussions, staff are recommending approval of a grant in the amount of \$150,000 for the fiscal year ending June 30, 2027. The grant would be specifically designated to support operations of the Redwood City Dental Clinic and help offset funding gaps associated with federal healthcare funding reductions impacting Ravenswood Family Health Network.

In addition, Ravenswood requested a modification to the lease agreement to reflect the actual anticipated start date of clinic operations. Accordingly, staff recommend approval of the First Amendment to the Lease and Construction Agreement dated May 1, 2024, between Sequoia Healthcare District Ravenswood Family Health Network. The amendment would revise the proposed lease commencement date from January 1, 2026 to April 1, 2026.

Both the proposed grant award and lease amendment are being presented to the Board, by way of this memo and supporting documentation, for consideration and approval.

**Recommended Motion:**

Move to approve:

1. A grant award in the amount of \$150,000 to Ravenswood Family Health Network, for the Redwood City Dental Clinic for the fiscal year ending June 30, 2027; and
2. The First Amendment to the Lease and Construction Agreement dated May 1, 2024, between Sequoia Healthcare District and Ravenswood Family Health Network, revising the lease commencement date to April 1, 2026, and authorize the CEO to execute the amendment and related documents.

**FIRST AMENDMENT TO LEASE AND CONSTRUCTION AGREEMENT**

This First Amendment to Lease and Construction Agreement (this “Amendment”) is entered into by and between Sequoia Healthcare District (“Landlord”) and South County Community Health Center, Inc., dba Ravenswood Family Health Network (“Tenant”) and is based on the following:

A. Landlord and Tenant have entered into a Lease and Construction Agreement (the “Lease”) dated as of May 1, 2024 for the Premises located at 525 Veterans Boulevard, Redwood City, California.

B. Section 2.1 of the Lease provides that the Commencement Date for the initial term of the Lease will be the earlier of the (a) date on which the construction of improvements described in the Work Letter (Exhibit B to the Lease) is substantially complete and Tenant has received all approvals necessary to operate a dental clinic at the Premises or (b) 360 days after Tenant has received all planning approvals and permits necessary for the construction of the improvements described in the Work Letter.

C. Tenant has completed construction of the dental clinic at the Premises and is operating the clinic.

D. Section 2.1 of the Lease provides that Landlord and Tenant will execute an amendment confirming the Commencement Date.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**AGREEMENT**

1. Commencement Date. The parties acknowledge and agree that the Commencement Date of the Lease is April 1, 2026.

2. No Other Modifications. Except as specifically provided in Section 1 above, there are no other modifications or changes to the Lease and the Lease remains in full force and effect.

3. Execution. This Amendment may be executed in counterparts and by facsimile or electronic signatures.

Date: \_\_\_\_\_

SEQUOIA HEALTHCARE DISTRICT

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

SOUTH COUNTY COMMUNITY HEALTH CENTER,  
INC., dba RAVENSWOOD FAMILY HEALTH  
NETWORK

By: \_\_\_\_\_

Its: \_\_\_\_\_



# CARING FOR OUR COMMUNITY



San Mateo County  
Health Foundation

# SMCHF



San Mateo County  
Health Foundation



San Mateo County Health System  
(over 79,000 patients)



San Mateo Medical  
Center (SMMC)



# SMCHF IN ACTION: ADVANCING SHD'S MISSION

## We remove barriers to care by:

- Ensuring families have enough food.
- Providing safe recuperative spaces.
- Preventing evictions through rental support.
- Covering essential needs and medications.
- Supplying mobility aids and recovery equipment.
- Securing transportation to critical appointments.

# DIRECT PATIENT SUPPORT

Through partnerships with **SMMC, Puente de la Costa Sur, CORA, and ALAS**, we go beyond the clinic to address real-world challenges that shape health.

Our programs provide **vital support, restore dignity, and empower families**—turning today's obstacles into tomorrow's opportunities.

**CARING HANDS IN HEALTH**

**BUNDLE OF JOY**

**FOOD FARMACY**





# TURNING WHAT MATTERS INTO IMPACT



Since 2022,  
**Caring Hands in Health**  
has provided **\$696,654**  
**in vital assistance,**  
supporting  
**3,289 patients and**  
**families in need.**

In 2025, our impact reached  
276 residents (Group 1 and Group 2  
combined) in the Sequoia  
Healthcare District, providing  
\$84,718 in assistance out of a total  
program spend of \$216,986.

259 residents were served in the  
Peninsula Health Care District.



# CARING HANDS IN HEALTH



## ESSENTIAL NEEDS

Groceries, personal care and baby items

## EMERGENCY HOUSING

One-time rental assistance or temporary lodging for recuperative care

## MEDICAL BILLING

Co-pays, prescriptions, medical needs/supplies, home health service, accessibility equipment

## DENTAL REQUESTS

For special cases

## TRANSPORTATION

For medical appointments

## SENIOR MEALS

Meal plans for people over 60 years old

## LEGAL FEES

For abuse cases

Caring Hands in Health is a critical financial assistance program dedicated to supporting San Mateo County Health patients in times of immediate need.

This program provides a crucial safety net for those who have exhausted all avenues beyond their insurance benefits, government aid, or other community resources.



# FOOD FARMACY

Nearly half of the residents facing hunger in our county are invisible to the safety net—denied traditional benefits despite needing food.



To meet this growing crisis, we've expanded weekly food distributions with Samaritan House at 6 countywide locations.

Even with 1,000 boxes and grocery bags each week, everything disappears within 45 minutes and people are still at the door, hoping there's more—proof that the need is outpacing the system.



# BUNDLE OF JOY

The first year of a newborn costs around \$13,186\*, presenting significant challenges, particularly for low-income families.

## VITAL ASSISTANCE

Ensuring a strong start for families by providing essential newborn items like diapers, wipes, clothing, and blankets.

**\$292,500** to supply items needed to pack Bundle of Joy bags, ensuring crucial support is given to families.



**IMPACTFUL DISTRIBUTION**  
**5,850 kits**  
**234,000 diapers**  
**11,700 onesies**

\*Source: Lend EDU "On Average, Raising a Child Costs \$13,186 in First Year" <https://lendedu.com/blog/cost-of-newborn-baby/>

# THE CRISIS

**San Mateo County is facing a fast-escalating hunger emergency.**

Rollbacks to SNAP and CalFresh—combined with the loss of medical coverage—have **severed support for families who once relied on it.**

Now, low-income households and seniors are forced to choose between **food, medicine, and shelter.**

**Hunger is no longer a social issue—it's a public health crisis.**

# WHY SMCHF MATTERS

**Underserved residents trust San Mateo Medical Center as a safe zone.**

Many avoid traditional food banks due to fear, stigma, or concerns about personal safety—but **they come to the hospital without hesitation.**

Here, they receive:

- **Care without judgment**
- **Support without risk**
- **Dignity, privacy, and respect**

**Supporting the SMCHF doesn't compete with food banks—it reaches the families food banks can't.**

# THE RESPONSE

**Caring Hands in Health delivers rapid, dignified support when families have nowhere else to turn.**

## **FY25 Impact**

- **775** patients and families supported
- **268** received vouchers for healthy groceries
- **844** meals delivered to home-bound adults

**Demand continues to surge—we anticipate increasing service to 1,500 residents.**

**Nutrition isn't optional. It drives recovery, prevents avoidable ER visits, and protect health.**

# THE PATH FORWARD

**With the Sequoia Healthcare District's support, we can turn urgency into action.**

**An investment from SHD will allow us to:**

- **Increase essential-needs support from \$800 to \$1,500, so families can consistently access healthy food**
- **Expand food distribution and access through trusted, hospital-based pathways**

**Sequoia Healthcare District can transform this moment—strengthening the county's final safety net and ensuring no resident is left hungry, unseen, or without care.**