



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, April 1, 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.seghd.org

1. Call To Order And Roll Call 12:00-12:10
2. Public Comment On Non-Agenda Items*
- ACTION 3. Consent Calendar - Vice President Fong
 - a. Approve February 4, 2026 Regular Meeting Minutes
 - b. Approve February 11, 2026 Strategic Planning Workshop Minutes
 - c. Approve March 3, 2026 Special Meeting Minutes
 - d. Accept January And February 2026 Financial Statements
4. CEO/Staff Reports:
 - a. CEO Report And Staff Reports- Kurtzman, Bratton, Garcia, Mar 12:10-12:20
5. New Business
 - ACTION a. Accept Resignation Of Board Member And Determine Whether To Fill Vacancy By Election Or Appointment - Vice President Fong 12:20-12:30
 - ACTION b. Approve Pension Plan Actuarial Report - Drew Ballard 12:30-12:45
 - c. Presentation Of District Proposed FY 2026-27 Draft Budget - Mr. Mar 12:45-1:05
 - d. HSI Year In Review and Presentation Of FY 2026-27 School Health Draft Budget - Ms. Wasson and Dr. John Baker 1:05-1:25
 - f. Approve Amendment To Employment Contract Of District Chief Executive Officer - President Martinez 1:25-1:35
 - ACTION e. Director Requests For Future Agenda Items Per Board Policy 8.3 - President Martinez
- ACTION 6. Adjourn
The Next Regular Meeting Of The Board Of Directors Of Sequoia Healthcare District is Scheduled For 12:00 PM, Wednesday, May 6, 2026, **San Mateo County 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
February 4, 2026
San Mateo County Dental Society
939 Laurel Street, Suite C
San Carlos, CA 94070**

<u>Directors Present</u>	<u>Directors Excused</u>	<u>Also Present</u>
Director Fong Director Foust Director Lock (arrived during agenda item 3a) Director Martinez Director Shefren		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 12:01PM. 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. Staff wished Director Fong, Director Martinez, and CEO Kurtzman a happy birthday.

3. Consent Calendar

Director Lock joined the board meeting during this agenda item.

Motion: to approve the Consent Calendar.

By: Director Foust

Seconded by: Director Shefren

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

Nos --

Abstain --

Absent --

Motion Passed: 5-0

4.a. CEO/Staff Reports

CEO Kurtzman reported that SHD has received permits for the building improvements at 1016 Laurel. Ads were posted in the Daily Journal last week and this week. After the review of the bids the winning bid will be presented to the Board at the March board meeting for acceptance.

Ravenswood's RWC Dental Clinic will have a ribbon cutting open house event on Feb 12th.

Samaritan House is hosting an event on March 13, and will be presenting the District with an award.

Ms. Bratton reported that the community grant season started with two grant info sessions in January. She has been working on implementing the new grant platform Fluxx, which is expected to go live on March 1st. Her committee has received mid-year grant reports from 1

year grantees. She is seeking additional grant committee members, and has placed an ad in the Daily Journal announcing this opportunity.

Ms. Wasson is implementing MTSS recommendations and meeting with school district leadership to review measurements and help superintendents understand implementation.

Board members discussed the school district investment graph in Ms. Wasson's report, which portrays percentage impact of SHD investment only for the programs and positions SHD is contracted, rather than as a percentage of total health program expenses born by the school districts. Ms. Wasson will work with the school districts to compile a report on their total health spending vs. percentage investment by SHD.

Mr. Mar reported that SHD distributed \$10.8M in grants to date in FY26, and received \$10.6M in tax revenue. The District is on track with its budget projection. Foster and Foster has been engaged to create the GASB report for pension liability and funding for the next two years.

Director Shefren would like an agenda item regarding review and hiring next audit agency. Mr. Mar will discuss it with the Finance Committee.

Ms. Garcia stated there was an increase in web traffic for information regarding upcoming grants info session information. Ms. Garcia sent out press releases regarding the \$850K for Second Harvest Food Bank. NCEFT will be featured in our newsletter. The nutrition video series is live and can be accessed through our website.

5.a. Presentation On Plan To Invest Up To \$4M For Urgent Needs

CEO Kurtzman reviewed her proposal to invest up to \$4M in the community to counter recent federal and state funding cuts.

The District is concentrating on access to care and continuity of care. The priority investment areas will be:

- Primary care and dental safety net services
- Food security
- Behavioral health and substance abuse
- Senior and disabled services.

The District proactively funded emergency grants to Second Harvest Food Bank (\$850K) and One Life Counseling (\$240K), and is considering proposals from San Mateo Medical Center and Samaritan House.

6.a. Direction To Staff Regarding Annual Review Of Internal Controls

In response to the 2024 grand jury report, the Board agreed to direct staff to review the internal controls.

6.b. Review And Approve Biannual Conflict of Interest Code

This agenda item was postponed to a future board meeting.

6.c. Approve Pension Plan New MOU

Board members discussed the 2026 Pension Plan MOU that was included in the board packet.

Motion: to approve the pension plan MOU

By: Director Shefren

Seconded by: Director Fong
Vote: Ayes -- Fong, Foust, Lock, Martinez, Shefren
Nos --
Abstain --
Absent --
Motion Passed: 5-0

DRAFT

7. Adjourn To Closed Session For The Purposes Of:

- a. Government Code Sections 54957 and 54957.6 for the following purposes: PUBLIC EMPLOYEE PERFORMANCE EVALUATION (54957) 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 And Outside Consultant Donna Vaillancourt Of RPMG. Unrepresented Employee: Chief Executive Officer, Sequoia Healthcare District.

Motion: to adjourn to closed session
By: Director Lock
Seconded by: Director Martinez
Vote: Ayes - Fong, Foust, Lock, Martinez, Shefren
Nos --
Abstain --
Absent --
Motion Passed: 5-0

8. Reconvene to Open Session:

There was no reportable action taken in closed session.

15 MINUTE BREAK

9. Board Strategic Planning Session

With the guidance of Jacob Green and Associates staff board members reviewed and updated the draft strategic plan.

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

There were no Director requests for future agenda items.

10. Adjourn

Motion: To adjourn the meeting at 3:55PM

By: Director Martinez

Seconded by: Director Shefren

All in favor

Motion Passed

DRAFT

The next meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 12:00PM, Wednesday, April 1, 2026, at the San Mateo County Dental Society, 939 Laurel Street, Suite C, San Carlos, CA.

Respectfully Submitted,

Cama Lock, Secretary

**MINUTES OF SEQUOIA HEALTHCARE DISTRICT
BOD STRATEGIC PLANNING MEETING
2:00 PM, Tuesday, February 11, 2026
San Mateo County Dental Society
939 Laurel Street, Suite C
San Carlos, CA 94070**

Directors Present

Director Foust
Director Lock
Director Martinez

Directors Excused

Director Fong
Director Shefren

Also Present

Pamela Kurtzman, CEO
Ms. Stamper, Recorder

1. Call to Order and Roll Call

President Martinez called the meeting to order at 2:05PM. 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.

3.a. Board Study Session for Purposes of Strategic Planning 2025-2028

Board members reviewed the draft strategic plan developed with Jacob Green and Associates consultants.

4. Adjourn

Motion: To adjourn the meeting at 3:05PM.

By: Director Martinez

Seconded by: Director Lock

All in favor

Motion Passed

The next special meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 12:00 PM, Wednesday, May 6, 2026, San Mateo County Dental Society, 939 Laurel Street, Suite C, San Carlos, CA 94070.

Respectfully Submitted,

Cama Lock
Secretary

**MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
March 4, 2026
San Mateo County Dental Society
939 Laurel Street, Suite C
San Carlos, CA 94070**

<u>Directors Present</u>	<u>Directors Excused</u>	<u>Also Present</u>
Director Fong Director Foust Director Lock Director Martinez (via Zoom) Director Shefren		Pamela Kurtzman, CEO Mr. Hudak, Legal Counsel Ms. Stamper, Recorder

1. Call to Order and Roll Call

Vice-President Fong called the meeting to order at 12:01PM. Roll call attendance was taken. A quorum was present.

2. Public Comment/Non-Agenda Items

Vice-President Fong asked if there was any public comment on non-agenda items. CEO Kurtzman congratulated Director Martinez on the birth of a new family member.

**3a. Approve Grant Request From Planned Parenthood
For Additional \$500,000 To Support Reproductive Health at RWC Clinic**

Sarabeth Janzen of Planned Parenthood (PPMM) thanked SHD for their past support and requested an additional \$500K emergency grant to support operations. 44% of PPMM clients at the Redwood City health clinic are SHD residents from zip code category 1 and 2. Due to funding cuts from the Federal government PPMM has had to reduce and streamline their reproductive services, and announced new concierge menopause and perimenopause cash for services to raise additional revenues.

Director Lock requested Ms. Janzen provide a report on the top 10 service codes listed for district residents so the District can identify areas of need.

Motion: to approve a grant of up to \$500,000 for Planned Parenthood to support reproductive health services at the RWC clinic.

By: Director Shefren

Seconded by: Director Foust

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

Nos --

Abstain --

Absent --

Motion Passed: 5-0

3b. Review And Approve Biannual Conflict of Interest Code

The District is required to review and approve its Conflict of Interest Code every two years. The current code was rewritten in 2024 to include a CFO position and the requirement for the CFO to file a form 700. There are no updates to the 2024 COI code.

DRAFT

Motion: to approve the biannual Conflict of Interest Code.

By: Director Foust

Seconded by: Director Lock

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

Nos --

Abstain --

Absent --

Motion Passed: 5-0

3c. Provide Direction To Staff Regarding Annual Review Of Internal Controls

The Grand Jury report requires the governing body to annually direct staff to review internal controls and report to the Board.

Director Fong stated that ACHD is hosting a seminar on internal controls taking place at the end of March.

Motion: to direct staff to review our internal controls policy and report back to the Board.

By: Director Shefren

Seconded by: Director Foust

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

Nos --

Abstain --

Absent --

Motion Passed: 5-0

**4.a. Approve Dignity Collab Committee Recommendations
To Fund Emergency Food Grant Request From PVI For \$222,300 And
St. Francis Center For Magical Bridge Pocket Park Contribution For \$100,000**

The Collab Committee reviewed and recommended grants to 1) Peninsula Volunteers Inc to serve meals to seniors from February 2026 to July 2026, and 2) St. Francis Center for funding the creation of a Magical Bridges Pocket Park.

Directors Shefren and Martinez would like the Board to give more direction for publicizing availability of Collab Funds to residents.

Motion: to approve the Collab committee recommendations for an emergency food grant for PVI for \$222,300 and a grant to St. Francis Center of \$100,000 for the building of a Magical Bridge Pocket Park

By: Director Shefren

Seconded by: Director Lock

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

Nos --

Abstain --

Absent --

Motion Passed: 5-0

4.b. Report On Performance Of District Investment Portfolio

Andrew Lin of SIA gave a presentation on the performance of District investments. The District has a \$45M portfolio with \$25M in US Treasury Bonds, \$16M in investment grade bonds, \$1.4M in government agency bonds, \$1M in fixed income mutual funds and \$720K in cash/money market funds. SIA has been trying to lock in rates for longer and will increase allocation to the long end of the yield curve. All investments are made with the state investment formula in

mind to maintain compliance. Directors asked Mr. Lin to confirm the investment cost to the District.

4.c. Consider Adoption Of Proposed Strategic Plan 2025-2028

Motion: to approve adoption of the 2025-2028 Strategic Plan with the additional wording on page 4 to the District service area to include “a portion of San Mateo”.

By: Director Foust

Seconded by: Director Fong

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

Nos --

Abstain --

Absent --

Motion Passed: 5-0

4.d. Consider Proposal From Zone 4 General Contractor To Provide Tenant Improvements At 1016 Laurel Street

Due to the project estimate being greater than \$25,000, the District is required to put the project out to public bid. We received 1 bid that was significantly higher than the engineering estimate. The board discussed options to accept or reject the bid. If the bid is rejected, the District can put it out for bid again, and consider appropriate value engineering to bring down costs.

Motion: to reject the bid

By: Director Foust

Seconded by: Director Shefren

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

Nos --

Abstain --

Absent --

Motion Passed: 5-0

CEO Kurtzman will outreach to additional contractors for bids and investigate what caused the difference between the original engineering estimate and the proposal. Director Shefren asked CEO Kurtzman to review the current plans and see where the project can be scaled back.

5. Adjourn To Closed Session For The Purposes Of:

- a. Government Code Sections 54957 and 54957.6 for the following purposes: PUBLIC EMPLOYEE PERFORMANCE EVALUATION (54957) 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 And Outside Consultant Donna Vaillancourt Of RPMG. Unrepresented Employee: Chief Executive Officer, Sequoia Healthcare District.

Motion: to adjourn to closed session

By: Director Shefren

Seconded by: Director Fong

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

Nos --

Abstain --

Absent --

Motion Passed: 5-0

6. Reconvene to Open Session:

There was no reportable action taken in closed session.

7. Adjourn

Motion: To adjourn the meeting at 2:50PM

By: Director Foust

Seconded by: Director Fong

All in favor

Motion Passed

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

Respectfully Submitted,

Cama Lock, Secretary

2:15 PM
03/18/26
Accrual Basis

Sequoia Healthcare District
Balance Sheet - by Month
As of February 28, 2026

	Feb 28, 26
ASSETS	
Current Assets	
Checking/Savings	
10190.1 · Heritage Checking #6398 Total	
10190-1 · Heritage Checking #6398	-205,533.65
10191-1 · Heritage Checking Sweep #6398	1,583,354.92
Total 10190.1 · Heritage Checking #6398 Total	1,377,821.27
10196.5 · Heritage COLLAB #6455 Total	
10195-5 · Heritage COLLAB Checking #6455	10,000.00
10196-5 · Heritage COLLAB Sweep #6455	1,168,297.69
Total 10196.5 · Heritage COLLAB #6455 Total	1,178,297.69
10201-1 · Schwab Cash	726,575.88
10300-1 · Schwab Acct #6621	12,539,317.08
10350-1 · Schwab Acct #2739	31,844,543.00
10490-1 · HFSA funding & deductions	
10491-1 · FSA Savings	34,190.11
10492-1 · FSA Pretax Deductions	-34,108.43
Total 10490-1 · HFSA funding & deductions	81.68
Total Checking/Savings	47,666,636.60
Other Current Assets	
10400-3 · Pension - Vanguard	54,677,912.85
10410-3 · Pension - PFG	2,484,443.04
10430-3 · Pension - Vanguard MMF	82,552.09
10440-3 · Pension -PCS	704,696.12
10500-4 · Pension Contribution Rcvble	19,918,979.00
10501-1 · Prepaid Expenses	153,681.05
10503-1 · Unused Grants Recoverable	41,692.28
10550-1 · Interest Receivable	341,963.95
10551-1 · DH Settlement Receivable	6,285,423.34
10552-1 · Misc. Receivable	79.14
10555-1 · DH Settlement - Interest Rec.	51,069.06
12010-1 · Lease 525 Veterans - ST	2,022.19
Total Other Current Assets	84,744,514.11
Total Current Assets	132,411,150.71
Fixed Assets	
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	3,366,715.70
12360-4 · 1016 Laurel CIP - GW	89,209.09
12400-4 · Equipment GW	16,053.08
12420-4 · Right-of-Use Asset - GW	28,433.43
12500-4 · Accum Depr - GW	-1,413,146.93
12510-4 · Accum Amort -GW	-9,477.71

Sequoia Healthcare District
Balance Sheet - by Month
As of February 28, 2026

	Feb 28, 26
Total Fixed Assets	8,175,980.52
Other Assets	
13000-1 · Suspense	-0.06
19010-1 · Lease Rec 525 Veterans - LT	1,882,680.27
Total Other Assets	1,882,680.21
TOTAL ASSETS	142,469,811.44
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
20001-1 · Accrued Liabilities	36,815.43
21000-1 · Accrued Payroll	46,433.31
22210-4 · Capital Lease - ST	7,054.18
23100-4 · Compensated Balances (PTO) - ST	37,738.35
Total Other Current Liabilities	128,041.27
Total Current Liabilities	128,041.27
Long Term Liabilities	
22000-4 · Pension Contribution Payable	18,926,201.00
23200-4 · Compensated Balances (PTO) - LT	81,298.93
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	1,674,545.81
25110-4 · Capital Lease - LT	12,401.38
25210-1 · Deposit Payable - Gen Fund	25,000.00
Total Long Term Liabilities	21,712,225.12
Total Liabilities	21,840,266.39
Equity	
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	4,517,258.38
Total Equity	120,629,545.05
TOTAL LIABILITIES & EQUITY	142,469,811.44

Sequoia Healthcare District
Profit & Loss - by Month
July 2025 through February 2026

	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	TOTAL
Ordinary Income/Expense									
Income									
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	12,471,001.87
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	593,156.66
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	4,399,774.10
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	936,723.06
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	808,352.89
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	97,488.73
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	140,193.85
40800-5 · Dignity Collab Revenue	0.00	0.00	0.00	0.00	510,000.00	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	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	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	56,287.27
Total Income	378,825.56	502,752.22	2,770,136.99	1,516,388.91	9,085,960.66	9,245,241.35	2,666,243.65	1,047,429.09	27,212,978.43
Gross Profit	378,825.56	502,752.22	2,770,136.99	1,516,388.91	9,085,960.66	9,245,241.35	2,666,243.65	1,047,429.09	27,212,978.43
Expense									
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	8,274.83
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	24,893.72
Total 60100-1 · Admin. Expense	2,902.80	3,111.06	7,142.99	5,682.10	2,773.54	1,654.53	1,574.36	8,327.17	33,168.55
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	749,185.52
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	5,042,512.26
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	121,194.42
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	24,648.54
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	10,911.68
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	142,264.43
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	25,433.13
60400-1 · Investment Fees	0.00	0.00	14,292.31	17,110.74	0.00	0.00	47,536.91	0.00	78,939.96
60500-1 · Office Supplies/Equip Maint	1,207.28	831.85	2,254.81	973.06	87.48	820.66	704.48	736.58	7,616.20
69010-4 · Interest Expense - GW	0.00	0.00	234.42	74.38	72.48	70.59	68.68	66.77	587.32
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	135,745.43
60610-1 · Accounting fees	0.00	812.50	3,282.50	0.00	250.00	22,900.00	0.00	1,700.00	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	7,478.19
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	28,823.14
60725-1 · Communications	919.28	482.70	21,984.40	22,202.30	0.00	2,825.59	0.00	1,523.77	49,938.04
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	40,684.97
60775-1 · Pension Plan	0.00	0.00	0.00	0.00	3,600,000.00	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	31,680.11
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	10,784.00
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	25,234.74
60815-1 · Bank Fees	92.36	116.56	91.57	92.49	140.90	101.51	100.76	100.89	837.04
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	12,556.96
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	22,734.12
65103-1 · 1016 Laurel Property Insurance	988.25	988.25	988.25	988.25	988.25	988.25	988.25	988.25	7,906.00
Total 65100-1 · 1016 Laurel Occupancy Costs	5,935.79	4,453.61	2,962.48	4,458.28	3,876.01	5,641.82	8,769.04	7,100.05	43,197.08
65450-1 · 525 Veterans Prop Ins -Gen Fund	454.79	454.79	454.79	454.79	454.79	454.79	454.79	454.79	3,638.32
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	102,756.73
65510-4 · Amortization Expense - GW	0.00	0.00	1,777.00	592.36	592.36	592.36	592.36	592.36	4,738.80
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	2,421,376.24
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)	(2,421,376.24)
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	14,685.77
70300-1 · Other Grants	0.00	0.00	6,500.00	0.00	0.00	6,200.00	7,500.00	0.00	20,200.00
70310-5 · Collab grant - Custodial Fund	0.00	0.00	244,558.06	0.00	0.00	0.00	0.00	0.00	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	918,121.50
70560-1 · Ravenswood Family Health Center	500,000.00	0.00	0.00	0.00	0.00	0.00	0.00	500,000.00	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	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	40,380.00
70568-1 · Sonrisas	0.00	0.00	0.00	0.00	237,140.00	0.00	0.00	173,913.00	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	2,133,300.00
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	5,637,500.00
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	35,420.28

Sequoia Healthcare District
Profit & Loss - by Month
 July 2025 through February 2026

	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	TOTAL
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	173,922.20
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	1,636,729.39
Total Expense	5,483,829.80	905,774.79	1,467,666.47	1,207,057.29	5,055,613.73	1,096,197.15	1,364,506.94	6,115,073.88	22,695,720.05
Net Ordinary Income	(5,105,004.24)	(403,022.57)	1,302,470.52	309,331.62	4,030,346.93	8,149,044.20	1,301,736.71	(5,067,644.79)	4,517,258.38
Net Income	(5,105,004.24)	(403,022.57)	1,302,470.52	309,331.62	4,030,346.93	8,149,044.20	1,301,736.71	(5,067,644.79)	4,517,258.38

Sequoia Healthcare District

CEO Report April 2026

Pamela Kurtzman

I. PROGRAMS AND OPERATIONS UPDATE

1016 Laurel St.

- The project has gone out for re-bidding in the Daily Journal, the Builder's Exchange Network, and our website, without changes. Bids are due April 8 and we hope to get additional bids to compare with the first and only one we previously received. We anticipate bringing a recommended contractor to the Board for approval at the May 6th Board meeting.
- If we don't receive a bid that is more aligned with the previously budgeted costs, we have two options: 1) the Board decides to move forward with the lowest qualified bid at the proposed costs; 2) we reduce the scope of the project where we can, and resubmit the plans to the City for approval. That will take between 6-8 weeks, then we must put it out for bid again. Action 2 will delay the construction for a minimum of several months.
- Either way, the roof requires repair as soon as possible, for which we would need to get a separate estimate if the project is delayed.
- Our temporary workspace is still available at the Pettinelli offices at 555 Veterans Blvd while we undergo the TI's. We'll plan to move in once the board has approved the contractor's bid AND when we have an estimate of the construction start date.

II. PARTNER ORGANIZATION MAJOR GRANTS

1. Ravenswood Redwood City Dental Clinic Progress Update

- Thank you to those who attended the ribbon cutting March 12th. Ravenswood hired and is onboarding all necessary staff in preparation for an April 1 opening (there was a delay in opening due to a construction issue that has since been repaired).

2. Sonrisas Dental Health

- Sonrisas and Ravenswood will begin planning the gradual transition of Sonrisas patients (those who are District residents) to the new Redwood City clinic. Our current agreement with Sonrisas ends June, 2026 and funding will end unless additional funds are granted. I expect to know by April's end, if I will recommend any additional funding to Sonrisas during the transfer of the approximately 800 District residents currently receiving care at Sonrisas.
- Their latest quarterly grant report summarizes the services provided to SHD residents, during the period of September 1 through December 31, 2025 (Q2, FY26).

- During this quarter, 408 unique SHD residents across all payer types were served with 582 total visits. Of these, 495 visits served 334 low-income patients, accounting for 85% of all SHD resident visits. 45% of patients were Children 0-18. After accounting for reimbursements, the total cost of uncompensated care provided to SDH residents is \$133,045.
- Additionally, **723 children** were screened at multiple locations in the SHD service area. In the second quarter, screenings took place at Orion Alternative (x2), Clifford Elementary (x2), Adelante Selby, and Roosevelt Elementary. Combined with the 642 screenings conducted in SHD service area in Q1, Sonrisas has exceeded the 1,100 screenings funded in this year's grant.
- Regular work on providing **older adult patients** of Sonrisas clinics with customized navigation services provided mobile dental visits at Crane Place to older district resident with mobility challenges.
- **Oral health presentations** at Fair Oaks Adult Activity Center and Arroyo Green Apartments (fulfilling the grant's promised Older Adult Oral Health presentations) benefited 50 seniors, along with 10 seniors who received on-site screening at Fair Oaks. *Screenings and presentations also provided individualized oral health coaching and care navigation to participants.

3. Samaritan House RWC Clinic

- As the operator of the only two free health clinics in San Mateo County, Samaritan House is preparing to meet an unprecedented moment of need. Currently they provide medical, dental, and behavioral healthcare to 2,000 to 3,000 patients annually between the two clinics. They are now preparing for a significant increase in patient volume as individuals lose their healthcare due to new legislative mandates, or unaffordable premiums. I am in consistent contact with Samaritan House leadership to monitor the situation and explore ways they can expand their capacity and build a stronger safety net.
- Samaritan House RWC will need to move from their current location sometime soon and have engaged a realtor. The District had previously offered to purchase a building they could occupy at a substantially reduced rent. More on this as it develops....
- They are also in need of volunteers. Any medical providers--, advanced practice provider, nurse practitioner, or a behavioral health specialist, should consider joining their team of regular volunteers.

III. STRATEGIC PLANNING

- Staff is continuing work on the strategic plan implementation, including development of work plans and a progress tracking framework. Our consultant, Mitch Bailey

created a one-page document that we can easily share with the community as I shared with you in my Monday Minute.

- Luz is scheduling times for me to present our new plan to each of our City Councils in the weeks and months ahead. I hope you will each join me for these presentations within each of your jurisdictions. I will send dates well in advance.

IV. ACHD

- Participated in ACHD Board of Directors meeting in Sacramento Feb 26-27, 2026
- Monthly CEO Roundtable Discussions- March 19, April 16
- 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. More details to come

V. COMMUNITY ACTIVITIES AND EVENTS

- Samaritan House Fundraiser and SHD Recognition March 13
- ALF Orientation March 13
- Attended Diane Papan Power Women of SMC Event, March 20
- Redwood City Together leadership committee- next Exec Committee April 16
- Caminar Donor Appreciation event March 25
- San Mateo County Safety Net Committee- next meeting April 15
- Oral Health Coalition next quarterly meeting- May 1
- Progress Seminar coming up April 17, 18 in Santa Rosa. Directors Martinez and Foust will also attend.

VI. FEDERAL MEDICAID (MEDI-CAL) FUNDING REDUCTIONS - Status Update as of March, 24, 2026

Local coverage losses are becoming more defined and imminent:

- San Mateo County continues to project ~40,000 residents at risk of losing Medi-Cal coverage, including children. Early enrollment data and redetermination trends suggest that procedural disenrollments (paperwork, eligibility verification barriers) are already a major driver of coverage loss—not just true ineligibility.
- In parallel, reductions in ACA subsidy support and affordability protections are expected to increase the number of working, previously insured residents becoming uninsured or underinsured. Many households will face tradeoffs between healthcare, housing, and basic needs—resulting in delayed care and worsening health outcomes.
- Emergency departments and safety-net access points are already seeing early strain signals, particularly from uninsured and underinsured patients deferring preventive care.

Ongoing Uncertainty

Implementation timelines vary across provisions, with major fiscal and coverage impacts expected to accelerate through 2026-2028

- Key unknowns remain:
 - Final state policy responses
 - Behavioral response of eligible populations (e.g., deterrence from applying)
 - Provider capacity to adapt
- However, the direction of impact is now clearer:
 - Coverage will decline
 - Administrative barriers will increase
 - Local safety-net demand will rise

Why This Matters for SHD

Increased role as a local stabilizer:

As federal and state funding retract, SHD should play a more critical role in sustaining access points, particularly for uninsured and underinsured populations.

- Shift from expansion to preservation of access: Strategic investments may need to prioritize:
 - Maintaining existing capacity (clinics, workforce, core services)
 - Preventing service line reductions or closures
 - Supporting high-impact, essential services (primary care, oral health, behavioral health)
- Rising uncompensated care pressures: Local partners will face:
 - Increased uninsured patient volume
 - Greater financial instability
 - Heightened reliance on philanthropic and public funding partners
- Need for targeted, data-driven interventions: Given constrained resources, SHD will need to:
 - Focus on high-risk populations and service gaps
 - Strengthen outcomes tracking and real-time monitoring
 - Align funding to measurable access and utilization impacts
- Strategic timing opportunity: This period presents a window for SHD to:
 - Deploy bridge funding (2025-2026) to stabilize key providers
 - Align investments with the new strategic plan (2026 onward)
 - Strengthen cross-sector coordination (County, plans, providers, philanthropy)
- Broader economic and community impacts: Loss of healthcare coverage and federal funding will:
 - Reduce household financial stability
 - Increase demand on social services, housing, and food systems
 - Create downstream fiscal pressure on local governments

VII. Compounding Local Fiscal Risk: State VLF Shortfall

In addition to federal Medicaid (Medi-Cal) reductions, San Mateo County is currently facing a **\$156.9 million State funding shortfall** related to the Vehicle License Fee (VLF) backfill obligation. This funding, which is legally required under the State's 2004 VLF "Swap," has not

been included in the Governor's proposed FY 2026-27 budget. This shortfall represents a significant portion of local government funding and is particularly impactful because VLF revenues support approximately 18% of County general fund services, including housing, behavioral health, public safety, and social services.

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.
- I'd like to propose a May 6 study session in lieu of our regular board meeting on these two urgent topics, along with our funding strategy buckets for FY 2026-2027/ 27-28

Jenny Bratton
Staff Report April 1, 2026

I. Community Grants/Fluxx

- Stuart and I finished up Fluxx grants admin training in March. A significant feature of Fluxx is the ability of the admin to edit the user interface from the backend. While this allows us for more direct oversight of the system's 'architecture,' it requires a substantial amount of training upfront and ongoing education.
- The Fluxx grants application portal (<https://seqhd.fluxx.io>) is up and running. New and renewing applicants were invited to submit an application on March 13th for the 2026-27 grant cycle. The application window closes on April 15th at 5PM. So far, in the first week of the portal, there has already been a dozen draft applications submitted in the system.
- There were 6 applicants for the 2026-27 Grants Committee. I will be interviewing them over the next two weeks.
- I am currently working on building the Fluxx reviewer portal. Once built, we will spend time testing it before its release. Upon release, I will provide an online demo/training for the grants committee. The committee will be assigned full applications to score by the end of the same week with a deadline of May 5th. The full application discussion will take place the same week with final decisions to be announced the week of May 12th.
- Over the next few weeks, I will be reaching out to applicants for site visits in April. I will share this schedule as Board members are more than welcome to attend these visits.

II. Healthy Schools Initiative

- To reduce redundancy and improve streamlining in the system, HSI grants programs contracted by districts are now reimbursable grants payable to the districts by invoicing. Those that are contracted by independent schools are charters are now funneled to Caring Community grants.
- As a result of the feedback we received from our February meetings with each of the eight partnering HSI school districts and in an attempt to address funding challenges and shortages facing each of the school districts, we have decided to keep HSI funding amounts consistent with current commitments so that the schools can continue to rely on SHD funding for critical services and programs during the upcoming school year.
- We enlisted former SUHSD Superintendent Jim Lianides as a consultant to further assure alignment with a clear and consistent approach to funding for the future. In doing so, he met with each of the eight partnering HSI school districts and shared out his preliminary findings.

Staff Report

Luz Garcia — Communications & Engagement Officer

Public Outreach

- *Invitation to Bid Support*
 - Developed an invitation to bid page on our website, enabling potential contractors to access bidding documents and gather information about the office building improvements project.
 - Published a total of nine advertisements in the Daily Journal from early February through March, which included both the first and second public notices.
- *Communication*
 - **SHD Website:** In March, I participated in a webinar titled “Mastering Amplify Layouts,” hosted by Streamline, as part of my efforts to enhance and refine our user experience. To date, I have drafted new amplify pages for the About Us, Grants, HSI, and Programs sections, with additional content forthcoming.
 - **Press Release:** A press release announcing the ribbon cutting of the new Ravenswood Dental Clinic has been published and featured in the Daily Journal. I encourage you to read the full article and share it with your network:
https://www.smdailyjournal.com/news/local/low-income-dental-clinic-opens-in-redwood-city/article_808db40c-ce8f-40d1-a586-257fb341270a.html
 - **Strategic Plan:** I am collaborating with Mitch to develop a communication plan related to our new strategic plan. Please stay tuned for updates.
- *Community Engagement*
 - **Events:** I participated in the SM Daily Journal’s Belmont Senior Showcase on March 20th, which presented an excellent opportunity to engage with our residents and share exciting updates. I encourage you to join us for our upcoming tabling events:
 - April 22nd - Thrive OnBoard
 - This event will give us the chance to showcase our work, network with experts, and engage with diverse professionals who are eager to make a difference.
 - April 26th – North Fair Oaks Community Extravaganza
 - This event will include: a Resource Fair, Books & Bikes, free health screenings, food and entertainment.
 - **Social Media:** I have finalized the editing of the nutrition video series and started sharing more videos across our social media channels. March, being National Nutrition Month, presented an opportune moment to share key insights from our esteemed nutrition partners, such as Second Harvest. Additionally, I provided updates on notable events, including the ribbon-cutting ceremony for the new Ravenswood dental clinic and our March board meeting. It has been gratifying to witness our partners engaging with our content through shares and likes. I encourage you to explore our pages and follow us if you have not done so already.
 - **2026 Grants Committee:** Secured five advertisements in the Daily Journal to promote our Grants Committee seat and featured the announcement in our February newsletter.

Newsletters

- **February 2026:** Ravenswood Dental Clinic Ribbon Cutting, Apply to Our Grants Committee and more
 - 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 Staff Report April 1, 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 - 8 months through 02/28/26

- ▶ Disbursed ~\$17.9M in Grants through Feb 2026, including \$2.8M in Ravenswood TI (\$5.3M in Grants disbursed in Feb 2026)
- ▶ Received ~\$12.1M in Tax revenue through Feb 2026
- ▶ Operating Cash & Investments Balance: **\$47.7M at 2/28/26** compared to \$53.3M and \$52.6M at 12/31/25 and 6/30/25, respectively
- ▶ Outstanding FY '25-26 grants Obligation @ February 28, 2026 ~ \$10.5M including \$2.6M for Ravenswood TI

FY '26 Budget Vs. Actual + Forecast Narrative

(without Pension Effect)

February 2026 Forecast

- ▶ Net Income (Loss) Worse than Budget (\$631k)

- ▶ Revenue Better than Budget (\$865k)
 - ▶ 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 (\$1.5M)
 - ▶ Grant increase (\$1.1M) - 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 (\$239k) -Primarily related to 1016 Laurel depreciation
 - ▶ Professional Fees (\$80k) - Primarily related to Public Relation, Human Resource and Strategic Planning project resource additions in the fiscal year.
 - ▶ Banking Fees increase (\$91k) - Reclassed bank fees from investment income budget

Appendix

FY '26 Finance Reports

WITH Pension Effect

Sequoia Healthcare District

Sources and Uses

YTD Through February 28, 2026

Unaudited for Management Discussion Purposes Only

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	YTD
Sources									
Rental Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Revenue	44,148	22,804	9,684	740,169	1,004,482	8,811,457	1,488,922	11,363	12,133,029
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	593,157
Interest Income	100,340	118,103	114,652	75,225	82,601	186,228	52,471	131,586	861,206
Total Cash Sources (Less Pension)	11,925	486,433	127,569	864,920	2,232,157	9,001,453	1,530,898	352,038	14,607,392
Pension Income (loss)	105,888	1,218,177	1,275,893	591,866	3,686,828	224,348	1,059,424	629,165	8,791,589
Total Cash Sources	\$ 117,812	\$ 1,704,610	\$ 1,403,462	\$ 1,456,786	\$ 5,918,985	\$ 9,225,801	\$ 2,590,322	\$ 981,203	\$ 23,398,982
Uses									
Payroll and Related	148,424	111,710	105,640	122,454	147,459	113,525	109,167	109,720	968,099
Administration	33,759	7,175	1,589	6,251	2,036	1,479	1,369	20,045	73,704
Board Expense	120	538	-	1,316	915	456	1,350	973	5,667
Investment/Bank Fees	53,691	117	92	17,203	101	102	47,638	134	119,076
Office Expenses	1,231	691	141	2,788	521	208	704	592	6,876
Professional Fees	9,260	36,693	14,733	3,510	27,003	49,214	20,185	48,678	209,274
Communications	919	483	21,737	21,719	-	2,826	-	1,524	49,206
Facilities	12,201	4,546	13,247	13,784	8,055	8,894	11,546	9,119	81,392
Insurance	62,690	-	251	485	243	-	243	1,428	65,340
Total Cash Operating Uses	322,295	161,951	157,428	189,510	186,332	176,703	192,202	192,214	1,578,635
Grant Expenses	5,426,855	526,324	1,993,081	339,636	700,365	259,139	514,869	5,324,028	15,084,297
Pension Expenses	799,560	574,961	803,264	601,603	583,547	577,310	590,007	616,916	5,147,168
Ravenswood Tenant Improvements	-	-	1,002,424	551,451	-	-	1,235,615	-	2,789,490
Capital Expenditures	22,720	9,534	-	35,820	14,986	11,853	-	14,630	109,543
Other	-	-	-	-	-	-	-	-	-
Total Cash Uses	\$ 6,571,430	\$ 1,272,770	\$ 3,956,197	\$ 1,718,019	\$ 1,485,231	\$ 1,025,005	\$ 2,532,693	\$ 6,147,788	\$ 24,709,133
Net Cash (Used)/Received	\$ (6,453,618)	\$ 431,840	\$ (2,552,735)	\$ (261,233)	\$ 4,433,754	\$ 8,200,796	\$ 57,630	\$ (5,166,585)	\$ (1,310,151)
Operating Cash Balance									
Heritage Operating	\$ 304,759	\$ 631,218	\$ 712,679	\$ 1,214,461	\$ 1,942,742	\$ 10,311,411	\$ 5,393,863	\$ 1,377,821	
Heritage Collaboration with Dignity	\$ 883,116	\$ 884,619	\$ 663,565	\$ 788,340	\$ 1,175,335	\$ 1,176,387	\$ 1,177,390	\$ 1,178,298	
Wells Fargo	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ -	
Total Operating Cash	\$ 1,188,963	\$ 1,516,924	\$ 1,377,333	\$ 2,003,889	\$ 3,119,165	\$ 11,488,886	\$ 6,572,342	\$ 2,556,119	
Schwab Investments	\$ 45,672,219	\$ 45,132,882	\$ 42,247,109	\$ 41,369,056	\$ 41,584,254	\$ 41,768,291	\$ 46,273,048	\$ 45,110,436	
Total Cash and Investments	\$ 46,861,182	\$ 46,649,806	\$ 43,624,442	\$ 43,372,945	\$ 44,703,419	\$ 53,257,177	\$ 52,845,389	\$ 47,666,555	
						\$ (53,257,177)			
Pension Assets									
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	
Principal Custodial Solutions	\$ 639,097	\$ 869,727	\$ 667,169	\$ 695,188	\$ 121,959	\$ 702,431	\$ 750,842	\$ 704,696	
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	
	\$ 53,611,511	\$ 54,254,727	\$ 54,727,355	\$ 54,717,619	\$ 57,820,899	\$ 57,467,937	\$ 57,937,355	\$ 57,949,604	

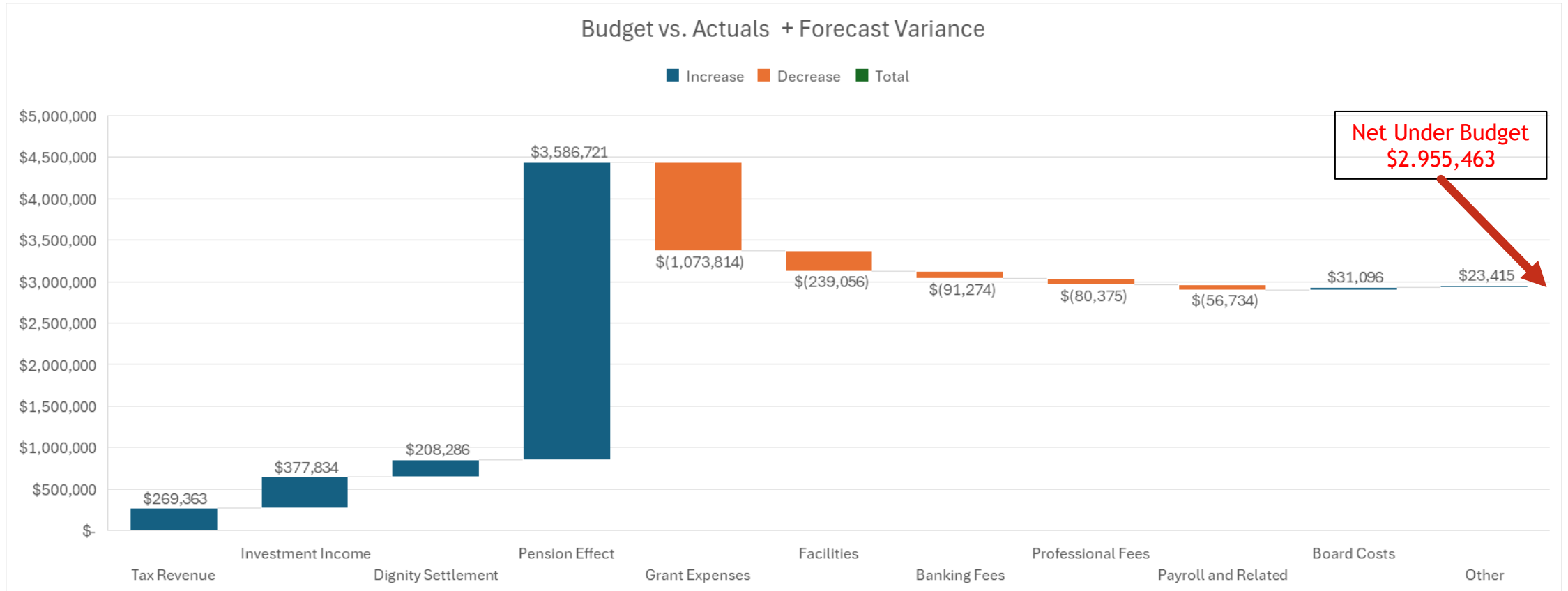
Sequoia Healthcare District
Profit & Loss Budget Vs. Actual + Forecast
FYE June 30, 2026

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)	
Income																
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	\$ 1,156,324	\$ 3,806,019	\$ 1,827,602	\$ 8,416	\$ 19,269,363	\$ 19,000,000	\$ 269,363	
Investment Income	\$ (132,564)	\$ 345,526	\$ 3,233	\$ 49,525	\$ 125,074	\$ 3,768	\$ (10,495)	\$ 209,088	\$ 104,544	\$ 104,544	\$ 104,544	\$ 104,544	\$ 1,011,334	\$ 800,000	\$ 211,333	
Interest Income	\$ 123,775	\$ 119,625	\$ 139,907	\$ 127,792	\$ 63,409	\$ 181,609	\$ 104,333	\$ 173,753	\$ 93,075	\$ 93,074	\$ 93,073	\$ 93,073	\$ 1,406,501	\$ 1,240,000	\$ 166,501	
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	\$ 1,378,003	\$ 4,027,696	\$ 2,049,279	\$ 230,092	\$ 22,489,914	\$ 21,625,000	\$ 864,914	
Pension Income	\$ 5,494	\$ 14,797	\$ 2,596,204	\$ 591,866	\$ 3,686,828	\$ 224,348	\$ 1,059,424	\$ 629,165	\$ 629,721	\$ 628,721	\$ 628,721	\$ 629,721	\$ 11,325,010	\$ -	\$ 11,325,010	
Total Income	\$ 378,826	\$ 502,752	\$ 2,770,137	\$ 1,516,389	\$ 5,485,953	\$ 9,245,241	\$ 2,666,244	\$ 1,047,429	\$ 2,007,724	\$ 4,656,417	\$ 2,677,999	\$ 859,813	\$ 33,814,924	\$ 21,625,000	\$ 12,189,924	
Expenses																
Payroll and Related	\$ 118,582	\$ 104,632	\$ 114,086	\$ 124,821	\$ 108,428	\$ 129,700	\$ 126,514	\$ 116,380	\$ 152,141	\$ 143,523	\$ 143,523	\$ 143,523	\$ 1,525,854	\$ 1,469,120	\$ (56,734)	
Administration	\$ 5,129	\$ 5,338	\$ 10,470	\$ 17,909	\$ 7,740	\$ 6,381	\$ 6,301	\$ 13,508	\$ 5,567	\$ 10,567	\$ 7,067	\$ 7,067	\$ 103,045	\$ 114,730	\$ 11,685	
Board Related Costs	\$ 1,050	\$ 2,038	\$ 2,066	\$ 3,103	\$ 2,933	\$ 457	\$ 1,350	\$ 3,781	\$ 3,781	\$ 5,781	\$ 3,781	\$ 3,781	\$ 33,904	\$ 65,000	\$ 31,096	
Investment/Banking Fees	\$ 92	\$ 117	\$ 14,384	\$ 17,203	\$ 101	\$ 102	\$ 47,638	\$ 101	\$ 125	\$ 47,662	\$ 125	\$ 40,125	\$ 167,774	\$ 76,500	\$ (91,274)	
Office Expenses	\$ 1,207	\$ 832	\$ 2,255	\$ 973	\$ 87	\$ 821	\$ 704	\$ 737	\$ 833	\$ 833	\$ 833	\$ 833	\$ 10,950	\$ 10,000	\$ (950)	
Professional Fees	\$ 2,250	\$ 13,072	\$ 17,533	\$ 6,940	\$ 5,219	\$ 62,948	\$ 47,498	\$ 34,465	\$ 25,300	\$ 25,300	\$ 25,300	\$ 24,550	\$ 290,375	\$ 210,000	\$ (80,375)	
Communications	\$ 919	\$ 483	\$ 21,984	\$ 22,202	\$ -	\$ 2,826	\$ -	\$ 1,524	\$ 2,289	\$ 2,289	\$ 2,289	\$ 2,289	\$ 59,094	\$ 65,000	\$ 5,906	
Facilities	\$ 29,848	\$ 28,463	\$ 11,625	\$ 22,394	\$ 22,293	\$ 26,696	\$ 26,108	\$ 27,588	\$ 53,549	\$ 51,549	\$ 51,549	\$ 53,549	\$ 405,213	\$ 166,157	\$ (239,056)	
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	\$ 67	\$ 67	\$ 67	\$ 67	\$ 854	\$ -	\$ (854)	
Total Operating Expenses	\$ 162,860	\$ 158,755	\$ 198,669	\$ 219,401	\$ 150,655	\$ 233,782	\$ 259,963	\$ 203,112	\$ 247,433	\$ 291,353	\$ 238,316	\$ 279,566	\$ 2,643,866	\$ 2,221,507	\$ (422,359)	
Pension Costs	\$ 768,976	\$ 574,961	\$ 867,497	\$ 584,492	\$ 583,547	\$ 577,310	\$ 590,007	\$ 616,916	\$ 676,146	\$ 611,146	\$ 611,146	\$ 676,146	\$ 7,738,289	\$ -	\$ (7,738,289)	
Grant Expenses	\$ 4,551,993	\$ 172,059	\$ 401,500	\$ 403,165	\$ 721,371	\$ 285,105	\$ 514,537	\$ 5,295,046	\$ 2,060,225	\$ 2,467,483	\$ 1,238,472	\$ 2,366,349	\$ 20,477,307	\$ 19,403,493	\$ (1,073,814)	
Total Expenses	\$ 5,483,830	\$ 905,775	\$ 1,467,666	\$ 1,207,057	\$ 1,455,574	\$ 1,096,197	\$ 1,364,507	\$ 6,115,074	\$ 2,983,804	\$ 3,369,982	\$ 2,087,934	\$ 3,322,061	\$ 30,859,461	\$ 21,625,000	\$ (9,234,461)	
Net Income (Loss)	\$ (5,105,004)	\$ (403,023)	\$ 1,302,471	\$ 309,332	\$ 4,030,380	\$ 8,149,044	\$ 1,301,737	\$ (5,067,645)	\$ (976,081)	\$ 1,286,435	\$ 590,065	\$ (2,462,248)	\$ 2,955,463	\$ -	\$ 2,955,463	

FY'26 Budget vs. FY'26 Actual + Forecast

(Feb '26 Forecast)



Sequoia Healthcare District									
YTD Profit & Loss									
8 Months Ended February 28, 2026									
Unaudited for Management Discussion Purposes Only									
	Actuals								
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	YTD
Income									
Rental Income	\$ -	\$ -	\$ 21,108	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 56,287
Tax Revenue	\$ 382,121	\$ 22,804	\$ 9,684	\$ 740,169	\$ 1,004,482	\$ 8,811,457	\$ 1,488,922	\$ 11,363	\$ 12,471,002
Investment Income	\$ (132,564)	\$ 345,526	\$ 3,233	\$ 49,525	\$ 125,074	\$ 3,768	\$ (10,495)	\$ 209,088	\$ 593,157
Interest Income	\$ 123,775	\$ 119,625	\$ 139,907	\$ 127,792	\$ 63,409	\$ 181,609	\$ 104,333	\$ 173,753	\$ 1,034,205
Dignity Agreement	\$ -	\$ -	\$ -	\$ -	\$ 599,125	\$ 17,023	\$ 17,023	\$ 17,023	\$ 650,194
Total Income (Less Pension)	\$ 373,332	\$ 487,955	\$ 173,933	\$ 924,522	\$ 1,799,126	\$ 9,020,893	\$ 1,606,819	\$ 418,264	\$ 14,804,844
Pension Income	\$ 5,494	\$ 14,797	\$ 2,596,204	\$ 591,866	\$ 3,686,828	\$ 224,348	\$ 1,059,424	\$ 629,165	\$ 8,808,127
Total Income	\$ 378,826	\$ 502,752	\$ 2,770,137	\$ 1,516,389	\$ 5,485,953	\$ 9,245,241	\$ 2,666,244	\$ 1,047,429	\$ 23,612,971
Expenses									
Payroll and Related	\$ 118,582	\$ 104,632	\$ 114,086	\$ 124,821	\$ 108,428	\$ 129,700	\$ 126,514	\$ 116,380	\$ 943,144
Administration	\$ 5,129	\$ 5,338	\$ 10,470	\$ 17,909	\$ 7,740	\$ 6,381	\$ 6,301	\$ 13,508	\$ 72,776
Board Related Costs	\$ 1,050	\$ 2,038	\$ 2,066	\$ 3,103	\$ 2,933	\$ 457	\$ 1,350	\$ 3,781	\$ 16,778
Investment/Banking Fees	\$ 92	\$ 117	\$ 14,384	\$ 17,203	\$ 101	\$ 102	\$ 47,638	\$ 101	\$ 79,737
Office Expenses	\$ 1,207	\$ 832	\$ 2,255	\$ 973	\$ 87	\$ 821	\$ 704	\$ 737	\$ 7,616
Professional Fees	\$ 2,250	\$ 13,072	\$ 17,533	\$ 6,940	\$ 5,219	\$ 62,948	\$ 47,498	\$ 34,465	\$ 189,925
Communications	\$ 919	\$ 483	\$ 21,984	\$ 22,202	\$ -	\$ 2,826	\$ -	\$ 1,524	\$ 49,938
Facilities	\$ 29,848	\$ 28,463	\$ 11,625	\$ 22,394	\$ 22,293	\$ 26,696	\$ 26,108	\$ 27,588	\$ 195,016
Insurance	\$ 3,781	\$ 3,781	\$ 4,032	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 4,961	\$ 31,680
Other Expenses	\$ -	\$ -	\$ 234	\$ 74	\$ 72	\$ 71	\$ 69	\$ 67	\$ 587
Total Operating Expenses	\$ 162,860	\$ 158,755	\$ 198,669	\$ 219,401	\$ 150,655	\$ 233,782	\$ 259,963	\$ 203,112	\$ 1,587,197
Pension Costs	\$ 768,976	\$ 574,961	\$ 867,497	\$ 584,492	\$ 583,547	\$ 577,310	\$ 590,007	\$ 616,916	\$ 5,163,707
Grant Expenses	\$ 4,551,993	\$ 172,059	\$ 401,500	\$ 403,165	\$ 721,371	\$ 285,105	\$ 514,537	\$ 5,295,046	\$ 12,344,776
Total Expenses	\$ 5,483,830	\$ 905,775	\$ 1,467,666	\$ 1,207,057	\$ 1,455,574	\$ 1,096,197	\$ 1,364,507	\$ 6,115,074	\$ 19,095,680
Net Income (Loss)	\$ (5,105,004)	\$ (403,023)	\$ 1,302,471	\$ 309,332	\$ 4,030,380	\$ 8,149,044	\$ 1,301,737	\$ (5,067,645)	\$ 4,517,291

FY '26 Finance Reports

WITHOUT Pension Effect

Sequoia Healthcare District

Sources and Uses (Without Pension)

YTD Through February 28, 2026

Unaudited for Management Discussion Purposes Only

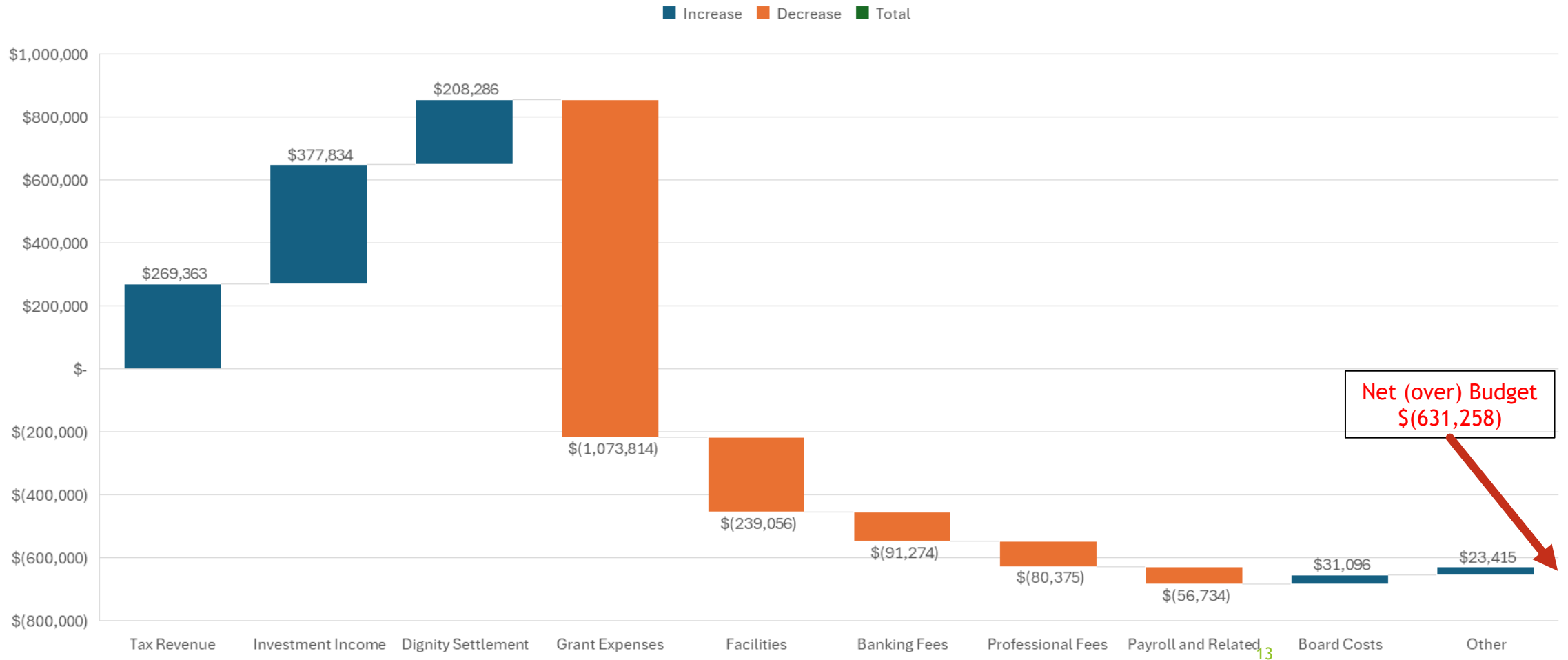
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	YTD
Sources									
Rental Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Revenue	44,148	22,804	9,684	740,169	1,004,482	8,811,457	1,488,922	11,363	12,133,029
Dignity Agreement Receipts	-	-	-	-	1,020,000	-	-	-	1,020,000
Unrealized Gain/(Loss)	(132,564)	345,526	3,233	49,525	125,074	3,768	(10,495)	209,088	593,157
Interest Income	100,340	118,103	114,652	75,225	82,601	186,228	52,471	131,586	861,206
Total Cash Sources	\$ 11,925	\$ 486,433	\$ 127,569	\$ 864,920	\$ 2,232,157	\$ 9,001,453	\$ 1,530,898	\$ 352,038	\$ 14,607,392
Uses									
Payroll and Related	148,424	111,710	105,640	122,454	147,459	113,525	109,167	109,720	968,099
Administration	33,759	7,175	1,589	6,251	2,036	1,479	1,369	20,045	73,704
Board Expense	120	538	-	1,316	915	456	1,350	973	5,667
Investment/Bank Fees	53,691	117	92	17,203	101	102	47,638	134	119,076
Office Expenses	1,231	691	141	2,788	521	208	704	592	6,876
Professional Fees	9,260	36,693	14,733	3,510	27,003	49,214	20,185	48,678	209,274
Communications	919	483	21,737	21,719	-	2,826	-	1,524	49,206
Facilities	12,201	4,546	13,247	13,784	8,055	8,894	11,546	9,119	81,392
Insurance	62,690	-	251	485	243	-	243	1,428	65,340
Total Cash Operating Uses	322,295	161,951	157,428	189,510	186,332	176,703	192,202	192,214	1,578,635
Grant Expenses	5,426,855	526,324	1,993,081	339,636	700,365	259,139	514,869	5,324,028	15,084,297
Ravenswood Tenant Improvements	-	-	1,002,424	551,451	-	-	1,235,615	-	2,789,490
Capital Expenditures	22,720	9,534	-	35,820	14,986	11,853	-	14,630	109,543
Other	-	-	-	-	-	-	-	-	-
Total Cash Uses	\$ 5,771,870	\$ 697,809	\$ 3,152,933	\$ 1,116,416	\$ 901,683	\$ 447,694	\$ 1,942,686	\$ 5,530,872	\$ 19,561,965
Net Cash (Used)/Received	\$ (5,759,945)	\$ (211,376)	\$ (3,025,364)	\$ (251,497)	\$ 1,330,474	\$ 8,553,758	\$ (411,788)	\$ (5,178,834)	\$ (4,954,572)
Operating Cash Balance									
Heritage Operating	\$ 304,759	\$ 631,218	\$ 712,679	\$ 1,214,461	\$ 1,942,742	\$ 10,311,411	\$ 5,393,863	\$ 1,377,821	
Heritage Collaboration with Dignity	\$ 883,116	\$ 884,619	\$ 663,565	\$ 788,340	\$ 1,175,335	\$ 1,176,387	\$ 1,177,390	\$ 1,178,298	
Wells Fargo	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ 1,088	\$ -	
Total Operating Cash	\$ 1,188,963	\$ 1,516,924	\$ 1,377,333	\$ 2,003,889	\$ 3,119,165	\$ 11,488,886	\$ 6,572,342	\$ 2,556,119	
Schwab Investments	\$ 45,672,219	\$ 45,132,882	\$ 42,247,109	\$ 41,369,056	\$ 41,584,254	\$ 41,768,291	\$ 46,273,048	\$ 45,110,436	
Total Cash and Investments	\$ 46,861,182	\$ 46,649,806	\$ 43,624,442	\$ 43,372,945	\$ 44,703,419	\$ 53,257,177	\$ 52,845,389	\$ 47,666,555	
Pension Assets									
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	
Principal Custodial Solutions	\$ 639,097	\$ 869,727	\$ 667,169	\$ 695,188	\$ 121,959	\$ 702,431	\$ 750,842	\$ 704,696	
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	
	\$ 53,611,511	\$ 54,254,727	\$ 54,727,355	\$ 54,717,619	\$ 57,820,899	\$ 57,467,937	\$ 57,937,355	\$ 57,949,604	

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)	
Income																
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	\$ 1,156,324	\$ 3,806,019	\$ 1,827,602	\$ 8,416	\$ 19,269,363	\$ 19,000,000	\$ 269,363	
Investment Income	\$ (132,564)	\$ 345,526	\$ 3,233	\$ 49,525	\$ 125,074	\$ 3,768	\$ (10,495)	\$ 209,088	\$ 104,544	\$ 104,544	\$ 104,544	\$ 104,544	\$ 1,011,334	\$ 800,000	\$ 211,333	
Interest Income	\$ 123,775	\$ 119,625	\$ 139,907	\$ 127,792	\$ 63,409	\$ 181,609	\$ 104,333	\$ 173,753	\$ 93,075	\$ 93,074	\$ 93,073	\$ 93,073	\$ 1,406,501	\$ 1,240,000	\$ 166,501	
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	\$ 373,332	\$ 487,955	\$ 173,933	\$ 924,522	\$ 1,799,126	\$ 9,020,893	\$ 1,606,819	\$ 418,264	\$ 1,378,003	\$ 4,027,696	\$ 2,049,279	\$ 230,092	\$ 22,489,914	\$ 21,625,000	\$ 864,914	
Expenses																
Payroll and Related	\$ 118,582	\$ 104,632	\$ 114,086	\$ 124,821	\$ 108,428	\$ 129,700	\$ 126,514	\$ 116,380	\$ 152,141	\$ 143,523	\$ 143,523	\$ 143,523	\$ 1,525,854	\$ 1,469,120	\$ (56,734)	
Administration	\$ 5,129	\$ 5,338	\$ 10,470	\$ 17,909	\$ 7,740	\$ 6,381	\$ 6,301	\$ 13,508	\$ 5,567	\$ 10,567	\$ 7,067	\$ 7,067	\$ 103,045	\$ 114,730	\$ 11,685	
Board Related Costs	\$ 1,050	\$ 2,038	\$ 2,066	\$ 3,103	\$ 2,933	\$ 457	\$ 1,350	\$ 3,781	\$ 3,781	\$ 5,781	\$ 3,781	\$ 3,781	\$ 33,904	\$ 65,000	\$ 31,096	
Investment/Banking Fees	\$ 92	\$ 117	\$ 14,384	\$ 17,203	\$ 101	\$ 102	\$ 47,638	\$ 101	\$ 125	\$ 47,662	\$ 125	\$ 40,125	\$ 167,774	\$ 76,500	\$ (91,274)	
Office Expenses	\$ 1,207	\$ 832	\$ 2,255	\$ 973	\$ 87	\$ 821	\$ 704	\$ 737	\$ 833	\$ 833	\$ 833	\$ 833	\$ 10,950	\$ 10,000	\$ (950)	
Professional Fees	\$ 2,250	\$ 13,072	\$ 17,533	\$ 6,940	\$ 5,219	\$ 62,948	\$ 47,498	\$ 34,465	\$ 25,300	\$ 25,300	\$ 25,300	\$ 24,550	\$ 290,375	\$ 210,000	\$ (80,375)	
Communications	\$ 919	\$ 483	\$ 21,984	\$ 22,202	\$ -	\$ 2,826	\$ -	\$ 1,524	\$ 2,289	\$ 2,289	\$ 2,289	\$ 2,289	\$ 59,094	\$ 65,000	\$ 5,906	
Facilities	\$ 29,848	\$ 28,463	\$ 11,625	\$ 22,394	\$ 22,293	\$ 26,696	\$ 26,108	\$ 27,588	\$ 53,549	\$ 51,549	\$ 51,549	\$ 53,549	\$ 405,213	\$ 166,157	\$ (239,056)	
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	\$ 67	\$ 67	\$ 67	\$ 67	\$ 854	\$ -	\$ (854)	
Total Operating Expenses	\$ 162,860	\$ 158,755	\$ 198,669	\$ 219,401	\$ 150,655	\$ 233,782	\$ 259,963	\$ 203,112	\$ 247,433	\$ 291,353	\$ 238,316	\$ 279,566	\$ 2,643,866	\$ 2,221,507	\$ (422,359)	
Grant Expenses	\$ 4,551,993	\$ 172,059	\$ 401,500	\$ 403,165	\$ 721,371	\$ 285,105	\$ 514,537	\$ 5,295,046	\$ 2,060,225	\$ 2,467,483	\$ 1,238,472	\$ 2,366,349	\$ 20,477,307	\$ 19,403,493	\$ (1,073,814)	
Total Expenses	\$ 4,714,854	\$ 330,814	\$ 600,170	\$ 622,565	\$ 872,026	\$ 518,887	\$ 774,500	\$ 5,498,158	\$ 2,307,659	\$ 2,758,836	\$ 1,476,789	\$ 2,645,915	\$ 23,121,172	\$ 21,625,000	\$ (1,496,172)	
Net Income (Loss)	\$ (4,341,522)	\$ 157,141	\$ (426,237)	\$ 301,957	\$ 927,099	\$ 8,502,006	\$ 832,319	\$ (5,079,894)	\$ (929,656)	\$ 1,268,860	\$ 572,490	\$ (2,415,823)	\$ (631,258)	\$ -	\$ (631,258)	

FY'26 Budget vs. FY'26 Actual + Forecast

(Feb '26 Forecast without Pension)

Budget vs. Actuals Variance



Sequoia Healthcare District
YTD Profit & Loss (Without Pension)
8 Months Ended February 28, 2026
Unaudited for Management Discussion Purposes Only

	Actuals								
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	YTD
Income									
Rental Income	\$ -	\$ -	\$ 21,108	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 7,036	\$ 56,287
Tax Revenue	\$ 382,121	\$ 22,804	\$ 9,684	\$ 740,169	\$ 1,004,482	\$ 8,811,457	\$ 1,488,922	\$ 11,363	\$ 12,471,002
Investment Income	\$ (132,564)	\$ 345,526	\$ 3,233	\$ 49,525	\$ 125,074	\$ 3,768	\$ (10,495)	\$ 209,088	\$ 593,157
Interest Income	\$ 123,775	\$ 119,625	\$ 139,907	\$ 127,792	\$ 63,409	\$ 181,609	\$ 104,333	\$ 173,753	\$ 1,034,205
Dignity Agreement	\$ -	\$ -	\$ -	\$ -	\$ 599,125	\$ 17,023	\$ 17,023	\$ 17,023	\$ 650,194
Total Income	\$ 373,332	\$ 487,955	\$ 173,933	\$ 924,522	\$ 1,799,126	\$ 9,020,893	\$ 1,606,819	\$ 418,264	\$ 14,804,844
Expenses									
Payroll and Related	\$ 118,582	\$ 104,632	\$ 114,086	\$ 124,821	\$ 108,428	\$ 129,700	\$ 126,514	\$ 116,380	\$ 943,144
Administration	\$ 5,129	\$ 5,338	\$ 10,470	\$ 17,909	\$ 7,740	\$ 6,381	\$ 6,301	\$ 13,508	\$ 72,776
Board Related Costs	\$ 1,050	\$ 2,038	\$ 2,066	\$ 3,103	\$ 2,933	\$ 457	\$ 1,350	\$ 3,781	\$ 16,778
Investment/Banking Fees	\$ 92	\$ 117	\$ 14,384	\$ 17,203	\$ 101	\$ 102	\$ 47,638	\$ 101	\$ 79,737
Office Expenses	\$ 1,207	\$ 832	\$ 2,255	\$ 973	\$ 87	\$ 821	\$ 704	\$ 737	\$ 7,616
Professional Fees	\$ 2,250	\$ 13,072	\$ 17,533	\$ 6,940	\$ 5,219	\$ 62,948	\$ 47,498	\$ 34,465	\$ 189,925
Communications	\$ 919	\$ 483	\$ 21,984	\$ 22,202	\$ -	\$ 2,826	\$ -	\$ 1,524	\$ 49,938
Facilities	\$ 29,848	\$ 28,463	\$ 11,625	\$ 22,394	\$ 22,293	\$ 26,696	\$ 26,108	\$ 27,588	\$ 195,016
Insurance	\$ 3,781	\$ 3,781	\$ 4,032	\$ 3,781	\$ 3,781	\$ 3,781	\$ 3,781	\$ 4,961	\$ 31,680
Other Expenses	\$ -	\$ -	\$ 234	\$ 74	\$ 72	\$ 71	\$ 69	\$ 67	\$ 587
Total Operating Expenses	\$ 162,860	\$ 158,755	\$ 198,669	\$ 219,401	\$ 150,655	\$ 233,782	\$ 259,963	\$ 203,112	\$ 1,587,197
Grant Expenses	\$ 4,551,993	\$ 172,059	\$ 401,500	\$ 403,165	\$ 721,371	\$ 285,105	\$ 514,537	\$ 5,295,046	\$ 12,344,776
Total Expenses	\$ 4,714,854	\$ 330,814	\$ 600,170	\$ 622,565	\$ 872,026	\$ 518,887	\$ 774,500	# \$ 5,498,158	\$ 13,931,973
Net Income (Loss)	\$ (4,341,522)	\$ 157,141	\$ (426,237)	\$ 301,957	\$ 927,099	\$ 8,502,006	\$ 832,319	\$ (5,079,894)	\$ 872,871

Gerald Shefren
Director Sequoia Healthcare District Board

March 4, 2026

Ivan Martinez
President Sequoia Healthcare District Board

Dear Ivan,

I am resigning as a member of the Sequoia Healthcare District Board effective immediately. It has been a privilege to serve as a member of the board and appreciate the many courtesies you, the rest of the board, and the staff have extended to me over my time on the board. My best wishes to all in helping to keep our community healthy.



Jerry Shefren

cc. Bill Fong, Pamela Kurtzman, Mark Hudak



Sequoia Healthcare District Employees Pension Plan

Actuarial Valuation

*As of January 1, 2026
Contributions for 2026 & 2027*

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

March 3, 2026

This report details the biennial actuarial valuation of the Sequoia Healthcare District Employees Pension Plan as of January 1, 2026. The valuation was performed to determine the Plan's January 1, 2026 funded status and calculate the 2026 and 2027 Recommended Contributions for purposes of Plan funding. Use of the results for other purposes may not be applicable and could produce significantly different results.

DATA AND ASSUMPTIONS

In preparing this report, we have relied on:

- Census data for active employees and retirees supplied by the District
- Trust statements prepared by the trustee
- Program benefit design including copies of relevant documents
- Actuarial assumptions and methods described in this report

While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report. In our opinion, the assumptions used in the valuation represent reasonable expectations of anticipated experience. Other sets of assumptions and methods could also be reasonable and could produce materially different results.

DISCLOSURES AND LIMITATIONS

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following:

- Plan experience differing from that anticipated by the economic or demographic assumptions
- Changes in economic or demographic assumptions or in actuarial methods
- Increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period)
- Changes in plan provisions or applicable law

Due to the limited scope of this report, we did not provide an analysis of these potential differences.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

ACTUARIAL CERTIFICATION

The valuation has been conducted in accordance with all applicable laws and regulations, as well as generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board.

The undersigned are familiar with the immediate and long-term aspects of Pension valuations and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All the sections of this report are considered an integral part of the actuarial opinions.

The signing actuaries are independent of the plan sponsor. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

Respectfully submitted,
Foster & Foster, Inc.



Drew Ballard, FSA, EA, MAAA



Braelen Ballard, FSA, EA, MAAA

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VALUATION RESULTS SUMMARY

The following table shows the key components of the District's actuarial valuation as of January 1, 2026.

	Current	Prior
Actuarial Valuation Date	January 1, 2026	January 1, 2024
Discount Rate	5.75%	5.75%
Covered Participants		
Deferred Participants	114	179
Retirees and Beneficiaries	692	702
Total	<u>806</u>	<u>881</u>
Actuarial Accrued Liability (AAL)		
Deferred Participants	\$10,488,858	\$15,495,000
Retirees and Beneficiaries	59,478,282	63,196,000
Total	<u>\$69,967,140</u>	<u>78,691,000</u>
Funded Status		
AAL	\$69,967,140	\$78,691,000
Assets	<u>61,192,891</u>	<u>54,182,000</u>
Unfunded AAL	8,774,249	24,509,000
Funded Percentage	87.5%	68.9%
Recommended Contribution		
Applicable Years	<u>2026 and 2027</u>	<u>2024 and 2025</u>
Unfunded AAL Amortization Pmt	\$2,373,948	\$3,500,000
Admin. Expenses	200,000	100,000
Total	<u>2,573,948</u>	<u>3,600,000</u>

CHANGES SINCE PRIOR VALUATION

Plan Changes

There have been no plan changes since the prior valuation.

Actuarial Assumption/Method Changes

Mortality rates have been updated based on the CalPERS 2000-2023 experience study since the prior valuation.

There have been no method changes since the prior valuation.

VALUATION RESULT DETAILS

ACTUARIAL GAIN/LOSS ANALYSIS

	AAL	(Assets)	Unfunded AAL
Actual on January 1, 2024	\$78,691,000	(\$54,182,000)	\$24,509,000
Expected on January 1, 2026	71,233,056	(50,822,324)	20,410,732
Experience (Gains)/Losses			
Demographic/Other	(1,280,649)		(1,280,649)
Mortality Assumption	14,733		14,733
Investment (Gain)/Loss		(10,370,567)	(10,370,567)
Total Changes	(1,265,916)	(10,370,567)	(11,636,483)
Actual on January 1, 2026	69,967,140	(61,192,891)	8,774,249

UNFUNDED ACTUARIAL ACCRUED LIABILITY AMORTIZATION SCHEDULE

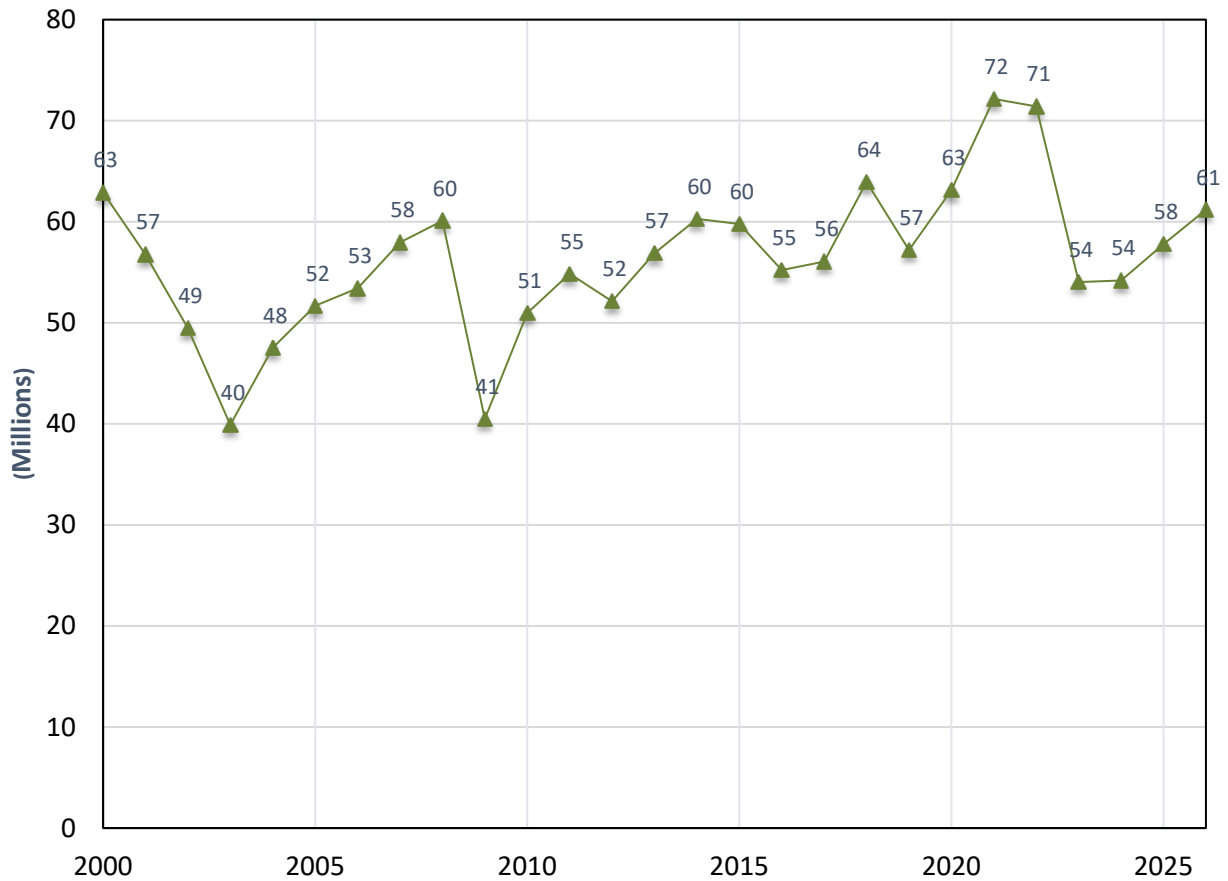
Unfunded Liability Base	Date Established	Years Remaining	Current Balance	Payment
2022 Fresh Start UAAL	1/1/2022	4	\$7,306,001	\$2,096,394
2024 Valuation	1/1/2024	13	12,846,906	1,430,070
2026 Valuation	1/1/2026	15	(11,378,659)	(1,152,516)
Totals for Contribution Years 2026 and 2027			8,774,249	2,373,948

ASSET INFORMATION

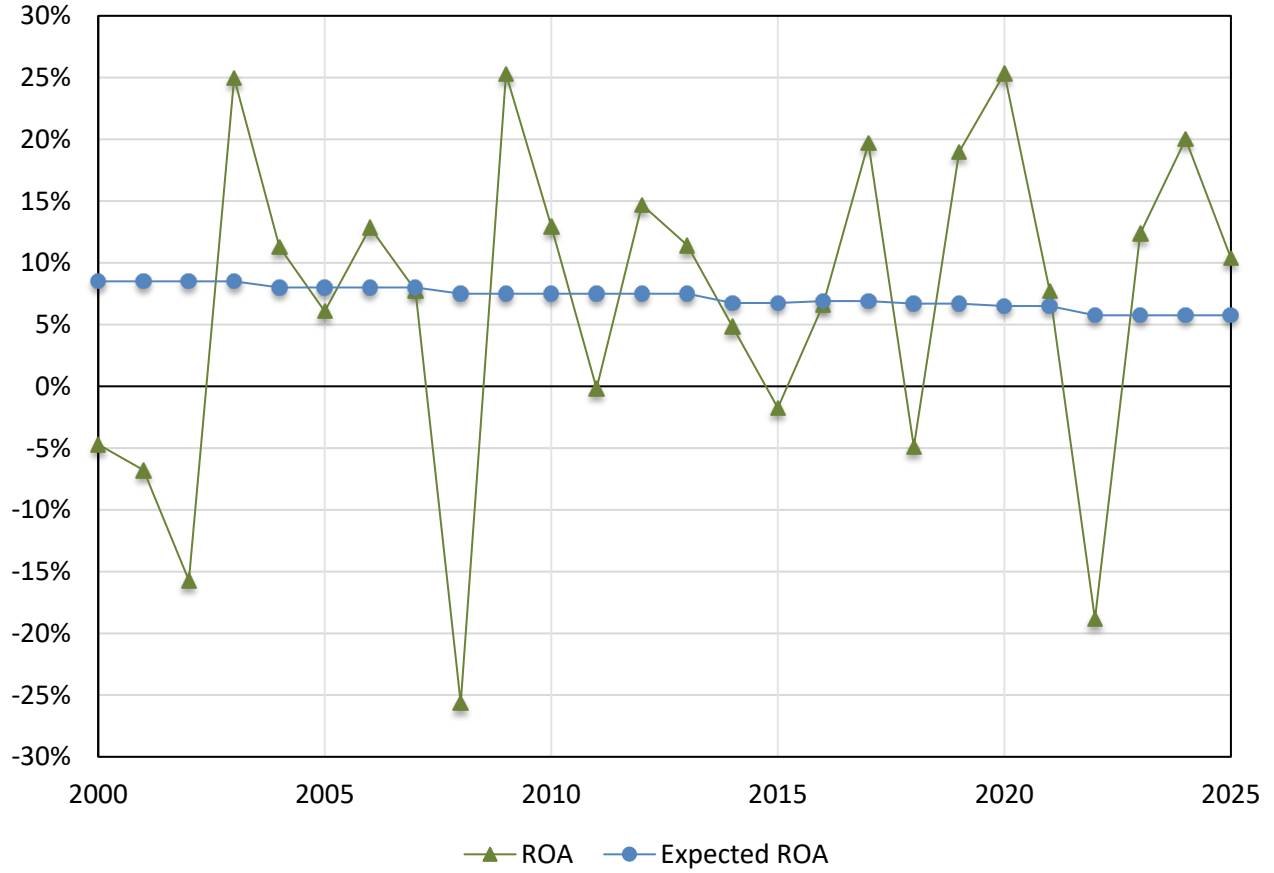
The following table details the asset reconciliation since the prior actuarial valuation.

	2024	2025
Market Value, Beginning of Year	\$54,182,000	\$57,776,917
Employer Contributions	3,600,000	3,600,000
Benefit Payments	(9,863,219)	(5,875,000)
Expenses	(409,164)	(349,247)
Investment Earnings	10,267,219	6,040,221
Market Value, End of Year	57,776,917	61,192,891
Approximate Return	20.0%	10.4%

HISTORY OF PLAN ASSETS



HISTORY OF ASSET RETURNS



PARTICIPANT STATISTICS

STATISTICAL DATA

	Current	Prior
Valuation Date	January 1, 2026	January 1, 2024
Deferred Participants		
Count	114	179
Average Age	64.2	63.2
Average Monthly Benefit	\$626	\$632
Retirees and Beneficiaries		
Count	692	702
Average Age	76.9	75.8
Average Monthly Benefit	\$820	\$832
Total		
Count	806	881
Average Age	75.1	73.3
Average Monthly Benefit	\$792	\$792

ACTUARIAL ASSUMPTIONS AND METHODS

Discount Rate	5.75% per year
Inflation	2.50%.
Funding Method	Projected Unit Credit
Amortization	4-year level dollar amortization of prior unfunded liability (in 2026) 15-year level dollar amortization for gains and losses
Administrative Expenses	Rounded average of the administrative expenses over the last 2 years
Mortality	CalPERS 2000-2023 Experience Study (previously 2000-2019) Fully generational mortality improvement scale MP-2021
Lump Sum Election	30% of deferred participants assumed to elect a lump sum upon retirement
Lump Sum Payouts	7% interest GAM-83 mortality

Retirement Rates

Age	Rate
55	6%
56 – 59	5%
60 – 61	6%
62	15%
63 – 64	9%
65	40%
66 – 69	30%
70+	100%

BASIS FOR ASSUMPTIONS

- CalPERS 2000-2023 experience study was used
- Mortality improvement based on Society of Actuaries table
- Inflation based on our estimate for the Plan's very long time horizon
- Capital market assumptions based on 2021 Foster & Foster stochastic analysis, taking into account capital market assumptions of investment advisory firms
- Other demographic assumptions are based on our best estimates, taking into account the limited experience of this plan and other similarly situated plans

PLAN PROVISIONS

Participation	3 years Sequoia service on 1/1/1996
Retirement Benefit	2% ¹ of highest 5-year average compensation per year of service
Service	Accruals frozen 9/30/1996
Vesting	100% after 10 years
Retirement Age	Normal Retirement at age 65 Earliest retirement at age 55
Early/Late Retirement	Benefit adjusted based on Plan factors
Forms of Payment	Actuarially equivalent monthly benefits or lump sum distribution

¹ Lower percentage, varying by bargaining group, applies to first \$400/month of average compensation

SUPPLEMENTARY INFORMATION

GLOSSARY

Actuarial Accrued Liability	The portion of the anticipated future benefits allocated to years prior to the valuation date determined according to the plan's Actuarial Cost Method.
Actuarial Assumptions	Assumptions regarding the occurrence of future events affecting plan costs.
Actuarial Cost Method	A method of determining the portion of the cost of a plan to be allocated to each year; sometimes referred to as the "actuarial funding method." Each cost method allocates a certain portion of the actuarial present value of benefits between the Actuarial Accrued Liability and future normal costs to ensure the plan is adequately and systematically funded.
Actuarial Gain or Loss	The change in Unfunded Actuarial Accrued Liability resulting from experience different from Actuarial Assumptions.
Actuarial Present Value	The estimated amount of funds required as of a specified date to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payments between the specified date and the expected date of payment.
Amortization Payment	The portion of the plan contribution designated to pay interest and reduce the outstanding principal balance of Unfunded Actuarial Accrued Liability.
Decrements	Events which result in the termination of membership in the system such as retirement or death.
Discount Rate	The assumed long-term rate of return on plan assets.
Market Value of Assets	The fair market value of plan assets as of the valuation date.
Present Value of Benefits	The single sum value on the valuation date of all future benefits to be paid to current plan participants.
Unfunded Actuarial Accrued Liability	The excess of the Actuarial Accrued Liability over the Market Value of Assets.

DISCUSSION OF RISK

Actuarial Standards of Practice (ASOP) No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined using various actuarial assumptions. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- **Investment Return:** When the rate of return on assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.
- **Demographic Assumptions:** Actuarial results take into account various potential events that could happen to a plan participant, such as retirement and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

IMPACT OF PLAN MATURITY ON RISK

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, closed plans with a large amount of retired liability do not have as

long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature closed plans with a substantial inactive liability. Similarly, mature closed plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

This plan is considered a mature pension plan since it is a frozen plan. Mature plans are subject to increased contribution volatility, especially for investment gains and losses.

LOW DEFAULT RISK OBLIGATION MEASURE

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a “low-default-risk obligation measure” (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 5 in terms of member data, plan provisions, and assumptions/methods, including the use of the Projected Unit Credit Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.43%, resulting in an LDROM of \$77 million. The LDROM should not be considered the “correct” liability measurement; it simply shows a possible outcome if the District elected to hold a very low risk asset portfolio. The District actually invests the pension plan’s contributions in a diversified portfolio of stocks and bonds and other investments with the objective of maximizing investment returns at a reasonable level of risk. Consequently, the difference between the plan’s Actuarial Accrued Liability disclosed earlier in this section and the LDROM can be thought of as representing the expected taxpayer savings from investing in the plan’s diversified portfolio compared to investing only in high quality bonds.

The actuarial valuation reports the funded status and develops contributions based on the expected return of the plan’s investment portfolio. If instead, the plan switched to investing exclusively in high quality bonds, the LDROM illustrates that reported funded status would be lower (which also implies that the Recommended Contributions would be higher), perhaps significantly.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

FY '27 Draft Budget

(with and without Pension)

Stuart Mar, CFO
April 1, 2026

FY '27 Draft Budget Summary

General Assumptions and Highlights (without Pension)

- ▶ Bottoms/Up approach
- ▶ GAAP treatment
- ▶ Net Income/(Loss) target is \$5M Loss

- ▶ Revenue - \$22.8M in FY'27 vs. \$22.5M in FY'26
- ▶ Grant Expense - \$24.0M in FY'27 vs. \$20.5M in FY'26
- ▶ Operating Expense - \$3.8M in FY'27 vs. \$2.6M in FY '26 as a result of increased community engagement, communications and resources
- ▶ Capital Expenditure spend estimated at \$500k+ subject to project scope, refinement and board approval

Sequoia Healthcare District
DRAFT Profit & Loss Budget (With Pension)
FYE June 30, 2027

Unaudited for Management Discussion Purposes Only

	2026 Forecast	2027 Budget	2026 to 2027 Change Better / (Worse)	Narrative
Income				
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)	
Total Income (Less Pension)	\$ 22,489,914	\$ 22,773,363	\$ 283,449	
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
Total Income	\$ 33,814,924	\$ 28,624,811	\$ (5,190,113)	
Expenses				
Payroll and Related	\$ 1,525,854	\$ 1,948,925	\$ (423,070)	Increased HC and COLA
Administration	\$ 103,045	\$ 197,400	\$ (94,355)	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	\$ 240,645	\$ 49,730	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	\$ 562,108	\$ (156,896)	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	
Total Operating Expenses	\$ 2,643,866	\$ 3,803,928	\$ (1,160,062)	
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	\$ 23,969,435	\$ (3,492,129)	Increased with \$5M investment from reserves
Total Expenses	\$ 30,859,461	\$ 35,183,363	\$ (4,323,902)	
Net Income (Loss)	\$ 2,955,463	\$ (6,558,552)	\$ (9,514,015)	

Sequoia Healthcare District
DRAFT Profit & Loss Budget (Without Pension)
FYE June 30, 2027

Unaudited for Management Discussion Purposes Only

	2026 Forecast	2027 Budget	2026 to 2027 Change Better / (Worse)	Narrative
Income				
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)	
Total Income	\$ 22,489,914	\$ 22,773,363	\$ 283,449	
Expenses				
Payroll and Related	\$ 1,525,854	\$ 1,948,925	\$ (423,070)	Increased HC and COLA
Administration	\$ 103,045	\$ 197,400	\$ (94,355)	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	\$ 240,645	\$ 49,730	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	\$ 562,108	\$ (156,896)	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	
Total Operating Expenses	\$ 2,643,866	\$ 3,803,928	\$ (1,160,062)	
			\$ -	
Grant Expenses	\$ 20,477,307	\$ 23,969,435	\$ (3,492,129)	Increased with \$5M investment from reserves
Total Expenses	\$ 23,121,172	\$ 27,773,363	\$ (4,652,191)	
Net Income (Loss)	\$ (631,258)	\$ (5,000,000)	\$ (4,368,742)	

Sequoia Healthcare District
DRAFT Profit & Loss Pension Budget
FYE June 30, 2027

Unaudited for Management Discussion Purposes Only

	2026 Forecast	2027 Budget	2026 to 2027 Change Better / (Worse)	Narrative
Income				
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
Total Income	\$ 11,325,010	\$ 5,851,448	\$ (5,473,562)	
Expenses				
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
Total Expenses	\$ 7,738,289	\$ 7,410,000	\$ 328,289	
Net Income (Loss)	\$ 3,586,721	\$ (1,558,552)	\$ (5,145,273)	

Appendix

FY '27 Draft Budget Details

(with and without Pension)



Healthy Schools Initiative 25-26 Year-in-Review 26-27 Proposed Budget



Healthy Schools Initiative Overview



2025-26 Goals



Tools & Process



Budget: 2026-27

2025-26 Goals: Progress to Date

Provide leadership training opportunities for HSI team 100%

Strengthen SHD's HSI brand with all school districts 100%

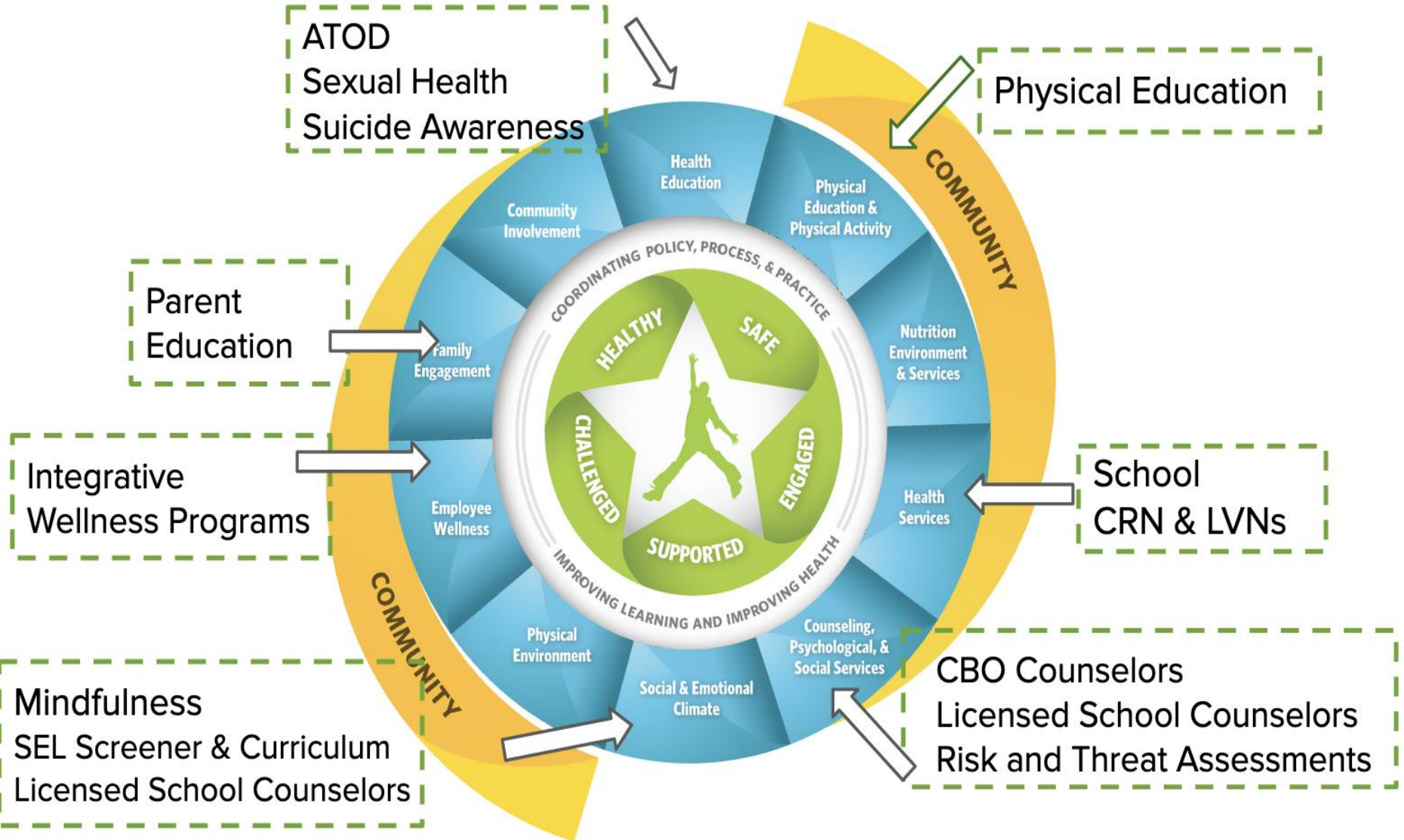
Expand Employee Wellness with CWAE in schools 100%

Collaborate w/SMCOE to develop adult-facing suicide awareness & prevention training aligned to California Education Code 100%

Facilitate landscape analysis to strengthen MTSS for student behavioral health and wellbeing 80%

Develop a Logic Model for the Healthy Schools Initiative's behavioral health & SEL components 85%

Whole School Whole Community Whole Child Framework

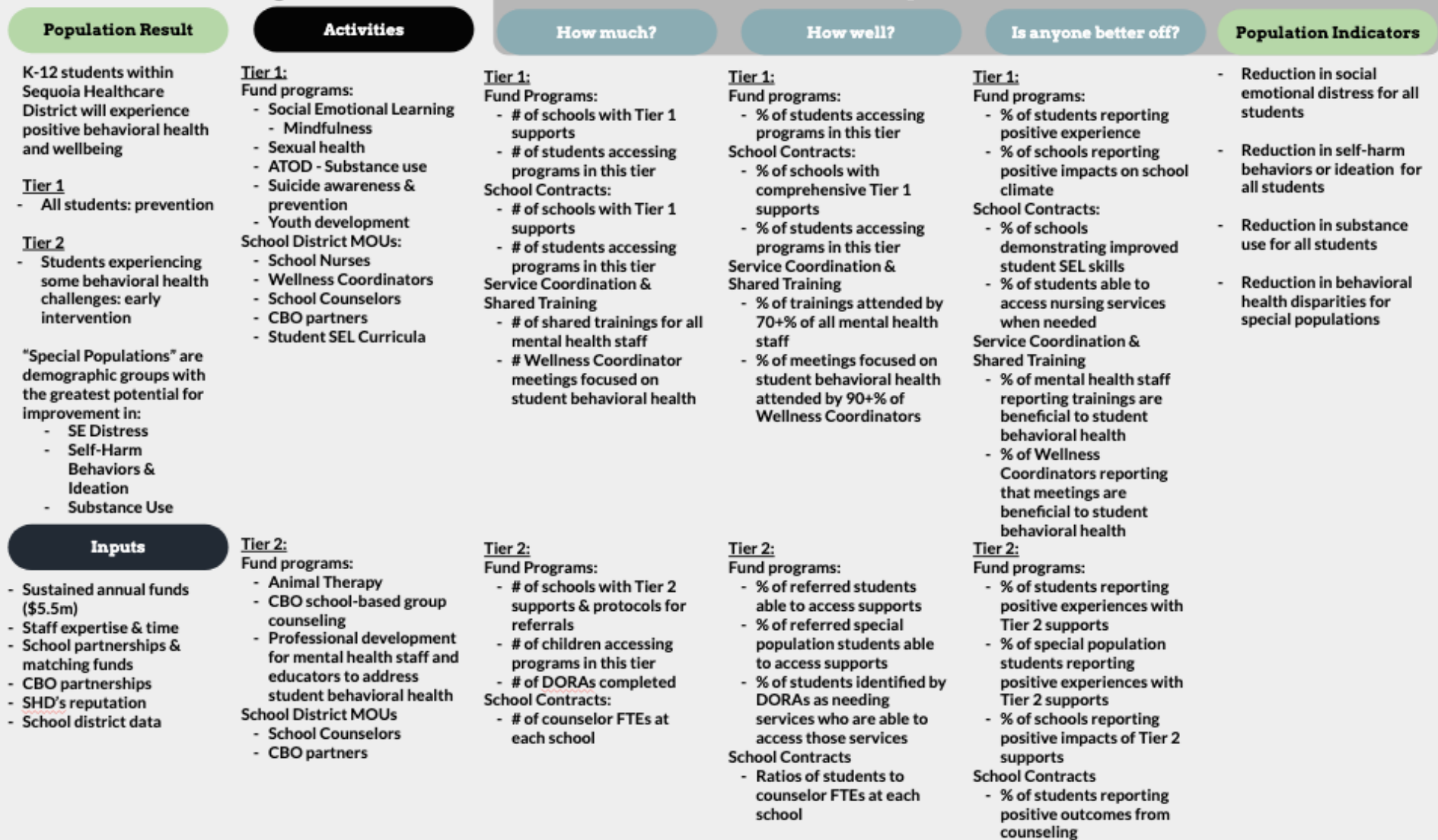


Landscape Analysis - Key Findings

1. Student screening and data to guide interventions
2. SEL implemented with fidelity across schools and districts
3. Professional development and support for educators, school counselors, and mental health staff
4. Parent caregiver engagement and family support
5. Stronger coordination across schools, wellness coordinators, and community-based organizations

Mental Wellness

HSI - Mental Wellness Logic Model



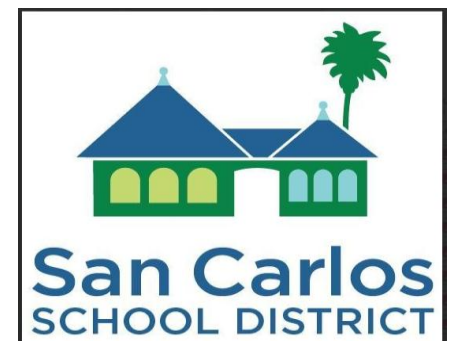
HSI Budget Proposed 2026 – 2027

Budget Recommendation:

- Total: \$4,370,014
- Overall net increase: \$49,743



Questions?



**Healthy Schools Initiative
 Budget Narrative
 2026-27**

Overview:

The Sequoia Healthcare District’s Healthy Schools Initiative (HSI) continues to provide essential support for our school communities. This initiative is guided by the CDC’s Whole School, Whole Community, Whole Child model and its 10 component areas frame how health in a school setting is understood. Slide 4 denotes the seven component areas SHD will be funding in 2026-27. And all funding support aligns with our new HSI Logic Model shown in slide 6.

The HSI Wellness Leads and School District Leadership continue to see behavioral health as the most significant student-facing priority along with implementing Social Emotional Learning with fidelity. Staff wellness, professional development and parent education are the top adult-facing priorities. Support of prevention practices remains the best use of Sequoia Healthcare District dollars in this space and is an effective strategy to address such concerns as social-emotional wellbeing, suicide prevention, substance misuse, and school-based counseling.

Total Healthy Schools Initiative Budget Request

2025-26	2026-27	Difference
\$5,541,000	\$4,370,014	(\$1,170,986)

* YOY net decrease - \$1,170,986

* 26-27 adjusted for the reclassification of PE+, Parent Venture, CWAE, Charter Schools

Direct Funding to School Districts

2025-26	2026-27	Difference
\$4,055,271	\$4,105,014	\$49,743

Direct Funding to School Districts supports key health and wellness staff directly employed by school districts (Wellness Coordinators, Nurses, School Counselors) as well as the subcontractors and the third-party vendors engaged to provide essential programs and services for each school district.

The increase is attributable to a 3.0% COLA factored into direct staff costs and redirecting grant management to the school districts. All funding support will be administered on a reimbursement basis. This is a 1.2% increase from year to year. Also, \$4,105,014 represents 93.9% of the total proposed 26-27 HSI budget.

Program & Contractor Support

2025-26	2026-27	Difference
\$265,000	\$265,000	0

*Unchanged and represents 6.1% of the total HSI budget.

The Program & Contractor Support category includes:

- Healthy Schools Initiative Team: professional development, contractors, and promotional materials
- Scholarships: yearlong accreditation program for 3 nurses to achieve a School Nurse Classification
- Health Literacy Education: Alcohol Tobacco Other Drugs, Suicide Awareness & Prevention
- Multi-Tiered System of Support: SEL & Behavioral Health training for educators and counselors

DIRECT to SCHOOLS – Healthy Schools Initiative / 2026-27

Total Recommendation: \$4,105,018

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	\$140,308
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	\$936,551
Woodside Elementary School District	Wellness Coordinator, School Counselor, SEL, P&S	\$74,419	\$76,244
TOTAL - Direct to School Districts		\$4,055,271	4,105,014

* Direct to Schools Includes staff costs and programs or services (P&S) provided by 3rd party vendors @ school sites.

* Difference = \$49,743

MANAGEMENT – Healthy Schools Initiative / 2026-27

Total Recommendation: Program Management: \$265,000

Program Management	Award 2026-27	Recommendation 2026-27
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
TOTAL Program Management and Support	\$265,000	\$265,000

* unchanged

EIGHTH AMENDMENT TO EMPLOYMENT AGREEMENT

This Eighth Amendment to Employment Agreement (this “Amendment”) is entered into by and between Sequoia Healthcare District (the “District”) and Pamela Kurtzman as of April 1, 2026 and is based on the following:

A. The District and Ms. Kurtzman previously entered into an employment letter agreement dated October 30, 2017 (the “Employment Agreement”). The terms and benefits of the Employment Agreement became effective on January 1, 2018, when Ms. Kurtzman assumed the position of Chief Executive Officer.

B. The Employment Agreement was modified by a First Amendment to Employment Agreement dated as of April 3, 2019, a Second Amendment dated as of April 1, 2020, a Third Amendment dated as of April 7, 2021, a Fourth Amendment dated as of February 10, 2022, a Fifth Amendment dated as of February 1, 2023, a Sixth Amendment dated as of April 3, 2024, and a Seventh Amendment dated as of April 2, 2025.

C. The District and Ms. Kurtzman agree that it is in the best interests of both parties to modify the terms of the Employment Agreement in the manner described herein.

D. Ms. Kurtzman has been provided with a set of Goals and Objectives for her position for calendar year 2026 and with a Strategic Plan adopted by the Board of Directors on March 4, 2026.

E. The terms of this Amendment were approved by a majority of the District’s Board of Directors and reported at an open meeting of the Board on April 1, 2026.

Now, therefore, in consideration of the foregoing, and for good and valuable consideration, the parties agree as follows:

1. Base Salary. Ms. Kurtzman’s base salary shall be increased for the cost-of-living in the amount of 2.8%, to \$314,406.09 per year. This salary shall be retroactive to January 1, 2026.

2. Mid-Year Reviews. An ad hoc committee of the Board shall meet with Ms. Kurtzman by May 31, 2026 and by August 31, 2026 to review progress on the Goals and Objectives and the Strategic Plan. The ad hoc committee may recommend an adjustment in compensation and/or benefits to the Board following the August meeting which would be applicable to the period of September 1 – December 31, 2026.

3. Miscellaneous Provisions.

(a) Except as specifically modified by this Amendment, all other provisions of the Employment Agreement, including the First, Second, Third, Fourth, Fifth, Sixth, and Seventh Amendments, shall remain in full force and effect. Nothing in this Amendment shall in any way alter the “at-will” nature of Ms. Kurtzman’s employment.

(b) This Amendment may be executed in counterparts and by electronic or facsimile signature.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed on the date first written above.

Ivan Martinez
President, Board of Directors

Pamela Kurtzman
Chief Executive Officer