

SAN BRUNO

Community Foundation

Board of Directors

Malissa Netane-Jones, *President* • Jim Ruane, *Vice President* • Raul Gomez, *Secretary* • Pak Lin, *Treasurer*
Jessica Inglima • Supriya S. Perry • Belinda Wong
Leslie Hatamiya, *Executive Director*
www.sbcf.org

This meeting will be held in person at the San Bruno Recreation and Aquatic Center Community Room, with members of the public able to attend and offer public comment in person at the Recreation and Aquatic Center or virtually via Zoom or telephone.*

IN-PERSON MEETING LOCATION

San Bruno Recreation and Aquatic Center
Community Room
251 City Park Way
San Bruno, CA 94066

REMOTE VIA ZOOM OR TELEPHONE

Zoom Link:
<https://us02web.zoom.us/j/84571080094?pwd=nVN1EnX0r180Z2ZovrSFpYnIiOK41X.1>
Webinar ID: 845 7108 0094
Passcode: 757396
Dial-in: (669) 900-6833

* Remote participation is offered in the meeting via Zoom as a courtesy to the public. If a technical error or outage occurs and remote participation is unavailable, the SBCF Board may continue the meeting in the San Bruno Recreation and Aquatic Center where the public can attend and offer comments in person.

PUBLIC COMMENT: In person attendees who want to provide public comment will be asked to fill out a speaker card and submit it with the SBCF Executive Director. Virtual attendees can comment by using the “Raise Hand” feature in Zoom to request to speak. For dial-in comments, press *9 to “Raise Hand” and *6 to unmute. Public comments on agenda items are limited to three minutes per speaker. Public comment may also be emailed to info@sbcf.org. Comments received via email will not be read aloud during the meeting. Materials related to the agenda distributed after it is published will be available for public inspection at San Bruno City Hall, 567 El Camino Real, San Bruno, in compliance with the Brown Act.

ACCESSIBILITY: In compliance with the Americans with Disabilities Act, individuals requiring special accommodations or modifications to participate in this meeting should contact the SBCF Office 48 hours prior to the meeting at (650) 763-0775 or info@sbcf.org.

AGENDA

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

November 5, 2025

7:00 p.m.

1. Call to Order/Welcome

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2. Roll Call

3. **Public Comment:** Individuals are allowed three minutes at this time to comment on items within the jurisdiction of the Board that are not on this agenda. It is the Board's policy to refer matters raised in this forum to staff for research and/or action where appropriate. The Brown Act prohibits the Board from discussing or acting upon any matter not agendized pursuant to State Law.

4. Approval of Minutes: September 3, 2025, Special Board Meeting

5. Executive Director's Report

6. **Consent Calendar:** All items are considered routine or implement an earlier Board action and may be enacted by one motion; there will be no separate discussion unless requested by a Board Member or staff.

- a. Adopt Resolution Appointing Board Representatives to Participate in the San Bruno City Council's SBCF Board Appointment Interview Process
- b. Receive and Approve Treasurer's Report (August and September 2025 Financial Statements)

7. Conduct of Business

- a. Receive Report from Audit Committee and Presentation from Novogradac & Company LLP Regarding the San Bruno Community Foundation's Audited Financial Statements for the Year Ended June 30, 2025; Adopt Resolution Approving the Foundation's Audited Financial Statements for the Year Ended June 30, 2025; and Discuss Foundation's Annual Federal and State Tax Returns
- b. Receive Report on Programs (Strategic Grants, Crestmoor Scholarship, Community Grants Fund)
- c. Discuss Upcoming Officer Elections for 2026 Term
- d. Elect Officers for 2026: President, Vice President, Secretary, and Treasurer

8. Board Member Comments

9. **Adjourn:** The next regular meeting of the Board of Directors is scheduled for Wednesday, December 3, 2025, at 7:00 p.m.

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MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Special Meeting of the Board of Directors

September 3, 2025

7:00 p.m.

Meeting Location:

San Bruno Recreation & Aquatic Center, Community Room, 251 City Park Way, San Bruno

- 1. Call to Order/Welcome:** President Netane-Jones called the meeting to order at 7:00 p.m. She noted the 15-year anniversary of the gas pipeline explosion in the Crestmoor neighborhood and dedicated the meeting to all those affected by the 2010 tragedy.
- 2. Roll Call:** Board Members Netane-Jones, Gomez, Pak, Inglima, Perry, and Wong, present; Board Member Ruane, excused.
- 3. Public Comment:** None.
- 4. Presentation:** Recognition of San Bruno Fire Chief Ari Delay for his service to the San Bruno community and his support of the San Bruno Community Foundation

On behalf of the Board, President Netane-Jones honored outgoing San Bruno Fire Chief Ari Delay. She read a proclamation acknowledging Chief Delay's many contributions to the Foundation and the San Bruno community, a framed copy of which Chief Delay received from the Foundation. Board members thanked Chief Delay for his partnership with the Foundation, and Chief Delay addressed the Board and thanked the Foundation for its support of the Fire Department through a variety of grants.

- 5. Approval of Minutes:** June 4, 2025, Special Board Meeting

Board Member Wong moved to approve the minutes of the June 4, 2025, Special Board Meeting, seconded by Treasurer Lin, approved unanimously by roll call vote (Ruane absent).

- 6. Executive Director's Report**

Executive Director Hatamiya gave a brief report. She first reported that she and Accounting Consultant Frank Bittner submitted all requested reports and documents to the Foundation's auditors at

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Novogradac & Company for the fiscal year 2024-2025 audit. She noted that the Novogradac team will prepare drafted audited financial statements by October 10 and meet with the Audit Committee at a public meeting that is being scheduled. She also said the Novogradac team will present the audited financial statements to the Board at its November 5 meeting.

Ms. Hatamiya reported that the San Bruno City Council approved the Foundation's fiscal year 2025-2026 budget in June.

Finally, she noted that November 12-18, 2025, is National Community Foundation Week and that the San Mateo County Board of Supervisors is scheduled to recognize community foundations in the county, including SBCF, at a November meeting.

7. Consent Calendar

- a. Adopt Resolution Changing the Location of the Regular Meetings of the San Bruno Community Foundation Board of Directors
- b. Receive and Approve Treasurer's Report (May, June, and July 2025 Financial Statements)

Board Member Perry moved to accept the Consent Calendar as presented, seconded by Treasurer Lin, approved unanimously by roll call vote (Ruane absent).

8. Conduct of Business

- a. Receive Report from Investment Committee on its August 20, 2025, Regular Meeting and Presentation from Sand Hill Global Advisors, LLC, Regarding the Firm's Investment Outlook and SBCF's Investment Portfolio

As chair of the Investment Committee, Treasurer Lin gave a brief summary of the Committee's most recent quarterly meeting, which was held on August 20, 2025. She noted that the Committee received its regular report from the Sand Hill team and briefly discussed cash flow needs related to any final legacy projects.

She then introduced Brian Dombkowski, CEO of Sand Hill Global Advisors, LLC, which serves as the Foundation's investment adviser, and Senior Wealth Manager Kristin Sun to give the firm's annual presentation to the Board. Mr. Dombkowski gave the firm's assessment of the economic and market outlook, noting remarkable economic growth in the first half of 2025 despite challenges and anticipating interest rate cuts in the second half of the year. Characterizing the portfolio structure as well-constructed for the Foundation's purposes, he reviewed performance of the three pools of the Foundation's investment funds. He noted the Board's decision to early June to transfer all funds in the Quasi-Endowment Pool to the Strategic Pool and reported that the Quasi-Endowment's final balance before transfer, on June 5, was \$24.9 million, with returns of 8.63% over the past year and absolute performance of 89.02% since inception. He then reported that as of the end of the fiscal year on June

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30, the balance of the Strategic Pool was \$31.2 million, while the Liquidity Pool had a balance of nearly \$750,000. He explained that the portfolio has provided \$23.8 million in additional net value in the past nine years since the Foundation took possession of the restitution funds in May 2016, factoring in \$61.8 million in withdrawals to support all of the Foundation's investments in the community. Finally, Mr. Dombkowski gave a brief update on Sand Hill Global Advisors as a firm.

- b. Receive Report on the School Athletic Field Improvements Grant from the San Bruno Education Foundation and the San Bruno Park School District

San Bruno Park School District Superintendent Matt Duffy reported on the \$150,000 grant awarded to the San Bruno Education Foundation to support improvements to the athletic fields at Belle Air Elementary School, John Muir Elementary School, and Parkside Intermediate School. He explained that for years the poor condition of the John Muir field had prevented students from playing on it, and the grant funding allowed the district to transform the field into a safe, beautiful grass-covered field that is now used by both John Muir students during the school day and local youth soccer teams after school and on the weekends. He explained that funds designated for Parkside's fields have been used to upgrade the fencing and netting at the two softball diamonds. Describing issues at the Belle Air field as the most complicated of the three sites, Superintendent Duffy reported that grant funds are being spent on new soil, irrigation repairs, and significant fencing upgrades to protect the grass field between the Pony baseball field and Lions Field. He noted that the school district has partnered with San Bruno Girls Softball League, San Bruno AYSO, Lowen Soccer Club, and San Bruno Pony Baseball on the field renovations at the school sites.

- c. Receive Report on the SBPSD School Field Trip Grant from the San Bruno Park School District

Superintendent Duffy reported on the \$35,000 grant awarded to the San Bruno Park School District to underwrite field trips for classes at all district schools. He said that all of the grant funds had been expended over the past three years, with grant funds supporting 14 field trips in the 2024-2025 school year. He noted that the grant funds were particularly helpful in covering transportation costs, which can be expensive and are often a barrier to teachers planning off-campus trips. He expressed appreciation to the Foundation for the grant, which pushed the schools to explore off-campus learning opportunities and enabled students to have memorable and eye-opening experiences through the fifth grade Outdoor Education Program and at such Bay Area venues as the Lawrence Hall of Science, SFMOMA, and the Exploratorium.

- d. Receive Report on the San Bruno-Narita Sister City Program Grant from the City of San Bruno, the San Bruno Park School District, and the San Bruno Education Foundation

Superintendent Duffy and Brian Adam of the San Bruno City Manager's office reported on the three-year grants totaling \$109,000 supporting San Bruno's sister city relationship with Narita, Japan, which has included a cultural exchange program since 1990. They reported that in the first year of the grant, San Bruno hosted a delegation of middle school students and Narita representatives in March, with the

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Japanese students staying with Parkside Intermediate School host families. A delegation of 10 Parkside students, several Parkside teachers, and a City staff member visited Narita in July, where they participated in the annual Gion festival, attended a Japanese middle school, and learned about Japanese cultural traditions. In addition to underwriting the San Bruno delegation's travel expenses and the costs related to hosting the Narita delegation, they explained that the grant is supporting efforts to develop sustainable, ongoing sources of funding to support the program once SBCF funding sunsets. They reported that the City, the school district, and the San Bruno Education Foundation are planning the first Narita Alumni Dinner as a community-building and fundraising event, to be held in late January 2026.

- e. Receive Report on the RAC Startup Programming and Outreach Activities Grant from the City of San Bruno; Determine Whether Proposed Grant Modification Presents a Conflict of Interest Under Nonprofit and Exempt Entity Laws; and Adopt Resolution Modifying Strategic Grant to the City of San Bruno Supporting Startup Programming and Outreach Activities at the New San Bruno Recreation and Aquatic Center

President Malissa Netane-Jones reported that over the summer the Foundation finished paying out the eight grants totaling \$51.5 million to support the design and construction of the new San Bruno Recreation and Aquatic Center (RAC).

San Bruno Community Services Deputy Director Damian Sandholm reported on the City's use of grant funds, totaling \$2.25 million over three years, to support startup programming and outreach activities at the RAC. He highlighted uses of the grant funds in the first year, including underwriting events such as the Monster Mash Bash and the Polar Bear Plunge, subsidizing new programs such as Child Watch and the Inclement Weather Walking Program, launching a new RAC website, and analyzing facility fees and pricing strategies. He reported that the City spent approximately \$185,000 of the grant funds in the first year and, on behalf of the City, requested rolling over the balance of the year 1 allocation to the second and third years of the grant. Director Sandholm reported on plans to use grant funds in the grant's second year, including continuing many programs started in year 1, underwriting Community Day, providing membership incentives, and adding new events and fitness programs.

Legal Counsel Heather Minner said due to a timely disclosure by the Executive Director, the Board had to determine whether the proposed modification to the RAC Startup Programming and Outreach grant to the City presented a conflict of interest under nonprofit and exempt entity laws, in accordance with the Foundation's Conflict of Interest Policy. She reported that the Executive Director disclosed to the President, as required by the policy, that her adult son was continuing a paid internship with the City. In the spring, his previously disclosed paid internship in the City Manager's office was transitioned to the Community Development office, with the same hourly pay rate. She said he recently graduated from college and has continued his paid internship in the Community Development Department, working up to 40 hours per week, with the possibility of being considered for a full-time planner position in the next few months. Ms. Minner noted that under the Conflict of Interest Policy, the Executive Director is thus considered to have a "financial interest" through a family member that must be disclosed and the Foundation must follow certain procedures to consider the financial interest, including having the Board

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determine whether a conflict of interest exists before approving the amendment to the grant to the City. She reported that the San Bruno City Manager has confirmed that the Executive Director's son has not worked on the RAC programs that fall under the RAC Startup Programming and Outreach grant that the City seeks to modify or been involved in the request for modification of the grant, as these programs are all overseen by the Community Services Department. She said the City Manager also confirmed that modification of the grant will not be a consideration in making any personnel decisions regarding the Executive Director's son and explained that the grant agreement for this grant includes a term explicitly prohibiting the use of grant funds to compensate or provide any other monetary benefits to the Executive Director's son or any other insider of the Foundation, and this term would remain in the grant agreement post-modification. Ms. Minner said that after considering these facts, she has determined that the internship still does not pose a conflict of interest under public entity laws, consistent with the analysis presented in her prior memorandum to the Board. Also consistent with that prior analysis, Ms. Minner advised that the internship does not pose a conflict of interest under applicable nonprofit and tax-exempt entity laws with respect to the proposed modifications to the RAC Startup Programming and Outreach grant.

Executive Director Hatamiya departed from the meeting room, and the Board discussed the potential conflict of interest issue.

Treasurer Lin made a motion to determine that the proposed modification to the RAC Startup Programming and Outreach grant does not present a conflict of interest under nonprofit and exempt entity laws, in accordance with the Foundation's Conflict of Interest Policy, seconded by Board Member Inglima, passed unanimously by roll call vote (Ruane absent).

Executive Director Hatamiya returned to the meeting room.

Treasurer Lin moved to approve the resolution modifying the strategic grant to the City of San Bruno supporting startup programming and outreach activities at the RAC, seconded by Board Member Inglima, approved unanimously by roll call vote (Ruane absent).

f. Receive Report on the Downtown Beautification Initiative from the City of San Bruno

San Bruno Community Director Travis Karlen reported on progress on the City's downtown beautification efforts, which the Foundation is supporting with \$350,000 in grant funding. He reminded the Board that this initiative consists of a series of projects to improve the visibility and appearance of San Bruno's downtown, including improvements to the planters and medians along San Mateo Avenue and the installation of new street pole banners. He noted that the City developed three sets of banners, two of which have already adorned the street poles along San Mateo Avenue. He reported on the revitalization of the planters and medians on San Mateo Avenue, including significant irrigation improvements, and highlighted the various plants and trees that will be planted. He reported that the San Bruno City Council approved a contract with Marina Landscape, which also includes improvements to Posy Park, with work expected to begin in the second half of September.

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g. Receive Report on the Crestmoor Fields Project from the City of San Bruno

Director Karlen provided a brief update on the development of a new soccer complex on the site of the former Crestmoor High School, which the Foundation is helping fund with a \$3.4 million grant. He reported that the City is working diligently with the developer, Toll Brothers, which is building the fields as part of its development of the entire site into a new neighborhood of single-family homes. He noted that the design of the soccer fields is 30% complete. Acknowledging that the Foundation Board has expressed a willingness to consider funding permanent lighting at the complex, Director Karlen said that the current engineering estimate of the cost of installing the lights is \$1.7 million and that the City will be requesting that Toll Brothers provide a more definitive cost estimate based on the 30% design plans.

h. Receive Report on the Florida Avenue Park Project from the City of San Bruno

San Bruno Park Services Manager Dan Venezia reported on the construction of Florida Avenue Park, to which the Foundation, as one of its first grants, contributed \$200,000. Mr. Venezia provided a thorough overview of the development of this park on the east side of San Bruno, from the City's purchase of the land in 2014, to several challenges the project faced during the design and site planning phases, to the construction of the park over the past nine months. He reported on the well-attended and celebratory grand opening and ribbon-cutting ceremony on August 14, 2025. He noted that the park includes a children's playground, adult fitness equipment, picnic seating, and a large grass area.

i. Receive Report on Other Programs (Community Grants Fund and Crestmoor Scholarship)

Executive Director Hatamiya gave a brief report on the Community Grants Fund and the Crestmoor Neighborhood Memorial Scholarship, noting that the Board decided to discontinue both programs in the current fiscal year. She highlighted the \$15,000 Community Grant awarded to Circus Bella in the 2024-2025 cycle, noting the successful partnership between Circus Bella and the City to hold two circus performances in San Bruno City Park on June 28, which were supplemented by food trucks and children's activities and which were attended by about 2,000 community members of all ages. She also noted that because in past years the Foundation opened the Community Grants Fund application period in July, over the summer she responded to many inquiries from community organizations about the program. With regard to the Crestmoor Scholarship, she reported that she has distributed nearly all 2025 scholarship payments since June and has reached out to the few remaining Crestmoor Scholars who have not submitted their documentation for this year's payments.

j. Receive Report from Ad Hoc Committee on Strategic Planning Regarding Potential Legacy Projects and Provide Any Board Comments on Potential Next Steps

As Committee Chair, President Netane-Jones reported on the Committee's activities over the summer following the Board's decision in May to spend down the bulk of the Foundation's remaining total net assets in the next several years on a small number of large legacy projects and wind down all other

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programs. First, she reported that the Committee reviewed the Foundation's Program Strategy Framework and concluded that the Board's recent strategy decisions do not warrant any changes to the document, as the Board's decision to focus on a few remaining legacy projects, including Fire Station No. 52, fall within the Framework's current parameters. Second, she reported that the Committee has been monitoring the City's progress on the fire station project, with the San Bruno City Council agreeing to have the Foundation serve as a funding partner. She explained that the City is in discussions with Caltrans on acquisition of the property at the corner of San Bruno Avenue and Skyline Boulevard that is the City's top choice for the location of the new fire station. Third, she reported that the Committee has been considering other options for final legacy projects for the Board to consider, including but not limited to the installation of permanent lighting at the Crestmoor Fields soccer complex and a large, final legacy project investment benefiting the San Bruno Park School District. Board Member Inglima requested that the Committee and Board explore options for finding another organization to continue the Crestmoor Scholarship program. In response, President Netane-Jones said that the larger legacy projects mentioned above are the first priority, but if there are available funds remaining, the Committee will look into options for finding another organization to relaunch the Crestmoor Scholarship.

9. Board Member Comments: None.

10. Adjourn: Secretary Gomez moved to adjourn the meeting at 9:10 p.m., seconded by Board Member Wong, approved unanimously.

Respectfully submitted for approval at the Regular Board Meeting of November 5, 2025, by Secretary Raul Gomez and President Malissa Netane-Jones.

Raul Gomez, Secretary

Malissa Netane-Jones, President

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Community Foundation

Memorandum

DATE: October 30, 2025

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Executive Director's Report

Since the September 3, 2025, Board meeting, I have continued to focus on administering the Community Grants Fund and Crestmoor Scholarship programs, monitoring and attending to various strategic grant initiatives, and supporting the Audit Committee, all of which will be covered during the business portions of the November 5, 2025, regular Board meeting. In addition, I have handled a variety of other matters, including the following:

1. Annual Report

The Foundation's 2025 Annual Report was mailed to all San Bruno addresses on October 7 and arrived in mailboxes starting on October 8. Like the last four years, the Annual Report is a 12-page, full-color, letter-sized brochure, and this year's edition highlighted an array of strategic grants and the Board's strategic planning process. It also includes profiles of the 2025 Crestmoor Scholars and updates on several Scholarship alumni, information about the Community Grants Fund, and financial information. The Annual Report is posted on the Foundation website and is available at gathering places around town, such as City Hall, the Library, the Senior Center, and the Recreation Center. Thank you to President Malissa Netane-Jones and Vice President Jim Ruane for editing and proofreading assistance, Mikko Design for graphic design work, and HH Global for printing and mail house services.

2. Ad Hoc Committee on Strategic Planning

The Ad Hoc Committee on Strategic Planning had one meeting in September, during which it discussed potential final legacy projects. With regard to Fire Station No. 52, the Committee continues to monitor the City's progress on the project. The City is in discussions with Caltrans regarding the property at the corner of Skyline Boulevard and San Bruno Avenue that is the City's preferred site for the new fire station, and those discussions regarding a potential land swap or purchase of the property are ongoing.

The Committee also continues to monitor the City's progress on the Crestmoor Fields Project and is waiting for further information from the City on the cost of installing permanent lighting

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at the soccer fields, as the Board has expressed interest in considering additional grant funding for the lighting.

With regard to the Board's interest in supporting a final legacy project benefiting the San Bruno Park School District, the Committee continues to evaluate potential legacy project ideas that it discussed with Superintendent Matt Duffy and San Bruno Education Foundation President Heather Latta over the summer and hopes to make a funding recommendation to the Board in the coming months.

3. Email Newsletter and Website Hits

Since the September 3 Board meeting, I have sent out one email blast to the Foundation's email distribution list, which reported on the September Board meeting and noted the 15th anniversary of the September 9, 2010, gas pipeline explosion. Of the approximately 800 emails sent, 58% of the recipients opened the email.

According to Google Analytics, activity on the sbcf.org website was lighter the past two months than in previous years, likely due to the discontinuation of the Community Grants Fund. In the September 3-October 28 time period, about 592 users visited the Foundation website. The most visited pages were the home page and, to a lesser extent, the pages related to the Crestmoor Scholarship and Community Grants Fund.

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Memorandum

DATE: October 30, 2025

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Consent Calendar for the November 5, 2025, Regular Board Meeting

For the November 5, 2025, Regular Meeting of the Board of Directors of the San Bruno Community Foundation, the Consent Calendar includes two items related to administrative and operational functions of the Foundation.

1. Adopt Resolution Appointing Board Representatives to Participate in the San Bruno City Council's SBCF Board Appointment Interview Process

Under Article V, Section 5 of the Foundation's Bylaws, the San Bruno City Council shall designate all SBCF Board members. Under Section 8.C. of the City of San Bruno City Council Policies and Procedures, which were adopted on December 13, 2022, as part of its process to make appointments to the SBCF Board of Directors, the Council may meet to review applications and determine which applicants to invite for an interview. Section 8.C. further provides that the SBCF Board shall select two members to attend and participate in the City Council interview process.

The first terms of four current Board members conclude on December 31, 2025. The San Bruno City Clerk's Office has solicited applications for four openings on the SBCF Board to begin on January 1, 2026, and conclude on December 31, 2029. The application deadline is October 31, 2025.

As the City Council plans to interview applicants in January as part of the appointment process, the attached resolution would appoint President Malissa Netane-Jones and Secretary Raul Gomez to participate in the San Bruno City Council's SBCF Board appointment interview process as the Board's representatives.

2. Receive and Approve Treasurer's Report (August and September 2025 Financial Statements)

The August and September 2025 financial statements each consist of a Budget Report and Balance Sheet. The Budget Narratives provide a thorough explanation of the financial

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statements. The Budget Reports include the fiscal year 2025-2026 budget figures approved at the June 4, 2025, Board meeting.

I recommend that the Board approve the attached resolution and the Treasurer's Report, as outlined above, as part of the Consent Calendar on November 5, 2025.

Attachments:

1. Resolution Appointing Board Representatives to Participate in the San Bruno City Council's SBCF Board Appointment Interview Process
2. August 2025 Financial Statements
3. September 2025 Financial Statements

RESOLUTION NO. 2025-__

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION
APPOINTING BOARD REPRESENTATIVES TO PARTICIPATE IN THE SAN BRUNO CITY COUNCIL'S
SBCF BOARD APPOINTMENT INTERVIEW PROCESS**

WHEREAS, the first terms of four current members of the San Bruno Community Foundation Board of Directors will conclude on December 31, 2025;

WHEREAS, under Article V, Section 5 of the Bylaws, the San Bruno City Council shall designate all SBCF Board members;

WHEREAS, under Section 8.C. of the City of San Bruno City Council Policies and Procedures, which were adopted on December 13, 2022, as part of its process to make appointments to the SBCF Board of Directors, the Council may meet to review applications and determine which applicants to invite for an interview;

WHEREAS, Section 8.C. further provides that the SBCF Board shall select two members to attend and participate in the City Council interview process; and

WHEREAS, the San Bruno City Clerk's office solicited applications for four openings that will commence on January 1, 2026, and conclude on December 31, 2029, with an October 31, 2025, deadline.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors appoints President Malissa Netane-Jones and Secretary Raul Gomez to participate in the San Bruno City Council's SBCF Board appointment interview process as the Board's representatives.

Dated: November 5, 2025

ATTEST:

Raul Gomez, Secretary

I, Raul Gomez, Secretary, do hereby certify that the foregoing Resolution No. 2025-__ was duly and regularly passed and adopted by the Board of Directors of The San Bruno Community Foundation on this 5th day of November, 2025, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

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August 2025

Budget Narrative

This report primarily describes amounts in column a (Actual Year to Date) of the monthly Budget Report. When projections vary from Budget (column b), the changes will be reflected in columns d (Final Projected Amount) and e (Change in Budget) and be explained. First two months equal 16.7% of the fiscal year.

INCOME

Line 1 Transfers from Strategic Pool – First transfer of \$2,500,000 is equal to 26.2% of budget.

Line 2 Donations - \$40 unbudgeted contribution received in July.

EXPENSES

Line 4 Strategic Grants – There have been no Grant expenses this year.

Line 5 Salaries & Wages – Expense is over budget at 19.6% due to Program Manager severance payment.

Line 6 Payroll Taxes & Benefits – Expense (\$7,822) is 23.7% of budget. Social Security/Medicare tax (\$3,394) and retirement (\$3,637) are the largest costs. Other costs include life insurance (\$663).

Line 8 Occupancy – Only cost is office lease (\$2,581). Amount is exactly on budget at 16.7%.

Line 9 Insurance – Total (\$2,042) is 15% of budget and includes Directors & Officers (\$1,343), crime (\$481), and commercial liability (\$218) policies.

Line 10 Telecommunications – Cost (\$298) is 14.2% of budget.

Line 11 Postage & Shipping – Cost (\$129) is 4.2% of budget.

Line 12 Marketing & Communications - No expense incurred this year.

Line 13 Office Supplies & Equipment – Cost (\$132) is 5.1% of budget.

Line 14 Legal Fees – \$865 is 2.1% of budget, with \$770 expended in support of Strategic Grants.

Line 15 Accounting & Payroll Fees – Total (\$4,112) is 12.5% of budget with \$3,906 for Accounting Consultant and \$206 for payroll fees.

Line 16 Other Consultants – No expense incurred this year.

Line 17 Travel, Meetings & Conferences – No expense incurred this year.

Line 18 Miscellaneous – Cost (\$99) equals 3.9% of budget.

SUMMARY

Excluding the budget for Grants, total expenses are 15.7% of budget, which is below the 16.7% benchmark for the first two months of the year. In terms of dollars, the \$62,448 in first two months expense is \$3,666 less than the two-month budget allocation.

Total August Investment net income or increase in value is \$463,921. This came from the Strategic Pool (\$454,329) and Liquidity Pool (\$9,592). Year-to-date Investment net income or increase in value is \$520,682.

Overall organization year-to-date net income or increase in net assets is \$458,274.

Total Net Assets, as of August 31, 2025, are \$25,683,520 (all Unrestricted funds).

SAN BRUNO

Community Foundation

August 2025 2025-2026 Budget Report

	(a)	(b)	(c)	(d)	(e)
	Actual Year to Date	Budget	Actual as % of Budget (a/b)	Final Projected Amount	Change in Budget (d - b)
INCOME & TRANSFERS					
1 Transfers from Strategic Pool	2,500,000	9,525,348	26.2%	9,525,348	-
2 Donations	40	-	-	40	40
3 Total Available for Operations	2,500,040	9,525,348	26.2%	9,525,388	40
EXPENSES					
4 Strategic Grants	-	5,000,000	0.0%	5,000,000	-
5 Salaries & Wages	44,368	226,207	19.6%	226,207	-
6 Payroll Taxes & Benefits	7,822	33,058	23.7%	33,058	-
7 Subtotal Personnel Expenses	52,190	259,265	20.1%	259,265	-
8 Occupancy	2,581	15,483	16.7%	15,483	-
9 Insurance	2,042	13,590	15.0%	13,590	-
10 Telecommunications	298	2,100	14.2%	2,100	-
11 Postage & Shipping	129	3,040	4.2%	3,040	-
12 Marketing & Communications	-	13,855	0.0%	13,855	-
13 Office Supplies & Equipment	132	2,600	5.1%	2,600	-
14 Legal Fees	865	41,332	2.1%	41,332	-
15 Accounting & Payroll Fees	4,112	32,955	12.5%	32,955	-
16 Other Consultants	-	3,775	0.0%	3,775	-
17 Travel, Meetings & Conferences	-	6,140	0.0%	6,140	-
18 Miscellaneous	99	2,550	3.9%	2,550	-
19 Subtotal Non-Personnel	10,258	137,420	7.5%	137,420	-
20 Total Expenses	62,448	5,396,685	1.2%	5,396,685	-
21 Net Surplus/(Loss)	\$ 2,437,592	\$ 4,128,663		\$ 4,128,703	\$ 40

SAN BRUNO

Community Foundation

Statement of Financial Position as of August 31, 2025

ASSETS

Cash, Wells Fargo General	\$ 225,282.28	
Cash, Wells Fargo Payroll	12,873.90	
Cash, Fidelity Liquidity Pool - Operating	2,410,603.40	
Total Cash		2,648,759.58
Investments, Fidelity Strategic Pool	29,198,045.99	
Total Investments		29,198,045.99
Prepaid Rent	1,180.35	
Prepaid Insurance	8,085.00	
Total Other Current Assets		9,265.35
Deposits	909.45	
Right of Use Asset - Lease	70,963.75	
Total Other Assets		71,873.20
TOTAL ASSETS		<u>\$ 31,927,944.12</u>

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable	2,910.13	
Accrued Grants Payable	5,883,636.06	
Accrued Scholarships Payable	270,000.00	
Accrued Employee PTO	16,785.14	
Lease Liability	71,513.25	
Total Liabilities		6,244,844.58

NET ASSETS

Unrestricted, Non-QE 7/1/2025 Balance	25,224,776.73	
Transfer from Quasi-Endowment	2,232.96	
Year to Date Net Income from Operations	(62,407.58)	
Year to Date Non-QE Investment Income	518,497.43	
Total Non-QE Unrestricted Net Assets	25,683,099.54	
Quasi-Endowment 7/1/2025 Balance	48.85	
Transfer to Strategic Pool	(2,232.96)	
Year-to-date QE Investment Income	2,184.11	
Total QE Unrestricted Net Assets	-	
Total Unrestricted Net Assets		25,683,099.54
Total Net Assets		25,683,099.54

TOTAL LIABILITIES & NET ASSETS		<u>\$ 31,927,944.12</u>
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SAN BRUNO

Community Foundation

September 2025

Budget Narrative

This report primarily describes amounts in column a (Actual Year to Date) of the monthly Budget Report. When projections vary from Budget (column b), the changes will be reflected in columns d (Final Projected Amount) and e (Change in Budget) and be explained. First three months equal 25% of the fiscal year.

INCOME

Line 1 Transfers from Strategic Pool – First transfer of \$2,500,000 is equal to 26.2% of budget.

Line 2 Donations - \$100,040 unbudgeted, unrestricted contributions have been received. \$100,000 came from Google via Fidelity Charitable Funds.

EXPENSES

Line 4 Strategic Grants – There have been no Grant expenses this year.

Line 5 Salaries & Wages – Expense is over budget at 27.7% due to Program Manager severance payment.

Line 6 Payroll Taxes & Benefits – Expense (\$11,096) is 33.6% of budget. Social Security/Medicare tax (\$4,785) and retirement (\$5,455) are the largest costs. Other costs include life insurance (\$663).

Line 8 Occupancy – Only cost is office lease (\$3,871). Amount is exactly on budget at 25%.

Line 9 Insurance – Total (\$3,063) is 22.5% of budget and includes Directors & Officers (\$2,015), crime (\$721), and commercial liability (\$327) policies.

Line 10 Telecommunications – Cost (\$437) is 20.8% of budget

Line 11 Postage & Shipping – Cost (\$158) is 5.2% of budget.

Line 12 Marketing & Communications - \$587 is 4.2% of budget and was for Annual Report design.

Line 13 Office Supplies & Equipment – Cost (\$172) is 6.6% of budget.

Line 14 Legal Fees – \$3,022 is 7.3% of budget, with \$1,669 expended in support of Strategic Grants and \$1,243 supporting Administration.

Line 15 Accounting & Payroll Fees – Total (\$10,514) is 31.9% of budget with \$5,310 for Accounting Consultant, \$4,900 for Audit Fees, and \$304 for payroll fees.

Line 16 Other Consultants – No expense incurred this year.

Line 17 Travel, Meetings & Conferences – No expense incurred this year.

Line 18 Miscellaneous – Cost (\$99) equals 3.9% of budget.

SUMMARY

Excluding the budget for Grants, total expenses are 24.1% of budget, which is below the 25% benchmark for the first quarter of the year. In terms of dollars, the \$95,571 in first quarter expense is \$3,600 less than the first quarter budget allocation.

Total September Investment net income or increase in value is \$415,952. This came from the Strategic Pool (\$407,101) and Liquidity Pool (\$8,851). Year-to-date Investment net income or increase in value is \$936,633.

Overall organization year-to-date net income or increase in net assets is \$941,102.

Total Net Assets, as of September 30, 2025, are \$26,165,928 (all Unrestricted funds).

SAN BRUNO

Community Foundation

September 2025 2025-2026 Budget Report

	(a)	(b)	(c)	(d)	(e)
	Actual Year to Date	Budget	Actual as % of Budget (a/b)	Final Projected Amount	Change in Budget (d - b)
INCOME & TRANSFERS					
1 Transfers from Strategic Pool	2,500,000	9,525,348	26.2%	9,525,348	-
2 Donations	100,040	-	-	100,040	100,040
3 Total Available for Operations	2,600,040	9,525,348	27.3%	9,625,388	100,040
EXPENSES					
4 Strategic Grants	-	5,000,000	0.0%	5,000,000	-
5 Salaries & Wages	62,552	226,207	27.7%	226,207	-
6 Payroll Taxes & Benefits	11,096	33,058	33.6%	33,058	-
7 Subtotal Personnel Expenses	73,648	259,265	28.4%	259,265	-
8 Occupancy	3,871	15,483	25.0%	15,483	-
9 Insurance	3,063	13,590	22.5%	13,590	-
10 Telecommunications	437	2,100	20.8%	2,100	-
11 Postage & Shipping	158	3,040	5.2%	3,040	-
12 Marketing & Communications	587	13,855	4.2%	13,855	-
13 Office Supplies & Equipment	172	2,600	6.6%	2,600	-
14 Legal Fees	3,022	41,332	7.3%	41,332	-
15 Accounting & Payroll Fees	10,514	32,955	31.9%	32,955	-
16 Other Consultants	-	3,775	0.0%	3,775	-
17 Travel, Meetings & Conferences	-	6,140	0.0%	6,140	-
18 Miscellaneous	99	2,550	3.9%	2,550	-
19 Subtotal Non-Personnel	21,923	137,420	16.0%	137,420	-
20 Total Expenses	95,571	5,396,685	1.8%	5,396,685	-
21 Net Surplus/(Loss)	\$ 2,504,469	\$ 4,128,663		\$ 4,228,703	\$ 100,040

SAN BRUNO

Community Foundation

Statement of Financial Position as of September 30, 2025

ASSETS

Cash, Wells Fargo General	\$ 229,185.17	
Cash, Wells Fargo Payroll	57,480.52	
Cash, Fidelity Liquidity Pool - Operating	2,419,454.28	
Total Cash		2,706,119.97
Investments, Fidelity Strategic Pool	29,605,146.67	
Total Investments		29,605,146.67
Prepaid Rent	1,180.35	
Prepaid Insurance	7,000.00	
Total Other Current Assets		8,180.35
Deposits	909.45	
Right of Use Asset - Lease	69,673.50	
Total Other Assets		70,582.95
TOTAL ASSETS		<u>\$ 32,390,029.94</u>

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable	7,857.82	
Accrued Grants Payable	5,874,126.06	
Accrued Scholarships Payable	255,000.00	
Accrued Employee PTO	16,785.14	
Lease Liability	70,332.90	
Total Liabilities		6,224,101.92

NET ASSETS

Unrestricted, Non-QE 7/1/2025 Balance	25,224,776.73	
Transfer from Quasi-Endowment	2,232.96	
Year to Date Net Income from Operations	4,469.34	
Year to Date Non-QE Investment Income	934,448.99	
Total Non-QE Unrestricted Net Assets	26,165,928.02	
Quasi-Endowment 7/1/2025 Balance	48.85	
Transfer to Strategic Pool	(2,232.96)	
Year-to-date QE Investment Income	2,184.11	
Total QE Unrestricted Net Assets	-	
Total Unrestricted Net Assets		26,165,928.02
Total Net Assets		26,165,928.02

TOTAL LIABILITIES & NET ASSETS		<u>\$ 32,390,029.94</u>
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SAN BRUNO

Community Foundation

Memorandum

DATE: October 30, 2025

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from Novogradac & Company LLP Regarding the San Bruno Community Foundation's Audited Financial Statements for the Year Ended June 30, 2025, Resolution Approving the Audited Financial Statements for the Year Ended June 30, 2025, and Discussion of Foundation's Annual Federal and State Tax Returns

On October 22, 2025, the Audit Committee met to discuss the fiscal year 2024-2025 audited financial statements. At the November 5, 2025, Board meeting, Committee Chair Raul Gomez will provide a report on behalf of the Committee as well as introduce the audit team who will present the audited financial statements. Vice President Jim Ruane also serves on the Audit Committee.

Article XIII, Section 4, of the San Bruno Community Foundation's Bylaws states that the Foundation "shall retain an independent auditor and conduct annual independent audits in accordance with the applicable provisions of the Supervision of Trustees and Fundraisers for Charitable Purposes Act (commencing with Section 12586 of the California Government Code)." As authorized by the Board on March 5, 2025, the Foundation is using Novogradac & Company LLP to conduct the audit of the Foundation's financial statements for the year ended June 30, 2025, and to prepare the Foundation's annual federal and state tax returns. Engagement partner Lance Smith is again heading up the Novogradac team assigned to the Foundation. As required by the Board when it approved Novogradac as the Foundation's auditor in March, Mr. Smith assigned a new set of staff accountants to work on the Foundation's audit and tax preparation this year.

In July, Accounting Consultant Frank Bittner and I began preparing the financial reports and documentation Novogradac requested to begin work on the audit. We submitted all the requested materials by August 27. Since then, the Novogradac team has examined the Foundation's financial records, accounts, business transactions, accounting practices, and internal controls. Mr. Bittner and I responded to several follow-up requests for additional information from the Novogradac team.

SAN BRUNO

Community Foundation

Memorandum

Article VII, Section 4, of the Bylaws states that the duties of the Audit Committee include reviewing and accepting the annual audit. On October 22, the Audit Committee met to review and discuss the audited financial statements with Mr. Smith. After the discussion, the Committee approved a resolution accepting the audited financial Statements for the year ended June 30, 2025.

Attached to this memorandum are the final financial statements and audit report covering the Foundation's finances from July 1, 2024, through June 30, 2025. Novogradac's report states its unqualified opinion that "the financial statements...present fairly, in all material respects, the financial position of The San Bruno Community Foundation as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America." Novogradac has also issued a standard AU-C 260 letter, which is attached to this memorandum, as it has in past years.

At the November 5, 2025, Board meeting, Mr. Smith will present the audited financial statements to the Board, review his team's findings with regard to the Foundation's financial records, accounts, business transactions, accounting practices, and internal controls, and field questions from the Board.

At the conclusion of Mr. Smith's report, I recommend that the Board adopt the attached resolution approving the Foundation's audited financial statements for the year ended June 30, 2025.

On a related note, the Novogradac team prepared a first draft of the Foundation's annual federal and state tax returns (IRS Form 990 and California Form 199), which Mr. Bittner and I are in the process of reviewing. I expect to be able to circulate a penultimate draft of the tax returns to the entire Board prior to the meeting on November 5. At the Board meeting, Mr. Smith and I will be able to answer any questions Board members may have about the tax returns, which we intend to submit by the November 15, 2025, deadline.

Attachments:

1. Audit Committee Resolution No. AC 2025-3 Accepting the San Bruno Community Foundation's Audited Financial Statements for the Year Ended June 30, 2025
2. Resolution Approving the San Bruno Community Foundation's Audited Financial Statements for the Year Ended June 30, 2025
3. The San Bruno Community Foundation Financial Statements and Report of Independent Auditors for the year ended June 30, 2025, with comparative totals as of and for the year ended June 30, 2024
4. AU-C 260 Letter from Novogradac

RESOLUTION NO. 2025-3

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION AUDIT COMMITTEE
ACCEPTING THE SAN BRUNO COMMUNITY FOUNDATION'S AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

WHEREAS, Article XIII, Section 4, of the Bylaws of the San Bruno Community Foundation calls for the retention of an independent auditor to conduct an annual audit of the Foundation's financial statements and records;

WHEREAS, Article VII, Section 4, of the Bylaws states that that duties of the Audit Committee include reviewing and accepting the annual audit;

WHEREAS, on March 5, 2025, the Board of Directors authorized President Malissa Netane-Jones to execute a contract with Novogradac & Company LLP to conduct the audit of the Foundation's financial statements for the year ended June 30, 2025, and to prepare the Foundation's annual federal and state tax returns;

WHEREAS, on March 5, 2025, President Netane-Jones executed a contract with Novogradac & Company LLP to conduct an audit of the Foundation's financial statements for the year ended June 30, 2025, and to prepare the Foundation's federal and state tax returns;

WHEREAS, Novogradac & Company LLP examined the Foundation's financial records, accounts, business transactions, accounting practices, and internal controls;

WHEREAS, Novogradac has produced audited financial statements for the Foundation for the year ended June 30, 2025, and issued an unqualified opinion that the Foundation's financial statements present fairly, in all material respects, the Foundation's financial position as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States; and

WHEREAS, the Audit Committee has reviewed and discussed the audited financial statements with Lance Smith, the Novogradac engagement partner assigned to the Foundation's account, at its October 22, 2025, special meeting.

NOW, THEREFORE, BE IT RESOLVED that the San Bruno Community Foundation Audit Committee accepts the audited financial statements for the year ended June 30, 2025, as prepared by Novogradac & Company LLP, including any adjustments recommended by the Committee and agreed with by Novogradac & Company LLP to reflect the Committee's discussion at its October 22, 2025, special meeting.

Dated: October 22, 2025

ATTEST:



Raul Gomez, Audit Committee Chair

I, Raul Gomez, Audit Committee Chair, do hereby certify that the foregoing Resolution No. 2025-3 was duly and regularly passed and adopted by the Audit Committee of the San Bruno Community Foundation on this 22nd day of October, 2025, by the following vote:

AYES: Committee members: Gomez, Ruane

NOES: Committee members: None

ABSENT: Committee members: None

RESOLUTION NO. 2025-__

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION
APPROVING THE FOUNDATION'S AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

WHEREAS, Article XIII, Section 4, of the Bylaws calls for the retention of an independent auditor to conduct an annual audit of the San Bruno Community Foundation's financial statements and records;

WHEREAS, on March 5, 2025, the Board of Directors authorized President Malissa Netane-Jones to execute a contract with Novogradac & Company LLP to conduct the audit of the Foundation's financial statements for the year ended June 30, 2025, and to prepare the Foundation's annual federal and state tax returns;

WHEREAS, Novogradac & Company LLP examined the Foundation's financial records, accounts, business transactions, accounting practices, and internal controls;

WHEREAS, Novogradac has produced audited financial statements for the Foundation for the year ended June 30, 2025, and issued an unqualified opinion that the Foundation's financial statements present fairly, in all material respects, the Foundation's financial position as of June 30, 2025, in accordance with accounting principles generally accepted in the United States;

WHEREAS, on October 22, 2025, the Audit Committee reviewed, discussed, and approved a resolution accepting the audited financial statements for the Foundation for the year ended June 30, 2025; and

WHEREAS, Lance Smith, the Novogradac engagement partner assigned to the Foundation's account, has presented the audited financial statements to the Board at the Foundation's November 5, 2025, regular Board meeting.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors approves the audited financial statements for the year ended June 30, 2025, as prepared by Novogradac & Company LLP.

Dated: November 5, 2025

ATTEST:

Raul Gomez, Secretary

I, Raul Gomez, Secretary, do hereby certify that the foregoing Resolution No. 2025-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 5th day of November, 2025, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

THE SAN BRUNO COMMUNITY FOUNDATION

**Financial Statements and
Report of Independent Auditors**

**For the year ended June 30, 2025
with comparative totals as of and
for the year ended June 30, 2024**

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Report of Independent Auditors

To the Board of Directors of
The San Bruno Community Foundation:

Opinion

We have audited the accompanying financial statements of The San Bruno Community Foundation, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The San Bruno Community Foundation as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are required to be independent of The San Bruno Community Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The San Bruno Community Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The San Bruno Community Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The San Bruno Community Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited The San Bruno Community Foundation's financial statements for the year ended June 30, 2024, and our report dated October 21, 2024 expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Petaluma, California
October 27, 2025

THE SAN BRUNO COMMUNITY FOUNDATION
STATEMENT OF FINANCIAL POSITION
June 30, 2025
with comparative totals as of June 30, 2024

ASSETS

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 19,941	\$ 235,900
Investments (See Note 4)	31,937,024	30,335,486
Right-of-use asset - office lease	73,544	13,104
Prepaid expenses	11,435	14,746
Deposits	<u>909</u>	<u>909</u>
 Total assets	 <u><u>\$ 32,042,853</u></u>	 <u><u>\$ 30,600,145</u></u>

LIABILITIES

Accounts payable	\$ 32,369	\$ 23,281
Office lease payable	73,874	13,104
Accrued scholarships	330,000	332,500
Accrued grants payable	<u>6,381,784</u>	<u>1,316,994</u>
Total liabilities	6,818,027	1,685,879

NET ASSETS

Without donor restriction		
Board designated	49	23,326,819
Non-designated	25,224,777	5,586,247
With donor restriction	<u>-</u>	<u>1,200</u>
Total net assets	<u><u>25,224,826</u></u>	<u><u>28,914,266</u></u>
 Total liabilities and net assets	 <u><u>\$ 32,042,853</u></u>	 <u><u>\$ 30,600,145</u></u>

see accompanying notes

THE SAN BRUNO COMMUNITY FOUNDATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the year ended June 30, 2025
with comparative totals for the year ended June 30, 2024

	2025			2024
	Without donor restriction	With donor restriction	Total	Total
REVENUE AND OTHER SUPPORT				
Donations	\$ 5,798	\$ 101,500	\$ 107,298	\$ 2,700
Investment return, net	3,018,443	-	3,018,443	2,973,752
Miscellaneous income	-	-	-	30,000
Net assets released from restrictions	102,700	(102,700)	-	-
	<u>3,126,941</u>	<u>(1,200)</u>	<u>3,125,741</u>	<u>3,006,452</u>
EXPENSES				
Program services	6,633,254	-	6,633,254	1,045,834
Management and general	181,927	-	181,927	171,180
	<u>6,815,181</u>	<u>-</u>	<u>6,815,181</u>	<u>1,217,014</u>
CHANGE IN NET ASSETS	(3,688,240)	(1,200)	(3,689,440)	1,789,438
NET ASSETS AT BEGINNING OF YEAR	<u>28,913,066</u>	<u>1,200</u>	<u>28,914,266</u>	<u>27,124,828</u>
NET ASSETS AT END OF YEAR	<u>\$ 25,224,826</u>	<u>\$ -</u>	<u>\$ 25,224,826</u>	<u>\$ 28,914,266</u>

see accompanying notes

THE SAN BRUNO COMMUNITY FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended June 30, 2025
with comparative totals for the year ended June 30, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>	<u>2024 Total</u>
PERSONNEL EXPENSES				
Salaries and wages	\$ 177,788	\$ 79,736	\$ 257,524	\$ 242,319
Payroll taxes and benefits	<u>29,415</u>	<u>8,891</u>	<u>38,306</u>	<u>23,798</u>
Total personnel expenses	207,203	88,627	295,830	266,117
OTHER EXPENSES				
Scholarships	165,000	-	165,000	160,000
Grants	6,210,200	-	6,210,200	652,500
Rent	11,741	5,279	17,020	17,009
Insurance	-	15,189	15,189	17,793
Telecommunications	1,700	717	2,417	2,438
Postage and shipping	1,963	827	2,790	2,522
Marketing and communications	11,718	3,524	15,242	15,877
Office supplies	3,188	716	3,904	3,364
Legal fees	12,323	30,092	42,415	29,349
Accounting and payroll fees	-	32,784	32,784	32,970
Other professional services	8,022	-	8,022	10,381
Travel, meetings and conferences	196	2,310	2,506	5,280
Miscellaneous	<u>-</u>	<u>1,862</u>	<u>1,862</u>	<u>1,414</u>
Total other expenses	<u>6,426,051</u>	<u>93,300</u>	<u>6,519,351</u>	<u>950,897</u>
TOTAL EXPENSES	<u>\$ 6,633,254</u>	<u>\$ 181,927</u>	<u>\$ 6,815,181</u>	<u>\$ 1,217,014</u>

see accompanying notes

THE SAN BRUNO COMMUNITY FOUNDATION
STATEMENT OF CASH FLOWS
For the year ended June 30, 2025
with comparative totals for the year ended June 30, 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (3,689,440)	\$ 1,789,438
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net realized/unrealized gain on investments	(2,097,203)	(2,012,480)
Decrease in assets:		
Prepaid expenses	3,311	1,859
Right-of-use asset - office lease	16,975	-
(Decrease) increase in liabilities:		
Accounts payable	9,088	(12,449)
Accrued scholarships	(2,500)	15,000
Accrued grants payable	5,064,790	(7,955,693)
Office lease payable	<u>(16,645)</u>	<u>-</u>
Net cash used in operating activities	(711,624)	(8,174,325)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Net sales of securities	<u>495,665</u>	<u>7,991,503</u>
 Net change in cash, and cash equivalents	(215,959)	(182,822)
Cash and cash equivalents at beginning of year	<u>235,900</u>	<u>418,722</u>
Cash, cash equivalents at end of year	<u><u>\$ 19,941</u></u>	<u><u>\$ 235,900</u></u>
 SUPPLEMENTAL DISCLOSURES OF NONCASH FLOW INFORMATION		
Increase in right-of-use asset - office lease and office lease payable	\$ <u>77,415</u>	\$ <u>-</u>

see accompanying notes

THE SAN BRUNO COMMUNITY FOUNDATION
Notes to Financial Statements
June 30, 2025
with comparative totals as of and for the year ended June 30, 2024

1. Organization

The San Bruno Community Foundation (the “Foundation”), a California nonprofit corporation, was organized in 2013 as a public benefit 501(c)(3) nonprofit corporation and has been determined to be a Type I supporting organization under Section 509(a)(3) of the Internal Revenue Code (“IRC”). Pursuant to the settlement agreement dated March 12, 2012, between Pacific Gas & Electric Company (“PG&E”) and the City of San Bruno (the “City”), both parties agreed to resolve and settle all claims arising out of the September 9, 2010 pipeline incident (the “Settlement Agreement”). The terms required PG&E to contribute a total of \$70 million to the City, which comprised of 1) five vacant plots of land in the Glenview (Crestmoor) neighborhood, which had a total fair market value of \$1,250,000 and 2) \$68,750,000 in cash, to transfer to a tax-exempt, nonprofit public purpose entity. Hence, the Foundation was created from the Settlement Agreement. The Foundation engages primarily in the administration of PG&E restitution funds and building community partnerships.

The Foundation’s goals serve the San Bruno community by investing in projects, programs, services, and facilities that have significant and lasting benefits. Through making grants, leveraging partnerships, and taking advantage of other resources, the Foundation assists and enables the community to maximize shared investments and realize their subsequent enhancements and benefits.

2. Summary of significant accounting policies

Basis of accounting

The Foundation prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America. The Foundation’s year end for tax and financial reporting purposes is June 30.

Basis of presentation

The Foundation is required to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions:

Net assets available for use in general operations and not subject to donor restrictions. The Foundation’s governing board has designated, from net assets without donor restriction, long-term funds held in the quasi-endowment pool.

Net assets with donor restrictions:

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature, which will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Prior period comparison

The financial statements include certain prior-period summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation’s financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

THE SAN BRUNO COMMUNITY FOUNDATION
Notes to Financial Statements
June 30, 2025
with comparative totals as of and for the year ended June 30, 2024

2. Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include all cash balances on deposit with financial institutions and highly liquid investments with a maturity of three months or less at the date of acquisition. As of June 30, 2025 and 2024, cash and cash equivalents consist of the following:

	<u>2025</u>	<u>2024</u>
Cash - operating	\$ 18,997	\$ 184,610
Liquidity fund cash	944	51,290
Total cash and cash equivalents	<u>\$ 19,941</u>	<u>\$ 235,900</u>

Concentration of credit risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of temporary cash investments. The Foundation places its temporary cash investments with high credit quality financial institutions and, by policy, limits the amount of credit exposed to any one financial institution. The Foundation has not experienced any losses in such accounts.

Investments

The Foundation carries investments in various investment pools with readily determinable fair values and all investments are stated at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities and Changes in Net Assets.

Accounts receivable

Management considers receivables to be fully collectible. If amounts become uncollectible, they are charged to operations in the period in which that determination is made. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Fair value measurements

The Foundation applies the accounting provisions related to fair value measurements. These provisions define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, establish a hierarchy that prioritizes the information used in developing fair value estimates and require disclosure of fair value measurements by level within the fair value hierarchy. The hierarchy gives the highest priority to quoted prices in active markets (Level 1 measurements) and the lowest priority to unobservable data (Level 3 measurements), such as the reporting entity's own data. These provisions also provide valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flows) and the cost approach (cost to replace the service capacity of an asset or replacement cost).

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of valuation hierarchy are defined as follows:

- Level 1:* Observable inputs such as quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2:* Inputs other than quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3:* Unobservable inputs that reflect the Foundation's own assumptions.

THE SAN BRUNO COMMUNITY FOUNDATION
Notes to Financial Statements
June 30, 2025
with comparative totals as of and for the year ended June 30, 2024

2. Summary of significant accounting policies (continued)

Income taxes

The Foundation is a not-for-profit corporation under Section 501(c)(3) of the IRC and Section 23701(d) of the California Revenue and Taxation Code and therefore, is generally exempt from both federal and state income taxes, except on net income derived from unrelated business activities.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the Foundation to report information regarding its exposure to various tax positions taken. Management has determined whether any tax positions have met the recognition threshold and has measured its exposure to those tax positions. Management believes that the Foundation has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal tax authorities generally have the right to examine and audit the previous three years of tax returns filed. California tax authorities generally have the right to examine and audit the previous four years of tax returns filed. Any interest or penalties assessed to the Foundation are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

Scholarships expense

The Foundation has offered three types of scholarships for the members of the San Bruno community, which are defined as follows:

1. \$5,000 each year for four years, totaling \$20,000, for a high school student to attend a 4-year college.
2. \$2,500 each year for two years, totaling \$5,000, for a high school student to attend a 2-year community college.
3. \$5,000 each year for two years, totaling \$10,000, for a community college student who transfers to a 4-year college.

Scholarships are recognized when they have been awarded. Recipients are required to renew their scholarships for each year by submitting proof of full-time enrollment for the following fall and certification of status as a student in good standing, by June 1 of each year. For the years ended June 30, 2025 and 2024, scholarship expense was \$165,000 and \$160,000, respectively. As of June 30, 2025 and 2024, accrued scholarships payable was \$330,000 and \$332,500, respectively.

Grant expense

Grants are recognized when they are approved by the board, all significant conditions are met, all due diligence has been completed, and grant agreements have been executed. Grant refunds are recorded as a reduction of grant expense if the refund or notice of refund is received in the same fiscal year as the grant was expensed. For the years ended June 30, 2025 and 2024, grant expense was \$6,210,200 and \$652,500, respectively. As of June 30, 2025, accrued grants payable included \$2,509,364 payable toward the construction of and startup programming at the San Bruno Recreation and Aquatic Center and \$3,400,000 payable toward the Crestmoor Fields Project. As of June 30, 2024, accrued grants payable included \$589,501 payable toward the San Bruno Recreation and Aquatic Center. As of June 30, 2025 and 2024, accrued grants payable was \$6,381,784 and \$1,316,994, respectively.

Functional allocation of expenses

The Statement of Functional Expenses reports expenses by both natural and functional classification. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Costs are directly applied to the related program or supporting service category when identifiable and possible. Other expenses have been allocated to programs and management and general based on estimates of time and effort.

THE SAN BRUNO COMMUNITY FOUNDATION
Notes to Financial Statements
June 30, 2025
with comparative totals as of and for the year ended June 30, 2024

2. Summary of significant accounting policies (continued)

Leases

The Foundation determines if an arrangement is a lease at inception. An arrangement is a lease if the arrangement conveys a right to direct the use of and to obtain substantially all of the economic benefits from the use of an asset for a period of time in exchange for consideration.

Operating lease right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Foundation uses a risk-free rate at the commencement date in determining the present value of lease payments.

The operating lease right-of-use assets also include any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the leases when it is reasonably certain that the Foundation will exercise that option. The lease agreements do not contain any material residual value guarantees or material restrictive covenants. Lease expense for lease payments is recognized on a straight-line basis over the lease terms.

The office space lease agreement with San Bruno Office Associates, LLC includes monthly predetermined rental payments. Lease liabilities are not remeasured throughout the life of the lease since all predetermined changes in the monthly rent payments have already been considered in the lease liability calculation.

Subsequent events

Subsequent events have been evaluated through October 27, 2025, which is the date the consolidated financial statements were available to be issued, and there are no subsequent events requiring disclosure.

3. Liquidity and availability of financial assets

The following represents the Foundation's financial assets as of June 30:

Financial assets at year end:	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 19,941	\$ 235,900
Investments	<u>31,937,024</u>	<u>30,335,486</u>
Total financial assets	<u>31,956,965</u>	<u>30,571,386</u>
Less amounts not available due to:		
Net assets with donor restrictions	-	1,200
Board designated quasi-endowment fund	49	23,326,819
Grants payable	6,381,784	1,316,994
Scholarships payable	<u>330,000</u>	<u>332,500</u>
	<u>6,711,833</u>	<u>24,977,513</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 25,245,132</u>	<u>\$ 5,593,873</u>

The Foundation's goal is generally to maintain financial assets to meet its operating and budgeted needs. As part of its liquidity plan, excess cash is invested in short-term investments, including mutual funds.

THE SAN BRUNO COMMUNITY FOUNDATION
Notes to Financial Statements
June 30, 2025
with comparative totals as of and for the year ended June 30, 2024

4. Investments

The following tables present the Foundation's assets that are measured and recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of June 30, 2025 and 2024:

		June 30, 2025				
		Level 1	Level 2	Level 3	Fair Value Measurements	
Assets						
Liquidity pool						
Mutual funds	\$	195,105	\$	-	\$	195,105
Exchange traded products and ETFs		553,662		-		553,662
Total liquidity pool		748,767		-		748,767
Strategic pool						
Cash reserves		45,458		-		45,458
Mutual funds		16,689,664		-		16,689,664
Exchange traded products and ETFs		14,453,086		-		14,453,086
Total strategic pool		31,188,208		-		31,188,208
Quasi-endowment pool						
Cash reserves		49		-		49
Total quasi-endowment pool		49		-		49
Total assets	\$	31,937,024	\$	-	\$	31,937,024
		June 30, 2024				
		Level 1	Level 2	Level 3	Fair Value Measurements	
Assets						
Liquidity pool						
Mutual funds	\$	608,156	\$	-	\$	608,156
Exchange traded products and ETFs		650,893		-		650,893
Total liquidity pool		1,259,049		-		1,259,049
Strategic pool						
Cash reserves		50,941		-		50,941
Mutual funds		3,031,553		-		3,031,553
Exchange traded products and ETFs		2,667,124		-		2,667,124
Total strategic pool		5,749,618		-		5,749,618
Quasi-endowment pool						
Cash reserves		195,224		-		195,224
Mutual funds		7,356,128		-		7,356,128
Exchange traded products and ETFs		15,775,466		-		15,775,466
Total quasi-endowment pool		23,326,819		-		23,326,819
Total assets	\$	30,335,486	\$	-	\$	30,335,486

THE SAN BRUNO COMMUNITY FOUNDATION
Notes to Financial Statements
June 30, 2025
with comparative totals as of and for the year ended June 30, 2024

4. Investments (continued)

The Foundation's investments consisted of the following cost basis when originally acquired:

	<u>2025</u>	<u>2024</u>
Liquidity pool	\$ 548,733	\$ 644,886
Strategic pool	29,138,282	5,879,124
Quasi-endowment pool	-	19,331,189
Total securities	<u>\$ 29,687,015</u>	<u>\$ 25,855,199</u>

5. Office lease

The Foundation has an office lease with San Bruno Office Associates, LLC, which was amended effective April 1, 2025 to extend the lease to March 31, 2030. Initial monthly payments are \$1,161 and increases annually at a rate of 3% on April 1 of each year. For the years ended June 30, 2025 and 2024, rent expense was \$17,020 and \$17,009, respectively. As of June 30, 2025, right-of-use asset – office lease and office lease payable were \$73,544 and \$73,874, respectively. As of June 30, 2024, right-of-use asset – office lease and office lease payable were \$13,104 and \$13,104, respectively.

Future office rent payment requirements over the next five years and thereafter are as follows:

Year ending June 30,	
2026	\$ 14,324
2027	14,970
2028	15,638
2029	16,317
2030	<u>12,625</u>
Lease payable	<u>\$ 73,874</u>

6. Employee benefit plan

Effective January 1, 2015, the Foundation established a tax-deferred annuity plan qualified under Section 403(b) of the IRC for its employees. The Foundation makes non-matching contributions equal to 5% of the gross salary for individual employees. For the years ended June 30, 2025 and 2024, \$15,456 and \$10,607, respectively, was contributed by the Foundation on behalf of its employees.

THE SAN BRUNO COMMUNITY FOUNDATION
Notes to Financial Statements
June 30, 2025
with comparative totals as of and for the year ended June 30, 2024

7. Net assets with donor restriction

Net assets with donor restriction consist of the following as of June 30:

	<u>2025</u>	<u>2024</u>
Recreation & Aquatic Memorial Bench	<u>\$ -</u>	<u>\$ 1,200</u>

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose or by the expiration of time as follows:

	<u>2025</u>	<u>2024</u>
Community Grants Fund	\$ 100,000	\$ 100,000
CNM Scholarships	1,500	1,500
Recreation & Aquatic Center Memorial Bench	<u>1,200</u>	<u>-</u>
Total net assets released from restrictions	<u>\$ 102,700</u>	<u>\$ 101,500</u>



October 27, 2025

To the Board of Directors of
The San Bruno Community Foundation:

We have audited the financial statements of The San Bruno Community Foundation (the "Organization") as of and for the year ended June 30, 2025, and have issued our report thereon dated October 27, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 5, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2025. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events.

Any estimates included in the financial statements are reasonable in relation to the financial statements as a whole.

The financial statements disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 27, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditors' opinion that may be

To the Board of Directors of The San Bruno Community Foundation

October 27, 2025

Page 2 of 2

expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in blue ink that reads "Novogradac & Company LLP". The signature is written in a cursive, flowing style.

NOVOGRADAC & COMPANY LLP

SAN BRUNO

Community Foundation

Memorandum

DATE: October 30, 2025

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report on Programs (Strategic Grants, Crestmoor Scholarship, Community Grants Fund)

At the November 5, 2025, Board meeting, I will give a brief update on the Foundation's programs.

1. Strategic Grants

The Board received thorough presentations on all active strategic grants (RAC Startup Programming and Outreach, Crestmoor Fields Project, Downtown Beautification Initiative, San Bruno-Narita Sister City Program, SBPSD School Athletic Field Improvements) at the September 3, 2025, Board meeting. Since then, the San Bruno Education Foundation submitted the required documentation supporting expenses incurred on the Belle Air Elementary School field in mid-September, and with the \$9,510 grant payment SBCF made on the grant at the end of September, the entire grant amount of \$150,000 has been disbursed. The Final Grant Report for the grant is due by January 31, 2026.

In addition, the City of San Bruno submitted the quarterly Grant Report for the Crestmoor Fields Project grant in early October, documenting \$9,949.99 in expenses for the quarter that concluded on September 30, 2025. However, disbursement of any grant payments is contingent upon prior (1) confirmation that the City has received a land dedication of 5.3 acres on the site of the former Crestmoor High School to be used for athletic fields, (2) execution of an improvement agreement between the City and Toll Brothers in which Toll Brothers agrees to construct the athletic fields for the City, (3) finalization by the City of the project budget for Phase 1 of the Crestmoor Fields Project, and (4) approval by the City Council of additional funding sufficient to cover the full amount of the total cost of Phase 1 of the Crestmoor Fields Project based upon such final budget above the maximum amount of the grant. Because the City has not yet satisfied all four requirements, the Foundation has not disbursed any payments to the City for this grant.

2. Crestmoor Scholarship

We have distributed this year's scholarship payments to all active 2022, 2023, 2024, and 2025 Crestmoor Scholars. There are four Scholars from the 2020, 2021, and 2022 cycles who

SAN BRUNO

Community Foundation

Memorandum

declined to seek scholarship payments in previous years and have not provided documentation to restart their scholarship.

Per the Board's decision in May, the Crestmoor Neighborhood Memorial Scholarship will not be offered in 2026.

3. Community Grants Fund

The grant period for all 2024-2025 Community Grants concludes on December 31, 2025, and Grant Reports from these grantees will be due on March 1, 2026.

In October, we amended the Grant Agreement for the 2024-2025 Community Grant awarded to CORA (Community Overcoming Relationship Abuse) to expand the grant purposes. CORA staff informed me that it was unlikely to expend the full amount of the \$10,000 grant to support San Bruno survivors of intimate partner abuse through CORA's Safe House and Supportive Housing program. As a result, I agreed to amend the grant purposes to allow CORA to spend the remaining balance of grant funds (about \$3,000) to provide support services to San Bruno survivors of intimate partner abuse through CORA's Family Centered Mental Health, Legal Services, and/or Crisis Support Services programs in addition to the Safe House and Supportive Housing program, and/or to clients who are served at CORA's satellite location at Belle Air Elementary School in San Bruno.

Also in October, we amended the Grant Agreement for the 2021-2022 Community Grant awarded to the City of San Bruno for the Reducing the Impact of Drugs on Families program. We previously amended the Grant Agreement twice – the first time to extend the grant period and the second time to again extend the grant period and also to expand the grant purposes to permit use of the grant funds to purchase or facilitate the purchase of overdose-reversing treatments, such as Narcan/Naloxene, for the San Bruno Park School District to ensure that there is a continuous and adequate supply for the treatment of opioid overdoses involving juveniles. When we contacted the new Police Chief about the Grant Report for this grant, he reported that the department spent all but \$2,565.39 of the grant funds. After discussion, I agreed to extend the grant period through the end of 2025 so that they could spend the remaining grant funds on the drug education program.

Per the Board's decision in May, the Community Grants Fund will not be offered in 2025-2026. Since we typically launched the Community Grants Fund cycle in July, I have continued to respond to inquiries from nonprofit organizations about the program.

SAN BRUNO

Community Foundation

Memorandum

DATE: October 30, 2025

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Discussion Regarding Upcoming Officer Elections for 2026 Term

The Foundation's Bylaws provide limited guidance related to the election of officers. Article VIII, Section 2, of the Bylaws states:

The officers of the Corporation, except the Executive Director and those appointed under Section 3 of this Article [meaning those other than the President, Vice President, Secretary, and Treasurer], shall be chosen annually by the Board for one-year terms starting on January 1 and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment, and subject to the approval of the City Council.

At its September 7, 2016, meeting, the Foundation Board adopted two documents – (1) San Bruno Community Foundation General Principles Regarding Election of Officers, and (2) San Bruno Community Foundation Process for Electing Officers – which now govern the Foundation's election of officers. Under the Process for Electing Officers:

Officer elections are held no later than the Board's regular November meeting, so that, per the Bylaws, the San Bruno City Council can consider and approve the officers by December 31. Prior to the making of nominations, the subject of elections will be agendized to give Board members the opportunity to comment.

Per the Process for Electing Officers, a discussion of the election of officers for 2026 has been agendized for the November 5, 2025, Board meeting, giving Board members the opportunity to comment on the elections prior to election, which will take place later on in the meeting. Board members will be able to ask questions and make comments related to the officer elections.

Attachments:

1. SBCF General Principles Regarding Election of Officers
2. SBCF Process for Electing Officers

SAN BRUNO

Community Foundation

General Principles Regarding Election of Officers

Approved by the Board of Directors, September 7, 2016

- All elections should be guided by the provisions contained in the Foundation's Bylaws and Articles of Incorporation or by any rules of procedure adopted by the Board of Directors.
- The skillset desirable for the President to possess to provide leadership and support for the evolving development of the Foundation includes:
 - o Oral communication and meeting management skills to serve as the presiding officer
 - o Interpersonal and communication skills to address the concerns of the public, City of San Bruno leaders, and Board members
 - o Strong ties to the community and a demonstrated ability to hold the community in trust
 - o Character and strong integrity
 - o Reputation of fairness and transparency
 - o Consideration of other viewpoints
 - o Ability to collaborate and build consensus
- It is desirable for the Vice President to possess the skillset to perform the duties of the President as needed.
- The skillset desirable for the Treasurer to possess to support the Foundation's evolving finance and investment functions includes:
 - o Professional experience in accounting, finance, business, and/or investment management
 - o Strong ties to the community and a demonstrated ability to hold the community in trust
 - o Character and strong integrity
 - o Reputation of fairness and transparency
 - o Consideration of other viewpoints
 - o Ability to collaborate and build consensus
- The skillset desirable for the Secretary to possess to maintain the Foundation's records includes:
 - o Strong writing skills and attention to detail
 - o Strong ties to the community and a demonstrated ability to hold the community in trust
 - o Character and strong integrity

- o Reputation of fairness and transparency
 - o Consideration of other viewpoints
 - o Ability to collaborate and build consensus
- Officers of the organization should be able to commit the required time to fulfill their roles at the current stage of the Foundation's development.
- Officers should be able to meet their personal legal and fiduciary responsibility of serving as an officer.
- Officers should be nominated to serve as an officer only with their consent and expressed interest in serving and carrying out such responsibilities.

SAN BRUNO

Community Foundation

Process for Electing Officers

Approved by the Board of Directors, September 7, 2016

1. Terms of Officers

The terms of offices are defined in the Bylaws ("shall be chosen annually by the Board for one-year terms starting on January 1").

2. Officers to be Elected

Per the Bylaws, the following officers shall be elected by the Board of Directors, in the following order:

- President
- Vice President
- Secretary
- Treasurer

3. Scheduling of Officer Elections

Officer elections are held no later than the Board's regular November meeting, so that, per the Bylaws, the San Bruno City Council can consider and approve the officers by December 31. Prior to the making of nominations, the subject of elections will be agendized to give Board members the opportunity to comment.

4. Nominations

Nominations, including self-nominations, for each office are made orally at the meeting. A nomination must receive a second prior to any vote on that nomination. A Director nominated for an office may decline the nomination, even if the nomination has been seconded. Nominations are taken for each office individually, following the order in Section 2 above.

A candidate who is not elected for an office may be nominated for a different office.

5. Voting

The Board will take nominations and vote in turn for each office in the order specified in Section 2. If there is more than one candidate for an office, the Secretary shall conduct a roll-call vote, with each Director casting his/her vote for one candidate. To be elected, a candidate must receive votes from a majority of Directors participating in the meeting.

6. Record of the Election

The minutes of the Board meeting at which the election occurred shall record the candidates nominated for each position and the elected candidate.

7. Process for Filling a Mid-Term Vacancy

In the event that the office of the President becomes vacant prior to the completion of the current term, the Vice President will assume the Presidency for the remainder of the term. In the event of a vacancy of the any other office, the elections process as outlined in Sections 4-6 above will be implemented immediately to fill the position.

SAN BRUNO

Community Foundation

Memorandum

DATE: October 30, 2025

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Election of Officers for 2026

The San Bruno Community Foundation has four elected officers: President, Vice President, Secretary, and Treasurer. Article VIII, Section 2, of the Bylaws states:

The officers of the Corporation, except the Executive Director and those appointed under Section 3 of this Article [meaning those other than the President, Vice President, Secretary, and Treasurer], shall be chosen annually by the Board for one-year terms starting on January 1 and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment, and subject to the approval of the City Council.

At its September 7, 2016, meeting, the Foundation Board adopted two documents – (1) San Bruno Community Foundation General Principles Regarding Election of Officers, and (2) San Bruno Community Foundation Process for Electing Officers – which now govern the Foundation’s election of officers.

Under the Process for Electing Officers:

Officer elections are held no later than the Board’s regular November meeting, so that, per the Bylaws, the San Bruno City Council can consider and approve the officers by December 31. Prior to the making of nominations, the subject of elections will be agendized to give Board members the opportunity to comment.

Under the process, the officers shall be elected by the Board of Directors, in the following order:

- President
- Vice President
- Secretary
- Treasurer

Nominations, including self-nominations, for an office are made orally at the meeting. A nomination must receive a second prior to any vote on that nomination. A Director nominated

SAN BRUNO

Community Foundation

Memorandum

for an office may decline the nomination, even if the nomination has been seconded. After nominations are taken, the Board is to take a vote. If there is more than one candidate for an office, the Secretary shall conduct a roll-call vote, with each Director casting his/her vote for one candidate. To be elected, a candidate must receive votes from a majority of Directors participating in the meeting.

Following this process, officer elections for 2026 will take place at the Board's November 5, 2025, Regular Meeting. Please note that four Board members will be concluding Board terms on December 31, 2025. All four are eligible for reappointment, and in December the San Bruno City Council will be appointing four individuals to four-year terms beginning on January 1, 2026. Because only three current Board members will for certain continue to serve on the Board in 2026, the Board will elect three officers on November 5. The final officer will be elected once the new Board members begin their terms in January 2026.