

SAN BRUNO

Community Foundation

2026 Board of Directors

Malissa Netane-Jones, *President* • Jim Ruane, *Vice President* • Raul Gomez, *Secretary* • Belinda Wong, *Treasurer*
Larry Franzella • Jessica Inglima • Supriya S. Perry
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/89775740720?pwd=JfsetF3rav1Wox9m0NnLwZmd10fLug.1>
Webinar ID: 897 7574 0720
Passcode: 012868
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

June 3, 2026

7:00 p.m.

1. Call to Order/Welcome
2. Roll Call

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Board of Directors

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- 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 agendaized pursuant to State Law.
- 4. Approval of Minutes:** May 6, 2026, Regular 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 Approving Appointments to the Investment Committee
 - b. Receive and Approve Treasurer's Report (April 2026 Financial Statements)
- 7. Conduct of Business**
 - a. Receive Report on the Recreation and Aquatic Center Startup Programming and Outreach Activities Grant from the City of San Bruno and Provide Feedback on Potential Grant Modifications
 - b. Receive Report on the Downtown Beautification Initiative from the City of San Bruno
 - c. Receive Report on the Crestmoor Fields Project from the City of San Bruno
 - d. Receive Report from the Ad Hoc Committee on Strategic Planning on the Status of Potential Legacy Projects
 - e. Receive Report from Investment Committee on its May 20, 2026, Regular Meeting
 - f. Adopt Resolution (a) Approving Fiscal Year 2026-2027 Budget, (b) Approving Transfer from the Strategic Pool Investment Account to the Liquidity Account for Fiscal Year 2026-2027, and (c) Directing the Executive Director to Submit the Fiscal Year 2026-2027 Budget to the San Bruno City Council for Consideration and Approval
- 8. Board Member Comments**
- 9. Adjourn:** The next regular meeting of the Board of Directors is scheduled for Wednesday, July 1, 2026, at 7:00 p.m.

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MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

May 6, 2026

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.
- 2. Roll Call:** Board Members Netane-Jones, Ruane, Gomez, Franzella, Inglima, Perry, and Wong, present.
- 3. Public Comment:** None.
- 4. Approval of Minutes:** March 4, 2026, Regular Board Meeting

Treasurer Wong moved to approve the minutes of the March 4, 2026, Regular Board Meeting, seconded by Vice President Ruane, approved unanimously by roll call vote.

5. Executive Director's Report

Executive Director Hatamiya reported on several items. First, she said that the Foundation's commercial general liability, property, cyber liability, and non-owned hired auto liability insurance policies with the Philadelphia Insurance Companies, which are bundled together, its workers compensation insurance policy with The Hartford, and its directors and officers liability insurance policy with Travelers all renewed on March 21, 2026. She also explained that the Foundation executed a new crime insurance policy with Philadelphia Insurance Companies, which offered a less expensive premium than Travelers, and that the new policy started on March 21 to line up with the other policies. She said the Foundation's last crime policy with Travelers was terminated two months early on March 21, with a small refund pending.

She then reported that President Netane-Jones executed the professional services agreement with Novogradac & Company to conduct the Foundation's fiscal year 2025-2026 audit and tax preparation, as authorized by the Board at the March Board meeting.

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She reported on the new requirement for two hours of fiscal and financial training mandated by SB 827. She explained that Board Member Franzella, as a new Board member, is required to complete it by July 1, 2026, and then once every two years, while other Board members, Investment Committee members, and the Executive Director must complete it by January 1, 2028, and then every two years. She reported that she is coordinating with the San Bruno City Clerk's Office to be able to use the service the City is using for the training, and then the Foundation will reimburse them for our share of the cost.

Finally, she reported that she is working on the fiscal year 2026-2027 budget, which the Board will consider at the June Board meeting.

6. Consent Calendar

- a. Receive and Approve Treasurer's Report (February and March 2026 Financial Statements)

Secretary Gomez moved to accept the Consent Calendar as presented, seconded by Board Member Inglima, approved unanimously by roll call vote.

7. Conduct of Business

- a. Receive Report from the Ad Hoc Committee on Strategic Planning

As chair of the Ad Hoc Committee on Strategic Planning, President Netane-Jones reported that the Committee is in a holding pattern on the remaining legacy projects. She said that now that the Board has approved the Outdoor Education long-term funding and the permanent lighting for the Crestmoor Fields, the Committee is primarily focused on the main final legacy project, a new Fire Station No. 52. She reminded the Board that the initial issue for the project is determining the location of the new fire station. She said the City has been in discussions with Caltrans to obtain its preferred site for the new fire station at the corner of Skyline Boulevard and San Bruno Avenue, but progress remains slow. She also said that as she reported in March, the City Council is considering undertaking renovations to the San Bruno Senior Center, but the City has yet to request any funds from the Foundation for this project.

- b. Receive Report on Programs

Executive Director Hatamiya gave a brief report on the Foundation's programs. She first reported on the Outdoor Education funding the Board approved at the March meeting. She noted that she worked with Sand Hill Global Advisors to revive the Foundation's Quasi-Endowment account and transfer \$2,000,000 from the Strategic Pool to the Quasi-Endowment designated to support the Outdoor Education Program. She reported that she executed a grant agreement with the San Bruno Education Foundation for an amount not to exceed \$160,000 to support the Outdoor Education program for fifth grade students in the San Bruno Park School District in school years 2025-2026 and 2026-2027, and that in mid-April, she delivered to SBEF the first grant payment of \$60,000 for the 2025-2026 school year.

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With regard to the Crestmoor Fields Project, she reported that the City of San Bruno continues to negotiate the final details of its Improvement Agreement with Toll Brothers, the developer that will construct the soccer complex. She said the issues and delay appear to be primarily on the Toll Brothers side, and the City is working diligently to try to address them.

With regard to the San Bruno-Narita Sister City Program grants, she reported that the Narita delegation recently made its annual visit to San Bruno at the end of March, with Foundation representatives attending an evening reception at the San Bruno Recreation and Aquatic Center (RAC) for the Narita delegation and a well-attended Saturday afternoon public event in the plaza in front of the RAC that featured a taiko drumming performance and demonstration. She also reported that the San Bruno Education Foundation, the San Bruno Park School District, and the City held the first Narita Supporters Dinner, Bridge to Narita, on March 7 at the RAC as a fundraiser for the sister city exchange program. She stated that, as reported by SBEF President Heather Latta, the Narita Supporters Dinner was attended by more than 90 community members and was successful in helping to create enthusiasm for the Narita exchange program and to raise awareness about the need for community support to help sustain the program.

Ms. Hatamiya reported that City staff will update the Board on the RAC Startup Programming and Outreach grant and Downtown Beautification grant at the June Board meeting. She also reported that all but one of the final set of Community Grants Fund grantees has submitted their grant reports and that she expects to receive the final grant report soon. With regard to the Crestmoor Scholarship, she reported that in April she notified the 34 Crestmoor Scholars who received scholarship payments in 2025 that they must submit an Annual Report and the 24 Crestmoor Scholars who are eligible to receive payments in 2026 to submit their renewal documentation (proof of enrollment for fall 2026 and a certificate of good standing from their college). She said that upon receipt of the required documentation for each student, she will begin disbursing 2026 scholarship payments in June.

8. Board Member Comments: None.

9. Closed Session: Public Employee Performance Evaluation Pursuant to Government Code section 54957: Executive Director

There was no reportable action.

10. Closed Session: Conference with Labor Negotiators Pursuant to Government Code section 54957.6. Agency designated representative: Board President Malissa Netane-Jones. Unrepresented employee: Executive Director

There was no reportable action.

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11. Adjourn: Board Member Perry moved to adjourn the meeting at 8:18 p.m., seconded by Treasurer Wong, approved unanimously.

Respectfully submitted for approval at the Regular Board Meeting of June 3, 2026, by Secretary Raul Gomez and President Malissa Netane-Jones.

Raul Gomez, Secretary

Malissa Netane-Jones, President

SAN BRUNO

Community Foundation

Memorandum

DATE: May 28, 2026

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Executive Director's Report

The Executive Director's Report this month is brief, focusing on two matters:

1. Crestmoor Scholarship Payments

This year, 24 Crestmoor Scholars are eligible to receive scholarship payments upon receipt of their renewal documentation (proof of enrollment for fall 2026, a certificate of good standing from their college, and their 2026 annual report). Thus far, two Crestmoor Scholars have submitted the necessary documentation, and a number of others have submitted partial documentation. I will soon begin disbursing 2026 scholarship payments.

2. Email Newsletter and Website Hits

Since the May 6 Board meeting, I have sent out one email blast to the Foundation's email distribution list, reporting on the May Board meeting. Of the approximately 800 emails sent, 54% of the recipients opened the email.

According to Google Analytics, activity on the sbcf.org website has been light. Between May 6 and May 27, 270 users visited the Foundation website. The most visited page was the home page, with a smaller number of visits to the pages related to the Crestmoor Scholarship, the Community Grants Fund, and the RAC.

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Community Foundation

Memorandum

DATE: May 28, 20256

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Consent Calendar for the June 3, 2026, Regular Board Meeting

For the June 3, 2026, Regular Meeting of the Board of Directors of the San Bruno Community Foundation, the Consent Calendar includes two items related to the administrative and operational functions of the Foundation.

1. Adopt Resolution Approving Appointments to the Investment Committee

Article VII, Section 3, of the San Bruno Community Foundation's Bylaws empowers the Foundation's Board of Directors to create advisory committees that may contain any number of Director and non-Director committee members. On June 1, 2016, the Board created the Investment Committee as an advisory body charged with providing guidance to the Board on all aspects of the investment management process, as outlined in the Charter of the Investment Committee. The Committee Charter states that the Committee shall consist of the Board Treasurer, who serves in an ex officio capacity as Chair, along with one other Director member and three non-Director members whose experience in finance and investment management may assist the Committee and the Board in the performance of their investment oversight responsibilities. The four Committee members other than the Treasurer are appointed by the Board.

In June 2024, the Board appointed Board Member Belinda Wong and community members Anthony Clifford, Mark Hayes, and Tim Ross to two-year terms on the Investment Committee commencing on July 1, 2024, and concluding on June 30, 2026. Upon her election as Treasurer in January 2026, Ms. Wong began serving as Investment Committee Chair in an ex officio capacity, and the Board subsequently appointed Board Member Larry Franzella to serve the remainder of Ms. Wong's Director member term on the Committee.

Board Member Franzella, Mr. Clifford, Dr. Hayes, and Mr. Ross have diligently and capably served on the Committee. In the interest of continuity and sustained productivity of the Committee, particularly as the Foundation focuses on spending down the Foundation's total net assets on a small number of legacy projects, the appointment of Mr. Franzella, Mr. Clifford, Dr. Hayes, and Mr. Ross to new two-year terms on the Committee would be an asset to the

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Community Foundation

Memorandum

Foundation. All four have agreed to serve another term on the Committee. The attached resolution would appoint the four of them to new two-year terms commencing on July 1, 2026, and concluding on June 30, 2028.

2. Receive and Approve Treasurer's Report (April 2026 Financial Statements)

The April 2026 financial statements consist of a Budget Report and Balance Sheet. The attached Budget Narrative provides a thorough explanation of the financial statements. The Budget Report includes 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 Treasurer's Report, as outlined above, as part of the Consent Calendar on June 3, 2026.

Attachments:

1. Resolution Approving Appointments to the Investment Committee
2. April 2026 Financial Statements

RESOLUTION NO. 2026-__

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION
APPROVING APPOINTMENTS TO THE INVESTMENT COMMITTEE**

WHEREAS, on June 1, 2016, the Foundation’s Board of Directors created the Investment Committee as an advisory body charged with providing guidance to the Board on all aspects of the investment management process, as outlined in the Charter of the Investment Committee;

WHEREAS, the Committee Charter states that the Committee shall consist of the Board Treasurer, who serves in an ex officio capacity, along with one other Director member and three non-Director members whose experience in finance and investment management may assist the Committee and the Board in the performance of their investment oversight responsibilities and who are appointed by the Board;

WHEREAS, the current terms of Board Member Larry Franzella and community members Anthony Clifford, Mark Hayes, and Tim Ross as members of the Committee will conclude on June 30, 2026;

WHEREAS, Mr. Franzella, Mr. Clifford, and Dr. Hayes have diligently and capably served on the Committee and have expressed interest in continuing to serve on the Committee; and

WHEREAS, Treasurer Belinda Wong continues to serve ex officio as the Committee Chair.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby appoints Board Member Larry Franzella as a Director member of the Investment Committee and Anthony Clifford, Mark Hayes, and Tim Ross as the three non-Director Committee members to two-year terms on the Investment Committee commencing on July 1, 2026, and concluding on June 30, 2028.

Dated: June 3, 2026

ATTEST:

Raul Gomez, Secretary

I, Raul Gomez, Secretary, do hereby certify that the foregoing Resolution No. 2026-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 3rd day of June, 2026, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

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Community Foundation

April 2026

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 ten months equal 83.3% of the fiscal year.

INCOME

Line 1 Transfers from Strategic Pool – First transfer of \$2,500,000 is equal to 26.2% of budget. There will be no additional transfers this fiscal year and the year-end projected total includes the \$7,025,348 reduction compared to budget.

Line 2 Donations - \$101,940 unbudgeted, unrestricted contributions have been received. \$100,000 came from Google via Fidelity Charitable Funds. An additional \$1,000 is expected by year-end.

EXPENSES

Line 4 Strategic Grants – \$160,000 Outdoor Education grant is 3.2% of budget. In January, the Board approved additional grant funding of \$1,952,400 for permanent lighting as part of the Crestmoor Fields Project grant; however, since the Amendment to the Grant Agreement has not yet been executed, the additional grant award has not yet been recorded. Projected year-end total is \$2,887,600 less than budget.

Line 5 Salaries & Wages – Expense is over budget at 83.9% due to Program Manager severance payment in July.

Line 6 Payroll Taxes & Benefits – Expense (\$31,416) is 95% of budget. Retirement (\$18,184) and Social Security/Medicare tax (\$11,912) are the largest costs. Other costs include life (\$664) and workers' compensation (\$656) insurances. Final expected amount increased \$4,939 based on Board approved increase in benefits.

Line 8 Occupancy – Only cost is office lease (\$12,902). Amount is exactly on budget at 83.3%.

Line 9 Insurance – Total (\$10,065) is 74.1% of budget and includes Directors & Officers (\$6,696), crime (\$2,276), and commercial liability (\$1,093) policies. Final projected amount is \$1,780 less than budget based on reduced premiums.

Line 10 Telecommunications – Cost (\$1,440) is 68.6% of budget. Total includes internet (\$674), cellular (\$525), and land line (\$241) services. Final projected amount is \$350 less than budget.

Line 11 Postage & Shipping – Cost (\$2,863) is 94.2% of budget. \$2,532 or 88% of the total has been for Annual Report delivery.

Line 12 Marketing & Communications - \$12,143 is 87.6% of budget with \$11,444 or 94% of the total for Annual Report printing and design. Total also includes \$451 for communications software app. Final expected amount is \$1,612 less than budget.

Line 13 Office Supplies & Equipment – Cost (\$1,266) is 48.7% of budget with \$511 for computer related expenses and \$706 for printer toner. Final expected amount is \$868 less than budget.

Line 14 Legal Fees – \$26,847 is 65% of budget, with \$17,156 expended in support of Administration, \$9,471 supporting Strategic Grants, and \$220 for Community Grants. Final expected amount is \$9,535 less than budget.

Line 15 Accounting & Payroll Fees – Total (\$27,281) is 82.8% of budget with \$13,769 for Accounting Consultant, \$11,600 for audit and tax preparation fees, and \$1,812 for payroll fees. Final expected amount is \$2,604 less than budget.

Line 16 Other Consultants – \$472 cost is 12.5% of budget and was incurred for IT Consultant. Final expected amount is \$2,303 less than budget.

Line 17 Travel, Meetings & Conferences – \$2,822 is 46% of budget. \$2,038 has been incurred for SBRAC room rentals. \$784 incurred for costs associated with hosting a meeting of community-based organizations. This meeting will be sponsored by the Silicon Valley Foundation. Final expected amount is \$1,568 less than budget.

Line 18 Miscellaneous – Cost (\$1,555) equals 61% of budget. \$400 has been for Attorney General RRF-1 filing fees and \$850 for organizational memberships. Final expected amount is \$695 less than budget.

SUMMARY

Excluding the budget for Grants, total expenses are 80.9% of budget, which is less than the 83.3% benchmark for the first ten months of the year. In terms of dollars, the \$320,911 first ten months expense is \$9,660 less than the budget allocation for the first ten months. Final expected amount for all non-grant expenses is \$16,433 less than budget.

Total April Investment net gain or increase in value is \$811,934. This came from Strategic Pool (\$679,126), Quasi-Endowment Outdoor Education Pool (\$124,223), and Liquidity Pool (\$8,585) gains. Year-to-date Investment net income or increase in value is \$2,116,601.

Overall organization year-to-date net income or increase in net assets is \$1,737,630.

Total Net Assets, as of April 30, 2026, are \$26,962,456 with \$24,853,007 in general Unrestricted funds and \$2,109,449 in the newly formed Quasi-Endowment Outdoor Education fund.

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April 2026 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%	2,500,000	(7,025,348)
2 Donations	101,940	-	-	102,940	102,940
3 Total Available for Operations	2,601,940	9,525,348	27.3%	2,602,940	(6,922,408)
EXPENSES					
4 Strategic Grants	160,000	5,000,000	3.2%	2,112,400	(2,887,600)
5 Salaries & Wages	189,839	226,207	83.9%	226,207	-
6 Payroll Taxes & Benefits	31,416	33,058	95.0%	37,997	4,939
7 Subtotal Personnel Expenses	221,255	259,265	85.3%	264,204	4,939
8 Occupancy	12,902	15,483	83.3%	15,483	-
9 Insurance	10,065	13,590	74.1%	11,810	(1,780)
10 Telecommunications	1,440	2,100	68.6%	1,750	(350)
11 Postage & Shipping	2,863	3,040	94.2%	2,983	(57)
12 Marketing & Communications	12,143	13,855	87.6%	12,243	(1,612)
13 Office Supplies & Equipment	1,266	2,600	48.7%	1,732	(868)
14 Legal Fees	26,847	41,332	65.0%	31,797	(9,535)
15 Accounting & Payroll Fees	27,281	32,955	82.8%	30,351	(2,604)
16 Other Consultants	472	3,775	12.5%	1,472	(2,303)
17 Travel, Meetings & Conferences	2,822	6,140	46.0%	4,572	(1,568)
18 Miscellaneous	1,555	2,550	61.0%	1,855	(695)
19 Subtotal Non-Personnel	99,656	137,420	72.5%	116,048	(21,372)
20 Total Expenses	480,911	5,396,685	8.9%	2,492,652	(2,904,033)
21 Net Surplus/(Loss)	\$ 2,121,029	\$ 4,128,663		\$ 110,288	\$ (4,018,375)

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Statement of Financial Position as of April 30, 2026

ASSETS

Cash, Wells Fargo General	\$	204,867.41	
Cash, Wells Fargo Payroll		20,337.56	
Cash, Fidelity Liquidity Pool - Operating		2,212,518.01	
Total Cash			2,437,722.98
Investments, Fidelity Strategic Pool		28,624,602.21	
Investments, Quasi-Endowment Outdoor Education		2,109,448.97	
Total Investments			30,734,051.18
Prepaid Insurance		10,973.00	
Payroll Tax Holding Account		5,487.96	
Total Other Current Assets			16,460.96
Deposits		909.45	
Right of Use Asset - Lease		61,822.10	
Total Other Assets			62,731.55
TOTAL ASSETS			\$ 33,250,966.67

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable		6,148.03	
Payroll Taxes Payable		5,487.96	
Accrued Grants Payable		5,943,126.06	
Accrued Scholarships Payable		255,000.00	
Accrued Employee PTO		16,785.14	
Lease Liability		61,963.75	
Total Liabilities			6,288,510.94

NET ASSETS

Unrestricted, Non-QE 7/1/2025 Balance		25,224,776.73	
Transfers from Quasi-Endowment		(1,997,767.04)	
Year to Date Net Income from Operations		(378,971.19)	
Year to Date Non-QE Investment Income		2,004,968.26	
Total Non-QE Unrestricted Net Assets			24,853,006.76
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			-
Quasi-Endowment Outdoor Education 7/1/2025 Balance		-	
Transfer from Strategic Pool		2,000,000.00	
Year-to-date QEOE Investment Income		109,448.97	
Total QEOE Unrestricted Net Assets			2,109,448.97
Total Unrestricted Net Assets			26,962,455.73
Total Net Assets			26,962,455.73

TOTAL LIABILITIES & NET ASSETS			\$ 33,250,966.67
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SAN BRUNO

Community Foundation

Memorandum

DATE: May 28, 2026

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report on the Recreation and Aquatic Center Startup Programming and Outreach Activities Grant from the City of San Bruno

At the June 3, 2026, regular meeting, the Board of Directors will receive a report on the second year of the Recreation and Aquatic Center (RAC) Startup Programming and Outreach Activities Grant from the City of San Bruno. Community Services Director Travis Karlen will give the presentation on behalf of the City.

In September 2024, the Board approved a three-year, \$2.25 million strategic grant to the City of San Bruno supporting startup programming and outreach activities at the new Recreation and Aquatic Center. The grant is intended to help the City bridge the opening of the facility to full operations and allow the City to test various marketing, outreach, recruitment, scholarship, and other initiatives to encourage community members to use the facility and ensure that it generates sufficient revenues to sustain its operations for the ongoing benefit of the community. In approving the grant, the Board affirmed its commitment to ensuring that facility is successful and that the City has the flexibility to both address the recreational wants and needs of the community as well as set the facility on a financially sustainable course.

The three-year grant is structured so that the City submits an annual grant report each July covering the preceding fiscal year, after which the Foundation makes an annual disbursement, as supported by that year's grant report. While the potential year 1 allocation was \$1,000,000, last August the City reported in its year 1 grant report that it had spent \$184,873.94 in furtherance of the grant purposes between September 4, 2024 (the grant's effective date), and June 30, 2025, and a grant payment of \$184,873.94 was disbursed to the City in September. The City requested that the \$815,126.06 balance remaining from the year 1 allocation be rolled over to years 2 and 3: \$415,126.06 to year 2, for an updated year 2 total potential disbursement of \$1,165,126.06, and \$400,000.00 to year 3, for an updated year 3 total potential disbursement of \$900,000.00. In September 2025, the Board agreed to modify the updated disbursement schedule as requested by the City, and the City and I amended the grant agreement accordingly.

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Memorandum

The year 2 grant report, covering the period from July 1, 2025, to June 30, 2026, is due from the City by July 31, 2026. At the June 3 Board meeting, Mr. Karlen will report on the City's uses of the grant funds in year 2 and preview expected uses in year 3. In Mr. Karlen's preliminary reports, including his report to the City Council in April, his projections were in the \$500,000 range, which is less than half of the maximum disbursement for the year.

Mr. Karlen intends to highlight for the Board the challenges the City has encountered in using funds in furtherance of the grant purposes and preview a potential request from the City to extend the grant period and/or expand the grant purposes in order to utilize the maximum funding under the grant. The Board may provide feedback on the suggested ideas but will not be taking any formal action to amend the grant arrangement at this meeting. It is likely that a formal request to do so will come from the City later in the calendar year.

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Community Foundation

Memorandum

DATE: May 28, 2026

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report on the Downtown Beautification Initiative from the City of San Bruno

At the June 3, 2026, Board meeting, the Board will receive its final update on the strategic grant to the City of San Bruno to support several beautification projects in downtown San Bruno from San Bruno Parks Services Manager Dan Venezia.

In March 2024, the SBCF Board approved a \$350,000 grant to the City of San Bruno to support a series of projects to improve the visibility and appearance of San Bruno's downtown, including planter revitalization along San Mateo Avenue, the planting of trees on Jenevein Avenue, median landscape revitalization, and the creation of new street pole banners. The City has postponed replacing of the marquee sign on the south end of San Mateo Avenue, which was originally covered under the grant, due to a potential traffic realignment at the intersection of San Mateo Avenue and El Camino Real under the Transit Corridors Plan.

Although the grant period was originally set to conclude on February 28, 2025, several of the projects took longer than expected, and we twice amended the grant agreement with the City to extend the end of the grant period – first to December 31, 2025, and then to May 31, 2026.

This grant is structured so that the City will submit one grant report when all projects are completed, after which the Foundation will disburse a single grant payment of up to \$350,000. As a result, the Foundation has not yet made any grant payments on this grant.

The City has completed the various projects, and City staff expects to submit the grant report soon. On June 3, Mr. Venezia will report on the completion of the beautification projects and the City's continued efforts to support the downtown area.

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Community Foundation

Memorandum

DATE: May 28, 2026

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report on the Crestmoor Fields Project from the City of San Bruno

At the June 3, 2026, regular meeting, the Board of Directors will receive a report from the City of San Bruno on the Crestmoor Fields Project. Community Services Director Travis Karlen will give the report on behalf of the City.

In December 2024, the Board approved a strategic grant supporting Phase 1 of the Crestmoor Fields Project (to construct a multi-field turf soccer complex at the site of the former Crestmoor High School) to the City of San Bruno in an amount not to exceed \$3,400,000. On January 7, 2026, the Board approved an additional \$1,952,400 in grant funding for permanent lighting as part of the Crestmoor Fields Project as one of the Foundation's final legacy projects, as well as an extension of the grant period consistent with the City's updated project timeline.

The City is nearing the completion of negotiations on the Baseline Improvement Agreement with the developer, Toll Brothers, for the construction of the soccer fields. I have been waiting for the City to execute the Improvement Agreement before finalizing and executing an amendment to the grant agreement for the Crestmoor Fields Project strategic grant, which will increase the grant amount by \$1,952,400 to \$5,352,400, extend the end of the grant period to March 31, 2028, and modify one of the requirements that must be met prior to payment of any portion of the grant funds from SBCF to the City. Since we record grant awards as expenses on the Foundation's monthly Budget Report when the grant agreement (or, in this case, the amendment to the grant agreement increasing the grant amount) is executed, the additional \$1,952,400 in grant funding for the permanent lighting has not yet been recorded in the Budget Report as an expense under Strategic Grants. In order for the additional grant funding to be reflected in the Foundation's year-end financial statements, I am likely to finalize and execute the amendment to the grant agreement by the end of June, even if the City has not yet executed the Improvement Agreement with Toll Brothers.

As reported at the May Board meeting, thus far the City has reported a total of \$136,645.19 in expenses covered by the grant through quarterly grant reports. 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

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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 yet disbursed any payments to the City for this grant.

On June 3, Mr. Karlen will update the Board on Crestmoor Fields Project, including a status report on the City's Improvement Agreement negotiations with Toll Brothers and a revised project timeline.

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Community Foundation

Memorandum

DATE: May 28, 2026

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from the Ad Hoc Committee on Strategic Planning

At the June 3, 2026, regular meeting, the Board of Directors will receive a brief update from the Ad Hoc Committee on Strategic Planning. Created in February 2025, the Ad Hoc Committee consists of President Malissa Netane-Jones, Vice President Jim Ruane, and Secretary Raul Gomez and is charged with leading the Board's strategic planning deliberations and making recommendations to the Board in the development of the Foundation's post-RAC strategic plan. As part of these efforts, the Committee is researching and evaluating potential program and investment strategies for use of the Foundation's remaining assets, including researching potential legacy projects and engaging with potential community partners, such as the City of San Bruno and the San Bruno Park School District. As Committee Chair, President Netane-Jones will make the Committee's report.

Since the Board has approved funding for permanent lighting as part of the Crestmoor Fields Project (\$1,952,400) and long-term funding for the San Bruno Park School District's Outdoor Education Program (\$2,000,000 as Quasi-Endowment and \$160,000 in grant funding) as two of the Foundation's final legacy projects, the Committee has been primarily focused on a final legacy project using the bulk of the Foundation's remaining total net assets to support the City of San Bruno's plans to replace Fire Station No. 52. As reported previously, the initial issue for the project is determining the location of the new fire station, and the City has been in discussions with Caltrans to obtain its preferred site for the new fire station, which is a 1.3-acre parcel bounded by Skyline Boulevard, San Bruno Avenue, and Glenview Drive. The City has informed the Foundation that Caltrans has approved the City's appraisal of the parcel in question, and in October, the California Transportation Commission will consider declaring the parcel as excess land and approve its conveyance. In addition, members of the San Bruno Fire Department Command staff recently attended a fire station design conference, which will assist them in preparing for the design phase of the project.

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Memorandum

DATE: May 28, 2026

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from Investment Committee on its May 20, 2026, Regular Meeting

The June 3, 2026, Board meeting will include a report from the Investment Committee regarding its recent quarterly meeting, which was held on May 20, 2026. Treasurer Belinda Wong serves as the chair of the Committee, and other Committee members include Board Member Larry Franzella and community members Tony Clifford, Mark Hayes, and Tim Ross.

1. Quarterly Report from Sand Hill Global Advisors

At the May 20 meeting, the team representing Sand Hill Global Advisors LLC (SHGA), the Foundation's investment adviser – including Senior Portfolio Manager Meghan Daters and Senior Wealth Manager Kristin Sun – made its quarterly presentation to the Committee. Ms. Daters gave an overview of the firm's investment outlook, as well as a summary of the firm's current economic forecast, commenting on rising oil prices as a result of the conflict in Iran, economic growth, interest rates, employment market, corporate earnings, international market, housing market, inflation, commodity markets, and valuation. She noted that the economy has been resilient, likely supported in part by strong corporate earnings, and the firm anticipates another year of economic growth.

Ms. Sun then reviewed the Foundation's Investment Dashboard for the first quarter of 2026, including March 31, 2026, balances of \$27,972,903 for the Strategic Pool, \$2,461,933 for the Liquidity Pool, and \$1,985,636 for the Outdoor Education Quasi-Endowment, for a total of \$32,420,472. Ms. Sun and Ms. Daters also discussed the performance of the underlying funds in the Foundation's Strategic, Liquidity, and Quasi-Endowment pools. They explained that in the first quarter of 2026, the firm replaced an actively managed international equity manager with a passive ETC and also redeemed half of a position in a private credit interval fund and invested the proceeds into an income-focused bond fund.

In reviewing the portfolio balance update, Ms. Sun noted that total withdrawals from the portfolio since inception have totaled \$62.4 million to support a long list of community benefits including the San Bruno Recreation and Aquatic Center grants, with \$25.7 million in total value added since inception.

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2. Committee's Discussion Regarding Future Cash Flow Strategies Related to Funding of Final Legacy Projects

Following the Sand Hill presentation, the Committee briefly discussed cash flow strategies related to the funding of any final legacy project grants. As Executive Director, I reported that while the Board has committed in principle to using the bulk of the Foundation's remaining net assets on a new Fire Station No. 52, it has not yet formally awarded any grants to that project, and that progress on the Crestmoor Fields Project continues to move slowly and significant grant payments on that grant are not expected by the end of the current fiscal year or early in the first half of the upcoming fiscal year. As a result, the Committee did not consider any guidance related to movement of investment funds from the Strategic Pool to the Liquidity Pool in anticipation of those potential grants.

3. Annual Review of Investment Policy Statement and Investment Operating Plan

The Committee also conducted its annual review of the Foundation's Investment Policy Statement, which is the high-level policy document governing the Foundation's investment practices, and Investment Operating Plan, which is the more detailed operating agreement between the Foundation and SHGA, annually. Under the Investment Policy Statement and the Investment Committee Charter, the Committee is tasked with reviewing both documents at least once a year and making any recommendations for amendments to the Board.

I reported that the three-pool structure of the investment portfolio has served the Foundation well, and with the relaunch of the Quasi-Endowment earmarked for the SBPSD Outdoor Education program and the extended timeline for the Board to finish identifying and approving the grants related to the final legacy projects, the structure continues to make sense. After a brief discussion, the Committee did not make any recommendations for amendments to either document.

4. Resolution Approving Use of Remote Teleconference Meetings for the Investment Committee Pursuant to Senate Bill 707 and Government Code Sections 54953.8 and 54953.8.6

I explained to the Committee that in accordance with recent amendments to the Brown Act (Government Code sections 54953.8.6 and 54953.8) that allow the Board to permit eligible subsidiary bodies such as the Foundation's Investment Committee to meet remotely (referred to as "teleconference" meetings that do not need to comply with the traditional teleconference requirements) if certain requirements are met, the Foundation Board made certain findings and approved a resolution permitting the Investment Committee to use teleconferencing at the Board meeting. I then explained that the next step in the process is for the Investment Committee to approve the use of teleconferencing by majority vote. I noted that if the

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Committee were to approve the resolution, the Committee would continue to have a physical meeting location open to the public (San Bruno City Hall, Room 101), and Foundation staff would be present at that location, and that Investment Committee members attending remotely would need to be visible on Zoom (although there are some exceptions for accommodating physical and mental conditions).

After brief discussion, the Committee approved the resolution approving the use of remote teleconference meetings for the Investment Committee pursuant to Senate Bill 707 and Government Code Sections 54953.8 and 54953.8.6. The Committee will begin using the remote teleconference meeting format at its August 19, 2026, meeting.

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Memorandum

DATE: May 28, 2026

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: SBCF Budget and Transfer from the Strategic Pool to the Liquidity Pool for Fiscal Year 2026-2027

Under our Bylaws, the Foundation's fiscal year runs from July 1 to June 30, and its annual budget must be approved by the San Bruno City Council. As we approach the end of the 2025-2026 fiscal year, I will present the 2026-2027 budget to the Board for approval at the June 3, 2026, Board meeting. If the Board approves the budget, I am scheduled to present the budget to the City Council at its regular meeting on June 9 and the City Council will take formal action of approval at its regular meeting on June 23.

More than a year ago, at its May 7, 2025, meeting, the Board updated the Foundation's program and investment strategies to spend down the bulk of the Foundation's remaining total net assets at the end of the current fiscal year in the near-to-mid-term on at least one large legacy project and wind down all other programs; identified a new Fire Station No. 52 as the Foundation's top choice for the legacy project to receive most of the total net assets earmarked for legacy projects; directed the discontinuation of all other programs, including the Crestmoor Scholarship and the Community Grants Fund, at the end of the current fiscal year; directed the Ad Hoc Committee on Strategic Planning to review the Foundation's Program Strategy Framework and recommend any needed updates to reflect these changes in strategy; directed the Investment Committee to review the Foundation's Investment Policy Statement and Investment Operating Plan and recommend any needed updates to both documents to reflect these changes in strategy; and directed the Executive Director to review staffing needs and begin trimming operating expenses, as appropriate, in the fiscal year 2025-2026 budget to reflect these changes in strategy. The fiscal year 2025-2026 budget that the Board and City Council approved in June 2025 incorporated the approved strategy changes and the associated adjustments in staffing needs and operating expenses.

The fiscal year 2026-2027 budget being presented to the Board at this time continues to follow the strategy decisions the Board approved in May 2025. The 2026-2027 budget is, in most respects, very similar to the 2025-2026 budget. In the past year, the Board has approved two sets of legacy projects: (1) \$1,952,400 in strategic grant funding for permanent lighting as part of the Crestmoor Fields Project, and (2) \$2 million transferred to the Quasi-Endowment

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earmarked for the San Bruno Park School District's Outdoor Education Program, with annual grants utilizing Quasi-Endowment payout to support the program beginning in the 2027-2028 fiscal year, and strategic grant funding of \$160,000 to fund the program in 2025-2026 and 2026-2027. As the City continues to work on acquiring its desired site for a new Fire Station No. 52, a 1.3-acre parcel currently owned by Caltrans, the Foundation Board has yet to formally approve any grant funding for that legacy project. The City has also expressed potential interest in seeking Foundation support for a small number of other possible legacy projects, including renovations at the San Bruno Senior Center. The 2026-2027 budget was created with the assumption that the Foundation will continue to function in roughly the same fashion and with the same level of staffing at least until all remaining final legacy projects are identified and approved.

1. SBCF's Overall Financial Picture

Before I provide a detailed account of the FY2026-2027 budget, I think it is instructive to review the overall financial health of the organization. The following chart provides a high-level picture of the Foundation's overall financial history and health and includes both the investment portfolio managed by Sand Hill Global Advisors, LLC, as well as other funds (including initial funds received from the restitution funds to support the Foundation's operations in 2015-2016 prior to establishing the investment accounts as well as donations received):

SBCF Financial Snapshot (rounded)	
Total Initial Assets	\$70.5 million
Total Investment Value Added as of 4/30/2026	+\$25.5 million
Total Donations and Other Income as of 4/30/2026	+\$1.9 million
Total Funds Disbursed as of 4/30/2026	-\$64.6 million
Total Assets as of 4/30/2026	\$33.3 million
Total Liabilities as of 4/30/2026	-\$6.3 million
Total Net Assets as of 4/30/2025	\$27.0 million
Total Net Assets Not Including Outdoor Ed Quasi-Endowment as of 4/30/2026	\$24.9 million

Total initial assets include the \$69.8 million that was transferred to our Fidelity investment accounts in 2016 as well as about \$700,000 in cash that the City had previously transferred to the Foundation to cover our expenses from inception through May 2016. Total investment value added is the investment gains made by the investment portfolio (the funds managed by Sand Hill). Note that total investment value added fluctuates based on the current value of the Foundation's investment portfolio, and market volatility due to federal economic and tariff policies as well as the conflict in Iran has recently caused this number to fluctuate. Donations

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and other income have flowed through our operating accounts but are not reflected in our investment portfolio. Total funds disbursed include grant and scholarship payments disbursed thus far, as well as operating expenses paid out since the Foundation's creation. Total liabilities are operating and program expenses that the Foundation has incurred but not yet paid out. Total net assets equal total assets minus total liabilities. As the Board created a Quasi-Endowment designated specifically for the SBPSD Outdoor Education Program as a legacy project, total net assets not including the designated Quasi-Endowment is also presented.

Although we remain in a period of market volatility, the Foundation's overall financial health remains strong. As of April 30, 2026, the Foundation's total assets (including the Outdoor Education Quasi-Endowment) were \$33,250,967, with total liabilities of \$6,288,511, total net assets of \$26,962,456, and total net assets not including the Outdoor Education Quasi-Endowment of \$24,853,007.

2. Budgeting Principles

In developing this budget, I am guided by the principles of transparency and economy. As prudent stewards of the restitution funds, we want to communicate our decisions and activities with the community and have accordingly provided ample budget to do so. At the same time, we will be cost-conscious in all categories of expenses.

As I remind the Board each year, ours is not a typical nonprofit budget, where the goal is for expenses to equal revenues. Most nonprofit budgets are income-driven because the nonprofit is able to spend only the funds it expects to bring in that year. In contrast, as a result of our investment portfolio, the Foundation's budget is expense-driven. Our budgeted "income" consists primarily of transfers from our investment assets to our operating budget to cover our cash needs during the fiscal year, along with a relatively small cohort of donations and other income. We do not seek – and typically do not achieve – a "balanced budget," as our cash needs do not necessarily match our recorded expenses in a given year. This is because we record grant and scholarship commitments as expenses at the time agreements are executed and scholarships awarded, but grant and scholarship payments are often made in a later fiscal year. As a result, the fact that funds available for operations (\$10,191,598) in the FY2026-2027 budget far exceed expenses (\$5,398,580) should not be a cause for concern. The calculations of our expenses and funds available for operations should be analyzed separately, as they are based on different factors and needs.

3. FY2026-2027 Expenses

We have three main categories of expenses: Direct Program Expenses, Personnel Expenses, and Non-Personnel Support Costs. As a reminder, grant and scholarship commitments are recorded

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as expenses at the time grant agreements are executed and scholarships are awarded (but not necessarily paid out). We are currently projecting total expenses of \$5,398,580.

a. Direct Program Expenses

- Strategic Grants: This line is budgeted at \$5 million as a placeholder. Under the updated strategy to focus on a small number of legacy projects with the bulk of the Foundation's remaining net assets, these funds could be used to fund the first grant related to the Fire Station No. 52 project or another final legacy project, such as renovations to the Senior Center. It is also possible that strategic grants for the Fire Station project or other legacy projects could exceed \$5 million, as there is currently more than \$18 million remaining for such projects based on the current value of the Foundation's investment portfolio.

As a reminder, all strategic grants require specific Board approval, not just inclusion in the budget. Decisions on specific strategic grants will take place as proposals are vetted during the course of the year.

b. Direct Personnel Expenses

- Salaries & Wages: This line reflects the Executive Director's current salary. While the final legacy projects continue to be identified, researched, and approved, the Board intends to maintain the position as full-time. Although it may make sense to reduce the Executive Director position to part-time as part of the wind-down process and such reduction could take place before the end of FY2026-2027, the position is being budgeted as full-time.
- Payroll Taxes & Benefits: This line reflects payroll taxes, workers compensation insurance premiums, and employee benefits for the fiscal year. Benefits include retirement plan contributions, life insurance, and personal time off. This year, this line also includes funds that may be needed to cover a former employee's unemployment insurance claim recently filed with the California Employment Development Department, and this is the reason the budget for this line exceeds the projected year-end total for 2025-2026. Due to its nonprofit status, small staff size, and ample assets, SBCF elected to become a "reimbursable employer." As such, SBCF does not pay a regular state unemployment tax based on its taxable payroll and experience rating, and if and when a former employee successfully claims unemployment, the state bills SBCF for the exact dollar amount of those benefits.

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Although originally offered, the Executive Director has not received health insurance benefits from the Foundation since she was hired in 2015. Due to a recent change in her health insurance situation, the Board may consider adjusting her compensation package to include health insurance benefits in 2027. If she begins receiving health insurance benefits from the Foundation at some point during FY2026-2027, actual payroll taxes and benefits may exceed the budgeted amount.

Total Personnel Expenses are budgeted to slightly decrease (\$786) from the year-end projected level for 2025-2026, which included costs related to the phase out of the Program Manager position.

c. Non-Personnel Support Costs

The total budget for non-personnel support costs (\$135,162) is slightly lower than the FY2026-2027 budget (\$137,420) and higher than the projected year-end figure for the current fiscal year (\$116,048). Although we are likely to experience some decrease in operating costs as the Foundation continues its wind-down, some costs are nevertheless rising due to inflation. The budget estimates are based on FY2025-2026 actual costs and allow for some cushion, especially for those expenses where there can be some variance from year to year. For example, Legal Fees is the largest non-personnel support cost line item, yet it can be the most challenging to predict, as the need for the services of outside counsel can fluctuate widely depending on whether conflict of interest issues arise, there are legislative or regulatory changes that affect the Foundation, more complex grant arrangements require the assistance of counsel, or other unexpected legal issues develop.

- Occupancy: Under current audit standards, the expense for office rent is based on one year of the average monthly rent under the current office lease (\$1,290.25 per month). The current lease runs through March 31, 2030, which should roughly coincide with the wind down of the Foundation once all grant and scholarship payments are disbursed and final reporting obligations are completed.
- Insurance: This line is based on the Foundation's current commercial general liability, property, auto, cyber, directors and officers liability, and crime insurance policies, which have an annual renewal date of March 21. I have added an extra \$1,000 in case we experience any premium increases upon renewal in 2027.
- Telecommunications: This line includes continuation of cell phone expenses for the Executive Director (\$650), broadband Internet access for the office, and the office

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- landline (\$1,200 for Internet and landline combined). The transition from San Bruno CityNet Services to AT&T for Internet and landline services last summer resulted in a modest increase in rates (\$96 vs. \$88 per month), along with significantly increased Internet speeds.
- Postage & Shipping: This line includes office postage (\$780) as well as the projected postage required for the fall Annual Report mailing (nonprofit rate) to all San Bruno addresses (\$2,500). The budgeted postage costs for the Annual Report mailing are based on actual 2025 costs. Actual office postage costs typically come in under budget.
 - Marketing & Communications: The largest items in this line are the projected printing (\$12,000) and graphic design (\$650) costs associated with the Annual Report, with a small allowance for increased rates due to inflation. This line also includes website and e-newsletter costs (\$470) and holiday cards (\$300).
 - Office Supplies and Equipment: This line includes \$100 monthly for office supplies (down from \$120 per month in the 2025-2026 budget) and \$1,215 for computer backup and other software fees and miscellaneous office equipment expenses (such as repairing the printer, which has seen considerable wear and tear over the past 11 years).
 - Legal Fees: This line includes \$9,360 for our outside nonprofit counsel, NEO Law Group (budgeted at 1.2 hours per month at an increased rate vs. 1.5 hours per month in 2025-2026), and \$31,200 for our outside municipal law counsel, Shute, Mihaly & Weinberger, LLP (budgeted at eight hours per month, which is the same as in 2025-2026). We typically come in under budget on this line, but as mentioned above, I like to include a cushion in the event that any unexpected or particularly challenging issues requiring legal assistance arise.
 - Accounting & Payroll Fees: Payroll fees (\$1,200) are based on the current arrangement with our payroll vendor (Intuit QuickBooks). For audit and tax preparation services, \$11,700 is budgeted, per the Foundation's contract with Novogradac & Company. In addition to \$850 for QuickBooks accounting software, \$19,008 is included for the accounting consultant/full charge bookkeeper, which is 80 percent of the contract maximum, as our accounting needs have decreased with the wind down of the Crestmoor Scholarship and Community Grants Fund.

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- Other Consultants: This line includes \$3,775 (approximately two hours/month) for the IT consultant (based on significantly decreased usage and the terms of our professional services agreement). As we no longer offer the Community Grants Fund and the Crestmoor Scholarship, our IT support needs continue to be much lower than in 2024-2025 and earlier, and it is likely that this line will come in under budget.
- Travel, Meetings & Conferences: This line includes the expenses for 10 Board meetings in one-half of the RAC Community Room; although the Board is scheduled to meet monthly, it typically cancels at least two, if not more, meetings each year. (In 2025-2026, the Board met seven times.) This line also includes \$650 for one Zoom Pro subscription and one Zoom webinar subscription and \$500 for miscellaneous conference, training, and meeting expenses.
- Miscellaneous: This line includes various expenses that may arise and do not fit in any of the other cost categories. It typically covers professional organization membership fees (such as Thrive: Alliance of Nonprofits and the California Association of Nonprofits), bank fees, online news subscriptions, Board and partner recognition, and government/agency taxes and fees.

Total Non-Personnel Support Costs are budgeted \$2,258 lower than the 2025-2026 budgeted amounts and \$19,114 higher than the 2025-2026 year-end projection. Budgeted amounts operate as ceilings, and I am very cost-conscious in all purchasing decisions, so that actual costs often turn out to be lower than the budget projections. Please note that in the current fiscal year (2025-2026), actual Non-Personnel Support Costs are projected to be 15.6% lower than the budgeted amount.

It is also worth noting that the FY2026-2027 budgeted expenses continue to reflect cost-savings in all three expense categories experienced in the current fiscal year as a result of the strategy changes the Board approved in May 2025 to wind down the Community Grants Fund and Crestmoor Scholarship programs and focus on a small number of final legacy projects. In FY2024-2025, the final year of offering Community Grants and Crestmoor Scholarships, Personnel and Non-Personnel Support Costs totaled \$439,981, compared with \$398,580 budgeted for FY2026-2027, a decrease of more than \$41,000.

4. FY2026-2027 Funds Available for Operations

As mentioned above, this is not a balanced budget, where income equals expenses. Instead, the Funds Available for Operations are determined by analyzing the Foundation's cash needs

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for the fiscal year. Cash needs for Personnel Expenses and Non-Personnel Support Costs are estimated at \$398,067, under the assumption that all budgeted Personnel Expenses and Non-Personnel Support Costs will be paid out during the fiscal year.¹ Projected cash needs for Program Disbursements (total of \$11,705,526) are as follows:

Crestmoor Scholarship	
2024 Scholars	\$30,000
2025 Scholars	\$30,000
Total Crestmoor Scholarship	\$60,000
Strategic Grants	
Narita Sister City Grants (year 3 payments)	\$28,000
RAC Startup Programming and Outreach Grant (budgeted year 2 payment)	\$1,165,126
Crestmoor Fields Project Grant (total approved amount, including lights)	\$5,352,400
Outdoor Education Grant (year 2 payment)	\$100,000
Miscellaneous Strategic Grants (budgeted)	\$5,000,000
Total Strategic Grants	\$11,645,526

Please note that cash needs for Strategic Grants are estimated as maximums and likely to come in below the budgeted amounts. With regard to the RAC Startup Programming and Outreach Grant, City staff have indicated that eligible expenses are likely to be substantially below the year 2 budgeted amount and that the City may request an extension of the grant period and/or an expansion of the grant purposes, so it is likely that the grant payment for that grant will be lower than budgeted. The timing of funds needed to make grant payments for the Crestmoor Fields Project is challenging to predict, and it is likely that cash needs will be below the budgeted amount. And even if additional legacy project grants are approved in 2026-2027 (budgeted at \$5 million), it is possible that only a portion of the grant awards would be paid out during the fiscal year.

Total cash needs for 2026-2027 are estimated at \$12,103,593. This figure, after adjustment for the residual 2025-2026 cash balance, drives the Foundation's Funds Available for Operations in 2026-2027 of \$10,191,598.

We have two categories of Funds Available for Operations: Operating Income and Transfers from Investments.

¹ The one exception is for office rent. The amount expensed is the average rent per month over the life of the lease times 12 months, or \$15,483. However, the amount that will be paid out from July 2026 to June 2027 is \$14,970.

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a. Operating Income

At this time, projected Operating Income is zero (\$0):

- Donations: There are no firm commitments for donations, but we may receive such donations during the year.
- Miscellaneous Income: Miscellaneous income is typically unexpected income that arises, such as the return of some or all of a grant payment that was expensed in a previous fiscal year.

b. Transfers from Investments

Since the Board's decision in June 2025 to redesignate all funds in the Quasi-Endowment to the Strategic Pool, the Foundation's available funds will primarily come from transfers from the Strategic Pool to the Liquidity Pool. The new Quasi-Endowment Pool, which was funded with \$2 million in March, is specifically earmarked for the San Bruno Park School District Outdoor Education Program and is not to be used to fund other program or support costs.

- Strategic Pool: All funds needed to cover the Foundation's cash needs in 2026-2027 (\$10,191,598) are budgeted to come from the Strategic Pool.
- Outdoor Education Quasi-Endowment Pool: When the Board approved a transfer of \$2,000,000 from the Strategic Pool to the Quasi-Endowment specifically earmarked for the SBPSD Outdoor Education program, it stated that the Foundation would award an annual grant of approximately \$100,000 adjusted for inflation from Quasi-Endowment payout beginning in FY2027-2028. The Board also approved an additional strategic grant to the San Bruno Education Foundation in an amount not to exceed \$160,000 to support the Outdoor Education program for the 2025-2026 and 2026-2027 school years. As a result, the 2026-2027 Outdoor Education grant will be paid out using funds transferred from the Strategic Pool, and there will be no payout from the Quasi-Endowment in FY2026-2027.

As in past years, the attached budget resolution would give the Executive Director the discretion to manage the transfer from the Strategic Pool account, including the discretion to divide the transfer into smaller increments, set the timing of the incremental transfers based on the Foundation's cash flow needs, and transfer less than the approved transfer amount as circumstances may warrant. Thus, the Executive Director can wait to transfer funds from the

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Community Foundation

Memorandum

Strategic Pool to cover any strategic grants until such grants are approved and/or grant payments are due.

5. Budget Resolution

The attached resolution, which I recommend the Board adopt, authorizes three actions. It: (a) approves the FY2026-2027 budget; (b) approves a transfer from the Strategic Pool to the Liquidity Pool as part of the FY2026-2027 budget; and (c) directs the Executive Director to submit the FY2026-2027 budget to the San Bruno City Council for consideration and approval. It also gives the Executive Director the discretion to manage the transfer from the Strategic Pool account, including the discretion to divide the transfer into smaller increments, set the timing of the incremental transfers based on the Foundation's cash flow needs, and transfer less than the approved transfer amounts, based on the Foundation's cash flow needs.

Attachments:

1. Resolution (a) Approving Fiscal Year 2026-2027 Budget, (b) Approving Transfer from the Strategic Pool Investment Account to the Liquidity Account for Fiscal Year 2026-2027, and (c) Directing the Executive Director to Submit the Fiscal Year 2025-2026 Budget to the San Bruno City Council for Consideration and Approval
2. Exhibit A: 2026-2027 Proposed Budget

RESOLUTION NO. 2026-__

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION
(A) APPROVING FISCAL YEAR 2026-2027 BUDGET, (B) APPROVING TRANSFER FROM THE STRATEGIC POOL INVESTMENT ACCOUNT TO THE LIQUIDITY ACCOUNT FOR FISCAL YEAR 2026-2027, AND (C) DIRECTING THE EXECUTIVE DIRECTOR TO SUBMIT THE FISCAL YEAR 2026-2027 BUDGET TO THE SAN BRUNO CITY COUNCIL FOR CONSIDERATION AND APPROVAL**

WHEREAS, the San Bruno Community Foundation's next fiscal year will begin on July 1, 2026, and prudent financial management of the Foundation's finances requires the creation of an annual budget prior to the start of the fiscal year;

WHEREAS, Article XVI(c) of the Foundation's Bylaws require that the Foundation's annual budget be approved by the San Bruno City Council;

WHEREAS, the proposed fiscal year 2026-2027 budget as attached in Exhibit A reflects decisions about program initiatives and investment strategy that the Foundation's Board of Directors has made or may make;

WHEREAS, the Board of Directors, upon receipt from the City of San Bruno in May 2016 of the restitution funds resulting from the City's settlement with Pacific Gas & Electric Company following the 2010 gas pipeline explosion in San Bruno's Crestmoor neighborhood, established three Fidelity brokerage accounts to hold the Foundation's funds: Quasi-Endowment Pool account, Strategic Pool account, and Liquidity Pool account;

WHEREAS, the Section VII.2 of the Foundation's Investment Policy Statement states:

The Strategic Pool has been earmarked by the Board to fund strategic projects, including but not limited to capital improvement projects of community facilities, that benefit the San Bruno community. As such, withdrawals will be determined by the timing of project expenditures, as well as guidance from the SBCF Board. The Investment Committee and SBCF staff will provide direction to the Investment Manager regarding liquidation of investments to fund the withdrawals. Cash proceeds will be deposited in the SBCF Liquidity Pool on an as-needed basis.

WHEREAS, Section VI.1.d.ii of the Foundation's Investment Operating Plan with investment adviser Sand Hill Global Advisors (SHGA), which provides pool-specific operating guidelines for payout or other withdrawals, states:

Withdrawals [from the Strategic Pool] will be determined by the timing of project expenditures, per guidance from the SBCF Board. SBCF will provide a schedule of likely withdrawals to SHGA at the time of the annual budget planning process. Cash proceeds will be deposited in the SBCF Liquidity Pool on an as-needed basis.

WHEREAS, transfers of up to \$10,191,598 from the Strategic Pool to the Liquidity Pool may be needed to cover the Foundation’s operating expenses as well as its scholarship and grant obligations for the 2026-2027 fiscal year; and

WHEREAS, consistent with past practice, the Board recommends that the Executive Director have the discretion to manage the transfers from the Strategic Pool to the Liquidity Pool, including dividing the transfers into smaller increments, setting the timing of the incremental transfers, and transferring less than the approved payout amount as circumstances may warrant, based on the Foundation’s cash flow needs.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors approves the fiscal year 2026-2027 Foundation budget attached as Exhibit A.

FURTHER BE IT RESOLVED that the Board of Directors approves a transfer from the Strategic Pool account to the Liquidity Pool account of \$10,191,598 to cover operating expenses and scholarship and grant obligations for the 2026-2027 fiscal year, and grants the Executive Director the discretion to divide the transfer into smaller increments, set the timing of the transfer of those increments, and transfer less than the approved amount, based on the Foundation’s cash flow needs.

FURTHER BE IT RESOLVED that the Board of Directors directs the Executive Director to submit the fiscal year 2026-2027 budget to the San Bruno City Council for consideration and approval.

Dated: June 3, 2026

ATTEST:

Raul Gomez, Secretary

I, Raul Gomez, Secretary, do hereby certify that the foregoing Resolution No. 2026-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 3rd day of June, 2026, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

SAN BRUNO

Community Foundation

2026-2027 Budget

	<u>2025-26 Budget</u>	Apr 2026 <u>Actual</u>	May-Jun 2026 <u>Projected</u>	Projected <u>2025-26</u>	<u>Proposed 2026-27 Budget</u>	<u>Change vs. 2025-26 Actual</u>
INCOME						
1 Donations	-	101,940	1,000	102,940	-	(102,940)
2 Miscellaneous Income	-	-	-	-	-	-
3 Subtotal Operating Income	-	101,940	1,000	102,940	-	(102,940)
4 Transfers from Quasi Endowment - Outdoor Ed	-	-	-	-	-	-
5 Transfers from Strategic Pool	9,525,348	2,500,000	-	2,500,000	10,191,598	7,691,598
6 Subtotal Transfers from Investments	9,525,348	2,500,000	-	2,500,000	10,191,598	7,691,598
7 FUNDS AVAILABLE FOR OPERATIONS	9,525,348	2,601,940	1,000	2,602,940	10,191,598	7,588,658
EXPENSES						
8 Strategic Grants	5,000,000	160,000	1,952,400	2,112,400	5,000,000	2,887,600
9 Subtotal Direct Program Expenses	5,000,000	160,000	1,952,400	2,112,400	5,000,000	2,887,600
10 Salaries & Wages	226,207	189,839	36,368	226,207	218,207	(8,000)
11 Payroll Taxes & Benefits	33,058	31,416	6,581	37,997	45,211	7,214
12 Subtotal Direct Personnel Expenses	259,265	221,255	42,949	264,204	263,418	(786)
13 Occupancy	15,483	12,902	2,581	15,483	15,483	-
14 Insurance	13,590	10,065	1,745	11,810	11,471	(339)
15 Telecommunications	2,100	1,440	310	1,750	2,050	300
16 Postage & Shipping	3,040	2,863	120	2,983	3,280	297
17 Marketing & Communications	13,855	12,143	100	12,243	13,920	1,677
18 Office Supplies and Equipment	2,600	1,266	466	1,732	2,415	683
19 Legal Fees	41,332	26,847	4,950	31,797	41,560	9,763
20 Accounting & Payroll Fees	32,955	27,281	3,070	30,351	33,258	2,907
21 Other Consultants	3,775	472	1,000	1,472	3,775	2,303
22 Travel, Meetings & Conferences	6,140	2,822	1,750	4,572	5,150	578
23 Miscellaneous	2,550	1,555	300	1,855	2,800	945
24 Subtotal Non-Personnel Support Costs	137,420	99,656	16,392	116,048	135,162	19,114
25 TOTAL EXPENSES	5,396,685	480,911	2,011,741	2,492,652	5,398,580	2,905,928
26 NET SURPLUS	\$ 4,128,663	\$ 2,121,029	(2,010,741)	\$ 110,288	\$ 4,793,018	\$ 4,682,730