

SAN BRUNO

Community Foundation

Board of Directors

Malissa Netane-Jones, *President* • Jim Ruane, *Vice President* • Raul Gomez, *Secretary* • Pak Lin, *Treasurer*
Melissa Moreno • Supriya S. Perry • Irving Torres
Leslie Hatamiya, *Executive Director*
www.sbcf.org

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

IN-PERSON MEETING LOCATION

San Bruno Senior Center
1555 Crystal Springs Road
San Bruno, CA 94066

REMOTE VIA ZOOM OR TELEPHONE

Zoom Link:
<https://us02web.zoom.us/j/89652036397?pwd=UGZsY3NoeU82S1J6dmILUkFiSEEWQT09>
Webinar ID: 896 5203 6397
Passcode: 545309
Dial-in: (669) 900-6833

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 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

March 1, 2023

7:00 p.m.

- 1. Call to Order/Welcome**
- 2. Roll Call**
- 3. Public Comment:** Individuals are allowed three minutes at this time to comment on items 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.

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4. **Approval of Minutes:** January 30, 2023, Special Board Meeting and February 1, 2023, 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 Authorizing Executive Director to Bind Directors and Officers Liability Insurance Policy from Travelers Casualty and Surety Company of America for an Amount Not to Exceed \$14,284
 - b. Receive and Approve Treasurer's Report (January 2023 Financial Statements)
7. **Conduct of Business**
 - a. Receive Report on the Implementation Plan for the San Bruno Recreation and Aquatic Center from the City of San Bruno
 - b. Receive Report on Other Programs (Crestmoor Scholarship, Community Grants Fund, and Other Strategic Grants)
 - c. Receive Report from Investment Committee on its February 15, 2023, Regular Meeting
8. **Board Member Comments**
9. **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
10. **Adjourn:** The next regular meeting of the Board of Directors is scheduled for Wednesday, April 5, 2023, at 7:00 p.m.

SAN BRUNO

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MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Special Meeting of the Board of Directors

January 30, 2023

7:00 p.m.

Meeting Conducted via Zoom

- 1. Call to Order/Welcome:** President Netane-Jones called the meeting to order at 7:00 p.m. Noting that San Bruno knows first-hand the power of community support at a time of deep tragedy, she expressed support for Half Moon Bay in the wake of the recent mass shooting in that community.
- 2. Roll Call:** Board Members Netane-Jones, Ruane, Gomez, Lin, Moreno, Perry, and Torres, present.
- 3. Public Comment:** None.
- 4. Study Session:** Diversity, Equity, and Inclusion Training led by Jana Kiser and Bela Bhasin of Libertiva

Ms. Kiser and Ms. Bhasin began the study session with a land acknowledgment and a breathing exercise. After introducing themselves and the ground rules for the session, the consultants launched into a discussion of implicit bias – what it is, how it works, why it matters, how to counteract it, and how it affects the Foundation's work. They explained the difference between explicit bias and implicit bias as well as how the conscious and unconscious mind works. They noted the three key processes explaining how implicit bias works: priming (information received via images, messages, and experiences), associations and assumptions (information stored in the brain gets activated), and decisions and actions (decisions and actions at odds with one's intentions or explicit values, which are driven by unconscious associations and assumptions).

After a brief break, the consultants then explored the concepts of unearned advantages and disadvantages, using a wheel of power/privilege as an instructional tool. They asked Board members to reflect on unearned advantages and disadvantages in their own lives and then to discuss how the Foundation as an organization may have unearned advantages and disadvantages. Finally, the consultants discussed how to shift one's thinking and counteract implicit biases through a growth mindset.

SAN BRUNO

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5. Board Member Comments: President Netane-Jones apologized to Ms. Bhasin for mispronouncing her name and thanked the consultants for sharing their personal identity wheels.

6. Adjourn: Vice President Ruane moved to adjourn the meeting at 9:05 p.m., seconded by Board Member Moreno, approved unanimously.

Respectfully submitted for approval at the Regular Board Meeting of March 1, 2023, by Secretary Raul Gomez and President Malissa Netane-Jones.

Raul Gomez, Secretary

Malissa Netane-Jones, President

SAN BRUNO

Community Foundation

Board of Directors

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MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

February 1, 2023

7:00 p.m.

Meeting Conducted via Zoom

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, Lin, Moreno, Perry, and Torres, present; Board Member Gomez, excused.
3. **Public Comment:** None.
4. **Approval of Minutes:** January 4, 2023, Regular Board Meeting: Board Member Moreno moved to approve the minutes of the January 4, 2023, Regular Board Meeting, seconded by President Netane-Jones, approved unanimously by roll call vote (Gomez absent).

5. Executive Director's Report

Executive Director Leslie Hatamiya reported on several items. She thanked Board members for participating in the diversity, equity, and inclusion study session on January 30. She also reminded Board members to submit their necessary ethics paperwork (Form 700 and Conflict of Interest Policy Annual Affirmation).

6. Consent Calendar

- a. Adopt Resolution Declaring the Continued State of Emergency and Need for the San Bruno Community Foundation Board of Directors and Other Foundation Legislative Bodies Subject to the Ralph M. Brown Act to Continue to Teleconference in Order to Ensure the Health and Safety of the Public Pursuant to AB 361
- b. Receive and Approve Treasurer's Report (December 2022 Financial Statements)

SAN BRUNO

Community Foundation

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

7. Conduct of Business

- a. Receive Fundraising Analysis Presentation from the Partnership Resources Group and Provide Direction to Staff on Next Steps in Considering a Fundraising Program

In introducing the consultants from the Partnership Resources Group (PRG), President Netane-Jones noted that in considering the possibility of building up a fund development operation, the Foundation engaged with PRG to provide a high-level analysis of SBCF's fundraising potential and the projected cost of implementing an active fundraising operation. She explained that the questions the PRG team explored in its study included the Foundation's potential for fundraising to add to the Foundation's corpus and/or to raise operating funds on an annual basis, the fundraising-related best practices of a community-based foundation tied to a local city, the unique value proposition the Foundation brings to the table, and how the Foundation might best organize itself internally and what kind of staff and leadership would be needed to be successful.

Representing PRG, Elliot Levin and Melissa Irish summarized the firm's analysis and key findings, as documented in the written report contained in the Board meeting packet. They highlighted the key findings as the following:

- SBCF has a strong track-record of putting its assets to use since establishment, creating "standing" in the community.
- There are indicators of untapped and under-tapped wealth in San Bruno from individuals and companies but giving capacity is only part of the equation.
- The purpose of additional fundraising must be defined by identifying needs and solutions as a precursor to assessing what fundraising is possible.
- Fundraising feasibility assessment by engaging potential donor prospects is necessary to accurately measure what can be raised by the Foundation.
- The Foundation can play a valuable role as a convener and can build on this role to generate and direct future funds.
- The Foundation's ability to raise charitable funds is diminished if perceived to be merely a fundraising arm of the City.
- Time and money would have to be invested to launch a fundraising effort, including hiring development staff and dedicating 30-40% of the executive director's time to fundraising.

Mr. Levin and Ms. Irish also identified possible next steps as conducting a feasibility study to understand the interest and inclination of potential individual and institutional donors to give, considering a planned

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Leslie Hatamiya, *Executive Director*

giving program, continuing to be a channel for funding from institutions, and developing funding collaboratives with regional partners to address issues of common concern.

The Board discussed the fundraising analysis and possible next steps. Board members agreed that the issue merits further discussion and analysis before making any decisions about starting a fundraising program and that the Board should not rush such a decision.

- b. Receive Report on Programs (Crestmoor Scholarship, Community Grants Fund, and Strategic Grants)

Executive Director Hatamiya reported that since the Board approved 23 Community Grants at the December meeting, staff has provided executed 22 grant agreements and begun distributing grant checks to the organizations. She thanked Board members who have participated in the virtual and in-person check presentations.

Ms. Hatamiya also noted that the 2023 Crestmoor Scholarship, which launched in early December with a March 7, 2023, deadline, is in full swing. She said that students have begun completing the application and that staff has begun conducting workshops on the application process for potential applicants.

She also reported on the quarterly grant payment process for the Recreation and Aquatic Center (RAC) grants. She said that the Foundation recently received quarterly grant payments from the City of San Bruno, made a \$2.8 million payment for the construction grant, and is in the process of paying out quarterly payments totaling just under \$288,000 for the other RAC grants. She said that once those payments are made, the Foundation will have paid out nearly \$35.6 million of the \$50 million committed for the RAC, with a balance of \$14.4 million to be paid.

- c. Discuss Transition to and Logistics of In-Person San Bruno Community Foundation Board Meetings

Executive Director Hatamiya said that with the anticipation end of California's pandemic state of emergency at the end of February, the Foundation will be transitioning back to in-person meetings in March. She noted that, as established by resolution in 2015, the Foundation Board's regular meetings are held on the first Wednesday of the month at 7:00 p.m. at the San Bruno Senior Center, and unless the Board officially changes its regular meeting schedule, it will resume in-person meetings at the Senior Center starting with the March 1 regular meeting. She said that since the public has been accustomed to attending Board meetings remotely via Zoom during the pandemic, the public may reasonably expect to be able to continue such remote attendance even once the Board resumes meeting in person, although it is not required by the Brown Act. She explained that the easiest way to accommodate this expectation is to conduct meetings in a hybrid format – that is, for the Board to meet in person as required by the Brown Act, but to enable community members to participate via Zoom – which requires specialized equipment that is only available in City facilities at the Senior Center and City Hall Conference Room 115. She noted that while Room 115 would be a less expensive and logistically

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simpler option, it is not available at the time of the Foundation's Board meetings, so the Board will resume in-person meetings with a Zoom option at the Senior Center in March, with the hope of eventually moving to the new Recreation and Aquatic Center once it is open. She noted that the Foundation's two standing committees – Audit and Investment – will return to in-person meetings at City Hall Room 101, without the Zoom option.

Legal Counsel Heather Minner then explained the limited options for virtual participation under the Brown Act's rules. She said that under the teleconferencing option that has historically been – and will remain – available, to participate in a meeting by teleconference, a Board or Committee member must post a hard copy of the agenda at their remote location and allow the public to physically attend the meeting at the location where the member is located. She said a second option is now available under AB 2449, which was signed into law in 2022. AB 2449 created a new "Just Cause or Personal Emergency" option with two distinct bases for a Board member to attend meetings remotely: (a) for Just Cause, or (b) due to a Personal Emergency. She then reviewed the criteria that must be satisfied, procedures that must be implemented, and limitations on the number of times a Board member can rely on these bases to attend remotely. She explained that for Board members to take advantage of this new teleconference option, they would need to be able to participate through both audio and video (like Zoom), and the public would also need to be able to participate remotely in real time, being able to both hear and see the meeting and remotely address the Board, so if the Foundation holds hybrid in-person and Zoom meetings, this requirement would be met. She noted that Audit and Investment Committee members would not have this option to participate remotely if those committees' meetings are not held in-person only without a Zoom option.

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.

11. Adjourn: Board Member Moreno moved to adjourn the meeting at 9:30 p.m., seconded by Board Member Torres, approved unanimously (Gomez absent).

SAN BRUNO

Community Foundation

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Respectfully submitted for approval at the Regular Board Meeting of March 1, 2023, by Secretary Raul Gomez and President Malissa Netane-Jones.

Raul Gomez, Secretary

Malissa Netane-Jones, President

SAN BRUNO

Community Foundation

Memorandum

DATE: February 24, 2023

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Executive Director's Report

Since the February 1, 2023, Board meeting, I have continued to focus on administering the Community Grants Fund and Crestmoor Scholarship programs, monitoring our strategic grant initiatives, and working with the Investment Committee, all of which will be covered during the business portion of the March 1, 2023, regular Board meeting. In addition, I have handled a variety of other matters, including the following:

1. Insurance Policy Renewals

The Consent Calendar includes a resolution authorizing the Executive Director to bind a renewal policy for the Foundation's directors and officers' liability insurance policy, as the current policy expires on March 21, 2023. The Foundation's commercial general liability (CGL), property, cyber-liability, and non-owned hired auto liability insurance policies with the Philadelphia Insurance Companies, which are bundled together, and the workers' compensation insurance policy with AmTrust North America also expire in March.

I am still waiting for the renewal packages for the commercial bundle and workers' compensation policy from our broker at CalNonprofit Insurance Services; the broker is also seeking proposals from other insurance companies for both sets of insurance. Under my contract authority as Executive Director, I will either renew the current policies or bind new policies for comparable coverage by the March 21 expiration date and then report such actions to the Board along with the premium amounts.

2. Ethics Requirements

I would like to remind all Board members that they must file Fair Political Practices Commission Form 700 – Statement of Economic Interests annual statements with the San Bruno City Clerk's Office by April 3, 2023. Some Board members are also required to complete AB 1234 ethics training this year, and I ask you to do so and submit the certificate of completion at your earliest convenience. Finally, I request that all Board members who have not yet submitted

SAN BRUNO

Community Foundation

Memorandum

their 2023 Conflict of Interest Policy Annual Affirmation do so as soon as possible. Thank you to those Board members who have already submitted their necessary ethics paperwork.

3. Email Newsletter and Website Hits

Since the February 1 Board meeting, I have sent out one email blast to the Foundation's email distribution list, reporting on the Board's January 30 special meeting and February 1 regular meeting and reminding the community of the deadline for the 2023 Crestmoor Scholarship. Of the approximately 800 emails sent, 50% of the recipients opened the email.

According to Google Analytics, activity on the sbcf.org website has been moderate and focused on the Crestmoor Scholarship. Between February 1 and February 22, 457 users visited the Foundation website. The most visited pages were the home page and the pages related to the Crestmoor Scholarship.

SAN BRUNO

Community Foundation

Memorandum

DATE: February 24, 2023

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Consent Calendar for the March 1, 2023, Regular Board Meeting

For the March 1, 2023, Regular Meeting of the Board of Directors of the San Bruno Community Foundation, the Consent Calendar includes two items related to administrative, programmatic, and operational functions of the Foundation.

1. Adopt Resolution Authorizing Executive Director to Bind Directors and Officers Liability Insurance Policy from Travelers Casualty and Surety Company of America for an Amount Not to Exceed \$14,284

Directors and officers liability insurance (D&O) provides coverage for damages resulting from the wrongful acts of the directors, officers, managers, and the Foundation as an entity, as well as coverage for employment-related actions.

In March 2022, the Board approved the purchase of a D&O policy from Travelers Casualty and Surety Company of America, which expires on March 21, 2023. This policy included a fiduciary liability rider to provide protection related to the Foundation's 403(b) retirement plan.

Travelers has offered the Foundation a renewal of its existing policy. The policy renewal includes coverage similar to last year's coverage, including separate \$1,000,000 liability limits each for D&O coverage, employment practices liability, and fiduciary liability coverage as well as an additional \$1,000,000 for defense costs, which is shared for all coverages. The cost for the renewal policy is \$14,284, a 1.3% increase from last year's premium of \$14,098.

I recommend the Board approve the resolution authorizing Executive Director Leslie Hatamiya to bind a directors and officers liability insurance policy from Travelers Casualty and Surety Company of America for an amount not to exceed \$14,284 as part of the Consent Calendar.

2. Receive and Approve Treasurer's Report (January 2023 Financial Statements)

The January 2023 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 budget figures approved at the June 1, 2022, Board meeting.

SAN BRUNO

Community Foundation

Memorandum

I recommend that the Board approve the attached resolution and the Treasurer's Report, as outlined above, as part of the Consent Calendar on March 1, 2023.

Attachments:

1. Resolution Authorizing Executive Director to Bind Directors and Officers Liability Insurance Policy from Travelers Casualty and Surety Company of America for an Amount Not to Exceed \$14,284
2. January 2023 Financial Statements

RESOLUTION NO. 2023-__

RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION AUTHORIZING EXECUTIVE DIRECTOR TO BIND DIRECTOR AND OFFICERS LIABILITY INSURANCE POLICY FROM TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA FOR AN AMOUNT NOT TO EXCEED \$14,284

WHEREAS, directors and officers liability insurance provides coverage for damages resulting from the wrongful acts of the directors, officers, managers, and the Foundation as an entity, as well as coverage for employment-related actions;

WHEREAS, on March 2, 2022, the Board of Directors of The San Bruno Community Foundation authorized the purchase of a directors and officers liability insurance policy, which includes fiduciary liability coverage for the management of the Foundation's Retirement Savings Plan, from Travelers Casualty and Surety Company of America, which expires on March 21, 2023; and

WHEREAS, Travelers Casualty and Surety Company of America is offering the Foundation a renewal of the Foundation's directors and officers liability insurance policy with a quoted annual premium of \$14,284.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors authorizes Executive Director Leslie Hatamiya to bind the directors and officers liability insurance policy for the period of March 21, 2023, to March 21, 2024, from Travelers Casualty and Surety Company of America for an amount not to exceed \$14,284.

Dated: March 1, 2023

ATTEST:

Raul Gomez, Secretary

I, Raul Gomez, Secretary, do hereby certify that the foregoing Resolution No. 2023-__ was duly and regularly passed and adopted by the Board of Directors of The San Bruno Community Foundation on this 1st day of March, 2023, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

SAN BRUNO

Community Foundation

January 2023

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 seven months equal 58.3% of the fiscal year.

INCOME

Line 1 Transfers from Quasi Endowment – Initial \$200,000 transfer in December, for Community Grants, is 66.9% of the budget.

Line 2 Transfers from Strategic Pool – \$21,029,423 transfers are 83.8% of budget.

Line 3 Transfers from Liquidity RAC – \$8,759,369 transfer of account balance is 99.8% of budget.

Line 4 Donations - \$1,621 income is unbudgeted. \$1,500 designated for Scholarships.

Line 5 Interest Income - \$61,836 is 586.5% of budget. Balance of Liquidity Pool is \$15,096,746.

EXPENSES

Line 9 Community Grants - \$300,000 is 100% of budget.

Line 10 Strategic Grants - \$565,000 is 10.3% of budget and has been for: Centennial Plaza Improvements (\$500,000); San Bruno Park School District Field Trips and Assemblies (\$35,000); and Community Day (\$30,000) grants.

Line 11 Other Grants – \$10,000 is the entire budget and was used for Parkside Athletic Field grant.

Line 13 Salaries & Wages – Expense is under budget at 58.1%.

Line 14 Payroll Taxes & Benefits – Expense (\$13,435) is 53.4% of budget. Social Security/Medicare tax (\$6,762) and retirement (\$5,773) are largest costs with workers' compensation (\$686) and life (\$214) insurances also included.

Line 16 Occupancy – Only cost is office lease (\$9,446). Amount is 57.8% of budget.

Line 17 Insurance – Total (\$10,831) is 55.3% of budget and includes Directors & Officers (\$8,225), crime (\$1,890), and commercial liability (\$716) policies.

Line 18 Telecommunications – Cost (\$1,388) is 54.4% of budget and includes cell phones (\$630), internet (\$552), and land line (\$206) services.

Line 19 Postage & Shipping – Cost (\$505) is 13.6% of budget.

Line 20 Marketing & Communications - \$14,592 expense is 81.6% of budget. Costs include Annual Report design and printing (\$12,623), Scholarship flyer design and printing (\$1,139), and grant/scholarship application software (\$662).

Line 21 Office Supplies & Equipment – Cost (\$643) is 11.1% of budget.

Line 22 Legal Fees – \$20,212 expense is 44.7% of budget. \$9,541 has been for administrative support, \$9,384 for Strategic Grants, and \$1,287 for Community Grants.

Line 23 Accounting & Payroll Fees – Total (\$24,728) is 69.1% of budget with \$13,401 for Accounting Consultant, \$10,100 for audit fees, \$637 for payroll fees, and \$590 for accounting software.

Line 24 Other Consultants – \$17,981 is 46.3% of budget and has been for fundraising assessment and planning (\$10,000), DEI training (\$5,000), and IT (\$2,981) consultants.

Line 25 Travel, Meetings & Conferences – No expense incurred this year.

Line 26 Miscellaneous – Cost (\$2,007) equals 70.1% of budget. \$1,400 incurred for organizational memberships and \$200 for State attorney general filing fee.

SUMMARY

Excluding the budget for Scholarships & Grants, total expenses are at 54.2% of budget, which is below 58.3% benchmark for the first seven months of the year. In terms of dollars, the \$245,436 in expense is \$18,471 less than the first seven months budget allocation.

Total January Investment net gain or increase in value is \$1,599,478. This came from Strategic Pool (\$419,547) and Quasi Endowment (\$1,179,931) gains. Year-to-date investment gain or increase in value is \$2,091,650.

Overall organization year to date net gain or increase in net assets is \$1,034,672.

Total Net Assets, as of January 31, 2023 are \$28,281,852 with \$20,881,230 in Quasi Endowment; \$7,397,922 in general Unrestricted funds; and \$2,700 in Donor Restricted Net Assets.

SAN BRUNO

Community Foundation

January 2023 2022-2023 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 Quasi Endowment | \$ 200,000 | \$ 285,937 | 69.9% | \$ 285,937 | \$ - |
| 2 Transfers from Strategic Pool | 21,029,423 | 25,088,288 | 83.8% | 21,029,423 | (4,058,865) |
| 3 Transfers from Liquidity RAC | 8,759,369 | 8,774,970 | 99.8% | 8,759,369 | (15,601) |
| 4 Donations | 1,621 | - | - | 1,621 | 1,621 |
| 5 Interest Income | 61,836 | 10,543 | 586.5% | 10,543 | - |
| 6 Miscellaneous Income | - | - | - | - | - |
| 7 Total Available for Operations | 30,052,249 | 34,159,738 | 88.0% | 30,086,893 | (4,072,845) |
| EXPENSES | | | | | |
| 8 Crestmoor Scholarships | - | 160,000 | 0.0% | 160,000 | - |
| 9 Community Grants | 300,000 | 300,000 | 100.0% | 300,000 | - |
| 10 Strategic Grants | 565,000 | 5,500,000 | 10.3% | 5,500,000 | - |
| 11 Other Grants | 10,000 | 10,000 | 100.0% | 10,000 | - |
| 12 Subtotal Direct Program Expenses | 875,000 | 5,970,000 | 14.7% | 5,970,000 | - |
| 13 Salaries & Wages | 129,668 | 223,075 | 58.1% | 223,075 | - |
| 14 Payroll Taxes & Benefits | 13,435 | 25,173 | 53.4% | 25,173 | - |
| 15 Subtotal Personnel Expenses | 143,103 | 248,248 | 57.6% | 248,248 | - |
| 16 Occupancy | 9,446 | 16,349 | 57.8% | 16,349 | - |
| 17 Insurance | 10,831 | 19,572 | 55.3% | 19,572 | - |
| 18 Telecommunications | 1,388 | 2,552 | 54.4% | 2,552 | - |
| 19 Postage & Shipping | 505 | 3,720 | 13.6% | 3,720 | - |
| 20 Marketing & Communications | 14,592 | 17,878 | 81.6% | 17,878 | - |
| 21 Office Supplies & Equipment | 643 | 5,800 | 11.1% | 5,800 | - |
| 22 Legal Fees | 20,212 | 45,200 | 44.7% | 45,200 | - |
| 23 Accounting & Payroll Fees | 24,728 | 35,792 | 69.1% | 35,792 | - |
| 24 Other Consultants | 17,981 | 38,870 | 46.3% | 38,870 | - |
| 25 Travel, Meetings & Conferences | - | 16,031 | 0.0% | 16,031 | - |
| 26 Miscellaneous | 2,007 | 2,863 | 70.1% | 2,863 | - |
| 27 Subtotal Non-Personnel | 102,333 | 204,627 | 50.0% | 204,627 | - |
| 28 Total Expenses | 1,120,436 | 6,422,875 | 17.4% | 6,422,875 | - |
| 29 Net Surplus/(Loss) | \$ 28,931,813 | \$ 27,736,863 | | \$ 23,664,018 | \$ (4,072,845) |

SAN BRUNO

Community Foundation

Statement of Financial Position as of January 31, 2023

ASSETS

| | | |
|---|---------------|-------------------------|
| Cash, Wells Fargo General | \$ 185,199.97 | |
| Cash, Wells Fargo Payroll | 42,393.64 | |
| Cash, Fidelity Liquidity Pool - Operating | 15,096,745.50 | |
| Total Cash | | 15,324,339.11 |
| Investments, Fidelity Strategic Pool | 7,836,710.83 | |
| Investments, Fidelity Quasi-Endowment | 20,881,230.10 | |
| Total Investments | | 28,717,940.93 |
| Prepaid Rent | 1,344.96 | |
| Prepaid Insurance | 3,830.50 | |
| Total Other Current Assets | | 5,175.46 |
| Deposits | 909.45 | |
| Total Other Assets | | 909.45 |
| TOTAL ASSETS | | <u>\$ 44,048,364.95</u> |

LIABILITIES & NET ASSETS

LIABILITIES

| | | |
|------------------------------|---------------|---------------|
| Accounts Payable | 111,665.97 | |
| Accrued Grants Payable | 15,382,287.04 | |
| Accrued Scholarships Payable | 260,000.00 | |
| Accrued Employee PTO | 12,559.80 | |
| Total Liabilities | | 15,766,512.81 |

NET ASSETS

| | | |
|--|---------------|-------------------------|
| Unrestricted, Non-QE 7/1/2022 Balance | 7,341,872.74 | |
| Year to Date Net Income from Operations | (958,478.18) | |
| Year to Date Strategic Investment Income | 1,014,527.48 | 2,091,649.82 |
| Total Non-QE Unrestricted Net Assets | 7,397,922.04 | 1,034,671.64 |
| Quasi-Endowment 7/1/2022 Balance | 19,804,107.76 | |
| Year-to-date QE Investment Income | 1,077,122.34 | |
| Total QE Unrestricted Net Assets | 20,881,230.10 | |
| Total Unrestricted Net Assets | | 28,279,152.14 |
| Donor Restricted Net Assets 7/1/2022 Balance | 101,200.00 | |
| Year to Date Donor Restricted Net Income | (98,500.00) | |
| Total Donor Restricted Net Assets | | 2,700.00 |
| Total Net Assets | | <u>28,281,852.14</u> |
| TOTAL LIABILITIES & NET ASSETS | | <u>\$ 44,048,364.95</u> |

SAN BRUNO

Community Foundation

Memorandum

DATE: February 24, 2023

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report on the Implementation Plan for the San Bruno Recreation and Aquatic Center from the City of San Bruno

At the March 1, 2023, regular meeting, the Board of Directors will receive a presentation from the City of San Bruno on the Implementation Plan for the San Bruno Recreation and Aquatic Center (RAC). Community Services Director Ann Mottola and Deputy Director Damian Sandholm will give the presentation.

1. Background

In preparation for the opening of the RAC in the fall of 2023, City staff has prepared an Implementation Plan that will guide the operational, programmatic, and fiscal planning for the first three years of operation of the facility. Development of the Implementation Plan is a requirement of the grant agreement for the construction grant (RAC Grant #8). The Implementation Plan has already been presented to the San Bruno City Council in December and the San Bruno Parks and Recreation Commission in January.

2. Implementation Plan Overview

Below is an overview of the Implementation Plan, which Ms. Mottola and Mr. Sandholm will present to the Board:

a. Facility Design and Program Areas

The new RAC replaces a combination of the Veterans Memorial Recreation Center (29,500 square feet) and the separate L-shaped swimming pool at the former Swim Center. The new facility is 49,360 square feet and includes amenities that will support distinct program types.

The first floor (ground level) houses:

- An indoor and outdoor pool, and two adjacent program rooms
- A regulation gymnasium with bleachers and a drop-down screen that can split the gymnasium into two separate activity areas

SAN BRUNO

Community Foundation

Memorandum

- Three classrooms on the ground floor with varying sizes and occupancies
- A plaza that will serve as an events and activity hub for the community

The second floor hosts the following:

- A fitness center with a combination of cardio and weight equipment
- An indoor track
- A group exercise room
- A large Community Hall that can be divided into two smaller spaces
- A catering kitchen

b. Expanded and New Programs

In all cases, Recreation programs will be expanded from what was offered in the prior facility due to the design and amenities offered in the new facility. This includes the following:

- There will be increased capacity for Aquatic programs as compared to the prior facility due to year-round programming in the natatorium and the doubling of our swim area with two 25-yard pools.
- City-run Camps, which are held in the summer and on school breaks, will have more amenities to create an improved experience for campers.
- There will be more space for Contract Classes.
- Facility Rentals in particular are an expanded program and will be an exciting growth opportunity for Recreation. The plan is to market to three distinct market segments: private events, corporate events and conferences, and weddings. Some are new market segments for the Recreation Division.
- The Fitness Center is an entirely new program area for the Recreation Division.
- Gymnasium-based programs are planned to be enhanced considerably, as the City plans to offer programs that were not part of the operational plan of the prior gymnasium. Some of these include “Jumping Jacks” toddler movement and tumbling play and adult recreation activities. Additionally, the drop-down screen will afford more programming opportunities by creating two separate spaces within the gymnasium.
- There will also be expanded opportunities for Special Events on the new plaza.

c. Budget Development Methodology - Guiding Principles

The Implementation Plan takes into consideration several guiding documents’ recommendations with regard to cost recovery.

SAN BRUNO

Community Foundation

Memorandum

- The Recreation and Aquatic Center Strategic Business Plan developed in April 2021 demonstrated the performance of similar facilities located in the cities of Folsom, San Ramon, Morgan Hill, and Newark, and provided a cost recovery target for our new facility at 66%. This is the target used in the projected operational budget in the Implementation Plan.
- The City's cost recovery Policy, adopted by City Council on June 22, 2021, was also used to set cost recovery targets for the different program areas within the Recreation Division. Most of the Recreation Division programs fall in the Medium Cost Recovery range (40% - 79%). Facility Rentals and Fitness target Full or Near Full Cost Recovery (80% -100%).

The Implementation Plan also includes revenue estimates inclusive of revenue generated by fees. As such, the Plan includes fee recommendations for several of the program areas. Benchmarking for facilities was conducted using the following comparable agencies with similar facilities when available: City of Millbrae, City of Burlingame, City of Redwood City, City of South San Francisco, and the San Mateo Union High School District. For the Fitness Center, City staff surveyed amenities offered at Planet Fitness San Bruno, Fitness 19 San Bruno, 24-Hour Fitness Millbrae, Crunch Fitness Daly City, Prime Time Burlingame, and Bay Club in both Daly City and Burlingame.

d. Individual Program Areas (Revenue Centers)

There are seven program areas or "revenue centers" that comprise the Recreation Division. These include Aquatics, Camps, Contract Programs, Facility Rentals, Fitness and Gymnasium-base Programs, Special Events, and Youth and Adult Sports. The modeling of each revenue center takes into account the aforementioned guiding documents.

City staff also developed a Capacity/Hours of Use analysis so that when projecting revenues, we ensured that we did not over-program available hours. The Implementation Plan includes approximately 60% of the available programmable hours within the facility. Therefore, there is potential for growth revenue-wise.

e. Staffing

The increase in programming types and capacity as well as the operational oversight and care for the facility will require an increase in staffing levels for the Recreation Division. The overall net gain to the Recreation Division compared to the current staffing level is 4.45 Full Time Equivalent employees (FTEs).

SAN BRUNO

Community Foundation

Memorandum

City staff prepared a supplemental budget allocation request for review by the City Council in late January to fund new program staff necessary to ramp up program development and facility operations readiness. On January 24, 2023, the Council approved the two new Recreation Coordinators and two new Recreation Supervisors as requested.

Staff's immediate work will focus on developing administrative processes; staff recruitment; onboarding and work planning for all Recreation staff; marketing plans for each program area; program development; and operational documents to ensure the safe and efficient operation of the facility and the programs that it houses.

f. Key Target Dates

City staff has set some target dates to keep them on track for a fall 2023 facility opening. This is a critical path as the City needs to start work in the last quarter of this fiscal year to be able to open the facility by fall 2023. The following is the necessary timeline of hiring and recruitment:

- January 24, 2023 – Council Approval of New Staff Positions
- February 1, 2023 – Open Recruitments for New Full-Time Staff
- March 13, 2023 – Full-Time Interview + Assessment Processes
- April 24, 2023 – Start Dates for New Full-Time Hires
- June 30, 2023 – Open Recruitments for Part-Time Staff
- August 14, 2023 – Part-Time Interview + Assessment Processes
- October 2, 2023 – Start Dates for New Part-Time Hires

Since approval of the new positions at the January 24 City Council Meeting, City staff has initiated recruitments. The Supervisor recruitments have been completed. The Recreation Coordinator recruitment process is in progress. A formal assessment process is scheduled for March 21, 2023.

SAN BRUNO

Community Foundation

Memorandum

DATE: February 24, 2023

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

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

At the March 1, 2023, Board meeting, I will give an update on the Crestmoor Neighborhood Memorial Scholarship, the Community Grants Fund, and the Foundation's other strategic grants.

1. Crestmoor Neighborhood Memorial Scholarship

The 2023 Crestmoor Neighborhood Memorial Scholarship launched the week of December 5, 2022, when the online application was made accessible and updated marketing materials were distributed to local schools and throughout the community.

Program Manager Jessica Carrillo held five in-person and virtual workshops on the Crestmoor Scholarship application process tailored to high school and community college applicants in January and February. The application deadline is March 7, 2023.

The Selection Panel has been assembled, and staff is in the process of preparing the materials for the Panel's work.

2. Community Grants Fund

In December 2022, the Board approved 23 grants totaling \$300,000 (of which \$100,000 was donated by YouTube/Google.org). We have executed all 18 grant agreements.

Thank you to all Board members who are helping deliver the grant checks through virtual and in-person check presentations with the grantee organizations. By March 1, we will have delivered 18 of the 23 grant checks, with just five remaining check distributions in March.

3. Other Strategic Grants

With regard to the Centennial Plaza Improvement Project, which the Foundation is helping fund with a \$500,000 grant to the City of San Bruno, the project is in the construction documents

SAN BRUNO

Community Foundation

Memorandum

phase. The City remains on track to begin construction later this year and to complete the plaza renovations in late 2022 or early 2023.

Community Day, which the Foundation is supporting with a \$30,000 grant to the City, is scheduled for the afternoon of Sunday, June 4, 2023, immediately following the San Bruno Lions Club's Posy Parade. It will again be held in downtown San Bruno along San Mateo Avenue. The City will likely begin marketing the event later in March through the spring.

SAN BRUNO

Community Foundation

Memorandum

DATE: February 24, 2023

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from Investment Committee

The March 1, 2023, Board meeting will include a report from the Investment Committee regarding its recent quarterly meeting, which was held on February 15, 2023. Treasurer Pak Lin chairs the Committee, on which Board Member Supriya Perry and community members Tony Clifford, Mark Hayes, and Tim Ross also serve.

On February 15, a team representing Sand Hill Global Advisors LLC (SHGA), the Foundation's investment adviser – including Chief Executive Officer Brian Dombkowski, Senior Portfolio Manager Meghan DeGroot Daters, and Senior Wealth Manager Kristin Sun – made its quarterly presentation to the Committee. Mr. Dombkowski gave an overview of the firm's investment outlook, including an overview of 2022 and economic indicators reflecting slowed growth but not a recession. He also gave a summary of the firm's current economic forecast for the first quarter of 2023, commenting on economic growth, interest rates, inflation, commodity markets, the employment market, corporate earnings, international developed markets, emerging markets, the housing market, and valuation.

Ms. DeGroot Daters then reviewed the Foundation's Investment Dashboard for the fourth quarter of 2023, including December 31, 2022, balances of \$19,712,758 for the Quasi-Endowment, \$7,520,868 for the Strategic Pool, and \$18,121,972 for the Liquidity Pool (total balance of \$45,355,598), and fourth quarter withdrawals of \$8,460,000. Mr. Dombkowski and Ms. DeGroot Daters also discussed the performance of the underlying funds in the Foundation's Quasi-Endowment, Strategic, and Liquidity pools. Ms. DeGroot noted that Sand Hill reduced exposure to market neutral assets and increased exposure to mid-cap equity and bonds during the fourth quarter of 2022.

The Committee also discussed cash flow strategies related to the RAC grants. Since early 2018, the Foundation has made grant payments totaling \$35,565,278 related to the eight grants supporting the design and construction of the RAC. The latest set of RAC grant payments totaling \$3,129,726 was made in late January/early February based on the City's latest set of

SAN BRUNO

Community Foundation

Memorandum

quarterly grant reports. The remaining balance of RAC grant payments to be paid is \$14,434,722.

The Committee's next quarterly meeting is scheduled for Wednesday, May 17, 2023, at 4:30 p.m., at San Bruno City Hall Room 101.