



**BOARD FINANCE COMMITTEE**

**Tuesday, July 9, 2024**

**4:00 pm – 5:30 pm**

**In-person:** Sonrisas Dental Office - 430 N. El Camino Real, San Mateo, CA 94401

**Members of the Public may Join Virtually:** <https://us02web.zoom.us/j/82241200780>

**Meeting ID:** 822 4120 0780 - **By Phone:** +1 253 215 8782; +1 267 831 0333

**AGENDA**

1. **Call to Order & Roll Call**
2. **Approval of Minutes:**
  - May 14, 2023 Minutes p. 1
3. **Business Arising from Minutes**
  - Wrap-Up Insurance
4. **City National Bank – Robert Meckstroth, Senior Portfolio Manager**
  - Annual Portfolio Overview p. 6
  - Q&A
  - **Information Only**
5. **Sonrisas Deep-Dive Session – Tracey Fecher, CEO, Sonrisas Dental Health**
  - FY24 Performance Overview p. 58
  - FY25 Budget & Outlook
  - Opportunities to Increase Visit Volume / Impediments
  - Q&A
  - **Action, if any**
6. **Tour of Sonrisas led by Tracey Fecher, CEO, Sonrisas Dental Health**
7. **Future agenda items:**
  - allcove – Deep-Dive including FY 24 Performance and Outlook
  - FY 23-24 Yr-End Consolidated Financials
  - Suggestions?
8. **Adjournment**



## FINANCE COMMITTEE MEETING

### Minutes May 14, 2024

1. **Call to Order:** Meeting was called to order by **Chair Zell** at 4:00 pm.
2. **Roll Call:** Present: Chair Zell, Director Sanchez, Member Seto, Member Revelo, CEO Pulido, CFO Yee.  
Absent: Member Sun.
3. **Approval of Minutes** from March 12, 2024  
One change was made to the minutes: #4, paragraph 4, to change the year of the subprime crisis from 1987 to 2007.

***It was moved by Chair Zell and seconded by Director Sanchez to approve the Minutes from March 12, 2024. The motion passed 6/0/0/1. Ayes: Chair Zell. Director Sanchez, Member Seto, Member Revelo, CEO Pulido, CFO Yee. Absent: Member Sun***

#### 4. **The Trousdale Budget:**

**Scott Winans**, Senior Vice President of Operations, Eskaton, and **Sylvia Chu**, Executive Director, The Trousdale, presented the FY 24-25 Assumptions and Draft Budget. Below are some highlights:

- Occupancy ending at stabilization – 93%
- Level of Care – Assisted Living 1.95 and Memory Care 2.5
- Resident Rate increase by 7.5% effective January 1
- Rent Assistance Fund - \$20K/month or \$240K/year
- Other Rent Concession/Incentives \$11,500/month
- Labor increased by +1.6 FTE, a total of 89.26 FTE
- 6% increase for RCA/RMA staff in addition to the \$1/hour increase
- All other staff 5% increase.
- Health Plan – 16.25%, WC – 3.75%, 401K – 2.25%
- Registry - \$20K/month
- Food – 6% increase
- Gas/Electric 10% inflation
- Insurance: Property – 10%, Liability – 7.25%, Auto – 5%
- All Other Expenses – General inflation of 3-5%

The budget will end the year with a net loss of \$638,246 but a positive cashflow of \$221,431. This is the first time The Trousdale has had a positive cashflow. The budget will end the year at 93.1%, which is at stabilization with an occupancy of 115.5 units.

**Director Sanchez** asked if there is still difficulty in finding qualified staff. **Ms. Chu** replied that there is still a general shortage of care workers in the area. Staffing is a challenge, especially in this

industry. There is a lot of competition, and after the pandemic, many people have decided to leave this industry or go to home care instead. **Mr. Winans** added that there are higher staffing costs because of the shortage. Also, with the increase in fast food workers' wages by the government, there is increased competition, but Ms. Chu has made good progress. **CFO Yee** commented that there is a significant reduction in Registry use in the new budget.

**Chair Zell** asked if the staffing challenges are due to wages. **Mr. Winans** replied that The Trousdale has regularly increased wages, and the community is currently well-staffed. **Ms. Chu** commented that the issue is not wages but finding qualified staff to do the job; everyone is looking in the same pool of candidates, which is limited.

**Director Sanchez** asked if The Trousdale is doing anything to retain staff. **Mr. Winans** responded that Eskaton has a program called the Stay Interviews, a career path within the organization, and is constantly looking at wages to be competitive. Still, the issue is a lack of a candidate pool. **Ms. Chu** added that there is also a great bonus program for referrals at \$1,500.

**Chair Zell** added that the 5% increase to staff may be low in this area and if necessary, Eskaton can go to the Board and ask for an adjustment to wages to stay competitive.

**Director Revelo** asked how comparable the 7.5% rate increase is. **Mr. Winans** replied that the increase is pretty comparable across the industry. He saw anywhere between 6-9%, depending on the area. **Ms. Chu** commented that the increase is on the low end compared to the living facilities in the area. **CEO Pulido** added that the gradual increase will help stabilize occupancy instead of a big jump.

***It was moved by Director Sanchez and seconded by Member Revelo to accept the budget as presented. The motion passed 6/0/0/1. Ayes: Chair Zell, Director Sanchez, Member Seto, Member Revelo, CEO Pulido, CFO Yee. Absent: Member Sun***

## 5. allcove Budget:

**Marc Rappaport**, allcove Clinical Director, presented the FY 24-25 Assumptions and Draft Budget. Below are some highlights:

- Soft Opening – January 2024 and Grand Opening – Fall 2024
- January to April, the Center had 194 visits. Of the visits, 34 were for mental health
- FY 25 Budget is expected to see 2,145 visits.
- Clinical Partner Staffing to ramp up to 7.85 FTEs
- Billables to start January 2025 for Medi-Cal Insurance (40% Mental Health and 100% Group Counseling Services)
- Other Insurance Billable to begin in FY 26
- Revenue includes State Grants and Billables
- Expenses: \$1.7M – 65% cost for staffing
- Capital Purchases: \$63.5K, which includes \$55K in medical equipment.

Net Loss expected to be \$760K with a net cash draw of \$734K.

**Member Seto** asked who the targeted audience for outreach efforts is. **Mr. Rappaport** replied that they are reaching out to the high school and community college youth – ages 12-25. **CEO Pulido** added that the team is also doing ads, reaching out to businesses, attending conferences, and tabling events to spread the word. They work with the Youth Advisory Group to develop strategies and ideas on the best ways to reach the youth.

**Member Seto** asked what the utilization percentage of the leased space was. **Jackie Almes**, Youth Behavioral Health Program Manager, replied that 90% of the space is for the youth and 10% is for staff. Yesterday, there was a collaborative event with Borel Middle School, and over 30 people attended, including youth and parents.

**Director Sanchez** asked if Saturday utilization is still the same. **Ms. Almes** replied, yes, Saturdays are slow days for the Center. **Director Sanchez** asked about funding sources for FY 2027 and on. **Ms. Almes** replied that there are pending grants that are not in the budget and other expected revenue streams at the bottom of the budget. In addition, they will continue to look at grant opportunities as they become available. Also, they will have a better idea of billables next year.

**Chair Zell** commented that he visited a mental health center called Head Space in Canada based on the Foundry model. The Center worked because the local hospital and the local government funded it. He would like Ana to meet with the hospitals and the County manager to talk about allcove, and he is happy to attend those meetings. **Chair Zell** would also like other services such as resume workshops, housing, job fairs, and interview support. He would like allcove to invite non-profits or the County to provide these services. In addition, he would like a budget line item for community outreach/community building for sponsorships and speakers.

***Chair Zell made the motion to accept the budget with an additional line item for community outreach. It was seconded by Director Sanchez. The motion passed 6/0/0/1. Ayes: Chair Zell, Director Sanchez, Member Seto, Member Revelo, CEO Pulido, CFO Yee. Absent: Member Sun***

## 6. Health & Fitness Budget:

**CFO Yee** and **Richard Bergstrom**, Fitness Director, presented the FY 24-25 Assumptions and Draft Budget. Below are some highlights:

- Membership to grow to 249; 1/3 will be insurance-based memberships
- New membership types: Government Employees
- Special Health Programs: Forever Fit and Fall Prevention Programs
- Added personal training – currently 2/month
- Yoga classes to gradually increase from 5 to 8 classes/month
- Revenue: \$174K, 33% better than last year's budget
- Expenses: \$412K, a 3.4% increase from last year's budget
- Increase Membership Service Representative by .14 FTE
- Exploring the possibility of becoming a medically certified fitness center through the Medical Fitness Association
- Continued exploration of other insurance options and membership pricing.

**Chair Zell** believes that the membership pricing is high and would like to see a reduction. The Center is a community benefit; he would like to see more seniors attend and be active. He suggested lowering the pricing to the same reimbursement rates as the insurance. **Chair Zell** asked if the Center would eventually break even. **CEO Pulido** replied not currently but is working on being a licensed medically certified facility, which may potentially break even. **Director Sanchez** asked if there were any complaints about the price. **Mr. Bergstrom** replied that there weren't any complaints regarding pricing.

**Chair Zell** commented that the Board is considering expanding the fitness center and that the best way to know if there is interest is to lower the membership price. **CEO Pulido** commented that she would like to provide a comprehensive package to members, including health fitness classes. **Director Sanchez**

commented that he does not see a problem with the price since the Center offers education and training to prevent injuries, which are invaluable and not offered at other gyms.

**Member Revelo** asked what attracts the seniors to join the Center. **CEO Pulido** replied that the seniors come for the health aspect, but they love the community. The seniors love the socialization, interaction with others, the staff, and is a safe place for them.

**Member Seto** asked if the FY24 numbers were actuals. **CFO Yee** replied that it is a combination. Actuals for the first three quarters and projected numbers for the last quarter. **Member Seto** requested that the actuals and forecasted numbers be broken out in the future.

**Chair Zell** asked the Committee if they would like more discussion on lowering costs. After a robust discussion, the Committee believes that price is not a deterrent for individuals to join, especially since the Center now accepts insurance, which can be free to members. Also, the Center is not just a gym but focuses on seniors by offering tailored programming and classes to promote healthy living and fall prevention. In the last four months, membership increased by 40 members.

***It was moved by Director Sanchez and seconded by Member Revelo to accept the budget as presented. The motion passed 5/1/0/1. Ayes: Director Sanchez, Member Seto, Member Revelo, CEO Pulido, CFO Yee. Noes: Chair Zell. Absent: Member Sun***

#### **7. FY 24-25 Consolidated Draft Budget:**

**CFO Yee** presented the FY 24-25 Drivers & Assumptions, Consolidated Draft Budget, Financial Ratios, 5-year Cashflow, and 5-year Capital Budget. Below are some highlights:

- Tax Revenue - \$9M (\$500K increase from the previous budget)
- Lease Income - \$3M (based on current occupancy)
- Investment Income estimated at 5%
- Community Grants - \$2M (same as previous years)
- Community Outreach - \$75K (increased by \$25K)
- Leasing Property Expenses - \$394K, including a \$26K increase at 1764 MPW
- Consultant expenses increased due to additional services in the coming year, such as internal control review, HR policy review, strategic plan, and CEO professional coaching.
- New Continued Education & Training for all staff - \$24K
- Insurance – estimated at 15% increase.
- Board Election is budgeted at \$300K (every odd year)
- Consolidated Budget Net Income: \$5,633,813
- All FY 24-25 Budget Ratios exceed PHCD Ratios
- Ending Cashflow - \$44,563,443
- Debt Service on June 30, 2025 - \$38,320,000
- Capital Budget for the year is \$309K

**Director Sanchez** asked if there is any election cost if there are no competitors. **CFO Yee** replied, No. **Director Sanchez** suggested reallocating the election budget to Community Grants if there is no election or cost for the District. **Chair Zell** commented that the decision is at the Board level.

**Chair Zell** commented that all the programs are doing better, especially The Trousdale, which helps to subsidize allcove. He asked CEO Pulido if there were any concerns. **CEO Pulido** replied that she is mainly working on increasing the utilization numbers at allcove. **Chair Zell** suggests increasing the community outreach budget.

*The Committee had a robust discussion. It was moved by Director Sanchez and seconded by Member Seto to accept the budget as presented. The motion passed 6/0/0/1. Ayes: Chair Zell, Director Sanchez, Member Seto, Member Revelo, CEO Pulido, CFO Yee. Absent: Member Sun*

**8. Q3 Consolidated Financials:**

CFO Yee commented that the Q3 consolidated financials are in the packet, consistent with previous quarters and that there were no concerns. Committee members can email CFO Yee for questions.

**9. Discuss topics or information the Committee would like to explore in the Program Deep-Dive sessions:**

Committee members will email the CFO with topics and information for the Sonrisas Deep-Dive session.

**10. Future Agenda Items:**

- City National Bank – Annual Performance & Goals Presentation
- Sonrisas – Deep-Dive including FY 24 Performance and Outlook

**Adjournment:** Chair Zell Adjourned the meeting at 5:49 pm.

*Written by Vickie Yee, CFO*

**Approved by: The Finance Committee X/X/XX**



PORTFOLIO REVIEW

# THE PENINSULA HEALTH CARE DISTRICT

June 15, 2024

Investment management services provided by City National Bank through its wholly owned subsidiary City National Rochdale, LLC, a registered investment adviser.

Please see Important Disclosures in the Appendix

CITY NATIONAL ROCHDALE, LLC NON-DEPOSIT INVESTMENT PRODUCTS ARE: ■ NOT FDIC INSURED ■ NOT BANK GUARANTEED ■ MAY LOSE VALUE

# Presenters

## Robert Meckstroth, CFA, CPWA®

Senior Portfolio Manager  
City National Rochdale

## Jackie De Leon

Vice President & Client Manager  
City National Bank



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# Portfolio Review Summary

# Portfolio Review Overview

AS OF JUNE 15, 2024

ACCOUNTS		MARKET VALUE
PENINSULA HEALTH CARE DIST. AGENCY	xxxxx810	\$ 18,092,772
<b>TOTAL PORTFOLIO REVIEW</b>		<b>\$ 18,092,772</b>

# Portfolio Review Allocation

AS OF JUNE 15, 2024

ASSET CLASS		MARKET VALUE	% ASSETS	CURRENT YIELD	ANNUAL ESTIMATED INCOME	
Core Fixed Income	99.6%	Core Fixed Income Taxable	\$ 18,013,888	99.6%	3.3%	\$ 595,305
Cash & Equivalents	0.4%	Cash	78,884	0.4%	4.4%	3,475
<b>Total Portfolio</b>			<b>\$ 18,092,772</b>	<b>100%</b>	<b>3.3%</b>	<b>\$ 598,780</b>

Current Yield does not account for amortization of bond premiums. As a result, distribution of income based on Current Yield may invade principal.

Note: The cash security represented on this report may not match your custodian statement. Certain custodians do not send unique fund name information; thus a universal default may have been used as a substitute. The interest rate represented in the CNR portfolio accounting system may not match your custodian statement and is not updated as frequently as your custodian. You should always rely on your custodian's statements and confirms for the most up to date information.

# Investment Policy

PENINSULA HEALTH CARE DIST. AGENCY

# Policy Guidelines

<p>INVESTMENT OBJECTIVE</p> <p><b>LIQUIDITY MANAGEMENT TAXABLE</b></p>	<p>ANNUAL ESTIMATED INCOME</p> <p><b>\$598,780</b></p>	<p>SCHEDULED ANNUAL DISTRIBUTIONS</p> <p><b>None Specified</b></p>
	<p>YTD TAXABLE REALIZED GAIN/LOSS</p> <p>Short-Term: \$0 Long-Term: (\$7,777)</p>	<p>SPECIAL CONSIDERATIONS</p> <p><b>None Specified</b></p>

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# Investment Strategy

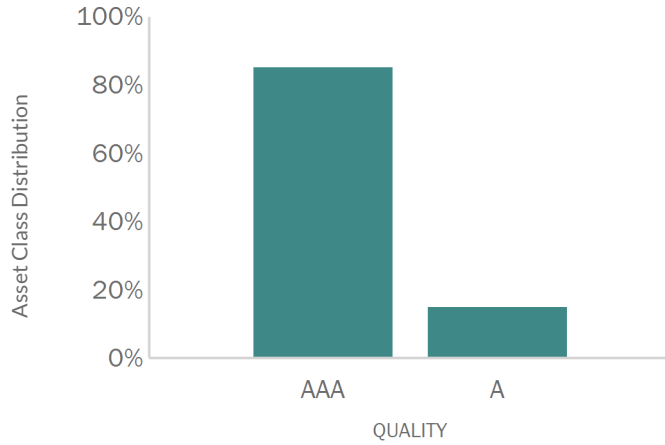
	ACTUAL PORTFOLIO		TACTICAL ALLOCATION	
	RISK/RETURN		RISK/RETURN	
	NEAR-TERM	LONG-TERM	NEAR-TERM	LONG-TERM
ESTIMATED ANNUAL RATE OF RETURN (%)	4.86	4.82	4.86	4.83
ESTIMATED STANDARD DEVIATION (%)	-	3.23	-	3.24

STRATEGY DESCRIPTION		ACTUAL PORTFOLIO			TACTICAL ALLOCATION		
Income & Stability	Core Fixed Income Taxable	\$ 18,013,888	99.6%	100.0%	\$ 18,092,772	100.0%	100.0%
	Cash	78,884	0.4%		-	-	
TOTAL MANAGED PORTFOLIO		\$ 18,092,772	100%	100%	\$ 18,092,772	100%	100%

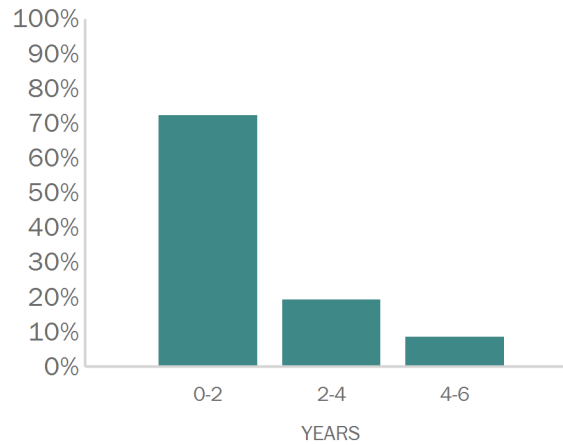
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# Fixed Income Characteristics

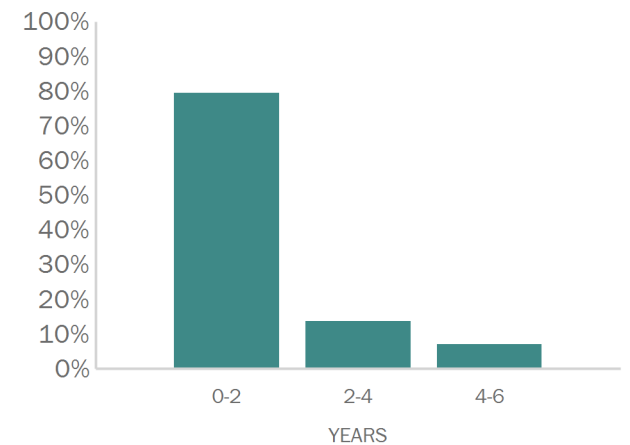
CREDIT QUALITY DISTRIBUTION



MATURITY SCHEDULE



DURATION

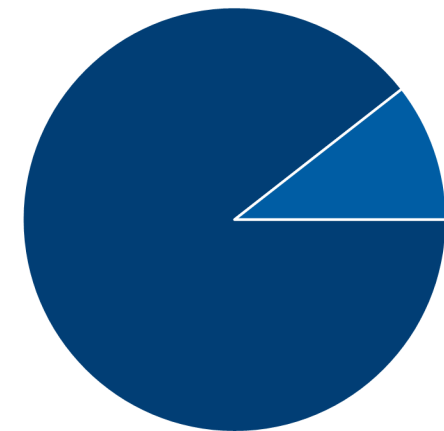


## PORTFOLIO CHARACTERISTICS

DURATION	1.42
AVERAGE MATURITY	1.58
CREDIT RATING	AA+
COUPON RATE	3.32%
YIELD TO WORST	5.03%
YIELD TO MATURITY	5.03%
CURRENT YIELD	3.33%

## SECTOR EXPOSURE

Govt.....	89%
Corp.....	11%



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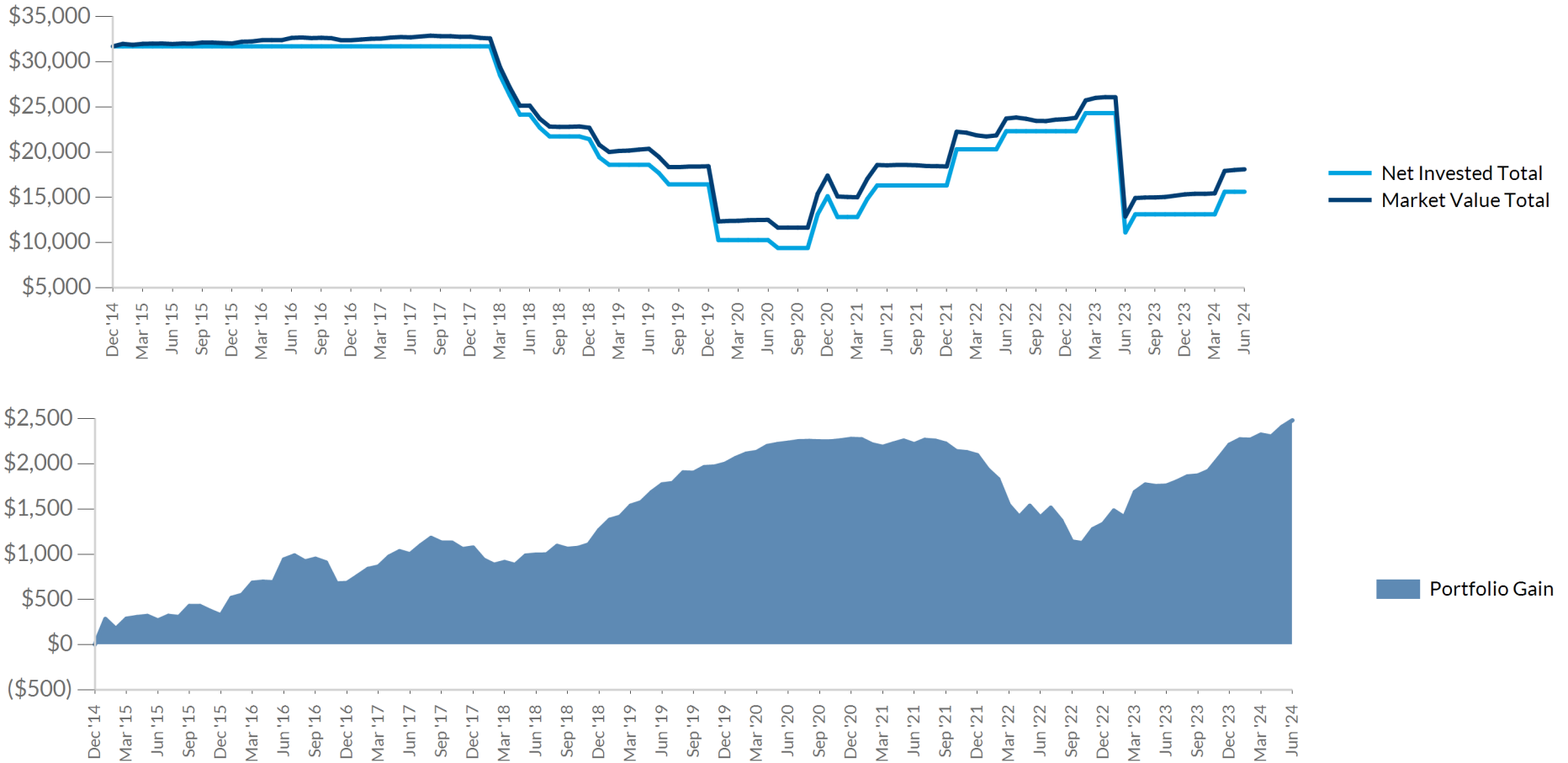


# Portfolio Analysis

PENINSULA HEALTH CARE DIST. AGENCY

# Historical Market Value

FROM DECEMBER 31, 2014 TO JUNE 15, 2024 / \$ IN THOUSANDS



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# Activity Summary

FROM DECEMBER 31, 2022 TO DECEMBER 31, 2023

<b>BEGINNING VALUE</b>	<b>\$ 23,651,074</b>
CONTRIBUTIONS	4,000,000
WITHDRAWALS*	(13,200,000)
CHANGE IN MARKET VALUE**	336,330
INCOME RECEIVED	534,924
<b>ENDING VALUE</b>	<b>\$ 15,322,328</b>
NET GAIN AFTER FEE	871,254

\* Withdrawals include client distributions and expenses

\*\* Includes the deduction of account management fees

ACCT# xxxxx810

# Activity Summary

FROM DECEMBER 31, 2023 TO JUNE 15, 2024

<b>BEGINNING VALUE</b>	<b>\$ 15,322,328</b>
CONTRIBUTIONS	2,500,000
WITHDRAWALS*	0
CHANGE IN MARKET VALUE**	25,003
INCOME RECEIVED	245,442
<b>ENDING VALUE</b>	<b>\$ 18,092,772</b>
NET GAIN AFTER FEE	270,444

\* Withdrawals include client distributions and expenses

\*\* Includes the deduction of account management fees

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# Performance Summary

FROM NOVEMBER 30, 2010 TO JUNE 15, 2024

	YTD	LAST YEAR	SINCE INCEPTION ANNUALIZED
<b>TOTAL PORTFOLIO NET OF FEES</b>	1.59%	4.80%	1.29%
<b>ASSET CLASS RETURNS GROSS</b>	<b>YTD</b>	<b>LAST YEAR</b>	<b>SINCE INCEPTION ANNUALIZED</b>
Core Fixed Income Tax Exempt	1.60%	4.58%	0.37%
Core Fixed Income Taxable	1.57%	4.92%	1.46%
Cash	1.89%	5.18%	-

Cash performance Time Weighted Returns may be higher than expected in some cases due to the fluctuations of cash balances compared to the interest payment postings. This may occur when the fund pays interest for the month on a day with a very low cash balance. The monthly cash Time Weighted Return will show a larger return compared to the monthly return when calculated based on the average cash balance.

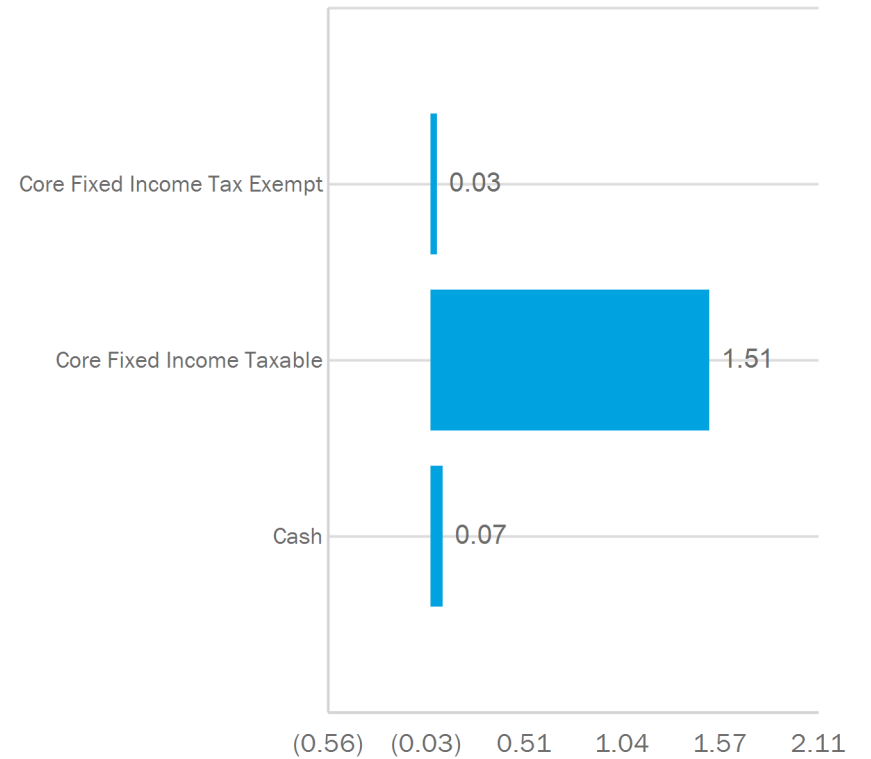
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# Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2023 TO JUNE 15, 2024

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Core Fixed Income Tax Exempt	1.52	1.60	0.03
Core Fixed Income Taxable	95.76	1.57	1.51
Cash	2.72	1.89	0.07

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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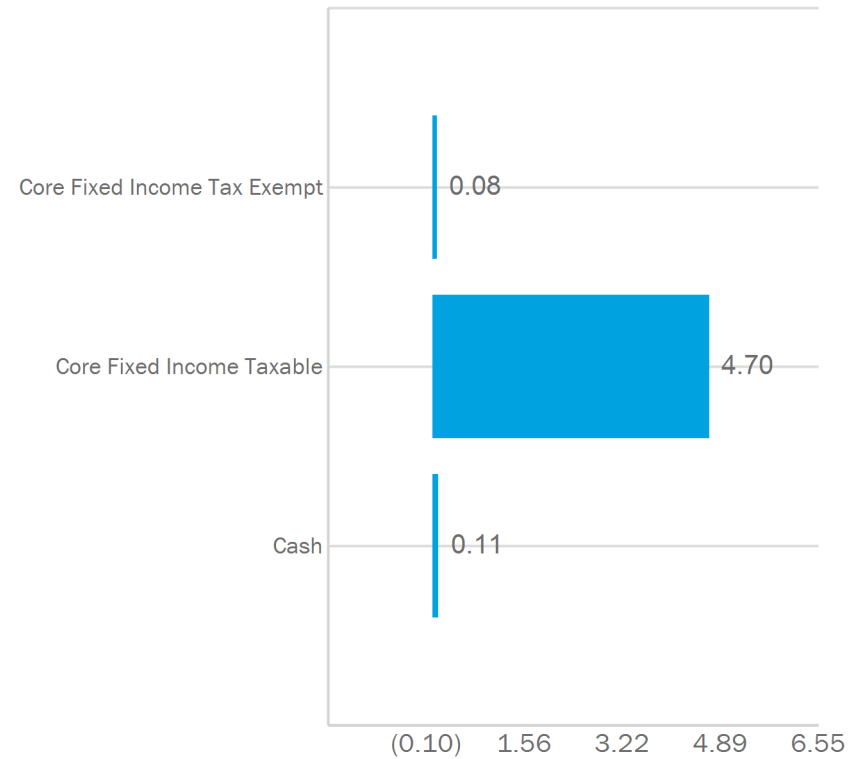
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# Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2022 TO DECEMBER 31, 2023

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Core Fixed Income Tax Exempt	1.69	4.58	0.08
Core Fixed Income Taxable	96.25	4.92	4.70
Cash	2.07	5.18	0.11

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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# Realized Gains and Losses

FROM JANUARY 01, 2024 TO JUNE 15, 2024

Account	Open Date	Close Date	Quantity	Symbol	Security	Adjusted Cost Basis (\$)	Proceeds (\$)	Gain or Loss	
								Short Term (\$)	Long Term (\$)
<b>MANAGED ASSETS</b>									
xxxxx810	07/08/2020	02/05/2024	340,000.00	06367WHH9	Bank Of Montreal	339,900.59	340,000.00		99.41
xxxxx810	01/14/2022	02/05/2024	100,000.00	06367WHH9	Bank Of Montreal	101,438.05	100,000.00		(1,438.05)
xxxxx810	07/08/2020	03/13/2024	280,000.00	80283LAJ2	Santander Uk Plc	278,863.01	280,000.00		1,136.99
xxxxx810	12/22/2020	03/13/2024	65,000.00	80283LAJ2	Santander Uk Plc	67,547.84	65,000.00		(2,547.84)
xxxxx810	07/08/2020	03/15/2024	285,000.00	06051GHR3	Bank Amer Corp	287,463.86	285,000.00		(2,463.86)
xxxxx810	12/22/2020	03/15/2024	65,000.00	06051GHR3	Bank Amer Corp	66,019.86	65,000.00		(1,019.86)
xxxxx810	01/14/2022	03/15/2024	100,000.00	06051GHR3	Bank Amer Corp	99,341.34	100,000.00		658.66
xxxxx810	07/08/2020	04/24/2024	285,000.00	172967MF5	Citigroup Inc	286,752.08	285,000.00		(1,752.08)
xxxxx810	12/22/2020	04/24/2024	70,000.00	172967MF5	Citigroup Inc	71,167.53	70,000.00		(1,167.53)
xxxxx810	01/14/2022	04/24/2024	100,000.00	172967MF5	Citigroup Inc	99,282.59	100,000.00		717.41
xxxxx810	02/18/2021	05/01/2024	325,000.00	97705MUJ2	Wisconsin St	325,000.00	325,000.00		0.00
xxxxx810	08/05/2022	05/31/2024	800,000.00	91282CER8	United States Treas Nts	800,000.00	800,000.00		0.00
<b>TOTAL GAINS</b>								<b>0.00</b>	<b>2,612.47</b>
<b>TOTAL LOSSES</b>								<b>0.00</b>	<b>(10,389.22)</b>
<b>TOTAL MANAGED ASSETS</b>						<b>2,822,776.75</b>	<b>2,815,000.00</b>		<b>(7,776.75)</b>
<b>TOTAL TAXABLE PORTFOLIO</b>						<b>2,822,776.75</b>	<b>2,815,000.00</b>		<b>(7,776.75)</b>

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# Portfolio Appraisal

AS OF JUNE 15, 2024

Quantity	Symbol	Security	Adj Unit Cost (\$)	Total Adj Cost (\$)	Price (\$)	Market Value (\$)	Yield (%)	Income (\$)	% Of Assets	% of Total Portfolio	Unrealized Gain/Loss (\$)
<b>MANAGED ASSETS</b>											
<b>CORE FIXED INCOME TAXABLE</b>											
<b>Corporate Bond</b>											
500,000	17325FBF4	Citibank N A 5.438% Due 4/30/2026	1.00	500,028	1.00	501,820	5.42	27,190	2.79	2.77	1,792
		Accrued Interest				3,474			0.02	0.02	
<b>Foreign Corporate Bonds</b>											
445,000	13607GLZ5	Canadian Imp Bk Comm 2.250% Due 1/28/2025	1.01	448,644	0.98	436,122	2.30	10,013	2.42	2.41	(12,522)
495,000	86562MCA6	Sumitomo Mitsui Fin Grp Inc 1.474% Due 7/8/2025	1.00	496,077	0.96	474,774	1.54	7,296	2.64	2.62	(21,302)
		Accrued Interest				7,058			0.04	0.04	
<b>Government Bonds</b>											
625,000	91282CED9	United States Treas Nts 1.750% Due 3/15/2025	0.99	621,131	0.98	609,394	1.79	10,938	3.38	3.37	(11,738)
		Accrued Interest				2,764			0.02	0.02	
<b>Government Agency Bonds</b>											
1,000,000	91282CGG0	United States Treas Nts 4.125% Due 1/31/2025	1.00	996,640	0.99	993,080	4.15	41,250	5.51	5.49	(3,560)
850,000	91282CHL8	United States Treas Nts 4.625% Due 6/30/2025	1.00	848,655	1.00	846,396	4.64	39,313	4.70	4.68	(2,259)
300,000	91282CJB8	United States Treas Nts 5.000% Due 9/30/2025	1.00	299,871	1.00	300,105	5.00	15,000	1.67	1.66	234
400,000	91282CFW6	United States Treas Nts 4.500% Due 11/15/2025	1.00	401,505	0.99	397,844	4.52	18,000	2.21	2.20	(3,661)
1,000,000	91282CGV7	United States Treas Nts 3.750% Due 4/15/2026	1.00	998,984	0.98	982,620	3.82	37,500	5.45	5.43	(16,364)
550,000	91282CKS9	United States Treas Nts 4.875% Due 5/31/2026	1.00	551,010	1.00	551,826	4.86	26,813	3.06	3.05	816
900,000	91282CHM6	United States Treas Nts 4.500% Due 7/15/2026	1.00	903,748	1.00	897,048	4.51	40,500	4.98	4.96	(6,700)
925,000	91282CCP4	United States Treas Nts 0.625% Due 7/31/2026	0.94	873,754	0.92	850,787	0.68	5,781	4.72	4.70	(22,967)
450,000	91282CJP7	United States Treas Nts 4.375% Due 12/15/2026	1.01	452,448	1.00	448,209	4.39	19,688	2.49	2.48	(4,239)
770,000	91282CKJ9	United States Treas Nts 4.500% Due 4/15/2027	0.99	764,400	1.00	770,601	4.50	34,650	4.28	4.26	6,200
100,000	91282CJW2	United States Treas Nts 4.000% Due 1/31/2029	0.99	98,755	0.99	98,883	4.05	4,000	0.55	0.55	128
1,100,000	91282CKT7	United States Treas Nts 4.500% Due 5/31/2029	1.01	1,106,746	1.01	1,113,145	4.45	49,500	6.18	6.15	6,399

Note: The cash security represented on this report may not match your custodian statement. Certain custodians do not send unique fund name information; thus a universal default may have been used as a substitute. The interest rate represented in the CNR portfolio accounting system may not match your custodian statement and is not updated as frequently as your custodian. You should always rely on your custodian's statements and confirms for the most up to date information.

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# Portfolio Appraisal

AS OF JUNE 15, 2024

Quantity	Symbol	Security	Adj Unit Cost (\$)	Total Adj Cost (\$)	Price (\$)	Market Value (\$)	Yield (%)	Income (\$)	% Of Assets	% of Total Portfolio	Unrealized Gain/Loss (\$)
		Accrued Interest				74,707			0.41	0.41	
<b>Treasury Bills</b>											
1,000,000	912797JT5	United States Treas Bills 0.000% Due 7/25/2024	0.99	987,455	0.99	994,450	0.00	0	5.52	5.50	6,995
1,000,000	912797KV8	United States Treas Bills 0.000% Due 10/24/2024	0.97	974,573	0.98	981,400	0.00	0	5.45	5.42	6,827
<b>Treasury Notes</b>											
1,650,000	91282CFA4	United States Treas Nts 3.000% Due 7/31/2024	1.00	1,649,581	1.00	1,645,034	3.01	49,500	9.13	9.09	(4,547)
1,250,000	91282CHN4	United States Treas Nts 4.750% Due 7/31/2025	1.00	1,247,408	1.00	1,246,388	4.76	59,375	6.92	6.89	(1,021)
640,000	91282CJV4	United States Treas Nts 4.250% Due 1/31/2026	1.00	637,753	0.99	634,253	4.29	27,200	3.52	3.51	(3,501)
1,325,000	91282CGL9	United States Treas Nts 4.000% Due 2/15/2026	0.99	1,317,716	0.99	1,308,080	4.05	53,000	7.26	7.23	(9,636)
300,000	91282CJA0	United States Treas Nts 4.625% Due 9/30/2028	1.00	299,145	1.01	303,762	4.57	13,875	1.69	1.68	4,617
		Accrued Interest				71,898			0.40	0.40	
<b>Variable Rate Corporate Bonds</b>											
500,000	6174468V4	Morgan Stanley Nt 0.985% Due 12/10/2026	0.92	461,723	0.94	467,885	1.05	4,925	2.60	2.59	6,162
		Accrued Interest				82			0.00	0.00	
<b>TOTAL CORE FIXED INCOME TAXABLE</b>				17,937,749		18,013,888	3.33	595,305	100.00	99.56	(83,845)
<b>CASH</b>											
<b>Money Market</b>											
	TBSCNBM	Cnb Deposit Sweep (mgd)		69,040		69,040	5.03	3,475	87.52	0.38	0
<b>Cash And Equivalents</b>											
	PCASH	Principal Cash		9,844		9,844	0.00	0	12.48	0.05	0
<b>TOTAL CASH</b>				78,884		78,884	4.41	3,475	100.00	0.44	0
<b>TOTAL MANAGED ASSETS</b>				18,016,633		18,092,772	3.34	598,780		100.00	(83,845)
<b>TOTAL PORTFOLIO</b>				18,016,633		18,092,772	3.34	598,780		100.00	(83,845)

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# Economic Outlook & Investment Strategy

# Investment Strategy Committee Highlights

## Economic Outlook

- Moderation in U.S. economic momentum expected but underlying fundamental strong and recession likely to be avoided.
- Inflation still elevated but continues its downward glide path. Wages and service inflation are declining more slowly.
- Expecting the Fed to be patient on policy easing, with zero to two rate cuts a possibility sometime in the second half of 2024.
- Consumer spending expected to slow, but wealth effects, labor market strength and real income gains remain supportive.
- Defaults by consumers and corporations expected to increase from historic lows, but should be manageable.
- Investment spending should improve as businesses gain confidence around the outlook.
- U.S. economic outperformance expected to continue, but global growth prospects improving.
- Elections in U.S. likely to be contentious; shouldn't influence near term economic activity.
- Geopolitical risks unlikely to meaningfully impact U.S. economic activity, but we remain watchful.

## Investment Strategy

- Expecting more modest returns across asset classes in 2024; remain focused on high quality stocks and bonds.
- Staying focused on U.S. equities; we have been raising equity exposure as risks to the economic outlook diminish.
- Expecting a continued broadening out in equity market participation among lagging segments.
- For clients seeking additional capital appreciation, mid cap equities appear increasingly attractive.
- International equities appearing more attractive, given improving growth prospects and policy easing tailwinds, but remain cautious on geopolitical concerns.
- Potential Fed rates cuts are a bullish sign for investors and signal that now may be the time to take advantage of interest rates.
- Investment grade corporate and municipals may offer attractive yields, with less risk vs. high-yield markets.
- Maintaining focus on quality and positioning with benchmark duration.
- There are still excellent opportunities for short-term cash/liquidity management.
- Alternatives\* may provide better risk adjusted returns diversification and private market exposure for those clients that can allocate to illiquid investments.

\*Alternative investments are speculative, may entail substantial risks and may not be suitable for all investors.

Diversification does not ensure a gain or protect against a loss.

Sources: Bloomberg, CNR Research, as of June 2024. Information is subject to change and is not a guarantee of future results.

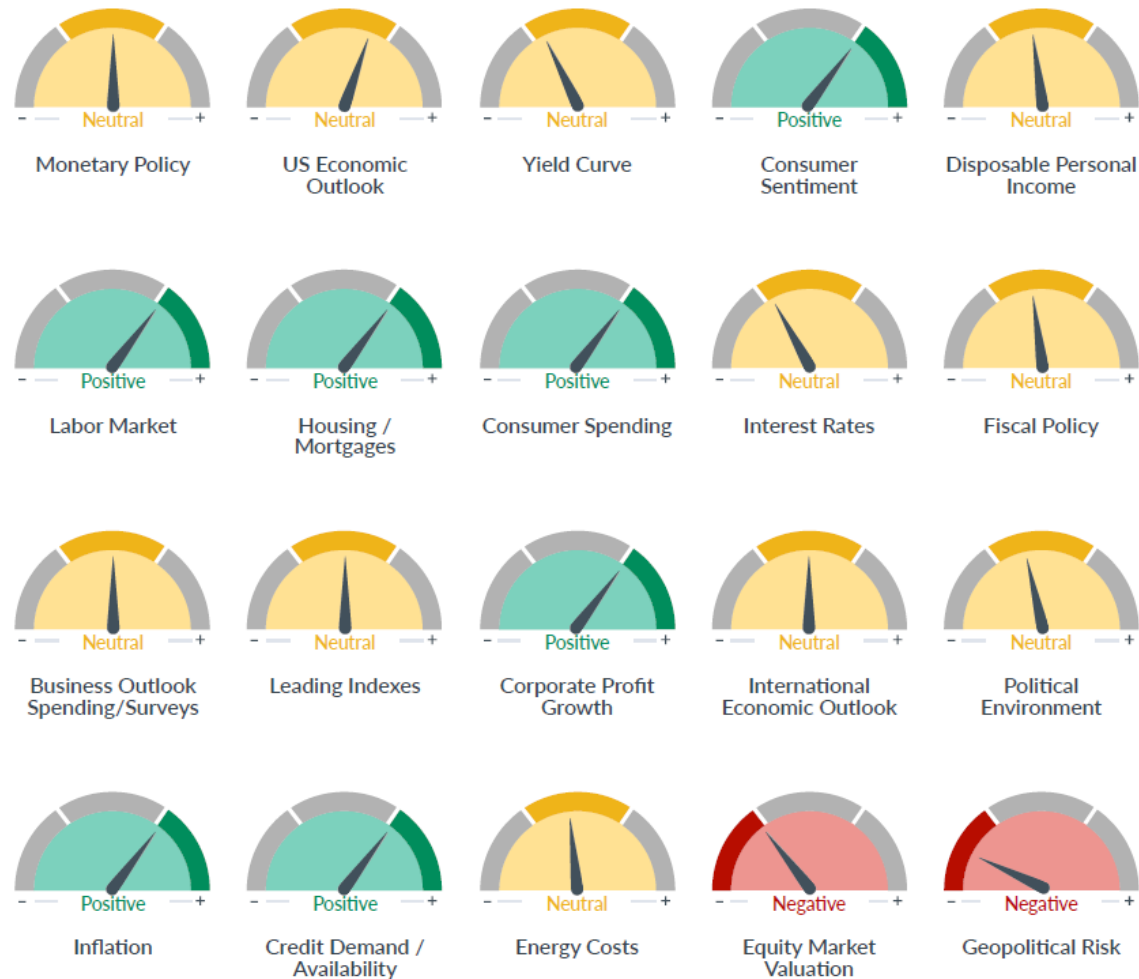
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# CNR Speedometers® – June 2024

## Economic & Financial Indicators That Are Forward-Looking Six to Nine Months

### Impact on Economy and Financial Markets

- Global economic outlook improving, U.S. growth prospects remain more positive.
- Fed rate hiking cycle likely over, policy headwinds expected to moderate.
- Consumer remains resilient, job and wage growth supporting spending.
- Expecting improvements in corporate profits, inflation, credit conditions and housing.
- Geopolitical events remain key risk to outlook.



Impact on investment: ■ Positive ■ Neutral ■ Negative

Timeframe: ■ Current ■ Change from last month

Source: Proprietary opinions based on CNR Research, as of June 2024. Information is subject to change and is not a guarantee of future results.

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# Economic Forecasts

- GDP growth to moderate, but economy should remain resilient and avoid recession.
- Corporate profits expected to show improving growth.
- Downward inflation glide path intact, but progress slower.
- Now expecting 0-2 Fed rate cuts in 2024.
- Sticky inflation and more patient Fed likely to put 4% floor on 10-year Treasuries.

City National Rochdale Forecasts		2023	2024e	2025e
Real Annual GDP Growth		2.5%	1.75% to 2.25%	1.5% to 2.25%
Corporate Profit Growth		1%	9.0% to 12.0%	8.0% to 12.0%
Headline CPI Year End		3.3%	2.75% to 3.50%	2.50% to 2.75%
Core CPI Year End		3.9%	2.50% to 3.00%	2.25% to 2.75%
Interest Rates	Federal Funds Rate	5.25% to 5.50%	4.75% to 5.50%	3.75% to 4.25%
	Treasury Note, 10-Yr.	3.88%	4.10% to 4.60%	4.00% to 4.50%

Gross domestic product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period. The Consumer Price Index (CPI) measures the monthly change in prices paid by U.S. consumers.

e: estimate.

Sources: Bloomberg, proprietary opinions based on CNR Research, as of June 2024.

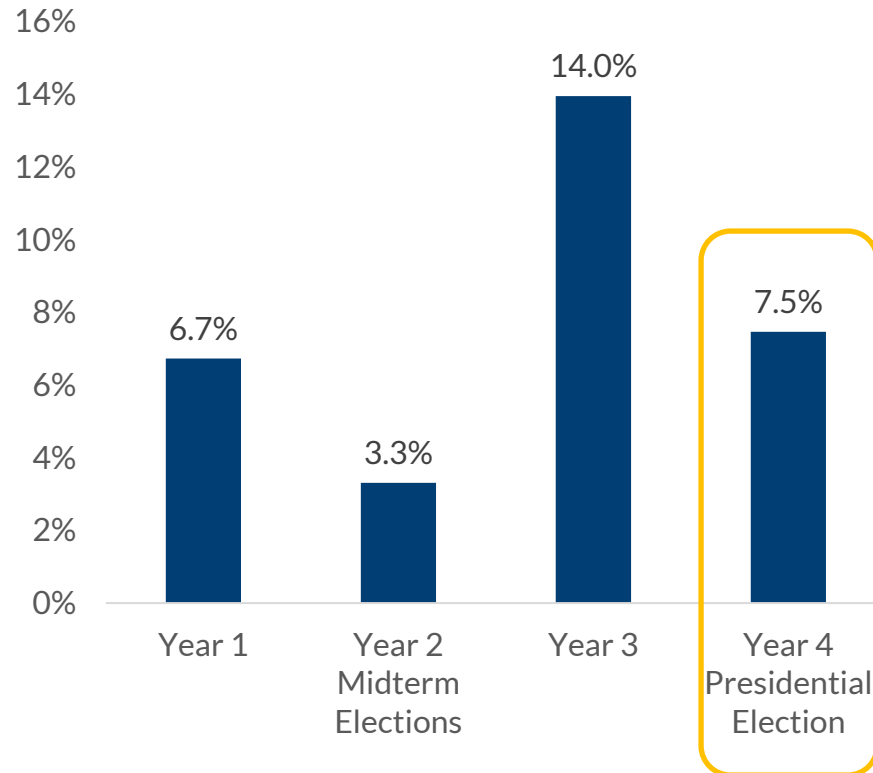
Information is subject to change and is not a guarantee of future results.



# Presidential Election Years Are Typically Good Ones

- Only five presidential election years since 1928 have seen negative returns.
- Over the long run, equities have historically performed well, regardless of political party control of government.
- Factors like corporate profits, interest rates, and the direction of Fed policy tend to be more important.

S&P 500 Performance  
Over U.S. Presidential Election Cycles  
(1928-2023)



S&P 500 Performance  
Over U.S. Presidential Election Cycles  
(1928-2023)



Source: Factset, as of January 2024.  
Past performance is no guarantee of future results.

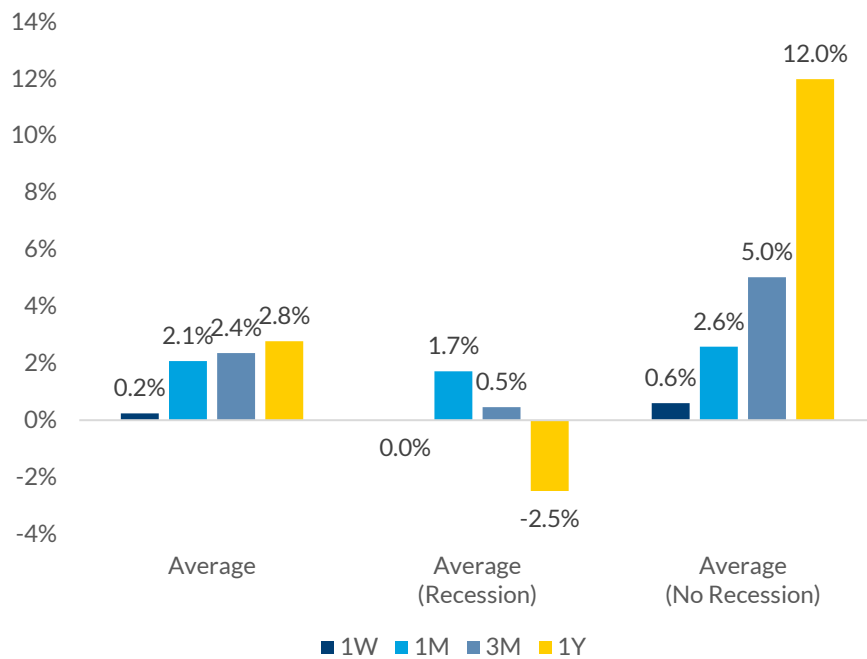
■ Years with positive returns  
■ Years with negative returns



# Heightened Geopolitical Risk

## Markets Have Shown Resilience Outside Of Recessionary Environments

**S&P 500 Performance**  
After Select Geopolitical Shocks



**The stock market’s longer-term reaction ultimately is more impacted by the strength of underlying economic fundamentals.**

Select Geopolitical Shocks	First Trading Date	S&P 500 Performance			
		1W	1M	3M	1Y
Yom Kippur War/Oil Embargo	10/8/1973	-0.2%	-3.7%	-10.2%	-38.7%
Iran Hostage Crisis	11/5/1979	1.7%	5.8%	13.9%	33.7%
Iraq Invades Kuwait	8/2/1990	-3.1%	-7.9%	-11.8%	14.0%
First Gulf War	1/17/1991	2.1%	12.9%	19.4%	31.8%
9/11	9/17/2001	-3.4%	3.8%	9.6%	-14.6%
War in Afghanistan	10/8/2001	2.6%	5.1%	10.0%	-23.7%
Second Gulf War	3/20/2003	-0.8%	2.2%	14.1%	28.9%
Orange Revolution/Ukraine	11/22/2004	0.2%	2.9%	2.5%	9.1%
Russo-Georgian War	8/8/2008	0.2%	-4.0%	-27.7%	-19.9%
Russian Invasion of Crimea	2/27/2014	1.3%	0.3%	4.1%	15.8%
Russian Invasion of Ukraine	2/24/2022	1.8%	6.1%	-5.0%	-5.9%
Israel/Hamas War	10/7/2023	0.5%	1.4%	9.4%	-

During or six months prior to recession

Source: FactSet, as of February 2024.

Indices are unmanaged, and one cannot invest directly in an index. Index returns do not reflect a deduction for fees or expenses.

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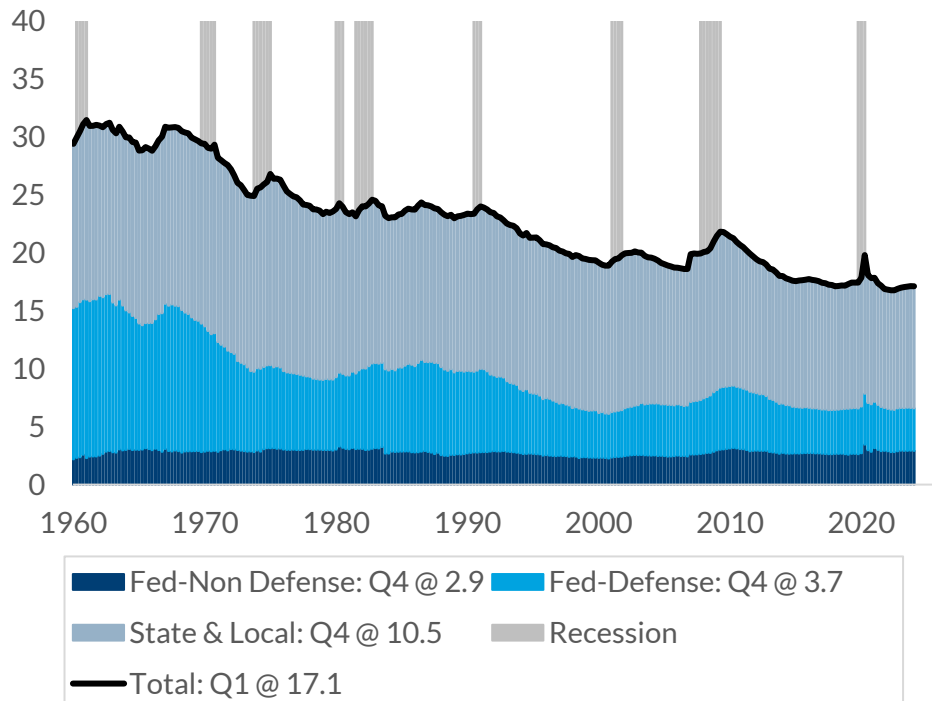




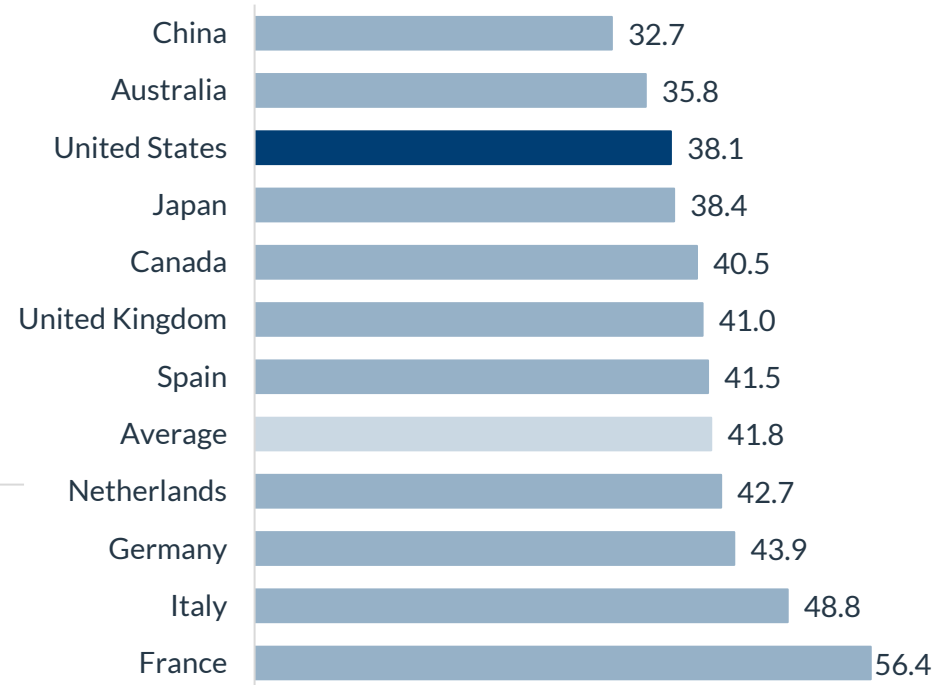
# The Federal Debt Is Large, but Manageable for Now

- While large, the deficit for the next 10 years appears to be in line with the past 10 years.
- Last year’s deficit grew due to lower tax receipts, increased Social Security spending and higher treasury debt yields.
- The run-up in borrowing costs and the deficit have renewed concerns about Congress’s long-term fiscal plan.
- The rise in federal debt is consistent with many other developed countries.

**GDP: Government as a Percent of Total**  
%, seasonally adjusted data



**Government Spending**  
% of GDP



CBO stands for Congressional Budget Office. It is a federal agency within the legislative branch of the United States government that provides budget and economic information to Congress.

Sources: Bureau of Economic Analysis as of Q4 2023; International Monetary Fund, as of Q2 2022.

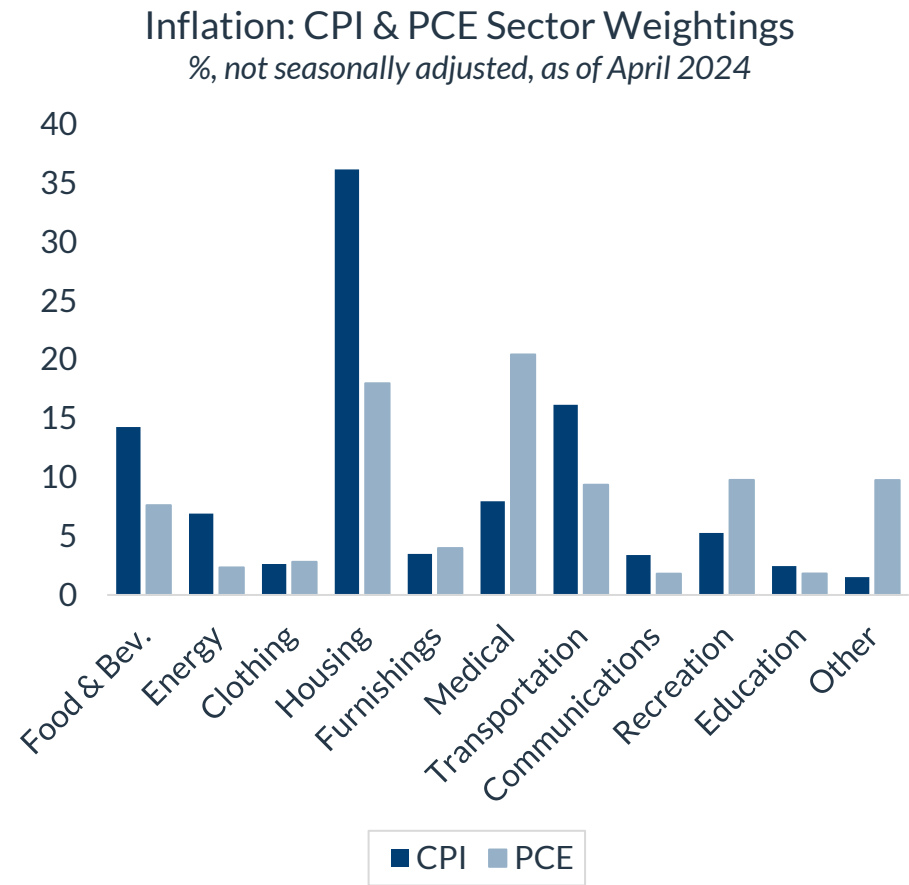
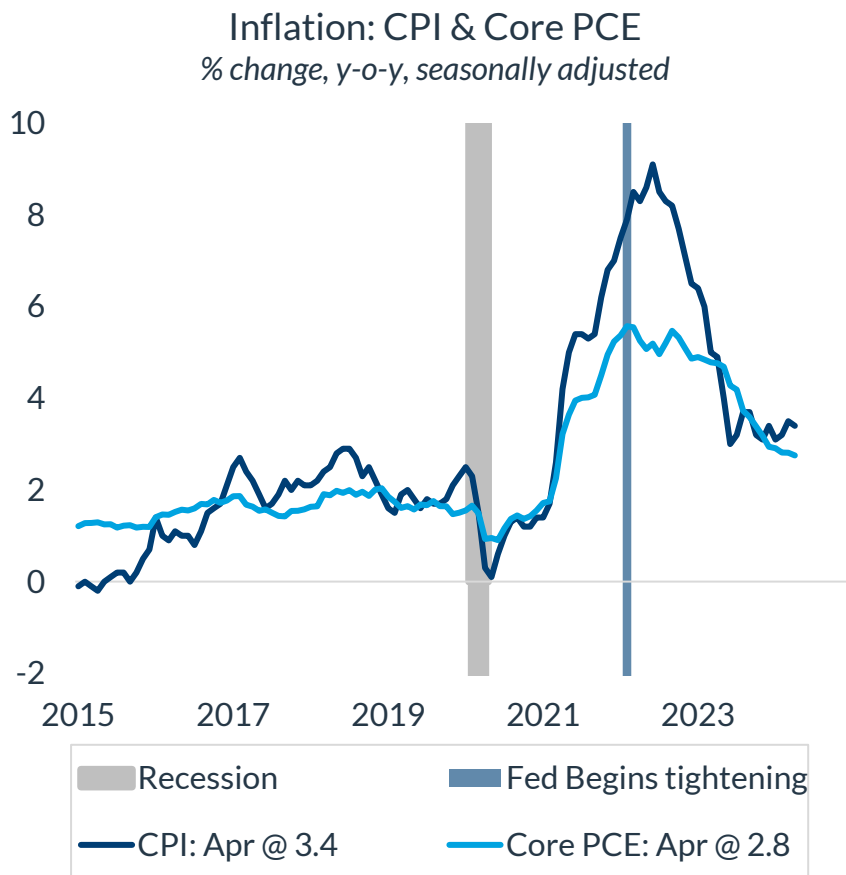
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# Inflation Expected to Continue to Slowly Moderate

- Although the CPI report is the best-known inflation measurement, the PCE price index is the one the Fed follows.
- The weightings reflect exactly how consumers spend their money, based on the income and personal consumption reports.
- Inflation has been improving, but is still too far away from the Fed's goal of 2.0 % to allow the Fed to lower interest rates.



Sources: Bureau of Labor Statistics, Bureau of Economic Analysis, as of April 2024; Bureau of Labor Statistics, Bureau of Economic Analysis, as of April 2024. Information is subject to change and is not a guarantee of future results.

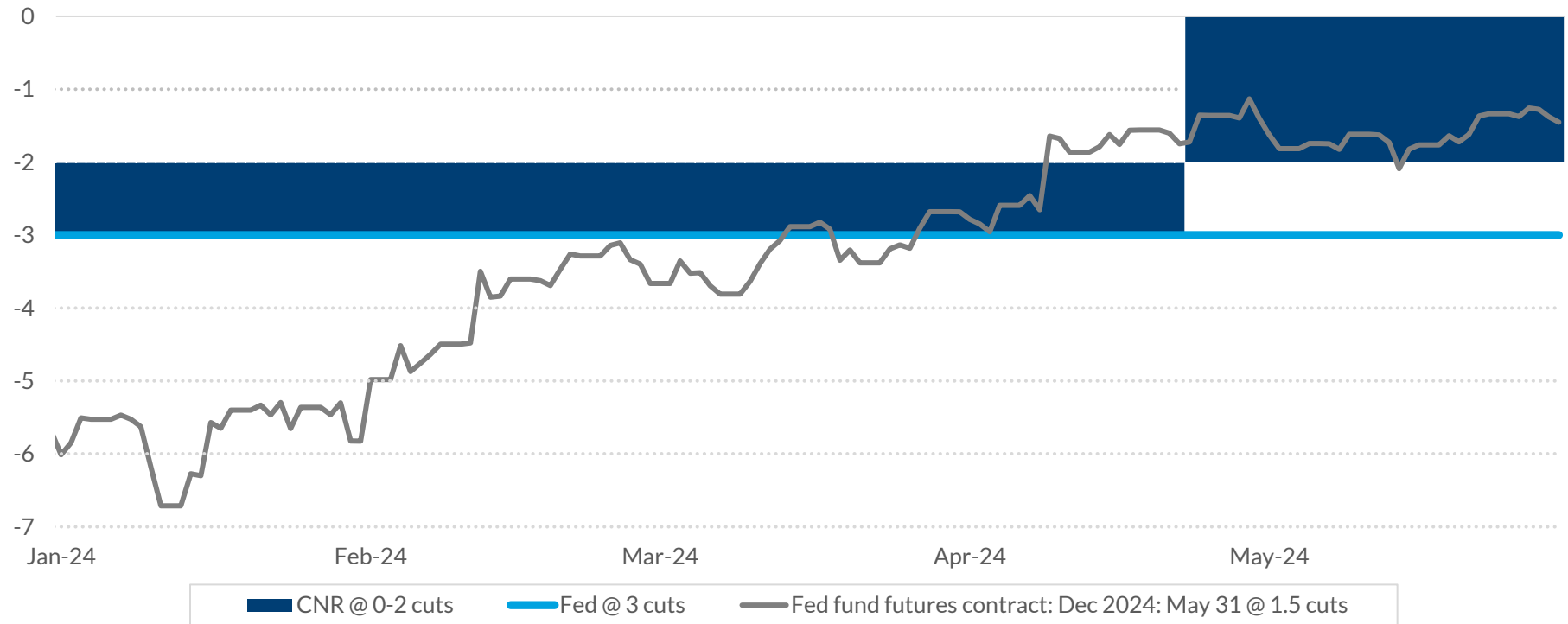
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# The Federal Reserve Will Keep Policy Rates High

- The market has significantly repriced rate cut expectations since the start of 2024 , from almost 7 cuts to now about 1.
- CNR has consistently had more modest rate cut expectations.
- Given sticky inflation and strong economic growth, we expect the Fed will likely be patient before easing policy.

Federal Funds Forecast: 2024 YE  
number of 25 bp cuts in the federal funds rate

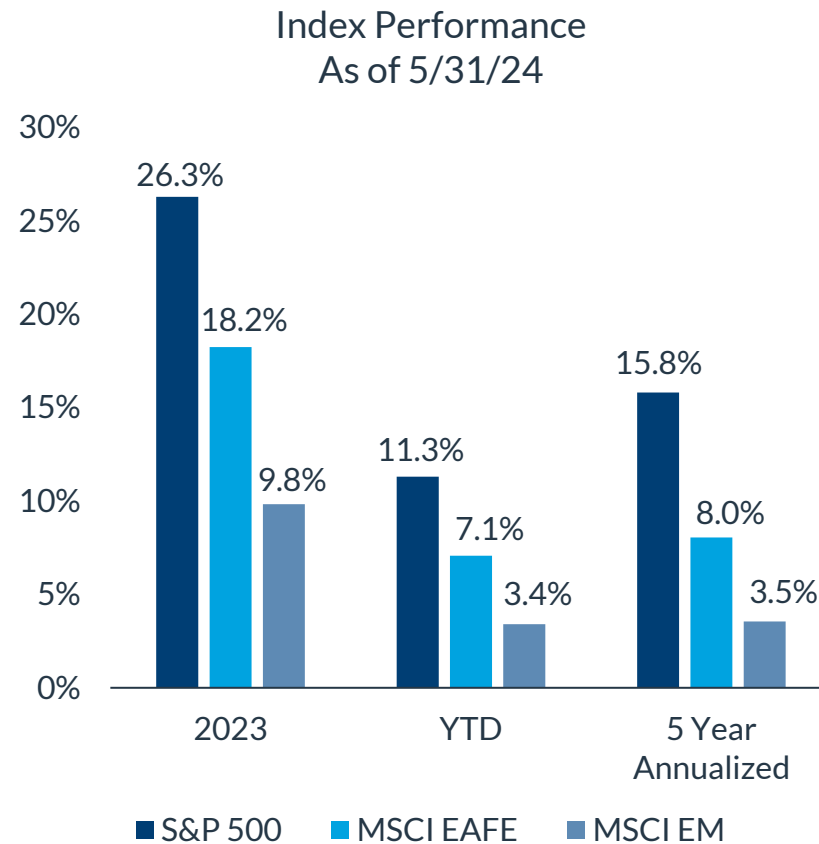
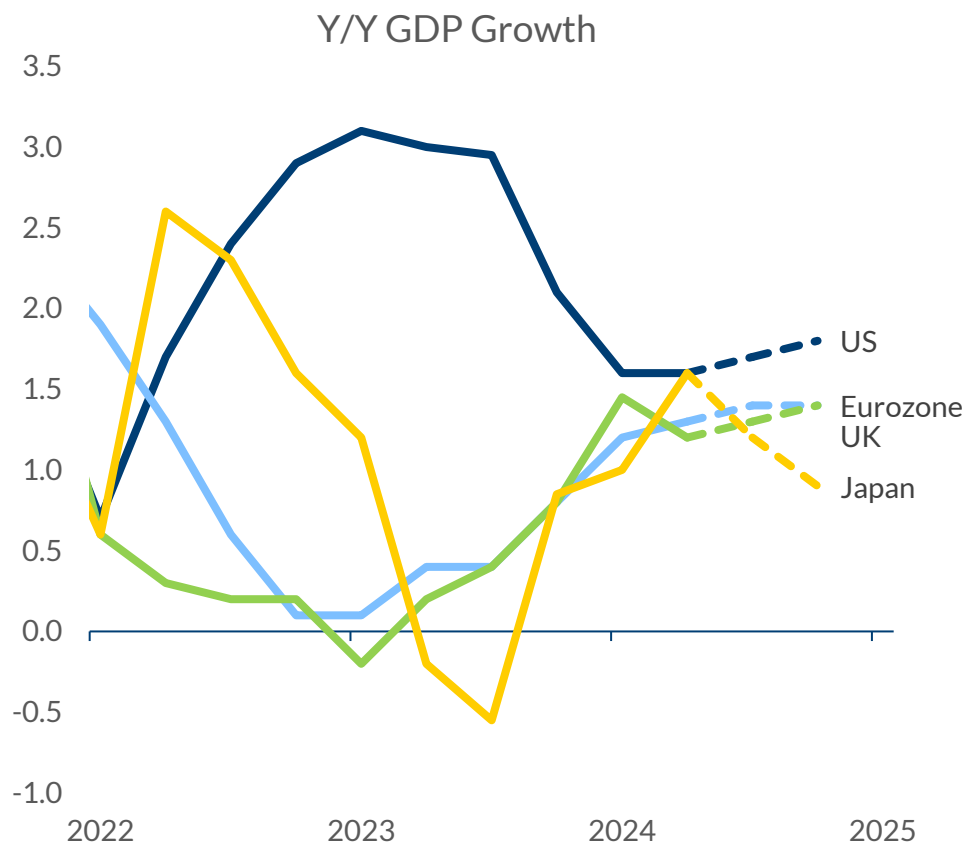


Sources: Federal Reserve Bank, Bloomberg's WIRP page, CNR Research, as of May 31, 2024.  
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# Continue to Favor U.S. Equities

- U.S. growth outperformance expected to continue, but prospects for non-U.S. economies are improving.
- Conditions for non-U.S. investment include stable growth, stable currencies and improving geopolitical risks.

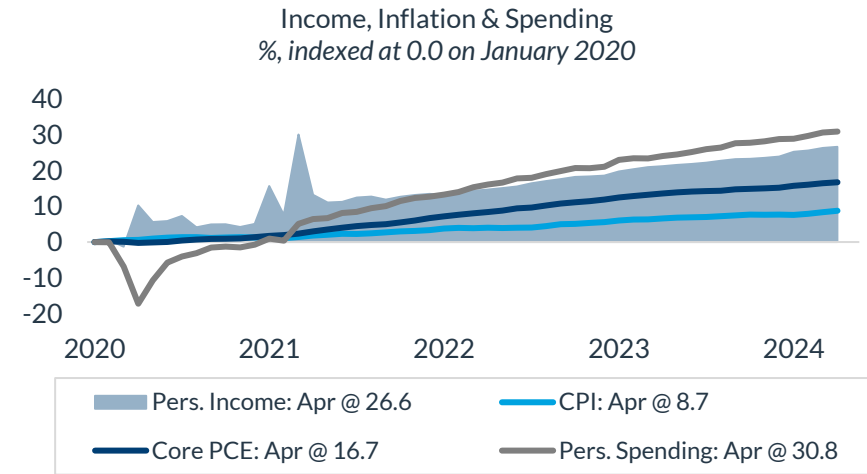
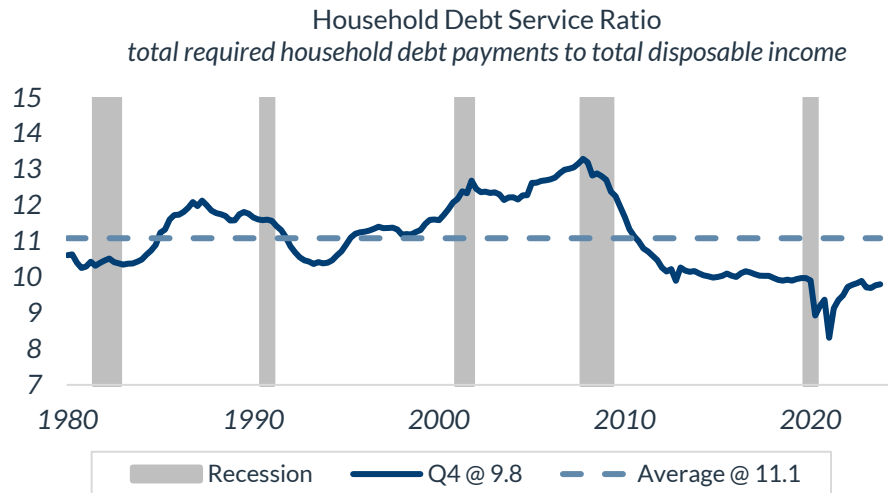
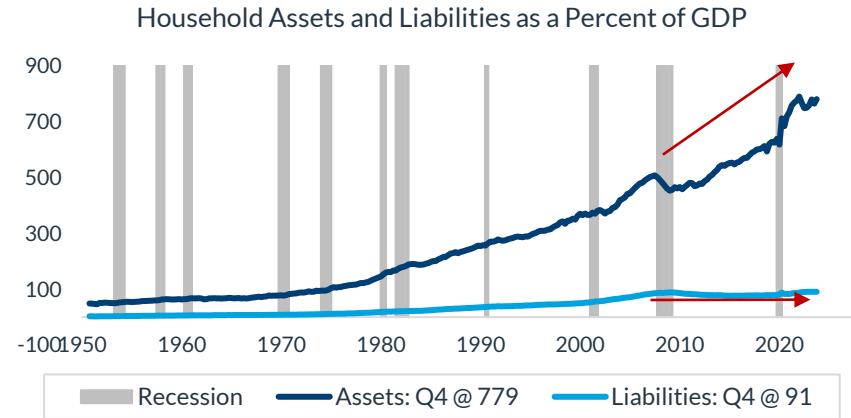
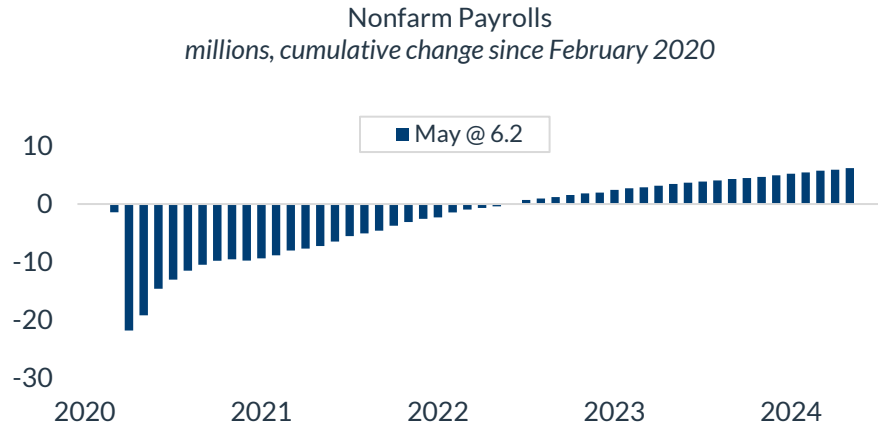


Sources: Bureau of Economic Research, UK Office for National Statistics, Eurostat, Economic and Social Research Institute Japan, National Bureau of Statistics of China, as of March 25, 2024; Bloomberg, FactSet, CNR Research, as of April 2024. Information is subject to change and is not a guarantee of future results.



# Income & Spending

- The strong economy has created 6 million jobs and robust household income.
- This has created stronger household balance sheets.
- Which has allowed households to have a strong pace of spending.

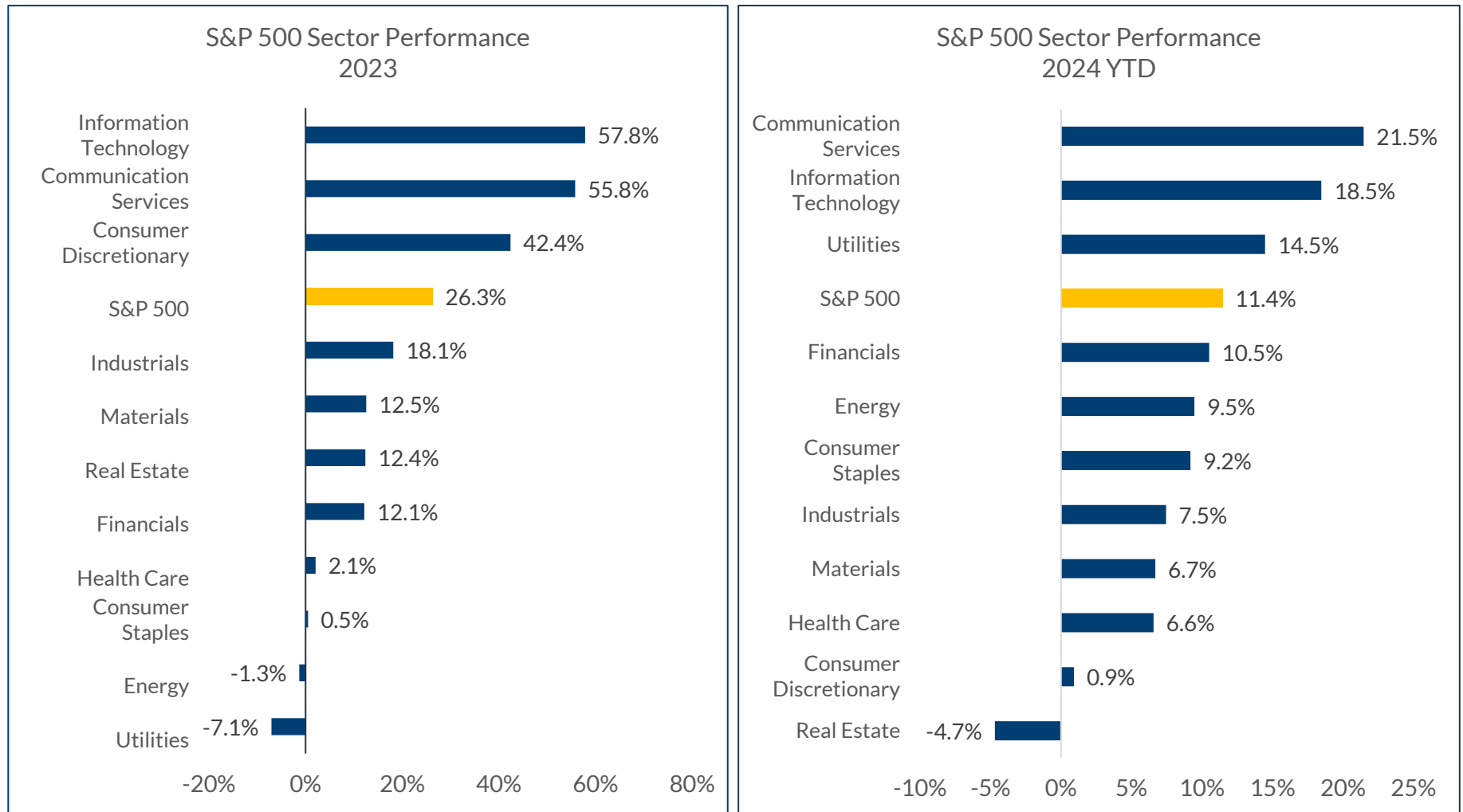


Sources: Chart 1: Bureau of Labor Statistics, as of May 2024. Chart 2: Federal Reserve Bank, Bureau of Economic Analysis, as of Q4 2023. Chart 3: Federal Reserve Bank, as of Q3 2023. Chart 4: Bureau of Economic Analysis, Bureau of Labor Statistics, as of April 2024.  
Information is subject to change and is not a guarantee of future results.



# Market Participation Has Broadened in 2024

- Performance of the S&P 500 in 2023 was driven largely by a few growth sectors, particularly tech related.
- More sectors have contributed to the market’s advance this year as confidence in the outlook has improved.



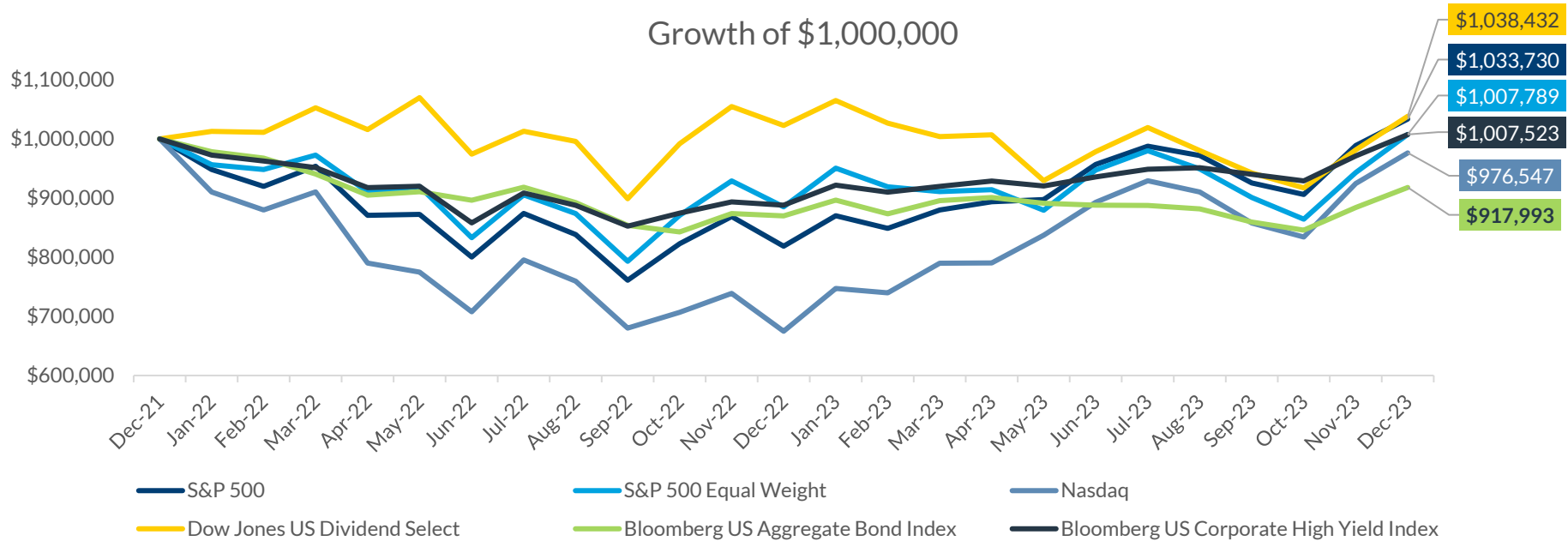
Source: FactSet, as of May 31, 2024.  
 Past performance is no guarantee of future results.

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# Reflecting on Two Volatile Years

- Significant market declines in 2022 were reversed in 2023, producing modest two-year returns across asset classes.
- We expect modest returns in 2024, with less dramatic swings in financial market prices.



Period	S&P 500	S&P 500 Equal Weight	Nasdaq	Dow Jones U.S. Dividend Select	Bloomberg U.S. Aggregate Bond Index	Bloomberg U.S. Corporate High Yield Index
2022	-18.1%	-11.5%	-32.5%	2.3%	-13.0%	-11.2%
2023	26.3%	13.8%	44.7%	1.5%	5.5%	13.4%
2022-2023	3.4%	0.8%	-2.3%	3.8%	-8.2%	0.8%

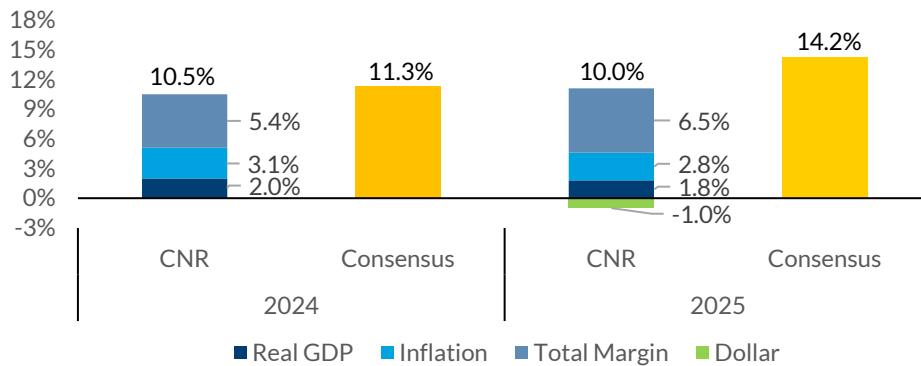
Source: FactSet, as of December 2023.  
 Past performance is no guarantee of future results.



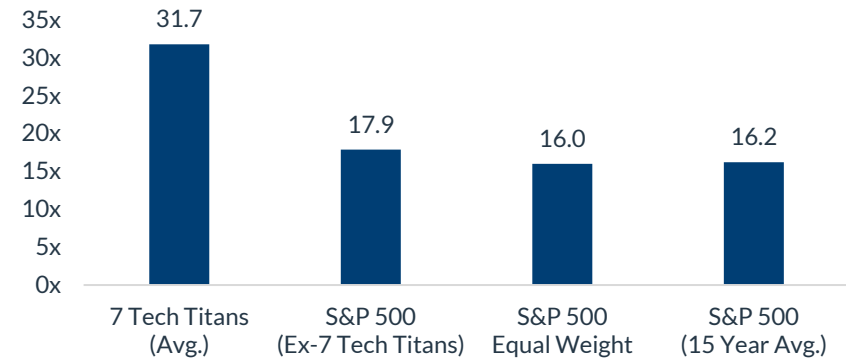
# Equity Risk/Reward Conditions Appear Modestly Positive

- Focusing on fundamentals is key.
- Stronger confidence in a solid 2024 earnings recovery, but maintaining below consensus expectations.
- Equity valuations appear more reasonable for broader market.

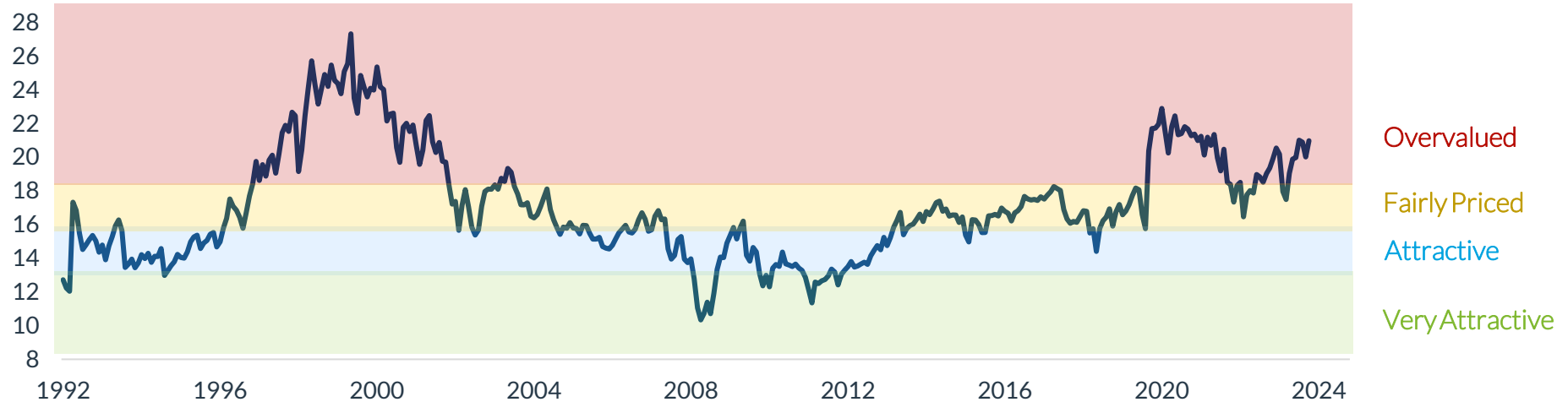
S&P 500 Earnings Growth Forecasts



12 Month Forward P/E Multiples



S&P 500 Forward Price/Earnings Ratio



Sources: FactSet, CNR Research, as of May 31, 2024.

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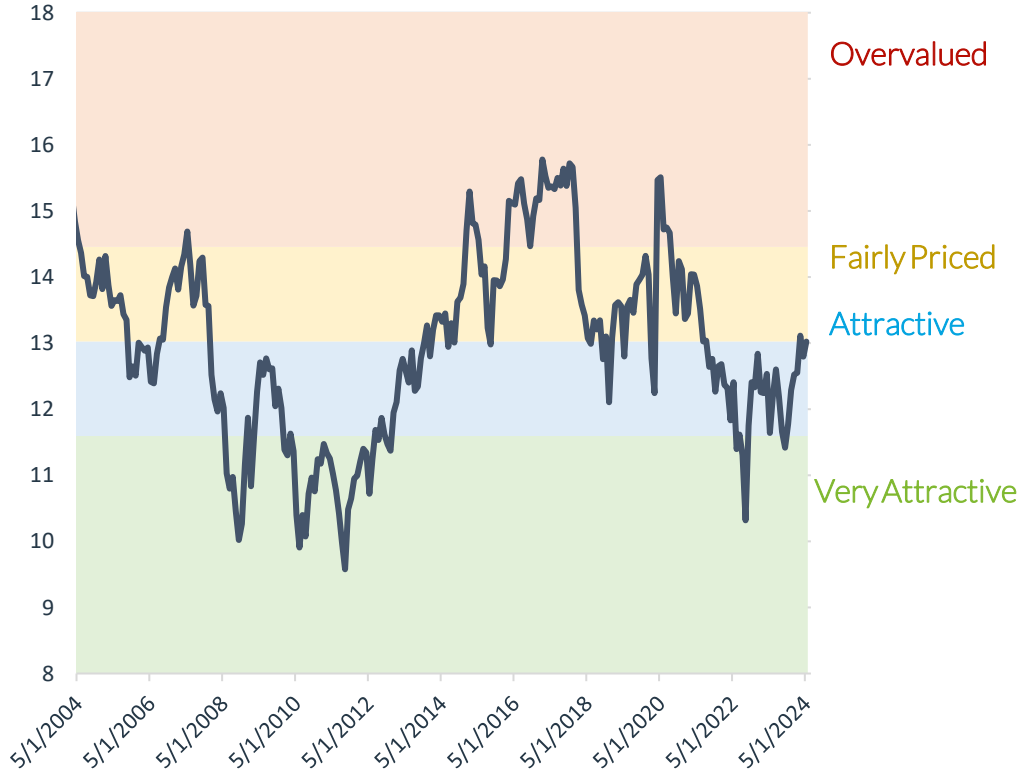




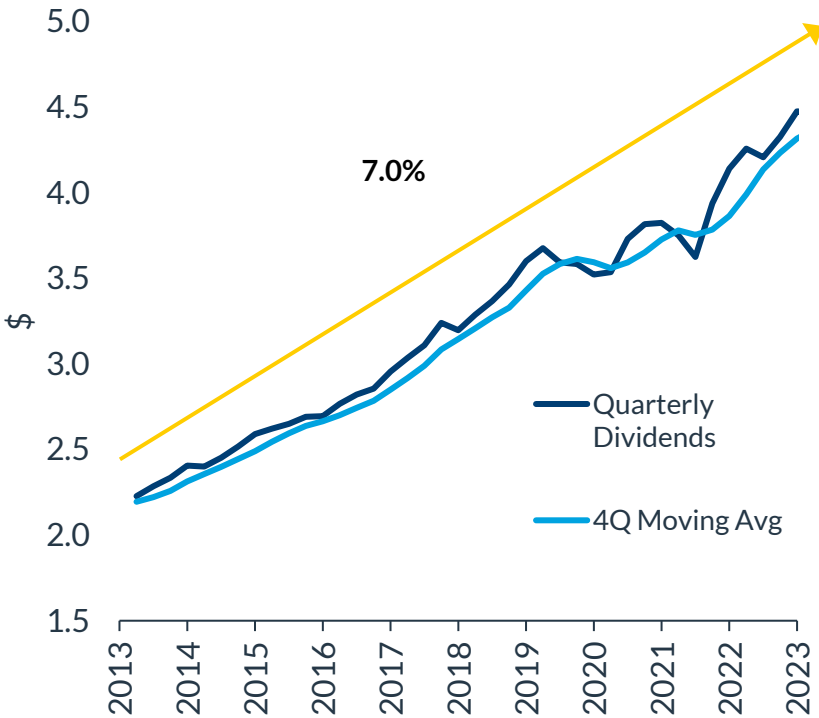
# Equity Income – Attractive Valuation

- Dividend stock valuation remains at an attractive level.
- Dividend growth has been consistent over time.

DJ U.S. Select Dividend Index Forward Price to Earnings Ratio



DJ U.S. Select Dividend Index Dividends - Last 10 Years - Quarterly



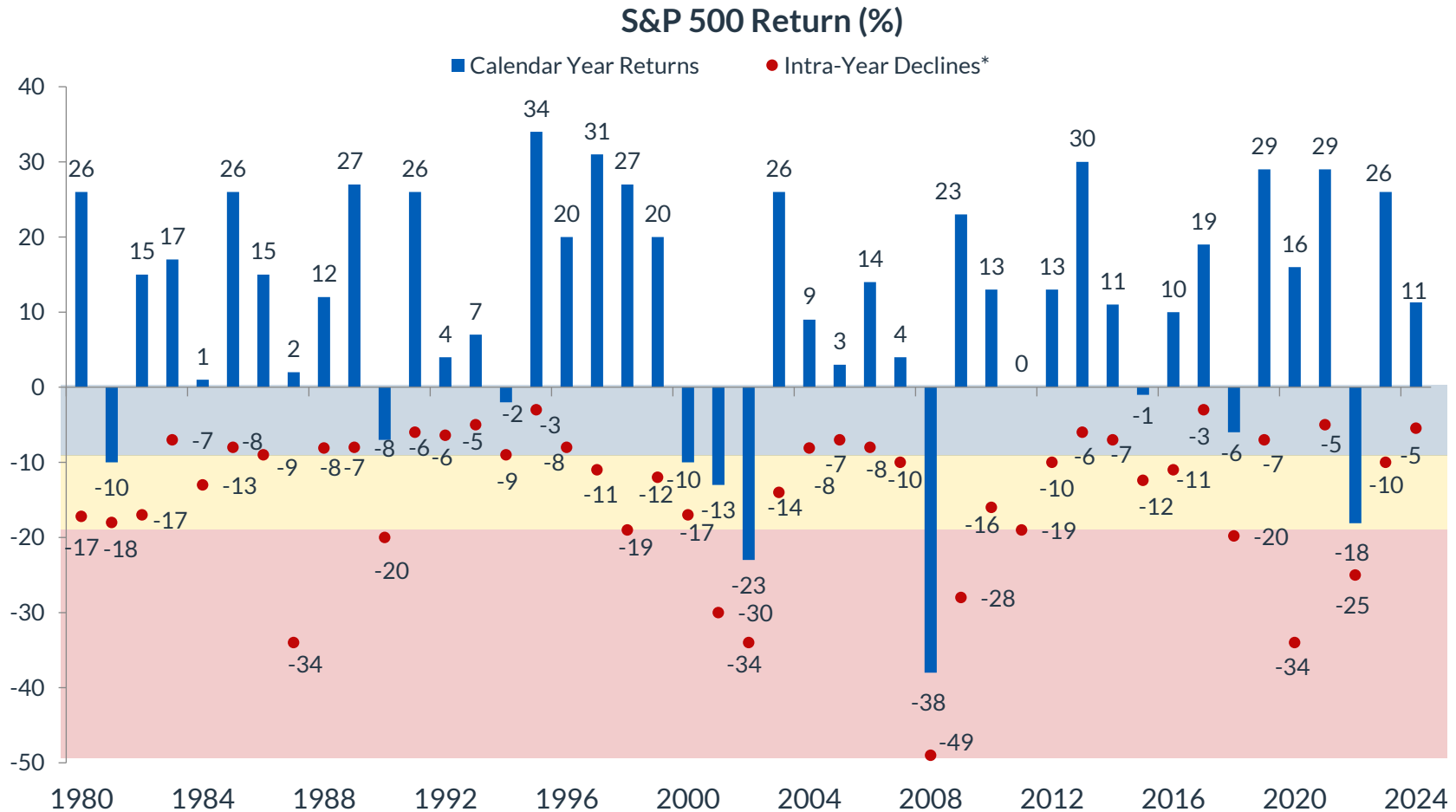
Sources: FactSet, as of May 31, 2024; FactSet, CNR Research, as of May 2024.  
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# Short-Term Volatility Is Normal

- Corrections are a normal part of market movements.
- The breadth and depth of this pullback are likely to add more time to an ultimate recovery.



Sources: Bloomberg, CNR Research, as of May 31, 2024.

\*Intra-year declines are the largest declines within the calendar year.

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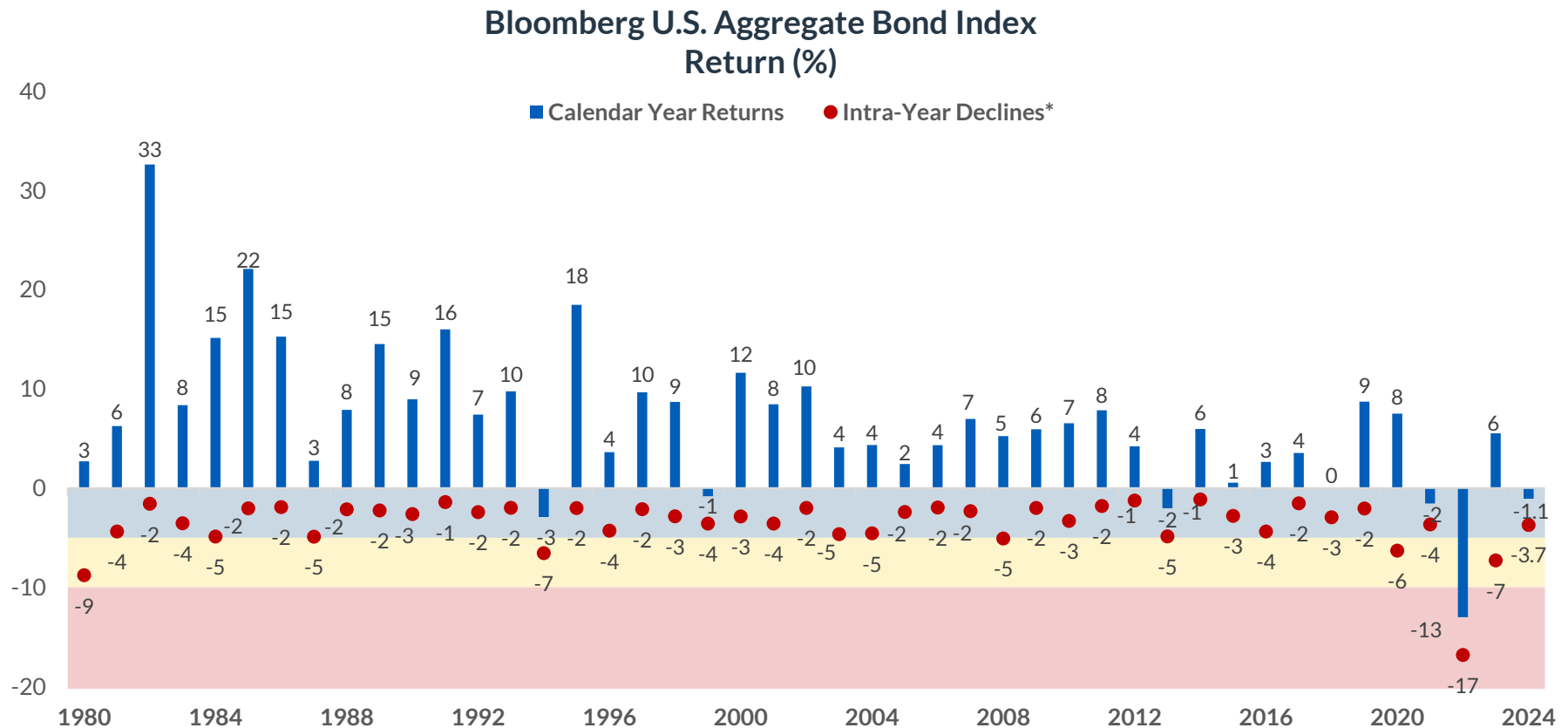
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# Short-Term Bond Market Volatility Is Not Normal

- Three years of negative returns in fixed income is unprecedented; near term volatility should remain elevated.
- Recent selloff in bonds likely creating a buying opportunity in our base case looking out over the next one to two years.
- Maintaining focus on quality and below average duration.



Source: Bloomberg, as of May 31, 2024.

\*Intra-year declines are the largest declines within the calendar year.

Indices are unmanaged, and one cannot invest directly in an index. Index returns do not reflect a deduction for fees or expenses.

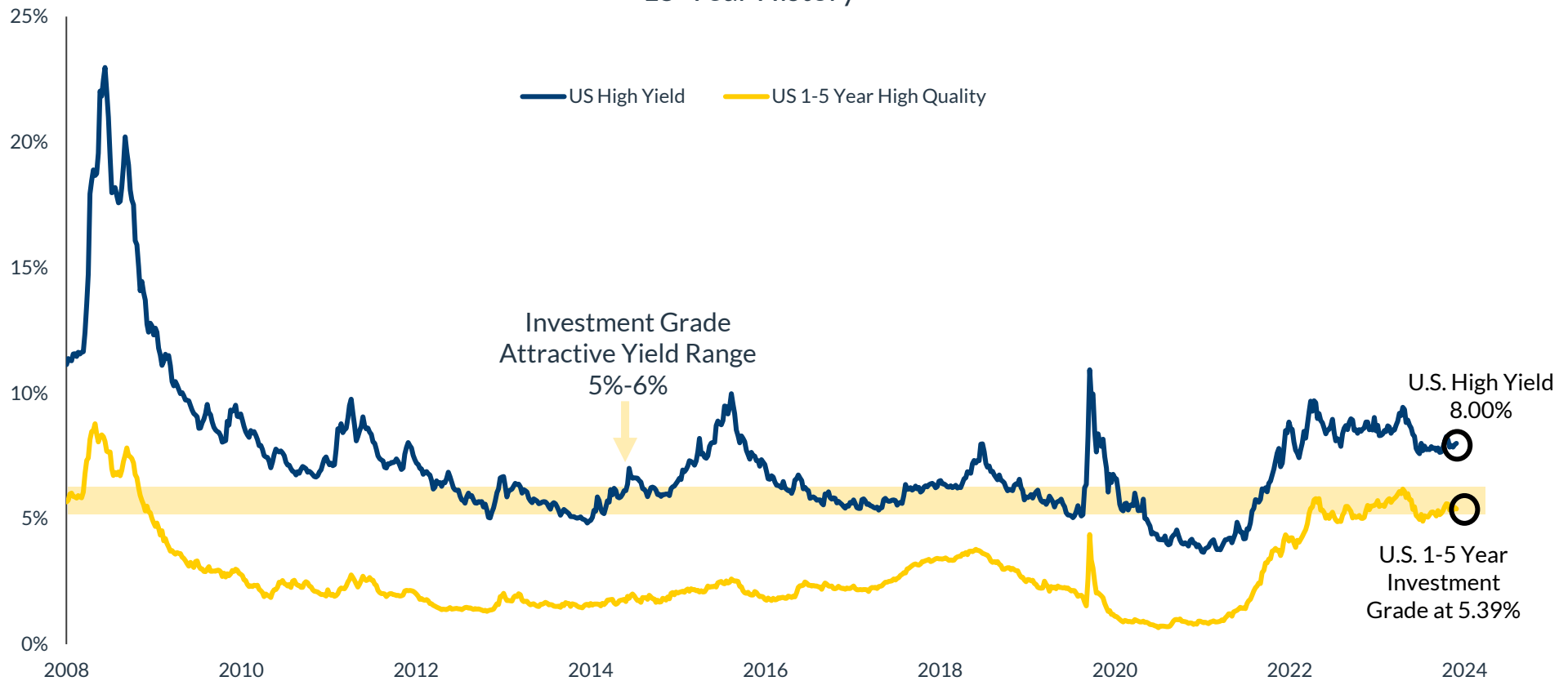
Past performance is no guarantee of future results.



# Attractive Investment Grade Yield

## The First Time in 15 Years

U.S. High Yield & U.S. High Quality Yield-to-Worst 15-Year History



Sources: Bloomberg, CNR Research, as of May 31, 2024.

Past performance is no guarantee of future results.

Indices used: HY: Bloomberg U.S. Corporate High Yield Total Return Index Value Unhedged USD 1-5y. IG: Bloomberg U.S. Corporate 1-5 Year Total Return Index Value Unhedged USD. Refer to the index definitions for more information.

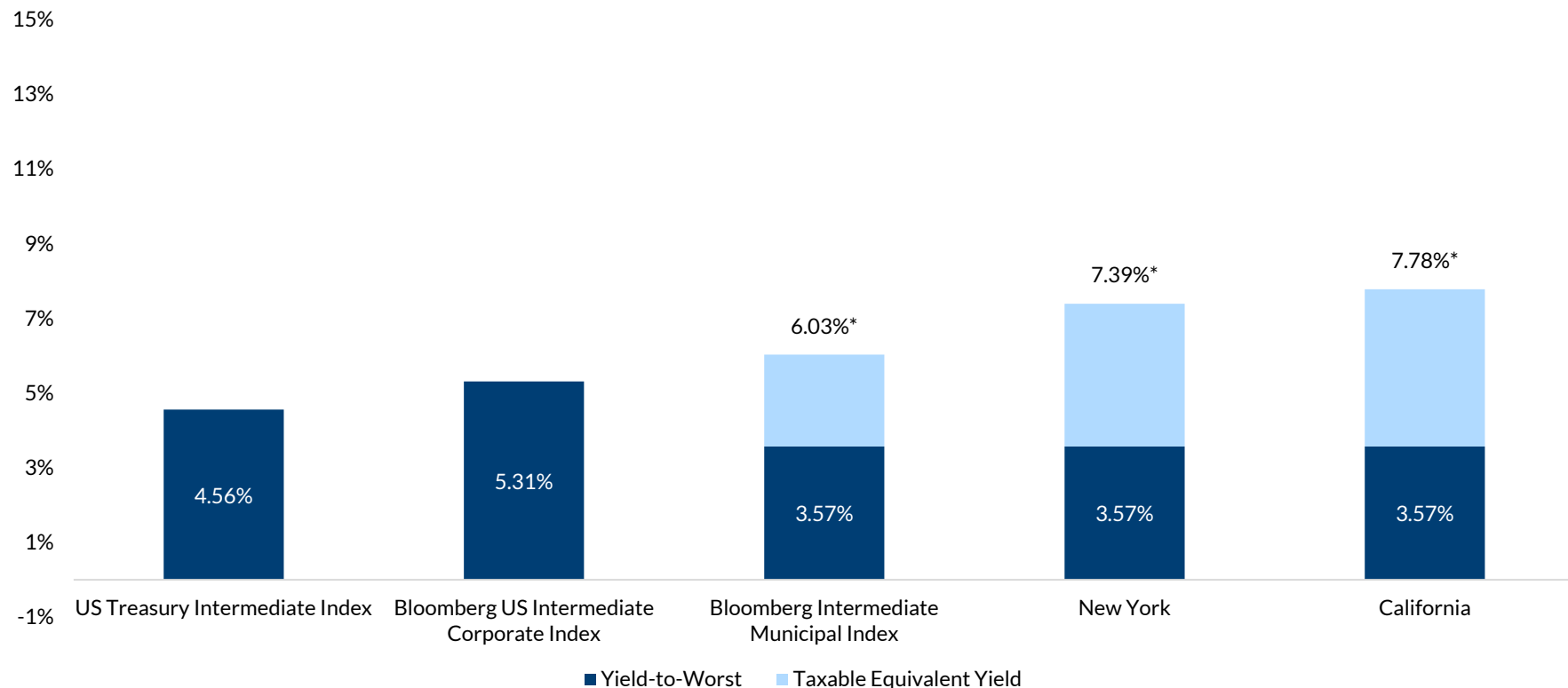
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# Municipal Yields Shake Off Volatility, Offer Value

- Despite declining from their generational highs, municipal yields remain at levels last seen in over a decade.
- Adjusted for federal income tax (state, if applicable), municipals outyield alternatives while providing attractive cash flow.

Municipal Taxable-Equivalent Yield (TEY) Prominent in High Tax States



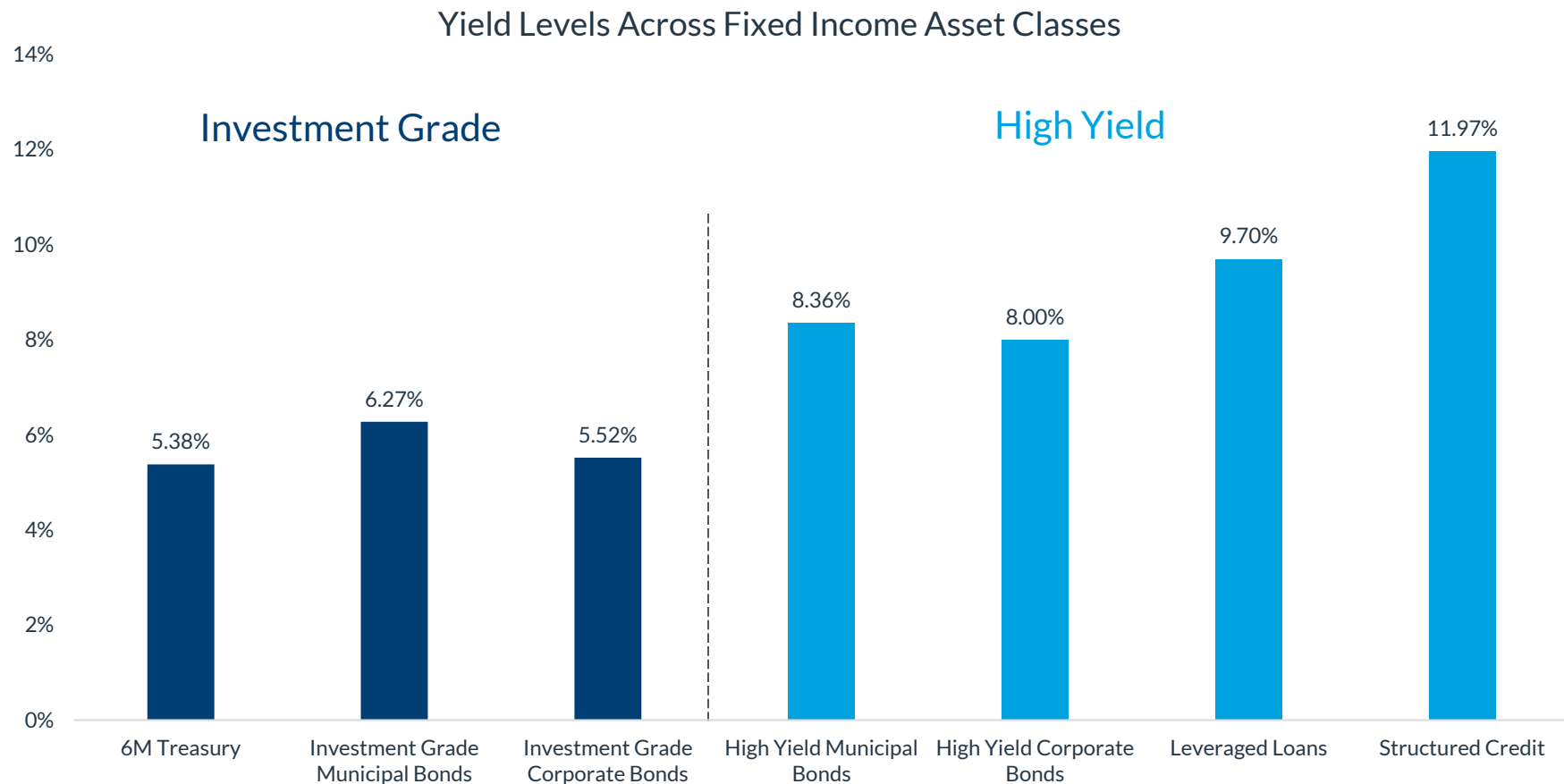
Source: Bloomberg U.S. Treasury Intermediate Index, Bloomberg U.S. Corporate Intermediate Investment Grade Index, Bloomberg Intermediate Municipal Bond Index as of 6/5/2024  
 Taxable equivalent yields assume the following taxes: Bloomberg Municipal Bond Index: 37% Federal and 3.8% Medicare surcharge, California 37% Federal, 13.3% State and 3.8% Medicare surcharge, NY 37% Federal, 10.9% State and 3.8% Medicare surcharge; CA calculation excludes the 1.1% payroll tax for disability insurance effective 2024  
 \*Taxable Equivalent Yield is the yield required on a taxable bond to equal the yield of a comparable tax-exempt bond.  
 Information is subject to change and is not a guarantee of future results.

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# Yields Are Substantially Higher

- Higher yields have opened the door to a more diversified fixed income allocation.



Municipal bond index yields are tax-adjusted at 37% federal and 3.8% Medicare surcharge rates.

Sources: Bloomberg, CNR Research, as of May 2024. Information is not representative of any CNR product or service.

Indices are unmanaged, and one cannot invest directly in an index. Index returns do not reflect a deduction for fees or expenses. Information is subject to change and is not a guarantee of future results.

Index information: 6M Treasury: Bloomberg U.S. 6M Treasury Bill Index. Investment Grade Municipal Bonds: Bloomberg U.S. 1-15 Yr. Municipal Bond Index. Investment Grade Corporate Bonds: Bloomberg U.S. Intermediate Corporate Bond Index. High Yield Municipal Bonds: Bloomberg 60% Tax-Exempt HY/40% LB Municipal Bond Index. High Yield Corporate Bonds: Bloomberg U.S. High Yield Corporate Bond Index. Leveraged Loans: Morningstar LSTA U.S. Leveraged Loan Index. Structured Credit: Palmer Square CLO BB Index.

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# 2024 Key Asset Class Expectations

- Expect U.S. equities to outperform non-U.S. equities.
- Forecasting positive, but moderate returns for S&P 500.
- History suggests a modest rebound in Dow Jones U.S. Dividend Select Index vs. S&P 500.
- Fixed income returns expected to be mostly positive.
- Investment grade corporate and municipals offer attractive yields with lower volatility.
- High yield corporates and municipals, while volatile, have the potential to offer attractive yield.
- Alternatives\* may provide diversifying benefits and attractive opportunities.

Source: CNR Research, as of March 2024. Information is subject to change and is not a guarantee of future results.

\*Alternative investments are speculative, may entail substantial risks and may not be suitable for all investors.

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# Appendix



# Your Portfolio Management Team



**Poul-Erik Olsen, CFA, CPWA®**  
*Managing Director,  
 Senior Portfolio  
 Manager*

(415) 477-2544  
 PoulErik.Olsen@cnr.com

Poul-Erik joined City National Rochdale in 2003 and has over 25 years of experience in finance. He earned his BS in Economics from the Aarhus School of Business in Denmark and his MBA in Finance from the University of California at Berkeley, where he specialized in finance and international business. He holds the Chartered Financial Analyst® designation and is a member of the CFA Institute. He is also a Certified Private Wealth Advisor®.



**Robert Meckstroth, CFA, CPWA®**  
*Senior Portfolio  
 Manager*

(415) 576-3941  
 Robert.Meckstroth@cnr.com

Robert joined City National Rochdale in 2011. He earned his BA in Economics and BS in Marketing from the University of Florida and his MBA at the Haas School of Business at the University of California at Berkeley. He holds the Chartered Financial Analyst® designation and is a member of the CFA Institute. He is also a Certified Private Wealth Advisor®.



**Andrew Austin, CFA, CPWA®**  
*Portfolio Manager*

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 Andrew.Austin@cnr.com

Andrew joined City National Rochdale in 2014 and has over 10 years of experience in the financial services industry. He earned a BS in Mathematical Sciences from UC Santa Barbara and his MBA at the Haas School of Business at the University of California at Berkeley. He holds the Chartered Financial Analyst® and Certified Private Wealth Advisor® designations and is a member of the CFA Institute.



**Hareesh Sivashanker, CFA, CFP®**  
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 Manager*

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*Portfolio Assistant*

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 Stephanie.Reese@cnr.com



**Shaggie Ocampo**  
*Portfolio Assistant*

(415) 576-2815  
 Shaggie.Ocampo@cnr.com



**Glory Natnat**  
*Senior Administrative  
 Specialist*

(415) 576-3932  
 Glory.Natnat@cnr.com

## Portfolio Managers

- Partner with you to develop your customized portfolio
- Direct implementation of your strategy & monitor portfolio outcomes

## Associate Portfolio Managers

- Manage trading, allocation changes, and portfolio rebalancing
- Conduct quarterly review meetings

## Portfolio Analysts

- Coordinate with Research team
- Ensure strategy is accurately reflected in your portfolio

## Portfolio Assistants

- Handle operational, tax, and cash disbursement requests

## Administrative Specialists

- Coordinate meeting and travel requests
- Arrange scheduling and delivery of meeting materials

# Glossary

**Attribution**—A technique used to disaggregate the sources of a portfolio's return in order to better understand why the portfolio return differed from a benchmark. This difference between the portfolio return and the benchmark return is known as the active return.

**Average Credit Ratings**—The average credit rating is calculated by assigning a rating to individual positions based on the current credit rating from highest (AAA = 1) to lowest (D = 21) as determined by Moody's or Standard & Poor's, each third-party independent agencies. The average of both ratings is used, if both are available. Otherwise, whichever rating is available will be used for the average. Ratings are weighted by the market value of each security in the portfolio. The credit rating is not a guarantee of future performance.

**Average Normalized Expected Growth (\$)**—The expected appreciation of the security or asset class over the long-term expressed as a dollar value.

**Average Normalized Expected Growth (%)**—The expected appreciation of the security or asset class over the long-term expressed as a percentage of the current market value time period.

**Change in Accrued Interest**—The difference between a portfolio's beginning and ending balance of accrued interest within a specified period.

**Current Yield**—A security's annual income (interest or dividends) divided by the current price of the security.

**Dividend Yield**—A stock's annual dividend expressed as a percentage of a current share price.

**Effective Duration**—Estimates how much the value of a bond portfolio would be affected by a change in prevailing interest rates. The longer a portfolio's duration, the more sensitive it is to changes in interest rates.

**EPS Growth**—The long-term EPS Growth Forecast is the consensus of Wall Street equity analysts' opinions for long-term forward earnings growth rates as compiled by Bloomberg from industry-standard sources and does not represent City National Rochdale's estimates.

**Estimated Annual Income**—The income that a security would produce in one year at its current distribution rate and presented gross of fees.



# Glossary

**Estimated Rate of Return** – A weighted average of the expected return of each asset class multiplied by the proportion of the asset class relative to the total portfolio. Both “Near-Term” and “Long-Term” return/risk expectations are based on City National Rochdale’s Capital Market Assumptions, as set by our Asset Allocation Committee on a monthly basis. For the majority of Fixed Income based assumptions, the “Near-Term” expectation is generated from a 12-24 month outlook associated with the 5-year yield curve spot rate, for that specific market.

The expected returns are net of any City National Rochdale management fees, however other fees may apply. The expected returns do not include fees for trading costs (i.e. commissions). Please speak to your financial advisor for a complete understanding of all fees.

**Income Earned** – The sum of interest, dividends and change in accrued interest. This value does not include capital gains.

**Income Projections** – Projected income from dividends and interest by month within a selected time period of 12 months or less and are presented gross of fees.

**Near Term Growth** – The expected appreciation of the security or asset class over the next 12 months.

**Near Term Growth Adjusted (%)** – An adjustment made to the Average Normalized Expected Growth based upon City National Rochdale’s view of current market conditions.

**P/E – Price Earnings Ratio**; the market price of a common stock divided by its expected future earnings per share.

**Standard Deviation** – A measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility. Standard deviation is also known as historical volatility and is used by investors as a gauge for the amount of expected volatility.

**Strategic Allocation** – The asset class allocation that is specified by a client and documented in the Investment Policy Statement. This allocation takes into consideration a client’s risk tolerance, time horizon and investment objectives and is meant to provide guidance on the long-term objectives of the portfolio. It is intended to be static unless the client’s investment objectives change.

**Tactical Allocation** – An active portfolio management strategy that over weights or underweights certain asset classes relative to the strategic allocation based upon future expected asset class performance over a 12- to 24-month time horizon.

# Glossary

**Taxable Equivalent Yield** – The return that is required on a taxable investment to make it equal to the return on a tax-exempt investment assuming the highest marginal federal tax bracket.

**Time Weighted Rate of Return** - a measure of compounded growth in a portfolio, and is calculated using a geometric mean function. Time weighted rate of return eliminates distortion from ongoing contributions and withdrawals from a portfolio, focusing purely on investment performance.

**Total Return Near Term (\$)** – The expected total return of the security or asset class over the long-term adjusted by City National Rochdale’s view of current market conditions and expressed as a dollar value.

**Total Return Near Term (%)** – The expected total return of the security or asset class over the long-term adjusted by City National Rochdale’s view of current market conditions and expressed as a percentage of the current market value.

**Yield to Maturity** – The discount rate at which the sum of all future cash flows from the bond (interest and principal) is equal to the price of the bond.  
**Yield to Worst** – The lower of the yield to maturity or the yield to call. It is essentially the lowest potential rate of return for a bond, excluding delinquency or default.



# Index Definitions

For a complete list of index definitions please visit:

[https://go.cnr.com/l/82322/2022-07-14/63pm8c/82322/1657803503CybFoZ1Y/portfolio\\_review\\_book\\_index\\_definitions.pdf](https://go.cnr.com/l/82322/2022-07-14/63pm8c/82322/1657803503CybFoZ1Y/portfolio_review_book_index_definitions.pdf)

# Retirement Fiduciary Status Disclosure

When you receive investment recommendations on your retirement accounts, it is important to know whether the person giving you that advice is a “fiduciary” under Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and the Internal Revenue Code (“the Code”); together, these are federal laws that are applicable to retirement accounts. When investment professionals are fiduciaries under Title I of ERISA or the Code, they have important obligations that are designed to protect your interests. Investment professionals who provide advice and are fiduciaries cannot receive payments that create conflicts of interest, unless they qualify for an “exemption” issued by the Department of Labor (“DOL”).

The DOL issued a prohibited transaction exemption (“PTE”) for fiduciary investment advice providers who have conflicts of interest that could affect their interactions with retirement investors, called Improving Investment Advice for Workers & Retirees (“PTE 2020-02”). Fiduciaries must satisfy important investor protections, including a best interest standard, to use the exemption. It is important to note that the protections in the exemption are (1) in addition to the legal requirements and standards imposed by other regulators, and (2) only apply when a fiduciary provides investment advice to you about your retirement accounts.

We acknowledge that, effective February 1, 2022 (or such later date as may be established by the DOL for compliance with PTE 2020-02), when we provide investment advice to you regarding your retirement plan account or individual retirement account (“IRA”), we are fiduciaries within the meaning of Title I of ERISA and/or the Code, as applicable. The way we make money creates some conflicts with your interests, so we operate under an exemption that requires us to act in your best interest and not put our interests ahead of yours. For more information on our best interest standard obligations and any material conflicts of interest we have when we provide investment advice, see our “Client Relationship Summary” and our Form ADV Part 2A Brochure, which are available at [cnr.com](http://cnr.com).

If you have assets in a current or former retirement plan or IRA, you have several options available to you. These include leaving the assets where they are, rolling into a new retirement plan or rolling or transferring into a new IRA. Before a recommendation in this regard can be made, your financial advisor will ask you for important information about your current plan or IRA. This may include its investment options, fees and expenses, and certain provisions and features in order to compare it to the investment options, fees and expenses, and provisions and features that would apply in a new IRA. This information is used in order to provide you with investment advice that is in your best interest. Without this information, we may not be able to make a recommendation to you with regard to whether you should or should not take a distribution and rollover to an IRA or transfer from one IRA to another. This is because we may not be able to conduct the analysis needed to provide you with a recommendation in your best interest. Effective July 1, 2022 (or such later date as may be established by the DOL for compliance with PTE 2020-02 related to rollover recommendation and disclosure requirements), if you do not receive a confirmation outlining why a rollover or transfer is in your best interest, please contact your financial advisor. When such documentation is delivered and a recommendation is made, we are a fiduciary. For more information, please speak to your financial advisor.

# Important Disclosures Continued

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**Equity Investing Risks:** There are inherent risks with equity investing. These risks include, but are not limited to stock market, manager, or investment style. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Investments in small cap stocks be more volatile than those of larger ones, and they are also often less liquid than those of larger companies because there is a limited market for small-cap securities. Investments in large cap stocks may grow more slowly than the overall market. Value stocks may perform differently from the market as a whole and may be undervalued by the market for a long period of time. Due to the relatively high valuations of growth stocks which are generally a function of expected earnings growth, growth stocks will be more volatile than value stocks and such earnings growth may not occur or be sustained. Investing in international markets carries risks such as currency fluctuation, regulatory risks, economic and political instability. Emerging markets involve heightened risks related to the same factors as well as increased volatility, lower trading volume, less liquidity, greater custodial and operational risks, less developed legal and accounting systems than developed markets.

Concentrating assets in a particular industry, sector of the economy, or markets may increase volatility because the investment will be more susceptible to the impact of market, economic, regulatory, and other factors affecting that industry or sector compared with a more broadly diversified asset allocation.

Concentrating assets in the real estate sector or REITs may disproportionately subject a portfolio to the risks of that industry, including the loss of value because of adverse developments affecting the real estate industry and real property values. Investments in REITs may be subject to increased price volatility and liquidity risk; concentration risk is high.

Investments in Master Limited Partnerships (MLP) are susceptible to concentration risk, illiquidity, exposure to potential volatility, tax reporting complexity, fiscal policy and market risk. Investors of MLPs are subject to increased tax reporting requirements. MLP investors typically receive a complicated Schedule K-1 form rather than Form 1099. MLPs may not be appropriate investments for tax-advantaged accounts because of potential negative tax consequences (Unrelated Business Tax Income).



## Important Disclosures Continued

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An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.

If a fund owning life settlement policies is unable to make premium payments on a life policy, the policy will lapse and the fund will lose its ownership interest in the policy. There may be a mismatch of cash flows related to the fund's investment in life policies. There is currently no established secondary market for life policies, and are not considered liquid investments. If the fund must sell a life policy to meet redemptions or other cash needs, the fund may be forced to sell at a loss. The longer the insured lives, the lower the fund's rate of return on the life policy. The underwriter's estimate of the insured's life expectancy may be incorrect. An insurance company may be unable or refuse to pay benefits on a life policy.



## Important Disclosures Continued

City National Rochdale Funds are distributed by SEI Investments Distribution Co., which is not affiliated with City National Bank or any of its affiliates.

Certain alternative investments are open only to investors who meet certain “accredited investor” criteria. An Accredited Investor is any natural person (individually or with spouse) with \$1 million net worth (excluding personal residence) or with individual income of more than \$200,000 in each of the last 2 years, or \$300,000 in joint income with spouse and the reasonable expectation of reaching the same income level in the current year. This also includes institutions with \$5,000,000 or more in assets. Please see the Offering Memorandum for more complete information regarding an alternative fund’s investment objectives, risks, fees and other expenses.

Alternative investments are speculative, may entail substantial risks and may not be suitable for all investors. Private investments often engage in leveraging and other speculative investment practices that may increase the risk of investment loss, can be highly illiquid, are not required to provide periodic pricing or valuation information to investors, and may involve complex tax structures and delays in distributing important tax information.

Certain closed-end fund distributions may come from a return of principal or capital rather than dividends, interest, or capital gains.

Investments in commodities can be very volatile and direct investment in these markets can be very risky, especially for inexperienced investors.

Client account investment returns include the reinvestment of interest and dividends. Investment returns are computed net of management fees and exclude transaction costs associated with trading securities in the account.

As with any investment strategy, there is no guarantee that investment objectives will be met and investors may lose money. Diversification may not protect against market loss or risk.

All investing is subject to risk, including the possible loss of the money you invest.

Indices are unmanaged and one cannot invest directly in an index. Index returns do not reflect a deduction for fees or expenses.

*Past performance is no guarantee of future performance.*

*An asset allocation program cannot guarantee profits. Loss of principal is possible.*



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# Sonrisas Dental Health



PHCD Finance Committee Meeting  
Sonrisas' Deep Dive July 9, 2024

# FY 25 Capital Budget

## FY25-FY29 Sonrisas CAPITAL Budget

DESCRIPTION	FY 25	FY 26	FY27	FY 28	FY 29
IT Equipment	\$53,009	\$19,000	\$19,000	\$19,000	\$19,000
Facility Improvements	\$18,100	\$6,500	\$20,000	\$20,000	\$20,000
New Dental Equipment	\$0	\$0	\$0	\$0	\$0
Replacement Dental Equipment	\$175,880	\$179,295	\$213,240	\$193,240	\$213,240
Community Outreach Equipment	\$15,300				
	<b>\$ 262,289</b>	<b>\$ 204,795</b>	<b>\$ 252,240</b>	<b>\$ 232,240</b>	<b>\$ 252,240</b>

**Legend:**

- IT Equipment: Computers, servers, monitors, etc.
- Facility Improvements: Lease holder improvements, furniture and fixtures
- New Dental Equipment: Equipment needed for expansion of providers/visits
- Replacement Dental Equipment: Items reaching end of useful life.
- Community Outreach Equipment: Items for community-based programs

**Capital Plans TBD**

- Build out of 10<sup>th</sup> operator in San Mateo ~\$450K
- Pescadero Clinic ~\$600K

# FY 24 and FY 25 Clinical Visits

<b>Patient Care</b> Days/Week/Provider Type	<b>FY 24</b> <b>Projected</b>	<b>FY 24</b> <b>Budget</b>	<b>FY 25</b> <b>Budget</b>
Dentist Days/Week SM	13.4	15	14
Pediatric Dentist SM	3	3	3
Hygienist Days SM	14.5	15	15
Dentist Days HMB	6.5	8	9
Hygienist Days HMB	2	4	3
<b>TOTAL PROVIDER DAYS</b>	<b>39.4</b>	<b>45</b>	<b>43</b>
<b>TOTAL VISITS</b>	<b>13,942</b>	<b>16,759</b>	<b>15,984</b>

## PTO Forecast

- Provider PTO in FY24 estimated at 3%, actual 7%. FY25 uses 7%

## Time-Off without pay:

- 1.8% of providers days were taken w/o pay
- Dental assistants and CCC team time w/o pay
- FY25 estimates 99% of clinical staff in wages

### FY 25 Clinical Staff to be recruited

Friday dentist for San Mateo

One day a week hygienist in HMB

TBD One Dental Assistant



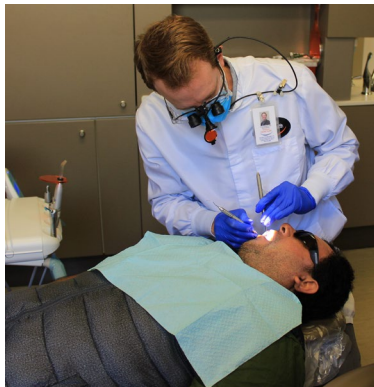
# FY 24 and FY2 5 Clinical Payer Mix

Payer Mix	FY 24 Actual	FY 25 Budget
Comm/PPO	22%	22%
Private Pay	2%	3%
Affordable Scale	4%	4%
Farmworker	2%	3%
FQHC	15%	24%
HPSM	47%	36%
Denti-Cal	8%	9%

## FQHC Contract Expansion

With the addition of Pediatrics to the SMMC contract, FQHC visits will average:

- 23% average over the fiscal year
- Planning 30% in San Mateo and 18% in HMB by January 2025.



## PDI Per Visit Average Reimbursement

Denti-Cal \$147  
HPSM \$194  
FQHC/SMMC \$360 (9/1/24)

# FY 24 and FY 25 Community Outreach Outcomes

Community Outreach	FY 24 Projected Actuals	FY 24 Budget	FY 25
Child Screenings	3,400	3,000	3,500
Senior Screenings	210	165	200
Senior Mobile Visits	13	13	15
Oral Health Presentation Attendees	143	80	100
Special Needs	N/A	N/A	TBD

## Revenue Opportunity

Community Health Worker funds for Care Coordinator

Discussions with HPSM to pilot billing

Estimated revenue is \$50-60K/year  
Revenue not included in FY25 Budget



# FY 24 and FY 25 Fundraising

Fundraising Income	FY 24 Projected Actuals	FY 24 Budget	FY 25 Budget
Donations	\$162,000	\$160,000	\$150,000
Events	\$164,000	\$130,000	\$189,000
PHCD Grant	\$800,000	\$800,000	\$800,000
Other Grants	\$1,404,000	\$1,375,000	\$1,591,000
<b>Total</b>	<b>\$2,530,000</b>	<b>\$2,465,000</b>	<b>\$2,730,000</b>



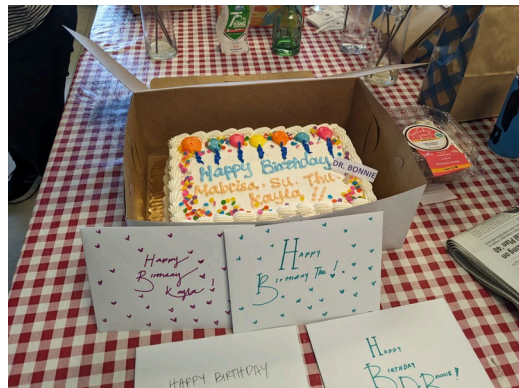


# FY 24 and FY 25 Staffing

	FY25 FTE	FY24 FTE
Administration	6	5
Clinical Staff	24	25
Community Outreach	3.2	3.2
Fundraising	2	2
<b>FTE Total</b>	<b>34.85</b>	<b>35.25</b>
<b>Salary Plus Fringe</b>	<b>\$5.03 M</b>	<b>\$4.65 M</b>

## Chief Operating Officer

- Larger administrative team
- Focus: Admin side of clinic operations, IT, provider recruiting, program financials



# FY 24 and FY 25 Operating Budget Summary

Summary	FY 25	Projected FY 24	Budget FY 24	Change FY 24 to FY 25
Total Revenue	6,748,120	5,952,389	6,249,228	498,892
Total Personnel	(5,075,034)	(4,254,509)	(4,746,250)	(328,784)
Total Clinic Expense	(693,352)	(563,790)	(678,935)	(14,417)
Total Overhead Expense	(936,264)	(949,677)	(917,421)	(18,843)
Total Fund. & Outreach expense	(274,366)	(152,979)	(189,416)	(84,950)
<b>NET INCOME</b>	<b>(230,896)</b>	<b>31,435</b>	<b>(282,794)</b>	<b>51,898</b>
Depreciation	335,632	298,557	306,872	28,760
Capital Expenditure	(262,289)	(150,000)	(138,028)	(124,261)
Cash flow	(157,553)	179,992	(113,950)	(43,603)

Detailed FY24 Projected and FY25 Planned Operating Budget provided in packet.

# Five Year Cash Flow: Scenarios #1

## Sonrisas Estimated Cash Position FY25 - FY29

Scenario #1: No change additional Clinical Visits or Payer Mix, No Outreach Revenue

	FY 25	FY 26	FY 27	FY28	FY 29
<b>Beginning Cash Position</b>	<b>\$1,877,041.93</b>	<b>\$1,719,489.12</b>	<b>\$1,536,417.62</b>	<b>\$1,223,170.25</b>	<b>\$846,838.56</b>
Net Patient Care	\$3,980,460.28	\$4,034,788.60	\$4,090,746.76	\$4,148,383.67	\$4,207,749.69
Direct Patient Care Cost	(\$4,321,671.15)	(\$4,487,604.48)	(\$4,659,967.13)	(\$4,839,010.04)	(\$5,024,994.00)
Indirect Patient Care Cost	(\$1,565,982.93)	(\$1,619,178.11)	(\$1,674,287.53)	(\$1,731,312.20)	(\$1,790,320.05)
Fundraising Program	\$1,439,870.29	\$1,533,712.70	\$1,634,138.19	\$1,741,653.25	\$1,856,806.96
Grant from PHCD	\$800,000.00	\$800,000.00	\$800,000.00	\$800,000.00	\$800,000.00
Outreach Program	(\$601,472.30)	(\$624,328.02)	(\$648,077.85)	(\$672,756.97)	(\$698,401.92)
Other Income	\$37,900.00	\$39,795.00	\$41,784.75	\$43,873.99	\$46,067.69
<b>Net Income</b>	<b>(\$230,895.81)</b>	<b>(\$322,814.30)</b>	<b>(\$415,662.81)</b>	<b>(\$509,168.30)</b>	<b>(\$603,091.64)</b>
Depreciation Expenses	\$335,632.00	\$344,537.80	\$354,655.44	\$365,076.61	\$375,810.42
Estimated Capital purchases	(\$262,289.00)	(\$204,795.00)	(\$252,240.00)	(\$232,240.00)	(\$252,240.00)
<b>Ending Cash Position</b>	<b>\$1,719,489.12</b>	<b>\$1,536,417.62</b>	<b>\$1,223,170.25</b>	<b>\$846,838.56</b>	<b>\$367,317.34</b>

### Assumptions

- Same visit volume
- Same payer mix FY25 through FY29
- No Outreach revenue

# Five Year Cash Flow: Scenario #2

<b>Sonrisas Estimated Cash Position FY25 - FY29</b>					
Scenario #2: 50% FQHC Visits by FY28 (No Outreach Funding)					
	FY 25	FY 26	FY 27	FY28	FY 29
<b>Beginning Cash Position</b>	\$1,877,041.93	\$1,719,489.12	\$1,698,779.31	\$1,586,597.12	\$1,638,776.34
Net Patient Care	\$3,980,460.28	\$4,197,150.29	\$4,491,811.94	\$4,776,894.57	\$4,791,781.60
Direct Patient Care Cost	(\$4,321,671.15)	(\$4,487,604.48)	(\$4,659,967.13)	(\$4,839,010.04)	(\$5,024,994.00)
Indirect Patient Care Cost	(\$1,565,982.93)	(\$1,619,178.11)	(\$1,674,287.53)	(\$1,731,312.20)	(\$1,790,320.05)
Fundraising Program (Excluding PHCD)	\$1,439,870.29	\$1,533,712.70	\$1,634,138.19	\$1,741,653.25	\$1,856,806.96
Grant from PHCD	\$800,000.00	\$800,000.00	\$600,000.00	\$600,000.00	\$600,000.00
Outreach Program	(\$601,472.30)	(\$624,328.02)	(\$648,077.85)	(\$672,756.97)	(\$698,401.92)
Other Income	\$37,900.00	\$39,795.00	\$41,784.75	\$43,873.99	\$46,067.69
<b>Net Income</b>	<b>(\$230,895.81)</b>	<b>(\$160,452.61)</b>	<b>(\$214,597.63)</b>	<b>(\$80,657.40)</b>	<b>(\$219,059.73)</b>
Depreciation Expenses	\$335,632.00	\$344,537.80	\$354,655.44	\$365,076.61	\$375,810.42
Estimated Capital purchases	(\$262,289.00)	(\$204,795.00)	(\$252,240.00)	(\$232,240.00)	(\$252,240.00)
<b>Ending Cash Position</b>	<b>\$1,719,489.12</b>	<b>\$1,698,779.31</b>	<b>\$1,586,597.12</b>	<b>\$1,638,776.34</b>	<b>\$1,543,287.03</b>
<b>Patient Revenue</b>					
SMMC Payer Percentage	24%	30%	40%	50%	50%
Public Dental Insurance Percentage	45%	39%	29%	19%	19%

## Assumptions

- Same visit volume
- Increasing SMMC visit percentage and decreasing fee-for-service Public Dental Insurance (PDI)
- No Outreach revenue

# Strategic Plan: Sustainable Growth

## Dental Clinic Opportunities

- Current Clinics
  - San Mateo Clinic
  - Half Moon Bay Clinic
- New Clinic(s)
  - Pescadero Clinic
  - Pediatric Clinic, possibly in PHCD geography
- Other possibilities



## Community Outreach Opportunities

- Billable revenue: Community Health Worker and School Screenings
- On-site bi-annual cleanings
- Special Needs program

## Workforce Development

- Multiple opportunities – lack of bandwidth

**FY 24-25 Budget DRAFT**

Patient Care	San Mateo	HMB	FY 25	Projected FY 24	Budget FY 24	Change FY 24 to FY 25
Commercial Insur.	360	78	439	417	631	(192)
PPO	2,643	471	3,114	2,695	3,428	(314)
Private Pay	360	39	400	319	417	(17)
Public Dental Insurance	5,251	1,863	7,114	7,586	9,125	(2,011)
Affordable Plan	240	353	593	516	549	44
Farmworker	0	431	431	343	375	56
FQHC	3,111	671	3,782	2,066	2,235	1,547
<b>Total Visits</b>	<b>11,966</b>	<b>3,906</b>	<b>15,872</b>	<b>13,942</b>	<b>16,760</b>	<b>(888)</b>
<b>Adjustments</b>	<b>(29,000)</b>	<b>(12,000)</b>	<b>(41,000)</b>	<b>(37,242)</b>	<b>(41,000)</b>	<b>0</b>
Commercial Insur.	132,225	31,010	163,235	154,790	192,476	(29,241)
PPO	576,922	86,760	663,681	574,472	765,187	(101,506)
Private Pay	122,195	15,416	137,610	110,306	120,901	16,709
Public Dental Insurance	1,000,194	322,276	1,322,471	1,492,834	1,610,362	(287,891)
Public Dental Insurance-Incentive	82,000		82,000	95,140	135,000	(53,000)
Affordable Plan	67,621	74,744	142,364	123,055	134,407	7,958
Farmworker	0	153,279	153,279	132,727	140,423	12,856
FQHC	1,116,360	240,459	1,356,819	707,912	707,464	649,355
<b>Total Income</b>	<b>3,068,516</b>	<b>911,944</b>	<b>3,980,460</b>	<b>3,353,994</b>	<b>3,765,220</b>	<b>215,240</b>
Personnel	2,587,893	1,040,426	3,628,319	3,034,575	3,447,557	(180,763)
Dental Supplies	204,026	90,116	294,141	258,227	305,864	11,723
Small Dental Equipment	6,400	3,600	10,000	6,717	5,800	(4,200)
Dental Equipment Repair	26,160	12,000	38,160	25,050	38,616	456
Lab Fees	120,620	55,116	175,737	137,872	162,482	(13,254)
Uniforms	350	200	550	1,640	500	(50)
PPE & Covid Related	59,832	23,671	83,503	64,593	88,725	5,222
Contracted Services	79,621	11,640	91,261	69,692	76,948	(14,313)
<b>Direct Patient Care Costs</b>	<b>3,084,902</b>	<b>1,236,769</b>	<b>4,321,671</b>	<b>3,598,365</b>	<b>4,126,492</b>	<b>(195,179)</b>
Administrative Personnel	437,863	191,856	629,719	539,282	556,132	(73,588)
Business Taxes	250		250	74	250	0
Facilities Expenses	119,124	72,708	191,832	179,448	165,937	(25,895)
Office Exp.	22,617	4,900	27,517	44,499	46,958	19,441
Equipment Expenses	99,376	23,940	123,316	93,979	97,925	(25,391)
Insurance	28,944	0	28,944	27,476	26,031	(2,913)
Outsourced Services	87,196	0	87,196	220,500	216,300	129,104
Fees and Interest	77,376	0	77,376	25,424	24,000	(53,376)
Depreciation Expense	221,637	105,795	327,432	298,557	306,872	(20,560)
Dues, Fees & License			0		0	0
Employee Goodwill	16,926	0	16,926	15,209	15,996	(930)
Recruitment Expense	30,900	0	30,900	10,653	2,172	(28,728)
Marketing Expenses	500	0	500	17,210	500	0
Meeting & Travel Expenses	11,875	0	11,875	5,993	3,980	(7,895)
Board Expenses	8,540	3,660	12,200	10,654	10,500	(1,700)
<b>Indirect Patient Care Costs</b>	<b>1,163,124</b>	<b>402,859</b>	<b>1,565,983</b>	<b>1,488,959</b>	<b>1,473,553</b>	<b>(92,430)</b>
<b>Total Patient Care Costs</b>	<b>4,248,026</b>	<b>1,639,628</b>	<b>5,887,654</b>	<b>5,087,324</b>	<b>5,600,045</b>	<b>(287,610)</b>



Fundraising Program	FY 25	Projected FY 24	Budget FY 24	Change FY 24 to FY 25
Donations Received	150,000	162,206	160,000	(10,000)
Fundraising Event	189,000	163,845	130,000	59,000
Grant from PHCD	800,000	800,000	800,000	0
Grants Received & Released	1,590,760	1,403,827	1,375,000	215,760
<b>Total Income</b>	<b>2,729,760</b>	<b>2,529,878</b>	<b>2,465,000</b>	<b>264,760</b>
Fundraising Personnel	295,870	276,511	283,882	(11,988)
Fundraising Expenses	194,020	134,840	150,101	(43,919)
<b>Net Fundraising Income</b>	<b>2,239,870</b>	<b>2,118,527</b>	<b>2,031,017</b>	<b>208,853</b>
Outreach Program	FY 25	Projected FY 24	Budget FY 24	Change FY 24 to FY 25
Outreach Income	0	0	0	0
Personnel	521,126	404,141	458,681	(62,446)
Outreach Supplies	32,846	14,139	32,865	19
Volunteer Appreciation	3,905	2,000	1,850	(2,055)
Auto Expense	10,671	0	0	(10,671)
IT Support	13,100	0	0	0
Outreach Storage & Marketing	6,500	0	0	0
Meeting & Travel Expenses	13,324	2,000	4,600	(8,724)
<b>Total Program Costs</b>	<b>601,472</b>	<b>422,280</b>	<b>497,995</b>	<b>(103,477)</b>
Other Revenue	FY 25	Projected FY24	Budget FY 24	Change FY 24 to FY 25
Other Income	37,900	68,517	19,008	18,892
<b>Other Income</b>	<b>37,900</b>	<b>68,517</b>	<b>19,008</b>	<b>18,892</b>
Summary	FY 25	Projected FY 24	Budget FY 24	Change FY 24 to FY 25
<b>Total Revenue</b>	<b>6,748,120</b>	<b>5,952,389</b>	<b>6,249,228</b>	<b>498,892</b>
<b>Total Personnel</b>	<b>(5,001,447)</b>	<b>(4,254,509)</b>	<b>(4,746,250)</b>	<b>(255,196)</b>
<b>Total Clinic Expense</b>	<b>(693,352)</b>	<b>(563,790)</b>	<b>(678,935)</b>	<b>(14,417)</b>
<b>Total Overhead Expense</b>	<b>(1,009,851)</b>	<b>(949,677)</b>	<b>(917,421)</b>	<b>(92,430)</b>
<b>Total Fund. &amp; Outreach expense</b>	<b>(274,366)</b>	<b>(152,979)</b>	<b>(189,416)</b>	<b>(84,950)</b>
<b>NET INCOME</b>	<b>(230,896)</b>	<b>31,435</b>	<b>(282,794)</b>	<b>51,898</b>
Depreciation	335,632	298,557	306,872	28,760
Capital Expenditure	(262,289)	(150,000)	(138,028)	(124,261)
Cash flow	(157,553)	179,992	(113,950)	(43,603)