Peninsula
HEALTH CARE DISTRICT
Building a Healthier Community

BOARD FINANCE COMMITTEE

Tuesday, August 11, 2026

4:00 pm – 5:30 pm

In-person: 1819 Trousdale Dr., Burlingame, CA 94010

Members of the Public may Join Virtually: https://us02web.zoom.us/j/88907857313
Meeting ID: 889 0785 7313 **- By Phone:** +1 253 215 8782; +1 267 831 0333

A G E N D A

- **Call to Order & Roll Call**

- **Approval of Minutes:** p. 1
    - May 12, 2026 Minutes

- **City National Bank** – Robert Meckstroth, Senior Portfolio Manager
    - Portfolio Review – June 30, 2026 p. 11
    - Portfolio Review – July 31, 2026 p. 71
    - Q&A
    - **Action, if any**

- **FY 26 Year-End Consolidated Financials** – CFO Yee p. 131
    - Financial Review
    - Q&A
    - **Action, if any**

- **Future agenda items:**
    - 1st Quarter Financial Review
    - FY 25-26 Draft Audited Financial Report Review
    - Suggestions?

- **Adjournment**

Peninsula
HEALTH CARE DISTRICT
Building a Healthier Community

FINANCE COMMITTEE MEETING
Minutes
May 12, 2026

1. **Call to Order:** The meeting was called to order by **Chair Sanchez** at 4:02 pm.

2. **Roll Call:** Present: Chair Sanchez, Vice-Chair Cappel, CEO Pulido, CFO Yee, Member Angelopoulos, Member Revelo, Member Martinez.

3. **Approval of Minutes** from February 10, 2026

   It was moved by Member Revelo and seconded by CEO Pulido to approve the Minutes from February 10, 2026. The motion passed 5/0/2/0. Ayes: Chair Sanchez, CEO Pulido, CFO Yee, Member Angelopoulos, Member Revelo. Abstain: Vice-Chair Cappel, Member Martinez.

4. **The Trousdale Budget** – Mark Jenkins, CFO, Eskaton

   Mark Jenkins opened the presentation by thanking the group for the opportunity to present and by acknowledging the partnership maintained over the past several years. He noted that the proposed budget was developed with a focus on cost efficiency, operational stability, and the goal of creating a stable financial model after several years of work to stabilize occupancy.

   Mr. Jenkins explained that the budgeting methodology is built from the ground up, beginning with operating expenses and the level of resources needed to properly care for residents. The operational team on site plays a key role in identifying the staffing, supplies, and resources required to meet resident needs. Once those needs are established, the required rate increase is determined to support the expense base.

   The budget assumes stabilized occupancy of approximately 93%. This level of occupancy is viewed as a benchmark that supports a more sustainable operating model and reflects progress made by the current leadership team over the past several months.

   A 5% residential rate increase was recommended for the coming budget year. The increase is intended to keep pace with market conditions while also providing a measure of margin recovery after prior years in which the organization focused heavily on building occupancy.

   The budget includes a proposed 4% increase for routine annual performance-based compensation adjustments for staff. In addition, the budget proposes a market-rate adjustment for direct care staff, with a targeted increase of approximately $1.50 per hour across the board for hands-on resident care positions.

   The team is also focused on reducing costs now that the budget has reached a more stabilized position. Particular attention is being placed on purchasing, food, and other supplies. Mr. Jenkins noted that the organization participates in group purchasing organizations, which can provide purchasing leverage and incentives.

The proposed budget totals a little over $16 million, including approximately $12 million in operating expenses. The resulting operating margin is projected to be just over $400,000 for the year, with an operating margin percentage of approximately 26%.

Vice-Chair Cappel asked whether the PHCD rent assistance fund program would continue. **CFO Yee** explained that the rent assistance fund would remain at the District level, with the annual amount maintained at $240,000 and funded as needed up to that amount. **Vice-Chair Cappel** asked whether anyone was currently using the rent assistance fund. **Mr. Jenkins** replied that two residents are currently participating in the program.

Vice-Chair Cappel asked how the salary increase would work. **Mr. Jenkins** explained that all employees are budgeted for a 4% increase, applied according to anniversary-date reviews rather than all at once on July 1. He also noted a targeted $1.50 increase for direct care staff.

Vice-Chair Cappel asked whether employee benefits are self-funded and who administers the plan. **Mr. Jenkins** responded that he serves as the administrator and that Wellnet is the third-party administrator. He explained that the organization rents the Blue Cross network, pays actual claims, and uses this approach to help keep benefit costs low.

Member Revelo asked what level of overtime The Trousdale is experiencing and whether the proposed increase would help offset overtime. **Mr. Jenkins** responded that overtime is currently approximately 8.6%, compared with a historical budget target of about 3%. **Mr. Jenkins** stated that cutting overtime in half would be a realistic and meaningful target.

Member Revelo asked whether the staffing approach would compensate for the current turnover percentage. **Mr. Jenkins** explained that staffing strategy includes retaining employees, remaining competitive in the market, and reducing reliance on less favorable staffing options. **Mr. Jenkins** described the preferred staffing approach as follows: regular employees are the best option because they know the residents and routines; overtime is the next preferred option because it still uses trained employees; registry staffing is the least favorable option and is being reduced.

Member Revelo asked whether turnover had increased. **Mr. Jenkins** responded that turnover is approximately 6.5% at The Trousdale, compared with much higher industrywide turnover and approximately 40% across Eskaton communities overall.

Vice-Chair Cappel asked about the registry usage rate. **Mr. Jenkins** responded that registry usage is minimal, estimated at roughly $2,400 per month, and is primarily used to fill occasional shifts. **Mr. Jenkins** explained that the organization has moved towards a “do not use registry” approach and has reduced and eliminated reliance on registry staffing where possible.

Member Martinez noted a meaningful improvement in occupancy stabilization. **Mr. Jenkins** agreed and expressed optimism about the current direction, crediting stable leadership from Sal and Phil.

Chair Sanchez asked whether salary increases and stabilization would reduce employees’ need to hold second jobs, given inflationary pressures. **Mr. Jenkins** responded that the goal is not necessarily to eliminate second jobs, but to ensure Eskaton becomes employees’ first job of choice.

Mr. Jenkins stated that the $1.50 per hour increase may not be enough to eliminate second jobs, but the intent is for employees to prioritize Eskaton shifts first.

Chair Sanchez asked what percentage of employees have a second job. **Mr. Jenkins** replied that the organization does not have exact data but estimates the percentage to be around 75%.

Mr. Jenkins emphasized that culture is a major factor in retention. He described leadership efforts to improve workplace culture, wellness programs, employee recognition, community activities, and the Eskaton Well Path initiative, which focuses on both resident wellness and employee wellness.

Mr. Jenkins discussed capital asset planning and noted that the building, which opened in December 2018, is reaching the point where reinvestment is needed to maintain the useful life of assets within the community. He explained that the largest capital component relates to technology infrastructure, including wireless connection points, switches, internet equipment, and other building technology components. He also noted that the organization has a three-year plan in addition to the proposed budget for the next year.

Member Revelo asked about cybersecurity. **CFO Yee** stated that The Trousdale has cybersecurity insurance through Eskaton. **Member Revelo** asked whether IT capital costs include cybersecurity. **Mr. Jenkins** replied that there is not a unique cybersecurity capital item in the plan, but The Trousdale operates within Eskaton's broader cybersecurity environment, systems, and processes.

Mr. Jenkins emphasized that cybersecurity is an ongoing and heightened risk, stating that the question is not if an incident could happen, but when. He said the organization routinely focuses on controls, trains staff, tests employees through simulated phishing attempts, and educates staff on identifying suspicious attachments and communications. **Mr. Jenkins** also noted that Eskaton recently moved to Microsoft 365 and the cloud, which he believes improves security, while also requiring contingency procedures if cloud services become unavailable. He stated that paper backup procedures and related protocols are in place.

5. **Sonrisas Budget** – Tiffany Turner, CEO, Sonrisas Dental Health

Tiffany Turner walked the committee through the proposed Fiscal Year 2027 budget. Sonrisas Dental Health is planning to grow patient visits to a little over 19,000 visits in Fiscal Year 2027, representing an approximately 22% increase from the current year. This projected increase is based on operational changes intended to improve provider productivity and patient access.

Ms. Turner provided patient encounters over a three-year period. Fiscal Year 2026 is projected to end at nearly 16,000 visits, with Fiscal Year 2027 increasing to slightly over 19,000 visits. Continued growth is expected in Fiscal Years 2028 and 2029 as providers transition from seeing approximately eight patients per day to fourteen patients per day over time.

Outreach screening goals for the upcoming fiscal year will increase to 4,200, up from 4,000 screenings budgeted in fiscal year 2026. It was also noted that Sonrisas screened just under 5,000 children through its outreach program.

Sonrisas is preparing to open a mobile RV in Pescadero in the fall. The RV program is expected to ramp up gradually, beginning with limited service days in Fiscal Year 2027 and eventually expanding to additional days per week as operations stabilize.

Operating revenue for Fiscal Year 2027 is projected at approximately $6.9 million. This includes expected growth in grants and other income, as well as increased patient revenue. Grants and other income are expected to increase by approximately $540,000.

The organization has served San Mateo County for 25 years. Residents of the Peninsula Health Care District account for approximately 40% of the organization's patients. These patients visit the clinic about three times per year on average. Approximately 81% of Peninsula Health Care District resident patients are covered by Medi-Cal Dental, HPSM, or the affordable sliding fee scale.

To support the planned increase in patient visits, the organization expects to add clinical and administrative staffing. Planned investments include a Chief Dental Officer, a pediatric dentist, hygienists, dental assistants, and fundraising personnel to help support increased grant activity and budget needs.

Ms. Turner discussed significant staffing cost differences between Fiscal Year 2026 and Fiscal Year 2027. For Fiscal Year 2027, the finance team identified approximately $500,000 in staffing-related changes. This includes approximately $321,000 for new positions, approximately $150,000 for the 3% merit increase, and approximately $65,000 related to market adjustments, one promotion, and position restructuring. Some positions that were previously planned but not filled or not expected to return helped offset part of the cost increase.

Direct and indirect expenses are expected to increase in Fiscal Year 2027. However, the budget methodology was adjusted to rely more closely on current-year actuals rather than inflated assumptions. Variable costs, such as dental supplies and lab costs, are expected to rise gradually as patient volume increases, while fixed costs, such as dentists, are being managed more carefully to align with safety-net clinic best practices.

The Fiscal Year 2027 budget reflects a projected net loss of approximately $910,000. A significant portion of this loss is related to depreciation and the reduction or loss of historical funding sources. The Sequoia Health Care District grant is expected to mostly phase out, although some funding may continue for outreach and clinic services. Additional historical funding is also expected to decline. The organization is working to balance the budget more effectively. With support from the Peninsula Health Care District, leadership hopes to reduce the operating deficit.

Sonrisas also added three holidays to the organizational calendar: Martin Luther King Jr. Day, Presidents' Day, and Columbus Day. The rationale for adding these holidays was based on historical staffing patterns, as staff often do not report on holidays, leading to patient cancellations and operational disruption.

Member Martinez asked whether there is patient demand to support the proposed large increase in dental visit volume for the next fiscal year. **Ms. Turner** confirmed that demand exists, noting that hygiene appointments are currently scheduled more than six weeks out and that the Center receives frequent patient inquiries about dental appointment availability. She stated that there is a large community need for a dental home and that, with the right staffing structure and operations, the Center should be able to accommodate approximately 4,000 additional visits.

Member Revelo asked whether the demand had always existed but the organization had not been staffed appropriately to meet it. **Ms. Turner** agreed, explaining that the organization has not been staffed or operated correctly to support best-practice productivity levels. She referenced safety-net dental best practices, noting that dentists in community clinics should typically be seeing about 16 patients per day, while pediatric dentists may see about 18 patients per day. In contrast, current providers are sometimes seeing only six to eight patients per day.

Ms. Turner explained that dentists are not currently working to their fullest potential because the organization has not provided the appropriate staffing model or operational support. She stated that next fiscal year, the organization intends to correct this by implementing a structure in which dentists can utilize two chairs and receive adequate support from dental assistants and other staff. She added that additional hiring is underway so providers can increase the number of patients seen each day.

Member Revelo clarified whether the issue had primarily been related to hiring and staffing in the past. **Ms. Turner** responded that hiring and staffing were part of the issue, but she also believed there had been a lack of understanding about what productivity expectations should be.

Vice-Chair Cappel asked whether there had been any pushback from dentists after learning that they may be expected to double their visit volume. **Ms. Turner** said she had shared the plan with the leadership team and received some questions and concerns about how the new model would work. She explained that the incoming Chief Dental Officer will provide guidance, examples, and direction on implementation.

Vice-Chair Cappel noted that other Denti-Cal-type clinics operate at high volumes and stated that high volume has been essential to those clinic models from the beginning. He indicated that it is not feasible or financially responsible to operate a clinic at low production levels and expressed support for the proposed plan. He stated that the committee looks forward to seeing the results once the model is implemented.

Chair Sanchez added background for the committee, noting that Sonrisas has a significant number of part-time providers compared with similar organizations. He stated that this can affect commitment, as some providers may view the position as a secondary job rather than their primary professional commitment. He emphasized the importance of making Sonrisas a first-choice workplace for providers.

Chair Sanchez also noted that recent turnover and past mismanagement of systems contributed to the current challenges. He stated that the Board sought new executive leadership, a new direction, and a new approach in order to make meaningful operational changes. He also mentioned that future improvement may include strengthening partnerships with the county, as the organization has had such partnerships in the past.

Ms. Turner stated that provider commitment is an issue and said it is not limited to part-time or full-time staff. She noted that staff call-outs and reliability concerns affect operations. She explained that one of the goals for the next fiscal year will be to establish clearer accountability expectations.

Member Revelo asked who would be responsible for correcting the issues and rolling out the goals. **Ms. Turner** responded that responsibility would rest with the leadership team, including herself, the new Chief Dental Officer, and the managers who oversee staff. She clarified that the organization would not simply announce goals such as eliminating safety incidents, but would also provide training and guidance on what needs to be done.

Member Angelopoulos asked for additional context regarding part-time staff and whether their primary motivation for working at the organization is financial or mission-driven. **Ms. Turner** responded that she believes it is a combination of both. She explained that many dentists who work in community clinics may also have their own dental practice and provide community clinic work one day per week, sometimes as a volunteer role elsewhere. At Sonrisas, these providers are paid, and in some cases may be paid more than regular dentists.

6. **allcove Budget** – Jackie Almes, Youth Behavioral Health Program Manager

Jackie Almes reported that fiscal year 2025-2026 included a combined total of 3,511 visits, representing both service visits and non-service visits. For fiscal year 2026–2027, the center is projecting approximately 4,450 visits, reflecting an anticipated increase of roughly 1,000 visits.

The projected partner staffing level for the upcoming year is 3.95 FTE. **Ms. Almes** explained that the center is planning a restructuring that would shift emphasis from associate marriage and family therapists to more licensed marriage and family therapists. The rationale is to provide greater stability for the center and staff team and to expand the center's ability to bill insurance providers that require licensed clinicians.

Ms. Almes stated that the center is currently billing Health Plan of San Mateo and is contracted with Aetna, although claims had not yet been submitted. She noted that some claims were not submitted because services were provided by associates rather than licensed providers. The goal for the coming year is to finalize additional insurance contracts, including Blue Shield and Kaiser, while maintaining conservative projections due to the time required to credential and onboard providers.

Vice-Chair Cappel emphasized that increasing the number of contracted plans could significantly improve billable revenue potential. He noted the importance of pursuing contracts with major health plans, including Anthem Blue Cross, UnitedHealthcare, and other large insurers in the area.

Ms. Almes explained that several services are currently non-billable due to the structure of the center's contracts and the fact that Peninsula Health Care District is not a medical provider. Psychiatry and physical health services are subcontracted, and there is currently no billing pathway for education and employment services, peer support, substance use support, and various non-service visits. The primary focus for reimbursement will therefore be individual therapy sessions and group therapy sessions.

The center expects revenue from the state grant originally awarded in 2018, with slightly more than $200,000 remaining through a contract extension. Additional revenue is anticipated from a lease arrangement connected with Stanford/Lucile Packard Children's Hospital services. Insurance billables are projected at approximately $45,000. **Ms. Almes** also reported that San Mateo County indicated it intends to renew its contract for the upcoming year, potentially up to $500,000, pending confirmation of the exact amount.

Ms. Almes noted that the center recently applied for two additional grants and is awaiting responses. She also described a legislative budget request seeking network-level support for allcove centers through the Governor's budget, potentially providing $2 million per center over each of the next three years, though the likelihood and final structure remain uncertain.

Ms. Almes reported that approximately 67% of projected expenses are related to personnel. Budgeted staffing includes District staff, four peer support specialists, and a clinical director position. Clinical partner contracts are projected at slightly more than $800,000. Marketing and outreach expenses have increased to support continued awareness-building. The draft budget currently reflects a projected loss of approximately $2 million before accounting for potential additional funding sources under exploration.

Vice-Chair Cappel asked what was included in non-service visits, noting that they represent more than half of total visits. **Ms. Almes** explained that non-service visits include youth using the space for homework, social connection, drop-in support, and events such as educational workshops and wellness presentations. **Chair Sanchez** emphasized the importance of measuring outcomes tied to non-service usage, particularly for grant applications. **Ms. Almes** noted that a two-week survey was being launched to collect user feedback. **CEO Pulido** added that data collection has helped preserve San Mateo County funding by demonstrating outcomes and supporting the case for continued bridge funding.

Member Angelopoulos asked which marketing channels have the highest response rate among youth. **Ms. Almes** stated that social media, school-based ads, and SamTrans bus advertising have generated visible engagement, including drop-ins and calls from individuals seeking more information. **CEO Pulido** noted that utilization has continued to grow and that April was the center's highest-utilization month to date.

The group discussed whether marketing should target youth directly or parents. **Ms. Almes** said the center initially focused more heavily on youth but now recognizes the importance of engaging parents, who often encourage access to services and may help connect youth to the full range of supports. **CEO Pulido** noted that other successful allcove centers have benefited from strong parent engagement, particularly for younger youth.

Vice-Chair Cappel encouraged outreach to parents through community groups such as Boy Scouts, school activities, and similar youth-serving organizations, noting that parent-to-parent awareness can be effective. **Member Angelopoulos** asked about zero-cost marketing channels such as PTA presentations, school walkathons, and community events. **Ms. Almes** responded that the center already participates in school presentations, tabling, PTA presentations, parent nights, and similar events. She stated that in-person engagement is generally more effective than online advertising because direct interaction with staff helps build trust and buy-in.

Chair Sanchez suggested that public transportation advertising could be especially effective if targeted to routes used by students and families, including routes connecting Daly City, Palo Alto, community colleges, middle schools, high schools, and transfer points. **Ms. Almes** agreed to review SamTrans route options before the next campaign to confirm that advertising reaches the most relevant corridors.

7. **<u>Health & Fitness Budget</u>** – Richard Bergstrom, Fitness Director

Richard Bergstrom presented the Health & Fitness Center budget, including projected membership, revenue, expenses, and goals for the next fiscal year. The Center is budgeted for a net loss of ($301K), which is ($33K) higher than the prior year's budget.

Membership growth was discussed as a key driver of both revenue and operating needs. The member count at the end of June is projected at 486 total members, including 393 active members and 93 non-active members. Approximately 45% of members are expected to enroll through insurance-based memberships. Existing members are expected to remain steady, ending at 51 members, while new members are projected to decrease from 113 to 108 due to expanded insurance options.

Insurance-based membership is expected to continue growing. OPTUM/ASH insurance memberships for seniors are projected to increase by approximately one member per month, growing from 157 to 169. A new insurance option, SilverSneakers with an Unlimited add-on, is projected to grow steadily to 30 members. Other discount membership options, including government employees, scholarships, and online applications, are expected to average approximately 19 members per month. Personal training is expected to average 22 sessions per month, classes are expected to run 15–20 times per week with 10–15 attendees per class, and massage therapy is expected to average 20 sessions per month.

Revenue is budgeted at $238,296, an increase of $37,823, or 16%, from the prior year's budget. New member fees are budgeted at $80 per month, with discounts offered on packages. Existing member dues are $55 per month for seniors and $65 per month for non-seniors, while OPTUM and ASH insurance dues are $40 per month for seniors and $56 per month for non-seniors. SilverSneakers Basic, which provides limited access, is expected to average $20 per month based on $4 per visit, and the optional Unlimited add-on provides all-access membership at $40 per month.

Additional revenue assumptions include government employee dues of $45 per month for seniors and $55 per month for non-seniors. Classes are priced at $5 per session, with a new unlimited class plan offered at $30 per month. Massage therapy is expected to average $65 per session. Insurance memberships are expected to grow steadily, with an average utilization rate of 84%.

Expenses are budgeted at $569,561, an increase of $70,602, or 14%, from the prior year's budget. The budget is based on current costs. Salaries include a 5% increase for the 1.0 FTE Director, 1.0 FTE Assistant Manager, 0.5 FTE Health & Fitness Specialist, and 1.125 FTE Member Service Representative. The staffing plan includes three benefited employees. Benefits are based on current rates with a 10% increase.

Contract labor includes classes taught by contractors, estimated at approximately 18 classes per month. Office supplies are based on current usage. Equipment repairs are budgeted at $4,800 due to aging machines that may require replacement parts. Marketing and outreach are budgeted at $8,000 for Daily Journal advertisements, business cards, and social media boosts. Health education and socialization expenses were added at $4,200. The Medical Fitness Association application is budgeted at $5,500.

Mr. Bergstrom discussed continued membership growth, expansion of insurance-based membership options, and opportunities to increase participation during afternoon and evening hours. The Center will continue to focus on growing massage therapy and personal training revenue, expanding essential wellness activities, increasing outreach, and building partnerships with other organizations.

Member Revelo asked for clarification regarding the projected membership figure of 486, specifically whether the estimate referred to the end of June or the end of the following June. **Mr. Bergstrom** clarified that the projection referred to June 2027.

Mr. Bergstrom noted that membership had already reached approximately 420 members and explained that the program has experienced significant recent growth, with roughly 30 new sign-ups in the past month. The growth was described as being driven largely by word of mouth rather than advertising or marketing.

CEO Pulido emphasized that the program has developed a strong reputation because of the quality of its offerings. She explained that participants share their positive experiences with friends and family, which continues to bring people through the doors.

Chair Sanchez noted that the District's Annual Health Fair provides additional visibility for the program. The event includes offerings such as bone density screenings and blood pressure screenings, and **Chair Sanchez** stated that each event helps build awareness and interest in future participation.

Chair Sanchez asked about the maximum capacity of the facility and noted that the program would eventually reach its limit. **CEO Pulido** responded that the facility has already exceeded its intended capacity, which was identified as approximately 330 members. It was also noted that not all members are present at the same time, which helps manage day-to-day usage.

Chair Sanchez referenced a prior discussion about encouraging more use of afternoon classes and asked whether that approach had been successful. **Mr. Bergstrom** explained that an additional class has been added. He noted that classes continue to be in high demand, with waitlists of approximately five to ten people for each class.

Member Revelo asked what types of classes are offered. **Mr. Bergstrom** explained that the class schedule includes a variety of formats, such as balance classes, dance fitness, strength training, Pilates, cardio kickboxing, and other rotating class types. He noted that different classes are offered on different days and that many of the same participants attend regularly.

Chair Sanchez observed that capacity issues raise broader questions about whether the District should consider expanding the program. **CEO Pulido** stated that management recently visited the AbilityPath space, which the District owns and which is expected to become vacant. She explained that staff is reviewing whether that space could serve as a temporary expansion option.

CFO Yee commented that it is difficult for the program to break even under the current facility conditions because the building and classroom sizes limit the number of participants who can attend each session. For example, she noted that when a classroom can accommodate only a small number of participants, the district still pays the instructor for the full class hour, even though class revenue is limited by the available space.

Vice-Chair Cappel characterized the program as a modest investment with meaningful community benefit. He noted that the capacity and facility issues should remain part of the Board's discussions as planning continues.

8. **Community Health Investment Budget** – CFO Yee

CFO Yee presented the FY27 Community Health Investment (CHI) budget, which totals $6.16 million, an increase of approximately $967,000 over the prior year, reflecting continued investment in community health initiatives and strategic partnerships. The largest allocation remains Community Grants at $3 million, consistent with last year and supporting community grants, impact partnership grants, small grants, and sponsorships.

Additional funding includes $25,000 for the CEO's discretionary fund, $200,000 for Targeted Prevention Programs such as Heart Screening, Health Fair, and HepB Free, and $948,000 for Special Funding Initiatives, which decreased by $123,000 primarily due to the discontinuation of emergency food insecurity funding. These special initiatives support board-approved programs, including Healthy Aging Pathways, Peninsula Volunteers senior services, Care Solace for youth mental health navigation, Maro mental health screening, transportation services, and a healthcare workforce professor initiative.

The budget also includes a new $1 million allocation for Blue Zones to support potential continuation of the program in FY27. Other investments include $65,000 for Community Outreach (down $10,000), $75,000 for Community Education, $250,000 for New Program Research and Development, and $600,000 for the Peninsula LiveWell Project, an increase of $100,000 to support anticipated growth in development activity.

In addition, CHI continues to support internal programs through the Trousdale Rent Assistance Fund of up to $240,000, $600,000 in donated facility value recognizing community benefit from rent-free and discounted space, and program funding of $301,000 for the Health and Fitness Center and $2 million for allcove San Mateo.

9. **FY 2026-27 Consolidated Draft Budget** – CFO Yee

CFO Yee presented the FY 2026-27 General Operations and Leasing Budget. She reported that tax revenue is projected at $9.75 million, slightly higher than the prior year's budget. Investment income is based on an estimated 3% rate of return, and lease income projections reflect current occupancy levels. Total budgeted revenue is $15,526,039.

On the expense side, personnel costs are budgeted to increase by 4.2% compared to the prior year's budget. Lease-related expenses are projected to increase by 9%, primarily due to the addition of the San Bruno home. Professional services expenses include a new HR consultant budget line of $117,000 annually for approximately 10 hours per week, replacing the need for HR legal services. Legal expenses remain unchanged from the prior year. Increases are also included for ACHD, CSDA, LAFCO, and San Mateo County fees and dues.

CFO Yee noted that $300,000 has been budgeted for board election expenses, which occur every other year. The budget projects net income of $5,565,162 for general operations, community programs, and leases. When consolidated with other program areas, total net income is expected to be $2,773,565.

Capital purchases are budgeted to be higher than the prior year due to the age and maintenance needs of The Trousdale. Cash flow after capital improvements is projected at $266,189, including the planned $2 million acquisition of an additional cooperative home for adults with intellectual and developmental disabilities.

Chair Sanchez commented that if no challengers file for election and an election is not required, the $300,000 budgeted funds would not be spent and would remain with the District.

> ***It was moved by Chair Sanchez and seconded by Vice-Chair Cappel to approve the 2026-27 Budget as presented. The motion passed 7/0/0/0. Ayes: Chair Sanchez, Vice-Chair Cappel, CEO Pulido, CFO Yee, Member Revelo, Member Angelopoulos, Member Martinez.***

10. **Q3 Consolidated Financials** – To Be Distributed the First Week of June

11. **Future Agenda Items**
    - City National Bank – Annual Performance & Goal Presentation and Analyses
    - Year-End Financial Review

Adjournment: Chair Sanchez adjourned the meeting at 5:40 pm.
Written by Vickie Yee, CFO

Approved by: The Finance Committee X/XX/XXXX

PORTFOLIO REVIEW

THE PENINSULA HEALTH CARE DISTRICT

June 30, 2026

TABLE OF CONTENTS

Portfolio Review Summary

Portfolio Review Overview

AS OF JUNE 30, 2026

ACCOUNTS		MARKET VALUE
PENINSULA HEALTH CARE DIST. AGENCY	xxxxx810	$ 31,527,891
SONRISAS DENTAL HEALTH	xxxxx610	604,199
TOTAL PORTFOLIO REVIEW		**$ 32,132,090**

Portfolio Review Allocation

AS OF JUNE 30, 2026

ASSET CLASS			MARKET VALUE	% ASSETS	CURRENT YIELD	ANNUAL ESTIMATED INCOME
Core Fixed Income	99.4%	Core Fixed Income Taxable	$ 31,953,431	99.4%	3.5%	$ 1,111,266
Cash & Equivalents	0.6%	Cash & Cash Equivalents	178,659	0.6%	17.7%	31,604
Total Portfolio			**$ 32,132,090**	**100%**	**3.6%**	**$ 1,142,870**

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 RBC Rochdale 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

INVESTMENT OBJECTIVE	LIQUIDITY MANAGEMENT TAXABLE
ANNUAL ESTIMATED INCOME	$1,120,544
SCHEDULED ANNUAL DISTRIBUTIONS	None Specified
YTD TAXABLE REALIZED GAIN/LOSS	Short-Term: $0 Long-Term: $635
SPECIAL CONSIDERATIONS	None Specified

ACCT# xxxxx810

Investment Strategy

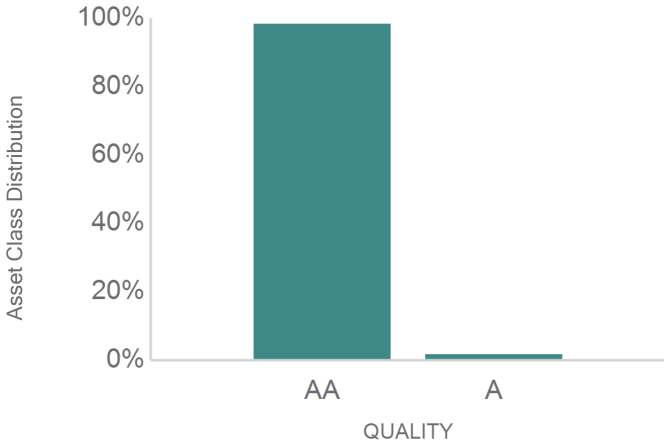
	ACTUAL PORTFOLIO		TACTICAL ALLOCATION	
	RISK/RETURN		RISK/RETURN	
	NEAR-TERM	LONG-TERM	NEAR-TERM	LONG-TERM
ESTIMATED ANNUAL RATE OF RETURN (%)	4.56	4.29	4.56	4.30
ESTIMATED STANDARD DEVIATION (%)	-	3.97	-	3.99

ASSET CATEGORY		ACTUAL PORTFOLIO			TACTICAL ALLOCATION		
Core Fixed Income	Core Fixed Income Taxable	$ 31,369,302	99.5%	99.5%	$ 31,527,892	100.0%	100.0%
Cash	Cash & Cash Equivalents	158,589	0.5%	0.5%	-	-	-
	TOTAL MANAGED PORTFOLIO	$ 31,527,891	100%	100%	$ 31,527,892	100%	100%

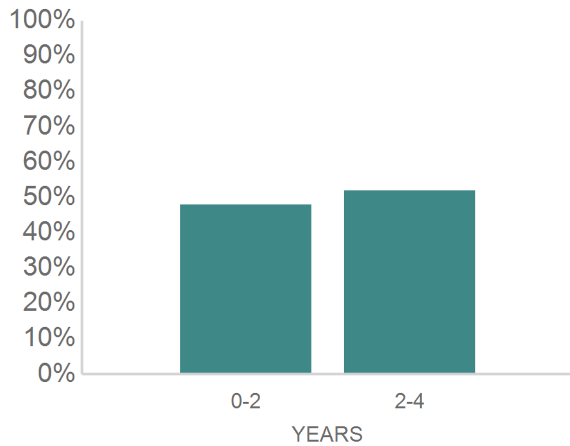
ACCT# xxxxx810

Fixed Income Characteristics

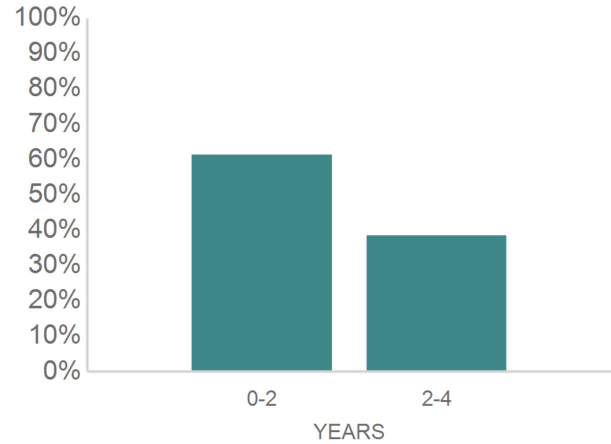
CREDIT QUALITY DISTRIBUTION



MATURITY SCHEDULE



DURATION

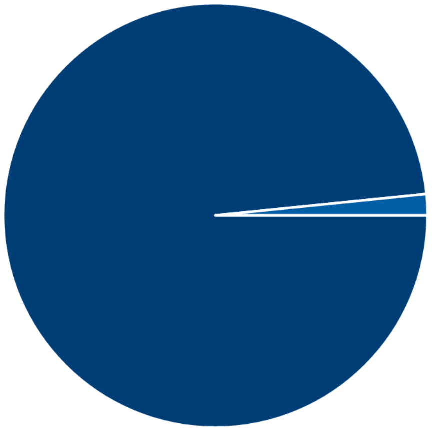


PORTFOLIO CHARACTERISTICS

DURATION	1.64
AVERAGE MATURITY	1.81
CREDIT RATING	AA+
COUPON RATE	3.49%
YIELD TO WORST	4.20%
YIELD TO MATURITY	4.20%
CURRENT YIELD	3.50%

SECTOR EXPOSURE

-	98%
Corp.	2%



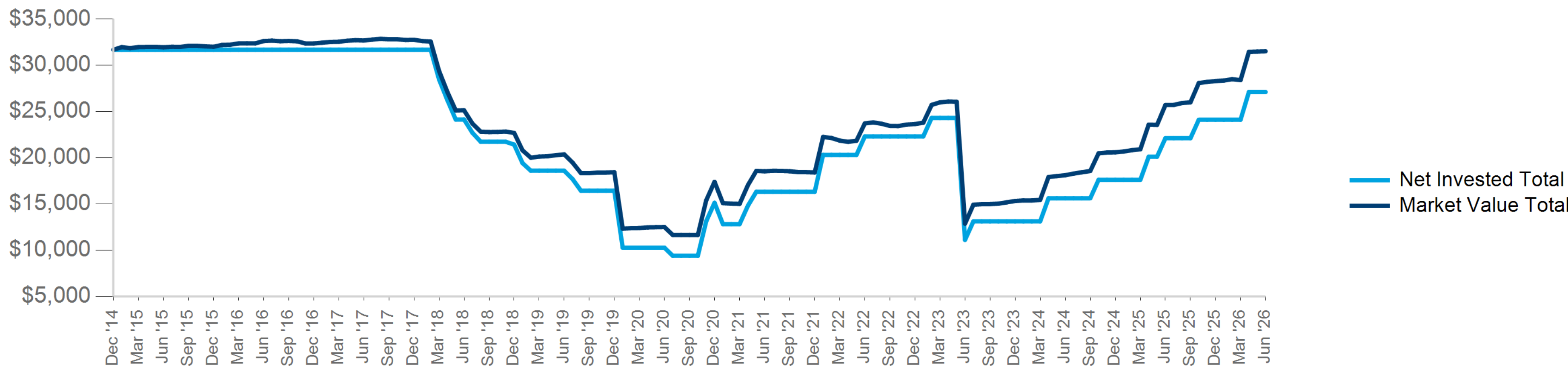
ACCT# xxxxx810

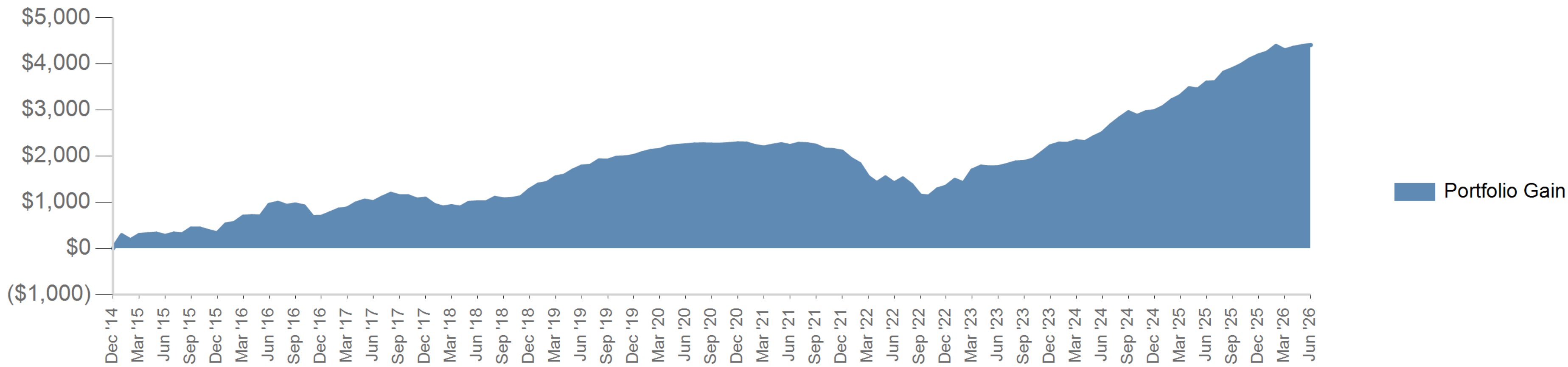
Portfolio Analysis

PENINSULA HEALTH CARE DIST. AGENCY

Historical Market Value

FROM DECEMBER 31, 2014 TO JUNE 30, 2026 / $ IN THOUSANDS





ACCT# xxxxx810

Activity Summary

FROM DECEMBER 31, 2024 TO DECEMBER 31, 2025

BEGINNING VALUE	**$ 20,592,072**
CONTRIBUTIONS	6,500,000
WITHDRAWALS*	0
CHANGE IN MARKET VALUE**	339,141
INCOME RECEIVED	866,992
ENDING VALUE	**$ 28,298,205**
NET GAIN AFTER FEE	1,206,133

* Withdrawals include client distributions and expenses

** Includes the deduction of account management fees

ACCT# xxxxx810

Activity Summary

FROM DECEMBER 31, 2025 TO JUNE 30, 2026

BEGINNING VALUE	**$ 28,298,205**
CONTRIBUTIONS	3,000,000
WITHDRAWALS*	0
CHANGE IN MARKET VALUE**	(268,944)
INCOME RECEIVED	498,630
ENDING VALUE	**$ 31,527,891**
NET GAIN AFTER FEE	229,686

* Withdrawals include client distributions and expenses

** Includes the deduction of account management fees

ACCT# xxxxx810

Performance Summary

FROM NOVEMBER 30, 2010 TO JUNE 30, 2026

	YTD	LAST YEAR	LATEST 5 YEARS ANNUALIZED	SINCE INCEPTION ANNUALIZED
TOTAL PORTFOLIO NET OF FEES	0.78%	5.11%	2.11%	1.67%

ASSET CLASS RETURNS GROSS	YTD	LAST YEAR	LATEST 5 YEARS ANNUALIZED	SINCE INCEPTION ANNUALIZED
Core Fixed Income Taxable	0.83%	5.23%	2.13%	1.96%
Cash & Cash Equivalents	1.60%	3.04%	-	-

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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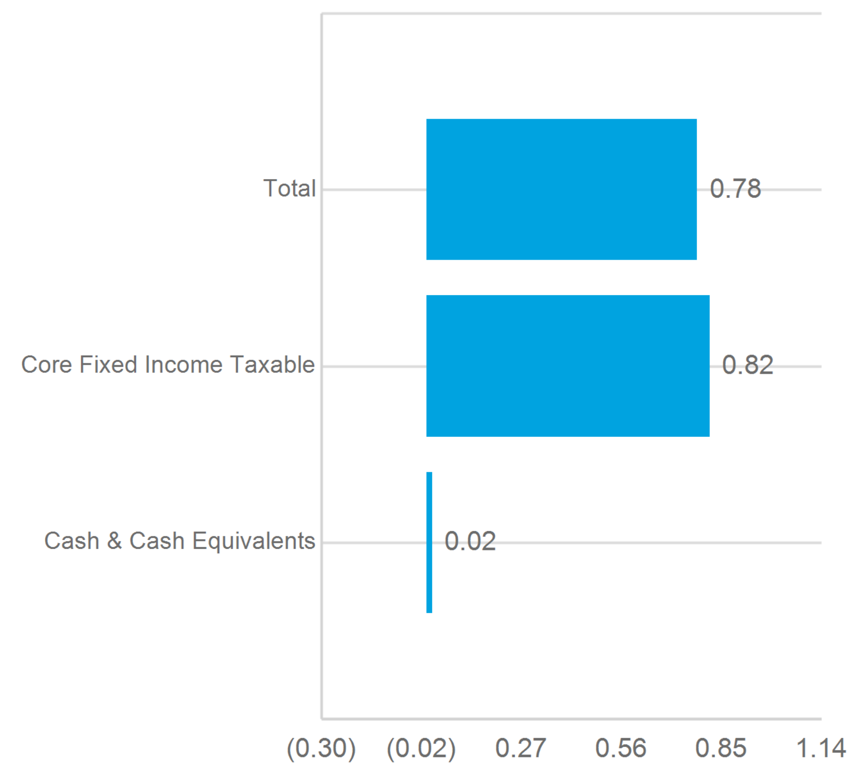
ACCT# xxxxx810

Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2025 TO JUNE 30, 2026

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Core Fixed Income Taxable	99.16	0.83	0.82
Cash & Cash Equivalents	0.84	1.60	0.02
TOTAL - NET	**100.00**		**0.78**

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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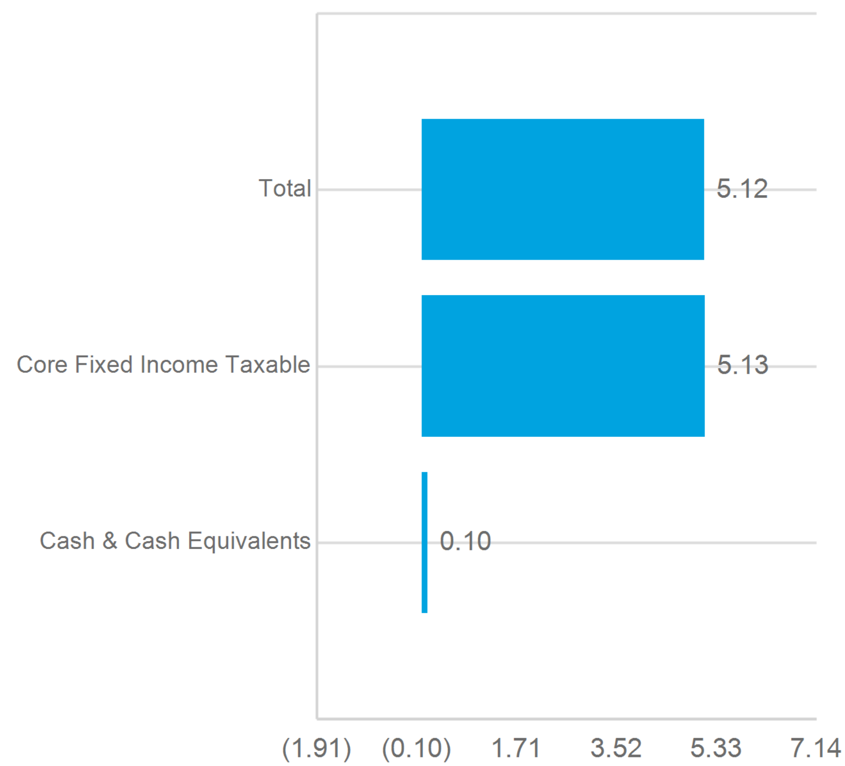
ACCT# xxxxx810

Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2024 TO DECEMBER 31, 2025

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Core Fixed Income Taxable	97.53	5.23	5.13
Cash & Cash Equivalents	2.47	3.04	0.10
TOTAL - NET	**100.00**		**5.12**

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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ACCT# xxxxx810

Realized Gains and Losses

FROM JANUARY 01, 2026 TO JUNE 30, 2026

Account	Open Date	Close Date	Quantity	Symbol	Security	Adjusted Cost Basis ($)	Proceeds ($)	Gain or Loss Short Term ($)	Gain or Loss Long Term ($)
MANAGED ASSETS									
xxxxx810	02/05/2024	01/31/2026	600,000.00	91282CJV4	United States Treas Nts	600,442.85	600,000.00		(442.85)
xxxxx810	02/16/2024	01/31/2026	40,000.00	91282CJV4	United States Treas Nts	39,747.17	40,000.00		252.83
xxxxx810	02/14/2023	02/15/2026	550,000.00	91282CGL9	United States Treas Nts	554,257.76	550,000.00		(4,257.76)
xxxxx810	02/16/2023	02/15/2026	775,000.00	91282CGL9	United States Treas Nts	771,004.06	775,000.00		3,995.94
xxxxx810	04/29/2024	03/30/2026	500,000.00	17325FBF4	Citibank N A	500,000.00	500,000.00		0.00
xxxxx810	04/27/2023	04/15/2026	1,000,000.00	91282CGV7	United States Treas Nts	998,984.37	1,000,000.00		1,015.63
xxxxx810	06/04/2024	05/31/2026	550,000.00	91282CKS9	United States Treas Nts	548,686.02	550,000.00		1,313.98
xxxxx810	07/31/2024	05/31/2026	200,000.00	91282CKS9	United States Treas Nts	201,242.36	200,000.00		(1,242.36)
xxxxx810	03/25/2025	06/30/2026	640,000.00	9128287B0	United States Treas Nts	640,000.00	640,000.00		0.00
TOTAL GAINS								**0.00**	**6,578.38**
TOTAL LOSSES								**0.00**	**(5,942.97)**
TOTAL MANAGED ASSETS						**4,854,364.59**	**4,855,000.00**		**635.41**
TOTAL TAXABLE PORTFOLIO						**4,854,364.59**	**4,855,000.00**		**635.41**

ACCT# xxxxx810

Portfolio Appraisal

AS OF JUNE 30, 2026

Quantity	Symbol	Security	Adj Unit Cost ($)	Total Adj Cost ($)	Price ($)	Market Value ($)	Yield (%)	Income ($)	% Of Assets	% of Total Portfolio	Unrealized Gain/Loss ($)
MANAGED ASSETS											
CORE FIXED INCOME TAXABLE											
Foreign Corporate Bonds											
500,000	89115A3A8	Toronto Dominion Bk Ont 4.568% Due 12/17/2026	1.00	499,690	1.00	500,870	4.56	22,840	1.60	1.59	1,180
		Accrued Interest				874			0.00	0.00	
Government Bonds											
1,200,000	91282CCW9	United States Treas Nts 0.750% Due 8/31/2026	0.99	1,193,536	1.00	1,194,024	0.75	9,000	3.81	3.79	488
1,725,000	9128286B1	United States Treas Nts 2.625% Due 2/15/2029	0.97	1,679,456	0.96	1,659,364	2.73	45,281	5.29	5.26	(20,092)
		Accrued Interest				20,020			0.06	0.06	
Government Agency Bonds											
900,000	91282CHM6	United States Treas Nts 4.500% Due 7/15/2026	1.00	899,738	1.00	900,261	4.50	40,500	2.87	2.86	523
925,000	91282CCP4	United States Treas Nts 0.625% Due 7/31/2026	1.00	922,525	1.00	922,660	0.63	5,781	2.94	2.93	135
75,000	912828YU8	United States Treas Nts 1.625% Due 11/30/2026	0.99	74,264	0.99	74,309	1.64	1,219	0.24	0.24	45
800,000	91282CJP7	United States Treas Nts 4.375% Due 12/15/2026	1.00	800,472	1.00	801,856	4.36	35,000	2.56	2.54	1,384
1,800,000	91282CKJ9	United States Treas Nts 4.500% Due 4/15/2027	1.00	1,806,334	1.00	1,806,516	4.48	81,000	5.76	5.73	182
1,000,000	91282CET4	United States Treas Nts 2.625% Due 5/31/2027	0.99	987,946	0.99	986,770	2.66	26,250	3.15	3.13	(1,176)
1,900,000	91282CLX7	United States Treas Nts 4.125% Due 11/15/2027	1.00	1,891,688	1.00	1,898,822	4.13	78,375	6.05	6.02	7,135
1,000,000	91282CBB6	United States Treas Nts 0.625% Due 12/31/2027	0.95	953,544	0.95	949,060	0.66	6,250	3.03	3.01	(4,484)
1,000,000	91282CMF5	United States Treas Nts 4.250% Due 1/15/2028	1.00	1,004,431	1.00	1,001,090	4.25	42,500	3.19	3.18	(3,341)
1,445,000	91282CGP0	United States Treas Nts 4.000% Due 2/29/2028	1.00	1,451,139	1.00	1,441,156	4.01	57,800	4.59	4.57	(9,983)
1,201,000	91282CNM9	United States Treas Nts 3.875% Due 7/15/2028	1.00	1,199,311	0.99	1,194,106	3.90	46,539	3.81	3.79	(5,205)
1,545,000	91282CCR0	United States Treas Nts 1.000% Due 7/31/2028	0.95	1,466,038	0.94	1,448,438	1.07	15,450	4.62	4.59	(17,601)
900,000	91282CJW2	United States Treas Nts 4.000% Due 1/31/2029	1.00	898,632	1.00	896,130	4.02	36,000	2.86	2.84	(2,502)
2,000,000	91282CKG5	United States Treas Nts 4.125% Due 3/31/2029	1.01	2,026,388	1.00	1,997,660	4.13	82,500	6.37	6.34	(28,728)
2,100,000	91282CQJ3	United States Treas Nts 3.875% Due 4/15/2029	1.00	2,098,277	0.99	2,084,082	3.90	81,375	6.64	6.61	(14,195)

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ACCT# xxxxx810

Portfolio Appraisal

AS OF JUNE 30, 2026

Quantity	Symbol	Security	Adj Unit Cost ($)	Total Adj Cost ($)	Price ($)	Market Value ($)	Yield (%)	Income ($)	% Of Assets	% of Total Portfolio	Unrealized Gain/Loss ($)
2,000,000	91282CKT7	United States Treas Nts 4.500% Due 5/31/2029	1.01	2,018,276	1.01	2,018,120	4.46	90,000	6.43	6.40	(156)
1,520,000	91282CKX8	United States Treas Nts 4.250% Due 6/30/2029	1.00	1,525,190	1.00	1,523,450	4.24	64,600	4.86	4.83	(1,740)
		Accrued Interest				179,532			0.57	0.57	
Treasury Notes											
1,525,000	91282CLQ2	United States Treas Nts 3.875% Due 10/15/2027	1.00	1,523,762	1.00	1,519,525	3.89	59,094	4.84	4.82	(4,237)
1,000,000	91282CBZ3	United States Treas Nts 1.250% Due 4/30/2028	0.95	954,191	0.95	949,060	1.32	12,500	3.03	3.01	(5,131)
1,520,000	91282CHX2	United States Treas Nts 4.375% Due 8/31/2028	1.01	1,540,977	1.00	1,526,414	4.36	66,500	4.87	4.84	(14,562)
1,800,000	91282CJA0	United States Treas Nts 4.625% Due 9/30/2028	1.01	1,817,377	1.01	1,817,442	4.58	83,250	5.79	5.76	65
		Accrued Interest				57,691			0.18	0.18	
TOTAL CORE FIXED INCOME TAXABLE				31,233,182		31,369,302	3.50	1,089,604	100.00	99.50	(121,996)
CASH & CASH EQUIVALENTS											
Money Market											
	CNIXX	City Natl Rochdale Fds Govt Fd Srvng Cl		679,886		679,886	3.33	22,640	428.71	2.16	0
	TBSCNBM	Cnb Deposit Sweep (mgd)		250,000		250,000	3.32	8,300	157.64	0.79	0
Cash And Equivalents											
	PCASH	Principal Cash		(771,297)		(771,297)	0.00	0	(486.35)	(2.45)	0
TOTAL CASH & CASH EQUIVALENTS				158,589		158,589	19.51	30,940	100.00	0.50	0
TOTAL MANAGED ASSETS				**31,391,771**		**31,527,891**	**3.58**	**1,120,544**		**100.00**	**(121,996)**
TOTAL PORTFOLIO				**31,391,771**		**31,527,891**	**3.58**	**1,120,544**		**100.00**	**(121,996)**

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ACCT# xxxxx810

Investment Policy

SONRISAS DENTAL HEALTH

Policy Guidelines

INVESTMENT OBJECTIVE

LIQUIDITY MANAGEMENT TAXABLE

ANNUAL ESTIMATED INCOME

$22,326

SCHEDULED ANNUAL DISTRIBUTIONS

None Specified

YTD TAXABLE REALIZED GAIN/LOSS

Short-Term: ($696)
Long-Term: $5,042

SPECIAL CONSIDERATIONS

None Specified

ACCT# xxxxx610

Investment Strategy

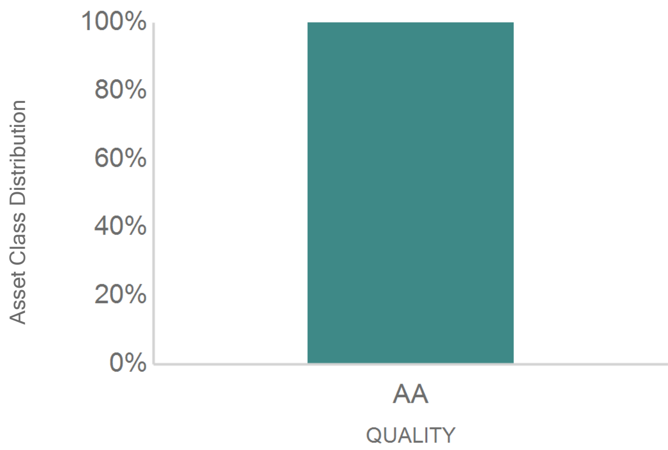
	ACTUAL PORTFOLIO		TACTICAL ALLOCATION	
	RISK/RETURN		RISK/RETURN	
	NEAR-TERM	LONG-TERM	NEAR-TERM	LONG-TERM
ESTIMATED ANNUAL RATE OF RETURN (%)	4.56	4.24	4.56	4.30
ESTIMATED STANDARD DEVIATION (%)	-	3.87	-	3.99

ASSET CATEGORY		ACTUAL PORTFOLIO			TACTICAL ALLOCATION		
Core Fixed Income	Core Fixed Income Taxable	$ 584,129	96.7%	96.7%	$ 604,199	100.0%	100.0%
Cash	Cash & Cash Equivalents	20,070	3.3%	3.3%	-	-	-
	TOTAL MANAGED PORTFOLIO	$ 604,199	100%	100%	$ 604,199	100%	100%

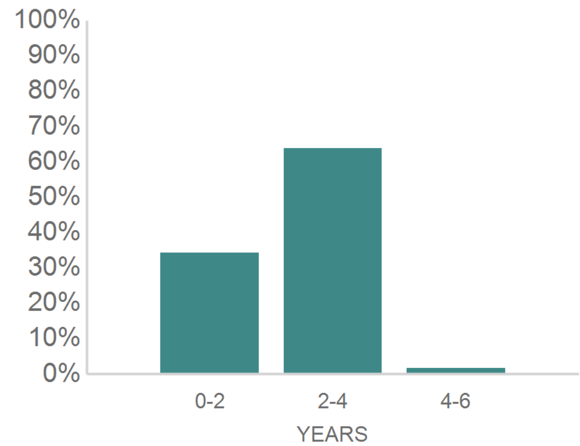
ACCT# xxxxx610

Fixed Income Characteristics

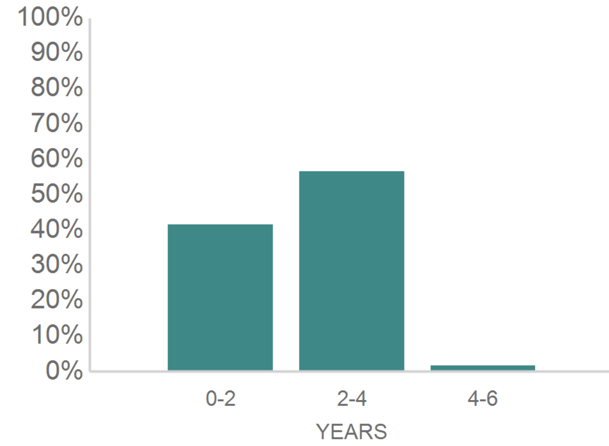
CREDIT QUALITY DISTRIBUTION



MATURITY SCHEDULE



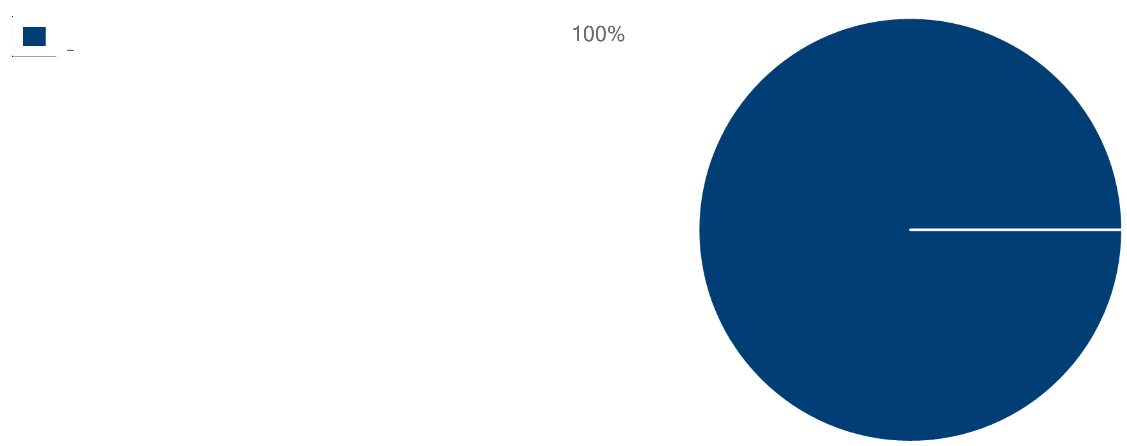
DURATION



PORTFOLIO CHARACTERISTICS

DURATION	1.93
AVERAGE MATURITY	2.15
CREDIT RATING	AA+
COUPON RATE	3.72%
YIELD TO WORST	4.22%
YIELD TO MATURITY	4.22%
CURRENT YIELD	3.74%

SECTOR EXPOSURE



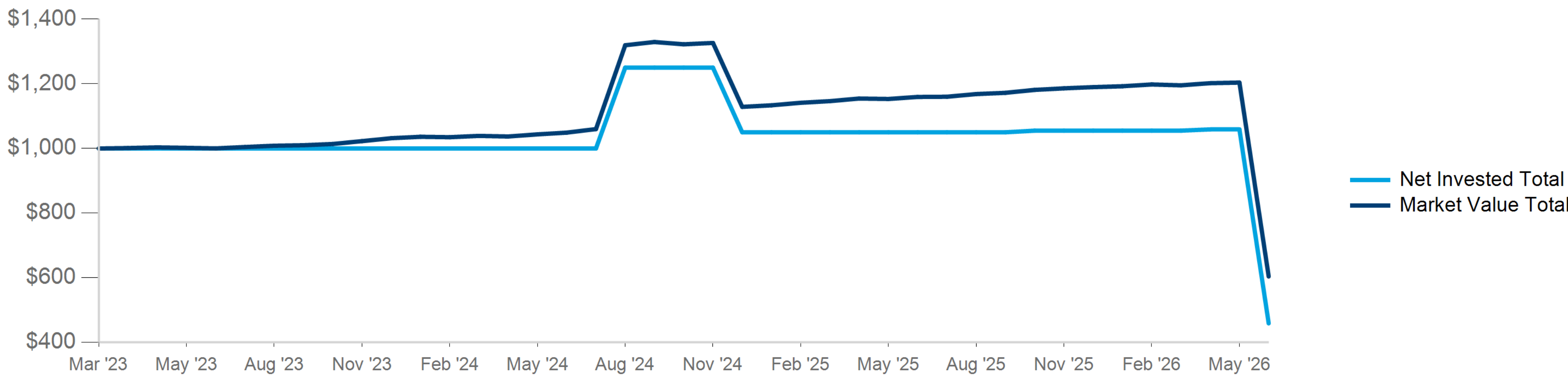
ACCT# xxxxx610

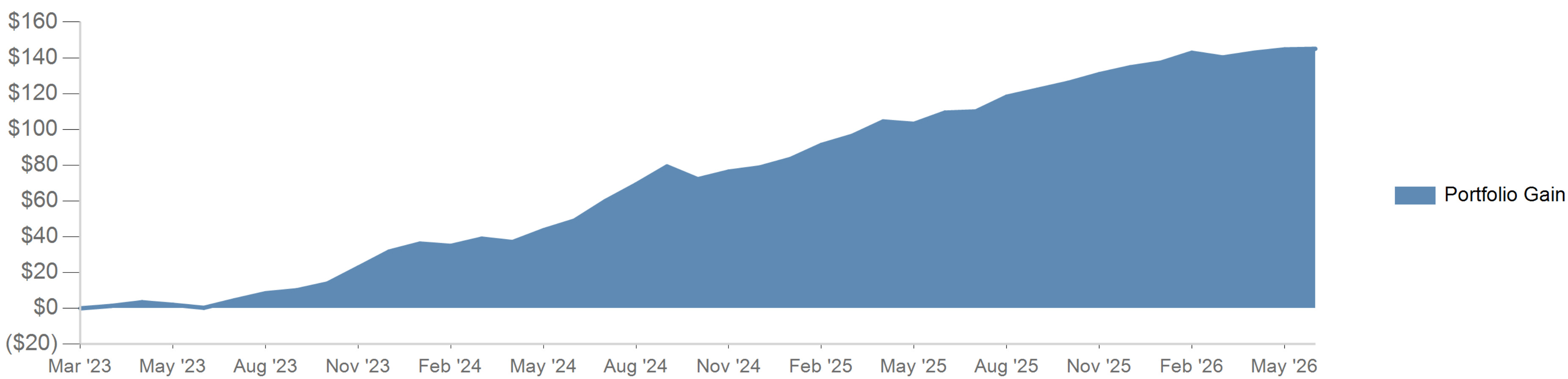
Portfolio Analysis

SONRISAS DENTAL HEALTH

Historical Market Value

FROM MARCH 24, 2023 TO JUNE 30, 2026 / $ IN THOUSANDS





ACCT# xxxxx610

Activity Summary

FROM DECEMBER 31, 2024 TO DECEMBER 31, 2025

BEGINNING VALUE	**$ 1,128,765**
CONTRIBUTIONS	5,109
WITHDRAWALS*	0
CHANGE IN MARKET VALUE**	14,506
INCOME RECEIVED	41,486
ENDING VALUE	**$ 1,189,866**
NET GAIN AFTER FEE	55,992

* Withdrawals include client distributions and expenses

** Includes the deduction of account management fees

ACCT# xxxxx610

Activity Summary

FROM DECEMBER 31, 2025 TO JUNE 30, 2026

BEGINNING VALUE	**$ 1,189,866**
CONTRIBUTIONS	3,993
WITHDRAWALS*	(600,000)
CHANGE IN MARKET VALUE**	(9,597)
INCOME RECEIVED	19,938
ENDING VALUE	**$ 604,199**
NET GAIN AFTER FEE	10,341

* Withdrawals include client distributions and expenses

** Includes the deduction of account management fees

ACCT# xxxxx610

Performance Summary

FROM MARCH 24, 2023 TO JUNE 30, 2026

	YTD	LAST YEAR	LATEST 5 YEARS ANNUALIZED	SINCE INCEPTION ANNUALIZED
TOTAL PORTFOLIO NET OF FEES	0.96%	4.96%	-	4.12%

ASSET CLASS RETURNS GROSS	YTD	LAST YEAR	LATEST 5 YEARS ANNUALIZED	SINCE INCEPTION ANNUALIZED
1 Equity US Core Large Cap	4.03%	-	-	1.22%
2 Core Fixed Income Taxable	0.99%	5.09%	-	4.23%
Cash & Cash Equivalents	1.52%	4.05%	-	4.10%

Inception Dates: 1 4/21/2026 2 3/28/2023

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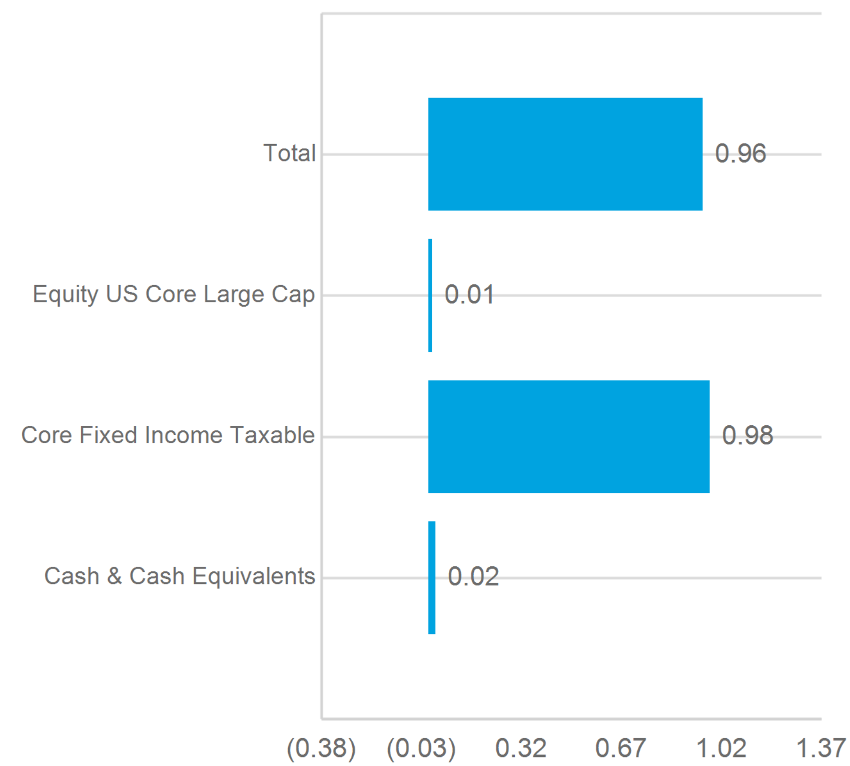
ACCT# xxxxx610

Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2025 TO JUNE 30, 2026

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Equity US Core Large Cap	0.03	4.03	0.01
Core Fixed Income Taxable	98.75	0.99	0.98
Cash & Cash Equivalents	1.23	1.52	0.02
TOTAL - NET	100.00		0.96

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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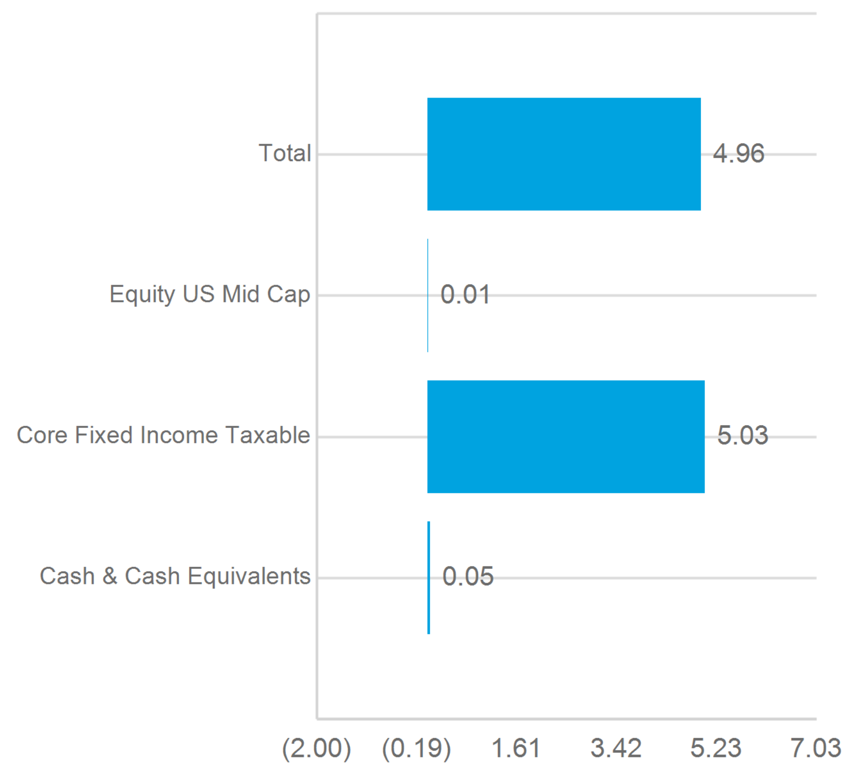
ACCT# xxxxx610

Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2024 TO DECEMBER 31, 2025

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Equity US Mid Cap	0.01	1.47	0.01
Core Fixed Income Taxable	98.88	5.09	5.03
Cash & Cash Equivalents	1.11	4.05	0.05
TOTAL - NET	100.00		4.96

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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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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Realized Gains and Losses

FROM JANUARY 01, 2026 TO JUNE 30, 2026

Account	Open Date	Close Date	Quantity	Symbol	Security	Adjusted Cost Basis ($)	Proceeds ($)	Gain or Loss Short Term ($)	Gain or Loss Long Term ($)
MANAGED ASSETS									
xxxxx610	03/29/2023	02/15/2026	50,000.00	91282CGL9	United States Treas Nts	49,899.82	50,000.00		100.18
xxxxx610	04/04/2023	02/15/2026	25,000.00	91282CGL9	United States Treas Nts	25,161.68	25,000.00		(161.68)
xxxxx610	08/19/2024	02/15/2026	20,000.00	91282CGL9	United States Treas Nts	19,938.50	20,000.00		61.50
xxxxx610	03/29/2023	03/31/2026	20,000.00	9128286L9	United States Treas Nts	20,865.91	20,000.00		(865.91)
xxxxx610	04/04/2023	03/31/2026	50,000.00	9128286L9	United States Treas Nts	49,667.31	50,000.00		332.69
xxxxx610	08/19/2024	03/31/2026	30,000.00	9128286L9	United States Treas Nts	29,466.78	30,000.00		533.22
xxxxx610	10/01/2009	05/05/2026	15.00	AAPL	Apple Inc Com	98.24	4,153.33		4,055.09
xxxxx610	06/04/2024	05/31/2026	55,000.00	91282CKS9	United States Treas Nts	54,586.66	55,000.00		413.34
xxxxx610	08/19/2024	05/31/2026	45,000.00	91282CKS9	United States Treas Nts	45,413.34	45,000.00		(413.34)
xxxxx610	03/29/2023	06/03/2026	20,000.00	91282CCP4	United States Treas Nts	21,738.77	19,904.69		(1,834.08)
xxxxx610	04/04/2023	06/03/2026	25,000.00	91282CCP4	United States Treas Nts	24,487.08	24,880.86		393.78
xxxxx610	08/02/2023	06/03/2026	15,000.00	91282CHM6	United States Treas Nts	14,857.99	15,013.48		155.49
xxxxx610	10/05/2023	06/03/2026	30,000.00	91282CJA0	United States Treas Nts	29,775.12	30,339.84		564.72
xxxxx610	01/04/2024	06/03/2026	60,000.00	91282CJP7	United States Treas Nts	60,070.45	60,203.91		133.46
xxxxx610	04/11/2024	06/03/2026	10,000.00	91282CKJ9	United States Treas Nts	9,977.11	10,052.34		75.23
xxxxx610	08/19/2024	06/03/2026	125,000.00	91282CLG4	United States Treas Nts	124,580.08	124,648.44		68.36
xxxxx610	08/19/2024	06/03/2026	55,000.00	91282CCP4	United States Treas Nts	53,259.89	54,737.89		1,478.00
xxxxx610	08/19/2024	06/03/2026	100,000.00	91282CHM6	United States Treas Nts	100,137.92	100,089.84		(48.08)
xxxxx610	08/07/2025	06/03/2026	10,000.00	91282CJA0	United States Treas Nts	10,238.07	10,113.28	(124.79)	
xxxxx610	09/24/2025	06/03/2026	35,000.00	91282CJA0	United States Treas Nts	35,904.08	35,396.49	(507.59)	
xxxxx610	04/01/2026	06/04/2026	10,000.00	91282CQA2	United States Treas Nts	9,914.68	9,851.17	(63.51)	
TOTAL GAINS								**0.00**	**8,365.06**
TOTAL LOSSES								**(695.89)**	**(3,323.09)**
TOTAL MANAGED ASSETS						**790,039.48**	**794,385.56**	**(695.89)**	**5,041.97**
TOTAL TAXABLE PORTFOLIO						**790,039.48**	**794,385.56**	**(695.89)**	**5,041.97**

ACCT# xxxxx610

Portfolio Appraisal

AS OF JUNE 30, 2026

Quantity	Symbol	Security	Adj Unit Cost ($)	Total Adj Cost ($)	Price ($)	Market Value ($)	Yield (%)	Income ($)	% Of Assets	% of Total Portfolio	Unrealized Gain/Loss ($)
MANAGED ASSETS											
CORE FIXED INCOME TAXABLE											
Government Agency Bonds											
85,000	91282CKJ9	United States Treas Nts 4.500% Due 4/15/2027	1.00	84,822	1.00	85,308	4.48	3,825	14.60	14.12	486
45,000	91282CCR0	United States Treas Nts 1.000% Due 7/31/2028	0.95	42,684	0.94	42,188	1.07	450	7.22	6.98	(496)
50,000	91282CJR3	United States Treas Nts 3.750% Due 12/31/2028	1.01	50,319	0.99	49,504	3.79	1,875	8.47	8.19	(815)
55,000	91282CJW2	United States Treas Nts 4.000% Due 1/31/2029	1.00	55,052	1.00	54,764	4.02	2,200	9.38	9.06	(289)
90,000	91282CQA2	United States Treas Nts 3.500% Due 2/15/2029	0.99	89,252	0.98	88,510	3.56	3,150	15.15	14.65	(742)
55,000	91282CKG5	United States Treas Nts 4.125% Due 3/31/2029	1.02	55,891	1.00	54,936	4.13	2,269	9.40	9.09	(956)
80,000	91282CKT7	United States Treas Nts 4.500% Due 5/31/2029	1.01	80,723	1.01	80,725	4.46	3,600	13.82	13.36	2
10,000	91282CPR6	United States Treas Nts 3.625% Due 12/31/2030	1.00	9,951	0.98	9,765	3.71	363	1.67	1.62	(187)
		Accrued Interest				3,975			0.68	0.66	
Treasury Notes											
95,000	91282CLQ2	United States Treas Nts 3.875% Due 10/15/2027	1.00	94,659	1.00	94,659	3.89	3,681	16.21	15.67	0
20,000	91282CBZ3	United States Treas Nts 1.250% Due 4/30/2028	0.95	19,084	0.95	18,981	1.32	250	3.25	3.14	(103)
		Accrued Interest				817			0.14	0.14	
TOTAL CORE FIXED INCOME TAXABLE				582,435		584,129	3.74	21,663	100.00	96.68	(3,098)
CASH & CASH EQUIVALENTS											
Money Market											
	TBSCNBM	Cnb Deposit Sweep (mgd)		19,992		19,992	3.32	664	99.61	3.31	0

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ACCT# xxxxx610

Portfolio Appraisal

AS OF JUNE 30, 2026

Quantity	Symbol	Security	Adj Unit Cost ($)	Total Adj Cost ($)	Price ($)	Market Value ($)	Yield (%)	Income ($)	% Of Assets	% of Total Portfolio	Unrealized Gain/Loss ($)
Cash And Equivalents											
	PCASH	Principal Cash		78		78	0.00	0	0.39	0.01	0
TOTAL CASH & CASH EQUIVALENTS				20,070		20,070	3.31	664	100.00	3.32	0
TOTAL MANAGED ASSETS				**602,506**		**604,199**	**3.72**	**22,326**		**100.00**	**(3,098)**
TOTAL PORTFOLIO				**602,506**		**604,199**	**3.72**	**22,326**		**100.00**	**(3,098)**

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 RBC Rochdale 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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Economic Outlook & Investment Strategy

Investment Strategy Committee Highlights

Economic Outlook

Iran / Energy: Negotiations are volatile, and the ceasefire has been declared over. However, oil prices are off their highs and markets have recovered from lows. Despite the recent breakdown, the focus has shifted from the closure of the Strait of Hormuz to gradual reopening, but the timeline to normalcy may be longer than initially expected.

Growth Outlook: The final reading of GDP growth in Q1 was 2.1%, up from the first two readings. Consumer expenditures were revised lower again, to 0.5%, initial reading of 1.6%. The driving force in Q1 was Fixed Investment. AI-related equipment and broad information processing equipment grew 70% and 40%, respectively.

Consumer Impact: Household spending remains a key driver of U.S. growth. While spending showed some slowing signs in Q1, recent lower gasoline prices may help improve the outlook, but spending is not the clean tailwind it was earlier in the cycle. Personal income is more vulnerable to higher inflation, given the recent slowdown in (still above average) wage growth. This paints a more cautious view of forward-looking spending power, with households having less room to absorb additional price shocks.

Inflation: Near-term inflation expectations are higher due to the conflict surrounding the Strait of Hormuz. AI spending is also driving prices higher as delivery times extend as long as two years. Producers early in the supply chain continue facing higher costs, which feed into higher consumer prices. The Federal Reserve may look through current levels as a supply shock, but prices may be stickier due to AI infrastructure development and electronics prices.

Labor: Job creation has surprised to the upside, with weaker months this year revised higher. The “no-hire, no-fire” environment persists as offsetting hiring starts to show. Unemployment remains stable with jobless claims starting to also stabilize. The breakeven rate of new jobs needed to stabilize unemployment has declined.

Fiscal Policy: U.S. fiscal stimulus has been stronger in 2026, bolstering consumer and corporate spending. However, impacts may fade as positive tailwinds of OB3 and increased tax receipts are offset by higher energy prices. Estimates of international spending have risen, a potential global growth tailwind.

Monetary Policy: We no longer forecast a rate cut this year, and look to early 2027 for the next cut, while policymakers are now split, with 9 FOMC members seeing at least one hike in 2026. The latest FOMC minutes point to policy dependent on the path of labor markets and inflation pressures.

Equities: U.S. equities are strongly off recent lows, while U.S. inflows increased on perception of market stability and liquidity. Earnings estimates remain historically strong, and profitability continues to keep price-to-earnings ratios anchored. But many measures of valuation still point to expensive markets despite high earnings.

Fixed Income: Real yields remain elevated versus the past decade. Inflation concerns have driven rates higher and spreads wider as expectations of a Fed easing cycle has collapsed. Credit conditions remain favorable, supported by strong balance sheets, and investor demand for income.

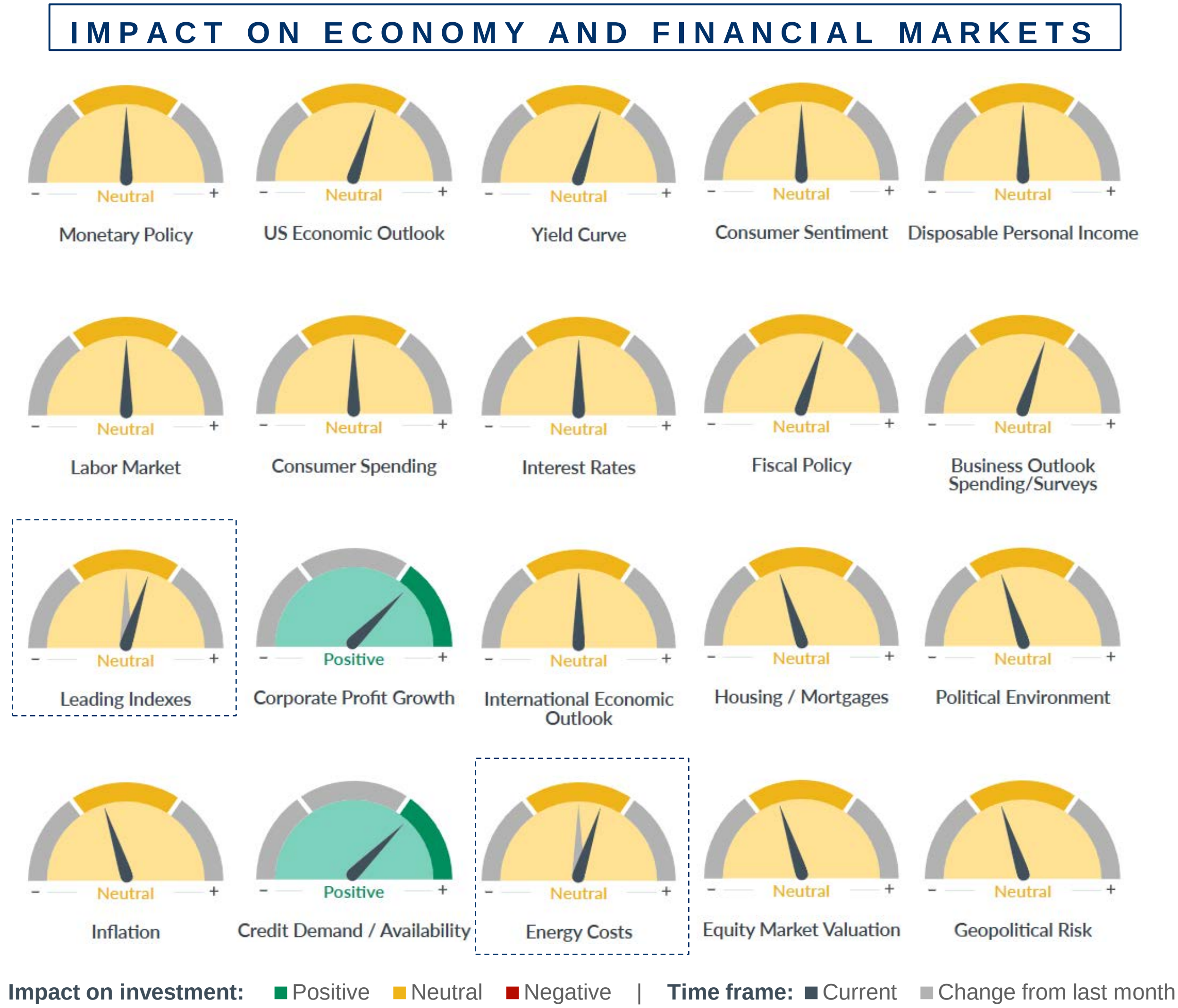
Bottom Line: Inflation is rising globally, while growth concerns are fading as economic data points to an environment powered by AI infrastructure investment. Even when a resolution is reached to open the Strait of Hormuz, inflation is likely to linger, which points to a market dependent on spending and earnings to drive growth.

Sources: Bloomberg, Rochdale Research, as of July 8, 2026. Diversification does not ensure a profit or protect against a loss in a declining market. Information is subject to change and is not a guarantee of future results.

Rochdale Speedometers℠ – July 2026

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

- Wage growth has slowed for consumers and is now trailing inflation, pressuring spending.
- Strong profit growth has translated into higher corporate investment, which partially offsets weaker consumer spending.
- The Federal Reserve's tone has shifted more hawkish and is heavily dependent on inflation's trajectory. If price pressures remain, the probability of a rate hike increases.
- The non-U.S. growth impact from the Strait of Hormuz closure has been more acute due to reliance on Middle East energy exports. Further Iran issues complicate the path for these economies, which could stunt growth for a longer period. But the paradigm shift to higher defense and infrastructure spending is structural and will be difficult to derail.
- Earnings remain extremely strong as 2026 consensus estimates have grown to 25%.



Source: Bloomberg and proprietary opinions based on Rochdale Research, as of July 8, 2026. Information is subject to change and is not a guarantee of future results.

Economic Forecast

- The final reading of Q1 GDP growth was stronger than expected. Despite strong business investment in AI infrastructure, growth in Q2 may slow if consumer spending trends deteriorate further.
- Corporate profits and margins continue to be revised higher on a quarterly and full-year basis. We are similar patterns for 2027 and 2028.
- A rate *cut* is now off the table as 9 of the 18 FOMC members expect at least one rate *hike*. The Fed's decision has become more complicated in the face of rising inflation, and extended closure of the Strait of Hormuz.
- Rates have moved higher in response to the war in Iran, with investors demanding a larger term premium across all maturities.

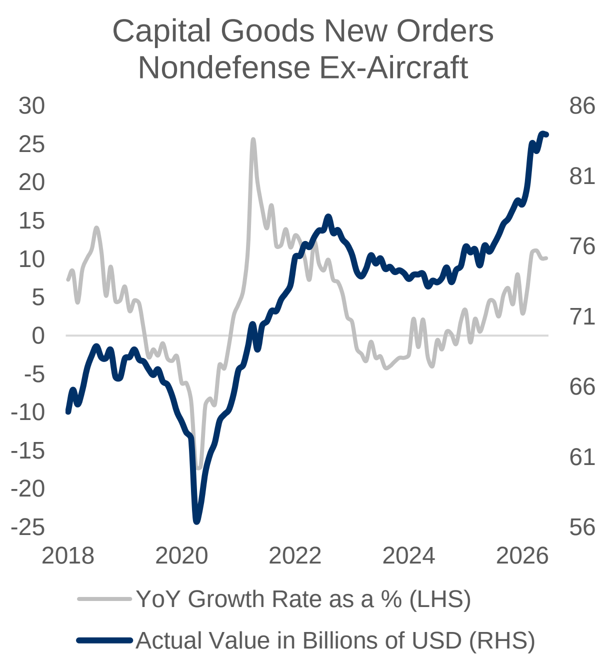
RBC Rochdale Forecasts		2025	2026 Rochdale (est.)	2026 Consensus (est.)
Real Annual GDP Growth		2.10%	2.00% - 2.50%	2.10%
Corporate Profit Growth		12.25%	18.00% - 22.00%	24.51%
Headline CPI Year End		2.70%	2.75% - 3.25%	3.40%
Interest Rates	Federal Funds Rate	3.80%	3.50% - 3.75%	3.74%
	Treasury Note, 10-Yr.	4.06%	4.00% - 4.50%	4.38%

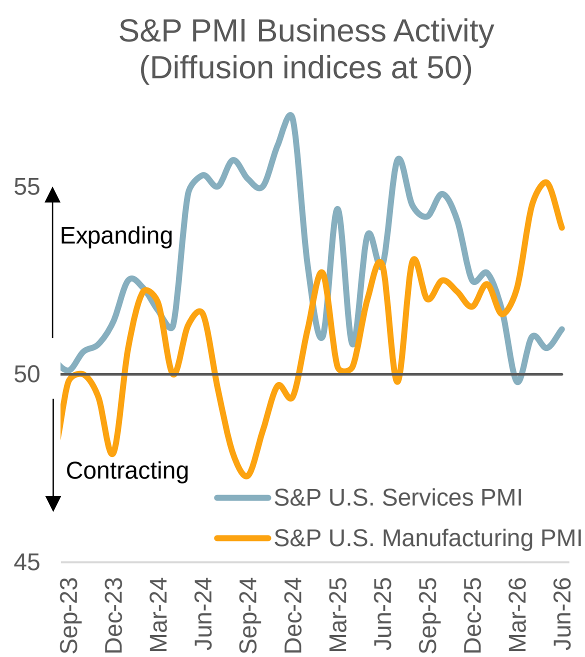
*Corporate profit growth (full year 2026) is a blended estimate of actual earnings from companies that have reported and the Bloomberg consensus estimate for those that have not reported, producing a combined blended estimate. Sources: Bloomberg, proprietary opinions based on Rochdale Research, as of July 8, 2026. Information is subject to change and is not a guarantee of future results.

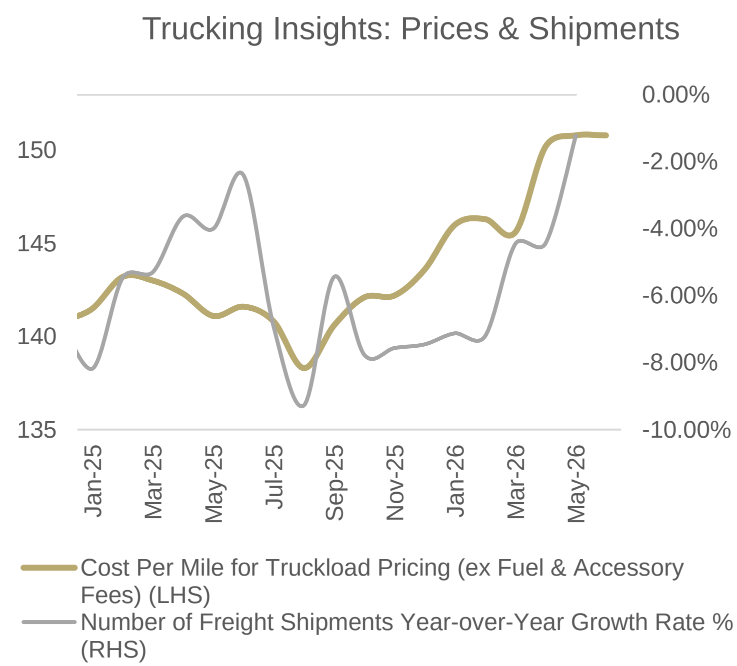
Manufacturing Activity: Orders & Surveys show Momentum

- Capital expenditure (capex) proxies and alternative measures point to continued business momentum.
- Consumer spending was revised down in Q1, with business investment offsetting, driving the overall increase in GDP.

+1.4% Capital Goods Orders MoM% (Ex-aircraft)	+13.0% Computer & Electronic Products	1.6% → 2.1% 2nd Final Q1 GDP	1.4% → 0.5% 2nd Final Q1 Consumer Spending







Source: Bloomberg, U.S. Census Bureau, S&P Global, Cass Information Systems, RBC Rochdale. Cost Per Mile Truck Load Pricing is the Cass Truckload Linehaul Index, Freight Shipment volumes are measured by the Cass Freight Index – Shipments Index.
As of June 30, 2026. Information is subject to change and is not a guarantee of future results.

Stocks from Here: Headwinds vs. Tailwinds

Why stocks have been resilient: Corporate profits have stayed strong, AI-related demand is supporting the market and investors are looking through higher inflation and interest rates.

Tailwinds| What Could Go Right

1. **Oil Prices Fall and Inflation Cools**
Lower energy prices would ease inflation pressure and could help calm the rise in bond yields.

2. **AI Supercharges Productivity**
If companies begin getting real efficiency gains from AI, costs could come down without hurting growth.

3. **Profit Growth Stays Strong**
If big technology and AI-related companies keep delivering, the market can remain supported, and gains could spread more broadly.

Upside Risk: Lower inflation and steady AI-driven demand.

Headwinds| Key Risks

1. **Higher Interest Rates Pressure Stocks**
If long-term rates keep moving up, higher borrowing costs and richer valuations could weigh on the market.

2. **Consumers Weaken**
Soft wage growth, weak confidence, and rising delinquencies could cause households to pull back on spending.

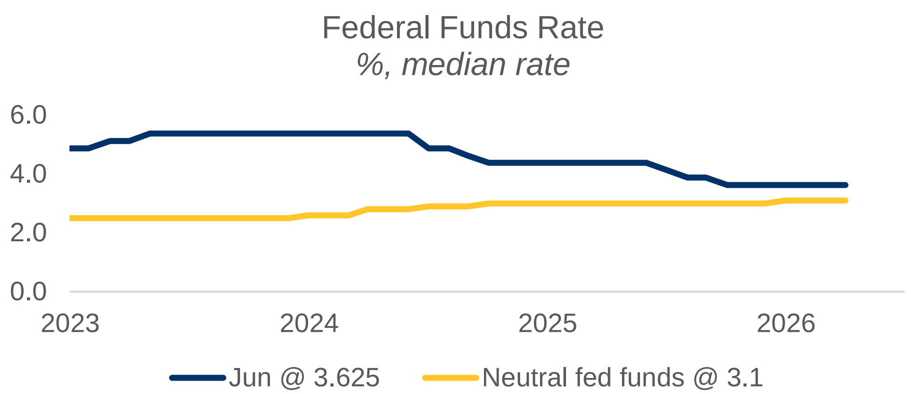
3. **AI Spending Slows**
If demand cools or funding becomes harder, the market could lose one of its biggest growth drivers.

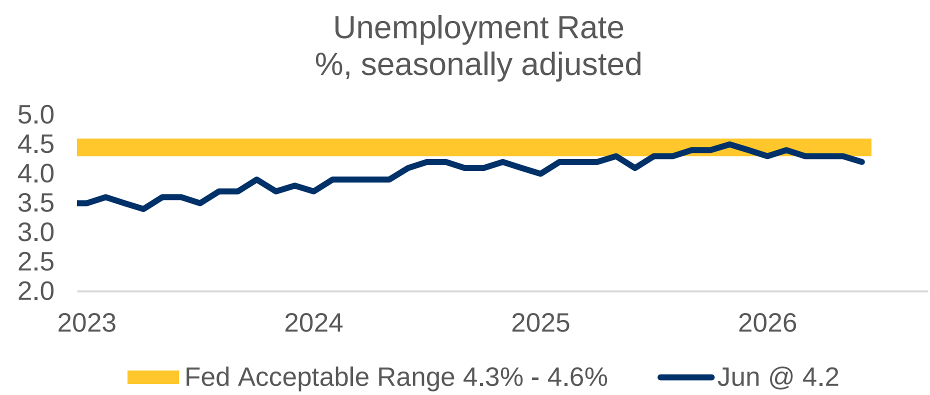
Downside Risk: Higher rates first, then weaker consumers and slower AI spending.

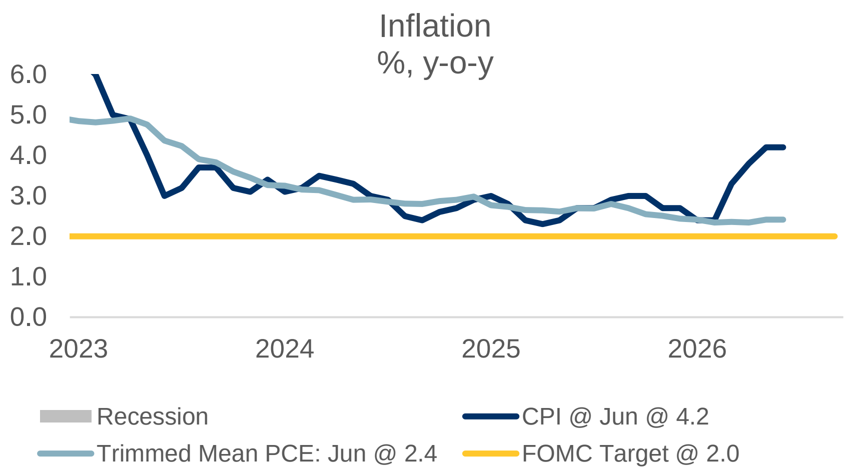
Source: RBC Rochdale. As of July 8, 2026. Information is subject to change and is not a guarantee of future results.

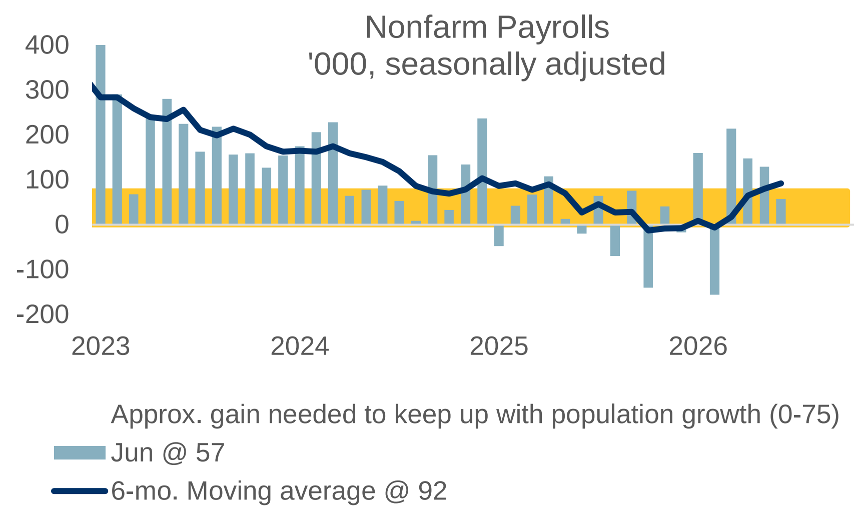
Economy Growth Remains Robust

- Since December, the Fed has paused further rate cuts, following more than a year of rate reductions.
- The current concern for the Fed is that inflation is moving up, and labor demand has rebounded.
- We believe Fed policy is on hold until it can assess the persistence of higher inflation.





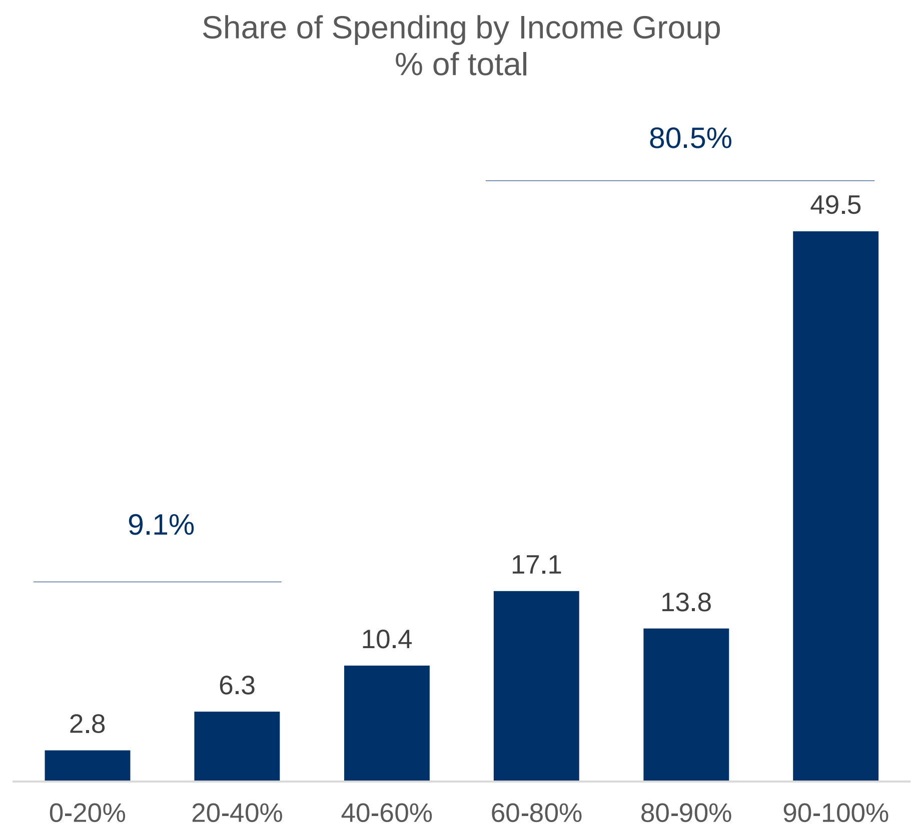


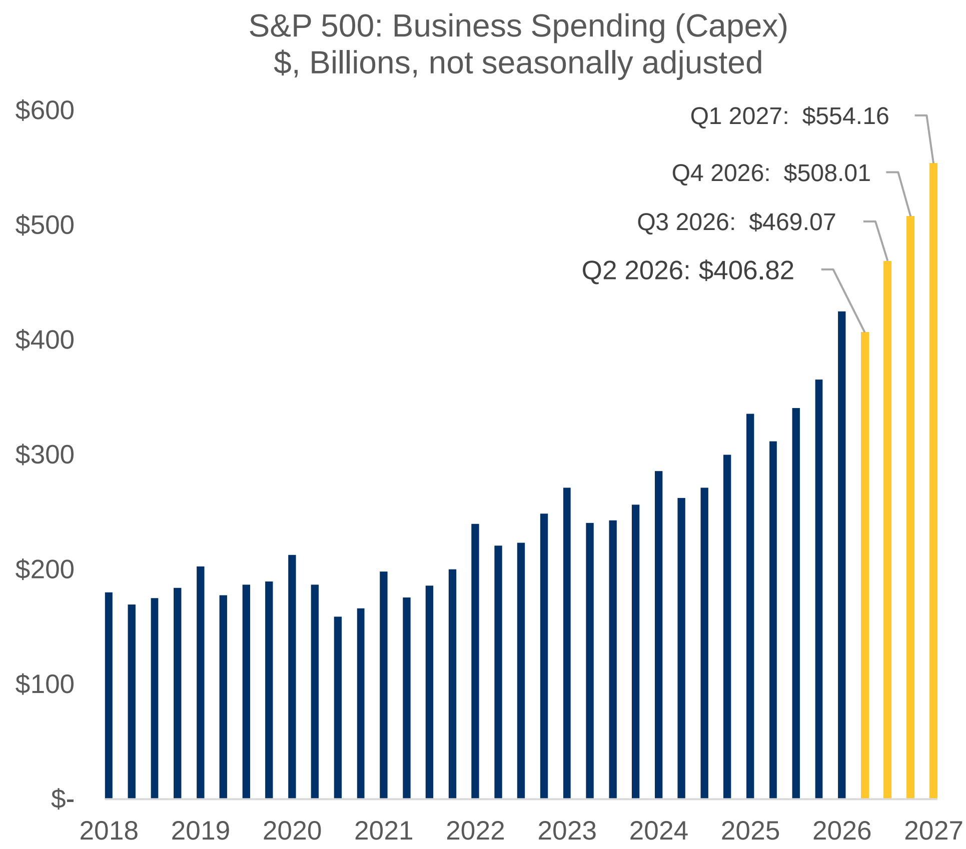


Sources: Federal Reserve, Bureau of Labor Statistics, Federal Reserve Bank of Dallas. As of July 2026. Information is subject to change and is not a guarantee of future results.

Economy Driven by Consumer Spending and Business Expansion

- Growth in consumer spending has remained strong due to wealth gains. This is especially true with those at the higher end of the income spectrum.
- Corporations are ramping up spending, preparing for a stronger economy.

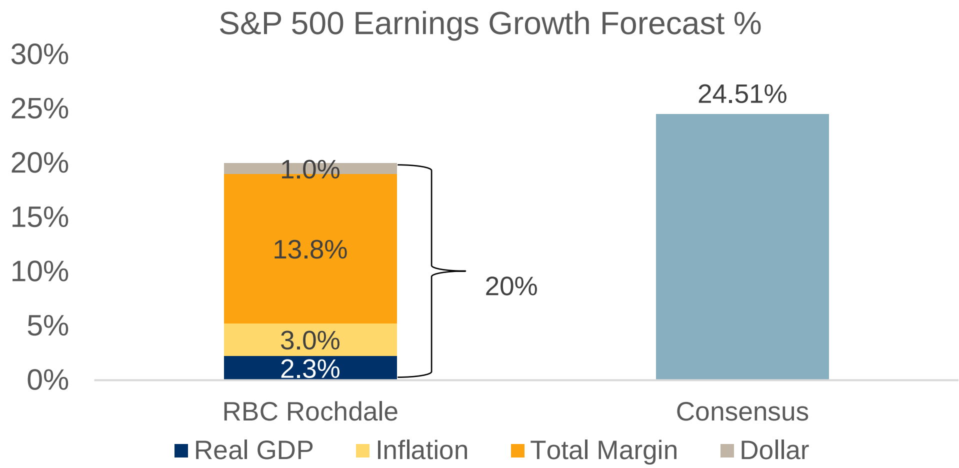




Sources: Chart 1: Federal Reserve Board, Bureau of Economic Analysis, U.S. Census, Moody's Analytics, as of December 2024.
Chart 2: Bloomberg, as of May 31, 2026. Forecast is the Bloomberg consensus estimate for business spending in Q2 2026.
Information is subject to change and is not a guarantee of future results.

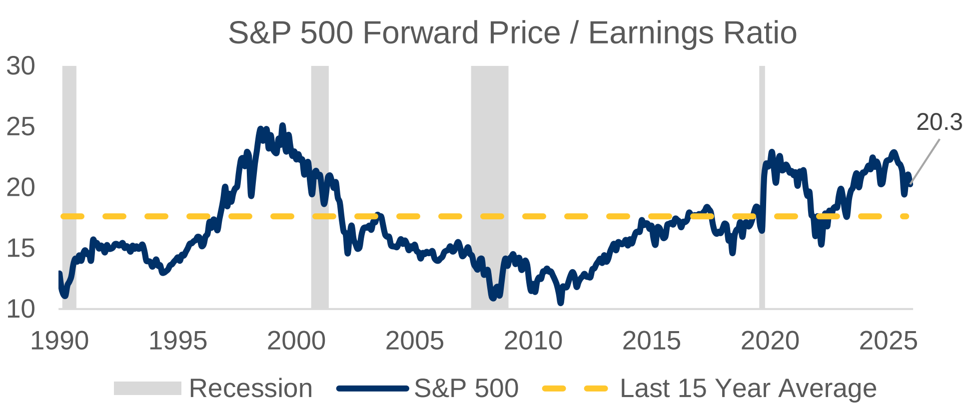
U.S. Valuations & Earnings

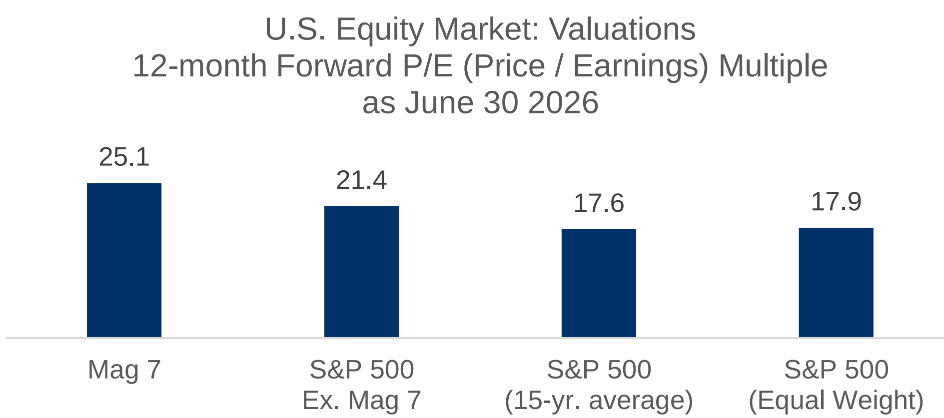
- Focusing on company fundamentals remains key as recent earnings remain strong and support elevated valuations.
- The conflict in Iran along with AI and related software developments has lowered market multiples, but strong earnings have eroded the drawdown seen earlier in the year, with markets continuing to reach new all-time highs.
- Non-tech sectors of the market appear reasonable, but valuations remain above long-term averages.



Q1 2026 S&P 500 Earnings Per Share (EPS)

	Beating Estimates	Growth Rate: At Start of Season	Growth Rate: Current
S&P 500	**83.5%**	**12.35%**	**29.59%**
ex-Energy	398	12.6%	30.73%
ex-Technology	348	3.5%	21.66%
ex-Financial	355	11.4%	31.26%
ex-Magnificent 7	416	10.3%	18.5%



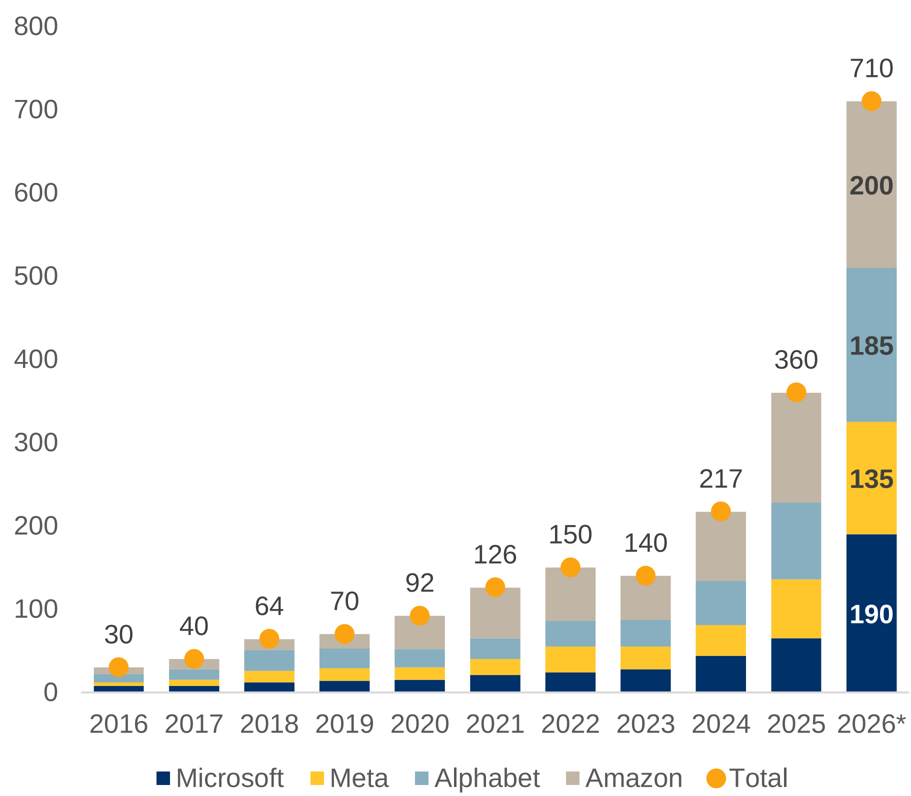


Sources: Bloomberg, RBC Rochdale Research, as of July 8, 2026. Top left chart Consensus is the Bloomberg consensus estimate. Indexes are unmanaged, and one cannot invest directly in an index. Information is subject to change and is not a guarantee of future results.

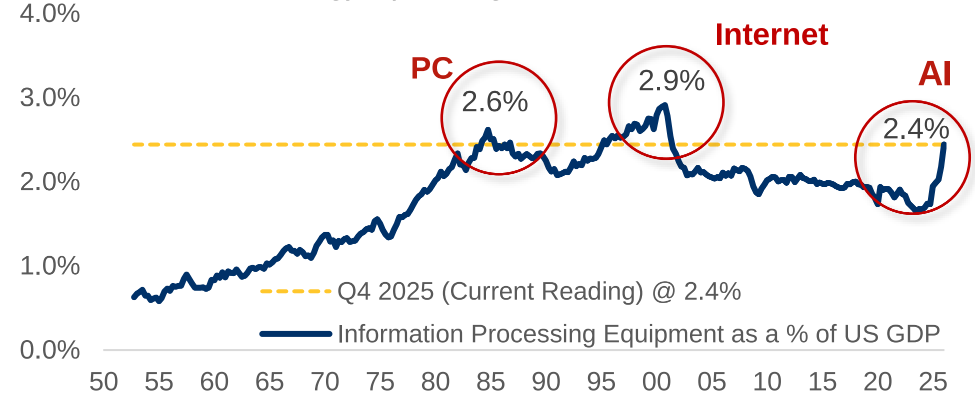
Artificial Intelligence: More Intelligence, More Spending

- The cycle continues and is still in early innings: 2026 estimates are for $700Bn+ for the four hyperscalers[1].
- Roughly only 19% of businesses in the U.S. have adopted AI, leaving a long runway for further adoption and growth.
- The pace of investment is faster than other periods of technology advancements but still lags peak GDP contribution.

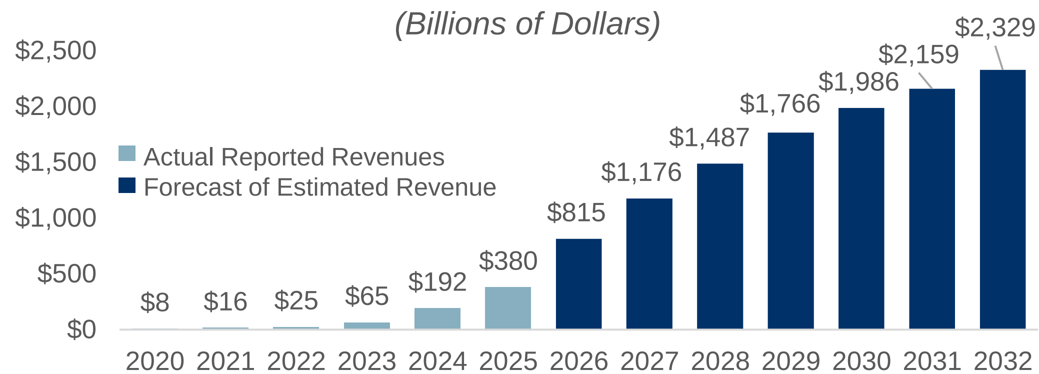
Hyperscaler Capital Expenditures[1]
(Billions of Dollars)



Technology Spending Has Room To Run



Generative AI Revenue Forecast
(Billions of Dollars)

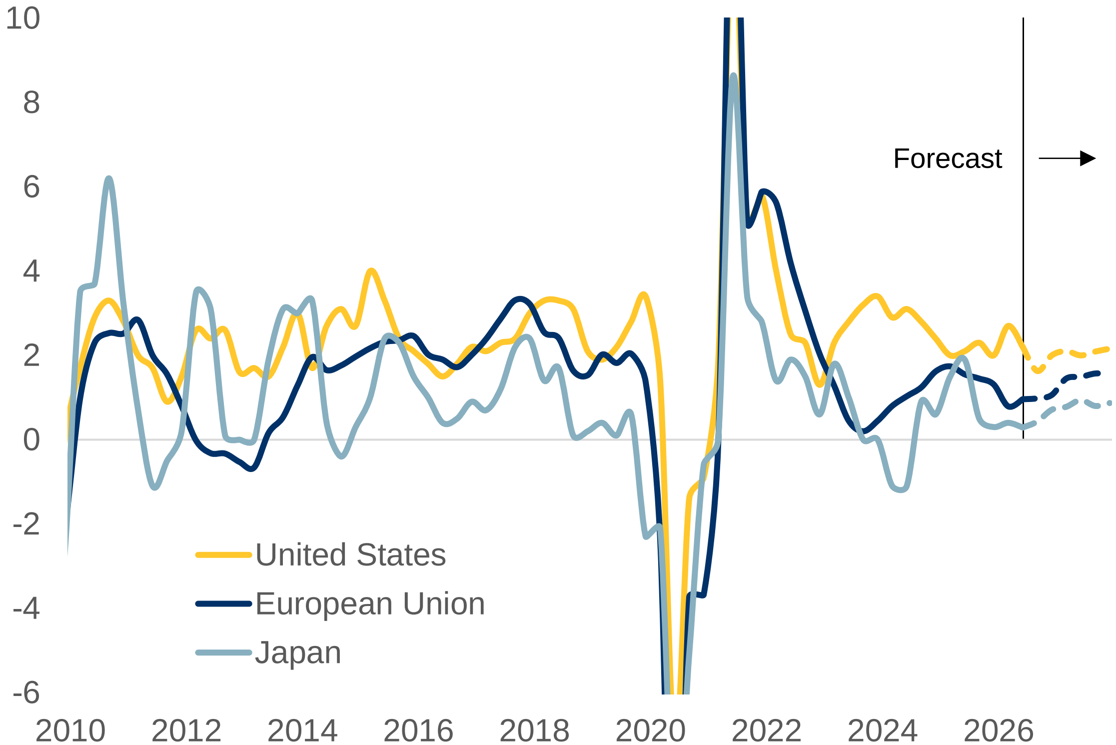


Sources: Management commentary from company earnings calls from first quarter 2026, Bloomberg, Bloomberg Economics, Bureau of Labor Statistics, U.S. Census Bureau, RBC Rochdale Research, as of July 8, 2026. Generative AI revenue forecast is the Bloomberg Intelligence forecast based on data from IDC, eMarketer, Statista. [1]Hyperscaler companies include Amazon, Google, Meta and Microsoft. *2026 Hyperscaler capital expenditure is the midpoint guidance from company management. Information is subject to change and is not a guarantee of future results.

Growth Accelerating in Global Markets

- Foreign governments are increasing spending, raising borrowing capacity and emphasizing defense and infrastructure.
- The capacity for even further fiscal and monetary stimulus is greater globally due to lower rates and smaller debt loads.
- Energy driven inflation disruptions to growth are not likely to derail the fundamental and structural drivers of the long-term outlook, although they may delay them.

Consensus Real GDP Growth Quarterly (YoY)



Top 5 Reasons for a Long-Term U.S.- Global Paradigm Shift

Rebalancing of Global Capital Flows
U.S. share in global markets at 1970s peak

Valuation Advantages and Mean Reversion
International valuation remains attractive

Structural Policy Tailwinds Outside the U.S.
Fiscal & monetary flexibility is greater in non-U.S. markets

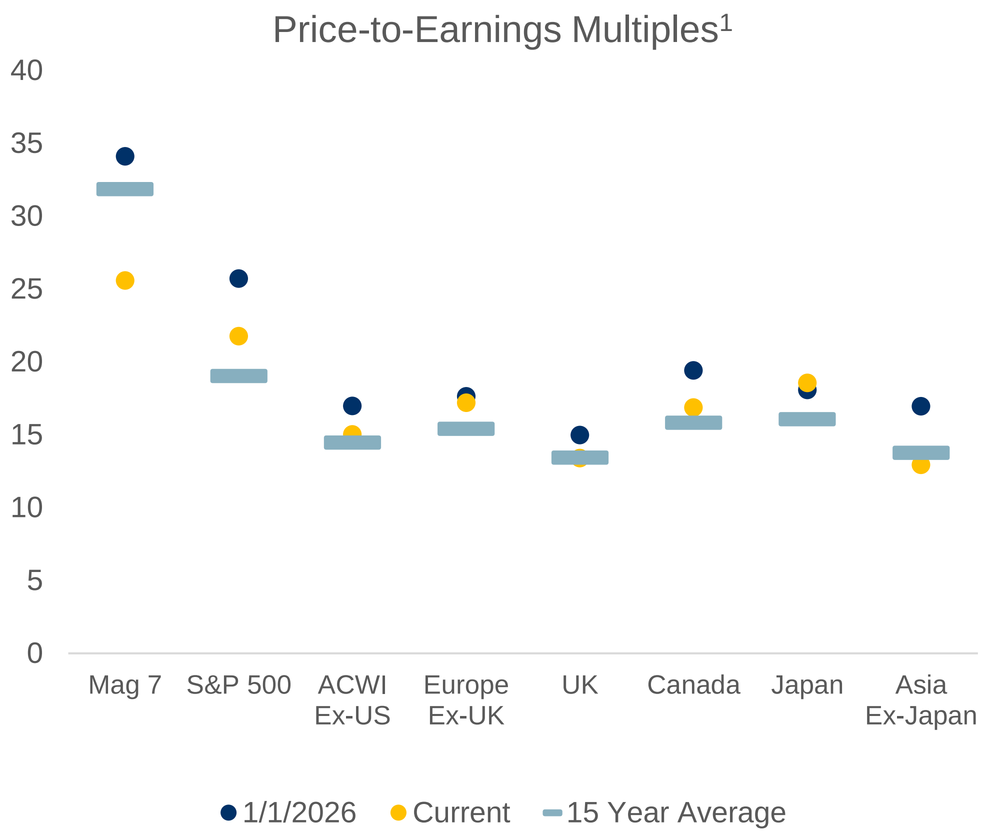
Sectoral and Structural Diversification
U.S. market remains dominated by mega-cap technology and infrastructure companies

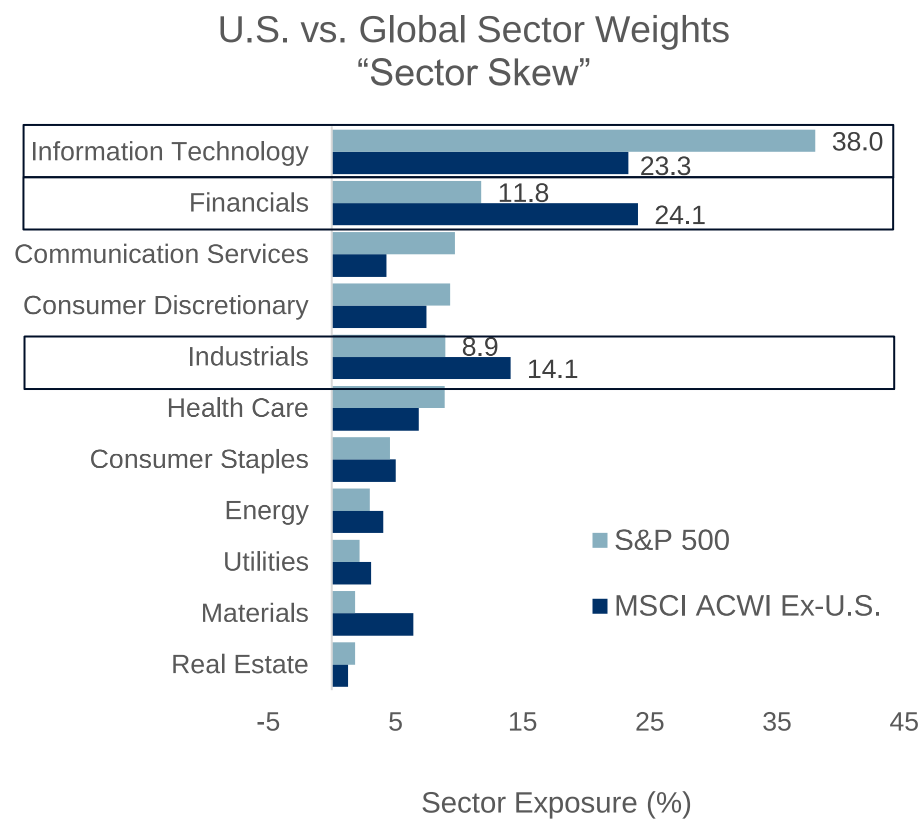
U.S. Dollar Threat and New Trade Relationships
Structural trade deficits, declining real yield advantage, deliberate central bank diversification

Sources: Bloomberg, International Monetary Fund (IMF), Eurostat, U.S. Treasury, RBC Rochdale Research, as of July 8, 2026.
Information is subject to change and is not a guarantee of future results.

International Markets

- Global market valuations are near long-term averages, despite outperformance this year versus the U.S. recently.
- U.S. markets are dominated by higher-multiple sectors, as international markets lean toward lower multiple sectors.





Source: Bloomberg as of July 8, 2026. 1Price-to-Earnings multiples shown in U.S. dollar terms. For left chart “Price-to-Earnings,” all countries are their respective MSCI Indices (in USD) excluding the Mag 7, which is the Bloomberg Mag7 Index, and the S&P 500, which is the S&P 500. “Sector Skew” is the different weights of each sector within the S&P 500 and the MSCI ACWI Ex-U.S. indices relative to one another. Information is subject to change and is not a guarantee of future results.

Where Do Rates Go From Here?

- A tug-of-war between an energy/inflation shock and slower-growth relief with the Fed likely patient until shock clears.
- Officials have noted the current debt level is sustainable, but the *fiscal path* is concerning and needs to be addressed.
- **Base case**: Fed on hold, 10-year Treasury range-bound around 4.00% – 4.50%; resolution in Hormuz is the main downside catalyst for yields.

Three Paths to Watch

Drivers are not symmetric: Oil keeps the Fed cautious, but growth weakness can pull the long end lower.

HIGHER
Supply shock lasts

- Hormuz disruption persists; crude stays elevated
- Inflation expectations rise; Fed pushes back on cuts
- Treasury supply / fiscal premium stays in focus

Current
Shock fades, growth holds

- Yields have risen across the curve, driven by conflict in Iran and surging oil prices
- Front-end and "belly" yields have repriced as the Fed becomes less dovish on inflation

LOWER
Demand weakens

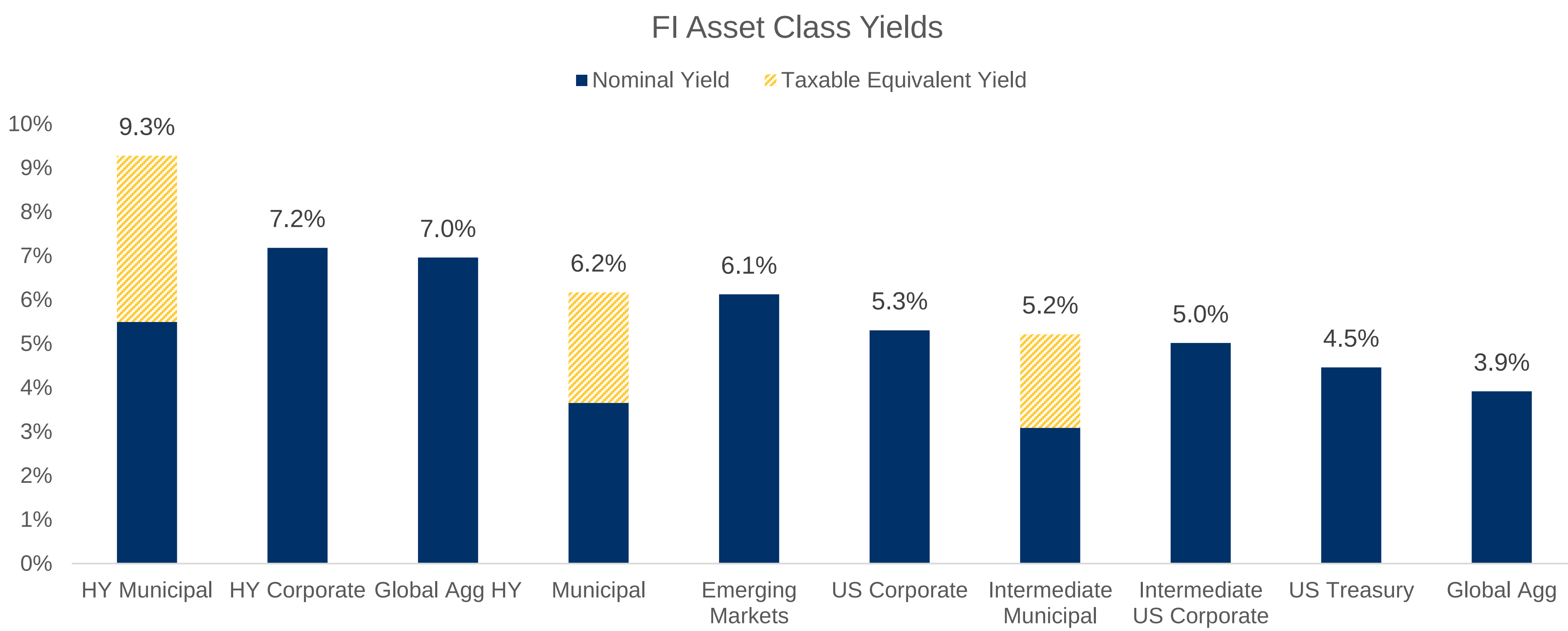
- Substantive resolution of disagreement with Iran in Hormuz
- Inflation pressures from spike in energy prices subside and inflationary AI impacts are short-term
- Economic growth stabilizes on continued corporate investment, and consumer spending stays at current levels

Bottom line: Rates likely stay elevated until energy risk clears, but a durable growth scare would shift the debate from "higher for longer" to "cuts can resume."

Source: Federal Reserve, Energy Information Administration, Bloomberg, RBC Rochdale. Data as of July 8, 2026. Information is subject to change and is not a guarantee of future results.

Fixed Income Yields Offer Attractive Entry Point

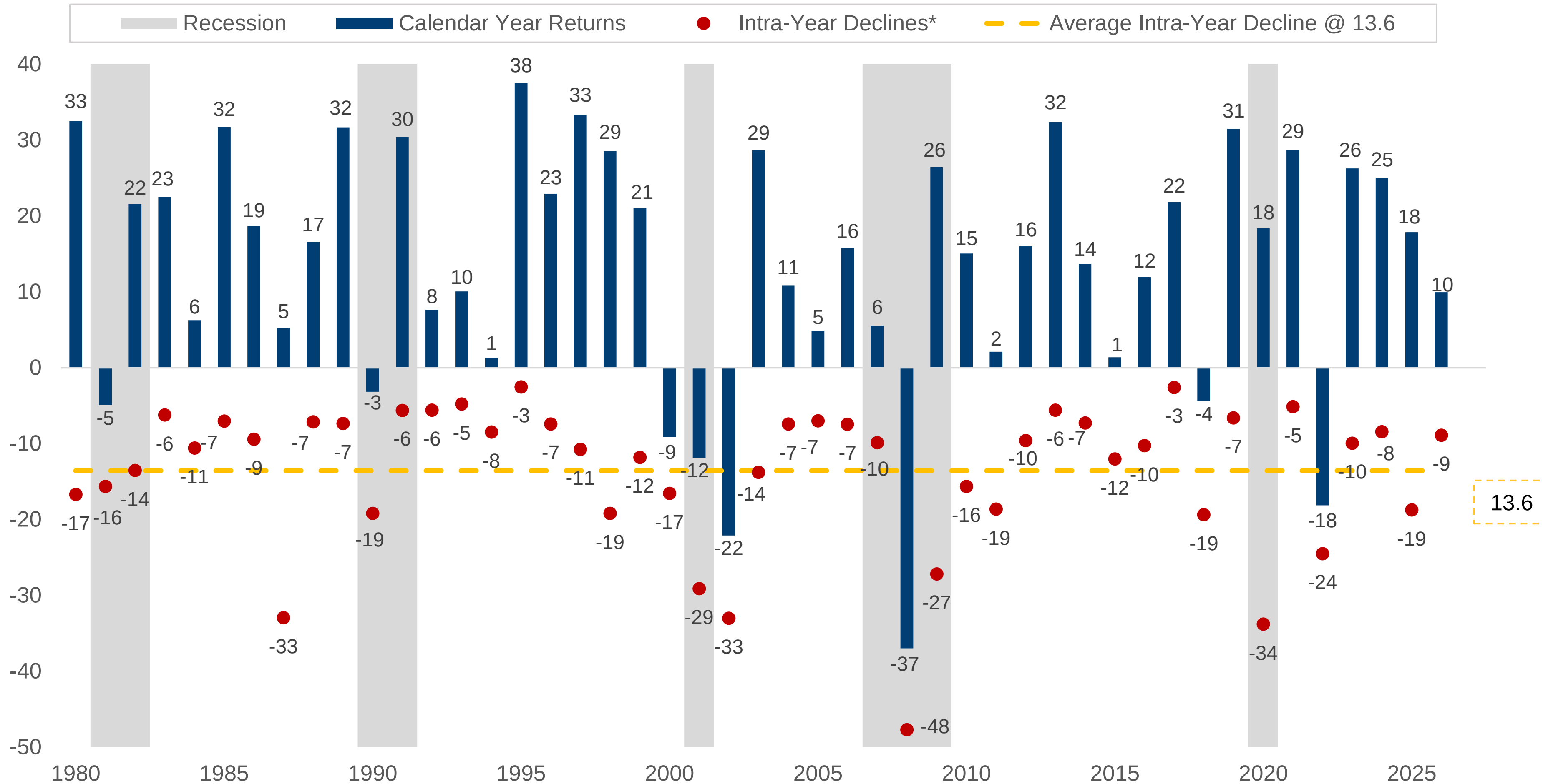
- Bond yields are generally higher than the long-term average and inflation.
- They provide income with relative price stability.
- Concerns about credit risk are relatively low, indicating a positive view of the economy among bond investors.



Source: Bloomberg as of July 8, 2026. HY Municipal is the Bloomberg Municipal Bond: High Yield Index. HY Corporate is the Bloomberg U.S. Corporate High Yield Index USD. Global Agg HY is the Bloomberg Global High Yield Index. Municipal is the Bloomberg Municipal Bond Index. Emerging Markets is the Bloomberg EM USD Aggregate Index. Intermediate Municipal is the Bloomberg Municipal Bond Inter-Short 1-10Y TR Index. U.S. Corporate is the Bloomberg US Corporate Index. Intermediate U.S. Corporate is the Bloomberg Intermediate Corporate Index. U.S. Treasury is the Bloomberg U.S. Treasury Index. Global Agg is the Bloomberg Global-Aggregate Index.
*Tax Equivalent Yield – Yellow bar represents yield adjustment. Assumes 37% Federal Tax and 3.8% Medicare surcharge Information is subject to change and is not a guarantee of future results.

Short-Term Volatility Is Normal

Corrections are a normal part of market movements. Since 1980, the S&P 500 has ended the year above its intra-year low. Volatility should always be expected.

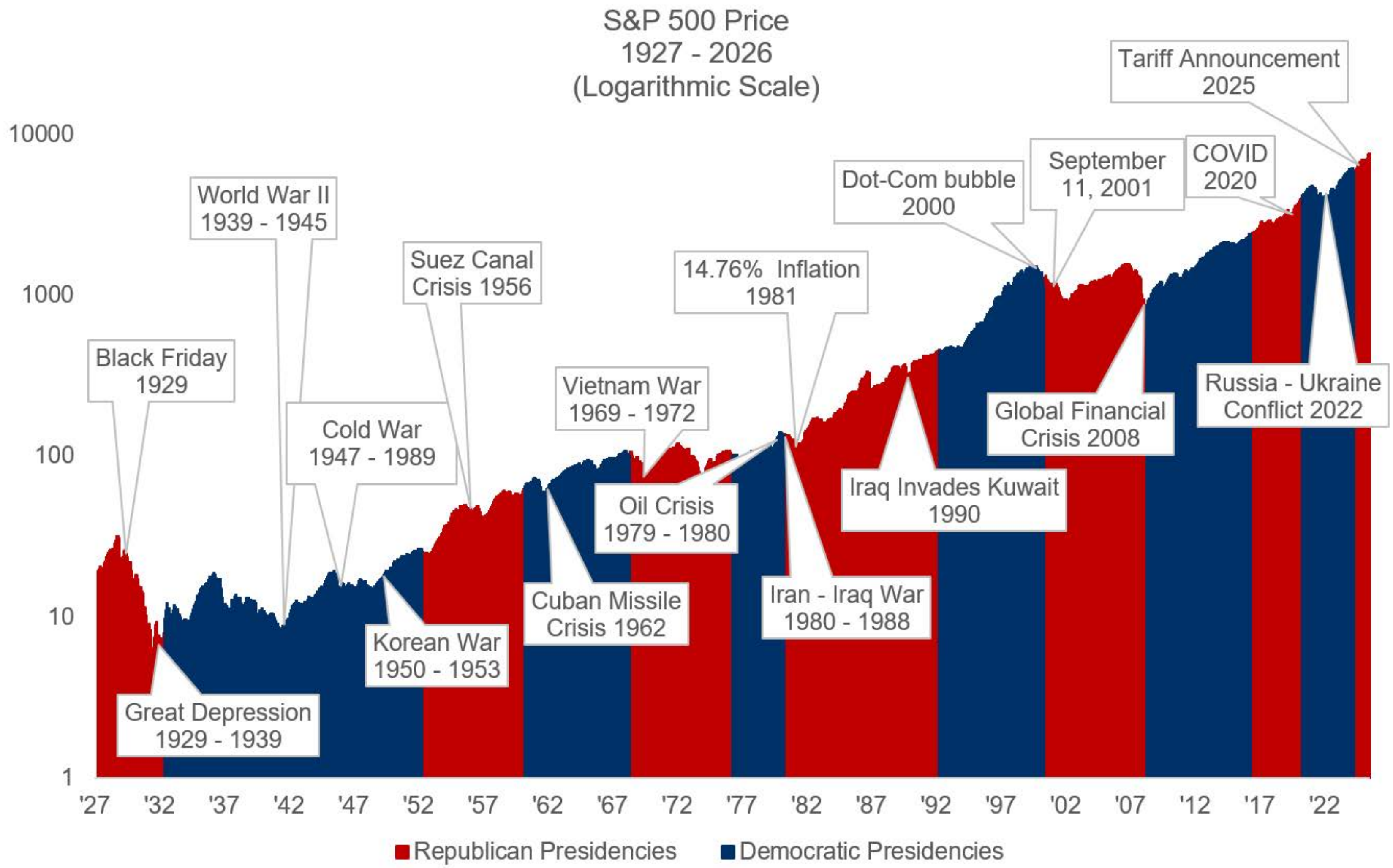


Sources: Bloomberg, RBC Rochdale Research, as of July 8, 2026.
*Intra-year declines are the largest declines within the calendar year.
Indexes are unmanaged, and one cannot invest directly in an index. Index returns do not reflect a deduction for fees or expenses.
Past performance is no guarantee of future results.

Non-deposit investment products: ◆ are not FDIC insured ◆ are not bank guaranteed ◆ may lose value

Global Events Taken in Stride

Markets typically experience elevated volatility immediately following geopolitical events, but long-term impacts are typically muted, with markets taking them in stride over the long term.



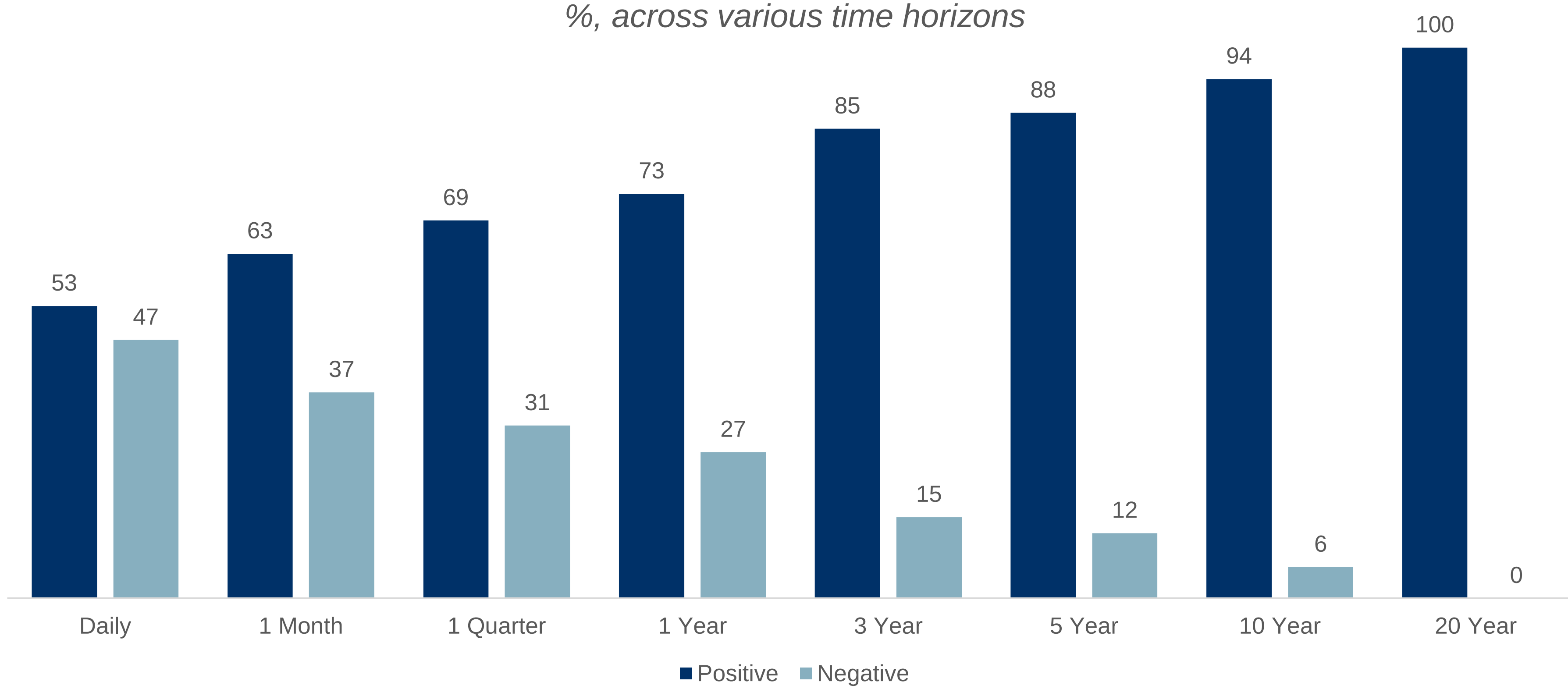
Sources: Bloomberg and RBC Rochdale, as of May 31, 2026. Past performance is no guarantee of future results.

Volatility ≠ Risk of Loss Given Appropriate Time Horizon

- While stocks' prices are volatile in the shorter term, the risk of loss has been low over longtime horizons.
- Focusing on the longer-term rather than short-term volatility can increase the probability of success.

History of Positive and Negative Stock Performance

%, across various time horizons



Sources: FactSet, RBC Rochdale Research. Data reflects S&P 500 performance January 1928-December 2025.
Daily returns were calculated for the periods shown above, with the number of positive and negative days counted. The number of positive and negative days, respectively, was then divided by the total number of days to calculate the percentages.
Past performance is no guarantee of future results.

Asset Class Performance Over Time

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
BEST	Small Cap Stocks 21.28%	Emerging Market Stocks 37.81%	Treasury Bills 1.86%	US Stocks 31.48%	US Convertibles 46.22%	REITs 41.30%	Treasury Bills 1.50%	US Stocks 26.26%	US Stocks 25.00%	Emerging Market Stocks 34.33%	Emerging Market Stocks 24.00%
	High Yield 17.13%	Foreign Stocks 24.99%	US Gov't Bonds 0.88%	REITs 28.66%	Small Cap Stocks 19.93%	US Stocks 28.68%	High Yield -11.19%	Foreign Stocks 18.75%	Small Cap Stocks 11.52%	Foreign Stocks 32.68%	Small Cap Stocks 22.69%
	US Stocks 11.95%	US Stocks 21.82%	US Convertibles 0.15%	Small Cap Stocks 25.49%	Emerging Market Stocks 18.81%	Small Cap Stocks 14.78%	US Gov't Bonds -12.32%	Small Cap Stocks 16.88%	US Convertibles 11.14%	US Convertibles 17.98%	US Convertibles 21.12%
	Emerging Market Stocks 11.77%	Small Cap Stocks 14.63%	US Aggregate Bonds 0.01%	Foreign Stocks 23.33%	US Stocks 18.39%	Foreign Stocks 13.33%	US Aggregate Bonds -13.01%	High Yield 13.45%	High Yield 8.19%	US Stocks 17.86%	REITs 14.90%
	US Convertibles 10.43%	US Convertibles 13.70%	Global Aggregate -1.20%	US Convertibles 23.15%	Global Aggregate 9.20%	US Convertibles 6.34%	Foreign Stocks -13.70%	US Convertibles 12.87%	Emerging Market Stocks 8.01%	Small Cap Stocks 12.79%	US Stocks 10.19%
	REITs 8.63%	REITs 8.67%	High Yield -2.08%	Emerging Market Stocks 18.85%	Foreign Stocks 8.22%	High Yield 5.28%	Global Aggregate -16.25%	REITs 11.36%	Treasury Bills 5.45%	High Yield 8.62%	Foreign Stocks 9.63%
	Foreign Stocks 3.43%	High Yield 7.50%	REITs -4.04%	High Yield 14.32%	US Gov't Bonds 7.94%	Treasury Bills 0.05%	US Stocks -18.12%	Emerging Market Stocks 10.23%	Foreign Stocks 5.37%	Global Aggregate 8.17%	High Yield 1.96%
	US Aggregate Bonds 2.65%	Global Aggregate 7.39%	US Stocks -4.39%	US Aggregate Bonds 8.72%	US Aggregate Bonds 7.51%	US Aggregate Bonds -1.54%	US Convertibles -18.71%	Global Aggregate 5.72%	REITs 4.92%	US Aggregate Bonds 7.30%	Treasury Bills 1.87%
	Global Aggregate 2.09%	US Aggregate Bonds 3.54%	Small Cap Stocks -11.03%	Global Aggregate 6.84%	High Yield 7.11%	US Gov't Bonds -2.28%	Emerging Market Stocks -19.79%	US Aggregate Bonds 5.53%	US Aggregate Bonds 1.25%	US Gov't Bonds 6.31%	US Aggregate Bonds 0.62%
	US Gov't Bonds 1.05%	US Gov't Bonds 2.30%	Foreign Stocks -13.52%	US Gov't Bonds 6.83%	Treasury Bills 0.58%	Emerging Market Stocks -2.30%	Small Cap Stocks -20.46%	Treasury Bills 5.26%	US Gov't Bonds 0.62%	Treasury Bills 4.40%	US Gov't Bonds 0.28%
WORST	Treasury Bills 0.27%	Treasury Bills 0.84%	Emerging Market Stocks -14.24%	Treasury Bills 2.25%	REITs -5.12%	Global Aggregate -4.71%	REITs -24.95%	US Gov't Bonds 4.09%	Global Aggregate -1.69%	REITs 2.27%	Global Aggregate -0.21%

Sources: Bloomberg, RBC Rochdale Research, as of June 30, 2026. For index descriptions, please see page 21. Information is subject to change and is not a guarantee of future results. Past performance is no guarantee of future results.

Appendix

Your Portfolio Management Team

Poul-Erik Olsen, CFA, CPWA®

Northwest Divisional Managing Director, Senior Portfolio Manager

(415) 576-3939
PoulErik.Olsen@cnr.com

Poul-Erik joined RBC 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®

Director, Senior Portfolio Manager

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

Robert joined RBC 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

(415) 576-3934
Andrew.Austin@cnr.com

Andrew joined RBC 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®

Portfolio Manager

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Yuan Wang, CFA, CAIA

Associate Portfolio Manager

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Charlton Strait

Associate Portfolio Manager

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Charlton.Strait@cnr.com

Stephanie Reese

Portfolio Assistant

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Stephanie.Reese@cnr.com

Shaggie Ocampo

Portfolio Assistant

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Shaggie.Ocampo@cnr.com

Vanly Soumnavong

Senior Client Care Coordinator

(415) 576-3943
CNR_PM_SFAdmin@cnr.com

Glory Natnat

Client Care Coordinator

(415) 576-3932
CNR_PM_SanFranciscoAdmin@cnr.com

Portfolio Managers
- Partner with you to develop your customized portfolio
- Direct implementation of your strategy & monitor portfolio outcomes
- Conduct portfolio review meetings

Associate Portfolio Managers
- Manage trading, allocation changes, and portfolio rebalancing

Portfolio Assistants
- Handle operational, tax, and cash disbursement requests
- Prepare Investment Policy Statements and other documents needed to implement investment strategy

Client Care Coordinators
- Coordinate meeting and travel requests
- Arrange scheduling and delivery of meeting materials

RBC

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 n 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 RBC 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.

Index Definitions

For a complete list of index definitions please visit:

https://go.rbcrochdale.com/l/82322/2022-07-14/63pm8c/82322/1765812483sg3ncgYy/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 rbcrochdale.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

The information presented does not involve the rendering of personalized investment, financial, legal, or tax advice. This presentation is not an offer to buy or sell, or a solicitation of any offer to buy or sell any of the securities mentioned herein.

Certain statements contained herein may constitute projections, forecasts and other forward looking statements, which do not reflect actual results and are based primarily upon a hypothetical set of assumptions applied to certain historical financial information. Certain information has been provided by third-party sources and, although believed to be reliable, it has not been independently verified and its accuracy or completeness cannot be guaranteed.

Any opinions, projections, forecasts, and forward-looking statements presented herein are valid as on the date of this document and are subject to change.

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

<u>Fixed Income Investing Risks:</u> There are inherent risks with fixed income investing. These risks may include interest rate, call, credit, market, inflation, government policy, liquidity, or junk bond. When interest rates rise, bond prices fall. Investments in below-investment-grade debt securities and unrated securities of similar credit quality, commonly known as "junk bonds" or "high-yield securities," may be subject to increased interest, credit, and liquidity risks. Floating rate loan securities generally trade in the secondary market and may have irregular trading activity, wide bid/ask spreads and extended trade settlement periods. The value of collateral, if any, securing a floating rate loan can decline, may be insufficient to meet the issuer's obligations in the event of non-payment of scheduled interest or principal or may be difficult to readily liquidate. Bank loans do not typically trade on an organized exchange making them relatively illiquid and difficult to value. Consequently, the fund manager may have difficulty liquidating a position at a favorable price. The yields and market values of municipal securities may be more affected by changes in tax rates and policies than similar income-bearing taxable securities. Certain investors' incomes may be subject to the Federal Alternative Minimum Tax (AMT) and taxable gains are also possible. Investments in the municipal securities of a particular state or territory may be subject to the risk that changes in the economic conditions of that state or territory will negatively impact performance. Investments in emerging markets bonds may be substantially more volatile, and substantially less liquid, than the bonds of governments, government agencies, and government-owned corporations located in more developed foreign markets. Frontier market countries generally have smaller economies and even less developed capital markets than traditional emerging markets, and, as a result, the risks are magnified in frontier market countries. Restricted and illiquid securities may fall in price because of an inability to sell the securities when desired. Investing in restricted securities may subject the portfolio to higher costs and liquidity risk.

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.

Non-deposit investment products: ◆ are not FDIC insured ◆ are not bank guaranteed ◆ may lose value

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RBC®

PORTFOLIO REVIEW

THE PENINSULA HEALTH CARE DISTRICT

July 31, 2026

City National Bank

TABLE OF CONTENTS

Portfolio Review Summary

Portfolio Review Overview

AS OF JULY 31, 2026

ACCOUNTS		MARKET VALUE
PENINSULA HEALTH CARE DIST. AGENCY	xxxxx810	$ 31,566,850
SONRISAS DENTAL HEALTH	xxxxx610	604,617
TOTAL PORTFOLIO REVIEW		**$ 32,171,466**

Portfolio Review Allocation

AS OF JULY 31, 2026

ASSET CLASS			MARKET VALUE	% ASSETS	CURRENT YIELD	ANNUAL ESTIMATED INCOME
Core Fixed Income	99.5%	Core Fixed Income Taxable	$ 32,025,647	99.5%	3.6%	$ 1,146,211
Cash & Equivalents	0.5%	Cash & Cash Equivalents	145,819	0.5%	26.9%	39,233
Total Portfolio			**$ 32,171,466**	**100%**	**3.7%**	**$ 1,185,445**

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 RBC Rochdale 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

INVESTMENT OBJECTIVE	ANNUAL ESTIMATED INCOME	SCHEDULED ANNUAL DISTRIBUTIONS
LIQUIDITY MANAGEMENT TAXABLE	$1,163,007	None Specified
	YTD TAXABLE REALIZED GAIN/LOSS	**SPECIAL CONSIDERATIONS**
	Short-Term: $0 Long-Term: $1,359	None Specified

ACCT# xxxxx810

Investment Strategy

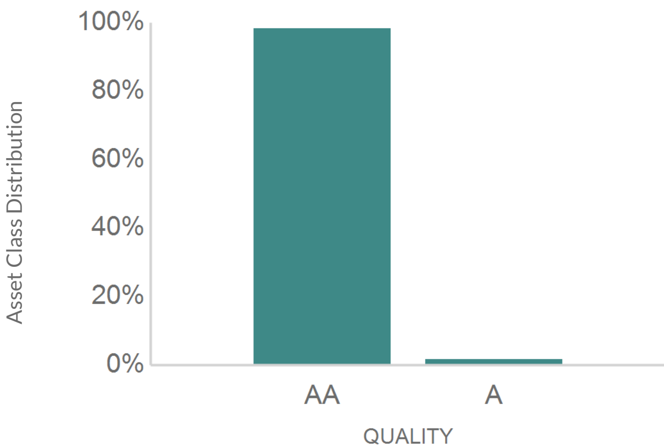
	ACTUAL PORTFOLIO		TACTICAL ALLOCATION	
	RISK/RETURN		RISK/RETURN	
	NEAR-TERM	LONG-TERM	NEAR-TERM	LONG-TERM
ESTIMATED ANNUAL RATE OF RETURN (%)	4.56	4.29	4.56	4.30
ESTIMATED STANDARD DEVIATION (%)	-	3.98	-	3.99

ASSET CATEGORY		ACTUAL PORTFOLIO			TACTICAL ALLOCATION		
Core Fixed Income	**Core Fixed Income Taxable**	$ 31,425,798	99.6%	99.6%	$ 31,566,850	100.0%	100.0%
Cash	**Cash & Cash Equivalents**	141,051	0.4%	0.4%	-	-	-
	TOTAL MANAGED PORTFOLIO	**$ 31,566,850**	**100%**	**100%**	**$ 31,566,850**	**100%**	**100%**

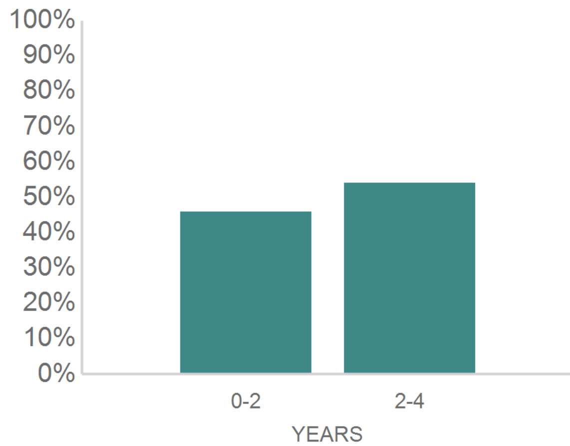
ACCT# xxxxx810

Fixed Income Characteristics

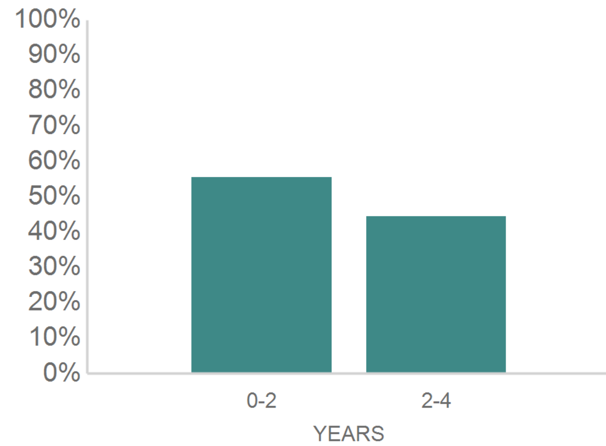
CREDIT QUALITY DISTRIBUTION



MATURITY SCHEDULE



DURATION

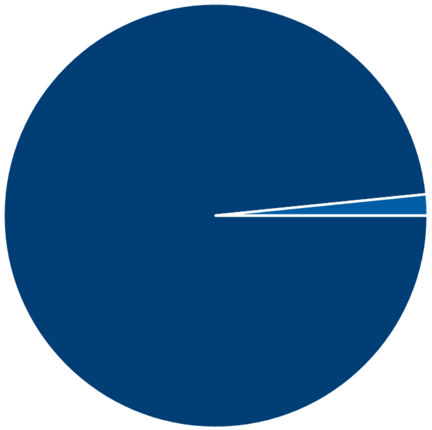


PORTFOLIO CHARACTERISTICS

DURATION	1.81
AVERAGE MATURITY	1.91
CREDIT RATING	AA+
COUPON RATE	3.59%
YIELD TO WORST	4.20%
YIELD TO MATURITY	4.20%
CURRENT YIELD	3.61%

SECTOR EXPOSURE

Govt	98%
Corp	2%



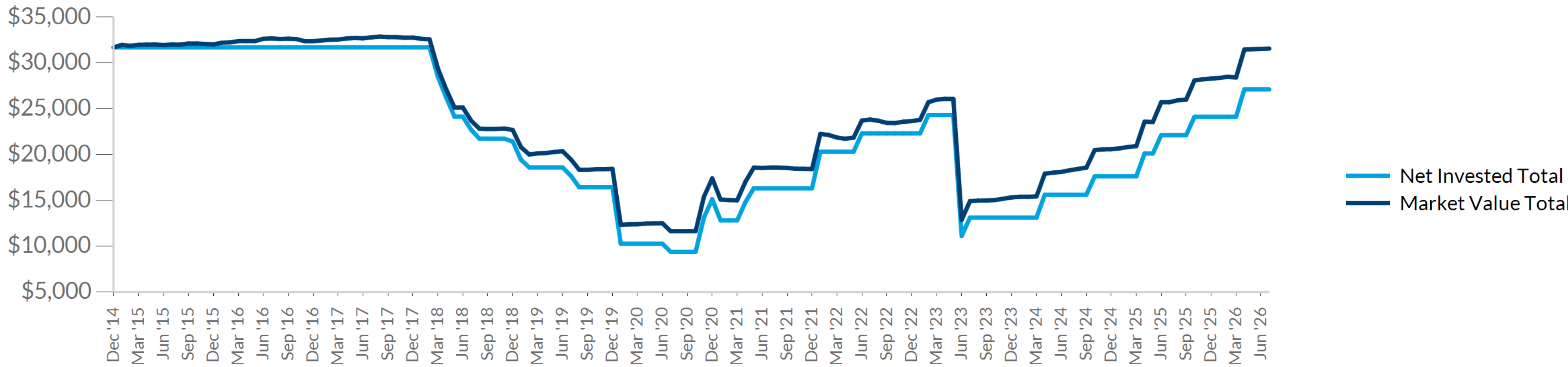
ACCT# xxxxx810

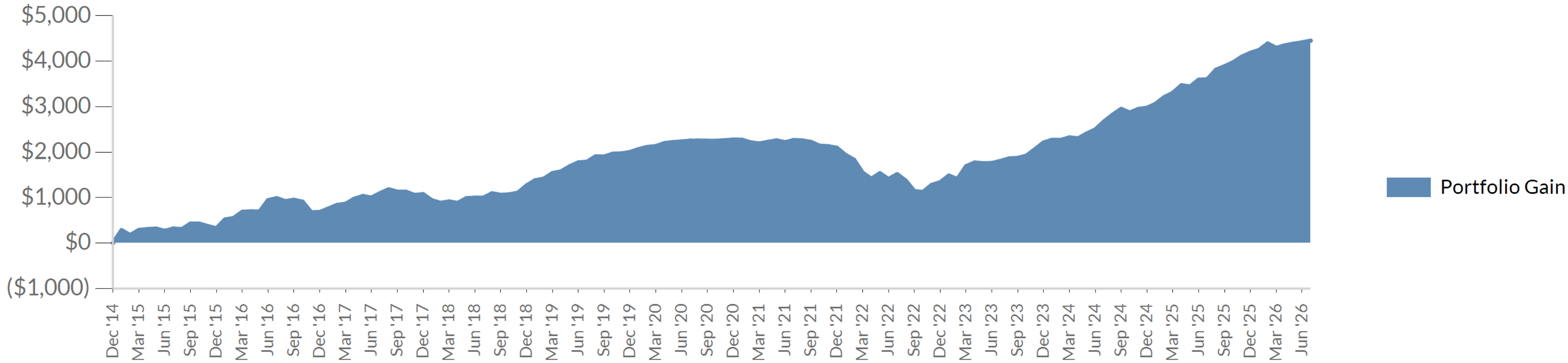
Portfolio Analysis

PENINSULA HEALTH CARE DIST. AGENCY

Historical Market Value

FROM DECEMBER 31, 2014 TO JULY 31, 2026 / $ IN THOUSANDS





ACCT# xxxxx810

Activity Summary

FROM DECEMBER 31, 2024 TO DECEMBER 31, 2025

BEGINNING VALUE	**$ 20,592,072**
CONTRIBUTIONS	6,500,000
WITHDRAWALS*	0
CHANGE IN MARKET VALUE**	339,141
INCOME RECEIVED	866,992
ENDING VALUE	**$ 28,298,205**
NET GAIN AFTER FEE	1,206,133

* Withdrawals include client distributions and expenses

** Includes the deduction of account management fees

ACCT# xxxxx810

Activity Summary

FROM DECEMBER 31, 2025 TO JULY 31, 2026

BEGINNING VALUE	**$ 28,298,205**
CONTRIBUTIONS	3,000,000
WITHDRAWALS*	0
CHANGE IN MARKET VALUE**	(321,794)
INCOME RECEIVED	590,988
ENDING VALUE	**$ 31,567,399**
NET GAIN AFTER FEE	269,194

* Withdrawals include client distributions and expenses

** Includes the deduction of account management fees

ACCT# xxxxx810

Performance Summary

FROM NOVEMBER 30, 2010 TO JULY 31, 2026

	YTD	LAST YEAR	LATEST 5 YEARS ANNUALIZED	SINCE INCEPTION ANNUALIZED
TOTAL PORTFOLIO NET OF FEES	0.91%	5.11%	2.09%	1.67%

ASSET CLASS RETURNS GROSS	YTD	LAST YEAR	LATEST 5 YEARS ANNUALIZED	SINCE INCEPTION ANNUALIZED
Core Fixed Income Taxable	0.96%	5.23%	2.09%	1.96%
Cash & Cash Equivalents	1.60%	3.04%	-	-

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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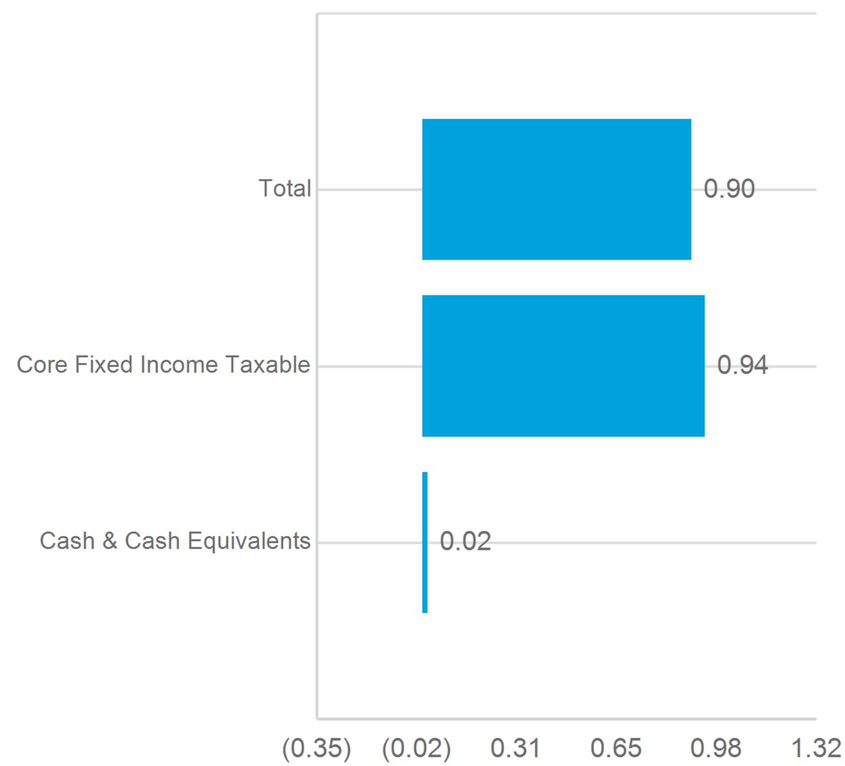
ACCT# xxxxx810

Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2025 TO JULY 31, 2026

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Core Fixed Income Taxable	99.22	0.96	0.94
Cash & Cash Equivalents	0.78	1.60	0.02
TOTAL - NET	**100.00**		**0.90**

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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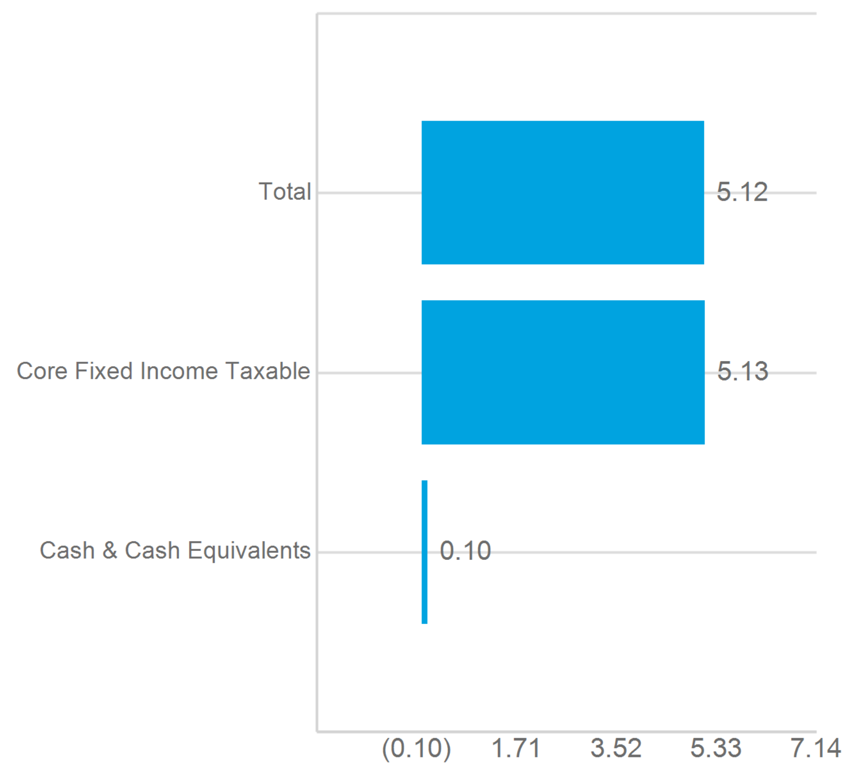
ACCT# xxxxx810

Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2024 TO DECEMBER 31, 2025

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Core Fixed Income Taxable	97.53	5.23	5.13
Cash & Cash Equivalents	2.47	3.04	0.10
TOTAL - NET	**100.00**		**5.12**

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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ACCT# xxxxx810

Realized Gains and Losses

FROM JANUARY 01, 2026 TO JULY 31, 2026

Account	Open Date	Close Date	Quantity	Symbol	Security	Adjusted Cost Basis ($)	Proceeds ($)	Gain or Loss Short Term ($)	Gain or Loss Long Term ($)
MANAGED ASSETS									
xxxxx810	02/05/2024	01/31/2026	600,000.00	91282CJV4	United States Treas Nts	600,442.85	600,000.00		(442.85)
xxxxx810	02/16/2024	01/31/2026	40,000.00	91282CJV4	United States Treas Nts	39,747.17	40,000.00		252.83
xxxxx810	02/14/2023	02/15/2026	550,000.00	91282CGL9	United States Treas Nts	554,257.76	550,000.00		(4,257.76)
xxxxx810	02/16/2023	02/15/2026	775,000.00	91282CGL9	United States Treas Nts	771,004.06	775,000.00		3,995.94
xxxxx810	04/29/2024	03/30/2026	500,000.00	17325FBF4	Citibank N A	500,000.00	500,000.00		0.00
xxxxx810	04/27/2023	04/15/2026	1,000,000.0 0	91282CGV7	United States Treas Nts	998,984.37	1,000,000.00		1,015.63
xxxxx810	06/04/2024	05/31/2026	550,000.00	91282CKS9	United States Treas Nts	548,686.02	550,000.00		1,313.98
xxxxx810	07/31/2024	05/31/2026	200,000.00	91282CKS9	United States Treas Nts	201,242.36	200,000.00		(1,242.36)
xxxxx810	03/25/2025	06/30/2026	640,000.00	9128287B0	United States Treas Nts	640,000.00	640,000.00		0.00
xxxxx810	07/18/2023	07/15/2026	900,000.00	91282CHM6	United States Treas Nts	899,696.08	900,000.00		303.92
xxxxx810	10/26/2021	07/31/2026	210,000.00	91282CCP4	United States Treas Nts	247,804.73	210,000.00		(37,804.73)
xxxxx810	01/11/2022	07/31/2026	115,000.00	91282CCP4	United States Treas Nts	125,464.52	115,000.00		(10,464.52)
xxxxx810	02/16/2023	07/31/2026	250,000.00	91282CCP4	United States Treas Nts	230,434.38	250,000.00		19,565.62
xxxxx810	08/07/2023	07/31/2026	350,000.00	91282CCP4	United States Treas Nts	320,876.66	350,000.00		29,123.34
TOTAL GAINS								**0.00**	**55,571.26**
TOTAL LOSSES								**0.00**	**(54,212.22)**
TOTAL MANAGED ASSETS						**6,678,640.96**	**6,680,000.00**		**1,359.04**
TOTAL TAXABLE PORTFOLIO						**6,678,640.96**	**6,680,000.00**		**1,359.04**

ACCT# xxxxx810

Portfolio Appraisal

AS OF JULY 31, 2026

Quantity	Symbol	Security	Adj Unit Cost ($)	Total Adj Cost ($)	Price ($)	Market Value ($)	Yield (%)	Income ($)	% Of Assets	% of Total Portfolio	Unrealized Gain/Loss ($)
MANAGED ASSETS											
CORE FIXED INCOME TAXABLE											
Foreign Corporate Bonds											
500,000	89115A3A8	Toronto Dominion Bk Ont 4.568% Due 12/17/2026	1.00	499,690	1.00	500,730	4.56	22,840	1.59	1.59	1,040
		Accrued Interest				2,808			0.01	0.01	
Government Bonds											
1,200,000	91282CCW9	United States Treas Nts 0.750% Due 8/31/2026	1.00	1,196,953	1.00	1,197,096	0.75	9,000	3.81	3.79	143
1,725,000	9128286B1	United States Treas Nts 2.625% Due 2/15/2029	0.97	1,680,871	0.96	1,655,534	2.74	45,281	5.27	5.24	(25,337)
		Accrued Interest				24,656			0.08	0.08	
Government Agency Bonds											
75,000	912828YU8	United States Treas Nts 1.625% Due 11/30/2026	0.99	74,415	0.99	74,451	1.64	1,219	0.24	0.24	36
800,000	91282CJP7	United States Treas Nts 4.375% Due 12/15/2026	1.00	800,313	1.00	801,376	4.37	35,000	2.55	2.54	1,063
1,800,000	91282CKJ9	United States Treas Nts 4.500% Due 4/15/2027	1.00	1,805,689	1.00	1,805,364	4.49	81,000	5.74	5.72	(325)
1,000,000	91282CET4	United States Treas Nts 2.625% Due 5/31/2027	0.99	989,048	0.99	987,900	2.66	26,250	3.14	3.13	(1,148)
1,900,000	91282CLX7	United States Treas Nts 4.125% Due 11/15/2027	1.00	1,891,688	1.00	1,897,549	4.13	78,375	6.04	6.01	5,862
1,000,000	91282CBB6	United States Treas Nts 0.625% Due 12/31/2027	0.96	956,109	0.95	951,020	0.66	6,250	3.03	3.01	(5,089)
1,000,000	91282CMF5	United States Treas Nts 4.250% Due 1/15/2028	1.00	1,004,190	1.00	1,000,040	4.25	42,500	3.18	3.17	(4,150)
1,445,000	91282CGP0	United States Treas Nts 4.000% Due 2/29/2028	1.00	1,450,858	1.00	1,439,408	4.02	57,800	4.58	4.56	(11,450)
1,201,000	91282CNM9	United States Treas Nts 3.875% Due 7/15/2028	1.00	1,199,311	0.99	1,191,944	3.90	46,539	3.79	3.78	(7,367)
1,545,000	91282CCR0	United States Treas Nts 1.000% Due 7/31/2028	0.95	1,469,150	0.94	1,449,040	1.07	15,450	4.61	4.59	(20,110)
900,000	91282CJW2	United States Treas Nts 4.000% Due 1/31/2029	1.00	898,654	0.99	893,178	4.03	36,000	2.84	2.83	(5,476)
2,000,000	91282CKG5	United States Treas Nts 4.125% Due 3/31/2029	1.01	2,025,621	1.00	1,990,000	4.15	82,500	6.33	6.30	(35,621)
2,100,000	91282CQJ3	United States Treas Nts 3.875% Due 4/15/2029	1.00	2,098,277	0.99	2,075,892	3.92	81,375	6.61	6.58	(22,385)
2,000,000	91282CKT7	United States Treas Nts 4.500% Due 5/31/2029	1.01	2,017,728	1.00	2,008,760	4.48	90,000	6.39	6.36	(8,968)
2,417,000	91282CKX8	United States Treas Nts 4.250% Due 6/30/2029	1.00	2,423,307	1.00	2,411,054	4.26	102,723	7.67	7.64	(12,253)

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ACCT# xxxxx810

Portfolio Appraisal

AS OF JULY 31, 2026

Quantity	Symbol	Security	Adj Unit Cost ($)	Total Adj Cost ($)	Price ($)	Market Value ($)	Yield (%)	Income ($)	% Of Assets	% of Total Portfolio	Unrealized Gain/Loss ($)
1,030,000	91282CLR0	United States Treas Nts 4.125% Due 10/31/2029	0.99	1,022,154	0.99	1,022,800	4.15	42,488	3.25	3.24	646
		Accrued Interest				165,299			0.53	0.52	
Treasury Notes											
1,525,000	91282CLQ2	United States Treas Nts 3.875% Due 10/15/2027	1.00	1,523,610	1.00	1,519,098	3.89	59,094	4.83	4.81	(4,511)
1,000,000	91282CBZ3	United States Treas Nts 1.250% Due 4/30/2028	0.96	956,233	0.95	949,770	1.32	12,500	3.02	3.01	(6,463)
1,520,000	91282CHX2	United States Treas Nts 4.375% Due 8/31/2028	1.01	1,540,215	1.00	1,522,675	4.37	66,500	4.85	4.82	(17,540)
1,800,000	91282CJA0	United States Treas Nts 4.625% Due 9/30/2028	1.01	1,816,714	1.01	1,811,952	4.59	83,250	5.77	5.74	(4,762)
		Accrued Interest				76,403			0.24	0.24	
TOTAL CORE FIXED INCOME TAXABLE				31,340,798		31,425,798	3.61	1,123,933	100.00	99.55	(184,165)
CASH & CASH EQUIVALENTS											
Money Market											
	CNIXX	City Natl Rochdale Fds Govt Fd Srvng Cl		924,174		924,174	3.33	30,775	655.20	2.93	0
	TBSCNBM	Cnb Deposit Sweep (mgd)		250,000		250,000	3.32	8,300	177.24	0.79	0
Cash And Equivalents											
	PCASH	Principal Cash		(1,033,123)		(1,033,123)	0.00	0	(732.45)	(3.27)	0
TOTAL CASH & CASH EQUIVALENTS				141,051		141,051	27.70	39,075	100.00	0.45	0
TOTAL MANAGED ASSETS				**31,481,849**		**31,566,850**	**3.72**	**1,163,007**		**100.00**	**(184,165)**
TOTAL PORTFOLIO				**31,481,849**		**31,566,850**	**3.72**	**1,163,007**		**100.00**	**(184,165)**

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ACCT# xxxxx810

Investment Policy

SONRISAS DENTAL HEALTH

Policy Guidelines

INVESTMENT OBJECTIVE

LIQUIDITY MANAGEMENT TAXABLE

ANNUAL ESTIMATED INCOME

$22,437

SCHEDULED ANNUAL DISTRIBUTIONS

None Specified

YTD TAXABLE REALIZED GAIN/LOSS

Short-Term: ($696)
Long-Term: $5,042

SPECIAL CONSIDERATIONS

None Specified

ACCT# xxxxx610

Investment Strategy

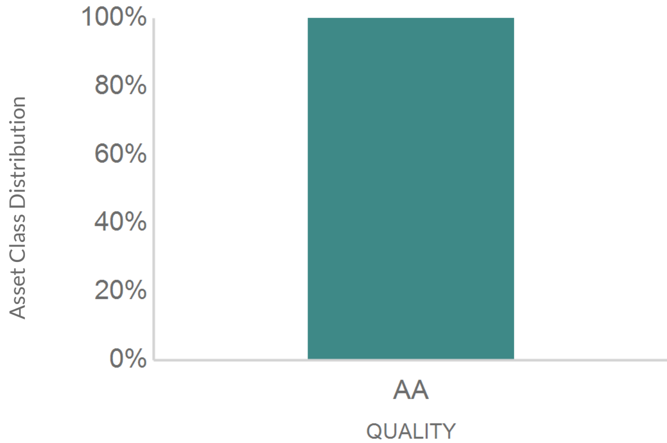
	ACTUAL PORTFOLIO		TACTICAL ALLOCATION	
	RISK/RETURN		RISK/RETURN	
	NEAR-TERM	LONG-TERM	NEAR-TERM	LONG-TERM
ESTIMATED ANNUAL RATE OF RETURN (%)	4.56	4.28	4.56	4.30
ESTIMATED STANDARD DEVIATION (%)	-	3.96	-	3.99

ASSET CATEGORY		ACTUAL PORTFOLIO			TACTICAL ALLOCATION		
Core Fixed Income	**Core Fixed Income Taxable**	$ 599,849	99.2%	99.2%	$ 604,617	100.0%	100.0%
Cash	**Cash & Cash Equivalents**	4,768	0.8%	0.8%	-	-	-
	TOTAL MANAGED PORTFOLIO	**$ 604,617**	**100%**	**100%**	**$ 604,617**	**100%**	**100%**

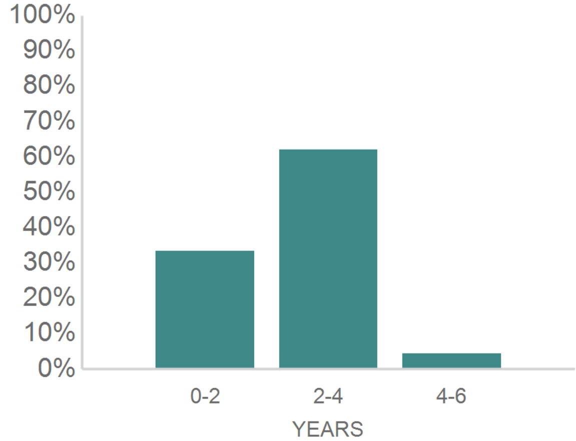
ACCT# xxxxx610

Fixed Income Characteristics

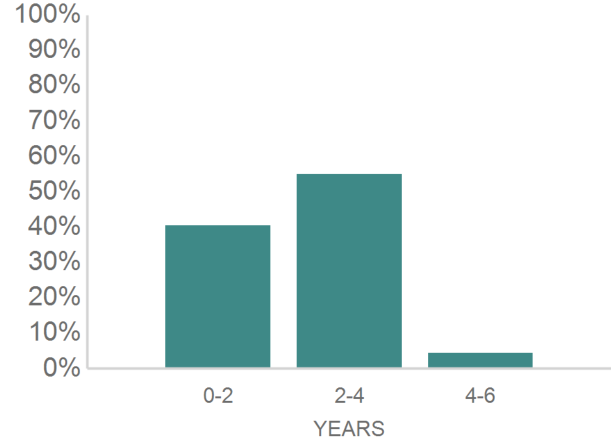
CREDIT QUALITY DISTRIBUTION



MATURITY SCHEDULE



DURATION

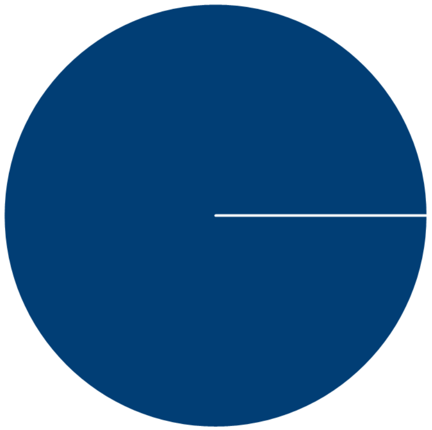


PORTFOLIO CHARACTERISTICS

DURATION	1.99
AVERAGE MATURITY	2.12
CREDIT RATING	AA+
COUPON RATE	3.72%
YIELD TO WORST	4.22%
YIELD TO MATURITY	4.22%
CURRENT YIELD	3.75%

SECTOR EXPOSURE

Govt.	100%



ACCT# xxxxx610

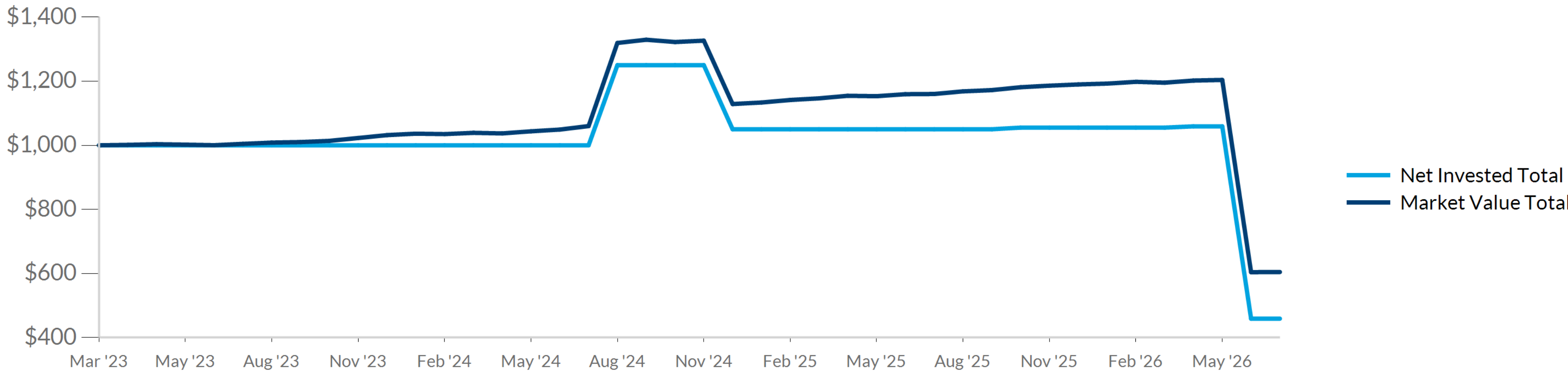
Non-deposit investment products: ■ are not FDIC insured ■ are not bank guaranteed ■ may lose value

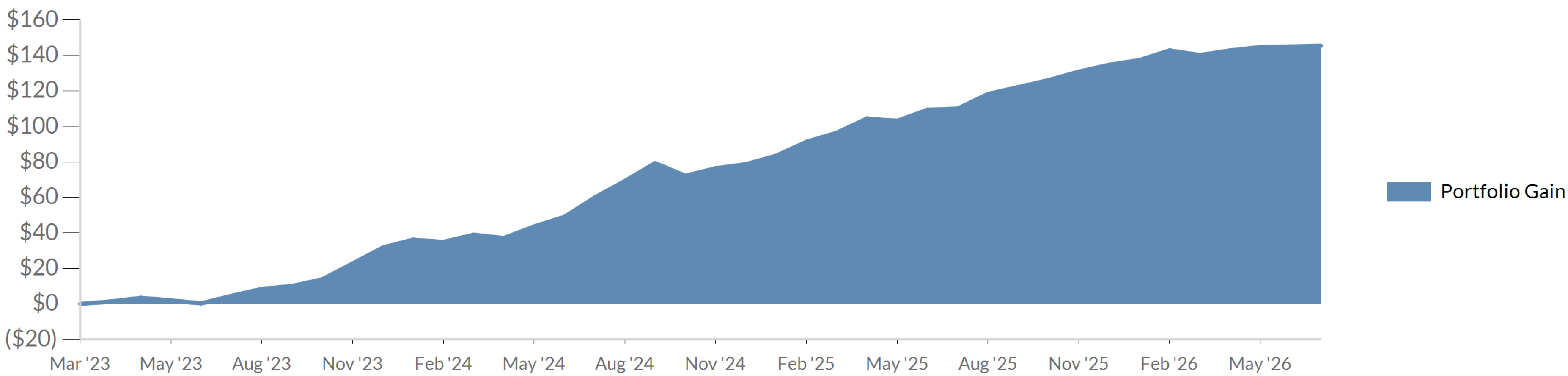
Portfolio Analysis

SONRISAS DENTAL HEALTH

Historical Market Value

FROM MARCH 24, 2023 TO JULY 31, 2026 / $ IN THOUSANDS





ACCT# xxxxx610

Activity Summary

FROM DECEMBER 31, 2024 TO DECEMBER 31, 2025

BEGINNING VALUE	**$ 1,128,765**
CONTRIBUTIONS	5,109
WITHDRAWALS*	0
CHANGE IN MARKET VALUE**	14,506
INCOME RECEIVED	41,486
ENDING VALUE	**$ 1,189,866**
NET GAIN AFTER FEE	55,992

* Withdrawals include client distributions and expenses

** Includes the deduction of account management fees

ACCT# xxxxx610

Activity Summary

FROM DECEMBER 31, 2025 TO JULY 31, 2026

BEGINNING VALUE	**$ 1,189,866**
CONTRIBUTIONS	3,993
WITHDRAWALS*	(600,000)
CHANGE IN MARKET VALUE**	(11,024)
INCOME RECEIVED	21,834
ENDING VALUE	**$ 604,669**
NET GAIN AFTER FEE	10,810

* Withdrawals include client distributions and expenses

** Includes the deduction of account management fees

ACCT# xxxxx610

Performance Summary

FROM MARCH 24, 2023 TO JULY 31, 2026

	YTD	LAST YEAR	LATEST 5 YEARS ANNUALIZED	SINCE INCEPTION ANNUALIZED
TOTAL PORTFOLIO NET OF FEES	1.03%	4.96%	-	4.03%

ASSET CLASS RETURNS GROSS	YTD	LAST YEAR	LATEST 5 YEARS ANNUALIZED	SINCE INCEPTION ANNUALIZED
1 Equity US Core Large Cap	4.03%	-	-	1.18%
2 Core Fixed Income Taxable	1.06%	5.09%	-	4.15%
Cash & Cash Equivalents	1.52%	4.05%	-	4.00%

Inception Dates: 1 4/21/2026 2 3/28/2023

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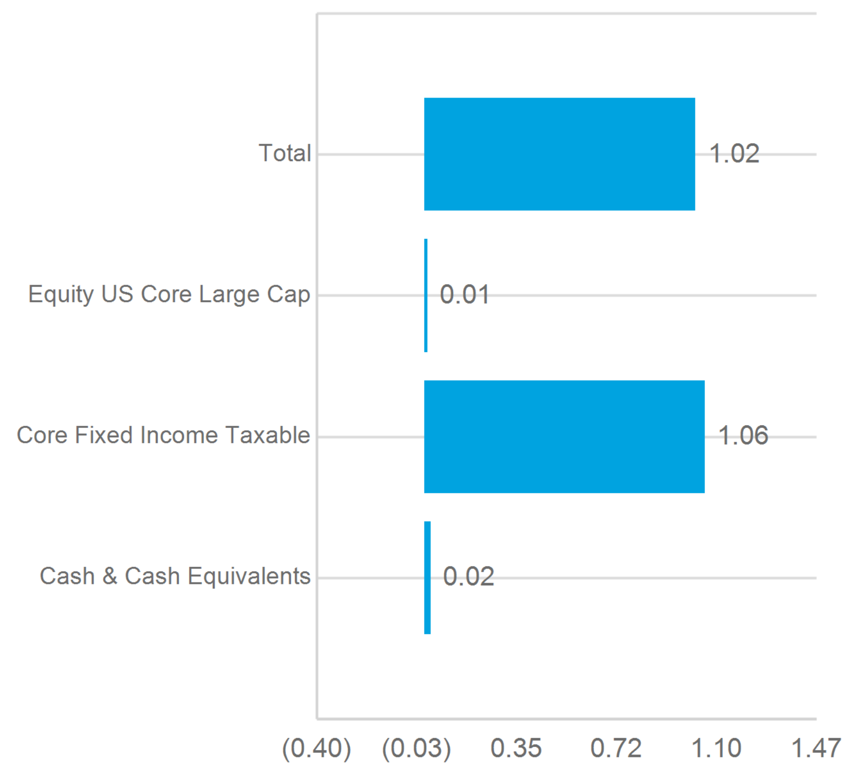
ACCT# xxxxx610

Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2025 TO JULY 31, 2026

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Equity US Core Large Cap	0.02	4.03	0.01
Core Fixed Income Taxable	98.50	1.06	1.06
Cash & Cash Equivalents	1.48	1.52	0.02
TOTAL - NET	**100.00**		**1.02**

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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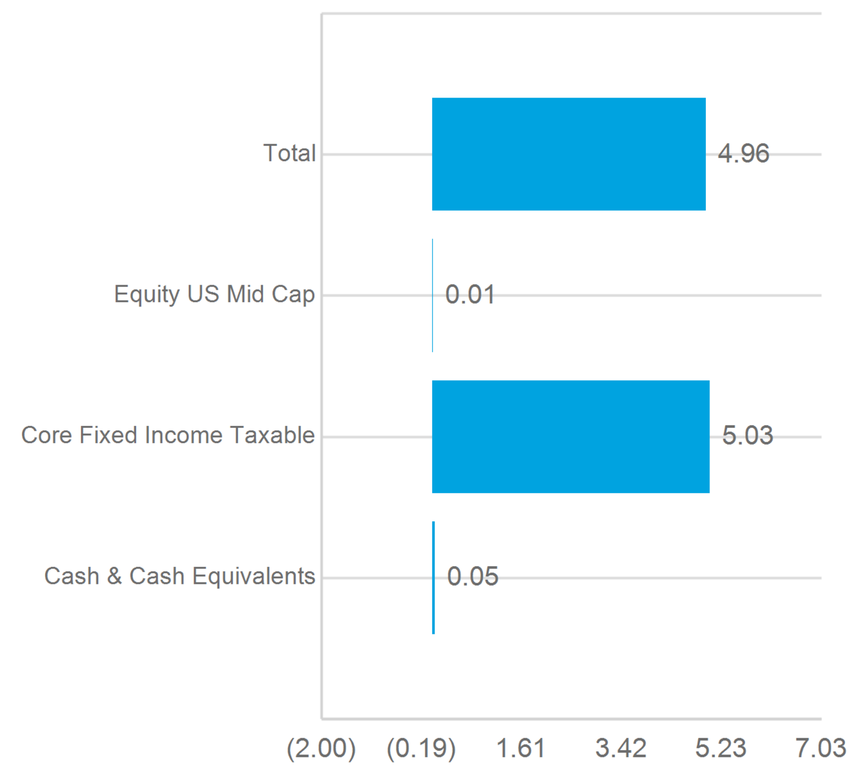
ACCT# xxxxx610

Performance Contribution to Total Portfolio Return

FROM DECEMBER 31, 2024 TO DECEMBER 31, 2025

ASSET CLASS	AVERAGE WEIGHT	GROSS RETURN	CONTRIBUTION TO TOTAL PORTFOLIO RETURN
Equity US Mid Cap	0.01	1.47	0.01
Core Fixed Income Taxable	98.88	5.09	5.03
Cash & Cash Equivalents	1.11	4.05	0.05
TOTAL - NET	**100.00**		**4.96**

CONTRIBUTION TO TOTAL PORTFOLIO RETURN



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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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Realized Gains and Losses

FROM JANUARY 01, 2026 TO JULY 31, 2026

Account	Open Date	Close Date	Quantity	Symbol	Security	Adjusted Cost Basis ($)	Proceeds ($)	Gain or Loss Short Term ($)	Gain or Loss Long Term ($)
MANAGED ASSETS									
xxxxx610	03/29/2023	02/15/2026	50,000.00	91282CGL9	United States Treas Nts	49,899.82	50,000.00		100.18
xxxxx610	04/04/2023	02/15/2026	25,000.00	91282CGL9	United States Treas Nts	25,161.68	25,000.00		(161.68)
xxxxx610	08/19/2024	02/15/2026	20,000.00	91282CGL9	United States Treas Nts	19,938.50	20,000.00		61.50
xxxxx610	03/29/2023	03/31/2026	20,000.00	9128286L9	United States Treas Nts	20,865.91	20,000.00		(865.91)
xxxxx610	04/04/2023	03/31/2026	50,000.00	9128286L9	United States Treas Nts	49,667.31	50,000.00		332.69
xxxxx610	08/19/2024	03/31/2026	30,000.00	9128286L9	United States Treas Nts	29,466.78	30,000.00		533.22
xxxxx610	10/01/2009	05/05/2026	15.00	AAPL	Apple Inc Com	98.24	4,153.33		4,055.09
xxxxx610	06/04/2024	05/31/2026	55,000.00	91282CKS9	United States Treas Nts	54,586.66	55,000.00		413.34
xxxxx610	08/19/2024	05/31/2026	45,000.00	91282CKS9	United States Treas Nts	45,413.34	45,000.00		(413.34)
xxxxx610	03/29/2023	06/03/2026	20,000.00	91282CCP4	United States Treas Nts	21,738.77	19,904.69		(1,834.08)
xxxxx610	04/04/2023	06/03/2026	25,000.00	91282CCP4	United States Treas Nts	24,487.08	24,880.86		393.78
xxxxx610	08/02/2023	06/03/2026	15,000.00	91282CHM6	United States Treas Nts	14,857.99	15,013.48		155.49
xxxxx610	10/05/2023	06/03/2026	30,000.00	91282CJA0	United States Treas Nts	29,775.12	30,339.84		564.72
xxxxx610	01/04/2024	06/03/2026	60,000.00	91282CJP7	United States Treas Nts	60,070.45	60,203.91		133.46
xxxxx610	04/11/2024	06/03/2026	10,000.00	91282CKJ9	United States Treas Nts	9,977.11	10,052.34		75.23
xxxxx610	08/19/2024	06/03/2026	125,000.00	91282CLG4	United States Treas Nts	124,580.08	124,648.44		68.36
xxxxx610	08/19/2024	06/03/2026	55,000.00	91282CCP4	United States Treas Nts	53,259.89	54,737.89		1,478.00
xxxxx610	08/19/2024	06/03/2026	100,000.00	91282CHM6	United States Treas Nts	100,137.92	100,089.84		(48.08)
xxxxx610	08/07/2025	06/03/2026	10,000.00	91282CJA0	United States Treas Nts	10,238.07	10,113.28	(124.79)	
xxxxx610	09/24/2025	06/03/2026	35,000.00	91282CJA0	United States Treas Nts	35,904.08	35,396.49	(507.59)	
xxxxx610	04/01/2026	06/04/2026	10,000.00	91282CQA2	United States Treas Nts	9,914.68	9,851.17	(63.51)	
TOTAL GAINS								**0.00**	**8,365.06**
TOTAL LOSSES								**(695.89)**	**(3,323.09)**
TOTAL MANAGED ASSETS						**790,039.48**	**794,385.56**	**(695.89)**	**5,041.97**
TOTAL TAXABLE PORTFOLIO						**790,039.48**	**794,385.56**	**(695.89)**	**5,041.97**

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Portfolio Appraisal

AS OF JULY 31, 2026

Quantity	Symbol	Security	Adj Unit Cost ($)	Total Adj Cost ($)	Price ($)	Market Value ($)	Yield (%)	Income ($)	% Of Assets	% of Total Portfolio	Unrealized Gain/Loss ($)
MANAGED ASSETS											
CORE FIXED INCOME TAXABLE											
Government Agency Bonds											
85,000	91282CKJ9	United States Treas Nts 4.500% Due 4/15/2027	1.00	84,841	1.00	85,253	4.49	3,825	14.21	14.10	413
45,000	91282CCR0	United States Treas Nts 1.000% Due 7/31/2028	0.95	42,775	0.94	42,205	1.07	450	7.04	6.98	(570)
50,000	91282CJR3	United States Treas Nts 3.750% Due 12/31/2028	1.01	50,307	0.99	49,360	3.80	1,875	8.23	8.16	(948)
55,000	91282CJW2	United States Treas Nts 4.000% Due 1/31/2029	1.00	55,046	0.99	54,583	4.03	2,200	9.10	9.03	(463)
90,000	91282CQA2	United States Treas Nts 3.500% Due 2/15/2029	0.99	89,275	0.98	88,232	3.57	3,150	14.71	14.59	(1,043)
55,000	91282CKG5	United States Treas Nts 4.125% Due 3/31/2029	1.02	55,865	1.00	54,725	4.15	2,269	9.12	9.05	(1,140)
80,000	91282CKT7	United States Treas Nts 4.500% Due 5/31/2029	1.01	80,701	1.00	80,350	4.48	3,600	13.40	13.29	(351)
27,000	91282CPR6	United States Treas Nts 3.625% Due 12/31/2030	0.98	26,470	0.97	26,154	3.74	979	4.36	4.33	(316)
		Accrued Interest				4,210			0.70	0.70	
Treasury Notes											
95,000	91282CLQ2	United States Treas Nts 3.875% Due 10/15/2027	1.00	94,659	1.00	94,632	3.89	3,681	15.78	15.65	(26)
20,000	91282CBZ3	United States Treas Nts 1.250% Due 4/30/2028	0.96	19,125	0.95	18,995	1.32	250	3.17	3.14	(129)
		Accrued Interest				1,149			0.19	0.19	
TOTAL CORE FIXED INCOME TAXABLE				599,063		599,849	3.75	22,279	100.00	99.21	(4,573)
CASH & CASH EQUIVALENTS											
Money Market											
	TBSCNBM	Cnb Deposit Sweep (mgd)		4,768		4,768	3.32	158	100.00	0.79	0
TOTAL CASH & CASH EQUIVALENTS				4,768		4,768	3.32	158	100.00	0.79	0
TOTAL MANAGED ASSETS				**603,831**		**604,617**	**3.74**	**22,437**		**100.00**	**(4,573)**

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 RBC Rochdale 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.

ACCT# xxxxx610

Portfolio Appraisal

AS OF JULY 31, 2026

TOTAL PORTFOLIO		**603,831**		**604,617**	**3.74**	**22,437**		**100.00**	**(4,573)**

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 RBC Rochdale 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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Economic Outlook & Investment Strategy

Investment Strategy Committee Highlights

Economic Outlook

Iran / Energy: Negotiations are volatile, and the ceasefire has been declared over. However, oil prices are off their highs and markets have recovered from lows. Despite the recent breakdown, the focus has shifted from the closure of the Strait of Hormuz to gradual reopening, but the timeline to normalcy may be longer than initially expected.

Growth Outlook: The final reading of GDP growth in Q1 was 2.1%, up from the first two readings. Consumer expenditures were revised lower again, to 0.5%, initial reading of 1.6%. The driving force in Q1 was Fixed Investment. AI-related equipment and broad information processing equipment grew 70% and 40%, respectively.

Consumer Impact: Household spending remains a key driver of U.S. growth. While spending showed some slowing signs in Q1, recent lower gasoline prices may help improve the outlook, but spending is not the clean tailwind it was earlier in the cycle. Personal income is more vulnerable to higher inflation, given the recent slowdown in (still above average) wage growth. This paints a more cautious view of forward-looking spending power, with households having less room to absorb additional price shocks.

Inflation: Near-term inflation expectations are higher due to the conflict surrounding the Strait of Hormuz. AI spending is also driving prices higher as delivery times extend as long as two years. Producers early in the supply chain continue facing higher costs, which feed into higher consumer prices. The Federal Reserve may look through current levels as a supply shock, but prices may be stickier due to AI infrastructure development and electronics prices.

Labor: Job creation has surprised to the upside, with weaker months this year revised higher. The "no-hire, no-fire" environment persists as offsetting hiring starts to show. Unemployment remains stable with jobless claims starting to also stabilize. The breakeven rate of new jobs needed to stabilize unemployment has declined.

Fiscal Policy: U.S. fiscal stimulus has been stronger in 2026, bolstering consumer and corporate spending. However, impacts may fade as positive tailwinds of OB3 and increased tax receipts are offset by higher energy prices. Estimates of international spending have risen, a potential global growth tailwind.

Monetary Policy: We no longer forecast a rate cut this year, and look to early 2027 for the next cut, while policymakers are now split, with 9 FOMC members seeing at least one hike in 2026. The latest FOMC minutes point to policy dependent on the path of labor markets and inflation pressures.

Equities: U.S. equities are strongly off recent lows, while U.S. inflows increased on perception of market stability and liquidity. Earnings estimates remain historically strong, and profitability continues to keep price-to-earnings ratios anchored. But many measures of valuation still point to expensive markets despite high earnings.

Fixed Income: Real yields remain elevated versus the past decade. Inflation concerns have driven rates higher and spreads wider as expectations of a Fed easing cycle has collapsed. Credit conditions remain favorable, supported by strong balance sheets, and investor demand for income.

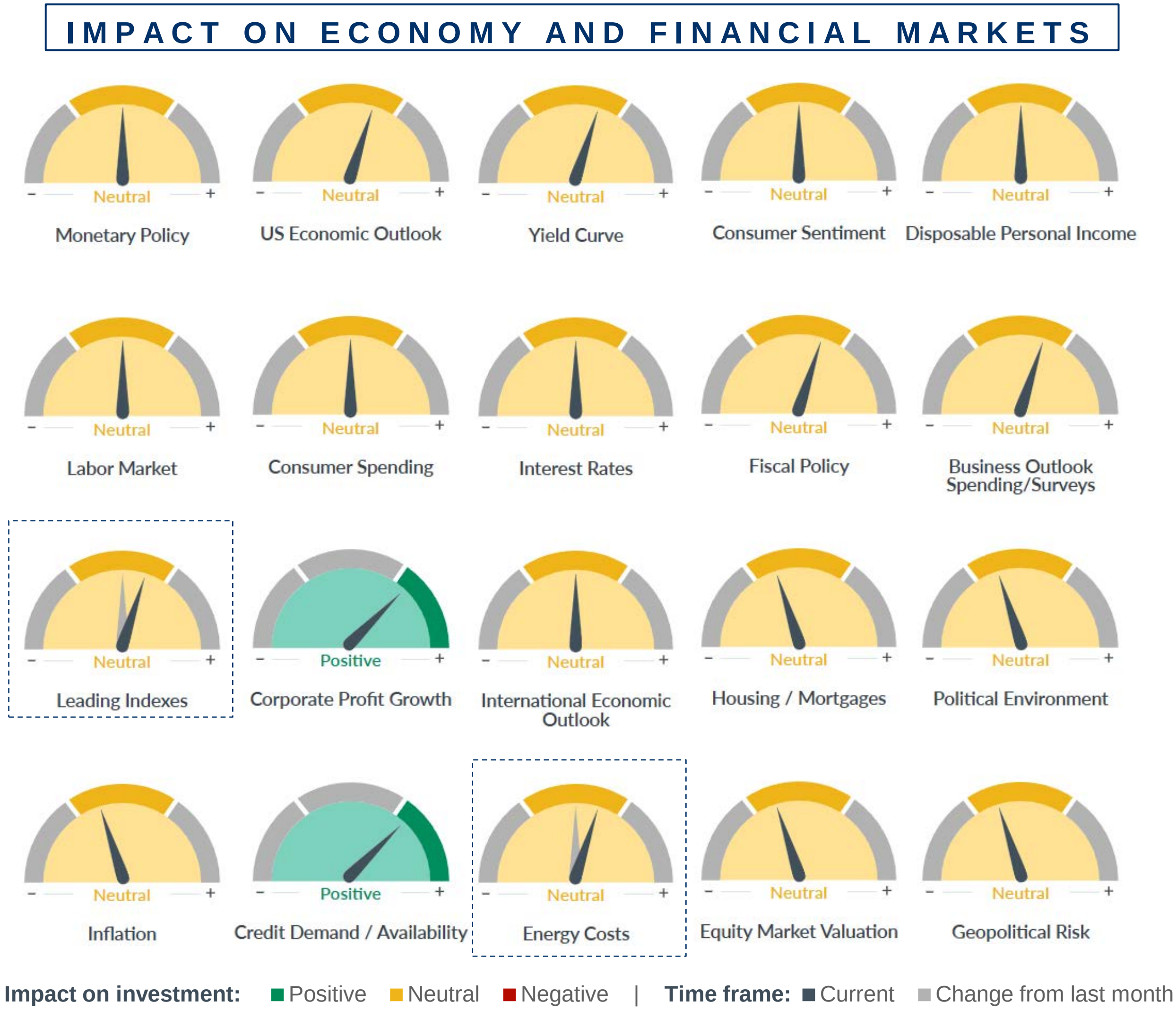
Bottom Line: Inflation is rising globally, while growth concerns are fading as economic data points to an environment powered by AI infrastructure investment. Even when a resolution is reached to open the Strait of Hormuz, inflation is likely to linger, which points to a market dependent on spending and earnings to drive growth.

Sources: Bloomberg, Rochdale Research, as of July 8, 2026. Diversification does not ensure a profit or protect against a loss in a declining market. Information is subject to change and is not a guarantee of future results.

Rochdale Speedometers℠ – July 2026

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

- Wage growth has slowed for consumers and is now trailing inflation, pressuring spending.
- Strong profit growth has translated into higher corporate investment, which partially offsets weaker consumer spending.
- The Federal Reserve's tone has shifted more hawkish and is heavily dependent on inflation's trajectory. If price pressures remain, the probability of a rate hike increases.
- The non-U.S. growth impact from the Strait of Hormuz closure has been more acute due to reliance on Middle East energy exports. Further Iran issues complicate the path for these economies, which could stunt growth for a longer period. But the paradigm shift to higher defense and infrastructure spending is structural and will be difficult to derail.
- Earnings remain extremely strong as 2026 consensus estimates have grown to 25%.



Source: Bloomberg and proprietary opinions based on Rochdale Research, as of July 8, 2026. Information is subject to change and is not a guarantee of future results.

Economic Forecast

- The final reading of Q1 GDP growth was stronger than expected. Despite strong business investment in AI infrastructure, growth in Q2 may slow if consumer spending trends deteriorate further.
- Corporate profits and margins continue to be revised higher on a quarterly and full-year basis. We are similar patterns for 2027 and 2028.
- A rate *cut* is now off the table as 9 of the 18 FOMC members expect at least one rate *hike*. The Fed's decision has become more complicated in the face of rising inflation, and extended closure of the Strait of Hormuz.
- Rates have moved higher in response to the war in Iran, with investors demanding a larger term premium across all maturities.

RBC Rochdale Forecasts		2025	2026 Rochdale (est.)	2026 Consensus (est.)
Real Annual GDP Growth		2.10%	2.00% - 2.50%	2.10%
Corporate Profit Growth		12.25%	18.00% - 22.00%	24.51%
Headline CPI Year End		2.70%	2.75% - 3.25%	3.40%
Interest Rates	Federal Funds Rate	3.80%	3.50% - 3.75%	3.74%
Interest Rates	Treasury Note, 10-Yr.	4.06%	4.00% - 4.50%	4.38%

*Corporate profit growth (full year 2026) is a blended estimate of actual earnings from companies that have reported and the Bloomberg consensus estimate for those that have not reported, producing a combined blended estimate. Sources: Bloomberg, proprietary opinions based on Rochdale Research, as of July 8, 2026. Information is subject to change and is not a guarantee of future results.

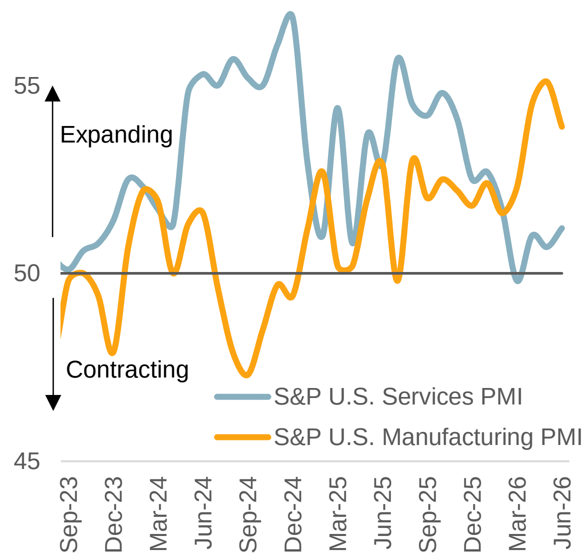
Manufacturing Activity: Orders & Surveys show Momentum

- Capital expenditure (capex) proxies and alternative measures point to continued business momentum.
- Consumer spending was revised down in Q1, with business investment offsetting, driving the overall increase in GDP.

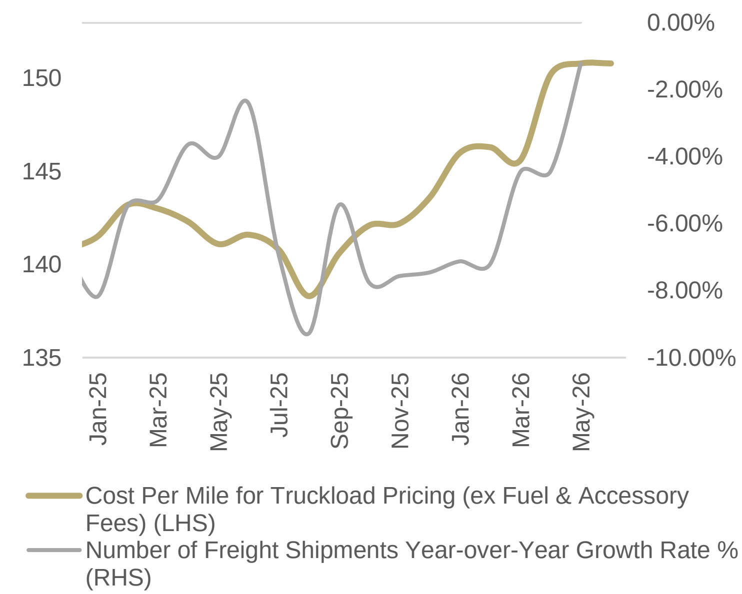
+1.4% Capital Goods Orders MoM% (Ex-aircraft)	+13.0% Computer & Electronic Products	1.6% → 2.1% 2nd Final Q1 GDP	1.4% → 0.5% 2nd Final Q1 Consumer Spending

Capital Goods New Orders Nondefense Ex-Aircraft

S&P PMI Business Activity (Diffusion indices at 50)



Trucking Insights: Prices & Shipments



Source: Bloomberg, U.S. Census Bureau, S&P Global, Cass Information Systems, RBC Rochdale. Cost Per Mile Truck Load Pricing is the Cass Truckload Linehaul Index, Freight Shipment volumes are measured by the Cass Freight Index – Shipments Index. As of June 30, 2026. Information is subject to change and is not a guarantee of future results.

Stocks from Here: Headwinds vs. Tailwinds

Why stocks have been resilient: Corporate profits have stayed strong, AI-related demand is supporting the market and investors are looking through higher inflation and interest rates.

Tailwinds| What Could Go Right

1. **Oil Prices Fall and Inflation Cools**
Lower energy prices would ease inflation pressure and could help calm the rise in bond yields.

2. **AI Supercharges Productivity**
If companies begin getting real efficiency gains from AI, costs could come down without hurting growth.

3. **Profit Growth Stays Strong**
If big technology and AI-related companies keep delivering, the market can remain supported, and gains could spread more broadly.

Upside Risk: Lower inflation and steady AI-driven demand.

Headwinds| Key Risks

1. **Higher Interest Rates Pressure Stocks**
If long-term rates keep moving up, higher borrowing costs and richer valuations could weigh on the market.

2. **Consumers Weaken**
Soft wage growth, weak confidence, and rising delinquencies could cause households to pull back on spending.

3. **AI Spending Slows**
If demand cools or funding becomes harder, the market could lose one of its biggest growth drivers.

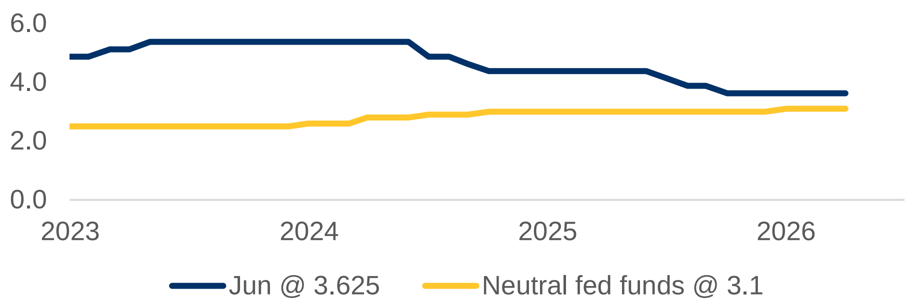
Downside Risk: Higher rates first, then weaker consumers and slower AI spending.

Source: RBC Rochdale. As of July 8, 2026. Information is subject to change and is not a guarantee of future results.

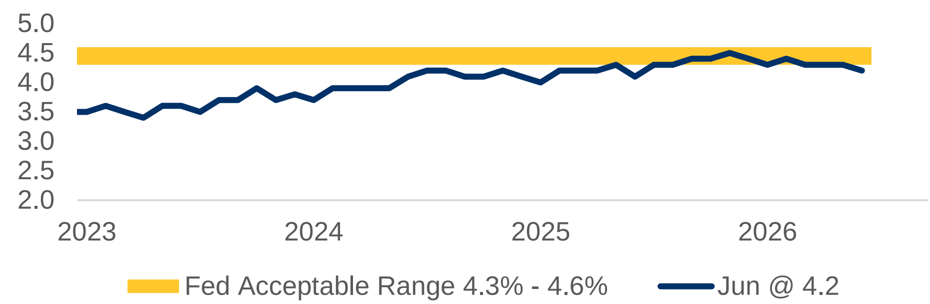
Economy Growth Remains Robust

- Since December, the Fed has paused further rate cuts, following more than a year of rate reductions.
- The current concern for the Fed is that inflation is moving up, and labor demand has rebounded.
- We believe Fed policy is on hold until it can assess the persistence of higher inflation.

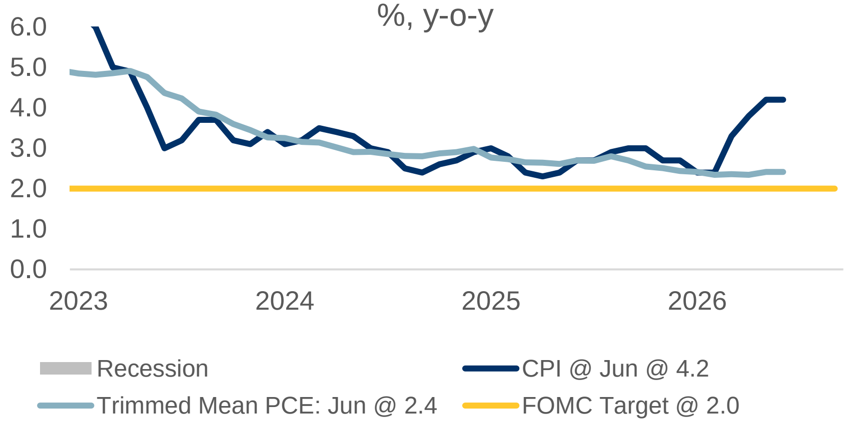
Federal Funds Rate
%, median rate



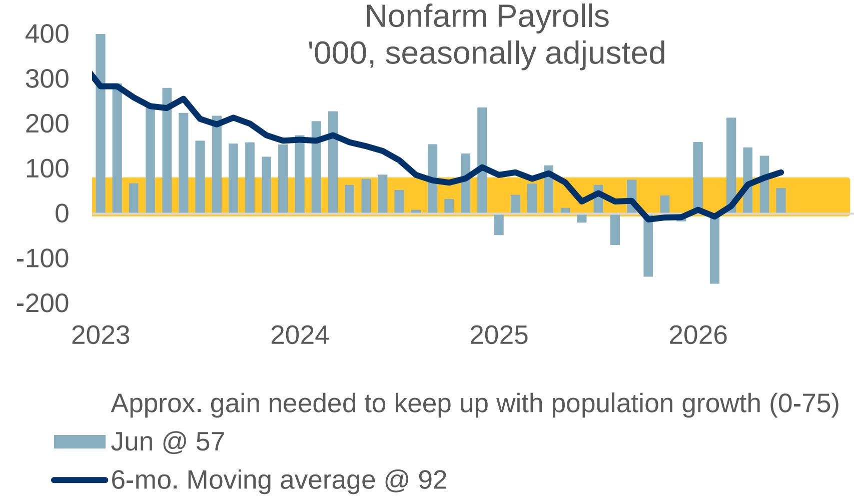
Unemployment Rate
%, seasonally adjusted



Inflation
%, y-o-y



Nonfarm Payrolls
'000, seasonally adjusted

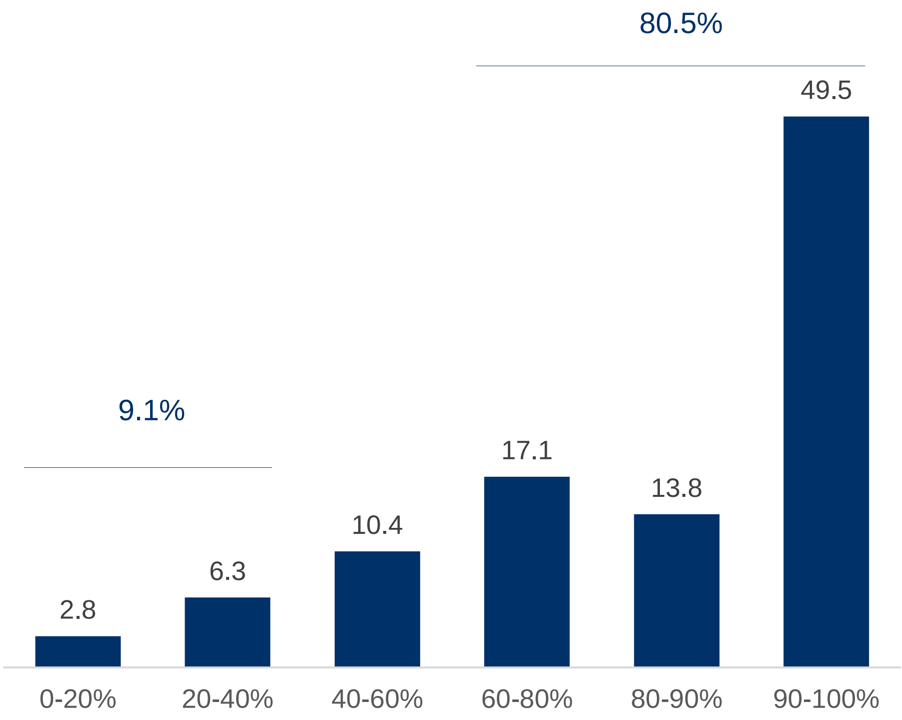


Sources: Federal Reserve, Bureau of Labor Statistics, Federal Reserve Bank of Dallas. As of July 2026. Information is subject to change and is not a guarantee of future results.

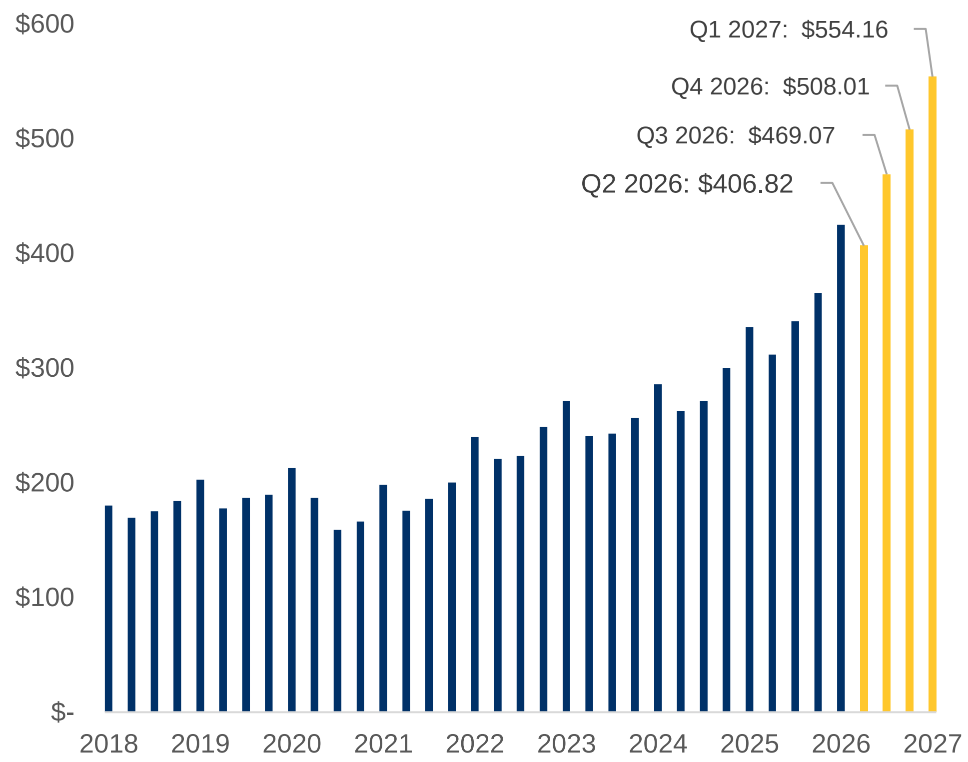
Economy Driven by Consumer Spending and Business Expansion

- Growth in consumer spending has remained strong due to wealth gains. This is especially true with those at the higher end of the income spectrum.
- Corporations are ramping up spending, preparing for a stronger economy.

Share of Spending by Income Group
% of total



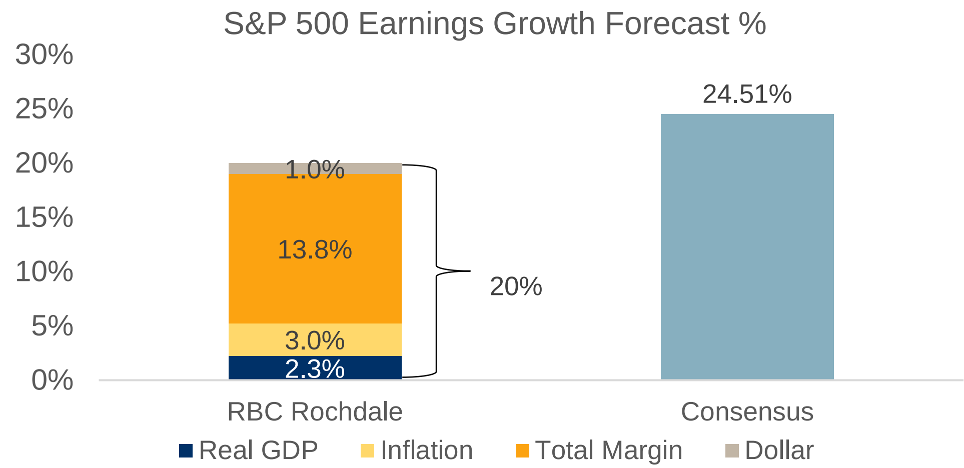
S&P 500: Business Spending (Capex)
$, Billions, not seasonally adjusted



Sources: Chart 1: Federal Reserve Board, Bureau of Economic Analysis, U.S. Census, Moody's Analytics, as of December 2024.
Chart 2: Bloomberg, as of May 31, 2026. Forecast is the Bloomberg consensus estimate for business spending in Q2 2026.
Information is subject to change and is not a guarantee of future results.

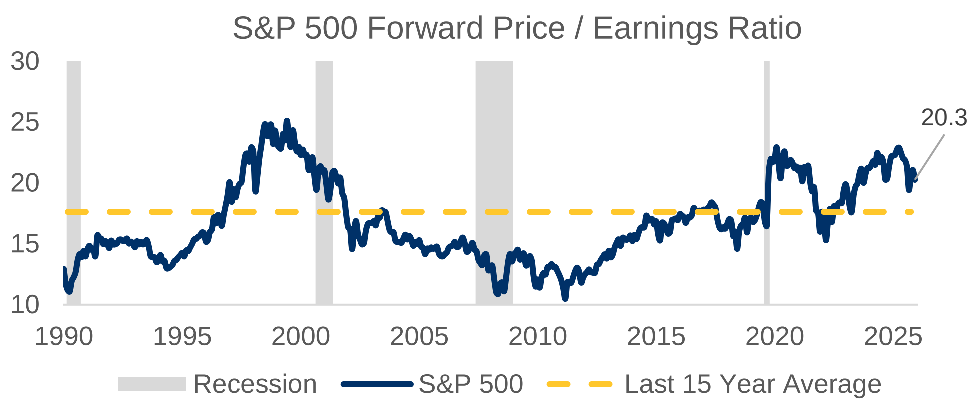
U.S. Valuations & Earnings

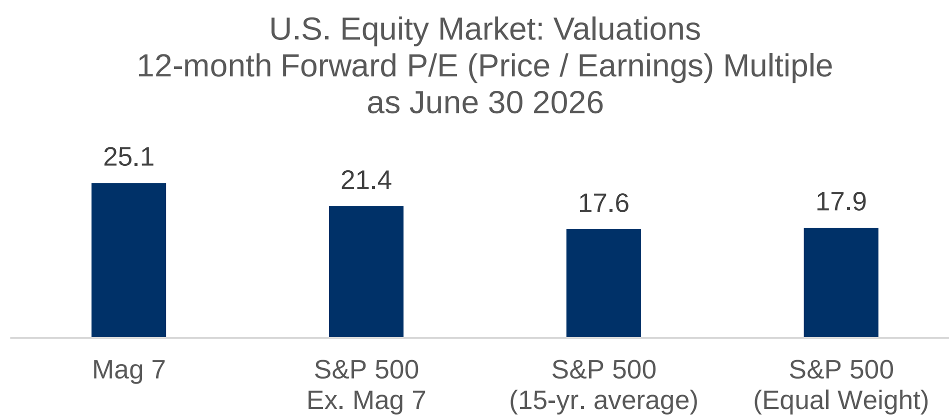
- Focusing on company fundamentals remains key as recent earnings remain strong and support elevated valuations.
- The conflict in Iran along with AI and related software developments has lowered market multiples, but strong earnings have eroded the drawdown seen earlier in the year, with markets continuing to reach new all-time highs.
- Non-tech sectors of the market appear reasonable, but valuations remain above long-term averages.



Q1 2026 S&P 500 Earnings Per Share (EPS)

	Beating Estimates	Growth Rate At Start of Season	Growth Rate Current
S&P 500	**83.5%**	**12.35%**	**29.59%**
ex-Energy	398	12.6%	30.73%
ex-Technology	348	3.5%	21.66%
ex-Financial	355	11.4%	31.26%
ex-Magnificent 7	416	10.3%	18.5%

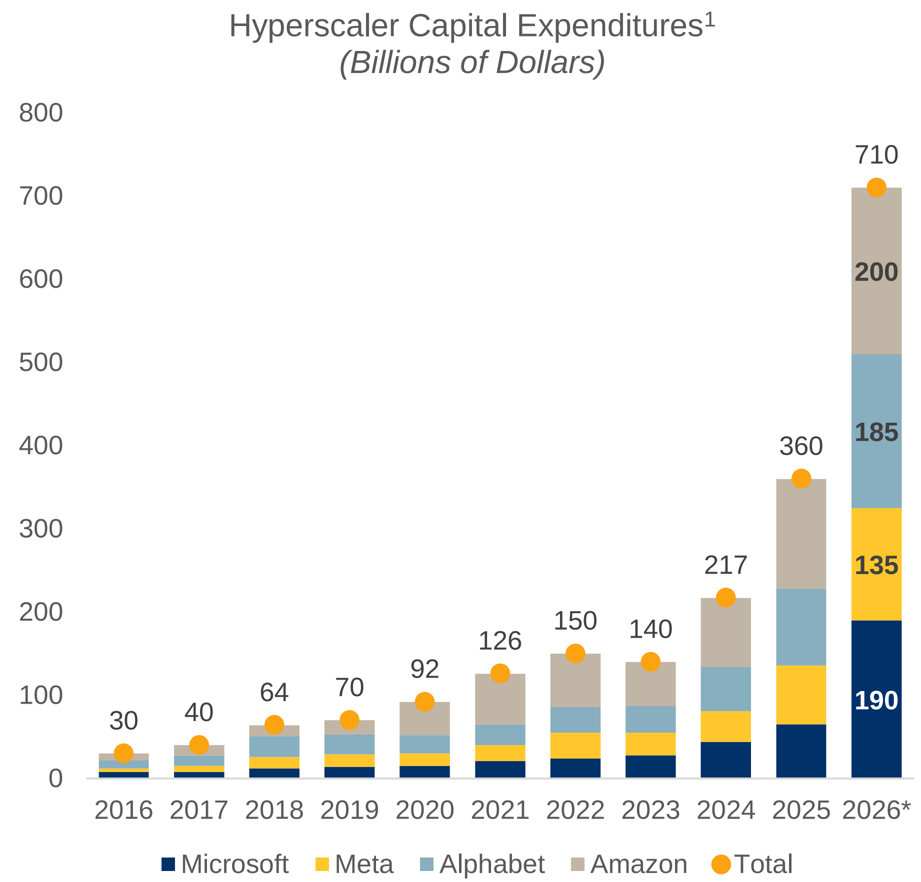


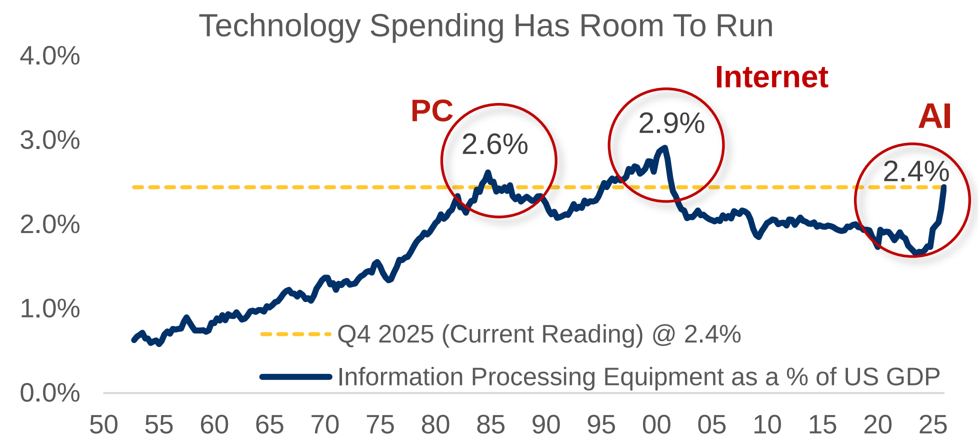


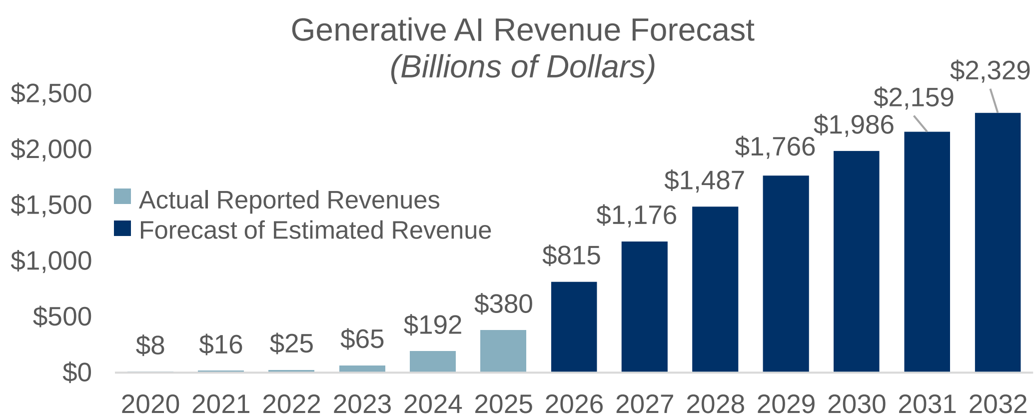
Sources: Bloomberg, RBC Rochdale Research, as of July 8, 2026. Top left chart Consensus is the Bloomberg consensus estimate. Indexes are unmanaged, and one cannot invest directly in an index. Information is subject to change and is not a guarantee of future results.

Artificial Intelligence: More Intelligence, More Spending

- The cycle continues and is still in early innings: 2026 estimates are for $700Bn+ for the four hyperscalers[1].
- Roughly only 19% of businesses in the U.S. have adopted AI, leaving a long runway for further adoption and growth.
- The pace of investment is faster than other periods of technology advancements but still lags peak GDP contribution.





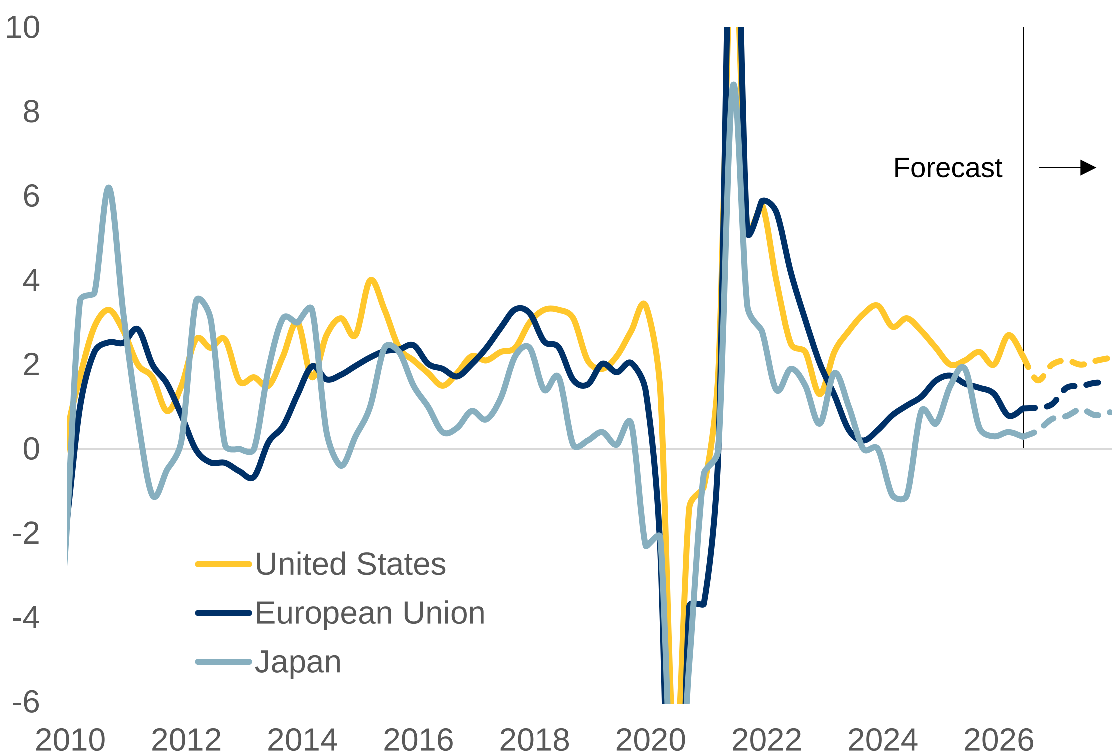


Sources: Management commentary from company earnings calls from first quarter 2026, Bloomberg, Bloomberg Economics, Bureau of Labor Statistics, U.S. Census Bureau, RBC Rochdale Research, as of July 8, 2026. Generative AI revenue forecast is the Bloomberg Intelligence forecast based on data from IDC, eMarketer, Statista. [1]Hyperscaler companies include Amazon, Google, Meta and Microsoft. *2026 Hyperscaler capital expenditure is the midpoint guidance from company management. Information is subject to change and is not a guarantee of future results.

Growth Accelerating in Global Markets

- Foreign governments are increasing spending, raising borrowing capacity and emphasizing defense and infrastructure.
- The capacity for even further fiscal and monetary stimulus is greater globally due to lower rates and smaller debt loads.
- Energy driven inflation disruptions to growth are not likely to derail the fundamental and structural drivers of the long-term outlook, although they may delay them.

Consensus Real GDP Growth Quarterly (YoY)



Top 5 Reasons for a Long-Term U.S.- Global Paradigm Shift

Rebalancing of Global Capital Flows
U.S. share in global markets at 1970s peak

Valuation Advantages and Mean Reversion
International valuation remains attractive

Structural Policy Tailwinds Outside the U.S.
Fiscal & monetary flexibility is greater in non-U.S. markets

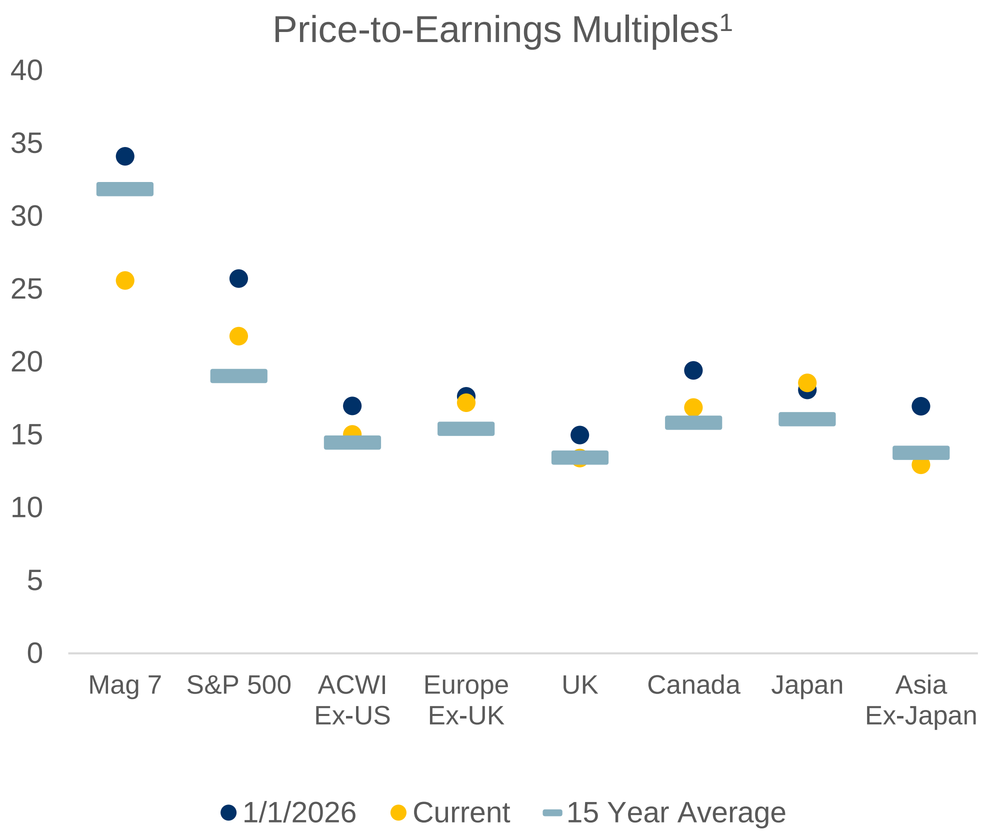
Sectoral and Structural Diversification
U.S. market remains dominated by mega-cap technology and infrastructure companies

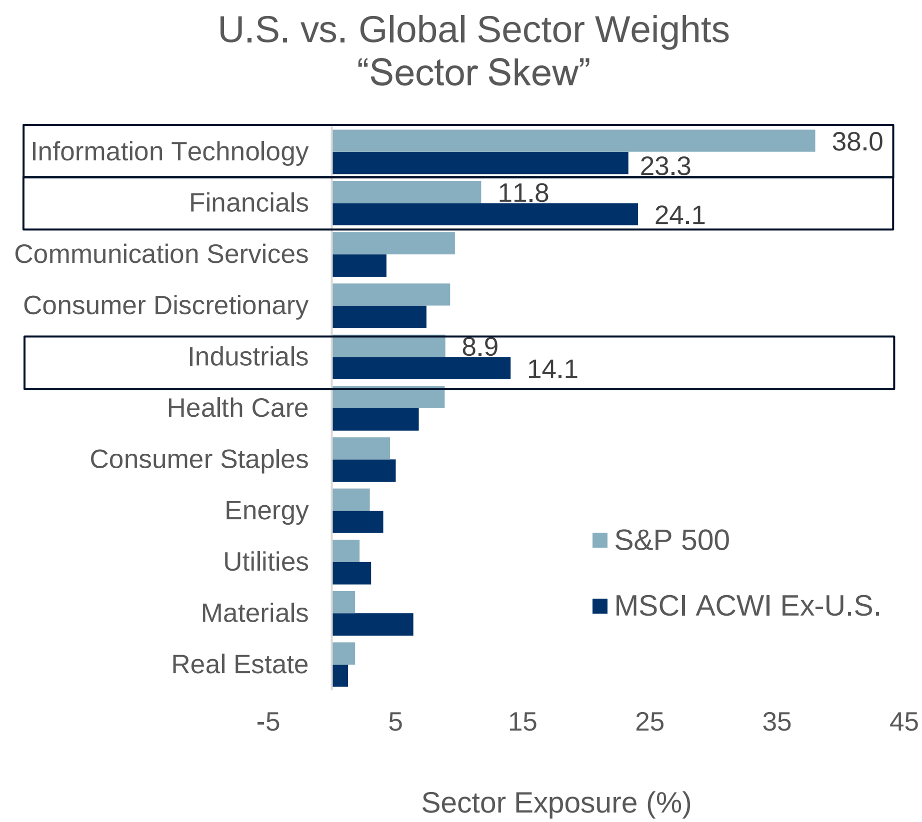
U.S. Dollar Threat and New Trade Relationships
Structural trade deficits, declining real yield advantage, deliberate central bank diversification

Sources: Bloomberg, International Monetary Fund (IMF), Eurostat, U.S. Treasury, RBC Rochdale Research, as of July 8, 2026.
Information is subject to change and is not a guarantee of future results.

International Markets

- Global market valuations are near long-term averages, despite outperformance this year versus the U.S. recently.
- U.S. markets are dominated by higher-multiple sectors, as international markets lean toward lower multiple sectors.





Source: Bloomberg as of July 8, 2026. 1Price-to-Earnings multiples shown in U.S. dollar terms. For left chart "Price-to-Earnings," all countries are their respective MSCI Indices (in USD) excluding the Mag 7, which is the Bloomberg Mag7 Index, and the S&P 500, which is the S&P 500. "Sector Skew" is the different weights of each sector within the S&P 500 and the MSCI ACWI Ex-U.S. indices relative to one another. Information is subject to change and is not a guarantee of future results.

Where Do Rates Go From Here?

- A tug-of-war between an energy/inflation shock and slower-growth relief with the Fed likely patient until shock clears.
- Officials have noted the current debt level is sustainable, but the *fiscal path* is concerning and needs to be addressed.
- **Base case**: Fed on hold, 10-year Treasury range-bound around 4.00% – 4.50%; resolution in Hormuz is the main downside catalyst for yields.

U.S. Treasury 10-Year Yield (%)

Three Paths to Watch

Drivers are not symmetric: Oil keeps the Fed cautious, but growth weakness can pull the long end lower.

HIGHER
Supply shock lasts

- Hormuz disruption persists; crude stays elevated
- Inflation expectations rise; Fed pushes back on cuts
- Treasury supply / fiscal premium stays in focus

Current
Shock fades, growth holds

- Yields have risen across the curve, driven by conflict in Iran and surging oil prices
- Front-end and "belly" yields have repriced as the Fed becomes less dovish on inflation

LOWER
Demand weakens

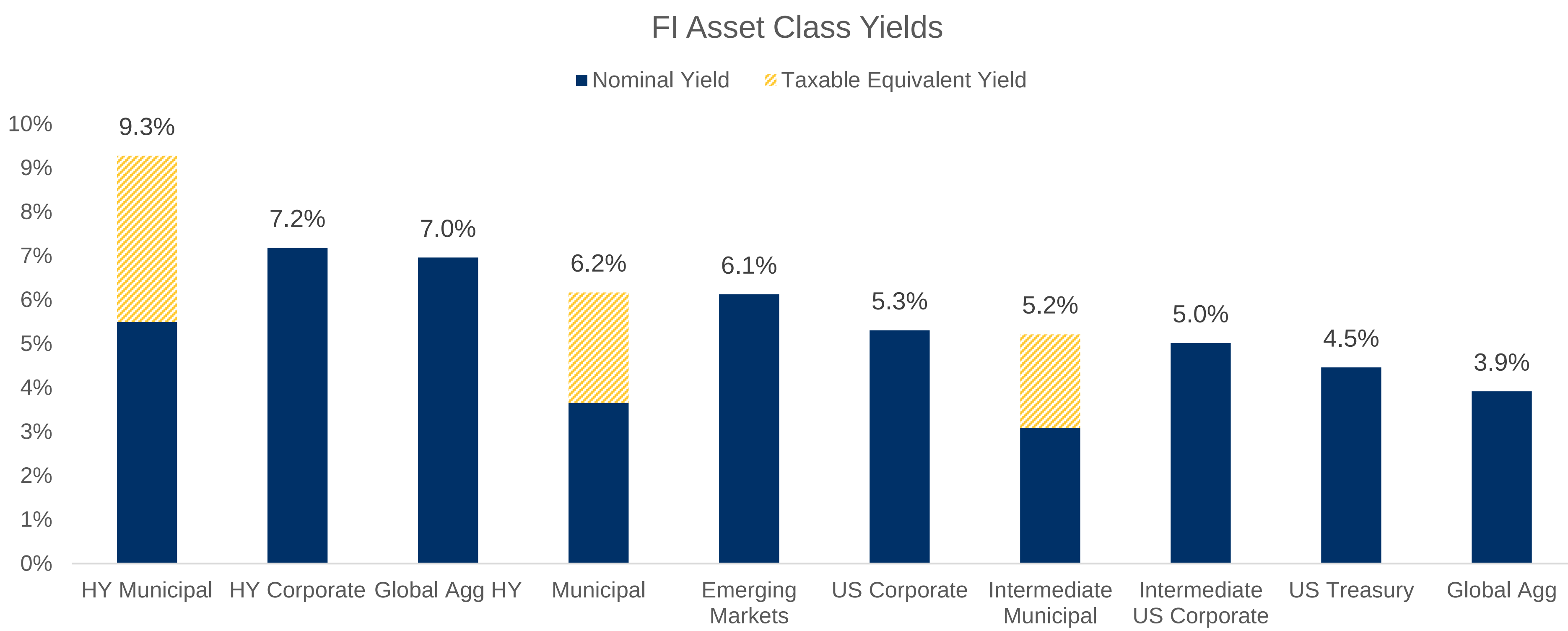
- Substantive resolution of disagreement with Iran in Hormuz
- Inflation pressures from spike in energy prices subside and inflationary AI impacts are short-term
- Economic growth stabilizes on continued corporate investment, and consumer spending stays at current levels

Bottom line: Rates likely stay elevated until energy risk clears, but a durable growth scare would shift the debate from "higher for longer" to "cuts can resume."

Source: Federal Reserve, Energy Information Administration, Bloomberg, RBC Rochdale. Data as of July 8, 2026. Information is subject to change and is not a guarantee of future results.

Fixed Income Yields Offer Attractive Entry Point

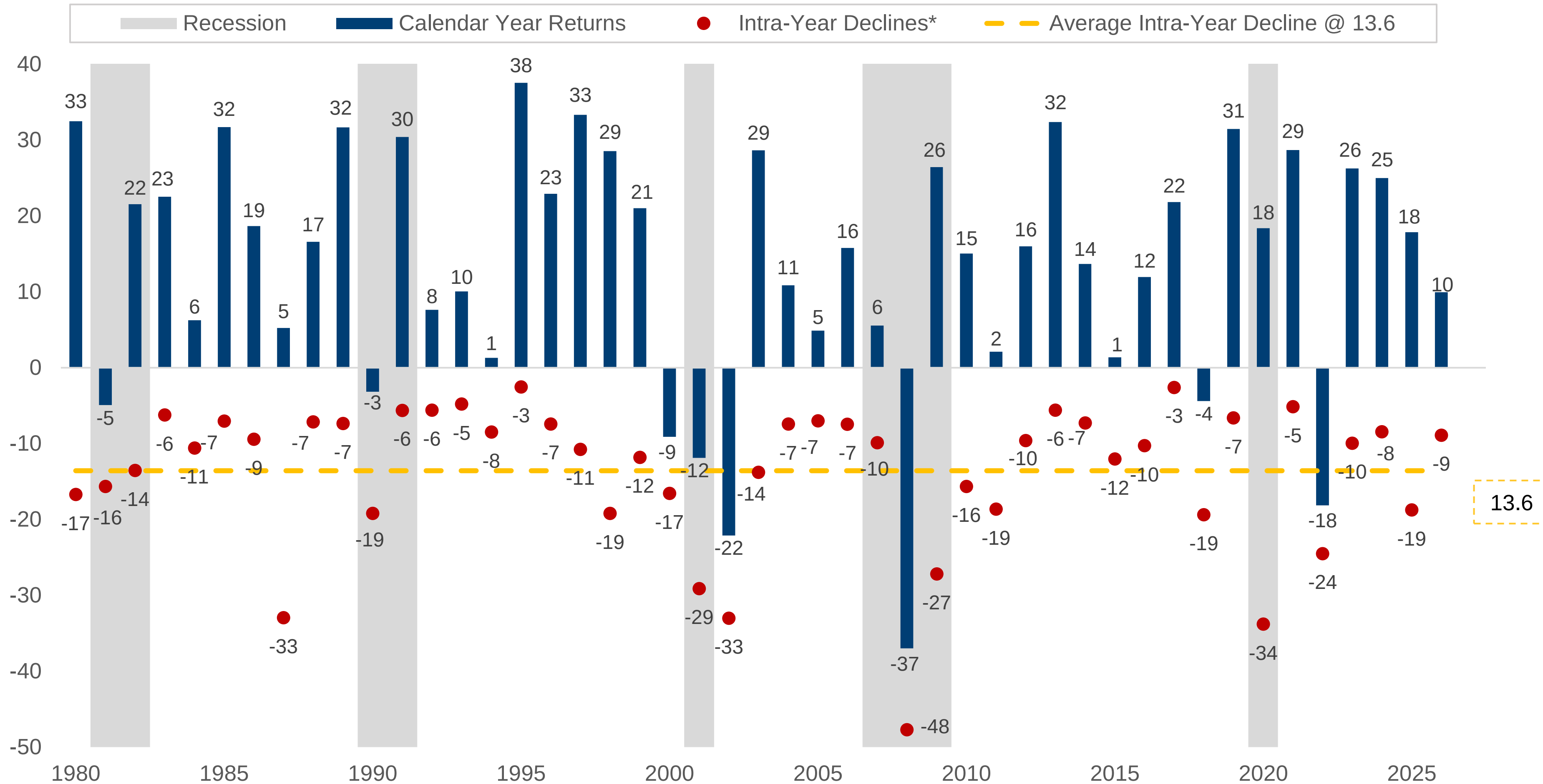
- Bond yields are generally higher than the long-term average and inflation.
- They provide income with relative price stability.
- Concerns about credit risk are relatively low, indicating a positive view of the economy among bond investors.



Source: Bloomberg as of July 8, 2026. HY Municipal is the Bloomberg Municipal Bond: High Yield Index. HY Corporate is the Bloomberg U.S. Corporate High Yield Index USD. Global Agg HY is the Bloomberg Global High Yield Index. Municipal is the Bloomberg Municipal Bond Index. Emerging Markets is the Bloomberg EM USD Aggregate Index. Intermediate Municipal is the Bloomberg Municipal Bond Inter-Short 1-10Y TR Index. U.S. Corporate is the Bloomberg US Corporate Index. Intermediate U.S. Corporate is the Bloomberg Intermediate Corporate Index. U.S. Treasury is the Bloomberg U.S. Treasury Index. Global Agg is the Bloomberg Global-Aggregate Index.
*Tax Equivalent Yield – Yellow bar represents yield adjustment. Assumes 37% Federal Tax and 3.8% Medicare surcharge Information is subject to change and is not a guarantee of future results.

Short-Term Volatility Is Normal

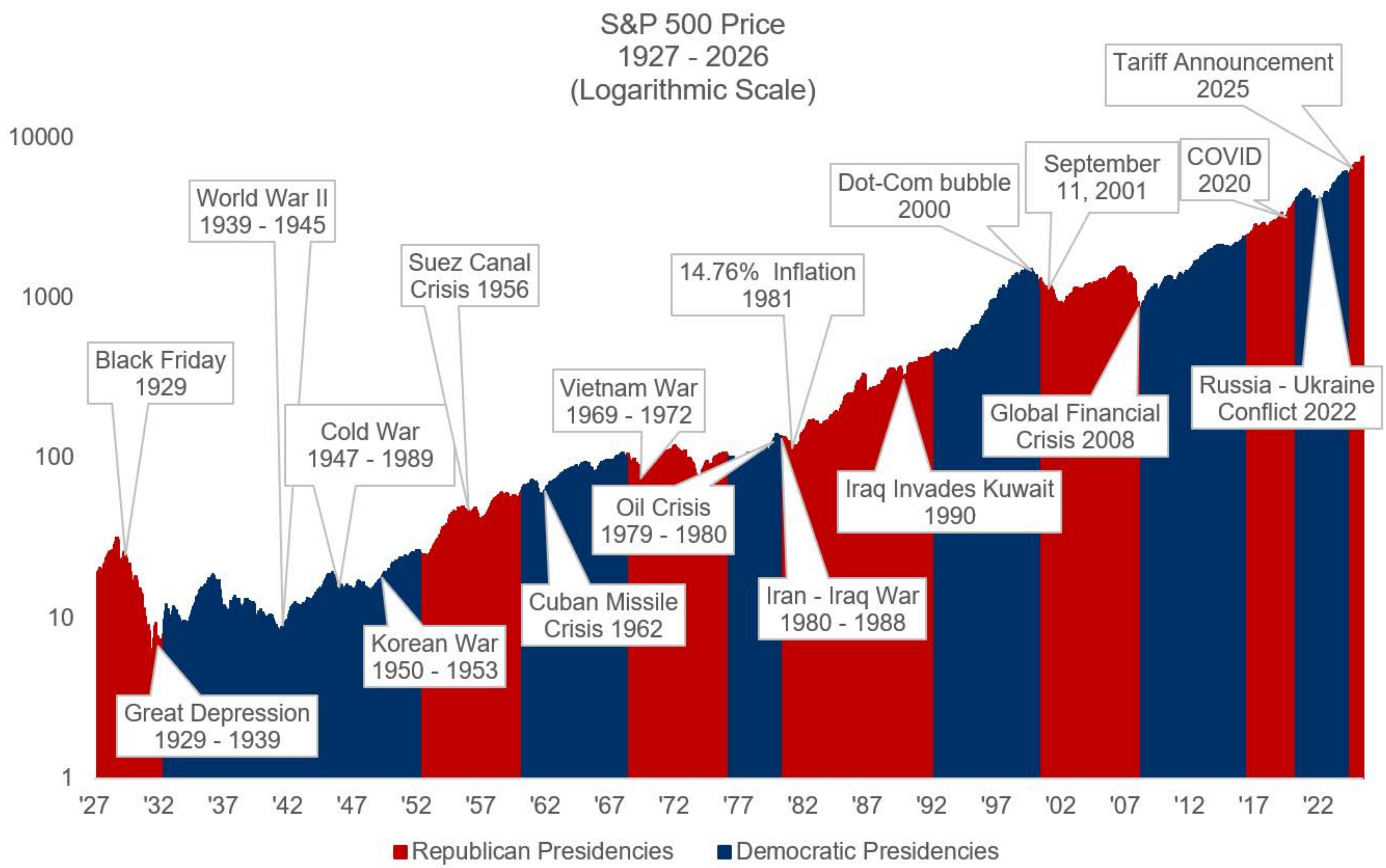
Corrections are a normal part of market movements. Since 1980, the S&P 500 has ended the year above its intra-year low. Volatility should always be expected.



Sources: Bloomberg, RBC Rochdale Research, as of July 8, 2026.
*Intra-year declines are the largest declines within the calendar year.
Indexes 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.

Global Events Taken in Stride

Markets typically experience elevated volatility immediately following geopolitical events, but long-term impacts are typically muted, with markets taking them in stride over the long term.

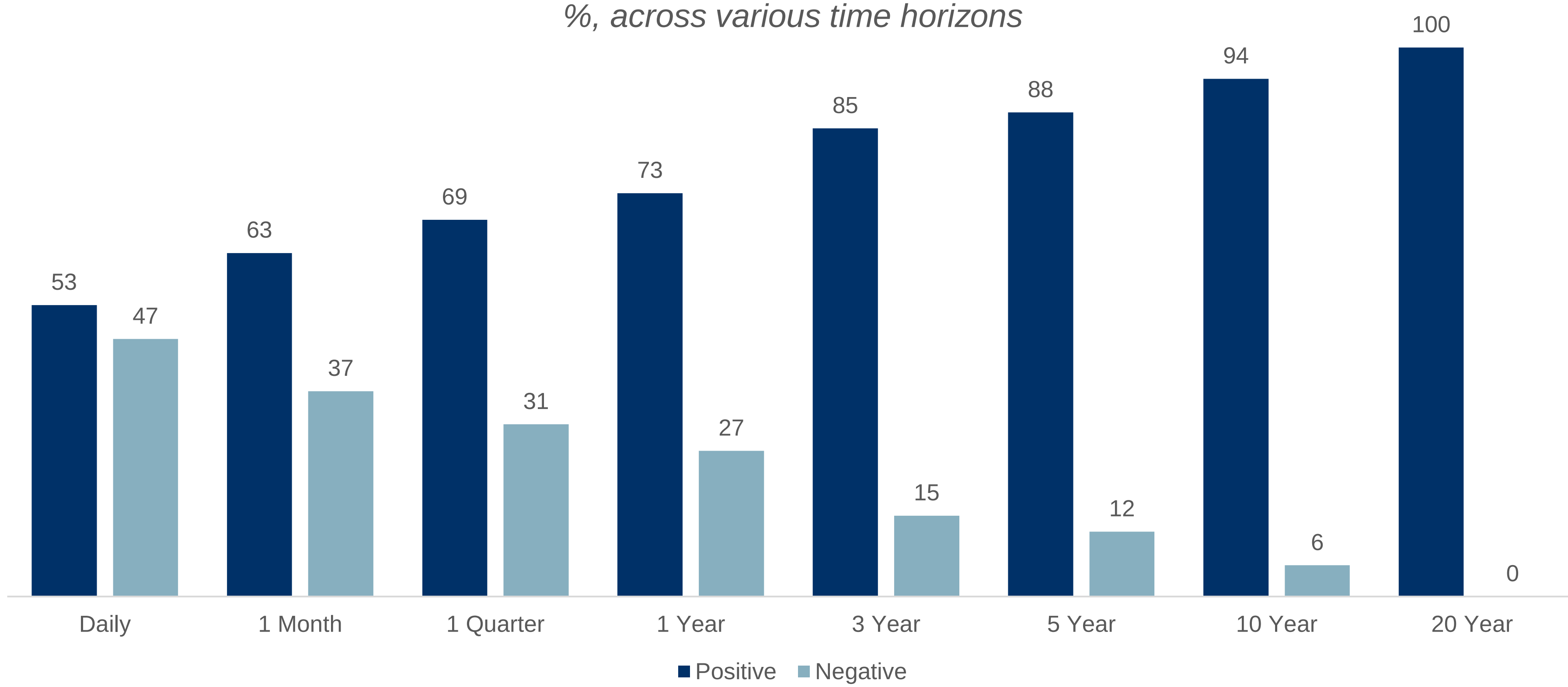


Sources: Bloomberg and RBC Rochdale, as of May 31, 2026. Past performance is no guarantee of future results.

Volatility ≠ Risk of Loss Given Appropriate Time Horizon

- While stocks' prices are volatile in the shorter term, the risk of loss has been low over longtime horizons.
- Focusing on the longer-term rather than short-term volatility can increase the probability of success.

History of Positive and Negative Stock Performance
%, across various time horizons



Sources: FactSet, RBC Rochdale Research. Data reflects S&P 500 performance January 1928-December 2025.
Daily returns were calculated for the periods shown above, with the number of positive and negative days counted. The number of positive and negative days, respectively, was then divided by the total number of days to calculate the percentages.
Past performance is no guarantee of future results.

Asset Class Performance Over Time

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
BEST	Small Cap Stocks 21.28%	Emerging Market Stocks 37.81%	Treasury Bills 1.86%	US Stocks 31.48%	US Convertibles 46.22%	REITs 41.30%	Treasury Bills 1.50%	US Stocks 26.26%	US Stocks 25.00%	Emerging Market Stocks 34.33%	Emerging Market Stocks 24.00%
	High Yield 17.13%	Foreign Stocks 24.99%	US Gov't Bonds 0.88%	REITs 28.66%	Small Cap Stocks 19.93%	US Stocks 28.68%	High Yield -11.19%	Foreign Stocks 18.75%	Small Cap Stocks 11.52%	Foreign Stocks 32.68%	Small Cap Stocks 22.69%
	US Stocks 11.95%	US Stocks 21.82%	US Convertibles 0.15%	Small Cap Stocks 25.49%	Emerging Market Stocks 18.81%	Small Cap Stocks 14.78%	US Gov't Bonds -12.32%	Small Cap Stocks 16.88%	US Convertibles 11.14%	US Convertibles 17.98%	US Convertibles 21.12%
	Emerging Market Stocks 11.77%	Small Cap Stocks 14.63%	US Aggregate Bonds 0.01%	Foreign Stocks 23.33%	US Stocks 18.39%	Foreign Stocks 13.33%	US Aggregate Bonds -13.01%	High Yield 13.45%	High Yield 8.19%	US Stocks 17.86%	REITs 14.90%
	US Convertibles 10.43%	US Convertibles 13.70%	Global Aggregate -1.20%	US Convertibles 23.15%	Global Aggregate 9.20%	US Convertibles 6.34%	Foreign Stocks -13.70%	US Convertibles 12.87%	Emerging Market Stocks 8.01%	Small Cap Stocks 12.79%	US Stocks 10.19%
	REITs 8.63%	REITs 8.67%	High Yield -2.08%	Emerging Market Stocks 18.85%	Foreign Stocks 8.22%	High Yield 5.28%	Global Aggregate -16.25%	REITs 11.36%	Treasury Bills 5.45%	High Yield 8.62%	Foreign Stocks 9.63%
	Foreign Stocks 3.43%	High Yield 7.50%	REITs -4.04%	High Yield 14.32%	US Gov't Bonds 7.94%	Treasury Bills 0.05%	US Stocks -18.12%	Emerging Market Stocks 10.23%	Foreign Stocks 5.37%	Global Aggregate 8.17%	High Yield 1.96%
	US Aggregate Bonds 2.65%	Global Aggregate 7.39%	US Stocks -4.39%	US Aggregate Bonds 8.72%	US Aggregate Bonds 7.51%	US Aggregate Bonds -1.54%	US Convertibles -18.71%	Global Aggregate 5.72%	REITs 4.92%	US Aggregate Bonds 7.30%	Treasury Bills 1.87%
	Global Aggregate 2.09%	US Aggregate Bonds 3.54%	Small Cap Stocks -11.03%	Global Aggregate 6.84%	High Yield 7.11%	US Gov't Bonds -2.28%	Emerging Market Stocks -19.79%	US Aggregate Bonds 5.53%	US Aggregate Bonds 1.25%	US Gov't Bonds 6.31%	US Aggregate Bonds 0.62%
	US Gov't Bonds 1.05%	US Gov't Bonds 2.30%	Foreign Stocks -13.52%	US Gov't Bonds 6.83%	Treasury Bills 0.58%	Emerging Market Stocks -2.30%	Small Cap Stocks -20.46%	Treasury Bills 5.26%	US Gov't Bonds 0.62%	Treasury Bills 4.40%	US Gov't Bonds 0.28%
WORST	Treasury Bills 0.27%	Treasury Bills 0.84%	Emerging Market Stocks -14.24%	Treasury Bills 2.25%	REITs -5.12%	Global Aggregate -4.71%	REITs -24.95%	US Gov't Bonds 4.09%	Global Aggregate -1.69%	REITs 2.27%	Global Aggregate -0.21%

Sources: Bloomberg, RBC Rochdale Research, as of June 30, 2026. For index descriptions, please see page 21. Information is subject to change and is not a guarantee of future results. Past performance is no guarantee of future results.

Appendix

Your Portfolio Management Team

Poul-Erik Olsen, CFA, CPWA®
Northwest Divisional Managing Director, Senior Portfolio Manager
(415) 576-3939
PoulErik.Olsen@cnr.com

Poul-Erik joined RBC 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®
Director, Senior Portfolio Manager
(415) 576-3941
Robert.Meckstroth@cnr.com

Robert joined RBC 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
(415) 576-3934
Andrew.Austin@cnr.com

Andrew joined RBC 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.

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Shaggie Ocampo
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Vanly Soumnavong
Senior Client Care Coordinator
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CNR_PM_SFAdmin@cnr.com

Glory Natnat
Client Care Coordinator
(415) 576-3932
CNR_PM_SanFranciscoAdmin@cnr.com

Portfolio Managers
- Partner with you to develop your customized portfolio
- Direct implementation of your strategy & monitor portfolio outcomes
- Conduct portfolio review meetings

Associate Portfolio Managers
- Manage trading, allocation changes, and portfolio rebalancing

Portfolio Assistants
- Handle operational, tax, and cash disbursement requests
- Prepare Investment Policy Statements and other documents needed to implement investment strategy

Client Care Coordinators
- 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 n 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 RBC 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.

Index Definitions

For a complete list of index definitions please visit:

https://go.rbcrochdale.com/l/82322/2022-07-14/63pm8c/82322/1765812483sg3ncgYy/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 rbcrochdale.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

The information presented does not involve the rendering of personalized investment, financial, legal, or tax advice. This presentation is not an offer to buy or sell, or a solicitation of any offer to buy or sell any of the securities mentioned herein.

Certain statements contained herein may constitute projections, forecasts and other forward looking statements, which do not reflect actual results and are based primarily upon a hypothetical set of assumptions applied to certain historical financial information. Certain information has been provided by third-party sources and, although believed to be reliable, it has not been independently verified and its accuracy or completeness cannot be guaranteed.

Any opinions, projections, forecasts, and forward-looking statements presented herein are valid as on the date of this document and are subject to change.

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

<u>Fixed Income Investing Risks:</u> There are inherent risks with fixed income investing. These risks may include interest rate, call, credit, market, inflation, government policy, liquidity, or junk bond. When interest rates rise, bond prices fall. Investments in below-investment-grade debt securities and unrated securities of similar credit quality, commonly known as "junk bonds" or "high-yield securities," may be subject to increased interest, credit, and liquidity risks. Floating rate loan securities generally trade in the secondary market and may have irregular trading activity, wide bid/ask spreads and extended trade settlement periods. The value of collateral, if any, securing a floating rate loan can decline, may be insufficient to meet the issuer's obligations in the event of non-payment of scheduled interest or principal or may be difficult to readily liquidate. Bank loans do not typically trade on an organized exchange making them relatively illiquid and difficult to value. Consequently, the fund manager may have difficulty liquidating a position at a favorable price. The yields and market values of municipal securities may be more affected by changes in tax rates and policies than similar income-bearing taxable securities. Certain investors' incomes may be subject to the Federal Alternative Minimum Tax (AMT) and taxable gains are also possible. Investments in the municipal securities of a particular state or territory may be subject to the risk that changes in the economic conditions of that state or territory will negatively impact performance. Investments in emerging markets bonds may be substantially more volatile, and substantially less liquid, than the bonds of governments, government agencies, and government-owned corporations located in more developed foreign markets. Frontier market countries generally have smaller economies and even less developed capital markets than traditional emerging markets, and, as a result, the risks are magnified in frontier market countries. Restricted and illiquid securities may fall in price because of an inability to sell the securities when desired. Investing in restricted securities may subject the portfolio to higher costs and liquidity risk.

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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RBC

Peninsula Health Care District
Statement of Revenues and Expenditures - Preliminary Draft, Consolidated
As of June 30, 2026

	PHCD Year To Date 6/30/2026	allcove Year To Date 6/30/2026	Health and Fitness Year To Date 6/30/2026	The Trousdale Year To Date 6/30/2026	Sonrisas Year To Date 6/30/2026	Year To Date 6/30/2026		
	Actual	Actual	Actual	Actual	Actual	Actual	2025 2026 BUDGET	Actual minus budget
Revenues over Expenditures								
Revenues								
Program Service Revenue								
Program Revenue	11,021,548	0	0	15,488,313	0	26,509,861	24,357,280	2,152,581
Revenue - Services	0	24,501	0	0	3,393,553	3,418,054	3,194,735	223,319
Total Program Service Revenue	11,021,548	24,501	0	15,488,313	3,393,553	29,927,915	27,552,015	2,375,900
Grant Revenues	0	1,089,798	0	0	0	1,089,798	1,620,125	(530,327)
Contributions								
Grants and Donations	0	0	0	0	1,508,878	1,508,877	1,885,294	(376,417)
Fundraising Events Revenue	0	0	0	0	180,672	180,672	200,000	(19,328)
Total Contributions	0	0	0	0	1,689,550	1,689,549	2,085,294	(395,745)
Membership Dues	0	0	240,361	0	0	240,361	226,637	13,724
Investment Income								
Investment Inc - LAIF	260,248	0	0	0	0	260,248	190,519	69,729
Investment Inc - SMC	154,823	0	0	0	0	154,823	114,576	40,247
Investment Inc - CNB	1,097,517	0	0	0	0	1,097,517	701,479	396,038
Investment Inc - FT	62,133	0	0	0	0	62,133	54,805	7,328
Investment Inc - Torrey	0	0	0	121,588	0	121,588	96,000	25,588
Investment Inc - US Bank	0	0	0	4,232	0	4,232	0	4,232
Investments - Unrealized G/L	(276,883)	0	0	0	0	(276,883)	0	(276,883)
Interest Income	5,036	916	415	6,139	2,453	14,959	16,560	(1,601)
Interest Income - Leasing GASB 87	2,190,827	0	0	0	0	2,190,827	2,190,817	10
Dividends	0	0	0	0	0	0	18,000	(18,000)
Unrealized gain(loss)-CityNational	0	0	0	0	40,404	40,404	3,000	37,404
Investment Income	0	0	0	0	2,159	2,159	0	2,159
Total Investment Income all	3,493,701	916	415	131,959	45,016	3,672,007	3,385,756	286,251
Rental Income								
Lease Income - Hospital	1,829,033	0	0	0	0	1,829,033	1,829,033	0
Lease Income - 1720 Marco Polo	117,176	0	0	0	0	117,176	117,818	(642)
Lease Income - 1740 Marco Polo	246,736	0	0	0	0	246,736	268,927	(22,191)
Lease Income - 111-113 16th St.	2	0	0	0	0	2	1	1
Lease Income - 1764 Marco Polo	120,000	0	0	0	0	120,000	120,000	0
Rental Value for Use of Facilities (rent-free)	504,864	0	0	0	0	504,864	504,864	0
Lease Income - Health & Fitness	0	0	0	0	0	0	3,476	(3,476)
Total Rental Income	2,817,811	0	0	0	0	2,817,811	2,844,119	(26,308)
Other Revenue								
Sale of Fixed Asset	0	0	100	0	0	100	0	100
Other Non-Operating Income	0	0	0	1,805,051	0	1,805,051	0	1,805,051
Other Revenue	0	543,376	0	0	169,814	713,190	570,226	142,964
Total Other Revenue	0	543,376	100	1,805,051	169,814	2,518,341	570,226	1,948,115
Total Revenues	17,333,060	1,658,591	240,876	17,425,323	5,297,933	41,955,782	38,284,172	3,671,610

	PHCD Year To Date 6/30/2026	allcove Year To Date 6/30/2026	Health and Fitness Year To Date 6/30/2026	The Trousdale Year To Date 6/30/2026	Sonrisas Year To Date 6/30/2026		Year To Date 6/30/2026	
Expenditures								
Program Expenses								
Community Grants	1,800,000	0	0	0	0	1,800,000	1,979,477	179,477
Impact Partnership Grants	1,100,000	0	0	0	0	1,100,000	870,523	(229,477)
Healthcare Workforce	0	0	0	0	0	0	50,000	50,000
Small Grants & Sponsorships	65,687	0	0	0	0	65,687	100,000	34,313
Other Contributions	0	0	0	0	0	0	25,000	25,000
Targeted Prevention Program	74,403	0	0	0	0	74,403	200,000	125,597
Special Funding Initiatives	652,663	56,304	0	0	0	708,967	1,071,000	362,033
Community Outreach	44,445	0	0	0	0	44,445	75,000	30,555
Community Education	65,000	0	0	0	0	65,000	75,000	10,000
New Program Research & Development	250,000	0	0	0	0	250,000	250,000	0
Donated Value for Use of Facilities (rent-free)	504,864	0	0	0	0	504,864	504,864	0
Peninsula LiveWell Project	539,307	0	0	0	0	539,307	500,000	(39,307)
Total Program Expenses	5,096,369	56,304	0	0	0	5,152,673	5,700,864	548,191
Personnel								
Salary and Wages	718,994	420,794	227,763	6,032,766	4,009,003	11,409,320	12,035,829	626,509
PR Benefits	152,102	85,780	47,010	2,069,800	284,760	2,639,452	2,740,504	101,052
PR Taxes	61,461	32,819	18,090	0	314,544	426,914	572,311	145,397
Total Personnel	932,557	539,393	292,863	8,102,566	4,608,307	14,475,686	15,348,644	872,958
Occupancy								
Lease Expenses - 1720 Marco Polc	36,267	0	0	0	0	36,267	36,000	(267)
Lease Expenses - 1740 Marco Polc	138,434	0	0	0	0	138,434	160,800	22,366
Lease Expenses - 1764 Marco Polc	27,771	0	0	0	0	27,771	36,000	8,229
Lease Expenses - 430 No. El Camino Rea	33,316	0	0	0	0	33,316	39,000	5,684
Lease Expenses - 1875 Trousdale	36,352	0	0	0	0	36,352	26,000	(10,352)
Lease Expenses - 111-113 16th St	19,060	0	0	0	0	19,060	16,800	(2,260)
Lease Expenses - 381 Huntington Ave	23,356	0	0	0	0	23,356	0	(23,356)
Lease Expenses - PWC Land	5,178	0	0	0	0	5,178	4,140	(1,038)
Outreach Storage Rent	0	0	0	0	6,000	6,000	6,000	0
Rent Expense	0	329,544	0	0	41,808	371,352	376,592	5,240
Total Occupancy	319,734	329,544	0	0	47,808	697,086	701,332	4,246
Professional Fees								
Clinical Partner Contract Expense	0	580,368	0	0	0	580,368	798,996	218,628
Computer Accessories	0	0	0	0	6,306	6,306	600	(5,706)
Computer Support	0	0	0	0	123,868	123,868	111,300	(12,568)
Consultant - Accounting	0	0	0	0	5,800	5,800	6,000	200
Consultant - Audit	30,700	0	0	0	0	30,700	31,000	300
Consultant - Communications	96,000	0	0	0	0	96,000	96,000	0
Consultant - Financial	4,510	0	0	0	0	4,510	17,000	12,490
Consultant - General	4,925	0	0	0	24,751	29,676	20,750	(8,926)
Consultant - HR Professionals	20,850	0	0	0	31,200	52,050	31,200	(20,850)
Consultant - Leadership Coaching	0	0	0	0	5,000	5,000	0	(5,000)
Consultant - Legal	0	0	0	0	59,815	59,815	0	(59,815)
Consultant-Outreach System	0	0	0	0	6,000	6,000	0	(6,000)
Consultant-Project Manager	0	0	0	0	1,600	1,600	0	(1,600)
Consulting Services	0	10,915	0	0	0	10,915	24,000	13,085
Contract Labor - Masseuse	0	0	14,312	0	0	14,312	21,009	6,697

	PHCD Year To Date 6/30/2026	allcove Year To Date 6/30/2026	Health and Fitness Year To Date 6/30/2026	The Trousdale Year To Date 6/30/2026	Sonrisas Year To Date 6/30/2026	Year To Date 6/30/2026		
Contract Labor - Trainer	0	0	11,945	0	0	11,945	12,000	55
Dental Specialist-Claims Processing	0	0	0	0	32,555	32,555	23,507	(9,048)
IT Service Consultant	42,280	10,323	0	0	0	52,603	40,800	(11,803)
Legal - General	44,542	0	0	0	0	44,542	60,000	15,458
Legal - Real Estate	124,242	0	0	0	0	124,242	300,000	175,758
Management Fees	0	0	0	772,203	0	772,203	600,292	(171,911)
Professional Fees	0	0	0	1,530	0	1,530	0	(1,530)
Website Services	9,628	0	0	0	0	9,628	7,800	(1,828)
Total Professional Fees	377,677	601,606	26,257	773,733	296,895	2,076,168	2,202,254	126,086
Patient Services								
Sterilization Services	0	0	0	0	11,410	11,410	11,379	(31)
Lab Fees	0	0	0	0	118,095	118,095	155,621	37,526
Claims Processing	0	0	0	0	8,097	8,097	4,560	(3,537)
Patient Notification	0	0	0	0	10,742	10,742	14,388	3,646
Total Patient Services	0	0	0	0	148,344	148,344	185,948	37,604
General and Administrative Expenses								
Office Supplies	15,438	18,481	19,278	998,753	293,234	1,345,184	1,434,636	89,452
Copying and Printing	0	0	0	0	4,560	4,560	4,200	(360)
Postage and Delivery	0	0	0	0	4,545	4,545	1,660	(2,885)
Telecommunication	18,878	6,490	0	0	24,338	49,706	52,804	3,098
Repairs and Maintenance	0	7,240	3,596	0	0	10,836	7,600	(3,236)
Advertising and Promotion	0	51,861	7,173	0	34,876	93,910	84,262	(9,648)
Business Licenses and Permits	0	0	0	0	11,428	11,428	15,996	4,568
Conferences, Conventions, and Meetings	3,094	7,954	1,851	0	4,364	17,263	49,750	32,487
Due and Subscriptions	192,401	13,790	5,066	0	70,121	281,378	321,260	39,882
Insurance	82,633	57,506	19,649	438,900	47,304	645,992	701,949	55,957
Equipment Expense	0	0	0	0	45,075	45,075	61,200	16,125
Facilities	46,316	42,842	14,395	0	66,385	169,938	143,396	(26,542)
Utilities	0	0	20,026	650,352	60,416	730,794	757,137	26,343
Travel Expenses	34,258	1,419	1,128	0	8,610	45,415	61,519	16,104
Fundraising Fees	0	0	0	0	139,690	139,690	168,950	29,260
Interest Expenses	0	20,070	0	1,435,614	0	1,455,684	1,455,105	(579)
State and Local Taxes	0	0	0	0	0	0	52	52
Miscellaneous Expense	5,645	3,184	0	0	842	9,671	49,660	39,989
Other Expenses	15,094	22,387	41,862	684,342	175,982	939,667	1,044,619	104,952
Depreciation	394,249	92,599	10,785	2,582,294	150,331	3,230,258	3,233,461	3,203
Total General and Administrative Expenses	808,006	345,823	144,809	6,790,255	1,142,101	9,230,994	9,649,216	418,222
Total Expenditures	7,534,343	1,872,670	463,929	15,666,554	6,243,455	31,780,951	33,788,258	2,007,307
Payments to Affiliates								
Trousdale Rent Assistance Fund	(83,674)			83,674		0	0	0
Total Payments to Affiliates	(83,674)	0	0	83,674	0	0	0	0
Total Revenues over Expenditures	9,715,043	(214,079)	(223,053)	1,842,443	(945,522)	10,174,831	4,495,914	5,678,917

Peninsula Health Care District
Statement of Net Assets - Preliminary Draft, Consolidated
As of June 30, 2026

	PHCD	allcove	Health and Fitness	The Trousdale	Sonrisas	Total
Assets						
Current Assets						
Cash and Cash Equivalents	2,694,667	162,035	228,346	2,899,788	1,129,882	7,114,718
Accounts Receivable, Net						
Accounts Receivable						
Accounts Receivable-Patients	12,390	0	0	0	194,474	206,864
Account Receivable - Rent	2,618	0	0	0	0	2,618
Account Receivable - TT Tenant	0	0	0	53,071	0	53,071
Allowance for Bad Debt - TT Tenant AR	0	0	0	(152)	0	(152)
Accounts Receivable - Grants	0	0	0	0	266,180	266,180
Accounts Receivable - Services	0	0	6,424	0	0	6,424
Accounts Receivable - Agencies	154,194	456,578	0	0	24,798	635,570
Interest Receivable	359,827	0	0	0	0	359,827
Accounts Receivable - Other	0	0	545	1,486	63,511	65,542
Total Accounts Receivable	529,029	456,578	6,969	54,405	548,963	1,595,944
Other Current Assets						
Other Current Assets	357,542	0	0	0	0	357,542
Prepaid Expenses						
Prepaid - General	70,359	71,842	815	0	79,916	222,932
Prepaid - Insurance	0	2,172	6,218	0	0	8,390
Prepaid - Benefits / WC	1,050	0	0	0	0	1,050
Prepaid - Trousdale	0	0	0	62,210	0	62,210
Total Prepaid Expenses	71,409	74,014	7,033	62,210	79,916	294,582
Inventory	0	0	0	27,365	0	27,365
Total Other Current Assets	428,951	74,014	7,033	89,575	79,916	679,489
Total Current Assets	3,652,647	692,627	242,348	3,043,768	1,758,761	9,390,151
Long-term Assets						
Property & Equipment						
Construction-In-Progress (CIP)	0	0	0	0	469,486	469,486
Building	13,893,530	0	0	72,375,688	0	86,269,218
Land	23,690,155	0	0	0	0	23,690,155
Improvements	1,162,871	865,802	21,935	967,045	1,240,650	4,258,303
Equipment	1,788,504	84,093	69,370	336,410	1,719,500	3,997,877
Furniture/Fixtures	42,126	251,992	7,534	42,533	200,996	545,181
Vehicle	0	0	0	0	51,108	51,108
Pre Opening Cost	0	0	0	2,505,662	0	2,505,662
Accum Depreciation (Trousdale)	0	0	0	(19,176,667)	0	(19,176,667)
Accum Depreciation	(4,822,898)	(233,651)	(70,053)	0	(2,552,516)	(7,679,118)
Total Property & Equipment	35,754,288	968,236	28,786	57,050,671	1,129,224	94,931,205
Other Long-term Assets						
Deposits and Prepayments	0	30,215	0	0	16,297	46,512
Other Assets						
Deferred Outflow	237,227	0	0	0	0	237,227
Right Of Use	0	306,886	0	15,426	0	322,312
Net Pension Asset	399,461	0	0	0	0	399,461
Lease Receivable - Long-Term (GASB 87)	72,545,818	0	0	0	0	72,545,818
Total Other Assets	73,182,506	306,886	0	15,426	0	73,504,818

	PHCD	allcove	Health and Fitness	The Trousdale	Sonrisas	Total
Total Other Long-term Assets	73,182,506	337,101	0	15,426	16,297	73,551,330
Total Long-term Assets	108,936,794	1,305,337	28,786	57,066,097	1,145,521	168,482,535
Investments						
Long Term Investments						
Board Designated Fund - LAIF	6,623,234	0	0	0	0	6,623,234
Board Designated Fund - SMC	4,010,947	0	0	0	0	4,010,947
Board Designated Fund - CNB	31,391,993	0	0	0	0	31,391,993
Board Designated Fund - FT	1,899,864	0	0	0	0	1,899,864
Board Designated Fund - Torrey	0	0	0	3,425,034	0	3,425,034
Board Designated Fund - Unrealized G/L	(122,081)	0	0	0	0	(122,081)
Investment Acct. - City National	0	0	0	0	508,633	508,633
Unrealized Gain(loss) on Investment	0	0	0	0	90,696	90,696
Total Long Term Investments	43,803,957	0	0	3,425,034	599,329	47,828,320
Investment in Subsidiary						
Project Acct - US Bank 44000	0	0	0	2,242	0	2,242
Project Acct - US Bank 56000	0	0	0	646	0	646
Total Investment in Subsidiary	0	0	0	2,888	0	2,888
Total Investments	43,803,957	0	0	3,427,922	599,329	47,831,208
Interfund Due from	(672,885)	(126,875)	(283,914)	1,083,674	0	0
Total Assets	**155,720,513**	**1,871,089**	**(12,780)**	**64,621,461**	**3,503,611**	**225,703,894**
Liabilities and Net Assets						
Liabilities						
Short-term Liabilities						
Accounts Payable						
Accounts Payable	420,260	68,394	8,024	489,953	68,974	1,055,605
Accrued Payable - General	89,205	0	1,150	216,059	13,457	319,871
Patient Prepayments	0	0	0	0	9,611	9,611
Total Accounts Payable	509,465	68,394	9,174	706,012	92,042	1,385,087
Accrued Liabilities						
Accrued Payroll	100,007	14,041	11,446	513,727	119,715	758,936
Accrued PTO	0	0	0	0	136,441	136,441
FSA Employee Account	(888)	0	0	0	0	(888)
Total Accrued Liabilities	99,119	14,041	11,446	513,727	256,156	894,489
Deferred Revenue						
Prepaid Rent	406,403	0	0	82,642	0	489,045
Prepaid Membership Dues	0	0	10,913	0	0	10,913
Prepaid Other	10,000	0	0	0	0	10,000
Deferred Income	3,500	0	0	0	0	3,500
Deposit - TT Tenants	0	0	0	36,500	0	36,500
Security Deposits	44,878	0	0	0	0	44,878
Total Deferred Revenue	464,781	0	10,913	119,142	0	594,836
Withholding Tax Payable						
Accrued Payroll Taxes	0	0	0	0	10,438	10,438
Total Withholding Tax Payable	0	0	0	0	10,438	10,438
Other Short-term Liabilities						
Short-term Liabilities						
Lease Payable - Current	0	367,613	0	4,095	0	371,708
Total Short-term Liabilities	0	367,613	0	4,095	0	371,708
Loans Payable - Current						
Accrued Interest	0	0	0	581,822	0	581,822
Total Loans Payable - Current	0	0	0	581,822	0	581,822

	PHCD	allcove	Health and Fitness	The Trousdale	Sonrisas	Total
Total Other Short-term Liabilities	0	367,613	0	585,917	0	953,530
Total Short-term Liabilities	1,073,365	450,048	31,533	1,924,798	358,636	3,838,380
Long Term Liabilities						
Notes Payable - Long Term						
Note Payable - WAB 40M	0	0	0	28,835,000	0	28,835,000
Note Payable - WAB 10M	0	0	0	7,750,000	0	7,750,000
Total Long Term Notes Payable	0	0	0	36,585,000	0	36,585,000
Other Long-term Liabilities						
Other Liabilities						
Lease Payable - Long-Term	0	0	0	11,585	0	11,585
Deferred Inflow	64,409,662	0	0	0	0	64,409,662
Total Other Long-term Liabilities	64,409,662	0	0	11,585	0	64,421,247
Total Long Term Liabilities	64,409,662	0	0	36,596,585	0	101,006,247
Total Liabilities	65,483,027	450,048	31,533	38,521,383	358,636	104,844,627
Net Assets						
Net Assets	80,522,443	1,635,121	178,740	24,257,635	4,090,497	110,684,436
Change In Net Assets	9,715,043	(214,080)	(223,053)	1,842,443	(945,522)	10,174,831
Total Net Assets	90,237,486	1,421,041	(44,313)	26,100,078	3,144,975	120,859,267
Total Liabilities and Net Assets	**155,720,513**	**1,871,089**	**(12,780)**	**64,621,461**	**3,503,611**	**225,703,894**

Peninsula Health Care District
Consolidated Ratios - June 30, 2026

		Government	Leasing	Health & Fitness	The Trousdale	allcove Drop-In Center	Sonrisas	Total
A	Revenue	14,515,249	2,817,811	240,876	17,425,323	1,658,591	5,297,933	41,955,783
B	Operating Expenses	(7,183,263)	43,169	(453,144)	(11,648,646)	(1,760,001)	(6,093,124)	(27,095,009)
C	Net Before Int & Dep	7,331,986	2,860,980	(212,268)	5,776,677	(101,410)	(795,191)	14,860,774
D	Interest				(1,435,614)	(20,070)		(1,455,684)
E	Depreciation	(31,346)	(362,903)	(10,785)	(2,582,294)	(92,599)	(150,331)	(3,230,258)
F	Net Income from Operations	7,300,640	2,498,077	(223,053)	1,758,769	(214,079)	(945,522)	10,174,832
G	Debt Service Pymt Adj				(1,762,036)			(1,762,036)
H	Leasing Adj (GASB 87)		(1,600,758)					(1,600,758)
J	Capital Purchase	(29,072)	(1,681,685)	(10,281)	(647,597)	(7,465)	(200,611)	(2,576,710)
K	Depreciation	31,346	362,903	10,785	2,582,294	92,599	150,331	3,230,258
L	Cash Flow	7,302,914	(421,463)	(222,549)	1,931,430	(128,945)	(995,802)	7,465,585
M	Cash at June 30,2025							47,585,675
N	Cash at June 30,2026							54,945,926
O	Debt at June 30, 2026							36,585,000
P	Net Position at June 30, 2026							120,859,267

Ratios	FY 25-26 Actuals	PHCD Ratios	
Excess Margin	24.25%	1.6%	
Maximum Days Cash on Hand	702	536	
Debt Service Coverage	4.62	1.7	
Cash to Debt	150%	64%	
Debt to Capitalization	23.24%	62%	