



525 Veterans Blvd.
Redwood City, CA 94063

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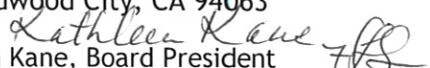
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A G E N D A
SEQUOIA HEALTHCARE DISTRICT
BOARD OF DIRECTORS MEETING

4:30, Wednesday, December 6, 2017

Conference Room, 525 Veterans Blvd, Redwood City, CA 94063

1. Call To Order And Roll Call
2. Public Comment On Non-Agenda Items*
- ACTION 3. Consent Calendar - President Kane
 - a. Approve October 2, 2017 Special Meeting Minutes
 - b. Approve October 4, 2017 Regular Meeting Minutes
 - c. Approve October 10, 2017 Special Meeting Minutes
 - d. Approve October 25, 2017 Special Meeting Minutes
 - e. Approve October 30, 2017 Special Meeting Minutes
 - f. Accept September and October 2017 Financial Statements
4. New Business
 - ACTION a. Accept The District's Annual Audit For The Period Ending June 30, 2017 As Prepared By The CPA Firm Vavrinek, Trine, Day - Mr. Gharaibeh, CPA
 - ACTION b. Approve The Use Of \$30,000 From The SMMC Grant For The Purpose Of Supporting A Food Pharmacy At The South County Clinic Of Second Harvest - Mr. Paxton, Second Harvest Food Bank Partnership Manager
 - ACTION c. Approve A Grant Of \$90,456 To The Boys And Girls Club To Be Used For Counseling Services - Mr. Jones, Senior Director Boys & Girls Club of the Peninsula
 - ACTION d. Approve A Grant Of \$34,750 To StarVista For The Development Of Peer Mobile, An App To Assist With The Monitoring And Support Of Clients In Recovery - Ms. Weisner, StarVista Chief Program Officer
 - ACTION e. Approve The Use Of Up To \$35,574 From The Current Redwood City School District Grant To Be Used For A New Meditation Project - Ms. Garen, RWC Wellness Coordinator
 - ACTION f. Approve Up To \$15,000 For Executive Coaching For CEO Position - President Kane
5. CEO/Staff Reports - Michelson, Kurtzman, Nielsen
- ACTION 6. Adjourn To Closed Session For The Purpose Of:
 - a. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Consideration of litigation pursuant to Government Code Section 54956.9(d)(2) - One potential case
- ACTION 7. Reconvene To Open Session: Announce Any Reportable Action Taken In Closed Session.
8. Adjourn.
The Next Regular Meeting Of The Board Of Directors Of Sequoia Healthcare District Is Scheduled For 4:30 PM, Wednesday, February 7, 2018, District Conference Room, 525 Veterans Blvd., Redwood City, CA 94063


Kathleen Kane, Board President

*Public comment will be taken for each agenda item prior to the board's consideration on that item.

Any writings or documents provided to a majority of the Board of Directors regarding any item on this agenda will be made available for public inspection at the District office, 525 Veterans Blvd., Redwood City, CA, during normal business hours. Please telephone 650-421-2155 to arrange an appointment.

 If you are an individual with a disability and need an accommodation to participate in this meeting, please contact Sequoia Healthcare District at least 48-hours in advance at 650-421-2155.

**MINUTES OF SPECIAL MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
October 2, 2017
Conference Room, 525 Veterans Boulevard
Redwood City, CA 94063**

<u>Directors Present</u> Director Griffin Director Hickey Director Shefren	<u>Directors Excused</u> Director Faro Director Kane	<u>Also Present</u> Mr. Michelson, CEO Mr. Hudak, Legal Counsel Ms. Kurtzman, Recorder on behalf of Ms. Stamper, Recorder
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1. Call to Order

Vice-President Griffin called the meeting to order at 6:30PM.

2. Public Comment/Non-Agenda Items

Vice-President Griffin asked if there was public comment on non-agenda items. There was none.

3. Discussion With Demographer Paul Mitchell About The Process Of Establishing Zones For Upcoming Board Of Director Elections

Mr. Paul Mitchell, Demographer from Redistricting Partners gave a presentation on how to establish zones, also known as "districts", within the Sequoia Healthcare District solely for the purposes of the healthcare district Board elections. The term "districting" refers to creating election boundaries within the District. Those districts within the SHD will then be re-evaluated every 10 years to recalibrate boundaries to keep a population balance.

There are 5 traditional criteria for redistricting:

1. The districts must be **equal size** based on entire population (voters, noncitizens, etc.) with only a 5% deviation between districts.
2. The districts shall **follow natural geographic boundaries**, like freeways, a river, etc. and may follow precinct boundaries if desired.
3. The districts must be **contiguous**. The area of the district must be all connected. The district must not have any detached parts.
4. The districts must be **geographically compact** such that nearby areas of population are not bypassed for more distant population. No snaking or elongated districts.
5. The district must **preserve communities of interest**. A community of interest is a contiguous population which shares common social and economic interests that should be included within a single district for purposes of its effective and fair representation. Communities of interest are also defined as geographical areas, such as neighborhoods of a city or regions of a county, where the residents have common political interests that do not necessarily coincide with the boundaries of a political subdivision, such as a city or county. An example of a community of interest could be a hillside, an aerospace community, or a religious or ethnic group.

The SHD contains a population of approximately 230,000 people. Therefore, districts would be about 45,000 to 48,000 people.

There will be 3 more meetings to inform and educate the public, as well as gain input on what communities of interest should be included. The next meeting will be Tuesday, October 17th at the North Fair Oaks Community Center, 2600 Middlefield Road, Redwood City at 7:00PM.

4. Public Input On Drawing of The Five (5) Zones Within Sequoia Healthcare District.

Karen Routt of Magnolia of Millbrae would like to see if African American population could be a community of interest.

5. Adjourn

Motion: At 7:30PM adjourn meeting.

By: Director Shefren

Seconded by: Director Hickey

All in favor

Motion Passed

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 4:30PM, Wednesday, December 6, 2017, District Conference Room, 525 Veterans Blvd., Redwood City, CA.

Respectfully Submitted,

Jerry Shefren
Secretary

**MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
October 4, 2017
Conference Room, 525 Veterans Boulevard
Redwood City, CA 94063**

Directors Present

Director Faro
Director Griffin
Director Hickey
Director Kane
Director Shefren

Directors Excused

Also Present

Mr. Michelson, CEO
Mr. Hudak, Legal Counsel
Ms. Stamper, Recorder

1. Call to Order

President Kane called the meeting to order at 4:30PM.

2. Public Comment/Non-Agenda Items

President Kane asked if there was public comment on non-agenda items. Director Hickey would like an explanation for why the Board packets are sent out via Priority mail at \$6.65 each. Directors Shefren, Kane and Faro gave a brief report on the ACHD meeting they attended in San Diego. Carol Ong of Asm. Kevin Mullin's office, Leslie Bulbuk of Asm. Marc Berman's office and Francis Zhang of Senator Scott Wiener's office presented a legislative resolution from Assembly members Tom Mullin and Marc Berman, and Senators Jerry Hill and Scott Wiener to Lee Michelson commending and thanking him for his years of dedicated and exemplary service to the people of the state of California.

3.a. - 3.d. Consent Calendar

Motion: To approve the Consent Calendar except for items 3a and 3e.

By: Director Faro

Seconded by: Director Shefren

Vote: 5-0

Motion Passed

Motion: To approve Consent Calendar item 3a.

By: Director Faro

Seconded by: Director Griffin

Vote: 4-1 with Director Hickey opposed.

Motion Passed

Motion: To approve the Consent Calendar 3e.

By: Director Faro

Seconded by: Director Griffin

Vote: 4-1 with Director Hickey opposed

Motion Passed

Mr. Michelson will send Director Hickey a copy of the July/August financials with the HeartSafe payroll separate from the program expenses.

4a. Request From Peninsula Volunteers, San Carlos Adult Community Center, and Veterans Memorial Senior Center to Fund LYFT Services

Ms. Paige Sweetin and Peter Olsen of Peninsula Volunteers discussed a transportation program they have been piloting with LYFT to help seniors get to doctor appointments, activity centers, such as Little House, San Carlos Adult Community Center and the Veterans Memorial Senior Center. They would like to continue providing these transportation services with financial

support from SHD and are requesting up to \$98,000 to fund LYFT services starting November 2017 through June 30, 2019.

Motion: To provide Peninsula Volunteers, San Carlos Adult Community Center, and Veterans Memorial Senior Center up to \$98,000 to Fund a transportation program in partnership with LYFT starting November 2017 and ending June 30, 2019.

By: Director Shefren

Seconded by: Director Griffin

Vote: 4-1 with Director Hickey opposed.

Motion Passed

4b. Request From LifeMoves To Fund A LVN For The Maple Street Homeless Shelter

Dr. Brian Greenberg of LifeMoves discussed the Maple Street Shelter's medically fragile homeless population and their need for medication management and wound care. Dr. Greenberg requested \$194,480 to fund an LVN to address the health needs at the Maple Street Homeless Shelter starting November 2017 and ending June 30, 2019.

Motion: To provide LifeMoves \$194,480 to fund a LVN to address the health needs at the Maple Street Homeless Shelter starting November 2017 and ending June 30, 2019, as a pilot with the understanding that the county will be stepping up to cover the costs in the future.

By: Director Shefren

Seconded by: Director Faro

Vote: 4-1 with Director Hickey opposed.

Motion Passed

4c. Healthy Schools Update

Ms. Kurtzman gave a brief analysis of the 2016-2017 Healthy Schools Initiative. All of the grantees are meeting expected performance and on budget

Andrea Garen, Director of Health and Wellness for the Redwood City School District, discussed the school nurses program and how they are coping with the shortage of nurses and increasing number of at-risk students. Student mental health needs are also increasing and StarVista is handling it with the District's essential support.

Mike Newlin of Durrer Evaluation Services reported on the mental health evaluations our District schools have completed and the analysis to see where we can provide better support. He helps 8 school districts create better data collection systems and evaluation.

Josh Feierstein and Victor Hernandez presented how PE+ has grown in the District and is serving more schools and students. PE+ has expanded their program to meet state standards and include health and self image instruction. They implemented a sub-credential program for their coaches so they can supervise kids while the teachers work on curriculum, and can substitute teach which helps out the schools. In addition, the credentialing legitimizes their PE units so they count towards the state standards.

Ms. Kurtzman is working towards completing the school mental health assessment mapping, implementing the school nursing credential program and nurse float pool by Jan. 18, and implementing Kognito training for teachers, staff and students to identify and help students in crisis.

4d. HeartSafe Update

Since the last time the Board met there have been 610 people within the District that have received CPR training. Mr. Nielsen announced that there is a very high demand for the infant CPR classes and more classes need to be added to meet demand. Marie Violet from Dignity Health spoke in support of continuing the infant CPR program. The program has continued to grow and evolve to meet the needs of District residents, all with the same budget and part

time personnel.

Director Shefren asked for a cost analyses so it can be compared to other healthcare district programs. Director Hickey would like a report of the IED usage (the "Blue tower").

4e. Consider Eliminating the 90 Day Introductory Period for SHD Employees

Mr. Michelson discussed the pros and cons of eliminating the 90 Day wait period required of new employees before their benefits can commence.

Motion: That all benefits begin on the 1st of the month following the beginning of employment with the District for new employees.

By: Director Shefren

Seconded by: Director Faro

Vote: 4-1 with Director Hickey opposed

Motion Passed

4.f. Director Requests for Future Agenda Items

President Kane asked if any Director had an agenda item request. There were none.

5.CEO/Staff Reports

Mr. Michelson reported that Jenny Bratton created the Annual Report with staff input which is finished and at the printers. It will be mailed out to all households in October.

Mr. Michelson encouraged everyone to attend the groundbreaking ceremony for Magical Bridge playground in Redwood City which will take place Friday, November 3rd at noon.

We are hoping for a large turn out at the public hearing about moving from District-wide elections to zone elections. Our demographer will be at the meeting being held at the North Fair Oaks Community Center on Oct. 17 at 7:00pm.

The San Mateo County Dental Society lease of SHD property is on hold.

The SHD sponsored a senior care program with Asm. Kevin Mullin on September 30th at the Veterans Memorial Senior Center.

Ms. Kurtzman gave a brief summary of the final outcomes for the 2016-17 Community Caring grants. A handout of the analysis of the 2016-17 Community Caring grants program is available.

Ms. Kurtzman presented information about a new concussion program. They are working in collaboration with PE+ and their information has been incorporated into the Health Huddles.

Ms. Kurtzman met with Wellness Coordinators to help implement the Green Folder Initiative, and participated in teacher training for implementing the California Healthy Kids Survey (CHKS).

6. Adjourn to Closed Session

Adjourn to Closed Session For:

- a. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Consideration of litigation pursuant to Government Code Section 54956.9(d)(2) - One potential case
- b. Public Employee Appointment. Title: Chief Executive Officer

7. Reconvene to Open Session

Reconvene to Open Session. There was no reportable action taken in closed session.

8. Adjourn

Motion: At 6:40 PM adjourn meeting.

By: President Kane

Seconded by: Director Griffin

All in favor

Motion Passed

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 4:30PM, Wednesday, December 6, 2017, District Conference Room, 525 Veterans Blvd., Redwood City, CA.

Respectfully Submitted,

Jerry Shefren
Secretary

MINUTES OF SPECIAL MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT

October 10, 2017

Conference Room, 525 Veterans Boulevard
Redwood City, CA 94063

Directors Present

Director Faro
Director Griffin
Director Hickey
Director Kane
Director Shefren

Directors Excused

Also Present

Mr. Michelson, CEO via
teleconference for
reconvened open session
Ms. Stamper, Recorder

1. Call to Order

President Kane called the meeting to order at 3:00PM.

2. Public Comment/Non-Agenda Items

President Kane asked if there was public comment on non-agenda items. Charles Tate, a local veteran employment representative for the EDD discussed the need for employment opportunities for veterans. He would like to see if it is possible to partner with the SHD on programs that could employ veterans. Director Hickey reminded the Board that all conference attendees must give a brief report on the conference according to Board policy.

3. Adjourn to Closed Session

Adjourn to Closed Session For The Purposes Of: Consideration of appointment of public employee Government Code Section 54957(b)(1).

Title: Chief Executive Officer.

- a. Interview candidates
- b. Deliberation and selection of candidate and terms of employment

4. Reconvene to Open Session

Reconvene to Open Session. There was no reportable action taken in closed session.

5. Adjourn

Motion: At 5:00 PM adjourn meeting.

By: Director Shefren

Seconded by: Director Griffin

All in favor

Motion Passed

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 4:30PM, Wednesday, December 6, 2017, District Conference Room, 525 Veterans Blvd., Redwood City, CA.

Respectfully Submitted,

Jerry Shefren
Secretary

<p style="text-align: center;">MINUTES OF SPECIAL MEETING BOARD OF DIRECTORS SEQUOIA HEALTHCARE DISTRICT October 25, 2017 Conference Room, 525 Veterans Boulevard Redwood City, CA 94063</p>		
<p><u>Directors Present</u> Director Griffin Director Hickey Director Kane Director Shefren Director Faro via teleconference</p>	<p><u>Directors Excused</u></p>	<p><u>Also Present</u> Mr. Michelson, CEO Ms. Stamper, Recorder</p>
<p style="text-align: center;"><u>1. Call to Order</u></p> <p>President Kane called the meeting to order at 4:30 PM.</p>		
<p style="text-align: center;"><u>2. Public Comment/Non-Agenda Items</u></p> <p>President Kane asked if there was public comment on non-agenda items. There was none.</p>		
<p style="text-align: center;"><u>3c. Approve of Three (3) Year Lease from January 1, 2018 to December 31, 2021 with Bedrosian Insurance</u></p> <p>Mr. Michelson presented the lease agreement for consideration.</p> <p>Motion: To approve the three (3) year lease from January 1, 2018 to December 31, 2021 with Bedrosian Insurance. By: Director Shefren Seconded by: Director Hickey Vote: All in favor 5-0 Motion Passed</p>		
<p style="text-align: center;"><u>3d. Approve of Three (3) Year Lease from January 1, 2018 to December 31, 2021 with San Mateo County Dental Society</u></p> <p>Mr. Michelson presented the lease agreement for consideration.</p> <p>Motion: To approve the three (3) year lease from January 1, 2018 to December 31, 2021 with San Mateo County Dental Society. By: Director Shefren Seconded by: Director Griffin Vote: All in favor 5-0 Motion Passed</p>		
<p style="text-align: center;"><u>4. Adjourn to Closed Session</u></p> <p>Adjourn to Closed Session For:</p> <ul style="list-style-type: none"> a. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Consideration of initiation of litigation pursuant to Government Code Section 54956.9(d)(4) - One potential case b. Public Employee Appointment. Title: Chief Executive Officer Consideration of appointment of public employee pursuant to Government Code Section 54959(b)(1) 		
<p style="text-align: center;"><u>5. Reconvene to Open Session</u></p> <p>Reconvene to Open Session. There was no reportable action taken in closed session.</p>		

3a-3b. Presentation of Initial Zone Drawings and Public Input

Paul Mitchell, Demographer from Redistricting Partners presented 3 preliminary zone drawings and discussed the merits and drawbacks of each. Director Hickey requested drawings that included an overlay of precincts. Director Shefren requested drawings with an overlay of cities. There was no public comment.

5. Adjourn

Motion: At 5:15 PM adjourn meeting.

By: Director Shefren

Seconded by: Director Faro

All in favor 5-0

Motion Passed

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 4:30PM, Wednesday, December 6, 2017, District Conference Room, 525 Veterans Blvd., Redwood City, CA.

Respectfully Submitted,

Jerry Shefren
Secretary

**MINUTES OF SPECIAL MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
October 30, 2017
Conference Room, 525 Veterans Boulevard
Redwood City, CA 94063**

<u>Directors Present</u> Director Griffin Director Hickey Director Kane Director Shefren Director Faro via teleconference	<u>Directors Excused</u>	<u>Also Present</u> Mr. Michelson, CEO Ms. Stamper, Recorder
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1. Call to Order

President Kane called the meeting to order at 4:30 PM.

2. Public Comment/Non-Agenda Items

President Kane asked if there was public comment on non-agenda items. There was none.

3a. Approval of Contract with Pamela Kurtzman

Motion: To approve the contract with Pamela Kurtzman as District CEO effective January 1, 2018 with a base salary of \$178,500.

By: Director Shefren

Seconded by: Director Griffin

Vote: 4-1 with Director Hickey opposed.

Motion Passed

4. Adjourn

Motion: At 4:35 PM adjourn meeting.

By: Director Shefren

Seconded by: Director Faro

All in favor

Motion Passed

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 4:30PM, Wednesday, December 6, 2017, District Conference Room, 525 Veterans Blvd., Redwood City, CA.

Respectfully Submitted,

Jerry Shefren
Secretary

SEQUOIA HEALTHCARE DISTRICT
Balance Sheet
Fiscal Year 2017-18

Agenda Item No. 3.f
Board of Directors Meeting
12/6/17

	July	August	September	October	November	December	January	February	March	April	May	June
ASSETS												
Current Assets												
Cash (WF-MWA)	\$ 6,427,199.04	\$ 5,527,677.53	\$ 5,328,125.85	\$ 3,728,527.98								
Cash (WF)	(493,289.86)	195,433.60	224,807.32	1,008,134.46								
Cash from Investments	540,995.70	540,995.70	540,995.70	540,995.70								
Cash Equivalents	9,963,363.51	9,985,906.51	9,978,763.51	9,982,196.51								
Accounts Receivable	1,544.74	0.00	0.00	0.00								
Total Current Assets	16,439,813.13	16,250,013.34	16,077,692.38	15,259,854.65								
Prepaid Expenses	0.00	0.00	0.00	0.00								
Total Other Assets	0.00	0.00	0.00	0.00								
Property, Plant & Equipment												
Land	138,927.00	138,927.00	138,927.00	138,927.00								
Land Improvements	144,158.05	144,158.05	144,158.05	144,158.05								
Buildings	1,249,382.30	1,249,382.30	1,249,382.30	1,249,382.30								
Building Improvements	527,129.57	527,129.57	527,129.57	527,129.57								
Tenant Improvements	215,113.29	215,113.29	215,113.29	215,113.29								
Improvements-Classroom	83,410.44	83,410.44	83,410.44	83,410.44								
Equipment	68,615.18	68,615.18	68,615.18	68,615.18								
Furniture	28,259.91	28,259.91	28,259.91	28,259.91								
Accumulated Depreciation	(1,889,511.67)	(1,893,386.50)	(1,897,261.33)	(1,901,136.16)								
Net Property/Plant/Equipment	565,484.07	561,609.24	557,734.41	553,859.58								
Total Assets	17,005,297.20	16,811,622.58	16,630,426.79	15,813,714.23								
LIABILITIES & FUND BALANCE												
Current Liabilities												
Accounts Payable	\$ 12,454.79	1,503.13	1,503.13	1,503.13								
Deposit Payable	3,165.00	3,165.00	3,165.00	3,165.00								
Grants Payable	1,046,750.00	1,046,750.00	1,046,750.00	1,046,750.00								
Healthy School Grants Payable	707,936.58	707,936.58	707,936.58	707,936.58								
Total Current Liabilities	1,770,306.37	1,759,354.71	1,759,354.71	1,108,560.55								
Fund Balances												
Invested in Capital Assets	639,630.00	639,630.00	639,630.00	639,630.00								
Fund Balance	14,365,210.07	14,365,210.07	14,365,210.07	14,365,210.07								
Surplus/Loss	707,040.22	707,040.22	707,040.22	707,040.22								
Net Surplus/Loss	(476,889.46)	(659,672.42)	(840,808.21)	(1,006,726.61)								
Total Fund Balance	15,234,990.83	15,052,267.87	14,871,072.08	14,705,153.68								
Total Liabilities & Fund Balance	17,005,297.20	16,811,622.58	16,630,426.79	15,813,714.23								

**Agenda Item No. 3.f
Board of Directors Meeting
12/6/17**

[illegible]

SEQUOIA HEALTHCARE DISTRICT
Income Statement
Fiscal Year 2017-18

Agenda Item No. 3.I
Board of Directors Meeting
12/6/17

	July	August	September	October	November	December	January	February	March	April	May	June	Year to Date	Budget 17-18	Amount	Variance Percent
Grant Expenses																
Grant Admin Expenses	0.00	1,172.82	0.00	19,406.72									20,579.54	45,000.00	24,420.46	54.3%
Grant Admin Payroll	6,602.39	6,431.74	6,391.14	6,391.15									25,816.42	80,000.00	54,183.58	67.7%
SFSU Nursing Program	0.00	0.00	0.00	0.00									0.00	-	0.00	0.0%
Samartian House Grant	0.00	120,204.14	59,230.97	60,012.83									239,447.94	703,054.00	463,606.06	65.9%
Other Grants	0.00	4,500.00	5,717.06	5,162.12									15,379.18	90,000.00	74,620.82	82.9%
San Mateo Medical Ctr. So County	0.00	0.00	0.00	0.00									0.00	340,250.00	340,250.00	100.0%
Ravenswood	0.00	0.00	0.00	0.00									0.00	700,000.00	700,000.00	100.0%
Community Grants Program	12,500.00	1,331.83	12,850.35	0.00									26,682.18	2,400,000.00	2,373,317.82	98.9%
Mission Hospice	0.00	0.00	0.00	0.00									0.00	0.00	0.00	0.0%
PFS-Sequoia 70	0.00	2,496.78	0.00	194,014.97									196,511.75	731,872.00	535,360.25	73.1%
Oral Health Coalition	0.00	0.00	0.00	0.00									0.00	50,000.00	50,000.00	100.0%
2016-17 New Grants & Programs	0.00	0.00	0.00	0.00									0.00	2,484,489.00	2,484,489.00	100.0%
Total Grant Expenses	19,102.39	136,137.31	84,189.52	284,987.79									524,417.01	7,624,665.00	7,100,247.99	93.1%
Program Expenses																
Living Healthy	0.00	802.28	1,406.55	3,594.56									5,803.39	50,000.00	44,196.61	88.4%
HeartSafe Expense	21,947.36	100.00	982.79	6,356.49									29,386.64	70,000.00	40,613.36	58.0%
HeartSafe Payroll	4,999.90	4,999.89	5,006.97	5,014.02									20,020.78	64,000.00	43,979.22	68.7%
School Health Admin	167.48	2,055.22	1,950.00	44,414.44									48,587.14	35,000.00	(13,587.14)	-38.8%
School Health Payroll	11,899.66	12,392.02	12,329.34	12,539.69									49,160.71	160,930.00	111,769.29	69.5%
School Health Grants	372,736.00	5,000.00	7,000.00	251,837.46									636,573.46	3,300,560.00	2,663,986.54	80.7%
Total Program Expenses	411,750.40	25,349.41	28,675.65	323,756.66									789,532.12	3,680,490.00	2,890,957.88	78.5%
Total Expenses	507,226.58	217,419.90	189,998.62	715,927.68									1,630,572.78	15,973,255.00	14,342,682.22	89.8%
Net Surplus/Loss	(476,889.46)	(182,772.96)	(181,195.79)	(165,918.40)									(1,006,776.61)	(217,507.00)		

**Month to Month Budget
September - October 2017**

	September Budget	September Actual	October Budget	October Actual	2 Month Total Budget	2 Month Total Actual	4 Month (July - October) Total Budget	4 Month (July - October) Total Actual
Income								
Rental Income	4,000.00	4,004.36	4,000.00	3,400.00	8,000.00	7,404.36	16,000.00	15,413.08
Tax Revenue	25,000.00	11,491.54	10,000.00	542,768.81	35,000.00	554,260.35	35,000.00	561,928.00
Investment Income	6,000.00	(7,143.00)	0.00	3,433.00	6,000.00	(3,710.00)	16,000.00	44,396.00
Interest Income	400.00	449.93	400.00	407.47	800.00	857.40	2,000.00	2,109.09
Pension Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	35,400.00	8,802.83	14,400.00	550,009.28	49,800.00	558,812.11	69,000.00	623,846.17
Expenses								
Admin. Expense	800.00	514.43	600.00	1,289.52	1,400.00	1,803.95	2,800.00	6,379.89
Admin. Payroll	20,000.00	40,666.95	20,000.00	17,622.46	40,000.00	58,289.41	80,000.00	98,566.68
Board Health Insurance	3,000.00	8,348.66	6,000.00	813.32	9,000.00	9,161.98	19,000.00	11,694.44
Employee Health Insurance	4,000.00	4,370.27	4,000.00	3,590.94	8,000.00	7,961.21	18,000.00	18,477.10
Employee Retirement Benefit	1,500.00	1,285.09	1,500.00	1,519.39	3,000.00	2,804.48	7,000.00	5,303.28
Investment Fees	0.00	0.00	8,000.00	7,096.11	8,000.00	7,096.11	8,000.00	7,096.11
Office Supplies/Equip Maint	500.00	140.34	500.00	581.17	1,000.00	721.51	3,000.00	2,000.49
Purchase Services	10,000.00	0.00	10,000.00	18,868.50	20,000.00	18,868.50	40,000.00	18,868.50
Accounting fees	15,000.00	0.00	0.00	13,880.00	15,000.00	13,880.00	15,000.00	13,880.00
Board Expense	5,000.00	1,421.73	0.00	1,508.71	5,000.00	2,930.44	5,000.00	5,907.46
Associations/Membership	10,000.00	0.00	0.00	0.00	10,000.00	0.00	17,500.00	7,500.00
Communications	1,000.00	233.85	25,000.00	13,429.43	26,000.00	13,663.28	27,000.00	14,568.98
Web Site/IT	5,000.00	3,780.07	5,000.00	3,895.07	10,000.00	7,675.14	23,000.00	16,067.93
Gen'l Liability & D&O Insurance	0.00	0.00	0.00	(348.00)	0.00	(348.00)	29,000.00	28,238.04
LAFCO fees	0.00	0.00	7,000.00	0.00	7,000.00	0.00	7,000.00	0.00
Legal Fees	5,000.00	9,350.00	5,000.00	14,385.00	10,000.00	23,735.00	20,000.00	30,795.00
Bank Fees	0.00	0.00	0.00	3.00	0.00	3.00	0.00	3.00
Pension Plan Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance	2,000.00	1,345.00	2,000.00	1,475.00	4,000.00	2,820.00	7,000.00	4,987.48
Utilities	3,000.00	1,802.23	3,000.00	3,698.78	6,000.00	5,501.01	10,000.00	9,254.12
Property Insurance	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	1,535.83
Depreciation	5,000.00	3,874.83	5,000.00	3,874.83	10,000.00	7,749.66	22,000.00	15,499.32
Grant Admin Expenses	1,000.00	0.00	1,000.00	19,406.72	2,000.00	19,406.72	4,000.00	20,579.54
Grant Admin Payroll	7,000.00	6,391.14	7,000.00	6,391.15	14,000.00	12,782.29	34,000.00	25,816.42
Samaritan House Grant	0.00	59,230.97	120,000.00	60,012.83	120,000.00	119,243.80	240,000.00	239,447.94
Other Grants	5,000.00	5,717.06	5,000.00	5,162.12	10,000.00	10,879.18	22,000.00	15,379.18
San Mateo Medical Ctr. So County	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ravenswood	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community Grants Program	0.00	12,850.35	0.00	0.00	0.00	12,850.35	0.00	26,682.18
PFS-Sequoia 70	0.00	0.00	175,000.00	194,014.97	175,000.00	194,014.97	175,000.00	196,511.75
Oral Health Coalition	0.00	0.00	0.00	0.00	0.00	0.00	2,000.00	0.00
TBD programs	0.00	0.00	200,000.00	0.00	200,000.00	0.00	300,000.00	0.00
Living Healthy	4,000.00	1,406.55	6,000.00	3,594.56	10,000.00	5,001.11	15,000.00	5,803.39
HeartSafe Program	10,000.00	5,989.76	10,000.00	11,370.51	20,000.00	17,360.27	60,000.00	49,407.42
School Health Program	300,000.00	21,279.34	100,000.00	308,791.59	400,000.00	330,070.93	1,100,000.00	734,321.31
Total Expenses	417,800.00	189,998.62	726,600.00	715,927.68	1,144,400.00	905,926.30	2,313,800.00	1,630,572.78
Net	(382,400.00)	(181,195.79)	(712,200.00)	(165,918.40)	(1,094,600.00)	(347,114.19)	(2,244,800.00)	(1,006,726.61)



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

November 21, 2017

Sequoia Healthcare District
Redwood City, California

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Sequoia Healthcare District (District) for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting District's financial statements were:

Management's estimates used in: fair values of investments, depreciation expense and the valuation of capital assets and pension expense and pension related liability. We evaluated the key factors and assumptions used to develop these estimates in determining that they appeared reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

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

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 21, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to management's discussion and analysis, budgetary comparison information, schedules of pension liability and pension contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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

Vavrinck, Trine, Day & Co. LLP

Palo Alto, California
November 21, 2017

SEQUOIA HEALTHCARE DISTRICT

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2017**

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SEQUOIA HEALTHCARE DISTRICT

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JUNE 30, 2017

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Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Sequoia Healthcare District
Redwood City, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Sequoia Healthcare District (District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the District, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, General Fund budgetary comparison information, schedule of changes in Net Pension Liability and schedule of Pension Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Proprietary Fund and all funds budgetary comparison information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Proprietary Fund and all funds budgetary comparison information are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Proprietary Fund and all funds budgetary comparison information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2017 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Vavrinek, Trine, Day & Co. LLP

Palo Alto, California
November 21, 2017

SEQUOIA HEALTHCARE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

INTRODUCTION

This report presents Management's analysis of Sequoia Healthcare District's (District) financial condition and activities as of and for the year ending June 30, 2017. Management's Discussion and Analysis ("MDA") is intended to serve as an introduction to the District's basic financial statements.

This information should be read in conjunction with the District's audited financial statements.

The information in the MDA includes the following elements:

- Organization and Business
- Overview of Basic Financial Statements
- Financial Analysis
- Capital Assets
- Economic Factors and Future Plans
- Request for Information

ORGANIZATION AND BUSINESS

Sequoia Healthcare District is a governmental entity legally constituted as a special district under California law, and is located in Redwood City, California. Sequoia Healthcare District identifies local healthcare needs and collaboratively develops solutions. District tax revenues are used for programs and activities designed to achieve health, wellness and disease prevention in southern San Mateo County. Communities in the District include Redwood City, San Carlos, Belmont, Woodside, Atherton, Portola Valley and parts of Menlo Park, San Mateo and Foster City.

OVERVIEW OF BASIC FINANCIAL STATEMENTS

The District's basic financial statements comprise the Government-Wide Statement of Net Position and Statement of Activities; the Governmental Fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance; and the Proprietary Fund Statement of Net Position, Statement of Revenues, Expenses and Changes in Fund Net Assets, and Statement of Cash Flows; Fiduciary Fund Statement of Net Position and Changes in Net Position and the Notes to the Financial Statements.

Government-Wide Financial Statements

Government-Wide Financial Statements utilize the economic resources measurement focus using the full accrual basis of accounting similar to commercial enterprises. The Statement of Net Position includes all of the District's assets and liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

For the current year the only difference between the Government-Wide Financial Statements and the Fund Financial Statements is the classification within the fund balances. Under GASB 34 board assigned reserves of fund balances are considered unrestricted. The Fund Financial Statements reduce the unrestricted portion of the fund balance by the amounts assigned for specific purposes by the District. Therefore, the following discussion and analysis will generally be equally applicable to the Government-Wide and Fund Financial Statements.

SEQUOIA HEALTHCARE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the District as a whole.

Governmental Funds - Most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

Proprietary Funds - When the District charges users for the services it provides, whether to outside customers or to other departments within the District, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *Statement of Net Position* and the *Statement of Revenues, Expenses, and Changes in Fund Net Position*. In fact, the District's enterprise funds are the same as the business-type activities we report in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

FINANCIAL ANALYSIS

Financial Highlights

- The government-wide total assets and deferred outflows of the District exceeded the total liabilities and deferred inflows by \$15.0 million (net position) (Table 1). There was an increase in cash and investments in the amount of \$3.6 million mainly due to timing of the payment of the grants.
- Net Position increased by \$352,000 (Table 2). The increase is due to an increase in the property tax collections in the current fiscal year.

Financial Position

During the year, the District's net position increased by \$352,000. The net position includes \$14.4 million in unrestricted funds.

Tables 1 and 2 provide summarized Government-Wide comparative information reported by Fund statement classifications. The functional expenses are detailed on the Statement of Activities and consist of grants to the Community non-profit organizations and General Administration expenses.

SEQUOIA HEALTHCARE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

Table 1
Comparative Statement of Net Position
(in thousands)

	<u>2016-2017</u>	<u>2015-2016</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Current and Other Assets	\$ 47,235	\$ 43,602	\$ 3,633	8.33%
Capital Assets - Net	<u>569</u>	<u>643</u>	<u>(74)</u>	-11.51%
Total Assets	<u>47,804</u>	<u>44,245</u>	<u>3,559</u>	8.04%
Liabilities	<u>30,707</u>	<u>28,395</u>	<u>2,312</u>	8.14%
Deferred Inflows from Pension Activities	<u>1,375</u>	<u>845</u>	<u>530</u>	62.72%
Invested in Capital Assets	<u>569</u>	<u>643</u>	<u>(74)</u>	-11.51%
Unrestricted	<u>15,153</u>	<u>14,362</u>	<u>791</u>	5.51%
Total Net Position	<u>\$ 15,722</u>	<u>\$ 15,005</u>	<u>\$ 717</u>	4.78%

Results of Operations

The following table shows changes in the District's net position for the year. The net position classifications are on the fund basis showing the Board Assignments.

SEQUOIA HEALTHCARE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

Table 2
Comparative Statement of Activities
(in thousands)

	<u>2016-2017</u>	<u>2015-2016</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Revenues				
Lease Income	\$ 48	\$ 46	\$ 2	4.35%
Tax	11,817	11,146	671	6.02%
Investment	68	195	(127)	-65.13%
Pension Reimbursement	1,375	1,380	(5)	-0.36%
Total Revenues	<u>13,308</u>	<u>12,767</u>	<u>541</u>	<u>4.24%</u>
Expenditures				
Administrative	1,026	704	322	45.74%
Pension	1,375	1,380	(5)	-0.36%
Property	138	146	(8)	-5.48%
Grant	6,507	6,909	(402)	-5.82%
Program	3,545	3,276	269	8.21%
Total Expenditures	<u>12,591</u>	<u>12,415</u>	<u>176</u>	<u>1.42%</u>
Change in Net Position	717	352	365	103.69%
Net Position Beginning of Year	15,005	14,653	352	2.40%
Net Position End of Year	<u>\$ 15,722</u>	<u>\$ 15,005</u>	<u>\$ 717</u>	<u>4.78%</u>

The District's total revenues and support of \$13,308,000 for the year and total expenses of \$12,591,000 resulted in an increase of \$717,000.

The District's revenues and support are currently generated from three main categories: tax income (the District is apportioned a fraction of the 1 percent property Ad Valorem tax collected by the County of San Mateo), interest earned from investments, and a profit sharing arrangement with Sequoia Hospital. Revenues also include pension income of \$1.4 million, which is reimbursed by Dignity Health for funding of Sequoia Healthcare District's Employee Pension Plan. Note that an expense offset for the same amount is included on the expenses; therefore, pension activity has no bottom line impact.

The increase in operational expenses is due to activity in each of the following expense categories:

- Administrative: The pension expense is offset by pension income, which results in no bottom line impact.
- Grants and Programs: Grants and programs comprised the majority of the District's expenses for the year. The District supports various health care programs in the local community. Of all the grants, five represent the majority of the expense. They include the Children's Health Initiative (CHI). San Mateo County created CHI for the provision of health insurance for children throughout the County who would otherwise not have access to care. The funds provided by Sequoia Healthcare District as a partner in this program are earmarked for District residents enrolled in the Children's Health Initiative insurance plan.

SEQUOIA HEALTHCARE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

In addition to providing grants, Sequoia Healthcare District operates three signature programs and employs staff to oversee the management of these programs. The three programs are:

- HeartSafe which provides lifesaving equipment including AEDs, Code Blue Towers and Lucas Devices throughout our District at sites such as schools, parks and libraries as well as arranges for instruction of teachers, government employees and others in CPR. Also offers heart screenings at area high schools.
- Healthy School Initiative which offers a comprehensive school health model to area school districts providing resources related to school nursing, wellness programs, improved nutritional programs, increased physical education and fitness as well as mental health services.
- Living Healthy Workshops offer a 7-week education program covering nutrition, stress management and other topics.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. A schedule showing the District's original and final budget amounts compared with amounts actually paid and received is provided in our annual report in the required supplementary section.

Significant revenues were related to our property taxes. Taxes were above the anticipated amounts by \$817,000 due to the increase in property values within the County of San Mateo.

CAPITAL ASSETS

During fiscal 2017, there were no major capital additions.

ECONOMIC FACTORS AND FUTURE PLANS

The Sequoia Healthcare District will continue to obtain revenues from property tax and may also share income over expenses from Sequoia Hospital. As a result, we anticipate a steady stream of income that will allow us to provide a minimum of \$10 million a year in community support in the years ahead without having to significantly reduce current reserves.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances and demonstrate the District's accountability for the monies it receives. If you have any questions about this report or need additional information, please contact Sequoia Healthcare District, 525 Veterans Blvd. Redwood City, CA 94063.

SEQUOIA HEALTHCARE DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 7,291,649	\$ -	\$ 7,291,649
Investments	10,226,748	-	10,226,748
Taxes Receivable	41,044	-	41,044
Prepaid Expenses	4,610	-	4,610
Dignity Health Pension Reimbursement	29,670,000	-	29,670,000
Capital Assets - Net	-	569,358	569,358
Total Assets	47,234,051	569,358	47,803,409
Liabilities			
Accounts Payable	32,340	-	32,340
Grants Payable	2,376,355	-	2,376,355
Deposit Payable	-	3,165	3,165
Pension Liability	28,295,000	-	28,295,000
Total Liabilities	30,703,695	3,165	30,706,860
Deferred Inflows			
Deferred Inflows from Pension Activities	1,375,000	-	1,375,000
Net Position			
Net Investment in Capital Assets	-	566,193	566,193
Unrestricted	15,155,356	-	15,155,356
Total Net Position	\$ 15,155,356	\$ 566,193	\$ 15,721,549

The accompanying notes are an integral part of these financial statements.

SEQUOIA HEALTHCARE DISTRICT

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental Activities:						
Grant Expenses:						
Grants to Community Non-Profit Organizations	\$ 6,506,551	\$ -	\$ -	\$ (6,506,551)	\$ -	\$ (6,506,551)
Grant Administration	126,271	-	-	(126,271)	-	(126,271)
General Administration:						
Administrative Services	633,645	-	-	(633,645)	-	(633,645)
Insurance	151,365	-	-	(151,365)	-	(151,365)
Investment and Banking Fees	43,302	-	-	(43,302)	-	(43,302)
Legal	36,081	-	-	(36,081)	-	(36,081)
Office Supplies and Maintenance	7,953	-	-	(7,953)	-	(7,953)
Pension Expense	1,375,000	-	1,375,000	-	-	-
Public Relations	27,676	-	-	(27,676)	-	(27,676)
Other Outgo	3,545,384	-	-	(3,545,384)	-	(3,545,384)
Total Governmental Activities	12,453,228	-	1,375,000	(11,078,228)	-	(11,078,228)
Business Type Activities:						
Leasing	138,220	47,898	-	-	(90,322)	(90,322)
Total Business Activities	138,220	47,898	-	-	(90,322)	(90,322)
Total Primary Government	\$ 12,591,448	\$ 47,898	\$ 1,375,000	(11,078,228)	(90,322)	(11,168,550)
General Revenues:						
Property Taxes				11,817,502	-	11,817,502
Interest and Investment Earnings				67,757	-	67,757
Internal Transfers				(16,885)	16,885	-
Subtotal - General Revenue				11,868,374	16,885	11,885,259
Change in Net Position				790,146	(73,437)	716,709
Net Position - Beginning of Year				14,365,210	639,630	15,004,840
Net Position - End of Year				\$ 15,155,356	\$ 566,193	\$ 15,721,549

The accompanying notes are an integral part of these financial statements.

SEQUOIA HEALTHCARE DISTRICT

GOVERNMENTAL FUND BALANCE SHEET JUNE 30, 2017

	<u>General Fund</u>
Assets	
Cash and Cash Equivalents	\$ 7,291,649
Investments	10,226,748
Taxes Receivable	41,044
Prepaid Expenses	4,610
Total Assets	<u>\$ 17,564,051</u>
Liabilities	
Accounts Payable	\$ 32,340
Grants Payable	2,376,355
Total Liabilities	<u>2,408,695</u>
Fund Balance	
Assigned for Construction	4,300,000
Unassigned	10,855,356
Total Fund Balance	<u>15,155,356</u>
Total Liabilities and Fund Balance	<u>\$ 17,564,051</u>
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Total Fund Balance - Governmental Funds	\$ 15,155,356
Pension liability, deferred outflows and deferred inflows related to pensions	(29,670,000)
Reimbursement receivable from Dignity Health for pensions	29,670,000
Total Net Position - Governmental Activities	<u>\$ 15,155,356</u>

The accompanying notes are an integral part of these financial statements.

SEQUOIA HEALTHCARE DISTRICT

GOVERNMENTAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2017

	<u>General Fund</u>
Revenues	
Tax Revenue	\$ 11,817,502
Investment Income	59,973
Interest Income	7,784
Pension Reimbursement	3,800,000
Total Revenues	<u>15,685,259</u>
Expenditures	
Community Healthcare Services	
Administrative Services	633,645
Grant Expenses	6,632,822
Insurance	151,365
Investment and Banking Fees	43,302
Legal	36,081
Office Supplies and Maintenance	7,953
Pension Contribution	3,800,000
Other Grants	3,545,384
Public Relations	27,676
Total Expenditures	<u>14,878,228</u>
Excess of Revenue Over Expenditures	807,031
Transfers Out	<u>(16,885)</u>
Net Change in Fund Balance	790,146
Fund Balance - Beginning of Year	<u>14,365,210</u>
Fund Balance - End of Year	<u>\$ 15,155,356</u>
Total Net Change in Fund Balances - Governmental Funds	\$ 790,146
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Pension expense is recognized on the government-wide financial statements but only current year's pension contributions are recognized on the governmental funds.	(2,425,000)
The difference between the contributions and actual pension expense reimbursable by Dignity Health is recognized on the government-wide statement of activities.	2,425,000
Change in Net Position of Governmental Activities	<u><u>\$ 790,146</u></u>

The accompanying notes are an integral part of these financial statements.

SEQUOIA HEALTHCARE DISTRICT

STATEMENT OF NET POSITION PROPRIETARY FUND JUNE 30, 2017

	<u>Enterprise Leasing Fund</u>
Assets	
Noncurrent Assets:	
Capital Assets	
Building and Improvements	\$ 1,859,922
Land	138,927
Land Improvements	144,158
Tenant Improvements	215,113
Furniture and Equipment	96,875
Less Accumulated Depreciation	<u>(1,885,637)</u>
Capital Assets - Net	<u>569,358</u>
Liabilities	
Deposits Payable	<u>3,165</u>
Net Position	
Investment in Capital Assets	<u>566,193</u>
Total Net Position	<u>\$ 566,193</u>

The accompanying notes are an integral part of these financial statements.

SEQUOIA HEALTHCARE DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUND FOR THE YEAR ENDED JUNE 30, 2017

	<u>Enterprise Leasing Fund</u>
Operating Revenues	
Rental Income	<u>\$ 47,898</u>
Operating Expenses	
Administrative Services	14,353
Depreciation	73,437
Insurance	1,574
Maintenance and Supplies	21,036
Utilities	<u>27,820</u>
Total Operating Expenses	<u>138,220</u>
Operating Loss Before Transfers	(90,322)
Transfers In	<u>16,885</u>
Change in Net Position	(73,437)
Net Position - Beginning	<u>639,630</u>
Net Position - Ending	<u><u>\$ 566,193</u></u>

The accompanying notes are an integral part of these financial statements.

SEQUOIA HEALTHCARE DISTRICT

STATEMENT OF CASH FLOWS PROPRIETARY FUND FOR THE YEAR ENDED JUNE 30, 2017

	Enterprise Leasing Fund
Cash Flows from Operating Activities:	
Cash Received from Tenants	\$ 47,898
Cash Paid to Suppliers	(64,783)
Net Cash Used for Operating Activities	(16,885)
Cash Flows from Noncapital Financing Activities	
Transfers from the General Fund	16,885
Net Increase in Cash and Cash Equivalents	-
Cash and Cash Equivalents - Beginning of Year	-
Cash and Cash Equivalents - End of Year	\$ -
Reconciliation of Net Income to Net Cash Provided by Operating Activities	
Loss from Operations	\$ (90,322)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
Depreciation	73,437
Net Cash Used by Operating Activities	\$ (16,885)

The accompanying notes are an integral part of these financial statements.

SEQUOIA HEALTHCARE DISTRICT

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUND JUNE 30, 2017

	Pension Trust Fund
Assets	
Money Market Fund	\$ 50,488
Mutual Funds	58,208,666
Total Assets	\$ 58,259,154
 Net Position Restricted for Pensions	 \$ 58,259,154

The accompanying notes are an integral part of these financial statements.

SEQUOIA HEALTHCARE DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND FOR THE YEAR ENDED JUNE 30, 2017

	Pension Trust Fund
Additions	
Contributions - Employer	\$ 3,800,000
Investment Earnings:	
Net Increase in Fair Value of Investment	5,948,909
Interest and Dividends	1,239,263
Total Investment Earnings	7,188,172
Total Additions	10,988,172
Deductions	
Benefits	6,413,515
Administrative Expenses	88,578
Total Deductions	6,502,093
Net Decrease in Net Position	4,486,079
Net Position Restricted for Pensions	
Beginning of Year	53,773,075
End of Year	\$ 58,259,154

The accompanying notes are an integral part of these financial statements.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Sequoia Healthcare District (District), formerly known as Sequoia Hospital District (the Hospital), was established in 1947 in accordance with the provisions of the Health and Safety Code of the State of California. The District is a governmental entity legally constituted as a special district under California law, and is located in Redwood City, California.

The District's primary mission as adopted by the Board is to improve the quality of life for District residents enhancing access to healthcare services and by supporting and encouraging programs and activities designed to achieve health, wellness, and disease prevention.

Basis of Presentation

The District's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Standards require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government. These statements include the financial activities of the overall District. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

Governmental Funds All governmental funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting, when applicable.

Proprietary Funds Proprietary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of this fund are included in the statement of net position. The statement of changes in fund net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary fund.

Fiduciary Funds Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of the District.

Fund Financial Statements

The District's major governmental and proprietary funds are identified and presented separately in the fund financial statements.

Major funds are defined as funds that have either assets, liabilities, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The District may also select other funds it believes should be presented as major funds.

The District reported the following major funds in the accompanying financial statements:

General Fund - The general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Proprietary Fund - This enterprise fund accounts for the operation, maintenance and capital improvement projects for the building which are funded by rental income.

In addition, the District report a Fiduciary Fund - Pension Trust Fund is used to account for the assets held by the District under a trust agreement to make payments for pension benefits.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

Basis of Accounting - Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the District and for each governmental function, and exclude fiduciary activity. Direct expenses are those that are specifically associated with a service, program, or department and are therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District. Eliminations have been made to minimize the double counting of internal activities.

Net position should be reported as restricted when constraints placed on net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities result from special revenue funds and the restrictions on their use.

Fund Financial Statements Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The District has no non-major funds.

Governmental Funds All governmental funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

Proprietary Funds Proprietary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of this fund are included in the statement of net position. The statement of changes in fund net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary fund.

Fiduciary Funds Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of the District.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments held at June 30, 2017 are stated at fair value. Fair value is estimated based on quoted market prices at year-end.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets of the District. The District maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized, but are expensed as incurred.

When purchased, such assets are recorded as expenditures in the governmental funds and capitalized in the government-wide statement of net position. The valuation basis for capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets is the same as those used for the capital assets of governmental funds.

Depreciation is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

	Lives of Assets
Land and Building Improvements	15-20
Equipment and Furniture	3-5
Leasehold Improvements	Life of Lease
Improvements to Common Areas	3-5

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

Property Tax Revenue

The District has the authority to collect taxes on property within its political subdivision. Taxes are received from the County of San Mateo, which has responsibility for their collection. The District received approximately 78% in 2017 and 80% in 2016 of its financial support from property taxes. Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments due November 1 (delinquent on December 10) and February 1 (delinquent on April 10). Unsecured property taxes are payable in one installment on or before August 31. The County of San Mateo bills and collects the taxes for the District. Tax revenues are recognized by the District when received.

Use of Estimates

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

Risk Management

The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruptions; errors and omissions; and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Coverage is provided as follows:

Company Name	Type of Coverage	Limits
BETA Healthcare Group	Comprehensive Liability	\$ 5,000,000
BETA Healthcare Group	D & O Liability	5,000,000
Driver Alliant Insurance Services, Inc.	Property	1,000,000,000
State Compensation Insurance Fund	Workers' Compensation	1,000,000

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's retirement plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the plan's administrators. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The District reports deferred outflows of resources for its pension activities.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources for its pension activities.

New Accounting Pronouncements

The GASB has issued the following accounting pronouncements that will become effective in future fiscal years:

- GASB Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions
- GASB Statement No. 81 – Irrevocable Split-Interest Agreements
- GASB Statement No. 83 – Certain Asset Retirement Obligations
- GASB Statement No. 84 – Fiduciary Activities
- GASB Statement No. 85 – Omnibus 2017
- GASB Statement No. 86 – Certain Debt Extinguishment Issues
- GASB Statement No. 87 – Leases

The District has not determined the effect of these statements.

NOTE 2 – DEPOSITS AND INVESTMENTS

Summary of Deposits and Investments

Deposits and investments as of June 30, 2017 are classified in the accompanying financial statements as follows:

Governmental Activities	\$ 17,518,397
Fiduciary Fund	58,259,154
Total Deposits and Investments	<u>\$ 75,777,551</u>

Deposits and investments as of June 30, 2017, consist of the following:

Cash on Hand and in Banks	\$ 7,291,649
Investments	10,226,748
Money Market Funds	50,488
Mutual Funds	58,208,666
Total Deposits and Investments	<u>\$ 75,777,551</u>

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

Policies and Practices

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the District's name and places the District ahead of general creditors of the institution.

The District invests in individual investments. Individual investments are evidenced by specific identifiable securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the District employs the Trust Department of a bank as the custodian of certain District managed investments, regardless of their form. The District's investments are carried at fair value, as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

The District considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents consist principally of money market accounts and short term certificates of deposit.

The District is in compliance with the Board approved Investment Policy and California Government Code requirements.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

General Authorizations

Limitations as they relate to interest rate risk and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Segmented Time Distribution

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following schedule that shows the distribution of the District's investments by maturity:

Governmental - Investment Type	Fair Value	12 Months or Less	13 - 24 Months	25 - 60 Months	More Than 60 Months
U.S. Treasuries	\$ 2,876,644	\$ -	\$ 908,298	\$ 1,968,346	\$ -
U.S. Agencies	1,559,399	451,256	-	1,108,143	-
Municipal Bonds	2,452,050	889,080	739,663	823,307	-
Corporate Bonds	3,338,655	633,856	1,337,847	1,213,749	153,203
Total	<u>\$ 10,226,748</u>	<u>\$ 1,974,192</u>	<u>\$ 2,985,808</u>	<u>\$ 5,113,545</u>	<u>\$ 153,203</u>
Pension - Investment Type					
Money Market Fund	\$ 50,488	\$ 50,488	\$ -	\$ -	\$ -
Mutual Funds	58,208,666	58,208,666	-	-	-
Total	<u>\$ 58,259,154</u>	<u>\$ 58,259,154</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fair Value Measurements

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Investment Type	Fair Value	Fair Value Investments Using			Uncategorized
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
U.S. Treasuries	\$ 2,876,644	\$ 2,876,644	\$ -	\$ -	\$ -
U.S. Agencies	1,559,399	-	1,559,399	-	-
Municipal Bonds	2,452,050	-	2,452,050	-	-
Corporate Bonds	3,338,655	-	3,338,655	-	-
Mutual Funds	50,488	-	50,488	-	-
Money Market Fund	58,208,666	-	-	-	58,208,666
Total	<u>\$ 68,485,902</u>	<u>\$ 2,876,644</u>	<u>\$ 7,400,592</u>	<u>\$ -</u>	<u>\$ 58,208,666</u>

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, the Districts' investment policy, or debt agreements, and the actual rating as of the year-end for each investment type.

Investment Type	Fair Value	Not Rated Or Required To Be Rated	S&P Rating as of Year End		
			AAA	AA+	AA
U.S. Treasuries	\$ 2,876,644	\$ 2,876,644	\$ -	\$ -	\$ -
U.S. Agencies	1,559,399	-	1,108,204	451,195	-
Municipal Bonds	2,452,050	-	241,914	507,726	1,026,383
Corporate Bonds	3,338,655	-	267,295	55,486	310,311
Money Market Fund	50,488	50,488	-	-	-
Mutual Funds	58,208,666	58,208,666	-	-	-
Total	<u>\$ 68,485,902</u>	<u>\$ 61,135,798</u>	<u>\$ 1,617,413</u>	<u>\$ 1,014,407</u>	<u>\$ 1,336,694</u>

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

Investment Type	S&P Rating as of Year End				
	AA-	A+	A	A-	BBB+
U.S Treasuries	\$ -	\$ -	\$ -	\$ -	\$ -
U.S Agencies	-	-	-	-	-
Municipal Bonds	676,027	-	-	-	-
Corporate Bonds	625,636	421,616	501,909	975,453	180,949
Money Market Fund	-	-	-	-	-
Mutual Funds	-	-	-	-	-
Total	<u>\$ 1,301,663</u>	<u>\$ 421,616</u>	<u>\$ 501,909</u>	<u>\$ 975,453</u>	<u>\$ 180,949</u>

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. As of June 30, 2017 the total carrying amount was \$7,291,649 with a corresponding bank balance of \$7,964,575. The District's bank balance of \$7,714,575 was exposed to custodial credit risk because it was uninsured but collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

NOTE 3 – COMMITMENTS

The District has approved conditional grants, not yet paid, for various projects. Conditional grants are only recognized when the conditions on which they depend are substantially met. The following grants have been approved but not yet recognized.

The Oral Health Coalition of San Mateo County is to receive a \$50,000 grant for fiscal year 2017-18.

The Ravenswood Family Health Center is to receive a \$700,000 grant annually through fiscal year ending June 30, 2019.

The San Mateo Medical Center's Fair Oaks Health Center is to receive up to \$143,000 annually for fiscal years June 30, 2017 and 2018 for the expansion of the Ron Robinson Senior Care Center. The SMMC Community Care Transitions Program is to receive up to \$394,500 for fiscal year June 30, 2017 and up to \$197,250 for fiscal year June 30, 2018.

Samaritan House is to receive \$682,577 for fiscal year June 30, 2018.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

The 70 Strong program, in partnership with Peninsula Family Service, is to receive \$731,872 for fiscal year June 30, 2018.

NOTE 4 – CAPITAL ASSETS

Activity in capital assets for the year ended June 30, 2017 was as follows:

	Beginning Balance June 30, 2016	Current Year Additions	Current Year Deletions	Ending Balance June 30, 2017
Land	\$ 138,927	\$ -	\$ -	\$ 138,927
Land Improvements	144,158	-	-	144,158
Buildings and Improvements	1,859,922	-	-	1,859,922
Tenant Improvements	215,113	-	-	215,113
Equipment	68,615	-	-	68,615
Furniture	28,260	-	-	28,260
Total	2,454,995	-	-	2,454,995
Less Accumulated Depreciation	1,812,200	73,437	-	1,885,637
Capital Assets - Net	\$ 642,795	\$ (73,437)	\$ -	\$ 569,358

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

NOTE 5 – LEASES (RENTAL INCOME)

In October, 2009, the District rented out a part of its building to a tenant and entered into a long-term lease. The District received rental income of \$3,165 monthly on the first year lease which increases up to \$4,004 monthly at the seventh year.

<u>Fiscal Year Ended</u>	<u>Rental Income</u>
2018	\$ 4,004
Total	<u>\$ 4,004</u>

NOTE 6 – PENSION PLAN

Prior to October 1, 1996, the District maintained two pension plans, a defined contribution plan and a defined benefit plan. The defined contribution plan was formed under Internal Revenue Service code section 457(b) and is titled the Master Deferred Compensation Plan. The defined benefit plan is titled the Sequoia Healthcare District Employee Pension Plan.

Deferred Compensation Plan

The Master Deferred Compensation Plan allowed covered employees to contribute a portion of their pre-tax earnings to the plan. These contributions, deferrals and the earnings on these deferrals remain in the plan, and are not taxable to the participants until they are withdrawn. The assets of the plan are invested in group annuity contracts held by and in the name of a trust established for this purpose and mutual funds, which are subject to stock market risks associated with price changes. The District was not required to make contributions to the plan and all contributions to the plan are made by the employees only.

The Sequoia Healthcare District Pension Plan

Plan Description

The Sequoia Healthcare District Employee Pension Plan, adopted on January 1, 1959, as amended is a defined benefit plan. The plan was last amended on August 19, 1998. The employer made contributions to the plan for the benefit of covered employees, the participants. Effective October 1, 1996 all benefit accruals under the plan were suspended indefinitely, provided however that vesting services credit will be paid for participants who are vested. Benefits are distributed to participants when they retire in accordance with the terms of the plan, based on certain actuarial computations. The liability for this plan was assumed by Sequoia Health Services. The plan cannot be transferred to Sequoia Health Services. The District remains contingently liable for funding of the plan in the event of default by Sequoia Health Services. Benefits are administered by Vanguard Retirement Services.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

Benefits Provided

Vanguard provides service retirement to plan members, who must be public employees of the District prior to October 1, 1996. Benefits are based on years of credited service, equal to one year of full time employment. Members with ten years of total service are eligible to retire. Normal retirement age is 65 however, members are eligible to retire at age 55 with statutorily reduced benefits.

The Plan provisions and benefits in effect at June 30, 2017, are summarized as follows:

Benefit formula	2% at 65
Benefit vesting schedule	10 years service
Benefit payments	monthly for life
Retirement age	55-65
Monthly benefits, as a percent of eligible compensation	2.00%
Required employee contribution amount	None
Required employer contribution amount	Actuarially Determined

Contributions

Funding contributions for the Plan is determined annually on an actuarial basis as of January 1 by an actuary. The actuarially determined amount is the estimated amount necessary to finance the costs of benefits earned by employees during the service years, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the full amount and there are no employee required contributions. For the year ended June 30, 2017, contributions recognized as part of pension expense were \$3,800,000.

Net Pension Liability

The District's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2017, using an annual actuarial valuation as of January 1, 2016 rolled forward to June 30, 2017 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	January 1, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.90%
Projected Salary Increase	3.00%
Investment Rate of Return	6.90%
Mortality	GAM94 Basic Tables
Post Retirement Benefit Increase	N/A

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, the actuary stress tested plan that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, the Plan would not run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, the actuary took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	Long Term Asset Allocation	Geometric Rates of Return (a)
Equities	40%	5.35%
Fixed Income	25%	1.55%
Convertible Securities	15%	3.37%
REITs	5%	4.03%
Global Tactical Asset Allocation	15%	2.57%
Total	100%	

(a) An expected inflation of 3.0% used for this period.

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

Changes in the Net Pension Liability - The changes in the Net Pension Liability for the Plan is:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2016	\$ 87,174,000	\$ 53,773,000	\$ 33,401,000
Changes in the year:			
Service cost	-	-	-
Interest on the total pension liability	5,794,000	-	5,794,000
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contribution - employer	-	3,800,000	(3,800,000)
Contribution - employee	-	-	-
Net investment income	-	7,188,000	(7,188,000)
Administrative expenses	-	(88,000)	88,000
Benefit payments	(6,414,000)	(6,414,000)	-
Net changes	(620,000)	4,486,000	(5,106,000)
Balance at June 30, 2017	\$ 86,554,000	\$ 58,259,000	\$ 28,295,000

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	5.90%	6.90%	7.90%
Net Pension Liability	\$ 36,463,000	\$ 28,295,000	\$ 21,218,000

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between projected and actual earnings on plan investments	\$ -	\$ (1,375,000)
Total	\$ -	\$ (1,375,000)

SEQUOIA HEALTHCARE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

Reported as deferred outflows of resources related to contributions subsequent to the measurement date is \$3,800,000, which will be recognized as a component of pension expense in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Deferred Inflows of Resources
2018	\$ (796,000)
2019	67,000
2020	69,000
2021	(715,000)
	<u>\$ (1,375,000)</u>

Pension Plan Fiduciary Net Position

The Plan's Fiduciary Net Position is reported on these financial statements.

Amounts due from Dignity Health

As described above, the District is liable for pensions but seeks reimbursement for the unfunded liability through annual contributions made by Dignity Health to the District. The contributions from Dignity Health are designed to fully fund the pension liability. Therefore, the District recorded a receivable for the net amount resulting from recognizing the pension liability in the amount of \$29,670,000 as of June 30, 2017.

NOTE 7 – OTHER EMPLOYEE RETIREMENT SYSTEM

As established by Federal law, all public sector employees who are not members of a retirement system such as the state Public Employee Retirement System must be covered by social security or an alternate plan. The District has elected to use Social Security to cover its five employees. Statutory rates are paid by the employee and the District.

NOTE 8 – ECONOMIC RETURN

Pursuant to the Development Agreement executed on December 7, 2007 with Catholic Healthcare West (now known as Dignity Health), the District is entitled to an economic return on its contribution which equals 50% of annual Sequoia Hospital Operating Earnings Before Interest Expense, Depreciation and Amortization (EBIDA) exceeding an aggregate 9.3% annual Operating EBIDA Margin (the Return Formula). The District shall be entitled to an economic return pursuant to the Return Formula through December 7, 2047.

During the fiscal year ended June 30, 2017, the District did not receive any funds from Dignity Health based on the Return Formula Payable for fiscal year ended June 30, 2016.

Required Supplementary Information

SEQUOIA HEALTHCARE DISTRICT

GENERAL FUND BUDGETARY COMPARISON SCHEDULE YEAR ENDED JUNE 30, 2017

	Budgetary Amounts		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
Tax Revenue	\$ 11,000,000	\$ 11,000,000	\$ 11,817,502	\$ 817,502
Investment Income	150,000	150,000	59,973	(90,027)
Interest Income	7,700	7,700	7,784	84
Pension Income	3,800,000	3,800,000	3,800,000	-
Total Revenues	14,957,700	14,957,700	15,685,259	727,559
Expenditures				
Administration Expense	252,000	252,000	266,798	(14,798)
Board Health Insurance	68,000	68,000	59,573	8,427
Employee Health Insurance	40,000	40,000	48,102	(8,102)
Employee Retirement Benefit	21,000	21,000	18,680	2,320
Investment Fees	46,000	46,000	43,272	2,728
Office Supplies/Equipment Maintenance	11,000	11,000	7,953	3,047
Accounting Fees	21,000	21,000	18,000	3,000
Board Expense	6,500	6,500	1,437	5,063
Association/Membership Fees	18,000	18,000	17,825	175
Communications	30,000	30,000	27,676	2,324
Web Site/IT	66,000	66,000	62,504	3,496
Pension Plan Expense	3,800,000	3,800,000	3,800,000	-
Insurance/D&O	29,000	29,000	25,010	3,990
Election Fees	150,000	150,000	261,298	(111,298)
LAFCO Fees	8,500	8,500	5,783	2,717
Legal Fees	25,000	25,000	36,081	(11,081)
Bank Fees	100	100	30	70
Grant Expenses	125,000	125,000	126,271	(1,271)
SFSU Nursing Program	613,000	613,000	627,054	(14,054)
Samaritan House Medical Clinic	683,000	683,000	682,577	423
Other Grants	90,000	90,000	-	90,000
San Mateo Medical Center	537,000	537,000	222,650	314,350
Ravenswood-Belle Haven Clinic	700,000	700,000	700,000	-
Community Grants Program	2,100,000	2,100,000	2,118,069	(18,069)
Mission Hospice	500,000	500,000	500,000	-
Sequoia 70	813,000	813,000	760,424	52,576
Oral Health Coalition	50,000	50,000	50,000	-
TBD Programs	1,100,510	1,100,510	810,000	290,510
Living Healthy	58,000	58,000	35,777	22,223
Heart Safe Program	134,000	134,000	106,847	27,153
School Health Program	3,496,490	3,496,490	3,438,537	57,953
Total Expenditures	15,592,100	15,592,100	14,878,228	713,872
Excess (Deficiency) of Revenues Over Expenditures	(634,400)	(634,400)	807,031	1,441,431
Transfer to Proprietary Fund	-	-	(16,885)	(16,885)
Fund Balance - Beginning of Year	14,365,210	14,365,210	14,365,210	-
Fund Balance - End of Year	\$ 13,730,810	\$ 13,730,810	\$ 15,155,356	\$ 1,424,546

SEQUOIA HEALTHCARE DISTRICT

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY YEAR ENDED JUNE 30, 2017

Fiscal year	2017	2016	2015
Total Pension Liability			
Service cost	\$ -	\$ -	\$ -
Interest on total pension liability	5,794,000	5,597,000	5,633,000
Differences between expected and actual experience	48,000	(378,000)	-
Changes in assumptions	-	4,532,000	-
Changes in benefits	-	-	-
Benefit payments, including refunds of employee contributions	(6,414,000)	(6,238,000)	(6,035,000)
Net change in total pension liability	(572,000)	3,513,000	(402,000)
Total pension liability - beginning	87,174,000	83,661,000	84,063,000
Total pension liability - ending (a)	\$ 86,602,000	\$ 87,174,000	\$ 83,661,000
Plan fiduciary net position			
Contributions - employer	\$ 3,800,000	\$ 2,600,000	\$ 2,600,000
Net decrease in fair value of investment	-	-	-
Net investment income	7,199,000	(45,000)	487,000
Benefit payments	(6,414,000)	(6,238,000)	(6,035,000)
Administrative expenses	(89,000)	(108,000)	(92,000)
Net change in plan fiduciary net position	4,496,000	(3,791,000)	(3,040,000)
Plan fiduciary net position - beginning	53,811,000	57,602,000	60,642,000
Plan fiduciary net position - ending (b)	\$ 58,307,000	\$ 53,811,000	\$ 57,602,000
Net pension liability - ending (a)-(b)	\$ 28,295,000	\$ 33,363,000	\$ 26,059,000

Notes to Schedule:

10 years data is not available because this is the second year of implementation of the pension reporting standards.

SEQUOIA HEALTHCARE DISTRICT

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS YEAR ENDED JUNE 30, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 3,800,000	\$ 2,600,000	\$ 2,600,000
Contributions in relation to the actuarially determined contribution	<u>(3,800,000)</u>	<u>(2,600,000)</u>	<u>(2,600,000)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered employee Payroll	 \$ -	 \$ -	 \$ -
 Contribution as a percentage of covered employee payroll	 100%	 100%	 100%

Supplementary Information

SEQUOIA HEALTHCARE DISTRICT

PROPRIETARY FUND BUDGETARY COMPARISON SCHEDULE YEAR ENDED JUNE 30, 2017

	Budgetary Amounts		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
Rental Income	\$ 48,048	\$ 48,048	\$ 47,898	\$ (150)
Expenses				
Administration Expense	-	-	14,353	(14,353)
Maintenance - Property	22,500	22,500	21,036	1,464
Utilities	30,000	30,000	27,820	2,180
Insurance - Properties	2,000	2,000	1,574	426
Depreciation	73,000	73,000	73,437	(437)
Total Expenses	127,500	127,500	138,220	(10,720)
Deficiency of Revenues Over Expenses	(79,452)	(79,452)	(90,322)	(10,870)
Transfer from General Fund	-	-	16,885	16,885
Net Position - Beginning of Year	639,630	639,630	639,630	-
Net Position - End of Year	\$ 560,178	\$ 560,178	\$ 566,193	\$ 6,015

SEQUOIA HEALTHCARE DISTRICT

ALL FUND BUDGETARY COMPARISON SCHEDULE YEAR ENDED JUNE 30, 2017

	Budgetary Amounts		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
Rental Income	\$ 48,048	\$ 48,048	\$ 47,898	\$ (150)
Tax Revenue	11,000,000	11,000,000	11,817,502	817,502
Investment Income	150,000	150,000	59,973	(90,027)
Interest Income	7,700	7,700	7,784	84
Pension Income	3,800,000	3,800,000	3,800,000	-
Total Revenues	15,005,748	15,005,748	15,733,157	727,409
Expenses				
Administration Expense	252,000	252,000	281,151	(29,151)
Board Health Insurance	68,000	68,000	59,573	8,427
Employee Health Insurance	40,000	40,000	48,102	(8,102)
Employee Retirement Benefit	21,000	21,000	18,680	2,320
Investment Fees	46,000	46,000	43,272	2,728
Office Supplies/Equipment Maintenance	11,000	11,000	7,953	3,047
Accounting Fees	21,000	21,000	18,000	3,000
Board Expense	6,500	6,500	1,437	5,063
Association/Membership Fees	18,000	18,000	17,825	175
Communications	30,000	30,000	27,676	2,324
Web Site/IT	66,000	66,000	62,504	3,496
Pension Plan Expense	3,800,000	3,800,000	3,800,000	-
Insurance/D&O	29,000	29,000	25,010	3,990
Election Fees	150,000	150,000	261,298	(111,298)
LAFCO Fees	8,500	8,500	5,783	2,717
Legal Fees	25,000	25,000	36,081	(11,081)
Bank Fees	100	100	30	70
Grant Expenses	125,000	125,000	126,271	(1,271)
SFSU Nursing Program	613,000	613,000	627,054	(14,054)
Samaritan House Medical Clinic	683,000	683,000	682,577	423
Other Grants	90,000	90,000	-	90,000
San Mateo Medical Center	537,000	537,000	222,650	314,350
Ravenswood-Belle Haven Clinic	700,000	700,000	700,000	-
Community Grants Program	2,100,000	2,100,000	2,118,069	(18,069)
Mission Hospice	500,000	500,000	500,000	-
Sequoia 70	813,000	813,000	760,424	52,576
Oral Health Coalition	50,000	50,000	50,000	-
TBD Programs	1,100,510	1,100,510	810,000	290,510
Maintenance - Property	22,500	22,500	21,036	1,464
Utilities	30,000	30,000	27,820	2,180
Insurance - Properties	2,000	2,000	1,574	426
Depreciation	73,000	73,000	73,437	(437)
Living Healthy	58,000	58,000	35,777	22,223
Heart Safe Program	134,000	134,000	106,847	27,153
School Health Program	3,496,490	3,496,490	3,438,537	57,953
Total Expenditures	15,719,600	15,719,600	15,016,448	703,152
Excess (Deficiency) of Revenue Over Expenses	(713,852)	(713,852)	716,709	1,430,561
Fund Balance - Beginning of Year	15,004,840	15,004,840	15,004,840	-
Fund Balance - End of Year	\$14,290,988	\$14,290,988	\$15,721,549	\$1,430,561

Auditor's Report on Internal Control and Compliance



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Sequoia Healthcare District
Redwood City, California

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Sequoia Healthcare District (District) as of and for the year ended June 30, 2017, which collectively comprise the Sequoia Healthcare District's basic financial statements and have issued our report thereon dated November 21, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sequoia Healthcare District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vavrinek, Trine, Day & Co. LLP

Palo Alto, California
November 21, 2017

SEQUOIA HEALTHCARE DISTRICT

**SUMMARY OF AUDITOR’S RESULTS
FOR THE YEAR ENDED JUNE 30, 2017**

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified?	<u>No</u>
Noncompliance material to financial statements noted?	<u>No</u>

SEQUOIA HEALTHCARE DISTRICT

**FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2017**

None reported.

Food Pantry Proposal

1. 2nd Harvest will partner with Salvation Army to provide a Wellness Food Pantry for the patients of the North Fair Oaks Clinic.
2. 2nd Harvest will be responsible for providing the food and the Salvation Army will be the distribution site.
3. Sequoia Healthcare District is being asked to allow \$30,000 of anticipated unused funds for the North Fair Oaks Clinic to be used to help support this food pantry.
4. Dr. Chester Kunnappilly, CEO of the San Mateo Medical Center and Clinics endorses this use of funds.
5. It is hoped that the food pantry will serve about 600 patients per year and their families.



Fair Oaks Health Center Physician / Staff Referral Form

YES

Is your patient food insecure?

NO

**Stop
Here**

Do they have any of these medical conditions (check all that apply)

- ☐ Prediabetes
- ☐ Gestational Diabetes
- ☐ Diabetes
- ☐ High Blood Pressure
- ☐ High Cholesterol

YES

NO

Your patient qualifies for free healthy food and nutrition education at the Wellness Pantry.

Salvation Army
660 Veterans Blvd.
Redwood City, CA 94063

Are they able to go to this location at one of these times?

Tuesdays: 9 a.m. - 12 p.m. or
1 - 3 p.m.
Thursdays: 1 - 3 p.m.

YES

Date and sign the prescription on the reverse.
Ask patient to bring it to the Wellness Pantry on one of the days and times listed.

Ask the patient their preference from the options below. Check patient choice and follow the instructions

- ☐ Patient will contact Second Harvest. Give them this sheet and point out the options listed on the back.
- ☐ Patient will meet with Second Harvest representative, Genesis Cerna, in person at the Fair Oaks Health Center lobby on Mondays 8:30 a.m. - 12 p.m.
- ☐ Patient would like Second Harvest Food Bank staff to contact him/her. Place the completed form in the Food Bank folder.

Name: _____

Patient Phone: _____

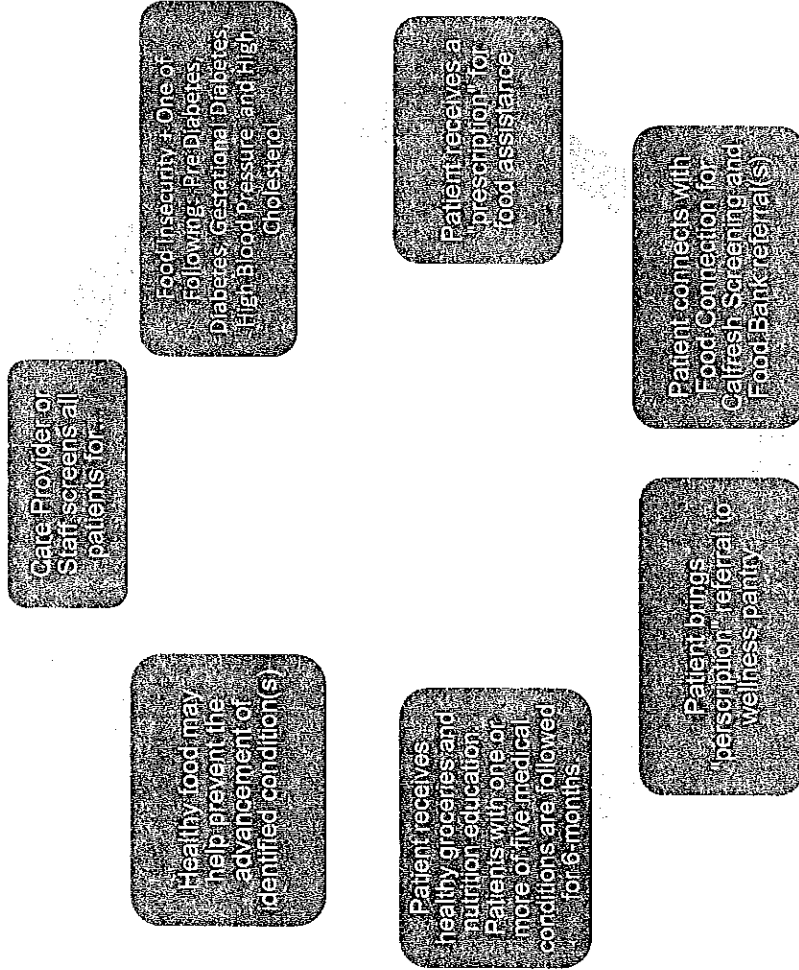
Language Preferred: _____

NO



Wellness Pantry Partnerships

The Wellness Pantry provides a variety of healthy food options such as fresh produce, beans, rice, quinoa, poultry, and low-fat milk to low-income patients with lifestyle-related conditions.



Wellness Pantry Overview:

WHO: Second Harvest Food Bank is partnering with hospitals and clinics to address nutrition-related illness and poor nutrition for low-income patients.

GOAL: To increase food security throughout the community and foster healthy eating.

WHY: Food insecurity is associated with poor health outcomes. Prescribing healthy food and nutrition assistance to patients is a cost effective health care intervention.

HOW: Providers identify patients with pre-diabetes, diabetes, gestational diabetes, high blood pressure, and high cholesterol and give a "prescription" for supplemental food at the Wellness Pantry.

WHEN: Patients can use the Wellness Pantry weekly or bimonthly. The Wellness Pantry will dedicate a specific day and time to serve patients referred by their provider.

NEED FOOD? 1-800-984-3663 / WANT TO DONATE? 1-866-234-3663 / SHFB.org



Proposal submitted to the Sequoia Healthcare District

To support a full-time Bilingual Psychotherapist at the Forest High School Center

Summary

BGCP requests a grant of \$90,456 per year for two years from the Sequoia Healthcare District to fund a full-time Bilingual Psychotherapist who will provide mental health services to low-income students at the Forest High School Center in Redwood City.

Need for the project

BGCP's Forest High School Center serves 150 low-income students, many of whom face challenges that put them at risk for negative postsecondary outcomes. In the neighborhoods we serve, 61% are English language learners, 93% are low-income, and 80% are below grade level. 35% of students are homeless, transient, or in foster care. 50% of our students' parents did not graduate from high school. Our students want to build a bright future for themselves and their community, but they need support and opportunities to help reach their goals.

Research has shown that a child's socio-emotional skills can be either a protective factor or a barrier to school success. In September 2017, we administered the Harvard PEAR Institute's Holistic Student Assessment (HSA) to assess the socio-emotional wellbeing of our students. The HSA provides individualized reports on specific student socio-emotional strengths and challenges, with a focus on resiliencies, relationships, and learning and school engagement. Of the 120 students who were assessed:

- 22.5% of students (27) were assessed at Tier 3: approaching crisis or in crisis based on their proportion of challenges to strengths.
- 45.8% of students (55) were assessed at Tier 2: presenting a balanced combination of strengths and challenges.
- 31.7% (38) were assessed at Tier 1: exhibiting primarily strengths and few challenges.

The most common student challenges identified in the HSA were action orientation, learning interest, reflection, critical thinking, and empathy. Through BGCP staff conversations with students we know our students face acute issues including self-harm, homelessness, poverty, bullying, substance abuse, self-medication, anxiety, anger, and fighting.

Our goal is to support our students in advancing themselves toward academic and postsecondary success. Without interventions that address mental health issues and trauma, our students may continue to encounter barriers to success in school and beyond.

How funding from Sequoia Healthcare District will provide a solution

A grant from the Sequoia Healthcare District will support one full-time Bilingual Psychotherapist at our Forest High School Center over a two-year contract period. The therapist will be hired by Acknowledge Alliance, but will work closely with BGCP staff in their role.

The goals for the Bilingual Psychotherapist at the Forest High School Center are primarily to provide intensive, targeted services to our Tier 3 students; and secondarily to provide preventive services to our Tier 2 students, who are at-risk of falling in to Tier 3. The therapist will also provide services for Tier 3 students on an as-needed basis.

The objective of the new therapist position is to move more of our Forest students to Tier 1 by the time the Holistic Student Assessment is administered again in May 2018. To accomplish this, the therapist will provide one-on-one, group counseling, and family counseling, as determined by individual students' needs. The therapist will provide mental health services for students Monday through Friday, during the BGCP clubhouse hours of 3 p.m. to 8 p.m. Specifically, the Bilingual Psychotherapist will:

- Provide weekly individual psychotherapy to students on site at BGCP
- Provide crisis intervention as needed
- Facilitate therapy groups as needed
- Collaborate with BGCP Director and Staff to provide staff training and guidance
- Meet with clinical supervisor from Acknowledge Alliance on a regular basis

About the Forest High School Center

The Forest High School Center serves 150 active members, grades 9th to 12th (ages 13-19) who attend a minimum of two days per week. Forest High School Center serves students from local high schools including Woodside, Sequoia, Menlo-Atherton, and Summit. Student services include academic support in the form of tutoring and homework help, academic case management, enrichment (sports, arts, culinary, media production), leadership, college success program, summer program for 9th graders transitioning to high school, career exposure, and apprenticeships. Our caring staff mentors create a safe and welcoming space where students feel safe and respected – when asked about what BGCP means to them, the word that our students most often use to describe us is “family”.

About Acknowledge Alliance

Acknowledge Alliance provides counseling that is trauma informed and culturally sensitive. As mental health professionals, they have been working exclusively with an at-risk population of youth for the past 23 years, having partnered with San Mateo County Office of Education and the Juvenile Justice Department for 22 years and with the Sequoia Union High School District for over 6 years. The therapists and doctoral student interns who deliver direct counseling services to youth attend rigorous training that includes weekly clinical supervision and clinical training focused on best practices for working with this specific youth population.

Budget

Item	Cost	SHD cost share	BGCP cost share	AA cost share
Annual Evaluation and Administration	\$10,453	0	0	\$10,453
Bi-lingual Psychotherapist – full time for one year	\$118,456	\$90,456	\$28,000	0
Total Project Expenses	\$128,909 per year (\$257,818 over two years)	\$90,456	\$28,000	\$10,453

Conclusion

A new Bilingual Psychotherapist position will help to reduce mental health barriers that may prevent low-income BGCP students from achieving school success. We hope that the Sequoia Healthcare District will partner with us to provide mental health services for high school students in our community.

The power of classroom wellness

Acknowledge Alliance

Job Description – Psychotherapist

Job Title: Bi-lingual Psychotherapist (English/Spanish)– full time. The therapist we hire would join a compassionate and wise team of culturally sustaining clinicians and staff serving our highest risk adolescents attending the after school programs at the Redwood City Boys and Girls Club.

Background

Acknowledge Alliance, formerly the Cleo Eulau Center, (www.acknowledgealliance.org) is a non-profit organization based in Mountain View, California. For 20 years, Acknowledge Alliance has been focused on creating classrooms where students want to learn and teachers want to teach. As a mental health pioneer, we partner with educators and other caring adults in their school setting to support the social and emotional needs of youth and the well-being of school communities. Our Collaborative Counseling Program has been providing strengths and relationship based long term counseling to our most at risk adolescents in San Mateo County for the past 22 years.

Function

The psychotherapist position will provide individual and group therapy to multi-cultural adolescents at Redwood City Boys and Girls Club located in Redwood City, CA. This therapist will be part of the team at the Boys and Girls Club, but will be hired and supervised by the Clinical Director at Acknowledge Alliance.

Responsibilities

- Provides weekly individual psychotherapy to students on site at B&G Club after school
- Some crisis intervention
- Facilitate therapy groups as deemed appropriate
- Collaborate with B&G Club Director and Staff
- Meets with clinical supervisor from Acknowledge Alliance on a regular basis

Desired Skills and Expectations

- Clinical expertise working with cultural sensitivity, compassionately and effectively with adolescents and adults
- Psychodynamic and strengths based approach
- Knowledge and use of attachment theory in practice
- Knowledge of family or other systems theory
- Understanding of and experience working with complex trauma
- Flexibility and ability to effectively and professionally navigate a variety of systems and collaborative relationships
- Awareness of and honors cultural norms and implications in counseling
- Adherence to confidentiality within complex systems
- Natural and highly developed collaborative and rapport building abilities
- Excellent writing and verbal communication skills

Required Education and Experience

Bi-Lingual (English-Spanish)

MSW, MA, LCSW, Psy.D., LMFT, or License-Eligible

Significant experience providing psychotherapy to multi-cultural adolescents with complex trauma

Terms of Employment

This position is a continuing full-time, benefited position. Salary is competitive.

Applications accepted until the position is filled. You may submit your resume and cover letter to Judith Gable, LCSW, Director, Collaborative Counseling Program, at judith@acknowledgealliance.org 650-961-4120



**Boys and Girls Club Budget Proposal
For Year Round Acknowledge Alliance Counseling Support**

Wages, Benefits, Taxes	\$118,456.00
Evaluation	\$ 3,528.00
Expenses	<u>\$ 6,925.00</u>
(occupancy , insurance, supplies, other)	
Total	\$128,909.00



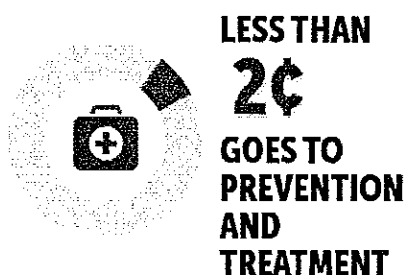
PROPOSAL FOR SUPPORT FROM SEQUOIA HEALTHCARE DISTRICT FOR PEER MOBILE APP December 6, 2017

INTRODUCTION

StarVista is pleased to submit this request to Sequoia Healthcare District for a one-time grant of \$34,750 to build a functional mobile application, called Peer Mobile (PM), to aid in the prevention of relapse and improve long-term health outcomes for those struggling with addiction throughout Sequoia Healthcare District.

STATEMENT OF NEED

Recent studies indicate that one in eight American adults, or nearly thirteen percent of the U.S. population, now meets the criteria for alcohol use disorder. This represents an almost 50 % increase from figures reported just 10 years prior. In addition, more than 2 million Americans are addicted to opioids, ranging from the illegal drugs heroin and fentanyl to the prescription medications OxyContin and Vicodin. Opioid overdose was responsible for over 50,000 deaths in 2015 and is now the leading cause of death among Americans under 50. Although the data is preliminary, it is estimated that deaths rose 19 percent over 2015 and the problem has continued to worsen in 2017. Alcohol-related causes claim an even greater number of lives each year (88,000) and take a tremendous toll on our society from both a financial and personal perspective. Alcohol-related problems, such as health care costs, lost productivity and car crashes, cost society an estimated \$250 billion each year. In 2016, nearly half (47%) of all accidental deaths (not including automobile accidents) in San Mateo County were alcohol and drug related and another 17 deaths were automobile fatalities that involved alcohol and/or drug use.



Each year federal, state and local governments spend close to \$500 billion on addiction and substance abuse, but for every dollar that federal and state governments spend, only 2 cents goes to prevention and treatment



More than 90% of people with a substance problem began smoking, drinking or using other drugs before age 18.

Self-managed, peer based recovery programs such as 12-Step groups (e.g., Alcoholics Anonymous [AA], Narcotics Anonymous [NA], Double Trouble in Recovery) or the National Alliance on Mental Illness' (NAMI's) have been functioning in communities for decades and are a low-cost way to reduce relapse rates among people recovering from substance addictions.

Throughout San Mateo County, there are 100 meeting locations that hold these types of meetings at least twice daily. Sadly, about 25% of addicted substance abusers will never attend AA, although they would benefit from connections to peers who act as leaders, sponsors, and mentors. Especially given that the epidemic of addiction has been steadily worsening over the past 10 years, a solution might require new tools and methods.

PROPOSED SOLUTION

StarVista is always looking for new, innovative ways to help our clients live healthier, stronger, and more hopeful lives. We are excited to partner with Eric Dentler and Hire Key in the development and subsequent pilot of a new mobile application that employs modern technology (your cell phone) that people in recovery from drugs and alcohol will use to supplement existing recovery tools. The app, called Peer Mobile (PM), will provide them with access via their android/iPhone mobile device to a local community of peers, as well as resources, to maintain their sobriety such as urgent help requests, a community discussion forum and daily support messages. This app will allow people who have completed their treatment program to continue with on-going support in their sobriety. This is essential as there is a high rate of relapse for people who are in recovery, and connecting individuals to a supportive, 24/7 community is integral to their success in long-term sobriety.

Star Vista Programs and Services:

StarVista provides an array of services for individuals struggling with addiction with drugs and alcohol all over San Mateo County, including the cities in the Sequoia Healthcare District Region. These programs include Women's Enrichment Services (WEC) in San Carlos which provides day treatment for women with substance abuse issues; Archway and First Chance Outpatient Services, which offers individual and group counseling to adults with substance abuse issues; Bridges, an alternative to incarceration program; First Chance Sobering Station which is a 24/7 program for individuals who have relapsed or need a place to sober-up; Insights, a drug and alcohol program for adolescents; and prevention programs for youth in schools.

StarVista would like to pilot the Peer Mobile app with our Women's Enrichment Center (WEC) which is located in San Carlos and serves people who live in the Sequoia Healthcare District. It has been serving this community for decades and has provided intensive treatment to women in an intensive outpatient program. It addresses

alcohol and drug related issues, other mental health issues, and a focus on community support to help maintain sobriety upon leaving the program. It takes a harm-reduction report in being strength-based in supporting these women, many of them mothers, in achieving and maintaining sobriety. It is need of a tool to support the clients in maintaining sobriety upon leaving the treatment program.

A majority of the women who attend WEC live in the Sequoia Health Care District, about 75% of our clients at all times. The women who attend WEC are a diverse group of clients who are most often either self-referred to treatment, sent by the courts, or sent by Child Protective Services. Many are low-income and are on Medi-Cal. The participants in the program all have drug and alcohol addiction and mental health issues. WEC runs Monday-Friday from 9am-5pm, with the women attending individual sessions and group sessions run by Mental Health Clinicians and Drug and Alcohol counselors. Transportation and lunch are provided. There are about 12 women who are enrolled in the program at a time.

Describe how it will be used and the benefits:

Main impact: The Peer Mobile app is an invaluable tool that provides resources to people who are working on their recovery from drug and alcohol. This app addresses isolation head-on. An individual is motivated to get better and connect with treatment and is surrounded by support, guidance, and resources. As they leave treatment, it is challenging not to succumb to temptation or be triggered to use alcohol or drugs again as many people go back to the same neighborhood or room or group of friends and family. It is isolating, as a client has to reconnect with new friends and a new community that supports their recovery. The isolation is challenging. And often, late at night, people feel triggered to use alcohol or drugs again. Having a 24/7 group of people who can be virtual sponsors and provide support is integral in long-term successful sobriety and the well-being of our community. This not only impacts the individuals who use the app, but also the community as a whole who benefit from long-term sobriety of all of our community members.

Use Case Scenario:

Staff at WEC will discuss with clients in group and individual sessions the importance of staying connected and the value of having a supportive, sober community. This is something clients discuss consistently in their treatment. The Peer Mobile app will be discussed in group as a tool for clients to start using while they are enrolled in the program.

Before being discharged from the treatment program, a StarVista client will work with their clinician to download and register the Peer Mobile app if they have not yet, and will help them sign in and provide any needed training and support. As clients check-in as part of the aftercare program, the staff can follow up on how the app is working and how they have used it to connect with a supportive, sober community.

This tool will allow them to have a community of people who are supportive of their recovery 24/7. A client will log-in to the app, and connect with individual who they can reach out to for advice, words of encouragement, and crisis intervention when needed. They can be reminded of their goals, inspired by those who are in recovery, and have access to resources. This can happen at any time of the day. It also helps build friendships and sober-supports as people re-build their lives and develop healthy relationships. It can also be private if people are intimidated to attend an AA meeting due to shame or anxiety/depression and/or struggle to get transportation to a meeting. This also reduces barriers for long-term support as many mothers struggle to get child-care to attend a meeting or work schedules are challenging to work around meeting times.

StarVista management will work closely with the developers to create details of the app usage policy that is best for the clients. It will also be connected to StarVista Crisis Line for immediate support if a virtual sponsor, or angel, cannot be reached in case of emergency, crisis, or immediate need. We hope to also provide on-going feedback from clients about how this app is working and ideas to continuously improve it based on their experiences.

This app is something that is essential to clients while in treatment, and this app will fill a huge gap by providing these services when a client completes treatment.

Proposed Goals:

During the one-year pilot program, StarVista has identified the following preliminary goals:

- Goal 1: Peer Mobile will help us connect a group of sober leaders to our client who is expected to respond to urgent requests for help. The role must be added to their account by a community admin. They are expected to respond to urgent requests for assistance by messaging/text/phone or physical presence.
- Goal 2: With Peer Mobile, Star Vista will improve outreach and prevention of relapse which often occurs when clients become isolated and depressed
- Goal 3: StarVista clients will improve long term sobriety and live healthier lives
- Goal 4: StarVista gains a new community of connected partners for free. Connected sponsors naturally become referral partners, vastly improving outreach, prevention, care and treatment, resulting in more effective use of limited treatment and aftercare resources
- Goal 5: Clients referred by their sponsors are more likely to opt-in and share progress report data with StarVista

BUDGET

Typically, new apps are very expensive to develop and an app of this nature is estimated to cost close to \$200,000 for an initial prototype. Fortunately, app developer, Hire Key, will donate use of an existing platform it created to support Veterans suffering from PTSD, Approximately three quarters of the app's basic design is applicable to Peer Mobile, allowing for a 75% reduction in the cost of building the Peer Mobile application.

Hire Key Development Costs for Peer Mobile Jan 2018-May 2018
Total Development hours- 1134
Total development costs - \$34,750 (costs include design, development, project management, QA and 1st year account hosting)
Total requested from SHD- \$34,750

Schedule:

The complete project will take 3-4 months (depending on changes and approvals).

- Initial design is expected to take 4-6 weeks, and we will use 2 week sprints with code releases once development starts.
- First release is expected the end of first week of March. Development will be prioritized to allow a phased UAT, i.e., a complete feature (all Community Discussion, All messaging, All Lifeline) as opposed to partial elements of each feature.
- All timelines are subject to reasonable client approval cycles. We anticipate continuous contact so there will be no surprises about deliverables, and a minimum of 1 week notice to schedule review sessions.

Payment Milestones:

- 25% upon acceptance
- 50% upon completion of UI Designs
- 25% upon project completion

Annual Hosting Annual hosting costs for landing page website, Apple App Store and Google Play accounts, SSL licenses, domain registration and repository for Android and iOS Apps: \$5000. 1st year included in this quotation.

CONCLUSION

Ultimately, there are too many families affected by addiction, regardless of the drug involved, and each deserves support, attention and the allocation of sufficient resources to ensure that every person with addiction gets the help he or she needs

which should include tackling the problem from multiple angles and innovative approaches. Peer Mobile will help to simplify connections between existing peer mentors to reduce isolation, support sobriety, and improve long-term health outcomes for our client population struggling with alcohol and substance abuse.

Salient Points:

- PM is a free, stand alone app. There is no monthly recurring fee to join and use the app. When you download the app and click Accept and enter your user ID and phone #, you are opting-in like 000's of other apps.
- Like most social media and messaging tools, the community of users themselves self monitor usage.
- PM will allow someone from the sponsor community, to be assigned as a **Community Admin** to watchdog more closely and remove people for violating the PM code of conduct. Foul Language, Drug Dealing, Hookups or other predatory behaviors.
- PM code is not installed on StarVista machines or in any StarVista cloud/datacenter.
- It is not owned, operated or monitored by anyone at StarVista or PM for that matter.

We sincerely thank Sequoia Healthcare District for your consideration of this proposal and your generous and continued support. With your generous support, StarVista continues to create meaningful opportunities for our clients in our shared community. If we can provide you with any additional information, please contact Stephanie Weisner, Chief Program Officer at 650-591-9623 X 116 or stephanie.weisner@star-vista.org.

References:

- Centers for Disease Control and Prevention (2014) Alcohol-Related Disease Impact (ARDI) Application. Retrieved from https://nccd.cdc.gov/DPH_ARDI/default/default.aspx
- Centers for Disease Control and Prevention (2016). Opioid Overdose: Understanding the Epidemic. Retrieved from <https://www.cdc.gov/drugoverdose/epidemic/index.html>
- Grant et al. 2017, Sept. Prevalence of 12-Month Alcohol Use, High-Risk Drinking, and DSM-IV Alcohol Use Disorder in the United States, 2001-2002 to 2012-2013. Results From the National Epidemiologic Survey on Alcohol and Related Conditions. Retrieved from <https://jamanetwork.com/journals/jamapsychiatry/article-abstract/2647079?widget=personalizedcontent&previousarticle=2647075>
- National Clearinghouse for Behavioral Interventions (NCBI) (2013). Behavioral Health Services for People Who Are Homeless. Retrieved from <https://www.ncbi.nlm.nih.gov/books/NBK138716/#section1.s33>

- San Mateo County Coroner (2016). 2016 Annual Report. Retrieved from <http://coroner.smcgov.org/sites/coroner.smcgov.org/files/2016%20Annual%20Report.pdf>

Crisis Support for App:

StarVista has no such involvement with PM users and the app.

- When there is a call for help on the app, we have programmed a timer in the app to wait 2-minutes, for friends to reply to the friend in need. If there is no reply after that timer, the app auto-dials the StarVista Hotline.
- At this point the app has shut down and the person that was triggered is now on a std. phone call with your standard hotline service and existing terms and conditions apply.

Licensing:

Peer Mobile's software is a service (SaaS) model. Nothing in peer mobile is going to be patented. It is a free app for the treatment and recovery community and as such, the traditional understanding of IP does not apply.

A SaaS agreement is a services contract, pure and simple. It doesn't call for a software license. The confusion stems from the central role of "software" in software as a service. We cut through that confusion by asking what Star Vista will *do* with the software. If StarVista were to put a copy of a software on a computer – downloads it, installs it from a disk, etc. – the deal calls for a *license*. Copyright law gives the software's owner a monopoly over the right to copy it (to "reproduce"), so the customer needs a copyright *license* to make a copy and put it on a computer. But in a SaaS deal, the customer *doesn't* put software on a computer, or copy it at all. The software sits on computers run by the vendor (possibly in a third party data center), and the customer merely *accesses* it, usually via the Internet. With no copies, copyright plays no role in the transaction, so the customer doesn't need a copyright license. Rather, the customer needs a simple promise: "During the term of this Agreement, Peer Mobile will provide StarVista with access to the System" for some period of time. In other words, StarVista is receiving a *service*, not software. Peer Mobile uses our own software to *provide* the service.

This is how most smartphone apps work, the public usually just clicks Download app and then we click Accept. The actual agreement language might look like the below.

Sample Legal language

"During the term of this Agreement, StarVista may access and use the Peer Mobile's service (the "Service") pursuant to Vendor's policies posted on Vendor's website at www._____, as such policies may be updated from time to time. PM retains all right, title, and interest in and to the Service, including without limitation all software used to provide the Service and all logos and trademarks reproduced

through the Service, and this Agreement does not grant Customer any intellectual property rights in the Service or any of its components.

Customer may access and use the Peer Mobile software described on Attachment __ (the "System") from _____ until _____ (the "Subscription Period"). Vendor retains all right, title, and interest in and to the System, including without limitation all computers, other hardware, and software incorporated into or used by the System, and this Agreement does not grant Customer any intellectual property rights in the System or any of its components."

Attached is a proposal and MOU for a social-emotional learning, meditation, and yoga program that Andrea Garen, Wellness Coordinator in RWC School District, would like to **pilot** at 3 elementary schools in the Redwood City School District. **This is not a request for new funding and will not change the school budget.** It is a request to reallocate up to \$35,574 (that was approved by the SHD Board in May of this year) that will not be used as originally planned.

Our agreement with school districts is to reimburse them up to the amount approved by the Board each year and that any unneeded/unspent funds will be retained in our general budget unless approved by me or Lee. If the amount is over \$25,000, we ask for Board approval.

Andrea will be presenting this pilot at our December 6th Board meeting

Pamela

THE ASTRONAUTS

SOCIAL EMOTIONAL LEARNING PROGRAM

Program Title: RCSD 12-week Astronauts SEL Pilot Program

Program Duration	16 weeks (includes assessments and report)						
Lead Program Instructor	Martín Blank						
Program Timeline	January-May, 2018*						
Program Goals	Reduce teacher stress, Increase student self-awareness, decrease behavioral infractions, improve reading scores of participating students.						
Total # of Participating Classes	8 classrooms spread over two or three schools.						
Schools Involved	Fair Oaks Elementary, Hawes Elementary, Hoover School						
Grades Involved	3rd/4th Grades						
Core Competencies	<table border="1"> <tr> <td>1. Self-awareness</td><td>4. Relationship skills</td></tr> <tr> <td>2. Self-management</td><td>5. Responsible decision-making</td></tr> <tr> <td>3. Social awareness</td><td>6. Creative expression</td></tr> </table>	1. Self-awareness	4. Relationship skills	2. Self-management	5. Responsible decision-making	3. Social awareness	6. Creative expression
1. Self-awareness	4. Relationship skills						
2. Self-management	5. Responsible decision-making						
3. Social awareness	6. Creative expression						
Instructional Strategies	Breathing techniques, games, discussions, yoga, core routine development, visualization, meditation, role-playing, art, singing.						
Program Format	40 mins of class work per week per classroom; 30 min/week teacher follow-up/training, 1h/week parent course at ea. school.						
Program Assessment Staff	Dr. Shani Robins (Stanford BeWell Program) data analysis Upmetrics, Inc. (www.upmetrics.com) data infographics.						
Evaluation Criteria	8 Treatment classes, 3 non-treatment control classes Pre-post assessments: Beck's Youth Inventory 2 (BYI-2), Emotional Quotient: Youth Version (EQ-i: YV), Teacher Burnout Scale. School-metrics: suspensions, attendance, reading scores, office referrals and infractions and bullying. Qualitative: Teacher and student and administrator interviews.						
Report / Scaling Proposal Dates	TBD** - one month after program completion, Data infographics and analysis provided						
Cost	Instruction: \$30,720 Assessment: \$4,854*** TOTAL: \$35,574						
Payment Schedule:	\$10,240 + \$4,854 (assessment) = \$15,094 upon contract signing; \$10,240 on March 1, 2018; \$10,240 after completion of 12th week instruction.						

*I would consider starting after Thanksgiving and running through March, so evaluation and scaling proposal can be in by April.

**Depends on start date

***Collaboration with Upmetrics can allow the assessment cost to be lowered from original estimate by placing less burden on researchers to compile data report and infographics presentations. This cost includes survey cost, research administration and design.

**AGREEMENT FOR SERVICE BETWEEN
REDWOOD CITY SCHOOL DISTRICT AND CONTRACTOR**

This agreement is made as of this day of November 13, 2017, by and between the Redwood City School District ("RCSD") and The Astronauts ("CONTRACTOR") to provide services.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. SERVICES in consideration of the payments hereinafter set forth, CONTRACTOR shall perform services for RCSD in accordance with the terms, conditions, and specifications set forth herein:

The CONTRACTOR agrees to provide The Astronauts Social Emotional Learning ("SEL") Pilot Program and Impact Assessment at 3 schools in RCSD in January – June, 2018.

The Astronauts SEL program teaches the 5 core competencies outlined by the Collaborative for Academic and Social Emotional Learning (CASEL) which allow students to thrive socially, mentally, and emotionally while improving their capacity for learning and relating to themselves and others. These are: 1) Self-awareness, 2) Self-management, 3) Social awareness, 4) Relationship skills, and 5) Responsible decision making. The program utilizes an innovative approach to achieving these competencies, which includes breathing techniques, yoga, games, music, discussions, core classroom routines, visualization, meditation, art, and role-playing in order to attain the goals stipulated below.

Scope of Services: Improve mental, social, emotional health, behavioral and academic measures and learning conditions of approximately 200 students.

Deliverables:

- Teach 12-week Social Emotional Learning program in 8 total classrooms within 3 schools during weekly 40-minute sessions.
 - Train 8 teachers in Social Emotional Learning sessions during 12 weekly 30-minute sessions.
 - Deliver pilot impact and scalability report, based on the following evaluation criteria: pre and post assessments using Beck's Youth Inventory (BYI-2), Emotional Quotient Inventory: Youth Version (EQ-i:YV) and school metrics: (suspensions, attendance, reading scores, office referrals and infractions and bullying) through research study.
2. TERM OF AGREEMENT: The term of this agreement is from November 13, 2017 through June 30th, 2018.
 3. COMPENSATION: The CONTRACTOR agrees to perform all the services of this agreement for an amount not to exceed \$35,574.
 4. PAYMENT: The CONTRACTOR shall submit 3 invoices detailing the services performed to be paid in the following amounts and at the following times: \$15,094 due on date this agreement is signed, \$10,240 due on March 1, 2018, and \$10,240 due upon the submission of program report. The contractor is responsible to comply with all state and federal tax requirements and is the

CONTRACTOR'S sole responsibility.

5. EQUIPMENT AND MATERIALS: CONTRACTOR shall provide all equipment, materials, and supplies necessary for the performance on the Agreement.
6. USE OF SUBCONTRACTORS: CONTRACTOR shall not assign this Agreement or any portion thereof to a third party without the prior written consent of RCSD.
7. LICENSES AND PERMITS: It shall be the CONTRACTOR's responsibility to obtain and keep in force any license, permit or approval required from any agency for work/services to be performed at his/her own expense, prior to commencement of said work/services or forfeit any right to compensation under this Agreement.
8. COMPLIANCE WITH STATE, FEDERAL, AND LOCAL LAWS, REGULATIONS, AND ORDINANCES: CONTRACTOR and all subcontractors shall ensure compliance with all state, federal and local laws or rules applicable to performance of the work required under this agreement, and shall execute all necessary certifications of compliance therewith.
9. RELATIONSHIP OF THE PARTIES: CONTRACTOR agrees and understands that the work/services performed under this Agreement are performed as an Independent Contractor and not as an employee of RCSD and that CONTRACTOR acquires none of the rights, privileges, powers or advantages of RCSD employees.
10. INSURANCE: CONTRACTOR shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect CONTRACTOR and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from CONTRACTOR's operations under this Agreement, whether such operations be by CONTRACTOR, any subcontractor, anyone directly or indirectly employed by either of them, or by an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amount(s) specified below:

☒ Comprehensive General Liability... \$1,000,000 (applies to all agreements)

☐ Motor Vehicle Liability Insurance...\$1,000,000 (to be checked if motor vehicle used in performing services)

☐ Professional Liability..... \$1,000,000 (to be checked if Contractor is a licensed professional)

The CONTRACTOR will provide proof of insurance and will identify RCSD as an additional insured.

11. WAIVER: No delay or omission by either party in exercising any right under this Agreement shall operate as a waiver of that or any other right or prevent a similar subsequent act from constituting a violation of the Agreement.
12. EQUAL EMPLOYMENT OPPORTUNITY: In connection with the performance of this

Agreement, the CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, physical handicap, or national origin.

13. **HOLD HARMLESS:** CONTRACTOR agrees to indemnify and defend the District, its employees, and agents from any and all claims, damages, and liability in any way occasioned by or arising out of the performance of this agreement.
14. **DISPUTE RESOLUTION:** Should any dispute arise out of this Agreement, the Parties should meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. The costs of the mediator, if any, shall be shared by the CONTRACTOR and RCSD. If a mediated settlement is reached, neither party shall be the prevailing party for the purposes of this settlement. Neither party shall be permitted to file legal action without first meeting in mediation and maintaining a good faith attempt to reach a mediated resolution.
15. **GOVERNING LAW:** This Agreement, including any exhibits, shall for all purposes be deemed subject to the laws of the State of California, and in the event of a lawsuit concerning this Agreement shall be venued in the County of San Mateo.
16. **TERMINATION:** RCSD may at any time terminate this Agreement upon written notice to CONTRACTOR. RCSD shall compensate CONTRACTOR for services satisfactorily provided through the date of termination. In addition, RCSD may terminate this agreement for cause should CONTRACTOR fail to perform any part of this Agreement. In the event of termination for cause, RCSD may secure the required services from another contractor. If the cost to RCSD exceeds the cost of providing the services pursuant to this Agreement, CONTRACTOR shall pay the additional cost.
17. **COMPLETENESS OF AGREEMENT:** This Agreement constitutes the entire understanding of the parties and any changes shall be agreed to in writing.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers:

Redwood City School District

Contractor

Wael Saleh, CPA, MBA
Chief Business Official

Martin Blank
Owner, The Astronauts

Date: _____

1199 Johnson Street
Redwood City, CA 94061

Date: _____

John R. Baker, Ed.D
Superintendent

Date: _____

CEO Report: Lee Michelson

December, 2017

1. Magical Bridge Playground: a kick-off event was held for the RWC playground. President Kane officially represented the District as a key sponsor and I had a chance to address the crowd. Jerry and Pamela also attended the event.
2. Oral Health Coalition: November 28 was the last OHC meeting for me. I have chaired the organization for the last 3 years. Emily Roberts of First 5 will take over as Chair and Pamela will join the Core Leadership Committee.
3. 70 Strong: The Advisory Group will meet on December 6 at our office. The program will celebrate its first year of service in early 2018.
4. Pension Committee: The committee met in November and Pamela was introduced as our new representative to the management team. Due to growth in the stock market the investment portfolio surpassed \$60 million in assets for the first time in several years.
5. Senior Friendly Cities: led by Peninsula Family Service an effort is underway to make all cities in San Mateo County certified senior friendly cities. More than 100 local representatives attended a half day workshop in November co-sponsored by both health districts. Jerry, Pamela and I attended the session.
6. Zone or District Elections: the 4th and last public hearing/meeting was held in November and this topic will be the main focus of a special Board meeting on Wednesday, December 13 at 4:30pm.
7. ACHD: I will attend my last Board meeting on December 11.
8. Living Healthy Workshops: we just completed five 6 week sessions and had 60 participants attend each week.
9. RWC 2020: I attended my last meeting in November. Pamela also attended and was introduced as our new Executive Committee Representative.

Pamela Kurtzman Staff Report October-Novemeber 2017

Activity Summary

I. Healthy Schools Initiative Updates:

- All of our funded school programs are running full speed at this time. Please review some of the highlights from our Wellness Coordinators attached to this report.
- To date, we've hosted two monthly joint Wellness Coordinator meetings with South County Mental Health Collaborative (a sub-group of the County Office of Ed Safe and Supportive Schools division). These meetings are held regularly on the 4th Friday of each month.
- Andrea Garen, Wellness Coordinator for RCSD, would like to implement a new pilot program to bring social-emotional learning, meditation, and yoga to 3 elementary schools in the Redwood City School District beginning in January. She is looking to reallocate previously approved funds and no new funds are being requested, Andrea will present the Astronauts program at our December Board meeting. Further details regarding this program is included in the Board packet
- Jenny has been doing a terrific job assisting me and the Wellness Coordinators with a multitude of projects, including the HSI newsletters, the Green Folder Initiative, HSI website updates, and much more. Her report is attached separately.



Program going well at all school sites. Our focus this year continues to be on program evaluation with help from ASR.

HSI Grants

- Mid-year reports are due on January 19th. I anticipate presenting these outcomes at our February Board meeting

II. Caring Community Grants

- These mid-year reports are due December 15th. Jenny and I will be making site visits to some programs during January and plan to report on mid-year outcomes at Feb Board meeting.
- Our 2018-19 grants cycle is approaching. I will be hosting two grants information sessions for both CC and HSI grants on January 9th and 11th at the SHD offices. I'm beginning to connect with grants committee members and schedule LOI and full application review dates. The LOI will be due on Feb 15th and full proposals on March 29th.

III. *Healthy Kids*

- No new updates to provide at this time on how best to spend program reserves. Our next meeting of the Advisory committee is in early January and I expect some decisions will be made.

IV. *Community/Additional Activities*

- Attended the Annual School Health Conference in St. Louis October 14-16.
- Attended a luncheon hosted by the David and Lucile Packard Foundation to meet with new ED of Planned Parenthood Oct 23rd
- Have been participating in Special District Board meetings around redistricting
- Lee and I attended funder appreciation event hosted by CORA on Nov 1
- Participated in my first pension meeting with Sequoia Hospital on Nov 8
- Attended Healthy Aging Conference at Sobrato Center hosted by PFS on Nov 9th
- Attended my first meeting of RWC 20/20 leadership committee on Nov 15th
- Participating in meetings with Lee and Jerry regarding Samaritan House potential remodel
- Attended meeting of Dental Health Coalition on Nov 28
- Planning Lee's retirement gathering....

V. *Other Business*

- Boys and Girls Club, in partnership with Acknowledge Alliance, is seeking new funds to support a full-time Psychotherapist at their Redwood City Forest High School Clubhouse to work with their clients and their families to provide counseling support for youth with more serious mental health needs. Michael Jones and Jamal Fields will present this request at our December 6th Board meeting. The program proposal and job description is included in the Board packet.
- Peer Mobile App
Star Vista is excited to bring a more fully executed proposal to the Board at our December Board meeting. Program Narrative and funding request is included in the Dec. Board packet.

Committees

- San Mateo County School Health Alliance Co-Chair (meets each month)
- Redwood City School District Wellness Committee (Meets 2nd Tuesday each month)
- Sequoia Union High School District Wellness Advisory Committee (WAC) (meets 3rd Monday each month)
- Belmont- Redwood Shores Wellness Committee (meets 3rd Thursday each month)
- San Carlos School District Wellness Committee (meets 3rd Tuesday each month)
- Las Lomas Wellness Committee
- South County Mental Health Collaborative (meeting dates TBD)

Attachments

- Updates from our Wellness Coordinators to be provided separately

HeartSafe Program

Activity Summary for October & November 2017

HeartSafe Region Task Force Meetings

Attend and participate in regional planning and support.

AED / CPR Trainings – Over 255 persons trained

- Sequoia High School Staff
- Redwood City Parks & Rec Staff
- Infant Family and Friends Classes
- Belmont/Redwood Shores School Staff
- Belmont City Staff
- Adult Family and Friends Classes

AED / CPR Scheduled Trainings

- Carlmont High School Freshmen
- Infant Family and Friends Classes
- Girl Scouts
- Sequoia High School Staff
- Sequoia High School Freshmen
- Adult Family and Friends Classes
- Belmont/Redwood Shores School Staff

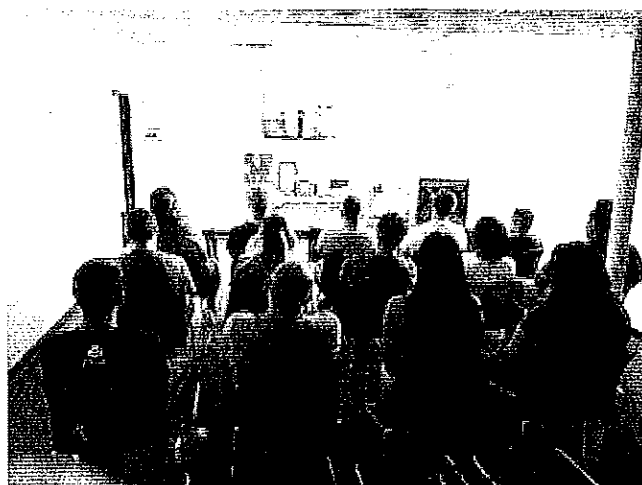
Infant Family and Friends Class Evaluations

An updated report prepared by Sequoia Hospital based on exit surveys is attached.

Cost Analysis of CPR Training to the District

At the last Board meeting, a request was made to evaluate the cost-benefit of the SHD providing CPR training to the District. The CEO and HeartSafe Program Coordinator discussed this matter. It was determined that approximately \$75,000 of the HeartSafe budget can be assigned specifically to CPR training, and that the training goal of 3,422 persons per year was realistic. Therefore, the District's cost to train each student is approximately \$21.91. American Heart Association charges \$40 per student for their Family & Friends CPR classes.

Family & Friends Photographs



July- September 2017
Sequoia Healthcare District
Family and Friends CPR Evaluation Results

Glenn Nielsen, Instructor-58 surveys

<u>Please rate your experience</u>			<u>Age Range</u>			<u>Zip Code</u>		
97%	56	Excellent	2%	1	Under 24	2%	1	94402
4%	2	Good	58%	42	25-44	18%	7	94065
		Fair	5%	3	45-54	2%	1	94002
		Poor						
	1	Decline to state	5%	3	55-64	4%	2	94061
			10%	7	65-74	4%	2	94041
					75+	18%	10	94062
						9%	5	94403
						19%	11	94070
						9%	5	94063
						4%	2	95081
						2%	1	95051
						2%	1	94043
						4%	2	95124
						4%	2	95134
						2%	1	95014
						2%	1	95105
						2%	1	94404
						2%	1	95120
						2%	1	94085
						2%	1	Decline to state

Please rate your knowledge about CPR prior to taking the class.

9%	5	Excellent
31%	18	Good
35%	20	Fair
26%	15	Poor

Please rate your knowledge about CPR after to taking the class.

85%	49	Excellent
16%	9	Good
		Fair
		Poor

How confident are you in your ability to perform CPR?

66%	38	Very confident
31%	18	Confident
4%	2	Somewhat confident

Not confident

Would you recommend this class to friends and family?

100% 58 Yes
No

How did you learn about this class?

7% 4 Internet
25% 14 Relative or friend
50% 29 Sequoia Hospital class or website
6% 3 Google
12% 7 Other
2% 1 Decline to state

What did you find most helpful?

7% 4 Everything
9% 5 Techniques, videos, demonstrations
16% 9 Hands on learning/ Practice
18% 10 Instructor
14% 8 AED
18% 10 CPR (infant choking)
4% 2 Q&A
9% 5 Simple Instructions
6% 3 Other
4% 2 Decline to state

Recommendations for improvement.

- Perfect, just the right content in the right amount of time.
- Recommend timeline
- He did great!!
- Advertise more; get more citizens to take the course.
- Updated video from the American Heart association?
- Have more classes; they fill up
- At least 90% responded- No need to improve.

Jenny Bratton
Staff Report October-November 2017

Activity Summary

I. Healthy Schools Initiative Updates:

School Mental Health- update

- Attended Safe and Healthy Schools Conference in Berkeley the first week of November. Workshops included Trauma-informed practices, Youth Court, and Kognito.
- Met with Abbe Keane (Woodside), Kristen Shima (PV), and Maynell Palmer (LLESD) on the Green Folder, having already met with SCSD and BRRSD in September.
- HSI Newsletter: Along with Stacey Holmes, I helped 'produce' the wellness newsletters for San Carlos and Belmont-Redwood Shores. There will be ongoing outreach attempts to include Los Lomitas and PV/Woodside districts by spring of 2018.
- Helped facilitate Wellness Coordinators meeting in October. Next meeting is December 15th.

II. Communications

- After several drafts of the Annual Report, it was mailed mid-November.
- I attended a 2-day workshop on Wordpress in November.
- Created WAC staff Fall newsletter for SUHSD

III. Community

- Pamela and I visited Boys and Girls Club
- Help connect Edgewood outreach with SUHSD WAC

IV. Additional Activities

- I am a member of the following committees:
 - SWAGG
 - SUHSD Wellness Advisory Council (WAC) and WAC Exec Committee
 - South County Mental Health Collaborative
 - Make Time for Fitness

Wellness Coordinators Report

I. Belmont-Redwood Shores (Beth Boldt)

Beth met with school sites PBIS leads to help them assess their school's PBIS implementation and to create goals to further positive school climates and attended the PBIS Coalition Conference at which two BRSSD schools were recognized. She is happy to report BRSSD's **Counselor pilot program** is well on its way.

II. Las Lomitas (Maynell Palmer)

Maynell reapplied for TUPE grant and continued preparation (onboarding) to bring **Kognito** training to staff in Nov. Her team has been drafting their **Green Folders**. She collaborated with Stanford's Health Improvement Program, "Wellness on Wheels", to bring wellness-related workshop to Professional Development day.

III. Menlo Park City (Kim Staff)

Elementary School Counselors at each school site continue to teach lessons focused on CASEL's 5 Core Personal Competencies. In collaboration with these efforts, the middle school has continued its "**Community Wellness**" program, with the first lesson in Nov. focused on "mindfulness." MPCSD's engagement with all members of its community has continued through its College Bound Program which is designed to encourage specific student groups, particularly from East Palo Alto, to promote academic and social-emotional wellness.

IV. Portola Valley (Kristen Shima)

PV Wellness Champions put together all the materials for the **Green Folders**, worked as a team to gather resources, create flow charts for each site and make folders district specific. Kristen handed out green folders to staff, explained the resources- tied it back to **Kognito** training and Mandated Reporter training and also re-distributed Suicide Prevention Posters in middle schools. Kristen wrote an article in school newsletter about the increase in teen suicide and attended PBIS Training- Tier 3 with the Wellness Team.

V. Redwood City (Andrea Garen)

Andrea planned professional development training for 6-8th grade teachers on **Suicide Prevention, Cybersafety and Stress/Anxiety** (Jan); planned a Parent Education night at North Star Academy on **Suicide Prevention, Grief & Loss and Cyberbullying** (Nov); coordinated preschool dental screenings at Child Development Centers (CDCs) with Ravenswood Dental Clinic; administered **Make Time for Fitness** pre-test; and administered **CHKS survey**.

VI. San Carlos (Mindy Hill)

Mindy shared elementary PE staff introductions and curriculum notes (including **Health Huddles**) with all elementary teachers. She conducted pedestrian education in front of Arroyo School after student was hit. She also planned School Wellness Alliance event to highlight **Health and Outdoor Education**, presented at PTA Coordinating Council to share suicide awareness and prevention resources, planned November 30 **Health Connected** workshop for 5th-8th Grade Parents, and conducted survey of athletes to understand their experience in school sports and identify areas of improvement.

VII. Woodside (Abbe Keane)

Abbe introduced **Kognito** to the staff; her team is currently working on the **Green Folder**. She initiated nutrition education Grades K-3 and administered 40 flu immunizations to staff. Emergency plans and supplies are being updated and reviewed. The **S. E. L.** advisory group is reviewing lessons for Grades 1-5. She is happy to report **new school counselor** hired - Scott is developing multiple activities for the students.

VIII. Sequoia Union High School (Karen Li)

Karen is planning January 8th, 2018 district-wide staff PD on **Trauma Informed Practices**; beginning beginning discussions regarding a district-wide approach for **ATS** (Alternatives to Suspension); attempting to streamline School Based Mental Health **data collection**. She has been involved in BMI discussions--short term goals: establish a script for PE teachers and a letter for parents and ATOD curriculum tie-in to middle schools--Peer Education option this year, all the while overseeing **Neuroscience of Addiction** (NOA) pilot (year 3) in freshman Life Skills at all District schools.