

SONOMA COUNTY ECONOMIC DEVELOPMENT BOARD



FOUNDATION



## **ANNUAL REPORT**

July 1, 2020 – June 30, 2021

SONOMA COUNTY ECONOMIC DEVELOPMENT BOARD

FOUNDATION

Annual Report

July 1, 2020 – June 30, 2021

Submitted March 23, 2022

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SONOMA COUNTY ECONOMIC DEVELOPMENT BOARD



FOUNDATION



March 23, 2022

Dear Colleagues,

We are pleased to present this annual summary of activities of the Sonoma County Economic Development Board Foundation (Foundation) for the year ending June 30, 2021. The Foundation's leadership continues to support the Economic Development Board (EDB) to ensure that the Foundation's efforts align with the mission and priorities of the EDB.

As we present the achievements of the projects held in fiscal year 2020-2021, the Board of Directors would like to thank our numerous sponsors and the County of Sonoma for their continued support and efforts to improve the economic wellbeing of Sonoma County.

Kathryn Hecht  
Chair of the Board of Directors

Ethan Brown  
Executive Director

# Executive Summary

The Sonoma County Economic Development Board Foundation (Foundation) continues to make strong connections between community needs, county projects, and support from the business and philanthropic communities. The Foundation received and effectively managed \$581,008 in event revenue, donations and grants, supporting workshops, conferences and special events, quarterly and annual economic activity reports and forecasts, and customized reports. Through events and sponsorship opportunities, the Foundation provides an excellent way for local businesses to showcase their services and network with other community leaders.

## Highlights of 2020-2021 Foundation Projects

The **Creative Sonoma** program provided over \$70,000 in grants to the creative community who suffered physical losses due to the Glass Fire and LNU Complex Fires, as well as funding to provide relief to arts organizations affected by the pandemic and its accompanying state and local safety protocols. In addition, Creative Sonoma is working with several entities to draft a new Creative Sonoma Business Plan, Action Plan and COVID-19 Impact report based on feedback from the creative community. These activities were fully or partially covered through grants received by the Foundation.

The **Sonoma County Economic Recovery Action Plan**, developed with participation from over 500 community members was developed to chart a path through and out of the COVID-19 pandemic. The Action Plan used the “Whole Community” approach, acknowledging that recovery is equally dependent on and inclusive of the local economy, workforce, and residents. Recommendations included actions to address access to capital for struggling employers, measures to bolster the availability of childcare, and increased access to social safety net programs. The plan was subsequently approved by the Sonoma County Board of Supervisors and since that time, the County of Sonoma, in alignment with the plan, provided 2.3 million in emergency stabilization grants to 543 businesses, delivered direct support to businesses in industries that experienced the greatest impact from the COVID-19 pandemic, worked collaboratively with allied agencies that work to assist the community in recovery, and continued work to close the digital divide through the Sonoma County Economic Development Board's broadband development efforts.

The following pages summarize some of the Foundation's activities, detailed by program, as well as the year-end financial statements. While some of the projects will seek funding through the Foundation again in fiscal year 2021-2022, each year the Foundation Board evaluates the programs to ensure financial stability for the Foundation and the Economic Development Board.

# Introduction

## About the Foundation

The Foundation is a supporting organization that provides an alternative funding stream to EDB programs, relieving the burden on the limited funds of local government and strengthening community projects by managing funds from donors and foundations.

## Mission

The Sonoma County Economic Development Board Foundation is a 501(c)(3) that through the creation, development and dissemination of economic research, analysis or programs enhances the value of local, domestic, and international demand for Sonoma County-produced goods and services.

## History of the Foundation

On January 23, 2001, the Sonoma County Board of Supervisors approved the establishment of the Foundation to serve as a supporting organization to the EDB to expand funding sources available for EDB projects. In March 2001, the Foundation was incorporated as a California nonprofit public benefit corporation. During 2001, the Foundation Board of Directors elected officers and began formalizing procedures while awaiting review of its application for tax-exempt status. In February 2002, the Internal Revenue Service notified the Foundation of its approval of tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

In August 2002, the Foundation signed an Operational Memorandum of Understanding with the Sonoma County Board of Supervisors to formally define the relationship between the Foundation and the EDB, an agency of the County of Sonoma. Under that agreement, the Board of Supervisors oversees the Foundation's funding of EDB projects. In late August 2002, the Foundation began accepting funds and reviewing EDB projects in need of support.

In fiscal year 2002-2003, the Foundation's first year of operation, a great deal of care was taken to establish procedures that would guarantee steady and increasing support for EDB projects into the future. The Foundation continues to operate under the Operating Memorandum of Understanding and continues its efforts to create alternative revenue streams for EDB projects.

In September 2008, the Board of Supervisors approved the third Memorandum of Understanding which contains a clause for automatic annual renewal.

## **Financial Summary**

This section contains information about the Foundation's finances.

**Statement of Financial Position**

As of June 30, 2021

(Unaudited)

**ASSETS**

Current Assets	
Cash and cash equivalents	\$ 1,910,207
Short-term investments	48,396
Accounts receivable	<u>3,800</u>
Total Current Assets	<u>1,962,403</u>

TOTAL ASSETS	<u><u>\$ 1,962,403</u></u>
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**LIABILITIES AND NET ASSETS**

Current Liabilities	
Accounts payable	\$ 5,677
Deferred sponsorships	<u>24,100</u>
Total Liabilities	<u>29,777</u>

Net Assets	
Unrestricted	-
Designated	445,593
Temporarily restricted	<u>1,487,032</u>
Total Net Assets	<u>1,932,626</u>

<b>Total Liabilities &amp; Net Assets</b>	<u><u>\$ 1,962,403</u></u>
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**Statement of Activity**  
For the year ended June 30, 2021  
(Unaudited)

	Unrestricted	Temporarily Restricted	Total
<b>Revenues, gains and other support</b>			
Registration/participation fees	\$ 18,660		\$ 18,660
Donations/Sponsorships	64,565	1,283	65,848
Grants		496,500	496,500
Other income	10,000		10,000
Interest income	2,395		2,395
Total Income	95,620	497,783	593,403
<b>Expenses</b>			
Program services			
Community outreach	63,160	387,826	450,985
Economic outlook	6,266		6,266
Research initiatives	63,051		63,051
Supporting services			
Administrative Services	32,968		32,968
Total Expenses	165,445	387,826	553,270
<b>Change in Net Assets</b>	(69,824)	109,957	40,132
<b>Net Assets, Beginning of Year</b>	515,417	1,377,076	1,892,493
<b>Net Assets, End of Year</b>	<u>\$ 445,593</u>	<u>\$ 1,487,032</u>	<u>\$ 1,932,626</u>



## **Underwriters**

This section provides a list of the business, education, and community organizations that provided noteworthy contributions to the Foundation.

**Foundation Underwriters**

***Foundation Level:***

Luther Burbank Savings

***Presenting Level:***

Exchange Bank  
Kaiser Permanente  
Redwood Credit Union

***Premier Level:***

Bank of Marin  
Pacific Gas & Electric  
St. Joseph Health System  
Sutter Health

***Executive Level:***

American River Bank  
Comcast  
Midstate Construction  
North Bay Association of Realtors  
Pisenti & Brinker LLP  
Sonoma Clean Power  
Summit State Bank

***Advocate Level:***

Morgan Stanley Wealth Management  
Sonoma County Tourism Bureau

***Media Level:***

North Bay Business Journal

## **Project Summaries**

This section provides information on some of the projects funded through the Foundation. Together, these projects served many segments of Sonoma County, including public schools, public agencies, employers, and the business community and residents with an interest in the state of the County's economy.

## Spirit of Sonoma County

### Description

The annual *Spirit of Sonoma County* awards recognize business leaders from major chambers and trade associations in the County. The awards ceremony featured mini-ceremonies held at Alliance Medical Center, Spring Lake Regional Park, and Hotel Petaluma for honorees from 20 chambers and trade organizations, chosen for their contributions to Sonoma County.

### Program Goals

The *Spirit* awards honor those who contribute to the economic development and enhancement of the communities in which they live, work, and conduct business through generous donations of their time and expertise in support of local business and in helping others.

### Achievements

In Fiscal Year 2020-2021, the program celebrated its twentieth anniversary, having honored over 400 local business men and women and community leaders since its inception. The *Spirit of Sonoma County* awards program was started in 2001 with the assistance of banks, media, and elected officials in order to honor the selected award winners. The program grew from 18 area chambers and trade organizations recognizing a business leader from their group to the present 20 organizations involved. The *Spirit* luncheon is an excellent opportunity for local business leaders to receive countywide recognition.

### Supporters

The 2020-2021 *Spirit of Sonoma County* mini-ceremonies and awards were funded by the following organizations, corporate sponsors, and individuals that chose to sponsor honorees:

Bodega Bay Area Chamber of Commerce	Rohnert Park Chamber of Commerce
Cloverdale Chamber of Commerce	Russian River Chamber of Commerce
Engineering Contractors Association	Sonoma County Alliance
Geyserville Chamber of Commerce	Sonoma County Farm Bureau
Healdsburg Chamber of Commerce	Sonoma County Hospitality Association
Hispanic Chamber of Commerce	Sonoma County Tourism Bureau
Mark West Chamber of Commerce	Sonoma County Winegrape Commission
North Bay Leadership Council	Sonoma Valley Chamber of Commerce
North Coast Builders Exchange	Windsor Chamber of Commerce
Petaluma Area Chamber of Commerce	Workforce Investment Board

## **Special Events**

featuring Keynote Speakers

### Description

In 2020-2021 the Foundation supported two special events featuring professional keynote speakers contributing to a variety of subjects. The speakers are selected keeping current affairs and issues in mind.

### Program Goals

This speaker events series is intended to provide the business community with interesting speakers addressing matters related to the local economy, industry trends and common business interests.

### Achievements

The **Fall Economic Forecast** is an annual event of the Foundation's Research Initiatives Program developed for local businesses, governments, and organizations for detailed regional analysis of economic trends. As part of the Research Initiatives Program benefits, sponsors were invited to a virtual meet and greet with the featured speaker, Dr. Christopher Thornberg, the morning of his presentation. Dr. Thornberg gave an informative talk about California and Sonoma County, including GDP, foreign trade, industrial production, consumer spending, the labor market, and local economic performance. The event was held virtually, with 350 people in attendance.

The 2021 **Economic Perspective** presented a first look into Sonoma County's economic future and how the recent wildfires and continuing COVID-19 pandemic have changed the economic landscape. The event featured an Economic Forecast presentation from Dr. Jerry Nickelsburg from UCLA Anderson and a Childcare Impact Panel discussion with Ananda Sweet of Santa Rosa Metro Chamber, Angie Dillion-Shore of First 5 Sonoma County and Melanie Dodson of 4Cs of Sonoma County. The event was held virtually and had over 350 people in attendance.

### Supporters

These events were supported by both individual attendees and local organizations and businesses.

# Board of Directors

## 2020-2021 FOUNDATION BOARD MEMBERS

**Officers:** Kathryn Hecht, Chair  
Wayne Leach, Vice Chair  
Linda Kachiu, Treasurer  
Sheba Person-Whitley, Executive Director/Secretary

**Members:** Jorge Alcazar  
Jordan Kivelstadt  
Michael Nicholls  
Pamela Chanter  
Richard Marzo  
Terry Garrett  
William (Skip) Brand

## LEGAL SERVICES

The Foundation contracts with the Friedemann Goldberg Wargo Hess LLP law firm to advise the Board of Directors on general legal matters, including state and federal law, relating to nonprofit tax-exempt organizations.

## FINANCIAL SERVICES

The Foundation retained the services of Ms. Victoria Mwangi, Certified Public Accountant (CPA). The CPA assists with the Foundation's bookkeeping and prepares its tax documentation.

SONOMA COUNTY ECONOMIC DEVELOPMENT BOARD

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## Attachment A

### Certification of Financial Statements

The undersigned does hereby certify that:

1. She has been duly elected and qualified as, and at this date is, the Chair of the Board of Directors of the Sonoma County Economic Development Board Foundation (the "Foundation");
2. The financial statements contained in the Foundation's Annual Report, covering the period from July 1, 2020 to June 30, 2021, were prepared without audit from the books and records of the Foundation.

Signed: \_\_\_\_\_



Date: 03/23/2022

Kathryn Hecht

Chair of the Board of Directors

Sonoma County Economic Development Board Foundation