

SONOMA COUNTY ECONOMIC DEVELOPMENT BOARD



**FOUNDATION**



**ANNUAL REPORT**

July 1, 2019 – June 30, 2020



# FOUNDATION



## Annual Report

July 1, 2019 – June 30, 2020

Submitted January 27, 2021

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SONOMA COUNTY ECONOMIC DEVELOPMENT BOARD



FOUNDATION



January 27, 2021

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, 2020. 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 2019-2020, 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

Sheba Person-Whitley  
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 \$1,503,278 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 2019-2020 Foundation Projects

The **Creative Sonoma** program held professional trainings, workshops and grant making programs. These activities were fully or partially covered through grants received by the Foundation, which funded program expenses as well as staff costs. Professional development topics focused generally on the business aspects of art and included workshops on financial management for artists, selling creative work and products, managing nonprofit organizations, and more. Over \$68,000 was disbursed in grants to creative individuals, organizations, and businesses.

**Manufacturing Day** seeks to inspire the next generation of Sonoma County manufacturers by supporting direct industry engagement with students, creating hands-on learning opportunities, and promoting education and training pathways that lead to careers in manufacturing. The 2019 event was held on October 4<sup>th</sup> and featured tours at local manufacturing sites as well as a panel discussion featuring business leaders from Keysight Technologies, CamelBak, and Labcon.

Along with the year-end financial statements, the following pages summarize some of the Foundation's activities, detailed by program. While many of the projects will seek funding through the Foundation again in fiscal year 2020-2021, 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, 2020

(Unaudited)

**ASSETS**

## Current Assets

Cash and cash equivalents	\$	1,946,556
Short-term investments		48,246
Accounts receivable		2,756
Prepaid expenses		7,308

Total Current Assets		<u>2,004,867</u>
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TOTAL ASSETS	\$	<u><u>2,004,867</u></u>
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**LIABILITIES AND NET ASSETS**

## Current Liabilities

Accounts payable	\$	4,362
Deferred grants awarded		1,150
Deferred sponsorships		5,000

Total Current Liabilities		<u>10,512</u>
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## Net Assets

Unrestricted		3,332
Designated		524,700
Temporarily restricted		1,466,322

Total Net Assets		<u>1,994,355</u>
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TOTAL LIABILITIES AND NET ASSETS	\$	<u><u>2,004,867</u></u>
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**Statement of Activity**  
For the year ended June 30, 2020  
(Unaudited)

<b>Revenues, Gains and Other Support</b>	Unrestricted	Temporarily Restricted	Total
Registration/participation fees	\$ 90,403	\$ -	\$ 90,403
Donations/sponsorships	109,000	9,750	118,750
Grants	-	1,294,125	1,294,125
Other income	10,000	-	10,000
Interest income	4,270	-	4,270
<b>Total Income</b>	<u>213,673</u>	<u>1,303,875</u>	<u>1,517,548</u>
<b>Expenses</b>			
Program services			
Community outreach	67,973	203,245	271,218
Economic outlook	37,681	-	37,681
Research initiatives	21,706	-	21,706
Supporting services			
Administrative services	18,717	-	18,717
<b>Total Expenses</b>	<u>146,078</u>	<u>203,245</u>	<u>349,322</u>
<b>Change in Net Assets</b>	67,595	1,100,630	1,168,226
<b>Net Assets, Beginning of Year</b>	<u>460,437</u>	<u>365,692</u>	<u>826,129</u>
<b>Net Assets, End of Year</b>	<u><u>\$ 528,033</u></u>	<u><u>\$ 1,466,322</u></u>	<u><u>\$ 1,994,355</u></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:***

City of Santa Rosa  
Exchange Bank  
Kaiser Permanente  
Redwood Credit Union  
Sonoma Speedway LLC  
Tri Counties Bank

***Premier Level:***

Bank of Marin  
Employment Training Panel  
Friedemann Goldberg  
Pacific Gas & Electric  
Sonoma Clean Power  
Sonoma County Tourism Bureau  
St. Joseph Health System  
Sutter Health

***Executive Level:***

American River Bank  
Comcast  
Keegan & Coppin  
Midstate Construction  
Morgan Stanley Wealth Management  
North Bay Association of Realtors  
Pisenti & Brinker LLP  
Sonoma County Alliance  
Summit State Bank

***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 luncheon recognizes business leaders from major chambers and trade associations in the County. The annual awards ceremony attracted more than 330 people, honoring those awardees from 22 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 2019-2020, the program celebrated its nineteenth anniversary, having honored over 390 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 22 organizations involved. The *Spirit* luncheon is an excellent opportunity for local business leaders to receive countywide recognition.

### Supporters

The *Spirit of Sonoma County* luncheon, ceremony, and awards are funded through registration fees paid by the participating organizations, corporate sponsors, and individuals who attend and/or sponsor tables. The 2019-2020 local organizations that chose to purchase tables in support of honorees included:

Airport Express, Inc.

Cloverdale Chamber of Commerce

Engineering Contractors Association

Healdsburg Chamber of Commerce

Hispanic Chamber of Commerce

North Bay Association of Realtors

North Bay Leadership Council

North Coast Builders Exchange

Petaluma Area Chamber of Commerce

Rohnert Park Chamber of Commerce

Santa Rosa Metro Chamber  
Sebastopol Area Chamber of Commerce  
Sonoma County Alliance  
Sonoma County Farm Bureau  
Sonoma County Hospitality Association  
Sonoma County Winegrowers  
Sonoma Valley Chamber of Commerce  
Windsor Chamber of Commerce  
Workforce Investment Board

Awards

The *Spirit of Sonoma County* awards recognized honorees from these 22 organizations:

Cloverdale Chamber of Commerce  
Geyserville Chamber of Commerce  
Healdsburg Chamber of Commerce  
Hispanic Chamber of Commerce  
Mark West Area Chamber of Commerce  
North Bay Association of Realtors  
North Bay Leadership Council  
North Coast Builders Exchange  
Northern California Engineering Contractors Association  
Petaluma Area Chamber of Commerce  
Rohnert Park Chamber of Commerce  
Russian River Chamber of Commerce  
Santa Rosa Metro Chamber of Commerce  
Sebastopol Area Chamber of Commerce  
Sonoma County Alliance  
Sonoma County Farm Bureau  
Sonoma County Hospitality Association  
Sonoma County Tourism  
Sonoma County Winegrowers  
Sonoma County Workforce Investment Board  
Sonoma Valley Chamber of Commerce  
Windsor Chamber of Commerce

## **Special Events** featuring Keynote Speakers

### Description

In 2019-2020, 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 are invited to a pre-event dinner held with the featured speaker, Dr. Christopher Thornberg, the night preceding his presentation. Dr. Thornberg gave an informative talk about California and Sonoma County, including GDP, foreign trade, industrial production, consumer spending, the labor market, local economic performance, tourism and more. The event was held at the Doubletree Hotel in Rohnert Park, with over 500 people in attendance.

The **State of the County** is an annual event sponsored by the Economic Development Board (EDB) to present the current and future challenges facing the county in terms of growth and development. It was an opportunity for the County of Sonoma to highlight key opportunities, challenges and initiatives facing Sonoma County. Attendance included over 500 people at this 17th annual breakfast.

### Supporters

Both of these events were supported by individual attendees and tables sponsored by local organizations and businesses.

# Board of Directors

## FOUNDATION BOARD MEMBERS

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

**Members:** Jorge Alcazar  
Skip Brand  
Pam Chanter  
Terri Dente  
Jordan Kivelstadt  
Richard Marzo  
Michael Nicholls

## LEGAL SERVICES

The Foundation contracts with the Friedemann Goldberg 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.



## 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, 2019 to June 30, 2020, were prepared without audit from the books and records of the Foundation.

Signed:

Date: 01/27/21

Kathryn Hecht

Chair of the Board of Directors

Sonoma County Economic Development Board Foundation