INVESTED IN THE PROMISE OF SONOMA COUNTY

COMMUNITY FOUNDATION SONOMA COUNTY

2011 ANNUAL REPORT
At Community Foundation Sonoma County, we believe in the power of connecting people, ideas and resources to improve the lives of those who live here. Every day, we create partnerships with donors, organizations and community leaders to invest in the promise of Sonoma County.
At Community Foundation Sonoma County, we believe in the power of connecting people, ideas and resources to improve the lives of those who live here. Every day we create partnerships with donors, organizations and community leaders to invest in the promise of Sonoma County. Behind all of these connections are the “connectors” who turn challenges into action and vision into legacy.

New connections are often forged through a change in circumstances. For years, the treasured parks of Sonoma County stood ready for us. When budget cuts reduced access and availability, the Sonoma County Regional Parks Foundation responded, reconnecting residents to the land while taking on new and far-reaching responsibilities. The Parks Foundation Board decided to work with the Community Foundation to assure long-term stewardship of the funds that support our parks.

Facing a different kind of change, the Blood Bank of the Redwoods successfully completed a merger to ensure the continued vitality of its operations. With the proceeds received for their assets, the Board chose to direct them to Community Foundation Sonoma County. The Blood Bank which served our county for over 60 years will now build an endowment fund for health-related initiatives, continuing a record of service in new and long-lasting ways.

Some of the most dedicated connectors are individual donors who realize that connections begin with conversations. Sam and Betz Miller, members of our Legacy Society, found that Community Foundation Sonoma County could make the right connections for their current charitable giving while also offering a path for long-term investment.

One such path is already yielding significant results, as the Hazel and Roland Todd Trust begins supporting issues of access and education in the Spring area of Sonoma Valley.

Our annual report is a salute to the connections we’ve already found and those yet to be discovered. However you choose to connect, we hope you’ll gain ideas and inspiration. What will it take to start your own story? A single conversation could make all the difference.
Roland and Hazel Todd’s relationship with Community Foundation Sonoma County began in the mid-1990s when they met with then Executive Director Kay Marquet to explore ways to benefit the community through a partnership. In 2000, the Todds decided to have the Community Foundation manage the sale of 20 acres of land and donate the proceeds to charitable causes, including the Glen Ellen Fire Department and FISH (Friends in Sonoma Helping). Our work with them at that time gave them the confidence to entrust their legacy to us.

“Hazel and Roland Todd cared deeply about the health and well-being of residents in their community, and we are honored to steward their gift by supporting such vital programs.”

- Barbara Hughes, President and CEO of Community Foundation Sonoma County

After their lifetimes, the Todds' bequest instructed the Community Foundation to support charitable activities primarily in Sonoma Valley, with an emphasis on the areas of health, human services and open space. We convened a group, known as the Todd Trust Team, to assess community needs in the Valley and determine goals for use of the $8.5 million Trust.

Based on the needs assessment and the Todds’ wishes, improving the health and well-being of residents in the Springs area of Sonoma Valley became our guiding principal. “The Todds clearly wanted to provide something important and meaningful with their bequest that would positively impact the lives of people living in Sonoma Valley and, more broadly, Sonoma County,” said Harriet Derwingson, immediate past President of the Sonoma Valley Fund. “This team worked to match genuine community needs with the Todds’ compassionate intentions.” The first two rounds of grants from the Roland and Hazel Todd Trust have now been awarded, providing increased access to essential services to the residents of Sonoma Valley. (See insert)

- Community Foundation Sonoma County awarded a challenge grant of $100,000 to St. Joseph Health System of Sonoma County to continue dental services to low income residents in the Springs area and more broadly in Sonoma County. The grant will help to purchase a replacement mobile dental van.

- Sonoma Ecology Center received $35,300 for assistance in creating a community garden for Spring’s residents at the County’s Larson Park in Agua Caliente.

- $25,000 was awarded to the Sonoma Valley Education Foundation for the 2012 Sonoma Valley Youth Initiative. An additional grant to this organization will close a $3,200 shortfall in funding a new third grade Summer Reading Academy being piloted at El Verano School. The Summer Academy is designed to increase reading proficiency for “rising” third graders.

- A grant of $42,300 to United Way will provide one year of funding to start third grade literacy competency programs in each of five Sonoma Valley elementary schools. The program is called Schools of Hope and is currently being piloted in nine schools in Sonoma, Mendocino and Del Norte counties.

- The Community Foundation Sonoma County grant of $71,100 to La Luz Bilingual Center will allow for the continuation of the Adult ESL instruction in the Springs that had been cancelled due to funding shortages in the school district. La Luz was also given $12,000 to provide emergency rental assistance for low income Sonoma Valley residents in crisis.

IN REMEMBRANCE

Michael Friedenberg 1954-2011
Barbara Walter 1931-2010
Harold Hahn 1940-2011
Claire Davis 1912-2010
Geneva Scheithing Folsom 1922-2012

Harold Hahn 1940-2011
Where can a nonprofit board invest funds for the long-term to increase interest income while ensuring that its money will be managed by prudent investment professionals? This was the question facing the board of directors of the Sonoma County Regional Parks Foundation, the nonprofit that supports Sonoma County Regional Parks. In 2011, the Parks Foundation board carefully reviewed a variety of investment options, including several private investment advisors and Community Foundation Sonoma County. Ultimately, the board determined that the Community Foundation represented the best option to establish three funds: a Parks Foundation endowment, an endowment for the Elizabeth Anne Perrone Dog Park in Sonoma Valley, and a fund for a proposed new park.

“Our board considered it essential to entrust our assets to advisors who would invest our donors’ contributions conservatively,” explained Melissa Kelley, executive director of the Parks Foundation. “With several hundred thousand dollars in our accounts, we recognized the need to earn more than a meager 0.5% on our investment – which had been our previous rate of interest.”

Investing with the Community Foundation Sonoma County occurred at a critical time. Core financial support from the County’s general fund for Sonoma County Regional Parks has declined significantly in recent years. At the same time, Regional Parks’ responsibilities have increased, particularly with the added responsibility for operating Annadel State Park.

Parks Foundation staff, board members and volunteers are working harder than ever to bolster the Foundation’s fundraising. Coincident with transferring funds to the Community Foundation and rising to meet the heightened challenges of our Regional Parks, the Parks Foundation launched exciting new programs, events and awareness campaigns. Earning a higher return on secured funds is a key component of the Parks Foundation’s renewed efforts.

The new partnership between the Community Foundation and the Sonoma County Regional Parks Foundation is thriving. In fact, this year the Parks Foundation received a bequest of $25,000 to establish an endowment for the Children’s Memorial Grove at Spring Lake Park. Parks Foundation board members knew immediately that they wanted to entrust the new endowment to the Community Foundation Sonoma County.

“We were delighted to work with the Board of the Sonoma County Regional Parks Foundation as they sought prudent and professional management of their invested funds. Sonoma County residents are fortunate to have such thoughtful leaders supporting our treasured parks.”

– Barbara Hughes
President and CEO of Community Foundation Sonoma County
LEARN TO FISH

Santa Rosa residents Sam and Betz Miller never thought of themselves as philanthropists. “We are not wealthy, and even though we give a good percentage of our income to charity, my thinking was that philanthropists were people who could write big checks and be on the boards of good causes,” says Sam. But that opinion has changed for the Millers, thanks in large part to their work with Community Foundation Sonoma County.

“There are no small contributions to the community,” says SamMiller. “Every dollar we give is precious. We want it to count. And it definitely does.”

The merger of BBR and BCP resulted in funding available to continue the BBR legacy. The next step was to structure endowments that would provide ongoing support to the communities that BBR had served for more than 60 years. Partnerships with two community foundations proved to be the strongest solution for the necessary investing and granting of the funds. Community Foundation Sonoma County and the Community Foundation of Mendocino County are now the stewards of the endowments in their respective counties. Community representatives and Blood Centers of the Pacific will review and recommend grants to be distributed, in the name of Blood Bank of the Redwoods, to qualified local projects and programs.

In the name of Blood Bank of the Redwoods, these organizations have come together to invest in the future of the community and are to be congratulated for the thoughtful way in which they transitioned their vital local organization,” said Pete Goli, Community Foundation Sonoma County Board Chair. “We are grateful to help them carry on the tradition of service.”

IN REMEMBRANCE

Herbert F. Polesky, 1933-2011

Herbert Polesky often joked that his career was defined by two red fluids, blood and wine. An internationally recognized expert in blood banking and transfusion medicine, he embarked upon a second vocation as a California winegrape grower when he and his wife Susan Lentz purchased property near Healdsburg in 1989. As much as he loved his home and vineyards in Dry Creek Valley, he was also a world traveler. He leaves a legacy of dedication to excellence and to advancing opportunity for all persons, especially opportunity for access to quality health care.
IN YOUR NEIGHBORHOOD

“Community Foundation Sonoma County created the Neighborhood Grants Program to provide community residents the resources to address and solve problems in their own neighborhoods. We believe that residents have the capacity and the desire to gather together to address issues of importance to families in these communities. We hope that residents will be inspired to bring the skills and relationships they formed in their neighborhoods to the broader community and that the perceived differences of ethnicity, gender, and economics that often appear to divide communities will be overcome through the common experience of working together.”

– Herb Castillo, Community Foundation Board Member

SUNRISE COMMUNITY GARDEN

Sunrise Community Garden in Petaluma was awarded $2,000 to bring fresh, organic food to the community. Bridging income, language, age and cultural differences, Sunrise Community Garden is a model project for community building, greatly increasing positive interactions between disparate sections of the neighborhood. When the garden is complete, it will offer 20 organic beds and a small orchard to produce healthy food at minimal cost for both the plot holders and the local community.

“The Neighborhood Grant was directly responsible for the garden opening on time, which improved relationships all around. It also enabled the garden membership to move forward with additional important projects and encouraged us to research and apply for other grants. We hope that the garden will be self-sufficient financially within the first year.”

– June Gerron, Sunrise Community Garden

LOBO UNITY

Elsie Allen High School’s Lobo Unity is a grassroots effort whose mission is to strengthen community relationships with the neighbors around the High School. The Lobo Unity CommUnity Fair was launched in 2008, with 1,500 participants and 60 booths, to create strong neighborhood connections. In 2012, Lobo Unity committed to engaging the youngest members of the community, with the $900 Community Foundation Neighborhood Grant supporting the participation of the Children’s Museum.

“Writing this grant allowed the students of Lobo Unity to become aware of the entire grant process. This process held them to deadlines and budget constraints much different than their daily school assignments. Lobo Unity felt a sense of accomplishment knowing their motivation to create a quality family event was not hindered by school budget cutbacks and that with time and research, other avenues of support could ensure another successful fair.”

– Lisa DeCarbo, Lobo Unity Director

WINDSOR BLOCO

Windsor Bloco received $2,000 in funding to purchase drum mallets, drum heads and a sound system for a youth drum and dance after-school program. This group has been together for twelve years with a fundamental objective being youth leadership development. Young people are given opportunities to set goals for the group, lead discussions and provide peer support. The Windsor Bloco program strives to reach students, give them a sense of belonging and keep them active in and out of school.
COMMUNITY FOUNDATION AFFILIATES

SONOMA VALLEY FUND

In 2011, Sonoma Valley Fund celebrated its fifth anniversary. This affiliate’s mission is to promote and facilitate local philanthropy and legacy giving by serving as a bridge between nonprofits, estate-planning professionals and donors. No other organization unites all constituencies around the purpose of endowing the Sonoma Valley community as a whole.

Since its founding in 2007, Sonoma Valley Fund has directly awarded $263,000 in grants and scholarships to local nonprofits and individuals. Community Foundation Sonoma County has helped direct an additional $842,000 in the valley for a combined total of more than $1.1 million.

Sonoma Valley Legacy Circle

In 2011 Sonoma Valley Fund launched the Legacy Circle, an honorary society of those in the valley who have made a commitment to charitable planned giving. As of January 2012, 160 individuals and families have joined the Circle.

Endow Sonoma Valley Month

The Sonoma City Council and Sonoma County Board of Supervisors proclaimed October 2012 as “Endow Sonoma Valley Month.” Sonoma Valley Fund will hold a series of free public seminars and panel discussions designed to dramatically increase the number of residents who include Sonoma Valley charities in their estate plans.

Youth Initiative Takes Flight

In 2009 Sonoma Valley Fund launched the Youth Initiative, incubating a series of summer and after-school enrichment programs to help at-risk children transition smoothly from elementary to middle school, and from middle school to high school. After successfully serving some 500 students over two years, we transferred operations to the Sonoma Valley Unified School District with an appeal to the community to help sustain the initiative’s valuable work.

George and Phyllis Ellman Grants

In 2011 the Sonoma Valley Fund awarded $63,000 in grants through our stewardship of the George and Phyllis Ellman Fund, which we have administered since 2008.

THE HEALDSBURG AREA

This past year the Healdsburg Affiliate experienced its highest level of donations and grants in a single year since its inception in 2003. Inspired by a $100,000 matching donation challenge, the Board was successful in more than doubling that amount to increase the Healdsburg Endowment by $210,000. The matching gift ultimately increased the Endowment to over $1 million.

It was a record setting year for grants as well. The largest number of grant requests to date translated into 14 awards to nonprofit agencies in Healdsburg and Geyserville. The Endowment disbursed $65,000 to worthy organizations doing important work in the areas of health, education, human services, youth programs and the arts. The Healdsburg Area Grants Committee uses a rigorous and thorough process for considering applications, including site visits to each nonprofit under consideration.

Grantees this year included the Alexander Valley School Parents’ Club, Alliance Medical Center, Becoming Independent, Boys’ and Girls’ Club of Geyserville, California Human Development, Community Child Care Council, Farm to Pantry, Healdsburg Center for the Arts, Healdsburg Education Foundation, Healdsburg Jazz Festival, Literary Arts Council Bookmobile, Public School Success Team, Redwood Empire Food Bank, and Social Advocates for Youth.

The Affiliate also partnered with the Healdsburg Farmers’ Market to increase access to healthy and nutritious produce through the CalFresh program. Board members volunteered at weekend Farmers’ Markets collecting donations from market patrons that doubled the amount available to CalFresh program participants when they used their EBT cards at the Market. This effort raised awareness of the need for all members of the community to be able to purchase healthy food.
OUR GRANTMAKING

The Quetzalen Folk Ballet Group
in the Springs area of Sonoma Valley was awarded a $2,000 Neighborhood Grant to buy costumes for the youngest dancers and enabled them to participate in the performances. Dance classes and events for adults and children bring families together to learn about the dances’ history, practice, perform and share their cultural pride with each other and many other communities.

GRANTS AND SCHOLARSHIPS

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health &amp; Human Services</td>
<td>48%</td>
<td>$3,930,700</td>
</tr>
<tr>
<td>Education</td>
<td>18%</td>
<td>$1,505,100</td>
</tr>
<tr>
<td>Arts &amp; Culture</td>
<td>15%</td>
<td>$1,208,100</td>
</tr>
<tr>
<td>Environment</td>
<td>12%</td>
<td>$1,012,600</td>
</tr>
<tr>
<td>Scholarships</td>
<td>3%</td>
<td>$225,600</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
<td>$346,900</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
<td><strong>$8,229,000</strong></td>
</tr>
</tbody>
</table>

2011 NEW FUNDS

- Blood Bank of the Redwoods Legacy Fund
- The CABSLY Fund
- Ella Bisbee Fund
- Friends in Sonoma Helping (F.I.S.H) Fund
- First 5 Sonoma County Fund for Preschool Scholarships
- Friends of the Sonoma Valley Library Fund
- Gloria Hannon LandPaths Shared Backyard Assistance Fund
- The Literacyworks Fund
- Mark West Creek Park Fund
- Bob and Wilma Milby Fund
- North Bay Cancer Alliance – Virginia M. Hoffman Memorial Fund
- Polesky Memorial Fund for Healthcare
- Elizabeth Anne Perrone Dog Park Endowment Fund
- Sonoma County Regional Parks Foundation Endowment Fund
- The Stolane Fund

2011 ANNUAL EVENT SPONSORS

- Kendall Jackson
- Luther Burbank Savings
- Clover Stornetta Farms
- Nelson Family of Companies
- Burr Pilger Mayer
- Carle, Mackie, Power & Ross LLP
- Codding Foundation
- Dickenson, Peatman & Fogarty
- Exchange Bank
- Graystone Consulting
- Diane & Art Lafranchi
- Park Avenue Catering
- Pepperwood Preserve
- Eileen & Henry Trione
- Wells Fargo Advisors – The Pardini & Wulbrecht Financial Group
- Anderson, Zeigler, Dissharoon, Gallagher & Gray
- Frank Howard Allen Realtors
- Friedman’s Home Improvement
- Gallagher Risk Management Services
- Kaiser Permanente
- La Tortilla Factory
- Ledson Winery & Vineyards
- Manatt, Phelps & Phillips LLP
- O’Brien, Walters & Davis LLP
- Portola Systems, Inc.
- Sitzmann Morris & Lavis, Inc.
- Summit State Bank
- Willow Creek Financial Services, Inc.

For more detailed information on recent grants or grant application procedures visit www.sonomacf.org.
LEGACY SOCIETY

Our Legacy Society recognizes those who have chosen the Community Foundation to provide long-term stewardship of their charitable wishes.

FINANCIAL SUMMARY

- **Contributions**: $5.5 million
- **Grants and Expenses**: $11.7 million

**Assets**
- Cash and cash equivalents: $2,315,100
- Contributions receivable: $11,434,800
- Investments: $100,985,000
- Charitable trust assets: $24,198,400
- Other: $13,250,500

**Liabilities**
- Agency funds: $13,068,500
- Other liabilities: $7,080,600

**Net Assets**
- Total assets: $152,183,800
- Total liabilities: $20,149,100
- Net assets: $132,034,700

Audited financial statements are available at www.sonomacf.org.
BOARD OF DIRECTORS

Peter Golis, Chair
Retired, Editorial Director
The Press Democrat

Herb Castillo, Secretary
Executive Director
Project Avary

Linda Kachiu, CPA, Treasurer
Director
Zainer Rinehart Clarke

Jay Abbe
Retired, President and CEO
JDS Uniphase

Oscar Chavez
Executive Director
Community Action Partnership

Harriet Derwingson
Retired, Area Vice President
AT & T

Dianne Edwards
Retired, Director
Sonoma County Human Services

Theodore L. Elliot, Jr.
Retired
U.S. Foreign Service Officer

Patrick Emery*
Partner
Abbey, Weitzenberg & Emery

Steven M. Goldberg*
Attorney at Law
Friedemann, Goldberg LLP

Whitney Hall
Retired, U.S. Army

Andrea Learned
Vice President for Development
St. Joseph Health System – Sonoma County

Susan Lentz
Community Leader

Law Reid
Retired, Director and CEO
The California Endowment

Joshua Rymer*
Consultant

Steven Rabinowitz
Professor of Political Science
Santa Rosa Junior College

Jean Schulz
Director Emeritus
Charles M. Schulz Museum and Research Center

Marlene Soiland*
Business Owner
Soiland Management Company

Wanda Tapia-Thomsen
Program Director
Latino Service Providers

David Voss
Executive Vice President
Exchange Bank

Barry Weitzenberg*
VP-General Manager
JDSU Custom Optics

Judy Withee
Registered Principal
Protected Investors of America

Joan C. Woodard
President & CEO
Simons & Woodard Inc.

Michelle Zygielbaum*
Retired, Neonatal Nurse

*Joined in 2012

OUR VALUES

RESPECT
We respect the inherent worth and dignity of every person.

STEWARDSHIP
We mindfully steward the resources entrusted to us.

INTEGRITY
We honor our commitments with integrity and responsive action.

INCLUSIVENESS
We strive to engage all in the life of our community.

EXCELLENCE
We reach for excellence in all that we do.