

Healthcare Foundation Northern Sonoma County
(a California Not-for-Profit Corporation)

Financial Statements
For the Years Ended December 31, 2024 and 2023

Together with Independent Accountants' Review Report

Healthcare Foundation Northern Sonoma County

Table of Contents

	<u>Page</u>
Independent Accountants' Review Report	1
Financial Statements	
Statements of Financial Position	2
Statements of Activities and Changes in Net Assets	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9



Independent Accountants' Review Report

To the Board of Directors of
Healthcare Foundation Northern Sonoma County
Healdsburg, California

We have reviewed the accompanying financial statements of Healthcare Foundation Northern Sonoma County (a California not-for-profit corporation) (the "Foundation"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Dillwood Burkell + Millar, LLP

Santa Rosa, California
October 1, 2025

Healthcare Foundation Northern Sonoma County

Statement of Financial Position

As of December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Assets			
Current assets			
Cash	\$ 250,124	\$ -	\$ 250,124
Restricted cash	-	47,267	47,267
Short-term investments	31,757	-	31,757
Contributions receivable, current portion, net of allowance for doubtful accounts	137,575	225,317	362,892
Total current assets	419,456	272,584	692,040
Contributions receivable , net of current portion and discount	118,093	456,000	574,093
Property and equipment , net	161	-	161
Total assets	<u>\$ 537,710</u>	<u>\$ 728,584</u>	<u>\$ 1,266,294</u>
Liabilities and net assets			
Current liabilities			
Accounts payable	\$ 1,528	\$ -	\$ 1,528
Grants payable	32,304	-	32,304
Accrued vacation	8,217	-	8,217
Total current liabilities	42,049	-	42,049
Net assets	<u>495,661</u>	<u>728,584</u>	<u>1,224,245</u>
Total liabilities and net assets	<u>\$ 537,710</u>	<u>\$ 728,584</u>	<u>\$ 1,266,294</u>

*The accompanying notes are an integral part of this statement.
See accompanying Independent Accountants' Review Report.*

Healthcare Foundation Northern Sonoma County

Statement of Financial Position

As of December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Assets			
Current assets			
Cash	\$ 726,169	\$ -	\$ 726,169
Restricted cash	-	95,841	95,841
Short-term investments	30,357	-	30,357
Contributions receivable, current portion, net of allowance for doubtful accounts	145,589	330,217	475,806
Total current assets	902,115	426,058	1,328,173
Contributions receivable , net of current portion and discount	58,807	170,198	229,005
Property and equipment , net	15,584	-	15,584
Total assets	<u>\$ 976,506</u>	<u>\$ 596,256</u>	<u>\$ 1,572,762</u>
Liabilities and net assets			
Current liabilities			
Accounts payable	\$ 18,918	\$ -	\$ 18,918
Grants payable	237,826	-	237,826
Accrued vacation	14,615	-	14,615
Total current liabilities	271,359	-	271,359
Net assets	<u>705,147</u>	<u>596,256</u>	<u>1,301,403</u>
Total liabilities and net assets	<u>\$ 976,506</u>	<u>\$ 596,256</u>	<u>\$ 1,572,762</u>

*The accompanying notes are an integral part of this statement.
See accompanying Independent Accountants' Review Report.*

Healthcare Foundation Northern Sonoma County

Statement of Activities and Changes in Net Assets

For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Contributions of financial assets	\$ 417,107	\$ 676,722	\$ 1,093,829
Contributions of nonfinancial assets	17,864	-	17,864
Special events	319,024	-	319,024
Management fees	87,500	-	87,500
Other income	1,400	-	1,400
Net assets released from restrictions	544,394	(544,394)	-
 Total support and revenue	 1,387,289	 132,328	 1,519,617
Expenses			
Program	1,089,228	-	1,089,228
Management and general	219,987	-	219,987
Fundraising	287,560	-	287,560
 Total expenses	 1,596,775	 -	 1,596,775
 Changes in net assets	 (209,486)	 132,328	 (77,158)
 Net assets, beginning of year	 705,147	 596,256	 1,301,403
 Net assets, end of year	 \$ 495,661	 \$ 728,584	 \$ 1,224,245

*The accompanying notes are an integral part of this statement.
See accompanying Independent Accountants' Review Report.*

Healthcare Foundation Northern Sonoma County

Statement of Activities and Changes in Net Assets

For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Contributions of financial assets	\$ 841,675	\$ 521,381	\$ 1,363,056
Contributions of nonfinancial assets	21,506	-	21,506
Special events	345,357	-	345,357
Management fees	144,484	-	144,484
Other income	517	-	517
Net assets released from restrictions	208,661	(208,661)	-
 Total support and revenue	 1,562,200	 312,720	 1,874,920
Expenses			
Program	1,000,925	-	1,000,925
Management and general	223,959	-	223,959
Fundraising	240,801	-	240,801
 Total expenses	 1,465,685	 -	 1,465,685
 Changes in net assets	 96,515	 312,720	 409,235
 Net assets, beginning of year	 608,632	 283,536	 892,168
 Net assets, end of year	 \$ 705,147	 \$ 596,256	 \$ 1,301,403

*The accompanying notes are an integral part of this statement.
See accompanying Independent Accountants' Review Report.*

Healthcare Foundation Northern Sonoma County

Statement of Functional Expenses

For the Year Ended December 31, 2024

	Program	Management and General	Fundraising	Total
Grants given	\$ 752,194	\$ -	\$ -	\$ 752,194
Salaries and wages	191,028	91,466	123,623	406,117
Event expenses	3,023	-	102,258	105,281
Consultants and outside services	73,637	25,266	-	98,903
Computers and software	2,446	8,786	28,106	39,338
Employee benefits	18,071	8,653	11,695	38,419
Payroll tax expenses	15,269	7,311	9,882	32,462
Occupancy	-	30,262	-	30,262
Advertising	21,250	-	3,610	24,860
Professional services	-	14,900	-	14,900
Printing and postage	3,280	3,023	7,492	13,795
Donor cultivation	4,692	4,260	63	9,015
Merchant fees	1,212	5,692	784	7,688
Telephone and internet	-	6,834	-	6,834
Insurance	-	4,980	-	4,980
Equipment and supplies	-	4,315	-	4,315
Advocacy workshops	2,432	-	-	2,432
Dues and subscriptions	282	1,667	-	1,949
Other expenses	412	1,126	47	1,585
	<u>1,089,228</u>	<u>218,541</u>	<u>287,560</u>	<u>1,595,329</u>
Depreciation	<u>-</u>	<u>1,446</u>	<u>-</u>	<u>1,446</u>
Total Expenses	<u><u>\$ 1,089,228</u></u>	<u><u>\$ 219,987</u></u>	<u><u>\$ 287,560</u></u>	<u><u>\$ 1,596,775</u></u>

The accompanying notes are an integral part of this statement.
See accompanying Independent Accountants' Review Report.

Healthcare Foundation Northern Sonoma County

Statement of Functional Expenses

For the Year Ended December 31, 2023

	Program	Management and General	Fundraising	Total
Grants given	\$ 686,720	\$ -	\$ -	\$ 686,720
Salaries and wages	174,745	79,317	116,860	370,922
Consultants and outside services	72,133	23,264	-	95,397
Event expenses	1,171	-	93,280	94,451
Employee benefits	14,266	6,475	9,540	30,281
Payroll tax expenses	13,723	6,229	9,177	29,129
Advertising	22,893	455	4,355	27,703
Computers and software	1,253	21,063	-	22,316
Professional services	1,119	19,208	748	21,075
Occupancy	-	18,349	-	18,349
Printing and postage	5,617	5,352	6,508	17,477
Donor cultivation	6,526	2,226	300	9,052
Telephone and internet	-	7,612	-	7,612
Merchant fees	-	6,997	-	6,997
Insurance	-	4,211	-	4,211
Equipment and supplies	-	4,055	33	4,088
Dues and subscriptions	235	2,100	-	2,335
Other expenses	524	941	-	1,465
	<u>1,000,925</u>	<u>207,854</u>	<u>240,801</u>	<u>1,449,580</u>
Depreciation and amortization	<u>-</u>	<u>16,105</u>	<u>-</u>	<u>16,105</u>
Total Expenses	<u><u>\$ 1,000,925</u></u>	<u><u>\$ 223,959</u></u>	<u><u>\$ 240,801</u></u>	<u><u>\$ 1,465,685</u></u>

*The accompanying notes are an integral part of this statement.
See accompanying Independent Accountants' Review Report.*

Healthcare Foundation Northern Sonoma County

Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
	<i>Increase (decrease)</i>	
	<i>in cash</i>	
Cash flows from operating activities		
Changes in net assets	\$ (77,158)	\$ 409,235
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation of property and equipment	1,446	2,045
Loss on disposal of software	13,977	-
Amortization of operating lease right-of-use assets	-	14,060
Interest held in short-term investment	(1,400)	(357)
Gain on cancellation of operating lease	-	(159)
Increase in assets:		
Contributions receivable	(232,174)	(199,989)
Increase (decrease) in liabilities:		
Accounts payable	(17,390)	(5,273)
Grants payable	(205,522)	(61,174)
Accrued vacation	(6,398)	174
Operating lease liabilities	-	(18,978)
Net cash provided by (used in) operating activities	(524,619)	139,584
Cash flows from investing activities		
Purchase short-term investment	-	(30,000)
Net cash used in investing activities	-	(30,000)
Net increase (decrease) in cash	(524,619)	109,584
Cash, beginning of year	822,010	712,426
Cash, end of year	<u>\$ 297,391</u>	<u>\$ 822,010</u>
Cash	\$ 250,124	\$ 726,169
Restricted cash	47,267	95,841
Total cash	<u>\$ 297,391</u>	<u>\$ 822,010</u>
Supplemental cash flows information		
Cash paid for interest	<u>\$ -</u>	<u>\$ 352</u>
Noncash Investing Activities		
Software purchased through accounts payable	<u>\$ -</u>	<u>\$ 14,000</u>

The accompanying notes are an integral part of this statement.
See accompanying Independent Accountants' Review Report.

Healthcare Foundation Northern Sonoma County

Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

Note 1. Nature of Activities

Healthcare Foundation Northern Sonoma County (the “Foundation”) is a California not-for-profit corporation established in May 2001 to raise funds to support quality, equitable healthcare services for all residents of Northern Sonoma County. The Foundation receives its support and revenue primarily from the public. The Foundation’s focus areas for grant making, as well as leading and convening community, are health access and mental health. The Healthcare Foundation is the only grant maker with the exclusive lens of creating a healthier region for residents of Northern Sonoma County.

Note 2. Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are neither permanently nor temporarily restricted by donor-imposed stipulations and, therefore, are available to carry out the Foundation’s operations.

Net assets with donor restrictions – Net assets consist of funds and unconditional promises to give by donors that specify a specific use or the occurrence of a certain future event. When a restriction is met, net assets with restrictions are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions based on management's knowledge and experience. Those estimates affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenue, support and expenses. The use of management's estimates primarily relates to the collectability of contributions receivable, depreciable lives of property and improvements, and allocation of certain indirect expenses by their functional categories. Actual results could differ from those estimates.

Restricted Cash

As of December 31, 2024 and 2023, the Foundation held cash due to donor restrictions placed on the assets. The restricted cash was designated for the purpose of healthcare grants and programs.

Healthcare Foundation Northern Sonoma County

Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

Note 2. Significant Accounting Policies, *continued*

Investments

As of December 31, 2024, the Foundation held a certificate of deposit ("CD") with a maturity date of March 2025, earning interest at 4.5% per annum. As of December 31, 2023, the Foundation held a CD with a maturity date of March 2024, earning interest at 4.5% per annum. Interest income for the years ended December 31, 2024 and 2023 of \$1,400 and \$357 was included in other income in the accompanying Statements of Activities and Changes in Net assets.

Fair Value Measurements

Generally accepted accounting principles provide guidance on how fair value should be determined when financial statement elements are required to be measured at fair value. Valuation techniques are ranked in three levels depending on the degree of objectivity of the inputs used with each level:

- Level 1:* Valuation based on quoted market prices in active markets for identical assets or liabilities that the Foundation has the ability to access.
- Level 2:* Valuation based on pricing inputs that are other than quoted prices in active markets which are either directly or indirectly observable.
- Level 3:* Valuation derived from other valuation methodologies, including pricing models, discounted cash flow models, and similar techniques

The categorization of an investment within the hierarchy is based on the pricing transparency of the investment and does not necessarily correspond to the Foundation's perceived risk of that investment.

As of December 31, 2024 and 2023, a certificate of deposit was the only investment held by the Foundation, and was considered a Level 2 instrument.

Financial Instruments

The carrying amount of financial instruments approximate fair value based on quoted market prices or discounted cash flow analysis for cash, restricted cash and time deposits and other financial instruments.

Contributions Receivable

Verifiable pledges for contributions are recorded as contributions receivable. Pledges that are expected to be collected within one year are recorded at net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the pledges are made. Amortization of the discount is included in contribution revenue. The Foundation uses the allowance method to reserve for uncollectable accounts. Management periodically evaluates the allowance. As of December 31, 2024 and 2023, the allowance for doubtful accounts was \$14,660 and \$11,238, respectively.

Healthcare Foundation Northern Sonoma County

Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

Note 2. Significant Accounting Policies, *continued*

Property and Equipment

It is the Foundation's policy to capitalize all computers, equipment, furniture, and computer software at costs greater than \$1,000. Property and equipment are recorded at acquisition cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 7 years. Donated property is recorded at its estimated fair value at the day of receipt. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Long-lived assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Unless otherwise stated by the donor, the restriction expires when the asset is placed in service.

Leases

Transactions give rise to leases when the Foundation receives substantially all of the economic benefits from, and has the ability to direct, the use of the specified property and equipment. The Foundation primarily has lessee activity that is classified as operating leases.

Operating leases are included in operating lease right-of-use assets, current maturities of operating lease liabilities, and operating lease liabilities, less current maturities in the Statements of Financial Position. Finance leases are included in property and equipment, net, current maturities of finance lease obligations, and finance lease obligations, less current maturities in the Statements of Financial Position. Operating lease right-of-use assets represents the right to use an underlying asset for the lease term and operating lease liabilities represent obligations to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. When discount rates implicit in leases cannot be readily determined, the Foundation uses the applicable incremental borrowing rate at lease commencement to perform lease classification tests and to measure lease liabilities and right-of-use assets. Lease expense for operating leases is recognized on a straight-line basis over the lease term. Certain options renewal periods were not included in the determination of the lease liability and right-of-use asset if management determined it was not reasonably certain that the lease would be extended.

The Foundation has agreements with lease and non-lease components, such as common area maintenance, and elected to account for the lease and non-lease components as separate components. The Foundation has elected not to recognize right-of-use assets and lease liabilities for leases of terms less than 12 months.

Revenue Recognition

Contributions of Financial Assets

Contributions received are recorded as revenue without donor restrictions or revenue with donor restrictions, depending on the existence or nature of any donor restrictions. If donor restrictions are fulfilled in the same time period the revenue or support is received, the Foundation reports the revenue or support as net assets without donor restrictions. Contributions are recognized when the donor makes a promise to make a gift to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donors are reported as net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Healthcare Foundation Northern Sonoma County

Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

Note 2. Significant Accounting Policies, *continued*

Revenue Recognition, *continued*

Contributions of Financial Assets, continued

The Foundation sometimes receives donations of marketable securities. Generally, the securities are sold within 7 days of receipt. Investments in marketable securities are reported at their fair values in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Contributions of Nonfinancial Assets

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the year received.

A substantial number of volunteers have donated significant amounts of time to the Foundation's program services and to its fundraising campaigns. No amounts have been recognized in the Statements of Activities and Changes in Net Assets since the work done by the volunteers does not fall under the criteria established by the Financial Accounting Standards Board (FASB).

Functional Expense Allocation

Expenses that are specifically identifiable are charged directly to the appropriate functional category. All other expenses are charged based on a reasonable allocation. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide the overall support and direction of the Foundation.

Advertising Expense

Advertising costs associated with Foundation's promotion, various campaigns and special event fundraising are expensed as incurred. The Foundation's advertising expenses includes printing and copies, social media, and graphic design, and amounted to \$24,860 and \$27,703 for the years ended December 31, 2024 and 2023, respectively.

Income Taxes

The Foundation is a nonprofit corporation under Internal Revenue Code Section 501(c)(3) and has been granted tax-exempt status by the Internal Revenue Service and the California Revenue and Taxation Code Section 23701(d). These exemptions are subject to periodic reviewed by the taxing authorities. As of December 31, 2024 and 2023, the Foundation has reviewed its tax positions and has concluded no reserve for uncertain tax positions is required. In the opinion of management, there is no unrelated business income subject to income taxes.

Healthcare Foundation Northern Sonoma County

Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

Note 2. Significant Accounting Policies, *continued*

Income Taxes, *continued*

The Foundation's exempt organization information returns, IRS Form 990 and California Form 199, are subject to review through three years after the date of filing for federal and four years after the date of filing for state.

Note 3. Liquidity and Availability of Financial Assets

The following reflects the Foundation's financial assets reduced by amounts not available for general use because of contractual, donor imposed or board designated restrictions within one year of the balance sheet date, as of December 31:

	2024	2023
Cash	\$ 297,391	\$ 822,010
Investments	31,757	30,357
Receivable, current portion, net	362,892	478,806
Total financial assets, at year-end	692,040	1,328,173
Less those unavailable for general expenditures within one year, due to:		
Purpose restricted funds	(172,584)	(366,058)
Time restricted funds	(100,000)	(60,000)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 419,456</u>	<u>\$ 902,115</u>

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. To help manage unanticipated liquidity needs, the Foundation strives to maintain a minimum of 120 days of operating cash as its reserve.

Note 4. Contributions Receivable

Contributions receivable consist of the following as of December 31:

	2024	2023
Contributions receivable	\$ 1,041,350	\$ 725,184
Less: allowance for doubtful accounts	(14,660)	(11,238)
Less: unamortized discounts	(89,705)	(9,135)
	<u>\$ 936,985</u>	<u>\$ 704,811</u>

Healthcare Foundation Northern Sonoma County

Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

Note 4. Contributions Receivable, *continued*

Contributions are expected to be collected according to the following schedule for the years ending December 31:

2025	\$	381,206
2026		252,479
2027		177,665
2028		115,000
2029		<u>115,000</u>
	\$	<u>1,041,350</u>

Note 5. Property and Equipment

Property and equipment consists of the following as of December 31:

	2024	2023
Office equipment	\$ 26,476	\$ 26,476
Software	-	14,000
Tenant improvements	<u>4,200</u>	<u>4,200</u>
Total depreciable assets	30,676	44,676
Less: accumulated depreciation	<u>(30,515)</u>	<u>(29,092)</u>
	<u>\$ 161</u>	<u>\$ 15,584</u>

Depreciation expense for the years ended December 31, 2024 and 2023 amounted to \$1,446 and \$2,045, respectively.

Note 6. Operating Leases

The Foundation leases its administrative office under an operating lease agreement. In September 2023, the office lease was amended to reduce the amount of space being leased, and to convert the lease to a month-to-month agreement. With the amendment, the office lease no longer qualifies for the right-of-use accounting method, and from then on monthly lease payments are expensed as they occur.

The Foundation also has a lease agreement for office equipment requiring minimum monthly payments of \$130 through January 2025. Management determined this lease to be immaterial, and has removed it from the right-of-use asset analysis.

There were no lease assets or lease liabilities as of December 31, 2024 and 2023.

Healthcare Foundation Northern Sonoma County

Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

Note 6. Operating Leases, *continued*

Total lease costs incurred by lease type and type of payment for the year ended December 31, consist of the following:

	<u>2024</u>	<u>2023</u>
Operating lease costs:		
Rent expense	\$ 25,698	\$ 13,136
Amortization of lease assets	-	14,060
Interest on lease liabilities	-	352
	<u>\$ 25,698</u>	<u>\$ 27,548</u>

Cash paid for operating cash flows used for operating leases included in the measurement of lease liabilities for the years ended December 31, 2024 and 2023 was \$25,698 and \$32,465, respectively.

Note 7. Net Assets

Net Assets without Donor Restrictions

All general operating revenues and expenses related to the program activities of the Foundation are included in the change in net assets without donor restrictions. From time-to-time donations received without donor restrictions are designated by the Foundation's board as board designated funds. The board-designated funds consist of funds with no donor or legal restrictions, but through board resolutions have been set aside for specific purposes. As of December 31, 2024 and 2023, the Foundation's Board of Directors designated \$130,000 of net assets.

Net Assets with Donor Restrictions

As of December 31, 2024 and 2023, net assets with donor restrictions consist of funds raised to make grants to nonprofit organizations and collaborative coalitions providing health access, mental health and early childhood development programs, and services that serve residents of northern Sonoma County in the amount of \$628,584 and \$536,256, respectively, and time restricted funds in the amount of \$100,000 and \$60,000, respectively.

Net assets with donor restrictions are released from restriction when the purposes of the restrictions are met. Net assets released from restrictions amounted to \$544,394 and \$208,661 for the years ended December 31, 2024 and 2023, respectively.

The following are the net assets with donor restrictions as included on the Statements of Financial Position at December 31:

	<u>2024</u>	<u>2023</u>
Cash	\$ 47,267	\$ 95,841
Contributions receivable	681,317	500,415
	<u>\$ 728,584</u>	<u>\$ 596,256</u>

Healthcare Foundation Northern Sonoma County

Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

Note 8. Concentrations

At various times during the years ended December 31, 2024 and 2023, the Foundation had deposited amounts with a financial institution in excess of the \$250,000 Federal Deposit Insurance Corporation ("FDIC") insurance limit. At December 31, 2024, the Foundation had approximately \$4,100 in excess of the FDIC insured amount. At December 31, 2023, the Foundation had no balances in excess of the FDIC insured amount.

Note 9. Contributions of Nonfinancial Assets

Contributions of nonfinancial assets recognized in the Statement of Activities and Changes in Net Assets as of December 31, 2024 included:

Category	Revenue Recognized	Utilization in Programs or Activities	Donor Restrictions	Valuation Techniques
Event venue	\$ 7,000	Fundraising	None	Vendor invoices
Event services	4,800	Admin	None	Vendor invoices
Auction items	6,064	Fundraising	None	Retail value
	<u>\$ 17,864</u>			

Contributions of nonfinancial assets recognized in the Statement of Activities and Changes in Net Assets as of December 31, 2023 included:

Category	Revenue Recognized	Utilization in Programs or Activities	Donor Restrictions	Valuation Techniques
Event venue	\$ 10,000	Fundraising	None	Vendor invoices
Event services	3,200	Admin	None	Vendor invoices
Auction items	8,306	Fundraising	None	Retail value
	<u>\$ 21,506</u>			

Note 10. Subsequent Events

The Foundation evaluated subsequent events from January 1, 2025 through October 1, 2025, the date which the financial statements were available to be issued, and determined that there are no material subsequent events that required recognition or additional disclosure in these financial statements.