

BOARD OF DIRECTORS MEETING
AGENDA PACKET

MARCH 22, 2023



AGENDA

Board of Directors Meeting
Wednesday, March 22, 2023
8:00 a.m.
Palm Desert iHub
37023 Cook Street
Palm Desert, CA 92211

In Person and via Zoom – Hybrid

1. Call to Order
2. Board Member Attendance
3. Approval of February 22, 2023 Minutes
4. Presentation: Rossana Jeran, Hello Computer, Inc.
5. Executive Committee Report – Deborah McGarrey
6. Board Development – Laura James
7. Business Services/Marketing and Communications Report – Laura James
8. CEO Report – Joe Wallace
9. Board Member Updates/Comments

Next Meeting:

April 19, 2023
8:00 am
Palm Desert iHub
37023 Cook Street
Palm Desert, CA 92211
In Person and via Zoom - Hybrid

BOARD OF DIRECTORS ROSTER



Investor Agency/Organization	Representative(s)	Jul 20	Dark	Sep 21	Oct 13	NOV 16	Dec 14	Jan 18	Feb 22	Mar 22	Apr 19	May 17	Jun 21
Agua Caliente Band of Cahuilla Indians	Todd Hooks	EXC		EXC	EXC	X		X	X				
Charter Communications/Spectrum	Sandra Cuellar	EXC		X	EXC	EXC		EXC	X				
City of Cathedral City	Mark Carnevale/Ernesto Guterrez	EXC		X	X	EXC		X	X				
City of Desert Hot Springs	Roger Nunez/Russell Betts	EXC		X	EXC	EXC		X	X				
City of Indian Wells	Greg Sanders	X		X	X	X		X	X				
City of Indio	Waymond Fermon/Oscar Ortiz	X		X	X	EXC		EXC	EXC				
City of Palm Desert	Jan Harnik/Gina Nestande	X		X	X	X		EXC	X				
City of Palm Springs	Lisa Middleton/Grace Garner	EXC		X	X	EXC		EXC	X				
City of Rancho Mirage	Meg Marker/Steve Downs	X		X	EXC	EXC		EXC	X				
College of the Desert	Andy Dunn	X		X	X	X		EXC	X				
Desert Care Network	(To be determined)	X		X	EXC	X		EXC	EXC				
Eisenhower Medical Center	Ken Wheat	EXC		X	EXC	EXC		EXC	EXC				
GCVCC	Diana Soto	EXC		EXC	EXC	EXC		X	EXC				
Gulf California Broadcast Co./KESQ	Jerry Upham	X		X	EXC	EXC		EXC	X				
Hunter Johnsen	Chris Hunter	X		X	X	X		X	X				
LifeStream Blood Bank	Dan Ballister	X		EXC	X	EXC		X	X				
Oliphant Enterprises	Richard Oliphant	EXC		X	X	X		X	X				
Osborne Rincon	Lee Osborne	EXC		X	EXC	EXC		EXC	EXC				
Pacific Western Bank	Tracy Tremblay	EXC		X	X	X		EXC	EXC				
Palm Springs Life	Paulina Larson	EXC		X	EXC	EXC		EXC	EXC				
Riverside County EDA	Joaquin Tijerina/Bob Wright	X		X	X	X		X	X				
Southern California Edison	Jeremy Goldman	X		X	EXC	EXC		X	X				
Southern California Gas Company	Deborah McGarrey	X		X	X	EXC		X	X				
Sunrise Company	Phil Smith	EXC		X	EXC	X		X	EXC				
The Desert Sun LOCALiQ	Tom Niva	X		X	X	EXC		EXC	X				
University of California, Riverside	Tamara Hedges/Agam Patel	X		X	X	X		X	X				
U.S. Bank	Alan Brimmer	EXC		X	EXC	EXC		EXC	EXC				
Wells Fargo Bank	Moises Aguirre/Amanda Kramer	EXC		X	X	X		X	EXC				
Honorary Board Members													
CSUSB	Dr. Jake Zhu	EXC		EXC	X	EXC		EXC	X				

BOARD OF DIRECTORS MEETING

FEBRUARY 22, 2023

8:00 AM

CVEP - PALM DESERT IHUB

HYBRID MEETING - IN PERSON AND VIA ZOOM

37023 COOK STREET

PALM DESERT, CA 92211

Call to Order

The meeting was called to order at 8:10 am by Vice Chair, Todd Hooks.

Also Present

Joe Wallace Ian Vos
Laura James Michael Hadley
Lesla Bodnar
David Robinson

Welcome and Roll Call

Vice Chair Todd Hooks welcomed the board and self-introductions were done.

Minutes

On a motion by Dick Oliphant, seconded by Greg Sanders, the minutes of the January 18th, 2023 meeting were approved as presented...all in favor, with one abstention by Sandra Cuellar.

Presentation: "Solve the Water Crisis"

Michael Hadley, presented the project, its challenges and opportunities. Discussion followed.

Executive Committee Report

Deborah McGarrey presented the executive committee report and reported that the organization was in good shape.

Board Retreat Follow Up/Business Services Report/Marketing and Communications Report

Laura James made a second presentation to ensure our board members are familiar with the language/philosophy of regional economic development. She also briefly reviewed the Business Services report – a copy is included in the board packet.

CEO Report

Joe Wallace presented his report – a copy is included in the board packet.

Board Member Updates

None at this time.

Adjournment

There being no further business, the meeting was adjourned at 9:10 a.m.

BUSINESS SERVICES REPORT
MARCH 22, 2023

Business Services Updates

- We have planned a full slate of activities and events for Riverside County Innovation Month in April.
 - April 6: Coachella Valley Fast Pitch at Palm Desert iHub
 - April 10: Meet the Entrepreneurs at CVEP HQ/Palm Springs iHub
 - April 12: Morning Insights at Palm Desert iHub
 - April 24: Meet the Entrepreneurs at Palm Desert iHub
 - April 27: Riverside County Fast Pitch Finale at UCR ARTS in Downtown Riverside
- City-specific economic reports are in progress. These are a complement to the Greater Palm Springs Economic Report released at the Summit. We are completing them in-house with the help of Hunter |Johnsen for significantly upgraded ease of use and appearance compared to previous years.
- We are bringing on a summer intern to work directly with iHub client companies on business challenges and on data analytics projects with David Robinson. The internship begins May 1.
- CVEP's new event series, Morning Insights, was held for a second installment at the Palm Desert iHub on March 8. As with the first installment, two dozen people attended. Morning Insights will be held on the second Wednesday of each Month at 8:00am. The next is April 12. Visit <https://cvep.com/events/> for more info.
- The instructor for our March 1 workshop with Chase - Marketing in a Digital World – lives elsewhere in Southern California; our workshop was moved to Zoom because travel that morning was risky due to the storms. It had originally been scheduled as an in-person workshop; all registrants were notified of the change and were able to attend on Zoom.
- New Data Digests published include: CV Job Changes Post-Covid; Employment Inflows/Outflows in the CV.
- iHub projects over the last month include: pitch refinement and review for Hello Computer, Inc., including one session with investor Mike Napoli; concept review for iHub consideration with Greenfillz; familiarization meeting with potential client mentor David Rosenberg; review DoubleLock Healthcare, Inc. website for suggested edits and updates; author testimonial for DoubleLock Healthcare, Inc. website; Palm Springs Film Alliance Fam Tour; co-marketing agreement with Palm Desert Area Chamber of Commerce.
- Community impact projects include: DSUSD Goldfish Bowl; DSUSD Portrait of a Graduate visioning sessions; Palm Springs Blue Zones activation and working group; IEGO; We are One United Career Fair (March 30); SCE Community Advisory Panel (March 28); iHub best practices with Omaha EDC (March 22); Palm Springs Board of Realtors speaking engagement.

Investor Spotlights

- Investor Spotlights:
 - Oliphant Enterprises (reach 1,334 or 32%)
 - UCR Palm Desert (reach 1,313 or 32%)
 - Eisenhower Health (data not yet available)

- Investor content shared in insights and on social media (partial list):
 - UCR (Discount on Spring Courses from UCRX)
 - City of Indio (available property; hiring administrative assistant)
 - Riverside County (Innovation Month proclamation)
 - City of Palm Desert (Coffee with the Mayor)
 - City of Cathedral City (LGBT Days)
 - LifeStream Blood Bank (Blood Drive Info)
 - College of the Desert (Art Exhibition at Marks Center)

A reminder: please add Laura@cvep.com to your media lists!

CEO REPORT

MARCH 21, 2023

Operational Highlights February 2023

1. IEGO's new administrator has advised CVEP that sub-conveners will need to respond to a forthcoming RFP to be considered for this opportunity. CVEP is still poised to respond to the RFP as the sub-convener for the Coachella Valley and High Desert.
2. CVEP hosted a meeting with military representatives from the office of Congressman Ken Calvert regarding the technology business base in the Coachella Valley. We held discussion regarding technology transfer and how they may help.
3. CVEP and the UCR Office of Technology Partnerships have entered into a contractual arrangement for CVEP to serve as a startup advocate for UCR starting 3/6/2023 and paying CVEP a fee of \$20,000 for the first year with an option to renew for an additional 3 years.
4. CVEP has initiated the disposal of surplus and abandoned equipment. We have not made any sales yet, but we do have some interest.
5. CVEP registered as a charity in the first annual CV Giving Day. We successfully raised \$2,467 from forty-six unique donors. Our fundraising ranked us 27th out of nearly 200 charities and our unique donor number placed us 3rd overall. Our unique donor count would have won a \$5,000 award if we had 20 more donors.
6. CVEP was solicited by CA Forward to assist with the California Economic Development Summit that will be held at the Renaissance Hotel in Indian Wells from October 11-13, 2023. CVEP expects to have a contract in place by April 1, 2023. The general guidelines for working with CA Forward are included in this packet.
7. CVEP has seen an increase in contacts with entrepreneurs in the start-up stage. The Palm Desert iHub offices are all occupied. The co working spaces, while challenged to operate at capacity, have a number of telecommuters who are using the space daily. We recently met a telecommuter at the Palm Desert iHub who was attracted to the Coachella Valley by a CVEP Summit social media post.
8. The Accelerator Campus is at capacity with every usable space being occupied by entrepreneurial businesses.
9. CVEP provided 3 letters of support for UCR expansions in Palm Desert totaling over \$4M.
10. April is Innovation Month in Riverside County. There are four events planned by CVEP for Innovation Month. The first is the annual fast pitch qualifier followed in the last week of the month by the countywide fast pitch contest. CVEP will also be hosting two "meet the entrepreneurs" events with one held at the Palm Desert iHub and the other at the Palm Springs Headquarters.

FINANCIAL SNAPSHOT MARCH 15, 2023

Cash Positions

Cash on Deposit:	\$ 349,346
Cash Expectations thru EOM:	\$ 93,250 (AR + new billings)
Total Cash & AR:	\$ 442,596
Less Projected Ops :	\$ 50,000 (through 3/31)
Projected Cash & AR End of March	\$ 392,596 (approx. 4.6 months)

Comparison of YTD FY 22-23 and FY 21-22

Financial Metric	YTD FY 22-23	YTD FY 21-22	Year to Year Change
Revenue	\$897,069	\$978,636	-\$81,567 (-8.3%)
Expenses	\$872,892	\$813,741	+59,151 (+7.3%)
Revenue less Expenses	\$24,177	\$164,895	-\$140,718 (-85.3%)

Comparison of YTD FY 22-23 and YTD Budget FY 22-23 (prior to mid-year adjustments)

Financial Metric	YTD FY 22-23	Budget YTD FY 22-23	Deviation from Budget
Revenue	\$897,069	\$915,790	-\$18,721 (-2.0%)
Expenses	\$872,892	\$914,737	-\$41,845 (-4.6%)
Revenue less Expenses	\$24,177	\$1,053	\$23,124 (+2,096%)

1. Excludes depreciation and interest.
2. Taken from Osborne Rincon Reports for Feb 28, 2023, June 30, 2022, and Feb 28, 2022
3. Revenue shortfalls from budget are driven by delayed sales of abandoned equipment, rent collection shortages, and the Summit.
4. \$25,550 bad debt is from 2018 and was absorbed into FY 22-23 expenses.
5. Expense increases in events, utilities and other operations activities range from 12% to 22% above budgeted levels and last year's expenses.

Balance Sheet Changes Post June 30, 2022

- Cash decreased to \$347,698 from \$467,653
- Total Assets decreased to \$523,504 from \$657,076
- Liabilities decreased to \$474,992 from \$583,419 (short term liability is \$164,101)
- Total Net Assets decreased to \$48,514 from \$73,657

Note: Abandoned Assets are **NOT INCLUDED** on the balance sheet

Mid-Year Budget Analysis: CVEP has reached the 8 month point in FY 22-23 with a positive revenue less expenses of \$24,177. This is above our amended budget of \$1,053 by \$23,124. The contributors to lower performance relative to last fiscal year are deferring the sale of abandoned assets, lower Summit revenue, some reduced investments and increased expenses driven by inflation across all expense sectors. It is to be noted that the category of salaries and wages is under budget, so talent costs are not contributing to the deviation from the budgeted financial performance. CVEP currently has a strong cash position with 4.6 months of expenses on deposit. Additionally, the expected revenue through April 2023 should maintain a positive performance through that time. A detail of the expectations for the remainder of the fiscal year is below. It is vital to end the year with positive performance to liquidate existing assets and maintain a frugal operating discipline. It is also noted that since FY 20-21 CVEP has absorbed roughly \$400,000 in reduced funding and lost rental opportunities in our facilities.

Best Opportunity to Mitigate Risks: On February 17, 2023, all of the abandoned assets can now be sold, and the liquidation value has the potential to be nearly \$100,000. We are moving on this now.

Approved Expense Budget Jan – June 2023: \$491,046

Proposed Reduced Expense Budget Feb- June 2023: \$433,941

Proposed Expense Reduction: \$57,105

	Revenue	Expense	YTD Rev - Expense
January (actual)	\$871,063	\$786,701	\$84,362
February (actual)	\$897,069	\$872,892	\$24,177
March	\$41,250	\$84,401	(\$18,974)
April	\$123,750	\$86,083	\$18,693
May	\$21,250	\$88,985	(\$49,042)
June	\$16,250	\$90,154	(\$122,946)
FY Totals	\$1,099,569	\$1,222,515	(\$122,946)

CVEP will be receiving some deferred income in the Spring that will strengthen our already strong cash position. We typically take in about \$85,000 so our end of fiscal year cash and AR should be in the \$350,000 range. July typically is the best cash flow month of the year.

Focusing on FY 23-24 revenue sources and selling available assets should be front of mind alongside our mission of mentoring entrepreneurs and supporting local businesses.

CA FWD PARTNER EVENT GUIDELINES

This document provides partners with the general guidelines and expectations of holding an event in conjunction with CA FWD and the California Economic Summit. Additional details will be negotiated between the two parties and finalized within a partnership agreement letter.

CA FWD is responsible for:

- Providing the partner with space to hold the event
- Coordinating on programming, contacting speakers, branding, ticketing, etc. to ensure coherence and alignment of the Summit
- Tracking funds raised for CA FWD through partner's network, connections, and introductions
- Serving as fiscal agent for funds raised for CA FWD in collaboration with partner
- Evaluating and determining scholarship recipients
- Coordinating marketing efforts to amplify and align with the Summit
- Providing final approval of proposed event



The partner is responsible for:

- Programming and staffing the event
- Making connections and introductions to help CA FWD raise funds, depending on the type of partner event (e.g., a breakfast, a half-day event, etc.)
- Identifying target net revenue for the event; CA FWD retains proceeds once cost of event is secured and the partner's fundraising target identified in the partnership agreement letter has been achieved
- Marketing Summit registration and attendance to their networks
- Understanding that all scholarships awarded for people to attend the Summit will be on an as needed basis; CA FWD will evaluate candidates submitted by the partner and determine scholarship recipients

**For additional information, please contact
Lavera Alexander at lavera@cafwd.org.**

COACHELLA VALLEY

Fast Pitch

Entrepreneurs, it's time to submit your business idea for the 2023 Coachella Valley Fast Pitch!

- Pitch your idea to a panel of entrepreneurs
- Get direct feedback on your business, product, or concept
- Gain visibility within our communities

Compete for a cash and prize purse share of \$1,000 - and growing!

**Thursday, April 6, 2023
11 am - 1 pm**

Palm Desert iHub

CLICK HERE to apply by March 24 and may the top entrepreneurs win!

The competition is not open to anyone outside of Riverside County, and is not open to nonprofits.



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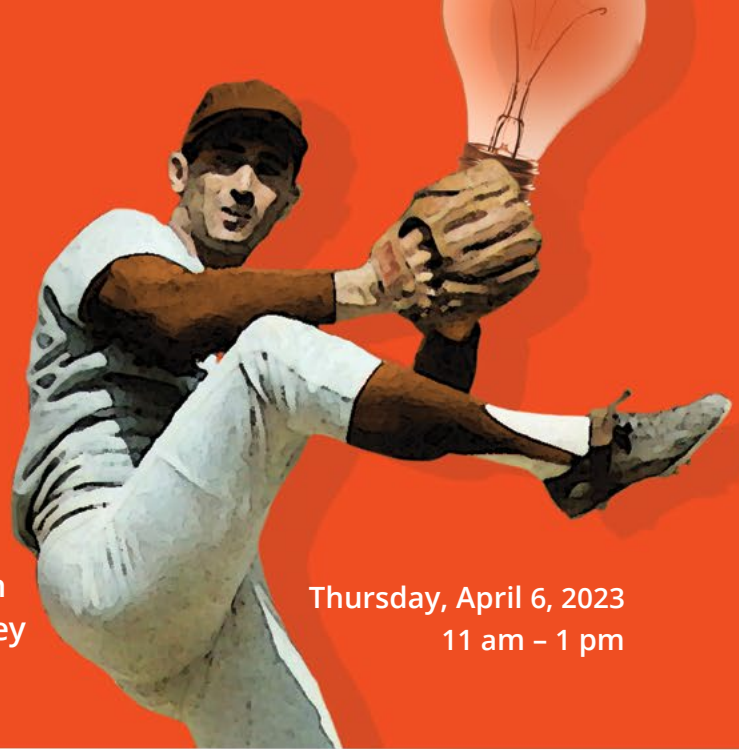


Coachella Valley Fast Pitch

SPONSORSHIP OPPORTUNITY

- Help Innovators Gain Awareness & Recognition
- Support Entrepreneurship in the Coachella Valley
- Promote the Growing Startup Ecosystem

Thursday, April 6, 2023
11 am – 1 pm



For your sponsorship donation of \$250, you'll receive acknowledgement in all CVEP Coachella Valley Fast Pitch marketing and communication materials, including:

- Flyer
- e-Flyer
- Event Web Page
- e-Blasts
- insights e-Newsletter (close to 5,000 opt-in subscribers)
- Blog Posts
- Social Media Posts
- Public Relations/Press Releases
- Digital Banner Ad on cvep.com, linked to your website
- Event Day Materials (Top of Show Mention, Presentation, and Event Program)
- Reserved Seating at the Coachella Valley Fast Pitch Event
- Special Recognition at the Coachella Valley Fast Pitch Event

For more information or questions, contact us today.

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RIVERSIDE COUNTY
INNOVATION
MONTH



RIVERSIDE COUNTY
OFFICE OF ECONOMIC DEVELOPMENT



e!evate

6th Annual Riverside County Innovation Month

Innovation Month is brought to you by the Riverside County Office of Economic Development, University of California, Riverside, Riverside Community College District, many cities, educational institutions, private businesses and related organizations – including the Coachella Valley Economic Partnership (CVEP) – to bring awareness to the many areas of innovation and entrepreneurship in the County.

CVEP IS A NON-PROFIT 501(C)3 ORGANIZATION. DONATIONS ARE TAX DEDUCTIBLE.



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