

SONOMA COUNTY OPEN SPACE FISCAL OVERSIGHT COMMISSION

COMMISSIONERS

Mike Sangiacomo (Sonoma)
Todd Mendoza (Petaluma)
Dee Swanhuysen (Sebastopol)

Bob Anderson (Healdsburg)
Eric Koenigshofer (Occidental)
Jeff Owen (Alternate)

Regular Meeting
747 Mendocino Avenue – Suite 100, Santa Rosa, CA 95401
February 4, 2016 5:00 pm

AGENDA

1. Call to Order.

2. Agenda Items to be Held or Taken Out of Order; Off-Agenda Items.

3. General Announcements Not Requiring Deliberation or Decision.

4. Public Comment.

The Brown Act requires that time be set aside for public comment on items not agendized.

5. Correspondence/Communication.

6. Approval of Commission Minutes.

[Attachment 1]

7. Financial Report.

[Attachment 2]

8. Ad Hoc Committee Reports.

- Annual Report/Audit Report Review (Anderson, Swanhuysen) – inactive
- Investment (Swanhuysen, Owen) – inactive
- Review of County Services (Mendoza, Koenigshofer) – inactive
- Stewardship (Mendoza, Sangiacomo) – inactive
- Operation & Maintenance Transaction Review (Anderson, Koenigshofer) – inactive
- Matching Grant Program (Koenigshofer, Owen) – inactive
- Management Review Recommendations (Koenigshofer, Anderson) – inactive

9. Creation of Ad Hoc Committees for 2016 and Assignment of Commissioners.

(carried over from 1/7/16)

10. Closed Session.

Conference with Real Property Manager

[Attachment 3]

Property: Hansen Ranch

Address: 500 & 501 Walker Road, Petaluma

APNs: 022-050-006, 007, 008

Owner: Robert McClelland and Jolynn McClelland, husband and wife, as community property with right of survivorship

Negotiating Parties:

Owner's Representative: George McClelland and Jana McClelland

District's Representative: William J. Keene, General Manager

Under Negotiation

Acquisition of Interest in Real Property by the Open Space District. The Commission will give instruction to its negotiator(s) on the price. (*Government Code Section 54956.8*).

11. Report on Closed Session.
12. Suggested Next Meeting. March 3, 2016
13. Adjournment.

In compliance with Government Code §54954.2(a), the Sonoma County Open Space Fiscal Oversight Commission will, on request, make this agenda available in appropriate alternative formats to persons with a disability, as required by Section 202 of the ADA of 1990 (42 U.S.C. §12132), and the Federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in another format or need a disability-related modification or accommodation should contact Sue Jackson at 707.565.7346 at least 72 hours prior to the meeting to ensure arrangements for accommodation. Pursuant to Government Code § 54957.5, a copy of all documents related to an item on this agenda submitted to the Fiscal Oversight Commission may be obtained from the Fiscal Oversight Commission office, 747 Mendocino Avenue, Santa Rosa, CA 95401.

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UNAPPROVED

Minutes for Meeting of January 7, 2016

Commissioners Present: Eric Koenigshofer, Chair; Bob Anderson, Vice Chair; Todd Mendoza; Mike Sangiacomo; Dee Swanhuyser; Jeff Owen, Alternate.

Staff Present: Bill Keene, General Manager; Mary Dodge, Administrative & Fiscal Services Manager; Misti Arias, Program Manager – Acquisition; Jennifer Kuszmar, Associate Planner – Matching Grant Coordinator; Sue Gallagher, Counsel; Christine Minkel, Administrative Aide to the Commission; Sue Jackson, Deputy Clerk/Recorder.

1. **Call to Order.**

Commissioner Koenigshofer called the meeting to order at 5:00 pm.

2. **Election of Officers.**

On a motion by Commissioner Mendoza and second by Commissioner Koenigshofer, Commissioner Anderson was nominated for the office of Chair. Said motion passed unanimously.

On a motion by Commission Swanhuyser and second by Commissioner Sangiacomo, Commissioner Mendoza was nominated for the office of Vice Chair/Clerk. Said motion passed unanimously.

On a motion by Commissioner Koenigshofer and second by Commissioner Mendoza, Commissioner Swanhuyser was nominated for the office of Chair Pro Tem. Said motion passed unanimously.

Note: Commissioner Anderson assumed the chair at this point.

3. **Agenda Items to be Held or Taken Out of Order; Off Agenda Items.**

There were none.

4. **General Announcements Not Requiring Deliberation or Decision.**

Mr. Keene made the following announcements:

- The Richardson-Kashia Purchase of a Conservation Easement and Trail Easement project closed on December 11, 2015.

- The Estero Purchase of a Conservation Easement and Recreation Covenant over the Estero Ranch project closed on December 24, 2015.
- The Initial Public Access, Operation and Maintenance Policy will go before the Board of Directors on February 2, 2016.

5. **Public Comment.**

There was none.

6. **Correspondence/Communication.**

There was none.

7. **Approval of Commission Minutes.**

The minutes of December 3, 2015 were approved unanimously by the Commission, pending two typographical corrections, as submitted.

8. **Financial Report.**

The commissioners reviewed the financial report. Alternate Commissioner Owen requested that the Budget to Actual Statement include a fund balance analysis.

9. **Ad Hoc Committee Reports.**

- **Annual Report/Audit Report Review** (Anderson, Swanhuysen) – The subcommittee met on December 8, 2015 at 2:00 pm. It reviewed the financial statements prepared by Maze & Associates, and made the following recommendations:
 - Modify a reference on page 36, Note 1C. from a “County contribution” to “a contribution by the Open Space Special Tax Account (OSSTA) Measure F account.”
 - Correct the graph on page 60 so that the amount for the FY14-15 agrees with the amount discussed in Note 5. It is off by \$3.00.
 - Consider adding a reference to the graph on page 60 saying that the increase in sales tax income is impacted by the implementation of the “Amazon” tax.
 - Correct a couple of minor typographical errors, post the revised report on the District’s website and send the revised report to the Auditor-Controller Treasurer-Tax Collector’s office.

Commissioner Swanhuysen referenced the committee’s memo of December 3, 2015 to the District, and thanked staff for its thorough response.

- **Investment** (Swanhuysen, Owen) – Inactive
- **Review of County Services** (Mendoza, Koenigshofer) – Inactive
- **Stewardship** (Mendoza, Sangiacomo) – Inactive
- **Operation and Maintenance Transaction Review** (Anderson, Koenigshofer) – Inactive
- **Matching Grant Program** (Koenigshofer, Owen) – Inactive
- **Management Review Recommendations** (Koenigshofer, Anderson) – Inactive

10. **Creation of Ad Hoc Committees for 2016 and Assignment of Commissioners.**

Following discussion of the role of the ad hoc committees, including the respective purpose for each existing committee and the anticipated time needed for completion of each committee’s assignment, the item was carried over to a future meeting date.

Ms. Gallagher announced that this meeting would be the last she will be attending in her capacity as Counsel. She is leaving the County of Sonoma County Counsel's office and has accepted a position with the City of Santa Rosa. She said she has loved working with the District and is proud of the work that has been done. The Commissioners responded with thanks and admiration of Ms. Gallagher's accomplishments working with the District over the past 25 years.

11. **Matching Grant Program Update.**

Ms. Kuszmar gave a presentation on the 2016 Matching Grant Program ("MGP"). The amount budgeted for this biennial program is \$2.5 Million. The schedule for this funding cycle is as follows:

January 28, 2016 – Public meeting to review Guidelines and Application

March 31, 2016 – Applications Due

Spring 2016 – Project Evaluations

Late Summer/Early Fall 2016 – District Recommendation to the Board of Directors for project approvals.

Commissioner Koenigshofer requested that there be a discussion of the definition of "urban" open space, as well as a discussion of Matching Grant Program projects that are reaching completion or have been closed. Further, he recommended that there be a binder, available to the public, which describes all matching grant projects funded by the District since its inception. This reference would complement the project summaries described on the District website. (<http://www.sonomaopenspace.org>)

Commissioner Swanhuysen requested quarterly updates of the projects, including status to date per project.

Ms. Arias conveyed that from 1996 to date, the District's Matching Grant Program has funded 46 projects, which have or will protect 454 urban acres.

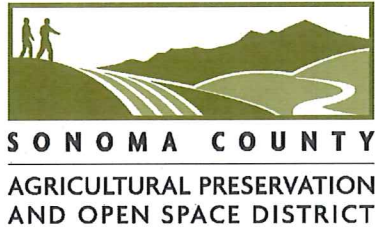
12. **Suggested Next Meeting.** February 3, 2016

13. **Adjournment.**

On a motion by Commissioner Mendoza and second by Commissioner Sangiacomo, the meeting was adjourned at 6:15 pm, with all in favor.

Respectfully submitted,

Sue Jackson
Deputy Clerk



MEMORANDUM

TO: Fiscal Oversight Commission

FROM: Mary Dodge, Administration and Fiscal Services Manager

DATE: February 4, 2016

SUBJECT: December Financial Reports

The December 31, 2015 Consolidated Financial reports for both the District's six funds and the County Open Space Special Tax Account (OSSTA) are attached. These reports were extracted from the County Enterprise Financial System. Review of these monthly reports show the following items of potential interest:

OSSTA Fund

- Sales tax received for the month was \$1,959,333 and year to date is \$7,920,109. Prior year for December was a monthly amount of \$2,117,194 and yearly of \$7,763,209. This indicates a slowing in the growth for FY15-16 as this is the first month the prior year had greater receipts. Board of Equalization estimates, as shown on Attachment I, indicate a slowing of growth in the spring but rebounding in fall 2016 to 6.2%.

District Funds

- Unbudgeted miscellaneous revenue of \$62,494 consists of \$15,616 of a refund from prior year BOD OMB A-87 Charges, \$21,429 received from the Hillick agreement, a \$24,000 contribution from the Nature Conservancy related to carbon mapping, and the remainder from a refund from Ricoh for copier payment overcharges.
- Salary savings continue due to vacancies in several programs. Recruitments are underway for three positions.

Sonoma County Agricultural Preservation and Open Space District
 Consolidated Balance Sheet - District and OSSTA Funds
 December 31, 2015

Assets

Cash and Investments	\$57,908,608
Accounts Receivable	14,000
Other Current Assets	1,250
Intergovernmental Receivables	86,867
Total Assets	<u><u>\$58,010,725</u></u>

Liabilities and Fund Balance

Current Payables	\$48,698
Accrued Exp/Other Current Liab	4,964
Long-Term Liabilities	30,000
Total Liabilities	<u><u>83,662</u></u>

Fund Balance

Nonspendable - Prepd Exps	1,250
Restricted- District Activities	57,925,813
Total Fund Balance	<u><u>57,927,063</u></u>
Total Liabilities and Fund Balance	<u><u>\$58,010,725</u></u>

Cash by Fund

OSSTA - Measure F	\$53,033,063
Open Space District	2,635,866
Fiscal Oversight Commission	36,409
Stewardship Reserve	
Cooley Reserve	161,197
Moore Grant Conservation Ben.	108,116
Operations and Maint. Res.	1,933,956
Total Cash by Fund	<u><u>\$57,908,608</u></u>

Sonoma County Agricultural Preservation and Open Space District
Consolidated District and OSSTA Budget to Actual
For the six months ended December 31, 2015

	Budget Final	Actual Year to Date	Encumbrances Year to Date	Remaining Balance	50% of Remaining
Revenues					
Tax Revenue	\$22,880,000	\$7,920,109	-	\$14,959,891	65.38%
Intergovernmental Revenues	33,019,884.00	5,263,840.89	-	27,756,043.11	84.06%
Use of Money & Prop	475,000.00	(121,393.06)	-	596,393.06	125.56%
Miscellaneous Revenues	-	62,494.23	-	(62,494.23)	0.00%
Other Financing Sources	11,993,342.04	10,421,561.63	-	1,571,780.41	13.11%
Total Revenues	<u>68,368,225.96</u>	<u>23,546,612.54</u>	<u>-</u>	<u>44,821,613.42</u>	<u>65.56%</u>
Expenditures					
Salaries and Employee Benefits	4,106,741	1,545,637	-	2,561,104	62.36%
Services and Supplies	8,129,508	1,488,551	\$3,732,488	2,908,468	35.78%
Other Charges	39,886,692	4,973,489	33,054	34,880,149	87.45%
Capital Expenditures	23,205,182	5,369,969	431,031	17,404,182	75.00%
Other Financing Uses	49,513,935	45,708,056	-	3,805,879	7.69%
Total Expenditures	<u>124,842,057.17</u>	<u>59,085,701.99</u>	<u>4,196,572.95</u>	<u>61,559,782.23</u>	<u>49.31%</u>
Net Earnings (Cost)	<u>(\$56,473,831)</u>	<u>(35,539,089.45)</u>	<u>(\$4,196,573)</u>	<u>(\$16,738,169)</u>	
Beginning fund balance		<u>93,466,152</u>			
Ending Fund Balance		<u><u>\$57,927,063</u></u>			

Note: Sales tax received by December 31, 2014 was \$7,763,209



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION
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PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0067
1-916-445-0840 • FAX 1-916-445-7119
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SEN. GEORGE RUNNER (RET.)
First District, Lancaster

FIONA MA, CPA
Second District, San Francisco

JEROME E. HORTON
Third District, Los Angeles County

DIANE L. HARKEY
Fourth District, Orange County

BETTY T. YEE
State Controller

CYNTHIA BRIDGES
Executive Director

January 21, 2016

TO: CITY AND COUNTY FINANCE OFFICIALS

Continuing the practice of past years, we are sending you recently estimated statewide growth rates to assist in your coming budget preparations.

The table below shows preliminary or estimated statewide changes in taxable sales for the first quarter of calendar year 2015 through the second quarter of calendar year 2017:

<u>Sales Period</u>	<u>Year to Year Change In Taxable Sales</u>	<u>Allocations Received by Local Jurisdictions</u>
Jan. - Mar. 2015	5.4 (prelim.)	Mar. - June 2015
Apr. - June 2015	5.6 (prelim.)	June - Sept. 2015
July - Sept. 2015	5.7 (prelim.)	Sept. - Dec. 2015
Oct. - Dec. 2015	5.6 (est.)	Dec. 2015- Mar. 2016
Jan. - Mar. 2016	3.5 (est.)	Mar. - June 2016
Apr. - June 2016	3.2 (est.)	June - Sept. 2016
July - Sept. 2016	3.9 (est.)	Sept. - Dec. 2016
Oct. - Dec. 2016	6.2 (est.)	Dec. 2016 - Mar. 2017
Jan. - Mar. 2017	5.6 (est.)	Mar. - June 2017
Apr. - June 2017	5.4 (est.)	June - Sept. 2017

The Department of Finance made these growth estimates in January 2016 in conjunction with its preparation of the 2016-17 Governor's Budget.

This letter is also available on our website at:
http://www.boe.ca.gov/legdiv/research_letters_memos.htm

If you would like this letter to be sent to you electronically, please provide your email address to us at: research@boe.ca.gov

Sincerely,

Mark Durham, Manager
Research and Statistics Section

Received by CS
On 1-27-16
Copied to MD
Original @ MD

MD:jf:jm

ATTACHMENT 2
(continued)