

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT**

**Basic Financial Statements
For The Year Ended
June 30, 2013**

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**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT**

**Basic Financial Statements
For the Year Ended
June 30, 2013**

Table of Contents

	<u>Page</u>
Advisory Committee, Fiscal Oversight Commission, and Directors	i-iii
Introduction	v-vi
 <u>Financial Section</u>	
Independent Auditor's Report	1
Management's Discussion and Analysis	3 – 8
 Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet – Governmental Fund	11
Reconciliation of the Balance Sheet to the Statement of Net Position.....	12
Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the General Governmental Fund to the Statement of Activities.....	14
Notes to the Basic Financial Statements	15 – 26
 <u>Required Supplementary Information</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – General Fund -	
Notes to the Required Supplementary Information.....	28 29
 <u>Other Supplementary Information</u>	
Schedule of Interests in Land.....	32 - 50

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Sonoma County Open Space
Advisory Committee 2013

Jan McFarland	First District Representative
Kristin Thigpen	First District Representative
Sue Conley	Second District Representative
Vacancy.....	Second District Representative
Shanti Edwards	Third District Representative
Steve Rabinowitsh (Vice Chair).....	Third District Representative
Bill Smith	Fourth District Representative
Dennis Murphy	Fourth District Representative
Jeff Holtzman	Fifth District Representative
John Nagle.....	Fifth District Representative
Gary Wysocky.....	Mayors' and Council
Laurie Gallian (Chair).....	Mayors' and Council
John Dell'Osso	Mayors' and Council
Vacancy	Agricultural Representative
Vacancy	Business Representative
Don McEnhill.....	Environmental Representative
Cary Fargo.....	Real Estate Representative

Sonoma County Open Space
Fiscal Oversight Commission 2013

Michael J. Sangiacomo (Chair).....	District 1
Todd Mendoza	District 2
Jean Kapolchok	District 3
Bob Anderson.....	District 4
Eric Koenigshofer	District 5
Jeff Owen	Alternate

Sonoma County Agricultural Preservation
and Open Space District
Roster of Board Members

As of 2013, the District's Board of Directors consisted of the following members:

<u>Directors</u>	<u>Term Expires</u>
David Rabbitt (Chair)	January 2015
Susan Gorin	January 2017
Shirlee Zane.....	January 2017
Mike McGuire	January 2015
Efren Carrillo	January 2017

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Introduction

The Sonoma County Agricultural Preservation and Open Space District (“the District”) was created and funded with a quarter-cent sales tax in 1990 by a vote of the Sonoma County electorate for a period of twenty years. The mission of the District is to permanently preserve the diverse landscapes of Sonoma County for future generations, including working farms and ranches, greenbelts and community separators between and around urban areas, natural areas and wildlife habitat, and land for public access and passive recreation. In November 2006, voters overwhelmingly approved Measure F, which reauthorized the District and extended the quarter-cent sales tax through 2031. Measure F began on April 1, 2011. Since its inception, the District has protected over 103,000 acres with an acquisition cost of \$367 million; and today, ranks as one of the top open space and farmland conservation programs in the nation.

The District is a separate legal entity and has specific purposes and powers, which are set out in Public Resources Code Sections 5500 et seq.¹ Primary financing for the District comes from the voter-approved 0.25 percent sales tax. The District is thus different from Sonoma County departments, which are created by the Board of Supervisors for internal administrative convenience, but are not separate legal entities.

Through March 2011, the Open Space Authority (the Authority) levied the sales tax and ensured that the District’s open space purchases were consistent with the voter-approved expenditure plan. The Authority contracted with the District to acquire open space (planning, appraisal, negotiation, and stewardship). On April 1, 2011, the Authority reorganized as the Sonoma County Open Space Fiscal Oversight Commission to provide fiscal oversight of the District’s operations. Measure F authorized the County to levy sales tax that funds the District and also required the County to enter into a contract with the District. The contract dedicates the sales tax revenue to the implementation of the voter approved 2006 Expenditure Plan and gives the District authority for the budgeting and expenditure of the sales tax revenue in accordance with the Plan. The District partners with willing landowners, public agencies and non-profit organizations to protect the open space values of land in perpetuity, through agreements with landowners (conservation easements) and through outright purchase of land.

The District’s status as a separate legal entity with specific powers affects the types of activities in which the District may engage. Unlike Sonoma County, which generally may spend its general fund revenues for activities the Board of Supervisors determines benefit the public good,² the District may only expend its sales tax revenue to further the purposes specified in the voter approved Expenditure Plan.³ Unlike the County, the District has no general land use authority, and does not exercise general regulatory “police powers.”

¹ See Public Resources Code Sections 5506.5 and 5506.6 and Sonoma County Measure A, 1990 General Election ballot. Unless otherwise specified, all section references are to the Public Resources Code.

² See Government Code Section 26227.

³ See Revenue & Taxation Code Section 7285.5 and the contract between the District and the Sonoma County Open Space Authority. See also *Golden Bridge District v. Luehring* (1970) 4 Cal. App.3d 204.

Because the District is a separate entity, the District's revenues, expenses and assets are held and accounted for separately from Sonoma County's.⁴ When County officials perform services for the District, they are separately paid for those services by the District, pursuant to agreements between the District and the County. Similarly, when District personnel perform services for the County, the County pays the District for those services. Payments are subject to fiscal oversight by the Sonoma County Open Space Fiscal Oversight Commission to assure the public that they are consistent with the Expenditure Plan and that they are based on actual cost. The District holds separate title to its real property and assets, and the County may not use District property or funds for County purposes absent an appropriate agreement that is consistent with the voter approved Expenditure Plan. The District is also subject to different laws than the County regarding acquisition and disposition of property.⁵

⁴See Section 4 of Sonoma County Ordinance No. 5677R ("The Sonoma County Open Space, Clean Water and Farmland Protection Measure").

⁵ For instance, see Public Resources Section 5540.

Financial Section

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Sonoma County Agriculture Preservation and Open Space District
Santa Rosa, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Sonoma County Agriculture Preservation and Open Space District (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2013, and the respective changes in financial position listed as part of the basic financial statements for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matters

Management adopted the provisions of the following Governmental Accounting Standards Board Statements, which became effective during the year ended June 30, 2013 and had material effects on the financial statements:

Statement 63 - *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. See note 1.G. to the financial statements for relevant disclosures.

The emphasis of these matters does not constitute a modification to our opinions.

Other Matters

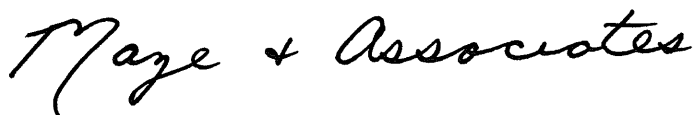
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and budgetary comparison information for the General Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The Introductory Section and Other Supplementary Information listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Introductory and Other Supplementary Information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

A handwritten signature in black ink that reads "Mage & Associates". The signature is written in a cursive, flowing style.

Pleasant Hill, California
August 30, 2013

Management's Discussion and Analysis

As management of the Sonoma County Agriculture Preservation and Open Space District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with the District's financial statements (pages 19-14) and the accompanying notes to the basic financial statements (pages 15-26).

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$385,249,272 (net position), including \$272,945,337 of intangible assets from purchasing conservation easements and \$12,659,081 is reported as unrestricted net position.
- The District's total net position increased by \$1,253,855. The majority of this increase was due to transfers received from the Open Space Special Tax Account of \$4,000,000 for capital acquisitions.
- As of the close of the current fiscal year, the District's governmental fund reported an ending fund balance of \$13,153,260, a decrease of \$5,790,159 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business, and are composed of the *statement of net position* and the *statement of activities*.

The *statement of net position* presents information about the financial position of the District, reflecting all of the District's assets and liabilities on a full accrual basis, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information about the District's revenues and expenses, also on a full accrual basis, with the emphasis on measuring net revenues and expenses of the District. The *statement of activities* reflects how the government's net position changed during the most recent fiscal year.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., unused vacation leave).

The government-wide financial statements can be found on pages 9–10 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds are governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental *activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District uses governmental funds to account for its activities, which include preservation of open space in the district's boundaries. The district adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 11–14 of this report.

Notes to the basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 15–26 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$385,249,272 at the close of the most recent fiscal year.

By far the largest portion of the District's net position, 97%, reflects its investment in capital assets (e.g., land and easements).

Net Position			
	2013	2012	Increase (Decrease)
Current and other assets	\$ 13,731,226	\$ 19,488,769	\$ (5,757,543)
Capital assets	<u>372,273,814</u>	<u>365,289,226</u>	<u>6,984,588</u>
Total assets	<u>386,005,040</u>	<u>384,777,995</u>	<u>1,227,045</u>
Current liabilities outstanding	577,966	545,350	32,616
Long-term liabilities outstanding	<u>177,802</u>	<u>237,228</u>	<u>(59,426)</u>
Total liabilities	<u>755,768</u>	<u>782,578</u>	<u>(26,810)</u>
Net position:			
Net investment in capital assets	372,273,814	365,289,226	6,984,588
Restricted	316,377	313,920	2,457
Unrestricted	<u>12,659,081</u>	<u>18,392,271</u>	<u>(5,733,190)</u>
Total net position	\$ <u>385,249,272</u>	\$ <u>383,995,417</u>	\$ <u>1,253,855</u>

At the end of the current fiscal year, the District is able to report positive balances in all categories of net position.

The District's total net position increased by \$1,253,855 from the prior fiscal year, with the majority of this increase due to contributions towards land easement acquisitions and capital improvement to land easements. Significant capital contributions received included \$4,000,000 from the Sonoma County Open Space Special Tax Account.

Changes in Net Position			
	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
Revenues:			
Program Revenues:			
Open space preservation	\$ 6,452,879	\$ 14,301,207	\$ (7,848,328)
General Revenues:			
Investment income and other	<u>127,820</u>	<u>3,864,500</u>	<u>(3,736,680)</u>
Total revenues	<u>6,580,699</u>	<u>18,165,707</u>	<u>(11,585,008)</u>
Expenses:			
Program Expenses:			
Open space preservation	5,197,012	5,116,396	80,616
General Expenses:			
Loss on disposal of asset	<u>134,519</u>	<u>81,724</u>	<u>52,795</u>
Total expenses	<u>5,331,531</u>	<u>5,198,120</u>	<u>133,411</u>
Other financing sources (uses)			
Transfers in	15,934	6,339	9,595
Transfers out	<u>(11,247)</u>	<u>(11,247)</u>	<u>-</u>
Change in net position	<u>1,253,855</u>	<u>12,962,679</u>	<u>(11,708,824)</u>
Net position - beginning of the year	<u>383,995,417</u>	<u>371,032,738</u>	<u>12,962,679</u>
Net position - end of the year	\$ <u><u>385,249,272</u></u>	\$ <u><u>383,995,417</u></u>	\$ <u><u>1,253,855</u></u>

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with legal and governmental accounting requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported an ending fund balance of \$13,153,260, a decrease of \$5,790,159 in comparison with the prior year. Of this amount, \$50,000 represents non-spendable fund balance associated with the purchase of a conservation easement, \$200,000 represents fund balance committed to operations and maintenance, \$3,864,977 represents fund balance assigned to contract encumbrances and \$8,721,906 represents unassigned fund balance, which may be used to meet the District's ongoing obligations to citizens and creditors. The remainder of the District's fund balance of \$316,377 is restricted for future financing commitments.

General Fund Budgetary Highlights

Material differences between the original budget and the final amended budget can be briefly summarized as follows:

- Expenditure appropriations were increased by \$3,654,693. Included in these appropriations were \$2,032,000 for several capital projects, the largest being the acquisition of North Slope. \$761,700 was required for a matching grant-funded conservation improvements' project related to the Moore Grant, \$190,000 for a Board approved grant-funded riparian habitat at Cresta and \$671,000 for operations.

Capital Asset and Debt Administration

Capital assets

The District's investment in capital assets, as of June 30, 2013, amounts to \$372,273,814. This investment in capital assets includes land, intangible land easements, pre-acquisition costs, construction in progress and machinery and equipment. The total increase in the District's investment in capital assets for the current fiscal year was \$6,984,588.

Major capital asset events during the current fiscal year included the following:

- During the year, over 18,337 acres of land were protected in perpetuity through the acquisition of one conservation easement named Buckeye Forest.

Additional information on the District's capital assets can be found in the notes to the basic financial statements.

Debt administration

The District had no outstanding debt as of June 30, 2013. The debt service on the 2007 Series A and B Measure F sales tax revenue bond issuance began in fiscal year 2011-

2012. As required by Measure F, the County of Sonoma issued this debt and administers the debt service using Measure F sales tax proceeds.

Economic Factors and Next Year's Budgets and Rates

- The primary funding for the District comes from a voter approved one quarter percent sales tax that was initially imposed for a period of 20 years ending the first quarter of 2011. In November 2006 the voters passed Measure F, an initiative which extends the tax for another 20 years ending the first quarter of 2031. The sales tax revenue is accounted for in the Open Space Special Tax Account which is administered by the County Auditor-Controller-Treasurer-Tax Collector.
- Anticipated slow growth in sales tax revenues will affect funding available for acquisition of interests in land and intergovernmental revenue received from the County of Sonoma.

All of these factors were considered in preparing the District's budget for the fiscal year ending June 30, 2013.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Sonoma County Agricultural Preservation and Open Space District, 747 Mendocino Avenue, Suite 100, Santa Rosa, CA 95401-4850.

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND
OPEN SPACE DISTRICT
Statement of Net Position
June 30, 2013**

Assets

Cash and investments (Note 2)	\$ 12,991,882
Restricted cash (Note 2)	316,377
Deposits with others	50,000
Accounts receivable	183
Due from other governments	372,784
Capital assets (Note 3):	
Non-depreciable	<u>372,273,814</u>
Total assets	<u>386,005,040</u>

Liabilities

Accounts payable and other current liabilities	577,966
Non-current liabilities:	
Compensated absences (Note 1.F. and 4)	<u>177,802</u>
Total liabilities	<u>755,768</u>

Net Position (Note 1.G.)

Net investment in capital assets	372,273,814
Restricted for:	
Cooper's Grove capital improvements	86,621
Lawson Property capital improvements	115,495
Saddle Mountain capital improvements	114,261
Unrestricted	<u>12,659,081</u>
Total net position	<u>\$ 385,249,272</u>

The notes to the basic financial statements are an integral part of this statement.

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND
OPEN SPACE DISTRICT
Statement of Activities
For the fiscal year ended June 30, 2013**

Program Expenses

Open Space Preservation:

Salaries and employee benefits	\$ 2,544,882
Services and supplies	3,004,212
Costs applied (Note 6)	(368,198)
Depreciation	8,232
Contribution to other governments	7,884

Total program expenses	5,197,012
------------------------	-----------

Program Revenues

Intergovernmental:

Contributions from Open Space Special Tax Account for:

Capital acquisitions (Note 5)	4,000,000
Grants - State (Note 5)	341,391
Measure M (Note 5)	190,000

Donations	1,756,184
Rental Income	165,304

Total program revenues	6,452,879
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Net program revenues	1,255,867
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General Revenues (Expenses)

Interest on pooled cash	127,554
Loss on disposal of capital assets	(134,519)
Miscellaneous	266

Total general expenses	(6,699)
------------------------	---------

Other Financing Sources (Uses)

Reimbursement from Technology Replacement Fund	15,934
Contributions to Technology Replacement Fund	(11,247)

Total other financing sources, net	4,687
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Change in net position	1,253,855
------------------------	-----------

Net position - beginning of year	383,995,417
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Net position - end of year	\$ 385,249,272
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The notes to the basic financial statements are an integral part of this statement.

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND
OPEN SPACE DISTRICT
Balance Sheet
Governmental Fund
June 30, 2013**

Assets

Cash and investments (Note 2)	\$ 12,991,882
Restricted cash (Note 2)	316,377
Deposits with others	50,000
Accounts receivable	183
Due from other governments	<u>372,784</u>
Total assets	<u>\$ 13,731,226</u>

Liabilities and Fund Balance

Liabilities:

Accounts payable and other current liabilities	\$ <u>577,966</u>
Total liabilities	<u>577,966</u>

Fund balance (Note 1.H.):

Nonspendable	50,000
Restricted:	
Cooper's Grove capital improvements	86,621
Lawson Property capital improvements	115,495
Saddle Mountain capital improvements	114,261
Committed	200,000
Assigned	3,864,977
Unassigned	<u>8,721,906</u>
Total fund balance	<u>13,153,260</u>
Total liabilities and fund balance	<u>\$ 13,731,226</u>

The notes to the basic financial statements are an integral part of this statement.

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND
OPEN SPACE DISTRICT**

Reconciliation of Balance Sheet to Statement of Net Position

June 30, 2013

Fund balances - total governmental funds	\$ 13,153,260
Amount reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds	372,273,814
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:	
Compensated absences	<u>(177,802)</u>
Net position of governmental activities	<u><u>\$ 385,249,272</u></u>

The notes to the basic financial statements are an integral part of this statement.

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND
OPEN SPACE DISTRICT
Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Fund
For the fiscal year ended June 30, 2013**

Revenues

Intergovernmental revenue:

Contributions from the Open Space Special Tax Account for:

Capital acquisition (Note 5)	\$ 4,000,000
Grants - State (Note 5)	341,391
Measure M (Note 5)	190,000
Donations	256,184
Rental income	165,304
Interest on pooled cash	127,554
Miscellaneous	266

Total revenues	5,080,699
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Expenditures

Salaries and employee benefits	2,604,308
Services and supplies	3,004,212
Costs applied (Note 6)	(368,198)
Contribution to other governments	7,884
Capital outlay	5,627,339

Total expenditures	10,875,545
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Excess (deficiency) of revenue over (under) expenditures	(5,794,846)
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Other Financing Sources (Uses)

Reimbursement from Technology Replacement Fund	15,934
Contributions to Technology Replacement Fund	(11,247)

Total other financing sources	4,687
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Net change in fund balance	(5,790,159)
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Fund balance - beginning of year	18,943,419
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Fund balance - end of year	\$ 13,153,260
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The notes to the basic financial statements are an integral part of this statement.

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND
OPEN SPACE DISTRICT**

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balance of Governmental Fund
to the Statement of Activities
For the fiscal year ended June 30, 2013**

**Amounts reported for governmental activities in the statement of activities
are different because:**

Net change in fund balances - total governmental fund	\$ (5,790,159)
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Expenditure for capital assets	5,627,339
Donations of capital assets increase the assets in the statement of activities but do not appear in the governmental funds because they are not financial resources	
	1,500,000
Some expenses reported in the statement of activities do not require the use of current resources and therefore are not reported as expenditures in governmental funds:	
Retirement of pre-acquisition costs	(134,519)
Depreciation	(8,232)
Some expenses reported in the statement of activities do not require the use of current resources and therefore are not reported as expenditures in governmental funds:	
Change in compensated absences	<u>59,426</u>
Change in net position of governmental activities	\$ <u><u>1,253,855</u></u>

The notes to the basic financial statements are an integral part of this statement.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT**
Notes to Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
--

A. Reporting Entity

The Sonoma County Agricultural Preservation and Open Space District (the District) is a dependent Special District formed under Government Code Section 65562 and 5500 et seq. of the Public Resources Code to further State policy on the preservation of open space. The boundaries of the District are coterminous with the boundaries of the County of Sonoma. The Board of Directors of the District is composed of the members of the County Board of Supervisors who serve *ex officio* as District Directors. As such their duties and loyalties as District Directors are separate and distinct from their duties and loyalties as County Supervisors. Financial activity of the District is recorded in the County of Sonoma's Comprehensive Annual Financial Report as a Non-Major Special Revenue Fund. The Open Space Special Tax Account (OSSTA), which records the sales tax received and funds the acquisitions and operations of the District, is recorded as a Major Special Revenue Fund in the County's financial statements. The Net Assets of both funds are shown as restricted for Agricultural Preservation and Open Space on the County's Government-wide Statement of Net Position.

The District was formed by a 70.6% positive vote of the County Electorate during the November 1990 elections.

Primary financing for the District was through a contract with the Sonoma County Open Space Authority (Authority). Effective April 1, 2011, as required by Measure F, the quarter cent sales tax is being levied by the County of Sonoma. The sales tax revenue is accounted for in the Open Space Special Tax Account which is administered by the County Auditor as outlined in a contract between the County of Sonoma and the District. The Open Space Fiscal Oversight Commission provides fiscal oversight of the operations of the District. The District may be financed by gifts, grants, special taxes, general obligation bonds, and other sources of revenue authorized by law or any combination thereof.

The District and the Open Space Authority entered into a contract on February 4, 1991, which was amended on March 26, 1992. Among other things, the contract required the Authority to finance the purchase of interests in land by the District in exchange for the District's agreement to administer an acquisition program and to hold and maintain interests in land. With respect to individual purchases of interest in land, the contract further provided for a three-party escrow with the seller submitting an executed easement agreement in exchange for an agreed upon price, the District then recorded title to the interest in land and the Authority submitted the purchase price and a proportionate share of the closing costs. Thus the Authority financed the purchase price and the District recorded title to the interest in the land. That agreement terminated March 31, 2011. Beginning April, 2011, the OSSTA funds the acquisitions and the District continues to retain title.

The District has adopted an acquisition plan and has a staff of twenty-five permanent positions. As of June 30, 2013 the District has protected approximately 103,000 acres through conservation or open space easements and property held in fee.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
--

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include grants and contributions that are restricted to meeting operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collectible within 365 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims judgments are recorded only when payment is due.

D. Deposits and Investments

In accordance with GASB Statement No. 31, the District reports cash and investments at fair value in the balance sheet and recognizes the corresponding change in the fair value of investments in the year in which the change occurred.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
--

E. Capital Assets

Capital asset balances at year end are reported in the government-wide financial statements in the Statement of Net Position. Capital and intangible assets are recorded at historical cost and include machinery and equipment, non-depreciable land and easements. Due to the implementation of GASB No. 51, Accounting and Financial Reporting for Intangible Assets, as of November 2011, the District records intangible capital assets at fair market value. The difference between fair market value and historical cost is recorded as donations and include land easements acquired through purchase or matching grant agreements. The historical cost of the assets include the District's cost for the assets as well as donations applied to the purchase and associated costs such as legal fees, appraisal fees, negotiation fees and other incidental expenses.

F. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation or retirement.

G. Net Position

Net position is classified into three components; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. These classifications are defined as follows:

- Net investment in capital assets – This component of net position consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of associated notes payable.
- Restricted net position – This component of net position consists of net position with limits on their use that are imposed by outside parties.
- Unrestricted net position – This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets".

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
--

H. Fund Balance

The District's fund financial statements report governmental fund balances using the following classifications as stated in the provisions of GASB Statement No. 54:

- Nonspendable – amounts that are not in a spendable form or are to be maintained intact
- Restricted – amounts that can be spent only for the specific purposed stipulated by external resource providers or through enabling legislation
- Committed – amounts that can be used only for the specific purposed determined by a formal action of the government's highest level of decision making authority
- Assigned – amounts intended to be used by the government for specific purposed determined either by the governing body or by an official or body to which the governing body delegates the authority
- Unassigned – the residual classification for the general fund and includes all amounts not contained in the other classifications. This amount is technically available for any purpose.

In general, when both restricted and unrestricted resources are available, restricted resources are used first. When expenditures are made of unrestricted resources, the District first applies committed, then assigned and then unassigned resources.

I. 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 that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 2 – CASH AND INVESTMENTS

A. Cash and Investments

The District follows the County's practice of pooling cash and investments with the County Treasurer, except for the cash on hand used as a petty cash fund.

The amount of cash at June 30, 2013 is as follows:

Cash in County Treasury	\$ 12,991,732
Restricted cash	316,377
Petty cash	<u>150</u>
Total	<u><u>\$ 13,308,259</u></u>

Investment in the Sonoma County Treasurer's Investment Pool

As authorized by Government Code 53630 et seq. and Public Utilities Code Section 105125, the District's cash is pooled with the Sonoma County Treasurer, who acts as disbursing agent for the District. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the Treasury Pool for the entire Treasury Pool portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on accounting records maintained by the Treasury Pool, which are recorded on an amortized cost basis. Interest earned on investments pooled with the Treasurer is allocated quarterly to the appropriate fund based on its respective average daily balance for that quarter. The Investment Oversight Committee has oversight for all monies deposited into the Treasury Pool.

Investment Guidelines

The District's pooled cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer and approved by the Board of Supervisors. The objectives of the policy are, in order of priority: safety of principal, liquidity and yield. The policy addresses the soundness of financial institutions in which the County will deposit funds, types of investment instruments as permitted by the California Government Code 53601, and the percentage of the portfolio that may be invested in certain instruments with longer terms to maturity.

A copy of the County investment policy is available upon request from the Sonoma County Auditor-Controller-Treasurer-Tax Collector's Office at 585 Fiscal Drive, Room 100, Santa Rosa, California, 95403-2871.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 2 – CASH AND INVESTMENTS (Continued)
--

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, one of the ways that the Treasury Pool manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations.

As of June 30, 2013, approximately 6 percent of the securities in the Treasury Pool had maturities of one year or less as reported by the Sonoma County Treasurer. Of the remainder, only 1 percent had a maturity of more than five years.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Treasury Pool does not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the Treasury Pool).

Concentration of Credit Risk

The investment policy of the County contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. For a listing of investments in any one issuer (other than U.S. Treasury securities, mutual funds, or external investment pools) that represent 5% or more of total County investments, refer to the 2013 Sonoma County Comprehensive Annual Financial Report.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 2 – CASH AND INVESTMENTS (Continued)

B. Restricted Cash

The District has restricted cash balances which have legally enforceable limitations on their use, and are related to donations received by the District towards capital improvements.

Restricted for:

Cooper's Grove	\$ 86,621
Lawson Property	115,495
Saddle Mountain	114,261
Total	<u>\$ 316,377</u>

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Additions	Retirements	Transfers and Adjustments	Ending Balance
Capital assets not being depreciated:					
Land	\$ 114,716,550	\$ -	\$ -	(20,504,393)	\$ 94,212,157
Intangible assets - easements	246,891,946	5,502,400	-	20,550,991	272,945,337
Land and easements- preacquisition costs	362,233	368,198	(24,463)	(46,598)	659,370
Construction in progress	3,310,265	1,256,741	(110,056)	-	4,456,950
Total capital assets not being depreciated	<u>365,280,994</u>	<u>7,127,339</u>	<u>(134,519)</u>	<u>-</u>	<u>372,273,814</u>
Capital assets being depreciated:					
Machinery and equipment	16,465	-	-	-	16,465
Total capital assets being depreciated:	<u>16,465</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,465</u>
Less accumulated depreciation for:					
Machinery and equipment	(8,233)	(8,232)	-	-	(16,465)
Total accumulated depreciation	<u>(8,233)</u>	<u>(8,232)</u>	<u>-</u>	<u>-</u>	<u>(16,465)</u>
Total capital assets being depreciated, net	<u>8,232</u>	<u>(8,232)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets	<u>\$ 365,289,226</u>	<u>\$ 7,119,107</u>	<u>\$ (134,519)</u>	<u>\$ -</u>	<u>\$ 372,273,814</u>

Land and easements - pre-acquisition costs represent funds expended towards the acquisition of land and easements that have not closed escrow. Upon the close of escrow these funds will be moved into the land and easement categories. In the event a property is not acquired, the funds associated with that property will be reclassified as expenses.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 3 – CAPITAL ASSETS (Continued)

During the fiscal year ended June 30, 2013, the District acquired a conservation easement over the Buckeye Forest property in a transaction that involved multiple agencies. The district contributed \$4,000,000 to the acquisition. Other contributing agencies were the Conservation Fund, the State Coastal Conservancy and the Gordon and Betty Moore Foundation who respectively contributed \$6,000,000, \$10,000,000, and \$1,000,000 to the acquisition. The fee title to the property was recorded by The Coastal Conservancy as the Buckeye Forest, LLC. The appraised fair market value of the conservation easement recorded by the District exceeded the District's contribution by \$1,500,000, which was recorded as a donation in the government-wide financial statements.

NOTE 4 – LONG TERM LIABILITIES

Long term liability activity for the fiscal year ended June 30, 2013 was as follows:

Long-Term Liabilities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated Absences	\$ 237,228	\$ 184,842	\$ (244,268)	\$ 177,802	\$ -
Total Long-Term Liabilities	<u>\$ 237,228</u>	<u>\$ 184,842</u>	<u>\$ (244,268)</u>	<u>\$ 177,802</u>	<u>\$ -</u>

NOTE 5 – INTERGOVERNMENTAL REVENUE

For the fiscal year 2012-13, the District received intergovernmental revenue from the Open Space Special Tax Account in the amount of \$4,000,000. This total is comprised of \$4,000,000 in financing towards the purchase of Open Space assets.

The District also received intergovernmental revenue of \$341,391 from the State of California towards the purchase of land and easements.

The District received Measure M revenue of \$190,000 from the County of Sonoma towards the financing of a parking lot on the Jenner Headlands Property.

NOTE 6 – COST APPLIED

This represents the amount of services, supplies, salaries and benefits the District has capitalized as pre-acquisition costs.

NOTE 7 – OPEN SPACE SPECIAL TAX ACCOUNT (OSSTA)

As defined by Measure F, proceeds from the quarter cent sales tax are deposited into the Open Space Special Tax Account. The County Auditor-Controller-Treasurer-Tax Collector administers that account, thus it is not included within this report.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 8 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District is covered by the County's self-insurance program, which is accounted for in the County's Risk Management Internal Service Fund. The District is covered under this program for general liability, auto liability, public employees' performance/dishonesty and property insurance.

The County maintains self-insurance retention of \$1,000,000 per occurrence for general and automobile liability. Excess liability is maintained through participation in the California State Association of Counties, Excess Insurance Authority (CSAC-EIA). Limits of this coverage are \$25,000,000.

The County also maintains public employee faithful performance/employee dishonesty coverage through a joint-purchase program provided by National Union Fire Insurance Company and administered by CSAC- EIA with limits of \$10,000,000 and a \$25,000 deductible.

The County maintains "All Risk" property insurance including flood and earthquake coverage through participation in the CSAC-EIA Property Insurance Program. Limits of coverage are \$600,000,000 per occurrence including flood and \$82,500,000 annual for earthquake. Deductibles for most perils are \$50,000 per occurrence, with flood at \$200,000 per county per occurrence and earthquake at 5% of total insured values per unit, per occurrence, subject to a \$500,000 minimum per occurrence. For losses within the deductible, the County maintains a deductible self-insurance pool for losses in excess of \$5,000.

During the fiscal year ended June 30, 2013, the District paid annual premiums to the County for this insurance coverage in the amount of \$4,910. Settlements have not exceeded coverage for each of the past three fiscal years.

NOTE 9 – EMPLOYEE RETIREMENT PLAN

Plan Description

All full-time employees participate in a cost sharing multiple-employer Defined Benefit Pension Plan (DBPP) and a Post-employment Healthcare Plan (PHP) administered by the Sonoma County Employees' Retirement Association (SCERA). The County of Sonoma is the primary government (employer) for the multiple-employer plans. The SCERA was organized on January 1, 1946, under the provision of the 1937 County Employees Retirement Act, and is financially independent of the County of Sonoma.

DBPP members include all permanent full employees of a participating employer who have been appointed to a permanent position of at least half time. The plan provides benefits as defined by the law upon retirement, death, or disability of members.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 9 – EMPLOYEE RETIREMENT PLAN (Continued)

In addition to the pension benefits described above, post-retirement health care benefits are provided to all active, covered employees who retire on or after attaining the age of 50 with at least 10 years of service. Participants must retire from County service, be covered under a medical plan of the County at the time of retirement, and be eligible to receive a monthly pension from the Sonoma County Employees Retirement Association defined benefit pension plan at the time of retirement. Benefits are as follows:

- Employees hired prior to 1/1/1990 receive ‘retiree plus family’ coverage without any service requirements
- Employees hired on or after 1/1/1990 but before 1/1/2009 (a) with ten years of county service are eligible to receive County-subsidized ‘retiree only’ medical coverage or (b) with twenty years of County service are eligible to receive County-subsidized ‘retiree and one dependent’ medical coverage, with the retiree bearing the full cost of premiums for covering additional dependents.
- Assembly Bill (AB) 340 pension reform created the Public Employees’ Pension Reform Act (PEPRA) that implemented new benefit formulas and final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member under PEPRA. The Table below provides information on the key provisions of SCERA’s interpretation of the new legislation.

Current Members (Hired before January 1, 2013)
There are no changes to current members’ retirement formula.
Current members’ salary for retirement purposes will still be averaged over the highest one-year equivalent of pensionable income. For employees who are less than full time, the one year equivalent is 2087 hours.
All pensionable salary received prior to January 1, 2013, which was used to calculate contributions owing, will continue to be considered for the benefit calculation, even if the member retires after that date.
A few salary items paid after December 31, 2012 will no longer be considered pensionable. Therefore, these salary items that were pensionable if paid prior to January 1, 2013, will no longer be included in compensation earnable when paid from that date forward.
The legislation reinforces SCERA’s ability to review compensation and reject items paid to enhance retirement benefits.
After December 31, 2012, a retiree will have to wait at least 180 days from date of retirement before returning to work on a temporary basis, except under the following conditions: <ul style="list-style-type: none"> • The employer certifies it is necessary to fill a critically needed position, and the hiring has been approved by the Board of Supervisors in an open meeting. • If the retiree is a public safety officer or a firefighter. Any retiree who has returned to work in an Extra Help capacity prior to January 1, 2013 will not be subject to the 180-day waiting period.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 9 – EMPLOYEE RETIREMENT PLAN (Continued)
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Effective 6/1/09, the County began to phase in a contribution maximum toward the cost of the plan over a five year period. Retirees and the County share in the cost of monthly premium for medical coverage. The County contribution will be adjusted incrementally each year until it reaches \$500 per month maximum contribution. After the phase in period has elapsed the County shall contribute the same dollar amount as it contributes toward the cost of County offered medical plans for active unrepresented Administrative Management employees. Retirees may enroll eligible dependents in the County offered medical plan elected by the retiree but the retiree is responsible for all premium costs in excess of the County's contribution.

The employer reimburses a fixed amount per month for Medicare supplement for each retiree aged 65 and over covered under Medicare Parts A and B.

SCERA issues a publicly available financial report that includes financial statements and required supplementary information for the pension plan. That report may be obtained by writing to Sonoma County Employee's Retirement Association, 433 Aviation Blvd., Suite 100, Santa Rosa, CA 95403-1069 or by calling 707-565-8100.

Funding Policy

Contribution rates for the employers and their covered employees are adopted by the Board of Supervisors upon recommendation by the SCERA Board of Retirement. Pension plan members are required to contribute 7% to 14% of their annual covered salary, depending upon their age of entry into the system. The employer is required to contribute an amount necessary to finance the coverage of their employees through periodic contributions at actuarially determined rates. Contributions to the DBPP for the fiscal years ended June 30, 2013, 2012 and 2011 were \$607,316, \$613,768, and \$682,139, respectively.

Post employment healthcare benefits are funded by employer contributions made on a periodic basis. The rate is determined annually by SCERA and approved by the Board of Supervisors. The rate is determined by dividing the estimated annual premium cost by the annual covered payroll. The financial statements of the County of Sonoma (the primary government) contain the financial information for the post-employment benefits, which are not presented here because the District's portion cannot be separated from the whole.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2013**

NOTE 10 – ENVIRONMENTAL REMEDIATION
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The Sonoma County Agricultural Preservation and Open Space District has two properties where pollution remediation is needed. The Poff Ranch property, a conservation easement acquired during fiscal year 2008, is undergoing pollution remediation due to the property being utilized for sheep grazing including a sheep-dip area for a number of years. An analysis of the soil in the sheep dip area was performed and pesticide contamination was found. The District has contracted with independent contractors for the removal and disposal of the contaminated soil and has recorded a liability of \$31,972.

Also, the District has performed an analysis of the buildings on the McCullough Ranch property and a conservation easement acquired in fiscal year 2009 and found asbestos and lead and a small amount of oil contaminated soil. The District has estimated cost of \$30,000 for the asbestos, lead and soil clean-up and has recorded a liability. The District has included a total of \$61,972 in estimated polluted remediation costs as part of its accounts payable balance at June 30, 2013. The District has taken it upon itself to perform the clean-up as there is no regulatory body involved.

Required Supplementary Information

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND
OPEN SPACE DISTRICT**
**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Governmental Fund**
**For the Fiscal Year Ended
June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Contributions from Open Space Special Tax Account	\$ 23,133,489	\$ 23,510,489	\$ 4,000,000	\$ (19,510,489)
Grants - State	-	455,500	341,391	(114,109)
Measure M	-	-	190,000	190,000
Donations	-	-	256,184	256,184
Rental income	166,188	166,188	165,304	(884)
Interest on pooled cash	142,753	142,753	127,554	(15,199)
Miscellaneous	-	-	266	266
Total revenues	<u>23,442,430</u>	<u>24,274,930</u>	<u>5,080,699</u>	<u>(19,194,231)</u>
Expenditures				
Current:				
Salaries and employee benefits	3,492,653	3,504,653	2,604,308	900,345
Services and supplies	5,625,474	6,838,514	5,506,563	1,331,951
Contribution to other government	-	-	7,884	(7,884)
Costs applied	-	-	(368,198)	368,198
Capital outlay:				
Land and easements	11,776,072	12,026,072	4,466,644	7,559,428
Buildings and improvement	4,431,934	6,817,387	2,155,123	4,662,264
Preacquisition costs	-	-	368,198	(368,198)
Reimbursements		(205,800)		(205,800)
Encumbrances	(2,349,145)	(2,349,145)	(3,864,977)	1,515,832
Total expenditures	<u>22,976,988</u>	<u>26,631,681</u>	<u>10,875,545</u>	<u>15,756,136</u>
Excess (deficiency) of revenues over (under) expenditures	<u>465,442</u>	<u>(2,356,751)</u>	<u>(5,794,846)</u>	<u>(3,438,095)</u>
Other financing sources				
Reimbursement from Technology Replacement Fund	17,336	17,336	15,934	1,402
Contributions to Technology Replacement Fund	(11,247)	(11,247)	(11,247)	-
Total other financing sources	<u>6,089</u>	<u>6,089</u>	<u>4,687</u>	<u>1,402</u>
Net change in fund balances	471,531	(2,350,662)	(5,790,159)	(3,439,497)
Fund balance - beginning of year	18,943,419	18,943,419	18,943,419	-
Fund balance - end of year	<u>\$ 19,414,950</u>	<u>\$ 16,592,757</u>	<u>\$ 13,153,260</u>	<u>\$ (3,439,497)</u>

The notes to the required supplementary information are an integral part of this statement.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT**
Notes to Required Supplementary Information
June 30, 2013

NOTE 1 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgetary revenue estimates represent original estimates modified for any authorized adjustment which was contingent upon new or additional revenue sources. Budgetary expenditure amounts represent original appropriations adjusted by budget transfers and authorized appropriation adjustments made during the year. All budgets are adopted on a non-GAAP basis. The District's final budgetary information was amended during the year by resolution of the Board of Directors.

B. Encumbrances

The District has unexpended encumbrances of \$3,864,977 at June 30, 2013. These encumbrances represent commitments by the District for services related to the acquisition of land and easements and the stewardship of District owned properties.

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Other Supplementary Information

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
5/14/1992	Marty	Meacham Hill, Penngrove Olsen Lane (-06), Orchard Lane (-08)	Conservation Easement	\$ 503,639.00
TOTAL FY 91-92				\$ 503,639.00
3/8/1993	Cloudy Bend	5070 Lakeville Hwy., Petaluma Note: Coastal Conservancy granted \$350,000	Conservation Easement	102,607.50 \$
5/25/1993	Sebastopol	Portion of Railroad Right-of- Way	Conservation Easement	21,313.75
TOTAL FY 92-93				\$ 123,921.25
7/27/1993	Doerksen	7125 St. Helena Road Santa Rosa, CA	Conservation Easement	\$ 109,936.25
8/31/1993	Alba Lane	4260 Alba Lane Santa Rosa, CA	Conservation Easement	300,707.90
9/14/1993	White	4205 Coffey Lane & 188 E. Fulton Road, Santa Rosa, CA	Conservation Easement	454,494.25
9/14/1993	St. Francis Vineyards	Hwy 12 at Adobe Canyon Road Kenwood, CA	Conservation Easement	886,327.11
9/14/1993	Vasila	6018 Bloomfield Road Petaluma, CA	Conservation Easement	128,158.49
9/21/1993	Brown	374 Horn Avenue	Conservation	197,865.52

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
			Easement	
		Santa Rosa, CA		
10/19/1993	Burns	2505 & 2245 Spring Hill Road West Petaluma, CA	Conservation Easement	431,371.80
4/12/1994	St. Luke's	4111 Old Redwood Hwy. Santa Rosa, CA	Conservation Easement	342,602.58
6/14/1994	Cotati Highlands	1300 W. Sierra Avenue 10 Summit Grade Road 8795 & 8800 Pine Lane 333 & 335 Pine Grove Road Stony Point Road, Cotati, CA	Conservation Easement	2,089,204.35
06/14/0994	Dougan	5510 Bloomfield Road Petaluma, CA	Conservation Easement	<u>355,432.90</u>
TOTAL FY 93-94				\$ <u>5,296,101.15</u>
8/22/1994	Lorenzini Property	22477 Koftinow Drive Timber Cove, CA	Conservation Easement	\$ 520,058.72
9/1/1994	De Loach Property	10540 Los Amigos Road Healdsburg, CA	Conservation Easement	540,448.31
9/1/1994	Ziedrich Property	10536 Los Amigos Road Healdsburg, CA	Conservation Easement	144,332.50
9/2/1994	San Francisco Archdiocese	4547 Whistler Avenue Santa Rosa, CA	Fee Purchase	150,883.48

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
9/15/1994	Ratchford Property	Fitch Mountain Healdsburg, CA	Conservation Easement	1,042,247.84
12/16/1994	Pieter Myers	19999 Coleman Valley Occidental, CA	Conservation Easement	108,273.75
12/30/1994	Maacama Valley Partners National Audubon Society	Juncture of Alexander Valley & Knights Valley vicinity of Pine Flat Road	Conservation Easement	722,972.50
2/2/1995	Fox Healdsburg Ridge	Poppy Hill & El Arroyo Healdsburg, CA	Conservation Easement	154,938.53
2/2/1995	Diggers Bend	Poppy Hill & El Arroyo Healdsburg, CA	Conservation Easement	305,304.99
4/28/1995	Stony Point Ranch	6700 Gravenstein Hwy Cotati, CA	Conservation Easement	485,867.56
5/23/1995	Haroutunian	200 Scenic Avenue Rohnert Park, CA	Fee Purchase	185,811.01
5/31/1995	Graton Right of Way	Occidental Road to Grey Street near Graton, from Graton Road to Green Valley Road, and from point south of Ross Station to Key Lane	Conservation Easement	174,356.00
6/15/1995	Carinalli	2900 Llano Road Santa Rosa, CA	Conservation Easement	768,149.66
6/30/1995	Lang Property	3115 Porter Creek Road	Conservation Easement	<u>1,259,634.28</u>

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
		Santa Rosa, CA		
TOTAL FY 94-95				\$ 6,563,279.13
9/7/1995	Silberstein	5531 Kay Drive Santa Rosa, CA	Conservation Easement	\$ 204,853.49
9/15/1995	Dutton	8610, 8611 Oak Grove Avenue Graton, CA	Conservation Easement	325,361.33
9/22/1995	Freiberg	2400 Sobre Vista Road Sonoma, CA	Conservation Easement	959,704.37
9/22/1995	Henshaw	2400 Sobre Vista Road Sonoma, CA	Conservation Easement	314,798.00
11/15/1995	Silacci Dairy	4170 Lakeville Hwy Petaluma, CA	Conservation Easement	503,777.62
12/12/1995	Nicholas Turkey Farms	2676 Napa Road Sonoma, CA	Conservation Easement	1,412,600.78
1/3/1996	Santa Angelina Ranch/ McMicking	12629 Hwy 128 Knights Valley, CA	Conservation Easement	1,743,230.11
1/8/1996	McCormick Ranch	Langtry Road St. Helena, CA	Conservation Easement	1,712,147.95
1/19/1996	Matteri	3820 Petaluma Hill Road Santa Rosa, CA	Conservation Easement	401,535.50

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
3/29/1996	Moon Ranch – Pfendler	3268 Old Adobe Road Petaluma, CA	Conservation Easement	1,439,122.93
4/3/1996	Unity Church Property	4351 Old Redwood Hwy. Santa Rosa, CA		422,523.92
4/10/1996	Andersen	North Cloverdale on Russian River	Conservation Easement	228,004.76
05/03/1996 & 5/28/1996	Palm Terrace Conservation Easement	City limits of Sebastopol west edge of Laguna de Santa Rosa	Conservation Easement	913,432.35
5/24/1996	Mickelsen	Mecham and Pepper Roads Northwest of Petaluma, CA	Conservation Easement	677,379.69
5/30/1996	Alman Marsh	East of Hwy 101 between Marina and former city landfill	Conservation Easement	60,991.25
6/7/1996	Herzog (Sleepy Hollow)	Mecham and Pepper Roads Northwest of Petaluma	Conservation Easement	<u>997,397.59</u>
TOTAL FY 95-96				\$ <u>12,316,861.64</u>
7/5/1996	Treadwell	31820 McCray Road Cloverdale, CA	Conservation Easement	\$ 105,027.50
7/23/1996	Knudtsen	3150 Robler Road Petaluma, CA		428,244.26
9/4/1996	Guttman (Lang)	13000 Los Amigos Road	Conservation	406,196.85

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
		Healdsburg, CA (NW of Porter Creek Road / Franz Valley Road)	Easement	
9/26/1996	Callahan (Raja Dev.)	North of Highland Circle / East of Poppy Hill Drive Healdsburg, CA	Conservation Easement	559,332.00
10/14/1996	McNear Peninsula (Lind)	100 East D Street Petaluma, CA	Conservation Easement	192,111.50
12/11/1996	Weston (Sotoyome Highlands)	13000 Los Amigos Road Healdsburg, CA	Conservation Easement	1,667,916.25
4/25/1997	Yee	4871 Redwood Hwy., South Petaluma, CA	Conservation Easement	803,641.36
5/19/1997	Young/Armos	4315 Snyder Lane 4314 Hunter Avenue Santa Rosa, CA	Fee Purchase	376,574.50
5/29/1997	McCormick Ranch	Los Alamos Road Santa Rosa, CA	Conservation Easement	<u>667,046.44</u>
TOTAL FY 96-97				\$ <u>5,206,090.66</u>
7/23/1997	McCrea	Vigilante Road Glen Ellen, CA	Conservation Easement	\$ 1,208,560.80
7/31/1997	Geary	5525 Bennett Valley Road Santa Rosa, CA	Conservation Easement	2,322,335.50

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
9/5/1997	Hepper	Estero Lane Bodega, CA	Conservation Easement	294,357.05
11/3/1997	Morrison Brothers	5151 Stony Point Road Santa Rosa, CA	Conservation Easement	388,443.93
12/11/1997	Keegan & Coppin	Bennett Valley Road (Vacant Lot) Santa Rosa, CA	Fee Purchase	558,401.40
1/15/1998	Magers (Gray Creek PTN)	Gray Creek Road / Off Mill Creek Road Healdsburg, CA	Conservation Easement	90,215.51
1/21/1998	Cramer	Hall / Occidental Roads Santa Rosa, CA	Fee Purchase	1,667,016.50
2/17/1998	Stein	10801, 10806, 10808, 10810, 10900 Hillview Rd / Arata Ln Windsor, CA	Conservation Easement	1,634,576.65
2/20/1998	Aggio	2888 Stony Point Road Santa Rosa, CA	Conservation Easement	494,323.02
2/27/1998	Haroutunian North	Airport Boulevard Santa Rosa, CA	Fee Purchase	408,311.65
3/11/1998	Gustafson (Gray Creek PTN)	Gray Creek Road / Off Mill Creek Road Healdsburg, CA	Conservation Easement	143,730.13
4/13/1998	Oken	5057 Petaluma Hill Road Rohnert Park, CA	Fee Purchase	<u>897,660.30</u>

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
TOTAL FY 97-98				\$ 10,107,932.44
8/4/1998	Dashiell/Molle	Between Santa Rosa and Rohnert Park East side of Petaluma Hill Road	Conservation Easement	\$ 336,322.00
8/14/1998	White II	Coffey Lane, Santa Rosa	Conservation Easement	241,614.00
9/30/1998	Hafey	Knights Valley along Hwy 128 South of Franz Valley Road	Conservation Easement	910,487.00
12/21/1998	Bath/Watt	Along prominent ridgeline SE of Santa Rosa, on Northern side of Taylor Mountain	Conservation Easement	824,241.00
1/6/1999	Sonoma Developmental Center - Area 1	Sonoma Valley, adjacent to Jack London Park	Conservation Easement	262,705.00
2/4/1999	Monte Rio School	9725 Main Street, south of Monte Rio Community Center	Conservation Easement	197,684.00
4/16/1999	Bodega Bay Firehouse Fire Protection District	Highway One Scenic Corridor	Conservation Easement	53,785.00
4/23/1999	Mazzetta	NW of Petaluma at junction of Pepper Road and Mecham Roads	Conservation Easement	1,000,839.00
4/23/1999	Mom's Beach (Notter Property)	Northwest of Forestville, River Road adjacent to Russian River	Conservation Easement	81,561.00

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

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5/18/1999	Skiles	North of Glen Ellen, adjacent to Jack London State Park	Conservation Easement	646,987.00
6/1/1999	Good (Nathanson Creek)	Park/Sonoma Valley High School	Conservation Easement	101,687.00
6/25/1999	Nahmens	East and West sides of Canfield Road south of Sebastopol	Conservation Easement	<u>1,166,429.00</u>
TOTAL FY 98-99				\$ <u>5,824,341.00</u>
12/23/1999	Nunes Fee	Panorama Drive Santa Rosa, CA	Conservation Easement	\$ 987,791.00
1/5/2000	Colliss	Coleman Valley Road Occidental, CA	Conservation Easement	1,049,574.00
1/12/2000	Town of Windsor (Windsor Town Green)	Bell Road Windsor, CA	Conservation Easement	776,816.00
1/19/2000	Matteri Fee	Petaluma Hill Road Santa Rosa, CA	Fee Purchase	473,128.00
1/21/2000	Mickelsen/Camozzi	Pepper and Walker Roads Sonoma County, CA	Conservation Easement	<u>1,516,125.00</u>
TOTAL FY 99-00				\$ <u>4,803,434.00</u>
9/13/2000	Val Alstyne	Fitzpatrick Lane Occidental, CA	Conservation Easement	\$ 1,272,910.00
10/4/2000	Cook	Lichau Road	Conservation	1,711,894.00

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
		Penngrove, CA	Easement	
12/6/2000	Modini	Pine Flat Road Healdsburg, CA	Conservation Easement	1,060,730.00
12/7/2000	Sequeira / Red Hill	Coast Hwy 1 Jenner, CA	Conservation Easement	1,428,759.00
12/29/2000	Solak	Railroad Avenue Forestville, CA	Conservation Easement	176,454.00
5/4/2001	Ho	Petaluma Hill Road Rohnert Park, CA	Fee Purchase	569,860.00
5/11/2001	Dewar	1660 Estero Lane Bodega Bay, CA	Conservation Easement	291,574.00
5/18/2001	Glen Oaks	Hwy 12 Glen Ellen, CA	Conservation Easement	<u>1,511,825.00</u>
TOTAL FY 00-01				\$ <u>8,024,006.00</u>
12/12/2001	Laguna de Santa Rosa (Donated)	Geysers Pipeline	Conservation Easement	\$ 41,785.00
12/17/2001	Cooley Ranch	Cooley Ranch Road Cloverdale, CA	Conservation Easement	5,887,575.00
1/10/2002	Ielmorini Property	13601 State Hwy 1 Valley Ford, CA	Conservation Easement	1,815,589.00

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
1/18/2002	Cloverdale River Park	31650 McCray Road Cloverdale, CA	Conservation Easement	65,765.00
1/29/2002	Azevedo Dairy	820 Fallon Road Santa Rosa, CA	Conservation Easement	1,762,344.00
3/20/2002	Morelli Property	500 Morelli Vista Road Santa Rosa, CA	Conservation Easement	2,187,178.00
4/5/2002	Martin Property	Valley Ford Road Petaluma, CA	Conservation Easement	1,610,287.00
4/18/2005	Balletto Ranch	5700 Occidental Road Santa Rosa, CA	Conservation Easement	2,632,820.00
5/3/2002	Bianchi Property	15000 Hwy 1 Valley Ford, CA	Conservation Easement	<u>1,527,517.00</u>
TOTAL FY 01-02				\$ <u>17,530,860.00</u>
7/31/2002	Paulin Creek Property Sass (Chanate Trail)	3100 Chanate Road Santa Rosa, CA	Fee Purchase	\$ 1,615,337.00
8/16/2002	Scott Property	700 Hardin Lane Petaluma, CA	Conservation Easement	3,373,245.00
8/16/2002	McCullough Property	Mark West Springs Road Santa Rosa, CA	Conservation Easement	2,923,109.00
8/30/2002	Town of Windsor	630 Windsor River Road	Conservation Easement	1,149,765.00

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
	Keiser Park	Windsor, CA		
9/17/2002	Rigler Property	Coleman Valley Road Bodega, CA	Conservation Easement	875,856.00
10/9/2002	Hanson Aggregates Parcel	7821 Eastside Road Healdsburg, CA	Conservation Easement	4,042,301.00
10/31/2002	Cloverdale River Park	31638 McCray Road Cloverdale, CA	Conservation Easement	22,024.00
12/24/2002	Keen Property	16331 Norrbom Road Sonoma, CA	Conservation Easement	360,566.00
12/27/2002	Prince Memorial Greenway	1000 Second Street Santa Rosa, CA	Conservation Easement	3,080,201.00
12/31/2002	Grossi Property	6300 Petaluma Hill Road Petaluma, CA	Conservation Easement	330,879.00
1/31/2003	Sunset Beach Property	11057 Sunset Avenue Forestville, CA	Conservation Easement	636,915.00
3/11/2003	Asborno Property	16488, 16492 Healdsburg Ave Healdsburg, CA	Fee Purchase	4,285,288.00
3/25/2003	Johnson Property	7555 Sonoma Highway Santa Rosa, CA	Conservation Easement	3,077,498.00
3/25/2003	Johnson Access Property	7557 Sonoma Highway	Conservation Easement	1,028,487.00

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
		Santa Rosa, CA		
5/16/2003	Carrington Property	3800, 4000, 4300 & 4500 Hwy One, Coleman Valley Rd Bodega Bay, CA	Fee Purchase	4,882,273.00
5/30/2003	Brayton Property	1797, 1799 Pepper Road Petaluma, CA	Conservation Easement	<u>1,316,268.00</u>
TOTAL FY 02-03				\$ <u>33,000,012.00</u>
7/16/2003	Indian Valley Property	5610 Maryannis Drive Santa Rosa, CA	Conservation Easement	\$ 478,043.00
7/31/2003	Connolly Property	27285 Dutcher Creek Road Cloverdale, CA	Conservation Easement	266,505.00
8/13/2003	Jacobs Ranch	5297 Sonoma Mountain Road Santa Rosa, CA	Fee Purchase	4,919,749.00
11/10/2003	Fox Pond Property	16496 Healdsburg Avenue Healdsburg, CA	Fee Purchase	2,905,833.00
1/29/2004	Skiles Property	6560 Sonoma Mountain Road Santa Rosa, CA	Fee Purchase	224,894.00
2/26/2004	Flocchini Property	7078 Lakeville Highway Petaluma, CA	Conservation Easement	794,322.00
2/27/2004	Petaluma River Marsh Enhancement	Lakeville Highway Petaluma, CA	Conservation Easement	1,105,920.00

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
4/30/2004	Wilroth Property	Lichau Road Sonoma County, CA	Conservation Easement	2,255,695.00
5/21/2004	Roblar Ranch Property	7175 Roblar Road Petaluma, CA	Conservation Easement	2,292,062.00
5/28/2004	Eliot Property	5850 Grove Street Sonoma, CA	Conservation Easement	<u>17,090.00</u>
TOTAL FY 03-04				\$ <u>15,260,113.00</u>
7/14/2004	Van Hoosear Wildlife Preserve	2290 Grove Street Sonoma, CA	Conservation Easement	\$ 5,402,122.00
10/13/2004	Maffia Property	12001 Valley Ford Road Petaluma, CA	Conservation Easement	1,168,446.00
10/21/2004	Sebastopol Skate Park and Community Garden	Laguna Park Way Petaluma, CA	Conservation Easement	132,176.00
10/22/2004	Beltane Ranch Property	11775 Sonoma Highway Glen Ellen, CA	Fee Purchase	9,182,041.00
11/2/2004	Dickson Property	7699 Reclamation Road Petaluma, CA	Conservation Easement	4,282,207.00
12/1/2004	Wilroth Property	Lichau Road Sonoma County, CA	Fee Purchase	59,555.00
1/31/2005	Cooper's Grove	5761 Sonoma Mountain	Fee Purchase	4,926,873.00

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
		Road Santa Rosa CA		
3/15/2005	Summer Home Park	11453 River Road Forestville, CA	Conservation Easement	399,098.00
5/6/2005	Willow Creek	19100 Willow Creek Road 24110 Freezeout Road 2330 Willow Creek Road Sonoma County, CA	Conservation Easement	<u>20,923,138.00</u>
TOTAL FY 04-05				<u>\$ 46,475,656.00</u>
9/29/2005	Tolay Lake Ranch	5869 Lakeville Highway Petaluma, CA	Conservation Easement	\$ 21,794,852.00
10/7/2005	Lawson Property	6280 Melita Road Santa Rosa, CA	Fee Purchase	1,183,695.00
10/7/2005	Prince Gateway Park	Santa Rosa Creek Santa Rosa, CA	Conservation Easement	420,963.00
12/20/2005	Camp Gualala	27010 Skaggs Spring Road Annapolis, CA	Conservation Easement	894,878.00
12/15/2005	Montini Property	18950 Fifth Street West Sonoma, CA	Fee Purchase	12,687,523.00
12/15/2005	Montini Property	18951 Fifth Street West Sonoma, CA	Conservation Easement	1,350,000.00
1/13/2006	Taylor Mountain Property	2100 Kawana Terrace Road	Conservation Easement	<u>18,174,418.00</u>

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
		Santa Rosa, CA		
TOTAL FY 05-06				\$ 56,506,329.00
9/8/2006	Crane Property	5900 Petaluma Hill Road Santa Rosa, CA	Conservation Easement	1,112,379
8/24/2006	Saddle Mountain Property	Calistoga & Helena Roads Sonoma County, CA	Fee Purchase	14,714,525
7/3/2006	Santa Rosa Creek 3 Bridges	Santa Rosa, CA	Conservation Easement	7,950
6/22/2007	Sonoma Developmental Center Area 3	14400 Sonoma Highway, Sonoma County, CA	Conservation Easement	586,881
4/18/2007	Tremari	5767 & 5775 Bloomfield Road Unincorporated Petaluma, CA	Conservation Easement	3,185,447
TOTAL FY 06-07				\$ 19,607,182.00
6/5/2008	Quailbrook Ranch	6450 Quailbrook Lane Pennngrove, CA	Conservation Easement	1,647,162.93
12/31/2007	Hayfork Ranch	5240 St. Helena Road Santa Rosa, CA	Conservation Easement	668,197.58
11/15/2007	Cresta Property	3035 Porter Creek Road, Santa Rosa, CA	Conservation Easement	3,142,034.65
9/28/2007	Poff Property	8000 State Highway 1 Bodega Bay, CA	Conservation Easement	5,650,183.47
9/28/2007	Clover Springs Property	Skyview Drive Cloverdale, CA	Conservation Easement	7,840,666.65
9/28/2007	Pitkin Marsh Property	4869 North Gravenstein Highway Sebastopol, CA	Conservation Easement	404,855.50

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
12/21/2007	Roche Property	West Line of Highway 121 Sonoma County, CA	Conservation Easement	2,013,611.24
TOTAL FY 07-08				\$ 21,366,712.02
10/14/2008	Prince Memorial Greenway	Santa Rosa, CA	Conservation Easement	879,216.91
10/16/2008	Laguna de Santa Rosa	Sebastopol, CA	Conservation Easement	688,047.45
10/16/2008	Falletti Ranch	Cotati, CA	Conservation Easement	3,161,087.85
11/14/2008	Occidental Road	Sonoma County, CA	Fee Purchase	106,442.44
12/30/2008	Sonoma Mtn Ranch	Petaluma, CA	Fee Purchase	10,033,549.19
1/15/2009	Russian Riverkeeper Stewardship Park	Guerneville, CA	Conservation Easement	50,000.00
3/24/2009	North Slope Mtn Trail	Healdsburg, CA	Conservation Easement	2,890.00
4/17/2009	Pacheco Dairy	Petaluma, CA	Conservation Easement	1,530,844.32
5/28/2009	Cooke Ranch	Sonoma, CA	Conservation Easement	1,056,593.87
6/30/2009	Gilardi Ranch	Bodega, CA	Conservation Easement	1,654,816.16
6/30/2009	Petaluma Marsh Improvements	Petaluma, CA	Conservation Easement	816,554.00
TOTAL FY 08-09				\$ 19,980,042.19
9/14/2009	McCullough Phase I	Santa Rosa, CA	Conservation Easement	8,555,047.60
9/16/2009	Patterson Point	Villa Grande, CA	Conservation Easement	122,381.00
9/24/2009	Quinlan/Noonan	Bodega Bay, CA	Conservation Easement	1,893,040.86
9/24/2009	Sittenauer	Sebastopol, CA	Conservation Easement	446,235.89
12/6/2009	Jenner	Jenner, CA	Conservation Easement	39,470,789.00
12/7/2009	Riddel	Healdsburg, CA	Conservation Easement	819,917.00

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
12/18/2009	Smith Family Ranch	Petaluma, Ca	Conservation Easement	2,357,377.00
2/26/2010	Burbank Ave Property	Santa Rosa, CA	Conservation Easement	2,441,637.00
3/17/2010	O'Brien Property	Sebastopol, CA	Conservation Easement	221,393.00
3/30/2010	Danielli Ranch	Santa Rosa, CA	Conservation Easement	1,689,615.61
5/7/2010	Taylor Mountain: Farmers Lane Extension - Sale to City of Santa Rosa	Santa Rosa, CA	Fee Purchase	(211,000.00)
6/29/2010	Crane Home Ranch	Rohnert Park, CA	Conservation Easement	416,630.94
6/30/2010	Bayer Property	Santa Rosa, CA	Conservation Easement	1,336,940.34
6/30/2010	Giorgi Park Rehabilitation	Healdsburg, CA	Conservation Easement	522,062.00
TOTAL FY 09-10				\$ 60,082,067.24
7/1/2010	Giorgi Park - Phase 2	Healdsburg, CA	Conservation Easement	728,745.30
3/1/2011	Burbank Ave Educational/Recreation	Santa Rosa, CA	Conservation Easement	3,507,321.39
9/23/2010	Uncle Henry's Ranch	Petaluma, CA	Conservation Easement	1,036,453.24
6/7/2011	Van Steyn	Santa Rosa, CA	Conservation Easement	116,408.22
6/30/2011	Smith Family Ranch	Petaluma, CA	Conservation Easement	300.00
TOTAL FY 10-11				\$ 5,389,228.15
7/26/2011	Klesko	Cloverdale, CA	Conservation Easement	1,858,614.96
10/14/2011	Meadowlark Field	Sebastopol, CA	Conservation Easement	4,859.48

**Sonoma County Agricultural Preservation
And Open Space District
Schedule of Interests in Land
June 30, 2013**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Type of Acquisition</u>	<u>Total Cost</u>
11/18/2011	Sonoma Garden Park	Sonoma, CA	Conservation Easement	112,105.93
12/20/2011	Sonoma Country Inn (Auberge)	Santa Rosa, CA	Fee and Conservation Easement	2,884.65
12/21/2011	Pryor Ranch	Santa Rosa, CA	Conservation Easement	2,718,776.37
5/14/2012	Paula Lane	Petaluma, CA	Conservation Easement	1,081,807.19
5/25/2012	Bordessa Ranch	Valley Ford, CA	Conservation Easement	1,861,639.92
TOTAL FY 11-12				\$ 7,640,688.50
5/29/13	Buckeye Forest	Annapolis, CA	Conservation Easement	5,548,997.72
TOTAL FY 12-13				\$ 5,548,997.72
Total Interests In Land And Easements as of June 30, 2013				\$ 367,157,494.09

The Total Cost column on this schedule includes costs associated with obtaining the property, beyond the acquisition cost, such as appraisal costs, closing costs, and District staff labor related to the acquisition.