

**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)**

**APPROVED**

**Minutes for Meeting of December 3, 2015**

Commissioners Present: Eric Koenigshofer, Chair (arrived at 5:10 pm); Bob Anderson, Vice Chair; Todd Mendoza; Mike Sangiacomo; Dee Swanhuysen (left at 7:08 pm); Jeff Owen, Alternate.

Staff Present: Bill Keene, General Manager; Mary Dodge, Administrative & Fiscal Services Manager; Sheri Emerson, Program Manager – Stewardship; Sue Gallagher, Counsel; Christine Minkel, Administrative Aide to the Commission; Sue Jackson, Deputy Clerk/Recorder.

Also Present: Deborah L. Rogers, Ph.D., Director of Conservation Science and Stewardship and Michelle Labbé, Conservation Analyst, Center for Natural Lands Management (CNLM)

1. **Call to Order.**

Commissioner Anderson called the meeting to order at 5:02 pm. He welcomed Dr. Rogers and Ms. Labbé.

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

There were none.

*Note: Commissioner Koenigshofer chaired the meeting from this point forward.*

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

Mr. Keene made the following announcements:

- The District will take the Sebastopol Skategarden Expansion Matching Grant Program project to the Board of Directors on December 15, 2015. If approved, this action will grant funds to the City of Sebastopol to expand the Skategarden, accept a Recreation Covenant and accept the First Amended and Restated conservation Easement from the City of Sebastopol.
- The District will take the Dickson Ranch: Agreement Regarding Conservation Easement Procedures and Remedies to the Board of Directors on December 15, 2015. If approved, this action will transfer the Dickson Ranch to Federal ownership.
- The District will launch the 2016-2015 Matching Grant Program cycle in January 2016.

- The District will take the Initial Public Access, Operation and Maintenance Policy to the Board of Directors in February 2016.

4. **Public Comment.**

There was none.

5. **Correspondence/Communication.**

Ms. Dodge distributed a written response to the Commission's October 29, 2015 (Attachment 1 - Exhibits A and B)

6. **Approval of Commission Minutes.**

On a motion by Commissioner Anderson and second by Alternate Commissioner Owen, the minutes of November 12, 2015 were approved as submitted, with Commissioner Mendoza abstaining.

7. **Financial Report.**

Ms. Dodge provided a narrative summary and financial reports in the requested categories, downloaded from the County Enterprise Financial System. She noted that the Auditor's Office is researching line item 52162 - Special Departmental Expense. The report shows a negative beginning balance. The District expects to have an explanation from the Auditor's Office for this item in time to report out at the January FOC meeting.

Commissioner Anderson asked for further detail on account 11145 – OSSTA – Measure F fund. Commissioners Koenigshofer and Anderson requested that the monthly reports be in a more summarized format and that Balance Sheets showing fund balances are presented along with Income Statements showing the period's revenue and expense.

8. **Ad Hoc Committee Reports.**

- Annual Report/Audit Report Review (Anderson, Swanhuysen) – The subcommittee will meet on December 8, 2015 at 2:00 pm.
- Investment (Swanhuysen, Owen) – Nothing to report.
- Review of County Services (Mendoza, Koenigshofer) – Nothing to report.
- Stewardship (Mendoza, Sangiacomo) – Nothing to report.
- Operation and Maintenance Transaction Review (Anderson, Koenigshofer) – Nothing to report.
- Matching Grant Program (Koenigshofer, Owen) – Nothing to report.
- Management Review Recommendations (Koenigshofer, Anderson) – Nothing to report.

9. **Stewardship Reserve Calculation.**

Ms. Emerson gave an overview of the Stewardship Reserve Fund Amount Calculation, and introduced Dr. Rogers and Ms. Labbé. They presented CNLM's draft report, "Stewardship Reserve Requirement Review." The report provides "a detailed cost estimate for funds required for the projected District stewardship responsibilities in 2031" and includes a

model whereby the District can make adjustments for expected or actual inflationary effects if necessary. (The draft report is available on the District website and at the District office.)

Based on projections used in the report, a discussion followed on the options the District has on actions necessary to meet the future financial goals, including the following items:

- Alternate Commissioner Owen expressed his concern that the District will be unable to meet its investment goals if it follows the County's investment policy.
- Possible investment options available to special districts.
- The impact of the District's debt pay-down on the model presented.
- The impact of receiving the Land Trust Alliance certification on the District operations, practices and policies.
- Support for specific factors used, e.g., contingency percentage and administrative costs, other expense categories, etc., on which the model is based.
- Suggestions for changes in verbiage, e.g., "litigation expense" vs. "legal expense"

The Commission directed staff (1) to analyze how, using the existing model and current investment policy options, the District can meet its Stewardship responsibilities; (2) to research current legislative guidelines for investment options; (3) to design a "road-map" of what the District needs to do to achieve the financial requirements, based on the model; and (4) to bring its findings back to the Commission at a regular meeting.

Additionally, Commissioner Sangiacomo suggested that the Commission could consider hiring financial consultant to guide the Commission through the process.

10. **Suggested Next Meeting.** January 7, 2016

11. **Adjournment.**

On a motion by Alternate Commissioner Owen and second by Commissioner Sangiacomo, the meeting was adjourned at 7:30 pm, with all in favor.

Respectfully submitted,

Sue Jackson  
Deputy Clerk