



SONOMA COUNTY OPEN SPACE FISCAL OVERSIGHT COMMISSION  
**COMMISSIONERS**

Mike Sangiacomo (Sonoma)  
Todd Mendoza (Petaluma)  
Regina De La Cruz (Rohnert Park)

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

**SPECIAL MEETING AGENDA**

Virtual Meeting Due to Sonoma County's Shelter in Place Order  
December 10, 2020 | 5:00 pm

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**In accordance with Executive Order N-29-20, the December 10, 2020 Fiscal Oversight Commission Special Meeting will be held virtually.**

MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON

**\*UPDATE REGARDING VIEWING AND PUBLIC PARTICIPATION IN  
December 10, 2020 FISCAL OVERSIGHT COMMISSION SPECIAL MEETING\***

The December 10, 2020 Fiscal Oversight Commission Special Meeting will be facilitated virtually through WebEx. Members of the public can watch or listen to the meeting using one of the three following methods:

1. Join the WebEx meeting on your computer, tablet or smartphone by clicking  
<https://sonomacounty.webex.com/sonomacounty/onstage/g.php?MTID=e5dd5d7de6d99d19d47a2ae76fc5e1d09>
2. If you have a WebEx account, click Join Meeting by number: 146 179 9155 password: cows707
3. Call-in and listen to the meeting: Dial 1-844-992-4726 Enter meeting ID: 146 179 9155

**Public Comment During the Meeting:** You may email public comment to [Sara.Ortiz@sonoma-county.org](mailto:Sara.Ortiz@sonoma-county.org). All emailed public comments will be forwarded to all Commissioners and read aloud for the benefit of the public. Please include your name and the relevant agenda item number to which your comment refers. In addition, if you have joined as a member of the public through the WebEx app or by calling in, there will be specific points throughout the meeting during which live public comment may be made via WebEx and phone.

**DISABLED ACCOMMODATION:** If you have a disability which requires an accommodation or an alternative format to assist you in observing and commenting on this meeting, please contact Sara Ortiz by phone at (707) 565-7346 or by email to [Sara.Ortiz@sonoma-county.org](mailto:Sara.Ortiz@sonoma-county.org). by 12 pm Wednesday, December 9 to ensure arrangements for accommodation.

**\*END OF UPDATE\***

1. **Call to Order**
  2. **Agenda Items to be Held or Taken Out of Order; Off- Agenda Items**
  3. **General Announcements Not Requiring Deliberation or Decision**
  4. **Public Comment**  
The Brown Act requires that time be set aside for public comment on items not agendized.
  5. **Correspondence/ Communications**
  6. **Introduction of Interim General Manager** Caryl Hart | Interim General Manager
  7. **Approval of Commission Minutes Attachment 1** November 5, 2020 Minutes
  8. **Financial Report Attachment 2** Julie Mefferd | Administrative and Fiscal Manager
  9. **Ad Hoc Committee Reports.**  
Annual Report/Audit Report Review (Anderson, Owen) **Attachment 3**  
Matching Grant Program (Anderson/Sangiacomo)  
Real Estate Options (Koenigshofer /Owen)  
Fire Recovery Review (Anderson/Koenigshofer)
  10. **Proposed Approval of Annual Report**
  11. **Suggested Next Meeting**  
January 7, 2020
  12. **Adjournment**
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**AGENDAS AND MATERIALS:** Agendas and most supporting materials are available on the District's website at [sonomaopenspace.org](http://sonomaopenspace.org). Due to legal, copyright, privacy or policy considerations, not all materials are posted online. Materials that are not posted will be made available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at 747 Mendocino Avenue, Santa Rosa, CA after Sonoma County health officials lift the Shelter in Place order.

**SUPPLEMENTAL MATERIALS:** Materials related to an item on this agenda submitted to the Commission/Committee after distribution of the agenda packet will be posted on the District's website and made available for public inspection at the District office at 747 Mendocino Avenue, Santa Rosa, CA during normal business hours after Sonoma County health officials lift the Shelter in Place order. You may also email [Sara.Ortiz@sonoma-county.org](mailto:Sara.Ortiz@sonoma-county.org) for materials.

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**UNAPPROVED MINUTES**

Virtual Meeting Due to Sonoma County's Shelter in Place Order

November 5, 2020 | 5:00 pm

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**COMMISSIONERS PRESENT:** Bob Anderson (Chair), Eric Koenigshofer (Vice Chair) (arrived 5:17 pm), Regina de la Cruz, Todd Mendoza, Jeff Owen (arrived 5:14 pm)

**STAFF PRESENT:** Bill Keene, General Manager; Lisa Pheatt, County Counsel; Sara Ortiz, Administrative Aide

**PUBLIC PRESENT:**

**1. Call to Order**

5:11 pm

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

There was none.

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

Last meeting for Bill Keene, General Manager. The Board of Directors has met with candidates and will be choosing an interim general manager before embarking on a nationwide search for a permanent general manager in 2021.

**4. Public Comment**

There was none.

**5. Correspondence/ Communications**

A draft letter to the Board of Supervisors regarding PG&E Settlement funds was shared by Chair Anderson prior to the meeting.

**6. Approval of Commission Minutes**

On a motion by Commissioner Owen and a second by Commissioner de la Cruz, the October 15, 2020 minutes were approved.

**7. Ad Hoc Committee Reports.**

Fire Recovery Review (Anderson/Koenigshofer)

**8. Consideration and possible action to approve a letter from the Commission to the Board of Directors Regarding PG&E Settlement Funds**

## Attachment 1

On a motion by Commissioner Koenigshofer and a second by Commissioner de la Cruz, the Commission agreed to send the draft letter to the Board of Supervisors with the Chair's signature.

### 9. Suggested Next Meeting

December 3, 2020

### 10. Adjournment

6:11 pm

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**DISABLED ACCOMMODATION:** If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact Julie Mefferd at 707-565-7368, as soon as possible to ensure arrangements for accommodation.

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## Attachment 2

Sonoma County Agricultural Preservation and Open Space District  
Consolidated Balance Sheet - District and OSSTA Funds  
October 31, 2020

### Assets

Cash and Investments	\$65,531,645
Accounts Receivable	0
Other Current Assets	0
Intergovernmental Receivables	10,000

<b>Total Assets</b>	<b><u>\$65,541,645</u></b>
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### Liabilities and Fund Balance

Current Payables	\$33,623
Other Current Liabilities	76,640
Due to Other Governments	0
Deferred Revenue	10,000
Long-Term Liabilities	0

<b>Total Liabilities</b>	<b><u>120,263</u></b>
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### Fund Balance

Nonspendable - Prepaid Expenditures	1,988
Restricted - District Activities	65,419,394
Total Fund Balance	65,421,382

<b>Total Liabilities and Fund Balance</b>	<b><u>\$65,541,645</u></b>
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### Cash by Fund

OSSTA - Measure F	\$53,956,793
Open Space District	2,256,065
Fiscal Oversight Commission	15,990
Stewardship Reserve*	0
Cooley Reserve	155,661
Operations and Maintenance	9,146,986

<b>Total Cash by Fund</b>	<b><u>\$65,531,495</u></b>
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\*On July 1, 2015 the County of Sonoma Measure F Sales Tax Refunding Bonds, Series 2015 were issued. The transaction provided a savings of \$13.6 million, in part by following the Commission's recommendation of paying down \$30 million in principal, as well as obtaining a lower interest rate. The Commission recommended using the \$10 million in the Stewardship Reserve Fund as part of the \$30 million paydown. Additionally, the Commission directed use of the \$7.5 million annual savings resulting from the shortened term to fund the Stewardship Reserve beginning in the fiscal year 2024-2025. FOC Minute Order #13 dated May 14, 2015 reflects this direction.

## Attachment 2

Sonoma County Agricultural Preservation and Open Space District  
Consolidated District and OSSTA Budget to Actual  
For the one month ended October 31, 2020  
33% of Year Complete

	Budget Final	Actual Year to Date	Encumbrances Year to Date	Remaining Balance	% of Remaining
<b>Revenues</b>					
Tax Revenue *	\$25,893,797	\$5,456,893		\$20,436,904	78.93%
Intergovernmental	5,375,000	32,617		5,342,383	99.39%
Use of Money & Prop	345,000	(178,749)		523,749	151.81%
Miscellaneous Revenues	2,255,500	21,631		2,233,869	
Other Financing Sources	1,131,297	23,077		1,108,220	97.96%
<b>Total Revenues</b>	<b>35,000,594</b>	<b>5,355,469</b>		<b>29,645,125</b>	<b>84.70%</b>
<b>Expenditures</b>					
Salaries and Benefits	5,233,016	1,442,059		3,790,957	72.44%
Services and Supplies	12,108,847	575,369	\$4,639,765	6,893,713	56.93%
Other Charges	5,132,772	56,749	1,764,702	3,311,321	64.51%
Capital Expenditures**	30,457,039	2,107,687	171,491	28,177,861	92.52%
Other Financing Uses	8,647,974	1,938,806		6,709,168	77.58%
<b>Total Expenditures</b>	<b>61,579,648</b>	<b>6,120,669</b>	<b>6,575,958</b>	<b>48,883,021</b>	<b>79.38%</b>
<b>Net Earnings (Cost)</b>	<b>(\$26,579,054)</b>	<b>(765,200)</b>	<b>(\$6,575,958)</b>	<b>(\$19,237,895)</b>	
Beginning fund balance		66,186,583			
<b>Ending Fund Balance</b>		<b>65,421,382</b>			

Note: Sales tax collected as of October 31, 2019 was \$4,467,774. Current collections are 22% over the prior year. There continue to be collection and timing issues with CDTFA and COVID relief programs.

(California Department of Tax and Fee Administration)

Note: Negative Use of Money and Property relates to the amortization of gains and losses of investments, not the rate of return.

\*\* Capital expenditure breakdown

Torr \$2,107,687



**AG + OPEN SPACE**  
SONOMA COUNTY

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**EIGHTH ANNUAL REPORT**

December 10, 2020

Board of Directors

Sonoma County Agricultural Preservation and Open Space District

575 Administration Drive

Santa Rosa, CA 95403

Dear Board Members:

This letter constitutes the Fiscal Oversight Commission's ("Commission") Eighth Annual Report as required by Board of Supervisors' Resolution No. 10-0832 dated December 7, 2010. The report covers the period from April 1, 2019 to June 30, 2020. To date, no information has come to the attention of the Commission showing non-compliance with Measure F.

This report was approved by the Commission at its meeting held on December 10, 2020.

Respectfully submitted,

**Bob Anderson**

Sonoma County Open Space Fiscal Oversight Commission Chair

cc: **Ms. Caryl Hart** Sonoma County Agricultural Preservation and Open Space District Interim General Manager  
**Mr. Erick Roeser** Sonoma County Auditor–Controller Treasurer–Tax Collector  
**Mr. Robert Pittman** Sonoma County Counsel  
**Ms. Sheryl Bratton** Sonoma County Administrator

## Executive Summary

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During this reporting period the Commission has received no information of any transfer of funds other than for the reasonable value of goods and services provided by the County to the District, and no Measure F funds were directly or indirectly appropriated or transferred to the County's General Fund for other than reasonable value of goods and services.

Our review of audit reports and agreements on the District's expenditures for operations and maintenance on recreational properties finds that the District is in compliance with the Expenditure Plan and Resolution 16-0040. The Commission has also determined that the District is continuing to utilize the County's procurement practices, and, regarding its procurement, complies with Generally Accepted Accounting Principles (GAAP).

## Background

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Following the voters' approval of Measure F in 2006, the Board of Supervisors reorganized the Sonoma County Open Space Authority into the current Commission effective April 1, 2011. As part of that reorganization, the Commission is required to perform certain fiscal oversight duties with respect to the use of funds held in the County's Open Space Special Tax Account, and to review and comment on the District's annual audit as set forth in Resolution No. 10-0832.

The Commission's Eighth Annual Report to the District's Board of Directors on the Commission's actions in performing its assigned tasks are as follows:

### A. Role of Commission

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In conjunction with the periodic audits of the District, the Commission shall serve as an audit committee in order to determine: (1) that no Measure F funds are directly or indirectly appropriated or transferred to the County's General Fund for other than reasonable value of goods and services, (2) that District's expenditures for operations and maintenance on recreational properties are in compliance with the expenditure plan and Resolution 16-0040, Initial Public Access Operations and Maintenance (IPAOM) Policy adopted February 2, 2016, and (3) determine whether or not the District's procurement practices assure that it is paying reasonable prices for appropriate goods and services and providing sufficient detail to provide an audit trail.

#### 1. Transfer of funds and reasonable value of goods and services

During this reporting period, the Commission's Annual Report/Audit Review subcommittee met as needed to review the reports issued by the District's external audit firm, Maze and Associates, and the Sonoma County Auditor-Controller-Treasurer-Tax Collector's office.





The reports reviewed were for the fiscal year ending June 30, 2020 and included audited Basic Financial Statements, the Independent Accountant's Report on Applying Agreed upon Procedures for IPAOM related transactions, the Memorandum on Internal Control and Required Communications, and the Measure F Government Code Section 50075.3 Reporting. These reports are available on the District's website using the link at the end of this document.

To date, the Commission has received no information of any such transfer of funds other than for the reasonable value of goods and services provided by the County to the District.

## **2. Initial Public Access Operations and Maintenance Expenditures**

The Commission is required to review District Initial Public Access- Operations and Maintenance expenditures for compliance with the 2006 Expenditure Plan and the District's implementing policies. Over the past several years, the process for recording and reviewing these expenditures has been enhanced. The Commission participated in the development of the District processes, as well as in the development of the policy adopted by the District's Board on February 2, 2016. For fiscal year 2019-20 Maze & Associates, the District's independent auditing firm, conducted a transaction review, involving expenditures coded to the operations and maintenance fund, and 11 transfer agreements between the District and the entity receiving the transferred property. The Initial Public Access Operation and Maintenance (IPAOM) review was completed on October 21, 2020. There were no findings nor any communications indicating that there were any concerns regarding the accuracy of the staff account coding for invoices or timecards. The District provides on-going account coding instruction to staff to ensure that these expenditures, and all others, are coded correctly.

## **3. Procurement Practices**

The commission reviewed the Memorandum on Internal Control and Required Communications issued by Maze & Associates for the fiscal year 2019-20, which did not report any material weaknesses or deficiencies identified during the audit regarding procurement practices or other material processes. The District's practice is to follow the County's procurement practices. The Commission has determined that the District is continuing to utilize the County's procurement practices. The General Manager is satisfied that the practice meets the District's needs.



## B. Respond to requests from the Board of Directors for Advice

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During this report period, there were no requests for advice from the District Board. The Commission has received and dealt with matters as requested by the District's General Manager. Following is a summarization of the activities addressed by the Commission during this reporting period. Appraisal Reviews are shown in Task F below.

### April 4, 2019:

- Annual Report/Audit Review subcommittee reviewed draft of 7th Annual Report to Board of Directors
- Review of the District's Stewardship Policy

### May 2, 2019:

- Approval of the 7th Annual Report to Board of Directors
- Review of the Matching Grant Program Updates
- Review of Fire Recovery on District properties and easements

### June 6, 2019:

- Drone presentation by Sonoma Water and discussion of how drone technology could be used by the District's Stewardship staff

### August 8, 2019:

- Creation of Stewardship Reserve Subcommittee

### October 3, 2019:

- Review of the Matching Grant Program Updates
- Presentation by Macias, Gini, & O'Connell; recommendation for District to pursue legislation for Stewardship Reserve planning efforts

### November 21, 2019:

- Review of the Vital Lands Initiative budget

### December 5, 2019:

- Review of the Annual Audit for Fiscal Year 2018-19
- Vital Lands Initiative Presentation & Discussion



### **December 11, 2019:**

- Vital Lands Initiative Presentation & Discussion

### **January 9, 2020:**

- Review of Rules of Governance
- Presentation and discussion of the Taylor Mountain Management Plan

### **February 6, 2020:**

- Fire Recovery Review Subcommittee report
- Stewardship Update discussion

### **March 5, 2020:**

- Fire Recovery Review Subcommittee report
- Stewardship Update discussion

### **May 21, 2020:**

- Review of Torr Initial Public Access, Operation, & Maintenance
- Review of Carrington Coast Ranch Initial Public Access, Operation and Maintenance

For more details of the Commission's effort on the above matters, please refer to the Commission's meeting agendas and minutes. A link is provided at the end of this report.

### **C. Preview District Borrowing Transactions**

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For this reporting period, there were no borrowing transactions to preview.

### **D. District's Annual Audit**

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The Commission's Audit Report Review Committee examined the District's fiscal year 2019-20 Audit Report as prepared by Maze & Associates. As part the refunding of the Measure F Sales Tax Revenue Bonds in fiscal year 2015-16, the strategy proposed by the Commission to use the existing Stewardship Reserve Fund, and other funds to pay down bond principal, shorten the term, and fund the Stewardship Reserve Fund at the end of the debt issue was implemented. During this reporting period the Commission discussed the need to continue to document the original intent of the change in term and principal amount for the purpose of funding the Stewardship Reserve Fund at the end of the debt issue. The audited financial statements continue to discuss details of the strategy in NOTE 5 of the Annual Audited Financial Statements, as does the monthly internal financial statements.



## E. Annual Report to the Board of Directors

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This report reviews, endorses, and comments on of the following:

- The District's annual audit
  - The County Auditor's Annual Report on the Activities of the District (Government Code §50075.3)
  - Administration of the Stewardship Reserve Fund
  - Comments on other matters regarding the District's compliance with Measure F
1. As discussed throughout this report, the Commission did participate in the selection of the District's external auditor and has reviewed and commented on the District's Basic Financial Statements, Memorandum on Internal Control and Agreed Upon Procedures relating to Initial Public Access Operations and Maintenance transactions. For the fiscal year ending June 30, 2020 there were no findings or recommendations from the audit firm Maze and Associates regarding District accounting, financial reporting, or internal control processes.
  2. As of the date of this report, District staff in conjunction with the Sonoma County Auditor prepared the report for the period ending June 30, 2020. The Commission's Annual Report/Audit Report Review Committee reviewed the report and is satisfied that it summarizes the Measure F annual sales tax revenue and allowable expenditures, and pending project status.
  3. Regarding the Stewardship Reserve Fund, as part of the Measure F Bond Refunding there are presently no funds in the Stewardship Reserve Fund: As discussed previously, and detailed in Note 5 and the monthly internal financial reports, the Commission is currently reviewing the model for calculating the Stewardship Reserve Fund requirement, and has recommended replenishing the fund at the end of the refunded debt or earlier.
  4. To date, no information has come to the attention of the Commission showing non-compliance with Measure F.



**F. Appraisal Review**

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During the term of this report the Commission reviewed the following real property appraisals for compliance with the District's Appraisal Guidelines and Standards and, when appropriate, reported its comments to the District's General Manager for consideration by the Board of Directors:

- District offices at 747 Mendocino Blvd. (April 4, 2019; May 2, 2019; June 6, 2019; August 8, 2019)
- Jacobsen Ranches Conservation Easement (August 8, 2019)
- Gloeckner Ranch Conservation Easement (November 21, 2019)
- Taylor Mountain Cooper Creek Addition (November 21, 2019; December 5, 2019)
- Matteri Conservation Easement Amendment (January 9, 2020)
- Torr (April 20, 2020)
- Carrington Coast Ranch Transfer (May 21, 2020)



**Links:**

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**BOARD OF SUPERVISORS' MEETING MINUTES FROM DECEMBER 7, 2010**

<https://www.sonomaopenspace.org/wp-content/uploads/2015/05/Board-Reso-10-0832.FOC-Role.Responsibilities.pdf>

**RESOLUTIONS 10-0832, 10-0833, 10-0834**

<http://sonoma-county.granicus.com/MetaViewer.php?view%20id=2&clip%20id=130&meta%20id=41975>

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT'S BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<https://www.sonomaopenspace.org/wp-content/uploads/SCAPOS-D-BFS-2020-ADA.pdf>

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT MEMORANDUM ON INTERNAL CONTROL AND REQUIRED COMMUNICATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2018**

<https://www.sonomaopenspace.org/wp-content/uploads/SCAPOS-D-MOIC-2020-ADA.pdf>

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED UPON PROCEDURES FOR SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

[https://www.sonomaopenspace.org/wp-content/uploads/SCAPOS-D-AUP-Report-FY20\\_ADA.pdf](https://www.sonomaopenspace.org/wp-content/uploads/SCAPOS-D-AUP-Report-FY20_ADA.pdf)

**SONOMA COUNTY OPEN SPACE DISTRICT FISCAL OVERSIGHT COMMISSION'S ROLE, RULES OF GOVERNANCE, MEETING AGENDAS & MINUTES**

<http://www.sonomaopenspace.org/who-we-are/board-and-advisors/fiscal-oversight-commission/>

**OFFICIAL STATEMENT COUNTY OF SONOMA MEASURE F SALES TAX REVENUE BONDS ISSUED NOVEMBER 2007**

<http://emma.msrb.org/MS61446-MS262167-MD505658.pdf>

**COUNTY OF SONOMA AGENDA ITEM SUMMARY REPORT ON THE 2007 MEASURE F SALES TAX REVENUE BONDS REFUNDING**

[http://sonoma-county.granicus.com/MetaViewer.php?view\\_id=2&clip\\_id=505&meta\\_id=162825](http://sonoma-county.granicus.com/MetaViewer.php?view_id=2&clip_id=505&meta_id=162825)

**COUNTY OF SONOMA MEASURE F SALES TAX REVENUE REFUNDING BONDS SERIES 2015 A (LIMITED TAX BONDS - AGRICULTURAL PRESERVATION AND OPEN SPACE)**

<http://emma.msrb.org/EA725772-EA569231-EA965212.pdf>

**SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT'S BOARD OF DIRECTORS' FEBRUARY 2, 2016 MEETING AGENDA ITEM #27 INITIAL PUBLIC ACCESS, OPERATIONS AND MAINTENANCE POLICY@ 1:17 MINUTE MARKER ON MEETING VIDEO**

<http://sonoma-county.granicus.com/MediaPlayer.php?view%20id=2&clip%20id=581>

