

**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)

Regular Meeting  
747 Mendocino Avenue – Suite 100, Santa Rosa, CA 95401  
December 6, 2018 5:00 pm

**AGENDA**

1. **Call to Order.**
2. **Agenda Items to be Held or Taken Out of Order; Off-Agenda Items.**
3. **General Announcements Not Requiring Deliberation or Decision.**
4. **Public Comment.**  
The Brown Act requires that time be set aside for public comment on items not agendized.
5. **Correspondence/Communication.**  
Distribution of the Basic Financial Statements for the Fiscal Year Ended June 30, 2018 and the Independent Accountants Report on Applying Agreed Upon Procedures related to IPAOM
6. **Approval of Commission Minutes.**  
Minutes of November 1, 2018 [Attachment 1]
7. **Financial Report.**  
Financial Statements – October 2018 [Attachment 2]
8. **Ad Hoc Committee Reports.**  
Annual Report/Audit Report Review (Anderson, Owen)  
Matching Grant Program (Koenigshofer/Owen)  
Stewardship Reserve and Finances (Mendoza, Sangiacomo)  
Real Estate Options (Mendoza/Owen)  
Fire Recovery Review (Anderson/Koenigshofer)
9. **Stewardship Workshop Planning.**

10. **Closed Session.**

**Conference with Real Property Negotiator**

[Attachment 3]

Property Address: 747 Mendocino Avenue, Santa Rosa

APN: 180-760-047

Owners: Papeete LLC

Negotiating Parties:

Owners' Representative: Arlene Allsman

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

Under Negotiation:

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

11. **Report on Closed Session.**

12. **Suggested Next Meeting.** January 3, 2019

13. **Adjournment.**

**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 are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at 747 Mendocino Avenue, Santa Rosa, CA.

**SUPPLEMENTAL MATERIALS:** Materials related to an item on this agenda submitted to the Commission/Committee after distribution of the agenda packet are available for public inspection at the District office at 747 Mendocino Avenue, Santa Rosa, CA during normal business hours.

**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 Sue Jackson at 707-565-7346, as soon as possible to ensure arrangements for accommodation.

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**UNAPPROVED**

**Minutes for the Meeting of November 1, 2018**

Commissioners Present: Mike Sangiacomo (Chair) Regina De La Cruz (Vice Chair), Eric Koenigshofer (Chair Pro Tem), Bob Anderson,

Staff Present: Bill Keene, General Manager; Mary Dodge, Administrative and Fiscal Services Manager; Sheri Emerson, Program Manager – Stewardship; Sue Jackson, Deputy Clerk.

Also Present: Lloyd deLlamas, Executive Chairman, Hinderliter, deLlamas & Associates.

1. **Call to Order.**

Commissioner Sangiacomo called the meeting to order at 5:02 p.m.

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

There were none.

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

Bill Keene made the following announcements:

- Graton Community Park Matching Grant Project, the 2018 Matching Grant Program Funding Recommendations, Wilroth Conservation Easement Amendment, and the Mattos Dairy SALCP Grant Application are expected to go before the Board of Directors on November 13, 2018.
- The Ag + Open Space Contract Amendments and Extensions, and the Weeks Ranch North and Weeks Ranch South Conservation Easement Acquisitions, and Rips Redwoods Offers to Dedicate are expected to go before the Board of Directors on December 11, 2018.

4. **Public Comment.**

There was none.

5. **Correspondence/Communication.**

There was none.

6. **Approval of Minutes.** On a motion by Commissioner Anderson and second by Commissioner De La Cruz, the October 4, 2018 minutes were approved as submitted, with Commissioner Sangiacomo abstaining.

7. **Financial Report.**

Mary Dodge reviewed the monthly financial statements for September 2018.

8. **Ad Hoc Committee Reports.**

- Annual Report/Audit Review (Anderson/Owen)  
The subcommittee reported a meeting on October 16<sup>th</sup> with staff from the Auditor-Controller-Treasurer-Tax Collector's Office.
- Matching Grant Program (Koenigshofer/Owen) – Nothing to report
- Stewardship Reserve and Finances (Mendoza/ Sangiacomo) – Nothing to report
- Real Estate Options (Mendoza/Owen) – Nothing to report
- Fire Recovery Review (Anderson/Koenigshofer)  
The subcommittee reported that a meeting has been requested, and that a date is yet to be confirmed.

9. **Sales (Transactions) Tax Audit & Analysis Update.**

Lloyd DeLlamas reviewed the process for the State's collection and distribution of transaction taxes, and provided comparative data analysis for the last few years.

10. **Stewardship Workshop.**

Sheri Emerson previewed the Stewardship Update and Reserve agenda item currently scheduled for presentation to the Board of Directors on January 8, 2019. The update includes a revision of the 2005 Stewardship Manual, now titled "the Sonoma County Agricultural Preservation and Open Space District Stewardship Policy. The Commission reviewed the print material as well as the accompanying slide presentation. The Commission provided comment, recommendations, and direction to staff for the upcoming presentation to the Board of Directors.

A discussion of "open space easements" followed. Bill Keene recommended that the Commission write a letter to the Board of Directors expressing the Commission's concerns about conservation easements, and about issues related to open space easements.

Commissioner Koenigshofer requested that staff determine the number of open space easements held by the District that meet the District's easement criteria.

The Commission directed that a discussion of the Stewardship presentation to the Board of Directors be added to the December agenda.

11. **Suggested Next Meeting.** December 6, 2018

12. **Adjournment.**

The meeting was adjourned at 8:15 p.m.

Respectfully submitted,

Sue Jackson  
Deputy Clerk

Sonoma County Agricultural Preservation and Open Space District  
 Consolidated Balance Sheet - District and OSSTA Funds  
 October 30, 2018

<b>Assets</b>	
Cash and Investments	\$57,701,494
Accounts Receivable	19,156
Prepaid Expenditures	
Other Current Assets	52,860
Intergovernmental Receivables	10,000
<b>Total Assets</b>	<b>\$57,783,510</b>
 <b>Liabilities and Fund Balance</b>	
Current Payables	\$29,478
Customer Deposits	26,465
Due to Other Governments	46,375
Deferred Revenue	10,000
Long-Term Liabilities	30,000
<b>Total Liabilities</b>	<b>142,318</b>
 <b>Fund Balance</b>	
Nonspendable - Prepaid Expenditures	
Restricted - District Activities	57,641,192
Total Fund Balance	<b>57,641,192</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$57,783,510</b>

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<b>Cash by Fund</b>	
OSSTA - Measure F	\$49,383,550
Open Space District	1,641,334
Fiscal Oversight Commission	10,038
Stewardship Reserve*	
Cooley Reserve	149,736
Operations and Maintenance	6,516,836
<b>Total Cash by Fund</b>	<b>\$57,701,494</b>

\*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.

Sonoma County Agricultural Preservation and Open Space District  
 Consolidated District and OSSTA Budget to Actual  
 For the four months ended October 30, 2018  
 33% of Year Complete

	Budget Final	Actual Year to Date	Encumbrances Year to Date	Remaining Balance	% of budget Remaining
<b>Revenues</b>					
Tax Revenue	\$23,043,630	\$4,996,368		\$18,047,262	78.32%
Intergovernmental	5,500,000	206,256		5,293,744	96.25%
Use of Money & Prop	390,000	641,427		(251,427)	-64.47%
Miscellaneous Revenues	4,585,000	29,073		4,555,927	
Other Financing Sources	1,465,490			1,465,490	100.00%
<b>Total Revenues</b>	<b>34,984,120</b>	<b>5,873,124</b>		<b>29,110,996</b>	<b>83.21%</b>
<b>Expenditures</b>					
Salaries and Benefits	4,394,633	1,311,666		3,082,967	70.15%
Services and Supplies	6,563,949	661,032	\$2,429,318	3,473,599	52.92%
Other Charges	3,900,445	37,292	1,303,188	2,559,965	65.63%
Capital Expenditures*	34,877,500	9,009,810	301,128	25,566,562	73.30%
Other Financing Uses	8,938,459	2,550,333		6,388,126	71.47%
<b>Total Expenditures</b>	<b>58,674,986</b>	<b>13,570,133</b>	<b>4,033,634</b>	<b>41,071,219</b>	<b>70.00%</b>
<b>Net Earnings (Cost)</b>	<b>(\$23,690,866)</b>	<b>(7,697,009)</b>	<b>(\$4,033,634)</b>	<b>(\$11,960,223)</b>	
Beginning fund balance		65,338,201			
<b>Ending Fund Balance</b>		<b>\$57,641,192</b>			

Note: Sales tax collected as of October 30, 2018 was \$3,845,430, a 3% increase over the prior year. The slowdown of processing by the Board of Equalization continues to be reflected in tax receipts. Projections are that actual tax receipts are 4.2% higher than the previous year.

\* Capital expenditure breakdown

Wendle	\$1,626,115
Rip's Redwoods	4,261,975
Gravelly Lake	3,099,402
CIP - Bldg & Improvement	22,318
	<u>\$9,009,810</u>