

**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  
February 7, 2019 5:00 pm

**AGENDA**

1. **Call to Order.**
2. **Election of Officers.**
3. **Agenda Items to be Held or Taken Out of Order; Off-Agenda Items.**
4. **General Announcements Not Requiring Deliberation or Decision.**
5. **Public Comment.**  
The Brown Act requires that time be set aside for public comment on items not agendized.
6. **Correspondence/Communication.**
7. **Approval of Commission Minutes.**  
Minutes of December 6, 2018 [Attachment 1]  
Minutes of January 17, 2019 [Attachment 2]
8. **Financial Report.**  
Financial Statements – December 31, 2018 [Attachment 3]
9. **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)
10. **Creation of Ad Hoc Committees for 2019 and Assignment of Commissioners.**

11. **Closed Session.**

**Conference with Real Property Negotiator**

[Attachment 4]

Healdsburg Ridge Properties Transfer

Fox Pond APNs: 091-040-107

Asborn-Nelson APNs: 091-040-050, 091-040-110

Owner: Sonoma County Agricultural Preservation and Open Space District

Negotiating Parties:

Owner/District Representative: William J. Keene, General Manager

City of Healdsburg: Mark Themig, Community Services Director

**Under Negotiation**

Transfer of interests in real property by Ag + Open Space. The Commission will give instruction to its negotiator(s) on the price. (*Government Code Section 54956.8*)

**Conference with Real Property Negotiator**

[Attachment 5]

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 Ag + Open Space. The Commission will give instruction to its negotiator(s) on the price. (*Government Code Section 54956.8*)

12. **Report on Closed Session.**

13. **Suggested Next Meeting.** March 7, 2019

14. **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 Mary Dodge at 707-565-7349, as soon as possible to ensure arrangements for accommodation.

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FISCAL OVERSIGHT COMMISSION**

**COMMISSIONERS**

**Mike Sangiacomo (Sonoma)**  
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**Bob Anderson (Healdsburg)**  
**Eric Koenigshofer (Occidental)**  
**Jeff Owen (Alternate)**

**UNAPPROVED**

**Minutes for the Meeting of December 6, 2018**

Commissioners Present: Mike Sangiacomo (Chair), Eric Koenigshofer (Chair Pro Tem), Bob Anderson

Staff Present: Bill Keene, General Manager; Lisa Pheatt, Counsel; Mary Dodge, Administrative and Fiscal Services Manager; Sheri Emerson, Program Manager – Stewardship; Stuart Martin, Land Acquisition Specialist; Indigo Bannister, Extra Help – Technician; Sue Jackson, Deputy Clerk.

Also Present: Geoff Hornsby, Geoff Hornsby Real Estate Consulting and Acquisition Services

1. **Call to Order.**

Commissioner Sangiacomo called the meeting to order at 5:00 p.m.

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

- Item 5-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 Initial Public Access, Operation & Maintenance will be removed from the agenda, and will be agendaized for the January 2019 regular meeting.
- Bill Keene requested that Item 10-Closed Session precede Item 9-Stewardship Workshop Policy.

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

Bill Keene made the following announcements:

- Weeks Ranch Conservation Easement Acquisitions is expected to go before the Board of Directors on December 11, 2018.
- Rips Redwoods Offers of Dedication is expected to go before the Board of Directors and the Board of Supervisors on December 11, 2018.
- The County Administrator's Office will provide an update on the status of recovery operations following the October 2017 Sonoma Complex Fires. The District partially funded the Office of Recovery and Resiliency which is responsible for the development of a post-fire County-wide plan.
- Mark West Creek Regional Park & Open Space Preserve Transfer the Acquisition closed mid-November, 2018.

- Stuart Martin will retire from his position with the District on December 17, 2018.
- Mary Dodge will retire from her position with the District at the end of March, 2019.

4. **Public Comment.**

There was none.

5. **Correspondence/Communication.**

There was none. (See Item 2 above)

6. **Approval of Minutes.** On a motion by Commissioner Koenigshofer and second by Commissioner Anderson, the November 1, 2018 minutes were approved as submitted.

7. **Financial Report.**

Mary Dodge reviewed the monthly financial statements for October 2018.

The Note at the conclusion of page 2 was corrected to read:

“Note: Sales tax collected as of October 2017 was \$3,845,430. Current collections are 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.”

8. **Ad Hoc Committee Reports.**

- Annual Report/Audit Review (Anderson/Owen) – Nothing to report
- 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 Policy and Review (Anderson/Koenigshofer) – Nothing to report

9. **Closed Session.**

The Commission adjourned to Closed Session at 5:25 p.m.

10. **Report on Closed Session.**

The Commission reconvened to Open Session at 6:35 p.m. and reported the following:

**Conference with Real Property Negotiator – 747 Mendocino Avenue, Santa Rosa**

The Commission took no action. The item will be continued at the January 2019 regular meeting.

11. **Stewardship Policy.**

The Stewardship Policy discussion, originally agendized for presentation to the Board of Directors in December 2018, has been moved to the April 2, 2019 meeting. The Commission will review and provide input on the presentation over the next few regular meetings of the Fiscal Oversight Commission.

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

13. **Adjournment.**

The meeting was adjourned at 7:15 p.m.

Respectfully submitted,

Sue Jackson  
Deputy Clerk

**SONOMA COUNTY OPEN SPACE  
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**COMMISSIONERS**

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

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

**UNAPPROVED**

**Minutes for the Meeting of January 17, 2019**

Commissioners Present: Eric Koenigshofer (Chair Pro Tem), Bob Anderson, Jeff Owen (Alternate)

Staff Present: Bill Keene, General Manager; Lisa Pheatt, Counsel; Mary Dodge, Administrative and Fiscal Services Manager; Sheri Emerson, Program Manager – Stewardship; Misti Arias, Program Manager – Acquisition; Seamus Rafferty, Technician – Stewardship; Sara Ortiz, Administrative Aide; Indigo Bannister, Extra Help – Technician.

Also Present: David Ross, Mack 5; Sue Jackson

1. **Call to Order.**

Commissioner Koenigshofer called the meeting to order at 5:11 p.m.

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

- Commissioner Koenigshofer requested that Item 3-Agenda Items Taken Out of Order precede Item 2-Election of Officers.
- Bill Keene requested that Item 14- Stewardship Policy precede Item 12-Closed Session.

3. **Election of Officers.** (Commission Rules of Governance – Rule 12) **[Minute Order 17]**

On a nomination by Commissioner Anderson, Commissioner De La Cruz was elected Chair. On a nomination by Commissioner Owen, Commissioner Anderson was elected Vice Chair. On a nomination by Commissioner Anderson, Commissioner Koenigshofer was elected Chair Pro Tempore. Following the election, Commissioner Koenigshofer chaired the meeting.

4. **General Announcements Not Requiring Deliberation or Decision.** **[Resolution 2019-001]**

The Commission acknowledged Sue Jackson, retired Deputy Clerk, for her service over the past 10 years with **Resolution 2019-001**.

Bill Keene made the following announcements:

- Sara Ortiz was introduced as the recently hired Administrative Aide, who will succeed Sue Jackson as the Deputy Clerk for the Commission.

- Healdsburg Ridge Open Space Preserve Transfer is expected to go before the Board of Directors on March 12, 2019.
5. **Public Comment.**  
There was none.
  6. **Correspondence/Communication.**  
Mary Dodge distributed the Basic Financial Statements for the Fiscal Year Ended June 30, 2018, the Memorandum on Internal Control, and the Independent Accountants Report on Applying Agreed Upon Procedures related to IPAOM.
  7. **Approval of Minutes.** Approval of the December 6, 2018 minutes was held over to the next meeting.
  8. **Financial Report.**  
Mary Dodge reviewed the monthly financial statements for November 2018.
  9. **Ad Hoc Committee Reports.**
    - Annual Report/Audit Review (Anderson/Owen) – Nothing to report
    - 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 Policy and Review (Anderson/Koenigshofer) – Nothing to report
  10. **Creation of Ad Hoc Committees for 2019 and Assignment of Commissioners.**  
This item was held over to the February meeting.
  11. **Review of Rules of Governance.**  
On a motion by Commissioner Anderson and second by Alternate Commissioner Owen, the Commission requested two typographical corrections to the Rules of Governance. (Vote 3-0, 3 Absent)
  12. **Stewardship Policy.**  
The Commission will review and provide input on the Stewardship Policy updates over the next few regular meetings of the Fiscal Oversight Commission, and will discuss the Policy updates further at the March meeting.
  13. **Closed Session.**  
The Commission adjourned to Closed Session at 5:55 p.m.
  14. **Report on Closed Session.**  
The Commission reconvened to Open Session at 7:28 p.m. and reported the following:
 

**Conference with Real Property Negotiator – 747 Mendocino Avenue, Santa Rosa**  
The Commission took no action. The item will be continued at the February 2019 regular meeting.

12. **Suggested Next Meeting.** February 7, 2019

13. **Adjournment.**

The meeting was adjourned at 7:30 p.m.

Respectfully submitted,

Indigo Bannister  
Interim Deputy Clerk



Sonoma County Agricultural Preservation and Open Space District  
 Consolidated Balance Sheet - District and OSSTA Funds  
 December 31, 2018

<b>Assets</b>	
Cash and Investments	\$58,231,298
Accounts Receivable	19,156
Prepaid Expenditures	
Other Current Assets	52,901
Intergovernmental Receivables	10,000
<b>Total Assets</b>	<u><u>\$58,313,355</u></u>
<b>Liabilities and Fund Balance</b>	
Current Payables	\$16,873
Other Current Liabilities	35,899
Due to Other Governments	46,375
Deferred Revenue	10,000
Long-Term Liabilities	30,000
<b>Total Liabilities</b>	<u>139,147</u>
<b>Fund Balance</b>	
Nonspendable - Prepaid Expenditures	
Restricted - District Activities	58,174,208
<b>Total Fund Balance</b>	<u>58,174,208</u>
<b>Total Liabilities and Fund Balance</b>	<u><u>\$58,313,355</u></u>

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<b>Cash by Fund</b>	
OSSTA - Measure F	\$51,318,034
Open Space District	271,257
Fiscal Oversight Commission	7,427
Stewardship Reserve*	
Cooley Reserve	149,736
Operations and Maintenance	6,484,844
<b>Total Cash by Fund</b>	<u><u>\$58,231,298</u></u>

\*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 six months ended December 31, 2018  
 50% of Year Complete

	Budget Final	Actual Year to Date	Encumbrances Year to Date	Remaining Balance	% of Remaining
<b>Revenues</b>					
Tax Revenue *	\$23,043,630	\$9,854,401		\$13,189,229	57.24%
Intergovernmental	5,500,000	234,767		5,265,233	95.73%
Use of Money & Prop	390,000	644,183		(254,183)	-65.18%
Miscellaneous Revenues	4,585,000	29,639		4,555,361	
Other Financing Sources	1,465,490			1,465,490	100.00%
<b>Total Revenues</b>	<b>34,984,120</b>	<b>10,762,990</b>		<b>24,221,130</b>	<b>69.23%</b>
<b>Expenditures</b>					
Salaries and Benefits	4,394,633	1,954,398		2,440,235	55.53%
Services and Supplies	6,563,949	1,367,624	\$2,855,052	2,341,273	35.67%
Other Charges	3,900,445	84,517	1,257,047	2,558,881	65.60%
Capital Expenditures**	34,877,500	10,685,328	264,961	23,927,211	68.60%
Other Financing Uses	8,938,459	3,825,166		5,113,293	57.21%
<b>Total Expenditures</b>	<b>58,674,986</b>	<b>17,917,033</b>	<b>4,377,060</b>	<b>36,380,893</b>	<b>62.00%</b>
<b>Net Earnings (Cost)</b>	<b>(\$23,690,866)</b>	<b>(7,154,043)</b>	<b>(\$4,377,060)</b>	<b>(\$12,159,763)</b>	
Beginning fund balance		65,328,251			
<b>Ending Fund Balance</b>		<b>\$58,174,208</b>			

\* Sales tax collected as of December 31, 2017 was \$6,019,312, but only \$6,083 was recorded in the month of December. It appears timing is off by one month from the current year. With the average month being \$2,000,000, the adjusted balance for December 31, 2017 is \$8,019,312. This calculates to the current months increase over the prior year being 22.8% which is not representative of the economy. A request has been made to HdL to identify what other factors may be in place.

\*\* Capital expenditure breakdown

Wendle	\$1,626,115
Rip's Redwoods	4,281,135
Gravelly Lake	3,099,402
Cresta 3	1,640,397
CIP - Bldg & Improvement	38,279
	<u>\$10,685,328</u>