

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

**ANNUAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2008**



RODNEY A. DOLE
SONOMA COUNTY
AUDITOR-CONTROLLER
TREASURER-TAX COLLECTOR

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

**Annual Report
For the Fiscal Year Ended
June 30, 2008**

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Introduction

The Sonoma County Agricultural Preservation & Open Space District (“the District”) was created in 1990 by a vote of the Sonoma County electorate. The mission of the Sonoma County Agricultural Preservation and Open Space District (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. Since its inception, the District has protected over 75,000 acres at a cost of \$269 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 a 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.

The 5-member Open Space Authority levies the sales tax and ensures that the District’s open space purchases are consistent with the voter-approved expenditure plan. The Authority currently contracts with the District to acquire open space (planning, appraisal, negotiation and stewardship) and pays directly into escrow for the acquisitions. The District partners with willing landowners, public agencies and non-profit organizations to protect land permanently from being developed, 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.”

Because of the separate powers and revenue sources of the District, 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 Agency for those services. Payments are subject to fiscal oversight by the Sonoma County Open Space Authority, to assure the public that they are consistent with the Expenditure Plan and that they are based on

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.

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

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

⁵ For instance, see Public Resources Section 5540.

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

Auditor-Controller's Report

We have audited the accompanying basic financial statements of the Sonoma County Agricultural Preservation and Open Space District, (the District), as of and for the year ended June 30, 2008, which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note IV.C of the Notes to the Basic Financial Statements, the Auditor-Controller is mandated by various statutes within the California Government Code to perform certain accounting, auditing, and financial reporting functions. These activities, in themselves, necessarily impair the auditor's independence. However, we believe adequate safeguards and divisions of responsibility exist.

In our opinion, except for the effects, if any, of the impairment to auditor independence, the basic financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2008, and the respective changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis (MD&A) on pages 1 through 6 and the budgetary comparison information on page 25 are not a required part of the basic financial statements but are supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

April 9, 2009

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, 2008. We encourage readers to consider the information presented here in conjunction with the District's financial statements (pages 7-12) and the accompanying notes to the basic financial statements (pages 13-24).

Financial Highlights

- On November 7, 2007 the County of Sonoma issued Measure F Sales Tax Revenue bonds. The proceeds from these bonds have been and will be the primary source of funding until the proceeds have been completely spent. During fiscal year 2007-08, the District received \$58,173,819 in transfers from County of Sonoma bond proceeds. \$37,486,332 was used for retirement of debt related to prior year land purchases, and \$20,687,487 was used for land and easement purchases.
- District assets exceeded its liabilities at the close of the most recent fiscal year by \$271,722,437 (net assets). The District reported unrestricted net assets of \$2,331,211.
- The District's total net assets increased by \$58,874,450. The majority of this increase, \$58,173,819, is due to transfers from the County of Sonoma for the retirement of debt related to purchases of land and easements, as well as purchases of land and easements.
- The District's total debt decreased \$31,818,980 or 99.4 percent during the current fiscal year due to debt service payments.

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 basic 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.

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

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets 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 7 – 8 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. The District's funds are governmental funds.

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 for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 9 – 12 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 13 – 24 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$271,722,437 at the close of the most recent fiscal year.

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

Net Assets			
	2008	2007	Increase (Decrease)
Current and other assets	\$ 3,203,405	\$ 2,613,169	\$ 590,236
Capital assets	268,812,213	247,304,548	21,507,665
Total assets	<u>272,015,618</u>	<u>249,917,717</u>	<u>22,097,901</u>
Long-term liabilities outstanding	166,836	21,964,407	(21,797,571)
Other liabilities outstanding	126,345	15,105,323	(14,978,978)
Total liabilities	<u>293,181</u>	<u>37,069,730</u>	<u>(36,776,549)</u>
Net assets:			
Invested in capital assets, net of related debt	268,795,547	215,497,160	53,298,387
Restricted	595,679	1,371,323	(775,644)
Unrestricted	2,331,211	(4,020,496)	6,351,707
Total net assets	<u>\$ 271,722,437</u>	<u>\$ 212,847,987</u>	<u>\$ 58,874,450</u>

The balance of the unrestricted net assets is \$2,331,211 and may be used to meet the District's ongoing obligations.

At the end of the current fiscal year, the District is able to report positive balances for the government as a whole.

Governmental activities. Governmental activities increased the District's net assets by \$58,874,450 due to transfers from the County of Sonoma.

Changes in Net Assets

	2008	2007	Increase (Decrease)
Revenues:			
Program Revenues:			
Open space preservation	\$ 4,449,511	\$ 23,893,689	\$ (19,444,178)
General Revenues:			
Investment income and other	413,032	134,854	278,178
Total revenues	4,862,543	24,028,543	(19,166,000)
Expenses:			
Program Expenses:			
Open space preservation	4,170,650	5,618,497	(1,447,847)
Total expenses	4,170,650	5,618,497	(1,447,847)
Other financing sources (uses)			
Transfers in - contribution from the County	58,173,819	-	58,173,819
Transfers in - miscellaneous	16,335	-	16,335
Transfers out - primary government	(7,597)	-	(7,597)
Increase (decrease) in net assets	58,874,450	18,410,046	40,464,404
Net assets - beginning of the year, as restated	212,847,987	194,437,941	18,410,046
Net assets - end of the year	\$ 271,722,437	\$ 212,847,987	\$ 58,874,450

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related 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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the District. As of the end of the current fiscal year, the District's governmental funds reported ending fund balance of \$3,093,726, an increase of \$5,547,805 in comparison with the prior year. Unreserved fund balance is \$752,587. The remainder of fund balance is reserved for future financing commitments or restricted donations.

General Fund Budgetary Highlights

Material differences between the original budget and the final amended budget are due primarily to the transfer from the County of Sonoma to fund the purchases of land and easements.

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets, as of June 30, 2008, amounts to \$268,812,213. This investment in capital assets includes land, easements and pre-acquisition costs. The total increase in the District's investment in capital assets for the current fiscal year was \$21,289,557.

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

- During the year, a total of 3,885 acres of land was protected in perpetuity through the acquisition of 7 fee/conservation easements. The acquisitions were financed with a transfer from the County of Sonoma, and contributions from the Sonoma County Open Space Authority.

Additional information on the District's capital assets can be found in Note III.C on page 21 of this report.

Debt administration. At the end of the current fiscal year, the District had total current obligations outstanding of \$16,666. During the current fiscal year, the District's total long-term obligations decreased by \$31,818,980.

Additional information on the District's long term debt can be found in Note III.D on page 22 of this report.

Economic Factors and Next Year's Budgets and Rates

- Primary funding for the District comes from the voter approved one quarter percent sales tax. The tax was initially imposed for a period of 20 years ending the first quarter of 2011. In November 2006 the voters passed Measure F, the initiative which extends the tax for another 20 years ending the first quarter of 2031.
- Possible decrease in sales tax revenues would affect funding available for acquisition of interests in land and intergovernmental revenue received.
- The proceeds from the County of Sonoma bonds will continue to be the primary source of funding for land and easement acquisition until they have been exhausted. Net proceeds from the issuance of the bonds totaled \$84,343,101. As of June 30, 2008 the District has spent \$58,173,819 of these proceeds leaving a balance of \$26,169,282 available for FY 2008-09.

All of these factors were considered in preparing the District's budget for the fiscal year ending June, 30, 2009.

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 Assets
June 30, 2008

Assets

Cash and investments	\$ 2,582,577
Restricted cash	595,679
Deposit with others	25,149
Capital assets:	
Non-depreciable	
Land and easements	268,516,470
Land and easements - preacquisition costs	295,743
	272,015,618

Liabilities

Accounts payable	109,679
Notes payable: due within one year	16,666
Non-current liabilities:	
Compensated absences	166,836
	293,181

Net Assets

Invested in capital assets, net of related debt	268,795,547
Restricted for:	
Debt service	16,666
Cooper's Grove capital improvements	81,980
Lawson Property capital improvements	109,307
Saddle Mountain capital improvements	108,139
Clover Springs capital improvements	279,587
Unrestricted	2,331,211
	\$ 271,722,437

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, 2008

Program Expenses

Open Space Preservation	
Salaries and employee benefits	\$ 1,977,125
¹ Costs applied	(316,529)
Services and supplies	1,740,304
Contribution to other governments	100,000
Interest on long-term debt	669,750
	<u>4,170,650</u>
Total program expenses	<u>4,170,650</u>

Program Revenues

Intergovernmental	
Operations	3,658,901
Other	19,495
Grants	750,000
Rental income	21,115
	<u>4,449,511</u>
Total program revenues	<u>4,449,511</u>
Net program revenues (expenses)	<u>278,861</u>

General Revenues

Investment earnings	133,323
Donations	279,409
Miscellaneous	300
	<u>413,032</u>
Total general revenues	<u>413,032</u>

Other financing sources (uses)

Transfers in - contribution from County	58,173,819
Transfers in - miscellaneous	16,335
Transfers out	(7,597)
	<u>58,182,557</u>
Total other financing sources (uses)	<u>58,182,557</u>

Change in net assets	58,874,450
Net assets - end of year	212,847,987
	<u>212,847,987</u>
Net assets - end of year	\$ <u><u>271,722,437</u></u>

¹ See note disclosure on III-H

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, 2008

Assets

Cash and investments	\$	2,582,577
Deposit with others		25,149
Restricted cash		<u>595,679</u>
Total assets	\$	<u><u>3,203,405</u></u>

Liabilities and Fund Balance

Liabilities:

Accounts payable	\$	109,679
Notes payable: due within one year		<u>0</u>
Total liabilities		<u>109,679</u>

Fund balance:

Reserved for:

Cooper's Grove capital improvements		81,980
Lawson Property capital improvements		109,307
Saddle Mountain capital improvements		108,139
Clover Springs capital improvements		279,587
Debt service		16,666
Encumbrances		816,864

Unreserved, designated:

Capital improvement grant		928,596
Unreserved, undesignated		<u>752,587</u>

Total fund balance		<u><u>3,093,726</u></u>
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Total liabilities and fund balance	\$	<u><u>3,203,405</u></u>
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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 Balance Sheet to Statement of Net Assets
 June 30, 2008**

Fund balances - total governmental funds	\$	3,093,726
Amounts reported for governmental activities		
in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		268,812,213
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:		
Compensated absences		(166,836)
Notes payable		(16,666)
Net assets of governmental activities (page 7)	\$	271,722,437

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, 2008

Revenues

Contributions from other governments:	\$	
Operations		3,658,901
Other		19,495
Donations		279,409
Grants		750,000
Rental income		21,115
Investment earnings		133,323
Miscellaneous		300
		4,862,543
Total revenues		4,862,543

Expenditures

Current:		
Salaries and employee benefits		1,972,051
¹ Costs applied		(316,529)
Services and supplies		1,725,803
Contribution to other government		100,000
Capital outlay		21,522,166
Debt Service:		
Principal		31,824,054
Interest		669,750
		57,497,295
Total expenditures		57,497,295
Excess (deficiency) of revenue over (under) expenditures		(52,634,752)

Other financing sources

Transfers in - contribution from County		58,173,819
Transfers in - miscellaneous		16,335
Transfers out		(7,597)
		58,182,557
Total other financing sources		58,182,557

Net change in fund balances		5,547,805
Fund balance - beginning of year		(2,454,079)
Fund balance - end of year	\$	3,093,726

¹ See note disclosure on III-H

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, 2008**

**Amounts reported for governmental activities in the
 statement of activities (page 8) are different because:**

Net change in fund balances - total governmental funds (page 11)	\$	5,547,805
<p>Governmental funds report capital outlays as expenditures. In the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Expenditure for capital assets		21,522,166
<p>Repayment of note's principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.</p>		
Principal		31,824,054
<p>Change in compensated absences reported in the statement of activities does not require the use of current financial resources and, therefore is not reported as expenditures in governmental funds.</p>		
		(5,074)
<p>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:</p>		
Retirement of pre-acquisition costs		<u>(14,501)</u>
Change in net assets of governmental activities (page 8)	\$	<u><u>58,874,450</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 the Basic Financial Statements
June 30, 2008**

I. 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 District is governed by the Board of Supervisors of the County of Sonoma, who act ex-officio as the Board of Directors of the District. The District is reported as part of the primary government of the County of Sonoma.

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

Primary financing for the District is by contract with the Sonoma County Open Space Authority (the Authority). 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 Authority entered into a contract on February 4, 1991, which was amended on March 26, 1992. The contract requires 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 provides for a three-party escrow with the seller submitting an executed easement agreement in exchange for an agreed upon price, the District taking title to the interest in land and the Authority submitting the purchase price and a proportionate share of the closing costs. Thus, the Authority finances the purchase price and the District takes title to the interest in land.

The District has adopted an acquisition plan and has a staff of twenty four permanent positions. As of June 30, 2008 the District has protected approximately 75,672 acres through conservation or open space easements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to the Basic Financial Statements
June 30, 2008**

District. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

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 collected within 60 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.

Amounts recorded as program revenues include 1) operating grants and contributions and 2) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than program revenues.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to the Basic Financial Statements
June 30, 2008**

D. Assets, Liabilities, and Net Assets or Equity

1. Cash 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.

2. Capital Assets

Capital assets are recorded at historical costs. Capital assets include non-depreciable land and land easements acquired through purchase or matching grant agreements. The costs of the assets include not only the purchase price of the assets but also associated costs such as legal fees, appraisal fees, negotiation fees and other incidental expenses.

3. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is 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 and retirements.

4. Net Assets

Net assets are classified into three components: invested in capital assets, (net of related debt), restricted and unrestricted. These classifications are defined as follows:

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

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to the Basic Financial Statements
June 30, 2008**

When both restricted and unrestricted net assets are available, restricted resources are used only after unrestricted resources are depleted.

5. Fund Balance

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

6. 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.

II. 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. Annual appropriations that have not been encumbered lapse at year-end.

Annual budgets are adopted on a basis which differs from generally accepted accounting principles (GAAP) in that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase for the purpose of a budgetary presentation. Actual GAAP expenditures have been adjusted to exclude current year encumbrances and to include expenditures against prior year encumbrances. This allows a comparison of a fiscal year's expenditures and commitments with related appropriations.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to the Basic Financial Statements
June 30, 2008**

B. Encumbrances

The District has unexpended encumbrances of \$816,864 and \$294,143 for the fiscal years ending June 30, 2008 and 2007, respectively. These encumbrances represent commitments made for services related to fulfilling the District's mission.

C. Implementation of Governmental Accounting Standards Board Statements

In fiscal year 2008, the District adopted two new statements of financial accounting standards issued by the GASB: Statement No. 45 – Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions, and Statement No. 50 – Pension Disclosures – An Amendment of GASB Statements No. 25 and No. 27.

GASB Statement No. 45 – In addition to pensions, many state and local governmental employers provide other post-employment benefits (OPEB) as part of the total compensation offered to attract and retain the services of qualified employees. OPEB includes post-employment health care, as well as other forms of post-employment benefits, such as life insurance, when provided separately from a pension plan. This statement establishes standards for the measurement, recognition, and display of OPEB expense/supplementary information (RSO) in the financial reports of state and local governmental employers.

GASB Statement No. 50 – This Statement more closely aligns the financial reporting requirements for pensions with those for other post-employment benefits and enhances information disclosed in notes to financial statements or presented as required supplementary information by pension plans and by employers that provide pension benefits.

The District is presented as a blended component of the County of Sonoma. The County's financial statements include the required information and disclosures relating to these statements. Please see the County of Sonoma annual comprehensive financial report for additional information.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
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Notes to the Basic Financial Statements
June 30, 2008**

III. DETAILED NOTES

A. Deposits and Investments

The District follows the County's practice of pooling cash and investments with the County Treasurer.

The amount of cash at June 30, 2008 is as follows:

Cash and investment in County Treasury	\$ 2,582,577
Deposit with others	25,149
Restricted Cash	595,679
	<u>3,203,405</u>

Investment in the Sonoma County Treasurer's Investment Pool

The District's cash is pooled with the Sonoma County Treasurer, who acts as a 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 County is allocated quarterly to the appropriate fund based on its respective average daily balance for that quarter. The Treasury Oversight Committee has regulatory 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 capital, liquidity and maximum rate of return. 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 Treasury Pool investment policy is available upon request from the Sonoma County Treasurer at 585 Fiscal Drive, Room 100-F, Santa Rosa, California, 95403-2871.

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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 is 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, 2008, approximately 62 percent of the securities in the Treasury Pool had maturities of one year or less. Of the remainder, only 4 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. The California Government Code and the Treasury Pool's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits and securities lending transactions:

➤ The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by depository regulated under stated law. The market value of the

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Notes to the Basic Financial Statements
June 30, 2008**

pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

➤ The California Government Code limits the total of all securities lending transactions to 20% of the fair value of the investment portfolio.

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 2007 Sonoma County CAFR.

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B. Restricted Assets

\$595,679 of the District's net assets have legally enforceable limitations on their use, and are related to donations received by the District towards capital improvements.

Restricted for:

Debt service	\$	16,666
Cooper's Grove capital improvements		81,980
Lawson Property capital improvements		109,307
Saddle Mountain capital improvements		108,139
Clover Springs capital improvements		279,587
Total restricted assets	\$	<u><u>595,679</u></u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows:

	<u>Beginning Balance</u>	<u>Transfers & Adjustments</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land and easements	\$ 247,149,758	\$ 218,108	\$ 21,148,604	\$ 0	\$ 268,516,470
Land and easements - preacquisition costs	<u>154,790</u>	<u>(218,108)</u>	<u>373,562</u>	<u>(14,501)</u>	<u>295,743</u>
Total capital assets not being depreciated	<u>\$ 247,304,548</u>	<u>\$ 0</u>	<u>\$ 21,522,166</u>	<u>\$ (14,501)</u>	<u>\$ 268,812,213</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 easements category. In the event a property is not acquired, the funds associated with that property will be reclassified to expense.

**SONOMA COUNTY AGRICULTURAL PRESERVATION
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D. Long-term Debt

Changes in long-term debt

Long term liability activity for the year ended June 30, 2008 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Compensated absences	\$ 161,762	\$ 5,074	\$ 0	\$ 166,836	\$ 0
Capital lease	31,807,388	0	(31,807,388)	0	0
Notes payable	33,332	0	(16,666)	16,666	16,666
Total long-term liabilities	<u>\$ 32,002,482</u>	<u>\$ 5,074</u>	<u>\$ (31,824,054)</u>	<u>\$ 183,502</u>	<u>\$ 16,666</u>

E. Capital Lease Payable

The District has paid in full the line of credit agreements with the County of Sonoma and the Treasurer-Tax Collector of the County of Sonoma, which were obtained to finance land and easement acquisitions.

F. Intergovernmental Revenue

For the fiscal year 2007/2008, the District received intergovernmental revenue from the Open Space Authority in the amount of \$3,658,901 and in the amount of \$19,495 from the State Coastal Conservancy. The monies were used in the financing towards the purchase of land and easements, as well as for the administration of the acquisition program.

G. Grants and Donation Revenue

For the fiscal year 2007/2008 the District received \$750,000 in a grant towards the purchase of the Poff property. A donation of \$275,000 was also received towards capital improvements on the Clover Springs property.

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H. Costs applied

This represents the amount of salaries and benefits the District has capitalized as pre-acquisition costs. This is the first year the District has allocated salaries and benefits to land acquisitions.

I. Operating Transfers

On November 7th 2007 the County of Sonoma issued Measure F Sales Tax Revenue bonds. The proceeds from these bonds have been and will be the primary source of land and easement acquisition funding until the proceeds have been exhausted. During FY 2007-08, the District received \$58,173,819 in transfers from County of Sonoma bond proceeds.

IV. OTHER INFORMATION

A. Risk Management

The District participates in the County of Sonoma self-insurance program as follows: \$300,000 per occurrence for workers' compensation claims, \$750,000 per occurrence for automobile and general liability claims, \$500,000 per occurrence and any amount in excess of \$10,000,000 per occurrence for hospital malpractice claims occurring prior to March 26, 1996, and \$225,000 per occurrence for health insurance claims with a stop loss coverage up to \$1,000,000 per claim. The County is entirely self-insured for unemployment claims and for long-term disability occurring prior to August 1, 1999.

The County participates in the CSAC Excess Insurance Authority excess liability insurance program. The County is covered under this program for \$750,000 to \$15,000,000 per occurrence for liability claims. Amounts in excess of \$300,000 per occurrence for worker's compensation claims within statutory limits are maintained through participation in the CSAC Excess Insurance Authority-Excess Workers' Compensation Program.

The County maintains "All Risk" coverage for physical loss and damage including flood and earthquake coverage through participation in the CSAC Excess Insurance Authority with the following limits and deductibles: \$400,000,000 limit per occurrence and \$50,000 deductible for "All Risk" and flood, earthquake deductible at \$500,000 per occurrence. Boiler and machinery coverage is included in the All-Risk coverage.

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The County pays an annual basic premium for excess coverage and is assessed an annual risk premium based on an actuarial review that estimates each of the program's participant's ultimate liabilities. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

B. Employee Retirement Plan and Other Post-employment Benefits

The District is a blended component unit of the County of Sonoma. As such, the County's financial statements include the required information and disclosures relating to financial reporting requirements for pensions and other post-employment benefits. Please see the County of Sonoma annual comprehensive financial report for additional information.

C. Auditor Independence

As required by various statutes within the California Government Code, County Auditor-Controllers are mandated to perform certain accounting, auditing and financial reporting functions. These activities, in themselves, necessarily impair the auditor's independence. Specifically, "Auditors should not audit their own work or provide non audit services in situations where the amounts or services involved are significant or material to the subject matter of the audit." Although the office of the Auditor-Controller is statutorily obligated to maintain accounts of departments, districts or funds that are contained within the County Treasury, we believe that adequate safeguards and divisions of responsibility exist. Therefore, we believe that subject to this qualification and disclosure, the reader can rely on the auditor's opinion contained in this report.

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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Contributions from other governments:				
Operations	\$ 4,375,000	\$ 4,375,000	\$ 3,658,901	\$ (716,099)
Land and easement	26,922,330	26,922,330	0	(26,922,330)
Debt service	11,600,320	11,600,320	0	(11,600,320)
Other	0	0	19,495	19,495
Donations	0	0	279,409	279,409
Grants	0	0	750,000	750,000
Rental income	0	0	21,115	21,115
Investment earnings	77,750	77,750	133,323	55,573
Miscellaneous	0	0	300	300
Total revenues	<u>42,975,400</u>	<u>42,975,400</u>	<u>4,862,543</u>	<u>(38,112,857)</u>
Expenditures				
Current:				
Salaries and employee benefits	2,346,442	2,321,442	1,972,051	349,391
Costs applied	0	0	(316,529)	316,529
Services and supplies	2,574,471	2,599,471	2,542,667	56,804
Contribution to other government	0	705,575	100,000	605,575
Capital outlay	27,850,926	52,186,366	21,522,166	30,664,200
Other charges	0	0	0	0
Debt Service:				
Principal	10,038,087	46,863,087	31,824,054	15,039,033
Interest	1,580,900	2,255,800	669,750	1,586,050
Total expenditures	<u>44,390,826</u>	<u>106,931,741</u>	<u>58,314,159</u>	<u>48,617,582</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,415,426)</u>	<u>(63,956,341)</u>	<u>(53,451,616)</u>	<u>10,504,725</u>
Other financing sources				
Transfers in - contribution from County	21,200	62,562,215	58,173,819	4,388,396
Transfers in - miscellaneous	0	0	16,335	(16,335)
Transfers out	(7,597)	(7,597)	(7,597)	0
Total other financing sources	<u>13,603</u>	<u>62,554,618</u>	<u>58,182,557</u>	<u>4,372,061</u>
Net change in fund balances	(1,401,823)	(1,401,723)	4,730,941	6,132,664
Fund balance - beginning of year	(2,454,079)	(2,454,079)	(2,454,079)	0
Fund balance - end of year	<u>\$ (3,855,902)</u>	<u>\$ (3,855,802)</u>	<u>\$ 2,276,862</u>	<u>\$ 6,132,664</u>
Budget adjustments				
Encumbrances			\$ 816,864	
Net change in fund balance, GAAP basis			<u>\$ 5,547,805</u>	

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

**SONOMA COUNTY AGRICULTURAL PRESERVATION
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Schedule of Interests in Land
June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address</u>		<u>Total Cost</u>
		<u>Or Location</u>		
9/14/1993	Vasila Conservation Easement	6018 Bloomfield Road Petaluma, CA	\$	128,158.49
9/21/1993	Brown Conservation Easement	374 Horn Avenue Santa Rosa, CA		197,865.52
10/19/1993	Burns Conservation Easement	2505 & 2245 Spring Hill Road West Petaluma, CA		431,371.80
4/12/1994	St. Luke's **	4111 Old Redwood Hwy. Santa Rosa, CA		342,602.58
6/14/1994	Cotati Highlands Conservation Easement	1300 W. Sierra Avenue 10 Summit Grade Road 8795 & 8800 Pine Lane 333 & 335 Pine Grove Road Stony Point Road, Cotati, CA		2,089,204.35
06/14/0994	Dougan Conservation Easement	5510 Bloomfield Road Petaluma, CA		<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	\$	520,058.72
9/1/1994	De Loach Property	10540 Los Amigos Road Healdsburg, CA		540,448.31

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June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address</u>		<u>Total Cost</u>
		<u>Or Location</u>		
9/1/1994	Ziedrich Property	10536 Los Amigos Road	\$	144,332.50
		Healdsburg, CA		
9/2/1994	San Francisco Archdiocese	4547 Whistler Avenue		150,883.48
		Santa Rosa, CA		
9/15/1994	Ratchford Property	Fitch Mountain		1,042,247.84
		Healdsburg, CA		
12/16/1994	Pieter Myers	19999 Coleman Valley		108,273.75
		Occidental, CA		
12/30/1994	Maacama Valley Partners* National Audubon Society	Juncture of Alexander Valley & Knights Valley vicinity of Pine Flat		722,972.50
2/2/1995	Fox Healdsburg Ridge	Poppy Hill & El Arroyo		154,938.53
		Healdsburg, CA		
2/2/1995	Diggers Bend	Poppy Hill & El Arroyo		305,304.99
		Healdsburg, CA		
4/28/1995	Stony Point Ranch	6700 Gravenstein Hwy		485,867.56
		Cotati, CA		
5/23/1995	Haroutunian	200 Scenic Avenue		185,811.01
		Rohnert Park, CA		

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June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Total Cost</u>
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	\$ 174,356.00
6/15/1995	Carinalli	2900 Llano Road Santa Rosa, CA	768,149.66
6/30/1995	Lang Property	3115 Porter Creek Road Santa Rosa, CA	<u>1,259,634.28</u>
TOTAL FY 94-95			\$ <u>6,563,279.13</u>
9/7/1995	Silberstein Conservation Easement	5531 Kay Drive Santa Rosa, CA	\$ 204,853.49
9/15/1995	Dutton Conservation Easement	8610, 8611 Oak Grove Avenue Graton, CA	325,361.33
9/22/1995	Freiberg Conservation Easement	2400 Sobre Vista Road Sonoma, CA	959,704.37
9/22/1995	Henshaw Conservation Easement	2400 Sobre Vista Road Sonoma, CA	314,798.00
11/15/1995	Silacci Conservation Easement	4170 Lakeville Hwy Petaluma, CA	503,777.62
12/12/1995	Nicholas Turkey Farms Conservation Easement	2676 Napa Road Sonoma, CA	1,412,600.78
1/3/1996	Santa Angelina Ranch/ McMicking Conservation	12629 Hwy 128 Knights Valley, CA	1,743,230.11
1/8/1996	McCormick Ranch Conservation Easement	Langtry Road St. Helena, CA	1,712,147.95

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June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address</u>		<u>Total Cost</u>
		<u>Or Location</u>		
1/19/1996	Matteri Conservation Easement	3820 Petaluma Hill Road Santa Rosa, CA	\$	401,535.50
3/29/1996	Moon Ranch – Pfendler Conservation Easement	3268 Old Adobe Road Petaluma, CA		1,439,122.93
4/3/1996	Unity Church Property	4351 Old Redwood Hwy. Santa Rosa, CA		422,523.92
4/10/1996	Andersen Conservation Easement	North Cloverdale on Russian River		228,004.76
05/03/1996 & 5/28/1996	Palm Terrace Conservation Easement	City limits of Sebastopol west edge of Laguna de Santa Rosa		913,432.35
5/24/1996	Mickelsen Conservation Easement	Mecham and Pepper Roads Northwest of Petaluma, CA		677,379.69
5/30/1996	Alman Marsh Conservation Easement	East of Hwy 101 between Marina and former city landfill		60,991.25
6/7/1996	Herzog (Sleepy Hollow) Conservation Easement	Mecham and Pepper Roads Northwest of Petaluma		<u>997,397.59</u>
TOTAL FY 95-96			\$	<u>12,316,861.64</u>

**SONOMA COUNTY AGRICULTURAL PRESERVATION
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June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address</u>		<u>Total Cost</u>
			<u>Or Location</u>	
7/5/1996	Treadwell Conservation Easement	31820 McCray Road Cloverdale, CA	\$	105,027.50
7/23/1996	Knudtsen Conservation Easement	3150 Robler Road Petaluma, CA		428,244.26
9/4/1996	Guttman (Lang) Conservation Easement	13000 Los Amigos Road Healdsburg, CA (NW of Porter Creek Road / Franz Valley Road)		406,196.85
9/26/1996	Callahan (Raja Dev.) Conservation Easement	North of Highland Circle / East of Poppy Hill Drive Healdsburg, CA		559,332.00
10/14/1996	McNear Peninsula (Lind)	100 East D Street Petaluma, CA		192,111.50
12/11/1996	Weston (Sotoyome Highlands) Conservation Easement	13000 Los Amigos Road Healdsburg, CA		1,667,916.25
4/25/1997	Yee Conservation Easement	4871 Redwood Hwy., South Petaluma, CA		803,641.36
5/19/1997	Young/Armos – Fee	4315 Snyder Lane 4314 Hunter Avenue Santa Rosa, CA		376,574.50
5/29/1997	McCormick Ranch	Los Alamos Road Santa Rosa, CA		<u>667,046.44</u>
TOTAL FY 96-97			\$	<u>5,206,090.66</u>

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June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address</u> <u>Or Location</u>	<u>Total Cost</u>
7/23/1997	McCrea	Vigilante Road Glen Ellen, CA	\$ 1,208,560.80
7/31/1997	Geary	5525 Bennett Valley Road Santa Rosa, CA	2,322,335.50
9/5/1997	Hepper	Estero Lane Bodega, CA	294,357.05
11/3/1997	Morrison Brothers	5151 Stony Point Road Santa Rosa, CA	388,443.93
12/11/1997	Keegan & Coppin	Bennett Valley Road (Vacant Lot) Santa Rosa, CA	558,401.40
1/15/1998	Magers (Gray Creek PTN)	Gray Creek Road / Off Mill Creek Road Healdsburg, CA	90,215.51
1/21/1998	Cramer	Hall / Occidental Roads Santa Rosa, CA	1,667,016.50
2/17/1998	Stein	10801, 10806, 10808, 10810, 10900 Hillview Rd / Arata Ln Windsor, CA	1,634,576.65
2/20/1998	Aggio	2888 Stony Point Road Santa Rosa, CA	494,323.02
2/27/1998	Haroutunian North	Airport Boulevard Santa Rosa, CA	408,311.65
3/11/1998	Gustafson (Gray Creek PTN)	Gray Creek Rd / Off Mill Creek Road Healdsburg, CA	143,730.13
4/13/1998	Oken	5057 Petaluma Hill Road Rohnert Park, CA	<u>897,660.30</u>
TOTAL FY 97-98			\$ <u>10,107,932.44</u>

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June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Total Cost</u>
8/4/1998	Dashiell/Molle Conservation Easement	Between Santa Rosa and Rohnert Park East side of Petaluma Hill	\$ 336,322.00
8/14/1998	White II Conservation Easement	Coffey Lane, Santa Rosa	241,614.00
9/30/1998	Hafey Conservation Easement	Knights Valley along Hwy 128 South of Franz Valley Road	910,487.00
12/21/1998	Bath/Watt	Along prominent ridgeline SE of Santa Rosa, on Northern side of Taylor Mountain	824,241.00
1/6/1999	Sonoma Developmental Center Conservation Easement	Sonoma Valley, adjacent to Jack London Park	262,705.00
2/4/1999	Monte Rio School Conservation Easement	9725 Main Street, south of Monte Rio Community Center	197,684.00
4/16/1999	Bodega Bay Fire Protection District Conservation Easement	Highway One Scenic Corridor	53,785.00
4/23/1999	Mazzetta Conservation Easement	NW of Petaluma at junction of Pepper Road and Mecham Roads	1,000,839.00
4/23/1999	Mom's Beach (Notter Property)	Northwest of Forestville, River Road adjacent to Russian River	81,561.00
5/18/1999	Skiles	North of Glen Ellen, adjacent to Jack London State Park	646,987.00
6/1/1999	Good (Nathanson Creek)	Park/Sonoma Valley High School	101,687.00
6/25/1999	Nahmens	East and West sides of Canfield Road south of Sebastopol	<u>1,166,429.00</u>
TOTAL FY 98-99			\$ <u>5,824,341.00</u>

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June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Total Cost</u>
12/23/1999	Nunes Fee	Panorama Drive Santa Rosa, CA	\$ 987,791.00
1/5/2000	Colliss Conservation Easement	Coleman Valley Road Occidental, CA	1,049,574.00
1/12/2000	Town of Windsor (Windsor Green) Conservation Easement	Bell Road Windsor, CA	776,816.00
1/19/2000	Matteri Fee	Petaluma Hill Road Santa Rosa, CA	473,128.00
1/21/2000	Mickelson/Cammozzi Conservation Easement	Pepper and Walker Roads Sonoma County, CA	<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	\$ 1,272,910.00
10/4/2000	Cook	Lichau Road Penngrove, CA	1,711,894.00
12/6/2000	Modini	Pine Flat Road Healdsburg, CA	1,060,730.00
12/7/2000	Sequeira / Red Hill	Coast Hwy 1 Jenner, CA	1,428,759.00
12/29/2000	Solak	Railroad Avenue Forestville, CA	176,454.00
5/4/2001	Ho	Petaluma Hill Road Rohnert Park, CA	569,860.00
5/11/2001	Dewar	1660 Estero Lane Bodega Bay, CA	291,574.00
5/18/2001	Glen Oaks	Hwy 12 Glen Ellen, CA	<u>1,511,825.00</u>
TOTAL FY 00-01			\$ <u>8,024,006.00</u>

**SONOMA COUNTY AGRICULTURAL PRESERVATION
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June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Total Cost</u>
12/12/2001	Laguna de Santa Rosa (Donated)	Geysers Pipeline	\$ 41,785.00
12/17/2001	Cooley Ranch	Cooley Ranch Road Cloverdale, CA	5,887,575.00
1/10/2002	Ielmorini Property	13601 State Hwy 1 Valley Ford, CA	1,815,589.00
1/18/2002	Cloverdale River Park	31650 McCray Road Cloverdale, CA	65,765.00
1/29/2002	Azevedo Property	820 Fallon Road Santa Rosa, CA	1,762,344.00
3/20/2002	Morelli Property	500 Morelli Vista Road Santa Rosa, CA	2,187,178.00
4/5/2002	Martin Property	Valley Ford Road Petaluma, CA	1,610,287.00
4/18/2005	Balletto Ranch	5700 Occidental Road Santa Rosa, CA	2,632,820.00
5/3/2002	Bianchi Property	15000 Hwy 1 Valley Ford, CA	<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	\$ 1,615,337.00
8/16/2002	Scott Property	700 Hardin Lane Petaluma, CA	3,373,245.00
8/16/2002	McCullough Property	Mark West Springs Road Santa Rosa, CA	2,923,109.00
8/30/2002	Town of Windsor Keiser Park	630 Windsor River Road Windsor, CA	1,149,765.00
9/17/2002	Rigler Property	Coleman Valley Road Bodega, CA	875,856.00
10/9/2002	Hanson Aggregates Parcel	7821 Eastside Road Healdsburg, CA	4,042,301.00
10/31/2002	Cloverdale River Park	31638 McCray Road Cloverdale, CA	22,024.00

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Schedule of Interests in Land
June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Total Cost</u>
12/24/2002	Keen Property	16331 Norrbom Road Sonoma, CA	\$ 360,566.00
12/27/2002	Prince Memorial Greenway ***	1000 Second Street Santa Rosa, CA	3,080,201.00
12/31/2002	Grossi Property	6300 Petaluma Hill Road Petaluma, CA	330,879.00
1/31/2003	Sunset Beach Property	11057 Sunset Avenue Forestville, CA	636,915.00
3/11/2003	Asbornio Property	16488, 16492 Healdsburg Ave Healdsburg, CA	4,285,288.00
3/25/2003	Johnson Property	7555 Sonoma Highway Santa Rosa, CA	3,077,498.00
3/25/2003	Johnson Access Property	7557 Sonoma Highway Santa Rosa, CA	1,028,487.00
5/16/2003	Carrington Property	3800, 4000, 4300 & 4500 Hwy One, Coleman Valley Rd Bodega Bay, CA	4,882,273.00
5/30/2003	Brayton Property	1797, 1799 Pepper Road Petaluma, CA	<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	\$ 478,043.00
7/31/2003	Connolly Property	27285 Dutcher Creek Road Cloverdale, CA	266,505.00
8/13/2003	Jacobs Ranch	5297 Sonoma Mountain Road Santa Rosa, CA	4,919,749.00
11/10/2003	Fox Pond Property	16496 Healdsburg Avenue Healdsburg, CA	2,905,833.00
1/29/2004	Skiles Property	6560 Sonoma Mountain Road Santa Rosa, CA	224,894.00

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Schedule of Interests in Land
June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Total Cost</u>
2/26/2004	Flocchini Property	7078 Lakeville Highway Petaluma, CA	\$ 794,322.00
2/27/2004	Petaluma River Marsh Enhancement *****	Lakeville Highway Petaluma, CA	1,105,920.00
4/30/2004	Wilroth Property	Lichau Road Sonoma County, CA	2,255,695.00
5/21/2004	Roblar Ranch Property	7175 Roblar Road Petaluma, CA	2,292,062.00
5/28/2004	Eliot Property *****	5850 Grove Street Sonoma, CA	<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	\$ 5,402,122.00
10/13/2004	Maffia Property	12001 Valley Ford Road Petaluma, CA	1,168,446.00
10/21/2004	Sebastopol Skate Park and Community Garden	Laguna Park Way Petaluma, CA	132,176.00
10/22/2004	Beltane Ranch Property	11775 Sonoma Highway Glen Ellen, CA	9,182,041.00
11/2/2004	Dickson Property	7699 Reclamation Road Petaluma, CA	4,282,207.00
12/1/2004	Wilroth Property	Lichau Road Sonoma County, CA	59,555.00
1/31/2005	Cooper's Grove	5761 Sonoma Mountain Road Santa Rosa CA	4,926,873.00
3/15/2005	Summer Home Park	11453 River Road Forestville, CA	399,098.00
5/6/2005	Willow Creek	19100 Willow Creek Road 24110 Freezeout Road 2330 Willow Creek Road Sonoma County, CA	<u>20,923,138.00</u>
TOTAL FY 04-05			\$ <u>46,475,656.00</u>

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Schedule of Interests in Land
June 30, 2008**

<u>Date Acquired</u>	<u>Property Name</u>	<u>Property Address Or Location</u>	<u>Total Cost</u>
9/29/2005	Tolay Lake Ranch	5869 Lakeville Highway Petaluma, CA	\$ 21,794,852.00
10/7/2005	Lawson Property	6280 Melita Road Santa Rosa, CA	1,183,695.00
10/7/2005	Prince Gateway Park	Santa Rosa Creek Santa Rosa, CA	420,963.00
12/20/2005	Camp Gualala	27010 Skaggs Spring Road Annapolis, CA	894,878.00
12/15/2005	Montini Property	18950 Fifth Street West Sonoma, CA	14,037,523.00
1/13/2006	Taylor Mountain Property	2100 Kawana Terrace Road Santa Rosa, CA	<u>18,174,418.00</u>
TOTAL FY 05-06			\$ <u>56,506,329.00</u>
9/8/2006	Crane Property	5900 Petaluma Hill Road Santa Rosa, CA	\$ 1,112,379
8/24/2006	Saddle Mountain Property	Calistoga & Helena Roads Sonoma County, CA	14,714,525
7/3/2006	Santa Rosa Creek 3 Bridges	Santa Rosa, CA	7,950
6/22/2007	Sonoma Developmental Center Area 3	14400 Sonoma Highway Sonoma County, CA	586,881
4/18/2007	Tremari	5767 & 5775 Bloomfield Road Unincorporated Petaluma, CA	3,185,447
TOTAL FY 06-07			\$ <u>19,607,182.00</u>

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Schedule of Interests in Land
June 30, 2008**

6/5/2008	Quailbrook Ranch	6450 Quailbrook Lane Penngrove, CA	\$ 1,647,162.93
12/31/2007	Hayfork Ranch	5240 St. Helena Road Santa Rosa, CA	668,197.58
11/15/2007	Cresta Property	3035 Porter Creek Road Santa Rosa, CA	3,142,034.65
9/28/2007	Poff Property	8000 State Highway 1 Bodega Bay, CA	5,650,183.47
9/28/2007	Clover Springs Property	Skyview Drive Cloverdale, CA	7,840,666.65
9/28/2007	Pitkin Marsh Property	4869 North Gravenstein Highway Sebastopol, CA	404,855.50
12/21/2007	Roche Property	West Line of Highway 121 Sonoma County, CA	2,013,611.24
TOTAL FY 07-08			\$ <u>21,366,712.02</u>
TOTAL INTERESTS IN LAND June 30, 2008			\$ <u><u>268,516,470.29</u></u>

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Roster of Board Members**

As of April 7, 2009, the District Board consisted of the following members:

<u>Directors</u>	<u>Office</u>	<u>Term Expires</u>
Paul Kelley	Chairman	January 2011
Valerie Brown	Vice Chairwoman	January 2013
Mike Kerns		January 2011
Shirlee Zane.....		January 2013
Efren Carrillo		January 2013

**SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
Citizen Advisory Committee**

At April 7, 2009, the Citizen Advisory Committee included the following:

Dennis Murphy	Fourth District Representative
Paul Brophy	Business Representative
Suzanne Doyle	Environmental Representative
Vacant	First District Representative
Cary Fargo	Real Estate Representative
Yancey Forest-Knowles.....	Third District Representative
Douglas Hanford.....	First District Representative
Vacant	Fifth District Representative
Janet Orchard	Mayors' and Council Members' Representative
Vacant	Second District Representative
Tim Smith	Mayors' and Council Members' Representative
Vacant	Fourth District Representative
Vacant	Mayors' and Council Members' Representative
Andy Rodgers	Second District Representative
Vacant	Agricultural Representative
Vacant	Third District Representative
Victoria Wikle.....	Fifth District Representative