

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2007

Open to Public Inspection

Department of the Treasury Internal Revenue Service(7)

The organization may have to use a copy of this return to satisfy state reporting requirements

Form 990 header section including: A For the 2007 calendar year, or tax year beginning, 2007, and ending; B Check if applicable; C SAVE MOUNT DIABLO; D Employer Identification Number 94-2681735; E Telephone number 925-947-3535; F Accounting method; G Web site: SAVEMOUNTDIABLO.ORG; J Organization type; K Check here; L Gross receipts 2,528,671.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions)

Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, and Total. Includes revenue from contributions (1e: 1,298,348), program service revenue (2: 482,000), membership dues (3: 112,184), interest on savings (4: 123,555), dividends (5: 24,925), gross rents (6a: 1,203,442), net rental income (6c: 94,906), other investment income (7: -887), gross amount from sales of assets (8a: 451,467), net gain or loss (8d: 103,439), special events revenue (9c: 348,028), gross sales of inventory (10c: 36,758), other revenue (11: 321), total revenue (12: 2,425,232), total expenses (17: 1,093,343), and net assets at end of year (21: 8,612,670).

SCANNED SEP 26 2008

RECEIVED SEP 11 2008

Handwritten initials and numbers: 9/11 15

**Part II Statement of Functional Expenses** All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See *instructions*)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>22a</b> Grants paid from donor advised funds (attach sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>22 a</b>				
<b>22b</b> Other grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>22 b</b>				
<b>23</b> Specific assistance to individuals (attach schedule)	<b>23</b>				
<b>24</b> Benefits paid to or for members (attach schedule)	<b>24</b>				
<b>25a</b> Compensation of current officers, directors, key employees, etc listed in Part V-A	<b>25 a</b>	107,610.	62,414.	36,588.	8,608.
<b>b</b> Compensation of former officers, directors, key employees, etc listed in Part V-B	<b>25 b</b>	0.	0.	0.	0.
<b>c</b> Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	<b>25 c</b>	0.	0.	0.	0.
<b>26</b> Salaries and wages of employees not included on lines 25a, b, and c	<b>26</b>	270,795.	151,240.	65,252.	54,303.
<b>27</b> Pension plan contributions not included on lines 25a, b, and c	<b>27</b>	14,387.	8,403.	3,605.	2,379.
<b>28</b> Employee benefits not included on lines 25a - 27	<b>28</b>	27,113.	15,554.	9,480.	2,079.
<b>29</b> Payroll taxes	<b>29</b>	29,758.	16,883.	7,904.	4,971.
<b>30</b> Professional fundraising fees	<b>30</b>				
<b>31</b> Accounting fees	<b>31</b>	7,395.	4,148.	1,896.	1,351.
<b>32</b> Legal fees	<b>32</b>				
<b>33</b> Supplies	<b>33</b>	37,651.	7,394.	1,457.	28,800.
<b>34</b> Telephone	<b>34</b>	5,419.	4,195.	1,224.	
<b>35</b> Postage and shipping	<b>35</b>	15,337.	7,708.	386.	7,243.
<b>36</b> Occupancy	<b>36</b>	59,317.	43,573.	8,615.	7,129.
<b>37</b> Equipment rental and maintenance	<b>37</b>	34,371.	8,953.	3,021.	22,397.
<b>38</b> Printing and publications	<b>38</b>	43,721.	27,679.	2,392.	13,650.
<b>39</b> Travel	<b>39</b>	38,022.	12,331.	975.	24,716.
<b>40</b> Conferences, conventions, and meetings	<b>40</b>	4,405.	1,677.	75.	2,653.
<b>41</b> Interest	<b>41</b>				
<b>42</b> Depreciation, depletion, etc (attach schedule)	<b>42</b>	6,973.	5,718.	488.	767.
<b>43</b> Other expenses not covered above (itemize)					
<b>a</b> SEE STATEMENT 5	<b>43 a</b>	391,069.	375,757.	15,433.	-121.
<b>b</b> -----	<b>43 b</b>				
<b>c</b> -----	<b>43 c</b>				
<b>d</b> -----	<b>43 d</b>				
<b>e</b> -----	<b>43 e</b>				
<b>f</b> -----	<b>43 f</b>				
<b>g</b> -----	<b>43 g</b>				
<b>44</b> Total functional expenses Add lines 22a through 43g (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	<b>44</b>	1,093,343.	753,627.	158,791.	180,925.

Joint Costs Check  if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ 26,254. , (ii) the amount allocated to Program services \$ 22,316. , (iii) the amount allocated to Management and general \$ \_\_\_\_\_ , and (iv) the amount allocated to Fundraising \$ 3,938.



**Part IV Balance Sheets** (See the instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash – non-interest-bearing	11,895.	45	18,119.
	46 Savings and temporary cash investments	258,059.	46	389,137.
	47 a Accounts receivable		47 a	
	b Less allowance for doubtful accounts		47 b	47 c
	48 a Pledges receivable		48 a	
	b Less allowance for doubtful accounts		48 b	48 c
	49 Grants receivable	905,000.	49	15,233.
	50 a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50 a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50 b	
	51 a Other notes and loans receivable (attach schedule)		51 a	
	b Less allowance for doubtful accounts		51 b	51 c
	52 Inventories for sale or use	3,963.	52	8,059.
	53 Prepaid expenses and deferred charges	2,965.	53	11,843.
	54 a Investments – publicly-traded securities		<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54 a
	b Investments – other securities (attach sch)		<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54 b
	55 a Investments – land, buildings, & equipment basis		55 a	
	b Less accumulated depreciation (attach schedule)		55 b	55 c
	56 Investments – other (attach schedule)	3,017,285.	56	3,280,950.
	57 a Land, buildings, and equipment basis		57 a	38,536.
b Less accumulated depreciation (attach schedule) STATEMENT 8		57 b	24,328.	
58 Other assets, including program-related investments (describe ► SEE STATEMENT 9 )	3,982,197.	58	4,918,639.	
59 <b>Total assets</b> (must equal line 74) Add lines 45 through 58	8,197,779.	59	8,656,188.	
LIABILITIES	60 Accounts payable and accrued expenses	37,215.	60	38,518.
	61 Grants payable		61	
	62 Deferred revenue	4,850.	62	5,000.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a Tax-exempt bond liabilities (attach schedule)		64 a	
	b Mortgages and other notes payable (attach schedule)	894,000.	64 b	
	65 Other liabilities (describe ► )		65	
66 <b>Total liabilities.</b> Add lines 60 through 65	936,065.	66	43,518.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	6,247,264.	67	8,397,290.
	68 Temporarily restricted	1,014,450.	68	215,380.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 <b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 19 and column (B) must equal line 21)	7,261,714.	73	8,612,670.	
74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73	8,197,779.	74	8,656,188.	

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See the instructions)

<b>a</b>	Total revenue, gains, and other support per audited financial statements		<b>a</b>	2,547,738.
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 12			
	1 Net unrealized gains on investments	<b>b1</b>		
	2 Donated services and use of facilities	<b>b2</b>		
	3 Recoveries of prior year grants	<b>b3</b>		
	4 Other (specify) _____ SEE STM 10	<b>b4</b>	122,506.	
	Add lines <b>b1</b> through <b>b4</b>		<b>b</b>	122,506.
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>		<b>c</b>	2,425,232.
<b>d</b>	Amounts included on Part I, line 12, but not on line <b>a</b> :			
	1 Investment expenses not included on Part I, line 6b	<b>d1</b>		
	2 Other (specify) _____	<b>d2</b>		
	Add lines <b>d1</b> and <b>d2</b>		<b>d</b>	
<b>e</b>	<b>Total revenue</b> (Part I, line 12) Add lines <b>c</b> and <b>d</b>		<b>e</b>	2,425,232.

**Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return**

<b>a</b>	Total expenses and losses per audited financial statements		<b>a</b>	2,424,408.
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 17			
	1 Donated services and use of facilities	<b>b1</b>		
	2 Prior year adjustments reported on Part I, line 20	<b>b2</b>		
	3 Losses reported on Part I, line 20	<b>b3</b>		
	4 Other (specify) _____ SEE STMT 11	<b>b4</b>	1,331,065.	
	Add lines <b>b1</b> through <b>b4</b>		<b>b</b>	1,331,065.
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>		<b>c</b>	1,093,343.
<b>d</b>	Amounts included on Part I, line 17, but not on line <b>a</b> :			
	1 Investment expenses not included on Part I, line 6b	<b>d1</b>		
	2 Other (specify) _____	<b>d2</b>		
	Add lines <b>d1</b> and <b>d2</b>		<b>d</b>	
<b>e</b>	<b>Total expenses</b> (Part I, line 17) Add lines <b>c</b> and <b>d</b>		<b>e</b>	1,093,343.

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 12		107,610.	5,919.	2,012.



**Part VI Other Information (continued)**

		Yes	No
<b>82 a</b>	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
<b>82 b</b>	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III)		
	94,906.		
<b>83 a</b>	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
<b>83 b</b>	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
<b>84 a</b>	Did the organization solicit any contributions or gifts that were not tax deductible?		X
<b>84 b</b>	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
<b>85 a</b>	<b>501(c)(4), (5), or (6)</b> Were substantially all dues nondeductible by members?	N/A	
<b>85 b</b>	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
	If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
<b>85 c</b>	Dues, assessments, and similar amounts from members	N/A	
<b>85 d</b>	Section 162(e) lobbying and political expenditures	N/A	
<b>85 e</b>	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
<b>85 f</b>	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
<b>85 g</b>	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
<b>85 h</b>	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
<b>86 a</b>	<b>501(c)(7) organizations</b> Enter a Initiation fees and capital contributions included on line 12	N/A	
<b>86 b</b>	Gross receipts, included on line 12, for public use of club facilities	N/A	
<b>87 a</b>	<b>501(c)(12) organizations</b> Enter a Gross income from members or shareholders	N/A	
<b>87 b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	N/A	
<b>88 a</b>	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX		X
<b>88 b</b>	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Part XI		X
<b>89 a</b>	<b>501(c)(3) organizations</b> Enter Amount of tax imposed on the organization during the year under section 4911 <u>0.</u> , section 4912 <u>0.</u> , section 4955 <u>0.</u>		
<b>89 b</b>	<b>501(c)(3) and 501(c)(4) organizations</b> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction		X
	c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <u>0.</u>		
	d Enter Amount of tax on line 89c, above, reimbursed by the organization <u>0.</u>		
<b>89 e</b>	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
<b>89 f</b>	All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
<b>89 g</b>	For supporting organizations and sponsoring organizations maintaining donor advised funds Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
<b>90 a</b>	List the states with which a copy of this return is filed <u>CA</u>		
<b>90 b</b>	Number of employees employed in the pay period that includes March 12, 2007 (See instructions)		8
<b>91 a</b>	The books are in care of <u>RON BROWN</u> Telephone number <u>925-947-3535</u> Located at <u>1901 OLYMPIC BOULEVARD #220 WALNUT CREEK CA</u> ZIP + 4 <u>94596</u>		
<b>91 b</b>	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country <u></u>		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		

**Part VI Other Information** (continued)

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States?  91c  Yes  No

If 'Yes,' enter the name of the foreign country

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here  N/A

and enter the amount of tax-exempt interest received or accrued during the tax year

92

N/A

**Part VII Analysis of Income-Producing Activities** (See the instructions)

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a LAND USAGE/MANAGEMENT					63,400.
b SALE PROPERTY RIGHTS					418,600.
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					112,184.
95 Interest on savings & temporary cash invmnts			14	123,555.	
96 Dividends & interest from securities			14	24,925.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income			14	-887.	
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					348,028.
102 Gross profit or (loss) from sales of inventory					36,758.
103 Other revenue					
a					
b MISCELLANEOUS INCOME			1	321.	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				147,914.	978,970.
105 Total (add line 104, columns (B), (D), and (E))					1,126,884.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See the instructions)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
	SEE STATEMENT 13

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See the instructions)

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)

**Part XI** Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13)

**106** Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
<b>Totals</b>				

**107** Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
<b>Totals</b>				

**108** Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	X

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer: *Ronald Brown* Date: 9/3/08

RON BROWN, EXECUTIVE DIRECTOR  
Type or print name and title

**Paid Preparer's Use Only**

Preparer's signature: *DOUGLAS W. REGALIA* Date: AUG 29 2008 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: REGALIA & ASSOCIATES, CPAS  
103 TOWN & COUNTRY DR., STE. K  
DANVILLE, CA 94526

Preparer's SSN or PTIN (See General Instruction X): P00186389  
EIN: 68-0260103  
Phone no: 925-314-0390

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Organization Exempt Under  
Section 501(c)(3)**

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or 4947(a)(1) Nonexempt Charitable Trust

**2007**

Department of the Treasury  
Internal Revenue Service

Supplementary Information — (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

Name of the organization <b>SAVE MOUNT DIABLO</b>	Employer identification number <b>94-2681735</b>
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**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 14		136,500.	7,508.	4,285.
Total number of other employees paid over \$50,000 ▶	0			

**Part II A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶	0	

**Part II B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶	0	

**Part III** Statements About Activities (See instructions.)

**1** During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities **▶** \$ 25,009.  
(Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)

	Yes	No
<b>1</b>	X	

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities

**2** During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions)

SEE STATEMENT 15

**a** Sale, exchange, or leasing of property?

<b>2a</b>		X
-----------	--	---

**b** Lending of money or other extension of credit?

<b>2b</b>		X
-----------	--	---

**c** Furnishing of goods, services, or facilities?

SEE FORM 990, PART V

<b>2c</b>		X
-----------	--	---

**d** Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

<b>2d</b>	X	
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**e** Transfer of any part of its income or assets?

<b>2e</b>		X
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**3a** Did the organization make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how the organization determines that recipients qualify to receive payments)

<b>3a</b>		X
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**b** Did the organization have a section 403(b) annuity plan for its employees?

<b>3b</b>	X	
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**c** Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' attach a detailed statement

<b>3c</b>		X
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**d** Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

<b>3d</b>		X
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**4a** Did the organization maintain any donor advised funds? If 'Yes,' complete lines 4b through 4g. If 'No,' complete lines 4f and 4g

<b>4a</b>		X
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**b** Did the organization make any taxable distributions under section 4966?

<b>4b</b>	N/A	
-----------	-----	--

**c** Did the organization make a distribution to a donor, donor advisor, or related person?

<b>4c</b>	N/A	
-----------	-----	--

**d** Enter the total number of donor advised funds owned at the end of the tax year **▶** N/A

**e** Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year **▶** N/A

**f** Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts **▶** 0

**g** Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year **▶** 0.

**Part IV Reason for Non-Private Foundation Status** (See instructions.)

I certify that the organization is not a private foundation because it is (Please check only **ONE** applicable box.)

- 5  A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6  A school Section 170(b)(1)(A)(ii) (Also complete Part V.)
- 7  A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8  A federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9  A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ► \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A.)
- 11 a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)
- 11 b  A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)
- 12  An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc. functions – subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization ►
  - Type I
  - Type II
  - Type III-Functionally Integrated
  - Type III-Other

Provide the following information about the supported organizations. (See instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
<b>Total</b>					0.

- 14  An organization organized and operated to test for public safety Section 509(a)(4) (See instructions.)

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

**Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	1,418,648.	2,105,256.	645,371.	305,676.	4,474,951.
16 Membership fees received	126,746.	112,851.	72,622.	61,465.	373,684.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc. purpose	607,703.	203,584.	142,645.	54,992.	1,008,924.
18 Gross income from interest, dividends, arnts rec'd from payments on securities loans (sec 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less sec 511 taxes) from businesses acquired by the organization after June 30, 1975	153,441.	41,744.	22,660.	8,228.	226,073.
19 Net income from unrelated business activities not included in line 18					0.
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0.
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					0.
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets. SEE STMT 16		5,498.			5,498.
23 Total of lines 15 through 22	2,306,538.	2,468,933.	883,298.	430,361.	6,089,130.
24 Line 23 minus line 17	1,698,835.	2,265,349.	740,653.	375,369.	5,080,206.
25 Enter 1% of line 23	23,065.	24,689.	8,833.	4,304.	

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	101,604.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.		26b	
c Total support for section 509(a)(1) test. Enter line 24, column (e)		26c	5,080,206.
d Add Amounts from column (e) for lines	18 226,073. 19	26d	231,571.
	22 5,498. 26b	26e	4,848,635.
e Public support (line 26c minus line 26d total)		26f	95.44 %
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))			

27 Organizations described on line 12: N/A			
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year.	(2006) _____ (2005) _____ (2004) _____ (2003) _____		
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year.	(2006) _____ (2005) _____ (2004) _____ (2003) _____		
c Add Amounts from column (e) for lines	15 _____ 16 _____	27c	
	17 _____ 20 _____ 21 _____	27d	
d Add Line 27a total _____ and line 27b total _____		27e	
e Public support (line 27c total minus line 27d total)		27f	
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)		27g	%
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		27h	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))			

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15

**Part V. Private School Questionnaire** (See instructions.)  
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain (If you need more space, attach a separate statement ) ----- ----- -----		
32 a	Does the organization maintain the following a Records indicating the racial composition of the student body, faculty, and administrative staff?		
32 b	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
32 c	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
32 d	d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain (If you need more space, attach a separate statement ) ----- -----		
33	Does the organization discriminate by race in any way with respect to		
33 a	a Students' rights or privileges?		
33 b	b Admissions policies?		
33 c	c Employment of faculty or administrative staff?		
33 d	d Scholarships or other financial assistance?		
33 e	e Educational policies?		
33 f	f Use of facilities?		
33 g	g Athletic programs?		
33 h	h Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement ) ----- ----- -----		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
34 b	Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If 'No,' attach an explanation		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See instructions)  
(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a**  if the organization belongs to an affiliated group Check **b**  if you checked 'a' and 'limited control' provisions apply

**Limits on Lobbying Expenditures**

(The term 'expenditures' means amounts paid or incurred )

	(a) Affiliated group totals	(b) To be completed for all electing organizations
<b>36</b> Total lobbying expenditures to influence public opinion (grassroots lobbying)	<b>36</b>	
<b>37</b> Total lobbying expenditures to influence a legislative body (direct lobbying)	<b>37</b>	25,009.
<b>38</b> Total lobbying expenditures (add lines 36 and 37)	<b>38</b> 0.	25,009.
<b>39</b> Other exempt purpose expenditures	<b>39</b>	1,093,343.
<b>40</b> Total exempt purpose expenditures (add lines 38 and 39)	<b>40</b> 0.	1,118,352.
<b>41</b> Lobbying nontaxable amount Enter the amount from the following table – If the amount on line 40 is – The lobbying nontaxable amount is –		
Not over \$500,000 20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000	<b>41</b>	186,835.
Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000 \$1,000,000		
<b>42</b> Grassroots nontaxable amount (enter 25% of line 41)	<b>42</b> 0.	46,709.
<b>43</b> Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	<b>43</b> 0.	0.
<b>44</b> Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	<b>44</b> 0.	0.

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below  
See the instructions for lines 45 through 50 )

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
<b>45</b> Lobbying nontaxable amount	186,835.	182,741.	98,410.	81,435.	549,421.
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					824,132.
<b>47</b> Total lobbying expenditures	25,009.	112,282.	34,861.	13,143.	185,295.
<b>48</b> Grassroots non-taxable amount	46,709.	45,685.	24,603.	20,359.	137,356.
<b>49</b> Grassroots ceiling amount (150% of line 48(e))					206,034.
<b>50</b> Grassroots lobbying expenditures		5,282.	3,509.	9,356.	18,147.

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

Yes	No	Amount

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines c through h.)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (add lines c through h.)

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities



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**STATEMENT 1**  
**FORM 990, PART I, LINE 7**  
**OTHER INVESTMENT INCOME**

REALIZED LOSSES

TOTAL	\$	-887.
	\$	<u>-887.</u>

**STATEMENT 2**  
**FORM 990, PART I, LINE 9**  
**NET INCOME (LOSS) FROM SPECIAL EVENTS**

SPECIAL EVENTS	GROSS RECEIPTS	LESS CONTRI-BUTIONS	GROSS REVENUE	LESS DIRECT EXPENSES	NET INCOME (LOSS)
VARIOUS FUNDRAISING EVENTS	380,543.	0.	380,543.	103,439.	277,104.
AUCTION	70,924.	0.	70,924.	0.	70,924.
TOTAL	<u>\$ 451,467.</u>	<u>\$ 0.</u>	<u>\$ 451,467.</u>	<u>\$ 103,439.</u>	<u>\$ 348,028.</u>

**STATEMENT 3**  
**FORM 990, PART I, LINE 10**  
**GROSS PROFIT (LOSS) FROM SALES OF INVENTORY**

SALE OF TAXABLE ITEMS	\$	36,758.
GROSS SALES	\$	<u>36,758.</u>
LESS RETURNS & ALLOWANCES		<u>0.</u>
NET SALES	\$	36,758.
LESS COST OF GOODS SOLD		<u>0.</u>
GROSS PROFIT FROM SALES OF INVENTORY	\$	<u>36,758.</u>

**STATEMENT 4**  
**FORM 990, PART I, LINE 20**  
**OTHER CHANGES IN NET ASSETS OR FUND BALANCES**

UNREALIZED GAINS INVESTMENTS	\$	19,067.
TOTAL	\$	<u>19,067.</u>

**STATEMENT 5**  
**FORM 990, PART II, LINE 43**  
**OTHER EXPENSES**

	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
ACQUISITION CONSERVATION LAND	1,227,626.	1,227,626.		
BANK CHARGES AND OTHER FEES	6,458.	3,749.	1,484.	1,225.
COST OF SALE - PROPERTY RIGHTS	291,184.	291,184.		
IN-KIND EXPENSES	93,824.			93,824.
INSURANCE	9,208.	2,468.	4,877.	1,863.
LAND ADVOCACY/PERMITS/LOBBYING	64,033.	63,198.	809.	26.

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**STATEMENT 5 (CONTINUED)**  
**FORM 990, PART II, LINE 43**  
**OTHER EXPENSES**

	(A)	(B)	(C)	(D)
	TOTAL	PROGRAM SERVICES	MANAGEMENT & GENERAL	FUNDRAISING
MISCELLANEOUS	2,718.	2,718.		
OUTSIDE SERVICES	27,083.	12,440.	8,263.	6,380.
SPECIAL EVENTS EXPENSES	-103,439.			-103,439.
X-CAPITALIZATION OF LAND COSTS	-1,227,626.	-1,227,626.		
TOTAL	\$ 391,069.	\$ 375,757.	\$ 15,433.	\$ -121.

**STATEMENT 6**  
**FORM 990, PART III**  
**ORGANIZATION'S PRIMARY EXEMPT PURPOSE**

FOUNDED IN 1971, SAVE MOUNT DIABLO IS A CALIFORNIA NONPROFIT LAND CONSERVATION ORGANIZATION. SAVE MOUNT DIABLO'S MISSION IS TO PRESERVE MOUNT DIABLO'S PEAKS, SURROUNDING FOOTHILLS AND WATERSHEDS THROUGH LAND ACQUISITION AND PRESERVATION STRATEGIES DESIGNED TO PROTECT THE MOUNTAIN'S NATURAL BEAUTY, BIOLOGICAL DIVERSITY AND HISTORIC AND AGRICULTURAL HERITAGE; ENHANCE OUR AREA'S QUALITY OF LIFE; AND PROVIDE RECREATIONAL OPPORTUNITIES CONSISTENT WITH PROTECTION OF NATURAL RESOURCES.

**STATEMENT 7**  
**FORM 990, PART III, LINE A**  
**STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS**

DESCRIPTION	GRANTS AND ALLOCATIONS	PROGRAM SERVICE EXPENSES
IN SUPPORT OF ITS MISSION, SAVE MOUNT DIABLO:		
* PROTECTS NATURAL LANDS THROUGH PURCHASES, GIFTS AND COOPERATIVE EFFORTS WITH PUBLIC AND PRIVATE ENTITIES.		
* EDUCATES THE PUBLIC REGARDING THREATS TO THE MOUNTAIN'S FLORA, FAUNA, AND RUGGED BEAUTY, AND TO THE HISTORY AND HERITAGE OF THE MOUNTAIN AND ITS SURROUNDING FOOTHILLS.		
* WORKS WITH LANDOWNERS TO PRESERVE THEIR PROPERTY AND TO ENSURE THAT THEY RECEIVE FAIR VALUE IN ANY TRANSACTION AIMED AT PRESERVING OPEN SPACE.		
* WORKS IN PARTNERSHIP WITH MT. DIABLO STATE PARK, EAST BAY REGIONAL PARK DISTRICT, AND OTHER PUBLIC AND PRIVATE ENTITIES TO INCREASE AND MANAGE NATURAL LANDS AND TO IDENTIFY MITIGATION OPPORTUNITIES.		
* PARTICIPATES IN THE LAND USE PLANNING PROCESS FOR PROJECTS THAT COULD IMPACT MOUNT DIABLO AND ITS SURROUNDING FOOTHILLS.		
* AIDS IN THE RESTORATION OF HABITAT AND THE PRESERVATION OF RARE SPECIES.		
* OFFERS TECHNICAL ADVICE TO COMMUNITY AND NEIGHBORHOOD GROUPS REGARDING PRESERVATION OF NATURAL LANDS.		
* RAISES FUNDS AND SPONSORS EVENTS TO BUILD PUBLIC AWARENESS AND TO CARRY OUT ITS PROGRAMS.		
* TEMPORARILY OWNS, AND RESPONSIBLY MANAGES, LANDS PRIOR TO		

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STATEMENT 7 (CONTINUED)  
FORM 990, PART III, LINE A  
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

DESCRIPTION	GRANTS AND ALLOCATIONS	PROGRAM SERVICE EXPENSES
THEIR TRANSFER TO A PUBLIC AGENCY FOR PERMANENT PRESERVATION. * ENCOURAGES RECREATION AND PUBLIC ENJOYMENT OF MOUNT DIABLO'S PARKLANDS, CONSISTENT WITH THE PROTECTION OF THEIR NATURAL RESOURCES.		
SEE ADDITIONAL INFORMATION AT <a href="http://WWW.SAVEMOUNTDIABLO.ORG/HISTORY.HTM">WWW.SAVEMOUNTDIABLO.ORG/HISTORY.HTM</a>		1,981,253.
INCLUDES FOREIGN GRANTS: NO		
AFTER UTILIZING ITS CASH RESERVES IN ORDER TO ACQUIRE CONSERVATION LAND, SAVE MOUNT DIABLO CAPITALIZES THE EXPENDITURES AS AN ASSET IN ORDER TO REFLECT ITS INVESTMENT IN CONSERVATION LAND.		-1,227,626.
INCLUDES FOREIGN GRANTS: NO		
	<u>\$ 0.</u>	<u>\$ 753,627.</u>

STATEMENT 8  
FORM 990, PART IV, LINE 57  
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE
FURNITURE AND FIXTURES	\$ 6,049.	\$ 0.	\$ 6,049.
MACHINERY AND EQUIPMENT	32,487.	0.	32,487.
MISCELLANEOUS	0.	24,328.	-24,328.
TOTAL	<u>\$ 38,536.</u>	<u>\$ 24,328.</u>	<u>\$ 14,208.</u>

STATEMENT 9  
FORM 990, PART IV, LINE 58  
OTHER ASSETS

CONSERVATION LAND	\$ 4,914,193.
DEPOSITS	4,446.
TOTAL	<u>\$ 4,918,639.</u>

STATEMENT 10  
FORM 990, PART IV-A, LINE B(4)  
OTHER AMOUNTS

SPECIAL EVENTS EXPENSES	\$ 103,439.
UNREALIZED GAINS	19,067.
TOTAL	<u>\$ 122,506.</u>

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**STATEMENT 11**  
**FORM 990, PART IV-B, LINE B(4)**  
**OTHER AMOUNTS**

AMOUNTS EXPENDED TO ACQUIRE LAND  
 SPECIAL EVENTS EXPENSES

\$ 1,227,626.  
 103,439.  
**TOTAL \$ 1,331,065.**

**STATEMENT 12**  
**FORM 990, PART V-A**  
**LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES**

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
RON BROWN 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	EXECUTIVE DIREC 40.00	\$ 107,610.	\$ 5,919.	\$ 2,012.
MALCOLM SPROUL 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	PRESIDENT 4.00	0.	0.	0.
ART BONWELL 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	VICE PRESIDENT 4.00	0.	0.	0.
ALLAN PRAGER 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	VICE PRESIDENT 4.00	0.	0.	0.
DAVE TROTTER 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	SECRETARY 4.00	0.	0.	0.
FRANK VARENCHIK 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	TREASURER 4.00	0.	0.	0.
BURT BASSLER 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
DON DEFREMERY 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
DANA DORNSIFE 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
CHARLA GABERT 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.

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**STATEMENT 12 (CONTINUED)**  
**FORM 990, PART V-A**  
**LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES**

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
SCOTT HEIN 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR \$ 2.00	0. \$	0. \$	0.
CLAUDIA HEIN 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
DAVE HUSTED 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
MIKE HITCHCOCK 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
AMARA MORRISON 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
JOHN MERCURIO 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
DAVE SARGENT 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
SHARON WALTERS 1901 OLYMPIC BOULEVARD #220 WALNUT CREEK, CA 94596	DIRECTOR 2.00	0.	0.	0.
	TOTAL	\$ 107,610.	\$ 5,919.	\$ 2,012.

**STATEMENT 13**  
**FORM 990, PART VIII**  
**RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES**

LINE #	EXPLANATION OF ACTIVITIES
93A	LAND USAGE & MANAGEMENT FEES: SAVE MOUNT DIABLO EARNS FUNDS BY CHARGING MANAGEMENT AND LAND USAGE FEES ON CERTAIN OF ITS LAND CONSERVATION PARCELS. THIS REVENUE HELPS OFFSET DIRECT COSTS ASSOCIATED WITH PROVIDING THESE SERVICES.
93B	SALE OF PROPERTY RIGHTS: SAVE MOUNT DIABLO DERIVES REVENUE FROM THE SALE OF EASEMENT RIGHTS ON SELECTED LAND PARCELS. FUNDS RECEIVED ARE BUDGETED AND SET-ASIDE FOR FUTURE LAND ACQUISITIONS.
94	MEMBERSHIP FEES: SAVE MOUNT DIABLO COLLECTS ANNUAL MEMBERSHIP FEES FROM ITS LARGE SUBSCRIBER BASE AND THE GENERAL PUBLIC. FEES HELP AUGMENT THE

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**STATEMENT 13 (CONTINUED)**  
**FORM 990, PART VIII**  
**RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES**

LINE #	EXPLANATION OF ACTIVITIES
	COST OF SERVICING THE PROGRAM ACTIVITIES OF THE ORGANIZATION.
101	SPECIAL EVENTS INCOME: SAVE MOUNT DIABLO DERIVES REVENUE FROM HOSTING VARIOUS EVENTS THROUGHOUT THE YEAR, INCLUDING PROGRAMS TITLED "MOONLIGHT ON THE MOUNTAIN," "MOUNT DIABLO CHALLENGE," "TRAIL ADVENTURE," AND OTHER ACTIVITIES.
102	INVENTORY SALES: REVENUES DERIVED FROM THE SALE OF T-SHIRTS, MUGS AND OTHER PRODUCTS PROMOTING SAVE MOUNT DIABLO ARE USED TO HELP AUGMENT FUNDING OF VARIOUS PROGRAMS AND ACTIVITIES.

**STATEMENT 14**  
**SCHEDULE A, PART I**  
**COMPENSATION OF FIVE HIGHEST PAID EMPLOYEES**

NAME AND ADDRESS	TITLE & AVERAGE HOURS WORKED	COMPEN-SATION	CONTRIBUT. EBP & DC	EXPENSE ACCOUNT
SETH ADAMS 1901 OLYMPIC BLVD #220 WALNUT CREEK, CA 94596	LAND PROGRAMS 40.00	82,000.	4,510.	2,075.
JULIE SEELEN 1901 OLYMPIC BLVD #220 WALNUT CREEK, CA 94596	DEVELOPMENT 40.00	54,500.	2,998.	2,210.
	TOTAL	\$ 136,500.	\$ 7,508.	\$ 4,285.

**STATEMENT 15**  
**SCHEDULE A, PART III, LINE 2**  
**TRANSACTIONS WITH TRUSTEES, DIRECTORS, ETC.**

SAVE MOUNT DIABLO REMITS COMPENSATION TO ITS KEY EMPLOYEES. DURING THE YEAR ENDED DECEMBER 31, 2007, SAVE MOUNT DIABLO PAID MR. RONALD BROWN \$107,610 FOR SERVICES RENDERED AS EXECUTIVE DIRECTOR.

**STATEMENT 16**  
**SCHEDULE A, PART IV-A, LINE 22**  
**OTHER INCOME**

DESCRIPTION	(A) 2006	(B) 2005	(C) 2004	(D) 2003	(E) TOTAL
OTHER INCOME	\$ 0.	\$ 74.	\$ 0.	\$ 0.	\$ 74.
GROSS RENTS	0.	5,424.	0.	0.	5,424.
TOTAL	\$ 0.	\$ 5,498.	\$ 0.	\$ 0.	\$ 5,498.

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**PROJECTED SUPPORT SCHEDULE FOR 2008**

THIS WORKSHEET PROJECTS IF THE ORGANIZATION WILL MEET THE SUPPORT TEST FOR THE TAX YEAR 2008 BASED ON THE DATA ENTERED IN SCREEN 55 FOR THE COLUMN 2007

SUPPORT ITEMS	2007 (A)	2006 (B)	2005 (C)	2004 (D)	TOTAL (E)
15 GIFTS, GRANTS, AND CONTRIBUTIONS	1,749,815.	1,418,648.	2,105,256.	645,371.	5,919,090.
16 MEMBERSHIP FEES RECEIVED	112,184.	126,746.	112,851.	72,622.	424,403.
17 GROSS RECEIPTS FROM ADMISSIONS, MERCHANDISE SOLD OR SERVICES PERFORMED, OR FURNISHING OF FACILITIES IN ANY ACTIVITY THAT IS RELATED TO THE ORGANIZATION'S CHARITABLE PURPOSE	518,758.	607,703.	203,584.	142,645.	1,472,690.
18 GROSS INCOME FROM INTEREST, DIVIDENDS, SAMOUNT RECEIVED FROM PAYMENTS ON SECURITIES LOANS, RENTS, ROYALTIES, AND UNRELATED BUSINESS TAXABLE INCOME FROM BUSINESSES ACQUIRED BY THE ORGANIZATION AFTER 6/30/1975	147,593.	153,441.	41,744.	22,660.	365,438.
19. NET INCOME FROM UNRELATED BUSINESS ACTIVITIES NOT INCLUDED IN LINE 18					0.
20. TAX REVENUES LEVIED FOR THE ORGANIZATION'S BENEFIT AND EITHER PAID TO IT OR EXPENDED ON ITS BEHALF					0.
21 THE VALUE OF SERVICES OR FACILITIES FURISHED TO THE ORGANIZATION BY A GOVERNMENTAL UNIT WITHOUT CHARGE. DO NOT INCLUDE THE VALUE OF SERVICES OR FACILITIES GENERALLY FURNISHED TO THE PUBLIC WITHOUT CHARGE					0.
22 OTHER INCOME DO NOT INCLUDE GAIN (OR LOSS) FROM SALE OF CAPITAL ASSETS	321.		5,498.		5,819.
23 TOTAL OF LINES 15 THROUGH 22	2,528,671.	2,306,538.	2,468,933.	883,298.	8,187,440.
24 LINE 23 MINUS LINE 17	2,009,913.	1,698,835.	2,265,349.	740,653.	6,714,750.
25 ENTER 1% OF LINE 23	25,287.	23,065.	24,689.	8,833.	
<b>ORGANIZATIONS DESCRIBED ON LINES 10 OR 11:</b>					
26A. 2% OF AMOUNT IN COLUMN (E), LINE 24					134,295.
26B. TOTAL OF ALL INDIVIDUAL CONTRIBUTIONS THAT EXCEED THE LINE 26A AMOUNT					0.
26C. TOTAL SUPPORT FOR SECTION 509(A) (1) TEST (LINE 24, COLUMN (E))					6,714,750.
26D. ADD THE AMOUNTS FROM COLUMN (E) FOR LINES 18, 19, 22, AND 26B					371,257.
26E. PUBLIC SUPPORT (LINE 26C MINUS LINE 26D)					6,343,493.
26F. PUBLIC SUPPORT PERCENTAGE (LINE 26E DIVIDED BY LINE 26C)					<b>94.47%</b>

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CODE NOTE

FUNCTIONAL EXPENSES WITHOUT LAND ACQ  
LAND ACQUISITION

	\$	753,627.
		<u>1,227,626.</u>
TOTAL	\$	<u><u>1,981,253.</u></u>

2007

FEDERAL SUPPORTING DETAIL

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CONTRIBUTIONS, GIFTS, AND GRANTS  
DIRECT PUBLIC SUPPORT

CONTRIBUTIONS

TOTAL \$ 1,203,442.  
\$ 1,203,442.

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INVESTMENTS  
-----

INVESTMENTS CONSIST OF MONEY MARKET FUNDS AND FIXED INCOME SECURITIES ON DEPOSIT AT VARIOUS BROKERAGE FIRMS. COST BASIS AND MARKET VALUE OF INVESTMENTS ARE AS FOLLOWS AT DECEMBER 31, 2007 AND 2006:

	2007		2006	
	COST BASIS	MARKET VALUE	COST BASIS	MARKET VALUE
BONDS & CERTIFICATES OF DEPOSIT	\$ 1,208,379	1,208,379	1,220,000	1,219,062
CORPORATE FIXED INCOME	150,000	140,050	150,000	150,910
GOVERNMENT SECURITIES	571,000	571,267	680,000	663,714
MUTUAL FUNDS	153,907	162,412	45,424	44,963
STOCKS	200,719	196,441	51,349	52,283
MONEY MARKET FUNDS	1,002,401	1,002,401	886,353	887,645
TOTAL INVESTMENTS	\$ 3,286,406	3,280,950	3,033,126	3,018,577

PROPERTY AND EQUIPMENT  
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A SUMMARY OF PROPERTY AND EQUIPMENT IS AS FOLLOWS AT DECEMBER 31:

	2007	2006
OFFICE FURNITURE	\$ 6,049	4,074
COMPUTER EQUIPMENT	32,487	29,696
SUBTOTAL	38,536	33,770
LESS ACCUMULATED DEPRECIATION	(24,328)	(17,355)
TOTAL PROPERTY AND EQUIPMENT, NET	\$ 14,208	16,415

TOTAL DEPRECIATION EXPENSE FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006 AMOUNTED TO \$6,973 AND \$2,938, RESPECTIVELY, AND IS REFLECTED ON THE STATEMENTS OF FUNCTIONAL EXPENSES.

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box  **X**
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1)

**Part II Additional (not automatic) 3-Month Extension of Time.** You must file original and one copy.

Type or print  File by the extended due date for filing the return. See instructions	Name of Exempt Organization <b>SAVE MOUNT DIABLO</b>	Employer identification number <b>94-2681735</b>  For IRS use only
	Number, street, and room or suite number. If a P O box, see instructions <b>1901 OLYMPIC BOULEVARD #220</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions <b>WALNUT CREEK, CA 94596</b>	

**Check type of return to be filed** (File a separate application for each return)

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (section 401(a) or 408(a) trust)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 5227	

**STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

- The books are in care of **RON BROWN**  
Telephone No **925-947-3535** FAX No **925-947-0642**
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ If this is for the whole group, check this box  If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 11/15, 2008

5 For calendar year 2007, or other tax year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_

6 If this tax year is for less than 12 months, check reason  Initial return  Final return  Change in accounting period

7 State in detail why you need the extension TAXPAYER IS IN THE PROCESS OF OBTAINING THE NECESSARY INFORMATION IN ORDER TO PREPARE A COMPLETE AND ACCURATE TAX RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	<b>8a</b> \$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	<b>8b</b> \$
c <b>Balance Due.</b> Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instrs	<b>8c</b> \$

**Signature and Verification**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature \_\_\_\_\_ Title **EXECUTIVE DIRECTOR** Date \_\_\_\_\_

**Notice to Applicant. (To be Completed by the IRS)**

- We have approved this application. Please attach this form to the organization's return
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely filed return. Please attach this form to the organization's return
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period
- We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested
- Other \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_

**Alternate Mailing Address.** Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name <b>REGALIA &amp; ASSOCIATES, CPAS</b>
	Number and street (include suite, room, or apartment number) or a P O box number <b>103 TOWN &amp; COUNTRY DR., STE. K</b>
	City or town, province or state, and country (including postal or ZIP code) <b>DANVILLE, CA 94526</b>