

**DIABLO COMMUNITY SERVICE DISTRICT
BOARD OF DIRECTORS MEETING
MINUTES
DIABLO ROOM, DIABLO COUNTRY CLUB
September 12, 2017 at 7:30 p.m. (Immediately following DMAC meeting)**

CALL TO ORDER: President Ray Brant called the meeting to order at 7:32 p.m.

ROLL CALL: GM Richard Breitwieser called the roll as follows:

Directors present: Brant, Torru, Urbelis, Langon

Directors absent: Mini

COMMENTS FROM THE AUDIENCE:

Director Brant announced that Director Mini is resigning from the DCSD Board effective September 13, 2017. The Board thanks Jeff Mini for his years of service and his significant contribution to the Community.

Maryann Cella reminded the Board that the Mt Diablo Challenge is October 8th.

Gary Rich expressed concern about the size and poor condition of the culvert located next to his property running under Diablo Rd at Alameda Diablo. He presented two hydrology reports; one from the County and another from a private source, confirming the culvert is undersized for a "100 yr. flood." Mr. Rich asked the Board to write a letter to the Town requesting the Town upgrade the culvert as part of the Magee Ranches build out.

ACTION ITEM:

On motion by Director Torru, second by Director Urbelis, the minutes of the August 8, 2017 Regular Meeting were approved:

Ayes: Brant, Torru, Urbelis, Langon

Noes: None

Abstentions: None

Absent: Mini

On motion by Director Torru, second by Director Langon, the Board authorized Director Brant to send a letter to the Town of Danville expressing concern regarding the inadequate size and poor condition of the culvert running under Diablo Rd at Alameda Diablo

Ayes: Brant, Torru, Urbelis, Langon

Noes: None

Abstentions: None

Absent: Mini

REPORTS:

DIABLO COUNTRY CLUB: No Report

CONTRA COSTA COUNTY: Alicia Nuchols and Stan Muraoka reported:

The CC County Board of Supervisors has appointed retired Superior Court Judge Diana Becton district attorney of Contra Costa County.

An Urban Farm Animals Ordinance allowing for chickens (no roosters) and honey bees on properties in the R-20 and R-40 residential districts is being drafted by the County and will be presented to the County planning commission in October. Diablo generally falls into these residential classifications. The new ordinance will also allow residents with 40,000 sq. ft. or more to keep livestock.

DIABLO PROPERTY OWNERS REPORT:

Don Nejedly reported:

The DPOA is planning a scaled back Halloween community event on lower Alameda Diablo. The event is currently planned to take place from 6-8pm on October 31st.

Vince Chow and Anne Coleman asked that the DPOA discontinue hosting a social event and not close Alameda Diablo on Halloween.

SECURITY:

Director Brant reported:

Deputy Buergi is on vacation so there is no security report for August. The summer traffic enforcement program yielded 68 citations over 5 days. The citations were primarily for stop sign violations.

ROADS:

Director Langon reported:

The Don Hoffman plaque will be shipped next week and then installed on the Alameda Bridge located just west of Caballo Ranchero.

10-12 street signs, 3 stop signs, 2 stop sign poles and 2 stop limit lines have been identified as needing replacement at a cost of approx. \$6,500. Director Langon will work with MCE to perform the repairs in the next month.

She is working with MCE and the property owner at 2000 Calle Los Callados to widen the road 2 feet to the original location of the road as identified from old layers of asphalt.

The Mt Diablo Challenge is October 8th and is being hosted by the Valley Spokesman Bicycle Club for the first time. The Valley Spokesmen Bicycle Club will provide volunteers at the three Diablo vehicle entrances and place orange fencing at the two pedestrian entrances to prevent participants from leaving the assigned course.

FINANCIAL:

Director Torru presented:

The August 2017 Financial Report. The District's income and expenses are in line with the Budget except for Sheriff's expense, which was higher than expected in July. Director Brant will work with the Deputy to manage the expense. At the end of August the cash balance was approx. \$185K.

A draft communication to all residents informing them of the March Mail-in Special Election has been received from the consultant. Over the next couple of weeks the communication will be finalized and mailed to all Diablo residents. The first Town Hall meeting to answer resident questions about the Special Election and Special Tax will be held in early November.

The property owner of 1700 Alameda Diablo did not show up as promised to discuss the money owed the District for tree removal. The District will proceed as prescribed in the District Ordinances to obtain reimbursement.

COMMENTS BY DIRECTORS/PRESIDENT:

Mr. Breitwieser indicated to the Board that the legal opinion on the failed culvert, being prepared by Miller, Starr and Regalia, is still in process.

CALL OF NEXT MEETING/ADJOURNMENT:

The President called the next meeting for October 10, 2017. There being no further business, the President adjourned the meeting at 9:35 pm.

Kathy Torru, Secretary

Diablo Community Service District
Profit and Loss Statement
2 months ended August 31, 2017

	July	August	YTD	Budget	Prior YTD
<i>Income</i>					
Ad Valorem Taxes	\$0	\$0	\$0	\$0	\$0
Road & Security Fees			0		
Traffic Fines	177		177	584	338
Interest Income	5	3	8	12	14
Total Income	182	3	185	596	352
<i>Expenses</i>					
Sheriff Security	30,000	37,132	67,132	60,842	61,738
Road Maintenance			0		
Gardener	100	100	200	200	240
Trail and Creek Maintenance			0		
General Manager	1,750	1,750	3,500	3,500	3,500
Legal Retainer	1,850	1,850	3,700	3,700	3,700
Other Professional Fees	43	563	606	86	325
Administrative	17	13	30	50	180
Depreciation Expense	755	755	1,510	1,510	347
Miscellaneous	0		0		575
Total Expenses	34,515	42,163	76,678	69,888	70,605
Net Income	(34,333)	(42,160)	(76,493)	(69,292)	(70,253)

Diablo Community Service District

Balance Sheet

August 31, 2017

	July	August
ASSETS		
Current Assets		
Wells Fargo Checking Acct	\$100,534	\$58,971
Wells Fargo Money Market 2	128,737	128,740
Accounts Receivable	2,200	2,200
Prepaid Expenses	173	130
Total Current Assets	<u>231,644</u>	<u>190,041</u>
Property and Equipment		
Computer Equip	5,917	5,917
Automobile	42,817	42,817
Other Fixed Assets	2,500	2,500
Accumulated Depreciation	<u>(13,256)</u>	<u>(14,011)</u>
Total Property and Equipment	<u>37,978</u>	<u>37,223</u>
Other Assets		
Automobile Sinking Fund	24,833	25,833
Bridge Sinking Fund	<u>245,000</u>	<u>250,000</u>
Total Other Assets	<u>269,833</u>	<u>275,833</u>
Total Assets	539,455	503,097
LIABILITIES AND CAPITAL		
Current Liabilities		
Accounts Payable*	30,100	29,900
Accrued Expenses	<u>3,000</u>	<u>3,000</u>
Total Current Liabilities	<u>33,100</u>	<u>32,900</u>
Long-Term Liabilities		
Other Liabilities	<u>269,833</u>	<u>275,833</u>
Total Long-Term Liabilities	<u>269,833</u>	<u>275,833</u>
Total Liabilities	302,933	308,733
Capital		
Opening Balance Equity	1,239,979	1,239,979
Retained Earnings	(969,123)	(969,123)
Net Income	<u>(34,333)</u>	<u>(76,494)</u>
Total Capital	<u>236,523</u>	<u>194,362</u>
Total Liabilities & Capital	539,456	503,095

Diablo Community Service District
Cash Flow Statement
2 month ended August 31, 2017

	July	August	Year to Date
<i>Cash Flows from operating activities</i>			
Net Income	\$ (34,333)	\$ (42,160)	\$ (76,493)
Adjustments to reconcile net income to net cash provided by operating activities			
Accumulated Depreciation	755	755	1,510
Accounts Receivable			0
Prepaid Expenses	43	43	87
Accounts Payable	(6,843)	(200)	(7,043)
Accrued Expenses			0
Total Adjustments	(6,045)	598	(5,447)
Net Cash provided by Operations	(40,378)	(41,562)	(81,940)
<i>Cash Flows from investing activities</i>			
Used For			
Other Fixed Assets			0
Automobile Sinking Fund	(1,000)	(1,000)	(12,000)
Bridge Sinking Fund	(5,000)	(5,000)	(60,000)
Net cash used in investing	(6,000)	(6,000)	(72,000)
<i>Cash Flows from financing activities</i>			
Proceeds From			
Other Liabilities	6,000	6,000	72,000
Used For			
Net cash used in financing	6,000	6,000	72,000
Net increase <decrease> in cash	(40,378)	(41,562)	(81,940)
<i>Summary</i>			
Cash Balance at End of Period	229,271	187,711	187,711
Cash Balance at Beg of Period	(269,650)	(229,271)	(269,650)
Net Increase <Decrease> in Cash	\$ (40,379)	\$ (41,560)	\$ (81,939)