

**DIABLO COMMUNITY SERVICE DISTRICT
PO BOX 321
DIABLO CA 94528
MINUTES
BOARD OF DIRECTORS
DIABLO COUNTRY CLUB
MAY 12, 2015, 7:30 p.m.**

CALL TO ORDER: The President opened the meeting at 7:30 p.m.

ROLL CALL: The Secretary called the role as follows::

Directors Present: BRANT, TORRU, HOFFMAN, MINI, CHOW
Directors Absent: None

PRESENTATION BY ROBERT TIERNAN re status of Diablo Roads (10 minutes)

Robert Tiernan spoke to the Committee regarding the public vs. private use of Diablo Roads and stated that the 1972 and 2013 opinions from Miller Starr and Regalia are inadequate. Mr. Tiernan requested a third opinion.

COMMENTS FROM THE AUDIENCE. Members of the audience spoke for and against the suggestion of a third legal opinion.

A member of the audience announced that he intended to video record the meeting. Some members of the audience objected stating it would have a chilling effect in that members of the audience might be reluctant to speak under those circumstances. Other members of the audience welcomed the video recording of the meeting. Council advised that the Brown Act specifically permits members of the public to video record a public meeting

The President closed the public comment portion of meeting

CONSENT CALENDAR.

1. Approval of Minutes as follows:

On motion of Director Hoffman, second by Director Torru, the minutes of the regular meeting of the Board of Directors held on April 14, 2015 were unanimously approved.

REPORTS.

DPOA. JANE RICHARDS reported that the New Comers Party will probably be held in June 2105.

DIABLO COUNTRY CLUB: HANK SALVO reported that:

1. the Diablo Country Club must reduce its water usage by 40% and there will be a 25% service charge for violation.
2. The Diablo Country Club has entered into a Memorandum of Understanding (MOU) with East Bay Municipal Utility District regarding the use of EBMUD untreated water for use on the golf course.

SECURITY: DEPUTY SHERIFF DAN BUERGI :

1. Presented the Security Report for the month of May, 2015.
2. Stated that the special project for extra deputy time is on track and the deputies will be citing randomly for speed, stop sign, and cell phone violations.

ROADS, BRIDGES & CULVERTS: DIRECTOR HOFFMAN/MINI

1. **ACTION ITEM:** Discussion and Establish weight and length limits for trucks on Diablo and to post those limitations at the three entrances to Diablo.

Director Hoffman will work with MCE to post weight limit on Diablo bridges.

2. **ACTION ITEM:** Discussion and action on construction of Trash Rack on Calle Arroyo/Canada Via intersection.

Don Hoffman will meet with MCE on site and order a proposal for a sum certain for design, fabrication, and installation of the rack.

3. Progress report on Fire Dept. review of speed humps and response time .

Director Hoffman reported that the humps have been inventoried and scheduled as conforming or non-conforming. He will work on the permit application and it should be filed with SRVFPD by next meeting.

4. Report on status of repair of pedestrian/equestrian trail.

Director Mini and R. Breitwieser will attempt to meet with MCDE on site before next meeting.

FINANCIAL REPORT: DIRECTOR TORRU

1. Submitted the Financial report for the month of April, 2015.
2. Stated that DCSD has received approximately \$226,000 Ad Velorem Taxes
3. DCSD has a balance of approximately \$869,000.
4. Has budgeted \$250,000 for road work for next fiscal year

5. Presentation of Audit for FY 2014

6. ACTION ITEM: Pass budget for FY 2015 - 16.

ADJOURNMENT/ NEXT MEETING – The president called the next meeting for June 9, 2015 and adjourned the meeting at 8:30 p.m.

Diablo Community Service District
By

Richard J. Breitwieser, Secretary

Diablo Community Service District
Profit and Loss Statement
10 months ended April 30, 2015

	July	August	September	October	November	December	January	February	March	April	YTD	Prior YTD	Budget
<i>Income</i>													
Ad Valorem Taxes	\$0	\$0	\$0	\$0	\$11,273	\$189,956	\$0	\$668	\$0	\$136,257	\$338,154	\$305,023	\$313,500
Road & Security Fees	0	0	0	0	0	124,153	0	0	0	90,293	214,446	308,674	207,487
Traffic Fines	84	239	21	39	0	1,089	449	0	58	243	2,222	6,031	4,000
Interest Income	21	21	19	20	17	9	6	5	6	6	130	213	125
Total Income	105	260	40	59	11,290	315,207	455	673	64	226,799	554,952	619,941	525,112
<i>Expenses</i>													
Sheriff Security	27,450	27,750	30,364	28,475	23,138	28,122	24,709	28,392	27,750	25,933	272,083	257,924	277,500
Auto Repairs	196	0	0	49	0	0	0	67	0	0	312	4,306	2,500
Cell Phone	0	0	0	0	200	0	0	0	0	0	200	100	300
Other	0	0	0	0	0	0	0	0	0	0	0	9	61,800
Road Maintenance	0	552	8,479	85,800	496,405	16,070	2,246	0	1,800	571	611,923	290,902	575,000
Bridge Maintenance	0	0	22,279	39,000	0	0	0	0	0	0	61,279	0	88,000
Bridge/Culvert Engineering	0	0	0	0	0	0	0	0	0	0	0	975	10,000
Storm Drain Maintenance	0	0	0	0	0	0	0	0	0	0	0	1,769	12,000
Tree, Bush and Weed Trimming	0	0	0	0	0	0	1,164	0	-1,164	0	0	4,816	5,000
Gardener	0	0	0	800	0	0	0	240	0	0	1,040	900	1,000
Trail and Creek Maintenance	0	0	0	0	0	0	0	0	0	4,500	4,500	4,929	5,000
Entrance & Island Maint	0	0	0	0	6,000	0	0	0	0	0	6,000	0	0
General Manager	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	17,500	17,500	17,500
Legal Retainer	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	18,500	18,500	18,500
Records Storage	0	0	0	0	0	0	0	1,128	0	0	1,128	1,128	1,150
Audit	0	0	0	0	0	0	2,500	0	0	0	2,500	5,500	8,500
Legal Notices and Fees	0	0	0	0	0	1,500	0	0	0	0	1,500	42	475
Assessors Roll/County Fees	0	0	54	0	0	0	0	757	0	0	811	0	375
Insur Director and Officers	0	0	0	0	0	0	8,889	0	0	0	8,889	8,421	8,500
Insur Commercial and Auto	0	0	0	3,552	0	0	0	0	0	0	3,552	3,444	3,500
Insur Excess General Liability	0	0	0	4,125	0	0	0	0	0	0	4,125	4,125	4,150
DMAC Operating Expenses	0	0	0	92	0	0	0	0	0	0	92	148	125
Administrative	5	66	-2	6	56	40	5	82	106	10	374	575	750
Depreciation Expense	132	132	132	132	132	132	132	132	132	132	1,320	6,865	4,716
Miscellaneous	0	0	0	0	0	1,971	288	98	0	0	2,357	5,638	3,400
Total Expenses	31,383	32,100	64,906	165,631	529,531	51,435	43,533	34,496	32,224	34,746	1,019,985	638,516	1,109,741
Net Income	-31,278	-31,840	-64,866	-165,572	-518,241	263,772	-43,078	-33,823	-32,160	192,053	-465,033	-18,575	-584,629

Diablo Community Service District
Balance Sheet
April 30, 2015

	July	August	September	October	November	December	January	February	March	April
ASSETS										
Current Assets										
Wells Fargo Checking Acct	\$475,461	\$496,655	\$427,102	\$299,603	\$530,081	\$548,741	\$488,562	\$484,364	\$447,450	\$638,548
Wells Fargo Money Market 2	830,645	780,665	780,685	780,705	480,721	230,730	230,736	230,741	230,747	230,753
Accounts Receivable	0	0	0	1,143	1,143	1,143	1,143	0	0	0
Total Current Assets	1,306,106	1,277,320	1,207,787	1,081,451	1,011,945	780,614	720,441	715,105	678,197	869,301
Property and Equipment										
Computer Equip	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917
Automobile	63,610	63,610	63,610	63,610	63,610	63,610	63,610	63,610	63,610	63,610
Accumulated Depreciation	-65,316	-65,448	-65,579	-65,711	-65,842	-65,974	-66,106	-66,237	-66,369	-66,500
Total Property and Equipment	4,211	4,079	3,948	3,816	3,685	3,553	3,421	3,290	3,158	3,027
Other Assets										
Automobile Sinking Fund	62,833	62,833	62,833	62,833	62,833	62,833	62,833	62,833	62,833	62,833
Bridge Sinking Fund	65,000	70,000	75,000	80,000	85,000	90,000	95,000	100,000	105,000	110,000
Total Other Assets	127,833	132,833	137,833	142,833	147,833	152,833	157,833	162,833	167,833	172,833
Total Assets	1,438,150	1,414,232	1,349,568	1,228,100	1,163,463	937,000	881,695	881,228	849,188	1,045,161
LIABILITIES AND CAPITAL										
Current Liabilities										
Accounts Payable*	59,990	62,914	58,114	97,518	550,734	50,888	33,659	62,181	57,135	56,054
Accrued Expenses	300	300	300	0	0	0	0	0	0	0
Total Current Liabilities	60,290	63,214	58,414	97,518	550,734	50,888	33,659	62,181	57,135	56,054
Long-Term Liabilities										
Other Liabilities	127,833	132,833	137,833	142,833	147,833	152,833	157,833	162,833	167,833	172,833
Total Long-Term Liabilities	127,833	132,833	137,833	142,833	147,833	152,833	157,833	162,833	167,833	172,833
Total Liabilities	188,123	196,047	196,247	240,351	698,567	203,721	191,492	225,014	224,968	228,887
Capital										
Opening Balance Equity	1,239,979	1,239,979	1,239,979	1,239,979	1,239,979	1,239,979	1,239,979	1,239,979	1,239,979	1,239,979
Retained Earnings	41,324	41,324	41,324	41,324	41,324	41,324	41,324	41,324	41,324	41,324
Net Income	-31,278	-63,117	-127,983	-293,555	-816,408	-548,025	-591,102	-625,089	-657,082	-465,030
Total Capital	1,250,025	1,218,186	1,153,320	987,748	464,895	733,278	690,201	656,214	624,221	816,273
Total Liabilities & Capital	1,438,148	1,414,233	1,349,567	1,228,099	1,163,462	936,999	881,693	881,228	849,189	1,045,160

Diablo Community Service District
Cash Flow Statement
10 months ended April 30, 2015

	July	August	September	October	November	December	January	February	March	April	Year to Date
<i>Cash Flows from operating activities</i>											
Net Income	\$ (31,278)	\$ (31,840)	\$ (64,866)	\$ (165,572)	\$ (518,241)	\$ 263,772	\$ (43,078)	\$ (33,823)	\$ (32,160)	\$ 192,053	\$ (465,033)
Adjustments to reconcile net income to net cash provided by operating activities											
Accumulated Depreciation	132	132	132	132	132	132	132	132	132	132	1,316
Accounts Receivable				-1,143				1,143			-0
Accounts Payable	27,646	2,923	-4,800	39,404	448,604	-495,234	-17,229	28,356	-4,880	-1,080	23,709
Accrued Expenses	0	0		-300							-300
Total Adjustments	27,777	3,055	-4,669	38,093	448,736	-495,102	-17,097	29,630	-4,749	-949	24,725
Net Cash provided by Operations	-3,501	-28,785	-69,535	-127,479	-69,505	-231,330	-60,175	-4,193	-36,909	191,104	-440,308
<i>Cash Flows from investing activities</i>											
Used For											
Automobile Sinking Fund											0
Bridge Sinking Fund	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-60,000
Net cash used in investing	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-60,000
<i>Cash Flows from financing activities</i>											
Proceeds From											
Other Liabilities	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Used For											
Net cash used in financing	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Net increase <decrease> in cash	-3,501	-28,785	-69,535	-127,479	-69,505	-231,330	-60,175	-4,193	-36,909	191,104	-440,308
<i>Summary</i>											
Cash Balance at End of Period	1,306,106	1,277,320	1,207,787	1,080,308	1,010,802	779,471	719,298	715,105	678,197	869,301	869,301
Cash Balance at Beg of Period	-1,309,606	-1,306,106	-1,277,320	-1,207,787	-1,080,308	-1,010,802	-779,471	-719,298	-715,105	-678,197	-1,309,606
Net Increase <Decrease> in Cash	\$ (3,500)	\$ (28,786)	\$ (69,533)	\$ (127,479)	\$ (69,506)	\$ (231,331)	\$ (60,173)	\$ (4,193)	\$ (36,908)	\$ 191,104	\$ (440,305)

Diablo Community Service District
2015-2016 Budget

July 1st thru June 30th	Budget Q1	Budget Q2	Budget Q3	Budget Q4	Budget FY 2016	Actual 2014-2015	Actual 2013-2014
Income Statement							
Revenue							
Ad Valorem Tax	0	200,750	0	164,250	365,000	364,370	329,683
Road & Security Fees	0	127,878	0	104,627	232,505	225,733	324,908
Traffic Fines	575	575	575	575	2,300	2,949	6,294
Interest Income	38	38	38	38	150	142	257
Total Revenue	613	329,240	613	269,490	599,955	593,194	661,142
Expenses-Recurring							
Security							
Security / Sheriff	86,750	86,750	86,750	86,750	347,000	328,821	314,092
Auto Repairs	1,250	1,250	0	0	2,500	3,598	4,353
Cell Phone	100	100	100	100	400	400	300
Other	1,500	250	250	0	2,000	-	9
Total Security	89,600	88,350	87,100	86,850	351,900	332,819	318,754
Road Maintenance							
Road Maintenance	21,000	265,000	0	10,000	296,000	612,188	306,211
Bridge Maintenance	0	49,000	0	0	49,000	61,279	-
Bridge Engineering/Consulting	0	10,000	0	0	10,000	-	976
Storm Drain Maintenance	0	3,000	2,000	0	5,000	-	1,769
Tree, Bush & Weed Trim	0	2,500	2,500	0	5,000	-	9,900
Gardener	300	300	300	300	1,200	1,040	900
Trail and Creek maint	0	2,500	2,500	0	5,000	4,500	4,929
Entrances and Island	0	0	0	0	0	6,000	-
Total Road Maintenance	21,300	332,300	7,300	10,300	371,200	685,007	324,685
Legal							
General Manager	5,250	5,250	5,250	5,250	21,000	21,000	21,000
Legal Retainer	5,550	5,550	5,550	5,550	22,200	22,200	22,200
Records Storage	0	0	1,150	0	1,150	1,128	1,128
Audit	0	0	8,700	0	8,700	8,658	8,455
Legal Notices	0	0	0	350	350	1,816	42
Assessors Role	0	55	0	445	500	811	-
Total Legal	10,800	10,855	20,650	11,595	53,900	55,613	52,825
Insurance							
Insur Director and Officers	0	9,000	0	0	9,000	8,889	8,421
Insur Commercial and Auto	0	3,600	0	0	3,600	3,552	3,444
Insur Excess General Liability	0	4,150	0	0	4,150	4,125	4,125
Total Insurance	0	16,750	0	0	16,750	16,566	15,990
Administrative							
DMAC Operating Expenses	0	92	83	0	175	92	148
Administrative	100	100	100	100	400	708	639
Depreciation	395	395	2,945	2,945	6,679	1,584	6,733
Miscellaneous	100	0	2,850	100	3,050	2,357	5,907
Total Administrative	595	587	5,978	3,145	10,304	4,741	13,427
Total Recurring Expenses	122,295	448,842	121,028	111,890	804,054	1,094,746	725,681
Net Income	-121,682	-119,602	-120,415	157,600	-204,099	-501,552	-64,539
Capital Outlays							
New Sheriff Cruiser	0	0	51,000	0	51,000	-	-
Reserve for Bridge Replacement	15,000	15,000	15,000	15,000	60,000	-	-
Total Capital Outlays	15,000	15,000	66,000	15,000	111,000	-	-
Ending Cash Position	692,847	573,640	405,170	565,715	565,715	-	-

Diablo Community Service District
2015-2016 Budget

July 1st thru June 30th	Budget Q1	Budget Q2	Budget Q3	Budget Q4	Budget FY 2016	Actual 2014-2015	Actual 2013-2014
Balance Sheet (EOQ)							
Cash	692,847	573,640	405,170	565,715	565,715	814,135	1,310,286
Property and Equipment							
Computer Equip	1,180	1,180	0	0	0	5,917	1,180
Automobile	63,610	63,610	51,000	51,000	51,000	63,610	63,610
Accumulated Depreciation	-58,452	-58,846	-2,945	-5,890	-5,890	-66,764	-64,790
Total Property and Equipment	6,338	5,944	48,055	45,110		2,763	0
Other Assets							
Automobile Sinking Fund	62,833	62,833				62,833	62,833
Road Sinking Fund							
Bridge Sinking Fund	135,000	150,000	165,000	180,000	180,000	120,000	60,000
Total Other Assets	197,833	212,833	165,000	180,000		182,833	122,833
Liabilities							
Short term Liabilities	25,000	25,000	25,000	25,000	25,000	37,144	25,000
Other Liabilities	197,833	150,000	165,000	180,000	180,000	182,833	122,833
Net Assets	674,186	617,417	428,225	585,825	585,825	779,754	1,285,286
Cash Flow							
Beginning Cash	814,135	692,847	573,640	405,170	814,135		
Net Income (Loss)	-121,682	-119,602	-120,415	157,600	-204,099		
<i>Add Back</i>							
Depreciation	395	395	2,945	2,945	6,679		
Bridge Reserve	15,000	15,000	15,000	15,000	60,000		
Accounts Receivable change							
Accounts payable change							
Less Capital Outlays	15,000	15,000	66,000	15,000	111,000		
Ending Cash	692,847	573,640	405,170	565,715	565,715	814,135	1,310,286