

**DIABLO COMMUNITY SERVICE DISTRICT  
BOARD OF DIRECTORS MEETING  
MINUTES  
DIABLO ROOM, DIABLO COUNTRY CLUB  
April 11, 2017 7:30 p.m. (Immediately following DMAC meeting)**

**CALL TO ORDER:** President Ray Brant called the meeting to order at 7:40 p.m.

**ROLL CALL:** Secretary Richard Breitwieser called the roll as follows:

**Directors present:** Brant, Torru, Hoffman, Mini, Urbelis

**Directors absent:** None

**COMMENTS FROM THE AUDIENCE:** None

**ACTION ITEM:**

On motion by Director Hoffman, second by Director Torru, the minutes of the March 14, 2017 Regular Meeting were unanimously approved:

Ayes: Brant, Torru, Hoffman, Mini

Noes: None

Abstentions: Urbelis

Absent: None

On motion of Director Torru, second by Director Hoffman, the minutes of the March 14, 2017 Special Meeting were unanimously approved.

Ayes: Brant, Torru, Hoffman, Mini

Noes: None

Abstentions: Urbelis

Absent: None

**REPORTS:**

**DIABLO COUNTRY CLUB:** Hank Salvo:

Thanked the Board for fixing the failed culvert and road so quickly.

The water reclamation project is moving forward and in the next couple months the Club will schedule meetings with Diablo residents to update them on the project and answer any questions or concerns they may have.

**CONTRA COSTA COUNTY:** Alicia Nuchols:

Supervisor Burgis visit to Diablo April 12th will include a tour of Diablo, Diablo Road and Mt Diablo Scenic. Lunch at the Club will begin at 11:30 followed by a community meet and greet at 12:30.

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**DIABLO PROPERTY OWNERS REPORT:** Don Nejedly reported:

The April meeting was cancelled.

**SECURITY:** Deputy Sheriff Dan Buergi and Lieutenant Jason Haynes:

Presented the Security Report for month of March. There was 1 reported theft of golf clubs from the front of the pro shop as well as a couple spring break shenanigans.

**ROADS:** Directors Hoffman and Mini Reported:

The culvert and road have been fixed and liability for the repair has yet to be determined.

**ACTION ITEM:**

On a motion by Director Hoffman and second by Director Urbelis the MCE Invoice of \$185,076 for the repair of the culvert and road was approved for payment.

Ayes: Brant, Torru, Hoffman, Mini, Urbelis  
Noes: None  
Abstentions: None  
Absent: None

Kay's trail has been cleared of debris and foliage. The pedestrian bridge over the creek still needs to be repaired and Director Mini will work with MCE and the gardener to complete the repair.

**FINANCIAL:** Director Torru:

Presented the Financial Report for March. The District's income and expenses are in line with the Budget, with the exception of the \$185k cost to repair the road and culvert, which was not budgeted for. At the end of March the District had a cash balance of \$262k and an accounts payable balance of \$219k. The District will receive its second tax payment of aprox. \$280k from the County at the end of April.

At the May Board meeting there will be a public hearing on the fees for next year.

The Resolution to establish a policy for notifying MCE of emergency repairs and charging the responsible party for damages and blockages to District maintained roads, bridges and culverts has been postponed to the May meeting.

The gardener hired to maintain the island on Alameda Diablo has been replaced with the gardener used by the DPOA. Sharing a gardener will result in a small financial savings to the District.

**CALL OF NEXT MEETING/ADJOURNMENT.** The President called the next meeting for May 9, 2017. There being no further business, the President adjourned the meeting at 8:08 pm.

Kathy Torru, Secretary

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Diablo Community Service District  
Profit and Loss Statement  
9 months ended March 31, 2017

	July	August	September	October	November	December	January	February	March	YTD	Budget	Prior YTD
<i>Income</i>												
Ad Valorem Taxes	\$0	\$0	\$0	\$0	\$10,875	\$221,816	\$0	\$0	\$0	\$232,691	\$221,432	\$217,240
Road & Security Fees					1,015	131,768				132,783	131,518	127,687
Traffic Fines	63	276	406	819		826	520	298	123	3,331	2,628	3,167
Other Income						9,579		(9,579)	9,579	9,579	0	0
Interest Income	7	7	7	7	4	4	8	6	6	56	63	61
<b>Total Income</b>	<b>70</b>	<b>283</b>	<b>413</b>	<b>826</b>	<b>11,894</b>	<b>363,993</b>	<b>528</b>	<b>(9,275)</b>	<b>9,708</b>	<b>378,440</b>	<b>355,641</b>	<b>348,155</b>
<i>Expenses</i>												
Sheriff Security	28,917	32,821	35,845	31,208	27,805	29,013	27,096	31,208	28,358	272,272	280,872	264,567
Auto Repairs										0	250	3,268
Cell Phone			219							219	300	200
Other					350					350	2,000	0
Road Maintenance				393,658		5,460	350			399,468	391,000	261,840
Bridge Maintenance										0	0	13,790
Bridge/Culvert Engineering										0	0	3,275
Storm Drain Maintenance							1,291	2,079		3,370	5,000	2,320
Repair of Failed Culvert									185,076	185,076	0	0
Tree, Bush and Weed Trimming									3,019	3,019	2,500	0
Gardener	120	120	120	120	120	120	120	120	240	1,200	1,080	1,080
Trail and Creek Maintenance										0	2,500	9,884
General Manager	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	15,750	15,750	15,750
Legal Retainer	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	16,650	16,650	16,650
Records Storage									1,248	1,248	1,200	1,188
Audit						9,000				9,000	9,000	5,000
Legal Notices and Fees									300	300	0	60
Assessors Roll/County Fees			28							28	55	33
Other Professional Fees	43	281	98	43	2,435	43	98	153	1,473	4,668	4,300	3,428
Insur Director and Officers						9,084				9,084	9,100	9,084
Insur Commercial and Auto				3,552					2,965	6,517	3,600	3,552
Insur Excess General Liability				3,970						3,970	4,200	4,175
DMAC Operating Expenses										0	175	0
Administrative	90	90	21	21	21	25	23	26	20	337	297	170
Depreciation Expense	173	173	173	173	887	887	887	887	887	5,128	9,237	1,434
Miscellaneous	274	301			298		2,633			3,506	2,950	2,539
<b>Total Expenses</b>	<b>33,217</b>	<b>37,386</b>	<b>40,105</b>	<b>436,346</b>	<b>35,516</b>	<b>57,232</b>	<b>36,098</b>	<b>38,073</b>	<b>227,186</b>	<b>941,159</b>	<b>762,016</b>	<b>623,287</b>
<b>Net Income</b>	<b>(33,147)</b>	<b>(37,103)</b>	<b>(39,692)</b>	<b>(435,520)</b>	<b>(23,622)</b>	<b>306,761</b>	<b>(35,570)</b>	<b>(47,348)</b>	<b>(217,478)</b>	<b>(562,719)</b>	<b>(406,375)</b>	<b>(275,132)</b>

Diablo Community Service District  
Balance Sheet  
March 31, 2017

	July	August	September	October	November	December	January	February	March
<b>ASSETS</b>									
Current Assets									
Wells Fargo Checking Acct	\$365,276	\$296,663	\$293,146	\$239,366	\$23,920	\$105,493	\$35,985	\$103,957	\$41,716
Wells Fargo Money Market	268,670	268,677	268,683	268,690	68,695	318,699	318,707	218,713	218,718
Accounts Receivable						9,579	9,579	0	1,750
Prepaid Expenses	692	649	605	563	519	476	432	389	346
<b>Total Current Assets</b>	<b>634,638</b>	<b>565,989</b>	<b>562,434</b>	<b>508,619</b>	<b>93,134</b>	<b>434,247</b>	<b>364,703</b>	<b>323,059</b>	<b>262,530</b>
Property and Equipment									
Computer Equip	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917	5,917
Automobile	102,563	102,563	102,563	102,563	106,427	42,817	42,817	42,817	42,817
Other Fixed Assets	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Accumulated Depreciation	(68,891)	(69,064)	(69,238)	(69,411)	(70,298)	(7,574)	(8,461)	(9,348)	(10,235)
<b>Total Property and Equipment</b>	<b>42,089</b>	<b>41,916</b>	<b>41,742</b>	<b>41,569</b>	<b>44,546</b>	<b>43,660</b>	<b>42,773</b>	<b>41,886</b>	<b>40,999</b>
Other Assets									
Automobile Sinking Fund	23,833	23,833	23,833	23,833	23,833	23,833	23,833	23,833	23,833
Bridge Sinking Fund	185,000	190,000	195,000	200,000	205,000	210,000	215,000	220,000	225,000
<b>Total Other Assets</b>	<b>208,833</b>	<b>213,833</b>	<b>218,833</b>	<b>223,833</b>	<b>228,833</b>	<b>233,833</b>	<b>238,833</b>	<b>243,833</b>	<b>248,833</b>
<b>Total Assets</b>	<b>885,560</b>	<b>821,738</b>	<b>823,009</b>	<b>774,021</b>	<b>366,513</b>	<b>711,740</b>	<b>646,309</b>	<b>608,778</b>	<b>552,362</b>
<b>LIABILITIES AND CAPITAL</b>									
Current Liabilities									
Accounts Payable	62,927	31,208	67,173	448,704	59,818	93,283	58,424	63,241	219,302
<b>Total Current Liabilities</b>	<b>62,927</b>	<b>31,208</b>	<b>67,173</b>	<b>448,704</b>	<b>59,818</b>	<b>93,283</b>	<b>58,424</b>	<b>63,241</b>	<b>219,302</b>
Long-Term Liabilities									
Other Liabilities	208,833	213,833	218,833	223,833	228,833	233,833	238,833	243,833	248,833
<b>Total Long-Term Liabilities</b>	<b>208,833</b>	<b>213,833</b>	<b>218,833</b>	<b>223,833</b>	<b>228,833</b>	<b>233,833</b>	<b>238,833</b>	<b>243,833</b>	<b>248,833</b>
<b>Total Liabilities</b>	<b>271,760</b>	<b>245,041</b>	<b>286,006</b>	<b>672,537</b>	<b>288,651</b>	<b>327,116</b>	<b>297,257</b>	<b>307,074</b>	<b>468,135</b>
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
Retained Earnings	(593,031)	(593,031)	(593,031)	(593,031)	(593,031)	(593,031)	(593,031)	(593,031)	(593,031)
Net Income	(33,147)	(70,253)	(109,945)	(545,464)	(569,085)	(262,325)	(297,897)	(345,245)	(562,723)
<b>Total Capital</b>	<b>613,801</b>	<b>576,695</b>	<b>537,003</b>	<b>101,484</b>	<b>77,863</b>	<b>384,623</b>	<b>349,051</b>	<b>301,703</b>	<b>84,225</b>
<b>Total Liabilities &amp; Capital</b>	<b>885,561</b>	<b>821,736</b>	<b>823,009</b>	<b>774,021</b>	<b>366,514</b>	<b>711,739</b>	<b>646,308</b>	<b>608,777</b>	<b>552,360</b>

Diablo Community Service District  
Cash Flow Statement  
9 months ended March 31, 2017

	July	August	September	October	November	December	January	February	March	Year to Date
<i>Cash Flows from operating activities</i>										
Net Income	\$ (33,147)	\$ (37,103)	\$ (39,692)	\$ (435,520)	\$ (23,622)	\$ 306,761	\$ (35,570)	\$ (47,348)	\$ (217,478)	\$ (562,719)
Adjustments to reconcile net income to net cash provided by operating activities										
Accumulated Depreciation	173	173	173	173	887	887	887	887	887	5,127
Accounts Receivable										0
Prepaid Expenses	43	43	43	43	43	43	43	43	43	389
Accounts Payable	26,787	(31,719)	35,965	381,531	(388,886)	33,465	(34,859)	4,817	156,061	183,163
Accrued Expenses										0
Total Adjustments	27,004	(31,502)	36,182	381,747	(387,955)	34,395	(33,929)	5,747	156,992	188,679
Net Cash provided by Operations	(6,143)	(68,605)	(3,510)	(53,773)	(411,577)	341,156	(69,499)	(41,601)	(60,486)	(374,040)
<i>Cash Flows from investing activities</i>										
Used For										
Other Fixed Assets										0
Automobile Sinking Fund					(3,864)					(3,864)
Bridge Sinking Fund	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(45,000)
Net cash used in investing	(5,000)	(5,000)	(5,000)	(5,000)	(8,864)	(5,000)	(5,000)	(5,000)	(5,000)	(48,864)
<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	45,000
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	45,000
Net increase <decrease> in cash	(6,143)	(68,605)	(3,510)	(53,773)	(415,441)	341,156	(69,499)	(41,601)	(60,486)	(377,904)
<i>Summary</i>										
Cash Balance at End of Period	633,946	565,340	561,829	508,056	92,615	433,771	364,271	322,670	262,184	262,184
Cash Balance at Beg of Period	(640,090)	(633,946)	(565,340)	(561,829)	(508,056)	(92,615)	(433,771)	(364,271)	(322,670)	(640,090)
Net Increase <Decrease> in Cash	\$ (6,144)	\$ (68,606)	\$ (3,511)	\$ (53,773)	\$ (415,441)	\$ 341,156	\$ (69,500)	\$ (41,601)	\$ (60,486)	\$ (377,906)