

**DIABLO COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS MEETING
MINUTES
DIABLO ROOM, DIABLO COUNTRY CLUB
October 10, 2017 7:30 p.m. (Immediately following DMAC meeting)**

CALL TO ORDER: President Ray Brant called the meeting to order at 7:31 p.m.

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

Directors present: Brant, Torru, Urbelis, Langon

Directors absent: None

COMMENTS FROM THE AUDIENCE: None

President Brant recognized Deputy Dan Buergi for going beyond the call of duty to provide assistance to a resident. Deputy Dan was at home getting ready for vacation with his family when he received a call from a deputy on duty notifying him that Elmer Batts had just passed away at his home in Diablo. Deputy Dan immediately drove over to the Batts' home in his personal car to offer assistance and his condolences to his wife Kay Batts. This act of kindness was deeply appreciated by the Batts family and expressed in a letter sent to the District and CCC Sheriff's Department.

ACTION ITEMS:

On motion of Director Langon, second by Director Urbelis, the minutes of the September 12, 2017 Regular Meeting were approved:

Ayes: Brant, Torru, Urbelis, Langon

Noes: None

Abstentions: None

Absent: None

On motion of Director Langon, second by Director Urbelis, the Calendar for the 2018 Board of Directors' Meetings was approved.

Ayes: Brant, Torru, Urbelis, Langon

Noes: None

Abstentions: None

Absent: None

On motion of Director Langon, second by Director Urbelis, the secretary was authorized to post the "Notice of DCSD Board Vacancy."

Ayes: Brant, Torru, Urbelis, Langon

Noes: None

Abstentions: None

Absent: None

REPORTS:

DIABLO COUNTRY CLUB: No Report

CONTRA COSTA COUNTY: No Report

DIABLO PROPERTY OWNERS REPORT: Don Nejedly reported:

The DPOA received a couple dozen emails from Diablo residents expressing overwhelming support for the Halloween tradition. There were no emails suggesting the tradition be discontinued and one email suggesting the tradition be changed.

The DPOA will continue the Halloween tradition this year with a pizza social at the Jones' residence on Alameda Diablo and requests that the DCSD close lower Alameda Diablo to automobile traffic from 6- 8 pm on Halloween to provide a safe environment for children to trick-or-treat.

SECURITY:

Deputy Sheriff Dan Buergi presented:

September's Security Report. There were a few domestic issues during the month and a case of fraud.

There were no reported issues during the Mt Diablo Challenge bike race on October 8th. All but 1 cyclist stayed on the designated bike route and off of Diablo roads.

The Sheriff's department will provide 4 sworn officers for 5 hours Halloween evening to secure lower Alameda Diablo and patrol Diablo.

ROADS:

Director Langon reported:

The Mt Diablo Challenge bike race went very smoothly. We received 2 complaints from residents of Mt Diablo Scenic who were surprised by the event and asked that better signage be posted on Mt Diablo Scenic Blvd leading up to the event next year.

The Don Hoffman Memorial Bridge plaque was received and will be installed on the Alameda Diablo Bridge located south of Caballo Ranchero in the next couple weeks.

MCE is replacing damaged and missing street signs within Diablo. The work should be completed by the end of the month.

The repair of Calle Los Callados will be considered for inclusion in the 2018 grind and pave roadwork.

FINANCIAL:

Director Torru presented:

The September Financial Report. The District's income and expenses are in line with the Budget and at the end of September the District had a cash balance of approx. 185K.

The 2017 audit is complete and the District received a clean opinion with no internal control deficiencies or concerns identified. A copy of the audit report will be available on the website under "Agendas & Minutes"

Preparations for the March Special Election are progressing and a letter explaining the Special Election will be mailed to all Diablo residents this month. A townhall meeting will be held on November 14th at 7 pm at the Diablo Country Club to answer resident questions.

COMMENTS BY DIRECTORS/PRESIDENT:

The District's General Manager is working with Miller Starr & Regalia to finalize the legal opinion on the February 2017 failed culvert.

The Emergency Road Closure Procedure Binder is being finalized by the Sheriff's Department and should be completed for the November Board Meeting

CALL OF NEXT MEETING/ADJOURNMENT:

The President called the next meeting for November 14, 2017. There being no further business, the President adjourned the meeting at 8:25 pm.

Kathy Torru, Secretary

Diablo Community Service District
Profit and Loss Statement
3 months ended September 30, 2017

	July	August	September	YTD	Budget	Prior YTD
<i>Income</i>						
Ad Valorem Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Road & Security Fees				0		
Traffic Fines	177			177	876	744
Interest Income	5	3	3	11	18	20
Total Income	182	3	3	188	894	764
<i>Expenses</i>						
Sheriff Security	30,000	37,132	30,088	97,220	91,263	97,584
Cell Phone				0		219
Gardener	100	100	100	300	300	360
Trail and Creek Maintenance				0		
General Manager	1,750	1,750	1,750	5,250	5,250	5,250
Legal Retainer	1,850	1,850	1,850	5,550	5,550	5,550
Audit			3,500	3,500		
Assessors Roll/County Fees				0		28
Other Professional Fees	43	563	718	1,324	129	423
Administrative	17	13	2	32	75	201
Depreciation Expense	755	755	755	2,265	2,265	520
Miscellaneous	0		409	409	100	575
Total Expenses	34,515	42,163	39,172	115,850	104,932	110,710
Net Income	(34,333)	(42,160)	(39,169)	(115,662)	(104,038)	(109,946)

Diablo Community Service District

Balance Sheet

September 30, 2017

	July	August	September
ASSETS			
Current Assets			
Wells Fargo Checking Acct	\$100,534	\$58,971	\$54,960
Wells Fargo Money Market 2	128,737	128,740	128,744
Accounts Receivable	2,200	2,200	2,200
Prepaid Expenses	173	130	86
Total Current Assets	<u>231,644</u>	<u>190,041</u>	<u>185,990</u>
Property and Equipment			
Computer Equip	5,917	5,917	5,917
Automobile	42,817	42,817	42,817
Other Fixed Assets	2,500	2,500	2,500
Accumulated Depreciation	<u>(13,256)</u>	<u>(14,011)</u>	<u>(14,767)</u>
Total Property and Equipment	<u>37,978</u>	<u>37,223</u>	<u>36,467</u>
Other Assets			
Automobile Sinking Fund	24,833	25,833	26,833
Bridge Sinking Fund	<u>245,000</u>	<u>250,000</u>	<u>255,000</u>
Total Other Assets	<u>269,833</u>	<u>275,833</u>	<u>281,833</u>
Total Assets	539,455	503,097	504,290
LIABILITIES AND CAPITAL			
Current Liabilities			
Accounts Payable*	30,100	29,900	64,263
Accrued Expenses	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
Total Current Liabilities	<u>33,100</u>	<u>32,900</u>	<u>67,263</u>
Long-Term Liabilities			
Other Liabilities	<u>269,833</u>	<u>275,833</u>	<u>281,833</u>
Total Long-Term Liabilities	<u>269,833</u>	<u>275,833</u>	<u>281,833</u>
Total Liabilities	302,933	308,733	349,096
Capital			
Opening Balance Equity	1,239,979	1,239,979	1,239,979
Retained Earnings	(969,123)	(969,123)	(969,123)
Net Income	<u>(34,333)</u>	<u>(76,494)</u>	<u>(115,661)</u>
Total Capital	<u>236,523</u>	<u>194,362</u>	<u>155,195</u>
Total Liabilities & Capital	539,456	503,095	504,291

Diablo Community Service District
Cash Flow Statement
3 month ended September 30, 2017

	July	August	September	Year to Date
<i>Cash Flows from operating activities</i>				
Net Income	\$ (34,333)	\$ (42,160)	\$ (39,169)	\$ (115,662)
Adjustments to reconcile net income to net cash provided by operating activities				
Accumulated Depreciation	755	755	755	2,265
Accounts Receivable				0
Prepaid Expenses	43	43	43	130
Accounts Payable	(6,843)	(200)	34,363	27,320
Accrued Expenses				0
Total Adjustments	(6,045)	598	35,161	29,715
Net Cash provided by Operations	(40,378)	(41,562)	(4,008)	(85,947)
<i>Cash Flows from investing activities</i>				
Used For				
Other Fixed Assets				0
Automobile Sinking Fund	(1,000)	(1,000)	(1,000)	(12,000)
Bridge Sinking Fund	(5,000)	(5,000)	(5,000)	(60,000)
Net cash used in investing	(6,000)	(6,000)	(6,000)	(72,000)
<i>Cash Flows from financing activities</i>				
Proceeds From				
Other Liabilities	6,000	6,000	6,000	72,000
Used For				
Net cash used in financing	6,000	6,000	6,000	72,000
Net increase <decrease> in cash	(40,378)	(41,562)	(4,008)	(85,947)
<i>Summary</i>				
Cash Balance at End of Period	229,271	187,711	183,704	183,704
Cash Balance at Beg of Period	(269,650)	(229,271)	(187,711)	(269,650)
Net Increase <Decrease> in Cash	\$ (40,379)	\$ (41,560)	\$ (4,007)	\$ (85,946)