

**DIABLO COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING MINUTES
DIABLO COUNTRY CLUB BALLROOM
FEBRUARY 10, 2025 6:00 P.M.**

SPECIAL PRESENTATION: President Matt Cox introduced San Ramon Valley Fire Protection District Deputy Chief Jonas Aguiar and Chris Parsons. Deputy Chiefs Aguiar and Parsons spoke to the audience of 80 residents about fire preparedness.

CALL TO ORDER: President Cox called the meeting to order at 7:35 pm

President Cox welcomed Directors and the public and explained the rules for public comment.

ROLL CALL: President Cox called the roll as follows:

Directors present: Cox, Lorenz, Luecht, Slavonia

Directors absent: Chartier

WELCOME OFFICIALS:

Hank Salvo (Diablo Country Club Liaison)

Zach, Scalzo (of Best, Best, & Krieger LLP, General Counsel))

Kathy Torru (General Manager)

PUBLIC COMMENTS:

Tony Geisler asked that the Board consider changing its public comments policy to allow public comments before each agenda item and asked the Board to consider Maryann Cella's January comments on the Records Retention Policy.

Maryann Cella voiced support for Tony Geisler's comments and expressed concern about the proposed Bylaws change on the agenda.

Alan Bonny asked the Board to consider Maryann Cella's January comments on the Records Retention Policy.

BOARD/STAFF COMMUNICATION AND ACTIONS:

ADMINISTRATIVE:

General Manager Torru confirmed Director Luecht had been administered the Oath of Office.

President Cox announced that the UBEO presentation had been continued to the March 10th meeting due to a last-minute cancellation by the UBEO presenter.

President Cox reported that review of District's historical records uncovered a Records Retention Policy adopted by the Board in 2010 (Resolution 2010-01). Resolution 2010-01 was never implemented. To avoid any confusion with the 2024 Records Retention Policy President Cox recommended that the Board repeal Resolution 2010-01. On motion by Director Lorenz and second by President Cox, Resolution 2010-01 was repealed. Motion passed 4-0.

Director Lorenz presented a list of minor changes to the 2024 Records Retention Policy Schedule. The changes clarify and, in some cases, extend the retention period for certain types of District records. On

motion by Director Lorenz and second by President Cox, the Board adopted the Record Retention Schedule changes presented by Director Lorenz. Motion passed 4-0.

President Cox introduced a modification to the District's Public Comments Policy that would allow the public to comment on agenda items when the item is presented for discussion. Currently public comment on non-agenda and agenda items are made at the beginning of the meeting. On motion by President Cox and second by Director Luecht, the District's Public Comments Policy is amended to allow the public to comment on each agenda item as it is presented. Public comment on non-agenda items would remain at the beginning of the meeting. Motion passed 4-0.

President Cox introduced a modification to the District's Bylaws Article V Section 1 to move the election of District officers from the first meeting of the new year to the last meeting of the current year after an election of Directors. This Bylaw change addresses the gap in leadership that occurs when an officer's term expires. Director terms end and begin on the first Friday of December following a November election. On motion by President Cox and second by Director Lorenz Bylaw Article V Section 1 is revised to read, "Each of these three officers shall be elected every two years by the Board in the December following the November election of Directors, beginning in the year 2026." Motion passed 4-0.

FINANCES:

Director Lorenz presented the District's financial report for the 6-month period ended December 31, 2024. District revenue and expenses are in line with the budget. The December 31, 2024 cash balance was \$1,717,000, of which \$458,000 is restricted for FEMA storm repairs. The Financial Report is available on the District's website (diablocsd.org).

Director Lorenz presented the 2024 State Financial Transaction Report, a State required annual filing of the District's financial transactions for the 12 months ended June 30th. The Transaction Report is available on the District's website (diablocsd.org).

SECURITY:

Director Slavonia reported that there were no incidents of crime last month.

GENERAL MANAGER:

President Cox introduced a new standing agenda item "General Manager." Monthly the General Manager will update the Board on District activities for the previous month.

General Manager Torru presented the Board with a list of District activities since the last meeting.

CONSENT CALENDAR:

On motion by President Cox and second by Director Lorenz, the consent calendar was approved. Motion passed 3-0-1. Director Luecht abstained since he was absent from the meeting.

REPORTS:

CONTRA COSTA COUNTY: No Report.

DIABLO COUNTRY CLUB: Hank Salvo reported that the Diablo Country Club Management Structure Committee recommended the Club remain a member owned GM managed Club. The Club has initiated the new GM search and is expected to complete the search by the end of April.

DIRECTOR COMMENTS: None.

FUTURE AGENDA ITEMS: President Cox requested that the General Manager include the following items on the March 10th agenda:

Review of District documents that do not fall within the Records Retention Policy Schedule.

UBEO presentation on document digitization process.

Review EBMUD water pipeline replacement easement.

Review bridge replacement funding options.

CALL OF NEXT MEETING/ADJOURNMENT:

President Cox called the next meeting for March 10, 2025 at 6:00 pm at Diablo Country Club. There being no further business, the meeting was adjourned at 8:05 p.m.

Diablo Community Services District by

Kathy Torru, General Manager

Attachment A
Records Retention Schedule
 (proposed changes in blue)

The following table defines the District’s rules, by record type, for compliance with applicable records retention laws and regulations and District policies.

Record	Retention Period
FORMATION, LEGAL, GENERAL ADMINISTRATION	
Organizational Documents: formation documents and other historical records related to district formation	Permanent
Litigated/settled claims	Permanent
Auditors’ Reports: a) audits by independent accountants/auditors b) audit work papers	a) Permanent b) 3 years after the date of the audit report
Reports to State and County agencies: e.g., CA Annual Financial Transaction Report	7 years
District Bylaws	Permanent
Board of Directors Meetings: official minutes and meeting attachments such as staff reports, financial statements, etc.	Permanent
Board of Directors Meetings: agendas and agenda packets	Permanent
Ordinance Codes, Resolutions and Policies	Permanent
Oaths of Office and Statements of Economic Interest (Form 700 reports)	7 years Forms 700 will be obtained as original hard copy for 2 years per state law
Records destruction approval forms	3 years
Website content	Permanent, until modified or replaced
Formal Correspondence e.g. Communications driven by Board action, Formal communications on letterhead	Permanent
Other Correspondence: e.g., normal course of business communications.	3 years or until subject matter is closed
Deeds, easements	Permanent
Third party contracts: e.g., external auditors and general consulting and professional services contracts	Until replaced or closed + 3 years
INFORMATION TECHNOLOGY	
Software contracts for website, email, accounting system, etc.	Until replaced or 3 years after expiration
FINANCE	
General Accounting Records	
Trial balance, general ledger and general journal	7 years
Annual budget including forecasts of all future incomes, receipt and expenditures	7 years
Annual financial statements (internal)	7 years
Accounts Payable	

Accounts payable ledgers	7 years
Accounts payable records	7 years
Bank statements and reconciliations	7 years
Cash Receipts and Deposits	7 years
Accounts payable expense reports	7 years
Vendor invoices and payment records; expense reimbursements to District officers and independent contractors	7 years
Purchase records/invoices	7 years
Revenue	
Tax receipts (ad valorem and special tax)	7 years after expiration
Miscellaneous receipts, including traffic tickets	7 years
Assessment Rolls	7 years
Special Tax establishment records: proposal, vote, final action statement	Permanent
Insurance	
Insurance records:	
(a) Records of insurance policies, showing coverage, premiums paid, and expiration dates	15 years
(b) Records of amounts recovered from insurance companies in connection with losses and of claims against insurance companies, including reports of losses, and supporting papers	7 years
(c) Correspondence	Current fiscal year plus 7 years
(d) Renewal applications	Current fiscal year plus 7 years
Third party insurance certificates	7 years
ROAD, BRIDGE AND CULVERT MAINTENANCE	
Third party contracts, including amendments and clarifications: road grind and pave, slurry seal, general maintenance projects; bridge maintenance projects; culvert maintenance projects	15 years after the expiration or project closure, or until the conclusion of any contract disputes pertaining to such contracts, whichever is later
RFPs: successful and unsuccessful	3 years or until project is closed
Major road/bridge/culvert* work contracts: e.g. grind and pave, slurry or reconstruction	Permanent
Minor road/bridge/culvert* work contracts e.g. repairs	15 years
Road/bridge/culvert* Summary Maintenance Report (internal)	Permanent
Studies/reports authorized by the District: e.g., hydrology, bridge assessment, road or culvert assessment	Permanent
SECURITY	
Sheriff's Department: personnel contract	3 years after replaced or closed
Sheriff's Department: equipment leases/contracts, e.g., sheriff's vehicle, PC, cell phone, guns	7 years after contract/lease expires
Security Summary Report (internal)	15 years, rolling
Security report (external)	3 years

*Culvert as defined in Resolution 2021-02

Diablo Community Services District
Financial Report
December 31, 2024

	July	August	September	October	November	December	Actual YTD	Budget YTD
Beginning Cash	1,579,333	1,446,061	1,396,057	1,345,308	1,301,200	1,216,427	1,579,333	1,579,333
Revenue								
Tax revenue	-	-	-	17,475	-	513,604	531,079	520,010
Other revenue	13	302	11	188	10	12	536	-
Total Income	13	302	11	17,663	10	513,616	531,615	520,010
Expenses								
Sheriff services	30,002	31,091	28,121	31,750	33,273	44,747	198,984	216,432
Road/bridge/culvert/trail	6,752	3,586	36,020	2,300	-	31,588	80,246	336,600
Professional services	12,880	10,550	5,437	18,023	12,166	7,159	66,215	52,637
Insurance	40,497	-	-	-	-	-	40,497	41,035
Administrative	-	76	-	-	185	4,041	4,302	1,650
Total Expenses	90,131	45,303	69,578	52,073	45,624	87,535	390,244	648,354
Net Income	(90,118)	(45,001)	(69,567)	(34,410)	(45,614)	426,081	141,371	(128,344)
Incr/(decr) in payable/prepaid	(43,154)	(5,003)	18,818	(9,698)	(39,159)	75,184	(3,012)	1,450,989
Ending Cash	1,446,061	1,396,057	1,345,308	1,301,200	1,216,427	1,717,692	1,717,692	

Other Financial Data

Prepaid/deposit								
Reserves (bridge/culvert)*	862,286	867,286	872,286	877,286	882,286	923,705		
Accounts payable	88,508	83,505	102,322	92,625	53,467	128,650		
Accrued expense								
Other liabilities	457,878	457,878	457,878	457,878	457,878	457,878		

Notes

* reserves are unfunded