

**DIABLO COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS MEETING
MINUTES
DIABLO ROOM, DIABLO COUNTRY CLUB
January 9, 2018 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: Secretary Kathy Torru called the roll as follows:

Directors present: Brant, Torru, Urbelis, Langon, Watson

Directors absent: None

PUBLIC COMMENTS: Robert Tiernan Jr. presented his case to the Board for filing the legal complaint "*Tiernan et al v. Diablo Community Services District et al.*"

INTRODUCTION: President Brant introduced and welcomed Dave Watson as a new Director to the DCSD Board.

ACTION ITEM:

On motion by Director Torru, second by Director Urbelis, the minutes of the November 14, 2017 Regular Meeting were approved:

Ayes: Brant, Torru, Urbelis, Langon
Noes: None
Abstentions: Watson
Absent: None

REPORTS:

DIABLO COUNTRY CLUB:
No Report

Hank Salvo reported:

CONTRA COSTA COUNTY:

Alicia Nuchols reported:

The CCC Board of Supervisors had their annual reorganization meeting this week and the 2018 Chair of the Board of Supervisors is Karen Mitchoff, District 4, and the Vice Chair is John Gioia, District 1.

District 3 raised more money over the holiday season for the CCC/Solano Food Bank than any other District in the County.

Alicia's role within Supervisor Diane Burgis' office has changed and while she will continue to be the Diablo liaison she will now expand her role to include more policy related work with the Supervisor.

An all MAC meeting for District 3 will be held on January 31st at 6 pm with Supervisor Diane Burgis to discuss short term home rentals within the District among other topics.

DIABLO PROPERTY OWNERS REPORT:

Don Nejedly reported:

The DPOA has begun its annual membership dues fundraiser drive and the first batch of emails went out to residents this past week. The physical mailing will go out to residents who opted out of email communication in the next couple weeks. In response to the significant interest in the Flags of Diablo program, the DPOA is offering residents a premium membership for \$250 that includes a Diablo Flag Kit.

A Newcomers Dinner will be held in the February or March to welcome all the new residents that have moved into Diablo the last couple years.

SECURITY:

Deputy Sheriff Dan Buergi presented:

The November and December Security Report. In November, there was a reported case of battery and a construction site burglary.

Robert Tiernan Jr. announced that cameras had been added by property owners at either end of Calle Arroyo to photograph cars, cyclists, pedestrians entering and exiting Calle Arroyo.

ROADS:

Director Langon reported:

MCE has completed the street sign replacement and road striping project. The Don Hoffman Memorial Bridge plaque was installed on the Alameda Diablo bridge just south of Caballo Ranchero Dr.

FINANCIAL:

Director Torru presented:

The November and December Financial Reports. The District's income and expenses are in line with the Budget and at the end of December the District had a cash balance of approx. \$411k.

CALL OF NEXT MEETING/ADJOURNMENT:

The President called the next meeting for February 13, 2018. There being no further business, the President adjourned the meeting at 7:58 pm.

Diablo Community Services District by

Kathy Torru, Secretary

Diablo Community Services District
Profit and Loss Statement
6 months ended December 31, 2017

	July	August	September	October	November	December	YTD	Budget	Prior YTD
<i>Income</i>									
Ad Valorem Taxes	\$0	\$0	\$0	\$0	\$11,082	\$222,237	\$233,319	234,087	232,691
Road & Security Fees						134,453	134,453	135,722	131,768
Traffic Fines	177			110		151	438	1,752	3,405
Other Income							0		9,579
Interest Income	5	3	3	3	2	2	18	36	36
Total Income	182	3	3	113	11,084	356,843	368,228	371,597	377,479
<i>Expenses</i>									
Sheriff Security	30,000	37,132	30,088	33,817	32,785	27,934	191,756	182,526	185,610
Auto Repairs							-	500	
Cell Phone							-		219
Other							-		350
Road Maintenance						8,200	8,200	10,000	399,118
Bridge Maintenance							0		
Bridge/Culvert Engineering							0		
Storm Drain Maintenance							-	2,000	
Tree, Bush and Weed Trimming							-		
Gardener	100	100	100	100	100	100	600	600	720
Trail and Creek Maintenance							-	1,250	
General Manager	1,750	1,750	1,750	1,750	1,750	1,750	10,500	10,500	10,500
Legal Retainer	1,850	1,850	1,850	1,850	1,850	1,850	11,100	11,100	11,100
Records Storage							-		
Audit			3,500				5,750	9,250	9,000
Legal Notices and Fees							162	162	
Assessors Roll/County Fees						60	60	50	28
Other Professional Fees	43	563	718	943	5,739	295	8,301	16,872	2,945
Insur Director and Officers							9,084	9,200	9,084
Insur Commercial and Auto				3,428			4,009	7,000	3,552
Insur Excess General Liability					4,070		4,070	4,000	3,970
DMAC Operating Expenses							-		
Administrative	17	13	2	42	16	279	369	150	268
Depreciation Expense	755	755	755	755	755	755	4,530	4,530	2,467
Miscellaneous	0		409				871	100	873
Total Expenses	34,515	42,163	39,172	42,685	47,125	60,630	266,290	269,628	639,804
Net Income	(34,333)	(42,160)	(39,169)	(42,572)	(36,041)	296,213	101,938	101,969	(262,325)

Diablo Community Services District

Balance Sheet

December 31, 2017

	July	August	September	October	November	December
ASSETS						
Current Assets						
Wells Fargo Checking Acct	\$100,534	\$58,971	\$54,960	\$5,223	\$23,378	\$160,233
Wells Fargo Money Market 2	128,737	128,740	128,744	100,747	50,748	250,750
Accounts Receivable	2,200	2,200	2,200	2,200	2,200	2,200
Prepaid Expenses	173	130	86	1,840	1,797	1,742
Total Current Assets	231,644	190,041	185,990	110,010	78,123	414,925
Property and Equipment						
Computer Equip	5,917	5,917	5,917	5,917	5,917	5,917
Automobile	42,817	42,817	42,817	42,817	42,817	42,817
Other Fixed Assets	2,500	2,500	2,500	2,500	2,500	2,500
Accumulated Depreciation	(13,256)	(14,011)	(14,767)	(15,522)	(16,277)	(17,032)
Total Property and Equipment	37,978	37,223	36,467	35,712	34,957	34,202
Other Assets						
Automobile Sinking Fund	24,833	25,833	26,833	27,833	28,833	29,833
Bridge Sinking Fund	245,000	250,000	255,000	260,000	265,000	270,000
Total Other Assets	269,833	275,833	281,833	287,833	293,833	299,833
Total Assets	539,455	503,097	504,290	433,555	406,913	748,960
LIABILITIES AND CAPITAL						
Current Liabilities						
Accounts Payable*	30,100	29,900	64,263	30,100	33,500	73,334
Accrued Expenses	3,000	3,000	3,000	3,000	3,000	3,000
Total Current Liabilities	33,100	32,900	67,263	33,100	36,500	76,334
Long-Term Liabilities						
Other Liabilities	269,833	275,833	281,833	287,833	293,833	299,833
Total Long-Term Liabilities	269,833	275,833	281,833	287,833	293,833	299,833
Total Liabilities	302,933	308,733	349,096	320,933	330,333	376,167
Capital						
Opening Balance Equity	1,239,979	1,239,979	1,239,979	1,239,979	1,239,979	1,239,979
Retained Earnings	(969,123)	(969,123)	(969,123)	(969,123)	(969,123)	(969,123)
Net Income	(34,333)	(76,494)	(115,661)	(158,234)	(194,275)	101,938
Total Capital	236,523	194,362	155,195	112,622	76,581	372,794
Total Liabilities & Capital	539,456	503,095	504,291	433,555	406,914	748,961

Diablo Community Services District
Cash Flow Statement
6 month ended December 31, 2017

	July	August	September	October	November	December	Year to Date
<i>Cash Flows from operating activities</i>							
Net Income	(\$34,333)	(\$42,160)	(\$39,169)	(\$42,572)	(\$36,041)	\$296,213	\$101,938
Adjustments to reconcile net income to net cash provided by operating activities							
Accumulated Depreciation	755	755	755	755	755	755	4,531
Accounts Receivable				0			0
Prepaid Expenses	43	43	43	(1,754)	43	54.92	(1,526)
Accounts Payable	(6,843)	(200)	34,363	(34,163)	3,400	39,833.85	36,390
Accrued Expenses							0
Total Adjustments	(6,045)	598	35,161	(35,162)	4,198	40,644	39,395
Net Cash provided by Operations	(40,378)	(41,562)	(4,008)	(77,734)	(31,843)	336,857	141,333
<i>Cash Flows from investing activities</i>							
Used For							
Other Fixed Assets							0
Automobile Sinking Fund	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(12,000)
Bridge Sinking Fund	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(60,000)
Net cash used in investing	(6,000)	(6,000)	(6,000)	(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	6,000	6,000	6,000	72,000
Used For							
Net cash used in financing	6,000	6,000	6,000	6,000	6,000	6,000	72,000
Net increase <decrease> in cash	(40,378)	(41,562)	(4,008)	(77,734)	(31,843)	336,857	141,333
<i>Summary</i>							
Cash Balance at End of Period	229,271	187,711	183,704	105,970	74,126	410,983	410,983
Cash Balance at Beg of Period	(269,650)	(229,271)	(187,711)	(183,704)	(105,970)	(74,126)	(269,650)
Net Increase <Decrease> in Cash	(40,379)	(41,560)	(4,007)	(77,734)	(31,844)	336,857	141,333