

**Ladera Recreation District
Board Meeting Minutes
August 17, 2020**

Meeting called to order at 7:07 pm at the LRD

Board Roll Call: Bob Felderman, Brian Wall, Jen Coleman, Calin Thomas

Also attending: Di Gow, Hilda Friedman, Bruce Beron

Public Comment

- No public discussion.

Minutes From Prior Meeting Approval

- Motion made to approve meeting minutes from July 13th, 2020 with slight amendments; seconded; 4-0 approved

Revised Budget Discussion - Hilda

- For the 2020 budget year: total revenue; \$660k; expenses; \$633k; net cash flow of \$27k
- Expenses decreased; significant decreases in:
 - Salaries
 - Maintenance
 - Insurance expenses are increasing; Di and team to firm up specifically what components are included in our insurance.
- Motion made to add \$30k in expense for salary and to move \$4k from building and pool; \$1.5k will remain for projected end of year net income
 - Motion made for this amended budget; seconded; 4-0 approved
- Report for July
 - Operating cash is at \$259k; capital reserve is at \$1.6M
 - Tennis continues to be a positive
- Jen raised a possible issue with the draft 2019 audit and with our new pool fund (\$312k). Currently reserves are lumped together and are not separate per the audit.
 - Di to follow up with Jack to firm up how the new pool fund should be treated from an audit perspective.
- Motion made to allocate 2019 interest income based off account size across our four funds; seconded, approved 4-0.
- No action taken on moving net income from 2019; will keep in operating account due to 2020 uncertainties.

Managers Report - Di

- Membership recap

- 190 resident total memberships, down from 213 last year at this time.
- 78 non-resident memberships, down from 117 last year
- We have more non residential individual tennis memberships. These have led to roughly ~2 family memberships every year over the past couple years.
- Winter swim program discussion
 - Current target is lap swimmers.
 - For context - last year - expectation was ~\$48k for expenses, so tried to get enough memberships at \$2k a person for the winter season. The LRD agreed to float \$8k to support the effort. Had 20 people commit, but only 15 people wrote checks. The program was not executed.
 - This year - we have more lap swimmers than we ever have had.
 - Working on a plan for Nov-April swimming.
 - Several seniors have expressed willingness to pay more to support the program.
 - Current hours being discussed; 6-9; 11-1; 5-8ish at night; these are fluid at this point.
 - Also considering Dolphin/teen activities during the day (e.g. in afternoon hours) run by the LRD
 - Discussion of expenses and capacity; working through details
 - Current thinking is that 2020 members will get a discount and folks who will be new additions will pay full price
 - Current working model is that staffing will not be an issue
 - Survey has been sent to solicit feedback. With the surveymonkey link - check spam / junk email folders as the email may have gone there.
 - Current plan is to hold on any kind of arrangement with PASA swim team who has expressed interest in renting the pool
- Food trucks
 - Di and team have arranged six food trucks since our last meeting, with many more to come! These have been a hit and we continue to improve how they operate.
- Camp Ladera Fall discussion
 - Working through draft plans for the fall. Demand for the activity has been expressed.
- Dolphin swimming
 - Has worked out well for the past 10 weeks
 - Pulling together new programs starting ~Aug 31...both to start for 9-12 and older groups.
- Swim lessons at 20% of last year but going well given the pandemic circumstances, we continue to see demand.
 - Not making any big changes here so we don't take up Family Rec time, where demand has been very high.
 - Discussion on increasing 6 areas to 9.
 - Tried with 9 but seemed tight.
 - We will remain fluid in approach and adjust as appropriate..
- Two additional recent inspections at the pool - all good.
 - Status of pump rooms
 - Pool chemicals
- Tennis court resurfacing is in progress, expected to be done this week
 - Two courts remain open
- Three residents will be on the upcoming election for two LRD board positions:
 - Ada Braun, Leslie Anglada, Jen Coleman (incumbent)

- Di and team to firm up if there are any issues if some sort of communication can be sent out to the neighborhood regarding their candidacies.
- Discussion about a neighborhood communication regarding efforts on the new pool
 - Brian to work on a draft and circulate
- Rec room discussion
 - Through the pandemic it has for all intensive purposes not been in use
 - Have had several inquiries to see if the room could be rented or used
 - Board alignment to not rent the room given the pandemic
- Grant Discussion
 - Di filled out a California questionnaire a while back expressing interest from the LRD that we would be interested in available grants from the state government
 - Di recently found out that through that process the LRD has been approved for a \$178k capital expense grant which we believe comes from the state 2020/2021 budget.
 - There is a stipulation that the grant must be matched 20% as the LRD does not serve an underserved community.
 - The LRD would have to match ~\$44k in addition to the money from the state.
 - Have until Dec 2021 to submit our application.
 - Perhaps these funds can be leveraged for new pool related work; e.g. updating bathrooms.
 - Options and next steps to be worked.
- Management salary discussion
 - A special meeting will be called to discuss next week

Pool Committee Update - Jen

- Soil study - GeoTech recently came to the LRD and took soil samples throughout the immediate LRD property
- Topographic survey - contract signed - in progress
- Next step - to spend significant dollars to get more detailed design; roughly ~\$115k
 - This detailed design is intended to offer a blueprint to construction companies to be able to respond with bids.
 - This detailed design will be based off the rough / preliminary design that has been circulated through the community over the past ~1 year+
 - Jen to share contract details
- Fundraising efforts most likely need to be re-invigorated
- Financing
 - Spoke with a contact who works in institutional investing on general macroeconomic trends. Key takeaways:
 - Very difficult to predict any kind of forecast on interest rates
 - That said - companies are taking debt that they don't necessarily need...e.g. with low cost money, it helps to have cash in the bank with continued uncertainty
 - Also, with the additional funds that the government is pumping into the economy, at some point based-off historical precedent, there will likely be inflation.

- So given the circumstances - there is a compelling argument that taking on low cost debt at this time could be helpful
- Similar opinions were expressed from a contact Jen has at Blackrock
 - the dollar is down compared to other currencies
 - tangible assets are a net positive
 - debt should not necessarily be viewed as a bad thing at this time
- Bonds Discussion - why not do a bond instead of financing?
 - The LRD/pool committee examined this several years ago but there was not sufficient community support to reach a 2/3rds supportive vote of a tax increase needed to pay back the bond
 - Additionally, the thinking at the time (and was expressed this evening) is that it was expensive money with a high level of effort required with low likelihood of community support
- Bathrooms - perhaps another committee can work this effort?

Closing Topics

Motion made to adjourn, seconded, approved

Public Meeting adjourned at 9:22

Next meeting:

Planned for 7:00 pm on Monday, September 14th, 2020

Respectfully submitted: Brian Wall