Lakeside Park Association
Board of Directors Meeting Minutes
January 17, 2024
LPA Office, 4077 Pine Blvd., South Lake Tahoe, CA 96150

President, Andy Engelhardt, called the meeting to order at 5:44pm on Jauuary17, 2024. Present at the office were Nakia Foskett and Mahra Rojas. Present via phone/video were Andy Engelhardt, Chet Pipkin, John Paoluccio, Rick Lehr, Craig Elliott, Judi Goddard and Arleigh Hayes.

Agenda Approval
The meeting agenda was approved unanimously.

Meeting Minutes Approval
Arleigh Hayes moved, Chet Pipkin seconded, and the December 20, 2023, LPA Board meeting minutes were unanimously approved.
There were no non-board members present for the board meeting.

Marina Report
Judi reported that the lease application with California State Lands has been submitted and confirmed received by them. Jason was out of town and there was nothing further to report on the marina.

Water Company Report
Nakia advised that the water system has been operating without issue during the month. The power consumption study of the generators at the pump house and the water plant continues. It has been determined that the peak load occurs during pump start-up. Installation of Variable Frequency drives could reduce the load and thus require smaller generators. When the study is completed, the generators can be properly sized and then orders placed for their installation. The search of the archives for information on how the original generators were purchased continues. Some reference has been located in the 1995-1996 time frame. Andy suggested that Nakia contact David Usher, a board member at the time to determine if he can recall the decision process the board took at the time the generators were being acquired. The RBA for additional payment to the contractor that completed the Well #3 rehab was discussed, and it was the board decision to have Nakia communicate that LPA would offer to pay 50% of the add on charge for the Chemicals used. Nakia will advise the board if the offer is accepted.

Water usage for the month was 2.6% above the 5-year rolling average and 412,600 gallons less than November usage.

Management Report

LPA Office: Judi advised that January/February billings with the 4% increase have been sent out along with the newsletter. We continue to have one commercial account on a payment plan and the balance of accounts are for the most part current. The work with our accounting firm continues with year-end journal adjustments for 2022 being completed. ADP responded that it looks doubtful that they would be able to handle our workmen's compensation requirements.

Beach: We had another evaluation of the needed repair and upgrade work at the beach restaurant building. Everything the first contractor identified seems to cover the needed repairs with a rough estimate of $60,000. One new suggestion was to modify the roof trusses on the lake side so that the one new roof would cover the entire area and eliminate the leaks that presently occur between the two roofs that cover the area presently. John commented that a good contractor should be able to make the structural changes to the roof and install new shingles in a matter of days once permits are obtained. Judi will approach the contractor that submitted the bid to replace the shingles to determine if they could do the roof structural modifications as well. We really must have a complete project plan with a priority list of improvements so that bids can be obtained, and work commenced as early as possible. The restaurant committee will take the lead on this. Nakia and Judi measured and identified the seating area needed for the Liquor License application so that is moving along. The modifications to the beach gate to protect the handle and electronics are still being evaluated with no decision yet.

Event Area: Blue Sky is wanting improvements to the landscaping at the event area. The contract currently provides $3000 for upgrades which is likely not enough. Several ideas were discussed during the board meeting with support for increasing the allowance amount to $5-8,000 with board approval of the amount and the plan. Blue Sky also asked if a reduced hourly rate was possible for a morning yoga group. Judi will have further discussions with Blue Sky regarding improvements within the increased allowance amount and/or a shared cost plan. A potential trial period (30 days) for the yoga group at no cost was also suggested.

Judi added that the training for Mahra was going well and that she is picking up the processes and procedures quickly.

Treasurers Report: Chet Pipkin reviewed the preliminary 2023 financial results noting that gross Income exceeded budget and net income also exceeded budget. The gross income increase came from $125,000 in hookup fees that were not budgeted and from an overall good performance. Chet cautioned that had all the capex been captured in 2023 preliminary numbers it would have likely reduced the net income from positive over budget to somewhat negative under budget for the year. The balance sheet is strong, and our cash position is up to $1.1million. Our long-term concern continues to be that capex is unpredictable and we need to work to build up our reserves, so we are prepared to handle unexpected capex spending going forward. For the 2024 budget, which is a work in process presently, we are forecasting a more normalized income level with a sharp increase of 10.7% in expenses. Capex spending is up from $252,000 in 2023 to $370,000 in 2024 resulting in an overall net income forecast of negative $20,000. Currently the preliminary 2024 budget does not contain any monies for new generators or additional payment for well rehab chemicals. Craig commented that with expenses increasing we could mitigate them somewhat with increased beach usage fees which have not been increased in four years. There was general agreement that it would be a good idea to increase the fees for the 2024 season. Judi and Mahra will complete a study and report back to the board.

Other board member reports: The current restaurant contract is being revised to reflect the name change to Foskett Enterprises. This clears to way for an application for a beer and wine liquor license. Further needed modifications can be made once the liquor license has been obtained. The restaurant committee will be meeting with the principals of Foskett Enterprises in the immediate future to further progress on the contract and preparations for the upcoming season. There was board agreement that LPA is still owed for all the utility bills LPA paid during the 2023 contract season that should have been paid by the operator. The restaurant committee will work out a payment plan for the amount owing for the utilities and possibly some additional rental payment depending on a review of the financial performance of the restaurant for the 2023 season.

Motion to Adjourn

A motion that the meeting be adjourned was made and seconded and the motion passed without objection at 7:22 pm.

Next Board Meeting 5:30 PM February 21, 2024, at LPA offices.

Submitted by:

Arleigh Hayes, Secretary
Lakeside Park Association