

La Selva Beach district gets insurance, reopens parks

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The La Selva Beach Recreation District is back in business.

Forced to close its facilities more than a month ago after its liability insurance policy expired, the district has finally obtained coverage. It was officially insured last week, said Richard Guglielmino, the district's insurance broker.

"We're certainly going to be happy to open up again in a day or so," District Chairman Linda Bourgaize said last Tuesday, after Guglielmino left for Oakland with a check to clinch the insurance deal.

The "Park Closed, Trespass at Your Own Risk" signs that

have hung on the district's park entrances and clubhouse since Jan. 8 were to be removed, she added.

Cost of the district's new insurance policy is high — "about three times as much for a third as much (coverage)" as the district's previous policy, Bourgaize said.

The district is now paying \$7,800 for about \$300,000 worth of coverage, she said, compared to \$3,000 for \$1 million in coverage under the old policy — a painful reminder that the insurance crisis is not over.

"It's obnoxious," Bourgaize said of the cost, "but at least we're opening."

If it hadn't been successful in obtaining its own coverage, Bourgaize said, the district

would probably have checked into the possibility of coverage under the La Selva Beach Improvement Association's policy — an offer that was made about two weeks ago.

The district, because it had some indication it was on the verge of getting its own policy, didn't jump to accept that offer, Bourgaize said. Also, directors of the recreation district worried that the relationship between the district and the improvement association would be unclear.

"It's certainly much better to have your own insurance and have your own governance straight," she said.

The district's new insurance policy is good for one year. After that, Bourgaize is unsure

of what may happen. If the district is forced to pay a similar amount next year, it could be in trouble. And if faced with any unexpected expenses, that trouble could arrive sooner.

That's because the increased cost of coverage has just about wiped out the district's \$6,000 reserve. The reserve is now down to \$1,000 — all the money the district has for emergencies until July 1, when its new budget goes into effect.

"If anything else happens, we'll have to go into the budget and make cuts," Bourgaize said.

The district's entire budget is only about \$30,000, she said, some of which comes from the state but most of which comes

from local property taxes. In the past, the district has dipped into its reserve to pay for such unexpected costs as a failed septic tank and termite extermination.

A problem it's grappling with now is what to do about the aging Monterey pines along its jogging course, located next to the clubhouse and David Batchelor Playground.

Reserve monies were used in the past to pay for a major trimming job on those trees, but that may not have been enough to save them. The district is keeping a close eye on them, Bourgaize said, and will soon have to face the question of whether they need to be removed. It will hold a public hearing on the matter March

18.

Bourgaize said she doesn't believe insurance costs will decrease until the Legislature or the voters take some action. She said she intends to send a petition to the offices of state Sen. Henry Mello and Assemblyman Sam Farr.

The 175-signature petition, which urges that a remedy be found for the insurance crisis, was circulated by the La Selva Beach Women's Club after the recreation district closed its gates.

Until something is done, public entities like the La Selva Beach Recreation District will have to sit tight and pay the price.

For many, that will not be easy.