

1 **South Davis Recreation District**  
2 **Administrative Control Board Meeting**

3 November 20, 2017, at 3:45 p.m.  
4 at the Recreation Center  
5

6 Attendance: **Board Members**

7 Mel Miles, Davis County Representative  
8 Mayor Randy Lewis, Bountiful  
9 Marti Money, Davis County Representative  
10 Commissioner Bret Millburn, Davis County  
11 Councilmember Tami Fillmore, Centerville  
12

13 Others:

14 Todd Godfrey, Attorney  
15 Galen Rasmussen, Board Treasurer  
16 Tyson Beck, Board Clerk  
17 John Miller, Executive Director  
18 Scott McDonald, Aquatics & Fitness Director  
19 Cory Haddock, Recreation & Ice Director  
20 Lizie Allen, Aquatics Programs Manager  
21 Heidi Kearsley, Customer Service Manager  
22 Mary Gadd, Office Manager  
23 Haley Turner, Recreation Specialist  
24 Darrell Child, Olympus Insurance

25 **WELCOME**

26  
27 Vice Chairman Marti Money opened the meeting at 3:59pm and excused Mayor Arave  
28 and Mayor Earnshaw. Mrs. Money congratulated the Board Members who were re-elected to  
29 their City positions.  
30

31 **CITIZEN MATTERS**

32  
33 None.  
34

35 **MINUTES OF OCTOBER 16, 2017 BOARD MEETING APPROVED**

36  
37 Minutes of the Administrative Control Board meeting held on October 16, 2017, was  
38 approved on a motion made by Mayor Lewis and seconded by Mr. Miles. Board Members Miles,  
39 Lewis, Money, Millburn and Fillmore voted "aye."  
40

41 **GENERAL LIABILITY, PROPERTY INSURANCE & WORKMAN'S**  
42 **COMPENSATION**

43  
44 Darrell Child, representing Olympus Insurance, presented an annual review of the  
45 District's insurance program. Mr. Child explained that the insurance would renew at the  
46 beginning at the calendar year. Mr. Child gave a recap of major coverages necessary to protect  
47 the interests of the District.  
48

49 A motion to accept Olympus Insurance as the District's provider was approved on a  
50 motion made by Mayor Lewis and seconded by Mr. Miles. Board Members Miles, Lewis,

51 Money, Millburn and Fillmore voted “aye.”

52  
53 **SEPTEMBER EXPENDITURES APPROVED**

54  
55 John Miller noted the following expenditures:

56  
57 Brady Industries, in the amount of \$5,272.89, for a floor scrubber. Contemporary Image,  
58 in the amount of \$3,749.75 for race shirts. Nelsen Electric Motor, in the amount of \$1,957.86, for  
59 a motor rebuild of a roof top unit. U.S. Bank, in the amount of \$240.78, for credit card  
60 purchases. USA Football, in the amount of \$7,875.00, for jerseys and belts for the flag football  
61 program. Riedell Shoes, in the amount of \$6,829.33, for replacement for rental skates.  
62 Symbolarts, in the amount of \$3,246.00, for race medals. Utah Swimming, in the amount of  
63 \$8,720.00, for 2018 Registrations. B&H Photo, in the amount of \$1,166.31, for aerobics  
64 headsets. Carpenter Paper, in the amount of \$2,119.36, for toilet paper and towels.

65  
66 Total expenditures of \$292,798.83 for the period of October 1, 2017 to October 31, 2017  
67 was approved on a motion made by Mr. Miles and seconded by Commissioner Millburn. Board  
68 Members Miles, Lewis, Money, Millburn and Fillmore voted “aye.”

69  
70 **SEPTEMBER FINANCIAL STATEMENT REVIEWED**

71  
72 Mr. Miller reported that revenues at the end of September are at 75.3% for pool accounts,  
73 recreation accounts are at 85.5% and the ice rink accounts are at 66.2%. Expenses for pool  
74 accounts at 67.1%, recreation accounts are at 66.3% and the ice rink accounts are at 65.9%.

75  
76 Councilmember Fillmore inquired if Mr. Miller thought the increase in revenues is the  
77 from the program side or the admissions side. Mr. Miller deferred to Mr. McDonald who replied  
78 that memberships are going up slightly, admissions have stayed pretty flat and that most  
79 programs are at maximum capacity with the pool size. Commissioner Millburn asked if we were  
80 turning people away from programs. Mr. Miller answered that they were not.

81  
82 Commissioner Millburn asked who from the Recreation District should be included in a  
83 conversation about the possibility of renting space and forming a partnership with a major sports  
84 complex to accommodate the demands of the patrons. Mr. Miller stated it should at least have  
85 himself, Mr. McDonald and Mr. Haddock involved and possibly a person with a financial  
86 interest for input.

87  
88 **BUDGET REVIEW**

89  
90 Mr. Miller presented the Board with the proposed Budget for 2018 but cautioned that it is  
91 still a work in progress as figures for liability and property insurance are needed. **Currently the**  
92 **budget has been worked up with a 5% increase in those accounts.** Utilities with a 7% increase  
93 and Accounting and Financial Service with a 4% increase.

94  
95 Mr. Miller stated that the budget that has been prepared includes an increase of 10% for  
96 memberships and 20% for admissions. Councilmember Fillmore inquired if a percent of  
97 memberships lost has been figured in. Mr. Miller stated that they are unsure what percentage it  
98 would be. Mr. Miller said that if the proposed rates are approved that 10% of all admissions  
99 would be put into the Reserve for Repair & Replacement Account for approximately \$240,000  
100 for the year.

102 Raising rates were discussed amongst Board Members and District Staff. Councilmember  
103 Fillmore wanted to know numbers of how many members use the fitness area. Vice Chair Money  
104 asked that any increase have a communication campaign to inform users of why the increase.  
105 Vice Chair Money also wanted the public to know when the next projected rate increase would  
106 be or what that increase would depend on. Mayor Romney mentioned that raising rates have  
107 been discussed several times before and this is the year it may finally occur. Councilmember  
108 Fillmore, Mr. Miles and Commissioner Millburn wanted better data on why the increase is  
109 needed and a clearer presentation for the public. Mr. Tyson Beck asked for what specific detail  
110 on what the Board wanted presented. Councilmember Fillmore asked to see an overlay of the 10  
111 Year Capital Improvement Plan with the current revenue stream.

112  
113 Commissioner Millburn asked if any of the 2018 Budget accounts were seeing major  
114 increases. Mr. Miller replied that Utilities, Accounting and Payroll Services and Insurance are  
115 about the only accounts. Vice Chair Money asked what percentage increase was Part Time  
116 Employees figured as. Mr. Miller stated that last year Lifeguard & Swim Instructor wages was  
117 increased to recruit employees and to retain them from \$8.25/hr to \$9.00/hr. Commissioner  
118 Millburn asked about the increase in Equipment Supplies & Maintenance and then the decrease  
119 in Building Supplies & Maintenance. Mr. Miller said that was from some items that needed  
120 repaired and replaced in 2017.

121  
122 Mayor Arave inquired when the property tax would expire. Mr. Galen Rasmussen  
123 answered that the debt service will expire when the bonds are paid off and the operating subsidy  
124 would not expire. Commissioner Millburn asked if the District had ever used the subsidy. Mr.  
125 Rasmussen said it is part of the revenue stream.

126  
127 Mr. Godfrey reminded the Board that the November Board meeting that a tentative  
128 Budget would need to be adopted. Commissioner Millburn said that the Budget would be  
129 dependent on if rates were increasing or not. Mr. Godfrey said that before rates could be  
130 increased that a hearing would have to be held at an hour later than 6pm. Councilmember  
131 Fillmore and Commissioner Millburn requested that charts and graphs with the different options  
132 be provided at the next meeting. Options being raising memberships by 10%, raising admissions  
133 by 20%, raising memberships by 10% and admissions 10%, no increases, raising memberships  
134 and admissions a little bit for the next couple of years.

135  
136 Mayor Romney asked if the plan is that when we come to the end of the life of the  
137 building that there be funds to replace it. Mr. Rasmussen stated that the District's financial plan  
138 would be dramatically different if it needed to fund a new building. Councilmember Fillmore  
139 doesn't want the District to be irresponsible with the Capital Improvement savings, but the  
140 District should work towards being able to go to the public, in 8 or 9 years' time, when the bond  
141 has ended and present a vision of upgrading and expanding the facility.

142  
143 **FACILITY EVENTS**

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145 Due to time constraints events were passed over.

146  
147 **OTHER MATTERS**

148  
149 Next Board meeting will be December 18, 2017 at 3:45 p.m.

150  
151 Meeting adjourned at : p.m. on a motion made by Mayor Romney and seconded by  
152 Mayor Arave.

153

154 \*\*\*\*approved December 18, 2017\*\*\*\*