

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

3 October 16, 2017, at 3:45 p.m.  
4 at the Recreation Center  
5

6 Attendance: **Board Members**

7 Mayor Len Arave, North Salt Lake  
8 Marti Money, Davis County Representative  
9 Councilmember Tami Fillmore, Centerville  
10 Mel Miles, Davis County Representative  
11 Mayor Ken Romney, West Bountiful  
12 Commissioner Bret Millburn, Davis County  
13

14 Others:

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

26 **WELCOME**

27  
28 In the absence of Chairman Rick Earnshaw, Vice Chairman Money opened the meeting  
29 at 3:54 p.m.  
30

31 **CITIZEN MATTERS**

32  
33 None.  
34

35 **MINUTES OF SEPTEMBER 18, 2017 BOARD MEETING APPROVED**

36  
37 Commissioner Millburn asked to have himself listed as excused on the minutes.  
38

39 Corrected Minutes of the Administrative Control Board meeting held on September 18,  
40 2017, was approved on a motion made by Mayor Romney and seconded by Mayor Arave. Board  
41 Members Arave, Money, Fillmore, Miles, Romney and Millburn voted “aye.”  
42

43 **SEPTEMBER EXPENDITURES APPROVED**

44  
45 John Miller noted the following expenditures:  
46

47 CEM Aquatics, in the amount of \$1,437.64, for replacing a backwash valve that went out  
48 during the September closure. Nelson Intermountain Crane, Inc., in the amount of \$1,940.00, for  
49 renting a crane to replace a rooftop unit above the pool. Clear Image Promotional Products, in  
50 the amount of \$2,013.62, for jerseys for the new youth volleyball program. CMA Tile, in the

51 amount of \$9,740.00, for tile supplies and labor for the showers in the aquatics locker room.  
52 American Leak Detection, in the amount of \$400.00, for the hot tub line leak. Philips Healthcare,  
53 in the amount of \$900.90, for defibrillator pads and batteries. Pool Supply Unlimited, in the  
54 amount of \$2,450.00, for hot tub boiler parts.

55  
56 Vice Chair Money inquired about the \$539.37 expense to Canon Solutions America. Mr.  
57 Scott McDonald said it is the cost per copy charge.

58  
59 Mr. Miller continued with U.S. Bank, in the amount of \$480.83, for replacing the check  
60 scanner. Arrow Cleaning Services, Inc., in the amount of \$2,120.00, for a deeper cleaning of the  
61 pool decks that was performed during the maintenance closure.

62  
63 Total expenditures of \$301,908.77 for the period of September 1, 2017 to September 30,  
64 2017 was approved on a motion made by Mayor Romney and seconded by Mr. Miles. Board  
65 Members Arave, Money, Fillmore, Miles, Romney and Millburn voted “aye.”

66  
67 **SEPTEMBER FINANCIAL STATEMENT REVIEWED**

68  
69 Mr. Miller reported that revenues at the end of September are at 75.3% for pool accounts,  
70 recreation accounts are at 85.5% and the ice rink accounts are at 66.2%. Expenses for pool  
71 accounts at 67.1%, recreation accounts are at 66.3% and the ice rink accounts are at 65.9%.

72  
73 Councilmember Fillmore inquired if Mr. Miller thought the increase in revenues is the  
74 from the program side or the admissions side. Mr. Miller deferred to Mr. McDonald who replied  
75 that memberships are going up slightly, admissions have stayed pretty flat and that most  
76 programs are at maximum capacity with the pool size. Commissioner Millburn asked if we were  
77 turning people away from programs. Mr. Miller answered that they were not.

78  
79 Commissioner Millburn asked who from the Recreation District should be included in a  
80 conversation about the possibility of renting space and forming a partnership with a major sports  
81 complex to accommodate the demands of the patrons. Mr. Miller stated it should at least have  
82 himself, Mr. McDonald and Mr. Haddock involved and possibly a person with a financial  
83 interest for input.

84  
85 **PUBLIC INTEREST SURVEY UPDATE**

86  
87 Mr. Miller started with expressing his appreciation of the suggestions for companies for  
88 the public interest survey. Mr. Miller said they haven't contacted any of those yet. Mr. Miller has  
89 contacted and met with Y2K, suggested during the last meeting, and with VCBO architects as  
90 they perform some public interest surveys as well. Mr. Miller received a couple of options from  
91 Y2K that the District could do.

92  
93 Mr. Miller gave a brief description of why the District is considering a survey.  
94 Commissioner Millburn said that is the reason for having a conversation with the outside sports  
95 complex, where someone else can put up the Capital investment and upkeep. Mayor Arave said  
96 he doesn't see how expanding the current facility and pick up additional revenue to warrant the  
97 cost.

98  
99 Mr. Miller stated staff would be interested in meeting with the organization.  
100 Councilmember Fillmore stated she believes going forward with the survey to assess if even  
101 District members would even want to expand or rent space. Mr. Miller said he still would plan

102 on holding the survey. Councilmember Fillmore requested a report in the next Board meeting.

103  
104 **BUDGET REVIEW**

105  
106 Mr. Miller presented the Board with the proposed Budget for 2018 but cautioned that it is  
107 still a work in progress as figures for liability and property insurance are needed. **Currently the**  
108 **budget has been worked up with a 5% increase in those accounts.** Utilities with a 7% increase  
109 and Accounting and Financial Service with a 4% increase.  
110

111 Mr. Miller stated that the budget that has been prepared includes an increase of 10% for  
112 memberships and 20% for admissions. Councilmember Fillmore inquired if a percent of  
113 memberships lost has been figured in. Mr. Miller stated that they are unsure what percentage it  
114 would be. Mr. Miller said that if the proposed rates are approved that 10% of all admissions  
115 would be put into the Reserve for Repair & Replacement Account for approximately \$240,000  
116 for the year.  
117

118 Raising rates were discussed amongst Board Members and District Staff. Councilmember  
119 Fillmore wanted to know numbers of how many members use the fitness area. Vice Chair Money  
120 asked that any increase have a communication campaign to inform users of why the increase.  
121 Vice Chair Money also wanted the public to know when the next projected rate increase would  
122 be or what that increase would depend on. Mayor Romney mentioned that raising rates have  
123 been discussed several times before and this is the year it may finally occur. Councilmember  
124 Fillmore, Mr. Miles and Commissioner Millburn wanted better data on why the increase is  
125 needed and a clearer presentation for the public. Mr. Tyson Beck asked for what specific detail  
126 on what the Board wanted presented. Councilmember Fillmore asked to see an overlay of the 10  
127 Year Capital Improvement Plan with the current revenue stream.  
128

129 Commissioner Millburn asked if any of the 2018 Budget accounts were seeing major  
130 increases. Mr. Miller replied that Utilities, Accounting and Payroll Services and Insurance are  
131 about the only accounts. Vice Chair Money asked what percentage increase was Part Time  
132 Employees figured as. Mr. Miller stated that last year Lifeguard & Swim Instructor wages was  
133 increased to recruit employees and to retain them from \$8.25/hr to \$9.00/hr. Commissioner  
134 Millburn asked about the increase in Equipment Supplies & Maintenance and then the decrease  
135 in Building Supplies & Maintenance. Mr. Miller said that was from some items that needed  
136 repaired and replaced in 2017.  
137

138 Mayor Arave inquired when the property tax would expire. Mr. Galen Rasmussen  
139 answered that the debt service will expire when the bonds are paid off and the operating subsidy  
140 would not expire. Commissioner Millburn asked if the District had ever used the subsidy. Mr.  
141 Rasmussen said it is part of the revenue stream.  
142

143 Mr. Godfrey reminded the Board that the November Board meeting that a tentative  
144 Budget would need to be adopted. Commissioner Millburn said that the Budget would be  
145 dependent on if rates were increasing or not. Mr. Godfrey said that before rates could be  
146 increased that a hearing would have to be held at an hour later than 6pm. Councilmember  
147 Fillmore and Commissioner Millburn requested that charts and graphs with the different options  
148 be provided at the next meeting. Options being raising memberships by 10%, raising admissions  
149 by 20%, raising memberships by 10% and admissions 10%, no increases, raising memberships  
150 and admissions a little bit for the next couple of years.  
151

152 Mayor Romney asked if the plan is that when we come to the end of the life of the

153 building that there be funds to replace it. Mr. Rasmussen stated that the District's financial plan  
154 would be dramatically different if it needed to fund a new building. Councilmember Fillmore  
155 doesn't want the District to be irresponsible with the Capital Improvement savings, but the  
156 District should work towards being able to go to the public, in 8 or 9 years' time, when the bond  
157 has ended and present a vision of upgrading and expanding the facility.

158

159 **FACILITY EVENTS**

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161 Due to time constraints events were passed over.

162

163 **OTHER MATTERS**

164

165 Next Board meeting will be November 20, 2017 at 3:45 p.m.

166

167 Meeting adjourned at 5:15 p.m. on a motion made by Mayor Romney and seconded by  
168 Mayor Arave.

169

170 \*\*\*\*\*approved November 20, 2017\*\*\*\*\*