

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

3 September 11, 2023, at 5:30 p.m.
4

5 Board Members present in person:

6 Rick Earnshaw, County Representative
7 Todd Meyers, County Representative
8 Mayor Brian Horrocks, North Salt Lake City
9 Mayor Ryan Westergard, Woods Cross City
10 Councilmember Spencer Summerhays, Centerville City
11 Councilmember Kate Bradshaw, Bountiful City ***arrived at 5:33 p.m.*
12 Jennie Decker, County Representative ***arrived at 5:35 p.m.*
13

14 Staff In Attendance:

15 Tif Miller, Executive Director	Tyson Beck, District Clerk
16 Mary Gadd, Office Manager	Jayne Blakesley, District Attorney
17 Kaylie Glissmeyer, Customer Service Manager	Galen Rasmussen, District Treasurer
18 Scott McDonald, Aquatics & Fitness Director	Tom Lund, Maintenance Supervisor
19 Cory Haddock, Ice & Recreation Director	Wendy Jones, Fitness Supervisor

20

21 Others in attendance:

22 Malah Armstrong (Utah Taxpayers Association), Rusty Cannon (Zoom), Julie Checketts
23 (Woods Cross), Darrell Child (Olympus Insurance), Alex Densely (Bountiful), Alex Milne (Summit
24 Energy), Ron Mortensen (Bountiful),
25

26 **WELCOME**

27
28 Chairman Earnshaw opened the meeting at 5:30 p.m. and excused Mayor Ken Romney.
29

30 **CITIZEN MATTERS**

31
32 Julie Checketts expressed her concern over the budget with the upcoming truth-in-taxation
33 hearing. She stated reporting needs to be improved and questioned how many Woods Cross residents
34 utilize the facility.
35

36 **Board Members Jennie Decker and Councilmember Bradshaw arrived**
37

38 Ron Mortensen expressed that he believes that the subsidy has kept up with inflation and that
39 it has been the additional program offerings that don't cover their cost and that has diluted the
40 subsidy.
41

42 Malah Armstrong agrees with some of the same concerns already shared and believes there
43 are other options to exhaust before imposing the increase in taxes.
44

45 Alex Densely commented that he doesn't disagree that an increase probably needs to occur
46 but the proposed amount seems high.
47

48 Tif Miller read a comment received by Crystal Burnham, Bountiful Resident, through an
49 email. Ms. Burnham asked the Board to vote no on increasing property taxes. Ms. Burnham
50 suggested increases to users and recommended that the District seek outside sources for funding.
51

52 **APPROVAL OF AUGUST 14, 2023 BOARD MEETING MINUTES**

53
54 Minutes of the Administrative Control Board Meeting held on August 14th, 2023, was
55 approved on a motion made by Mayor Horrocks, and was seconded by Mr. Meyers. Board Members
56 Earnshaw, Meyers, Horrocks, Westergard, Summerhays, Bradshaw, and Decker voted “aye.”
57

58 **REVIEW AND APPROVAL OF EXPENDITURES/FINANCIAL STATEMENT REVIEW**
59 **FOR AUGUST 2023**

60
61 Mr. Miller explained that line #30, City of Bountiful, the description was mislabeled as a
62 “fuel purchase,” but it was for the interlocal agreement.
63

64 Total expenditures of \$486,676.31 for the period of August 1, 2023, to August 30, 2023, was
65 approved on a motion made by Councilmember Bradshaw and seconded by Jennie Decker. Board
66 Members Earnshaw, Meyers, Horrocks, Westergard, Summerhays, Bradshaw, and Decker voted
67 “aye.”
68

69 **OLYMPUS INSURANCE PRESENTATION ON SDRC INSURANCE 2024**

70
71 Darrell Child, from Olympus Insurance, reported that this year a full canvassing of the
72 insurance market was conducted to ensure the best pricing on coverage. Mr. Child stated they
73 received five responses, one from the incumbent provider and four from other highly rated insurance
74 companies. Mr. Child recommended staying with AIG Insurance as they provided the best proposal.
75 Mr. Child added for discussion that an active shooter premium is available to add. Because the
76 District met the four criteria for the coverage, it is worth reviewing the coverage before awarding the
77 bid.
78

79 **SDRD NATURAL GAS RATE DISCUSSION**

80
81 Alex Milne reported that over the last 18 months there has been a lot of volatility in the
82 natural gas market but the District was hedged during that time. Mr. Milne stated they currently have
83 a 1-year price or a 2-year price. Board Members asked questions and discussed the current conditions
84 of the market. Mr. Miller explained an option that the District could delay renewing and see where
85 rates go in that time. Board Members suggested that hedging is likely to remain the best option for
86 the District.
87

88 **DISCUSSION ON FINANCIAL REPORTING RESTRUCTING**

89
90 Mr. Beck reviewed two options that the board could take, one being a highly detailed
91 breakdown or not making any changes. Mr. Beck estimated that going with the detailed option would
92 cost \$5,300 in a one-time set up fee and an approximate \$19,200 annually for the additional work
93 performed. Board members shared their thoughts on the level of detail they would like, how to
94 achieve that detail and asked questions on how the District operates. Mr. Beck suggested a hybrid
95 model where payroll allocations for the full-time personnel is completed, part-time personnel as close

96 as possible, and no indirect allocations of the broader expenditures like janitorial, depreciation, etc.
97 After more discussion, Chairman Earnshaw directed Mr. Miller and staff to proceed with a hybrid
98 model.

99
100 **SDRD POLICY SUBCOMMITTEE UPDATE**

101
102 Mr. Miller reported that after meeting with the committee that an outline was created for use.
103 The plan is to bring the items to the board on a rolling basis for comments and approval. Mr.
104 Blakesley added that he estimated that it will take about 6 months to complete them all.

105
106 **BOARD ACTION TO SCHEDULE A PUBLIC HEARING FOR PROPOSED 2024**
107 **PROPERTY TAX INCREASE**

108
109 Mr. Beck reported that the County has said the earliest they could mail out notices for the
110 hearing was later than originally thought and the District would need to rescheduled the truth in
111 taxation hearing to follow the law. After a discussion, it was settled that the hearing would be moved
112 to November 6th at 6:00 p.m.

113
114 **SDRD FY 2024 BUDGET DRAFT #1 DISCUSSION**

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116 Mr. Miller reported that he has begun the budgeting process, explaining that after the Board
117 reviews the budget and adjusts figures, then another draft will be prepared with a narrative of the
118 changes. Mr. Miller noted he is planning fee increases to admissions, program lessons, races, and
119 aquatic teams. The budget currently reflects the proposed property tax increase.

120
121 Mr. Miller stated that expenditure for full-time personnel reflects a 2.5% COLA increase and
122 a 5% merit increase for employees who are eligible. Other budget lines where expenses are
123 increasing are part-time personnel, subscription-based services, utilities, insurance, and credit card
124 fees.

125
126 Mr. Miller covered what makes up the planned capital expenses for 2024. It is planned to
127 replace the rubber flooring in the ice skating area and at the same time install gates and a turnstile for
128 control of entry. Mr. Miller recalled that the replacement of the leisure pool filter system was delayed
129 a year last year. Mr. Miller noted that maintenance on the facilities rooftop units is increasing, and he
130 recommends replacing them sooner rather than later. Mr. Miller stated that the oldest ice resurfer is
131 now 10 years old and usually they are replaced every 7 years.

132
133 **MEMBERSHIP REPORT**

134
135 Mr. Miller reported that memberships are trending the same.

136
137 **OTHER MATTERS**

138
139 None.

140
141 **ADJOURN**

142
143 At 8:10 p.m. Mayor Westergard made a motion to adjourn. Councilmember Summerhays

144 seconded the motion.

APPROVED