

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

3 May 8, 2023, at 5:30 p.m.
4

5 Board Members present in person:

6 Rick Earnshaw, County Representative
7 Todd Meyers, County Representative
8 Councilmember Spencer Summerhays, Centerville City
9 Mayor Brian Horrocks, North Salt Lake City
10 Jennie Decker, County Representative
11 Mayor Ryan Westergard, Woods Cross City
12 Mayor Ken Romney, West Bountiful City ***arrived at 5:34 p.m.*

13 Board Members present on zoom:

14 Councilmember Kate Bradshaw, Bountiful City
15

16 Staff In Attendance:

17 Tif Miller, Executive Director	Tyson Beck, District Clerk
18 Mary Gadd, Office Manager	Cory Haddock, Ice & Recreation Director
19 Scott McDonald, Aquatics & Fitness Director	Jayne Blakesley, District Attorney
20 Kaylie Glissmeyer, Customer Service Manager	Tom Lund, Facility Maintenance
21 Wendy Jones, Fitness Coordinator	
22 .	

23 Others in attendance:

24 Ron Mortensen (Bountiful), Cynthia Ong (Bountiful)
25

26 **WELCOME**

27
28 Chairman Earnshaw opened the meeting at 5:30 p.m.
29

30 **CITIZEN MATTERS**

31
32 Dr. Ron Mortensen commented that the amount of property tax that has been collected to
33 subsidize the operation and maintenance has increased faster than inflation due to the capture of new
34 growth. He continued citing data he got from the Sate auditors' website, that in 2005 the amount
35 collected was \$521,041 compared to the amount the collected in 2021, \$871,240.
36

37 **APPROVAL OF APRIL 17TH, 2023 BOARD MEETING MINUTES**

38
39 Minutes of the Administrative Control Board Meeting held on April 17th, 2023, was approved
40 on a motion made by Mayor Horrocks, and was seconded by Councilmember Summerhays. Board
41 Members Earnshaw, Meyers, Summerhays, Horrocks, Decker, and Westergard voted "aye."
42

43 *Councilmember Bradshaw was unavailable on Zoom to cast a vote.*
44

45 **REVIEW AND APPROVAL OF EXPENDITURES/FINANCIAL STATEMENT REVIEW**
46 **FOR APRIL 2023**

47 **Mayor Ken Romney arrived at 5:34 p.m.**

48 Mr. Miller highlighted the expenditure on line 55, to James Keddington, in the amount of
49 \$1,600 for minor marketing services.

51 Total expenditures of \$402,916.02 for the period of April 1, 2023, to April 30, 2023, was
52 approved on a motion made by Mayor Westergard and seconded by Mr. Meyers. Board Members
53 Earnshaw, Meyers, Summerhays, Horrocks, Decker, Westergard, and Romney voted “aye.”

54
55 *Councilmember Bradshaw was unavailable on Zoom to cast a vote.*

56
57 **PUBLIC HEARING: UPDATE FEES FOR THE SOUTH DAVIS RECREATION CENTER**

58
59 Mr. Miller stated that he looked at the request received in the April meeting, about a summer
60 pass option, to see how it could be helpful for the summer and to minimize any decrease in sales to
61 the annual option. Mr. Miller explained that the rate is about 50% of the annual rate and still has all
62 the family and household requirements that the annual pass has. The summer pass will not be eligible
63 to have discount rates in programs, no guest passes will be given, no monthly payment option and
64 sales are restricted to May and June. People who have purchased the pass can have through
65 September to upgrade the pass to a full annual membership.

66
67 Board Members were given the opportunity to discuss the summer pass option and any
68 concerns. Mrs. Decker confirmed that the proposed summer pass is only for the summer months,
69 June/July/August, and mentioned that other facilities offer 3-month, 6-month, and 1-year options. Mr.
70 Miller explained that he didn’t offer the pass in those lengths to minimize a decrease in sales of
71 annual memberships.

72
73 At 5:52 p.m. Councilmember Summerhays made a motion to open the public hearing on the
74 proposed new fees. Mr. Meyers seconded the motion.

75
76 There were no public comments.

77
78 At 5:54 p.m. Councilmember Summerhays made a motion to close the public hearing. Mr.
79 Meyers seconded the motion. Board Members Earnshaw, Meyers, Summerhays, Horrocks, Decker,
80 Westergard, Romney, and Bradshaw voted “aye.”

81
82 **DISCUSSION & ACTION: RESOLUTION 2023-2 ADOPTING NEW FEES FOR THE SDRC**

83
84 Mr. Meyers made a motion to approve Resolution 2023-2, Adopting New and Increased Fees
85 for the South Davis Recreation Center. Councilmember Summerhays seconded the motion. Chairman
86 Earnshaw asked for a roll call vote with Board Members Bradshaw, Romney, Meyers, Westergard,
87 Decker, Horrocks, Summerhays, and Earnshaw voting “aye.” There was no “nays.”

88
89 **DISCUSSION ON POLICIES REGARDING CASH RESERVE LEVELS**

90
91 Chairman Earshaw posed the question to the Board, what cash reserve level should the
92 District be at and should that be adopted as a policy. Mayor Westergard noted that the cash &
93 investments report that has a reserve for repair and replacement, operating reserve, debt service, and
94 capital projects but it should be updated.

95

96 Mayor Romney stated that the District should work towards being able to fund a 10-15 year
97 capital plan and it reviewed and updated each year. Mayor Westergard added that bonding should not
98 be the way to cover repairs and that revenues and tax subsidies should be planned to allow the
99 District to place funds into reserves. Councilmember Summerhays noted that the 10-year capital plan
100 does have several facility upgrades and additions listed currently.

101
102 Mr. Miller reviewed that there have been three projects that have been brought up several
103 times that would be best to complete, sooner rather than later. Those projects are the swimming
104 locker rooms reconfiguration, bathrooms installed on the 2nd floor, and an entrance to the west side of
105 the building. Mr. Miller stated that new team locker rooms would be needed to act as locker rooms
106 while the other space is being worked on.

107 108 **FINANCIAL WORK SESSION**

109
110 Board Members returned to discussing the financial outlook of the facility. Chairman
111 Earnshaw expressed it will be hard to set a tax levy when the Board doesn't know where it wants to
112 get to. He expressed that previous Boards knew about the gap in expenses and revenues but continued
113 to delay any tax subsidy increase and unfortunately the pandemic occurred before an increase could
114 be completed.

115
116 Mrs. Decker expressed that just raising facility rates is not going to bring people back for
117 memberships and would like to see the conversation change to "let's attract members." Mayor
118 Horrocks added that when he visits the facility that the place seems filled with people and wondered
119 if all the programs are well attended, but the District is still losing money, are all programs being
120 subsidized or can it pinpointed to specific ones. Councilmember Summerhays posed what other
121 additives are there to increase memberships if the facility is at capacity, and asked what is wrong if
122 the gap in revenues and expenses is widening with the facility near capacity.

123
124 Board Members discussed the recreation center in Provo and its operations and compared it to
125 the District's facility. Councilmember Summerhays stated that increasing fees and revenues have
126 been discussed but asked what the driving force is on how expenses have accelerated faster than
127 revenues. He stated that changing part-time employees to full-time employees has been an expensive
128 change. Board Members discussed what might the expenses look like if 2-3 full-time employees were
129 eliminated, what additional revenue could be tied to those additions, and whether the public would
130 want to keep the employees to maintain the quality of services.

131
132 Mr. Meyers asked if there is any sort of data on why people cancel their memberships to the
133 facility. Mr. Miller said when people cancel online, they are asked for the reason for cancellation.
134 Mrs. Decker commented that the District's services and programs have expanded but those additions
135 probably didn't lead to additional memberships. Kaylie Glissmeyer added, since she performs the
136 cancellation requests, that the reason that is given the most is they cannot afford the cost. Chairman
137 Earnshaw inquired if there is any reply to the cancellations. Ms. Glissmeyer stated the volume of
138 cancellation precludes a reply. Board Members discussed marketing and retention efforts and pricing
139 differences between a single membership and family membership.

140
141 Mayor Romney asked if data is known on the costs of the baseball program to the revenue it
142 brings. Mr. Miller said he would have the direct costs, but it is the indirect costs that are estimations,
143 but he feels are misleading to some of the programs. Mayor Horrocks commented that perhaps the

144 District can increase the fees for programs based on the private fees that are charged. Board Members
145 discussed reexamining the indirect costs, what it would take to try to be more accurate in the
146 accounting, that there are more indirect costs than the full-time employees such as utilities and office
147 supplies, and what older programs that have been discontinued.
148

149 Councilmember Bradshaw asked Mr. Beck to share information that they had worked on. Mr.
150 Beck stated that they reviewed if revenues, which could be tied to a specific position, were impacted
151 by their hirings and how wages were affected with the change from part-time to full-time. Mrs.
152 Decker asked if those positions could even be filled if they went back to part-time. Mrs. Decker
153 added that reviewing the three most recent hires is unfair and all employees should be reviewed.
154 Councilmember Summerhays added that there could be existing people who have been retained for
155 so long that they are above their competitive comparable wage.
156

157 Mayor Romney asked for a 10-yr capital plan to be agreed upon by the Board so a target
158 amount can be determined. Mr. Miller will remove some of the items that would need bonding from
159 the plan.
160

161 **MEMBERSHIP REPORT**

162
163 No report was given.
164

165 **OTHER MATTERS**

166
167 None.
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169 **CLOSED HEARING TO DISCUSS THE CHARACTER, PROFESSION COMPETENCE, OR** 170 **PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL**

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172 At 8:09 p.m. Mayor Horrocks made a motion to adjourn the Board Meeting and to move into
173 a closed meeting to discuss the character, professional competence, or physical or mental health of an
174 individual. Mayor Westergard seconded the motion. Chairman Earnshaw called for a roll call vote.
175 Board Members Bradshaw, Romney, Meyers, Westergard, Decker, Horrocks, Summerhays, and
176 Earnshaw voting "aye." There was no "nays."
177

178 Attending the closed session was:
179

180 Rick Earnshaw, County Representative
181 Mayor Brian Horrocks, North Salt Lake City
182 Mayor Ryan Westergard, Woods Cross City
183 Mayor Ken Romney, West Bountiful City
184 Councilmember Spencer Summerhays, Centerville City
185 Todd Meyers, County Representative
186 Jennie Decker, County Representative
187 Councilmember Kate Bradshaw, Bountiful City **attendance on Zoom*
188 Tif Miller, Executive Director
189 Jayme Blakesley, District Attorney
190 Cory Haddock, Ice & Recreation Director