

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

3 December 13, 2021, at 6:00 p.m.
4

5 Board Members present

6 Todd Meyers, County Representative
7 Mayor Randy Lewis, Bountiful
8 Marti Money, County Representative
9 Bret Millburn, County Representative
10 Mayor Ken Romney, West Bountiful
11 Mayor Rick Earnshaw, Woods Cross
12 Councilmember Tami Fillmore, Centerville
13

14 Others in attendance:

15 Tif Miller, Executive Director	Jayme Blakesly, District Attorney
16 Tyson Beck, District Clerk	Galen Rasmussen, District Treasurer
17 Mary Gadd, Office Manager	Tom Lund, Maintenance Supervisor
18 Cory Haddock, Ice & Recreation Director	Ron Mortensen, Bountiful Resident
19 Darrell Child, Olympus Insurance	Scott McDonald, Aquatics & Fitness
20 Wendy Jones, Fitness Coordinator	

21

22 **WELCOME**

23
24 Vice Chairman Meyers opened the meeting at 6:00 p.m. and excused Chairman Arave from
25 the meeting.
26

27 **CITIZEN MATTERS**

28
29 None.
30

31 **APPROVAL OF MINUTES FOR NOVEMBER 15, 2021, MEETING**

32
33 Minutes of the Administrative Control Board Meeting held on November 15, 2021, was
34 approved on a motion made by Mayor Lewis, and seconded by Mayor Earnshaw. Board Members
35 Meyers, Lewis, Money, Millburn, Romney, Earnshaw, and Fillmore voted “aye.”
36

37 **REVIEW AND APPROVAL OF EXPENDITURES/FINANCIAL STATEMENT REVIEW**
38 **FOR NOVEMBER 2021**

39
40 Mr. Miller noted the payment for the pool construction to Hogan & Associates in the amount
41 of \$330,926.51 and another payment of \$19,500.00 for The Slide Experts to resurface the yellow
42 slide. Total expenditures of \$693,679.66 for the period of November 1, 2021, to November 30, 2021,
43 was approved on a motion made by Mayor Romney and seconded by Mr. Millburn. Board Members
44 Meyers, Lewis, Money, Millburn, Romney, Earnshaw, and Fillmore voted “aye.”
45

46 Mr. Millburn asked if the District was seeing an increase on normal expenses for the day-to-
47 day operations of the facility and how it was effecting the budget. Mr. Miller replied that there have

48 been gradual increases in products and supplies.

49
50 **OLYMPUS INSURANCE FOLLOW UP PRESENTATION AND APPROVAL**

51
52 Darrell Child reported that the coverage that was reviewed in the November meeting did not
53 have the Workers' Compensation rates. Mr. Child reported that the District has experienced a couple
54 of losses in prior years that caused the Experience Modifier to increase, but the trend line is starting
55 to reverse and improve. Mr. Child noted that management has made a concentrated effort to improve
56 the overall loss.

57
58 Mr. Millburn asked for a recap on the cyber liability coverage and what is included. Mr. Child
59 stated that the present program has network security and cyber liability as an embedded component
60 and is an automatic coverage under the public officials' errors and omissions. Mr. Child noted that
61 cyber liability has changed over the years and now includes things like ransomware on information,
62 or on the system, and the present coverage no longer addresses the extent of the risk. Councilmember
63 Fillmore asked why the aggregate is decreasing from \$3 million to \$1 million and Mr. Child stated
64 that is all that is available.

65
66 Councilmember Fillmore made a motion to approve the insurance proposal and asked for a
67 follow-up from either Mr. Child or Mr. Rasmussen with what coverage would look like should there
68 be a claim with the two entities intertwined and both entities having liability coverage. Mayor
69 Earnshaw seconded the motion. Board Members Meyers, Lewis, Money, Millburn, Romney,
70 Earnshaw, and Fillmore voted "aye."

71
72 **PUBLIC HEARING FOR FY2022 UPDATED AND NEW FEES**

73
74 At 6:30 p.m. Mayor Lewis made a motion to open the public hearing for comments. Mrs.
75 Money seconded the motion. A roll call vote was held, and Board Members Meyers, Lewis, Money,
76 Millburn, Romney, Earnshaw, and Fillmore voted "aye."

77
78 Mr. Millburn asked what amount of additional revenue is anticipated due to the fee increase.
79 Mr. Miller answered it is estimated to be \$150,000 with expected sales and participation to be at a
80 normal level. Councilmember Fillmore said that staff wage increases demand an increase to fees. Mr.
81 Miller noted that membership fees were not increased because membership sales are down and that
82 they were last increased in 2018.

83
84 Councilmember Fillmore asked why the Jr. Jazz recreation team has a higher fee than the
85 competition team. Mr. Miller stated that the competition teams are responsible for their own jerseys,
86 while the recreation team has them supplied. Councilmember Fillmore felt that regardless of jerseys
87 that the competition teams should be a higher fee to participate since it is a competitive league.

88
89 Mr. Miller reported the cost recovery process is showing some discrepancies with resale
90 items, rentals, competitive sports, intermediate sports, and daily drop-ins. The proposed fees were
91 created with those discrepancies in mind and some caution in not increasing fees too high and drive
92 participants away.

93
94 ***Mr. Millburn left the meeting.*

95

96 Mr. Miller continued that a new disability membership was created and a flex couple pass that
97 allows two people who don't live in the same household to share one membership. The flex pass is
98 priced slightly higher than a regular couple pass.
99

100 Mrs. Money asked about the increase to the scuba fee. Mr. Miller stated that scuba has been
101 undercharged for some time for the space that they are using in the pool. Mr. Miller added that the
102 rate allows the District to get more from them and to continue the partnership with the businesses.
103 Mayor Earnshaw asked if Master Swim Team participants know that their fees are increasing. Mr.
104 McDonald replied that the fees for Master's were missed with the last round of fee increases.
105

106 Councilmember Fillmore asked if it was known how the public responded to the last fee
107 increases. Mr. Miller answered that annual passes decreased but the EFT passes saw an increase. Mr.
108 Haddock informed Mayor Earnshaw that the fees for the baseball age groups are the same as what
109 Legacy charged.
110

111 At 6:50 p.m. Mayor Lewis made a motion to close the public hearing. Mayor Romney
112 seconded the motion. Board Members Meyers, Lewis, Money, Romney, Earnshaw, and Fillmore
113 voted "aye."
114

115 **DISCUSSION FY2022 UPDATED AND NEW FEES**

116 There was no further discussion.
117

118 **ACTION ON RESOLUTION 2021-05 ADOPTING UPDATED AND NEW FEES FOR FY2022**

119 Mayor Lewis made a motion to approve resolution 2021-05, adopting new and increased fees
120 for the South Davis Recreation Center, and Mayor Romney seconded the motion.
121

122 Councilmember Fillmore asked that competition teams be charged more than recreation teams
123 be noted and reviewed.
124

125 Vice Chairman Meyers asked for a roll call vote. Board Members Meyers, Lewis, Money,
126 Romney, Earnshaw, and Fillmore voted "aye."
127

128 **CONTINUE PUBLIC HEARING FOR SOUTH DAVIS RECREATION DISTRICT FY2022** 129 **BUDGET**

130 Mr. Miller commented that the previous November Budget net loss was \$300,000 but that has
131 been reduced to \$150,000 because of the proposed fee increases. Mr. Miller reported that the increase
132 to part-time staff wages do greatly affect the Budget along with the full-time COLA adjustment of
133 5%.
134

135 Vice Chairman Meyers asked what known closures there are in 2022. Mr. Miller stated there
136 will be the normal 2-week closure of the pools in September, unless a way to stay open while
137 performing the maintenance can be done. Mayor Romney asked if both pools would need to close for
138 the air handlers and Mr. Miller answered that both pools will need to close.
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140 No comments were made by the public.
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At 6:59 p.m. Mayor Romney made a motion to close the public hearing. Mayor Earnshaw seconded the motion. Vice Chairman Meyers called for a roll call vote. Board Members Meyers, Lewis, Money, Romney, Earnshaw, and Fillmore voted “aye.”

FINAL DISCUSSION ON FY2022 BUDGET

Mayor Romney commented that he has been concerned about the budget and that the leaking needs to be stopped. Mayor Romney suggested that because the decision to keep the employees during the closure that covid caused, that the COLA adjustment be reduced to 2-3% and the hiring of a full-time fitness coordinator be put on hold while the District is on this current path. Councilmember Fillmore agreed on holding off on any new full-time position but added in regard to the COLA adjustment that an organization is only as strong as its people and the current job market could put the District at risk of losing people. Mr. Miller said that in the fitness area that they are looking for ways to add new avenues that draw people to the fitness programs and attract new memberships. Mr. Miller said the growth of fitness offerings necessitates a full-time position to not fall behind in that field.

Mrs. Money commended the thoughtful approach on the decrease to the net loss and suggested the full-time addition could be tied directly to revenue in such a critical year. Mrs. Money added that a COLA decrease to 2% would save \$34,000. Mayor Earnshaw added that his city went to a 3% COLA and a 2% merit. Wendy Jones added that her research shows that if a person comes to the facility 2 or more times a week that they will stay for 2-5 years and group fitness programs attract those type of people. Mrs. Jones continued new younger instructors need to be trained and hired to bring new classes to the facility.

***Councilmember Fillmore left the meeting.*

Vice Chairman Meyers asked what the trend with family passes was before covid forced the closure. Mr. Miller replied that the summer sales were the highest for those months. Mayor Romney asked if the number of fitness classes had increased from 3 years ago. Mr. Miller and Mrs. Jones both answered that numbers were the same. Vice Chairman Meyers proposed the budget could be re-opened later in the year to allow for the position and COLA adjustment. Mr. McDonald stated that if he had to hire a new PT coordinator, in this job market, would be tough and would put a strain on both himself and the department. Mayor Lewis asked if any full-time equivalent employees could be reduced with the new position. Mr. McDonald stated that he didn’t believe that could be done since the employees already do more than most same sized facilities, who have more full-time employees.

ACTION ON RESOLUTION 2021-06 ADOPTING FY2022 FINAL BUDGET

Mayor Romney made a motion to approve the FY2022 Budget with a 5% COLA adjustment and remove the full-time position. Mrs. Money seconded the motion. Mayor Lewis made a substitute motion to approve the FY2022 with a 4% COLA adjustment and include the full-time fitness position. Mayor Earnshaw seconded the motion. A roll call vote was held on the substitute motion and Board Members Lewis, Earnshaw and Meyers voted “aye.” Board Members Money and Romney voted “nay.” The substitute motion failed.

Mayor Earnshaw made a second substitute motion that the FY2022 Budget be approved as

192 presented. Mayor Lewis seconded the motion. A roll call vote was held on the second substitute
193 motion and Board Member Lewis, Earnshaw, Money, and Meyers voted “aye.” Board Member
194 Romney voted “nay.” The second substitute motion failed.
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196 At the request of Mrs. Money, Mr. Miller elaborated on how he was able to reduce the net
197 loss from \$315,000 to \$155,000 by increasing fees, based off the cost recovery process, and that
198 utilities projections were higher than what is currently trending. Mayor Lewis asked if the restrictions
199 the Ice Ribbon had previously affected the projected revenue. Mr. Miller stated he increased the skate
200 rental revenue but was conservative and kept admission revenues the same as the previous year.
201

202 Mrs. Money commented that the position is being viewed as a burden. Mayor Earnshaw
203 added that it is a plus and with the plan to expand services that people need to be in place to step up
204 to have programs to fill that expansion when the time comes. Mayor Lewis asked what is the
205 likelihood that the position is filled on January 1st, would a positive metric be seen in February. Mr.
206 Miller replied that it would trend to the positive side. Vice Chairman Meyers mentioned that the first
207 quarter of the year will set the stage and what if the position is approved for 6 months and then
208 programs and offerings are evaluated. Mayor Romney pointed out that in the past 3 years there have
209 been two additional full-time positions, and the membership numbers now are less than 3 years ago
210 and that it is irresponsible to continue down this path.
211

212 Mr. Miller offered to hold another meeting to continue the item and allow for additional
213 voices to be heard.
214

215 Mayor Earnshaw made a substitute motion to approve the 5% COLA adjustment and allow
216 for a full-time position to be hired and evaluated 6 months later. Mayor Lewis seconded the motion.
217 A roll call vote was held and Board Members Money, Meyers, Lewis, and Earnshaw voted “aye.”
218 Board Member Romney voted “nay.” The substitute motion failed.
219

220 Mrs. Money made a motion to table the resolution approval and continue the Budget
221 discussion to another meeting. Mayor Romney seconded the motion. Mayor Lewis made a substitute
222 motion to approve the 5% COLA and delay action on including a full-time fitness until later. There
223 was no second to the motion. Vice Chairman Meyers asked for a roll call vote on the motion to
224 continue the discussion and approval to another meeting later. Board Members Lewis, Earnshaw,
225 Romney, Money, and Meyers voted “aye.”
226

227 **STATE FRAUD ASSESSMENT UPDATE**

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229 Mr. Beck presented the Board with the State Auditor’s fraud risk assessment. The review was
230 performed by Mr. Beck and Mr. Miller and he reported that the District scored 335 points out of a
231 possible 395 points. That puts the District in the low fraud risk category.
232

233 Vice Chairman Meyers inquired when do the Board Members need to retake the training for
234 special service districts. Mr. Beck said the incoming Board Members will need to take the training
235 and the training is valid for 4 years.
236

237 **MEMO ON SWIM MEET TIMING SYSTEM REPAIRS**

238
239 Mr. McDonald explained that there have been issues with the cabling and they’ve been using

240 a work-around for some time. Quotes were received for several items: replacing deckplates, a new
241 time, replacing the scoreboard PC and refurbishing the System 6 system for water polo use. The total
242 cost is \$14,990 and while this is an unplanned expense, there is sufficient funding available in the
243 2021 Budget for the expense. Action was delayed until all three memos were reviewed.

244

245 **MEMO ON POOL LANE LINES**

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247 Mr. McDonald explained that the pool lane lines have hit their maximum lifespans and need
248 replacement. Mayor Earnshaw asked if they could be delayed another year to use the funds for the
249 full-time position. It is the recommendation of the District to purchase 20 new lane lines from
250 Lincoln Aquatics for \$12,548.25 and this expense has been budgeted for. Action was delayed until all
251 three memos were reviewed.

252

253 **MEMO ON STARTING BLOCK REPLACEMENT**

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255 Mr. McDonald explained that the current starting blocks are loose in the anchors and that the
256 common complaint is they need to be replaced. He explained the style is now blocks with side entry
257 track style tops. In an effort to not tear up the deck for new anchors a block that met this style and
258 would work with the District's current posts are Spectrum Product's Xcellerator Starting Blocks. Mr.
259 McDonald explained that the blocks are budgeted for in 2022 but they need to be ordered now so
260 they can be installed for the age group State Championships in March. Mr. McDonald said the
261 Tsunami team, their parents and the Masters Swim team fundraised about a third of the cost. The total
262 purchase is \$68,050 plus actual shipping, \$75,000 has been budgeted in Capital Improvement.

263

264 Mayor Romney made a motion to approve purchasing repairs to the swim meet timing system
265 for \$14,990. Mayor Lewis seconded the motion. Board Members Meyers, Lewis, Money, Romney,
266 and Earnshaw voted "aye."

267

268 Mayor Romney made a motion to approve purchasing lane lines from Lincoln Aquatics for
269 \$12,845. Mrs. Money seconded the motion. Board Members Meyers, Lewis, Money, Romney, and
270 Earnshaw voted "aye."

271

272 Mayor Lewis made a motion to approve purchasing starting blocks from Spectrum Products.
273 Mrs. Money seconded the motion. Board Members Meyers, Lewis, Money, Romney, and Earnshaw
274 voted "aye."

275

276 **EXECUTIVE DIRECTOR REPORT**

277

278 Mr. Miller noted to the Board that the air handlers and where they will be stored once they
279 come in. Hogan is getting Mr. Miller some mockups of where they possibly can go. If they are stored
280 too far away, then another crane will have to be ordered to move them.

281

282 **RECOGNITION OF OUTGOING BOARD MEMBERS**

283

284 Mayor Romney made a motion to table this item until the next meeting. Mrs. Money
285 seconded the motion. Board Members Meyers, Lewis, Money, Romney, and Earnshaw voted "aye."

286

287 **OTHER MATTERS**

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None.

NEXT SCHEDULED BOARD MEETING

The next Board meeting will be on December 20, 2021 at p.m..

Meeting adjourned at 8:37 p.m. on a motion made by Mayor Lewis. Mrs. Money seconded the motion.

APPROVED