Snyderville Basin Special Recreation District
Board Meeting Minutes
Thursday, May 18, 2017
Board Room - Trailside Park
5715 Trailside Drive
Park City, Utah

Board Members in Attendance: Nate Brown, Ben Castro, Cathy Kahlow via teleconference, David Kottler via teleconference, Aaron Newman, Gary Resnick left at 7:02pm.

Absent: Gary Resnick absent at 7:02pm, Marilyn Stinson.

Staff Present: Stacy Carpenter, Brian Hanton, Brian Kadziel, Ben Liegert, Melissa O'Brien, Matt Strader.

Staff Absent: Bob Radke, Megan Suhadolc.

Attending Guests: Greg Ogden, CPA, Kim Carson, Summit County Council, Chris Robinson, Summit County Council.

EXECUTIVE SESSION: PROPERTY ACQUISITION
At 5:34pm, Newman called for a motion to enter into executive session to discuss property acquisition.

The executive session to discuss property acquisition was recorded.


At 6:21pm, Newman called for a motion to close executive session for the purpose of discussing property acquisition.


The meeting of May 18, 2017 was called to order by Newman at 6:23pm.
CONSENT AGENDA:

Director Hanton introduced the new consent agenda format to the Board. Director Hanton reported that other organizations use this same format to combine agenda items for one overall approval. This ensures the District does not overlook agenda items as well as saves time. Each item will continue to have a staff report and, if needed, a discussion by the Board.

Newman asked if the Board had any questions concerning the consent agenda.

1. REQUEST TO APPROVE MINUTES FROM 04/20/2017
2. REQUEST TO APPROVE THE PRIOR MONTH’S EXPENDITURES
   Newman inquired about the Willow Creek Park door repair and asked if the damage was caused by vandalism. Liegert reported the garage door mechanism was not working, so it was replaced.
3. REQUEST TO APPROVE CHANGES TO AQUATIC JOB DESCRIPTIONS
4. REQUEST TO APPROVE MERIT INCREASE FOR DISTRICT DIRECTOR
5. REQUEST TO APPROVE THE PURCHASE OF GROOMING EQUIPMENT FOR TRAILS DEPARTMENT
   Kottler inquired if the old model groomer has been sold or is being advertised for sale. Director Hanton stated the groomer is being advertised and the District will not purchase the new groomer until the old groomer has been sold. The money received from the sale will be used towards the purchase of the new groomer.
6. REQUEST TO APPROVE THE 2017 CONTRACT FOR CRACK SEALING AND SEAL COATING SELECTED TRAILS


PUBLIC INPUT
Ted Nolan inquired about the trail comments posted on the website. Nolan indicated his understanding is there will not be another open comment period after May 31st and asked if this date had been advertised. Director Hanton stated that it will be advertised on the District’s website and on social media. Also, the District will be communicating with affected HOA’s, i.e. Pinebrook, Summit Park and Timberline. Nolan asked about the process after May 31st. Director Hanton reported that the District will compile the input and then respond to the comments. Director Hanton stated the Mountain Madness Open House is a conglomeration of the trail community, which will host a public forum for Basin Recreation, Mountain Trails, Park City Municipal, etc. Mountain Madness will be held on May 31, 2017.

Newman closed public input at 6:29pm.

2016 ANNUAL FINANCIAL REPORT PRESENTED BY GREG OGDEN, CPA
Greg Ogden distributed the Basic Financial Statements and Required Supplementary Information with Independent Auditor’s Reports, along with the Management Letter for the year ending December 31, 2016 to the Board members. Ogden referred the Board to page 6 and indicated it
was recap in a summarized form of the financial statements. He reported the key section to focus on is the net position, which is equivalent to a business’ equity. Ogden stated the net position is broken out into four sections: net investment in capital assets, restricted for impacts fees and debt service, and unrestricted. The net investment in capital assets is what the District has already spent on parks, trails and buildings. It is the net of any debt that is still outstanding to be spent for those purposes. There is still quite a bit of parks and trails money to spend. The District has $23,138,791 of the net position that has already been spent or will be spent soon. Next, there are the restricted portions, which are impact fees of $2,676,739 and debt services monies that are restricted to repay the debt of $3,234,997. Ogden reported everything else is the District’s operating net position is unrestricted and equates to $6,887,115. Ogden stated the District’s overall net position is $3,143,983 higher when compared to the 2015 net position.

Next, the Board was referred to page 7, which is the Changes in Net Position statement. Ogden reported there are a few key numbers to review. The charges for service has increased by about $50,000 and the property taxes have also increased by approximately $500,000. The last item to review is the special item: premium on bonds, which is not applicable this year as the District issued the $25,000,000 worth of bonds. Newman asked if the increase on property taxes was due to new assessments or new properties. Ogden indicated it was due to growth within the county. Next, Ogden reported the expenses dropped from $8,041,717 in 2015 to $7,726,435 in 2016.

Ogden discussed the statement of activities for the year on page 15. This statement lists the expenses first and then the revenue is added back in. It shows what it costs to run each program and department at the District. Next, the program revenues are included, such as charges for services, operating grants and contributions, capital grants and contributions. The last column on the right, governmental activities, indicate all the variances are negative. This shows that each department is unable to generate enough income to cover the costs associated with providing that service. However, the property and vehicle taxes, unrestricted investment earnings and miscellaneous income are added to the statement, which brings the District to a positive $3,143,983. Castro asked about the change in water source fee credits. Ogden explained that the District has an agreement with Mountain Regional Water, so when the District used the impact fee credits in 2016, it was recorded as an expense decreasing the impact fees credits in 2016.

Next, the discussion continued to page 32, which lists all the District’s general obligation bonds and their maturity dates. The 2008 bond will mature after the long-term balance of $475,000 is paid for in 2018. Ogden indicated the current portion is an indicator of what is due within the next year, and the long-term portion is the balance remaining for each bond. The bottom of the page illustrates the principal and interest requirements needed to retire the District’s outstanding general obligation bonds.

Next, Ogden discussed the Utah Retirement System information provided on page 36. Ogden referred to the schedule illustrated mid-page, which discusses the rate of return from Utah Retirement Systems that is based on employee earnings and number of participation years. The entire liability is being recognized on the District’s share of what has been guaranteed retirement and is now being recorded as a net pension liability. Next, Ogden referred the Board to Note 11 on page 37. This informative note is indicative of the 7.50% rate of return that the Utah Retirement System expects to earn, as well as what the proportionate share of the net pension
liability would be if it were calculated using a discount rate that is 1% lower (6.50%) or 1% higher (8.50%). He explained that since the District was not participating in the Utah Retirement System in 2015, the report will not have any numbers included in this report. However, Ogden indicated the difference between 6.50% (1% lower) and the 8.50% (1% higher) would be dramatic to the District. He recommended keeping an eye on this report.

Ogden reported he thought the audit went really, really well this year and he expressed his appreciation to Stacy, Megan and Brian for their help. He stated the staff does a great job and is very thorough and conscientious in reviewing the financial statements to ensure their accuracy.

Lastly, Ogden encouraged the District to ensure that bonuses given to staff were within budget and are overseen by management.

**MOTION:** To approve the Snyderville Basin Special Recreation District, A Component Unit of Summit County, Utah Basic Financial Statements and Required Supplementary Information with Independent Auditor’s Reports Year Ended December 31, 2016. [Resnick/Castro] All in favor: Nate Brown, Ben Castro, Cathy Kahlow, David Kottler, Aaron Newman, Gary Resnick. None Opposed. Absent: Marilyn Stinson. Motion carries.

**REVIEW OF 1ST QUARTER 2017 FINANCIAL REPORT**

Board members received the 1st Quarter Financial Report from Megan Suhadolc in their Board packet prior to the meeting. Director Hanton explained that most of the District’s revenue is received towards the end of the year; however, the collection rate of revenue is within the range that is expected for the first quarter. Newman asked the Board if they had any more questions.

**QUESTIONS ON DEPARTMENT UPDATES**

Newman commended the staff on the CONNECT event held at the Fieldhouse on May 8th entitled “Embrace Aging and Maintain Your Brain”. Kadziel reported there were over 50 participants RSVPs; however, there were close to 100 participants that attended the event.

Chair Kahlow asked for clarification on the date for the Mountain Madness Open House. Director Hanton reported the date is May 31, 2017. Chair Kahlow asked if there is an expectation for the Board to attend. Director Hanton said there is not an expectation, but if they would like to attend, he will have Radke send the information.

Kottler asked if Wendy Fisher is still reviewing the Toll Canyon comments. Director Hanton reported that he and Bob Radke met with Wendy last week to discuss the comments.

Brown asked if the community is showing any interest in the upcoming programs that will be offered at the Fieldhouse. Strader reported people are very excited. The District should have occupancy for the Fieldhouse by Tuesday. The gym will have drop-in programs during the summer, i.e. volleyball, basketball, pickleball and we are excited to use the lap pool.

**UPDATES FROM DISTRICT COMMITTEES**

Resnick reported that the Liaison Committee met with Brian Hanton this week and they had a productive meeting.
DIRECTOR’S COMMENTS
Director Hanton reported that the safety committee has met approximately six times, and during this time it has developed two new procedures. The Emergency Management Protocols have been sent to the County’s emergency manager. The District has held three CPR/AED staff trainings, with more CPR classes scheduled on May 24th and June 28th. Also, the District has an employee that is OSHA certified, which will ensure the District is complying with OSHA requirements. Also, the District is holding safety classes and training for seasonal staff. In addition, the District has purchased first aid kits to replace old kits or add to new locations. Through the RAP Recreational grant, the District has purchased eight AED’s that will be distributed in our parks. Also, the District will have two staff members that will be trained and certified as lifeguard instructors, Angie Greenburg and Sydney Bull. Chair Kahlow thanked Brian Hanton and the staff for their efforts.

Director Hanton indicated that there are a couple of organizations that are requesting a waiver of impact fees. O’Brien researched the District policies and found a clause that allows waiver if the District can see that it will benefit the community as a whole and can justify the exemption. Director Hanton stated the two organizations that have approached the District are the Fire District and the other is Mountainlands Community, which builds low-income homes and is taking over the 333 units at Silver Creek Village. Director Hanton reported that what the District has done in the past is charge the commercial rate, which would be a substantial savings for them. As a result, Director Hanton proposes that the District only charge the commercial rate for the units instead of the residential rate. It would provide affordable housing to a lot of people. Resnick recommended reviewing the financials so the District can see the complete picture of what the community is contributing to affordable housing.

Gary Resnick left at 7:02pm.

Director Hanton informed the Board that the District is holding the Fieldhouse Expansion celebration on June 10th from 10:00am to 12:00pm. The first run in the Mountain Miles run series, The Fieldhouse 5-Miler, will start at 9:00am from The Fieldhouse and then the celebration will go from 10:00am to 12:00pm. Strader reported the District has a lot of fun activities planned, such as swim assessments, fitness classes in the pool, basketball, volleyball and pickleball demos, and food trucks are coming as well. Strader stated the Fieldhouse will be offering a 20% discount on passes during the two-hour celebration. Director Hanton reported that it is the District’s goal to use the day as an informational tool to introduce the latest programs at the Fieldhouse to the community.

Lastly, Director Hanton said he will send out information to the Board about the Mountain Madness that will be held at the DoubleTree on May 31st.

BOARD MEMBER’S QUESTIONS/COMMENTS
There were no Board member questions or comments at this time.

At 7:08 pm, Newman called for a motion to adjourn the meeting of May 18, 2017.

MOTIONS


Minutes prepared by Stacy Carpenter.

Clerk/Board Member Approval: [Signature]