Recreation Center Advisory Committee
May 4, 2017
The meeting started at 4:08pm

Attendance: Adam Leonard (non-voting), Alex LaVallee, Caitlin Upshall, Bob Hofstetter, Justin Manipis, Laurie Nesheim, Hayden Ramsey, Aleisha Hathaway, Josh Boone (guest), Julia Rutledge (non-voting) and Jazmin Fromm (non-voting)

Not in Attendance: Randall Burtz

Agenda: Open forum for the discussion of the Recreation Student Fee.

Adam Leonard: I would like to state for the record that this is not only a scheduled RCAC meeting but it is also an open forum. I am Adam Leonard, non-voting. I am here as an advisor, and to present to you the materials you need so you can make a decision on your Recreation Student fee. For this meeting, I ask that you speak up and state your first and last name. If we need to clarify, or be more specific on a motion, I will help, but I will not make a motion, as I am a non-voting member. These minutes will be presented to the Vice President’s office, and eventually to the Board of Trustees. We also have one guest and we are missing Randall Burtz. I am going to have everyone introduce themselves please.

Laurie Nasheim: I am the staff representative (voting member)
Bob Hofstetter: Associate Director, Facilities and Operations - Campus Recreations representative (voting member).
Aleisha Hathaway: Athletics representative (voting member).
Hayden Ramsey: Sport Club Council (voting member)
Caitlin Upshall: I am AS at large (voting member).
Justin Manipis: I am recreation at large (voting member)
Josh Boone: I am just a guest (non-voting).
Jazmin Fromm: Fiscal Technician for the Rec Center (non-voting).
Alex LaVallee: AS VP for Activities representative (voting member)
Julia Rutledge: non-voting

Adam Leonard: Last meeting I presented to this group an overview of the budget for the fiscal year 2017-2018. I gave them the opportunity to take back this information to their perspective areas to discuss with them. Hopefully it will open up for discussion, and maybe bring to a vote a motion today. I talked about where we were last year, where we are this year, and what it looks like for the fiscal year 2017-2018. For next year we are looking at a negative $140,000 dollars, much due to the minimum wage increase. We will also have another increase in minimum wage in January of 2018. We went from $9.47 to $11 dollars, and will be going up to $11.50 dollars, that is a 16% increase. The minimum wage increase has been the largest impact, and combined with maintenance and repair costs, as well we are looking at a 2% increase for professional and classified staff. In general, fees increased are going up across the board. Back in February, we looked back at being more efficient in our staff, reducing our hours from midnight to 11pm, and looked for ways to shrink costs before putting it on the Recreation Student fee. For the record I am not recommending anything just stating the facts, and it is up to you to discuss amongst yourselves, and ask any questions you may have.
Alex LaValle: I think that last time we talked about a $4-$5 dollar increase to the fee would cover the $146,000 to $147,000 deficit. My communication with the rest of the AS board was that they would like for the Rec Center to operate and to increase the fee to no more than it has to be to cover the deficit. I also brought up the forecast of increase of the minimum wage within the next few years.

Adam Leonard: Any other comments to this point.

Laurie Nesheim: You said increasing the fee by a dollar will raise $40,000 dollars?

Adam Leonard: A one dollar per quarter will raise $40,000 dollars for an academic year.

Laurie Nesheim: So $3 dollars would be $120,000?

Adam Leonard: Yes $3 dollars per quarter would be $120,000. For the summer, the fee is already set but the increase per quarter would start the fall of the new academic year.

Justin Manipis: I think that we agree that the fee definitely needs to be increased, at least from my perspective, to offset what it has been happing at the Rec. I was planning on trying to have the fee raised to $105, so it would be a $6 increase per quarter, and that $6 increase would come out to be $18 annually, as long as they are not taking summer quarter. That would offset a lot, but not only the student employment but also the wear and tear of the Rec Center. Being a group fitness instructor here, the attendance has also decreased due to some classes taken out. I think raising the fee to $105 will help offset costs.

Hayden Ramsey: I would like to go off of what Justin just said. Not only will it cover the increase of minimum wage, but it will also offer more money to be put into the operations reserve. It will also help with the upkeep of Harrington field, and I know with varsity sports and club sports it gets a lot of wear and tear. I think increasing the fee to $105 will help improve that area.

Adam Leonard: Are you saying that besides the short fall of $150,000, any money above and beyond should be put into the operations reserve to help build up the reserve, since it has been spent down in recent years?

Hayden Ramsey: Absolutely

Alex LaValle: The operations reserve is the $75,000?

Adam Leonard: Operations reserve is not on there. Operations reserve is a separate fund that is sitting at $601,000 dollars. Over the years, that fund has been spent down significantly to support the construction of Harrington Field and the building of the Team Rooms at Harrington Field.

Bob Hofstetter: Do you have a number of how much it would it take to get this facility back to what it was before the impact of the renovation of Carver Gym?

Adam Leonard: We are looking at a low estimate of $50,000 dollars to a high estimate of $100,000 plus, to get us back to where we were. There is most likely not going to be money available to get us back to where we were. That money will need to come out of the maintenance reserve and operation dollars. A lot of that is construction of the Mac Gym and its repairing areas of wear and tear by the influence of HHD classes, Extended Education and Athletics. The money would have to come out of the budget.
Alex LaValle: How are the operations reserve usually put? Is it money left over?

Adam Leonard: Going back in 2003, we had two or three positions that we had not filled, and that extra money had carried over. We try to do what we did last year, carry forward $15,000 to $20,000. For a budget of this size it is pretty standard, and actually it is very tight (a $17,000 dollars carry forward with a $4.7 million in spending). One year, 2004, we had a $600,000 dollar overage, but a lot of that was lack of positions, equipment was not bought that year, and there was an intent to build an operation reserve because we did not have reserve money. We had a mandatory reserve that is for long term replacement that is required by the bond we hold. My predecessor and student services wanted to start building an operations reserve, so any money left over was put into the operations reserve. Just last year we had the opportunity to put in $75,000 carry forward due to lack of positions. For example three years ago, we had myself as the Associate Director and the Director. I have not replaced my old position, and I have taken on the role of both Associate Director and Director. You are looking at a savings of salary as well as benefits. I am not thinking to replace the Associate Director any time soon. I feel it is not the right time and I have a great support team.

Alex LaValle: You mention the $6 increase with the idea of the supplement reserve for the Harrington field maintenance, but was that different about what you were saying about the gym and things?

Bob Hofstetter: My concerns are immediate one time dollars, necessarily. I don’t foresee us needing that again in the future. The $50,000 dollars, to get us back, is unique to this coming year to get the facility back to what it was designed to be.

Adam Leonard: No, I am not saying that the Carver remodel is causing a lot of the things that is happening to this building. Many of the things are prematurely, prior to the Carver remodeling. We could have gotten 2 to 3 years more out of the Mac floor, but because we have a new floor laying over it, and putting wear and tear, we would need to prematurely replace that floor, and that floor is around $140,000 dollars.

Bob Hofstetter: That is not part of the $50,000 that I was talking about.

Adam Leonard: That is right, the money will need to come out of the maintenance reserve.

Alex LaValle: So this fee we don’t need to be thinking about the floor?

Bob Hofstetter: No, This fee is for the taking the hoops off the wall and patching it. The big hoops have to be reconfigured to the old configuration to match the new floor. We will need to fly out people that specialize in this, and that will be a very expensive job. There is quite a bit that needs to be done to that gym itself to get it back to what it was, and not counting the floor. The floor is something that we will always need to maintain.

Alex LaValle: So that is $50,000 to $100,000?

Adam Leonard: Modest amount but yes. We prematurely had to buy washers and dryers, because the usage tripled with Athletics and HHD doing laundry here. We had a lot of wear and tear on the building, and made many accommodations for many different groups with the Carver Gym renovations. The $50,000 estimate that Bob was saying is just the wear and tear and it does not include the floor. That floor is estimated at $84,000 to $90,000 dollars, and it will be sold at auction to recover the money and that money goes back to the university.

Alex LaValle: So my question is, if that is $50,000 to $100,000 is there consideration for the operations reserve, because at $6 it would really only cover $240,000. Is $6 even enough?

Adam Leonard: I am not going to steer you. I am going to let you make the decision. In my personal opinion of the budget, $6 dollars is a generous amount that will give us the opportunity to get us back where we need to be, but again that $6 would be carry forward into next year, fiscal year 19.
Aleisha Hathaway: Are you getting funding from Athletics to do this?
Adam Leonard: Before I became the director here, I worked as the Athletics budget director and I can tell you doing the yearly budget, I know there is no money for that.
Laurie Nasheim: I sympathize with Athletics in that they ran out of money, but I don’t feel that it should fall on the backs of all the students. The Rec center was very generous with Harrington Flied. With the Vice President retiring and a new Vice President coming in, hopefully there can be someone who can help with finding solutions to help Athletics.
Caitlin Upshall: Does this committee vote on the fee increase or does it go to the students?
Adam Leonard: This committee votes on it. Are there any more discussions or counter discussions? I do ask if you make a motion, that you state your full name for the record. We do have seven voting members today.
Laurie Nasheim: Do you have other sense of other fees around campus?
Adam Leonard: I also sit in the S&A committee, and there is going to be an increase to that fee. There are fees going up across the board.
Adam Leonard: Are there any more questions? After you made motions, I would like to talk about plan-B of decoupling student fees because the Rec Student fee is also an S and A fee.
Aleisha Hathaway: Do we know S and A fees are getting decoupled? I thought they were not?
Adam Leonard: They most likely will but we are not for sure. I would like to talk about it after any motion has been made and explain how it will work.
Justin Manipis: I would like to make a motion. My name is Justin Manipis. I would like to raise the fee from the $99 dollar quarterly fee to the $105, starting in fall 2017.
Hayden Ramsey: I Hayden Ramsey I second.
Aleisha Hathaway: I Aleisha Hathaway I second.
Adam Leonard: Okay, we have a motion and a second, all in favor?
Jazmin Fromm: All voting members voted I.
Adam Leonard: Those opposed
Jazmin Fromm: No voting member opposed.

Adam Leonard: Motion pass 7-0. We will have it officially put into the minutes. The only voting member not present is Randall Burtz, who will be notified of the motion and he will be voting proxy. Now that the motion has passed, we will keep in consideration if there is no decoupling and there is no tuition increase, it will be $99 dollars a quarter. If there is no decoupling and there is a 2.24% in tuition, then we will be able to raise the fee $2 dollars. We will raise it up to the max of tuition. Those alternatives will be placed also with your vote.

Meeting adjourned at 4:45pm