



Recreation Board Meeting Minutes

January 24, 2017

5:30pm

Outdoor Recreation Meeting Room

- I. Call to Order
 - a. 5:35 pm
- II. Roll Call
 - a. John Lurquin, Joseph Soto, Boneth Ahaneku, Spencer Murphy, Diba Mani, Eric Laufer, Scott Schubert, Lee Silbert, George Hoey, Nicole LaRocque, Annie Mulvany, Dan Rummel, Pauline Olivas, Patty McConnell, Colton Lyons, Gary Chadwick, Molly Dignan, Jesse Niebaum, Nan Lu
- III. Changes/Approval of Agenda Items
 - a. Eric Laufer: Motion to approve agenda for January 24, 2017.
 - b. Spencer Murphy: Second. Discussion. Call to question?
 - c. John Lurquin: Acclamation. Motion carries. Minutes are approved.
- IV. Reading & Approval of 12/6/2016 Minutes
 - a. Patty McConnell: Please correct the name from 12/6/2016 public forum to Boneth Ahaneku.
 - b. Spencer Murphy: Motion to approve updated 12/6/2016.
 - c. Colton Lyons: Second.
 - d. John Lurquin: Discussion.
 - e. Spencer Murphy: Call to question?
 - f. John Lurquin: Acclamation! Motion carries. Minutes are approved.
- V. Public Forum (15 minutes)

- a. Diba Mani: Just to let every one know, I now have a teaching obligation on Tuesday nights so I need to leave meetings at 6:00 pm.

VI. Old Business

- a. None.

VII. New Business

- a. Meal cards

- i. John Lurquin: Take one down pass it around.

- b. Facility requests

- i. Patty McConnell: We have a facility reservation request for Saturday, February 11, 2017 from Kappa Sigma Fraternity. They would like to host a basketball tournament for their philanthropy on two of the lower gym courts from 9am to 7pm. This would include set-up and clean up. There are expecting around 300-500 attendees.
 - ii. Spencer Murphy: Is this a repeat event? Did they do this last year?
 - iii. Patty McConnell: I believe so, yes. If it was not them that did it last year then it was another fraternity.
 - iv. Eric Laufer: They are only requesting two courts?
 - v. Patty McConnell: Yes. Since it's a long event, over the course of an entire day, they are only requesting two courts. They will probably end up doing some sort of round robin tournament, so not all the participants need to be there at the same time.
 - vi. Eric Laufer: Are they using our intramurals refs or do they use their own refs, or how does that work?
 - vii. Jess Adkisson: They are responsible for their own refs. However, I have put them in contact with our refs, but they can choose to use their own

- viii. Diba Mani: Is 500 expected attendees a reasonable number or is a bit high?
- ix. Patty McConnell: From past events like this, I would say that number is high but it is an all day event so people will be coming and going throughout the day. This could add up easily to near 500.
- x. Colton Lyons: Are the lower courts booked for January 28th? If they are, it might be a lot of events in row on Saturdays, since we have already approved Saturday events for February 4th, 18th and 25th in our spaces.
- xi. Jess Adkisson: There is no scheduled event for the lower courts on January 28th.
- xii. Gary Chadwick: Saturday is less of an impact on general student population anyway, since intramurals only play on Sunday so it would not be competing with intramurals.
- xiii. Scott Schubert: Motion to approve Kappa Sigma Fraternity basketball philanthropy event for Saturday, February 11, 2017 from 9am to 7pm.
- xiv. Diba Mani: Second.
- xv. Spencer Murphy: Discussion.
- xvi. Colton Lyons: Call to question?
- xvii. John Lurquin: Acclamation! Facility request is approved.
- c. Budget training with Scott Schubert (PowerPoint)
 - i. Scott Schubert: Here is my Rec Budget FY1718 Presentation. So, what's new? Administration and CUSG wants us to keep the fee increase under 3%, which is the fee that all students have to pay. Undergrad resident tuition and mandatory fee guarantee started in current FY. The long-term impact is unknown. So there are two budget scenarios for FY1718, 100% Unduckables funded and 1% enhancement. The 1% is \$107,593. Unduckables are non-

discretionary spending mandated by law, institutional policies, or applicable agreements between student government and the cost centers. FY1718 Unduckable changes include: Debt Services (\$160,459), Salary and Benefits (\$79,910), Utilities (\$15,604), Insurance Premiums (\$15,021), GAR/GIR (\$21,257) and total being \$71,183. For FY1617 the total student fee was \$393.71. The Rec portion was \$196.46, which was \$100.44 for Operations, \$85.27 for Bonds, and \$10.75 for Outdoor Facilities. This is all per student. 88% of the revenue comes from student fees and 12% comes from self-generated revenue, like Be Fit passes, intramurals, etc. But where does it go? Debt Services (39%), Salary and Benefits (23%), Operating (12%), Wages and Benefits (10%), Utilities (6%), GAIR (5%), R&R (3%), Insurance (1%) and Travel (1%). The GAIR is the tax on all expenses that we have that we pay to the university to provide. It's shared services like legal, infrastructure, and administration.

- ii. Lee Silbert: How long will that percentage of debt be around?
- iii. Nan Lu: It's a 25 year cycle
- iv. The budget process and timeline works like this: 1. Three hearings by Joint Board (12/1/16-1/31/17), 2. VCSA feedback expected week of 1/23/17, 3. Two hearings by Finance Board (2/7/17-2/15/17), 4. Finance Board budget recommendation to Legislative Council President (2/23/17), 5. Two hearings by Legislative Council (3/1/17-3/9/17), 6. Budget Bill to Executives; six days to veto, 7. Legislative Council override veto by two-thirds majority vote, and 8. Budget information goes to campus budget

office to be included in campus budget and presented for Regents' approval in May.

- v. Colton Lyons: CUSG will be working more closely with CFO to create more long term plans for the university and to help accommodate for fee-locks.

d. Budget: Second reading

- i. Nan Lu: This year's budget is relatively straightforward. Due to a decrease in debt services, we have a net unduckable decrease of \$71, 183. The revenue increase from Outdoor Program and Fitness and Wellness Program will assist in covering the associated operating expense and hourly wage increases. This also covers part of the minimum wage increases per Amendment 70. The portion not covered is \$106,457.00 which is the enhancement incorporated in the budget proposal presented. The most important change is the 1% increase plus unduckable budget request. The big picture is we cannot make it work without 1% enhancement because of Amendment 70. We have to get students that pay raise of 90 cents. Every student at the lowest pay grade gets a 90 cent increase which then creates a compression problem, so to address that we have to add 90 cents to all pay grades. The 1%+unduckable budget requested for FY1718 is \$11,094,540.00, an increase of \$35,274.00 (the net of the unduckable decrease of \$71,182.00 and enhancement request of \$106,457.00), or 0.3%.
- ii. Pauline Olivas: The new minimum wage is \$9.30.
- iii. Eric Laufer: It is going to be another 90 cent increase from 2017-2018, so what is going to happen to the budget with that additional pay increase?

- iv. Nan Lu: Basically what needs to happen is that CUSG has to understand that this pay increase, because of Amendment 70, will not be stopping until 2020. This budget also shows next January 90% increase.
- v. Nan Lu: If everything goes as planned, we are looking at great Fund Balance revenue at the end of the year. The unspent portion of FY1516 Fund Balance earmark is \$108,527.00. Looking at the entire Recreation Center as the Cost Center, it's important, again, to notice the 1%+unduckable. The student affairs office has said they are okay with this. Because of the unduckable decrease, the net increase we are asking for is only \$35,274.00. That is not a number to frown at or likely to be controversial. This is a tight budget so we are definitely expecting support with this. Moving on to Student Fee Revenues, prior to the 2011 expansion, as a cost center program, this budget is just covering the student fees themselves. When student fee revenue comes in, it goes into this account. When we need to make a payment of SOR, I take it out of this account. When we get an SOR payment, it goes into this account. It is also the account for all CUSG transactions. The Cost Center Program Student Fee Revenues (2011 Expansion) takes in money that is collected under the Rec Expansion Fee and pays out the bond for the Expansion Fee. We are projecting to pay out quite a bit less. FY 2017 approved budget was \$4,521,900.00 and the projected Year End balance is \$4,361,230.00. So we will be paying out less. The FY 2018 requested debt service amount is \$4,360,277.00 with the unduckable decrease. The Administration account is the account that supports operations, primarily in administration suite, directors, accounting, and accounting

staffs salary comes from this budget. It is general operating expenses. This covers professional staff development and travel and general liability insurance. General liability insurance is around \$100,000 per year but may increase because this is based on pre-expansion square footage. With new square footage from the expansion, the liability insurance cost might increase.

- vi. Annie Mulvany: For Marketing our projected revenue comes from our KIND Bar sponsorship and revenue through tabling. We have increased staff, hiring on brand ambassadors, to help promote different program areas in the Rec to really get our story across. We have also purchased some new equipment. The IT Cost Center Program is one staff member plus a small budget to do IT replacements like new printers, IT part replacement, etc. This budget supports the whole department.
- vii. Dan Rummel: For Maintenance, this budget includes custodial and maintenance staff salaries, repairs, machinery parts, machinery, soap, shower gel, etc. We have had record numbers this year so cost of maintaining and stocking the facility keeps going up. So we are requesting more for expenses since our usage has gone up and costs are going up, especially as we are getting older. This also includes utilities like heating and cooling and chilled water for ice rink.
- viii. Lee Silbert: Did we see any savings at all?
- ix. Dan Rummel: We are going to do an audit to see but we aren't sure if we ever could have projected any savings anyway since we always need to do repairs, maintenance, and replacement. For Capital, like Nan said, there are pretty much no changes. This is just what we approved through

first reading before winter break. For the Rink, there are not a lot of changes either. Any questions about the ice rink?

- x. John Lurquin: So if we have to do maintenance on the rink because of the sand base versus the concrete base and there may be some unforeseen issues with that, is there a budget for that after the third party review?
- xi. Dan Rummel: We've been talking about it and think we can find some of the money within some of our accounts already to take care of that bill. For Pools, this includes all of our pool facilities, hourly wages, certain number of guards for certain number of swimmers, and then hourly increase for payment. It includes same general expenses though, for chlorine and things like that. We are not asking for a whole lot. The implementation of the LED lights will also save us more money in the long run.
- xii. Patty McConnell: For building services, this includes facility supervisors, their hourly wages, and student hourly increase with minimum wage increase. As far as operating, this is the budget in which we replace all the daily rental equipment like balls, badminton equipment, etc. We generate revenue here by collecting broken equipment fees from students. The Equipment budget encompasses all the strength equipment and cardio equipment. The operating aspect of this budget pays for equipment repairs. For the Training Room, we hired our first full-time trainer on August 1st so that's the professional salary. This budget also includes those that work in training room, operating cost for supplies for training room, first aid kits, and supplies to care for our members. Checkout Services includes all

checkout equipment, like badminton equipment, tennis rackets, etc.

- xiii. John Lurquin: What do people rent the most?
- xiv. Patty McConnell: I would say probably volleyball sets in summer.
- xv. Eric Laufer: Have we seen a change in checkout numbers since we moved it from downstairs to upstairs?
- xvi. Patty McConnell: We haven't run those numbers yet, but we can do that. For Locker Services, we have seen an increase in revenue by \$3,000 from locker rentals. The operating fees are things like lock cutters, zipper ties for lockers, etc. For Membership, we are anticipating \$5,000 revenue increase beyond what we anticipated and we planning to continue to see that into next fiscal year. Our operating cost have increased from \$65,000 to \$85,000 because of the Fusion software update for our card reader and online fees for online registration. For Events Facilities Service, we are not expecting to generate as much revenue as we originally expected. This is mostly because of Boulder Hockey Club team not honoring their facility requests by cancelling their ice time. This is because they have built a new ice rink and there was a change in leadership, so next year we are anticipating about \$10,000 less in revenue.
- xvii. Boneth Ahaneku: Is there a cancelation fee in place?
- xviii. Patty McConnell: Yes but the cancellation fee was intended for one time users not long term, contracted users, so we will tighten up the contracted cancellation fee.
- xix. Nicole LaRocque: Out Fitness and Wellness Program revenue continues to do excellent job. Our personal training is thriving, instruction programs like martial arts, dance, tennis, etc., are doing really well because of online

registration and high quality of classes. BeFit passes also contribute to high revenue. The operating expenses include staff training, software, scheduling systems, new equipment like dumbbells, balls, etc. For Intramurals, the new Sport Pass approval affects this budget. It is lower at the moment, but it's new so there is still a learning curve so we are expecting an increase next year. The operating costs include general supplies, championship t-shirts, things like that. The Outdoor Program is doing really well. The challenge course is doing well. The good weather really helped with this too. We have good equipment rentals with OP, classes, climbing gym classes, scuba, and kayak classes. The operating expense projected is greater than the approved budget because of new challenge course element but we were able to absorb some of that cost in this budget so we did. The large increase in total revenue is huge and largely influenced by summer freshman orientation trips. For Sports Club budget there is no revenue because the money goes right back to the teams. The operating expense includes things like team uniforms, when teams rent and check out uniforms instead of purchasing them. Special Events has a budget for operating costs of \$10,000 per year. This goes into event like Connect at The Rec and Rec Fest. Rec Fest is officially scheduled for February 18, 2017.

- xx. Patty McConnell: For Vending and Pro Shop, our revenue is generated when we receive a cut of the vending machine profits, but then also from selling things like tape, sweatshirts, water bottles, headphones, swim goggles, etc. at the Pro Shop. The operating cost is basically to buy the products that we sell to generate revenue.

- xxi. George Hoey: Who determines what goes into the vending machines?
- xxii. Patty McConnell: We don't have a lot of agency with that since we have a contract with Pepsi.
- xxiii. Gary Chadwick: The Pepsi contract is up for bid right now.
- xxiv. Colton Lyons: Right now CUSG is discussing the push for a change in the contracts when it comes to Pepsi and water bottles.
- xxv. Patty McConnell: For Bear Creek Rec, now called Will Vill Rec we only have a small projection in revenue but are hoping to see it rise up to \$750 next year from \$400 this year.
- xxvi. Dan Rummel: For the Recreation Center Fields, the operating expense is a lot because of the cost of set up and tear down of the bubble, repairing the fields, maintaining the fields, storage, utilities, including heating the bubble with gas, etc. This includes all of the fields now that we have swapped fields with Athletics.
- xxvii. Gary Chadwick: The biggest cost is the dome, the bubble itself and housing the bubble, which costs about 1\$40,000 a year. This is the first year we have had it after taking it from Athletics, so we can start to save a bit more money with this as we move on, around \$30,000-\$40,000 in savings.
- xxviii. Dan Rummel: We are also looking at replacing the lights in the bubble to LEDs. It would be the same sort of thing as with the pool which will help curb some costs in the long run.
- xxix. Nan Lu: Any questions about budget as a whole?
- xxx. Scott Schubert: Can we go over item 2 on capital budget details?

- xxxii. Patty McConnell: The second item on the FY1718 Capital Budget is moving the existing CCure door from its current location to in front of office A206, the Facility Supervisors office. This will allow the Facility Supervisor office, the Assistant Director of Building Services office, Telecom closet, custodial closet and key box to be located in a secured area in which the public will not have access to it. Currently, the CCure is after all the doors that would need to be on the inside of the secure area.
- xxxiii. Scott Schubert: Has this been an issue? Or is it more convenience? Or just for future security?
- xxxiii. Patty McConnell: Yes and no. A lot of our deliveries end up just sitting there, in an unsecure location, so with this change all of our deliveries would be secured. We would have a more secure facility supervisor office, which will be good because it is a high foot traffic and noise area. The main cost of this comes from moving the CCure card swipe with the door.
- xxxiv. Gary Chadwick: This is just first reading and there is a lot of information. It may not have gone as deep as you would have liked so if there are any questions that any of you might have before the next reading, contact us so that we can get you an answer and get you the information you want and need. This is a big obligation you have. It is an 11 million dollar budget, so please take this seriously. Capital can still be changed in 3rd reading so keep that in mind. I think it's a good budget, but it's your money, not ours, so please really take a look at it.
- xxxv. John Lurquin: We will have a final reading of this budget next week.

- xxxvi. Colton Lyons: Motion to approve 1%+unduckable budget request for FY1718 for the CU Rec Center for the amount of \$11,094,540.00
- xxxvii. Eric Laufer: Second.
- xxxviii. Spencer Murphy: Discussion.
- xxxix. Colton Lyons: Call to question?
 - xl. John Lurquin: We will solidify with a hand vote from the voting members. All those in favor please raise your hand. Now, all those opposed please raise your hand. All those that abstain? The vote is 5-0-2. The motion passes.
 - xli. Nan Lu: We need another motion for the field budget.
 - xlii. Colton Lyons: Motion to approve FY1718 Budget for the Rec Center Fields for the amount of \$661,050.00
 - xlili. Spencer Murphy: Second.
 - xliv. Colton Lyons: Discussion. Call to question?
 - xlvi. John Lurquin: We will solidify with a hand vote from the voting members. All those in favor please raise your hand. Now, all those opposed please raise your hand. All those that abstain? The vote is 5-0-2. The motion passes.

VIII. Chair's Report

- a. John Lurquin: We have a new CUSG representative, Jesse Niebaum.
- b. Spencer Murphy: We are trying to get contacts in each area of the Rec to act as liaison between their department and the Rec Board, so if you are interested in that, let me know.

IX. Director's Report

- a. Gary Chadwick: I am retiring in May. There will be a national search to bring on a new director, so the search process will start right now.

X. Executive Team Reports

- a. Patty McConnell: We have had large numbers of students in building! On Tuesday, January 17, 2017, the first day of school, we

had 6,000 visitors but then Wednesday we had 7,000 visitors in the building. This is a record high. In terms of revenue, we generated over \$50,000 so that will help with different budgets revenues'. We have had some glitches with new software, Fusion, but we are working on those and it is going well.

- b. Pauline Olivas: No comment from HR.
- c. Annie Mulvany: We have had a website security risk so the site is migrating over to a university style, secure website in February. We have started posting facility counts online. We were highlighted in Campus Rec magazine for our sustainability. Our Instagram was listed as a page to watch here on campus! We are number 8 of 30 for outdoor colleges sports and rec. We have a lot of events this semester that we are hosting; this weekend we are a part of the dive experience event, Rec Fest, Admitted Students Day, Bring Your Child to Work Day, etc.
- d. Dan Rummel: For a repurpose update, we got a lot of demo done over break so all the demo is over with. There will be no more hidden surprises. We are right on schedule and right on budget. We should be moving into that space by the end of February.
- e. Nicole LaRocque: Program enrollment and participation is increasing, so that's exciting. We have new class offerings, which have been super successful. We had launched our first Level 1 Avalanche Course, which was also super successful. Inclusive Rec has been around for a year and so now we are at the point where people are contacting us to connect for event. I won't be here next Tuesday, so any budget questions you might have, please get those to me beforehand so I can get you an answer!
- f. Jess Adkisson: Hi.
- g. Nan Lu: I don't have anything but the budget. I've been doing Cuban Salsa and Hip Hop Dance classes and they have been so fun!

- a. Colton Lyons: More to report next week.
- b. Jesse Niebaum: Hello, I am the representative from CUSG but I am also a part of UGGS.

XII. Announcements

- a. George Hoey: There is a career fair or technology fair in the UMC ballroom on Thursday from 11am-4pm.

XIII. Adjournment

- a. Diba Mani: Motion to adjourn.
- b. Spencer Murphy: Second.
- c. Eric Laufer: Discussion.
- d. Boneth Ahaneku: Call to question?
- e. John Lurquin: Acclamation. Motion carries. Meeting adjourned.
7:45 pm.