

**Park Advisory Board
Meeting Minutes
November 7, 2024
Meeting called to order 5:30 PM**



1. ATTENDANCE:

A. Park Board Members Present:

Board Member, Lori Wood
Board Member, Don Mitchell
Board Member, Gregory Webb
Board Member, Michelle Musgrave

B. Park Board Members Absent: Board Member, Jacob Powers

C. Staff Present: J.C. Kennedy, Parks & Recreation Director

2. Agenda Approval: A Motion to approve the Agenda was made by Mr. Mitchell. Second by Mrs. Wood. Agenda Approved.

3. October 10, 2024 Minutes: Motion to approve the minutes was made by Mr. Webb. Second by Mrs. Wood. Minutes approved.

4. October 2024 Rec Center Revenue Report: Mr. Kennedy presented the October Revenue Report for the Recreation Center.

Membership Tracking: September 2024 1,057 – October 2024 1,040

As of October 31st we have realized 86.2% of our projected total revenue goal for 2024

Membership Revenue as of October 31st is 81.19%; we are \$31,942.35 behind our projected revenue mark.

AHRC 2024 Membership Fee Tracking & Revenue Projections					
Membership Revenue Goal			\$1,493,005.00		
	Monthly Membership Revenue Goals	Actual Revenue Tracking	Actual vs Projected Over Under	Revenue by Month	% of Annual Revenue Goals
Jan-2024	\$124,417.08	\$138,645.84	\$14,228.76	\$138,645.84	9.29%
Feb-2024	\$248,834.17	\$262,261.94	\$13,427.77	\$123,616.10	17.57%
Mar-2024	\$373,251.25	\$392,010.78	\$18,759.53	\$129,748.84	26.26%
Apr-2024	\$497,668.33	\$528,262.10	\$30,593.77	\$136,251.32	35.38%
May-2024	\$622,085.42	\$635,239.17	\$13,153.75	\$106,977.07	42.55%
Jun-2024	\$746,502.50	\$758,322.32	\$11,819.82	\$123,083.15	50.79%
Jul-2024	\$870,919.58	\$878,846.67	\$7,927.09	\$120,524.35	58.86%
Aug-2024	\$995,336.67	\$1,001,048.41	\$5,711.74	\$122,201.74	67.05%
Sep-2024	\$1,119,753.75	\$1,104,340.75	-\$15,413.00	\$103,292.34	73.97%
Oct-2024	\$1,244,170.83	\$1,212,228.48	-\$31,942.35	\$107,887.73	81.19%

Other Revenue Line Items	Amount Budgeted	Revenue	Remaining	% of Budget
State Grant from Other State Agency	\$0.00	\$5,385.00	NA	NA
Rec Center Sales of Merchandise	\$6,000.00	\$3,131.44	\$2,868.56	52.19%
Recreation Activity Fees	\$175,000.00	\$182,674.26	\$7,674.26	104.39%
Rec Activity Fees-Rec 1	\$0.00	(\$90.10)	NA	NA
Rec Center Rentals	\$35,000.00	\$28,484.46	\$6,515.54	81.38%
Recreation Class Program Fees	\$8,000.00	\$6,451.25	\$1,548.75	80.64%
Add Sales	\$500.00	\$0.00	\$500.00	0.00%
Senior Lunch Revenue	\$5,000.00	\$4,754.18	\$245.82	95.08%
Misc. Revenue-Movies In The Park	\$2,000.00	\$2,500.00	\$500.00	125.00%
Insurance Recoveries - P&R	\$0.00	\$41,284.14	NA	NA

Sales Tax Revenue Generated: \$35,824.25

AHRC Cost Recovery Year to Date: 83.96%

AHRC General Fund Subsidy Year to Date: \$290,794.64

AHRC General Fund Subsidy Year to Date is \$187,767.06 less than same period in 2023

	January	February	March	April	May	June	July	August	September	October
Department Monthly Subsidy 2001	\$4,487.01	\$8,974.03	\$13,461.04	\$17,948.05	\$22,435.07	\$26,922.08	\$31,409.09	\$35,896.11	\$40,383.12	\$44,870.13
Department Monthly Subsidy 2004	\$7,724.77	\$15,449.53	\$23,174.30	\$30,899.06	\$38,623.83	\$46,348.60	\$54,073.36	\$61,798.13	\$69,522.89	\$77,247.66
Department Monthly Subsidy 2008	\$15,038.91	\$30,077.81	\$45,116.72	\$60,155.63	\$75,194.53	\$90,233.44	\$105,272.35	\$120,311.25	\$135,350.16	\$150,389.07
Department Monthly Subsidy 2012	\$16,982.49	\$33,964.98	\$50,947.48	\$67,929.97	\$84,912.46	\$101,894.95	\$118,877.44	\$135,859.93	\$152,842.43	\$169,824.92
Department Monthly Subsidy 2016	\$23,499.11	\$46,998.22	\$70,497.33	\$93,996.44	\$117,495.55	\$140,994.66	\$164,493.76	\$187,992.87	\$211,491.98	\$234,991.09
Department Monthly Subsidy 2018	\$27,253.98	\$54,507.96	\$81,761.94	\$109,015.92	\$136,269.90	\$163,523.88	\$190,777.86	\$218,031.84	\$245,285.82	\$272,539.80
Department Monthly Subsidy 2020	\$74,665.05	\$149,330.10	\$223,995.16	\$298,660.21	\$373,325.26	\$447,990.31	\$522,655.36	\$597,320.41	\$671,985.47	\$746,650.52
Department Monthly Subsidy 2023	\$47,856.17	\$95,712.34	\$143,568.51	\$191,424.68	\$239,280.85	\$287,137.02	\$334,993.19	\$382,849.36	\$430,705.53	\$478,561.70
Department Monthly Subsidy 2024	\$2,817.50	\$40,273.53	\$95,607.05	\$134,273.66	\$184,861.16	\$239,338.54	\$285,274.60	\$248,071.23	\$239,146.29	\$290,794.64

So far in 2024 we have welcomed 147,155 members into the facility, an increase of 4,277 guests from the same timeframe in 2023

2024 AHRC VISITORS SERVED		Compared to 2023	Difference
January	17,361	16,935	426
February	17,216	15,735	1,481
March	16,515	16,345	170
April	15,521	14,948	573
May	13,910	13,549	361
June	13,618	12,855	763
July	14,233	14,166	67
August	14,253	13,712	541
September	11,751	12,236	-485
October	12,777	12,397	380

2024 AHRC Membership Tracking		2023 AHRC	Difference
End of 2023	1,261	End of 2022 - 1,086	175
January	1,308	1,213	95
February	1,313	1,291	22
March	1,287	1,362	(75)
April	1,249	1,344	(95)
May	1,208	1,342	(134)
June	1,169	1,297	(128)
July	1,110	1,299	(189)
August	1,103	1,271	(168)
September	1,057	1,240	(183)
October	1,040	1,205	(165)

5. **Parks & Recreation Department Staffing Analysis:** Mr. Kennedy presented an analysis that was developed on the state of our current staffing model. The staffing profile that was developed and recommended by a consultant prior to the facility opening called for 3 more full time employees than the current model has. There is concern that the existing profile has a significant number of middle managers and that the staffing level seems inefficient.

In 2018 before the Recreation Center opened our staffing costs were.

Full Time Employee Wages: \$161,988.76

Part Time Employee Wages: \$61,149.28

Department General Fund Subsidy 2018: \$327,047.80

Wage Increases for Full Time Employees 2019 to 2024 have increased by 20.57% at a cost of \$33,612.67

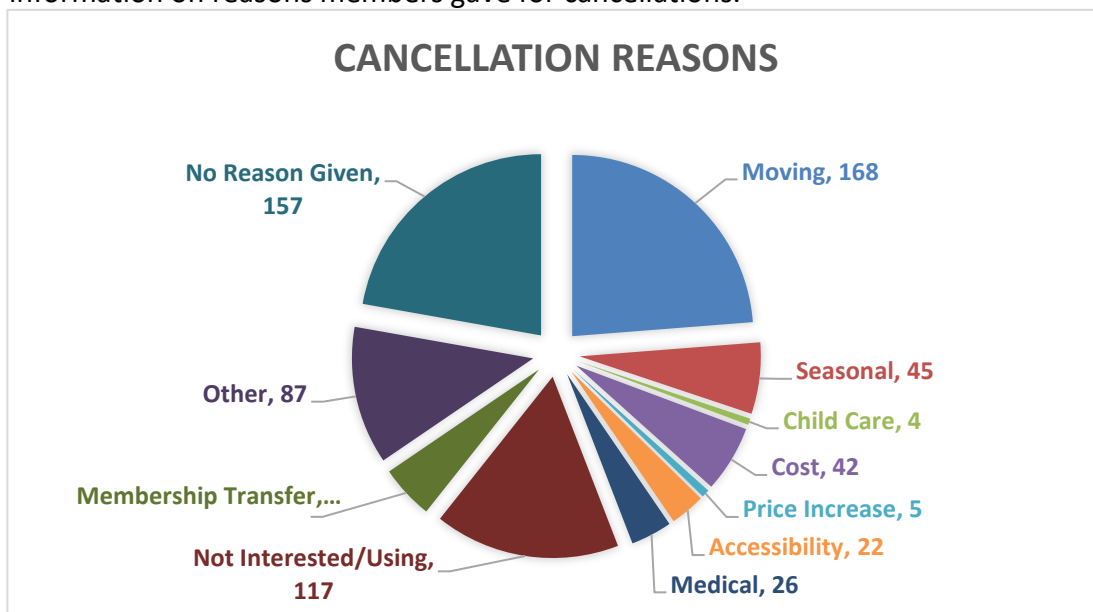
Wage Increases for Part Time Employees 2019 to 2024 have increased by 36.7% at a cost of \$22,056.55

If we never opened the Rec Center and the Recreation Department just maintained the status quo with programming and doing what we were doing before the Rec Center opened the General Fund Subsidy in 2024 would have increased to \$382,717.01. This amount does not account for any other cost of business increases like insurance or other variables.

- Ballard King & Associates projected General Fund Subsidy after two years of operation: \$1,130,545.00
- Projected General Fund Subsidy if we didn't open the Rec Center: \$382,717.01
- Actual 2024 General Fund Subsidy as of September 30th: \$239,146.29

Staffing is our single largest expenditure. Operating the Recreation Center is costing the Tax Payers \$143,570.72 less year to date than the department would have cost to operate without the Recreation Center. We have absorbed a 20.75% increase to FTE Wages and a 36.07% increase in PT Wages since opening. We are outperforming the Operations Consultants projections for the cost of doing business by an overwhelming margin.

6. **AHRC Membership Trends:** Mr. Kennedy presented a membership trends report that Mr. Peacock put together. Mr. Kennedy highlighted the data that was included regarding information on reasons members gave for cancellations.



7. **AHRC Marketing Analysis:** Mr. Kennedy presented an analysis on marketing efforts that measured the efforts undertaken by Ellis Media compared to the efforts AHPR Staff had undertaken prior to their engagement. Ellis highlighted the effectiveness of the 50% off promotions that they ran. They emphasized that the direct mailers that were being utilized prior to their work were costing more and that their efforts were effectively bringing in more memberships. A closer look at the marketing costs comparing 2023 expenditures before Ellis to their efforts in 2024 reveals a different cost associated with how much the true cost of their social media engagement cost the department. In 2024 from January to September our expenditures for marketing were \$37,603.90. In 2023 from January to September our expenditures for marketing were \$19,849.64. If we break this down to the specific time that Ellis was engaged in 2024 starting in April and ending in September our total expenditures in 2024 are \$36,776.48. In 2023 our total marketing expenditures starting in April and ending in September were \$18,814.29. Our shift in focus for our marketing efforts moving away from what we were doing before marketing the Recreation Center with a combination of in-house social media engagement and print media to drive membership revenue reveals a more concerning trends; memberships and revenues are being negatively impacted. Membership data provided by Mr. Peacock:

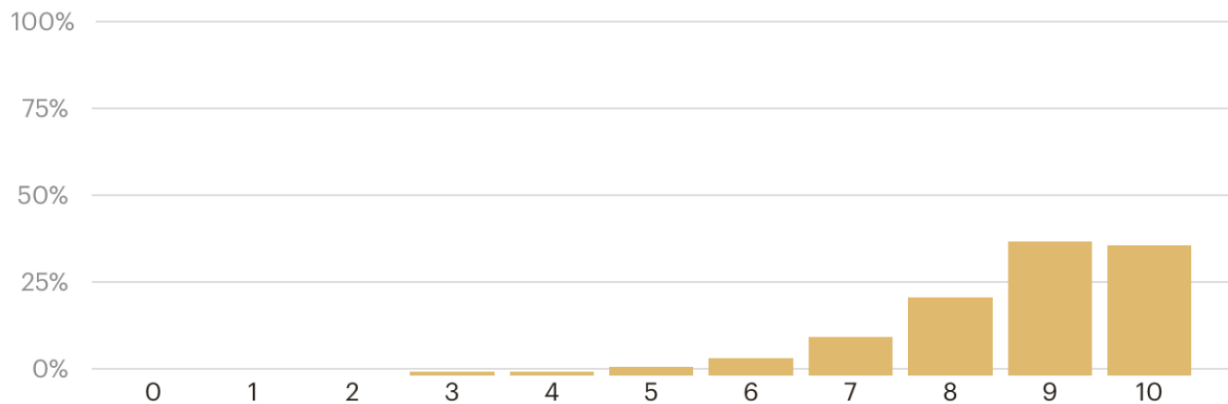


September and October represent the first times since we have been tracking membership revenues that we have not hit our revenue goals.

8. **Ellis Media Membership Surveys:** Mr. Kennedy presented the data from the membership surveys that Ellis Media conducted. There were 99 total responses. Members provided

feedback on several areas including pricing, facility hours, facility cleanliness, and extending class offerings, quality of service.

"Rate the level of cleanliness of the facility:"



"How would you rate the quality of service at Airway Heights Parks and Rec?"



9. **AHRC Holiday Staffing Overview:** Mr. Kennedy presented an overview of the staffing costs that would be associated with the facility being open again on Holidays. This analysis was put together in response to the Ellis Survey responses.

7 Holidays Impacted:

- Martin Luther King Jr. Day
- Presidents Day
- Memorial Day
- Juneteenth
- Labor Day
- Indigenous Peoples Day
- Veterans Day

Associated Staffing Impacts

Holiday Hours 7:00AM – 6:00PM

Guest Services

Front Desk Staff: 16 Hours

Child Watch: 13 Hours (2 staff 9:00AM-12:15 & 2:00PM-5:15PM)

Approximate Daily Cost: \$557.38 Per Holiday

Total 7 Holidays: \$3,901.66

Aquatics

PT Staffing: 32.5 Hours

Approximate Cost: \$685.00 Per Holiday

Total 7 Holidays: \$4,095.00

Fitness

Floor Attendant 6 Hours

Approximate Daily Cost: \$118.80

Total 7 Holidays: \$831.60

Facilities Maintenance

PT Staffing: 11 Hours Per Holiday (Noon – 8:00PM & 4:00PM – 8:00PM)

Approximate Daily Cost: \$224.29

Total 7 Holidays: \$1,570.00

SUMMARY: Budgetary impact to re-opening on the 7 Holidays listed for increased staffing expenses will be \$10,398.26.

Mr. Kennedy informed the Board that Mr. Tripp has requested that these expenses be included in the 2025 budget so starting again next year we are planning on being open on the identified holidays.

- 10. AHRC Cost of Living Increase Analysis:** Mr. Kennedy presented a Cost of Living Increase Analysis related to considerations for membership fee adjustments for 2025.
Cost Recovery Impacts that we know that we are absorbing in this year's budget.

575 50 10 03 Rec Facilities – Wages Part Time Employees

2.35% wage increase over 2024 expenses = \$16,082.00

Re-opening the AHRC holiday hours = \$10,400.00

(Martin Luther King Jr. Day, Presidents Day, Memorial Day, Juneteenth, Labor Day, Indigenous Peoples Day & Veterans Day)

575 50 10 00 Rec Facilities – Wages Full Time Employees

Step Increases Earned = \$27,703.00

Cost of Living Adjustments 3.3%? = TBD Pending Negotiations at 3.3% Budgetary Impact = \$23,114.00

575 50 20 00 Rec Facilities – Benefits Full Time Employees

8% Increase was accounted for in budget proposal for 2025 = \$26,476.00

How the rates have changed:

Asuris Plans: Increased by 7.3%

Kaiser Plans: Increased by 8.2%

Willamette Plan: Increased by 6.9%

Delta Dental Plan: No Increase

VSP: No Increase

TOTAL COST OF BUSINESS INCREASES TO BE ABSORBED IN 2025 = \$103,775

Recreation Center Business Model – The recreation center is a business. In order for the facility to operate efficiently revenues must match expenses. Services should be designed in a manner that provided for cost recovery in a manner consistent with policy makers intent.

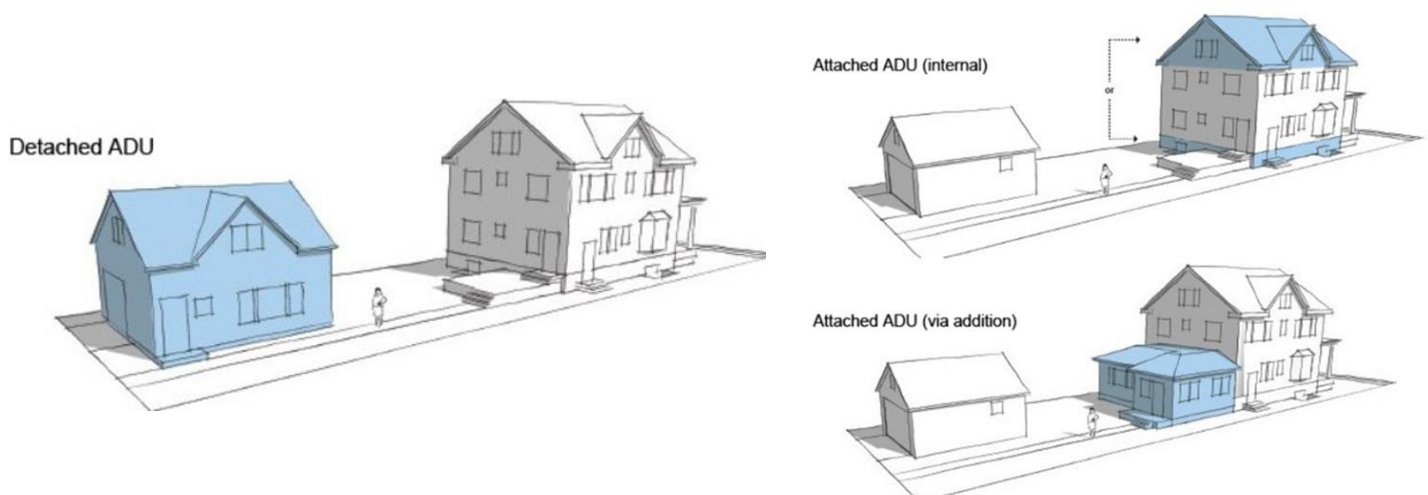
If we do nothing we continue our problem with a deficit in Cost Recovery and the General Fund Subsidy that initiated the need for the one-time large increase in 2024. The intent was to initiate increases in alignment with the Cost of Living Increases. Not doing some sort of increase is not in alignment with the wishes to achieve the Recreation Center Business Model.

- 11. Park Impact Fees for Additional Dwelling Units (ADU's) on Residential Lots:** Mr. Kennedy briefed the board on changes that will be coming to the Park Impact Fee Ordinance. Mrs. Trautman the Planning Director will be bringing forward code changes that are required by the passage of House Bill 1337 regarding ADU's.
- An accessory dwelling unit (ADU) is a small, self-contained residential unit located on the same lot as an existing single-family home. An ADU has all the basic facilities needed for day-to-day living independent of the main home, such as a kitchen, sleeping area, and a bathroom. As the term "accessory" implies, ADUs are generally defined to be smaller in size and prominence than the main residence on the lot. Some definitions include specific size limits, and a location that is not readily visible from the street. In theory, an ADU may be created as a separate unit within an existing home (such as in an attic or basement), an addition to the home (such as a separate apartment unit with separate entrance), or in a separate structure on the lot (such as a converted garage).
- ADUs are sometimes called "mother-in-law apartments" or "granny flats," because they are often used to house extended family. Other codes use terms such as "accessory apartment," "accessory living unit," or "secondary unit," to have a similar meaning.

EXAMPLES:

Examples of Accessory Dwelling Units (ADUs)

ADUs in blue; main residence in white



Mrs. Trautman is working to make the updates to stay in compliance with the timelines established by the Legislature to remain in compliance. Mr. Kennedy informed the board that he will bring back updates as they occur.

12. Park Advisory Board Resolution PB24-02:

A PARK ADVISORY BOARD RECOMMENDATION OF APPROVAL TO THE CITY COUNCIL OF THE CITY OF AIRWAY HEIGHTS IN THE MATTER RELATING TO AMENDING CHAPTER 16.09 TITLED PARK IMPACT MITIGATION FEES AND PROVIDE FOR OTHER MATTERS PROPERLY RELATING THERETO.

A motion to approve Resolution PB24-02 was made Mrs. Musgrave. Second by Mr. Webb. Resolution approved.

13. Adjourn: A motion to adjourn the meeting was made by Mr. Webb. Second by Mrs. Wood.
Meeting adjourned at 6:17 pm.