

RECREATION COMMITTEE
9:00 a.m., Monday, February 1, 2016

The regular meeting of the Recreation Committee was called to order at 9:00 a.m., Monday, February 1, 2016 in the City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Kinghorn, and Rice, Chair Carroll, City Administrator Tucker, Recreation Director Page, and City Clerk Copeland; a quorum was present to conduct business.

1. Chair Carroll called the meeting to order and acknowledge that the press and public had been duly notified of the meeting in accordance with the Freedom of Information Act.

2. **Approval of Previous Meeting's Minutes**

MOTION: Councilmember Rice moved to approve the minutes of the regular meeting of January 11, 2016 as submitted; Councilmember Kinghorn seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments**

Jim Raih, 3904 Cameron Boulevard, complimented the Recreation Department for the island history events held in January; he stated that the Exchange Club has scrapbooks in their archives that contain volumes of materials the City could use if it were inclined to continue with the program. He noted that the Exchange Club continues to have the Meeks/Sottile Scholarship Fund that is up to approximately ten thousand dollars (\$10,000) a year; the Exchange Club oyster roast is the primary source of funding for the scholarships.

MOTION: Chair Carroll moved to re-order the Agenda to go to New Business at this point in the meeting; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

6. **New Business**

A. **Review of FY17 Revenue Budget**

As the Administrator started the review of the FY17 revenue budget, she stated that, year over year, revenues for the City do not change significantly; the items in bold type have changed from the FY16 budget. The basis for the increase in Property Taxes revenue is the past twelve (12) month actual and the Consumer Price Index (CPI). In addition to the history of collections from the various revenue categories, increases to revenue might come as a result of an action taken by Council, like the increase in the daily rate for parking in the municipal lots in 2016; looking at Line 21 in the General Fund budget, revenue from parking lot fees is projected to increase by forty thousand dollars (\$40,000). Reiterating what was said at City Council, the City intends to put the additional parking fees into a sinking fund for new public restrooms.

Administrator Tucker reported that the RFP for management of the parking lots is on the City website, and she urged Councilmembers to read it. The opening date has been set for February 12th, giving interested parties a very short window; she asked that, if Committee members should see something that is problematic, please bring it to staff's attention so that an addendum can be done quickly to be posted for prospects. Included in the RFP is the offer of the two (2) City lots,

excluding the area around the compactor, an option for seasonal use and an option for annual use along with a request for the explanation of what that use would be.

Councilmember Kinghorn asked that someone investigate an automated payment system; the Administrator noted that an automated system was included in the RFP.

The percentage that is transferred to the General Fund from State Accommodations Taxes has been increased slightly based on twelve (12) months' actual collections.

Administrator Tucker explained that, for the past several years, staff has offered City Council a menu of options for increasing revenues, and one (1) of those options has been increasing the hourly rate at the kiosks. Since Council has already agreed to increase the fees at the parking lots, FY17 might be the right year to increase kiosk rates as well. Offering general information, the Administrator commented that people with a Wild Dunes' sticker, a hurricane re-entry sticker and now a residential parking permit are allowed to park free during the hours of operation of the two (2) lots.

Councilmember Rice said that she could only support increasing the kiosk rates if the hours of their use was returned to 6:00 p.m.

In the Capital Projects budget, Grant Income represents the re-budgeting of the money the City plans to be reimbursed by Charleston County for the NPDES improvements to the Public Works site. The only other source of revenue for this fund is interest income.

In the Municipal Accommodations Fee Fund, revenues, in addition to interest income, have been increased modestly based on the past twelve (12) months' actual. The Administrator explained that Charleston County gives the local governments a piece of their local government accommodations taxes; the amount was increased in FY15 from twenty to twenty-five percent (20-25%).

Hospitality Taxes continue to grow; she remarked that, whenever the City gets a new restaurant, the hospitality taxes tick upward.

Responding to Councilmember Kinghorn's question, the Administrator stated that the City has had one (1) habitual offender who always eventually paid up along with any late fees added to the taxes; that business has recently had a management change and the problem appears to be handled.

In the State Accommodations Tax Fund, the FY17 budget is showing an increase based on the trend set over the past twelve months.

Councilmember Kinghorn asked for a clarification on the "promotion" piece of State ATAX revenue, and Administrator Tucker related that state law for accommodations taxes states that a percentage of the total amount collected has to go to a tourism promotion agency. The City could only keep that piece if it were to form a 501(c)3 corporation for tourism and promotion, and staff it. Historically the Isle of Palms has given their funds to the Charleston Visitors Bureau. For a

brief period of time, the City did have an organization and tried to operate it on their own when the revenue was much smaller, but it did not survive more than about eighteen (18) months.

Councilmember Kinghorn stated that he was willing to listen to both sides, but he thought there was a “tremendous” opportunity there. In his understanding of the guidelines, they are pretty flexible and would afford the City the ability to do a portion or all of the promotion in-house.

Administrator Tucker explained that she had recently been appointed to serve on the Tourism Expenditure Review Committee (TERC) that regularly reviews accommodation tax reports from the ATAX recipients across the state. In reviewing them, she has noticed that some local governments who give their required percentage to the CVB also give them more money for specific events, for example, the City of Charleston might give the CVB extra money to promote Spoleto.

Councilmember Rice expressed her feeling that the City gets “an unbelievable bang” for its buck through the CVB because of the national marketing they do, and, with the addition of direct flights to Charleston, visitors are coming here from all over the country.

Councilmember Kinghorn commented that the challenge he sees is that the City is promoting something that it is already at capacity in the summer; he thought the City’s money should be spent to draw visitors in the off-season.

Chair Carroll suggested that this discussion be continued at the Ways and Means Committee meeting.

Going forward to the Disaster Recovery Fund, interest income is the only revenue projected.

Revenue for the Victims Assistance Fund of nineteen thousand dollars (\$19,000) is based on the last twelve (12) months actual.

The Volunteer Fire 1% revenues are expenses that all citizens pay when they pay their casualty insurance premiums; it is a fund over which the City only has fiduciary responsibility. The money is to be spent for entertainment type of activities; for the Isle of Palms’ Fire Department the biggest expenditure is for supplemental life insurance.

This year the Plant-a-Palm Fund has seen a significant uptick in the sale of commemorative bricks at Front Beach; therefore, the revenue for FY17 has been increased accordingly.

Revenues for the Recreation Building Fund come from a donation to the Connector Run and registration fees for the IOP Beach Run.

Councilmember Kinghorn opined that these funds could be marketed better; until this meeting, he had never heard of these two (2) funds. He suggested including it on the website or marketing them at special events.

The primary source of revenue for the marina is the lease income from the marina tenants; additionally, each of the leases has a provision for increasing slightly year over year – rent is increased

by the rate of the CPI. If the business is doing well, the City also gets a percentage of their revenues.

Councilmember Kinghorn asked how the City monitors cash transactions, and the Administrator stated that the City receives financial statements from these businesses and has the right for its auditors to go and look around.

The over-sized schedule compares revenues from FY15 and projected revenue and shows the amount of revenue each fund contributes to the City. The Administrator explained that the General Fund and the Capital Projects Fund are grouped together because the only source of revenue for the Capital Projects fund is the General Fund.

B. Discussion of Budget Process

Director Page referred to the budget calendar that was distributed at the January Council meeting and pointed out that in March Committees will be reviewing Capital Budgets and that will be followed by Expenditure Budgets in April.

Councilmember Rice asked for the reasoning behind instructor revenue declining in FY17.

Assistant Recreation Director Ferrell reported that some instructors have cut back on the classes they were offering, such as going from three (3) classes per week to one (1), or an unsuccessful class may be cancelled for a while.

Chair Carroll remarked that the Recreation Center is not considered to be a revenue generator.

Director Page explained that the program income is the sponsorships for athletics and other events, like the sand sculpting contest in the spring. Instructor income is accounted for separately since the instructors are actually paid out of it. Since some classes have a maximum, the revenue from them will be relatively steady.

In Councilmember Kinghorn's opinion, the Recreation Department has not historically been a revenue generator but that does not mean that it cannot be in the future.

Administrator Tucker recalled having heard in the past that the City should increase its fees for athletics and camps; the inhibition in one (1) year was the desire not to have a negative impact of families with multiple children who might all be enrolled in athletics or programs. She did not remember whether those discussions ever got to a point of considering graduated fees; the Recreation Department does not want to lose participation over monetary issues.

Director Page reported having spoken with other agencies in the Charleston County area to compare registration fees, particularly with athletics; the Isle of Palms charges the same as the City of Charleston, St. Andrews, and North Charleston in youth athletics with the resident's fee; Mount Pleasant is fifty dollars (\$50) and the Isle of Palms is thirty dollars (\$30).

Councilmember Kinghorn asked what percentage of non-residents would be from Sullivan's Island versus elsewhere, and the Director said the number was low. According to the Director,

the Recreation Department does not get many Mount Pleasant residents registering; the largest number would be found in the three and four (3-4) year old program.

To explain the Department's registration process, Director Page stated that Isle of Palms' and Sullivan's Island residents are allowed to register first, and the number of off-island registrants is determined by how many have already registered – there must be enough participants to form leagues. After the registration is opened for non-residents, if an island resident registers, he is put on the team; being a small agency, the IOP Rec Department can cater to its residents. Team fees are comparable to the surrounding area as well; these teams are typically sponsored and the teams obtain that sponsor before they come to register.

In the past, calculations were done to determine how much additional revenue the Department would generate if the fees were increased by five dollars (\$5), and the result was twelve thousand dollars (\$12,000).

If the fees were to be raised, Councilmember Kinghorn opined that the increase should be limited to adult programs. Director Page indicated that she had the same thought, but the Rec Department already taps its sponsors so much, for instance, the Windjammer sponsors a softball team, a youth baseball, a youth basketball team and helps with the sand sculpting contest and the beach run and sponsors a light display at Christmas.

Chair Carroll asked how the new Sullivan's Island basketball was impacting IOP registration.

Assistant Director Ferrell said that she has seen some impact, but the IOP Rec Department has four (4) teams, possibly with fewer players on the teams.

One (1) activity that Director Page would consider an increase is in the fee for summer camp that is currently sixty dollars (\$60) per week.

Councilmember Rice noted that many families have more than one (1) child participating in summer camp.

A copy of the FY17 Revenue Budget is attached to the historical record of the meeting.

C. Pursuit of Non-traditional Funding

Councilmember Kinghorn had asked that this item be on the *Agenda*, and he sent an email over the weekend to Committee members with his ideas on this and two (2) other issues. (A copy of the email is attached to the historical record of the meeting.) He initiated his comments noting that he does not suggest raising fees for programs or athletics; he opined that the Recreation Department better market contributions to support programs and facilities. He suggested adding a line to the registration forms of other City materials that would inform residents that such opportunities exist.

Director Page noted that the Rec Department does not use paper registration forms, and online registration is not yet available; registrations are handled face-to-face.

The Councilmember commented that contributions for the Building Fund could be done through an annual giving fund; he thought that a quarterly advertising campaign might generate a positive response.

Aggressively pursuing grants – federal and state – was another area that Councilmember Kinghorn thought could generate funding for the City to improve programs, augment programs, improve equipment and improve athletic fields using outside funding. He reported that a Department of Recreation checkoff is on the state tax form that would allow a taxpayer's taxes to go directly to Parks, Recreation and Tourism; he charged Director Page with finding out how that money could get back to the Isle of Palms.

Councilmember Kinghorn recalled that one (1) of the athletic fields was named, and he thought that naming rights and/or business signs on the fences could be other sources of outside funding.

Chair Carroll noted that many grants come with strings attached and the City must be cautious about what they might be, and he reiterated that the Recreation Department goal was to provide recreation for all of the residents from toddlers to seniors and dogs.

Councilmember Rice indicated that she would need to give these ideas some thought before voicing an opinion; she did comment that she does not want the issue of fund raising to become too commercial.

Director Page indicated that she was not opposed to the naming idea, but the businesses that would be asked to participate would be the same people that are already being tapped pretty regularly by the Rec Department.

D. Strategic Partnering Possibilities

For this idea, Councilmember Kinghorn suggested increasing activities with other allied groups to create new programs or enhance existing ones. Specifics include joint applications for funding, use of the Wild Dunes pool or tennis courts, the expansion of health care screenings with local medical organizations, the development of more programs with Sullivan's Island, etc. The Councilmember proposed establishing a Recreation Department advisory board composed of three (3) volunteers from IOP and two (2) volunteers from Sullivan's Island for outreach and promotion.

Councilmember Rice asked Director Page about the status of the "Piccolo Spoleto Goes to the Beach" event; Director Page reported that the attendance had fallen off substantially, and for an unknown reason, they stopped recognizing that event. In its place, the Rec Department has held Music in the Park that has been a big success, and the Rec Department continues to partner with them for the sand sculpting event. Even further back in the past, Councilmember Rice recalled Spoleto events being held at Wild Dunes.

Councilmember Kinghorn stated that the Exchange Club's IOP Foundation has been in existence for long time, and it is now a 501(c)3 corporation. It is an entity whose function is to raise money and could be an opportunity to raise funds that the City might not traditionally feel comfortable with.

E. Facility Utilization and Assessment of Future Needs

Councilmember Kinghorn asked how often an assessment was done, whether the master plan was still viable or did it need to be updated, were users of the facilities, programs and staff surveyed, was the data gathered analyzed, what were the ages of users etc.?

Director Page stated that the Recreation staff has a feel for its users, i.e. during the day, users are primarily seniors and the little children who are not yet in school; most of the exercise class participants are in their forties and fifties (40s-50s); the summer activities are for the youth with summer and athletic camps.

The Director indicated that the staff had not done any surveying of users since before the Recreation Center was built; the design, needs and the building were based on that survey taken in 2004. When people come into our offices, we accept their feedback whether it is good or bad.

Since it has been twelve (12) years since the last survey, Councilmember Kinghorn suggested that, based on the changes on the island, another survey might be beneficial and should be taken periodically. He stated that the feedback he has received about the Cardio Room is that it is "pretty miserable;" if a survey were to indicate the need for the space to be larger with new lighting and more equipment, the question is raised about how to do it, which means generating revenue.

The Director was willing to do surveying, but cautioned that the Committee might get requests it could not fulfill and those people would not going to be happy.

Responding to Councilmember Rice's question about what could be done about the workout room, Director Page said that space is not available to relocate it without adding on to the building. Councilmember Rice mentioned that possibly the Exchange Club would be available; Councilmember Kinghorn suggested that the Exchange Club would be a good location for mat-based activities.

Having had many of the same thoughts, the Director stated that an outdoor storage building would not be climate-controlled; the High Tide/Low Tide Room, where yoga and exercise classes are held, is typically in use eight (8) hours a day. If another space existed in the building, the cardio equipment would have been moved before now.

Councilmember Kinghorn suggested partnering with Wild Dunes to use their cardio equipment room; in so doing, the residents' request has been answered without the City spending any money. He also recommended taking five thousand dollars (\$5,000) from the Building Fund to hire a design/engineer that deals with existing buildings to give her ideas on how space could be found or to give her a report that the building was not suitable to do anything different.

F. Consideration of General Lecture Series

Councilmember Rice asked for this topic to be on the *Agenda* because the island history series has been so successful and because it brought a great demographic that usually does not come to City events. She suggested that the Recreation Department put on more cerebral programming

periodically; she commented that many fascinating people have retired to the island who might be honored to give a lecture on whatever had been the focus of their working life.

Director Page reported that staff was working toward another series in March and in May and start again in the fall; Susannah Miles, who writes about the island has called offering to participate. The current plan is to stay with island history for a while with one or two (1-2) nights spent on Hurricane Hugo; the Director thought that stories from residents who had decided to ride out the storm on the island would not only be informational but also educational to new residents. Councilmember Rice suggested that Sullivan's Island be included.

Councilmember Kinghorn reiterated his concept of an advisory board where the Director could hand-pick three to five (3-5) people to serve and to investigate ideas that are brought to her for consideration or they could pursue surveying participants.

G. Discussion of Drainage in the Bark Park

Director Page reported that she called in experts and believes that she can engage a pump at the bark park to drain the water for about two thousand dollars (\$2,000); she plans to include that expense in her expenditure budget for FY17.

Chair Carroll asked if it would be cheaper to being in dirt and raise the bark park, but the Director remarked that to do that was much more expensive. In general, the area all around the Recreation Center is low and always tends to flood.

4. Departmental Report for January 2016

The Director stated that, as requested last month, she reduced the monthly report, but she noted that the reduction was painful because she also uses the report as a training tool. When she hires a new person, the reports tell him what to do when, and this year she has a new Parks and Facilities Specialist taking care of the building and a new Parks and Grounds Supervisor. Andy Sinwald and Aaron Sweet are only in their second year, but the monthly reports give them an idea when to start to work on the next program. IOP employees are very attractive to other agencies, so the turnover rate is pretty high since there is little opportunity for advancement.

Councilmember Kinghorn stated that Director Page has three (3) primary constituents, i.e. residents, staff and the policy-making body; for the policy people, he believes that the Director can produce a report of a couple of pages.

Adult sports registrations are being completed; for youth athletics, basketball will be winding up shortly and registration for baseball has begun. For Programs and Classes, the number of participants and the names of the instructors has been provided. The January meeting of the Keenagers drew forty-one (41) seniors; the next meeting will be February 3rd. A movie and dodgeball were held on Friday, January 13th when children were out of school for a teacher-work day, and twenty-four (24) children participated. Related to the Wellness Program, Director Page reported that the City partners with East Coper Hospital who helps with the annual wellness fair and wellness workshops. On Saturday, February 6th the 10th Annual Doggie Day at the Rec will be held from 9:00 a.m. to 11:00 a.m.; other than the competitions, owners can purchase City dog

licenses and dogs can get their rabies vaccinations. The next Middle School Dance is planned for Friday, February 19th; Cupid's Card Shoppe will be held Thursday, February 11th; the first Front Beach Fest will be Saturday, March 5th from noon to 4:00 p.m. and will feature The Tams; and the Easter Egg Hunt will take place on Saturday, March 26th, beginning at 10:00 a.m. SHARP. Other matters that were done in January include the fire inspection of the building, the replacement of two (2) outside showers, and extended the playground borders to accommodate more play area and picnic tables.

Chair Carroll asked whether the City or the Recreation Department was partnering with the Mount Pleasant Police Department for a polar plunge at the Windjammer later in the month. Director Page explained that it is a City-approved event for Special Olympics.

Councilmember Kinghorn stated that sometimes people miss the important things because the report is so long; having studied the monthly report, he found that it contains five (5) categories, i.e. athletics and youth sports, programs and classes, administration and personnel, special events and facilities and maintenance, as well as a miscellaneous category. He suggested using presentation flashboards indicating the important things, the six (6) categories with the important information that is necessary to make decisions. The Councilmember thought that the format would be a useful and effective tool for the Director.

Councilmember Rice thought a full report could be generated once or twice a year.

Director Page explained that the reports became more detailed and longer because of the questions that were posed to her at Recreation Committee meetings.

Chair Carroll stated that he "loved the programs and the number of people who [participate] are on island or off-island."

Councilmember Kinghorn said that he thought the elected body would be better decision makers with presentations in a format that is related to something.

Director Page asked if she could differentiate between the programs for which people pay and the ones they do not. If this type of reporting is the pleasure of the Committee, staff will make it happen.

Councilmember Kinghorn asked about reducing registration fees by a couple of dollars if the registrants would complete a simple survey asking about satisfaction with the facilities and suggestions.

MOTION: Councilmember Kinghorn moved for the Recreation staff to look at the three (3) things he had included in the Agenda, the survey and the report ideas and to report on the ones that they believe have merit and that will be considered for implementation at the next meeting; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

Since a list of registrants and their email addresses is held in the RecTrac system, the Recreation Department could use the e-newsletter as a vehicle for the survey.

7. Miscellaneous Business

Status of Hand Dryer

In her research, Director Page found that replacement dryers cost about a thousand dollars (\$1,000) each; therefore, the purchase will go into the FY17 budget.

Next Meeting Date: 9:00 a.m., Tuesday, March 1, 2016 in the Conference Room

8. Adjourn

MOTION: Councilmember Rice moved to adjourn the meeting at 11:04 a.m.; Chair Carroll seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk