



CITY OF SACRAMENTO

39

CITY MANAGER'S OFFICE
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DEPARTMENT OF COMMUNITY SERVICES
3520 FIFTH AVENUE
(916) 449-5200

SACRAMENTO, CA 95817

CROCKER ART MUSEUM DIVISION
GOLF DIVISION
METROPOLITAN ARTS DIVISION
MUSEUM AND HISTORY DIVISION
RECREATION DIVISION
PARKS DIVISION
ZOO DIVISION

SOLON WISHAM, JR.
DIRECTOR

February 20, 1980

City Council
Sacramento, California
Honorable Members in Session

SUBJECT: Camp Sacramento Revenue Proposal

SUMMARY

This report discusses alternative revenue policies for Camp Sacramento and recommends an incremental revenue program which will eventually result in an enterprise operation.

BACKGROUND

Historically, Camp Sacramento operations have been part of the City's General Fund since 1919. All fees and charges generated by Camp Sacramento operations have been treated as a revenue and returned to the General Fund.

In recent years it has been the Department's policy to recommend fees and charges to cover all direct expenses of Camp Sacramento operations, exclusive of employee fringe benefits, capital improvements, major equipment purchases and indirect City costs such as overhead and insurance.

The staff has identified three alternatives for the City Council to consider in the development of a revenue policy for Camp Sacramento during the 1980 session. They are as follows:

Alternate #1 - Existing Policy

The revenue structure covers all of the direct costs for the operation of Camp Sacramento including salaries, food stuffs, energy, and materials and supplies.

Alternate #2 - Operational Enterprise Policy

The fee structure is designed to cover all of the costs identified in Alternate #1 and additionally, employee fringe benefits, major equipment purchases, and the salary and fringe benefit of departmental support personnel.

APPROVED
BY THE CITY COUNCIL

ACT. 2

MAR 4 1980

OFFICE OF THE
CITY CLERK

Alternate #3 - Full Enterprise Policy

The fee structure is designed to cover all of the expenditures identified in Alternates 1 and 2 and, in addition, make a contribution to indirect City costs, insurance related to Camp, and capitalize equipment and improvements.

FEE POLICY ANALYSIS

The Camp Sacramento season is projected for 18 weeks for 1980. This includes 13 weeks of programming, with full staffs available, and five weeks of skeleton crews for the opening and closing of the mountain facility. Exhibit A provides graphic illustration of the program calendar.

The project expenditures for the 1980 season eliminate Alternate #1 as a consideration. Basically, the current rates will not provide sufficient revenue to continue the existing policy. Additionally, the City staff has been directed by the City Council to explore alternatives which would eliminate Camp Sacramento as a general fund obligation.

Alternate #2 is described as an operational enterprise. This means the fee structure for Camp Sacramento services is equal to all of the expenses for the Camp operation, with the exception of insurance, City overhead and capitalization of equipment and improvements. The estimated expenditures for the 18 week program under this alternative is \$196,500. Alternate #3 is described as a Full Enterprise operation. The additional expenses to cover insurance, overhead and capitalization is estimated at \$26,500. This results in a total expenditure for Alternate #3 estimated at \$228,000.

The staff has developed a fee proposal for Camp Sacramento designed to cover the expenses for Alternate #2 and #3. The fee increases represented by Alternate #2-Operational Enterprise, represent a 20% increase over the current rates. The fee increases represented by Alternate #3-Full Enterprise, represent a 39% increase over the current rates. A comparative rate schedule is provided as follows:

	<u>Age Group</u>	<u>Current Rates</u>	<u>Alternate #2 Operational Rates</u>	<u>Alternate #3 Enterprise Rates</u>
I. Resident Weekly Rates	16 and over	\$ 81.00	\$ 97.20	\$112.60
	11 - 15	61.00	73.20	84.80
	6 - 10	45.50	54.60	63.25
	2 - 5	24.00	28.80	33.40
	Under 2	N/C	N/C	N/C
II. Non-Resident Weekly Rates	16 and over	\$ 95.00	\$114.00	\$132.00
	11 - 15	71.50	85.80	99.40
	6 - 10	51.05	61.80	71.60
	2 - 5	30.00	36.00	41.70
	Under 2	N/C	N/C	N/C
III. Daily Rates (same for resident & non-resident)	16 and over	\$ 14.50	\$ 17.50	\$ 20.00
	11 - 15	11.00	13.25	15.25
	6 - 10	8.00	9.75	11.00
	2 - 5	5.00	6.00	7.00
	Under 2	N/C	N/C	N/C

	<u>Meals</u>	<u>Current 10 yrs. & Under</u>	<u>Proposed 10 yrs. & Under</u>
IV. Meals Only Rates	Breakfast	\$1.00	\$1.20
	Lunch	1.25	1.50
	Dinner	1.50	1.80
		<u>11 yrs. & Over</u>	<u>11 yrs. & Over</u>
	Breakfast	\$2.25	\$2.70
	Lunch	2.50	3.00
	Dinner	3.75	4.50

RECOMMENDATION

It is recommended that the City Council adopt Alternate #2-Operational Enterprise, as an incremental fee escalation policy for Camp Sacramento effective March 15, 1980. Support of this alternative will provide the City with an opportunity to review the impact of substantial fee increases prior to the adoption of a Full Enterprise policy for Camp Sacramento.

The fee schedule to support a Full Enterprise operation requires a 39% increase over current rates which could result in an unmarketable service. Historically, substantial rate increases at City operated leisure service facilities have resulted in as much as a 15% reduction in participation. The staff has no way of forecasting the results of a 39% increase, but assumes that the reduction in the participation would be in excess of 15%. This would effectively negate the intent of the policy to operate Camp Sacramento as a Full Enterprise.

Respectfully submitted,

Solon Wisham Jr.

SOLON WISHAM, JR., Director
Department of Community Services

APPROVED BY:

Walter J. Slipe
Walter J. Slipe
City Manager

March 4, 1980
All Districts

SW:ker

Attachment

EXHIBIT A

CAMP SACRAMENTO - 13 WEEK PROGRAM SEASON - 1980

CAMP RESERVATIONS	JULY																																		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31				
OPENING PREPARATION																																			
FRIENDS OF CAMP WORKWEEK																																			
EQUINE DANCE GROUP																																			
YMCA GROUP																																			
CULTURAL ART GROUP																																			
MINI I																																			
MINI II																																			
FAMILY I																																			
FAMILY II																																			
FAMILY III																																			
FAMILY IV																																			
FAMILY IV																																			
FAMILY IV																																			
FAMILY V																																			
FAMILY VI																																			
FAMILY VII																																			
FAMILY VIII																																			
S E R I E M B E R																																			
SENIOR CITIZENS CAMP																																			
SPECIAL GROUP																																			
SCHOOL GROUP																																			
SPECIAL GROUP																																			
SCHOOL GROUP																																			
SPECIAL GROUP																																			
CLOSING SCHEDULE																																			

*RESERVATIONS PENDING OUR CONFIRMATION - MARCH 1, 1980

CITY OF SACRAMENTO

INTER-OFFICE ROUTING

To:

- Mayor / City Council Office
- City Manager
- Asst. City Manager
- Asst. City Manager, Community Development
- Asst. to City Manager
- Public Information
- City Clerk
- Finance Administration
- Revenues & Collections
- Purchasing
- Central Stores
- Accounting
- Utility Billing
- Data Processing
- City Treasurer
- City Attorney
- Planning Department
- Personnel Administration
- Employee Relations
- Employee Services
- Management Services
- Personnel Selections
- Training
- Police Department

To:

- Fire Department
- Fire Prevention
- Weed Abatement
- Emergency Planning
- City Engineer
- Asst. City Engr. Administration
- Animal Control
- Real Estate & Street Assessment
- Facility Maintenance
- Street Maintenance
- Traffic - Parking
- Water & Sewer
- Building Inspection
- Electrical Inspection
- Plumbing Inspection
- Community Improvement
- Waste Removal
- Equipment Maintenance

To:

- Museum & History Commission
- Recreation & Parks Administration
- Recreation
- Parks
- Golf
- Zoo

- Crocker Art Gallery
- Library Administration
- Housing and Redevelopment
- Community Center
- _____

Note:

- For Your Information
- Return with Recommendations
- Please Comment
- Prepare Draft and Return
- Prepare Letter
- Take Necessary Action
- Investigate and Report
- Per Your Request
- Reply, Send Copy To:
- _____
- _____
- _____

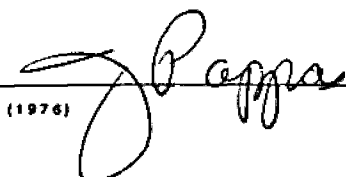
REFERRAL OF AGENDA ITEM,
MEETING OF 3-4-80

To: SOLON WISHAM, DIRECTOR, DEPT. OF COMMUNITY SERVICES

Comments ITEM NO. 39: Council adopted Alternate #2 - Operational Enterprise Policy.

cc: City Manager

Signature



(1976)

Title or Dept.

CITY CLERK

Date

3-6-80