

Exhibit 1- Summer Camp Revenue/Expenditure Discussion

The Recreation Transition Team analyzed past summer camp registration levels, variety, participant's costs, program development needs, and expenditures to gain a complete picture of the City's previous offerings. The Team prepared this streamlined summary of that analysis for the Parks and Recreation Commission.

In past years, the program budget has included only the direct expenses of supplies, equipment transportation for field trips, camp staff and a small allocation for site maintenance. The budget did not include all related costs, such as the staff time spent on developing camp offerings, marketing, hiring, custodial services, registration, front desk assistance, and oversight. In past years, using only this limited cost-accounting budget, there was a perception that summer camps were covering their costs and generating some profit. That profit was used to support General Fund operations of the City. However, upon closer examination, the Transition Team has found that the City-run/in-house camps did not cover their most direct costs, let alone their fully-burdened cost load, and the overall program profit was due to the City offering numerous contractor-led camps, for which the City received a share of the registration revenue. Furthermore, if all of the program costs were included, the City-run camps likely cost two to three times as much as the City received in revenue.

In years past, the City ran Camp Mercer for grade school-aged youth for 9 weeks, Camp Mini-Mercer for preschool aged children for 6 weeks, Camp Mini-Mercer Sports for preschool aged children for 6 weeks, and the Outdoor Adventure Camp for 5 weeks, totaling 26 camp programs. In 2019, the City also offered 79 additional camp programs over 9 weeks, via contractors. The focus or theme of the camps varied widely: from cooking, to soccer, to cartooning, to animals, to boating, to technology. Some camps were full-day and others were half-day. Some were wholly indoors while others were held completely outdoors.

Looking forward to the Summer of 2021, the Recreation Transition Team forecasted the following revenues and expenditures for in-house and contracted camps. (Expenditure assumptions were based on only the direct cost of camp staff; expenditures are therefore understated. Revenues were assumed based on 90% registration levels.)

Camp Mercer

Forecasted Weekly Revenue	\$6,525
Forecasted Weekly Expenditure*	\$6,594
Profit/(Loss)	(\$69)

* Expenditure only shows staffing costs of 0.5 FTE Camp Administrator, 1.0 FTE Camp Director, 6.0 FTE Camp Counselors, not the full cost of providing the camp.

Mini Mercer

Forecasted Weekly Revenue	\$2,550
Forecasted Weekly Expenditure*	\$3,513
Profit/(Loss)	(\$963)

* Expenditure only shows staffing costs of 0.25 FTE Camp Administrator, 1 Camp Director at 30 hours per week, 4 Camp Counselors at 20 hours per week, not the full cost of providing the camp.

Mini Mercer Sports

Forecasted Weekly Revenue	\$3,150
Forecasted Weekly Expenditure*	\$3,513
Profit/(Loss)	(\$363)

* Expenditure only shows staffing costs of 0.25 FTE Camp Administrator, 1 Camp Director at 30 hours per week, 4 Camp Counselors at 20 hours per week, not the full cost of providing the camp.

Contractor-led Camps

Forecasted Weekly Revenue*	\$4,878
Forecasted Weekly Expenditure**	\$2,128
Profit/(Loss)	\$2,750

*Revenue depicts offering 3 camps at one time, not the 8 to 9 that the City offered each week in 2019. Therefore, revenue is highly understated.

** Expenditure reflects costs for 1.0 FTE Camp Administrator to oversee the program.