

Request for Decision

User Fees for Seasonal Trailer Parks

Presented To: Community Services
Committee

Presented: Monday, Feb 27, 2012

Report Date Wednesday, Feb 15, 2012

Type: Managers' Reports

Recommendation

WHEREAS the City of Greater Sudbury operates three (3) seasonal trailer parks, and;

WHEREAS there has been public interest in extending the camping season at the seasonal trailer parks operated by the City of Greater Sudbury, and;

WHEREAS in review of the user fees for seasonal trailer parks owned by the city in relation to other trailer parks operated by private and provincial operators, the user fees at city facilities are found to be low.

THEREFORE BE IT RESOLVED that the Community Services Committee adopt Option _ as outlined in the report from the General Manager of Community Development dated February 27, 2012.

Finance Implications

Option 1 - increase the user fees to generate approximately \$17,300 in additional revenue and increase the service levels by extending the camping season by 18 days, at a cost of approximately \$10,200. The net gain would therefore be approximately \$7,100.

Option 2 - Increase the user fees and maintain the current service levels, generating approximately \$17,300 in additional revenue.

Option 3 - Status Quo - no financial impact.

If option 1 or option 2 is approved, the additional revenues will be included in the 2013 operating budget.

see attached report

Signed By

Report Prepared By

Rob Blackwell
Manager, Quality, Administrative and
Financial Services
Digitally Signed Feb 15, 12

Division Review

Real Carre
Director of Leisure Services
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Recommended by the Department

Catherine Matheson
General Manager of Community
Development
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Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
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Background

The Seasonal Trailer Parks

The City of Greater Sudbury provides, through operating agreements, three seasonal trailer parks (campgrounds): Ella Lake Park in Capreol, Whitewater Lake Park in Azilda and Centennial Park in Whitefish. The responsibility for the parks was assumed by CGS at amalgamation from the former area municipalities.

Table 1: # of Sites	Centennial	Whitewater	Ella Lake
# of Sites (2011)	47	25	17

The seasonal trailer parks earn revenue through user fees for site rentals. Expenses are primarily for the operating agreements. The financial data for the three parks over the past five years suggests that only Centennial Park has consistently shown a net surplus and the three parks, when considering total expenses vs. revenue, have incurred a total loss of approximately \$193,000 over the period of analysis.

Changes to Operating Season

In the spring of 2011, there was a concern voiced regarding access to Centennial Park for seasonal campers that wished to gain entry to the park in May, prior to the official opening of the park for the season in 2011.

To meet the requests of the park users, the “shoulder seasons” of the municipally owned trailer parks could be extended. The extension would allow for access to the park starting the second weekend in May (weekends only) and daily commencing Victoria Day weekend. At the end of the season, the parks would remain open for an additional week (7 days), closing on the third Sunday of September of each year. This would provide for approximately 18 extra days of access in each camping season. If any operating changes are approved by Council, it is recommended that any changes be applied to all three municipally owned seasonal trailer parks.

Table 2: Proposed Operating Season			
Current Season		Proposed Season	
<i>Opening</i>	<i>Closing</i>	<i>Opening</i>	<i>Closing</i>
Weekends, starting 2 nd weekend in May and daily starting 2 nd weekend in June	2 nd Sunday in September	Opening the second weekend in May and daily starting Victoria Day Weekend	3 rd Sunday in September

The daily operating costs for each park, based on the current operating agreements are: Ella Lake - \$160/day, Centennial Park - \$162.04/day and Whitewater Park - \$240/day. Therefore, the total increase in cost for 18 additional days is \$10,117.

Changes to Rates

A brief comparison of user fees suggests that the fees charged (not including HST) at CGS seasonal trailer parks are lower than the rates charged by most private campgrounds and in Provincial Parks in North Eastern Ontario:

Table 4: Rate Comparison			
	CGS Municipally Owner Parks	Private Northern Parks	Provincial Parks
Seasonal Rental	\$867	\$1300 - \$1600	\$1232 - \$1464
Daily Rental (max)	\$21	\$25 - \$35	\$29.75 - \$39.00

An increase in user fees for seasonal rates at municipally owned trailer parks to align the municipal rate with private park and provincial park rates would generate a maximum additional revenue of approximately \$17,327 annually. Daily rates could also be increased to align them with private and provincial rates, but the impact would not be significant as there is little daily camping at municipally owned campgrounds. The increased revenue would sufficiently offset the additional cost of extending the camping season.

Proposed Rates (before HST)		
All Campgrounds 2011	Current Rate	Proposed Rate
Seasonal Regular	\$867.26	\$1,061.95
Seasonal Senior	\$734.51	\$899.40
Overnight Regular	\$21.24	\$26.01
Overnight Senior	\$18.14	\$22.21
Weekly Regular	\$108.85	\$133.29
Weekly Senior	\$92.48	\$113.24
Monthly Regular	\$327.43	\$400.93
Monthly Senior	\$278.76	\$341.34
Tenting	\$19.03	\$23.30

Recommendations

Three options to regarding seasonal park operations are presented for Council's consideration for 2012:

1. Increase the operating season by 18 days (opening daily on Victoria Day Weekend and closing the third Sunday in September) offset by an increase in user fees across all parks to be more in line with private and provincial parks. The cost of increasing the service levels would be approximately \$10,117. The new recommended regular rate for a seasonal rental would be \$1016.95 + HST = \$1200/season, to bring municipal user fees in-line with provincial and private parks. The new rate would provide a maximum increase in revenue of approximately \$17,300. Therefore the net gain would be approximately \$7183.

2. Increase the user fees but maintain the current service level. The new recommended regular rate for a seasonal rental would be \$1016.95 + HST (\$1200/season), to bring municipal user fees in-line with provincial and private parks. The new rate would provide a maximum increase in revenue of approximately \$17,300.
3. Status quo. Do not change the operating season, and do not revise the user fees.