

City of Placerville
M E M O R A N D U M

DATE: December 21, 2007

TO: City Council

FROM: Steve Youel, Community Services Director

SUBJECT: **Dry Diggins Dolphins Fee Increase**

RECOMMENDATION

That the City Council adopt a resolution establishing the Dry Diggins Dolphins Swim Team fee schedule for the 2008 season.

BACKGROUND

The Recreation Department has operated the Dry Diggins Dolphins swim team since its inception 41 years ago. The Dry Diggins Dolphins program has a rich tradition of success in developing not only outstanding swimmers, but more importantly, outstanding children and young adults. The Dry Diggins Dolphins Swim Team runs from May through July and competes with teams throughout the area in the Valley Foothill Competitive Aquatics League. Practices are held five days a week and swim meets are held on Saturdays starting in June. Over the last five years there has been an average of 233 swimmers on the team.

On January 1, 2008, California's minimum wage will increase from \$7.50 to \$8.00 per hour. In anticipation of this increase City Council approved a revised part-time pay scale on October 23, 2007. At that time, staff indicated there would be a need to adjust user fees to cover the additional cost associated with the new pay scale. Furthermore, it was stated that staff would propose specific fee increases by program prior to advertising deadlines.

The purpose of this memo is to recommend a fee increase specific to the Dry Diggins Dolphins swim team program. The last fee increase was made on February 27th 2007 in the amount of \$5.00. It is staff's intent to increase the participation fee to cover the increased costs associated with part-time salaries.

ANALYSIS

Families pay a registration fee for the entire swim season. Families with multiple swimmers receive a discount when registering more than one child. Staff is recommending that the base rate be raised by \$7.00 or 3.78%. In establishing new participation fees, Staff considered program attendance statistics from the last five seasons, previous annual revenue and expenditures, as well as fees charged by comparable teams in the area. Swim teams surveyed included the El Dorado Hills Tasmanian Devils, Cameron Park Sierra Sharks, Roseville Sugarbears and Seawolves, Granite Bay Gators, and the Broadstone Barracudas. All of the teams surveyed are

currently in the process of reviewing their swim team fee structures for the 2008 season. The fees contained in this memo are being proposed and have not been finalized in all cases. The following table identifies comparable fees charged for like services at surrounding programs for the 2008 season.

Proposed 2008 Fee Schedules

	Current Fee (DDD)	Proposed Fee (DDD)	El Dorado Hills TAZ	Cameron Park Sierra Sharks	Roseville Sugarbears & Seawolves	Granite Bay Gators	Broadstone Barracudas
First Swimmer in Family	\$185	\$192	\$225	\$175	\$200 res./ \$225 non res.	\$175	\$238 member/ \$259 non member
Second Swimmer	\$170	\$177	\$200	\$165	\$175 res./ \$200 non res.	\$150	\$224 member/ \$244 non member
Third Swimmer	\$155	\$162	\$175	\$165	\$175 res./ \$200 non res.	\$125	\$224 member/ \$244 non member
Fourth Swimmer	\$140	\$147	\$175	\$165	\$175 res./ \$200 non res.	\$100	\$224 member/ \$244 non member
Fifth Swimmer	\$125	\$132	\$175	\$165	\$175 res./ \$200 non res.	\$100	\$224 member/ \$244 non member

FISCAL IMPACT AND ANALYSIS

Fees for recreation programs are established with the following goals: (1) Make the programs affordable to the community (2) Reach a level of self-sufficiency for each program and (3) Establish fees that are comparable with like programs of agencies in the area. Self-sufficiency is defined as fees that equal the direct costs of operating each program. Direct costs include: all part-time staff, materials, and supplies necessary to offer the program.

Staff is projecting a direct cost increase to part-time staff of approximately \$1,802.00 for the 2008 Dry Diggins Dolphins season.

The following table identifies anticipated part-time staff expenditures for the 2008 season and the projected increase in revenue as a result of the proposed increase.

Budget Item	2007	2008	Total Increase in Part Time Staff
Part-Time Salaries	\$34,992	\$36,794	\$1,802
Revenue Source	Average # of Participants	Amount of Increase	2008 Projected Revenue Increase
Participant Registration	233	\$7.00	\$1,631

*Average number of swimmers over the last five seasons.

The anticipated part-time staff expenditures for this program will be covered by a \$7.00 fee increase. The City's proposed fees are competitive with other teams in the surrounding area and achieve the City's goals of keeping the program affordable for the community. The proposed increase in fees will ensure that projected program revenue will cover direct costs of the program. Without the proposed fee increase, the program will fall short of the City's goal of keeping the program self-sufficient.

Steve Youel, Director of Community Services

Approved for Submittal to City Council:

Reviewed for Fiscal Analysis:

John Driscoll, City Manager/Attorney

Dave Warren, Director of Finance