



# River Advisory Committee 2017 River Season Recommendation

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# 2016 Season Recap



- \$2 River Management Fee added for all non-resident tubers during the tubing season.
  - Weekends and holidays between Memorial Day Weekend and Labor Day
- Residents who receive an annual River Pass avoid the \$2 fee. (appx 3600 resident passes issued.)
- Three collection booths placed in Prince Solms Park area to collect fee.

# 2016 Season Recap



	Private	Outfitters	Total
Estimated Tubers	107,100	244,526	351,626
Actual Tubers	58,629	198,938	257,567
Estimated Revenue	\$214,200	\$489,052	\$703,252
Actual Revenue	\$117,258	\$397,876	\$515,134

- 1.5 days the Comal River was closed on a fee day
- Rain events in August and Labor Day weekend contributed to low attendance

# 2016 Revenue Summary

	FY 2014-15 Actual	FY 2015-16 Budget	FY 2015-16 Unaudited Actuals	FY 2016-17 Budget
River Mgmt Fee	\$474,445	\$676,200	\$550,264	\$612,000
Parking Revenue	\$190,053	\$191,000	\$196,774	\$218,500
Transfer: Solid Waste Fund	\$125,000	\$125,000	\$171,323	\$145,000
<b>Transfer: General Fund</b>	<b>\$213,178</b>	<b>\$205,302</b>	<b>\$276,015</b>	<b>\$252,376</b>
Shuttle Fees	\$6,100	\$6,000	\$6,950	\$6,700
Fines & Forfeitures	\$83,620	\$77,000	\$81,488	\$66,500
<b>Total Revenues</b>	<b>\$1,092,396</b>	<b>\$1,280,502</b>	<b>\$1,282,814</b>	<b>\$1,301,076</b>

# Expenditure Summary



	Employee	Operating	Capital*	2016 Unaudited Actuals	FY 15/16 Budget	FY 16/17 Budget
Police	\$610,098	\$9,512		\$619,610	\$620,174	\$709,099
River Activities Manager, Cashiers, and Ranger Patrol	\$323,882	\$106,160	\$51,015	\$481,058	\$489,529	\$446,977
Litter and Debris Removal**		\$171,323		\$171,323	\$125,000	\$145,000

			<b>Total</b>	\$1,271,991	\$1,234,703	\$1,301,076
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\*Capital expenditures are solely for the fee collection booths purchased earlier in the fiscal year.

\*\*FY 2015-16 litter and debris removal impacted by 2015 fall flooding event.

# Deficit to Consider



- \$276,015 General Fund transfer in FY 15/16.
- 257,567 tubers paid the River Management Fee this past season.
- A River Management Fee increase of \$1.08 (Total \$3.08) would have covered the General Fund Transfer in the season of 2016.

# Committee Charge



“To review and make recommendations on opportunities to generate revenue with a goal of maintaining a self-sustaining River Activities Fund.”

## **Staff presented to the River Advisory Committee three options to consider:**

1. Increase the River Management Fee (RMF) to \$3.00.
2. Collect the RMF Friday-Sunday and Holidays during the river season.
3. Keep the RMF and collection days the same. (Weekends and Holidays Memorial Day Weekend-Labor Day)

# Increase RMF to \$3.00



## Pros:

- Moves the River Fund closer towards “revenue neutral”
- No increase in administrative expenses or processes

## Cons:

- Outfitter feedback
- Public relations

	Tubers	\$3.00 RMF	2016 Actual Revenue
<b>Outfitter</b>	198,938	\$596,814	\$397,876
<b>Private</b>	58,629	\$175,887	\$117,258
<b>Total</b>	257,567	\$772,701	\$515,134

With a \$3 RMF in 2016, the General Fund Transfer would have been \$18,448.

# Add Friday Collection



If \$2 RMF was charged on Friday in 2016, General Fund Transfer would be estimated \$212,018.

If \$3 RMF was charged on Friday in 2016, there would be no General Fund Transfer. A surplus of \$91,409 would be realized.

	<b>Est. Tubers</b>	<b>RMF \$2</b>	<b>RMF \$3</b>
<b>Outfitter</b>	35,421	\$70,842	\$106,263
<b>Private</b>	10,581	\$21,162	\$31,743
<b>Friday Total</b>	46,002	\$92,004	\$138,006
<b>Friday Expense</b>		\$27,723	\$27,723
<b>Net Revenue</b>		\$63,997	\$109,857

# Add Friday Collection



## Pros:

- Moves the River Fund closer towards “revenue neutral”
- Captures another day of primarily tourist dollars

## Cons:

- Would require closing Hinman Island Drive on a weekday.
- New revenue generated would be partially offset by an administrative cost increase.

# Keep Fee and Days the Same



## Pros

- Provides another year of data collection in order to better identify trends.
- Would require no administrative or procedural changes.
- There would be no confusion nor negative feedback from the public/visitors.

## Cons

- Defers any new/immediate action on the fees to sustain the River Fund

# Recap of Options

	15/16 Actual	16/17 Budget
Deficit	<\$276,015>	<\$252,376>
<b>\$3 River Management Fee</b>		
Additional Revenue	\$257,567	\$306,000
<b>Add Fridays in Season</b>		
\$2 River Management Fee Revenue		\$91,720
Expenses		<\$27,723>
Net Revenue		\$63,997
<b>\$3 River Management Fee Revenue</b>		
Expenses		<\$27,723>
Net Revenue		\$415,857

# 2017 Season Recommendation



- RAC recommends that the River Management Fee remain the same for the 2017 River Season, charging \$2.00 to non-residents on weekends and holidays between Memorial Day weekend and Labor Day.
- Two years of weather and attendance data will allow better analysis and projections.
- The Committee will continue to look at options and opportunities for maintaining a self-sustaining River Activities Fund.

# 2017 Season Recommendation



Two initiatives which may impact the budget:

## 1. Reallocation of PD resources

- PD has identified opportunities to reduce staffing on certain days/times to better reflect activity and provide some summer relief to officers, without impacting operations. Expected savings: \$32,000

## 2. Last Tubers Exit Cameras

- Current estimate: approx. \$20,000 for 3 solar cameras
- Staff is working with NBU for partnership opportunities

# Council Feedback for RAC



Is the Committee achieving Council's goals? Should any changes be made to the Committee's charge?

- Review the report from the public input meeting. Prioritize and provide recommendations to the City Council on their implementation.
- Review and make recommendations on opportunities to generate revenue with a goal of maintaining a self-sustaining River Activities Fund.
- Review and make recommendations on opportunities for infrastructure improvements.
- Other responsibilities as directed from time to time by the City Council.

# Council Feedback for RAC



## What is 'revenue neutral'?

- The state in which revenues collected from participation in the activity, fully supports/funds the activity
- Should “revenue neutral” consider sales tax, hotel/motel revenues attributed to the tubing industry?



Questions?