

The Economic Impact of Children's Camps in Michigan

Department of Park and Recreation Resources
Michigan State University
East Lansing, Michigan

in cooperation with

Michigan Section
American Camping Association



Michigan's children's camps have grown from 140 camps serving 13,000 children in 1936 to 896 camps serving almost a half million campers in 1978. To help guide the future of the children's camp industry, including state licensing and regulatory policies, a 50 percent sample of Michigan's children's camps was surveyed in 1980. Data were collected on the size and characteristics of the industry along with detailed financial statistics. The results provide a profile of the industry and an estimate of its economic importance to the state.

Here are highlights from the 1980 survey of Michigan's children's camps conducted by the Department of Park and Recreation Resources for the Michigan Section of the American Camping Association. For a detailed report, contact:

Michigan Section
American Camping Association
3208 West Road
Lansing, MI 48912

Profile of the Children's Camp Industry

In 1978 Michigan contained 896 licensed children's camps which either share or have exclusive use of 440 different camp sites. These sites contain over 80,000 acres of land with an estimated market value of \$262 million dollars. The 896 camps may be divided into three primary categories:

- 114 **private resident camps** operated by private organizations
- 466 **agency resident camps** operated by public non-profit organizations such as church and scouting groups.
- 316 **day camps**

Averages of some selected statistics are presented in Table 1 for each of the three camp types. Private resident camps charge significantly higher tuition than those operated by agencies. Agency camps generally serve more children and generate smaller proportions of their revenue from tuition. By using volunteer workers and subsidizing the camp operation, they provide camp experiences for many children who could not otherwise afford to attend camp. Since day camps do not keep children overnight, they typically involve smaller investments and operating expenses than resident camps. They service mostly younger children who live within commuting distance of the camp.

Benefits to Children

Michigan's children's camps accommodated 457,000 individual campers in 1978, 87 percent of whom were Michigan residents. These campers averaged six days in the camp, thus Michigan's children's camps generated over 2.7 million camper days for primarily Michigan youth in 1978. Camping provides children with many intangible benefits, including:

- **physical benefits:** camps provide opportunities to engage in healthy, physical activity in natural outdoor settings
- **Social benefits:** At camp, children learn about themselves and develop responsible values and attitudes towards others.
- **environmental benefits:** In natural camp settings, children learn outdoor skills, ecological concepts, and conservation ethics.

It is impossible to place a value on these benefits as they are not captured in the economic statistics which follow. They should not, however, be overlooked since they are the primary reason for the existence of children's camps.

Economic Measures of the Children's Camp Industry

Table 2 summarizes the revenues and expenditures of children's camps. In 1978 children's camps took in \$31 million dollars in revenue, 70 percent of which came from tuition and fees. Expenses totaling \$41 million included:

- \$8.5 million for wages and salaries
- \$20 million in operating costs
- \$1 million for taxes
- \$7 million in site improvements, about 20 percent of which was to comply with fire and safety regulations

Agency camps were subsidized by the sponsoring organizations to the tune of almost \$12 million dollars in 1978, including direct subsidies and operating losses. Day camps also reported operating losses in 1978 and private resident camps averaged less than \$1,000 in net income per camp. Profits do not appear to be a primary objective of much of the industry, although viability of a camp depends upon at least balancing revenues and expenditures in the long run.

Economic Impacts

Children's camp expenditures generate jobs and economic activity in the surrounding area. The camps employed directly 13,355 paid workers in 1978. Over 12,500 of these jobs were seasonal jobs, providing summer employment and experience to high school and college students. The over 13 thousand paid employees constitute the equivalent of about 2,500 full-time year-round positions.

Spending by the children's camp industry generates flows of dollars and additional jobs in industries which supply goods and services to the camps. Applying multipliers to the direct spending reported in Table 2, it is estimated that direct and indirect economic impacts of children's camps in Michigan is approximately \$75 million dollars. About \$4 million in camp revenues comes from outside of the state, representing new dollars to Michigan's economy. Over 90 percent of the camp expenditures accrue to Michigan business and individuals.

Summary

Children's camps in Michigan generate many benefits to the state, both economic and non-economic. The intangible benefits to children attending the camps and to camp counselors and workers who obtain valuable summer job experiences should not be ignored. The

camps also generate employment and economic activity in the surrounding communities. These impacts are seasonal and represent flows of dollars from the children's home communities to those surrounding the camps. The industry as a whole is oriented more to the intangible benefits provided by camp experiences than by a profit motive. Many camps depend significantly upon subsidies, donations and volunteer workers to provide camping opportunities.

It is important that future management and regulatory decisions in the children's camp industry take cognizance of the industry's financial structure and contributions to the state. Regulations must be designed to insure high quality, safe camping experiences without jeopardizing the viability of the industry. The information presented in this study should be helpful in guiding future decisions both within the camp industry itself and state regulatory authorities.

Table I.

Profile of Michigan Children's Camps by Camp Type, 1978.

	Private Resident Camp	Agency Resident Camp	Day Camp
Acreage owned*	202	198	143
Feet of water frontage*	3,319	4,575	1,583
Estimated market value*	\$816,929	\$801,041	\$448,380
Number of individual campers	457	778	147
Number of Michigan campers	318	681	144
Number of camper-days	3,803	4,929	1,116
Average length of stay—days	8.3	5.5	7.6
Total tuition collected	\$ 68,948	\$ 23,655	\$ 4,826
Tuition per child	151	30	33
Revenue from other charges to campers	861	2,880	103
Revenue from other sources	12,722	16,061	1,232
Total revenue from all sources	82,531	42,564	6,161
Salaries paid to Michigan staff	\$ 16,558	\$ 11,666	\$ 2,623
Operating expenditures paid to Michigan business	41,665	31,084	4,704
Michigan taxes	2,406	1,698	384
Land and building purchases	\$ 654	\$ 321	\$ 2,292
New construction	2,368	3,164	773
Land and building improvements	2,525	3,509	1,512
Equipment purchases	4,256	2,767	484
Improvement dollars spent on fire safety	1,165	1,558	74
Number of paid staff	25	18	5
Number of Michigan paid staff	17	13	5
Number of volunteers	16	37	18
Number of Michigan volunteers	14	31	18

* Averages based on the 440 camps that owned their site in 1978.

Table 2.

Summary of Revenues and Expenditures of Michigan Children's Camps by Camp Type, 1978.

	Private Resident Camps (114)	Agency Resident Camps (466)	Day Camps (316)	All Camps (896)
Number of camps				
Revenues:				
Tuition revenues	\$7,863,745	\$10,948,406	\$1,480,018	\$20,292,169
Other charges	98,181	1,318,482	31,683	1,448,346
Total revenue from campers	\$7,961,926	\$12,266,888	\$1,511,701	\$21,740,515
Other revenues:				
Subsidies from sponsoring agencies	\$ 778,811	\$ 4,189,700	\$ 284,539	\$ 5,253,050
Donations of mtls., equip., etc.	201,391	910,897	37,102	1,149,390
Private gifts and contributions	33,553	898,310	19,630	951,493
Federal direct support	78,144	288,777	34,563	401,484
Wages and salaries paid by outside sources	27,188	266,737	80,709	374,634
Miscellaneous other revenue	359,150	\$ 1,145,829	1,828	1,506,807
Total other revenue	\$1,478,237	\$ 7,700,250	\$ 458,371	\$ 9,636,858
Total revenue	\$9,440,163	\$19,967,138	\$1,970,072	\$31,377,373
Expenditures:				
Operating expenditures:				
Wages and salaries	\$2,652,949	\$ 6,835,368	\$ 907,740	\$10,396,057
Food service	1,745,579	\$ 4,444,992	\$ 158,126	6,348,687
Utilities	238,757	740,832	66,262	1,045,851
Insurance	387,317	802,568	109,935	1,299,820
Supplies	1,612,936	2,917,026	349,382	4,879,344
Rentals	143,254	61,736	325,287	530,277
Taxes	257,772	752,614	109,762	1,120,148
Other operating expenditures	1,177,868	6,466,846	496,966	8,141,680
Total operating expenditures	\$8,216,432	\$23,021,982	\$2,523,460	\$33,761,864
Site improvements:				
Land and building purchases	\$ 74,526	\$ 149,555	\$ 724,225	\$ 948,306
New construction	269,947	1,474,643	244,353	1,988,943
Land and building improvements	\$ 287,877	1,635,108	477,675	2,400,660
Equipment purchases	485,213	1,289,346	153,039	1,927,598
Total site improvements	\$1,117,563	\$ 4,548,652	\$1,599,292	\$ 7,265,507
Total expenditures	\$9,333,995	\$27,570,634	\$4,122,752	\$41,027,371
Net income	\$ 106,168	\$(7,603,496)	\$(2,152,680)	\$(9,649,998)

Cooperative Extension Service Programs are open to all without regard to race, color, national origin, or sex. Issued in furtherance of cooperative extension work in agriculture and home economics, acts of May 8, and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Gordon E. Guyer, Director, Cooperative Extension Service, Michigan State University, E. Lansing, MI 48824.

1P-2M-7-81-KP-KMF-Price 40*