

Recreation Committee 08/25/08
Field and Facility Fees Revenue Discussion

As you know, during the FY2009 Budget discussions, the Village Board directed that efforts be made to reduce the General Fund subsidy to the Recreation Fund through several avenues. Currently the General Fund subsidizes approximately 60% of the Recreation Fund expenditures. The Board's goal is to gradually shift that percentage closer to 50% over the coming years. The Board approved an increase of 10% to all Recreation program fees and also a minimum fee of no less than 25% more for non-resident participants.

At these meetings, the Board also reviewed the athletic field maintenance expenses and a spreadsheet that showed that the Village was recapturing approximately 4% of the almost \$1.3 million spent on field maintenance each year through rentals and user fees. It was determined that the fees should recapture 10% of the expenses in FY2009. Additional review of the subsidy will continue during the coming year. With the proposed user fee increases, as well as recapture of 10% of the Village's field maintenance costs, it is expected that the General Fund subsidy will be reduced to approximately 55% in FY2009.

The above information was reviewed by members of the Recreation Advisory Board at their August meeting. There was not a quorum of the members present, but the proposals for fee increases were discussed in great detail with those present and then follow-up phone calls were made to each member of the committee. Comments were expressed by members as noted below:

- Members expressed a desire to have non-residents pay more than residents across all categories.
- It was suggested that the Village charge all users a fee, even if only nominal, to encourage teams to book only timeslots they really need. Currently there are field and facility users that are not charged for their use thus creating a situation where field and court times are booked "just in case" with no possibility of freeing up unnecessary rental slots for those who are lower on the priority list. (Priority is currently given to those who meet our resident percentages – generally speaking that is >90% residents, 63-89% residents, 50-62% residents and <50% resident participants.)
- It was noted that Orland Park's exceptional service goes beyond the norm for field preparation. Specifically they referenced the fact that in other areas the teams are responsible for dragging and basing the fields where in Orland Park, our staff provides these services for each game. Staff explained that with so many different users of our facilities, the Village policy on this level of service is based on protecting our facilities as well as the liability of having so many different people prepping fields in varying ways.
- The Advisory Board members were also concerned that the Village is only recouping 10% of field maintenance costs in FY2009. One member suggested we seek to recoup 50% of these costs; however staff explained that the desire is to gradually increase fees so as to not suddenly and adversely impact the affected teams.
- Two advisory board members suggested that the same policies be applied to the use of the FLC gymnasium, as are applied to the Village's other facilities, as this facility is also in demand by organizations. The Village does currently have a fee schedule in place for the Sportsplex gymnasiums, but would recommend that the FLC gym fees reflect a discounted rate for off-peak times that are potentially less desirable during the FY2009 seasons.

The proposed fee schedule for fields and facilities is outlined below. Care was taken to place a heavier fee on the non-resident users of Village facilities and maintain the priority field use for resident teams. The fees are believed to be reasonable so as to not drive non-resident teams out of town. The Village Board has always maintained that there is a place for competitive organizations on our fields and the new schedule should not adversely impact that strategy.

The timing of this discussion is critical to the Baseball and Softball organizations as they are preparing to distribute their registration materials this fall. In order to help expedite the discussion, some of the members of the Recreation Advisory Board will be on-hand at the committee meeting to discuss this item with the Recreation Committee.

General Non-Resident Fee

Current Non-Resident Fee: \$50 per season per non-resident

Proposed Non-Resident Fee: \$100 per season per non-resident

Note: Each organization applies this fee differently – some pass the fees along to only the non-resident participants and others spread the fee across all participants. The Village has not regulated the application of this fee.

Outdoor Field Fees:

Note: A field slot is generally a two-hour time-period on a field.

2008 fees:

>81% residency – no charge and highest priority for field slot allocation

63-80% residency – \$25 non-lit field/\$50 lit field with 2nd priority on field slots

50-62% residency – \$25 non-lit field/\$50 lit field with 3rd priority on field slots

<50% residency – \$75 non-lit field/\$100 lit field with lowest priority on field slots

Proposed 2009 fees:

Note: residency percentages were adjusted per Board direction in 2007. The adjustment was communicated to all organizations during the past year and most recently at the baseball/softball meeting held in early August 2008.

>90% residency – \$15 non-lit field /\$20 lit field and highest priority for field slot allocation

63-89% residency – \$30 non-lit field/\$40 lit field with 2nd priority on field slots

50-62% residency – \$50 non-lit field/\$60 lit field with 3rd priority on field slots

<50% residency – \$90 non-lit field/\$100 lit field with lowest priority on field slots

Indoor Gym Space – Sportsplex and FLC gymnasiums

2008 fees: >90% residency - \$30/hour
50-89% residency - \$40/hour
<50% residency - \$50/hour

Proposed 2009 fees would remain at the same rate, however currently there are organizations that have not been charged for FLC gymnasium use. As the Recreation Advisory Board members noted, the charges encourage organizations to book only the timeslots they need and allow the other gym times to be booked by other organizations.

A fee based on peak-time usage and off-peak usage will be established for those renting the FLC Gymnasium facility during earlier, less desirable hours. A ½ price charge will be applied for those time slots for FY2009.

Budget Impact:

An overall decrease in the subsidy of the Recreation Fund by the General Fund during FY2009.

Motion:

I move to recommend to the Village Board to authorize the fee schedule changes as outlined in the item above in order to meet the Board approved recommendation during the budget process.