



## Legislation Text

---

**File #:** 2021-0761, **Version:** 0

---

### Title

Orland Park Health and Fitness Center Membership Fees

### History

Membership fees to the Orland Park Health and Fitness Center (OPHFC) have not increased since January 2015. The Village purchased the OPHFC in January 2017, at that time, the Village established enrollment fees, along with membership rates for residents, non-residents, Village employees and businesses.

Power Wellness operates the Center on behalf of the Village. This includes administering and managing expenses and revenues directly related to the operation of the Center. The Village supports the Center financially by providing the operational budget. Capital expenses (i.e. HVAC, structural repairs) are funded by the Village, in addition to the operational budget.

In 2021, the Center is projected to spend \$2,537,150, while earning \$2,264,975 resulting in a loss of \$272,175.

To offset expenses and improve the financial performance of the facility, staff recommends a \$2 membership dues increase for each billable member effective January 1, 2022. Attached, please find a summary of the existing and proposed membership fees, along with a break-down of memberships by type. Power Wellness projects membership growth from a year-end total of 3,159 in 2021 to a projected total of 3,784 by the end of 2022.

Raising monthly dues is expected to increase membership revenue by 4%, yielding an additional \$78,698 in membership dues. This, combined with an increase in total members paying dues, is expected to result in overall revenues of \$3,020,962 in 2022. Expenses are projected to total \$2,998,449, yielding net earnings of \$22,513.

The proposed fee increases were discussed and unanimously approved by the Recreation Advisor Board, at October 5, 2021 meeting.

This agenda item is being considered by the Committee of the Whole and the Village Board of Trustees on the same night.

### Financial Impact

Increasing membership fees to the Orland Park Health and Fitness is expected to yield an additional \$76,698 of membership revenue. Along with membership growth, the Center expects to earn \$3,020,962 in revenues in 2022.

### Recommended Action/Motion

I move to approve increasing the membership fees to the Orland Park Health and Fitness Center, effective January 1, 2022, as outlined in the attached.