



DATE: August 31, 2023

TO: Gina Roberts, Chair
Finance Committee

FROM: Stephen Neaman
Director of Finance

RECOMMENDATION: Approve Fee Guidelines, including a revised Fee Guidelines Matrix.

STRATEGIC DIRECTION SUPPORTED: Organizational Sustainability

FINANCIAL DATA: No immediate financial impact. The Fee Guidelines and Fee Guidelines Matrix are used by staff to prepare recommended changes to the Annual Fee Ordinance.

BACKGROUND: In 1992, the District Board’s Finance and Administrative Committee approved “Guidelines for District Fee Ordinance” (the “Fee Guidelines”). The Fee Guidelines (which have been amended from time to time) serve as the basis for establishing fees in the District’s Annual Fee Ordinance approved by the Board.

On April 4, 2013, the Finance and Administrative Committee (the predecessor to the current Finance Committee) approved revised Fee Guidelines that also included a matrix that identifies, for different types of programs offered by the District, whether the District’s policy is to subsidize that program, recover costs of the program through fees or other revenue, or achieve a combination of subsidy and cost recovery (the “Fee Guidelines Matrix”).

In 2021, as staff began preparation for the Annual Fee Ordinance, it became apparent that the Fee Guidelines Matrix should be updated to clarify language, remove programs no longer offered by the District, and add programs that were not being offered in 2013, when the Fee Guidelines Matrix was first approved. As such, staff developed a revised Fee Guidelines Matrix that was presented to the Board’s Committees in April 2021 for policy direction.

Following is a summary of staff-recommended changes to the Fee Guidelines Matrix proposed in 2021:

- Keeping the spectrum of six levels of subsidy/cost recovery but renaming the end points to “Core Programs/Facilities” and “Added Amenities/Services”.
- Updating the descriptions of each level using the vocabulary of the Board-approved 100-Year Vision.
- Moving golf services and boat and bicycle rentals from Level 5 (cost neutral) to Level 6 (positive revenue generation).
- Inserting vendor permits, Fox River boat launch, and food truck permits into the Fee Guidelines Matrix.
- Eliminating programs from the Fee Guidelines Matrix that are no longer offered: birthday parties; day trips; outdoor skill development; swimming beach; dog sledding; wagon/bus rental.

The changes above were deemed acceptable by consensus of the Operations and Finance Committees (with the exception that Bike Rentals were to remain Level 5), resulting in the attached revised Fee Guidelines Matrix. However, to date, the revised Fee Guidelines Matrix has not yet been formally approved by the Finance Committee, which has the authority to do so under the District's Rules of Order and Operational Procedures. To avoid any ambiguity, staff and Corporate Counsel recommend that the Fee Guidelines and Fee Guidelines Matrix be formally voted on and approved by the Finance Committee.

REVIEW BY OTHERS: Chief Operations Officer, Manager of Board Operations, Corporate Counsel.

MOTION: Motion to approve the Fee Guidelines and Fee Guidelines Matrix attached to District staff's August 31, 2023, memorandum.

APPROVAL:

Date: _____ Roll Call Vote: Ayes: ___ Nays: _____

Voice Vote Majority Ayes; Nays: _____

LAKE COUNTY FOREST PRESERVE GUIDELINES FOR DISTRICT FEE ORDINANCE

**May 22, 1992
(revised April 4, 2013)**

General Premises

Fees should be charged when the service or facility being provided is enjoyed by a limited user group rather than the general public and when significant, identifiable costs can be directly attributed. Fees should not be charged if the administrative cost of their processing outweighs the benefits of their collection. These guidelines do not cover law enforcement fines, and contractual agreements such as easements, leases and concessions.

Authority and Responsibility

The District shall prepare and maintain an Annual Ordinance listing fees and charges for Forest Preserve facilities and services that are more in the nature of private services or facilities enjoyed by limited user groups rather than general public benefits, and when there are significant, identifiable costs directly attributable to providing such services or facilities. Fees and charges not covered under the most recent Fee Ordinance shall be set by the President on an interim basis until the next Fee Ordinance is adopted.

Fees and charges for concessions operated under contract with the District shall be established by the respective concessionaire, subject to the approvals specified in their respective contracts.

Fees charged for licenses, easements and commercial ventures shall be negotiated according to separate District policies and procedures, and shall be subject to approvals specified in their respective contracts.

Classification of Services

Services are classified by Levels 1 to 6 on the attached Fee Guidelines Subsidy and Cost Recovery Summary.

1. Basic Services (Level 1) provide general benefits to the District and all Lake County residents. Identifiable incremental costs for individual users are difficult to determine and/or fees would be difficult to collect. As such, they are funded through tax revenues and are provided at no additional charge to the user. They encourage general use of forest preserve lands, through provision of facilities such as parking areas, picnic tables and grills, play fields, restrooms, drinking water, hiking, jogging and bicycling trails, fishing lakes, winter sports facilities and canoe launches, and through provision of services such as maintenance and law enforcement. Also included are educational and public information services such as self-guided educational exhibits and materials, public information exhibits and presentations, and newsletters and other publications.

2. Special Services (Levels 2 to 4) provide direct benefits to limited groups of users, and may provide some indirect benefits to the District and the general public. Significant identifiable costs are incurred to provide the direct benefits to the users. Special service fees include those charged for reservable picnic sites and shelters, horse, snowmobile and model airplane permits, Lake County Museum admission and research and photographic reproduction services, guided educational programs, and special events. These services should be funded partially through tax revenues and partially by fees and charges.

The amount of the fee for each particular service or facility should be related to the identifiable costs directly attributable to providing that service or facility. However, full recovery of those costs from user fees may not be appropriate or feasible in all cases. Factors suggesting a fee less than that required to fully recover direct costs would include, for example:

- (1) The Nature of the Service or Facility: Full cost recovery will be less appropriate when the nature of the service or facility is somewhat mixed between being a general public service or facility and being a special, limited service or facility.
- (2) Resident vs. Non-resident: Full cost recovery will be more appropriate when the user is not contributing taxes to help support the service or facility.
- (3) The Status of the User: Full cost recovery may not be appropriate when the user is a member of a group that is traditionally accorded special consideration in pricing of public or private services. Such groups include, for example, senior citizens, students, District volunteer and support groups, and low-income groups.
- (4) Market Conditions: Full cost recovery may not be feasible if the resulting price unduly diminishes user interest in the service or facility. This condition may, however, suggest the need to re-analyze demand for the service or facility.

3. Level 5 Services include fees for certain programs with highly individual benefits, entertainment special events, golf courses and driving ranges, and non-profit or government use of rental facilities, or administrative services such as making copies of documents, blueprints and aerial photographs for individuals, contractors, and other organizations. These services should be funded through fees and charges designed to recover the cost of labor, overhead and materials necessary to provide the service.

The fees for enterprise services should reflect considerations similar to those affecting the pricing of special services, but full recovery of costs will more frequently be appropriate and feasible.

4. Level 6 Services provide no indirect benefits to the District mission or all Lake County residents, and offer substantial direct benefits to private individuals, businesses or limited groups of users. Identifiable costs for users can reasonably be determined and related fees collected. These services should generate revenues in excess of cost of providing the services, including all staff, materials, contractual and capital replacement costs.

Lake County Forest Preserves - Fee Guidelines Subsidy and Cost Recovery Summary

Core Programs/Facilities						Added Amenities/Services
LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	LEVEL 5	LEVEL 6	
Provide general benefits to all Lake County residents through stewardship of healthy landscapes and quality of life. Encourage general use of District lands.	Provide benefits to Lake County residents, and direct benefits to limited groups of users by strengthening connections.	Provide benefits to Lake County residents. Provide services to partner organizations and underserved groups, by strengthening connections Advance public image and exhibit organizational excellence through events and outreach.	Provide benefits to Lake County residents, and substantial direct benefits to limited groups of users. Provides unique services to Resident interest groups. Advance public image and exhibit organizational excellence through events and outreach.	Provide benefits to Lake County residents, and direct benefits to private individuals or limited groups of users. Provides unique opportunities to Non-Residents as well at a fee. Full cost recovery will contribute to financial stability.	Provide benefits to District residents as well as Non-Residents, and direct benefits to private individuals or limited groups of users. Unique services provide opportunities for revenue generation and contributions to financial sustainability.	
100% Tax Subsidy	75% Tax Subsidy	50% Tax Subsidy	25% Tax Subsidy	0% Tax Subsidy	Net Revenue	
0% Cost Recovery	25% Cost Recovery	50% Cost Recovery	75% Cost Recovery	100% Cost Recovery	More than 100% Cost Recovery	
Examples: <u>Education and Information:</u> <ul style="list-style-type: none"> - Outdoor Exhibits (Information and Education) - Community Speakers Bureau (General District promotion and Priority Topics) - Drop-in or Roving Education and Interpretation at District Sites - News Media Photography, Film or Video Coverage - Websites and Other Electronic Communication Media - Public Reception (Walk-in and Telephone) - Museum Archives and Collections Management Services - Publications (Horizons and Other) - Museum Archives Library and Ryerson Woods Library Access (walk-in use during regular hours) 	Examples: <u>Education and Information:</u> <ul style="list-style-type: none"> - Educational Field Trips to District Sites (Lake County schools) - Educational Programs in Schools (Lake County schools) - Teacher Training - District Special Events (Cultural or Educational Theme) - Museum General Exhibits Access 	Examples: <u>Education and Information:</u> <ul style="list-style-type: none"> - Education Programs (Published Schedule) - Education Programs (Natural and cultural history-related programs available to youth, families and adults) - Museum Archive Services (Lake County residents, non-commercial) - Summer Day Camps (children's educational programs) 	Examples: <u>Education and Information:</u> <ul style="list-style-type: none"> - Education Programs (Custom Request, Residents, District & Other In-county Sites) 	Examples: <u>Education and Information:</u> <ul style="list-style-type: none"> - Education Programs (custom request, Non-Residents) - Educational Field Trips to District Sites (Non-Lake County schools) - District Special Events (Entertainment Theme: e.g., Independence Grove Concerts) - Native Plant Sale - Museum Archive Services (non residents, commercial) - Guided Walks & Programs (Commercial Tour Operators at District Sites, e.g., Stevenson) 	Examples:	
<u>Permitting/General Access:</u> <ul style="list-style-type: none"> - Picnic Shelter (Under 25 people, non-reserved) - Open Play Fields (non-reserved) - Picnic Tables (Non-Reserved) - Trails (Hiking, Jogging, Walking, Biking and Cross-country Skiing) - Children's Play Equipment - Parking (Lake County Resident General Visitation) - Toilets - Drinking Water - Fishing Lakes - Wildlife Observation Areas - Winter Sports (Sledding, Ice Skating, Ice Fishing, Cross-country Skiing) - Canoe Launches (DPR) and Cartop Boat Launches (Long Lake, Sterling Lake) - Maintenance and Law Enforcement (General Visitation) - Ecological Services (Flood Control, Water Quality, Air Quality, Property Values, Tourism, Natural Resource, Wildlife Management) 	<u>Business Development:</u> <ul style="list-style-type: none"> - Open Area Permits (Reserved) <u>Permitting/General Access:</u> <ul style="list-style-type: none"> - Picnic Shelter Permits (Reserved) - Horse Trail Use Permit (livery) - Horse Trail Use (Daily) - Horse Trail Use (Annual) 	<u>Business Development:</u> <u>Permitting/General Access:</u> <ul style="list-style-type: none"> - Scout/Organized Youth Group Campground Permit 	<u>Business Development:</u> <u>Permitting/General Access:</u> <ul style="list-style-type: none"> - Dog Exercise Area Permit 	<u>Business Development:</u> <ul style="list-style-type: none"> - Vendor permitting - Indoor Facility Rental for Greenbelt Cultural Center, Dunn Museum, Ryerson Woods, Stevenson House (Non-profit or Government) - Indoor Facility Rental for Operations & Public Safety, General Offices (Government) - Non-profit Building Use Long-Term License - Bike Rental <u>Permitting/General Access:</u> <ul style="list-style-type: none"> - Cross-Country Meet Permits - Administrative Services (bid packages, photocopies, police reports, etc.) - Model Airplane Flying Field Permit 	<u>Business Development/Golf:</u> <ul style="list-style-type: none"> - Boat and Trailer Storage - Boat Slip Rental - Golf Courses and Driving Ranges - Ryerson Woods, Stevenson House (Social or Corporate) - Indoor Facility Use Permit for Greenbelt Cultural Center, Dunn Museum, Ryerson Woods, Stevenson House (Social or Corporate) - Foodservice and Beverage Sales - Food, Beverage and Banquet Concessionaire - Gift Shop or Other Retail Sales - Boat Rental - Boat Launch Use (Fox River) - Equestrian Boarding Stable Concessionaire <u>Permitting/General Access:</u> <ul style="list-style-type: none"> - Special Use Permits - Commercial Photography, Film or Video Permit (Medium or Large Production) (Small Production) - Food Truck Annual Permit - Artwork Sales Commission 	