

# DECISION PAPER



**Date:** November 15, 2019

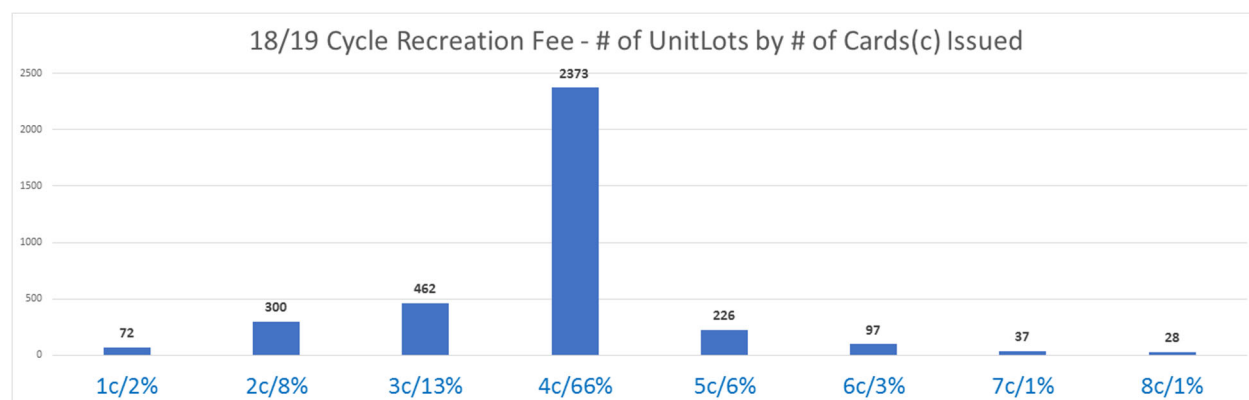
## ISSUE:

The current approved 2020/2021 Recreation Fee is \$350 for up to four individuals on a property. The Board of Directors would like to review and discuss a “1-2 Person” option for the recreation fee of \$290.

## BACKGROUND:

The Recreation Fee cycle runs May 1 to April 30 annually. The Recreation Fee is a member only season pass valid for unlimited access to private amenities and Snowplay. For the 19/20 cycle there are 3,624 or 56% of the 6473 properties in Tahoe Donner that have purchased the base Recreation Fee which is valid for up to four individuals cards on the property. Additional cards may be purchased, for up to eight total on a property.

Data extract from RTP system provides the following # of Recreation Cards per property distribution:



Above indicates of Recreation Fee properties, 372 properties have 2 or 1 cards activated. The \$60 difference x 372 equates to a revenue decrease of \$22,320 or \$3.45 per 6473 owners.

Making a new Recreation Fee 2P product in point of sale system and selling is relatively easy. However, the following issues and logistics are noted.

- The assessment invoice was mailed 11/15 and has the optional Recreation Fee \$350 as approved noticed. This year 66% of Rec Fee purchasers did so with one check, along with paying the Annual Assessment. The new 2P will create an estimated 200-300 refund \$350 and sell \$290 RecFee 2P, net refund \$60 transactions. We would need to communicate this matter, however the logistics should be manageable.
- Many members will likely ask why not a 1p or 3p etc product, or why not a per person price. Potential confusion.
- With the Amenity Access Policy a strategic planning objective, the potential for a new 2P now, then another change later. Potential confusion.

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## OPTIONS:

1. Make no changes now. Incorporate Recreation Fee modification options with the Amenity Access policy review, currently a project for 2020.
- 2.

## RECOMMENDATION:

Management recommends the Board of Directors consider approving Option 1

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**Prepared By:** Michael Salmon, Director of Finance and Accounting

**Reviewed By:**

**General Manager Approval:** \_\_\_\_\_ **Date:** \_\_\_\_\_