

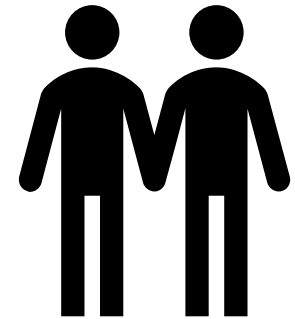
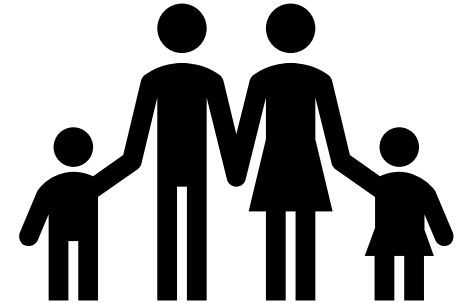
TAHOE DONNER RECREATION FEE

SEPTEMBER 24, 2021

ASSUMPTIONS
ADDITIONAL WORK
RESULTS

ASSUMPTIONS

- **Analyze a Rec Fee product mix that includes an option for a 2-person fee and a 4-person fee**
- **Analysis should be revenue neutral**
 - Revenue projection should equal the proposed revenue total of \$1,260,000 in the draft 2022 budget presentation
- **Specific analysis assumptions:**
 - Use actual data from 2017-2018 and 2018-2019 Rec Fee periods
 - Use the 2022 proposed daily access fee of \$10 per member in the analysis
 - 90% of all former card holder uses will be converted to daily access uses/revenue
 - Use the 2022-2023 forecasted quantity of Rec Fees sold in the analysis
 - 25% conversion rate from 4 to 2-person Rec Fee product



ADDITIONAL WORK TO BE COMPLETED

- **Member outreach plan to validate our assumptions and the desire for this product option**
 - **Staff recommends member outreach, including surveys around any potential change**
 - This does not address or contemplate other viable modifications to amenity access related to the Rec Fee.
 - How many members are seeking this change.
- **Analysis has yet to be reviewed by the Finance Committee and/or independent 3rd party**
- **Staff has yet to evaluate or develop a transition plan for any potential change**
 - **Marketing – member information campaign to mitigate confusion, internal information campaign for staff**
 - **IT – new product development and implementation plan**
 - **Staff training – Member Services implementation process and amenity front line enforcement and communication – upgrade product**



RESULTS

Using the proposed 2022 fee of \$395 per property as a baseline, for roughly each \$12 deducted for a two-person fee, the 4-person fee will need to increase by \$1.

For example, a 2-person Rec Fee for \$347 would result in a 4-person Rec Fee of \$399 to remain revenue neutral.