

MEMORANDUM**TO:** Board of Trustees**THROUGH:** Bobby Magee, District General Manager**FROM:** Tim Sands, General Manager Golf Operations**SUBJECT:** Review, Discuss, and Approve the Recommended 2024/25 Golf Season Rates (Requesting Staff Member: General Manager of Golf Operations Timothy Sands)**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES**

Board Policy Practice 6.2.0 - Pricing for Product Services and Practice.

3.5 Venue-Specific Pricing While applying the Community Services pricing guidelines as set forth in this practice, each venue, as a unique business enterprise, may incorporate modifications to its pricing for access/rentals, programs, and services, provided the venue is able to achieve overall financial results consistent with the net income targets established through the annual budget process. Such modifications may include, but are not limited to:

3.5.1 Golf Course Fees

3.5.1.1 Fees charged to IVGID Picture-pass holders, their guests and others may vary based on season, day of the week, time-of-day, and partial (9-hole) use of the golf courses.

3.5.1.2 Play-Passes offered to IVGID Picture Pass holders may be priced at a discount from daily fees.

3.5.1.3 Management shall track and report average revenue per-round, in relation to the defined cost-recovery targets.

DATE: April 24, 2024**I. RECOMMENDATION**

IVGID Board of Trustee's Meeting 04.24.2024
 Golf Rates for 2024 Recommendation Part 1 of 2:

Coming into the 2024 season, the staff looked at the surrounding area of the Lake Tahoe Basin and Truckee, CA for comparative rates. Listed below are the recommended rates for residents that are picture pass holders, their guests, and/or non-picture pass holders. Along with the changes to the course's pricing for the season. The staff are creating multiple protocols to ensure financial accountability throughout the year. These protocols are as such; daily closing operations for golf that include revenue, type of golfer, and utilization. In Food &

Beverage, the staff will track daily and weekly sales and labor usage to ensure proper staffing levels and hours of operations that are provided for the community.

In this recommendation, the staff will eliminate the “super twilight” rate that would start at 5:30pm throughout the season (not a large enough time slot to warrant such a reduction). There is an approx. 2-4% increase in rates over multiple categories for time of season and time of the day. The course’s tee sheet will also have separate placeholders throughout the week for non-resident guests at peak times. Saturday 10-11am & Sunday 10am-11am with a 14-day cancellation or open period for residents to book.

Creating this model, staff has evaluated that projected revenue from these green fees should be approx. \$2,350,000 (not including potential play pass revenue) throughout Fiscal 24/25 (July 1st) for the Championship Course, with a utilization rate of 72%. Expense projection at approx. \$2,025,000. This projection creates a positive contribution to the Fund balance of \$325,000.

Championship Course Picture Pass Holder:

Open/June 9th: (approved 2023* rates)

First Tee Time – 2pm: (weekday) **\$75** – (fri,sat,sun) **\$85** (\$83)

2pm-4pm: (weekday) **\$55** – (fri,sat,sun) **\$65** (\$63)

After 4pm: (weekday) **\$40** – (fri,sat,sun) **\$45** (\$37)

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June 10th– Sept 22nd:

First Tee Time – 2pm: (weekday) **\$110** – (fri,sat,sun) **\$120** (\$120)

2pm-4pm: (weekday) **\$80** – (fri,sat,sun) **\$85** (\$80)

After 4pm: (weekday) **\$50** – (fri,sat,sun) **\$60** (\$58)

Sept 23rd – Closing:

First Tee Time – 2pm: (weekday) **\$85** – (fri,sat,sun) **\$90** (\$91)

2pm-4pm: (weekday) **\$70** – (fri,sat,sun) **\$75** (\$63)

After 4pm: (weekday) **\$40** – (fri,sat,sun) **\$50** (\$37)

Championship Course Guest of Picture Pass Holders:

Open/June 9th:

First Tee Time – 2pm: (weekday) **\$110** – (fri,sat,sun) **\$130** (\$128)

2pm-4pm: (weekday) **\$85** – (fri,sat,sun) **\$100** (\$96)

After 4pm: (weekday) **\$55** – (fri,sat,sun) **\$65** (\$56)

June 10th– Sept 22nd:

First Tee Time – 2pm: (weekday) **\$175** – (fri,sat,sun) **\$190** (\$186)

2pm-4pm: (weekday) **\$125** – (fri,sat,sun) **\$135** (\$133)

After 4pm: (weekday) **\$85** – (fri,sat,sun) **\$90** (\$89)

Sept 23rd – Closing:

First Tee Time – 2pm: (weekday) **\$125** – (fri,sat,sun) **\$140** (\$139)

2pm-4pm: (weekday) **\$90** – (fri,sat,sun) **\$100** (\$102)

After 4pm: (weekday) **\$55** – (fri,sat,sun) **\$60** (\$56)

Championship Course Non-Picture Pass Rate:

Open/June 9th:

First Tee Time – 2pm: (weekday) **\$150** – (fri,sat,sun) **\$170** (\$170)

2pm-4pm: (weekday) **\$115** – (fri,sat,sun) **\$130** (\$128)

After 4pm: (weekday) **\$70** – (fri,sat,sun) **\$80** (\$75)

June 10th– Sept 22nd:

First Tee Time – 2pm: (weekday) **\$235** – (fri,sat,sun) **\$255** (\$247)

2pm-4pm: (weekday) **\$175** – (fri,sat,sun) **\$190** (\$185)

After 4pm: (weekday) **\$115** – (fri,sat,sun) **\$120** (\$119)

Sept 23rd – Closing:

First Tee Time – 2pm: (weekday) **\$170** – (fri,sat,sun) **\$185** (\$187)

2pm-4pm: (weekday) **\$125** – (fri,sat,sun) **\$145** (\$140)

After 4pm: (weekday) **\$75** – (fri,sat,sun) **\$85** (\$74)

Moving onto the Mountain Course, the staff focused on the fact that this course creates a new golfer experience along with a large residential component. This allows for a nine hole golf rate throughout the day. Most of the communities' inexperienced golfers will choose to play the mountain course, which allows the staff to provide a service to the community at a much lower rate. This business model creates an area of opportunity to turn a beginner or casual golfer into an active participant moving towards play at the Championship course on a regular basis.

The staff also evaluated the 5pm time slot for an eighteen-hole round. In conclusion, we are eliminating an eighteen hole option and only allowing a nine hole rate to help with staff labor levels and simplification for the residents (peak season).

Creating this model, staff has evaluated that our projected revenue from these greens fees should be approx. \$735,025.00 throughout Fiscal 24/25 (July1st) for the Mountain Course, with a 68% utilization rate. The staff also projects

expenses to be approx. \$675,850.00. This projection creates a positive contribution to the Fund balance of \$59,175.

Mountain Course Picture Pass Holder:

Open/June 9th: (approved 2023*)

First Tee Time – 2pm: **18 HOLES** (weekday) **\$45** – (fri,sat,sun) **\$50** (\$48)
First Tee Time – 2pm: **9 HOLES** (weekday) **\$30** – (fri,sat,sun) **\$40** (\$31)
2pm-5pm: **18 HOLES** (weekday) **\$40** – (fri,sat,sun) **\$45** (\$43)
2pm-5pm: **9 HOLES** (weekday) **\$30** – (fri,sat,sun) **\$35** (\$28)
After 5pm: **9 HOLES** (weekday) **\$25** – (fri,sat,sun) **\$30** (\$19)

June 10th– Closing:

First Tee Time – 2pm: **18 HOLES** (weekday) **\$55** – (fri,sat,sun) **\$60** (\$55)
First Tee Time – 2pm: **9 HOLES** (weekday) **\$35** – (fri,sat,sun) **\$40** (\$38)
2pm-5pm: **18 HOLES** (weekday) **\$45** – (fri,sat,sun) **\$55** (\$55)
2pm-5pm: **9 HOLES** (weekday) **\$35** – (fri,sat,sun) **\$40** (\$35)
After 5pm: **9 HOLES** (weekday) **\$30** – (fri,sat,sun) **\$35** (\$22)

Mountain Course Guest of Picture Pass Holder:

Open/June 9th:

First Tee Time – 2pm: **18 HOLES** (weekday) **\$55** – (fri,sat,sun) **\$60** (\$57)
First Tee Time – 2pm: **9 HOLES** (weekday) **\$35** – (fri,sat,sun) **\$40** (\$37)
2pm-5pm: **18 HOLES** (weekday) **\$45** – (fri,sat,sun) **\$55** (\$53)
2pm-5pm: **9 HOLES** (weekday) **\$30** – (fri,sat,sun) **\$35** (\$34)
After 5pm: **9 HOLES** (weekday) **\$25** – (fri,sat,sun) **\$30** (\$25)

June 10th– Closing:

First Tee Time – 2pm: **18 HOLES** (weekday) **\$70** – (fri,sat,sun) **\$75** (\$71)
First Tee Time – 2pm: **9 HOLES** (weekday) **\$45** – (fri,sat,sun) **\$50** (\$46)
2pm-5pm: **18 HOLES** (weekday) **\$65** – (fri,sat,sun) **\$70** (\$68)
2pm-5pm: **9 HOLES** (weekday) **\$40** – (fri,sat,sun) **\$45** (\$42)
After 5pm: **9 HOLES** (weekday) **\$35** – (fri,sat,sun) **\$40** (\$28)

Mountain Course Non-Picture Pass Rate:

Open/June 9th:

First Tee Time – 2pm: **18 HOLES** (weekday) **\$65** – (fri,sat,sun) **\$70** (\$66)
First Tee Time – 2pm: **9 HOLES** (weekday) **\$45** – (fri,sat,sun) **\$50** (\$45)
2pm-5pm: **18 HOLES** (weekday) **\$55** – (fri,sat,sun) **\$65** (\$66)
2pm-5pm: **9 HOLES** (weekday) **\$40** – (fri,sat,sun) **\$45** (\$40)

After 5pm: **9 HOLES** (weekday) **\$35** – (fri,sat,sun) **\$40** (\$33)

June 10th – Closing:

First Tee Time – 2pm: **18 HOLES** (weekday) **\$90** – (fri,sat,sun) **\$95** (\$90)

First Tee Time – 2pm: **9 HOLES** (weekday) **\$55** – (fri,sat,sun) **\$60** (\$55)

2pm-5pm: **18 HOLES** (weekday) **\$85** – (fri,sat,sun) **\$90** (\$90)

2pm-5pm: **9 HOLES** (weekday) **\$55** – (fri,sat,sun) **\$60** (\$55)

After 5pm: **9 HOLES** (weekday) **\$40** – (fri,sat,sun) **\$45** (\$38)

Please see attached for the 2023 approved rates.

Play Passes for Picture Pass holders have been a large part of the community for many years. Staff could find records as far back as 2009 & 2010. Play Pass for twenty rounds at the Championship Course (CH) in 2010 was \$1,020. In 2023, the course charged \$1,680, which is a steady increase over time. The directive staff has been taking over the past few seasons is one which calculates a cost per round for all categories of players. Staff found that the average revenue per round for Picture Pass Holders was \$77.85 and for a Play Pass Holder it was \$79.56. Picture pass holders' prices came in slightly lower due to the reduction in prices throughout daily operations. Peak season and peak time (open-2pm) cost was \$120 and twilight (2pm-4pm) was \$80. This average lowers the cost for most residents playing the Championship course.

For 2024/25 play passes are recommenced as follows::

- CH 10 Play Pass - \$925
- CH 20 Play Pass - \$1,700
- Limited Seasonal Pass (mon/thurs anytime – fri,sat,sun after 12pm) of 55 rounds - \$3,700
- CH/MT Seasonal Pass of 70 Rounds - \$4,375
- CH/MT Couples Seasonal Pass of 120 rounds - \$6,600
- CH/MT Seasonal Afternoon Pass of 70 rounds - \$3,150
- MT 10 Play - \$430
- MT 20 Play - \$815
- MT Seasonal Pass of 40 (nine hole) rounds - \$1,200
- Eliminate the 30 & 40 play pass option
- Eliminate the after 5:30pm rate to bolster twilight revenue

In allowing these programs, community reach will grow and revenue will be

reflected across the operation from merchandise sales, driving range, food/beverage, and event participation.

II. BACKGROUND

III. BID RESULTS

IV. FINANCIAL IMPACT AND BUDGET

V. ALTERNATIVES

VI. COMMENTS

VII. BUSINESS IMPACT/BENEFIT

VIII. ATTACHMENTS

None

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES