

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Mike Bandelin  
Diamond Peak General Manager

**SUBJECT:** Review, Discuss and Possibly Approve Diamond Peak Ski Resort's 2021-2022 Picture Pass Holder daily ticket and Picture Pass Holder/Non Picture Pass Holder season pass Key Rate proposal.

**STRATEGIC PLAN:** Long Range Principle #2 - Finance

**DATE:** March 1, 2021

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### **I. RECOMMENDATION**

Staff recommends that the Board of Trustees makes a motion to:

1. Approve a zero-dollar increase to all Picture Pass Holder season passes and daily ticket products for fiscal year 2021-2022.
2. Approve a Fiscal Year 2021/2022 non Picture Pass Holder full season pass rate increase to pass products as shown in Table 1 of the memorandum.
3. Authorize Staff to practice yield management with non Picture Pass Holder full season pass products included in (Tier 3) of the date based pricing proposal.

### **II. DISTRICT STRATEGIC PLAN**

The Season Pass Sale Program supports the Long Range Principle #2 Finance; The District will ensure fiscal responsibility and sustainability of service capacities by maintaining effective financial policies for operating budgets, fund balances, capital improvements, and debt management.

### III. BACKGROUND

The District operated ski area provides a sale of a season long ski passes to the Picture Pass Holders and non Picture Pass Holders as well as Picture Pass Holder daily ticket products. The Picture Pass Holder ski passes as well the daily ticket products are sold at a reduced rate as compared to non-resident passes and ticket products.

During the March 11, 2020 Board of Trustees meeting, Staff recommended a zero dollar increase to the Picture Pass holder pass products including no rate changes to Picture Pass Holder daily lift ticket products. Staff also recommended a (\$10.00) increase to non Picture Pass Holder pass products within all pricing tiers. The Board of Trustees and staff discussed the recommendation and the Board of Trustees unanimously approved the recommendation of a zero dollar increase to fiscal year 2020-2021 Picture Pass Holder daily ticket and season pass rates. The Board of Trustees also approved a (\$20.00) increase to non Picture Pass Holder - resident pass products in all date-based pricing tiers and age groups with the exception of age (6) and under and Super Senior rates.

Staff will initiate a Fiscal Year 2021-2022 Diamond Peak season pass sale on or around March 16, 2021, and continue with the 3-tiered pricing structure for season passes as adopted last season, with (Tier 1) rates available through April 30, 2021; (Tier 2) rates available from May 1 – October 31, 2021; and (Tier 3) rates available from November 1, 2021 through the end of the ski season 2022.

This recommendation is proposing the IVGID Picture Pass Holder season passes and daily ticket rate structure remain consistent with no change from the 2020-2021 rates for the 2021-2022 season. Staff will note that the current rates for Picture Pass Holder day tickets have not changed since the 2010-2011 season. The Tables below provide the proposed Picture Pass Holder Key Rates for the 2021-2022 fiscal year.

Picture Pass Holder Daily Ticket Rates 2021-2022

Age Group	Value / Weekend	Peak Period
Adult	\$25	\$35
Youth/Senior	\$20	\$30
Child	\$15	\$20
Beginer	\$18	\$28
6 & under / 80 +	Free	Free

### Picture Pass Holder Full Season Pass Rate

	FY 2021	FY 2022	FY2021	FY2022	FY 2021	FY 2022
Full	Tier 1	Tier 1	Tier 2	Tier 2	Tier 3	Tier 3
Adult	\$289	<b>\$289</b>	\$319	<b>\$319</b>	\$349	<b>\$349</b>
Youth	\$139	<b>\$139</b>	\$159	<b>\$159</b>	\$189	<b>\$189</b>
Child	\$109	<b>\$109</b>	\$129	<b>\$129</b>	\$149	<b>\$149</b>
Senior	\$109	<b>\$109</b>	\$119	<b>\$119</b>	\$149	<b>\$149</b>
Super Senior	\$29	<b>\$29</b>	\$39	<b>\$39</b>	\$49	<b>\$49</b>

### Picture Pass Holder Midweek Pass Rates

	FY 2021	FY 2022	FY2021	FY2022	FY 2021	FY 2022
Midweek	Tier 1	Tier 1	Tier 2	Tier 2	Tier 3	Tier 3
Adult	\$219	<b>\$219</b>	\$249	<b>\$249</b>	\$299	<b>\$299</b>
Youth	\$109	<b>\$109</b>	\$129	<b>\$129</b>	\$149	<b>\$149</b>
Senior	\$89	<b>\$89</b>	\$99	<b>\$99</b>	\$119	<b>\$119</b>
Super Senior	\$20	<b>\$20</b>	\$30	<b>\$30</b>	\$40	<b>\$40</b>

For the non Picture Pass Holder ski pass products, Staff's recommendation includes a rate increase to all age categories for the 2021-2022 season as shown in Table 1 below. The proposal includes a sizable increase to the Youth and Senior age groups. On average (111) Senior and (534) Youth passes are purchased annually and Diamond Peak's consistency of providing a quality product and service to its customers supports a rate increase and also provides a market rate adjustment as compared to other ski areas in the region. Staff will note, the comparison charts provided within the report include the 2020-2021 preseason rates that were advertised and compiled for this report from other ski areas within the area.

Staff proposes that the Board of Trustees authorize management to adjust non Picture Pass Holder pass prices to accomplish yield management. For example, staff may adjust pricing or the number of units available for purchase in (Tier 3) as a result of snow conditions, purchaser demand and or a ratio to a 2021-2022 lift ticket price.



**Table 1 – Proposed Non Picture Pass Holder Full Season Pass Rates**

Full Season Pass	FY 2021	FY 2022	FY 2022	FY2021	FY 2022	FY 2022	FY 2021	FY 2022	FY 2022	FY 2022
	Tier 1	Tier 1	Variance	Tier 2	Tier 2	Variance	Tier 3	Tier 3	Variance	Average Increase
Adult (24-64)	\$419	\$439	\$20	\$474	\$494	\$20	\$509	\$620	\$111	\$50
Youth (13-23)	\$249	\$339	\$90	\$274	\$414	\$140	\$289	\$520	\$231	\$154
Child (7-12)	\$179	\$199	\$20	\$204	\$229	\$25	\$229	\$280	\$51	\$32
Senior (65-69)	\$179	\$409	\$230	\$204	\$434	\$230	\$229	\$520	\$291	\$250
Super Senior (70-79)	\$159	\$159	\$0	\$174	\$174	\$0	\$199	\$220	\$21	\$21
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transferable	N/A	N/A	N/A	\$799	\$1,099	\$300	\$799	\$1,099	\$300	\$300

Staff also recommends the non picture pass holder mid-week pass be removed as an option from the pass product mix. This product equates to an annual average of 3% of all pass products sold and it is likely that a percentage of the purchasers of a midweek product would choose a non picture pass holder full pass as an option. As shown in the comparison charts Tables 4-7, other resorts in the area have also discontinued this product from their pass product mix. The deletion of this product removes the task of building the product, administrating and access control of the user. As shown in Table 2, staff has provided the quantity of pass units and revenue associated with pass products that are proposed to be deleted from the product mix.

**Table 2 Non Picture Pass Holder Midweek Passes**

Midweek	FY 2019	FY 2019	FY 2020	FY 2020	FY 2021	FY 2021
	Quantity	Revenue	Quantity	Revenue	Quantity	Revenue
Adult (24-64)	86	\$26,817	131	\$39,877	165	\$58,460
Youth (13-23)	10	\$2,170	20	\$3,638	20	\$4,895
Senior (65-69)	34	\$4,947	29	\$4,172	29	\$5,016
Super Senior (70-79)	53	\$6,430	54	\$6,308	40	\$5,568
Total	183	\$40,364	234	\$53,995	254	\$73,939

Staff has included a number of tables and charts related to resident tickets and season pass products for review.

- Table 3 provides a year over year summary of resident tickets sold or provided including the Districts IVGID Community Appreciation Week.
- Tables 4 - 7 provide charts of preseason pass rate comparison by age group from other resorts in the area. Please note that each comparison ski area may have differences by age group and pass availability.
- Table 8 provides a 5 year summary of season pass units including revenue from the sale of the pass products.

- Tables 9 - 15 provide charts of total pass sales by residency, pass unit sales by age group, revenue by residency, revenue by age group, sales by period, full versus midweek units, and daily pass usage percentage.
- Table 16 provides the year over year overall summary of actual pass unit purchases, age group products purchased, revenue associated with the product, average price of the pass unit and overall fiscal year revenue. The table also includes the 2021-2022 projected number of pass units sold as well as revenue associated with the sale of season passes.

#### **IV. FINANCIAL IMPACT AND BUDGET**

Provided that the Picture Pass Holder and non picture pass holder season pass and daily ticket pricing proposal is approved, staff will reflect the pricing changes in the 340 fund proposed 340 fund 2021-2022 season pass and ticket revenue budget.

#### **V. COMMENTS**

To remain consistent with previous Community Services Memorandum's of Recommendations to Key Rates - *\*The IVGID Board of Trustees allows management to adjust prices to accomplish yield management provided the rate offered to the public is above the IVGID Picture Pass Holder rate.*

#### **VI. BUSINESS IMPACT**

This item is not a "rule" within the meaning of NRS, Chapter 237, and does not require a Business Impact Statement.

#### **VII. ALTERNATIVES**

None proposed.

Table 3

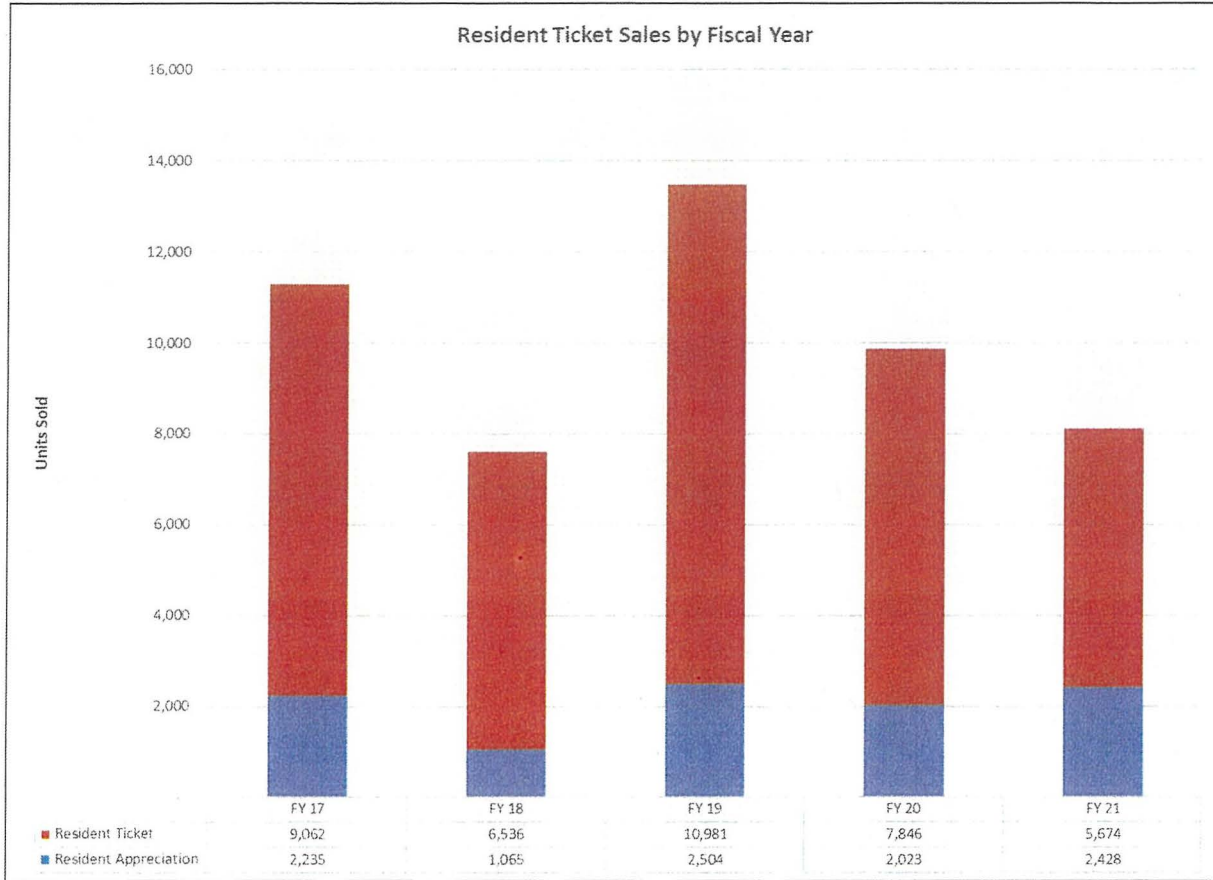


Table 4

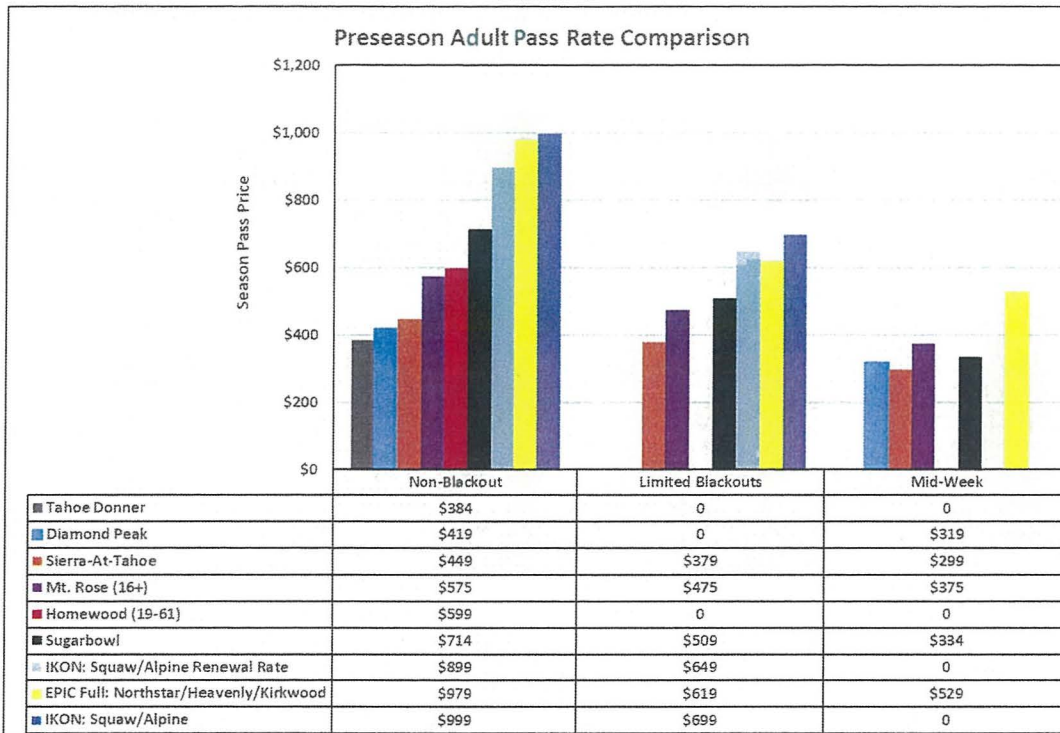


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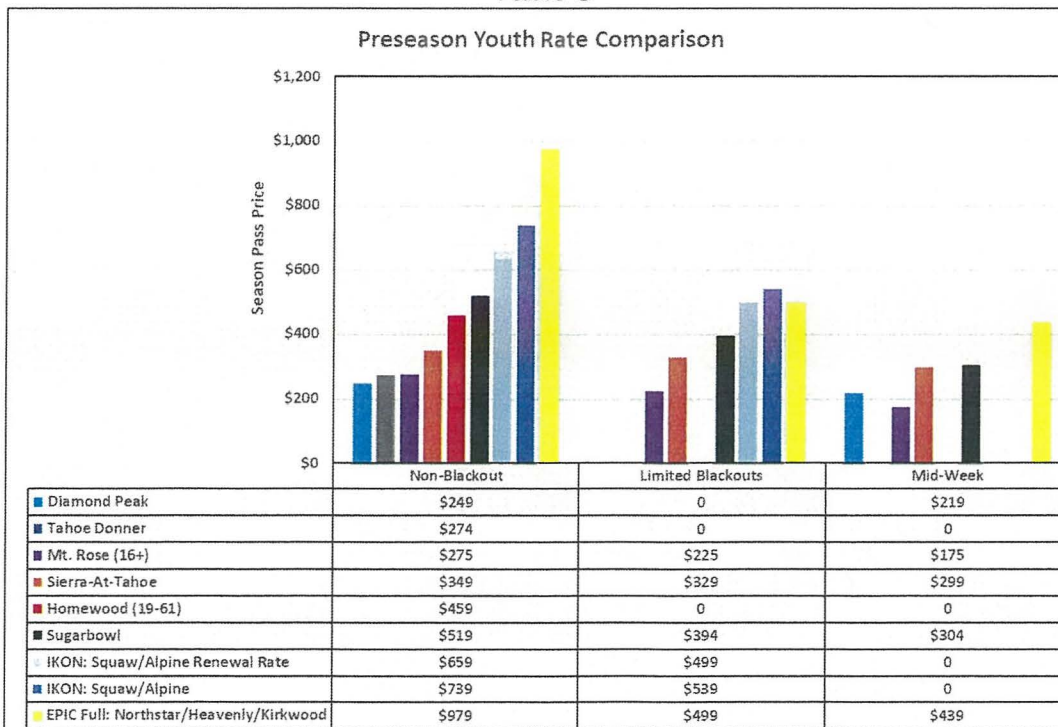




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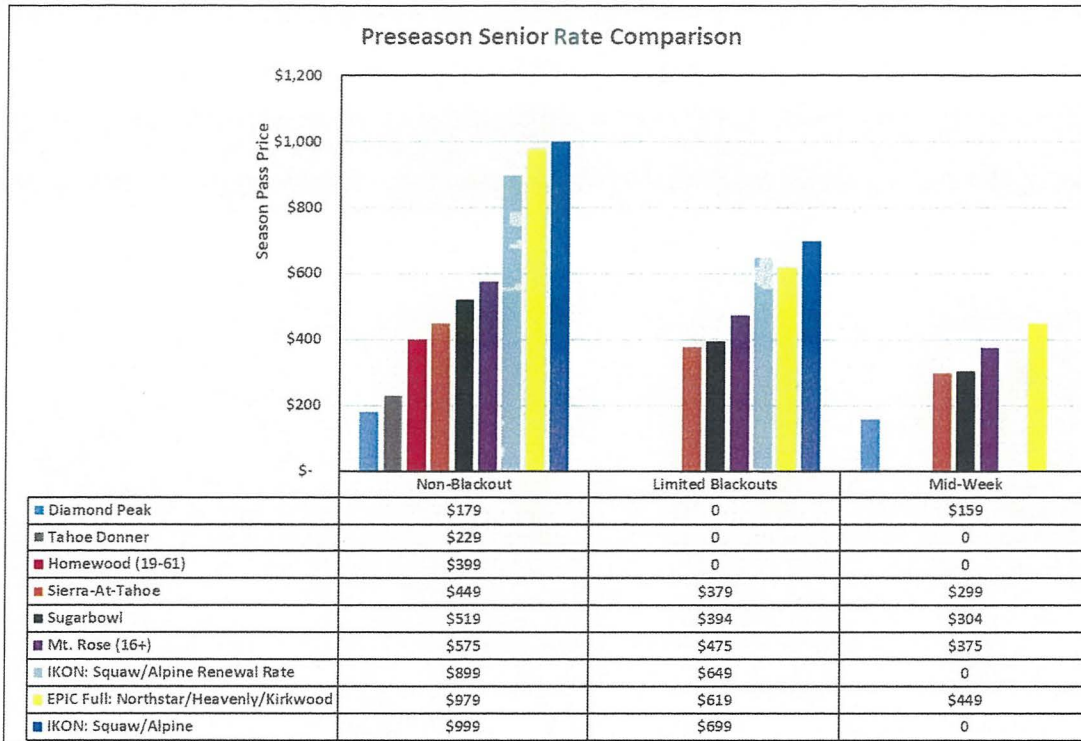


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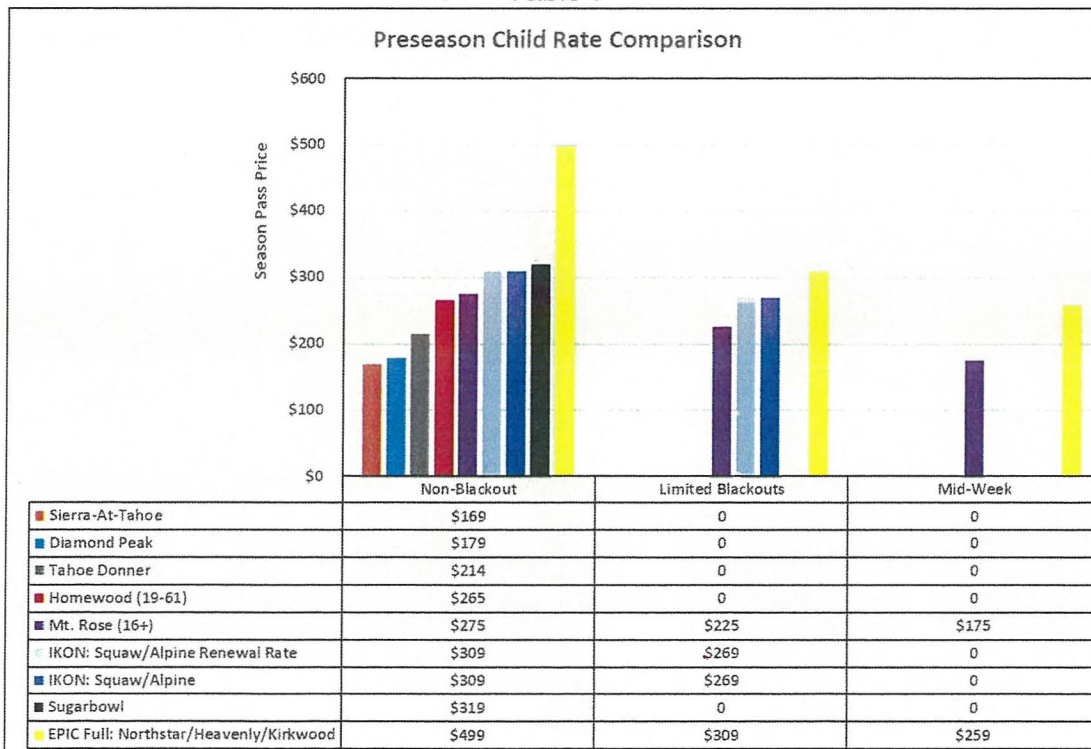




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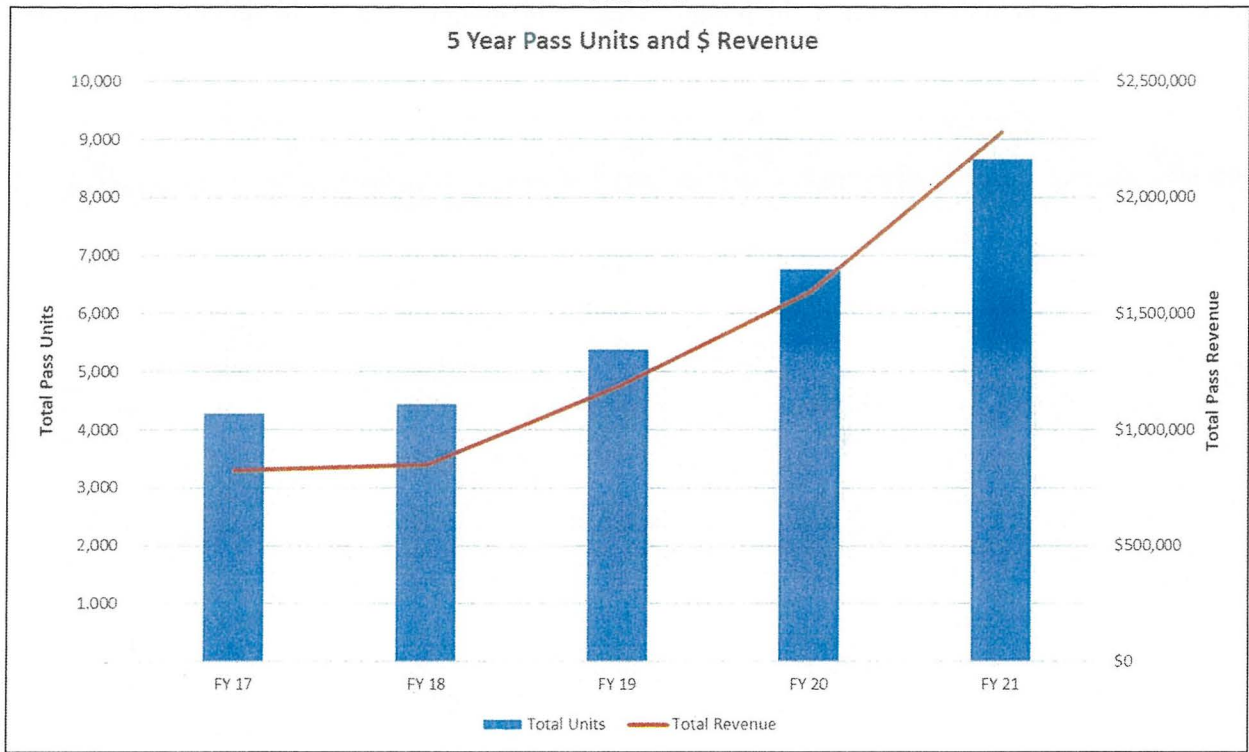


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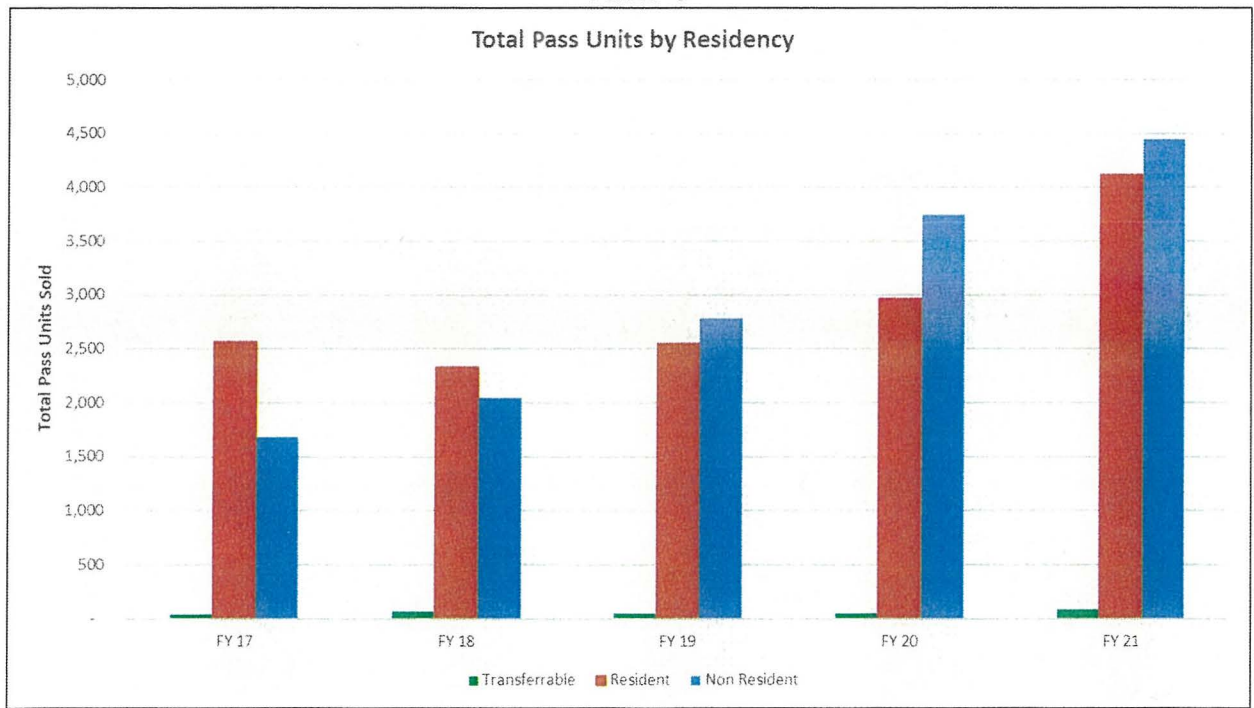


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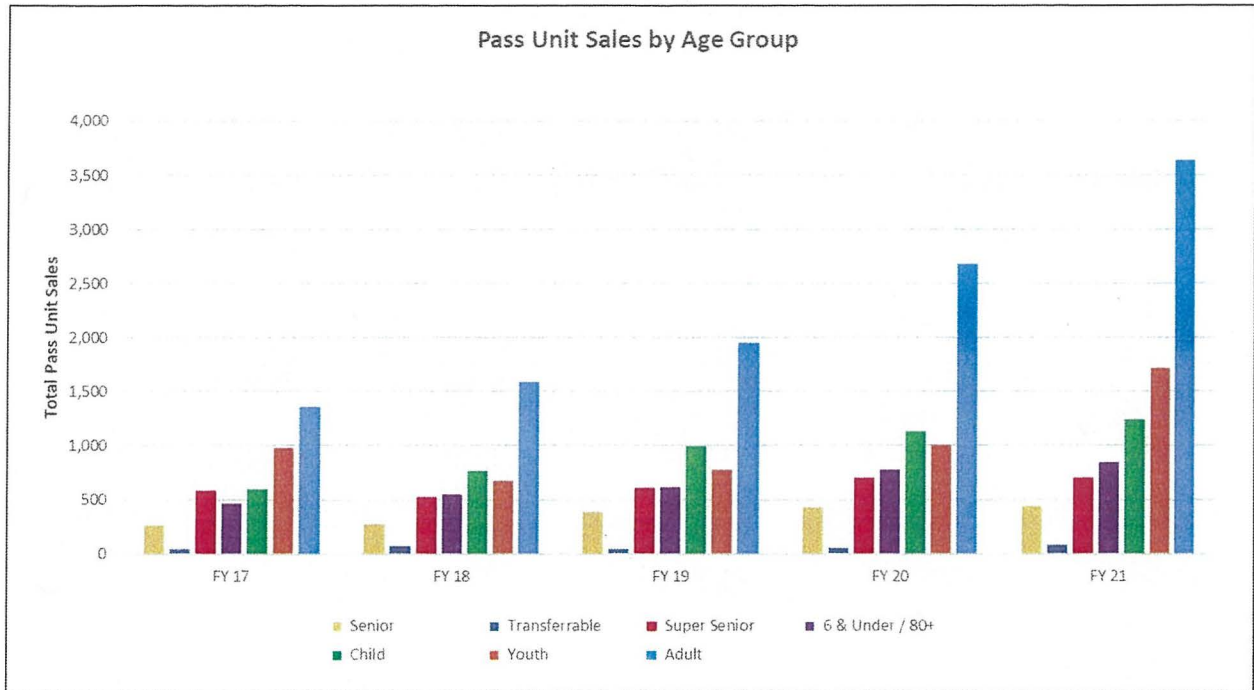


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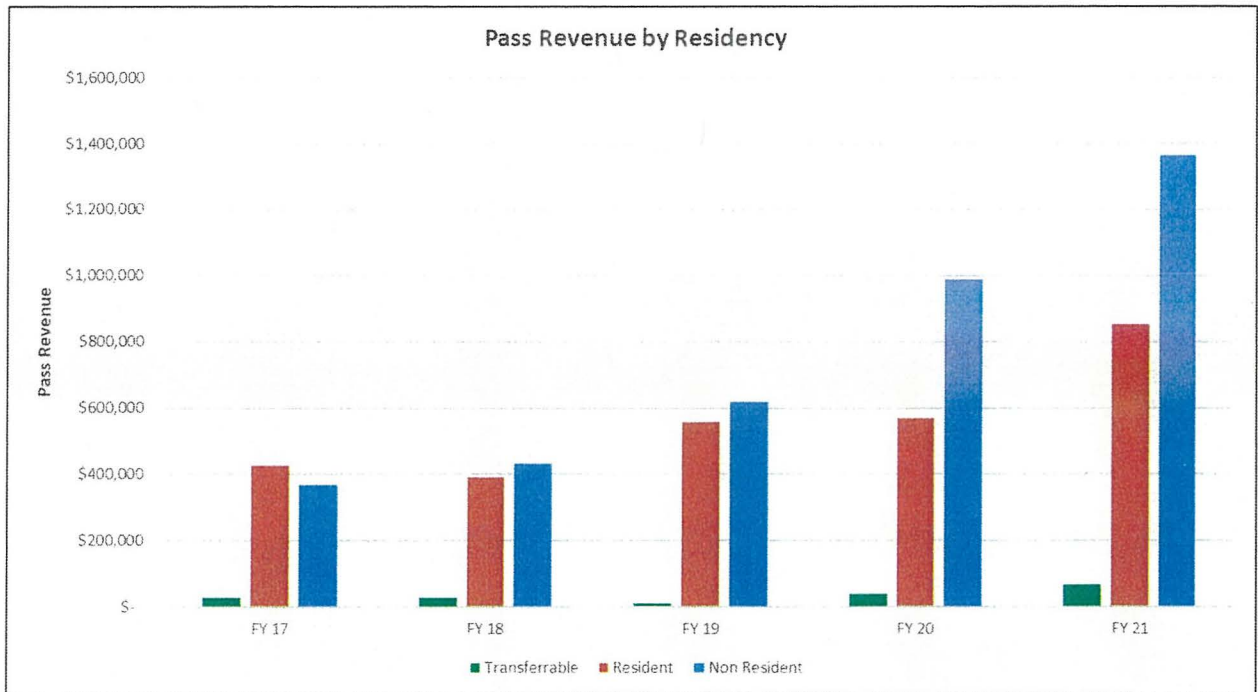


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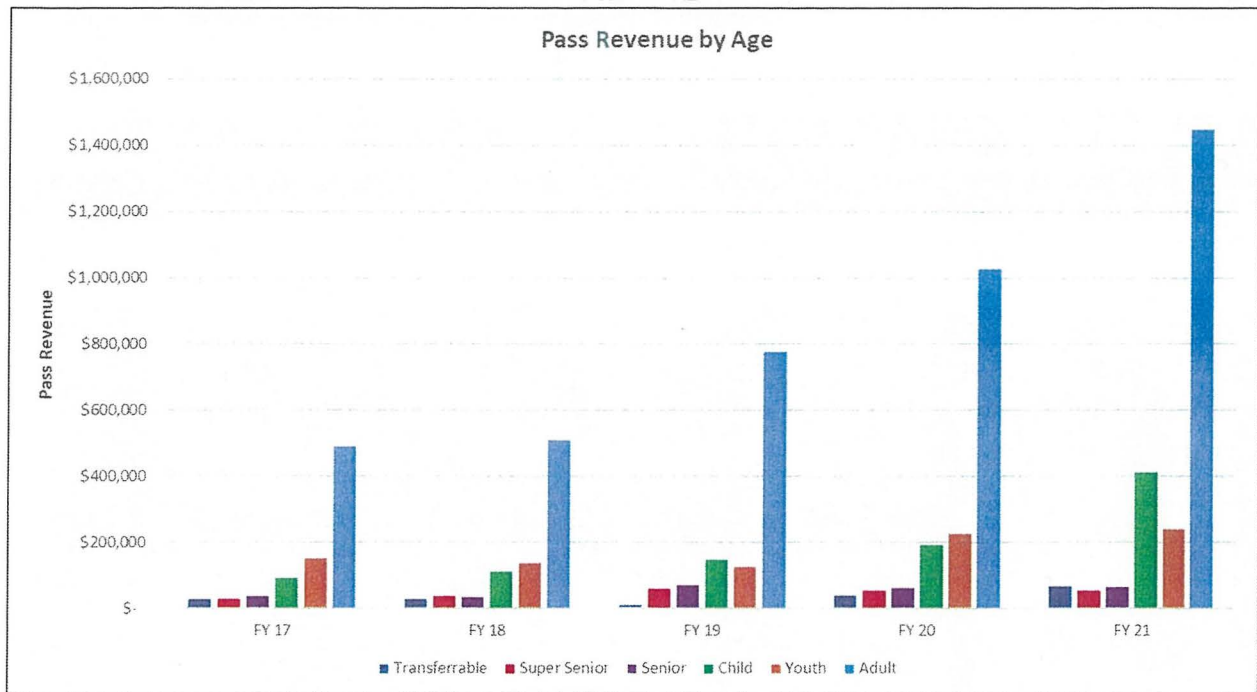


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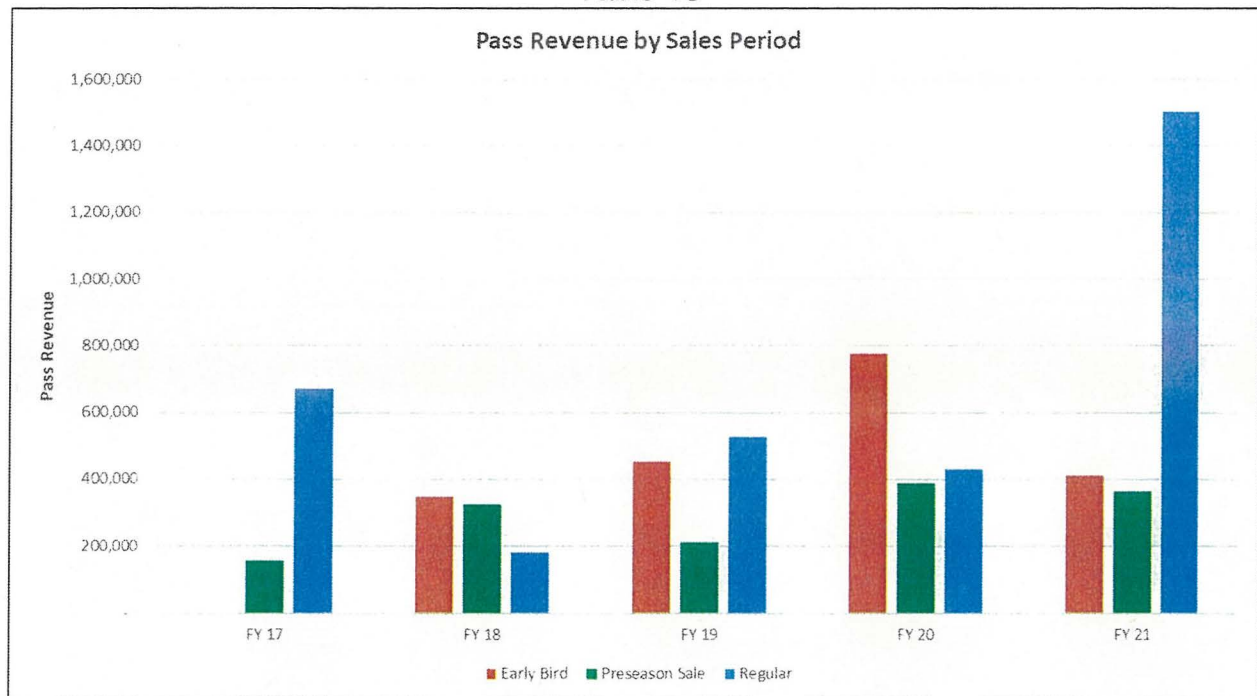




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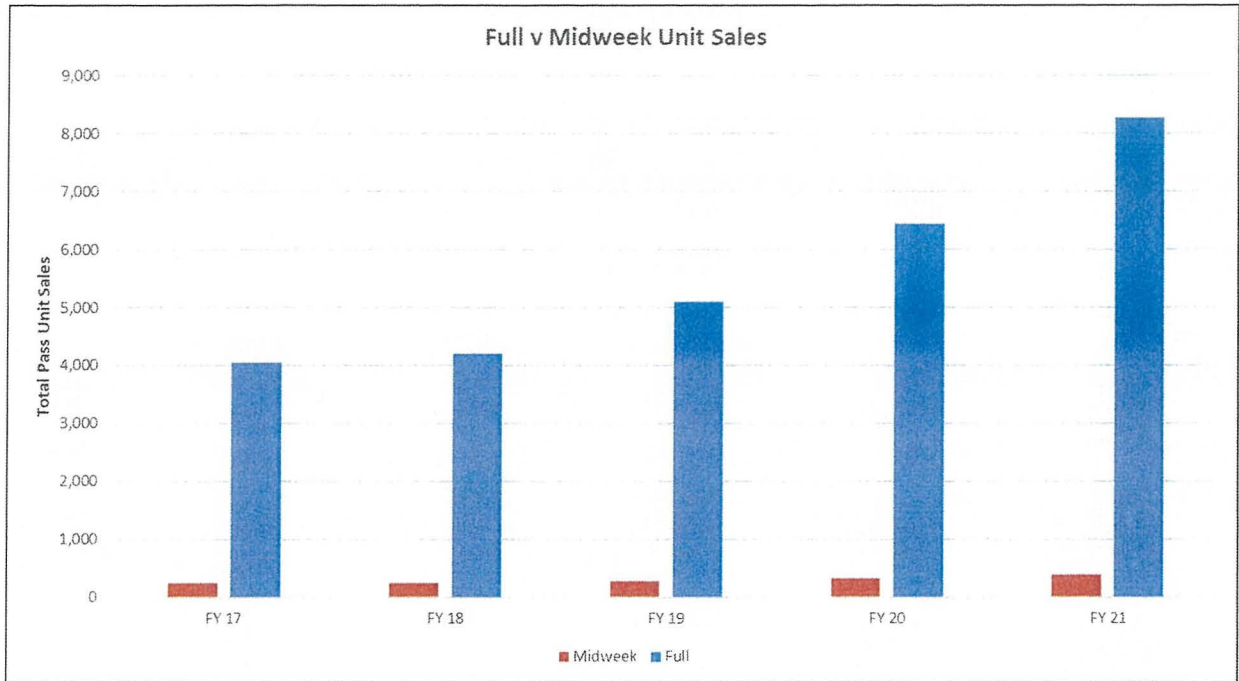


Table 15

Pass Visitation %

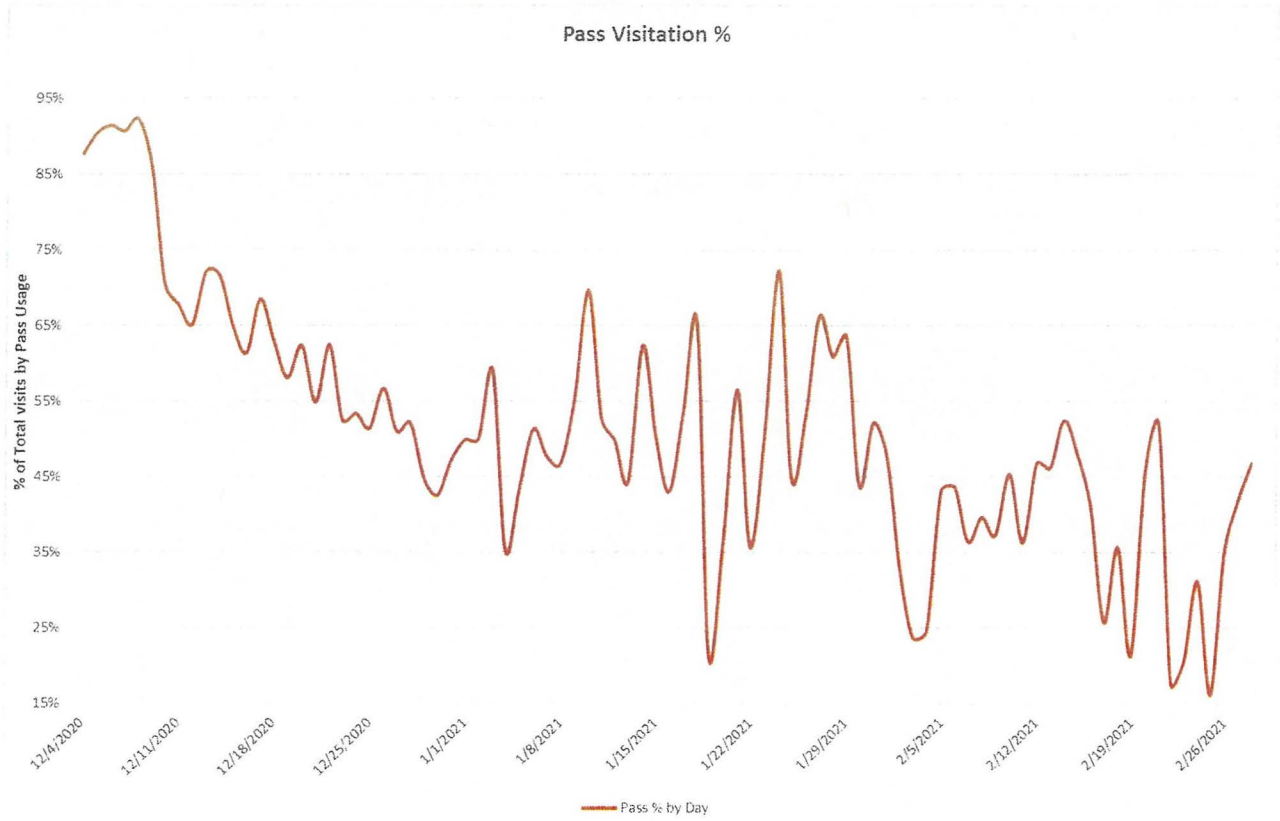


TABLE 16

Pass Type	FY 2017			FY 2018			FY 2019			FY 2020			FY 2021			FY 2022		
	Quantity	Amount	Actual Avg. Product \$	Quantity	Amount	Actual Avg. Product \$	Quantity	Amount	Actual Avg. Product \$	Quantity	Amount	Actual Avg. Product \$	Quantity	Amount	Actual Avg. Product \$	Proposed Quantity	Proposed Revenue	Actual Avg. Product \$
<b>Full</b>	<b>4,045</b>	<b>\$ 711,991</b>	<b>\$ 176</b>	<b>4,203</b>	<b>\$ 763,834</b>	<b>\$ 182</b>	<b>5,100</b>	<b>\$ 1,040,935</b>	<b>\$ 204</b>	<b>6,436</b>	<b>\$ 1,447,823</b>	<b>\$ 225</b>	<b>8,276</b>	<b>2,128,086</b>	<b>\$ 257</b>	<b>7,080</b>	<b>\$ 2,024,639</b>	<b>\$ 286</b>
<b>Adult</b>	<b>1,262</b>	<b>\$ 417,995</b>	<b>\$ 331</b>	<b>1,473</b>	<b>\$ 454,317</b>	<b>\$ 308</b>	<b>1,811</b>	<b>\$ 622,935</b>	<b>\$ 344</b>	<b>2,485</b>	<b>\$ 922,544</b>	<b>\$ 371</b>	<b>3,406</b>	<b>1,335,600</b>	<b>\$ 392</b>	<b>2,734</b>	<b>\$ 1,177,061</b>	<b>\$ 431</b>
Non Resident	421	\$ 164,314	\$ 390	614	\$ 209,354	\$ 341	825	\$ 331,573	\$ 402	1,256	\$ 542,335	\$ 432	1,500	725,604	\$ 484	1,382	\$ 740,285	\$ 536
Resident	841	\$ 253,681	\$ 302	859	\$ 244,963	\$ 285	986	\$ 291,363	\$ 295	1,229	\$ 380,209	\$ 309	1,906	609,996	\$ 320	1,352	\$ 436,776	\$ 323
<b>Youth</b>	<b>958</b>	<b>\$ 132,317</b>	<b>\$ 138</b>	<b>665</b>	<b>\$ 126,692</b>	<b>\$ 191</b>	<b>757</b>	<b>\$ 159,129</b>	<b>\$ 210</b>	<b>982</b>	<b>\$ 210,291</b>	<b>\$ 214</b>	<b>1,683</b>	<b>401,286</b>	<b>\$ 238</b>	<b>1,080</b>	<b>\$ 358,568</b>	<b>\$ 332</b>
Non Resident	378	\$ 82,156	\$ 217	361	\$ 79,444	\$ 220	472	\$ 113,683	\$ 241	599	\$ 148,863	\$ 249	1,027	292,018	\$ 284	659	\$ 288,456	\$ 438
Resident	580	\$ 50,161	\$ 86	304	\$ 47,248	\$ 155	285	\$ 45,446	\$ 159	383	\$ 61,428	\$ 160	656	109,268	\$ 167	421	\$ 70,112	\$ 166
<b>Child</b>	<b>592</b>	<b>\$ 83,544</b>	<b>\$ 141</b>	<b>753</b>	<b>\$ 102,021</b>	<b>\$ 135</b>	<b>994</b>	<b>\$ 149,960</b>	<b>\$ 151</b>	<b>1,133</b>	<b>\$ 183,604</b>	<b>\$ 162</b>	<b>1,233</b>	<b>224,119</b>	<b>\$ 182</b>	<b>1,246</b>	<b>\$ 261,064</b>	<b>\$ 209</b>
Non Resident	287	\$ 45,016	\$ 157	446	\$ 64,907	\$ 146	664	\$ 108,989	\$ 164	792	\$ 141,049	\$ 178	799	168,296	\$ 211	871	\$ 211,655	\$ 243
Resident	305	\$ 38,528	\$ 126	307	\$ 37,114	\$ 121	330	\$ 40,971	\$ 124	341	\$ 42,555	\$ 125	434	55,823	\$ 129	375	\$ 49,409	\$ 132
<b>6 &amp; Under / 80+</b>	<b>459</b>	<b>\$ -</b>	<b>\$ -</b>	<b>547</b>	<b>\$ -</b>	<b>\$ -</b>	<b>612</b>	<b>\$ -</b>	<b>\$ -</b>	<b>773</b>	<b>\$ -</b>	<b>\$ -</b>	<b>846</b>	<b>\$ -</b>	<b>\$ -</b>	<b>850</b>	<b>\$ -</b>	<b>\$ -</b>
Non Resident	241	\$ -	\$ -	291	\$ -	\$ -	364	\$ -	\$ -	513	\$ -	\$ -	509	\$ -	\$ -	564	\$ -	\$ -
Resident	218	\$ -	\$ -	256	\$ -	\$ -	248	\$ -	\$ -	260	\$ -	\$ -	337	\$ -	\$ -	286	\$ -	\$ -
<b>Senior</b>	<b>226</b>	<b>\$ 29,180</b>	<b>\$ 129</b>	<b>230</b>	<b>\$ 26,369</b>	<b>\$ 115</b>	<b>337</b>	<b>\$ 41,252</b>	<b>\$ 122</b>	<b>381</b>	<b>\$ 51,728</b>	<b>\$ 136</b>	<b>634</b>	<b>44,773</b>	<b>\$ 71</b>	<b>419</b>	<b>\$ 103,511</b>	<b>\$ 247</b>
Non Resident	65	\$ 10,261	\$ 158	72	\$ 10,586	\$ 147	114	\$ 18,313	\$ 161	145	\$ 25,296	\$ 174	176	29,559	\$ 168	160	\$ 69,827	\$ 438
Resident	161	\$ 18,919	\$ 118	158	\$ 15,783	\$ 100	223	\$ 22,939	\$ 103	236	\$ 26,432	\$ 112	458	15,214	\$ 33	260	\$ 33,684	\$ 130
<b>Super Senior</b>	<b>504</b>	<b>\$ 22,599</b>	<b>\$ 45</b>	<b>463</b>	<b>\$ 27,673</b>	<b>\$ 60</b>	<b>539</b>	<b>\$ 34,506</b>	<b>\$ 64</b>	<b>630</b>	<b>\$ 43,008</b>	<b>\$ 68</b>	<b>392</b>	<b>56,791</b>	<b>\$ 145</b>	<b>693</b>	<b>\$ 61,572</b>	<b>\$ 89</b>
Non Resident	153	\$ 10,999	\$ 72	109	\$ 16,041	\$ 147	156	\$ 22,059	\$ 141	202	\$ 29,016	\$ 144	127	25,388	\$ 200	222	\$ 42,570	\$ 192
Resident	351	\$ 11,600	\$ 33	354	\$ 11,632	\$ 33	383	\$ 12,447	\$ 32	428	\$ 13,992	\$ 33	265	31,403	\$ 119	471	\$ 19,002	\$ 40
<b>Transferrable</b>	<b>44</b>	<b>\$ 26,356</b>	<b>\$ 599</b>	<b>72</b>	<b>\$ 26,762</b>	<b>\$ 372</b>	<b>50</b>	<b>\$ 33,153</b>	<b>\$ 663</b>	<b>52</b>	<b>\$ 36,648</b>	<b>\$ 705</b>	<b>82</b>	<b>65,518</b>	<b>\$ 799</b>	<b>57</b>	<b>\$ 62,863</b>	<b>\$ 1,099</b>
<b>Midweek</b>	<b>238</b>	<b>\$ 36,670</b>	<b>\$ 154</b>	<b>242</b>	<b>\$ 41,005</b>	<b>\$ 169</b>	<b>275</b>	<b>\$ 54,636</b>	<b>\$ 199</b>	<b>322</b>	<b>\$ 68,715</b>	<b>\$ 213</b>	<b>373</b>	<b>102,250</b>	<b>\$ 274</b>	<b>98</b>	<b>\$ 19,647</b>	<b>\$ 200</b>
<b>Adult</b>	<b>98</b>	<b>\$ 25,223</b>	<b>\$ 257</b>	<b>111</b>	<b>\$ 26,555</b>	<b>\$ 239</b>	<b>138</b>	<b>\$ 38,429</b>	<b>\$ 278</b>	<b>190</b>	<b>\$ 52,823</b>	<b>\$ 278</b>	<b>236</b>	<b>79,764</b>	<b>\$ 338</b>	<b>65</b>	<b>\$ 17,061</b>	<b>\$ 262</b>
Non Resident	49	\$ 14,293	\$ 292	66	\$ 18,339	\$ 278	86	\$ 26,817	\$ 312	131	\$ 39,877	\$ 304	195	69,605	\$ 357	-	\$ -	\$ -
Resident	49	\$ 10,930	\$ 223	45	\$ 8,216	\$ 183	52	\$ 11,612	\$ 223	59	\$ 12,946	\$ 219	41	10,159	\$ 248	65	\$ 17,061	\$ 263
<b>Super Senior</b>	<b>74</b>	<b>\$ 3,180</b>	<b>\$ 43</b>	<b>56</b>	<b>\$ 5,727</b>	<b>\$ 102</b>	<b>71</b>	<b>\$ 6,900</b>	<b>\$ 97</b>	<b>65</b>	<b>\$ 6,558</b>	<b>\$ 101</b>	<b>56</b>	<b>6,862</b>	<b>\$ 123</b>	<b>12</b>	<b>\$ 376</b>	<b>\$ 31</b>
Non Resident	51	\$ 2,640	\$ 52	44	\$ 5,387	\$ 122	53	\$ 6,430	\$ 121	54	\$ 6,308	\$ 117	46	6,642	\$ 144	-	\$ -	\$ -
Resident	23	\$ 540	\$ 23	12	\$ 340	\$ 28	18	\$ 470	\$ 26	11	\$ 250	\$ 23	10	220	\$ 22	12	\$ 376	\$ 31
<b>Senior</b>	<b>43</b>	<b>\$ 4,758</b>	<b>\$ 111</b>	<b>50</b>	<b>\$ 5,205</b>	<b>\$ 104</b>	<b>51</b>	<b>\$ 6,412</b>	<b>\$ 126</b>	<b>47</b>	<b>\$ 5,696</b>	<b>\$ 121</b>	<b>46</b>	<b>7,114</b>	<b>\$ 155</b>	<b>20</b>	<b>\$ 2,101</b>	<b>\$ 105</b>
Non Resident	15	\$ 2,105	\$ 140	25	\$ 2,870	\$ 115	34	\$ 4,947	\$ 146	29	\$ 4,172	\$ 144	33	5,837	\$ 177	-	\$ -	\$ -
Resident	28	\$ 2,653	\$ 95	25	\$ 2,335	\$ 93	17	\$ 1,465	\$ 86	18	\$ 1,524	\$ 85	13	1,277	\$ 98	20	\$ 2,101	\$ 106
<b>Youth</b>	<b>19</b>	<b>\$ 3,032</b>	<b>\$ 160</b>	<b>12</b>	<b>\$ 1,581</b>	<b>\$ 132</b>	<b>15</b>	<b>\$ 2,895</b>	<b>\$ 193</b>	<b>20</b>	<b>\$ 3,638</b>	<b>\$ 182</b>	<b>35</b>	<b>8,510</b>	<b>\$ 243</b>	<b>1</b>	<b>\$ 109</b>	<b>\$ 109</b>
Non Resident	13	\$ 2,288	\$ 176	4	\$ 219	\$ 55	10	\$ 2,170	\$ 217	20	\$ 3,638	\$ 182	34	8,361	\$ 246	-	\$ -	\$ -
Resident	6	\$ 744	\$ 124	8	\$ 1,362	\$ 170	5	\$ 725	\$ 145	-	\$ -	\$ -	1	149	\$ 149	1	\$ 109	\$ 109
<b>Child</b>	<b>4</b>	<b>\$ 477</b>	<b>\$ 119</b>	<b>13</b>	<b>\$ 1,937</b>	<b>\$ 149</b>												
Non Resident	4	\$ 477	\$ 119	13	\$ 1,937	\$ 149												
<b>Grand Total</b>	<b>4,283</b>	<b>\$ 748,661</b>	<b>\$ 175</b>	<b>4,445</b>	<b>\$ 804,839</b>	<b>\$ 181</b>	<b>5,375</b>	<b>\$ 1,095,571</b>	<b>\$ 204</b>	<b>6,758</b>	<b>\$ 1,516,538</b>	<b>\$ 224</b>	<b>8,649</b>	<b>2,230,336</b>	<b>\$ 258</b>	<b>7,178</b>	<b>\$ 2,044,286</b>	<b>\$ 285</b>
Non Resident	1,721	\$ 360,905	\$ 210	2,117	\$ 435,846	\$ 206	2,828	\$ 668,134	\$ 236	3,793	\$ 977,202	\$ 258	4,593	\$ 1,396,828	\$ 304	3,915	\$ 1,415,656	\$ 362
Resident	2,562	\$ 387,756	\$ 151	2,328	\$ 368,993	\$ 159	2,547	\$ 427,437	\$ 168	2,965	\$ 539,336	\$ 182	4,364	\$ 833,508	\$ 191	3,263	\$ 628,631	\$ 193



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