

MEMORANDUM

TO: Board of Trustees

THROUGH: Robert Harrison, District General Manager

FROM: Karen Crocker, Director- Parks and Recreation

SUBJECT: Review, Discuss and Possibly Approve the 2025/2026 Group Picnic Rental Fee Rate Schedule (Requesting Staff Member: Parks and Recreation Director Karen Crocker)

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES: District Board of Trustees
Pricing for Products and Services Practice 6.2.0;
3.3 IVGID Picture Pass Holders; 3.3.1
3.4 Discounts; 3.4.2

DATE: March 5, 2025

I. RECOMMENDATION

Review, Discuss and Possibly Approve the 2025/2026 Group Picnic Rental Fee Rate Schedule (Requesting Staff Member: Parks and Recreation Director Karen Crocker)

1. Approve an increase of 3.5% to Group Picnic Rental Rates as shown in Table 1
2. Approve IVGID Recreation Pass Holder Discount of 20% of Public Rates for Picnic Area Rental Rates (Table 1).

II. BACKGROUND

The District-operated Parks & Recreation Department Counter provides the sale of Group Picnic Rentals to Non-Picture Pass Holder (Public) as well as a discounted product to IVGID Recreation Pass Holders (aka IVGID Picture Pass holders or PPH) throughout the year for a variety of venues. The rental of beach venues remains restricted to IVGID Recreation Pass Holders year-round.

Item E.2.

Historically, Staff initiates the sale of rentals as soon as rates are approved for the year. A majority of the sales for the months of May – September occur in March the same year. Although the budget is based on fiscal year 2025/2026, July 1 through June 30, staff is recommending that the fiscal year 2025/26 rates go into effect upon approval of the Board's action. This is due to the seasonality and timing of rental agreements, memberships and beach access that begin in spring 2025. This approval will allow our fees to be effective for the upcoming 2025-26 budget due to our seasonal operations. Likewise, the FY 2026/2027 rates will go into effect January 1, 2026, so as to keep consistent pricing throughout the year.

The staff recommendation proposed includes a 3.5% increase to Group Picnic Rentals. Staff is also recommending a 20% discount for IVGID Recreation Pass Holders where there is a Non-Resident Rate. For beach venues which have restricted access, staff is recommending a 3.5% increase for IVGID Recreation Pass Holders.

Please refer to Table 1 for a breakdown of current fiscal year rates as well as proposed increases.

II. FINANCIAL IMPACT AND BUDGET

The FY2025/2026 budget includes a 3.5% increase for Group Picnic Rentals.

III. ALTERNATIVES

The Board of Trustees may provide directions on an alternative percent increase to the fee structure.

IV. COMMENTS

Provided these recommendations are approved, staff will initiate the fees on March 10, 2025.

V. ATTACHMENTS

- I. Table 1- Group Picnic Rental Fees
- II. Practice_6_2_0_Pricing_for_Products_and_Services

Table 1

Attachment A- Proposed Park and Recreation Fees

Facility/Venue	FY25 Fee	FY25 w/IVGID	FY26 Proposed Fee	FY26 Proposed w/IVGID	FY26 Proposed Local Non-Profit	FY27 Proposed Fee	FY27 Proposed w/IVGID	FY27 Proposed Local Non-Profit	Justification if increase higher or lower than 3.5%
Group Picnic Area Rentals									
All Beaches AM/PM Mon-Thurs	Restricted Access	\$125	Restricted Access	\$130	N/A	Restricted Access	\$135	N/A	
All Beaches Daily Mon-Thurs	Restricted Access	\$180	Restricted Access	\$187	N/A	Restricted Access	\$194	N/A	
All Beaches AM/PM Fri-Sun	Restricted Access	\$180	Restricted Access	\$187	N/A	Restricted Access	\$194	N/A	
All Beaches Daily Fri-Sun	Restricted Access	\$290	Restricted Access	\$301	N/A	Restricted Access	\$312	N/A	
Preston Park Picnic AM/PM	\$125	\$80	\$130	\$104	N/A	\$135	\$108	N/A	
Preston Park Picnic Daily	\$185	\$130	\$192	\$154	N/A	\$199	\$160	N/A	
Village Green BBQ/Picnic AM/PM	\$100	\$75	\$104	\$84	N/A	\$108	\$87	N/A	
Village Green BBQ/Picnic Daily	\$125	\$100	\$130	\$104	N/A	\$135	\$108	N/A	
Ridgeline Park #1 Picnic AM/PM	\$100	\$75	\$104	\$84	N/A	\$108	\$87	N/A	
Ridgeline Park #1 Picnic Daily	\$125	\$100	\$130	\$104	N/A	\$135	\$108	N/A	
Rec Center BocceBall Courts - Hourly	\$30	\$25	\$32	\$26	N/A	\$34	\$28	N/A	
Rec Center Bocce AM/PM - per court	\$120	\$100	\$125	\$100	N/A	\$130	\$104	N/A	
Rec Center Bocce - All Day/All Courts	\$480	\$400	\$497	\$398	N/A	\$515	\$412	N/A	

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RELEVANT POLICIES: 6.1.0 Adoption of Financial Policies

PRACTICE. It is the practice of the District to establish the manner in which fees and charges for services are set and the extent to which they cover the cost of services provided (per Policy 6.1.2.2)

1.0 Scope

This Practice shall be used to ensure consistent application of pricing policy across the District's Community Services and Beach venues in order to meet venue-specific revenue and cost-recovery targets established through the annual budget process.

The objective of the District's pricing policy is to:

- Ensure that revenues, including Charges for Services and applicable Recreation or Beach Facility Fees are sufficient to cover the full cost of providing services to IVGID Picture Pass holders, guests of IVGID Picture Pass holders and others.
- Utilize sound financial planning principles to avoid volatility in charges and fees from year-to-year.
- Promote consistent framework for pricing across all venues and programs, while providing for venue-specific pricing considerations.
- Establish conditions for management to modify pricing during the fiscal year based on market conditions, and for the determination of pricing new programs.

2.0 Definitions – for purposes of this practice, the following definitions shall be applied:

- Full-Cost is intended to represent the per-unit cost of providing access to, or use of, District venues, services and programs, and shall include operating costs (including overhead), capital depreciation and debt, as reflected in the annual budget.
- Operating Costs are defined to include direct personnel costs, non-personnel costs and overhead costs. For purposes of this definition, overhead applied to programs and services shall include appropriate allocation of Central Services Overhead as well as Department-specific administrative overhead.

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- Direct Costs are defined as the incremental cost of providing for access or services for a specific event or purpose. Examples would include incremental cost (staffing, supplies, etc.) of providing access to a venue during normal business hours versus outside of normal operations.
- Capital Costs for programs and services provided through the District's Community Services and Beach Enterprise Funds shall be defined as the annual depreciation budgeted and allocated to each fund and cost center.
- Debt Costs for purposes of establishing full-cost recovery shall include principal and interest on outstanding debt allocated to each fund as included in the annual budget.

3.0 Community Services Pricing

The District operates recreational facilities, venues, services and programs. To support the Community Services facilities, venues, services, and programs, the District establishes, through the annual budget process, a Recreation Facility Fee assessed on parcels and/or dwelling units within the District.

Pricing for IVGID Picture Pass holders and others is defined as follows:

3.1 Others (Non IVGID Picture Pass holders):

3.1.1 Rates charged for use of venues, services, and programs shall be set to cover no less than 100% of the Full-Cost of the venue rental, venue access, service provided and programs made available.

3.1.2 Pricing for services and merchandise sold at District profit centers (ex. Golf Shop, Food and Beverage, Ski Rentals) shall incorporate mark-up over costs based on market-driven targeted profit margins established as part of the budget process.

3.1.3 As it applies to daily rates charged for venue rental, venue access, programs, and services, management is authorized to

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utilize dynamic pricing, based on changing market conditions, provided that doing so contributes positively to the net operating income of the venue. (The Board may establish a “floor” such as no lower than the IVGID Picture Pass-holder rate).

3.2 Guests:

3.2.1 Guest rates may be set at a discount, provided that the guest rates shall, at a minimum, cover the Operating Costs of access to venues, or program.

3.2.2 Where Guest Rates are established, the Guest must be accompanied by an IVGID Picture-Pass holder.

3.3 IVGID Picture Pass holders:

3.3.1 Rates charged to IVGID Picture-Pass Holders shall be discounted from the Full-Cost of services, in recognition of the Recreation Facility Fee assessed.

Rates established for IVGID Picture-Pass holders shall generally be set at no greater than the rate required to cover the Operating Costs of programs and services. In some cases, rates charged may exceed Operating Costs (to the extent that the Facility Fee approved through the budget process is insufficient to cover the cost of annual Capital Costs and Debt Costs).

3.4 Discounts

3.4.1 Group Rates – Access to and/or rental of venues for qualifying groups can be provided at a discount, provided that the discounted pricing is set so as to cover the Direct Costs of venue access. Discounts may vary based on venue availability (example: peak versus off-peak, mid-week versus weekend).

3.4.2 Community Focused Non-Profits – Access to and/or rental of District facilities and venues, and participation in programs and/or services by community-focused non-profits, as defined (Policy & Procedure 141, Resolution 1895) may be provided at a discount at

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no less than the Direct Costs of providing venue access/
rental, program or service.

- 3.4.3 The annual budget could provide a funding allocation from the District's General Fund to be used to offset discounts anticipated to be provided to community focused non-profit organizations. This funding is to be allocated to venues, programs or services based on utilization by community focused non-profits in order mitigate the impact on overall financial performance of the venue, program or service.
- 3.4.4 A quarterly report will be provided to the Board of Trustees detailing the financial impact of the discount extended to the various groups and/or non-profits.

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.

3.5.2 Chateau & Aspen Grove Rentals / Special Events

- 3.5.2.1 Fees set for Facility rentals and Special Events will be based on cost-recovery targets for the Facilities

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Enterprise Fund established through the budget process.

- 3.5.2.2 Rental fees for use of facilities by non-IVGID Picture Pass holders will take into account the historical utilization rates and incorporate a mark-up required to achieve overall cost-recovery targets.
- 3.5.2.3 Rentals provided to IVGID Picture-Pass holders will incorporate discounts, as appropriate.
- 3.5.2.4 Fees charged for catered (Food and Beverage service) events will be set to cover the Full-Cost of staff, operations and food and beverage, plus mark-up based on market conditions.
- 3.5.2.5 Consideration shall be given to maintain Facility rental and Special Events services competitive within the regional marketplace.

3.5.3 Ski

- 3.5.3.1 Rates charged to non-IVGID Picture Pass holders for daily tickets and season passes will be set so as to remain competitive within the market.
- 3.5.3.2 Rates charged to non-IVGID Picture Pass holders for daily tickets shall be no less than the Full-Cost of access to the ski venue.
- 3.5.3.3 Rates charged to IVGID Picture Pass holders for daily tickets and season passes shall be set at a discount – to the extent that revenues from tickets and passes are sufficient to meet overall net revenue targets for the season.
- 3.5.3.4 Rates charged may vary based on peak periods, day of the week, and full-day versus half-day passes.
- 3.5.3.5 The Ski Rental Shop and Ski Lessons operate as Profit-Centers, with rates being largely market-driven, to include appropriate profit margins. Rates are charged uniformly, with no discounts.

3.5.4 Parks, Recreation, and Tennis Center

- 3.5.4.1 The District's Parks, Recreation Center, Tennis Center and recreation programming are community amenities open to residents, guests and visitors.

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Program pricing is based on industry-standard “Cost-Recovery Pyramid” which provides for increasing levels of cost-recovery based on whether programs provide community benefit versus individual benefit. (See Appendix A)

- 3.5.4.2 Programs and memberships are provided to IVGID Picture-Pass holders at a discount.
- 3.5.4.3 Recreation Center and Tennis Center membership pricing is adjusted based on age, season, time-of-day and day of the week (peak and non-peak hours).
- 3.5.4.4 Management shall review memberships and program fees annually, and may adjust rates based on industry and regional rates.

4.0 Beach Pricing

District-owned beaches are restricted to deeded parcel owners within the District and their guests. To support the Beaches, services, and programs, the District establishes, through the annual budget process, a Beach Facility Fee assessed on eligible parcels and/or dwelling units within the District.

- 4.1.1 Beach access is restricted for use by IVGID Picture Pass holders with beach access and their guests.
- 4.1.2 Funding to support the District beaches comes directly from the annual Beach Facility Fee assessed on parcels and/or dwelling units within the District and, as such, beach access to IVGID Picture-pass holders with beach access is made available at no additional charge.
- 4.1.3 The daily Guest beach access fee is to be set annually in relation to Operating Costs (per beach visit) as established through the annual budget process.
- 4.1.4 The daily Beach access fee may vary based on time of year, and peak periods. Management shall report on the average daily rates for the season to ensure that pricing policy and beach revenue targets are met.

5.0 Administration of Community Services and Beach Pricing Policy

- 5.1 The Board of Trustees will establish overall financial performance targets for each venue through the annual budget process.

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- 5.2 The Board of Trustees will approve, through the budget process or when appropriate during the fiscal year Key Rates to include:
 - 5.2.1 Golf Rates for IVGID Picture Pass Holders, Play Passes, Guests and others.
 - 5.2.2 IVGID Picture-Pass holder and others, Season Pass Rates and Picture-Pass holder Daily Pass Rates for Diamond Peak.
 - 5.2.3 IVGID Picture-Pass holder Recreation Center and Tennis Membership Rates
 - 5.2.4 IVGID Picture-Pass holder rental rates for District Facilities / Special Events.
- 5.3 The General Manager is authorized to approve daily and group rates for all other programs, based on the recommendations of venue managers, consistent with the parameters of the District's Pricing Policy.
- 5.4 The District's Director of Golf/Community Services is authorized to approve pricing for Food and Beverage and retail merchandise.
- 5.5 Fee Schedules shall be placed on the District's website, and shall be updated, as needed, to reflect current pricing, to the extent practical.

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Appendix A Cost-Recovery Pyramid Recreation and Community Programs

