

Comments on draft 6.2.0

P427 – “...Management to modify pricing” . Need to be subject to approval by GM and reporting to Board with details of impacts on budget and revenues

P428 2.0 – “ while the cost of operations.....may not be covered entirely.....revenue generated by other operations.....” I believe we should NOT be memorializing this as it perversely removes incentives for managers of loss making operations to manage costs and revenues and also reduces incentives for profitable operations to maximize profitability

P428 2.0 - “Fee should be set to cover capital improvements.....” This should NOT be a blanket statement. EG for DP where 805 of traffic is NON resident, why should residents be paying this capital.

P429 (plus multiple others) “Competitive market analysis” - needs to be properly defined to avoid cherry picking by venues who just want to increase utilization without regard to balancing revenues and expenses . Needs to show the financial impact. eg we recently had the “cost comparison” with tahoe Mountain club that excluded a lot of like for like cost. Without definition and consideration of budget impact this can increase dependence on taxpayers unless cost structure is also addressed to become competitive. Needs a provision to exit activity if we can't operate without excessive losses. How do we define effectively to avoid the need for continual unlimited subsidies ?

P429 – Parks etc maintenance subsidized 100% - would this not need to come from General Fund?

P430 (plus multiple others) “ Capital Improvement fees are to be funded by facility fee and depreciation excluded. “

If depreciation is excluded t – which should help support future investment - then we are expecting taxpayers to be continually funding more and more capex. It also skews operating costs to make them look lower than they actually are and artificially lowering rates. Finally it again exacerbates previous issues that have necessitated restatements where operating costs are inappropriately capitalized – eg sand in bunkers!! – to again make costs look lower than actual

P432 – the grille. F&B 10% discount but “Prices should cover all operational costs plus a defined profit margin” ie. Margin needs to be increased by 10% to cover discount??

P434 – Senior Programs - Why are non-residents and guests subsidized at the same rate as residents??

P435 - DP “rates set to offer a benefit due to operational profitability” . What happens if we are NOT profitable eg low snow year? Why not just do at a discount to non -resident passes??

P436 Tennis and Pickleball Suggest change “...may require EXPENSE reductions” rather than “...may require COST reductions”