Manager's Report December 2020

Financial Analysis:

The chart below shows the total expenses and revenue as accrued year to date for each of the 9 years in the table. The mountain continues to perform very well in revenues. We may still have some anomalies for revenue in past years that our retailers would have collected for seasons pass sales that may not have been recorded at this point on the chart. Ski Repair shop has been very busy with ski mounting as many people have purchased new alpine touring equipment. Retail sales have been surprisingly strong with the slow open to the shop and the changes to operations due to COVID 19. On the expense side of the Financials, staff have done a great job controlling expenses and modifying staffing levels for COVID operations. The big driver of expense increases is in the "Ski Area Administration Other Expenses" category being driven by the large increase that was passes along in the interdepartmental fees and increases to insurance premiums.

Sales	FY 13 Actuals	FY14 Actuals	FY15 Actuals	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Actuals	FY21 Actuals
Ski School Fees	$ 25,394	$ 39,536	$ 56,269	$ 39,524	$ 36,252	$ 39,981	$ 26,897	$ 33,028	$ 56,964
Ski Lift Fees	$ 1,025	$ -	$ 300	$ 3,168	$ 1,701	$ 1,985	$ 1,060	$ 755	$ 116
Advance Ticket	$ 25,834	$ 32,707	$ 27,829	$ 1,555	$ 3,839	$ 24,948	$ 14,533	$ 19,203	$ 3,003
Season Ticket	$ 152,475	$ 223,408	$ 202,339	$ 110,170	$ 85,911	$ 125,561	$ 164,710	$ 181,921	$ 97,054
On Line Season Pass Sales	$ 502,295	$ 482,131	$ 458,364	$ 252,915	$ 336,021	$ 458,775	$ 383,149	$ 359,919	$ 698,507
Bus Fees	$ 2,274	$ 1,510	$ 1,464	$ 69	$ 11	$ 30	$ 237	$ 395	
USER FEES	$ 709,297	$ 779,292	$ 746,566	$ 407,400	$ 463,735	$ 651,279	$ 590,585	$ 595,222	$ 855,644
Retail - Soft G	$ 482	$ 1,168	$ 668	$ 1,451	$ 1,612	$ 2,154	$ 559	$ 6,386	$ 3,261
Food Service	$ 1,548	$ -	$ 1,853	$ 1,309	$ 2,368	$ 2,960		$ 3,869	
Ski Repair	$ 4,971	$ 3,701	$ 1,441	$ 2,701	$ 1,515	$ 3,315	$ 1,685	$ 792	$ 4,477
SALES	$ 7,000	$ 4,869	$ 3,963	$ 5,461	$ 5,495	$ 8,429	$ 2,244	$ 11,047	$ 7,738
Locker Rental F	$ 67,962	$ 67,707	$ 68,476	$ 57,147	$ 57,564	$ 57,990	$ 55,880	$ 52,582	$ 57,785
Ski Rental	$ 5,245	$ 10,173	$ 7,957	$ 5,424	$ 11,267	$ 14,947	$ 9,061	$ 5,258	$ 19,113
Lodge/Cabin								$ 19,805	$ 29,076
RENTALS	$ 73,207	$ 77,880	$ 76,433	$ 62,571	$ 68,831	$ 72,937	$ 64,941	$ 77,645	$ 105,974
Total Sales	$ 789,504	$ 862,042	$ 826,961	$ 475,432	$ 538,061	$ 732,646	$ 657,770	$ 683,914	$ 969,356
Expenses									
Personnel Costs									
Ski Area Administration	$ 141,777	$ 218,985	$ 201,333	$ 221,765	$ 240,664	$ 230,172	$ 202,904	$ 199,969	$ 136,475
Ski Rental Shop	$ 11,008	$ 9,900	$ 7,116	$ 9,642	$ 6,045	$ 4,027	$ 2,159	$ 4,141	$ 4,656
Ski Patrol Program	$ 24,089	$ 22,261	$ 21,932	$ 16,278	$ 15,766	$ 9,174	$ 3,517	$ 14,502	
Lift Operation Program	$ 71,239	$ 4,016	$ 4,584	$ 7,742	$ 6,369	$ 2,864			
Maintenance Program	$ 39,109	$ 70,969	$ 58,539	$ 31,750	$ 50,401	$ 30,907	$ 59,611	$ 74,605	$ 41,481
Lodge Operations Program	$ 23,353	$ 15,747	$ 15,125	$ 17,651	$ 12,290	$ 15,453	$ 24,876	$ 21,171	$ 6,662
Food Service	$ 3,769	$ 3,942	$ 3,281	$ 3,218	$ 1,605	$ 2,034		$ 3,129	$ 483
Marketing/Special Events	$ 8,893	$ 7,387	$ 4,706	$ 9,837	$ 6,544	$ 6,115	$ 14,094	$ 35,491	$ 28,976
Ski School Program	$ 16,099	$ 40,839	$ 40,428	$ 11,750	$ 23,926	$ 17,134	$ 10,599	$ 17,246	$ 13,394
Total Personnel Costs	$ 339,336	$ 394,045	$ 357,045	$ 329,634	$ 363,609	$ 317,880	$ 317,761	$ 370,254	$ 232,127
Other Expenses									
Ski Area Administration	$ 158,208	$ 158,030	$ 165,998	$ 120,133	$ 101,441	$ 150,536	$ 134,394	$ 126,074	$ 194,031
Ski Rental Shop	$ 6,790	$ 6,461	$ 747	$ 4,050	$ 232		$ 771	$ 7,625	$ 7,528
Ski Patrol Program	$ 11,704	$ 5,388	$ 10,111	$ 667	$ 649	$ 157	$ 323	$ 740	$ 5,229
Lift Operation Program	$ 6,886	$ 7,265	$ 8,567	$ 2,329	$ 4,280	$ 4,915	$ 2,631	$ 955	$ 2,510
Maintenance Program	$ 35,018	$ 37,443	$ 40,708	$ 12,416	$ 19,466	$ 26,990	$ 31,918	$ 21,304	$ 31,239
Lodge Operations Program	$ 18,897	$ 15,906	$ 20,477	$ 17,184	$ 16,645	$ 16,879	$ 24,035	$ 30,895	$ 21,238
Food Service	$ 1,030	$ 1,307	$ (2,796)	$ 475	$ -	$ 949	$ 1,326	$ 8,609	$ 902
Marketing/Special Events	$ 23,346	$ 21,016	$ 13,530	$ 8,160	$ 4,165	$ 11,074	$ 8,949	$ 3,129	$ 2,915
Building Maint/Utilities	$ 52,809	$ 56,825	$ 51,117	$ 50,475	$ 3,061	$ 52,050	$ 53,064	$ 50,500	$ 53,628
Ski School Program	$ 10	$ 926	$ 2,324	$ 330	$ 1,510	$ 1,243	$ 672	$ 1,990	$ 1,316
Equipment Replacement	$ 41,667	$ 41,667	$ 41,667	$ 33,333	$ 33,333	$ 41,667	$ 41,670	$ 41,670	$ 41,666
Vehicle Maintenance	$ 4,633	$ 8,209	$ 3,533	$ 4,415	$ 8,568	$ 12,004	$ 11,697	$ 26,964	$ 19,898
Total Other Expenses	**$ 360,997**	**$ 360,442**	**$ 355,983**	**$ 253,967**	**$ 193,352**	**$ 318,464**	**$ 311,450**	**$ 320,455**	**$ 382,100**
Total Costs	**$ 700,333**	**$ 754,487**	**$ 713,028**	**$ 583,600**	**$ 556,961**	**$ 636,344**	**$ 629,211**	**$ 690,709**	**$ 614,227**
Total Net	**$ 89,171**	**$ 107,554**	**$ 113,933**	**$ (108,168)**	**$ (18,899)**	**$ 96,302**	**$ 28,559**	**$ (6,795)**	**$ 355,129**

During the Assembly Meeting on November 23rd the Assembly passed two funding ordinances for Eaglecrest. Ordinance 2020-09(T) provided $73,100 from the CARES Act Special Revenue Fund for the purchase of five tents, benches, tables and heaters for our outdoor seating areas and new Ski Patrol base stations. Ordinance 2020-09(S) provided a supplemental budget appropriation of $160,500 for the additional operating expense that Eaglecrest will incur while following the COVID 19 safety protocols.

Mountain Operations:

The Mountain Operations team has had a very busy month. The team had week of ideal snowmaking conditions running around the clock. This was the most efficient snowmaking cycle in the last four years. Snowmaking has been completed on the following ski trails; Stickleback, Dolly Varden, Muskeg, the beach learning area, the loading terminal at Hooter Chair, Loading terminal at Ptarmigan, Log Jam Run Out, Sneaky Run Out, the Basin in between Log Jam Run Out and Sneaky Runout. The natural snow also allowed for extensive early season grooming to pack down the natural snow that has been received in an effort to fortify the snowpack to better withstand the record setting forecasted rain event that is underway at this point. The ski trails that were groomed on Sunday November 29th are: Raven Run Out, Log Jam, Lower Spruce Chutes, Lower Hilary's, Ego, Sourdough, Sneaky, Mother Load, Cheechaco, Williwaw, The Throat, Easy Bowl, Lower Otterslide, Grubstake, Muskeg, Dolly Varden and Stickleback.

All of the Ski Lifts have been certified by the State and are ready for opening day. Lift Operator Training was done on November 28th and 29th. New Ski Lift maze ropes and signage are prepared to ensure that social distancing is maintained. The Beach House in the Porcupine Learning Area has been relocated directly adjacent to the Porcupine Lift Shack. With the shack relocated, there will be additional trail space for terrain based learning features.

Final touches are underway on the new Fish Creek Lodge Deck and stair railings to ensure that they are operational for opening weekend.

Ski Patrol:

The Ski Patrol Crew has been doing on hill training adhering to COVID best practices while ensure that the crew is up to speed on their medical certifications, chair lift evacuation procedures, avalanche control protocols and other mountain safety procedures. The Ski Patrol performed a half day joint avalanche rescue training with Juneau Mountain Rescue. There has been a dramatic increase in the amount of people venturing out into the backcountry, many of whom lack the proper avalanche training. It is very valuable for the Ski Patrol and Juneau Mountain Rescue to have a good working relationship in the event that shared resources are needed for any large scale rescue events.

We have three new Ski Patrol Staff members on this year. They have been getting extensive training around the mountain learning avalanche routes and Eaglecrest Protocols. It is wonderful to add more depth to the team this season. The tower pads on all lifts have been

deployed. Much of the signage and ropes are staged and ready for deployment once the current weather event has run it's coarse with the hopes of still being able to open the entire mountain on the scheduled opening day of December 5th.

Base Operations:

Base Operations has been spending a lot of time working with the Food Service staff to modify and prepare our curbside pickup ordering and serving system for the coming season. The onboarding of staff and orientation of all departments is just starting to wind down as we approach opening day.

SSS & RRR:

The Snowsports School has been very busy with staff training for the new hire and returning instructors. All of the classroom orientation and training were done this year over the zoom platform and was very successful. Two days of on snow training were performed over the weekend. There has been a lot of continued demand for lessons and seasonal rentals. The prefit for rentals are still going at a good pace, which will allow for touch less service once we open for operations. Prefit appointments will still be available at designated times after we have opened for operations. The repair shop continues to have steady business with ski and snowboard mounting and ski tuning. The early snowfall has everyone excited for the season and in the mode of preparing their equipment for the season ahead.

Marketing:

The Marketing department has been driving the COVID Operations Messaging with the weekly COVID Tips of the week campaign. This has done deep dive into what the changes will be in each area of ski operations, so guests will have clear expectations of what the mountain will look like when they arrive for their first day of the season. Outreach continues with the KTOO and Alaska Radio Center to promote the lesson programs, rentals and ticketing products like the flex pass and the triple play lesson packages.

With the heavy snow early snow and heightened avalanche conditions across the mountain, extra emphasis has been placed on avalanche education over the last week. The change in weather is heightening hazards across the mountain. Many people seem to be complacent and ignore typical backcountry and avalanche safety protocols because they feel "safe" skiing terrain that is typically avalanche controlled inbounds. Preseason the mountain can be full of hazards.

New Business:

a. FY22 CIP Project List for approval

FY 22 DEPARTMENT CAPITAL IMPROVEMENT PLAN DEPARTMENT PRIORITY PROJECTS

Department: Eaglecrest **Date:** 11/30/2020

Compiled by: Dave Scanlan **Phone number:** 790-2000 ext221

PRIORITY	PROJECT NAME	PROJECT COST	PROJECT DESCRIPTION
1	Ptarmigan Chair	$65,000	Rebuild final drive gear hub. Splice and shorted haul rope
2	Hooter Chair	$36,000	Replace top bullwheel bearing assembly and new seat pads
3	Black Bear Chair	$50,000	Replace haul rope
4	Snowmaking Pipe Replacement	$123,000	Replace rotten snowmaking pipe along Log Jam, Muskeg, Dolly Varden and Stickelback ski trails
5	Ski Trail Maintenance	$32,000	Ongoing brushing, mowing and vegatation management of Ski Trails to enable operations with low natural snow
6	Nordic trail Improvements	$10,000	Commence trail hardening in the Lower Loop to ensure consistency of operations during low snow winters
7	Lodge/Building Maintenance	$75,000	Repair rotten floor joists and roof repair of the Eaglesnest. Repair and seal deck of Fishcreek Lodge. Roof repairs Fish Creek Logde. Ongoing paint and general upkeep of Fishcreek and Porcupine Lodge.
8	Hiking and Biking Trails	$30,000	Continued construction and maintence of hiking and biking trails across the mountain
9	Caretakers Residence	$10,000	New shingling and roofing repair
10	Underground Fuel Storage Tank Repair	$10,000	Repair to sensor probes to maintain compliance
11	Miscellaneous Lift parts	$10,000	Bearings and liners for chair lift sheave wheels
12	Brown Shop fortification (Generator Building)	$20,000	Begin of structural fortification of old shop. Building is 40 years old is in the need of structural support
	TOTAL REQUEST	**$471,000**	

Eaglecrest

Six-Year Department Improvement Plans

Division	Project	FY22	FY23	FY24	FY25	FY26
	Lift/Mountain Operations Improvements					
	Lodge Maintenance/Improvements	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000
	Lift Operations - Misc Lift Parts	$ 10,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000
	Mountain Operations - Trail Conditioning		$ 10,000	$ 10,000	$ 10,000	$ 10,000
	Mountain Operations - Hiking/Biking Trails	$ 30,000	$ 30,900	$ 31,827	$ 32,782	$ 33,765
	Mountain Operations - Ski Run Maintanence	$ 32,000	$ 32,960	$ 33,949	$ 34,967	$ 36,016
	Mountain Operations - Snowmaking Pipeline Replacement	$ 123,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000
	Mountain Operations - Night Lighting		$ 60,000			
	Mountain Operations - Caretaker Shack	$ 10,000				$ 50,000
	Mountain Operations - Nordic Improvements	$ 10,000	$ -	$ 15,000		$ 60,002
	Mountain Operations - Septic System Upgrades		$ 40,000			
	Black Bear Lift	$ 50,000		$ 300,000	$ 30,000	
	Generator Building Repairs (Brown Shop)	$ 20,000	$ 50,000			
	Patrol Locker Room Rebuild		$ 100,000			
	Rock Quarry blasting and crushing for Nordic and Alpine Trail Improvement					
	Underground Storage Tank Sensor Repair	10,000				
	Water Treatment Plant Upgrades					
	Lift Paint		$ 30,000	$ 40,000		
	Ptarmigan Chair	$ 65,000			$ 300,000	
	Hooter Chair	$ 36,000				$ 130,000
	Parking Lot and Traffic Flow Improvements					$ 100,000
	Summer Operations Development					
	Eaglecrest Ski Area Total:	**$471,000**	**$ 458,860**	**$535,776**	**$512,749**	**$524,784**