

Manager's Report February 2020

Financial Analysis:

The chart below represents the total revenue and expenses as accrued year to date in each of the years shown. We have had a very strong month for revenue thanks to a series of good snowstorms at the mountain. We are now ahead of revenue from the last five years excluding FY 17, which had a strong snowy start and consistent snow throughout the season. At the start of January, our revenue was trailing FY19 by \$65,000. As you can see below, we have now pulled ahead of FY 19 by \$20,000. Staff have also done a good job controlling expenses over the last month and are now below the past years in total expenses year to date. In the last line in this chart, you will see the revenue over expenses and will see that we are currently performing the best financially that we have since Fiscal Year 14.

	FY 12	FY 13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Sales	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals
Ski School Fees	\$ 92,715	\$ 99,529	\$ 110,866	\$ 71,865	\$ 109,730	\$ 100,951	\$ 72,417	\$ 82,247	\$ 87,228
Ski Lift Fees	\$ 146,523	\$ 112,684	\$ 81,642	\$ 10,417	\$ 139,942	\$ 141,943	\$ 44,140	\$ 73,080	\$ 84,392
Advance Ticket	\$ 100,299	\$ 68,761	\$ 89,727	\$ 40,456	\$ 57,112	\$ 92,804	\$ 30,383	\$ 57,048	\$ 52,873
Season Ticket	\$ 318,278	\$ 302,915	\$ 324,679	\$ 306,467	\$ 202,128	\$ 173,153	\$ 220,202	\$ 229,754	\$ 220,098
On Line Season Pass Sales	\$ 474,859	\$ 528,394	\$ 515,325	\$ 461,583	\$ 263,080	\$ 352,475	\$ 460,990	\$ 389,841	\$ 362,258
Bus Fees	\$ 9,288	\$ 8,520	\$ 7,815	\$ 2,267	\$ 3,245	\$ 3,657	\$ 1,127	\$ 1,127	\$ 1,797
USER FEES	\$ 1,141,962	\$ 1,120,802	\$ 1,130,054	\$ 893,054	\$ 775,236	\$ 864,983	\$ 829,259	\$ 833,096	\$ 808,646
Retail - Soft G	\$ 27,499	\$ 17,118	\$ 16,725	\$ 6,358	\$ 25,806	\$ 27,403	\$ 13,797	\$ 17,605	\$ 33,787
Food Service	\$ 103,979	\$ 72,862	\$ 66,365	\$ 27,606	\$ 65,788	\$ 83,084	\$ 48,384	\$ 50,602	\$ 53,016
Ski Repair	\$ 21,505	\$ 20,386	\$ 17,126	\$ 11,685	\$ 13,575	\$ 13,042	\$ 15,708	\$ 10,092	\$ 13,511
SALES	\$ 152,984	\$ 110,366	\$ 100,217	\$ 45,648	\$ 105,169	\$ 123,529	\$ 77,889	\$ 78,299	\$ 100,314
Locker Rental F	\$ 68,568	\$ 68,370	\$ 68,236	\$ 68,476	\$ 62,163	\$ 63,631	\$ 63,260	\$ 62,839	\$ 60,010
Ski Rental	\$ 55,850	\$ 52,351	\$ 45,208	\$ 20,134	\$ 36,938	\$ 72,718	\$ 44,605	\$ 38,004	\$ 38,933
Facility Rentals									\$ 24,456
RENTALS	\$ 124,418	\$ 120,721	\$ 113,444	\$ 88,609	\$ 99,101	\$ 136,349	\$ 107,865	\$ 100,842	\$ 123,399
Total Sales	\$ 1,419,363	\$ 1,351,889	\$ 1,343,715	\$ 1,027,312	\$ 979,507	\$ 1,124,861	\$ 1,015,013	\$ 1,012,237	\$ 1,032,359
Expenses									
Personnel Costs									
Ski Area Administration	\$ 255,355	\$ 225,467	\$ 317,543	\$ 308,211	\$ 340,712	\$ 352,768	\$ 361,938	\$ 322,585	\$ 297,206
Ski Rental Shop	\$ 39,865	\$ 38,224	\$ 34,688	\$ 22,473	\$ 33,164	\$ 35,059	\$ 27,007	\$ 22,037	\$ 17,607
Ski Patrol Program	\$ 81,410	\$ 85,758	\$ 81,085	\$ 56,408	\$ 75,436	\$ 72,542	\$ 57,163	\$ 51,781	\$ 54,419
Lift Operation Program	\$ 151,809	\$ 140,473	\$ 41,909	\$ 21,636	\$ 55,061	\$ 60,582	\$ 34,294	\$ 15,653	\$ 16,413
Maintenance Program	\$ 106,606	\$ 80,482	\$ 118,571	\$ 91,861	\$ 79,781	\$ 104,336	\$ 83,601	\$ 110,372	\$ 126,693
Lodge Operations Program	\$ 33,298	\$ 55,813	\$ 44,316	\$ 32,123	\$ 44,843	\$ 36,065	\$ 42,314	\$ 63,662	\$ 46,746
Food Service	\$ 23,359	\$ 23,842	\$ 21,693	\$ 14,543	\$ 15,798	\$ 21,227	\$ 15,388	\$ 12,056	\$ 12,174
Marketing/Special Events	\$ 19,460	\$ 18,357	\$ 16,574	\$ 11,047	\$ 17,657	\$ 19,973	\$ 13,906	\$ 36,288	\$ 55,539
Ski School Program	\$ 73,115	\$ 91,438	\$ 118,665	\$ 92,049	\$ 71,671	\$ 106,867	\$ 70,188	\$ 61,156	\$ 58,541
Total Personnel Costs	\$ 784,276	\$ 759,855	\$ 795,044	\$ 650,352	\$ 734,123	\$ 809,419	\$ 705,799	\$ 695,590	\$ 685,338
Other Expenses									
Ski Area Administration	\$ 226,078	\$ 223,240	\$ 231,067	\$ 227,500	\$ 229,742	\$ 211,174	\$ 208,020	\$ 192,658	\$ 180,003
Ski Rental Shop	\$ 23,171	\$ 17,495	\$ 23,523	\$ 21,056	\$ 10,945	\$ 15,604	\$ 17,725	\$ 10,701	\$ 27,574
Ski Patrol Program	\$ 9,395	\$ 23,757	\$ 9,872	\$ 13,851	\$ 5,315	\$ 7,412	\$ 8,711	\$ 2,112	\$ 4,264
Lift Operation Program	\$ 13,405	\$ 13,972	\$ 9,513	\$ 12,567	\$ 8,201	\$ 13,793	\$ 7,819	\$ 18,750	\$ 2,706
Maintenance Program	\$ 35,378	\$ 58,509	\$ 71,627	\$ 43,196	\$ 15,365	\$ 25,068	\$ 29,234	\$ 38,141	\$ 47,341
Lodge Operations Program	\$ 27,323	\$ 30,739	\$ 26,891	\$ 31,770	\$ 42,534	\$ 42,982	\$ 46,912	\$ 59,301	\$ 54,257
Food Service	\$ 52,728	\$ 51,191	\$ 44,278	\$ 23,697	\$ 45,537	\$ 51,388	\$ 20,675	\$ 33,289	\$ 14,965
Marketing/Special Events	\$ 26,998	\$ 32,135	\$ 32,720	\$ 26,983	\$ 23,989	\$ 24,157	\$ 24,885	\$ 21,159	\$ 12,640
Building Maint/Utilities	\$ 64,253	\$ 53,444	\$ 56,924	\$ 53,006	\$ 51,793	\$ 55,345	\$ 54,931	\$ 57,730	\$ 51,726
Ski School Program	\$ 4,519	\$ 1,782	\$ 2,468	\$ 3,542	\$ 1,402	\$ 3,055	\$ 2,758	\$ 2,334	\$ 3,405
Equipment Replacement	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,331	\$ 58,338	\$ 58,338
Vehicle Maintenance	\$ 22,777	\$ 8,581	\$ 17,195	\$ 10,893	\$ 20,187	\$ 23,277	\$ 24,482	\$ 21,846	\$ 28,901
Total Other Expenses	\$ 564,359	\$ 573,178	\$ 584,411	\$ 526,393	\$ 513,344	\$ 531,588	\$ 504,483	\$ 516,359	\$ 486,120
Total Costs	\$ 1,348,635	\$ 1,333,034	\$ 1,379,455	\$ 1,176,745	\$ 1,247,467	\$ 1,341,007	\$ 1,210,282	\$ 1,211,949	\$ 1,171,458
Over/(Short)				(149,433)	(267,960)	(216,146)	(195,268)	(199,711)	(139,099)

Mountain Operations:

It has been a very busy month for Mountain Operations shifting gears from a near record cold spell, which lead to some productive snowmaking in the Porcupine Area, fortifying the lower mountain on the runout from Sneaky and Sourdough and up to the top of Sourdough. During our coldest stretch of weather, we found evidence of a hole in the snowmaking pipe on Lower Insane Ski Trail which reduced flow in the section of pipe below that point which resulted in the pipeline freezing in the thirty below wind chill that morning. This is the fourth hole that has opened up so far this season due to the rotting pipe.

The cold weather created many challenges keeping all of the machinery functioning in the multiple days of below zero temperatures. The crew did a fantastic job doing repairs on the lifts, grooming equipment and other mountain equipment keeping to mountain running smoothly.

We quickly shifted from the cold clear weather pattern into a very active weather pattern that brought rain, ice and lots of snow! The month of January recorded 87 total inches of snow. Our head lift mechanic with the support of other Mountain Operations staff did a great job de-icing the Black Bear Chair from numerous rhyme icing events despite being short staffed keeping Black Bear Operational all of our scheduled operating days that were not hampered by high winds.

Ski Patrol:

Ski Patrol has had a busy couple of weeks as well with all of the new snow. They have had numerous early avalanche control mornings and have done a great job keeping the mountain safe and ready for full operations and for the first time in many years have had all of the trails open. The Ski Patrol also kept busy keeping all of the upper mountain rope lines and bamboo clear of the thick rhyme ice with full strings of bamboo breaking under the weight of the ice in the last week.

Snow Sports, Rental, Retail and Repair:

These departments have been very busy. Snow Sports School has gotten all of the adult lesson programs up and running. This weekend is the end of the first session for the Wee Ski and Little Rippers lesson Programs. We have now finished up January Learn to Ski Month. The new snow brought many people out to the mountain.

The Rental Shop has been doing a great job outfitting all of our large school groups on the weekdays and fitting up all of the youth weekend programs with their gear. The seasonal rentals have been sold out for the last month and half and we continue to get requests for seasonal rentals.

The Retail Shop has been performing extremely well with the addition of our new logo wear and great selection of goggles helmets and other miscellaneous accessories.

Marketing and Events:

I encourage everyone to view some of the professional grade photo and video products that the marketing department has produced over the last month. Below is a summary with active links to easily view.

Photos

- Marketing world is taking photos like crazy. We also have a ton of great stuff in the hopper from promotional materials for next season. Lots of photos in the I Drive, most of them need editing!
- Here is the link to the photo gallery from this storm cycle:
 - <https://skieaglecrest.com/news/gallery-40-inches/>

Video

Jonny Antoni has been prolific with video production. Unfortunately, Jonny will be gone for Feb 17-28 and March 8-15. Upcoming videos will be the Women's Reach the Peak Series, Juneau Symphony event, Snow Science event, Learn To Ski Weekend Recap, 44" Storm Cycle Recap, and a LONG OVERDUE Eaglecrest Report with yours truly. Here some recent video posts:

<https://skieaglecrest.com/news/januburied/>

<https://skieaglecrest.com/news/watch-learn-to-adapt/>

<https://skieaglecrest.com/news/watch-learn-to-ski-ride/>

Recent Posts at skieaglecrest.com/news

Had a busy month of reporting on our website. The thought here is to have content for people who are anti-social media. Here are January's posts:

- <https://skieaglecrest.com/news/gallery-40-inches/>
- <https://skieaglecrest.com/news/januburied/>
- <https://skieaglecrest.com/news/watch-learn-to-adapt/>
- <https://skieaglecrest.com/news/gallery-powder-weekend/>
- <https://skieaglecrest.com/news/watch-womens-reach-the-peak/>
- <https://skieaglecrest.com/news/gallery-hilda-dam-cabin/>
- <https://skieaglecrest.com/news/watch-learn-to-ski-ride/>
- <https://skieaglecrest.com/news/gallery-mlk-weekend/>
- <https://skieaglecrest.com/news/eaglecrest-feature/>
- <https://skieaglecrest.com/news/learn-to-ski-weekend-jan-25-26/>
- <https://skieaglecrest.com/news/watch-snowmaker/>
- <https://skieaglecrest.com/news/womens-reach-the-peak-series/>
- <https://skieaglecrest.com/news/gallery-happy-new-year/>
- <https://skieaglecrest.com/news/watch-christmas-eve-recap/>
- <https://skieaglecrest.com/news/juneau-ski-club-programs/>
- <https://skieaglecrest.com/news/gallery-sleeper-pow-day/>

Future Events:

- Powder Keg Cup 2020
- Winter Fest Weekend
- Terrain Park Event(s)???
- Faction Skis Film Premiere Event (like Snovember)

Past Events

- The Snow Science Chat event went great. About 75 attendees.
- The Juneau Symphony event sold out, about 150 attendees.
- Learn To Ski Weekend was fun, although attendance was about the same as last year, it's still way down from past levels. We gave the schools like two weeks' notice, but wasn't enough. Next year we'll have to do better job of recruiting kids to sign up early!
- I attended the Juneau Kindness Festival on January 5th and was thinking that'd be a great recruiting event for Snowsports School programs. Unfortunately, it's scheduled the same day that Youth Programs start. I was shocked by how many families didn't know about Eaglecrest beyond it just being here. It seemed like only half the people knew about Books 2 Boards, Learn To Ski Weekend, and 5th Grade Passport, but there were quite a few new to Juneau families.

Promotions

- Promotions are rolling on the local radio stations and social media for Snowsports School programs.
- We have a media visit in March from the Snowledge App's pro team. They'll be staying at Silverbow Inn and riding Eaglecrest and in helicopters. They will be producing a 5 minutes narrative video about visit Juneau for a ski trip.
- Another group in March is visiting Eaglecrest because they won the Snowledge/Indy Pass Eaglecrest Getaway Sweepstakes Contest. Jonny will be producing a shorter video about a long weekend trip from Seattle to stay in Juneau for a ski trip. Travel Juneau has expressed interested in using this content for future campaigns in the lower 48 to promote Juneau winter tourism.

Other Projects

- Also working on a new project for inside the Fish Creek Lodge. The idea is to print and hand a large trail map with Plexiglas cover for guests write with dry erase markers and name their favorite runs on the mountain using their own friend groups' names.
- 2020 calendar posters are late. Very sorry. Wasn't going to order them because they are over \$1,000, but guest feedback has changed my mind. Looking at ways to reduce cost.
- Weather Plugin could be live for next week with automated temp, wind data. Pretty sweet

Summer Operations Update:

This Month's Summer Task Force Meeting was canceled. The next Task Force Meeting is scheduled for March 6th. Over the last month, Eaglecrest's General Manager has been working with the City Manager, Finance Director and Director of Law to develop the scope of work for our the Summer Adventure Center Financial Feasibility Study and Market Analysis. This group has also been engaging in discussions with Cruise Industry Representatives to ascertain levels of support to assist in developing options for revenue bond financing and other funding mechanisms that will have limited financial risk to CBJ, allow a high level of control over summer operations and have zero negative impacts to tax payers.

New Business:

a. Fiscal Year 2021 & 2022 Budget.

EAGLECREST					
Comparatives					
		FY20		FY21	FY22
	FY19	Amended	Projected	Requested	Requested
	Actuals	Budget	Actuals	Budget	Budget
EXPENDITURES:					
Personnel Services	\$ 1,413,000	1,659,500	1,441,400	1,783,400	1,783,400
Commodities and Services	1,010,700	1,136,000	1,027,400	1,328,200	1,328,200
Total Expenditures	2,423,700	2,795,500	2,468,800	3,111,600	3,111,600
FUNDING SOURCES:					
Charges for Services	1,055,300	1,410,000	1,142,500	1,364,500	1,364,500
Rentals	174,800	255,000	211,500	275,000	275,000
Licenses, Permits and Fees	203,200	306,900	227,200	355,400	355,400
Sales	26,600	45,000	64,400	58,000	58,000
Contributions	175,100	75,000	100,000	100,000	100,000
Support from:					
Roaded Service Area	25,000	25,000	25,000	50,000	50,000
General Fund	700,000	700,000	700,000	950,000	950,000
Total Funding Sources	\$ 2,360,000	2,816,900	2,470,600	3,152,900	3,152,900
FUND BALANCE:					
Beginning Restricted Fund Balance	102,700	39,000	39,000	40,800	82,100
Increase (decrease) in Fund Balance	(63,700)	21,400	1,800	41,300	41,300
Ending Restricted Fund Balance	\$ 39,000	60,400	40,800	82,100	123,400
STAFFING	32.08	35.60	35.60	35.60	35.60

[illegible]

Category	Percentage
Uphill Transport, Downhill and Nordic Trail Grooming	70%
Customer Service Operations	28%
Non-Core	2%

A 3D pie chart illustrating the revenue distribution by segment. The largest segment, 'Uphill Transport, Downhill and Nordic Trail Grooming', is light blue and represents 70% of the total. The second largest, 'Customer Service Operations', is maroon and represents 28%. The smallest segment, 'Non-Core', is yellow and represents 2%. Labels with leader lines point to each segment.

Segment	Percentage
Uphill Transport, Downhill and Nordic Trail Grooming	70%
Customer Service Operations	28%
Non-Core	2%

Eaglecrest

Budget Highlight

Eaglecrest's FY20 Projected Actuals decreased \$326,700 (11.7%) from the FY20 Amended Budget.

Eaglecrest's FY21 and FY22 Requested Budgets are an increase of \$316,100 (12.8%) over the FY20 Amended Budget.

The significant budgetary changes include:

FY20 Projected Actuals:

- Personnel Services decreased \$218,100 (13.1%) primarily due to the fact that we were unable to recruit to the desired staffing levels due to the lack of ski industry experience in Juneau and the wages that Eaglecrest can offer compared to other ski areas in the Pacific North West
- Commodities and Services decreased \$108,600 (9.6%) primarily because Eaglecrest strives to budget to the bottom line. Last year was another year of very low snow and below average utilization of the mountain. In these situations, we do our best to cut spending to bare minimum levels to meet below than projected revenues due to the lack of snow.

FY21/FY22 Requested Budgets:

- Personnel Services increased \$123,900 (8.6%) primarily due to an effort to adjust the Eaglecrest Payplan to bring base wages above Alaska Minimum Wage. Eaglecrest currently has nine pay classes that are below Alaska Minimum Wage. The Eaglecrest Manager is also working with Human Resources to apply a range class increase to the Ski Patrol Department to better reflect the technical level of medical certifications, hazardous conditions of their work, and level of autonomous judgment needed to perform their work. The Mountain is also striving to add to the year around staff in the Mountain Maintenance Department to ensure that our aging equipment is properly serviced and safe for our guests.
- Commodities and Services increased \$192,200 (18.7%) primarily due to a couple large cost increases that have been passed down to Eaglecrest from CBJ and the State of Alaska. CBJ has increased the interdepartmental fees that it charges back to Eaglecrest by \$127,400, which is a 37% increase in one year. CBJ also raised the Workers Compensation Insurance rate by \$14,000 and the Ski Area special insurance policy rates by \$4,600. The State of Alaska Department of Transportation has increased the cost of the Winter Road Maintenance on Fish Creek Road by \$25,000. All of these costs, which are uncontrollable by Eaglecrest, add up to \$171,100. Eaglecrest also raised the amount of money on ski and snowboard rental inventory to account for the replacement of old equipment that no longer meet safety standard. Eaglecrest also raised the amount of money dedicated to retail cost of goods to ensure enough spending authority to keep the retail shop properly stocked with product, driving new revenue potential. Both of these items account for an additional \$10,000. Our credit card processing fees and contractual services related to use of our new online store and automated ticketing system accounts for the bulk of the remaining increases.