

Manager's Report March 2019

Financial Analysis: The chart listed below is reflective to the actual revenue and expenses as accrued to date for each year shown in the table below. Staff has been doing a great job in managing personnel costs over the last month as it is one of the primary drivers of total expenses. Although we have kept personnel costs down overall other expenses per department have been slightly higher than other years due to some unforeseen repairs to the lifts and trainings that have been needed. Our electrical expense for January and February was also higher due to our aggressive snowmaking during this period. Our fuel bill for our second delivery of heating oil for Fishcreek Lodge also hit this period in the Lodge Operations expense line. We are hopeful to see a good round of multi-card ticket sales coming into the spring season since we will not be selling a specific Spring Pass. We continue to see strong sales in the Snowsports School, which is a very positive signal to our future growth potential. The amount that our revenue is below our expenses is shown on the last line of the chart. We are currently doing better than the previous 4 years.

	FY 11	FY 12	FY 13	FY14	FY15	FY16	FY17	FY18	FY19
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals
Sales									
Ski School Fees	\$ 76,985	\$ 103,096	\$ 109,898	\$ 123,790	\$ 72,378	\$ 115,445	\$ 110,715	\$ 74,872	\$ 118,535
Ski Lift Fees	\$ 115,693	\$ 172,804	\$ 135,973	\$ 111,475	\$ 10,892	\$ 151,125	\$ 169,961	\$ 56,883	\$ 142,242
Advance Ticket	\$ 117,401	\$ 103,717	\$ 71,405	\$ 91,630	\$ 40,456	\$ 57,112	\$ 95,076	\$ 35,299	\$ 65,558
Season Ticket	\$ 257,164	\$ 319,138	\$ 303,328	\$ 325,800	\$ 302,796	\$ 209,939	\$ 173,212	\$ 220,361	\$ 233,195
On Line Season Pass Sale	\$ 439,318	\$ 474,859	\$ 530,094	\$ 515,325	\$ 461,583	\$ 263,080	\$ 352,475	\$ 460,990	\$ 389,950
Bus Fees	\$ 8,478	\$ 10,346	\$ 8,889	\$ 8,472	\$ 2,390	\$ 3,432	\$ 3,926	\$ 1,592	\$ 1,318
<i>USER FEES</i>									
	\$ 1,015,039	\$ 1,183,959	\$ 1,159,588	\$ 1,176,493	\$ 890,495	\$ 800,132	\$ 905,364	\$ 849,997	\$ 950,797
Retail - Soft G	\$ 28,502	\$ 29,847	\$ 21,767	\$ 22,014	\$ 7,029	\$ 28,368	\$ 29,417	\$ 15,466	\$ 26,588
Food Service	\$ 105,556	\$ 126,770	\$ 91,100	\$ 92,917	\$ 32,001	\$ 74,362	\$ 100,528	\$ 56,435	\$ 85,748
Ski Repair	\$ 22,202	\$ 23,150	\$ 22,338	\$ 19,607	\$ 12,085	\$ 14,638	\$ 14,148	\$ 16,623	\$ 12,860
<i>SALES</i>									
	\$ 156,260	\$ 179,767	\$ 135,205	\$ 134,537	\$ 51,115	\$ 117,368	\$ 144,093	\$ 88,524	\$ 125,196
Locker Rental F	\$ 61,293	\$ 68,568	\$ 68,370	\$ 68,623	\$ 68,476	\$ 62,163	\$ 63,631	\$ 63,260	\$ 64,453
Ski Rental	\$ 61,152	\$ 66,649	\$ 60,670	\$ 60,051	\$ 20,633	\$ 40,776	\$ 83,979	\$ 50,166	\$ 55,700
<i>RENTALS</i>									
	\$ 122,445	\$ 135,216	\$ 129,040	\$ 128,674	\$ 89,109	\$ 102,939	\$ 147,610	\$ 113,426	\$ 120,153
Total Sales	\$ 1,293,745	\$ 1,498,943	\$ 1,423,833	\$ 1,439,704	\$ 1,030,718	\$ 1,020,438	\$ 1,197,067	\$ 1,051,947	\$ 1,196,146
Expenses									
Personnel Costs									
Ski Area Administration	\$ 333,497	\$ 273,537	\$ 240,237	\$ 335,741	\$ 333,145	\$ 358,670	\$ 372,513	\$ 380,849	\$ 349,329
Ski Rental Shop	\$ 61,292	\$ 45,541	\$ 44,800	\$ 40,802	\$ 24,817	\$ 38,325	\$ 39,870	\$ 29,454	\$ 25,653
Ski Patrol Program	\$ 98,351	\$ 91,964	\$ 100,697	\$ 93,732	\$ 61,178	\$ 87,159	\$ 84,228	\$ 109,389	\$ 60,516
Lift Operation Program	\$ 194,019	\$ 167,022	\$ 157,031	\$ 51,103	\$ 25,005	\$ 64,948	\$ 71,504	\$ 38,686	\$ 23,106
Maintenance Program	\$ 87,322	\$ 116,711	\$ 90,847	\$ 127,366	\$ 95,935	\$ 88,419	\$ 115,704	\$ 91,563	\$ 119,772
Lodge Operations Program	\$ 60,854	\$ 37,787	\$ 63,978	\$ 50,465	\$ 34,529	\$ 49,995	\$ 41,015	\$ 46,375	\$ 71,748
Food Service	\$ 37,171	\$ 27,384	\$ 27,613	\$ 25,689	\$ 16,266	\$ 18,121	\$ 24,756	\$ 18,514	\$ 15,411
Marketing/Special Events	\$ -	\$ 22,005	\$ 20,311	\$ 18,764	\$ 12,221	\$ 18,936	\$ 22,539	\$ 15,337	\$ 41,478
Ski School Program	\$ 107,544	\$ 85,972	\$ 109,200	\$ 135,217	\$ 100,355	\$ 84,303	\$ 123,293	\$ 78,715	\$ 72,133
Total Personnel Costs	\$ 980,050	\$ 867,923	\$ 854,714	\$ 878,878	\$ 703,449	\$ 808,875	\$ 895,422	\$ 808,882	\$ 779,145
Other Expenses									
Ski Area Administration	\$ 208,152	\$ 226,160	\$ 223,309	\$ 231,165	\$ 232,941	\$ 229,756	\$ 211,242	\$ 242,543	\$ 238,422
Ski Rental Shop	\$ 38,032	\$ 26,141	\$ 28,209	\$ 23,523	\$ 22,929	\$ 13,759	\$ 19,760	\$ 20,288	\$ 26,766
Ski Patrol Program	\$ 9,513	\$ 9,395	\$ 23,757	\$ 9,872	\$ 13,851	\$ 5,315	\$ 7,412	\$ 9,743	\$ 3,210
Lift Operation Program	\$ 27,680	\$ 13,405	\$ 14,188	\$ 9,513	\$ 12,567	\$ 11,258	\$ 13,793	\$ 8,758	\$ 25,404
Maintenance Program	\$ 65,460	\$ 62,218	\$ 58,509	\$ 71,627	\$ 43,196	\$ 15,365	\$ 25,068	\$ 34,805	\$ 41,951
Lodge Operations Program	\$ 42,576	\$ 27,323	\$ 36,454	\$ 32,330	\$ 36,935	\$ 42,534	\$ 42,982	\$ 46,912	\$ 70,333
Food Service	\$ 48,644	\$ 60,528	\$ 63,679	\$ 49,313	\$ 23,697	\$ 47,153	\$ 53,685	\$ 21,027	\$ 44,263
Marketing/Special Events	\$ 32,975	\$ 28,158	\$ 32,705	\$ 32,720	\$ 26,983	\$ 23,989	\$ 25,957	\$ 29,739	\$ 24,282
Building Maint/Utilities	\$ 65,925	\$ 64,253	\$ 53,444	\$ 56,924	\$ 53,006	\$ 51,793	\$ 55,345	\$ 50,000	\$ 57,865
Ski School Program	\$ 3,468	\$ 4,519	\$ 1,782	\$ 2,468	\$ 3,542	\$ 1,402	\$ 3,055	\$ 2,909	\$ 2,334
Equipment Replacement	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,331	\$ 58,338
Vehicle Maintenance	\$ 36,646	\$ 25,028	\$ 8,581	\$ 28,258	\$ 10,893	\$ 20,187	\$ 27,040	\$ 25,617	\$ 24,632
Total Other Expenses	\$ 637,404	\$ 605,464	\$ 602,950	\$ 606,046	\$ 538,872	\$ 520,844	\$ 543,673	\$ 550,671	\$ 617,798
Total Costs	\$ 1,617,454	\$ 1,473,387	\$ 1,457,664	\$ 1,484,924	\$ 1,242,321	\$ 1,329,720	\$ 1,439,094	\$ 1,359,553	\$ 1,396,944
					(211,603)	(309,281)	(242,027)	(307,606)	(200,798)

Mountain Operations: The last couple of weeks have been rolling along smoothly in mountain operations. We have been training in one of our new Groomers and the team has been doing a great job taking advantage of the clear cold weather to get additional trails groomed across the mountain. We still have a very shallow snow pack and have not received any new snow in nearly two weeks. Total snowdepth mid mountain is only 55 inches. The lack of snow has made for a decrease in the daily ticket sales as the Powder Snow enthusiasts have not been at the ticket window. We are hopeful that we will see a pattern shift in the week ahead that will hopefully allow for a snowy spring season and a spike in daily ticket and multi-day ticket sales.

We are planning on having our Black Bear Fridays in March events snow and weather dependent.

Snowmaking Operations: We concluded our snowmaking season on February 11th. The chart below breaks down our snowmaking statistics for the year.

Total hours of operations	432
Total Gallons of water used	12,017,100
Fuel for Generators	\$16,400
Electric	\$20,000
Labor	\$13,000
Total Expense	\$49,400

Snowsports School: The clear cool weather with snow in the valley and a great Marketing presence around Snowsports School has been leading to strong sales. The Snowsports staff has done a fantastic job filling up almost all the remaining midweek days with local school groups. The Spring Break Camps are filling up and we have just filled enrolment of the Women's Yes You Can Workshop coming up this weekend.

Events: Snowsports School Events

- March 9 – Women's Yes You Can Workshop
- March 20-22 – \$99 Spring Break Camp
- Sunday First Timer's Special (Every Sunday PM)
- Ptarmigan & Beyond Series (March 16, 23, 30, April 6)
- Youth Spring Adventure Series – (March 16, 23, 30)

Special Events

- March 9 – Powder Keg Cup Race #1
 - TBD: Old Tower Bar Open For Event & Après Ski
- March 16 – Powder Keg Cup Race #2
 - TBD: Old Tower Bar Open For Event & Après Ski

- March 23 – Powder Keg Cup Race #3
 - TBD: Old Tower Bar Open For Event & Après Ski
- March 25 (Seward's Day) – Passholders' Bring A Friend Day
- March 30 – U12 & U14 State Championships
- April 6 – Slush Cup (or alternative event if low snow)
- April 7 – Parking Lot Concert (TBD pending Alaska Brewing co-sponsorship)

Nordic: We have been consistently grooming the upper and lower loop Nordic Trails over the last three weeks with the Pistenbully. We have also been doing quite a number of Nordic Lessons, which is exciting to see.

Field House: Things continue to be busy at the Field House as we get deep into the spring training season with high demand from the highschool teams for turf time.

Unfinished Business:

- A. Zipline:** We are getting ready to kick off our second season under the ownership of Alaska Rainforest Sanctuary. During the permit transfer process last year we removed the language allowing them exclusive use of the portions of the Porcupine Lodge. The current Commercial Use Permit expires February 18th of 2021. We saw an increase in the volume of traffic last season and a resulting increase in our concession fees from years previous by approximately \$15,000. Alaska Ziplines first planned day of on hill training is scheduled for April 20th and the first tour on April 28th.
- B. Magic Carpet:** The Manager has just received all specifications sheets and pricing quotes needed from Rocky Mountain Conveyor & Equipment, Inc. the authorized representative of Magic Carpet Lifts. The pricing provided for a 240 foot long carpet with a 30 inch wide conveyor tread came in at \$106,000 FOB Denver. We are re-engaging in discussions with the Eaglecrest Foundation in regards to a Fundraising Campaign for this project. Typical Lag time is 12 to 16 weeks after putting a 50% deposit down on the equipment. We are also working to refine the other additional costs such as the necessary dirt work and trail hardening needed to support the foundation struts for the carpet. We feel that after a successful winter running Black Bear Chair and delivering consistent operations the donor pool should hopefully be primed up to support this great project.
- C. RFID Ticketing:** We are in the process of working with our point of sale representatives at InTouch to ensure that our software will have the ability to integrate with the automatic RFID Ticketing scanner gates. Through this process we have been

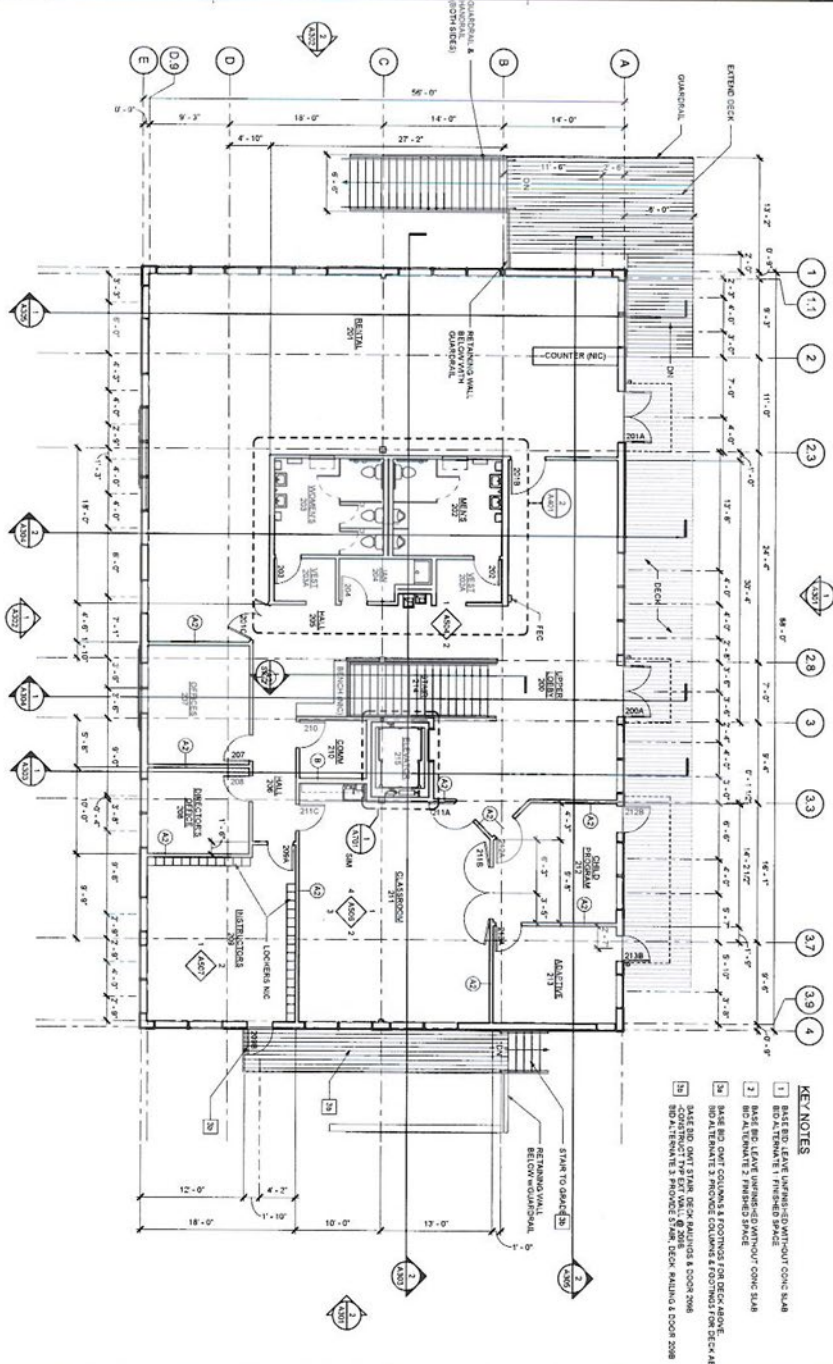
given some suggestions of the best technology to integrate and have reached out to the General Manager of Gunstock Mountain in New Hampshire that we have a relationship who has both InTouch and RFID ticketing gates to learn about their experiences. We hope to put out an RFQ in the next 6 weeks to ensure that we will have time to work through procurement processes and have installation complete prior to the 2019/2020 ski season.

D. Mountain Host Program: This topic has been brought up as a conceptual volunteer program to help improve customer experience and outreach. What are the next steps further refining the concept and the potential for the executing in the future.

Base Area Traffic Flow and Summer Projects: Armando one of the lead Architects for the Porcupine Lodge has put together the attached drawing for an exterior stair way and deck extension onto the backside of the Porcupine Lodge to allow guest safe access to the Porcupine slopes early season when we have snowmaking extension cords pulled out and the slope is covered in ice. During these times we have been routing all traffic through the inside of Porcupine Lodge which is causing unnecessary wear and tear on the building. Below you will see the diagram of what these exterior stairs could look like. Below that you will find our entire list of potential summer projects. We will be refining costing out these projects over the next 6 weeks to ensure we are able to complete the most impactful projects prior to the start of the 2019/2020 ski season.

1 SECOND FLOOR PLAN

1/8" = 1'-0"



A202

DATE: 06/04/2014
 DRAWN BY: JENSEN
 CHECKED BY: JENSEN
 APPROVED BY: JENSEN
 PROJECT: EAGLECREST LEARNING CENTER
 SHEET: SECOND FLOOR PLAN

**CITY & BOROUGH OF JUNEAU
 EAGLECREST LEARNING
 CENTER**
 CBJ CONTRACT No. E014-076

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Eaglecrest Summer Projects 2019

Loose Ends

- Ptarmigan Top ramp, Lift Shack interior and exterior, Radio antenna mounting and permanent power to shack
- Core Shot Bar Plumbing and equipment installation
- Snowmaking expansion, installation of existing pipe, acquisition and installation of new pipe to bottom of Black Bear. Have \$31,000 remaining on Snowmaking specific CIP. Fix Ego spur line from 2017
- Summer Turf Loading ramp platforms for bottom of Hooter, Porcupine and Ptarmigan
- Parking Lot Signage Plan (removable sandwich boards?)
- Nordic Entrance Signage.

New Project List for Summer 2019

- Rewiring of Ski Lifts per Frank (Superior Tramway) Suggestions
- Porcupine Area Dirt Work
 - Slope side ski rack area
 - Fill with rock top of Porcupine Lift at junction of Muskeg and Dolly
 - Add culvert top of Stickleback and top of Platter Chutes
 - Build Beach out of rock
 - Harden Muskeg
 - Fill around Porcupine Lift Shack
 - Need to acquire core permit
- Porcupine Exterior Stairs and deck extension
- RFID Ticketing turn styles at Hooter and Ptarmigan
- Dirt work on lower Trickster to improve early season Nordic Access to Upper Loop and Cabin
- Resurface Fishcreek Lodge Deck
- Lift terminal and Tower Painting
- General Fishcreek Lodge paint and repair. Expansion/renovations to create more family lockers. Paint old locker room.
- Partition in Fishcreek Lodge below elevator dividing off Seadogs space
- Water Works, new communications line to storage tank. Paint large tank and install decking on top of tank. Potentially use the old riblet tower walk ways. New Sand filter. Replace primary water line from well pump to treatment building.
- Nordic Tube shack moving or hardening of a portion of Meadow Loop.
- Patrol Locker Room
- Snowmaking hydrants rebuild to fix all leaking hydrants. Look at repair potential on all leaking band clamps
- Reposition all webcam and update software package to all cams
- Possible migration of InTouch software to annual subscription to enable operation with the latest platform. Integrate live reservation system for Cabin Rental.
- Replace Instructor door knob with new programmable keypad

- Update Porcupine Lodge climate control system.
- Hooter Night Light Repairs
- Harden and shape ski away around backside of Fishcreek Lodge
- Remove Light Pole around back side of Fischcreek Lodge to improve skiway positioning
- Look at frost heaving problem around tower 2 Hooter
- Look at expanding and relocating EV Car Charging Station and possibility of charging and annual fee for car charging station users
- Access Gate for summer road
- Fishcreek Lodge Roof West side
- Employee shuttle decal wrap