

## **Managers Report**

### **Financials – FY17**

- Through 3/19 expenses are \$1,738,991, \$208,120 (14%) above FY16. We are \$64,567 (4%) above the 6 year average of \$1,674,423
- Revenue through 3/27 is \$1,414,156, \$373,962 (36%) above FY16

On the expense side I am becoming concerned that our expenses will exceed our revenue. Although expenses are generally in line with a full season of operating when you take into account, pay increases, promotions, and just generally trying to pay employees more.

Our revenue for the past month was great, we sold over 200 spring season passes blowing past the previous record of 99. I suspect without much fresh snow revenue will not increase substantially for the rest of the season from a day to day operation stand point. We still have over \$50,000 to collect on our school group programs, we should start seeing that revenue come in over the next month or two.

Overall I think we are doing ok considering the past two seasons. Looking toward the end of the year it is looking to get increasingly tighter. Unfortunately, our end of the season sales has not been what I would like. It won't be until April 13<sup>th</sup> that we will have a better picture of where expenses are. As of now I have directed senior staff to look at cost saving measures and to ensure that all non-year round staff are done working as soon as possible once the season ends. Don't expect a big fund contribution, but we hopefully shouldn't need any additional funds.

See Financial Summary for more details.

### **Winter Operations**

Today is the 91<sup>st</sup> day of operations. The snow returned in the begging of March and we had a good spring break. Spring Break camps went well and were well attended. Operations are running well. Things are starting to slow down and we are seeing a drop in attendance. With the forecast calling for some potential sun this weekend it should help with a solid finish to the season. The annual slush cup is this Saturday and will be at a new location at the bottom of Ego, and then on Sunday we will have the bunny chase.

#### **Ski Patrol**

March snowfalls: Top 70", Base 58". It was a great month of skiing at Eaglecrest with excellent conditions. There were no rain events for the first 27 days of March! Ski Patrol had 7 days of avalanche hazard reduction missions. On March 3<sup>rd</sup> Ski patrol also assisted in the rescue of an injured snowboarder caught in an avalanche outside of the Eaglecrest boundary. On March 18<sup>th</sup> Patrol also investigated an avalanche that was remotely triggered by snowmachiners above the Hilda face on Mt troy. A patroller saw from a distance that an individual had initiated a transceiver search. Additional patrollers were dispatched to the scene. The scene was deemed clear with no persons injured or buried. This was in area transited by guests who leave our ski are boundary and then return skinning back towards the southeast end of the upper Nordic loop.

While not our responsibility ski patrol is very wary about the snowpack stability outside of the ski area boundary.

### Mt Operations

We finally have gotten the winch cat fixed and have gotten back out on the mountain with it. We will be trading in this winch cat for a new one this summer. I feel this is a good move on our part as this machine is starting to get expensive to maintain (when you compare its maintenance costs and age to the other machines) and we can still get an ok trade in value. We will see the new snow cat before the start of next season.

Everyone probably saw the article in the empire and the many other articles out there about the power outage at the mountain. This is the first power outage I have experienced since the mountain has been completely electrified that has affected all 3 lifts and the porcupine lodge. Overall I think we performed well although we had some issues that we have since corrected. It took us 45 minutes in total to clear all 3 lifts and a rope Evac was not need for any of it.

### **Summer Operations**

As we look past the end of the season we have a busy summer ahead of us with projects. Some of the larger projects are listed below.

Ptarmigan ramp rebuild- We have 90% drawings and are looking to send this project out to bid in the next week or two.

Ptarmigan Fuel Tank- We are still trying to get this completed. Mainly we are waiting for the contractor and ADEC to come up with an agreement for a sampling plan. I think at this point in time I have seen at least 4 different sampling plans get submitted that ADEC didn't like. The contractor did not follow the sampling plan in the beginning so ADEC is requiring them to do more sampling. Currently we have withheld payment on at over half of the contract amount.

Lodge Roof- We need to continue working on replacing the roof we will be focusing on the aid room roof and then work our way around to the front.

Website- Over the summer we will be moving to a new website platform, the library will be helping us get the rough outline up and working and then we will look to customize it to Eaglecrest needs. With the new website platform we should be able to do more than we have in the past but we will still have some restrictions as our platform is still under the city.

Nest- We need to finish up the back wall of the nest (add foam board) and front edge of the roof that blew away this winter, we will also work on installing the new ventilation system as time allows.

Black Bear Motor Room- Needs to be rebuilt, the original contractor did a poor job and it has been leaking ever since, a year ago we put a temporary band aid on it to protect our equipment inside but we need to rebuild the shell around the gear to insure equipment longevity.

Please see the attached lists for other general maintenance items.

### Dimond Park Field House

We are down \$30,082.82 in net income from last year, which means our ytd net income for 2017 is \$32,226.52. Part of the difference is the fact that we haven't billed our user groups for March usage yet. The other big differences are as follows:

**Home School PE/Flag Football-** combine for about \$11,770 less revenue for the current fiscal year. Part of this had to do with a late start for the Fall term due to new management. In addition to the late start, we have direct competition for the first time this year with Pavitt's Health and Fitness running a Homeschool PE program this year, which essentially cut our numbers in half. I also assume that the amount of snow at Eaglecrest this year has meant the increase in Eaglecrest Usage by families with children has led to a decrease in ours.

**Track-** the track revenue is down \$3,994, largely due to the ability for customers to buy multi month passes for a reduced rate with the new Point of Sales system.

**The batting cage-** the cage is reflecting a \$5,481 reduction in revenue, but that is due to the timing with regard to billing and should even out prior to the end of the fiscal year.

The other big issue this year has been a \$7,993.71 increase in our Electric/Heating cost, due to the cold weather this past winter.

One of the positives has been a \$4,196 increase in Turf for Tots revenue, which we expect to continue to grow as we have increased the hours and have extended it to 5 days per week through the summer.

In addition we expect to recoup some of our losses with increased programming through the coming summer. We are in discussions with several groups (including Juneau Soccer Club and Goldbelt Heritage Camps) for scheduled afternoon programs in addition to the increase in Turf for Tots offerings. We are also looking at offering some Flag Football classes through the summer as some of the students have expressed interest. There will also be several additional bouncy house events through the summer which I hope will raise an additional \$4,000 to \$8,000. The plan is to offer the special events at least once or twice per month during the summer.

The Reserve account is ~\$95k.

### Events

**April 8**—Slush Cup

**April 9**-- Bunny Chase

**April 9**—Closing Day