

CBJ Finance Committee Meeting

April 6th 2024

Eaglecrest Ski Area FY24 Review & FY25 Budget Presentation

- FY24 (2023-2024 Season) – Overview
- Successes and track record & trends
- Increment Request Table
 - General Fund Loan to start Summer Operations
 - Start of Ski Area Expansion
- FY25 (2024-2025 Season) – Budget
- FY26 (2025-2026 Season) – Budget
- Goldbelt Franchise Agreement
- Future Opportunities



Independent Traveler Growth

- ❖ Eaglecrest offers reciprocal pass programs with over 150 resorts nationwide to make our ski area more accessible to pass holders everywhere.
- ❖ Listed here are our redemptions from the Alaska Airlines boarding pass deal, Alaska Seaplanes and Ferry system day pass, Indy Pass user redemptions, and Independent resort stats.

Redemption Method	Number of Redemptions 22/23'	Number of Redemptions 23/24'
Ind. Season Pass Visitors	389 (total)	473 (YTD)
Powder Alliance	71	90
Boarding Pass (AK Airlines)	540	558
(Boarding Pass) Seaplanes/AMHS	13	14

Marketing and Website Growth

- ❖ CHART 1 & 2: Comparative growth data from 2022/23 website traffic. 108,274 new (unique) visitors to the website this year (up 4% from 104K last year). And 330,403 total page views.
- ❖ CHART 3: Comparative data for social channels and paid social advertising compared to 2022-2023. 895 new Instagram followers (up from 9,500 in Sept. 2023), 37,900 Facebook page visits (up from 20,629 last year)
- ❖ Paid Facebook advertising reach is at 37,609 users (the number of accounts that saw our ads at least once) which is down from last year due to lack of bandwidth.
- ❖ Youtube channel video views 20,800.

CHART 1

Cities	New user #
Juneau	12,284
Anchorage	11,138
Seattle	6,260
Sitka	2,802
Ketchikan	2,334
Seward	2,253
Wasilla	2,208

CHART 2

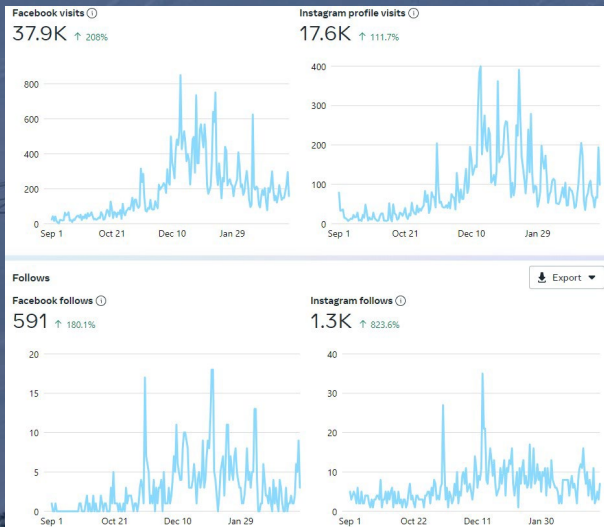
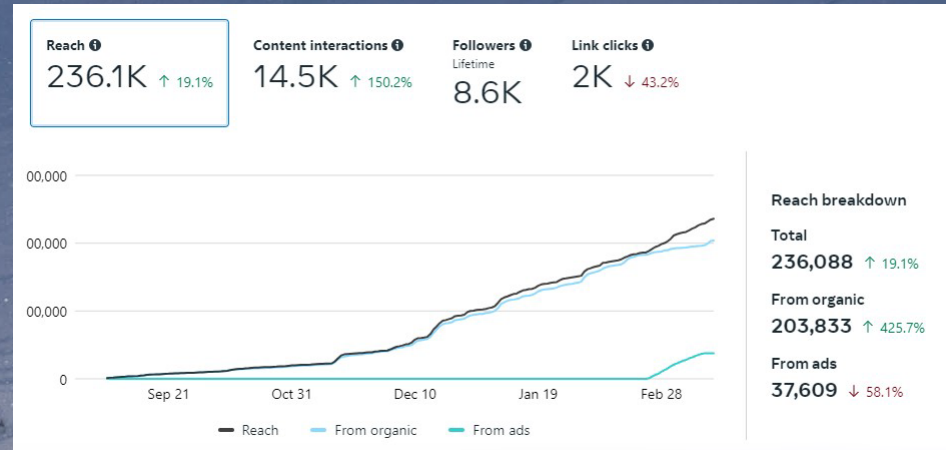


CHART 3



SNOWSPORTS SCHOOL STATISTICS

Adult Daily Lessons – 619

Adult Multi-Week Lessons – 126

Child/Youth Daily Lessons – 586

Child/Youth Multi-Week – 2280

JSD Group Lessons – 640

Homeschool Group Lessons- 910

Community Lessons (Including Books 2 Boards, ORCA, and 5th Grade Passport) – 286

5th Grade Passport	Quantity
Passports Issued	133
Lessons	196
Tickets	920
Rentals	160



COMMUNITY GROUPS

Eaglecrest Foundation - 10 Sponsored School Groups

300+ students Grades 2-4

5th Grade Passport Program

Books 2 Boards Program

JAMHI

Douglas Indian Association

Big Brothers Big Sisters

Girl Scouts of America

Tlingit/Haida - Native Youth Snowsports Series

Sitka Conservation Society

Sitka Community Group

Southeast Independent Living SAIL/ORCA Program

Trends Across the Ski Industry

- ❖ J1 employee are a critical portion of meeting staffing needs at many ski areas
- ❖ High single day rates pushing people into Multi-Mountain Seasons Pass
- ❖ Frontline and entry level wages are increasing across the entire ski industry
- ❖ Cost of ski operations are rising due to inflation, labor market pressures, and climate change
- ❖ The trend is leading to leveraging summer revenue to support winter operations
- ❖ The 20% to 30% price increase at Eaglecrest since 2019 now bring Eaglecrest within average rate when compared to 10 similarly sized mountain across Alaska and Pacific Northwest
- ❖ Eaglecrest has chosen to keep youth and teen rates lower to attract more families
- ❖ Comparable Ski Areas to Eaglecrest: Mission Ridge WA, Montana Snow Bowl, Hoo Doo OR, Mt Shasta CA, Brundage ID , Silver Mountain ID, Monarch Mountain CO, White Pass WA

Eaglecrest Product Pricing Comparison

Average Across All 10 Comparable Resorts			<i>*Tier 1 rates used for season pass comparison</i>						
Category	Adult 19-64	Teen 13-18	Youth 7-12	Child 0-6	Senior 65-74	Super 75+	College	Millitary	
Season Pass	\$ 636.80	\$ 412.91	\$ 265.56	\$ 87.78	\$ 474.38	\$ 296.67	\$ 414.00	\$ 379.00	
Lift Ticket	\$ 80.75	\$ 63.09	\$ 49.45	\$ 17.25	\$ 65	\$ 52.00	\$ 63.75	\$ 63.25	
Half Day	\$ 64.10	\$ 53	\$ 34.89	\$ 17.60	\$ 51.67	\$ 41.22	\$ 54.67	\$ 52.00	
Rental Package	\$ 41.78	\$ 40.08	\$ 33.56	\$ 28.60	\$ 37.44	\$ 34.00	\$ 35.00	\$ -	
Half Day Rental Package	\$ 36	\$ 32.38	\$ 28.38	\$ 22.88	\$ 31	\$ 31.67	\$ -	\$ -	
Eaglecrest Pricing									
Category	Adult 19-64	Teen 13-18	Youth 7-12	Child 0-6	Senior 65-74	Super 75+	College	Millitary	
Season Pass	\$ 630.00	\$ 330.00	\$ 180.00	\$ 32.00	\$ 510.00	\$ -	\$ 510.00	\$ -	
Lift Ticket	\$ 75.00	\$ 54.00	\$ 36.00	\$ 12.00	\$ 62	\$ 62.00	\$ 58.00	\$ 58.00	
Half Day	\$ 60.00	\$ 40	\$ 28.00	\$ 12.00	\$ 47.00	\$ 47.00	\$ 58.00	\$ 58.00	
Rental Package	\$ 46.00	\$ 36.00	\$ 32.00	\$ 18.00	\$ 46.00	\$ 46.00	\$ 46.00	\$ 46.00	
Half Day Rental Package	\$ 38	\$ 29.00	\$ 24.00	\$ 24.00	\$ 38	\$ 38.00	\$ 38.00	\$ 38.00	
Difference			<i>*in parantheses reflects where we are cheaper then our average competiton</i>						
Category	Adult 19-64	Teen 13-18	Youth 7-12	Child 0-6	Senior 65-74	Super 75+	College	Millitary	
Season Pass	\$ (6.80)	\$ (82.91)	\$ (85.56)	\$ (55.78)	\$ 35.63	\$ -	\$ 96.00	\$ -	
Lift Ticket	\$ (5.75)	\$ (9.09)	\$ (13.45)	\$ (5.25)	\$ (3.00)	\$ 10.00	\$ (5.75)	\$ (5.25)	
Half Day	\$ (4.10)	\$ (13.00)	\$ (6.89)	\$ (5.60)	\$ (4.67)	\$ 5.78	\$ 3.33	\$ 6.00	
Rental Package	\$ 4.22	\$ (4.08)	\$ (1.56)	\$ (10.60)	\$ 8.56	\$ 12.00	\$ -	\$ 46.00	
Half Day Rental Package	\$ 2.00	\$ (3.38)	\$ (4.38)	\$ 1.13	\$ 7.00	\$ 6.33	\$ 38.00	\$ 38.00	

Staffing Challenges

- Eaglecrest wage study determined Eaglecrest base wages are 14% below similar ski areas prior to Juneau COL adjustment
- Eaglecrest wages are 40% below after Juneau COL adjustment
- J1 employment program made it possible to operate
- UAS dormitory housing was the critical piece to allowing this to happen
- Eaglecrest Foundation posted a one time \$200,000 bond to buffer the increased insurance liability for employee housing for our trial year.
- Obtained approval from LWCF to find a private partner to construct shared onsite employee housing at Eaglecrest

Increasing Costs of Status Quo Operation

Comparables from Fy 19 to Fy 25		FY19 Expense	FY 25 Expense	Difference
Workers Comp		\$ 46,200.00	\$ 100,800.00	\$ 54,600.00
Interdepartmental		\$ 220,700.00	\$ 444,600.00	\$ 223,900.00
Bank Card Fees		\$ 40,000.00	\$ 120,000.00	\$ 80,000.00
Spec and Prop Insurance		\$ 49,800.00	\$ 159,100.00	\$ 109,300.00
Cost of the 23% payscale increase based on FY21 actual personnel costs				\$ 410,021.00
Total Expense Increase				\$ 877,821.00
Total Revenue increase during period				\$ 853,919.00

Bridge Loan from General Fund

\$885K GF Bridge Loan

Cover deficits in FY24 and
FY25,

Implement 6% wage scale
adjustment in FY25 &
Ensure adequate staffing for
status quo winter
operations

Fund staff to construct
ancillary summer
experiences

Fund the start of summer
operations using the Hooter
Chairlift in the spring of
2025 as a lead up to
Gondola summer
operations

Fund staff and supplies
needed to begin the
expansion of the winter ski
area.

FY 25 - 26 Eaglecrest Increments/Funding Requests (over FY24)

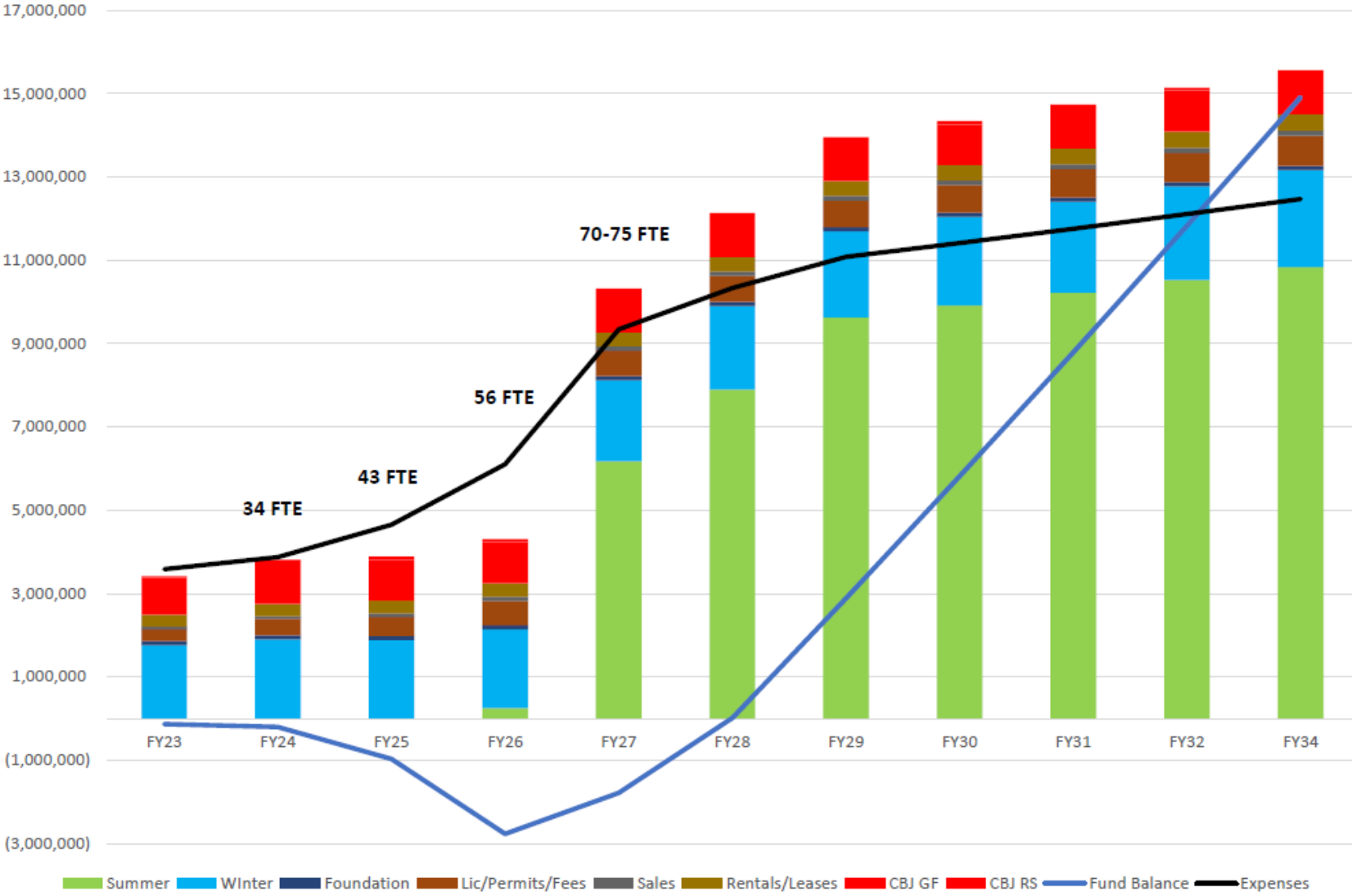
FY 25	Base Budget & Increment Requests for Status Quo Operations								
	Comm/Services						\$163,100	<i>included in budget</i>	
	Status Quo Personnel Services Longevity & CIP Reallocation Increases						\$159,300	<i>included in budget</i>	
	Revenue Reduction / Carry-forward Deficit from FY24						\$84,300	<i>included in budget</i>	
	Additional needed FTE for status quo operations						\$162,910		
	FY 25 6% Pay Scale Correction on Increase Managers Budget FTE						\$112,200		
	FY25 6% Pay Scale Correction on Additional FTE for status quo operations						\$8,898		
	Total Increases for Status Quo Operations						\$690,708		
	Ski Area Expansion and Start of Summer Operations								
	Ski Area Expansion and Summer Operations Personnel 10.68 FTE						\$591,941		
	Ski Area Expansion/Summer Operations Comm & Services						\$358,000		
	Total Expense						\$1,640,649		
	New Revenue from Summer Operations						\$756,000		
	Total Balance to be funded from GF Loan						\$884,649		

FY 26	Base Budget & Increment Breakdown						
	Comm/Services Increases					\$159,300	<i>Included in Budget</i>
	Status Quo Personnel Services (+reinstatement of CIP Salaries)					\$224,500	<i>Included in Budget</i>
	Additional of 4.54 FTE's for status quo operations					\$171,800	
	FY 25 Pay Increases Carrying Forward into FY26					\$126,700	
	Total Increases for Status Quo Operations					\$682,300	
	Comm/Services increases for Ski Area Expansion & Summer Operations					\$912,650	
	Personnel Services addition of 26.88 FTE					\$1,865,438	
	Total Expense					\$3,460,388	
	New Revenue from Summer Operations					\$3,471,000	
	Total Balance					-\$10,612	

Budget Summary

	FY23 Actuals	FY24		FY25 Proposed Budget	FY26 Proposed Budget
		Amended Budget	Projected Actuals		
EXPENDITURES					
Personnel Services	\$ 1,993,700	2,111,500	2,155,400	2,270,800	2,336,000
Commodities and Services	1,592,000	1,764,100	1,684,600	1,927,200	1,980,800
Support to:					
Pandemic Response Fund	-	-	-	-	-
Total Expenditures	3,585,700	3,875,600	3,840,000	4,198,000	4,316,800
FUNDING SOURCES					
Charges for Services	1,759,000	1,895,000	1,860,000	1,957,000	2,048,000
Licenses, Permits, and Fees	276,200	394,000	329,000	398,000	448,000
Sales	73,100	63,000	76,400	81,400	81,400
Rentals and Leases	281,700	300,600	310,600	315,600	325,600
Donations and Contributions	100,400	100,000	100,000	100,000	100,000
Support from:					
Roaded Service Area	50,000	50,000	50,000	50,000	50,000
General Fund	880,000	1,005,500	1,005,500	880,000	880,000
Total Funding Sources	3,420,400	3,808,100	3,731,500	3,782,000	3,933,000
FUND BALANCE					
Inventory Reserve					
Beginning Reserve Balance	257,600	253,900	253,900	253,900	253,900
Increase (Decrease) in Reserve	(3,700)	-	-	-	-
End of Period Reserve	253,900	253,900	253,900	253,900	253,900
Available Fund Balance					
Beginning of Period	29,200	(136,100)	(136,100)	(244,600)	(660,600)
Increase (Decrease) in Fund Balance	(165,300)	(67,500)	(108,500)	(416,000)	(383,800)
End of Period Available	(136,100)	(203,600)	(244,600)	(660,600)	(1,044,400)
Combined End of Period Fund Balance	\$ 117,800	50,300	9,300	(406,700)	(790,500)
STAFFING	33.40	33.99	33.99	33.99	33.99

Projected Eaglecrest Revenue and Expenses For Discussion Purposes Only



Turning the new Chapter for Eaglecrest

- Goldbelt Commercial Vendor Franchise Agreement coming soon
- Shifting to primary revenue months being associated with Summer Tourism
- Will create a more predicable revenue source
- Continuing to work with the J1 visa program to meet employment needs in both summer and winter season
- Exploring Public/Private partnerships for construction of onsite employee housing.
- Continuing to work on LWCF Land Conversion to allow housing development and employee home buyer incentive program.
- Leveraging Eaglecrest's revitalization and expansion to attract new families to Juneau



Questions

