

**Sierra Research Associates LLC
Comparative Wage & Salary Analysis**

**Eaglecrest Ski Area
Juneau Alaska[©]
2022-2023**

January 4, 2024

Executive Summary

This analysis shows, based on four different comparison models, the wages and salaries in effect at Eaglecrest in the 2022-2023 Ski Season were between 82.49% and 88.6% of average wage levels at similar resorts across the United States.

When four different comparison groups were aggregated into an overall comparison of wage rates for positions at Eaglecrest, the average showed Eaglecrest's wages were 86% of the average wages for similar resorts.

This 14% wage pay gap to the peer resort groups is before any additional adjustment is made for the cost of living associated with the Eaglecrest / Juneau labor market.

To identify any additional wage and salary pressures from the cost-of-living differences at the comparison resorts compared to Eaglecrest, work was done estimating a median cost of living index for the comparison group of resorts.

Cost of Living data was used to create this estimate from the Council for Community and Economic Research² to estimate the relative cost of living for the comparison resorts in this wage and salary study as a group. This is the same index referenced by the Juneau Economic Development Council in their 2023 "JEDC Economic Indicators and Outlook" report.³

The objective being to determine what differences between Juneau there might be compared to the resorts grouped for use in this wage and salary analysis.

For reference, the Cost of Living (COL) index for Juneau in this report sourced from the Council for Community and Economic Research (and also used in the JEDC's report) is 127.9. The index is set based on a US average index being 100. The Juneau index value showing that Juneau has a cost of living 1.279 times higher than the average US city.

Each of the 83 resorts used in this wage and salary comparison was mapped to the nearest metro/micro city area available in the Council for Community and Economic Research study for Q3 of 2023. The distance from the resort was noted to the metro/micro city area, and the associated Cost of Living (COL) index value was obtained. The distribution of the index values was then analyzed and averages, medians and skew coefficients for the distribution of cost-of-living index values determined.

Based on the cost-of-living index values for the comparative ski resorts the analysis showed a median cost of living for the 83 sample resorts of 103.1 compared to an Eaglecrest / Juneau index value of 127.9.

Calculating COL comparisons for each of the individual comparison groups gave a range of Median values from a low of 100.3 to a high of 106.4.

² Council for Community and Economic Research 2023 Third Quarter Data Published Oct. 2023

³ JEDC Economic Indicators and Outlook Report Volume 2023 page 70.

Key Observations:

1. There is a significant shortfall in wages and salaries both based on comparison to similar resorts of 14%, and a further gap due to cost of living that approaches an additional 25% shortfall.⁴
2. This would suggest the need to increase wages and salaries to be competitive with the average paid by the comparison resorts of 14% to close the observed wage gap, then an additional 25% to adjust for the COL difference.
3. Without a significant effort to adjust wages and salaries to reach a competitive level with similar resorts it will be an ongoing challenge to attract or retain qualified team members and management talent.

Methodology and Analysis

For the wage and salary analysis Sierra Research Associates LLC developed four comparative wage and salary models. These were groups of resort's selected for having similar skier visits, employment size, hourly uphill lift capacity or resort distance from urban/metro areas to Eaglecrest.

In the NSAA Wage and Salary Reporting resorts are categorized into similar size categories based on the three criteria. Eaglecrest based on the 2022-2023 season fell into the smaller resort category for skier visits and uphill capacity, and medium resort category for number of employees.

Resort Size Criteria

Skier Visits

Small -	Up to 99,999
Medium -	100,000 to 249,999
Large -	250,000 to 499,999
Extra Large -	500,000 and Over

Number of Employees

Small -	0 to 99
Medium -	100 to 499
Large -	500 to 999
Extra Large -	1000 and Over

Hourly Uphill Lift Capacity

Small -	Up to 4,999
Medium -	5,000 to 9,999
Large -	10,000 to 19,999
Extra Large -	20,000 and Over

⁴ Cost of living gap being the difference between Juneau index value of 127.9 and the sample group at 103.1

The model based on resort visitor count for the prior complete season had 45 comparative resorts, the model using similar employee size had 63 comparative resorts, the model based on similar lift capacity had 30 comparative resorts, and an additional case was created selecting 12 resorts that appeared to have some of the location and access challenges that Eaglecrest does. A number of resorts appeared in multiple comparative sample groups due to sharing more than one criteria with Eaglecrest.