

Manager's Report

Financial Analysis End of Year

The chart listed below shows our final end of the year numbers for CBJ Fiscal Year 2018. At the time of preparation we are still waiting on our end of the year inventory adjustments from CBJ Accounting. I have included an extra \$20,000 to cover this projected expense. With the inclusion of the budgeted \$75,000 donation from the Eaglecrest Foundation we will have \$80,760 to put again our reserve account liabilities. Below is the composition of the Fund Balance.

As of June 30, 2017, we have a *negative* available Fund Balance of \$185,614. Your fund balance is made up of:

NONSPENDABLE: (Inventory)	\$ 237,725
ASSIGNED: (Compensated Absences)	\$ 67,384
<u>UNASSIGNED: (Available)</u>	<u>(185,614)</u>
TOTAL FUND BALANCE:	\$ 119,495

Departmental Exp to date	outstanding expenses	Revenue projections		
Administration	\$ 1,065,823.00	9000	Donation Revenues	\$ 77,520.00
Ski Patrol	\$ 114,628.00	1000	Ski Lift Fees	\$ 127,652.00
Lift Operations	\$ 87,095.00		Bus Pass sales	\$ 3,500.00
Mountain Maintenance	\$ 204,550.00	2500	Ski School Sales	\$ 98,791.00
Lodge Operations	\$ 164,382.00		Annual Revenue	\$ 738,927.00
Snow Sports School	\$ 133,934.00	1500	Contract Revenue	\$ 164,510.00
Food Service	\$ 85,530.00		Permit Revenue	\$ 45,776.00
Marketing	\$ 56,300.00		Concession Fees	\$ 94,208.00
Building Maint	\$ 62,290.00		Vending Revenue	\$ 1,190.00
Vehicle Maint	\$ 39,351.00		Ski Repair	\$ 21,150.00
Field House	\$ 116,314.00		Mechandise Sales	\$ 20,355.00
Inventory adjust	\$ 20,000.00		Gift Certificate and Promotion	\$ (1,941.21)
Total	\$ 2,150,197.00	14000	Facility Rental	\$ 8,950.00
Total including proj expense	\$ 2,164,197.00		Locker Rental	\$ 63,261.00
			Ski Rental	\$ 80,207.00
Total Year end Balance	\$ 80,760.64		Cash over/short	\$ (94.15)
			Miscellaneous Revenue	\$ 996.00
			General Fund	\$ 675,000.00
			Road Service Area	\$ 25,000.00
			Total	\$ 2,244,957.64

Cabin Fundraiser and Project

The Cabin Kickoff Event and Fundraiser on June 14th was a huge success. We had around 70 people in attendance raising \$25,000 at the event to match the funds from the Juneau Community Foundation and Eaglecrest Foundation. Additional funds have continued to come in with a generous donor pledging to match the next \$10,000 in contributions. The Foundation had \$101,000 at the start of the match. Construction planning has been ongoing while the funds continue to come in. Dave Hanna has started to pour the concrete footers for the bridge abutments and will be submitting final permits this week. It is not out of the question that construction will begin this fall and may be completed yet this year depending on what kind of weather Mother Nature throws our way this fall.

Summer Projects

The West Fork of Fishcreek Bridge repair has been completed aside from one last final grading and reseeding of the work zone. We are very happy with the final design that will allow us great access to do ongoing preventative maintenance on this critical piece of infrastructure. Total project cost came in at \$42,381 which included labor and replacement cost for the crushed rock that was used from the Nordic Parking Lot.

Ptarmigan Ramp Project is continuing on schedule. The ramp is now about 6 feet below the final grade. We are estimating that the project will be completed by August 1st including installation of the new Lift Shack and the rewiring needed to have Ptarmigan ready to spin for inspection and summer servicing.

Snowmaking Expansion

I have been communicating with CBJ Finance, Engineering, Purchasing department and equipment suppliers. I will be finalizing the pricing quotes for the pipe and pump supplies over the next couple of days and have a meeting scheduled with Purchasing and Engineering to review my purchasing requests to sole source much of the equipment. I have high hopes of being able to complete the installation in time for the coming winter. Greg Hudson roughed in the foundation pad for the pumping station while we had the large excavator onsite. We have also been in discussion with one of the local electrical contractors to discuss options that we might have to power the pumping station off of the Hooter Night Light circuit with the installation of a transformer to boost the amperage to meet our electrical requirements.

Beer and Wine

Construction plans and final designs for the new pub space are ongoing with Armando Deguzman. We have been working with Abby Williams with Louie's Douglas Inn to firm up the final plans. Construction will be planned for late August to early September with the goal of having it ready for Discover Eaglecrest Day on September 29th.

Summer Operations

Research into summer operations is ongoing. I have started dialog with some Mountain Coaster Developers to understand both the development costs as well as the revenue potential for Eaglecrest to operate a mountain coaster. I have also been discussing with Alex Pierce, planner for Parks and Recs, the concept of expanding the scope of Gravity Logics Feasibility Study to include analysis on the positive impacts and community wide branding of trail development on one or two select CBJ parcels of land that would have direct connectivity to residential areas in the valley and other areas. This information could then be included in the upcoming Parks and Recs Trails Master Plan.

Fish Creek Lodge Upgrades

We are also in discussion with Harry's Plumbing and Heating, under a term contract, to replace the boiler in the Fish Creek Lodge and perform some needed upgrades to the Fire Suppression System.

Mt Operations

Our new Lift Mechanic Cody Humphrey has started in and is getting acquainted with our lift equipment. Summer servicing of the grooming fleet is underway. Annual maintenance on Hooter Chair is also in progress. A lot of shop yard cleanup and reorganization has also been underway to allow us to use the shop yard space more efficiently.

Summer Trail Crew

The great weather has allowed the summer trail crew to kick off the season to a strong start. They have pulled alder and willows along with road side brushing at the bottom terminal of Porcupine, along the Platter Line, at the top of Sneaky along the edges of the summer road. Trail brushing has also been done on Lower Insane, Hang Ten, Face to Thiokol Lake, Middle Hillary's full width all the way to

the GS Start, Upper Insane, Upper Spruce Chutes, lower runout of Waterfall, Raven Runout toward the easy search stand, Rave Rock Exit and Arden's Road up to Trickster. Extensive work has been done in the Hilda Glades area cutting the exit traverse line to bottom of Grubstake from Otter Slide/Inside Passage Gulley to bottom of Grubstake. Ongoing weed eating to the Sourdough Mountain Bike Trail is also being done to keep it from becoming over grown.

Mountain Bike Trail

Collaboration with the Juneau Mountain Bike Alliance has been started to agree on trail improvements to the Sourdough Mountain Bike Trail with construction of small removable wooden features that will add a little more excitement to certain sections of the trail and improve the geometry on a couple of the lower berms of the trail. We feel these improvements will be very positive and will help to continue building the momentum toward development of the future contemplated lift served mountain bike park.

Director of SSS and RRR appointment and Marketing recruitment

I'm excited to announce that I have appointed Erin Lupro as the new Director of Snow Sports, Rental, Retail and Repair. Erin has been mentored by Jeffra Clough over the last couple of years and is very well qualified to take over this important department. I'm excited to watch Erin bring her creativity to the program continuing the growth of the program into the future. I have been working with the HR department to create a new full time year around benefited Marketing Manager Position and to also keep a winter seasonal Marketing and Media Coordinator position. With the restructuring of the SSS and other departments we have the necessary funds to cover the restructuring of the Marketing Department.

I would like to request that the board make a motion: "To allow the Manager to create a new full time benefitted Marketing Manager position and to maintain a winter seasonal Marketing and Media Coordinator position as long as he can balance the budget within the spending capacity approved by the assembly as part of the CBJ FY 19 Budget."