

BRIDGER BOWL

**Bridger Bowl Association
Fall 2023 Meeting Minutes
November 9, 2023, 7:00 p.m.
Hilton Garden Inn, Bozeman**

BOARD MEMBERS AND BRIDGER BOWL MANAGEMENT

Present: Jake Werner, President; Dave Weaver, Vice President; Dan Oliver, Secretary; Board Members: Joe Seymour, Jennifer Stark, Holly Tarlow, Pat Hoffman. Hiram Towle, General Manager; Austin Schuerg, Accountant; Julie Bennett, Recording Secretary

CALL TO ORDER

President Jake Werner called the meeting to order at 7:07pm.

REVIEW OF MEETING MINUTES

The minutes from the Spring 2023 Association meeting were provided to all members in attendance. Jake requested a motion to approve the minutes. Lindsay Korth moved to approve the minutes from the May 25, 2023, meeting. Kelly Wiseman seconded the motion. With no additional discussion, members voted: All in favor, none opposed; minutes approved.

PRESIDENT'S REPORT

Jake welcomed everyone to the meeting and introduced the individuals comprising the Board of Directors.

TREASURER'S REPORT

Austin Schuerg provided members an overview of the year to date (through October 31, 2023) unaudited, interim income statement and balance sheet.

The income statement reflects total income exceeding budget by ~10%. Season pass sales are 10.4% ahead of budget. Snowsports signups have been strong and are ahead of budget by \$94,000 but this is largely timing related due to earlier enrollments. Labor is behind budget by \$123,000. There were several positions open during the year (which are now filled) and adjustments for vacation accruals contributed to the under-budget figure. Austin explained insurance expenses increased by \$230,000 due to Bridger Bowl significantly increasing its insured property values including lifts, buildings, and equipment with total premium around ~\$1.1M. Thus, this expense line will be about \$100,000 over budget for the fiscal year.

He presented a summary of season pass purchasing trends as well as purchases year to date and comparisons to prior years, reflecting significant growth in quantities since 2008. A graph detailing annual Bridger Bowl expenditures dating back to 2018 was displayed. Expenses are increasing and labor costs are comprising a growing portion of overall expenditures. Bridger is budgeting for an 18% increase in labor costs for the current fiscal year over the previous year. Fixed expenditures make up 45% of Bridger's operating costs with the key components being insurance, property taxes, U.S. Forest Service fees and credit card fees. A property tax increase is expected but the bill has not yet been received.

Historical net income margins were presented dating back to 2015 reflecting total expenditures and revenues. Over the past two years there has been an anomaly of higher net income margins as a percentage of revenues due to increased demand coupled with the inability to sufficiently staff and therefore lower labor costs. This resulted in an artificial boost to profit margins. The budgeting process has been adjusted to first identify and budget expenditures and estimated capital needs. Pricing by product is then defined to arrive at a target margin to support cash and capital requirements. Bridger spends about \$1.4M annually for capital expenditures each summer, not including large scale projects.

Austin highlighted the cash management and reserve policy. He explained the reserve balance that is being maintained in cash to mitigate the need for debt financing and to accommodate unexpected circumstances such as late opening, low snow year, etc. He spoke to the balance sheet noting Bridger is holding almost \$20M in U.S. Treasuries earning just over 5% interest and laddered out through 4/30/2025. Inventories have increased as RFID card stock and retail inventory have been purchased. Accrued liabilities consist of workers compensation expense, credit card and software fees, accrued payroll, property taxes and normal accounts payable amounts.

GENERAL MANAGER'S REPORT

Hiram explained that all members of the association are in the ski business and spent time describing trends locally and nationally. This past season was an all-time record with 65.4M ski visits nationally and 377,633 skier visits for Bridger Bowl. Participation is increasing. An estimated 11.6M Americans went skiing/riding in the 2022-23 season and Bridger Bowl saw 34,745 individual skiers and riders. Midweek visits are also increasing. Nationally 48% of visits were midweek whereas 57% of Bridger visits were midweek, with an average of 2,558 skiers on weekdays and 4,475 on weekends. 6,100 is the targeted maximum daily skier carrying capacity for Bridger Bowl.

Ski and snowboard lessons are on the rise as well. Bridger provided more than 21,000 lessons to 9,000 unique participants this past season. The national average is 15,000 lessons. Lift ticket prices continue to increase as operational costs rise. \$182 was the average price nationally for an adult day ticket last year. Bridger Bowl's pricing this season is \$92 at the window and \$77 online. The Montana ski area average day ticket price is \$80. Season pass use continues to surpass day tickets. 67% of Bridger visits are by season passholders; the national average is 50%. The number of passholders continues to grow nationwide. Bridger Bowl has nearly double the average number of passholders compared to similarly sized areas. Ski areas are continuing to struggle with staffing; however, Bridger is seeing a slight improvement in hiring. Hiram addressed employee housing and the cost of housing for staff. Employee housing is provided by 49% of ski areas. In Montana, Red Lodge, Showdown, Big Sky, and the Yellowstone Club provide employee housing.

Hiram spoke to results from a recent survey of Bridger Bowl skiers regarding operational adjustments to address crowding. Controlling access to parking was the #1 choice of respondents to control crowding. Nationally, 64% of areas are limiting the number of lift tickets sold each day to address crowding.

Operational Changes for the upcoming season were presented:

- New Menu at Jimmy B's
- Beer and wine will be offered at Saddle Peak Lodge as well as breakfast
- Return of deck BBQ's
- New Guest Services location in Jim Bridger Lodge
- Staffing levels have improved

- A photo and waiver are required for lift access; if people have not uploaded a picture to their profile, nor signed the waiver, they will be denied access.
- New beginner terrain park features for Snowsports
- Increased focus on skier safety and education
- Reduced bus service due to lack of drivers

Capital Improvements:

- New and improved waste and recycling receptacles
- Ski patrol improvements for avalanche mitigation: upgraded bomb trams and a new building for working with explosives in a controlled environment
- New Alpine Cabin well and fiber optic cable run to provide much needed additional bandwidth
- Expanded retail shop from 200 square feet to 990 square feet to provide better service and more products for guests
- Snowmaking – added new fan guns
- Replaced a portion of the kids beginner ski equipment for the rental fleet
- Jim Bridger Lodge: bathroom improvements on both levels; a portion of the marketing area was converted to larger ski/bag check; a guest services area was added and more seating as well
- Saddle Peak Lodge: 75 cubbies were built to provide storage on the 4th floor; new offices for Marketing, IT and Sustainability were added
- New and used equipment: 2 used pickups were purchased along with a side-by-side UTV; several new snowmobiles were added to the fleet

LONG RANGE PLANNING COMMITTEE

Joe Seymour provided an overview of current committee items. He announced a contract with SE Group is in place for master planning for the Forest Service Special Use Permit. The budget for the master planning is \$100,000; Hiram stated it will cost less than this amount. The goal is to have a proposal ready to submit to the Forest Service this fall. Recently a meeting was held with SWMMBA (Southwest Montana Mountain Bike Association) regarding building mountain biking trails on Bridger Bowl property. The committee also continues to evaluate space issues around the area.

GUEST PRESENTATION

Jake introduced Kari Anderson of Incite! Consulting. Kari was hired by the Bridger Bowl Board in February 2023 to provide Governance Committee support, Strategic Planning and assist with by-law review, editing and revision. In May 2023 she held interviews and focus groups with community stakeholders to provide feedback to the Board of Directors. She presented slides outlining four Strategic Priorities for the next 3 years for the board. These will be posted to the Association page of the Bridger Bowl website. Her presentation also included an overview of the requirements for non-profit organization by-laws. She will assist the board in developing the process to update the by-laws. She advised best practice is to review by-laws annually and make amendments at least every 3 years as laws and business practices change. Members are invited to provide their name and contact information if they wish to be part of the upcoming by-law revision process by emailing secretary@bod.bridgerbowl.com.

NEW BUSINESS

Jake called for new business or questions from members. A question was posed about increasing carpool areas for parking. Bridger does monitor the “A” lot which is the current carpool lot. Hiram indicated “A” lot does not seem to be exceeding its capacity with carpool parking. He encouraged everyone to carpool and to encourage their friends to carpool to increase participation.

A question was posed about bus usage. Ridership on buses is tracked each day. For the current season, there are only 3 buses available due to driver shortages. Bridger is actively looking to hire drivers. The employee bus will be a priority to get staff to the mountain.

A question was posed about providing employe housing. There are no specific plans currently.

A question was asked about leasing the center pivot property from Bridger Pines to provide additional parking. This is not an option because the acreage is part of a water treatment process so the land cannot be impacted. Bridger is looking at spaces on their own property where some additional parking spots could be added though it was noted that adding too much parking can impact the quality of the experience on the mountain.

A member stated the parking lot shuttles that run on weekends in the Bridger Bowl lots are very appreciated and asked if they could be expanded to other days of the week. Hiram stated this season they will run all week if drivers are available.

A question was posed about Playcare and if further consideration had been given to bringing it back in the future. Hiram advised this will be considered as they work on the master planning.

OLD BUSINESS

Jake called for old business, there was none brought forth.

NEW MEMBERS

Dan Oliver presented the following membership applications for ratification: Robbie Corner; Daniel Irlbeck; Vince Hockett; Chris Glick; Gino DiLello; April Winecki; Kylie Anderson; Christine Brunner; Daniel Brunner; Joe Stoffers; Tyler Honsinger; Demri Horton; Brad Bell; Guy Alsentzer; David Spencer; Jane Spencer; David McLaughlin; Thomas Kelly; Heather Proff; Josh Proff; Scott Brothers; Rebecca Brothers; Annie Burgess; Trevor Schumacher; Dan Bauer; Josh Daniel; Lori Ray; Kyle Johnson; Ryan Cigler; Zach Bailey; Reid Short; Andrew Joseph; Drew Maier; Briana Whitehead; Michael Bowers; Becca Lepel; Mollie Call; Jacob Goodhue; Jeanie Placek-Badenoc; Nick Nelson; Theodore Grover; Patrick Rooney; Andrew Van; Larry Coughlin; Danielle Brushaber; Dylan McKenna; Makayla Papke; Scott Luckay; Ron Lewis; Anna Stewart; Dan Good; Paul Birkeland; Jeffrey Banta.

Brady Wiseman moved to ratify the new members; Erin O'Connor seconded the motion. Vote taken, all in favor; motion carried, and memberships approved.

MOTION TO ADJOURN

Jake Werner welcomed a motion to adjourn the meeting. Erin O'Connor moved to adjourn; Lindsay Korth seconded the motion. Vote taken, all in favor; Jake adjourned the meeting at 9:10 p.m.

JACOB WERNER, PRESIDENT

DANIEL OLIVER, SECRETARY