



MEMO

To: The Economic Development Standing Committee

From: The Manager of Economic Development

Date: August 28, 2024

Subject: 2024 Mount Dufour Financials

At the request of Council, Mt Dufour Ski Area has submitted their unaudited financial statements for the 2024 fiscal year ending June 30th.

The story told by these statements is that the 2023/2024 Ski season was difficult one. This can be attributed to the lack of snow and cold weather to assist in the making of snow this winter. Ski Hill staff and Members of the Board worked diligently to have the hill ready when possible. In total, the hill only saw 30 days of operation this season. This data included no Christmas week revenue and very limited attendance during March break.

Despite these challenges, there were some good news stories for the organization. The ski racing season went well as did the ski school. Mt Dufour facilitated 2 large bar functions this year, being the Battle of the bands and the Street Dance, which brought in additional revenue. Lastly, the Hill Climb was a successful event that saw great participant and fan attendance and allowed the hill to raise \$15,000 of revenue.

There are a few items to note in the Income Statement:

- The City is offering a \$155,000 sponsorship to the Ski hill as per a MOU signed in November of 2023.
- New costs to the Hill in 2023/2024 include the cost of the land rental (\$99,464) and a cost to insure operations (\$56,684.88)
- Revenue was down \$40,655.49 year over year
- Bar sales from the 2024 Street Dance were not recorded due to timing while the expense for the supplies were included. This will further offset the operating loss.
- Chair Lift Audit expenses are being reimbursed by the City to an upset limit of \$141,767.65. The statement shows an expense of \$30,316.54 with a reimbursement of \$27,388.40.

Even though there was a net operating loss, the Ski Hill remains in good financial standing with \$25,300.30 of cash on hand according to the Balance Sheet.

According to the visit summary, the hill saw 4,187 visits this past season vs 5,807 in 2022/2023. 2,385 of those users were members leaving 1,802 as walk in patrons. The hill does not track where day lift riders are from, but it can be suggested that many of those are nonresidents therefore proving the ski hill's value as a tourism driver for the city.

Respectfully submitted,