



2017 HSA AGM Summary Presentation

Audience:
HSA Members

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The HSA Focus Remains:

1. Push for cost sustainability for all Hotham stakeholder groups including our members at Hotham
 - It is getting harder each year to make ends meet
 - Includes both White and Green Seasons, not just White Season
2. More effective marketing resulting in increased sustained visitation, i.e. getting more “bums in beds”
 - Higher utilization of beds
 - Hotham increase % of visitation between 3 big mountains
 - Includes both White and Green Seasons, not just White Season
3. Reduce operating costs across Hotham (HRMB, Lift Company) and the costs of our own small businesses
 - The highest costs items for our businesses are: Lease Costs and Annual Service Charges
 - The next highest costs are energy costs

2017 in Summary

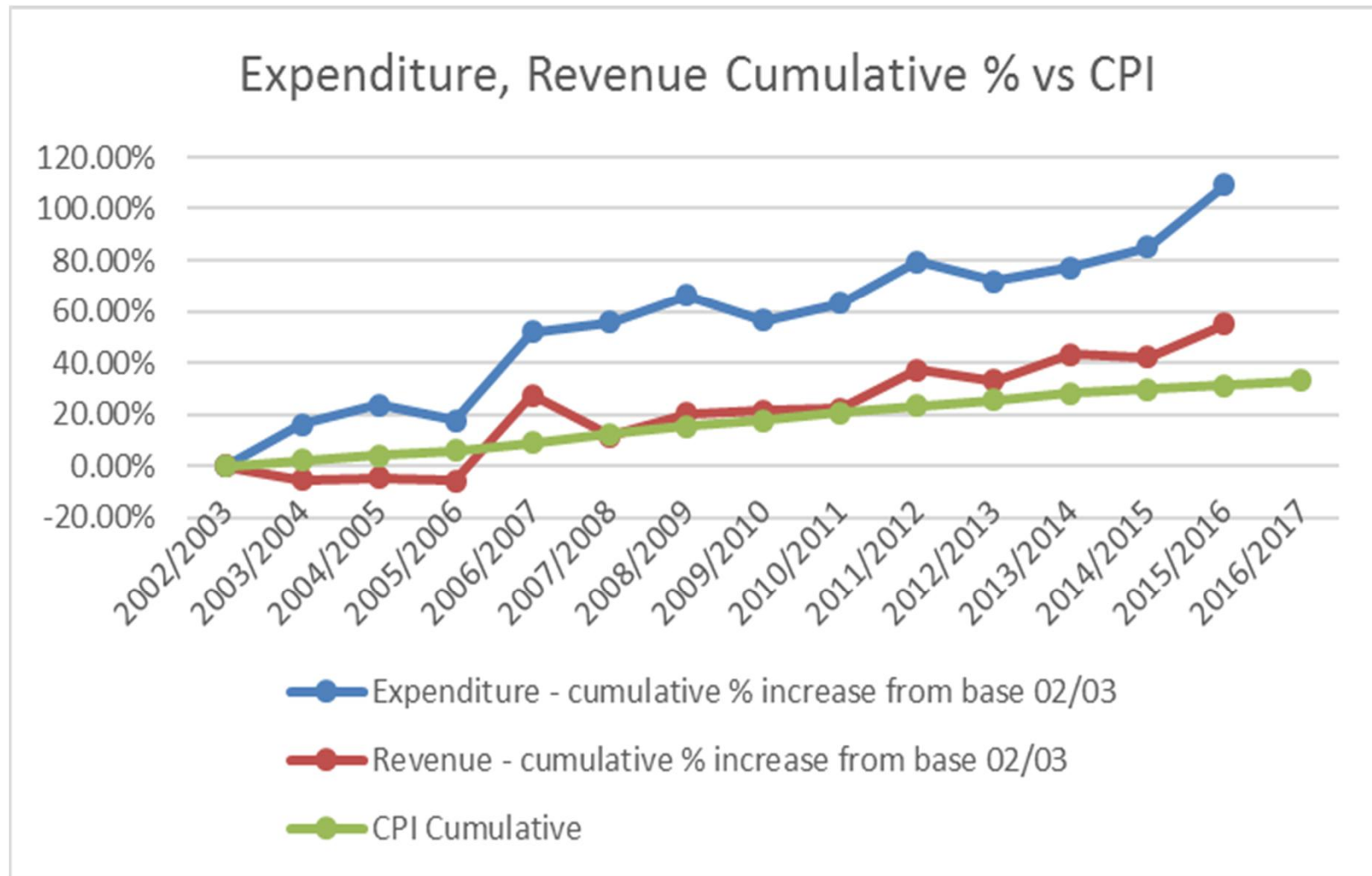
- The State Government promised reform across the Alpine Industry by end of Dec 2017 – we are still awaiting a status update
- We are not seeing a lot of vision, planning and change for the Green Season
- 2017 was a good White Season year, with higher than average snow falls and overall visitor days were up, with a general better result for members, but mixed results
- Fixed costs, such as HRMB costs continue to increase above CPI
- No noticeable reduction of expenses by HRMB, Lift Company
- Individual members continue to be creative in ways to reduce costs within their control, i.e. energy costs

2017 what the data is saying

- Finances:
 - HRMB data in the annual report is for Nov 2015 to Dec 2016 (14 months)
 - HRMB Expenditure and Income continue to rise against CPI
- Growth:
 - FECA or rateable area tracks well below CPI
- Visitors
 - Hotham - up by 8% in 2017 versus the 10 year mean, with a general better result for members, but mixed results
 - Hotham - up by 14% in 2017 versus 2015
 - Visitation over the past 10 years remains relatively flat (taking into account varying Winter snowfalls and seasons)
 - *Although a lot of effort and money was put into the Hotham Winter Marketing Campaign, Hotham did not change the % split of the 3 big mountains, and has fallen well short of the 10 Feet Tall predictions prior to them being engaged*

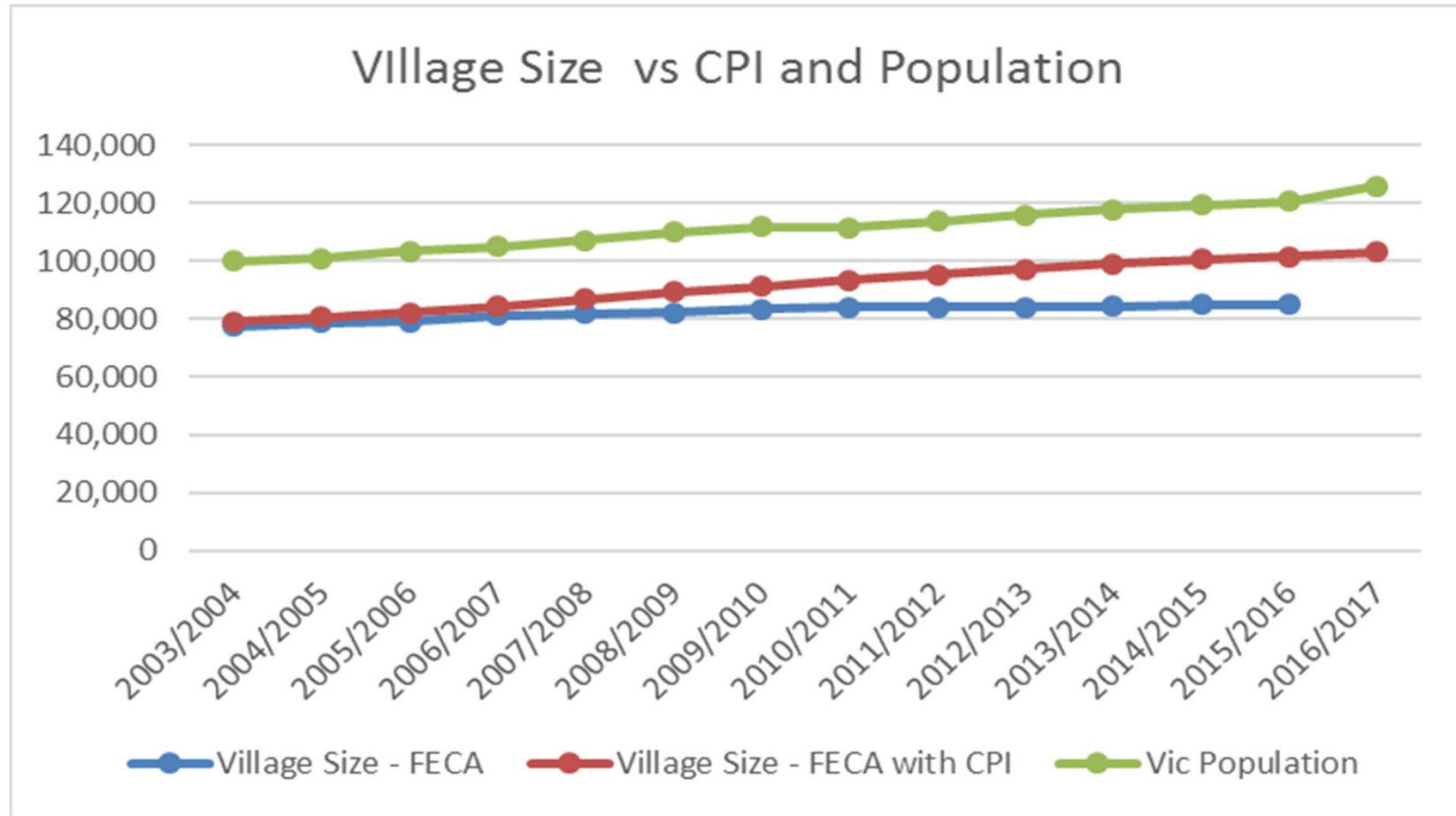
HRMB Finances - 2016

Both HRMB expenditure and revenue continue to track well above CPI



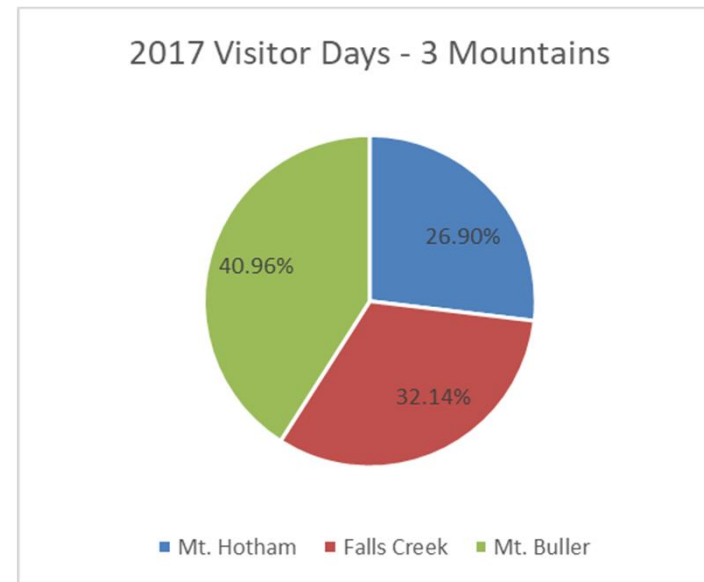
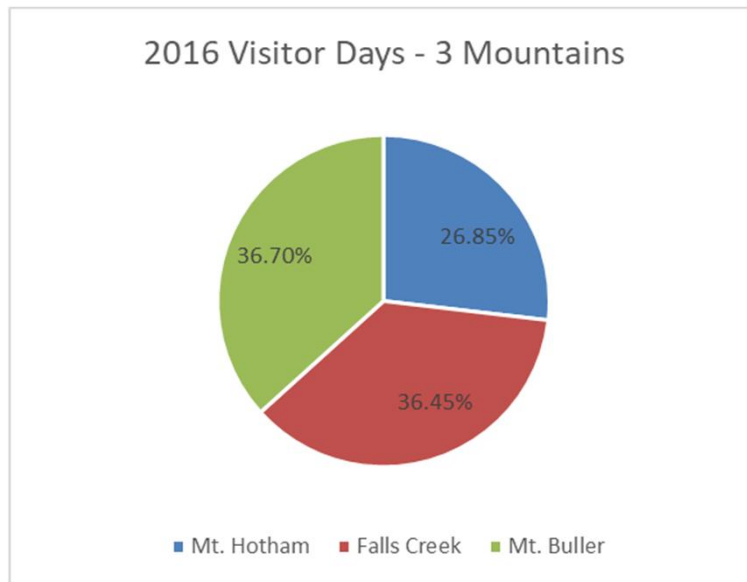
Hotham Growth 2016

Village investment, i.e. rateable property size



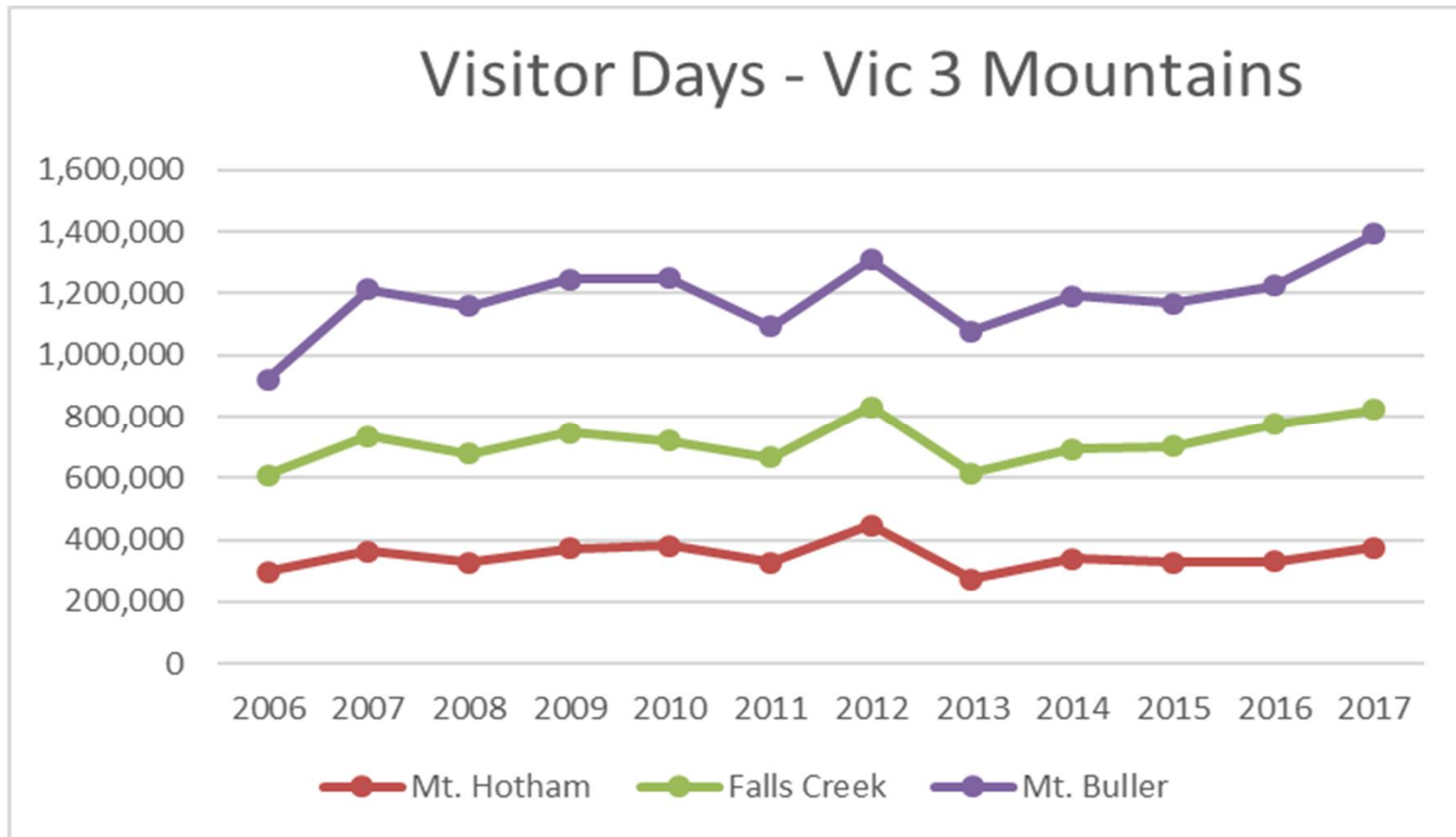
Hotham Visitation - 2017

Includes both Day Visitors and Overnight Stays



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