

UTAH OLYMPIC LEGACY FOUNDATION

Quarterly Update

JULY 2020 (Q1)



Executive Summary

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It's hard to believe we're three months into UOLF's fiscal year! Some days fly by, but most feel a bit subdued wondering what sort of calamity will strike today?! In the big picture, we are doing really well. **All venues are up and running and our teams are doing amazing things!** Athletes are training, visitors and families are inspired through our public offerings – all with smiles returning to their faces exclaiming, **"It's so nice to do something normal!"** Kids & adults are roller skiing, shooting, or e-biking at Soldier Hollow; skaters are tearing up the ice at the Oval; and Park visitors exceed 800-1,000 people per day. It is safe to say we are managing this pandemic challenge in a really good way with **all credit going to creative and resourceful staff** who work tirelessly to adapt and morph safety and operating protocols to address this crazy challenge.



Executive Summary (continued)

We've compiled this Quarterly Update to replace our scheduled Board meeting for July. Notwithstanding some financial ups and downs, **operating actuals are cumulatively tracking on budget**. I'm impressed with the team's original predictions from creation of this year's fiscal budget back in April. We've posted **good early results** and adapted how to operate with the COVID-19 virus in our communities. However, it's too early to forecast how the rest of the year will go. **Being adaptable, creative, and quick to act will be key through the remainder of this year.**

While managing daily demands during these trying times could consume 110% teams' time, **numerous**

forward-looking initiatives still push ahead – a long-term Master Plan for Soldier Hollow, "Mountain Expansion" at UOP (our new "ski resort", as Brett likes to say), and growing a dynamic "Healthy Communities" project in Kearns. We are also advancing the UOLF Strategic Plan, layering the Vision, Mission, and Long-Term Goals with Strategies, Actions and KPIs for each Mission Pillar. Venue teams are also setting venue-specific plans. We're excited to share our work during October's virtual Board meeting.

Enjoy your read of these updates and please stop on by if you can!

Finance

Investment Portfolio

Performance through June 30, 2020. The UOLF Investment Portfolio began the current fiscal year at a value of \$50,095,000, increasing 1.58% to \$50,889,000 as of June 30, 2020. This was a result of a 4.92% investment gain of \$2,463,000 coupled with a (3.33%) or (\$1,669,000) reduction for operating budgets. Calendar year 2020 has seen a (2.24%) investment loss of (\$1,202,000) coupled with a (2.78%) or (\$1,488,000) reduction for operating budgets.

As of July 27, 2020, the investment portfolio balance was \$52,493,000.

PPP Loan

UOLF has fully expended its PPP loan as of July 10, 2020. Given that the PPP loan terms were extended by Congress to 24 weeks, we will be electing that period of use when determining our loan forgiveness. **We anticipate achieving full loan forgiveness** when we apply. Loan forgiveness calculations will be completed once the SBA rulings are final (currently in interim status), which has been recommended by Zions Bank (our PPP lender), the AICPA, and various other guiding organizations. Also, because our loan is greater than \$2M, **we will undergo an SBA audit.**

Operating Budgets

As you are aware, our facilities were closed until mid-May (Soldier Hollow) and early June (Park and Oval). As such, we budgeted for very little revenue to be received in May. The venue teams are diligently **controlling expenses**, especially payroll. As of June 30, we see a **positive payroll variance** of \$246,000, which represents an approximate 18% savings over budgeted payroll for that period. **Park Public Activities met budget** through June 30, where the majority of summer revenue is earned. July has exceeded budget by over \$80k.

COVID-19 restrictions continue to pose a financial risk to UOLF in some areas. Group/Corporate Events continue to

cancel and we anticipate only a few smaller events to actually materialize. **It is nearly certain that we will be significantly short of the \$958,000 full-year budget for Group/Corporate Events at all venues.** Other public uses of Soldier Hollow, including the Soldier Hollow Classic Sheepdog Competition, have been cancelled. Finally, while long-term rentals are looking strong, **short-term rentals at the Residences at Utah Olympic Park have been significantly impacted by the lack of athlete groups coming to Utah to train or compete this summer.** We watch our financial picture closely and will provide a full update to our summer operations compared to budget at the October board meeting.

Sport & Venues

Capital Program

The venue teams continue to press forward with Cap X programs, utilizing funding from the Utah Legislature in support of maintaining world-class status for UOLF venues. While the COVID-19 pandemic has negatively impacted public programs and athlete training, the quieter conditions allow the venue teams to advance larger, more complex projects that have a tendency to impact day-to-day operations (see adjacent summary).

	PROJECT	EXPENSE
ALL	Technology Infrastructure refresh (phase 1 of 3)	\$ 330,000
OVAL	Zamboni Replacement	\$ 135,000
	Condenser Replacement & Dehumidifier Wheel	\$ 110,000
PARK	Track Refrigeration System & Plant Upgrades (phase 1)	\$ 2,100,000
	Winch Cat Replacement	\$ 435,000
	Track Lower Loop Retaining Walls, Utilities & Paving	\$ 500,000
	Roof Repairs & Fire Protection Upgrades	\$ 94,000
	Snow Removal Equipment Replacement	\$ 180,000
SOHO	Automated Snowmaking System – Tubing Hill	\$ 450,000
	Roller Ski Loop Repair	\$ 160,000
	Parking Lot Surface & Accessibility Upgrade	\$ 230,000
	Finish Area & Biathlon Range Upgrades	\$ 110,000

Capital Program

Utah Olympic Park. Taking advantage of less activity on the trackside of the park, the access road between the plant and Bobsled start house was repaved, and several failing retaining walls were rebuilt in the track lower loop area. The Push Track rebuild continues with the major grading components complete, along with the new push sleds. The new steel track sections are in fabrication and we anticipate completion this fall. A major renovation of the track refrigeration system commenced, targeting Phase 1 completion prior to icemaking in October. Mechanical work along the track is all but complete, including new ammonia pumps inside the plant. Planning for Mountain Expansion Phase 2 is under way and we anticipate county permitting and some construction access work taking place this fall in preparation for major construction of trails, lifts, snowmaking and lights next spring.

Oval. The lack of public programs allowed completion of needed projects, restructuring in preparation for reopening protocols, and a start of FY21 capital projects. Operationally, a safe and secure public entry and lobby area was created; the skate rental area was restructured to accommodate new protocols for skate cleaning; and all locker rooms and common areas were painted. The brine filtration system was upgraded and refinements to the KATEC building were completed, including upgrades of electrical outlets and installation of a temperature-controlled air circulation fan and filter.

Soldier Hollow. Infrastructure projects have not been slowed and are being executed on-pace; rollerski trail refurbishment, lodge renovations and tubing hill improvements are all completed or in process, with a major snowmaking improvement and trail lighting project planned for the fall.

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Utah Olympic Park

Following the mid-March shutdown, Utah Olympic Park implemented a comprehensive reopening plan to mitigate the spread of COVID-19, allowing sport and public activities to safely resume operations mid-May.

All facets of Park operations were re-created due to COVID-19 – from pricing and scheduling, to signage and communication, to policies and procedures – allowing flexibility based on community and venue conditions. **Cleaning protocols were significantly increased.** **Public activities transitioned to a session-based model** to separate the public and provide adequate time between sessions for sanitization. **All ticketing moved online** to minimize physical contact between guests and staff. While projections were considerably reduced, the team is working hard to manage expenses while generating revenue, driving us to exceed June public revenue goals by \$40K and approaching \$100K for July.

The **Alpine Slide**, debuting after a three-year hiatus, remains one of our most popular activities of summer fueling the success of the **Jumpside Activity Pass**, along with **Extreme Tubing and Zip**. 2-hour session blocks are capped at 150ppl per session and consistently sell out all week. The Trackside Activity Pass, with Canyon & Summit Adventure Courses and Airbag Jumps, saw limited traction and will wind back to single activity tickets for **Airbag Jumps** only in Aug/Sept.

The **Summer Bobsled Experience** kicked off again on Pioneer Day and is slated to operate for the duration of the season. Bobsled proved one of the more logistically challenging activities to bring online with the need to get guests to the Start – traditionally a bus ride from the bottom of the track to the top – coupled with the close proximity of guests to each other and to the pilot while in the sled. Ultimately, we scaled back to two passengers per sled and invested in a helmet sanitizer and other equipment to sanitize each sled between runs. Once the Alpine Chairlift came online for summer operation it provided an open-air way to transport guests near the top of the track, minimizing the shuttle component, tying everything together.

Partnering with the Park City Film Series and Dragonfly Media, **Twilight Drive-In at Utah Olympic Park** screenings will launch for five nights in late July and early August.

We continue to evaluate Guided Public Tours and are looking at holding Flying Ace All-Star Freestyle Shows as a reserved ticket on Saturday nights in August.

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Utah Olympic Park

All sports at the Park resumed sport-specific training within one to two weeks of their normal schedules.

Sport training resumed with dryland training for most disciplines, followed by sport-specific training on the Nordic Ski Jumps, Pool and Airbag – all with increased requirements and adjusted operations to limit group sizes and maintain distance. **The locker rooms remain closed.** We're experiencing **increased activity from National teams** – Freestyle, Snowboard, and Freeski – who are unable to travel internationally.

As with all areas of the Park, **Athlete Housing has been hit hard by the pandemic, especially nightly rentals.** That said, **we maintain an occupancy rate above the rest of Park City** and have been able to convert some **sport groups who would normally**

travel outside the country to book their training camps with us, notably US Ski and Snowboard and USA Triathlon. Coming off a great winter season, our **long-term rentals have stayed steady at 92% of budgeted revenue** with the studio apartments being the most popular units. We have also offered units to non-traditional groups like local fire department staff as well as contractors working on projects at the Park to proactively fill vacancies while staff continues to market to sport and affiliated groups.

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Utah Olympic Oval

The National teams missed only about a week of on-ice training due to a natural dormancy each April, good collaboration, and new safety protocols in place.

Due to the COVID-19 pandemic, the Oval closed mid-March through part of May. This closure, along with cancelled summer Rookie and D-5 hockey leagues, Learn-to programs, and summer camps caused negative budget impacts. However, sport activity is rebounding with National Team training, Oval FAST and Club speed skating, sold-out Freestyle figure skating sessions, and limited hockey leagues – with **two Wildcats Girls U18 teams for the first time ever!**

Impacts to programming prompted the swift and deliberate creation of facility- and program-specific COVID-19 safety protocols through collective research with our foundation and sport partners. The USOPC, US Speedskating medical staff, Salt Lake County Health Department, and state and local government recommendations were instrumental in assisting us with public- and sport-specific precautionary measures.

In mid-May, after thoroughly cleaning and disinfecting the entire facility, a plan was implemented to partially re-open with a “soft opening” to allow top short track skaters to enter the building

under strict guidelines to test our methods of mitigation. Protocols included pre-entry temperature readings, designated pathways, staggered training sessions of limited capacity, and mandatory face coverings and social distancing. Minor adjustments were made throughout the process in preparation for much-needed revenue generating programs to resume. Going into June, with the success of the elite athlete safety protocols, we slowly opened up to allow development team access to the building, providing our first revenue source in months!

Marketing, Guest Services, IT and Sport staff worked diligently to adapt all programming to a fully-online purchasing mode. Given the specific needs of each program, this was not an easy undertaking. Hats off to those who worked outside the box to make it happen – it was truly a team effort!

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Soldier Hollow

Soldier Hollow re-opened for business mid-May with new programs launching in response to the changing business environment.

Youth sport programs (Team SOHO) re-opened with an approximate 20% drop in enrollment. Enrollments were negatively impacted due to parent/participant hesitation to re-engage in the COVID-19 environment (despite ample precautions), and the forced cancellation of “Ski Up Day”, which identifies and recruits kids to move from Kickers & Gliders into Team SOHO. Some of this loss is being addressed through “Summer Try-it” camps. **Programs are expected to grow again this winter** through addition of a “High School Comp” team and a fall “Skip Up Day”. Additionally, **two new coaches** are bringing excellent new energy and engagement.

The Ford biathlon and driving experience has run as planned, although at about 50% of expected capacity leading us to make some concessions on the guaranteed minimums provided through our contract (in the spirit of maintaining a long-term partnership). Nevertheless, this program remains a cornerstone of our summer business and is helping us with **maintaining pace against budgeted revenue targets despite the loss of all event business so**

far this year. Mass-participation events and weddings, which make up a sizable portion of the overall summer revenue picture, are cancelled through August, as are national team training camps. That said, we’ve cultivated two new large-scale events scheduled for late-August, which will be critical to hitting summer numbers (if allowed to proceed by the local Health Department).

Mountain E-bike Rentals and Discover Biathlon were launched this spring to capitalize on more local tourism and small-group activities in the COVID-environment. While these lower-volume programs will not match the scale of the mass-participation events, the strong response is outpacing revenue projections. While equestrian concessionaire operations have been running at about 70% to prior year, local marketing has improved the customer response and bookings are approaching more normal levels for July.

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SPORT 2030

While the rollout of Sport 2030 was delayed with the cancellation of an all-coach summit in April, **progress was made across all sport programs** in introducing the effort's long-term goals, gaining programmatic and venue-by-venue buy-in, promoting best-practices as established by multiple community expert groups, and assessing each program's current status related to the long-term goals. Programs (outside of PCSS) have also gone through a process of diagnosing problem areas and barriers, then using that diagnostic to establish a long-term goal framework, identify key performance indicators for the coming year, and determining action steps that will allow achievement of those KPIs.

PCSS sports are early in the process due to the COVID-19 interruption (with the immediate focus on stabilizing the organization), but the PCSS board is now engaged in utilizing Sport 2030 goals and best practices to shape their long-term strategic plan, and translate that plan into action-oriented steps within each of the sport programs. Operating largely as an independent organization within UOLF, integrating the objectives of Sport 2030 into the PCSS board's long-term strategic plan will be crucial to aligning their operation with our overall goals.



Sponsorship & Development, Marketing & Group Events

Marketing (May-July)

Utah Olympic Park public activity sessions are the primary Marketing focus during this timeframe, along with communication of COVID-19 operations at all three venues.

Park public activity campaigns target local Utah families and drive distance destinations via digital, outdoor, and social advertisements. Our **Paid Campaign** for the Park's Jumpsides Pass and Soldier Hollow's Mountain E-Bikes generated significant link click numbers and a successful cost per link click average – especially considering the current climate of customer purchasing habits. Our average for cost per link click hovers around 23 cents, so the Jumpsides Pass and E-Bike campaigns bested that significantly. **We saw growth across all of our Social Channels from last year**, including significant gains in Instagram followers and Facebook organic reach. These results are indicative of a continued focus on Instagram and varied, compelling content featuring our activities.

Paid Campaign

Link Clicks: 14,427
Paid Reach: 376,717
Impressions: 729,955
Cost Per Link Click Avg: .17

Instagram

Posts: 45 (+5)
Followers: 11,097 (+1,000)
Engagement: 4,300 (+88)
Likes: 4,089 (+29)
Comments: 192 (+40)

Facebook

Posts: 61 (+14)
Fans: 29,583 (+1,900)
Engagement: 4,689 (+410)
Organic Reach: 79,993 (+3,200)

Twitter

Tweets: 27 (+23)
Followers: 5,385
Engagement: 51 (+36)

Meltwater

Ad value: 1,198,044
Potential Reach: 129,518,024
Social Reach: 4,707,460

Group Events

As you're aware, last summer was our most successful summer to date and, pre-COVID, we were on par to exceed last year's successful summer at Utah Olympic Park. However, COVID-19 has presented our largest revenue challenge to date with a significant loss in corporate and other summer bookings resulting in **over \$800,000 in cancellations**. Our immediate strategy is to **focus on future business, booking events in the 2021-2022 season**. Our group events team is pounding the pavement to secure revenue opportunities and should be commended for continuing outreach and securing group bookings.

Sponsorship & Fundraising

Sponsorship. Despite the many challenges we all face with the current COVID-19 and economic environment, we have several successes to share with all of you! **Partnerships are holding strong.** We have one renewal remaining for FY21, with a verbal commitment. Outlined below are UOLF long-term cash and Value-in-Kind (VIK) partners. Long-term partnerships are key to our financial success. All partnerships outlined below range from a two- to four-year commitment.

Anti-Gala. Given the current state of COVID-19 and based on Summit County Healthy Guidelines, **we postponed Anti-Gala.** This is our staple fundraising event. Many of you continue to support and contribute generously to our annual affair. Last year, we raised close to \$200,000; our most successful event to date. We will continue to monitor local and state health guidelines. **Our current plan is to hold an Olympic Winter Games-themed event on Mountain Expansion next spring** – a fun affair, with guests participating in a friendly Olympic-themed competition in alpine ski & snowboard races, biathlon and bobsled. Firepits and individual tickets/teams will be available to purchase. Additional details will be announced with a tentative date sometime in March. We will continue to monitor and schedule additional cultivation events throughout the year at all three venues.

Utah Toyota Dealers Association	\$137,400 cash
University of Utah Health	\$54,500 cash
Ken Garff Automotive Group	\$50,000 VIK
America First Credit Union	\$45,000 cash
USANA Health Sciences (pending)	\$40,000 cash
Sunbelt Rentals	\$24,500 VIK
Gold Cross Ambulance	\$19,000 VIK



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Sponsorship & Fundraising

Grant Support. As part of our Sport Programs and Thriving Communities Mission Pillar, our goal is to inspire youth to lead a healthy and active lifestyle and expand the benefits to more people and places. Thanks to phenomenal support from generous donors, our scholarship and Healthy Communities initiative have made tremendous, positive impacts on so many youth.

The Solomon Fund, through Park City Community Foundation, awarded UOLF \$10,000 toward our LatinX Inclusion Program at Utah Olympic Park. 28 LatinX youth receive full scholarships to participate in our Kickers & Gliders program and Summer FUNdamentals Camp. Our collective goal is to achieve 20% Latinx participation.

The Kulynych Foundation generously donated \$40,000 this month from the towards our Scholarship Program and Healthy Communities initiative – a \$10,000 increase from last year. **Janice Story** has and continues to be a wonderful advocate for youth in our underserved communities. Last year over 30

athletes received scholarships at our three venues to compete and participate in sport programs. With the additional funding, UOLF will distribute funds in both scholarships and Healthy Communities. We are honored to have Janice in our corner and applaud the positive impact this donation will have on youth in our communities.

Visitor Donation Asks. New this year, UOLF asks if guests would like to add on a donation to our Foundation when they purchase an activity pass at the Park. Efforts will be monitored and, if successful, we may expand to the Oval and Soldier Hollow.

Howard Peterson Memorial Scholarship. UOLF officially launched the Howard Peterson Memorial Scholarship fundraiser benefitting youth cross-country athletes of Heber Valley. Through the first week plus ten donors have participated with donations and pledges of \$19,400.



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Quarterly Plea for Board Support

We're so grateful for all you do to support our fundraising efforts!

Our goal is **100% board participation** in contributions to the foundation.

If you're open to donating, please contact Lisa Bennion Rasmussen

(435) 602-2950 or

lrasmussen@uolf.org.

Please **help the UOLF fundraising and sponsorship team engage with prospects**, including family foundations, corporations or individuals you recommend or are willing help us cultivate. We continue to pound the pavement exploring grant, foundation and sponsorship opportunities. You're the most well-connected individuals in the state – we welcome your insight and expertise! A **heartfelt thank you** for continuing to champion our vision and mission!



"The Island" Café

Guest Services



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Next Meeting (Virtual)

October 28, 2020

8:30-10:00 a.m. via Microsoft Teams

Teams details will be sent closer to the meeting.

The meeting will begin promptly and will run no longer than 1½ hours.

