

Exhibit A

**SPIRIT MOUNTAIN RECREATION AREA
PROPOSED BUDGET FISCAL YEAR 2020
MARCH 20, 2019**

	FY 2019 Budget	FY19 Estimated	FY 2020 Budget
OPERATING REVENUE			
Season Passes	\$950,126	\$1,075,000	\$1,087,000
Lift Tickets	\$1,025,742	\$879,045	\$1,125,316
Winter Operations	\$985,162	\$664,499	\$996,329
Banquets	\$649,938	\$528,982	\$575,982
Grand Avenue	\$252,197	\$126,000	\$277,417
Adventure Park/Summer Activities	\$879,682	\$834,914	\$967,650
Snocross	\$220,128	\$170,949	\$185,000
Camp Site	\$192,216	\$200,005	\$211,437
Marketing/Miscellaneous	\$24,973	\$15,725	\$22,865
Mountain Villa Lease/Management	\$109,864	\$89,034	\$119,623
	\$5,290,028	\$4,584,154	\$5,568,619
<i>Adjusting/Estimation Revenue</i>	\$0	\$503,210	\$0
Total Revenue	\$5,290,028	\$5,087,364	\$5,568,619
Less: Cost of Goods Sold	\$465,017	\$445,000	\$452,827
TOTAL OPERATING REVENUE	\$4,825,011	\$4,642,364	\$5,115,792
OPERATING EXPENSES			
Salaries & Wages	\$2,667,975	\$2,628,349	\$2,801,374
Employee Related	\$97,868	\$96,414	\$102,761
Contract Services & Fees	\$285,062	\$280,828	\$299,315
Materials & Supplies	\$284,912	\$280,680	\$313,403
Maintenance & Repairs	\$234,984	\$231,494	\$258,482
Leases & Rentals	\$115,033	\$113,324	\$120,785
Marketing	\$225,000	\$221,658	\$225,000
Utilities	\$464,989	\$458,083	\$488,238
Other	\$149,984	\$147,757	\$157,483
TOTAL OPERATING EXPENSES	\$4,525,807	\$4,458,587	\$4,766,842
OPERATING INCOME (LOSS)	\$299,204	\$183,776	\$348,950
NON-OPERATING REVENUES			
Earnings on Investments			
Gain (Loss) Sale of Assets			
Miscellaneous			
FEMA/Grant Reimbursement			
City Tourism Taxes	\$420,000	\$420,000	\$420,000
TOTAL NON-OPERATING REVENUE	\$420,000	\$420,000	\$ 420,000
NON-OPERATING EXPENSES			
Interest	\$78,117	\$78,117	\$80,000
Lease/Leaseback Interest			
Claims & Judgements			
Other			
TOTAL NON-OPERATING EXPENSES	\$78,117	\$78,117	\$ 80,000
DEPRECIATION	\$1,082,434	\$1,080,835	\$1,070,085
AMORTIZATION	\$23,303	\$12,389	\$7,414
TOTAL DEPRECIATION/AMORTIZATION	\$1,105,737	\$1,093,224	\$ 1,077,499
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	\$ (464,650)	\$ (567,565)	\$ (388,549)
Capital Contributions - City of Duluth			
NET INCOME (LOSS) AFTER CAPITAL CONTRIBUTIONS	\$ (464,650)	\$ (567,565)	\$ (388,549)
TOTAL EXPENSE BUDGET: (Cost of goods sold, operating expenses, non-operating expenses, depreciation, amortization)	\$6,174,678	\$6,074,928	\$6,377,168