



**SPECIAL ASSEMBLY FINANCE COMMITTEE
JOINT MEETING WITH EAGLECREST BOARD
OF DIRECTORS
AGENDA**

March 4, 2026 at 5:30 PM

Assembly Chambers/Zoom Webinar

<https://juneau.zoom.us/j/93917915176> or 1-253-215-8782 Webinar ID: 939 1791 5176

A. CALL TO ORDER

B. ROLL CALL

C. AGENDA TOPICS

1. Joint Meeting with Eaglecrest Board of Directors

- a. Introductions
- b. Eaglecrest Manager Budget Presentation
- c. Joint Assembly and Eaglecrest Board Discussion (Budget and Gondola)

D. SUPPLEMENTAL MATERIALS Eaglecrest Presentation

2. Eaglecrest Presentation

E. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's Office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's Office telephone number is (907) 586-5278, e-mail: city.clerk@juneau.gov.

Eaglecrest**OVERVIEW**

	FY25 Actuals	FY26			FY27
		Adopted Budget	Amended Budget	Projected Budget	Proposed Budget
EXPENDITURES					
Personnel Services	\$ 2,188,300	3,838,400	3,298,000	2,425,500	3,325,300
Commodities and Services	1,857,500	2,479,900	2,479,900	2,393,600	2,403,700
Total Expenditures	4,045,800	6,318,300	5,777,900	4,819,100	5,729,000
FUNDING SOURCES					
Charges for Services	1,478,900	1,903,000	1,903,000	1,298,700	1,493,200
Licenses, Permits, and Fees	243,600	463,000	463,000	166,500	170,200
Sales	61,500	75,000	75,000	76,800	76,000
Rentals and Leases	239,600	315,700	315,700	243,300	252,100
Donations and Contributions	100	100,000	100,000	100,000	150,000
Support from:					
Roaded Service Area	50,000	50,000	50,000	50,000	50,000
General Fund	1,398,800	880,000	880,000	880,000	880,000
Total Funding Sources	3,472,500	3,786,700	3,786,700	2,815,300	3,071,500
FUND BALANCE					
Available Fund Balance					
Beginning of Period	(118,300)	(691,600)	(691,600)	(691,600)	(2,695,400)
Increase (Decrease) in Fund Balance	(573,300)	(2,531,600)	(1,991,200)	(2,003,800)	(2,657,500)
End of Period Available	(691,600)	(3,223,200)	(2,682,800)	(2,695,400)	(5,352,900)
STAFFING	33.99	38.82	38.82	40.90	40.90



**ASSEMBLY FINANCE COMMITTEE MEETING
MARCH 4, 2026**



PRESENTATION OVERVIEW

- A. Eaglecrest Operations 2025-2026**
- B. Budget Summary**
- C. Revenue Trends**
- D. Expense Trends**
- E. General Fund Support**
- F. Capital Improvement Projects**



EAGLECREST OPERATIONS 2025 - 2026

BY THE NUMBERS

- Opening day: 12/5 (Ptarmigan lift opened: 1/15)
- 61 days open so far (86 days of operations scheduled)
- Current snowfall total: 275” (average yearly 320”)
- 19 days of snowmaking
- 19 avalanche reduction missions so far
- West Bowl open for 17 days; East Bowl open for 19 days



EAGLECREST OPERATIONS 2025 - 2026

COMMUNITY ENGAGEMENT

- Summer camps (50 kids over 4 weeks)
- Eaglecrest haunted house
- Christmas Eve (60 kids & family)
- Fall and winter events 2 movie nights
- Discover Eaglecrest Community Day (Books to Boards fundraiser)
- Eaglecrest Foundation School Group Sponsorship Class -- 19
- Books 2 Boards program supports -- 46 students



EAGLECREST OPERATIONS 2025 - 2026

MAJOR MAINTENANCE PROJECTS

- New bull wheel bearing on top of Ptarmigan
- Replaced drive shaft on Ptarmigan
- Rebuild sheaves on Hooter and Porcupine lifts
- Major fleet maintenance, services, and safety supplies
- Blasting, building & hardening to refurbish snow guns
- Relocation of mobile patrol hut
- Fish Creek lodge water and heating system repairs
- NDT testing on Ptarmigan tower bolts and clips



BUDGET SUMMARY

	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>
Revenues				
General Fund Support	\$1,105,500	\$1,448,800	\$930,000	\$930,000
Other Revenues	\$2,702,600	\$2,852,000	\$2,856,700	\$2,141,450
Total Revenues	\$3,808,100	\$4,300,800	\$3,786,700	\$3,071,450
Expenses				
Commodities and Services	\$1,799,051	\$1,927,200	\$2,479,915	\$2,403,652
Personnel Services	\$2,111,500	\$2,382,900	\$3,298,006	\$3,325,250
Total Expenses	\$3,910,551	\$4,310,100	\$5,777,921	\$5,728,902
Net Total	-\$102,451	-\$9,300	-\$1,991,221	-\$2,657,452
Fund Balance		-\$691,600	-\$3,223,200	-\$5,352,900



BUDGET SUMMARY

<i>Eaglecrest</i>					
OVERVIEW					
	FY25	FY26		FY27	
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Donations and Contributions	100	100,000	100,000	100,000	150,000
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STAFFING	33.99	38.82	38.82	40.90	40.90



BUDGET SUMMARY

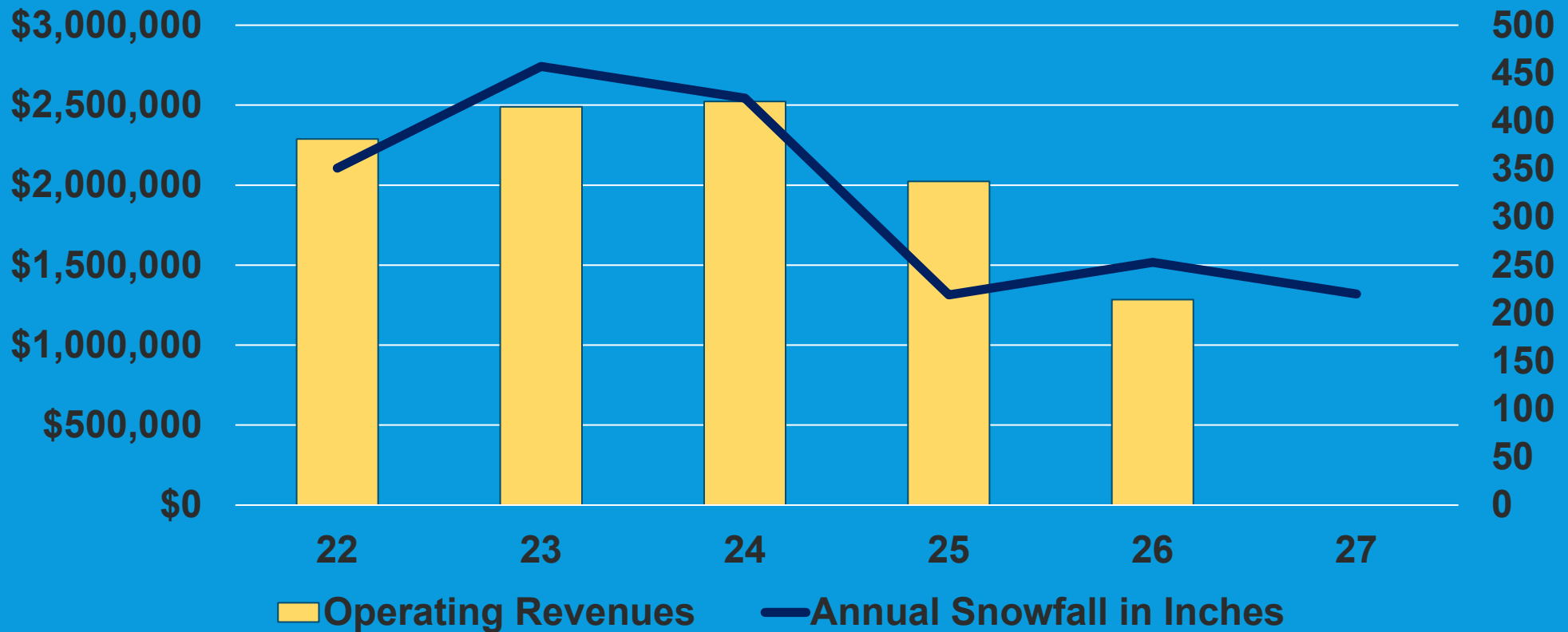
VARIANCE ANALYSIS

	<u>FY26 Proj vs.</u> <u>FY25 Actuals</u>	<u>%</u>	<u>FY26 Amended vs.</u> <u>FY26 Adopted</u>	<u>%</u>	<u>FY26 Proj vs.</u> <u>FY26 Amended</u>	<u>%</u>	<u>FY27 Proposed vs.</u> <u>FY26 Amended</u>	<u>%</u>
EXPENDITURES								
Personnel Services	\$ 237,200	10.8%	(540,400)	-14.1%	(872,500)	-26.5%	27,300	0.8%
Commodities and Services	536,100	28.9%	-	0.0%	(86,300)	-3.5%	(76,200)	-3.1%
Total Expenditures	773,300	19.1%	(540,400)	-8.6%	(958,800)	-16.6%	(48,900)	-0.8%
FUNDING SOURCES								
Charges for Services	(180,200)	-12.2%	-	0.0%	(604,300)	-31.8%	(409,800)	-21.5%
Licenses, Permits, and Fees	(77,100)	-31.7%	-	0.0%	(296,500)	-64.0%	(292,800)	-63.2%
Sales	15,300	24.9%	-	0.0%	1,800	2.4%	1,000	1.3%
Rentals	3,700	1.5%	-	0.0%	(72,400)	-22.9%	(63,600)	-20.1%
Donations and Contributions	99,900	99900.0%	-	0.0%	-	0.0%	50,000	50.0%
Support from:								
Roaded Service Area	-	0.0%	-	0.0%	-	0.0%	-	0.0%
General Fund	(518,800)	-37.1%	-	0.0%	-	0.0%	-	0.0%
Total Funding Sources	\$ (657,200)	-18.9%	-	0.0%	(971,400)	-25.7%	(715,200)	-18.9%



REVENUE TRENDS

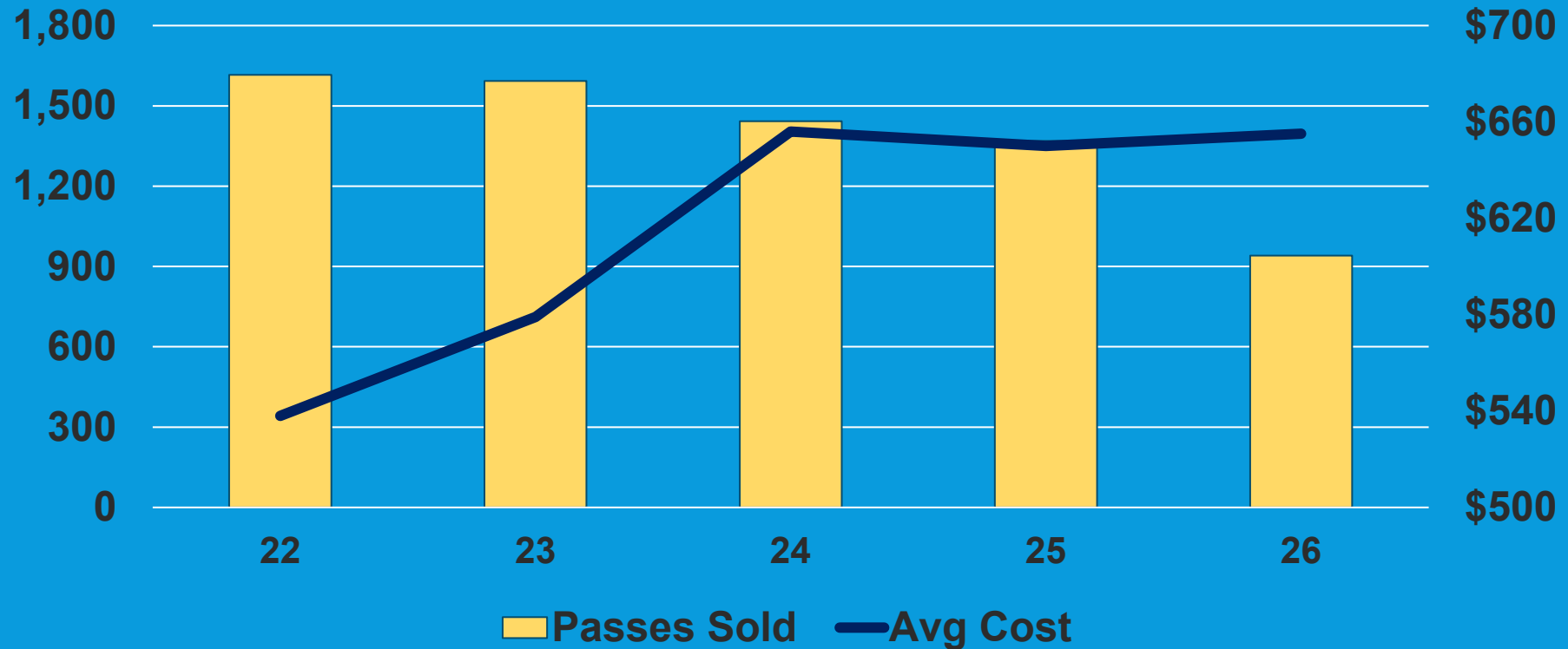
Operating Revenues with Snowfall





REVENUE TRENDS

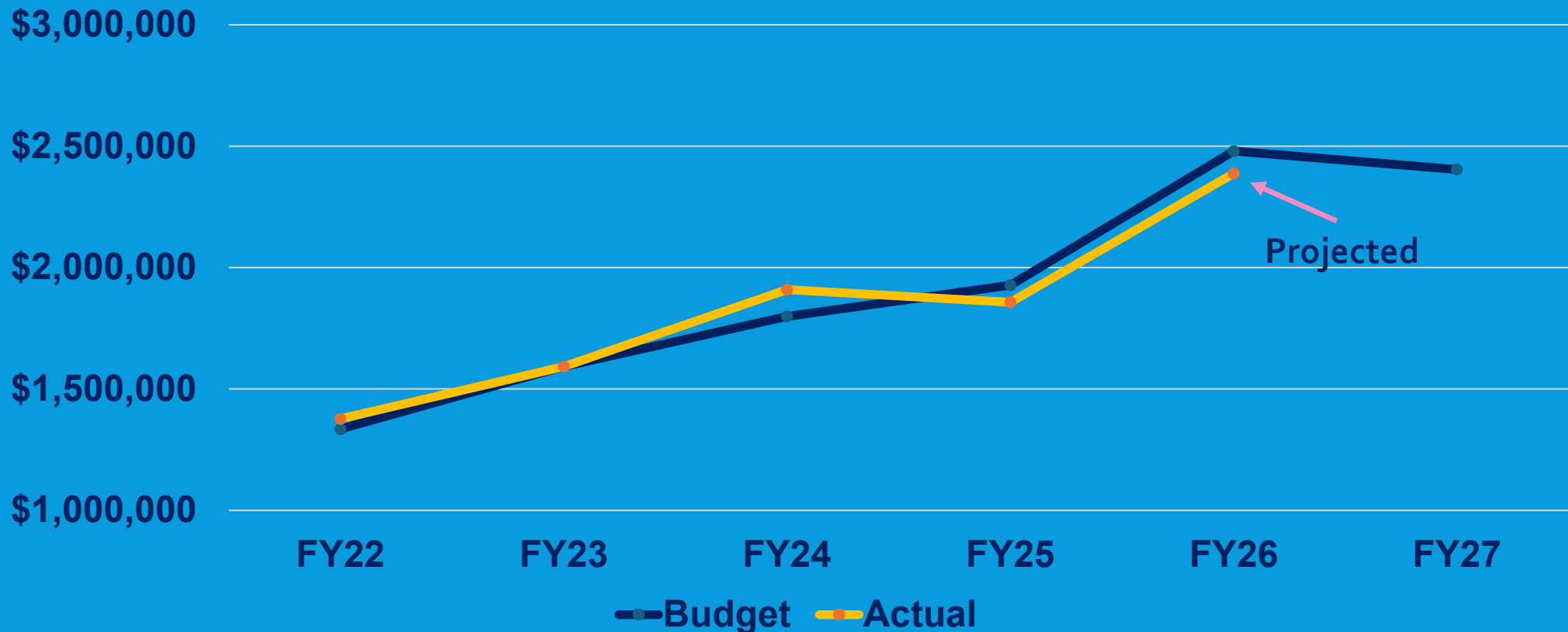
Adult Pass Pricing and Sales





EXPENSE TRENDS

Commodities and Services





EXPENSE TRENDS

Aging Infrastructure

=

Increased Maintenance

Eaglecrest Lifts

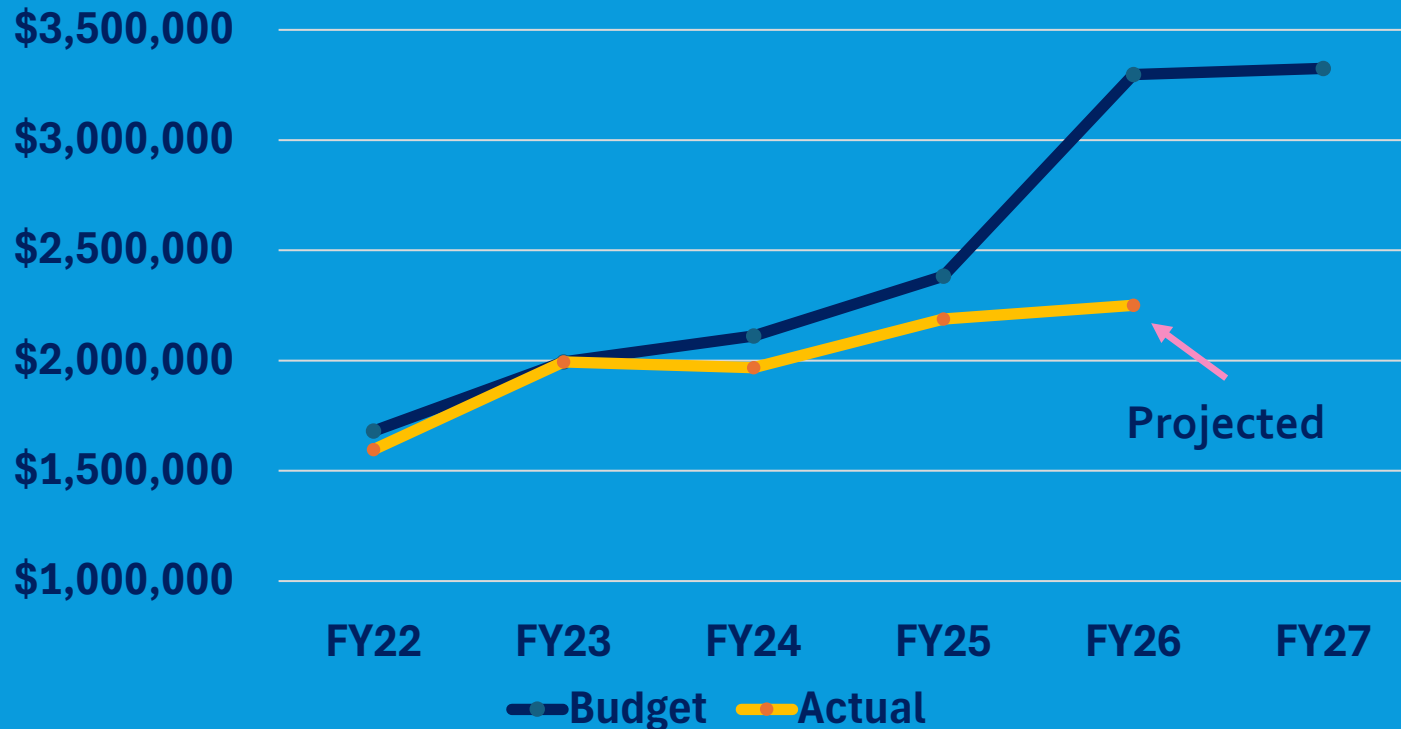
- Ptarmigan (1975) Riblet Lift
- Hooter (1977) Riblet Lift
- Black Bear (1972) Riblet Lift*
- Porcupine (1969) Hall Lift





EXPENSE TRENDS

Personnel Services

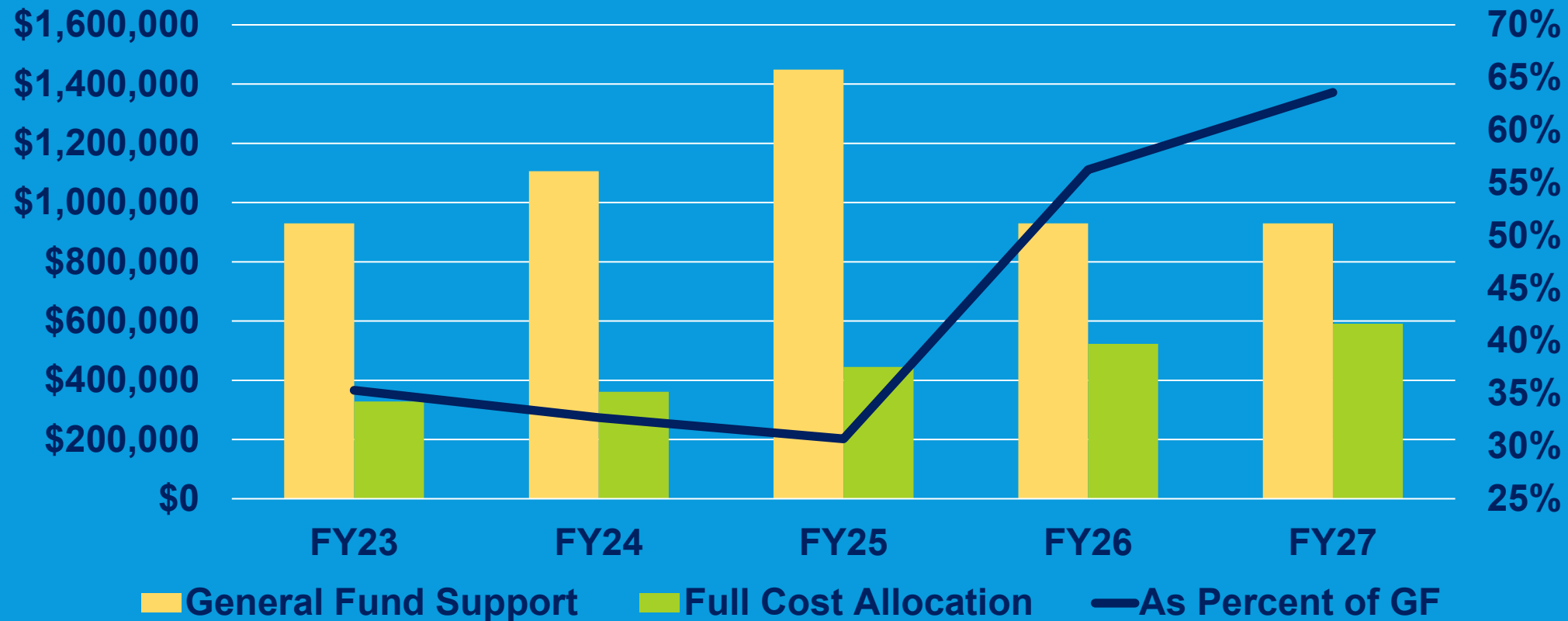


- Pay plan integration budgeted at \$915,106 but was \$540,000 less
- EC will adjust current FTEs



GENERAL FUND SUPPORT

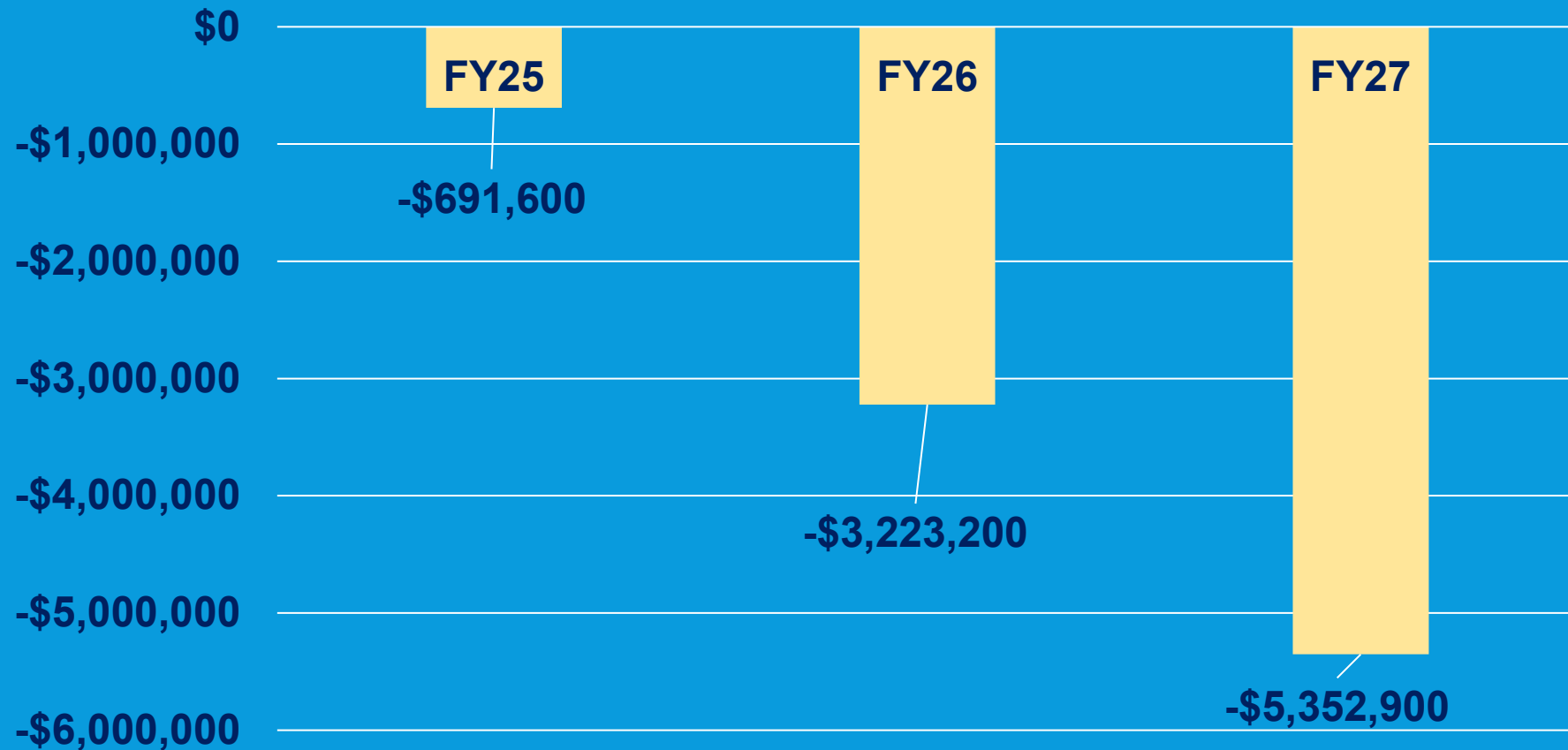
General Fund Consumed by Cost Allocation





GENERAL FUND SUPPORT

Budgeted Fund Balance





CAPITAL IMPROVEMENT PROJECTS

CIP FY26

CIP Total = \$576,000

- \$350,000 was from CIP resolution for deferred mountain maintenance
- \$226,000 for additional capital & maintenance projects request

CIP FY27

CIP Total = \$167,000

- \$127,000 will be for deferred mountain maintenance
- \$40,000 for additional capital & maintenance



CAPITAL IMPROVEMENT PROJECTS

Capital Improvement Budget





Eaglecrest Ski Area

Questions?

GONDOLA DISCUSSION

THE EAGLECREST SUMMMER PLAN

Grow summer revenues to achieve year-round self-sufficiency

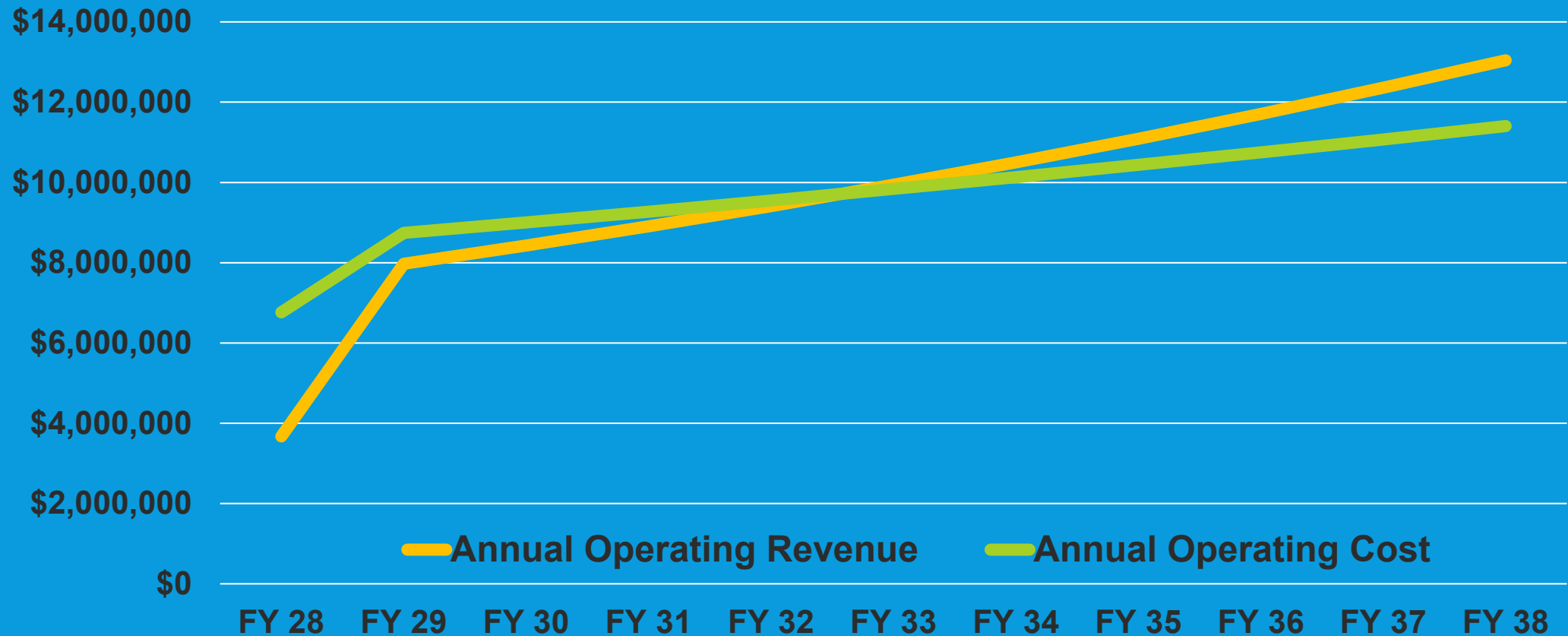
- *Current summer commercial activity generates annual revenue of about \$110,000 (<5% of operating revenue)*

Tap the market of Juneau's 2 million visitors to capture summer revenue opportunities

- *Scenic lift ride, mountain coasters, expanded zip lines, ropes courses, mountain biking, guided tours, sky bridge, food & beverage services, retail sales, and others*

The goal: A re-capitalized, modernized, self-supporting ski area

PROJECTED YEAR-ROUND REVENUE AND OPERATING COST WITH GONDOLA OPERATIONS



GONDOLA ASSUMPTIONS AND ANALYSIS

- **First customers in May 2028; first full year of service is FY29**
- **Winter operations budgeted at proposed FY27 levels**
- **Includes only operating revenues (assumes no GF support)**
- **Revenues to Eaglecrest are net of Goldbelt's share**
- **Revenues are from lift services only**
- **Other potential revenues could accelerate transition to self-support**
- **Declining need for GF support starting in FY29**
- **Fully self-supporting by FY32-FY33**
- **Principal risk factor is market development**

EAGLECREST SUMMMER OPERATIONS: NEXT STEPS

- **Infrastructure and amenities planning and development**
 - *Trails, viewing platforms, signage, restrooms, shelters, mid and top station staff and operations facilities, base development*
- **Attraction development**
 - *Vendor recruitment and in-house business development*
- **Detailed business and operations planning and execution**
 - *Staffing, marketing, budgeting, securing permits*
- **Secure funding for construction funding short-fall**

GONDOLA FUNDING SCENARIOS

- *CBJ funds shortfall*
- *Goldbelt funds shortfall*
- *CBJ borrows to fund shortfall*
- *Solicit investor for gondola and recapitalized winter operations*
- *End the gondola project*

GONDOLA FUNDING SCENARIOS

CBJ funds shortfall

- *Most immediate path to Eaglecrest self-sufficiency, under current management model*
- *Still faced with May 2028 deadline, unless both parties agree to extend*
- *Dependent on Goldbelt for cruise market development*
- *5+ years until funds could be available to start payback of fund balance and modernize lifts*

GONDOLA FUNDING SCENARIOS

Goldbelt funds shortfall

- *Potentially most immediate source of funds (if not CBJ)*
- *Likely to be conditioned on assuming full management control*
 - *CBJ retains ownership, with strict winter operations requirements*
- *May have potential for near-term recapitalization of ski area assets*

GONDOLA FUNDING SCENARIOS

CBJ borrows from AIDEA or other lender

- *Terminate the RSA*
- *Seek lender to secure funds to pay back Goldbelt, cover the construction shortfall, and provide working capital for winter operations*
- *Cruise marketing and transportation responsibility shifts to Eaglecrest*
- *Eases construction schedule*
- *Probably adds another year of heavily subsidized winter ops*

GONDOLA FUNDING SCENARIOS

Search for third party investor

- Unattractive with current RSA, probably require Goldbelt payback
 - *Current RSA plus third-party investor would leave little or no benefit to Eaglecrest*
- Leverage the strong summer business opportunity to secure capital for winter modernization
- May require contracted management
- Could be fastest way to recapitalize Eaglecrest
- Complex transition
- Very uncertain opportunity

GONDOLA FUNDING SCENARIOS

End the gondola project

- *Total payback to Goldbelt of \$11.9 million*
 - *Includes \$3.7 million of unspent/uncommitted Goldbelt money*
 - *Total sunk cost to CBJ of \$10.9 million*
- *Would leave Eaglecrest with little chance of becoming self-sustaining within foreseeable future*
- *No way to repay negative fund balance*
- *Would require reset in General Fund support for Eaglecrest; bonding for lift replacement*
- *Would require immediate transition to planning, funding, and developing other summer business opportunities*

A CRITICAL IMMEDIATE GONDOLA DECISION

Do we proceed with phased construction?

- *Likely necessary to keep the project on schedule*
- *About \$3 million in available construction funds*
- *Earthwork, tower and station foundations, and tower installs could proceed in phases in 2026*
- *May require proceeding with initial phase or phases without confirmed source of funding needed to complete the project*
- *Increases potential pay-back to Goldbelt if we still miss the May 2028 deadline*

GONDOLA DECISION SUMMARY

- *GMP expected by April 1 Assembly meeting*
- *Meantime, assuming no Assembly objection:*
 - *Determine Goldbelt's interest in and conditions associated with providing additional funding*
 - *Investigate potential to secure AIDEA or other loan*
 - *Investigate opportunities for funding from private investors*
- *Phased construction decision asap*