

**City and Borough of Juneau  
Assembly Finance Committee Meeting  
Wednesday, April 16, 2014, 5:30 p.m.  
Assembly Chambers**

- I. Call to Order**
- II. Roll Call**
- III. Approval of Minutes**  
April 9, 2014 (pp. 2 - 3)
- IV. Juneau Economic Development Council (JEDC) (pp. 4 – 9)**  
The packet includes JEDC’s FY15 request for CBJ funding.
- V. Eaglecrest Budget Presentation (pp. 10 – 16)**  
The packet includes the Eaglecrest budget presentation.
- VI. Juneau International Airport (JIA) Budget Presentation (pp. 17 – 27)**  
The packet includes the JIA budget presentation.
- VII. Proposed Expenditure Reductions**  
See the April 2, 2014 AFC packet for expenditure reduction information.
- VIII. Information Items**
  - A. Unexpended Marine Passenger Fees Issue Paper (p. 28)
  - B. Schedule of FY14 and FY5 MPF funded activities (p. 29)
  - C. Schedule of open CBJ Capital Projects that have received MPF funds (p. 30)
  - D. AFC Meeting Schedule (pp. 31 – 32)
- IX. Adjournment**

# ***DRAFT***

## **MINUTES - ASSEMBLY FINANCE COMMITTEE**

**April 9, 2014**

**Assembly Chambers**

**I. Call to Order**

The meeting was called to order at 5:30 p.m. by Karen Crane, Chair.

**II. Roll Call**

Committee Members Present: Karen Crane; Merrill Sanford; Mary Becker; Randy Wanamaker; Kate Troll; Jesse Kiehl; Carlton Smith; Jerry Nankervis; Loren Jones (telephonically)

Committee Members Absent: none

**III. Approval of Minutes**

April 2, 2014 minutes approved.

**IV. Juneau School District Budget**

Glen Gelbrich, JSD Superintendent; David Means, Director of Administrative Services; and Sally Saddler, Board President; presented information on the JSD FY15 Proposed Budget and consequences of current State legislation being considered.

**V. Capital Improvement Projects Program**

Bob Bartholomew, Finance Director, and Rorie Watt, Engineering Director, presented information on the capital improvements project funding and Resolution 2682 (A Resolution Adopting the City and Borough Capital Improvement Programs for fiscal years 2015 through 2020, and Establishing the Capital Improvement Project Priorities for Fiscal Year 2015).

AFC members want to consider using some of the capital improvements budget to fund schools and the Augustus Brown Pool.

Ms. Troll and Mr. Sanford requested that the Glacier Swim Club suggestions be reviewed by staff for feasibility of implementation.

Staff was directed to determine if there is approximately \$800,000 in capital projects that could be deferred or reallocated to allow for additional funding for general government operations. This amount is tentatively targeted to fund the JSD to the CAP (including the new CAP associated with HB278) and to keep the Augustus Brown Pool open.

Some AFC members voiced opposition to the use of capital projects funding for general government use due to need to maintain the CBJ's existing infrastructure.

**VI. Marine Passenger Fee Recommendations**

Kim Kiefer presented the March 1, 2014 recommendations.

Ms. Crane requested that the MPF recommendations be approved at this meeting, if possible.

# ***DRAFT***

## **MINUTES - ASSEMBLY FINANCE COMMITTEE**

**April 9, 2014**

**Assembly Chambers**

Mr. Kiehl expressed objection to the \$25,000 in funding for the Franklin Dock Enterprises Dock Deck Safety project.

Mr. Wanamaker requested that staff review and comment on the policy to return unexpended marine passengers fees to the Open Space Waterfront Capital Project from the Lands Fund.

Ms. Kiefer responded that a review was done in 2012 regarding case law on how marine passenger fees could be spent.

Mr. Smith requested a list of on-going vs. new projects.

Mayor Sanford moved approval of the Marine Passenger Fee funding recommendations from the Manager.

Mr. Kiehl moved an amendment to delete the \$25,000 for the Franklin Dock Enterprises Dock Deck Safety project.

Roll call vote:

Ayes: Jones, Kiehl, Nankervis, Troll

Nays: Becker, Crane, Smith, Wanamaker, Sanford

Motion failed: 4 ayes, 5 nays

Mr. Kiehl removed his objection to the main motion.

Mayor Sanford's original motion –

Roll call vote:

Ayes: Becker, Crane, Jones, Kiehl, Nankervis, Smith, Troll, Mayor Sanford

Nays: Wanamaker

Motion passed: 8 ayes, 1 nay

### **VII. Information Items**

Information items were presented and discussed.

Staff was directed to determine, that since the City is required to have a balance budget by the Charter, what is the legal authority for the City to have a Budget Reserve.

### **VIII. Adjournment**

The meeting adjourned at 7:35



JEDC.org  
612 West Willoughby Ave. Suite A  
Juneau, AK 99801  
Phone 907-523-2300  
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## FY15 Assembly Grant Funding Request

**Date:** March 3, 2014

**Organization name:** Juneau Economic Development Council

**Organization purpose:** The Juneau Economic Development Council (JEDC) is an award-winning organization that engages in a diverse set of programs and activities to support the short and long term economic prospects in Juneau. JEDC was created in 1987 at the impetus of the Juneau Borough Assembly and the local Chamber of Commerce. Like most local economic development organizations throughout our nation, core funding support comes from local government. The Board of Directors of JEDC is appointed by the Borough Assembly and works on behalf of the entire community to strengthen our local economy.

The Juneau Economic Development Council fosters a healthy and sustainable economic climate in Juneau and throughout Southeast Alaska. In collaboration with other organizations, the council implements initiatives to maintain, expand, and create jobs and economic opportunities. Within Alaska, JEDC is recognized as being one of the most competent and effective economic development organizations in the state and has brought considerable value to Juneau and the state through programming that focuses on private sector growth in key industries. It has staff experienced and specialized in economic development at the local level. JEDC is active in supporting innovation and entrepreneurship at the firm level, including technology transfer work linking federal laboratories and university research with Alaska companies and issues. Our Science, Technology, Engineering, and Mathematics (STEM) program underscores our understanding of the importance to companies and our economy of having a skilled workforce. JEDC understands the local dynamics of business and works closely with diverse organizations in our community on issues including housing, homelessness, downtown revitalization, business finance and consulting, entrepreneurship education and support, workforce development and enhancing Juneau as a great Capital City of Alaska.

**Amount requested:** \$325,000

**Brief description of how the funds will be used:** Despite sudden and dramatic declines in federal and state funding over the past few years which have had a financial impact on our operations, JEDC is requesting from the City and Borough of Juneau the same level of funding that it has received in the past two years: \$325,000. With those resources, JEDC will continue to leverage other funding and deliver to Juneau economic development services in the following areas:

1. Support for Juneau as a Great Capital City



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2. Support for Regional Core Industries
3. Support for Entrepreneurial and Small Business Education and Development
4. Support for JEDC Core Services
5. Support development and implementation of the CBJ Economic Development Plan

## **1. Support for Juneau as a Great Capital City.**

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### **Support Downtown Revitalization**

- Assist Downtown Business Association in achievement of their goals
  - Work to include Circulator plan in CBJ Transit Plan
  - Develop and implement facade improvement program for Downtown Juneau
  - Assist Downtown Revitalization group to identify opportunities to increase the number of housing units downtown
  - Interact with developers to help facilitate investment downtown
- 

### **Support Plan for Revitalization of the Willoughby District**

- Engage property owners in development conversations
  - Facilitate stakeholder meetings
- 

### **Support implementation of housing priorities identified by the CBJ Assembly, Affordable Housing Commission, Juneau Coalition on Housing & Homelessness, Downtown Revitalization Housing Group, Assisted Living for Seniors and JEDC**

- Administer Senior Housing Demand Study
  - Facilitate stakeholder meetings
  - Move Juneau towards having an assisted living facility by supporting the Juneau Assisted Living Task Force of the Senior Citizens Support Services, Inc.
  - Provide recommendations and project support for plans that improve the affordability of housing in Juneau
- 

### **For Example:**

- JEDC facilitated a strategic planning process with a newly re-established Board of Directors of the Downtown Business Association that resulted in redefined goals and priorities for this next year.
- Served on the oversight committee of the Transit Plan Update and facilitated input from the large retailers and firms in the Lemon Creek area regarding their public transportation needs and supported the Downtown Revitalization Transportation Working Group's efforts to develop a downtown circulator option to be considered in the planning process.



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## **2. Support for Regional Core Industries.**

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### **Support Industry Cluster Working Groups:**

- Facilitate industry working groups and increase engagement of local and regional firms, including Visitor Products, Ocean Products, Renewable Energy, Research and Development, and Mining Services and Supply
- Engage the Arts and Culture industry participants in identifying opportunities and addressing common problems
- Support industry action initiatives to address opportunities and challenges and to increase productivity of cluster member firms
- Plan and host Innovation Summit to bring leading speakers and new concepts on economic development to the region, to promote engagement of small businesses with Federal and State agencies, and to align and advance the agenda of cluster working groups
- Marketing, outreach and communication of SE AK Cluster Initiative conducted to increase visibility, recruit new members, and celebrate successes
- Identify participants and networks in Maritime Industry in Juneau through developing a Maritime Industry map
- Facilitate maritime businesses and other interested parties to develop strategies that address issues common to maritime industry businesses
- Support implementation of identified strategies
- Identify infrastructure and service needs and through results of Non-Resident Fisherman Survey
- Plan and host 6th Juneau Maritime Festival to celebrate and raise awareness of the importance of maritime history, culture and commerce for Juneau

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### **Implement a business retention and expansion program, including outreach to local manufacturers**

- Connect with Juneau manufacturers to identify their challenges, needs and opportunities
- Facilitate businesses and other interested parties to identify and develop strategies that address issues common to many businesses in the business district
- Identify retention and expansion strategies
- Maintain a current list of manufacturers in Juneau
- Offer assistance to individual businesses in addressing specific areas of concern identified in business outreach
- Use results of business outreach to identify areas of opportunity and issues of concern

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#### **For Example:**

- Achieved an additional 30,000 visitor days to the Mendenhall Glacier Visitor Center over the past two years through the facilitated work of the Visitor



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Products Cluster Working, resulting in annualized increased sales over \$1,000,000 plus substantial user fees to support the Mendenhall Glacier Visitor Center.

- Through the Mining Services and Supply Cluster Working Group, a local firm has received two contracts to provide heavy machinery rebuild services locally that would have been conducted outside of our region.

### **3. Support for Entrepreneurial and Small Business Education and Development.**

#### **Develop future workforce through skill development in K-12 Science, Technology, Engineering and Mathematics (STEM) education**

- Create a mentorship program for professionals and youth to share project ideas and problem solving tips.
- Extend local outreach programs to hosting workshops for grades K-12
- Improve functionality of workshop space
- Support Juneau School District to compete for STEM Education grants
- Support STEM enrichment camps and workshops during the summer and after-school

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#### **Support entrepreneurial and small business development in Juneau**

- Support Junior Achievement programs in Juneau
- Identify a recognition program for innovators in Juneau
- Provide entrepreneurial development workshops, events or competitions
- Provide problem focused business consulting to entrepreneurs

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#### **Support JEDC Revolving Loan Funds**

- Increase number of lending partners
- Increase RLF deal flow
- Meet with Juneau commercial bankers to identify financing gaps and educate lenders about JEDC's loan program

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For Example:

- Our support for the Path to Prosperity workshop included developing program description and evaluation criteria to provide direction to contestants and judges. We developed the curriculum of the boot camp and led workshops on how applicants could find resources about sustainability planning to augment the general assistance they received from the SBDC.
- From July 1 through February 28, JEDC provided direct confidential business consulting to 17 clients for a total of 71 hours on a range of issues from developing financing plans, advising on negotiations with lenders, on strategies to sell, buy and liquidate businesses, strategies to improve cash flow and



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profitability, and marketing and outreach plans. Several of these clients were referred by local banks. We provided feedback and guidance on four business plans for Juneau-based startups, including Juneau Mercantile & Armory, which became a \$300,000 long-term financing commitment for the Juneau Revolving Loan Fund.

#### 4. Support for JEDC Core Services.

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##### **Research, compile, analyze and communicate economic data**

- Collect and submit national cost of living (COLI) data collection
- Develop interactive web-based indicator report
- Present Economic Indicators report as requested
- Provide economic research as requested
- Provide monthly economic indicator for JEDC Newsletter
- Publish annual Juneau and Southeast Alaska Economic Indicators Report

##### **Attract people and investment to Juneau (Choose Juneau)**

- Assist skilled individuals currently in our workforce, or considering moving to Juneau in networking to find permanent career, housing and recreation
- Complete survey of Non-Resident Alaska Fishermen
- Facilitate introductions, meetings teleconference and partnerships between outside investors, companies, and local investors and companies
- Update content and links on Choose Juneau website

##### **Leverage JEDC experience in Technology Transfer to assist local/regional firms to access technologies from federal and other research capabilities**

- Respond to local companies that request assistance in locating new technology
- Facilitate meetings and partnerships for the implementation and commercialization of new technology locally

##### **Engage with regional, statewide, and international economic development organizations to learn best practices and connect with resources**

- Attract speakers and experts from key organizations/locations to Juneau
  - Develop strategic partnerships
  - Identify funding opportunities
  - Identifying new tools & best practices to promote economic development in the region
  - Improve visibility and recognition of Juneau and JEDC as an authority on Economic Development
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For Example:

- The JEDC Technology Transfer Program facilitated a patent license agreement between Freeman Bell machine Shop in Juneau and the University of Alaska Fairbanks. This license gives Freeman Bell rights to commercialize patents for a fish processing technology that was invented by researchers at UAF providing a new opportunity for local a local Juneau business, and supporting innovation at the University.
- The JEDC facilitated conversations between General Biodiesel and CBJ Public Works to find a collaborative solution to Juneau's waste oil problem. General biodiesel is an innovative Seattle based company that manufactures biodiesel from used fryer oil. This partnership allows General Biodiesel to collect Juneau oil before it ends up in Juneau's sewer system or landfill, and turn it into a value added product, while saving CBJ money and improving the environment in Juneau.
- Produced and disseminated the 2013 Juneau and Southeast Alaska Economic Indicators report.

**5. Support development and implementation of the CBJ Economic Development Plan.**

**Total Operating Grant Request for FY 2015                      \$325,000**

## CBJ Finance Committee Meeting April 16, 2014

### *Eaglecrest Ski Area Season Review & Budget Presentation*

- FY 14 – Financials and Highlights
- Dimond Park Field House
- FY 15 & 16– Budget
- Fund Balance and Conclusion

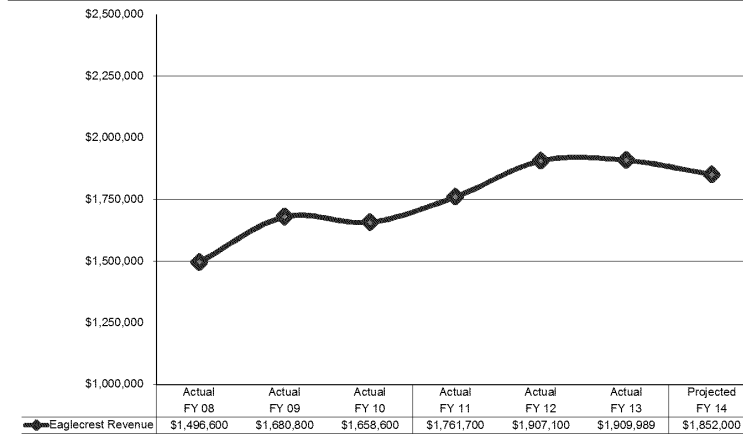


### Eaglecrest Financial History and Budget

Operating Days	89	84	96	92	90	90	90
	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Actual	FY 14 Projected	FY 15 Budget	FY 16 Budget
Eaglecrest Revenue	\$ 1,658,600	\$ 1,761,700	\$ 1,907,100	\$ 1,909,989	\$ 1,852,000	\$ 2,136,731	\$ 2,170,691
General Fund Support	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
<b>Total Revenue</b>	<b>\$ 2,408,600</b>	<b>\$ 2,511,700</b>	<b>\$ 2,657,100</b>	<b>\$ 2,659,989</b>	<b>\$ 2,602,000</b>	<b>\$ 2,886,731</b>	<b>\$ 2,920,691</b>
<b>Expenses</b>							
Personnel Services	\$ 1,374,900	\$ 1,398,700	\$ 1,371,700	\$ 1,408,138	\$ 1,449,415	\$ 1,659,925	\$ 1,696,066
Other Expenses	\$ 838,600	\$ 881,800	\$ 954,700	\$ 958,092	\$ 965,600	\$ 1,116,200	\$ 1,116,400
Equipment Replacement	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Total Expenses</b>	<b>\$ 2,313,500</b>	<b>\$ 2,380,500</b>	<b>\$ 2,426,400</b>	<b>\$ 2,466,230</b>	<b>\$ 2,515,015</b>	<b>\$ 2,876,125</b>	<b>\$ 2,912,466</b>
Payment to Fund Balance	\$ 97,900	\$ 131,200	\$ 239,751	\$ 198,000	\$ 86,985	\$ 10,606	\$ 8,225
<b>Fund Balance</b>	<b>\$ (594,600)</b>	<b>\$ (485,500)</b>	<b>\$ (245,749)</b>	<b>\$ (47,749)</b>	<b>\$ 39,236</b>	<b>\$ 49,842</b>	<b>\$ 58,067</b>
<b>Cost Recovery</b>	<b>72%</b>	<b>74%</b>	<b>79%</b>	<b>77%</b>	<b>74%</b>	<b>74%</b>	<b>75%</b>

## Eaglecrest Revenue ~ 4% Annual Growth

Revenue growth slowing due to low snow years



## 2013-2014 Highlights

Total Skier Visits (approximate): 45,000 FY14

- 11% decrease from FY13 due to infrequent/low snow and uninspiring conditions.
- Despite fewer skier visits Winter Revenue only down ~2% or \$40,000

### Seasonal Product Sales

- Very strong year for both Season Passes and Multi-visit Cards.
- The Juneau Community's purchase of seasonal products well in advance of the start of the season shows a high level of confidence in the Eaglecrest experience.
- Total Season Pass and Multi-visit revenue: \$948,074 FY14 vs. \$926,781 FY13
- 3<sup>rd</sup> consecutive year of record seasonal product sales.

### Snow Sports School & Rental Programs

- Snow Sports School revenue set a new record again in FY14 of \$183,725.
- Previous record was \$182,606 in FY13
- Highest revenue prior to Porcupine Chair was \$121,060
- 2,568 School Group Lessons
- ~450 children in Seasonal Snow Sports School Programs
- ~550 children's daily lessons

### Cost Recovery

- Continue to maintain target of 70% or better of expenses covered by revenue.

## Success Stories & Goals

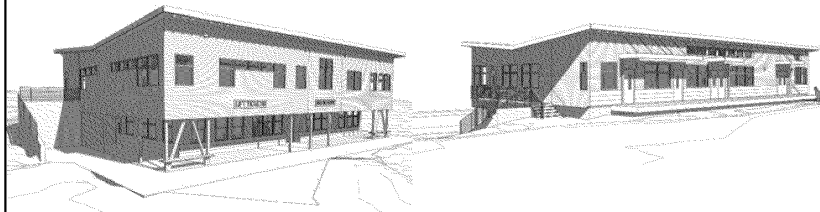
- Increase marketing reach both locally and nationally
  - A renewed focus on marketing and events locally has reached out to more potential skiers and riders.
  - Eaglecrest and Juneau gained tremendous national attention among skiers and riders with the Powder Magazine "Ski Town Throw down" Contest
    - Due to high costs of entry social media and grassroots efforts such as this contest are the best way to spread the word about Eaglecrest outside of Alaska.
  - Alaska Airlines promotion garnered ~200 visits from travelers.
  - Petersburg Ski Club sponsorship correlated to new visits from Petersburg.
  - New visits from Klukwan Elementary (Haines), Gustavus Girl Scouts, and Egegik School (Bristol Bay)
- Eaglecrest hopes to slowly expand our reach and garner more visits from other Southeast communities, Alaska, and beyond to help drive winter revenue to Juneau.

## DimondPark Field House

- The Field House had a cost recovery in FY13 of 106%
  - The Field House is the only recreational facility under CBJ Operations to recover all of its costs
  - The Field House contributed ~\$5,000 to its reserve in FY13
- The Field House will be continuing year round operations
- Projected to operate at more than 100% cost recovery in FY14
- The Field House serves the following main user groups:
  - Juneau Soccer Club
  - Midnight Suns Baseball and Softball
  - High Heat Baseball and Softball
  - Juneau School District Sports Teams
  - JYFL Cheerleading
  - Capital City Soccer League
  - Holiday Cup Tournament
  - Flag Football League
  - Ultimate Frisbee League
  - Home School Physical Fitness Program
  - Turf for Tots
  - Multiple track running and walking groups
  - Private groups and parties

# Porcupine Lodge (Learning Center)

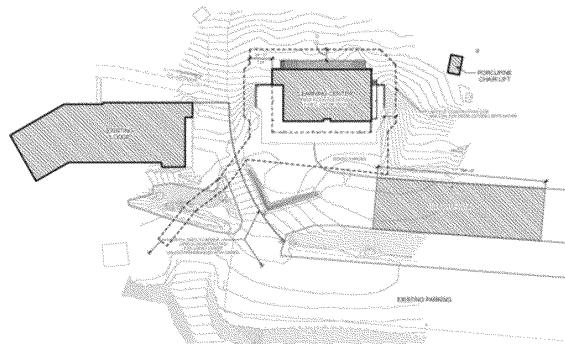
Construction to start Spring of 2014  
Opening December 2014



Front View

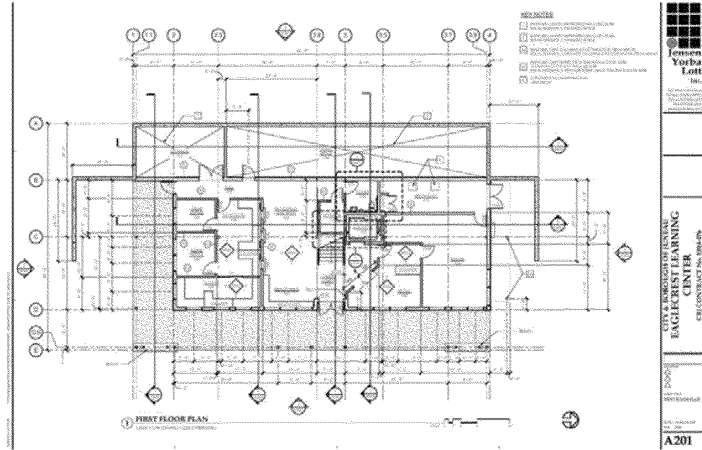
Back View

# Base Area Site Plan



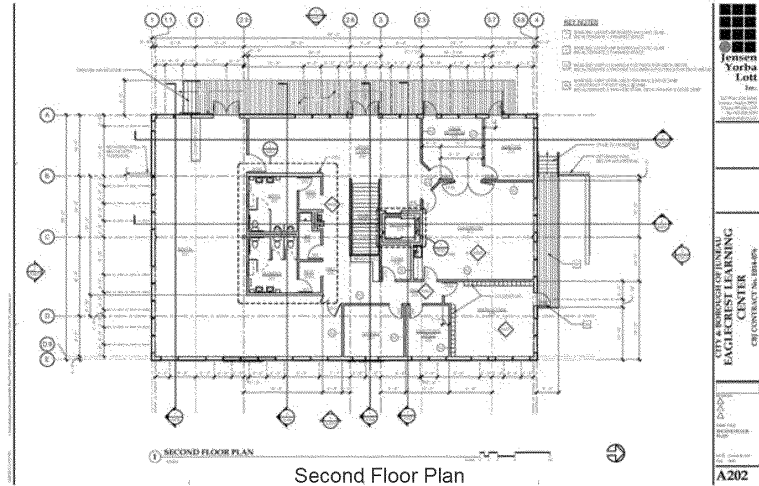
① SITE PLAN

# Porcupine Lodge Interior



First Floor Plan  
Ticketing, Snow Sports, Retail/Repair

# Porcupine Lodge Interior



Second Floor Plan  
Rentals, Adaptive, Children's, Classroom

## FY 15 & 16 Budget

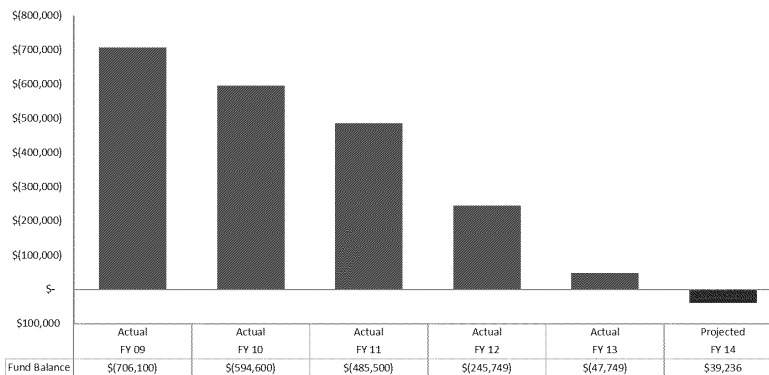
	90	
	FY 15	FY 16
	Budget	Budget
<b>Operating Days</b>		
<b>Eaglecrest Revenue</b>	\$2,136,731	\$2,170,691
<b>General Fund Support</b>	\$ 750,000	\$ 750,000
<b>Total Revenue</b>	\$2,886,731	\$2,920,691
<b>Expenses</b>		
<b>Personnel Services</b>	\$1,659,925	\$1,696,066
<b>Other Expenses</b>	\$1,116,200	\$1,116,400
<b>Equipment Replacement</b>	\$ 100,000	\$ 100,000
<b>Total Expenses</b>	\$2,876,125	\$2,912,466
<b>Payment to Fund Balance</b>	\$ 10,606	\$ 8,225
<b>Fund Balance</b>	\$ 49,842	\$ 58,067
<b>Cost Recovery</b>	75%	75%

### Budget Highlights

- Full Cost Allocation increased \$17,300 to \$224,500
  - 8.3% increase from FY14
  - Total increase of \$73,700 (49%) since FY10
- Increased Insurance Expenses
  - Workers Compensation Insurance increased \$33,200 (147%)
  - Special Risk Policy increased \$17,300 (25%)
- Porcupine Lodge operational expenses covered by increased efficiency and increases in revenue
- Continued increase of fixed costs beyond staff's control is challenging
- Our goal is to always operate as efficiently as possible while still providing a great guest experience

## Fund Balance FY 08 –FY 14

Despite lower skier visits and a relatively poor snow year Eaglecrest will still be contributing ~\$80,000 to the Eaglecrest Fund Balance turning the Fund Balance positive for the first time since 2000





## Conclusion



- Despite an average snow year with challenging conditions Eaglecrest had another very strong year
- Eaglecrest continues to reach out to more of the Juneau community creating more skiers and riders
- Continued growth in Snow Sports School programs and Season Pass Sales is a very positive indicator of future success
- Fund Balance is headed into positive territory
- Eaglecrest is very grateful for the support of the Assembly and the Juneau Community.

The Eaglecrest Board and Staff will continue to seek to be:  
***a community-owned winter recreation area and a year-round destination for outdoor recreation and education, providing a wide range of affordable winter and summer outdoor recreational activities.***

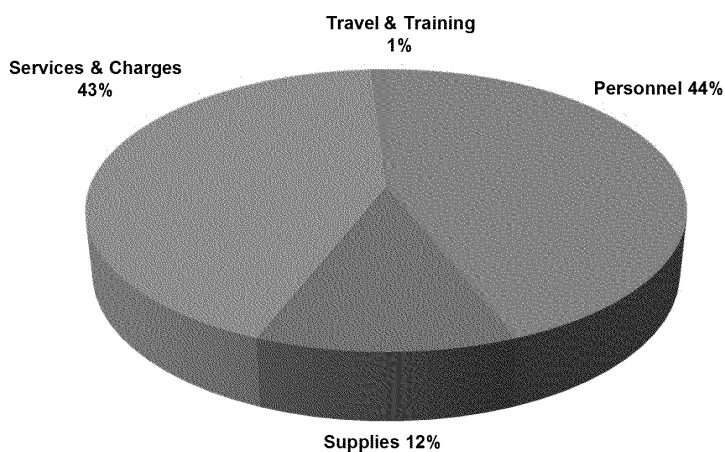




	<b>EXPENSE SUMMARY</b>			
	FY 14 APPROVED	FY 14 PROJECTED	FY 15 PROPOSED	FY 16 PROPOSED
<b>PERSONNEL*</b>	2,453,500	2,626,500	2,733,800	2,859,000
<b>SUPPLIES*</b>	796,700	695,100	731,900	727,700
<b>SERVICES/CHARGES*</b>	2,592,000	2,532,300	2,604,300	2,779,500
<b>TRAVEL/TRAINING</b>	30,500	13,800	27,900	29,600
<b>CAPITAL OUTLAY</b>	0	0	0	0
<b>DEBT SERVICE</b>	0	0	0	0
<b>TOTALS</b>	<b>5,872,700</b>	<b>5,867,700</b>	<b>6,097,900</b>	<b>6,395,800</b>

# Expenses

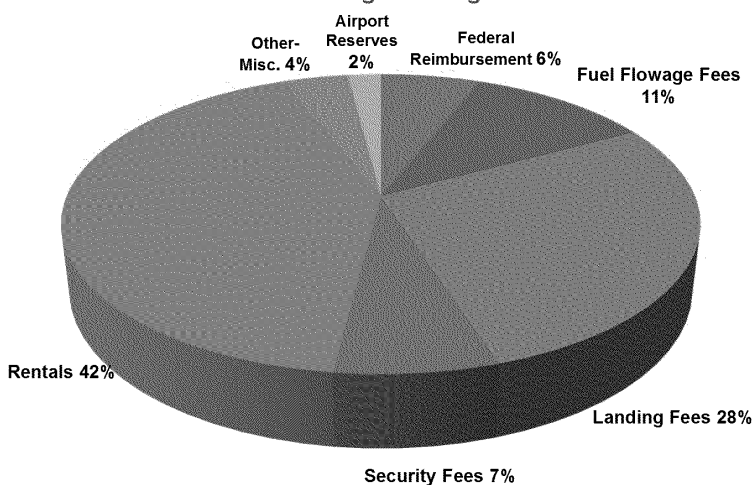
Percentage of Budget



	REVENUE SUMMARY			
	FY 14 APPROVED	FY 14 PROJECTED	FY 15 PROPOSED	FY 16 PROPOSED
STATE/FED REVENUE*	316,200	337,200	352,200	372,200
FUEL FLOWAGE FEES*	541,159	548,100	654,214	654,214
LANDING FEES*	1,700,000	1,704,500	1,737,100	1,737,100
USER FEES/SECURITY FEES*	399,000	383,100	423,500	423,500
RENTALS*	2,528,600	2,560,000	2,582,000	2,582,000
INTEREST INCOME	36,500	25,100	30,000	35,600
FINES/MISC./OTHER	192,900	190,400	190,400	190,400
TRANSFERS/CBJ/MPF	0	0	0	0
AIRPORT REV SURPLUS FUND				
<b>TOTALS</b>	<b>5,714,359</b>	<b>5,748,400</b>	<b>5,969,414</b>	<b>5,995,014</b>

# Revenues

Percentage of Budget



	EXPENSE vs. REVENUE SUMMARY			
	FY 14 APPROVED	FY 14 PROJECTED	FY 15 PROPOSED	FY 16 PROPOSED
<b>EXPENSES</b>	(5,872,700)	(5,867,700)	(6,097,900)	(6,395,800)
<b>REVENUES</b>	5,714,780	5,748,400	5,969,414	5,995,014
<b>DIFFERENCE</b>	(157,920)	(119,300)	(128,487)	(400,787)
<b>AIRPORT REVENUE SURPLUS APPLIED</b>			128,487	0
<b>TOTAL OVER/(SHORT)</b>	(157,920)	(119,300)	0	(400,787)

\*FY 15 applies \$128,487 in Airport Revenue Surplus to balance

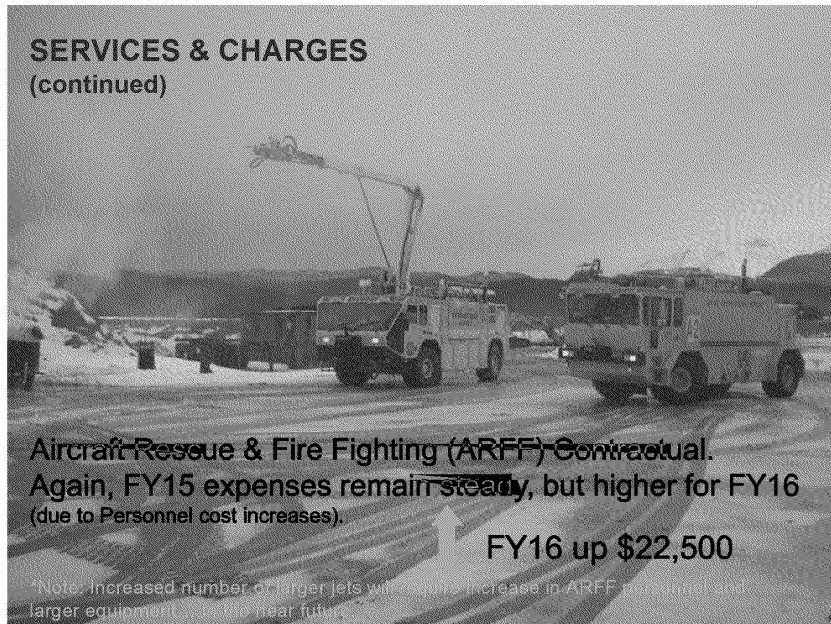
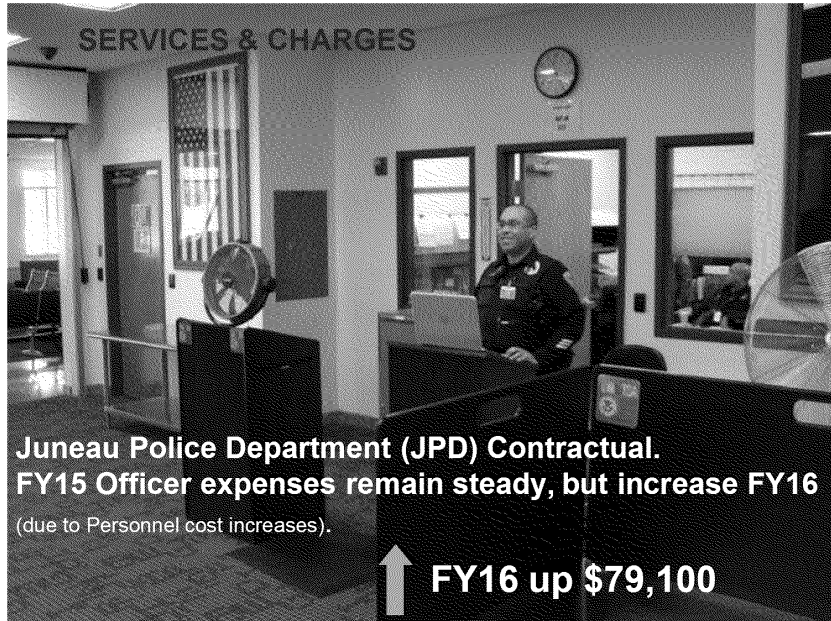
## EXPENSES



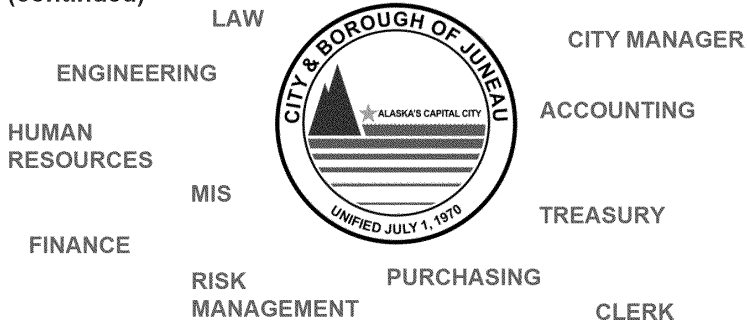
**Personnel cost increases due to union pay increases, union changes to overtime/weekend pay, full time laborer positions filled, Workers compensation increases and health cost increases in FY 16.**



**FY15 up \$280,300  
FY16 up \$405,500**



**SERVICES & CHARGES**  
(continued)



Interdepartmental costs charged to Airport increased for both years.

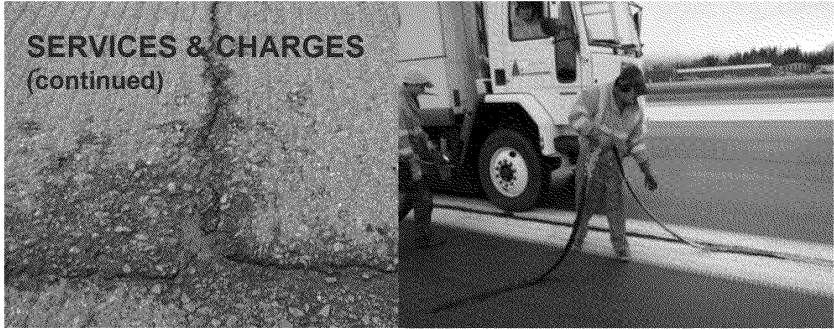
↑ FY15 up \$73,200  
FY16 up \$73,200

**SERVICES & CHARGES**  
(continued)

Utilities costs have been increased slightly for anticipated rate increases.

↑ FY 15 up \$ 9,100  
FY 16 up \$12,700

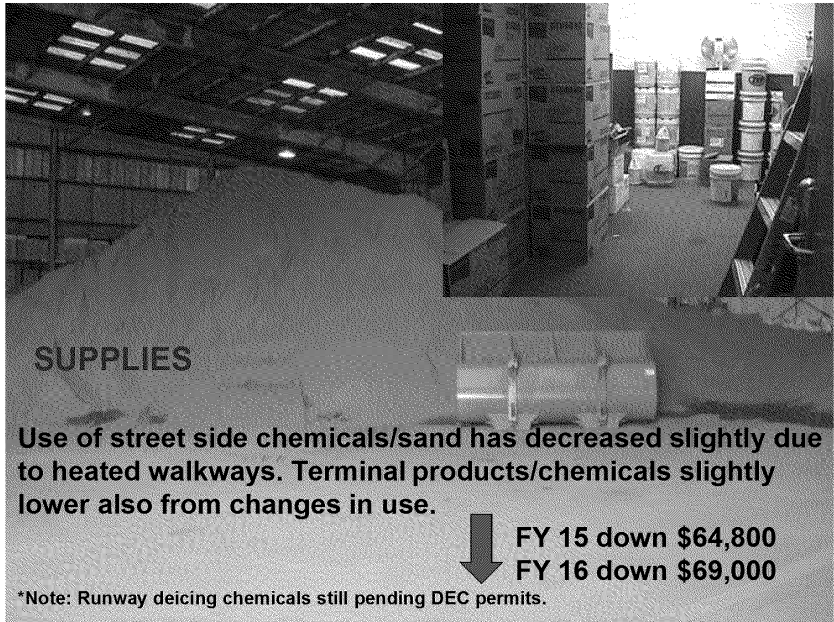
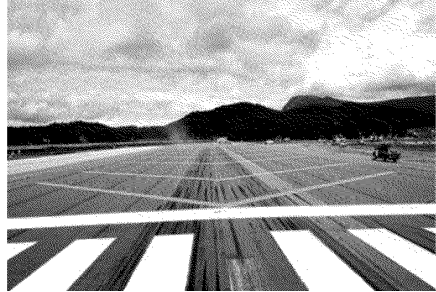
**Water & Sewer**



**SERVICES & CHARGES**  
(continued)

**Contractual Services for runway painting and marking will be deferred for FY15. Costs absorbed by Runway Rehab project.**

**↓ FY15 down \$70,000**



**SUPPLIES**

**Use of street side chemicals/sand has decreased slightly due to heated walkways. Terminal products/chemicals slightly lower also from changes in use.**

**↓ FY 15 down \$64,800  
FY 16 down \$69,000**

**\*Note: Runway deicing chemicals still pending DEC permits.**



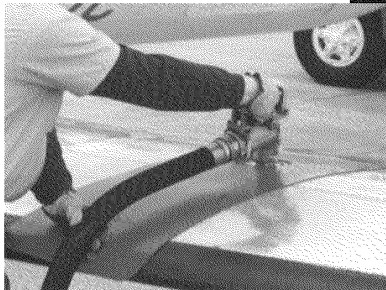
Juneau Terminal  
circa 1952

**FUEL FLOWAGE FEES & STATE REVENUES**

Fuel Flowage Fees have been increased for all category aircraft.

Additional revenue:

↑ FY15 \$105,300  
FY16 \$105,300



Similarly, the non-signatory fuel fees increase and show as increases in the State/Fed Revenue cost center. Additional revenue:

↑ FY15 \$ 36,000  
FY16 \$ 56,000





## RENTALS



Rental revenues for terminal space and aircraft parking anticipated to increase with the addition of Delta Air Lines seasonal service.

↑ FY 15 up \$53,400  
FY 16 up \$53,400

## AIRPORT REVENUE SURPLUS

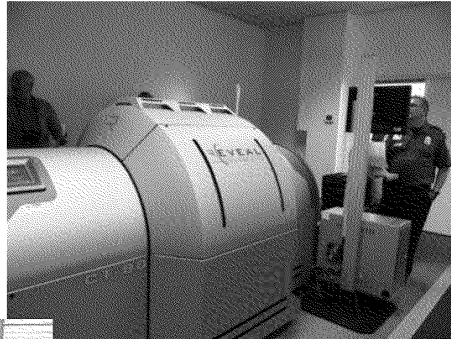
*Airport Board established the Revenue Surplus account balance at 3 months operating budget. Current requirement would be \$1.6M for FY16 budget.*

**FY13 yearend revenue surplus balance \$2.064M.**

**Based on proposed use of surplus funds to balance budgets in FY14 and FY15, balance projected to be \$1.81M going into FY16 budget year.**

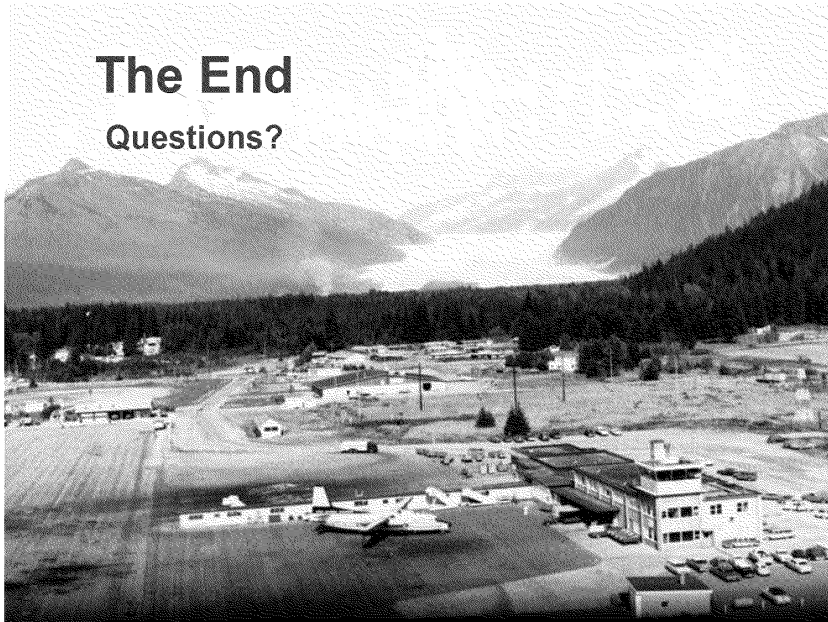


Thank you for  
your support



**Airport is working with  
TSA to have the  
additional baggage  
screening system in  
place by the end of May.**

**The End**  
Questions?



**City and Borough of Juneau**  
**ASSEMBLY FINANCE COMMITTEE**  
**Topic: Return of unexpended marine passenger fees to the Open Space**  
**Waterfront Land Acquisition Capital Project**  
**Date: April 16, 2014**

**Issue:** Whether or not the CBJ should continue the policy of transferring any unexpended marine passenger fees to the Open Space Waterfront Land Acquisition Capital Project

**Background:** The \$5 per cruise ship passenger fee assessed and collected by the CBJ is deposited into Marine Passenger Fee Special Revenue Fund until appropriated by the Assembly.

On June 4, 2004, the AFC approved a motion to transfer all appropriated but unexpended marine passenger fees to the Open Space Waterfront Land Acquisition Capital Project.

On multiple occasions, the Assembly has authorized transfer of marine passenger fees between qualifying capital projects and operational activities.

**Current Status:** This policy has continued since June 2004 while leaving a fund balance in the Marine Passenger Fee Fund to allow for differences between projections and actual revenues.

Ordinance 2013-11(AN) appropriating \$1,514,583 of unexpended MPF funds into the Waterfront Land Acquisition Capital Project was referred to the Assembly Finance Committee for additional discussion and analysis. Two specific questions were raised related to this ordinance:

1. Should the excess funds be deposited into Waterfront Land Acquisition Capital Project?
2. Is use of the excess funds limited to activities authorized under the various the federal restrictions including the Maritime Security Act of 2002? The City Attorney is researching this question.

**Recommendation:** Staff recommends two options:

1. Continue the current policy.
2. Return unexpended marine passenger fee funds to the Marine Passenger Fee Special Revenue Fund to be reallocated by the Assembly at a later date.

## CBJ Marine Passenger Fee Revenue and Expenditures

**FY15**

as of March 1, 2014

	Amended FY14	Proposed FY15
<b>Revenues</b>		
Funds Available	\$ 4,818,300	4,700,000
<b>Expenditures</b>		
Interdepartmental Charges (for staff time to generate billings)	5,500	5,500
<b>Operations</b>		
General Support	1,400,000	1,400,000
Downtown Foot/Bike Patrol	87,000	87,000
Downtown Restroom Maintenance	75,000	75,000
Downtown Sidewalk Cleaning	95,000	109,500
CCFR - Air Medevacs	25,000	15,000
Seasonal BLS-EMS Transport Program	166,100	195,800
Docks and Harbors - General Operations Support	154,100	154,100
Docks and Harbors - Port Customs Office Building Maintenance	133,500	133,500
Downtown Pay Phones	12,700	12,700
BRH for increased staffing during summer months	54,500	61,500
Capital Transit	300,000	300,000
<b>Total Operations</b>	<b>2,502,900</b>	<b>2,544,100</b>
<b>Operating Grants</b>		
Tourism Best Management Practices	15,000	15,000
Crossing Guards	128,000	140,000
JCVB - Visitor Information Services	142,000	140,000
Non-Profit Air Medevac Support (Airlift Northwest)	50,000	50,000
Downtown Security Program - DBA	56,300	56,300
Franklin Dock Enterprises	229,100	233,500
AJ Juneau Dock, LLC	293,600	203,500
Goldbelt	217,000	-
SAIL - Accessible Training and Trip Coordination	48,000	48,000
<b>Total Operating Grants</b>	<b>1,179,000</b>	<b>886,300</b>
<b>Capital Projects</b>		
Waterfront Seawalk	833,100	64,100
Electrical Winches	60,000	-
Real Time Weather Monitoring and Communications	75,000	-
Last Chance Basin Hydro-Geo	150,000	1,200,000
<b>Total Capital Projects</b>	<b>1,118,100</b>	<b>1,264,100</b>
<b>Total Expenditures</b>	<b>4,805,500</b>	<b>4,700,000</b>
<b>Revenues greater than (less than) expenditures</b>	<b>\$ 12,800</b>	<b>-</b>

## CBB Marine Passenger Fee Project Status Report as of April 2014

	Total MPF	Other Funding Sources	Total Project Budget	Expenditures and Encumbrances to Date		Funds Not Yet Expended or Encumbered	MPF Not Expended
<b>Open Capital Projects</b>							
Waterfront Open Space Land Acquisition	\$ 2,453,283	3,961	2,457,244	2,025,172	432,072	432,072	432,072
Waterfront Seawalk	4,572,806	3,877,350	8,450,156	7,340,902	1,109,254	1,109,254	1,109,254
Downtown Cruise Ship Berth Enhancement	858,402	10,584,680	11,443,082	11,363,872	79,210	78,644	78,644
Cruise Berth Improvements	4,413,018	67,319,464	71,732,482	64,861,699	6,870,783	4,413,018	4,413,018
Juneau Douglas City Museum	44,200	1,049,815	1,094,015	1,050,757	43,258	8,378	8,378
Juneau Arts & Cultural Center Improvements	368,600	231,400	600,000	576,554	23,446	23,446	23,446
Aurora Harbor Rebuild	500,000	11,104,782	11,604,782	817,523	10,787,259	500,000	500,000
Last Chance Basin Hydro	150,000	1,569,136	1,719,136	866,067	853,069	150,000	150,000
Weather Monitor	75,000	-	75,000	1,763	73,237	73,237	73,237
<b>Total Open Capital Projects</b>	<b>\$ 13,435,300</b>	<b>95,740,600</b>	<b>109,175,900</b>	<b>88,904,300</b>	<b>20,271,600</b>	<b>6,788,000</b>	<b>6,788,000</b>

## ASSEMBLY FINANCE COMMITTEE (AFC)

### FY15 Budget Calendar and Key Dates

Wednesdays at 5:30 p.m., unless otherwise stated

#### APRIL

- 2<sup>nd</sup> AFC Meeting #1**
- A. Distribution of the Operating Budget, Capital Budget and Capital Improvement 6-Year Plan
  - B. FY15 and FY16 Budget Overview
  - C. Budget Balancing Proposal
- 7<sup>th</sup> Regular Assembly Meeting**
- A. Introduction of the general operating (CBJ) budget ordinance
  - B. Introduction of the general operating School District budget ordinance
  - C. Introduction of the mill levy ordinance
- 9<sup>th</sup> AFC Meeting #2**
- A. School District Budget Presentation
  - B. Capital Improvement Projects Program Budget/Plan
  - C. Marine Passenger Fee Recommendations
- 16<sup>th</sup> AFC Meeting #3**
- A. Affordable Housing Commission (removed)
  - B. Juneau Economic Development Council (Brian Holst)
  - C. Eaglecrest Ski Area
  - D. Juneau International Airport
  - E. Proposed expenditure reductions
- 23<sup>rd</sup> Special Assembly Meeting**
- The Assembly must furnish the School District with a statement (motion) of the amount of local funding to be made available for FY15 School District operations. (Charter Section 13.6 (b))
- 23<sup>rd</sup> AFC Meeting #4**
- A. Juneau Festival Committee (Ron Flint)
  - B. Juneau Arts and Humanities (Nancy DeCherney)
  - C. Juneau Alliance for Mental Health (Pam Watts)
  - D. Johnson Youth Services (Walter Majoras)
  - E. Docks and Harbors
  - F. Proposed mill rate increases
    - Hydrant system maintenance costs
- 28<sup>th</sup> Regular Assembly Meeting**
- The following actions must be done by May 1 per Charter Section 9.6.
- A. Public hearing on the CBJ operating budget ordinance
  - B. Public hearing on the School District operating budget ordinance
  - C. Public hearing on the capital improvement program resolution
  - D. Public hearing on the on the mill levy ordinance

Updated 04/14/2014

## ASSEMBLY FINANCE COMMITTEE (AFC)

FY15 Budget Calendar and Key Dates  
Wednesdays at 5:30 p.m., unless otherwise stated

- 30<sup>th</sup> AFC Meeting #5**
- A. Alaska Committee (Wayne Jensen)
  - B. Youth Activities Board (John White/Myiia Wahto)
  - C. Bartlett Regional Hospital
  - D. Utility Rate Study Update

### MAY

- 7<sup>th</sup> AFC Meeting #6**
- A. AEYC-HEARTS Program (Joy Lyon)
  - B. Alaska Small Business Development Center (Ian Grant)
  - C. Social Service Advisory Board (Joanne Schmidt)
  - D. Juneau Convention and Visitors (Nancy W.)

- 14<sup>th</sup> AFC Meeting #7**
- A.

- 19<sup>th</sup> Regular Assembly Meeting**  
Adoption of the School District's operating budget ordinance

- 21<sup>st</sup> AFC meeting #8**

- 28<sup>th</sup> AFC meeting #9**
- A.

**By May 31, the assembly must appropriate the amount to be made available from local sources for school purposes (Charter Section 13.6)**

### JUNE

- 4<sup>th</sup> AFC Meeting #10**

- 9<sup>th</sup> Regular Assembly Meeting**
- A. Adoption of the general operating (CBJ) budget ordinance
  - B. Adoption of the School District's general operating budget ordinance
  - C. Adoption of the CIP resolution
  - D. Adoption of the mill levy ordinance

**If the Assembly does not adopt the budget at the June 9 Regular Assembly Meeting, a Special Assembly Meeting will be required.**

- 11<sup>th</sup> AFC meeting #11**

The Charter requires that the following budget actions be made by **June 15**.

FY15 Appropriating Ordinances  
2014 Mill Levy Ordinance and  
FY15 CIP Program

Updated 04/14/2014