

**TIMING:**

*The Board chose to make this request for the FY23 budget as part of the shift in budgeting protocols allowing for more real-time budget adjustments as needed within a school year. In the past, there were times the district would approach the Assembly for additional funds as a result of an increase in enrollment over the projection. This is similar in concept. The actuals that we have now, with respect to deficits in funds such as RALLY, Transportation, and Community Schools, is the information we didn't have when we approached the assembly in April to approve the FY23 budget. Rather than delaying fiscal adjustments and putting the district at a higher risk of audit deficits, JSD has added an additional budget revision. This past June, as a result of higher deficits than anticipated in a few areas (transportation, RALLY, and Community Schools) we ended the year with a deficit overall and specifically in the general fund. We are using several strategies to avoid a similar situation with the conclusion of the FY23 budget.*

*Approving these funds allows JSD to maximize the effect of our general operating budget on our instructional programming vs. the deficits. We would still need Community Schools, Learn to Swim, Pre-School, RALLY, Transportation, Activities, and Food Service (this pays for student account debt).*

**Transportation**

| <b><u>Prior Year (FY21 and FY22) Deficits per<br/>FY22 JSD Audit on Page 62</u></b>    | <b><u>FY23 Shortfall based upon current<br/>contract and revenue from DEED</u></b>            | <b><u>Total Current Request</u></b> |
|----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-------------------------------------|
| \$1,050,000 (\$250,000 previously covered by<br>CBJ in FY22 request): <b>\$800,853</b> | \$633,000 (\$150,000 previously covered by<br>CBJ in original FY23 request): <b>\$483,000</b> | <b><u>\$1,283,853</u></b>           |

- ❖ Transportation represents one of the fastest-rising categories of inflation, running over 20% higher in April 2022 compared to the previous April.
- ❖ The dollars per student received for transportation was the same in August of 2022 as it was in August of 2015.
- ❖ During COVID there was no hold harmless support for transportation.
- ❖ The per pupil amount of transportation costs from the State would need to rise by 31% to cover our costs for next year.
- ❖ We are asking for funds now, rather than with our original FY23 request, as our student projections for FY23 came in lower than expected. Transportation funding is received based on our actual enrollment.
- ❖ The contractor can only increase our contract by inflation or by 4%, whichever is the less of the two.
- ❖ Juneau kids deserve safe, reliable transportation from home to school. The per-student amount provided to districts from the state for this vital service has not increased since the 2015-16 School Year. Literally, the amount per student the district receives for transportation is the same this year as it was when kids started the year in August 2015.

- ❖ Regardless of overall enrollment and the way students are “spread throughout the district,” we still need to run mostly the same routes, even with a reduction of students.
- ❖ Our costs this current year exceed revenue. We choose, as a community, to provide busing for Elementary at ½ mile but could choose to be a mile. (state statute is 1 mile)
- ❖ The deficit in transportation is so significant due to underfunding by the state that minimizing routes or not doing a cross-town bus isn’t sufficient to resolve the gap. It is much bigger than the moderate savings that would exist without a cross-town bus. (There is more and more demand and expectation that school districts offer families a choice in their school options. Our optional programs: Charter, TCLL, Montessori, and YDHS, all offer cross-town bussing. The TMHS JDHS cross-town busing is small dollars but also part of our commitment to Choice.)

## **RALLY**

| <b><u>Prior Year (FY21 and FY22) Deficits per FY22 JSD Audit on Page 144</u></b>  | <b><u>FY23 Shortfall based upon current contract and revenue from DEED</u></b>             | <b><u>Total Current Request</u></b> |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------|
| \$652,520 (\$187,750 previously covered by CBJ in FY22 request): <b>\$464,770</b> | \$435,230 (\$150,000 previously covered by CBJ in original FY23 request): <b>\$285,230</b> | <b><u>\$750,000</u></b>             |

- ❖ In order to “shore up” as many efficiencies as possible, we have restructured our RALLY locations. We closed two sites and have remained open at 4 sites.
- ❖ Each of the four sites is full, and we have a waiting list of 45 students.
- ❖ This is a community-facing program, not a K-12 instructional program.
- ❖ JSD is happy to provide support to parents at convenient locations.
- ❖ Affordable childcare is a huge issue; families participated less when we raised prices.
- ❖ It is a licensed childcare provider aligned with the stated priorities of the assembly concerning high-quality, affordable childcare.
- ❖ A licensed childcare provider has a higher bar for qualifications of staff. Like so many businesses, we are having trouble finding qualified staff. As a result, the only way we can keep RALLY open is to hire JSD classified staff to work after school. This forces us to pay overtime, increasing the RALLY cost. If we pass this cost onto the families, we have significant challenges meeting the “affordability” necessary to support families.
- ❖ While we have minimized the debt with the restructuring, additional funding would allow us to expand availability, resolve expected debt from FY23, and expand for those on the waitlist without incurring additional debt from overtime.
- ❖ The RALLY program has applied for additional COVID grant funding for childcare centers. If this funding should come through, then RALLY will not end the FY23 fiscal year in a deficit. If we receive funding from CBJ from this request and the grant funding comes through, the District will utilize the funding to offset parent rates along with trying to open more slots for families to have after-school childcare to help fulfill the childcare needs of the City and Borough of Juneau.

### **Community Schools:**

| <b><u>Prior Year (FY21 and FY22) Deficits per FY22 JSD Audit on Page 101</u></b> | <b><u>FY23 Shortfall based upon current contract and revenue from DEED</u></b>            | <b><u>Total Current Request</u></b> |
|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------|
| \$221,884 <i>(\$95,000 previously covered by CBJ in FY22 request): \$126,884</i> | \$195,000 <i>(\$95,000 previously covered by CBJ in original FY23 request): \$100,000</i> | <b><u>\$226,884</u></b>             |

- ❖ This is a community program that JSD facilitates.
- ❖ This is a debt we encumbered during FY22.
- ❖ We are happy to give access to the community to the buildings we use.
- ❖ One of the primary partners is CBJ Parks & Recreation
- ❖ This is another set of different staff—very difficult to fill positions. Some overtime is needed to staff it.
- ❖ In support of our community, we can't pass all increases on to the renter and still charge a reasonable amount. We seldom hear that it is too cheap, but often hear it is expensive (Symphony, for example) because we need someone present in the buildings if there are five people or five hundred. Custodial costs and supplies (such as cleaning and paper products) have increased.
- ❖ With the close of Centennial Hall, our facility use requests are up significantly. Thus staffing needs are higher than anticipated, and again, we can't pass all those increases off to community renters. Personnel costs have increased over the years, and the funding for the program has remained level.

### **Activities**

\$80,000

This funding is for wrestling mats for middle school and high school per the Mayor's recommendation last winter. The mats are over 25 years old and in much need of replacement. A local business has donated one mat. This would allow us to provide enough mats for both middle schools and one at the high school. (we currently offer wrestling at only one of our high schools)

### **Summer School**

*We reached back out to the State of Alaska Department of Education and Early Development to verify the approval they had previously stated regarding this request. Although they had approved this category previously, based on a recent meeting, they determined this could not be included in this funding, so we have removed it from our request.*