

Ordinance 2022-06(b)(AR) An Ordinance Appropriating up to \$2,340,737 to the Manager for Juneau School District Special Revenue Fund Deficits and Current Year Student Activities; Funding Provided by General Funds.

This ordinance would appropriate up to \$2,340,737 of additional outside the cap funding to resolve current and prior year deficits in the School District's special revenue funds, as well as a request for new wrestling mats for middle and high schools totaling \$80,000. This appropriation would allocate funding for the following purposes:

FY2021 Deficits		
Pupil Transportation	\$	374,939
Rally	\$	464,770
	FY2021 Total	\$ 839,709
FY2022 Deficits		
Pupil Transportation	\$	425,914
Community Schools	\$	126,884
	FY2022 Total	\$ 552,798
FY2023 Deficits		
Pupil Transportation	\$	483,000
Rally	\$	285,230
Community Schools	\$	100,000
	FY2023 Total	\$ 868,230
New Requests		
Middle/High School Activities (wrestling mats)	\$	80,000
	New Requests Total	\$ 80,000
Total JSD Supplemental Funding Request		\$ 2,340,737

After consultation with the Alaska Department of Education and Early Development, JSD has removed their request for funding of summer school in 2023; which has been determined to be an instructional cost that must be paid for inside the educational funding cap.

This request does not correct the School District's operating fund deficit of \$620,400 at June 30, 2022, as CBJ already contributed the maximum local contribution inside the cap. I am advised that JSD intends to correct that issue with its FY24 budget request.

School funding is complicated and there are three concurrent funding processes that the Assembly should understand as it acts on this request.

First, this Ordinance has been requested for introduction.

Second, the Legislature is seriously contemplating an increased base student allocation, as much as \$1,200. The results of that deliberation will not be known for some time.

Third, The JSD budget for FY24 will be received in accordance with Law by April 1, 2023. In that budget, JSD has to anticipate many factors, including an Assembly decision on this Ordinance, action by the legislature, enrollment, and staffing costs.

Last, the Assembly should be informed that due to the increase in the value of real property in Juneau, funding JSD instruction "to the cap" in FY24 will increase CBJ's allowable appropriation by approximately \$2.3 Million (about an 8% increase) over the FY23 level.

This request was reviewed and approved by the Juneau School District Board on January 10, 2023. This request was reviewed by the Assembly Finance Committee at the March 1, 2023 meeting. Based on some feedback from DEED on summer school funding, JSD staff have adjusted the request.

The Manager recommends this ordinance be introduced, referred to Finance Committee and set for public hearing at the next regular Assembly meeting.