



City and Borough of Juneau
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TO: Deputy Mayor Gladziszewski and Assembly Committee of the Whole
DATE: July 17, 2023
FROM: Robert Barr, Deputy City Manager
RE: Childcare Update

This is a follow-up to our discussion at the [April 24, 2023](#) Committee of the Whole meeting. Since then, AEYC has published a request for [letters of interest](#) for new and/or expanded childcare startups, we were notified that our \$2M grant application was successful and will be awarded in full. An [appropriating ordinance](#) was introduced at the July 10, 2023 Regular Assembly meeting.

As a reminder, total CBJ funding with the grant requires shifting some funds from FY24 to FY25 due to a requirement the grant be fully expended in FY24, and our desire to smooth out and create a longer-term period of predictable funding for providers. Currently anticipated 5-year funding with the new grant (more detail in the 4/24 memo linked above):

Revenue Source	FY24	FY25	FY26	FY27	FY28
General Fund	\$330,000	\$1,355,000	\$805,000	\$805,000	\$805,000
1% Sales Tax		\$900,000	\$500,000	\$500,000	\$600,000
State Grant	\$2,000,000				
Total	\$2,330,000	\$2,255,000	\$1,305,000	\$1,305,000	\$1,405,000

This level of funding will allow us to double the size of our per-child stipend program in FY24 and FY25 while also creating a new per-employee stipend program and an apprenticeship program designed to provide training and development opportunities for 4 new childcare administrators.

A final note – while we have received verbal notification of this grant award, we have yet to receive formal grant documents. We expect to receive those just-in-time for AEYC to process July payments – if something changes, we will adjust course and update the Assembly.

Recommendation:

Direct staff to prepare a deappropriation ordinance for \$950K (\$550K from GF, \$400K from 1% Sales Tax) in FY24, and include the same amount as a one-time increment in FY25.