



MEMORANDUM

TO: City and Borough of Juneau Assembly

FROM: City and Borough of Juneau School District

DATE: February 7, 2024

SUBJECT: Juneau School District Shared Services Request

At the joint City and Borough of Juneau Assembly and Board of Education meeting on January 30, 2024, a conversation was held on non-instructional, shared services in the areas of maintenance, utilities, property insurance, and operational/custodial costs. There is a shared interest in safeguarding and maintaining the asset value of the facilities owned by the City and Borough of Juneau (CBJ) and operated by the Juneau School District (JSD), and there is a commitment by the district to manage and provide community services and programs that offer critical and valued service to the community.

JSD proposes a shared services agreement with CBJ to provide for non-instructional costs attributed to the maintenance, utilities, and insurance on public facilities owned by CBJ and to provide for non-instructional costs for operations related to community-sponsored events, activities, and facility rentals.

The JSD Board of Education requests the City and Borough of Juneau Assembly consider supporting non-instructional maintenance and operational service costs for FY24 and FY25 at the following percentages: 75% for maintenance, 66% for utilities, 75% for property insurance, and 10% for operations/custodial.

This request includes contract services provided by current JSD employees. Due to binding collective bargaining agreements with maintenance and operations personnel, JSD is neither proposing district personnel transfer to employment with CBJ nor able to discuss that possibility with CBJ. The district, per the collective bargaining agreement, shall not negotiate, confer, or handle grievances with any employee organization other than JESS or its designee on items concerning Bargaining Unit Members.

JSD FY24 Maintenance/Operations Program Budgets					
Maintenance				% Attributed	
\$1,650,405				to CBJ	
	\$1,355,605	Salary & Benefits	75%	\$1,016,704	
	\$149,500	Repairs/Purch Serv	75%	\$112,125	
	\$135,300	Supplies	75%	\$101,475	
	\$10,000	Equipment	75%	\$7,500	
					\$1,237,804
Utilities				% Attributed	
\$2,062,000				to CBJ	
	\$2,062,000	Utilities	66%	\$1,360,920	
					\$1,360,920
Property Insurance				% Attributed	
\$1,315,050				to CBJ	
	\$1,315,050	Property Insurance - AMLJIA	75%	\$986,288	
					\$986,288
Operations/Custodial				% Attributed	
\$4,023,497				to CBJ	
	\$3,898,259	Salary & Benefits	10%	\$389,826	
	\$15,000	Repairs/Purch Serv	10%	\$1,500	
	\$94,000	Supplies	10%	\$9,400	
	\$16,238	Equipment	10%	\$1,624	
					\$402,350
					\$3,987,361

JSD is currently facing a combined projected deficit of \$7,895,073. In addition to a shared services agreement with CBJ for non-instructional maintenance and operational expenses, the district also requests assistance in acquiring a zero percent (0%) interest loan in the amount of remaining, combined FY23 and projected FY24 deficit.

<u>FY24 Budget Revision - Draft</u>					
<u>FY24 Revenue</u>	<u>Baseline</u>	\$ 69,248,260.86			Projected FY24 Revenue - 1.9.24 Draft Revision
Adjusted Foundation Revenue	\$ -	DEED	3/15/24 recon anticipated		
		\$ 69,248,260.86			
<u>FY24 Expense</u>	<u>Baseline</u>	\$ 76,845,911.65			Projected FY24 Expense - 1.9.24 Draft Revision
Operations Savings	\$ (350,000)				
Homebridge allocations	\$ (300,000)				
Health Insurance Line Item	\$ (1,000,000)				
	\$ 75,195,912				
Maintenance Salary & Benefits	\$ (1,237,804)	CBJ	75%		
Utilities	\$ (1,360,920)	CBJ	66%		
Property Coverage - AMLJIA	\$ (986,288)	CBJ	75%		
Operations Salary & Benefits	\$ (402,350)	CBJ	10%		
	\$ 71,208,551				
<u>FY24 Expense to Balance Budget</u>		\$ 69,248,260.86			Difference: \$ 1,960,290
					* Does not include FY23 deficit of \$1.94M
Operational Loan	\$3,907,713	TBD			