



ASSEMBLY FINANCE COMMITTEE AGENDA

April 12, 2023 at 5:30 PM

Assembly Chambers/Zoom Webinar

<https://juneau.zoom.us/j/93917915176> or 1-253-215-8782 Webinar ID: 939 1791 5176

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF MINUTES

1. April 5, 2023

D. AGENDA TOPICS

2. Juneau School District FY24 Budget Presentation

3. Juneau School District FY23 Supplemental Funding Request

4. Eaglecrest FY24 Budget Presentation

5. FY24 Capital Improvement Plan and 1% Sales Tax Allocation - For Review

6. Info Only: AFC Budget Calendar

E. NEXT MEETING DATE

7. CBJ Contribution to Juneau School District - Diagram and Funding Comparison

8. Juneau School District FY23 Supplemental Funding Request - Ordinance and Request Detail

F. NEXT MEETING DATE

9. April 19, 2023

G. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org.

ASSEMBLY FINANCE COMMITTEE MINUTES - DRAFT

APRIL 5, 2023, AT 5:30 PM

ASSEMBLY CHAMBERS/ZOOM WEBINAR



<https://juneau.zoom.us/j/93917915176> or 1-253-215-8782 Webinar ID: 939 1791 5176

A. CALL TO ORDER

This meeting was called to order at 5:40 pm by Chair Triem.

B. ROLL CALL

Committee Members Present: Carole Triem, Chair; Mayor Beth Weldon; Michelle Bonnet-Hale; Greg Smith; Alicia Hughes-Skandijs; Wade Bryson

Committee Members Present Virtually: Wáahlaal Gídaak; Christine Woll

Committee Members Absent: Maria Gladziszewski

Staff Members Present: Rorie Watt, City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Manager

C. APPROVAL OF MINUTES

1. March 1, 2023

The March 1, 2023, minutes were approved as presented.

D. AGENDA TOPICS

2. Summary of FY24 Revised Budget

Rorie Watt, City Manager, reviewed the challenges that are to be faced in the upcoming year and how those challenges are reflected in the FY24 budget. The main theme of these challenges is inflation and how it will affect city operations. Mr. Watt summarized the Manager's Budget Message on pages 19-22 of the FY24 Revised Budget Book and applauded the Assembly's diligence in previous budget seasons.

Jeff Rogers, Finance Director, reviewed the budget development process. This process involves reviewing every line item of expense and revenue, department by department. Mr. Rogers directed the Assembly to supplemental financial documents at the back of the budget book (page DOC-1 through DOC-2). Mr. Rogers reviewed the Assembly Adopted Budget for FY23 and the summary of changes that were made post-adoption. Major changes in expenditures for FY23 included higher wage and benefit costs and a \$2.5 million appropriation for the Capital Civic Center. An additional expenditure that is pending Assembly consideration is the supplemental outside-the-cap funding request made by the Juneau School District (JSD) to correct prior year fund deficits and current year shortfalls.

Mr. Rogers discussed with the Assembly the unexpected amount of revenue received by the City in FY23, including \$16 million from the State of Alaska for previously unreimbursed school bond debt and additional one-time Federal funding from the American Rescue Plan Act totaling \$5.2 million. Additionally, sales tax projections exceed budgeted amounts by \$6.9 million. Total unbudgeted revenue is anticipated to reach just over \$31 million in FY23, as shown on DOC-1.

Mr. Rogers highlighted the unusual nature of receiving this amount of unanticipated revenue, stating that the Assembly should not expect this magnitude of one-time funding going forward into FY24.

Mr. Rogers answered committee questions.

Mr. Rogers walked the Assembly through the FY24 Budget Summary found on DOC-2 of the budget book. This summary shows the projected rise in revenues, most notably from sales tax and property taxes, compared with the projected increase in expenditures for FY24. Before factoring in one-time expenditures and revenues, the budget is balanced with consideration of a \$1 million lapse and a reduced mill rate of 10.28 mills.

Mr. Rogers answered committee questions.

Mr. Rogers discussed the additional expenditures that will occur in FY24 and highlighted that the maximum local contribution to schools will increase \$2.3 million in FY24 due to increased borough-wide assessed property valuations. The city is required by state law to pay 2.65 mills of the borough assessed value as determined by the State Assessor and can elect to pay an additional 2 mills of the assessed value, up to the maximum local contribution of 4.65 mills, towards education. Mr. Rogers noted that the Assembly has historically funded education up to the allowable amount under state law.

Mr. Rogers reviewed other expenditure increases on DOC-2, including inflationary increases to professional services and materials and commodities, increases in IT costs relating to Office 365, software licensing, and multi-factor authentication, and the addition of two employee recruitment and retention programs for dependent care assistance and deferred compensation employer match. Additionally, the manager's proposed budget includes 4.76 new FTEs to meet programmatic needs.

Mr. Rogers answered questions regarding community grants and how they are included in budgeted expenditures. Mr. Rogers clarified that all grants that are considered recurring are included in the budget and listed on page 84 of the budget book. Mr. Rogers stated that the Assembly will have an opportunity to hear from grantees later in the budget process and address any funding requests not included in the budget.

Mr. Rogers reviewed the non-recurring revenue that is expected to be received in FY24, producing \$1.7 million in additional funding for CBJ. Mr. Rogers and Mr. Watt noted the proposed one-time expenditures for FY24, the largest being an appropriation to set aside \$10 million as partial funding for a New City Hall. Other one-time expenditures include a \$4 million transfer to the Restricted Budget Reserve as well as \$2 million as partial funding for public safety radio system upgrades.

Mr. Rogers answered committee questions.

Mr. Rogers highlighted the unusual years that CBJ has faced financially, emphasizing the General Government Fund annual surplus and deficit swings that are reflected on the graph on DOC-3. FY22-FY24 have been difficult to predict and have seen substantial one-time infrastructure investments as a result of substantial one-time revenues from Federal stimulus funds and the reimbursement of previously unreimbursed school bond debt from the State. Mr. Rogers noted that the Assembly showed considerable budget restraint during the pandemic, which factored into the General Government fund balance growth.

Assemblymember Hale asked whether the projected amount of \$12 million in unrestricted fund balance compares well to other municipalities. Mr. Rogers stated that there is no clear amount that should be maintained in the available fund balance. The amount can be advantageous or disadvantageous depending on the strategy of the municipality regarding how they seek to make funding decisions. Some municipalities use debt service to fund capital improvements and others prefer a pay-as-you-go approach using fund balance to pay for improvements.

Mr. Watt stated that CBJ does employ both strategies and affirmed that CBJ is in an enviable financial position.

Mr. Rogers discussed the Restricted Budget Reserve contribution of \$4 million proposed in the budget and reflected on DOC-4, which will bring the balance of the reserve in line with the recommendation of 16.7% of operating revenues as of the FY22 audited financial statements.

The Committee recessed at 6:43 pm.

The Committee reconvened at 6:48 pm.

3. Overview of Major Revenues

Mr. Rogers reviewed the Sale Tax Actuals and Forecast charts found on DOC-5 which show steady growth in collected sales tax for CBJ. In large part, the rise in sales tax collected is a result of inflation as well as tourism normalizing post-pandemic.

Mr. Rogers answered questions regarding the growth of remote sales tax as part of the total sales tax collected. Remote sales tax has been a growing component of the total sales tax collected since FY20 with the projected revenue for FY24 being \$4 million. Collection of remote sales tax is limited by vendor cooperation in collecting sales tax. Mr. Rogers expects the total of remote sales tax collected to continue to grow in the coming years as additional sellers are registered with the Alaska Remote Seller's Sales Tax Commission, but that the tax will eventually plateau as all major sellers become registered.

Mr. Rogers answered committee questions regarding remote sales tax.

Mr. Rogers reviewed the Hotel Bed Tax Actuals and Forecast charts found on DOC-7, which show a steady rate of growth over the past eight years. Hotel bed tax is forecast to be \$3.42 million in FY24, an increase of \$1.33 million over the FY23 Adopted Budget. Mr. Rogers explained much of the growth in collected hotel bed tax is due to higher demand to visit Juneau which has resulted in higher hotel rates.

Mr. Rogers reviewed liquor, marijuana and tobacco taxes, which have been relatively consistent over the years; the forecast for these taxes considers inflation and the impact of summer visitation.

4. Assessor Valuation Report

Mr. Rogers introduced the Assessor's valuation report found on pages 8-44 of the committee meeting packet. This report shows a substantial increase in property valuations across Juneau with an average rise of 16% for single-family residential homes. This increase is largely driven by a high demand for homes, low supply of new homes, and rapidly rising building costs in Juneau.

Assemblymember Smith asked what the methods and standards are for assessing property values and how CBJ's Assessor's Office compares with these standards.

Mr. Rogers clarified that there are three different standards that can be used to determine the most accurate property value. These methods are examining the cost to produce the property, the price the property can be sold for, and any potential income that can be generated from the property.

Mr. Watt stated that CBJ primarily uses the price approach, as CBJ does not have significant land parcels that haven't been developed and often commercial owners don't want to disclose how much income a property generates, which is why having diminished information regarding property sale prices is so challenging.

5. Proposed Mill Rate

Mr. Rogers reviewed the calculation used for determining the proposed mill rate as shown on DOC-11. The manager's budget proposes a mill rate that provides the minimum amount of property taxes needed to fund city operations, after consideration of a \$1 million lapse at the end of the year.

Mr. Rogers reviewed the graphs on DOC-12 which show the difference in revenue that would be collected if the previous mill rate of 10.56 were to be carried over from FY23 and compares it to the revenue that will be collected at the proposed mill rate of 10.28 for FY24.

Mr. Watt emphasized that although he is proposing a reduced mill rate, it will still result in an increase in property taxes collected by the City as a result of higher borough-wide assessed property valuations.

Mr. Rogers discussed the components of the mill rate, stating that the mill rate is comprised of three service areas that fund government operations and a debt service component. Of the FY24 proposed operating mill rate of 9.08 mills, 4.65 will go towards school funding if the Assembly funds the maximum local contribution. The remaining 4.43 mills is used to fund general city operations. The FY24 proposed debt service mill rate is 1.2 mills.

Mr. Rogers and Mr. Watt answered committee questions.

Mr. Rogers confirmed that the current proposed operating mill rate is the lowest it has been since 1988.

6. Overview of Debt Service

Mr. Rogers reviewed the forecasted debt service model located on DOC-15. A large amount of debt service will be paid off in FY24, increasing CBJ's debt capacity and decreasing the debt service mill rate in FY25 unless new debt is issued. Mr. Watt confirmed that the Assembly's debt capacity is substantial and should be factored into consideration of bond propositions on the October ballot.

Assemblymember Hughes-Skandijs raised the question of using the debt capacity to fund additional affordable housing for the city. Mr. Rogers stated that general obligation debt can only be issued for city-owned facilities, but it would come down to what the City Charter will allow.

The Committee discussed the potential options for use of debt service to fund various community needs, especially the need for affordable housing in the community.

7. Cost Allocation Overview

Mr. Rogers reviewed CBJ's FY23 vs FY24 Full Cost Allocation located on DOC-17-26. These tables reflect the allocation of central service department costs to enterprise, internal service, and special revenue fund departments.

Mr. Rogers answered committee questions on how these expenses and revenues are assigned. Mr. Rogers stated that department allocations are based on central service usage metrics from two years prior. Allocations are also on a 3-year smoothing calculation to minimize the effects of a singular year requiring more of a particular service.

8. Info Only: AFC Budget Calendar

The Committee reviewed the schedule for Finance Committee meetings during the budget review process and discussed possible adjustments to topics contained therein.

F. NEXT MEETING DATE

7. April 12, 2023

G. ADJOURNMENT

The meeting was adjourned at 8:00 pm.



Office of the Superintendent
10014 Crazy Horse Drive
Juneau, AK 99801-8529
(907) 523-1771

March 31, 2023

Mr. Rorie Watt
City Manager
City and Borough of Juneau
155 South Seward Street
Juneau, Alaska 99801

Dear Mr. Watt:

The Juneau School District (the District) thanks the Assembly, City Manager, and staff for their support and contributions to the work of our school district. The District truly appreciates CBJ’s continual financial support of our community’s children and the cooperation between CBJ staff and District staff.

The District is pleased to submit its FY 2024 budget and funding request. The budget represents in financial terms the education and administrative plan for the District for the upcoming year. The Board of Education (the Board) passed this budget at its March 14, 2023 meeting.

Prudent financial management is a fundamental responsibility of the District. Effective budgeting is essential to provide a solid base of core academic programs and maintain a staff of quality professionals. The District anticipates that state and local funding and unassigned fund balance dollars will provide adequate resources to fund the current level of operations.

Budget Development History

The Juneau School District continued its public budget process. The District held a series of meetings to inform the public about the budget, various spending alternatives and solicit input. The following is brief history of these meetings:

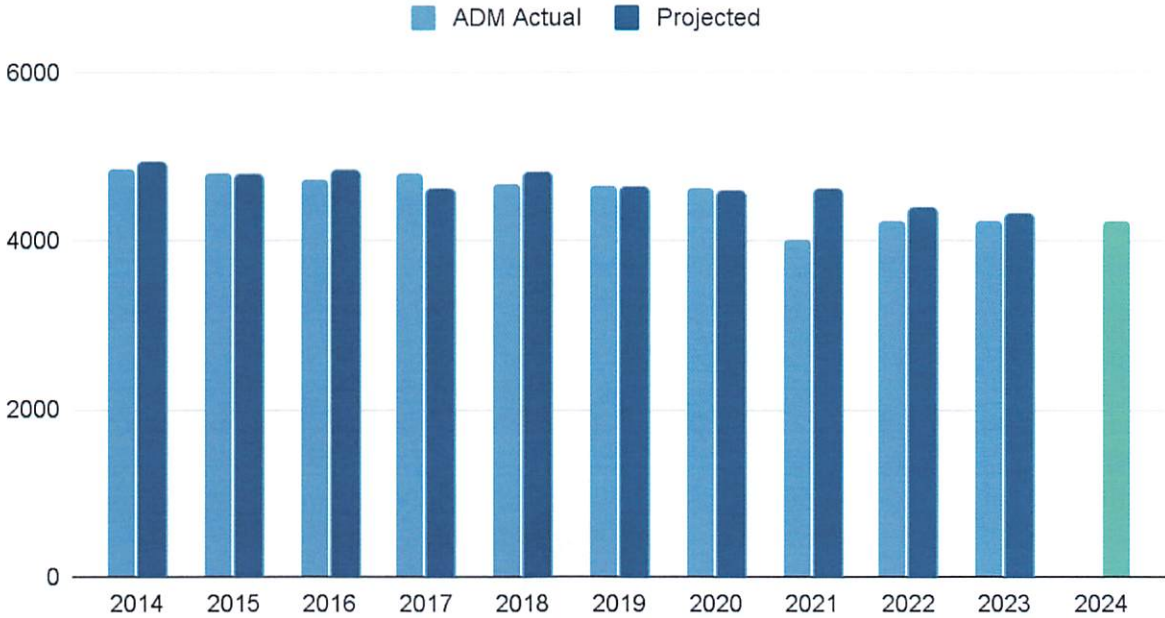
| Date | Description |
|-------------|---------------------------|
| November 17 | Super Super Site Council |
| January 6 | Finance Committee Meeting |
| January 19 | Combined Site Councils |
| January 21 | School Board Retreat |
| January 24 | Board Work Session |

| | |
|-------------|------------------------------|
| February 2 | Public Forum |
| February 11 | School Board Work Session |
| February 17 | Finance Committee Meeting |
| February 23 | Special School Board Meeting |
| March 2 | Special School Board Meeting |
| March 7 | First FY 2024 Budget Reading |
| March 14 | Final FY 2024 Budget Reading |

Enrollment

Enrollment is the primary driver in determining state and local funding for general school operations. Enrollment also impacts state funding of student transportation. The District uses enrollment projections to allocate classroom teachers and supply budgets for its schools. Enrollment is based on the average daily membership (ADM) over a twenty-day period in October. Here is a graph of recent enrollment with next year’s projection:

ADM Actual and Projected



The District is projecting an enrollment of 4,240 students next year, with an increase of 12 students over the current year. Fall of 2020 JSD official enrollment was 4022, Fall of 2021 it was 4234, and this past Fall of 2022 official enrollment was 4228. The District estimates that 150 students will continue in the HomeBridge correspondence program. The District is also

projecting 100 students will receive an intensive level of special education services. District officials must also refine the enrollment projection by school or HomeBRIDGE for budgeting, teacher staffing, and school supply budgets.

The following is a graph by school and grade of next year’s projected enrollment:

FY 2024 Projected Enrollment

| | K | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Subtotal | SpEd PreK | TOTAL | Oct 2022 Actual | | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|--------------|-------------|-----------------------|-----|---|-----|-----|----|-----|-----|
| Auke Bay | 49 | 47 | 54 | 54 | 53 | 52 | | | | | | | | 308 | 5 | 313 | 318 | | | | | | | |
| Gastineau | 42 | 38 | 38 | 49 | 44 | 47 | | | | | | | | | | | | | | | 258 | 10 | 268 | 271 |
| Glacier Valley | 42 | 53 | 45 | 49 | 51 | 55 | | | | | | | | | | | | | | | 294 | 10 | 304 | 301 |
| Harborview | 30 | 30 | 30 | 33 | 33 | 30 | | | | | | | | | | | | | | | 186 | 10 | 196 | 205 |
| Tlingit Culture/Language | 10 | 12 | 11 | 13 | 14 | 10 | | | | | | | | | | | | | | | 70 | - | 70 | 73 |
| Mendenhall River | 41 | 41 | 43 | 45 | 40 | 51 | | | | | | | | | | | | | | | 260 | 15 | 275 | 269 |
| Kaxdigooowu Heen (Riverbend) | 35 | 39 | 39 | 49 | 45 | 43 | | | | | | | | | | | | | | | 250 | 10 | 260 | 261 |
| Juneau Charter | 10 | 9 | 7 | 8 | 7 | 9 | | | | | | | | 10 | 10 | 15 | | | | | 85 | - | 85 | 81 |
| Montessori | 11 | 20 | 30 | 25 | 25 | 21 | | | | | | | | 18 | 10 | 20 | | | | | 180 | - | 180 | 171 |
| Dzantik’I Heeni | | | | | | | | | | | | | | 170 | 142 | 134 | | | | | 446 | - | 446 | 455 |
| Floyd Dryden | | | | | | | | | | | | | | 142 | 153 | 126 | | | | | 421 | - | 421 | 406 |
| Juneau-Douglas | | | | | | | | | | | | | | 161 | 130 | 142 | 138 | 571 | - | 571 | 566 | | | |
| Thunder Mountain | | | | | | | | | | | | | | 181 | 136 | 143 | 141 | 601 | - | 601 | 584 | | | |
| Yaakoosge Daakahidi | | | | | | | | | | | | | | 3 | 16 | 26 | 30 | 75 | - | 75 | 71 | | | |
| Johnson Youth Center ¹ | | | | | | | | | | | | | | 1 | 3 | 4 | 5 | 10 | - | 23 | 23 | | | |
| HomeBridge | 6 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 13 | 12 | 12 | 12 | 151 | - | 151 | 173 | | | | | | | |
| Total | 275 | 300 | 306 | 336 | 323 | 329 | 350 | 327 | 308 | 360 | 296 | 328 | 331 | 4180 | 60 | 4240 | 4228 | | | | | | | |

The District’s Operating Fund

The Operating Fund is the Juneau School District’s principal fund for general school operations. It is the state’s foundation funding level which governs minimum and maximum local funding.

Operating Fund Summary (includes PERS/TRS On-Behalf Funding)

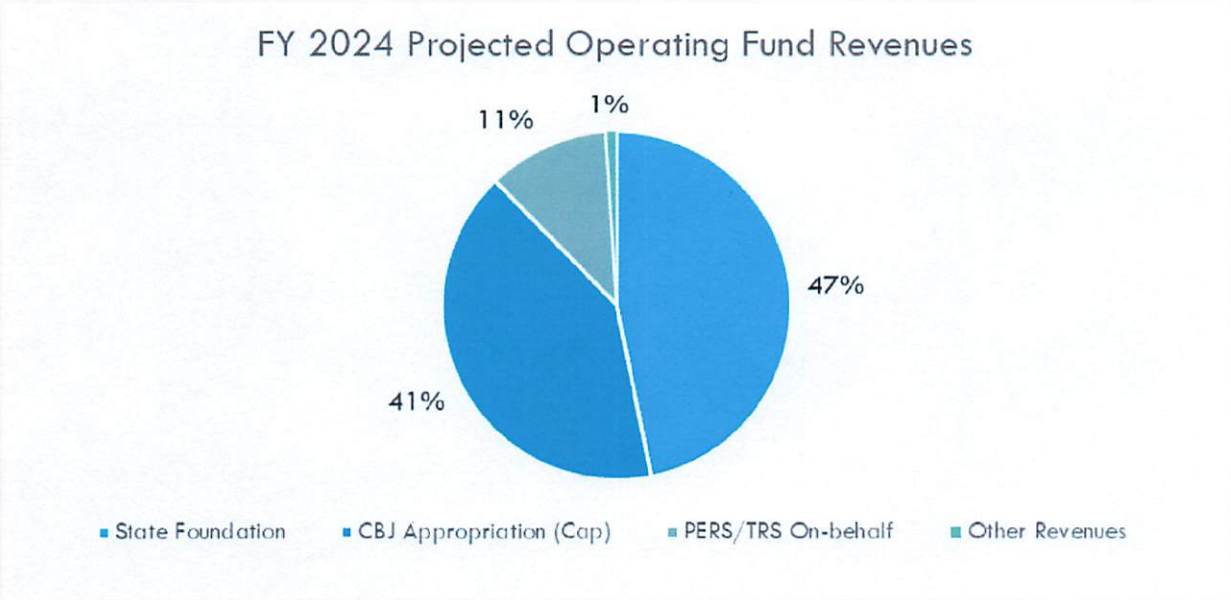
| | |
|-----------------------------------|---------------------|
| Estimated Revenues | \$75,221,700 |
| Total Resources | \$75,221,700 |
| | |
| Required Expenditures | \$13,735,200 |
| Essential Expenditures | \$61,097,000 |
| Prioritized Spending Expenditures | \$389,500 |
| Total Planned Expenditures | \$75,221,700 |

*** “PERS/TRS on behalf” are state retirement funds that pass through the district retirement funds and are recorded on our financial statements. They have a zero net effect on our financial statements/budget. They are not expendable funds.*

In estimating its financial resources for next year, the District made the following FY2024 revenue assumptions:

1. The Legislature will increase the base student allocation by \$430 for a total of \$6,360.
2. CBJ will appropriate funds at the maximum level permitted by law for general school operations.
3. The E-Rate revenue is estimated at \$300,000 for FY 2024. This is the same amount as in the FY 2023 budget.
4. The District will carry over \$1,446,700 into FY 2024 as its beginning unassigned operating fund balance. *This amount meets the JSD Board policy minimum operating unassigned fund balance expectation.*

About half of the Operating Fund revenue is state funding from the foundation program while 41% is the CBJ General Fund Appropriation request. Another 11% is retirement payments made by the state into the retirement system on-behalf of the District with a variety of other sources making up the balance. The District’s request for CBJ General Fund Appropriation is at the maximum allowable contribution.



The estimated District’s spendable revenue for next year is \$66,732,100. The state foundation program will be \$1,824,176 more than this year. This increase is due to the projected increase in the Student Base Allocation of \$430 and an increase in the projected number of intensive students. One time FY2023 state funding of \$1,800,000 will not continue in FY2024. The CBJ General Fund Appropriation has two parts: a required local contribution based on assessed value as determined by the state assessor January 1, 2022; and an additional allowable amount in excess of the required local effort determined by enrollment (ADM) in October. The required local contribution for 2024 increased \$1,301,958 over FY 2023. The maximum allowable portion based on assessed property value, increased by 2 mills, equates to \$982,610 because the state

foundation will be less next year and the assessed property value increased. The District is requesting an additional \$2,284,568 more in CBJ General Funding next year. The following table compares estimated FY 2024 revenue with the FY 2023 revised budget (omitting the on-behalf payments into the retirement systems):

| Operating Fund Revenue | FY 2023 Revised Budget | FY 2024 Adopted Budget | % change |
|--|-----------------------------------|-----------------------------------|-----------------|
| State Foundation | 33,406,500 | 35,229,600 | 5.5% |
| One Time Funding | 1,838,969 | - | -100.0% |
| CBJ Appropriation | 28,491,200 | 30,775,800 | 8.0% |
| Other Revenues | 857,655 | 726,700 | -15.3% |
| Total Revenue | \$ 64,594,324 | \$ 66,732,100 | 3.3% |
| <i>(not including PERS/TRS on-behalf payments)</i> | | | |
| Estimated change in Operating Fund Revenue | | \$ 2,137,776 | |

Developing the District’s planned expenditure budget meant prioritizing the District’s spending options.

Operating Fund Expenditures

| | |
|-----------------------------------|---------------------|
| Required Expenditures | \$5,245,600 |
| Essential Expenditures | \$61,097,000 |
| Prioritized Spending Expenditures | \$389,500 |
| Total Planned Expenditures | \$66,732,100 |

The District made the following assumptions or decisions about planned expenditures:

1. The FY 2024 budget utilizes the latest negotiated agreements which the District is currently in negotiations with the teacher (JEA) union for FY 23-24.
2. The average teacher will cost \$110,000, including substitutes.
3. The average special education para-educator will cost \$66,500.
4. Fuel oil costs will average \$4.34 per gallon for 225,000 gallons of fuel purchased.
5. Electricity rates will remain at an average of 14.54 cents per KWH.
6. Other utility costs will remain the same.
7. The indirect cost rate for FY 2023 will be 4.78%, approved by the Department of Education and Early Development.
8. The teacher allocation ratio used to calculate the number of classroom teachers in the operating fund is:
 - K – 3: 23.5:1 4– 5: 26.00:1
 - 6 – 8: 25.00:1 9 – 12: 26.00:1

This is an allocation formula and does not represent actual class sizes.

9. Each regular school will have a principal with comprehensive high schools and middle schools with an assistant principal. Two principals will be shared among four optional programs.
10. Classified school staff will have a reduction of 2.39 FTE of library assistants at the elementary schools.
11. School allocation funds will be established at
 - Elementary: \$101 per student, including preschool students
 - Middle School: \$127 per student
 - High School: \$132 per student
12. High school activities and staff will be supported by activities fees and CBJ. Additionally, CBJ will be requested to maintain their support for middle school activities, a total of \$105,000. Elementary school extra duty contracts will be issued in accordance with the negotiated agreement and paid from the District’s operating fund.

The following shows the Operating Fund’s anticipated beginning fund balance (FY 2023 ending fund balance carried over into FY 2024):

| | |
|-----------------------------|--------------------|
| Non-Spendable | \$750,000 |
| Restricted | \$250,000 |
| Assigned for Other Purposes | \$0 |
| Committed | \$18,565 |
| Unassigned | \$1,446,700 - |
| Total Fund Balance | \$2,465,265 |

ESSER III grant budget

The District received notification from the Department of Education & Early Development (DEED) that the District was allocated \$5,401,646 for the ESSER III grant. This is part of the American Rescue Plan Act (ARP) enacted March 11, 2021. The ARP Act provides funding to help meet a wide range of needs arising from the COVID-19 pandemic, including reopening schools safely, sustaining their safe operations, and addressing students’ social, emotional, mental health, and academic needs resulting from the pandemic.

The Board and administration decided to fund additional classroom teaching positions for smaller class sizes, again to assist in the recovery of student learning. It will fund on-going commitments for remote learning services, continued enhancement of the HomeBRIDGE program by additional leadership and other instructional support. The ESSER III grant will also continue with the support for substitute teachers hourly rate increase. This grant covers expenditures no further than September 30, 2024.

Other Grants

Many federal grants passed through DEED are entitlement grants that the District can expect steady funding each year. However, there are some local grants facing renewal that the District will not receive confirmation on until July 2024. They are included in this budget, assuming

they will be renewed. These grants enhance place-based education, local Native art education, and languages. Several teachers are paid from these grants to support specialized programming.

High School and Middle School Activities

The public funded high school student activities fund is funded only by CBJ. The District seeks CBJ high school activities support of \$1,200,000 for FY 2024. This is the same funding level as FY23. The District requests that the Assembly continue to support the supervision and administrative costs of high school student activities. Without these services, the District cannot operate a high school activities program.

The Board requests for funding middle school activities outside the cap in the amount of \$105,000 which is the same funding level as FY23.

Activities are instrumental in the experience of our students. We appreciate the collaboration to continue the offering of activities for our students.

Food Service

The food service program for FY23 will end in the positive for the second time in many years. This is a result of the District, along with all other food service programs throughout the nation, were reimbursed for all meals at a higher rate in FY22. Our participation levels for lunch increased through the pandemic as families have been impacted by the pandemic. The District is requesting \$75,000 to help subsidize the food service program and make it affordable for families.

Pupil Transportation

The state funds most of the District’s bus services at \$666 per student for those students enrolled in regular, alternative, and charter schools. That per-pupil rate has not changed since fall 2014 and is expected to be the same next year making the estimated state funding \$2,723,000. That means FY 2024 state funding is considerably less than funding in FY 2020 and earlier. While the number of students are fewer than Fall 2014, routing is similar because students live in all neighborhoods. At the same time contracted bus costs will increase because of inflation. The pupil transportation fund is expected to lose \$500,000 next year. The District is respectfully requesting \$250,000, an increase of \$100,000 over the original FY 2023 budget, to help fund pupil transportation next year. The District is currently working with our bus contractor to reduce routes by three which will reduce the transportation costs by an estimated \$250,000. The number of regular buses depends on its elementary routes, which are running with an average of 46 – 47 riders each way. The special education routes are operating at capacity.

This request does not include any debt coverage. Debt coverage is included in the District’s FY2023 Supplemental funding request.

Kindergarten Readiness Program

The District plans to continue the kindergarten readiness program. We call this program KinderReady. The readiness program has a variety of funding sources, including the City and Borough of Juneau. The District greatly appreciates CBJ’s funding and support of this program and is respectfully requesting \$450,000 in funding for the next year. The District is currently actively looking for other alternative funding sources for this program. This program is a

program that frontloads kindergarten readiness which is becoming more and more critical given the AK Reads Act. There is funding available through the AK Reads Act for PK programs but it is on an eligibility basis for the district who are most needy in state. We do not anticipate funding from the AK Reads Act for the FY2024 year. We appreciate this opportunity to contribute to high quality early childhood programming in Juneau.

Community Schools

The District is requesting \$195,000 for the Community School program; an amount that is an increase by \$100,000 from CBJ. This money helps facilitate community groups using schools, and partially offsets staff costs to make this possible. The increase in funding will set Community Schools up to operate at a break even point. In support of our community, we can't pass all increases on to the renter and keep costs reasonable. We seldom hear that it is too cheap, but often hear it is expensive. This is because we need someone present in the buildings regardless of the number of people attending the event. Custodial costs and supplies (such as cleaning and paper products) have also 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 up to this point.

This request does not include any debt coverage. Debt coverage is included in the District's FY2023 Supplemental funding request.

RALLY

In order to create as many efficiencies as possible, we have restructured our RALLY locations. We closed two sites and four sites remain open. Students from the elementary sites where programs were closed, are bussed to one of the closest RALLY sites at the end of the day. Each of the four sites are 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 childcare support to parents at convenient locations. Affordable childcare is a significant challenge for the Juneau community; families participated less when we raised prices to try to keep the program solvent. 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. RALLY is not staffed by teachers. 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 requires 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 restructuring, additional funding would allow us to 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. The District is respectfully requesting \$250,000 in support for RALLY next year.

This request does not include any debt coverage. Debt coverage is included in the District's FY2023 Supplemental funding request.

Learn to Swim

The District is also requesting \$50,000 for the Learn to Swim Program. This program was funded previously by the school district’s general fund as part of the bond requirement of the Diamond Park Aquatic Center, the term of this bond was 10 years and therefore the last year of the bond requirement is FY22. Rather than cease this program, we feel this is an important collaboration between CBJ and JSD to increase water safety for children in our community.

Local Funding Request

The District is requesting the Assembly to fund general school operations at the maximum amount permitted by law. This is an increase of \$2,284,600 over the FY 2023 amended budget. In addition, it is requesting an additional \$2,575,000 for other purposes: Student Activities, Transportation, Food Service, Kinder Ready, Community Schools, Learn to Swim and RALLY. This is an increase of \$300,000 over the FY 2023 original budget.

The following table summarizes the District’s funding request to the Assembly:

| Request for Funding Subject to CBJ Assembly approval | FY 2023 Revised Budget | FY 2024 Budget | +/- |
|--|---|---------------------------------|---------------------|
| General School Operations | \$ 28,491,200 | \$ 30,775,800 | \$ 2,284,600 |
| Requests Outside the Cap | | | |
| K-12 Programs | | | |
| High School Activities | 1,200,000 | 1,200,000 | - |
| Middle School Activities | 105,000 | 105,000 | - |
| Transportation | 150,000 | 250,000 | 100,000 |
| Food Service | 75,000 | 75,000 | - |
| <i>Total K-12 Programs</i> | <u>1,530,000</u> | <u>1,630,000</u> | <u>100,000</u> |
| Other Programs | | | |
| Kinder Ready | 450,000 | 450,000 | - |
| Community Schools | 95,000 | 195,000 | 100,000 |
| Learn to Swim | 50,000 | 50,000 | - |
| RALLY | 150,000 | 250,000 | 100,000 |
| <i>Total Other Programs</i> | <u>745,000</u> | <u>945,000</u> | <u>200,000</u> |
| Total Requests Outside the Cap | <u>2,275,000</u> | <u>2,575,000</u> | <u>300,000</u> |
| Total Requests for Funding | <u>\$ 30,766,200</u> | <u>\$ 33,350,800</u> | <u>\$ 2,584,600</u> |

Values rounded to the nearest hundred.

Conclusion

The Board and District administrators are available to answer your questions concerning the FY2024 budget. Representatives from the District will be present at the Assembly’s Finance Committee meeting April 12, 2023 when it reviews the District’s budget and at the Assembly meeting when it approves the District’s budget.

The Juneau School District appreciates the support the City and Borough of Juneau has continually extended to education and remains grateful for our positive partnership with the

Assembly.

We look forward to a successful working relationship with you and the Assembly to promote the educational needs of our community now and in the future. Thank you for your consideration of our proposed budget.

Sincerely,

Bridget Weiss

Bridget Weiss (Apr 3, 2023 16:45 AKDT)

Dr. Bridget Weiss
Juneau School District
Superintendent

FY24 CBJ REQUEST FOR FUNDING

| Request for Funding | FY 2023 Revised Budget | FY 2024 Budget | +/- |
|---|---------------------------------------|---------------------------|---------------------|
| Subject to CBJ Assembly approval | | | |
| General School Operations | \$ 28,491,200 | \$ 30,775,800 | \$ 2,284,600 |
| Requests Outside the Cap | | | |
| K-12 Programs | | | |
| High School Activities | 1,200,000 | 1,200,000 | - |
| Middle School Activities | 105,000 | 105,000 | - |
| Transportation | 150,000 | 250,000 | 100,000 |
| Food Service | 75,000 | 75,000 | - |
| <i>Total K-12 Programs</i> | <u>1,530,000</u> | <u>1,630,000</u> | <u>100,000</u> |
| Other Programs | | | |
| Kinder Ready | 450,000 | 450,000 | - |
| Community Schools | 95,000 | 195,000 | 100,000 |
| Learn to Swim | 50,000 | 50,000 | |
| RALLY | 150,000 | 250,000 | 100,000 |
| <i>Total Other Programs</i> | <u>745,000</u> | <u>945,000</u> | <u>200,000</u> |
| Total Requests Outside the Cap | <u>2,275,000</u> | <u>2,575,000</u> | <u>(300,000)</u> |
| Total Requests for Funding | <u>\$ 30,766,200</u> | <u>\$ 33,350,800</u> | <u>\$ 1,984,600</u> |

Values rounded to the nearest hundred.

FY24 ADOPTED BUDGET - 03.14.2023
4,240 ENROLLMENT WITH \$430 BSA INCREASE

| FY 2024 BUDGET | Operating | K-12 Programs | Other Programs | Student Activities | ESSER III | Grants | NOTES |
|---|-------------------|----------------------|-----------------------|---------------------------|------------------|-------------------|--|
| REVENUES | | | | | | | |
| State Foundation Program | \$ 35,229,600 | | | | | | Includes Quality Schools |
| CBJ General Fund Appropriation | 30,775,800 | | | | | | |
| CBJ Restricted Fund Appropriation | | 325,000 | 945,000 | 1,305,000 | | - | |
| PERS/TRS On-behalf | 8,489,600 | | | | | | Total Revenues |
| Other Revenues | 726,700 | 5,037,000 | 1,693,000 | - | 1,660,291 | 10,049,000 | \$ 96,235,991 |
| OTHER FINANCIAL SOURCES | | | | | | | |
| Use of Unassigned Fund Balance | | | | | | | Total Revenues and Other |
| Total Funding Sources | 75,221,700 | 5,362,000 | 2,638,000 | 1,305,000 | 1,660,291 | 10,049,000 | Financial Sources: 96,235,991 |
| EXPENDITURES | | | | | | | |
| REQUIRED OPERATING EXPENDITURES | | | | | | | |
| Insurance: Property, Liability, etc. | 1,987,800 | | | | | | CBJ policy increases |
| Recovery of Indirect Costs | (489,300) | | | | (88,046) | | |
| Utilities | 2,292,900 | | | | | | |
| Certificated Payment for Leave | 50,000 | | | | | | Contractual |
| Teacher Discretionary | 50,400 | | | | | | Contractual |
| Student Activities—Elementary | 57,800 | | | | | | Contractual |
| JSAA Professional Development | 56,100 | | | | | | Contractual |
| Juneau Community Charter School | 1,235,100 | | | | | | Contractual |
| Grants Administrator | 4,800 | | | | | | |
| Payments to Retirement Systems by State | 8,489,600 | | | | | | In-kind |
| Subtotal Required Operating Expenditures | 13,735,200 | | | | (88,046) | | |
| ESSENTIAL EXPENDITURES | | | | | | | |
| Formula Driven Allocations | | | | | | | |
| Elementary Teachers | 10,120,000 | | | | 868,337 | 474,000 | PTR K-3 23.5, 4-5 26 |
| Middle School Teachers | 4,393,400 | | | | 110,000 | | PTR 25 |
| High School Teachers | 6,842,000 | | | | 110,000 | 23,000 | PTR 26 |
| Montessori Teachers | 1,292,500 | | | | | | |
| HomeBRIDGE Teachers | 308,000 | | | | | | 2.80 FTE |
| Principals | 1,650,000 | | | | | | |
| Assistant Principals | 600,000 | | | | | | |
| Classified Staffing | 3,684,200 | | | | | | School based staff |
| Cultural Education Paraeducators | 125,600 | | | | | 318,000 | |
| Health Services | 939,200 | | | | | | |
| Health Services Supplies and Support | 17,400 | | | | | | |
| School Non-personnel Budgets | 932,200 | | | | - | | Schools and HB allocation |
| Total Formula Driven Allocations | 30,904,500 | | | | 1,088,337 | 815,000 | |

FY24 ADOPTED BUDGET - 03.14.2023
4,240 ENROLLMENT WITH \$430 BSA INCREASE

| FY 2024 BUDGET | Operating | K-12 Programs | Other Programs | Student Activities | ESSER III | Grants | NOTES |
|---|-------------------|----------------------|-----------------------|---------------------------|------------------|------------------|--------------------------|
| Program Based Allocations | | | | | | | |
| Special Education | 16,853,500 | | | | | 1,510,000 | |
| English Learner | 1,144,000 | | | | | - | |
| English Learner Supplies and Supervision | 17,000 | | | | | 24,000 | |
| Talented Enrichment Development | 663,300 | | | | | - | |
| Talented Enrichment Supplies | 18,800 | | | | | - | |
| Teaching & Learning District Staff & Supplies | 333,300 | | | | | 344,000 | +Equity and SeaWeek |
| Native Student Success Instruction | - | | | | | 895,000 | |
| Native Student Success Staff | 98,700 | | | | | 776,000 | |
| Assessment Staff and Supplies | 526,200 | | | | | - | Includes Quality Schools |
| PowerSchool Services | 29,700 | | | | | - | |
| Career & Technical Education Staff & Supplies | 159,100 | | | | | - | |
| Guidance Counselor Supplies | 3,500 | | | | | - | |
| Instructional Technology | 852,500 | | | | | - | |
| Total Program Based Allocations | 20,699,600 | | | | | 3,549,000 | |
| Administration | | | | | | | |
| Board of Education | 73,800 | | | | | | |
| Office of Superintendent | 358,500 | | | | | | |
| Chief of Staff and Communications | 239,300 | | | | | | |
| Administrative Services and Fiscal Services | 1,599,700 | | | | | | |
| Human Resources | 723,000 | | | | | | |
| Total Administration | 2,994,300 | | | | | | |

FY24 ADOPTED BUDGET - 03.14.2023
4,240 ENROLLMENT WITH \$430 BSA INCREASE

| FY 2024 BUDGET | Operating | K-12 Programs | Other Programs | Student Activities | ESSER III | Grants | NOTES |
|---|-------------------|----------------------|-----------------------|---------------------------|------------------|---------------|--------------|
| Facility & Informational Technology | | | | | | | |
| Maintenance | 1,661,700 | | | | | | |
| Custodial Services | 3,475,400 | | | | | | |
| Auditorium | 97,000 | | | | | | |
| Building Leases | (150,000) | | | | | | JCCS \$-150K |
| Information Technology | 1,414,500 | | | | | | |
| Total Facility & Information Technology | 6,498,600 | | | | - | | |
| Subtotal Essential Expenditures | 61,097,000 | - | - | - | 1,088,337 | 4,364,000 | |
| DISCRETIONARY SERVICES (PRIORITIZATION) | | | | | | | |
| School Based Support Services | | | | | | | |
| Elementary Reading & Equity Specialists | - | | | | 330,000 | | |
| High School Tlingit Language Teacher-.20 FTE | 21,600 | | | | | | |
| Expand Middle School World Language Program | 110,000 | | | | | | |
| Second Career & College Advisor at HS | - | | | | | | |
| Web Master & Online Program Technician | - | | | | | | |
| High School Credit Recovery Programs | - | | | | 30,000 | | |
| Total School Based | 131,600 | - | - | - | 360,000 | | |
| Grant Funded Supplemental Instructional Programs | | | | | | | |
| Carl Perkins | - | | | | | 89,000 | |
| Total Grant Funded Supplemental Instructional Programs | - | - | - | - | - | 89,000 | |
| District Level Staff Services Provided to Schools | | | | | | | |
| Elementary Art Specialists\ | 110,000 | | | | | | |
| Elementary STEM Specialist | - | | | | | | |
| Elementary Integration Specialist | - | | | | | | |
| Total Staff Services | 110,000 | - | - | - | - | - | |

FY24 ADOPTED BUDGET - 03.14.2023
4,240 ENROLLMENT WITH \$430 BSA INCREASE

| FY 2024 BUDGET | Operating | K-12 Programs | Other Programs | Student Activities | ESSER III | Grants | NOTES |
|---|------------------|----------------------|-----------------------|---------------------------|------------------|------------------|--------------|
| District Level Enrichment Services Provided to Schools | | | | | | | |
| Instructional Services: Mystery Sciences, World Book | 52,300 | | | | | - | |
| Elders' Honoraria | 15,000 | | | | | - | |
| Library Services | 10,000 | | | | | - | |
| SAT/ACT/WorkKeys | 10,000 | | | | | - | |
| Early Scholars | - | | | | | 8,000 | |
| Juneau Youth Court | - | | | | | 45,000 | |
| Total District Level Enrichment Services | 87,300 | - | - | - | - | 53,000 | |
| Student Activities | | | | | | | |
| High School Activities | - | | | 1,200,000 | - | | |
| Middle School Activities | - | | | 105,000 | - | | |
| Student, Parent & Community Fund Raised | - | | | | | 1,650,000 | |
| Total Student Activities | - | - | - | 1,305,000 | - | 1,650,000 | |
| Targeted Assistance Programs | | | | | | | |
| Kinder Ready | - | | 450,000 | | | 172,000 | |
| Students and Families in Transition | - | | | | | 20,000 | |
| School Improvement | - | | | | | 209,000 | |
| Parent Involvement | - | | | | | 20,000 | |
| Neglected and Delinquent Students | - | | | | | 73,000 | |
| Title IV | - | | | | | 174,000 | |
| Alternative High School | - | | | | | 21,000 | |
| Youth in Detention | - | | | | | 125,000 | |
| STEPS | - | | | | | 495,000 | |
| 21st Century (LEAP/CONNECT) | - | | | | | 859,000 | |
| Margaret A. Cargill Artful Teaching Project | - | | | | | 400,000 | |
| Literacy | - | | | | | 214,000 | |
| Mental Wellness (AWARE) | - | | | | | 428,000 | |
| Summer School | - | | | | 300,000 | - | |
| Miscellaneous Grant funds | - | | | | | 155,000 | |
| Total Targeted Assistance Programs | - | - | 450,000 | - | 300,000 | 3,365,000 | |

FY24 ADOPTED BUDGET - 03.14.2023
4,240 ENROLLMENT WITH \$430 BSA INCREASE

| FY 2024 BUDGET | Operating | K-12 Programs | Other Programs | Student Activities | ESSER III | Grants | NOTES |
|--|-------------------|------------------|-------------------|-----------------------|------------------|-------------------|----------------------------|
| Professional Development | | | | | | | |
| Professional Development | 60,600 | | | | | - | |
| Teacher Training | - | | | | | 312,000 | |
| State Contracted Travel | - | | | | | 10,000 | |
| Title II-A grant | - | | | | | 91,000 | |
| Total Professional Development | 60,600 | - | - | - | - | 413,000 | |
| Student Services | | | | | | | |
| Social Services | - | | | | | 90,000 | |
| Suicide Prevention | - | | | | | 25,000 | |
| Total Student Services | - | - | - | - | - | 115,000 | |
| Ancillary Services for Students and Community | | | | | | | |
| Pupil Transportation | | 3,554,000 | | | | | |
| Community Schools | | | 495,000 | | | | |
| Food Service | | 2,389,000 | | | | | |
| Learn to Swim | | | 50,000 | | | | |
| RALLY | | | 1,143,000 | | | | |
| Total Ancillary Services | - | 5,943,000 | 1,688,000 | - | - | - | |
| Subtotal Discretionary Services | 389,500 | 5,943,000 | 2,138,000 | 1,305,000 | 660,000 | 5,685,000 | Total Expenditures: |
| Total Expenditures | 75,221,700 | 5,943,000 | 2,138,000 | 1,305,000 | 1,660,291 | 10,049,000 | 96,316,991 |
| Estimated Funding Sources less Projected Expenditures | - | (581,000) | 500,000 | - | - | - | |

FY24 ADOPTED BUDGET - 03.14.2023
4,240 ENROLLMENT WITH \$430 BSA INCREASE

| FY 2024 BUDGET | Operating | K-12 Programs | Other Programs | Student Activities | ESSER III | Grants | NOTES |
|--|-------------------|----------------------|-----------------------|---------------------------|------------------|-------------------|---|
| BUDGET SUMMARY | Operating | K-12 Programs | Other Programs | Student Activities | ESSER III | Grants | |
| Total Funding Sources | 75,221,700 | 5,362,000 | 2,638,000 | 1,305,000 | 1,660,291 | 10,049,000 | |
| Required Expenditures | 13,735,200 | - | - | - | (88,046) | - | |
| Essential Expenditures | 61,097,000 | - | - | - | 1,088,337 | 4,364,000 | |
| Other Essential Expenditures | 389,500 | 5,943,000 | 2,138,000 | 1,305,000 | 660,000 | 5,685,000 | |
| Total Expenditures | 75,221,700 | 5,943,000 | 2,138,000 | 1,305,000 | 1,660,291 | 10,049,000 | |
| Funding Sources less Expenditures | - | (581,000) | 500,000 | - | - | - | |
| FUND BALANCE SUMMARY | Operating | K-12 Programs | Other Programs | Student Activities | ESSER III | Grants | |
| Projected Beginning Fund Balance | 1,446,700 | (1,283,853) | (750,000) | 1,152,547 | | | |
| Use of fund balance | - | - | - | - | - | - | |
| Revenues in Excess of Expenditures | - | (581,000) | 500,000 | - | - | - | |
| Estimated Year End Fund Balance | 1,446,700 | (1,864,853) | (250,000) | 1,152,547 | - | - | <u>TOTAL REVENUE OVER EXPENDITURES</u> |
| | | | | | | | (81,000) |
| Desired Ending Fund Balance, Board Policy | 1,128,300 | | | | | | 4,714,100 |
| | | | | | | | 4,633,100 |



CBJ Assembly Finance Meeting FY24 Budget Submission

DEEDIE SORENSEN, BOARD OF EDUCATION PRESIDENT
DR. BRIDGET WEISS, SUPERINTENDENT
CASSEE OLIN, DIRECTOR OF ADMINISTRATIVE SERVICES

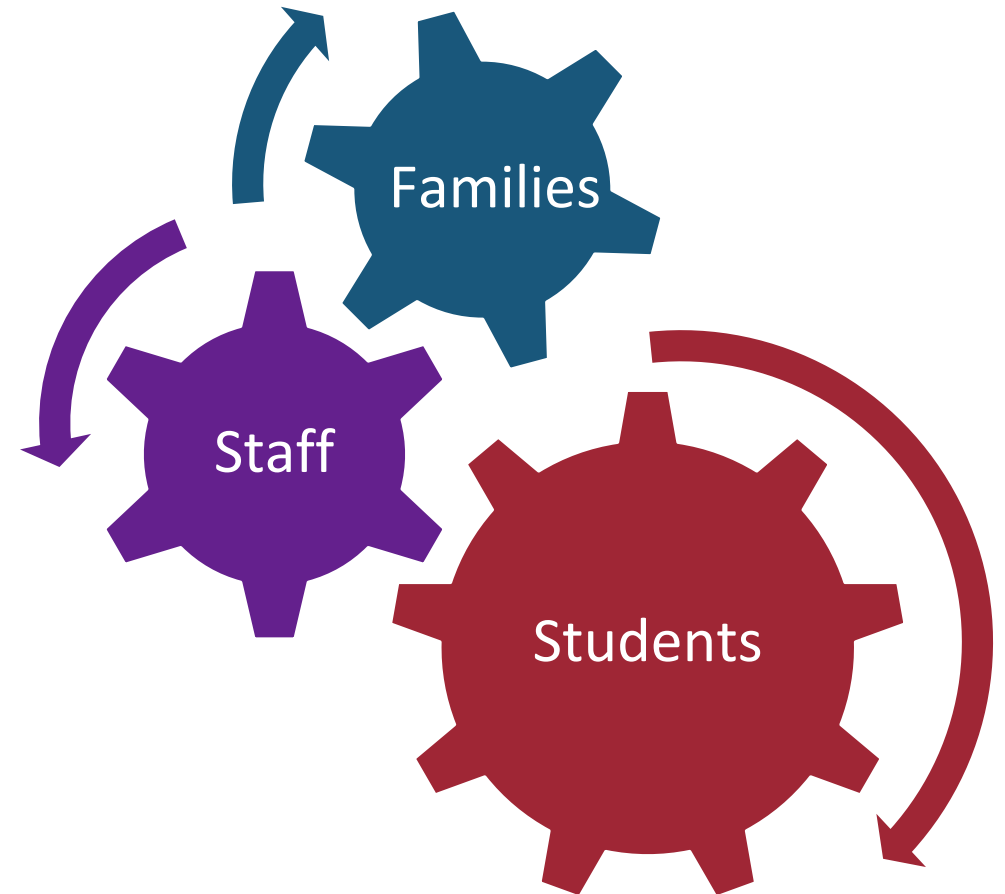
Thank you for supporting students!

- More than \$30 million in **general operation support to the maximum allowable** in FY23 and historically.
- Continued support with **outside-the-cap funding** for Food Service, Student Transportation, Community Schools, Kinder Ready, RALLY, Learn to Swim, and Student Activities.
- Thank you for consideration of funding support to the maximum allowable in **FY24**.



2020–2025 Strategic Plan

1. EQUITY
2. ACHIEVEMENT
3. PARTNERSHIPS
4. RELATIONSHIPS



Celebration Highlights

1. **THREE National Merit Scholarships Finalists!**
2. **Hosted Native Youth Olympics Event**
3. **ACTIVITIES SUCCESS!**
4. **Successful Hiring of New Superintendent**

Budget Process

- Solicit input from parents, staff, and the community
- Meet and collaborate with Site Councils
- Survey Site Councils, Staff and Administration
- Project available resources
- Prioritize spending
- Prepare and approve budget
- Submit budget to CBJ



COVID RECOVERY

- Current 3rd graders were Kindergarten and First Grade in Spring and Fall 2020
- Current 2nd graders were in PK or Childcare or at home then in Kindergarten in Spring and Fall 2020
- Current 8th graders were in 5th grade and 6th grade in Spring and Fall 2020

Remaining ESSER funds will be expended by September 2024.

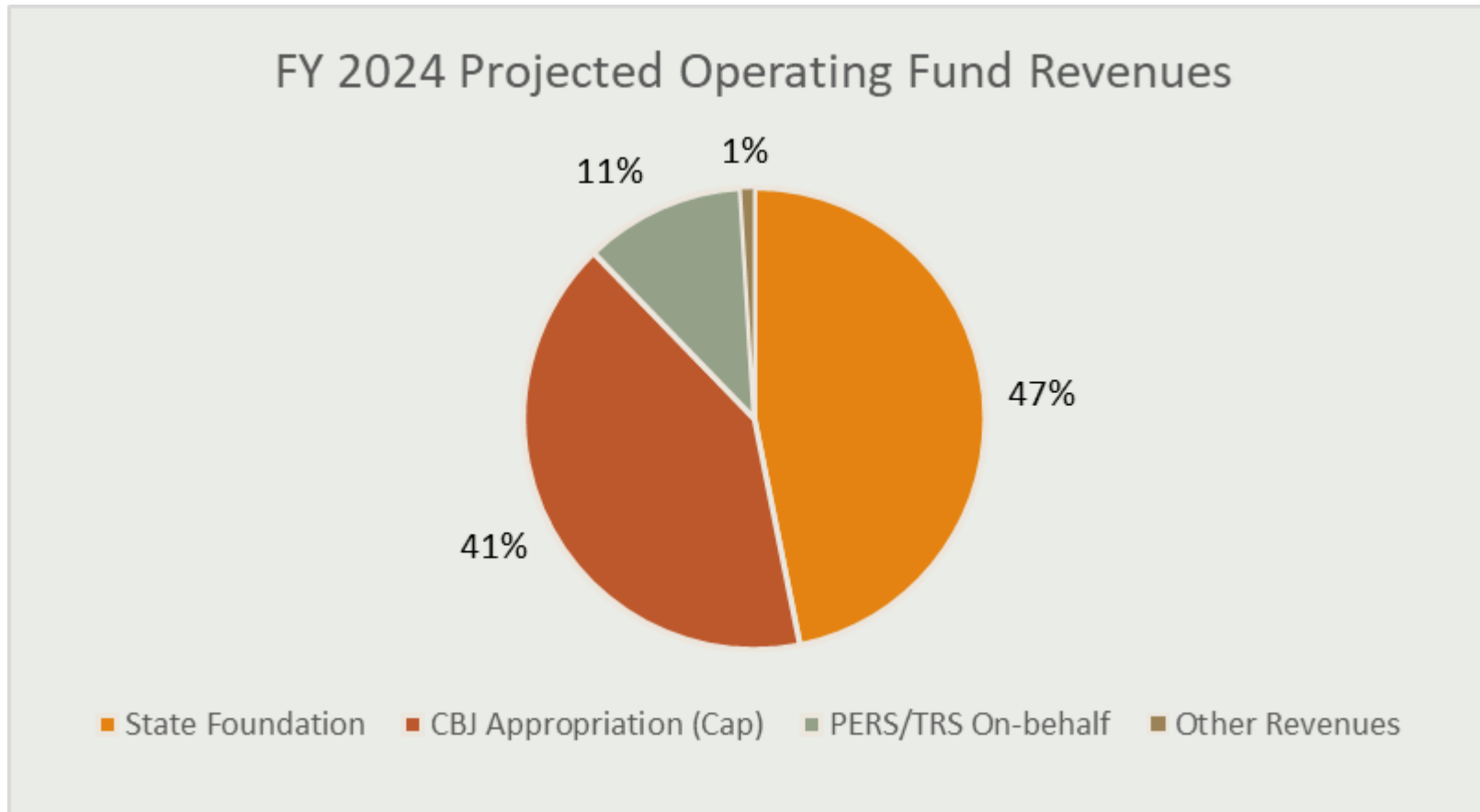
Reading Specialists, FTE to decrease class sizes, instructional software licenses, Increased Sub Pay, Trauma Informed Specialist, Summer School, etc.

Key Assumptions

Resources – Operating Fund

- ◆ State Foundation funding of \$35,229,600
 - ◆ Projected BSA of \$6,330
 - ◆ 4,240 students, an increase of 12 from FY23; 100 intensive needs students
- ◆ CBJ Support of \$30,775,800
 - ◆ Full Support to Maximum
- ◆ PERS/TRS On-Behalf \$8,489,600
- ◆ Other Revenues of \$726,700; such as Medicare, E-Rate, and etc.

District Funding Request for FY 2024



Borough Revenue Cap Estimate

FY2024 Required and Maximum Contribution Estimates

Using FY24 BSA of \$6,360 & DCF of 1.145

Required FY24 Contribution Options (The Lesser of the Following Two)

A. 2021 Full Tax Value x 2.65 Mills = \$6,618,462,399.00 x .00265 = \$17,538,925

B. FY23 Basic Need x .45% = \$49,509,926.00 x .45% = \$22,279,467

Additional Allowable Local FY24 Contribution Options (The Greater of the Following Two)

A. 23% of FY24 Basic Need + Add'l funding based on AADM = \$52,636,060.00 x .23 = \$12,106,294

B. .002 of 2021 Tax Base = \$6,618,462,399.00 x .002 = \$13,236,925

Maximum Local Contribution Allowable FY22 (The Sum of the Following Two)

Required Local Contribution = \$ 17,538,925

Additional Allowable Local = \$13,236,925

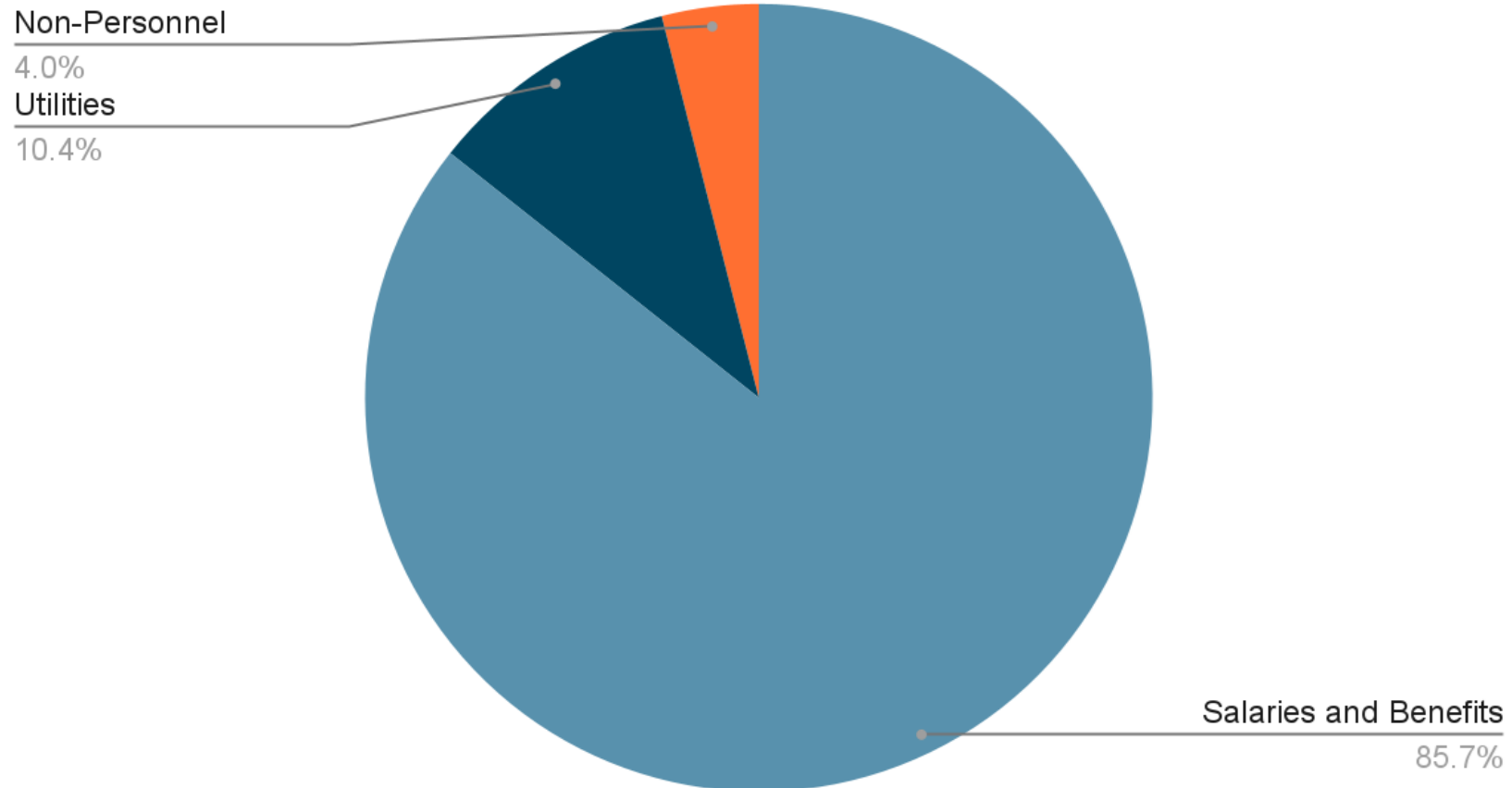
Total Maximum Allowable Contribution = \$30,775,850

Local Contribution Change per AS 14.17.410

For the past ten-plus years, the City and Borough of Juneau have always had the additional allowable local be the 23% of basic need. However, in FY23, the loss of enrollment from the past few years, which has resulted in a decrease to state aid, has caused a reduction of the 23%, and with that compounded with the increase in property value from 2022. Therefore, the formula has switched from the great of the 23% of Basic Need to the additional 2 -mill of the 2022 tax base.

Expenditures: Priorities

Expenditures



FY24 BUDGET HIGHLIGHTS

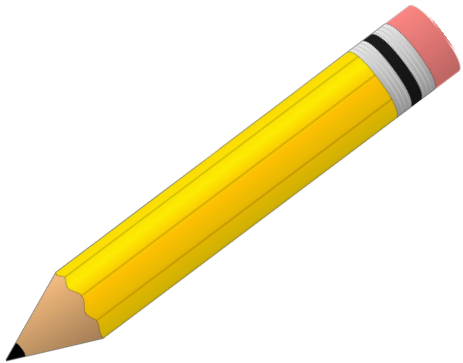
- ★ **PTR** (correlates to class size) remains steady with the exception of lowering **4-5 PTR from 28 to 26**
- ★ Sustained reading support through the remaining **ESSER Funds**
- ★ Eliminated classified elementary **Library Assistants**
- ★ **JEA Negotiations** are ongoing
- ★ Current legislative action on **BSA**
- ★ **Inflation: Property Liability Insurance** from FY21 cost of \$260,000 to current FY23 and FY24 cost of approximately \$1.2 million

Requests for Outside of Cap Funding

| Request for Funding Subject to CBJ Assembly approval | FY 2023 Revised Budget | FY 2024 Budget | +/- |
|--|---------------------------------------|-----------------------------|----------------------------|
| General School Operations | \$ 28,491,200 | \$ 30,775,800 | \$ 2,284,600 |
| Requests Outside the Cap | | | |
| K-12 Programs | | | |
| High School Activities | 1,200,000 | 1,200,000 | - |
| Middle School Activities | 105,000 | 105,000 | - |
| Transportation | 150,000 | 250,000 | 100,000 |
| Food Service | 75,000 | 75,000 | - |
| <i>Total K-12 Programs</i> | <u>1,530,000</u> | <u>1,630,000</u> | <u>100,000</u> |
| Other Programs | | | |
| Kinder Ready | 450,000 | 450,000 | - |
| Community Schools | 95,000 | 195,000 | 100,000 |
| Learn to Swim | 50,000 | 50,000 | - |
| RALLY | 150,000 | 250,000 | 100,000 |
| <i>Total Other Programs</i> | <u>745,000</u> | <u>945,000</u> | <u>200,000</u> |
| Total Requests Outside the Cap | <u>2,275,000</u> | <u>2,575,000</u> | <u>300,000</u> |
| Total Requests for Funding | <u>\$ 30,766,200</u> | <u>\$ 33,350,800</u> | <u>\$ 2,584,600</u> |

Values rounded to the nearest hundred.

***Thank you for
your support!***



Questions?





CBJ Assembly Finance Meeting FY23 Supplemental Request

DEEDIE SORENSEN, BOARD OF EDUCATION PRESIDENT
DR. BRIDGET WEISS, SUPERINTENDENT
CASSEE OLIN, DIRECTOR OF ADMINISTRATIVE SERVICES

Why now?

- ★ The cumulative effect of these deficits are difficult to manage inside of a limited budget.
- ★ The FY22 audit demonstrated that effect.
- ★ By receiving these supportive supplemental funds before end of FY23, we can shore up these deficits and not have another audit impacted.

Community Schools

| | COMMUNITY SCHOOLS Budget (CBJ contribution plus anticipated Rental Fees) | Beginning Fund Balance Comm Schools | Revenue (CBJ \$95K + Rental Fees) | Expenditures (2.82 people, supplies, rental software, some auditorium maintenance split cost CS and Operating Fund, monitor wages, staff and custodian overtime) | Ending Fund Balance Community Schools |
|--------------|--|--|---|---|--|
| 18-19 | \$360,000 | \$253,000 | \$402,000 | \$365,000 | \$290,000 |
| 19-20 | \$395,000 | \$290,000 | \$335,000 | \$365,000 | \$259,000 |
| 20-21 | \$395,000 | \$259,000 | \$116,000 | \$307,000 | \$68,000 |
| 21-22 | \$395,000 | \$68,000 | \$196,000 | \$391,000 | (\$127,000) |
| 22-23 | \$395,000 | (\$127,000) | \$208,000 (thru Feb) | \$241,000 (thru Feb) | TBD |

Community Schools Continued

- ★ **FY23 Supplemental Request: \$126,884 (FY22 deficit) + \$100,000 (expected shortfall in FY24) = \$226,884**
- ★ **FY20:** Spring of 2020 there were no rentals from mid March - end of June
- ★ **FY21:** Fall of 2020 schools weren't open to rentals (school was in distance delivery until January); very limited rentals were allowed later in the school year.
- ★ **FY22:** Fall of 2021, we began using facilities again for rentals but there were still less rentals due to ongoing community COVID concerns.
- ★ We maintained employment of the 2.8 FTE people during COVID having them do other duties related to upkeep of facilities, supporting distance learning, etc.
- ★ Permanent employees receive negotiated pay increases each year and this increases expenditures.

RALLY

| | RALLY Budget | Beginning Fund Balance RALLY | Revenue (CBJ + other funds) | Expenditures | Transfer (To) From | Ending Fund Balance RALLY |
|--------------|---------------------|-------------------------------------|------------------------------------|-------------------------|------------------------------------|----------------------------------|
| 18-19 | \$1,313,160 | (\$151,726) | \$1,244,875 | \$1,325,548 | \$151,726 from JSD General Fund | (\$80,673) |
| 19-20 | \$1,400,000 | (\$80,673) | \$1,487,127 | \$1,364,814 | \$80,673 from JSD General Fund | \$122,313 |
| 20-21 | \$1,515,000 | \$122,131 | \$407,802 | \$1,365,050 | \$212,152 from CBJ Cares | (\$622,793) |
| 21-22 | \$1,300,000 | (\$622,793) | \$1,271,272 | \$1,113,249 | 0 | (\$464,770) |
| 22-23 | \$1,393,000 | (\$464,770) | \$642,912 (thru Feb) | \$617,811 (thru Feb) | 0 | TBD |

RALLY Continued

- ***FY23 Supplemental Request: \$464,770 (deficits from FY22, 21) + \$285,230 (FY23 anticipated deficit) = \$750,000***
- **FY21:** Revenue was low due to RALLY being closed during the Fall. RALLY opened in January but on a limited basis for First Responders only. RALLY employees were kept on staff and used in other capacities (food service support, school support for distance learning, etc.)
- **FY21:** CBJ provided RALLY with funds from the CARES fund CBJ received to support the community. These funds were used to defray RALLY fees for families.
- **FY22:** We see the results of efficiencies of consolidation and restructuring to RALLY that brought expenditures under the revenue for the first time resulting in a reduction of ending fund balance deficit from FY21 to FY22.

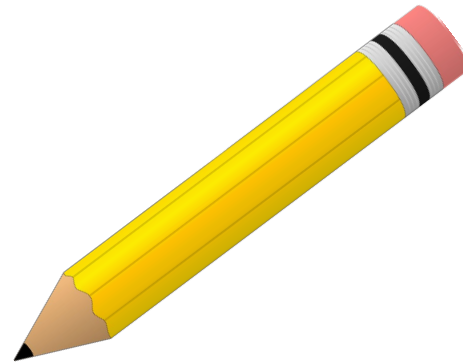
Student Transportation

| | TRANSPORTATION Budget | Beginning Fund Balance Transportation | Revenue (CBJ + State) | Expenditures | Transfer (To) From | Ending Fund Balance Transportation |
|-------|-----------------------|---------------------------------------|-----------------------|---------------------------|--------------------|------------------------------------|
| 18-19 | \$3,321,306 | \$149,075 | \$3,156,306 | \$3,200,044 | 0 | \$105,337 |
| 19-20 | \$3,144,604 | \$105,337 | \$3,107,113 | \$3,177,740 | 0 | \$34,710 |
| 20-21 | \$2,900,000 | \$34,710 | \$2,456,058 | \$2,865,707 | 0 | (\$374,939) |
| 21-22 | \$2,934,813 | (\$374,939) | \$3,331,476 | \$2,934,813 | 0 | (\$800,853) |
| 22-23 | \$3,386,000 | (\$800,853) | \$1,949,940 | \$2,365,844 (thru Feb) | 0 | TBD |

Student Transportation Continued

- ***FY23 Supplemental Request: \$800,853 (deficits from FY22, 21) + \$483,000 (FY23 anticipated deficit) = \$1,283,853***
- State Funding for Transportation per student continues to be the same today as **August 2015**
- There was no hold harmless statute to impact Transportation Funding
- The per pupil amount of transportation costs from the State would need to rise by 31% to cover our costs for next year.
- Regardless of overall enrollment, students are “spread throughout the district,” routes have to stay approximately the same, even with a reduction of students.
- 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 significant enough as a result of underfunding by the state that minimizing routes or eliminating a cross-town bus isn’t sufficient to resolve the gap. (The choice of school settings JSD provides for our community is an instrumental part of our contribution. Our optional programs: Charter, TCELL, 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.)

***Thank you for
your support!***



Questions?



CBJ Finance Committee Meeting

April 12th 2023

Eaglecrest Ski Area FY23 Review & FY24 Budget Presentation

- FY23 (2022-2023 Season) – Overview
- FY24 (2023-2024 Season) – Budget
- Fund Balance
- Increment Request
 - Increased fixed costs
 - Inflationary pressures
 - Cost of living increase to wage scale
- Future challenges and opportunities



2022-2023 Season Highlights

Section D, Item 4.

- ❖ 94 total operating days
- ❖ 426" of snow at summit and 182" at base.
- ❖ 15.54" rainfall in January
- ❖ 27-day snowfall streak in February
- ❖ Cold early season temperatures and aggressive snowmaking provided a durable base to withstand heavy January rains and continue with unimpeded operations
- ❖ Record revenue from seasons pass products.
- ❖ 70,000 Skier Visits by year-end.

Extremely Challenging Staffing Year

- ❖ Eaglecrest experienced the most challenging staffing shortage this year to date
- ❖ Missing key positions – rental and repair shop supervisor, rental shop techs, cashiers, lifties, and instructors. Caused a potential loss of revenue of \$50,000
- ❖ The number one restraint continues to be the availability of low cost housing coupled with the high cost of living in Juneau
- ❖ The board continues to work with the human resources department in evaluation of ski industry wages in comparison to Eaglecrest to ensure we can attract necessary talent needed to operate the mountain
- ❖ Implemented an early season sign-on and returning employee bonus of \$2 per hour for hours worked between November 21st and January 29th
- ❖ Offered one free meal per week for employees that worked at least 2 days per week, totaling 1031 employee meals given away this season
- ❖ Evaluating partnership potential with a large ski area in Australia that has 800 winter seasonal workers to build a relationship where we can share seasonal ski industry professionals
- ❖ We are researching the logistics of H2B visas to fill vacancies

Historical Seasonal Product Sales

Section D, Item 4.

| Season Passes | FY23 | FY22 | FY21 | FY20 | FY19 | FY18 | FY17 | FY16 | FY15 |
|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Adult | 1397 | 1423 | 1152 | 860 | 832 | 1089 | 952 | 789 | 1165 |
| Adult Weekend | | | | | 13 | 19 | 16 | 7 | 15 |
| Adult Weekday | | | | | 11 | 7 | 4 | 6 | 5 |
| Senior | 126 | 117 | 111 | 92 | 55 | 49 | 41 | 38 | 27 |
| Super Senior (75+) | 50 | 38 | 41 | 38 | 43 | 43 | 36 | 27 | 28 |
| Senior Weekday | | | | | 1 | 1 | | | |
| College | 70 | 76 | 60 | 46 | 51 | 33 | 37 | 28 | 53 |
| Teen | 338 | 366 | 355 | 227 | 212 | 229 | 232 | 181 | 236 |
| Youth | 363 | 441 | 380 | 297 | 277 | 320 | 309 | 233 | 303 |
| Child | 238 | 244 | 237 | 195 | 198 | 204 | 194 | 169 | 211 |
| Grand Total | 2582 | 2705 | 2336 | 1755 | 1693 | 1994 | 1821 | 1478 | 2043 |
| Ages 19+ Only | 1643 | 1654 | 1364 | 1036 | 1006 | 1241 | 1086 | 895 | 1293 |

| Flex Pass | FY23 | FY22 | FY21 | FY20 |
|---------------------|-------------|-------------|-------------|-------------|
| Initial Purchases | 188 | 193 | 226 | 419 |
| Redeemed Days | 697 | 756 | 1191 | 1903 |
| Average Days | 3.71 | 3.92 | 5.27 | 4.54 |

| Multi-Visit Cards | FY23 | FY22 | FY21 | FY20 | FY19 | FY18 | FY17 | FY16 | FY15 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Adult 5 Visit | 132 | 184 | 187 | 66 | 104 | 57 | 134 | 85 | 36 |
| Adult 10 Visit | 74 | 99 | 66 | 29 | 61 | 33 | 83 | 79 | 37 |
| Adult 15 Visit | | | | | 27 | 19 | 39 | 9 | 38 |
| Adult LM 5 Visit | | | | | | | | 36 | 20 |
| Senior 10 Visit | | | 2 | | | 1 | 2 | | 1 |
| Teen 5 Visit | 40 | 51 | 62 | 37 | 32 | 14 | 33 | 29 | 11 |
| Teen 10 Visit | 17 | 10 | 19 | 15 | 10 | 5 | 19 | 14 | 14 |
| Grand Total | 263 | 344 | 336 | 147 | 244 | 133 | 332 | 267 | 165 |

| | FY23 | FY22 | FY21 | FY20 | FY19 | FY18 | FY17 | FY16 | FY15 |
|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Grand Totals | 3033 | 3242 | 2898 | 2321 | 1937 | 2127 | 2153 | 1745 | 2208 |
| Ages 19+ Only | 2037 | 2130 | 1845 | 1550 | 1200 | 1351 | 1345 | 1105 | 1426 |

Marketing and Website Growth

- ❖ CHART 1 & 2: Comparative growth data from 2021/22 website traffic. 104,235 new (unique) visitors to the website this year (up 14% from 90k last year). And 439,580 total page views.
- ❖ CHART 3: Comparative data for social channels and paid social advertising compared to 2021-2022. 1,130 new Instagram followers (total over 9,500), 20,629 Facebook page visits this year
- ❖ Paid Facebook advertising reach is at 80,652 users (the number of accounts that saw our ads at least once).
- ❖ Paid Facebook impressions is 176,190 (number of times ads were on screen)
- ❖ 19,850 impressions on New England Ski Journal Ads on website.
- ❖ 26,550 Youtube channel views this past year.

CHART 1

| Cities | New user # |
|-------------|------------|
| Juneau | 14,861 |
| Anchorage | 12,464 |
| Seattle | 7,459 |
| Sitka | 1,606 |
| Los Angeles | 1,235 |
| Ketchikan | 1,223 |
| Denver | 1,145 |

CHART 3



CHART 2



Independent Traveler Growth

- ❖ Eaglecrest offers reciprocal pass programs with over 150 resorts nationwide to make our ski area more accessible to pass holders everywhere.
- ❖ Listed here are our redemptions from the Alaska Airlines boarding pass deal, Alaska Seaplanes and Ferry system day pass, Indy Pass user redemptions, and Independent resort stats.

| Redemption Method | Number of Redemptions 21/22' | Number of Redemptions 22/23' |
|-----------------------------|------------------------------|------------------------------|
| Ind. Season Pass Visitors | 299 | 531 |
| Indy Pass | 61 | 147 |
| Boarding Pass (AK Airlines) | 539 | 540 |
| (Boarding Pass) Seaplanes | 9 | 13 |

RENTAL

RENTAL SHOP STATS:
TOTAL RENTAL CONTRACTS - **9611**

Daily Ski & Snowboard Rentals - **2608**

Half-Day Ski/Snowboard Rentals - **740**

Nordic Rentals - **82**

Community/Homeschool/JSD - **1483**

Rental Redemptions - **4325**

Helmets/Poles - **219**

Boots Only - **97**

Demos - **57**

SNOWSPORTS SCHOOL STATISTICS

Section D, Item 4.

Adult Daily Lessons – 619

Adult Multi-Week Lessons – 126

Child/Youth Daily Lessons – 586

Child/Youth Multi-Week – 2280

School/Homeschool Group

Lessons – 1490

Community Lessons (Including Books 2 Boards, ORCA, and 5th Grade Passport) – 233

| 5 th Grade Passport | Quantity |
|--------------------------------|----------|
| Passports Issued | 137 |
| Lessons | 16 |
| Tickets | 756 |
| Rentals | 40 |

COMMUNITY GROUPS

Eaglecrest Foundation - 10 Sponsored School Groups
300+ students Grades 2-4
5th Grade Passport Program
Books 2 Boards Program
Douglas Indian Association
Hoonah City School - Lego Robotics Team
Yaakoosge - Lighthouse
Zach Gordon Youth Center
Girl Scouts of America
Tlingit/Haida - Native Youth Snowsports Series
Sitka Conservation Society
Johnson Youth Center
Southeast Independent Living SAIL/ORCA Program

Ski Patrol Avalanche Control Statistics

- ❖ 24 out of 39 days of avalanche mitigation involved the use of explosives
- ❖ ~914 pounds of explosives used
- ❖ 426 inches of snow
- ❖ Increased use of explosives due to a complex snowpack with persistent weak layers caused by erratic weather
- ❖ Avalanche transceivers are in need of replacement for the safety of our staff
- ❖ Procurement of avalanche airbags would increase ski patroller safety
- ❖ Increased training budget for Avalanche Pro level trainings

Continued Growth of Summer Revenue and Activities for Summer 2023

- Projecting a total increase of \$135,600 from our current concessionaire agreements with the following vendors.
 - Zipline Adventures
 - Segway Alaska
 - Coach Tours Walking Tours
 - Cycle Alaska
- New for this will be two sessions of Youth Summer Camp for Juneau Kids 9 to 11 and 12 to 14.
- Each session will be Monday through Friday. Two weeks for each age category.
- Record breaking number of weddings as well for lodge rentals full

Trends Across the Ski Industry

- ❖ Dramatically increasing the price of single day tickets. Many mountains \$200 per day or higher. Average for small and medium ski areas is now over \$100
- ❖ High single day rates pushing people into Multi-Mountain Seasons Pass
- ❖ Frontline and entry level wages are increasing across the entire ski industry
- ❖ Eaglecrest is still priced far below average when compared to 10 similarly sized mountain across Alaska and Pacific Northwest
- ❖ Mission Ridge WA, Montana Snow Bowl, Hoo Doo OR, Mt Shasta CA, Brundage ID , Silver Mountain ID, Monarch Mountain CO, White Pass WA
- ❖ Cost of ski operations are rising due to inflation, labor market pressures, and climate change
- ❖ The trend is leading to leveraging summer revenue to support winter operations

Comparable Pricing Chart

Section D, Item 4.

| Average Across All 10 Comparable Resorts | | | <i>*Tier 1 rates used for season pass comparison</i> | | | | | | |
|--|-------------|-------------|--|------------|--------------|-----------|------------|------------|--|
| Category | Adult 19-64 | Teen 13-18 | Youth 7-12 | Child 0-6 | Senior 65-74 | Super 75+ | College | Military | |
| Season Pass | \$ 636.80 | \$ 412.91 | \$ 265.56 | \$ 87.78 | \$ 474.38 | \$ 296.67 | \$ 414.00 | \$ 379.00 | |
| Lift Ticket | \$ 80.75 | \$ 63.09 | \$ 49.45 | \$ 17.25 | \$ 65 | \$ 52.00 | \$ 63.75 | \$ 63.25 | |
| Half Day | \$ 64.10 | \$ 53 | \$ 34.89 | \$ 17.60 | \$ 51.67 | \$ 41.22 | \$ 54.67 | \$ 52.00 | |
| Rental Package | \$ 41.78 | \$ 40.08 | \$ 33.56 | \$ 28.60 | \$ 37.44 | \$ 34.00 | \$ 35.00 | \$ - | |
| Half Day Rental Package | \$ 36 | \$ 32.38 | \$ 28.38 | \$ 22.88 | \$ 31 | \$ 31.67 | \$ - | \$ - | |
| Eaglecrest Pricing | | | | | | | | | |
| Category | Adult 19-64 | Teen 13-18 | Youth 7-12 | Child 0-6 | Senior 65-74 | Super 75+ | College | Military | |
| Season Pass | \$ 576.00 | \$ 307.00 | \$ 164.00 | \$ 32.00 | \$ 466.00 | \$ - | \$ 466.00 | \$ - | |
| Lift Ticket | \$ 68.00 | \$ 50.00 | \$ 33.00 | \$ 12.00 | \$ 57 | \$ 57.00 | \$ 53.00 | \$ 53.00 | |
| Half Day | \$ 54.00 | \$ 37 | \$ 26.00 | \$ 12.00 | \$ 43.00 | \$ 43.00 | \$ 53.00 | \$ 53.00 | |
| Rental Package | \$ 42.00 | \$ 34.00 | \$ 17.00 | \$ 17.00 | \$ 42.00 | \$ 42.00 | \$ - | \$ - | |
| Half Day Rental Package | \$ 35 | \$ 26.00 | \$ 17.00 | \$ 17.00 | \$ 35 | \$ 35.00 | \$ - | \$ - | |
| Difference | | | <i>*in parantheses reflects where we are cheaper then our average competiton</i> | | | | | | |
| Category | Adult 19-64 | Teen 13-18 | Youth 7-12 | Child 0-6 | Senior 65-74 | Super 75+ | College | Military | |
| Season Pass | \$ (60.80) | \$ (105.91) | \$ (101.56) | \$ (55.78) | \$ (8.38) | \$ - | \$ 52.00 | \$ - | |
| Lift Ticket | \$ (12.75) | \$ (13.09) | \$ (16.45) | \$ (5.25) | \$ (8.00) | \$ 5.00 | \$ (10.75) | \$ (10.25) | |
| Half Day | \$ (10.10) | \$ (16.00) | \$ (8.89) | \$ (5.60) | \$ (8.67) | \$ 1.78 | \$ (1.67) | \$ 1.00 | |
| Rental Package | \$ 0.22 | \$ (6.08) | \$ (16.56) | \$ (11.60) | \$ 4.56 | \$ 8.00 | \$ - | \$ - | |
| Half Day Rental Package | \$ (1.00) | \$ (6.38) | \$ (11.38) | \$ (5.88) | \$ 4.00 | \$ 3.33 | \$ - | \$ - | |

FY24 Increment Request

- ❖ Eaglecrest Board and Management would like to keep prices level and allow higher priced summer experiences subsidize the expense of winter operations
- ❖ FY24 Budget is based on revenue calculations that include a 10% across the board increase on all products
- ❖ Eaglecrest is requesting an additional \$158,800 in General Funds which will go toward funding the items listed below
 - ❖ New Dependent Care Assistance and Deferred Compensation Employer Match program expense \$16,300
 - ❖ Increase fees from DOT for winter Road Maintenance on Fish Creek Road \$25,000. This additional allocation is requested from the road service area fund
 - ❖ Workers Compensation \$21,000
 - ❖ Full Cost Allocation \$33,300
 - ❖ Specialty Liability and Property Insurance \$27,400
 - ❖ Increased Cost of medical for full time benefitted employees \$24,800
 - ❖ GCI has increased rates by \$11,000 for standard services. There are currently no other alternatives available

Current FY23 Year End Projections

| | |
|--|-------------|
| ❖ Projected Year End Revenue | \$3,290,400 |
| ❖ Projected Year End Expenses | \$3,285,100 |
| ❖ Projected Transfer to fund balance | \$5,300 |
| ❖ Projected Year End FY23 Available Fund Balance | \$15,600 |
| ❖ Increased Fund Balance in FY22 by | \$189,800 |

❖ Strive to keep a net zero or positive available Fund Balance in FY24

❖ Weather and operational success in the winter of 2023 - 2024 will continue to play a factor in revenue potential and ability to affect Fund Balance in future years

| | FY23 | | | FY24 | |
|--|-------------------|-------------------|----------------------|--------------------|-------------------|
| | FY22 Actuals | Amended Budget | Projected Actuals | Approved Budget | Revised Budget |
| EXPENDITURES | | | | | |
| Personnel Services | \$ 1,596,600 | 2,039,900 | 1,892,300 | 1,922,300 | 2,111,500 |
| Commodities and Services | 1,377,200 | 1,484,600 | 1,462,500 | 1,502,700 | 1,745,500 |
| Total Expenditures | 2,973,800 | 3,524,500 | 3,354,800 | 3,425,000 | 3,857,000 |
| FUNDING SOURCES | | | | | |
| Charges for Services | 1,712,400 | 1,835,000 | 1,751,000 | 1,855,000 | 1,895,000 |
| Licenses, Permits, and Fees | 177,000 | 262,400 | 203,000 | 262,400 | 394,000 |
| Sales | 63,900 | 63,000 | 63,000 | 63,000 | 63,000 |
| Rentals and Leases | 260,300 | 258,600 | 288,100 | 258,600 | 300,600 |
| Donations and Contributions | 75,000 | 100,000 | 125,000 | 100,000 | 100,000 |
| Support from: | | | | | |
| Roaded Service Area | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| General Fund | 825,000 | 880,000 | 880,000 | 880,000 | 880,000 |
| Total Funding Sources | 3,163,600 | 3,449,000 | 3,360,100 | 3,469,000 | 3,682,600 |
| FUND BALANCE | | | | | |
| Inventory Reserve | | | | | |
| Beginning Reserve Balance | 202,500 | 257,600 | 257,600 | 257,600 | 257,600 |
| Increase (Decrease) in Reserve | 55,100 | - | - | - | - |
| End of Period Reserve | 257,600 | 257,600 | 257,600 | 257,600 | 257,600 |
| Available Fund Balance | | | | | |
| Beginning of Period | (179,500) | 10,300 | 10,300 | 15,600 | 15,600 |
| Increase (Decrease) in Fund Balance | 189,800 | (75,500) | 5,300 | 44,000 | (174,400) |
| End of Period Available | 10,300 | (65,200) | 15,600 | 59,600 | (158,800) |
| Combined End of Period Fund Balance | \$ 267,900 | 192,400 | 273,200 | 317,200 | 98,800 |
| STAFFING | 33.40 | 33.40 | 33.40 | 33.40 | 33.99 |

Section D, Item 4.

Future Challenges and Opportunities

Section D, Item 4.

Challenges

- ❖ Cost of operations continues to increase
- ❖ Recruitment of skilled ski industry staff & general work force
- ❖ Affordable Employee Housing
- ❖ Wages

Opportunities

- ❖ Opening of the new Gondola & realizing summer revenue starting in 2025
- ❖ Updating of a long range Master Plan to formalize additional summer recreation opportunities, ski area expansion, and housing development
- ❖ Reduce the need for General Fund support
- ❖ Be the anchor for a more robust Winter Tourism Economy in Juneau



In Conclusion

- ❖ **We are committed to providing a great product and continuing to be a strong community asset for Juneau and all of Southeast Alaska**
- ❖ **Eaglecrest is very grateful for the support of the Assembly and the Juneau Community as a whole as we strive to evolve into a sustainable year-round enterprise and destination**

The Eaglecrest Board and Staff will continue to be:

A premier 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.

FY 2024 CIP



*6426 Juneau side
Photo ID 2003-063-316*

Juneau- Douglas Bridge Construction, circa 1935

Photo ID 2003-063-316, Walter W. Hodge Papers, Archives, University of AK, Fairbanks

The CIP Process

- October: Engineering solicits prioritized CIP nominations from Departments and offers assistance on scoping and cost estimation.
- December: Finance provides revenue projections for Sales Tax funded CIP categories which dictate available funding for priorities.
- January: Draft CIP resolution introduced at PWFC
- March: Six year CIP introduced at PWFC. This is the large book that includes appropriating resolution for current year, 6 year plan, and unfunded Department priorities. Lots of good info in here!
- April – May: Review by Assembly Finance Committee, Planning Commission and SRRC
- June 15th: Charter deadline to pass CIP

CIP Funding Categories

- Voter Approved 3% Sales Tax
 - General Sales Tax - \$2.5 million + \$10 million for New City Hall + \$2 million for Public Safety Radios
 - Areawide Street Sales Tax - \$10.5 million
- Voter Approved Special 1% Sales Tax - \$11.4 million
- Passenger Fees – \$14.97 million
- Enterprise/Special Revenue/Internal Service Funds

Voter Approved 3% Sales Tax

- Voter information from approved 3% Sales tax – Oct. 2021
- Approved through June 30, 2027
 - 1% for general government operations. This 1%, combined with the 1% permanent sales tax, supports such general government operations as police, fire, street maintenance, EMT / ambulance services, parks and recreation, libraries, transit, and other general services.
 - 1% for capital improvements to roads, drainage, retaining walls, sidewalks, stairs, and other capital improvements
 - **Areawide Street Sales Tax for FY24 CIP – \$10.5 million**
 - 1% for capital improvements, an emergency budget reserve, and other general public services.
 - **General Sales Tax for FY24 CIP – \$2.5 million + \$10 million for New City Hall + \$2 million for Public Safety Radios**

General Sales Tax Funds: \$14.5 million

- Manager's Office (JPD, CCFR, etc)
 - Includes \$10 million for New City Hall and \$2 million for Public Safety radios
- Eaglecrest
- Parks and Rec Maintenance Obligations
 - Building Maintenance
 - Parks and Playgrounds
 - Sportsfields
 - Trails

Areawide Street Sales Tax: \$10.5 million

- Street Maintenance Projects
 - Funding to existing street projects to account for project cost escalations since original estimated budget prepared
 - Some priorities driven by Street Dept. maintenance
 - Other priorities driven by utility (Water or Wastewater) maintenance
- Miscellaneous Items as Funding Needs Identified
 - Matching Funds for Grant Funded Projects
 - Bus Shelter Replacement
 - Safe Streets for All
 - Electric Vehicle Policy and Planning
 - Contaminated Site Reporting (regulatory follow-up)

Voter Approved Special 1% Sales Tax

- Special voter approved 1% funding – through Sept 30, 2023 - \$2.4 million
- Special voter approved 1% funding – Oct 1, 2023 – Sept 30, 2028 - \$9 million
- New 1% funding schedule to be reviewed by Finance Committee
- Total FY24 = \$11.4 million

Passenger Fees

- \$14.97 million of Passenger Fees
 - \$3.97 million Port Development Fees
 - \$11 million State Marine Passenger Fees
- Nomination process through the City Managers Office
- Scheduled to be reviewed by the AFC at the April 26 AFC meeting

Enterprise/Special Revenue/Internal Service Funds

- Departments that generate revenue
- Contribute to CIP based on their available funds and their priorities
 - Bartlett Hospital
 - Lands and Resources
 - Facilities Maintenance Fund
 - Water, Wastewater Utilities
 - Docks and Harbors - No funding requests for FY24

Unscheduled Funding

- Speculative funding requests that would require an appropriation of the funding when it becomes available:
 - Grant funding requests
 - Airport Projects- FAA Grant funding
 - Capital Transit - FTA Bus Shelter Replacements
 - Parks and Rec – Hank Harmon Safety, 35 Mile ORV Park, Montana Creek Bridge Replacement
 - Harbors Cost Share with Army Corps for Statter Harbor Breakwater
 - JPD – DEU Building Expansion - Alaska HIDTA Grant
 - Project special needs identified without funding source
 - JPD and CCFR Radio System
 - Upper Jordan Creek Sediment Control

Project Selection for Funding

- Priority lists provided by each department – ENG does not create project priorities
 - More project requests than available funding
 - ENG works with each department to identify specific priorities that will fit within available funding limits
 - Unfunded project priorities moved to next Fiscal Year priority list

FY24 CIP is Mostly Infrastructure Maintenance and Investment

- \$36.4M in sales tax funded CIP projects
 - \$13.5M (37%) planning for future priorities
 - New City Hall
 - Public Safety Radios
 - Telephone Hill Redevelopment
 - Waterfront Museum
 - \$250K Specifically identified for Green and Sustainability projects – Zero Waste Program and EV Policy and Planning
 - Standalone maintenance CIPs ALSO incorporate sustainability improvements
 - Deferred Maintenance projects evaluate the most sustainable opportunities within available budget
 - \$400,000 to Childcare
 - \$1,200,000 for CCFR Ladder Truck Replacement

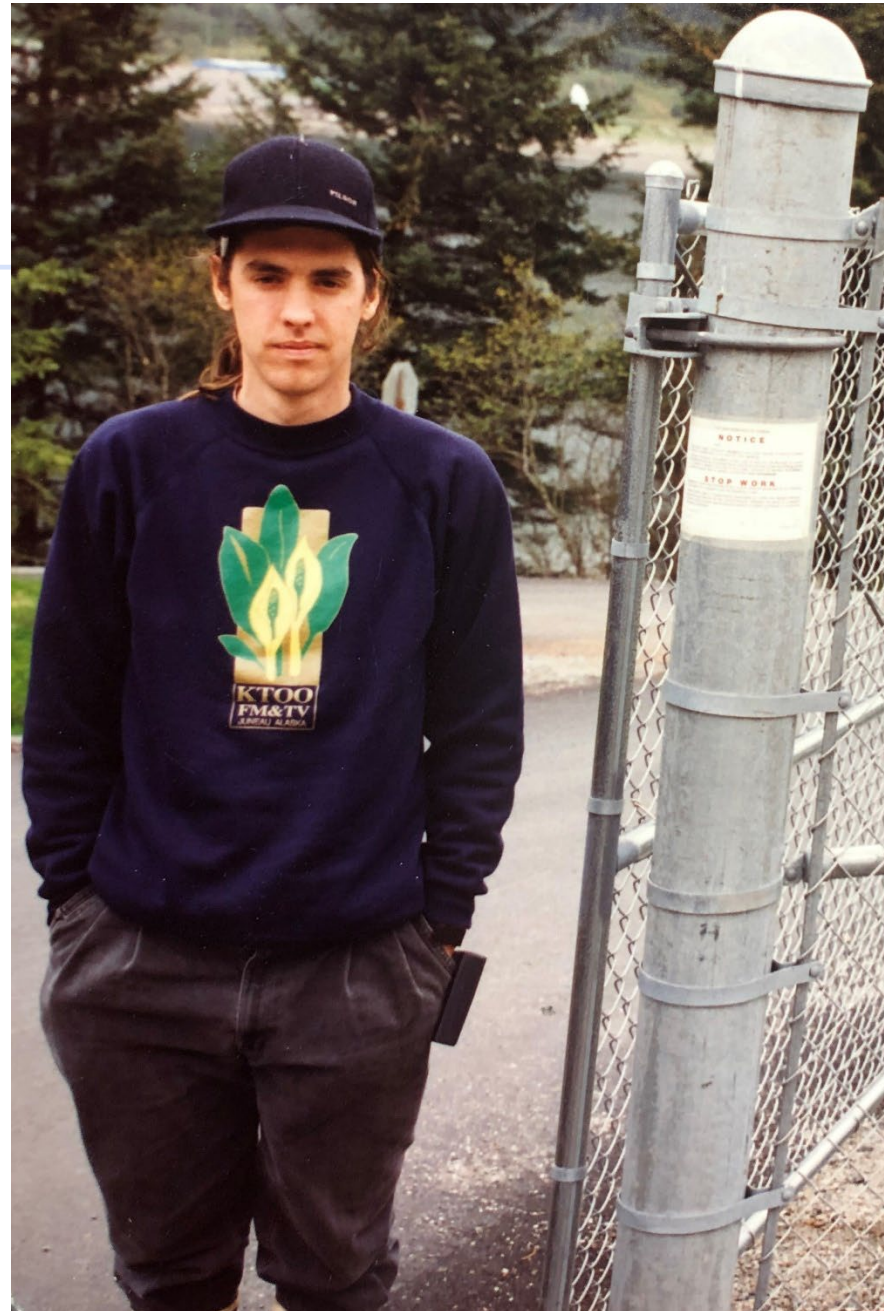
- \$18.2M (50%) to CBJ Infrastructure Maintenance and Repairs

Amendments

- Amendments to the CIP and 1% funding schedule are tentatively scheduled for May 3. Please reach out to Director's Koester and Rogers with proposed amendments – the 1% is constructed such that changes to one year affect other years and projects. We are happy to help think through options to achieve your goals.

Questions?

Longtime CBJ employee, Inspector, Project Manager, Engineer, Director and City Manager Watt would be happy to answer any questions or share an awesome infrastructure story from back in the day...



VOTER APPROVED 1% Sales Tax Projects FY24 - 29

Proposition 3 from October 2022 Ballot

in \$Million

| Project/Expenditure Name: | Funds Assigned | rem FY24 (9 months) | FY25 | FY 26 | FY 27 | FY28 | rem FY29 (3 months) | TOTAL |
|--|----------------|---------------------|------|-------|-------|------|---------------------|-------|
| | | | | | | | | |
| CBJ Building Maintenance Projects | 11.5 | 2 | 2.5 | 2.35 | 2 | 1.65 | 1 | 11.5 |
| Affordable Housing Fund | 4.15 | | 0.5 | 1 | 0.75 | 1.15 | 0.75 | 4.15 |
| Childcare Funding | 2.5 | 0.4 | 0.5 | 0.5 | 0.5 | 0.6 | | 2.5 |
| Parks & Recreation Major Maintenance & Repairs | 5 | 0.75 | 1 | 1 | 1 | 1 | 0.25 | 5 |
| CCFR Ladder Truck Replacement | 1.2 | 1.2 | | | | | | 1.2 |
| North SOB Parking | 5 | | | 1.15 | 2.5 | 0.4 | 0.95 | 5 |
| School District Facility Funding | 5 | 0.75 | 1 | 1 | 1 | 1 | 0.25 | 5 |
| Telephone Hill Redevelopment | 2 | 0.5 | 1 | 0.5 | | | | 2 |
| JPD Radio System Replacement | 2 | 0.5 | | 1.5 | | | | 2 |
| Lemon Creek Multi-Modal Path | 1.5 | | | | 1.5 | | | 1.5 |
| Information Technology | 3 | | | 0.75 | 0.75 | 1.5 | | 3 |
| Waterfront Museum | 2 | 0.5 | | 0.4 | 1 | 0.1 | | 2 |
| Street Maintenance Shop Bays | 2 | | 2 | | | | | 2 |
| Pederson Hill Development | 1.85 | | | 1.85 | | | | 1.85 |
| Harbor Projects/Grant Match | 6.5 | 2.4 | 3.5 | | | 0.6 | | 6.5 |
| Gastineau Avenue Widening & Turn Around | 4 | | | | 1 | 3 | | 4 |
| Restricted Budget Reserve | 1 | | | | | 1 | | 1 |
| Total Requests: | 60.2 | 9 | 12 | 12 | 12 | 12 | 3.2 | 60.2 |

City and Borough of Juneau
Assembly Finance Committee (AFC)
FY24 Revised Budget Calendar and Key Dates – as of April 12, 2023

April 5th – 5:30 pm – Special Assembly (Intro)

- A. CBJ Budget Ordinance 2023-14
- B. School District Budget Ordinance 2023-15
- C. Mill Levy Ordinance 2023-16
- D. CIP Resolution 3016

April 5th – 5:30 pm – AFC Meeting #1

- A. Summary of FY2024 Revised Budget
- B. Overview of Major Revenues
- C. Assessors Valuation Report
- D. Overview of Debt Service
- E. Proposed Mill Rate
- F. Cost Allocation Overview

April 12th – 5:30 pm – AFC Meeting #2

- A. Juneau School District
- B. Eaglecrest
- C. Capital Improvement Plan – For Review
 - a. 1% Sales Tax Allocation – For Review

April 19th – 5:30 pm – AFC Meeting #3

- A. Juneau International Airport
- B. Bartlett Regional Hospital

April 26th – 5:30 pm – Special Assembly (Hearing)

- A. CBJ Budget Ordinance 2023-14
- B. School District Budget Ordinance 2023-15
- C. CIP Resolution 3016
- D. Mill Levy Ordinance 2023-16
- E. Motion to Establish Local Funding for School District Operations

April 26th – 5:30 pm – AFC Meeting #4

- A. Docks & Harbors
- B. Passenger Fee Plan – For Review
- C. Hotel-Bed Tax Funding
- D. Travel Juneau

May 3rd – 5:30 pm – AFC Meeting #5

- A. Assembly Grants & Community Requests
- B. Manager’s Proposed Increments
- C. Capital Improvement Plan Amendments
 - a. 1% Sales Tax Allocation Amendments
- D. School District Budget – For Action

May 8th – 7:00 pm – Regular Assembly

- A. Adoption of the School District’s Budget Ordinance 2023-15

May 10th – 5:30 pm – AFC Meeting #6

- A. Capital Improvement Plan – For Action
 - a. 1% Sales Tax Allocation – For Action
- B. Passenger Fee Plan – For Action
- C. Decision List

May 17th – 5:30 pm – AFC Meeting #7

- A. Decision List – For Final Action
- B. Set Mill Rates – For Final Action
- C. Final FY24 Revised Budget Decisions
 - a. CIP Resolution 3016
 - b. Mill Levy Ordinance 2023-16
 - c. CBJ Budget Ordinance 2023-14

June 7th – 6:00 pm – Regular Business AFC

- A. TBD

June 12th – 7:00 pm – Regular Assembly (Adoption)

- A. CBJ Budget Ordinance 2023-14
- B. Mill Levy Ordinance 2023-16
- C. CIP Resolution 3016

Public hearings on the budget must be completed by May 1, per Charter Section 9.6

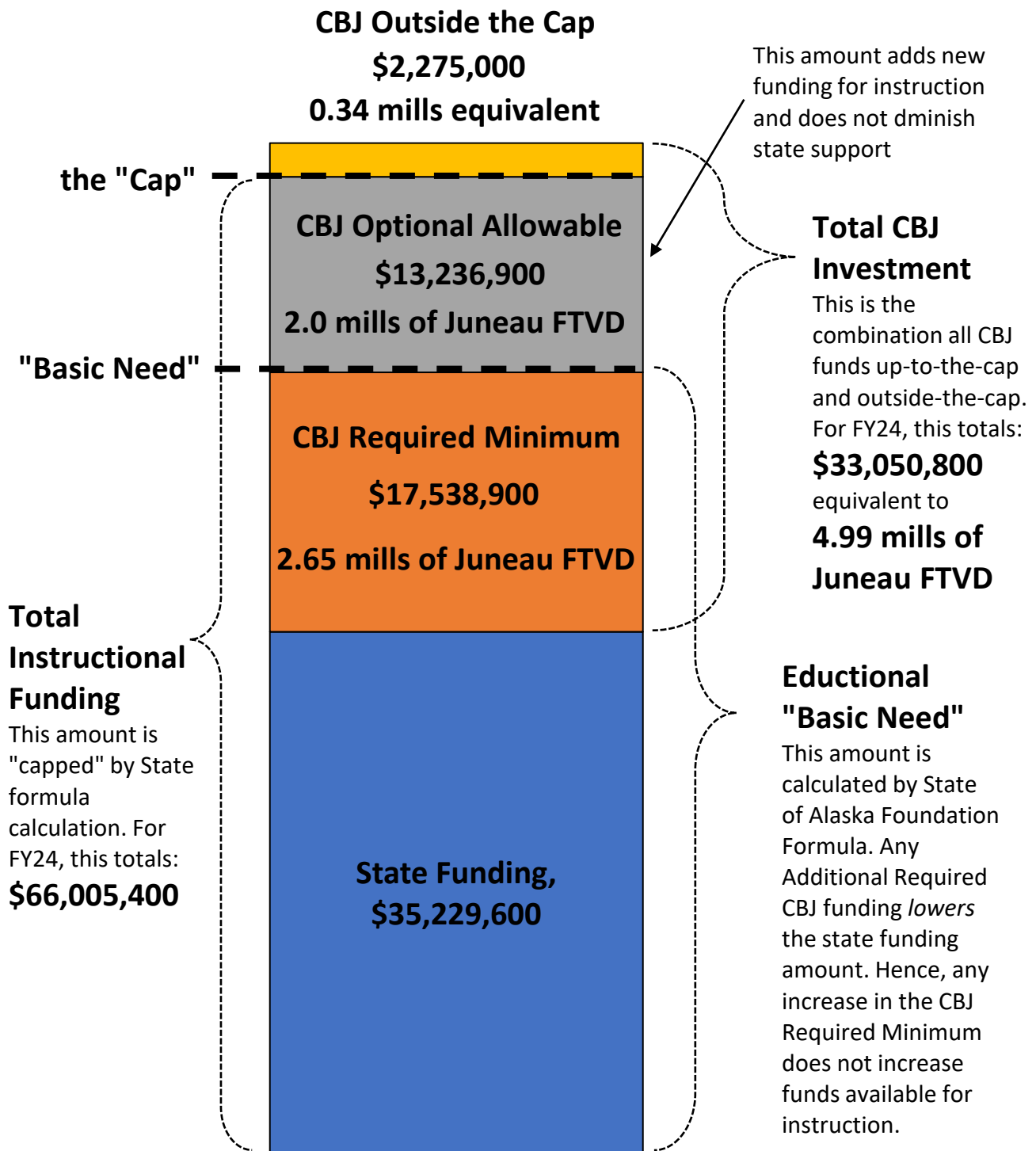
Assembly must determine school district instructional funding and notify district within 30 days of receipt of district budget (Charter Section 13.6(b))

Assembly must appropriate school district funding by May 31 (Chart Section 13.6(b))

Assembly must adopt Operating Budget, Mill Levy, and Capital Improvement Plan by June 15th or the manager’s proposal is deemed adopted (Charter Section 9.7 & 9.8)

CBJ FY24 Funds to Juneau School District

Exclusive of Capital Expenditure; Operating Only



**CBJ Funding to Juneau School District
FY23 Comparison to FY24**

Section E, Item 7.

| | FY23 | FY24 | Change | |
|---|----------------------|----------------------|---------------------|---|
| Full and True Value Basis | \$ 6,127,157,184 | \$ 6,618,462,399 | | |
| Required Local Effort (2.65 mills) | \$ 16,236,967 | \$ 17,538,925 | \$ 1,301,959 | <i>This amount is offset by loss of state funding</i> |
| Additional Local Contribution (2.0 mills) | \$ 12,254,314 | \$ 13,236,925 | \$ 982,610 | <i>This amount is additive to state funding</i> |
| Total | \$ 28,491,281 | \$ 30,775,850 | \$ 2,284,569 | Total local increase |

Presented by: The Manager
Introduced: March 20, 2023
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 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.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of up to \$2,340,737 for Juneau School District special revenue fund deficits and current year student activities.

Section 3. Source of Funds

General Funds \$2,340,737

Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this _____ day of _____, 2023.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk

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

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

- ❖ 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, TCELL, Montessori, and YDHS, all offer cross-town bussing. The TMHS JDHS cross-town bussing is small dollars but also part of our commitment to Choice.)

RALLY

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

- ❖ 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:

| <u>Prior Year (FY21 and FY22) Deficits per FY22 JSD Audit on Page 101</u> | <u>FY23 Shortfall based upon current contract and revenue from DEED</u> | <u>Total Current Request</u> |
|--|---|-------------------------------------|
| \$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> | <u>\$226,884</u> |

- ❖ 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.