ASSEMBLY FINANCE COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
Wednesday, April 7, 2021, 5:30 PM.
Zoom Webinar & FB Live Stream

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

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

a. **March 3, 2021**

IV. BUDGET PRESENTATIONS

a. **FY22 Revised Budget Overview**

b. **School District Budget Presentation**

c. **Docks & Harbors Budget Presentation**

d. **Capital Improvement Plan Presentation**

V. INFORMATION ITEMS

a. **FY22 Revised Budget AFC Calendar**

VI. NEXT MEETING DATE

a. **April 14, 2021**

VII. SUPPLEMENTAL MATERIALS

a. **Updated FY22 CIP Resolution 2937**

b. **Capital Improvement Plan Presentation - Additional Information**

VIII. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

DRAFT

City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, March 3, 2021

I. CALL TO ORDER

The meeting was called to order at 6:00 PM by Carole Triem, Chair.

II. ROLL CALL

Committee Members Participating Virtually: Mayor Beth Weldon; Carole Triem, Chair; Loren Jones; Alicia Hughes-Skandijs; Wade Bryson; Michelle Bonnet Hale; Maria Gladziszewski; Greg Smith; Christine Woll

Committee Members Absent: None

Staff Present Virtually: Mila Cosgrove, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Dr. Bridget Weiss, Juneau School District (JSD) Superintendent

Others Present Virtually: Jim Calvin, McKinley Research Group, LLC Senior Vice President; David Whitthohn, Insight Investment Senior Portfolio Specialist; Jason Celente, Insight Investment Senior Portfolio Manager; Karen Tarver, Elgee Rehfeld Audit Partner

III. APPROVAL OF MINUTES

Chair Triem noted that the minutes from the February 3, 2021 Assembly Finance Committee meeting required amending, changing ‘Ms. Weiss’ to ‘Dr. Weiss.’

The February 3, 2021 minutes were approved as amended.

IV. ITEMS FOR ACTION

a. **Juneau School District FY21 Budget Revision #3 – Ordinance 2020-10(B)**

Mr. Rogers introduced Ordinance 2020-10(B) representing JSD’s third FY21 budget revision. Due to a decrease in projected student enrollment, the Hold Harmless provision of the Alaska Department of Education and Early Development’s Foundation Formula has been triggered, providing additional state support to JSD in the amount of $246,283. As a result of this increase in funding, the amount of local support that CBJ can provide for general school operations has increased by $56,646. If approved, this additional amount would be paid from the General Fund’s fund balance.

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Ms. Gladziszewski asked Dr. Weiss why JSD requires additional funding when they were awarded CARES Act funding, and asked how the CARES Act money was spent.

Dr. Weiss stated that the majority of the CARES Act funds awarded to JSD by CBJ was spent on items such as air purifiers, air scrubbers, technology, and other pandemic related expenses. She stated that the School District has not laid off any employees, so there have not been any savings to personnel costs, despite attempts to mitigate spending wherever possible. Dr. Weiss stated that JSD has a $1.6 million deficit in anticipated revenue going into FY22.

Dr. Weiss responded to committee questions.

Motion: by Mayor Weldon to move Ordinance 2020-10(B) to the full Assembly and asked for unanimous consent.

Motion passed by unanimous consent.

b. **Juneau Economic Plan Proposal**

Mr. Rogers introduced a $36,000 proposal from McKinley Research Group to update key aspects of the Juneau Economic Plan and analyze impacts of the COVID-19 pandemic on Juneau's economy. Mr. Rogers stated that the funds for the project could either be appropriated as a supplemental ordinance in FY21, or included in the FY22 Manager's proposed budget.

Mr. Calvin of McKinley Research expanded upon the many factors that are taken into consideration when studying an economy. Mr. Calvin stated that he recognizes Juneau Economic Development Council (JEDC) is also looking into the economic trends of Juneau, and that McKinley Research would be working jointly with Mr. Holst of JEDC to ensure that the same studies are not repeated.

Motion: by Mayor Weldon to have staff draft an appropriating ordinance for $36,000 to complete the scope of work in McKinley Research Group's proposal, and forward to the full Assembly.

Objection: by Ms. Gladziszewski, who stated that she is not in favor of appropriating the funds in FY21. She believes it is necessary to ensure Juneau's current economic plan is fully exhausted before paying for a second plan.

The Committee discussed the motion.

Mayor Weldon withdrew her motion.

<u>Motion:</u> by Ms. Gladziszewski to move the discussion of an economic report to the FY22 Budget Pending List, where the scope of the work can be considered in more detail.

<u>Objection:</u> by Mr. Jones, who stated that there is an unprecedented number of unknown factors and unanswered questions relating to how current economic trends have been impacted by the COVID-19 pandemic. He believes that it is vital to obtain as much economic information as rapidly as possible.

Mr. Bryson questioned whether there could be value in splitting the cost between FY21 and FY22.

<u>Amendment:</u> by Ms. Hale to put Phase 1 of the proposal on the FY22 Budget Pending List and move forward with an appropriation for Phase 2 in FY21.

<u>Objections</u>: by Ms. Hughes-Skandijs, Ms. Gladziszewski, and Chair Triem.

<u>Roll Call Vote on Amendment:</u>

Ayes: Woll, Bryson, Hale, Triem, Weldon
Nays: Smith, Hughes-Skandijs, Gladziszewski, Jones

The motion to amend passed. Five (5) Ayes, Four (4) Nays.

<u>Roll Call Vote on Original Motion as Amended:</u>

Ayes: Woll, Bryson, Hale, Gladziszewski, Triem, Weldon
Nays: Smith, Hughes-Skandijs, Jones

Motion passed. Six (6) Ayes, Three (3) Nays

The committee recessed at 7:02 PM.
The committee reconvened at 7:10 PM.

V. ITEMS FOR DISCUSSION

a. Annual CBJ Investment Portfolio Update - Insight Investments

Mr. Rogers stated that Insight Investments has been managing CBJ's portfolio for the past 16 months, and that the Assembly meets with Insight Investments annually to review their performance. Mr. Rogers introduced Mr. Witthohn and Mr. Celente of Insight Investments.

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Mr. Witthohn provided a summary of the Gross Domestic Product (GDP) rates and fluctuations in FY20 and predictions going into FY22. Mr. Witthohn spoke to graphs concerning unemployment statistics on packet page six. He reiterated that the leisure sector of employment has been hit hardest by the COVID-19 pandemic, shedding nearly 3.9 million jobs nationally. Given that these jobs are in 'virus sensitive' sectors, the labor market is unlikely to improve prior to widespread vaccination. Mr. Celente provided an overview of CBJ's portfolio performance.

Mr. Witthohn spoke about environmental, social, and corporate governance (ESG) investing, and explained how Insight Investments takes a proactive role in ensuring long-term sustainability and resiliency of clients' investments. The Insight Investment analysis considers an exclusionary policy to the energy sector of the corporate bond market.

Chair Triem inquired about the exclusionary policy and affirmed that if CBJ were to divest from fossil fuels and not invest in companies such as Exxon Mobil, the result would create a small drop in return. She asked if ESG has a sustainability alternative that would not affect the overall return as dramatically, yet still meet CBJ's sustainability policy goal.

Mr. Celente recommended issuing a policy statement and have staff issue a directive to no longer buy from the certain excluded sectors. Many companies are trying to raise their ESG score, therefore the benchmark score is beginning to rise also.

Mr. Witthohn and Mr. Celente answered committee questions concerning ESG investment policies.

Motion: by Ms. Gladziszewski that Mr. Rogers work on amendments to CBJ's investment policy for Assembly consideration for review in the summer, focusing on ESG responsible investing, and asked for unanimous consent.

Motion passed by unanimous consent.

The committee recessed at 8:07 PM
The committee reconvened at 8:15 PM

b. **Audit of FY20 Financial Statements – Elgee Rehfeld**

Ms. Tarver presented information relating to CBJ, Bartlett Regional Hospital, and Juneau School District's audited financial statements for FY20. The audit timeline was extended due to federal COVID-related funding guidance changing rapidly throughout the year. Ms. Tarver discussed the results of the audit, noting that CBJ did receive an audit finding. This audit finding was related to the CARES Act funding, and in a normal year would have been identified and corrected prior to finalization of the audit, however due to the adjusted timeline was identified too late in the process to be corrected. Ms. Tarver responded to committee questions.

VI. INFORMATION ITEMS

a. FY22 Revised Budget Calendar

Mr. Rogers provided the Assembly with the upcoming FY22 Revised Budget AFC Calendar. The Committee determined that April and May AFC meetings will continue to start at 5:30 PM.

VII. STAFF REPORTS

a. Update on FY22 Budget Development

Mr. Rogers provided an update on the FY22 budget development, stating that the City Manager has reviewed all departmental budgets and Finance staff are beginning to compile the Manager's proposed budget book. Mr. Rogers stated that due to unprecedented times it is difficult to predict how much sales tax revenue there will be in the next year, and an additional source of uncertainty stems from Congress' decision on the American Rescue Plan Act.

b. Update on 'A Balancing Act' Budget Tool

Mr. Rogers updated the Committee on the new budget simulation tool 'A Balancing Act'. He stated that CBJ has begun onboarding and has been pleased with the ease of the new interactive tool. Mr. Rogers stated that the plan is to continue to work with the tool until the Committee feels it is ready for public feedback, then open it up to community input in late summer or early fall with the intent of adding value to the Assembly's prioritization and budget directive process in November.

c. Update on FY22 Draft Manager's Passenger Fee Proposal

Mr. Rogers stated that the Manager's Passenger Fee Proposal has been changing rapidly as COVID-19 restrictions and vaccination timelines continue to be in flux. Mr. Rogers stated that it is likely the final passenger fee proposal will reflect zero passengers and no revenue for the summer of 2021.

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d. **2021 Export Manufacturing Exemption**

Mr. Rogers stated that the Assembly must, on an annual basis, approve any export manufacturing exemptions for real or business personal property. Detailed information provided by the City Assessor is provided in the meeting packet.

Motion: by Mayor Weldon to approve the 2021 export manufacturing exemption applications for the businesses listed in the memo and asked for unanimous consent.

Motion passed by unanimous consent.

VIII. NEXT MEETING DATE

a. Wednesday, April 7, 2021

IX. ADJOURNMENT

The meeting was adjourned at 8:57 pm.

FY20-FY22 Budget Summary and Impact on Fund Balances
4/2/2021

	Revenues	Expenditures	Surplus (Deficit)	Combined General and Sales Tax Fund Balance: Unrestricted	Restricted Reserve	Total
FY2020						
Final Year-End (audited)				**$ 25,553,900**	**$ 13,600,000**	**$ 39,153,900**
FY2021						
Manager Proposed Budget	**$ 152,721,100**	**$ (160,022,100)**	**$ (7,301,000)**	**$ 18,252,900**	**$ 13,600,000**	**$ 31,852,900**
Proposed Mill Rate Increase not Implemented	$ (4,620,300)					
Reduced HBT/MPF Support for Assembly Grants	$ (1,553,200)					
MPF/CPV Reduction for Cruise PAX Survey & Transportation Study	$ (250,000)					
Anticipated Lost User Fees and Charges for Services	$ (186,900)					
Reduced Finance Reimbursable Services Paid by Non-GF Depts	$ (92,800)					
Other Revenue Changes	$ (43,300)					
CARES Act or FEMA Funding (offset core city services)	$ 11,021,600					
Gastineau School Roof Replacement CIP		$ (1,500,000)				
Grant for Childcare		$ (400,000)				
Increase GF to JSD Activities (Outside the Cap)		$ (378,600)				
Grant to Travel Juneau (GF replace HBT)		$ (265,000)				
Centennial Hall Funding (GF replace HBT)		$ (84,400)				
Downtown Business Association (HBT historically)		$ (75,000)				
Grant to Alaska Heat Smart		$ (30,000)				
Grant to Juneau Commission on Aging		$ (10,000)				
Other Non-Personnel Expenditure Decreases		$ 68,000				
Reduced Grant to JEDC		$ 75,000				
Reduced GF to Eaglecrest		$ 125,000				
Cost Allocation Reductions (Centennial Hall, Sales Tax Fund)		$ 215,000				
Unfunded MPF/CPV Cruise PAX Survey & Transportation Study		$ 250,000				
Reduced GF to Waste Management (preparing for liquidation)		$ 505,800				
GF Reduction to CBJ Operations		$ 1,142,800				
Reduced MPF/HBT-funded Assembly Grants		$ 1,553,200				
Delay of Augustus Brown Pool CIP		$ 3,300,000				
Deappropriation of CIPs		$ 3,500,000				
Assembly Adopted Budget	**$ 156,996,200**	**$ (152,030,300)**	**$ 4,965,900**	**$ 30,519,800**	**$ 13,600,000**	**$ 44,119,800**

FY20-FY22 Budget Summary and Impact on Fund Balances
4/2/2021

FY2021

	Revenues	Expenditures	Surplus (Deficit)	Combined General and Sales Tax Fund Balance: Unrestricted	Restricted Reserve	Total
Assembly Adopted Budget	**$ 156,996,200**	**$ (152,030,300)**	**$ 4,965,900**	**$ 30,519,800**	**$ 13,600,000**	**$ 44,119,800**
Unreimbursed School Bond Debt		$ (5,900,000)				
EOC Expenditures (GF temp, reimbursement expected)		$ (3,000,000)				
Grant to Glory Hall		$ (2,300,000)				
Grant to SHI		$ (1,500,000)				
Grant to UHS		$ (1,100,000)				
Additional GF Appropriations/Grants		$ (378,200)				
Grant to Alaska Committee		$ (300,000)				
Additional GF Support to JSD - Up to the Cap		$ (56,646)				
Supplemental Appropriations	$ -	$ (14,534,846)				
Sales Tax Revenue Above/(Below) Forecast	$ (2,200,000)					
Lost User Fees and Charges for Service	$ (1,625,000)					
Reduction in Investment Income	$ (363,700)					
Lost Medicaid Reimbursement for Ambulance Transports	$ (400,000)					
Additional CARES Funds to Offset Core City Services	$ 800,000					
Federal/State Reimbursement of EOC Expenditures	$ 3,000,000					
CARES Transit Grant	$ 2,000,000					
Federal American Rescue Plan Act (replace lost revenue)	$ 4,597,300					
Projected Personnel Expenditure Lapse		$ 2,820,846				
Projected Non-Personnel Expenditure Lapse		$ 939,500				
Ancitipated Variances	$ 5,808,600	$ 3,760,346				
Final Year-End (projected)	**$ 162,804,800**	**$ (162,804,800)**	**$ -**	**$ 25,553,900**	**$ 13,600,000**	**$ 39,153,900**

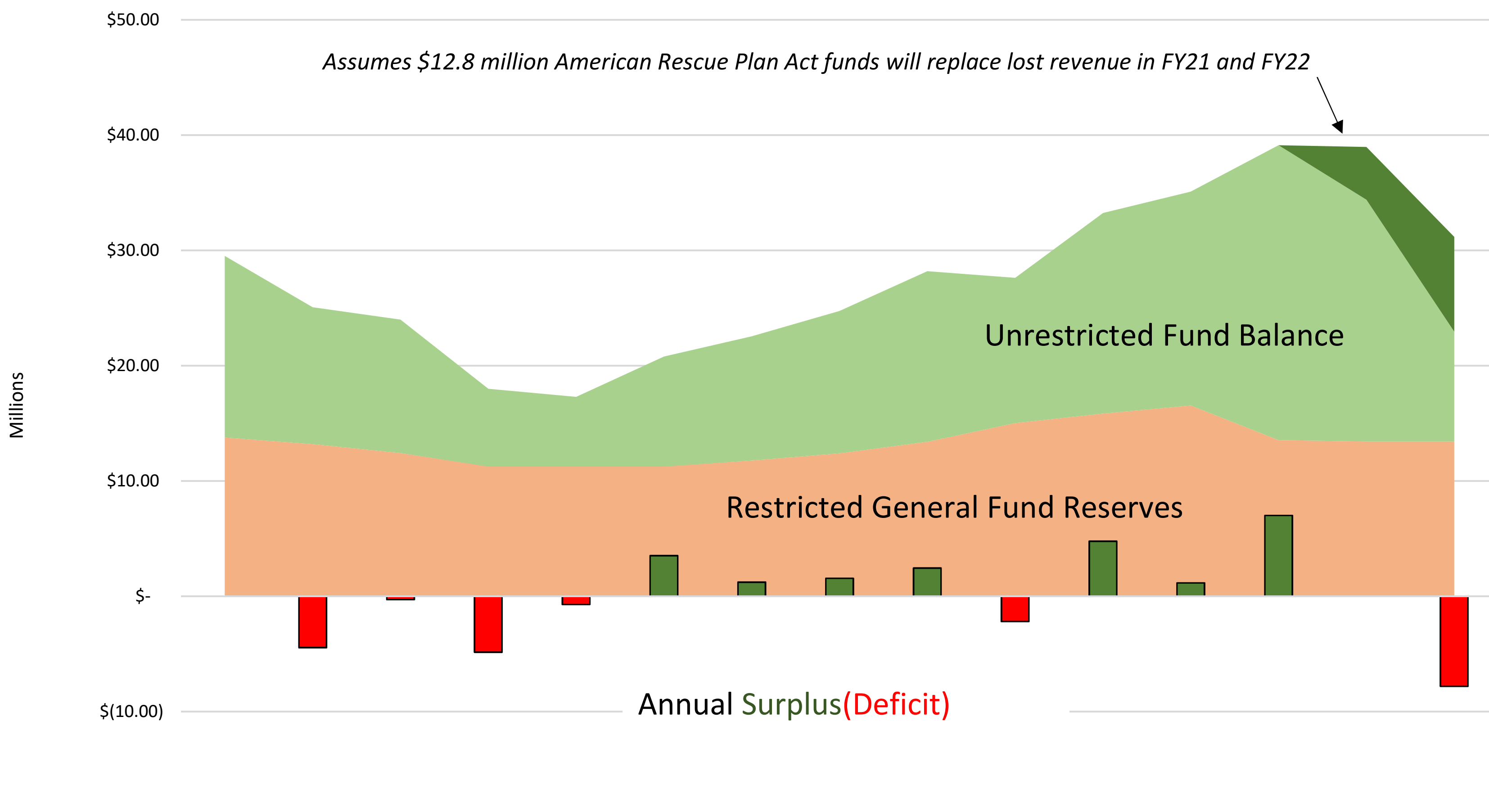
FY20-FY22 Budget Summary and Impact on Fund Balances

4/2/2021

	Revenues	Expenditures	Surplus (Deficit)	Combined General and Sales Tax Fund Balance: Unrestricted	Combined General and Sales Tax Fund Balance: Restricted Reserve	Combined General and Sales Tax Fund Balance: Total
FY2021						
Assembly Adopted Budget	**$ 156,996,200**	**$ (152,030,300)**	**$ 4,965,900**	**$ 30,519,800**	**$ 13,600,000**	**$ 44,119,800**
FY2022						
Remove One-Time CARES Act Funding	$ (11,021,600)					
Reduction in Investment Income over Prior Year	$ (1,174,600)					
Reduced Charges for Service	$ (604,700)					
Lost Reimbursement for Ambulance Transports	$ (400,000)					
Increased Sales Tax COJ Bad Debt Expense	$ (200,000)					
HBT Shortfall: GF Subsidy to Centennial Hall	$ (173,100)					
Reduced Federal Support (various)	$ (135,800)					
Lost Housing & Homelessness Coordinator State Grant	$ (110,000)					
Miscellaneous Lost Revenue	$ (30,258)					
Increased State Revenue Sharing	$ 145,100					
Dimond Park Field House User Fees	$ 203,800					
Liquor/Marijuana Sales Tax Growth over Prior Year	$ 350,000					
Engineering Salaries paid by CIPs	$ 406,300					
Waste Management Fund Balance to General Fund	$ 579,100					
Shéiyi Xaat Hít (Spruce Root House) Federal/State/Private Grants	$ 620,600					
Property Tax: Assessed Valuation Growth over Prior Year	$ 674,100					
Property Tax: Additional 0.2 mills	$ 1,038,758					
Sales Tax Growth over Prior Year	$ 3,100,000					
Federal American Rescue Plan Act (replace lost revenue)	$ 8,234,900					
Augustus Brown Pool Renovations (delayed from FY21)		$ (3,300,000)				
Unreimbursed School Bond Debt		$ (2,809,000)				
Increase to Streets CIP Over FY21		$ (2,000,000)				
Increase to 1% Projects Over FY21		$ (1,600,000)				
Shéiyi Xaat Hít (Spruce Root House)		$ (634,600)				
Additional GF Cost of Recycleworks		$ (600,000)				
Merit Increases (and associated benefits)		$ (536,208)				
1% Negotiated Wage Increase		$ (453,436)				
Increase to employer portion of health care costs		$ (338,520)				
Additional GF Support to JSD - Up to the Cap		$ (438,900)				
Dimond Park Field House		$ (289,100)				
Other Personnel Actions (and associated benefits)		$ (285,090)				
Re-establishment of Two FY21 Temp Unfunded Positions		$ (262,500)				
GF Subsidy to Debt Service		$ (258,000)				
Increased Fleet Replacement Contributions		$ (209,000)				
Other Non-Personnel Expenditure Increases		$ (153,946)				
Increased Building Maintenance Expenses		$ (155,500)				
Restored FY21 Travel Reductions		$ (149,400)				
Capital Outlay Expenditure Reductions		$ 196,100				
Manager Proposed Budget	**$ 158,498,800**	**$ (166,307,400)**	**$ (7,808,600)**	**$ 17,745,300**	**$ 13,600,000**	**$ 31,345,300**

Updated 4/1/2021

15-Year General Government Fund Balance History and Projections
Includes Sales Tax Fund

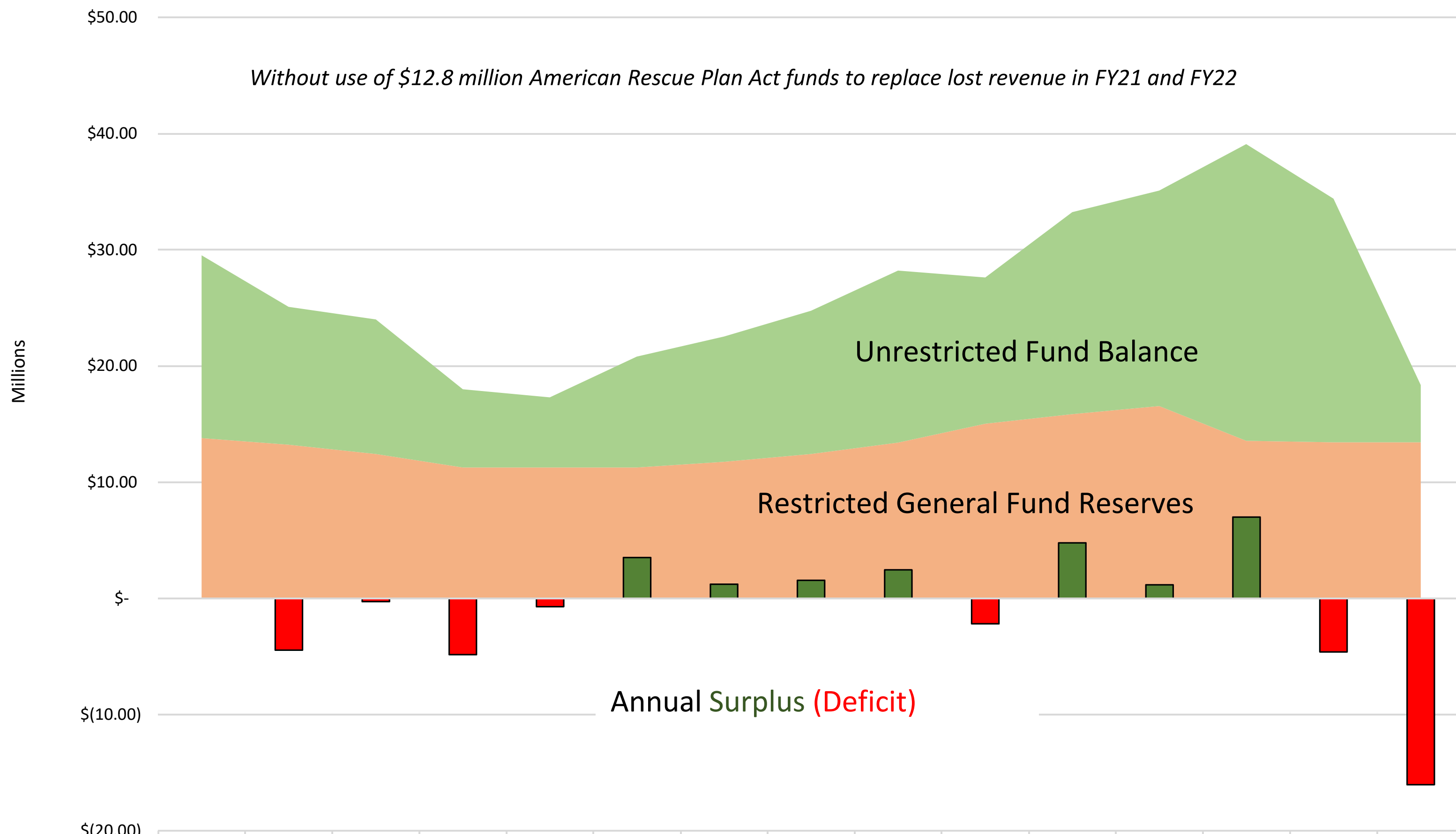


	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Use of ARPA Funds														$4.60	$8.23
Unrestricted Fund Balance	$15.74	$11.87	$11.58	$6.74	$6.03	$9.55	$10.78	$12.34	$14.79	$12.60	$17.38	$18.54	$25.55	$20.96	$9.51
Reserves	$13.79	$13.21	$12.42	$11.26	$11.26	$11.26	$11.76	$12.41	$13.41	$15.02	$15.86	$16.55	$13.55	$13.44	$13.43
Surplus/(Deficit)		$(4.45)	$(0.29)	$(4.84)	$(0.71)	$3.52	$1.23	$1.56	$2.45	$(2.19)	$4.78	$1.17	$7.01	$-	$(7.81)

Updated 4/1/2021

15-Year General Government Fund Balance History and Projections

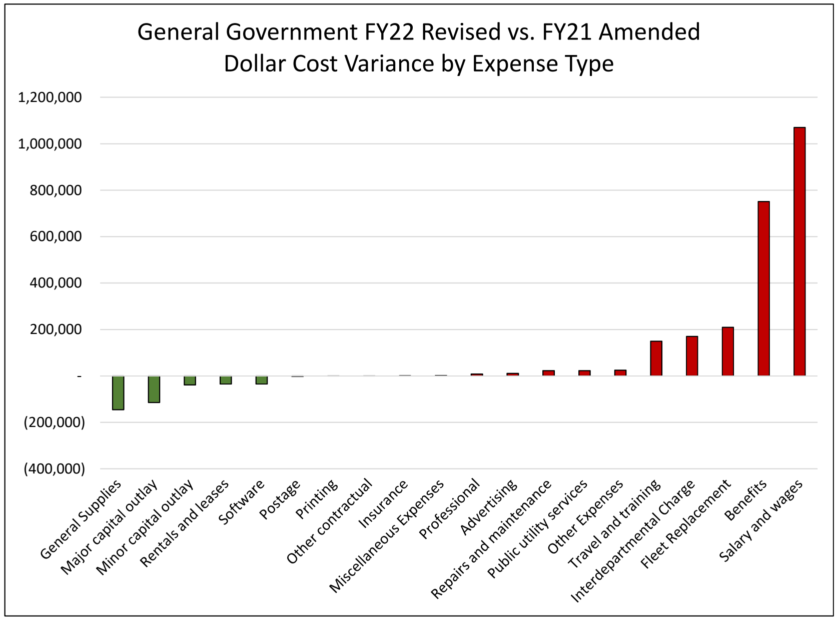
Includes Sales Tax Fund

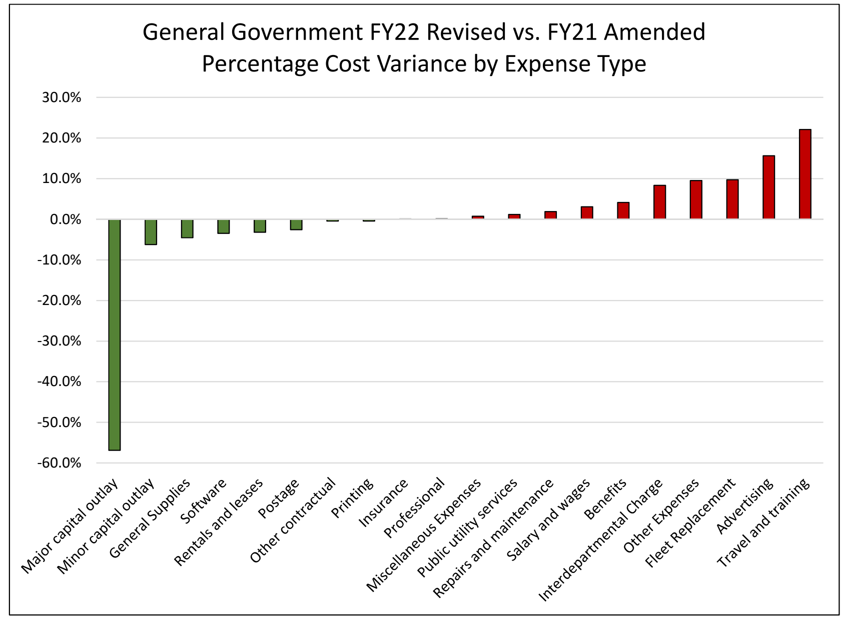


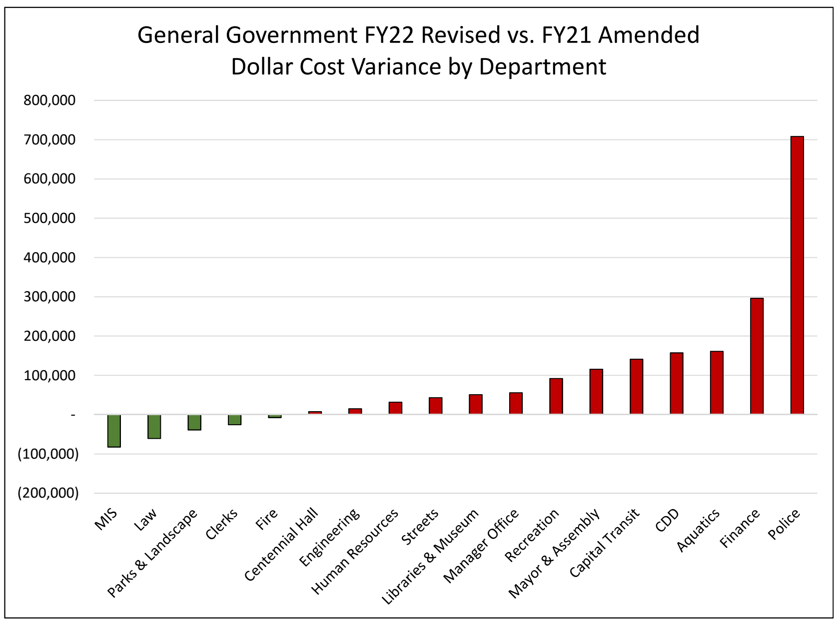
	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Unrestricted Fund Balance	$15.74	$11.87	$11.58	$6.74	$6.03	$9.55	$10.78	$12.34	$14.79	$12.60	$17.38	$18.54	$25.55	$20.96	$4.91
Reserves	$13.79	$13.21	$12.42	$11.26	$11.26	$11.26	$11.76	$12.41	$13.41	$15.02	$15.86	$16.55	$13.55	$13.44	$13.43
Surplus/(Deficit)		$(4.45)	$(0.29)	$(4.84)	$(0.71)	$3.52	$1.23	$1.56	$2.45	$(2.19)	$4.78	$1.17	$7.01	$(4.60)	$(16.04)

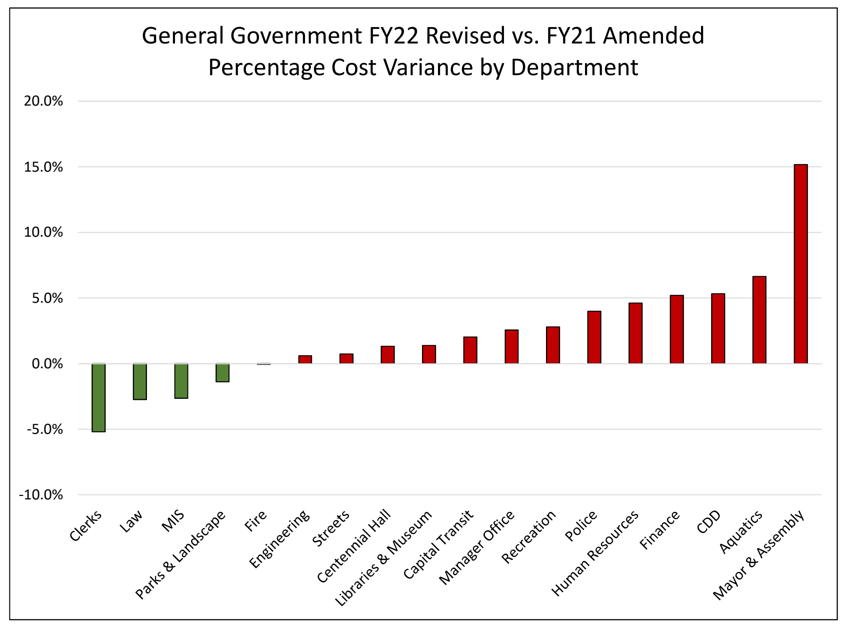
FY22 Revised vs. FY21 Amended Budget
General Government Expenditure Changes

4/1/2021









JUNEAU SCHOOL DISTRICT

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

March 29, 2021

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 cooperation. The District truly appreciates CBJ's continual financial support of our community's children and the cooperation between CBJ staff and District staff involving many issues, especially recent pandemic issues.

The District is pleased to submit its FY 2022 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 18, 2021 meeting.

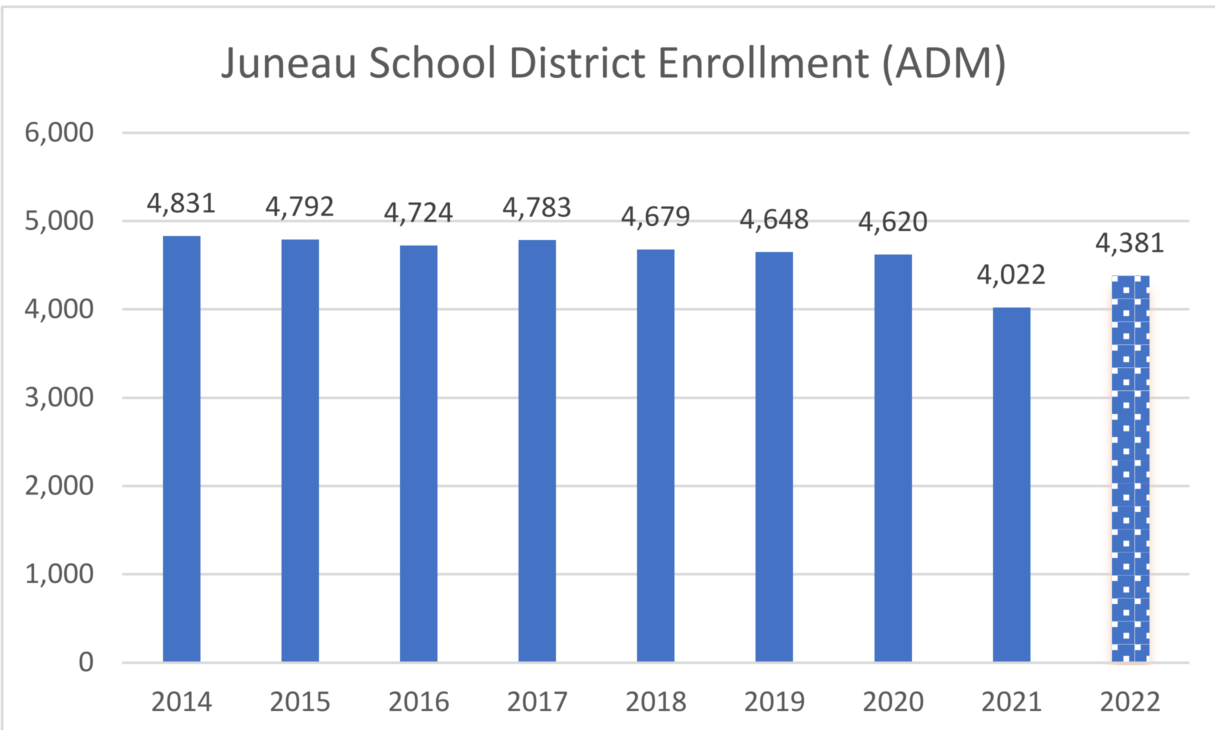
Prudent financial management is a fundamental responsibility of the District. Effective budgeting is essential to provide a solid base of core academic programs and maintain a staff of quality professionals. The District anticipates that state and local funding and unassigned fund balance dollars will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

Budget Development History

The Juneau School District continued its public budget process this year with the Board's concurrence by following a partial, zero-based budgeting system. The District held a series of meetings to inform the public about the budget, and about various spending alternatives. The following is brief history of these meetings:

Date	Description
January 14	Combined Site Councils
January 26	Board Work Session
February 2	Public Forum
February 16, 20, 22	Board Work Sessions
February 26	Special Board Meeting
March 9	First FY 2022 Budget Reading
March 18	Final FY 2022 Budget Reading

Enrollment
The pandemic significantly impacted the Juneau School District's 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. The District lost over 12% of its enrollment from a year ago because of the pandemic. Many former students enrolled in a state-wide correspondence program. The District's correspondence program, HomeBRIDGE, enrolled 410 students when it normally enrolls 30 to 40 students. Here is a graph of recent enrollment with next year's projection:



Projecting next year's enrollment is fraught with many uncertainties. The administration surveyed HomeBRIDGE parents and last year's families who are now enrolled in a state-wide correspondence program to ask them if they planned to return to in-school learning next year. District officials believe more than half of these students will return to in-school learning. Accordingly, the District has projected an enrollment with that assumption for next year while realizing that not all students will return to in-school learning.

The District is projecting an enrollment of 4,381 students next year, with an increase of 359 students over the current year, assuming that in-school learning will resume next August. The District estimates that 150 students will continue in the HomeBridge correspondence program. The District is also projecting that next year, 91 students will receive an intensive level of special education services. This is a reduction from 93 students receiving those services this school year.

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:

FY22 Projected	SPED PK	K	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL	FY 21
AB	5	51	44	52	48	50	61								311	220
GA	10	51	44	51	47	40	33								276	217
GV	10	51	45	59	44	47	53								309	237
HV	10	52	33	41	47	26	39								248	195
TCLL	0	12	13	12	10	12	13								72	65
MR	15	50	45	42	41	42	54								289	240
RB	10	51	46	51	49	43	50								300	250
JCCS	0	13	9	12	10	13	9	8	9	9					92	81
MONT	0	10	8	16	22	22	21	20	21	18					158	139
DH								126	162	151					439	408
FD								136	140	131					407	347
JD											161	157	137	141	596	538
TM											174	159	139	143	615	572
YK*											4	17	27	51	99	83
JYC									0	1	3	4	5	7	20	20
HB	0	6	12	12	12	12	12	12	12	12	12	12	12	12	150	410
TOTAL	60	347	299	348	330	307	345	302	344	322	354	349	320	354	4381	4022
FY 21	62	229	309	298	280	317	283	318	299	316	337	310	339	325	4022	
Erickson's Mid-Range		272	295	339	323	302	335	298	340	318	351	346	317	351	4187	

The District's Operating Fund

The Operating Fund is the Juneau School District's principal fund for general school operations. Nearly all of it is funded by the state's foundation program which provides state funding and governs minimum and maximum local funding to it.

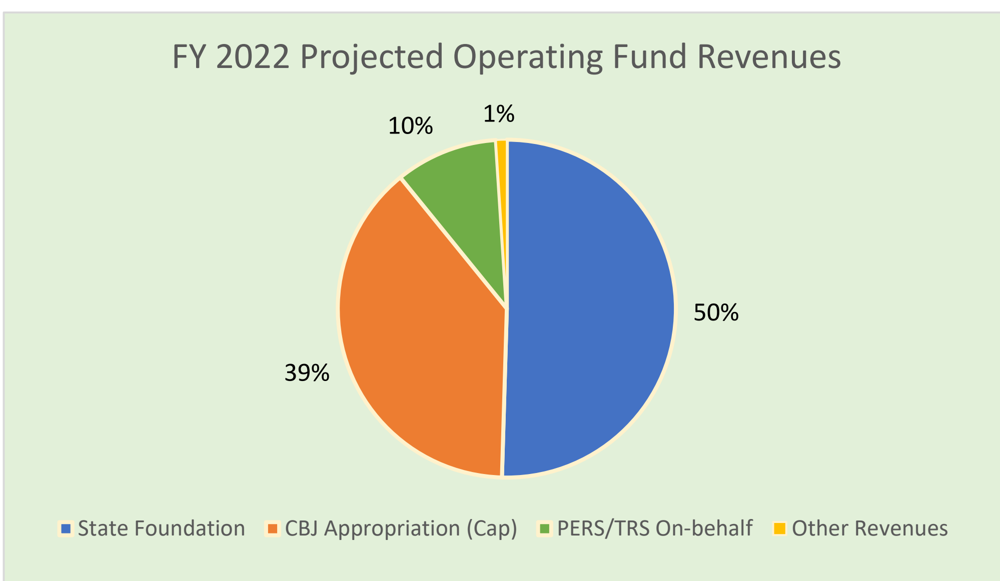
Operating Fund Summary

Estimated Revenues	$ 70,472,400
Use of Fund Balance	1,300,000
Total Resources	$ 71,772,400
Required Expenditures	$ 11,037,700
Essential Expenditures	59,630,300
Prioritized Spending Expenditures	1,104,400
Total Planned Expenditures	$ 71,772,400

In estimating its financial resources for next year, the District made the following FY 2022 revenue assumptions:

1. The Legislature will maintain the base student allocation of $5,930.
2. The Legislature will not provide supplemental funding to school districts next year.
3. CBJ will appropriate funds at the maximum level permitted by law for general school operations.
4. The E-Rate revenue is estimated at $300,000 for FY 2022. This is the same amount as in the FY 2021 budget.
5. The District will carry over $1,300,000 into FY 2022 as its beginning unassigned operating fund balance.

About half of the Operating Fund revenue is state funding from the foundation program while 39% is the CBJ General Fund Appropriation request. Another 7% 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 "Cap."



The estimated District's spendable revenue for next year is $63,553,600 or $1,253,700 less than the current year. The state foundation program will be $1,619,600 less than this year. This seems odd in spite of anticipated higher enrollment next year. That is because the hold harmless provision that helped the District this year will be stepped down next year and the following year, and will end in FY 2024. Also, part of the reduction is because local assessed property values increased, which reduces the state's portion by $600,300. The CBJ General Fund Appropriation has two parts: a required local contribution based on assessed value as determined by the state assessor January 1, 2020; and an additional allowable amount in excess of the required local effort determined by enrollment (ADM) in October. The required local contribution increased $600,300 over FY 2021. The maximum allowable portion based on student enrollment decreased by $234,400 because the state foundation will be less next year. The District is requesting an additional $365,900 more in CBJ General Funding next year. The following table compares estimated FY 2022 revenue with the FY 2021 revised budget (omitting the on-behalf payments into the retirement systems):

Operating Fund Revenue	**FY 2021 Revised Budget**	**FY 2022 Budget**	**% change**
State Foundation	37,181,900	35,562,300	-4.4%
CBJ Appropriation	26,898,700	27,264,600	1.4%
Other Revenues	726,700	726,700	0.0%
Total Revenue	$ 64,807,300	$ 63,553,600	-1.9%
(not including PERS/TRS on-behalf payments)			
Estimated change in Operating Fund Revenue		$ (1,253,700)	

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

Operating Fund Expenditures		
Required Expenditures	$ 11,037,700	15%
Essential Expenditures	59,630,300	83%
Prioritized Spending Expenditures	1,104,400	2%
Total Planned Expenditures	$ 71,772,400	100%

The Board and administration worked together to budget for the Operating Fund and the ESSER II grant fund, a federal grant to assist school districts to recover from the pandemic. Several positions (three nurses and a portion of the chief of staff) were shifted from the Operating Fund to the ESSER II grant. Several other costs associated with remote learning will be funded by ESSER II next year.

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

1. The FY 2022 budget utilizes the latest negotiated agreements.
2. The average teacher will cost $108,000, including substitutes.
3. The average special education para-educator will cost $65,200.
4. Fuel oil costs will average $2.45 per gallon for 254,000 gallons of fuel purchased.
5. Electricity rates will remain at an average of 12.0 cents per KWH.
6. Other utility costs will remain the same.
7. The indirect cost rate for FY 2022 will be 5.60%.
8. The teacher allocation ratio used to calculate the number of classroom teachers in the operating fund is:

K – 3:	23.50:1	4– 5:	28.00:1
6 – 8:	25.00:1	9 – 12:	26.00:1

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

The District plans to use ESSER II funds to further reduce actual class sizes:

K – 3:	23.00:1	4– 5:	27.00:1
6 – 8:	24.50:1	9 – 12:	25.50:1

9. Each regular school will have a principal with both comprehensive high schools and both middle schools having an assistant principal. The two alternative schools will share a principal.
10. Classified school staff will decrease by approximately 2.30 FTE from FY 2021 actual staffing.
11. School allocation funds will be established at:

Elementary:	$124 per student, including pre-school students
Middle School:	$156 per student
High School:	$162 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 $102,200. Elementary school extra duty contracts will be issued in accordance with the negotiated agreement and paid from the District's Operating Fund.

The District plans to hire a web master and on-line program technician to handle technical issues because of the shift to on-line learning. The District also plans to hire an additional career and college advisor to assist the rising graduates planning for their future.

The original FY 2021 budget was based on an enrollment projection of 4,557 students who are attending regular, alternative, or charter schools and budgeted for teachers based on that assumption. Some certificated positions were not filled when enrollment dropped. The FY 2022 budget is based on an enrollment projection of 4,231 students in the same schools, resulting in a reduction of teaching positions. The District expects that through natural teacher attrition and new grant fund opportunities it will not have to lay off any teachers.

The District tapped all of its available fund balance in the Operating Fund to fund its general school operations next year. The following shows the Operating Fund's anticipated beginning fund balance (FY 2021 ending fund balance carried over into FY 2022):

Fund Balance Type	
Nonspendable	$287,333
Restricted	48,609
Assigned for FY 2022 Budget	1,300,000
Assigned for Other Purposes	2,488,178
Unassigned	-
Total	$4,124,120

The District expects it will receive ESSER III grant funds although it has not been officially notified of the allocation. These funds will assist in recovering student learning, and can help fund an unanticipated cost, if needed.

ESSER II grant budget

The District received notification from the Department of Education & Early Development (DEED) that the District was allocated $2,404,700 for the ESSER II grant. This is part of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act) enacted December 27, 2020. This grant covers expenditures through September 30, 2023. A portion of this grant will help fund a robust summer school program during June 2021.

As part of developing its budget next year, the Board and administration prioritized spending the ESSER II grant next year. First, three registered nurse positions and 40% of the chief of staff's position was shifted into this grant for funding next year. The ESSER II grant will not be able to fund these positions beyond FY 2022. Second, the Board prioritized spending for three reading and equity specialists for elementary schools to assist recovery of student learning. Third, this grant will fund summer school during July 2021. The Board and administration also decided to fund additional classroom teaching positions for smaller class sizes, again to assist in the recovery of student learning. The ESSER II grant will fund an administrative assistant for the IT department because of the tremendous impact caused by establishing remote learning and continuing on-line instructional services beyond FY 2022. It will fund on-going commitments for remote learning services, and, continued enhancement of the HomeBRIDGE program by additional leadership and other improvements.

Congress very recently passed another pandemic stimulus bill, which included funding the nation's school districts. The District expects an allocation notification from DEED momentarily.

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 2021. 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.

High School and Middle School Activities
Next year should be more typical for student activities. These funds pay for coaches and advisors, regional travel, supplies, and for the high school, leadership and support. Most high school coaches and advisor positions were contracted this year. Student activities looked different this year with limited student travel. Many activities had limited or different student events. Student fundraising activities were severely curtailed this year. The District expects to fully spend the high school activities money received from CBJ this year even though state travel was curtailed, there was still regional travel, officials, supplies, equipment, coaches and advisors. The District anticipates the expenditure of about half of the middle schools funding this year. The District is requesting funding for high school and middle school activities at the same level it funded them for FY 2021.

Food Service
The food service program came to the rescue of many families this past year. Next year's budget anticipates that schools will resume operation in August. The District is requesting $75,000 to help subsidize the food service program and make it affordable for families. The District expects to carry over the loss of funding from FY 2020 and FY 2021 into the next year.

Pupil Transportation
The state funds most of the District's bus services at $666 per student who are enrolled in regular, alternative, and charter schools. That per-pupil rate has not changed since FY 2015 and is expected to be the same next year making the estimated state funding $2,818,000. That means FY 2022 state funding is considerably less than funding in FY 2020 and earlier. At the same time contracted bus costs will increase because of inflation. The pupil transportation fund is expected to lose $568,000 next year. The District is respectfully requesting $250,000, an increase of $200,000 over the original FY 2021 budget, to help fund pupil transportation next year. Also, the administration will undertake a fresh look at ways to reduce the District's transportation costs, which is not an easy task. The number of regular buses depends on its elementary routes, which are running with an average of 36 – 37 riders each way. The special education routes are operating at capacity.

Kindergarten Readiness Program
The District plans to continue the kindergarten readiness program. 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 $300,000 in funding for the next year.

Community Schools

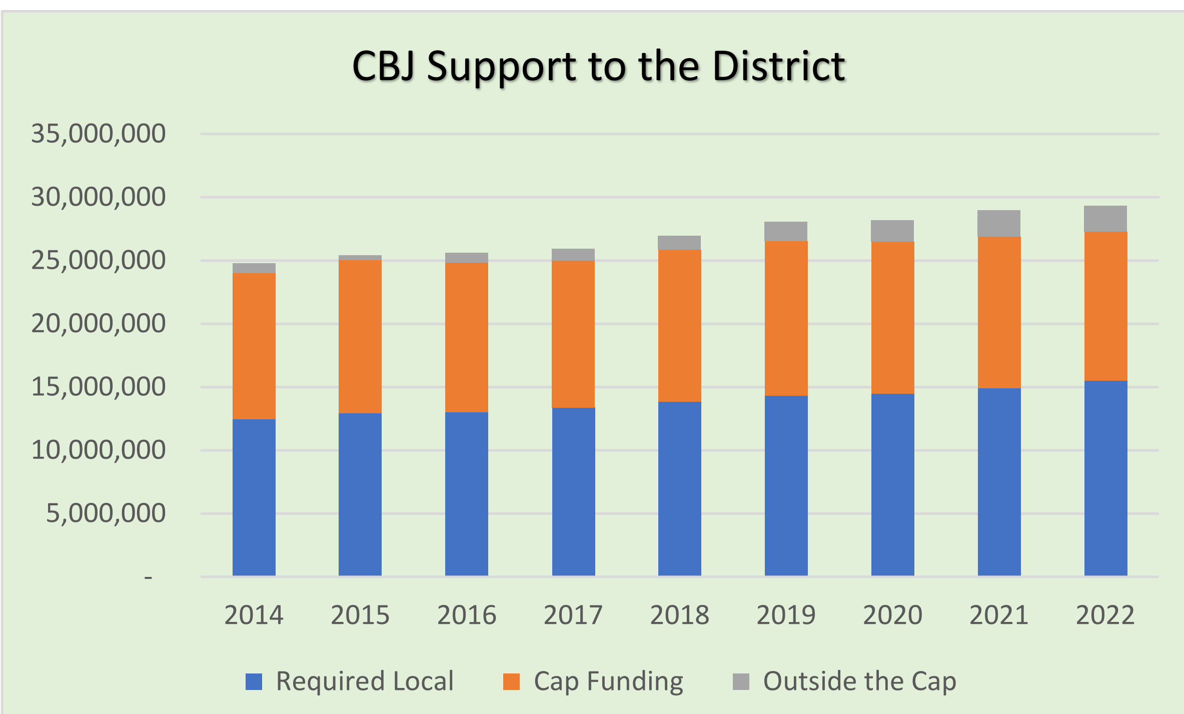
The District is requesting $95,000 for the Community School program; an amount that CBJ has supported for several years. This money helps facilitate community groups using schools, and partially offsets staff costs to make this possible.

RALLY

RALLY is experiencing a very troubling time during this pandemic. The number of RALLY students is very low while staff costs to provide services remains about the same. The District appreciates the additional support that was received during this year to keep RALLY afloat. The administration will take a fresh look at RALLY to find economical ways to maintain operations. The District is requesting $150,000 in support for RALLY next year.

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 $365,900 over the FY 2021 amended budget. In addition, it is requesting an additional $2,071,500 for other purposes: student activities, transportation, food service, Kinder Ready, Community Schools, and RALLY. This is an increase of $16,4000 over the FY 2021 original budget. The following shows recent requests for CBJ financial support to the District:



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

Request for Funding **Subject to CBJ Assembly approval**	**FY 2021 Revised Budget**	**FY 2022 Budget**	+/-
General School Operations	$ 26,898,700	$ 27,264,600	$ 365,900
Requests Outside the Cap			
K-12 Programs			
High School Activities	1,099,300	1,099,300	-
Middle School Activities	102,200	102,200	-
Transportation	50,000	250,000	200,000
Food Service	293,600	75,000	(218,600)
Total K-12 Programs	1,545,100	1,526,500	(18,600)
Other Programs			
Kinder Ready	300,000	300,000	-
Community Schools	95,000	95,000	-
RALLY	115,000	150,000	35,000
Total Other Programs	510,000	545,000	35,000
Supplemental Ordinances and Emergency Resolutions			
Pandemic Response Fund	2,590,200	-	(2,590,200)
Total Requests Outside the Cap	4,645,300	2,071,500	(2,573,800)
Total Requests for Funding	**$ 31,544,000**	**$ 29,336,100**	**$(2,207,900)**

Values rounded to the nearest hundred.

If the supplemental ordinances and emergency resolutions funding is excluded, then the FY 2022 funding request is an increase of $382,300.

Conclusion

The Board and District administrators are available to answer your questions concerning this budget. Representatives from the District will be present at the Assembly's Finance Committee meeting April 7, 2021 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

Dr. Bridget Weiss
Superintendent

Attachments:
CBJ Budget Summary – School District
FY 2022 Budget Outline

School District

	FY20 Actuals	FY21 Amended Budget	FY21 Projected Actuals	FY22 Approved Budget	FY22 Revised Budget
EXPENDITURES:					
Education - Operating					
Personnel Services	$ 65,420,200	63,613,300	64,585,300	64,196,000	64,950,800
Commodities and Services	7,795,900	7,812,000	7,340,400	6,200,000	6,821,600
Capital Outlay	21,600	-	-	-	-
Education Interfund Transfers	256,500	-	-	-	-
Totals	**73,494,200**	**71,425,300**	**71,925,700**	**70,396,000**	**71,772,400**
Education - Other					
Personnel Services	7,592,900	6,718,900	6,552,500	6,279,600	9,391,500
Student Activity Fundraising	1,507,900	2,100,000	348,900	2,100,000	1,650,000
Commodities and Services	6,872,400	11,298,871	9,842,800	8,199,000	9,582,700
Capital Outlay	83,000	15,000	15,000	15,000	-
Totals	**16,056,200**	**20,132,771**	**16,759,200**	**16,593,600**	**20,624,200**
Total Expenditures	**89,550,400**	**91,558,071**	**88,684,900**	**86,989,600**	**92,396,600**
FUNDING SOURCES:					
Education - Operating					
State Foundation Funding	37,676,000	37,182,000	37,181,900	37,000,000	35,562,300
State Contribution for PERS/TRS	6,337,200	5,400,000	6,886,000	5,400,000	6,918,800
State	1,183,700	-	-	-	-
Federal	129,900	200,000	200,000	200,000	200,000
Other	921,700	527,000	527,000	527,000	526,700
Support From					
Pandemic Response Fund	-	-	-	-	-
General Governmental Funds	26,777,300	26,898,700	26,898,700	26,900,000	27,264,600
Total Operating	**73,025,800**	**70,207,700**	**71,693,600**	**70,027,000**	**70,472,400**
Education - Other					
State	3,480,700	3,524,000	2,945,000	3,500,000	3,218,000
Federal	5,913,000	6,225,000	6,365,200	5,300,000	9,607,700
User Fees	1,515,600	2,500,000	676,800	2,500,000	2,002,000
Other	1,845,000	1,350,000	1,350,000	1,350,000	1,907,000
Student Activity Fundraising	1,956,900	2,100,000	591,200	2,100,000	1,650,000
Education Interfund Transfers	256,500	-	-	-	-
Support From					
Pandemic Response Fund	-	2,590,200	2,590,200	-	-
General Governmental Funds	1,676,500	2,055,100	2,055,100	2,055,100	2,071,500
Total Other	**$ 16,644,200**	**20,344,300**	**16,573,500**	**16,805,100**	**20,456,200**
Total Funding Sources	**89,670,000**	**90,552,000**	**88,267,100**	**86,832,100**	**90,928,600**
FUND BALANCE:					
Beginning of Period Reserved Balanc	814,800	754,400	754,400	754,400	754,400
Increase (Decrease) in Reserve	(60,400)	-	-	-	-
End of Period Reserve	**754,400**	**754,400**	**754,400**	**754,400**	**754,400**
Education - Operating					
Beginning of Period	4,824,600	4,356,200	4,356,200	4,124,100	3,755,100
Increase (Decrease) in Fund Balance	(468,400)	(1,217,600)	(232,100)	(369,000)	(1,300,000)
End of Period Fund Balance	**4,356,200**	**3,138,600**	**4,124,100**	**3,755,100**	**2,455,100**
Education - Other					
Beginning of Period	1,101,800	1,689,800	1,689,800	1,504,100	1,715,600
Increase (Decrease) in Fund Balance	588,000	211,529	(185,700)	211,500	(168,000)
End of Period Fund Balance	**$ 1,689,800**	**1,901,329**	**1,504,100**	**1,715,600**	**1,547,600**

FY 2022 BUDGET	Operating	K-12 Programs	Other Programs	Student Activities	ESSER II	Grants
REVENUES						
State Foundation Program	$ 35,562,300					
CBJ General Fund Appropriation	27,264,600					
CBJ Restricted Fund Appropriation		325,000	545,000	1,201,500		-
PERS/TRS On-behalf	6,918,800					
Other Revenues	726,700	5,132,000	1,693,000	-	2,158,700	9,401,000
OTHER FINANCIAL SOURCES						
Use of Unassigned Fund Balance	1,300,000	318,000				
Total Funding Sources	71,772,400	5,775,000	2,238,000	1,201,500	2,158,700	9,401,000
EXPENDITURES						
REQUIRED OPERATING EXPENDITURES						
Insurance: Property, Liability, etc.	995,600					
Learn to Swim	50,400					
Recovery of Indirect Costs	(432,000)				114,500	
Utilities	1,966,100					
Certificated Payment for Leave	45,000					
Teacher Discretionary	50,400					
Student Activities—Elementary	57,800					
JSAA Professional Development	56,100					
Juneau Community Charter School	1,324,700					
Grants Administrator	4,800					
Payments to Retirement Systems by State	6,918,800					
Subtotal Required Operating Expenditures	11,037,700				114,500	
ESSENTIAL EXPENDITURES						
Formula Driven Allocations						
Elementary Teachers	10,079,000				324,000	470,000
Middle School Teachers	4,255,100				75,600	
High School Teachers	6,904,600				97,200	23,000
Montessori Teachers	1,269,000					
HomeBRIDGE Teachers	194,400				18,000	
Principals	1,621,400					
Assistant Principals	589,600					
Classified Staffing	3,742,600					
Cultural Education Paraeducators	326,000					318,000
Health Services	598,400				319,500	
Health Services Supplies and Support	17,400					
School Non-personnel Budgets	875,500				30,000	
Total Formula Driven Allocations	30,473,000				864,300	811,000

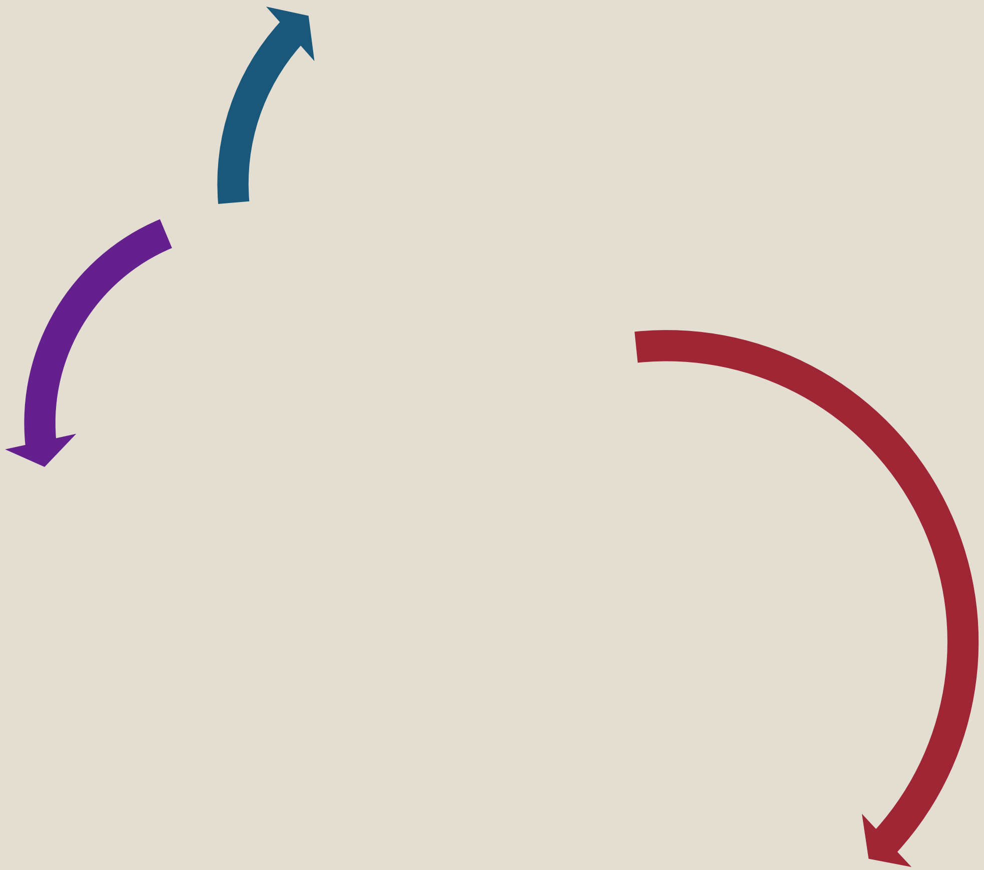
FY 2022 BUDGET	Operating	K-12 Programs	Other Programs	Student Activities	ESSER II	Grants
Program Based Allocations						
Special Education	15,993,900					1,499,000
English Learner	1,123,200					-
English Learner Supplies and Supervision	17,000					24,000
Talented Enrichment Development	651,200					-
Talented Enrichment Supplies	18,800					-
Teaching & Learning District Staff & Supplie	329,300				233,500	347,000
Native Student Success Instruction	-					738,000
Native Student Success Staff	98,700					277,000
Assessment Staff and Supplies	519,500					-
PowerSchool Services	29,700					-
Career & Technical Education Staff & Supplie	159,100					-
Guidance Counselor Supplies	3,500					-
Instructional Technology	879,500				46,000	-
Total Program Based Allocations	19,823,400				279,500	2,885,000
Administration						
Board of Education	73,800					
Office of Superintendent	379,600					
Chief of Staff and Communications	159,200				72,300	
Administrative Services and Fiscal Services	1,323,200				18,000	
Human Resources	704,200					
Total Administration	2,640,000				90,300	
Facility & Informational Technology						
Maintenance	1,718,900					
Custodial Services	3,465,200					
Auditorium	96,800					
Building Leases	(90,000)					
Information Technology	1,503,000				144,300	
Total Facility & Information Technology	6,693,900				144,300	
Subtotal Essential Expenditures	59,630,300	-	-	-	1,378,400	3,696,000
DISCRETIONARY SERVICES (PRIORITIZATION)						
Services, Supplies, and Equipment						
Passenger Van	38,000					
Maintenance Equipment	60,000					
Total Services, Supplies,and Equipment	98,000	-	-	-	-	-
School Based Support Services						
Elementary Reading & Equity Specialists	-				324,000	
Lead Teacher at HomeBRIDGE	18,000					
Additional HomeBRIDGE Teacher, if needed	108,000					
Second Career & College Advisor at HS	81,500					
Web Master & Online Program Technician	94,400					
Middle School TCLL Support Position	54,900					
Increased Non-Personnel School Allocations	108,000					
High School Credit Recovery Programs	-				30,000	
Total School Based	464,800	-	-	-	354,000	

FY 2022 BUDGET	Operating	K-12 Programs	Other Programs	Student Activities	ESSER II	Grants
Grant Funded Supplemental Instructional Programs						
Carl Perkins	-					89,000
Total Grant Funded Supplemental Instructi	-	-	-	-	-	89,000
District Level Staff Services Provided to Schools						
Elementary Art Specialists\	108,000					
Elementary STEM Specialist	108,000					
Elementary Integration Specialist	-					
Total Staff Services	216,000	-	-	-	-	-
District Level Enrichment Services Provided to Schools						
Instructional Services	223,800					-
Elders' Honoraria	15,000					-
Library Services	8,200					-
SAT/ACT/WorkKeys	18,000					-
Early Scholars	-					8,000
Juneau Youth Court	-					45,000
Total District Level Enrichment Services	265,000	-	-	-	-	53,000
Student Activities						
High School Activities	-			1,099,300	-	
Middle School Activities	-			102,200	-	
Student, Parent & Community Fund Raised						1,650,000
Total Student Activities	-	-	-	1,201,500	-	1,650,000
Targeted Assistance Programs						
Kinder Ready	-		300,000		18,000	173,000
Students and Families in Transition	-					20,000
School Improvement	-					211,000
Parent Involvement	-					20,000
Neglected and Delinquent Students	-					74,000
Title IV	-					175,000
Alternative High School	-					21,000
Youth in Detention	-					125,000
STEPS	-					500,000
21st Centrury (LEAP/CONNECT)	-					862,000
Margaret A. Cargill Artful Teaching Project	-					400,000
Literacy	-					215,000
Mental Wellness (AWARE)						431,000
Summer School					293,800	-
Miscellaneous Grant funds	-					156,000
Total Targeted Assistance Programs	-	-	300,000	-	311,800	3,383,000
Professional Development						
Professional Development	60,600					-
Teacher Training	-					314,000
State Contracted Travel	-					10,000
Title II-A grant	-					91,000
Total Professional Development	60,600	-	-	-	-	415,000

FY 2022 BUDGET	Operating	K-12 Programs	Other Programs	Student Activities	ESSER II	Grants
Student Services						
Social Services	-					90,000
Suicide Prevention	-					25,000
Total Student Services	-	-	-	-	-	115,000
Ancilliary Services for Students and Community						
Pupil Transportation		3,386,000				
Community Schools			395,000			
Food Service		2,389,000				
RALLY			1,393,000			
Total Ancilliary Services	-	5,775,000	1,788,000	-	-	-
Subtotal Discretionary Services	1,104,400	5,775,000	2,088,000	1,201,500	665,800	5,705,000
Total Expenditures	71,772,400	5,775,000	2,088,000	1,201,500	2,158,700	9,401,000
Estimated Funding Sources less Projected Expenditures	-	-	150,000	-	-	-

BUDGET SUMMARY	Operating	K-12 Programs	Other Programs	Student Activities	ESSER II	Grants
Total Funding Sources	71,772,400	5,775,000	2,238,000	1,201,500	2,158,700	9,401,000
Required Expenditures	11,037,700	-	-	-	114,500	-
Essential Expenditures	59,630,300	-	-	-	1,378,400	3,696,000
Other Essential Expenditures	1,104,400	5,775,000	2,088,000	1,201,500	665,800	5,705,000
Total Expenditures	71,772,400	5,775,000	2,088,000	1,201,500	2,158,700	9,401,000
Funding Sources less Expenditures	-	-	150,000	-	-	-

FUND BALANCE SUMMARY	Operating	K-12 Programs	Other Programs	Student Activities	ESSER II	Grants
Projected Beginning Fund Balance	1,300,000	(300,000)	(602,000)	56,600	-	-
Use of fund balance	(1,300,000)	(318,000)	-	-	-	-
Revenues in Excess of Expenditures	-	-	150,000	-	-	-
Estimated Year End Fund Balance	-	(618,000)	(452,000)	56,600	-	-



DOCKS AND HARBORS FY21/FY22 BUDGET

Docks & Harbors Board
to
Assembly Finance Committee
April 7th, 2021

Board Members

Don Etheridge(Board Chair)

James Becker (Board Vice-Chair) (1st term expires 06/30/2021)

Mark Ridgway(OPS/Planning Chair)

Bob Wostmann (OPS/Planning Vice-Chair & Finance Sub-Committee Chair)

Chris Dimond (1st term expires 06/30/2021)

James Houck (1st term expires 06/30/2021)

Annette Smith

David Larkin

Lacey Derr

- Carl Uchytil, P.E. – Port Director
  - Teena Larson – Administrative Officer
    - Vacant – Port Admin I .42 FTE
    - Mary Wolf – Admin I
  - Matthew Creswell – Harbormaster
    - **Harbor Offices**
      - Jennifer Sims – Administrative Assistant III
        - Ashley Bruce – Statter Admin II
        - Tony Safford – Aurora Admin I
        - Mandy Mesdag – Aurora Admin I
        - Alison Dwyer – Statter Admin I
        - Vacant .42 FTE – Statter/Port Admin
    - **Downtown Harbors**
      - John Osborn – Operations Supervisor Harbor
        - Doug Liermann – Harbor Officer
        - Kyle Nelson – Harbor Officer
        - Jeremiah Cryts – Harbor Officer
        - Patrick Davis – Harbor Officer
    - **Statter Harbor**
      - Jeremy Norbryhn – Deputy Harbormaster
        - Tom Boddy – Harbor Officer
        - John Forchemer – Harbor Officer
        - Sean McKeown – Harbor Officer .5 FTE
        - Vacant – Harbor Officer .5 FTE
        - Sarah Mikesell – Harbor Technician .5 FTE
    - **Port Operations**
      - Scott Hinton – Operations Supervisor Port
        - Dan Turner – Harbor Officer .5 FTE
        - Sara Boyd – Harbor Officer .5 FTE
        - John Matheson – Harbor Officer .5 FTE
        - Monica Todden – Harbor Officer .5 FTE
        - Vacant – Harbor Officer .5 FTE
        - Vacant – Harbor Officer .5 FTE
        - James Miller – Harbor Technician .5 FTE
        - Kenneth Davis – Harbor Technician .5 FTE
        - Vacant – Harbor Technician .5 FTE
        - Vacant – Harbor Technician .5 FTE
        - Vacant – Harbor Technician .5 FTE
        - Vacant – PTL Harbor Technician .33 FTE
        - Vacant – PTL Harbor Technician .33 FTE
        - Vacant – PTL Harbor Technician .33 FTE
        - Vacant – PTL Harbor Technician .33 FTE
        - Vacant – PTL Harbor Technician .33 FTE
        - Vacant – PTL Harbor Technician .33 FTE
  - Erich Schaal, P.E. – Port Engineer
    - Vacant – Construction Inspector
    - Matthew Sill, P.E. – Deputy Port Engineer
    - Vacant – PTL Eng Architect .25 FTE

- 44 Total Individuals
  - 18 year round
  - 18 Seasonal Dock
  - 6 Seasonal Harbor
  - 2 CIP funded

Yellow – Seasonal Employees .5 FTE
Blue – Regular Employees 1 FTE
Green- Part Time Limited .33 FTE
Purple – CIP Funded

Docks – Comparatives

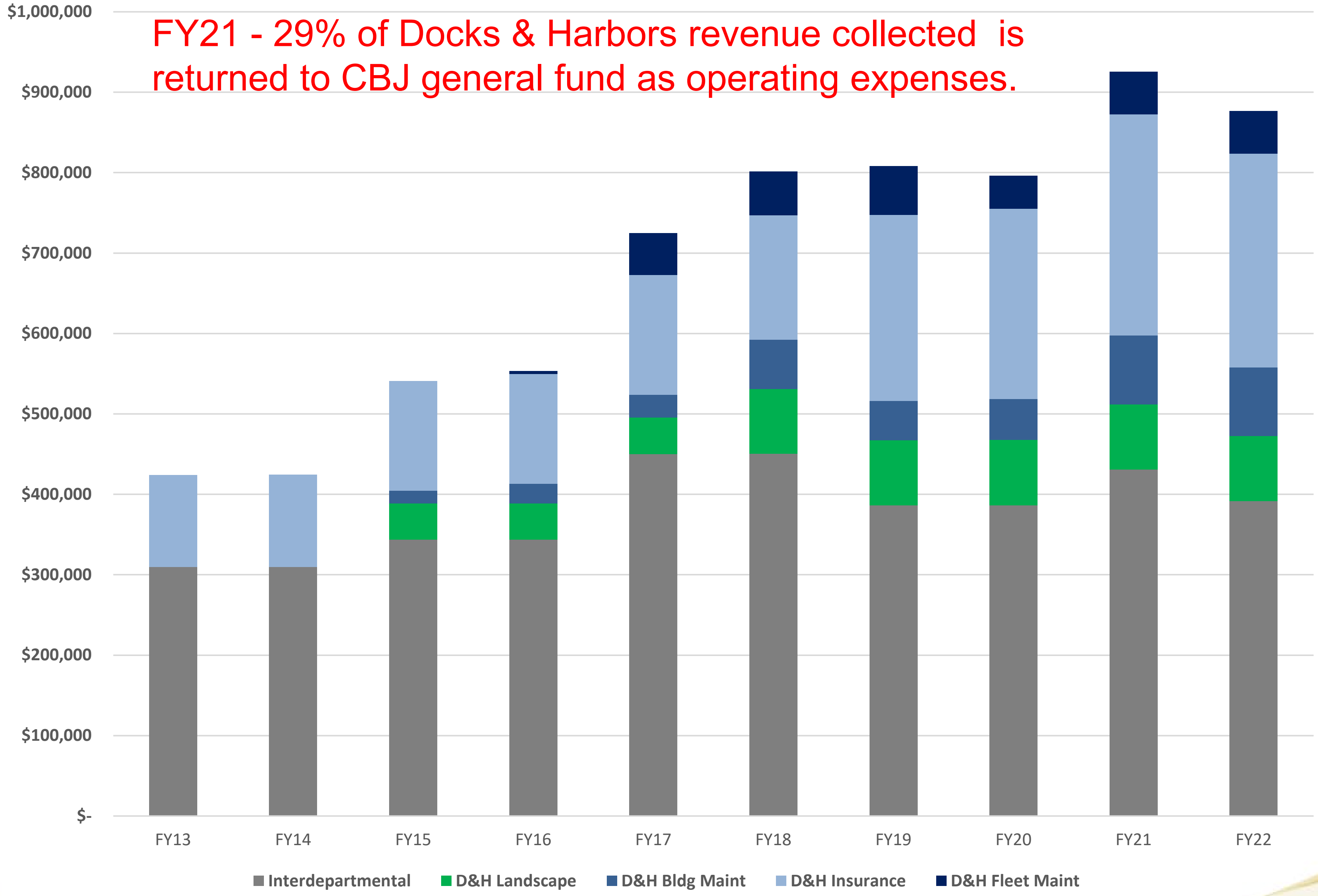
Pre-Suspension of Canadian Ports Extension

	FY20 Actuals	FY21 Adopted Budget	FY21 Projected Actuals	FY22 Approved Budget	FY22 Revised Budget
EXPENSES:					
Personnel Services	$ 687,300	1,133,600	967,700	1,173,300	1,086,400
Commodities and Services	687,900	983,700	872,200	979,200	965,100
Capital Outlay	23,900	35,000	1,000	35,000	1,000
Support to:					
Marine Passenger Fee	-	-	-	-	-
Capital Projects	-	-	-	-	-
Total Expenses	**1,399,100**	**2,152,300**	**1,840,900**	**2,187,500**	**2,052,500**
FUNDING SOURCES:					
Interdepartmental Charges	11,000	15,100	15,100	15,100	15,100
Charges for Services	1,143,400	1,660,000	330,000	1,660,000	1,250,000
Licenses, Permits and Fees	-	-	-	-	-
Interest	147,200	70,000	70,000	70,000	70,000
Support from Capital Projects	3,700	-	-	-	-
Support from Marine Passenger Fee	55,000	448,500	448,500	448,500	448,500
Support from Port Development Fee	358,500	-	-	-	-
Total Funding Sources	**1,718,800**	**2,193,600**	**863,600**	**2,193,600**	**1,783,600**
FUND BALANCE:					
Beginning Available Fund Balance	2,266,900	2,586,600	2,586,600	1,609,300	1,609,300
Increase (Decrease) in Fund Balance	319,700	41,300	(977,300)	6,100	(268,900)
End of Period Fund Balance	$ **2,586,600**	**2,627,900**	**1,609,300**	**1,615,400**	**1,340,400**
STAFFING	**13.76**	**13.76**	**13.74**	**13.76**	**13.74**

Docks Enterprise
Fixed Operating Costs

- Personnel Costs - $430K
  - One year round employee (1.0 FTE)
  - Five year round employees shared with Harbors Enterprise (2.1 FTE)
- Interdepartmental Fee - $215K
- Insurance – $154K
  - Specialty & Property $129K
  - General Liability $9K
  - Workers Comp $16K
- P& R Building Maintenance & Landscaping - $78K
- Port Office Rent - $65K
- Trash, water, sewer, & electrical - $33K
- Docks Enterprise fixed expenditure $975K

Other City Department Fees



FY21 Dock Highlights

- Last earned revenue was from October 2019
- Only revenue to date $448,500 from MPF (Projected FY21 Revenue was over $2M)
- Minimum of $800K from Docks Fund Balance will be required to balance FY21 Docks Budget
- Only 5 seasonal Dock Employees (out of 18) brought back in CY20 for maintenance
- Numerous waterfront maintenance projects were completed with in-house seasonal Dock employees
  - LUMBERMAN demolition clean-up and preparation
  - Concrete sealant of floating docks
- Completion of $12.5M Downtown Waterfront Improvement Project

Draft FY22 Marine Passenger Fee Proposal
City Manager to AFC
January 26th, 2021

	Direct Cost	Overhead*	Total
Debt Service: Juneau Cruise Terminal Docks	2,093,600		**2,093,600**
CBJ Municipal Services			
Ambulance/EMS Support	842,300	69,300	**911,600**
Police Support	883,300	72,700	**956,000**
Seawalk, Open Space and Restroom Maintenance	405,500	33,400	**438,900**
Street Cleaning/Repair	215,000	17,700	**232,700**
D&H- Port Management & Landscaping	315,000	25,900	**340,900**
D&H- Port Customs Office Bldg Maint	133,500	11,000	**144,500**
Third-Party Visitor Services by Assembly Grant			
Travel Juneau - Crossing Guards	363,400		**363,400**
Travel Juneau - Visitor Information Services	150,000		**150,000**
DBA - Downtown Security Program	67,000		**67,000**
TBMP - Best Management Practices Support	15,000		**15,000**
Franklin Dock Enterprises (Security, Restrooms)	170,000		**170,000**
AJ Juneau Dock, LLC (Security, Restrooms)	179,800		**179,800**
Total Proposed FY22 Passenger Fee Expenditures	**5,833,400**	**230,000**	**6,063,400**

**Proportional allocation of CBJ overhead costs for management, administration, finance, and legal support*

FY22 Docks Summary

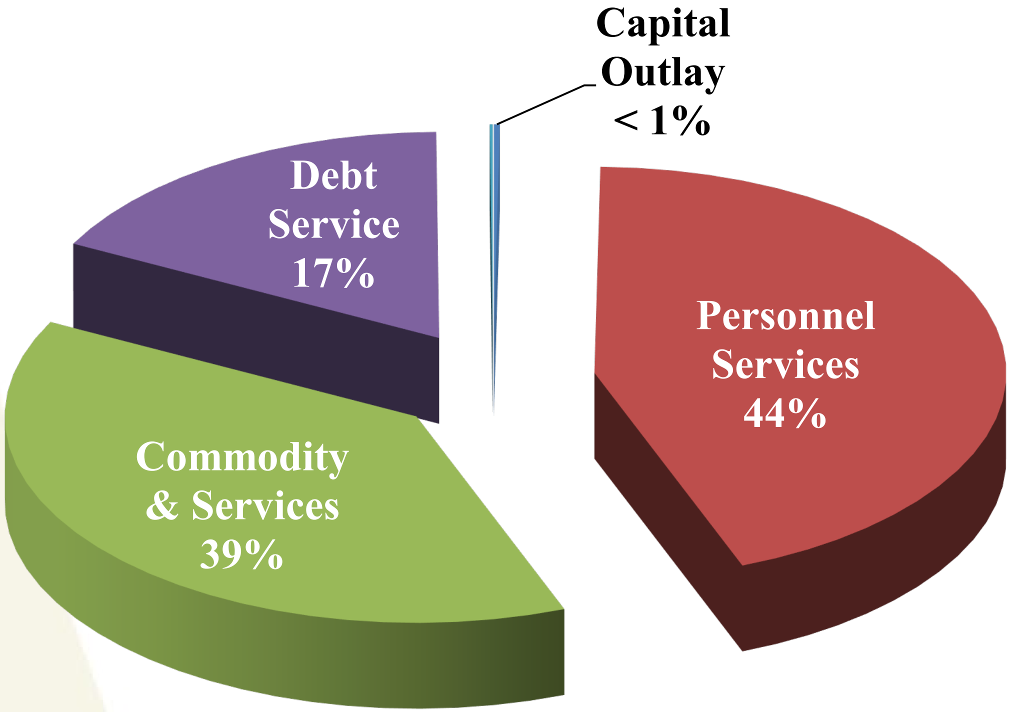
- CY21 Cruise Ship Season remains bleak & uncertain
- Docks Enterprise to bring back 2 of 18 seasonal Docks employees for CY21
- Potentially only revenue for 32 months will be Marine Passenger Fees (Oct 2019 to May 2022)
- Anticipating that no general funds, CARES Act or American Rescue Plan funding will be available to Docks Enterprise

Harbors - Comparatives

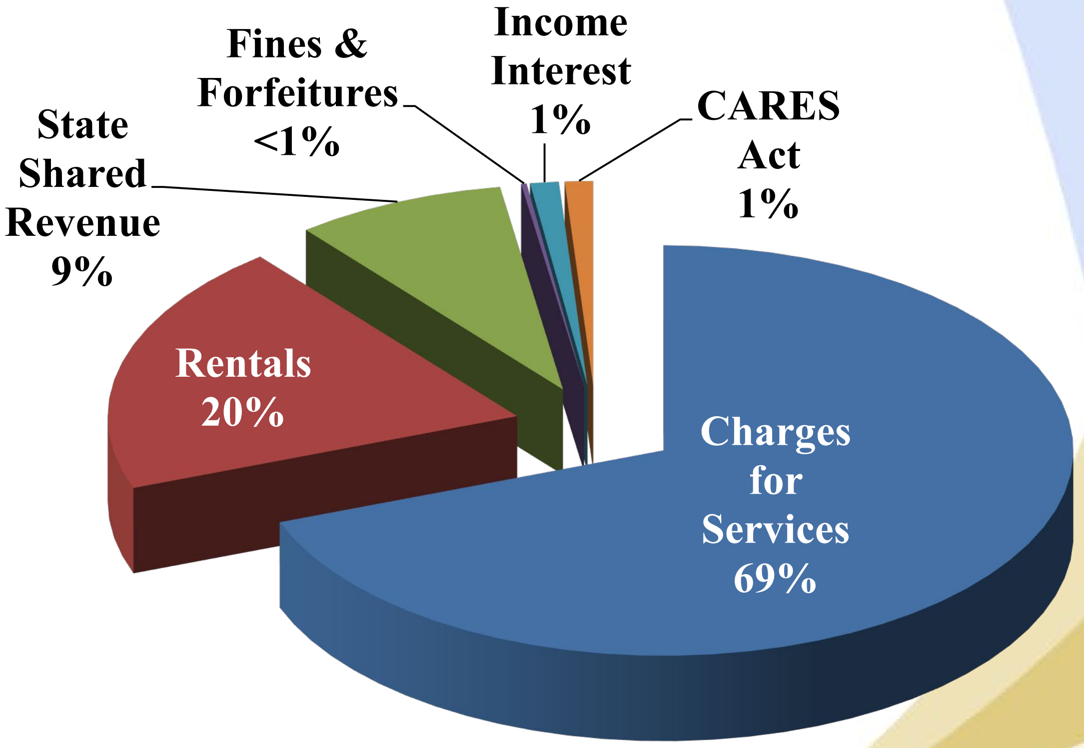
	FY20 Actuals	FY21 Adopted Budget	FY21 Projected Actuals	FY22 Approved Budget	FY22 Revised Budget
EXPENSES:					
Personnel Services	$ 1,754,400	1,872,800	1,926,100	1,935,000	1,916,300
Commodities and Services	1,427,400	1,637,800	1,673,800	1,626,800	1,715,700
Capital Outlay	-	10,000	5,000	10,000	5,000
Debt Service	646,300	738,400	738,400	737,600	737,600
Support to Capital Projects	155,000	-	-	-	-
Total Expenses	**3,983,100**	**4,259,000**	**4,343,300**	**4,309,400**	**4,374,600**
FUNDING SOURCES:					
Charges for Services	3,014,600	3,340,000	3,225,000	3,340,000	3,225,000
Rentals	925,700	890,000	925,000	890,000	925,000
State Grants	-	-	-	-	-
State Shared Revenue	409,200	275,000	388,600	365,000	300,000
Fines and Forfeitures	12,300	15,000	10,000	15,000	10,000
Licenses, Permits & Fees	46,500	-	-	-	130,000
Interest Income	162,400	70,000	52,500	70,000	52,500
Support from Capital Projects	-	300	-	-	-
Support from Pandemic Response	26,900	-	52,000	-	-
Total Funding Sources	**4,597,600**	**4,590,300**	**4,653,100**	**4,680,000**	**4,642,500**
FUND BALANCE:					
Debt Service Reserve	749,500	782,300	782,300	782,300	782,300
Increase (Decrease) in Reserve	32,800				
End of Period Reserve	**$ 782,300**	**$ 782,300**	**$ 782,300**	**$ 782,300**	**$ 782,300**
Beginning Available Fund Balance	(309,500)	305,000	305,000	614,800	614,800
Increase (decrease) in Fund Balance	614,500	331,300	309,800	370,600	267,900
End of Period Fund Balance	**$ 305,000**	**$ 636,300**	**$ 614,800**	**$ 985,400**	**$ 882,700**
STAFFING	**16.33**	**16.33**	**16.33**	**16.33**	**16.33**

Harbors Budget
FY21 $4.3M

Harbor Expenditures

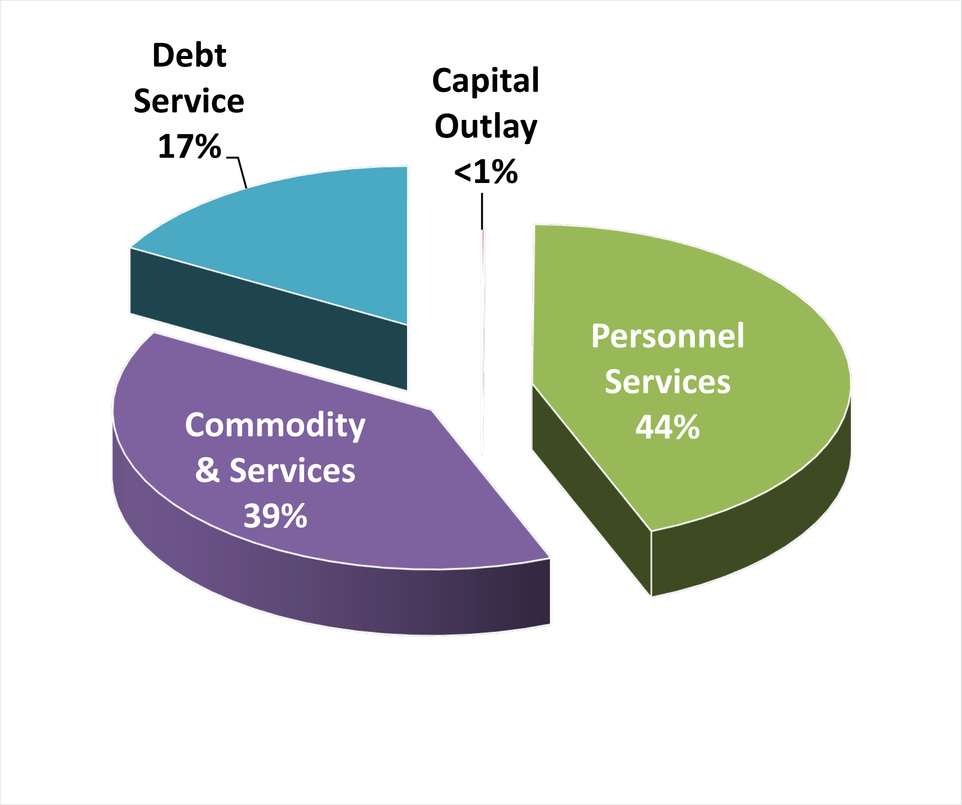


Harbor Revenue

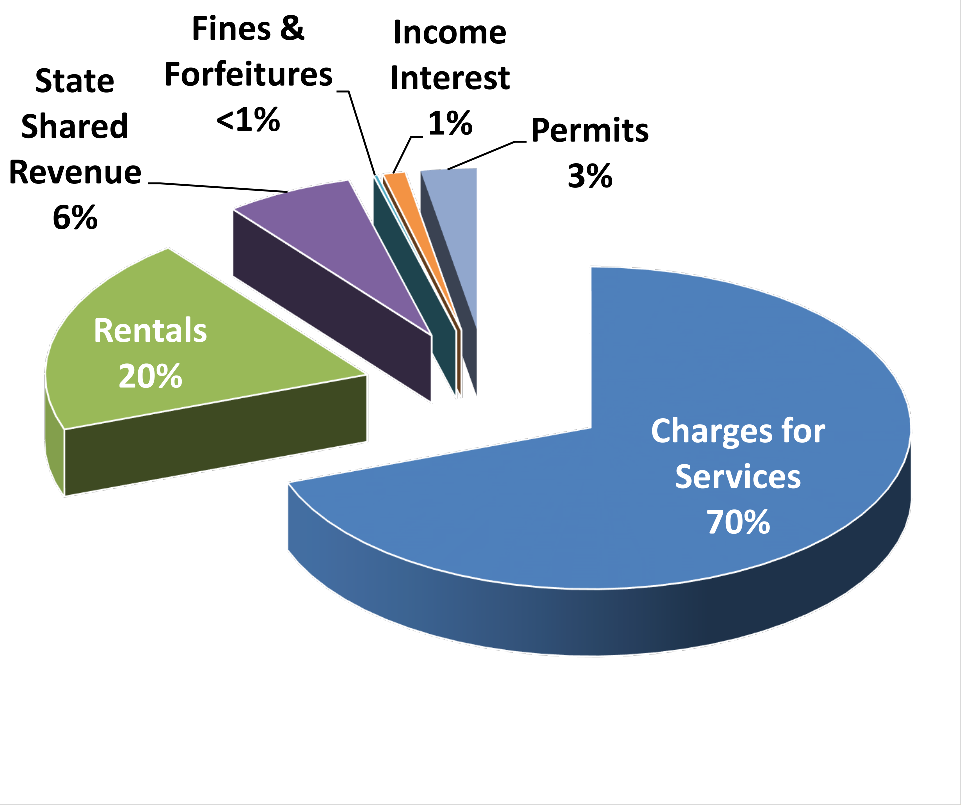


Harbor Budget
FY22 $4.37M

Harbors Expenditures



Harbors Revenue



FY21 Harbors Summary

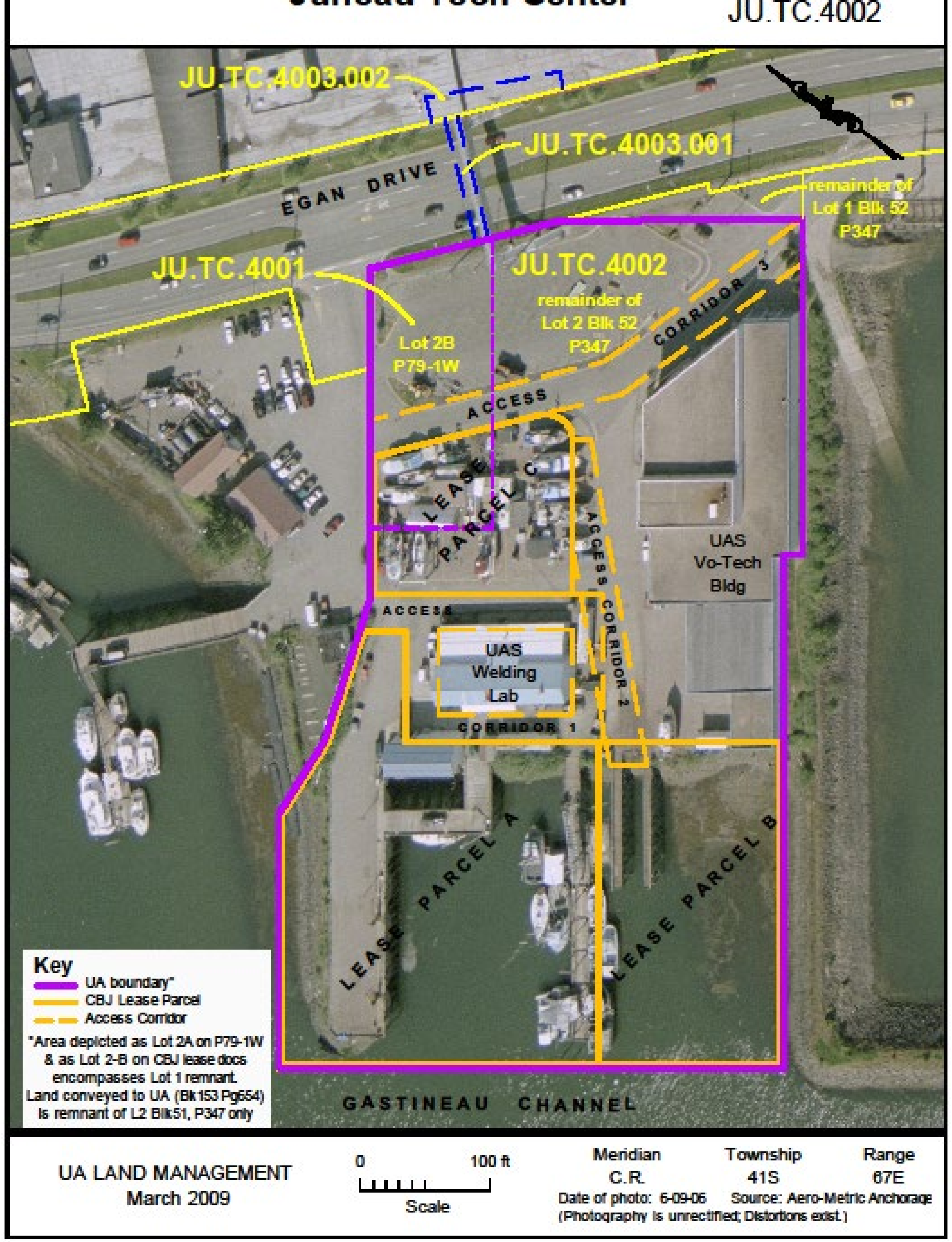
- Only 3 of 6 seasonal Harbor Employees brought back in CY20 for operations
- Demolition of North End of Aurora Harbor Floats using in-house seasonal employees
- Deputy Harbormaster position remained vacant through most of FY21
- Completion of $4.1M Statter Harbor Improvement Phase IIIA (Dredging)
- Completion of $4.3M Statter Harbor Improvement Phase IIIB (For Hire Floats) - anticipated NLT June 7th
- Completion of Douglas Harbor Zinc Anode Installation - $148K
- Advertising for Harris Harbor Zinc Anode - $254K
- LUMBERMAN clean-up & disposal cost will exceed $100K
- Anticipating no withdraw from Harbor Enterprise Fund balance for FY21

FY22 Harbors Summary

- Reducing expenditures where possible – returning only 4 of 6 seasonal employees in CY21
- Diminished tourism related revenue will reduce service and future projects to the community
- New reevaluation of Juneau Tram lease property will result in loss of revenue of $70K/year
- $18K annual Encroachment Permit being requested by ADOT for Auke Bay Loading Facility
- Anticipating no general funds or American Rescue Plan funding will be available to Harbors Enterprise
- Board is evaluating rate increases for fees which haven't been adjusted since 2004
- Expiring lease (May 4th) with UA at Juneau Fisheries Terminal will strain Harbors budget

Juneau Tech Center & Juneau Fisheries Terminal

- Leased 2.8 acres from UA since 1988 below FMV (~$15K/year)
- Lease expires May 4th with option to extend lease 33 years at FMV
- Appraisal sets new lease FMV rent at $230,400/year
- UA indicated willingness to sell at appraised value of $2.88M (2.8 ac)
    - 15 year Revenue Bond estimated at $240K/year
- Entire UA property appraised $8.57M (5.34 ac)
- Property needed to support commercial fishing & boatyard industry
- Board considering new revenues sources



Docks & Harbors Capital Improvement Projects

Downtown Waterfront Improvements

- Downtown Waterfront Improvements ($12.4M) – Completion April 2021
- Small Cruise Ship Moorage Study ($112K) – Completed
- Large Berth Shorepower Design ($227K) – Completion June 2021

Statter Harbor Improvements

- For Hire Facility Phase III A ($4.1M) – Completed
- For Hire Facility Phase III B ($4.4M) - Completion May 2021
- For Hire Facility Phase III C ($4M) – Future

Douglas Harbor

- Pile Anode Installation ($148K) – Completed July 2020

Harris Harbor

- Pile Anode Installation ($253K) – Completion Summer 2021

Aurora Harbor

- Phase III ($8M) – Future

Seawalk Improvements

- Marine Park Lightering Float Deck Over ($1.3M) – Future
- Taku Seawalk Redecking ($60K) – Completion Summer 2021

CITY & BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
DOCKS & HARBORS

FY 2022 CIP

Gold Creek Trestle Bridge, August 26, 1912   Alaska State Library - Historical Collections

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

What are the categories of funding?

CITY AND BOROUGH OF
JUNEAU
ALASKA'S CAPITAL CITY

General Sales Tax Funds: $1.5 million

- Eaglecrest, Manager's Office (JPD,CCFR,etc)
- Parks and Rec Maintenance Obligations
  - Building Maintenance
  - Parks and Playgrounds
  - Sportsfields
  - Trails

Street Sales Tax: $9.6 million

- Street Maintenance Projects
  - Some priority driven by Street Dept maintenance
  - Other priority driven by utility (Water or Wastewater) maintenance
- Transit (shelters, infrastructure maintenance)
- Miscellaneous items as funding needs identified
  - EV Charging
  - Contaminated site reporting (regulatory follow-up)
  - Matching funds for Grant funded projects
    - Elect Bus Charger infrastructure installation FY20,21,22
    - Kax Trail – FY 21
    - Valley Transit Center FY19,20

CITY AND BOROUGH OF JUNEAU ALASKA'S CAPITAL CITY

Voter Approved Special 1% Sales Tax

- Special voter approved 1 % funding
- Projects approved by voters. Funding schedule was set by the Finance Committee
- Annual funding planned to be $8.7 million
  - FY22 shows $10.3 million – includes $3.3million funding for AB Pool that was deferred funding from FY21 due to COVID uncertainty.
  - Centennial Hall funding $1.7 million FY22, $1.8 million FY23 removed

    Will be funded with voter approved Bond Sales.

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

FY19 - FY24 1% Sales Tax Project Funding Schedule

Department	Project & Total Cost	Allocation (Millions)	Prior ST Extension FY18	3 Mo. FY19	FY19 - 24 9 Mo. FY19	FY20	FY21	FY22	FY23	3 Mo. FY24
Public Works	Wastewater Existing Infrastructure Mtnc	13.5			2	2.6	1.5	3.7	3.2	0.5
Parks & Rec	Building Maintenance - CBJ Owned	3.5			0.5	0.7	0.7	0.7	0.7	0.2
Public Works	Water Existing Infrastructure Mtnc	2				1	1		0	
Airport	Airport FAA Project Match	3	1.8					0.6	0.6	
Parks & Rec	P&R Augustus Brown Pool Deferred Mtnc	5				1.7	3.3			
Parks & Rec	P&R Centennial Hall Upgrade/Deferred Mtnc	4.5						~~1.7~~	~~2.8~~	
School District	Building Maintenance - JSD Major Mtnc / Matc	5			0.8	1	1	1	1	0.2
Hospital	BRH - Rainforest Recovery Center Upgrades	2.5	0.7		1.8					
Manager	IT - Infrastructure Upgrades	2		0.4	0.4	0.4	0.4	0.4		
Public Works	Waste - RecycleWorks Waste Diversion Progr	2	0.6	0.2	0.2	0.4	0.4	0.2		
Manager	Housing	2			0.4	0.4	0.4	0.4	0.4	
Parks & Rec	Parks	0.5				0.5				
Harbors	Harbor - Aurora Harbor Rebuild Phase III	1.5								1.5
	Totals:	$47.0	3.1	0.6	6.1	8.7	8.7	8.7	8.7	2.4

Centennial Hall funding coming from Bond Sale

Marine Passenger Fees

- No funding in FY22 due to COVID / no cruise ships
- Typically a funding category in CIP resolution
- Nomination process through the City Managers Office

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

Enterprise Funds

- Departments that generate revenue
- Contribute to CIP based on their available funds and their priorities
  - Bartlett Hospital
  - Lands and Resources
  - Water, Wastewater Utilities
  - Docks and Harbors
    - **REVISION NOTE**: D&H request removed from FY22 CIP due to available funding already appropriated. This change is reflected in CIP resolution included in the introduced Budget – please strike from your Draft CIP Book.

DRAFT FISCAL YEAR 2022
DOCKS AND HARBORS FUND

DEPARTMENT	PROJECT	FY22 BUDGET
~~Docks and Harbors~~	~~Harris Harbor Anode Installation~~	~~$ 125,000~~
	~~**Docks and Harbors Fund Total**~~	~~**$ 125,000**~~

FISCAL YEAR 2022
LANDS & RESOURCES FUND

DEPARTMENT	PROJECT	FY22 BUDGET
Lands & Resources	Pederson Hill Phase IB	$ 700,000
Lands & Resources	Pits and Quarries Infrastructure Maintenance and Expansion	50,000
	Lands & Resources Fund Total	**$ 750,000**

FISCAL YEAR 2022
WASTEWATER ENTERPRISE FUND

DEPARTMENT	PROJECT	FY22 BUDGET
Wastewater Utility	MWWTP SCADA	$ 1,000,000
Wastewater Utility	Harris Street	200,000
Wastewater Utility	Tongass Boulevard Phase II Sewer replacement	75,000
Wastewater Utility	Facilities Planning (Long Term Treatment Options, I&I Reduction)	200,000
Wastewater Utility	Lift Station upgrades	500,000
Wastewater Utility	MWWTP Treatment Upgrades	1,800,000
Wastewater Utility	JDTP Instrumentation Upgrades	250,000
Wastewater Utility	Teal Street - street reconstruction	250,000
Wastewater Utility	W 3rd and Dixon rehab (Telephone Hill) sewer improvements	28,000
Wastewater Utility	Meadow Lane Improvements - street reconstruction	61,000
Wastewater Utility	Cedar St. - Mendenhall to Columbia - street reconstruction	25,000
Wastewater Utility	Misty Lane (Bayview Subd) reconstruction (including pump station)	950,000
Wastewater Utility	Areawide Collection System Improvements	100,000
Wastewater Utility	Pavement Management Program-Utility Adjustments	20,000
	Wastewater Enterprise Fund Total	**$ 5,459,000**

FISCAL YEAR 2022
WATER ENTERPRISE FUND

DEPARTMENT	PROJECT	FY22 BUDGET
Water Utility	West 3rd and Dixon rehab (Telephone Hill) Water replacement	$ 167,000
Water Utility	Tongass Blvd Phase II water system replacement - street reconstruction	647,000
Water Utility	Douglas Area water system design scoping	200,000
Water Utility	Meadow Lane(Stikine to south end) (Street Recon)	120,000
Water Utility	Cedar St (mend to columbia) (Street Recon)	59,700
Water Utility	Robbie Rd, Ling Ct and Laurie Lane Reconstruction (street recon)	60,000
Water Utility	Teal Street water system replacement - street reconstruction	260,000
Water Utility	Misty Lane (Bayview) water system replacement - street reconstruction	115,000
Water Utility	Harris Street water system replacement - street recon	300,000
Water Utility	Spruce Lane water system replacement - street recon	100,000
Water Utility	Reservoir Inspections/improvements	300,000

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

Unscheduled Funding

- Speculative funding requests that would required an appropriation of the funding when it becomes available:
  - Grant funding requests
    - Airport Projects- FAA Grant funding
    - Grant projects – ADOT Harbor Grant, Neighborhood Parks Challenge
  - Project special needs identified without funding source
    - School District – MRCS boiler
    - JPD and CCFR Radio System
    - Pederson Hill future phases
- **REVISION NOTE:** Voter Approved G.O. Bond Projects and Centennial Hall have been removed from the Unscheduled Funding lists due to bond sales and funding occurring prior to FY22. This change is reflected in CIP resolution included in the introduced Budget – please strike from your Draft CIP Book.

Water Utility	LCB Well Pump VFD conversion and programming updates	300,000
Water Utility	Areawide Water System Repairs	120,000
Water Utility	Pavement Management Water Utility Adjustments	8,000
	Water Enterprise Fund Total	**$ 2,756,700**

ORDINANCE 2019-06 CAPITAL PROJECTS FUNDING TOTAL	**$ 35,390,700**
ORDINANCE 2019-06 OPERATING BUDGET FUNDING TOTAL	**$ 600,000** *

** Operating Budget Funding*

(c) The following list, as set forth in the "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2022-2027," are capital improvement projects identified as priorities proposed to be undertaken beginning in FY22, but are dependent on other unsecured funding sources. As the sources are secured, the funds will be appropriated:

~~FISCAL YEAR 2022~~
~~VOTER APPROVED GENERAL OBLIGATION BOND PROJECTS~~

~~DEPARTMENT~~	~~PROJECT~~	
~~School District~~	~~DHMS and Riverbend JSD Roof~~	~~$ 2,500,000~~
~~Parks and Recreation~~	~~Glacier / Downtown Fire Improvements~~	~~1,600,000~~
~~Parks and Recreation~~	~~Melvin Park Sports lighting repair/replacement~~	~~1,000,000~~
~~Parks and Recreation~~	~~Savikko Lighting Replacement~~	~~300,000~~
~~Parks and Recreation~~	~~Savikko Park paving and improvements~~	~~750,000~~
~~Parks and Recreation~~	~~Hank Harmon Rifle Range work~~	~~200,000~~
	~~**General Obligation Bond Projects total**~~	~~**$ 6,350,000**~~

FISCAL YEAR 2022
JUNEAU SCHOOL DISTRICT UNSCHEDULED FUNDING

DEPARTMENT	PROJECT	
School District	Mendenhall River Community School Boiler Renovation	$ 900,000
	Juneau School District Unscheduled Funding Total	**$ 900,000**

FISCAL YEAR 2022
AIRPORT UNSCHEDULED FUNDING

DEPARTMENT	PROJECT	
Airport	Float Pond Improvement (South Road/Embankment) Phase 2	$ 1,730,000
Airport	Property Acquisition	1,500,000
	Airport Unscheduled Funding Total	**$ 3,230,000**

FISCAL YEAR 2022
UNSCHEDULED FUNDING

DEPARTMENT	PROJECT	
Lands & Resources	Pederson Hill IB	$ 500,000
Docks and Harbors	Harris Harbor Anode Installation - ADOT Grant	125,000
Parks & Recreation	Neighborhood Park Challenge Grant Match	15,000
~~Parks & Recreation~~	~~Centennial Hall Mechanical, Electrical and Ballroom Upgrades~~	~~4,500,000~~
Managers Office	JPD and CCFR - Radio System replacement	12,000,000
	Unscheduled Funding Total	**$ 17,140,000**

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

CITY AND BOROUGH OF
JUNEAU
ALASKA'S CAPITAL CITY

CIP is 95% Maintenance Projects

- $21,400,000 in sales tax funded CIP projects
  - $400,000 in Sustainability projects – EV and LED lighting improvements
    - Standalone CIPs incorporate sustainability improvements
      - Street reconstructions upgrade street lighting with LED fixtures
      - Deferred Maintenance projects evaluate the most sustainable opportunities within available budget
  - $400,000 to Affordable Housing Fund
  - $200,000 to RecycleWORKS Program
- $20,400,000 (95%) to CBJ Infrastructure Maintenance and Repairs

CIP Moving Forward
what the process could look like next year

- Incorporate Energy Efficiency Criteria for CIP Projects
- PWFC review of CIP process in fall (Sept/Oct)
  - Align with Assembly goals
  - Identify Assembly priorities
- Develop the Legislative Priority List as a parallel document to the CIP
  - Longer term and more visionary projects can be articulated, advocated for and flushed out.
  - Develop a process to think through projects so they could be ready to take advantage of future funding opportunities

CITY AND BOROUGH OF JUNEAU ALASKA'S CAPITAL CITY

Questions?

Thank you

City and Borough of Juneau
Assembly Finance Committee (AFC)
FY22 Revised Budget Calendar and Key Dates – as of 3/24/2021
Wednesdays at 5:30 pm, unless otherwise stated

APRIL 2021

5th **Regular Assembly Meeting – Monday – 7:00 pm**
Regular Assembly Meeting to Introduce FY22 Revised Budget
- A. Introduction of the General Operating CBJ Budget Ordinance 2021-08
- B. Introduction of the General Operating School District Budget Ordinance 2021-09
- C. Introduction of the Mill Levy Ordinance 2021-10
- D. Introduction of the CIP Resolution 2937

7th **AFC Meeting #1 – 5:30 pm**
- A. FY22 Revised Budget Overview
- B. School District Budget Presentation
- C. Docks & Harbors (Carl Uchytil, Port Director)

14th **AFC Meeting #2 – 5:30 pm**
- A. FY22 Revised Budget Overview (cont.)
- B. Eaglecrest Ski Area (Dave Scanlan, Eaglecrest General Manager)
- C. Capital Improvements Projects Program Budget/Plan

21st **Special Assembly Meeting - 5:30 pm - Followed by Assembly Finance Committee**
Within 30 days after receipt of the Juneau School District budget, the Assembly shall determine the amount to be made available from local sources for school purposes, and shall furnish the School Board with a statement (motion) of the amount to be made available for FY22 School District operations. (Charter Section 13.6 (b)).

Public hearings on the following (must be completed by May 1, per Charter Section 9.6)
- A. General Operating CBJ Budget Ordinance 2021-08
- B. General Operating School District Budget Ordinance 2021-09
- C. Capital Improvement Program (CIP) Resolution 2937
- D. Mill Levy Ordinance 2021-10

21st **AFC Meeting #3 (Immediately following Special Assembly Meeting)**
- A. Juneau International Airport (Patty Wahto, Airport Manager)
- B. Bartlett Regional Hospital Presentation (Kevin Benson, CFO)
- C. Debt Service Presentation
- D. Proposed Mill Rate Presentation
- E. School District - Funding “Outside the cap” – For Action
- F. School Operating Budget – For Action

28th **AFC Meeting #4 – 5:30 pm**
- A. Hotel-Bed Tax Funding
- B. Travel Juneau (Liz Perry, President/CEO)
- C. Juneau Economic Development Council (Brian Holst, Executive Director)
- D. Revised Passenger Fee Recommendations – For Review
- E. Childcare

MAY 2021

5th **AFC Meeting #5 – 5:30 pm**

A. Marine Passenger Fee Recommendations – For Action
B. Capital Improvements Projects Program Budget/Plan – For Action
C. Requested Budget Increments
D. Pending Items List

12th **AFC Meeting #6 – 5:30 pm**

A. School District Funding Ordinance 2021-09 – For Final Action
B. Requested Budget Increments
C. Pending Items List
D. FY21 Supplemental Review

19th **AFC Meeting #7 – 5:30 pm**

A. Fund Balance – Committee Questions
B. Pending Items List – For Final Action
C. Set Mill Rates – For Final Action
D. Final FY22 Revised Budget Decisions –
   a. CIP Resolution 2937
   b. Mill Levy Ordinance 2021-10
   c. General CBJ Operating Ordinance 2021-08

24th **Regular Assembly Meeting – Monday – 7:00 pm**

A. Adoption of the School District's General Operating Budget Ordinance 2021-09

26th **BREAK – No meeting unless needed for critical items.**

By May 31st, the assembly must determine the amount to be made available from local sources for school purposes (Charter Section 13.6 (b)).

JUNE 2021

2nd **AFC Meeting**

A. TBD

9th **AFC Meeting**

A. TBD

14th **Regular Assembly Meeting – Monday – 7:00 pm**

A. Adoption of the General Operating CBJ Budget Ordinance 2021-08
B. Adoption of the CIP Resolution 2937
C. Adoption of the Mill Levy Ordinance 2021-10

The Charter requires that the following budget actions be made by June 15th:

- **Appropriating Ordinances Adopting a Budget (Charter Section 9.7 (a))**
- **Mill Levy Ordinance (Charter Section 9.7 (b))**
- **CIP by Resolution (Charter Section 9.8)**

Presented by: The City Manager
Introduced: April 5, 2021
Drafted by: Engineering & Public Works Department

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2937

A Resolution Adopting the City and Borough Capital Improvement Program for Fiscal Years 2022 through 2027, and Establishing the Capital Improvement Project Priorities for Fiscal Year 2022.

WHEREAS, the CBJ Capital Improvement Program is a plan for capital improvement projects proposed for the next six fiscal years; and

WHEREAS, the Assembly has reviewed the Capital Improvement Program for Fiscal Year 2022 through Fiscal Year 2027, and has determined the capital improvement project priorities for Fiscal Year 2022.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Capital Improvement Program.

(a) Attachment A, entitled "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2022-2027," dated **June 1, 2021**, is adopted as the Capital Improvement Program for the City and Borough.

(b) The following list, as set forth in the "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2022 - 2027," are pending capital improvement projects to be undertaken in FY22:

FISCAL YEAR 2022
GENERAL SALES TAX IMPROVEMENTS

DEPARTMENT	**PROJECT**	**FY22 BUDGET**
Eaglecrest	Deferred Maintenance /Mountain Operations Improvements	$ 275,000
Manager's Office	JPD - Roof Replacement Condition Assessment and Design	100,000
Manager's Office	CCFR Downtown Fire Station Improvements	75,000
Parks & Recreation	Deferred Building Maintenance	500,000
Parks & Recreation	Park & Playground Deferred Maintenance and Repairs	150,000
Parks & Recreation	Sports Field Resurfacing & Repairs	300,000
Parks & Recreation	Trail Maintenance	100,000
	General Sales Tax Improvements Total	**$ 1,500,000**

FISCAL YEAR 2022

AREAWIDE STREET SALES TAX PRIORITIES

DEPARTMENT	PROJECT	FY22 BUDGET
Street Maintenance	Pavement Management	$ 800,000
Street Maintenance	Sidewalk & Stairway Repairs	250,000
Street Maintenance	Areawide Drainage Improvements	150,000
Street Maintenance	Tongass Boulevard Phase II - Dudley to Loop Rd	500,000
Street Maintenance	Harris Street	1,050,000
Street Maintenance	Meadow Lane (Stikine to south end)	2,300,000
Street Maintenance	Robbie Road, Ling Court and Laurie Lane	170,000
Street Maintenance	Cedar Drive (Mendenhall to Columbia)	750,000
Street Maintenance	Spruce Lane	500,000
Street Maintenance	Teal Street	1,800,000
Street Maintenance	W 3rd and Dixon Reconstruction	830,000
Street Maintenance	LED Street Light Conversions	150,000
Capital Transit	Bus Shelters Improvements	50,000
Capital Transit	Install additional Elect. Bus Charger Infrastructure - Bus Barn	200,000
Engineering	EV (Electric Vehicle) Policy and Charging Infrastructure	50,000
Engineering	Contaminated Sites Reporting	50,000
	Areawide Street Sales Tax Priorities Total	**$ 9,600,000**

FISCAL YEAR 2022

TEMPORARY 1% SALES TAX PRIORITIES

Voter Approved Sales Tax 10/01/18 - 09/30/23

DEPARTMENT	PROJECT	FY22 BUDGET	
Manager's Office	IT - Infrastructure Upgrades	$ 400,000	
Manager's Office	Affordable Housing Fund	400,000	*
Wastewater Utility	Outer Drive and West Juneau Pump Station upgrades	3,000,000	
Wastewater Utility	Auke Bay Treatment plant upgrades	700,000	
Parks & Recreation	Augustus Brown Pool (funding deferred from FY 21)	3,300,000	
Parks & Recreation	Deferred Building Maintenance	700,000	
School District	JSD Buildings Major Maintenance / Match	1,000,000	
Public Works	Waste - RecycleWorks Waste Diversion Program	200,000	*
Airport	FAA Project Match	600,000	
	Temporary 1% Sales Tax Priorities Total	**$ 10,300,000**	

** Operating Budget Funding*

FISCAL YEAR 2022

BARTLETT HOSPITAL ENTERPRISE FUND

DEPARTMENT	PROJECT	FY22 BUDGET
Bartlett Hospital	Crisis Stabilization Center	$ 1,500,000
Bartlett Hospital	Deferred Maintenance	4,000,000
	Bartlett Hospital Enterprise Fund Total	**$ 5,500,000**

FISCAL YEAR 2022

LANDS & RESOURCES FUND

DEPARTMENT	PROJECT	FY22 BUDGET
Lands & Resources	Pederson Hill Phase IB	$ 700,000
Lands & Resources	Pits and Quarries Infrastructure Maintenance and Expansion	50,000
	Lands & Resources Fund Total	**$ 750,000**

FISCAL YEAR 2022

WASTEWATER ENTERPRISE FUND

DEPARTMENT	PROJECT	FY22 BUDGET
Wastewater Utility	MWWTP SCADA	$ 1,000,000
Wastewater Utility	Harris Street	200,000
Wastewater Utility	Tongass Boulevard Phase II Sewer replacement	75,000
Wastewater Utility	Facilities Planning (Long Term Treatment Options, I&I Reduction)	200,000
Wastewater Utility	Lift Station upgrades	500,000
Wastewater Utility	MWWTP Treatment Upgrades	1,800,000
Wastewater Utility	JDTP Instrumentation Upgrades	250,000
Wastewater Utility	Teal Street - street reconstruction	250,000
Wastewater Utility	W 3rd and Dixon rehab (Telephone Hill) sewer improvements	28,000
Wastewater Utility	Meadow Lane Improvements - street reconstruction	61,000
Wastewater Utility	Cedar St. - Mendenhall to Columbia - street reconstruction	25,000
Wastewater Utility	Misty Lane (Bayview Subd) reconstruction (including pump station)	950,000
Wastewater Utility	Areawide Collection System Improvements	100,000
Wastewater Utility	Pavement Management Program-Utility Adjustments	20,000
	Wastewater Enterprise Fund Total	**$ 5,459,000**

FISCAL YEAR 2022

WATER ENTERPRISE FUND

DEPARTMENT	PROJECT	FY22 BUDGET
Water Utility	West 3rd and Dixon rehab (Telephone Hill) Water replacement	$ 167,000
Water Utility	Tongass Blvd Phase II water system replacement - street reconstruction	647,000
Water Utility	Douglas Area water system design scoping	200,000
Water Utility	Meadow Lane(Stikine to south end) (Street Recon)	120,000
Water Utility	Cedar St (mend to columbia) (Street Recon)	59,700
Water Utility	Robbie Rd, Ling Ct and Laurie Lane Reconstruction (street recon)	60,000
Water Utility	Teal Street water system replacement - street reconstruction	260,000
Water Utility	Misty Lane (Bayview) water system replacement - street reconstruction	115,000
Water Utility	Harris Street water system replacement - street recon	300,000
Water Utility	Spruce Lane water system replacement - street recon	100,000
Water Utility	Reservoir Inspections/improvements	300,000
Water Utility	LCB Well Pump VFD conversion and programming updates	300,000
Water Utility	Areawide Water System Repairs	120,000
Water Utility	Pavement Management Water Utility Adjustments	8,000
	Water Enterprise Fund Total	**$ 2,756,700**

ORDINANCE 2019-06 CAPITAL PROJECTS FUNDING TOTAL	**$ 35,265,700**
ORDINANCE 2019-06 OPERATING BUDGET FUNDING TOTAL	**$ 600,000** *

**** Operating Budget Funding***

(c) The following list, as set forth in the "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2022-2027," are capital improvement projects identified as priorities proposed to be undertaken beginning in FY22, but are dependent on other unsecured funding sources. As the sources are secured, the funds will be appropriated:

FISCAL YEAR 2022

FISCAL YEAR 2022
JUNEAU SCHOOL DISTRICT UNSCHEDULED FUNDING

DEPARTMENT	PROJECT		
School District	Mendenhall River Community School Boiler Renovation	$	900,000
	Juneau School District Unscheduled Funding Total	**$**	**900,000**

FISCAL YEAR 2022
AIRPORT UNSCHEDULED FUNDING

DEPARTMENT	PROJECT		
Airport	Float Pond Improvement (South Road/Embankment) Phase 2	$	1,730,000
Airport	Property Acquisition		1,500,000
	Airport Unscheduled Funding Total	**$**	**3,230,000**

FISCAL YEAR 2022
UNSCHEDULED FUNDING

DEPARTMENT	PROJECT		
Lands & Resources	Pederson Hill IB	$	500,000
Docks and Harbors	Harris Harbor Anode Installation - ADOT Grant		125,000
Parks & Recreation	Neighborhood Park Challenge Grant Match		15,000
Managers Office	JPD and CCFR - Radio System replacement		12,000,000
	Unscheduled Funding Total	**$**	**12,640,000**

Section 2. Fiscal Year 2022 Budget. It is the intent of the Assembly that the capital improvement project budget allocations as set forth in the FY22 pending Capital Improvements List in Section 1(b), above, not already appropriated, shall become a part of the City and Borough's Fiscal Year 2022 Budget.

Section 3. State and Federal Funding. To the extent that a proposed CIP project, as set forth in Section 1(c), above, includes state funding, federal funding, or both, the amount of funding for that project is an estimate only, and is subject to appropriation contingent upon final funding being secured. It is the intent of the Assembly that once funding is secured, these items will be brought back to the Assembly for appropriation.

Section 4. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this ____ day of ______ , 2021.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

The CIP Process

- October
  - Engineering reaches out to departments to prepare their priority CIP nominations for the year and their 6 year plan
  - Engineering offers to provide estimating, scoping and any other assistance they need to prepare their priorities
  - CIP priorities and 6 year plans due in December
- December- Finance provides amounts of funding for Sales Tax funded CIP categories
- January - Engineering compiles departments priorities into current year's CIP funding resolution
  - Engineering reaches out to departments to request input on prioritization of projects when requests exceed available funding
  - Prepares draft CIP resolution

The CIP Process

- February
  - Draft CIP Resolution, project descriptions and other pertinent details provided to PWFC for information
    - PWFC Information Item February 1, 2021
  - Planning Commission reviews Draft CIP for concurrence with adopted Plans and Studies and provides comments
    - PC Action item on February 23, 2021
- March
  - Draft 6 year CIP book completed and presented to PWFC for review, questions and forward to Assembly for inclusion in budget process
  - PWFC Action Item on March 15, 2021
    - Included Planning Commission review memo from Feb 23 meeting.
    - Included memo from PW-ENG Director Koester about Energy Efficiency Criteria For CIP Projects.
    - PWFC forwarded Draft 6 year CIP to Assembly for inclusion into budget process

CITY AND BOROUGH OF JUNEAU ALASKA'S CAPITAL CITY

CITY AND BOROUGH OF JUNEAU
Engineering and Public Works Department
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-0800 Facsimile: 463-2606

DATE: March 15, 2021

TO: Michelle Hale, Chair
Public Works and Facilities Committee

THROUGH: Katie Koester, Director, Public Works and Engineering Dept.

FROM: John Bohan, Chief Engineer

SUBJECT: Draft FY 2022 Six Year Capital Improvement Program

Attached is the draft FY 2022 Six Year Capital Improvement Program for the Committee's review, discussion and comment.

The Planning Commission reviewed the FY22 Projects for consistency at their February 23 regular meeting and have provided review comments related in the attached letter from Planning Commission Chair Levine, dated February 26, 2021.

For historical reference, past years 6 Year CIP Plans can be found on the web at:

https://juneau.org/engineering-public-works/cip

Recommendation:

Staff recommends that the PWFC forward the CIP to the Assembly Finance Committee for inclusion into the FY22 Budget process.

Planning Commission
(907) 586-0715
PC_Comments@juneau.org
www.juneau.org/plancomm
155 S. Seward Street • Juneau, AK 99801

Date: February 26, 2021

From: Michael LeVine, Chair
Planning Commission

To: Katie Koester, Engineering & Public Works Department
Assembly Public Works and Facilities Committee

Subject: Planning Commission Review, 2022 CIP Draft List

BACKGROUND

Each year, the Planning Commission is tasked with recommending to the Assembly whether to approve the CBJ six-year Capital Improvement Program (CIP). This review is intended to ensure that the CIP is consistent with the Comprehensive Plan and other City and Borough plans, such as the Land Use Master Plan, Juneau Economic Development Plan, and Climate Action and Implementation Plan.

As part of that process, the Planning Commission reviewed the draft list of 2022 CIP projects at its February 23, 2021 regular meeting.

The following comments and recommendations summarize the discussion from that meeting:

CIP 2022 List

1. The general CIP project approach, with its emphasis on maintenance, rather than new construction, is appropriate, given the economic challenges facing the Borough.

2. To the extent practical, projects and their benefits should be evenly allocated across the Borough. For example, distribution of street and sidewalk improvements should be allocated equitably across the Borough.

3. More than $2,000,000 in major parks maintenance is scheduled, similar to past years. The Commission noted this amount and the contrast to the minimal parks expenditures in the Lemon Creek area, in spite of Area Plans and Recreation plans identifying the non-equitable access to recreational opportunities in Lemon Creek.

4. The Commission recommended that alternate sources, such as heat pumps, should be considered as the City works to replace the oil boiler in Mendenhall River School. Heat pumps may offer a life cycle cost advantage, and help meet CBJ goals of fossil fuel use reduction.

5. The $12,000,000 unfunded request for JPD and CCFR radio system replacement was discussed. The Commission expressed concern that the system is not meeting minimum safety standards, and it was suggested that alternatives to this major expenditure, perhaps using cell technology, might be considered.

Sincerely,

____
Michael Levine, Chair
Planning Commission

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

Engineering & Public Works Department
Marine View Building, Juneau, AK 99801
907-586-5254 <phone>

MEMORANDUM

DATE: **March 12, 2021**

TO: **Chair Hale and CBJ Public Works and Facilities Committee**

FROM: **Katie Koester, Engineering & Public Works Director**

SUBJECT: **Energy Efficiency Criteria for CIP Projects**

PWFC action item for Assembly goal 3a. Maintain Assembly focus on deferred maintenance including BRH and JSD is for staff to "communicate through the CIP process how energy efficiency and cost savings over the life of the project are taken into consideration as project criteria." The purpose of this memo is to both communicate how we currently evaluate energy efficiency for CIP projects and changes to the process moving forward that will highlight energy efficiency projects.

The CIP process begins in October when Engineering solicits project nominations from Departments. As part of that process for FY2023-FY2028 CIP we will include a category on energy efficiency improvements on the nomination form so requesters have the opportunity to advocate for their project based on anticipated energy savings. It will also be added to the criteria used for determining approval of capital improvement projects listed on page 4 of the CIP book.

Early on in the formation of the CIP, Engineering vets projects for whether they are suitable as a standalone CIP request. Some projects are deemed deferred maintenance and transferred to a deferred maintenance list. An example of categorization of projects are as follows:

PRIMARY PURPOSE OF PROJECT

1. Code/Life Safety – Projects whose primary purpose is code or life safety improvements. An example would be a fire alarm upgrade project or the installation of an elevator to meet ADA code.
2. Protection of Structure – Projects that focus on improvements to the exterior envelope to prevent degradation of building structure or finishes. An example would be a roof replacement project.
3. Energy Efficiency - Projects that focus on improvements to building systems with a primary goal of reduction in energy consumption. An example would be a LED light replacement project.
4. Functional – Projects whose primary purpose are improvements made to enhance the function of the facility. An example would be the JFS Kitchen Improvements project.

5. Renewal/Replacement – Projects whose primary purpose are to replace systems that have reached the end of their useful life. An example would be the DTFS and GFS Boilers Replacement project.

It is important to note that while energy efficiency is a critical consideration when prioritizing a project, it isn't the only factor considered when establishing a project's importance/need. It is often possible for a project to address more than one category, thus bolstering its overall importance. An example of a project that addresses more than one category is the Gastineau Roof Replacement project which addresses Code (seismic upgrades to the roof diaphragm), Protection of Structure (prevent water damage to roof structure and interior finishes), and Energy Efficiency (add insulation to the roof to decrease energy consumption). The fact that it had multiple deficiencies that could be addressed in a single project was one reason why it scored so well on the DEED priority list.

Once a project is funded we consider energy efficiency when designing the improvements, from addition of insulation to improve a facility's thermal envelope to evaluation of different heat systems. We often utilize payback and/or life cycle cost analysis to evaluate project options. However, again, energy efficiency is not the only consideration as we also evaluate the maintenance implications, initial cost, and the life span of each option. We also have to weigh how a project solution will be integrated with other project constraints such as existing improvements to remain, size and topography of site, etc. While we can draw general rules from prior evaluations, each project has different nuances that need to be incorporated when we make project design decisions.

What are the categories of funding

- Voter Approved 3% Sale Tax
  - General Sales Tax - $1.5 million
  - Areawide Street Sales Tax - $9.6 million
- Voter Approved Special 1% Sale Tax -$10.3 million ($8.7)
- Marine Passenger Fees ($0 for CIP Projects in 2022)
- Enterprise Funds

Voter Approved 3% Sales Tax

- Voter information from approved 3% Sales tax – Oct. 2016
- Approved through June 30, 2022
  - **1% for general government operations.** This 1%, combined with the 1% permanent sales tax, is to be used to support 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 & sidewalks.** This 1% is to be used primarily for repairing and constructing roads, sidewalks, retaining walls, drainages, and stairways, as well as other capital projects.
    - **Areawide Street Sale Tax – $9.6 million**
  - **1% for capital improvements, budget reserve, youth activities, and other public services.** This 1% is to be used for a variety of capital improvements, general government services (including the Better Capital City account and youth activities grants) and Budget Reserve.
    - **General Sales Tax – $1.5 million**

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY