

The Revenue Advisory Task Force is examining whether the District's current funding structure is sustainable and whether additional revenue options, including potential tax increases, should be explored. The task force does not develop or approve the District budget. Its purpose is to determine whether new or expanded revenue sources should be considered to support District needs.

To inform the work, the task force received a series of detailed presentations from JCPS department leaders. These presentations included employee compensation and benefits, transportation, facilities and maintenance, instructional programs for special populations including ECE and Multilingual Learners, operational services, and IT. Task force members received information on staffing levels, aging infrastructure, deferred maintenance, and rising operational expenses. Members have raised questions about how the District reached this financial crisis point, which was accelerated by the exhaustion of one-time federal COVID-19 relief funds and prior budget surpluses.

In addition to these internal presentations, the group is reviewing tax options. Over the course of their work, the group has been studying various revenue-generating measures, including a Utility Tax, a general Property Tax increase, and the Facility Nickel Tax. The consensus within the task force is that new revenue will be necessary, particularly to rebuild or modernize the over half of the district's schools that are past their useful life, a deferred maintenance challenge estimated at \$2.5 billion.

These members want to help JCPS students succeed. A significant hurdle the Task Force faces is the mandate for JCPS to identify \$132 million in cuts for the upcoming fiscal year. While the Superintendent has pledged that cuts will not affect teacher base pay and will largely focus on central office reductions, organizational restructuring, and reviewing contracts, the task force does not know what the exact plan looks like. The group is uncomfortable with recommending a tax increase without first having a transparent breakdown of where the District plans to find these massive savings. They feel that the community would not support a tax hike without assurance that every measure of efficiency has been exhausted.

Furthermore, the task force consensus was that members wanted to see what cuts were made, to understand the depth of the cuts and the impact to student learning. Those decisions will indicate which taxes may need to be raised for operational purposes, including staff salaries whether general or targeted at particular job descriptions, or strictly for facility purposes. The task force members also showed interest in a robust discussion about the impact on various revenue options on the community, to see who would bear the financial burden of property taxes vs. utility taxes, for example.

In summary, this discussion will continue long into the future. This is the beginning of our community discussion about our public school resource needs, not the conclusion.