

Livermore Area Recreation and Park District

Staff Report

TO: Chair Faltings and the Board of Directors

FROM: Mat Fuzie, General Manager

PREPARED BY: Mat Fuzie, General Manager

DATE: February 23, 2022

SUBJECT: Changes to LARPD's Childcare Program for 2022/2023 School Year

COMMITTEES: Program Committee on February 16, 2022
Finance Committee on February 22, 2022

RECOMMENDATION: That the Board of Directors accept the report as accurate and discuss with staff possible outcomes and responses to future changes within the Extended Student Services program.

BACKGROUND: In the fall of 2021 LVJUSD, in response to expressed needs from LVJUSD staff, parent leaders, and families, began exploring ways to expand their capacity to meet the rising demand for on-site childcare, increased flexibility, and discount care for LVJUSD staff members. This exploration included discussions with LARPD program managers and outside service providers. LARPD had been at capacity and with some significant wait lists in the ESS program due in part but not limited to space availability at the school sites, staffing shortages and covid restrictions. LARPD's childcare business model benefits parents that work full time, and need care during school, release days, winter and spring breaks and summer. Our fee structure is annualized and does not increase in summer months, even though we provide care on full days. This model has been very successful for our program. The school district was receiving feedback that they had a need for more flexibility such as drop-in care, and the ability to choose their schedule and pay for what they need. These two models differ in many ways, especially when it comes to staffing, youth development, curriculum, and quality. We offered to adjust our model, and offer a part time option, but due to staffing ratios, quality, and licensing, we were unable to offer drop-in care.

In December of 2021 LVJUSD Superintendent Kelly Bowers informed us that they would likely bring in a contractor to increase capacity, add flexibility and provide discount services for staff. By bringing in a contract service that can provide the amenities that we are not able to provide the school district might be able to increase their offerings to their constituents. This was not intended to be a hostile takeover of LARPD ESS. We would continue to be a partner. The question of co-location of our program and a contracted program on the same school site was floated but no decision was made. We were told the contractor would need at least 5-6 locations to be successful. The program was intended to be a pilot

program for one year. Staff relayed concerns to the School District Leadership Team in conference calls. Those concerns included licensing requirements, cost to families and quality of program.

We anticipated a School District decision in February and requested joint communications to both the School Board and the BOD of LARPD. I was informed by the District Superintendent that this was going to be an operational decision and not a School Board decision. Since we are tenants and on site with permission of the School District we would simply be responding to their decision. Since our analysis showed that we would not be negatively impacted in budget or staffing, and since there were no policy decisions to be made, I determined that this was an operational issue and would inform the BOD at the appropriate time to allow the School District to best role out their decision and our role in that decision. We had warned the Senior Staff at the school district that we felt there would be much public concern and they needed to be ready with comprehensive information at the time of the announcement.

Because of the volatility and scrutiny, the LVJUSD has been experiencing during the pandemic and because of the improvements in our working relations, I chose to keep the information to myself and senior staff until a joint announcement could be made. It was always my intention to discuss with staff and the LARPD BOD before the announcement was public.

On January 11, 2022 I was informed by the Superintendent that they were going to accept the offer from the Contractor named "Right at School" and that we would have one week to let them know which 5 or 6 sites we would be giving up.

January 12, I informed Jill Kirk the school districts decision and she began work on budget and staffing models. Jill Kirk had previously determined that we would be able to utilize staff at other sites to increase or maintain overall capacity if we were to lose site locations because a school might not be able to accommodate colocation.

A lot of thought went into what schools we would hand over. It included location, facilities, community presence, and the ability to build capacity. Junction K-8 and Marylin Ave. schools were chosen since we would still be on campus with the Believes program. We will utilize our current buildings for program, along with shared space and will be able to provide for more children. We will be receiving additional funding through the American Rescue Plan, from the school district to increase program offerings to this area. This will include after-school enrichment such as sports, recreation, and outdoor science. We chose Lawrence due to the program being the newest, and we do not have our own facilities on site. Rancho was chosen due to capacity building. Rancho has always had a large waitlist due to space, and we would not be able to increase capacity with this change. However, we are looking into additional program ideas to utilize the buildings if possible. Altamont Creek was chosen also due to capacity building. We have bigger buildings at Croce, along with an additional classroom on the campus. This still gives us a presence in North Livermore, and parents can choose which school they want to attend. Our middle school programs have been decreasing in enrollment before Covid. We have not re-opened any of our sites, and we thought this would be a good opportunity for our middle schoolers to transition to a more drop-in program and not be restricted to attendance due to our grant mandates.

The net result is that we will be operating robust programs at 8 sites with a positive projected budget outcome of approximately \$175,000. We have been operating at 11 sites with at one time a deficit of \$1,000,000, in early Covid and at cost or slight deficit this year. Once again, we have turned what could have been a bad situation into a positive.

<i>Unit 09 - Extended Student Services</i>	FY18-19 Actuals	FY19-20 Actuals	FY20-21 Actuals	FY21-22 Original Budget	FY21-22 Mid-Year Budget	FY22-23 Prelim Budget
Total Revenue	\$5,141,361	\$4,015,344	\$2,370,782	\$3,485,600	\$3,365,031	\$3,465,360
Total Salaries and Benefits	\$4,204,973	\$4,144,194	\$3,230,401	\$3,390,035	\$3,260,487	\$3,066,131
Total Services and Supplies	\$332,483	\$323,802	\$167,627	\$170,696	\$177,477	\$223,500
Revenue less Expense	\$603,905	(\$452,652)	(\$1,027,245)	(\$75,131)	(\$72,933)	\$175,729

Not included in the projection for next year is the additional funds from the American Rescue Plan for enrichment programs that LARPD will be conducting for the school district. This should increase our positive numbers.

Senior Staff continued to refine the numbers and although it is counter-intuitive to think so; the numbers showed us that we would continue to improve our ability to add students and increase our capacity because staff will be able to concentrate their efforts at fewer sites while enrolling more students. It will also allow us to offer additional programming at sites such as preschool and enrichment programs.

We began working on our joint communications and preparing for the School District to go public with their announcement after both BOD's and affected employees were able to be informed. We had determined that there would be no layoffs, no budget impact and no impacts to employees other than they may work at a different location which is a common occurrence. We determined that we would also be able to offer additional services such as afternoon only care.

February 3rd at a LVJUSD School Board meeting the Superintendent in her informational remarks informed the BOD that they were moving forward with this program. Since this was not shared with us, we were unaware that the schedule was going to suddenly change dramatically.

Monday February 7, we were informed that a teacher at one of our locations had put the puzzle together and commented to one of our employees that it was a shame that ESS at that location was closing. We called for a staff meeting for the following day. I informed the Superintendent of the issue and that we were going to talk to our staff and assure them that their jobs were not impacted.

Tuesday February 8, at 10:00 am, Jill Kirk, Nancy Blair and I meet with the entire ESS staff and informed them of the changes coming to ESS and the School District. We opened by saying that no one was losing their jobs or getting laid off. We asked them to please not say anything to the public. Prior to the meeting I received notice that the School District was going to put out a press release to the public out of concern that rumors would begin. I informed the LARPD BOD of the press release and the meeting.

I regret that this did not happen in a way where the LARPD BOD was well informed. I will continue to strive to provide you the best communications possible while making good, informed decisions.

'Right at School' will begin offering its services in the fall at:

Altamont Creek Elementary
Lawrence Elementary
Marilyn Ave. Elementary
Rancho Las Positas Elementary
Junction K-8
Mendenhall Middle School

LARPD will continue to offer programs at:

Arroyo Seco Elementary
Croce Elementary
Jackson Ave. Elementary
Marilyn Ave. Elementary (BELIEVES Program)
Smith Elementary
Sunset Elementary
Joe Michell K-8
Junction K-8 (BELIEVES Program)