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TO: Chair Woll and Assembly Finance Committee  
FROM: Katie Koester, City Manager  
DATE: April 10, 2025  
RE: School Bond Debt

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The purpose of this memo is to organize Assembly debate around a potential bond for school major maintenance projects on the October 2025 municipal ballot. Debate surrounding a utility bond will be held in the context of utility rate increases at the April 30 AFC.

The Assembly gave staff direction to work with JSD on a tiered proposal for potential bond projects: \$5M; \$10M and \$15M. The attached list submitted by the JSD School Board outlines the projects they would propose at each of those funding levels. These projects are pulled from the deferred maintenance list.

The moratorium on school debt bond reimbursement is scheduled to sunset this July – reinstating a 60/40 or 50/50 cost share between state and local government. However, Governor Dunleavy has submitted [legislation](#) to extend the moratorium. Even if the moratorium is not extended, any reimbursement included by the Legislature would be vulnerable to the Governor's veto pen.

The chart below is a projection of the debt service mill rate with \$15M in JSD bonds over 20 years. Notice that until other debt falls off our schedule in FY2030, this issuance will increase the debt service mill rate above 1.08. Keep in mind, there are several large dollar projects in the future that will likely need bond funding, such as the Juneau Douglas North Crossing and long-term flood mitigation. An ordinance to place something on the ballot needs to be adopted by the July 28 regular Assembly meeting.

**Recommendation:** Discuss appetite to put school bond projects on the ballot.

Enc: JSD Facilities Bond List April 2025

