

LJSD Board of Trustees
Financial Follow-up - February 5, 2025

Updates:

- The State Department of Education released the attached update regarding school modernization funds. Due to favorable conditions in the bond market, the funding goes beyond the \$1 billion that school districts were expected to receive related to House Bill 521.
 - The state had provided initial estimates of what they believed we would receive (\$18 million), cautioning that favorable/unfavorable market conditions could impact the final distribution. We have not received official word from the state about how this news release will impact our final allocation. I hope to hear from the state about the total anticipated amount soon. If not, we will see the additional amount when they finalize the disbursements. The district will continue to utilize the proceeds in a manner that aligns with our submitted ten-year plan.

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Sale of Bonds Results in an Additional \$86.5 Million in Facilities Funding for Idaho Public School Districts

(BOISE) – Public school districts in Idaho will receive an additional \$86.5 million towards facilities funding thanks to favorable conditions in the bond market and collaboration between the Idaho Department of Education, Idaho State Building Authority and financial services firm JP Morgan in moving the bond process forward. The funding goes beyond the \$1 billion that districts were expected to receive following the passage of 2024’s House Bill 521.

The bonding process allows the department to access up-front cash that can be immediately utilized by public school districts to make needed improvements to school facilities, such as replacing a roof or HVAC system. The bond proceeds will be repaid using sales tax revenue over a 10-year period.

“The final bond sale amounted to even more than the \$1 billion we were expecting, which is amazing news for our school districts, especially those that are overdue for essential improvements and repairs to their facilities,” said Superintendent of Public Instruction Debbie Critchfield. “Idaho’s students deserve to learn in spaces that are safe, secure and set up for effective learning.”

House Bill 521 created a school modernization facilities fund designed to provide added funding to school districts using average daily attendance figures. The funding can also help districts with their own bonding efforts, reducing reliance on local funds.

"I am proud that Idaho's track record of good government combined with our historic commitment to public school facilities is adding up to even more benefits for our education system and the students and families it serves," Governor Brad Little said.

In order to benefit from the latest round of funding, school districts must meet the provisions set forth in House Bill 521, which calls for districts to submit a 10-year facilities plan that illustrates

how they intend to spend the money. The plan also breaks down facilities into 11 categories, including electrical, roofing, fire safety, heating and air conditioning, ventilation and more. Each category then receives four available ratings: good, fair, poor and replace.

The long-term planning required in the bill has prompted districts to carefully evaluate the scope of their needs while effectively highlighting to policymakers the necessity of ongoing statewide facilities support.

“From the point of view of the Idaho Building Authority, this has been an extremely productive experience,” said Executive Director Wayne Meuleman. “From start to finish, we’ve had success in collaborating to expedite this process to directly benefit Idaho school districts.”

A portion of the facilities funds made available through House Bill 521 has been distributed to districts. The additional funding made possible through the department’s bond sale will be distributed in the coming weeks to all districts that have had their 10-year plans approved by the department.

“That this essential funding was secured in less than a year demonstrates the work of our department professionals and state partners to get money to our districts quickly,” said Critchfield. “Though there is more progress needed to ensure long-term facilities success for our public school districts, I am grateful for the funding from the legislature and governor and the efficient work performed by all involved. I am eager to see what these improvements mean for the safety and success of Idaho’s students.”

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