

IDAHO STATE BUILDING AUTHORITY
MINUTES OF THE MEETING OF THE
BOARD OF COMMISSIONERS

DATE: December 20, 2024

LOCATION: Authority Office
950 W. Bannock St., Suite 490
Boise, Idaho 83702

Commissioners Present

V.L. "Bud" Tracy, Chairman (via Zoom)
James Hammond, Vice Chairman (via Zoom)
Shelly Enderud (via Zoom)
Dale McOmber (via Zoom)
Tom Mello (Zoom)

Commissioners Absent and Excused

None

Others Present

Wayne Meuleman, Executive Director
Eric Heringer, Piper Sandler
John McDevitt, Skinner Fawcett
Gideon Tolman, Chief Financial Officer, Department of Education

1. Call to Order

Chairman Tracy called the meeting to order at 2:00 p.m.

2. Minutes of Sept. 9, 2024 Meeting

The Chairman requested, action regarding the Sept. 9, 2024, meeting.

MOTION TO APPROVE:

There being no questions or comments, Commissioner Hammond moved that the minutes be approved as proposed. The Motion was seconded by Commissioner Enderud and unanimously adopted.

3. Proposed Resolution 2024-003 (copy attached)

The Chairman asked Mr. Meuleman to review the proposed resolution and agreements authorized by the resolution. Mr. Meuleman reviewed the proposed resolution and its provisions authorizing the issue of Sales Tax Revenue Education Bonds in an amount sufficient to fully utilize the \$125M annual sales tax deposits to the School Modernization Facilities Fund, noting that the 2024A bonds previously issued has committed a portion of the annual sales tax deposits. He described the "parameters" set forth in the Resolution limits the total amount to be funded for grants to school districts is \$400M, the true interest rate of the bonds shall not exceed 4% and final maturity of the 2025A bonds shall not exceed June 1, 2034. Mr. Tolman reviewed the status of school district qualifications for grants and the distribution of grants made by the Department to date. Mr. Meuleman noted that the General Indenture, the 2025A Trust Indenture, the Preliminary Official Statement, and the Bond Purchase Agreement will facilitate the issuance of bonds and that the delegation of authority to the Chairman and Executive

Director execute the bond documents will allow for pricing of and closing of the bonds in accordance with Resolution 2024-003.

Following discussion, Chairman Tracy called for consideration of Resolution 2024-003.

MOTION TO APPROVE:

Commissioner Hammond moved to approve Resolution 2024-003. The motion was seconded by Commissioner Enderud and, upon vote, was unanimously adopted.

4. Selection of Underwriter for Idaho Wheat Commission Project

Chairman Tracy requested Mr. Meuleman to review the underwriter presentations for funding of the Idaho Wheat Commission project. Mr. Meuleman reported that working with the Authority's financial advisor, Eric Heringer, 5 qualified underwriters were invited to submit written proposals, including Bank of America, JP Morgan, Raymond James and Stifel. Each proposal is included in the material before the Board together with a summary comparison. Based upon the proposals, Mr. Meuleman noted that Stifel provided the most favorable proposals and recommended the Board select Stifel as underwriter for the project.

MOTION

Commissioner Enderud moved to engage Stifel as underwriter for the Idaho Wheat Commission project. The motion was seconded by Commissioner Hammond and unanimously adopted.

5. Review of FY2024 Audit

Chairman Tracy then invited Bobby Lawrence of Eide Bailly to review the annual audit. He reported that it is a "clean audit" in accordance with applicable accounting standards. He then reviewed the governance letter which accompanies the audit noting that he found one item identified as an "uncorrected misstatement" relating to reporting of funds advanced by the Idaho Wheat Commission to pay costs relating to the project. He characterized the misstatement as immaterial.

MOTION TO ACCEPT

Commissioner Enderud moved to accept the audit. The motion was seconded by Commissioner Hammond and unanimously approved.

- 6. Other Business.** Mr. Meuleman briefly reported on the status of the Idaho Wheat Commission project. He also noted that he would be engaging a different accounting firm to provide general accounting services and financial statement preparation.

7. ADJOURNMENT

There was no other business and Chairman Tracy adjourned the meeting at 2:35 pm.

Submitted by: _____

Wayne Meuleman, Executive Director

Approved by: _____

V.L. Bud Tracy, Chairman

**BOARD OF COMMISSIONERS
IDAHO STATE BUILDING AUTHORITY
RESOLUTION 2024-003**

AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES 2025A TRUST INDENTURE, AND A SERIES 2025A SUPPLEMENT TO MASTER FINANCING AGREEMENT IN CONNECTION WITH THE ISSUANCE AND SALE OF THE IDAHO STATE BUILDING AUTHORITY SALES TAX REVENUE EDUCATION BONDS (SCHOOL MODERNIZATION FACILITIES FUND), SERIES 2025A AND AUTHORIZING THE EXECUTION OF AND RATIFYING AND APPROVING RELATED DOCUMENTS AND AGREEMENTS AND APPROVING RELATED ACTIONS.

WHEREAS, Sections 33-912 through 33-918, Idaho Code, Section 63-3638(19), Idaho Code, and Title 67, Chapter 64, Idaho Code, as amended (collectively, the "Act"), authorize the Idaho State Building Authority (the "Authority"), to issue its Sales Tax Revenue Education Bonds, School Modernization Facilities Fund (the "Bonds") for the purpose of providing funds to the Idaho Department of Education (the "Department") for distribution as grants ("School District Grants") to eligible Idaho school districts, and provides for the distribution and continuous appropriation of Idaho state sales tax revenues to the School Modernization Facilities Fund to pay debt service on and fees related to the Bonds; and

WHEREAS, the Authority and Zions Bancorporation, National Association, as trustee (the "Trustee") entered into a General Trust Indenture, dated as of October 1, 2024 (the "General Indenture"), for the purpose of issuing the Bonds to fund the School District Grants; and

WHEREAS, the Authority and the Department entered into a Master Financing Agreement, dated as of October 1, 2024 (the "Master Financing Agreement"), with respect to the issuance of Bonds; and

WHEREAS, the Department has requested that the Authority issue and the Authority intends to issue its Sales Tax Revenue Education Bonds (School Modernization Facilities Fund), Series 2025A (the "Series 2025A Bonds") in an aggregate principal amount necessary to maximize the remaining amount of School District Grants that can be supported by the Act and fund up to \$400,000,000 in School District Grants; and

WHEREAS, in order to provide for the issuance of the Series 2025A Bonds under the General Indenture, the Authority and the Trustee will enter into a Series 2025A Trust Indenture to be dated as of January 1, 2025 or later (the "Series 2025A Indenture" and together with the General Indenture, the "Indenture"); and

WHEREAS, the Authority and the Department will also enter into a Series 2025A Supplement to the Master Financing Agreement to be dated as of January 1, 2025 or later (the "Series 2025A Supplement" and together with the Master Financing Agreement, the "Agreement"), which will provide the representations required of the Department in connection with the Series 2025A Bonds; and

WHEREAS, issuing the Series 2025A Bonds is in the public interest, serves a public purpose, and constitutes a proper exercise of the powers of the Authority, all as more particularly set forth in the Act; and

WHEREAS, pursuant to authorization of the Authority, the Authority's Executive Director (the "Director") intends to execute, on behalf of the Authority, a Bond Purchase Agreement (the "Bond Purchase Agreement") with J.P. Morgan Securities LLC, as representative of itself and BofA Securities Inc. (collectively, the "Underwriters") for the sale of the Series 2025A Bonds by the Authority to the Underwriters and to approve an Official Statement relating to the Series 2025A Bonds, referenced in the Bond Purchase Agreement (the "Official Statement"); and

WHEREAS, the Authority desires to authorize the execution of the Bond Purchase Agreement by the Director of the Authority and to authorize the execution and delivery of other documents and the taking of other actions by certain officers of the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Idaho State Building Authority, as follows:

Section 1. Provided the terms of the Series 2025A Bonds are within the Parameters (as defined below), the Authority shall issue its Series 2025A Bonds under the Indenture for the purpose of funding School District Grants. Such Series 2025A Bonds shall be designated as "Idaho State Building Authority Sales Tax Revenue Education Bonds (School Modernization Facilities Fund), Series 2025A."

Section 2. The distribution and use by the Underwriters of the Preliminary Official Statement related to the Series 2025A Bonds (the "Preliminary Official Statement") and the execution of the Bond Purchase Agreement by the Chairman or the Director are hereby authorized and the Chairman and the Director are each hereby delegated the authority to sign the Bond Purchase Agreement and approve the sale of the Series 2025A Bonds provided that: (a) the aggregate principal amount of the Series 2025A Bonds provides net proceeds sufficient to maximize the remaining amount of School District Grants that can be supported by the Act and fund up to \$400,000,000 in School District Grants; (b) the true interest costs on the Series 2025A Bonds do not exceed 4.000%; and (c) the final maturity of the Series 2025A Bonds does not exceed June 1, 2034 (collectively, the "Parameters"). The Chairman and the Director are each hereby authorized and directed, for and in the name and on behalf of the Authority to accept one or more offers of the Underwriters to purchase the Series 2025A Bonds as contained in the Bond Purchase Agreement and to execute and deliver the Bond Purchase Agreement in substantially said form and subject to the Parameters, with such additions thereto or changes therein as the Director may approve and to determine within such Parameters any of the items set forth in (a) through (c) above as well as (i) the amount of and dates of payment each year, (ii) the principal amount and denominations of the Series 2025A Bonds and the principal maturing each year, (iii) the conditions on which and the prices at which the Series 2025A Bonds may be redeemed at maturity, such approval and determination to be conclusively evidenced by the execution and delivery thereof. Additionally, the Chairman and the Director are each hereby authorized to finalize and deliver the final Official Statement related to the Series 2025A Bonds.

Section 3. The proposed form of the Series 2025A Indenture pursuant to which the Series 2025A Bonds will be issued, and the proposed form of the Series 2025A Supplement, are each hereby approved. The Chairman, Vice Chairman, and the Director of the Authority are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Series 2025A Indenture and the Series 2025A Supplement in substantially said forms, with such additions thereto or changes therein as such officers may require or approve, such

approval to be conclusively evidenced by the execution and delivery thereof. The dates, maturity dates, interest rate or rates or methods of determination thereof, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption, and other terms of the Series 2025A Bonds shall be as provided in the Series 2025A Indenture as finally executed.

Section 4. The Series 2025A Bonds shall be executed by the manual or the facsimile signature of the Chairman or Vice Chairman of the Authority, and the seal or the facsimile of the seal of the Authority shall be impressed or reproduced thereon and attested by the manual or facsimile signature of the Secretary of the Authority, in the respective forms set forth in and otherwise in accordance with the Indenture. Temporary Bonds may be delivered in accordance with the provisions of the Indenture if such action is determined to be necessary by the Chairman or Vice Chairman of the Authority and such approval shall be conclusively evidenced by the execution of such temporary Bonds.

Section 5. Zions Bancorporation, National Association is hereby appointed as Trustee, Paying Agent, and Registrar for the Series 2025A Bonds and as the Authority's Dissemination Agent related to its continuing disclosure obligations for the Series 2025A Bonds. The Trustee is hereby requested and directed to authenticate the Series 2025A Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Series 2025A Bonds, when duly executed and authenticated, to or upon the direction of the Underwriters in accordance with written instructions executed on behalf of the Authority by the Chairman, the Vice Chairman, the Director, or the Secretary of the Authority, which instructions said officers are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Series 2025A Bonds to or upon the direction of the Underwriters in accordance with the Bond Purchase Agreement, upon payment of the purchase price thereof, as provided in the Bond Purchase Agreement.

Section 6. All actions heretofore taken by the officers and agents of the Authority with respect to the sale and issuance of the Series 2025A Bonds are hereby approved, confirmed and ratified, and the officers of the Authority, including without limitation, the Chairman, the Vice Chairman, the Director, and the Secretary, are hereby authorized and directed, for and in the name and on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other Bond documents (including but not limited to those described in the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement, the Indenture, and the other documents herein approved), including any amendments thereto, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Series 2025A Bonds in accordance with this Resolution and resolutions heretofore adopted by the Authority as well as to carry out the financing program.

Section 7. The Secretary of the Authority is hereby authorized and directed to attest the signature of the Chairman, the Vice Chairman, or the Director of the Authority and to affix and attest the seal of the Authority as may be required for the execution and delivery of any of the documents and the Series 2025A Bonds approved hereby.

Section 8. This Resolution shall be in full force and in effect immediately from and after its passage and approval.

The foregoing Resolution was adopted at a duly and properly called meeting of the Board of Commissioners of the Idaho State Building Authority held on the 20th day of December, 2024.

APPROVED:

ATTEST:

Secretary

Chairman