



Shawn Nydegger
Executive Director

Lars Wallin
Treasurer

Merissa Landers
Secretary

IDAHO BOND BANK AUTHORITY BOARD MEMBERS

Julie A. Ellsworth, *Chairman*
Len Crosby, *Governor Appointee*
Seth Grigg, *Governor Appointee*
Josh Tanner, *Idaho Representative*
Treg Bernt, *Idaho Senator*

September 16, 2026

Honorable Brad Little
Office of the Governor
700 West Jefferson, Suite 223
Boise, ID 83702

Dear Governor Little,

The Idaho Bond Bank Authority (IBBA) is proud to submit our FY2026 annual statement, as per Idaho Code 67-8706.

During the fiscal year 2026, the IBBA issued the following bond:

Bond Series	Principal Amount	Participants
2026A	\$41,710,000	City of Buhl, City of Middleton

It is difficult to project the amount of bonds the IBBA will issue during the upcoming fiscal year as the issuance of bonds is driven strictly by the need of participants. We become aware of that need as applications are submitted to us. So far, during fiscal year 2027, we have not issued any bonds nor received any applications.

Copies of each debt service schedule and the latest Moody's report are available on the eBank website. If you or any staff members wish to visit the site, please contact my office for a password.

We have also attached a copy of the FY2026 audited financial statements.

We look forward to continued success and are available to answer any questions.

Respectfully,

A handwritten signature in black ink, appearing to read "Julie A. Ellsworth".

Julie A. Ellsworth
Idaho State Treasurer
Chairman, Idaho Bond Bank Authority

cc: Senator Kelly Anthon, President Pro Tempore
Representative Mike Moyle, Speaker of the House

P.O. Box 83720 • Boise, Idaho 83720-0091

PHONE: (208) 332-2941 • FAX: (208) 332-2961 • E-MAIL: edelene.ohman@sto.idaho.gov • <http://sto.idaho.gov/Debt-Management>

Financial Statements
June 30, 2026

Idaho Bond Bank Authority

Independent Auditor's Report	1
Management's Discussion and Analysis	4
Financial Statements	
Statement of Net Position	8
Statement of Revenues, Expenses and Changes in Net Position.....	9
Statement of Cash Flows	10
Notes to Financial Statements	11
Other Information	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	21



Independent Auditor's Report

To Honorable Julie A. Ellsworth, Idaho State Treasurer, Chair and Authority Members
Idaho Bond Bank Authority
Boise, Idaho

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Idaho Bond Bank Authority (the Authority), a component unit of the State of Idaho as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of June 30, 2026, and the respective changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements of the Authority, are intended to present the financial position and changes in financial position of the Authority. They do not purport to, and do not present fairly the financial position of the State of Idaho as of June 30, 2026, or the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Eide Bailly LLP

Boise, Idaho
August 18, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the Idaho Bond Bank Authority's (Authority) financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2026. This discussion should be read in conjunction with the Authority's financial statements and accompanying notes.

Overview of the Financial Statements

The Authority is a single-purpose governmental entity reported as an enterprise fund. The financial statements are prepared using the economic resources measurement focus and accrual basis of accounting.

This report includes:

- Statement of Net Position, which presents information on the Authority's assets, liabilities, and net position.
- Statement of Revenues, Expenses, and Changes in Net Position, which reports the results of operations for the fiscal year.
- Statement of Cash Flows, which presents information regarding cash receipts, cash disbursements, and net changes in cash.
- Notes to the Financial Statements, which provide additional information necessary to understand the financial statements.

The Authority's primary activity is issuing revenue bonds and using the proceeds to provide loans to Idaho local governments for infrastructure financing. Loan repayments from borrowers are structured to match the related bond debt service requirements.

Financial Summary

Condensed financial information as of June 30, 2026, is presented below:

	2026	2025	\$ Change	% Change
Assets				
Total assets	\$ 192,500,302	\$ 177,455,534	\$ 15,044,768	8%
Liabilities				
Total current liabilities	14,491,248	14,592,954	(101,706)	-1%
Total noncurrent liabilities	177,718,597	162,616,253	15,102,344	9%
Total liabilities	192,209,845	177,209,207	15,000,638	8%
Net Position				
Unrestricted	290,457	246,327	44,130	18%
Total net position	\$ 290,457	\$ 246,327	\$ 44,130	18%

The following table shows revenues, expenses and changes in net position summarized as of June 30:

	2026	2025	\$ Change	% Change
Total Operating Revenues	\$ 5,160,619	\$ 4,692,514	\$ 468,105	10%
Total Operating Expenses	39,900	4,720,415	(4,680,515)	-99%
Operating Income (Loss)	5,120,719	(27,901)	5,148,620	18453%
Other Nonoperating Revenues (Expenses)				
Interest expense	(4,460,131)	-	(4,460,131)	100%
Cost of issuance	(616,458)	-	(616,458)	100%
Total other nonoperating revenues (expenses)	(5,076,589)	-	(5,076,589)	100%
Increase (Decrease) in Fund Net Position	44,130	(27,901)	72,031	258%
Net Position, Beginning of Year	246,327	274,228	(27,901)	-10%
Net Position, End of Year	\$ 290,457	\$ 246,327	\$ 44,130	18%

At June 30, 2026, the Authority reported net position of \$290,457 compared with \$246,327 at June 30, 2025. The increase resulted primarily from current-year origination fees and administrative revenues exceeding administrative and financing-related expenses.

Total assets and liabilities increased approximately \$15 million during the fiscal year. This increase was primarily attributable to the issuance of the Series 2026A revenue bonds and the corresponding loans made to participating local governments.

GASB Statement No. 103, *Financial Reporting Model Improvements*, was implemented for fiscal years beginning after June 15, 2025, which differentiates operating and non-operating revenue and expenses. Previously these items were combined on the financial statements. Because they are now shown separately, there is a -99% and a 100% change in operating expenses and non-operating expenses, respectively. With moving non-operating expenses to its own section, the operating income was impacted dramatically, as there are few operating expenses for the Authority.

Detailed Analyses

Net Position

The Authority's net position increased by \$44,130 during fiscal year 2026. The Authority is structured so that loan repayments received from borrowers closely match debt service requirements on the related revenue

bonds. As a result, operating margins are generally limited to administrative fees, origination fees, and other program revenues.

Cash held with the Idaho State Treasurer increased from \$246,327 to \$290,457 as a result of net operating cash inflows generated during the year.

Loans and notes receivable increased by approximately \$15.1 million. This increase resulted from the issuance of \$41.71 million of new loans through the Series 2026A bond program. The increase was partially offset by scheduled principal repayments received from borrowers and loan defeasance activity during the year.

Revenues

Interest income continues to be the Authority's primary revenue source and is generated from outstanding loans made to participating local governments.

Origination income of \$616,458 was recognized during fiscal year 2026 in connection with financing activity completed during the year. Other income totaled \$84,030 and consisted primarily of program-related revenues.

Expenses

Operating expenses remained low and consisted primarily of administrative costs totaling \$39,900.

Financing-related expenses included interest expense on outstanding revenue bonds and bond issuance costs associated with the Series 2026A financing. These costs are reported as non-operating expenses because they are directly related to the Authority's financing activities rather than its day-to-day operations.

Cash Flows

Net cash increased by \$44,130 during fiscal year 2026.

The Authority received \$41.71 million from the issuance of Series 2026A bonds and an additional \$3.88 million of bond premium. These proceeds were substantially disbursed as loans to participating local governments. Principal and interest payments received from borrowers were used to satisfy corresponding debt service obligations on the related revenue bonds.

Significant Capital Asset and Long-Term Financing Activity

The Authority issued approximately \$41.71 million of Series 2026A revenue bonds during fiscal year 2026 to finance infrastructure projects as well as refinancing debt for participating Idaho local governments.

Outstanding revenue bond principal increased from \$162.6 million at June 30, 2025, to \$177.7 million at June 30, 2026. The increase was primarily attributable to the Series 2026A issuance, partially offset by scheduled principal repayments and bond defeasances.

During the year, principal reductions totaled approximately \$12.67 million and bond defeasances totaled approximately \$14.79 million.

The Authority maintained its practice of matching loan repayment schedules with related debt service requirements, thereby limiting interest rate and repayment risk to the Authority.

The Authority does not own or report capital assets because its operations consist primarily of financing activities.

Currently Known Facts, Decisions, or Conditions

The Authority received three municipal loan applications during fiscal year 2026 which were all approved and part of the Series 2026A issuance.

Management continues to monitor interest rate conditions, municipal infrastructure financing needs, and credit quality throughout the loan portfolio. The Authority also remains committed to maintaining sound underwriting standards, compliance with all continuing disclosure requirements, and the preservation of its Aaa credit rating.

Management is not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on the Authority's financial position, results of operations, or cash flows beyond those disclosed in these financial statements.

Idaho Bond Bank Authority
Statement of Net Position
June 30, 2026

Assets

Current Assets

Cash held with Idaho State Treasurer	\$ 290,457
Loans and notes receivable, current portion	12,580,000
Interest receivable	<u>1,911,248</u>
Total current assets	<u>14,781,705</u>

Noncurrent Assets

Loans and notes receivable, net of current portion, net of discounts / premiums	<u>177,718,597</u>
Total noncurrent assets	<u>177,718,597</u>

\$ 192,500,302

Liabilities and Net Position

Current Liabilities

Revenue bonds payable, current portion	\$ 12,580,000
Interest payable	<u>1,911,248</u>
Total current liabilities	<u>14,491,248</u>

Noncurrent Liabilities

Revenue bonds payable, net of current portion, net of premium / discounts	<u>177,718,597</u>
Total noncurrent liabilities	<u>177,718,597</u>

Total liabilities 192,209,845

Net Position

Unrestricted	<u>290,457</u>
	<u><u>\$ 192,500,302</u></u>

Idaho Bond Bank Authority
Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2026

Operating Revenues	
Interest income	\$ 4,460,131
Origination income	616,458
Other income	<u>84,030</u>
Total operating revenues	<u>5,160,619</u>
Operating Expenses	
Other expense	<u>39,900</u>
Total operating expenses	<u>39,900</u>
Operating Income	<u>5,120,719</u>
Other Nonoperating Expenses	
Interest expense	(4,460,131)
Cost of issuance	<u>(616,458)</u>
Total other nonoperating expenses	<u>(5,076,589)</u>
Increase in Fund Net Position	44,130
Net Position, Beginning of Year	<u>246,327</u>
Net Position, End of Year	<u><u>\$ 290,457</u></u>

Idaho Bond Bank Authority

Statement of Cash Flows

Year Ended June 30, 2026

Operating Activities	
Receipt of origination fees	\$ 616,458
Receipts from bond issuance fees and other income	84,030
Payments for bond issuance costs	(616,458)
Cash payments to suppliers for services	(39,900)
Net Cash from Operating Activities	<u>44,130</u>
Noncapital Financing Activities	
Receipts from bonds issued	41,710,000
Receipts from bond premium	3,881,858
Payments on bond principal	(12,670,000)
Payments of bond interest	(6,317,018)
Net Cash from Noncapital Financing Activities	<u>26,604,840</u>
Investing Activities	
Disbursements of loans receivable	(41,710,000)
Disbursement of premium	(3,881,858)
Receipts of loan principal	12,670,000
Receipts of loan interest	6,317,018
Net Cash used for Investing Activities	<u>(26,604,840)</u>
Net Change in Cash	44,130
Cash Held with Idaho State Treasurer, Beginning of Year	<u>246,327</u>
Cash Held with Idaho State Treasurer, End of Year	<u>\$ 290,457</u>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income	\$ 5,120,719
Adjustments to reconcile operating income to net cash from operating activities	
Interest income	(4,460,131)
Bond issuance costs	(616,458)
Note receivable premium / discount amortization	1,845,182
Bond premium / discount amortization	(1,845,182)
Net Cash from Operating Activities	<u>\$ 44,130</u>
Noncash Financing and Investing Activities	
Defeasance of bond payable with funds provided by borrowers	\$ 14,790,000
Reduction of accumulated amortization of bond and loan premium	2,189,782
Reduction of bond and loan premium	3,464,114

Note 1 - Summary of Significant Accounting Policies

The accompanying financial statements of the Idaho Bond Bank Authority (the Authority), have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the standard-setting body for the governmental accounting and financial reporting principles.

Reporting Entity

The Idaho Bond Bank Authority was created by Idaho Code, Section 67-8703, authorizing the Authority to issue bonds to make loans to local governments for infrastructure. The objective of the Authority is to obtain lower interest rate and underwriting costs than local governments can achieve individually. The Authority is administered by a five-member board, of which two members are appointed by the governor and three are elected officials.

The Authority is included as a component unit in the State of Idaho financial statements. The Authority can obligate state sales tax revenue as a source of payment or security for bonds issued, which imposes a potential direct financial burden on the State.

These statements present only the balances and activities of the Authority and are not intended to present the financial position and the results of operations of the State of Idaho in conformity with generally accepted accounting principles of the United States of America.

Basis of Accounting and Financial Statement Presentation

The Authority is accounted for and reported as a proprietary-type enterprise fund. Accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position display information about the Authority. These statements include the financial activity of the overall reporting entity. These statements report all activities of the Authority as a business-type activity. Operations are financed primarily from interest income.

The Statement of Net Position presents the Authority's assets and liabilities, with the difference reported as net position. Net position is displayed as unrestricted; however, unrestricted net position may have constraints or designations placed upon it by management, which can be unilaterally removed.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses.

Cash Held with Idaho State Treasurer

The Authority involuntarily participates in the State of Idaho Treasurer's Pooled Idle Fund (Idle Pool). The Idle Pool is an internal investment pool managed by the State Treasurer's Office on behalf of participants. The funds of the Idle Pool are invested pursuant to Idaho Code 67-1210 and 67-1210A and generally invested in US Treasury and US Government Agency obligations, investment grade corporate obligations, high quality commercial paper and bank certificates of deposit. For performance evaluation, the Idle Pool is compared to a blended Index made up of 80% Bank of America 0-1 year U.S. Treasury and 20% Bank of America Merrill Lynch U.S. Corporate & Government 1-10 years A rated and above. All investments are held in trust by a safekeeping bank.

Loans Receivable and Provisions for Loan Losses

Loans receivable consist of loans to local governments in order to finance infrastructure needs. The terms of the loans receivable are identical to the terms of the bonds payable. Notes receivable as of June 30, 2026, is \$177,885,000, with \$12,580,000 receivable due within one year. Interest rates range from 1.25% to 5.00%.

Periodic evaluation of the loans receivable portfolio is performed in order to determine whether an allowance for loan losses should be established and reflected in current operations. Due to various levels of security, including the ability of the Authority to intercept State-shared revenues designated for distribution to borrowing communities, and the Authority's low delinquency rates in its loan portfolio, management determined that no allowance for loan losses was necessary for the year ended June 30, 2026. The allowance for loan loss is considered a significant estimate and it is reasonably possible that this estimate will change.

Discount or premium on notes receivable represent the difference between the note receivable balance and the cash that was distributed to the participants. The note premium or discount is capitalized and amortized over the life of the notes and recognized as interest revenue using the effective interest method. Notes receivable are reported net of applicable premium or discount. Net discount or premium on notes totaled \$29,598,980 in net premiums as of June 30, 2026. Amortization of note discount or premium for the year ended June 30, 2026, was \$1,845,182 and is included in the caption, Interest Income on the Statement of Revenues, Expenses and Changes in Net Position. Accumulated amortization as of June 30, 2026 was \$17,185,383. The premium on notes receivable net of accumulated amortization totaled \$12,413,597 at June 30, 2026.

Revenue Bonds Payable

Bonds and notes payable include bonds issued to make loans to local governments in order to finance infrastructure needs. Bond premiums/discounts are deferred and amortized over the life of the loan.

The Authority's financial statements report long-term obligations, such as bonds and notes payable, as liabilities, with the portion payable within twelve months designated separately from the portion payable in more than twelve months. Bonds payable are reported net of applicable bond premium or discount. Net premium or discount on the bonds totaled \$29,598,980 in net premium as of June 30, 2026. Amortization of bond premium or discount for the year ended June 30, 2026 was \$1,845,182 and is included in the caption, Interest Expense on the Statement of Revenues, Expenses and Changes in Net Position. Accumulated amortization as of June 30, 2026 was \$17,185,383. The premium on bonds payable net of accumulated amortization totaled \$12,413,597 at June 30, 2026.

Adoption of New Standard

As of July 1, 2025, the Authority adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. This Statement enhances the clarity and consistency of financial reporting requirements related to the following areas: 1) Management's discussion and analysis 2) Proprietary fund reporting 3) Unusual or infrequent items and 4) Budgetary comparison schedules. GASB 103 is required to be reported as a change in accounting principle in accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*. Accordingly, the Authority have applied this standard to the Management's discussion and analysis to conform with the requirements. The implementation of this Statement did not have an effect on the Authority's beginning net position, change in net position, ending net position, or financial statement amounts.

Note 2 - Long-Term Liabilities

The Authority is authorized to issue and sell revenue bonds under provisions of the Idaho Constitution, Article VIII, Section 2A, and Idaho Code, Sections 67-8701 through 67-8728. The bonds are used by the Authority to make loans to local governments in order to finance infrastructure needs. The bonds are limited obligations of the Authority and do not constitute a debt of the State of Idaho or any of its political subdivisions.

Individual revenue bond debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Series 2012A		Series 2012B	
	Principal	Interest	Principal	Interest
2027	\$ 285,000	\$ 51,125	\$ 140,000	\$ 8,600
2028	300,000	36,500	145,000	2,900
2029	100,000	26,500	-	-
2030	105,000	21,375	-	-
2031	110,000	16,000	-	-
2032-2036	265,000	6,625	-	-
2037-2041	-	-	-	-
2042-2046	-	-	-	-
2047-2051	-	-	-	-
Total	<u>\$ 1,165,000</u>	<u>\$ 158,125</u>	<u>\$ 285,000</u>	<u>\$ 11,500</u>
Interest Rate	2.00%-5.00%		2.00%-5.00%	

Idaho Bond Bank Authority

Notes to Financial Statements

June 30, 2026

Fiscal Year Ending June 30	Series 2012C		Series 2012D	
	Principal	Interest	Principal	Interest
2027	\$ 605,000	\$ 23,063	\$ 130,000	\$ 17,250
2028	620,000	7,750	135,000	10,625
2029	-	-	145,000	3,625
2030	-	-	-	-
2031	-	-	-	-
2032-2036	-	-	-	-
2037-2041	-	-	-	-
2042-2046	-	-	-	-
2047-2051	-	-	-	-
Total	<u>\$ 1,225,000</u>	<u>\$ 30,813</u>	<u>\$ 410,000</u>	<u>\$ 31,500</u>
Interest Rate	1.25%-5.00%		3.00%-5.00%	
Fiscal Year Ending June 30	Series 2013B		Series 2014A	
	Principal	Interest	Principal	Interest
2027	\$ 165,000	\$ 28,088	\$ 1,985,000	\$ 831,106
2028	65,000	22,338	2,050,000	757,850
2029	70,000	19,313	2,765,000	661,550
2030	70,000	16,513	2,875,000	548,750
2031	75,000	13,566	2,990,000	438,925
2032-2036	275,000	21,347	9,665,000	590,100
2037-2041	-	-	-	-
2042-2046	-	-	-	-
2047-2051	-	-	-	-
Total	<u>\$ 720,000</u>	<u>\$ 121,165</u>	<u>\$ 22,330,000</u>	<u>\$ 3,828,281</u>
Interest Rate	4.00% - 5.00%		3.00%-5.00%	

Idaho Bond Bank Authority

Notes to Financial Statements

June 30, 2026

Fiscal Year Ending June 30	Series 2014C		Series 2015A	
	Principal	Interest	Principal	Interest
2027	\$ 420,000	\$ 136,925	\$ 1,260,000	\$ 397,188
2028	440,000	119,825	1,310,000	345,788
2029	455,000	106,400	1,365,000	299,113
2030	465,000	92,600	1,405,000	257,563
2031	480,000	78,125	1,445,000	214,813
2032-2036	2,090,000	146,900	6,240,000	396,569
2037-2041	-	-	-	-
2042-2046	-	-	-	-
2047-2051	-	-	-	-
Total	<u>\$ 4,350,000</u>	<u>\$ 680,775</u>	<u>\$ 13,025,000</u>	<u>\$ 1,911,034</u>
Interest Rate	3.50% - 5.00%		3.00%-5.00%	

Fiscal Year Ending June 30	Series 2015B		Series 2017A	
	Principal	Interest	Principal	Interest
2027	\$ 35,000	\$ 101,375	\$ 845,000	\$ 285,725
2028	30,000	99,750	620,000	249,100
2029	255,000	92,625	575,000	222,100
2030	270,000	79,500	600,000	198,600
2031	285,000	65,625	625,000	174,100
2032-2036	1,170,000	113,000	2,795,000	505,500
2037-2041	-	-	1,275,000	91,275
2042-2046	-	-	-	-
2047-2051	-	-	-	-
Total	<u>\$ 2,045,000</u>	<u>\$ 551,875</u>	<u>\$ 7,335,000</u>	<u>\$ 1,726,400</u>
Interest Rate	2.00% - 5.00%		2.00% - 5.00%	

Idaho Bond Bank Authority

Notes to Financial Statements

June 30, 2026

Fiscal Year Ending June 30	Series 2017B		Series 2017C	
	Principal	Interest	Principal	Interest
2027	\$ 210,000	\$ 264,940	\$ 340,000	\$ 460,513
2028	215,000	256,971	355,000	448,388
2029	225,000	248,665	365,000	437,588
2030	230,000	240,020	380,000	424,513
2031	240,000	231,090	395,000	409,013
2032-2036	1,350,000	1,005,720	2,215,000	1,791,063
2037-2041	1,645,000	704,469	2,700,000	1,277,363
2042-2046	2,020,000	318,750	3,405,000	577,794
2047-2051	455,000	9,669	1,540,000	52,481
Total	<u>\$ 6,590,000</u>	<u>\$ 3,280,294</u>	<u>\$ 11,695,000</u>	<u>\$ 5,878,716</u>
Interest Rate	3.00% - 4.25%		2.00% - 5.00%	
Fiscal Year Ending June 30	Series 2018A		Series 2020A	
	Principal	Interest	Principal	Interest
2027	\$ 100,000	\$ 129,206	\$ 845,000	\$ 722,300
2028	105,000	124,081	880,000	687,800
2029	110,000	118,706	910,000	652,000
2030	115,000	113,081	950,000	614,800
2031	120,000	107,206	990,000	576,000
2032-2036	680,000	451,419	5,670,000	2,123,050
2037-2041	810,000	321,266	6,765,000	709,600
2042-2046	965,000	166,709	-	-
2047-2051	435,000	15,859	-	-
Total	<u>\$ 3,440,000</u>	<u>\$ 1,547,533</u>	<u>\$ 17,010,000</u>	<u>\$ 6,085,550</u>
Interest Rate	3.00% - 5.00%		4.00% - 5.00%	

Idaho Bond Bank Authority

Notes to Financial Statements

June 30, 2026

Fiscal Year Ending June 30	Series 2020B		Series 2021A	
	Principal	Interest	Principal	Interest
2027	\$ 1,250,000	\$ 512,902	\$ 75,000	\$ 56,500
2028	1,315,000	448,777	75,000	53,500
2029	1,385,000	381,277	80,000	50,400
2030	1,450,000	310,402	80,000	47,200
2031	1,525,000	236,027	85,000	43,900
2032-2036	7,185,000	585,893	485,000	164,100
2037-2041	2,120,000	68,384	420,000	67,000
2042-2046	-	-	150,000	6,000
2047-2051	-	-	-	-
Total	<u>\$ 16,230,000</u>	<u>\$ 2,543,662</u>	<u>\$ 1,450,000</u>	<u>\$ 488,600</u>
Interest Rate	1.664% - 5.00%		4.00%	
Fiscal Year Ending June 30	Series 2021B		Series 2026A	
	Principal	Interest	Principal	Interest
2027	\$ 3,070,000	\$ 1,020,288	\$ 820,000	\$ 1,647,900
2028	3,155,000	864,663	735,000	2,026,125
2029	3,055,000	709,413	770,000	1,988,500
2030	3,075,000	556,163	1,300,000	1,936,750
2031	2,930,000	406,038	1,370,000	1,870,000
2032-2036	10,870,000	662,002	7,910,000	8,228,750
2037-2041	715,000	8,509	7,425,000	6,119,875
2042-2046	-	-	4,955,000	4,750,125
2047-2051	-	-	6,360,000	3,342,750
2052-2056	-	-	8,170,000	1,535,750
2057-2061	-	-	1,895,000	47,375
Total	<u>\$ 26,870,000</u>	<u>\$ 4,227,076</u>	<u>\$ 41,710,000</u>	<u>\$ 33,493,900</u>
Interest Rate	1.97% - 5.00%		5.00%	

Idaho Bond Bank Authority

Notes to Financial Statements

June 30, 2026

Total revenue bond debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Total	
	Principal	Interest
2027	\$ 6,440,000	\$ 4,427,082
2028	6,305,000	4,582,076
2029	6,975,000	4,314,876
2030	7,590,000	4,028,176
2031	7,900,000	3,726,751
2032-2036	34,980,000	13,799,132
2037-2041	18,585,000	8,265,113
2042-2046	8,510,000	5,333,919
2047-2051	7,900,000	3,395,231
2052-2056	-	-
2057-2061	-	-
Total	<u>\$ 105,185,000</u>	<u>\$ 51,872,356</u>

The revenue bonds are secured by loan payments from local governments, investment earnings on amounts held by the trustee, and any other monies received by the Authority as designated revenues. All bonds are further secured by monies in the debt service reserve funds held by each participant. The reserve requirement of each participant is equal to the lesser of 125 percent of the annual debt service, the maximum annual debt service, or 10 percent of the original issue amount.

The changes in long-term liabilities for the fiscal year ended June 30, 2026 are as follows:

Long-Term Liabilities	Balances at June 30, 2025	Defeasances	Increases	Reductions	Balances at June 30, 2026	Amounts Due Within One Year
Revenue Bonds - 2012A	\$ 1,440,000	\$ -	\$ -	\$ (275,000)	\$ 1,165,000	\$ 285,000
Revenue Bonds - 2012B	420,000	-	-	(135,000)	285,000	140,000
Revenue Bonds - 2012C	1,820,000	-	-	(595,000)	1,225,000	605,000
Revenue Bonds - 2012D	535,000	-	-	(125,000)	410,000	130,000
Revenue Bonds - 2013B	875,000	-	-	(155,000)	720,000	165,000
Revenue Bonds - 2014A	24,255,000	-	-	(1,925,000)	22,330,000	1,985,000
Revenue Bonds - 2014C	4,750,000	-	-	(400,000)	4,350,000	420,000
Revenue Bonds - 2015A	14,235,000	-	-	(1,210,000)	13,025,000	1,260,000
Revenue Bonds - 2015B	16,350,000	(13,540,000)	-	(765,000)	2,045,000	35,000
Revenue Bonds - 2017A	8,135,000	-	-	(800,000)	7,335,000	845,000
Revenue Bonds - 2017B	6,790,000	-	-	(200,000)	6,590,000	210,000
Revenue Bonds - 2017C	12,025,000	-	-	(330,000)	11,695,000	340,000
Revenue Bonds - 2018A	3,535,000	-	-	(95,000)	3,440,000	100,000
Revenue Bonds - 2020A	17,820,000	-	-	(810,000)	17,010,000	845,000
Revenue Bonds - 2020B	19,255,000	(1,250,000)	-	(1,775,000)	16,230,000	1,250,000
Revenue Bonds - 2021A	1,520,000	-	-	(70,000)	1,450,000	75,000
Revenue Bonds - 2021B	29,875,000	-	-	(3,005,000)	26,870,000	3,070,000
Revenue Bonds - 2026A	-	-	41,710,000	-	41,710,000	820,000
Total Revenue Bonds	163,635,000	(14,790,000)	41,710,000	(12,670,000)	177,885,000	12,580,000
Premiums/(Discounts)	29,181,236	(3,464,114)	3,881,858	-	29,598,980	-
Accumulated Amortization	(17,529,983)	2,189,782	(1,845,182)	-	(17,185,383)	-
Total Bonds Payable	\$ 175,286,253	\$ (16,064,332)	\$ 43,746,676	\$ (12,670,000)	\$ 190,298,597	\$ 12,580,000
				Current portion	12,580,000	
				Long-term portion	<u>\$ 177,718,597</u>	

Redeemed and Refunded Bonds

In fiscal year 2026, Lemhi County redeemed \$1,250,000 of the outstanding Series 2020B Bonds. As a result, the Series 2020B Bonds are considered to be partially defeased and the receivable from the county and the liability for the defeased bonds have been reduced by the defeased amount. The county achieved cash flow savings of \$35,273.

In fiscal year 2026, the Idaho Bond Bank Authority Revenue and Revenue Refunding Bonds, Series 2026A were issued on May 27, 2026, in the amount of \$41,710,000. A portion of the proceeds were used to redeem the Authority's outstanding Series 2015B bond for the City of Buhl Water System and the City of Buhl Sewer System in the amounts of \$4,625,000 and \$8,915,000, respectively. As a result, the Series 2015B Bonds are considered to be partially defeased and the receivable from the city and the liability for the defeased bonds have been reduced by the defeased amount. The new issue will save the City of Buhl Water System \$532,250 and the City of Buhl Sewer System \$1,087,200 for a total savings of \$1,619,450.

Note 3 - Advanced Refunding

In the fiscal year 2026 there were no advanced refundings. The outstanding balance of defeased bonds as of June 30, 2026 are as follows:

Bond Series Defeased	Outstanding at June 30, 2025	Current Year Defeasances	Bonds Redeemed	Outstanding at June 30, 2026
2017A	\$ 1,360,000	\$ -	\$ 430,000	\$ 930,000

Other Information
June 30, 2026

Idaho Bond Bank Authority



**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To Honorable Julie A. Ellsworth, Idaho State Treasurer, Chair and Authority Members
Idaho Bond Bank Authority
Boise, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Idaho Bond Bank Authority (the Authority) as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated August 18, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Bailly LLP". The script is cursive and fluid, with the letters "E", "B", and "L" being particularly prominent.

Boise, Idaho
August 18, 2026