



North Idaho College

1000 West Garden Avenue, Coeur d'Alene, Idaho 83814
www.nic.edu

Board of Trustees

February 23, 2019

Idaho State House of Representatives
State Affairs Committee
P.O. Box 83720
Boise, ID 83720-0038

Dear Committee Members:

On behalf of the five-member, locally elected, North Idaho College Board of Trustees, I wish to thank you for allowing our President and team to represent us in Boise for your re-hearing of SCR 102.

On February 1, 2019, the NIC's Board of Trustees voted unanimously to give President MacLennan the authority to seek legislative approval to use the Idaho State Building Authority to finance up to \$25 million, over 25 to 30 years, for needed building projects on NIC's main campus in Coeur d'Alene.

We appreciate the support of Senator Mary Souza who represented us and SCR 102 through the Senate approval process. We thank Representative Paul Amador for assisting us now, through the House process.

Annually, North Idaho College's locally elected Board of Trustees sets aside \$2,588,111 in a capital reserve fund from our local collected levy. The Board has recognized that we cannot solely rely on the state for the development of buildings and capital needs for Idaho's community colleges.

In 2009, the Board set aside a \$2.45M funding stream for the purchase of the land used for the development of the north Idaho higher education corridor on NIC's main campus. Continuing as the fiduciary of the college, the Board increased this annual allocation for the capital reserve to \$2.58M in 2014, then used the capital reserve to build the \$15M Parker Technical Education Center in Rathdrum. Today, the balance of the capital reserve is almost \$10.5M.

The Board has a proven history of careful and prudent financial stewardship. The capital reserve is a tool that allows the college to plan for the future and ensure quality learning environments for our students. We are a local community college and our role as elected trustees is to make certain we are representing the taxpayers and constituents who vote us into office, through our strategic planning for NIC's future.

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The use of the Idaho State Building Authority is a tool that will allow the college to move forward with our facility master plan and more quickly accomplish our mission of meeting the diverse educational needs of students, employers, and the communities we serve. Under President MacLennan's leadership, this plan has received broad input through Board of Trustees workshops, community conversations and meetings over a multi-year strategic planning engagement process. Our facility master plan is a continued demonstration of the Board's commitment to the future of North Idaho College and service to our students and community.

The college has no other debts, and a strong AA bond rating. Utilization of the ISBA will allow the college to move forward more quickly with the development and construction of the Meyer Health and Sciences building expansion for much needed lab space and classrooms and a new athletic facility. The Board does not anticipate utilizing the entire \$2.5M annual capital reserve allocation; the lease payment (debt service) is anticipated to be less than half of the annual \$2.5M. This provides incredible flexibility for the college to address other capital needs or accelerate payments for these projects. The college is seeking up to \$25 Million to accomplish these projects and it is our goal to complete these projects well under of the full \$25M authority.

North Idaho College is financially strong and is an ideal partner for the Idaho State Building Authority. The college has the resources to ensure consistent funding of the obligation and the track record to show the diligence and stewardship to ensure this funding stream remains committed to capital projects.

Our Board of Trustees is united in our request to you and we have confidently delegated President MacLennan and his team to represent us and to address any questions you may have concerning SCR 102. We sincerely thank you for your consideration. And thank you for your service to the citizens of Idaho.

Respectfully,



Christie Wood
Chair of the North Idaho College Board of Trustees

Cc: Rick MacLennan, President
Chris Martin, Vice President of Business and Finance
Laura Rumpler, Chief Communications and Government Relations Officer