



**Press Release**  
**Iowa Local Government Risk Pool (Iowa LGRP)**  
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## **Iowa Local Government Risk Pool Frees Nearly \$90 Million in School District General Funds to Pay Teachers**

**DES MOINES, IOWA** — Since fiscal year 2020, Iowa school districts participating in the Iowa Local Government Risk Pool (LGRP) for natural gas have collectively freed nearly \$90 million in general fund dollars. Those dollars have supported educator salaries, classroom resources, and student programs across the state. What began as a pilot program with 27 districts in FY 2019–20 has since grown into a statewide initiative with 190 districts contracted for FY 2026–27. The program’s growth reflects the value Iowa school leaders see in a risk management solution designed specifically for their needs.

"Whether you're a large urban district or a small rural school, budget predictability is the foundation of everything else — hiring, retaining teachers, planning for students," said Margaret Buckton, Partner, ISFIS. "The LGRP has delivered that budget certainty for 190 Iowa districts, and the nearly \$90 million freed up in general funds since FY 2020 is real money that school leaders have put back into classrooms and educator pay. That's what this program was built to do."

The LGRP’s risk transfer model is not theoretical — it has been tested during some of the most severe winter weather events in recent Iowa history and has consistently performed as designed. The program protects districts from multiple forms of energy market risk, including:

- **Commodity Price Risk:** Iowa winters have become increasingly volatile and expensive, underscoring the importance of budget protection. During Winter Storm Uri in February 2021, spot natural gas prices in Iowa surged from approximately \$3 to more than \$200 per dekatherm. Since then, the program has continued to shield districts during major weather events, including Winter Storm Elliott (2022), Winter Storm Finn (2024), Winter Storm Blair (2025), and Winter Storm Fern in January 2026. During Winter Storm Fern alone, daily natural gas prices in Iowa climbed to nearly \$71 per dekatherm, highlighting the extreme price exposure districts could face without the program.
- **Usage and Volume Risk:** Participating districts pay the same contracted premium regardless of winter temperatures or consumption levels. Any costs tied to higher-than-expected usage are absorbed by the pool and its service providers — not by district budgets.
- **Weather Variability:** Iowa heating degree days have fluctuated from 8% above normal to 10% below normal over the past decade, making traditional energy budget forecasting increasingly difficult for school business officials.
- **Tariff and Distribution Risk:** Mid-year increases in utility distribution tariffs, pipeline transportation rates, and regulatory assessments are incorporated into the LGRP structure, protecting districts from unexpected surcharges or budget disruptions.

The LGRP was developed through the longstanding partnership between ISFIS and WoodRiver Energy — organizations with deep roots serving Iowa school districts and a thorough understanding of their unique budget realities. The program is overseen by a board of Iowa school district superintendents who understand the day-to-day challenges of operating Iowa public schools, ensuring the LGRP remains aligned with the interests of its member districts rather than outside vendors or commodity traders. After providing suggestions to the structure of the program to ensure protection for Iowa schools, Iowa State Auditor Rob Sand confirmed in a July 2019 letter that it appeared appropriate for school districts to use their funds to participate in this local government risk pool. That clarity from the State Auditor's office gave school boards and administrators across Iowa the confidence to join the pool, fueling growth from 27 districts to the 190 participating today.

"When we designed the LGRP alongside ISFIS, the goal was simple: give Iowa school business officials complete certainty on their natural gas budget," said Don Krattenmaker, Chief Operating Officer, WoodRiver Energy. "Nearly \$90 million staying in local school general funds since FY 2020 — money that pays teachers and keeps classrooms open — is exactly the outcome we set out to deliver."

The program's growth from 27 to 190 districts in seven years reflects the trust Iowa school leaders have placed in this model. Districts keep renewing because the LGRP delivers: a fixed energy cost, comprehensive risk transfer, and a structure that puts more money toward the people who educate Iowa's children every day — its teachers.

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#### **About the Iowa Local Government Risk Pool:**

The Iowa Local Government Risk Pool was organized under Iowa Code Chapter 28E in 2019 in an effort to provide greater stability to school district budgets by pooling risks. To learn more about the Iowa Local Government Risk Pool, visit: [www.iowalocalgovernmentriskpool.org](http://www.iowalocalgovernmentriskpool.org).

#### **About WoodRiver Energy:**

Since 2014, WoodRiver Energy has provided cost-effective solutions for commercial, industrial, and educational customers to help manage energy costs with customized natural gas solutions. Our team of experts partner with customers to design an energy plan that fits their operations and budget. To learn more about WoodRiver's energy solutions, visit: [www.woodriverenergy.com](http://www.woodriverenergy.com).

#### **About Iowa School Finance Information Services:**

Iowa School Finance Information Services (ISFIS) was created in 2009 to help schools elevate competence while minimizing workload. We apply decades of combined experience working with schools, public policy, and data analysis to:

- develop electronic tools to effectively organize and share data,
- educate business managers and superintendents on school finance issues affecting their work,
- improve markets that serve public education by creating new services that don't exist or providing competitive services that aggregate schools' collective buying power,
- empower school leaders with information and supports to help them connect with staff, parents, community and state-level decision-makers to benefit students.

To learn more about ISFIS, visit: [www.iowaschoolfinance.com](http://www.iowaschoolfinance.com)