

Annual Comprehensive Financial Report

City of Grand Forks, ND

For the year ended December 31, 2024

Annual Comprehensive Financial Report



of the City of Grand Forks, North Dakota

**For the Year Ended
December 31, 2024**

Prepared by
THE DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES
MAUREEN STORSTAD, DIRECTOR
CANDICE STJERN, ASSISTANT DIRECTOR

(Member of Government Finance Officers Association Of the United States & Canada)

CITY OF GRAND FORKS, NORTH DAKOTA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

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June 19, 2025

To the Honorable Mayor, Members of the City Council, and
Citizens of the City of Grand Forks, North Dakota:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) for the City of Grand Forks for the fiscal year ended December 31, 2024. This report satisfies audit and financial reporting requirements pursuant to North Dakota Century Code 54-10-14.

The report is prepared by the City's Finance and Administrative Services Office in conformity with the generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and audited in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* as published by the Comptroller General of the United States, by a firm of licensed certified public accountants.

This report consists of management's representation concerning the finances of the City of Grand Forks (the City). Consequently, the management assumes full responsibility for the completeness and reliability for all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive framework of internal controls designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of these financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

As management, we assert, to the best of our knowledge and belief, these financial statements are complete and reliable in all material respects.

Brady, Martz and Associates, P.C., Certified Public Accountants have audited the financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2024, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The requirement has been complied with and the independent auditors have issued an unmodified ("clean") opinion on the City of Grand Forks' financial statements for the year ended December 31, 2024. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction.

The independent audit of the financial statements of the City of Grand Forks was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not

only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including the schedule of expenditures of federal awards, auditor's report on the internal control structure, and compliance with applicable laws and regulations are included in a separate report that is available in the City Finance and Administrative Services Office.

Profile of the City

The City of Grand Forks was incorporated in 1881. The City of Grand Forks is located on the eastern border of North Dakota, in the rich Red River Valley, which is one of the most fertile agricultural areas in the world and one hour south of the Canadian border. Grand Forks history shows it to be a popular gathering spot for both Native American and early settler population engaged in fur trapping and trading. Steamboats on the river and the expansion of the railroad facilitated much trade on the Red River Corridor from southern and eastern areas of the U. S. through Grand Forks to western and northern areas, including Winnipeg, Canada. Besides the trading, historically, the agriculture industry has been a major factor in the City's continued growth and development of the successful business climate in the region.

The City currently occupies a land area of approximately 29.27 square miles and has a population of 62,848 at the end of 2024.

The Grand Forks region is home to the nation's most robust unmanned and autonomous systems (UAS) ecosystem, the state's flagship university (University of North Dakota) and the Grand Forks Air Base.

The University of North Dakota enrollment has increased to 15,019 students from around the world, in more than 200 fields of study including bachelor's, master's, doctoral, law and medical degrees. The University of North Dakota is a vital part of the region's economy. It is home to North Dakota's only medical school, law school and one of the largest graduate schools between the Mississippi River and Seattle. It has been designated a Carnegie Doctoral Research Institution. The University of North Dakota houses an internationally renowned flight school, the John D. Odegard School for Aviation and Aerospace Sciences.

Located approximately 15 miles west of the City of Grand Forks, and a very crucial part of the city, is the Grand Forks Air Force Base. And the Grand Forks International Airport is located 5 miles west of the city and is served by Delta Air Lines and Allegiant Air. The City was recently awarded a \$1 million grant from the US Department of Transportation as a part of the Small Community Air Service Development Program in an effort to attract new air service to the community. It is also home to the University of North Dakota aviation school.

The City of Grand Forks adopted its Home Rule Charter in 1970 and operates under a strong mayor-council form of government. Policymaking and legislative authority are vested with the city council consisting of the mayor and seven council members, one from each ward of the City. The city council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Administrator and the City Attorney. The City Administrator, under the direction of the Mayor, is responsible for carrying out the policies and ordinances of the council, and for overseeing the day-to-day operations of the city government. The council is elected on a non-partisan basis. The council members serve four-year staggered terms. The mayor is elected to serve a four-year term and is elected at large.

The City of Grand Forks is empowered to levy a property tax on real property located within its boundary. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City provides its residents and businesses with a full range of services contemplated by statute or charter. This includes Public Safety (Police and Fire), Highways and Streets Construction and Maintenance, Sanitation, Health, Culture and Recreation, Public Improvements, Planning and Zoning, Water, Sewer, Public Transportation, and General Administrative Services.

The City is also financially accountable for the Grand Forks Regional Airport Authority, a legally separate entity. The Mayor with the approval of the City Council appoints four of the seven members of the Authority board. Tax levies and bond issuance authorizations are approved by the City Council and the legal liability for the general obligation portion of the Authority's debt remains with the City. Thus, the authority's activities are discretely presented in the City of Grand Forks' Annual Comprehensive Financial Report. Separate audited financial statements can be obtained from the Grand Forks Regional Airport Authority.

The City Council is required to adopt a final budget by no later than October 7th. The annual budget serves as the foundation for the City of Grand Forks financial planning and control. The appropriated budget is prepared by fund and department. Department heads may transfer resources within a department as they see fit. Transfers of appropriations between general fund departments, and various funds, however, require the approval of the city council. The level of budgetary control, (that is the level at which expenditures may not legally exceed appropriations) is the fund level. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund the comparison is presented on pages 28-29 as part of the basic financial statements for the governmental funds. For the governmental funds other than the general fund with the appropriated annual budgets, this comparison is presented in the governmental subsection of this report, which starts on page 118.

Economic Condition and Outlook

The Red River Valley boasts some of the United States' richest farmland. The agricultural sector has historically been a catalyst for the Grand Forks region's growth and development. Crops grown in the region support many businesses and manufacturing enterprises. Agriculture, education and medical services provide stability to the economy of the city. During the past few years, through the strength of partnerships with community, state, and regional members, the local and regional economy has become more diversified with growth in the medical, manufacturing, border security, energy, environmental, aviation/aerospace industries, unmanned aircraft systems, professional services, value-added agri-business and other research and commercial sectors.

The Grand Forks regional economy continues to show strong growth. Sales tax, building permits and new missions at the Air Force Base are indications that our economy is growing. The State's economy is also strong. State aid is increasing and City sales tax revenue increased 9% in 2024 over that of 2023.

The agri-business economic sector continues its growth in the region and the Northern Red River Valley. Red River Potatoes, LLC, an affiliate of Mesa Verde Trading Company, Inc., purchased the former Western Polymer (Ingredion) facility to provide dehydrated fruits and vegetables to the pet food industry. JR Simplot Co., ND Mill and Elevator and Philadelphia Macaroni Company

continue to make reinvestments in their facilities in the Grand Forks agri-business park. Agristo, a Danish potato processing plant and Epitome energy, a soybean crushing plant are planning to expand to Grand Forks.

The Grand Forks Air Force Base (GFAFB) is one of the largest employers in the state of North Dakota and a model military base of the future. The base is home to 2,897 active-duty personnel and 1,500 dependents. There are also another 1,000 civilians employed at GFAFB. The GFAFB is a part of Air Combat Command with a focus on Intelligence, Surveillance, and Recognizance (ISR) capabilities. The US Air Force is utilizing the base as an operating location for Global Hawk (RQ-4) UAS systems and is home to the 319th Reconnaissance Wing. The GFAFB is also the lead and strategic location for unmanned and other future strategic ISR missions that complement the Global Hawk, as well as additional unmanned and Arctic missions. The GFAFB is also home to the regional headquarters of the US Border Patrol. The city continues to build on its strong collaborative and supportive relationship with the GFAFB and recently was named one of ten cities nationally to be designated as a “Great American Defense Community”.

US Space Development Agency (SDA) officials with their private defense contractor partners have announced a program to establish a new low-Earth orbit satellite mission at the GFAFB. The satellites will use low-power lasers to establish communication with one another, and from there to unmanned aerial vehicles in flight. Those UAVs will then be able to transmit large amounts of sensor data in a much more secure and speedy manner than through the radio frequencies now in use.

The Grand Forks region has seen significant growth in the Unmanned Autonomous Systems (UAS) sector. Grand Sky is a state-of-the-art business and technology park located on unutilized land leased from the US Department of Defense at the GFAFB. Grand Sky is focused on attracting companies and governmental organizations engaged in the research, development, training and operations of manned and unmanned aircraft systems, sensor technologies, aircraft testing and evaluation, pilot, sensor operator and aircraft maintenance training, data management and analysis, secure data storage, and systems development for energy, law enforcement and agricultural industries. Northrup Grumman and General Atomics are the anchor tenants at Grand Sky.

Since it was formed at Grand Sky, the Northern Plains UAS Test Site (NPUASTS) has been a critical partner in Project ULTRA (Unmanned Logistics, Traffic Research and Autonomy), a multi-entity collaboration that is bolstering the Department of Defense’s (DoD) capabilities within the National Airspace System (NAS). One major development in Project ULTRA is the use of UAS, or drones, for military cargo transport, with demonstration flights continuing from the May announcement through 2025. Flights carrying payloads of at least 55 pounds will travel more than 60 miles from Grand Forks Air Force Base to Cavalier Space Force Station and back.

There are over 1,200 people working in careers associated with UAS in the region today.

Complimenting this industry, the University of North Dakota (UND) has an Unmanned Aircraft Systems Center of Excellence and is the first school in the nation to offer a degree program in UAS operations.

In addition to conducting flight tests from its facility at the Grand Sky UAS Business and Aviation Park next to the Grand Forks Air Force Base, General Atomics operates an office building near the University of North Dakota campus in Grand Forks. It features classrooms and a Predator mission aircrew training system for accomplishing the academic and simulator segments of

training. The expanding UAS opportunities, as well as related industries including data management and analysis, are another example of the growth potential in the region. Other higher education institutions in the area provide a variety of UAS-focused training programs, producing valuable workforce members for the UAS industry. Veterans of the Air Force Base offer additional potential employees with specific expertise in unmanned aircraft.

As this program grows, there will be increasing opportunities for partnerships between the University, Grand Forks Regional Airport Authority, Grand Forks Air Force Base, Federal Aviation Administration (FAA), other federal agencies and private sector businesses which will provide valuable experience to students and the community.

UND became the first university in the nation to officially partner with the U.S. Space Force after university and space leaders signed a memorandum of understanding. In May 2022, it was announced that the Space Development Agency awarded a nearly \$325 million grant to General Dynamics Missions Systems, to establish the Space Networking Center at the Grand Forks Air Force Base. In August 2023, another \$30 million was secured to construct the Satellite Test and Checkout Center which will support the SDA low-Earth orbit satellite mission which will serve as the backbone for all U.S. military communications and is expected to be completed in 2026.

The University Partnership Program (UPP) was established to harness innovation at universities across our country. University of North Dakota is the first official UPP member, with 10 more schools to follow in the coming months. The partnership goes beyond the aerospace school and will also bring in the College of Engineering and Mines and the College of Arts and Sciences. Additionally, the North Dakota Legislature approved \$4 million in funding for Space Force-related work at UND during the 2023 legislative session.

UND has undergone a renaissance and renewal of the campus from infrastructure, facilities, and Programming which has strategically positioned UND as seen by the increases in enrollment and research awards. In fact, the first-year student body grew 20% over 2023.

Current projects include the renovation of Merrifield Hall and construction of Memorial Village II which is a five-story mixed-use building with underground parking and is attached to a new UND softball field complex. The Pollard High-Performance Center was recently completed, an estimated \$20 million expansion that includes locker rooms and performance and fitness areas.

Cirrus Aircraft is a global leader in person aviation with the manufacturing, sales and flight training services for the SR Series and Vision Jet. Cirrus currently owns and operates a 170,000 square foot manufacturing production facility in the Grand forks industrial park as part of their aircraft manufacturing sales business.

As an industry leader, Cirrus has been and is currently in a growth and expansion mode in the production of its aircraft. Cirrus is planning an approximate \$10.5 million and 30,000 square foot addition onto their existing facility, investing \$1.5 million in renovations to the existing production facility and investing \$2.5 million in capital equipment in 2025 as they continue to grow and expand their operations.

The Grand Forks Public School District has completed the construction of the Career Impact Academy, which will provide tremendous opportunity for our youth and adults to grow their skill sets and enter the local job market with enhanced job proficiencies. Construction of two new schools is nearing completion as well, the new Valley Middle School and the new Twining School located on the Grand Forks Air Force Base.

The Grand Forks downtown has and is seeing a renaissance with renewed street and streetscape infrastructure and mixed-use developments. Most recently, the Olive Ann Boutique Hotel adjacent to the Edgewood Corporate Center was completed in the fall of 2023 and provides a full-service hotel in downtown Grand Forks with approximately 70 rooms and at a capital investment of approximately \$30 million.

Construction was completed on a new 5 story mixed-use development, Franklin on 4th, at the site of the former Lyons Auto Supply in downtown Grand Forks. The approximately \$30 million, Franklin on 4th redevelopment consists of redeveloping the existing land to accommodate a mixed-use building consisting of an underground parking garage, 1st floor covered parking and commercial space, 2nd-5th floor consisting of apartment units as well as indoor and outdoor amenity spaces.

Altru, the City's largest health care provider, has developed a formal affiliation with the world-renowned Mayo Clinic. The affiliation means that Altru's patients have access to the highest level of clinical expertise available and benefit from enhanced access to Mayo physicians and clinical resources.

Altru constructed an approximately \$500 million new hospital to replace the current hospital with a state-of-the-art hospital facility at the current South Columbia Road campus location. The Altru hospital vision for the campus development represents a phased development over the next 25 years and will have a major economic, workforce, healthy community, infrastructure, and quality of life impact on the City's community and region. The new hospital opened in January 2025.

Grand Forks construction remains strong in all the construction building sectors to include residential, commercial, and industrial. Importantly, there are many construction projects that are multi-year and phased projects beyond the 2024 construction period. The City adopted development policies to attract and encourage more development both in new areas and infill areas of the City. In part, due to these policy changes, the City has seen larger developments with more private capital investment, better infrastructure economies of scale, and better than historic average single and townhouse housing starts.

The City continues to move forward with major infrastructure projects to include securing funding for the 42nd Street/Demers Avenue railroad underpass, work is expected to start in the fall of 2025. The City intends to move forward with our first interstate interchange in 50 years at 47th Avenue South and work continues on the renewal of the wastewater treatment plant.

Unemployment in Grand Forks remains at a historically low level of 2.2%. Grand Forks Public Schools saw enrollment grow to approximately 7,652 students and the University of North Dakota saw enrollment growth this fall for a total enrollment of 15,019 students.

Based on the 2020 census, Grand Forks' population grew at 1.2% annually or 12 percent over the decade (2010 – 52,838 and 2020 – 59,166) and the 2024 Grand Forks/East Grand Forks Metropolitan Planning Organization Grand Forks population estimate is 62,848. Grand Forks' population demographic has a good balance throughout the age groups and is well positioned for growth with strong demographic cohorts in the younger age categories.

The City has experienced growth in valuation due to new construction and revaluation. A total of 266 housing units and 261 new commercial and public buildings were constructed in 2024. Total taxable value increased by 8.67%, 2.35% from new construction and 6.32% from valuation

increases for the 2024 budget year. The total city mill levy decreased 4.06 mills from 96.37 in 2024 to 92.31 for 2025 budget. Efforts continue to minimize property tax increases without detriment to service levels.

The City serves as the economic, educational, and retail trade center for the area. Upwards of two hundred and fifty thousand (250,000) people use Grand Forks as their regional center for trade, health care, education and entertainment. Many of these people using Grand Forks come from Canada.

The City owned Alerus Event Center and the attached privately owned Canad Inn, with its 40,000 square foot indoor water park continue to draw visitors to the community for conventions, concerts, and other events. The Alerus Center is home to the University of North Dakota football team.

The City is also home to the Ralph Engelstad Area, home to the University of North Dakota men's hockey team. The attached Betty Engelstad Sioux Center is home to UND's men's and women's basketball teams and the women's volleyball team. 'The Ralph', considered one of the finest hockey facilities in the world, also hosts many events in addition to college hockey and basketball such as youth athletic camps, concerts, tournaments and other private events. Together the Alerus Center and the Ralph Engelstad Arena bring thousands of visitors to our City annually.

The City's bond rating was confirmed at Aa2 in October 2024.

The City had an increase in unemployment from 1.8 percent in 2023 to 2.2 percent in 2024, which is much lower than the national average of 4.0 percent.

Business Incentives and creating Economic Development

Tax abatement programs in the City of Grand Forks are contributing to the region's economic growth and are a vital tool to supporting job creation and new corporate capital investment. We are using these tools to strategically support primary sector employers who are, in turn, increasing the region's employment base and salaries. Primary sector companies are those whose major markets are located outside the City's immediate trade region. Their success results in infusion of new wealth into the local economy. The City's practice of providing tax abatements on a declining scale provides companies an opportunity to realize reduced costs of entry into the Grand Forks market and ease into fulfilling their tax obligations as their revenues increase. Beginning in the second year, these projects begin paying property taxes based on the declining schedule. The projects are fully taxable after the term of the abatement, which provides local government new resources to reinvest into strategic areas and enhance business attraction and quality of life amenities.

Major Initiatives

Agristo

Agristo announced that it would expand its operations in North Dakota by establishing a \$450 million potato processing plant in Grand Forks, contingent upon finalizing the incentive plan for the project and transportation rates with BNSF. The planned facility will be constructed on a nearly 350-acre site, support 250 employees and provide a local market for up to 15,000 acres of planted potatoes, with the site allowing room for expansion in the future. Construction is expected to begin in 2026 with production planned for the fall of 2028.

Epitome Energy

Epitome Energy is seeking to build a \$400 million full-service soybean crush plant, which will require 50-60 full time employees in Grand Forks. Epitome Energy is committed to becoming a valuable neighbor, employer, and partner in Grand Forks. The plant will process up to 42 million bushels of soybeans per year from area farmers into high quality soybean oil, soybean meal and soybean hulls.

Soybean production has increased by more than 300% over the past two decades in Northeast North Dakota and Northwest Minnesota. The facility will be an economic driver in the region and support area farmers and provide processing for soybean farmers in over two dozen North Dakota and Minnesota counties.

Quality of Life Investments

As part of a quality-of-life initiative, an election was held in November 2023, to continue the $\frac{3}{4}\%$ sales tax which currently goes to the Alerus Center which was scheduled to sunset in 2029. The sales tax initiative passed which omitted the sunset clause and allowed for the financing, design, acquisition, construction, reconstruction and/or leasing of the Altru Sports Complex (ASC) a health and wellness multi-use facility and related land, fixtures and infrastructure improvements. The facility is currently being designed and will include indoor turf, a competition-sized pool and other amenities. The City is partnering with the Grand Forks Park District to construct and operate the facility. The proposed project includes a long-term capital replacement plan for the Alerus Events Center.

Other Financial Information

The management continues to administer the financial policies established by the City Council in a prudent and effective manner. A continuation of this cooperative effort will assure the citizens a healthy future.

Accounting System and Reporting – During the year, the City's accounting system is maintained primarily on a modified accrual basis to provide financial controls. Appropriations are encumbered for major purchase amounts prior to the release of purchase orders to vendors. This system provides budgetary control on all operating funds at a minimum cost. At year-end, journal entries are prepared by the finance department as a preparatory step for completion of the annual financial report. The auditor's report on these financial statements accompanies the report following this letter.


Certificate of Achievement – The Government Finance Officers Association of United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grand Forks for its annual comprehensive financial report for the fiscal year ended December 31, 2023. This was the 38th consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance and Administrative Services Department. We wish to express our appreciation to all the members of the department, especially Samantha Bergan, Joline Hughes, Sherie Lundmark, Josh Odegard, Brittany Salwey and Mike Vatnsdal who assisted and contributed to the preparation of this report. We also wish to express our appreciation to the Mayor and City Council for their continued interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Candice Stjern, CPA
Assistant Director of Finance



Maureen Storstad, CPA
Director of Finance



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Grand Forks
North Dakota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

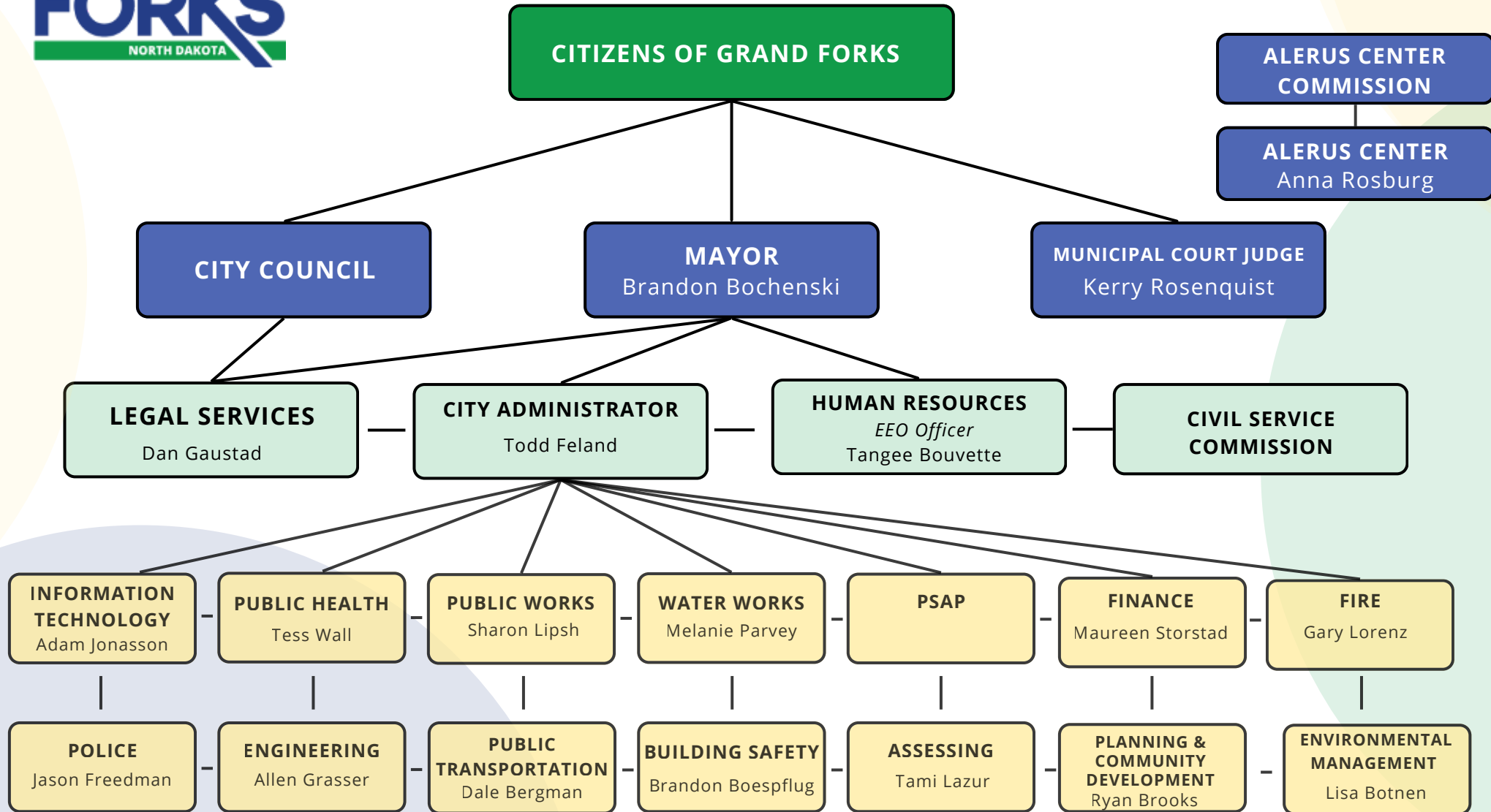
December 31, 2023

Christopher P. Morill

Executive Director/CEO



City of Grand Forks Organizational Chart



ELECTED OFFICIALS

	<u>Ward</u>	<u>Current Term Expires</u>
Brandon Bochenski		June 2028
Danny Weigel	1	June 2028
Rebecca Osowski	2	June 2026
Tricia Berg	3	June 2028
Tricia Lunski	4	June 2026
Mike Fridolfs	5	June 2028
Dana Sande	6	June 2026
Ken Vein	7	June 2028

APPOINTED OFFICIALS

Maureen Storstad	Director of Finance and Administrative Services
Candice Stjern	Assistant Director of Finance and Administrative Services

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Grand Forks, North Dakota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Grand Forks, North Dakota, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Grand Forks, North Dakota, as of December 31, 2024, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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. 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 City of Grand Forks, North Dakota 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 opinions.

Emphasis of Matter

Change in Accounting Principle

As described in Note IV-K to the financial statements, the City has adopted new accounting guidance, GASB Statement No. 101 *Compensated Absences*. Our opinions are 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 City of Grand Forks, North Dakota'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 opinions. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 City of Grand Forks, North Dakota'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 City of Grand Forks, North Dakota'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 and additional required supplementary information as listed in the table of contents 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 auditing standards generally accepted in the United States of America, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Grand Forks, North Dakota's basic financial statements. The accompanying combining and individual non-major fund financial statements, schedules of capital assets used in the operation of governmental funds, and supporting schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedules of capital assets used in the operation of governmental funds and supporting schedules, are fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Summarized Comparative Information

We have previously audited the City's 2023 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information in our report dated June 14, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2025, on our consideration of the City of Grand Forks, North Dakota'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 City of Grand Forks, North Dakota'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 City of Grand Forks, North Dakota's internal control over financial reporting and compliance.



**BRADY, MARTZ & ASSOCIATES, P.C.
GRAND FORKS, NORTH DAKOTA**

June 19, 2025

CITY OF GRAND FORKS, NORTH DAKOTA MANAGEMENT DISCUSSION AND ANALYSIS

As the management of the City of Grand Forks, we are pleased to offer readers of the City of Grand Forks financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. Please read it in conjunction with the additional information presented in the accompanying letter of transmittal, the City's basic financial statements, and the notes to the financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$799 million (net position) at the end of the calendar year 2024.
- The City's total net position increased by \$32 million. This increase is explained in subsequent sections of this analysis.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$95.7 million, a decrease of \$7.4 million in comparison to the prior year. Of this total amount, approximately \$25.2 million, twenty six percent (26%) is available for spending at the City's discretion.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$19.2 million, or thirty-nine percent (39%) of total general fund expenditures of \$48.7 million.
- The City's total debt and non-current liabilities increased by \$33.9 million during 2024.
- During the current year, significant changes included:
 - \$6,130,000 of Refunding Improvement Bonds, Series 2024C, to finance various improvement projects in the city.
 - The City issued \$7.97 million of State Revolving Loan Debt for utility infrastructure projects, of which \$865,313 has been drawn down as of December 31, 2024.
 - Another \$43 million was drawn on outstanding 2023 State Revolving Loan Debt for utility infrastructure projects, leaving a total of \$48.7 million outstanding at the end of the year.
 - The Net Pension and OPEB Liability decreased \$6.2 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Grand Forks' basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Grand Forks' finances, in a manner similar to a private-sector business.

The ***Statement of Net Position*** presents information on all of the City's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of

whether the financial position of the City of Grand Forks is improving or deteriorating. However, other non-financial factors need to be considered to assess the overall health of the City of Grand Forks.

The **Statement of Activities** presents information on how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years.

Both of the government-wide financial statements distinguish functions of the City of Grand Forks that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Grand Forks include general government, public safety, health & welfare, highways and streets, culture and recreation, and public works. The business-type activities of the City include sanitation, water, wastewater, stormwater, mosquito control, public transit, Dial-A-Ride, Job Development Authority, downtown parking, the Beacon and operation and maintenance of the Alerus Center.

The government-wide financial statements also include financial information of the Grand Forks Regional Airport Authority as a component unit. The Mayor with the approval of the City Council appoints four of the seven members of the board and can impose its will if it chooses to do so. The Authority activities are discretely presented in a separate column in the government-wide financial statements.

The government-wide financial statements can be found on pages 22-23 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Grand Forks, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of the funds of the City of Grand Forks can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements. These funds are reported on the modified accrual basis of accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statements of revenues, expenditures, and changes in fund

balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Grand Forks maintains 35 individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general fund, the special assessment debt service fund, capital project street and infrastructure fund and current year projects capital project fund which are considered to be major funds. Data from the other governmental funds (non major special revenue funds, debt service funds, capital project funds) are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements, which begin on page 103.

The City of Grand Forks adopts annual appropriated budgets for the general fund and the special revenue funds. A budgetary comparison statement has been provided for the general fund with the budget.

The basic governmental fund financial statements begin on page 24 of this report.

Proprietary Funds. The City of Grand Forks maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Sanitation, Water, Wastewater, Stormwater, Job Development Authority and Alerus Center operations as major funds and its Public Transit, Dial-A-Ride, Downtown Parking, Mosquito Control and the Beacon operations as non-major funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for goods and services provided by its Computer Service, Central Garage, Central Purchasing, and Public Works Facility funds. Because these internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail and additional information, such as cash flow statements. Internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for internal service funds is provided in the form of combining statements, which begin on page 149. Individual fund data for the non-major proprietary funds is provided in the form of combining statements, which begin on page 141.

The basic proprietary fund statements begin on page 30.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City of Grand Forks is a trustee for its employees' pension plan. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. The basic fiduciary fund financial statements begin on page 36.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39-98 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's share of net pension liabilities and pension contributions along with the City's share of net OPEB liability and OPEB contributions. Required supplementary information can be found on pages 99-102 of this report.

The combining statements in connection with non-major governmental funds, enterprise funds and internal service funds are presented immediately following the required supplementary information on the pension. Combining and individual funds statements and schedules can be found on pages 103-158 of this report.

Government-wide Financial Analysis

The following two Tables present condensed information on the City's Net Position and changes in City's Net Position for the fiscal year ended December 31, 2024.

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the City of Grand Forks, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$799,182,005, as of December 31, 2024.

City of Grand Forks Net Position*						
	Governmental Activities 2024	Governmental Activities 2023 as restated	Business-type Activities 2024	Business-type Activities 2023 as restated	Total 2024	Total 2023 as restated
Current and other assets	\$ 193,734,603	\$ 200,504,607	\$ 96,659,752	\$ 102,768,329	\$ 290,394,355	\$ 303,272,936
Capital assets	282,386,857	272,072,185	602,553,817	546,943,015	884,940,674	819,015,200
Total assets	476,121,460	472,576,792	699,213,569	649,711,344	1,175,335,029	1,122,288,136
Total deferred outflows of resources	25,741,451	34,413,739	7,468,334	13,328,385	33,209,785	47,742,124
Long-term liabilities outstanding	169,950,946	171,896,442	178,859,159	148,283,792	348,810,105	320,180,234
Other liabilities	14,543,156	15,852,266	16,813,329	21,247,003	31,356,485	37,099,269
Total liabilities	184,494,102	187,748,708	195,672,488	169,530,795	380,166,590	357,279,503
Total deferred inflows of resources	17,960,016	28,558,859	11,236,203	17,044,418	29,196,219	45,603,277
Net position:						
Net investment in capital assets	157,469,241	154,262,167	441,100,729	420,013,226	598,569,970	574,275,393
Restricted	158,954,191	166,328,768	45,293,381	48,994,599	204,247,572	215,323,367
Unrestricted	(17,014,639)	(29,907,971)	13,379,102	7,456,691	(3,635,537)	(22,451,280)
Total net position	\$ 299,408,793	\$ 290,682,964	\$ 499,773,212	\$ 476,464,516	\$ 799,182,005	\$ 767,147,480

*Internal Service Funds' net position are included in this table.

City of Grand Forks' Net Position

By far the largest portion of the City's net position, seventy five percent (75%), reflects its investment in capital assets and right to use leases (e.g., land, buildings, machinery, equipment, and infrastructure), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide a variety of services to citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, twenty six percent (26%), represents resources that are subject to external restrictions on how they may be used. The remaining unrestricted balance is a negative \$3,635,537 primarily due to the effects of the pension and OPEB plans the City is involved with that are reported in accordance with GASB Statements 68 and 75.

At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position, for the government as a whole, as well as for its separate governmental and business-type activities, with the exception of the unrestricted net position for the government as a whole, governmental activities, the sanitation fund, the stormwater fund and the public transit fund. The government as a whole unrestricted balance is a negative \$3,635,537. The governmental activities unrestricted balance is a negative \$17 million, the unrestricted balance in the sanitation fund is a negative \$7.7 million, the unrestricted balance in the stormwater fund is a negative \$.2 million and the unrestricted balance in the public transit fund is a negative \$4 million. These negative balances are due to net pension and OPEB liabilities and associated deferred outflows and inflows of \$38.7 million, \$38.7 million, \$5.6 million, \$1.1 million and \$5.4 million respectively, which reflects requirements of GASB Statement No. 68 and 75.

Governmental Activities. During the current fiscal year, net position for governmental activities increased by \$8.7 million, while overall the City's net position increased \$32 million.

Key elements of this increase in net position are as follows:

CHANGES IN NET POSITION

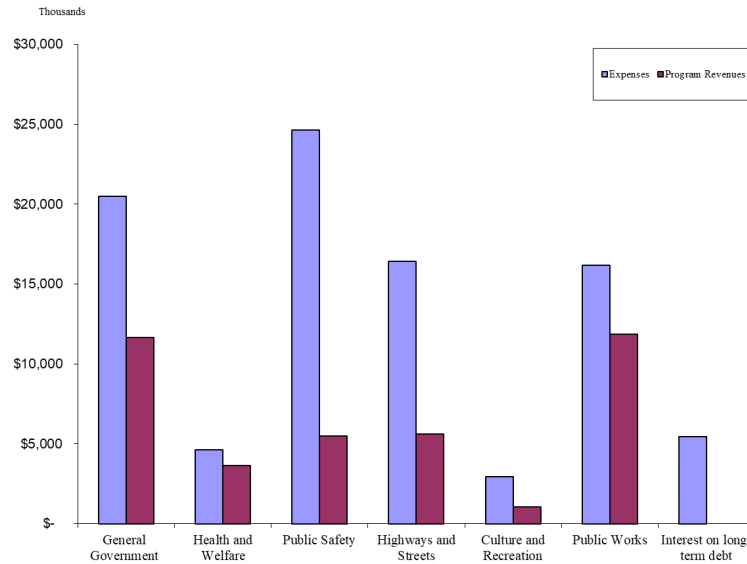
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for services	\$ 15,189,052	\$ 13,397,979	\$ 54,677,116	\$ 48,754,365	\$ 69,866,168	\$ 62,152,344
Operating grants and contributions	9,218,964	8,718,377	2,912,135	2,310,338	12,131,099	11,028,715
Capital grants and contributions	14,910,336	40,708,024	15,077,351	16,129,865	29,987,687	56,837,889
General Revenues:						
Property taxes	24,770,184	23,388,198	1,502,586	1,341,429	26,272,770	24,729,627
Sales taxes	23,242,720	21,372,119	12,306,059	11,239,165	35,548,779	32,611,284
Hotel/Motel taxes	1,401,745	1,241,544	-	-	1,401,745	1,241,544
State aid distribution	4,726,315	4,654,984	-	-	4,726,315	4,654,984
Other taxes	3,864,985	3,725,008	59,229	35,854	3,924,214	3,760,862
Miscellaneous	5,625,827	5,486,288	4,525,841	4,999,045	10,151,668	10,485,333
Total Revenues	102,950,128	122,692,521	91,060,317	84,810,061	194,010,445	207,502,582
Expenses:						
General Government	20,512,226	20,660,368			20,512,226	20,660,368
Health and Welfare	16,427,719	14,954,039			16,427,719	14,954,039
Public Safety	24,638,388	38,083,406			24,638,388	38,083,406
Highways and Streets	4,621,697	4,700,529			4,621,697	4,700,529
Culture and Recreation	2,945,187	4,118,950			2,945,187	4,118,950
Public Works	16,181,919	7,647,299			16,181,919	7,647,299
Interest on Long-term Debt	5,435,566	3,643,674			5,435,566	3,643,674
Sanitation			12,388,256	13,460,944	12,388,256	13,460,944
Wastewater			12,600,091	12,847,414	12,600,091	12,847,414
Waterworks			19,767,132	18,664,175	19,767,132	18,664,175
Stormwater			5,037,481	5,030,669	5,037,481	5,030,669
Mosquito Control			967,655	984,136	967,655	984,136
Public Transit			3,619,514	3,950,148	3,619,514	3,950,148
Dial-A-Ride			1,811,379	1,645,144	1,811,379	1,645,144
Alerus Center			12,619,984	10,849,768	12,619,984	10,849,768
Job Development Authority			2,071,320	2,381,390	2,071,320	2,381,390
Downtown Parking			328,899	502,568	328,899	502,568
The Beacon			1,507	-	1,507	-
Total Expenses	90,762,702	93,808,265	71,213,218	70,316,356	161,975,920	164,124,621
Increase in net position before transfers	12,187,426	28,884,256	19,847,099	14,493,705	32,034,525	43,377,961
Transfers	(3,461,597)	(9,241,209)	3,461,597	9,241,209	-	-
Increase (decrease) in net position	8,725,829	19,643,047	23,308,696	23,734,914	32,034,525	43,377,961
Net position - beginning	291,254,239	271,611,192	476,619,148	452,884,234	767,873,387	724,495,426
Change in Accounting Principle-GASB 101	(571,275)	-	(154,632)	-	(725,907)	-
Net position - beginning as restated	290,682,964	271,611,192	476,464,516	452,884,234	767,147,480	724,495,426
Net position - ending	\$ 299,408,793	\$ 291,254,239	\$ 499,773,212	\$ 476,619,148	\$ 799,182,005	\$ 767,873,387

Governmental Activities

- The mill levy was decreased 1.62 of a mill in 2024 but the property tax revenue did increase \$1,381,986 or 5.9%. This is a result of a growing tax base.
- Local sales tax revenue grew \$1,870,601 or 8.75%, reflecting a thriving economy.
- Operating grants and contributions had a modest increase of \$500,587 or 5.74%.
- Capital grants and contributions decreased by \$25.8 million or 63.4%, reflecting the large increase in special assessments projects in 2023 and a more typical year in 2024.
- Hotel/Motel taxes increased \$160,201 or 12.9% as tourism continued to rebound.
- The miscellaneous revenue increased by \$139,539. This is largely due to an increase in interest income and an unrealized gain on investments.

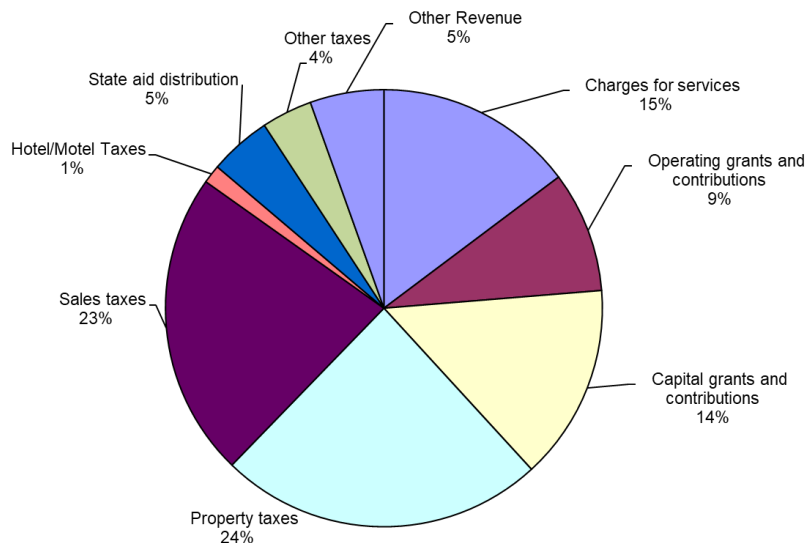
Below are specific graphs which provide comparisons of governmental revenues and expenses:

Expenses and Program Revenues – Governmental Activities



Total governmental expenses decreased by \$3.05 million, or 3.25%, due a large GASB 68 adjustment that resulted in a large decrease in pension expenses which was partially offset by the implementation of a new salary plan and increase in maintenance costs.

Revenues by Sources – Governmental Activities



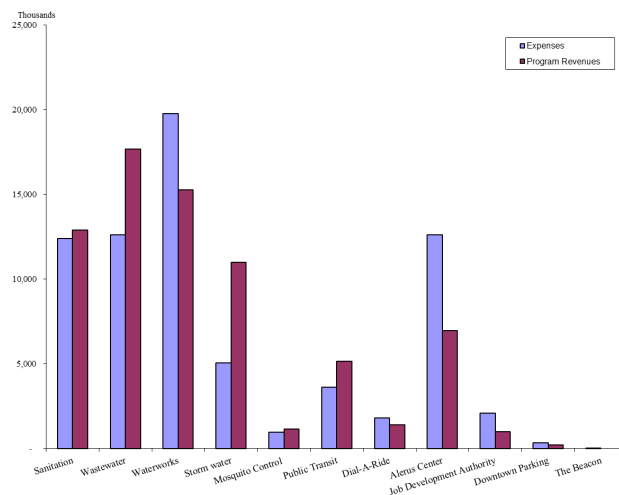
Business-type Activities. Business-type activities increased the City's net position by \$23.3 million.

Key elements of this change are as follows:

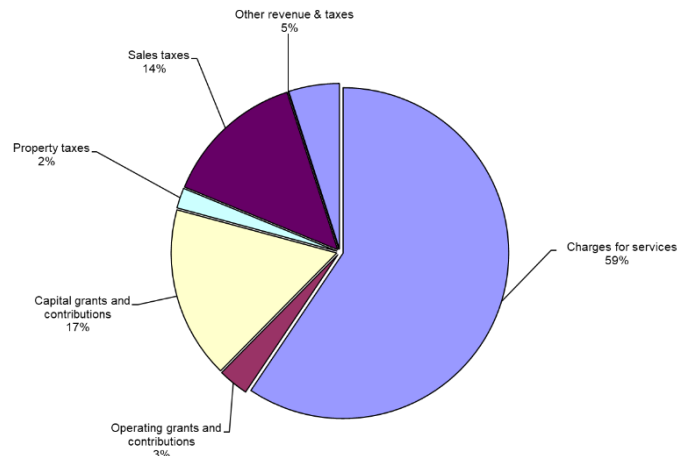
- Capital contributions made by developers for underground utilities and capitalized special assessment projects assessed to benefiting properties amounted to \$15.1 million.
- Charges for services of \$54.7 million represent an increase of \$5.9 million or 12.1% due to increases in utility rates along with higher usage, plus a huge year for events at the Alerus Center.
- The interest income and unrealized gain on investment increased \$672,590.
- Sales tax increased 9.5% over 2023 for a total of \$12.3 million.
- Expenses increased \$0.9 million in 2024 or 1.3%, from increases in maintenance and wages expense. In 2024 the city implemented a new salary plan.

Below are specific graphs which provide comparisons of business-type activities revenues and expenses:

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Grand Forks governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a City's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

As of the end of current fiscal year, the City of Grand Forks' governmental funds reported combined ending fund balances of \$192,805,882, a decrease of \$7,379,705 in comparison with the prior year. Approximately 20% of this total amount, \$19,180,081, constitutes unassigned fund balance, which is available for spending at the government's discretion. \$2,613,999 or 2.7% of this total represents assigned fund balance which has been designated by the Director of Finance or the City Administrator for certain purposes detailed in the table on page 71 of the notes to these financial statements. The remainder of the fund balance is not available for new spending because it has already been committed, restricted or is nonspendable. The committed fund balance is \$3,383,937 or 3.5% of the total and has been committed by the City Council for certain purposes detailed in the table on page 71 of the notes to these financial statements. \$33,825 is nonspendable consisting of prepaid items. The remaining 73.7% or \$70,528,445 is restricted for various purposes including \$13,657,547 for debt service and \$56,870,898 for specific grants, tax related or bonded items or a variety of other purposes which are also detailed in the table on page 71 of the notes to these financial statements.

The general fund is the chief operating fund of the City of Grand Forks. At the end of the current fiscal year, unassigned fund balance of the general fund was \$19,180,081 with a total fund balance of \$23,427,888.

As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents thirty nine percent (39%) of the total general fund expenditures, while total fund balance represents forty eight percent (48%) of that same amount. The fund balance policy goal of 18% has been achieved for this fiscal year.

The fund balance of the City of Grand Forks' general fund increased by \$2,973,868 during the current fiscal year, due to revenues performing better than budget primarily from increases in sales tax, building permits and project related fees, interest earnings and state aid. Overall general fund revenue increased \$3,709,353, or 7.8% over the prior year. Expenditures were up \$3,980,382 or 8.9% over 2023, largely due to the implementation of a new salary plan. Expenses came in at 95.5% of budget.

The special assessment debt service fund has a fund balance of \$13,473,167 all of which is restricted for debt service. This is a decrease of \$501,168 from 2023. This is largely due to an increase in principal and interest expense.

The current year projects capital project fund has a fund balance of \$3,773,030. This balance is restricted for various infrastructure projects that are being funded by refunding

improvement bonds that will be paid through special assessments. This is a decrease of \$9,495,714 which is the result of spending down bond proceeds from a prior year as well as transfers from other city funds from prior years, to cover the city share of various projects which were not completed in one year.

The street and infrastructure capital project fund has a fund balance of \$14,363,336. This balance is restricted for various infrastructure projects that are being funded by highway users' taxes and sales and use tax proceeds dedicated to infrastructure. This represents a decrease of \$1,422,398 due to the transfer out of funds for the City's share of various paving projects.

Proprietary Funds. The City of Grand Forks' proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary funds at the end of the year amounted to \$12,929,531. Some of the proprietary funds reported decreases in net position including the Water, Job Development Authority and Dial a Ride Funds, which had negative changes in net position of \$883,841, \$3,087,047 and \$88,357 respectively.

The Water Fund decrease is due to increases in wages and maintenance expenses. The Job Development Authority fund balance decreased mostly due to a transfer out to the Parking Fund for 2 major rehab projects on for both parking ramps downtown. Dial a Ride fund had an increase in wages and fuel expenses.

General Fund Budgetary Highlights

During the year there was an increase of \$2,181,970 in appropriations between the original and final amended budget. The following are the main components of the increase:

- A net decrease of \$497,137 in appropriation in general government which was due to spreading the lump sum wage increase money budgeted here to various general fund departments.
- An increase of \$261,113 appropriation in health and welfare mainly for wages.
- An increase of \$1,315,326 appropriation in public safety for wage increases, overtime, and maintenance costs.
- An increase of \$160,531 appropriation in streets due to wage increases and sand and ice control expenditures.
- An increase of \$942,137 in appropriation for capital outlay for the purchase of street department equipment and vehicles and cameras for the police department.

Increases in appropriations were funded from unanticipated revenues and appropriated but unspent funds from prior years (departmental cash carryover).

Noted variances between final budget and actual are as follows:

Revenues in total were 105.3% of the final budget. And overall general fund expenditures were incurred at 95.5% of final budget.

Capital Assets and Debt Administration

Capital Assets. The City of Grand Forks' investment in capital assets for its governmental and business type activities as of December 31, 2024, amounts to \$884,940,674 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, work in progress, infrastructure, the right to use leased equipment and subscriptions. The investment in capital assets in governmental funds increased by 4% and business type activities increased by 10%, resulting in a total increase in the City's investment in capital assets for the current fiscal year compared to fiscal year 2023 of 8%.

Major capital asset events during the current fiscal year included the following:

- The expansion/improvement of the Wastewater Treatment Facility.
- Work on sewer mains, storm-sewer mains, water mains, stormwater ponds, lift station rehab and replacement projects, and construction of underground utilities in newly developed areas of the city.
- Stormwater projects included storm sewer rehab, storm pond projects and a new storm station.
- Improvements to the Alerus Center including the chiller plant and roof replacement.
- A large water meter replacement project.
- A variety of infrastructure projects including paving, street lighting and traffic signals were also completed in 2024.

CAPITAL ASSETS & RIGHT TO USE ASSETS

(net of depreciation and amortization)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 38,926,837	\$ 38,871,409	\$ 16,187,337	\$ 14,020,293	\$ 55,114,174	\$ 52,891,702
Building & structures	23,159,366	23,936,072	313,208,568	305,511,951	336,367,934	329,448,023
Improvement other than buildings	48,401,844	48,321,011	196,589,410	188,205,053	244,991,254	236,526,064
Machinery and equipment	7,029,417	8,371,049	12,554,938	13,581,087	19,584,355	21,952,136
Infrastructure	153,881,679	136,438,273	-	-	153,881,679	136,438,273
Construction in progress	3,108,047	7,373,092	62,592,457	24,482,497	65,700,504	31,855,589
Right to use asset	1,802,203	2,369,718	596,709	966,749	2,398,912	4,274,023
Subscriptions	27,605	42,906	333,496	175,385	361,101	218,291
Financed purchases	-	-	490,902	-	490,902	-
Total	<u>\$ 276,336,998</u>	<u>\$ 265,723,530</u>	<u>\$ 602,553,817</u>	<u>\$ 546,943,015</u>	<u>\$ 878,890,815</u>	<u>\$ 813,604,101</u>
Internal Service Fund Capital Assets net of accumulated depreciation and amortization	<u>\$ 6,049,859</u>	<u>\$ 6,348,655</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,049,859</u>	<u>\$ 6,348,655</u>
	<u>\$ 282,386,857</u>	<u>\$ 272,072,185</u>	<u>\$ 602,553,817</u>	<u>\$ 546,943,015</u>	<u>\$ 884,940,674</u>	<u>\$ 819,952,756</u>

Numbers may vary slightly due to rounding

Additional information on the City of Grand Forks' capital assets can be found in note III.C on pages 59-61 of this report.

Long-term Debt

At the end of the current fiscal year, the City of Grand Forks had total bonded and state revolving fund loan debt outstanding of \$278,041,133. Of this amount, \$611,217 comprises debt backed by the full faith and credit of the City and \$114,370,263 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remaining \$163,059,653 of this debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds). Other long-term liabilities total \$86,802,094 which will be funded through a variety of revenue sources. \$23,687,909 is due to the single employer pension plan, \$43,809,980 of this amount is

due to cost sharing pension and OPEB plans and \$8,593,816 is due to compensated absences.

OUTSTANDING DEBT AND OTHER NON-CURRENT LIABILITIES

	Governmental Activities	Business-Type Activities	Total 12/31/2024	Total 12/31/2023
General Obligation Bonds	\$ 565,000		\$ 565,000	\$ 885,000
Unamortized Premium	46,217		46,217	70,330
Special Assessment with GO commitment	108,925,517		108,925,517	108,331,426
Unamortized Premium	5,445,363		5,445,363	5,365,506
Unamortized Discount	(617)		(617)	(1,366)
Sales Tax Revenue		\$ 17,715,000	17,715,000	20,770,000
Unamortized Premium		2,254,368	2,254,368	2,709,031
Revenue Bonds		24,520,352	24,520,352	26,166,811
Unamortized Premium		802,280	802,280	891,547
Unamortized Discount		(11,062)	(11,062)	(12,506)
NDBB-SRF Loans	6,075,624	111,703,091	117,778,715	72,921,268
Total Bonded & SRF Loan Debt	121,057,104	156,984,029	278,041,133	238,097,047
Landfill Closure/Postclosure		7,474,848	7,474,848	6,949,700
Lease liability	2,056,963	572,506	2,629,469	3,324,559
Subscription liability	21,475	250,422	271,897	154,291
Financed Purchases liability	-	334,175	334,175	-
Compensated Absences	7,015,459	1,578,357	8,593,816	8,683,997
Net Pension Liability Single Employer Plan	18,268,112	5,419,797	23,687,909	28,728,068
Net Pension Liability Cost Sharing Plan	17,285,994	14,559,980	31,845,974	32,538,043
Net Pension Liability Cost Sharing Plan-Public Safety	9,710,248	-	9,710,248	9,833,826
Net OPEB Liability Cost Sharing Plan	1,223,339	1,030,419	2,253,758	2,611,705
Total Debt Outstanding	176,638,694	188,204,533	364,843,227	330,921,236
Internal Service Fund Long-term				
Compensated Absences	332,417	-	332,417	332,055
Total Debt and Other Long-Term Liabilities Outstanding	\$ 176,971,111	\$ 188,204,533	\$ 365,175,644	\$ 331,253,291

The City's total debt and non-current liabilities increased by \$33.9 million during the current fiscal year, a large part of this increase was due to funds drawn on the 2023C Sewer Reserve Revenue Bonds for the expansion of the Wastewater Treatment Facility, as well as various special assessment projects that were financed.

During the current year the City issued \$6,130,000 in Refunding Improvement Bonds, Series 2024C, to finance various improvement projects in the city limits.

The City also issued a variety of State Revolving Fund Loans through the North Dakota State Department of Health, which provides funds at 2% for a 30 year term. These funds are drawn down as needed for the following purposes:

The City issued \$1,050,000 of Water Reserve Revenue Bonds, Series 2024A to finance a lead service line replacement project which will give homeowners the opportunity to hire a contractor to replace their lead service lines through the North Dakota State Department of Health (State Revolving Loan Fund). The City will pay 75% of the cost and the homeowner will pay only 25%. The State will then reimburse the City for 75% through the State's Loan Forgiveness Program. These funds are drawn down as needed and as of December 31, 2024, \$36,302 has been drawn.

\$6,922,000 of Sanitary Sewer Refunding Improvement Bonds, Series 2024B to finance construction of a sanitary sewermain in the Highway 81 area, phase 2, were also issued. The amount drawn and outstanding as of December 31, 2024, was \$829,011.

The City continued to draw on the following open State Revolving Loans:

In 2024, the City drew down \$37,837,485 of the \$54,620,000 of Sewer Reserve Revenue Bonds, Series 2023C to finance improvements to the Grand Forks Wastewater Treatment Plant. The amount drawn and outstanding as of December 31, 2024, was \$38,257,521.

\$2,157,992 of the \$3,430,000 of Sewer Refunding improvement Bonds, Series 2023D to finance the construction of a sewermain in the Highway 81 Area was drawn down in 2024. The amount drawn and outstanding as of December 31, 2024, was \$2,971,457.

Another \$3,203,107 was drawn down on the \$5,607,000 of Sewer Reserve Revenue Bonds, Series 2023E to finance the construction of lift station #49 and rural forcemain in 2024. The amount drawn and outstanding as of December 31, 2024, was \$5,169,268.

While no additional funds were drawn on the 2023B Stormwater Refunding Improvement bonds, the current outstanding amount is \$2,275,156. This loan is not fully drawn or closed at this time.

The City of Grand Forks' bonds continue to receive excellent ratings and interest rates. The following issues were sold during this fiscal year and received rating and interest rates as follows:

2024C Refunding Improvement Bonds	3.81%	Aa2
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State statutes limit the amount of general obligation debt a government entity may issue to five percent of its total assessed valuation. The current debt limitation for the City of Grand Forks is \$147,238,115, which is significantly in excess of the City's outstanding net general obligation debt of \$789,976 (Table 15A, page 197).

Additional information on the City of Grand Forks' long-term debt can be found on pages 66-70 of this report.

Economic Factors and Next Year's Budget and Rates

The State's economy continues to be stable and growing. This was reflected in a 1.5% increase in state aid which reflects increases in taxable sales and purchases in 2024 as compared to 2023.

Grand Forks' economy continues to remain strong in the energy, agriculture, aviation, unmanned aircraft systems, border security, medicine, research and tourism sectors. The sales tax revenue continues to grow with an 8.7% increase in 2024 over 2023. The local and regional economy continues to become more diversified with growth in the medical, manufacturing, border security, energy, environmental, aviation/aerospace industries, unmanned aircraft systems, professional services, value-added agri-business and other research and commercial sectors.

There are tremendous growth possibilities with the continuing development of the Grand Sky business park at the Grand Forks Air Force Base. There are over 1,200 people working in careers associated with the Unmanned Aircraft Systems in the region today.

In January 2025, Agristo, a Belgian potato processing company, announced plans for a \$450 million facility in Grand Forks. The company plans for approximately 300 to 350 jobs being created with a 2025 groundbreaking and hopes to be operational in 2028. "This project will expand value-added agriculture in North Dakota, improve profitability for our potato growers and strengthen our state's economy," Governor Armstrong said in a statement. "As a Top 5 potato-producing state and a leader in ag innovation, North Dakota is the ideal location for Agristo's first processing facility in North America."

Epitome Energy continues to working toward building a \$418 million full-service soybean crushing plant on the northwest edge of the city to serve farmers and agribusiness throughout Eastern North Dakota and Northwestern Minnesota. The plant will process up to 42 million bushels of soybeans per year from area farmers into high quality soybean oil, soybean meal and soybean hulls.

The city has experienced a growth in valuation due to new construction and revaluation. The total taxable value of property increased 6.65%, .86% from growth and 5.79% from revaluation. In 2025 the value of a mill is expected to increase from \$277,120 to \$294,256 per mill. The mill levy for the City of Grand Forks' 2025 budget decreased by 4.06 mills from 96.37 in 2024 to 92.31 for 2025. The largest decrease was a 2 mill decrease in the airport mill levy. Property taxes generated by new construction increases are estimated to be \$219,993. The Mayor, administration and City Council are making a consistent effort to reduce the burden of property taxes to the residents of the City of Grand Forks, while still producing a fiscally sound budget.

The city uses a long-term forecasting model of estimated revenues and anticipated expenditures to strategically prepare budgets that address not just normal changes within the operating budget but also integrate the impact of the City's future growth. The stable local economy combined with a strong commitment to fiscal discipline allows the City to maintain high quality services at affordable prices.

The total budget appropriation for 2025, which includes operating, capital and debt service expenditures, is \$298.8 million compared to \$295.9 million in 2024, an increase of .9%. This is primarily due to continued work on the wastewater treatment plant and various other large infrastructure projects.

The city continues to invest in infrastructure to keep retail vibrant and in partnerships throughout the region to create economic opportunities in the areas of aviation, energy, medicine, border security and other research and commercial sectors.

Capital projects decreased from \$153.8 million in the 2024 budget to \$129 million in 2025. The 2024 budget included a large wastewater treatment plant project. The 2025 budget of \$129 million in capital improvement projects include \$59.7 million in utility infrastructure projects, \$14.8 million of facilities and buildings, \$41 million in streets and bikepath projects and \$13.5 million of equipment replacement. Some of the larger projects planned for 2025 are the continued expansion of the Wastewater Treatment Plant, 47th Avenue Interchange design and engineering, as well as various other street reconstruction projects, new infrastructure and utility infrastructure projects in growing areas of town.

The recommended rate increases for the 2025 budget for utility service charges are no rate increase for mosquito, a 3.5% increase for water, a 3% increase for wastewater, a 5% increase for sanitation, an 11% increase for stormwater, and a 2% increase for flood protection/greenway fees. User fees and charges are established to promote efficiency by shifting payment of costs to specific users of services and avoiding general taxation.

The City had an increase in unemployment from 2.1 percent in 2023 to 2.2 percent in 2024, which is much lower than the national average of 3.6 percent.

There was a total of 90 housing units and 261 new commercial and public buildings constructed in 2024.

Request for Information

This financial report is designed to provide a general overview of the City of Grand Forks' finances and to demonstrate the City's accountability for the money it receives to the citizens of Grand Forks. If you have any questions concerning any of the information provided in this report or need further information, contact the City of Grand Forks Office of Finance and Administrative Services, 255 North 4th St. P.O. Box 5200, Grand Forks, North Dakota 58206-5200.



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FOR NOTES



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FOR NOTES

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF NET POSITION
December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	GF Regional Airport Authority
ASSETS				
Cash and cash equivalents	\$ 28,445,826	\$ 10,335,336	\$ 38,781,162	\$ 12,782,968
Investments	67,174,997	34,000,000	101,174,997	87,241
Receivables				
Accounts	1,167,168	6,225,185	7,392,353	326,024
Property taxes	303,090	40,131	343,221	104,953
Special assessments	958,652	199,770	1,158,422	
Uncertified special assessments	88,358,672		88,358,672	
Sales tax	2,341,665	1,233,233	3,574,898	
Hotel/Motel Tax	105,088		105,088	
Interest receivable		56,199	56,199	8,908
Leases receivable	157,656	3,899,411	4,057,067	3,215,014
Notes receivable	2,910,503	6,526,002	9,436,505	
Due from other governments	2,051,957	672,383	2,724,340	3,359,401
Internal balances	(449,571)	449,571	-	
Inventories	165,519	781,173	946,692	33,799
Prepays	43,381	344,046	387,427	43,213
Assets Held for Resale		1,434,323	1,434,323	
Restricted assets:				
Cash and cash equivalents		20,443,593	20,443,593	718,295
Investments		10,019,396	10,019,396	
Capital assets (net of accumulated depreciation and amortization):				
Land	39,206,896	16,187,337	55,394,233	2,361,444
Buildings and structures	26,018,673	313,208,569	339,227,242	24,043,370
Improvements other than buildings	50,410,807	196,589,412	247,000,219	10,690,640
Machinery and Equipment	7,704,990	12,554,935	20,259,925	5,114,674
Infrastructure	153,881,680		153,881,680	
Construction-in-progress	3,108,048	62,592,457	65,700,505	63,984,501
Right to use equipment	1,802,203	596,709	2,398,912	
Subscriptions	253,560	333,496	587,056	
Financed Purchases	-	490,902	490,902	
Total assets	<u>476,121,460</u>	<u>699,213,569</u>	<u>1,175,335,029</u>	<u>126,874,445</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	114,130	763,058	877,188	
Deferred Pension Plans	25,259,702	6,395,630	31,655,332	
Deferred OPEB NDCERS	367,619	309,646	677,265	
Total deferred outflows of resources	<u>25,741,451</u>	<u>7,468,334</u>	<u>33,209,785</u>	<u>-</u>
LIABILITIES				
Accounts payable	2,187,788	1,535,538	3,723,326	653,350
Contracts payable	1,717,445	4,075,014	5,792,459	1,153,790
Customer deposit payable	128,178	86,625	214,803	
Due to other funds				
Accrued interest payable	513,321	971,251	1,484,572	
Unearned revenue	2,976,259	799,527	3,775,786	534,433
Noncurrent liabilities:				
Due within one year	7,117,073	9,345,374	16,462,447	53,234
Due in more than one year	169,854,038	178,859,159	348,713,197	
Total liabilities	<u>184,494,102</u>	<u>195,672,488</u>	<u>380,166,590</u>	<u>2,394,807</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Leases	149,526	3,387,170	3,536,696	3,097,755
Deferred Pension Plans	17,668,530	7,729,459	25,397,989	
Deferred OPEB NDCERS	141,960	119,574	261,534	
Total deferred inflows of resources	<u>17,960,016</u>	<u>11,236,203</u>	<u>29,196,219</u>	<u>3,097,755</u>
NET POSITION				
Net investment in capital assets	157,469,241	441,100,729	598,569,970	105,040,839
Restricted for:				
Debt Service	98,551,566	30,025,692	128,577,258	
Infrastructure and Capital Projects	40,895,761	15,267,689	56,163,450	
Library	2,548,728		2,548,728	
Economic Development	11,208,817		11,208,817	
Community Development	1,110,152		1,110,152	
Emergency	2,994,394		2,994,394	
Public Buildings	168,363		168,363	
Other purposes	1,476,410		1,476,410	215,271
Unrestricted	(17,014,639)	13,379,102	(3,635,537)	16,125,773
Total net position	<u>\$ 299,408,793</u>	<u>\$ 499,773,212</u>	<u>\$ 799,182,005</u>	<u>\$ 121,381,883</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024**

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Regional Airport Authority
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary government:								
Governmental activities:								
General government	\$ 20,512,226	\$ 10,887,306	\$ 415,199	\$ 367,940	\$ (8,841,781)		\$ (8,841,781)	
Highways and Streets	16,427,719	5,878	2,935,606	2,680,727	(10,805,508)		(10,805,508)	
Public safety	24,638,388	2,779,990	2,692,556	16,312	(19,149,530)		(19,149,530)	
Health and welfare	4,621,697	1,486,795	2,153,204		(981,698)		(981,698)	
Culture and recreation	2,945,187	29,083	1,022,399		(1,893,705)		(1,893,705)	
Public Works	16,181,919			11,845,357	(4,336,562)		(4,336,562)	
Interest on long-term debt	5,435,566				(5,435,566)		(5,435,566)	
Total governmental activities	90,762,702	15,189,052	9,218,964	14,910,336	(51,444,350)		(51,444,350)	
Business-type activities:								
Sanitation	12,388,256	12,892,848	-	-		\$ 504,592	504,592	
Wastewater	12,600,091	13,515,700	45,529	4,098,024		5,059,162	5,059,162	
Water	19,767,132		328,213	677,255		(4,511,520)	(4,511,520)	
Stormwater	5,037,481	3,531,067	-	7,455,608		5,949,194	5,949,194	
Mosquito Control	967,655	1,155,099				187,444	187,444	
Public Transit	3,619,514	1,025,083	1,331,744	2,797,570		1,534,883	1,534,883	
Dial-A-Ride	1,811,379	291,837	1,108,136	-		(411,406)	(411,406)	
Alerus Center	12,619,984	6,953,477		6,569		(5,659,938)	(5,659,938)	
Job Development Authority	2,071,320	847,165	98,513	42,325		(1,083,317)	(1,083,317)	
Downtown Parking	328,899	214,696	-	-		(114,203)	(114,203)	
The Beacon	1,507	-				(1,507)	(1,507)	
Total business-type activities	71,213,218	54,677,116	2,912,135	15,077,351	-	1,453,384	1,453,384	
Total primary government	\$ 161,975,920	\$ 69,866,168	\$ 12,131,099	\$ 29,987,687	\$ (51,444,350)	\$ 1,453,384	\$ (49,990,966)	
Component units:								
Regional Airport Authority	\$ 8,427,923	\$ 4,341,620	\$ 2,773,952	\$ 26,007,502				\$ 24,695,151
Total component units	\$ 8,427,923	\$ 4,341,620	\$ 2,773,952	\$ 26,007,502				\$ 24,695,151
General revenues:								
Property taxes levied for general purpose					\$ 24,770,184	\$ 1,502,586	\$ 26,272,770	\$ 1,292,350
Sales taxes					23,242,720	12,306,059	35,548,779	
Hotel/Motel Tax					1,401,745		1,401,745	
Unrestricted state aid distribution					4,726,315		4,726,315	
Franchise taxes					2,845,097		2,845,097	
Other taxes					1,019,888	59,229	1,079,117	
Unrestricted investment earnings or (loss)					5,059,964	3,745,545	8,805,509	620,590
Gain on sale of capital assets					46,133	745,955	792,088	-
Miscellaneous					519,730	34,341	554,071	107,706
Transfers					(3,461,597)	3,461,597		
Total general revenue and transfers					60,170,179	21,855,312	82,025,491	2,020,646
Change in net position					8,725,829	23,308,696	32,034,525	26,715,797
Net position - beginning					291,254,239	476,619,148	767,873,387	94,666,086
Change in Accounting Principle-GASB 101 (see note VI K)					(571,275)	(154,632)	(725,907)	
Total Net Position-Beginning as Restated					290,682,964	476,464,516	767,147,480	94,666,086
Net position - ending					\$ 299,408,793	\$ 499,773,212	\$ 799,182,005	\$ 121,381,883

The notes to the financial statements are an integral part of this statement.

CITY OF GRAND FORKS, NORTH DAKOTA
BALANCE SHEET
GOVERNMENTAL FUNDS

DECEMBER 31, 2024
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023

	General Fund	Debt Service Special Assessment Bonds	Capital Project Current Year Projects	Capital Project Street and Infrastructure Fund	Non-Major Governmental Funds	2024 Total Governmental Funds	2023 Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 5,588,077	\$ 1,298,170	\$ 2,538,168	\$ 3,965,820	\$ 13,490,517	\$ 26,880,752	\$ 42,831,405
Investments	17,000,000	12,174,997	2,000,000	10,000,000	26,000,000	67,174,997	61,438,225
Receivables, net:							
Accounts	1,076,228				90,797	1,167,025	1,235,887
Special assessments (including liens)	24,356	863,002			71,294	958,652	738,866
Special assessments-uncertified	1,173,593	82,081,798			5,103,281	88,358,672	86,624,026
Property taxes	243,877				59,213	303,090	323,531
Sales tax	739,896			431,008	1,170,761	2,341,665	1,298,873
Hotel/Motel Tax					105,088	105,088	105,027
Leases	157,656				-	157,656	168,666
Notes					2,910,503	2,910,503	3,000,070
Intergovernmental	605,074		491,485	313,966	641,432	2,051,957	1,719,241
Prepaid Items	212				33,613	33,825	30,612
Due from other funds	362,000				-	362,000	275,000
Total assets	<u>\$ 26,970,969</u>	<u>\$ 96,417,967</u>	<u>\$ 5,029,653</u>	<u>\$ 14,710,794</u>	<u>\$ 49,676,499</u>	<u>\$ 192,805,882</u>	<u>\$ 199,789,429</u>
LIABILITIES							
Accounts payable	\$ 1,867,880	\$ -	\$ -	\$ -	\$ 298,976	\$ 2,166,856	\$ 2,701,551
Contracts payable			1,256,623	347,458	113,364	1,717,445	2,324,000
Surety deposits	128,178					128,178	122,178
Due to other funds					362,000	362,000	275,000
Unearned income					2,976,259	2,976,259	3,436,995
Total liabilities	<u>1,996,058</u>	<u>-</u>	<u>1,256,623</u>	<u>347,458</u>	<u>3,750,599</u>	<u>7,350,738</u>	<u>8,859,724</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue-leases	149,526				-	149,526	163,171
Unavailable revenue-property taxes	199,548				48,459	248,007	283,651
Unavailable revenue-special assessments	1,197,949	82,944,800			5,174,575	89,317,324	87,362,891
Total deferred inflows of resources	<u>1,547,023</u>	<u>82,944,800</u>	<u>-</u>	<u>-</u>	<u>5,223,034</u>	<u>89,714,857</u>	<u>87,809,713</u>
FUND BALANCES							
Non-spendable	212				33,613	33,825	30,612
Restricted		13,473,167	3,773,030	14,363,336	38,918,912	70,528,445	79,298,146
Committed	1,633,596				1,750,341	3,383,937	4,115,644
Assigned	2,613,999					2,613,999	2,359,869
Unassigned	19,180,081					19,180,081	17,315,721
TOTAL FUND BALANCE	<u>23,427,888</u>	<u>13,473,167</u>	<u>3,773,030</u>	<u>14,363,336</u>	<u>40,702,866</u>	<u>95,740,287</u>	<u>103,119,992</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 26,970,969</u>	<u>\$ 96,417,967</u>	<u>\$ 5,029,653</u>	<u>\$ 14,710,794</u>	<u>\$ 49,676,499</u>	<u>\$ 192,805,882</u>	<u>\$ 199,789,429</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GRAND FORKS, NORTH DAKOTA
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2024

Amounts reported for governmental activities in the statement of net position are different because:

Total Fund Balance - Governmental Funds	\$	95,740,287
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Capital assets are used in governmental activities are not financial resources and therefore not reported in the fund financial statements:

Land	\$	38,926,837	
Buildings net of depreciation		23,159,366	
Improvement other than Buildings net of depreciation		48,401,844	
Machinery & equipment net of depreciation		7,029,417	
Infrastructure net of depreciation		153,881,679	
Construction in progress		3,108,047	
Right to use equipment net of amortization		1,802,203	
Subscriptions net of amortization		27,605	
		276,336,998	276,336,998

Liabilities that are not due and payable in the current period and therefore not reported in the governmental funds:

Bonds Payable	\$	115,566,141	
Deferred Amount on Refunding		(114,130)	
Lease liability		2,056,963	
Subscription liability		21,475	
Compensated Absences		7,015,459	
Net Pension Liability - Single Employer Plan		18,268,112	
Net Pension Liability - Main Cost Sharing Plan		17,285,994	
Net Pension Liability - Public Safety Cost Sharing Plan		9,710,248	
Net OPEB Liability - Cost Sharing Plan		1,223,339	
Accrued Interest Payable-leases		107,515	
Accrued Interest Payable		396,444	
		171,537,560	(171,537,560)

Unamortized Discount/Premium		(5,490,963)
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Net deferred outflows/(inflows) of resources relating to the single employer and cost sharing defined benefit pension and OPEB plans in the governmental activities are not financial resources and, therefore, are not reported as deferred outflows/(inflows) of resources in the governmental funds.

Deferred Outflows of Resources - Pension		25,259,702
Deferred Outflows of Resources - NDPERS OPEB		367,619
Deferred Inflows of Resources Pension		(17,668,530)
Deferred Inflows of Resources - NDPERS OPEB		(141,960)

Tax revenues in the governmental funds were not recorded (unavailable) because they were not collected within 60 days after year end. The accrual basis recognizes these revenues as earned.

89,565,331

Assets or liabilities of internal service funds that primarily serve governmental funds:

6,977,869

Net Position of Governmental Activities	\$	<u><u>299,408,793</u></u>
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CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023

	General Fund	Debt Service Special Assessments Bonds	Capital Project Current Year Projects	Capital Project Street and Infrastructure Fund	Non-Major Governmental Funds	Total Governmental Funds 2024	Total Governmental Funds 2023
REVENUES							
Taxes:							
Property	\$ 20,434,763				\$ 4,335,421	\$ 24,770,184	\$ 23,388,198
Sales	7,344,009			\$ 4,278,063	11,620,649	23,242,721	21,372,119
Hotel/Motel Tax					1,401,745	1,401,745	1,241,544
Licenses and permits	2,558,530					2,558,530	2,452,655
Intergovernmental	6,782,413		\$ 919,064	2,935,606	7,422,712	18,059,795	31,336,143
Charges for services	9,208,830			1,273	2,329,436	11,539,539	10,201,514
Special assessments		\$ 9,199,417			697,502	9,896,919	9,126,988
Fines and forfeits	1,019,994				70,992	1,090,986	743,810
Lease revenues	13,645					13,645	13,645
Investment earnings (loss)	1,188,067	876,850	476,967	824,113	1,688,965	5,054,962	4,334,072
Miscellaneous	2,958,699	-		40,501	351,982	3,351,182	4,134,704
Total revenues	51,508,950	10,076,267	1,396,031	8,079,556	29,919,404	100,980,208	108,345,392
EXPENDITURES							
Current:							
General government	11,438,464				7,319,066	18,757,530	15,130,943
Health & welfare	2,545,724				2,142,621	4,688,345	4,631,371
Public safety	25,310,780				4,096,512	29,407,292	28,027,116
Highway & streets	8,382,317			811,129		9,193,446	8,360,791
Culture and recreation					2,940,158	2,940,158	2,894,609
Debt service:							
Principal	14,348	5,536,909			648,393	6,199,650	6,250,728
Interest and fiscal charges		4,250,248			158,812	4,409,060	3,551,160
Bond issuance costs		102,328				102,328	224,171
Contractual services		3,552				3,552	1,566
Capital outlay:							
General government	90,473				296,044	386,517	4,279,037
Health & welfare	5,675				65,818	71,493	29,042
Culture and recreation					292,610	292,610	1,215,829
Public safety	116,063				1,451,388	1,567,451	843,017
Public works	748,269		26,547,632	7,099,223	1,526,107	35,921,231	29,808,544
Total expenditures	48,652,113	9,893,037	26,547,632	7,910,352	20,937,529	113,940,663	105,247,924
Excess (deficiency) of revenues over (under) expenditures	2,856,837	183,230	(25,151,601)	169,204	8,981,875	(12,960,455)	3,097,468
OTHER FINANCING SOURCES (USES)							
Transfers in	2,622,470	20,078	6,131,304	5,914,702	6,065,198	20,753,752	36,240,975
Transfers out	(2,527,172)	(704,476)		(7,506,304)	(14,005,766)	(24,743,718)	(45,756,739)
Issuance of subscriptions						-	49,861
Issuance of bonds			9,117,002			9,117,002	23,849,622
Bond (discount) premium			407,581			407,581	464,663
Sale of capital assets	21,733				24,400	46,133	7,022
Total other financing sources and uses	117,031	(684,398)	15,655,887	(1,591,602)	(7,916,168)	5,580,750	14,855,404
Net change in fund balances	2,973,868	(501,168)	(9,495,714)	(1,422,398)	1,065,707	(7,379,705)	17,952,872
Fund balances - beginning	20,454,020	13,974,335	13,268,744	15,785,734	39,637,159	103,119,992	85,167,120
Fund balances - ending	\$ 23,427,888	\$ 13,473,167	\$ 3,773,030	\$ 14,363,336	\$ 40,702,866	\$ 95,740,287	\$ 103,119,992

The notes to the financial statements are an integral part of this statement.

CITY OF GRAND FORKS, NORTH DAKOTA
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	(7,379,705)
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Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities the cost of capital assets is allocated over the estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlays	\$ 22,521,743	
Depreciation expense - current year	(11,262,531)	
Amortization expense - current year	(582,815)	
	10,676,397	10,676,397

Net book value of assets disposed		(52,431)
Transfer out of governmental capital asset to business type activity fund		(10,498)

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.

Debt issued:

Special assessment refunding bonds	\$ (9,117,002)	
Bonds discount and premium	(407,581)	

Repayments:

Bond, Lease and subscription principal	6,199,730	
Bond deferred charges amortization	(39,131)	
Bonds discount and premium amortization	351,088	
Net adjustment	(3,012,896)	(3,012,896)

Certain items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. These activities consist of:

Change in accrued interest payable		(36,177)
Change in compensated absences		61,606
Change in net pension obligation		4,386,205
Change in net OPEB obligation		194,294

Changes in Deferred outflows and inflows of resources related to the net pension and OPEB liabilities

Change in Deferred Outflow of Resources		(8,633,157)
Change in Deferred Inflow of Resources		10,585,197

Change in revenue accruals - the purpose of this adjustment is to recognize the net change in unavailable revenues. Under the modified accrual basis of accounting, revenues are not recognized unless they are deemed 'available' to finance the expenditures of the current period. In accrual basis recognition is not limited by availability. This adjustment records a net change in unavailable revenues

Unavailable revenue December 31, 2024	\$ 89,565,331	
Unavailable revenue December 31, 2023	(87,646,542)	
Net change	1,918,789	1,918,789

Internal service funds are used by the City to charge the cost of the Central Garage, Public Works Facility, Central Purchasing and Information Systems. the net revenue of internal service funds is reported with governmental activities.

28,205

Change in net position of governmental activities (Exhibit 2)	\$	8,725,829
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CITY OF GRAND FORKS, NORTH DAKOTA
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND

Year Ended December 31, 2024

With Comparative Actual Totals for Year Ended December 31, 2023

	Original Budget	Final Budget As Amended	2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
REVENUES					
Taxes:					
Property	\$ 22,163,008	\$ 22,163,008	\$ 20,434,763	\$ (1,728,245)	\$ 19,243,165
Sales	6,793,055	6,993,055	7,344,009	350,954	6,752,683
Licenses and permits	1,980,852	1,980,852	2,558,530	577,678	2,452,655
Intergovernmental	5,513,801	5,544,767	6,782,413	1,237,646	6,681,249
Charges for services	8,171,180	8,257,402	9,208,830	951,428	7,726,532
Fines and forfeits	791,500	791,500	1,019,994	228,494	731,810
Lease revenue	-	-	13,645	13,645	13,645
Interest	206,013	206,013	1,188,067	982,054	974,179
Miscellaneous	2,990,000	3,004,669	2,958,699	(45,970)	3,223,679
Total Revenues	48,609,409	48,941,266	51,508,950	2,567,684	47,799,597
EXPENDITURES					
Current:					
General Government:					
Assessor	837,557	875,133	874,855	278	784,992
Attorney	351,850	353,292	302,160	51,132	259,815
Finance and Administrative Services	1,651,557	1,785,261	1,770,279	14,982	1,680,785
Planning & Zoning	479,926	492,611	454,771	37,840	450,382
City Hall	376,949	488,529	416,837	71,692	356,081
Information Services	1,304,457	1,494,335	1,464,205	30,130	1,284,553
Building and Safety	1,691,288	1,724,775	1,682,197	42,578	1,513,828
Mayor and Council/City Administrator	909,114	992,476	894,825	97,651	843,815
Miscellaneous	5,099,355	3,952,145	2,660,087	1,292,058	2,352,287
Human Resources	912,808	959,167	932,596	26,571	900,368
Total General Government	13,614,861	13,117,724	11,452,812	1,664,912	10,426,906
Health and Welfare:					
Health	2,414,174	2,675,287	2,545,724	129,563	2,218,196
Total Health and Welfare	2,414,174	2,675,287	2,545,724	129,563	2,218,196

Continued

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

Year Ended December 31, 2024

With Comparative Actual Totals for Year Ended December 31, 2023

	Original Budget	Final Budget As Amended	2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
Public Safety:					
Fire	\$ 9,871,981	\$ 10,192,663	\$ 10,151,509	\$ 41,154	\$ 9,645,201
Municipal Court	730,370	880,679	859,247	21,432	728,537
Police	13,391,435	14,212,450	14,116,823	95,627	13,220,119
Public Safety Training Center	67,531	68,187	57,362	10,825	58,851
Emergency Program Management	103,176	125,840	125,839	1	94,549
Total Public Safety	24,164,493	25,479,819	25,310,780	169,039	23,747,257
Highways and Streets:					
Engineering	3,301,728	3,264,464	3,211,462	53,002	2,700,794
Street	5,098,310	5,296,105	5,170,855	125,250	4,877,719
Total Highway and Streets	8,400,038	8,560,569	8,382,317	178,252	7,578,513
Capital Outlay	164,500	1,106,637	960,480	146,157	700,859
Total Expenditures	48,758,066	50,940,036	48,652,113	2,287,923	44,671,731
Excess (Deficiency) of Revenues Over Expenditures	(148,657)	(1,998,770)	2,856,837	4,855,607	3,127,866
OTHER FINANCING SOURCES (USES)					
Sale of capital assets		211	21,733	21,522	1,671
Issuance of subscriptions					36,939
Transfers in	1,693,176	1,731,793	2,622,470	890,677	2,342,955
Transfers out	(2,505,948)	(2,566,844)	(2,527,172)	39,672	(5,171,498)
Total Other Financing Sources (Uses)	(812,772)	(834,840)	117,031	951,871	(2,789,933)
Net Change in Fund Balance	(961,429)	(2,833,610)	2,973,868	5,807,478	337,933
Fund Balances - Beginning	20,454,020	20,454,020	20,454,020		20,116,087
Fund Balances - Ending	\$ 19,492,591	\$ 17,620,410	\$ 23,427,888	\$ 5,807,478	\$ 20,454,020

Notes to the financial statements are an integral part of this statement.

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024

BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS

	Sanitation Fund	Wastewater Fund	Storm Water Fund	Water Fund	Alerus Center	Job Development Authority	Non Major Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
ASSETS									
Current Assets:									
Cash and cash equivalents	\$ 1,227,766	\$ 1,437,533	\$ 195,155	\$ 1,079,444	\$ 506,847	\$ 1,892,555	\$ 3,996,036	\$ 10,335,336	\$ 1,565,074
Investments	1,500,000	8,000,000		2,500,000	17,000,000	5,000,000		34,000,000	
Restricted cash, cash equivalents, and investments:									
Customer deposits	1,727	708	3,890	78,884			1,416	86,625	
Construction account	1,073,327	1,958,191	1,241,734	7,769,045			220,037	12,262,334	
Operating and capital reserve fund					2,534,266			2,534,266	
Trust acct.-advance ticket sales/suite rev.					429,544			429,544	
Revenue bond current debt service acct.	477,783	739,619		1,063,763	2,818,459		31,200	5,130,824	
Receivables (net of allowances for uncoll.):									
Accounts	1,285,849	1,574,841	643,698	1,463,390	541,998	300,966	414,443	6,225,185	143
Notes receivable						886,628		886,628	
Taxes - property							40,131	40,131	
Taxes - sales					1,233,233			1,233,233	
Special assessments		6,697	104,621	1,146	87,306			199,770	
Leases receivable				440,326	519,292	1,034,879		1,994,497	
Accrued interest receivable-leases				613	1,850	53,736		56,199	
Due from other funds							100,000	100,000	
Intergovernmental:									
Federal government							419,194	419,194	
State of North Dakota		45,529		117,479			90,181	253,189	
Inventories				461,595	188,945		130,633	781,173	165,519
Prepaid items	15,510	41,247	18,120	68,308	135,763	24,062	41,036	344,046	9,556
Total current assets	5,581,962	13,804,365	2,207,218	15,043,993	25,997,503	9,192,826	5,484,307	77,312,174	1,740,292
Noncurrent Assets:									
Restricted cash, cash equivalents, and investments:									
Revenue bond reserve account	1,167,675	3,984,524		2,973,630			87,000	8,212,829	
Reserved for Landfill Closure	1,806,567							1,806,567	
Total restricted cash, cash equivalents, and investments	2,974,242	3,984,524		2,973,630			87,000	10,019,396	
Receivables (net of allowances for uncoll.):									
Notes receivable						5,639,374		5,639,374	
Leases receivable						1,904,914		1,904,914	
Assets held for resale						1,434,323		1,434,323	
Total noncurrent receivables						8,978,611		8,978,611	
Capital Assets:									
Land	2,581,184	253,751	1,045,561	735,883	8,076,441	3,133,691	360,826	16,187,337	280,060
Buildings	10,113,234	93,735,156	7,201,904	194,977,238	107,364,016	20,824,565	17,694,807	451,910,920	8,263,536
Improvements other than buildings	27,277,352	128,342,208	88,507,447	89,849,874	1,545,731	1,374,906	3,867,175	340,764,693	2,394,540
Machinery and equipment	15,807,334	4,322,280	1,274,265	7,061,694	16,553,905	112,981	10,223,425	55,355,884	3,026,146
Construction in progress		48,232,424	5,013,742	2,133,232	7,142,919		70,140	62,592,457	
Intangible right to use asset	1,675,278							1,675,278	
Subscription based IT arrangements							482,044	482,044	422,355
Financed purchases	535,529							535,529	
Less accumulated depreciation	(27,814,007)	(103,271,240)	(29,496,078)	(83,694,597)	(60,186,833)	(8,859,052)	(12,356,774)	(325,678,581)	(8,140,378)
Less accumulated amortization of leases	(1,078,569)							(1,078,569)	
Less accumulated amortization of financed purchases	(44,627)							(44,627)	
Less accumulated subscription amortization							(148,548)	(148,548)	(196,400)
Total Capital Assets (net of accumulated depreciation and amortization)	29,052,708	171,614,579	73,546,841	211,063,324	80,496,179	16,587,091	20,193,095	602,553,817	6,049,859
Total Noncurrent Assets	32,026,950	175,599,103	73,546,841	214,036,954	80,496,179	25,565,702	20,280,095	621,551,824	6,049,859
Total Assets	37,608,912	189,403,468	75,754,059	229,080,947	106,493,682	34,758,528	25,764,402	698,863,998	7,790,151

Continued

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024

BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS

	Sanitation Fund	Wastewater Fund	Storm Water Fund	Water Fund	Alerus Center	Job Development Authority	Non Major Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
DEFERRED OUTFLOWS OF RESOURCES									
Deferred charges on refunding					763,058			763,058	
Deferred Pension Single Employer Plan	456,792	260,092	45,027	451,459		1,185	141,007	1,355,562	
Deferred Pension NDPERS	1,168,519	794,814	273,389	1,009,777		380,321	1,413,248	5,040,068	
Deferred NDPERS OPEB	71,790	48,831	16,796	62,038		23,366	86,825	309,646	
Total deferred outflow of resources	1,697,101	1,103,737	335,212	1,523,274	763,058	404,872	1,641,080	7,468,334	
LIABILITIES									
Current Liabilities:									
Accounts payable	134,275	92,106	16,571	176,642	910,718	52,740	152,486	1,535,538	20,932
Due to other funds							100,000	100,000	
Compensated absences payable-current	79,450	36,995	2,950	79,613		6,071	83,037	288,116	19,384
Contracts payable (Includes Retainage)	10,805	2,292,098	87,722	153,592	1,381,936	16,646	132,215	4,075,014	
Customer deposits payable	1,727	708	3,890	78,884			1,416	86,625	
Subscriptions due in one year							66,752	66,752	77,524
Advance ticket and suite revenue					799,527			799,527	
Accrued interest payable	120,574	343,957		410,429	33,660		1,200	909,820	
Accrued interest payable-leases	40,527							40,527	
Accrued interest payable-financed purchases	12,676							12,676	
Accrued interest payable-subscriptions							8,228	8,228	9,362
Lease Liability-current	207,160							207,160	
Financed purchases payable-current	76,742							76,742	
Bonds payable-current	780,000	2,682,488		1,960,000	3,205,000		90,000	8,717,488	
Total Current Liabilities	1,463,936	5,448,352	111,133	2,859,160	6,330,841	75,457	635,334	16,924,213	127,202
Noncurrent Liabilities:									
Compensated absences payable	262,267	291,062	22,489	343,600		38,781	332,042	1,290,241	134,274
Revenue bonds payable	11,665,332	60,625,632		59,120,240	16,764,369		90,968	148,266,541	
Lease Liability	365,346							365,346	
Financed purchases payable	257,433							257,433	
Net Pension Liability Single Employer Plan	1,826,338	1,039,900	180,029	1,805,019		4,739	563,772	5,419,797	
Net Pension Liability NDPERS	3,375,673	2,296,095	789,780	2,917,091		1,098,687	4,082,654	14,559,980	
Net OPEB Liability NDPERS	238,898	162,496	55,894	206,444		77,755	288,932	1,030,419	
Subscription liability							183,670	183,670	101,235
Landfill closure and postclosure care	7,474,848							7,474,848	
Total Noncurrent Liabilities	25,466,135	64,415,185	1,048,192	64,392,394	16,764,369	1,219,962	5,542,038	178,848,275	235,509
Total Liabilities	26,930,071	69,863,537	1,159,325	67,251,554	23,095,210	1,295,419	6,177,372	195,772,488	362,711
DEFERRED INFLOWS OF RESOURCES									
Deferred Inflows Leases				420,033	507,264	2,459,873		3,387,170	
Deferred Pension	1,792,044	1,218,928	419,272	1,548,596		583,260	2,167,359	7,729,459	
Deferred OPEB NDPERS	27,722	18,857	6,487	23,957		9,023	33,528	119,574	
Total deferred inflow of resources	1,819,766	1,237,785	425,759	1,992,586	507,264	3,052,156	2,200,887	11,236,203	
NET POSITION									
Net investment in capital assets	15,689,890	106,014,361	73,459,119	149,829,492	59,907,932	16,570,445	19,629,490	441,100,729	5,871,100
Net position-restricted									
Debt Service	1,471,681	4,380,186		3,626,964	20,429,861		117,000	30,025,692	
Capital	1,073,327	1,958,191	1,241,734	7,769,045	647,571	385,000	2,192,821	15,267,689	
Net position-unrestricted	(7,678,722)	7,053,145	(196,666)	134,580	2,668,902	13,860,380	(2,912,088)	12,929,531	1,556,340
Total Net Position	\$ 10,556,176	\$ 119,405,883	\$ 74,504,187	\$ 161,360,081	\$ 83,654,266	\$ 30,815,825	\$ 19,027,223	\$ 499,323,641	\$ 7,427,440
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds								\$ 449,571	
Net position of business-type activities								\$ 499,773,212	

The notes to the financial statements are an integral part of this statement.

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION-PROPRIETARY FUNDS

Exhibit 7

Year Ended December 31, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS								Governmental Activities- Internal Service Funds
	Sanitation Fund	Wastewater Fund	Storm Water Fund	Water Fund	Alerus Center	Job Development Authority	Non-Major Enterprise Funds	Totals 2024	
Operating Revenues:									
Charges for sales and services:									
Utility fees	\$ 12,887,738	\$ 13,515,700	\$ 3,525,487	\$ 14,219,224			\$2,686,715	\$ 46,834,864	
Rents - concessions and other					\$ 6,953,477			6,953,477	
Lease revenue				30,920		\$ 778,188		809,108	
Operating assessment									\$ 3,956,817
Miscellaneous			5,580			68,977		74,557	
Total Operating Revenues	12,887,738	13,515,700	3,531,067	14,250,144	6,953,477	847,165	2,686,715	54,672,006	3,956,817
Operating Expenses:									
Salaries and wages	2,444,972	1,794,438	376,891	2,142,431	2,403,306	622,309	2,988,638	12,772,985	696,330
Supplies	46,734	457,498	17,815	2,730,956	317,073	18,421	305,645	3,894,142	987,106
Contractual services	2,673,847	1,387,970	587,972	1,898,265	300,655	153,157	641,225	7,643,091	1,114,202
Maintenance - structures and equipment	74,335	1,448,107	988,188	2,131,257	933,755	203,989	730,116	6,509,747	507,712
Concession and catering					1,998,203			1,998,203	
Advertising and marketing					103,766			103,766	
Lease expense	671,436							671,436	
Sundry expenses	1,807,153	32,005	18,629	40,289	89,397	156,330	36,214	2,180,017	19,840
Utilities - heat and lights	282,999	946,662	196,161	1,259,759	534,098	87,563	99,432	3,406,674	112,072
Pension and social security	625,633	85,541	(12,217)	120,777		(9,232)	61,930	872,432	138,073
Management fee					322,221			322,221	
Administrative and general	534,093	1,277,786	975,832	2,275,073	782,360	320,940	779,770	6,945,854	275,652
Total Operating Expenses	9,161,202	7,430,007	3,149,271	12,598,807	7,784,834	1,553,477	5,642,970	47,320,568	3,850,987
Net Income (Loss) from Operations									
before Depreciation and Amortization	3,726,536	6,085,693	381,796	1,651,337	(831,357)	(706,312)	(2,956,255)	7,351,438	105,830
Less - Depreciation	2,408,526	4,383,892	1,888,210	5,806,970	4,181,000	517,843	969,259	20,155,700	382,776
Less - Amortization of leases	370,040							370,040	
Less - Amortization of subscriptions							102,013	102,013	275,051
Net Operating Income (Loss)	947,970	1,701,801	(1,506,414)	(4,155,633)	(5,012,357)	(1,224,155)	(4,027,527)	(13,276,315)	(551,997)
Nonoperating Revenues (Expenses):									
Interest earnings (loss)	328,462	680,659	77,553	771,050	1,292,503	463,790	84,095	3,698,112	51,140
Interest earnings leases				7,681	7,272	32,480		47,433	
Federal grants		45,529					2,176,301	2,221,830	
State grants				328,213		98,513	263,579	690,305	
General property taxes							1,502,586	1,502,586	
Personal property replacements							59,229	59,229	
Sales tax					12,306,059			12,306,059	
Miscellaneous	30,362			3,779			200	34,341	
Gain (loss) on capital assets	79,485	17,255	36,590		575,500		37,125	745,955	
Interest expense-subscriptions									(9,805)
Interest expense	(443,378)	(786,192)		(1,361,355)	(654,150)		(14,712)	(3,259,787)	
Total Nonoperating Revenues (Expenses)	(5,069)	(42,749)	114,143	(250,632)	13,527,184	594,783	4,108,403	18,046,063	41,335
Income (Loss) Before Capital Contributions and Transfers	942,901	1,659,052	(1,392,271)	(4,406,265)	8,514,827	(629,372)	80,876	4,769,748	(510,662)
Continued									

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION-PROPRIETARY FUNDS

Exhibit 7 (Con't)

Year Ended December 31, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS								Governmental Activities- Internal Service Funds
	Sanitation Fund	Wastewater Fund	Storm Water Fund	Water Fund	Alerus Center	Job Development Authority	Non-Major Enterprise Funds	Totals 2024	
Capital Grants, Contributions and Transfers:									
Contributed Capital and Capital Grants		\$ 4,098,024	\$ 7,466,106	\$ 677,255	\$ 6,569	\$ 42,325	\$ 2,797,570	\$ 15,087,849	
Transfers in	\$ 172,468	1,247,013	-	2,910,599	-	-	2,035,000	6,365,080	\$ 654,484
Transfers out	(138,370)	(211,988)	(63,810)	(65,430)		(2,500,000)	(50,000)	(3,029,598)	
Total Capital Contributions and Transfers	34,098	5,133,049	7,402,296	3,522,424	6,569	(2,457,675)	4,782,570	18,423,331	654,484
Change in Net Position	976,999	6,792,101	6,010,025	(883,841)	8,521,396	(3,087,047)	4,863,446	23,193,079	143,822
Total Net Position-Beginning	9,612,101	112,640,201	68,494,162	162,285,008	75,132,870	33,902,872	14,217,980	476,285,194	7,296,029
Change in Accounting Principal-GASB 101	(32,924)	(26,419)		(41,086)			(54,203)	(154,632)	(12,411)
Total Net Position-Beginning as Restated	9,579,177	112,613,782	68,494,162	162,243,922	75,132,870	33,902,872	14,163,777	476,130,562	7,283,618
Total Net Position-Ending	\$ 10,556,176	\$ 119,405,883	\$ 74,504,187	\$ 161,360,081	\$ 83,654,266	\$ 30,815,825	\$ 19,027,223		\$ 7,427,440
	Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds								115,617
* see note IV K	Change in net position of business-type activities								\$ 23,308,696

The notes to the financial statements are an integral part of this statement.

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2024

Exhibit 8

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS							Governmental Activities Internal Service Funds
	Sanitation Fund	Wastewater Fund	Storm Sewer Fund	Water Fund	Alerus Center	Job Development Authority	Non-Major Enterprise Funds	Totals 2024
Cash Flows from Operating Activities:								
Receipts from customers	\$ 12,746,221	\$ 13,132,566	\$ 3,560,693	\$ 14,269,286	\$ 46,995	\$ 1,035,167	\$ 2,793,037	\$ 47,583,965
Payments to suppliers	(6,683,803)	(6,048,401)	(2,867,243)	(10,960,848)	(5,136,849)	(1,020,100)	(3,657,293)	(36,374,537)
Payments to employees	(2,436,282)	(1,744,774)	(353,219)	(2,100,952)	(2,403,306)	(622,933)	(3,044,388)	(12,705,854)
Receipts (Payments) for interfund services used				1,350,000			(1,350,000)	-
Net cash provided (used) by operating activities	3,626,136	5,339,391	340,231	2,557,486	(7,493,160)	(607,866)	(5,258,644)	81,143
Cash Flows from Non-Capital Financing Activities:								
Transfers from other funds	172,468	1,247,013		2,910,599			2,035,000	6,365,080
Transfers to other funds	(138,370)	(211,988)	(63,810)	(65,430)		(2,500,000)	(50,000)	(3,029,598)
Operating subsidies from federal grants			8,100				3,882,278	3,890,378
Operating subsidies from state grants							367,712	367,712
Operating subsidies from Taxes					805,184		1,541,432	2,346,616
Net cash provided (used) by non-capital financing activities	34,098	1,035,025	(55,710)	2,845,169	805,184	(2,500,000)	7,776,422	9,940,188
Cash Flows from Capital & Related Financing Activities:								
Proceeds from revenue bonds, premiums and notes		41,040,592		58,731				41,099,323
Capital contributions		49,116	15,865	312,221	11,562,951	295,414	2,797,570	15,033,137
Acquisition and construction of capital assets	(2,044,236)	(40,530,957)	(1,169,468)	(3,509,956)	(11,400,603)	(1,228,900)	(3,794,896)	(63,679,016)
Proceeds from sale of capital assets	79,485	17,255	36,590		500		50,036	183,866
Acquisition of leases and subscriptions	429,529						159,282	588,811
Principal paid on capital debt	(1,222,051)	(1,156,459)		(1,957,500)	(3,055,000)		(117,328)	(7,508,338)
Interest paid on capital debt	(481,214)	(629,129)		(1,271,137)	(961,283)		(9,229)	(3,351,992)
Net cash provided (used) by capital & related financing activities	(3,238,487)	(1,209,582)	(1,117,013)	(6,367,641)	(3,853,435)	(933,486)	(914,565)	(17,634,209)
Cash Flows from Investing Activities:								
Issuance of loans (notes/leases)					(230,336)	(3,448,142)		(3,678,478)
Collections of loans (notes/leases)				23,600	137,543	1,655,353		1,816,496
Proceeds from sales and maturities of investments	2,917,518	3,984,524		8,276,375	20,000,000	10,000,000	87,000	45,265,417
Purchase of investments	(4,474,242)	(11,984,524)		(5,473,630)	(17,000,000)	(5,000,000)	(87,000)	(44,019,396)
Interest and dividends	328,473	680,659	77,553	778,739	1,298,864	474,256	84,095	3,722,639
Net cash provided (used) by investing activities	(1,228,251)	(7,319,341)	77,553	3,605,084	4,206,071	3,681,467	84,095	3,106,678
Net increase (decrease) in cash and cash equivalents	(806,504)	(2,154,507)	(754,939)	2,640,098	(6,335,340)	(359,885)	1,687,308	391,789
Cash and cash equivalents - beginning of the year	3,587,107	6,290,558	2,195,718	7,351,038	12,624,456	2,252,440	2,561,381	36,862,698
Cash and cash equivalents - end of the year	\$ 2,780,603	\$ 4,136,051	\$ 1,440,779	\$ 9,991,136	\$ 6,289,116	\$ 1,892,555	\$ 4,248,689	\$ 30,778,929
Continued								\$ 1,565,074

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2024

Exhibit 8 (Con't)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS								Governmental Activities Internal Service Funds
	Sanitation Fund	Wastewater Fund	Storm Sewer Fund	Water Fund	Alerus Center	Job Development Authority	Non-Major Enterprise Funds	Totals 2024	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:									
Operating Income (loss)	\$ 947,970	\$ 1,701,801	\$ (1,506,414)	\$ (4,155,633)	\$ (5,012,357)	\$ (1,224,155)	\$ (4,097,667)	\$ (13,346,455)	\$ (551,997)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:									
Depreciation Expense	2,363,899	4,383,892	1,888,210	5,806,970	4,181,000	517,843	969,259	20,111,073	536,557
Amortization Expense	414,667						102,013	516,680	121,270
(Increase) decrease in accounts receivable	(136,367)	(371,245)	28,794	15,004	80,997	188,002	106,322	(88,493)	
(Increase) decrease in inventories				(53,433)	(365)		22,612	(31,186)	(22,779)
(Increase) decrease in prepaid items	11,348	(7,075)	(2,407)	(11,646)	(15,333)	(4,501)	(2,274)	(31,888)	(1,592)
Increase (Decrease) in customer deposits	(5,150)	(11,889)	832	4,138	(6,987,479)			(6,999,548)	
(Increase) decrease in deferred outflows	1,389,951	921,634	296,120	1,227,794		383,048	1,487,610	5,706,157	
Increase (decrease) in accounts payable	20,167	(58,002)	1,832	60,188	167,624	(78,714)	(493,052)	(379,957)	(30,699)
Increase (decrease) in compensated absences payable	(22,400)	18,081	21,225	20,560		2,056	(76,010)	(36,488)	30,383
Increase (decrease) in net pension liability	(461,955)	(271,161)	(55,468)	(447,454)		(24,884)	(208,679)	(1,469,601)	
Increase (decrease) in net OPEB liability	(37,942)	(25,808)	(8,877)	(32,788)		(12,349)	(45,889)	(163,653)	
Increase (decrease) in landfill closure/postclosure liability	525,148							525,148	
Increase (decrease) in deferred inflows	(1,383,200)	(940,837)	(323,616)	(1,226,214)	92,753	(354,212)	(1,672,889)	(5,808,215)	
(Increase) decrease in due from other funds operating activities				1,350,000			(100,000)	1,250,000	
Increase (decrease) in due to other funds operating activities							(1,250,000)	(1,250,000)	
Total Adjustments	2,678,166	3,637,590	1,846,645	6,713,119	(2,480,803)	616,289	(1,160,977)	11,850,029	633,140
Net cash provided by operating activities	\$ 3,626,136	\$ 5,339,391	\$ 340,231	\$ 2,557,486	\$ (7,493,160)	\$ (607,866)	\$ (5,258,644)	\$ (1,496,426)	\$ 81,143
Noncash Investing, Capital and Financing Activities:									
Net (decrease) in fair value of investments	\$ 4,869	\$ 14,381	\$ 5,577	\$ 2,856	\$ 16,514	\$ 10,708	\$ 1,457	\$ 56,362	\$ 1,734
Capital contributions		4,052,694	8,305,991	677,255				13,035,940	
Proceeds of financed purchase									
Reconciliation of cash and cash equivalents:									
Current Assets:									
Cash and cash equivalents	\$ 1,227,766	\$ 1,437,533	\$ 195,155	\$ 1,079,444	\$ 506,847	\$ 1,892,555	\$ 3,996,036	\$ 10,335,336	\$ 1,565,074
Restricted cash, and cash equivalents:									
Customer deposits	1,727	708	3,890	78,884			1,416	86,625	
Construction account	1,073,327	1,958,191	1,241,734	7,769,045			220,037	12,262,334	
Revenue bond current debt service acct.	477,783	739,619		1,063,763	2,818,459		31,200	5,130,824	
Operating and capital fund					2,534,266			2,534,266	
Trust account/advance ticket sales					429,544			429,544	
Total Cash and Cash equivalents	\$ 2,780,603	\$ 4,136,051	\$ 1,440,779	\$ 9,991,136	\$ 6,289,116	\$ 1,892,555	\$ 4,248,689	\$ 30,778,929	\$ 1,565,074

The notes to the financial statements are an integral part of this statement.

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

DECEMBER 31, 2024

	2024 Pension Trust	2023 Pension Trust
ASSETS		
Cash and cash equivalents	\$ 6,014,327	\$ 5,852,542
Investments at fair value:		
ND State Investment Board	77,076,052	74,695,219
Total Assets	<u>\$ 83,090,379</u>	<u>\$ 80,547,761</u>
NET POSITION		
Restricted for:		
Pensions	\$ 83,090,379	\$ 80,547,761
Total net position	<u>\$ 83,090,379</u>	<u>\$ 80,547,761</u>

The notes to the financial statements are integral part of this statement.

CITY OF GRAND FORKS, NORTH DAKOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

Exhibit 10

Year Ended December 31, 2024
With Comparative Totals for December 31, 2023

	Pension Trust Fund 2024	Pension Trust Fund 2023
Additions:		
Contributions:		
Employer contributions	\$ 3,391,110	\$ 3,126,869
Employee contributions	150,868	171,658
Total contributions	3,541,978	3,298,527
Investment Earnings:		
Net appreciation (depreciation) in fair value of assets & Interest, dividends and other income	7,304,362	9,313,735
Net investment earnings	7,304,362	9,313,735
Total additions	10,846,340	12,612,262
Deductions:		
Benefits paid to participants	8,284,654	8,077,128
Administrative Expenses	19,068	19,233
Total Deductions	8,303,722	8,096,361
Change in net position	2,542,618	4,515,901
Net position - beginning	80,547,761	76,031,860
Net position - ending	<u>\$ 83,090,379</u>	<u>\$ 80,547,761</u>

The notes to the financial statements are an integral part of this statement.



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CITY OF GRAND FORKS, NORTH DAKOTA
Notes to the Financial Statements
December 31, 2024

I. Summary of significant accounting policies

A. Basis of Presentation

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units by the Governmental Accounting Standards Board (GASB). The more significant of the City's accounting policies are described below.

The Governmental Accounting Standards Board (GASB) has issued several new statements, some of which have not been implemented by the City.

GASB Statement No. 102, Certain Risk Disclosures, requires entities to disclose critical information about their exposure to risks due to certain concentrations or limitations that could lead to financial distress or operational challenges. This statement is effective for fiscal years beginning after June 15, 2024.

GASB Statement No. 103, Financial Reporting Model Improvements, revises the requirements for management's discussion and analysis with the goal of making it more readable and understandable, requires unusual or infrequent items to be presented separately, defines operating and nonoperating revenues, includes a new section for noncapital subsidies for proprietary funds' statement of revenues, expenses and changes in net position, removes the option to disclose major component information in the notes and requires them to be shown individually or in combine financial statements following the fund financial statements and requires budgetary comparisons to be presented as RSI with new columns for variances between original-to-final budget and final budget-to-actual results. This statement is effective for fiscal years beginning after June 15, 2025.

GASB Statement No. 104, Disclosure of Certain Capital Assets, establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note. These items include disclosing separately lease assets, intangible right-to-use assets, subscription assets and intangible assets. In addition, additional disclosures will be required for capital assets held for sale. This statement is effective for fiscal years beginning after June 15, 2025. Earlier application is encouraged.

Management has not yet determined the effect these statements will have on the City's financial statements.

B. Financial reporting entity

The City of Grand Forks, North Dakota was incorporated in 1881. The City adopted its Home Rule Charter in 1970. It is a municipal corporation governed by an elected mayor and seven-member council. The council members are elected by wards to serve four-year staggered terms and the mayor is elected at large.

The financial statements present the City and its component unit. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of the significance of their operational or financial relationships with the City.

As a result of applying the component unit definition criteria above, the Grand Forks Regional Airport Authority is determined to be a component unit of the City. The Grand Forks Regional Airport Authority is a separate legal entity. The Mayor with the approval of the City Council appoints four of the seven members of the Authority Board. Tax levies and bond issuance authorizations are approved by the City Council, and the legal liability for the general obligation portion of the Authority's debt remains with the City. Thus the Authority activities are discretely presented in a separate column in the City's government-wide financial statements. The Authority is reported as a business-type activity. Complete and audited financial statements of the Grand Forks Regional Airport Authority may be obtained at the Authority's administrative office.

C. Basis of presentation - government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's enterprise functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital

requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

D. Basis of presentation – fund financial statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category-governmental, proprietary and fiduciary-are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those that are required to be accounted for in another fund. Most of the current day to day operations of the governmental units are financed from this fund.

The Special Assessment Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on special assessment long-term debt associated with various special assessment districts within the City.

The Current Year Projects Fund accounts for the receipt and disbursement of special assessment bond proceeds used to construct various infrastructure projects that will eventually be special assessed to benefitting property. This is a capital project fund.

The Street and Infrastructure Fund accounts for the receipt and the disbursement of funds allocated to the City from North Dakota highway users taxes. These funds are to be used for street maintenance, repair, construction and related expenditures. This fund also accounts for the receipt and disbursement of the portion of the funds provided by the City's sales tax set aside for infrastructure projects as designated by the City Council. Sales tax is levied in accordance with the City's Home Rule Charter. This is a capital project fund.

The City reports the following major proprietary funds:

The Sanitation Fund accounts for the provision of garbage pick-up services, baling, landfill operation and alley upkeep to the residents of the City and some surrounding communities.

The Wastewater Fund accounts for the activities related to the operation and maintenance of wastewater treatment plant, sewage pumping stations and collection systems to provide sewer services to the residents of the City.

The Stormwater Fund accounts for the activities related to the operation and maintenance of surface water collection and drainage system to provide storm sewer services to the residents of the City.

The Water Fund accounts for the activities related to the operation and maintenance of water intake, treatment and distribution systems to provide water service to the residents of the City.

The Alerus Center Fund accounts for the operation and maintenance of the Alerus Center which is a multi-purpose sports and entertainment stadium and a convention center.

The Job Development Authority Fund accounts for the administration, operation, and debt service activities of the Authority. The Job Development Authority provides economic development opportunities to the community and region at large. It encourages the creation of new jobs while saving existing jobs, creates new wealth, enhances the local property tax base, encourages capital investment and diversifies the local economy.

Additionally, the City reports the following fund types:

Internal Service Funds account for goods and services provided by computer service, central garage, central purchasing and public works facility on a cost reimbursement basis to other departments or agencies of the City. Because these internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The Pension Trust Fund accounts for the activities of the City Employee's Pension Plan, which accumulates resources for pension benefit payments to qualified employees at year end. The Net Pension Liabilities associated with this plan are reported as of the measurement date at December 31, 2023 and are reported in the basic financial statements.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the City of Grand Forks the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, intergovernmental revenues, charges for services and interest on investments associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items, which include miscellaneous revenue, are considered to be measurable and available only when cash is received by the City.

The proprietary and pension funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Unearned revenues represent resources that have been received but are not yet earned.

F. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and short-term investments with maturities of three months or less from the date of acquisition.

Cash balances for all funds are combined and invested to the extent available in authorized investments. Interest earnings from such investments are allocated to the respective funds based on average monthly balances.

Investments for the City as well as for its component unit are reported at fair value.

Fair Value Measurements

The City accounts for all assets and liabilities that are being measured and reported on a fair value basis in accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. GASB 72 defines fair value, establishes a framework for measuring fair value and expands disclosure about fair value measurements.

When fair value measurements are required, various data is used in determining those values. This statement requires that assets and liabilities that are carried at fair value must be classified and disclosed in the following levels based on the nature of the data used.

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

2. Interfund Receivables and payables

Activities between funds, which are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

The City calculates allowance for uncollectible accounts using historical collection data.

3. Special assessments receivable

Special assessments receivable include the following components:

- Unremitted – includes amounts held by the county as collection agent
- Delinquent – includes amounts billed to property owners but not paid as of December 31 of the year
- Uncertified – includes assessment installment which will be billed to property owners in future years.

Special assessment-principal revenues are recognized as installments become measurable and available. Special assessment-interest is recognized when due.

4. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has five items that qualify for reporting in this category. The first is the deferred charge on refunding reported in the government-wide statement of net position and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also reports four items reported on the statement of net position which represent actuarial differences within the pension and OPEB plans as well as amounts paid to the plans after the measurement date. These are reported as the cost sharing defined benefit pension plan - main plan, the cost sharing defined benefit pension plan - Public Safety plan, single employer defined benefit pension plan and cost sharing benefit OPEB plan.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only five types of items, which arise only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue* (unavailable for property taxes and unavailable for special assessments), is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also has four items reported on the statement of net position as leases, the single employer defined benefit pension plan, cost sharing defined benefit pension (main and public safety) and OPEB plan, which represents lease receipts and actuarial differences within the single employer plan, NDPERS pension and OPEB plan.

5. Inventories and prepaid items

Inventories are valued at cost using first-in/first-out (FIFO) method. The costs of inventory items are recognized as expenses in proprietary funds when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

6. Restricted assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their payment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The "revenue bond reserve account" is used to segregate resources from the bond proceeds or from the utility revenue, to an amount equal to the lesser of 1) the maximum annual debt service on, 2) 125% of the average annual debt service on, or 3) ten percent (10%) of the proceeds of all bonds payable from the reserve revenue bond account. The reserve revenue bond account is a protection to bondholders and the City in the event utility revenues are inadequate to meet debt service expenses. In the event the use of the reserve revenue bond reserve account results in a deficiency in said account, the City agrees pursuant to Article 9 of Chapter 2 of the Grand Forks City Code, as amended, to levy an unlimited ad valorem tax upon all taxable property in the city in an amount required to restore the balance in said account. The "revenue bond construction account" is used to report those proceeds of revenue bond issuances that are restricted for use in construction. The "revenue bond current debt service" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "Trust Account Advanced Tickets" is used to hold amounts for tickets purchased for shows that have not happened yet.

7. Assets Held for Resale

A non-current asset is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. For such a classification to be made, the asset is available for immediate sale in its present condition, it is being actively marketed for sale at a price that is reasonable, and its sale is highly probable.

8. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, pavements, street lights, traffic signals, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as having an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available (except for intangible right-to-use lease assets). Donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement are reported at acquisition value.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital outlays are recorded as expenditures in the City's fund financial statements, which use the modified accrual basis of accounting. Capital outlays are capitalized in the City's government-wide statement of net position, which use the full accrual basis of accounting. Infrastructure assets have been capitalized retroactively to 1980 upon adoption of GASB Statement No. 34. Depreciation on the City's capital assets, including infrastructure is recorded on a government-wide basis. For retroactive capitalization of infrastructure the City valued the assets through backtrending (i.e.,

estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

Building and structures	10 – 50 years
Improvements other than buildings	10 – 100 years
Infrastructure	30 – 50 years
Machinery and equipment	3 – 30 years
Right-to use leased equipment	5 - 20 years

9. Leases

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term.

Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long term debt on the statement of net position.

Lessor: The City is a lessor for noncancellable leases of various buildings, infrastructure and land. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease

payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

10. Compensated absences

The City accounts for compensated absences using a days-used approach. This approach consists of gathering the historical usage of compensated absences used to determine both a liability related to leave to be used as time off and leave to be settled in cash upon termination of employment. Salary-related employer payments are included in the calculation of the compensated absence liability.

Employees accrue vacation leave at a rate of various hours per month for years of continuous service. The maximum amount of vacation leave that can be accumulated is an amount that can be earned in the prior two years. All outstanding vacation leave is payable upon termination.

All vacation pay is accrued when incurred in the government-wide and proprietary fund statements.

Sick leave is accrued at a rate of fourteen days per year of continuous service. Sick leave accumulation is unlimited. However, an employee has the right to be paid for fifty (50) percent of his/her unused sick leave, either annually by being paid fifty (50) percent of the prior year accrual, or at termination by being paid for fifty percent of the accumulated amount. The options for payback are based on banking 960 hours (120) days and having completed 5 years of continuous service. Accrued liability is recorded in the government-wide and proprietary fund statements.

11. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond.

In the fund financial statements, governmental fund types recognize bond premium and discounts, as well as bond issuance costs, during the current period. The face amount of the debt is reported as other financing sources while discounts on debt issuance are reported as other financing uses or expenditures. Issuance costs are withheld from the actual debt proceeds received, and are reported as debt service expenditures.

12. Pension

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and the single employer pension plan and additions to/deductions from NDPERS/single employer plan fiduciary net position have been determined on the same basis as they are reported by NDPERS/single employer plan's except that NDPERS' fiscal year is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Other Post Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and additions to/deductions from NDPERS' fiduciary net position have been determined on the same basis as they are reported by NDPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

14. Fund Balance/Net Position

The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources is "net position" on the government-wide, proprietary and fiduciary fund financial statements and "fund balance" on the governmental fund financial statements.

The Grand Forks City Council has adopted GASB Statement No. 54, *"Fund Balance Policy."* The policy provides defined fund balance categories which are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints and the purposes for which resources can be used:

Nonspendable - consists of amounts that are not in spendable form (such as inventory and prepaid items) or are required to be maintained intact.

Restricted - consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - consists of amounts constrained to specific purposes by formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision making authority. To be reported as committed the City Council must adopt a resolution prior to the end of the year to commit fund balance. Amounts cannot be used for any other purpose unless the City Council takes the same highest level action to remove or change the constraint.

Assigned - consists of amounts a government intends to use for a specific purpose. These constraints are established by the Council and/or management. The Council delegates the power to assign fund balances to the City Administrator and the Director of Finance per the Fund Balance Policy adopted December 8, 2011.

Unassigned - consists of amounts that are available for any purpose; positive amounts are reported only in the general fund.

In accordance with the City's Fund Balance Policy, to maintain adequate cash flow requirements and contingency needs, the City will strive to maintain an unassigned fund balance in the general fund of 18% of the next year's budgeted operating expenditures of the general fund. This will assist in maintaining an adequate level of fund balance as a majority of property tax revenue is received in March.

If spending unassigned fund balance in designated circumstances has reduced unassigned fund balance to a point below the minimum targeted level as noted above, the replenishment will be made within one to three years.

15. Fund balance flow assumptions

Sometimes a government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. If resources from more than one fund balance classification could be spent, the City will strive to spend resources from fund balance classifications in the following order: restricted, committed, assigned and unassigned.

16. Net position flow assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

G. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as program revenue include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internal dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

2. Property tax

Property tax levies are set by the City Council in September of each year and are certified to Grand Forks County for collection in the following year. In North Dakota, counties act as collection agents for all property tax.

The County spreads all levies over taxable property. Property taxes are attached as an enforceable lien on the real estate and become due on January 1st of the year following the assessment date and are recorded as receivable by the City at that date. Within the fund financial statements, property taxes are accrued and recognized as revenue, excluding delinquent taxes received over 60 days after year-end. Unavailable revenue in governmental activities is susceptible to full accrual on the government-wide statements.

A five (5) percent reduction on the taxes is allowed if the taxes are paid in full by February 15th. Penalty and interest are added on March 1st if the first half of the taxes are not paid. Additional penalty and interest are added on October 15th to those taxes that were not paid.

Taxes are collected by the County and remitted monthly to the City. The City is permitted under the provisions of its Home Rule Charter to levy a maximum of one hundred and thirty (130) mills for general governmental services, excluding debt service, social security, special assessments, and city's share of special assessments. In its 2023 budget, the City levied 43.17 mills under its limit.

3. Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with a proprietary fund's principle ongoing operations. The principle operating revenue of the City's utility funds and of the internal service funds are charges to customers for sales and services. The utility funds also recognize as operating revenue the portion of tapping fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

H. Comparative data/reclassifications

Comparative total data for the prior year have been presented in the fund financial statements in order to provide an understanding of the changes in the financial position and operation of these funds. Also, certain amounts/accounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation. These reclassifications resulted in no changes in fund balances or net position.

II. Stewardship, compliance, and accountability

A. Budgetary information

The process of compiling the annual budget is a year-round activity. The basis of the process is a framework of statutory deadlines established by the State of North Dakota. The City Finance Department, Mayor and City Council establish the remainder of the process. The City Finance Director sets interim deadlines to ensure necessary information is collected, priorities are determined, and the Mayor can make a recommendation to the City Council. Early in the budget process, the Mayor and Administration meet with City Council in planning sessions to keep everyone informed. The Finance Director has been designated to serve as the official budget officer for the City of Grand Forks, to the City Council, which, in turn establishes tax rates and adopts the annual budget and 6-year operations and capital improvement plan.

While the process may change from year to year the 2024 budget was developed in four phases; the planning phase, the preparation phase, the review phase and the adoption phase. Each phase is explained in detail in the City's budget document.

The Mayor, City Administrator and the Finance Director presented the recommended budget for 2024 to the City Council on July 24, 2023. Budget work sessions were scheduled as needed to discuss the budget. Once the Council is satisfied with the recommended budget, it is forwarded to the regular City Council meeting in August 2023 for preliminary approval. This meeting is open to the public and notice of this meeting is published in the local newspaper. The City Council gives final approval of the city budget at the second regularly scheduled meeting in September. The City Council holds a public hearing and may subtract from or change appropriations at this meeting.

Any changes in the budget must be made with the revenues and reserves estimated as available by the Director of Finance or the revenue estimates must be changed by an affirmative vote of a majority of the City Council.

The City Council gives final approval of the annual budget and second reading of the annual appropriation ordinance by the third Monday of September each year. By October 10th, the proposed budget and proposed tax levy is certified to the county.

The appropriated budget is prepared by fund, function and department. The legal level of control is the fund level. The management of the City of Grand Forks has the authority to make transfers between object level within a department, function and fund as long as the total fund appropriations are not exceeded. City Council approval is required for an increase in the aggregate total of appropriations in order to reflect

additional revenues that were not anticipated at the time of original adoption of the annual budget and appropriation ordinance. Several supplementary appropriations were made during the year.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed contracts for goods or services. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances are re-appropriated and become part of the subsequent year's budget.

Expenditures made, liabilities incurred, or warrants issued in excess of the total appropriations in the final amended budget are a joint and several liability of the members of the City Council who authorized the making, incurring, or issuing thereof or who were present when they were authorized and did not vote against authorizing the same. "Total appropriations" means the total appropriation made for each fund in the annual budget ordinance.

Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue funds. Such budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

B. Excess of expenditures over appropriations

For the year ended December 31, 2024, expenditures did not exceed appropriations in any funds.

C. Deficit fund equity

For the year ended December 31, 2024, all funds had positive fund equity.

III. Detailed notes on all funds

A. Deposits and investments

In accordance with North Dakota statutes, the City and the component unit maintain deposits at those depository banks and savings and loans authorized by the City Council or Authority Commission, as appropriate, all of which are members of the Federal Reserve System or the Federal Home Loan Bank System.

Statutes require that all city and component unit deposits be protected by insurance, surety bond, or collateral. The market value of the collateral pledged must equal one-hundred ten (110) percent of the deposits not covered by insurance or bonds.

Deposits - Primary Government

As of December 31, 2024, the carrying amount of the City's deposits was \$59,224,758 and the bank balance was \$66,999,395. All of the bank balance was covered by federal depository insurance and collateral held by the City's agent in safekeeping in the City's name, covered by the Bank of North Dakota, or held in US Bank escrow account secured by US Treasury securities.

In addition, there are deposits of \$6,014,327 related to the City's single employer defined benefit pension plan. This is held by both Aetna Life Insurance and the North Dakota State Investment Board.

Deposits - Component Unit

As of December 31, 2024, the carrying amount of the Airport Authority's deposits was \$13,501,263 and the bank balance was \$13,503,355, which were covered by Federal Depository Insurance or collateral held in safekeeping in the Authority's name.

Investments – Primary Government

The City categorizes its fair value measurements in accordance with guidelines established by generally accepted accounting principles. These guidelines establish a hierarchy of inputs to valuation techniques used to measure fair value. That hierarchy has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security.

As of December 31, 2024 the City had the following investments and maturities:

Investment Type	Investment Maturities (in Years)					Credit Rating	Rating Agency
	Fair Value	Less than 1	1-5	6-10	More than 10		
Certificates of Deposit (various banks)	\$ 44,087,219	\$ 38,082,228	\$ 6,004,991	\$ -	\$ -	n/a	n/a
Federal National Mortgage Assn Pool	26,399,537	-	18,060,074	2,661,835	5,677,628	Aaa	Moody
Federal Home Loan Bank	5,758,420	1,717,453	-	2,724,184	1,316,783	Aaa	Moody
Federal Home Loan Mortgage Corp	24,553,335	2,130,022	15,442,221	-	6,981,092	Aaa	Moody
Ginnie Mae	10,395,882	-	-	2,494,133	7,901,750	Aaa	Moody
Total	<u>\$ 111,194,393</u>	<u>\$ 41,929,703</u>	<u>\$ 39,507,286</u>	<u>\$ 7,880,152</u>	<u>\$ 21,877,253</u>		

Investment Type	Fair Value Measurements at Reporting Date Using			
	Fair Value	Quoted Price (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Certificates of Deposit (various banks)*	\$ -	\$ -	\$ -	\$ -
Federal Farm Credit	-	-	-	-
Federal National Mortgage Assn Pool	26,399,537	-	26,399,537	-
Federal Home Loan Bank	5,758,420	-	5,758,420	-
Federal Home Loan Mortgage Corp	24,553,335	-	24,553,335	-
Ginnie Mae	10,395,882	-	10,395,882	-
Total	<u>\$ 67,107,174</u>	<u>\$ -</u>	<u>\$ 67,107,174</u>	<u>\$ -</u>

*Bank CD's, totaling \$44,087,219, are not included as the Fair Value Measurement disclosure is not applicable

Fair Value Measurement

- Level 1: Securities are valued using the quoted prices in active markets for identical assets.
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

Level 2 and Level 3 securities are valued based on methodologies such as bid evaluations, market averages, and other matrix pricing techniques as well as values derived from associated traded securities or last trade data. In instances where inputs used to measure fair value fall into different levels, the fair value is categorized based on the lowest level input that is significant to the valuation.

The City's valuation techniques for all applicable assets are done so by identifying prices of 3-comparable bond sales, which have taken place within 3 days of a specified valuation date, of which an average price is calculated. This calculation is completed by our Broker/Dealer, Piper Jaffery, at the end of every month, or upon request.

Currently all of the City's primary investments are considered to be Level 1 or 2.

Investments – Pension Trust Fund

All investments of the fund are deposited with the North Dakota State Investment Board (SIB). The SIB is responsible for establishing the investment policy for the fund assets, which includes setting investment goals and specifying the percentage of assets to be invested in various types of investments. The investment goals are viewed over the long term. The Board recognizes the plan's performance objectives, benefit projections, and capital market expectation when determining the asset allocation. The SIB is responsible for managing the plan's investments in accordance with the investment policy.

	Level 1	Level 2	Level 3
Pension investments:			
Domestic Equities	\$1,138,165		
Global / International Equities	\$46,265,606		
International Fixed Income		\$18,648,966	

Investments measured at the net asset value (NAV)

Pension investments:

Real assets NAV: \$11,023,315

Redemption frequency: quarterly, not eligible

Redemption Notice Period: 30-90 days

Real Assets – these investments are intended to provide allocation to tangible assets that are expected to be inflation protected and provide performance above the inflation rate as indicated by the CPI. Investments are generally structured as limited partnerships or limited liability companies.

Net Asset Value Measurement

The System's investments in the Public Employees Retirement System are held in an external investment pool with the North Dakota Retirement and Investment Office and are valued at Net Asset Value (NAV). There are no unfunded commitments and the plan may redeem investments daily with a one day redemption notice period.

Interest Rate Risk

In accordance with its investment policy, the City manages its exposure to declines in fair value by limiting the weighted average maturities of its investment portfolio by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio. The average maturity of investments shall average five years or less.

Credit Risk

North Dakota State Statute limits local governments to invest in:

- a) Bonds, treasury bills and notes, or other securities that are a direct obligation insured or guaranteed by, the treasury of the United States, or its agencies, instrumentalities, or organizations created by an act of Congress.
- b) Securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are the type listed above.
- c) Certificates of Deposit fully insured by the federal deposit insurance corporation.
- d) Obligations of the state.

It is the City's policy to limit its investments in these investment types.

Concentration of Credit Risk

In accordance with the City's investment policy, the City diversifies its investments by:

- Limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury and U.S. government backed securities)
- Limiting investment in securities that have higher credit risks
- Investing in securities with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations

Custodial credit risk

For an investment, this is a risk that; in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To minimize the custodial credit risk exposure all trades of marketable securities are executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

Securities are held by an independent third-party custodian selected by the City of Grand Forks as evidenced by safekeeping receipts in the City of Grand Forks name. The safekeeping institution annually provides a copy of their most recent report on internal controls to the City.

The investment in the Pension Plan is not subject to the credit risk classifications as noted in paragraph 9 of GASB Statement 40.

B. Receivables

Receivables as of year-end for the City's individual major and non-major funds, internal service funds, and the fiduciary funds in aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service Special Assessment	Capital Project Current Year Projects	Capital Project Street and Infrastructure Fund	Non-Major Governmental Funds	Enterprise Fund Sanitation	Enterprise Fund Wastewater	Enterprise Fund Water	Enterprise Fund Stormwater	Enterprise Fund Alerus	Enterprise Fund JDA	Non Major Enterprise Funds and Other Funds	Internal Service Funds	Total
Receivables:														
Notes					\$ 2,910,503						\$ 8,088,971			\$ 10,999,474
Taxes	\$ 983,773			\$ 431,008	1,335,062					\$ 1,233,233		\$ 40,131		4,023,207
Accounts	1,076,228				90,797	\$ 1,320,052	\$ 1,599,423	\$ 1,498,847	\$ 653,393	541,998	300,966	418,495	\$ 143	7,500,342
Special Assessments	1,197,949	\$ 82,944,800			5,174,575		6,697	1,146	104,621	87,306				89,517,094
Leases & interest	157,656					-		440,939		521,142	2,993,529			4,113,266
Intergovernmental	605,074		\$ 491,485	313,966	641,432		45,529	117,479	-		-	509,375	-	2,724,340
Gross Receivables	4,020,680	82,944,800	491,485	744,974	10,152,369	1,320,052	1,651,649	2,058,411	758,014	2,383,679	11,383,466	968,001	143	118,877,723
Less: Allowance for Uncollectibles					-	(34,203)	(24,582)	(35,457)	(9,695)		(1,562,969)	(4,052)		(1,670,958)
Net Total Receivables	\$ 4,020,680	\$ 82,944,800	\$ 491,485	\$ 744,974	\$ 10,152,369	\$ 1,285,849	\$ 1,627,067	\$ 2,022,954	\$ 748,319	\$ 2,383,679	\$ 9,820,497	\$ 963,949	\$ 143	\$ 117,206,765

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	Unearned	Unavailable
Delinquent property taxes receivable	\$ -	\$ 248,007
Special assessments not yet due	-	89,317,324
Leases not yet due		149,526
Grant draw-downs prior to meeting all eligibility requirements	2,976,259	-
Total unavailable/unearned revenue	<u>\$ 2,976,259</u>	<u>\$ 89,714,857</u>

C. Capital assets

Capital asset activity for the year ended December 31, 2024, was as follows:

	Balance 1/1/2024	Additions	Deletions	Transfers	Balance 12/31/2024
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 31,360,000	\$ 41,584	\$ -	\$ -	\$ 31,401,584
Infrastructure - ROW	7,511,409	13,843			7,525,252
Construction in progress	7,373,091	2,973,763	(7,238,808)		3,108,046
Total capital assets not being depreciated	46,244,500	3,029,190	(7,238,808)	-	42,034,882
Capital assets being depreciated/amortized:					
Buildings	38,178,359	577,851			38,756,210
Improvements other than buildings	69,078,088	1,252,597			70,330,685
Machinery & equipment	31,738,513	994,706	(677,949)	(194,819)	31,860,451
Infrastructure	273,836,432	23,906,207			297,742,639
Leased	3,146,305				3,146,305
Subscriptions	49,861				49,861
Total capital assets being depreciated/amortized	416,027,558	26,731,361	(677,949)	(194,819)	441,886,151
Less accumulated depreciation for:					
Buildings	14,242,288	1,354,558			15,596,846
Improvements other than buildings	20,757,077	1,171,765			21,928,842
Machinery & equipment	23,367,463	2,273,406	(625,517)	(184,321)	24,831,031
Infrastructure	137,398,158	6,462,801			143,860,959
Less accumulated amortization for:					
Leased	776,586	567,515			1,344,101
Subscriptions	6,955	15,301			22,256
Total accumulated depreciation and amortization	196,548,527	11,845,346	(625,517)	(184,321)	207,584,035
Net capital assets being depreciated and amortized	219,479,031				234,302,116
Total governmental activities capital assets net of depreciation/amortization	\$ 265,723,531				\$ 276,336,998
Internal Service Funds					
Capital assets not being depreciated:					
Land	\$ 280,060	\$ -	\$ -	\$ -	\$ 280,060
Construction in progress					-
Total capital assets not being depreciated	280,060	-	-	-	280,060
Capital assets being depreciated/amortized:					
Buildings	8,263,536				8,263,536
Improvements other than buildings	2,394,540				2,394,540
Machinery & equipment	2,781,852	288,667	(44,373)		3,026,146
Subscriptions	396,095	70,364	(44,104)		422,355
Total capital assets being depreciated/amortized	13,836,023	359,031	(88,477)	-	14,106,577
Less accumulated depreciation for:					
Buildings	5,124,410	279,818			5,404,228
Improvements other than buildings	325,070	60,506			385,576
Machinery & equipment	2,198,714	196,233	(44,373)		2,350,574
Less accumulated amortization for:					
Subscriptions	119,234	121,270	(44,104)		196,400
Total accumulated depreciation and amortization	7,767,428	657,827	(88,477)	-	8,336,778
Net capital assets being depreciated and amortized	6,068,595				5,769,799
Total internal service fund capital assets net of depreciation/amortization	\$ 6,348,655				\$ 6,049,859
Internal Service Fund capital assets net of accumulated depreciation/amortization included in governmental activities					\$ 6,049,859
Total capital assets reported in the statements of net position					\$ 282,386,857

*Totals maybe be off slightly due to rounding

	Balance 1/1/2024	Additions	Deletions	Transfers	Balance 12/31/2024
Business-Type activities:					
Capital assets not being depreciated:					
Land	\$ 14,020,293	\$ 2,167,044	\$ -	\$ -	\$ 16,187,337
Construction in progress	24,482,497	52,056,352	(13,946,392)		62,592,457
Total capital assets not being depreciated	38,502,790	54,223,396	(13,946,392)	-	78,779,794
Capital assets being depreciated/amortized:					
Buildings	434,258,326	17,652,594			451,910,920
Improvements other than buildings	326,009,888	14,761,277	(6,472)		340,764,693
Machinery & equipment	53,201,732	2,858,024	(898,691)	194,819	55,355,884
Leased Machinery & Equipment	1,675,278	-			1,675,278
Subscriptions	221,920	260,124			482,044
Finance Purchases Machinery & Equipment		535,529			535,529
Total capital assets being depreciated/amortized	815,367,144	36,067,548	(905,163)	194,819	850,724,348
Less accumulated depreciation for:					
Buildings	128,746,375	9,955,977			138,702,352
Improvements other than buildings	137,804,835	6,370,448			144,175,283
Machinery & equipment	39,620,645	3,784,648	(788,668)	184,321	42,800,946
Less accumulated amortization for:					
Leased Machinery & Equipment	708,529	370,040			1,078,569
Subscriptions	46,535	102,013			148,548
Finance Purchases Machinery & Equipment		44,627			44,627
Total accumulated depreciation and amortization	306,926,919	20,627,753	(788,668)	184,321	326,950,325
Net capital assets being depreciated and amortized	508,440,225				523,774,023
Total business type activities capital assets net depreciation/amortization	\$ 546,943,015				\$ 602,553,817

Depreciation expense and lease amortization expense were charged to the following functions/programs of the primary government as follows:

Governmental activities:

Depreciation expense:

General Government	\$ 1,551,528
Health & Welfare	31,016
Public Safety	1,715,953
Highways and Streets	6,750,771
Culture and Recreation	5,028
Public Works	1,208,235

Amortization expense:

General Government	12,313
Public Safety	2,987
Public Works	567,515

Total depreciation and amortization expense - governmental activities	<u>\$ 11,845,346</u>
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Business-type activities:

Depreciation expense:

Sanitation	\$ 2,408,526
Wastewater	4,383,892
Water	5,806,970
Stormwater	1,888,210
Alerus Center	4,181,000
Job Development Authority	517,843
Non-Major Enterprise	969,259

Amortization expense:

Sanitation	370,040
Non-Major Enterprise	102,013

Total depreciation and amortization expense - business-type activities	<u>\$ 20,627,753</u>
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Depreciation expenses for capital assets held by the City's internal service funds are charged to the various functions based on usage of the assets.

Construction commitments

Construction commitments as of December 31, 2024, were approximately \$1,286,418. The majority of this relates to improvements to the Wastewater Treatment Facility which will be paid through wastewater rates.

There are also outstanding encumbrances as of December 31, 2024:

Encumbrances:

General Fund	\$ 468,455
American Rescue Plan Grant Fund	143
Flood Protection Capital Maintenance Fund	978,135
Street and Infrastructure Fund	7,804,493
Debt Service Special Assessment Bonds Fund	365,728
Sanitation Fund	339,324
Wastewater Fund	371,329
Water Fund	223,110
Stormwater Fund	54,445
Alerus Fund	<u>9,024,341</u>
Total Encumbrances	<u>\$19,629,503</u>

Discretely presented component unit

Capital asset activity for the Grand Forks Regional Airport Authority for the year ended December 31, 2024, was as follows:

	Beginning Balance 1/01/2024	Additions	Deletions	Transfers	Ending Balance 12/31/2024
Capital assets not being depreciated:					
Land	\$ 2,775,606	\$ -	\$ (414,162)		\$ 2,361,444
Software	59,950				59,950
Construction in progress	40,032,779	36,230,086		\$ (12,278,364)	63,984,501
Total capital assets not being depreciated	<u>42,868,335</u>	<u>36,230,086</u>	<u>(414,162)</u>	<u>(12,278,364)</u>	<u>66,405,895</u>
Capital assets being depreciated:					
Equipment	3,930,262	73,530	(89,226)	1,611,967	5,526,533
Motor Vehicles	6,800,548	225,155	(78,344)	61,250	7,008,609
Buildings	27,077,560	36,979	(136,268)	10,620,077	37,598,348
Systems and Structures	74,979,486	182,400	(6,767,859)	(14,930)	68,379,097
Total capital assets being depreciated	<u>112,787,856</u>	<u>518,064</u>	<u>(7,071,697)</u>	<u>12,278,364</u>	<u>118,512,587</u>
Less accumulated depreciation for:					
Equipment	3,451,974	112,673	(89,226)	13,911	3,489,332
Motor Vehicles	3,705,250	363,161	(78,344)	1,019	3,991,086
Buildings	12,549,010	1,142,236	(136,268)		13,554,978
Systems and Structures	62,666,020	1,805,226	(6,767,859)	(14,930)	57,688,457
Total accumulated depreciation	<u>82,372,254</u>	<u>3,423,296</u>	<u>(7,071,697)</u>	<u>-</u>	<u>78,723,853</u>
Capital assets net of accumulated depreciation	<u>30,415,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,788,734</u>
Total component unit capital assets net	<u>\$ 73,283,937</u>				<u>\$ 106,194,629</u>

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of December 31, 2024, is as follows:

Due to/Due from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Non-Major Governmental	\$ 362,000 (1)

1. The purpose of this interfund receivable is to maintain a nominal positive cash balance at year end.

Interfund Transfers

Transfers Out	Transfers In											
	General Fund	Debt Service Special Assessment Bond Fund	Capital Project Current Year Projects Fund	Capital Project Street and Infrastructure Fund	Non-Major Governmental Funds	Sanitation Fund	Wastewater Fund	Water Fund	Stormwater Fund	Non Major Enterprise Funds	Internal Service Funds	Total Transfers Out
General Fund					\$ 2,497,782						\$ 29,390	\$ 2,527,172 (1)
Special Assessment Fund	\$ 684,398	\$ 20,078							\$ -			704,476 (2)
Street and Infrastructure Fund	1,300,000		\$ 6,106,304		100,000							7,506,304 (3)
Other Governmental Funds	599,572		25,000	\$ 5,914,702	967,416		\$ 1,247,013	\$ 2,854,599		\$ 1,985,000	412,464	14,005,766 (1)
Sanitation Fund	-							21,000			117,370	138,370 (4)
Wastewater Fund	17,800					\$ 132,468		25,000			36,720	211,988 (4)
Water Fund	17,800										47,630	65,430 (4)
Stormwater Fund	2,900					40,000		10,000			10,910	63,810 (4)
Job Development Authority					2,500,000							2,500,000 (5)
Non-Major Enterprise Funds										50,000		50,000 (4)
Total Transfers In	\$ 2,622,470	\$ 20,078	\$ 6,131,304	\$ 5,914,702	\$ 6,065,198	\$ 172,468	\$ 1,247,013	\$ 2,910,599	\$ -	\$ 2,035,000	\$ 654,484	\$ 27,773,316

General Fund \$ 10,498 *

* Transfer of capital asset out of the Governmental Activities to the Stormwater Fund

- (1) Transfers are to cover City's share of Pubic Safety Answering Point function, transfer of sick leave to the sick leave fund, various capital items and to close debt service funds once bonds are paid off.
- (2) Transfers are also made for a fund's share of various debt service payment being paid from different funds.
- (3) Transfers are made for a fund's share of various construction projects being paid out of different funds.
- (4) Transfers are to cover a fund's share of various debt service and capital items.
- (5) Transfer was to cover parking ramp repairs.

Numbers may vary slightly due to rounding

E. Leases

Leases Payable

As of December 31, 2024, Grand Forks, ND had 11 active leases. The leases have payments that range from \$18,150 to \$169,781 and interest rates that range from 2.15% to 5.59%. As of December 31, 2024, the total combined value of the lease liability is \$2,629,469.

Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	\$255,574	\$110,717	\$366,291
2026	222,849	99,736	322,585
2027	1,324,269	89,146	1,413,415
2028	<u>254,271</u>	<u>15,289</u>	<u>269,560</u>
Total	<u>\$2,056,963</u>	<u>\$ 314,888</u>	<u>\$2,371,851</u>

Business-Type Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	\$207,160	\$16,255	\$223,415
2026	<u>365,346</u>	<u>10,688</u>	<u>376,034</u>
Total	<u>\$572,506</u>	<u>\$26,943</u>	<u>\$599,449</u>

Lease Receivable

As of December 31, 2024, Grand Forks, ND had 21 active leases. The leases have receipts that range from \$5,000 to \$565,217 and interest rates that range from 0.33% to 3.608%. As of December 31, 2024, the total combined value of the lease receivable is \$3,957,067, and the combined value of the deferred inflow of resources is \$3,436,696.

Principal and Interest Expected to Maturity

Business-Type Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	\$1,140,123	\$46,407	\$1,186,530
2026	1,126,319	34,733	1,161,052
2027	590,501	23,695	614,196
2028	137,443	19,316	156,759
2029	99,866	15,655	115,521
2030 - 2034	282,148	51,871	334,019
2035 - 2039	182,401	28,145	210,546
2040 - 2044	171,201	12,342	183,543
2045 - 2047	<u>69,409</u>	<u>1,612</u>	<u>71,022</u>
Total	<u>\$3,799,411</u>	<u>\$233,776</u>	<u>\$4,033,188</u>

Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	\$12,486	\$2,034	\$14,520
2026	12,655	1,865	14,520
2027	12,825	1,695	14,520
2028	12,998	1,522	14,520
2029	13,173	1,347	14,520
2030 - 2034	76,077	3,783	79,860
2035	<u>17,442</u>	<u>127</u>	<u>17,570</u>
Total	<u>\$157,656</u>	<u>\$12,373</u>	<u>\$170,030</u>

F. Subscription Based IT Arrangements:

As of December 31, 2024, Grand Forks, ND had 15 active subscriptions. The subscriptions have payments that range from \$3,150 to \$62,375 and interest rates that range from 2.3633% to 3.511%. As of December 31, 2024, the total combined value of the subscription liability is \$450,656.

Amount of Subscription Assets by Major Classes of Underlying Asset
Governmental Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	\$15,924	\$550	\$16,474
2026	<u>5,550</u>	<u>95</u>	<u>5,645</u>
Total	<u>\$21,474</u>	<u>\$645</u>	<u>\$22,119</u>

Business-Type Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	\$ 66,752	\$8,013	\$74,765
2026	69,789	5,917	75,706
2027	71,977	3,729	75,706
2028	<u>41,904</u>	<u>1,471</u>	<u>43,375</u>
Total	<u>\$250,422</u>	<u>\$19,130</u>	<u>\$269,552</u>

Internal Service Fund Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	\$77,524	\$4,197	\$81,721
2026	70,750	2,825	73,575
2027	10,761	804	11,565
2028	11,433	520	11,953
2029	<u>8,291</u>	<u>219</u>	<u>8,510</u>
Total	<u>\$178,759</u>	<u>\$8,565</u>	<u>\$187,324</u>

G. Long-term debt

Governmental activities include the following types of long-term debt:

General Obligation Bonds

General obligation bonds are issued to provide funds for the acquisition and construction of major capital items. They are direct obligations and pledge the full faith and credit of the City of Grand Forks. GO bonds are paid through the debt service funds by a mill levy sufficient to meet the current year's principal and interest payments. These bonds are generally issued as 20-year serial bonds with varying amounts of principal maturing each year. The outstanding bonds have interest rates of 4.0%.

General Obligation Bonds outstanding as of December 31, 2024, totaled \$565,000. Their original issue amount totaled \$2,735,000. The City is subject to a statutory limit by the State of North Dakota for indebtedness payable principally from property taxes. At December 31, 2024 the statutory limit for the City was \$147,238,115. The general obligation debt, net of cash available for bond retirement was \$789,976 leaving a legal debt margin of \$146,448,139. For a complete listing of the bonds outstanding please refer to pages 169-171 schedule H-8.

Special Assessment Bonds

Special assessment bonds are issued to provide funds for the construction of various improvements deemed to benefit the properties against which special assessments are levied. Special assessment bonds are paid from the debt service funds by the annual certification payments made by the property owners. These bonds are also backed by GO commitments. The City is required by law to levy a tax upon all taxable property within the city limits to restore any deficiency in the improvement district funds for the payment of all warrants and interest thereon, and the city is authorized, and it is its policy, to levy such a tax whenever such a deficiency is anticipated to occur. Such tax levies are not subject to any constitutional or statutory limitations as to rate or amount. Special assessment bonds are generally issued as 20-30 year serial bonds with varying amounts of principal maturing each year. The outstanding bonds have a varying interest rate ranging from 1.5% to 5%.

During the current year the City issued \$6,130,000 of Special Assessment Refunding Improvement Bonds, Series 2024C to finance various improvement projects within the City.

The City drew down \$829,011 from the \$6,922,000 of Sanitary Sewer Refunding Bonds, Series 2024B to finance construction of a sanitary sewer collection system in the Highway 81 Area through the North Dakota State Department of Health in 2024. This bond will be repaid through wastewater fees. The outstanding balance as of December 31, 2024, was \$829,011.

The City pledges special assessments against benefited properties for payment of these bonds. The special assessment bonds outstanding as of December 31, 2024, totaled \$115,001,141. Their original issue amount totaled \$156,388,989. For a complete listing of the bonds outstanding please refer to schedule H-8 on pages 169-171.

Sales Tax Revenue Bonds

Sales tax revenue bonds are revenue obligations of the City payable solely from the collection of the City's local sales and use taxes, and do not constitute a debt for which the faith and credit or taxing powers of the city is pledged. The City is required to fund a reserve account from the proceeds of the bonds. In the event the use of the reserve results in a deficiency in the reserve account, the City has covenanted to levy an ad valorem tax upon all taxable property in the city, in the amount required to restore the reserve account balance.

As of December 31, 2024, there were no outstanding sales tax revenue bonds for governmental activities. Sales tax revenue bonds outstanding as of December 31, 2024, for business-type activities totaled \$17,715,000. The original issue amount totaled \$40,380,000. Business-type activities sales tax bonds principal and interest for the current year was \$4,015,600. The sales tax revenue for the year was \$12,306,059.

For a complete listing of the bonds outstanding please refer to schedule H-8 on pages 169-171. The annual principal and interest payments for the sales tax bonds are shown at the end of the revenue bond note.

Revenue Bond

The City also issues revenue bonds for construction or improvements to assets in the enterprise funds. These bonds are repaid through revenue generated by the associated enterprise fund through utility fees. Monthly transfers that will adequately pay the annual principal and interest installments of the revenue bonds are made from the enterprise funds to individual sinking funds of those funds.

The City drew down \$36,302 from the \$1,050,000 of Water Reserve Revenue Bonds, Series 2024A to finance a lead service line replacement project which will give homeowners the opportunity to hire a contractor to replace their lead service lines through the North Dakota State Department of Health (State Revolving Loan Fund). The City will pay 75% of the cost and the homeowner will pay only 25%. The State will then reimburse the City for the 75% through the State's Loan Forgiveness Program. The outstanding balance as of December 31, 2024, was \$36,302.

\$37,837,485 was drawn on outstanding 2023C State Revolving Loan for the Wastewater Treatment Plant leaving a total of \$38,257,521 million outstanding at the end of the year.

The City also drew \$3,203,107 on the 2023E State Revolving Loan for a wastewater lift station and forcemain project. The outstanding balance at year end was \$5,607,000.

Business-type revenue bonds outstanding as of December 31, 2024, for business-type activities totaled \$136,223,442; \$24,520,352 for revenue bonds and \$111,703,090 for SRF loans. Their original issue amounts totaled \$175,848,141; revenue bonds \$33,842,656, and SRF loans of \$142,005,485 respectively.

Principal and interest paid for the current year on the water revenue bonds was \$3,012,955. Water fund operating revenue totaled \$14,250,144 for the year. Principal

and interest paid for the current year on the wastewater revenue bonds was \$1,858,312. Wastewater fund operating revenue totaled \$13,515,700 for the year. Principal and interest paid for the current year on the sanitation revenue bonds was \$1,154,248. Sanitation fund operating revenue totaled \$12,887,738 for the year. Principal and interest paid for the current year on the mosquito control revenue bonds was \$94,219. Mosquito Control fund operating revenue totaled \$1,155,099 for the year.

If revenues on hand at any time are insufficient to pay principal and interest payments, such deficiencies shall be restored from the bond reserve and the City will levy an ad valorem tax upon all taxable property in the city in an amount required to restore the reserve account balance.

For a complete listing of the bonds outstanding please refer to schedule H-8 on pages 169-171.

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

Annual debt service requirements to maturity for the bonded debt for governmental and business-type activities are as follows:

Governmental Activities

Year Ending December 31	General Obligation Bonds		Special Assessment Bonds		SRF - Loans (1) (2)		Total Principal & Interest
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 330,000	\$ 22,600	\$ 5,221,727	\$ 4,192,612	\$ 77,000	\$ 159,715	\$ 10,003,654
2026	235,000	9,400	5,531,601	3,977,437	165,000	200,430	10,118,868
2027			5,424,533	3,748,693	170,000	197,955	9,541,181
2028			5,947,524	3,534,449	347,000	195,405	10,024,378
2029			5,830,575	3,288,559	350,000	190,200	9,659,334
2030-2034			27,765,808	12,989,388	1,860,000	869,925	43,485,121
2035-2039			21,941,759	8,284,371	2,050,000	725,025	33,001,155
2040-2044			19,906,656	4,554,824	2,260,000	565,200	27,286,680
2045-2049			9,888,334	1,408,368	2,515,000	388,050	14,199,752
2050-2054			1,467,000	129,313	2,615,000	192,150	4,403,463
2055-2057					1,033,000	28,725	1,061,725
Total Governmental Activities	\$ 565,000	\$ 32,000	\$ 108,925,517	\$ 46,108,014	\$ 13,442,000	\$ 3,712,780	\$ 172,785,311

1. SRF loans include loans for regional stormwater pond and sanitary sewer mains-to be paid from special assessments
2. Payment schedule based on full amount of the State Revolving Fund Loan-will differ from amounts drawn & outstanding.

Business-type Activities

Year Ending December 31	Revenue Bonds (1)		Sales Tax Revenue Bonds (2)		SRF - Loans (3) (4)		Financed Purchases		Total Principal & Interest
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 1,691,988	\$ 741,633	\$ 3,205,000	\$ 807,850	\$ 3,820,500	\$ 1,929,805	\$ 76,742	\$ 19,014	\$ 12,292,532
2026	1,752,628	680,444	3,365,000	647,600	3,608,000	1,869,825	81,108	14,648	12,019,253
2027	1,713,380	622,141	3,535,000	479,350	3,678,000	1,815,825	85,723	10,033	11,939,452
2028	1,764,248	562,036	3,715,000	302,600	3,753,000	1,760,775	90,600	5,156	11,953,415
2029	1,830,233	499,426	3,895,000	116,850	3,828,000	1,704,600			11,874,109
2030-2034	7,680,214	1,619,649	-	-	20,325,000	7,640,175			37,265,038
2035-2039	5,148,847	708,513			22,430,000	6,057,000			34,344,360
2040-2044	2,220,033	198,377			24,755,000	4,309,725			31,483,135
2045-2049	718,781	20,373			26,920,000	2,380,800			30,039,954
2050-2054					15,612,000	621,225			16,233,225
2055					-	-			-
Business-type Activities	\$ 24,520,352	\$ 5,652,592	\$ 17,715,000	\$ 2,354,250	\$ 128,729,500	\$ 30,089,755	\$ 334,174	\$ 48,850	\$ 209,444,473

1. Revenue bonds will be paid from the utility user fee.
2. Sales tax revenue bonds includes Alerus bond - to be paid from dedicated sales tax revenue.
3. SRF loans include loans for cleanwell, wastewater treatment plant, water treatment plant and bio-solids management project, watermain and lift station projects-to be paid from user utility fees.
4. Payment schedule based on full amount of the State Revolving Fund Loan-will differ from amounts drawn & outstanding.

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2024, is as follows:

	Beginning Balance as restated	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities:					
Bonds Payable:					
General obligation	\$ 885,000	\$ -	\$ 320,000	\$ 565,000	\$ 330,000
Unamortized Premium	70,330		24,113	46,217	-
Special Assessment with GO commitment	108,331,426	6,130,000	5,535,909	108,925,517	5,221,727
Unamortized Premium	5,365,506	407,581	327,724	5,445,363	-
Unamortized Discount	(1,366)		(749)	(617)	-
Total bonds payable	114,650,896	6,537,581	6,206,997	114,981,480	5,551,727
NDBB-SRF Loan	3,089,621	2,987,003	1,000	6,075,624	77,000
Lease Liability	2,385,356		328,393	2,056,963	255,574
Subscription liability	35,823		14,348	21,475	15,924
Compensated absences	7,077,064		61,605	7,015,459 **	1,119,940
Net pension liability Single Employer Plan	22,155,083		3,886,971	18,268,112	
Net pension liability NDPERS-Main Plan	17,661,650		375,656	17,285,994	
Net pension liability NDPERS-Public Safety	9,833,826		123,578	9,710,248	
Net OPEB liability NDPERS	1,417,633	-	194,294	1,223,339	-
Governmental Activity Long-term Liabilities	<u>\$ 178,306,952</u>	<u>\$ 9,524,584</u>	<u>\$ 11,192,842</u>	<u>\$ 176,638,694</u>	<u>\$ 7,020,165</u>
Internal Service Funds:					
Compensated absences	\$ 98,453	\$ 55,205	\$ -	\$ 153,658 **	\$ 19,384
Subscription liability	208,780	70,364	100,385	178,759	77,524
Internal Service Fund long-term liabilities included in governmental activities	<u>\$ 307,233</u>	<u>\$ 125,569</u>	<u>\$ 100,385</u>	<u>\$ 332,417</u>	<u>\$ 96,908</u>
Total long-term liabilities in the statement of net position				<u>\$ 176,971,111 *</u>	
*Totals maybe be off slightly due to rounding					
** Additions and Reductions may be netted					

	Beginning Balance as restated	Additions	Reductions	Ending Balance	Due within One Year
Business-type Activities:					
Bonds payable:					
Revenue bonds	\$ 26,166,811	\$ -	\$ 1,646,459	\$ 24,520,352	\$ 1,691,988
Unamortized Discount	(12,505)		(1,443)	(11,062)	
Unamortized Premium	891,547		89,267	802,280	
Sales tax revenue bonds	20,770,000		3,055,000	17,715,000	3,205,000
Unamortized Premium	2,709,031	-	454,663	2,254,368	-
Total Bonds payable	50,524,884	-	5,243,946	45,280,938	4,896,988
NDBB-SRF Loan	72,921,268	41,099,323	2,317,500	111,703,091	3,820,500
Landfill closure/postclosure	6,949,700	550,410	25,262	7,474,848	
Lease liability	939,203		366,697	572,506	207,160
Subscription liability	118,468	212,387	80,433	250,422	66,752
Financed Purchases	-	429,529	95,354	334,175	76,742
Compensated absences	1,606,933		28,576	1,578,357 **	277,232
Net pension liability Single Employer Plan	6,572,985		1,153,188	5,419,797	
Net pension liability NDPERS	14,876,393		316,413	14,559,980	
Net OPEB liability NDPERS	1,194,072	-	163,653	1,030,419	-
Business-type Activity Long-term Liabilities	<u>\$ 155,703,906</u>	<u>\$ 42,291,649</u>	<u>\$ 9,791,022</u>	<u>\$ 188,204,533 *</u>	<u>\$ 9,345,374</u>
*Totals maybe be off slightly due to rounding					
** Additions and Reductions may be netted					

Prior year defeasance of debt

There are no defeased bonds outstanding as of December 31, 2024.

Compensated absences, the net pension and net OPEB liability for governmental activities are generally liquidated by the general fund. Net lease liability for governmental activities are liquidated by the capital replacement fund and the business type are liquidated by the sanitation fund.

Conduit Debt

From time to time, the City has issued Municipal Industrial Development Act Revenue Bonds to provide financial assistance to private-sector entities for construction projects and renovations and to finance capital equipment purchases deemed to be in the public interest. The bonds are secured by mortgage and security agreements, indentures of trust, an irrevocable letter of credit, liquidity facility agreement and by the Municipal Bond Investors Assurance Corporation. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2024, the aggregate principal amount payable of the seven series issued was \$635,715,671. Their original issue amounts totaled \$691,525,835.

Arbitrage Rebate

In accordance with the provisions of sections 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirement, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. As of December 31, 2024, there were no amounts for arbitrage rebates.

H. Segment Information

The City maintains ten enterprise funds that account for the Sanitation, Wastewater, Water, Stormwater, Public Transit, Dial-A-Ride, Alerus Center, Job Development Authority, Mosquito Control, and Downtown Parking. The City considers each of its enterprise funds to be a segment. Since the required segment information is already included in the City's proprietary funds balance sheet and statement of revenues, expenditures, and changes in fund balance, this information has not been repeated in the notes to the financial statements.

I. Restricted Assets

The balances of the current and non-current restricted asset accounts in the enterprise funds are as follows:

Trust account for advance ticket sales/suite revenue	\$	429,544
Customer deposits		86,625
Operating & Capital Reserve		2,534,286
Construction account		12,262,334
Revenue bond current debt service account		5,130,824
Revenue bond reserve account		8,212,829
Reserve for landfill closure		1,806,567
Total restricted assets	\$	30,463,009

The fund balances of the governmental funds are as follows:

	General Fund	Major Debt Service Fund Special Assessment Fund	Major Capital Project Fund Current Year Projects	Major Capital Project Fund Street and Infrastructure Fund	Other Governmental Funds	Total
Fund Balances:						
Nonspendable:						
Prepaid Items	\$ 212				\$ 33,613	\$ 33,825
Restricted for:						
Debt service		\$ 13,473,167			184,380	13,657,547
Construction			\$ 3,773,030			3,773,030
Community development					1,110,152	1,110,152
Economic development					11,208,817	11,208,817
Public buildings					157,655	157,655
Public safety:						
Police and Fire Grants					253,952	253,952
Public Safety Answering Point/E911					2,534,088	2,534,088
Emergency					206,354	206,354
Health and welfare:						
Health Grants					1,094,362	1,094,362
Nuisance Abatement					59,112	59,112
Library					2,524,092	2,524,092
Flood control/greenway projects					9,721,688	9,721,688
Infrastructure				\$ 14,363,336	7,874,617	22,237,953
City special assessments					1,679,822	1,679,822
Other purposes					309,821	309,821
Committed to:						
Special assessment deficiencies, infrastructure and pension need	1,282,674					1,282,674
Sick leave liability	350,922					350,922
Bridges and Underpasses					396,027	396,027
Future capital purchases					1,353,559	1,353,559
Public buildings					755	755
Assigned to:						
Public safety - fire station	1,117,907					1,117,907
Department cash carryover	1,494,913					1,494,913
Other purposes	1,179					1,179
Unassigned	19,180,081					19,180,081
Total Fund Balance	\$ 23,427,888	\$ 13,473,167	\$ 3,773,030	\$ 14,363,336	\$ 40,702,866	\$ 95,740,287

The net investment in capital assets was calculated as follows:

<u>Net Investment in Capital Assets</u>	<u>Governmental Activities</u>
Total capital assets (both tangible and intangible)	\$ 498,307,669
Less: Accumulated depreciation/amortization	215,920,812
Net carrying value of capital assets	282,386,857
Less:	
Outstanding principal of capital-related borrowings related to the government's own capital assets (limited to proceeds expended for capital purposes and excluding unspent proceeds) ("outstanding capital debt")	113,071,141
Outstanding principal of debt and other borrowing used to refund capital-related borrowings	2,495,000
Lease Liability	2,056,963
Subscription Liability	200,234
Outstanding principal balance of any other (non-debt) capital related liabilities as of fiscal year end, including capital accounts payable and retainage payable	1,717,445
Unamortized original issue premiums on outstanding capital debt	5,491,580
	125,032,363
Plus:	
Unamortized original issue discounts on outstanding capital debt	617
Capital-related deferred outflows of resources (such as a loss on refunding of outstanding capital debt)	114,130
	114,747
Equals: Net investment in capital assets	\$ 157,469,241

IV. OTHER INFORMATION

A. Risk Management

The City of Grand Forks is exposed to various risks of loss related to torts; theft of; damage to; and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

In 1986, state agencies and political subdivisions of the State of North Dakota joined together to form the North Dakota Insurance Reserve Fund (NDIRF), a public entity risk pool currently operating as a common risk management and insurance program for the state and over 2,000 political subdivisions. The City of Grand Forks pays an annual premium to NDIRF for its general liability, auto, and inland marine insurance coverage. The coverage by NDIRF is limited to losses of five million dollars per occurrence.

The City of Grand Forks participates in the North Dakota Fire and Tornado Fund and State Bonding Fund. The City of Grand Forks pays an annual premium to the Fire and Tornado Fund to cover the property damage to buildings and personal property. Replacement cost coverage is provided by estimating replacement cost in consultation with the Fire and Tornado Fund. The Fire and Tornado Fund is reinsured by a third party insurance carrier for losses in excess of two million dollars per occurrence during a 12 month period. The State Bonding Fund currently provides the City of Grand Forks with blanket fidelity bond coverage with no limit of liability. The State Bonding Fund does not currently charge any premium for this coverage.

The City of Grand Forks also participates in the North Dakota Public Employees Retirement System (NDPERS) Health Insurance Fund. The City of Grand Forks pays an annual premium to cover a portion of the employees' health insurance. There is no lifetime maximum in accordance with federal law.

The City of Grand Forks carries insurance for worker's compensation, boiler and machinery, and flood insurance.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

B. Contingent Liabilities

Amounts received or receivables from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City Attorney the resolution of these matters will not have a material adverse effect on the financial condition of the City.

C. Solid Waste Landfill Closure and Post-closure Care Costs

State and federal laws required the City of Grand Forks to place a final cover on its Highway 2 landfill site when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after the closure. The City closed this "old" solid waste landfill (permit #SW-069) on July 28, 2011. The remaining costs for post closure care cost for this landfill are estimated to be \$1.57 million as of December 31, 2024. There is approximately \$1.8 million in reserve to finance these costs.

In 2010 the City opened the new Regional Solid Waste Landfill. This landfill site design has a total of 10 cells on approximately 190 acres of land. The estimated total MSW landfill capacity is 2,715,044 cubic yards with a waste volume capacity of 11,828,678 cubic yards and the remaining cubic yards for soil/cover volume. The individual cell capacity varies. Assuming an average of 85,000 tons of solid waste per year, the landfill would last approximately 83 years.

The City has constructed three cells (Cell A, B & C). Based on design this cell has 2,715,044 cubic yards of waste volume capacity. Significant cell life improvements have been obtained due to waste density changes within Cell B & C due to the change of operation from baling to loose fill. As a result, the estimated landfill capacity grew in 2021 by 85,483 cubic yards. As of December 31, 2024, the solid waste cubic yards capacity remaining is 1,008,957.

The City will close each cell when it is filled to capacity and stops accepting waste. Although closure and post-closure care costs will be paid only near or after the date

the cell stops accepting waste, the City reports a portion of these closure and post-closure care costs as operating expense in each period based on landfill capacity used as of each balance sheet date. The \$5.9 million reported as MSWLF closure and post-closure care liability for the new landfill at December 31, 2024 represents the cumulative amount reported to date based on the estimated capacity of Cell A, B & C that has been used. The City will recognize the remaining estimated cost of closure and post-closure care as the remaining estimated capacity is filled. These are estimated costs and actual costs are subject to change resulting from inflation, deflation, technology, or changes in applicable laws or regulations.

The City is in compliance with the financial assurance provision set under Subtitle D of Resource Conservation and Recovery Act which requires owners and operators of municipal solid waste landfills to establish a mechanism to demonstrate financial assurance for the cost of closure, post-closure care, and corrective action. Mechanisms used to demonstrate financial assurance must ensure the amount of funds assured are adequate and the funds will be available when needed. The City is meeting this obligation by applying a financial test mechanism as specified in the North Dakota Administrative code sections 33-20-14-02 through 33-20-14-07. Because the City is able to meet the financial test, the reservation of cash in a landfill assurance fund/account is not required.

D. Deferred Compensation

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue code section 457(b). The plan, available to all city employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available until termination, retirement, death, or unforeseeable emergency.

Due to certain statutory changes made by the Small Business Job Protection Act of 1996 and the Tax Reform Act of 1997 to Section 457 of the Internal Revenue Code, assets and income deferred under an eligible Section 457(b) plan of a state or local government employer must be held in trust or in custodial accounts. The trust requirement for governmental plans is described in new Section 457(g) of the Internal Revenue Code. The assets must be held for the exclusive benefit of participants and beneficiaries.

All amounts of compensation deferred under the plan, all property rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of participants and beneficiaries under the plan. Pursuant to this requirement the City of Grand Forks established a tax-exempt trust for its 457 deferred compensation plan in December of 1998 and entered into a trust agreement with the Alerus Financial, N.A. formerly known as First National Bank ND to be effective January 1, 1999. Deferred compensation is no longer reported in the financial statements of the City of Grand Forks as of January 1, 1999.

E. Employee Retirement Systems and Pension Plans

Defined Benefit Pension Plan

A. Plan Description

The City administers a single employer defined benefit pension plan (The City of Grand Forks, North Dakota Pension Plan) which covers substantially all of its employees hired before January 1, 1996. The plan is included in the City's financial reports as Pension Trust Fund, a separate actuarial report for the pension plan is available in the City's Finance Office. The defined benefit pension plan has been frozen since January 1, 1996 in an effort to control the City's contribution requirements. City employees hired after January 1, 1996 participate in the NDPERS Hybrid Defined Benefit Plan.

The City Council has the authority to establish and amend the plan terms.

SUMMARY OF THE PRINCIPLE PROVISIONS OF THE PLAN

1. **Effective Date:** The effective date of the plan is July 1, 1970. The anniversary date is January 1.
2. **Eligible Employees:** All full-time employees, hired before January 1, 1996, of the City of Grand Forks are eligible to participate in the Plan.
3. **Participation:** An eligible employee becomes a participant on the first day of the month coincident with or following completion of one year of service and attainment of age 21.
4. **Considered Compensation:** Considered compensation is the annual base compensation but does not include overtime, bonuses, or extra compensation.
5. **Contributions:** Contributions are based upon the retirement age selected by the participant (for the retirement with full benefits). The following table summarizes the required contribution.

Selected Retirement Age	Contribution Rate
55	7.4%
62	4.7%
65	3.7%

6. **Average Earnings:** The average considered compensation for the seven highest consecutive calendar years during the last ten consecutive years preceding the retirement or termination date.
7. **Past Benefit Service:** All service with employer prior to January 1, 1970, limited to 10 years.

8. Future Benefit Service: Any calendar year after 1969 in which a participant completes at least 1,000 hours of service.

9. Normal Retirement Date: The first day of the month coinciding with or next following the participant's 65th birthday.

B. Benefits Provided

Normal retirement benefit is the sum of past service benefit for service prior to January 1, 1970 and future service benefit for service after January 1, 1970.

Past Service Benefit:

2.3% of considered compensation at January 1, 1970 multiplied by past benefit service for employees eligible to retire with full benefits at 55.

2.0% of considered compensation at January 1, 1970 multiplied by past benefit service for all other employees.

Future Service Benefit:

2.3% of average earnings multiplied by future benefit service for employees eligible to retire with full benefits at 55.

2.0% of average earnings multiplied by future benefit service for all other employees.

Early retirement benefit is the accrued benefit as of early retirement date, reduced by 5/9 of 1% per month for the first 60 months and 5/18 of 1% for each of the next 60 months by which the commencement date precedes the selected retirement date. The earliest possible retirement age for all contribution rates is age 55.

Late Retirement Benefit: Same as normal retirement using earnings and service credits to late retirement date.

Disability Benefit: Same as early retirement benefit.

Vesting: An employee is fully vested after completing five years of service as a participant. Accumulated employee contributions with interest are vested at all times. The interest rate credited on employee contributions for each year is the same as the federal mid-term rate for the fifth month preceding the beginning of the plan year.

Normal form of benefit is a life annuity with a modified cash refund death benefit. Vested termination benefit is the greater of the value of the deferred vested benefit or accumulated contributions. Pre-retirement death or nonvested termination benefit is the return of employee contributions with interest.

A spouse of a deceased participant who was vested may be eligible for a preretirement spouse benefit equal to 100% of the joint annuity benefit which the participant could have received if the participant terminated on his or her date of death and selected the 100% joint and survivor option. Other spouses will receive a return of contributions, with interest.

C. Employees Covered by Benefit Terms

The following table summarizes employees covered by benefit terms of the plan at the actuarial valuation date:

At January 1, 2025 membership consisted of:	
Retired employees and beneficiaries	332
Terminated Participants with deferred benefits	20
Nonvested terminated participants entitled to a refund	0
All other employees with vested employer provided benefits	22
TOTAL	374

The payroll for the employees covered by the City Employee Pension Plan for the year ended December 31, 2024, was \$1,546,963. The total payroll was \$2,183,060.

D. Contributions

The recommended contributions consist of normal costs which includes allowance for plan expenses, and amortization of any unfunded liability. The normal cost is associated with the actuarial liability for future years. This cost is the present value at the current age of the projected benefit, based on actuarial assumptions, discounted from the assumed retirement age, divided by the participant's total expected years of credited service at the assumed retirement age. The considered payroll as of January 1, 2025, for participants under normal retirement age is \$1,546,963.

City Council has authority to establish and amend contribution requirements.

Contributions made for the City Pension Plan totaled \$3,541,978 (\$3,391,110 employer, \$150,868 employee). The employer contribution was equivalent to 219.21% of annual covered payroll and the employee contributions were the equivalent of 9.75% of annual covered payroll, respectively.

E. Actuarial Methods and Assumptions.

The City's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024.

Actuarial assumptions. The total pension liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

The actuarial assumptions used in the January 1, 2024, valuation were based on the results of an actuarial experience study for the period January 1, 2023-December 31, 2023.

Actuarial Methods and Significant Assumptions
Used to Determine the Annual Required Contributions

Actuarial Assumptions:	
Investment Rate of Return	7.00% Compounded Annually
Salary Scale/ Inflation Rate	2.50% Per Year
Mortality	Police and Firefighters: Pub-2010 Safety – Full Data Set Mortality Table with generational mortality projection using Scale MP-2021 All Other Participants: Pub-2010 General – Full Data Set Mortality Table with generational mortality projections using Scale MP-2021
Cost of Living Adjustments	None

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Horizon 20-Year Average Expected Return for Asset Class*
US Corporate Bonds – Core	15.33%	4.88%
US Corp Bonds-High Yield	6.29%	6.36%
US Treasuries	9.95%	3.43%
US Equity – Large Cap	24.98%	6.96%
US Equity – Small/Mid Cap	4.36%	7.50%
Non-US Equity – Developed	15.64%	7.52%
Non-US Equity Emerging	3.30%	8.24%
Real Estate	6.21%	6.17%
Commodities	1.40%	4.95%
Infrastructure	6.07%	7.36%
Private Equity	6.47%	9.71%

* Return expectations are based on the 2024 Horizon Survey of Capital Market Expectations that compiles capital market expectations of several firms.

F. Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability as of December 31, 2023. For December 31, 2023, the single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.26% (based on the 20-year Bond Buyer GO Index as of the end of December 2023). Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and estimated future contributions were sufficient to finance the future benefit payments of the current plan members for all projection years. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability. The projection of cash flows used to determine the single discount rate for each fiscal year end assumed that employer contributions will be made based on the current funding policy of at least the total recommended contribution in all future years which is intended to fully fund the plan by 2035.

G. Schedule of Changes in Net Pension Liability

The following charts summarize the changes in the key items during the year:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
January 1, 2023	\$ 104,759,928	\$ 76,031,860	\$ 28,728,068
Service Cost	147,901		147,901
Interest	7,065,630		7,065,630
Changes in assumptions	-		-
Differences between expected and actual experience	339,339		339,339
Benefit Payments	(8,077,128)	(8,077,128)	-
Contributions - Employer		3,126,869	(3,126,869)
Contributions - Employee		171,657	(171,657)
Administrative expenses		(19,233)	19,233
Net investment income		9,313,736	(9,313,736)
Net Change	(524,258)	4,515,901	(5,040,159)
December 31, 2023	\$ 104,235,670	\$ 80,547,761	\$ 23,687,909

Sensitivity of Net Pension Liability to changes in Discount Rate

The following presents the net pension liability of the City calculated using a discount rate of 7.00 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Net Pension Liability	\$32,717,971	\$23,687,909	\$15,874,122

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position as of January 1, 2025, is available on Exhibit 10.

H. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2024, the City recognized pension expense of \$1,136,414.

As of December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Schedule of Deferred Outflows/Inflows			
	Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	\$	-	\$ -
Changes of assumptions		-	-
Net difference between projected and actual earnings on pension plan investments		2,533,547	-
Employer contributions subsequent to the measurement date		3,391,110	-
Total	\$	5,924,657	\$ -

\$3,391,110 reported as deferred outflows of resources related to pensions resulting from City contributions to the plan subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	Outflows/Inflows
2025	\$ 222,208
2026	830,763
2027	2,308,239
2028	(827,663)

The City of Grand Forks Pension Plan is a stand-alone plan, an actuarial report is prepared by Deloitte Consulting LLP and is available in the City Auditor's Office and can be obtained by writing to City of Grand Forks, 255 N 4th St., Grand Forks, ND 58206-5200.

Post Employment Benefits

The City participates in the Post Employment Health Plan for Public Employees. The PEHP is a Defined Contribution Health Reimbursement Arrangement (HRA). The plan provides postemployment reimbursements of qualifying medical care expenses for the benefit of employees and their dependents. The City Council established this plan and has agreed to make contributions pursuant to the plan on behalf of employees on a pay-as-you-go basis. The City Council has the authority to amend the plan and the contribution requirements by resolution.

The contributions are held in trust by the LaSalle National Bank as trustee of the PEHP for the exclusive benefit of the plan participants and their qualified dependents. Nationwide Retirement Solutions, Inc. is the administrator for the Post Employment Health Plan. The City contributed \$245,145 for the plan year ended December 31, 2024. The total fair value of plan assets as of December 31, 2024 was \$7,667,618.

North Dakota Public Employees' Retirement System

General Information about the Pension Plan

North Dakota Public Employees Retirement System (Main System)

The following brief description of NDPERS is provided for general information purposes only. Participants should refer to NDCC Chapter 54-52 for more complete information.

NDPERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all employees of the State of North Dakota, its agencies and various participating political subdivisions. NDPERS provides for pension, death and disability benefits. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

Responsibility for administration of the NDPERS defined benefit pension plan is assigned to a Board comprised of eleven members. The Governor is responsible for appointing three other members in addition to the Chairman of the Board. Four members are appointed by legislative management, and the remaining three Board members are elected from active employees currently contributing to PERS.

Pension Benefits

Benefits are set by statute. NDPERS has no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Members of the Main System are entitled to unreduced monthly pension benefits beginning when the sum of age and years of credited service equal or exceed 85 (Rule of 85), or at normal retirement age (65). For members hired on or after January 1, 2016 the Rule of 85 was replaced with the Rule of 90 with a minimum age of 60. The monthly pension benefit is equal to 2.00% of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. For members hired on or after January 1, 2020 the 2.00% multiplier was replaced with a 1.75% multiplier. The plan permits early retirement at ages 55-64 with three or more years of service.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the members' accumulated contributions plus interest. As of December 31, 2024 this plan is closed to new participants.

Death and Disability Benefits

Death and disability benefits are set by statute. If an active member dies with less than three years of service for the Main System, a death benefit equal to the value of the member's accumulated contributions, plus interest, is paid to the member's beneficiary. If the member has earned more than three years of credited service for the Main System, the surviving

spouse will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50% of the member's accrued normal retirement benefit, or monthly payments in an amount equal to the member's accrued 100% Joint and Survivor retirement benefit if the member had reached normal retirement age prior to date of death. If the surviving spouse dies before the member's accumulated pension benefits are paid, the balance will be payable to the surviving spouse's designated beneficiary.

Eligible members who become totally disabled after a minimum of 180 days of service, receive monthly disability benefits equal to 25% of their final average salary with a minimum benefit of \$100. To qualify under this section, the member has to become disabled during the period of eligible employment and apply for benefits within one year of termination. The definition for disabled is set by the NDPERS in the North Dakota Administrative Code.

Refunds of Member Account Balance

Upon termination, if a member of the Main System is not vested (is not 65 or does not have three years of service), they will receive the accumulated member contributions and vested employer contributions, plus interest, or may elect to receive this amount at a later date. If the member has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated member contribution and is subsequently reemployed, they have the option of repurchasing their previous service.

Member and Employer Contributions

Member and employer contributions paid to NDPERS are set by statute and are established as a percent of salaries and wages. Member contribution rates are 7% and employer contribution rates are 8.12% of covered compensation. For members hired on or after January 1, 2020 member contribution rates are 7% and employer contribution rates are 9.26% of covered compensation.

The member's account balance includes the vested employer contributions equal to the member's contributions to an eligible deferred compensation plan. The minimum member contribution is \$25 and the maximum may not exceed the following:

- 1 to 12 months of service – Greater of one percent of monthly salary or \$25
- 13 to 24 months of service – Greater of two percent of monthly salary or \$25
- 25 to 36 months of service – Greater of three percent of monthly salary or \$25
- Longer than 36 months of service – Greater of four percent of monthly salary or \$25

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the City reported a net pension liability of \$31,845,973 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net pension liability was based on the Employer's share of covered payroll in the Main System pension plan relative to the covered payroll of all participating Main System employers. As of June 30, 2024 the Employer's proportion was 1.702669 percent, which is an increase of 0.015232 percent from its proportion measured at June 30, 2023.

For the year ended December 31, 2024, the City recognized pension expense of a negative \$913,517. Due to the allocation of pension liabilities, negative expenses are possible. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	\$	1,512,034	\$	-
Changes of assumptions		7,674,815		14,451,134
Net difference between projected and actual earnings on pension plan investments		-		291,185
Changes in proportion and differences between employer contributions and proportionate share of contributions		763,730		2,163,757
Employer contributions subsequent to the measurement date		1,073,187		-
Total	\$	11,023,766	\$	16,906,076

\$1,073,187 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:		
2025	\$	(5,640,955)
2026		722,592
2027		(1,851,813)
2028		(185,321)
2029		-
Thereafter		-

Actuarial Assumptions

The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.5% to 17.75% including inflation
Investment rate of return	6.50%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the Sex-distinct Pub-2010 table for General Employees, with scaling based on actual experience. Respective corresponding tables were used for healthy retirees, disabled retirees, and active

members. Mortality rates are projected from 2010 using the MP-2019 scale.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.9%	5.40%
International Equity	19.1%	7.00%
Private Equity	7%	8.50%
Domestic Fixed Income	23%	2.88%
Global Real Assets	19%	6.10%

Discount Rate

For PERS, GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the System to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The current employer and employee fixed rate contributions are assumed to be made in each future year. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. In years where assets are not projected to be sufficient to meet benefit payments, which is the case for the PERS plan, the use of a municipal bond rate is required.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.97%; and resulting Single Discount Rate is 6.50%.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Employer's proportionate share of the net pension liability	\$ 45,005,892	\$ 31,845,973	\$ 20,931,559

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is included in the report of the separately issued NDPERS financial report available on the NDPERS website, <https://www.ndpers.nd.gov/about/financial-actuarial-reports>

North Dakota Public Employees' Retirement System

North Dakota Public Employees Retirement System (Law Enforcement System)

The following brief description of the Law Enforcement System is provided for general information purposes only. Participants should refer to NDCC Chapter 54-52 for more complete information.

The Law Enforcement System is a cost-sharing multiple-employer defined benefit pension plan that covers peace officers and correctional officers employed by participating political subdivisions. Effective August 1, 2015, the plan will include National Guard Security Officers and Firefighters. The Law Enforcement System provides for pension, death and disability benefits. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

Responsibility for administration of the NDPERS defined benefit pension plan is assigned to a Board comprised of eleven members. The Governor is responsible for appointing three other members in addition to the Chairman of the Board. Four members are appointed by legislative management, and the remaining three Board members are elected from active employees currently contributing to PERS.

Pension Benefits

Benefits are set by statute. The Law Enforcement System has no provision or policies with respect to automatic and ad hoc post-retirement benefit increases. Members of the Law Enforcement System are entitled to unreduced monthly pension benefits beginning when the sum of age and years of credited service equal or exceed 85 (Rule of 85), or at normal retirement age (55) with three or more years of service. The monthly pension benefit is equal to 2.00% of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. The plan permits early retirement at ages 50-55 with three or more years of service.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the members' accumulated contributions plus interest.

Death and Disability Benefits

Death and disability benefits are set by statute. If an active member dies with less than three years of service in the Law Enforcement System, a death benefit equal to the value of the member's accumulated contributions, plus interest, is paid to the member's beneficiary. If the member has earned more than three years of credited service for the Law Enforcement System, the surviving spouse will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50% of the member's accrued normal retirement benefit, or monthly payments in an amount equal to the member's accrued 100% Joint and Survivor retirement benefit if the member had reached normal retirement age prior to date of death. If the surviving spouse dies before the member's accumulated pension benefits are paid, the balance will be payable to the surviving spouse's designated beneficiary.

Eligible members who become totally disabled after a minimum of 180 days of service, receive monthly disability benefits equal to 25% of their final average salary with a minimum benefit of \$100. To qualify under this section, the member has to become disabled during the period of eligible employment and apply for benefits within one year of termination. The definition of disabled is set by the NDPERS in the North Dakota Administrative Code.

Refunds of Member Account Balance

Upon termination, if a member of the Law Enforcement System is not vested (is not 55 or does not have three years of service), they will receive the accumulated member contributions and vested employer contributions, plus interest, or may elect to receive this amount at a later date. If the member has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated member contribution and is subsequently reemployed, they have the option of repurchasing their previous service.

Member and Employer Contributions

Member and employer contributions paid to NDPERS are established as a percent of covered compensation. Member contribution rates are set by statute and employer contribution rates are set by the Board. Contribution rates for the Law Enforcement System are established as follows:

Plan	Member contribution rate	Employer contribution rate
Law Enforcement with previous service		
Political Subdivisions	5.50%	11.40%
State	6.00%	11.40%
National Guard	5.50%	11.40%
Law Enforcement without previous service	5.50%	9.16%

The member's account balance includes the vested employer contributions equal to the member's contributions to an eligible deferred compensation plan. The minimum member contribution is \$25, and the maximum may not exceed the following:

- 1 to 12 months of service – Greater of one percent of monthly salary or \$25
- 13 to 24 months of service – Greater of two percent of monthly salary or \$25
- 25 to 36 months of service – Greater of three percent of monthly salary or \$25
- Longer than 36 months of service – Greater of four percent of monthly salary or \$25

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the City reported a net pension liability of \$9,710,248 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net pension liability was based on the Employer's share of covered payroll/contributions in the Law Enforcement System pension plan relative to the covered payroll/contributions of all participating Law Enforcement System employers. At June 30, 2024 the Employer's proportion was 10.787488 percent which was a decrease of 5.4448 percent over June 30, 2023.

For the year ended December 31, 2024, the City recognized pension expense of a negative \$1,599,947. Due to the allocation of pension liabilities, negative expenses are possible. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	\$	8,792,602	\$	-
Changes of assumptions		3,985,073		5,952,972
Net difference between projected and actual earnings on pension plan investments		-		101,723
Changes in proportion and differences between employer contributions and proportionate share of contributions		1,203,668		2,437,219
Employer contributions subsequent to the measurement date		725,562		
Total	\$	14,706,905	\$	8,491,914

\$725,562 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2025	\$	1,796,180
2026		1,296,577
2027		824,463
2028		357,433
2029		725,234
Thereafter		489,542

Actuarial Assumptions

The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases:	3.5% to 17.75% including inflation
Investment rate of return	6.50%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the Sex-distinct Pub-2010 table for General Employees, with scaling based on actual experience. Respective corresponding tables were used for healthy retirees, disabled retirees, and active members. Mortality rates are projected from 2010 using the MP-2019 scale.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31%	5.40%
International Equity	19.1%	7.00%
Private Equity	7%	8.50%
Domestic Fixed Income	23%	2.88%
Global Real Assets	19%	6.10%

Discount Rate

For PERS, GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the System to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The current employer and employee fixed rate contributions are assumed to be made in each future year. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. In years where assets are not projected to be sufficient to meet benefit payments, which is the case for the PERS plan, the use of a municipal bond rate is required.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term

expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.97% and the resulting Single Discount Rate is 6.50%.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Employer's proportionate share of the net pension liability	\$ 15,088,695	\$ 9,710,248	\$ 5,382,510

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is included in the report of the separately issued NDPERS financial report available on the NDPERS website, <https://www.ndpers.nd.gov/about/financial-actuarial-reports>

F. Pension Summary

The following is a summary of the pension related items for all plans of the City.

Pension Plan	Net Pension Asset	Deferred Outflows of Resources- Pension	Net Pension Liability	Deferred Inflows of Resources- Pension	Pension Expense
Single Employer Pension Plan	\$ -	\$ 5,924,660	\$ 23,687,909	\$ -	\$ (2,254,696)
NDPERS Pension Plan-Main		11,023,767	31,845,974	16,906,075	(913,517)
NDPERS Pension Plan-Public Safety		14,706,905	9,710,248	8,491,914	(1,599,947)
Total	\$ -	\$ 31,655,332	\$ 65,244,131	\$ 25,397,989	\$ (4,768,160)

G. Other Post Employment Benefits

General Information about the OPEB Plan

North Dakota Public Employees Retirement System

The following brief description of NDPERS is provided for general information purposes only. Participants should refer to NDAC Chapter 71-06 for more complete information.

NDPERS OPEB plan is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits from the PERS, the HPRS, and Judges retired under Chapter 27-17 of the North Dakota Century Code a credit toward their monthly health insurance premium under the state health plan based upon the member's years of credited service. Effective July 1, 2015, the credit is also available to apply towards monthly premiums under the state dental, vision and long-term care plan and any other health insurance plan. Effective August 1, 2019 the benefit may be used for any eligible health, prescription drug plan, dental, vision, or long term care plan premium expense. The Retiree Health Insurance Credit Fund is advance-funded on an actuarially determined basis.

Responsibility for administration of the NDPERS defined benefit OPEB plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor; one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

OPEB Benefits

The employer contribution for the PERS, the HPRS and the Defined Contribution Plan is set by statute at 1.14% of covered compensation. Employees participating in the retirement plan as part-time/temporary members are required to contribute 1.14% of their covered compensation to the Retiree Health Insurance Credit Fund. Employees purchasing previous service credit are also required to make an employee contribution to the Fund. The benefit amount applied each year is shown as "prefunded credit applied" on the Statement of Changes in Plan Net Position for the OPEB trust funds. Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There were no other benefit changes during the year.

Retiree health insurance credit benefits and death and disability benefits are set by statute. There are no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Employees who are receiving monthly retirement benefits from the PERS, the HPRS, the Defined Contribution Plan, the Chapter 27-17 judges or an employee receiving disability benefits, or the spouse of a deceased annuitant receiving a surviving spouse benefit or if the member selected a joint and survivor option are eligible to receive a credit toward their monthly health insurance premium under the state health plan.

Effective July 1, 2015, the credit is also available to apply towards monthly premiums under the state dental, vision and long-term care plan and any other health insurance plan. Effective August 1, 2019 the benefit may be used for any eligible health, prescription drug plan, dental, vision, or long term care plan premium expense. The benefits are equal to \$5.00 for each of

the employee's, or deceased employee's years of credited service not to exceed the premium in effect for selected coverage. The retiree health insurance credit is also available for early retirement with reduced benefits.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2024, the Employer reported a liability of \$2,253,758 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net OPEB liability was based on the Employer's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2024, the Employer's proportion was 2.308349 percent, which was a decrease of .004004% from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the Employer recognized OPEB expense of \$464,332. At December 31, 2024, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual expense	\$ 27,811	\$ 17,322
Changes of assumptions	342,849	154,299
Net difference between projected and actual earnings on pension plan investments	-	84,298
Changes in proportion and differences between employer contributions and proportionate share of contributions	142,919	5,615
Employer contributions subsequent to the measurement date	163,685	-
Total	<u>\$ 677,264</u>	<u>\$ 261,534</u>

\$163,685 reported as deferred outflows of resources related to OPEB resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year ended December 31	
2025	\$ 173,988
2026	238,066
2027	(108,224)
2028	(51,785)

Actuarial assumptions

The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	Not applicable
Investment rate of return	5.75%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the MortalityPub-2010 Healthy Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of RHIC investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Domestic Equities	33%	4.00%
Small Cap Domestic Equities	6%	6.00%
Domestic Fixed Income	35%	3.29%
International Equities	26%	7.00%

Discount rate

The discount rate used to measure the total OPEB liability was 5.75%. The projection of cash flows used to determine the discount rate assumed plan member and statutory rates described in this report. For this purpose, only employer contributions that are intended to fund benefits of current RHIC members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the RHIC fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on RHIC investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Employer's proportionate share of the net OPEB liability to changes in the discount rate.

The following presents the net OPEB liability of the Plans as of June 30, 2024, calculated using the discount rate of 5.75%, as well as what the RHIC net OPEB liability would be if it were

calculated using a discount rate that is 1-percentage-point lower (4.75 percent) or 1-percentage-point higher (6.75 percent) than the current rate:

	1% Decrease (4.75%)	Current Discount Rate (5.75%)	1% Increase (6.75%)
Employer's proportionate share of the net OPEB liability	\$ 3,080,334	\$ 2,253,758	\$ 1,557,583

OPEB Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is included in the report of the separately issued NDPERS financial report available on the NDPERS website, <https://www.ndpers.nd.gov/about/financial-actuarial-reports>

H. Concentration

The Water Fund and the Wastewater Fund receive more than 10% of their operating revenue from one external customer. They received \$3.6 million (26.5%) and \$3.4 million (24.1%) in revenue respectively in 2024.

I. Tax Exemptions / Abatements

As of 12/31/2024, the City of Grand Forks provides property tax exemptions under 16 programs/categories for property within the City limits: The New Home Builder, New Home Buyer, New and Expanding Business, Payment in Lieu of Tax, Commercial Remodel, Child Care Facilities, Residential Remodel, Renaissance Zone, Tax Increment Finance, Blind property owner, Charitable Organization, Renewable Energy, Group Homes, Housing Authority, Religious Organizations, and Wheel Chair property owner. All of these programs reduce the taxable value of the property by the applicable, or negotiated, dollar amount, therefore lowering the respective real estate taxes due on the property in question. North Dakota Century Code 40-05-24 further states that any tax exemption lasting longer than five years must have approval from the County Commission and each School District impacted.

The New Home Builder exemption exempts new townhome, condominium, and single family residential properties from property taxes for the taxable year in which construction began and the next two taxable years, if the property remains owned by the builder, remains unoccupied, and other conditions are met. This exemption is provided under the authority of the State of North Dakota's Century Code 57-02-08-42, with resolution passed by the City on January 1st 2009, and amended on February 21, 2017.

The New Home Buyer exemption includes the exemption from property taxes for up to \$150,000 of the true and full value of all new occupied single family and condominium and townhouse residential property for the first two taxable years after the taxable year in which construction is completed, and the residence is occupied for the first time. A home inspection by the City is also required to qualify. This exemption is provided under the authority of the State of North Dakota's Century Code 57-02-08-35, with resolution passed by the City on January 1st 2009 and amended on February 21, 2017.

The New and Expanding Business exemption may include partial or complete exemption from ad valorem taxation on all buildings, structures, fixtures, and improvements for up to five years

from the date of commencement of the project. Agricultural related projects may extend for up to ten years from the date of commencement. This exemption is provided under the authority of the State of North Dakota's Century Code 40-57.1, with resolution passed by the City on an individual basis.

Payment in Lieu of Tax agreement allows the City to accept a negotiated amount due as payment in lieu of ad valorem taxes on buildings, structures, fixtures and improvements used in the operation of a project for up to twenty years from the date of commencement of a project. This exemption is provided under the authority of the State of North Dakota's Century Code 40-57.1, with resolution passed by the City on an individual basis.

The Commercial Remodel exemption includes an exemption in property taxes, in whole or in part, for property whose market value increases by at least ten percent, and fifteen-thousand dollars, due to a renovation, remodeling, or alteration project of an existing commercial building, for up to five years upon receipt of an application for exemption. The exemption is provided under the authority of the State of North Dakota's Century Code 57-02.2 & 57-02.3, with resolution passed by the City in 1995, amended in 2009 and 2020.

The property tax exemption for child care facilities includes fixtures, buildings, and improvements, used primarily to provide early childhood services by a corporation, limited liability company, or organization licensed under chapter 50-11.1 of the North Dakota Century Code, or used primarily as an adult day care center. However, this exemption is not available for property used as a residence. The exemption is provided under the authority of the State of North Dakota's Century Code 57-02-08-36 and resolution passed by the City.

The Residential Remodel exemption includes an exemption in property taxes, in whole or in part, for property whose market value increases by at least ten percent, or five-thousand dollars, whichever is less, due to a renovation or remodeling project of an existing residential building, for up to five years upon receipt of an application for exemption. The exemption is provided under the authority of the State of North Dakota's Century Code 57-02.2 and 57-02.3, with resolution passed by the City in 1995, and amended in 2009.

The Renaissance Zone exemption includes a five-year, 100% property tax exemption on the added value of new construction, remodel or major rehabilitation on an existing building for property within the designated Renaissance Zone. The exemption is provided under the authority of the State of North Dakota's Century Code 57-02.2, and the City's Renaissance Zone Plan passed in 2001, and amended in 2016.

Tax Increment Financing is available for new development or renewal area upon completion of a development or renewal plan by the City, for up to twenty five taxable years. The exemption is provided under the authority of the State of North Dakota's Century Code 40-58-20, with resolution by the City passed on an individual basis.

The property tax exemption for owners who are blind includes all or any part of fixtures, buildings, and improvements upon any nonfarmland up to a taxable valuation of seven thousand two hundred dollars, owned and occupied as a home by a blind person. Residential homes owned by the spouse of a blind person, or jointly owned by a blind person and spouse, shall also be exempt within the limits of this subsection as long as the blind person resides in the home. A blind person is defined as one who is totally blind, has visual acuity of not more than 20/200 in the better eye with correction, or whose vision is limited in field so that the widest diameter subtends an angle no greater than twenty degrees. The exemption provided by this

subsection extends to the entire building classified as residential, and owned and occupied as a residence by a person who qualifies for the exemption as long as the building contains no more than two apartments or rental units which are leased. The exemption is provided under the authority of the State of North Dakota's Century Code 57-02-08-22.

The property tax exemption for charitable organizations includes all buildings belonging to institutions of public charity, including public hospitals and nursing homes licensed pursuant to section 23-16-01 under the control of religious or charitable institutions, used wholly or in part for public charity, together with the land actually occupied by such institutions not leased or otherwise used with a view to profit. The exemption provided by this subsection includes any dormitory, dwelling, or residential-type structure, together with necessary land on which such structure is located, owned by a religious or charitable organization recognized as tax exempt under section 501(c)(3) of the United States Internal Revenue Code which is occupied by members of said organization who are subject to a religious vow of poverty and devote and donate substantially all of their time to the religious or charitable activities of the owner. The exemption is provided under the authority of the State of North Dakota's Century Code 57-02-08-08.

The property tax exemption for renewable energy include the installations, machinery, and equipment of systems in new or existing buildings or structures, designed to provide heating or cooling or to produce electrical or mechanical power, or any combination of these, or to store any of these, by utilization of solar, wind, or geothermal energy; provided, that if the solar, wind, or geothermal energy device is part of a system which uses other means of energy. Provided, however, that any exemptions granted by this subsection shall be valid for a five-year period following installation of any such system and apply only to locally assessed property. For the purposes of this subsection, solar or wind energy devices shall have the meaning provided in section 57-38-01.8 and geothermal energy device means a system or mechanism or series of mechanisms designed to provide heating or cooling or to produce electrical or mechanical power, or any combination of these, by a method which extracts or converts the energy naturally occurring beneath the earth's surface in rock structures, water, or steam. The exemption is provided by the authority of the State of North Dakota's Century Code 57-02-08-27.

The property tax exemption for group homes includes all group homes owned by nonprofit corporations, not organized with a view to profit and recognized as tax exempt under section 501(c)(3) of the United States Internal Revenue Code [26 U.S.C. 501(c)(3)], including those for persons with developmental disabilities as defined in section 25-01.2-01, and the real property upon which they are located during the period in which the group homes are under construction or in a remodeling phase and while they are used as group homes. For the purposes of this subsection, the term "group home" means a community-based residential home which provides room and board, personal care, habilitation services, or supervision in a family environment, and which, once established is licensed by the appropriate North Dakota licensing authority. The exemption is provided under the authority of the State of North Dakota's Century Code 57-02-08-31.

The property of the Housing Authority used for low-income housing, authority administration, or other property solely owned by the authority and used to conduct the powers granted to the authority in this chapter, including an authority created under Indian laws recognized by the federal government, is declared to be public property used for essential public and governmental purposes and is exempt from all taxes and special assessments of the state or any political subdivision. Notwithstanding any other provision of law, the property of an

authority used for moderate income housing is exempt from all taxes of the state or any political subdivision except special assessments unless specifically exempted from the special assessment by the political subdivision. The exemption is provided under the authority of State of North Dakota's Century Code 23-11-29.

Property tax exemptions for property owned by a religious organization includes all buildings owned by any religious corporation or organization and used for the religious purposes of the organization, and if on the same parcel, dwellings with usual outbuildings, intended and ordinarily used for the residence of the bishop, priest, rector, or other minister in charge of services, land directly under and within the perimeter of those buildings, improved off-street parking or reasonable landscaping or sidewalk area adjoining the main church building, and up to a maximum of five additional acres [2.02 hectares] must be deemed to be property used exclusively for religious purposes, and exempt from taxation, whether the real property consists of one tract or more. If the residence of the bishop, priest, rector, or other minister in charge of services is located on property not adjacent to the church, that residence with usual outbuildings and land on which it is located, up to two acres [.81 hectare], is exempt from taxation. Also, the exemption for a building used for the religious purposes of the owner continues to be in effect if the building in whole, or in part, is rented to another otherwise tax-exempt corporation or organization, provided no profit is realized from the rent. The exemption is provided under the authority of the State of North Dakota's Century Code 57-02-08-09.

Property tax exemptions for property owners includes fixtures, buildings, and improvements up to the amount of valuation specified, when owned and occupied as a homestead, as hereinafter defined, by any permanently and totally disabled person who is permanently confined to use of a wheelchair, or, if deceased, the unremarried surviving spouse of a permanently and totally disabled person. If the spouse of a permanently and totally disabled person owns the homestead or if it is jointly owned by them, the same reduction in assessed valuation applies as long as both reside thereon. The provisions of this subdivision do not reduce the liability for special assessments levied upon the homestead. The phrase "permanently confined to use of a wheelchair" means that the person cannot walk with the assistance of crutches or any other device and will never be able to do so and that a physician selected by the local governing board has so certified. The exemption is provided under the authority of the State of North Dakota's Century Code 57-02-08-20.

State of North Dakota Tax Exemptions:

<u>Tax Exemption Program</u>	<u>Amount of Tax Exempted During the Fiscal Year</u>
New Home Builder	\$ 8,290
New Home Buyer	85,773
New/Expanding Business	111,396
Payment in Lieu of Tax	31,799
Commercial Remodel	62,103
Child Care Facilities	17,228
Residential Remodel	39,968
Renaissance Zone	120,447
Tax Increment Financing	61,074
Total City Exemptions	<u>\$ 538,078</u>

State of North Dakota Tax Exemptions:

City property tax revenues were reduced by \$1,652,641 under agreements entered into by the State of North Dakota.

J. Subsequent Events

Beginning in 2025, new City of Grand Forks employees will be eligible to join the NDPERS Defined Contribution Plan. The defined contribution plan includes a 4% mandatory employee contribution with a mandatory 5.26% employer match. Employees may contribute up to 3% additionally with up to a 3% employer match. Employees have 30 days to elect a contribution amount to the defined contribution plan. This election is permanent and may not be altered in the defined contribution plan. If an election under 7% is made, the employee may choose to contribute at a later time to the NDPERS deferred compensation plan with the City matching up to the additional 3%, as applicable.

In March of 2025, \$7,518,000 of Refunding Improvement and Refunding Improvement Refunding Bonds, Series 2025A were issued. This included the refunding of \$3,166,000 of Refunding Improvement Bonds, Series 2023B and issuance of \$4,352,000 of additional Refunding Improvement Refunding Bonds for a total of \$7,518,000 Refunding Improvement and Refunding Improvement Refunding Bonds, Series 2025A. to finance the construction of various stormwater projects in the Highway 81 area.

In May of 2025, the City issued a short-term loan in the amount of \$100,205,000 for the Altru Sports Complex, which is an indoor athletic turf, aquatic, and court facility which will begin construction in 2025. The loan includes a draw provision, as the City will draw the funds as construction progresses. The loan will have a maturity date in December of 2027, at which time permanent bond financing will be issued to pay off the short-term loan. Permanent bond financing will be repayed with a designated 3/4% sales tax currently used to repay debt on the existing Alerus Center, the city-owned event and convention center. The permanent bond financing is expected to have a 30-year maturity. The designated 3/4% sales tax has no sunset date.

The City of Grand Forks signed an agreement for the right-to-use a computer aided dispatch (CAD) system from 365Labs. This agreement will not begin until the product is in use, which is estimated to be July of 2025. The first full year's payment will be \$427,860 escalating by 5% per year. This agreement is 10 years in length and satisfies the GASB 96 requirements to be classified as a subscription-based IT arrangement.

K. Change in Accounting Principles and Restatement of Net Position

The City implemented GASB Statement No. 101 Compensated Absences, as a result, the beginning net position has been restated to reflect the liability for the leave is that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

The City restated the compensated absence liability following funds in the following amounts as of January 1, 2024:

	Governmental Activities	Sanitation	Wastewater	Water	Non-Major Enterprise Funds	Internal Service Funds
Net position January 1, 2024, as previously reported	\$ 291,254,239	\$ 9,612,101	\$ 112,640,201	\$ 162,285,008	\$ 14,217,980	\$ 7,296,029
Increase in compensated absence liability	\$ (571,275)	\$ (32,924)	\$ (26,419)	\$ (41,086)	\$ (54,203)	(12,411)
Net Position January 1, 2024, as restated	\$ 290,682,964	\$ 9,579,177	\$ 112,613,782	\$ 162,243,922	\$ 14,163,777	\$ 7,283,618

CITY OF GRAND FORKS, NORTH DAKOTA
Required Supplementary Information
Pension Trust Fund

December 31, 2024

**Schedule of Changes in the City's Net Pension Liability
and Related Ratios Single Employer Plan
Last 10 Fiscal Years**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service cost	\$ 50,331	\$ 556,392	\$ 461,205	\$ 406,090	\$ 368,476	\$ 365,903	\$ 353,646	\$ 256,767	\$ 171,162	\$ 147,901
Interest	6,444,944	6,569,255	7,006,404	6,938,458	7,033,601	7,168,712	7,196,826	7,110,731	7,064,591	7,065,630
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	344,624	1,333,162	(968,991)	1,725,082	(167,759)	188,224	(345,999)	(42,301)	339,339
Changes of assumptions	-	3,000,205	(1,030,576)	941,124	(764,113)	-	1,714,581	-	4,289,822	-
Benefit payments, including refunds of employee contributions	(4,709,238)	(5,080,220)	(5,509,875)	(5,705,484)	(6,326,740)	(6,799,809)	(7,166,289)	(7,301,996)	(7,852,246)	(8,077,128)
Net change in total pension liability	1,786,037	5,390,256	2,260,320	1,611,197	2,036,306	567,047	2,286,988	(280,497)	3,631,028	(524,258)
Total pension liability - beginning	85,471,244	87,257,281	92,647,537	94,907,857	96,519,054	98,555,360	99,122,407	101,409,395	101,128,898	104,759,926
Total pension liability - ending (a)	\$ 87,257,281	\$ 92,647,537	\$ 94,907,857	\$ 96,519,054	\$ 98,555,360	\$ 99,122,407	\$ 101,409,395	\$ 101,128,898	\$ 104,759,926	\$ 104,235,668
Plan fiduciary net position										
Contributions - employer	\$ 3,583,317	\$ 3,590,325	\$ 3,590,322	\$ 3,325,061	\$ 3,338,042	\$ 3,838,566	\$ 3,505,780	\$ 4,530,594	\$ 3,316,869	\$ 3,126,869
Contributions - employee	497,997	486,834	441,589	428,480	385,280	322,264	286,825	258,980	196,109	171,657
Net investment income	3,814,150	699,438	4,344,791	9,767,726	(2,197,466)	11,435,454	8,525,051	13,014,968	(9,320,686)	9,313,736
Benefit payments, including refunds of employee contributions	(4,709,238)	(5,080,220)	(5,509,875)	(5,705,484)	(6,326,740)	(6,799,809)	(7,166,289)	(7,301,996)	(7,852,247)	(8,077,128)
Administrative expenses	(286,387)	(237,060)	(182,647)	(204,338)	(169,566)	(219,381)	(252,210)	(276,184)	(17,849)	(19,233)
Other	-	-	11,888	-	-	-	-	-	-	-
Net change in plan fiduciary net position	2,899,839	(540,683)	2,696,068	7,611,445	(4,970,450)	8,577,094	4,899,157	10,226,362	(13,677,804)	4,515,901
Plan fiduciary net position - beginning	58,322,718	61,222,557	60,681,874	63,377,942	70,977,499	66,007,049	74,584,143	79,483,300	89,709,662	76,031,858
Plan fiduciary net position - ending (b)	\$ 61,222,557	\$ 60,681,874	\$ 63,377,942	\$ 70,989,387	\$ 66,007,049	\$ 74,584,143	\$ 79,483,300	\$ 89,709,662	\$ 76,031,858	\$ 80,547,759
City's net pension liability - ending (a)-(b)	\$ 26,034,724	\$ 31,965,663	\$ 31,529,915	\$ 25,529,667	\$ 32,548,311	\$ 24,538,264	\$ 21,926,095	\$ 11,419,236	\$ 28,728,068	\$ 23,687,909
Plan fiduciary net position as a percentage of the total pension liability	70%	65%	67%	74%	67%	75%	78%	89%	73%	77%
Covered payroll	\$ 7,953,162	\$ 7,540,235	\$ 6,613,621	\$ 6,272,995	\$ 5,601,246	\$ 4,451,392	\$ 4,400,244	\$ 2,956,450	\$ 2,491,260	\$ 1,856,650
City's net pension liability as a percentage of covered payroll	327%	424%	477%	407%	581%	551%	498%	386%	1153%	1276%

**Schedule of Employer Contribution
Last 10 Fiscal Years**

	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Actuarial Determined Contribution	\$ 3,520,138	\$ 3,457,816	\$ 3,325,061	\$ 3,338,042	\$ 3,336,703	\$ 3,280,594	\$ 3,230,558	\$ 2,969,058	\$ 2,744,612	\$ 2,672,022
Contributions in relation to the actuarially determined contribution	\$ (3,590,325)	\$ (3,590,322)	\$ (3,325,061)	\$ (3,338,042)	\$ (3,838,566)	\$ (3,505,779)	\$ (4,530,842)	\$ (3,316,869)	\$ (3,126,869)	\$ (3,391,110)
Contribution deficiency (excesses)	\$ (70,187)	\$ (132,506)	\$ -	\$ -	\$ (501,863)	\$ (225,185)	\$ (1,300,284)	\$ (347,811)	\$ (382,257)	\$ (719,088)
Employer's covered payroll	\$ 7,540,235	\$ 6,613,621	\$ 6,272,995	\$ 5,601,246	\$ 4,451,392	\$ 4,400,244	\$ 2,956,450	\$ 2,491,260	\$ 1,856,650	\$ 1,546,963
Contributions as a percentage of covered payroll	47.6%	54.3%	53.0%	59.6%	86.2%	79.7%	153.3%	133.1%	168.4%	219.2%

Notes to Schedule:

Valuation date:	January 1, 2024
Actuarially determined contribution rates are calculated as of December 31, one year prior to the end of the fiscal year in which contributions are reported	
Methods and assumptions used to determine contribution rates:	
Actuarial cost method:	Entry age actuarial cost method
Amortization method:	Level dollar over a thirty year period beginning January 1, 2005 through December 2034
Remaining amortization period:	11 years
Asset valuation method:	Fair value of assets plus contributions receivable
Salary scale/inflation:	2.50%
Investment rate of return:	7.00%, compound annually
Retirement age:	Contributions are based on retirement age selected by participant (for the retirement with full benefits) Age 55-7.4%, Age 61-4.7%, Age 65-3.7%
Mortality	Police and Firefighters: Mortality rates based Pub-2010 Safety - Full Data Set and Safety Disabled Retiree tables for males and females, generationally projected using the scale MP-2021 mortality improvement scale. All Other Participants: Mortality rates based on Pub-2010 General - Full Data Set tables for males and females, adjusted with the below scaling factors, and generationally projected using the Scale MP-2021 mortality improvement scale.

CITY OF GRAND FORKS, NORTH DAKOTA
Required Supplementary Information
December 31, 2024

Schedule of Employer's Share of Net Pension Liability
ND Public Employees Retirement System
Last 10 Fiscal Years*

	As of a measurement date of 06/30/2015	As of a measurement date of 06/30/2016	As of a measurement date of 06/30/2017	As of a measurement date of 06/30/2018	As of a measurement date of 06/30/2019	As of a measurement date of 06/30/2020	As of a measurement date of 06/30/2021	As of a measurement date of 06/30/2022	As of a measurement date of 06/30/2023	As of a measurement date of 06/30/2024
Employer's proportion of the net pension liability (asset)	1.837291%	1.986687%	2.236455%	2.167287%	2.320733%	2.416780%	1.624349%	1.680510%	1.687437%	1.702669%
Employer's proportionate share of the net pension liability (asset)	\$12,892,267	\$ 19,381,693	\$ 35,947,172	\$ 36,575,332	\$27,200,670	\$ 76,032,605	\$16,930,567	\$ 48,399,807	\$ 32,538,043	\$ 31,845,973
Employer's covered payroll	\$16,890,785	\$ 20,041,274	\$ 22,830,700	\$ 22,264,912	\$24,139,567	\$ 26,660,075	\$16,038,743	\$ 19,507,979	\$ 20,635,174	\$ 22,335,587
Employer's share of net pension liability (asset) as a percentage of its covered payroll	76%	97%	157%	164%	113%	285%	106%	248%	158%	143%
Plan fiduciary net position as a percentage of the total pension liability	77%	70%	62%	63%	72%	49%	78%	54%	65%	65%

The amounts presented for each fiscal year were determined as of the measurement date of the City's net pension liability which is June 30, of the previous year for NDPERS.

Schedule of Employer Contribution
ND Public Employees Retirement System
Last 10 Fiscal Years*

	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Statutorily required contribution	\$ 1,586,546	\$ 1,494,529	\$ 1,588,376	\$ 1,587,730	\$ 1,710,275	\$ 1,912,861	\$ 1,316,859	\$ 1,469,282	\$ 1,517,797	\$ 1,831,935
Contributions in relation to the required contribution	\$ (1,586,546)	\$ (1,494,529)	\$ (1,588,376)	\$ (1,587,730)	\$ (1,710,275)	\$ (1,912,861)	\$ (1,316,859)	\$ (1,469,282)	\$ (1,517,797)	\$ (1,831,935)
Contribution deficiency (excesses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 18,644,665	\$ 20,281,722	\$ 22,213,275	\$ 22,345,783	\$ 23,924,496	\$ 25,254,195	\$ 15,050,117	\$ 17,787,918	\$ 21,045,258	\$ 22,340,671
Contributions as a percentage of covered payroll	8.51%	7.38%	7.15%	7.12%	7.15%	7.57%	8.75%	8.26%	7.21%	8.20%

The amounts presented for each fiscal year were determined as of the City's year end which is December 31.

Changes of benefit terms.

In 2023, House Bill 1040 was passed, which closes the Main System to employees newly enrolled into the system on January 1, 2025 and later. The state employer contribution for 2026 and later was changed to be the amount sufficient to fund the Main System on actuarial basis, with the amortization of the unfunded liability determined on a level percent of payroll basis over a closed period beginning on January 1, 2026 and ending June 30, 2056.

Changes of assumptions.

All actuarial assumptions used in the actuarial valuation as of July 1, 2024, were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for first use commencing with the actuarial valuation as of July 1, 2020. There have been no changes in actuarial assumptions since the previous actuarial valuation as of July 1, 2023.

CITY OF GRAND FORKS, NORTH DAKOTA
Required Supplementary Information
December 31, 2024

Schedule of Employer's Share of Net Pension Liability
NDPERS Law Enforcement Retirement System
Last 10 Fiscal Years*

	As of a measurement date of 06/30/2021	As of a measurement date of 06/30/2022	As of a measurement date of 06/30/2023	As of a measurement date of 06/30/2024
Employer's proportion of the net pension liability (asset)	16.326865%	15.998218%	16.232368%	10.787488%
Employer's proportionate share of the net pension liability (asset)	\$ 2,705,608	\$ 13,134,044	\$ 9,833,826	\$ 9,710,248
Employer's covered payroll	\$ 10,046,492	\$ 10,358,225	\$ 11,615,084	\$ 12,649,976
Employer's share of net pension liability (asset) as a percentage of its covered payroll	27%	127%	85%	77%
Plan fiduciary net position as a percentage of the total pension liability	87%	57%	68%	68%

The amounts presented for each fiscal year were determined as of the measurement date of the City's net pension liability, which is June 30, of the previous year for NDPERS.

*Complete data for this schedule is not available prior to 2021

Schedule of Employer Contribution
NDPERS Law Enforcement Retirement System
Last 10 Fiscal Years*

	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Statutorily required contribution	\$ 987,748	\$ 1,041,156	\$ 1,170,695	\$ 1,287,934
Contributions in relation to the required contribution	\$ (987,748)	\$ (1,041,156)	\$ (1,170,695)	\$ (1,287,934)
Contribution deficiency (excesses)	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 10,059,271	\$ 9,508,274	\$ 11,933,681	\$ 13,128,787
Contributions as a percentage of covered payroll	9.82%	10.95%	9.81%	9.81%

The amounts presented for each fiscal year were determined as of the City's year end which is December 31.

*Complete data for this schedule is not available prior to 2021

Changes of benefit terms.

Legislation was passed relating to the Public Safety with Prior Service System. The Public Safety with Prior Service System was expanded to allow peace officers employed by the State to participate. The provisions are similar to the Public Safety with Prior Service System, but with a 6.00 percent employee contribution rate. The benefit multiplier and the vesting requirements for the Bureau of Criminal Investigation group were changed.

Changes of assumptions.

All actuarial assumptions used in the actuarial valuation as of July 1, 2024, were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for first use commencing with the actuarial valuation as of July 1, 2020. There have been no changes in actuarial assumptions since the previous actuarial valuation as of July 1, 2023.

CITY OF GRAND FORKS, NORTH DAKOTA
Required Supplementary Information
December 31, 2024

Schedule of Employer's Share of Net OPEB Liability
ND Public Employees Retirement System
Last 10 Fiscal Years*

	As of a measurement date of 06/30/2018	As of a measurement date of 06/30/2019	As of a measurement date of 06/30/2020	As of a measurement date of 06/30/2021	As of a measurement date of 06/30/2022	As of a measurement date of 06/30/2023	As of a measurement date of 06/30/2024
Employer's proportion of the net OPEB liability (asset)	2.042171%	2.171713%	2.214994%	2.300347%	2.418480%	2.612353%	2.608349%
Employer's proportionate share of the net OPEB liability (asset)	\$ 1,608,349	\$ 1,744,293	\$ 1,863,249	\$ 1,279,391	\$ 2,902,930	\$ 2,611,705	\$ 2,253,758
Employer's covered payroll	\$22,345,783	\$ 24,233,227	\$ 25,250,280	\$ 24,298,025	\$ 24,968,563	\$ 26,258,921	\$ 27,040,939
Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	7%	7%	7%	5%	12%	10%	8%
Plan fiduciary net position as a percentage of the total OPEB liability	62%	63%	63%	63%	56%	63%	63%

*Complete data for this schedule is not available prior to 2018

Schedule of Employer OPEB Contribution
ND Public Employees Retirement System
Last 10 Fiscal Years*

	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Statutorily required contribution	\$ 254,379	\$ 273,868	\$ 289,097	\$ 238,160	\$ 303,897	\$ 312,311	\$ 321,558
Contributions in relation to the required contribution	\$ (254,379)	\$ (273,868)	\$ (289,097)	\$ (238,160)	\$ (303,897)	\$ (312,311)	\$ (321,558)
Contribution deficiency (excesses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 23,004,333	\$ 23,924,496	\$ 25,254,195	\$ 20,891,241	\$ 26,657,632	\$ 27,395,821	\$ 28,228,764
Contributions as a percentage of covered payroll	1.11%	1.14%	1.14%	1.14%	1.14%	1.14%	1.14%

*Complete data for this schedule is not available prior to 2018

CHANGES OF BENEFIT TERMS

Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2023.

CHANGES OF ASSUMPTIONS

All actuarial assumptions used in the actuarial valuation as of July 1, 2024, were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for first use commencing with the actuarial valuation as of July 1, 2020. There have been no changes in actuarial assumptions since the previous actuarial valuation as of July 1, 2023.

NON-MAJOR GOVERNMENTAL FUNDS:

Special Revenue Funds. Account for the proceeds of specific revenue (other than those for major capital projects) that are restricted legally to expenditure for specified purposes.

Debt Service Funds. Account for the accumulation of resources for, and the retirement of, general long-term debt principal and interest. Debt service funds are combined under four major categories: Special Assessment Improvement Bonds (major fund, information is provided with major funds), General Obligation Bonds, Sales Tax Revenue Bonds, and Current Year Projects.

Capital Projects Funds. Account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds).

CITY OF GRAND FORKS, NORTH DAKOTA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS

A-1

DECEMBER 31, 2024

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Project Funds	Total Non-Major Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 11,853,981	\$ 184,380	\$ 1,452,156	\$ 13,490,517
Investments	16,000,000		10,000,000	26,000,000
Receivables, net:				
Accounts	90,797		-	90,797
Special assessments (including liens)		11,485	59,809	71,294
Special assessments-uncertified			5,103,281	5,103,281
Property taxes	59,213			59,213
Sales tax	1,043,078		127,683	1,170,761
Hotel/Motel Tax	105,088			105,088
Notes	2,910,503			2,910,503
Intergovernmental	627,778		13,654	641,432
Prepaid Items	33,613			33,613
Total assets	<u>\$ 32,724,051</u>	<u>\$ 195,865</u>	<u>\$ 16,756,583</u>	<u>\$ 49,676,499</u>
LIABILITIES				
Accounts payable	\$ 298,976	\$ -	\$ -	\$ 298,976
Contracts payable	19,072		94,292	113,364
Due to other funds	362,000		-	362,000
Unearned income	2,976,259			2,976,259
Total liabilities	<u>3,656,307</u>	<u>-</u>	<u>94,292</u>	<u>3,750,599</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	48,459			48,459
Unavailable revenue-special assessments		11,485	5,163,090	5,174,575
Total deferred inflows of resources	<u>48,459</u>	<u>11,485</u>	<u>5,163,090</u>	<u>5,223,034</u>
FUND BALANCES				
Nonspendable	33,613			33,613
Restricted	28,985,672	184,380	9,748,860	38,918,912
Committed			1,750,341	1,750,341
Total Fund Balances	<u>29,019,285</u>	<u>184,380</u>	<u>11,499,201</u>	<u>40,702,866</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 32,724,051</u>	<u>\$ 195,865</u>	<u>\$ 16,756,583</u>	<u>\$ 49,676,499</u>

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS

A-2

FOR THE YEAR ENDED DECEMBER 31, 2024

	Non-Major Special Revenue	Non-Major Debt Service	Non-Major Capital Projects	Total Non-major Governmental Funds
Revenues:				
Taxes:				
Property	\$ 4,335,421	\$ -	\$	\$ 4,335,421
Sales	10,353,306		\$1,267,343	11,620,649
Hotel/Motel/Airport Car Rental	1,401,745			1,401,745
Intergovernmental	7,241,985		180,727	7,422,712
Charges for services	2,329,436			2,329,436
Special assessments		55,229	642,273	697,502
Fines and forfeits	70,992			70,992
Interest	1,108,420	7,779	572,766	1,688,965
Miscellaneous	351,982			351,982
Total Revenues	<u>27,193,287</u>	<u>63,008</u>	<u>2,663,109</u>	<u>29,919,404</u>
Expenditures:				
Current:				
General government	7,319,066			7,319,066
Health & welfare	2,142,621			2,142,621
Public safety	4,096,512			4,096,512
Culture & recreation	2,940,158			2,940,158
Capital outlay	1,066,398		2,565,569	3,631,967
Debt service:				
Principal retirement		320,000	328,393	648,393
Interest and fiscal charges	265	36,574	121,973	158,812
Total Expenditures	<u>17,565,020</u>	<u>356,574</u>	<u>3,015,935</u>	<u>20,937,529</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>9,628,267</u>	<u>(293,566)</u>	<u>(352,826)</u>	<u>8,981,875</u>
Other Financing Sources (Uses):				
Issuance of subscription				
Sale of capital assets			24,400	24,400
Transfers in	4,395,961	356,400	1,312,837	6,065,198
Transfers out	(12,180,838)	(220,918)	(1,604,010)	(14,005,766)
Total Other Financing Sources (Uses)	<u>(7,784,877)</u>	<u>135,482</u>	<u>(266,773)</u>	<u>(7,916,168)</u>
Net change in fund balances	1,843,390	(158,084)	(619,599)	1,065,707
Fund balance Beginning	<u>27,175,895</u>	<u>342,464</u>	<u>12,118,800</u>	<u>39,637,159</u>
Fund Balances Ending	<u>\$ 29,019,285</u>	<u>\$ 184,380</u>	<u>\$ 11,499,201</u>	<u>\$ 40,702,866</u>



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NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds. Account for the proceeds of specific revenue (other than those for major capital projects) that are restricted legally to expenditure for specified purposes. Additional information is provided below for some of the significant funds in this category.

Emergency Levy

This is a fund to account for the receipts and disbursement of funds for use in the event of an emergency. Property taxes are levied in accordance with State Law Sec. 57-15-48 and limited to unexpended funds equal to five dollars per capita or five mills on the taxable valuation of the City, whichever is greater.

Municipal Band

This is a fund to account for the receipt and disbursement of funds for City's Municipal Band. Municipal Band provides musical entertainment for the citizens of Grand Forks. Funds are allocated from the city's property tax levy.

Public Building Fund

This is a fund to receive and disburse funds provided by a specific tax levy for building repair and construction. Property taxes are levied in accordance with State Law Sec. 57-15-44.

Library

This is a fund to account for the operation and maintenance of the City's Library. Financing is provided by a specific annual property tax levy, in accordance with State Law Sec. 40-38-02 to the extent that miscellaneous revenues are not sufficient to provide adequate financing.

Library Capital Maintenance Fund

This is a fund to account for the monies set aside from Library Fund to purchase library books, computer equipment and other capital items.

Health, Fire and Police Grants Funds

These funds receive and disburse federal and state grants for the health and the public safety functions.

Special Grants Fund

This fund receives and disburses federal and state grants for Historic Preservation, the Community Violence Intervention Center that administers the Edward Byrne Formula Grant and The US Department of Justice, Office of Justice Programs grants.

Asset Forfeiture Fund

This fund accounts for assets confiscated through law enforcement activities.

Legacy Earnings Distribution

During the 2023 legislative session, the North Dakota Legislature provided an additional appropriation to the Legacy Earnings Highway Distribution Fund to distribute to cities and counties through the same formula as the highway tax distribution. (State Law Sec. 54-27-19.3) This fund receives and disburses these funds.

City Special Assessment Fund

This is a fund to receive and disburse funds provided by a specific levy for payment of special assessments on city owned property. Property taxes are levied in accordance with State Law Sec. 40-24-10.

Insurance Reserve Fund

This is a fund to receive and disburse funds provided by a specific tax levy to pay insurance premium to North Dakota Insurance Reserve Fund for general liability, public officials error and omissions and auto and inland marine coverage for the City. Property taxes are levied in accordance with State Law Sec. 57-15-10(4).

Noxious Weeds

This is a fund to receive and disburse funds provided by a specific mill levy. These funds are to be used for destruction of all known weeds within the City of Grand Forks.

E-911

This is a fund to receive and disburse funds collected through a telephone surcharge for the purpose of furnishing enhanced 911- system service to the city.

Economic Development Sales Tax

This is a fund to receive and disburse the portion of the funds provided by the City sales tax set aside for economic development expenditures as designated by the City Council. Sales tax is levied in accordance with the City's Home Rule Charter.

Prairie Dog Infrastructure

This fund is to account for Prairie Dog Infrastructure funds which we receive from the State of North Dakota per the 2019 ND Legislative Session.

Public Safety Answering Point

This is a fund to receive and disburse funds collected from charges to various governmental and private entities for the purpose of furnishing a central communication center.

Water and Street Sales Tax

This is a fund to receive and disburse the proceeds of the one-half cent City sales tax dedicated to street and water infrastructure projects. Sales tax is levied in accordance with the City's Home Rule Charter.

Visit Greater Grand Forks

This is a fund used to account for the receipt of a three percent room tax and the disbursement of these funds to the Visit Greater Grand Forks Bureau for its use.

Animal Control

This is a fund used to account for the receipt of a .5 mill levy and City contribution and the disbursement of these funds to the Humane Society for its use.

American Rescue Plan Act Grant Fund

This fund receives and disburses federal American Rescue Plan (ARPA) Grant funds.

Community Development

This fund is used to account for the receipt and disbursement of funds for Community Development block grants, HOME funds and HUD Special Purpose Grants.



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CITY OF GRAND FORKS, NORTH DAKOTA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS

B-1

DECEMBER 31, 2024
With Comparative Totals for December 31, 2023

	Emergency Levy	Municipal Band	Public Building Fund	Library	Library Capital Mtce.
ASSETS					
Cash and cash equivalents	\$ 206,037	\$ 1,870	\$ 174,347	\$ 520,189	\$ 882,615
Investments				1,000,000	-
Receivables (Net of allowances for uncollectibles):					
Accounts					
Notes					
Taxes:					
Property	1,744	216	13,088	30,100	
Sales					
Hotel/Motel					
Intergovernmental:					
State of North Dakota				3,333	
Federal					
Grand Forks County				112,491	
Prepaid Items			33,083		
Total Assets	\$ 207,781	\$ 2,086	\$ 220,518	\$ 1,666,113	\$ 882,615
LIABILITIES					
Accounts payable					\$ -
Contracts payable and retainage			\$ 19,072		
Due to other funds					
Advances from other funds					
Unearned Income					
Total Liabilities			19,072		
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	\$ 1,427	\$ 177	10,708	\$ 24,636	
Total Deferred Inflows of Resources	1,427	177	10,708	24,636	
FUND BALANCES					
Non spendable fund balance			33,083		
Restricted fund balance	206,354	1,909	157,655	1,641,477	882,615
Total Fund Balances	206,354	1,909	190,738	1,641,477	882,615
Total liabilities, deferred inflows of resources and fund balance	\$ 207,781	\$ 2,086	\$ 220,518	\$ 1,666,113	\$ 882,615

Continued

Special Grants Fire	Special Grants Police	Special Grants Health	Special Grants-Other	Asset Forfeiture	Legacy Earnings Distribution	City Special Assessment Fund
\$ 63,272	\$ 278,582	\$ 781,016	\$ 7,635	\$ 80,867	\$ 927,299	\$ 678,550 1,000,000
						7,004
62,720	37,433 80,717	313,346	12,542 5,196			
<u>\$ 125,992</u>	<u>\$ 396,732</u>	<u>\$ 1,094,362</u>	<u>\$ 25,373</u>	<u>\$ 80,867</u>	<u>\$ 927,299</u>	<u>\$ 1,685,554</u>
	\$ -	\$ -	\$ 6,212			
\$ 100,000	250,000		12,000			
<u>100,000</u>	<u>250,000</u>		<u>18,212</u>			
						\$ 5,732
						5,732
25,992	146,732	1,094,362	7,161	\$ 80,867	\$ 927,299	1,679,822
<u>25,992</u>	<u>146,732</u>	<u>1,094,362</u>	<u>7,161</u>	<u>80,867</u>	<u>927,299</u>	<u>1,679,822</u>
<u>\$ 125,992</u>	<u>\$ 396,732</u>	<u>\$ 1,094,362</u>	<u>\$ 25,373</u>	<u>\$ 80,867</u>	<u>\$ 927,299</u>	<u>\$ 1,685,554</u>

CITY OF GRAND FORKS, NORTH DAKOTA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS

B-1

DECEMBER 31, 2024
With Comparative Totals for December 31, 2023

	Insurance Reserve Fund	Noxious Weed Control	E-911 System	Economic Development Sales Tax	Prairie Dog Infrastructure	Public Service Answering Point
ASSETS						
Cash and cash equivalents	\$ 299,795	\$ 31,932	\$ 1,014,494	\$ 2,843,844	\$ 601,134	\$ 438,279
Investments			1,000,000	8,000,000	3,000,000	
Receivables (Net of allowances for uncollectibles):						
Accounts			90,797			
Notes				90,000		
Taxes:						
Property	5,271	45				
Sales				265,788		
Hotel/Motel						
Intergovernmental:						
State of North Dakota						
Federal						
Grand Forks County						
Prepaid Items						
Total Assets	\$ 305,066	\$ 31,977	\$ 2,105,291	\$ 11,199,632	\$ 3,601,134	\$ 438,279
LIABILITIES AND FUND BALANCES						
Accounts payable			\$ 9,482	\$ 49,293		
Contracts payable and retainage						
Due to other funds						
Advances from other funds						
Unearned Income						
Total Liabilities			9,482	49,293		
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-property taxes	\$ 4,315	\$ 37				
Total Deferred Inflows of Resources	4,315	37				
Fund Balances:						
Non spendable fund balance						
Restricted fund balance	300,751	31,940	2,095,809	11,150,339	\$ 3,601,134	\$ 438,279
Total Fund Balances	300,751	31,940	2,095,809	11,150,339	3,601,134	438,279
Total liabilities, deferred inflows of resources and fund balance	\$ 305,066	\$ 31,977	\$ 2,105,291	\$ 11,199,632	\$ 3,601,134	\$ 438,279

Continued

Water and Street Sales Tax	Visit Greater Grand Forks	Animal Control	American Rescue Plan Grant	Community Development	2024 Total	2023 Total
\$ 245,645 2,000,000	\$ 187,379	\$ 43	\$ 480,622	\$ 1,108,535 -	\$ 11,853,981 16,000,000	\$ 18,988,980 8,000,000
					90,797	210,314
				2,820,503	2,910,503	3,000,070
		1,745			59,213	60,141
777,290					1,043,078	578,574
	105,088				105,088	105,027
					366,654	504,656
					148,633	343,899
					112,491	103,895
				530	33,613	28,358
<u>\$ 3,022,935</u>	<u>\$ 292,467</u>	<u>\$ 1,788</u>	<u>\$ 480,622</u>	<u>\$ 3,929,568</u>	<u>\$ 32,724,051</u>	<u>\$ 31,923,914</u>
	\$ 233,989				\$ 298,976	\$ 928,178
					19,072	55,600
					362,000	275,000
			\$ 157,373	\$ 2,818,886	2,976,259	3,436,995
	233,989		157,373	2,818,886	3,656,307	4,695,773
		\$ 1,427			48,459	52,246
		1,427			48,459	52,246
				530	33,613	28,358
\$ 3,022,935	58,478	361	323,249	1,110,152	28,985,672	27,147,537
3,022,935	58,478	361	323,249	1,110,682	29,019,285	27,175,895
<u>\$ 3,022,935</u>	<u>\$ 292,467</u>	<u>\$ 1,788</u>	<u>\$ 480,622</u>	<u>\$ 3,929,568</u>	<u>\$ 32,724,051</u>	<u>\$ 31,923,914</u>

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024
 With Comparative Totals for December 31, 2023

	Emergency Levy	Municipal Band	Public Building Fund	Library	Library Capital Maintenance	Special Grants Fire
REVENUES						
Taxes:						
Property	\$ 128,224	\$ 15,409	\$ 962,056	\$ 2,200,834	\$ -	\$ -
Sales						
Hotel/Motel/Airport Car Rental						
Intergovernmental	5,324	590	36,861	1,075,380		206,395
Charges for services				29,083		
Fines and forfeits						
Interest (Loss)	10,495	130	18,646	100,282	40,960	2,095
Miscellaneous				562		34,906
Total Revenues	144,043	16,129	1,017,563	3,406,141	40,960	243,396
EXPENDITURES						
Current:						
General government			301,008			
Health & welfare						
Public safety						212,587
Culture & recreation		16,393		2,879,913		
Capital outlay			183,934	214,086	78,524	31,863
Debt service:						
Principal payment						
Interest and fiscal charges						
Total Expenditures		16,393	484,942	3,093,999	78,524	244,450
Excess (Deficiency) of Revenues Over Expenditures	144,043	(264)	532,621	312,142	(37,564)	(1,054)
OTHER FINANCING SOURCES (USES)						
Issuance of subscriptions						
Transfers in			42,848			6,144
Transfers out	(103,176)		(458,770)			
Total Other Financing Sources (Uses)	(103,176)		(415,922)			6,144
Net change in fund balances	40,867	(264)	116,699	312,142	(37,564)	5,090
Fund Balances - Beginning	165,487	2,173	74,039	1,329,335	920,179	20,902
Fund Balances - Ending	\$ 206,354	\$ 1,909	\$ 190,738	\$ 1,641,477	\$ 882,615	\$ 25,992

Continued

Special Grants Police	Special Grants Health	Special Grants Other	Asset Forfeiture	Legacy Earnings Distribution	City Special Assessment Fund	Insurance Reserve Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 512,977	\$ 385,106
816,082	1,819,117	68,391			21,299	14,745
85	305,120		70,992		691	
		(212)	2,544	37,757	73,973	11,671
633	149,485	5,445				
816,800	2,273,722	73,624	73,536	37,757	608,940	411,522
					501,331	479,576
1,043,309	2,139,989	30,026	38,797			
58,002	29,950	43,852				
1,101,311	2,169,939	73,878	38,797		501,331	479,576
(284,511)	103,783	(254)	34,739	37,757	107,609	(68,054)
272,231	(3,465)				(25,000)	
272,231	(3,465)				(25,000)	
(12,280)	100,318	(254)	34,739	37,757	82,609	(68,054)
159,012	994,044	7,415	46,128	889,542	1,597,213	368,805
\$ 146,732	\$ 1,094,362	\$ 7,161	\$ 80,867	\$ 927,299	\$ 1,679,822	\$ 300,751

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024
 With Comparative Totals for December 31, 2023

	Noxious Weed Control	E-911 System	Economic Development Sales Tax	Prairie Dog Infrastructure	Public Service Answering Point
REVENUES					
Taxes:					
Property	\$ 2,581	\$ -	\$ -	\$ -	\$ -
Sales			2,638,139		
Hotel/Motel/Airport Car Rental					
Intergovernmental	98			2,500,000	5,931
Charges for services		1,080,720	188,098		725,639
Fines and forfeits					
Interest (Loss)	1,469	83,517	446,765	77,489	12,315
Miscellaneous		10,000			144
Total Revenues	<u>4,148</u>	<u>1,174,237</u>	<u>3,273,002</u>	<u>2,577,489</u>	<u>744,029</u>
EXPENDITURES					
Current:					
General government			1,916,409		
Health & welfare	2,632				
Public safety		492,793			2,082,654
Culture & recreation					
Capital outlay		112,532	28,382		8,621
Debt service:					
Principal payment					
Interest and fiscal charges		265			
Total Expenditures	<u>2,632</u>	<u>605,590</u>	<u>1,944,791</u>		<u>2,091,275</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,516</u>	<u>568,647</u>	<u>1,328,211</u>	<u>2,577,489</u>	<u>(1,347,246)</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital assets					
Transfers in			2,500,000		1,495,727
Transfers out		(420,097)	(2,542,107)	(1,000,000)	
Total Other Financing Sources (Uses)		<u>(420,097)</u>	<u>(42,107)</u>	<u>(1,000,000)</u>	<u>1,495,727</u>
Net change in fund balances	1,516	148,550	1,286,104	1,577,489	148,481
Fund Balances - Beginning	<u>30,424</u>	<u>1,947,259</u>	<u>9,864,235</u>	<u>2,023,645</u>	<u>289,798</u>
Fund Balances - Ending	<u>\$ 31,940</u>	<u>\$ 2,095,809</u>	<u>\$ 11,150,339</u>	<u>\$ 3,601,134</u>	<u>\$ 438,279</u>

Continued

Water and Street Sales Tax	Visit Greater Grand Forks	Animal Control	American Rescue Plan Grant	Community Development	2024 Total	2023 Total
\$ -	\$ -	\$ 128,234	\$ -	\$ -	\$ 4,335,421	\$ 4,144,960
7,715,167					10,353,306	9,519,809
	1,401,745				1,401,745	1,241,544
		5,325	367,940	298,507	7,241,985	21,572,951
					2,329,436	2,473,684
					70,992	12,000
117,294	6,928	785	34,488	29,029	1,108,420	1,283,625
		60,000		90,807	351,982	456,726
<u>7,832,461</u>	<u>1,408,673</u>	<u>194,344</u>	<u>402,428</u>	<u>418,343</u>	<u>27,193,287</u>	<u>40,705,299</u>
	1,389,700			2,731,042	7,319,066	4,715,037
					2,142,621	2,413,175
		196,346			4,096,512	4,279,859
			320,504		2,940,158	2,894,609
					1,066,398	5,095,750
						3,038
					265	286
	<u>1,389,700</u>	<u>196,346</u>	<u>320,504</u>	<u>2,731,042</u>	<u>17,565,020</u>	<u>19,401,754</u>
<u>7,832,461</u>	<u>18,973</u>	<u>(2,002)</u>	<u>81,924</u>	<u>(2,312,699)</u>	<u>9,628,267</u>	<u>21,303,545</u>
			79,011		4,395,961	12,922
(7,519,301)			(108,922)		(12,180,838)	5,035,539
						(28,037,099)
(7,519,301)			(29,911)		(7,784,877)	(22,988,638)
313,160	18,973	(2,002)	52,013	(2,312,699)	1,843,390	(1,685,093)
<u>2,709,775</u>	<u>39,505</u>	<u>2,363</u>	<u>271,236</u>	<u>3,423,381</u>	<u>27,175,895</u>	<u>28,860,988</u>
<u>\$ 3,022,935</u>	<u>\$ 58,478</u>	<u>\$ 361</u>	<u>\$ 323,249</u>	<u>\$ 1,110,682</u>	<u>\$ 29,019,285</u>	<u>\$ 27,175,895</u>

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS

B-3

YEAR ENDED DECEMBER 31, 2024
 With Comparative Actual Totals for December 31, 2023

	Emergency Levy			Municipal Band		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues:						
Taxes:						
Property	\$ 136,693	\$ 128,224	\$ (8,469)	\$ 16,403	\$ 15,409	\$ (994)
Sales						
Hotel/Motel/Airport Car Rental						
Intergovernmental	2,731	5,324	2,593	387	590	203
Charges for services						
Fines and forfeits						
Interest (Loss)	1,429	10,495	9,066	18	130	112
Miscellaneous						
Total Revenues	140,853	144,043	3,190	16,808	16,129	(679)
Expenditures:						
Current:						
General government						
Health & welfare						
Public safety	30,000		30,000			
Culture & recreation				18,208	16,393	1,815
Capital outlay						
Debt service:						
Principal payment						
Interest and fiscal charges						
Total Expenditures	30,000		30,000	18,208	16,393	1,815
Excess (Deficiency) of						
Revenues Over Expenditures	110,853	144,043	33,190	(1,400)	(264)	1,136
Other Financing Sources (Uses):						
Issuance of subscriptions						
Transfers in						
Transfers out	(103,176)	(103,176)				
Total Other Financing						
Sources (Uses)	(103,176)	(103,176)				
Net change in fund balances	7,677	40,867	33,190	(1,400)	(264)	1,136
Fund Balances - Beginning	165,487	165,487		2,173	2,173	
Fund Balances - Ending	\$ 173,164	\$ 206,354	\$ 33,190	\$ 773	\$ 1,909	\$ 1,136

Continued

Public Building Fund			Library		
Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
\$ 960,178	\$ 962,056	\$ 1,878	\$ 2,259,867	\$ 2,200,834	\$ (59,033)
18,588	36,861	18,273	983,500	1,075,380	91,880
			15,650	29,083	13,433
	18,646	18,646	15,000	100,282	85,282
			550	562	12
978,766	1,017,563	38,797	3,274,567	3,406,141	131,574
306,914	301,008	5,906			
255,930	183,934	71,996	3,154,507	2,879,913	274,594
			239,000	214,086	24,914
562,844	484,942	77,902	3,393,507	3,093,999	299,508
415,922	532,621	116,699	(118,940)	312,142	431,082
42,848	42,848				
(458,770)	(458,770)				
(415,922)	(415,922)				
	116,699	116,699	(118,940)	312,142	431,082
74,039	74,039		1,329,335	1,329,335	
\$ 74,039	\$ 190,738	\$ 116,699	\$ 1,210,395	\$ 1,641,477	\$ 431,082

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS

B-3 (Cont'd)

YEAR ENDED DECEMBER 31, 2024
 With Comparative Actual Totals for December 31, 2023

	Library Capital Maintenance			Special Grants - Fire		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues:						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales						
Hotel/Motel/Airport Car Rental						
Intergovernmental				206,253	206,395	142
Charges for services						
Fines and forfeits						
Interest (Loss)	15,000	40,960	25,960		2,095	2,095
Miscellaneous				25,750	34,906	9,156
Total Revenues	15,000	40,960	25,960	232,003	243,396	11,393
Expenditures:						
Current:						
General government						
Health & welfare						
Public safety				216,542	212,587	3,955
Culture & recreation	10,000		10,000			
Capital outlay	155,000	78,524	76,476	34,968	31,863	3,105
Debt service:						
Principal payment						
Interest and fiscal charges						
Total Expenditures	165,000	78,524	86,476	251,510	244,450	7,060
Excess (Deficiency) of						
Revenues Over Expenditures	(150,000)	(37,564)	112,436	(19,507)	(1,054)	18,453
Other Financing Sources (Uses):						
Issuance of subscriptions						
Transfers in				6,144	6,144	
Transfers out						
Total Other Financing						
Sources (Uses)				6,144	6,144	
Net change in fund balances	(150,000)	(37,564)	112,436	(13,363)	5,090	18,453
Fund Balances - Beginning	920,179	920,179		20,902	20,902	
Fund Balances Ending	\$ 770,179	\$ 882,615	\$ 112,436	\$ 7,539	\$ 25,992	\$ 18,453

Continued

Special Grants-Police			Special Grants-Health		
Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
963,684	816,082	(147,602)	2,222,807	1,819,117	(403,690)
	85	85	402,064	305,120	(96,944)
25	633	608	96,561	149,485	52,924
963,709	816,800	(146,909)	2,721,432	2,273,722	(447,710)
1,247,180	1,043,309	203,871	2,705,515	2,139,989	565,526
118,595	58,002	60,593	29,951	29,950	1
1,365,775	1,101,311	264,464	2,735,466	2,169,939	565,527
(402,066)	(284,511)	117,555	(14,034)	103,783	117,817
256,810	272,231	15,421		(3,465)	(3,465)
256,810	272,231	15,421		(3,465)	(3,465)
(145,256)	(12,280)	132,976	(14,034)	100,318	114,352
159,012	159,012		994,044	994,044	
\$ 13,756	\$ 146,732	\$ 132,976	\$ 980,010	\$ 1,094,362	\$ 114,352

CITY OF GRAND FORKS, NORTH DAKOTA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS

B-3 (Cont'd)

YEAR ENDED DECEMBER 31, 2024

With Comparative Actual Totals for December 31, 2023

	Special Grants-Other			Asset Forfeiture		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues:						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales						
Hotel/Motel/Airport Car Rental						
Intergovernmental	63,643	68,391	4,748			
Charges for services						
Fines and forfeits				48,936	70,992	22,056
Interest (Loss)		(212)	(212)		2,544	2,544
Miscellaneous	15,483	5,445	(10,038)			
Total Revenues	79,126	73,624	(5,502)	48,936	73,536	24,600
Expenditures:						
Current:						
General government						
Health & welfare						
Public safety	30,027	30,026	1	38,936	38,797	139
Culture & recreation	48,799	43,852	4,947			
Capital outlay	300		300	10,000		10,000
Debt service:						
Principal payment						
Interest and fiscal charges						
Total Expenditures	79,126	73,878	5,248	48,936	38,797	10,139
Excess (Deficiency) of						
Revenues Over Expenditures		(254)	(254)		34,739	34,739
Other Financing Sources (Uses):						
Issuance of subscriptions						
Transfers in						
Transfers out						
Total Other Financing						
Sources (Uses)						
Net change in fund balances		(254)	(254)		34,739	34,739
Fund Balances - Beginning	7,415	7,415		46,128	46,128	
Fund Balances Ending	\$ 7,415	\$ 7,161	\$ (254)	\$ 46,128	\$ 80,867	\$ 34,739

Continued

Legacy Earnings Distribution			City Special Assessment Fund		
Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ 546,774	\$ 512,977	\$ (33,797)
			11,226	21,299 691	10,073 691
	37,757	37,757	9,302	73,973	64,671
	37,757	37,757	567,302	608,940	41,638
			546,600	501,331	45,269
			546,600	501,331	45,269
	37,757	37,757	20,702	107,609	86,907
			(25,000)	(25,000)	
			(25,000)	(25,000)	
	37,757	37,757	(4,298)	82,609	86,907
889,542	889,542		1,597,213	1,597,213	
\$ 889,542	\$ 927,299	\$ 37,757	\$ 1,592,915	\$ 1,679,822	\$ 86,907

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS

B-3 (Cont'd)

YEAR ENDED DECEMBER 31, 2024
 With Comparative Actual Totals for December 31, 2023

	Insurance Reserve Fund			Noxious Weed Control		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues:						
Taxes:						
Property	\$ 410,080	\$ 385,106	\$ (24,974)	\$ 2,734	\$ 2,581	\$ (153)
Sales						
Hotel/Motel/Airport Car Rental						
Intergovernmental	7,835	14,745	6,910	39	98	59
Charges for services						
Fines and forfeits						
Interest (Loss)	4,165	11,671	7,506	200	1,469	1,269
Miscellaneous						
Total Revenues	<u>422,080</u>	<u>411,522</u>	<u>(10,558)</u>	<u>2,973</u>	<u>4,148</u>	<u>1,175</u>
Expenditures:						
Current:						
General government	520,650	479,576	41,074			
Health & welfare				5,625	2,632	2,993
Public safety						
Culture & recreation						
Capital outlay						
Debt service:						
Principal payment						
Interest and fiscal charges						
Total Expenditures	<u>520,650</u>	<u>479,576</u>	<u>41,074</u>	<u>5,625</u>	<u>2,632</u>	<u>2,993</u>
Excess (Deficiency) of						
Revenues Over Expenditures	<u>(98,570)</u>	<u>(68,054)</u>	<u>30,516</u>	<u>(2,652)</u>	<u>1,516</u>	<u>4,168</u>
Other Financing Sources (Uses):						
Issuance of subscriptions						
Transfers in						
Transfers out						
Total Other Financing						
Sources (Uses)						
Net change in fund balances	(98,570)	(68,054)	30,516	(2,652)	1,516	4,168
Fund Balances - Beginning	<u>368,805</u>	<u>368,805</u>		<u>30,424</u>	<u>30,424</u>	
Fund Balances Ending	<u>\$ 270,235</u>	<u>\$ 300,751</u>	<u>\$ 30,516</u>	<u>\$ 27,772</u>	<u>\$ 31,940</u>	<u>\$ 4,168</u>

Continued

E911 System			Economic Development Sales Tax		
Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			2,440,224	2,638,139	197,915
1,472,236	1,080,720	(391,516)	188,099	188,098	(1)
15,000	83,517	68,517	196,103	446,765	250,662
	10,000	10,000	15,000		(15,000)
1,487,236	1,174,237	(312,999)	2,839,426	3,273,002	433,576
			7,405,539	1,916,409	5,489,130
1,129,095	492,793	636,302			
1,025,000	112,532	912,468	28,382	28,382	
	265	(265)			
2,154,095	605,590	1,548,505	7,433,921	1,944,791	5,489,130
(666,859)	568,647	1,235,506	(4,594,495)	1,328,211	5,922,706
			2,500,000	2,500,000	
(420,097)	(420,097)		(3,042,107)	(2,542,107)	500,000
(420,097)	(420,097)		(542,107)	(42,107)	500,000
(1,086,956)	148,550	1,235,506	(5,136,602)	1,286,104	6,422,706
1,947,259	1,947,259		9,864,235	9,864,235	
\$ 860,303	\$ 2,095,809	\$ 1,235,506	\$ 4,727,633	\$ 11,150,339	\$ 6,422,706

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS

B-3 (Cont'd)

YEAR ENDED DECEMBER 31, 2024
 With Comparative Actual Totals for December 31, 2023

	Prairie Dog Infrastructure			Public Service Answering Point		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
Revenues:						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales						
Hotel/Motel/Airport Car Rental						
Intergovernmental	2,500,000	2,500,000		5,931	5,931	
Charges for services				725,910	725,639	(271)
Fines and forfeits						
Interest (Loss)		77,489	77,489	2,664	12,315	9,651
Miscellaneous					144	144
Total Revenues	2,500,000	2,577,489	77,489	734,505	744,029	9,524
Expenditures:						
Current:						
General government	2,500,000		2,500,000			
Health & welfare						
Public safety				2,151,329	2,082,654	68,675
Culture & recreation						
Capital outlay				10,322	8,621	1,701
Debt service:						
Principal payment						
Interest and fiscal charges						
Total Expenditures	2,500,000		2,500,000	2,161,651	2,091,275	70,376
Excess (Deficiency) of						
Revenues Over Expenditures		2,577,489	2,577,489	(1,427,146)	(1,347,246)	79,900
Other Financing Sources (Uses):						
Issuance of subscriptions						
Transfers in				1,495,727	1,495,727	
Transfers out	(1,000,000)	(1,000,000)				
Total Other Financing						
Sources (Uses)	(1,000,000)	(1,000,000)		1,495,727	1,495,727	
Net change in fund balances	(1,000,000)	1,577,489	2,577,489	68,581	148,481	79,900
Fund Balances - Beginning	2,023,645	2,023,645		289,798	289,798	
Fund Balances Ending	\$ 1,023,645	\$ 3,601,134	\$ 2,577,489	\$ 358,379	\$ 438,279	\$ 79,900

Continued

Water and Street Sales Tax Fund			Visit Greater Grand Forks		
Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7,136,497	7,715,167	578,670	1,406,935	1,401,745	(5,190)
	117,294	117,294		6,928	6,928
7,136,497	7,832,461	695,964	1,406,935	1,408,673	1,738
			1,406,935	1,389,700	17,235
			1,406,935	1,389,700	17,235
7,136,497	7,832,461	695,964		18,973	18,973
(7,519,301)	(7,519,301)				
(7,519,301)	(7,519,301)				
(382,804)	313,160	695,964		18,973	18,973
2,709,775	2,709,775		39,505	39,505	
\$ 2,326,971	\$ 3,022,935	\$ 695,964	\$ 39,505	\$ 58,478	\$ 18,973

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS

B-3 (Cont'd)

YEAR ENDED DECEMBER 31, 2024

With Comparative Actual Totals for December 31, 2023

	Animal Control Fund			American Rescue Plan Grant Fund		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Final Budget
Revenues:						
Taxes:						
Property	\$ 136,693	\$ 128,234	\$ (8,459)	\$ -	\$ -	\$ -
Sales						
Hotel/Motel/Airport Car Rental						
Intergovernmental	2,731	5,325	2,594		367,940	367,940
Charges for services						
Fines and forfeits						
Interest (Loss)		785	785		34,488	34,488
Miscellaneous	60,000	60,000				
Total Revenues	199,424	194,344	(5,080)		402,428	402,428
Expenditures:						
Current:						
General government						
Health & welfare						
Public safety	199,424	196,346	3,078			
Culture & recreation						
Capital outlay				452,086	320,504	131,582
Debt service:						
Principal payment						
Interest and fiscal charges						
Total Expenditures	199,424	196,346	3,078	452,086	320,504	131,582
Excess (Deficiency) of						
Revenues Over Expenditures		(2,002)	(2,002)	(452,086)	81,924	534,010
Other Financing Sources (Uses):						
Issuance of subscriptions						
Transfers in					79,011	79,011
Transfers out				(2,390,000)	(108,922)	2,281,078
Total Other Financing						
Sources (Uses)				(2,390,000)	(29,911)	2,360,089
Net change in fund balances		(2,002)	(2,002)	(2,842,086)	52,013	2,894,099
Fund Balances - Beginning	2,363	2,363		271,236	271,236	
Fund Balances Ending	\$ 2,363	\$ 361	\$ (2,002)	\$ (2,570,850)	\$ 323,249	\$ 2,894,099

Continued

Community Development		
Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -
600,000	298,507	(301,493)
3,000	29,029	26,029
	90,807	90,807
603,000	418,343	(184,657)
3,287,281	2,731,042	556,239
3,287,281	2,731,042	556,239
(2,684,281)	(2,312,699)	371,582
(2,684,281)	(2,312,699)	371,582
3,423,381	3,423,381	
\$ 739,100	\$ 1,110,682	\$ 371,582

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS

B-3 (Cont'd)

YEAR ENDED DECEMBER 31, 2024

With Comparative Actual Totals for December 31, 2023

	2024 Total			2023 Actual
	Final Budget	Actual	Variance with Final Budget	Total
Revenues:				
Taxes:				
Property	\$ 4,469,422	\$ 4,335,421	\$ (134,001)	\$ 4,144,960
Sales	9,576,721	10,353,306	776,585	9,519,809
Hotel/Motel/Airport Car Rental	1,406,935	1,401,745	(5,190)	1,241,544
Intergovernmental	7,589,355	7,241,985	(347,370)	21,572,951
Charges for services	2,803,959	2,329,436	(474,523)	2,473,684
Fines and forfeits	48,936	70,992	22,056	12,000
Interest (Loss)	261,881	1,108,420	846,539	1,283,625
Miscellaneous	213,369	351,982	138,613	456,726
Total Revenues	26,370,578	27,193,287	822,709	40,705,299
Expenditures:				
Current:				
General government	15,973,919	7,319,066	8,654,853	4,715,037
Health & welfare	2,711,140	2,142,621	568,519	2,413,175
Public safety	5,042,533	4,096,512	946,021	4,279,859
Culture & recreation	3,231,514	2,940,158	291,356	2,894,609
Capital outlay	2,359,534	1,066,398	1,293,136	5,095,750
Debt service:				
Principal payment		-		3,038
Interest and fiscal charges		265	(265)	286
Total Expenditures	29,318,640	17,565,020	11,753,620	19,401,754
Excess (Deficiency) of				
Revenues Over Expenditures	(2,948,062)	9,628,267	12,576,329	21,303,545
Other Financing Sources (Uses):				
Issuance of subscriptions		-	-	12,922
Transfers in	4,301,529	4,395,961	94,432	5,035,539
Transfers out	(14,958,451)	(12,180,838)	2,777,613	(28,037,099)
Total Other Financing				
Sources (Uses)	(10,656,922)	(7,784,877)	2,872,045	(22,988,638)
Net change in fund balances	(13,604,984)	1,843,390	15,448,374	(1,685,093)
Fund Balances - Beginning	27,175,895	27,175,895		28,860,988
Fund Balances Ending	\$ 13,570,911	\$ 29,019,285	\$ 15,448,374	\$ 27,175,895

NON-MAJOR DEBT SERVICE FUNDS

Debt Service Funds. Account for the accumulation of resources for, and the retirement of, general long-term debt principal and interest. Debt service funds are combined under four major categories: Special Assessment Improvement Bonds (major fund, information is provided with major funds), General Obligation Bonds, Sales Tax Revenue Bonds, and Current Year Projects. Additional information is provided below for the funds in these categories.

General Obligation Bonds:

2016 “C” GO Refunding Bonds

A \$2,735,000 bond issue to refund the 2006 “B” GO Public Building Bonds to finance the costs of improvements made to various public buildings and to advance refund the 2007 “A” GO Public Building Bonds to finance the costs of constructing a multi-department public safety building. Interest ranges from 2.0 percent to 4.0 percent. Principal payments range from \$80,000 to \$330,000 with a final payment due December 1, 2026.

Financing is provided by a general property tax levy. The City has pledged 3.84 mills for the repayment of this debt.

Current Year Projects

To accumulate funds for the payment of sidewalk warrants sold to pay the costs of various street and sidewalk improvements deemed to benefit the properties against which special assessments are levied.

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING BALANCE SHEET
 NON-MAJOR DEBT SERVICE FUNDS

C-1

DECEMBER 31, 2024

With Comparative Totals for December 31, 2023

	General Obligation Bonds	Current Year Projects	2024 Total	2023 Total
ASSETS				
Cash and cash equivalents	\$ 63,439	\$ 120,941	\$ 184,380	\$ 342,464
Taxes receivable:				
Property				18,252
Special assessments		11,485	11,485	4,440
Total Assets	<u>\$ 63,439</u>	<u>\$ 132,426</u>	<u>\$ 195,865</u>	<u>\$ 365,156</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes				\$ 18,252
Unavailable revenue-special assessments		\$ 11,485	\$ 11,485	4,440
Total Deferred Inflows of Resources		<u>11,485</u>	<u>11,485</u>	<u>22,692</u>
FUND BALANCES				
Restricted	\$ 63,439	120,941	184,380	342,464
Total Fund Balances	<u>63,439</u>	<u>120,941</u>	<u>184,380</u>	<u>342,464</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 63,439</u>	<u>\$ 132,426</u>	<u>\$ 195,865</u>	<u>\$ 365,156</u>

CITY OF GRAND FORKS, NORTH DAKOTA C-2
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR DEBT SERVICE FUNDS

YEAR ENDED DECEMBER 31, 2024
 With Comparative Totals for December 31, 2023

	General Obligation Bonds	Current Year Projects	2024 Total	2023 Total
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ 73
Special assessments		55,229	55,229	39,162
Interest	3,012	4,767	7,779	8,687
Total Revenues	3,012	59,996	63,008	47,922
EXPENDITURES				
Contractual services				
Debt Services:				
Interest & fiscal charges	36,083	491	36,574	49,428
Principal retirement	320,000		320,000	305,000
Total Expenditures	356,083	491	356,574	354,428
Excess (Deficiency) of Revenues Over Expenditures	(353,071)	59,505	(293,566)	(306,506)
OTHER FINANCING SOURCES (USES)				
Transfers in	356,400		356,400	353,600
Transfers out	(205,918)	(15,000)	(220,918)	(25,000)
Total Other Financing Sources (Uses)	150,482	(15,000)	135,482	328,600
Net change in fund balances	(202,589)	44,505	(158,084)	22,094
Fund Balances at Beginning of Year	266,028	76,436	342,464	320,370
Fund Balances at End of Year	\$ 63,439	\$ 120,941	\$ 184,380	\$ 342,464



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NON-MAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds. Account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds). Additional information is provided below for the funds in this category.

Flood Protection Capital Maintenance Fund

To account for the cost of capital maintenance on the permanent flood protection system financed through special assessment payments collected on newly annexed land.

Underpass/Bridge Construction Fund

To account for the construction of future underpass and bridge repair and rehab projects. A reserve is set aside annually to cover the future City share of the Washington Street Underpass, the Sorlie Bridge and/or the Kennedy Bridge projects. Funding comes from City Sales Tax revenue through the Infrastructure Fund.

General Government American Rescue Plan Act (ARPA) Capital Project Fund

To account for general government capital projects funded through the American Rescue Plan Act grant funds.

Capital Replacement Fund

To set aside cash per the vehicle/equipment repair/replacement schedule for various General Fund departments.

Public Building Capital Project Fund

To set aside cash for construction of potential future public building projects.

Nuisance Abatements

To account for the costs of clean up projects within the city limits, i.e. long grass and weed cutting and snow removal on private property in case the owner fails to comply with City Ordinance. Such costs are recovered by special assessing the charges against those properties.

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECT FUNDS

D-1

DECEMBER 31, 2024

With Comparative Totals for December 31, 2023

	Flood Protection Capital Maintenance	Underpass & Bridge Construction	General Government ARPA Capital Project
ASSETS			
Cash and cash equivalents	\$ 674,643	\$ 396,027	\$ -
Investments	9,000,000		
Accounts receivable			
Sales tax receivable	127,683		
Special assessments receivable	54,929		
Special assessments-uncertified	5,103,281		
Due from State	13,654		
Total Assets	<u>\$ 14,974,190</u>	<u>\$ 396,027</u>	<u>\$ -</u>
LIABILITIES			
Liabilities:			
Contracts payable (including retainage)	\$ 94,292		\$ -
Total Liabilities	<u>94,292</u>		
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-special assessments	5,158,210		
Total Deferred Inflows of Resources	<u>5,158,210</u>		
FUND BALANCES			
Restricted	9,721,688		
Committed		\$ 396,027	
Total Fund Balances	<u>9,721,688</u>	<u>396,027</u>	
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 14,974,190</u>	<u>\$ 396,027</u>	<u>\$ -</u>

Capital Replacement Fund	Public Building Capital Projects	Nuisance Abatements	2024 Total	2023 Total
\$ 353,559 1,000,000	\$ 755	\$ 27,172	\$ 1,452,156 10,000,000	\$ 4,235,967 8,000,000
			127,683	70,823
		4,880	59,809	52,194
			5,103,281	3,371,517
			13,654	28,977
<u>\$ 1,353,559</u>	<u>\$ 755</u>	<u>\$ 32,052</u>	<u>\$ 16,756,583</u>	<u>\$ 15,759,478</u>
			\$ 94,292	\$ 216,968
			94,292	216,968
		\$ 4,880	5,163,090	3,423,710
		4,880	5,163,090	3,423,710
\$ 1,353,559	\$ 755	27,172	9,748,860 1,750,341	8,779,332 3,339,468
1,353,559	755	27,172	11,499,201	12,118,800
<u>\$ 1,353,559</u>	<u>\$ 755</u>	<u>\$ 32,052</u>	<u>\$ 16,756,583</u>	<u>\$ 15,759,478</u>

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS

YEAR ENDED DECEMBER 31, 2024
 With Comparative Totals for December 31, 2023

	Flood Protection Capital Maintenance	Underpass/ Bridge Construction	General Government ARPA Capital Project
REVENUES:			
Special assessments	\$ 620,440	\$ -	\$ -
Intergovernmental			
Sales Tax	1,267,343		
Investment Interest (Loss)	443,030	64,033	
Intergovernmental	180,727		
Total Revenues	2,511,540	64,033	
EXPENDITURES			
Capital outlay:			
General government			
Health and welfare			
Public safety			
Public works	1,515,433		
Debt Service:			
Interest on leases			
Principal retirement			
Total Expenditures	1,515,433		
Excess (Deficiency) of Revenues Over Expenditures	996,107	64,033	
OTHER FINANCING SOURCES (USES):			
Sale of property			
Issuance of Capital Lease			
Transfers in	2,987	100,000	61,485
Transfers out		(1,500,000)	(79,010)
Total Other Financing Sources (Uses)	2,987	(1,400,000)	(17,525)
Net change in fund balance	999,094	(1,335,967)	(17,525)
Fund Balances at Beginning of Year	8,722,594	1,731,994	17,525
Fund Balances at End of Year	\$ 9,721,688	\$ 396,027	\$ -

Capital Replacement Fund	Public Building Capital Projects	Nuisance Abatements	2024 Total	2023 Total
\$ -	\$ -	\$ 21,833	\$ 642,273	\$ 1,050,049
63,903		1,800	1,267,343	1,166,025
			572,766	503,130
			180,727	193,720
63,903		23,633	2,663,109	2,912,924
83,728			83,728	
35,868			35,868	438,848
919,866			919,866	566,155
		10,674	1,526,107	1,341,382
121,973			121,973	136,641
328,393			328,393	356,139
1,489,828		10,674	3,015,935	2,839,165
(1,425,925)		12,959	(352,826)	73,759
24,400			24,400	5,351
1,148,365		(25,000)	1,312,837	1,831,969
			(1,604,010)	(592,008)
1,172,765		(25,000)	(266,773)	1,245,312
(253,160)		(12,041)	(619,599)	1,319,071
1,606,719	755	39,213	12,118,800	10,799,729
\$ 1,353,559	\$ 755	\$ 27,172	\$ 11,499,201	\$ 12,118,800



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NON-MAJOR ENTERPRISE FUNDS

Enterprise Funds – are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Public Transit

This is a fund used to account for the providing of public transportation (bus) services to the residents of the city. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operation, maintenance, and collection and depositing of fares.

Dial-A-Ride

This is a fund used to account for the providing of public transportation (dial-a-ride) services to the handicapped residents of the city. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operation, maintenance, and collection and depositing of fares.

Mosquito Control

This is a fund to account for the administration, operation and maintenance of the mosquito control program. The purpose of the mosquito control program is to reduce the number of mosquitoes, which reduces the risk of diseases transmitted by mosquitoes (i.e. West Nile Virus), and also reduces nuisance mosquitoes to a tolerable level. This program also improves the quality of outdoor activities in the City of Grand Forks by providing relief from mosquitoes.

Downtown Parking

This is a fund used to account for the providing of parking services to the residents of the city. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operation, maintenance, and collection of fees.

The Beacon

This fund is to account for a public entertainment space in downtown Grand Forks.

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING STATEMENT OF NET POSITION
 NON MAJOR PROPRIETARY FUNDS
 DECEMBER 31, 2024
 With Comparative Totals for December 31, 2023

E-1

	Public Transit	Dial-a-Ride	Mosquito Control
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 994,120	\$ 68,959	\$ 980,144
Restricted cash, cash equivalents, and investments:			
Customer deposits		1,416	
Construction account			220,037
Revenue bond current debt service account			31,200
Receivables:			
Accounts	256,709	25,364	107,950
Taxes - property	16,194	3,492	
Due from Other Funds	100,000		
Intergovernmental:			
Federal government	298,509	120,685	
State of North Dakota	44,589	45,592	
Inventories	130,633		
Prepaid items	33,907		696
Total Current Assets	1,874,661	265,508	1,340,027
Noncurrent Assets:			
Restricted cash, cash equivalents, and investments:			
Revenue bond reserve account			87,000
Total restricted cash, cash equivalents and investments	-	-	87,000
Capital Assets:			
Land	27,199		
Buildings	16,296,015		1,398,792
Improvements other than buildings	679,663		77,499
Machinery and equipment	7,897,862	1,065,401	987,469
Construction in progress			
Subscription based IT arrangements	221,920	260,124	
Less accumulated depreciation	(8,286,986)	(870,932)	(1,440,761)
Less subscription amortization	(97,164)	(51,384)	
Total Capital Assets (net of accumulated depreciation)	16,738,509	403,209	1,022,999
Total Noncurrent Assets	16,738,509	403,209	1,109,999
Total Assets	18,613,170	668,717	2,450,026
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Single Employer Plan	141,007		
Deferred Pension NDPERS	1,413,248		
Deferred OPEB NDPERS	86,825		
Total deferred outflow of resources	1,641,080		
LIABILITIES			
Current Liabilities:			
Accounts payable	85,337	49,376	7,127
Due to Other Funds	-	100,000	
Customer Deposits		1,416	
Contracts payable (Includes Retainage)	132,215		
Compensated absences payable-current	63,392	16,337	3,308
Subscriptions due in one year	28,968	37,784	-
Accrued interest payable			1,200
Accrued interest payable-subscriptions	2,775	5,453	
Bonds payable-current			90,000
Total Current Liabilities	312,687	210,366	101,635
Noncurrent Liabilities:			
Compensated absences payable	226,959	71,653	33,430
Net pension liability Single Employer Plan	563,772		
Net pension liability NDPERS	4,082,654		
Net OPEB liability NDPERS	288,932		
Subscription liability	62,172	121,498	
Revenue bonds payable			90,968
Total Noncurrent Liabilities	5,224,489	193,151	124,398
Total Liabilities	5,537,176	403,517	226,033
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Single Employer Plan			
Deferred Pension NDPERS	2,167,359		
Deferred OPEB NDPERS	33,528		
Total deferred inflow of resources	2,200,887		
NET POSITION			
Net investment in capital assets	16,515,154	243,927	842,031
Net position-restricted for:			
Debt Service			117,000
Capital			220,037
Net position-unrestricted	(3,998,967)	21,273	1,044,925
Total Net Position	\$ 12,516,187	\$ 265,200	\$ 2,223,993

Downtown Parking	The Beacon Fund	2024 Total Non Major Enterprise Funds	2023 Total Non Major Enterprise Funds
\$ 1,940,551	\$ 12,262	\$ 3,996,036	\$ 2,341,988
		1,416	1,416
		220,037	186,177
		31,200	31,800
24,420		414,443	520,765
	20,445	40,131	19,748
		100,000	
		419,194	2,125,171
		90,181	194,314
		130,633	153,245
6,433		41,036	38,762
1,971,404	32,707	5,484,307	5,613,386
		87,000	87,000
		87,000	87,000
333,627		360,826	360,826
		17,694,807	9,697,099
3,110,013		3,867,175	3,867,175
247,693	25,000	10,223,425	10,110,867
70,140		70,140	4,839,283
		482,044	221,920
(1,756,607)	(1,488)	(12,356,774)	(11,465,546)
		(148,548)	(46,535)
2,004,866	23,512	20,193,095	17,585,089
2,004,866	23,512	20,280,095	17,672,089
3,976,270	56,219	25,764,402	23,285,475
		141,007	207,301
		1,413,248	2,774,049
		86,825	147,340
		1,641,080	3,128,690
10,646		152,486	645,538
		100,000	1,350,000
		1,416	1,416
		132,215	305,262
		83,037	10,086
		66,752	30,474
		1,200	1,800
		8,228	1,565
		90,000	90,000
10,646		635,334	2,436,141
		332,042	426,800
		563,772	683,728
		4,082,654	4,171,377
		288,932	334,821
		183,670	87,994
		90,968	181,548
		5,542,038	5,886,268
10,646	-	6,177,372	8,322,409
		-	
		2,167,359	3,839,889
		33,528	33,887
		2,200,887	3,873,776
2,004,866	23,512	19,629,490	16,889,811
		117,000	117,000
1,940,077	32,707	2,192,821	186,177
20,681		(2,912,088)	(2,975,008)
\$ 3,965,624	\$ 56,219	\$ 19,027,223	\$ 14,217,980

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 NON MAJOR PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2024
 With Comparative Totals for December 31, 2023

E-2

	Public Transit	Dial-A-Ride	Mosquito Control
Operating Revenues:			
Charges for sales and services:			
Utility fees	\$ 1,025,083	\$ 291,837	\$ 1,155,099
Operating assessment			
Miscellaneous			
Total Operating Revenues	<u>1,025,083</u>	<u>291,837</u>	<u>1,155,099</u>
Operating Expenses:			
Salaries and wages	1,659,101	1,051,321	278,216
Supplies	41,833	177	263,623
Contractual services	379,495	750	127,308
Maintenance - structures and equipment	499,551	141,275	75,555
Sundry expenses	15,393	11,660	9,161
Utilities - heat and lights	26,431	22,904	11,832
Pension and social security	(137,654)	156,924	42,660
Administrative and general	442,052	260,433	57,014
Total Operating Expenses	<u>2,926,202</u>	<u>1,645,444</u>	<u>865,369</u>
Net Income (Loss) from Operations before Depreciation	(1,901,119)	(1,353,607)	289,730
Less - Depreciation	638,326	109,098	97,384
Less - Subscription amortization	50,629	51,384	
Net Operating Income (Loss)	<u>(2,590,074)</u>	<u>(1,514,089)</u>	<u>192,346</u>
Nonoperating Revenues (Expenses):			
Interest (Loss)	14,248	(7,882)	54,858
Federal grants	1,331,672	844,629	
State grants	72	263,507	
General property taxes	1,189,093	256,401	
Personal property replacements	49,399	9,830	
Gain (loss) on capital assets	3,323	14,700	19,102
Miscellaneous			200
Interest expense	(4,357)	(5,453)	(4,902)
Total Nonoperating Revenues (Expenses)	<u>2,583,450</u>	<u>1,375,732</u>	<u>69,258</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(6,624)</u>	<u>(138,357)</u>	<u>261,604</u>
Capital Contributions and Transfers:			
Capital Contributions	2,797,570	-	
Transfers in	-	50,000	
Transfers Out	(50,000)		-
Total Capital Contributions and Transfers	<u>2,747,570</u>	<u>50,000</u>	
Change in Net Position	2,740,946	(88,357)	261,604
Total Net Position-Beginning	9,811,187	365,423	1,968,780
Change in Accounting Principle-GASB 101	<u>(35,946)</u>	<u>(11,866)</u>	<u>(6,391)</u>
Total Net Position-Beginning as Restated	<u>9,775,241</u>	<u>353,557</u>	<u>1,962,389</u>
Total Net Position-Ending	<u>\$ 12,516,187</u>	<u>\$ 265,200</u>	<u>\$ 2,223,993</u>

Downtown Parking	The Beacon Fund	2024 Total Non Major Enterprise Funds	2023 Total Non Major Enterprise Funds
\$ 214,696	\$ -	\$ 2,686,715	\$ 2,458,201
			110,191
			2,644
214,696		2,686,715	2,571,036
		2,988,638	2,918,158
12		305,645	287,869
133,672		641,225	691,892
13,716	19	730,116	916,588
		36,214	42,473
38,265		99,432	123,563
		61,930	349,645
20,271		779,770	661,876
205,936	19	5,642,970	5,992,064
8,760	(19)	(2,956,255)	(3,421,028)
122,963	1,488	969,259	964,566
		102,013	46,535
(114,203)	(1,507)	(4,027,527)	(4,432,129)
22,237	634	84,095	49,253
		2,176,301	1,678,135
		263,579	425,076
	57,092	1,502,586	1,341,429
		59,229	35,854
		37,125	(64,417)
		200	
		(14,712)	(14,414)
22,237	57,726	4,108,403	3,450,916
(91,966)	56,219	80,876	(981,213)
		2,797,570	4,454,513
1,985,000	-	2,035,000	-
		(50,000)	-
1,985,000		4,782,570	4,454,513
1,893,034	56,219	4,863,446	3,473,300
2,072,590		14,217,980	10,744,680
		(54,203)	
2,072,590		14,163,777	10,744,680
\$ 3,965,624	\$ 56,219	\$ 19,027,223	\$ 14,217,980

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING STATEMENT OF CASH FLOWS
 NON MAJOR PROPRIETARY FUNDS
 Year Ended December 31, 2024
 With Comparative Totals for December 31, 2023

	Public Transit Fund	Dial A Ride Fund
Cash Flows from Operating Activities:		
Receipts from customers	\$ 1,053,358	\$ 314,513
Payments to suppliers	(1,972,723)	(662,573)
Payments to employees	(1,670,307)	(1,042,052)
Payments for interfund services used	(1,300,000)	(50,000)
Net cash provided (used) by operating activities	(3,889,672)	(1,440,112)
Cash Flows from Non-Capital Financing Activities:		
Transfers from other funds		50,000
Transfers to other funds	(50,000)	
Operating subsidies from federal grants	3,035,757	846,521
Operating subsidies from state grants	44,722	322,990
Operating subsidies from Taxes	1,238,543	266,242
Net cash provided (used) by non-capital financing activities	4,269,022	1,485,753
Cash Flows from Capital & Related Financing Activities:		
Capital contributions	2,797,570	
Purchases of capital assets	(3,489,710)	(260,125)
Proceeds from sale of capital assets	3,323	14,700
Acquisition of leases and subscriptions		159,282
Principal paid on capital debt	(27,328)	
Interest paid	(3,147)	
Net cash provided (used) by capital & related financing activities	(719,292)	(86,143)
Cash Flows from Investing Activities:		
Proceeds from sales and maturities of investments		
Purchase of investments		
Interest and dividends	14,248	(7,882)
Net cash provided by investing activities	14,248	(7,882)
Net increase (decrease) in cash and cash equivalents	(325,694)	(48,384)
Cash and cash equivalents - beginning of the year	1,319,814	118,759
Cash and cash equivalents - end of the year	\$ 994,120	\$ 70,375
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating Income (loss)	\$ (2,590,074)	\$ (1,514,089)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation/Amortization Expense	688,955	160,482
(Increase) decrease in accounts receivable	28,275	22,676
(Increase) decrease in inventories	22,612	
(Increase) decrease in prepaid items	(1,038)	
(Increase) decrease in deferred outflows	1,487,610	
Increase (decrease) in accounts payable	(268,192)	(63,847)
Increase (decrease) in compensated absences payable	(30,363)	4,666
Increase (decrease) in net pension liability	(208,679)	
Increase (decrease) in net OPEB liability	(45,889)	
Increase (decrease) in deferred inflows	(1,672,889)	
(Increase) decrease in due from other funds	(100,000)	
Increase (decrease) in due to other funds	(1,200,000)	(50,000)
Total Adjustments	(1,299,598)	73,977
Net cash provided (used) by operating activities	\$ (3,889,672)	\$ (1,440,112)
Noncash Investing, Capital and Financing Activities:		
Net (decrease) in fair value of investments	\$ -	\$ -

Mosquito Control Fund	Downtown Parking	The Beacon Fund	2024 Total Non-Major Enterprise Funds	2023 Total Non-Major Enterprise Funds
\$ 1,166,935 (585,771) (332,029)	\$ 258,231 (366,067)	\$ - (19)	\$ 2,793,037 (3,587,153) (3,044,388) (1,350,000)	\$ 3,003,936 (2,667,153) (2,869,299) 500,000
<u>249,135</u>	<u>(107,836)</u>	<u>(19)</u>	<u>(5,188,504)</u>	<u>(2,032,516)</u>
	1,985,000		2,035,000 (50,000)	
			3,882,278	736,118
			367,712	418,608
		36,647	1,541,432	1,383,483
	<u>1,985,000</u>	<u>36,647</u>	<u>7,776,422</u>	<u>2,538,209</u>
			2,797,570	4,249,163
(20,061)		(25,000)	(3,794,896)	(4,529,656)
32,013	(70,140)		(20,104)	102
			159,282	
(90,000)			(117,328)	(90,000)
(6,082)			(9,229)	(14,030)
<u>(84,130)</u>	<u>(70,140)</u>	<u>(25,000)</u>	<u>(984,705)</u>	<u>(384,421)</u>
87,000			87,000	87,000
(87,000)			(87,000)	(87,000)
54,858	22,237	634	84,095	49,253
<u>54,858</u>	<u>22,237</u>	<u>634</u>	<u>84,095</u>	<u>49,253</u>
219,863	1,829,261	12,262	1,687,308	170,525
<u>1,011,518</u>	<u>111,290</u>		<u>2,561,381</u>	<u>2,390,856</u>
<u>\$ 1,231,381</u>	<u>\$ 1,940,551</u>	<u>\$ 12,262</u>	<u>\$ 4,248,689</u>	<u>\$ 2,561,381</u>
<u>\$ 192,346</u>	<u>\$ (114,203)</u>	<u>\$ (1,507)</u>	<u>\$ (4,027,527)</u>	<u>\$ (4,432,129)</u>
97,384	122,963	1,488	1,071,272	1,011,101
11,836	43,535		106,322	432,900
			22,612	(11,535)
(104)	(1,132)		(2,274)	8,130
			1,487,610	1,429,482
(2,014)	(158,999)		(493,052)	435,903
(50,313)			(76,010)	37,939
			(208,679)	(1,621,528)
			(45,889)	(37,335)
			(1,672,889)	214,556
			(100,000)	
			(1,250,000)	500,000
<u>56,789</u>	<u>6,367</u>	<u>1,488</u>	<u>(1,160,977)</u>	<u>2,399,613</u>
<u>\$ 249,135</u>	<u>\$ (107,836)</u>	<u>\$ (19)</u>	<u>\$ (5,188,504)</u>	<u>\$ (2,032,516)</u>
\$ 1,457	\$ -		\$ 1,457	\$ (29,515)



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INTERNAL SERVICE FUNDS

Internal Service Funds. Account for the financing of goods or services provided by one fund, department, or agency to other funds, departments or agencies of the financial reporting entity, or to other governments, on a cost-reimbursement basis.

Computer Service

This is a fund used to account for the costs of maintaining computer equipment used by the city departments. Departments are billed a monthly maintenance charge to accumulate funds to maintain the equipment.

Central Garage

This is a fund used to account for the costs of operating the central fueling facilities and central vehicle maintenance garage for equipment used by various city departments and other governmental units. Such costs are billed to the using entity or department.

Public Works Facility

This is a fund used to account for the cost of operating and maintaining the City's combined Public Works facility. These expenses are apportioned among the departments utilizing the facility in the form of rental charges.

CITY OF GRAND FORKS, NORTH DAKOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

F-1

DECEMBER 31, 2024

With Comparative Totals for December 31, 2023

	Computer Service Fund	Central Garage	Public Works Facility	2024 Total	2023 Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 167,717	\$ 126,720	\$ 1,270,637	\$ 1,565,074	\$ 1,173,285
Accounts Receivable		143		143	143
Prepaid items			9,556	9,556	7,964
Inventories		165,519		165,519	142,740
Total current assets	167,717	292,382	1,280,193	1,740,292	1,324,132
Capital assets:					
Building and equipment, net of accumulated deprec.	590,062	102,860	5,356,937	6,049,859	6,348,655
Total assets	757,779	395,242	6,637,130	7,790,151	7,672,787
LIABILITIES					
Current liabilities:					
Accounts payable		6,940	13,992	20,932	51,631
Subscription based IT arrangements	178,759			178,759	208,780
Accrued interest payable-SBITA	9,362			9,362	5,483
Compensated absences		68,919	84,739	153,658	110,864
Total current liabilities	188,121	75,859	98,731	362,711	376,758
Total liabilities	188,121	75,859	98,731	362,711	376,758
NET POSITION					
Net investment in capital assets	411,303	102,860	5,356,937	5,871,100	6,139,875
Net position-unrestricted	158,355	216,523	1,181,462	1,556,340	1,156,154
Total net position	\$ 569,658	\$ 319,383	\$ 6,538,399	\$ 7,427,440	\$ 7,296,029

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS

F-2

For the Fiscal Year Ended December 31, 2024
 With Comparative Totals for December 31, 2023

	Computer Service Fund	Central Garage	Public Works Facility	2024 Total	2023 Total
Operating Revenues:					
Charges for services - internal	\$ 1,399,002	\$ 1,778,879	\$ 592,846	\$ 3,770,727	\$ 3,147,242
Service Fees			186,090	186,090	186,090
Intergovernmental	-	-	-	-	61,975
Total operating revenues	<u>1,399,002</u>	<u>1,778,879</u>	<u>778,936</u>	<u>3,956,817</u>	<u>3,395,307</u>
Operating expenses:					
Wages and Salaries		402,218	294,112	696,330	618,169
Supplies	1,601	963,862	21,643	987,106	956,565
Contractual services	1,001,597	101,459	11,146	1,114,202	904,221
Maintenance- structures & equip.	90,222	50,664	366,826	507,712	364,334
Sundry	-	19,270	570	19,840	6,563
Utilities	-	-	112,072	112,072	133,918
Pension and social security		95,105	42,968	138,073	116,279
Administrative and general	146,912	58,829	69,911	275,652	201,964
Depreciation/Amortization	<u>272,108</u>	<u>19,713</u>	<u>366,006</u>	<u>657,827</u>	<u>644,983</u>
Total operating expenses	<u>1,512,440</u>	<u>1,711,120</u>	<u>1,285,254</u>	<u>4,508,814</u>	<u>3,946,996</u>
Operating income (loss)	<u>(113,438)</u>	<u>67,759</u>	<u>(506,318)</u>	<u>(551,997)</u>	<u>(551,689)</u>
Nonoperating revenues (expense)					
Earnings on investments	9,853	197	41,090	51,140	48,026
Interest expense-SBITA	(9,805)			(9,805)	(6,360)
Gain (loss) on disposal of capital assets		-		-	8,218
Total nonoperating revenues (expenses)	<u>48</u>	<u>197</u>	<u>41,090</u>	<u>41,335</u>	<u>49,884</u>
Income (loss) before contributions and transfers	(113,390)	67,956	(465,228)	(510,662)	(501,805)
Transfers in (out)	<u>29,390</u>	<u>15,000</u>	<u>610,094</u>	<u>654,484</u>	<u>169,062</u>
Change in net position	<u>(84,000)</u>	<u>82,956</u>	<u>144,866</u>	<u>143,822</u>	<u>(332,743)</u>
Total net position - beginning	653,658	240,252	6,402,119	7,296,029	7,628,772
Change in Accounting Principle-GASB 101		<u>(3,825)</u>	<u>(8,586)</u>	<u>(12,411)</u>	
Total Net Position-Beginning as Restated	653,658	236,427	6,393,533	7,283,618	7,628,772
Total net position - ending	<u>\$ 569,658</u>	<u>\$ 319,383</u>	<u>\$ 6,538,399</u>	<u>\$ 7,427,440</u>	<u>\$ 7,296,029</u>

CITY OF GRAND FORKS, NORTH DAKOTA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS

Year Ended December 31, 2024

With Comparative Totals for December 31, 2023

	Computer Service Fund	Central Garage Fund
Cash Flows from Operating Activities:		
Payments to suppliers	\$ (1,240,332)	\$ (1,345,647)
Payments to employees		(392,087)
Internal activity-payments to/from other funds	1,399,002	1,778,879
Net cash provided (used) by operating activities	158,670	41,145
Cash Flows from Non-Capital Financing Activities:		
Transfers to other funds		
Transfers from other funds	29,390	15,000
Net cash provided (used) by non-capital financing activities	29,390	15,000
Cash Flows from Capital & Related Financing Activities:		
Acquisition of capital assets	(131,920)	(41,450)
Acquisition of leases and subscriptions	70,364	
Principal paid on capital debt	(100,385)	
Interest paid on subscriptions	(5,926)	
Net cash provided (used) by capital & related financing activities	(167,867)	(41,450)
Cash Flows from Investing Activities:		
Interest and dividends	9,853	197
Net cash provided by investing activities	9,853	197
Net increase (decrease) in cash and cash equivalents	30,046	14,892
Cash & cash equivalents - beginning of the year	137,671	111,828
Cash & cash equivalents - end of the year	\$ 167,717	\$ 126,720
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating Income (loss)	\$ (113,438)	\$ 67,759
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation and amortization expense	272,108	19,713
(Increase) decrease in accounts receivable		
(Increase) decrease in inventories		(22,779)
(Increase) decrease in prepaid items		
Increase (decrease) in accounts payable		(33,679)
Increase (decrease) in compensated absences payable		10,131
Increase (decrease) in due to other funds		
Total Adjustments	272,108	(26,614)
Net cash provided (used) by operating activities	\$ 158,670	\$ 41,145

Public Works Facility Fund	Total 2024	Total 2023
\$ (626,728)	\$ (3,212,707)	\$ (2,670,304)
(270,880)	(662,967)	(572,559)
778,936	3,956,817	3,395,307
<u>(118,672)</u>	<u>81,143</u>	<u>152,444</u>
		(192,000)
610,094	654,484	361,062
<u>610,094</u>	<u>654,484</u>	<u>169,062</u>
(185,661)	(359,031)	(243,146)
	70,364	
	(100,385)	
	(5,926)	(877)
<u>(185,661)</u>	<u>(394,978)</u>	<u>(244,023)</u>
		48,026
41,090	51,140	
<u>41,090</u>	<u>51,140</u>	<u>48,026</u>
346,851	391,789	125,509
923,786	1,173,285	1,047,776
<u>\$ 1,270,637</u>	<u>\$ 1,565,074</u>	<u>\$ 1,173,285</u>
<u>\$ (506,318)</u>	<u>\$ (551,997)</u>	<u>\$ (551,689)</u>
366,006	657,827	644,983
	(22,779)	1,249
(1,592)	(1,592)	(752)
2,980	(30,699)	20,232
20,252	30,383	38,421
<u>387,646</u>	<u>633,140</u>	<u>704,133</u>
<u>\$ (118,672)</u>	<u>\$ 81,143</u>	<u>\$ 152,444</u>



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CAPITAL ASSETS

CITY OF GRAND FORKS, NORTH DAKOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE

G-1

December 31, 2024

Governmental Funds Capital Assets:

Land	\$ 38,926,836
Buildings	38,756,210
Improvements other than buildings	70,330,685
Machinery and equipment	31,860,451
Infrastructure	297,742,639
Right to Use Equipment Asset	3,146,305
Subscriptions	49,861
Construction in Progress	<u>3,108,046</u>

Total Governmental Funds Capital Assets	<u>\$ 483,921,033</u>
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Investment in Governmental Funds Capital Assets by Source:

General obligation bonds and levies	\$ 203,354,162
Sales tax revenue bonds	19,235,000
Special Revenue Funds	91,403,025
General Fund Revenue	33,964,697
Contributions and donations from others	5,864,358
State Grants	60,968,837
Federal Grants	<u>69,130,954</u>

Total Governmental Funds Capital Assets	<u>\$ 483,921,033</u>
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This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. The capital assets of internal service funds that are allocated to governmental functions are included in governmental activities in the statement of net position. Numbers may vary slightly due to rounding.

CITY OF GRAND FORKS, NORTH DAKOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY

G-2

December 31, 2024

	Total	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Infrastructure	Right to Use Equipment Asset Lease	Subscriptions	Construction In Progress
Function and Activity									
General Government:									
Mayor and Council	\$ 166,806	\$ -	\$ -	\$ -	\$ 166,806	\$ -	\$ -		\$ -
Attorney					-				
Assessor	31,065				31,065				
Auditor and Accounting	42,781				42,781				
City Hall	9,026,732	113,525	8,041,581		836,058				35,568
Data Services	1,012,850			995,841	17,009				
Inspections	157,525				157,525				
Miscellaneous	36,939							\$ 36,939	
Personnel	44,204				44,204				
Planning and Zoning	19,077				19,077				
Economic Development	578,803			571,417	7,386				
Total General Government	11,116,782	113,525	8,041,581	1,567,258	1,321,911	-	-	36,939	35,568
Health and Welfare									
Health	621,538		34,495		587,043				
Total Health and Welfare	621,538	-	34,495	-	587,043	-	-	-	-
Public Safety:									
Civil Preparedness	13,196		7,247		5,949				
Fire	16,230,749	545,004	6,769,051	44,192	8,755,320	117,182			
Municipal Court	585,868		537,540		48,328				
Police	14,192,818	38,000	3,986,262	239,017	9,653,281	276,258			
Public Safety Center	4,463,686		3,200,504	855,009	20,380	387,793			
Public Service Answering Point	427,954		35,903		392,051				
E-911	3,275,918		2,199,563		1,063,433			12,922	
Total Public Safety	39,190,188	583,004	16,736,070	1,138,218	19,938,742	781,233	-	12,922	-
Highways and Streets									
Engineer	1,699,480				1,699,480				
Street Department	10,552,319	39,334	544,133	17,577	6,804,970		3,146,305		
Street System	307,189,239	8,162,865		2,101,893	373,750	293,360,506			3,190,225
Total Highways and Streets	319,441,038	8,202,199	544,133	2,119,470	8,878,201	293,360,506	3,146,305	-	3,190,225
Culture and Recreation									
Historic Preservation									
Public Library	2,807,716		2,350,513	28,558	428,645				
Total Culture & Recreation	2,807,716	-	2,350,513	28,558	428,645			-	-
Landscape Department	340,463				340,463				
Parking Facilities	2,536,105	2,514,958	20,000		1,147				
Public Buildings	13,280,671	6,973,329	5,960,733	117,297	229,312				
Senior Citizens	1,607,292		1,596,680		10,612				
Greenway	3,539,415			2,085,192	4,235	1,449,988			
Permanent Flood Protection	89,439,827	20,539,821	3,472,006	63,274,693	120,141	2,150,912			(117,746)
Total Capital Assets	\$ 483,921,035	\$ 38,926,836	\$ 38,756,211	\$ 70,330,686	\$ 31,860,451	\$ 297,742,639	\$ 3,146,305	\$ 49,861	\$ 3,108,047

This schedule presents only the capital assets related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. The capital assets of internal service that are allocated to governmental functions are included as governmental activities in the statement of net position. Land on this schedule includes \$7,525,252 of Right-of-Way costs included as infrastructure in the Statement of Net Position. Numbers may vary slightly due to rounding.

CITY OF GRAND FORKS, NORTH DAKOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY

G-3

December 31, 2024

Function and Activity	Governmental Funds Capital Assets 1/1/24	Additions	Deletions	Transfers	Governmental Funds Capital Assets 12/31/24
General Government:					
Mayor and Council	\$ 166,806			\$ -	\$ 166,806
Attorney					
Assessor	31,065				31,065
Finance & Admin Services	42,781				42,781
City Hall	8,894,514	\$ 184,718	\$ (52,500)		9,026,732
Information Services	1,012,850				1,012,850
Inspections	126,136	85,861	(54,472)		157,525
Human Resources	44,204				44,204
Micellaneous	36,939				36,939
Planning and Zoning	19,077				19,077
Economic Development	550,421	28,382			578,803
Total General Government	10,924,793	298,961	(106,972)		11,116,782
Health and Welfare					
Health	631,569	42,453	(52,484)		621,538
Total Health and Welfare	631,569	42,453	(52,484)		621,538
Public Safety:					
Civil Preparedness	13,196				13,196
Fire	15,999,980	245,617		(14,849)	16,230,748
Municipal Court	585,868				585,868
Police	13,797,764	764,788	(369,734)		14,192,818
Public Safety Center	4,463,686				4,463,686
Public Service Answering Point	427,954				427,954
E-911	3,275,918				3,275,918
Total Public Safety	38,564,366	1,010,405	(369,734)	(14,849)	39,190,188
Highways and Streets					
Engineering	1,687,897	41,133	(29,550)		1,699,480
Street Department	10,774,536	129,463	(171,709)	(179,970)	10,552,320
Street System	286,912,968	27,019,879	(6,743,610)		307,189,237
Total Highways and Streets	299,375,401	27,190,475	(6,944,869)	(179,970)	319,441,037
Culture and Recreation					
Historic Preservation					
Public Library	2,729,192	78,524			2,807,716
Total Culture & Recreation	2,729,192	78,524			2,807,716
Cirrus Parking Lot	-				-
Landscape Department	340,463				340,463
Parking Facilities	2,536,105				2,536,105
Public Buildings	13,280,671				13,280,671
Senior Citizens	1,607,292				1,607,292
Greenway	3,539,415				3,539,415
Permanent Flood Protection	88,742,792	1,224,215	(527,180)		89,439,827
Total Capital Assets	\$ 462,272,059	\$ 29,845,033	\$ (8,001,239)	\$ (194,819)	\$ 483,921,034

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. The capital assets of internal service funds that are allocated to governmental functions are included as governmental activities in the statement of net position. Numbers may vary slightly due to rounding.

SUPPORTING SCHEDULES

CITY OF GRAND FORKS, NORTH DAKOTA
SCHEDULE OF CASH EQUIVALENTS AND INVESTMENTS ⁽¹⁾
BY FINANCIAL INSTITUTION
December 31, 2024

Description	Date of Maturity	Balance December 31, 2024	Yield
Wells Fargo Bank, Grand Forks:			
Surety Account		\$ 91,278	0.000%
Bremer Bank, Grand Forks:			
Money Market Savings - Main		615,706	1.500%
Money Market Savings - JDA		615,419	1.500%
American Federal Bank, Grand Forks:			
Money Market Checking		6,648,013	3.340%
Alerus Financial, Grand Forks:			
Money Market Checking		6,715,500	3.700%
Choice Financial, Grand Forks:			
Business Savings		16,635,622	4.220%
Total Financial Institution Accounts		31,321,538	
US Bank:			
Alerus Financial - CD	2/6/25	15,181,709	4.200%
Choice Bank - CD	3/20/25	5,348,139	4.800%
Choice Bank - CD	3/27/25	5,126,215	4.800%
Bremer Bank - CD	4/19/25	2,000,000	4.950%
Federal Home Loan Bank	5/25/25	1,717,453	0.695%
Bremer Bank - CD	7/6/25	10,426,165	4.850%
Federal Home Loan Mortgage Corp	7/25/25	2,130,022	3.022%
Choice Bank - CD	1/11/26	6,004,991	3.250%
Federal Home Loan Mortgage Corp	3/25/26	1,198,303	0.794%
Federal National Mortgage	5/1/26	1,415,423	2.400%
Federal Home Loan Mortgage Corp	7/25/26	3,873,092	3.462%
Federal Home Loan Mortgage Corp	2/15/27	205,893	3.199%
Federal National Mortgage	5/1/27	88,370	1.791%
Federal National Mortgage	10/1/27	22,211	2.972%
Federal National Mortgage	2/1/28	2,983,768	4.693%
Federal National Mortgage	4/1/28	2,263,042	4.044%
Federal National Mortgage	7/1/28	4,127,894	4.922%
Federal National Mortgage	7/1/28	4,014,219	4.751%
Federal Home Loan Mortgage Corp	11/1/28	3,950,622	4.891%
Federal Home Loan Mortgage Corp	11/25/28	2,358,203	4.254%
Federal Home Loan Mortgage Corp	12/1/28	2,827,344	5.003%
Federal Home Loan Mortgage Corp	12/1/28	1,028,764	5.000%
Federal National Mortgage	3/1/29	3,145,149	4.510%
Federal National Mortgage	2/1/31	1,240,840	1.722%
Ginnie Mae	4/20/32	2,494,133	4.870%
Federal Home Loan Bank	7/25/33	1,407,909	5.102%
Federal National Mortgage	8/1/33	451,611	3.005%
Federal National Mortgage	10/25/33	276,325	2.643%
Federal Home Loan Bank	2/15/34	1,316,274	5.129%
Federal National Mortgage	4/15/34	693,059	3.105%
Federal Home Loan Mortgage Corp	12/25/41	1,705,613	2.425%
Federal Home Loan Mortgage Corp	3/1/42	3,062,093	0.905%
Federal National Mortgage	3/25/42	774,330	2.622%
Federal National Mortgage	2/25/43	1,933,252	5.070%
Federal Home Loan Bank	7/25/44	1,316,783	4.569%
Federal National Mortgage	7/25/44	1,015,117	1.716%
Federal Home Loan Mortgage Corp	7/25/45	2,213,386	1.709%
Federal National Mortgage	2/25/51	1,954,929	0.801%
Ginnie Mae	4/20/51	2,490,591	1.242%
Ginnie Mae	8/20/51	2,424,481	1.011%
Ginnie Mae	3/20/52	2,199,988	3.795%
Ginnie Mae	3/21/52	786,688	3.073%
Total Investments US Bank		111,194,393	
Total Investments		111,194,393	
Cash on Hand and In Checking		24,438,965	4.42%
Alerus Center Cash		3,464,252	
TOTAL CASH AND INVESTMENTS		\$ 170,419,148	

(1) Does not include \$83,090,379 cash and investments in Employee's Retirement System

*Totals maybe be off slightly due to rounding

CITY OF GRAND FORKS, NORTH DAKOTA

SUMMARY OF DEBT STATISTICS

DECEMBER 31, 2024

Market Value of Taxable Property - 2024	<u>\$ 5,889,524,600</u>
Assessed Valuation - 2024	<u>2,944,762,300</u>
Direct Debt	
Debt Supported by Special Assessments	114,370,263
General Obligation Debt	611,217
Lease Liability	2,056,963
Subscription Liability	<u>21,475</u>
Total Direct Debt	<u>117,059,918</u>
Overlapping Debt	<u>67,620,372</u>
Total Direct and Overlapping Debt	<u><u>\$ 184,680,290</u></u>

CITY OF GRAND FORKS, NORTH DAKOTA

Debt Statistics

	<u>Amount</u>	<u>Per Capita (1)</u>	<u>Percent of Market Value</u>	<u>Percent of Assessed Value</u>
Direct Debt	\$ 117,059,918	\$ 1,863	1.99%	3.98%
Overlapping Debt	<u>67,620,372</u>	<u>1,076</u>	<u>1.15%</u>	<u>2.30%</u>
Totals	<u><u>\$ 184,680,290</u></u>	<u><u>\$ 2,939</u></u>	<u><u>3.14%</u></u>	<u><u>6.27%</u></u>

NOTES: (1) 2024 MPO Census Population Estimate 62,848

CITY OF GRAND FORKS, NORTH DAKOTA

DEBT STATEMENT

December 31, 2024

	Outstanding	Sinking Funds	Net Liability
<u>General Obligation Bonds:</u>			
2016 "C" GO Refunding Bonds*	\$ 565,000	\$ 356,083	\$ 208,917
Net Liability General Obligation Bonds	565,000	356,083	208,917
<u>Revenue Bonds:</u>			
2005 "E" SRL BioSolids Mgmt Project	280,000	404,054	(124,054)
2012 "B" Water Reserve Revenue Bond	1,765,000	252,144	1,512,856
2015 "A" Sanitation Reserve Revenue Refunding Bond*	5,350,000	339,421	5,010,579
2015 "C" Sewer Reserve Revenue Bonds	1,610,000	217,717	1,392,283
2016 "D" Mosquito Control Reserve Refunding Bonds**	180,000	124,056	55,944
2016 Wastewater Revenue Loan - Bank of North Dakota (Loan #1)	2,031,841	192,949	1,838,892
2016 Wastewater Rev & Sales Tax Loan-Bank of N. Dakota (Loan #3)	5,538,510	378,558	5,159,952
2017 "A" Water Utility Reserve Revenue Bond	59,290,000	4,247,113	55,042,887
2018 "A" Wastewater Revenue Loan - Bank of North Dakota	7,605,000	561,397	7,043,603
2019 "A" Wastewater Revenue Loan - Bank of North Dakota	1,065,000	77,513	987,487
2019 "C" Sanitation Reserve Revenue Bonds	3,250,000	354,656	2,895,344
2021 "C" Sewer Reserve Revenue Refunding Bonds***	1,490,000	402,052	1,087,948
2022 "B" Sanitation Reserve Revenue Bond	3,305,000	1,050,715	2,254,285
2023 "C" Wastewater Reserve Revenue SRL	38,257,521	2,398,943	35,858,578
2023 "E" Wastewater Reserve Revenue SRL	5,169,268	120,768	5,048,500
2024 "A" Water Reserve Revenue SRL	36,302	43,099	(6,797)
Net Liability Revenue Bonds	136,223,442	11,165,155	125,058,287
<u>Sales Tax Revenue Bonds:</u>			
2015 "D" Sales Tax Revenue Refunding Bond****	17,715,000	19,876,985	(2,161,985)
Net Liability Sales Tax Revenue Bonds	17,715,000	19,876,985	(2,161,985)

*2015A is Current Refunding of 2009A (BABs)

**2016D is Current Refunding of 2007B

***2021C is Current Refunding of 2009B & 2011D

CITY OF GRAND FORKS, NORTH DAKOTA

DEBT STATEMENT

December 31, 2024

	Outstanding	Sinking Funds	Net Liability
<u>Refunding Improvement Bonds:</u>			
2009 "E" Refunding Improvement Bond	\$ 575,000	\$ 388,521	\$ 186,479
2012 "A" Refunding Improvement Refunding Bond*	1,160,000	1,669,199	(509,199)
2013 "A" Refunding Improvement Bond	4,090,000	2,580,587	1,509,413
2014 "A" Refunding Improvement Bond	5,115,000	2,490,931	2,624,069
2015 "B" Refunding Improvement Bond	3,505,000	1,628,372	1,876,628
2016 "A" Refunding Improvement Bond	3,770,000	362,943	3,407,057
2016 Bank of North Dakota Special Assessment Loan (Loan #2)	3,915,517	(29,111)	3,944,628
2017 "B" Refunding Improvement Bond	8,725,000	225,043	8,499,957
2018 "B" Refunding Improvement Bond	10,960,000	1,206,872	9,753,128
2019 "B" Refunding Improvement Bond	19,485,000	618,870	18,866,130
2020 "A" Refunding Improvement Bond	3,670,000	182,449	3,487,551
2020 "B" Refunding Improvement Bond	595,000	304,747	290,253
2021 "A" Refunding Improvement Bond	6,685,000	(54,756)	6,739,756
2021 "B" Refunding Improvement Refunding Bond**	740,000	451,906	288,094
2022 "A" Refunding Improvement Bond	9,045,000	(441,187)	9,486,187
2023 "B" Refunding Improvement SRL	2,275,156	66,933	2,208,223
2023 "D" Refunding Improvement SRL	2,971,457	(52,321)	3,023,778
2023 "F" Refunding Improvement Bond	20,760,000	603,023	20,156,977
2024 "B" Refunding Improvement SRL	829,011	-	829,011
2024 "C" Refunding Improvement Bond	6,130,000	(85,347)	6,215,347
Net Liability Refunding Improvement Bonds	115,001,141	12,117,674	102,883,467
Net Liability All Funds	\$ 269,504,583	\$ 43,515,897	\$ 225,988,686

*2012A Refunding Improvement Bond is Current Refunding of 2002F & 2003B

*2021B Refunding Improvement Bond is Current Refunding of 2011C

CITY OF GRAND FORKS, NORTH DAKOTA

SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY

As of December 31, 2024

Year	General Obligation & Tax Incr.	Revenue Bonds	Sales Tax Revenue Bonds	Refunding Improvement Bonds	Total Requirement
2025	\$352,600	\$8,183,926	\$4,012,850	\$9,731,054	\$22,280,430
2026	244,400	7,910,897	4,012,600	9,874,468	22,042,365
2027	-	7,829,346	4,014,350	9,541,181	21,384,877
2028	-	7,840,059	4,017,600	10,024,378	21,882,037
2029	-	7,862,259	4,011,850	9,659,334	21,533,443
2030	-	7,722,434	-	9,358,843	17,081,277
2031	-	7,735,721	-	8,957,180	16,692,901
2032	-	7,925,847	-	8,675,417	16,601,264
2033	-	6,930,178	-	8,456,337	15,386,515
2034	-	6,950,858	-	8,037,344	14,988,202
2035	-	6,962,108	-	7,374,506	14,336,614
2036	-	6,804,860	-	6,837,506	13,642,366
2037	-	6,836,241	-	6,423,456	13,259,697
2038	-	6,864,812	-	6,273,069	13,137,881
2039	-	6,876,339	-	6,092,618	12,968,957
2040	-	6,446,077	-	5,925,043	12,371,120
2041	-	6,223,470	-	5,755,262	11,978,732
2042	-	6,245,796	-	5,518,337	11,764,133
2043	-	6,271,696	-	5,228,862	11,500,558
2044	-	6,296,096	-	4,859,175	11,155,271
2045	-	6,318,893	-	4,516,162	10,835,055
2046	-	6,222,861	-	3,156,659	9,379,520
2047	-	5,936,750	-	2,703,669	8,640,419
2048	-	5,975,000	-	2,113,438	8,088,438
2049	-	5,586,450	-	1,709,825	7,296,275
2050	-	5,567,475	-	1,218,238	6,785,713
2051	-	2,647,600	-	1,067,975	3,715,575
2052	-	2,660,325	-	998,050	3,658,375
2053	-	2,673,300	-	590,300	3,263,600
2054	-	2,684,525	-	451,900	3,136,425
2055	-	-	-	455,450	455,450
2056	-	-	-	303,850	303,850
2057	-	-	-	299,425	299,425
	<u>\$ 597,000</u>	<u>\$ 188,992,199</u>	<u>\$ 20,069,250</u>	<u>\$ 172,188,311</u>	<u>\$ 381,846,760</u>

CITY OF GRAND FORKS, NORTH DAKOTA

DEBT SERVICE REQUIREMENT TO MATURITY
GENERAL OBLIGATION AND TAX INCREMENT BONDS

December 31, 2024

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2025	\$ 330,000	\$ 22,600	\$ 352,600
2026	<u>235,000</u>	<u>9,400</u>	<u>244,400</u>
	<u>\$ 565,000</u>	<u>\$ 32,000</u>	<u>\$ 597,000</u>

CITY OF GRAND FORKS, NORTH DAKOTA

DEBT SERVICE REQUIREMENTS TO MATURITY
REVENUE BONDS

December 31, 2024

Year	Principal	Interest	Total Requirement
2025	\$ 5,512,488	\$ 2,671,438	\$ 8,183,926
2026	5,360,628	2,550,269	7,910,897
2027	5,391,380	2,437,966	7,829,346
2028	5,517,248	2,322,811	7,840,059
2029	5,658,233	2,204,026	7,862,259
2030	5,639,338	2,083,096	7,722,434
2031	5,765,564	1,970,157	7,735,721
2032	6,071,916	1,853,931	7,925,847
2033	5,208,394	1,721,784	6,930,178
2034	5,320,002	1,630,856	6,950,858
2035	5,422,742	1,539,366	6,962,108
2036	5,359,617	1,445,243	6,804,860
2037	5,481,629	1,354,612	6,836,241
2038	5,603,782	1,261,030	6,864,812
2039	5,711,077	1,165,262	6,876,339
2040	5,378,519	1,067,558	6,446,077
2041	5,241,109	982,361	6,223,470
2042	5,343,852	901,944	6,245,796
2043	5,451,749	819,947	6,271,696
2044	5,559,804	736,292	6,296,096
2045	5,667,917	650,976	6,318,893
2046	5,658,864	563,997	6,222,861
2047	5,459,000	477,750	5,936,750
2048	5,579,000	396,000	5,975,000
2049	5,274,000	312,450	5,586,450
2050	5,334,000	233,475	5,567,475
2051	2,494,000	153,600	2,647,600
2052	2,544,000	116,325	2,660,325
2053	2,595,000	78,300	2,673,300
2054	2,645,000	39,525	2,684,525
	<u>\$ 153,249,852</u>	<u>\$ 35,742,347</u>	<u>\$ 188,992,199</u>

Repayment schedule based upon State Revolving Loans through Bank of North Dakota being fully drawn upon. As of 12/31/24, only \$43,463,091 out of the \$60,489,501 limit drawn.

CITY OF GRAND FORKS, NORTH DAKOTA

DEBT SERVICE REQUIREMENTS TO MATURITY
SALES TAX REVENUE BONDS

December 31, 2024

	<u>Business-type Activities</u>		<u>Total</u>
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Requirement</u>
2025	\$ 3,205,000	\$ 807,850	\$ 4,012,850
2026	3,365,000	647,600	4,012,600
2027	3,535,000	479,350	4,014,350
2028	3,715,000	302,600	4,017,600
2029	3,895,000	116,850	4,011,850
	<u>\$ 17,715,000</u>	<u>\$ 2,354,250</u>	<u>\$20,069,250</u>

CITY OF GRAND FORKS, NORTH DAKOTA

DEBT SERVICE REQUIREMENTS TO MATURITY
REFUNDING IMPROVEMENT BONDS

December 31, 2024

Year	Principal	Interest	Total Requirement
2025	\$ 5,378,727	\$ 4,352,327	\$ 9,731,054
2026	5,696,601	4,177,867	9,874,468
2027	5,594,533	3,946,648	9,541,181
2028	6,294,524	3,729,854	10,024,378
2029	6,180,575	3,478,759	9,659,334
2030	6,128,686	3,230,157	9,358,843
2031	5,976,860	2,980,320	8,957,180
2032	5,915,097	2,760,320	8,675,417
2033	5,908,399	2,547,938	8,456,337
2034	5,696,767	2,340,577	8,037,344
2035	5,235,202	2,139,304	7,374,506
2036	4,878,706	1,958,800	6,837,506
2037	4,632,280	1,791,176	6,423,456
2038	4,635,926	1,637,143	6,273,069
2039	4,609,644	1,482,974	6,092,618
2040	4,593,437	1,331,606	5,925,043
2041	4,577,306	1,177,956	5,755,262
2042	4,496,252	1,022,085	5,518,337
2043	4,360,277	868,585	5,228,862
2044	4,139,383	719,792	4,859,175
2045	3,938,570	577,592	4,516,162
2046	2,714,764	441,895	3,156,659
2047	2,360,000	343,669	2,703,669
2048	1,860,000	253,438	2,113,438
2049	1,530,000	179,825	1,709,825
2050	1,095,000	123,238	1,218,238
2051	980,000	87,975	1,067,975
2052	940,000	58,050	998,050
2053	560,000	30,300	590,300
2054	430,000	21,900	451,900
2055	440,000	15,450	455,450
2056	372,001	8,850	380,851
2057	295,000	4,425	299,425
	<u>\$ 122,444,517</u>	<u>\$ 49,820,795</u>	<u>\$ 172,265,312</u>

Repayment schedule based upon State Revolving Loans through Bank of North Dakota being fully drawn upon. As of 12/31/24, only \$6,075,624 out of the \$13,519,000 limit drawn.

Summary of Individual Bonds as of December 31, 2024

General Obligation Bonds :

\$2,375,000 2016 "C" GO Refunding Bonds, Public Safety Training Center Construction;
annual installments of \$80,000 to \$330,000 through December 1, 2026; interest at 2.0% to
4.0%

\$ 565,000

Total General Obligation Bonds

\$ 565,000

Revenue Bonds :

\$4,500,000 2005 "E" ND Public Finance Authority SRF Loan BioSolids Construction;
annual installments of \$233,889 to \$290,625 through September 1, 2025;
interest and admin at 3.0%

\$ 280,000

\$3,880,000 2012 "B" Water Reserve Revenue Bonds, Upgrade Water Residual Pond;
annual installments of \$175,000 to \$240,000 through Sept 1, 2032;
interest at 2.0% to 2.75%

1,765,000

\$7,705,000 2015 "A" Sanitation Reserve Revenue Refunding Bonds, New Landfill
Construction; annual installments of \$150,000 to \$435,000 through Sept 1, 2039;
interest at 2.125% to 4.0%

5,350,000

\$2,640,000 2015 "C" Sewer Reserve Revenue Bonds, Lift Station Construction;
annual installments of \$105,000 to \$170,000 through Sept 1, 2035;
interest at 2.0% to 4.00%

1,610,000

\$870,000 2016 "D" Mosquito Control Reserve Revenue Bonds, Mosquito Control Building
Construction; annual installments of \$85,000 to \$90,000 through Sept 1, 2026; interest at
2.0%

180,000

\$2,670,000 2016 Bank of North Dakota Wastewater Revenue Loan #1, Rehab Lift Station
#17 and Bypass Forcemain; annual installments of \$65,954 to \$115,410 through Sept 1,
2045; interest at 2.0%

2,031,841

\$6,527,656 2016 Bank of North Dakota Wastewater Revenue Loan #3, Various Lift Station
and Forcemain Projects; annual installments of \$129,350 to \$226,893 through Sept 1,
2046; interest at 2.0%

5,538,510

\$66,000,000 2017A SRF Loan, Water Treatment Plant Construction;
Annual installments of \$5,000 to \$2,875,000 through September of 2050;
Interest at 2.0%;

59,290,000

\$9,000,000 2018 "A" ND Public Finance Authority Wastewater SRF Loan, Wastewater
Treatment Plant Improvements; Annual installments of \$225,000 to \$390,000 through
September, 2048; Interest at 2.0%;

7,605,000

\$1,228,485 2019 "A" ND Public Finance Authority SRF Loan, Wastewater Treatment Plant
Improvements; Annual installments of \$50,688 to \$65,975 through September, 2049;
Interest at 2%;

1,065,000

\$3,820,000 2019 "C" Sanitation Reserve Revenue Bonds, Landfill Scale Facility
Improvements; annual installments of \$135,000 to \$245,000 Starting Sept 1, 2021 through
Sept 1, 2040; interest ranging from 2.25% to 4.0%

3,250,000

\$2,095,000 2021 "C" Sewer Reserve Revenue Refunding Bonds, Refunded 2009B and
2011D Sewer Reserve Revenue Bonds for Pump Station & Forcemain Improvements;
annual installments of \$140,000 to \$270,000 Starting Sept 1, 2022 through Sept 1, 2031;
interest ranging from 2.25% to 4.0%

1,490,000

\$3,635,000 2022 "B" Sanitation Reserve Revenue Bonds, Landfill Cell Construction; annual installments of \$330,000 to \$735,000 Starting Sept 1, 2024 through Sept 1, 2032; interest of 5.0%	3,305,000
\$54,620,000 2023 "C" ND Public Finance Authority Wastewater SRF Loan, Wastewater Treatment Plant Improvements; Annual installments of \$1,345,000 to \$2,385,000 starting September 1, 2025 through September 1, 2054; Interest of 2.0%	38,257,521
\$5,607,000 2023 "E" ND Public Finance Authority Wastewater SRF Loan, Wastewater Life Station & Forecmain Construction; Annual installments of \$140,000 to \$250,000 starting September 1, 2025 through September 1, 2054; Interest of 2.0%	5,169,268
\$1,050,000 2024 "A" ND Public Finance Authority SRF Loan, Lead Service Line Replacement Program; Annual installments of \$8,000 to \$10,000 starting September 1, 2025 through September 1, 2054; Interest of 0.0%	36,302

Total Revenue Bonds	\$ 136,223,442
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Sales Tax Revenue Bonds:

\$40,380,000 2015 "D" Sales Tax Reserve Revenue Refunding Bonds, Alerus Center Construction; annual installments of \$1,900,000 to \$3,895,000 through December 1, 2029; interest at 3.0% to 5.0%	\$ 17,715,000
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Total Sales Tax Revenue Bonds	\$ 17,715,000
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Special Assessment Bonds:

\$2,200,000 2009 "E" Refunding Improvement bonds, Various Special Assessment Projects; annual installments of \$90,000 to \$140,000 through December 1, 2030; interest at 2.25% to 4.20%	\$ 575,000
\$5,290,000 2012 "A" Refunding Improvement Refunding bonds, Various Special Assessment Projects; annual installments of \$100,000 to \$475,000 through December 1, 2033; interest at 2.0% to 3.0%	1,160,000
\$9,360,000 2013 "A" Refunding Improvement Bond, Various Special Assessment Projects; annual installments of \$310,000 to \$565,000 through December 1, 2034; interest at 2.25% to 4.0%	4,090,000
\$10,415,000 2014 "A" Refunding Improvement Bond, Various Special Assessment Projects; annual installments of \$345,000 to \$640,000 through December 1, 2035; interest at 2.0% to 3.6%	5,115,000
\$7,250,000 2015 "B" Refunding Improvement Bond, Various Special Assessment Projects; annual installments of \$240,000 to \$510,000 through December 1, 2036; interest at 2.25% to 3.375%	3,505,000
\$6,180,000 2016 "A" Refunding Improvement Bond, Various Special Assessment Projects; annual installments of \$50,000 to \$370,000 through December 1, 2042; interest ranging from 2.0% to 3.125%	3,770,000
\$5,334,989 2016 Bank of North Dakota Special Assessment Loan #2, Various Special Assessment Projects; annual installments of \$178,840 to \$313,704 through December 1, 2046; interest at 2.0%; Loan drawn upon as needed through life of project	3,915,517

\$10,555,000 2017 "B" Refunding Improvement Bond, Various Special Assessment Projects; annual installments of \$220,000 to \$485,000 beginning in December 2021 through December 2045; interest at 2.25% to 5.0%	8,725,000
\$12,155,000 2018 "B" Refunding Improvement Bond, Various Special Assessment Projects; annual installments of \$280,000 to \$605,000 beginning in December 2023 through December 2047; interest at 4.0% to 5.0%	10,960,000
\$22,160,000 2019 "B" Refunding Improvement Bond, Various Special Assessment Projects; annual installments of \$575,000 to \$1,020,000 beginning in December 2021 through December 2045; interest at 2.375% to 5.0%	19,485,000
\$4,190,000 2020 "A" Refunding Improvement Bonds, Various Special Assessment Projects; annual installments of \$120,000 to \$195,000 beginning in December 2022 through December 2046; interest at 2.0% to 5.0%	3,670,000
\$1,430,000 2020 "B" Refunding Improvement Refunding Bonds, Various Special Assessment Projects; annual installments of \$195,000 to \$210,000 beginning December 2021 through December of 2027; interest of 4.0%	595,000
\$7,500,000 2021 "A" Refunding Improvement Bonds, Various Special Assessment Projects; annual installments of \$220,000 to \$505,000 beginning December 2022 through December of 2047; interest of 2.5% to 5.0%	6,685,000
\$1,550,000 2021 "B" Refunding Improvement Refunding Bonds, Refunds 2011C Refunding Bonds for Various Special Assessment Projects; annual installments of \$230,000 to \$300,000 beginning December 2022 through December of 2027; interest of 5.0%	740,000
\$9,460,000 2022 "A" Refunding Improvement Bonds, Various Special Assessment Projects; annual installments of \$320,000 to \$415,000 beginning December 2024 through December of 2048; interest ranging from 4.375% to 5.0%	9,045,000
\$3,167,000 2023 "B" ND Public Finance Authority Stormwater Special Assessment SRF Loan, Stormwater Pond Construction; Annual Installments of \$77,000 to \$135,000 beginning September 1, 2023 through September 1, 2052; Interest of 2.0%	2,275,156
\$3,430,000 2023 "D" ND Public Finance Authority Wastewater Special Assessment SRF Loan, Wastewater Main Construction; Annual Installments of \$85,000 to \$150,000 beginning September 1, 2026 through September 1, 2055; Interest of 2.0%	2,971,457
\$20,760,000 2023 "F" Refunding Improvement Bonds, Various Special Assessment Projects; Annual installments of \$390,000 to \$955,000 beginning December 1, 2028 through December 1, 2052; Interest ranging from 4.5% to 5.0%	20,760,000
\$6,922,000 2024 "B" ND Public Finance Authority Water SRF Loan, Sanitary Sewer Highway 81 Phase 2-6; Annual installments of \$172,000 to \$295,000 starting September 1, 2028 through September 1, 2057; Interest of 1.5%	829,011
\$6,130,000 2024 "C" Refunding Improvement Bonds, Various Special Assessment Projects; Annual installments of \$125,000 to \$300,000 beginning December 1, 2026 through December 1, 2050; Interest ranging from 4.0% to 5.0%	6,130,000

Total Special Assessment Bonds**\$ 115,001,141****Financed Purchases:**

\$429,529 2024 John Deere 824P Landfill Equipment; Annual installments of \$95,756 beginning May 1, 2024 through May 1, 2028; Interest ranging from 7.4% to 11.1%	334,175
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Total Financed Purchases**\$ 334,175**

CITY OF GRAND FORKS, NORTH DAKOTA

SCHEDULE OF INSURANCE IN FORCE

December 31, 2024

<u>Type of Coverage and Name of Company</u>	<u>Policy Number</u>	<u>From</u>	<u>To</u>
Buildings and Contents State Fire and Tornado Fund	FT-1971-05	07/01/24	07/01/25
Buildings and Contents-Leased Properties State Fire and Tornado Fund	FT-2523-05	07/01/24	07/01/25
Public Officials Error and Omissions Auto Liability and Comp. General North Dakota Insurance Reserve Fund	GL-440-38 & BA224-38	01/01/24	01/01/25
Equipment Floater North Dakota Insurance Reserve Fund	IM0591-32	01/01/24	01/01/25
Public Employee Blanket Bond North Dakota Bonding Fund	Bond #2634	Continuous	
Workers Compensation (Minnesota) State Auto	MN COMP 179683.801	5/16/2024	5/16/2025
Workers Compensation (North Dakota)	48710	1/1/2024	12/31/24
Flood Insurance Vaaler Ins./ Assurant/Selective 40 policies	Various	4/1/2024	04/01/25
Alerus Center Traveler's / Vaaler Ins.	P-630-3F694973-TIL-24	1/1/2024	01/01/25
Employee Health Insurance BC/BS of North Dakota	10442519	1/1/2024	12/31/24

* Except for specific covered services as outlined

Details of Coverage	Co-Insurance	Liabilities Limit	Annual Premium
Blanket real and personal property	90%	Replacement value	\$ 339,484
Blanket real and personal property	90%	Replacement value	48,124
General Liability/Auto Fleet and Public Officials Errors and Omissions		\$5,000,000 per occurrence	669,524
Equipment Floater		\$15,056,410	39,810
Robberies inside & outside premises and safe burglary		\$622,000	
Blanket Public Employee Bonding		\$2,000,000	- 0 -
Bodily injury		\$100,000 / \$500,000 / \$100,000	6,559
Bodily Injury	\$250		316,746
Flood insurance		\$6,207,000	43,946
Building	100%	\$151,474,237	137,542
Business Personal Property		\$8,610,767	
Business Income and Extra Expense		\$10,480,638	
Outdoor Property (Signs)		\$865,538	
Employee Health Insurance	<u>Product Blue Access</u> <u>80/500 Plan</u>	Unlimited *	5,779,301
	Single Deductible	\$500	
	Single Coinsurance	\$2,700	
	Family Deductible	\$1,500	
	Family Coinsurance	\$5,900	



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STATISTICAL SECTION

This part of the City of Grand Forks' annual comprehensive financial report (ACFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the readers understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.

Financial Trends

- Net Position by Component, Last Ten Fiscal Years
- Changes in Net Position, Last Ten Fiscal Years
- Program Revenue by Function, Last Ten Fiscal Years
- Government-wide expenses by function/program
- Fund Balances, Governmental Funds, Last Ten Fiscal Years
- Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years

Revenue Capacity

- Tax Revenues by Source, Governmental Funds, Last Ten Fiscal Years
- Assessed and Estimated Market Value of Taxable Property, Last Ten Fiscal Years
- Property Tax Levies and Collections, Last Ten Fiscal Years

Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years
Principal Property Tax Payers, Current Year and Nine Years Ago
Construction Value, Last Ten Years

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Ratio of Outstanding Debt by Type, Last Ten Fiscal Years
Ratio of General Bonded Debt Outstanding, Last Ten Fiscal Years
Direct and Overlapping Governmental Activities Debt
Legal Debt Margin Information, Last Ten Fiscal Years
Pledged Revenue Coverage, Last Ten Fiscal Years

Demographic and Economic Information

Demographic and Economic Statistics, Last Ten Fiscal Years
Principal Employers, Current Year and Nine Years Ago

Operating Information

Full-time Equivalent City Employees by Function/Program, last Ten Fiscal Years
Operating Indicators by Function/Program
Capital Asset Statistics by Function/Program

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report of the City of Grand Forks for the current and prior years.

CITY OF GRAND FORKS, NORTH DAKOTA
LAST TEN FISCAL YEARS
NET POSITION BY COMPONENT
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 126,665,238	\$ 130,152,880	\$ 134,554,746	\$ 138,778,217	\$ 137,777,584	\$ 149,213,144	\$ 151,180,086	\$ 154,281,786	\$ 154,262,167	\$ 157,469,241
Restricted	95,379,436	99,014,298	103,946,775	102,921,043	114,700,084	108,930,049	119,591,840	134,050,319	166,328,768	158,954,191
Unrestricted	(12,400,329)	(15,251,671)	(20,239,365)	(26,594,425)	(31,390,956)	(32,140,648)	(16,199,342)	(16,720,913)	(29,336,696)	(17,014,639)
Total governmental activities net position	<u>\$ 209,644,345</u>	<u>\$ 213,915,507</u>	<u>\$ 218,262,156</u>	<u>\$ 215,104,835</u>	<u>\$ 221,086,712</u>	<u>\$ 226,002,545</u>	<u>\$ 254,572,584</u>	<u>\$ 271,611,192</u>	<u>\$ 291,254,239</u>	<u>\$ 299,408,793</u>
Business-type activities										
Net investment in capital assets	\$ 258,560,451	\$ 271,954,306	\$ 302,456,193	\$ 338,659,287	\$ 369,418,451	\$ 385,034,798	\$ 384,326,165	\$ 390,238,738	\$ 420,013,226	\$ 441,100,729
Restricted	15,731,506	22,934,533	23,622,846	25,309,545	31,880,595	34,613,621	42,435,275	49,928,937	48,994,599	45,293,381
Unrestricted	28,954,961	25,672,012	20,584,754	25,274,715	25,593,933	25,155,629	17,022,830	12,716,559	7,611,323	13,379,102
Total business-type activity net position	<u>\$ 303,246,918</u>	<u>\$ 320,560,851</u>	<u>\$ 346,663,793</u>	<u>\$ 389,243,547</u>	<u>\$ 426,892,979</u>	<u>\$ 444,804,048</u>	<u>\$ 443,784,270</u>	<u>\$ 452,884,234</u>	<u>\$ 476,619,148</u>	<u>\$ 499,773,212</u>
Primary government										
Net investment in capital assets	\$ 385,225,689	\$ 402,107,186	\$ 437,010,939	\$ 477,437,504	\$ 507,196,035	\$ 534,247,942	\$ 535,506,251	\$ 544,520,524	\$ 574,275,393	\$ 598,569,970
Restricted	111,110,942	121,948,831	127,569,621	128,230,588	146,580,679	143,543,670	162,027,115	183,979,256	215,323,367	204,247,572
Unrestricted	16,554,632	10,420,341	345,389	(1,319,710)	(5,797,023)	(6,985,019)	823,488	(4,004,354)	(21,725,373)	(3,635,537)
Total primary government net position	<u>\$ 512,891,263</u>	<u>\$ 534,476,358</u>	<u>\$ 564,925,949</u>	<u>\$ 604,348,382</u>	<u>\$ 647,979,691</u>	<u>\$ 670,806,593</u>	<u>\$ 698,356,854</u>	<u>\$ 724,495,426</u>	<u>\$ 767,873,387</u>	<u>\$ 799,182,005</u>

CITY OF GRAND FORKS, NORTH DAKOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
General Government	\$ 17,402,572	\$ 15,935,547	\$ 12,777,052	\$ 13,354,061	\$ 14,229,096	\$ 15,723,994	\$ 16,872,394	\$ 16,174,877	\$ 20,660,368	\$ 20,512,226
Highways and Streets	7,069,516	7,759,336	12,207,703	10,307,032	13,969,553	14,043,190	13,284,472	14,606,269	14,954,039	16,427,719
Public Safety	20,457,799	25,795,308	28,020,466	26,129,492	28,651,930	33,326,831	14,159,871	25,095,169	38,083,406	24,638,388
Health and Welfare	3,109,041	3,084,975	3,454,318	3,584,037	3,566,356	5,216,119	6,016,802	5,604,695	4,700,529	4,621,697
Culture and Recreation	2,250,772	2,348,159	2,350,886	2,314,342	2,331,246	2,381,471	2,471,485	2,723,007	4,118,950	2,945,187
Public Works	2,595,304	5,806,722	8,337,566	9,762,975	10,068,711	9,021,808	5,757,583	9,189,027	7,639,081	16,181,919
Interest on Long-term Debt	2,746,816	2,710,099	2,536,774	2,508,528	2,818,956	3,174,662	4,061,759	3,534,192	3,643,674	5,435,566
Total Governmental Activities Expenses	55,631,820	63,440,146	69,684,765	67,960,467	75,635,848	82,888,075	62,624,366	76,927,236	93,800,047	90,762,702
Business-type Activities										
Sanitation	8,699,478	9,653,515	9,295,130	9,541,951	10,750,481	11,889,559	11,592,850	12,244,877	13,460,944	12,388,256
Wastewater	8,828,856	9,069,420	9,257,933	9,535,708	10,425,044	11,551,534	12,171,382	11,808,066	12,847,414	12,600,091
Waterworks	9,303,297	9,539,279	10,390,400	10,167,028	11,181,753	14,265,271	16,434,388	18,544,989	18,664,175	19,767,132
Stormwater	2,938,749	2,988,594	3,511,812	3,601,624	3,829,667	4,139,609	5,278,886	5,014,509	5,030,669	5,037,481
Mosquito Control	890,242	971,488	861,285	910,279	1,011,195	1,104,823	925,398	889,443	984,136	967,655
Public Transit	2,544,033	2,953,157	2,917,683	2,935,217	3,236,517	3,554,347	7,822,618	4,116,234	3,950,148	3,619,514
Dial-A-Ride	1,316,446	1,172,906	1,586,191	1,339,111	1,544,725	1,191,965	1,445,768	1,428,246	1,645,144	1,811,379
Alerus Center	10,624,525	9,493,992	9,281,649	9,825,896	10,396,914	8,369,592	10,340,082	11,319,383	10,849,768	12,619,984
Job Development Authority	2,120,933	2,373,012	3,119,030	2,037,422	2,575,743	2,642,364	4,314,500	3,154,268	2,381,390	2,071,320
Downtown Parking	435,199	437,045	396,790	360,691	340,057	453,665	365,621	372,556	502,568	328,899
The Beacon	-	-	-	-	-	-	-	-	-	1,507
Total Business-type Activities Expenses	47,701,758	48,652,408	50,617,903	50,254,927	55,292,096	59,162,729	70,691,493	68,892,571	70,316,356	71,213,218
Total Primary Government Expenses	\$ 103,333,578	\$ 112,092,554	\$ 120,302,668	\$ 118,215,394	\$ 130,927,944	\$ 142,050,804	\$ 133,315,859	\$ 145,819,807	\$ 164,116,403	\$ 161,975,920
Program Revenue										
Governmental Activities:										
Charges for Services:										
General Government	\$ 8,006,094	\$ 7,407,230	\$ 7,973,881	\$ 7,783,138	\$ 8,879,530	\$ 8,883,660	\$ 8,713,449	\$ 10,478,357	\$ 9,433,641	\$ 10,887,306
Highways and Streets	-	-	2,893	-	1,397	1,372	-	2,367	2,920	5,878
Public Safety	1,701,060	2,088,737	2,579,607	2,493,709	2,577,439	2,765,761	2,672,181	2,820,490	2,753,389	2,779,990
Health and Welfare	785,831	772,966	794,145	807,404	855,493	836,054	1,091,562	1,097,316	1,183,205	1,486,795
Culture & Recreation	47,935	49,348	47,440	44,816	31,241	6,494	16,471	20,349	24,824	29,083
Operating Grants and Contributions	8,827,214	6,998,370	7,305,566	7,658,891	7,324,543	13,937,680	9,483,686	8,517,810	8,718,377	9,218,964
Capital Grants and Contributions	12,974,596	12,955,813	14,724,975	5,750,603	14,330,937	14,825,956	25,087,121	26,899,173	40,708,024	14,910,336
Total Governmental Activities Program Revenue	32,342,730	30,272,464	33,428,507	24,538,561	34,000,580	41,256,977	47,064,470	49,835,862	62,824,380	39,318,352
Business-type Activities:										
Charges for Services:										
Sanitation	10,356,324	10,438,353	10,495,665	10,734,746	10,641,518	10,203,590	9,781,457	11,080,917	11,493,938	12,892,848
Wastewater	9,544,207	9,791,487	9,779,379	10,552,144	10,986,349	11,713,328	11,150,301	11,579,177	11,894,346	13,515,700
Waterworks	10,220,009	10,798,473	11,675,504	12,011,537	12,394,411	12,203,479	13,212,174	12,915,729	13,684,826	14,250,144
Stormwater	2,597,004	3,132,765	2,679,042	2,739,626	2,781,045	2,943,097	3,098,587	3,127,975	3,267,623	3,531,067
Mosquito Control	884,826	985,032	1,064,495	1,084,219	1,096,441	1,107,653	1,117,215	1,134,247	1,149,907	1,155,099
Public Transit	592,407	574,409	505,604	599,545	825,707	949,280	788,508	993,942	1,113,668	1,025,083
Dial-A-Ride	400	145,951	244,341	207,052	231,129	100,343	249,464	216,713	183,910	291,837
Alerus Center	5,019,402	4,708,955	4,098,112	4,615,679	4,383,938	3,155,589	4,520,436	6,125,905	4,966,312	6,953,477
Job Development Authority	2,297,859	3,210,665	2,141,371	2,344,622	2,268,995	2,139,605	2,093,219	1,474,982	876,284	847,165
Downtown Parking	342,713	438,711	322,926	274,160	222,416	163,772	120,681	258,275	123,551	214,696
Operating Grants and Contributions	4,539,439	1,776,330	1,958,036	1,195,811	1,537,290	2,727,074	3,763,772	2,741,344	2,310,338	2,912,135
Capital Grants and Contributions	2,197,448	9,266,187	22,526,575	33,088,203	32,024,321	16,336,896	3,126,698	5,552,103	16,129,865	15,077,351
Total Business-type Activities Program Revenue	48,592,038	55,267,318	67,491,050	79,447,344	79,393,560	63,743,706	53,022,512	57,201,309	67,194,568	72,666,602
Total Primary Government Program Revenue	\$ 80,934,768	\$ 85,539,782	\$ 100,919,557	\$ 103,985,905	\$ 113,394,140	\$ 105,000,683	\$ 100,086,982	\$ 107,037,171	\$ 130,018,948	\$ 111,984,954

CITY OF GRAND FORKS, NORTH DAKOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense) Revenue										
Governmental Activities	\$ (23,289,090)	\$ (33,167,682)	\$ (36,256,258)	\$ (43,421,906)	\$ (41,635,268)	\$ (41,631,098)	\$ (15,559,896)	\$ (27,091,374)	\$ (30,975,667)	\$ (51,444,350)
Business-type activities	890,280	6,614,910	16,873,147	29,192,417	24,101,464	4,580,977	(17,668,981)	(11,691,262)	(3,121,788)	1,453,384
Total Net Expense	<u>\$ (22,398,810)</u>	<u>\$ (26,552,772)</u>	<u>\$ (19,383,111)</u>	<u>\$ (14,229,489)</u>	<u>\$ (17,533,804)</u>	<u>\$ (37,050,121)</u>	<u>\$ (33,228,877)</u>	<u>\$ (38,782,636)</u>	<u>\$ (34,097,455)</u>	<u>\$ (49,990,966)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	\$ 17,547,774	\$ 18,064,474	\$ 19,526,930	\$ 20,402,535	\$ 20,813,060	\$ 21,443,385	\$ 21,455,684	\$ 21,960,554	\$ 23,388,198	\$ 24,770,184
Sales Taxes	11,807,520	11,386,164	10,844,182	14,790,184	16,869,543	16,858,213	19,139,716	20,873,662	21,372,119	23,242,720
Hotel/Motel Sales Taxes	-	-	-	-	999,838	549,414	767,056 *	1,106,309	1,241,544	1,401,745
State aid distribution	4,308,754	3,164,182	3,079,446	3,545,610	3,743,718	3,215,584	3,479,603	4,085,627	4,654,984	4,726,315
Franchise Taxes	2,471,991	2,452,984	2,580,282	2,578,464	2,444,904	2,360,683	2,693,209	3,363,146	3,052,376	2,845,097
Other Taxes	891,893	1,136,931	936,753	665,378	668,166	680,867	673,801	695,163	672,632	1,019,888
Investment Earnings/Loss	455,804	701,848	531,193	1,183,167	2,511,525	1,024,164	(175,767)	(1,534,236)	4,382,097	5,059,964
Gain(loss) on disposition of capital assets	858,642	35,666	-	-	-	-	4,730	2,268	-	46,133
Miscellaneous	205,898	247,658	1,304,134	363,130	560,600	1,083,447	966,857	352,162	1,095,973	519,730
Transfers	1,401,853	248,937	1,799,987	(1,998,051)	(1,068,860)	(668,826)	(4,874,954)	(6,772,408)	(9,241,209)	(3,461,597)
Total Governmental Activities	<u>39,950,129</u>	<u>37,438,844</u>	<u>40,602,907</u>	<u>41,530,417</u>	<u>47,542,494</u>	<u>46,546,931</u>	<u>44,129,935</u>	<u>44,132,247</u>	<u>50,618,714</u>	<u>60,170,179</u>
Business-type Activities:										
Property tax	999,737	1,073,660	1,168,530	1,221,832	1,244,401	1,269,066	1,274,619	1,294,410	1,341,429	1,502,586
Sales tax	9,227,105	8,916,161	8,536,183	8,775,906	8,902,308	8,794,001	9,998,521	10,927,087	11,239,165	12,306,059
Other taxes	30,974	28,937	29,280	30,512	30,952	31,580	31,613	34,033	35,854	59,229
Investment Earnings	848,607	884,722	853,790	1,105,951	1,799,228	1,642,416	74,567	(999,753)	3,072,955	3,745,545
Gain (loss) on sale of capital assets	78,922	24,721	357,964	486,429	461,292	904,583	169,982	52,484	23,230	745,955
Miscellaneous	72,605	19,759	84,035	59,620	40,927	19,620	224,947	1,686,018	1,902,860	34,341
Transfers	(1,401,853)	(248,937)	(1,799,987)	1,998,051	1,068,860	668,826	4,874,954	6,772,408	9,241,209	3,461,597
Total Business-type Activities	<u>9,856,097</u>	<u>10,699,023</u>	<u>9,229,795</u>	<u>13,678,301</u>	<u>13,547,968</u>	<u>13,330,092</u>	<u>16,649,203</u>	<u>19,766,687</u>	<u>26,856,702</u>	<u>21,855,312</u>
Total Primary Government	<u>\$ 49,806,226</u>	<u>\$ 48,137,867</u>	<u>\$ 49,832,702</u>	<u>\$ 55,208,718</u>	<u>\$ 61,090,462</u>	<u>\$ 59,877,023</u>	<u>\$ 60,779,138</u>	<u>\$ 63,898,934</u>	<u>\$ 77,475,416</u>	<u>\$ 82,025,491</u>
Change in Net Position										
Governmental Activities	\$ 16,661,039	\$ 4,271,162	\$ 4,346,649	\$ (1,891,489)	\$ 5,907,226	\$ 4,915,833	\$ 28,570,039	\$ 17,040,873	\$ 19,643,047	\$ 8,725,829
Business-type Activities	10,746,377	17,313,933	26,102,942	42,870,718	37,649,432	17,911,069	(1,019,778)	8,075,425	23,734,914	23,308,696
Total Change in Net Position Primary Government	<u>\$ 27,407,416</u>	<u>\$ 21,585,095</u>	<u>\$ 30,449,591</u>	<u>\$ 40,979,229</u>	<u>\$ 43,556,658</u>	<u>\$ 22,826,902</u>	<u>\$ 27,550,261</u>	<u>\$ 25,116,298</u>	<u>\$ 43,377,961</u>	<u>\$ 32,034,525</u>

*Hotel/Motel Tax for the Conventions and Visitors Bureau Fund was reclassified in 2019 as a result of GASB Statement 84, Fiduciary Activities which required the change from an Agency to a Special Revenue Fund

**CITY OF GRAND FORKS, NORTH DAKOTA
PROGRAM REVENUE BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function/Program										
Governmental activities:										
General government	\$ 10,072,906	\$ 7,843,090	\$ 8,770,125	\$ 8,768,648	\$ 9,232,999	\$ 9,361,061	\$ 9,989,774	\$ 13,944,873	\$ 15,987,909	\$ 11,670,445
Highways and streets	3,541,765	3,101,680	5,131,354	3,474,912	3,469,404	5,586,173	-	5,277,201	14,300,757	5,622,211
Public safety	2,953,454	3,459,529	3,676,065	3,365,523	3,769,403	3,914,397	5,620,630	4,918,563	4,334,139	5,488,858
Health and welfare	2,213,992	2,228,384	2,492,847	2,384,956	2,446,123	11,554,296	2,294,462	4,435,889	3,761,703	3,639,999
Culture and recreation	789,761	815,582	946,797	960,275	901,350	943,764	3,228,587	819,531	1,021,996	1,051,482
Public works/flood protection	12,770,852	12,824,199	14,587,996	5,584,247	14,181,301	9,897,286	25,931,017	20,439,805	23,417,876	11,845,357
Subtotal governmental activities	<u>\$ 32,342,730</u>	<u>\$ 30,272,464</u>	<u>\$ 35,605,184</u>	<u>\$ 24,538,561</u>	<u>\$ 34,000,580</u>	<u>\$ 41,256,977</u>	<u>\$ 47,064,470</u>	<u>\$ 49,835,862</u>	<u>\$ 62,824,380</u>	<u>\$ 39,318,352</u>
Business-type activities:										
Sanitation	\$ 10,356,324	\$ 10,438,353	\$ 10,495,665	\$ 10,734,746	\$ 10,641,518	\$ 10,227,466	\$ 9,781,457	\$ 11,081,471	\$ 11,493,938	\$ 12,892,848
Wastewater	10,171,648	10,884,636	13,645,009	13,955,685	12,862,615	12,297,178	11,616,308	12,257,976	15,448,799	17,659,253
Water	13,058,118	15,615,848	27,645,712	38,067,343	33,700,737	20,233,841	14,337,034	13,393,103	16,756,554	15,255,612
Stormwater	3,532,196	5,907,794	5,222,536	5,325,984	7,647,568	7,688,423	4,040,578	6,855,404	8,356,040	10,986,675
Mosquito Control	895,949	988,532	1,067,995	1,084,219	1,096,441	1,107,653	1,117,215	1,134,247	1,149,907	1,155,099
Public Transit	1,495,393	2,131,015	1,555,241	2,044,700	5,378,920	5,592,854	2,980,579	2,382,808	6,585,431	5,154,397
Dial-A-Ride	1,403,731	926,799	1,281,679	986,609	1,177,724	881,399	1,551,640	927,931	1,269,871	1,399,973
Alerus Center	5,038,107	4,724,965	4,112,916	4,629,276	4,396,626	3,178,520	4,533,018	6,245,586	4,979,617	6,960,046
Job Development Authority	2,297,859	3,210,665	2,141,371	2,344,622	2,268,995	2,372,600	2,944,002	2,664,508	1,030,860	988,003
Downtown parking	342,713	438,711	322,926	274,160	222,416	163,772	120,681	258,275	123,551	214,696
Subtotal business-type activities	<u>\$ 48,592,038</u>	<u>\$ 55,267,318</u>	<u>\$ 67,491,050</u>	<u>\$ 79,447,344</u>	<u>\$ 79,393,560</u>	<u>\$ 63,743,706</u>	<u>\$ 53,022,512</u>	<u>\$ 57,201,309</u>	<u>\$ 67,194,568</u>	<u>\$ 72,666,602</u>
Total primary government	<u>\$ 80,934,768</u>	<u>\$ 85,539,782</u>	<u>\$ 103,096,234</u>	<u>\$ 103,985,905</u>	<u>\$ 113,394,140</u>	<u>\$ 105,000,683</u>	<u>\$ 100,086,982</u>	<u>\$ 107,037,171</u>	<u>\$ 130,018,948</u>	<u>\$ 111,984,954</u>

Note: Fluctuations in program revenue of governmental activities are due to the level of construction activity/capital contribution in the permanent flood protection project.

CITY OF GRAND FORKS, NORTH DAKOTA
GOVERNMENT WIDE EXPENSES BY FUNCTION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government	\$ 17,402,572	\$ 15,935,547	\$ 12,777,052	\$ 13,354,061	\$ 14,229,096	\$ 15,723,994	\$ 16,872,394	\$ 16,174,877	\$ 20,660,368	\$ 20,512,226
Highways and Streets	7,069,516	7,759,336	12,207,703	10,307,032	13,969,553	14,043,190	13,284,472	14,606,269	14,954,039	16,427,719
Public Safety	20,457,799	25,795,308	28,020,466	26,129,492	28,651,930	33,326,831	14,159,871	25,095,169	38,083,406	24,638,388
Health and Welfare	3,109,041	3,084,975	3,454,318	3,584,037	3,566,356	5,216,119	6,016,802	5,604,695	4,700,529	4,621,697
Culture and Recreation	2,250,772	2,348,159	2,350,886	2,314,342	2,331,246	2,381,471	2,471,485	2,723,007	4,118,950	2,945,187
Public Works	2,595,304	5,806,722	8,337,566	9,762,975	10,068,711	9,021,808	5,757,583	9,189,027	7,639,081	16,181,919
Interest on Long-term Debt	2,746,816	2,710,099	2,536,774	2,508,523	2,818,956	3,174,662	4,061,759	3,534,192	3,643,674	5,435,566
Sanitation	8,699,478	9,653,515	9,295,130	9,541,951	10,750,481	11,889,559	11,592,850	12,244,877	13,460,944	12,388,256
Wastewater	8,828,856	9,069,420	9,257,933	9,535,708	10,425,044	11,551,534	12,171,382	11,808,066	12,847,414	12,600,091
Waterworks	9,303,297	9,539,279	10,390,400	10,167,028	11,181,753	14,265,271	16,434,388	18,544,989	18,664,175	19,767,132
Stormwater	2,938,749	2,988,594	3,511,812	3,601,624	3,829,667	4,139,609	5,278,886	5,014,509	5,030,669	5,037,481
Mosquito Control	890,242	971,488	861,285	910,279	1,011,195	1,104,823	925,398	889,443	984,136	967,655
Public Transit	2,544,033	2,953,157	2,917,683	2,935,217	3,236,517	3,554,347	7,822,618	4,116,234	3,950,148	3,619,514
Dial-A-Ride	1,316,446	1,172,906	1,586,191	1,339,111	1,544,725	1,191,965	1,445,768	1,428,246	1,645,144	1,811,379
Alerus Center	10,624,525	9,493,992	9,281,649	9,825,896	10,396,914	8,369,592	10,340,082	11,319,383	10,849,768	12,619,984
Job Development Authority	2,120,933	2,373,012	3,119,030	2,037,422	2,575,743	2,642,364	4,314,500	3,154,268	2,381,390	2,071,320
Downtown Parking	435,199	437,045	396,790	360,691	340,057	453,665	365,621	372,556	502,568	328,899
The Beacon										1,507
Total	<u>\$ 103,333,578</u>	<u>\$ 112,092,554</u>	<u>\$ 120,302,668</u>	<u>\$ 118,215,389</u>	<u>\$ 130,927,944</u>	<u>\$ 142,050,804</u>	<u>\$ 133,315,859</u>	<u>\$ 145,819,807</u>	<u>\$ 164,116,403</u>	<u>\$ 161,975,920</u>

Table 5

CITY OF GRAND FORKS, NORTH DAKOTA
FUND BALANCES OF GOVERNMENTAL FUNDS*
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Non-spendable	\$ 28,901	\$ 28,901	\$ 51,643	\$ 46,454	\$ 24,016	\$ 32,324	\$ 22,773	\$ 4,309	\$ 2,254	\$ 212
Restricted										
Committed	2,845,595	2,695,281	2,084,078	2,104,011	1,981,954	2,074,420	2,010,722	2,947,727	776,176	1,633,596
Assigned	3,009,864	2,821,898	2,548,757	2,321,551	2,204,498	2,577,587	2,649,918	2,333,409	2,359,869	2,613,999
Unassigned	8,204,666	8,520,180	8,647,541	9,182,576	9,436,119	13,058,337	11,408,610	14,830,642	17,315,721	19,180,081
Total General Fund	<u>\$ 14,089,026</u>	<u>\$ 14,066,260</u>	<u>\$ 13,332,019</u>	<u>\$ 13,654,592</u>	<u>\$ 13,646,587</u>	<u>\$ 17,742,668</u>	<u>\$ 16,092,023</u>	<u>\$ 20,116,087</u>	<u>\$ 20,454,020</u>	<u>\$ 23,427,888</u>
All Other Governmental Funds										
Non-spendable	\$ -	\$ -	\$ 310	\$ 15,566	\$ 22,159	\$ 30,279	\$ 28,002	\$ 25,866	\$ 28,358	\$ 33,613
Restricted	51,925,748	51,503,373	55,651,890	58,895,746	65,640,958	60,651,417	59,064,738	61,422,371	79,298,146	70,528,445
Committed	4,292,660	4,531,078	4,906,440	4,524,186	5,005,963	5,145,615	5,078,975	3,602,796	3,339,468	1,750,341
Assigned										
Unassigned										
Total all Other Governmental Funds	<u>\$ 56,218,408</u>	<u>\$ 56,034,451</u>	<u>\$ 60,558,640</u>	<u>\$ 63,435,498</u>	<u>\$ 70,669,080</u>	<u>\$ 65,827,311</u>	<u>\$ 64,171,715</u>	<u>\$ 65,051,033</u>	<u>\$ 82,665,972</u>	<u>\$ 72,312,399</u>

Table 6

CITY OF GRAND FORKS, NORTH DAKOTA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

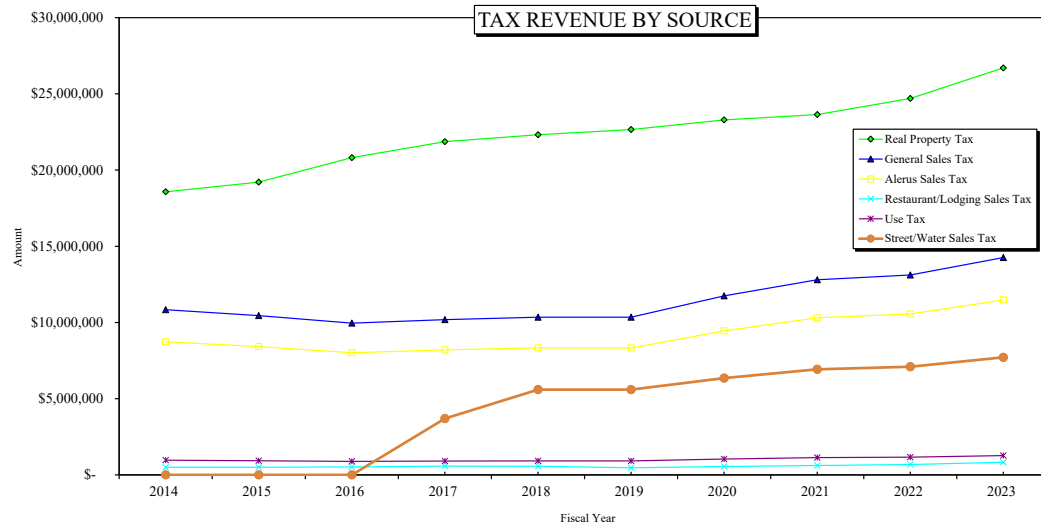
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 29,355,294	\$ 29,450,638	\$ 30,371,112	\$ 35,192,719	\$ 38,682,441	\$ 38,851,014	\$ 41,362,455	\$ 43,940,525	\$ 46,001,861	\$ 49,414,650
Licenses, fees and permits	2,210,419	1,737,903	1,863,331	1,871,020	1,975,505	2,025,224	2,177,109	3,061,233	2,452,655	2,558,530
Intergovernmental	14,302,703	11,372,547	11,783,061	12,110,317	12,011,460	22,763,648	15,036,141	21,334,671	31,336,143	18,059,795
Charges for services	7,353,742	7,819,779	8,731,617	8,622,749	9,794,561	9,955,807	9,428,626	10,333,612	10,201,514	11,539,539
Special assessments	8,593,147	8,683,063	9,606,183	9,707,478	9,216,414	10,234,260	9,537,941	9,283,828	9,126,988	9,896,919
Fines and forfeitures	905,661	871,577	928,074	774,980	747,422	635,406	809,702	947,752	743,810	1,090,986
Lease revenues								13,645	13,645	13,645
Investment earnings/loss	454,947	700,740	530,525	1,176,225	2,488,993	1,667,167	(165,160)	(1,517,789)	4,334,072	5,054,962
Other revenues	2,677,885	2,648,216	3,435,049	2,727,829	2,707,721	3,027,937	3,180,037	3,679,418	4,134,704	3,351,182
Total Revenues	65,853,798	63,284,463	67,248,952	72,183,317	77,624,517	89,160,463	81,366,851	91,076,895	108,345,392	100,980,208
Expenditures										
General government	16,118,958	14,730,723	12,114,982	12,561,669	12,976,136	14,223,762	15,570,702	14,827,101	15,130,943	18,757,530
Health and welfare	3,065,005	3,021,001	3,402,647	3,606,828	3,538,878	5,066,620	5,710,601	5,604,279	4,631,371	4,688,345
Public safety	19,274,148	21,320,986	21,729,523	22,278,186	23,589,495	23,752,466	24,941,961	25,957,516	28,027,116	29,407,292
Highways and streets	4,089,751	4,417,385	6,787,004	6,972,014	7,738,401	7,673,173	7,734,331	8,477,446	8,360,791	9,193,446
Culture & recreation	2,226,502	2,327,625	2,331,928	2,301,087	2,318,146	2,370,694	2,461,769	2,714,345	2,894,609	2,940,158
Capital outlay	19,548,583	15,443,257	18,910,524	20,756,231	31,290,722	27,821,669	21,473,656	29,438,630	36,175,469	38,239,302
Debt Service:										
Contractual services	20,577	8,955	6,762	16,047	17,501	22,188	3,829	20,030	1,566	3,552
Bond issue costs	126,626	154,038	63,262	68,868	168,686	112,204	193,237	103,579	224,171	102,328
Interest & fiscal charges	2,660,349	2,627,104	2,566,605	2,586,452	2,813,973	3,338,860	3,155,410	3,152,176	3,551,160	4,409,060
Principal	8,320,285	9,550,174	10,637,434	9,739,107	8,017,339	9,345,247	7,519,705	5,528,956	6,250,728	6,199,650
Total Expenditures	75,450,784	73,601,248	78,550,671	80,886,489	92,469,277	93,726,883	88,765,201	95,824,058	105,247,924	113,940,663
Excess of revenues over (under) expenditures	(9,596,986)	(10,316,785)	(11,301,719)	(8,703,172)	(14,844,760)	(4,566,420)	(7,398,350)	(4,747,163)	3,097,468	(12,960,455)
Other Financing Sources (Uses)										
Proceeds from borrowing	10,415,000	7,250,000	7,460,808	13,399,917	22,160,000	4,628,215	7,972,660	11,928,330	23,899,483	9,117,002
Premium on bonds issued	413,692	249,322	308,221	771,222	1,395,336	664,167	1,070,447	482,374	464,663	407,581
Proceeds from refunding	-	-	2,735,000	-	-	1,430,000	1,550,000	-	-	-
Redemption of refunded bonds	-	-	(860,000)	-	-	(1,320,000)	(2,485,000)	-	-	-
Sale of capital assets	100	2,252,851	369,424	65,443	18,353	47,596	4,730	49,375	7,022	46,133
Transfers in	11,518,710	29,476,505	12,625,688	13,821,331	19,007,591	19,562,758	25,038,956	23,902,319	36,240,975	20,753,752
Transfers out	(11,221,811)	(29,447,684)	(12,529,079)	(16,155,310)	(20,585,594)	(21,192,004)	(29,059,684)	(26,711,853)	(45,756,739)	(24,743,718)
Total other financing sources (uses)	11,125,691	9,780,994	10,110,062	11,902,603	21,995,686	3,820,732	4,092,109	9,650,545	14,855,404	5,580,750
Net change in fund balances	\$ 1,528,705	\$ (535,791)	\$ (1,191,657)	\$ 3,199,431	\$ 7,150,926	\$ (745,688)	\$ (3,306,241)	\$ 4,903,382	\$ 17,952,872	\$ (7,379,705)
Debt Service as a percentage of noncapital expenditures	17.64%	22.48%	19.51%	17.74%	15.50%	16.96%	15.16%	12.32%	12.17%	11.60%

CITY OF GRAND FORKS, NORTH DAKOTA

TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS

Levy Year	Collection Year	Alerus Center Sales Tax (3/4%)	Street/Water Sales Tax (1/2%) (1)	Restaurant/Lodging Sales Tax (1/4%)	General Sales Tax (1%)	Use Tax	Total Sales & Use Tax Collections	Taxable Sales & Purchases	Real Property Tax Levy
2014	2015	\$ 8,727,298	\$ -	\$ 499,807	\$ 10,842,384	\$ 965,136	\$ 21,034,625	\$ 1,212,672,435	\$ 18,574,356
2015	2016	8,415,860	-	500,301	10,455,469	930,695	20,302,325	1,185,719,508	19,214,448
2016	2017	8,015,265	-	520,918	9,957,788	886,394	19,380,365	1,159,583,297	20,813,101
2017	2018	8,199,411	3,698,234	576,495	10,186,198	905,752	23,566,090	1,018,084,191	21,863,774
2018	2019	8,331,447	5,599,660	570,861	10,350,046	919,836	25,771,850	1,018,952,073	22,323,108
2019	2020	8,325,851	5,595,899	468,150	10,343,095	919,218	25,652,213	957,471,412	22,656,578
2020	2021	9,452,630	6,353,095	545,891	11,742,449	1,044,173	29,138,238	1,064,072,186	23,294,339
2021	2022	10,308,982	6,928,639	618,105	12,806,213	1,138,811	31,800,748	1,116,785,465	23,637,363
2022	2023	10,555,157	7,094,088	684,008	13,112,005	1,166,025	32,611,284	1,171,717,637	24,704,203
2023	2024	11,479,001	7,715,167	827,057	14,260,211	1,267,343	35,548,779	1,199,731,043	26,706,080

(1) Beginning in May of 2018, an additional 1/2% sales tax was implemented for Street and Water Infrastructure

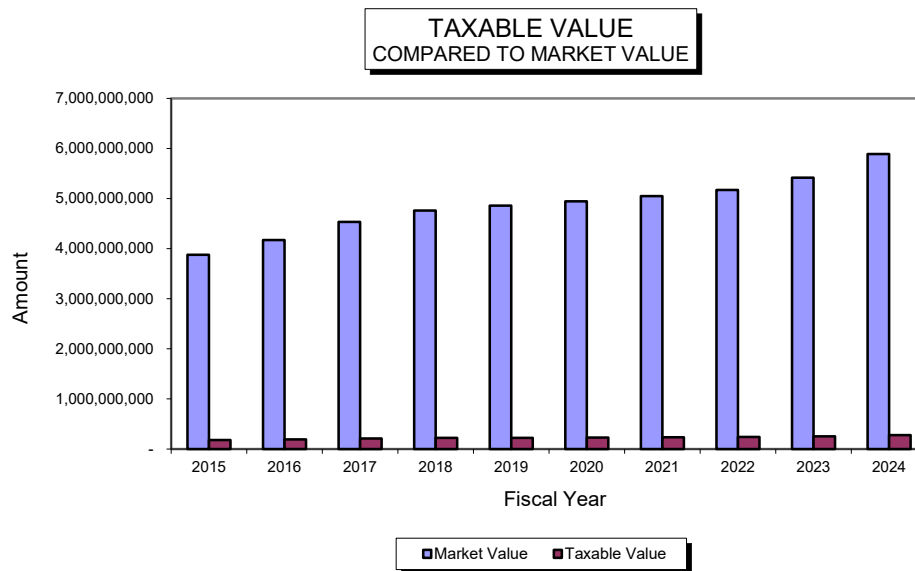




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CITY OF GRAND FORKS, NORTH DAKOTA
ASSESSED AND ESTIMATED MARKET VALUE
OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value	Estimated Market Value	Ratio of Assessed to Market Value	Taxable Value	Effective Tax Rate - Residential *	Effective Tax Rate - Commercial *
2015	1,938,089,950	3,876,179,900	50.0%	180,137,234	1.32%	1.47%
2016	2,086,141,789	4,172,283,578	50.0%	193,836,206	1.29%	1.43%
2017	2,267,112,048	4,534,224,096	50.0%	210,658,918	1.28%	1.42%
2018	2,380,497,980	4,760,995,960	50.0%	221,315,656	1.35%	1.50%
2019	2,431,251,710	4,862,503,420	50.0%	225,896,656	1.35%	1.50%
2020	2,472,716,840	4,945,433,680	50.0%	229,619,718	1.37%	1.52%
2021	2,525,499,090	5,050,998,180	50.0%	238,013,072	1.36%	1.51%
2022	2,585,424,820	5,170,849,640	50.0%	243,633,917	1.39%	1.54%
2023	2,709,209,680	5,418,419,360	50.0%	255,103,295	1.48%	1.64%
2024	2,944,762,300	5,889,524,600	50.0%	277,120,261	1.59%	1.76%



* Reflects all taxing entities

Table 8

Property Value						
Year	Commercial	Residential	Agricultural	Public Utilities	Tax Increments	Total Estimated Market Value
2015	1,620,478,400	2,199,343,500	826,000	56,065,800	(533,800)	3,876,179,900
2016	1,716,367,400	2,389,340,778	1,353,700	65,755,500	(533,800)	4,172,283,578
2017	1,866,291,000	2,586,681,700	1,390,600	79,860,796	-	4,534,224,096
2018	1,974,584,600	2,710,883,900	1,317,900	74,209,560	-	4,760,995,960
2019	1,996,917,700	2,783,917,200	1,048,400	80,620,120	-	4,862,503,420
2020	2,001,833,900	2,848,138,200	998,100	94,463,480	-	4,945,433,680
2021	2,047,971,200	2,908,661,800	966,300	93,398,880	-	5,050,998,180
2022	2,095,524,000	2,983,058,400	979,200	91,288,040	-	5,170,849,640
2023	2,151,501,500	3,164,807,100	1,415,800	100,694,960	-	5,418,419,360
2024	2,304,505,000	3,470,249,000	1,910,000	116,149,640	(3,289,040)	5,889,524,600

CITY OF GRAND FORKS, NORTH DAKOTA

PROPERTY TAX LEVY AND COLLECTION
LAST TEN FISCAL YEARS

Levy Year(1)	Total Tax Levy	Discounts	Current Tax Collected	Percent of Levy Collected
2014	18,564,943	692,917	17,719,069	99.1%
2015	19,214,448	742,922	18,278,811	99.0%
2016	20,813,101	807,977	19,795,927	99.0%
2017	21,863,774	907,977	20,679,822	98.7%
2018	22,323,108	968,526	20,968,072	98.2%
2019	22,656,578	989,241	21,374,735	98.6%
2020	23,294,339	1,025,985	21,669,736	97.3%
2021	23,637,363	1,034,807	22,005,113	97.4%
2022	24,704,203	1,082,006	23,030,789	97.5%
2023	26,706,080	1,147,053	25,296,092	99.0%

(1) Collection year is one year later
(i.e., Levy Year 2023 Collection Year 2024)

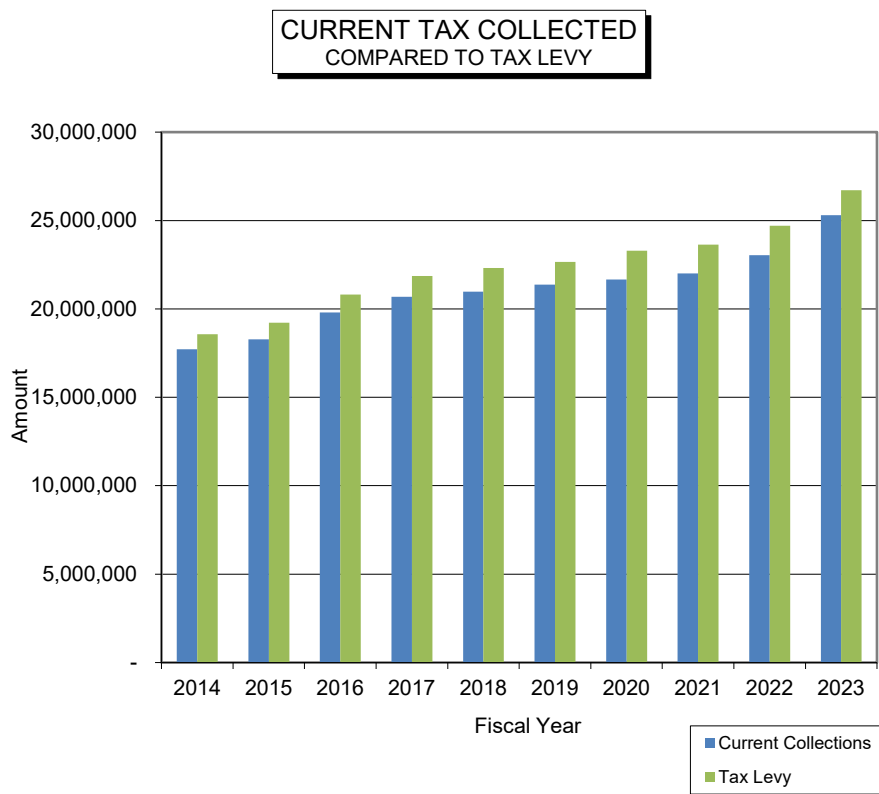
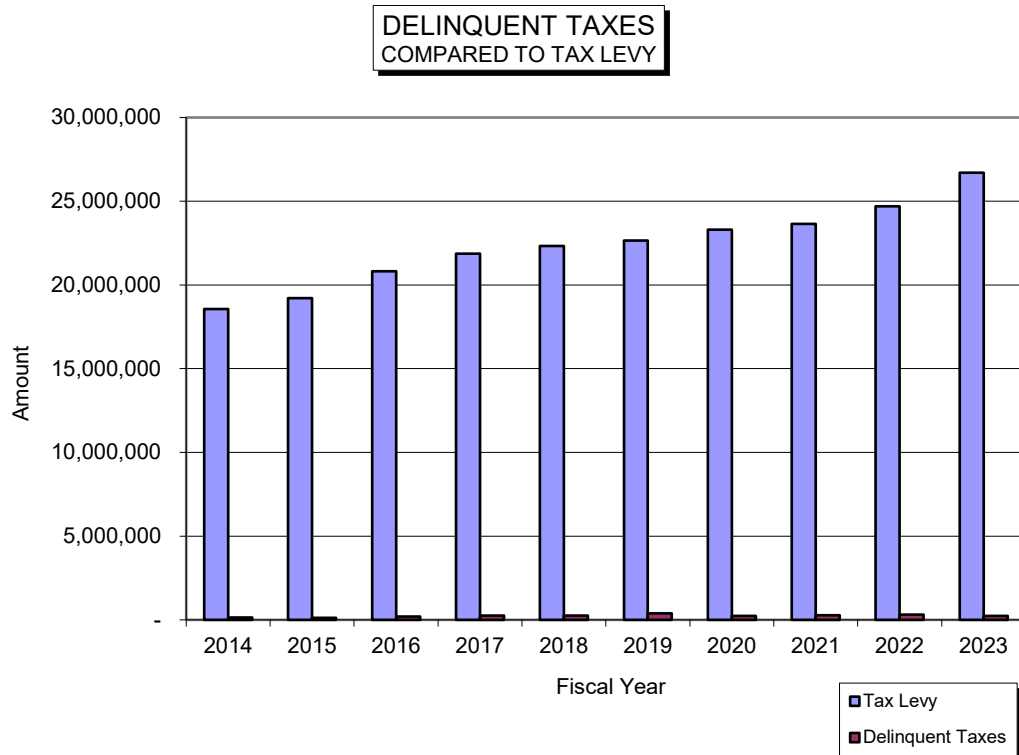


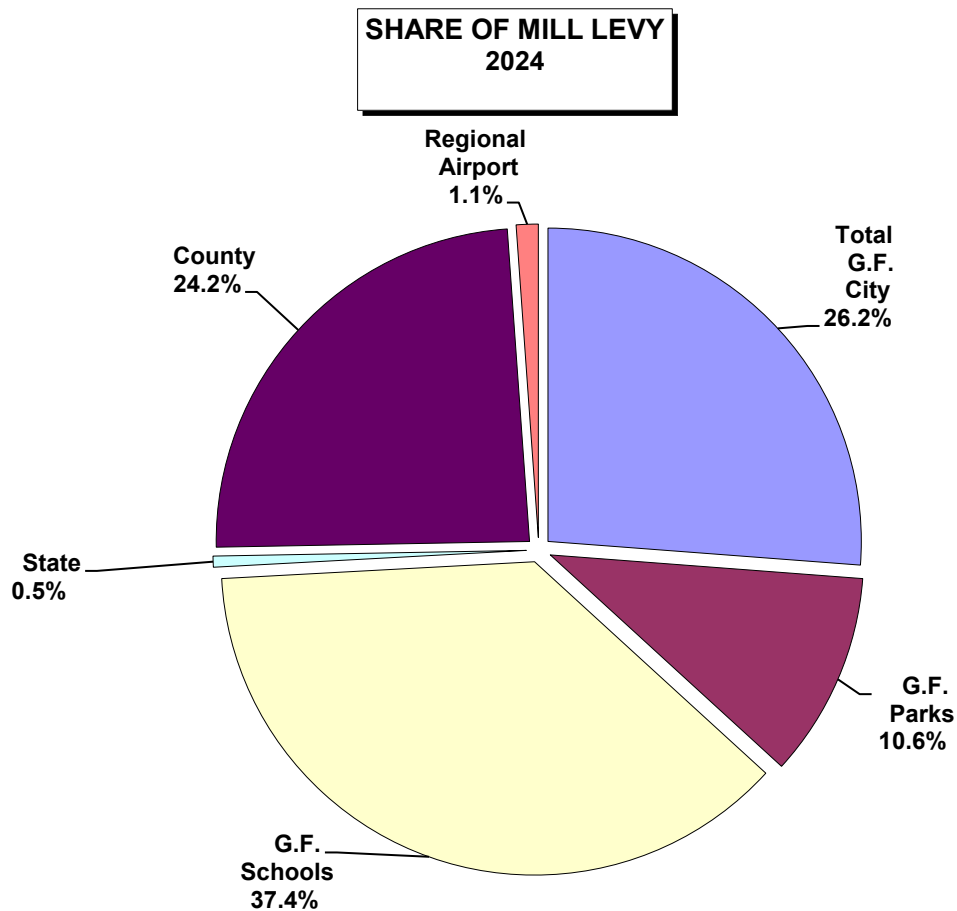
Table 9

Levy Year	Delinquent Tax Collection	Total Collection	Collection as Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
2014	136,371	17,855,440	96.2%	176,489	0.99%
2015	121,405	18,400,216	95.8%	199,539	1.08%
2016	188,692	19,984,619	96.0%	295,572	1.48%
2017	247,338	20,927,160	95.7%	339,827	1.62%
2018	252,528	21,220,600	95.1%	539,108	2.52%
2019	388,263	21,762,998	96.1%	545,163	2.52%
2020	233,357	21,903,093	94.0%	430,743	1.93%
2021	273,364	22,278,477	94.3%	428,280	1.89%
2022	304,079	23,334,868	94.5%	325,028	1.38%
2023	226,757	25,522,848	95.6%	322,775	1.26%



CITY OF GRAND FORKS, NORTH DAKOTA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(In Mills)

CITY OF GRAND FORKS											
Fiscal Year	Gen. Fund	Sp Rev Funds	Debt Svc Funds	Public Trans	Total G.F. City	G.F. Parks	G.F. Schools	State	County	Regional Airport	Total
2015	70.20	17.60	5.37	5.78	98.95	40.50	97.36	2.00	109.74	4.11	352.66
2016	66.25	17.60	5.36	5.77	94.98	40.40	97.36	2.00	104.24	4.10	343.08
2017	66.58	17.03	5.34	5.76	94.71	40.28	97.36	2.00	101.98	4.09	340.42
2018	66.57	17.03	5.34	5.76	94.70	39.17	97.36	2.00	78.05	4.09	315.37
2019	68.11	17.02	3.84	5.76	94.73	39.06	98.00	2.00	78.00	4.09	315.88
2020	68.74	18.01	2.09	5.75	94.59	39.00	101.00	2.00	80.20	4.08	320.87
2021	70.32	17.82	-	5.65	93.79	38.19	100.94	2.00	78.82	4.08	317.82
2022	70.15	17.17	-	5.65	92.97	37.88	111.00	2.00	77.29	4.05	325.19
2023	70.00	17.20	-	5.64	92.84	37.80	110.79	2.00	80.63	3.99	328.06
2024	69.84	16.90	-	5.64	92.38	37.31	131.69	2.00	85.16	3.99	352.53



CITY OF GRAND FORKS, NORTH DAKOTA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2023 Values (2024 collections)			2014 Values (2015 collections)		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
IRET Properties	\$ 4,048,400	1	1.46%	\$ 2,924,995	2	1.62%
Sterling Properties LLLP	3,307,850	2	1.19%	1,153,722	5	
Altru Health System ⁽¹⁾	2,661,500	3	0.96%	3,479,385	1	1.91%
Simplot US Food Group Holdings, LLC	1,623,850	4	0.59%			0.00%
LM Wind Power Blades (ND) INC	1,078,200	5	0.39%	958,705	9	
Menards, inc	1,075,650	6	0.39%	1,038,405	6	0.58%
Sterling Pointe Apartment, LLC	1,041,250	7	0.38%			
Wal-Mart Real Estate Business Trust ⁽²⁾	1,025,700	8	0.37%	1,991,800	3	
GFDA, LLC	1,014,300	9	0.37%			
Campus Crest at Grand Forks, LLC	119,650	10	0.04%			
Edgewood Properties, LLLP				994,225	8	0.55%
Columbia Grand Forks, LLC				1,654,600	4	0.92%
EVI McEnroe Apartments, LLC				877,740	10	0.49%
Canad Inns				1,023,445	7	0.57%
	<u>\$ 16,996,350</u>		<u>6.13%</u>	<u>\$ 16,097,022</u>		<u>6.65%</u>

2023 Total Taxable Value \$ 277,120,261
2014 Total Taxable Value \$ 180,137,234

Source: City of Grand Forks Assessing Department

(1) This has previously been reported as United Hospital with only a value for the property owned by the former United Hospital. United Hospital and Grand Forks Clinic integrated to become Altru Health System in 1997. Beginning in 2012, we have changed the name to Altru Health System and will be showing the full value of all property held by Altru Health System. Comparative information is for United Hospital only value.

(2) Includes multiple properties in Grand Forks owned by Wal-Mart Real Estate Business Trust.

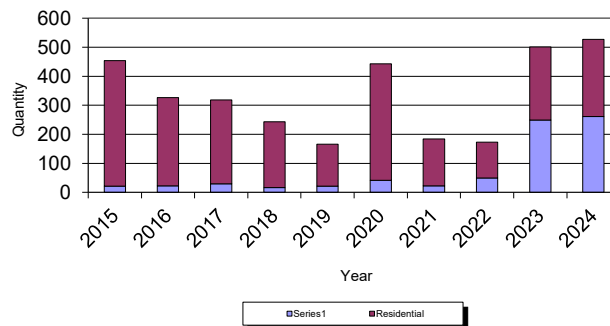
CITY OF GRAND FORKS, NORTH DAKOTA
CONSTRUCTION VALUE
LAST TEN CALENDAR YEARS

Year	Commercial Construction		Residential Construction	
	Number of Permits(1)	Value (2)	Number of Units	Value(2)
2015	21	\$ 35,688,744	433	\$ 62,109,411
2016	22	25,169,665	304	48,502,233
2017	29	22,824,499	289	44,644,894
2018	16	56,649,157	227	41,679,488
2019	21	59,486,635	145	34,506,943
2020	41	133,054,714	402	57,352,088
2021	22	48,435,959	162	38,776,488
2022	49	337,461,499	124	31,184,885
2023	249	241,544,033	252	38,202,204
2024	261	368,485,577	266	24,898,657

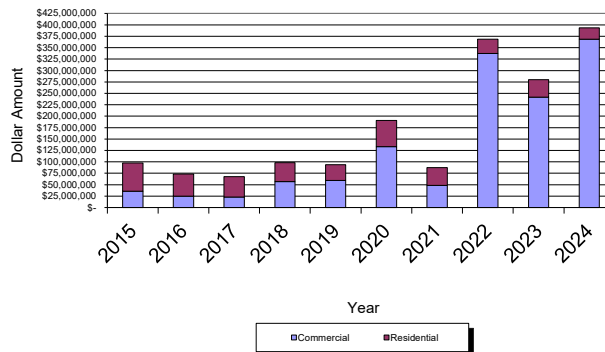
(1) Estimated Actual Value. Source - City Department of Building Safety

(2) In 2022, this statistic was changed to include all permits issued. Prior to 2022, minor repairs permits were not included in this value.

CONSTRUCTION PERMITS
NUMBER OF UNITS



CONSTRUCTION PERMITS
VALUE



CITY OF GRAND FORKS, NORTH DAKOTA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	GOVERNMENTAL ACTIVITIES									BUSINESS-TYPE ACTIVITIES							Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Sales Tax Revenue Bonds	SRF Loans	Industrial Development Bonds	Capital Leases	Lease Liability	Subscription Liability	Revenue Bonds	Sales Tax Revenue Bonds	SRF Loans	Capital Leases	Lease Liability	Subscription Liability	Notes	Financed Purchases			
2015	\$ 7,432,145	\$ 60,888,974	\$ 7,685,810		\$ 892,118	-	-	-	\$ 23,789,012	\$46,726,332	\$16,930,000	-	-	-	\$ 1,451,843		\$ 165,796,234	3.58%	\$ 2,809
2016	8,483,130	61,706,056	6,215,667		392,944	-	-	-	26,758,819	44,371,669	13,720,000	\$ 813,556	-	-	1,179,107		163,640,948	3.35%	2,759.59
2017	5,365,174	70,095,673	4,830,524		-	\$386,155	-	-	28,686,671	41,742,007	20,404,336	771,326	-	-	901,491		173,183,357	3.47%	2,892.66
2018	4,194,912	76,317,998	3,670,381		-	679,160	-	-	27,770,495	38,997,344	44,342,494	534,521	-	-	796,040		197,303,345	3.81%	3,269.26
2019	2,999,650	94,126,231	2,450,238		-	543,950	-	-	28,908,980	36,147,681	69,148,646	290,693	-	-	-		234,616,069	4.48%	3,869.25
2020	2,441,125	91,534,221	1,185,095		-	727,361	-	-	27,979,747	33,173,019	77,053,485	619,545	-	-	-		234,713,598	4.09%	3,967.04
2021	1,867,600	93,262,894	-		-	936,809	-	-	25,801,662	30,073,357	73,615,000	1,411,326	-	-	-		226,968,648	3.76%	3,720.80
2022	1,284,443	98,361,074	-		-	-	\$2,741,495	-	28,423,119	26,843,694	72,750,000	-	\$1,297,171	-	-		231,700,996	3.56%	3,760.77
2023	955,330	116,785,187	-		-	-	2,385,356	\$ 244,616	27,045,852	23,479,031	72,921,268	-	939,203	\$ 118,468	-		244,874,311	5.32%	3,935.24
2024	611,217	114,370,263	-	\$ 6,075,624	-	-	2,056,963	200,234	25,311,570	19,969,368	111,703,091	-	572,506	\$ 250,422	-	\$ 334,175	281,121,258	not available	4,473.03

Note: Details regarding the City's debt can be found in the notes to the financial statements.

Population 62,848

CITY OF GRAND FORKS, NORTH DAKOTA

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Year	Census ⁽¹⁾	Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net GO Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2015	58,766	\$ 1,938,089,950	\$ 7,432,145	\$ 307,229	\$ 7,124,916	0.37%	\$ 121.24
2016	59,299	2,086,141,789	8,483,130	2,554,915	5,928,215	0.28%	99.97
2017	59,870	2,267,112,048	5,365,174	824,245	4,540,929	0.20%	75.85
2018	60,351	2,380,497,980	4,194,912	1,176,235	3,018,677	0.13%	50.02
2019	60,636	2,431,251,710	2,999,650	772,041	2,227,609	0.09%	36.74
2020(2)	59,166	2,472,716,840	2,441,125	831,089	1,610,036	0.07%	27.21
2021	61,000	2,525,499,090	1,867,600	1,373,801	493,799	0.02%	8.10
2022	61,610	2,585,424,820	1,284,443	977,491	306,952	0.01%	4.98
2023	62,226	2,709,209,680	1,022,730	1,638,321	(615,591)	-0.02%	(9.89)
2024	62,848	2,944,762,300	789,976	2,060,059	(1,270,083)	-0.04%	(20.21)

Notes:

(1) Estimated population provided by GF/EGF Metropolitan Planning Organization.

(2) 2020 population using US Census Bureau.

CITY OF GRAND FORKS, NORTH DAKOTA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
December 31, 2024

<u>Governmental Unit</u>	<u>Net Bonded Debt Outstanding</u>	<u>Applicable to this Gov't'l Unit</u>	<u>Share of Debt</u>
Direct Debt:			
City of Grand Forks:			
General Obligation Debt	\$ 611,217	100.0%	\$ 611,217
Debt Supported by Special Assessments	120,445,887	100.0%	120,445,887
Lease Liability	2,056,963	100.0%	2,056,963
Subscription Liability	200,234	100.0%	<u>200,234</u>
Total Direct Debt			<u>123,314,301</u>
Overlapping Debt:			
Grand Forks School District	36,482,358	94.9%	34,614,830
Grand Forks County	36,242,547	74.1%	26,855,543
Grand Forks Park District	6,150,000	100.0%	<u>6,150,000</u>
Total Overlapping Debt			<u>67,620,372</u>
Total Direct and Overlapping Debt			<u><u>\$ 190,934,673</u></u>

Sources: Taxable value data used to estimate applicable percentages provided by Grand Forks County. Debt outstanding data provided by individual governmental units.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the city of Grand Forks. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping governments.

(1) The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages are estimated by determining the portion of the county's taxable value that is within the city's boundaries and dividing it by the county's total taxable valuation.

Table 15

CITY OF GRAND FORKS, NORTH DAKOTA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 96,904,498	\$ 104,307,089	\$ 113,355,602	\$ 119,024,899	\$ 121,562,586	\$ 123,635,842	\$ 126,274,955	\$ 127,986,798	\$ 135,460,484	\$ 147,238,115
Total net debt applicable to limit	7,432,145	8,483,130	5,365,174	4,194,912	2,999,650	2,441,125	1,867,600	1,284,443	1,022,730	789,976
Legal debt margin	<u>\$ 89,472,353</u>	<u>\$ 95,823,959</u>	<u>\$ 107,990,428</u>	<u>\$ 114,829,987</u>	<u>\$ 118,562,936</u>	<u>\$ 121,194,717</u>	<u>\$ 124,407,355</u>	<u>\$ 126,702,355</u>	<u>\$ 134,437,754</u>	<u>\$ 146,448,139</u>
Total net debt applicable to the limit as a percentage of debt limit	7.67%	8.13%	4.73%	3.52%	2.47%	1.97%	1.48%	1.00%	0.76%	0.54%

Note: Under State law, the City's outstanding general obligation debt should not exceed 5% of 50% of the total estimated market value of the property. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Computation of the legal debt margin for the current fiscal year is shown in Table 15-A

CITY OF GRAND FORKS, NORTH DAKOTA
COMPUTATION OF LEGAL DEBT MARGIN
December 31, 2024

<u>Market Value</u>		<u>\$ 5,889,524,600</u>
Debt Limit - 5% of 50% of Market Value		\$ 147,238,115
Amount of Debt Applicable to Debt Limit:		
General Obligation Bonds	\$ 565,000	
Subscription Liability	178,759	
Unamortized Premium/Discount	<u>46,217</u>	
Bonded Debt		<u>789,976</u>
Legal Debt Margin		<u>\$ 146,448,139</u>

(1) In accordance with State of North Dakota Constitution Article X, Section 15, special assessment debt is not included in this calculation

CITY OF GRAND FORKS, NORTH DAKOTA
 REVENUE BOND COVERAGE
 WATER BONDS
 LAST TEN FISCAL YEARS
 (In Thousands of Dollars)

Year	Gross Revenue ⁽¹⁾	Debt Related Transfers In	Direct Operating Expenses ⁽²⁾	Net Revenue Available for Debt Service	Debt Service Requirements			
					Principal	Interest & Fiscal Charges ⁽³⁾	Total	Coverage
2015	\$ 10,348	\$ 99	\$ 6,404	\$ 4,044	\$ 1,535	\$ 295	\$ 1,830	2.21
2016	10,916	95	6,672	4,339	1,390	261	1,651	2.63
2017	11,757	287	7,397	4,647	1,440	287	1,727	2.69
2018	12,137	1,553	6,915	6,775	1,475	506	1,981	3.42
2019	12,604	1,916	7,923	6,597	1,520	967	2,487	2.65
2020	12,394	1,927	10,228	4,093	1,435	1,268	2,703	1.51
2021	13,261	1,811	9,743	5,329	1,805	1,345	3,150	1.69
2022	12,992	2,235	11,311	3,916	1,845	1,431	3,276	1.20
2023	14,281	2,000	11,695	4,587	1,880	1,203	3,083	1.49
2024	15,029	2,911	12,599	5,341	1,958	1,361	3,319	1.61

Notes: (1) Gross revenue includes operating revenue, and interest revenue.

(2) Total operating expenses exclusive of depreciation.

(3) Includes interest on notes payable.

CITY OF GRAND FORKS, NORTH DAKOTA
 REVENUE BOND COVERAGE
 WASTEWATER BONDS
 LAST TEN FISCAL YEARS
 (In Thousands of Dollars)

Year	Gross Revenue ⁽¹⁾	Debt Related Transfers In	Direct Operating Expenses ⁽²⁾	Net Revenue Available for Debt Service	Debt Service Requirements		Total	Coverage
					Annual Principal (4)	Annual Interest & Fiscal Charges ⁽³⁾		
2015	\$ 9,619	\$ -	\$ 4,823	\$ 4,796	\$ 2,580	\$ 679	\$ 3,259	1.47
2016	9,870	-	5,120	4,750	2,670	594	3,264	1.46
2017	10,188	-	5,213	4,975	3,010	576	3,586	1.39
2018	11,599	-	5,265	6,334	3,015	579	3,594	1.76
2019	11,195	278	6,048	5,425	2,399	639	3,038	1.79
2020	11,920	278	6,903	5,295	2,402	695	3,097	1.71
2021	11,812	278	7,332	4,758	2,427	662	3,089	1.54
2022	11,492	278	6,964	4,806	1,109	447	1,556	3.09
2023	12,371	247	7,944	4,674	1,134	521	1,655	2.82
2024	14,196	247	7,430	7,013	1,156	786	1,942	3.61

Notes: (1) Gross revenue includes operating revenue and interest revenue.
 (2) Total operating expenses exclusive of depreciation.
 (3) Includes interest on capital leases.
 (4) Excluding debt service on refunded bonds

CITY OF GRAND FORKS, NORTH DAKOTA
 PLEDGED REVENUE BOND COVERAGE
 SPECIAL ASSESSMENT BONDS
 LAST TEN FISCAL YEARS
 (In Thousands of Dollars)

Year	Special Assessment Collections	Debt Service Requirements			Coverage
		Principal	Interest & Fiscal Charges	Total	
2015	\$ 9,629	\$ 5,453	\$ 2,080	\$ 7,533	1.28
2016	9,571	6,606	2,109	8,715	1.10
2017	9,974	5,839	2,090	7,930	1.26
2018	9,355	7,385	2,312	9,697	0.96
2019	8,866	5,587	2,722	8,309	1.07
2020	9,556	7,416	3,282	10,698	0.89
2021	7,777	5,585	3,225	8,810	0.88
2022	8,256	4,569	3,206	7,775	1.06
2023	8,038	5,576	3,591	9,166	0.88
2024	9,199	5,537	4,356	9,893	0.93

CITY OF GRAND FORKS, NORTH DAKOTA

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population ⁽¹⁾	Personal Income (millions of dollars) ⁽²⁾	Per Capita Income ⁽²⁾	School Enrollment ⁽³⁾	University of ND Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2015	58,766	4,724.8	45,464	7,273	14,951	2.3%
2016	59,299	4,761.0	45,471	7,348	14,648	2.2%
2017	59,870	4,882.8	46,464	7,479	14,406	2.1%
2018	60,351	5,044.9	47,982	7,345	13,847	2.2%
2019	60,636	5,203.9	49,829	7,456	13,581	0.0%
2020	59,166	5,701.8	54,766	7,431	13,615	4.6%
2021	61,000	6,031.3	55,235	7,410	13,772	3.1%
2022	61,610	6,513.8	57,386	7,395	13,876	1.9%
2023	62,226	4,601.0	61,058	7,468	14,172	2.1%
2024	62,848	N/A	N/A	7,652	15,019	2.2%

Data Sources:

(1) 2014-2019 and 2021-2024 are estimated population provided by GF/EGF Metropolitan Planning Organization. 2020 source is US Census.

(2) Bureau of Economic Analysis, US Department of Commerce, CAINC1

(3) Grand Forks Public School District

(4) University of North Dakota

(5) North Dakota Job Service.

CITY OF GRAND FORKS, NORTH DAKOTA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2024 Employees	Rank	Percentage of Total City Employment (6)	2015 Employees	Rank	Percentage of Total City Employment
University of North Dakota ⁽¹⁾	5,562	1	17.35%	4,325	1	9.46%
Altru Health System	3,400	2	10.61%	4,200	2	13.70%
Grand Forks Air Force Base ⁽²⁾	2,897	3	9.04%	3,984	3	13.70%
Grand Forks School District ⁽³⁾	1,700	4	5.30%	1,100	4	5.55%
Valley Memorial Home	818	6	2.55%	715	5	2.24%
LM Wind Power (USA), Inc. ⁽⁴⁾	560	7	1.75%	600	7	2.16%
City of Grand Forks ⁽³⁾	527	5	1.64%	477	8	1.67%
Development Homes	480	8	1.50%	-	-	
Hugo's (4 Locations) ⁽⁵⁾	460	9	1.43%	450	9	1.50%
J. R. Simplot	440	10	1.37%	420	10	
Amazon				700	6	1.99%
	16,844		52.54%	16,971		53.87%

1) Includes full and part time employees.

2) 2024 data is military personnel only.

3) Includes full-time and part-time employees.

4) LM Wind Power (USA), Inc. was previously named LM Glassfiber.

5) Data shown is for 4 Grand Forks locations only

6) 2024 Total Labor Force of 31,806 Source: ND Job Service

Source: Annual employer survey conducted by Baker Tilly

CITY OF GRAND FORKS, NORTH DAKOTA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	101.60	101.90	102.03	101.58	103.44	101.20	100.40	109.10	110.15	110.35
Economic Development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community Development	2.55	1.20	1.20	1.20	1.20	1.20	1.20	0.70	2.30	1.60
Public Health	37.36	36.03	43.92	43.35	43.08	42.99	42.61	41.61	41.25	33.66
Public Safety										
Police										
Officers	82.00	84.00	88.00	88.00	90.00	92.00	92.00	93.00	99.00	99.00
Civilians	15.00	16.00	16.00	16.00	16.00	16.00	16.00	17.00	17.00	17.00
Fire										
Firefighters and officers	63.00	75.00	75.00	75.00	75.00	75.00	76.00	76.00	76.00	76.00
Civilians	3.00	3.00	3.00	3.00	3.00	4.00	3.00	3.00	3.00	3.00
PSAP	17.00	18.00	19.00	19.00	20.00	21.50	21.50	21.50	22.50	22.50
Municipal Court	4.30	4.30	4.30	4.30	4.30	4.30	4.30	4.55	4.30	4.20
Highways and streets	36.85	36.85	35.41	35.41	35.41	37.08	36.74	36.74	36.74	36.94
Culture and recreation	1.00	1.00	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63
Permanent flood protection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sanitation	37.84	37.06	36.65	37.65	39.65	41.20	40.90	38.95	39.95	40.55
Wastewater	21.82	21.79	21.23	21.23	22.39	23.06	21.36	24.19	24.69	27.29
Waterworks	27.13	28.35	27.85	27.85	27.85	28.56	29.02	29.52	31.02	30.79
Stormwater	5.76	6.10	6.18	6.18	6.35	6.62	6.02	5.72	4.72	3.96
Public Transit	21.50	21.50	20.95	23.10	28.90	28.90	30.90	30.90	31.00	32.70
Dial-A-Ride	3.55	3.55	3.55	4.55	4.55	18.55	18.55	21.55	22.55	21.05
Alerus	21.00	18.00	18.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Job Development Authority	3.35	3.25	4.55	4.25	4.68	4.85	5.85	5.80	7.50	5.75
Downtown Parking	0.20	0.60	0.60	0.70	0.47	1.40	1.40	1.40	0.10	0.10
Total Authorized Positions	505.81	517.48	528.05	512.98	526.90	549.04	548.38	561.86	574.40	567.07

**CITY OF GRAND FORKS, NORTH DAKOTA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function	2015	2016	2017	2018
General Government				
Building permits issued	1,816	1,981	1,948	1,895
Value of Permits issued	\$ 203,309,401	\$ 140,940,924	\$ 133,766,938	\$ 156,473,039
Number of Business License Issued ⁽²⁾	1,905	1,113	1,172	1,102
Police				
Priority 1 (LE only) Calls Average Response Time	3Min. 58 Sec.	4Min. 03 Sec.	4 Min. 44 sec.	4 Min. 33 Sec.
Priority 7 (Medical) Calls Average Response Time				
Priority 9 (Fire) Calls Average Response Time				
Number of 911 Calls	24,023	24,365	24,086	23,447
Incidents Requiring 911 Assistance	74,380	81,441	87,587	92,720
Text to 911				
Fire				
Emergency responses	4,286	4,995	5,510	5,117
Health				
Percent of Nuisance Complaints resolved within 30 days	96.01%	95.98%	97.43%	93.09%
Number of times sprayed	14	22	5	10
Culture and Recreation				
Alerus Center Attendance ⁽²⁾	170,576	188,328	184,822	243,468
Alerus Center Number of Events ⁽²⁾	390	489	326	385
Waterworks				
Number of customers	14,821	14,975	15,127	15,275
New connections	204	162	139	135
Watermain breaks	53	51	58	38
Average daily consumption(MGD)	7.90	7.60	7.90	8.12
Peak daily consumption (MGD)	9.50	9.93	11.30	11.40
Sanitation				
Number of customers	13,315	13,492	13,539	13,266
Landfill (tons) ⁽¹⁾	94,828	98,625	96,382	100,606
Recycled Materials (tons) (City of GF)	2,996	2,380	2,063	1,975
Recycled Materials Diverted (tons) (City of GF)				
Wastewater				
Number of customers	14,506	14,669	14,757	14,935
Average daily sewage treatment (MGD)	6.80	6.88	6.83	7.12
Public Transit				
Ridership - City Bus ⁽²⁾	336,652	317,992	280,289	253,657
Ridership - Dial-A-Ride ⁽²⁾	35,553	32,337	33,079	40,064
Ridership - Senior Rider ⁽²⁾	19,195	16,026	19,828	22,829
Job Development Authority				
Businesses Assisted	3	2	4	7
New Jobs Projected in 2 years	42	18	15	15

Sources: Various City Departments

(1) For 2024, this number breaks into: Inert Waste - 27,917.86 tons total (4,130.66 City of Grand Forks generated, 19,685.89 tons private haulers in the region, 366.39 tons Grand Forks AFB, 3,617.56 tons from sweeping City of GF streets and 116.36 tons from tires). Municipal Solid Waste - 67,621.51 tons (38,749.20 tons City of Grand Forks generated, 28,404.64 from regional customers and 467.67 tons from GFAFB); Industrial/Ag Waste 6,482.22 tons; Special Waste 4,554.49 tons.

(2) The COVID-19 pandemic impacted the community in many ways. With many industries closing or limiting operations, transportation needs were reduced. Likewise, many community events and activities were cancelled due to gathering prohibitions, lowering the number of events, attendees and special licenses.

	2019	2020	2021	2022	2023	2024
	1,691	1,731	1,778	1,509	1,344	1,286
\$ 329,061,146	\$ 256,295,102	\$168,089,376	\$440,489,957	\$307,837,639	\$407,931,276	
	1,015	855	1001	1060	1172	1138
4 Min. 13 Sec.	3 Min. 54 Sec.	3 Min. 44 Sec.	3 Min. 32 Sec.	3 Min. 53 Sec. 4 Min. 42 Sec. 4 Min 41 Sec.	3 Min. 21 Sec. 4 Min 16 Sec. 4 Min 14 Sec.	
24,939	23,279	24,345	24,021	25,361	46,668	
92,661	94,847	106,963	102,993	108,533	109,472	
			110	96	40	
5,623	5,174	5,631	5,895	6,559	6,640	
93.09%	95.58%	94.87%	95.82%	96.10%	97.71%	
8	11	1	6	2	4	
228,745	112,722	203,451	224,774	197,899	278,771	
481	323	404	378	372	357	
15,121	15,404	15,579	15,620	15,700	15,821	
198	150	133	118	116	108	
42	24	35	27	32	36	
7.42	7.25	8.72	7.88	8.29	8.4	
10.85	11.30	15.6	13.19	14.20	14.70	
13,367	13,492	13,625	13,755	13,795	13,918	
111,400	98,165	78,573	105,776	89,900	95,539	
2,320	2,575	2,306	4,552	4,022	4,095	
			11,368	42,840	34,252	
14,822	14,976	15,477	15,390	15,387	15,483	
12.63	9.20	7.196	8.451	9.231	9.600	
225,141	132,354	173,082	229,439	258,970	282,270	
42,218	22,129	33,457	34,031	35,163	34,830	
22,965	15,413	17,853	20,611	21,271	21,851	
8	26	22	11	7	8	
105	55	63	97	73	163	

CITY OF GRAND FORKS, NORTH DAKOTA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Buildings & Structures	11	11	11	11	12	12	12	14	15	17
Vehicles (All Gen Fund) ⁽⁵⁾	88	98	109	117	120	133	142	155	145	158
Area in Sq. Miles	26.86	27.08	27.31	27.57	27.99	28.04	28.07	29.14	29.21	29.27
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol Units	22	22	22	22	22	22	23	26	25	26
Fire										
Stations	4	4	4	4	4	4	5	4	5	5
Training Facilities (includes 3 mobile trailers)	5	7	7	7	7	7	7	5	5	4
Aerial Trucks	2	2	2	2	2	2	2	2	2	2
Pumpers	6	7	7	7	7	7	7	7	7	7
Rescue Truck	1	1	1	1	1	1	1	1	1	1
Boat	3	3	3	3	3	3	3	2	2	2
Hazmat Regional Response Vehicle	1	1	1	1	1	1	1	2	2	2
Mobile Command Vehicle	1	1	1	1	1	1	1	1	1	1
Special Operations Trailers	4	5	5	5	5	5	5	7	7	7
Fire Prevention Vehicle	1	3	3	3	3	3	3	3	3	4
Highways and Streets										
Paved Streets (miles)	245.28	246.83	251.05	258.29	260.26	271.60	274.52	276.29	278.44	278.67
Paved Alleys (miles)	4.74	4.74	4.74	4.98	4.98	4.98	4.98	4.98	4.98	4.98
Street lights	4800	4976	5059	5151	5216	5300	5565	5657	5746	5781
Traffic Signals	61	63	62	63	66	67	70	71	72	72
School Crossing Signals	25	25	26	26	26	26	40	40	40	40
Street Sweepers	4	5	5	5	5	5	5	5	5	5
Snow Plows	4	4	4	4	4	4	5	3	3	3
Motor graders	7 ⁽¹⁾	7 ⁽¹⁾	7 ⁽¹⁾	7 ⁽¹⁾	7 ⁽¹⁾	7 ⁽¹⁾	8 ⁽¹⁾	8 ⁽¹⁾	8 ⁽¹⁾	8 ⁽¹⁾
Payloaders	6 ⁽²⁾	6 ⁽²⁾	6 ⁽²⁾	6 ⁽²⁾	6 ⁽²⁾	6 ⁽²⁾	6 ⁽²⁾	7 ⁽²⁾	7 ⁽²⁾	7 ⁽²⁾
Culture and Recreation										
Library	1	1	1	1	1	1	1	1	1	1
Events Center	1	1	1	1	1	1	1	1	1	1
Greenway (developed acres)	800	800	800	800	800	800	800	800	800	800
Boat Ramps	2	2	2	2	2	2	2	2	2	2
Bikepaths (miles) ⁽³⁾	42.34	42.78	42.78	43.59	44.57	46.72	32.86	33.73	34.29	35.41

Table 23 (Con't)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Sanitation										
Collection Trucks-Side Load	6	6	6	6	6	6	6	7	7	8
Collection Trucks-Front Load	6	6	6	6	6	6	6	8	8	9
Collection Trucks-Rear Load	3	3	3	3	3	3	3	3	3	3
Collection Trucks-Roll Off	5	5	5	5	5	5	5	5	5	5
Water										
Water mains (miles)	269.01	270.91	276.64	281.02	285.29	286.00	288.80	288.89	291.30	307.00
Fire Hydrants	3000	2903	2903	3012	3502 ⁽⁴⁾	3502 ⁽⁴⁾	3567 ⁽⁴⁾	3563 ⁽⁴⁾	3583 ⁽⁴⁾	3596 ⁽⁴⁾
Water Storage Facilities	7	8	8	8	8	8	8	8	8	8
Storage Capacity (MG)	18.5	18.5	18.5	18.5	18.5	18.5	18.5	17.0	17.0	17.0
Intake Capacity (MGD)	24	24	24	24	24	24	24	24	24	24
Wastewater										
Sanitary Sewers (miles)	177.06	177.5	181.0	184.8	188.5	189.2	191.0	191.0	192.1	231.0
Treatment Capacity (Million Gallons Day)	10.0	10.0	13.0	13.0	13.0	13.0	13.0	10.0	24.3	24.3
Sewage Lift Stations	45	41	43	43	43	43	44	44	44	46
Stormwater										
Storm sewers (miles)	214.42	215.85	221.92	227.66	232.57	233.48	238.32	239.13	240.39	269
Lift Stations	12	12	13	13	13	13	15	15	15	15
Flood Stations	12	12	12	12	12	12	12	12	12	12
Public Transit										
35' Bus - Diesel/Electric Hybrid	2	2	2	2	2	2	2	2	2	2
35' Bus - Diesel	3	3	3	5	5	5	7	7	7	8
29' Bus	2	2	2	2	2	2	2	2	2	2
People Mover	3	4	4	4	4	4	4	0	0	3
Senior Rider/Dial-A-Ride Vehicles	10	10	10	12	12	12	14	12	15	13
Cutaway Vehicles								2	4	3
Job Development										
Buildings and Structures	6	6	6	6	6	6	6	2	2	2
Municipal Parking Structures										
Buildings & Structures	2	2	2	2	2	2	3	2	2	2

(1) The City has a total of 8 units for use. Of those, 1 are owned, 2 are leased and 5 are rented only for winter months.

(2) The City has a total of 6 units. Of those, 4 are owned and the remaining 2 are leased for winter months.

(3) Beginning in 2018 the City started tracking the non-Greenway bikepath system. In 2020, that portion of the Bikepath System increased 2.15 to 30.2 miles.

(4) In 2019 privately owned hydrants were added to the count.

(5) Vehicles includes all items covered under the City's Auto Insurance Policy except trailers.



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