



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Kelly Armstrong
Governor

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

Tuesday, April 28, 2026

Governor's Conference Room or Microsoft Teams – 8:30 am

Join on your computer or mobile app

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I. Roll Call and Pledge of Allegiance

(approximately 8:30 am)

II. Public Finance Authority – DeAnn Ament

- A. Presentation of December 31, 2025, Financial Audit – Angela Guptill, Brady Martz (Attachment 1)
- B. **Consideration of Approval of the Following State Revolving Fund Loans:**
 - i. Central Plains Water District – Drinking Water - \$2,651,000 increase to previously approved \$9,714,000 loan (Attachment 2)
 - ii. City of New Town – Drinking Water - \$2,004,000 (Attachment 3)
 - iii. City of Grand Forks - Drinking Water - \$4,543,000 (Attachment 4)
 - iv. City of Grand Forks - Clean Water - \$4,235,000 (Attachment 5)
 - v. City of Kenmare – Clean Water - \$2,439,000 (Attachment 6)
- C. Presentation of Memo of State Revolving Fund Loans Approved by PFA Advisory Committee Pursuant to Policy P-3B (Attachment 7)
 - i. City of Kindred – Clean Water \$1,950,000 (Attachment 7A)
- D. Presentation of December 31, 2025, Annual Report (Attachment 8)
- E. Other PFA Business

(approximately 8:50 am)

III. State Energy Research Center (SERC) – Jordan Kannianen, Tyler Hamman

- A. Report on SERC Budget, Legislatively Directed Study, SERC Task 2 Directive (Attachment 9)
- B. Presentation SERC Task 2 Funded Study on the Feasibility of Developing Geothermal Energy in North Dakota (Attachment 10)

C. Other SERC Business

(approximately 9:10 am)

IV. Department of Mineral Resources – Nathan Anderson, Ashleigh Theil, Richard Suggs

A. **Consideration of Approval of Resolution Appointing Hearing Officers**
(Attachment 11)

B. **Consideration of Approval of the Following Orders:**

i. **Case No. 32367/Order No. 35122** – regarding a petition of EOG Resources, Inc. (Attachment 12)

ii. **Case No. 32368/Order No. 35123** – regarding an application of EOG Resources, Inc. (Attachment 13)

iii. **Case No. 32694/ Order No. 35551** – regarding an application of KODA Resources Operating, LLC. (Attachment 14)

iv. **Case No. 28637/ Order No. 31179** – Regarding an application of Sinclair Oil & Gas Co. and Missouri River Royalty Corp. (Attachment 15)

C. Director's Update (Attachment 16)

D. Other DMR Business

(approximately 10:00 am)

V. North Dakota Mill and Elevator – Vance Taylor, Cathy Dub

A. **Consideration of Approval of Capital Project - \$7.9 million**
(Attachment 17)

B. Presentation of Q3 FY 2026 Operating Results (Attachment 18)

C. Other Mill Business

(approximately 10:15 am)

VI. Bank of North Dakota – Don Morgan, Rob Pfennig, Kirby Evanger, Mike Morey, Jared Mack (Eide Bailly)

A. Presentation of North Dakota Student Loan Trust Financial Statement Audit for FY ending June 30, 2024 and 2025 – Jared Mack (Attachment 19)

B. Presentation of BND Financial Statement Audit for FY ending December 31, 2024 and 2025 – Jared Mack (Attachment 20)

C. Presentation of Bank Stress Testing Results – Mike Morey (Attachment 21)

D. **Consideration of Approval of Amendments to BND General Loan Policy** – Kirby Evanger (Attachment 22)

E. **Consideration of Approval of Amendments to Information Technology Steering Committee Policy** (Attachment 23)

F. CEO Report (Attachment 24)

- i. Strategic
 - ii. Financial
 - 1. Presentation of Q1 2026 Performance Highlights (Attachment 25)
 - iii. Risk
 - iv. Policy and Programs
 - 1. 2026 Farm Financial Stability and Grain Inventory Programs
- G. February 18 and 19, 2026 Nonconfidential Advisory Board and Committee Meeting Minutes (Attachment 26)
- H. Other BND Business

**Meeting Closed to the Public for Executive Session
Pursuant to NDCC 6-09-35, 44-04-18.4, 44-04-19.1, 44-04-19.2 and 54-17.7-12**

(approximately 10:45 am)

VII. Bank of North Dakota Executive Session – Don Morgan, Craig Hanson, Courtney Heiser

- A. CEO Report (Confidential Attachment 27)
 - i. Executive Summary
 - 1. Roughrider Stable Coin
- B. **Consideration of Approval of One Loan** (Confidential Attachment 28)
- C. February 18 and 19, 2026 Confidential Advisory Board and Committee Meeting Minutes (Confidential Attachment 29)
- D. Other BND Confidential Business

VIII. North Dakota Pipeline Authority Executive Session – Justin Kringstad, Rob Johnson (WBI), Mark Anderson (WBI)

- A. **Consideration of Approval of Confidentiality Request** (Confidential Attachment 30)
- B. **Consideration of Approval of Precedent Agreement** (Confidential Attachment 30A)
- C. Other Pipeline Authority Confidential Business

IX. Attorney Consultation – Matt Sagsveen

- A. Discussion regarding Swenson Living Trust v. NDIC and Summit Carbon Storage litigation
- B. Other litigation updates

Meeting Returns to Public Session

(approximately 11:45 pm)

X. Action on Executive Session Topics

XI. Industrial Commission Administrative Office – Karen Tyler, Jordan Kannianen

- A. **Consideration of Approval of March 17, 2026, Special Industrial Commission Meeting Minutes and March 25, 2026, Meeting Minutes (Attachment 31)**
- B. Other Administrative Office Business

XII. Adjournment

Next Regular Industrial Commission Meeting – Tuesday, May 12, 2026
9:00 am – 12:30 pm
Governor’s Conference Room

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NORTH DAKOTA)

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

NORTH DAKOTA PUBLIC FINANCE AUTHORITY

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INDEPENDENT AUDITOR'S REPORT

Governor Kelly Armstrong
The Legislative Assembly
State of North Dakota
Bismarck, 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, and each major fund of the North Dakota Public Finance Authority, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the North Dakota Public Finance Authority'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, and each major fund of the North Dakota Public Finance Authority, as of December 31, 2025 and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, and the statement of appropriations, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Reporting Entity

As discussed in Note 1, the financial statements of the North Dakota Public Finance Authority are intended to present the financial position, changes in financial position, cash flows and appropriations of only the portion of the State of North Dakota that is attributable to the North Dakota Public Finance Authority. They do not purport to, and do not, present fairly the financial position of the State of North Dakota, as of December 31, 2025 and 2024, the changes in its financial position, its cash flows or appropriations for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Change in Accounting Principle

As described in Note 2 to the financial statements, the Authority has adopted new accounting guidance, GASB Statement No. 103 *Financial Reporting Model Improvements*. Our opinions are not modified with respect to this matter.

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 North Dakota Public Finance Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 North Dakota Public Finance Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 North Dakota Public Finance Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the North Dakota Public Finance Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of employer's share of net pension liability, and schedule of employer contributions, 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 North Dakota Public Finance Authority's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 relates 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 nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2026 on our consideration of the North Dakota Public Finance Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the North Dakota Public Finance Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Dakota Public Finance Authority's internal control over financial reporting and compliance.



BRADY MARTZ
BISMARCK, NORTH DAKOTA

March 9, 2026

**NORTH DAKOTA PUBLIC FINANCE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025 AND 2024
(In Thousands)**

OVERVIEW OF THE FINANCIAL STATEMENTS:

The discussion and analysis are intended to serve as an introduction to the North Dakota Public Finance Authority's (PFA's) financial statements for the years ended December 31, 2025 and 2024. The financial statements of the PFA consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements.

Government-wide financial statements provide a broad view of the PFA's operations in a manner similar to a business entity, providing both short-term and long-term information about the PFA's financial position. These statements include the Statements of Net Position and the Statements of Activities. The government-wide statements combine the PFA's special revenue fund and proprietary funds.

PFA's special revenue fund financial statements focus on the near-term inflows and outflows of spendable resources, and the balances available for future spending. Bond proceeds are shown as a revenue source, bond repayments are shown as an expenditure, and accrued interest is not included on the fund statements. Special Revenue fund statements include the Balance Sheets, Reconciliations of the Balance Sheets-Special Revenue Fund to the Statements of Net Position, Statements of Revenues, Expenditures, and Changes in Fund Balances, and the Reconciliations of the Statements of Revenues, Expenditures, and Changes in Fund Balances to the Statements of Activities.

Proprietary fund financial statements provide accounting information similar to that of many other business entities. The Statements of Net Position summarize the assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. It also serves as the basis for analysis of the soundness and liquidity of the PFA. The Statements of Revenues, Expenses and Changes in Net Position summarize the PFA's operating performance for two years. The Statements of Cash Flows summarizes the flow of cash through the PFA as it conducts its business.

TYPES OF INFORMATION IN THE FINANCIAL STATEMENTS:

Cash and Investments - Certain PFA cash and investments, which are included in the restricted current and non-current assets, are restricted for the debt service of bond issues or for the purchase of municipal securities.

Municipal Securities - Obligations of North Dakota political subdivisions are classified separately on the balance sheet as municipal securities. These investment securities are primarily city and water district obligations and are pledged to the various bond issues.

Bonds Payable - To provide local political subdivisions with funds to finance projects, the PFA has issued bonds to facilitate the purchase of the political subdivision's municipal securities. The bonds are direct obligations of the PFA and are secured by municipal securities purchased under the applicable resolutions, interest earnings and certain accounts established pursuant to the applicable bond resolutions.

Grants and set-asides - Under an agreement with the North Dakota Department of Environmental Quality, the PFA assists in administering the State Revolving Loan Fund. The purpose of the Loan Fund is to provide low-cost financing to local political subdivisions to finance wastewater disposal system projects and drinking water projects. The federal Environmental Protection Agency (EPA) provides capitalization grants. Capitalization grants require that the state provide 20% match which is funded through bonds issued by the PFA and loan administration fees.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
DECEMBER 31, 2025 AND 2024
(In Thousands)

FINANCIAL SUMMARY - GOVERNMENTAL ACTIVITIES ANALYSIS:

GOVERNMENTAL ACTIVITIES CONDENSED STATEMENT OF NET POSITION
DECEMBER 31,

	2025	2024	2025 vs. 2024	
			Dollar Variance	Percentage Variance
ASSETS				
CURRENT ASSETS - RESTRICTED	\$ 84,652	\$ 141,160	\$ (56,508)	-40.03%
NONCURRENT ASSETS - RESTRICTED	21,423	-	21,423	100.00%
TOTAL ASSETS	106,075	141,160	(35,085)	-24.85%
LIABILITIES				
CURRENT LIABILITIES	32,179	31,511	668	2.12%
NONCURRENT LIABILITIES	591,501	621,841	(30,340)	-4.88%
TOTAL LIABILITIES	623,680	653,352	(29,672)	-4.54%
NET POSITION				
UNRESTRICTED	(517,605)	(512,192)	(5,413)	1.06%
TOTAL NET POSITION	\$ (517,605)	\$ (512,192)	\$ (5,413)	1.06%

GOVERNMENTAL ACTIVITIES CONDENSED STATEMENT OF ACTIVITIES
DECEMBER 31,

	2025	2024	2025 vs. 2024	
			Dollar Variance	Percentage Variance
NONOPERATING REVENUE				
Investment income	\$ 3,913	\$ 13,556	\$ (9,643)	-71.13%
	3,913	13,556	(9,643)	-71.13%
TOTAL REVENUE	3,913	13,556	(9,643)	-71.13%
OPERATING EXPENSES				
Interest expense	21,979	22,603	(624)	-2.76%
Other	61	64	(3)	-4.69%
	22,040	22,667	(627)	-2.77%
TRANSFERS	12,714	(196,709)	209,423	-106.46%
CHANGE IN NET POSITION	(5,413)	(205,820)	200,407	-97.37%
TOTAL NET POSITION, BEGINNING OF YEAR	(512,192)	(306,372)	(205,820)	-67.18%
TOTAL NET POSITION, END OF YEAR	\$ (517,605)	\$ (512,192)	\$ (5,413)	1.06%

MANAGEMENT'S DISCUSSION AND ANALYSIS -- CONTINUED
DECEMBER 31, 2025 AND 2024
(In Thousands)

The Public Finance Authority's Governmental Funds show Legacy Bond Activity. The PFA's Legacy Fund Infrastructure Bond Program (Legacy Bonds) was established in 2021 to transfer funds to the Bank of North Dakota (BND) to allocate to legislature approved state infrastructure projects and programs. PFA issued Legacy Bonds (rated Aa2 by Moody's and AA by S&P) of \$320,915 in 2022 and \$389,200 in 2021. Bond payments are funded by transfers from ND Legacy Fund earnings, earnings on unspent bond proceeds and capitalized interest. The bond requirements for the 2025-2027 biennium are \$102,623 and were transferred from the general fund in 2025. Project funds transferred to BND totaled \$89,909 in 2025 and \$196,709 in 2024. Legacy Bond fund financials are shown in the Special Revenue Fund financial statements.

FINANCIAL SUMMARY - BUSINESS-TYPE ACTIVITIES ANALYSIS:

PROPRIETARY FUNDS CONDENSED STATEMENT OF NET POSITION
DECEMBER 31,

	2025	2024	2025 vs. 2024	
			Dollar Variance	Percentage Variance
ASSETS				
CURRENT ASSETS - RESTRICTED	\$ 180,712	\$ 257,934	\$ (77,222)	-29.94%
NONCURRENT ASSETS - RESTRICTED	<u>1,102,803</u>	<u>994,795</u>	<u>108,008</u>	<u>10.86%</u>
TOTAL ASSETS	<u>1,283,515</u>	<u>1,252,729</u>	<u>30,786</u>	<u>2.46%</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>72</u>	<u>125</u>	<u>(53)</u>	<u>-42.40%</u>
LIABILITIES				
CURRENT LIABILITIES	31,090	32,284	(1,194)	-3.70%
NONCURRENT LIABILITIES	<u>489,378</u>	<u>521,842</u>	<u>(32,464)</u>	<u>-6.22%</u>
TOTAL LIABILITIES	<u>520,468</u>	<u>554,126</u>	<u>(33,658)</u>	<u>-6.07%</u>
DEFERRED INFLOWS OF RESOURCES	<u>13,827</u>	<u>15,250</u>	<u>(1,423)</u>	<u>-9.33%</u>
NET POSITION				
UNRESTRICTED	2,483	2,273	210	9.24%
RESTRICTED FOR DEBT SERVICE	118,219	120,398	(2,179)	-1.81%
RESTRICTED FOR LOAN PURPOSES	<u>628,590</u>	<u>560,807</u>	<u>67,783</u>	<u>12.09%</u>
TOTAL NET POSITION	<u>\$ 749,292</u>	<u>\$ 683,478</u>	<u>\$ 65,814</u>	<u>9.63%</u>

The Public Finance Authority's proprietary fund financial statements show the State Revolving Fund (SRF) program and Capital Financing Program (CFP) loan fund activity. In its proprietary funds, total assets increased modestly from 2024 to 2025 due to a large increase in municipal securities (loans outstanding), which was offset by a large decrease in cash and investments. Municipal securities increased 10.3% from \$1,043,281 in 2024 to \$1,150,479 in 2025 due to a continued strong demand for project funding. There was \$240,055 of loans funded

MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED
DECEMBER 31, 2025 AND 2024
(In Thousands)

in 2025 and \$145,757 of loans funded in 2024. PFA anticipates loan demand will remain strong as these projects are constructed over the next one to two years. SRF loans are funded with grant revenues, bond proceeds, and loan repayments, which are invested until loans are funded. Proprietary fund investments decreased by 66.2% to \$29,678 in 2025 from \$87,820 in 2024 due to continued funding of loans from the remaining investments purchased in 2024 with SRF bond proceeds.

The statement of net position indicates that the PFA continues to have adequate resources to provide for bond repayments. Change in net position of the PFA proprietary funds was \$65,814 in 2025 and \$43,202 in 2024, providing the PFA with an overall strong financial position. Grant proceeds account for a significant portion of net position. Federal law provides that grants may only be expended for SRF program purposes, and net position is restricted for debt service of bond issues or for the purchase of municipal securities.

**PROPRIETARY FUNDS CONDENSED STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31,**

	2025	2024	2025 vs. 2024	
			Dollar Variance	Percentage Variance
OPERATING REVENUES				
Investment income	\$ 20,600	\$ 20,434	\$ 166	0.81%
Grant and set-asides	81,808	57,595	24,213	42.04%
Administrative fees and other	5,215	4,794	421	8.78%
	<u>107,623</u>	<u>82,823</u>	<u>24,800</u>	<u>29.94%</u>
NONOPERATING REVENUE				
Investment income	6,918	6,447	471	7.31%
	<u>6,918</u>	<u>6,447</u>	<u>471</u>	<u>7.31%</u>
TOTAL REVENUE	<u>114,541</u>	<u>89,270</u>	<u>25,271</u>	<u>28.31%</u>
OPERATING EXPENSES				
Interest expense	17,390	17,018	372	2.19%
State Revolving Fund expenses	30,943	27,472	3,471	12.63%
Amortization of bond issue costs	-	1,096	(1,096)	-100.00%
Other	394	482	(88)	-18.26%
	<u>48,727</u>	<u>46,068</u>	<u>2,659</u>	<u>5.77%</u>
CHANGE IN NET POSITION	<u>65,814</u>	<u>43,202</u>	<u>22,612</u>	<u>52.34%</u>
TOTAL NET POSITION, BEGINNING OF YEAR	<u>683,478</u>	<u>640,276</u>	<u>43,202</u>	<u>6.75%</u>
TOTAL NET POSITION, END OF YEAR	<u>\$ 749,292</u>	<u>\$ 683,478</u>	<u>\$ 65,814</u>	<u>9.63%</u>

State Revolving Fund (SRF) grant and set-asides revenue increased 42% from 2024 due to more capitalization grants provided by the Infrastructure Investment and Jobs Act (IIJA) in 2025 than in 2024.

State Revolving Fund expenses also increased from 2024, largely due to the capitalization grants' requirement to provide loan forgiveness, which is presented as an expense on the Statement of Revenues, Expenses and

MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED
DECEMBER 31, 2025 AND 2024
(In Thousands)

Changes in Net Position..Loan forgiveness increased to \$21,611 in 2025 from \$16,536 in 2024 due to IJA funds requiring a higher subsidization level.

LONG-TERM FINANCING:

The Capital Financing Program “CFP” (rated A+ by Standard and Poor’s) issued refunding and new issue bonds totaling \$43,610 in 2025, refunding \$45,490 in 2015 bonds, resulting in a net decrease to bonds payable of \$1,880. No CFP bonds were issued in 2024. The State Revolving Fund Loan Program (rated Aaa by Moody’s and AAA by S&P) issues bonds to leverage the program. No SRF bonds were issued in 2025. SRF bonds were issued in 2024 totaling \$200,920. Further details are contained in Note 5 to the financial statements.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS:

PFA plans to issue SRF program bonds in 2026

A State Revolving Fund bond issuance is planned for 2026. The 2024 SRF bond proceeds have been fully spent amid a continued strong demand for project financing.

Continued IJA financing

2026 is the fifth and final year of additional SRF capitalization grants funded by the Infrastructure Investment and Jobs Act (IIJA). The 2026 IJA grants are anticipated to contain a seven-year project period to spend the awarded funds, with grant funds received as they are spent.

Economic Factors and Budgetary Information

Note 1 to the financial statements discusses the PFA’s economic dependence on North Dakota political subdivision municipal securities obligations.

As discussed in financial statement Note 1, the PFA, an agency of the Industrial Commission, operates through a biennial appropriation provided by the State Legislature. The PFA prepares a biennial budget as a part of the Industrial Commission’s budget, which is included in the Governor’s budget that is presented to the General Assembly at the beginning of each legislative session. The PFA has a continuous appropriation of income from operations. Changes to the appropriation not falling under the continuing appropriation are subject to approval by the State Emergency Commission.

Contacting the North Dakota Public Finance Authority’s financial management:

The information in this report is intended to provide the reader with an overview of the PFA’s operations along with the PFA’s accountability for those operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the North Dakota Public Finance Authority, PO Box 5509, Bismarck, ND 58506-5509.

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
STATEMENTS OF NET POSITION
GOVERNMENT-WIDE
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
ASSETS						
CURRENT ASSETS						
Restricted						
Cash and cash equivalents	\$ 33,177	\$ 50,850	\$ 97,257	\$ 115,724	\$ 130,434	\$ 166,574
Interest receivable	171	192	6,101	5,904	6,272	6,096
Investments	51,304	90,118	22,243	84,074	73,547	174,192
Municipal securities	-	-	55,111	52,232	55,111	52,232
Total restricted current assets	<u>84,652</u>	<u>141,160</u>	<u>180,712</u>	<u>257,934</u>	<u>265,364</u>	<u>399,094</u>
Total current assets	<u>84,652</u>	<u>141,160</u>	<u>180,712</u>	<u>257,934</u>	<u>265,364</u>	<u>399,094</u>
NONCURRENT ASSETS - RESTRICTED						
Investments	21,423	-	7,435	3,746	28,858	3,746
Municipal securities	-	-	1,095,368	991,049	1,095,368	991,049
Total restricted noncurrent assets	<u>21,423</u>	<u>-</u>	<u>1,102,803</u>	<u>994,795</u>	<u>1,124,226</u>	<u>994,795</u>
Total assets	<u>106,075</u>	<u>141,160</u>	<u>1,283,515</u>	<u>1,252,729</u>	<u>1,389,590</u>	<u>1,393,889</u>
DEFERRED OUTFLOWS OF RESOURCES						
Derived from pension	-	-	72	125	72	125
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>72</u>	<u>125</u>	<u>72</u>	<u>125</u>
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable	-	-	58	52	58	52
Bonds payable	30,405	29,680	26,225	27,145	56,630	56,825
Interest payable	1,774	1,831	4,807	5,087	6,581	6,918
Total current liabilities	<u>32,179</u>	<u>31,511</u>	<u>31,090</u>	<u>32,284</u>	<u>63,269</u>	<u>63,795</u>
NONCURRENT LIABILITIES						
Bonds payable	591,501	621,841	489,085	521,508	1,080,586	1,143,349
Net pension liability	-	-	293	334	293	334
Total noncurrent liabilities	<u>591,501</u>	<u>621,841</u>	<u>489,378</u>	<u>521,842</u>	<u>1,080,879</u>	<u>1,143,683</u>
Total liabilities	<u>623,680</u>	<u>653,352</u>	<u>520,468</u>	<u>554,126</u>	<u>1,144,148</u>	<u>1,207,478</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred gain on bond refunding	-	-	13,717	15,089	13,717	15,089
Derived from pension	-	-	110	161	110	161
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>13,827</u>	<u>15,250</u>	<u>13,827</u>	<u>15,250</u>
NET POSITION						
Unrestricted	(517,605)	(512,192)	2,483	2,273	(515,122)	(509,919)
Restricted for debt service	-	-	118,219	120,398	118,219	120,398
Restricted for loan purposes	-	-	628,590	560,807	628,590	560,807
Total net position	<u>\$(517,605)</u>	<u>\$(512,192)</u>	<u>\$ 749,292</u>	<u>\$ 683,478</u>	<u>\$ 231,687</u>	<u>\$ 171,286</u>

See Notes to Financial Statements

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
STATEMENT OF ACTIVITIES
GOVERNMENT-WIDE
YEAR ENDED DECEMBER 31, 2025
(In Thousands)

Functions:	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Special Revenue Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES						
General government	\$ 61	\$ 3,913	\$ -	\$ 3,852	\$ -	\$ 3,852
Interest on long term debt	21,979	-	-	(21,979)	-	(21,979)
Total governmental activities	22,040	3,913	-	(18,127)	-	(18,127)
BUSINESS-TYPE ACTIVITIES						
Financing Programs	48,727	32,733	81,808	-	65,814	65,814
Total primary government	<u>\$ 70,767</u>	<u>\$ 36,646</u>	<u>\$ 81,808</u>	(18,127)	65,814	47,687
Transfers in from other state agency				102,623	-	102,623
Transfers out to other state agency				(89,909)	-	(89,909)
Change in net position				(5,413)	65,814	60,401
Net position, beginning of year				(512,192)	683,478	171,286
Net position, ending				<u>\$ (517,605)</u>	<u>\$ 749,292</u>	<u>\$ 231,687</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
STATEMENT OF ACTIVITIES
GOVERNMENT-WIDE
YEAR ENDED DECEMBER 31, 2024
(In Thousands)

<u>Functions:</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Special Revenue Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
GOVERNMENTAL ACTIVITIES						
General government	\$ 64	\$ 13,556	\$ -	\$ 13,492	\$ -	\$ 13,492
Interest on long term debt	<u>22,603</u>	<u>-</u>	<u>-</u>	<u>(22,603)</u>	<u>-</u>	<u>(22,603)</u>
Total governmental activities	22,667	13,556	-	(9,111)	-	(9,111)
BUSINESS-TYPE ACTIVITIES						
Financing Programs	<u>46,068</u>	<u>31,675</u>	<u>57,595</u>	<u>-</u>	<u>43,202</u>	<u>43,202</u>
Total primary government	<u>\$ 68,735</u>	<u>\$ 45,231</u>	<u>\$ 57,595</u>	(9,111)	43,202	34,091
				<u>(196,709)</u>	<u>-</u>	<u>(196,709)</u>
				(205,820)	43,202	(162,618)
				<u>(306,372)</u>	<u>640,276</u>	<u>333,904</u>
				<u>\$ (512,192)</u>	<u>\$ 683,478</u>	<u>\$ 171,286</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
BALANCE SHEETS
SPECIAL REVENUE FUND
DECEMBER 31, 2025 AND 2024
(In Thousands)

	Legacy Bond Program	
	2025	2024
RESTRICTED ASSETS		
Cash and cash equivalents	\$ 33,177	\$ 50,850
Investments	72,727	90,118
Interest receivable - net	171	192
Total assets	<u>106,075</u>	<u>141,160</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	-	-
Total liabilities	-	-
FUND BALANCE		
Restricted for projects	378	90,286
Restricted for bonds payable	105,697	50,874
Total fund balance	<u>106,075</u>	<u>141,160</u>
Total liabilities and fund balance	<u>\$ 106,075</u>	<u>\$ 141,160</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
RECONCILIATIONS OF THE BALANCE SHEETS TO THE STATEMENTS OF NET POSITION
SPECIAL REVENUE FUND
DECEMBER 31, 2025 AND 2024
(In Thousands)

	<u>Legacy Bond Program</u>	
	<u>2025</u>	<u>2024</u>
Total fund balance-special revenue fund	\$ 106,075	\$ 141,160
Amounts reported for special revenue funds in the statement of net position are different because:		
Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported as liabilities in the funds. Those liabilities consist of:		
Bonds payable (net of discount)	\$ (621,906)	\$ (651,521)
Accrued interest on long-term liabilities	<u>(1,774)</u>	<u>(1,831)</u>
Total long-term liabilities	<u>(623,680)</u>	<u>(653,352)</u>
Net position of governmental activities	<u>\$ (517,605)</u>	<u>\$ (512,192)</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands)

	Legacy Bond Program	
	2025	2024
REVENUES		
Interest and investment income	\$ 3,913	\$ 13,556
Total revenues	<u>3,913</u>	<u>13,556</u>
EXPENDITURES		
Administrative expenses	61	64
Debt service:		
Principal	29,680	29,030
Interest and other charges	21,971	22,589
Total expenditures	<u>51,712</u>	<u>51,683</u>
Excess (deficiency) of revenues over expenditures	<u>(47,799)</u>	<u>(38,127)</u>
OTHER FINANCE SOURCES (USES)		
Transfers in from other state agency	102,623	-
Transfers out to other state agency	(89,909)	(196,709)
Total other financing sources (uses)	<u>12,714</u>	<u>(196,709)</u>
Net change in fund balance	(35,085)	(234,836)
Fund Balance, beginning of year	<u>141,160</u>	<u>375,996</u>
FUND BALANCE, ending	<u>\$ 106,075</u>	<u>\$ 141,160</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
RECONCILIATIONS OF THE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES TO THE STATEMENTS OF ACTIVITIES
SPECIAL REVENUE FUND
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands)

	<u>Legacy Bond Program</u>	
	<u>2025</u>	<u>2024</u>
Net change in fund balance-special revenue fund	\$ (35,085)	\$ (234,836)
<p>Amounts reported for special revenue funds in the statement of net position are different because:</p>		
<p>Repayment of long-term debt is reported as an expenditure in governmental funds but reduces long-term liabilities in the statement of net position. In the current year, these amounts consist of:</p>		
Bond principal retirement	29,680	29,030
<p>Accrued interest and bond discount amortization on the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the special revenue fund.</p>		
	<u>(8)</u>	<u>(14)</u>
Change in net position of special revenue fund	<u>\$ (5,413)</u>	<u>\$ (205,820)</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
STATEMENTS OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2025 AND 2024
(In Thousands)

	Business-Type Activities	
	2025	2024
ASSETS		
CURRENT ASSETS		
Restricted		
Cash and cash equivalents	\$ 97,257	\$ 115,724
Interest receivable	6,101	5,904
Investments	22,243	84,074
Municipal securities	55,111	52,232
Total restricted current assets	<u>180,712</u>	<u>257,934</u>
Total current assets	<u>180,712</u>	<u>257,934</u>
NONCURRENT ASSETS - RESTRICTED		
Investments	7,435	3,746
Municipal securities	1,095,368	991,049
Total restricted noncurrent assets	<u>1,102,803</u>	<u>994,795</u>
Total assets	<u>1,283,515</u>	<u>1,252,729</u>
DEFERRED OUTFLOWS OF RESOURCES		
Derived from pension	72	125
Total deferred outflows of resources	<u>72</u>	<u>125</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	58	52
Bonds payable	26,225	27,145
Interest payable	4,807	5,087
Total current liabilities	<u>31,090</u>	<u>32,284</u>
NONCURRENT LIABILITIES		
Bonds payable	489,085	521,508
Net pension liability	293	334
Total noncurrent liabilities	<u>489,378</u>	<u>521,842</u>
Total liabilities	<u>520,468</u>	<u>554,126</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred gain on bond refunding	13,717	15,089
Derived from pension	110	161
Total deferred inflows of resources	<u>13,827</u>	<u>15,250</u>
NET POSITION		
Unrestricted	2,483	2,273
Restricted for debt service	118,219	120,398
Restricted for loan purposes	628,590	560,807
Total net position	<u>\$ 749,292</u>	<u>\$ 683,478</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands)

	Business-Type Activities	
	2025	2024
OPERATING REVENUES		
Investment income	\$ 20,600	\$ 20,434
Grant and set-asides	81,808	57,595
Administrative fees and other	5,215	4,794
	<u>107,623</u>	<u>82,823</u>
OPERATING EXPENSES		
Interest expense	17,390	17,018
State Revolving Fund loan forgiveness	21,611	16,536
State Revolving Fund administration	4,419	4,145
State Revolving Fund set-asides	4,913	6,791
Salaries and benefits	341	351
Bond issue costs	-	1,096
Operating	53	130
Paying agent fees	-	1
	<u>48,727</u>	<u>46,068</u>
OPERATING INCOME (LOSS)	<u>58,896</u>	<u>36,755</u>
NONOPERATING REVENUE		
Investment income	6,918	6,447
	<u>6,918</u>	<u>6,447</u>
CHANGE IN NET POSITION	65,814	43,202
TOTAL NET POSITION, BEGINNING OF YEAR	<u>683,478</u>	<u>640,276</u>
TOTAL NET POSITION, END OF YEAR	<u>\$ 749,292</u>	<u>\$ 683,478</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
STATEMENTS OF CASH FLOWS
PROPRIETARY FUND
YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands)

	Business-Type Activities	
	2025	2024
OPERATING ACTIVITIES		
Receipts of administrative fees from customers	\$ 5,215	\$ 4,794
Grant and set-asides	81,808	57,595
Payments to service providers	(9,379)	(11,055)
Payments to employees	(380)	(349)
NET CASH FROM OPERATING ACTIVITIES	77,264	50,985
NONCAPITAL FINANCING ACTIVITIES		
Interest paid on bonds payable	(23,360)	(19,092)
Bond financing costs	-	(1,096)
Proceeds from bond premiums	-	29,127
Proceeds from issuance of bonds payable	43,610	200,920
Principal payments on bonds payable	(72,635)	(106,375)
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	(52,385)	103,484
INVESTING ACTIVITIES		
Interest received on investments and municipal securities	28,024	24,814
Proceeds from maturities and sales of investments	91,601	77,167
Purchases of investments	(34,162)	(121,488)
Proceeds from maturities of municipal securities	111,246	60,436
Purchases of municipal securities	(240,055)	(145,757)
NET CASH FROM (USED FOR) INVESTING ACTIVITIES	(43,346)	(104,828)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(18,467)	49,641
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	115,724	66,083
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 97,257	\$ 115,724

STATEMENTS OF CASH FLOWS – CONTINUED
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2025 AND 2024
(In Thousands)

	<u>2025</u>	<u>2024</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO TO NET CASH FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ 58,896	\$ 36,755
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Bond financing costs	-	1,096
Net amortization of premium on bonds payable	5,690	3,328
Reclassification of investment income and expense to other activities	12,711	9,792
Changes in assets, liabilities, deferred inflows/outflows:		
Pension accruals	(39)	2
Accounts payable	6	12
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 77,264</u>	<u>\$ 50,985</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
STATEMENT OF APPROPRIATIONS
SPECIAL REVENUE FUND
TWO YEARS ENDED JUNE 30, 2025 AND SIX MONTHS ENDED DECEMBER 31, 2025
(In Thousands)

	2023-2025 Appropriations	7/1/2023 12/31/2023 Expenditures	Unexpended Appropriations 6/30/2025	2025-2027 Appropriations	7/1/2025 12/31/2025 Expenditures	Unexpended Appropriations 12/31/2026
Legacy bond payments	\$ 102,620	\$ 102,620	\$ -	\$ 102,623	\$ 40,666	\$ 61,957
Total expenditures	<u>\$ 102,620</u>	<u>\$ 102,620</u>	<u>\$ -</u>	<u>\$ 102,623</u>	<u>\$ 40,666</u>	<u>\$ 61,957</u>

During the 2021 legislative session, House Bill 1431 authorized the PFA to issue Legacy Fund Infrastructure Program bonds which would provide \$680,000 of the proceeds for appropriation to the Bank of North Dakota for allocation to infrastructure projects. Bonds were issued on December 22, 2021, and July 19, 2022, and the Special Revenue Fund transferred proceeds of \$374,500 and \$305,500, respectively, to provide funds for projects.

	<u>2025</u>	<u>2024</u>
RECONCILIATION OF APPROPRIATION		
EXPENDITURES TO TOTAL EXPENDITURES		
Total appropriation expenditures for year ended December 31	\$ 51,651	\$ 51,619
Administrative expenses	<u>61</u>	<u>64</u>
Total expenditures	<u>\$ 51,712</u>	<u>\$ 51,683</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
STATEMENT OF APPROPRIATIONS
PROPRIETARY FUND
TWO YEARS ENDED JUNE 30, 2025 AND SIX MONTHS ENDED DECEMBER 31, 2025
(In Thousands)

Note: Only appropriations of specific amounts are included in this statement. A reconciliation to the proprietary funds salaries and operating expenses on the December 31, 2025 and 2024 Statements of Revenues, Expenses and Changes in Net Position follows:

	2023-2025 Appropriations	2023-2025 Actual Expenditures	Unexpended Appropriations 6/30/2025	2025-2027 Appropriations	2025-2027 Actual Expenditures	Unexpended Appropriations 12/31/2025
Salaries and wages	\$ 778	\$ 702	\$ 76	\$ 941	\$ 202	\$ 739
Operating expenses	246	246	-	318	31	287
Total expenditures	\$ 1,024	\$ 948	\$ 76	\$ 1,259	\$ 233	\$ 1,026

The Public Finance Authority also incurs noninterest expenditures which are not part of the biennial appropriation process. Examples of these expenditures include expenses associated with the issuance and repayment of bonds issued to fund qualified projects. These expenditures are authorized by the Industrial Commission under the continuing appropriation authority as provided by Article 10, Section 12 of the North Dakota Constitution.

	2025	2024
RECONCILIATION OF APPROPRIATION		
EXPENDITURES TO OPERATING EXPENSES		
Total appropriation expenditures for year ended December 31	\$ 433	\$ 478
GASB 68 Adjustment	(39)	3
Interest expense	17,390	17,018
State Revolving Fund administrative fees	30,943	27,472
Bond Issue Costs	-	1,096
Paying agent fees	-	1
Total operating expenses	\$ 48,727	\$ 46,068

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024
(In Thousands)

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The North Dakota Public Finance Authority (PFA) was established July 1, 1975, by the North Dakota Legislature, as provided in Chapter 6-09.4 of the North Dakota Century Code, as a separate agency of the State of North Dakota. The purpose of the PFA is to make funds available for borrowing by North Dakota political subdivisions through the issuance of its bonds and the purchase of municipal securities of the political subdivisions. The PFA has been granted all powers required in order to accomplish this purpose and is under the control and management of the North Dakota Industrial Commission.

Reporting Entity

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity*, the PFA should include all component units over which the PFA exercises such aspects as (1) appointing a voting majority of an organization's governing body and (2) has the ability to impose its will on that organization, or (3) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the PFA. Reporting units are further defined as a legally separate, tax exempt affiliated organization that meets all of the following criteria:

- The economic resources of the organization entirely or almost entirely directly benefit the PFA or its constituents, and
- The PFA or its component units are entitled to or can otherwise access, a majority of the economic resources of the organization, and
- The economic resources that the PFA is entitled to, or can otherwise access, are significant to the PFA.

Based on the criteria of GASB Statement No. 61, no organizations were determined to be part of the reporting entity. The PFA is included as a discretely presented component unit within the State of North Dakota's reporting entity.

Budgetary Process

The PFA operates through a biennial appropriation provided by the State Legislature. The PFA prepares a biennial budget which is included in the Governor's budget that is presented to the General Assembly at the beginning of each legislative session. The General Assembly enacts the budgets of the various state departments through passage of specific appropriation bills. The Governor has line item veto powers over all legislation subject to legislative override. Once passed and signed, the appropriation becomes the PFA's financial plan for the next two years. The PFA has a continuous appropriation of income from operations. Changes to the appropriation not falling under the continuing appropriation are subject to approval by the State Emergency Commission.

The Statement of Appropriations has been prepared using the accrual basis of accounting and includes only those expenses for which an appropriation has been established.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities report information on all non-fiduciary activities of the PFA. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Net Position presents the PFA's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

- Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.
- Restricted net position results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation. The PFA currently presents restricted net position for the following:
 - The PFA administers issuance of bonds for the Legacy Fund Infrastructure Bond program. ND legislation restricts the fund balance to funding legislature-approved state projects and programs, and to repayment of bond principal and interest payments.
 - The PFA administers the financial component of the SRF federal grant programs for the North Dakota Department of Environmental Quality. Grant proceeds account for a significant portion of net position. Federal law provides that the grants may only be expended for SRF program purposes. Net position is also restricted for debt service of bond issues or for the purchase of municipal securities. The PFA follows the CFP and SRF bond indentures for the repayment of restricted net position.
- Unrestricted net position consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position often is designated, to indicate that management does not consider it to be available for general operations. Unrestricted net position often has constraints on resources which are imposed by management, but can be removed or modified.

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 within a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenue.

Fund Financial Statements

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements, with non-major funds being combined into a single column.

Basis of Accounting and Measurement Focus

The PFA is presented in the accompanying government-wide financial statements, combining its special revenue (governmental) fund type with its proprietary fund type – an enterprise fund. Separate financial statements are provided for PFA's special revenue fund and proprietary fund. PFA has one major program in its special revenue

NOTES TO FINANCIAL STATEMENTS - CONTINUED

fund financial statements. Three programs are reported in the proprietary fund financial statements. There are no non-major funds.

PFA accounts for its government-wide and proprietary fund financial statements using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

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. Interest associated with the current year are considered to be susceptible to accrual and have been recognized as revenues in the current year. All other revenues are considered measurable and available when cash is received. Expenditures are recorded when a liability is incurred, as under accrual accounting. However debt service expenditures are recorded only when payment is due.

Proprietary Fund financials are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public or other funds on a continuing basis be financed or recovered primarily through user charges. The PFA recovers its costs through administrative charges to municipalities and earnings on administrative funds. The Program revenues include 1) Income from receivables and 2) Administrative fees. The Non Program revenues include 1) Investment income and 2) Income from grants and set-asides.

The accompanying financial statements of the North Dakota Public Finance Authority follow the pronouncements of the Governmental Accounting Standards Board (GASB), which is the nationally accepted standard-setting body for establishing generally accepted accounting principles for governmental entities. In accordance with Governmental Accounting Standards Board Statement No. 62, the PFA follows all applicable GASB Pronouncements as well as following accounting principles generally accepted in the United States of America.

When both restricted and unrestricted resources are available for use, it is the PFA's policy to use restricted resources first, and then unrestricted resources as they are needed.

Financial Statement Presentation

The PFA reports one major governmental fund, the Legacy Bond Program. The Legacy Bond Program is a special revenue fund. The fund accounts for activities from bond proceeds, which are restricted legally or administratively for the particular costs of an agency or program.

The PFA reports one major proprietary fund. The proprietary fund makes funds available to finance projects of North Dakota political subdivisions through the issuance of bonds and purchasing municipal securities of the political subdivisions.

Governmental Fund Types

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Proprietary Fund Types

Enterprise Funds account for those business-like activities that provide goods/services to the public, financed primarily through user charges.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of

NOTES TO FINANCIAL STATEMENTS - CONTINUED

the balance sheet and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Concentration of Credit Risk

Municipal securities primarily consist of obligations of cities, school districts and water organizations. The PFA performs credit evaluations and, in some instances, municipal securities are collateralized by property and leases. Generally, the PFA maintains a security interest until related receivables are collected. Municipal securities are due under terms corresponding with applicable bonds. All customers are located in the state of North Dakota.

Pensions

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension 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 (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Cash and Cash Equivalents

The PFA considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The PFA follows the bond indenture documentation on satisfying requirements for unrestricted and restricted cash and cash equivalents.

Investments

Investments are reported at fair value. All investment income, including changes in the fair value of investments, is recognized in the statement of revenues, expenses, and changes in net position. The PFA follows the bond indenture documentation on satisfying requirements for unrestricted and restricted investments.

Funds held by trustees or the PFA under bond resolutions are to be invested to the fullest extent possible in investment obligations selected by the PFA. The maturity date or the date on which such investment obligations may be redeemed shall coincide as nearly as practicable with the date or dates on which moneys in the funds or accounts for which the investments were made will be required. The restricted bond accounts have their moneys invested in various debt securities such as U.S. Treasury securities, certificates of deposit, agency notes and commercial paper.

Equipment and Furnishings

Equipment and furnishings are stated at cost, net of accumulated depreciation. Equipment and furnishings with a cost of \$5,000 or more per unit are capitalized and reported in the accompanying financial statements. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. There is no equipment or furnishings recorded for the years ended December 31, 2025 and 2024.

Expenditures for major additions and improvements that extend the useful lives of equipment and furnishings are capitalized. Routine expenditures for repairs and maintenance are charged to expenses when incurred.

Accumulated Unpaid Vacation and Sick Pay

Annual leave and sick leave are a part of permanent employees' compensation as set forth in Section 54-06-14 of the North Dakota Century Code. Annual leave is earned based on tenure of employment, within a range of one working day per month of employment to two working days per month of employment, to be fixed by rules and regulations adopted by the employing unit. In general, accrued annual leave cannot exceed 30 days at each year-end, as set by the Agency. Employees are paid for unused annual leave upon termination or retirement.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Sick leave is earned based on tenure at the rate of one working day per month of employment. There are no limitations on the amount of sick leave an employee can accumulate. Employees who have ten continuous years of service are paid one-tenth of their accumulated sick leave upon leaving service under chapter 54-52 of the North Dakota Century Code.

Vacation and sick leave are immaterial as of December 31, 2025 and 2024 and are not accrued.

Fund Balance

The difference between fund assets and liabilities is "Fund Balance" on governmental fund statements.

Fund balance classifications for governmental funds are reported in two general classifications, nonspendable and spendable. Nonspendable represents the portion of fund balance that is not in spendable form such as inventories and prepaids. Spendable fund balance is further categorized as restricted, committed, assigned, and unassigned.

- Restricted – includes amounts that can be spent only for the specific purposes stipulated by the State constitution and external parties, such as the federal government, or through enabling legislation.
- Committed – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority, the state's legislature, through legislation, that is not considered as enabling legislation, passed into law.
- Assigned – includes amounts to be used for specific purposes but do not meet the criteria to be classified as restricted or committed.
- Unassigned – is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

The PFA generally segregates restricted, committed, and assigned resources by individual funds within the governmental funds. When resources meeting more than one of these classifications are comingled within an individual fund, the assumed order of spending is restricted first, committed second, assigned third, and finally, unassigned.

Operating Revenues, Noncapital Subsidies and Non-operating Revenues

Operating revenues consist of revenues that constitute the agency's principal ongoing operations and other miscellaneous revenue that does not meet the criteria for nonoperating revenue.

Noncapital subsidies consist of transfers between programs.

Nonoperating revenues consist of subsidies received and provided and investment income and expenses except for transactions which constitute the agency's principal ongoing operations.

Administrative Fee Revenue

All loans originated by the PFA are charged an administration fee. These fees are used to cover the costs incurred in the administration of the loan programs. Income is recorded when the fees are received.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Grant and Set-Asides Revenue

The SRF Program grants, received from the United States Environmental Protection Agency, are to be used to make below-market interest rate loans to political subdivisions for the purpose of financing authorized projects. In addition, the Drinking Water SRF Program is allowed to “set-aside” a percentage of each grant award, which is expended for administration, technical assistance and source water assessment programs.

State Revolving Fund Administration Expense

State Revolving Fund administration expenses are incurred by the PFA and North Dakota Department of Environmental Quality in administration of the State Revolving Loan Programs.

State Revolving Fund Set-Asides Expenses

The Drinking Water SRF Program is allowed to “set-aside” a percentage of each grant award, which is expended for administration, technical assistance and source water assessment programs.

NOTE 2 - CHANGE IN ACCOUNTING POLICY

The North Dakota Public Finance Authority implemented Governmental Accounting Standard (GASB Statement) No. 103 *Financial Reporting Model Improvements* in 2025. Grant and set-asides revenue previously classified as non-operating revenue was reclassified to operating revenues as part of the Authority’s principal ongoing operations. The accounting change had no effect on net position as of the beginning of 2025 or 2024.

NOTE 3 - DEPOSITS AND INVESTMENTS

DEPOSITS

The North Dakota Public Finance Authority is required to maintain its deposits at the Bank of North Dakota. As of December 31, the PFA had the following deposits (amounts in the thousands):

	Bank Balance 2025	Bank Balance 2024
Cash and cash equivalents		
Special Revenue Fund	\$ 33,177	\$ 50,850
Proprietary Fund	<u>97,257</u>	<u>115,724</u>
Total deposits	<u>\$ 130,434</u>	<u>\$ 166,574</u>

Custodial and Concentration of Credit Risk

For a deposit, the custodial credit risk that, in the event of the failure of a depository financial institution, the PFA will not be able to recover collateral securities that are in the possession of an outside party. The PFA’s deposits are uncollateralized. All of the deposits are with the Bank of North Dakota.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

INVESTMENTS

NDCC 6-09.4-7 authorizes the PFA to invest any funds in the same manner as permitted for investment of funds belonging to the state or the Bank of North Dakota. The PFA does have a formal investment policy. Also, the General Bond Resolution and Master Trust Indenture specify the permitted investments. The PFA follows those stipulations when investing funds.

Funds held by trustees or the PFA under bond resolutions are to be invested to the fullest extent possible in investment obligations selected by the PFA. The maturity date or the date on which such investment obligations may be redeemed shall coincide as nearly as practicable with the date or dates on which moneys in the funds or accounts for which the investments were made will be required. The restricted bond accounts may have their moneys invested in various debt securities such as U.S. Treasury securities, commercial paper, guaranteed investment contracts, agency notes and certificates of deposit. There is no limit on the amount the PFA may invest in any one issuer.

Investment Valuation

The PFA categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The PFA does not have any investments that are measured using Level 3 inputs.

The following tables summarize investment by investment type and input level as of December 31, 2025 and 2024 (amounts are in thousands):

Investments	12/31/2025	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Debt Securities				
Special Revenue Fund				
US Treasuries	\$ 72,727	\$ 72,727	\$ -	\$ -
Proprietary Fund				
US Treasuries	24,251	24,251	-	-
Certificates of deposit	1,136	-	1,136	-
Corporate Note	1,168	-	1,168	-
Commercial paper	3,123	-	3,123	-
Total Proprietary Fund	<u>29,678</u>	<u>24,251</u>	<u>5,427</u>	<u>-</u>
Total Investments at fair value	<u>\$ 102,405</u>	<u>\$ 96,978</u>	<u>\$ 5,427</u>	<u>\$ -</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Investments	12/31/2024	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Debt Securities				
Special Revenue Fund				
US Treasuries	\$ 90,118	\$ 90,118	\$ -	\$ -
Proprietary Fund				
US Treasuries	23,348	23,348	-	-
Certificates of deposit	6,068	-	6,068	-
Corporate note	1,976	-	1,976	-
Federal agency notes	4,369	4,369	-	-
Commercial paper	52,059	-	52,059	-
Total Proprietary Fund	<u>87,820</u>	<u>27,717</u>	<u>60,103</u>	<u>-</u>
Total Investments at fair value	<u>\$ 177,938</u>	<u>\$ 117,835</u>	<u>\$ 60,103</u>	<u>\$ -</u>

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair values of an investment. The price of a debt security typically moves in the opposite direction of the change in interest rates. The PFA does not have a formal investment policy that limits investment maturities as a means of managing its exposure to potential fair value losses arising from future changes.

As of December 31, 2025, the following table summarizes investment by investment type and maturity (amounts are in thousands):

Investment Type	Total Fair Value	Less Than 1 Year	1 - 6 Years	6 - 10 Years	More Than 10 Years
Special Revenue Fund					
US Treasuries	\$ 72,727	\$ 51,304	\$ 21,423	\$ -	\$ -
Proprietary Fund					
US Treasuries	24,251	17,406	6,845	-	-
Certificates of Deposit	1,136	1,136	-	-	-
Corporate Note	1,168	578	590	-	-
Commercial Paper	3,123	3,123	-	-	-
Total Proprietary Fund	<u>29,678</u>	<u>\$ 22,243</u>	<u>\$ 7,435</u>	<u>\$ -</u>	<u>\$ -</u>
Total Investments at Fair Value	<u>\$ 102,405</u>				

NOTES TO FINANCIAL STATEMENTS - CONTINUED

As of December 31, 2024, the following table summarizes investment by investment type and maturity (amounts are in thousands):

Investment Type	Total Fair Value	Less Than 1 Year	1 - 6 Years	6 - 10 Years	More Than 10 Years
Special Revenue Fund					
US Treasuries	\$ 90,118	\$ 90,118	\$ -	\$ -	\$ -
Proprietary Fund					
US Treasuries	23,348	20,250	3,098	-	-
Certificates of Deposit	6,068	6,068	-	-	-
Corporate Note	1,976	1,328	648	-	-
Agency Notes	4,369	4,369	-	-	-
Commercial Paper	52,059	52,059	-	-	-
Total Proprietary Fund	87,820	\$ 84,074	\$ 3,746	\$ -	\$ -
Total Investments at Fair Value	\$ 177,938				

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2025, the following table summarizes investment by investment type and credit rating (amounts are in thousands):

Investment Type	Total Fair Value	Credit Rating*			
		AAA	AA	A	BBB
Proprietary Fund					
Certificates of Deposit	\$ 1,136	\$ -	\$ -	\$ 1,136	\$ -
Corporate Note	1,168	-	394	275	499
Commercial Paper	3,123	-	-	3,123	-
		\$ -	\$ 394	\$ 4,534	\$ 499
US Government					
Special Revenue Fund	72,727				
Proprietary Fund	24,251				
Total Debt Securities	\$102,405				

NOTES TO FINANCIAL STATEMENTS - CONTINUED

As of December 31, 2024, the following table summarizes investment by investment type and credit rating (amounts are in thousands):

Investment Type	Total Fair Value	Credit Rating*			
		AAA	AA	A	BBB
Proprietary Fund					
Certificates of Deposit	\$ 6,068	\$ -	\$ -	\$ 6,068	\$ -
Corporate Note	1,976	-	651	1,125	200
Agency Notes	4,369	-	4,369	-	-
Commercial Paper	52,059	-	-	52,059	-
		<u>\$ -</u>	<u>\$ 5,020</u>	<u>\$59,252</u>	<u>\$ 200</u>
US Government					
Special Revenue Fund	90,118				
Proprietary Fund	23,348				
Total Debt Securities	<u>\$177,938</u>				

* Ratings are determined by a nationally recognized statistical rating organization.

NOTE 4 - MUNICIPAL SECURITIES

Obligations of North Dakota political subdivisions are classified separately on the balance sheet as “municipal securities.” These investment securities are primarily obligations of cities and water organizations, and are pledged to the various bond issues. Due to the maturity of these securities, a market value is not readily available. The PFA intends to hold these securities to maturity. No future losses for market value decline are anticipated and an allowance has not been provided. The PFA had the following municipal securities as of December 31 (amounts are in thousands):

	2025	2024
Capital Financing Program	\$ 97,539	\$ 107,931
State Revolving Fund Program	1,052,940	935,350
	<u>1,150,479</u>	<u>1,043,281</u>
Less current portion	55,111	52,232
Noncurrent portion Municipal Securities	<u>\$ 1,095,368</u>	<u>\$ 991,049</u>

NOTE 5 - BONDS PAYABLE

Changes in Bonds Payable

Activity for long-term liabilities for the year ended December 31, 2025 was as follows (amounts are in thousands):

	Balance 1/1/2025	Additions	Reductions	Net Accretion of Premiums and Discounts	Balance 12/31/2025	Amounts Due Within One Year
LONG-TERM LIABILITIES						
Bonds payable, Governmental Activities	\$ 651,521	\$ -	\$ 29,680	\$ 65	\$ 621,906	\$ 30,405
Bonds payable, Business-type Activities	548,653	43,610	72,635	(4,318)	515,310	26,225
Total Bonds Payable	<u>\$1,200,174</u>	<u>\$ 43,610</u>	<u>\$102,315</u>	<u>\$ (4,253)</u>	<u>\$1,137,216</u>	<u>\$ 56,630</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Activity for long-term liabilities for the year ended December 31, 2024 was as follows (amounts are in thousands):

	Balance 1/1/2024	Additions	Reductions	Net Accretion of Premiums and Discounts	Balance 12/31/2024	Amounts Due Within One Year
LONG-TERM LIABILITIES						
Bonds payable, Governmental Activities	\$ 680,486	\$ -	\$ 29,030	\$ 65	\$ 651,521	\$ 29,680
Bonds payable, Business-type Activities	439,817	230,047	106,375	(14,836)	548,653	27,145
Total Bonds Payable	<u>\$1,120,303</u>	<u>\$230,047</u>	<u>\$135,405</u>	<u>\$ (14,771)</u>	<u>\$1,200,174</u>	<u>\$ 56,825</u>

Bonds Payable – Governmental Activities

The governmental activities bonds of the PFA are appropriation bonds which have been issued to provide financing to legislature approved state projects and programs. The bonds are limited obligations of the PFA and are payable solely from the funds appropriated by the Legislative Assembly, other legally available funds, if any, and other funds or amounts held by the Trustee as security for the bonds.

Bonds Payable – Business-type Activities

The bonds of the PFA have been issued to provide financing to purchase municipal securities in order to provide local political subdivisions with funds to finance local projects. The bonds are direct obligations of the PFA and are secured by municipal securities purchased under the applicable resolutions, interest earnings and certain accounts established pursuant to the applicable bond resolutions.

Maturities of Bonds Payable – Governmental Activities

Maturities of principal and interest on Governmental Activities bonds are as follows (amounts are in thousands):

Years Ending December 31,	Principal	Interest	Total Debt Service
2026	\$ 30,405	\$ 21,289	\$ 51,694
2027	31,205	20,526	51,731
2028	32,080	19,686	51,766
2029	33,025	18,777	51,802
2030	34,035	17,792	51,827
2031-2035	187,630	72,045	259,675
2036-2040	224,255	36,552	260,807
2041-2045	50,310	2,005	52,315
(Net Discount)	(1,039)	1,039	-
	<u>\$ 621,906</u>	<u>\$ 209,711</u>	<u>\$ 831,617</u>

The following summarizes the PFA's Governmental Activities bonds outstanding on December 31, 2025 and 2024 (amounts are in thousands):

Description and Due Date	Interest Rate	Original Value	2025	2024
<u>Special Revenue Fund</u>				
Series 2021-Legacy				
Serial Bonds 6/1/23-6/1/41	0.87 - 3.20	\$ 389,200	\$ 337,768	\$ 355,305
Series 2022-Legacy				
Serial Bonds 6/1/23-6/1/41	3.30 - 4.80	320,915	284,138	296,216
Total Special Revenue Fund			<u>\$ 621,906</u>	<u>\$ 651,521</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Maturities of Bonds Payable – Business-type Activities

Maturities of principal and interest on Business-type Activities bonds are as follows (amounts are in thousands):

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2026	\$ 26,225	\$ 21,923	\$ 48,148
2027	27,455	20,681	48,136
2028	33,800	19,380	53,180
2029	33,170	17,768	50,938
2030	34,565	16,169	50,734
2031-2035	157,705	56,859	214,564
2036-2040	91,685	25,333	117,018
2041-2045	54,065	6,663	60,728
Net Premium	56,640	(56,640)	-
	<u>\$ 515,310</u>	<u>\$ 128,136</u>	<u>\$ 643,446</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

The following summarizes the PFA's Business-type Activities bonds outstanding on December 31, 2025 and 2024 (amounts are in thousands):

Description and Due Date	Interest Rate	Original Value	2025	2024
<u>Proprietary Fund</u>				
Series 2006-IDBP				
Serial Bonds 6/1/07-6/1/31	4.00 - 5.00	\$ 1,360	\$ 490	\$ 560
Series 2009-CFP				
Serial Bonds 6/1/10-6/1/34	2.00 - 4.88	2,125	390	415
Series 2012-SRF				
Serial Bonds 10/1/12-10/1/25 (net of premium)	0.24 - 5.00	37,605	-	2,474
Series 2012-CFP				
Serial Bonds 6/1/13-6/1/41	2.00 - 3.75	9,635	2,850	3,090
Series 2013-CFP				
Serial Bonds 6/1/14-6/1/33	3.00 - 4.00	51,375	25,430	28,075
Series 2014-CFP				
Serial Bonds 6/1/15-6/1/34	2.00 - 5.00	41,840	20,815	23,175
Series 2015-CFP				
Serial Bonds 6/1/15-6/1/45	2.00 - 5.00	65,845	640	48,485
Series 2016-SRF				
Serial Bonds 10/1/19-10/1/28 (net of premium)	4.00 - 5.00	16,405	6,680	8,751
Series 2018-CFP				
Serial Bonds 6/1/19-6/1/28	5.00	1,360	495	645
Series 2018-SRF				
Serial Bonds 10/1/19-10/1/38 (net of premium)	5.00	128,625	111,319	117,645
Series 2021-CFP				
Serial Bonds 10/1/22-10/1/41	2.25 - 5.00	2,130	1,720	1,810
Series 2022-SRF				
Serial Bonds 10/1/22-10/1/41 (net of premium)	4.00 - 5.00	85,330	77,615	83,852
Series 2024-SRF				
Serial Bonds 10/1/24-10/1/44 (net of premium)	5.00	200,920	223,256	229,676
Series 2025-CFP				
Serial Bonds 6/1/26-6/1/45	5.00	43,610	43,610	-
Total Proprietary Funds			\$ 515,310	\$ 548,653

NOTE 6 - PENSION PLAN

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.

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.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

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 (amounts are in thousands)

At December 31, 2025 and December 31, 2024, the Employer reported liabilities of \$293 and \$334, respectively, for its proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2025 and 2024, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of those dates. 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. At June 30, 2025, the Employer's proportion was 0.018400 percent, which was an increase of 0.000549 percent from its proportion measured as of June 30, 2024.

At the measurement dates of June 30, 2025 and 2024, the Employer recognized pension (revenue) expense of (\$16) and \$22, respectively. At December 31, 2025, the Employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 16	\$0
Changes of assumptions	30	81
Net difference between projected and actual earnings on pension plan investments	-	26
Changes in proportion and differences between employer contributions and proportionate share of contributions	8	3
Employer contributions subsequent to the measurement date (see below)	<u>18</u>	<u>-</u>
Total	<u>\$72</u>	<u>\$110</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

\$18 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 16	\$0
Changes of assumptions	80	152
Net difference between projected and actual earnings on pension plan investments	-	3
Changes in proportion and differences between employer contributions and proportionate share of contributions	13	6
Employer contributions subsequent to the measurement date	<u>16</u>	<u>-</u>
Total	<u>\$125</u>	<u>\$161</u>

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:

2026	\$ (6)
2027	(31)
2028	(11)
2029	(8)

Actuarial Assumptions

The total pension liability in the July 1, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
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-2021 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:

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.9%	5.03%
International Equity	19.1%	6.10%
Private Equity	7%	8.30%
Domestic Fixed Income	23%	2.32%
Global Real Assets	19%	5.47%

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 5.20%; 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	\$436	\$293	\$173

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NDPERS financial report.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 7 - STATE REVOLVING LOAN FUND

Under an agreement with the North Dakota Department of Environmental Quality, the PFA assists in administering the State Revolving Loan Fund. The purpose of the Loan Fund is to provide low cost financing to local political subdivisions to finance wastewater disposal system projects and drinking water projects.

The federal Environmental Protection Agency (EPA) provides capitalization grants. Capitalization grants require that the state provide 20% match which is funded through loan-administration fees and bonds issued by the PFA.

As of December 31, the following Loan Fund transactions had occurred (amounts are in thousands):

	<u>2025</u>	<u>2024</u>
Municipal securities purchased	\$ 196,445	\$ 145,757
EPA grant funds received	81,808	57,595

NOTE 8 - RELATED PARTY TRANSACTIONS

All cash accounts of the PFA are deposited in the Bank of North Dakota. All investments are under the safekeeping of the Bank of North Dakota. The Bank of North Dakota acts as paying agent for all bonds and as trustee for the 2016, 2018, 2022, and 2024 State Revolving Fund Bonds.

The PFA had the following transactions with related parties summarized as follows (amounts are in thousands):

	<u>2025</u>	<u>2024</u>
Bank of North Dakota		
Cash and cash equivalents - restricted	\$ 37,990	\$ 61,820
Treasury Securities recorded at Fair Value	74,819	91,458
Interest receivable	171	192
Expenses		
Registrar, paying agent and trustee fees	198	180
Treasury fees	4	5
Industrial Commission		
Administrative Fees	-	57
Information Technology Department		
Telecommunications and data	7	5
Office of Attorney General		
Legal Services	3	-

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Amounts passed through from the State Department of Environmental Quality from federal grantor agencies are subject to audit and adjustment by the federal grantor agencies. Any disallowed grant costs may constitute a liability. The amount, if any, of costs which may be disallowed by the grantor will be recognized in the year determined.

The PFA is a party to credit related financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit. Such commitments involve, to varying degrees, elements of credit risk in excess of the amount recognized in the balance sheet.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

The PFA's exposure to credit loss is represented by the contractual amount of these commitments. The PFA follows the same credit policies in making commitments as it does for on-balance-sheet instruments. Commitments to extend credit totaled \$311,536 and \$229,648 (in thousands) as of December 31, 2025 and 2024, respectively.

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Since some of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements.

The PFA purchased letters of credit from the Bank of North Dakota to fund the reserves for the Capital Financing Program Bonds. As of December 31, 2025, \$26,189 (in thousands) of credit was available through these letters of credit and no funds have been advanced.

NOTE 10 - RISK MANAGEMENT

The PFA 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. The following are funds/pools established by the State for risk management issues:

The 1995 Legislative Session established the Risk Management Fund (RMF), an internal service fund, to provide a self-insurance vehicle for funding the liability exposures of state agencies resulting from the elimination of the state's sovereign immunity. The RMF manages the tort liability of the state, its agencies' employees, and the University System. All state agencies participate in the RMF and their fund contribution was determined using a projected cost allocation approach. The statutory liability of the State is limited to a total of \$250 per person and \$1,000 per occurrence (in thousands).

The PFA also participates in the North Dakota Fire and Tornado Fund and the State Bonding Fund. The PFA pays an annual premium to the Fire and Tornado Fund to cover property damage to 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 one million dollars per occurrence during a twelve-month period. The State Bonding Fund currently provides the PFA with blanket fidelity bond coverage in the amount of \$2,000 (in thousands) for its employees. The State Bonding Fund does not currently charge any premium for this coverage.

The PFA, as a contributor to RMF, participates in the North Dakota Workforce Safety and Insurance (WSI), an Enterprise Fund of the State of North Dakota. WSI is a state insurance fund and a "no fault" insurance system covering the State's employers and employees financed by premiums assessed to employers. The premiums are available for the payment of claims to employees injured in the course of employment.

There have been no significant reductions in insurance coverage from the prior year and settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024
(In Thousands)

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
1. Employer's proportion of the net pension liability (asset)	0.01840%	0.01785%	0.01779%	0.01821%	0.01825%	0.01370%	0.01631%	0.01655%	0.01652%	0.01635%
2. Employer's proportionate share of the net pension liability (asset)	\$293	\$334	\$343	\$524	\$190	\$431	\$191	\$279	\$266	\$159
3. Employer's covered payroll	\$244	\$234	\$218	\$211	\$207	\$151	\$170	\$170	\$169	\$165
4. Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	120.13%	142.58%	157.68%	248.10%	92.04%	285.19%	112.68%	164.27%	157.40%	96.36%
5. Plan fiduciary net position as a percentage of the total pension liability	73.63%	68.02%	65.31%	54.47%	78.26%	48.91%	71.66%	62.80%	61.98%	70.46%

Data reported is measured as of June 30 of the years presented.

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$22	\$19	\$16	\$16	\$15	\$11	\$12	\$13	\$12	\$12
Contributions in relation to the statutorily required contribution	(\$20)	(\$18)	(\$16)	(\$15)	(\$13)	(\$10)	(\$12)	(\$11)	(\$12)	(\$12)
Contribution deficiency (excess)	\$2	\$1	\$0	\$1	\$2	\$0	\$0	\$1	\$0	\$0
Agency's covered payroll	\$244	\$234	\$218	\$211	\$207	\$151	\$170	\$170	\$169	\$165
Contributions as a percentage of covered payroll	8.31%	7.81%	7.31%	7.31%	6.36%	6.82%	7.12%	6.73%	7.12%	7.27%

Data reported is measured as of December 31 of the years presented.

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024
(In Thousands)

Notes to Required Supplementary Information
For the Year Ended December 31, 2025

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

The actuarial assumptions used in the actuarial valuation as of July 1, 2025 were based on an experience review for the period from July 1, 2019 to July 1, 2024, and were adopted for first use commencing with the actuarial valuation as of July 1, 2025.

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
SUPPLEMENTARY INFORMATION

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2025
(In Thousands)

	Proprietary Fund			Total
	Clean Water SRF	Drinking Water SRF	Capital Financing Program	
ASSETS				
CURRENT ASSETS				
Restricted				
Restricted cash and cash equivalents	\$ 51,216	\$ 45,969	\$ 72	\$ 97,257
Interest receivable	3,447	2,303	351	6,101
Investments	1,171	18,980	2,092	22,243
Municipal securities	25,557	21,368	8,186	55,111
Total restricted current assets	<u>81,391</u>	<u>88,620</u>	<u>10,701</u>	<u>180,712</u>
Total current assets	<u>81,391</u>	<u>88,620</u>	<u>10,701</u>	<u>180,712</u>
NONCURRENT ASSETS - RESTRICTED				
Investments	4,162	3,273	-	7,435
Municipal securities	616,612	389,403	89,353	1,095,368
Total restricted noncurrent assets	<u>620,774</u>	<u>392,676</u>	<u>89,353</u>	<u>1,102,803</u>
Total assets	<u>702,165</u>	<u>481,296</u>	<u>100,054</u>	<u>1,283,515</u>
DEFERRED OUTFLOWS OF RESOURCES				
Derived from pension	-	-	72	72
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>72</u>	<u>72</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	7	8	43	58
Bonds payable	9,880	8,230	8,115	26,225
Interest payable	3,205	1,244	358	4,807
Total current liabilities	<u>13,092</u>	<u>9,482</u>	<u>8,516</u>	<u>31,090</u>
NONCURRENT LIABILITIES				
Bonds payable	288,395	112,365	88,325	489,085
Net pension liability	-	-	293	293
Total noncurrent liabilities	<u>288,395</u>	<u>112,365</u>	<u>88,618</u>	<u>489,378</u>
Total liabilities	<u>301,487</u>	<u>121,847</u>	<u>97,134</u>	<u>520,468</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred gain on bond refunding	11,440	2,277	-	13,717
Derived from pension	-	-	110	110
Total deferred inflows of resources	<u>11,440</u>	<u>2,277</u>	<u>110</u>	<u>13,827</u>
NET POSITION				
Unrestricted	-	-	2,483	2,483
Restricted for debt service	53,585	64,235	399	118,219
Restricted for loan purposes	335,653	292,937	-	628,590
Total net position	<u>\$ 389,238</u>	<u>\$ 357,172</u>	<u>\$ 2,882</u>	<u>\$ 749,292</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2024
(In Thousands)

	Proprietary Fund			Total
	Clean Water SRF	Drinking Water SRF	Capital Financing Program	
ASSETS				
CURRENT ASSETS				
Restricted				
Restricted cash and cash equivalents	\$ 84,026	\$ 31,603	\$ 95	\$ 115,724
Interest receivable	3,176	2,323	405	5,904
Investments	59,489	23,245	1,340	84,074
Municipal securities	23,861	19,880	8,491	52,232
Total restricted current assets	<u>170,552</u>	<u>77,051</u>	<u>10,331</u>	<u>257,934</u>
Total current assets	<u>170,552</u>	<u>77,051</u>	<u>10,331</u>	<u>257,934</u>
NONCURRENT ASSETS - RESTRICTED				
Investments	938	2,808	-	3,746
Municipal securities	523,027	368,582	99,440	991,049
Total restricted noncurrent assets	<u>523,965</u>	<u>371,390</u>	<u>99,440</u>	<u>994,795</u>
Total assets	<u>694,517</u>	<u>448,441</u>	<u>109,771</u>	<u>1,252,729</u>
DEFERRED OUTFLOWS OF RESOURCES				
Derived from pension	-	-	125	125
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>125</u>	<u>125</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	14	-	38	52
Bonds payable	9,797	9,413	7,935	27,145
Interest payable	3,328	1,362	397	5,087
Total current liabilities	<u>13,139</u>	<u>10,775</u>	<u>8,370</u>	<u>32,284</u>
NONCURRENT LIABILITIES				
Bonds payable	300,691	122,497	98,320	521,508
Net pension liability	-	-	334	334
Total noncurrent liabilities	<u>300,691</u>	<u>122,497</u>	<u>98,654</u>	<u>521,842</u>
Total liabilities	<u>313,830</u>	<u>133,272</u>	<u>107,024</u>	<u>554,126</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred gain on bond refunding	12,679	2,410	-	15,089
Derived from pension	-	-	161	161
Total deferred inflows of resources	<u>12,679</u>	<u>2,410</u>	<u>161</u>	<u>15,250</u>
NET POSITION				
Unrestricted	-	-	2,273	2,273
Restricted for debt service	68,456	51,504	438	120,398
Restricted for loan purposes	299,552	261,255	-	560,807
Total net position	<u>\$ 368,008</u>	<u>\$ 312,759</u>	<u>\$ 2,711</u>	<u>\$ 683,478</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2025
(In Thousands)

	Proprietary Fund			Total
	Clean Water SRF	Drinking Water SRF	Capital Financing Program	
OPERATING REVENUES				
Investment income	\$ 9,879	\$ 6,160	\$ 4,561	\$ 20,600
Grant and set-asides	22,022	59,786	-	81,808
Administrative fees and other	2,787	1,958	470	5,215
	<u>34,688</u>	<u>67,904</u>	<u>5,031</u>	<u>107,623</u>
OPERATING EXPENSES				
Interest expense	9,536	3,293	4,561	17,390
State Revolving Fund loan forgiveness	5,375	16,236	-	21,611
State Revolving Fund administration	2,872	1,547	-	4,419
State Revolving Fund set-asides	-	4,913	-	4,913
Salaries and benefits	-	-	341	341
Operating	-	-	53	53
	<u>17,783</u>	<u>25,989</u>	<u>4,955</u>	<u>48,727</u>
OPERATING INCOME	<u>16,905</u>	<u>41,915</u>	<u>76</u>	<u>58,896</u>
NONOPERATING REVENUES				
Investment income	4,325	2,498	95	6,918
	<u>4,325</u>	<u>2,498</u>	<u>95</u>	<u>6,918</u>
CHANGE IN NET POSITION	21,230	44,413	171	65,814
TOTAL NET POSITION, BEGINNING OF YEAR	<u>368,008</u>	<u>312,759</u>	<u>2,711</u>	<u>683,478</u>
TOTAL NET POSITION, END OF YEAR	<u>\$ 389,238</u>	<u>\$ 357,172</u>	<u>\$ 2,882</u>	<u>\$ 749,292</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024
(In Thousands)

	Proprietary Fund			Total
	Clean Water SRF	Drinking Water SRF	Capital Financing Program	
OPERATING REVENUES				
Investment income	\$ 8,920	\$ 6,600	\$ 4,914	\$ 20,434
Grant and set-asides	16,674	40,921	-	57,595
Administrative fees and other	2,431	1,910	453	4,794
	<u>28,025</u>	<u>49,431</u>	<u>5,367</u>	<u>82,823</u>
OPERATING EXPENSES				
Interest expense	8,194	3,910	4,914	17,018
State Revolving Fund loan forgiveness	4,271	12,265	-	16,536
State Revolving Fund administration	2,498	1,647	-	4,145
State Revolving Fund set-asides	-	6,791	-	6,791
Salaries and benefits	-	-	351	351
Bond Issue Costs	1,064	32	-	1,096
Operating	-	-	130	130
Paying agent fees	-	-	1	1
	<u>16,027</u>	<u>24,645</u>	<u>5,396</u>	<u>46,068</u>
OPERATING INCOME (LOSS)	<u>11,998</u>	<u>24,786</u>	<u>(29)</u>	<u>36,755</u>
NONCAPITAL SUBSIDIES				
Transfers	20,920	(20,920)	-	-
	<u>20,920</u>	<u>(20,920)</u>	<u>-</u>	<u>-</u>
OPERATING INCOME (LOSS) AND NONCAPITAL SUBSIDIES	<u>32,918</u>	<u>3,866</u>	<u>(29)</u>	<u>36,755</u>
NONOPERATING REVENUE				
Investment income	3,262	3,080	105	6,447
	<u>3,262</u>	<u>3,080</u>	<u>105</u>	<u>6,447</u>
CHANGE IN NET POSITION	36,180	6,946	76	43,202
TOTAL NET POSITION, BEGINNING OF YEAR	<u>331,828</u>	<u>305,813</u>	<u>2,635</u>	<u>640,276</u>
TOTAL NET POSITION, END OF YEAR	<u>\$ 368,008</u>	<u>\$ 312,759</u>	<u>\$ 2,711</u>	<u>\$ 683,478</u>

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025
(In Thousands)

	Proprietary Fund			
	Clean Water SRF	Drinking Water SRF	Capital Financing Program	Total
OPERATING ACTIVITIES				
Receipts of administrative fees from customers	\$ 2,787	\$ 1,958	\$ 470	\$ 5,215
Grant and set-asides	22,022	59,786	-	81,808
Payments to service providers	(2,879)	(6,452)	(48)	(9,379)
Payments to employees	-	-	(380)	(380)
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	<u>21,930</u>	<u>55,292</u>	<u>42</u>	<u>77,264</u>
NONCAPITAL FINANCING ACTIVITIES				
Interest paid on bonds payable	(13,314)	(5,446)	(4,600)	(23,360)
Proceeds from issuance of bonds payable	-	-	43,610	43,610
Principal payments on bonds payable	(9,797)	(9,413)	(53,425)	(72,635)
NET CASH FROM (USED FOR) NONCAPITAL FINANCING ACTIVITIES	<u>(23,111)</u>	<u>(14,859)</u>	<u>(14,415)</u>	<u>(52,385)</u>
INVESTING ACTIVITIES				
Interest received on investments and municipal securities	14,627	8,679	4,718	28,024
Proceeds from maturities and sales of investments	59,259	26,974	5,368	91,601
Purchases of investments	(4,859)	(23,175)	(6,128)	(34,162)
Proceeds from maturities of municipal securities	32,433	24,811	54,002	111,246
Purchases of municipal securities	(133,089)	(63,356)	(43,610)	(240,055)
NET CASH FROM (USED FOR) INVESTING ACTIVITIES	<u>(31,629)</u>	<u>(26,067)</u>	<u>14,350</u>	<u>(43,346)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(32,810)</u>	<u>14,366</u>	<u>(23)</u>	<u>(18,467)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>84,026</u>	<u>31,603</u>	<u>95</u>	<u>115,724</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 51,216</u>	<u>\$ 45,969</u>	<u>\$ 72</u>	<u>\$ 97,257</u>

COMBINING STATEMENT OF CASH FLOWS -- CONTINUED
YEAR ENDED DECEMBER 31, 2025
(In Thousands)

	Proprietary Fund			Total
	Clean Water SRF	Drinking Water SRF	Capital Financing Program	
RECONCILIATION OF OPERATING GAIN (LOSS) TO NET CASH FROM (USED FOR) OPERATING ACTIVITIES				
Operating gain (loss)	\$ 16,905	\$ 41,915	\$ 76	\$ 58,896
Adjustments to reconcile operating gain/loss to net cash from operating activities				
Net amortization of premium on bonds payable	3,655	2,035	-	5,690
Reclassification of operating income and expense to other activities	1,377	11,334	-	12,711
Changes in assets, liabilities, deferred inflows/outflows				
Pension Accruals			(39)	(39)
Accounts payable	(7)	8	5	6
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	\$ 21,930	\$ 55,292	\$ 42	\$ 77,264

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024
(In Thousands)

	Proprietary Fund			Total
	Clean Water SRF	Drinking Water SRF	Capital Financing Program	
OPERATING ACTIVITIES				
Receipts of administrative fees from customers	\$ 2,431	\$ 1,910	\$ 453	\$ 4,794
Grant and set-asides	16,674	40,921	-	57,595
Payments to service providers	(2,484)	(8,443)	(128)	(11,055)
Payments to employees	-	-	(349)	(349)
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	16,621	34,388	(24)	50,985
NONCAPITAL FINANCING ACTIVITIES				
Transfers	20,920	(20,920)	-	-
Interest paid on bonds payable	(8,225)	(5,924)	(4,943)	(19,092)
Bond financing costs	(1,064)	(32)	-	(1,096)
Proceeds from bond premiums	28,433	694	-	29,127
Proceeds from issuance of bonds payable	195,575	5,345	-	200,920
Principal payments on bonds payable	(83,203)	(15,047)	(8,125)	(106,375)
NET CASH FROM (USED FOR) NONCAPITAL FINANCING ACTIVITIES	152,436	(35,884)	(13,068)	103,484
INVESTING ACTIVITIES				
Interest received on investments and municipal securities	10,582	9,189	5,043	24,814
Proceeds from maturities and sales of investments	33,152	40,371	3,644	77,167
Purchases of investments	(85,317)	(32,360)	(3,811)	(121,488)
Proceeds from maturities of municipal securities	29,413	22,802	8,221	60,436
Purchases of municipal securities	(104,908)	(40,849)	-	(145,757)
NET CASH FROM (USED FOR) INVESTING ACTIVITIES	(117,078)	(847)	13,097	(104,828)
NET CHANGE IN CASH AND CASH EQUIVALENTS	51,979	(2,343)	5	49,641
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	32,047	33,946	90	66,083
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 84,026	\$ 31,603	\$ 95	\$ 115,724

COMBINING STATEMENT OF CASH FLOWS – CONTINUED
YEAR ENDED DECEMBER 31, 2024
(In Thousands)

	Proprietary Fund			Total
	Clean Water SRF	Drinking Water SRF	Capital Financing Program	
RECONCILIATION OF OPERATING LOSS TO NET CASH FROM (USED FOR) OPERATING ACTIVITIES				
Operating Income (loss)	\$ 11,998	\$ 24,786	\$ (29)	\$ 36,755
Adjustments to reconcile operating income (loss) to net cash used for operating activities				
Bond financing costs	1,064	32	-	1,096
Net amortization of premium on bonds payable	1,435	1,893	-	3,328
Reclassification of operating income and expense to other activities	2,110	7,682	-	9,792
Changes in assets, liabilities, deferred inflows/outflows:				
Pension Accruals			2	2
Accounts payable	14	(5)	3	12
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	<u>\$ 16,621</u>	<u>\$ 34,388</u>	<u>\$ (24)</u>	<u>\$ 50,985</u>

**SUMMARY OF NORTH DAKOTA
PUBLIC FINANCE AUTHORITY AUDIT
FOR FISCAL YEAR ENDED DECEMBER 31, 2025
PREPARED BY BRADY MARTZ
March 9, 2026**

Purpose of the audit: To determine the financial statements are free from material misstatement.

Type of opinion: Unmodified

Summary of finding/recommendations: No findings/recommendations

Explanations of significant audit adjustments and correct or uncorrected misstatements:

1. The following material misstatements were identified as a result of the audit procedures performed, which were corrected by management:
 - a. None

2. The following uncorrected misstatements were identified as a result of the audit procedures performed, which were determined by management to be immaterial both individually and in the aggregate:
 - a. None

Disagreements with management or difficulties encountered in performing the audit: None

Other items to highlight in the report: None

Cost of the audit:

Current audit \$28,723

Prior audit \$24,245

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Governor Kelly Armstrong
The Legislative Assembly
State of North Dakota
Bismarck, North Dakota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of North Dakota Public Finance Authority, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise North Dakota Public Finance Authority's basic financial statements, and have issued our report thereon dated March 9, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



**BRADY MARTZ
BISMARCK, NORTH DAKOTA**

March 9, 2026

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Governor Kelly Armstrong
The Legislative Assembly
State of North Dakota
Bismarck, North Dakota

Report on Compliance for the Major Federal Program

Opinion on Each Major Federal Program

We have audited North Dakota Public Finance Authority's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of North Dakota Public Finance Authority's major federal programs for the year ended December 31, 2025. North Dakota Public Finance Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, North Dakota Public Finance Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of North Dakota Public Finance Authority and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of North Dakota Public Finance Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to North Dakota Public Finance Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on North Dakota Public Finance Authority's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about North Dakota Public Finance Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 North Dakota Public Finance Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of North Dakota Public Finance Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of North Dakota Public Finance Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**BRADY MARTZ
BISMARCK, NORTH DAKOTA**

March 9, 2026

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025
(IN THOUSANDS)

EXHIBIT A-4

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Expenditures (In Thousands)	Amounts Passed- Through to Subrecipients (In Thousands)
ENVIRONMENTAL PROTECTION AGENCY			
Passed through the North Dakota Department of Environmental Quality			
Capitalization Grants for Clean Water State Revolving Funds:			
Base Capitalization grants for Clean Water State Revolving Funds	66.458	\$ 7,788	\$ 7,788
IJA Supplemental grants for Clean Water State Revolving Funds	66.458	12,094	12,094
IJA Emerging Contaminants grants for Clean Water State Revolving Funds	66.458	2,140	2,140
Total Capitalization Grants for Clean Water State Revolving Funds:		22,022	22,022
Capitalization Grants for Drinking Water State Revolving Funds:			
Base Capitalization grants for Drinking Water State Revolving Funds	66.468	15,567	15,567
IJA Supplemental grants for Drinking Water State Revolving Funds	66.468	33,770	33,770
IJA Emerging Contaminants grants for Drinking Water State Revolving Funds	66.468	4,420	4,420
IJA Lead Service Line Replacement grants for Drinking Water State Revolving Funds	66.468	6,029	1,229
Total Capitalization Grants for Drinking Water State Revolving Funds:		59,786	54,986
Total Environmental Protection Agency		\$ 81,808	\$ 77,008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule of expenditures of federal awards (the "schedule") are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or limited as to reimbursement.

NOTE 2 - INDIRECT COST RATE

The agency has not elected to use the 15% de minimis cost rate.

NOTE 3 - AGENCY OR PASS-THROUGH NUMBER

The pass-through entity has not provided us with the identifying number on all programs; therefore, they are not included in the schedule.

NOTE 4 - SUBRECIPIENTS

The amounts passed through to sub-recipients consist entirely of loans advanced to the sub-recipients.

The North Dakota Public Finance Authority also has outstanding loan balances to sub-recipients from prior years. These balances are not included on the accompanying schedule of expenditures of federal awards because the federal government imposes no continuing compliance requirements on the sub-recipient.

NOTE 5 - BASIS OF PRESENTATION

The accompanying schedule includes the federal award activity of North Dakota Public Finance Authority under programs of the federal government for the year ended December 31, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The amounts reported on the schedule have been reconciled to and are in agreement with amounts recorded in the accounting records from which the financial statements have been reported.

**NORTH DAKOTA PUBLIC FINANCE AUTHORITY
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2025**

EXHIBIT A-5

A. SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

None.

**NORTH DAKOTA PUBLIC FINANCE AUTHORITY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED DECEMBER 31, 2025**

EXHIBIT A-6

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted	No

Federal Awards

Internal control over major programs:	
Material weakness identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Type of auditor’s report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No
Identification of major programs:	
<u>Name of Federal Program or Cluster</u>	<u>AL Number</u>
Capitalization Grants for Drinking Water State Revolving Funds	66.468
Dollar threshold used to distinguish between Type A and Type B programs	\$2,454,420
Auditee qualified as a low-risk auditee	Yes

Section II – Financial Statement Findings

No financial statement findings reported in the current year.

Section III – Federal Award Findings and Questioned Costs

No federal award findings reported in the current year.

INDEPENDENT AUDITOR'S COMMUNICATION TO THE INDUSTRIAL COMMISSION OF NORTH DAKOTA

March 9, 2026

Governor Kelly Armstrong
The Legislative Assembly
State of North Dakota
Bismarck, North Dakota

We have audited the financial statements of the governmental activities, business-type activities and each major fund of North Dakota Public Finance Authority for the year ended December 31, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our conversation on February 4, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by North Dakota Public Finance Authority are described in Note 1 to the financial statements. As described in Note 2 to the financial statements, the North Dakota Public Finance Authority changed accounting policies related to Financial Reporting by adopting Statement of Governmental Accounting Standard (GASB Statement) No. 103 in 2025. There was no cumulative effect of the accounting change as of the beginning of the year. We noted no transactions entered into by North Dakota Public Finance Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements identified during the course of the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 9, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to North Dakota Public Finance Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as North Dakota Public Finance Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, schedule of employer's share of net pension liability, and schedule of employer contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining financial statements and the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the North Dakota Industrial Commission, Legislative Audit and Fiscal Review Committee and management of North Dakota Public Finance Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



BRADY MARTZ
BISMARCK, NORTH DAKOTA

Industrial Commission of North Dakota



Kelly Armstrong
Governor

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

RESOLUTION APPROVING LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, Central Plains Water District (the "Political Subdivision") has requested a \$2,651,000 loan increase to their previously approved \$9,714,000 loan (total \$12,365,000) from the Program for filtration system upgrades at the Maddock water treatment plant and a new transmission line from the plant to Reservoir Two; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: April 28, 2026

Governor Kelly Armstrong, Chairman

Attest:

Karen Tyler, Executive Director
Industrial Commission of North Dakota

April 13,2026

PUBLIC FINANCE AUTHORITY ADVISORY COMMITTEE

RECOMMENDATION TO THE INDUSTRIAL COMMISSION

The Advisory Committee, at its April 13, 2026 meeting, reviewed, discussed, and recommends approval of a \$2,651,000 increase to a previously approved \$9,714,000 (total \$12,365,000 Drinking Water State Revolving Fund Program loan to Central Plains Water District.

North Dakota Public Finance Authority
Advisory Committee

Keith Lund, Chairman
Linda Svihovec
John Phillips



Memorandum

To: Public Finance Authority Advisory Committee
Miles Silbert, Public Financial Management
Kylee Merkel, Bank of North Dakota

From: DeAnn Ament, Executive Director

Date: March 27, 2026

Re: Central Plains Water District, Drinking Water State Revolving Fund

Purpose of the Project: Filtration system upgrades at the Maddock water treatment plant and a new transmission line from the plant to Reservoir 2.

Project Amount:

DWSRF Increase Request	\$ 2,651,000
DWSRF Original Request	9,714,000
DWSRF Loan Forgiveness	(9,971,510)
DWSRF Net Loan	\$ 2,393,490

DWSRF Request	\$ 12,365,000
DWR Cost Share	7,480,881
Project Total	\$ 19,845,881

Users to Benefit from the Project: 1,020

Users Served by the System: 300 connections plus 3 cities with a total population of 688

The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 20 years. Central Plains Water District (District) will issue revenue bonds payable with water user fees. The net average annual payment for the revenue bonds will be \$135,368. The reserve requirement will be \$147,175 and the 110% coverage requirement will be \$148,905.

Water Connections and Rates

The District currently provides water services to 300 rural connections and 3 cities in Wells County and portions of Benson, Eddy and Foster Counties. Old system users pay a monthly base rate of \$30 and \$6.50/1,000 gallons and new system users monthly base rate is \$56 and \$7.25/1,000 gallons. The District anticipates increasing monthly base rates \$10/user which would annually generate \$36,000. The number of connections is anticipated to grow by 50 over the next two years. Annual operations and maintenance expenses are anticipated to increase by \$76,000.

Net Operating Coverage:

				<i>Unaudited</i>
	2022	2023	2024	2025
Interest Revenue	\$2,395	\$7,257	\$29,917	\$33,685
Operating Revenue	1,280,103	1,372,607	1,286,671	1,409,088
Operating Expenses	1,132,517	1,293,224	1,349,677	1,397,170
Net Operating Revenue (Expense)	149,981	86,640	-33,090	45,603
Depreciation	336,826	341,953	355,247	383,510
Adjusted Net Operating Revenue	\$486,807	\$428,593	\$322,158	\$429,113
Existing Debt Payments	\$218,600	\$216,000	\$219,134 ¹	\$215,700
Net Operating Coverage	223%	198%	147%	199%
Proforma Additional Revenue	\$36,000	\$36,000	\$36,000	\$36,000
Proforma New DWSRF Payments	\$135,368	\$135,368	\$135,368	\$135,368
Proforma Net Operating Coverage	148%	132%	101%	132%

¹ Removed the original bond request payments for the year and included them in proforma payments.

With the anticipated rate increase net operating revenue will be sufficient to meet the 110% net operating coverage requirement.

Outstanding Debt:

	Original Amount	Outstanding Debt
Total Revenue Bond Debt ²	\$4,925,000	\$3,900,000

² All payments have been made as agreed. The District has one \$3,900,000 DWSRF loan outstanding plus this original loan request of \$9,714,000.

Population and Employment

The current estimated population of the District is 3,883 which is an increase of 483 since the 2020 census. Major employers in the service area are SMP Health - St. Aloisius with 243 employees, Harvey School District has 73 employees and Hav-It Services (social assistance) employ 60.

District's Area Schools' Enrollment for K-12:

2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
1,035	1,029	1,056	1,057	1,060



Memorandum

TO: DeAnn Ament, Executive Director
North Dakota Public Finance Authority

FROM: PFM Financial Advisors LLC

DATE: April 17, 2026

RE: Marketplace Analysis - Drinking Water State Revolving Fund Program
Central Plains Water District

The Central Plains Water District (“District”) has presented a request to the Authority and the North Dakota Department of Environmental Quality (“Department”) for a \$2,651,000 increase to their previously approved \$9,714,000 loan for a total of \$12,365,000 of which \$9,971,510 will be loan forgiveness for a final total net loan of \$2,393,490 under the Drinking Water State Revolving Fund Program (“DWSRF Program”). The DWSRF Program is used to make subsidized interest rate loans to political subdivisions for the purpose of constructing various water treatment, distribution, and storage facilities as approved by the Department in accordance with federal and state regulations and an updated Intended Use Plan prepared by the Department.

The District intends to use the proceeds for filtration system upgrades at the Maddock water treatment plant and a new transmission line from the plant to Reservoir 2.

The municipal securities to be acquired by the Authority will be revenue bonds payable with water user fees. The District’s average annual payment under the proposed loan will be approximately \$135,368 indicating a 110% net revenue coverage requirement of approximately \$148,905. The District will be required to deposit \$147,175 into a reserve fund with payments of \$29,435 per year for the first five years of the loan. The District intends to increase monthly base rates \$10/user which will generate \$36,000 annually. Additionally, over the next two years the number of connections is anticipated to grow by 50. Proforma net operating coverage of the Water Fund was 1.48x, 1.32x, 1.01x and 1.32x for 2022-2025, respectively. The existing net operating revenues in addition to the rate increase will provide sufficient coverage to meet the 110% coverage requirement.

As of December 31, 2025, the District has outstanding Revenue Bonds of \$3,900,000. The District currently has one Drinking Water SRF loan outstanding with a balance of \$3,900,000. The District is current in its payments for its outstanding Authority loans.

Funding for the construction of the District's projects has been included in a list of approved projects as prepared and updated by the Department. As an authorized participant in the DWSRF Program, the District will benefit substantially from the subsidized fixed rate loans made under the Program. Consequently, no other financing mechanism can provide a greater cost advantage than that offered by the DWSRF Program.

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: March 30, 2026

RE: Central Plains Water District
Drinking Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a \$2,651,000 increase to an existing loan (from \$9,714,000 to \$12,365,000) to Central Plains Water District under the Drinking Water State Revolving Fund (DWSRF). This project is eligible for \$9,971,510 of DWSRF loan forgiveness, making the net loan \$2,393,490. The total cost of the project is \$19,845,881, with \$7,480,881 coming from a Department of Water Resources cost-share grant.

The project includes filtration system upgrades at the Maddock water treatment plant and install a new transmission line from the plant to reservoir 2. The requested loan term is 20 years. The District will issue revenue bonds payable from water user fees. The annual payment will average \$135,368.

Debt Service Coverage:

	2022	2023	2024	Unaudited 2025	Projected
Operating Revenue	1,280,103	1,372,607	1,286,671	1,409,088	1,409,088
Rate Increase					36,000
Interest Revenue	2,395	7,257	29,917	33,685	33,685
Operating Expenses	-1,132,517	-1,293,224	-1,349,677	-1,397,170	-1,397,170
Net Operating Revenue	149,981	86,640	-33,089	45,603	81,603
Add: Depreciation	336,826	341,953	355,247	383,510	383,510
Adjusted Operating Income	486,807	428,593	322,158	429,113	465,113
Current Debt Service	218,600	216,000	219,134	215,700	215,700
Proposed Debt Service					135,368
Current Debt Service	218,600	216,000	219,134	215,700	351,068
Debt Service Coverage	222.69%	198.42%	147.01%	198.94%	132.49%

Old system users pay a monthly base rate of \$30 and a usage fee of \$6.50 per 1,000 gallons. New system users pay a monthly base rate of \$56 and a usage fee of \$7.25 per 1,000 gallons. The District anticipates increasing monthly base rates by \$10, which will generate an additional \$36,000 annually. The existing user fees, combined with the projected increase, will generate sufficient net operating revenues to service both the new and existing debt.

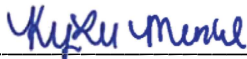
Outstanding Debt (as of February 28, 2026):

	Original Amount	Amount Outstanding
Revenue Bonds	4,925,000	3,900,000
	\$4,925,000	\$3,900,000

Average annual debt service requirements are estimated at \$339,595, which is an average of \$87.46 per resident of the District.

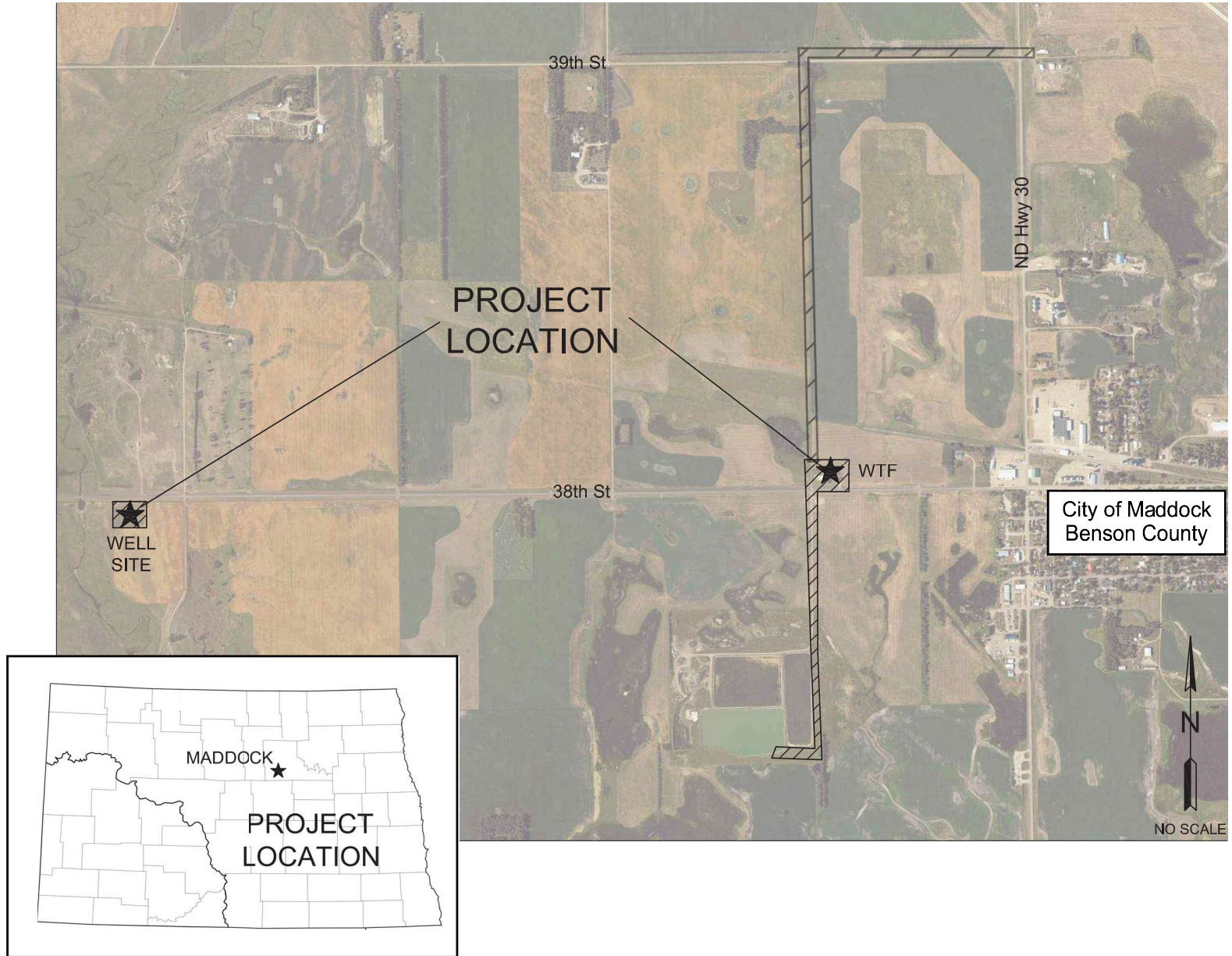
The District currently serves 300 residential connections and 3 City connections. The District provides water services to Wells County and portions of Benson, Eddy and Foster Counties. The District's estimated population is 3,883.

Based upon the PFA recommendation and the benefits obtained with this project, BND concurs with their evaluation and support of the request.



Kylee Merkel
Business Banker

Maddock Connection to the Central Plains Water District Project Location Map





Industrial Commission of North Dakota

Kelly Armstrong
Governor

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

RESOLUTION APPROVING LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, the City of New Town (the "Political Subdivision") has requested a loan in the amount of \$2,004,000 from the Program to replace the existing ground storage reservoir with an elevated storage tank to boost system pressures throughout the south pressure zone without the need to modify pressure zone boundaries; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: April 28, 2026

Governor Kelly Armstrong, Chairman

Attest:

Karen Tyler, Executive Director
Industrial Commission of North Dakota

April 28, 2026

PUBLIC FINANCE AUTHORITY ADVISORY COMMITTEE

RECOMMENDATION TO THE INDUSTRIAL COMMISSION

The Advisory Committee, at its April 28, 2026 meeting, reviewed, discussed, and recommends approval of a \$2,004,000 Drinking Water State Revolving Fund Program loan to the City of New Town.

North Dakota Public Finance Authority
Advisory Committee

Keith Lund, Chairman
Linda Svihovec
John Phillips

Memorandum

To: Public Finance Authority Advisory Committee
 Miles Silbert, Public Financial Management LLC
 Kylee Merkel, Bank of North Dakota

From: DeAnn Ament, Executive Director

Date: April 7, 2026

Re: City of New Town
 Drinking Water State Revolving Fund

Purpose of the Project:

Replace the existing ground storage reservoir with an elevated storage tank on the same site. The elevated tank will boost system pressures throughout the south pressure zone without the need to modify pressure zone boundaries.

Project Cost:

DWSRF Request	\$2,004,000
DWR Cost Share	3,006,000
Total Project Cost	\$5,010,000

Population to Benefit from the Project: 1,843

Population Served by the System: 2,764 and Fort Berthold Rural Water District 1,200 users

The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 20 years. The City of New Town will issue revenue bonds payable with city sales tax. Enterprise fund revenues will serve as a secondary pledge of security should city sales tax be insufficient. The average annual payment for the revenue bonds will be \$118,400. The 110% coverage requirement will be \$130,239 and the required debt service reserve will be \$126,875.

The City collects a 2% sales tax and 1% is dedicated to the proposed DWSRF bond and four previous Clean Water State Revolving Fund and DWSRF bonds.

City Sales Tax Collections and Coverage

	2025	2024	2023	2022
City Sales Tax	\$1,502,056	\$2,050,885	\$1,724,376	\$935,855
1% of City Sales Tax	\$751,028	\$1,025,442	\$862,188	\$467,928
Proforma Debt Payments	\$713,370	\$713,370	\$713,370	\$713,370
Excess City Sales Tax	\$37,658	\$312,072	\$148,818	-\$245,442

Water Rates:

	Gallons	Base Charge
Class 1	0-20,000	\$ 50.00
Class 2	20,001-50,000	\$ 110.00
Class 3	50,001 and up	\$ 300.00
Usage	Per 1,000 gallons	\$ 8.25

Enterprise Fund Net Operating Coverage:

	2022	2023	2024	Unaudited 2025
Interest Revenue	\$-	\$3,637	\$9,731	\$28,778
Operating Revenue	2,648,404	2,605,661	2,484,968	2,432,633
Operating Expenses	2,683,671	2,906,634	2,479,431	1,658,167
Net Operating Revenue	-35,267	-297,336	15,268	803,244
Depreciation	873,606	909,854	916,781	-
Adjusted Net Operating Revenue	\$838,339	\$612,518	\$932,049	\$803,244
Bond Payments ¹	\$487,342	\$471,367	\$370,667	\$584,368
Net Operating Coverage	172%	130%	251%	137%

¹ All water, sewer and city sale tax revenue bonds are currently paid from the enterprise fund and no transfer of city sales tax is made

The existing excess city sales tax will be sufficient to meet the 110% net operating coverage.

Outstanding Indebtedness:

	Original Debt	Outstanding Debt
Revenue Bonds ²	\$ 7,857,000	\$ 4,939,724
Sales Tax Revenue Bonds ²	14,198,000	7,591,655
	\$22,055,000	\$12,531,379

² All payments have been made as agreed. The City has two CWSRF and three DWSRF loans with an outstanding balance of \$9,926,655.

With average annual debt payments of \$1,069,400, including the proposed debt, the annual debt per resident is \$387.

The City of New Town is located in Mountrail County and 149 miles northwest of Bismarck. Based on the 2020 census, the total population is 2,764; this is an increase of 839 from the 2010 census. The largest employers in the City are Three Affiliated Tribes with 1,700 employees, which includes Four Bears Casino & Lodge which they own, and New Town Public Schools employs approximately 98.

K-12 School Enrollment:

<i>Projected</i>				
2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
987	942	923	948	961

The City's 2025 taxable valuation was \$12,514,581. This is an increase of \$3,635,936 over the 2021 taxable valuation.

Property Tax Collections 2/28/2026:

Levy Year	Dollar Amount of Levy	Amount Collected to Date of Application	Percentage Collected
2025	\$470,607	\$409,068	87%
2024	\$477,447	\$461,293	97%
2023	\$487,269	\$479,579	98%

No special assessments were certified for collection in the last three years.

Mill Levy History:

Year	City	School	Park District	State and County	Other	Total for Each Year
2025	43.53	67.08	1.61	3.24	11.10	126.56
2024	47.32	56.60	1.09	2.21	10.88	118.10
2023	54.87	51.05	1.20	2.16	11.11	120.39
2022	55.46	45.09	1.20	12.17	9.41	123.33
2021	56.61	40.07	1.19	15.78	10.82	124.47



Memorandum

TO: DeAnn Ament, Executive Director
North Dakota Public Finance Authority

FROM: PFM Financial Advisors LLC

DATE: April 17, 2026

RE: Marketplace Analysis - Drinking Water State Revolving Fund Program
City of New Town

The City of New Town (“City”) has presented a request to the Authority and the North Dakota Department of Environmental Quality (“Department”) for a \$2,004,000 loan under the Drinking Water State Revolving Fund Program (“DWSRF Program”). The DWSRF Program is used to make subsidized interest rate loans to political subdivisions for the purpose of constructing various water treatment, distribution, and storage facilities as approved by the Department in accordance with federal and state regulations and an updated Intended Use Plan prepared by the Department.

The City intends to use the proceeds to replace the existing ground storage reservoir with an elevated storage tank on the same site. The elevated tank will boost system pressures throughout the south pressure zone without the need to modify pressure zone boundaries.

The municipal securities to be acquired by the Authority will be revenue bonds payable from city sales tax, with enterprise fund revenues serving as a secondary pledge should the city sales tax be insufficient. The City’s average annual payment under the proposed loan will be approximately \$118,400 indicating a 110% net revenue coverage requirement of approximately \$130,239. The City will be required to deposit \$126,875 into a reserve fund with payments of \$25,375 per year for the first five years of the loan. Excess city sales tax was -\$245,422, \$148,818, \$312,072, and \$37,658 for 2022-2025, respectively. The existing excess sales tax will provide sufficient net revenues to meet the 110% coverage requirement.

As of December 31, 2025, the City has \$4,939,724 of Revenue Bonds and \$7,591,655 of Sales Tax Revenue Bonds outstanding. The City currently has two Clean Water and three Drinking Water loans outstanding totaling \$9,926,655. The City is current in its payments for its outstanding Authority loans.

Funding for the construction of the City's projects has been included in a list of approved projects as prepared and updated by the Department. As an authorized participant in the DWSRF Program, the City will benefit substantially from the subsidized fixed rate loans made under the Program. Consequently, no other financing mechanism can provide a greater cost advantage than that offered by the DWSRF Program.

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: April 9, 2026

RE: City of New Town
Drinking Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a \$2,004,000 loan to the City of New Town under the Drinking Water State Revolving Fund (DWSRF). This entire cost of the project is \$5,010,000 with Department of Water Resources providing a \$3,006,000 cost share grant. The project will replace the existing ground storage reservoir with an elevated storage tank on the existing site.

The City will issue revenue bonds payable with city sales tax collections. In addition, the City will pledge enterprise fund revenues as a secondary repayment source. The annual payment will average \$118,400. The requested loan term is 20 years.

City Sales Tax Collections:

The City collects 2% for city sales tax, with 1% dedicated to repayment of the CWSRF and DWSRF loans. Existing sales tax collections will generate sufficient revenues to service both the existing and proposed CWSRF and DWSRF loans.

	2021	2022	2023	2024	2025
2% Sales Tax Collections	608,275	935,855	1,724,376	2,050,885	1,502,056
1% Dedicated to SRF Loans	304,138	467,928	862,188	1,025,442	751,028
Proposed Debt Service	713,370	713,370	713,370	713,370	713,370
Excess Sales Tax	-409,232	-245,442	148,818	312,072	37,658
Proposed Debt Service Coverage	43%	66%	121%	144%	105%

Enterprise Fund Debt Service Coverage:

Enterprise Fund	2022 Audit	2023 Audit	2024 Audit
Operating Revenue	2,648,404	2,605,661	2,484,968
Interest Revenue	0	3,637	9,731
Operating Expenses	-2,683,671	-2,906,634	-2,479,431
Net Operating Revenue	-35,268	-297,337	15,269
Depreciation	873,605	909,854	916,781
Adjusted Net Operating Income	838,337	612,517	932,050
Current Debt Service	487,342	471,367	370,667
Debt Service Coverage	172%	130%	251%

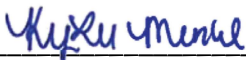
The City water and sewer systems currently serve a population of 2,764. Monthly water rates consist of a base charge starting at \$50.00 as well as a usage charge of \$8.25 per 1,000 gallons.

Outstanding Debt (as of December 31, 2025):

	Original Amount	Current Balance
Sales Tax Revenue Bonds	14,198,000	7,591,655
Revenue Bonds	7,857,000	4,939,724
	22,055,000	12,531,379

Average annual debt service requirements are estimated at \$1,069,399, which is an average of \$386.90 per resident. Historical census populations for the City were 2,764 in 2020, 1,925 in 2010 and 1,367 in 2000. The largest employers in the City are Three Affiliated Tribes, Four Bears Casino & Lodge and New Town Public School District.

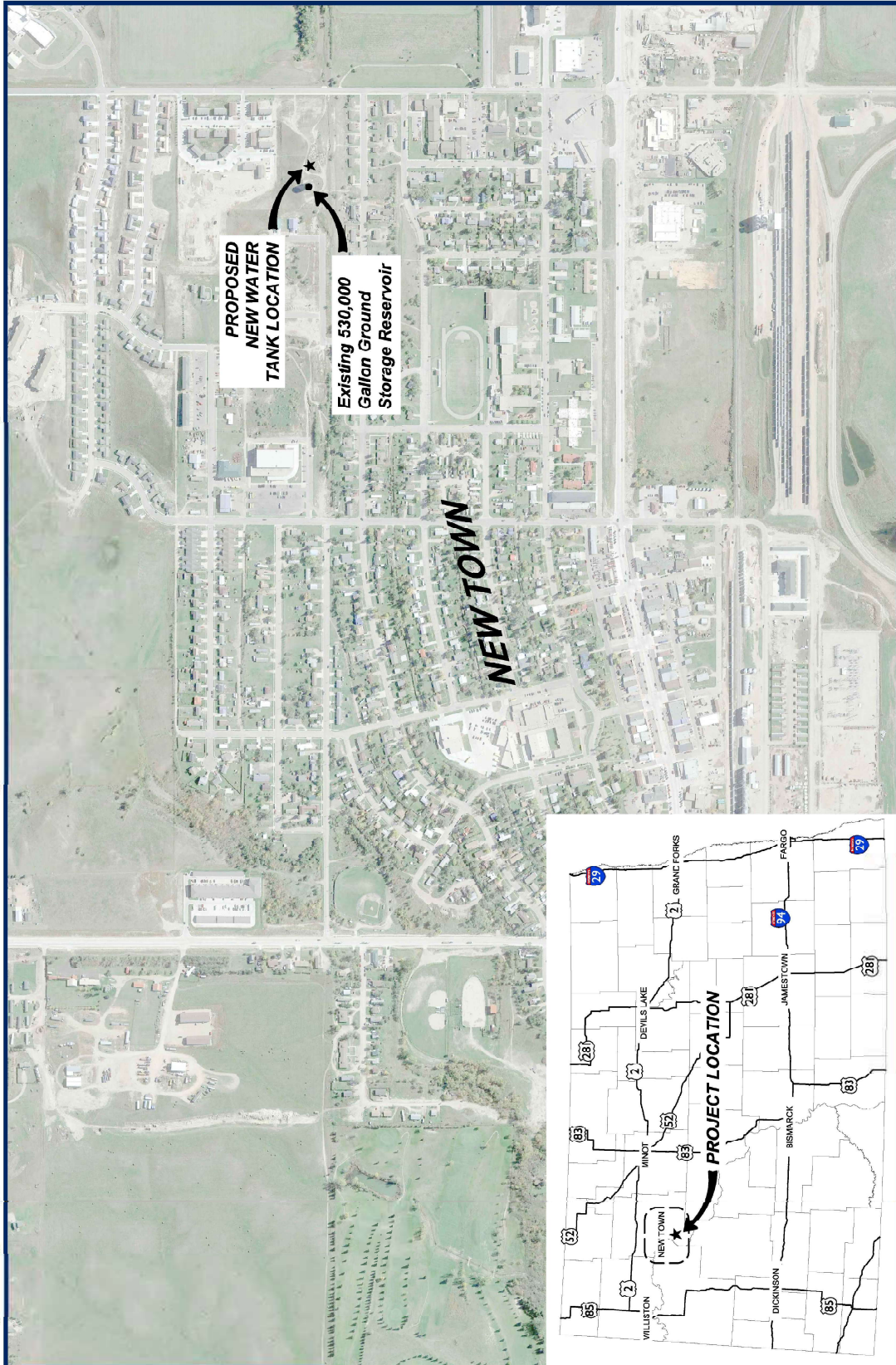
Based upon the PFA recommendation and the benefits obtained with this project, BND concurs with their evaluation and support of the request.



Kylee Merkel
Business Banker



PROPOSED WATER STORAGE TANK NEW TOWN, NORTH DAKOTA



Industrial Commission of North Dakota



Kelly Armstrong
Governor

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

RESOLUTION APPROVING LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, the City of Grand Forks (the "Political Subdivision") has requested a loan in the amount of \$4,543,000 from the Program to construct a grade separated crossing where 42nd Street crosses under the railroad tracks, relocate existing dual 30" raw water lines, 14" reverse osmosis residual, and potable water lines, and construct a new storm sewer system, lift station, storm water quality pond and dry basins to handle storm water; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: April 28, 2026

Governor Kelly Armstrong, Chairman

Attest:

Karen Tyler, Executive Director
Industrial Commission of North Dakota

April 13, 2026

PUBLIC FINANCE AUTHORITY ADVISORY COMMITTEE

RECOMMENDATION TO THE INDUSTRIAL COMMISSION

The Advisory Committee, at its April 13, 2026 meeting, reviewed, discussed, and recommends approval of a \$4,543,000 Drinking Water State Revolving Fund Program loan to the City of Grand Forks.

North Dakota Public Finance Authority
Advisory Committee

Keith Lund, Chairman
Linda Svihovec
John Phillips



Memorandum

To: Public Finance Authority Advisory Committee
Miles Silbert, Public Financial Management
Kylee Merkel, Bank of North Dakota

From: DeAnn Ament, Executive Director

Date: April 3, 2026

Re: City of Grand Forks
Drinking Water State Revolving Fund

Purpose of the Project:

Construct a grade separated crossing where 42nd Street crosses underneath the railroad tracks. The existing dual 30" raw water lines, 14" reverse osmosis residual, and additional potable water lines will need to be relocated. To handle the storm water, a new storm sewer system, lift station, storm water quality pond and dry basins need to be constructed.

Project Amount:

Funding Source:	Amount	NDDOT Funds:	Amount
DWSRF Request	\$ 4,543,000	Federal Funds	\$7,493,000
CWSRF Request	4,235,000	Non-Federal Funds	4,200,000
Other City Funding	9,927,000	Urban Road Program	5,200,000
Federal RR Admin RR	30,000,000	Flexible Transportation	13,600,000
Crossing Elimination Grant		Fund	
BNSF Grant	1,500,000	Total Project Costs	\$80,698,000

Population to Benefit from the Project: 59,166

Population Served by the System: 59,166

The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 20 years. The City of Grand Forks will issue revenue bonds payable with city sales tax. The average annual payment for the revenue bonds will be \$269,245. The 110% coverage requirement will be \$296,169 and the required debt service reserve will be \$274,050.

City Sales Tax:

The City collects a 2 ¼% City Sales Tax with 22.22% dedicated to infrastructure.

City Sales Tax Coverage:

	2025	2024	2023	2022	2021
City Sales Tax Revenue	\$33,004,039	\$33,163,922	\$32,655,188	\$30,720,747	\$28,627,190
22.22% of City Sales Tax	\$7,333,498	\$7,369,023	\$7,255,983	\$6,826,150	\$6,360,962
SRF Bond Payments	\$520,370	\$520,370	\$520,370	\$520,370	\$520,370
Excess City Sales Tax	\$6,813,128	\$6,848,653	\$6,735,613	\$6,305,780	\$5,840,592

This portion of the city sales tax dedicated to infrastructure has not been pledged to any outstanding debt and will be sufficient to meet the 110% net operating coverage requirement.

Water Fund:

The City monthly water base charge for the 14,265 residential users is \$9.92 and the flow fee is \$5.12/1,000 gallon. The 1,867 commercial users pay a monthly base charge of \$17.57 and a flow fee of \$4.99/gallons.

Water Fund: Revenues, Expenditures and Net Operating Coverage:

	2022	2023	2024	Unaudited 2025
Interest Revenue	\$69,846	\$587,637	\$ 771,050	\$148,513
Operating Revenue	12,915,729	13,684,826	14,250,144	15,037,785
Operating Expenses	11,356,989	11,694,756	12,598,807	13,828,806
Net Operating Revenue	1,628,586	2,577,707	2,422,387	1,357,492
Infrastructure Sales Tax Transfer	2,138,360	2,030,000	2,854,599	2,932,764
Noncash: Pension Adjustment	193,078	-	-	-
Adjusted Net Operating Revenue	\$3,960,024	\$4,607,707	5,276,986	4,290,256
Revenue Bond Payments	\$3,277,856	\$3,091,806	3,228,637	3,108,409
Net Operating Coverage	121%	149%	163%	138%

Outstanding Debt:

	Original Amount	Outstanding Amount
General Obligation Bonds	\$ 2,735,000	\$ 235,000
Special Assessment Bonds ¹	190,397,989	137,670,605
Water/Sewer Revenue Bonds ¹	238,673,141	155,069,825
Sales Tax Revenue Bonds	140,585,000	32,215,000
Total	\$ 572,391,130	\$ 325,190,430

¹ All payments have been made as agreed. The City has eight CWSRF and four DWSRF loans with outstanding balances of \$151,462,102.

The average annual debt payments including these two new requests is \$25,151,333 which is \$425 per resident.

Population and Employment

The City of Grand Forks is located in Grand Forks County 82 miles north of Fargo on Interstate 29. Based on the 2020 census, the total population is 59,166; this is an increase of 6,328 from the 2010 census. The largest employers in the City are University of North Dakota which has 5,562 employees, Altru Health Services with 3,400 employees, and Grand Forks Air Force Base employs 2,897. A potato processing plant potentially constructing in the City and opening in 2028.

Grand Forks Public School Enrollment:

	Projected				
School Year	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Enrollment	7,407	7,440	7,428	7,679	7,679

Tax Information

The City's 2025 taxable valuation was \$296,649,483. This is an increase of \$56,890,788 from the 2021 taxable valuation.

Property Taxes Levied & Collected 2/28/2026:

Levy Year	Dollar Amount of Levy	Amount Collected to Date of Application	Percentage Collected
2025	\$23,621,502	\$20,590,316	87%
2024	\$25,181,840	\$23,842,834	95%
2023	\$25,843,457	\$24,619,038	95%

Special Assessments Levied & Collected 2/28/2026:

Year	Dollar Amount	Amount Collected to Date of Application	Percentage Collected
2025	\$10,826,314	\$9,379,381	87%
2024	\$10,161,885	\$9,661,380	95%
2023	\$9,286,257	\$9,143,707	98%

City of Grand Forks Mill Levy History:

Year	City	School	Park District	State and County	Total for Each Year
2025	91.94	129.78	36.27	85.12	343.11
2024	92.25	130.50	36.79	87.00	346.54
2023	96.37	131.69	37.31	87.16	352.53
2022	96.84	110.79	37.80	82.63	328.06
2021	97.02	111.00	37.88	79.29	325.19



Memorandum

TO: DeAnn Ament, Executive Director
North Dakota Public Finance Authority

FROM: PFM Financial Advisors LLC

DATE: April 17, 2026

RE: Marketplace Analysis - Drinking Water State Revolving Fund Program
City of Grand Forks

The City of Grand Forks (“City”) has presented a request to the Authority and the North Dakota Department of Environmental Quality (“Department”) for a \$4,543,000 loan under the Drinking Water State Revolving Fund Program (“DWSRF Program”). The DWSRF Program is used to make subsidized interest rate loans to political subdivisions for the purpose of constructing various water treatment, distribution, and storage facilities as approved by the Department in accordance with federal and state regulations and an updated Intended Use Plan prepared by the Department.

The City intends to construct a grade separated crossing where 42nd Street crosses underneath the railroad tracks, which will require the relocation of the existing dual 30” raw water lines, 14” reverse osmosis residual, and additional potable water lines. To handle the storm water, a new storm sewer system, lift station, storm water quality pond and dry basins need to be constructed.

The municipal securities to be acquired by the Authority will be revenue bonds payable from city sales tax. The City’s average annual payment under the proposed loan will be approximately \$269,245 indicating a 110% net revenue coverage requirement of approximately \$296,170. The City will be required to deposit \$274,050 into a reserve fund with payments of \$54,810 per year for the first five years of the loan. Excess city sales tax was approximately \$5.8, \$6.3, \$6.7, \$6.8 and \$6.8 million for 2021-2025, respectively. The existing excess sales tax will provide sufficient net revenues to meet the 110% coverage requirement.

As of December 31, 2025, the City has \$235,000 of General Obligation Bonds, \$137,670,605 of Special Assessment Bonds, \$32,215,00 of Sales Tax Revenue Bonds and \$155,069,825 of Water/Sewer Revenue Bonds outstanding. The City currently has eight Clean Water and four Drinking Water loans outstanding totaling \$151,462,102. The City is current in its payments for its outstanding Authority loans.

Funding for the construction of the City's projects has been included in a list of approved projects as prepared and updated by the Department. As an authorized participant in the DWSRF Program, the City will benefit substantially from the subsidized fixed rate loans made under the Program. Consequently, no other financing mechanism can provide a greater cost advantage than that offered by the DWSRF Program.

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: April 7, 2026

RE: City of Grand Forks
Drinking Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a \$4,543,000 loan to the City of Grand Forks under the Drinking Water State Revolving Fund (DWSRF). The entire cost of the project is \$80,698,000, with Clean Water State Revolving Fund providing a \$4,235,000 loan, the City receiving DOT and Federal Railroad grant funds totaling \$61,993,000 and the City providing \$9,927,000 of local funds. The project will construct a grade separated railroad crossing including relocation of water lines and construction of a new storm water system, lift station, storm water quality pond and dry basins.

The City will issue revenue bonds payable with sales tax collections. The annual payment will average \$269,245. The requested loan term is 20 years. The City currently serves 14,265 residential connections which pay a monthly base rate of \$9.92 and a usage charge of \$5.12 per 1,000 gallons. The City currently serves 1,867 commercial connections which pay a monthly base rate of \$17.57 and a usage charge of \$4.99 per 1,000 gallons.

City Sales Tax:

The City collects 2.25% City Sales Tax with 22.22% dedicated to infrastructure.

	2021	2022	2023	2024	2025
City Sales Tax Revenue	\$ 28,627,190	\$ 30,720,747	\$ 32,655,188	\$ 33,163,922	\$ 33,004,039
22.22% of City Sales Tax	\$ 6,360,962	\$ 6,826,150	\$ 7,255,983	\$ 7,369,023	\$ 7,333,498
SRF Debt Payments	\$ 520,370	\$ 520,370	\$ 520,370	\$ 520,370	\$ 520,370
Excess City Sales Tax	\$ 5,840,592	\$ 6,305,780	\$ 6,735,613	\$ 6,848,653	\$ 6,813,128

Outstanding Debt (as of December 31, 2025):

	Original Amount	Current Balance
General Obligation Bonds	2,735,000	235,000
Special Assessment Bonds	190,397,989	137,670,605
Sales Tax Revenue Bonds	140,585,000	32,215,000
Water & Sewer Revenue Bonds	238,673,141	155,069,825
	572,391,130	325,190,430



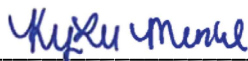
Water Fund:

Water Fund	2022	2023	2024
Operating Revenue	12,915,729	13,684,826	14,250,144
Interest Revenue	69,846	587,637	771,050
Operating Expenses	-11,356,989	-11,694,756	-12,598,807
Net Operating Revenue	1,628,586	2,577,707	2,422,387
Infrastructure Sales Tax Transfer	2,138,360	2,030,000	2,854,599
Plus: Pension Adjustment	193,078	0	0
Adjusted Net Operating Income	3,960,024	4,607,707	5,276,986
Current Debt Service	3,277,856	3,091,806	3,228,637
Debt Service Coverage	121%	149%	163%

Average annual debt service requirements are estimated at \$25,151,333, which is an average of \$425.10 per resident.

The system currently serves 59,845 people. Historical census populations for the City of Grand Forks were 59,166 in 2020, 52,838 in 2010 and 49,321 in 2000. The largest employers in the City are University of North Dakota, Altru Health System and Grand Forks Air Force Base.

Based upon the PFA recommendation and the benefits obtained with this project, BND concurs with their evaluation and support of the request.



Kylee Merkel
Business Banker



STATE	PROJECT NO.	SECTION NO.	SHEET NO.
ND	6-297(014)000	4	1

- Right of Way Line Existing
- Right of Way Line Proposed
- Proposed Edge of Pavement
- Railroad Right of Way
- Shared Use Path / Sidewalk
- Concrete Median / Curb & Gutter
- Concrete Pavement
- Bridge

Base Alternative
Right In Right Out

Grand Forks
42nd Street & Demers Avenue

This document is preliminary and not for construction or implementation purposes.



Industrial Commission of North Dakota

Kelly Armstrong
Governor

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

RESOLUTION APPROVING LOAN FROM CLEAN WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Clean Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4 and 61-28.2; and

WHEREAS, the Clean Water State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (NDPFA) and the Bank of North Dakota (the Trustee); and

WHEREAS, the City of Grand Forks (the "Political Subdivision") has requested a loan in the amount of \$4,235,000 from the Program to construct a grade separated crossing where 42nd Street crosses under the railroad tracks, relocate existing dual 30" raw water lines, 14" reverse osmosis residual, and potable water lines, and construct a new storm sewer system, lift station, storm water quality pond and dry basins to handle storm water; and

WHEREAS, the NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Clean Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: April 28, 2026

Governor Kelly Armstrong, Chairman

Attest:

Karen Tyler, Executive Director
Industrial Commission of North Dakota

April 13, 2026

PUBLIC FINANCE AUTHORITY ADVISORY COMMITTEE

RECOMMENDATION TO THE INDUSTRIAL COMMISSION

The Advisory Committee, at its April 13, 2026 meeting, reviewed, discussed, and recommends approval of a \$4,235,000 Clean Water State Revolving Fund Program loan to the City of Grand Forks.

North Dakota Public Finance Authority
Advisory Committee

Keith Lund, Chairman
Linda Svihovec
John Phillips



Memorandum

To: Public Finance Authority Advisory Committee
Miles Silbert, Public Financial Management
Kylee Merkel, Bank of North Dakota

From: DeAnn Ament, Executive Director

Date: April 3, 2026

Re: City of Grand Forks
Clean Water State Revolving Fund

Purpose of the Project:

Construct a grade separated crossing where 42nd Street crosses underneath the railroad tracks. The existing dual 30" raw water lines, 14" reverse osmosis residual, and additional potable water lines will need to be relocated. To handle the storm water, a new storm sewer system, lift station, storm water quality pond and dry basins need to be constructed.

Project Amount:

Funding Source:	Amount	NDDOT Funds:	Amount
CWSRF Request	\$ 4,235,000	Federal Funds	\$7,493,000
DWSRF Request	4,543,000	Non-Federal Funds	4,200,000
Other City Funding	9,927,000	Urban Road Program	5,200,000
Federal RR Admin RR	30,000,000	Flexible Transportation	13,600,000
Crossing Elimination Grant		Fund	
BNSF Grant	1,500,000	Total Project Costs	\$80,698,000

Population to Benefit from the Project: 59,166

Population Served by the System: 59,166

The requested term for the Clean Water State Revolving Fund (CWSRF) loan is 20 years. The City of Grand Forks will issue revenue bonds payable with city sales tax. The average annual payment for the revenue bonds will be \$251,125. The 110% coverage requirement will be \$276,238 and the required debt service reserve will be \$258,825.

City Sales Tax:

The City collects a 2 ¼% City Sales Tax with 22.22% dedicated to infrastructure.

City Sales Tax Coverage:

	2025	2024	2023	2022	2021
City Sales Tax Revenue	\$33,004,039	\$33,163,922	\$32,655,188	\$30,720,747	\$28,627,190
22.22% of City Sales Tax	\$7,333,498	\$7,369,023	\$7,255,983	\$6,826,150	\$6,360,962
SRF Bond Payments	\$520,370	\$520,370	\$520,370	\$520,370	\$520,370
Excess City Sales Tax	\$6,813,128	\$6,848,653	\$6,735,613	\$6,305,780	\$5,840,592

This portion of the city sales tax dedicated to infrastructure has not been pledged to any outstanding debt and will be sufficient to meet the 110% net operating coverage requirement.

Wastewater Fund:

The City monthly wastewater base charge for the 13,844 residential users is \$16.76 and the flow fee is \$3.89/1,000 gallon. The 1,867 commercial users pay a monthly base charge of \$18.31 and a flow fee of \$4.28/gallons.

Wastewater Fund: Revenues, Expenditures and Net Operating Coverage:

	Unaudited			
	2022	2023	2024	2025
Interest Revenue	-\$86,788	\$476,239	\$680,659	\$847,841
Operating Revenue	11,579,177	11,894,346	13,515,700	13,531,506
Operating Expenses	7,049,512	7,944,167	7,430,007	7,756,022
Net Operating Revenue	4,442,877	4,426,418	6,766,352	6,623,325
Economic Dev Sales Tax Transfer In	278,033	247,000	247,000	257,013
Adjusted Net Operating Revenue	4,881,680	4,673,418	7,013,352	6,880,338
Revenue Bond Payments	1,653,969	1,698,482	1,785,588	2,705,824
Net Operating Coverage	295%	275%	393%	254%

Outstanding Debt:

	Original Amount	Outstanding Amount
General Obligation Bonds	\$ 2,735,000	\$ 235,000
Special Assessment Bonds ¹	190,397,989	137,670,605
Water/Sewer Revenue Bonds ¹	238,673,141	155,069,825
Sales Tax Revenue Bonds	140,585,000	32,215,000
Total	\$ 572,391,130	\$ 325,190,430

¹ All payments have been made as agreed. The City has eight CWSRF and four DWSRF loans with outstanding balances of \$151,462,102.

The average annual debt payments including these two new requests is \$25,151,333 which is \$425 per resident.

Population and Employment

The City of Grand Forks is located in Grand Forks County 82 miles north of Fargo on Interstate 29. Based on the 2020 census, the total population is 59,166; this is an increase of 6,328 from the 2010 census. The largest employers in the City are University of North Dakota which has 5,562 employees, Altru Health Services with 3,400 employees, and Grand Forks Air Force Base employs 2,897. A potato processing plant potentially constructing in the City and opening in 2028.

Grand Forks Public School Enrollment:

	Projected				
School Year	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Enrollment	7,407	7,440	7,428	7,679	7,679

Tax Information

The City's 2025 taxable valuation was \$296,649,483. This is an increase of \$56,890,788 from the 2021 taxable valuation.

Property Taxes Levied & Collected 2/28/2026:

Levy Year	Dollar Amount of Levy	Amount Collected to Date of Application	Percentage Collected
2025	\$23,621,502	\$20,590,316	87%
2024	\$25,181,840	\$23,842,834	95%
2023	\$25,843,457	\$24,619,038	95%

Special Assessments Levied & Collected 2/28/2026:

Year	Dollar Amount	Amount Collected to Date of Application	Percentage Collected
2025	\$10,826,314	\$9,379,381	87%
2024	\$10,161,885	\$9,661,380	95%
2023	\$9,286,257	\$9,143,707	98%

City of Grand Forks Mill Levy History:

Year	City	School	Park District	State and County	Total for Each Year
2025	91.94	129.78	36.27	85.12	343.11
2024	92.25	130.50	36.79	87.00	346.54
2023	96.37	131.69	37.31	87.16	352.53
2022	96.84	110.79	37.80	82.63	328.06
2021	97.02	111.00	37.88	79.29	325.19



50 South Sixth Street
Suite 2250
Minneapolis, MN 55402

612.338.3535
612.338.7264 Fax
www.pfm.com

Memorandum

TO: DeAnn Ament, Executive Director
North Dakota Public Finance Authority

FROM: PFM Financial Advisors LLC

DATE: April 17, 2026

RE: Marketplace Analysis - Clean Water State Revolving Fund Program
City of Grand Forks

The City of Grand Forks (“City”) has presented a request to the Authority and the North Dakota Department of Environmental Quality (“Department”) for a \$4,235,000 loan under the Clean Water State Revolving Fund Program (“CWSRF Program”). The CWSRF Program is used to make subsidized interest rate loans to political subdivisions for the purpose of constructing various wastewater treatment projects and landfill projects as approved by the Department in accordance with federal and state regulations and an updated Intended Use Plan prepared by the Department.

The City intends to construct a grade separated crossing where 42nd Street crosses underneath the railroad tracks, which will require the relocation of the existing dual 30” raw water lines, 14” reverse osmosis residual, and additional potable water lines. To handle the storm water, a new storm sewer system, lift station, storm water quality pond and dry basins need to be constructed.

The municipal securities to be acquired by the Authority will be revenue bonds payable from city sales tax. The City’s average annual payment under the proposed loan will be approximately \$251,125 indicating a 110% net revenue coverage requirement of approximately \$276,238. The City will be required to deposit \$258,825 into a reserve fund with payments of \$51,765 per year for the first five years of the loan. Excess city sales tax was approximately \$5.8, \$6.3, \$6.7, \$6.8 and \$6.8 million for 2021-2025, respectively. The existing excess sales tax will provide sufficient net revenues to meet the 110% coverage requirement.

As of December 31, 2025, the City has \$235,000 of General Obligation Bonds, \$137,670,605 of Special Assessment Bonds, \$32,215,00 of Sales Tax Revenue Bonds and \$155,069,825 of Water/Sewer Revenue Bonds outstanding. The City currently has eight Clean Water and four Drinking Water loans outstanding totaling \$151,462,102. The City is current in its payments for its outstanding Authority loans.

Funding for the construction of the City's projects has been included in a list of approved projects as prepared and updated by the Department. As an authorized participant in the CWSRF Program, the City will benefit substantially from the subsidized fixed rate loans made under the Program. Consequently, no other financing mechanism can provide a greater cost advantage than that offered by the CWSRF Program.

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: April 6, 2026

RE: City of Grand Forks
Clean Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a \$4,235,000 loan to the City of Grand Forks under the Clean Water State Revolving Fund (CWSRF). The entire cost of the project is \$80,698,000, with Drinking Water State Revolving Fund providing a \$4,543,000 loan, the City receiving DOT and Federal Railroad grant funds totaling \$61,993,000 and the City providing \$9,927,000 of local funds. The project will construct a grade separated railroad crossing including relocation of water lines and construction of a new storm water system, lift station, storm water quality pond and dry basins.

The City will issue revenue bonds payable with sales tax collections. The annual payment will average \$251,125. The requested loan term is 20 years. The City currently serves 13,844 residential connections which pay a monthly base rate of \$16.76 and a usage charge of \$3.89 per 1,000 gallons. The City currently serves 1,867 commercial connections which pay a monthly base rate of \$18.31 and a usage charge of \$4.28 per 1,000 gallons.

City Sales Tax:

The City collects 2.25% City Sales Tax with 22.22% dedicated to infrastructure.

	2021	2022	2023	2024	2025
City Sales Tax Revenue	\$ 28,627,190	\$ 30,720,747	\$ 32,655,188	\$ 33,163,922	\$ 33,004,039
22.22% of City Sales Tax	\$ 6,360,962	\$ 6,826,150	\$ 7,255,983	\$ 7,369,023	\$ 7,333,498
SRF Debt Payments	\$ 520,370	\$ 520,370	\$ 520,370	\$ 520,370	\$ 520,370
Excess City Sales Tax	\$ 5,840,592	\$ 6,305,780	\$ 6,735,613	\$ 6,848,653	\$ 6,813,128

Outstanding Debt (as of December 31, 2025):

	Original Amount	Current Balance
General Obligation Bonds	2,735,000	235,000
Special Assessment Bonds	190,397,989	137,670,605
Sales Tax Revenue Bonds	140,585,000	32,215,000
Water & Sewer Revenue Bonds	238,673,141	155,069,825
	572,391,130	325,190,430

Wastewater Fund:

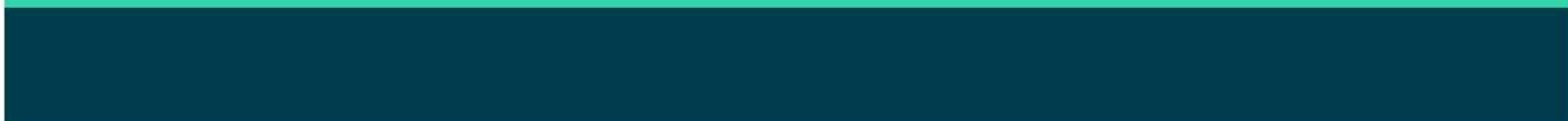
Wastewater Fund	2022	2023	2024
Operating Revenue	11,579,177	11,894,346	13,515,700
Interest Revenue	-86,788	476,239	680,659
Operating Expenses	-7,049,512	-7,944,167	-7,430,007
Net Operating Revenue	4,442,877	4,426,418	6,766,352
Sales Tax Transfer In	278,033	247,000	247,000
Noncash Pension Adjustment	160,770	0	0
Adjusted Net Operating Income	4,881,680	4,673,418	7,013,352
Current Debt Service	1,653,969	1,698,482	1,785,588
Debt Service Coverage	295%	275%	393%

Average annual debt service requirements are estimated at \$25,151,333, which is an average of \$425.10 per resident.

The system currently serves 59,845 people. Historical census populations for the City of Grand Forks were 59,166 in 2020, 52,838 in 2010 and 49,321 in 2000. The largest employers in the City are University of North Dakota, Altru Health System and Grand Forks Air Force Base.

Based upon the PFA recommendation and the benefits obtained with this project, BND concurs with their evaluation and support of the request.

Kylee Merkel
Business Banker





STATE	PROJECT NO.	SECTION NO.	SHEET NO.
ND	6-237(014)000	4	1

Base Alternative
Right In Right Out
Grand Forks
42nd Street & Demers Avenue

This document
is preliminary
and not for
construction or
implementation
purposes.

Industrial Commission of North Dakota



Kelly Armstrong
Governor

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

RESOLUTION APPROVING LOAN FROM CLEAN WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Clean Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4 and 61-28.2; and

WHEREAS, the Clean Water State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (NDPFA) and the Bank of North Dakota (the Trustee); and

WHEREAS, the City of Kenmare (the "Political Subdivision") has requested a loan in the amount of \$2,439,000 from the Program for sanitary sewer main rehabilitation using cured in place pipe lining and for manhole rehabilitation, replacing pipe and manholes where necessary; and

WHEREAS, the NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Clean Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: April 28, 2026

Governor Kelly Armstrong, Chairman

Attest:

Karen Tyler, Executive Director
Industrial Commission of North Dakota

April 13, 2026

PUBLIC FINANCE AUTHORITY ADVISORY COMMITTEE

RECOMMENDATION TO THE INDUSTRIAL COMMISSION

The Advisory Committee, at its April 13, 2026 meeting, reviewed, discussed, and recommends approval of a \$2,439,000 Clean Water State Revolving Fund Program loan to the City of Kenmare.

North Dakota Public Finance Authority
Advisory Committee

Keith Lund, Chairman
Linda Svihovec
John Phillips

Memorandum

To: Public Finance Authority Advisory Committee
 Miles Silbert, Public Financial Management LLC
 Kylee Merkel, Bank of North Dakota

From: DeAnn Ament, Executive Director

Date: April 8, 2026

Re: City of Kenmare
 Clean Water State Revolving Fund

Purpose of the Project:

Sanitary sewer main rehabilitation using cured in place pipe lining and replacement where necessary. Also, the manholes will be rehabilitated and replaced where necessary.

Project Cost:

CWSRF Request	\$2,439,000
USACE Section 594 Grant	3,585,000
Local Municipal Infrastructure Funds	376,000
Total Project Costs	\$6,400,000

Population to Benefit from the Project: 961

Population Served by the System: 961

The requested term for the Clean Water State Revolving Fund (CWSRF) loan is 30 years. The City of Kenmare will issue revenue bonds payable with sewer fund revenues. The average annual payment for the revenue bonds will be \$103,344. The 110% coverage requirement will be \$113,679 and the required debt service reserve will be \$121,800.

Sewer Rates:

The City has 569 users that pay a monthly base rate of \$22.50. The City anticipates raising the monthly base rate \$12 per user. This will generate annual revenue of approximately \$81,936.

Sewer Fund Net Operating Coverage:

			Unaudited	Unaudited
	2022	2023	2024	2025
Operating Revenue	\$144,953	\$148,986	\$153,016	\$158,998
Operating Expenses	71,643	232,300 ¹	113,950	124,638
Net Operating Revenue	\$73,310	-\$83,314	\$39,066	\$34,360
Proforma Rate Increase	\$81,936	\$81,936	\$81,936	\$81,936
Proforma CWSRF Payment	\$103,344	\$103,344	\$103,344	\$103,344
Proforma Net Operating Coverage	150%	-1%	117%	113%

¹ The City paid \$131,484 for televising the sanitary sewer as part of a PAR grant. When that expense is removed, the 2023 proforma net operating coverage is 126%.

With the anticipated rate increase, the City will meet the 110% net operating coverage requirement.

Outstanding Indebtedness:

	Original Debt	Outstanding Debt
Improvement Bonds ²	\$ 1,600,000	\$ 245,000
Revenue Bonds ²	2,090,118	766,461
	\$ 3,690,118	\$ 1,011,461

² All payments have been made as agreed. The City has three DWSRF loans with an outstanding balance of \$766,461.

With average annual debt payments of \$347,696, including the proposed debt, the annual debt per resident is \$362.

The City of Kenmare is located in Ward County and 57 miles northwest of Minot. Based on the 2020 census, the total population is 961; this is a decrease of 185 from the 2010 census. The largest employers in the City are Kenmare Public Schools with 50 employees, MW Industries (manufacturing) has 25 employees, and Trinity Health Kenmare Hospital employs 25.

K-12 School Enrollment:

				<i>Projected</i>
2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
284	261	267	255	260

The City's 2025 taxable valuation was \$3,613,812. This is an increase of \$340,421 over the 2021 taxable valuation.

Property Tax Collections 3/31/2026:

Levy Year	Dollar Amount of Levy	Amount Collected to Date of Application	Percentage Collected
2025	\$417,323	\$370,237	89%
2024	\$417,567	\$403,593	97%
2023	\$416,246	\$411,177	99%

Special Assessment Tax Collections 3/31/2026:

Year	Dollar Amount	Amount Collected to Date of Application	Percentage Collected
2025	\$68,738	\$62,954	92%
2024	\$83,821	\$77,853	93%
2023	\$78,458	\$77,816	99%

Mill Levy History:

Year	City	School	Park District	State and County	Ambulance District	Total for Each Year
2025	115.48	100.28	18.54	62.52	15.00	311.82
2024	123.06	102.27	19.33	64.76	-	309.42
2023	124.48	99.13	18.07	62.13	-	303.81
2022	118.65	101.78	16.69	60.35	-	297.47
2021	115.36	102.00	10.75	62.85	-	290.96



Memorandum

TO: DeAnn Ament, Executive Director
North Dakota Public Finance Authority

FROM: PFM Financial Advisors LLC

DATE: April 17, 2026

RE: Marketplace Analysis - Clean Water State Revolving Fund Program
City of Kenmare

The City of Kenmare (“City”) has presented a request to the Authority and the North Dakota Department of Environmental Quality (“Department”) for a \$2,439,000 loan under the Clean Water State Revolving Fund Program (“CWSRF Program”). The CWSRF Program is used to make subsidized interest rate loans to political subdivisions for the purpose of constructing various wastewater treatment projects and landfill projects as approved by the Department in accordance with federal and state regulations and an updated Intended Use Plan prepared by the Department.

The City intends to use the proceeds for sanitary sewer main rehabilitation using cured in place pipe lining and replacement where necessary, and the manholes will be rehabilitated and replaced where necessary.

The municipal securities to be acquired by the Authority will be revenue bonds payable from sewer fund revenues. The City’s average annual payment under the proposed loan will be approximately \$103,344 indicating a 110% net revenue coverage requirement of approximately \$113,679. The City will be required to deposit \$121,800 into a reserve fund with payments of \$24,360 per year for the first five years of the loan. The City intends to raise the monthly base rate \$12/user, which will generate approximately \$81,936 of annual revenue. Proforma net operating coverage of the sewer fund was 1.50x, 1.26x, 1.17x, and 1.13x for 2022-2025, respectively. The increase in rates in addition to the existing net operating revenues will provide sufficient net revenues to meet the 110% coverage requirement.

As of December 31, 2025, the City has \$245,000 of General Obligation Bonds, and \$766,461 of Revenue Bonds outstanding. The City currently has three Drinking Water loans outstanding totaling \$766,461. The City is current in its payments for its outstanding Authority loans.

Funding for the construction of the City’s projects has been included in a list of approved projects as prepared and updated by the Department. As an authorized participant in the CWSRF Program, the City will benefit substantially from the subsidized fixed rate loans made under the Program. Consequently, no other financing mechanism can provide a greater cost advantage than that offered by the CWSRF Program.

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: April 9, 2026

RE: City of Kenmare
Clean Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a \$2,439,000 loan to the City of Kenmare under the Clean Water State Revolving Fund (CWSRF). The entire cost of the project is \$6,400,000, with US Army Corp of Engineers providing a \$3,585,000 grant and the City contributing \$376,000 of municipal infrastructure funds.

The project will rehabilitate sanitary sewer mains and manholes. The City will issue revenue bonds payable with sewer user fees. The requested loan term is 30 years. The annual payment will average \$103,344.

Sewer Fund Debt Service Coverage:

Sewer Fund	2022 Audit	2023 Audit	2024 Unaudited	2025 Unaudited	Projected
Operating Revenue	144,953	148,986	153,016	158,998	158,998
Rate Increase					81,936
Operating Expenses	-71,643	-232,300	-113,950	-124,638	-124,638
Net Operating Revenue	73,310	-83,314	39,066	34,360	116,296
Televising Sewer Lines	0	131,484			0
Adjusted Net Operating Income	73,310	48,170	39,066	34,360	116,296
Proposed Debt Service					103,344
Debt Service Coverage					113%

The City currently serves 569 connections which pay a monthly base rate of \$22.50. The City anticipates raising the monthly base rate by \$12 per connection, which will generate approximately \$81,396 of additional revenue. The existing revenues, combined with the projected increase, will generate sufficient net operating revenues to service the proposed debt.



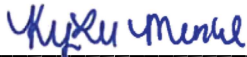
Outstanding Debt (as of December 31, 2025):

	Original Amount	Current Balance
Improvement Bonds	1,600,000	245,000
Revenue Bonds	2,090,118	766,461
	3,690,118	1,011,461

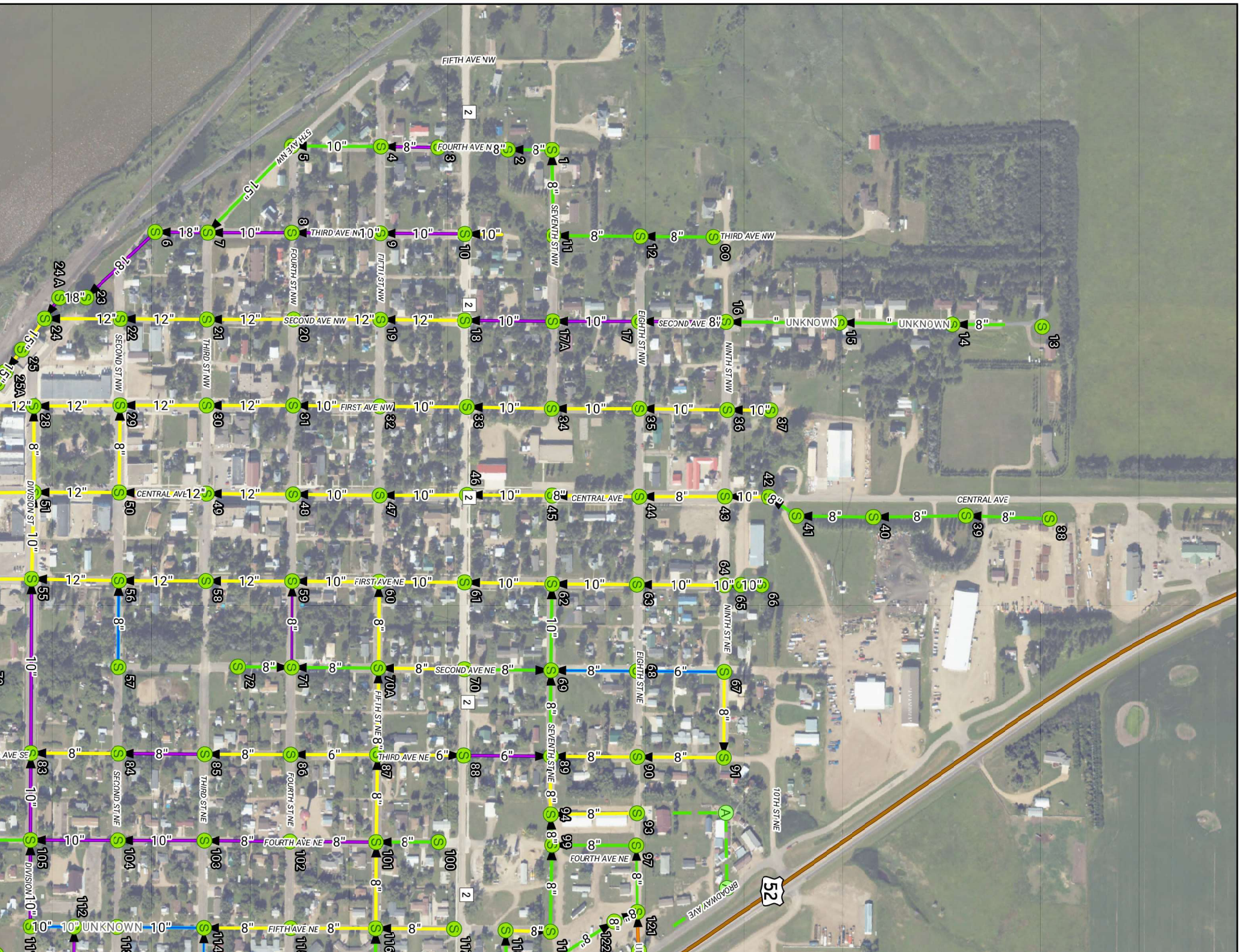
Average annual debt service requirements are estimated at \$347,696, which is an average of \$361.81 per resident.

Historical census populations for the City of Kenmare were 961 in 2020, 1,096 in 2010 and 1,081 in 2000. The largest employers in the City are Kenmare Public Schools, MW Industries and Trinity Health Kenmare Hospital.

Based upon the PFA recommendation and the benefits obtained with this project, BND concurs with their evaluation and support of the request.



Kylee Merkel
Business Banker



Memorandum

To: Industrial Commission: Governor Kelly Armstrong, Attorney General Drew H. Wrigley, Agriculture Commissioner Doug Goehring

From: DeAnn Ament, Executive Director

Date: April 13, 2026

Re: City of Kindred, Drinking Water State Revolving Fund

Under current policy, the Public Finance Authority can make loans under the State Revolving Fund Program in an amount not to exceed \$2,000,000 and under the Capital Financing Program in an amount not to exceed \$500,000 without seeking the final approval of the Industrial Commission. Within this policy, once the loan has been approved, the Public Finance Authority is required to provide the details of the loan to the Industrial Commission. Accordingly, the Public Finance Authority and its Advisory Committee used this policy to approve the following loans.

The committee reviewed the City of Kindred's Clean Water State Revolving Fund application for a \$1,950,000 loan towards a \$3,755,298 project. The Bank of North Dakota Infrastructure Revolving Loan Fund will lend \$1,592,693 and Cass County Flood Sales Tax will provide \$212,605. The project will extend the City's sanitary sewer and storm water service and excavate a new dry detention stormwater storage pond to the growing area of the Newport Ridge Development and install a new asphalt roadway on 7th Avenue with adequate drainage ditches and culverts. The requested term for the loan is 30 years. The City will issue improvement bonds payable with special assessments. The improvement bonds will be a contingent general obligation of the City, backed by the statutory requirement that the City levy a general deficiency tax in the event that the revenues from the collection of special assessments are not sufficient to pay the debt service on the improvement bonds.

The Public Finance Authority's Advisory Committee approved the loan at their April 13, 2026, meeting.

Memorandum

To: Public Finance Authority Advisory Committee
 Miles Silbert, Public Financial Management LLC
 Kylee Merkel, Bank of North Dakota

From: DeAnn Ament, Executive Director

Date: April 9, 2026

Re: City of Kindred
 Clean Water State Revolving Fund

Purpose of the Project:

Extend the City's sanitary sewer and storm water service and excavate a new dry detention stormwater storage pond to the growing area of the Newport Ridge Development and install a new asphalt roadway on 7th Avenue with adequate drainage ditches and culverts.

Project Cost:

CWSRF Request	\$1,950,000
BND IRLF	1,592,693
Cass County Flood Sales Tax	212,605
Total Project Costs	\$3,755,298

Population to Benefit from the Project: 325

Population Served by the System: 1,080

The requested term for the Clean Water State Revolving Fund (CWSRF) loan is 30 years. The average annual payment for the improvement bonds will be \$80,751. The City will issue improvement bonds payable with special assessments. The improvement bonds will be a contingent general obligation of the City, backed by the statutory requirement that the City will levy a general deficiency tax in the event that the revenues from the collection of special assessments are not sufficient to pay the debt service on the improvement bonds.

Sewer Rates:

The City has an estimated 436 sewer connections which pay a monthly base rate of \$9.05 and a capacity charge of \$22.09 as well as a volume charge of \$1.36 per 1,000 gallons.

Sewer Fund Net Operating Coverage:

		Draft Audit	Draft Audit	Unaudited
	2022	2023	2024	2025
Operating Revenue ¹	\$201,833	\$221,649	\$223,393	\$223,199
Operating Expenses	32,223	24,086	39,981	19,716
Net Operating Revenue	169,610	197,563	183,412	203,483
Bond Payments ²	40,592	85,327	134,489	127,600
Net Operating Coverage	418%	232%	136%	159%
Proforma Payroll Exp Transfer In ³	-60,000	-60,000	-60,000	-60,000
Proforma Net Operating Coverage	270%	161%	92%	112%

¹ Sewer capacity fee has been removed from the water fund added to the sewer fund.

² CWSRF payments have been removed from the water fund added to the sewer fund.

³ Currently the water fund pays all payroll expenses. This demonstrates that future transfers of payroll expenses will not impact net operating coverage.

Outstanding Debt as of December 31, 2025:

	Original Amount	Outstanding Amount
Improvement Bonds	\$ 9,737,814	\$6,598,772
City Sales Tax Revenue Bonds	750,000	290,102
Water/Sewer Revenue Bonds ⁴	3,244,663	3,015,000
Total	\$ 13,732,477	\$9,903,874

⁴ Payments have been made as agreed. The city has one CWSRF and one Drinking Water State Revolving Fund (DWSRF) loan with a total of \$3,015,000 outstanding. They also have one CWSRF and one DWSRF loan approved, but not closed that total \$5,650,000.

The estimated average annual debt payment including the new State Revolving Fund requests will be \$1,288,736 or \$1,450 per resident.

Population and Employment

The City of Kindred is located in Cass County 13 miles northwest of Fargo. Based on the 2020 census, the total population was 889; this is an increase of 197 from the 2010 census. The estimated 2026 population is 1,080. The largest employers Kindred Public Schools with 130 employees, Superior Grain Equipment (agriculture) with 90 employees, and Lil' Buckaroos (daycare) with 40 employees.

K-12 School Enrollment:

<i>Projected</i>				
2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
883	877	860	891	900

The City's 2025 taxable valuation was \$6,048,974. This is an increase of \$2,245,354 from the 2021 taxable valuation.

Property Tax Collections 2/28/2026:

Levy Year	Dollar Amount of Levy	Amount Collected to Date of Application	Percentage Collected
2025	\$219,681	\$191,707	87%
2024	\$251,387	\$235,375	94%
2023	\$259,404	\$244,828	94%

Special Assessment Tax Collections 2/28/2026:

Year	Dollar Amount	Amount Collected to Date of Application	Percentage Collected
2025	\$528,365	\$492,148	93%
2024	\$295,991	\$294,343	99%
2023	\$315,471	\$315,471	100%

Mill Levy History:

Year	City	School	Park District	State and County	Other	Total for Each Year
2025	47.81	142.40	21.20	47.73	27.79	286.93
2024	48.90	148.35	21.66	46.00	19.67	284.58
2023	49.45	141.40	20.72	46.00	19.59	277.16
2022	54.08	152.42	20.72	48.00	20.23	295.45
2021	47.92	95.21	25.76	48.75	20.23	237.87

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: April 10, 2026

RE: City of Kindred
Clean Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a \$1,950,000 loan to the City of Kindred under the Clean Water State Revolving Fund (CWSRF). The entire cost of the project is \$3,755,298, with the BND Infrastructure Revolving Loan Fund providing a \$1,592,693 loan and Cass County Flood Sales Tax providing \$212,605 of funds.

The project will extend sanitary sewer and storm sewer service to Newport Ridge Development and install roadway and drainage infrastructure on 7th Avenue. The requested loan term is 30 years. The City will issue an improvement bond payable with special assessment collections. The annual payment will average \$80,751.

Sewer Fund:

Sewer Fund	2022	2023	2024
Operating Revenue	201,833	221,649	223,393
Operating Expenses	-32,223	-24,086	-39,981
Net Operating Revenue	169,610	197,563	183,412
Current Debt Service	40,592	85,327	134,489
Debt Service Coverage	418%	232%	136%

The City serves 436 sewer connections that pay a monthly base rate of \$9.05 and a volume charge of \$1.36 per 1,000 gallons.

Outstanding Debt (as of December 31, 2025):

	Original Amount	Current Balance
Improvement Bonds	9,737,814	6,598,772
Sales Tax Bonds	750,000	290,102
Revenue Bonds	3,244,663	3,015,000
	13,732,477	9,903,874

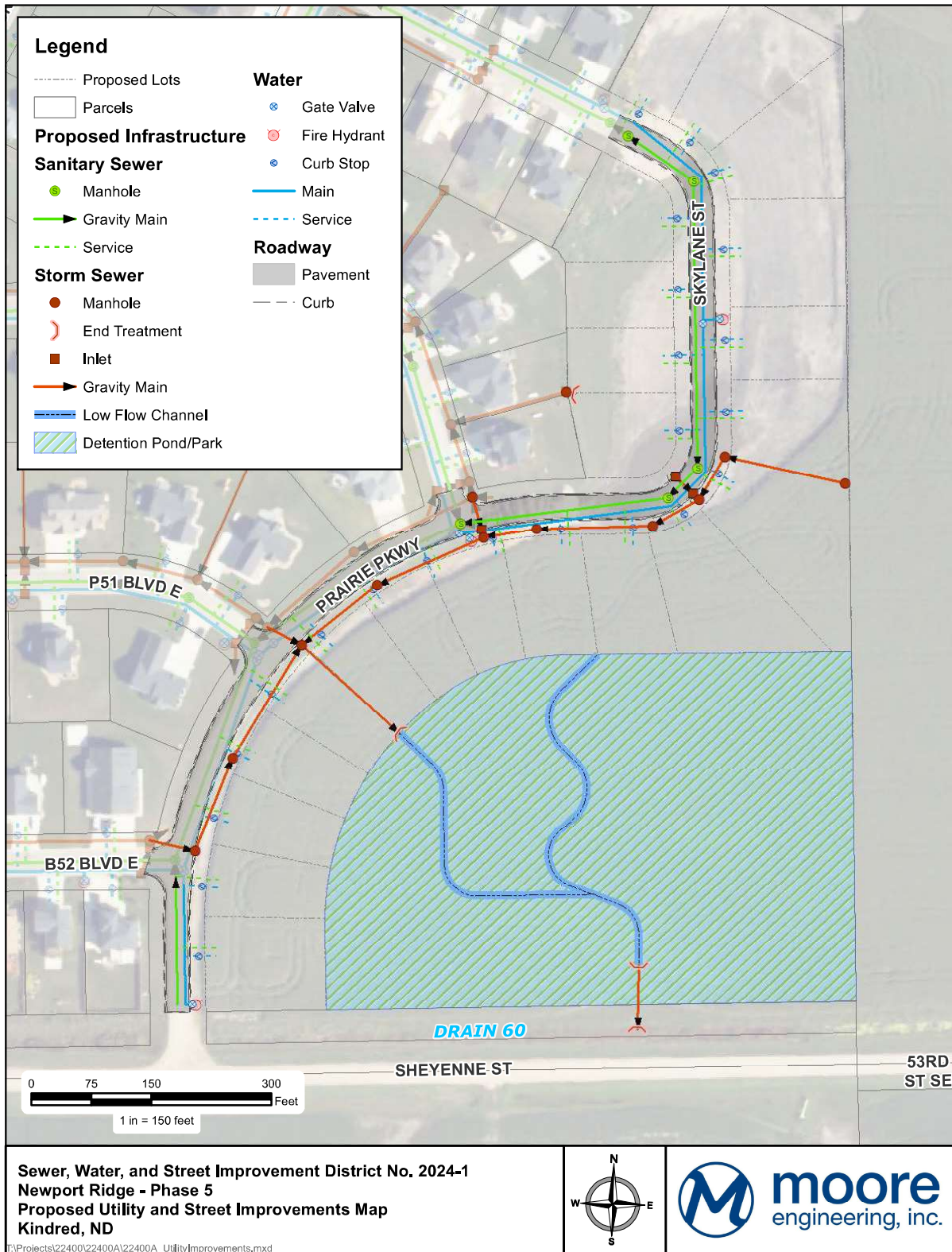
In addition, the City has approved, but not closed, SRF loans totaling \$5,650,000. Average annual debt service requirements are estimated at \$1,288,736, which is an average of \$1,449.65 per resident.

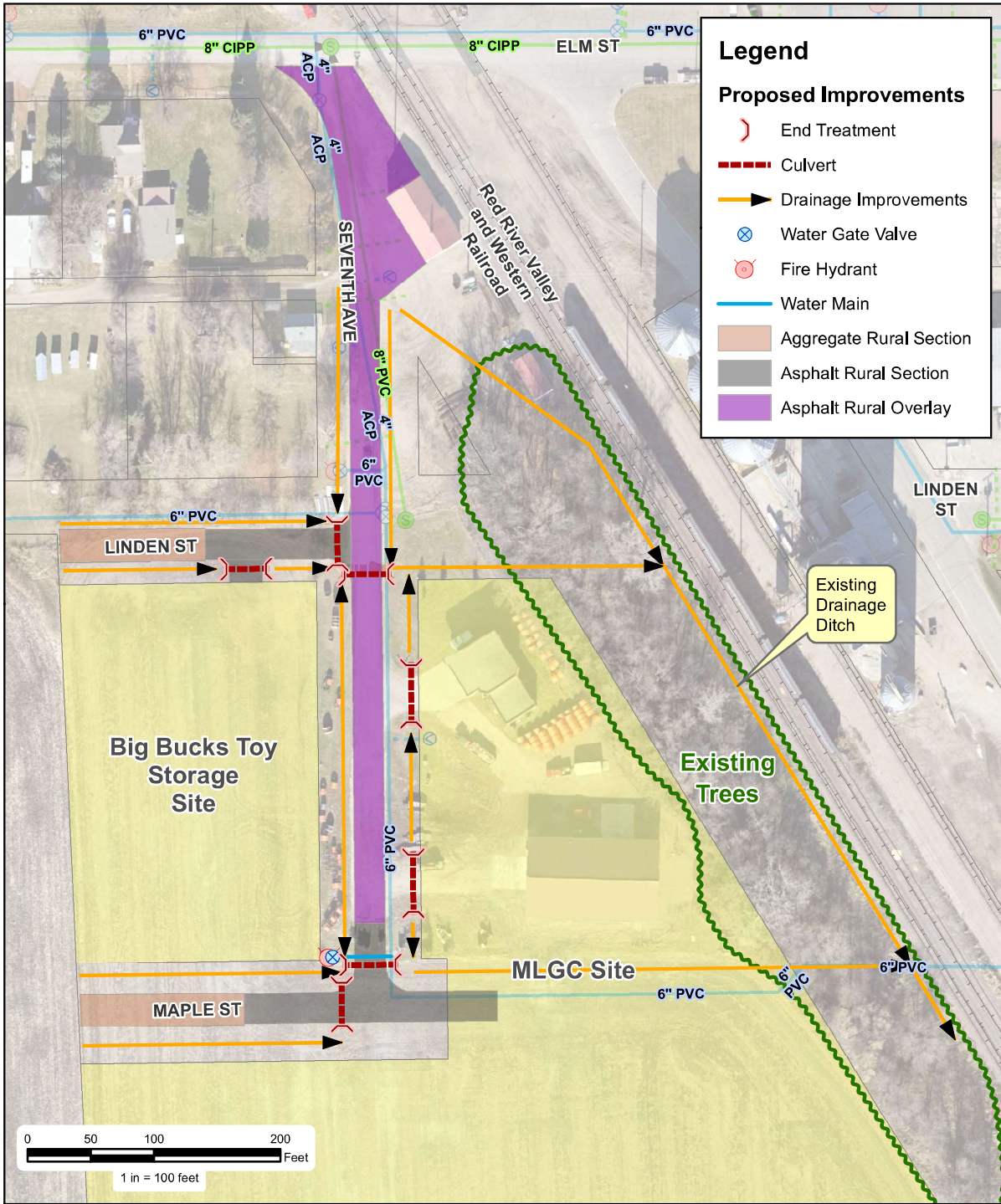
Historical census populations for the City of Kindred were 889 in 2020, 692 in 2010 and 614 in 2000. Current K-12 school enrollment is 891, an increase of 31 from the prior year. The largest employers in the area are Kindred School District, Superior Grain Equipment and Lil' Buckaroos.

Based upon the PFA recommendation and the benefits obtained with this project, BND concurs with their evaluation and support of the request.



Kylee Merkel
Business Banker

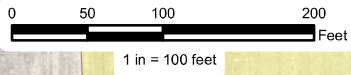




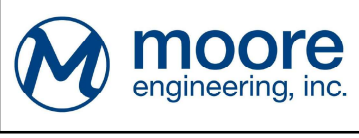
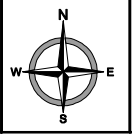
Legend

Proposed Improvements

- End Treatment
- Culvert
- Drainage Improvements
- Water Gate Valve
- Fire Hydrant
- Water Main
- Aggregate Rural Section
- Asphalt Rural Section
- Asphalt Rural Overlay



Street Improvement District No. 2024-2
 7th Avenue Street Improvements
 Proposed Improvements Map
 Kindred, ND



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Memorandum

TO: DeAnn Ament, Executive Director
North Dakota Public Finance Authority

FROM: PFM Financial Advisors LLC

DATE: April 17, 2026

RE: Marketplace Analysis - Clean Water State Revolving Fund Program
City of Kindred

The City of Kindred (“City”) has presented a request to the Authority and the North Dakota Department of Environmental Quality (“Department”) for a \$1,950,000 loan under the Clean Water State Revolving Fund Program (“CWSRF Program”). The CWSRF Program is used to make subsidized interest rate loans to political subdivisions for the purpose of constructing various wastewater treatment projects and landfill projects as approved by the Department in accordance with federal and state regulations and an updated Intended Use Plan prepared by the Department.

The City intends to use the proceeds to extend the City’s sanitary sewer and storm water service and excavate a new dry detention stormwater storage pond to the growing area of the Newport Ridge Development and install a new asphalt roadway on 7th Avenue with adequate drainage ditches and culverts.

The municipal securities to be acquired by the Authority will be improvement bonds of the City payable from special assessments levied against the benefited property. The proposed term of the loan is 30 years with a subsidized interest rate of 1.50%. The City’s average annual payment under the proposed loan will be approximately \$80,751. The improvement bonds will be a contingent general obligation of the City, which will be required by law to levy a general deficiency tax if the revenues collected from the levy of special assessments are insufficient to make the debt service payments.

As of December 31, 2025, the City has \$6,598,772 of Improvement Bonds, \$290,102 of Sales Tax Revenue Bonds and \$3,015,000 of Water/Sewer Revenue Bonds outstanding. The City currently has one Clean Water and one Drinking Water loan outstanding totaling \$3,015,000. The City is current in its payments for its outstanding Authority loans.

Funding for the construction of the City's projects has been included in a list of approved projects as prepared and updated by the Department. As an authorized participant in the CWSRF Program, the City will benefit substantially from the subsidized fixed rate loans made under the Program. Consequently, no other financing mechanism can provide a greater cost advantage than that offered by the CWSRF Program.



2025
Annual Report

NORTH DAKOTA PUBLIC FINANCE AUTHORITY

Industrial Commission of North Dakota

Kelly Armstrong
Governor
Chairman

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

Advisory Committee

Keith Lund
Grand Forks

Linda Svihovec
Bismarck

John Phillips
Beulah

Staff

DeAnn Ament
Executive Director

Benita Eberts
Business Manager

Karla Zander
Fiscal Officer

NORTH DAKOTA
PUBLIC FINANCE AUTHORITY

2025 Annual Report

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NORTH DAKOTA PUBLIC FINANCE AUTHORITY

The North Dakota Public Finance Authority (PFA) was established for the purpose of making loans to political subdivisions of the State through the purchase of municipal securities which, in the opinion of the Attorney General of North Dakota, are properly eligible for purchase by the PFA. Subject to credit and program requirements, a loan can be made by the PFA to a political subdivision for any purpose for which the political subdivision has the legal authority to borrow money through the issuance of municipal securities. Certain types of municipal securities issued under N.D.C.C. ch. 40-57 (MIDA bonds) may also be purchased by the PFA.

The PFA, which is under the operation, control, and management of the Industrial Commission of North Dakota, is a self-supporting state agency. The costs and expenses of operation of the PFA are financed with earnings on program assets and fees paid by participating political subdivisions.

Obligations of the PFA which are issued to provide funds to purchase municipal securities do not constitute a debt or liability of the State or a pledge of the faith or credit of the State. All obligations of the PFA are payable solely from revenues or program assets pledged or available for their payment as authorized by law. The PFA has no authority to incur any indebtedness or liability on behalf of or payable by the State.

The PFA is authorized by statute (N.D.C.C. § 6-09.4-10(1)) to establish and maintain a reserve fund for its bonds. The Legislative Assembly has made a non-binding pledge to the PFA to replenish the reserve fund if it is depleted by the default of a political subdivision. Section 6-09.4-10(4) provides that “there shall be appropriated by the legislative assembly and paid to the PFA for deposit in the reserve fund, such sum, if any, as shall be certified by the industrial commission as necessary to restore the fund to an amount equal to the required debt service reserve.” Because future Legislative Assemblies are not legally obligated or required to appropriate moneys certified as necessary by the Industrial Commission, this statutory provision is referred to as a “moral obligation.” There has never been the need to request an appropriation for the reserve fund.

Mission

To develop rural and urban North Dakota by providing political subdivisions and other qualifying organizations access to flexible and competitive financing options for their local qualifying projects.

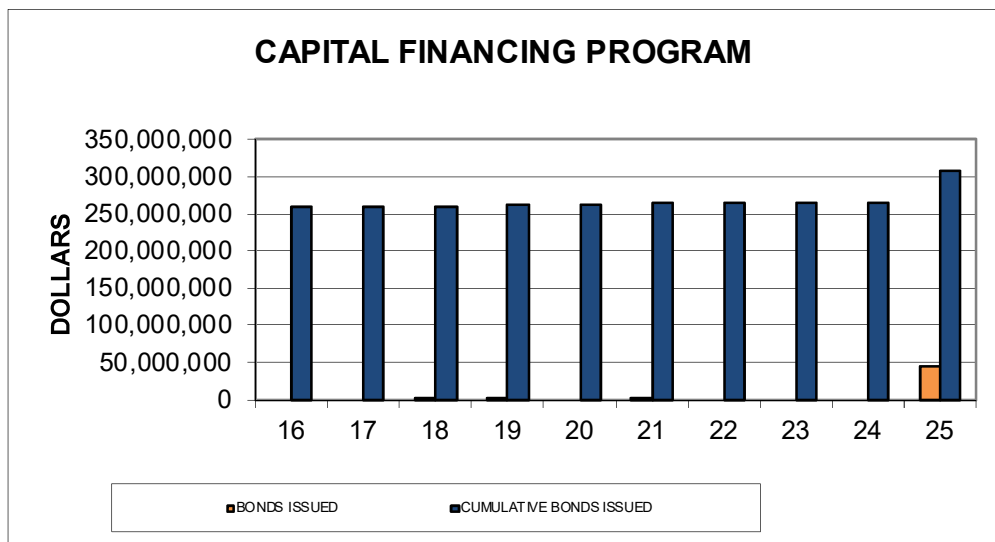
Vision Statement

A municipal bond market that realizes the competitive advantage of utilizing the North Dakota Public Finance Authority’s (PFA) superior bond rating to issue municipal securities, resulting in lower interest rates to fund local projects. A PFA that enables customers to utilize on-line services, such as accessing account information or applying for additional financing. A PFA that leads a cooperative effort with other state agencies to combine available resources into programs that finance infrastructure and improvements for political subdivisions and other qualifying organizations. A State that recognizes the PFA as the leader in providing municipal financing for local projects.

CAPITAL FINANCING PROGRAM

Under its Capital Financing Program (CFP), the PFA makes loans for the purpose of financing projects or improvements for which political subdivisions are legally authorized to borrow money through the issuance of municipal securities. Subject to credit requirements and certain program requirements, financing is available in any dollar amount.

The interest rates payable by a political subdivision are market rates, which are set through a competitive bid process when the PFA issues and sells its bonds to fund a loan. The interest rates paid by the PFA on its bonds are the same rates a political subdivision will pay on its municipal securities sold to the PFA.



On September 26, 2018, the Capital Financing Program was upgraded from a rating of “A+” to “AA-” by Standard & Poor’s Ratings Group.

The PFA issued \$43,610,000 of CFP Bonds in 2025. Proceeds of the Series 2025A Bonds were used to refund the outstanding CFP 2015 Series B bonds and CFP 2015 Series C bonds and thereby refinanced loans to the Cities of Forman, Watford and Zap and funded a loan to the City of Burlington.

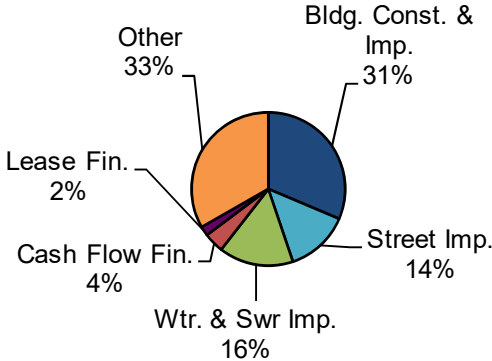
The total outstanding amount of CFP Reserve Fund Letters of Credit on December 31, 2025, was \$25,990,723. The CFP Reserve Fund Letters of Credit are issued to meet the requirement of the CFP General Bond Resolution that the PFA maintain reserves for each series, equal to the largest aggregate amount of principal and interest due in any twenty-four-consecutive month period. The CFP Reserve Fund Letters of Credit are issued by Bank of North Dakota (BND).

As of December 31, 2025, the total cumulative amount of bonds issued under the CFP General Bond Resolution was \$307,735,000 and the total outstanding amount of bonds under the CFP General Bond Resolution was \$95,950,000.

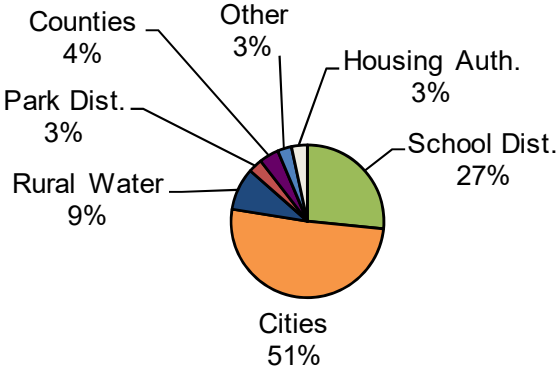
Part F of Attachment 1 beginning on page 1-5 of this Report contains a complete list, as of December 31, 2025, of all loans made by the PFA with proceeds of CFP Bonds issued under the CFP General Bond Resolution, including the name of each political subdivision, the original amount of each loan, and the outstanding principal of each loan.

Part F of Attachment 2 on page 2-1 of this Report contains a complete list, as of December 31, 2025, of all series of Capital Financing Bonds issued under the CFP General Bond Resolution, including the original dollar amount and the outstanding principal amount of each series of CFP Bonds.

Capital Financing Program Loans



Capital Financing Program Borrowers



CAPITAL FINANCING DISASTER LOAN PROGRAM

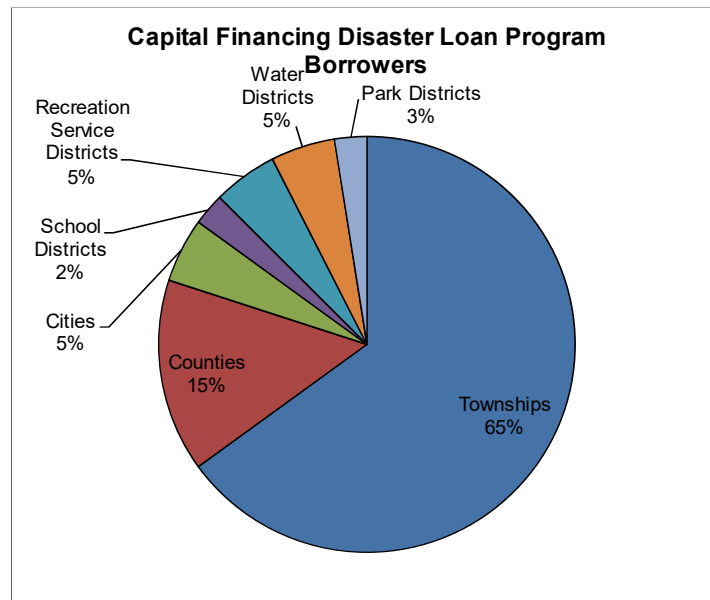
On June 16, 2011, the Industrial Commission authorized the PFA to utilize the Capital Financing Program to provide loans for political subdivisions impacted by weather related events. Under its Capital Financing Disaster Loan Program, the PFA makes loans for the purpose of providing disaster assistance to political subdivisions affected by weather related events until federal and state money is available and/or to assist in cash flowing local match requirements.

Any North Dakota political subdivision that is within a county that has received a Presidential Public Disaster Declaration, or a gubernatorial executive order or proclamation of a state disaster or emergency was eligible to apply. The political subdivision must show the ability to repay the financing either from Federal or State government disaster payments or from tax receipts. The interest rate payable by a political subdivision is the 1-month Federal Home Loan Bank plus 2% adjusted monthly with a floor of 2%.

There were no Disaster Financing loans approved in 2025. Loans approved under this program total \$71,531,546 and none were outstanding as of December 31, 2025. Part E of Attachment 1 beginning on page 1-4 of this Report contains a complete list, as of December 31, 2025, of all loans approved by the PFA under the Disaster Loan Program, including the name of each political subdivision and the original amount of each loan.

The proceeds of the CFP Disaster Bonds have historically been used to make loans to political subdivisions approved for financing under the Disaster Loan Program. The PFA did not sell any CFP Disaster Bonds to Bank of North Dakota in 2025. As of December 31, 2025, the total cumulative amount of bonds issued under the Disaster Loan Program was \$14,405,612 and there are no bonds outstanding under the Disaster Loan Program.

Part G of Attachment 2 on page 2-2 of this Report contains a complete list, as of December 31, 2025, of all series of Capital Financing Disaster Loan Bonds issued, including the original dollar amount and the outstanding principal amount of each series of Disaster Loan Bonds.



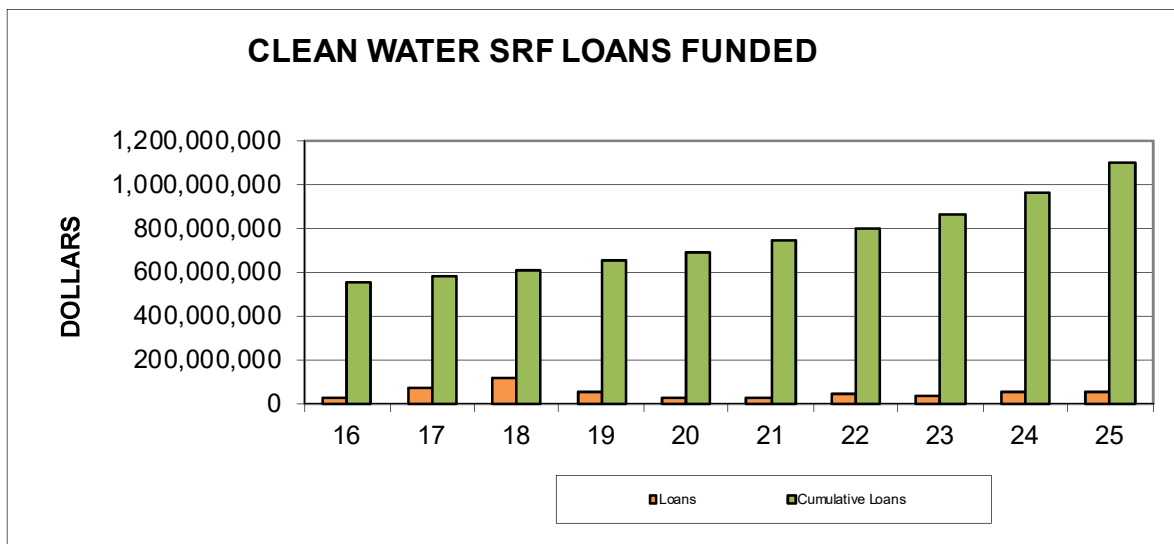
STATE REVOLVING FUND PROGRAM

The State Revolving Fund Program (SRF Program) was established in 1990 to enable North Dakota to receive federal capitalization grants as authorized under the Clean Water Act. In 1998, the SRF Program was amended to enable the State to receive capitalization grants as authorized under the Safe Drinking Water Act. The SRF Program grants, received from the United States Environmental Protection Agency, are to be used to make below-market interest rate loans to political subdivisions for the purpose of financing authorized projects, to establish reserve funds, and for other purposes under the Clean Water Act and the Safe Drinking Water Act. Authorized projects under the Clean Water Act include wastewater treatment facilities and nonpoint source pollution control projects. Authorized projects under the Safe Drinking Water Act include public water systems. The SRF Program is administered jointly by the North Dakota Department of Environmental Quality (DEQ) and the PFA.

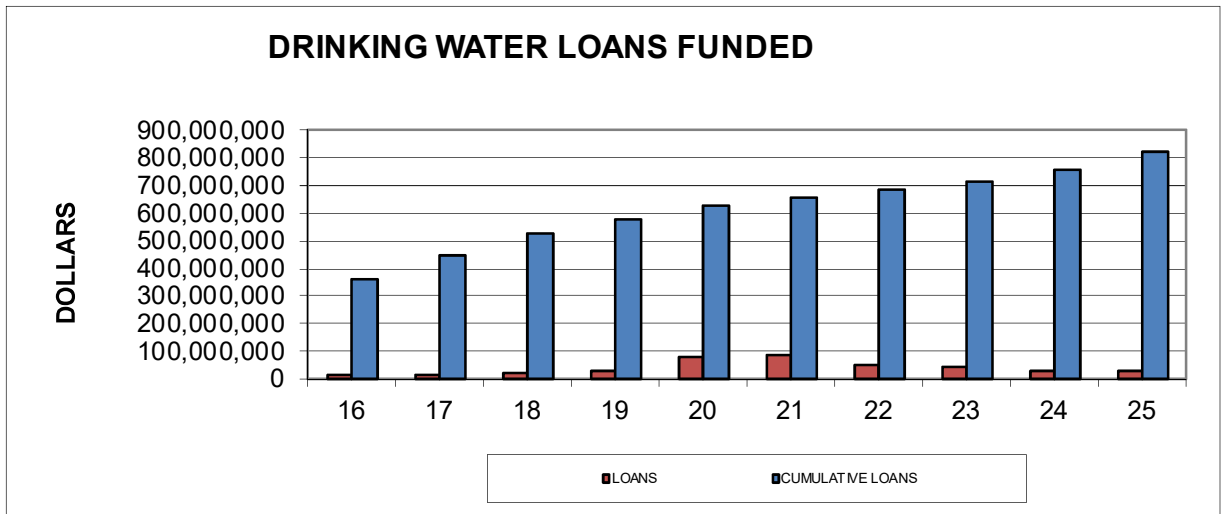
In 2001, Moody’s Investors Service, Inc. upgraded the North Dakota SRF Program from “Aa2” to “Aaa”, Moody’s highest rating. The PFA obtained an additional rating for the North Dakota SRF Program bonds from Standard & Poor’s Ratings Services which assigned their highest rating, “AAA,” 2015.

The interest rates on SRF Program loans are set by the DEQ in consultation with the PFA. The interest rates are fixed for the term of a loan. The interest rate for tax-exempt SRF Program loans is 2.0%. Loans made with American Recovery and Reinvestment Act (ARRA) funds are at 1.0% and/or have a loan forgiveness component. Loans for lead service line replacement funded from Bipartisan Infrastructure Law funding have a 0.5% interest rate.

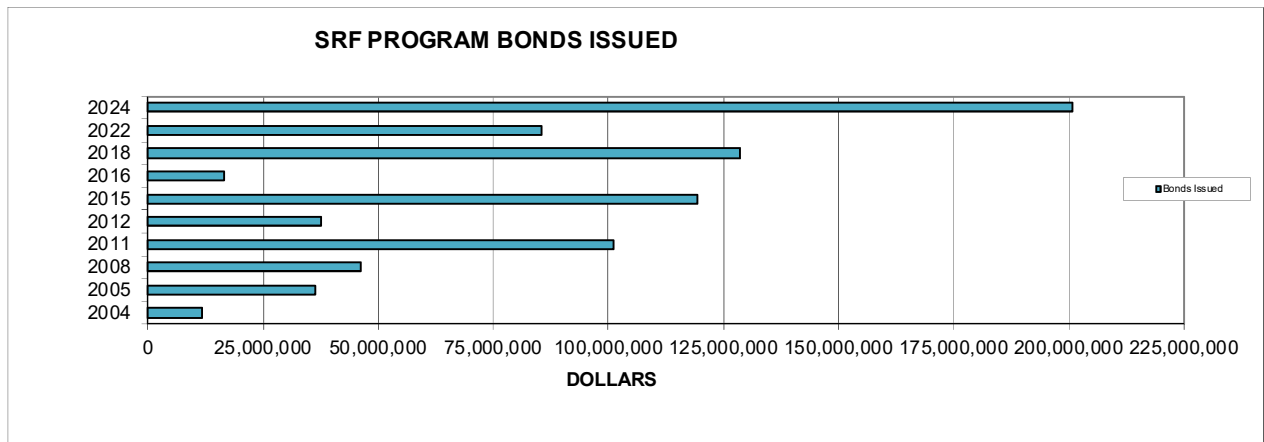
The PFA approved \$154,141,291 of Clean Water SRF Program loans to 30 political subdivisions in 2025. Subpart 33 of Part G of Attachment 1 on page 1-18 of this Report contains a list of all approved Clean Water SRF Program loans for 2025, including the approved amount, the funded amount, and the outstanding principal amount of each loan as of December 31, 2025.



The PFA approved \$136,754,182 of Drinking Water SRF Program loans to 33 political subdivisions in 2025. Subpart 26 of Part H of Attachment 1 on page 1-29 of this Report contains a list of loans made under the Drinking Water SRF Program during 2025, including the approved amount, the funded amount, and the outstanding principal amount of each loan as of December 31, 2025.



The total amount of SRF Program Bonds issued under the PFA’s SRF Program Master Trust Indenture is \$969,615,000. This total includes \$283,220,000 of the 1990, 1993, 1995, 1996, 1998, 2000, 2001, 2003A, 2003B, 2004, 2005, 2008, 2011, and 2015 SRF Program Bonds which have been advance refunded and are no longer considered to be outstanding.



As of December 31, 2025, the total amount of SRF Program Bonds outstanding was \$362,230,000, and the total outstanding amount of SRF Program loans was \$1,052,940,184.

Part H of attachment 2 on page 2-3 of this Report contains a complete list of the SRF Program Bonds issued by the PFA under the Master Trust Indenture, including the original dollar amount and the outstanding principal amount of each series of SRF Program Bond.

INDUSTRIAL DEVELOPMENT BOND PROGRAM

The Public Finance Authority's Industrial Development Bond Program (IDBP) provides loans to North Dakota manufacturers that meet the IRS definition for small issue manufacturers. Bonds issued under this Program are moral obligation bonds of the State unless the borrower has the financial strength to request that the Public Finance Authority issue the bonds on a conduit basis. The Public Finance Authority limits the program to \$2,000,000 per borrower and \$20,000,000 for the entire program. For conduit issuance when the state's moral obligation is not used as a credit enhancement there are no project or program limits.

The interest rates payable by a borrower are market rates, which are set through a competitive bid process when the PFA issues and sells its bonds to fund a loan. The interest rates paid by the PFA on its bonds are the same rates a borrower will pay on its bonds sold to the PFA.

On September 26, 2018, the Industrial Development Bond Program was upgraded from a rating of "A+" to "AA-" by Standard & Poor's Ratings Group. The PFA did not issue IDBP Bonds in 2025.

Part I of Attachment 1 beginning on page 1-30 of this Report contains a complete list, as of December 31, 2025, of all loans made by the PFA with proceeds of IDBP Bonds issued under the IDBP General Bond Resolution, including the name of each borrower and the original amount of each loan.

Part I of Attachment 2 on page 2-4 of this Report contains a complete list, as of December 31, 2025, of all series of Industrial Development Program Bonds issued under the IDBP General Bond Resolution, including the original dollar amount and the outstanding principal amount of each series of IDBP Bonds.

The outstanding amount of Reserve Fund Letters of Credit on December 31, 2025, was \$198,050. The IDBP Reserve Fund Letters of Credit are issued to meet the requirement of the IDBP General Bond Resolution that the PFA maintain reserves for each series, equal to the largest aggregate amount of principal and interest due in any twenty-four consecutive month periods. The IDBP Reserve Fund Letters of Credit are issued by BND.

LEGACY FUND INFRASTRUCTURE BOND PROGRAM

The Public Finance Authority’s Legacy Fund Infrastructure Bond Program (Legacy Bonds) was established in 2021 to transfer funds to the Bank of North Dakota (BND) to allocate to legislature approved state infrastructure projects and programs. Upon request by BND, funds are transferred to BND for disbursement to funded programs. Bond payments will be funded by capitalized interest, earnings on unspent bond proceeds, and transfers from ND Legacy Fund earnings.

In December of 2021, the Legacy Bonds were assigned ratings of “AA” by Standard & Poor’s Global Ratings and “Aa2” by Moody’s Investors Service, Inc.

PFA issued Legacy Bonds to finance the following projects approved during the 2021 legislative session:

Fargo Diversion Project	\$ 435,500,000
Resources Trust Fund	\$ 74,500,000
Infrastructure Revolving Loan Fund	\$ 50,000,000
Highway Fund	\$ 70,000,000
NDSU Agriculture Products Development Facility	\$ 50,000,000

Under the Legacy Fund Infrastructure Program \$710,115,000 of bonds have been issued to fund all projects authorized during the 2021 legislative session. As of December 31, 2025, the total amount of Legacy Bonds outstanding was \$622,945,000.

Part J of Attachment 2 on page 2-4 of this Report contains a complete list, as of December 31, 2025, of all series of Legacy Fund Infrastructure Program Bonds issued under the Legacy Bond Resolution, including the original dollar amount and the outstanding principal amount of each series of Legacy Bonds.

OTHER BONDS

1977 General Bond Resolution. The PFA, pursuant to a 1977 General Bond Resolution, issued \$15,000,000 in 1977, \$16,590,000 of bonds in 1979, and \$11,600,000 of bonds in 1983, for a total principal amount of \$43,190,000. The 1977, 1979 and 1983 bonds have been retired.

1985 Local Governmental Assistance Program. In 1985, the PFA issued \$35,290,000 of bonds under a Local Governmental Assistance Program. These bonds were retired in 1986.

1990 Government Assistance Program. In 1990, pursuant to its Government Assistance Program, the PFA issued two series of bonds in the total amount of \$2,006,704. These bonds were retired in 1991.

1989 Insured Water System Revenue Bonds and 1999 Taxable Insured Water System Refunding Revenue Bonds. Pursuant to a Trust Indenture adopted in 1989, the PFA issued two series of Water System Revenue Bonds. The 1989 Series A Bonds were issued in the amount of \$11,650,000, and the 1989 Series B Bonds were issued in the amount of \$1,410,000 (the 1989 Series A Bonds and the 1989 Series B Bonds are referred to as the “1989 Bonds”). The Series B Bonds were issued to fund a reserve fund for the Series A Bonds. On December 21, 1995, the PFA entered into a Purchase Contract for the forward refunding of the 1989 Bonds. Under the terms of the Purchase Contract, the PFA issued and delivered \$8,875,000 of its Taxable Insured Water System Refunding Revenue Bonds, on April 1, 1999, for the purpose of refunding the 1989 Bonds. These bonds were retired in 2014.

BIENNIAL DEBT SERVICE REQUIREMENTS

The debt service requirement for the outstanding CFP Bonds for the remaining 2025-2027 biennium is \$22,505,773 and the debt service requirement for the outstanding SRF Program Bonds for the 2025-2027 biennium is \$44,365,625. The outstanding IDBP debt service requirement for 2025-2027 is \$178,250. The remaining Legacy Bond debt service requirement for 2025-2027 is \$61,957,297.

The aggregate debt service requirement for all outstanding PFA Bonds for the remaining 2025-2027 biennium is \$129,006,945.

**NORTH DAKOTA PUBLIC FINANCE AUTHORITY
LOANS MADE 1977 THROUGH 2025**

Part A**Subpart 1****\$15,000,000 1977 Series A Bonds****Borrower**

Alexander PSD	Kensal PSD	Rock Lake PSD
Alexander	Kinloss PSD	Rolla
Almont	Kinyon PSD	Rutland
Ashley	Kulm	Sawyer PSD
Barney	LaMoure PSD	Scotia PSD
Bell PSD	LaMoure	Scranton
Beulah	Lawton	Sharon
Bismarck	Leeds	Sharon PSD
Bismarck Park District	Lehr	Sherwood
Butte PSD	Leonard PSD	Sheyenne PSD
Buxton	Leonard	Solen PSD
Carrington PSD	Lidgerwood	South Heart PSD
Cass County	Lignite	South Bend PSD
Casselton	Lincoln PSD	Southern PSD
Center	Linton	Southwest Fargo
Courtenay Special PSD	Linton PSD	Stanley
Drake	Maddock	Stanton
Edinburg PSD	Mandan	Steele
Edmore PSD	Mayville	Streeter PSD
Elgin	McVille	Sutton PSD
Ellendale PSD	Michigan	Thompson
Emerado	Minnewauken PSD	Tioga PSD
Enderlin	Napoleon	Tolna
Esmond	Nedrose PSD	Traill County District
Esmond PSD	Nesson PSD	Turtle Lake
Fingal PSD	New Salem	Valley City
Finley	New Leipzig Fire District	Velva
Fordville	New Rockford	Verona
Gackle PSD	New Leipzig PSD	Walcott
Galt PSD	New Leipzig	Walhalla
Garrison	New Rockford	Washburn
Glen Ullin PSD	North Sargent PSD	Watford City
Gwinner	Park River	Westhope
Halliday	Parshall	Wildrose PSD
Hampden PSD	Pembina	Wilton
Hazelton Moffitt PSD	Portland	Wishek PSD
Hazen	Reeder PSD	Wishek
Jamestown	Regent PSD	Woodworth PSD
Juzeler PSD	Reynolds	Yellowstone Irrigation District
Kathryn PSD	Robinson PSD	Zeeland PSD

Subpart 2**\$16,590,000 1979 Series A Bonds****Borrower**

Anita Fire Protection District	Hazen	Richardson PSD
Ashley PSD	Hazen PSD	Rock Lake
Beulah	Hebron	Rolla
Beulah PSD	Hettinger	Scranton
Center PSD	Hope	Sherwood Fire Protection District
Edgeley	Hunter	Stanley
Edinburg	Linton	Stanton
Edmore	Lisbon	Strasburg
Enderlin	Mandan	Streeter
Finley	Mayville	Thompson
Gackle	Medina	West Fargo PSD
Garrison	Mott	Wilton
Glen Ullin	Napoleon	Wishek
Grand Forks Park District	New Rockford	Zap
Halliday	New Rockford Park District	
Harwood	Park River	
Hazelton	Portland	

Subpart 3**\$11,600,000 1983 Series A Bonds****Borrower**

Anamoose	Grafton PSD	New Leipzig
Antler	Gwinner	Osnabrock
Binford	Hankinson Rural Fire District	Pembina
Bismarck Rural Fire District	Horace	Pingree PSD
Bowbells PSD	Killdeer	Rhame
Carrington	Lakota PSD	Richardton
Cass Richland Drainage District	Larimore	Rolette
Casselton	Leonard	Stanley
Crosby	Linton	Strasburg
Dodge	Mandan	Towner
Edgeley PSD	Manning PSD	Velva
Elgin PSD	Mapleton	Westhope
Enderlin	Medina	Wildrose
Finley	Michigan PSD	Zap PSD
Flasher PSD	Milnor	
Gladstone	New England	

Part B

**Local Government Assistance Program
\$35,290,000 1985 Series A Bonds**

Borrower

Barnes County	Fargo PSD	Morton County
Bismarck PSD	Fessenden	Powers Lake PSD
Border Central PSD	Fordville	Ramsey County
Burleigh County	Grace City PSD	Richland County
Cass Valley North PSD	Grand Forks County	Solen PSD
Cass County	Grand Forks PSD	Stanton PSD
Crary PSD	Killdeer PSD	Stark County
Dakota PSD	LaMoure PSD	Steele County
Dickey County	Mandan PSD	Stutsman County
Dickinson PSD	Mandan	Tolley PSD
Drayton PSD	McIntosh County	Walsh County
Edgeley PSD	Michigan PSD	West Fargo PSD
Epping PSD	Minot PSD	

Part C

**Government Assistance Program
\$765,000 1990 Series A Bonds**

Borrower

Cavalier
Edgeley PSD
Eight Mile PSD
Marion PSD
Pembina PSD
Sherwood PSD

Part D

**Insured Water System Revenue Bonds
\$8,875,000 1999 Series A Bonds
\$1,410,000 1999 Series B Bonds**

Borrower

All Season Water Users
Cass Rural Water
Dakota Water Users
Lidgerwood
North Valley Water Users Association
Richland Rural Water
Trail County Rural Water Users, Inc.
Tri-County Water Users Association

Capital Financing Disaster Loan Program

Part E

<u>Borrower</u>	<u>Original Loan Amount</u>
Subpart 1 2011	
Orlien Township, Ward County	\$ 400,000
Lund Township, Ward County	70,000
Ramsey County	2,000,000
Anna Township, Ward County	800,000
Logan County	6,000,000
Dickey County	5,000,000
Rolling Green Township, Ward Cnty	460,742
Cameron Township, Ward County	495,000
Otis Township, McLean County	35,000
Normanna Township, Cass County	40,000
Casselton Township, Cass County	83,000
Ward County	10,000,000
Sargent	10,000,000
Stutsman County	2,739,859
Weld Township, Stutsman County	1,321,733
Stirton Township, Stutsman County	1,295,017
Valley Springs Tnshp, Stutsman Cnty	904,483
Lowery Township, Stutsman County	600,000
Wadsworth Township, Stutsman County	26,000
St Paul Township, Stutsman County	278,500
Ashland Township, Stutsman County	5,741
Woodbury Township, Stutsman County	150,000
Sinclair Township, Stutsman County	193,000
Meadow Lake Township, Barnes Cnty	101,000
Sharlow Township, Stutsman County	50,000
Streeter Township, Stutsman County	400,000
Griffin Township, Stutsman County	61,832
Mandan	8,000,000
Rice Lake Recreation Service District	400,000
North Prairie Rural Water District	700,000
North Prairie Rural Water District	450,000
Minnewaukan Public School District	<u>2,500,000</u>
	55,560,907
Subpart 2 2012	
Newman Township, Ward County	40,000
Griffin Township, Stutsman County	1,030,530
Minot Park District	7,000,000
Rice Lake Recreation Service District	<u>672,600</u>
	8,743,130
Subpart 3 2013	
Gray Township, Stutsman County	30,000
Minnewaukan	6,637,509
German Township, Dickey County	360,000
Chicago Township, Stutsman County	<u>200,000</u>
	7,227,509
Total	<u>\$71,531,546</u>

Capital Financing Program

Part F

<u>Borrower</u>	<u>Original Loan Amount</u>	<u>Borrower</u>	<u>Original Loan Amount</u>
Subpart 1	1990	Subpart 3	1992
Morton County	\$ 400,000	Mandan PSD	\$ 2,500,000
Linton	185,000	New England	75,000
Mandan	95,000	Cavalier	75,000
Hankinson	155,000	Lidgerwood	75,000
Fargo Park District	680,000	Kindred PSD	1,545,000
Trall County Water Resource Dist	100,000	Edinburg	120,000
Dickinson Recreation Building Auth.	250,000	Milnor	205,000
Rolla	220,000	West Fargo PSD	2,500,000
Morton County Water Resource Brd.	230,000	Lisbon PSD	800,000
North Valley Rural Water Assoc.	140,000	Emerado PSD	100,000
Milnor	85,000	Milnor	190,000
Bismarck Parks & Recreation Dist.	770,000	Pembina PSD	195,000
Twin Buttes School District	70,000	Eight Mile PSD	200,000
Hettinger Park District	35,000	Briarwood	40,000
Mandan Parks & Recreation Dist.	<u>335,000</u>	Buxton	40,000
	3,750,000	Missouri Hills Interactive Cons.	455,000
		Grand Forks PSD	2,500,000
Subpart 2	1991	Mercer County Housing Auth.	435,000
Burleigh County Housing Auth.	225,000	Nelson County	<u>100,000</u>
Bismarck Parks & Recreation Dist.	1,300,000		12,150,000
Bismarck Parks & Recreation Dist.	410,000	Subpart 4	1993
Mandan Parks & Recreation Dist.	560,000	Lake Metigoshe RSD	150,000
Richardton	165,000	Glenburn PSD	880,000
Kindred	25,000	Fargo PSD	1,975,000
Montefiore PSD	75,000	Fargo PSD	525,000
Pembina PSD	195,000	Thompson PSD	900,000
Eight Mile PSD	150,000	Souris	40,000
Lake Agassiz Regional Council	180,000	Marion PSD	115,000
North Valley Water Association	200,000	Pembina PSD	180,000
Finley	875,000	Eight Mile PSD	150,000
Wyndmere	65,000	Sims PSD	60,000
Ward County	85,000	Oakes	120,000
Oakes Municipal Airport Authority	45,000	McVile	230,000
Devils Lake PSD	1,810,000	Milnor	195,000
Greater Richland Ed. Comm. Cons.	250,000	Emerado PSD	60,000
Cass County	<u>400,000</u>	Grand Forks PSD	2,000,000
	7,015,000	Burleigh County Housing Auth.	<u>325,000</u>
			7,905,000

<u>Borrower</u>	<u>Original Loan Amount</u>
Subpart 5	1994
Mandan Airport Authority	180,000
Fairmount PSD	305,500
Grafton PSD	2,000,000
Sawyer PSD	450,000
Glenburn PSD	592,500
Lincoln PSD	274,000
Finley-Sharon PSD	499,500
Oakes PSD	1,650,000
North Sargent-Gwinner PSD	538,300
Rolette PSD	461,900
Zap PSD	250,000
Stanley PSD	1,185,000
Clifford-Galesburg PSD	532,669
Rhame PSD	180,000
West Fargo PSD	3,000,000
Manvel PSD	228,000
United-Des Lacs PSD	942,647
Surrey PSD	413,000
Cando PSD	50,000
Surrey PSD	325,000
Sawyer	150,000
Marion PSD	105,000
Pembina PSD	90,000
Eight Mile PSD	200,000
Sims PSD	<u>50,000</u>
	14,653,016
Subpart 6	1995
Burleigh County Housing Auth.	1,600,000
Trails County WRD	100,000
Mooreton	170,000
Milnor	160,000
Ward County	95,000
Marion PSD	105,000
Eight Mile PSD	200,000
Sims PSD	<u>75,000</u>
	2,505,000
Subpart 7	1996
Minot	500,000
Rolette County Housing	500,000
Dunseith	100,000
Garrison	120,000
Hazelton	140,000
Walcott-Colfax District	70,000
Burleigh Water Users	1,585,000
Marion PSD	120,000
Garrison PSD	<u>230,000</u>
	3,365,000

<u>Borrower</u>	<u>Original Loan Amount</u>
Subpart 8	1997
Cavalier	540,000
Burleigh Rural Water Users	3,350,000
New Town PSD	300,000
North Valley Water Association	1,400,000
South Central Water Users Dist.	350,000
Grafton PSD	4,500,000
Richardton	205,000
Aggasiz Water Users	375,000
Sims PSD	50,000
West Fargo PSD	1,000,000
Wahpeton	1,600,000
Garrison	125,000
McVile	<u>1,550,000</u>
	15,345,000
Subpart 9	1998
Gackle	295,000
Lidgerwood	120,000
Prairie Rose	175,000
Surrey	100,000
Hettinger Park District	200,000
Maple River Water Resource District	55,000
Milnor	400,000
Grandin	165,000
West Fargo PSD	1,000,000
Sims PSD	50,000
Park River	<u>450,000</u>
	3,010,000
Subpart 10	1999
Lidgerwood	1,075,000
Drayton	140,000
Drayton	70,000
Max	50,000
Surrey	100,000
West Fargo PSD	1,000,000
Sims PSD	100,000
Tri-County Water District	1,710,000
Tri-County Water District	<u>285,000</u>
	4,530,000
Subpart 11	2000
Lisbon	765,000
Enderlin	195,000
Amenia	155,000
West Fargo PSD	3,000,000
Sims PSD	<u>100,000</u>
	4,215,000

<u>Borrower</u>	<u>Original Loan Amount</u>
Subpart 12 2001	
Frontier	<u>735,000</u>
Subpart 13 2002	
McVille	215,000
Southeast Water Users District	700,000
Bismarck Rural Fire Department	185,000
Kulm	150,000
Fessenden-Bowdon PSD	<u>350,000</u>
	1,600,000
Subpart 14 2003	
Langdon Rural Water District	<u>1,495,000</u>
Subpart 15 2004	
Trail Rural Water District	300,000
Surrey	500,000
Mercer County Housing	<u>80,000</u>
	880,000
Subpart 16 2006	
Rolette County Housing Authority	235,000
Belcourt PSD	1,045,000
Enderlin	<u>105,000</u>
	1,385,000

<u>Borrower</u>		<u>Original Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 17	2009		
West Fargo		530,000	340,000
Tri-County Water District		1,415,000	0
Emerado		180,000	50,000
		<u>2,125,000</u>	<u>390,000</u>
Subpart 18	2011		
Drayton		405,000	0
Drayton		350,000	0
McVile		2,357,000	0
McVile		618,000	0
		<u>3,730,000</u>	<u>0</u>
Subpart 19	2012		
McVile		150,000	20,000
Kulm		85,000	0
All Seasons Water Users District		820,000	340,000
Forman Housing Authority		935,000	0
Forman		505,000	0
Forman		1,090,000	0
Hankinson		1,930,000	1,155,000
Mayville		1,430,000	650,000
Tri-County Water District		1,405,000	0
Gackle		1,285,000	685,000
		<u>9,635,000</u>	<u>2,850,000</u>
Subpart 20	2013		
Fargo		<u>51,375,000</u>	<u>25,430,000</u>
Subpart 21	2014		
Fargo		32,512,000	15,756,000
Noonan		328,000	189,000
Stutsman Rural Water District		9,000,000	4,870,000
		<u>41,840,000</u>	<u>20,815,000</u>
Subpart 22	2015		
Minot		1,945,000	640,000
Forman		1,965,000	0
Watford City		23,655,000	0
Watford City		35,550,000	0
Rugby		465,000	0
Zap		2,265,000	0
		<u>65,845,000</u>	<u>640,000</u>

<u>Borrower</u>		<u>Original Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 23	2018		
Munich		<u>1,360,000</u>	<u>495,000</u>
Subpart 24	2019		
Morton County		<u>2,515,000</u>	<u>0</u>
Subpart 25	2021		
Drayton		210,000	145,000
Drayton		180,000	120,000
McVille		1,675,000	1,455,000
McVille		<u>65,000</u>	<u>0</u>
		2,130,000	1,720,000
Subpart 26	2025		
Burlington		1,290,000	1,290,000
Forman		785,000	785,000
Watford City		13,465,000	13,465,000
Watford City		26,790,000	26,790,000
Zap		<u>1,280,000</u>	<u>1,280,000</u>
		43,610,000	43,610,000
Total Capital Financing Program Loans		\$ <u>308,703,016</u>	\$ <u>95,950,000</u>

Clean Water State Revolving Fund Program

Part G

<u>Borrower</u>	<u>Approved and Funded Loan Amount</u>	<u>Borrower</u>	<u>Approved and Funded Loan Amount</u>
Subpart 1	1990	Subpart 4 Cont.	1995
Enderlin	\$ 490,000	Buffalo	\$ 38,248
Fargo	3,561,559	Hettinger	156,001
Minot	<u>879,386</u>	Davenport	176,339
	4,930,945	Ellendale	220,990
		Cando	113,006
Subpart 2	1993	Cooperstown	<u>300,000</u>
Fargo	7,770,000		8,009,687
Jamestown	1,581,406	Subpart 5	1996
Minot	665,000	Jamestown	16,300,000
Northwood	1,150,000	Cooperstown	1,174,952
Wahpeton	1,062,366	Park River	72,312
West Fargo	175,000	Portland	82,368
Lake Metigoshe RSD	296,263	Medina	67,255
New Town	132,050	Mayville	105,433
Jamestown	1,289,702	Manvel	478,416
Williston	<u>252,835</u>	Oriska	21,531
	14,374,622	Bottineau	100,000
		Arthur	132,963
Subpart 3	1994	Cando	254,052
Minot	443,522	Kindred	124,498
Burlington	165,037	Page	47,738
Devils Lake	1,076,423	Argusville	213,061
Grafton	410,000	Bottineau	104,500
Casselton	<u>112,000</u>	Grand Forks	13,700,000
	2,206,982	Bank of North Dakota	<u>1,101,444</u>
			34,080,523
Subpart 4	1995	Subpart 6	1997
Fargo	2,850,429	Grand Forks	3,940,000
Max	74,912	Casselton	1,589,652
Cooperstown	55,000	Christine	385,273
Northwood	225,837	Mapleton	152,864
Colfax	36,297	Horace	225,330
Edmore	62,256	Carrington	805,000
Ellendale	196,826	Mandan	5,191,929
Minot	400,000	Berthold	82,875
Williston	291,881	Cooperstown	123,067
Lisbon	100,000	Jamestown	2,277,487
Napoleon	133,851	Lakota	1,933,969
Park River	498,279	Minnewauken	<u>218,000</u>
Carrington	835,000		16,925,446
Mott	211,157	Subpart 7	1998
Harvey	478,556	Granville	42,000
Beach	226,241	Enderlin	342,373
Williston	328,581		

<u>Borrower</u>	<u>Approved and Funded Loan Amount</u>	<u>Borrower</u>	<u>Approved and Funded Loan Amount</u>
Subpart 7 Cont.	1998	Subpart 10 Cont.	2001
Wishek	140,704	Amenia	141,489
Fargo	1,482,337	Grand Forks	13,781,500
Gwinner	258,711	Kulm	678,640
Southeast Cass WRD	214,000	Tower City	503,123
Casselton	108,261	Lake Metigoshe RSD	485,400
Sanborn	76,195	Williston	1,124,000
Frontier	98,603	Rolette	102,000
Abercrombie	300,875	Hebron	122,890
Grandin	97,042	Hankinson	1,457,760
Taylor	59,872	Harvey	69,281
Fargo	10,723,277	Oakes	<u>106,076</u>
Grand Forks	<u>2,650,804</u>		20,963,280
	16,595,054	Subpart 11	2002
Subpart 8	1999	Sanborn	30,694
Fargo	210,000	Williston	1,190,559
Gackle	118,020	Grand Forks	1,580,755
Hillsboro	360,000	Grand Forks	2,274,164
Kindred	1,113,522	Grand Forks	6,546,560
Wimbledon	74,738	Linton	95,770
Jamestown	747,990	Mayville	3,073,811
Lisbon	87,025	Morton County WRD	258,000
Stanley	102,413	Wildrose	86,405
Buffalo	213,667	Mapleton	80,790
Buxton	77,000	Wahpeton	<u>374,065</u>
Hankinson	88,000		15,591,573
Jamestown	<u>454,641</u>	Subpart 12	2003
	3,647,016	Hunter	41,930
Subpart 9	2000	Oakes	746,350
Abercrombie	20,064	Harvey	244,615
Hankinson	84,999	Hankinson	133,790
Fargo	1,816,295	Mantador	50,000
Lidgerwood	89,405	Litchville	236,381
Enderlin	1,189,549	Courtenay	49,444
Hunter	158,395	Jamestown	<u>1,309,568</u>
Cogswell	81,960		2,812,078
Mayville	1,075,000	Subpart 13	2004
Ward County WRD	797,375	Oakes	601,500
Emerado	<u>406,207</u>	Portland	291,164
	5,719,249	Lidgerwood	84,416
Subpart 10	2001	Lincoln	397,944
Jamestown	370,120	Hillsboro	186,336
Mayville	1,169,393	Warwick	32,775
Forman	135,172	West River Water and Sewer	<u>338,007</u>
Lisbon	716,436		1,932,142

<u>Borrower</u>		<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 14	2005			
Mapleton		335,000	335,000	0
Hazen		276,120	276,120	0
Enderlin		184,307	184,307	0
Rutland		180,841	180,841	0
Grand Forks		4,500,000	4,500,000	0
		<u>5,476,268</u>	<u>5,476,268</u>	<u>0</u>
Subpart 15	2006			
Jamestown		1,475,346	1,475,346	93,000
Rice Lake RSD		2,813,537	2,813,537	0
Fargo		2,631,739	2,631,739	0
Gackle		77,824	77,824	0
Tower City		121,502	121,502	0
Bank of North Dakota		1,722,501	1,722,501	0
Portland		30,236	30,236	2,000
Wyndmere		188,146	188,146	0
Oakes		950,000	950,000	0
		<u>10,010,831</u>	<u>10,010,831</u>	<u>95,000</u>
Subpart 16	2007			
Bismarck		20,000,000	20,000,000	2,560,000
Southeast Cass WRD		738,299	738,299	45,000
Lakota		414,948	414,948	0
Leonard		255,000	255,000	32,000
Argusville		634,606	634,606	83,000
Mayville		345,725	345,725	0
McVile		81,677	81,677	0
Jamestown		1,467,998	1,467,998	79,000
Hope		757,963	757,963	0
Portland		46,937	46,937	6,000
Cass Rural Water District		15,326,652	15,326,652	0
Willow City		148,174	148,174	18,000
Oakes		258,747	258,747	30,000
Nome		16,011	16,011	0
		<u>40,492,737</u>	<u>40,492,737</u>	<u>2,853,000</u>
Subpart 17	2008			
Lisbon		1,174,092	1,174,092	210,000
Harvey		210,952	210,952	10,000
Hunter		138,580	138,580	27,000
Fargo		63,657,409	63,657,409	16,975,000
Flasher		121,414	121,414	0
Hankinson		100,000	100,000	19,000
Ellendale		734,842	734,842	0
Fargo		1,640,000	1,640,000	335,000
Watford City		808,588	808,588	150,000
		<u>68,585,877</u>	<u>68,585,877</u>	<u>17,726,000</u>

<u>Borrower</u>		<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 18	2009			
Tappen		179,761	179,761	33,000
Casselton		1,931,688	1,931,688	390,000
Mandan		1,679,763	1,679,763	320,000
Mandan		1,000,000	1,000,000	185,000
Stutsman RWD		4,603,386	4,603,386	955,000
Lisbon		1,247,424	1,247,424	125,000
Cavalier		487,315	487,315	85,000
Lake Metigoshe RSD		517,400	517,400	0
Velva		346,601	346,601	0
Hazen		246,919	246,919	0
Enderlin		799,172	799,172	80,000
Glenburn		784,378	784,378	100,000
Davenport		389,832	389,832	40,000
Munich		1,200,120	1,200,120	0
Edgeley		1,644,845	1,644,845	105,000
Valley City		345,241	345,241	80,000
Strasburg		1,404,743	1,404,743	100,000
		<u>18,808,588</u>	<u>18,808,588</u>	<u>2,598,000</u>
Subpart 19	2010			
Hillsboro		127,849	127,849	0
Drayton		1,677,066	1,677,066	33,000
Michigan		1,606,506	1,606,506	120,000
Northwood		2,306,303	2,306,303	290,000
Fargo		822,348	822,348	170,000
Wishek		185,547	185,547	45,000
Mapleton		610,964	610,964	170,000
Hankinson		569,833	569,833	150,000
Fargo		4,061,075	4,061,075	1,275,000
Hunter		143,032	143,032	50,000
Dickinson		569,354	569,354	0
Langdon		157,454	157,454	0
Kulm		54,409	54,409	17,000
		<u>12,891,740</u>	<u>12,891,740</u>	<u>2,320,000</u>
Subpart 20	2011			
Jamestown		1,140,023	1,140,023	350,000
Pembina		217,329	217,329	85,000
Wyndmere		1,664,897	1,664,897	600,000
Devils Lake		2,500,000	2,500,000	800,000
Minto		1,177,115	1,177,115	420,000
Fingal		519,245	519,245	135,000
Southeast Cass WRD		591,777	591,777	150,000
Forman		750,935	750,935	155,000
Hazen		178,494	178,494	63,000
		<u>8,739,815</u>	<u>8,739,815</u>	<u>2,758,000</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 21	2012		
Velva	210,408	210,408	0
Kathryn	68,006	68,006	0
Maddock	1,284,300	1,284,300	155,000
Casselton	765,923	765,923	0
Dunn Center	200,000	200,000	0
Des Lacs	97,403	97,403	39,000
Clifford	46,228	46,228	20,000
Medina	238,028	238,028	0
	<u>2,910,296</u>	<u>2,910,296</u>	<u>214,000</u>
Subpart 22	2013		
Burleigh County WRD	244,653	244,653	105,000
Rolla	1,755,604	1,755,604	730,000
Lisbon	469,752	469,752	195,000
Ray	2,533,536	2,533,536	345,000
Wyndmere	205,773	205,773	0
Jamestown	822,306	822,306	380,000
Dickinson	38,924,961	38,924,961	16,500,000
Casselton	3,246,585	3,246,585	1,475,000
Lehr	219,482	219,482	48,000
Mandan	2,066,118	2,066,118	940,000
	<u>50,488,770</u>	<u>50,488,770</u>	<u>20,718,000</u>
Subpart 23	2014		
Douglas	67,866	67,866	30,000
Jamestown	11,100,950	11,100,950	5,680,000
Berthold	1,248,288	1,248,288	385,000
Bowbells	685,005	685,005	250,000
Noonan	237,000	237,000	125,000
Enderlin	365,500	365,500	180,000
Page	182,867	182,867	90,000
Beulah	586,800	586,800	280,000
Washburn	2,922,696	2,922,696	1,465,000
Mandan	1,681,280	1,681,280	790,000
Dickinson	37,252,730	37,252,730	18,920,000
Grenora	416,147	416,147	179,000
Williston	113,151,288	113,151,288	67,950,000
Ryder	189,109	189,109	90,000
	<u>170,087,526</u>	<u>170,087,526</u>	<u>96,414,000</u>

<u>Borrower</u>		<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 24	2015			
Watford City		18,718,523	18,718,523	13,935,000
Mandan		4,481,824	4,481,824	2,495,000
Tioga		2,500,000	2,500,000	0
Marion		97,732	97,732	45,000
Harvey		830,477	830,477	460,000
Ward County WRD		2,755,128	2,755,128	1,555,000
Granville		139,939	139,939	85,000
Grafton		497,760	497,760	255,000
Watford City		10,407,619	10,407,619	7,985,000
		<u>40,429,002</u>	<u>40,429,002</u>	<u>26,815,000</u>
Subpart 25	2016			
Oberon		191,552	191,552	142,000
Jamestown		522,119	522,119	325,000
Dwight		50,700	50,700	40,000
Makoti		57,450	57,450	33,000
LaMoure		1,315,894	1,315,894	685,000
Hebron		911,000	911,000	190,000
Arnegard		380,000	380,000	0
		<u>3,428,715</u>	<u>3,428,715</u>	<u>1,415,000</u>
Subpart 26	2017			
Horace		992,648	992,648	605,000
Colfax		519,633	519,633	401,000
Beulah		441,097	441,097	265,000
Gardner		26,710	26,710	0
Noonan		646,716	646,716	275,000
Oakes		1,005,000	1,005,000	735,000
Larimore		1,119,683	1,119,683	202,000
Oakes		230,121	230,121	180,000
Cavalier		879,373	879,373	479,599
Horace		1,858,999	1,858,999	820,000
Mayville		1,556,000	1,556,000	1,135,000
		<u>9,275,980</u>	<u>9,275,980</u>	<u>5,097,599</u>

<u>Borrower</u>		<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 27	2018			
Carrington		323,291	323,291	255,000
Lidgerwood		47,537	47,537	20,000
Wahpeton		1,041,682	1,041,682	765,000
Pick City		275,522	275,522	148,000
Petersburg		787,979	787,979	665,000
Jamestown		3,727,028	3,727,028	2,160,000
Garrison Diversion Conservancy Dist.		5,000,000	1,047,507	746,050
Argusville		712,575	712,575	575,000
Beulah		407,315	407,315	335,000
Jamestown		597,583	597,583	395,000
Lisbon		934,061	934,061	685,000
Arnegard		2,297,225	2,297,225	1,365,000
Minot		6,433,406	6,433,406	4,460,000
Minot		12,282,000	10,196,288	7,194,288
Horace		422,000	422,000	135,000
Grand Forks		9,000,000	9,000,000	7,355,000
Fargo		21,229,000	21,111,874	20,587,874
Arthur		115,263	115,263	0
Fargo		151,500,000	142,603,912	138,205,142
		217,133,467	202,082,048	186,051,354
Subpart 28	2019			
Wahpeton		1,381,642	1,381,642	1,105,000
Walcott		456,235	456,235	392,000
Rutland		131,478	131,478	87,000
Kindred		3,705,000	3,705,000	2,555,000
Valley City		395,851	395,851	285,000
Dickinson		2,145,166	2,145,166	1,805,000
Fargo		500,000	500,000	436,000
Fargo		26,500,000	22,543,268	21,468,268
Grand Forks		1,228,485	1,228,485	1,030,000
		36,443,857	32,487,125	29,163,268
Subpart 29	2020			
Wing		620,834	620,834	210,000
Wyndmere		4,048,035	4,048,035	3,263,000
Wildrose		2,455,268	2,455,268	1,305,000
Center		880,000	880,000	770,000
Buxton		721,716	721,716	640,000
Dunn Center		2,804,918	2,804,918	1,740,000
Stanton		617,500	617,500	545,000
Dickinson		1,291,469	1,291,469	1,120,000
		13,439,740	13,439,740	9,593,000

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 30	2021		
Bismarck	5,000,000	5,000,000	3,805,000
Jamestown	2,500,073	2,500,073	2,225,000
Valley City	457,151	457,151	325,000
Northwood	7,000,000	1,470,557	658,224
Stanley	165,000	165,000	109,000
New Salem	1,042,000	1,042,000	940,000
Cavalier	400,509	400,509	88,000
Wahpeton	4,275,000	4,275,000	3,815,000
Hankinson	97,933	97,933	29,000
	<hr/> 20,937,666	<hr/> 15,408,223	<hr/> 11,994,224
Subpart 31	2022		
Fargo	259,000	259,000	205,000
Fargo	4,361,000	4,361,000	3,500,000
Hebron	119,648	119,648	99,648
Wahpeton	1,810,965	1,810,965	1,165,000
Portland	430,000	430,000	397,000
Valley City	816,050	816,050	675,000
Forman	550,000	550,000	415,000
Strasburg	883,755	883,755	336,000
Wilton	1,520,000	1,520,000	1,450,000
Fargo	51,634,000	33,265,408	33,265,408
Tower City	459,023	459,023	426,000
	<hr/> 62,843,441	<hr/> 44,474,849	<hr/> 41,934,056
Subpart 32	2023		
Stanley	693,197	693,197	4,000
Stanley	231,065	231,065	216,000
Fort Ransom	678,193	678,193	451,000
Gardner	865,451	865,451	205,000
Cass Rural WUD	26,473,154	26,473,154	21,187,154
Center	500,000	500,000	475,000
Center	5,330,000	5,200,345	1,595,345
Minnewaukan	270,000	270,000	260,000
Grand Forks	7,519,000	6,031,557	6,030,557
Fairmount	643,091	643,091	615,000
Dazey	936,119	936,119	218,280
Grand Forks	5,607,000	5,169,267	5,029,267
Grand Forks	3,430,000	2,971,458	2,971,458
Mapleton	1,975,000	783,703	733,703
Berthold	997,397	997,397	970,000
Grand Forks	104,620,000	61,131,259	61,131,259
	<hr/> 160,768,667	<hr/> 113,575,256	<hr/> 102,093,023

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 33	2024		
Bismarck	45,000,000	19,264,811	19,263,811
Aneta	930,000	883,501	858,501
Beulah	4,184,000	2,920,015	2,811,015
Fargo	600,511	600,511	584,511
Fargo	10,647,000	5,592,950	4,074,950
Buffalo	1,330,000	782,505	781,505
Sawyer	420,661	420,661	410,000
New Town	3,638,000	3,478,810	3,385,810
Drayton	268,610	268,610	257,000
Richardton	459,140	459,140	440,000
Grand Forks	6,922,000	3,000,783	3,000,783
Fargo	15,000,000	12,197,261	12,197,261
	<u>89,399,922</u>	<u>49,869,558</u>	<u>48,065,147</u>
Subpart 34	2025		
Carpio	5,536,000	3,755,721	938,928
Dickinson	3,539,000	3,539,000	2,390,000
Dickinson	2,000,000	2,000,000	1,920,000
Jamestown	3,321,000	2,448,421	2,448,421
Grafton	750,000	266,687	266,687
Galesburg	3,000,000	249,377	62,344
Arthur	550,000	324,490	324,490
Hazen	2,506,000	1,865,853	1,865,853
Flasher	138,291	138,291	138,291
New Town	5,114,000	1,560,770	1,560,770
Mandan	12,478,000	1,688,470	1,688,470
Surrey	1,935,000	1,134,749	1,134,749
Colfax	1,251,000	910,467	910,467
Fessenden	2,000,000	555,888	555,888
Hazleton	492,000	454,956	269,724
Grand Forks	10,872,000	5,783,503	5,783,503
Turtle Lake	452,000	226,832	226,832
Ashley	461,000	102,574	102,574
Colfax	1,072,000	536,203	536,203
Jamestown	1,991,000	221,724	221,724
West Fargo	6,100,000	3,431,301	3,431,301
Stanley	1,099,000	13,750	13,750
Fargo	20,000,000	2,492,681	2,492,681
Elgin	442,000	122,003	122,003
Dickinson	1,000,000	906,405	906,405
Jamestown	2,790,000	1,550,017	453,017
West Fargo	8,500,000	3,486,036	3,486,036
	<u>99,389,291</u>	<u>39,766,169</u>	<u>34,251,111</u>
Total	\$ <u>1,289,770,793</u>	\$ <u>1,100,517,710</u>	\$ <u>642,168,782</u>

Drinking Water State Revolving Fund Program

Part H

<u>Borrower</u>	<u>Approved and Funded Loan Amount</u>	<u>Borrower</u>	<u>Approved and Funded Loan Amount</u>
Subpart 1	1999	Subpart 4	2002
Wahpeton	\$ 345,715	Lisbon	\$ 413,522
Park River	261,000	Harvey	427,076
New Rockford	281,102	Grafton	285,616
Sawyer	136,000	Mandan	4,197,565
Walsh Rural Water District	3,000,000	Ramsey County WRD	3,482,000
Tioga	44,004	Enderlin	87,500
Williston	3,901,331	Linton	563,063
St. John	399,388	Cleveland	206,406
	8,368,540	Langdon	522,796
Subpart 2	2000	Drayton	132,362
Grand Forks	11,542,236	Larimore	1,991,805
Lisbon	912,115	Wahpeton	1,890,000
Stutsman Rural Water Users	666,168	Grafton	1,130,229
State Water Commission	1,500,000		15,329,940
Cooperstown	300,000	Subpart 5	2003
Harwood	866,514	Southeast Water District	1,446,906
Mayville	1,025,000	Grand Forks - Traill Water District	3,991,780
	16,812,033	North Valley Water District	4,138,000
Subpart 3	2001	Williston	3,693,344
Hankinson	405,000	Barnes Rural Water District	816,000
Finley	2,479,994	Argusville	360,718
Enderlin	195,000	Casselton	1,272,000
Valley City	1,444,139	Aneta	171,340
Grand Forks	10,050,000	Stutsman Rural Water District	201,651
Oxbow	475,657		16,091,739
Lisbon	460,381		
Nome	22,465		
Southeast Water Users	60,000		
	15,592,636		

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 6	2004		
Oakes	147,652	147,652	0
Cass Rural Water District	1,890,923	1,890,923	0
Lisbon	410,000	410,000	0
Leeds	179,000	179,000	0
Hazen	1,000,000	1,000,000	0
Tioga	418,727	418,727	0
Lincoln	307,681	307,681	0
Lincoln	447,000	447,000	0
Abercrombie	244,002	244,002	0
Williams County Rural Water	1,500,000	1,500,000	0
Harvey	676,556	676,556	0
Williston	5,000,000	5,000,000	0
Noonan	39,602	39,602	0
Williston	17,593,143	17,593,143	1,105,000
Jamestown	2,534,604	2,534,604	0
	<u>32,388,890</u>	<u>32,388,890</u>	<u>1,105,000</u>
Subpart 7	2005		
Argusville	217,304	217,304	0
Park River	746,100	746,100	0
Mapleton	83,754	83,754	0
Bottineau	750,000	750,000	0
Southeast Water Users District	808,411	808,411	0
	<u>2,605,569</u>	<u>2,605,569</u>	<u>0</u>
Subpart 8	2006		
Walcott	159,112	159,112	0
Stutsman Rural Water District	1,164,020	1,164,020	0
Wildrose	52,291	52,291	0
Velva	1,616,123	1,616,123	0
Cooperstown	309,634	309,634	0
Riverdale	762,138	762,138	0
Pick City	223,328	223,328	12,000
Braddock	16,610	16,610	0
Center	358,800	358,800	0
Page	95,975	95,975	6,000
Harvey	91,581	91,581	6,000
Hillsboro	1,151,563	1,151,563	0
Washburn	1,870,633	1,870,633	0
Southeast Water Users District	4,655,000	4,655,000	291,000
Portal	50,000	50,000	0
Park River	517,600	517,600	0
Central Plains Water District	1,661,967	1,661,967	0
Columbus	57,000	57,000	0
Southeast Water Users District	186,902	186,902	12,000
	<u>15,000,277</u>	<u>15,000,277</u>	<u>327,000</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 9	2007		
McLean-Sheridan Rural Water	519,104	519,104	63,000
Walsh Rural Water District	1,796,902	1,796,902	0
North Prairie Water District	5,700,000	5,700,000	400,000
Mayville	324,341	324,341	0
Southeast Water Users District	5,418,000	5,418,000	200,000
South Central Regional Water	8,000,000	8,000,000	989,000
Jamestown	2,076,816	2,076,816	135,000
Devils Lake	3,800,000	3,800,000	0
North Valley Water District	2,617,000	2,617,000	0
Christine	219,015	219,015	28,000
Grand Forks Trail Water District	1,200,000	1,200,000	80,000
All Seasons Water Users District	211,950	211,950	26,000
	<u>31,883,128</u>	<u>31,883,128</u>	<u>1,921,000</u>

Subpart 10	2008		
Southeast Water Users District	595,000	595,000	73,000
Hazleton	245,120	245,120	20,000
Lisbon	757,220	757,220	125,000
Mapleton	1,149,088	1,149,088	0
Mandan	4,511,900	4,511,900	840,000
Fargo	2,500,000	2,500,000	330,000
Cass Rural Water District	1,376,605	1,376,605	310,000
Fargo	14,110,422	14,110,422	2,610,000
Tri-County Water District	363,289	363,289	48,000
Lakota	199,802	199,802	0
Crosby	551,488	551,488	0
Hankinson	95,000	95,000	18,000
Hannaford	53,748	53,748	8,000
South Central Regional Water	4,000,000	4,000,000	755,000
Ray	1,452,760	1,452,760	105,000
Parshall	3,610,500	3,610,500	0
Mandan	7,972,283	7,972,283	1,570,000
Leeds	37,076	37,076	6,000
	<u>43,581,301</u>	<u>43,581,301</u>	<u>6,818,000</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 11	2009		
Trail Rural Water District	3,396,880	3,396,880	0
Carrington	240,117	240,117	0
Lisbon	305,787	305,787	60,000
Watford City	347,464	347,464	0
Bismarck	16,320,000	16,320,000	3,375,000
Lisbon	1,613,726	1,613,726	390,000
Ray	864,000	864,000	0
Southeast Water Users District	1,128,358	1,128,358	285,000
Southeast Water Users District	841,774	841,774	260,000
Barnes Rural Water District	2,050,000	2,050,000	150,000
Velva	373,579	373,579	0
All Seasons Water Users District	154,433	154,433	30,000
Wimbledon	258,353	258,353	59,000
Hope	175,000	175,000	25,000
Enderlin	2,196,790	2,196,790	520,000
Garrison	158,222	158,222	0
Wildrose	1,503,094	1,503,094	0
Karlsruhe	791,415	791,415	32,000
Strasburg	2,060,678	2,060,678	100,000
	<u>34,779,670</u>	<u>34,779,670</u>	<u>5,286,000</u>

Subpart 12	2010		
Hillsboro	289,376	289,376	0
Washburn	4,023,646	4,023,646	420,000
South Central Regional WD	4,600,000	4,600,000	1,410,000
BDW Water Systems	2,309,158	2,309,158	0
State Line Water Coop	147,781	147,781	0
Valley City	4,646,000	4,646,000	440,000
Hillsboro	1,310,679	1,310,679	220,000
Mandan	6,923,867	6,923,867	2,165,000
Kenmare	403,579	403,579	85,000
Buffalo	98,922	98,922	29,000
James town	5,525,008	5,525,008	1,480,000
Kulm	25,300	25,300	0
	<u>30,303,316</u>	<u>30,303,316</u>	<u>6,249,000</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 13	2011		
Pembina	1,743,743	1,743,743	660,000
Linton	224,800	224,800	81,000
Page	90,597	90,597	32,000
Cooperstown	700,235	700,235	240,000
Sawyer	308,708	308,708	115,000
Bowbells	2,145,000	2,145,000	425,000
McKenzie County WRD	8,200,000	8,200,000	2,215,000
Kenmare	892,039	892,039	275,000
	<u>14,305,122</u>	<u>14,305,122</u>	<u>4,043,000</u>
Subpart 14	2012		
Ray	2,500,000	2,500,000	0
Minnewaukan	1,535,189	1,535,189	0
R & T Water Supply Commerce	9,349,789	9,349,789	3,225,000
Garrison Rural Water District	720,000	720,000	235,000
Southeast Water Users District	1,603,656	1,603,656	370,000
Sherwood	82,475	82,475	34,000
Granville	209,990	209,990	75,000
	<u>16,001,099</u>	<u>16,001,099</u>	<u>3,939,000</u>
Subpart 15	2013		
Hillsboro	2,623,344	2,623,344	635,000
Ross	1,740,267	1,740,267	325,000
Max	292,062	292,062	135,000
Fargo	98,000,000	98,000,000	82,200,000
Cooperstown	314,393	314,393	135,000
	<u>102,970,066</u>	<u>102,970,066</u>	<u>83,430,000</u>
Subpart 16	2014		
Westhope	926,447	926,447	210,000
Grafton	2,200,757	2,200,757	1,070,000
Cooperstown	200,733	200,733	65,000
Stutsman Rural Water District	7,630,004	7,630,004	3,040,000
McLean-Sheridan Rural Water	1,350,000	1,350,000	1,010,000
Mandan	641,683	641,683	295,000
Fairmount	121,759	121,759	0
Noonan	282,130	282,130	144,000
Leeds	317,106	317,106	160,000
Columbus	387,828	387,828	75,000
Washburn	1,391,331	1,391,331	755,000
James town	3,572,603	3,572,603	1,705,000
Grenora	383,853	383,853	154,000
Carrington	1,459,704	1,459,704	745,000
Ray	1,670,000	1,670,000	0
Barnes Rural Water District	2,063,033	2,063,033	1,155,000
	<u>24,598,971</u>	<u>24,598,971</u>	<u>10,583,000</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 17	2015		
Cass Rural Water District	3,000,000	3,000,000	1,670,000
Jamestown	794,159	794,159	395,000
Garrison	1,821,023	1,821,023	1,015,000
Gwinner	2,882,111	2,882,111	975,000
Sheyenne	77,362	77,362	43,000
Lehr	79,065	79,065	17,000
	<u>8,653,720</u>	<u>8,653,720</u>	<u>4,115,000</u>
Subpart 18	2016		
Tri-County Water District	727,655	727,655	280,000
New Rockford	270,000	270,000	152,000
Enderlin	340,000	340,000	190,000
Cooperstown	369,283	369,283	264,000
Robinson	129,723	129,723	22,000
South Central Regional Water District	3,125,000	3,125,000	2,420,000
New Town	5,000,000	5,000,000	2,335,000
Hebron	2,834,223	2,834,223	445,000
Stutsman Rural Water District	1,582,373	1,582,373	1,210,000
Flaxton	95,000	95,000	0
North Prairie Water District	1,021,590	1,021,590	780,000
	<u>15,494,847</u>	<u>15,494,847</u>	<u>8,098,000</u>
Subpart 19	2017		
Pick City	1,032,980	1,032,980	312,000
Southeast Water Users District	5,925,000	5,925,000	4,885,000
Makoti	362,450	362,450	96,000
Grand Forks	66,000,000	66,000,000	57,530,000
Gardner	244,374	244,374	169,000
Jamestown	1,123,587	1,123,587	685,000
Jamestown	539,511	539,511	235,000
Maxbass	437,973	437,973	95,000
Williams Rural Water District	5,000,000	5,000,000	3,505,000
Northeast Regional Water District	2,978,890	2,978,890	2,020,000
Sherwood	126,587	126,587	74,000
R & T Water Supply Commerce Authc	5,000,000	5,000,000	3,505,000
Horace	479,216	479,216	315,000
Truill Rural Water District	3,206,464	3,206,464	2,195,000
Oakes	4,043,000	4,043,000	2,735,000
Ross	947,758	947,758	187,000
Aneta	80,000	80,000	53,000
Kindred	584,663	584,663	460,000
Mandan	1,327,453	1,327,453	855,000
Mayville	720,000	720,000	560,000
	<u>100,159,906</u>	<u>100,159,906</u>	<u>80,471,000</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 20	2018		
Beulah	207,774	207,774	119,000
Mandan	820,281	820,281	530,000
Wahpeton	443,387	443,387	350,000
North Prairie Water District	416,248	416,248	344,000
Argusville	263,396	263,396	214,000
Casselton	901,025	901,025	650,000
Mohall	610,000	610,000	395,000
Lisbon	130,866	130,866	89,000
Towner	80,822	80,822	0
Fessenden	1,037,555	1,037,555	744,000
North Prairie Water District	347,782	347,782	276,000
Walsh Rural Water District	507,653	507,653	400,000
Cass Rural Water District	1,700,000	1,700,000	630,000
Central Plains Water District	4,925,000	4,925,000	3,900,000
Arnegard	1,752,977	1,752,977	1,425,000
Barnes	2,052,000	2,052,000	1,675,000
Minot	1,734,000	1,367,372	938,372
Northeast Rural Water District	3,118,000	3,118,000	2,730,000
Northeast Rural Water District	2,460,000	2,460,000	1,890,000
McLean-Sheridan Water District	965,898	965,898	330,000
Mercer	761,690	761,690	150,000
Tri-County Water District	1,050,000	1,050,000	725,000
Rugby	266,904	266,904	10,000
Larimore	119,500	119,500	57,000
Cando	2,044,000	2,044,000	1,420,000
Western Area Water Supply	14,180,589	14,180,589	11,155,589
Mandan	1,848,463	1,848,463	1,355,000
Jamestown	1,445,734	1,445,734	995,000
East Central Rural Water District	1,971,940	1,971,940	1,664,940
	<u>48,163,484</u>	<u>47,796,856</u>	<u>35,161,901</u>
Subpart 21	2019		
Stutsman Rural Water District	723,450	723,450	580,000
North Prairie Rural Water District	3,327,185	3,327,185	2,715,000
Lisbon	602,066	602,066	46,000
Fargo	36,000,000	29,483,731	28,178,731
Glenburn	422,479	422,479	352,000
Wahpeton	618,358	618,358	495,000
Carson	1,451,583	1,451,583	300,000
Cass Rural Water Users District	2,319,248	2,319,248	1,705,000
Cavalier	2,607,094	2,607,094	945,000
All Season Water Users District	3,594,000	2,774,449	1,443,716
Lincoln	836,000	836,000	620,000
Riverdale	2,161,000	2,161,000	132,500
	<u>54,662,463</u>	<u>47,326,643</u>	<u>37,512,947</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 22	2020		
Stutsman Rural Water District	896,014	896,014	750,000
Dakota Rural Water District	2,283,000	2,176,000	1,963,000
McLean Sheridan Rural Water District	4,660,000	4,441,258	4,391,258
Enderlin	967,922	967,922	757,922
Carrington	4,975,000	4,975,000	4,195,000
Mapleton	1,041,995	1,041,995	897,000
Jamestown	1,951,145	1,951,145	1,535,000
Stutsman Rural Water District	3,027,000	3,027,000	2,555,000
Agassiz Water Users District	919,906	919,906	790,000
Wyndmere	1,196,000	1,196,000	871,700
Tri-County Water District	1,537,614	1,537,614	1,190,000
Missouri West Water System	621,208	621,208	545,000
Center	150,000	150,000	117,000
Dunn Center	776,706	776,706	0
Bismarck	6,877,277	6,877,277	4,515,000
Western Area Water System Associa	19,500,000	15,300,830	13,625,830
Mohall	391,000	391,000	315,000
Beach	1,511,787	1,511,787	330,000
	<u>53,283,574</u>	<u>48,758,662</u>	<u>39,343,710</u>

Subpart 23	2021		
Sykeston	411,000	411,000	368,000
Aneta	204,582	204,582	174,000
North Prairie Rural Water District	439,897	439,897	85,000
Lakota	456,720	456,720	415,000
Mandan	7,255,000	6,848,987	5,618,987
North Prairie Rural WD - Mountrail	3,825,000	2,584,530	2,294,530
Valley City	217,741	217,741	155,000
NorthPrairie Regional WD	2,107,000	1,904,801	1,717,801
Cooperstown	631,073	631,073	560,000
Jamestown	1,808,000	1,808,000	1,065,000
Stanley	400,000	400,000	265,000
New Salem	1,042,000	1,042,000	940,000
Coleharbor	880,000	880,000	375,000
Horace	1,310,589	1,310,589	915,000
East Central Regional WD	1,341,210	1,341,210	1,235,000
Hankinson	42,000	42,000	15,000
Flaxton	302,707	302,707	23,000
	<u>22,674,519</u>	<u>20,825,837</u>	<u>16,221,318</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 24	2022		
James town	1,344,000	1,344,000	1,105,000
Davenport	526,884	526,884	435,000
James town	1,799,477	1,799,477	265,000
Wahpeton	988,376	988,376	925,000
McLean Sheidan Rural WD	941,270	941,270	891,270
Valley City	171,000	171,000	150,000
Barnes Rural WD	806,000	806,000	745,000
Bismarck	902,483	902,483	34,000
Forman	871,000	871,000	735,000
Bowbells	218,000	218,000	190,000
Wilton	2,119,000	2,119,000	2,020,000
Wing	2,337,000	2,337,000	554,000
Tri County WD	1,064,432	1,064,432	915,000
Cass Rural WUD	1,670,038	1,670,038	1,530,000
Riverdale	600,000	600,000	570,000
Upper Souris	1,274,000	175,072	91,072
	<u>17,632,960</u>	<u>16,534,032</u>	<u>11,155,342</u>

Subpart 25	2023		
East Central RWD	12,462,903	12,462,903	2,777,642
Stanley	969,704	969,704	13,000
Stanley	323,234	323,234	301,000
Wahpeton	826,662	826,662	725,000
Lincoln	1,858,000	1,858,000	1,770,000
Glen Ullin	1,895,860	1,895,860	467,000
Dakota Rural WD	3,952,000	3,734,751	419,383
Dickinson	2,799,995	2,799,995	2,225,000
Grand Forks	375,000	375,000	0
Missouri West WD	815,064	815,064	783,064
St. John	1,285,000	998,435	943,435
Mapleton	825,000	571,879	551,879
Berthold	693,108	693,108	674,000
Bismarck	2,000,000	636,396	133,098
Fargo	6,400,000	5,181,880	1,255,468
	<u>37,481,530</u>	<u>34,142,871</u>	<u>13,038,969</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 26	2024		
Galesburg	480,231	480,231	465,231
Central Plains WD	9,714,000	7,407,946	1,378,796
Aneta	1,570,000	1,491,501	1,451,501
Medina	920,000	781,998	781,998
Beulah	1,923,000	1,923,000	1,875,000
Cass RWD	2,604,000	1,575,839	1,466,839
Medina	1,250,000	1,008,605	245,150
Ashley	3,048,000	2,443,882	606,640
Northeast RWD	1,768,000	1,378,837	1,378,837
Underwood	3,500,000	2,588,121	627,029
South Central RWD	2,497,000	1,926,706	1,926,706
New Town	1,437,000	1,247,437	1,210,437
Agassiz	1,530,000	1,123,154	1,088,154
Taylor	523,091	523,091	522,591
Rhame	1,778,597	1,778,597	1,778,597
McLean Sheridan RWD	8,159,000	4,121,702	361,900
Grand Forks	1,050,000	1,045,046	252,761
	<u>43,751,919</u>	<u>32,845,693</u>	<u>17,418,167</u>

<u>Borrower</u>	<u>Approved Loan Amount</u>	<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 27	2025		
Dickinson	1,591,000	1,431,900	1,365,900
Southeast WUD	5,666,000	1,115,374	1,115,374
Mandan	5,462,000	2,797,110	2,797,110
Fargo	35,000,000	148,474	49,739
Beach	2,819,000	2,143,830	2,044,830
Dickinson	2,000,000	124,680	26,252
Zeeland	60,000	33,337	33,337
Colfax	172,182	172,182	172,182
Minot	3,704,000	3,517,761	3,363,761
Mandan	4,507,000	802,381	802,381
New Town	4,009,000	1,434,638	1,434,638
Mandan	6,909,000	1,369,015	1,369,015
Surrey	242,000	17,751	17,751
Mandan	1,930,000	927,631	927,631
Grand Forks	1,718,000	823,669	823,669
Milnor	300,000	285,000	285,000
Napoleon	975,000	887,996	605,050
East Central RWD	8,554,000	128,151	32,037
Jamestown	1,618,000	1,462,208	1,462,208
West Fargo	750,000	485,971	485,971
Jamestown	1,984,000	676,601	169,150
Stanley	1,272,000	15,900	15,900
Cando	3,275,000	2,553,081	638,270
Fargo	20,000,000	1,516,929	1,516,929
Elgin	668,000	184,385	184,385
Dickinson	1,000,000	627,176	627,176
West Fargo	2,700,000	1,292,027	1,292,027
Grand Forks	1,191,000	523,845	523,845
Kenmare	638,000	352,530	352,530
	<u>120,714,182</u>	<u>27,851,533</u>	<u>24,534,048</u>
Total	\$ <u>943,285,401</u>	\$ <u>821,002,897</u>	\$ <u>410,771,402</u>

Industrial Development Bond Program Loans

Part I

<u>Borrower</u>		<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 1	2006		
Prairie Gold Real Estate, LLC		\$ <u>1,360,000</u>	\$ <u>449,167</u>
Subpart 2	2008		
ND Natural Beef, LLC		<u>2,000,000</u>	<u>0</u>
Subpart 3	2009		
Giant Snacks Inc.		1,500,000	0
ND Natural Beef, LLC		<u>65,269</u>	<u>0</u>
		1,565,269	0
Total		\$ <u><u>4,925,269</u></u>	\$ <u><u>449,167</u></u>

Direct Loans

Part J

<u>Borrower</u>	<u>Original Loan Amount</u>	<u>Borrower</u>	<u>Original Loan Amount</u>
Subpart 1 1992		Subpart 9 2001	
Ft. Clark Irrigation	\$ <u>20,750</u>	Fort Pembina Airport Authority	\$ 117,000
Subpart 2 1993		Sims PSD	<u>100,000</u>
Solen	<u>9,000</u>		217,000
Subpart 3 1995		Subpart 10 2002	
Plaza PSD	16,000	Kulm	21,360
Mooreton	30,000	Southeast Water Users	640,000
Garrison PSD	110,000	Solen PSD	<u>200,000</u>
Beulah Airport Authority	<u>35,000</u>		861,360
	191,000	Subpart 11 2003	
Subpart 4 1996		Solen PSD	200,000
Christine	27,000	Trail County Rural Water Users	50,000
McHenry	24,000	St. John	<u>85,000</u>
Sims PSD	<u>17,000</u>		335,000
	68,000	Subpart 12 2004	
Subpart 5 1997		Solen PSD	200,000
Ward County	80,000	New Town PSD	<u>60,000</u>
Trail County Rural Water Users	40,000		260,000
Christine	17,500	Subpart 13 2005	
Manvel	<u>28,000</u>	Enderlin	92,000
	165,500	Columbus	57,000
Subpart 6 1998		Solen PSD	200,000
Berthold	45,000	Gackle	75,000
Page	60,000	Portal	185,000
Ransom Sargent Water Users	87,000	Surrey Township	<u>42,500</u>
Upper Souris Water Users Association	75,000		631,500
Hannaford	<u>20,000</u>	Subpart 14 2006	
	287,000	Solen PSD	<u>200,000</u>
Subpart 7 1999		Subpart 15 2007	
Forest River	<u>50,000</u>	Emerado	<u>186,288</u>
Subpart 8 2000		Subpart 16 2008	
New Town PSD	500,000	Sterling PSD	100,000
Sanborn	13,500	Cass Rural Water District	330,000
Havana	<u>120,000</u>	Watford City	405,000
	633,500	Casselton	<u>685,000</u>
			1,520,000

<u>Borrower</u>	<u>Original Loan Amount</u>
Subpart 17 2009	
Northwood PSD	1,500,000
Hazen	215,000
Solen PSD	<u>390,000</u>
	2,105,000
Subpart 18 2010	
Drayton	405,000
Drayton	<u>278,000</u>
	683,000
Subpart 19 2012	
Fessenden	44,000
Rolla	265,000
Sheldon	<u>63,413</u>
	372,413

<u>Borrower</u>		<u>Funded Loan Amount</u>	<u>Outstanding Loan Amount</u>
Subpart 20	2013		
Noonan		115,290	0
Noonan		400,000	0
Rolla		190,000	0
Benedict		126,500	52,000
McHenry County		<u>1,777,500</u>	<u>0</u>
		2,609,290	52,000
Subpart 21	2014		
Traill Rural Water District		200,500	0
Berthold		450,000	0
Leeds		70,000	0
Colfax		<u>40,000</u>	<u>0</u>
		760,500	0
Subpart 22	2015		
Grafton		<u>150,000</u>	<u>0</u>
Subpart 23	2017		
Rolla		750,000	0
Wing		<u>120,000</u>	<u>0</u>
		870,000	0
Subpart 24	2018		
James town Regional Airport Authority		700,000	505,000
James town Regional Airport Authority		<u>126,500</u>	<u>0</u>
		826,500	505,000
Subpart 25	2019		
Rolette County Housing Authority		<u>160,000</u>	<u>110,000</u>
Subpart 26	2020		
Morton County		<u>500,000</u>	<u>0</u>
Subpart 27	2021		
Missouri Ridge Township		<u>650,000</u>	<u>472,500</u>
Total Direct Loans		<u>\$ 15,342,601</u>	<u>\$ 1,139,500</u>

**NORTH DAKOTA PUBLIC FINANCE AUTHORITY
BONDS ISSUED 1977 THROUGH 2025**

Part A	1997 General Bond Resolution	Initial Bond Amount	Part F Cont.	Initial Bond Amount
1977 Series A		\$ 15,000,000	1991 Series A	\$ 225,000
1979 Series A		16,590,000	1991 Series B	1,300,000
1983 Series A		<u>11,600,000</u>	1991 Series C	410,000
Subtotal		43,190,000	1991 Series D	560,000
			1991 Series E	265,000
Part B	Local Government Assistance Program		1991 Series F	345,000
1985 Series A		<u>35,290,000</u>	1991 Series G	380,000
			1991 Series H	280,000
Part C	Insured Water Revenue Bonds		1991 Series I	2,460,000
1989 Series A		11,650,000	1992 Series A	565,000
1989 Series B		<u>1,410,000</u>	1992 Series B	820,000
Subtotal		13,060,000	1992 Series C	2,650,000
			1992 Series D	115,000
Part D	Government Assistance Program		1992 Series E	1,870,000
1990 Series A		765,000	1992 Series F	3,260,000
1990 Series B		<u>1,241,704</u>	1992 Series G	290,000
Subtotal		2,006,704	1992 Series H	395,000
			1992 Series I	535,000
Part E	Taxable Insured Water System Refunding Bonds		1992 Series J	2,500,000
1999 Series A		8,875,000	1992 Series K	535,000
1999 Series B		<u>1,410,000</u>	1993 Series A	150,000
Subtotal		10,285,000	1993 Series B	880,000
			1993 Series C	1,975,000
Part F	Capital Financing Program		1993 Series D	1,465,000
1990 Series A		400,000	1993 Series E	505,000
1990 Series B		185,000	1993 Series F	2,930,000
1990 Series C		95,000	1994 Series A	5,335,000
1990 Series D		155,000	1994 Series B	525,000
1990 Series E		680,000	1994 Series C	445,000
1990 Series F		100,000	1995 Series A	1,700,000
1990 Series G		250,000	1995 Series B	425,000
1990 Series H		220,000	1995 Series C	380,000
1990 Series I		230,000	1996 Series A	500,000
1990 Series J		140,000	1996 Series B	930,000
1990 Series K		85,000	1996 Series C	1,585,000
1990 Series L		770,000	1996 Series D	350,000
1990 Series M		70,000	1997 Series A	540,000
1990 Series N		35,000	1997 Series B	3,350,000
1990 Series O		335,000	1997 Series C	300,000
			1997 Series D	1,750,000
			1997 Series E	4,705,000
			1997 Series F	375,000
			1997 Series G	1,050,000
			1997 Series H	3,275,000
			1998 Series A	945,000
			1998 Series B	6,685,000

Part F Cont.	<u>Initial Bond Amount</u>	<u>Outstanding Bond Amount</u>
1998 Series C	565,000	0
1998 Series D	1,050,000	0
1998 Series E	450,000	0
1999 Series A	1,075,000	0
1999 Series B	260,000	0
1999 Series C	100,000	0
1999 Series D	1,100,000	0
1999 Series E	1,710,000	0
1999 Series F	285,000	0
2000 Series A	1,115,000	0
2000 Series B	3,100,000	0
2001 Series A	735,000	0
2002 Series A	1,700,000	0
2003 Series A	1,495,000	0
2004 Series A	880,000	0
2006 Series A	1,385,000	0
2009 Series A	2,125,000	390,000
2011 Series A	3,730,000	0
2012 Series A	9,635,000	2,850,000
2013 Series A	51,375,000	25,430,000
2014 Series A	32,840,000	15,945,000
2014 Series B	9,000,000	4,870,000
2015 Series A	1,945,000	640,000
2015 Series B	25,620,000	0
2015 Series C	38,280,000	0
2018 Series A	1,360,000	495,000
2019 Series A	2,515,000	0
2021 Series A	2,130,000	1,720,000
2025 Series A	<u>43,610,000</u>	<u>43,610,000</u>
Subtotal	307,735,000	95,950,000

Part G Capital Financing Disaster Loan Program

2011 Series A	9,141,832	0
2012 Series A	2,892,780	0
2013 Series A	1,696,000	0
2014 Series A	<u>675,000</u>	<u>0</u>
Subtotal	14,405,612	0

		<u>Initial Bond Amount</u>	<u>Outstanding Bond Amount</u>
Part H			
		State Revolving Fund Program	
1990 Series A	1	5,520,000	0
1993 Series A	2,5	20,220,000	0
1995 Series A	3	6,975,000	0
1996 Series A	3	29,845,000	0
1998 Series A	5,6	35,965,000	0
2000 Series A	4	16,725,000	0
2001 Series A	7	23,725,000	0
2003 Series A	7,8	26,795,000	0
2003 Series B	9	20,455,000	0
2004 Series A	9	11,790,000	0
2005 Series A	8	36,210,000	0
2008 Series A	10	46,100,000	0
2011 Series A	11	101,210,000	0
2012 Series A		19,705,000	0
2012 Series B		17,900,000	0
2015 Series A	12	119,195,000	0
2016 Series A		16,405,000	5,745,000
2018 Series A		128,625,000	96,945,000
2022 Series A		85,330,000	63,555,000
2024 Series A		<u>200,920,000</u>	<u>195,985,000</u>
	Subtotal	969,615,000	362,230,000

¹ A portion of the proceeds of the 1993 Series A SRF Bonds was used to defease and refund the 1990 Series A SRF Bonds.

² A portion of the proceeds of the 2001 Series A SRF Bonds was used to defease and refund the 1993 and 1995 Series A SRF Bonds.

³ The proceeds of the 2003 Series B SRF Bonds were used to defease and refund the 1996 Series A SRF Bonds.

⁴ The proceeds of the 2004 Series A SRF Bonds were used to defease and refund the 2000 Series A SRF Bonds.

⁵ A portion of the proceeds of the 2005 Series A SRF Bonds was used to defease and refund the 1993 and 1998 Series A SRF Bonds.

⁶ A portion of the proceeds of the 2008 Series A SRF Bonds was used to defease and refund the 1998 Series A SRF Bonds.

⁷ A portion of the proceeds of the 2011 Series A SRF Bonds was used to defease and refund the 2001 Series A and 2003 Series A SRF Bonds.

⁸ A portion of the proceeds of the 2012 Series A SRF Bonds was used to defease and refund the 2003 Series A and 2005 Series A SRF Bonds.

⁹ A portion of the proceeds of the 2012 Series B SRF Bonds was used to defease and refund the 2003 Series B and 2004 Series A SRF Bonds.

¹⁰ The proceeds of the 2016 Series A SRF Bonds were used to defease and refund the 2008 Series A SRF Bonds.

¹¹ A portion of the proceeds of the 2022 Series A SRF Bonds was used to defease and refund the 2011 Series A SRF Bonds.

¹² A portion of the proceeds of the 2024 Series A SRF Bonds was used to defease and refund the 2015 Series A SRF Bonds.

**Initial
Bond
Amount**

**Outstanding
Bond
Amount**

Part I Industrial Development Bond Program

2006 Series A	1,360,000	490,000
2008 Series A	2,000,000	0
2009 Series A	<u>1,500,000</u>	<u>0</u>
Subtotal	4,860,000	490,000

Part J Legacy Fund Infrastructure Program Bonds

2021 Series A	389,200,000	337,255,000
2022 Series A	<u>320,915,000</u>	<u>285,690,000</u>
Subtotal	710,115,000	622,945,000

Total All Bonds	\$ <u>2,110,562,316</u>	\$ <u>1,081,615,000</u>
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NORTH DAKOTA PUBLIC FINANCE AUTHORITY

Industrial Commission of North Dakota

Kelly Armstrong
Governor
Chairman

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

Advisory Committee

Keith Lund
Grand Forks

Linda Svihovec
Bismarck

John Phillips
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Industrial Commission of North Dakota



Kelly Armstrong
Governor

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

Attachment 9

April 28, 2026

The State Energy Research Center (SERC) within the Energy and Environmental Research Center (EERC) was established in 2019 to provide funding for exploratory research to facilitate the development of the state's energy resources, greater access to energy experts for timely scientific and engineering studies to support the state's interests, and education and outreach related to the state's energy resources.

The appropriation to SERC for the 2025-2027 biennium is \$7.5 million, funded by oil and gas taxes. The current SERC contract maintains that \$750,000 of the biennium appropriation is to be dedicated to "Task 2" – providing greater access to energy experts for timely studies.

This biennium to date two studies have been approved by the NDIC, totaling \$500,000:

- 1) \$250,000 for a Geothermal Energy Study – Feasibility of Geothermal Energy in North Dakota to determine the feasibility of generating power and value-added uses from geothermal resources
- 2) \$250,000 for creation of an open-source Energy Atlas that will provide a basic overview of North Dakota's energy industries and information on technological solutions being developed to address challenges within the energy industry

The results of the Geothermal Energy Study are being presented in today's NDIC meeting, and the Energy Atlas is expected to be completed by the end of 2026.

\$250,000 remains for Task 2 funding for the 2025-2027 biennium.



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Critical Challenges. Practical Solutions.



Energy & Environmental Research Center (EERC)

Feasibility of Developing Geothermal Energy in North Dakota

North Dakota Industrial Commission

April 28, 2026

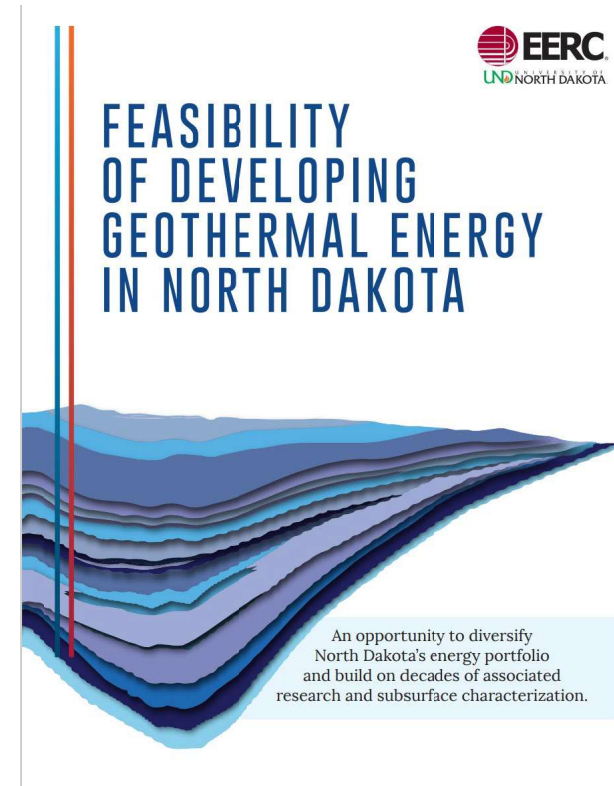
Tyler Hamman

Assistant Vice President for Strategic Partnerships

Study Objectives

- **Objectives:**

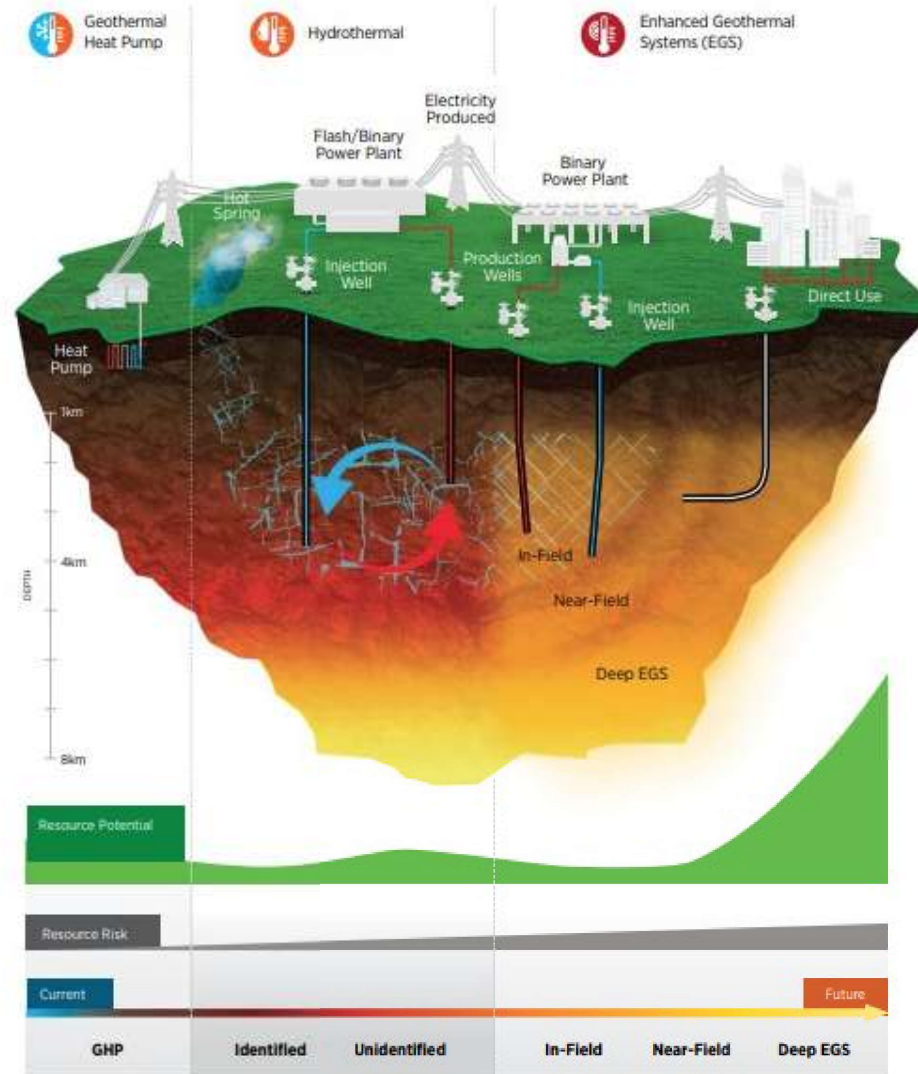
- Examine the state's geology relative to geothermal resource exploration and development.
- Identify potential commercial opportunities for innovation and economic growth within the North Dakota energy sector.
- Examine the potential application of complementary, innovative geothermal energy extraction methods in productive and nonproductive oil and gas wells, with an emphasis on extending the lifespan of existing wells.
- Compile a report presenting the findings to the NDIC and North Dakota Legislature in support of SB 2360.



Geothermal Energy

- Energy derived from heat stored within the Earth
- Available everywhere, but the temperature varies.
- Geothermal Systems:
 - Hot Rock Formations
 - Naturally occurring hydrothermal reservoirs
 - **Deep Sedimentary Basins – Williston basin**

Geothermal Diversity



Geothermal Power Generation

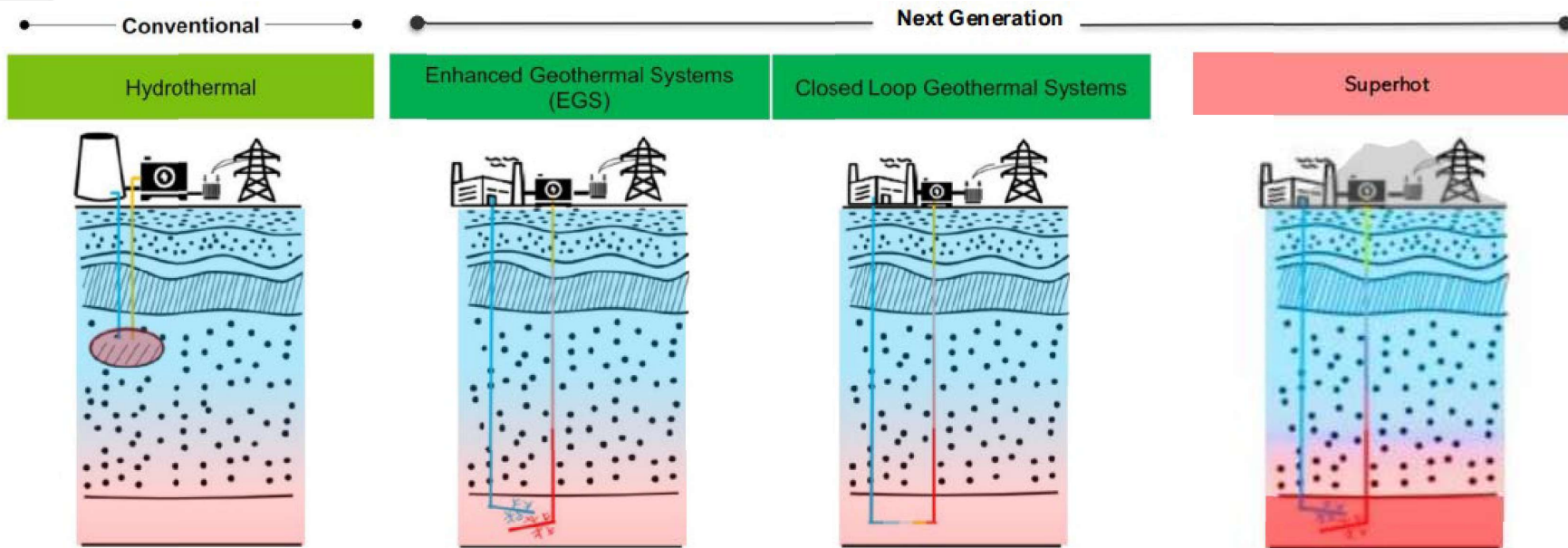
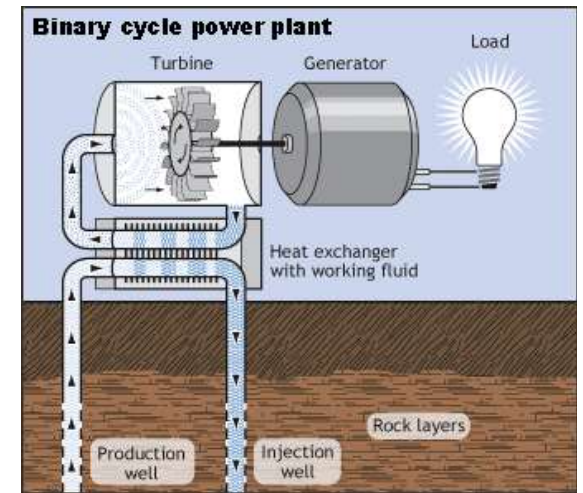
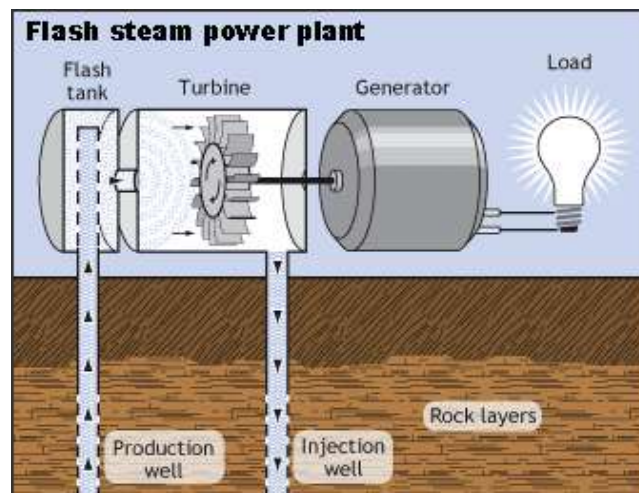
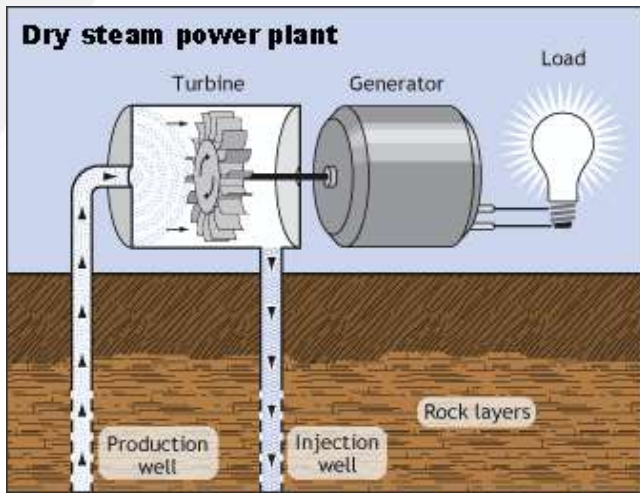


Image: National Lab of the Rockies

Geothermal Power Generation



Enhanced Geothermal Systems

ENHANCED GEOTHERMAL SYSTEMS

Solution

A human-made enhanced geothermal system (EGS) can extract heat from tens of thousands of feet below the surface and put it to good use.



What makes EGS?

=



An abundant, previously inaccessible, heat source

+



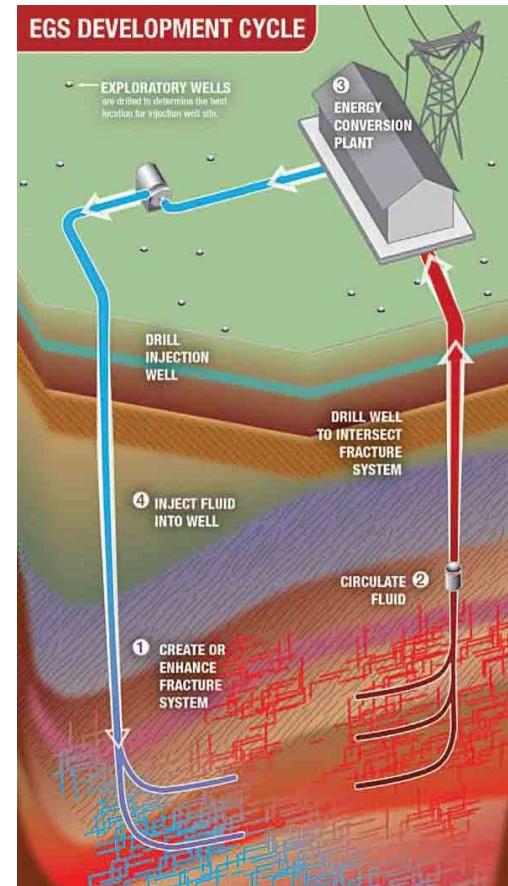
Fluid injected from the surface

+



Pathways expanded by injected fluid

With an enhanced geothermal reservoir, you can generate power anywhere with hot rocks deep underground!



Images: U.S. Department of Energy

Critical Challenges. Practical Solutions.

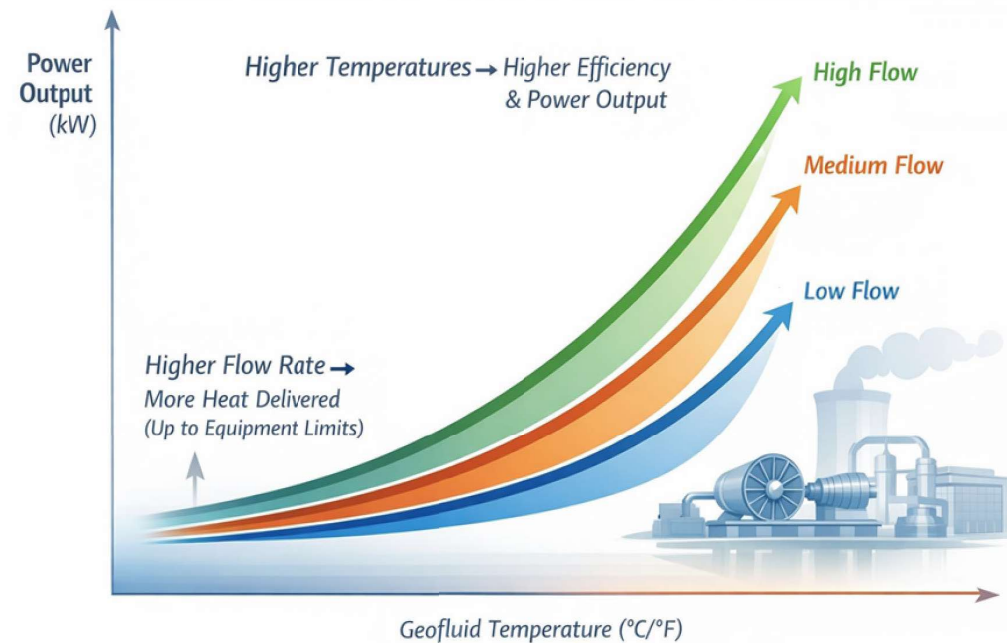
“[T]he problem statement for geothermal is identical to that of the shale revolution 25 years ago: We have a vast resource in place, that lacks the natural permeability to produce at commercial rates.”

Kyle Haustveit, sitting Assistant Secretary of Energy, and current nominee to DOE Under Secretary, in his statement to the US Senate Energy & Natural Resources Committee on February 25, 2026.

Williston Basin Geothermal Resource

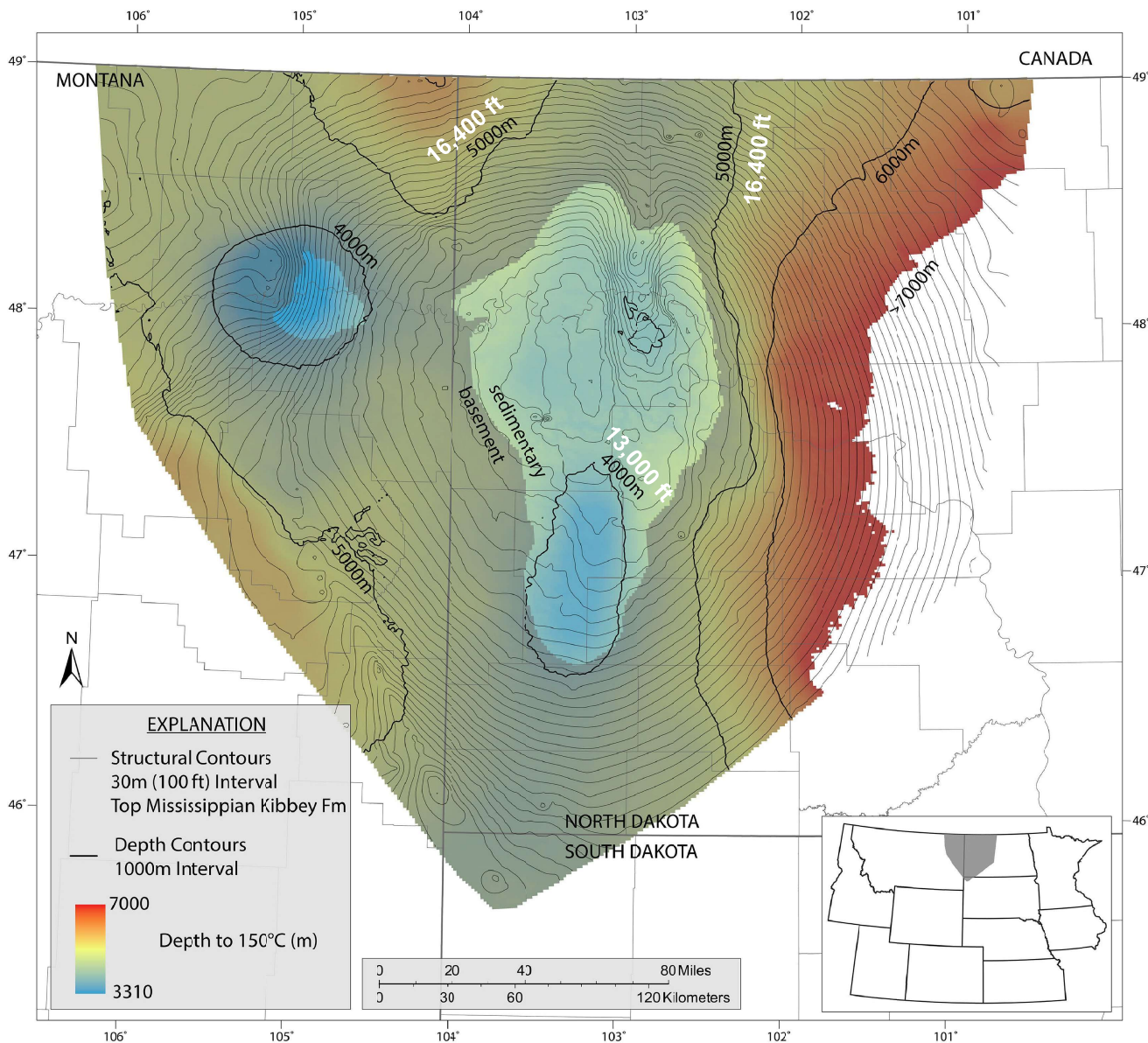
- Mid-level geothermal temperatures (200-300°F; 93-150°C)
- Good temperatures for binary power generation in the deeper parts of the Williston Basin
- Challenges encountered with fluid flow...the rocks have low permeability, which restricts heat transfer rates to the surface
 - Fracking can improve the permeability
- Challenges with high salinity waters in the deep, hotter parts of the basin

Temperature vs. Flow Rate: Impact on ORC Power Output



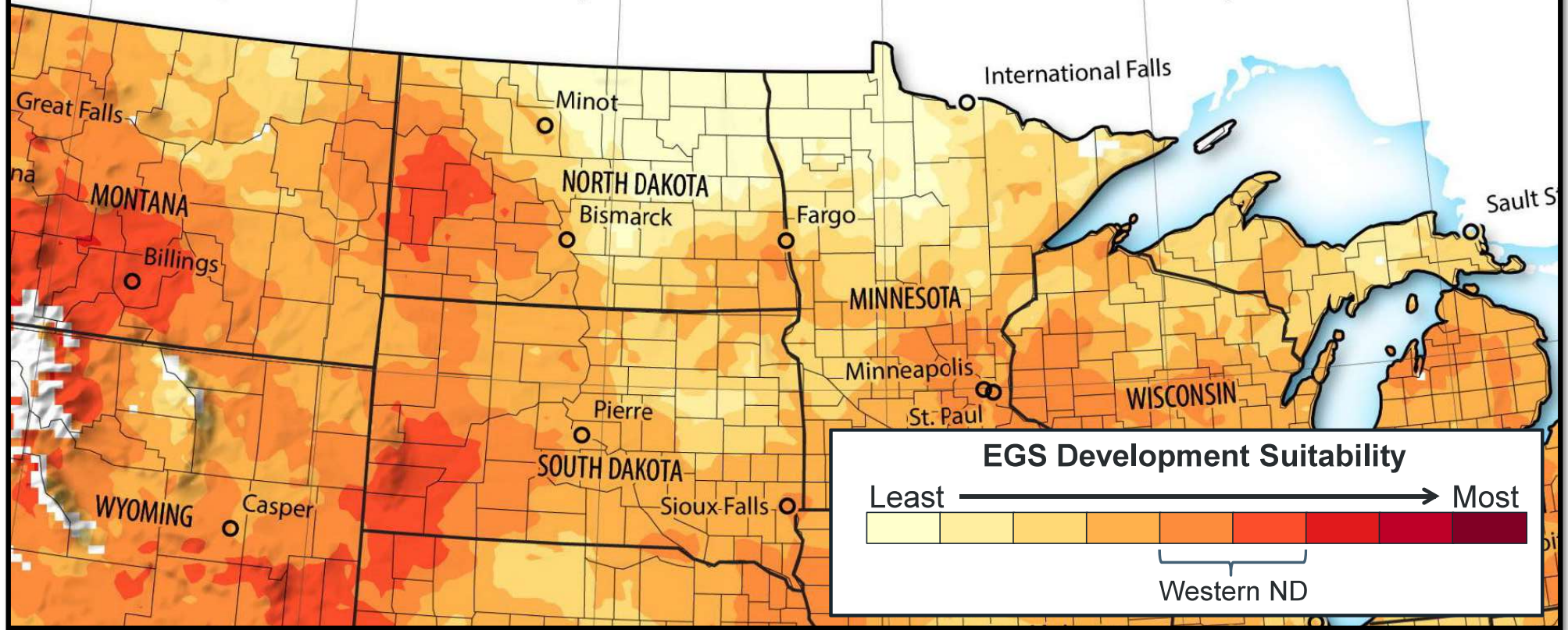
Williston Basin Geothermal Resource

- Depth to 150°C in the Williston Basin.
- 4000 meters to over 5000 meters (13,000 ft to over 16,400 ft)



Geothermal Resources of the United States

Development Suitability of Enhanced Geothermal Systems (EGS)



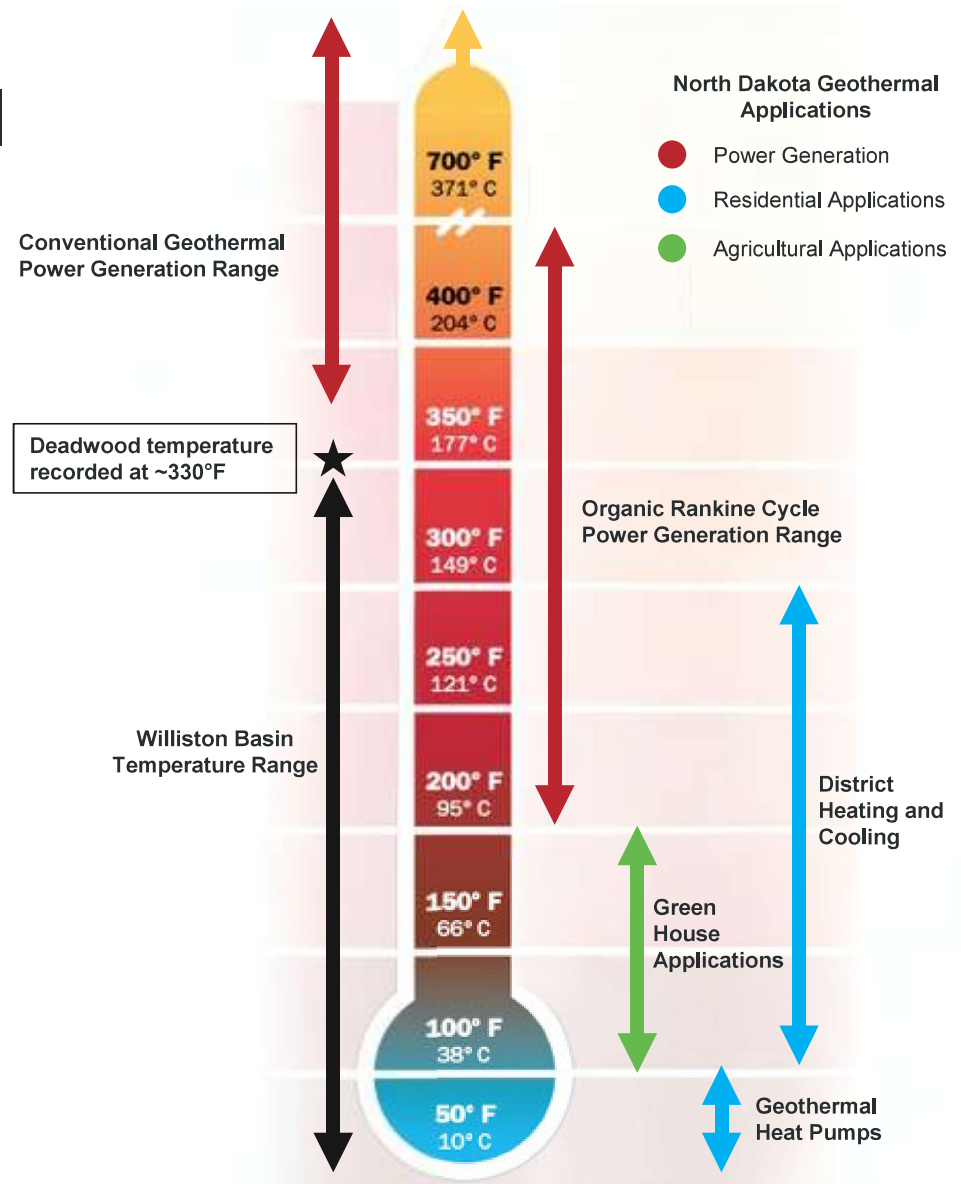
Williston Basin Geothermal

- **Shallow Applications**

- Ground source heat pumps
- District heating and cooling
- Snowmelt and infrastructure deicing
- Greenhouse heating
- Low-temperature agricultural and municipal heat uses.

- **Deep Applications**

- Direct heating/cooling (not MW generated but MW avoided)
- Power Generation (moderate to low)



Direct-Use Geothermal

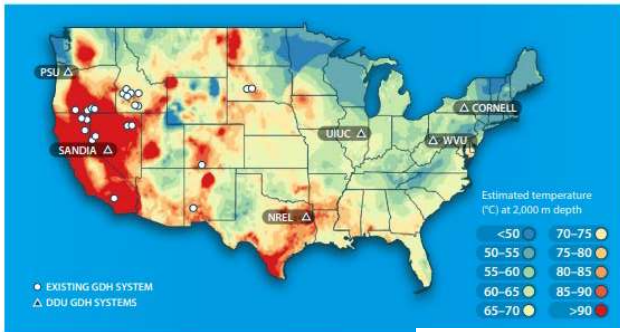
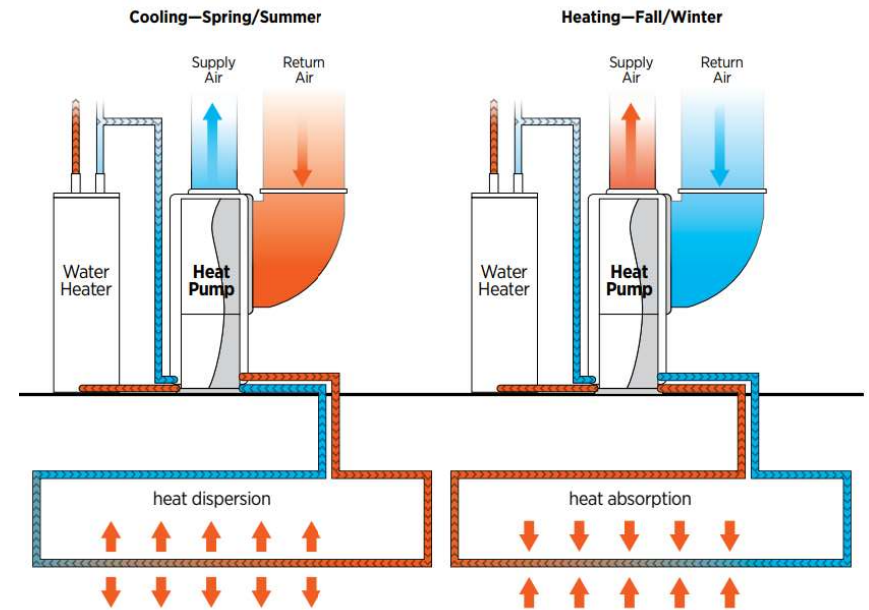


Figure 30. Location of existing GDH systems and DDU projects overlaying temperature Mullane et al. (2016). Locations are identified by project team leads (details on DDU tea DDU projects were led by Portland State University (PSU); Sandia National Laboratories (Sandia) for Hawthor E. Texas (NREL); University of Illinois (UIUC); West Virginia University (WVU); and Cornell University (Cornell)



Images: National Lab of the Rockies

Critical Challenges. Practical Solutions.

How does Geothermal Fit in to ND's Energy Landscape



Declining Upfront Risk and Capital Costs

Well-characterized geology and existing oil & gas data reduce exploration risk and drilling CAPEX relative to crystalline-rock geothermal.



High-Value, High-Efficiency Heat Utilization

Direct-use geothermal delivers 70–90% system efficiency, avoiding costly energy conversion and enabling competitive delivered heat costs for industrial and district applications.



Long Asset Life with Minimal Operating Costs

Fuel-free energy with 30–50+ year lifetimes results in declining levelized cost of heat and power over time.



Stacked Value Creation and Infrastructure Reuse

Co-production of heat, power, and critical minerals—paired with oilfield expertise and workforce—may improve overall project economics and regional returns.

Findings and Recommendations

Previous geothermal assessments of the Williston Basin overlooked geologic variability and reservoir parameters affecting geothermal energy production

Lack of detailed geologic data on the deepest, hottest formations in the Williston Basin

Earlier pilots were inconclusive or used nonrepresentative geology

Potential for direct-use geothermal applications remains notably understudied

North Dakota Century Code and regulations lack sufficient clarity for deep geothermal energy production

Repurposing abandoned oil and gas infrastructure for geothermal use represents a significant challenge



Support new laboratory and modeling-based research that integrates advancements in geothermal engineering systems with representative geologic conditions



Drill exploratory well to thoroughly characterize the lowest formations for geothermal potential



Design and execute a pilot project for electric generation, integrating engineering systems with representative geologic properties



Expand the focus of research on the applicability and deployment of direct-use



Evaluate NDCC/NDAC in the context of emerging geothermal technologies



Shift focus to minimizing the cost of drilling new wells for geothermal application





**Energy & Environmental
Research Center**
University of North Dakota
15 North 23rd Street, Stop 9018
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A wide-angle photograph of a university campus at sunset. The sun is low on the horizon, casting a warm glow over the scene. In the foreground, there is a large green lawn. In the middle ground, there are several multi-story brick buildings and a parking lot filled with cars. In the background, there are more buildings and a clear sky with some light clouds. The overall atmosphere is peaceful and scenic.

THANK YOU

Critical Challenges. Practical Solutions.



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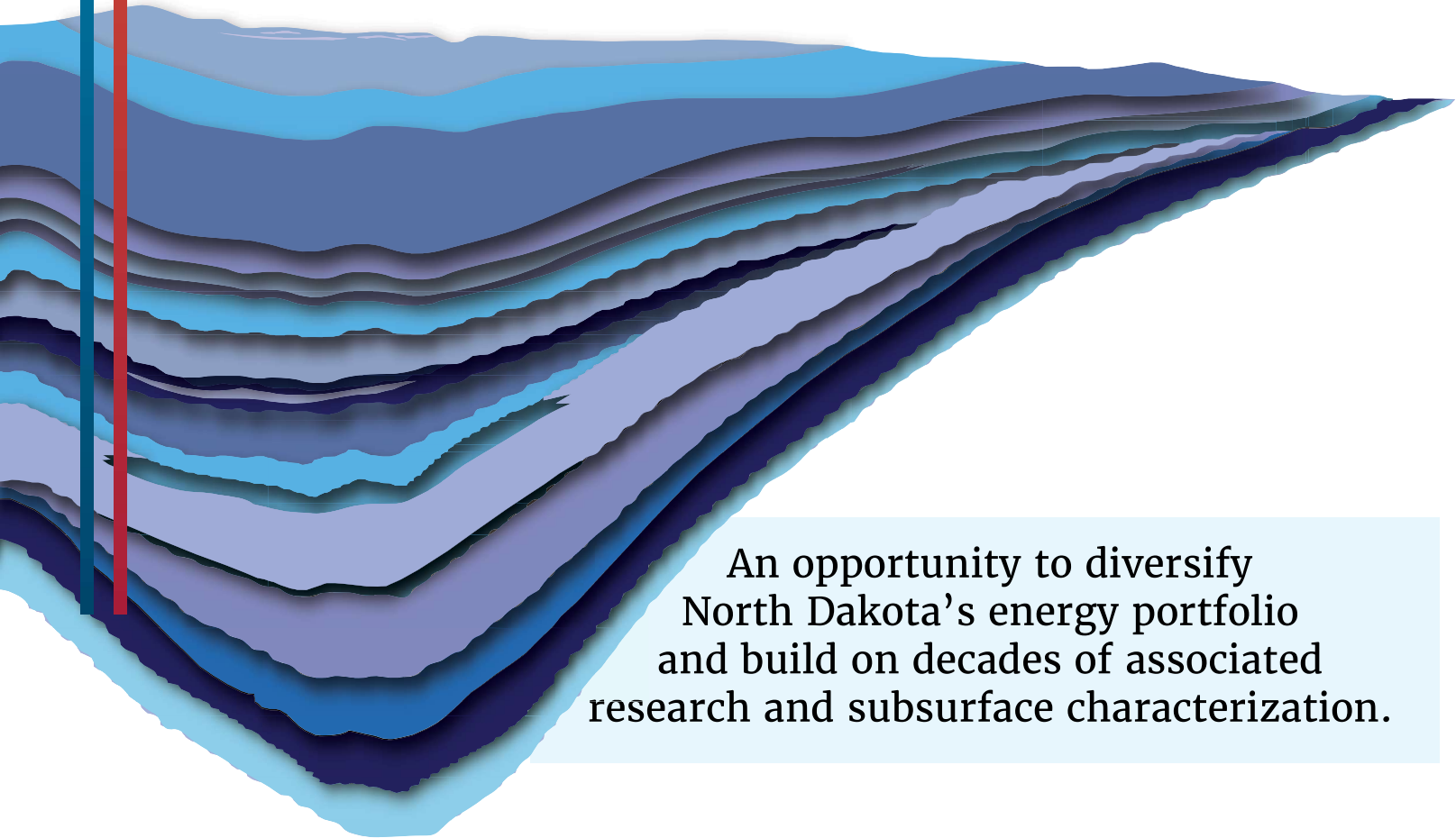
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Critical Challenges. Practical Solutions.



FEASIBILITY OF DEVELOPING GEOHERMAL ENERGY IN NORTH DAKOTA

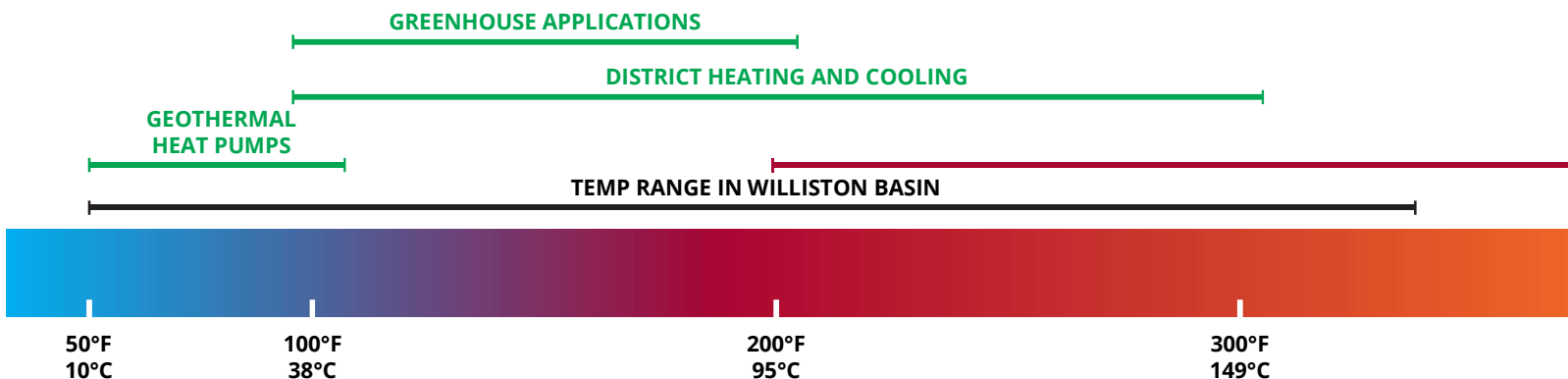


An opportunity to diversify
North Dakota's energy portfolio
and build on decades of associated
research and subsurface characterization.

INTRODUCTION

Geothermal energy from sedimentary basins represents a growing frontier in subsurface resource development, offering a potential pathway to scalable, dispatchable heat and/or power. Unlike conventional geothermal systems that rely on volcanically or tectonically active regions, sedimentary basins, such as the Williston Basin, draw on the natural heat stored in deep, laterally extensive rock layers. Widespread across North America, these basins contain large volumes of hot fluids and thermally conductive rock, making them an attractive target for investigating broad-based geothermal deployment using familiar drilling and reservoir characterization technologies. Many of these technologies, including drilling rigs, wellbore design, 3D seismic, reservoir characterization, and completion technologies, can be directly transferred or easily modified for geothermal development.

Reservoir temperatures in sedimentary basins often fall in the 140°–300°F (60°–150°C) range at depths of 6500–16,500 ft (1981–5029 m) and are suitable for direct-use heating or for electricity generation using binary organic Rankine cycle (ORC) technology. Although these temperatures are generally lower than those in volcanic geothermal settings, the sheer areal extent and thickness of sedimentary reservoirs provide potential compensating advantages, including scalable well spacing, predictable reservoir architecture, and potential compatibility with existing oil and gas infrastructure.



“The problem statement for geothermal is identical to that of the shale revolution 25 years ago: we have a vast resource in place that lacks the natural permeability to produce at commercial rates.”

Kyle Haustveit, Assistant Secretary, Hydrocarbons and Geothermal Energy Office, and current nominee to DOE Under Secretary, in his statement to the U.S. Senate Energy and Natural Resources Committee on February 25, 2026.

Developing geothermal energy in sedimentary basins where temperatures remain below 300°F (149°C) presents a unique blend of technical hurdles and emerging opportunities. The foremost challenge in sub-300°F (149°C) basins is the thermodynamic limit on power generation efficiency. Binary ORC systems can convert moderate-temperature fluids into electricity, but their efficiency drops sharply as reservoir (fluid) temperature declines, often requiring higher flow rates to achieve commercially meaningful power output. These high flow rates are directly related to reservoirs with substantial permeability—conditions not uniformly present across sedimentary basins. Additionally, the chemistry of geothermal working fluids—whether salt content, scaling constituents, or dissolved gases—can complicate surface facility reliability.

Economic challenges also arise. Lower temperatures generally translate to lower revenue density per well, meaning project viability depends more heavily on drilling costs, existing infrastructure, and proximity to heat markets. The need for multiple wells and larger surface systems can increase upfront capital requirements relative to high-temperature geothermal fields. Despite these challenges, sub-300°F (149°C) geothermal systems present substantial opportunities. Moderate temperature systems excel in direct-use heat applications. District heating, industrial process heat, greenhouse operations, and aquaculture all operate efficiently under 300°F (149° C), often delivering stronger economics than power generation.

Although sub-300°F (149°C) sedimentary basins do not match the natural energy density of high-temperature geothermal systems, they represent one of the world’s largest and most accessible geothermal resources. By combining established subsurface practices with emerging thermal extraction technologies, these basins offer a scalable pathway to dispatchable, low-carbon energy. Their challenges are real—thermodynamics, flow rates, and economics—but so too are the opportunities tied to widespread distribution, compatibility with existing infrastructure, and the growing demand for renewable energy. Overall, geothermal energy from sedimentary basins represents a promising, underutilized component of a broad-based energy portfolio. Its ability to scale using familiar subsurface technologies makes it well suited for rapid deployment and for providing stable, long-duration renewable heat and power in diverse geological settings.

CONVENTIONAL GEOTHERMAL POWER GENERATION RANGE

ORGANIC RANKINE CYCLE POWER GENERATION RANGE

400°F
204°C

500°F
260°C

600°F
316°C

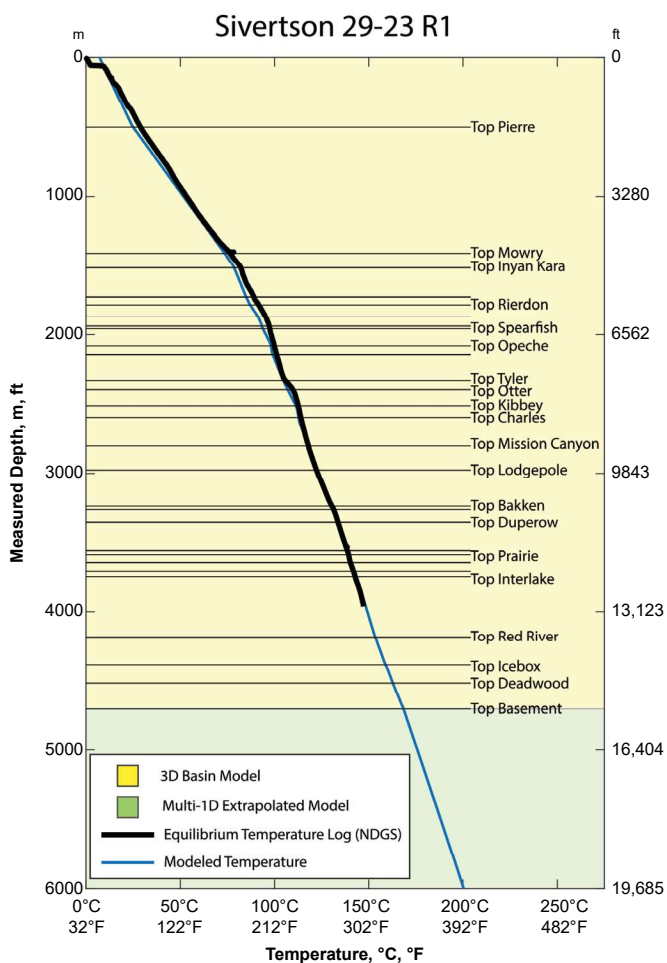
700°F
371°C

NORTH DAKOTA GEOLOGY

North Dakota is underlain by the Williston Basin, a large sedimentary basin that contains a thick and laterally extensive sequence of layered formations. These geologic formations include sandstones, carbonates, shales, and evaporites deposited over hundreds of millions of years.

The Williston Basin's thickness increases toward west-central North Dakota, reaching up to ~16,000 ft (4877 m) before hitting basement rock. As with most places across the globe, there is a correlating relationship between temperature with depth, commonly described by a geothermal gradient. As depth increases, temperatures rise because heat flow from the Earth's interior combine with the insulating properties of overlying sedimentary rocks. However, this geothermal gradient is not uniform across the basin, varying with lithology, thermal conductivity, groundwater movement, and basement heat flow. For example, the highest temperatures recorded in the Williston Basin are in western North Dakota, where they can reach approximately 330°F (166°C) at 16,000 ft (4877 m). But to reach this temperature in central North Dakota would require depths over 20,000 ft (6096 m).

Although the Williston Basin can produce significant amounts of heat, even at the highest temperatures it is cooler than other geothermal regions being examined.

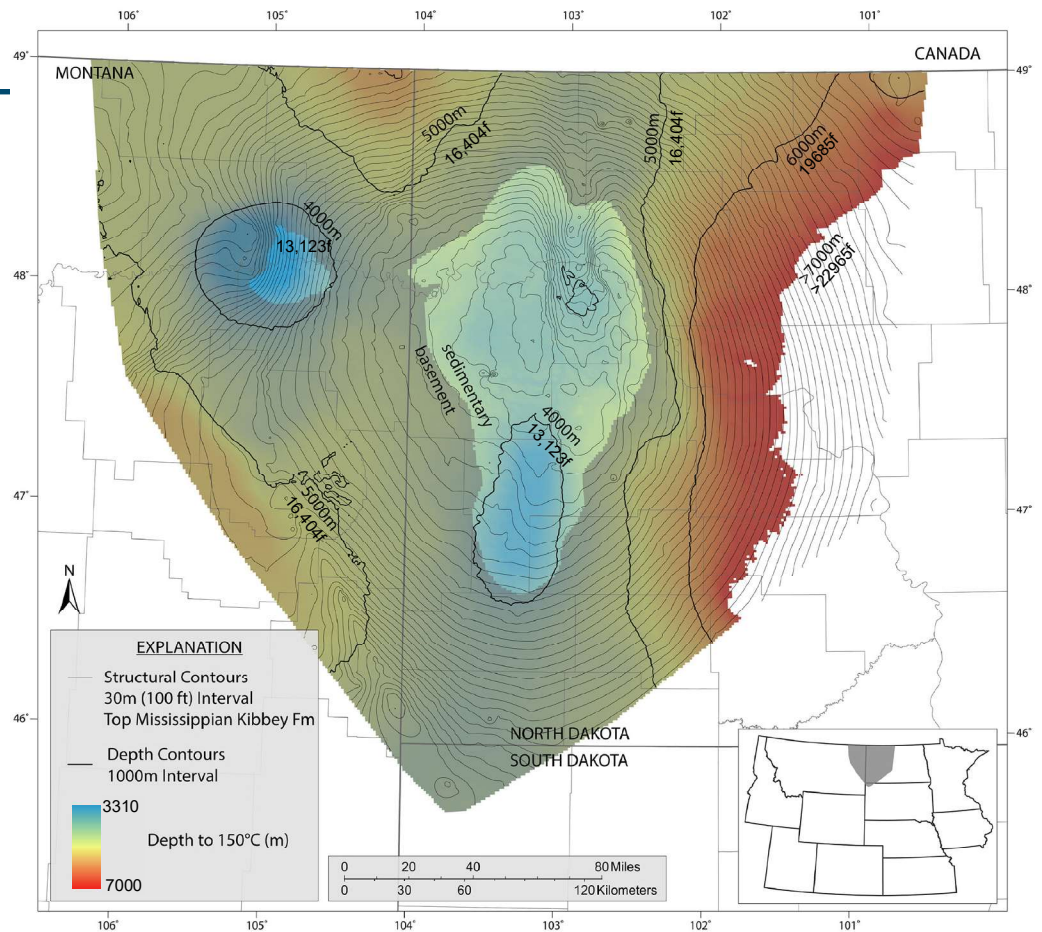


For instance, Fervo Energy, based in Utah, recently announced it had drilled into a geothermal resource with temperatures above 555°F (290°C) at 11,200 ft (3414 m) (nearly twice the geothermal gradient as North Dakota, i.e., the subsurface temperatures get hotter faster).

Although cooler relative to other western states' geothermal resources, North Dakota benefits greatly from extensive subsurface characterization developed over decades of oil and gas exploration. Existing well logs, temperature measurements, and stratigraphic understanding significantly reduce geological uncertainty and allow for more targeted geothermal assessments.

Plot of geothermal gradient in the Sivertson 29-23 R1 well in eastern McKenzie County. The slope of the line illustrates the rate of temperature increase with depth (Gelman and Burns, 2025).

Predicted depth to the 302°F (150°C) isotherm. Bold contours indicate temperature isobaths. The uncolored area on the right side of the model area indicates a region of low heat flow, where the depth to the 302°F (150°C) isotherm is predicted to exceed 23,000 ft (7000 m). Image modified from Gelman and Burns, 2025.



Recently, the U.S. Geological Survey (USGS) generated 3D temperature and geologic models for the upper 4 mi (7 km) of the Williston Basin (Gelman and Burns, 2025). This model provides complementary information to the work performed by the University of North Dakota over the past two decades to assess the potential of deep sedimentary and enhanced geothermal resources in this area. The USGS temperature and geologic models enabled the inventory of moderate- (194°–302°F) (90°–150°C) and high-temperature (>302°F) (>150°C) resources within deep sedimentary units and the crystalline basement of the Williston Basin.

Although specific lithologic units were not evaluated for permeability (natural or engineered) or fluid flow, the USGS summarized the volumes of rock in prescribed resource ranges for the Williston Basin (total model area of 43,630 mi² [113,000 km²], including portions of Montana and South Dakota):

- » **High-temperature resources (>302°F) (>150°C):** area of 40,155 mi² (104,000 km²) (92% of total) above 4-mi (7-km) depth (including the crystalline basement rock), with 6293 mi² (16,300 km²) (14% of the total area) in the deep sedimentary units.
- » **Moderate-temperature resources (>194°F) (>90°C):** area of 43,630 mi² (113,000 km²) (100% of total) above 4-mi (7-km) depth, with 38,996 mi² (101,000 km²) (89% of the total area) in the deep sedimentary units.

While these gross numbers are encouraging, they do not account for the geologic/petrophysical heterogeneity of the subsurface rocks in the Williston Basin. An estimate of recoverable geothermal energy will require additional screening to account for salinity, porosity, permeability, and subsurface competition.

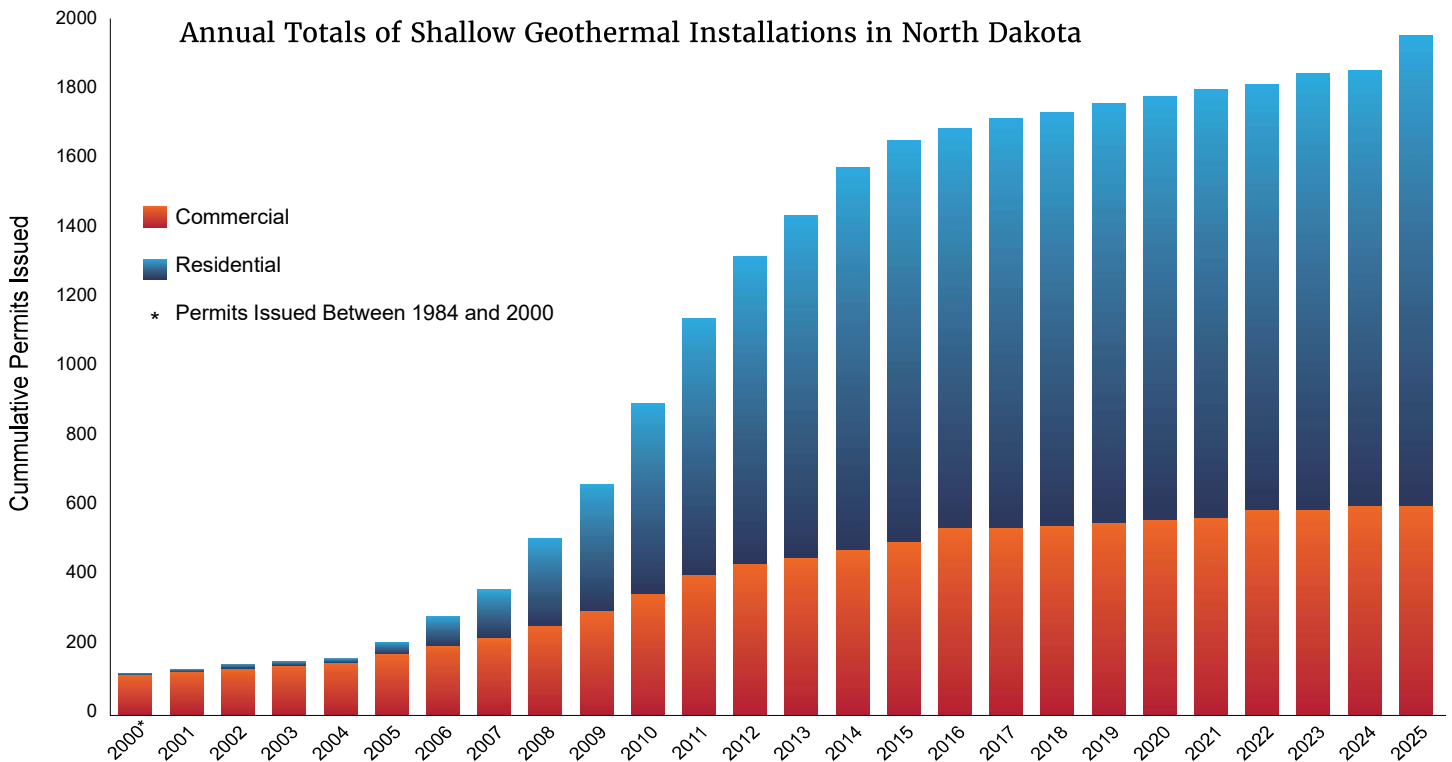
As technologies are developed and proved for economic extraction of geothermal energy from deep sedimentary reservoirs and crystalline basement rocks, the USGS models can augment probabilistic estimates of total geothermal resource potential for the Williston Basin.

GEOHERMAL TECHNOLOGIES

Geothermal technologies capture heat from subsurface formations and transport it to the surface for direct-use applications or electricity generation by circulating fluids through the subsurface to absorb thermal energy before returning to the surface. Dedicated geothermal projects will deploy one of two engineering designs to extract heat:

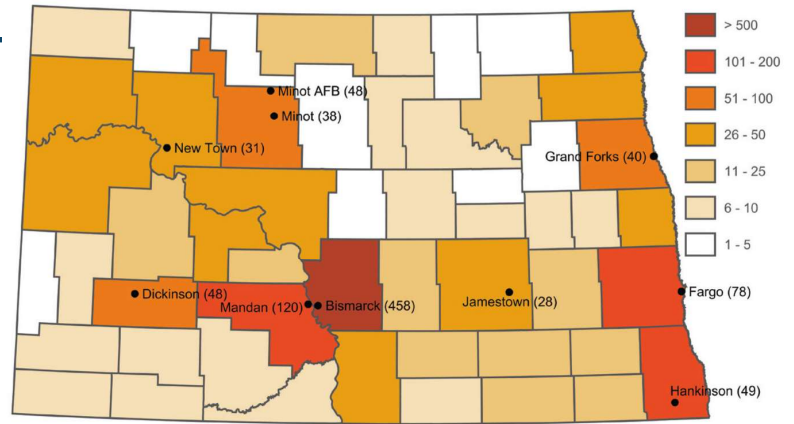
- » **OPEN LOOP** – Fluids circulate directly within the native subsurface environment through natural or anthropogenic fractures, absorbing heat through convective processes.
- » **CLOSED LOOP** – Fluids are confined within a series of pipes that do not interact with the natural environment, absorbing heat through conductive contact between the rock and pipe walls.

Incidental geothermal projects can take advantage of other subsurface fluid extraction processes, such as oil and gas production, and use a variation on the open-loop system. The fluids in these cases are a mixture of oil/water/gas, where the hydrocarbons are separated and sold to market and the produced water is reinjected into the producing formation or disposed of in a different formation.



(Image modified from Kruger, 2024)

Distribution of shallow geothermal systems by county. Communities with at least 25 installations are identified with their number of installations (Kruger, 2024).



Shallow Applications

Over the past 40 years, geothermal development in North Dakota has taken place exclusively in the shallow subsurface. This development has targeted heat for direct-use applications and geothermal heat pumps (GHPs). The average depth for installed GHPs in North Dakota is approximately 200 ft (61 m) (Yu, and others, 2016).

Most shallow geothermal industries use closed-loop designs to reduce environmental risk and ensure efficient fluid movement. Shallow geothermal applications include GHPs (i.e., ground-source heat pumps) and direct-use geothermal applications. GHPs provide passive heating and cooling through a series of subsurface pipes that circulate a working fluid to a heat exchange system, delivering the desired temperature via HVAC or other distribution systems. GHPs are widely deployable, ranging from single-family homes to larger businesses or public buildings such as the Century Center in Bismarck.

The Century Center is the largest state-owned building equipped with GHPs and has effectively heated and cooled across temperatures ranging from -40° to 110°F (-40° to 46°C) (DOE, 2025). Although the geothermal system added an extra \$100,000 to construction costs, the project recouped the installation cost within 2.5 years through energy savings (Manz, 2007).

Direct-use applications operate in a similar manner, though they vary in engineering and end use: pumped fluids deliver heat through an HVAC or larger distribution system. Surface applications range from greenhouse warming to grain drying and passive district heating.

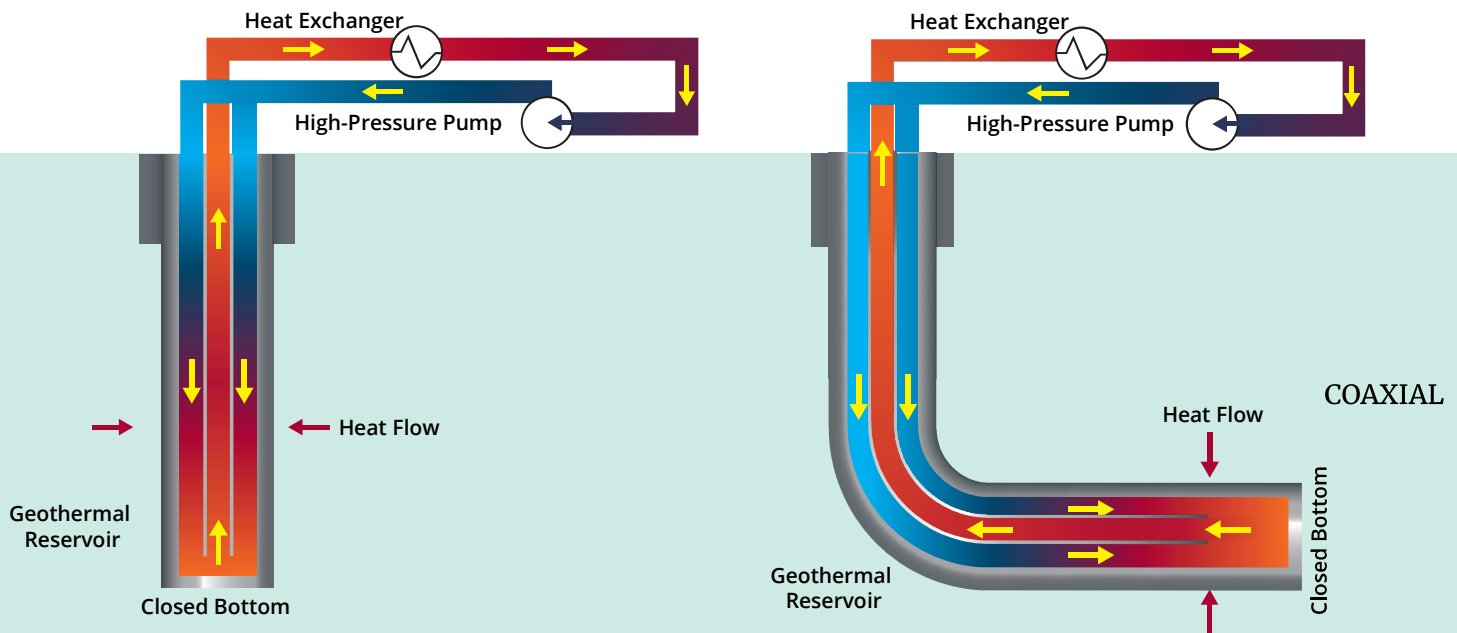
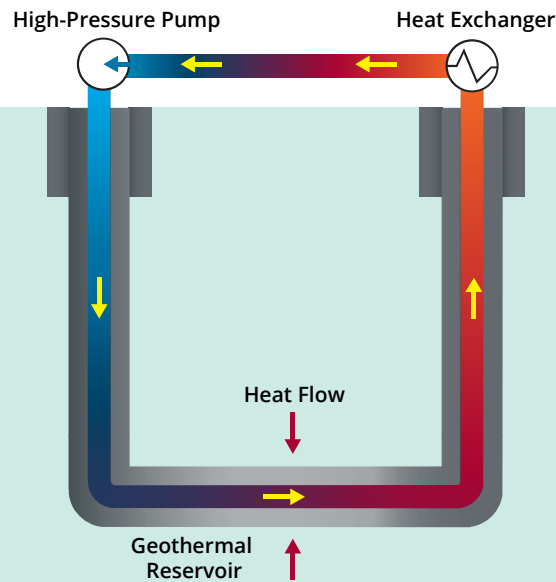
DIRECT-USE APPLICATIONS	
Single-Use Applications	District Heating Geothermal
<p>A geothermal system used directly at the point of need, typically for a single facility or small cluster of loads. Examples include:</p> <ul style="list-style-type: none"> » Heating a single building. » Greenhouses. » Industrial process heat. <p>Direct-use systems usually involve:</p> <ul style="list-style-type: none"> » A single production well. » A simple heat exchanger. » Short piping runs. 	<p>A centralized system that distributes geothermal heat to multiple buildings through a network of insulated pipes. Examples include:</p> <ul style="list-style-type: none"> » Campuswide heating loops. » Municipal heating systems. » Multibuilding commercial or residential blocks. <p>District heating systems typically involve:</p> <ul style="list-style-type: none"> » Production and injection wells. » Central pumping station. » Extensive distribution piping. » Load balancing and control systems.

GEOHERMAL TECHNOLOGIES

Deep Applications

Geothermal industries that target deep reservoirs will extract heat for direct-use applications and energy production. Direct-use applications in North Dakota can tap temperatures between 122° and 302°F (50° and 150°C). With sufficient flow volumes, today's ORC power generation technologies can operate efficiently with produced fluid temperatures as low as 194°F (90°C) (Taylor and others, 2013).

(Images modified from Budiono and others, 2022)



OPEN-LOOP SYSTEMS

Deep open-loop geothermal technologies are employed in conventional hydrothermal and enhanced geothermal systems (EGSs). Conventional systems rely on naturally permeable, fluid-filled reservoirs, while EGSs employ stimulation techniques to create or enhance permeability through anthropogenic fractures in otherwise low-permeability formations (DOE, 2019). These stimulation techniques are similar to fractures created for producing oil and gas in the Bakken. EGS designs will be the most likely form of open-loop system in the Williston Basin, as many geologic formations will need to be fractured to create suitable fluid-flow conditions.

DEEP Earth Energy Production Corp. (DEEP) is developing a commercial pilot-scale demonstration using EGS technologies. Situated near Estevan, Saskatchewan, just north of the North Dakota border, DEEP drilled a series of horizontal wells within the Deadwood Formation (the deepest formation in the Williston Basin), connected via a network of anthropogenic fractures. DEEP is moving forward with its commercial partners to develop a pilot-scale geothermal power plant capable of producing 5 MW (DEEP, 2025).

CLOSED-LOOP SYSTEMS

Deep closed-loop geothermal systems—often referred to as advanced geothermal systems (AGS)—are still in the early stages of commercial development, with only limited field deployment to date.

There are two deep closed-loop configurations:

- » **U-TUBE:** A working fluid is pumped down a vertical pipe, turns through a horizontal section of pipe within the wellbore, and returns to the surface through a second vertical pipe after absorbing heat.
- » **COAXIAL:** Also known as a tube-in-tube design. Fluid travels downward through a larger outer pipe and returns upward through a smaller inner pipe nested inside it.

The system performance for deep closed-loop systems is constrained by conductive heat transfer limits and near-wellbore thermal depletion, especially in low- to moderate-temperature formations like those in North Dakota. Because the working fluid remains fully contained within the pipes, it has no contact with the surrounding rock, sharply limiting heat uptake. A more fundamental challenge is that heat extraction can exceed the formation's natural rate of heat replenishment. Since closed-loop systems rely solely on conductive heat exchange between the pipe and the rock, the rock around the wellbore rapidly cools. This cooling reduces the temperature gradient that drives heat transfer, leading to declining system performance over time (Crowell and Crowell, 2026; Liu and Dahi-Taleghani, 2026). Until these limitations are addressed and the technology matures, AGS remain unproven at commercial scale.

GEOHERMAL POWER GENERATION

Types of Geothermal Power Plants

There are three basic types of geothermal power plants:

- » **DRY STEAM PLANTS** use steam directly from a geothermal reservoir to spin generator turbines.
- » **FLASH STEAM PLANTS**, the most common type, use high-pressure hot water from deep inside the Earth. When this hot water reaches the surface, its pressure drops, and some of it flashes (instantly turns) into steam, which in turn drives a turbine and generator. Once the steam cools, it turns back into water and is injected back into the ground to be used again.
- » **BINARY-CYCLE POWER PLANTS** transfer the geothermal heat to another liquid with a lower boiling point. Geothermally derived heat causes the second liquid to turn into vapor, which drives a generator turbine. At the temperatures available from North Dakota wells, direct steam use is not possible, and a binary-cycle plant would be needed to generate power.

ORGANIC RANKINE CYCLE (ORC)

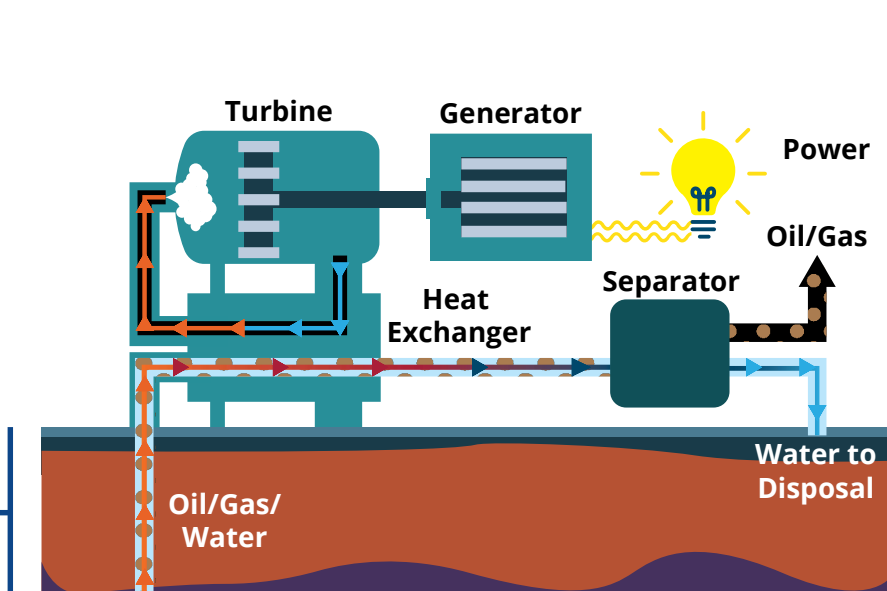
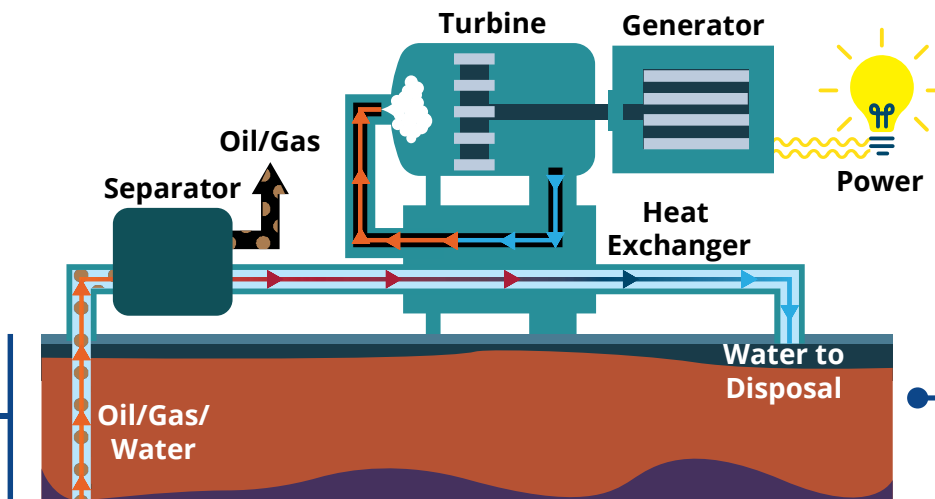
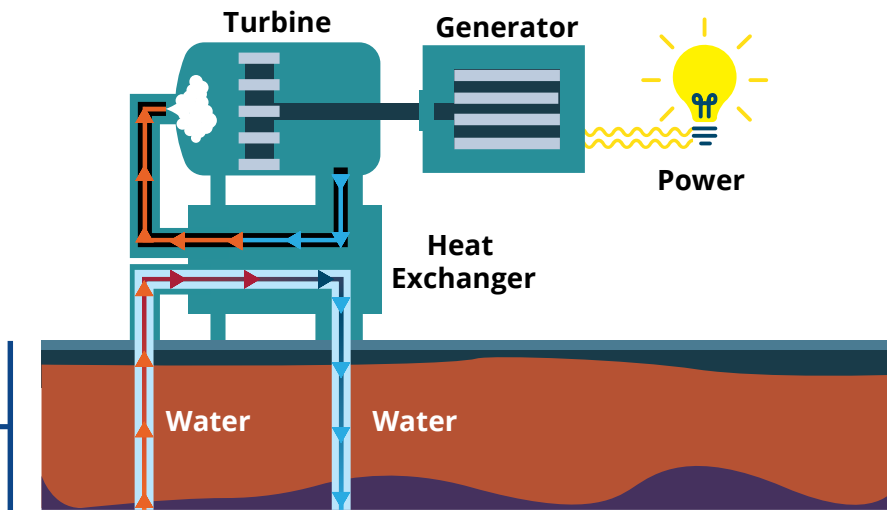
For generating power from a geothermal resource, a binary-cycle power plant would most likely use a light hydrocarbon in an ORC. ORC efficiency is determined by several factors. These include:

- » The **temperature of the inlet fluid** just before it enters the ORC.
- » The **ambient air temperature**, which determines how well the working fluid can be cooled using a water loop.
- » The **working fluid** used in the ORC. This will determine how cool the brine stream can be while still providing enough heat to vaporize the working fluid and generate power.
- » Any **process inefficiencies** inherent to the ORC, such as friction, power for cooling fans, power for pumps, heat losses, and pressure drops. These become more significant at low efficiencies because you make less power but still lose the same amount of energy to friction, heat, and pressure.

Even a perfect thermal power cycle—with no power losses to friction, fans, pumps, pressure drop, or heat loss—cannot ever be 100% efficient because of thermodynamic laws. Although Bakken Formation temperatures can be hotter than 200°F (93°C) at depth, fluids lose significant heat as they flow to the surface. A fluid stream at the wellhead might be 170°F (77°C) or cooler. Air temperature in western North Dakota varies dramatically throughout the year, but if the average annual air temperature is 50°F (10°C), the maximum theoretical efficiency a perfect system could achieve is only 18%. Efficiencies would be higher in the winter, when the air is colder, and at the start of well production, when the fluid stream leaving the production well is hotter. If a fluid is 200°F (93°C) when a well is first brought online and the ambient air temperature is -10°F (-23°C), about four times as much electricity could be generated per barrel of fluid.

170°F (77°C) is close to the limit at which an ORC can extract any power. When an ORC operates this close to its lower limit, process inefficiencies such as pressure drop and heat loss can become significant, sapping as much as 70% of the power. A real-world ORC using 170°F (70°C) fluid might run at less than 6% energy efficiency.

The amount of power that can be generated depends on how much heat can be extracted from the production fluids. In a previous study on low-temperature produced water (Johnson and Schochet, 2007), a large ORC manufacturer projected that brine could be cooled from 170° to 152°F (77° to 67°C). In that scenario, the flow rate would need to be over 700 times higher than the average flow rate from an end-of-life Bakken well to generate 180 kW of electricity.



Potential ORC configurations to extract heat from produced fluids in the oil field

(Images modified from DOE, 2026)

REGULATORY CONSIDERATIONS

North Dakota has regulated geothermal activities since 1984, and rules were updated in 2020 to differentiate between shallow and deep geothermal resources. Shallow geothermal projects in North Dakota are typically used for GHPs and direct-use applications, while deep geothermal wells are intended to someday be used for electrical energy generation. From 1984 through February 2026, North Dakota issued 1952 permits (1345 residential and 607 commercial) for shallow geothermal resources (Kruger, 2026).

Although North Dakota has had geothermal regulations in place for decades, their untested nature creates uncertainty about their practical application. North Dakota's lack of a deep geothermal industry may, in some part, be attributed to this regulatory uncertainty as well as economic, geologic, and technical barriers.

The National Renewable Energy Laboratory's report, *Topics and Considerations for Developing State Geothermal Regulations* (Levin and others, 2023), reviewed existing state regulations and outlined recommendations for developing and/or updating existing geothermal regulations.

The following issues highlight the regulatory knowledge gaps facing the geothermal industry in North Dakota:

- » Ownership of heat is not defined in North Dakota law.
- » Unclear ownership of by-products such as minerals generated during the geothermal process, e.g., dissolved minerals contained within brine.
- » Uncertainty in Class V permitting process and interagency oversight for both deep geothermal injection wells and conversion of oil and gas wells to geothermal wells.
- » Consideration of ownership of other subsurface resources such as pore space, oil, and minerals during geothermal operations.

Additional clarification of these topics will benefit North Dakota landowners, industry, and regulators by giving clear lines of ownership that could be settled by legislation rather than court action.

North Dakota has provided general oversight of geothermal energy extraction to the North Dakota Geological Survey (NDAC 43-02-07-03). However, geothermal wells are permitted as Underground Injection Control (UIC) Class V wells by the North Dakota Department of Environmental Quality. Active research is evaluating the feasibility of pairing geothermal operations with other subsurface industries such as oil and gas production (Class II), critical mineral extraction (Class III), and permanent storage of CO₂ (Class VI) (Loschetter and others, 2025; Hormozzade Ghalati and others, 2025). Although UIC Class V wells cover a wide range of injection activities, such as waste and stormwater disposal, little to no guidance on paired activities falls under other UIC well classifications.

In addition, specific regulatory requirements may need to be revisited to account for emerging technologies used to extract geothermal energy, such as the distinction between open- and closed-loop systems. Currently, North Dakota's regulations for deep geothermal are designed for open-loop systems, and the associated facility permit application requires information on an injection (disposal) formation. A closed-loop system will not have a disposal formation because the fluid is within a contained system.



In North Dakota, geothermal exploration must evaluate target geologic formations for the presence of hydrocarbons prior to development. Hydrocarbons within a prospective geothermal reservoir can constrain or preclude geothermal development as mineral rights and extraction take legal precedence over other subsurface resource uses under North Dakota law (North Dakota Century Code § 38-08).

During exploratory drilling, drillstem tests (DSTs) provide a direct method for assessing the presence of hydrocarbons by collecting formation fluid samples and measuring reservoir pressure, permeability, and flow characteristics (Stolldorf, 2021). The North Dakota Geological Survey has compiled DST data from several formations across western North Dakota, including the Lodgepole, Red River, Winnipeg, and Deadwood. Many of these tests indicate oil and gas within each formation, underscoring the potential for conflict between geothermal resource development and existing or prospective hydrocarbon production.



FINANCIAL INCENTIVES

STATE TAX CREDITS

North Dakota has a property tax exemption for 5 years following installation of geothermal equipment or structures. An income tax credit for geothermal industries was available from 2008 through 2015, but that credit has since expired. At the time of this report, geothermal industries have no state tax exemptions. Reinstating and expanding tax exemptions and credits would be a mechanism to further entice geothermal development within the state.

FEDERAL TAX CREDITS

Current federal law provides significant incentives for electricity generation from geothermal energy. Although the One Big Beautiful Bill Act of 2025 reduced the eligibility period for wind and solar facilities, geothermal projects placed in-service after December 31, 2024, remain eligible for either the production or investment tax credits under §§ 45 and 48, respectively, of the Internal Revenue Code (IRC). The investment tax credit (ITC) provides a one-time credit against the capital cost of the facility, while the production tax credit (PTC) provides ongoing tax credits based on kilowatt-hours produced for a 10-year period. Given high capital costs, the ITC is likely more appropriate for geothermal development, though certain circumstances may dictate preference for the PTC.

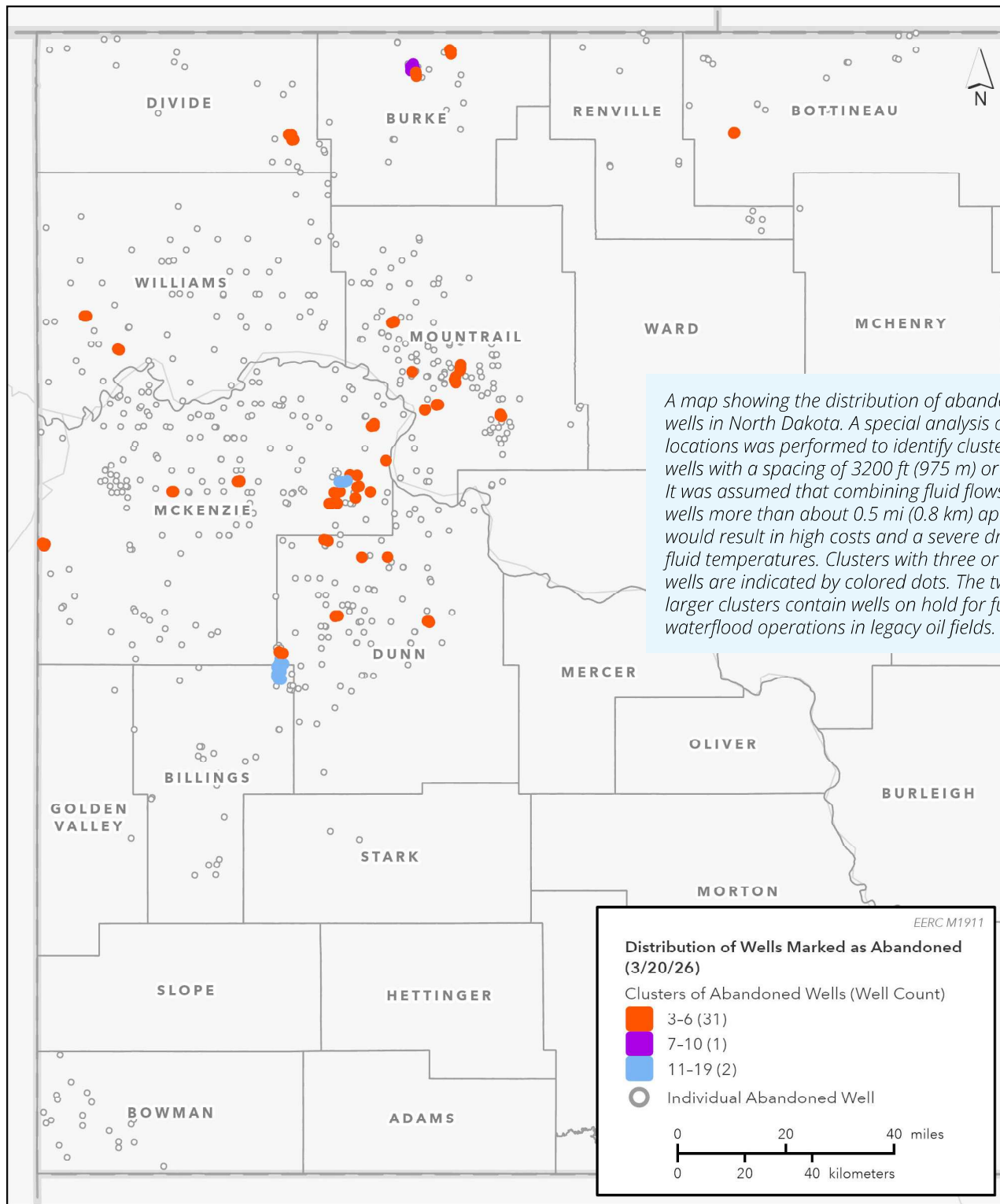
§ 48 of the IRC provides an ITC of up to 30% of the eligible project cost, assuming full compliance with applicable prevailing wage and apprenticeship requirements, another 10% if the project meets domestic content requirements, and 10% if the project is constructed within a qualifying energy community, for a total potential ITC of 50%. § 45 of the IRC provides a PTC of up to 3 cents/kWh (adjusted for inflation), again assuming compliance with prevailing wage and apprenticeship, domestic content, and energy community requirements, for a period of 10 years following the date the facility is placed in service.

Application of Geothermal Energy to Nonproductive Oil and Gas Wells in the Williston Basin

The Williston Basin contains just over 20,000 active wells, many of which have reached late life or nonproductive status because of declining hydrocarbon flow rates, unfavorable economics, or depleted formation pressures. These marginal-to-nonproductive wells already have known depths, lithologies, and temperature gradients along with documented completion and production histories. This knowledge has dramatically reduced exploration risk—the most expensive and uncertain stage of geothermal development. The theory of repurposing such wells for geothermal applications may offer a pathway to extend the useful life of existing wellbores, defer plugging and abandonment costs, and extract renewable heat using previously sunk capital. Repurposing selected Bakken wells into geothermal assets for heat and/or power has been considered a means to maximize the use of existing infrastructure. Potential uses could include local heating for pads and nearby facilities, as well as small-scale power generation when flows are sufficient. Although this concept seems promising, several challenges must be overcome.

As of March 2026, nearly 700 wells were listed as abandoned and slated for plugging. Although these wells no longer support profitable oil or gas production, many penetrate deep, hot sedimentary formations. A major challenge for using wells marked for abandonment is their scattered geographic locations. Also, multiple candidate wells slated for abandonment are rarely on the same well pad. Another significant challenge is the low flow rates of these wells (typically less than 200 barrels per day).

Typical bottomhole temperatures in the Williston Basin range 140°–300°F (~60°–150°C) at depths of ~1–3 mi (~2–5 km). Although these temperatures are generally insufficient for high-temperature electricity generation, they are well suited for direct-use heat and potentially suitable for low-temperature power applications. Gosnold and others (2020) investigated the potential to coproduce electrical power from fluid production on multiwell Bakken pads. The authors acknowledge that heat was lost between the Bakken Formation and the surface and that flow rates drop significantly as Bakken wells mature. In conclusion, the authors state that the coproduction of electric power from multiwell pads would negligibly impact well field electrical power supply.



NORTH DAKOTA ENERGY PRODUCTION

How Does Geothermal Fit in to North Dakota’s Energy Landscape?

North Dakota is a significant producer and exporter of electricity. The state’s 65,000 mi of transmission and distribution lines support the delivery of power both within and beyond state borders, with nearly one-third of total electricity generation exported to neighboring states and Canada through the regional electric grid. The U.S. Energy Information Administration annual electric power industry report (Form EIA-860) survey dataset shows that North Dakota has 101 generating units, with a total nameplate capacity of 10,162 MW (last updated 2025). The table below highlights North Dakota’s generating capacity by fuel type in 2024. Coal-fired power plants continued to generate most of the state’s electricity (~54%), followed by wind at 35% and natural gas and hydroelectric sources contributing 7% and 5%, respectively, in 2024.

North Dakota’s geothermal potential may make a stronger case for the widespread use of GHPs to contribute to energy savings. As North Dakota faces ever-increasing electricity demand, direct geothermal use can help flatten the curve by reducing overall electricity demand. Retrofitting homes and businesses in North Dakota with heat pumps offers benefits, including improved energy efficiency, reduced operating costs, and enhanced long-term system performance. According to the Oak Ridge National Laboratory’s GeoVision thermal applications report, geothermal systems provide both immediate and long-term economic value (Lui and others, 2019). Because geothermal systems require less energy to operate, monthly utility bills decline significantly for both residential and commercial users. These immediate savings would benefit North Dakota consumers while deferring energy to other buyers.

North Dakota Electricity Generation Capacity by Fuel Source in 2024

Fuel Source	Nameplate Capacity, %	Nameplate Capacity, MW
Coal	39.59	4023
Hydroelectric	5.74	583
Natural Gas	9.24	939
Other	0.05	5.3
Other Biomass	0.096	9.8
Other Gases	0.073	7.5
Petroleum	0.647	65.7
Wind	44.57	4529
Total 10,162 MW		10,162 MW

Geothermal energy offers North Dakota an opportunity to diversify its energy portfolio and build on decades of associated research and subsurface characterization.

Over the past couple of decades, various North Dakota institutions have investigated the state's geologic characteristics and feasibility for shallow and deep geothermal energy development. This research has been greatly supported by data collection and interpretation derived from the state's oil and gas commercial activities.

Technological improvements have expanded the feasibility of geothermal development in the low- to medium-temperature ranges common across the state. Engineering advancements and continuous refinement of working fluids for ORC generators enable efficient operation with input temperatures as low as 194°F (90°C). Advancements such as EGS in deep subsurface open-loop systems have also helped push the geothermal energy industry into new directions.

Many of the technical competencies, operational practices, and equipment required for geothermal development parallel those used in hydrocarbon production. Existing infrastructure offers an enticing opportunity for geothermal adaptation as abandoned oil and gas wells could be repurposed in certain circumstances for small-scale, distributed geothermal applications. Integrating this shared expertise could reduce barriers to entry, extend the productive life of existing assets, and create economic opportunities within mature energy basins.

Despite these advantages, commercial geothermal activity has been slow to emerge in North Dakota.

Key barriers include:

- » **Geologic constraints** such as geologic heterogeneity (porosity and permeability) and high salinity of formation fluids.
- » **Subsurface competition.**
- » **Economic considerations.**

Economically viable geothermal systems require sufficient porosity, permeability, and temperature within specific formations. As such, not all deep formations in the Williston Basin are appropriate for geothermal energy generation. Areas of North Dakota that meet the conditions for potential geothermal electricity production are limited to the western portion of the state, where oil and gas activities occur. This juxtaposition is a boon to increased understanding of the subsurface and synergy with the oil and gas industry but also presents the potential for subsurface resource competition.

Economic considerations, such as high up-front capital costs for drilling and surface infrastructure, may hinder the emerging industry. Although the adaptation of abandoned oil and gas wells is touted as a solution to overcome initial drilling costs, these wells will still need to be evaluated, retrofitted, and possibly redrilled to enable efficient geothermal heat extraction.

Although these barriers may limit near-term deployment of deep geothermal power generation, several opportunities remain. Exploiting shallow and deep heat resources, GHPs for individual buildings or district heating can provide energy-saving solutions to North Dakota. Compared with electricity generation, direct-use heating can use lower-temperature fluids, requires simpler and less costly infrastructure, and has a history of success in North Dakota. Implementing GHPs could lower heating and cooling costs and allow deferred energy use to be sold to other end users.

Direct heating applications can extend to the agricultural industry for grain drying and greenhouses, and broad deployment of direct-use geothermal heating could serve as a practical entry point for the industry, helping to better define resource potential, costs, and operational challenges.

NEXT STEPS

Several research initiatives are needed to advance the feasibility of geothermal in North Dakota.

These initiatives would inform site selection and design of future pilots, bolster business cases, and reduce risk. Enhanced modeling efforts—built on available geologic, thermal, and production datasets representative of the Williston Basin—could better incorporate the known heterogeneity of deeper formations. Examining relationships among bottomhole temperatures, wellhead temperatures, fluid flow rates and volumes, salinity, and energy production potential would yield important insights into the basin’s geothermal resource base formation by formation.

A regulatory and techno-economic assessment of EGS within oil bearing formations would further clarify challenges and opportunities in managing shared subsurface resources. This work would evaluate factors such as well spacing, water-handling strategies, induced seismicity considerations, and life cycle impacts to identify priority areas for future investigation.

Work to date has not fully characterized the costs and operational conditions of utilizing Williston Basin geothermal energy to demonstrate commercial deployment. Pilot-scale demonstration—designed to reflect typical subsurface conditions of the Williston Basin—and operated for extended duration, would generate valuable, real-world data on the feasibility of low-temperature geothermal electric generation in the state.

Insight	Recommended Action
<p>Previous geothermal assessments of the Williston Basin often overlooked geologic variability and reservoir parameters affecting geothermal energy production.</p>	<p>Support new laboratory and modeling-based research that integrates advancements in geothermal engineering systems with representative geologic conditions.</p>
<p>There is a lack of detailed geologic data on the deepest, hottest formations in western North Dakota (e.g., Deadwood Formation).</p>	<p>Drill new exploratory well to thoroughly characterize the lowermost formations for their geothermal potential.</p>
<p>Earlier geothermal pilot projects were inconclusive or used nonrepresentative geology, severely limiting the applicability of results.</p>	<p>Design and execute a pilot project for geothermal electrical generation, integrating engineering systems with representative geologic properties.</p>
<p>Direct-use geothermal applications remain notably understudied. Although they do not provide power, they have meaningful potential to free up electricity on the grid.</p>	<p>Expand the focus of research on the applicability and deployment of direct-use geothermal applications in North Dakota.</p>
<p>North Dakota statutes and regulations contain ambiguities related to deep geothermal energy production.</p>	<p>Evaluate current statutes in the context of emerging geothermal technologies and recommend changes to provide clarity for potential project developers.</p>
<p>Repurposing abandoned oil and gas wells for geothermal use in North Dakota represents a significant challenge.</p>	<p>Shift focus from this concept to minimizing the cost of drilling new wells for geothermal use and/or other cost-saving measures.</p>

This pilot could also be paired with complementary industries such as hydrocarbon production or processing, enabling synergistic use of existing infrastructure and operational expertise. Comprehensive engineering analysis carried out during the pilot would help quantify key performance metrics, including heat extraction rates, working fluid behavior, parasitic load requirements, and life cycle system performance. These evaluations would also identify operational and design considerations relevant to future deployment across varied geological conditions.

The resulting data from these collective efforts would significantly reduce technical uncertainty, support scaling analyses, and inform broader assessments of geothermal development potential in North Dakota.

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NORTH DAKOTA GEOTHERMAL ENERGY

“This is just an awesome resource that’s under our feet. Let’s work together to better energize our country, improve quality of life, drive AI innovation, support manufacturing reshoring, and stop rising electricity prices.”

Chris Wright, U.S. Secretary of Energy

ACKNOWLEDGEMENT

Geothermal energy production continues to gain interest among federal government, state of North Dakota, and industry leaders as a dispatchable (on demand) renewable resource. For North Dakota, geothermal represents an opportunity to expand and diversify the utilization of our unique geologic resource in the Williston Basin. The EERC appreciates the efforts of its partners with the North Dakota Industrial Commission, North Dakota legislature through its passage of S.B. 2360, and the University of North Dakota College of Engineering and Mines to further explore this energy resource and its potential for our state.



North Dakota
Industrial Commission

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Industrial Commission of North Dakota

Kelly Armstrong
Governor

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

RESOLUTION OF THE INDUSTRIAL COMMISSION OF NORTH DAKOTA NAMING HEARING OFFICERS

Whereas, Section 38-08-04.1 of the North Dakota Century Code provides that the Industrial Commission may use hearing examiners under such rules and regulations as the Commission may prescribe; and

Whereas, Section 43-02-03-93 of the North Dakota Administrative Code provides that the Commission may by motion designate and appoint qualified individuals to serve as hearing examiners

Now Therefore, the Industrial Commission rescinds all prior appointments of examiners and designates and appoints the following individuals to serve as the Commissioner's examiners as it relates to the Commission's responsibilities under Chapter 38-08 of the North Dakota Century Code:

Office of Administrative Hearings to include ALJ Hope Hogan and ALJ David Garner

Matthew Sagsveen, Assistant Attorney General

Nathan D. Anderson, Director, Department of Mineral Resources, Director, Oil and Gas Division

Mark Bohrer, Assistant Director, Oil and Gas Division

Ashleigh Theil, Hearing & Order Process Manager

David Tabor, Senior Field Operations Manager

Michael Ziesch, Executive Manager – Agency Support

Gunther Harms, UIC & Treating Plant Manager

Richard Suggs, Geology & UIC Class VI Program Manager

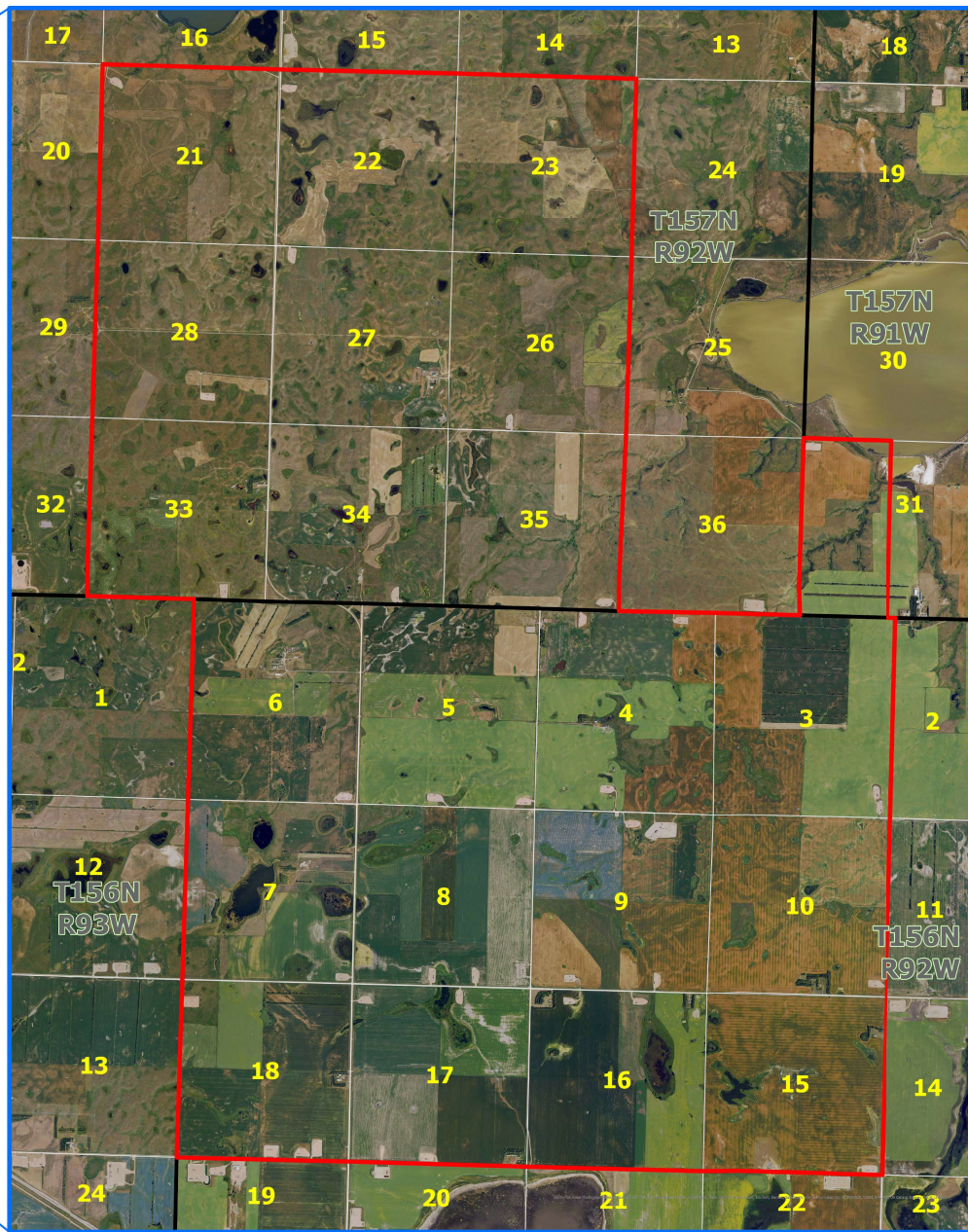
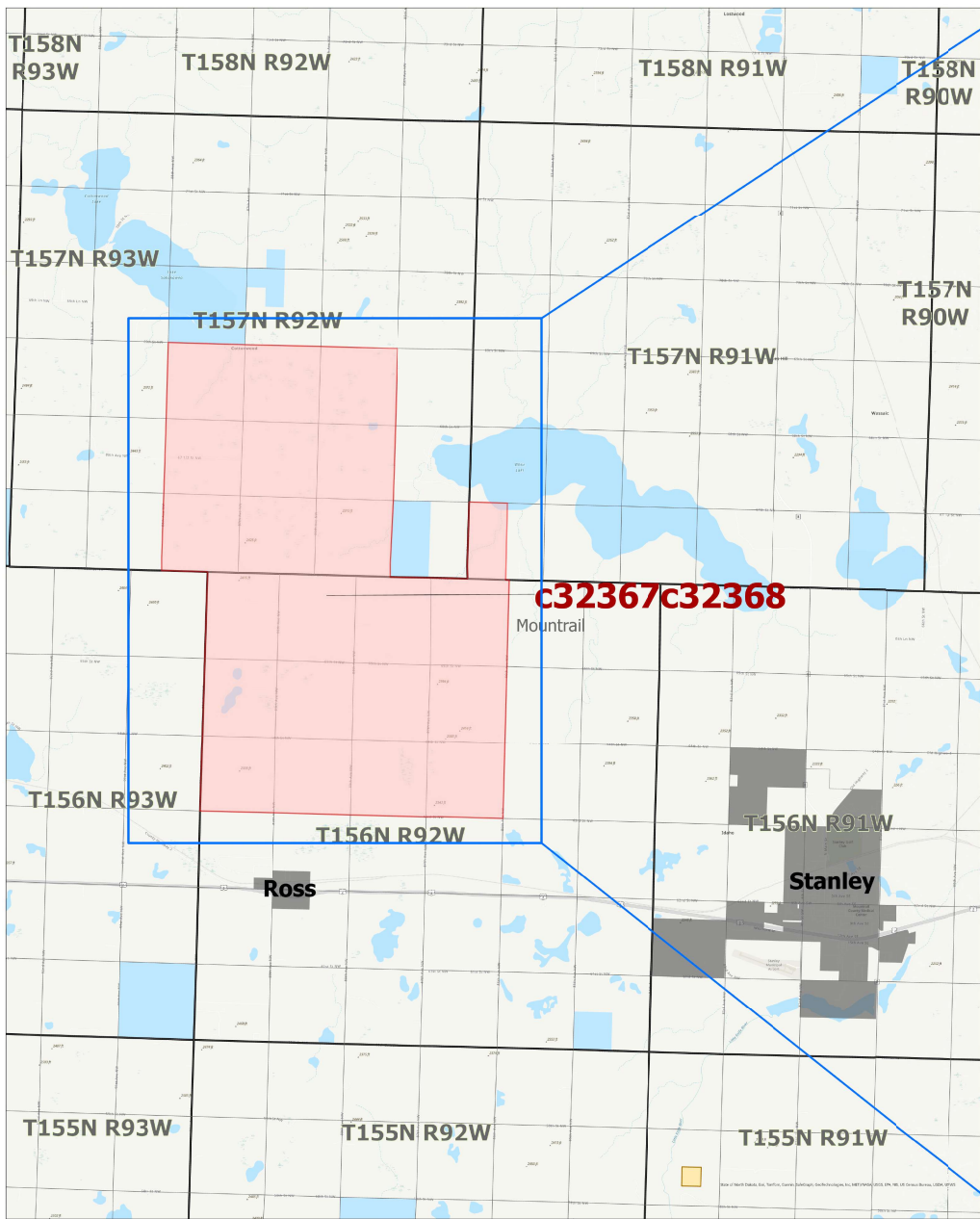
Effective April 28, 2026

Kelly Armstrong, Governor
Chair, NDIC

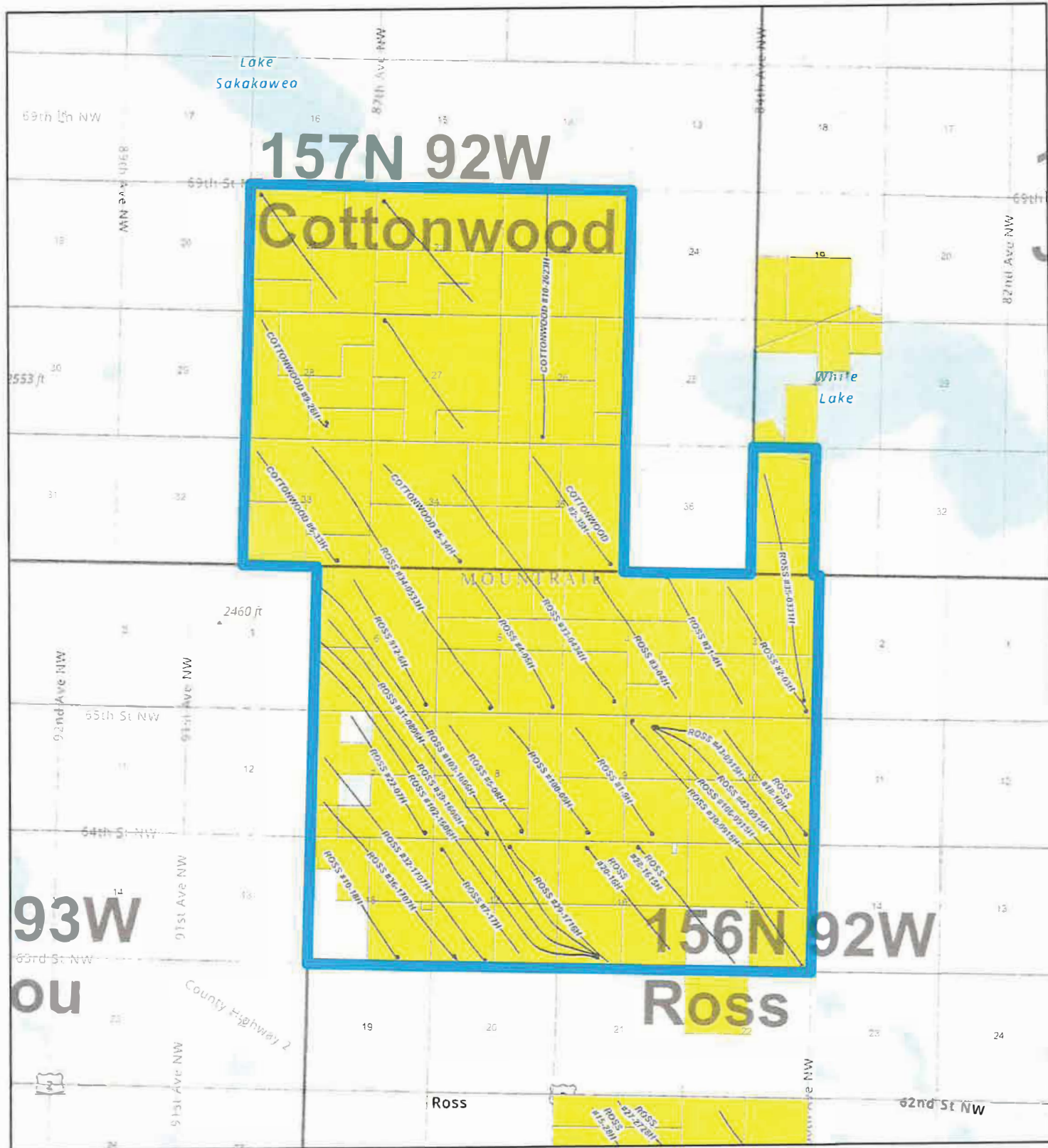
Attest: Karen Tyler
Executive Director, NDIC

Case No. 32367 / Order No. 35122

Petition of EOG Resources, Inc. for an order providing for the unitized management, operation, and further development of the Alger-Bakken (Ross) Unit Area, consisting of lands within portions of the Alger Field and Cottonwood Field in Mountrail County, ND; for approval of the unit agreement and unit operating agreement constituting the plan of unitization for the Alger-Bakken (Ross) Unit Area; for approval of the plan of operation; vacating the applicable spacing orders; and for such further and additional relief.



EOG Leasehold



Legend

- EOG Acreage
- EOG Drilled Well
- Alger-Bakken (Ross) Unit

INDUSTRIAL COMMISSION
STATE OF NORTH DAKOTA
DATE 12/3/25 CASE NO. 32367
Introduced By EOG
Exhibit L-2
Identified By Morgan

Proposed Alger-Bakken (Ross) Unit
Exhibit L-2
December 3, 2025
Case _____



Alger-Bakken (Ross) Unit
Bakken Pool



-  Proposed Pads
-  Proposed PAD&CTB
-  Primary Unit Boundary
- Existing BKKN and TF Wells
 -  Org. Bakken
 -  Org TF
-  Proposed BKKN Well
-  Proposed Three Forks Well
-  Cross-Section in Exhibit E2
-  Cross-Section in Exhibit E3

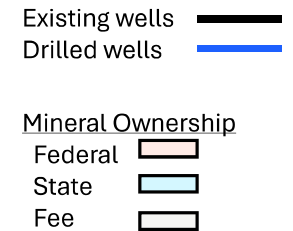
INDUSTRIAL COMMISSION
 STATE OF NORTH DAKOTA
 DATE 12/3/25 CASE NO. 32367
 Introduced By EOG
 Exhibit E1
 Identified By Schmidt

Case No.
 Exhibit E1
 December 3, 2025

EOG Resources, Inc. Existing DSU

- Ross 1606H DSU - approved
 - 2880-ac DSU
 - Order 34195

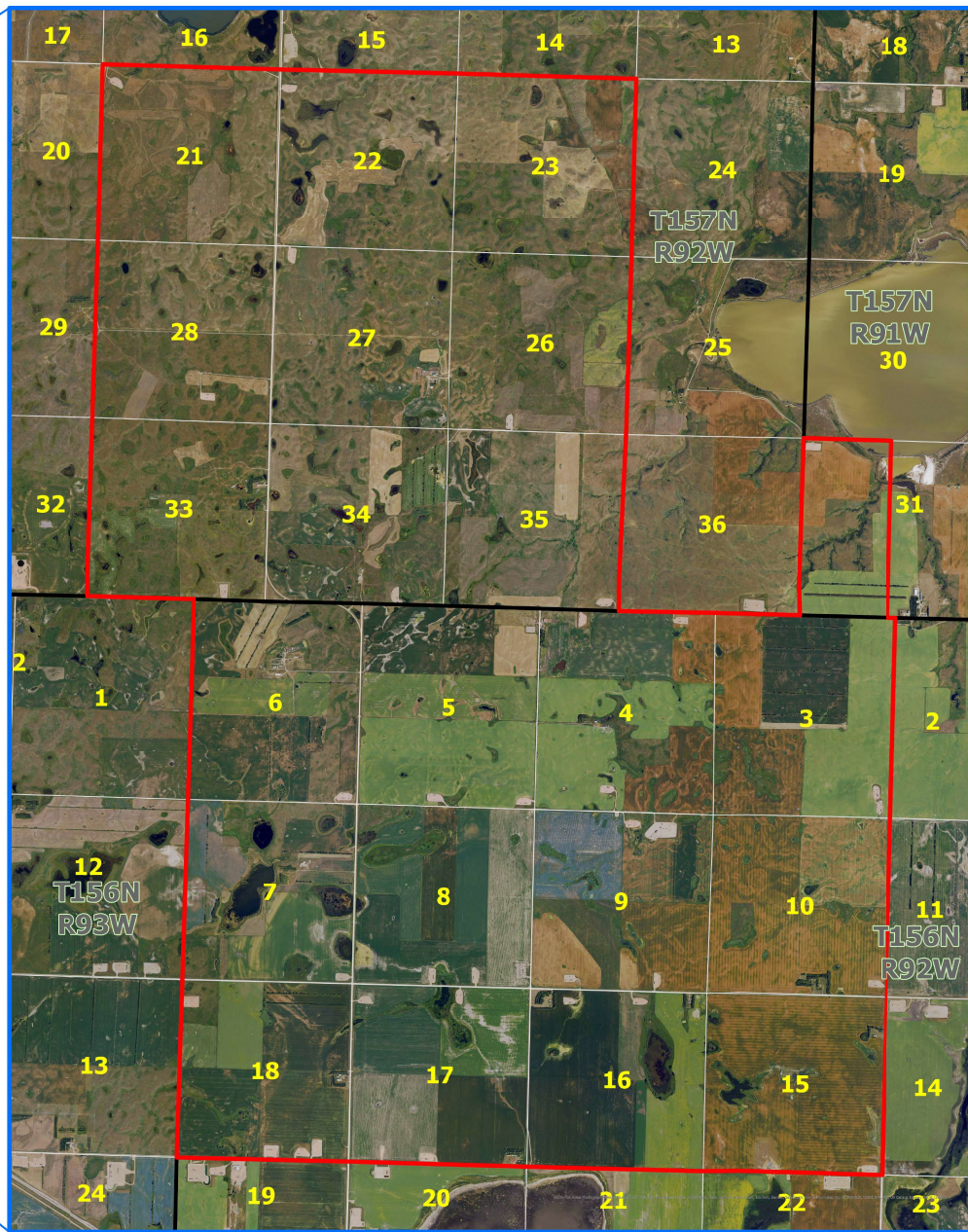
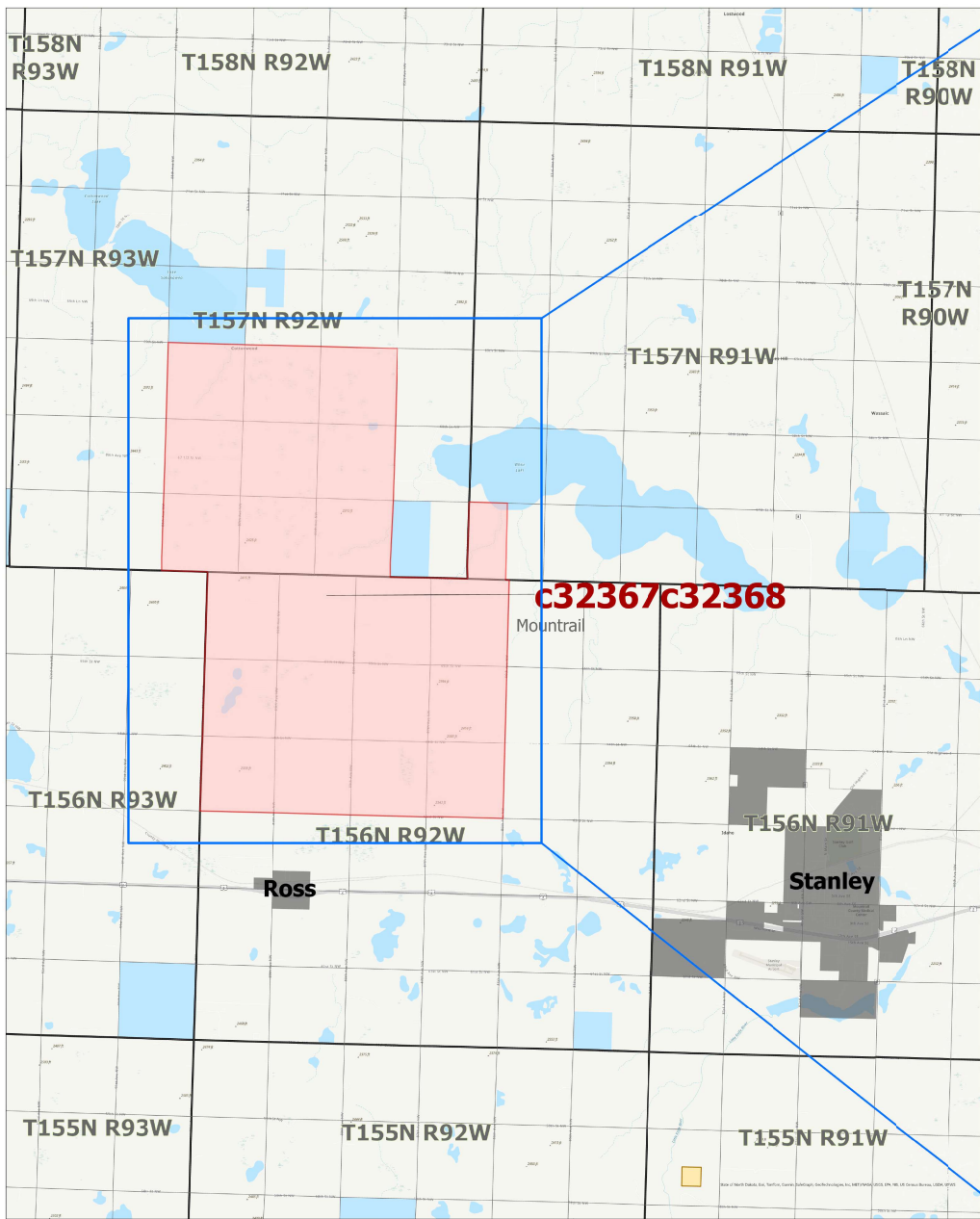
- 3 wells
 - Drilled/ completed/IP 11/4/25
 - Ross 39-1606H
 - Ross 102-1606H
 - Ross 103-1606H



Supplemental Land Exhibit
Alger-Bakken (Ross) Unit

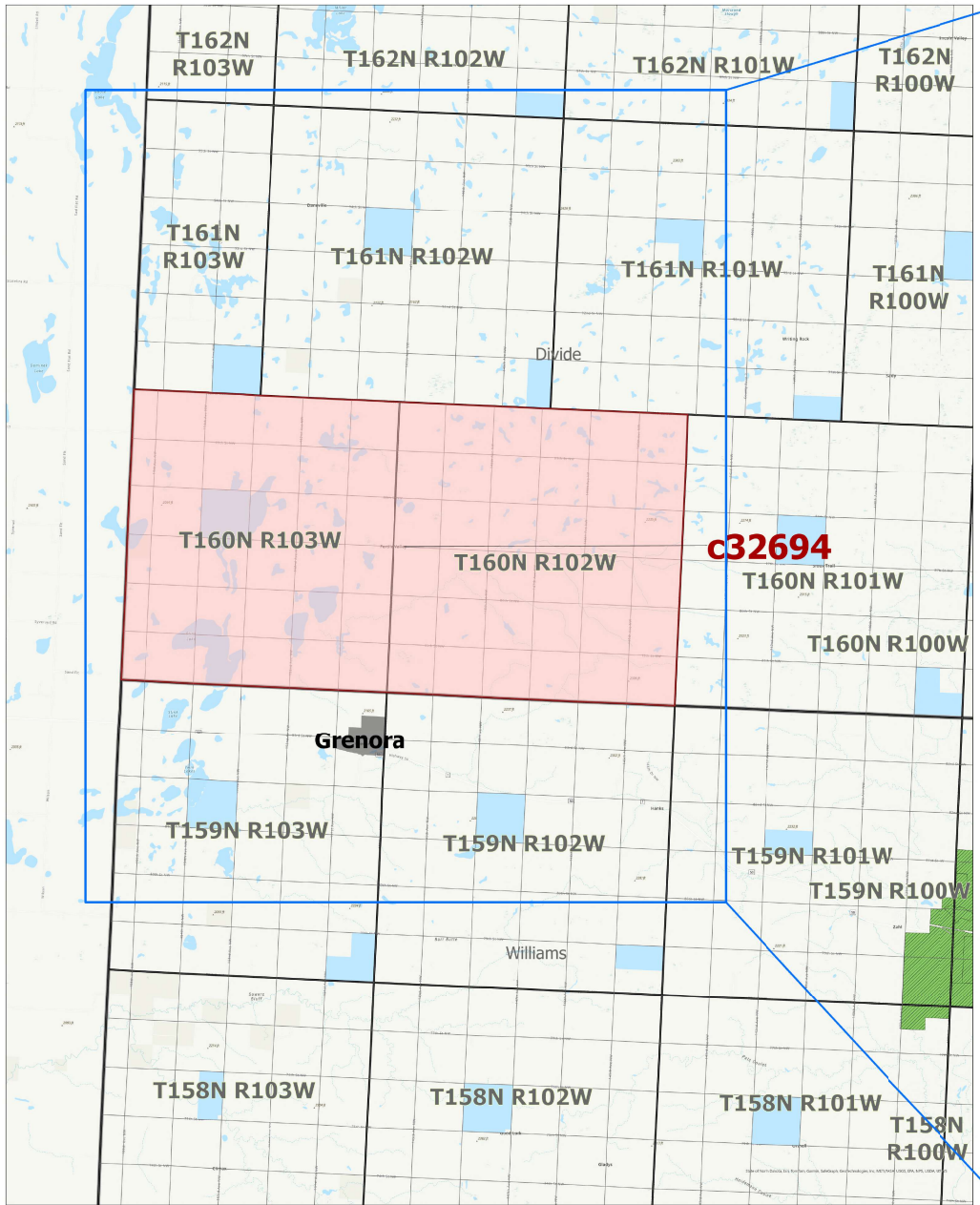
Case No. 32368 / Order 35123

Application of EOG Resources, Inc. for an order determining that the plan of unitization for the Alger-Bakken (Ross) Unit Area, consisting of lands within portions of the Alger Field and Cottonwood Field, Mountrail County, ND, has been signed, ratified or approved by owners of interest owning that percentage of the working interest and royalty interest within said unit as is required by applicable statutes and rules of the Commission.



Case No. 32694 / Order 35551




Application of KODA Resources Operating, LLC for an order authorizing the flaring of gas from certain current and future wells completed in the Fertile Valley-Bakken Pool, Divide County, ND, for a temporary period of time and to allow the volumes of flared gas to be excluded from the calculations of statewide and county wide flare volumes as an exception to the provisions of Commission Order No. 34127 and such further and additional relief.



KODA Installed Gas Gathering Infrastructure



- KODA has made significant investment in infield gas gathering and built a centralized Gas Processing Facility (“GPF”) as an interim solution for gas capture that set the asset up for future gas takeaway connection to 3rd Party Midstream
 - Installed 17 miles of low pressure gas gathering pipelines (>\$6MM)
 - ~2 miles added in 2025
 - Spent >\$6MM on Stout GPF
 - ~6MMcfd current capacity
 - Combination of NGL stripping (Valence) and power generation for crypto/cloud computing (NYDIG - fka Crusoe)
 - KODA to build \$10MM compressor station located at Stout GPF for Steel Reef gas takeaway project
 - Target in service date of September 2027
- KODA has deployed an additional ~5 MMcfd of mobile capture on pads across the field with NYDIG and Torrent
 - Commissioned in Q1 2026
- Total gas capture capacity increased from 6 MMcfd to 11 MMcfd in Q1 2026
- KODA continues to use fuel gas for on site power generation on every pad to run well site and artificial lift equipment
- KODA will continue to deploy additional gas capture equipment on delineation pads that are not connected to gathering system when possible

-  - Fertile Valley Field Outline
-  - KODA Gas Gathering
-  - Stout GPF

KODA

Exhibit E5

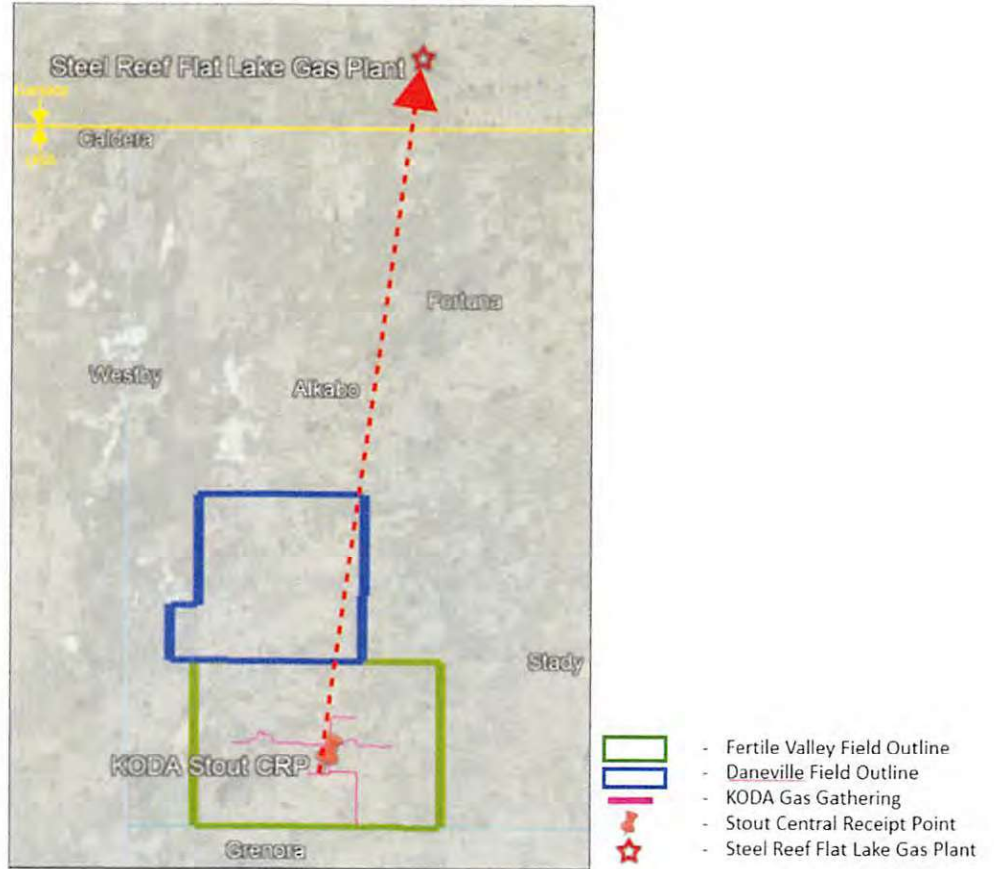
CASE NO 32694

KODA/Steel Reef Gas Capture Project

KODA and Steel Reef, a Canadian based flare gas capture and energy company with infrastructure in Saskatchewan and North Dakota, have entered into a Gas Purchase Agreement.

Plan:

To move raw natural gas captured at Koda's Stout Central Receipt Point (KODA Stout CRP) to Steel Reef's Flat Lake Gas Plant for processing.



Proposed Scope:

KODA gas will be moved to the Steel Reef Flat Lake Gas Plant via the following new and expanded infrastructure.

- **Koda Central Receipt Point Expansion – KODA**
Installation of new compression, dehydration, and metering infrastructure at existing KODA CRP (Stout GPF)
- **New and Expanded ND Pipeline Infrastructure – Steel Reef**
Up to 30 miles of new 10" gathering pipeline infrastructure from KODA CRP to new X-Border Pipeline
- **New X-Border Pipeline – Steel Reef**
Approximately 3.5 miles of new 8" gathering pipeline from ND to Flat Lake Gas Plant
- **Flat Lake Gas Plant Expansion – Steel Reef**

New gas handling and processing train consisting of the following equipment

- | | |
|------------------------------------|----------------|
| ○ Inlet Separator | ○ Stabilizer |
| ○ Mechanical Refrigeration Package | ○ Line heater |
| ○ Sales Gas Compressor | ○ NGL Storage |
| ○ Hot Oil Package | ○ Utility Heat |
| ○ Dual Flare stack | |

INDUSTRIAL COMMISSION
STATE OF NORTH DAKOTA

DATE 3/26/26 CASE NO. 32694
Introduced By KODA / Steel Reef
Exhibit E-7
Identified By Geldreich

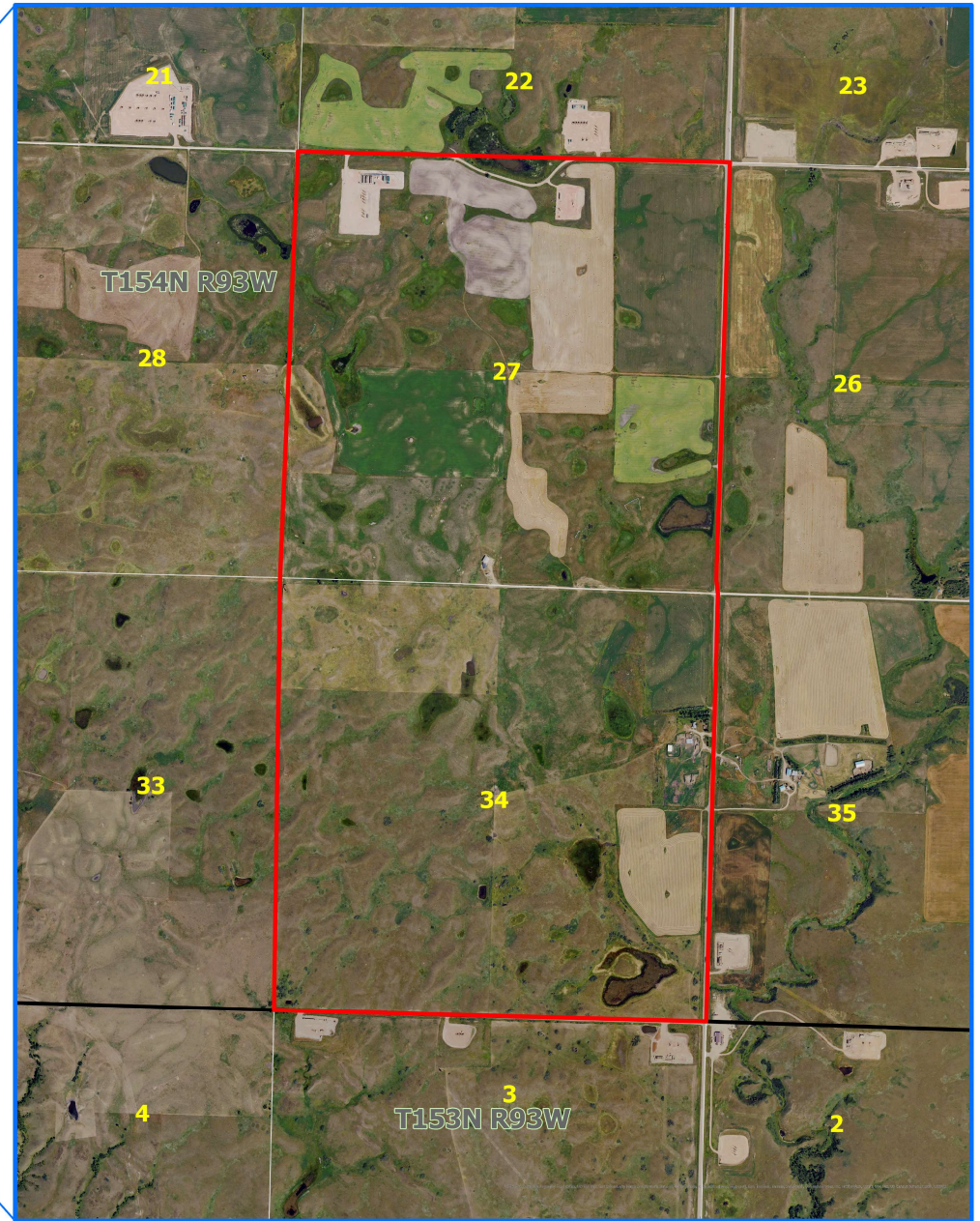
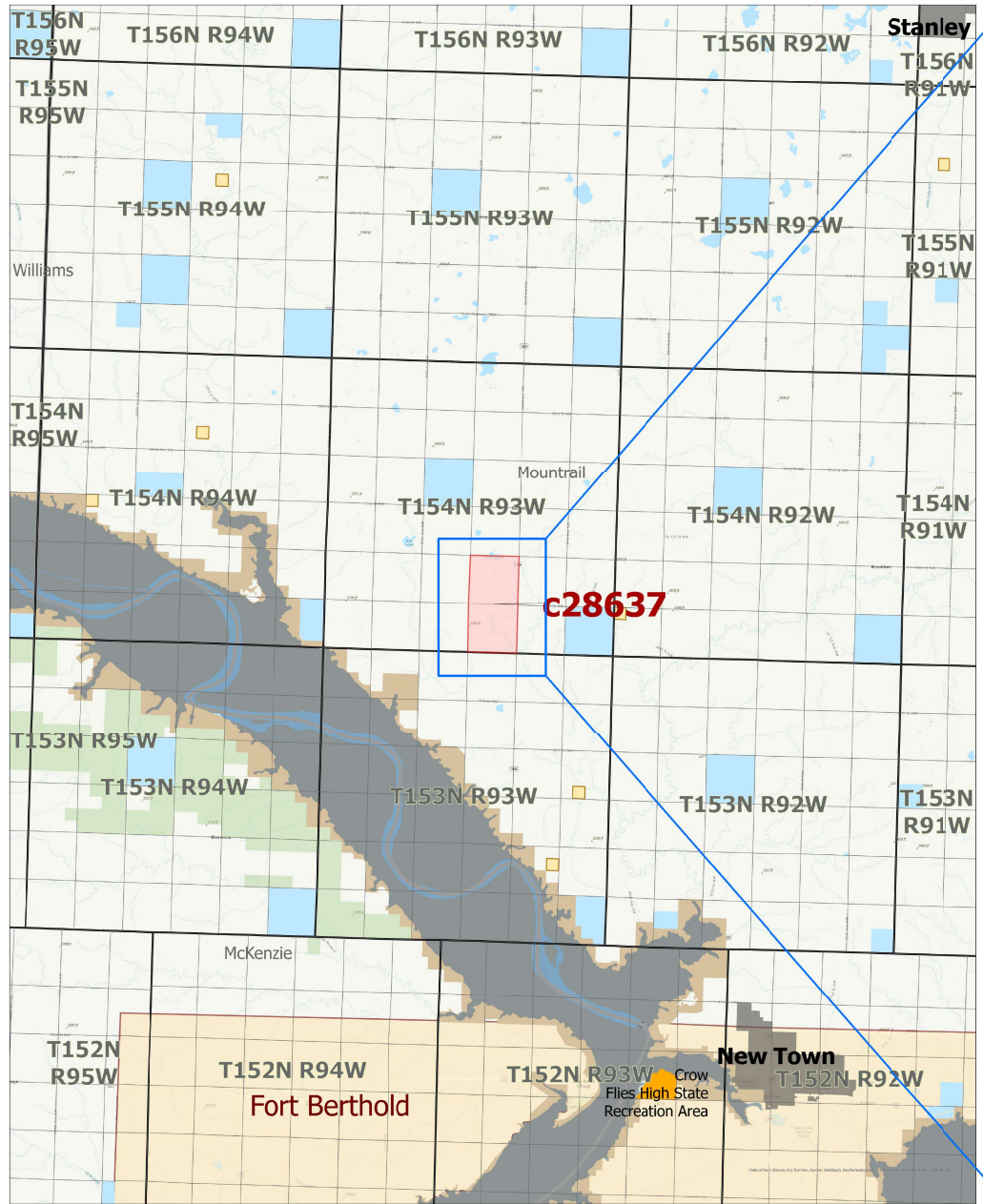
KODA

Exhibit E7
CASE NO 32694

Confidential

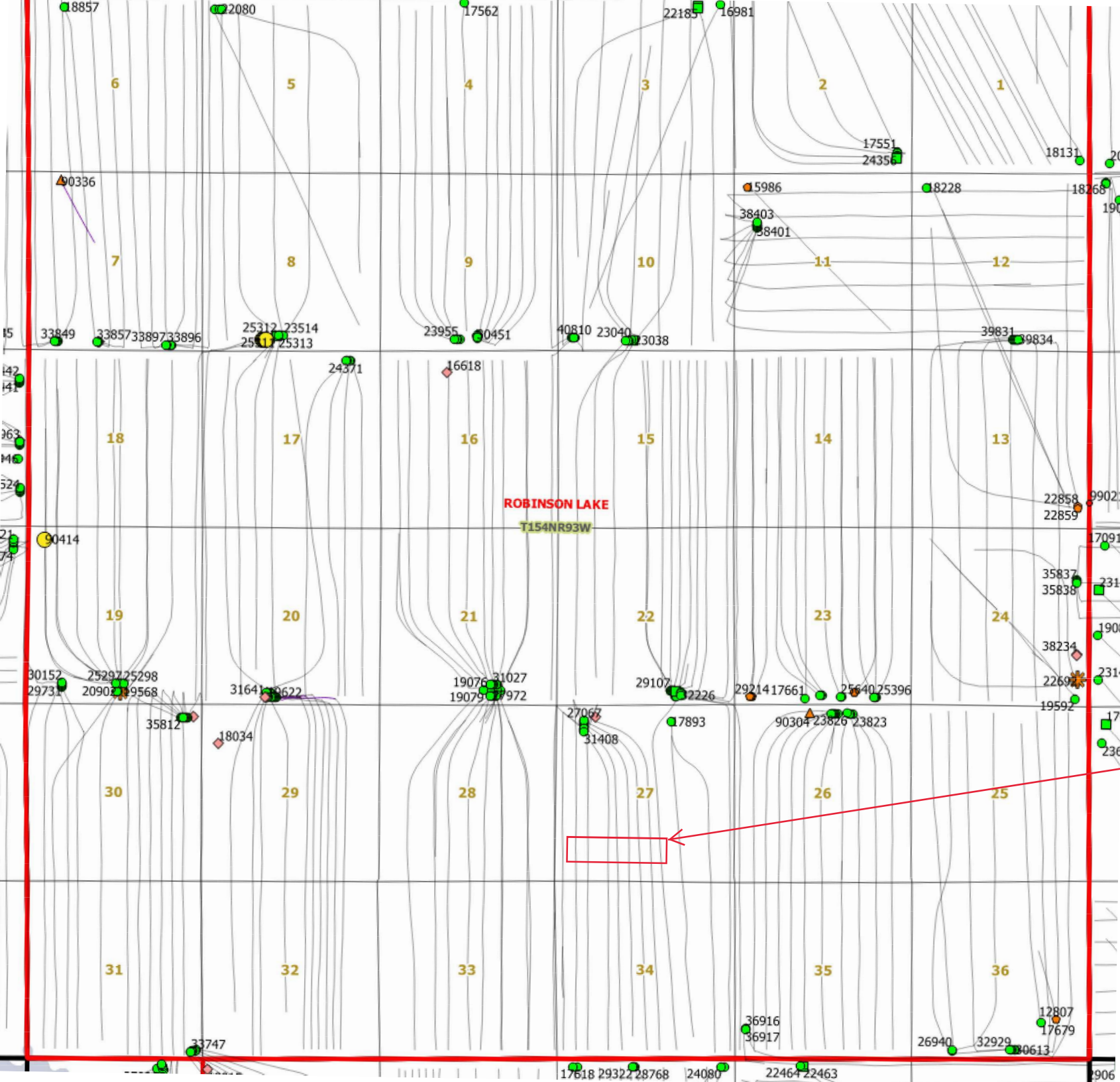
Case No. 28637 / Order 31179

Application of Sinclair Oil & Gas Co. and Missouri River Royalty Corp. requesting an order pursuant to NDCC § 38-08-08 determining the proper costs for the drilling and operation of all wells operated by Hess Bakken Investments II, LLC located in a spacing unit described as Sections 27 and 34, T.154N., R.93W., Robinson Lake-Bakken Pool, Mountrail County, ND, and such other relief as is appropriate.



- Sections
- Townships
- City Boundary
- Surface Trust Land
- Bureau of Land Management
- National Grasslands
- Army Corps of Engineers
- Reservations





ROBINSON LAKE
T154NR93W

Subject wells

[Red box]

Director's Other Business | April 28, 2026

North Dakota Oil & Gas Production & Activity Level Summary

1. Oil production increased slightly from January to February by ~4,085 bbls/day or 0.36%.
2. February oil production was at 1,129,813 bbls/day, gas production at 3.392 bcf/d. ND oil revenue forecast at 1,150,000 bbls/day at \$59/bbl ND realized price for year 1 of the bi-ennium.
3. ~66% of new wells are 2-miles, ~22% are 3-miles & ~12% are 4-mile laterals.
4. Extended reach and U-style laterals are the reason ND production has remained resilient and relatively flat through the lower price environment prior to the Iran conflict.
5. ND February received oil price, from ND Tax, is \$57.74. Up from January (revenue forecast at \$59). This will begin to rise sharply during the coming months due to the current conflict.
6. ND currently has 26 drilling rigs and 10 frac crews. As we move into spring and warmer weather, slight increases in activity levels are expected.
7. Workover rig estimates have increased by about 13% from 110 to 125 rigs running in ND. It is expected that the additional rigs will work on production optimization on existing wells.

Legislation

The team is working on several minor edits to existing legislation. The legislative process at the DMR is being led by Deputy Director Tara Vesey.

Geological Survey

State Geologist Hiring / Ed Murphy Retirement – Ed Murphy's retirement date is July 1, 2026. We are continuing to work through the interview process. The first round of interviews is complete and the DMR desires to have a decision by the end of the month with an offer extended sometime around mid-May

Succession Planning

The DMR has a few critical roles where succession planning is occurring, specifically related to roles where existing employees are planning for retirement. The DMR Finance Manager is retiring in late September of 2026. We have begun the process to search for her replacement.

The DMR participated in the VSIP program and has 4 employees that have chosen this option.

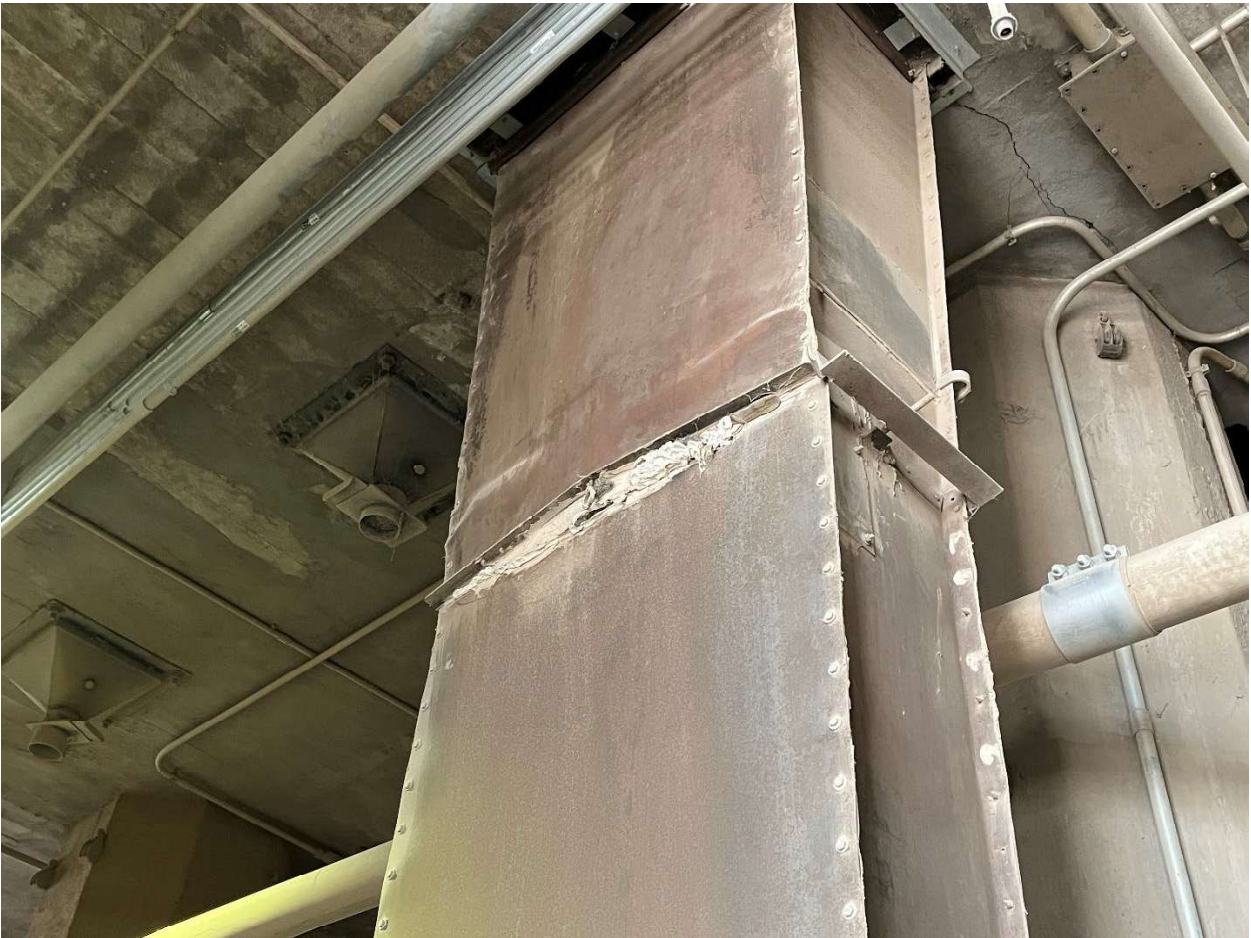
Capital Project For Consideration**4/28/2026****Terminal Bucket Elevator Leg Replacement Phase I****\$7,900,000****Current Situation:**

The 8 bucket elevators and 4 basement belt conveyors used to unload and transfer wheat in our Terminal Elevator are over 103 years old and are worn out to the point where replacement is required.

This is the first phase of a 4-phase project and will replace 2 of the bucket elevator legs and 1 of the belt conveyors. A new electrical room will be added to house new updated electrical infrastructure that will be used to provide power for all 8 bucket elevators.

Proposed Change and Result:

Remove and replace 2 bucket elevator legs and 1 belt conveyor including new mechanical drives and electrical equipment. This will provide for continued safe and reliable operation of the Terminal Elevator.











**North Dakota Mill
Review of Operations
3rd Quarter Ended 3/31/26**

SUMMARY

Profits for the 3rd Quarter of the year were \$5,711,977 compared to \$6,771,507 last year. Operating activity for the nine months ending March resulted in a profit of \$17,372,014 compared to \$17,530,044 last year, a decrease of .9%.

	<u>Quarter</u>		<u>Year to date</u>	
	<u>3/26</u>	<u>3/25</u>	<u>3/26</u>	<u>3/25</u>
Profits	\$5,711,977	\$6,771,507	\$17,372,014	\$17,530,044
Sales	111,284,018	115,131,418	345,690,715	357,871,273
Cwt. Shipped				
Spring	4,204,398	4,146,983	13,130,878	12,800,531
% to Total	92.0%	91.3%	92.2%	91.8%
Durum	<u>365,578</u>	<u>393,623</u>	<u>1,107,541</u>	<u>1,150,127</u>
Total	<u>4,569,976</u>	<u>4,540,606</u>	<u>14,238,419</u>	<u>13,950,658</u>
Bulk Shipments	3,749,811	3,715,372	11,686,626	11,576,320
% to Total	82.1%	81.8%	82.1%	83.0%
Bag Shipments	772,727	785,540	2,411,832	2,243,705
% to Total	16.9%	17.3%	16.9%	16.1%
Tote Shipments	47,438	39,694	139,961	130,633
% to Total	1.0%	.9%	1.0%	.9%
Family Flour Shipments	164,890	145,701	508,564	437,164
% to Total	3.6%	3.2%	3.6%	3.1%
Organic Flour Shipments	27,263	28,408	84,265	89,824
% to Total	.6%	.6%	.6%	.6%

Grain Purchased:				
Spring	9,082,307	8,748,973	27,107,239	27,157,711
Durum	<u>813,531</u>	<u>767,172</u>	<u>2,418,482</u>	<u>2,671,405</u>
Total	<u>9,895,838</u>	<u>9,516,145</u>	<u>29,525,721</u>	<u>29,829,116</u>

SALES

3rd Quarter

Sales for the 3rd Quarter were \$111,284,018 compared to \$115,131,418 last year. Shipments of 4,569,976 cwts. are 29,370 cwts. above last year. Bag shipments for the 3rd Quarter are 772,727 cwts., which is 12,813 cwts. below last year's 3rd Quarter. Tote shipments for the 3rd Quarter are 47,438 cwts., which is 7,744 cwts. above last year. Family flour shipments reached 164,890 cwts., which is 13.2% above last year's 3rd Quarter.

Year-to-Date

Sales for the nine months ending in March were \$345,690,715 compared to \$357,871,273 last year, a decrease of 3.4%. Shipments of 14,238,419 cwts. are 287,760 cwts. above last year, an increase of 2.1%. Year-to-date bag shipments are 2,411,832 cwts., an increase of 7.5% from last year. Tote shipments for the year are 139,961 cwts., which is 9,328 cwts. above last year. Family flour shipments for the nine months ended are 508,564 cwts., an increase of 16.3% from last year. Organic flour shipments were 84,265 cwts., a decrease of 5,559 cwts. from last year.

OPERATING COSTS

3rd Quarter

Operating costs for the 3rd Quarter were \$14,265,614 compared to \$14,071,252 last year, an increase 1.4%. Operating costs per cwt. of production were \$3.13 compared to \$3.08 last year, an increase of 1.6%.

Year-to-Date

Year-to-date operating costs are \$42,094,738 compared to \$40,594,682 last year, an increase of 3.7%. Operating cost per cwt. of production for the nine months ended was \$2.95 compared to \$2.91 last year, a change of 1.4%.

PROFITS

3rd Quarter

Profits for the 3rd Quarter were \$5,711,977 compared to \$6,771,507 last year. Gross margins as a percentage of gross sales for the quarter were 18.6% compared to 18.9% last year.

Year-to-Date

Operating activity for the nine months ending March led to a profit of \$17,372,014 compared to \$17,530,044 last year, a decrease of .9%. Year-to-date gross margins are 18.0% compared to 17.2% last year.

RISK MANAGEMENT

Risk Management Position

The table below shows our hedge ratio by futures month going forward. A hedge ratio shows the relationship between our net cash position and our futures position. The mill does remain at risk for changes in the basis.

Position Report 31-Mar-26

Period	Hedge Ratio
May-26	1.0
July-26	1.0
Sept-26	1.0
Dec-26	.9
Net Position	1.0



North Dakota Mill

Quarterly Income Statement Summary

For the Nine Months Ending Tuesday, March 31, 2026

Attachment 18A

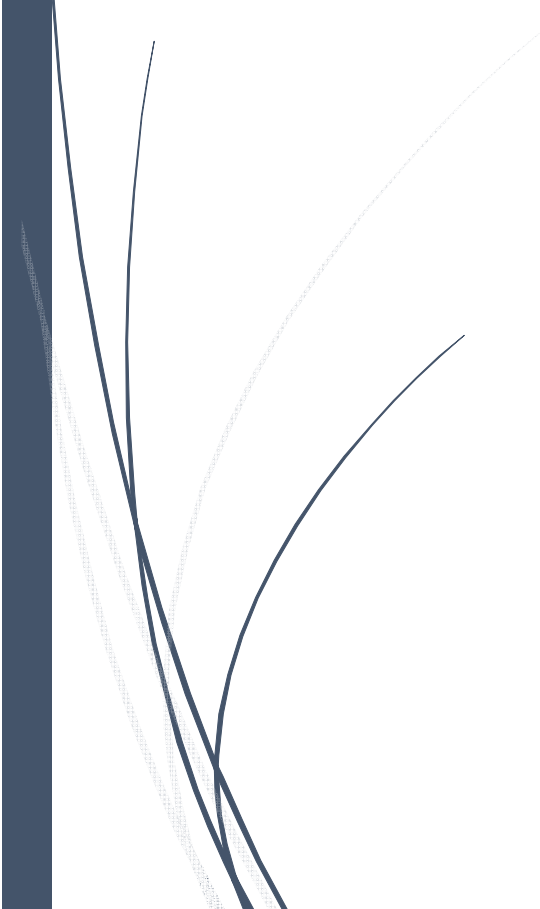
	3rd Qtr			Fiscal Year 2026	Fiscal Year 2025	Change
	Mar 2026	Mar 2025	Change			
GROSS SALES	\$111,284,018	\$115,131,418	(\$3,847,400)	\$345,690,715	\$357,871,273	(\$12,180,558)
SALES DEDUCTIONS	(24,779,640)	(25,211,075)	431,435	(74,812,062)	(74,300,352)	(511,710)
NET SALES	<u>\$86,504,378</u>	<u>\$89,920,342</u>	<u>(\$3,415,965)</u>	<u>\$270,878,652</u>	<u>\$283,570,921</u>	<u>(\$12,692,269)</u>
COGS	<u>(\$65,829,285)</u>	<u>(\$68,104,042)</u>	<u>\$2,274,757</u>	<u>(\$208,751,281)</u>	<u>(\$222,186,508)</u>	<u>\$13,435,226</u>
GROSS MARGIN	<u>\$20,675,093</u>	<u>\$21,816,301</u>	<u>(\$1,141,208)</u>	<u>\$62,127,371</u>	<u>\$61,384,414</u>	<u>\$742,958</u>
Gross Margin	18.6%	18.9%	-0.3%	18.0%	17.2%	0.8%
OPERATING EXPENSES						
PRODUCTION	(\$11,487,673)	(\$11,346,915)	(\$140,757)	(\$33,876,698)	(\$32,529,081)	(\$1,347,617)
QUALITY CONTROL	(403,235)	(415,150)	11,915	(1,250,152)	(1,162,323)	(87,829)
MARKETING	(771,350)	(814,774)	43,425	(2,337,954)	(2,364,648)	26,693
GENERAL & ADMIN	(1,603,356)	(1,494,412)	(108,944)	(4,629,933)	(4,538,630)	(91,303)
TOTAL OPERATING EXPENSES	<u>(\$14,265,614)</u>	<u>(\$14,071,252)</u>	<u>(\$194,362)</u>	<u>(\$42,094,738)</u>	<u>(\$40,594,682)</u>	<u>(\$1,500,056)</u>
per cwt production	\$3.13	\$3.08	\$0.05	\$2.95	\$2.91	\$0.04
OPERATING INCOME	<u>\$6,409,479</u>	<u>\$7,745,049</u>	<u>(\$1,335,570)</u>	<u>\$20,032,634</u>	<u>\$20,789,732</u>	<u>(\$757,098)</u>
OTHER INCOME	\$140,335	\$76,373	\$63,962	\$251,889	\$280,362	(\$28,472)
OTHER EXPENSES	(837,837)	(1,049,915)	212,078	(2,912,510)	(3,540,050)	627,540
NET INCOME	<u>\$5,711,977</u>	<u>\$6,771,507</u>	<u>(\$1,059,530)</u>	<u>\$17,372,014</u>	<u>\$17,530,044</u>	<u>(\$158,031)</u>
PRODUCTION - CWTS.						
SPRING WHEAT FLOUR	4,192,864	4,176,185	16,679	13,131,442	12,783,720	347,723
% to total	92.0%	91.5%	0.5%	92.2%	91.8%	0.4%
DURUM FLOUR/SEMO	366,372	390,027	(23,655)	1,118,059	1,144,233	(26,174)
% to total	8.0%	8.5%	(0.5%)	7.8%	8.2%	(0.4%)
TOTAL CWTS.	<u>4,559,236</u>	<u>4,566,212</u>	<u>(6,976)</u>	<u>14,249,501</u>	<u>13,927,953</u>	<u>321,549</u>
SALES - CWTS.						
SPRING WHEAT	4,204,398	4,146,983	57,415	13,130,878	12,800,532	330,346
% to total	92.0%	91.3%	0.7%	92.2%	91.8%	0.4%
DURUM & BLENDS	365,578	393,623	(28,045)	1,107,541	1,150,127	(42,586)
% to total	8.0%	8.7%	(0.7%)	7.8%	8.2%	(0.4%)
TOTAL CWTS.	<u>4,569,976</u>	<u>4,540,606</u>	<u>29,370</u>	<u>14,238,419</u>	<u>13,950,658</u>	<u>287,760</u>
BY-PRODUCTS	65,913	66,905	(992)	205,927	204,821	1,106
Price per ton	\$99.69	\$108.81	-\$9.12	\$93.31	\$102.33	-\$9.02

March 31, 2026



Bank *of* North Dakota

Performance Highlights



BANK OF NORTH DAKOTA
BALANCE SHEET - COMPARATIVE DATA
MARCH 31, 2026 - UNAUDITED

(In Thousands)

	3/31/2026	Budget	Difference	% Change	3/31/2025
Cash	\$ 403,411	\$ 162,259	\$ 241,152	148.62%	\$ 92,993
Due from Banks	217,903	225,000	(7,097)	-3.15%	220,475
Federal funds sold	10,235	85,000	(74,765)	-87.96%	20
Securities	3,778,740	3,849,067	(70,327)	-1.83%	4,114,093
Loans					
Commercial	4,092,582	4,045,755	46,827	1.16%	4,028,657
Agriculture	949,993	944,835	5,158	0.55%	810,435
Residential	254,040	250,852	3,188	1.27%	281,210
Student Loans	942,937	945,327	(2,390)	-0.25%	1,003,279
	6,239,552	6,186,769	52,783	0.85%	6,123,581
Less allow for credit loss	(117,554)	(113,858)	(3,696)	-3.25%	(111,267)
	6,121,999	6,072,911	49,088	0.81%	6,012,314
Other assets	143,676	150,298	(6,622)	-4.41%	148,015
Total assets	\$ 10,675,964	\$ 10,544,535	\$ 131,429	1.25%	\$ 10,587,910
Deposits -					
Non-interest bearing	\$ 475,940	\$ 475,000	\$ 940	0.20%	\$ 538,912
Interest bearing	8,014,755	8,207,000	(192,245)	-2.34%	7,866,101
	8,490,695	8,682,000	(191,305)	-2.20%	8,405,013
Federal funds purchased and repurchase agreements	768,660	450,000	318,660	70.81%	640,662
Short term borrowings	-	-	-	0.00%	165,000
Off Balance Sheet Reserve Allowance	7,313	7,313	-	0.00%	8,712
Other Liabilities	31,093	15,733	15,360	97.63%	11,636
Total Liabilities	9,297,761	9,155,046	142,715	1.56%	9,231,023
Equity	1,378,203	1,389,489	(11,286)	-0.81%	1,356,887
Total Liabilities and Equity	\$ 10,675,964	\$ 10,544,535	\$ 131,429	1.25%	\$ 10,587,910

BND's primary financial objective is to maintain the strength and integrity of the Bank while generating a consistent financial return to the State.

- BND ended the first quarter of 2026 with assets of \$10.7 billion.
- The \$3.8 billion securities portfolio is primarily a source of liquidity. As the Bank identifies excess funds and the portfolio runs off, maturities can be reinvested, utilized to fund new loans, or reduce short and long-term borrowings.
- The loan portfolio balance is \$6.2 billion. Commercial participation drove the increase in the commercial portfolio. Activity in the Farm Financial Stability program supported the growth in the agriculture portfolio. The balance of the residential loan portfolio continues to decline due to normal loan runoff. The student loan portfolio continues to focus on state-sponsored DEAL loans.
- Changes in the Bank's Equity position are a result of net income, changes in unrealized gain/loss positions, allocations of capital to various legislative programs, and distributions to the State's General Fund. For the three months ended March 31, 2026, the Bank transferred \$4.0 million to buydown programs and \$6.0 million to other state programs. During 2025, the Bank transferred \$210.0 million to the General Fund, \$31.0 million to buydown programs and \$17.3 million to other state programs.

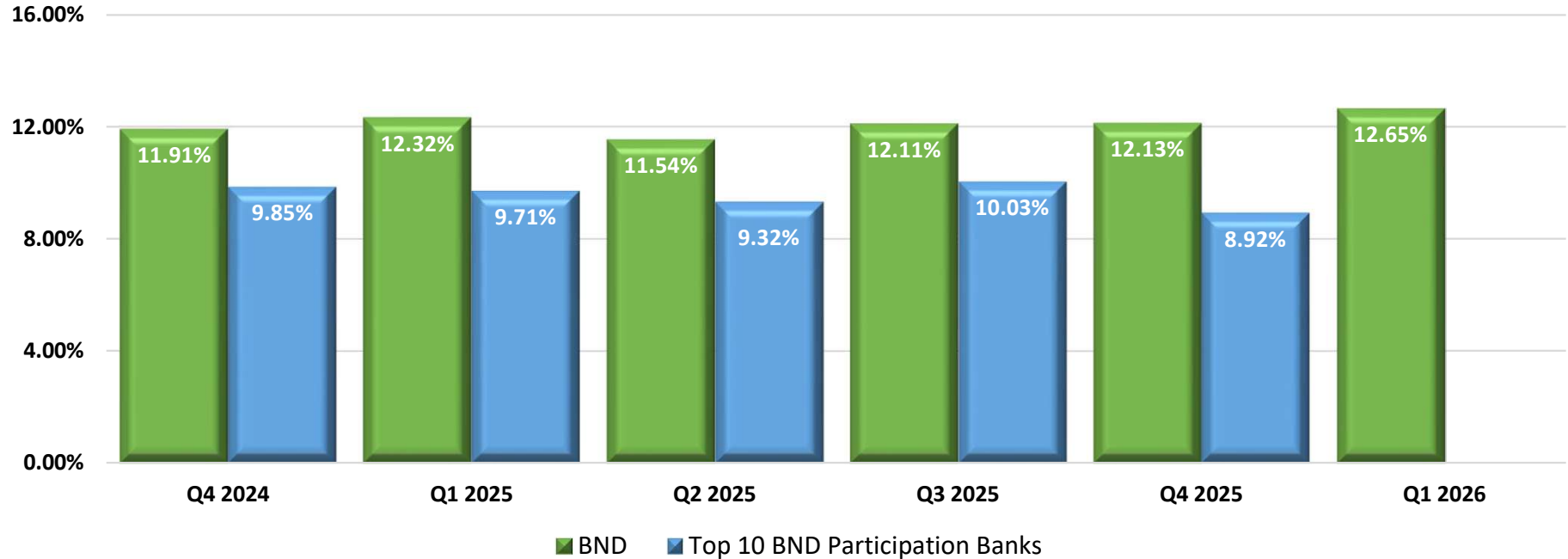
BANK OF NORTH DAKOTA
INCOME STATEMENT - COMPARATIVE DATA
MARCH 31, 2026 - UNAUDITED

	(In Thousands)				
	3/31/2026	Budget	Difference	% Change	3/31/2025
Interest Income	\$ 122,681	\$ 119,540	\$ 3,141	2.6%	\$ 121,764
Interest Expense	46,956	44,561	2,395	-5.4%	55,044
Net Interest Income	75,725	74,979	746	1.0%	66,720
Provision for Credit Losses	3,600	3,600	-	-	2,700
Net Interest Income After Provision	72,125	71,379	746	1.0%	64,020
Non-Interest Income	820	1,771	(951)	-53.7%	(10,976)
Non-Interest Expense					
Salaries and benefits	6,692	6,985	(293)	4.2%	5,764
Occupancy and equipment	206	245	(39)	15.9%	213
IT & System Costs	2,302	2,900	(598)	20.6%	2,255
Other Operating Expenses	1,682	2,991	(1,309)	43.8%	1,720
	10,882	13,121	(2,239)	17.1%	9,952
Net Income	\$ 62,063	\$ 60,029	\$ 2,034	3.4%	\$ 43,092

BND's primary financial objective is to maintain the strength and integrity of the Bank while generating a consistent financial return to the State.

- BND reported earnings of \$62.1 million for the first quarter of 2026 with a total return to the state of 4.93% which includes interest paid to state agencies of \$30.0 million.
- Interest income exceeded budget by \$3.1 million, primarily due to increased commercial participation and agriculture loan volumes as well as higher cash balances held at the Federal Reserve Bank.
- Interest expense was \$2.4 million over budget, mainly due to higher fed funds purchased.
- Year-to-date provision expense was \$3.6 million. The Bank continues to evaluate its loan portfolio and adequacy of the allowance for credit loss.
- Non-interest income was \$820 thousand. This includes a \$1.4 million loss on the sale of short duration, low yielding securities earlier in the year. The Bank utilized the proceeds from the sales to purchase longer duration, higher yielding securities for its portfolio.
- Non-interest expense was \$10.9 million, which is \$2.2 million below budget, driven by timing differences with IT projects and project implementation.

Leverage Ratio

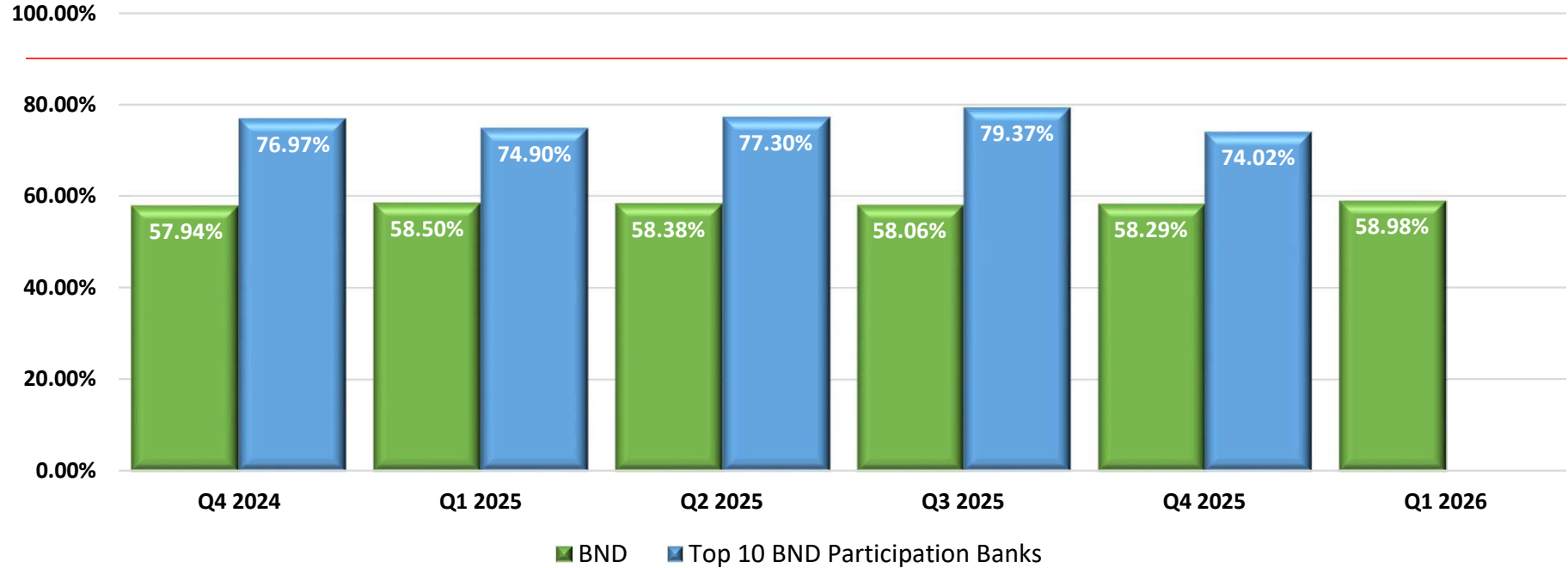


- Leverage ratio is a measure of financial strength. It is calculated by dividing Tier One Capital by average assets for the quarter. As of March 31, 2026, average asset size was \$10.4 billion compared to \$10.7 billion one year ago. Tier One Capital was \$1.3 billion. Fluctuating quarterly ratios are the result of the Bank’s quarterly earnings offset by capital transfers.
- As of March 31, 2026, the Bank’s leverage ratio increased to 12.65%.
- As of December 31, 2025, the leverage ratio for BND's top 10 participation Banks was 8.92%.

The Top 10 participation banks for the Bank of North Dakota are ranked by loan volume, based on Call Report data compiled by S&P Capital IQ Pro.

Note: The top 10 participation banks’ average for the current quarter has not yet been determined, as Call Report data was not available as of this document’s publication date.

Net Loans to Earning Assets



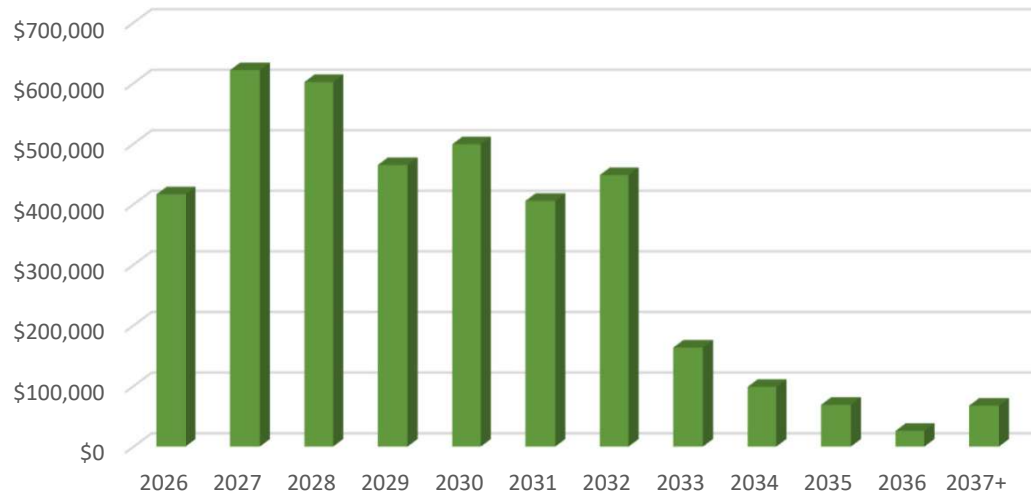
- Net Loans to Earning Assets is a ratio used to measure the liquidity of a financial institution.
- BND has established an internal guideline for the Net Loans to Earning Assets Ratio to be 90% or lower (red line).
- As shown above, BND was well within this limit at 58.98%.
- As of December 31, 2025, the ratio for BND's top 10 participation Banks was in the state is 74.02%.

The Top 10 participation banks for the Bank of North Dakota are ranked by loan volume, based on Call Report data compiled by S&P Capital IQ Pro.
 Note: The top 10 participation banks' average for the current quarter has not yet been determined, as Call Report data was not available as of this document's publication date.

Security Portfolio / Trends

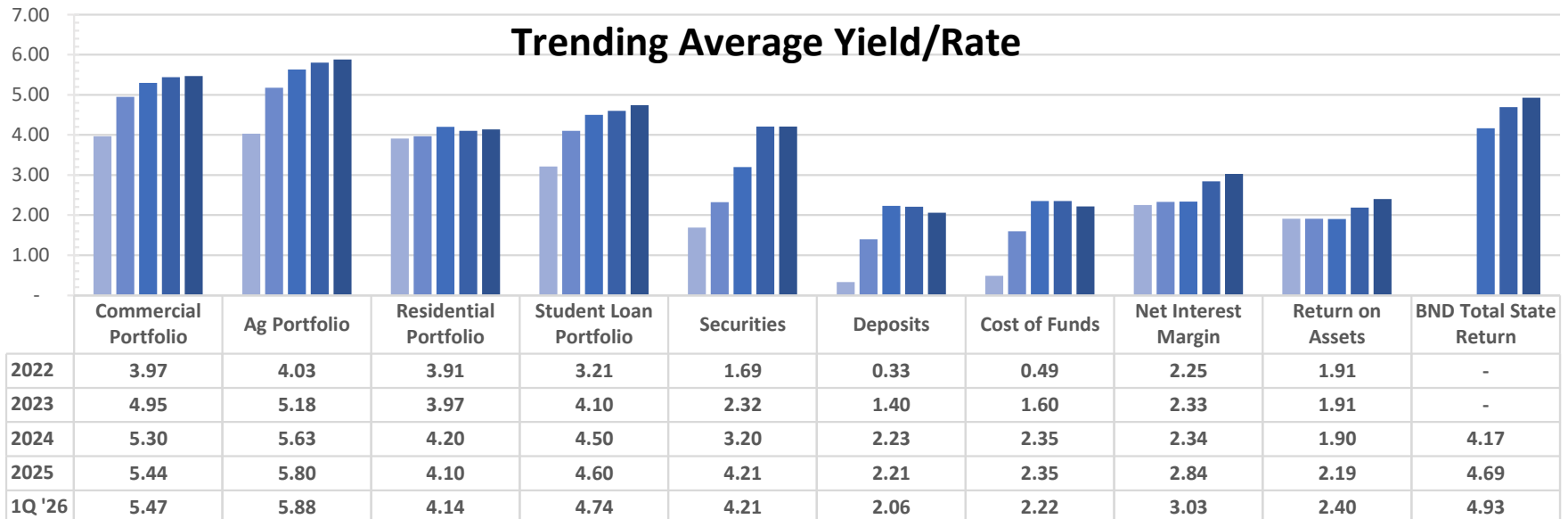
(in thousands)

BND Security Portfolio Balance: \$3.8 Billion Principal Cash flow Projections



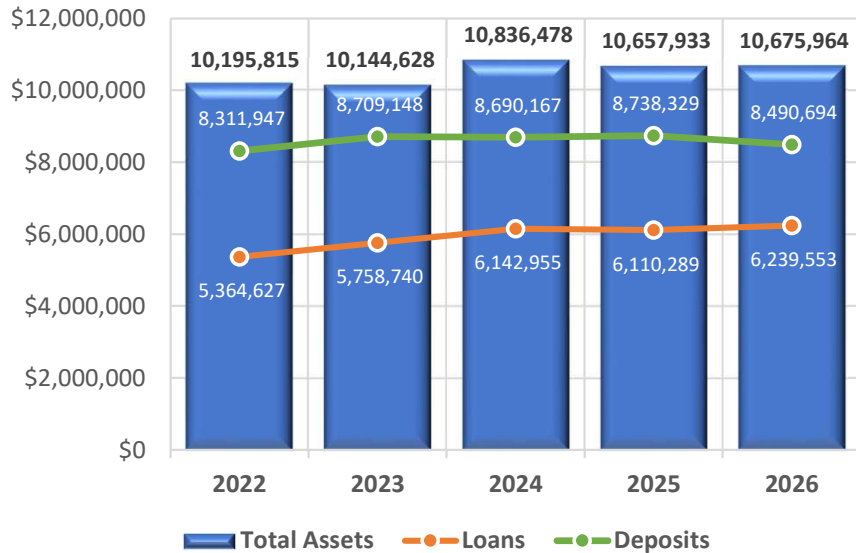
- The Security Portfolio provides Bank of North Dakota with a source of liquidity, interest rate risk management as well as earnings.
- The duration of the portfolio as of March 31, 2026 was 3.8 years.
- The average yield on the Securities portfolio for March 31, 2026 was 4.21%.

Trending Average Yield/Rate



Five-Year History

(In Thousands)



- The Bank assets were \$10.7 billion as of March 31. Strong liquidity has allowed the Bank to continue to grow its loan portfolio and reinvest in its securities portfolio as securities mature.
- The loan portfolio has grown 16% from \$5.4 billion in 2022 to \$6.2 billion as of March 31, 2026, continuing the Bank's mission to deliver quality, sound financial services that promote agriculture, commerce, and industry in North Dakota.

Bank of North Dakota Peer Group Comparison

Bank of North Dakota Peer Group Comparison				
As of 12/31/2025	BND	Banker's Bank Peer Composite	ND Bank's Peer Composite	Top 10 Participation Banks
NPLs/Loans	1.26	0.90	1.42	1.35
ROAA	2.19	0.97	0.90	1.15
ROAE	17.31	7.58	9.40	10.79
Tier 1 Lev. Capital	12.13	13.45	9.66	8.92
Net Interest Margin	2.84	2.70	3.01	3.51
Ave. Cost of Funds	2.35			2.18

Banker's Bank Peer Group

Banker's Bank
 First National Banker's Bank
 Pacific Coast Bankers' Bank
 TIB, National Association
 United Bankers Bank

ND Bank's Peer Group

Bell Bank
 First International Bank
 Alerus Financial
 Choice Financial Group

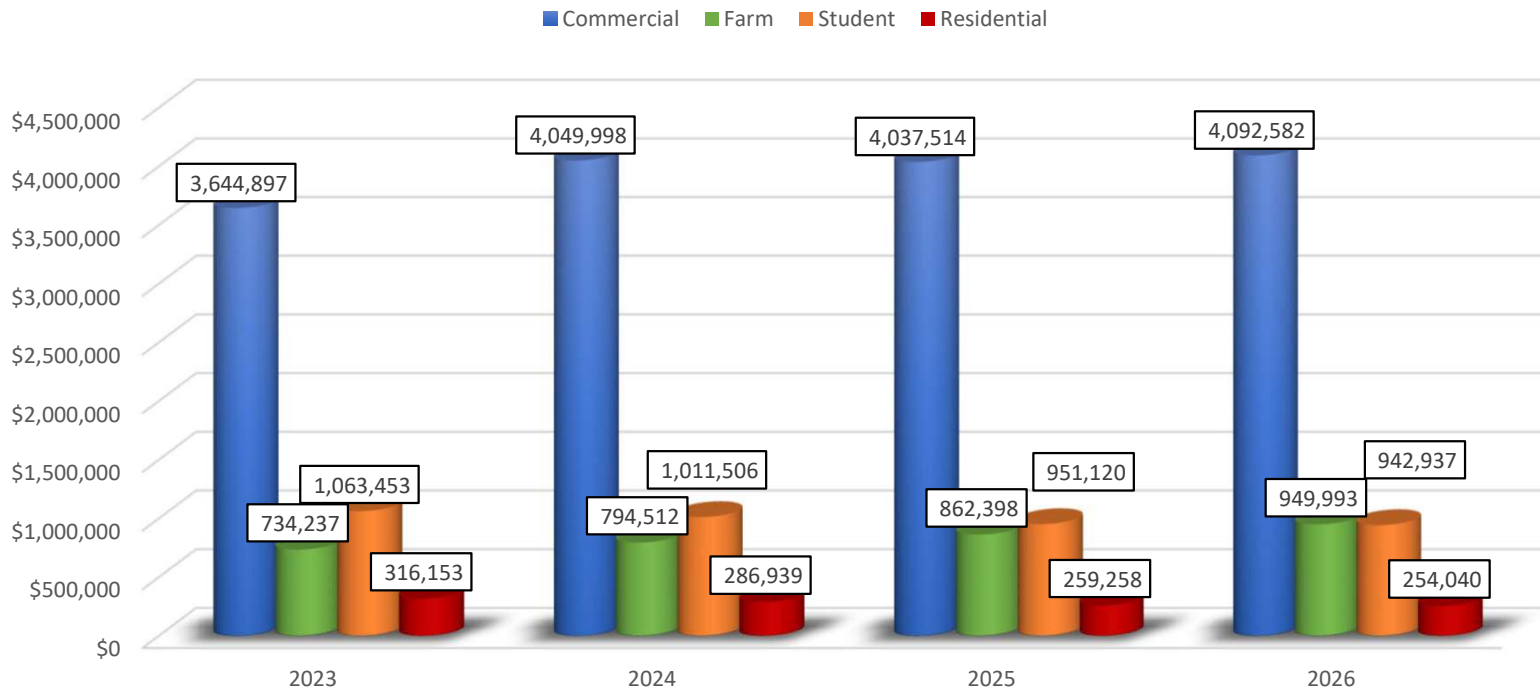
- BND established a peer group for the purpose of measuring performance. Though a pure-play peer group does not exist, BND selected five national banker's banks with assets greater than \$1.0 billion and four North Dakota banks with assets greater than \$3.0 billion. The top 10 participation banks is based on volume of loans BND participates with financial institutions in the state at the time of reporting.
- The Bank's profits are utilized in 4 ways: appropriated through the State Legislature to fund the General Fund, mission driven programs, retained in BND Capital and interest paid on state deposits. BND's ratios will fluctuate as the organization maintains a balance between adequate liquidity and capital while managing the volatility of its deposit base.

Loan Originations

(includes renewals)
Year to Date

	March 31, 2026		March 31, 2025		Variance	
	###	\$\$\$	###	\$\$\$	###	\$\$\$
Bank Participations - Commercial	59	285,711,149	51	199,498,268	8	86,212,881
State Institution	1	125,000,000	1	125,000,000	0	0
Bank Stock	21	55,173,125	8	70,055,052	13	(14,881,927)
Flex PACE	52	24,275,243	42	22,558,559	10	1,716,684
Business Development	16	6,026,115	14	6,217,438	2	(191,323)
PACE w/ADD buydown	1	3,750,000	0	0	1	3,750,000
COVID-19 PACE Recovery	3	1,128,118	0	0	3	1,128,118
Affordable Housing Flex PACE	1	940,000	1	324,622	0	615,378
Biofuels PACE	2	625,000	3	488,629	(1)	136,371
PACE	1	300,000	4	13,813,712	(3)	(13,513,712)
Accelerated Growth	0	0	2	1,575,000	(2)	(1,575,000)
Total Commercial Loans	157	502,928,750	126	439,531,280	31	63,397,470
Farm Financial Stability/ Disaster Loan Programs	192	122,827,830	55	17,637,669	137	105,190,161
Farm & Ranch	30	54,420,189	33	54,475,555	(3)	(55,366)
Beginning Farmer Real Estate	14	5,769,514	10	4,706,552	4	1,062,962
Established Farmer	5	1,788,295	7	2,906,010	(2)	(1,117,715)
Beginning Farmer Chattel	26	1,369,669	27	2,016,532	(1)	(646,863)
Farm Operating	8	1,302,500	8	1,336,100	0	(33,600)
Ag Pace	6	689,938	18	1,988,079	(12)	(1,298,141)
Farm Service Agency	1	482,400	5	2,392,225	(4)	(1,909,825)
Family Farm	0	0	1	182,500	(1)	(182,500)
Total Agricultural Loans	282	188,650,335	164	87,641,222	118	101,009,113
DEAL Loans	2,731	19,935,282	2,795	19,282,084	(64)	653,198
DEAL One	27	1,665,044	33	1,588,049	(6)	76,995
Purchased Student Loans	6	49,605	1	48,021	5	1,584
Total Student Loans	2,764	21,649,931	2,829	20,918,154	(65)	731,777
Total Bank of North Dakota Loans	3,203	713,229,016	3,119	548,090,656	84	165,138,360
Legislature-Directed Programs						
Department of Water Resources RLF	1	68,330,000	1	11,302,440	0	57,027,560
Infrastructure RLF	1	4,500,000	1	63,000	0	4,437,000
Disaster Ag Facility Repair and Replacement	6	1,291,211	0	0	6	1,291,211
Legacy Investment Technology Loan Fund	2	1,250,000	1	351,000	1	899,000
Beginning Entrepreneur Loan Guarantee	9	484,925	10	568,216	(1)	(83,291)
Bulk Propane Storage Tank RLF	1	108,703	0	0	1	108,703
Furloughed Federal Employee Relief Program	4	70,713	0	0	4	1,469,999
R WISH (Rural Workforce Housing Initiative Program)	0	0	1	3,078,000	(1)	(3,078,000)
Legislature-Directed	24	76,035,552	14	15,362,656	10	60,672,896

Consolidated Loan Portfolio (In Thousands)



COMMERCIAL - The commercial loan portfolio increased by \$55 million during the first quarter of 2026 with BND funding and renewing \$503 million of loans. The largest area of activity was in commercial participations with BND funding and renewing \$286 million.

AGRICULTURE - The farm loan portfolio increased by \$88 million in the first quarter of 2026 with BND funding and renewing \$189 million of loans. Farm Financial Stability/ Disaster Loan Programs led the way with \$123 million, followed by Farm and Rach which funded \$54 million in loans.

STUDENT - The student loan portfolio decreased by \$8 million in the first quarter of 2026. BND disbursed \$22 million in DEAL loans the first quarter of 2026.

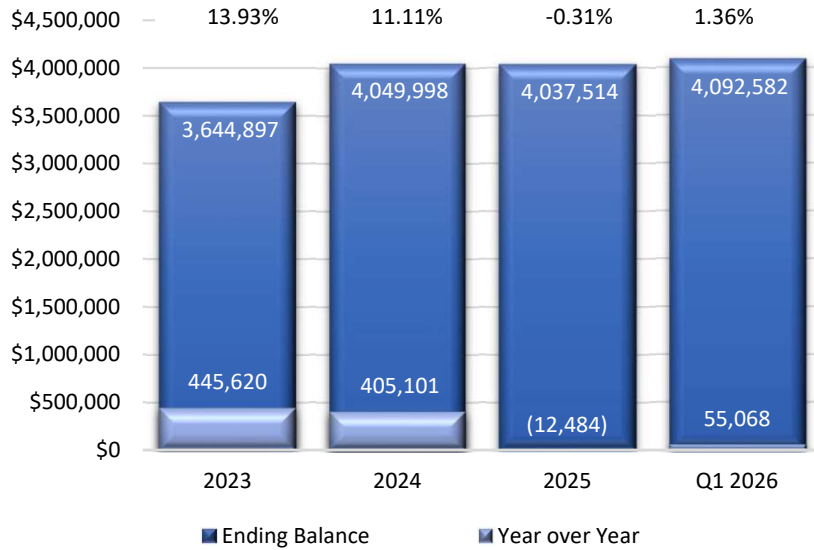
RESIDENTIAL - Transition of all residential originations to Housing Finance Agency occurred on August 1, 2021, and the transition of nearly all residential servicing and collections to Housing Finance Agency occurred on October 1, 2021. As a result, the residential loan portfolio decreased by \$153 million since year end 2021.

Commercial Loan Portfolio

(In Thousands)

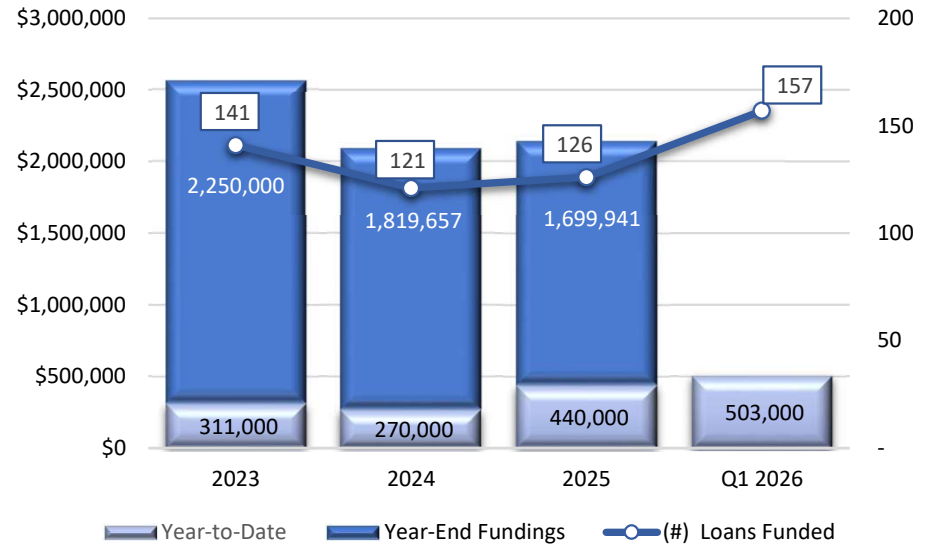
Total Commercial Portfolio

Year over Year/YTD Change



Loans Funded

Year-End & Year-to-Date



Portfolio Composition				
Loan Type	2023	2024	2025	2026
Bank Participation	55%	61%	61%	61%
PACE Loans	13%	15%	16%	16%
Bank Stock	11%	10%	9%	9%
State & Pol. Subs	8%	4%	5%	5%
Other	13%	10%	9%	9%

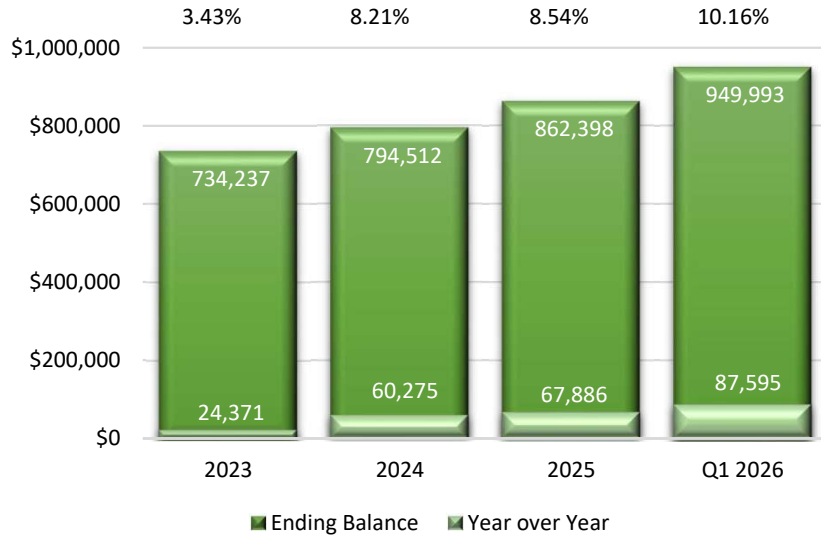
- The commercial loan portfolio increased by \$55 million with BND funding and renewing \$503 million of loans in the first quarter of 2026.
- The largest areas of activity were in commercial participations funding and renewing \$286 million, state institutions \$125 million followed by bank stock funding and renewing \$55 million in loans.

Agriculture Loan Portfolio

(In Thousands)

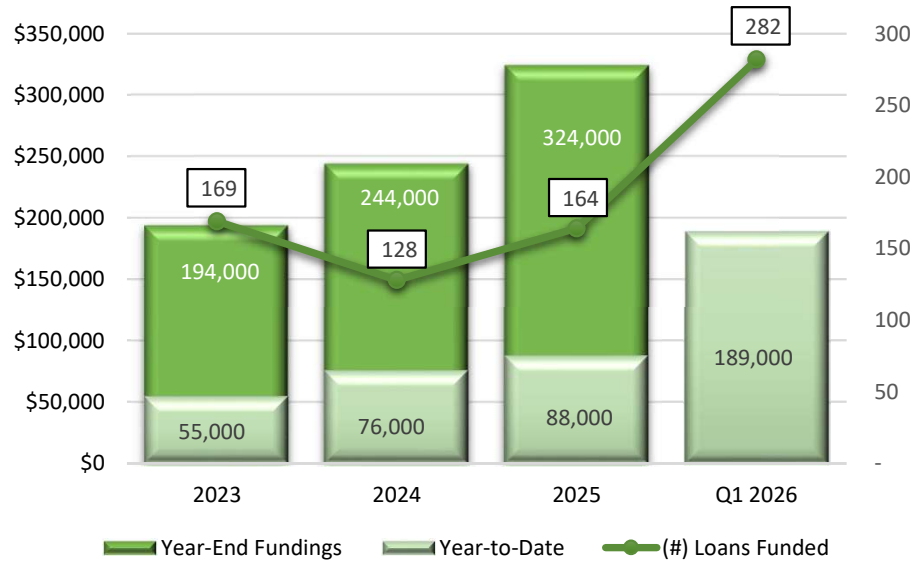
Total Agriculture Portfolio

Year over Year/YTD Change



Loans Funded

Year-End & Year-to-Date



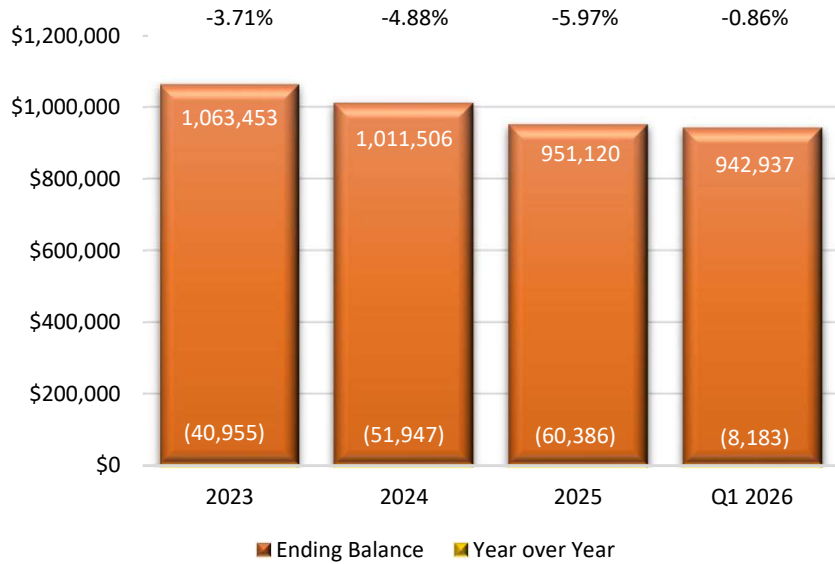
Portfolio Composition				
Loan Type	2023	2024	2025	2026
Farm & Ranch	22%	26%	28%	25%
Beginning Farmer	30%	27%	26%	24%
Established Farmer	25%	24%	24%	21%
Farm Financial Stability/Farm Disaster Loans	13%	11%	13%	22%
Other	5%	12%	9%	8%

- The agriculture portfolio increased by \$88 million with BND funding and renewing \$189 million of loans in the first quarter of 2026.
- The largest areas of activity were Farm Financial Stability/ Disaster Loan Programs with \$123 million. Farm Financial Stability funded 184 loans for \$117 million and Grain Inventory funded 7 loans for \$6 million the first quarter of 2026.

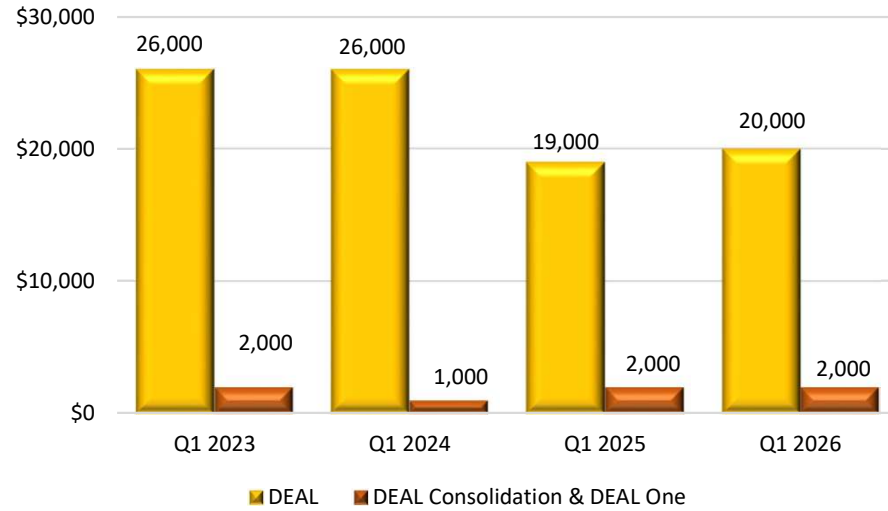
Student Loan Portfolio

(In Thousands)

Total Student Portfolio
Year over Year/YTD Change



DEAL Loans Funded
Year-to-Date



Portfolio Composition				
Loan Type	2023	2024	2025	2026
DEAL	57%	58%	59%	60%
DEAL One	38%	37%	36%	35%
DEAL Consolidation	5%	5%	5%	5%

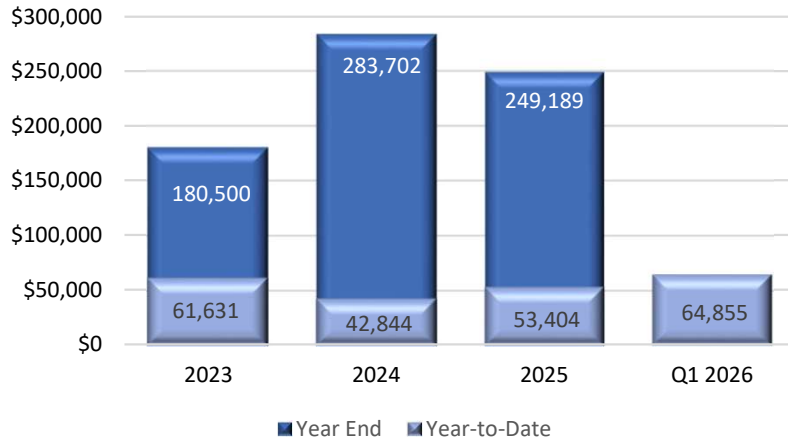
History of DEAL Rates (In-State)				
Interest Rate	2023	2024	2025	2026
Fixed	6.43%	6.62%	6.39%	6.44%
Variable	6.86%	5.85%	5.21%	5.12%

➤ The student loan portfolio decreased by \$8 million during the first quarter of 2026, with BND disbursing \$22 million in DEAL loans.

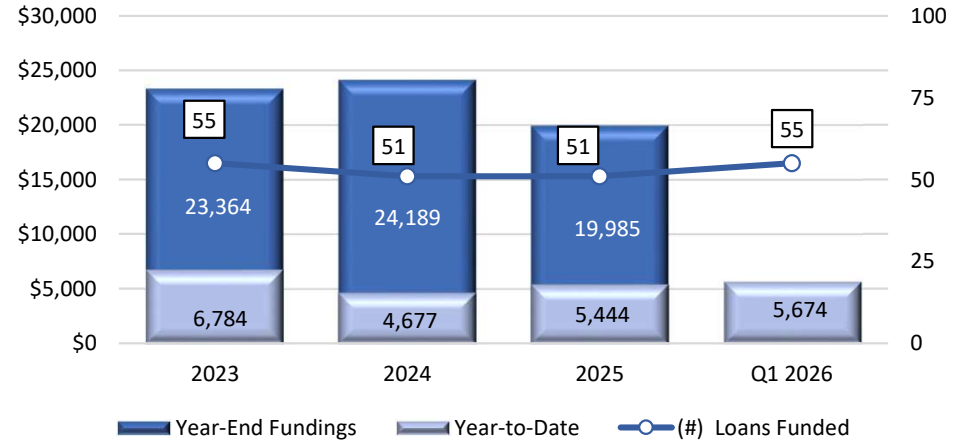
Commercial PACE

(In Thousands)

PACE Loan Amounts Year-End



PACE Buydown Funded Year-End



Loan Type	2023	2024	2025	2026
Pace	26%	25%	22%	23%
Flex Pace	56%	60%	67%	66%
Affordable Housing	12%	9%	6%	6%
Biofuels	3%	3%	3%	3%
Medical Pace	4%	3%	2%	2%

2025-2027 Biennium Buydown Funding (Commercial)					
	Pace	Flex	Housing	Biofuels	Total
Total Available					\$40,000
Funded/Committed	\$2,786	\$14,216	\$387	\$682	\$18,071
Remaining Buydown*					\$21,929

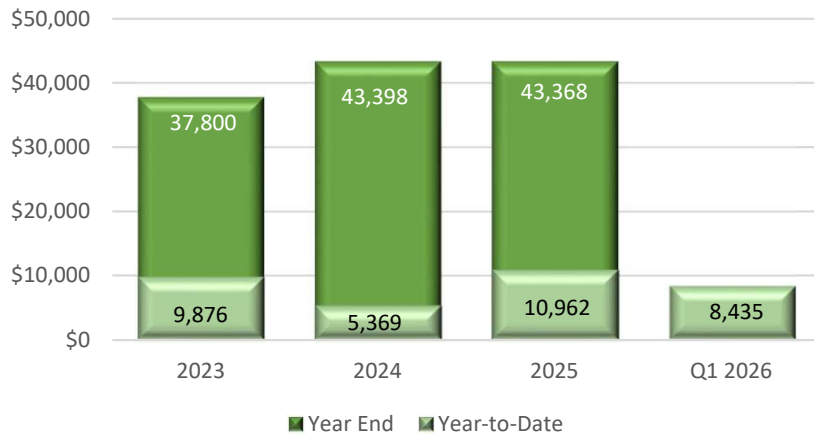
*Remaining buydown may be transferred between funds as needed.

- A total of 49 Flex PACE loans were funded in the first quarter of 2026 for a total of \$52 million compared to 45 in 2025. Flex PACE buydown demand continues due to the financing of essential community services and community approved businesses throughout North Dakota.
- A total of 3 PACE loans were funded in the first quarter of 2026 for a total of \$9 million compared to 3 in 2025. Additional PACE loans funded were 2 biofuels for \$1 million and 1 affordable housing for \$2 million.

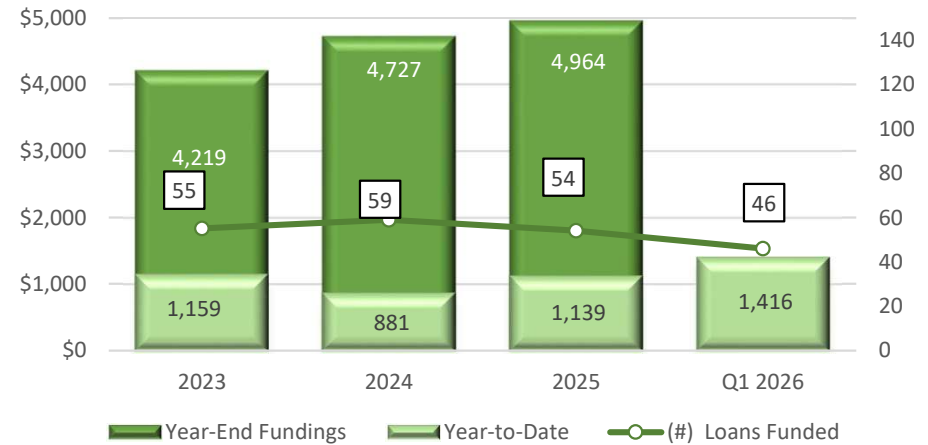
Ag PACE & Beginning Farmer

(In Thousands)

Loan Amounts Year-End



Buydown Funded Year-End



Loan Type	2023	2024	2025	2026
Ag Pace	26%	46%	41%	16%
Beginning Farmer - Real Estate	65%	39%	48%	68%
Beginning Farmer - Chattel	9%	15%	11%	15%

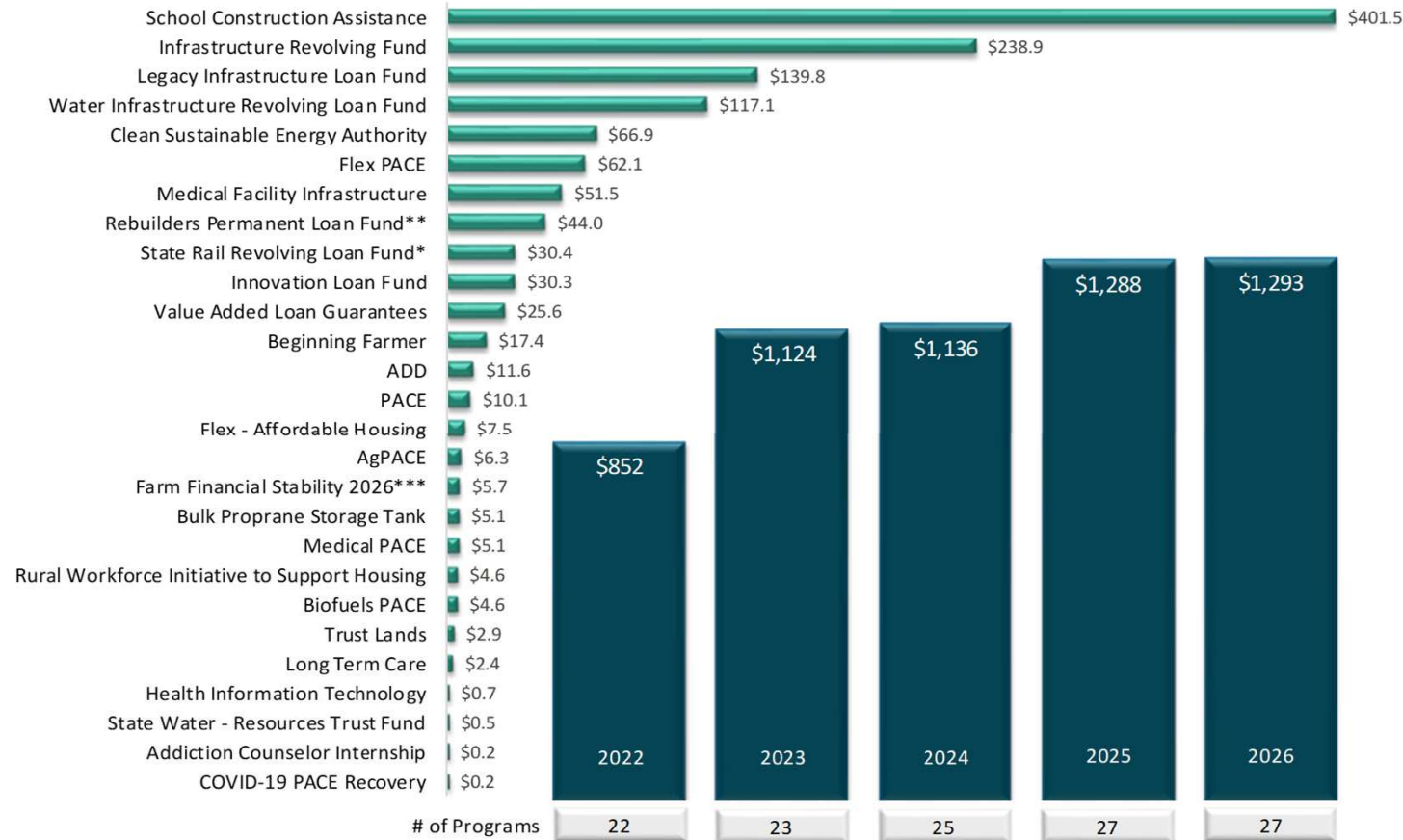
- There were 6 Ag PACE loans funded in the first quarter of 2026 compared to 17 in 2025. The Production Enhancement Program (PEP) has also created more opportunity for field tiling projects. All of the projects were for field tiling.
- A total of 14 Beginning Farmer Real Estate loans were funded in the first quarter of 2026 compared to 10 in 2025.
- A total of 26 Beginning Farmer Chattel loans were funded in the first quarter of 2026 compared to 27 in 2025.

2025-2027 Biennium Buydown Funding (Agriculture)			
	Ag Pace	Beginning Farmer	Total
Total Available			\$20,000
Funded/Committed	\$964	\$4,049	\$5,013
Remaining Buydown*			\$14,987

*Remaining buydown may be transferred between funds as needed.

Legislature-Directed Loan Programs

(Total Assets In Millions)

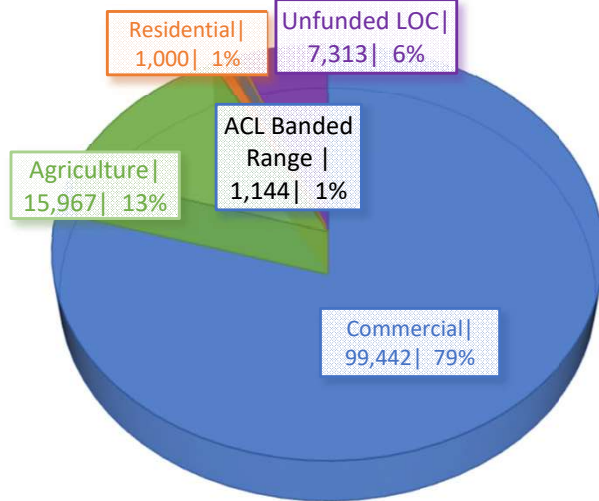


- BND currently administers \$1.3 billion in net assets for legislature-directed loan programs. These programs serve a wide range of purposes, including school construction, water projects, general and medical infrastructure, and disaster recovery.
- *SB 2014 transferred the Rail Fund to the State Rail Revolving Loan Fund during the 69th Legislative Session. All outstanding loans and remaining balances from the fund were transferred from Department of Transportation effective July 1, 2025.
- ** BND committed \$50 million to create permanent disaster relief funding under the Rebuilders Permanent Loan Fund. Of this amount; \$30 million was used to create the Small Employer Revolving Loan Fund in 2020. The remaining \$20 million has been dedicated to new disaster programs. In 2025, \$6.5 million was transferred to permanent disaster programs. There is \$13.5 million available for future fundings.
- *** The Farm Financial Stability 2026 Loan Program approved by the Industrial Commission will provide below-market interest rates and extended terms to North Dakota farmers who have been impacted by low commodity prices, weather, and/or high input costs. BND has committed up to \$30 million for the loan buydown associated with these loans.

Credit Quality

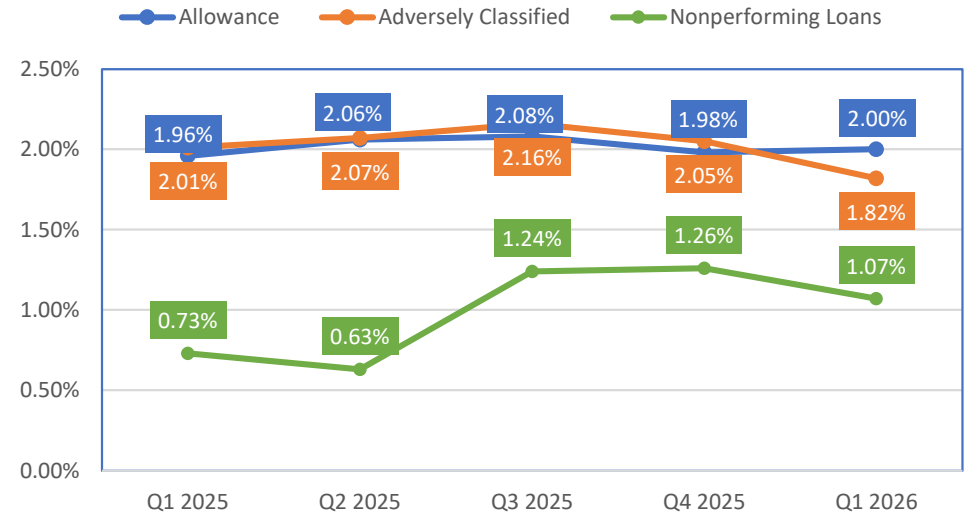
(In Thousands)

Allowance of \$124,867 on Portfolio of \$6,239,552 or 2.00%



Quarterly Credit Quality Ratios

(As a Percentage of Total Loans)



Quarter	Allowance for Credit Losses	Loan Portfolio	Allowance %	Avg Top 10 Participated Banks
March 2026	\$124,867	\$6,239,552	2.00%	TBD
December 2025	\$121,171	\$6,110,290	1.98%	1.20%
September 2025	\$127,536	\$6,144,801	2.08%	1.20%
June 2025	\$126,680	\$6,161,267	2.06%	1.19%
March 2025	\$119,979	\$6,123,581	1.96%	1.21%

- As of March 31, 2026, BND's total allowance as a percentage of total loans is 2.00%, higher than the most recently posted average for the top 10 BND participation banks of 1.20%. Total allowance increase since December 31, 2025 is primarily related to the 1st quarter loan growth in both the commercial and farm portfolios. BND's allowance percentage can be attributed to the Bank's mission driven nature of our loan portfolio. BND continues to evaluate the need to adjust allowance provision based on the changing economic conditions.
- Excluding the DEAL Student Loan portfolio, which is reserved for separately through the Guarantee Agency, BND's total allowance as a percentage is 2.31%. BND's total allowance as a percentage of all non-guaranteed loans is 2.42%.
- As of March 31, 2026, the percent of non-performing loans is 1.07%, lower when compared to last quarter, but still higher compared to early 2025 due to a spike in larger workout commercial credits. This is lower than the most recent average for the top 10 BND participation banks of 1.35%. Adversely classified loans as a percentage of total loans equaled 1.82%, a decrease from last quarter but slightly higher than the most recent North Dakota average of adversely classified loans at 1.70%.

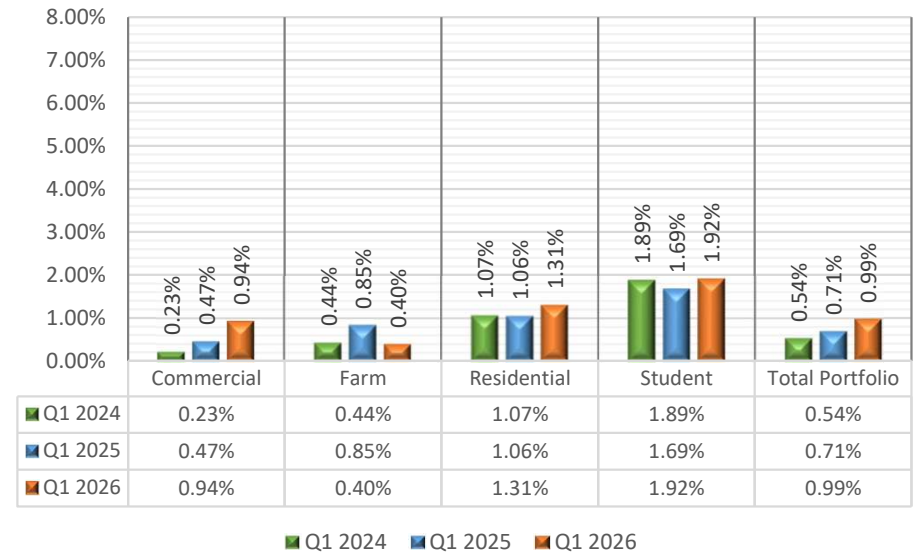
Credit Quality

(Year over Year)

Delinquencies over 30 Days



Delinquencies over 90 Days



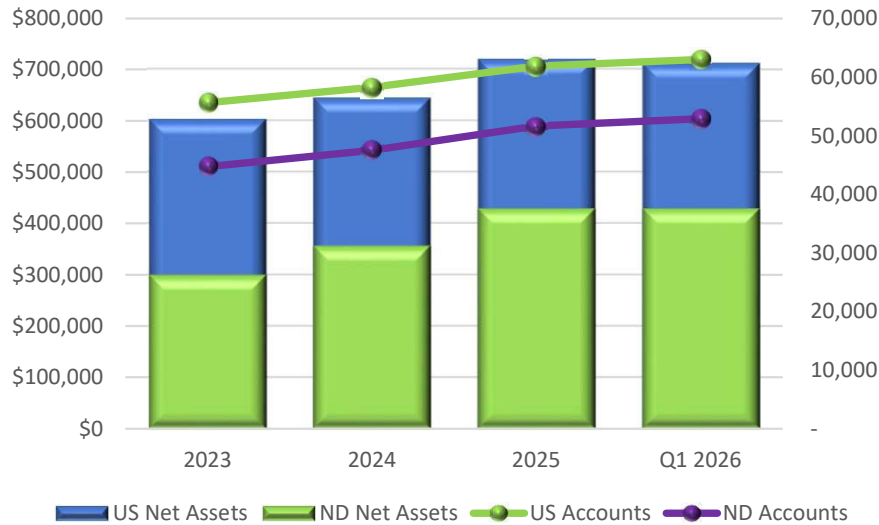
(In \$000's)	Q1 2026	Q1 2025
	> 30 days	> 30 days
Commercial	\$71,233	\$55,530
Farm	\$18,412	\$16,190
Residential	\$10,183	\$10,412
Student Loans	\$23,308	\$26,318
Totals	\$123,136	\$108,450

(In \$000's)	Q1 2026	Q1 2025
	> 90 days	> 90 days
Commercial	\$38,329	\$18,898
Farm	\$3,836	\$6,890
Residential	\$3,322	\$2,988
Student Loans	\$13,887	\$13,033
Totals	\$59,374	\$41,808

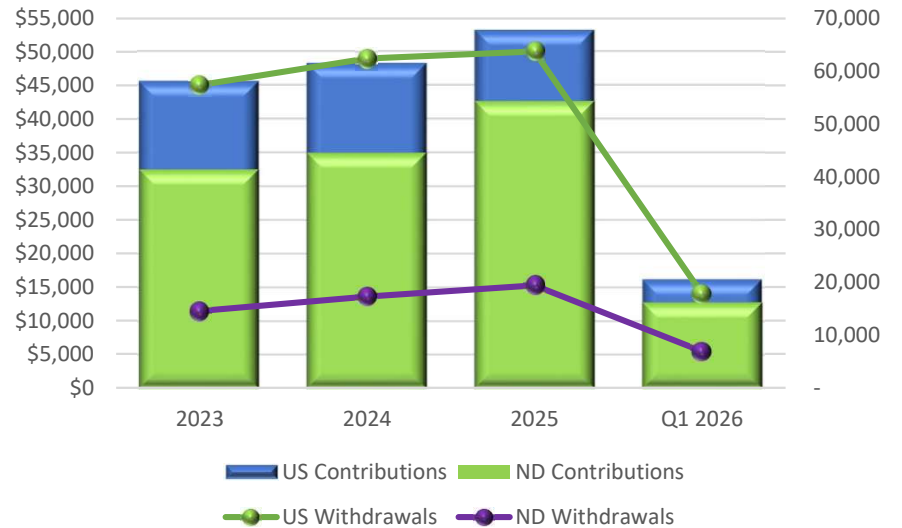
- Commercial delinquencies were 1.74% of which 0.94% were delinquent over 90 days. This is an increase to delinquencies compared to March 31, 2025 of 1.38%. Past dues over 30 days are slightly higher than the 1.56% reported at year end. Past dues over 90 days of 0.94% are higher than the 0.47% reported at March 31 2025. A majority of commercial loans over 90 days past due are on non-accrual status. Delinquencies were lower than the North Dakota average of 1.87%.
- Farm delinquencies were 1.94% of which 0.40% were delinquent over 90 days. Past dues were lower than prior year March 31, 2025, and lower than year end 2025. Past dues over 90 days are lower than prior year March 31, 2025 and lower than the 0.67% reported at year end. BND delinquencies were higher than the North Dakota average of 0.98%.
- Residential delinquencies were 4.01% of which 1.31% were delinquent over 90 days. FHA delinquencies of 6.54% are lower than the North Dakota 30-day average of 10.08% and over 90-day delinquencies of 4.72% is lower than the average of 2.66%. Nearly all residential delinquencies represent federally guaranteed loans.
- The overall student loan portfolio has a delinquency rate of 3.22% with 1.92% of the loans being over 90 days. The \$13.9 million delinquent over 90 days is a slight increase compared to 13 million as of March 31, 2025.

College Save

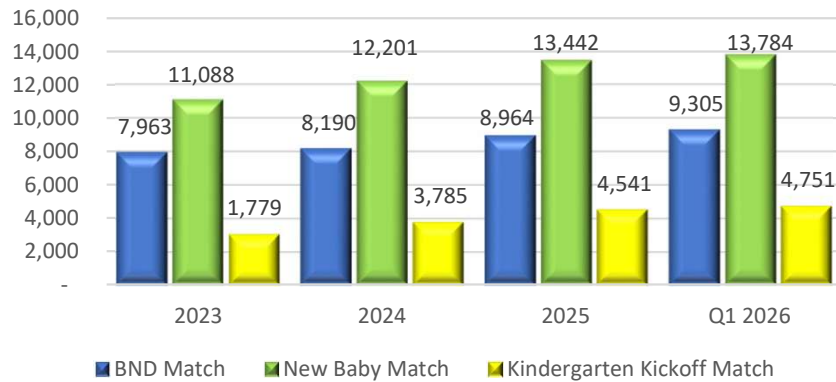
Net Assets (\$000) and Total Accounts (#)



Contributions & Withdrawals (\$000)



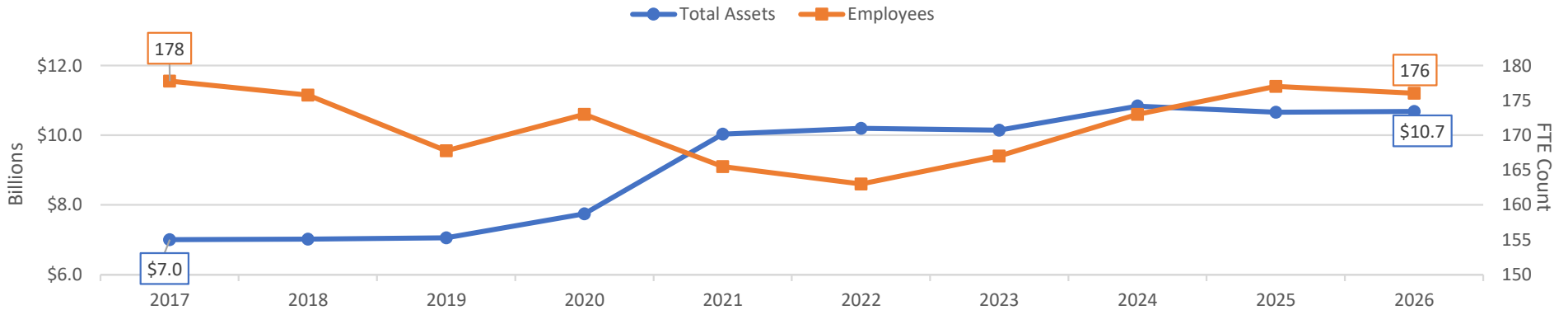
BND, New Baby, Kindergarten Match (# of Accounts)



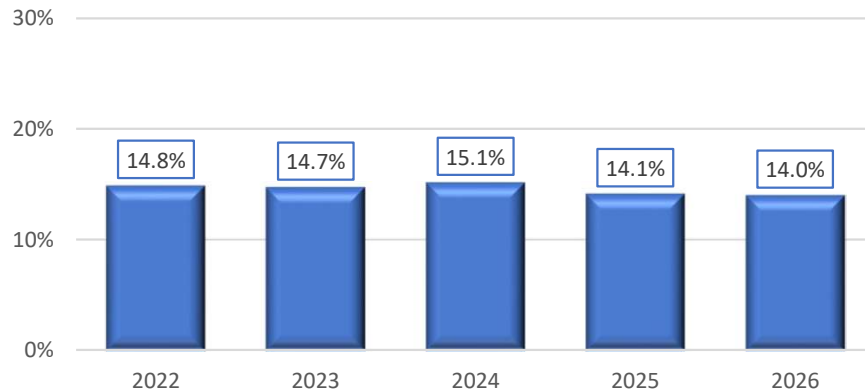
- North Dakota residents account for 84% of all participants in College SAVE.
- Contributions are up over \$1 million along with \$1.5 million in distributions in the first quarter of 2026.

Human Resources

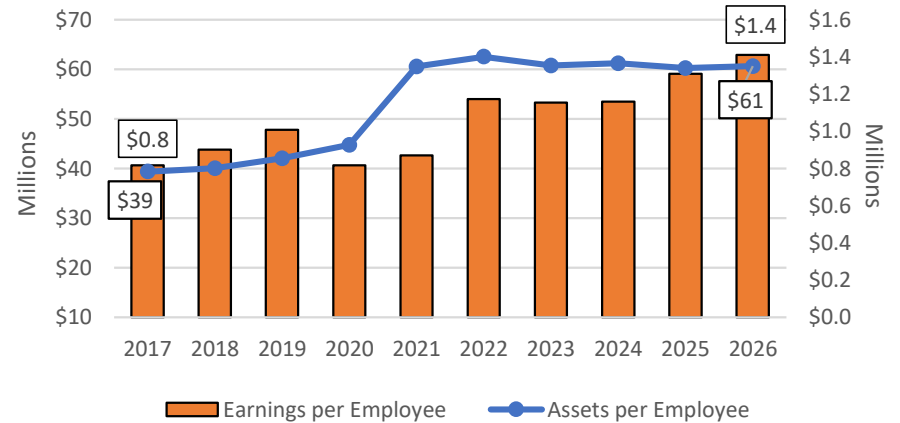
Total Assets & Employees



BND's Trending Efficiency Ratio



Assets & Earnings per Employee



- From 2017 to present, assets increased 52% to \$10.7 billion. Annualized earnings are expected to be up 70% while total FTE count remained the same. Earnings per employee have increased from \$817 thousand in 2017 to \$1.4 million.
- The efficiency ratio measures a bank's overhead costs as a percentage of its revenue; the lower the ratio, the better. March 2026 ratio excludes the \$1.4 million loss on the sale of securities.
- The Bank is authorized 187 FTEs.

Minutes of a Special Meeting of the Industrial Commission of North Dakota

Held on March 17, 2026, beginning at 8:00 a.m.

Governor's Conference Room – State Capitol

Present: Governor Kelly Armstrong, Chairman

By Teleconf: Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

Also Present: This meeting was open through Microsoft Teams so not all attendees are known.

Governor Armstrong called the meeting of the Industrial Commission to order at approximately 8:03 a.m.

Executive Director Karen Tyler took attendance, and all Commission members were in attendance either in person or via teleconference.

Governor Armstrong invited the room to stand and join the Commission in saying the Pledge of Allegiance.

BANK OF NORTH DAKOTA

Mr. Don Morgan presented for consideration of approval the Furloughed Federal Employee Relief Program (FFERP) 2.0. The loan program is structured to provide financial assistance to employees of the Department of Homeland Securities impacted by the partial federal government shutdown. In North Dakota, DHS employees impacted include approximately 200 Transportation Security Administration (TSA) employees at commercial airports in North Dakota including Fargo, Grand Forks, Bismarck, Minot, Dickinson, Jamestown and Williston, and also U.S. Customs and Border Protection (CPB) employees with 50 agents stationed at Pembina as well as agents at the Williston, Minot, and Grand Forks airports and the Grand Forks Air Force Base.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission direct the Bank of North Dakota to reopen the previously established Furloughed Federal Employee Relief Program for the duration of the current federal government shutdown.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

The Commission members agreed to sign a letter to support and communicate the FFERP 2.0 loan program and asked that it be circulated to appropriate TSA and CPB personnel to best publicize availability of the program.

Mr. Morgan presented an update on the 2026 Farm Financial Stability Program (FFSP) and requested an additional allocation to the program of \$100 million. He also presented an update on

the Grain Inventory Loan Program and requested that program be closed out, and any remaining allocation be made available to the (FFSP).

It was moved by Commission Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve an additional \$100 million in funding for the Bank of North Dakota 2026 Farm Financial Stability Program, and direct the bank to close out the previously approved Grain Inventory Loan Program and transfer remaining funding to the Farm Financial Stability Program, bringing total approved funding for the 2026 Farm Financial Stability Program to \$500 million.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Ms. Tyler reported that the next regular meeting of the Industrial Commission will be held Wednesday, March 25, 2026, at 1:00 in the Governor's Conference Room.

With no further business, the meeting was adjourned.

North Dakota Industrial Commission

Karen Tyler, Executive Director

Minutes of a Meeting of the Industrial Commission of North Dakota

Held on March 25, 2026, beginning at 1:00 p.m.

Governor's Conference Room – State Capitol

Present: Governor Kelly Armstrong, Chairman

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

Also Present: This meeting was open through Microsoft Teams so not all attendees are known.

Agency representatives joined various portions of the meeting.

Governor Armstrong called the meeting of the Industrial Commission to order at approximately 1:10p.m.

Ms. Karen Tyler, Executive Director, took attendance, and Governor Armstrong, Commissioner Goehring, and Attorney General Wrigley were present.

Governor Armstrong invited the room to stand and join the Commission in saying the Pledge of Allegiance.

North Dakota Public Finance Authority

Executive Director, Ms. DeAnn Ament, presented for consideration of approval the following State Revolving Fund loans:

- i. **City of Kindred Clean Water State Revolving Fund Loan** in the amount of \$5,300,000. The purpose of the loan is to construct sanitary and storm sewer along with a sanitary lift station and storm water pond for the Meadow Trails Development Phase 1 and replace the Elm Street asbestos cement pipe water main and hydrants, gate valve fittings and curb stop with new materials. The city will issue improvement bonds payable with special assessments. The bonds will be a contingent general obligation of the city with a deficiency tax levy backup provision. The requested term of the loan is 30 years and the average annual payment will be \$222,346.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Clean Water State Revolving Fund Loan of \$5,300,000 for the City of Kindred.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

A Resolution was made:

**RESOLUTION APPROVING
LOAN FROM CLEAN WATER STATE REVOLVING FUND**

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Clean Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4 and 61-28.2; and

WHEREAS, the Clean Water State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (NDPFA) and the Bank of North Dakota (the Trustee); and

WHEREAS, the City of Kindred (the "Political Subdivision") has requested a loan in the amount of \$5,300,000 from the Program to construct sanitary and storm sewer along with a sanitary lift station and storm water pond for the Meadow Trails Development Phase 1, and replace the Elm Street asbestos cement pipe water main and hydrants, gate valves fittings and curb stop with new materials; and

WHEREAS, the NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

- 1. The Loan is hereby approved, as recommended by the Advisory Committee.**
- 2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.**
- 3. The Executive Director is authorized to fund the Loan from funds on hand in the Clean Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.**
- 4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.**

Adopted: March 25, 2026

Ms. Ament presented a memo regarding State Revolving Fund Loans approved by the PFA Advisory Committee pursuant to Policy P-3B which included the following Drinking Water SRF loans:

1. Garrison Rural Water District - \$396,000
2. City of Kindred - \$350,000
3. City of Mooreton - \$892,000

NORTH DAKOTA HOUSING FINANCE AGENCY

Ms. Jennifer Henderson presented for consideration of approval the 2027 Low Income Housing Tax Credit Qualified Allocation Plan. (LIHTC) Section 42 of the Internal Revenue Code requires that the Agency allocate Low Income Housing Tax Credits in accordance with a Qualified Allocation Plan (QAP).

The initial draft 2027 QAP was published on February 17, 2026, for a 15-day public comment period that ended at 5 pm on March 4, 2026. A public hearing was held on March 6, 2026. Interested parties had the option to attend either in person at NDHFA Executive Board Room or via Microsoft Teams. A summary of the substantive changes to the draft plan and the comments received was presented to the Commission. Following Industrial Commission approval, the final QAP will be published to the Agency website. The application round will open on September 1, 2026, and close on the last business day in September.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the 2027 Low Income Housing Tax Credit Qualified Allocation plan as presented by the Housing Finance Agency and recommended by the NDHFA Advisory Board.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Ms. Henderson presented for consideration of approval the 2026 Housing Incentive Fund (HIF) Allocation Plan. Annually the agency is responsible for developing a Housing Incentive Fund Allocation Plan (the Plan). The plan identifies the process for which eligible applicants must apply for HIF funding including the scoring criteria that will be used to rank, score, and select successful applications for multifamily projects. The 2026 Plan was made available for public comment February 17-March 4, 2026. A public hearing was held on March 6th, 2026, at NDHFA's office and via Microsoft Teams.

The 69th Legislative Assembly HIF appropriation included \$25 million for housing and \$10 million of ND Homeless Grant to be transferred to HIF to be used for homeless activities. \$20 million was set aside for multifamily activities, a total of \$4,506,000 is expected to be available for the September 2026 multifamily round.

A summary of the plan changes and comments received was presented to the Commission. The full plan can be found on the HFA website.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the 2026 Housing Incentive Fund Allocation Plan as presented by the Housing Finance Agency and recommended by the NDHFA Advisory Board.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Ms. Henderson presented reports on the 2026 HOME Investment Partnership Program Allocation Plan and the National Housing Trust Fund Allocation Plan and on the 2026 Emergency Solutions Grant and ND Homeless Grant Allocation Plans.

NDHFA Executive Director, Brandon Dettlaff, presented highlights from the NDHFA 2025 Annual Report. The full report can be found on the agency website.

It was moved by Attorney General Wrigley and seconded by Commissioner Goehring, that under the authority of North Dakota Century Code Sections 6-09-35, 17-05-14, 44-04-18.4, 44-04-19.2, 54-63-02 and 54-63.1-06, the Industrial Commission enter executive session for the purpose of Clean Sustainable Energy Authority confidential business, Transmission Authority confidential business, and Renewable Energy Program confidential business.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

The Commission was reminded that any formal action taken by the Commission would occur after it reconvened in open session. The Commission and others present in executive session were reminded that the discussion must be limited to the announced purposes. The executive session was anticipated to last approximately 45 minutes and began at 1:37 p.m.

The Commission met in executive session pursuant to N.D.C.C 6-09-35, 44-04-19.2 and 54-63.1-06 to discuss a recommendation by the Clean Sustainable Energy Authority (CSEA) related to a CSEA loan. Only Commission members, their staff, Commission staff, CSEA members and representatives from Minnkota Power Cooperative participated in the executive session.

Following the Clean Sustainable Energy Authority executive session, the Commission met in executive session pursuant to N.D.C.C. 17-05-14, 44-04-18.4, and 44-04-19.2 to consider a Transmission Authority federal grant application discussion and two confidentiality requests. Only Commission members, their staff, Commission staff, and the Transmission Authority Executive Director participated in the executive session.”

Following the Transmission Authority executive session, the Commission met in executive session pursuant to N.D.C.C 44-04-18.4, 44-04-19.2 and 54-63-02 to discuss a Renewable Energy Program confidentiality request. Only Commission members, their staff, and Commission staff participated in the executive session.

CLEAN SUSTAINABLE ENERGY AUTHORITY EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

CSEA MEMBERS

Sen. Dale Patten

Rep. Glen Bosch

BND EMPLOYEES

Don Morgan
Kelvin Hullet
Courtney Heiser

Others in attendance

Aaron Weber	Governor's Office
Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Dutch Bialke	Ag Commissioner's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Natalie Henes	Industrial Commission Office

Mac McLennan	Minnkota Power
Stacy Dahl	Minnkota Power

TRANSMISSION AUTHORITY EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong
Attorney General Drew H. Wrigley
Agriculture Commissioner Doug Goehring

Transmission Authority Members Present

Claire Vigesaa, Executive Director, via teleconference

Others in attendance

Aaron Weber	Governor's Office
Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Dutch Bialke	Ag Commissioner's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Natalie Henes	Industrial Commission Office

RENEWABLE ENERGY PROGRAM EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong
Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

Others in attendance

Aaron Weber	Governor's Office
Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Dutch Bialke	Ag Commissioner's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Natalie Henes	Industrial Commission Office

A ten-minute recess was taken after the Renewable Energy Program Executive Session.

The executive session ended at 2:37 pm. and the Commission reconvened in open session.

During the Clean Sustainable Energy Authority executive session a recommendation by the Authority was presented and discussed.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accept the recommendation of the Clean Sustainable Energy Authority regarding CSEA program awardee Minnkota Power Cooperative, and approve a loan commitment expiration extension to September 15, 2026, and approve the acceptance of a revised loan application submission prior to September 15, 2026, which will be subject to the following:

- 1. independent technical expert review**
- 2. review by the CSEA technical review committee**
- 3. review by the full CSEA Board, and if thereby approved**
- 4. presented to the Industrial Commission for final consideration.**

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

During the Transmission Authority executive session, a request was considered for the Transmission Authority to act as lead applicant for a DOE grant.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Transmission Authority request to act as a lead applicant for the Department of Energy Grant Program Speed to Power Through Accelerated Reconductoring and Other Key Advanced Transmission Technology Upgrades under Topic Area 3: Grid Innovation Program.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Also during the Transmission Authority executive session, two confidentiality requests were presented and discussed.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission determine that the requests are confidential and the information described in the requests is proprietary information and is confidential pursuant to N.D.C.C. 17-05-14 and 44-04-18.4.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

During the Renewable Energy Program executive session, a confidentiality request was presented and discussed.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accept the recommendation of Jordan Kannianen, Deputy Executive Director, and pursuant to N.D.C.C. 44-04-18.4 and 54-63-02 grant the confidentiality request and determine that the request is confidential and the information described in the request is a trade secret, commercial, financial or proprietary information and is confidential.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

RENEWABLE ENERGY PROGRAM

Deputy Executive Director Mr. Jordan Kannianen presented the Renewable Energy Program Project Management and Financial Report. A total of 76 projects have been funded since program inception, \$27.6 million in total grant awards have been made, and total project values are estimated at \$170.9 million. For grant round 57 there was \$4,038,237 in uncommitted funds available for grant awards.

Mr. Kannianen presented the Renewable Energy Council's recommendation to fund 2 projects at \$500,000 each. The recommended projects are:

- 1. REP-57-A: "Valorization of Bakken Produced Water: A Pilot Project for Domestic Rubidium Production and Oilfield Revenue Enhancement" Xylion Technologies, Inc., Grant Request: \$500,000**

To pilot, validate, demonstrate and de-risk a proprietary ion exchange technology (Xy-lect Rb 100) for the economic extraction of rubidium carbonate, a USGS federally designated critical mineral, from the Bakken/Three Forks formation produced water and possibly other formations. This project will be conducted in direct partnership with a North Dakota oil and gas producer or saltwater disposal (SWD) operator, establishing a new model for waste stream valorization within the state's energy sector. Beyond technical validation, the business model development will focus on modular, scalable and repeatable facilities utilizing existing infrastructure thereby building on North Dakota's current energy success and longevity.

Funding: \$500,000 NDIC grant; \$1,000,000 cash and in-kind match from Xylion Technologies, Inc.; \$1,500,000 total project cost

Technical Reviewers' Score and Recommendation:
Average Weighted Score: 155/250
Overall Recommendation: Funding May Be Considered

2. REP-57-B: "Biomass to Negative Carbon Intensity Energy Products" Flickertail Resources, LLC, Grant Request: \$500,000

Flickertail Resources LLC is developing a North Dakota (ND) based biomass to negative carbon intensity (CI) energy products facility. The objective of this grant request is to support Flickertail's phased project development process to commercialize the deployment of the Sandwich Gasifier technology developed at the EERC (now being licensed through Singularity Energy Technologies (SET)) into a ND processing facility that converts biomass to negative carbon intensity energy products. Primary activities being performed include:

- Front End Engineering and Design (FEED) stage FEL-2
- Regulatory Analysis
- Permitting Analysis
- GREET Analysis
- Site Selection
- Interconnect Study (pending site-specific need)
- Community Engagement Activities
- Feedstock / Products Market Analysis and Agreements
- Project De-Risking, Feasibility, and Readiness Activities
- Pre-Investment Development, Stakeholder Engagement and Financial Readiness
- Total Installed Cost Estimate
- Overall Level 1 Project Schedule

Funding: \$500,000 NDIC grant; \$2,300,000 cash match from Flickertail Resources, LLC;
\$2,800,000 total project cost

Technical Reviewers' Score and Recommendation:
Average Weighted Score: 186/250
Overall Recommendation: Fund

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accept the recommendation of the Renewable Energy Council, approve the funding of the following projects in the amounts recommended, and authorize the Office of the Industrial Commission to enter into contracts for the projects:

REP-57-A - Xylion Technologies, Inc. – Valorization of Bakken Produced Water: A Pilot Project for Domestic Rubidium Production and Oilfield Revenue Enhancement - Grant: \$500,000

REP-57-B - Flickertail Resources, LLC – Biomass to Negative Carbon Intensity Energy Products -Grant: \$500,000

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

DEPARTMENT OF MINERAL RESOURCES

Executive Director Nathan Anderson provided the DMR Director's Update, providing the following Oil and Gas Production and Activity Level Summary:

1. Oil production decreased from December to January by ~1,393 bbls/day or about -0.12%.
2. January oil production was at 1,124,766 bbls/day, gas production at 3.34 bcf/d. ND oil revenue forecast at 1,150,000 bbls/day at \$59/bbl ND realized price for year 1 of the bi-ennium.
3. ~66% of new wells are 2-miles, ~22% are 3-miles & ~12% are 4-mile laterals.
4. Operators are innovating with longer laterals and U-style laterals to gain operational efficiencies in this sustained soft price environment. This technology is directly contributing to the resiliency of ND production, keeping ND production relatively flat.
5. ND January received oil price, from ND Tax, is \$53.27 (revenue forecast at \$59).
6. ND currently has 25 drilling rigs and 8 frac crews.
7. Recent operator meetings have indicated a desire to hold ND production flat in 2026. 4 operators expect slight increases in production, but most will hold flat.

Mr. Anderson introduced DMR's new Deputy Director, Tara Vesey, who started in the position on March 23. Mr. Anderson also reminded the Commission of State Geologist Ed Murphy's planned retirement on or around July 1, 2026, and that the process of finding Mr. Murphy's successor has begun.

DMR staff are preparing for participation in the Williston Basin Petroleum Conference which will be held May 19-21, 2026.

NORTH DAKOTA PIPELINE AUTHORITY

Pipeline Authority Executive Director Justin Kringstad presented the Commission with the Pipeline Authority Industry Update focused on the status of projects currently in progress as well as those gas transmission projects planned beyond 2026.

It was moved by Attorney General Wrigley and seconded by Commissioner Goehring, that under the authority of North Dakota Century Code Sections 6-09-35, 44-04-18.4, 44-04-19.1, 44-04-19.2 and 54-17.7-12, the Industrial Commission enter executive session for the purpose of Pipeline Authority confidential business, attorney consultation related to litigation, and Bank of North Dakota confidential business.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

The Commission was reminded that any formal action taken by the Commission would occur after it reconvened in open session.

The Commission and others present in executive session were reminded that the discussion must be limited to the announced purposes. The executive session was anticipated to last approximately 90 minutes and began at 3:10 p.m.

The Commission met in executive session pursuant to N.D.C.C 44-04-18.4, 44-04-19.2 and 54-17.7-12 to discuss North Dakota Pipeline Authority confidential business. Only Commission members, their staff, Commission staff, the Pipeline Authority Executive Director, Department of Mineral Resources staff, and representatives from WBI Energy Transmission participated in the executive session.

Following the Pipeline Authority executive session, the Commission met in executive session pursuant to 44-04-19.1 and 44-04-19.2 for attorney consultation related to litigation. Only Commission members, their staff, Commission staff and Department of Mineral Resources staff participated in the executive session.

Following the attorney consultation executive session, the Commission is met in executive session pursuant to N.D.C.C. 6-09-35, 44-04-18.4 and 44-04-19.2 to discuss Bank of North Dakota confidential business. Only Commission members, their staff, Commission staff, Bank of North Dakota staff, Bank Advisory Board members, and a representative from Fiserv participated in the executive session.

PIPELINE AUTHORITY EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

Pipeline Authority

Executive Director Justin Kringstad

Others in attendance

Jacy Schafer Governor's Office

Chris Joseph Governor's Office

Phil Axt Attorney General's Office

Dutch Bialke Ag Commissioner's Office

Karen Tyler Industrial Commission Office

Jordan Kannianen Industrial Commission Office

Natalie Henes Industrial Commission Office

Nathan Anderson DMR

Tara Vesey DMR

Rob Johnson WBI Energy Transmission

Mark Anderson WBI Energy Transmission

ATTORNEY CONSULTATION EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong
Attorney General Drew H. Wrigley
Agriculture Commissioner Doug Goehring

Attorney General's Office

Phil Axt

Others in attendance

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Dutch Bialke	Ag Commissioner's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Natalie Henes	Industrial Commission Office
Nathan Anderson	DMR
Tara Vesey	DMR

BANK OF NORTH DAKOTA EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong
Attorney General Drew H. Wrigley
Agriculture Commissioner Doug Goehring

BND Members Present

Don Morgan
Kirby Evanger
Rob Phennig
Kelvin Hullet
Craig Hanson
Courtney Heiser
Rick Geloff
Michael Lehn

Others in attendance

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Dutch Bialke	Ag Commissioner's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Natalie Henes	Industrial Commission Office
Karl Bollingberg	BND Advisory Board
Sunil Sachdev	Fiserv

The executive session ended at 4:45 p.m. and the Commission reconvened in open session.

During the Pipeline Authority executive session discussion was held on the stated purpose. No action was taken.

During the attorney consultation executive session, discussion was held on the stated purpose. No action was taken.

During the Bank of North Dakota executive session, the problem loan report and confidential meeting minutes were presented, and discussion was held on the Bank's Roughrider Coin business use case proposal.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Bank of North Dakota's request to proceed with Phase I of the Roughrider Coin Business Use Case involving bank-to-bank transactions only, enter into contract negotiations with Fiserv to secure a strategic agreement to integrate blockchain token operations within existing banking infrastructure, and establish governance and oversight policies for the initiative.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Also during the Bank of North Dakota executive session, motions were made regarding two bank participation loans.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. Both motions carried unanimously.

BANK OF NORTH DAKOTA

Mr. Don Morgan presented the CEO Report which included updates on strategic, financial, risk, and policy and program matters. Under the financial category, Mr. Rob Phenning presented the proposed 2026 BND Annual Budget.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Bank of North Dakota 2026 Annual Budget as presented.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Morgan presented the proposed performance goals and metrics for the 2026 SMART Plan recruitment and retention bonus program.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the proposed 2026 SMART Plan performance goals for the Bank of North Dakota recruitment and retention bonus program.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Meeting minutes for the January 14 and 15, 2026, BND Advisory Board and Committee meetings were presented.

INDUSTRIAL COMMISSION ADMINISTRATIVE OFFICE

Executive Director Karen Tyler presented the February 24, 2026 Industrial Commission meeting minutes for consideration of approval.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the February 24, 2026, Industrial Commission meeting minutes.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Ms. Tyler presented for consideration of approval a recommendation to make necessary policy changes to NDIC grant program policies to allow for submission of applications, payment of fees, completion of contracts, submission of status reports and other communications through the agency's new Grant Management System.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve necessary grant program policy changes to facilitate utilization of the Industrial Commission Administrative Office Grant Management System (GMS) as directed by the NDIC Executive Director or Deputy Executive Director.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

The next regular Industrial Commission meeting will be held Tuesday, April, 28, 2026, in the Governor's Conference Room from 9:00 a.m – 12:30 p.m.

With no further business, Governor Armstrong adjourned the meeting of the Industrial Commission at 5:03 pm.

North Dakota Industrial Commission

Karen Tyler, Executive Director