INDUSTRIAL COMMISSION OF NORTH DAKOTA

Kelly Armstrong	Drew H. Wrigley	Doug Goehring
Governor	Attorney General	Agriculture Commissioner

Thursday, July 23, 2026
Governor's Conference Room or Microsoft Teams – 9:00 am
Join the Meeting Now
Join on your computer or mobile app
Or call in (audio only)
+1 701-328-0950,,543881105#

I. Roll Call and Pledge of Allegiance

(approximately 9:00 am)

II. North Dakota Housing Finance Agency – Brandon Dettlaff, Jennifer Henderson, Terri Mollman-Larson

A. Homelessness Programs – Jennifer Henderson
   i. Report on 2026 Emergency Solutions Grant (ESG) Recipients and 2026 North Dakota Homeless Grant Recipients (Attachment 1)
B. Homeownership Programs – Terri Mollman-Larson
   i. Report on 2026 Annual DCA Income Limits Increase (Attachment 2)
C. Update on New Housing Portal – Brandon Dettlaff (Attachment 3)
D. Other NDHFA Business

(approximately 9:20)

III. North Dakota Public Finance Authority – DeAnn Ament

A. Introduction of Deputy Director Becky Collins
B. **Consideration of Approval of the following State Revolving Fund Loans:**
   i. City of Bottineau – Drinking Water - $3,647,000 (Attachment 4)
   ii. City of West Fargo – Drinking Water - $4,710,000 (Attachment 5)
   iii. City of West Fargo – Clean Water - $5,050,000 (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 Almont – Clean Water - $149,000 (Attachment 7A)
   ii. City of Almont – Drinking Water - $162,000 (Attachment 7B)
   iii. Cass Rural Water District – Drinking Water - $1,500,000 (Attachment 7C)

D. Other NDPFA Business

(approximately 9:40)

IV. Department of Mineral Resources – Deputy Director Tara Vesey

A. Director's Update (Attachment 8)
B. Other DMR Business

(approximately 9:50)

V. North Dakota Mill and Elevator – Cathy Dub

A. Report on Mill Profit Transfer FY 2026 to APUF and General Fund (Attachment 9)
B. Abridged Review of 2026 Operations – Profits and Gain Share (Attachment 10)
C. Other ND Mill Business

Meeting Closed to the Public for Executive Session Pursuant to NDCC 6-01-07.1, 6-09-35, 44-04-18.4, and 44-04-19.2

(approximately 10:00)

VI. Bank of North Dakota Executive Session – DFI Commissioner Lise Kruse, Chief Examiner Ryan Spah, Don Morgan, Kirby Evanger, Craig Hanson

A. Department of Financial Institutions (DFI) Report of BND Examination – Commissioner Lise Kruse, Ryan Spah, Chief Examiner (Confidential Attachment 11)
B. CEO Report – Don Morgan (Confidential Attachment 12)
   - **i.** Executive Summary
     1. Roughrider Coin Memo (Confidential Attachment 13)
     2. Issuer Memo (Confidential Attachment 14)
     3. Problem Loans – Adversely Classified Quarterly Recap as of June 30, 2026 – Kirby Evanger (Confidential Attachment 15)
     4. Non-Accrual Loans Quarterly Recap and Detail as of June 30, 2026 – Kirby Evanger (Confidential Attachment 16)
     5. Off-Balance Sheet Risk Quarterly Recap and Detail as of June 30, 2026 – Kirby Evanger (Confidential Attachment 17)
     6. Loan Charge-Offs and Recoveries YTD June 30, 2026 – Kirby Evanger (Confidential Attachment 18)
   - **ii.** Material Credit Related Changes
C. **Consideration of Approval of Participation Loans** – Craig Hanson (Confidential Attachment 19)

D. Confidential May Advisory Board and Committee Meeting Minutes (Confidential Attachment 20)
E. Other BND Confidential Business

Meeting Returns to Public Session

(approximately 11:00)

VII. Action on Executive Session Topics

VIII. Bank of North Dakota – Don Morgan

A. CEO Report (Attachment 21)
   i. Strategic
      1. Traction EOS Q2 2026 Rock Review
   ii. Financial
      1. Presentation of Q2 2026 Performance Highlights (Attachment 22)
   iii. Risk
      1. ERM Stifel Dashboard (Attachment 23)
      2. Non-confidential Summary
         a. Problem Loans
         b. Nonaccruals
         c. Off-Balance Sheet
         d. Loan Charge-offs and Recoveries
   iv. Policy/Programs
      1. **Consideration of Approval of Amendments to Executive Committee Policy** (Attachment 24)
      2. **Consideration of Approval of Amendments to Advisory Board of Directors to the Bank of North Dakota Policy** (Attachment 25)

B. Presentation of Non-Confidential May Advisory Board and Committee Meeting Minutes (Attachment 26)
C. Other BND Business

(approximately 11:30 am)

IX. Outdoor Heritage Fund Grant Round 28 – Chairman David Dewald, Jordan Kannianen, Carmen Devney

A. Program Management and Financial Report – Jordan Kannianen (Attachment 27)

B. **Consideration of Approval of the Following Grant Applications as Recommended by the OHF Advisory Board**

   i. 28-A “Limesand Seefeldt Dam Reparation Project” submitted by LaMoure County Water Resource District, **$175,000 award recommendation** (Attachment 28A)

   ii. 28-E “Donation-Supported PLOTS” submitted by North Dakota Game and Fish Department, **$1,000,000 award recommendation** (Attachment 28B)

   iii. 28-H “Conservation Forage Program II” submitted by Audubon Great Plains, **$2,500,000 award recommendation** (Attachment 28C)

   iv. 28-J “Bakken Development and Working Lands Program 4” submitted by North Dakota Natural Resources Trust, **$1,500,000 award recommendation** (Attachment 28D)

   v. 28-K “Working Grassland Partnership 8” submitted by North Dakota Natural Resources Trust, **$700,000 award recommendation** (Attachment 28E)

   vi. 28-L “North Dakota Open Prairie Initiative” submitted by North Dakota Wildlife Federation, **$125,000 award recommendation** (Attachment 28F)

C. Other OHF Business

(approximately 12:00 pm)

X. Industrial Commission Administrative Office – Karen Tyler

A. **Consideration of Approval of Mill President Bonus FY 2026** (Attachment 29)

B. **Consideration of Approval of June 29, 2026, Industrial Commission Meeting Minutes** (Attachment 30)

C. Other Administrative Office Business

XI. Adjournment

Next Regular Industrial Commission Meeting – Tuesday, August 25, 2026
8:00 am – 11:00 am
Governor’s Conference Room

NORTH DAKOTA housing FINANCE AGENCY

July 23, 2026

TO: Industrial Commission

FR: Brandon Dettlaff, Executive Director

RE: Report 2026 Emergency Solutions Grant and North Dakota Homeless Grant Recipients

The agency serves as the administrator for the Federal Emergency Solutions Grant (ESG) and the state appropriated ND Homeless Grant (NDHG). Similar to multifamily programs, the funds are allocated to recipients through the allocation plan which details the eligible activities and the selection criteria for each program.

Emergency Solutions Grant

Program Overview

Emergency Solutions Grants will be utilized to provide services to individuals experiencing homelessness and those at risk of becoming homeless in the following eligible activities.

- Street Outreach;
- Emergency Shelter;
- Homelessness Prevention;
- Rapid Re-housing Assistance; and
- Homeless Management Information System- HUD required homeless data repository.

Individuals who are seeking homeless prevention services and extended rapid rehousing must meet income limits at 30% area median income. Programs are delivered through local non-profit organizations who are members of the Continuum of Care, the state's homeless response system.

Funding Level

For FY 2026, the federal formula allocation for the small state minimum was $489,698. ESG requires 100 percent match on all but $100,000 of the federal allocation or $389,698.

Awards

A total of eleven applications were received requesting $1.5 million for the $842,696 available to award. Six agencies were selected for funding all of which were project renewals. A summary of the awards is attached.

North Dakota Homeless Grant

Program Overview

ND Homeless Grant is modeled after ESG with some minor adjustments. Rents are allowed to exceed fair market rent and individuals served can earn up to 50% area median income.

Funding Level

Biennial allocation $9.85 million, allocated over two-year period with half awarded in the first year and the remaining in the second year. A portion of the fund is used to pay staff administration costs for the program and cover the required federal match for ESG and the Continuum of Care program. For FY2026 a total of $4,168,302 was made available.

Awards

A total of 29 applications were received requesting over $7.7 million in funding. Seventeen agencies were selected for funding and all the funds available have been committed. A summary of the awards is attached. The FY2025 recipients have until July 10th to submit final reimbursements, any remaining funds will be allocated to FY2026 recipients who received less funding than requested.

2026 EMERGENCY SOLUTIONS GRANT AWARDS

		Shelter Activities			Street	Rapid Re-Housing		Homeless Prevention			
Applicant Organization	**Location**	**Renovation**	**Operations**	**Essential Services**	**Outreach**	**Relocation/Stabilization**	**Rent Assistance**	**Relocation/Stabilization**	**Rent Assistance**	**HMIS**	**Funded Amount**
PPIH	Fargo							149,650	50,000	350	200,000
SENDCAA	Fargo				4,000	15,000	15,000	50,000	58,000	8,000	150,000
United Way Grand Forks	Grand Forks					40,000	60,000				100,000
ICA	Iowa									160,000	160,000
CVIC	Grand Forks		36,866	26,634							63,500
YWCA	Fargo		70,000								70,000
Grand Forks Homes	Grand Forks		93,946							5,250	99,196
Totals			**200,812**	**26,634**	**4,000**	**55,000**	**75,000**	**199,650**	**108,000**	**173,600**	**842,696**

2026 NORTH DAKOTA HOMELESS GRANT AWARDS

		Shelter Activities		Street	Rapid Re-Housing		Homeless Prevention				
Applicant Organization	**Location**	**Operations**	**Essential Services**	**Outreach**	**Relocation/Stabilization**	**Rent Assistance**	**Relocation/Stabilization**	**Rent Assistance**	**HMIS**	**Admin**	**Funded Amount**
PPIH	Fargo						90,000	100,000			190,000
ICA	Iowa										30,000
CAPND	North Dakota			64,083	432,866.75	432,766.75	432,866.75	432,866.75	4,550	200,000	2,000,000
Youth Works- Shelter	Bis, Fargo, Minot	100,000	50,000								150,000
Youth Works- RRH	Bis, Fargo, Minot							70,265	1,368		71,633
AARC – Pam's House-Shelter	Bismarck	30,000	37,500						7,500		75,000
YWCA	Fargo	230,000									230,000
CVIC	Grand Forks	78,500									78,500
Gladys Ray	Fargo	160,000	200,000								360,000
AARC – Hope House-Shelter	Bismarck	20,000	21,250								41,250
AARC-Hope House-RRH	Bismarck				10,000	10,000	10,000	11,250			41,250
Grand Forks Homes	Bismarck	30,000	100,000	100,000							230,000
United Way Grand Forks	Grand Forks	100,000	100,000								200,000
Northlands Rescue Mission	Grand Forks	50,000	57,302						22,698		130,000
New Life Center	Fargo	180,000									180,000
DVRCC	Dickinson	118,000									118,000
Ministry on the Margins	Bismarck			17,669							17,669
Men's Winter Refuge	Minot	14,600	10,000						400		25,000
ESG Federal Match	Statewide									398,698	398,698
NDHG Administration	State									204,000	204,000
ESG Administration	State									77,000	77,000
CoC Administration	State									72,000	72,000
Totals		**1,111,100**	**576,052**	**181,752**	**442,866.75**	**442,866.75**	**532,866.75**	**614,381.75**	**66,516**	**553,000**	**4,521,302**

July 15, 2026

TO: Industrial Commission

FR: Brandon Dettlaff, Executive Director

RE: **DCA Income Limits Updated**

DCA Income Limits Updated

This notice serves as a report to the Industrial Commission on updated income limits, based on the Resolution adopted and signed May 22, 2025 by the Industrial Commission. The NDHFA Advisory Board **approved increasing DCA Program limits, as outlined in Program Directive No. 127 (Exhibit 1), to take effect for loan reservations made on or after July 15, 2026.** No changes were made to FirstHome program income limits.

Previously, NDHFA's board approved DCA income limits of $63,300 for Burleigh, Cass, McKenzie, McLean, Morton, and Oliver Counties, and $60,000 for all other counties. Those limits grouped counties into broader categories. The updated DCA income limits establish additional county-specific income limits in select areas based on current market data, allowing the program to provide the greatest benefit to eligible borrowers.

For reference, the following background information was provided to the Industrial Commission when the approved 2026 income limits were presented. It is included again to provide context for the proposed revision to the DCA income limits.

The US Department of Housing and Urban Development (HUD) published new median income numbers on May 1, 2026. These numbers are used to establish the annual income limits for the FirstHome, FirstHome Start, FirstHome DCA, and HomeAccess programs.

Mortgage Revenue Bond (MRB) regulations allow the use of the greater of county or state median income and those regulations and NDHFA policy limit household incomes as follows:

- FirstHome - 100% of median income - one and two member households by county (MRB regulation)
- FirstHome - 115% of median income - three or more member households by county (MRB regulation)
- DCA limits - 80% of median income by family size and county (NDHFA policy)

2624 Vermont Avenue • PO Box 1535 • Bismarck, North Dakota 58502-1535
Ph: 701/328-8080 • Fax: 701/328-8090 • Toll Free: 800/292-8621 • 711 (TTY)
ndhousing.nd.gov
hfainfo@nd.gov

Exhibit 1

NORTH DAKOTA HOUSING FINANCE AGENCY
HOME MORTGAGE FINANCE PROGRAM (FirstHome)

PROGRAM DIRECTIVE NO. 127
MAXIMUM ANNUAL INCOME

The following Program Directive will serve as written notice of the applicable maximum annual income (as defined in the 1994 Mortgage Purchase Agreement dated as of August 3, 1994) for an eligible mortgagor of a mortgage loan. These maximum annual income limits are **effective for mortgage loans in which the reservation is dated on or after the herein effective date July 15, 2026.**

MAXIMUM ANNUAL INCOME
FirstHome/Start/HomeAccess

COUNTY	FAMILY SIZE LESS THAN 3	FAMILY SIZE 3 OR MORE
All Counties	$105,730	$121,590

MAXIMUM ANNUAL INCOME
DCA

	FAMILY SIZE*							
COUNTY	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
Dunn/McKenzie	71,550	81,750	91,950	102,150	110,350	118,500	121,590	121,590
Burke/Foster	68,000	77,700	87,400	97,100	104,900	112,650	120,450	121,590
Traill	65,550	74,900	84,250	93,600	101,100	108,600	116,100	121,590
Cass/McLean/Steele	64,550	73,750	82,950	92,150	99,550	106,900	114,300	121,590
Burleigh/Morton/Oliver	63,300	72,350	81,400	90,400	97,650	104,900	112,100	119,350
Bottineau/Williams	62,300	71,200	80,100	88,950	96,100	103,200	110,300	117,450
Stark	61,550	70,350	79,150	87,900	94,950	102,000	109,000	116,050
All Other Counties	60,000	68,600	77,150	85,700	92,600	99,450	106,300	113,150

Larger families, check with NDHFA for limits.

Effective date of this Program Directive No.127: **July 15, 2026**

Housing Portal

A centralized source of population and housing data for policymakers, researchers, and the public to find statistics for decision-making, research, and community planning.

PRAMS Points | **Social Drivers of Health** | **COVID-19 Impacts** | **Housing Portal**

- **Demographics**
  - **Income-Based Rental Housing**
  - **Home Sales**
- **Resident Profile**
  - **Housing Characteristics**
  - **Housing Affordability**
  - **Household Composition**

Resident Profile - Read more on resident demographics and housing impacts: **Read More**

NDCOMPASS
BY NDSU CENTER FOR SOCIAL RESEARCH

The North Dakota Housing Portal
.:: Resident Profile ::.

NORTH DAKOTA housing FINANCE AGENCY

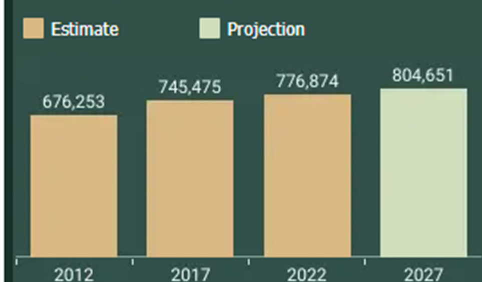
North Dakota | Planning Region | County | City | Reservation

Select year
2024

784,841	35.9	$76,657	12.0%	10.8%
Total population	Median age	Median household income	Disability rate	Poverty rate

Population trend and forecast

Select age group: All ages



Population projections for North Dakota were prepared in 2024 to show the potential change in the number of people over a five-year period, from the base year of 2022 to 2027

Population by living situation

Tenure	Type of structure	
Owner-occupied	1 unit building	478,230
	2 or more unit building	10,136
	Mobile home, boat, RV, van	32,416
Renter-occupied	1 unit building	70,223
	2 or more unit building	153,874
	Mobile home, boat, RV, van	11,169

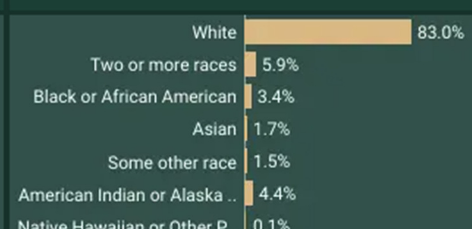
Select indicator

Total population (people)

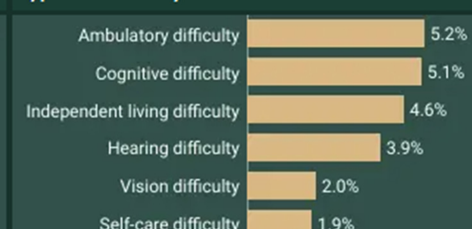
582,397 – 39,287,377

Age group

Race



Type of Disability



Note: There may be missing values due to insufficient data and suppression due to small numbers. Also, in some cases specific measures were not collected in the selected year.

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EXHIBIT 2

NDCOMPASS
BY NDSU CENTER FOR SOCIAL RESEARCH

The North Dakota Housing Portal

.:: Housing Characteristics ::.

NORTH DAKOTA housing FINANCE AGENCY

North Dakota | Planning Region | County | City | Reservation

Select year
2024

377,281	Total housing units
46,218	Vacant housing units
331,063	Occupied housing units
62.9%	Owner-occupied housing units
37.1%	Renter-occupied housing units
$1,762	Median housing costs
$249,900	Median home value
$954	Median gross rent

Housing trend and forecast

Median gross rent by number of bedrooms

No bedroom	$726
1 bedroom	$788
2 bedroom	$950
3 bedroom	$1,304
4 bedroom	$1,496
5 or more bedroom	$1,363

Select indicator

Total housing units (number)

Median year structure built

All housing structures	1983
Owner-occupied structures	1978
Renter-occupied structures	1991

Occupied housing by year built and tenure

Year built	Owner-occupied	Renter-occupied
Prior to 1960	27.0%	14.2%
1960 - 1979	25.9%	22.3%
1980 - 1999	19.3%	22.7%
2000 to present	27.8%	40.8%

Vacancy status

Note: There may be missing values due to insufficient data and suppression due to small numbers. Also, in some cases specific measures were not collected in the selected year.

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The North Dakota Housing Portal

.:: Income-Based Rental Housing ::.

(As of October 2025)

NORTH DAKOTA housing FINANCE AGENCY

If you have an income-based rental property that should be included in the Housing Portal Dashboard, please complete the online form here.
https://ndstate.co1.qualtrics.com/jfe/form/SV_1ZGVm4slZEazGjc

North Dakota | Planning Region | County | City | Reservations

Select project name
(All)

417 Total projects

1,091 Total properties

10,759 Total low income units

Low income units by income category

Extremely low	772
Very low	1,377
Low	3,899
Lower moderate and moderate	934
Rental assistance	3,777

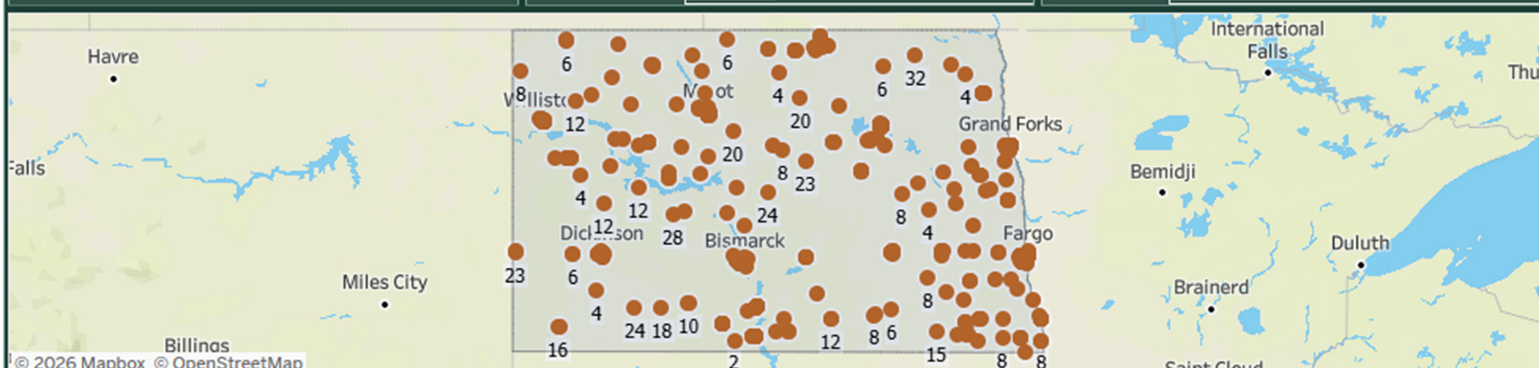
See the "**Read More**" section found above this dashboard for category descriptions.

Low income units by placed in service date

1960 to 1969	317
1970 to 1979	980
1980 to 1989	662
1990 to 1999	1,154
2000 to 2009	2,358
2010 to 2019	3,985
2020 to present	1,303

Low income units by out of program date

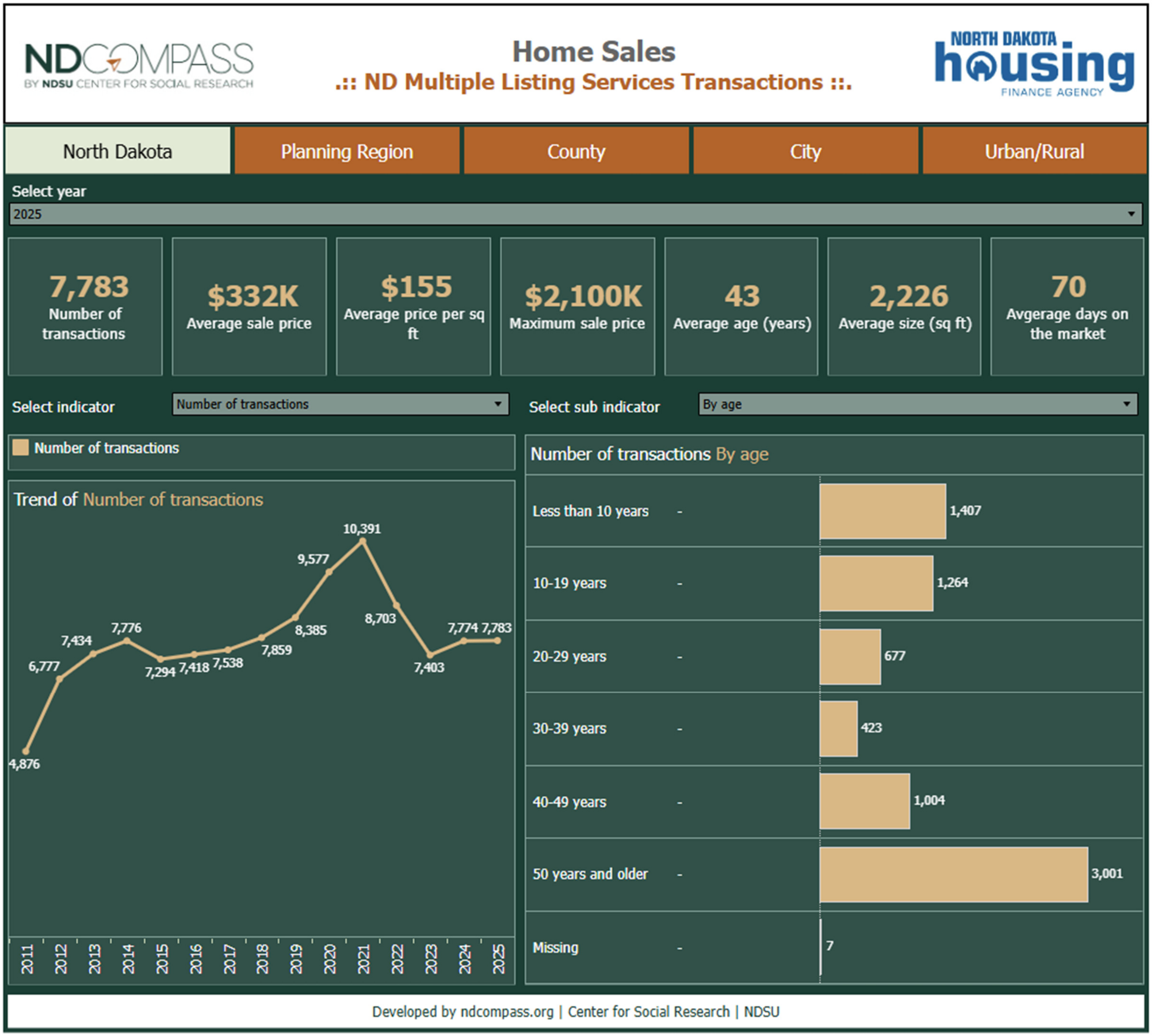
2025 to 2026	490
2027 to 2029	720
2030 to 2033	1,068
2034 to 2038	2,016
2039 or later	3,973
No End Date	2,492



Click on any project in the map for details below

Project Name	Address	Placed in Service Date	Out of Program Date	Extremely low	Very low	Low	Lower moderate and moder..	Rental assistance	Total
100 West Main	100 Main Ave W , Bismarck , ND	2010 to 2019	2039 or later	8	22				30
220 Broadway	220 N Broadway , Fargo , ND	2000 to 2009	2030 to 2033		3	2			5
714 Place	714 11th St E , Williston , ND	2010 to 2019	2027 to 2029			2			2
919 N 5th St	919 N 5th St , Bismarck , ND	2010 to 2019	2030 to 2033			2			2

EXHIBIT 4



NDCOMPASS
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Home Sales
.:: ND Multiple Listing Services Transactions ::.
NORTH DAKOTA housing FINANCE AGENCY
North Dakota
Planning Region
County
City
Urban/Rural
Select year
2025
7,783
Number of transactions
$332K
Average sale price
$155
Average price per sq ft
$2,100K
Maximum sale price
43
Average age (years)
2,226
Average size (sq ft)
70
Avgerage days on the market
Select indicator
Number of transactions
Select sub indicator
By age
Number of transactions
Trend of Number of transactions
4,876
6,777
7,434
7,776
7,294
7,418
7,538
7,859
8,385
9,577
10,391
8,703
7,403
7,774
7,783
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Number of transactions By age
Less than 10 years - 1,407
10-19 years - 1,264
20-29 years - 677
30-39 years - 423
40-49 years - 1,004
50 years and older - 3,001
Missing - 7
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July 14, 2026

PUBLIC FINANCE AUTHORITY ADVISORY COMMITTEE

RECOMMENDATION TO THE INDUSTRIAL COMMISSION

The Advisory Committee, at its July 14, 2026 meeting, reviewed, discussed, and recommends approval of a $3,647,000 Drinking Water State Revolving Fund Program loan to the City of Bottineau.

North Dakota Public Finance Authority
Advisory Committee

Keith Lund, Chairman
Linda Svihovec
John Phillips

NORTH Dakota | Public Finance Authority
Be Legendary.

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: June 22, 2026

Re: City of Bottineau
Drinking Water State Revolving Fund

Purpose of the Project:

Identify, remove and replace any known lead service lines with PVC water mains.

Project Cost:

DWSRF Request	$3,647,000
DWSF Loan Forgiveness	(2,407,020)
Net DWSRF Loan	$ 1,239,980

Population to Benefit from the Project: 1,000

Population Served by the System: 2,193

The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 30 years. Accordingly, the net average annual payment on the loan will be approximately $41,333. 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.

Water Rates:

The monthly water base rate is $33.42 which includes 1,000 gallons and a volume charge of $11.80/1,000 gallons after the first 1,000 gallons. They also pay a $5.50 monthly water surcharge.

Water Fund Net Operating Coverage:

	2022	2023	Unaudited 2024	Unaudited 2025
Operating Revenue	$ 497,000	$662,040	$698,705	$833,446
Operating Expenses	529,364	863,167	627,173	713,725
Net Operating Revenue (Expense)	-32,364	-201,127	71,532	119,722
Depreciation	126,212	133,004	-	-
Adjusted Net Operating Revenue (Expense)	$ 93,848	-$68,123	$71,532	$119,722
Revenue Bond Payments	$184,571 [1]	-	-	-
Net Operating Coverage	51%	-	-	-

[1] Includes $135,000 principal to pay off a DWSRF loan. When removed, coverage was 189%.

Outstanding Indebtedness May 31, 2026:

The City has no outstanding debt.

The net average annual payment of all bonded debt will be $41,333 or $19 per resident.

Population and Employment

The City of Bottineau is located in Bottineau County 80 miles northeast of Minot on State Highway 5. Based on the 2020 census, the total population is 2,194; this is a decrease of 17 from the 2010 census. The largest employers in the City are Dakota College at Bottineau with 80 employees, Bottineau Public School has approximately 104 employees and St. Andrew’s Health Center (health care) employs 130.

Bottineau K-12 School Enrollment:

2022-2023	2023-2024	2024-2025	2025-2026	*Projected* 2026-2027
654	655	661	652	650

The City's 2025 taxable valuation was $8,326,441. This is an increase of $2,182,772 over the 2021 taxable valuation.

Property Tax Levies and Collections as of 5/31/2026:

Levy Year	Dollar Amount of Levy	Amount Collected to Date of Application	Percentage Collected
2025	$587,738	$411,622	70%
2024	$701,016	$682,430	97%
2023	$657,131	$650,481	99%

Special Assessments Certified for Collection as of 5/31/2026:

Year	Dollar Amount	Amount Collected to Date of Application	Percentage Collected
2025	$191,625	$162,393	85%
2024	$172,190	$143,231	83%
2023	$152,002	$145,504	96%

City of Bottineau Mill Levy History:

Year	City	School	Park District	State and County	Total for Each Year
2025	77.39	90.85	28.43	70.56	267.23
2024	106.82	97.57	31.91	72.24	308.54
2023	107.79	96.18	31.35	69.74	305.06
2022	108.37	92.98	30.81	66.42	298.58
2021	106.19	88.42	29.97	68.13	292.71

Attachment 4D

45 South 7th Street
Suite 2950
Minneapolis, MN 55402

612.338.3535
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TO: DeAnn Ament, Executive Director
North Dakota Public Finance Authority

FROM: PFM Financial Advisors LLC

DATE: July 15, 2026

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

The City of Bottineau ("City") has presented a request to the Authority and the North Dakota Department of Environmental Quality ("Department") for a $3,647,000 loan of which $2,407,020 is loan forgiveness for a total loan of $1,239,980 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 identify, remove and replace any known lead service lines with PVC water mains.

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 0%. Accordingly, the City's average annual payment under the proposed loan will be approximately $41,333. 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 May 31, 2026, the City has no outstanding debt.

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.

Bank of North Dakota
PO BOX 5509, 1200 Memorial Hwy.
Bismarck, ND 58506-5509
800.472.2166
800.366.6888 TTY
701.328.5600
bnd.nd.gov

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: June 24, 2026

RE: City of Bottineau
Drinking Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a $3,647,000 loan to the City of Bottineau under the Drinking Water State Revolving Fund (DWSRF). The project is eligible for $2,407,020 of DWSRF loan forgiveness, making the net loan amount $1,239,980.

The project will identify, remove and replace lead service lines with PVC water mains. The requested loan term is 30 years. The City will issue improvement bonds payable with special assessment collections. The annual payment will average $41,333.

Water Fund Net Operating Coverage:

Water Fund	2021	2022	2023
Operating Revenue	515,624	497,000	662,040
Operating Expenses	-508,643	-529,364	-863,167
Net Operating Revenue	6,981	-32,364	-201,127
Plus: Depreciation	105,104	126,212	133,004
Adjusted Net Operating Incom	112,085	93,848	-68,123
Current Debt Service	48,495	49,571	0
Debt Service Coverage	231%	189%	N/A

All connections pay a monthly base rate of $33.42 which includes 1,000 gallons and a usage charge of $11.80 per 1,000 gallons after the first 1,000 gallons.

The City does not have any debt outstanding.

Average annual debt service requirements are estimated at $41,333, which is an average of $18.84 per resident.

Bank of North Dakota

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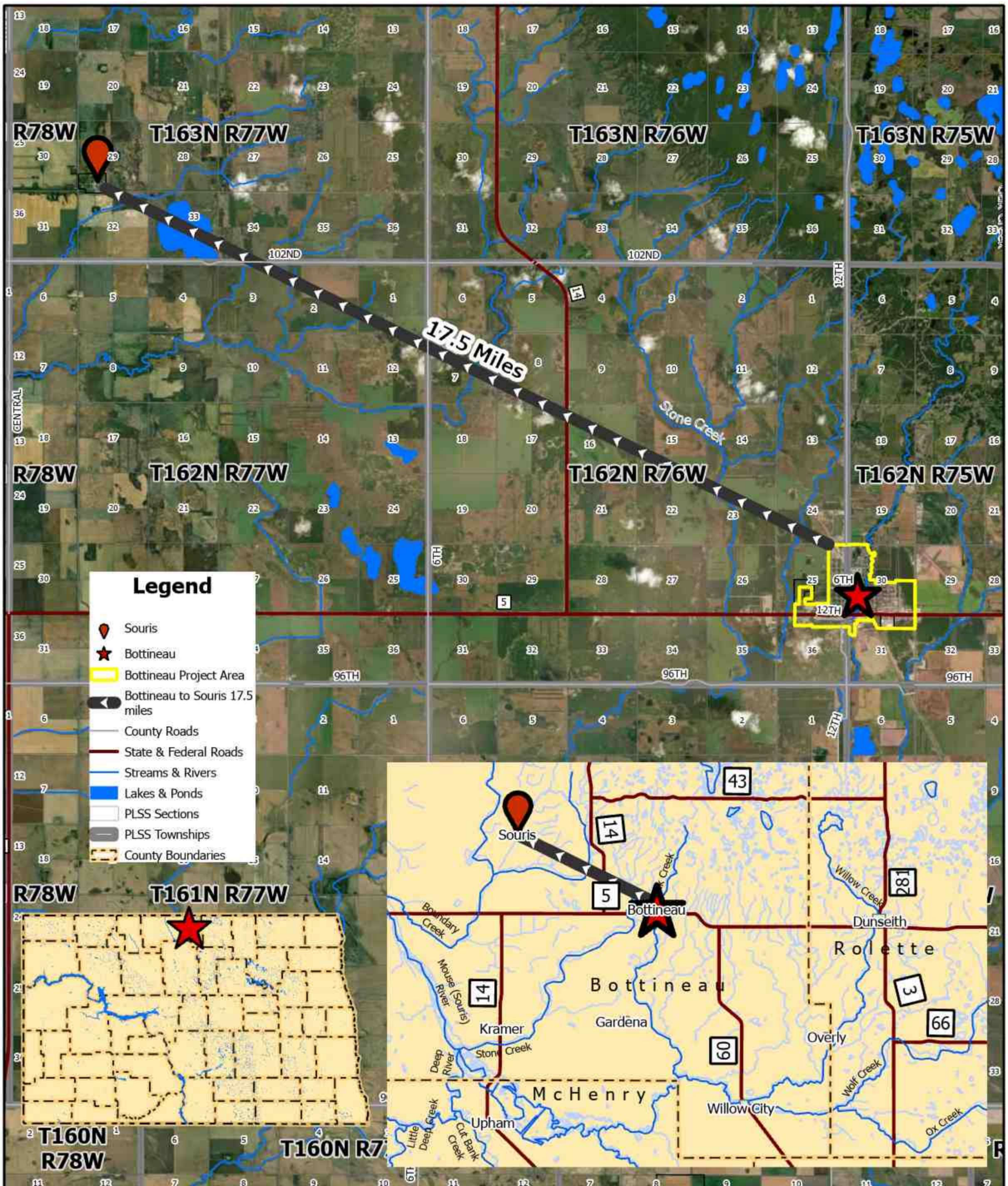
Historical census populations for the City of Bottineau were 2,194 in 2020, 2,211 in 2010 and 2,336 in 2000. The largest employers in the City are St Andrew's Health Center, Bottineau Public School District and Dakota College at Bottineau.

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

Kylee Merkel
____

Kylee Merkel
Business Banker

Attachment 4F



Project Specific Map

Bottineau LSL Replacement Project

Scale: 1:171,744

N

BURIAN & ASSOCIATES LLC

July 14, 2026

PUBLIC FINANCE AUTHORITY ADVISORY COMMITTEE

RECOMMENDATION TO THE INDUSTRIAL COMMISSION

The Advisory Committee, at its July 14, 2026 meeting, reviewed, discussed, and recommends approval of a $4,710,000 Drinking Water State Revolving Fund Program loan to the City of West Fargo.

North Dakota Public Finance Authority
Advisory Committee

Keith Lund, Chairman
Linda Svihovec
John Phillips

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Be Legendary.

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: June 30, 2026

Re: City of West Fargo
Drinking Water State Revolving Fund

Purpose of the Project:

Replacement of the water mains, storm and sanitary sewer, and streets in the 1st Avenue and Meadow Ridge areas.

Project Cost:

DWSRF Request	$4,710,000
CWSRF Request	5,050,000
DWR Cost Share	104,457
Local Funds	806,954
Project Total	$10,671,411

Population to Benefit from the Project: 330

Population Served by the System: 38,626

The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 30 years. The City of West Fargo will issue revenue bonds payable with 1½ % of the 2½% city sales tax dedicated to infrastructure. The average annual payment for the revenue bonds will be $196,303. The reserve requirement will be $213,150 and the 110% coverage requirement will be $215,933.

City Sales Tax

The City collects 2½% city sales tax with 1½ % of the 2½% dedicated to infrastructure. Currently, there are no bonds secured with the city sales tax and there are no other pledges of the 1½ % of the 2½% dedicated to infrastructure. The city sales tax will also be pledged for the repayment of the new Clean Water State Revolving Fund (CWSRF) bond.

Excess City Sales Tax Collections:

	2025	2024	2023	2022	2021
2.5% City Sales Tax	$20,841,105	$19,961,701	$17,183,519	$15,517,059	$14,323,126
1.50% of the 2.5%	$12,504,663	$11,977,021	$10,310,111	$9,310,235	$8,593,875
Estimated SRF Payments	$406,799	$406,799	$406,799	$406,799	$406,799
Excess Sales Tax	$12,097,864	$11,570,222	$9,903,312	$8,903,436	$8,187,076

The current 1½% of the 2½% city sales tax dedicated to infrastructure will be sufficient to meet the 110% net operating coverage requirement.

Water and Sewer Rates:

The City's water users pay a monthly base rate of $7.84 and $8/1,000 gallons up to 20,000 gallons. Over 20,000 gallons, the usage charge is $9.90/1,000 gallons. The sewer users pay a monthly base rate of $19 and $6.27/1,000 gallons with an 8,000-gallon limit for residential users.

Water and Sewer Fund Net Operating Coverage:

	2022	2023	2024	Unaudited 2025
Interest Revenue	$74,084	$434,708	$599,065	$1,284,065
Operating Revenue	13,650,493	14,790,593	14,359,899	17,044,825
Operating Expenses	23,160,308	22,611,928	23,304,230	15,985,062
Net Operating Expense	-9,435,731	-7,386,627	-8,345,266	2,343,828
Depreciation	11,175,689	10,334,556	10,403,034	-
Non-cash Pension Adjustment	242,512	-	-	-
Adjusted Net Operating Revenue	$1,982,470	$2,947,929	$2,057,768	$2,343,828
Revenue Bond Payments	$1,122,800	$967,525	$1,109,509	$1,422,262
Net Operating Coverage	177%	305%	185%	165%

Outstanding Indebtedness December 31, 2025:

	Original Amount	Outstanding Amount
Appropriation Bonds	$ 10,000,000	$ 8,785,000
Improvement Bonds [1]	366,645,000	263,616,571
Revenue Bonds [1]	45,580,000	28,398,063
Total	$ 422,225,000	$ 300,799,634

[1] All payments have been made as agreed. The City has two CWSRF and two DWSRF loans with outstanding balances of $8,695,335. They also have a CFP bond with $340,000 outstanding.

The average annual payment of all outstanding debt including this request and the Drinking Water State Revolving Fund request is $23,169,613 which is $600 per resident.

Population and Employment

The City of West Fargo is located in Cass County on Interstate 94. Based on the 2020 census, the total population is 38,626; this is an increase of 12,796 from the 2010 census. The largest employers in the City are Marvin Windows (manufacturer) with 300 employees, Costco (wholesale retailer) employs 300 and Bobcat (manufacturer) has approximately 200 employees.

West Fargo K-12 School Enrollment:

				Projected
2022-2023	**2023-2024**	**2024-2025**	**2025-2026**	**2026-2027**
12,491	12,676	12,995	13,211	13,450

The City's 2025 taxable valuation was $285,947,666. This is an increase of $76,003,560 from the 2021 taxable valuation.

Property Tax Levies and Collections as of 3/31/2026:

Levy Year	Dollar Amount of Levy	Amount Collected to Date of Application	Percentage Collected
2025	$21,740,032	$19,404,893	89%
2024	$22,726,400	$20,915,285	92%
2023	$22,751,981	$21,020,069	92%

Special Assessments Certified for Collection as of 3/31/2026:

Year	Dollar Amount	Amount Collected to Date of Application	Percentage Collected
2025	$21,365,884	$20,312,768	95%
2024	$21,653,004	$21,717,389	96%
2023	$21,911,852	$21,865,783	100%

City of West Fargo Mill Levy History:

Year	City	School	Park District	State and County	Other	Total for Each Year
2025	79.60	144.68	28.30	47.73	5.88	306.19
2024	79.20	129.42	28.63	46.00	6.67	289.92
2023	79.75	129.53	28.56	46.00	6.59	290.43
2022	79.99	136.10	28.59	48.00	7.23	299.91
2021	81.14	143.16	28.84	48.75	7.23	309.12

Attachment 5D

45 South 7th Street
Suite 2950
Minneapolis, MN 55402

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Memorandum

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

FROM: PFM Financial Advisors LLC

DATE: July 15, 2026

RE: Marketplace Analysis - Drinking Water State Revolving Fund Program
City of West Fargo

The City of West Fargo ("City") has presented a request to the Authority and the North Dakota Department of Environmental Quality ("Department") for a $4,710,000 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 water mains, storm and sanitary sewer, and streets in the 1st Avenue and Meadow Ridge developments.

The municipal securities to be acquired by the Authority will be revenue bonds payable with 1½% of the 2½% excess city sales tax dedicated to infrastructure. The City's average annual payment under the proposed loan will be approximately $196,303 indicating a 110% net revenue coverage requirement of approximately $215,933. The City will be required to deposit $213,150 into a reserve fund with payments of $42,630 per year for the first five years of the loan. The excess city sales tax dedicated to infrastructure was approximately $8.2MM, $8.9MM, $9.9MM, $11.6MM and $12.1MM for 2021-2025, respectively. The current 1½% of the 2½% city sales tax dedicated to infrastructure will be sufficient to meet the 110% net operating coverage requirement.

As of December 31, 2025, the City has $8,785,000 of Appropriation Bonds, $263,616,571 of Improvement Bonds and $28,398,063 of Revenue Bonds outstanding. The City currently has two CWSRF and two DWSRF loans outstanding with a combined total balance of $8,695,335. 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.

Bank of North Dakota
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bnd.nd.gov

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: July 2, 2026

RE: City of West Fargo
Drinking Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a $4,710,000 loan to the City of West Fargo under the Drinking Water State Revolving Fund (DWSRF). The entire cost of the project is $10,671,411, with Clean Water State Revolving Fund (CWSRF) providing a $5,050,000 loan, Department of Water Resources pricing a $104,457 state cost-share grant and the City using $806,954 of local funds on hand.

The project will replace water mains, storm and sanitary sewer and streets in the 1st Avenue and Meadow Ridge developments. The requested loan term is 30 years. The City will issue a revenue bond payable with a portion of city sales tax collections. and sewer fee revenue. The annual payment will average $196,303.

Sales Tax Collections:
The City collects 2.50% city sales tax, with 1.50% of the 2.50% dedicated to infrastructure. The proposed CWSRF and DWSRF loans will be the debt to have the 1.50% of 2.50% dedicated for debt service. The 1.50% of 2.50% city sales tax dedicated to infrastructure will be sufficient to service the proposed CWSRF and DWSRF debt service.

	2021	2022	2023	2024	2025
2.50% Sales Tax Collections	$ 14,323,126	$ 15,517,059	$ 17,183,519	$ 19,961,701	$ 20,841,105
1.50% of the 2.50%	$ 8,593,875	$ 9,310,235	$ 10,310,111	$ 11,977,021	$ 12,504,663
SRF Debt Requirements	$ 406,799	$ 406,799	$ 406,799	$ 406,799	$ 406,799
Excess Sales Tax	$ 8,187,076	$ 8,903,436	$ 9,903,312	$ 11,570,222	$ 12,097,864

Water & Sewer Fund:
The City water connections pay a monthly base rate of $7.84 and a volume charge of $8.00 per 1,000 gallons, up to 20,000 gallons. Volume Charge for usage above 20,000 gallons is $9.90 per 1,000 gallons. The City sewer connections pay a monthly sewer base rate of $19.00 and a volume charge of $6.27 per 1,000 gallons, with an 8,000 gallon limit for residential users.

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Water and Sewer Fund	2022	2023	2024
Operating Revenue	13,650,493	14,790,593	14,359,899
Interest Revenue	74,084	434,708	599,065
Operating Expenses	-23,160,308	-22,611,928	-23,304,230
Net Operating Revenue	-9,435,731	-7,386,627	-8,345,266
Plus: Pension Adjustment	242,512	0	0
Plus: Depreciation	11,175,689	10,334,556	10,403,034
Adjusted Net Operating Income	1,982,470	2,947,929	2,057,768
Current Debt Service	1,122,800	967,525	1,109,509
Debt Service Coverage	177%	305%	185%

Outstanding Debt (as of December 31, 2025):

	Original Amount	Current Balance
Appropriation Bonds	10,000,000	8,785,000
Improvement Bonds	366,645,000	263,616,571
Revenue Bonds	45,580,000	28,398,063
	422,225,000	300,799,634

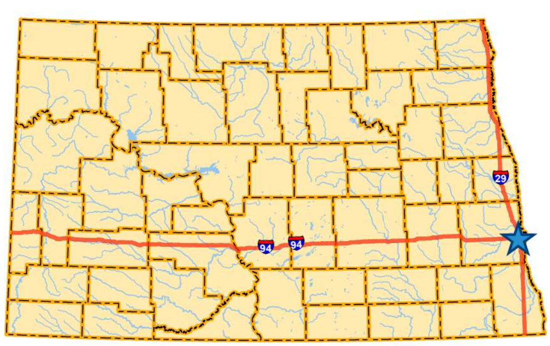
Average annual debt service requirements are estimated at $23,169,613, which is an average of $599.85 per resident.

Historical census populations for the City of West Fargo were 38,626 in 2020, 25,830 in 2010 and 14,940 in 2000. The largest employers in the City are Marvin Windows, Costco and Bobcat.

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

Kylee Merkel

Kylee Merkel
Business Banker



WATER SYSTEM IMPROVEMENTS
IMPROVEMENT DISTRICT 3009
1ST AVENUE (SHEYENNE ST TO 4TH ST)
WEST FARGO, NORTH DAKOTA

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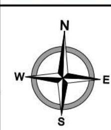
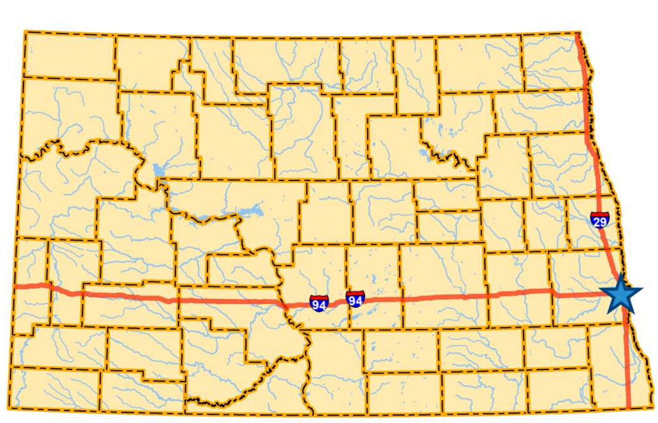
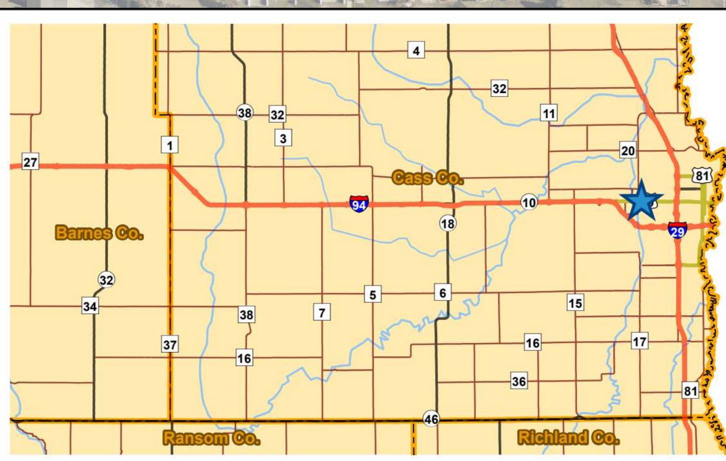
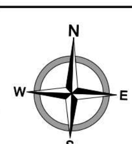


moore engineering, inc.







WATER SYSTEM IMPROVEMENTS
IMPROVEMENT DISTRICT 3008
MEADOW RIDGE RECONSTRUCTION - PHASE I
WEST FARGO, NORTH DAKOTA

moore engineering, inc.

Created By: TJS Date Created: 01/27/2026 Date Saved: 01/28/26 Date Exported: 01/28/26
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July 14, 2026

PUBLIC FINANCE AUTHORITY ADVISORY COMMITTEE

RECOMMENDATION TO THE INDUSTRIAL COMMISSION

The Advisory Committee, at its July 14, 2026 meeting, reviewed, discussed, and recommends approval of a $5,050,000 Clean Water State Revolving Fund Program loan to the City of West Fargo.

North Dakota Public Finance Authority
Advisory Committee

Keith Lund, Chairman
Linda Svihovec
John Phillips

NORTH Dakota | Public Finance Authority
Be Legendary.

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: June 30, 2026

Re: City of West Fargo
Clean Water State Revolving Fund

Purpose of the Project:

Replacement of the water mains, storm and sanitary sewer, and streets in the 1st Avenue and Meadow Ridge developments.

Project Cost:

CWSRF Request	$5,050,000
DWSRF Request	4,710,000
DWR Cost Share	104,457
Local Funds	806,954
Project Total	$10,671,411

Population to Benefit from the Project: 330

Population Served by the System: 38,626

The requested term for the Clean Water State Revolving Fund (CWSRF) loan is 30 years. The City of West Fargo will issue revenue bonds payable with 1½ % of the 2½% city sales tax dedicated to infrastructure. The average annual payment for the revenue bonds will be $210,496. The reserve requirement will be $233,450 and the 110% coverage requirement will be $231,545.

City Sales Tax

The City collects 2½% city sales tax with 1½ % of the 2½% dedicated to infrastructure. Currently, there are no bonds secured with the city sales tax and there are no other pledges of the 1½ % of the 2½% dedicated to infrastructure. The city sales tax will also be pledged for the repayment of the new Drinking Water State Revolving Fund (DWSRF) bond.

Excess City Sales Tax Collections:

	2025	2024	2023	2022	2021
2.5% City Sales Tax	$20,841,105	$19,961,701	$17,183,519	$15,517,059	$14,323,126
1.50% of the 2.5%	$12,504,663	$11,977,021	$10,310,111	$9,310,235	$8,593,875
Estimated SRF Payments	$406,799	$406,799	$406,799	$406,799	$406,799
Excess Sales Tax	$12,097,864	$11,570,222	$9,903,312	$8,903,436	$8,187,076

The current 1½% of the 2½% city sales tax dedicated to infrastructure will be sufficient to meet the 110% net operating coverage requirement.

Water and Sewer Rates:

The City's water users pay a monthly base rate of $7.84 and $8/1,000 gallons up to 20,000 gallons. Over 20,000 gallons, the usage charge is $9.90/1,000 gallons. The sewer users pay a monthly base rate of $19 and $6.27/1,000 gallons with an 8,000-gallon limit for residential users.

Water and Sewer Fund Net Operating Coverage:

	2022	2023	2024	Unaudited 2025
Interest Revenue	$74,084	$434,708	$599,065	$1,284,065
Operating Revenue	13,650,493	14,790,593	14,359,899	17,044,825
Operating Expenses	23,160,308	22,611,928	23,304,230	15,985,062
Net Operating Expense	-9,435,731	-7,386,627	-8,345,266	2,343,828
Depreciation	11,175,689	10,334,556	10,403,034	-
Non-cash Pension Adjustment	242,512	-	-	-
Adjusted Net Operating Revenue	$1,982,470	$2,947,929	$2,057,768	$2,343,828
Revenue Bond Payments	$1,122,800	$967,525	$1,109,509	$1,422,262
Net Operating Coverage	177%	305%	185%	165%

Outstanding Indebtedness December 31, 2025:

	Original Amount	Outstanding Amount
Appropriation Bonds	$ 10,000,000	$ 8,785,000
Improvement Bonds [1]	366,645,000	263,616,571
Revenue Bonds [1]	45,580,000	28,398,063
Total	$ 422,225,000	$ 300,799,634

[1] All payments have been made as agreed. The City has two CWSRF and two DWSRF loans with outstanding balances of $8,695,335. They also have a CFP bond with $340,000 outstanding.

The average annual payment of all outstanding debt including this request and the Drinking Water State Revolving Fund request is $23,169,613 which is $600 per resident.

Population and Employment

The City of West Fargo is located in Cass County on Interstate 94. Based on the 2020 census, the total population is 38,626; this is an increase of 12,796 from the 2010 census. The largest employers in the City are Marvin Windows (manufacturer) with 300 employees, Costco (wholesale retailer) employs 300 and Bobcat (manufacturer) has approximately 200 employees.

West Fargo K-12 School Enrollment:

				Projected
2022-2023	**2023-2024**	**2024-2025**	**2025-2026**	**2026-2027**
12,491	12,676	12,995	13,211	13,450

The City's 2025 taxable valuation was $285,947,666. This is an increase of $76,003,560 from the 2021 taxable valuation.

Property Tax Levies and Collections as of 3/31/2026:

Levy Year	Dollar Amount of Levy	Amount Collected to Date of Application	Percentage Collected
2025	$21,740,032	$19,404,893	89%
2024	$22,726,400	$20,915,285	92%
2023	$22,751,981	$21,020,069	92%

Special Assessments Certified for Collection as of 3/31/2026:

Year	Dollar Amount	Amount Collected to Date of Application	Percentage Collected
2025	$21,365,884	$20,312,768	95%
2024	$21,653,004	$21,717,389	96%
2023	$21,911,852	$21,865,783	100%

City of West Fargo Mill Levy History:

Year	City	School	Park District	State and County	Other	Total for Each Year
2025	79.60	144.68	28.30	47.73	5.88	306.19
2024	79.20	129.42	28.63	46.00	6.67	289.92
2023	79.75	129.53	28.56	46.00	6.59	290.43
2022	79.99	136.10	28.59	48.00	7.23	299.91
2021	81.14	143.16	28.84	48.75	7.23	309.12

Attachment 6D

45 South 7th Street Suite 2950
Minneapolis, MN 55402

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pfm

Memorandum

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

FROM: PFM Financial Advisors LLC

DATE: July 15, 2026

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

The City of West Fargo ("City") has presented a request to the Authority and the North Dakota Department of Environmental Quality ("Department") for a $5,050,000 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 replace water mains, storm and sanitary sewer, and streets in the 1st Avenue and Meadow Ridge developments.

The municipal securities to be acquired by the Authority will be revenue bonds payable with 1½% of the 2½% excess city sales tax dedicated to infrastructure. The City's average annual payment under the proposed loan will be approximately $210,496 indicating a 110% net revenue coverage requirement of approximately $231,545. The City will be required to deposit $233,450 into a reserve fund with payments of $46,690 per year for the first five years of the loan. The excess city sales tax dedicated to infrastructure was approximately $8.2MM, $8.9MM, $9.9MM, $11.6MM and $12.1MM for 2021-2025, respectively. The current 1½% of the 2½% city sales tax dedicated to infrastructure will be sufficient to meet the 110% net operating coverage requirement.

As of December 31, 2025, the City has $8,785,000 of Appropriation Bonds, $263,616,571 of Improvement Bonds and $28,398,063 of Revenue Bonds outstanding. The City currently has two CWSRF and two DWSRF loans outstanding with a combined total balance of $8,695,335. 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.

Bank of North Dakota
PO BOX 5509, 1200 Memorial Hwy.
Bismarck, ND 58506-5509
800.472.2166
800.366.6888 TTY
701.328.5600
bnd.nd.gov

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: July 2, 2026

RE: City of West Fargo
Clean Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a $5,050,000 loan to the City of West Fargo under the Clean Water State Revolving Fund (CWSRF). The entire cost of the project is $10,671,411, with Drinking Water State Revolving Fund (DWSRF) providing a $4,710,000 loan, Department of Water Resources pricing a $104,457 state cost-share grant and the City using $806,954 of local funds on hand.

The project will replace water mains, storm and sanitary sewer and streets in the 1st Avenue and Meadow Ridge developments. The requested loan term is 30 years. The City will issue a revenue bond payable with a portion of city sales tax collections. and sewer fee revenue. The annual payment will average $210,496.

Sales Tax Collections:
The City collects 2.50% city sales tax, with 1.50% of the 2.50% dedicated to infrastructure. The proposed CWSRF and DWSRF loans will be the debt to have the 1.50% of 2.50% dedicated for debt service. The 1.50% of 2.50% city sales tax dedicated to infrastructure will be sufficient to service the proposed CWSRF and DWSRF debt service.

	2021	2022	2023	2024	2025
2.50% Sales Tax Collections	$ 14,323,126	$ 15,517,059	$ 17,183,519	$ 19,961,701	$ 20,841,105
1.50% of the 2.50%	$ 8,593,875	$ 9,310,235	$ 10,310,111	$ 11,977,021	$ 12,504,663
SRF Debt Requirements	$ 406,799	$ 406,799	$ 406,799	$ 406,799	$ 406,799
Excess Sales Tax	$ 8,187,076	$ 8,903,436	$ 9,903,312	$ 11,570,222	$ 12,097,864

Water & Sewer Fund:
The City sewer connections pay a monthly sewer base rate of $19.00 and a volume charge of $6.27 per 1,000 gallons, with an 8,000 gallon limit for residential users. The City water connections pay a monthly base rate of $7.84 and a volume charge of $8.00 per 1,000 gallons, up to 20,000 gallons. Volume Charge for usage above 20,000 gallons is $9.90 per 1,000 gallons.

Bank of North Dakota
PO BOX 5509, 1200 Memorial Hwy.
Bismarck, ND 58506-5509
800.472.2166
800.366.6888 TTY
701.328.5600
bnd.nd.gov

Water and Sewer Fund	2022	2023	2024
Operating Revenue	13,650,493	14,790,593	14,359,899
Interest Revenue	74,084	434,708	599,065
Operating Expenses	-23,160,308	-22,611,928	-23,304,230
Net Operating Revenue	-9,435,731	-7,386,627	-8,345,266
Plus: Pension Adjustment	242,512	0	0
Plus: Depreciation	11,175,689	10,334,556	10,403,034
Adjusted Net Operating Income	1,982,470	2,947,929	2,057,768
Current Debt Service	1,122,800	967,525	1,109,509
Debt Service Coverage	177%	305%	185%

Outstanding Debt (as of December 31, 2025):

	Original Amount	Current Balance
Appropriation Bonds	10,000,000	8,785,000
Improvement Bonds	366,645,000	263,616,571
Revenue Bonds	45,580,000	28,398,063
	422,225,000	300,799,634

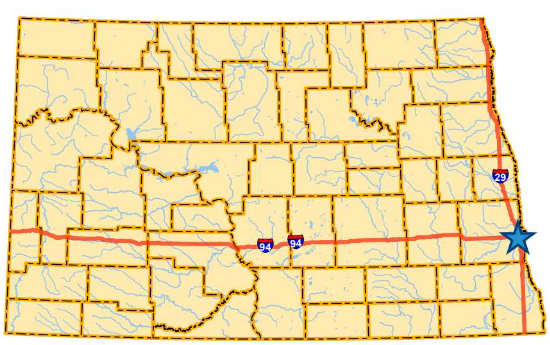
Average annual debt service requirements are estimated at $23,169,613, which is an average of $599.85 per resident.

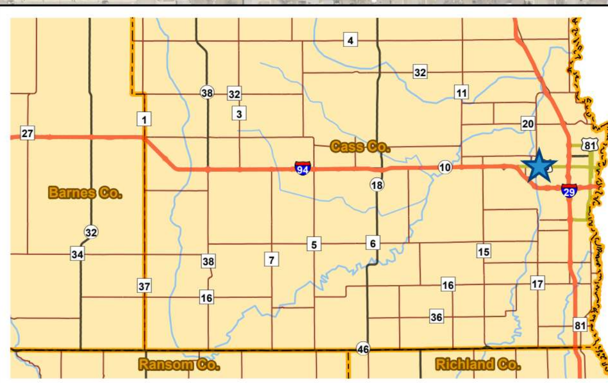
Historical census populations for the City of West Fargo were 38,626 in 2020, 25,830 in 2010 and 14,940 in 2000. The largest employers in the City are Marvin Windows, Costco and Bobcat.

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

Kylee Merkel
____
Kylee Merkel
Business Banker

Attachment 6F





WATER SYSTEM IMPROVEMENTS
IMPROVEMENT DISTRICT 3009
1ST AVENUE (SHEYENNE ST TO 4TH ST)
WEST FARGO, NORTH DAKOTA

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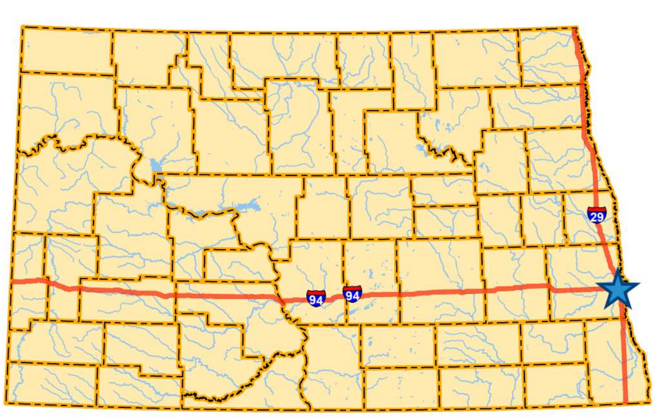
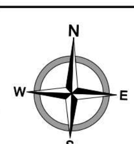
engineering, inc.





WATER SYSTEM IMPROVEMENTS
IMPROVEMENT DISTRICT 3008
MEADOW RIDGE RECONSTRUCTION - PHASE I
WEST FARGO, NORTH DAKOTA

Created By: TJS Date Created: 01/27/2026 Date Saved: 01/28/26 Date Exported: 01/28/26
Plotted By: tanner.schmidt Parcel Date: State Parcels N/A Aerial Image: NAIP Elevation Data: N/A
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NORTH Dakota | Public Finance Authority
Be Legendary.

Memorandum

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

From: DeAnn Ament, Executive Director

Date: July 14, 2026

Re: City of Almont, Clean Water State Revolving Fund
City of Almont, Drinking Water State Revolving Fund
Cass Rural Water District, 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 Almont's Clean Water State Revolving Fund (CWSRF) application for a $149,000 loan towards a $1,344,000 project. Drinking Water State Revolving Fund (DWSRF) offered a $162,000 loan, Community Development Block Grant provided $1,000,000, and Department of Water Resource's Cost Share awarded $33,000. The project will replace the asbestos-cement pipe water mains and vitrified clay pipe sanitary sewer mains that have reached the end of their useful life which will reduce operation and maintenance costs and improve system reliability. The requested term for the loan is 30 years. The City will issue revenue bonds payable with enterprise fund user fees.

The committee reviewed the City of Almont's DWSRF application for a $162,000 loan towards a $1,344,000 project. CWSRF offered a $162,000 loan, Community Development Block Grant provided $1,000,000, and Department of Water Resource's Cost Share awarded $33,000. The project will replace the asbestos-cement pipe water mains and vitrified clay pipe sanitary sewer mains that have reached the end of their useful life which will reduce operation and maintenance costs and improve system reliability. The requested term for the loan is 30 years. The City will issue revenue bonds payable with enterprise fund user fees.

The committee reviewed Cass Rural Water District's DWSRF application for a $1,500,000 loan towards a $3,489,397 project. Department of Water Resource's Cost Share will complete the funding with $1,989,397. The project will install rural and regional water main to improve pressure and strengthen system looping which will enhance system performance and reliability. The requested term for the loan is 20 years. The District will issue revenue bonds payable with water user fees.

The Public Finance Authority's Advisory Committee approved these loans at their July 14, 2026, meeting.

NORTH Dakota | Public Finance Authority
Be Legendary.

Memorandum

To: Public Finance Authority Advisory Committee

From: DeAnn Ament, Executive Director

Date: June 23, 2026

Re: City of Almont
Clean Water State Revolving Fund

Purpose of the Project:

Replace the asbestos-cement pipe water mains and vitrified clay pipe sanitary sewer mains that have reached the end of their useful life which will reduce operation and maintenance costs and improve system reliability.

Project Cost:

CWSRF Request	$ 149,000
DWSRF Request	162,000
CDBG Grant	1,000,000
DWR Cost Share	33,000
Total Project	$ 1,344,000

Population to Benefit from the Project: 100
Population Served by the System: 100

The requested term for the Clean Water State Revolving Fund (CWSRF) loan is 30 years. The City will issue revenue bonds payable with enterprise fund user fees. The average annual payment for the revenue bonds will be $6,211. The 110% coverage requirement will be $6,832 and the required debt service reserve will be $7,105.

Water and Sewer Rates:

The City has 73 connections which pay monthly base rates of $15 for sewer and $30 for water with a water volume charge of $10 per 1,000 gallons. The City anticipates monthly base rate increases of $9.57 for the sewer and $9.45 for the water which would generate annual revenue of approximately $16,662.

Enterprise Fund Net Operating Coverage:

	2022	2023	2024	Unaudited 2025
Interest Revenue	$4	$16	$36	$23
Operating Revenue	59,599	50,616	55,715	59,116
Operating Expenses	58,963	48,001	58,138	51,919[1]
Net Operating Revenue (Expense)	$641	$2,631	-$2,387	$7,220
Proforma Rate Increase Revenue	$16,662	$16,662	$16,662	$16,662
Proforma SRF Bond Payments	$12,997	$12,997	$12,997	$12,997
Proforma Net Operating Coverage	133%	148%	110%	184%

[1] One-time repairs of $14,855 were removed for the coverage calculation.

With the proposed rate increases and existing net operating revenues, the City will be able to meet the 110% net operating coverage requirement.

Outstanding Debt:

Currently, the City has no outstanding debt.

The average annual debt payments with these new requests will be $12,997, which is $130 per resident.

Population and Employment

The City of Almont is located in Stark County 24 miles west of Dickinson on Interstate 94. Based on the 2020 census, the total population was 100; this is a decrease of 22 from the 2010 census. The largest employers in the City are Muddy Creek Saloon (restaurant) with 8 employees, Sims Valley LLC (excavation) with 5 employees, and US Postal Service with 4 employees.

New Salem-Almont Public School Enrollment:

2022-2023	2023-2024	2024-2025	2025-2026	*Projected* 2026-2027
363	372	372	371	375

Tax Information

The City's 2025 taxable valuation was $246,049. This is an increase of $12,310 from 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	$24,767	$22,098	89%
2024	$24,675	$24,408	99%
2023	$18,581	$18,449	99%

Special Assessment Tax Collections 3/31/2026:

Year	Dollar Amount	Amount Collected to Date of Application	Percentage Collected
2025	$500	$500	100%
2024	$450	$450	100%
2023	$575	$575	100%

City of Almont Mill Levy History:

Year	City	School	State and County	Other	Total for Each Year
2025	100.66	85.30	43.66	9.96	239.58
2024	105.00	86.97	59.71	10.30	261.98
2023	79.34	81.21	61.01	9.96	231.52
2022	79.49	80.00	64.73	10.11	234.33
2021	53.76	79.32	62.99	10.45	206.52

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PROPOSED WATER
ALMONT, NORTH DAKOTA

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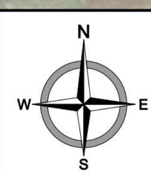

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PROPOSED SANITARY IMPROVEMENTS
ALMONT, NORTH DAKOTA

Created By: BAS Date Created: 07/12/2024 Date Saved: 07/07/25 Date Exported: 07/07/25
Plotted By: kyle.volk Parcel Date: N/A Aerial Image: 2021 County NAIP SIDS Elevation Data: N/A
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NORTH Dakota | Public Finance Authority
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Memorandum

To: Public Finance Authority Advisory Committee

From: DeAnn Ament, Executive Director

Date: June 23, 2026

Re: City of Almont
Drinking Water State Revolving Fund

Purpose of the Project:

Replace the asbestos-cement pipe water mains and vitrified clay pipe sanitary sewer mains that have reached the end of their useful life which will reduce operation and maintenance costs and improve system reliability.

Project Cost:

DWSRF Request	$ 162,000
CWSRF Request	149,000
CDBG Grant	1,000,000
DWR Cost Share	33,000
Total Project	$ 1,344,000

Population to Benefit from the Project: 100
Population Served by the System: 100

The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 30 years. The City will issue revenue bonds payable with enterprise fund user fees. The average annual payment for the revenue bonds will be $6,769. The 110% coverage requirement will be $7,446 and the required debt service reserve will be $8,120.

Water and Sewer Rates:

The City has 73 connections which pay monthly base rates of $30 for water with a water volume charge of $10 per 1,000 gallons and $15 for sewer. The City anticipates monthly base rate increases of $9.45 for the water and $9.57 for the sewer which would generate annual revenue of approximately $16,662.

Enterprise Fund Net Operating Coverage:

	2022	2023	2024	Unaudited 2025
Interest Revenue	$4	$16	$36	$23
Operating Revenue	59,599	50,616	55,715	59,116
Operating Expenses	58,963	48,001	58,138	51,919[1]
Net Operating Revenue (Expense)	$641	$2,631	-$2,387	$7,220
Proforma Rate Increase Revenue	$16,662	$16,662	$16,662	$16,662
Proforma SRF Bond Payments	$12,997	$12,997	$12,997	$12,997
Proforma Net Operating Coverage	133%	148%	110%	184%

[1] One-time repairs of $14,855 were removed for the coverage calculation.

With the proposed rate increases and existing net operating revenues, the City will be able to meet the 110% net operating coverage requirement.

Outstanding Debt:

Currently, the City has no outstanding debt.

The average annual debt payments with these new requests will be $12,997, which is $130 per resident.

Population and Employment

The City of Almont is located in Morton County 45 miles west of Bismarck south of Interstate 94 on county road 86. Based on the 2020 census, the total population was 100; this is a decrease of 22 from the 2010 census. The largest employers in the City are Muddy Creek Saloon (restaurant) with 8 employees, Sims Valley LLC (excavation) with 5 employees, and US Postal Service with 4 employees.

New Salem-Almont Public School Enrollment:

2022-2023	2023-2024	2024-2025	2025-2026	*Projected* 2026-2027
363	372	372	371	375

Tax Information

The City's 2025 taxable valuation was $246,049. This is an increase of $12,310 from 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	$24,767	$22,098	89%
2024	$24,675	$24,408	99%
2023	$18,581	$18,449	99%

Special Assessment Tax Collections 3/31/2026:

Year	Dollar Amount	Amount Collected to Date of Application	Percentage Collected
2025	$500	$500	100%
2024	$450	$450	100%
2023	$575	$575	100%

City of Almont Mill Levy History:

Year	City	School	State and County	Other	Total for Each Year
2025	100.66	85.30	43.66	9.96	239.58
2024	105.00	86.97	59.71	10.30	261.98
2023	79.34	81.21	61.01	9.96	231.52
2022	79.49	80.00	64.73	10.11	234.33
2021	53.76	79.32	62.99	10.45	206.52

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Attachment 7B.2

PROPOSED WATER
ALMONT, NORTH DAKOTA

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PROPOSED SANITARY IMPROVEMENTS
ALMONT, NORTH DAKOTA

Created By: BAS Date Created: 07/12/2024 Date Saved: 07/07/25 Date Exported: 07/07/25
Plotted By: kyle.volk Parcel Date: N/A Aerial Image: 2021 County NAIP SIDS Elevation Data: N/A
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NORTH Dakota | Public Finance Authority
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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: June 24, 2026

Re: Cass Rural Water District
Drinking Water State Revolving Fund

Purpose of the Project:

The project will install rural and regional water main to improve pressure and strengthen system looping which will enhance system performance and reliability.

Project Cost:

DWSRF Request	$1,500,000
DWR Cost Share	1,989,397
Project Total	$3,489,397

Population to Benefit from the Project: 3,500
Population Served by the System: 24,944

The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 20 years. Cass Rural Water District (District) will issue revenue bonds payable with water user fees. The average annual payment for the revenue bonds will be $88,425. The reserve requirement will be $92,700 and the 110% coverage requirement will be $97,268.

Water Connections and Rates:

				Projected	
	2024	**2025**	**2026**	**2027**	**2028**
Residential	8,348	8,954	9,560	9,560	9,560
Cities	14	14	14	14	14

The District currently provides water services in Cass County and parts of Traill, Barnes, Ransom and Richland counties.

The residential and commercial monthly base rate is $27 per user. Leonard Area Arsenic project users pay a base rate of $40 per user. Volume charges are $5.40/1,000 gallons for residential and $4.55/1,000 gallons for commercial.

Net Operating Coverage:

	2022	2023	2024	2025
Interest Revenue	$119,353	$431,491	$632,339	$642,321
Operating Revenue	9,678,321	10,615,432	13,937,271	15,497,366
Operating Expenses	7,337,868	8,332,830	8,502,573	10,346,102
Net Operating Revenue	2,459,806	2,714,093	6,067,037	5,793,585
Depreciation	2,001,167	2,196,977	2,223,054	2,615,880
Adjusted Net Operating Revenue	$4,460,973	$4,911,070	$8,290,091	$8,409,465
Revenue Bond Payments	$2,427,501	$2,463,679	$5,528,268	$5,783,776
Net Operating Coverage	184%	199%	150%	145%
Proforma DWSRF Payment	$240,809	$240,809	$240,809	$240,809
Proforma Net Operating Coverage	167%	182%	144%	140%

Net operating revenue will be sufficient to meet the 110% net operating coverage requirement.

Outstanding Debt as of May 31, 2026:

	Original Amount	Outstanding Debt
Improvement Bonds	$30,175,000	$19,585,000
Revenue Bonds [2]	40,975,864	29,683,511
Total	$71,150,864	$49,268,511

[2] All payments have been made as agreed. The District has six DWSRF and one Clean Water State Revolving Fund loan outstanding with a balance of $28,498,993.

The estimated average annual payment of all debt including this new request is $5,210,169 or $209 per customer.

Population and Employment

The Cass County population based upon the 2020 census was 184,525 which was an increase of 34,747 from the 2010 census. Major employers in the service area are Sanford Health with 8,651 employees, Essentia Health has 5,141 employees and North Dakota State University employs 4,363.

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

2022-2023	2023-2024	2024-2025	2025-2026	*Projected* 2026-2027
26,297	26,600	27,151	27,592	27,625

45 South 7th Street
Suite 2950
Minneapolis, MN 55402
612.338.3535
612.338.7264 Fax
www.pfm.com

pfm

Memorandum

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

FROM: PFM Financial Advisors LLC

DATE: July 15, 2026

RE: Marketplace Analysis - Drinking Water State Revolving Fund Program
Cass Rural Water District

The Cass Rural Water District ("District") has presented a request to the Authority and the North Dakota Department of Environmental Quality ("Department") for a $1,500,000 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 District intends to use the proceeds to install rural and regional water main to improve pressure and strengthen system looping which will enhance system performance and reliability.

The municipal securities to be acquired by the Authority will be revenue bonds of the District payable with water user fees. The District's average annual payment under the proposed loan will be approximately $88,425, indicating a 110 % net operating coverage requirement of approximately $97,268. The District will be required to deposit $92,700 into a reserve fund with payments of $18,540 over the first five years of the loan. Proforma net operating coverage was 1.67x, 1.82x, 1.44x, and 1.40x in 2022-2025 respectively. Net operating revenue will be sufficient to meet the 110% net operating coverage requirement.

As of May 31, 2026, the District has $19,585,000 of Improvement Bonds and $26,683,511 of Revenue Bonds outstanding. The District currently has six DWSRF loans and one CWSRF loan with a total outstanding balance of $28,498,993. 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.

BND
Bank of North Dakota

PO BOX 5509, 1200 Memorial Hwy.
Bismarck, ND 58506-5509
800.472.2166
800.366.6888 TTY
701.328.5600
bnd.nd.gov

Memorandum

To: Industrial Commission

From: Kylee Merkel, Business Banker
Bank of North Dakota

Date: June 25, 2026

RE: Cass Rural Water Users District
Drinking Water State Revolving Fund Program

ND Public Finance Authority has delivered to BND their memo which recommends approval of a $1,500,000 loan to Cass Rural Water Users District under the Drinking Water State Revolving Fund (DWSRF). The total cost of the project is $3,489,397, with $1,989,397 coming from a Department of Water Resources cost-share grant.

The project will install rural and regional water mains to improve pressure and strengthen system looping. The requested loan term is 20 years. The District will issue revenue bonds payable from user fees. The annual payment will average $88,425.

Debt Service Coverage:

	2023	2024	2025	Projected
Operating Revenue	10,615,432	13,937,271	15,497,366	15,497,366
Interest Revenue	431,491	632,339	642,321	642,321
Operating Expenses	-8,332,830	-8,502,573	-10,346,102	-10,346,102
Net Operating Revenue	2,714,093	6,067,037	5,793,585	5,793,585
Add: Depreciation	2,196,977	2,223,054	2,615,880	2,615,880
Adjusted Operating Income	4,911,070	8,290,091	8,409,465	8,409,465
Current Debt Service	2,463,679	5,528,268	5,783,776	5,936,160
Proposed Debt Service				88,425
Current Debt Service	2,463,679	5,528,268	5,783,776	6,024,585
Debt Service Coverage	199.34%	149.96%	145.40%	139.59%

Residential and commercial connections pay a monthly base rate of $27. Connections in the Leonard Area Arsenic project area pay a monthly base rate of $40. In additional volume charges per 1,000 gallons are $5.40 for residential connections and $4.55 for commercial connections. The existing user fees will generate sufficient net operating revenues to service both the new and existing debt.

Outstanding Debt:

	Original Amount	Amount Outstanding
Improvement Bonds	$30,175,000	$19,585,000
Revenue Bonds	40,975,864	29,683,511
Total Revenue Bonds	$71,150,864	$49,268,511

Average annual debt service requirements are estimated at $5,210,169, which is an average of $208.87 per resident of the District.

The system has 9,560 residential connections and serves 14 cities. The District provides water services in Cass County and portions of Traill, Barnes, Ransom and Richland counties. The District's estimated population is 24,944.

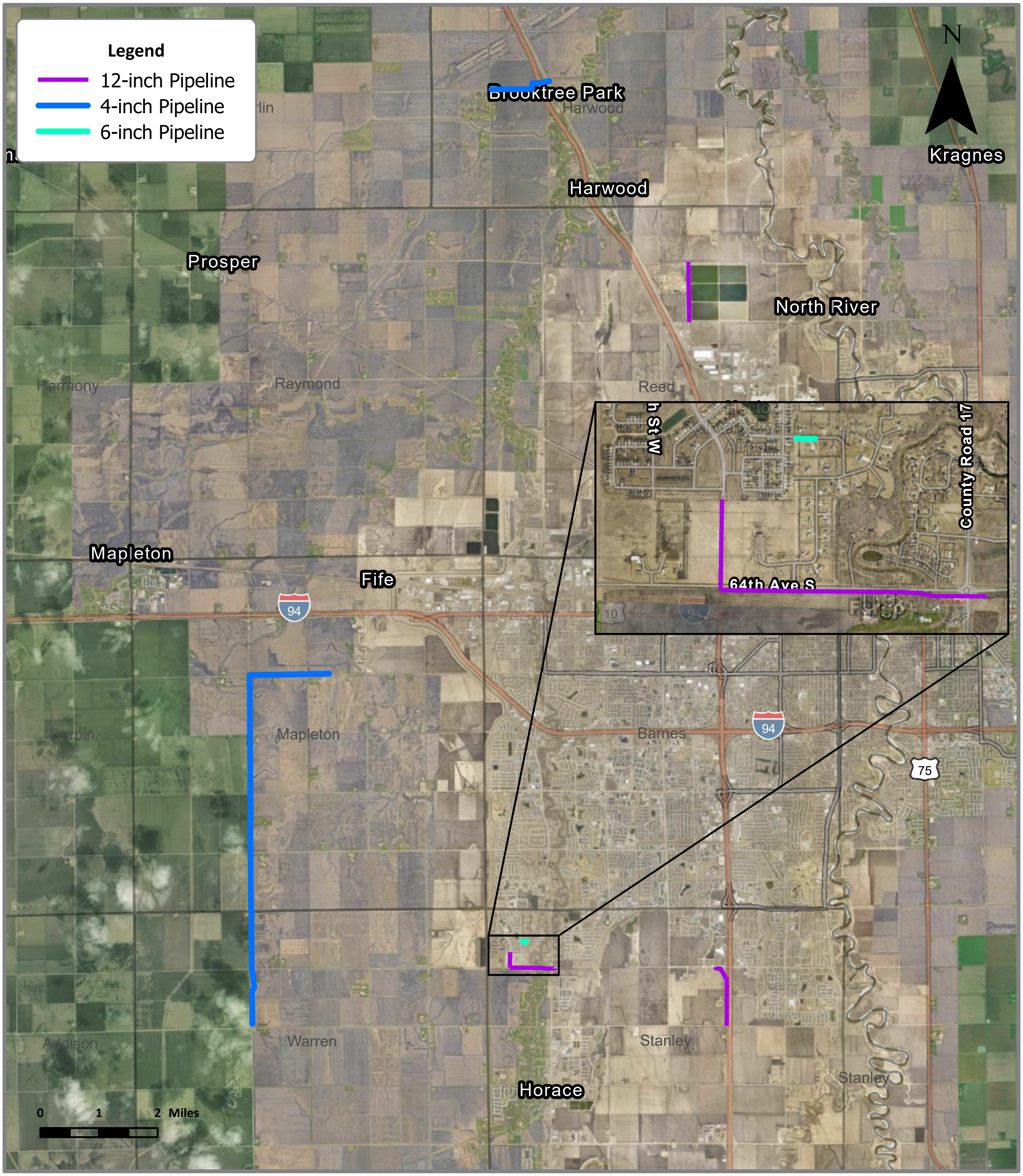
Based upon the PFA recommendation and the benefits obtained with this project, BND concurs with their evaluation and support of the request.

Kylee Merkel

____

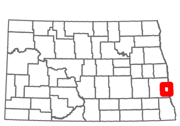
Kylee Merkel
Business Banker

Attachment 7C.4



Information depicted may include data unverified by AE2S. Any reliance upon such data is at the user's own risk. AE2S does not warrant this map or its features are either spatially or temporally accurate.

Coordinate System: NAD 1983 StatePlane North Dakota South FIPS 3302 Feet | Edited by: RGroth | W:\C\Cass Rural Water District\05024-2024-004\GIS\CRWD 2026 System Improvements - Design - Engineering Staff.aprx| PER - Project Area Exhibit



Locator Map Not to Scale

FIGURE 1

2026 SYSTEM IMPROVEMENTS PROJECT

CASS RURAL WATER DISTRICT

North Dakota Mill & Elevator
FY 2026 Transfers

	Dollars	Percent
FY 2026 Profit	$ 26,341,856.94	
Ag Product Utilization Fund	$ 1,317,092.85	5.0%
General Fund	$ 12,512,382.05	50% of remaining profits
Total Transfers	$ 13,829,474.90	

* Transfers made Tuesday, July 21, 2026

Memorandum

To: North Dakota Industrial Commission
From: North Dakota Mill & Elevator Association (NDM)
Date: July 23, 2026
Subject: Profits & Gain Share Figures FY ‘26

NDM reports fiscal year 2026 profits of **$26,341,856**. This profit level resulted in a **21.04% gain share payout** for eligible employees. For comparison, fiscal year 2025 profits were **$26,694,411**, which produced a **30.43% gain share payout**.

The FY 2026 gain share outcome reflects the successful completion of **three of the four program goals**, contributing **3%** to the payout. The profit-based component contributed **18.04%**, bringing the total payout to **21.04%**.

The total FY 2026 gain share program cost is **$3,972,717**, including **$3,285,681** in cash payments to employees.

A full version of the fiscal year 2026 financial results will be presented at the August Industrial Commission meeting.

Attachment 22

Bank of North Dakota

Performance Highlights

June 30, 2026

BANK OF NORTH DAKOTA
BALANCE SHEET - COMPARATIVE DATA
JUNE 30, 2026 - UNAUDITED

(In Thousands)

	6/30/2026	Budget	Difference	% Change	6/30/2025
Cash	$ 265,376	$ 75,000	$ 190,376	253.83%	$ 142,274
Due from Banks	254,932	225,000	29,932	13.30%	273,750
Federal funds sold	12,210	10,000	2,210	22.10%	28,000
Securities	3,654,235	3,845,434	(191,199)	-4.97%	4,073,438
Loans					
Commercial	4,055,077	4,059,650	(4,573)	-0.11%	4,076,195
Agriculture	1,196,755	1,081,716	115,039	10.63%	831,200
Residential	247,257	242,740	4,517	1.86%	273,673
Student Loans	919,189	925,011	(5,822)	-0.63%	980,199
	6,418,278	6,309,117	109,161	1.73%	6,161,267
Less allow for credit loss	(119,528)	(113,858)	(5,670)	-4.98%	(118,602)
	6,298,750	6,195,259	103,491	1.67%	6,042,665
Other assets	154,909	154,792	117	0.08%	139,772
Total assets	$ 10,640,412	$ 10,505,485	$ 134,927	1.28%	$ 10,699,899
Deposits -					
Non-interest bearing	$ 457,863	$ 425,000	$ 32,863	7.73%	$ 495,874
Interest bearing	8,097,956	8,260,850	(162,894)	-1.97%	8,103,446
	8,555,819	8,685,850	(130,031)	-1.50%	8,599,320
Federal funds purchased and repurchase agreements	382,610	300,000	82,610	27.54%	278,235
Short term borrowings	250,000	70,702	179,298	253.60%	530,000
Off Balance Sheet Reserve Allowance	7,313	7,313	-	0.00%	8,078
Other Liabilities	12,736	11,526	1,210	10.50%	15,919
Total Liabilities	9,208,478	9,075,391	133,087	1.47%	9,431,552
Equity	1,431,934	1,430,094	1,840	0.13%	1,268,347
Total Liabilities and Equity	$ 10,640,412	$ 10,505,485	$ 134,927	1.28%	$ 10,699,899

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 second quarter of 2026 with assets of $10.6 billion.
- The $3.7 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 $6.4 billion. Commercial portfolio remains steady, supported by strong commercial participation activity. 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 six months ended June 30, 2026, the Bank transferred $9.0 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
JUNE 30, 2026 - UNAUDITED

	(In Thousands)				
	6/30/2026	Budget	Difference	% Change	6/30/2025
Interest Income	$ 249,031	$ 241,489	$ 7,542	3.1%	$ 247,169
Interest Expense	93,792	87,211	6,581	-7.5%	109,802
Net Interest Income	155,239	154,278	961	0.6%	137,367
Provision for Credit Losses	7,200	7,200	-	-	9,707
Net Interest Income After Provision	148,039	147,078	961	0.7%	127,660
Non-Interest Income	3,063	3,542	(479)	-13.5%	(12,689)
Non-Interest Expense					
Salaries and benefits	13,139	13,969	(830)	5.9%	12,777
Occupancy and equipment	402	490	(88)	18.0%	419
IT & System Costs	4,429	5,800	(1,371)	23.6%	4,229
Other Operating Expenses	3,797	5,983	(2,186)	36.5%	3,637
	21,767	26,242	(4,475)	17.1%	21,062
Net Income	$ 129,335	$ 124,378	$ 4,957	4.0%	$ 93,909

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 year-to-date earnings of $129.3 million with a total return to the state of 5.02% which includes interest paid to state agencies of $58.5 million.

- Interest income exceeded budget by $7.5 million, primarily due to increased commercial participation and agriculture loan volumes and higher rates on securities.

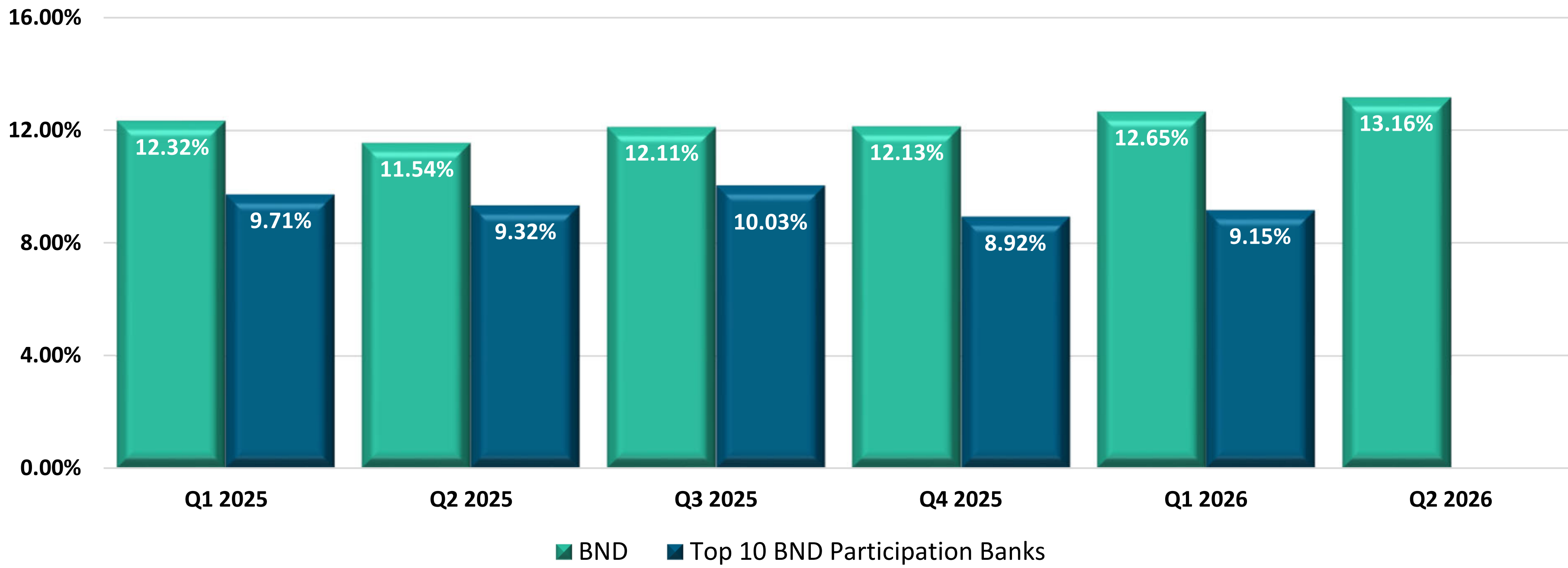
- Interest expense was $6.6 million over budget, driven by higher Fed Funds purchased and borrowing, along with larger balances and higher rates in certain indexed accounts.

- Year-to-date provision expense was $7.2 million. The Bank continues to evaluate its loan porfolio and adequacy of the allowance for credit loss.

- Non-interest income was $3.1 million. 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 $21.8 million, which is $4.5 million below budget, driven by timing differences with IT projects and project implementation.

Leverage Ratio



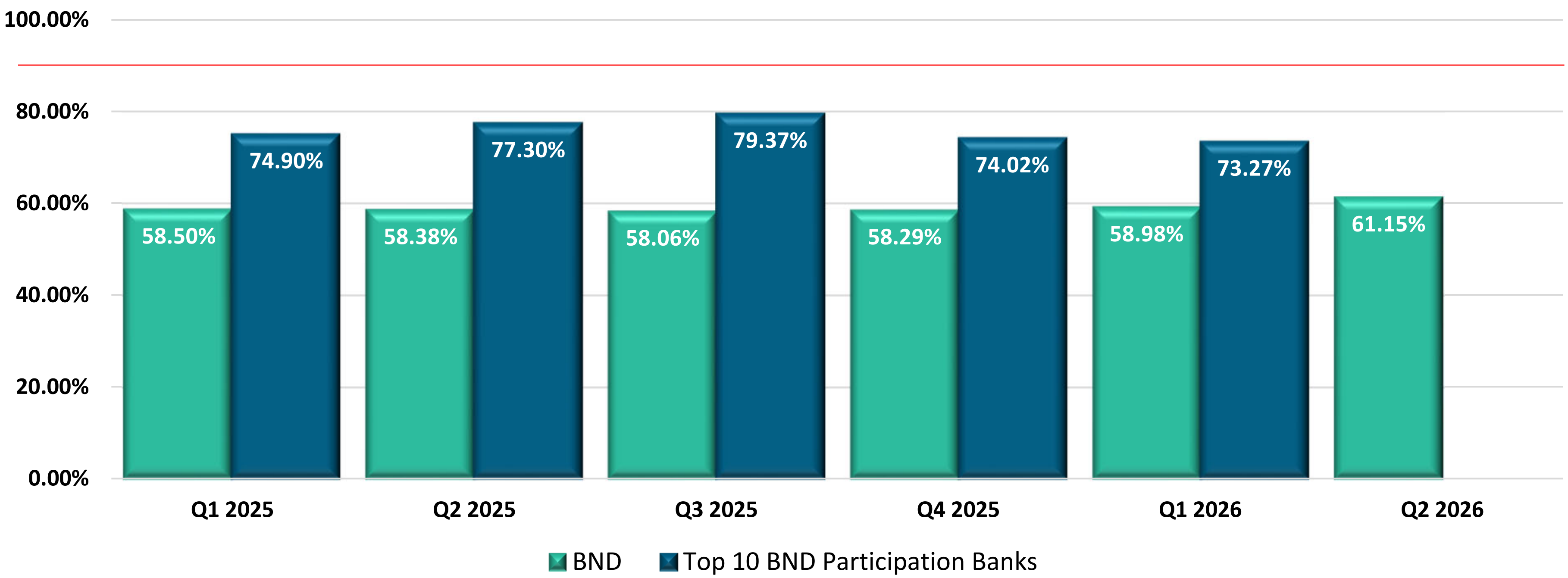
- Leverage ratio is a measure of financial strength. It is calculated by dividing Tier One Capital by average assets for the quarter. As of June 30, 2026, average asset size was $10.5 billion compared to $10.6 billion one year ago. Tier One Capital was $1.4 billion. Fluctuating quarterly ratios are the result of the Bank's quarterly earnings offset by capital transfers.

- As of June 30, 2026, the Bank's leverage ratio increased to 13.16%.

- As of March 31, 2026, the leverage ratio for BND's top 10 participation Banks was 9.15%.

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 61.15%.
- As of March 31, 2026, the ratio for BND's top 10 participation Banks was in the state is 73.27%.

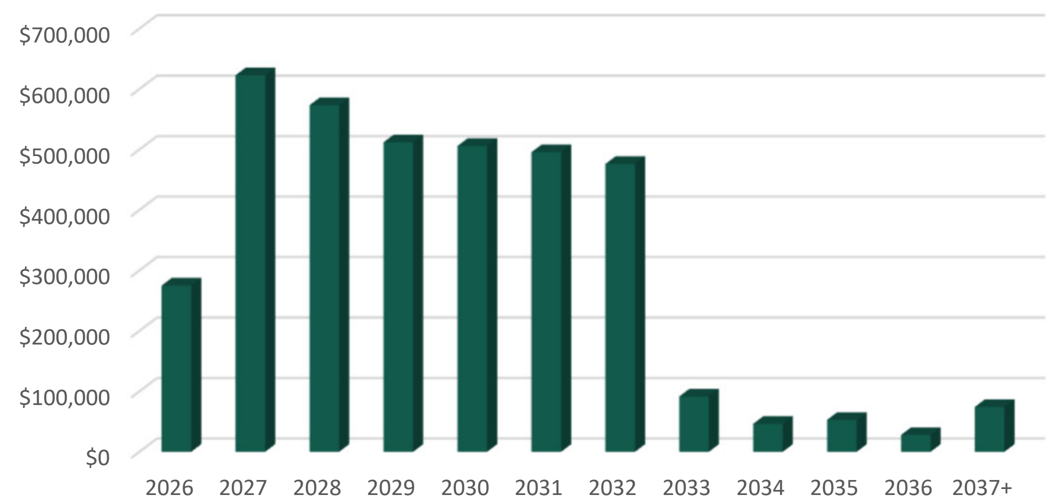
The Top 10 participation banks for the Bank of North Dakota are ranked by loan volume, based on Call Report data compiled by S&P Capital IQ Pro.
Note: The top 10 participation banks' average for the current quarter has not yet been determined, as Call Report data was not available as of this document's publication date.

Security Portfolio / Trends

(in thousands)

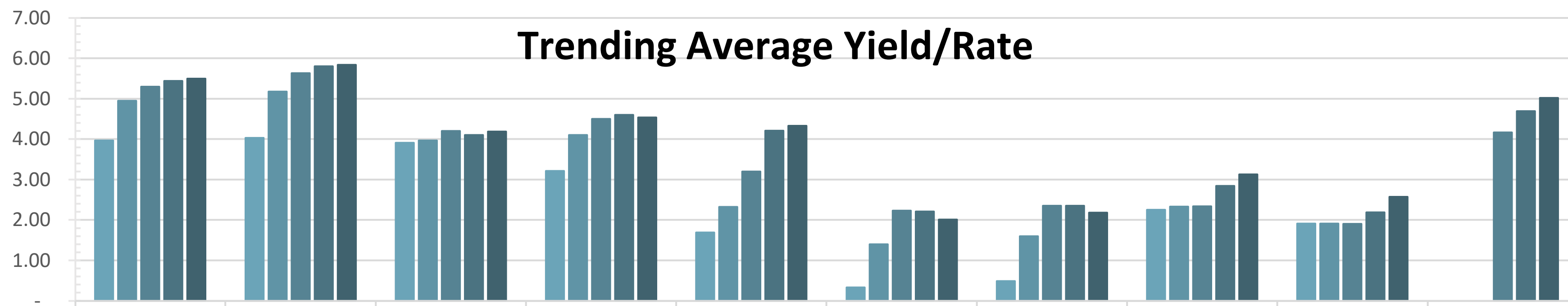
BND Security Portfolio Balance: $3.7 Billion

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 June 30, 2026 was 3.6 years.
- The average yield on the Securities portfolio for June 30, 2026 was 4.33%.

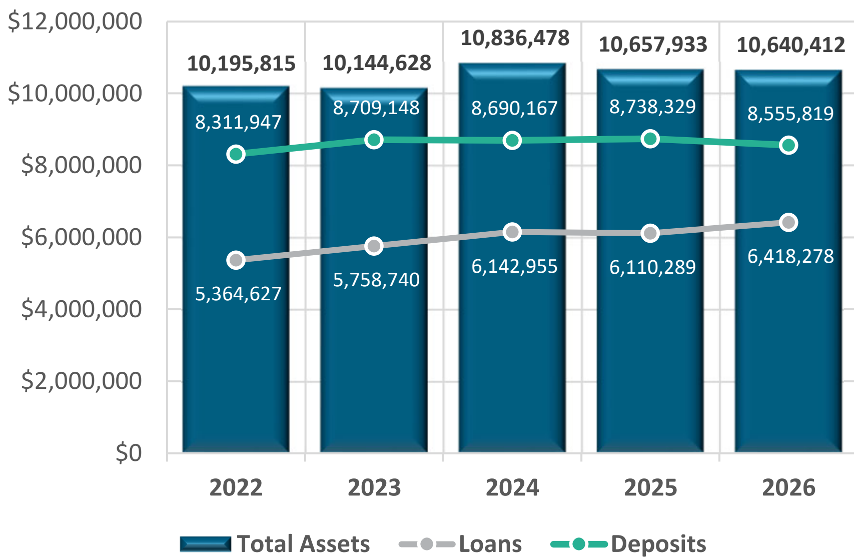
Trending Average Yield/Rate



	Commercial Portfolio	Ag Portfolio	Residential Portfolio	Student Loan Portfolio	Securities	Deposits	Cost of Funds	Net Interest Margin	Return on Assets	BND Total State Return
2022	3.97	4.03	3.91	3.21	1.69	0.33	0.49	2.25	1.91	-
2023	4.95	5.18	3.97	4.10	2.32	1.40	1.60	2.33	1.91	-
2024	5.30	5.63	4.20	4.50	3.20	2.23	2.35	2.34	1.90	4.17
2025	5.44	5.80	4.10	4.60	4.21	2.21	2.35	2.84	2.19	4.69
2Q '26	5.50	5.84	4.19	4.54	4.33	2.01	2.18	3.13	2.57	5.02

Five-Year History

(In Thousands)



- The Bank assets were $10.6 billion as of June 30. 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 nearly 20% from $5.4 billion in 2022 to $6.4 billion as of June 30, 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 3/31/2026	BND	Banker's Bank Peer Composite	ND Bank's Peer Composite	Top 10 Participation Banks
NPLs/Loans	1.06	0.83	1.37	1.25
ROAA	2.40	0.99	1.22	1.31
ROAE	18.18	7.41	12.20	12.18
Tier 1 Lev. Capital	12.65	13.85	9.81	9.15
Net Interest Margin	2.96	2.81	3.22	3.46
Ave. Cost of Funds	2.02			2.01

<u>Banker's Bank Peer Group</u>

Banker's Bank
First National Banker's Bank
Pacific Coast Bankers' Bank
TIB, National Association
United Bankers Bank

<u>ND Bank's Peer Group</u>

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.

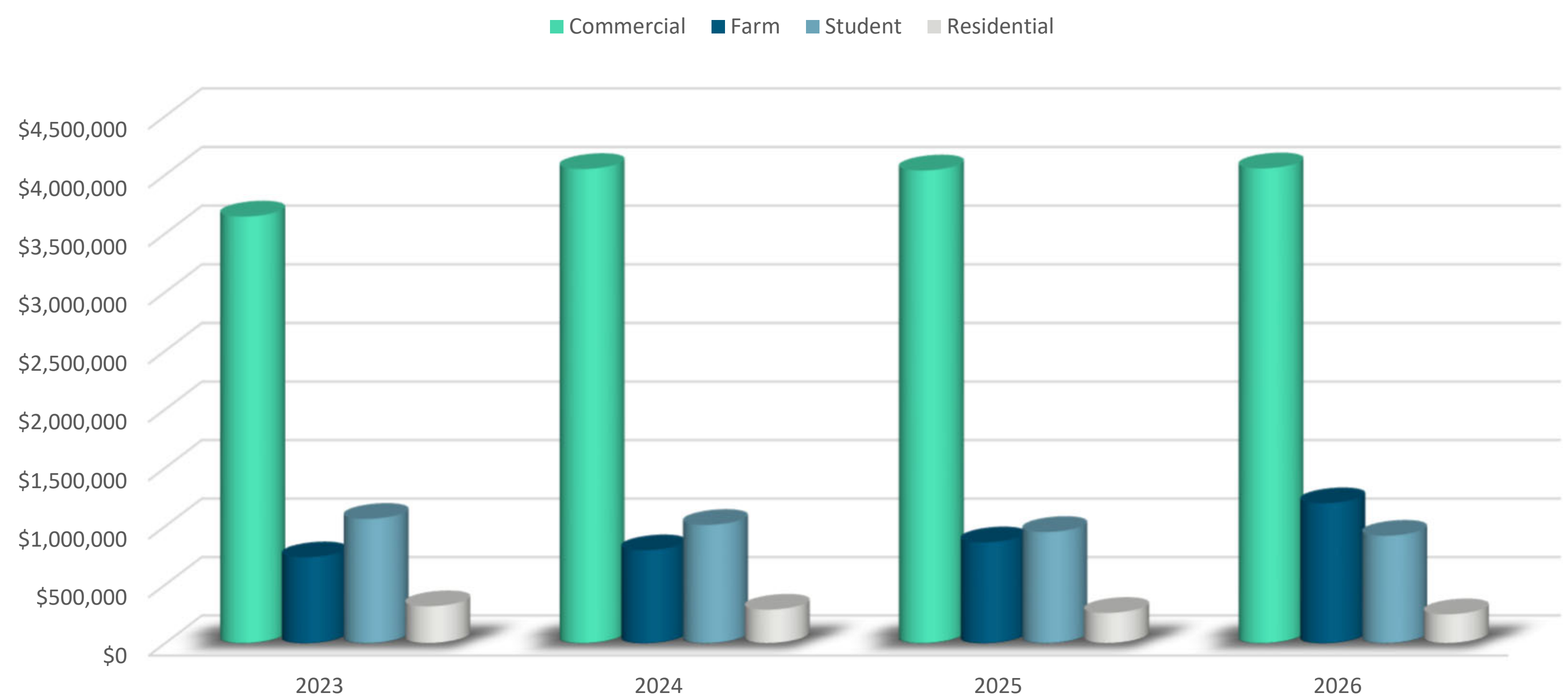
Loan Originations

(includes renewals)
Year to Date

	June 30, 2026		June 30, 2025		Variance	
	###	$$$	###	$$$	###	$$$
Bank Participations - Commercial	107	490,419,584	114	468,746,718	(7)	21,672,866
State Institution	1	125,000,000	1	125,000,000	0	0
Bank Stock	31	67,790,407	18	121,073,612	13	(53,283,205)
Flex PACE	111	45,888,790	91	37,899,684	20	7,989,106
Business Development	32	11,433,292	24	8,516,964	8	2,916,328
PACE	3	4,555,000	5	15,293,785	(2)	(10,738,785)
PACE w/ADD buydown	1	3,750,000	0	0	1	3,750,000
COVID-19 PACE Recovery	8	3,304,667	0	0	8	3,304,667
Accelerated Growth	2	1,125,000	2	1,575,000	0	(450,000)
Affordable Housing Flex PACE	1	940,000	3	2,996,489	(2)	(2,056,489)
Biofuels PACE	4	682,640	6	964,767	(2)	(282,127)
Total Commercial Loans	**301**	**754,889,380**	**264**	**782,067,019**	**37**	**(27,177,639)**
Farm Financial Stability/ Disaster Loan Programs	555	390,087,655	192	64,378,731	363	325,708,924
Farm & Ranch	73	111,767,567	75	103,810,104	(2)	7,957,463
Beginning Farmer Real Estate	31	11,492,709	25	9,573,682	6	1,919,027
Established Farmer	15	10,586,259	22	9,182,017	(7)	1,404,242
Farm & Ranch w/ADD buydown	1	4,300,000	0	0	1	4,300,000
Beginning Farmer Chattel	55	2,552,707	56	3,516,368	(1)	(963,661)
Farm Operating	16	1,934,000	17	2,197,350	(1)	(263,350)
Ag Pace	14	1,759,729	37	4,399,453	(23)	(2,639,724)
Farm Service Agency	6	1,751,996	9	5,972,275	(3)	(4,220,279)
Family Farm	2	576,929	2	235,287	0	341,642
Total Agricultural Loans	**768**	**536,809,551**	**435**	**203,265,267**	**333**	**333,544,284**
DEAL Loans	3,214	23,673,313	3,257	23,157,141	(43)	516,172
DEAL One	53	2,668,701	48	2,216,299	5	452,402
Purchased Student Loans	6	49,605	1	48,021	5	1,584
Total Student Loans	**3,273**	**26,391,619**	**3,306**	**25,421,461**	**(33)**	**970,158**
Total Bank of North Dakota Loans	**4,342**	**1,318,090,550**	**4,005**	**1,010,753,747**	**337**	**307,336,803**
Legislature-Directed Programs						
Department of Water Resources RLF	1	68,330,000	2	12,802,440	(1)	55,527,560
School Construction	1	15,000,000	0	0	1	15,000,000
Infrastructure RLF	5	13,540,825	6	16,290,917	(1)	(2,750,092)
Medical Facility Infrastructure	1	5,000,000	1	5,450,000	0	(450,000)
Legacy Investment Technology Loan Fund	3	1,650,000	3	747,500	0	902,500
Beginning Entrepreneur Loan Guarantee	20	1,590,075	18	1,054,974	2	535,101
Disaster Ag Facility Repair and Replacement	6	1,291,211	0	0	6	1,291,211
Bulk Propane Storage Tank RLF	4	554,678	0	0	4	554,678
Furloughed Federal Employee Relief Program	4	70,713	0	0	4	1,469,999
Clean Sustainable Energy	0	0	1	30,000,000	(1)	(30,000,000)
R WISH (Rural Workforce Housing Initiative Program)	0	0	1	3,078,000	(1)	(3,078,000)
Legislature-Directed	**45**	**107,027,502**	**32**	**69,423,831**	**13**	**37,603,671**

Consolidated Loan Portfolio

(In Thousands)



COMMERCIAL - The commercial loan portfolio increased by $18 million during the first half of 2026 with BND funding and renewing $755 million of loans. The largest area of activity was in commercial participations with BND funding and renewing $490 million.

AGRICULTURE - The farm loan portfolio increased by $334 million in the first half of 2026 with BND funding and renewing $537 million of loans. Farm Financial Stability/ Disaster Loan Programs led the way with $390 million, followed by Farm and Rach which funded $112 million in loans.

STUDENT - The student loan portfolio decreased by $32 million in the first half of 2026. BND disbursed $22 million in DEAL loans the first quarter of 2026.

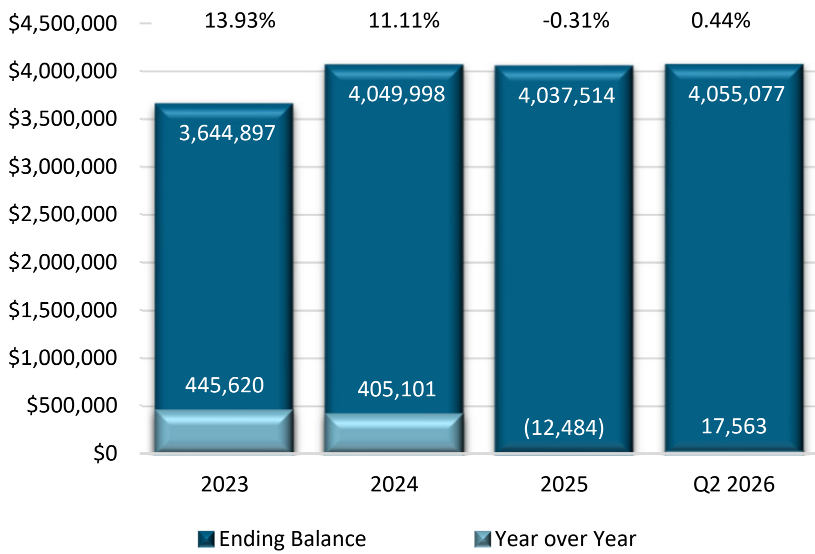
RESIDENTIAL - Transition of all residential originations to Housing Finance Agency occurred on August 1, 2021, and the transition of nearly all residential servicing and collections to Housing Finance Agency occurred on October 1, 2021. As a result, the residential loan portfolio decreased by $159 million since year end 2021.

Commercial Loan Portfolio

(In Thousands)

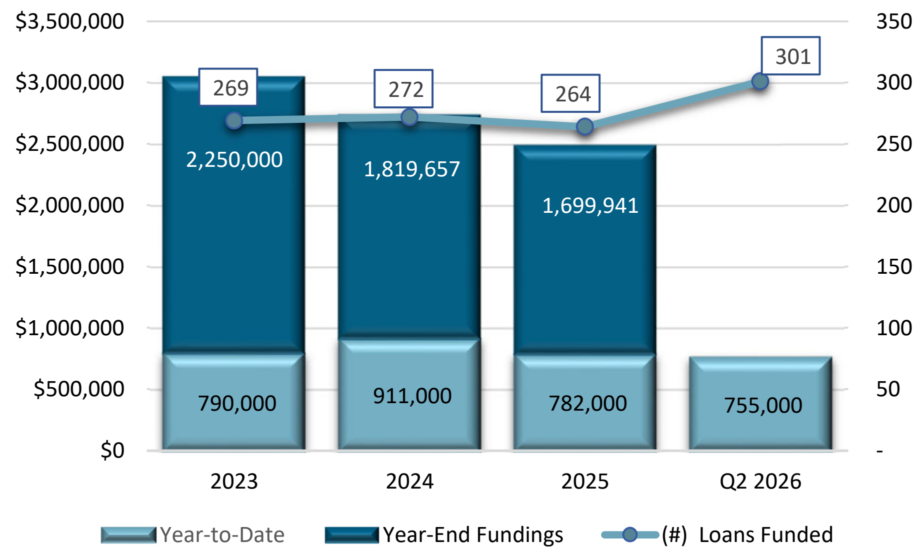
Total Commercial Portfolio

Year over Year/YTD Change



Loans Funded

Year-End & Year-to-Date

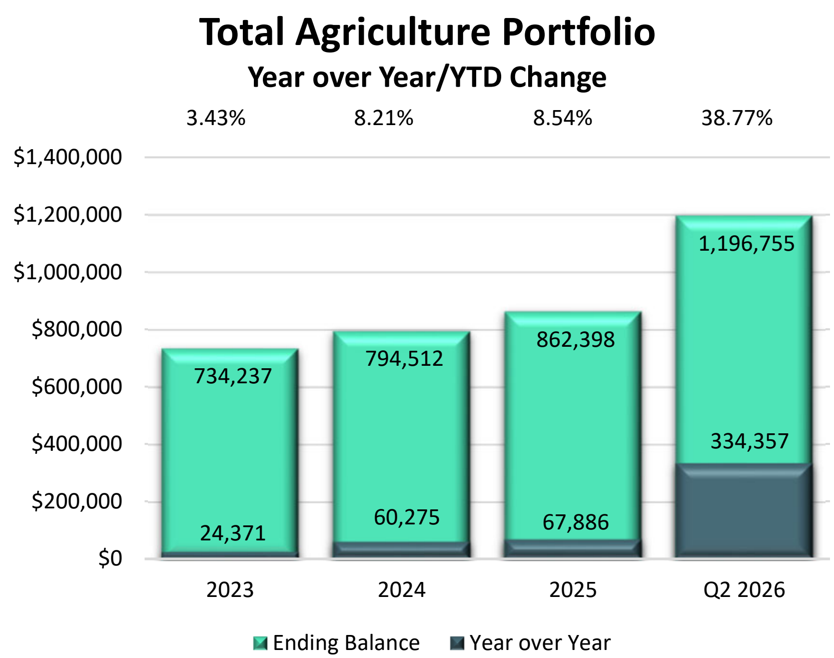


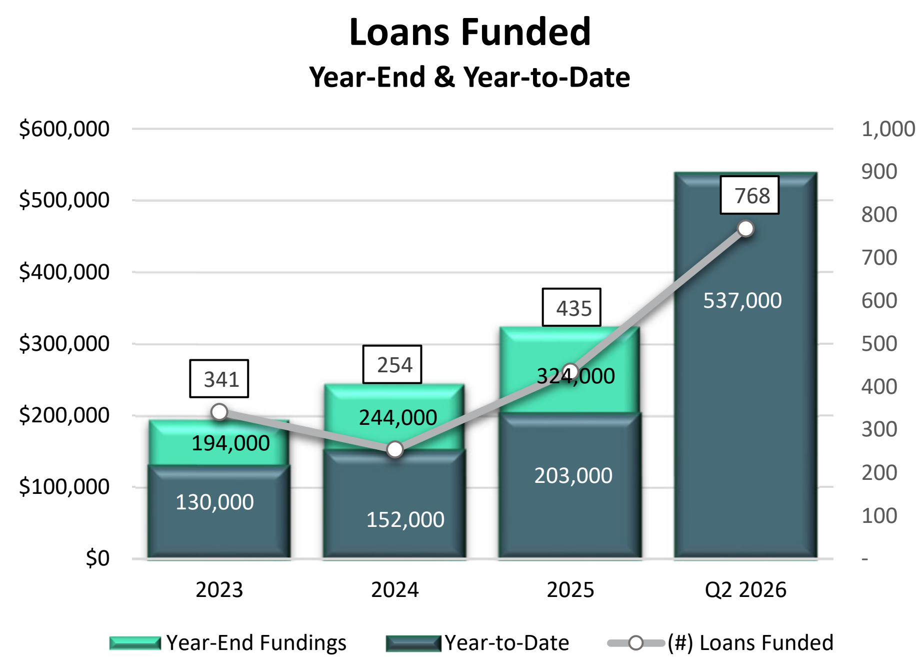
Portfolio Composition				
Loan Type	**2023**	**2024**	**2025**	**2026**
Bank Participation	55%	61%	61%	61%
PACE Loans	13%	15%	16%	17%
Bank Stock	11%	10%	9%	9%
State & Pol. Subs	8%	4%	5%	5%
Other	13%	10%	9%	8%

- The commercial loan portfolio increased by $18 million with BND funding and renewing $755 million of loans in the first half of 2026.
- The largest areas of activity were in commercial participations funding and renewing $490 million, state institutions $125 million followed by bank stock funding and renewing $68 million in loans.

Agriculture Loan Portfolio

(In Thousands)





Portfolio Composition				
Loan Type	**2023**	**2024**	**2025**	**2026**
Farm & Ranch	22%	26%	28%	21%
Beginning Farmer	30%	27%	26%	18%
Established Farmer	25%	24%	24%	17%
Farm Financial Stability/Farm Disaster Loans	13%	11%	13%	37%
Other	5%	12%	9%	7%

- The agriculture portfolio increased by $334 million with BND funding and renewing $537 million of loans in the first half of 2026.

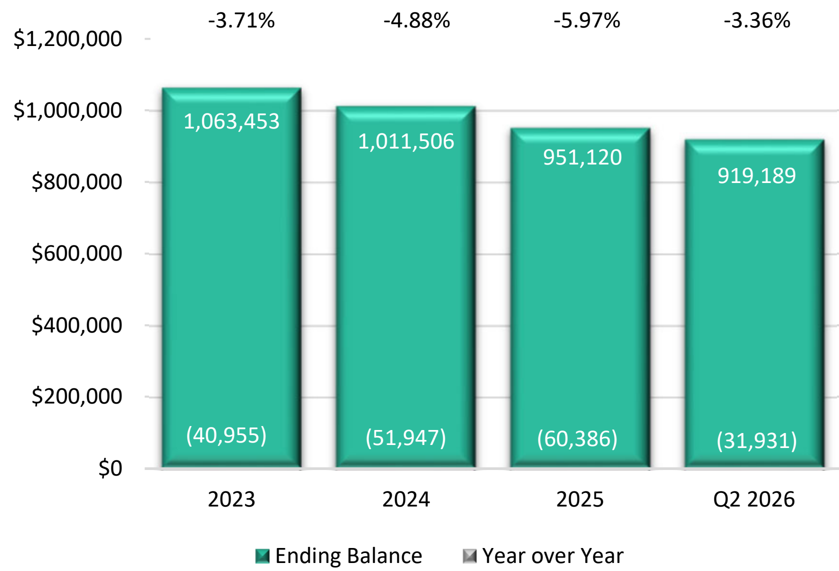
- The largest areas of activity were Farm Financial Stability/ Disaster Loan Programs with $390 million. Farm Financial Stability funded 548 loans for $382 million and Grain Inventory funded 10 loans for $8 million the first half of 2026.

Student Loan Portfolio

(In Thousands)

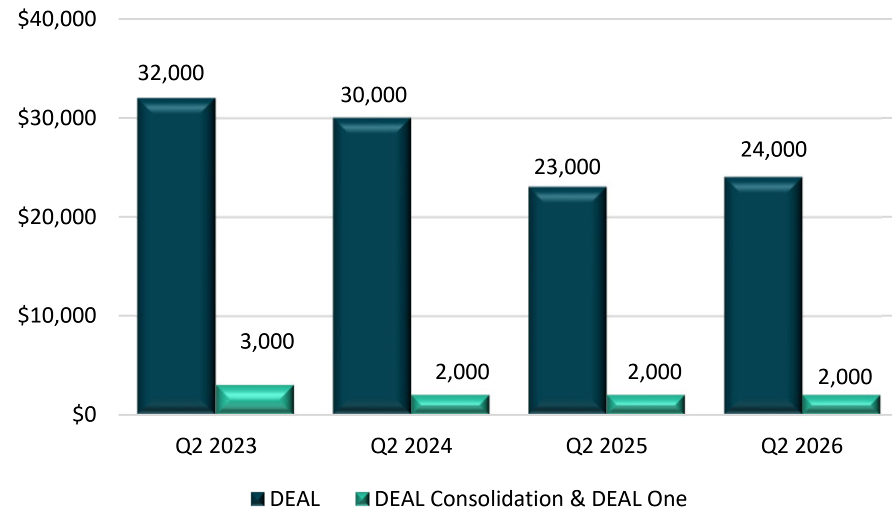
Total Student Portfolio

Year over Year/YTD Change



DEAL Loans Funded

Year-to-Date



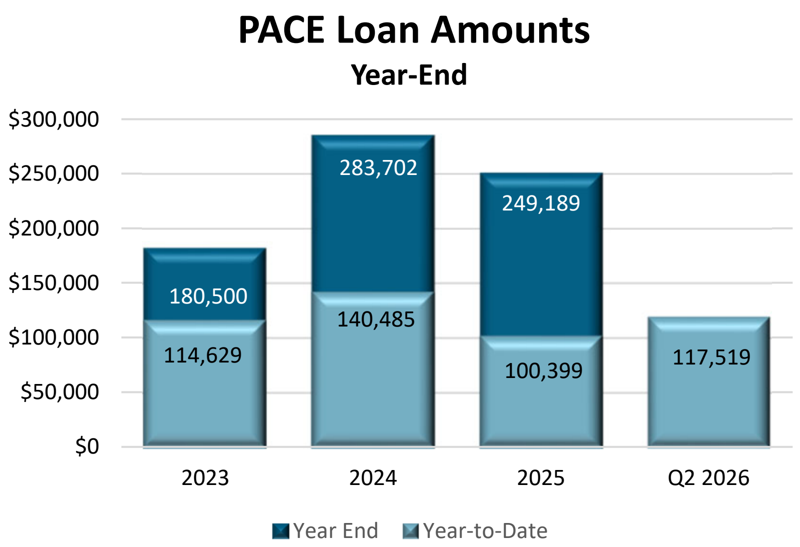
Portfolio Composition				
Loan Type	**2023**	**2024**	**2025**	**2026**
DEAL	57%	58%	59%	60%
DEAL One	38%	37%	36%	35%
DEAL Consolidation	5%	5%	5%	5%

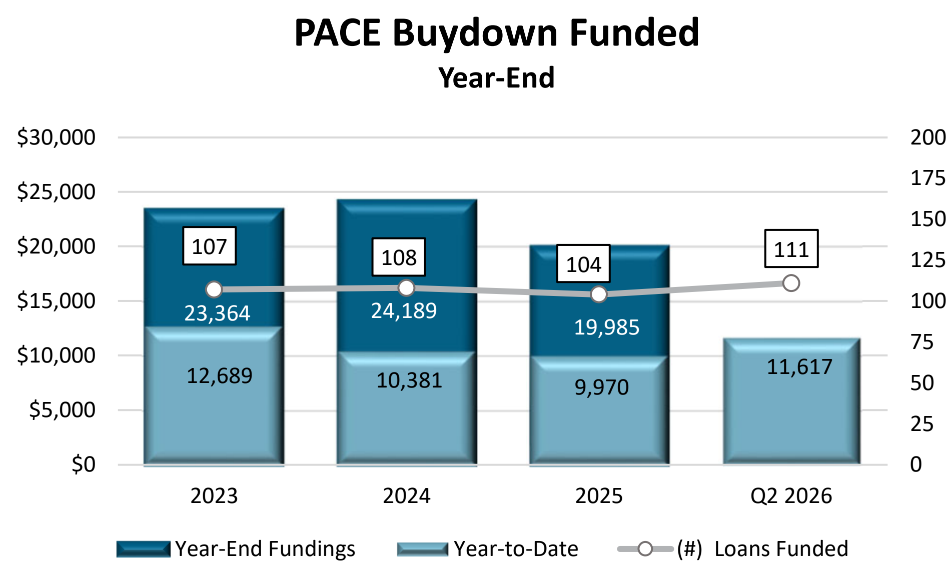
History of DEAL Rates (In-State)				
Interest Rate	**2023**	**2024**	**2025**	**2026**
Fixed	6.43%	6.62%	6.39%	6.59%
Variable	6.86%	5.85%	5.21%	5.13%

- The student loan portfolio decreased by $32 million during the first half of 2026, with BND disbursing $26 million in DEAL loans.

Commercial PACE

(In Thousands)





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	$14,408	$387	$883	$18,464
Remaining Buydown*					$21,536

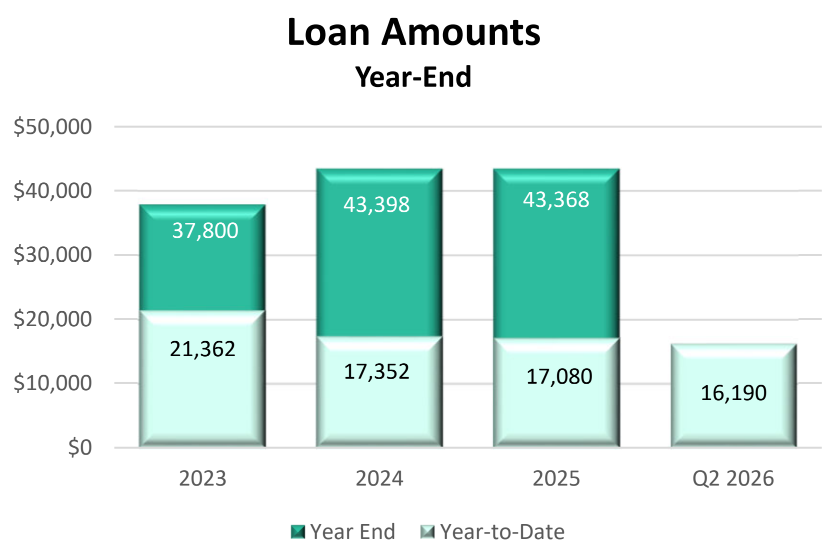
*Remaining buydown may be transferred between funds as needed.

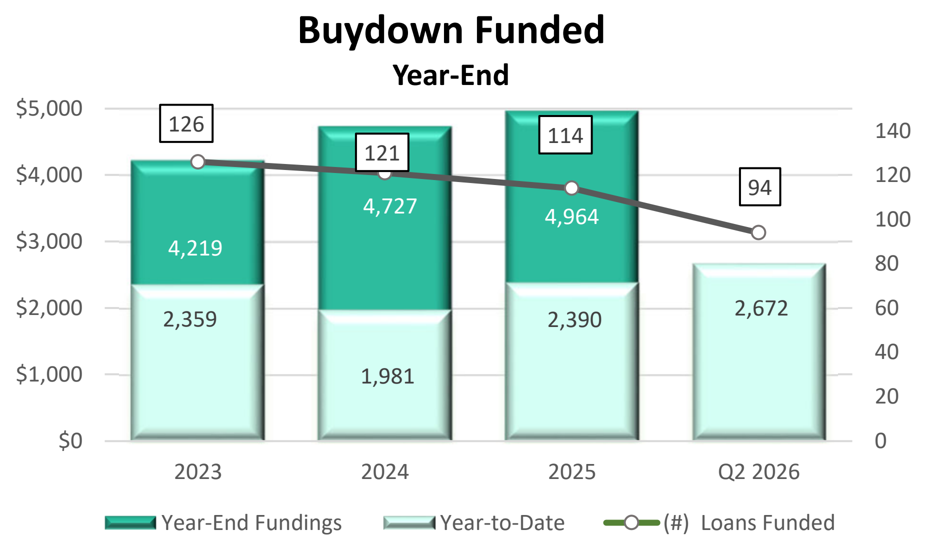
- A total of 105 Flex PACE loans were funded in the first half of 2026 for a total of $100 million compared to 95 in 2025. Flex PACE buydown demand continues due to the financing of essential community services and community approved businesses throughout North Dakota.

- A total of 5 PACE loans were funded in the first half of 2026 for a total of $14 million compared to 4 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)





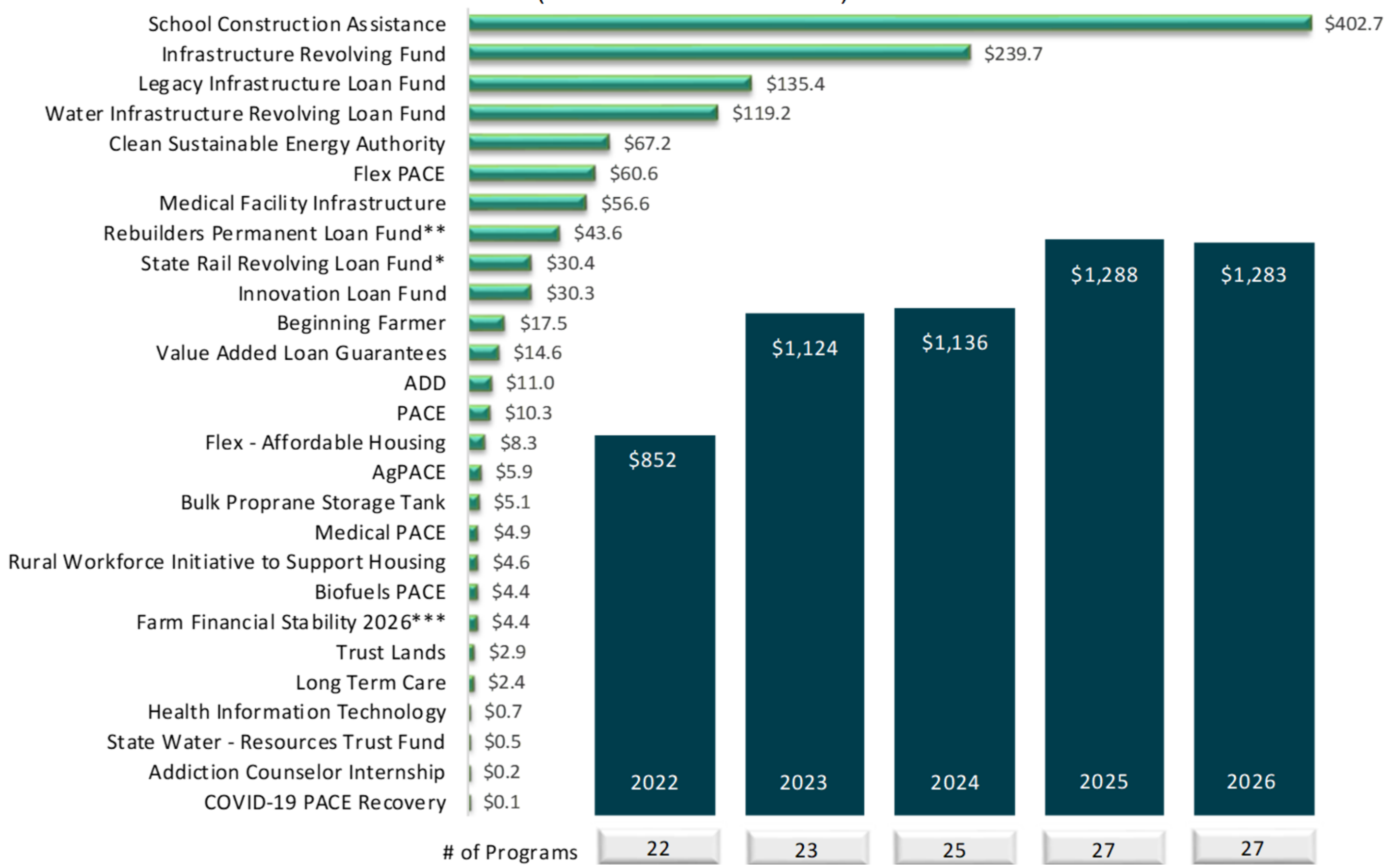
Loan Type	2023	2024	2025	2026
Ag Pace	26%	46%	41%	15%
Beginning Farmer - Real Estate	65%	39%	48%	71%
Beginning Farmer - Chattel	9%	15%	11%	14%

2025-2027 Biennium Buydown Funding (Agriculture)			
	Ag Pace	Beginning Farmer	Total
Total Available			$20,000
Funded/Committed	$1,112	$4,526	$5,638
Remaining Buydown*			$14,362
*Remaining buydown may be transferred between funds as needed.			

- There were 18 Ag PACE loans funded in the first half of 2026 compared to 37 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 31 Beginning Farmer Real Estate loans were funded in the first half of 2026 compared to 25 in 2025.
- A total of 51 Beginning Farmer Chattel loans were funded in the first half of 2026 compared to 55 in 2025.

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.

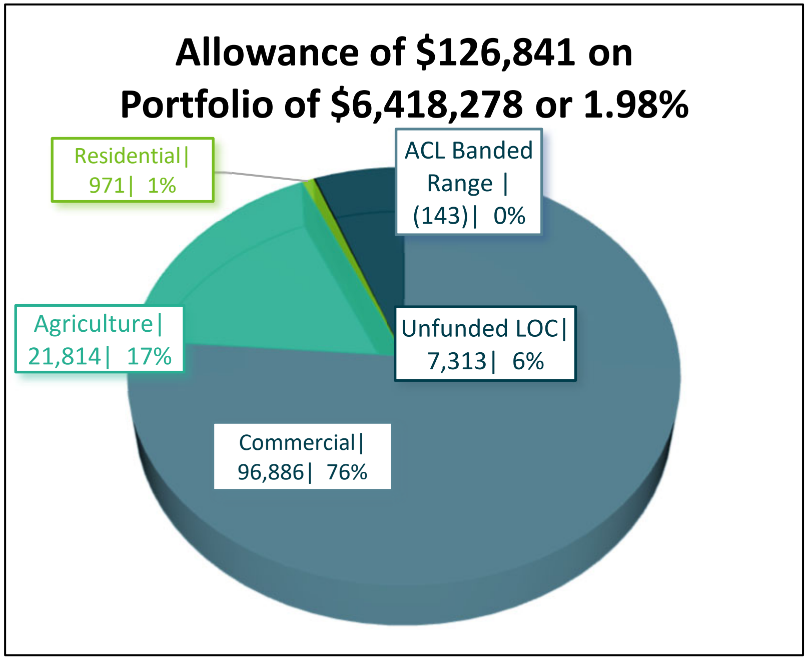
- *SB 2014 transferred the Rail Fund to the State Rail Revolving Loan Fund during the 69th Legislative Session. All outstanding loans and remaining balances from the fund were transferred from Department of Transportation effective July 1, 2025.

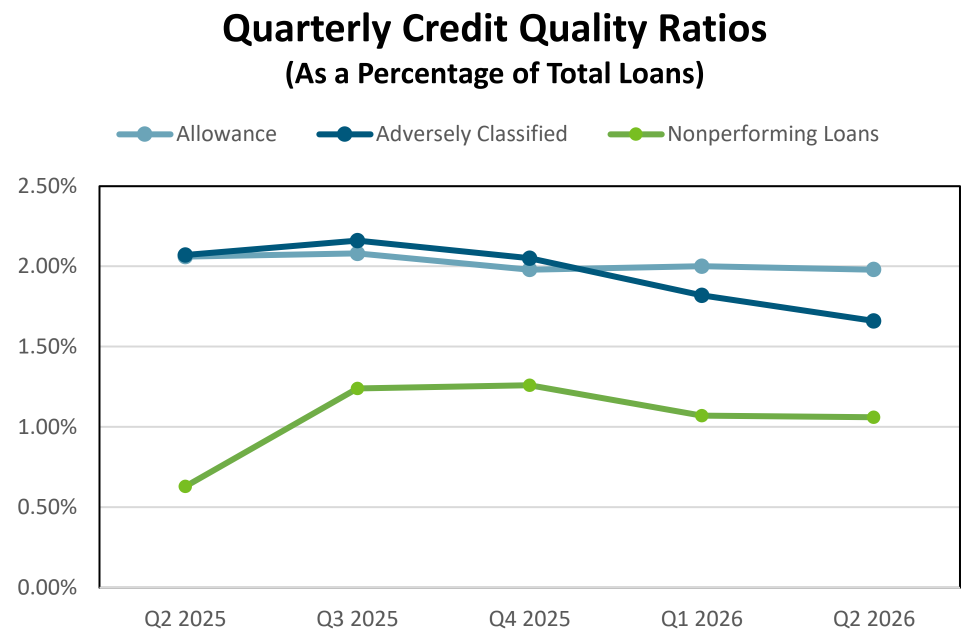
- ** BND committed $50 million to create permanent disaster relief funding under the Rebuilders Permanent Loan Fund. Of this amount; $30 million was used to create the Small Employer Revolving Loan Fund in 2020. The remaining $20 million has been dedicated to new disaster programs. In 2025, $6.5 million 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)





Quarter	Allowance for Credit Losses	Loan Portfolio	Allowance %	Avg Top 10 Participated Banks
June 2026	$126,841	$6,418,278	1.98%	TBD
March 2026	$124,867	$6,239,552	2.00%	1.31%
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%

- As of June 30, 2026, BND's total allowance as a percentage of total loans is 1.98%, higher than the most recently posted average for the top 10 BND participation banks of 1.31%. Total allowance increase since March 31, 2026 is primarily related to the 2nd quarter loan growth in the farm portfolio. 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.

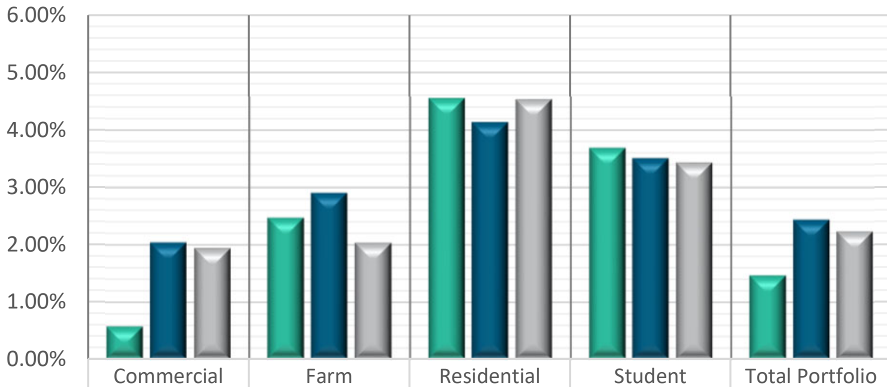
- Excluding the DEAL Student Loan portfolio, which is reserved for separately through the Guarantee Agency, BND's total allowance as a percentage is 2.30%. BND's total allowance as a percentage of all non-guaranteed loans is 2.40%.

- As of June 30, 2026, the percent of non-performing loans is 1.06%, slightly 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 1.42%. Adversely classified loans as a percentage of total loans equaled 1.66%, a decrease from last quarter and lower than the most recent North Dakota average of adversely classified loans at 1.88%.

Credit Quality

(Year over Year)

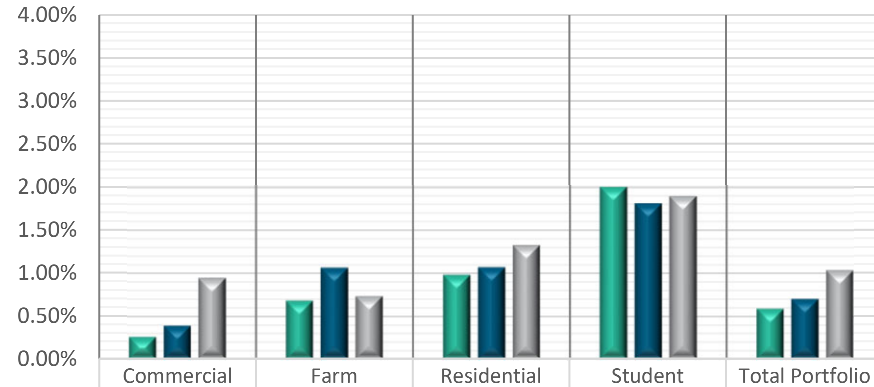
Delinquencies over 30 Days



	Commercial	Farm	Residential	Student	Total Portfolio
Q2 2024	0.57%	2.46%	4.55%	3.68%	1.46%
Q2 2025	2.03%	2.90%	4.13%	3.50%	2.43%
Q2 2026	1.94%	2.03%	4.53%	3.43%	2.23%

Q2 2024 Q2 2025 Q2 2026

Delinquencies over 90 Days



	Commercial	Farm	Residential	Student	Total Portfolio
Q2 2024	0.26%	0.68%	0.98%	2.00%	0.59%
Q2 2025	0.39%	1.06%	1.07%	1.81%	0.70%
Q2 2026	0.94%	0.73%	1.32%	1.89%	1.03%

Q2 2024 Q2 2025 Q2 2026

(In $000's)	Q2 2026	Q2 2025
	> 30 days	> 30 days
Commercial	$78,743	$82,585
Farm	$24,279	$24,078
Residential	$11,198	$11,284
Student Loans	$24,587	$26,479
Totals	$138,807	$144,426

(In $000's)	Q2 2026	Q2 2025
	> 90 days	> 90 days
Commercial	$38,399	$16,060
Farm	$8,728	$8,792
Residential	$3,262	$2,931
Student Loans	$13,517	$13,730
Totals	$63,906	$41,513

- Commercial delinquencies were 1.94% of which 0.94% were delinquent over 90 days. This is an increase to delinquencies compared to June 30, 2025 of 1.38%. Past dues over 30 days are slightly higher than the 1.56% reported at year. Past dues over 90 days of 0.94% are higher than the 0.39% reported at June 30, 2025 but the same level reported last quarter. A majority of commercial loans over 90 days past due are on non-accrual status. Delinquencies were similar to the most recent North Dakota average of 1.90%.

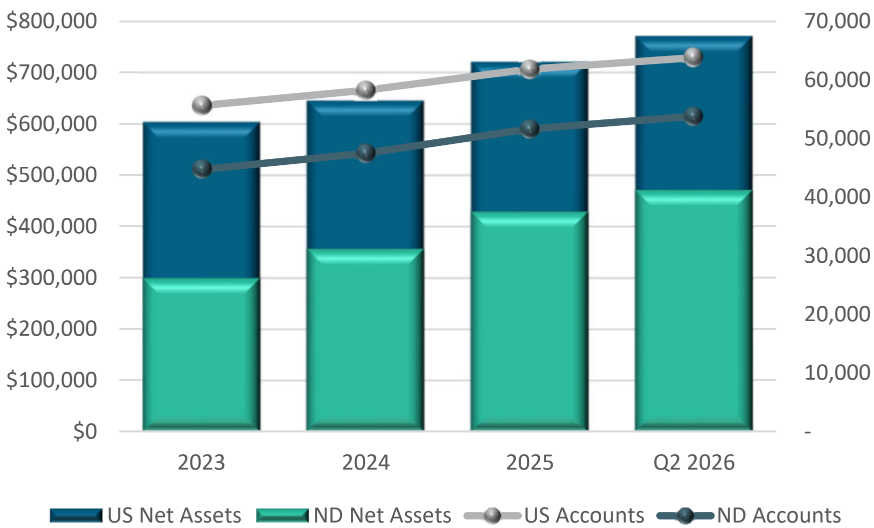
- Farm delinquencies were 2.03% of which 0.73% were delinquent over 90 days. Past dues were lower than prior year June 30, 2025, and lower than year end 2025. Past dues over 90 days are lower than prior year March 31, 2025 but slightly higher than the 0.67% reported at year end. BND delinquencies were higher than the North Dakota average of 1.81%.

- Residential delinquencies were 4.53% of which 1.32% were delinquent over 90 days. FHA delinquencies of 7.31% are lower than the North Dakota 30-day average of 9.20% and over 90-day delinquencies of 2.29% is lower than the average of 4.60%. Nearly all residential delinquencies represent federally guaranteed loans.

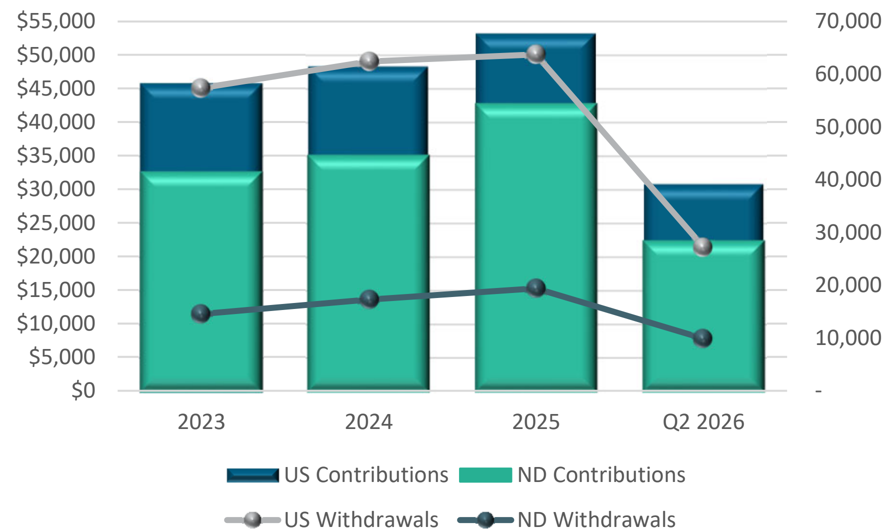
- The overall student loan portfolio has a delinquency rate of 3.43% with 1.89% of the loans being over 90 days. The $13.5 million delinquent over 90 days is a slight decrease compared to 13.7 million as of June 30, 2025.

College Save

Net Assets ($000) and Total Accounts (#)

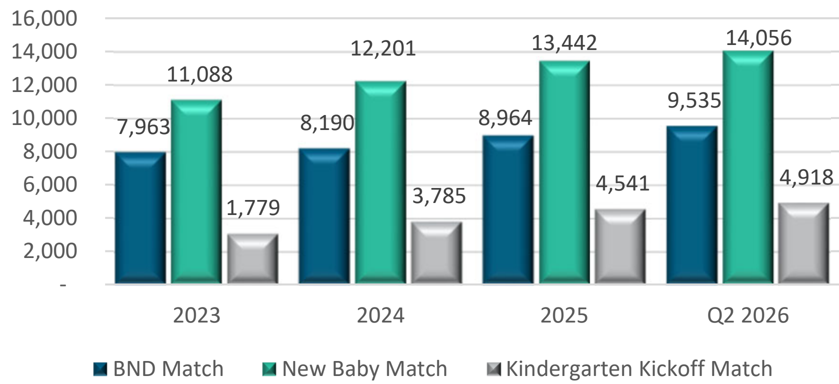


Contributions & Withdrawals ($000)



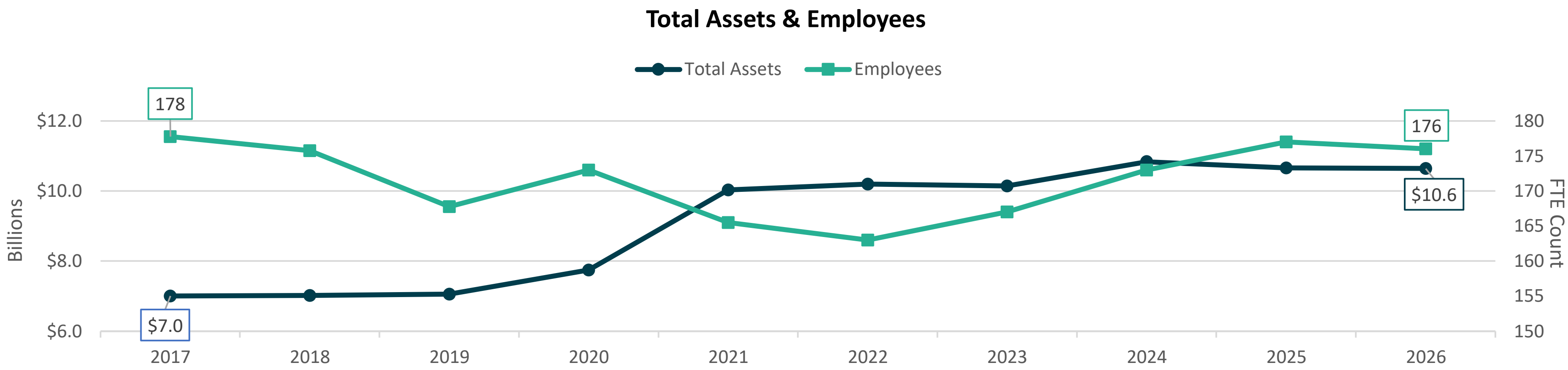
BND, New Baby, Kindergarten Match

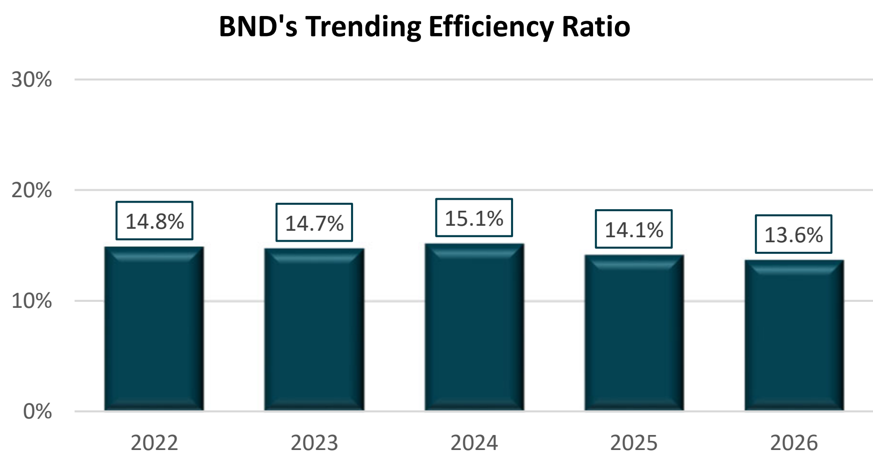
(# of Accounts)

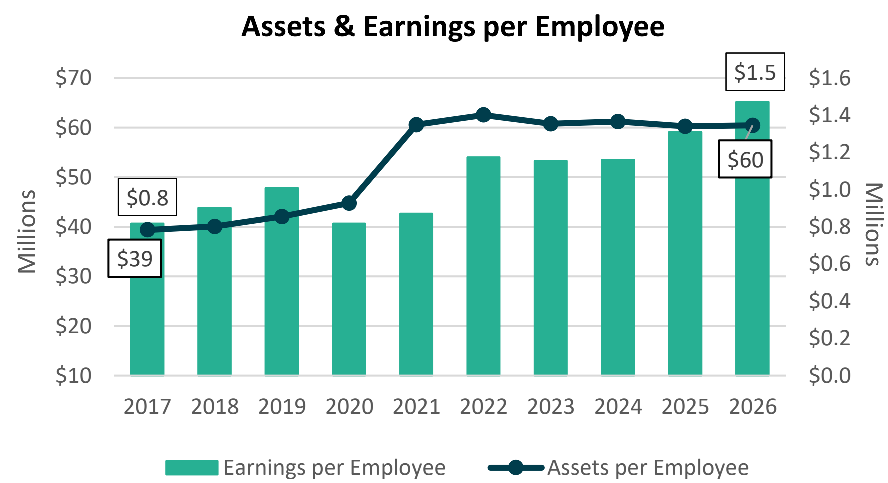


- North Dakota residents account for 61% of net assets in College SAVE.
- BND Matching grants numbers continue to increase with new enrollment process.

Human Resources







- From 2017 to present, assets increased 52% to $10.6 billion. Annualized earnings are projected to be up 78% while total FTE count remain the stable. Earnings per employee have increased from $817 thousand in 2017 to $1.5 million.
- The efficiency ratio measures a bank's overhead costs as a percentage of its revenue; the lower the ratio, the better. June 2026 ratio excludes the $1.4 million loss on the sale of securities.
- The Bank is authorized 187 FTEs.

Attachment 27

Outdoor Heritage Fund Budget Update

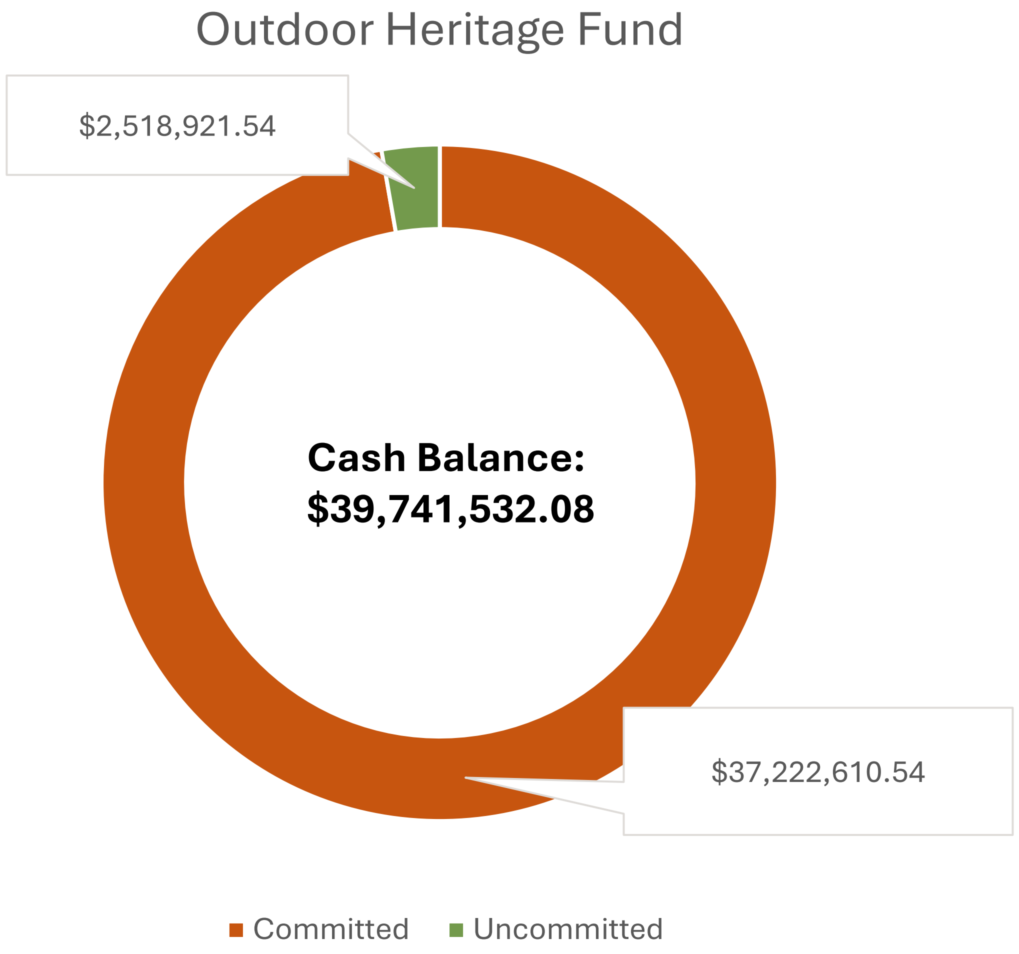
Jordan Kannianen, NDIC Deputy Executive Director

June 2026

North Dakota Outdoor Heritage Fund

North Dakota Be Legendary.™

Outdoor Heritage Fund Balance
2025-2027 Biennium



Funding Source:
- **$15 million oil production taxes**

270 Cumulative Projects

67 Active Projects

Cumulative Value:
- **$111.3 million granted**
- **$272.3 million project value**

Outdoor Heritage Fund Revenue Forecast 2025-2027 Biennium

- Fund receives $7.5M/year from oil & gas tax distributions
- The fund has already received the full $7.5M distribution for the period of July 1, 2025 to June 30, 2026 (reached cap by February 2026)
- The fund will receive an additional $7.5M in the 2nd year of the biennium
- $2.5M currently uncommitted + $7.5M revenue = $10M remaining for the biennium

Outdoor Heritage Fund
Grant Round 28

Application #	Application Title	Applicant	Description	Total Project Cost	Funding Request	Recommendation
28-A	Limesand Seefeldt Dam Reparation Project	LaMoure County Water Resource District	Excavate and remove the deteriorated infrastructure and replace with better quality materials, improved design, and add a hypolimnetic siphon to improve water quality.	$ 238,000	$ 178,500	**$ 175,000**
28-E	Donation-Supported PLOTS	ND Game and Fish Depart	Expand walk-in hunting access by expanding the PLOTS program by 20,000 to 25,000 acres by enrolling Conservation Reserve Program (CRP), Wetland Reserve Program (WRP), and Emergency Watershed Protection Program (EWP) lands.	$ 2,188,588	$ 1,641,441	**$ 1,000,000**
28-H	Conservation Forage Program II	Audubon Great Plains	10,000 acres of working grassland restoration and grazing infrastructure installation on marginal cropland acres. Offers establishment payments to offset foregone income as grasslands establish, and incentivizes walk-in hunting access.	$ 6,106,728	$ 3,975,825	**$ 2,500,000**
28-J	Bakken Development and Working Lands Program 4	ND Natural Resources Trust	Fund grazing system developments including livestock water, fencing, and wind break panels. Improve water quality and soil health on tillable and non-tillable lands, while reducing impacts on wildlife. Reclamation of public land to benefit landowner, renter, and habitat.	$ 4,471,250	$ 2,570,000	**$ 1,500,000**
28-K	Working Grassland Partnership 8	ND Natural Resources Trust	Assist private landowners transition expiring CRP acres into working grazing acres. Assist with fencing and fresh water source.	$ 1,347,500	$ 740,000	**$ 700,000**
28-L	North Dakota Open Prairie Initiative	ND Wildlife Federation	On-the-ground habitat restoration to remove woody encroachment with a focus area on PLOTS tracts. Improvements to wildlife habitat, forage quality, ecological function, and recreational access.	$ 280,000	$ 205,000	**$ 125,000**
		TOTAL		**$14,632,066**	**$9,310,766**	**$ 6,000,000**

Grant Round 28 Project Summary

28-A "Limesand Seefeldt Dam Reparation Project"
Applicant: LaMoure County Water Resource District
Total Project Cost: $238,000
OHF Request: $178,500
OHF Advisory Board Recommendation: **Fund $175,000**
Project Summary: In 2021, sinkholes were discovered due to 1) corrosion of the outlet pipe, and 2) separation of the outlet pipe from the principal concrete spillway box, resulting in significant loss of dam material due to internal erosion. Complete dam failure will lead to a loss of resources and public access. The project objective is to excavate and remove the deteriorated infrastructure and replace with better-quality materials, improve design, and add a hypolimnetic siphon to improve water quality.

Percentage of Matching Funds: 25%

- $19,500 LaMoure County Water Resource District
- $20,000 North Dakota Department of Water Resources
- $20,000 North Dakota Game and Fish Department

Project Duration: 10 weeks; summer/fall 2026

Major Directive Focus: C — Developing, enhancing, conserving, and restoring wildlife and fish habitat on private and public lands.

Additional Directives Support:
A — Providing access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen.
B — Improving, maintaining and restoring water quality, soil conditions, plant diversity, animal systems, and by supporting other practices of stewardship to enhance farming and ranching.
D — Conserving natural areas and creating other areas for recreation through the establishment and development of parks and other recreation areas.

Project Abstract/Summary:
Limesand Seefeldt Dam (Sec 29, T 135 N, R 61 W) was constructed in 1967 and currently supports a viable sport fish population of black crappie, bluegill, northern pike, and yellow perch. A perpetual access easement allows anglers access to the water and a strip of land fifty yards wide around the entire impoundment for shore angling. Additionally, a boat ramp further ensures and facilitates public access to this water body. The impoundment is located within a unique hilly topography in an otherwise flat landscape. The eastern side of the impoundment contains an established native tree/shrub planting while the remainder is lightly grazed native prairie. In July of 2021, sinkholes were discovered in the dam due to 1) corrosion of the outlet pipe, and 2) separation of the outlet pipe from the principal concrete spillway box resulting in significant loss of dam material due to internal erosion. In this current state, complete dam failure is a certainty, which will lead to a loss of the resource and public access.

The objective of this project is to excavate and remove the existing deteriorated infrastructure and replace with better quality materials, improved design, and add a hypolimnetic siphon to improve water quality. Total project time is estimated at ten weeks (weather dependent) and total estimated cost at $238,000. This project is essential to ensure that Limesand-Seefeldt Dam will continue to provide both habitat and recreational opportunity into the future as it has for the past six decades. This project is a joint effort between the LaMoure County Water Resource District, North Dakota Game and Fish Department, and North Dakota Department of Water Resources. Local support and participation includes the James River Sportsman's Club (LaMoure, ND) and Dakota Anglers fishing club (Jamestown, ND).

The overall goal of our project is to ensure that Limesand-Seefeldt Dam's existence and utility will continue into the future. This water body is managed for sport fish by the ND Game and Fish Department for public use. A perpetual easement ensures angler access to and around this location. Failure to renovate the dam will result in a complete loss of this aquatic habitat for all wildlife and the anglers that venture here. The addition of a hypolimnetic drawdown system (via 8" diameter pipe and gate valve) will provide the opportunity to improve water quality within the impoundment into the future. Improving water quality will extend the life of the fishery by fending off eutrophication. Our project is estimated to take approximately ten weeks to complete, which is a relatively short and efficient timeline for the work involved. Funding provided by the Outdoor Heritage Fund grant is vital to the success of this project as the financial burden without it would be too great for the partnership to cover alone.

It was moved by _____________and seconded by ____________that the Industrial Commission accepts the recommendations of the Outdoor Heritage Fund Advisory Board, approves the following projects, and authorizes the Office of the Industrial Commission to enter into contracts for the following projects:

28-A (C) Limesand Seefeldt Dam Reparation Project, LaMoure County Water Resource District; $175,000

28-E (A) Donation-Supported PLOTS, North Dakota Game and Fish Department; $1,000,000

28-H (C) Conservation Forage Program II, Audubon Great Plains; $2,500,000

28-J (A) Bakken Development and Working Lands Program 4, North Dakota Natural Resources Trust; $1,500,000

28-K (B) Working Grassland Partnership 8, North Dakota Natural Resources Trust; $700,000

28-L (C) North Dakota Open Prairie Initiative, North Dakota Wildlife Federation; $125,000

Grant Round 28 Project Summary

28-E "Donation-Supported PLOTS"
Applicant: North Dakota Game and Fish Department
Total Project Cost: $2,188,588
OHF Request: $1,641,441
OHF Advisory Board Recommendation: **Fund $1,000,000**
Project Summary: This project will expand public walk-in hunting access by leveraging hunter-donated funds with OHF dollars to enroll high-quality private lands into the Private Land Open To Sportsmen (PLOTS) program. PLOTS is a voluntary access and habitat program supported by hunters, landowners, the Legislature, and the Governor's office. The Department set a goal of enrolling 1,000,000 acres of PLOTS by 2028, with current enrollment at approximately 900,000 acres. This project advances that goal by enrolling an estimated 20,000 to 25,000 acres of Conservation Reserve Program (CRP), Wetland Reserve Program (WRP), and Emergency Watershed Protection Program (EWP) lands.

Percentage of Matching Funds: 25%

- $547,147 North Dakota Game and Fish Department

Project Duration: 38 months; July 2026 to June 2029

Major Directive Focus: A — Providing access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen.

Additional Directive Support: D — Conserving natural areas and creating other areas for recreation through the establishment and development of parks and other recreation areas.

Project Abstract/Summary:
The North Dakota Game and Fish Department's Private Land Open To Sportsmen (PLOTS) program provides habitat development and walk-in hunting access through voluntary agreements with private landowners. The program has long-standing support from the Governor's Office, the Legislature, hunters, and landowners. The Department

has established a goal of enrolling 1,000,000 acres of PLOTS by 2028, with an annual target of approximately 40,000 new acres. Current enrollment is roughly 900,000 acres.

PLOTS is funded by hunters. Program dollars come from hunting license sales, and hunters may also voluntarily contribute in several ways. Applicants who are unsuccessful in the deer gun, muzzleloader, or pronghorn lotteries may donate their application fee rather than receiving a refund, and hunters may make direct contributions when purchasing or applying for a license. All voluntary contributions are directed to habitat and access through PLOTS. Over the last two license years (4/1/24–3/31/26), these voluntary sources generated $547,147 representing more than 47,000 unique hunter transactions. (see attached donation summary)

To increase the impact of these donated dollars, the Department is proposing to combine the $547,147 in hunter-generated contributions with a $1,641,441 Outdoor Heritage Fund investment. Together, these funds would provide access payments to enroll an estimated 20,000 - 25,000 acres of Conservation Reserve Program, Emergency Watershed Protection Program and Wetland Reserve Program contracts into PLOTS.

An Outdoor Heritage Fund grant would demonstrate that hunters' voluntary contributions are being effectively leveraged. Every $1 donated to PLOTS would be matched with $3 in OHF funds, allowing the Department to expand public access at a scale that hunter contributions alone cannot achieve. This investment would also support continued progress toward the Department's 1,000,000-acre access goal while prioritizing high-quality habitat.

This project will generate significant and measurable benefits for hunters, landowners, and wildlife habitat across North Dakota. By combining $547,147 in hunter-donated funds with $1,641,441 in Outdoor Heritage Fund dollars, the project will enroll an estimated 20,000–25,000 acres of high-quality CRP, WRP and EWP habitat into the PLOTS program. This 3:1 leverage ratio substantially increases the impact of hunter contributions and delivers far more public access than would otherwise be possible.

The project directly expands walk-in hunting opportunities. CRP and WRP acres consistently receive the strongest feedback from hunters due to their high habitat value and the diversity of game species they support. These acres provide nesting cover, brood-rearing habitat, winter cover, and fawning habitat for upland birds, waterfowl, and big game. Research in the northern Great Plains shows that CRP grasslands and wetlands are major drivers of white-tailed deer occurrence and abundance, reinforcing the importance of keeping these habitats on the landscape. EWP acres offer high quality riparian habitat that is often sought by hunters.

The project also advances key recommendations from the 2024 Habitat and Hunting Access Summit, including increasing both the quality and quantity of PLOTS acres and pursuing large-scale OHF investments that demonstrate clear public benefit. By enrolling existing high-quality habitat, the project provides an efficient, cost-effective way to expand access quickly without the long timelines associated with new habitat development.

Additional benefits include strengthened relationships with private landowners, increased visibility of OHF’s role in supporting public access, and the potential for increased future hunter donations as awareness of this partnership grows. The project contributes meaningfully toward the Department’s goal of reaching 1,000,000 acres of PLOTS by 2028 and ensures that high-value habitat remains accessible to the public for years to come.

Grant Round 28 Project Summary

28-H “Conservation Forage Program II”
Applicant: Audubon Great Plains
Total Project Cost: $6,106,728
OHF Request: $3,975,825
OHF Advisory Board Recommendation: **Fund $2,500,000**
Project Summary: This project will focus on marginal cropland acres, where 10,000 acres will be impacted through working grassland restoration and grazing infrastructure installation. The program offers establishment payments to offset foregone income as grasslands establish, and incentivizes walk-in hunting access on 1,000 acres of grassland enrolling in up to 5-year terms.

Percentage of Matching Funds: 35%

- $1,161,500 Landowners
- $969,403 Audubon Great Plains

Project Duration: 48 months; July 2026 to July 2030

Major Directive Focus: C — Developing, enhancing, conserving, and restoring wildlife and fish habitat on private and public lands.

Additional Directives Support:
A — Providing access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen.
B — Improving, maintaining and restoring water quality, soil conditions, plant diversity, animal systems, and by supporting other practices of stewardship to enhance farming and ranching.

Project Abstract/Summary:
This program encourages and supports ranchers and farmers to restore forage-based cover on marginal cropland. It is designed to accelerate grassland restoration while supporting the adoption of adaptive land management to improve grassland and soil health across the state. The project will assist landowners with the upfront investment associated with initiating new management decisions and the potential foregone income

by providing establishment support for the first three years of enrollment, in addition to 60% cost-share for seed and grazing infrastructure, and 50% financial assistance for site preparation and seeding expenses.

The objectives include enrolling at least 10,000 acres of private lands over a four-year project period to improve soil health, forage quality and wildlife habitat by integrating grazing and/or haying land management techniques. Enrolled landowners are expected to maintain the established conservation forage for a 10-year term, with a “buy out” option.

Costs include $2,100,000 for establishment payments across the project period, $750,000 for 60% cost share for forage plantings, $181,500 for 50% FA for site prep and seeding, $720,000 for 60% cost share for grazing infrastructure, $6000 for public hunting access incentive, and $208,075 for program delivery. Total project match of $1,161,500 from enrolled landowners’ cost share and in-kind, plus $965,695 cash and in-kind match from Audubon. Project planning and coordination will be led by Audubon range ecologists who will provide technical assistance to landowners, including through the development of ranch-level habitat management plans (HMP) with additional delivery assistance from conservation partners.

CFP II will focus on marginal cropland acres in the project area, where 10,000 acres will be impacted within the project period through working grassland restoration and grazing infrastructure installation. Walk-in hunting access will be incentivized for 1000 acres of either established or new grassland enrolling in up to 5-year terms.

Grant Round 28 Project Summary

28-J “Bakken Development and Working Lands Program 4”
Applicant: North Dakota Natural Resources Trust
Total Project Cost: $4,471,250
OHF Request: $2,570,000
OHF Advisory Board Recommendation: **Fund $1,500,000**
Project Summary: This project will fund grazing system developments including livestock water, fencing, and wind break panels. Projects will be designed to improve water quality and soil health on tillable and non-tillable lands, while reducing impacts to wildlife. A significant component of the project is the reclamation of public land for sites to be restored and benefit the landowner, the renter, and habitat. This project will enhance grassland conservation, wildlife habitat, agricultural sustainability, and public access on private and public lands in western North Dakota. It will also improve habitat quality for grassland birds, pollinators, and other wildlife.

Percentage of Matching Funds: 43%
- $341,250 Landowners
- $100,000 North Dakota Wildlife Federation
- $50,000 Pheasants Forever
- $1,500,000 North Dakota Department of Mineral Resources
- $60,000 North Dakota Natural Resources Trust
- $500,000 North Dakota Game and Fish (non-cash match)

Project Duration: 60 months; July 2026 to June 2031

Major Directive Focus: A — Providing access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen.

Additional Directive Support: B — Improving, maintaining and restoring water quality, soil conditions, plant diversity, animal systems, and by supporting other practices of stewardship to enhance farming and ranching.

Project Abstract/Summary:
The project goal is to enhance private agricultural lands and public property through voluntary grazing and grassland conservation practices in the oil-producing counties of North Dakota. It will provide landowners with a 10-year partnership agreement with buyback provisions, technical support, voluntary terms, and cost share.

This project will fund grazing system developments that include livestock water, fencing and wind break panels. Water developments will be cost-shared at a rate of 75% from the grant, and 25% from landowners. Fence developments and wind break panels will be shared at a rate of 60% of the grant and 40% of landowners. Technical advice will be provided to applicants through the Trust and our contracted field representatives and developed in consultation with landowners. Landowners will select the fence type that will best meet their operation need. Fencing cost share will be provided at a per foot rate and will be adjusted to accommodate the different fence types. The rate will be based on USDA Tech Guide Allowable costs with the full funding rate determined by current NRCS practice scenario amount. Boundary fence cost share will be considered if a landowner is currently a part of the PLOTS program, a new PLOTS contract, or developing new grazing land where no previous boundary fence existed. No funds will be available to replace an existing boundary fence.

The project will set aside $500,000 OHF dollars to be used on existing and/or new PLOTS tracts only. Activities will include water and fence developments, with wildlife friendly fence utilized on all PLOTS contracts using grant funding. A five-year minimum PLOTS agreement will be required when enrolling. The OHF cost share rate will follow the 60% cost share for fence and 75% cost share for water developments. For PLOTS projects, the North Dakota Game and Fish Department will contribute an additional 30% cost-share toward wildlife-friendly fencing and 15% toward water development, with water development funding capped at $7,500 per project.

Water development cost sharing will be provided based on documented actual costs. Due to the nature of geology in western North Dakota, we propose cost sharing wells at 75% up to 400 feet. If fresh water cannot be found in the first 400 feet, the rest of the cost would be the landowner's responsibility. On a case-by-case basis, the Trust will consider providing additional cost share for components of the grazing system that may not be considered under current OHF guidelines. The BDWLP IV will give private landowners an opportunity to combine conservation practices in a way that helps them achieve their desired management outcomes.

This project includes a reclamation component to provide opportunities for sites to be restored and benefit the landowner, the renter, and habitat. The eligible non-general fund dollars provided through DMR and the partnership with OHF has been extraordinarily successful. This partnership has opened non-productive lands while reclaiming contaminated soils and materials. This also created public access points and habitats for outdoor enthusiasts to enjoy. We propose to continue this work through establishing additional livestock forage and land management options, and grassland species habitat.

In conjunction with DMR, several sites have been identified for reclamation including sites on State Lands and on private property.

Because project practices will be selected by interested landowners, and certain practices may be more popular than others, funding may be moved between project expense categories, except Staffing. The OHF funds and match will remain at the same levels.

This project will enhance grassland conservation, wildlife habitat, agricultural sustainability, and public access on private and public lands in western North Dakota. Through cost-shared grazing infrastructure, landowners will implement improved grazing systems that enhance soil health, plant diversity, forage utilization, and long-term stewardship under ten-year voluntary agreements.

The project will improve habitat quality for grassland birds, pollinators, and other wildlife through managed grazing and reclamation of disturbed or contaminated sites, restoring these areas to productive forage and functional habitat. Wildlife-friendly fencing will be installed on all PLOTS properties funded through the program, improving habitat connectivity and reducing wildlife mortality.

This project will dedicate $500,000 of OHF funding exclusively to existing and new PLOTS lands, securing a minimum five-year public access commitment and enhancing outdoor recreation opportunities for sportsmen. The program will also leverage significant partner and landowner cost share, reduce financial barriers to conservation practices, support rural economies, and deliver long-term conservation outcomes through durable infrastructure and collaborative stewardship.

Grant Round 28 Project Summary

28-K “Working Grassland Partnership 8”
Applicant: North Dakota Natural Resources Trust
Total Project Cost: $1,347,500
OHF Request: $740,000
OHF Advisory Board Recommendation: **Fund $700,000**
Project Summary: This project will assist private landowners who want to transition their U.S. Department of Agriculture's Conservation Reserve Program (CRP) expiring acres into working grazing acres. These acres have been enrolled into CRP because they had sensitive soils or were unproductive for cropland production. Many landowners want to keep the grassland cover that the CRP provided, protect their soils, and use these acres for grazing. Because they were once cropland acres, there is no existing fence, or the fence is in such poor condition. These acres may also need a fresh water source that is distributed properly for livestock.

Percentage of Matching Funds: 45%

- $480,000 Landowners
- $97,500 North Dakota Natural Resources Trust
- $15,000 North Dakota Partners for Fish and Wildlife Program
- $15,000 Ducks Unlimited

Project Duration: 48 months; timeline not provided

Major Directive Focus: B — Improving, maintaining and restoring water quality, soil conditions, plant diversity, animal systems, and by supporting other practices of stewardship to enhance farming and ranching.

Additional Directive Support: C — Developing, enhancing, conserving, and restoring wildlife and fish habitat on private and public lands.

Project Abstract/Summary: Conservation Reserve Program (CRP) has been part of North Dakota’s landscape since the 1980’s. Landowner interest in enrolling into CRP has varied since inception. Our state of North Dakota currently has 1.18 million acres enrolled. Most CRP contracts are 10 to 15 years in length. As many of these CRP contracts reach their expiration, landowners are making decisions on what they will do with these former cropland acres. The decision typically falls into the following options: 1) reenrollment back into CRP: 2) conversion of those acres back to cropland and 3) keeping those acres in grasslands for hay or livestock production. The landowners who choose the option for grazing require additional expense for fence and water developments necessary to graze them properly. As long as there are CRP acres in North Dakota, there will be expiring CRP acres and landowners will need to make a decision. The Working Grassland Partnership concept is to assist those who want improved soil health, increased water infiltration, additional acres for livestock grazing, and to benefit grassland dependent wildlife species.

This grant proposal titled “Working Grasslands Partnership 8” is designed to assist landowners who want to transition their expiring CRP acres into grazing acres for livestock production. Working Grassland Partnership 8 (WGP8) is requesting grant funding for cost-share of fencing and water developments on CRP acres that will expire in 2026, 2027 and/or 2028. The Trust will provide habitat lease only on expiring CRP acres. WGP8 will be offered statewide.

Over the next three years there are 200,527 CRP acres that will expire in North Dakota. Counties with the greatest total of expiring CRP acres (over 8,000 acres) are Hettinger, Bowman, Grant, Grand Forks, Golden Valley, Stark, and Sargent. Because of the OHF Advisory Board support in funding previous OHF grants, the familiarity and awareness of the Working Grassland Partnership approach is very high among landowners. The Trust has a current backlog of landowners waiting for additional funding to transition their CRP into grazing acres.

Funding will result in approximately 15 new agreements that will enhance over 12,000 acres of grazing systems.

Grant Round 28 Project Summary

28-L "North Dakota Open Prairie Initiative"
Applicant: North Dakota Wildlife Federation
Total Project Cost: $280,000
OHF Request: $205,000
OHF Advisory Board Recommendation: **Fund $125,000**
Project Summary: This project proposes a statewide, on-the-ground habitat restoration that will remove woody encroachment with a focus area of PLOTS tracts as identified by the North Dakota Game and Fish Department. The program will also target other public and private lands in grasslands blocks, resulting in measurable improvements to wildlife habitat, forage quality, ecological function, and recreational access.

Percentage of Matching Funds: 27%

- $75,000 North Dakota Wildlife Federation

Project Duration: 42 months; spring 2026 to December 2029

Major Directive Focus: C — Developing, enhancing, conserving, and restoring wildlife and fish habitat on private and public lands.

Additional Directives Support:
B — Improving, maintaining and restoring water quality, soil conditions, plant diversity, animal systems, and by supporting other practices of stewardship to enhance farming and ranching.
A — Providing access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen.

Project Abstract/Summary:
The North Dakota Wildlife Federation proposes the North Dakota Open Prairie Initiative, a statewide, on-the-ground habitat restoration project that directly advances Directive C by restoring, enhancing, and conserving native grassland habitat, Directive A by improving and maintaining public access on enrolled lands, and Directive B by improving, maintaining and restoring water quality, soil conditions, plant diversity, animal systems and by supporting increased forage production for livestock.

This project will remove woody encroachment statewide with a focus area of PLOTS tracts as identified by the North Dakota Game and Fish Department. The program will also target other public and private lands in grasslands blocks, resulting in measurable improvements to wildlife habitat, ecological function, and recreational access.