

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**

**REPORT ON FINANCIAL STATEMENTS**  
*(with supplementary information)*  
*Year Ended December 31, 2022*

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
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**Year Ended December 31, 2022**

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**INDEPENDENT AUDITORS' REPORT**

Honorable Mayor and City Council  
**CITY OF JAMESTOWN**  
Jamestown, North Dakota

**Report on the Audit of the Financial Statements**

**Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **CITY OF JAMESTOWN, NORTH DAKOTA**, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the **CITY OF JAMESTOWN, NORTH DAKOTA**, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the **CITY OF JAMESTOWN, NORTH DAKOTA** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the **CITY OF JAMESTOWN, NORTH DAKOTA**'s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## INDEPENDENT AUDITORS' REPORT - continued

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the **CITY OF JAMESTOWN, NORTH DAKOTA's** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the **CITY OF JAMESTOWN, NORTH DAKOTA's** ability to continue as a going concern for a reasonable period of time.

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

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, schedule of employer's share of net pension liability and employer contributions, schedule of employer's share of net OPEB liability and contributions and the notes to the required supplementary information, as listed in the contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to

## INDEPENDENT AUDITORS' REPORT - continued

our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the **CITY OF JAMESTOWN, NORTH DAKOTA'S** basic financial statements. The accompanying combining nonmajor fund financial statements and schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29 2023, on our consideration of **CITY OF JAMESTOWN, NORTH DAKOTA'S** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the **CITY OF JAMESTOWN, NORTH DAKOTA'S** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **CITY OF JAMESTOWN, NORTH DAKOTA'S** internal control over financial reporting and compliance.

*Schauer & Associates, P.C.*

SCHAUER & ASSOCIATES, P.C.  
Certified Public Accountants

Jamestown, North Dakota  
September 29, 2023

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended December 31, 2022**

As management of the **CITY OF JAMESTOWN**, we offer readers of the **CITY OF JAMESTOWN'S** financial statements this narrative overview and analysis of the financial activities of the **CITY OF JAMESTOWN** for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the additional information presented in the accompanying basic financial statements, the fund financial statements and the notes to the financial statements.

**Financial Highlights**

- The net position of the **CITY OF JAMESTOWN** increased by \$9,269,286 or 14% as a result of current year operations. Net position of the business type activities increased by \$1,469,493 and net position of the governmental activities increased by \$7,799,793.
- Total revenues from all sources were \$36,110,703. Revenue from governmental activities was \$22,332,177 and revenues from business type activities were \$13,778,526.
- Total cost of all programs was \$26,841,417. This was comprised of \$16,347,289 in governmental activities and \$10,494,128 in business type activities.
- Governmental fund balance totaled \$27,457,418 as of December 31, 2022.
- Governmental net change in fund balances was an increase of \$7,307,898.
- Unassigned fund balance for the general fund was \$2,977,299, 34.3% of the total general fund expenditures.

**Using This Annual Report**

This annual report presents the following three components of the financial statements:

1. Government-wide financial statements provide information for the City as a whole.
2. Fund financial statements provide detailed information for the City's significant funds.
3. Notes to the financial statements provide additional information that is essential to understanding the government-wide and fund statements.

This report also contains other supplementary information in addition to the basic financial statements.

***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the **CITY OF JAMESTOWN'S** finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information on how the City's net position changed during the most recent fiscal year. This statement is presented using the accrual basis of accounting, which means that all changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).



## CITY OF JAMESTOWN

Stutsman County, North Dakota

### MANAGEMENT'S DISCUSSION AND ANALYSIS - continued

Year Ended December 31, 2022

Both the Statement of Net Position and the Statement of Activities present information as follows:

- Governmental activities - this includes most of the City's basic services, which are primarily supported by property and sales taxes, interest income, user fees and intergovernmental revenues.
- Business-type activities - this includes those services which are intended to recover all or a significant part of their costs through user fees.

The government-wide financial statements include not only the City (*known as the primary government*), but also one legally separate entity for which the City is financially accountable. The *component unit* is the Jamestown Regional Airport Authority. Financial information for this component unit is reported separately from the financial information presented for the primary government. Separately issued financial statements are available from their administrative offices as noted in footnote 1 B in the notes to the financial statements.

The government-wide financial statements begin on page 14.

#### ***Fund Financial Statements***

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

The fund financial statements provide detailed information about the City's significant funds - not the City as a whole. The City's funds can be divided into three categories - governmental funds, proprietary funds, and fiduciary funds.

*Governmental Funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental fund statements provide a detailed short-term view of the government operations and the basic services it provides, and are reported on the modified accrual basis of accounting which focuses on available spendable resources. This allows the reader to evaluate the City's short-term financing requirements.

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

The **CITY OF JAMESTOWN** maintains 48 individual governmental funds. Information is presented separately in the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances for the general fund, and the following major funds: equipment replacement fund, city sales tax fund, city share specials - reserve, special assessment deficiency fund, and the construction fund. Data from the 42 other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - continued**  
**Year Ended December 31, 2022**

The **CITY OF JAMESTOWN** adopts an annually appropriated budget for all governmental and proprietary funds. Budgetary comparison schedules for the general and major special revenue funds are required to be presented and are included in the required supplementary information section on pages 58 - 62 of this report.

The governmental fund financial statements begin on page 16.

*Proprietary Funds.* The **CITY OF JAMESTOWN** maintains two types of proprietary funds. Enterprise funds are used to report activities that charge for services it provides to outside customers. The Enterprise funds are presented as business-type activities in the government-wide statements. The **CITY OF JAMESTOWN** uses enterprise funds to account for its water utility, sewer utility, sanitation, solid waste, water meter deposits, landfill deposits and stormwater utility. Internal Service funds are used to report activities that provide services to other City programs and activities. The **CITY OF JAMESTOWN** uses an internal service fund to account for the self-funded insurance program. Because this service predominantly benefits governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide statements, only in more detail. The internal service fund is shown in a single column in the proprietary fund financial statements.

The basic proprietary fund statements begin on page 20.

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

The basic fiduciary fund statements begin on page 23.

***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 - 57 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining fund statements and other schedules can be found on pages 68 - 75.

**Financial Analysis of the City as a Whole**

The following tables present condensed information on the City's Net Position and Changes in Net Position for the fiscal years ended December 31, 2022, and 2021.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - continued**  
**Year Ended December 31, 2022**

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In the case of the **CITY OF JAMESTOWN**, assets exceeded liabilities by \$76,566,709 at the close of the most recent fiscal year.

Table I  
**NET POSITION**  
December 31, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>						
Current assets	\$ 33,217,950	\$ 29,959,508	\$ 24,403,226	\$ 22,288,444	\$ 57,621,176	\$ 52,247,952
Capital assets	24,458,458	24,546,016	56,707,554	57,264,934	81,166,012	81,810,950
Deferred outflows of resources	10,508,568	6,221,409			10,508,568	6,221,409
Total Assets and Deferred Outflows of Resources	<u>\$ 68,184,976</u>	<u>\$ 60,726,933</u>	<u>\$ 81,110,780</u>	<u>\$ 79,553,378</u>	<u>\$ 149,295,756</u>	<u>\$ 140,280,311</u>
<b>LIABILITIES</b>						
Current liabilities	\$ 3,517,706	\$ 3,772,031	\$ 2,383,034	\$ 2,152,665	\$ 5,900,740	\$ 5,924,696
Long-term liabilities	34,199,156	25,894,567	25,720,044	25,811,078	59,919,200	51,705,645
Total Liabilities	<u>37,716,862</u>	<u>29,666,598</u>	<u>28,103,078</u>	<u>27,963,743</u>	<u>65,819,940</u>	<u>57,630,341</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>6,909,107</u>	<u>15,301,121</u>			<u>6,909,107</u>	<u>15,301,121</u>
<b>NET POSITION</b>						
Net investment in capital assets	2,204,611	985,287	28,940,313	29,553,537	31,144,924	30,538,824
Restricted	14,656,782	7,247,868	15,758,249	14,916,512	30,415,031	22,164,380
Unrestricted	<u>6,697,614</u>	<u>7,526,059</u>	<u>8,309,140</u>	<u>7,119,586</u>	<u>15,006,754</u>	<u>14,645,645</u>
Total Net Position	<u>23,559,007</u>	<u>15,759,214</u>	<u>53,007,702</u>	<u>51,589,635</u>	<u>76,566,709</u>	<u>67,348,849</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 68,184,976</u>	<u>\$ 60,726,933</u>	<u>\$ 81,110,780</u>	<u>\$ 79,553,378</u>	<u>\$ 149,295,756</u>	<u>\$ 140,280,311</u>

Net investment in capital assets consists of land, buildings, infrastructure and equipment, less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - continued**  
**Year Ended December 31, 2022**

A portion of the **CITY OF JAMESTOWN'S** net position (\$30,415,031) represents resources that are restricted by external restrictions on how they may be used.

At the end of 2022, the **CITY OF JAMESTOWN** is able to report positive balances in all of its categories of net position, for the government as a whole.

Table II  
**CHANGES IN NET POSITION**  
Years Ending December 31, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>REVENUES</b>						
Program revenues						
Charges for services	\$ 480,559	\$ 463,529	\$13,720,789	\$12,682,956	\$14,201,348	\$ 13,146,485
Operating grants	1,090,712	1,625,901			1,090,712	1,625,901
Capital grants	3,704,339	1,187,693			3,704,339	1,187,693
General revenues						
Property taxes, general	4,747,026	4,592,708			4,747,026	4,592,708
Property taxes, debt service	3,012,822	2,679,953			3,012,822	2,679,953
State aid distribution	948,652	949,333			948,652	949,333
Miscellaneous taxes	710,535	674,278			710,535	674,278
Sales taxes	4,784,987	4,442,086			4,784,987	4,442,086
Investment earnings	200,452	135,940	57,737	32,715	258,189	168,655
Repayment of economic development funds	149,254	157,210			149,254	157,210
Miscellaneous	2,433,687	2,159,923			2,433,687	2,159,923
Gain (loss) on sale of assets	69,152	23,420			69,152	23,420
Total Revenues	<u>22,332,177</u>	<u>19,091,974</u>	<u>13,778,526</u>	<u>12,715,671</u>	<u>36,110,703</u>	<u>31,807,645</u>
<b>EXPENSES</b>						
General government	2,052,070	1,631,415			2,052,070	1,631,415
Public safety	5,307,376	3,018,801			5,307,376	3,018,801
Public works	5,088,829	6,707,003			5,088,829	6,707,003
Health	61,515	59,724			61,515	59,724
Civic center	772,053	698,897			772,053	698,897
Interest on long-term debt	727,222	648,809			727,222	648,809
Visitor's promotion	576,401	516,374			576,401	516,374
Business and industrial development	1,761,823	2,257,034			1,761,823	2,257,034
Water utility			4,277,253	3,224,279	4,277,253	3,224,279
Sewer utility			2,720,367	2,262,794	2,720,367	2,262,794
Sanitation			1,717,096	1,622,518	1,717,096	1,622,518
Solid waste			1,711,501	1,524,034	1,711,501	1,524,034
Other enterprise funds			67,911	71,613	67,911	71,613
Total Expenses	<u>16,347,289</u>	<u>15,538,057</u>	<u>10,494,128</u>	<u>8,705,238</u>	<u>26,841,417</u>	<u>24,243,295</u>

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - continued**  
**Year Ended December 31, 2022**

	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Change before transfers	5,984,888	3,553,917	3,284,398	4,010,433	9,269,286	7,564,350
Transfers	1,814,905	(401,211)	(1,814,905)	407,061		5,850
Change in net position	7,799,793	3,152,706	1,469,493	4,417,494	9,269,286	7,570,200
 BEGINNING NET POSITION	 <u>15,759,214</u>	 <u>12,606,508</u>	 <u>51,538,209</u>	 <u>47,120,715</u>	 <u>67,297,423</u>	 <u>59,727,223</u>
 ENDING NET POSITION	 <u>\$ 23,559,007</u>	 <u>\$15,759,214</u>	 <u>\$ 53,007,702</u>	 <u>\$ 51,538,209</u>	 <u>\$ 76,566,709</u>	 <u>\$ 67,297,423</u>

**Financial Analysis of the Government's Funds**

The **CITY OF JAMESTOWN** uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

***Governmental Funds***

The focus of the **CITY OF JAMESTOWN'S** *governmental funds* is to provide information on the near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the **CITY OF JAMESTOWN'S** financing requirements. In particular, unassigned *fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the **CITY OF JAMESTOWN'S** governmental funds reported combined ending fund balances of \$27,457,418, an increase of \$7,307,898. The *governmental funds unassigned fund* has a balance of \$2,977,299. The rest of the fund balances are restricted to indicate that they are not available for new spending because they have already been committed.

The general fund is the chief operating fund of the **CITY OF JAMESTOWN**. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,977,299. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 34.2% of total general fund expenditures. Total general fund cash at year end is \$8,843,986.

The **CITY OF JAMESTOWN'S** general fund balance decreased by \$874,362 during the current fiscal year.

The debt service funds have a total fund balance of \$5,100,100, all of which is restricted for the payment of debt service.

***Proprietary Funds***

The **CITY OF JAMESTOWN'S** proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The proprietary fund financial statements provide separate financial information for the water utility, sewer utility, sanitation and solid waste, all of which are considered to be major funds of the **CITY OF JAMESTOWN**.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - continued**  
**Year Ended December 31, 2022**

**General Fund Budgetary Highlights**

Differences between the budgeted and actual amounts in the general fund consisted of total revenues being \$1,823 less than was budgeted mainly due to differences in property taxes and charges for services revenues. The total general government expenditures were \$104,991 less than budgeted. This was made up of differences in public safety and public works departments.

**Capital Assets**

The **CITY OF JAMESTOWN'S** investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounts to \$81,166,012 (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure and equipment. The total value of land owned by the City has not been determined and will be added when it can be determined.

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

- Approximately \$1,970,000 was spent on acquiring equipment and vehicles

Table III Capital Assets (Net of Accumulated Depreciation) December 31, 2022			
	Governmental Activities	Business-Type Activities	Total
Land	\$ 7,200	\$ 60,000	\$ 67,200
Construction in progress	175,021	1,817,736	1,992,757
Buildings	2,588,816	11,105,278	13,694,094
Infrastructure	18,150,848	40,789,964	58,940,812
Equipment	3,536,573	2,934,576	6,471,149
Total Capital Assets (Net of Depreciation)	<u>\$ 24,458,458</u>	<u>\$ 56,707,554</u>	<u>\$ 81,166,012</u>

Additional information on the **CITY OF JAMESTOWN'S** capital assets can be found in note 5 on pages 34 - 36 of this report.

**Long-Term Debt**

At year end the City had total long-term debt of \$65,368,129, an increase of \$8,312,914 over the prior year. The city issued additional debt for solid waste disposal revenue bonds Series 2017 for \$568,345, water treatment assessment warrants Series 2021 for \$1,344,000, water treatment assessment warrants Series 2021C for \$1,799,477 and Series AF Refunding Improvement Bonds for \$2,070,000.

The **CITY OF JAMESTOWN** has a rating of A1 from the rating agencies for their bonds. Additional information on the **CITY OF JAMESTOWN'S** long term debt can be found in Note 7 on pages 37 - 42 of this report.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - continued**  
**Year Ended December 31, 2022**

Table IV  
Long-Term Liabilities  
December 31, 2022

	Governmental Activities	Business-Type Activities	Total
Revenue bonds	\$	\$ 25,909,239	\$ 25,909,239
Refunding improvement bonds	21,319,593		21,319,593
Lease/purchase	934,254	272,208	1,206,462
Landfill closure costs		1,585,794	1,585,794
Compensated absences	256,341	161,020	417,361
Net PERS pension obligation	14,356,153		14,356,153
Net OPEB liability	573,527		573,527
Total	<u>\$ 37,439,868</u>	<u>\$ 27,928,261</u>	<u>\$ 65,368,129</u>

**Economic Factors and Next Year's Budgets and Rates**

New residential construction was steady in number and increased in value at the end of 2020, through 2021 and continued through 2022. Much of the value was due to new construction, including new garages, remodeling and additions to residential properties, a few new homes, and new commercial construction.

Year	Building Permits Value	Number of permits
2022	\$45,435,000	97
2021	\$15,721,000	75
2020	\$23,181,000	105
2019	\$26,274,994	113
2018	\$12,649,387	113

**2022 Permits**

Value	Type	Value	Type
\$7,494,000	Addition (4)	\$278,000	Addition (3)
\$32,168,000	New construction (2)	\$1,534,000	New construction (5)
\$2,607,500	Remodel (26)	\$334,000	Remodel (14)
\$73,000	Storage (2)	\$33,000	Storage (9)
\$523,000	Other (12)	\$37,000	Deck or patio (9)
\$0	Mechanical (0)	\$354,000	Garage (11)
		\$0	House moving (0)

Total commercial construction for 2022 totaled \$42,865,500, including two commercial buildings valued at \$32,168,000. The building inspector issued 97 permits in 2022, including five new residential buildings which had a total value of \$1,534,000, an increase in number and value over 2021.

Indications for 2023 show commercial construction continues to increase. As of September 28, 2023, the City has issued 75 building permits for a total value of \$20,470,000. The permits include 35 commercial projects, and 3 new residential homes.

The real estate market has held, and taxable valuations continue to increase. This trend is expected to continue in Jamestown. The City added to the assessing staff in 2019 and 2022 to maintain the steady growth in building permits and valuations. The City added a city planner/GIS manager in 2022.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - continued**  
**Year Ended December 31, 2022**

In 2023, the City of Jamestown saw continued growth in the commercial sector. The City inspections Department issued Building permits for projects such as the Wal-Mart Online Shopping addition, a new Dairy Queen restaurant, a new commercial building to house APEX Physical Therapy, and the University of Jamestown Sports Bubble and a Dollar General store.

The City's 2021 total mill levy was 118.36 mills, a 0.35% increase from 2020. The City's total 2022 mill levy is 118.41, a 0.02% increase in mills from 2021.

Essentially, the region moves thru 2023 with an increase in sales tax revenue, record low unemployment levels, competitive labor market as employers compete with each other for workers, and a very tight housing market. The cost of goods and services continue to increase in the region, which partially drives the increase in sales tax revenue for the City.

The unemployment rate for Stutsman County, including Jamestown, was already low at the start of the pandemic in mid-March 2020. Unemployment claims remained low throughout the pandemic in 2022 and into 2023 as businesses continued to be supported locally. The low unemployment rate means employers are competing to retain and attract workers. The largest employers in the county are in a wide range of areas including education, health care, manufacturing, government, retail, food, finance, technical, transportation, vehicles, insurance, and recreation. This wide range protects the area from a large of sudden increase in unemployment if one industry experiences a loss.

Employment and Labor Statistics				
Unemployment Figures		Annual Unemployment Rate		
Year	Labor Force	Stutsman County	North Dakota	United States
2022	10,668	2.0%	2.1%	3.6%
2021	10,463	2.5	3.1	5.3
2020	10,535	3.4	5.0	8.1
2019	10,507	2.1	2.2	3.7
2018	10,729	2.3	2.4	3.9
2017	11,091	2.3	2.6	4.4
2016	11,055	2.5	3.1	4.9

Source: Labor Market Information Center, Job Service North Dakota, LAUS Unit

The City received \$1,200,755 of American Rescue Plan Act funds in 2022 (Coronavirus state and local fiscal recovery funds) along with \$2,500,000 of Municipal Infrastructure funds. These funds were reported as replacement revenue and are dedicated by the City Council to infrastructure such as the 2021 watermain project. City staff continue to work with other agencies, organizations, and businesses to minimize the risk and costs to our citizens and community.

In 2022, the City received a total of \$16,100 from the U.S. Department of Transportation through the ND Department of Transportation for highway planning, construction, and safety, used by the police department for the enforcement programs of distracted driving, occupant protection, speed, impaired and driving underage drinking law.

The S.A.F.E. Shelter received a \$5,077 Edward Byrne Memorial Justice Assistance Grant from the U.S. Department of Justice through the ND Attorney General's Office and passed through the City.

In 2022 and again in 2023, the City of Jamestown received a bond rating of "A1" assigned by Moody's Investors Service, Inc., an excellent rating and the highest rating given to a community of this size.



## **CITY OF JAMESTOWN**

**Stutsman County, North Dakota**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS - continued**

**Year Ended December 31, 2022**

The community continues to grow. Fall enrollment for the 2023-2024 Jamestown Public School District No. 1 school year is just under 2,100. The University of Jamestown had another record setting fall enrollment record for the fall of 2023, with over 1,270 students. In 2023, the City is continuing to see an increase in new business owners and the types of businesses, including the opening of Drift Prairie Brewery. In 2023, the City has been working with community partners to offer several opportunities for developers to encourage more housing development, new and in-fill housing along with the rehabilitation of existing homes.

#### **Contacting the City's Financial Management**

This financial report is designed to provide a general overview of the City's finances and to demonstrate the City's accountability for the money it receives to the citizens of Jamestown. If you have any questions on this report or need further information, contact the **CITY OF JAMESTOWN'S** City Administrator at 102 3<sup>rd</sup> Avenue SE, Jamestown, North Dakota 58401.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Statement of Net Position**  
**December 31, 2022**

	Governmental Activities	Business-type Activities	Total	Component Units
<b>ASSETS</b>				
Current assets				
Cash and equivalents	\$ 37,132,598	\$ 10,570,318	\$ 47,702,916	\$ 589,696
Certificates of deposit over 3 months	3,900,000		3,900,000	
Reserve account				163,647
Accounts receivable	8,866	1,115,004	1,123,870	86,363
Interest receivable				2,298
Lease receivable, current portion				173,963
Internal balances	(12,717,904)	12,717,904		
Due from other governmental agencies	1,431,625		1,431,625	853,001
Net City pension assets	3,226,368		3,226,368	
Property held for resale	236,397		236,397	
Total current assets	33,217,950	24,403,226	57,621,176	1,868,968
Noncurrent assets				
Restricted cash and cash equivalents				6,198
Lease receivable, net of current portion				313,567
Right-to-use lease asset				14,821
Less: Accumulated amortization				(6,757)
Capital assets				
Land and improvements not being depreciated	7,200	60,000	67,200	317,471
Construction in progress	175,021	1,817,736	1,992,757	357,771
Buildings	6,640,121	24,480,066	31,120,187	5,044,954
Infrastructure	38,533,846	49,987,722	88,521,568	20,814,486
Equipment	9,463,570	7,464,802	16,928,372	1,672,069
Less: Accumulated Depreciation	(30,361,300)	(27,102,772)	(57,464,072)	(12,707,117)
Net Capital Assets	24,458,458	56,707,554	81,166,012	15,499,634
Total noncurrent assets	24,458,458	56,707,554	81,166,012	15,827,463
Total Assets	57,676,408	81,110,780	138,787,188	17,696,431
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to City pension	602,014		602,014	
Deferred outflows related to PERS pension	9,624,314		9,624,314	405,475
Deferred outflows related to OPEB	282,240		282,240	15,833
Total Deferred Outflows of Resources	10,508,568		10,508,568	421,308
Total Assets and Deferred Outflows of Resources	\$ 68,184,976	\$ 81,110,780	\$ 149,295,756	\$ 18,117,739

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Statement of Net Position**  
**December 31, 2022**

	Governmental Activities	Business-type Activities	Total	Component Units
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 276,994	\$ 174,817	\$ 451,811	\$ 135,473
Long-term liabilities				
Due within one year				
Lease liability, current portion				5,823
Bonds, capital leases and contracts	3,240,712	2,208,217	5,448,929	703,504
Due in more than one year				
Bonds, capital leases and contracts	19,013,135	23,973,230	42,986,365	
Compensated absences	256,341	161,020	417,361	
Landfill closure costs		1,585,794	1,585,794	
Net PERS pension obligation	14,356,153		14,356,153	584,279
Net OPEB liability	573,527		573,527	27,380
Lease liability, net of current portion				2,264
Total Liabilities	<u>37,716,862</u>	<u>28,103,078</u>	<u>65,819,940</u>	<u>1,458,723</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenues in custody of other governments	1,283,237		1,283,237	
Deferred inflows of resources related to City pension	(31,167)		(31,167)	
Deferred inflows of resources related to PERS pension	5,642,973		5,642,973	233,782
Deferred inflows of resources related to OPEB	14,064		14,064	242
Leases				483,604
Total Deferred Inflows of Resources	<u>6,909,107</u>		<u>6,909,107</u>	<u>717,628</u>
<b>NET POSITION</b>				
Net investment in capital assets	2,204,611	28,940,313	31,144,924	15,361,102
Restricted for:				
Capital projects	9,472,453	6,836,038	16,308,491	
Debt service	5,105,329	6,313,428	11,418,757	6,198
Other projects	79,000	2,608,783	2,687,783	21,080
Unrestricted net position	6,697,614	8,309,140	15,006,754	553,008
Total Net Position	<u>23,559,007</u>	<u>53,007,702</u>	<u>76,566,709</u>	<u>15,941,388</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 68,184,976</u>	<u>\$ 81,110,780</u>	<u>\$ 149,295,756</u>	<u>\$ 18,117,739</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF JAMESTOWN**  
Stutsman County, North Dakota  
Statement of Activities  
Year Ended December 31, 2022

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government							Component Units
Governmental Activities							
General government	\$ 2,052,070	\$	\$	\$	\$ (2,052,070)	\$	\$
Public safety	5,307,376	38,504	282,614	2,503,583	(2,482,675)		(2,482,675)
Public works	5,088,829	171,990	808,098	1,200,756	(2,907,985)		(2,907,985)
Flood control							
Health	61,515				(61,515)		(61,515)
Civic center	772,053				(501,988)		(501,988)
Interest on long-term debt	727,222	270,065			(727,222)		(727,222)
Visitor's promotion	576,401				(576,401)		(576,401)
Business and industrial development	1,761,823				(1,761,823)		(1,761,823)
Total Governmental Activities	16,347,289	480,559	1,090,712	3,704,339	(11,071,679)		(11,071,679)
Business-Type Activities							
Water utility	4,277,253	5,688,657				1,411,404	1,411,404
Sewer utility	2,720,367	3,918,135				1,197,768	1,197,768
Sanitation	1,717,096	2,447,091				729,995	729,995
Solid waste	1,711,501	1,107,954				(603,547)	(603,547)
Other enterprise funds	67,911	558,952				491,041	491,041
Total Business-Type Activities	10,494,128	13,720,789				3,226,661	3,226,661
Total Primary Government	26,841,417	14,201,348	1,090,712	3,704,339	(11,071,679)	3,226,661	(7,845,018)
Component Units							
Jamestown Municipal Airport Authority	1,681,430	452,131		1,173,377			(55,922)
Total Component Units	1,681,430	452,131		1,173,377			(55,922)
General Revenues:							
Taxes:							
Property taxes, levied for general purposes							
Property taxes, levied for debt service							
State aid distribution							
Miscellaneous taxes							
Sales taxes							
Unrestricted investment earnings							
Miscellaneous - repayment of economic development funds							
Miscellaneous							
Special item - gain on sale of assets							
Transfers							
Total General Revenues, Special Items, and Transfers							
Change in Net Position							
Net Position:							
Beginning of year							
Prior period adjustment							
Beginning of year, as adjusted							
Net Position - Ending							
					\$ 23,559,007	\$ 53,007,702	\$ 76,566,709
							\$ 15,941,388

The accompanying notes are an integral part of these financial statements.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2022**

**ASSETS AND DEFERRED OUTFLOWS OF**

**RESOURCES**

	General Fund	Equipment Replacement	City Sales Tax	City Share Specials - Reserve	Special Assessment Deficiency	Construction	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 8,843,986	\$ 3,926,540	\$ 7,990,479	\$ 1,376,633	\$ 70,198	\$ 4,039,682	\$ 9,378,322	\$ 35,625,840
Certificate of deposit over three months	1,700,000	500,000			400,000		1,300,000	3,900,000
Taxes receivable, net	771,291						1,130,200	1,901,491
Due from other funds			93,514		1,952,709		5,048,443	7,094,666
Receivable from other governments	1,484						30,739	32,223
Other receivables							8,866	8,866
Total Assets and Deferred Outflows of Resources	<u>\$ 11,316,761</u>	<u>\$ 4,426,540</u>	<u>\$ 8,083,993</u>	<u>\$ 1,376,633</u>	<u>\$ 2,422,907</u>	<u>\$ 4,039,682</u>	<u>\$ 16,896,570</u>	<u>\$ 48,563,086</u>

**LIABILITIES, DEFERRED INFLOWS OF**  
**RESOURCES AND FUND BALANCES**

Liabilities:

Accounts payable	\$ 82,392	\$	\$	\$	\$	\$ 6,624	\$ 109,325	\$ 198,341
Due to other funds	7,503,207	561,049		404,715		3,304,444	7,816,219	19,589,634
Total Liabilities	<u>7,585,599</u>	<u>561,049</u>		<u>404,715</u>		<u>3,311,068</u>	<u>7,925,544</u>	<u>19,787,975</u>

Deferred inflows of resources

Long - term receivables	753,863						563,830	1,317,693
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Fund Balances:

Restricted for					2,422,907		2,677,193	5,100,100
Debt service							79,000	79,000
Committed							5,651,003	19,301,019
Assigned		3,865,491	8,083,993	971,918		728,614	8,407,196	2,977,299
Unassigned	2,977,299	3,865,491	8,083,993	971,918	2,422,907	728,614		27,457,418
Total Fund Balances	<u>2,977,299</u>	<u>3,865,491</u>	<u>8,083,993</u>	<u>971,918</u>	<u>2,422,907</u>	<u>728,614</u>	<u>8,407,196</u>	<u>27,457,418</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 11,316,761</u>	<u>\$ 4,426,540</u>	<u>\$ 8,083,993</u>	<u>\$ 1,376,633</u>	<u>\$ 2,422,907</u>	<u>\$ 4,039,682</u>	<u>\$ 16,896,570</u>	<u>\$ 48,563,086</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position**  
**December 31, 2022**

Total Fund Balance, Governmental Funds	\$ 27,457,418
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities and property held for resale are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	24,694,855
Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	34,461
Net OPEB liability and OPEB related deferred: outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of :	
Net OPEB liability	(573,527)
Deferred outflows of resources	282,240
Deferred inflows of resources	(14,064)
Net PERS pension liability and pension related deferred: outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of :	
Net pension liability	(14,356,153)
Deferred outflows of resources	9,624,314
Deferred inflows of resources	(5,642,973)
Net City plan pension asset and pension related deferred: outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of :	
Net pension asset	3,226,368
Deferred outflows of resources	602,014
Deferred inflows of resources	31,167
The assets and liabilities of certain internal service funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	703,075
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable ), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	(22,510,188)
Net Assets of Governmental Activities in the Statement of Net Position	<u>\$ 23,559,007</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Year Ended December 31, 2022**

	General Fund	Equipment Replacement	City Sales Tax	City Share Specials - Reserve	Special Assessment Deficiency	Construction	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Property taxes	\$ 4,550,880	\$	\$	\$	\$	\$	\$ 3,295,139	\$ 7,846,019
Sales and miscellaneous taxes	78,798		3,019,265	1,424,269			631,738	5,154,070
Fees and fines	136,117							136,117
Licenses and permits	380,289						3,896,188	380,289
Intergovernmental	1,850,623						96,405	5,746,811
Charges for services	308,569	24,646	32,654	8,195	1,368	23,448	45,436	404,974
Investment earnings	59,023						604,711	194,770
Menards sales tax & TIF		373,101	537,218			509,659	28,705	604,711
Miscellaneous	116,551	397,747	3,589,137	1,432,464	1,368	533,107	8,598,322	1,565,234
Total Revenues	7,480,850							22,032,995
<b>EXPENDITURES</b>								
Current:								
General government	1,051,454				2,542		229,061	1,053,996
Public safety	4,410,594						609,331	4,639,655
Public works	2,321,362							2,930,693
Health	61,515							61,515
Civic center	551,259						576,602	551,259
Visitor's promotion			1,761,823					576,602
Business and industrial development							152,289	1,761,823
Menards share								152,289
Debt Service:								
Principal	125,617						3,178,591	3,304,208
Interest and other charges	31,826						1,087,742	1,119,568
Capital outlay	129,974	559,333				1,830,605		2,519,912
Total Expenditures	8,683,601	559,333	1,761,823		2,542	1,830,605	5,833,616	18,671,520
Excess (deficiency) of revenues over expenditures	(1,202,751)	(161,586)	1,827,314	1,432,464	(1,174)	(1,297,498)	2,764,706	3,361,475
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from issue of bonds						2,035,967	26,399	2,062,366
Transfers in	1,056,773	941,923			259	1,983,466	6,418,074	10,400,495
Transfers out	(728,734)	(549,559)	(1,300,039)	(1,187,036)		(7,678)	(4,812,544)	(8,585,590)
Total other financing sources (uses)	328,039	392,364	(1,300,039)	(1,187,036)	259	4,011,755	1,631,929	3,877,271
<b>SPECIAL ITEM</b>								
Proceeds from sale of equipment	350	68,802						69,152
Net change in fund balances	(874,362)	299,580	527,275	245,428	(915)	2,714,257	4,396,635	7,307,898
Fund Balances - Beginning	3,851,661	3,565,911	7,556,718	726,490	2,423,822	(1,985,643)	4,010,561	20,149,520
Fund Balances - Ending	\$ 2,977,299	\$ 3,865,491	\$ 8,083,993	\$ 971,918	\$ 2,422,907	\$ 728,614	\$ 8,407,196	\$ 27,457,418

The accompanying notes are an integral part of these financial statements.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of**  
**Governmental Funds to the Statement of Activities**  
**Year Ended December 31, 2022**

Net Change in Fund Balances - Total Governmental Funds: \$ 7,307,898

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which depreciation \$1,482,292 exceeded capital outlay \$1,512,953 in the current period. 30,661

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. (86,168)

Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments exceeded proceeds. 1,241,842

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, it also includes the amortization of bond issue costs. 51,975

Some expenses reported in the statement of activities do not require the use of current financial resources, such as deferred pension expense and OPEB expense. (638,838)

Some expenses reported in the statement of activities do not require the use of current financial resources, such as compensated absences, and these are not reported as expenditures in governmental funds. 3,408

Internal service funds are used by management to charge the costs of certain activities, such as health care, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. (110,985)

Change in Net Position of Governmental Activities \$ 7,799,793

**The accompanying notes are an integral part of these financial statements.**



**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2022**

	Enterprise Funds					Internal Service Funds
	Water Utility	Sewer Utility	Sanitation	Solid Waste	Other Enterprise Funds	Total
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ 4,895,415	\$ 3,156,062	\$ 201,030	\$ 2,016,267	\$ 301,544	\$ 10,570,318
Accounts receivable, net	461,946	382,387	225,086		45,585	1,115,004
Due from other funds	4,310,023	4,545,135	539,639	3,419,885	23,040	12,837,722
Total Current Assets	9,667,384	8,083,584	965,755	5,436,152	370,169	24,523,044
Non-current assets:						
Capital assets:						
Land				60,000		60,000
Construction in progress	1,346,373	37,772	197,448	236,143		1,817,736
Infrastructure	23,765,925	21,477,829	4,743,968			49,987,722
Buildings	3,042,329	6,585,270	2,618,701	12,233,766		24,480,066
Equipment and furniture	927,010	2,371,667	3,154,200	1,011,925		7,464,802
Less accumulated depreciation	(7,147,656)	(9,138,009)	(4,601,234)	(6,215,873)		(27,102,772)
Total non-current assets	21,933,981	21,334,529	6,113,083	7,325,961		56,707,554
Total Assets	31,601,365	29,418,113	7,078,838	12,762,113	370,169	81,230,598
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts payable	100,626	21,785	7,064	45,342		174,817
Due to other funds					143,627	143,627
Accrued health insurance benefits						78,655
Bonds, notes and loans payable						
Total Current Liabilities	1,110,347	826,000	7,064	271,870		2,208,217
Non-current liabilities:						
Compensated absences	70,219	38,897	17,608	34,296		161,020
Closure and postclosure costs			1,585,794			1,585,794
Bonds, notes and loans payable	11,230,934	9,781,034		2,961,262		23,973,230
Total non-current liabilities	11,301,153	9,819,931	1,603,402	2,995,558		25,720,044
Total Liabilities	12,512,126	10,667,716	1,610,466	3,312,770	143,627	28,246,705
<b>NET POSITION</b>						
Net investment in capital assets	9,592,700	10,727,495	4,527,289	4,092,829		28,940,313
Restricted for debt service	800,214	5,116,086		397,128		6,313,428
Restricted for capital projects	4,374,974	2,461,064				6,836,038
Restricted for other purposes				2,608,783		2,608,783
Unrestricted	4,321,351	445,752	941,083	2,350,603	226,542	8,285,331
Total Net Position	\$ 19,089,239	\$ 18,750,397	\$ 5,468,372	\$ 9,449,343	\$ 226,542	\$ 52,983,893
						\$ 726,885

The accompanying notes are an integral part of these financial statements.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**Year Ended December 31, 2022**

	Enterprise Funds				Other Enterprise Funds	Total	Internal Service Funds
	Water Utility	Sewer Utility	Sanitation	Solid Waste			
<b>OPERATING REVENUES</b>							
Charges for services	\$ 5,664,079	\$ 3,911,641	\$ 2,446,339	\$ 1,069,092	\$ 543,252	\$ 13,634,403	\$ 1,542,077
Miscellaneous	24,578	6,494	752	38,862	15,700	86,386	
Total Operating Revenues	<u>5,688,657</u>	<u>3,918,135</u>	<u>2,447,091</u>	<u>1,107,954</u>	<u>558,952</u>	<u>13,720,789</u>	<u>1,542,077</u>
<b>OPERATING EXPENSES</b>							
Personal services	1,422,384	738,868	523,798	711,048		3,396,098	
Contractual services	125,379	198,117	557,568	55,700		936,764	
Utilities	290,232	516,948		117,507	9,508	934,195	
Repairs and maintenance	1,113,089	243,458	104,125	291,057		1,751,729	
Other supplies and expenses	646,958	169,514	163,422	131,167		1,111,061	
Insurance claims and expenses	21,596		2,669	15,575		39,840	1,581,204
Sundry expenses	41,105	57,671	14	28,759	58,402	185,951	
Depreciation	488,098	614,196	369,704	318,926		1,790,924	
Total Operating Expenses	<u>4,148,841</u>	<u>2,538,772</u>	<u>1,721,300</u>	<u>1,669,739</u>	<u>67,910</u>	<u>10,146,562</u>	<u>1,581,204</u>
Operating Income (Loss)	<u>1,539,816</u>	<u>1,379,363</u>	<u>725,791</u>	<u>(561,785)</u>	<u>491,042</u>	<u>3,574,227</u>	<u>(39,127)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>							
Interest and investment revenue	24,170	18,271	1,479	11,643	2,174	57,737	5,678
Interest expense	(137,610)	(186,675)		(47,090)		(371,375)	
Net non-operating revenues (expenses)	<u>(113,440)</u>	<u>(168,404)</u>	<u>1,479</u>	<u>(35,447)</u>	<u>2,174</u>	<u>(313,638)</u>	<u>5,678</u>
Income (loss) before contributions and transfers	1,426,376	1,210,959	727,270	(597,232)	493,216	3,260,589	(33,449)
Transfers in	2,541,826	3,399,300	141,879	1,438,791		7,541,796	
Transfers out	(4,448,112)	(175,284)	(1,076,663)	(3,171,235)	(485,407)	(9,356,701)	
Change in net position	<u>(479,910)</u>	<u>4,434,975</u>	<u>(207,514)</u>	<u>(2,309,676)</u>	<u>7,809</u>	<u>1,445,684</u>	<u>(33,449)</u>
Total fund net position - beginning	19,569,149	14,315,422	5,675,886	11,759,019	218,733	51,538,209	760,334
Total fund net position - ending	<u>\$ 19,089,239</u>	<u>\$ 18,750,397</u>	<u>\$ 5,468,372</u>	<u>\$ 9,449,343</u>	<u>\$ 226,542</u>	<u>\$ 52,983,893</u>	<u>\$ 726,885</u>
Change in net position, per above						\$ 1,445,684	
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain internal service funds is reported with Business Activities.						23,809	
Change in Business-Type Activities in Net Position per Government-Wide Financial Statements						<u>\$ 1,469,493</u>	

The accompanying notes are an integral part of these financial statements.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended December 31, 2022**

	Enterprise Funds					Other	
	Water Utility	Sewer Utility	Sanitation	Solid Waste	Enterprise Funds	Total	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from customers and users	\$ 5,568,453	\$ 3,810,841	\$ 2,431,938	\$ 1,069,092	\$ 558,079	\$ 13,438,403	\$ 1,542,077
Payments to suppliers	(2,158,783)	(1,206,859)	(824,888)	(582,108)	(67,911)	(4,840,549)	
Payments to employees	(1,417,600)	(733,587)	(532,371)	(708,203)		(3,391,761)	
Payments on claims	(21,596)		(2,670)	(15,575)		(39,841)	(1,597,963)
Internal activity - payment from (to) other funds	1,027,352	(1,498,008)	3,453	(665,004)	(5,391)	(1,137,598)	199,126
Other receipts	24,578	6,494	752	38,862		70,686	
Net Cash Provided by (Used in) Operating Activities	3,022,404	378,881	1,076,214	(862,936)	484,777	4,099,340	143,240
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Transfer in	2,541,826	904,618	141,879	1,458,791		5,047,114	
Transfers out	(4,448,112)	(175,284)	(1,076,663)	(676,553)	(485,407)	(6,862,019)	
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,906,286)	729,334	(934,784)	782,238	(485,407)	(1,814,905)	
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Acquisition & construction of capital assets	(469,055)	(116,370)	(141,879)	(344,126)		(1,071,430)	
Proceeds from issue of capital debt	3,338,402			763,270		4,101,672	
Principal paid on capital debt	(3,105,120)	(809,000)		(293,820)		(4,207,940)	
Interest paid on capital debt	(137,610)	(186,675)		(47,090)		(371,375)	
Net Cash Provided By (Used in) Capital and Related Financing Activities	(373,383)	(1,112,045)	(141,879)	78,234		(1,549,073)	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest and investment revenue	24,170	18,271	1,479	11,643	2,174	57,737	5,679
Net Cash Provided by Investing Activities	24,170	18,271	1,479	11,643	2,174	57,737	5,679
Net increase (decrease) in cash and cash equivalents	766,905	14,441	1,030	9,179	1,544	793,099	148,919
Cash and cash equivalents, January 1	4,128,510	3,141,621	200,000	2,007,088	300,000	9,777,219	855,747
Cash and cash equivalents, December 31	\$ 4,895,415	\$ 3,156,062	\$ 201,030	\$ 2,016,267	\$ 301,544	\$ 10,570,318	\$ 1,004,666
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>							
Operating Income (Loss)	\$ 1,539,816	\$ 1,379,363	\$ 725,791	\$ (561,785)	\$ 491,042	\$ 3,574,227	\$ (39,127)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities							
Depreciation expense	488,098	614,196	369,704	318,926		1,790,924	
Change in Assets and Liabilities							
Receivables, net	(95,626)	(100,799)	(14,403)		(874)	(211,702)	199,126
Due to (from) other funds	1,027,352	(1,498,008)	3,453	(665,004)	(5,391)	(1,137,598)	(16,759)
Accounts payable	57,979	(21,152)	242	42,082		79,151	
Compensated absences	4,785	5,281	(8,573)	2,845		4,338	
Net Cash Provided by ( Used in ) Operating Activities	\$ 3,022,404	\$ 378,881	\$ 1,076,214	\$ (862,936)	\$ 484,777	\$ 4,099,340	\$ 143,240

The accompanying notes are an integral part of these financial statements

**CITY OF JAMESTOWN**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2022**

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	<u>\$ 266,532</u>
Total Assets	<u><u>266,532</u></u>
<b>LIABILITIES</b>	
<b>NET POSITION</b>	
Individuals, organizations, and other governments	<u>266,532</u>
Total Net Position	<u><u>\$ 266,532</u></u>

**The accompanying notes are an integral part of these financial statements**

**CITY OF JAMESTOWN**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2022**

	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Tax collections for other governments	\$ 1,088,443
Miscellaneous	544,068
Total additions	<u>1,632,511</u>
<b>DEDUCTIONS</b>	
Payment of tax collections to other governments	1,088,509
Distributions	<u>562,117</u>
Total deductions	<u>1,650,626</u>
Net increase (decrease) in fiduciary net position	(18,115)
Net position - beginning	<u>284,647</u>
Net position - ending	<u><u>\$ 266,532</u></u>

**The accompanying notes are an integral part of these financial statements**

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**1. Summary of Significant Accounting Policies**

The City's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles. The City's more significant accounting policies are described below.

**A. Description of the Reporting Entity**

**CITY OF JAMESTOWN** is a municipal corporation governed by an elected five-member council. As of 1978, the City adopted a home rule charter.

**B. Reporting Entity**

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

The Jamestown Regional Airport Authority operates the City's airport facility. The Authority's budget is subject to approval by the city council.

The component unit condensed financial information reflects this discretely presented unit. Complete financial statements for the individual component unit may be obtained from its administrative office as follows:

Jamestown Regional Airport Authority  
Jamestown Airport  
1600 21<sup>st</sup> Ave NE  
Jamestown, ND 58401

Governmental accounting standards require reasonable separation between the primary government (including its blended component units) and its discretely presented component units, both in the financial statements and in the related notes and required supplementary information. Because the discretely presented component unit, although legally separate, has been and is operated as if it is part of the primary government, there are limited instances where special note references or separation will be required. If no separate note reference or categorization is made, the user should assume that information presented is equally applicable to the City and to its component unit.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**B. Reporting Entity – continued**

**Condensed Component Unit Financial Statements**

	Jamestown Regional Airport Authority
<b>ASSETS &amp; DEFERRED OUTFLOWS</b>	
Current assets	\$ 1,868,968
Noncurrent assets	327,829
Capital assets, net	15,499,634
Deferred outflows of resources	421,308
Total Assets & Deferred Outflows	<u>18,117,739</u>
<b>LIABILITIES &amp; DEFERRED INFLOWS</b>	
Current liabilities	279,800
Long-term liabilities	1,178,923
Deferred inflows of resources	717,628
Total Liabilities & Deferred Inflows	<u>2,176,351</u>
<b>NET POSITION</b>	
Invested in capital assets	15,361,102
Restricted for debt service	6,198
Restricted for PFC improvements	21,080
Unrestricted	553,008
Total Net Position	<u>\$ 15,941,388</u>
<b>REVENUES</b>	
Program Revenues	
Charges for services	\$ 452,131
Capital contributions	1,173,377
General revenues	
Property taxes	332,843
Other revenues	86,422
Total Revenues	<u>2,044,773</u>
<b>EXPENDITURES</b>	
Operating	766,594
Non-operating	914,836
Total Expenditures	<u>1,681,430</u>
Change in Net Position	<u>363,343</u>
Net Position, beginning of year, original	15,302,025
Prior period adjustment	276,019
Net Position, beginning of year, restated	<u>15,578,044</u>
Net Position end of year	<u>\$ 15,941,387</u>

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**C. Basis of Presentation**

***Government-Wide Financial Statements***

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. Business-type activities are financed in whole or in part by fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include (1) fines, fees and charges for services to customers that benefit from the services provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. General revenues, including taxes, are those revenues that are not properly classified as program revenue.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

***Fund Financial Statements***

Fund financial statements of the reporting entity are organized into funds each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues and expenditures.

Funds are organized as major funds or non-major funds within the governmental statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund or meets the following criteria:

1. Total assets, liabilities, revenues or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
2. Total assets, liabilities, revenues or expenditures of that individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.
3. In addition, any other governmental fund that the City believes is particularly important to financial statement users may be reported as a major fund.

***Governmental Funds***

Governmental funds are utilized to account for most of the City's governmental functions. The City's major governmental funds are as follows:



**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**C. Basis of Presentation – continued**

*General Fund* - The General Fund is the operating fund of the City and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

*Equipment Replacement Fund* - This fund is used to account for the transfer of monies from the different funds to finance the purchase of major equipment.

*City Sales Tax Fund* - This fund is used to account for the portion of sales tax collections dedicated to economic development and payments are made towards economic development projects.

*City Share Specials - Reserve* - This fund is used to fund the City's share of costs in special assessment projects.

*Special Assessment Deficiency Fund* - This fund is used to account for the sale of lots received for tax deficiencies and pay off the taxes due on the associated lots.

*Construction Fund* - This fund is used to account for the issue of bonds and the construction of major projects for the City.

The City reports the following major enterprise funds:

*Water Utility Fund* - This fund is used to account for the provision of water services to the residents of the City.

*Sewer Utility Fund* - This fund is used to account for the provision of sewer services to the residents of the City.

*Sanitation Fund* - This fund is used to account for the provision of garbage pickup services to the residents of the City.

*Solid Waste Fund* - This fund is used to account for the provision of landfill services to the residents of the City.

In addition, the City reports the following fund types:

*Internal Service Fund* - These funds are used to account for services provided to other City departments, or other governments, on a cost reimbursement basis. The Health Insurance Fund is used to account for the cost of providing health insurance to City employees.

*Fiduciary Funds* - These funds are used to account for assets held by the City as agent for other individuals, private organizations, or other governmental units and /or funds.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**D. Basis of Accounting**

The government-wide Statement of Net Position and Statement of Activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. The City's internal service fund also uses the accrual basis of accounting.

Governmental funds and agency funds follow the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of its fiscal year. Expenditures are recorded when the related fund liability is incurred, except for interest not matured on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property tax revenue is recorded as revenue in the year the tax is levied in the government-wide financial statements. Property tax revenues in the governmental funds are recorded when it becomes available.

Property taxes are levied and certified no later than October 10 and the property taxes attach as an enforceable lien on property as of January 1 and are due and payable at that time. The first installment of taxes becomes delinquent March 1 and the second installment on October 15. The taxes are collected by the County Treasurer and remitted to the City on a monthly basis.

State general and categorical aids and other entitlements are recognized as revenues in the period the City is entitled to the resources and the amounts are available. Expenditure-driven programs currently reimbursable are recognized as revenue when the qualifying expenditures have been incurred and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and deferred revenue. Amounts received prior to the entitlement period are also recorded as deferred revenue.

Revenues susceptible to accrual include property taxes, expenditure-driven grant programs, and interest income. Fines, permits and fees are not susceptible to accrual because they are not measurable until received in cash.

For governmental fund financial statements, deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenue also arises when resources are received before the City has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**E. Measurement Focus**

On the government-wide Statement of Net Position and Statement of Activities governmental activities are presented using the economic resources measurement focus. Under this concept, revenues and expenses are matched using the accrual basis of accounting.

The measurement focus of all governmental funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds, and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity.

Liabilities for claims, judgments, compensated absences and pension contributions that will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide financial statements but are excluded from the governmental fund financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the City's policy is to apply restricted net assets first.

**F. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**G. Deposits and Investments**

The City maintains deposits at depository banks that are members of the Federal Reserve System. North Dakota laws require all public deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. Authorized collateral includes bills, notes, or bonds issued by the United States government, its agencies or instrumentality's, all bonds and notes guaranteed by the United States government, federal land bank bonds, bonds, notes, warrants, certificates of indebtedness, insured certificates of deposit, shares of investment companies registered under the Investment Companies Act of 1940, and all other forms of securities issued by the State of North Dakota, its boards, agencies, or instrumentality's, or by any county, city, township, school district, park district, or other political subdivision of the State of North Dakota, whether payable from special revenues or supported by the full faith and credit of the issuing body, and bonds issued by any other state of the United States or such other securities approved by the banking board.

*Interest rate risk.* The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit risk.* North Dakota State Statute limits political subdivisions to invest their surplus funds in:

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**G. Deposits and Investments - continued**

1. Bonds, treasury bills and notes, or other securities that are a direct obligation of, or an obligation insured or guaranteed by, the treasury of the United States, or its agencies, instrumentality's, or organizations created by an act of Congress.
2. Securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are of a type listed above.
3. Certificates of deposit fully insured by the Federal Deposit Insurance Corporation or by the state.
4. Obligations of the state.

The City has no investments other than demand and time deposits.

*Custodial credit risk - deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of December 31, 2022, the City's deposits were fully insured or collateralized with securities held by the financial institutions in the City's name. (See note 2)

**H. Cash Flow Information**

The City considers cash and cash equivalents in proprietary funds for purposes of the statement of cash flows to be cash on hand, demand deposits and all highly liquid investments with a maturity of three months or less.

**I. Capital Assets**

***Government-Wide Statements***

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported as assets in the fund financial statements. All capital assets are recorded at cost (or estimated historical cost). The assets are updated for additions and retirements during the City's year. The City has established a capitalization threshold of \$5,000 and having a useful life in excess of two years. Donated capital assets are recorded at their fair market value at the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

The City's land and construction in progress are capitalized but are not depreciated. All the remaining capital assets are depreciated over their estimated useful lives on a straight-line basis. The City has established the following useful lives:

Buildings	25 to 50 years
Infrastructure	50 to 60 years
Equipment	5 to 20 years

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**I. Capital Assets - continued**

***Fund Financial Statements***

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

**J. Long-Term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide financial statements. The long-term debt consists primarily of bonds, compensated absences, landfill closure costs and pension liabilities.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources. The payment of principal and interest are reported as expenditures.

**K. Compensated Absences**

The City allows employees to accumulate up to a maximum of 960 hours of sick leave. On termination no payment is made for unused sick leave. Vacation can be carried over up to 40 hours per year. Any vacation not taken is paid for upon termination. The amount to be paid from current resources is not significant.

**L. Equity Classifications**

***Government-Wide Statements***

Equity is classified as net position and displayed in three components:

1. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt.
2. Restricted net position - consists of net position with constraints placed on the use either by a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, b) law through constitutional provisions or enabling legislation.
3. Unrestricted net position - all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**L. Equity Classifications - continued**

***Fund Statements***

In the governmental fund statements, fund balances are classified as restricted, committed, assigned and unassigned.

Restricted fund balance represents a portion of fund balance that reflects constraints placed on the use of resources (other than nonspendable items) that are either: (a) externally imposed by creditors, (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority which is the City Council through an ordinance or resolution.

Assigned fund balance represents amounts constrained by the government's intent to be used for a specific purpose, but neither restricted nor committed.

Unassigned fund balance represents residual classification for the general fund. This classification represents fund balance not assigned to other funds and is not restricted, committed or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it would be necessary to report a negative unassigned fund balance.

**M. Pension**

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

**N. Other Post Employment Benefits (OPEB)**

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

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**2. Cash and Cash Equivalents and Certificates of Deposit over Three Months**

The City maintains a cash pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and cash equivalents." The following summary presents the amount of the City's deposits which are fully insured or collateralized with securities held by the City or its agent in the City's name (category 1), those deposits which are collateralized with securities held by the pledging financial institutions trust department or agent in the City's name (category 2), and those deposits which are not collateralized (category 3) at December 31, 2022.

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
Primary Government					
Cash deposits	\$ 23,227,934	\$ 25,376,618	\$	\$ 48,604,552	\$47,702,916
Certificates of deposit	250,000	3,650,000		3,900,000	3,900,000
Fiduciary funds					
Cash deposits	<u>266,532</u>			<u>266,532</u>	<u>266,532</u>
Total Deposits	<u>\$ 23,744,466</u>	<u>\$ 29,026,618</u>	<u>\$</u>	<u>\$52,771,084</u>	<u>\$ 51,869,448</u>

**3. Interfund Receivables, Payables and Transfers**

Cash of all funds is commingled into pooled cash. Separate cash balances are maintained for each fund in the records of the City. When a fund overdraws its share of pooled cash it is shown as a liability of that fund and a receivable of a fund with a positive cash balance since the actual deficit balance in any particular fund is not a bank deficit balance.

Balances due to/from other funds at December 31, 2022, consist of the following:

	<u>Receivable</u>	<u>Payable</u>
General	\$	\$ 7,503,207
Equipment replacement		561,049
City sales tax	93,514	
City share specials		404,715
Special assessment deficiency	1,952,709	
Construction		3,304,444
Business type activities	12,694,095	
Other governmental funds		2,767,776
Internal service fund		<u>199,127</u>
Interfund Totals	<u>\$ 14,740,318</u>	<u>\$ 14,740,318</u>

Transfers to/from other funds at December 31, 2022, consist of the following:

From the General Fund to the Equipment Replacement Fund to finance equipment purchases	\$ 526,536
From Construction Fund to General Fund to reimburse costs	7,678
From General Fund to Other Governmental funds for city taxi	2,478

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**3. Interfund Receivables, Payables and Transfers - continued**

From General to Construction for riverbank stabilization	40,416
From Business-Type Activities to Equipment Replacement Fund for equipment	412,447
From Business-Type Activities to Other Governmental Funds to water mains	1,799,477
Between Other Governmental Funds to fund series 2021C	986,000
To Construction from Business-Type Activities to fund projects	568,345
From City Share Specials to Other Governmental Funds to finance debt service	1,053,057
From Other Governmental Funds to Construction to 2021C water mains	315,884
Between Business-Type Activities to fund Solid Waste	1,188,006
Between Business-Type Activities to fund landfill	250,000
Between Business-Type Activities for construction in progress	2,494,681
From City Share Specials to construction as budgeted	133,979
From Other Governmental Funds to Equipment Replacement for equipment purchases	2,940
From Other Governmental Funds to Construction for closeouts	5,020
From Equipment Replacement Fund to Business-Type Activities for vehicles and equipment	549,559
From City Sales Tax Fund to General Fund to fund infrastructure projects	412,085
From City Sales Tax Fund to Other Governmental Funds for Civic Center projects	224,704
From City Sales Tax Fund to Business-Type Activities for sewer projects	663,250
From Business-Type Activities to Other Governmental Funds to fund Series 2021B	500,000
From Civic Center to General Fund to record revenues generated	152,978
From Business-Type Activities to General Fund to fund projects	219,694
From Other Governmental Funds to Construction to fund projects	78,788
From Special assessment Deficiency to Other Governmental Funds for closeout	259
From General to Construction to fund fire department generator	6,326
Between Other Governmental funds to fund UJ storm sewer	12,689
Between Other Governmental funds to correct entries	8,359
From Other Governmental Funds to Construction to fund fire department generator	9,760
From Other Governmental Funds to Business-Type Activities to fund debt service	2,396,300
From Business-Type Activities to Construction Fund for riverbank stabilization	265,713
From Business-Type Activities to General Fund as budgeted	264,338
From Business-type Activities to Other Governmental for State Hospital water mains	1,344,000
From Other Governmental Funds to Construction to fund water main projects	996,545
From Business-Type Activities to Construction as budgeted	50,000
	<u>\$ 17,942,291</u>

**4. Property Held for Resale**

Property held for resale was obtained in the settlement of litigation. The property is being held only for resale. The property is currently valued at cost.

**5. Capital Assets**

Capital asset activity for the year ended December 31, 2022 was as follows:

**Primary Government**



**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**5. Capital Assets - continued**

<i>Governmental Activities</i>	<u>12/31/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/22</u>
Capital assets not being depreciated				
Land	\$ 7,200	\$	\$	\$ 7,200
Construction in progress	419,096	342,721	586,796	175,021
Total capital assets not being depreciated	<u>426,296</u>	<u>342,721</u>	<u>586,796</u>	<u>182,221</u>
Capital assets being depreciated:				
Buildings	6,053,325	586,796		6,640,121
Infrastructure	38,533,846			38,533,846
Equipment	8,974,193	1,170,231	680,854	9,463,570
Total capital assets being depreciated	<u>53,561,364</u>	<u>1,757,027</u>	<u>680,854</u>	<u>54,637,537</u>
Less accumulated depreciation for:				
Buildings	3,853,535	197,770		4,051,305
Infrastructure	19,693,085	689,913		20,382,998
Equipment	5,895,024	594,608	562,635	5,926,997
Total accumulated depreciation	<u>29,441,644</u>	<u>1,482,291</u>	<u>562,635</u>	<u>30,361,300</u>
Net capital assets being depreciated	<u>24,119,720</u>	<u>274,736</u>	<u>118,219</u>	<u>24,276,237</u>
Governmental Activities capital assets, net	<u>\$ 24,546,016</u>	<u>\$ 617,457</u>	<u>\$ 705,015</u>	<u>\$ 24,458,458</u>
<i>Business-Type Activities</i>	<u>12/31/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/22</u>
Capital assets not being depreciated				
Land	\$ 60,000	\$	\$	\$ 60,000
Construction in progress	7,069,220	433,637	5,685,121	1,817,736
Total capital assets not being depreciated	<u>7,129,220</u>	<u>433,637</u>	<u>5,685,121</u>	<u>1,877,736</u>
Capital assets being depreciated				
Buildings	24,480,066			24,480,066
Infrastructure	44,302,600	5,685,122		49,987,722
Equipment	6,962,950	799,905	298,053	7,464,802
Total capital assets being depreciated	<u>75,745,616</u>	<u>6,485,027</u>	<u>298,053</u>	<u>81,932,590</u>
Less accumulated depreciation				
Buildings	12,943,209	431,579		13,374,788
Infrastructure	8,384,627	813,131		9,197,758
Equipment	4,282,066	546,213	298,053	4,530,226
Total accumulated depreciation	<u>25,609,902</u>	<u>1,790,923</u>	<u>298,053</u>	<u>27,102,772</u>
Net capital assets being depreciated	<u>50,135,714</u>	<u>4,694,104</u>		<u>54,829,818</u>
Business-Type Activities capital assets, net	<u>\$ 57,264,934</u>	<u>\$ 5,127,741</u>	<u>\$ 5,685,121</u>	<u>\$ 56,707,554</u>

**Discretely Presented Component Units**

Activity for Jamestown Municipal Airport Authority for the year ended December 31, 2022 follows:

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**5. Capital Assets - continued**

	<u>12/31/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/22</u>
Capital assets not being depreciated				
Land	\$ 317,471	\$	\$	\$ 317,471
Construction in progress	1,923,060	486,624	2,051,913	357,771
Total capital assets not being depreciated	<u>2,240,531</u>	<u>486,624</u>	<u>2,051,913</u>	<u>675,242</u>
Capital assets being depreciated				
Buildings	5,044,954			5,044,954
Equipment	1,686,219		14,150	1,672,069
Infrastructure	18,762,573	2,051,913		20,814,486
Total capital assets being depreciated	<u>25,493,746</u>	<u>2,051,913</u>	<u>14,150</u>	<u>27,531,509</u>
Less accumulated depreciation	<u>11,842,334</u>	<u>866,433</u>	<u>1,650</u>	<u>12,707,117</u>
Net capital assets being depreciated	<u>13,651,412</u>	<u>1,185,480</u>	<u>12,500</u>	<u>14,824,392</u>
Component Units capital assets, net	<u>\$15,891,943</u>	<u>\$ 1,672,104</u>	<u>\$2,064,413</u>	<u>\$15,499,634</u>

Depreciation expense by function - primary government:

<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
General government	\$ 47,983	Water utility	\$ 488,098
Public safety	218,276	Sewer utility	614,196
Public works	995,286	Sanitation	369,704
Civic center	<u>220,747</u>	Solid waste	<u>318,926</u>
Total	<u>\$ 1,482,292</u>	Total	<u>\$ 1,790,924</u>

**6. Deferred Outflows/Inflows of Resources**

In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended December 31, 2023.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The City has unavailable revenue from a variety of sources in the governmental funds. The City has deferred inflows of resources related to pensions. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**7. Long-Term Obligations**

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

*Special assessment bonds* are issued to provide for the construction of improvement projects for residential and commercial developments. Special assessment bonds are paid directly from the sinking fund that has been set up to accumulate the taxes collected by the County from the property owners who directly benefit from each project.

**Refunding Improvement Bonds**

\$1,309,568 Wastewater Treatment Assessment Warrant of 2004 due in annual installments of \$55,000 to \$85,000 through September 1, 2024, interest at 2.5%	\$	170,000
\$1,467,998 2007B improvement bonds replace sanitary sewer mains due in annual installments of \$74,998 to \$79,000 through September 1, 2026, interest at 2.5%		313,000
\$2,675,000 2010 Series S bonds due in annual installments of \$20,000 to \$370,000 through May 1, 2025, interest at 1.00% to 3.20%		60,000
\$2,955,000 2011 Series T bonds due in annual installments of \$80,000 to \$560,000 through May 1, 2026, interest at 2.00% to 3.55%		320,000
\$2,210,000 2013 Series V bonds due in annual installments of \$15,000 to \$310,000 through September 1, 2026, interest at 2.5%		90,000
\$4,520,000 2014 Series W bonds due in annual installments of \$290,000 to \$315,000 through May 1, 2029, interest at 1% to 3%		2,055,000
\$870,000 2014 Series X bonds due in annual installments of \$50,000 to \$55,000 through May 1, 2029, interest at 2% to 4%		370,000
\$3,710,000 2015 Series Y bonds due in annual installments of \$75,000 to \$455,000 through May 1, 2036, interest at 1.5% to 5.25%		2,980,000
\$1,123,587 2016B water treatment assessment warrants due in annual installments of \$45,000 to 70,000 through September 1, 2036, interest at 2.5%		840,000
\$4,090,000 Series 2017 AA bonds due in annual installments of \$540,000 to 665,000 through May 1, 2024, interest at 2%		1,090,000
\$2,049,964 Series 2017 definitive improvement warrant due in semi-annual installments of \$52,851.31 including interest to May 1, 2047, interest at 2%		2,036,798
\$2,701,875 Series 2017 definitive improvement warrant due in semi-annual installments of \$63,035.91 including interest to May 1, 2047, interest at 2%		2,429,296

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**7. Long-Term Obligations - continued**

\$2,170,000 Series 2018 AB bonds due in annual installments of \$295,000 to \$330,000 including interest to May 1, 2025, interest at 2%	970,000
\$2,750,000 Series AC bonds due in annual installments of \$375,000 to \$410,000 including interest to May 1, 2027, interest from 2% to 3%	1,990,000
\$2,750,000 Series AD bonds due in annual installments of \$385,000 to \$420,000 including interest to May 1, 2019, interest from 2% to 3%	2,000,000
\$1,585,000 Series AE bonds due in annual installments of \$215,000 to \$235,000 including interest to May 1, 2028, interest 1% to 2%	1,360,000
\$2,070,000 Series AF bonds due in annual installments of \$280,000 to \$315,000 including interest to May 1, 2029, interest 2.6% to 3%	2,070,000
	<u>\$ 21,144,094</u>

Business-Type activities include the following types of long-term debt:

*Revenue bonds* are backed by the revenues from the Enterprise Funds to pay the debt service.

**Revenue Bonds**

\$2,534,604 water treatment bonds of 2005 due in annual installments of \$104,604 to \$155,000 through September 1, 2025, interest at 2.5%	\$ 460,000
\$1,475,346 master lift station revenue bonds of 2005 due in annual installments of \$57,346 to \$93,000 through September 1, 2026, interest at 2.5%	359,000
\$2,076,816 water treatment revenue bonds of 2007 due in annual installments of \$90,000 to \$135,000 through September 1, 2026 interest at 2.5%	520,000
\$2,996,823 water treatment revenue bonds of 2010 due in annual installments of \$135,000 to \$165,000 through September 1, 2030, interest at .5%	1,275,000
\$1,140,023 wastewater treatment revenue bonds of 2011 due in annual installments of \$50,000 to \$90,000 through September 1, 2030, interest at 2.5%	535,000
\$2,653,177 water treatment revenue bonds of 2010B, due in annual installments of \$105,000 to \$170,000 through September 1, 2030, interest at 2.5%. In 2013, the City received \$381,617 in ARRA debt forgiveness.	1,030,000
\$822,306 clean water revenue bonds of 2013, due in annual installments of \$32,306 to \$50,000 through September 1, 2033, interest at 2%	500,000
\$1,000,000 wastewater treatment assessment warrant of 2013, due in annual installments of \$35,000 to \$70,000 through September 1, 2034, interest at 2%	670,000

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**7. Long-Term Obligations - continued**

\$10,350,000 waste water treatment revenue bonds of 2013, due in annual installments of \$470,000 to \$635,000 through September 1, 2034, interest at 2%	6,640,000
\$3,812,000 water tower revenue bonds of 2013, due in annual installments of \$152,000 to \$235,000 through September 1, 2033, interest at 2%	2,260,000
\$910,000 (not fully issued) drinking water revenue bonds of 2014, due in annual installments of \$35,000 to \$50,000, through September 1, 2034, interest at 2%	515,000
\$521,119 solid waste treatment revenue bonds of 2016, due in annual installments of \$20,000 to \$35,000 through September 1, 2031, interest at 2%	400,000
\$539,511 water treatment revenue bonds of 2016C, due in annual installments of \$30,000 to \$40,000 through September 1, 2031, interest at 2%	340,000
\$4,800,000 solid waste disposal revenue bonds of 2017, due in annual installments of \$200,000 to \$215,000 through September 1, 2037, interest at 2%	2,697,028
\$597,583 waste water treatment revenue bonds of 2017B, due in annual installments of \$30,000 to \$35,000 through September 2, 2037, interest at 2%	485,000
\$1,316,465 water treatment revenue bonds of 2017C, due in annual installments of \$70,000 to \$85,000 through September 1, 2037, interest at 1.5%	1,190,000
\$1,528,956 water main rehab series 2020, due in annual installments of \$87,000 to \$115,000 through September 1, 2040, interest at 1.5%	1,790,000
\$1,498,034 waste water treatment revenue bonds of 2020B, due in annual installments of \$80,000 to \$105,000 through September 1, 2051, interest at 1.5%	1,418,034
\$1,808,000 water treatment revenue bonds of 2021B, due in annual installments of \$75,000 to \$110,000 through September 1, 2041, interest at 1.5%	1,230,000
\$1,344,000 water treatment assessment warrants of 2021, due in annual installments of \$60,000 to \$80,000 through September 1, 2041, interest at 1.5%	1,281,700
\$1,799,477 water treatment assessment warrants of 2021C, due in annual installments of \$65,000 to \$85,000 through September 1, 2042, interest at 1.5%	313,477
	<u>\$ 25,909,239</u>

*Conduit Debt.* From time to time, the City has approved issuance of Municipal Industrial Development Act Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**7. Long-Term Obligations - continued**

private-sector entity served by the bond issuance. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2022, the number of Industrial Revenue Bonds outstanding and the aggregate principal amount payable is unknown.

The following is a summary of long-term obligation transactions for the year ended December 31, 2022:

	<u>12/31/21</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/22</u>	<u>Due Within One Year</u>
<i>Governmental Activities</i>					
Long-term debt					
Refunding improvement bonds	\$22,252,685	\$ 2,070,000	\$ 3,178,591	\$21,144,094	\$3,111,049
Issue costs	248,174	20,700	93,375	175,499	
Lease/purchase	1,059,870		125,616	934,254	129,663
Total Long-Term Debt	<u>23,560,729</u>	<u>2,090,700</u>	<u>3,397,582</u>	<u>22,253,847</u>	<u>3,240,712</u>
Compensated absences	259,749		3,408	256,341	
Net PERS pension obligation	5,117,831	9,238,322		14,356,153	
Net OPEB liability	248,828	324,699		573,527	
Governmental Activities Long Term Liabilities	<u>\$29,187,137</u>	<u>\$11,653,721</u>	<u>\$ 3,400,990</u>	<u>\$37,439,868</u>	<u>\$3,240,712</u>
<i>Business-Type Activities</i>					
Long-term debt					
Revenue bonds	\$26,287,717	\$ 3,711,822	\$ 4,090,300	\$25,909,239	\$ 2,154,477
Lease/purchase		389,850	117,642	272,208	53,740
Landfill closure costs	1,423,680	162,114		1,585,794	
Total Long-Term Debt	<u>27,711,397</u>	<u>4,263,786</u>	<u>4,207,942</u>	<u>27,767,241</u>	<u>2,208,217</u>
Compensated absences	156,681	4,339		161,020	
Business-Type Activities Long Term Liabilities	<u>\$27,868,078</u>	<u>\$ 4,268,125</u>	<u>\$ 4,207,942</u>	<u>\$27,928,261</u>	<u>\$ 2,208,218</u>
<i>Discretely presented component unit</i>					
Long-term debt					
Revenue bonds	\$ 677,159	\$	\$ 56,159	\$ 621,000	\$ 621,000
Notes payable	732,138	2,582	652,216	82,504	82,504
Lease liability	14,821		6,734	8,087	5,823
Total long-term debt	<u>1,424,118</u>	<u>2,582</u>	<u>715,109</u>	<u>711,591</u>	<u>709,327</u>
Net PERS pension obligation	207,043	377,236		584,279	
Net OPEB liability	11,475	15,905		27,380	
Discretely Presented Component Unit Long Term Liabilities	<u>\$ 1,642,636</u>	<u>\$ 395,723</u>	<u>\$ 715,109</u>	<u>\$ 1,323,250</u>	<u>\$ 709,327</u>

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**7. Long-Term Obligations – continued**

Annual debt service requirements to maturity (not including compensated absences) are as follows:

Year Ending	Governmental Activities Special Assessment Bonds		Business-Type Activities Revenue Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 3,111,049	\$ 525,638	\$ 2,154,477	\$ 617,727
2024	3,123,924	445,869	2,194,000	595,405
2025	2,541,857	377,654	2,231,000	543,180
2026	2,235,849	319,728	2,128,000	490,407
2027	2,114,902	250,495	1,945,000	440,950
2028 – 2032	3,737,480	893,294	9,550,000	1,533,349
2033 - 2037	2,288,530	396,880	4,592,028	532,146
2038 – 2042	1,003,582	148,290	1,114,734	63,122
2043 – 2047	986,921	50,235		
Total	<u>\$ 21,144,094</u>	<u>\$ 3,408,083</u>	<u>\$ 25,909,239</u>	<u>\$ 4,816,286</u>

The City leases equipment with a historical cost of \$1,914,676 and accumulated amortization of \$888,661 under capital lease arrangements. Future minimum lease payments at December 31, 2022, are as follows:

	Governmental Activities	Business-Type Activities
2023	\$ 157,443	\$ 62,355
2024	157,443	62,355
2025	157,443	62,355
2026	157,443	109,200
2027	157,443	
2028 – 2029	249,282	
Total minimum lease payments	1,036,497	296,265
Less deferred interest	102,243	24,057
Present value minimum lease payments	<u>\$ 934,254</u>	<u>\$ 272,208</u>

**8. City Pension Plan**

**Plan Description**

The City provides pension benefits for employees of the City including Park Board employees, through the Retirement Plan of the City of Jamestown (single employer plan).

All employees who are employed for more than 20 hours a week and more than five months a year, with one year of continuous service, are eligible to participate. Benefits are 50% vested at five years of credited service and thereafter an additional 10% per year until they are 100% vested at 10 years of service.

A member may retire with an age and service benefit after completing 25 years of credited service and attaining the normal retirement age of 65. The retirement benefit for employees terminating after

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**8. City Pension Plan – continued**

January 1, 1998, payable monthly for life equals 1.2% of a member's average monthly earnings multiplied by credited service (maximum 30). For those participant's that are age 60 or older as of January 1, 1998, their benefit will be the greater of the benefit calculated as stated previously or 60% of average monthly earnings minus 75% of his social security benefit, reduced 1/25 for each year of credited service less than 25 at normal retirement date. The minimum benefit shall be the accrued benefit under the old benefit formula as of January 1, 1998. If a member has less than 25 years of credited service the benefit is determined by taking the above formula times the fraction of the years of credited service divided by 25. A member's average monthly earnings is the average pay over the highest five consecutive years of employment. A member may retire early and receive a percentage of the accrued benefit based on the number of years retired early as long as the member has earned at least ten years credited service, is within ten years of normal retirement, and has the employer's approval.

Benefit provisions and all other requirements are established by City ordinance. Employees are not required to contribute to the Plan. The City is required to make all contributions necessary to fund the Plan using the actuarial basis specified by City ordinance. There are no related party transactions.

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

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the Plan on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the Plan.

Assets in excess of accumulated pension benefit obligation were \$3,226,368 at December 31, 2022, as follows:

	January 1, 2023
Total City pension liability	\$ 8,183,284
Plan fiduciary net position	11,409,652
Net City pension liability (asset)	<u>\$ (3,226,368)</u>

For the year ended December 31, 2022, the City recognized (\$ 879,840) in pension expense and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ (31,167)
Changes of assumptions		
Net difference between projected and actual earnings on investments	602,014	
Total	<u>\$ 602,014</u>	<u>\$ (31,167)</u>



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**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**8. City Pension Plan – continued**

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

<u>Year ended December 31:</u>	
2023	\$ (410,275)
2024	36,759
2025	217,513
2026	726,850

**Actuarial assumptions.**

The pension benefit obligation was computed as part of an actuarial valuation performed as of January 1, 2023. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7% a year compounded annually, (b) projected salary increases of 4% a year compounded annually, attributable to inflation, and (c) no postretirement benefit increases.

Effective January 1, 2009, the actuarial cost method changed from the entry age normal with closed 30-year level dollar amortization method to entry age normal with closed 25-year level dollar amortization method and the mortality tables changed from RP2000 combined healthy mortality table to Pub-2010 mortality table projected using Scale MP-2021. Effective January 1, 2014, the actuarial cost method changed to entry age normal with closed 25-year level dollar amortization. Effective January 1, 2008, The City began participation in the North Dakota Public Employees Retirement System. Employees were allowed to transfer to the ND PERS at that time. Effective January 1, 2021, changed to Pub-2010 Mortality Table projected using Scale MP-2021.

**Sensitivity of the net pension liability to changes in the discount rate**

	<u>1% Decrease (6%)</u>	<u>Current Discount Rate (7%)</u>	<u>1% Increase (8%)</u>
Total pension liability	\$ 8,911,273	\$ 8,183,284	\$ 7,550,732
Plan fiduciary net position	11,409,652	11,409,652	11,409,652
Net pension liability (asset)	<u>\$ (2,498,379)</u>	<u>\$ (3,226,368)</u>	<u>\$(3,858,920)</u>

**Trend Information**

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year trend information may be found on page 63 of the City's financial statements. For the three years ended 2022, 2021 and 2020, available assets were sufficient to fund 139%, 177%, and 177%, respectively, of the pension benefit obligation. The Plan went from an overfunded plan of \$3,622,455 in 2020 to an overfunded plan of \$6,423,164 in 2021 and an overfunded plan of \$3,226,368 in 2022. The City did not make any contributions for the years ended 2022, 2021 and 2020.

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**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**9. North Dakota Public Employees Retirement System (Main System)**

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

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

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

**Pension Benefits**

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

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

**Death and Disability Benefits**

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

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**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**9. North Dakota Public Employees Retirement System (Main System) - continued**

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

**Refunds of Member Account Balance**

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

**Member and Employer Contributions**

Member and employer contributions paid to NDPERS are set by statute and are established as a percent of salaries and wages. Member contribution rates are 7% and employer contribution rates are 7.12% of covered compensation. For members hired on or after January 1, 2020, member contribution rates are 7% and employer contribution rates are 8.26% of covered compensation.

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

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

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

At December 31, 2022, the City reported a liability of \$14,356,153 for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net pension liability was based on the Employer's share of covered payroll in the Main System pension plan relative to the covered payroll of all participating Main System employers. At July 1, 2022, the Employer's proportion was .498466%, which is an increase of .007453% from its proportion measured as of July 1, 2021.

For the year ended December 31, 2022, the Employer recognized pension expense of \$1,920,463. At December 31, 2022, the Employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**9. North Dakota Public Employees Retirement System (Main System) - continued**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 74,886	\$ 274,227
Changes of assumptions	8,585,191	5,322,343
Net difference between projected and actual earnings on pension plan investments	525,432	
Changes in proportion and differences between employer contributions and proportionate share of contributions	220,606	46,403
Employer contributions subsequent to the measurement date	218,199	
	<u>\$ 9,624,314</u>	<u>\$ 5,642,973</u>

\$218,199 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023.

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

Year ended December 31:

2023	\$ 1,060,600
2024	1,247,886
2025	110,997
2026	1,343,659

**Actuarial assumptions.** The total pension liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.5% to 17.75% including inflation
Investment rate of return	5.10%, net of investment expenses
Cost-of-living adjustments	None

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

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

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**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**9. North Dakota Public Employees Retirement System (Main System) – continued**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	30%	6.00%
International Equity	21%	6.70%
Private Equity	7%	9.50%
Domestic Fixed Income	23%	0.73%
International Fixed Income	0%	0.00%
Global Real Assets	19%	4.77%
Cash Equivalents	0%	0.00%

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.69%; and the resulting Single Discount Rate is 5.10%.

**Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate.** The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 5.10 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.10 percent) or 1-percentage-point higher (6.10 percent) than the current rate:

	<u>1% Decrease (4.10%)</u>	<u>Current Discount Rate (5.10%)</u>	<u>1% Increase (6.10%)</u>
Employer's proportionate share of the net pension liability	\$ 18,949,134	\$ 14,356,153	\$ 10,585,474

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

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**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**10. Other Post Employment Benefits (OPEB)**

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

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

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

**OPEB Benefits**

The employer contribution for the PERS, the HPRS and the Defined Contribution Plan is set by statute at 1.14% of covered compensation. The employer contribution for employees of the state board of career and technical education is 2.99% of covered compensation for a period of eight years ending October 1, 2015. Employees participating in the retirement plan as part-time/temporary members are required to contribute 1.14% of their covered compensation to the Retiree Health Insurance Credit Fund. Employees purchasing previous service credit are also required to make an employee contribution to the Fund. The benefit amount applied each year is shown as "*prefunded credit applied*" on the Statement of Changes in Plan Net Position for the OPEB trust funds. Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There were no other benefit changes during the year.

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

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

**CITY OF JAMESTOWN**  
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**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**10. Other Post-Employment Benefits (OPEB) - continued**

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

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

At December 31, 2022, the Employer reported a liability of \$573,527 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of July 1, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Employer's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At July 1, 2022, the Employer's proportion was .477816% which was an increase of .030423% from its proportion measured as of July 1, 2021.

For the year ended December 31, 2022, the Employer recognized OPEB expense of \$96,378. At December 31, 2022, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 13,596	\$ 4,932
Change of assumptions	144,465	
Net difference between projected and actual earnings on OPEB plan investments	77,223	
Changes in proportion and differences between employer contributions and proportionate share of contributions	17,584	9,132
Employer contributions subsequent to the measurement date	29,372	
	<u>\$ 282,240</u>	<u>\$ 14,064</u>

\$29,372 reported as deferred outflows of resources related to OPEB resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023.

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

<u>Year ended December 31:</u>	
2023	\$ 61,051
2024	57,098
2025	52,076
2026	68,579

**Actuarial Assumptions.** The total OPEB liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**10. Other Post-Employment Benefits (OPEB) - continued**

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

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

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of RHIC investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Domestic Equities	33%	5.85%
Small Cap Domestic Equities	6%	6.75%
Domestic Fixed Income	35%	0.50%
International Equities	26%	6.25%

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

**Sensitivity of the Employer's proportionate share of the net OPEB liability to changes in the discount rate.** The following presents the net OPEB liability of the Plans as of July 1, 2022, calculated using the discount rate of 5.39%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.39 percent) or 1-percentage-point higher (6.39 percent) than the current rate:



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**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**10. Other Post-Employment Benefits (OPEB) - continued**

	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
Employer's proportionate share of the net pension liability	\$ 732,073	\$ 573,527	\$ 440,432

**11. Cobra Benefits**

Under the Consolidated Omnibus Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured before the first day of the month for the actual month covered. This program is offered for a period of 18 months after the employee's termination date. There is no cost to the City.

**12. Risk Management**

The City is exposed to various risks related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; health care of its employees and natural disasters. The City is self-insured for employee health insurance. The City has established a separate fund to account for this activity: Group Health Insurance. Each participating fund makes payments to the group health insurance fund. Such payments are displayed on the financial statement as revenues and expenditures/expenses to the extent that the charge to the other funds is based on the actual expenses of the funds plus an additional amount for catastrophic losses. Payments in excess of these amounts, if any, are reported as operating transfers.

The City has contracted with third party administrators (TPAS) to administer the employee health insurance programs and to review and process claims. In addition, the City has contracted with third party carriers for specific and aggregate stop loss coverage to limit the City's exposure to losses. The specific and aggregate stop loss coverage is as follows:

Health insurance – The City is self-insured for \$30,000 per individual per year with the aggregate stop loss attachment point of 120% of expected plan benefits incurred during the contract year.

A reconciliation of claims payable for the years ended December 31, 2022 and 2021, is as follows:

	2022	2021
Claims payable, January 1	\$ 95,413	\$ 74,202
Add: Claims incurred	818,509	811,213
Less: Claims paid	<u>(835,267)</u>	<u>(790,002)</u>
Claims payable, December 31	<u>\$ 78,655</u>	<u>\$ 95,413</u>

Claims payable are based on claims paid in January, February, March and April of 2023 for claims incurred in 2022.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**12. Risk Management - continued**

The City participates in the North Dakota Insurance Reserve Fund (NDIRF) entity risk pool established by certain municipalities ("Members") to provide liability coverage. The City's payments to NDIRF are displayed on the financial statements as expenditures/expenses in the appropriate funds.

The purpose of the NDIRF is to act as a joint self-insurance pool for the purpose of seeking the prevention or lessening of liability claims for injuries to persons or property or claims for errors and omissions made against the Members and other parties included within the scope of coverage of the NDIRF.

The city does not exercise any control over the activities of the NDIRF.

The City's risk for workers' compensation is covered by premiums paid to the North Dakota Workforce Safety and Insurance. It was created by the Legislature of the State of North Dakota. The City's risk for property coverage is covered by premiums paid to the North Dakota State Fire and Tornado fund. The Fund was established by the State of North Dakota to insure political subdivisions and certain other entities against loss to public buildings and permanent contents from damage caused by fire, tornadoes and other types of risks.

For insured programs, there have been no significant reductions in insurance coverage. Settled claims have not exceeded commercial insurance coverage for the current year or the three prior years.

**13. Closure and Post-closure Care Costs**

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City has calculated a liability as of the financial statement date. The estimated landfill closure and post-closure care liability at December 31, 2022, is \$269,249 representing the cumulative amount to date based on 15 percent of the estimated capacity used to date. An additional \$1,316,545 is the remaining balance of the estimated cost of closure and post-closure care for the remaining capacity. These amounts are based on what it would cost to perform all closure and post-closure care in 2022. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

The City is required by state and federal regulations to demonstrate the financial assurance mechanism established for closure and post-closure costs. The City must meet the following test:

1. A ratio of current assets to current liabilities greater than one and five-tenths or a current rating for the owner's or operator's most recent bond issuance of AAA, AA or A as issued by Standard and Poor's or Aaa, Aa or A as issued by Moody's; and
2. Net working capital and tangible net worth each at least four times the sum of the current cost estimates for closure or post-closure, whichever is applicable; and
3. Tangible net worth of at least two million dollars; and

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**13. Closure and Post-closure Care Costs - continued**

4. Assets located in the United States amounting to at least four times the current cost estimates for closure or post-closure care, whichever is applicable.

The City is in compliance with the above requirements.

**14. Litigation**

The City is party to various legal proceedings which normally occur in government operations. These legal proceedings and negotiations are not likely to have a material adverse impact on the affected funds of the City.

**15. Tax Abatements**

Per GASB Statement No. 77, a tax abatement is defined as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to tax a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

As of December 31, 2022, the City of Jamestown provided tax abatements in the form of property tax exemptions for certain new residential properties, improvements made to existing commercial and residential buildings, new and expanding businesses, tax increment financing, and properties in the Renaissance Zone.

The property tax exemption for certain single family, condominium and townhouse residential properties, NDCC § 57-02-08 (35), allows for a property tax exemption of up to one year, excluding land, up to a maximum of \$150,000 for improvements. Property tax exemption for builders of certain new single-family residential properties NDCC § 57-02-08 (42) allows for a property tax exemption, if owned by the builder for up to two years, excluding land, with no maximum amount for improvements. These may also be used in combination totaling 2 years combined.

The property tax incentive for new or expanding businesses, NDCC § 40-57.1, provides for property tax exemptions as well as payments in lieu of taxes to revenue-producing, primary sector enterprises. This incentive allows for a new or expanding business to be granted a property tax exemption for up to five years or a payment in lieu of tax option for up to twenty years. This is to encourage activities in the public interest by assisting in establishing industrial plants, expanding and retaining existing businesses, and to help promote economic activities within the state and thereby increasing production of wealth and adding to the volume of employment.

Tax increment financing, NDCC § 40-58-20, allows for providing a property tax exemption to provide assistance in a development of commercial or industrial property or urban renewal area for the development of commercial or industrial property or for the elimination and prevention of the development or spread of slums and blight.

The Renaissance Zone property tax exemption, NDCC § 40-63, is for commercial and residential properties located within a renaissance zone and allows for the buildings to be exempt for up to five

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**15. Tax Abatements - continued**

years. A renaissance zone is a geographic area, proposed by a city, and designated by the State Department of Commerce. This incentive is to encourage the purchase, lease, rehabilitation, or historical preservation or renovation of properties within the zone.

The total reduction in property tax revenue due to tax abatements in 2022 is as follows:

Single family residence/builders	\$ 4,157
Tax increment finance	88,471
Renaissance zone	<u>7,559</u>
	<u>\$ 100,187</u>

**16. Subsequent Events**

On April 4, 2023, the City Council awarded the bid for \$2,293,693 for the 23-41 Paving District. On June 5, 2023, the City Council approved the issuance of Series 2023 AG Refunding Improvement bonds for \$4,370,000. On June 27, 2023, the City Council awarded the bid for emergency storm water replacement for \$1,787,000.

**17. Joint Venture**

The Jamestown/Stutsman Development Corporation is organized to improve business conditions of the **CITY OF JAMESTOWN** and Stutsman County, North Dakota, to attract new primary sector businesses and industry, and support existing business and industry. The Corporation is primarily supported by the **CITY OF JAMESTOWN** through sales tax revenues and Stutsman County by a dedicated mill levy.

The Corporation issued separate financial statements available at their offices located at 210 10<sup>th</sup> Street NE, Jamestown, North Dakota.

**18. City of Jamestown Sales Tax**

During the year ended December 31, 2022, the City of Jamestown collected 2.5% City sales tax.

City Sales tax fund	
Sales tax	\$ 1,424,269
Park District sales tax	3,189,991
Civic Center and Infrastructure	1,594,996
City Share special reserves	
Sales tax	1,424,269
Series Y – TIF District	
Menards sales tax	<u>341,453</u>
Total Collections	<u>7,974,978</u>
Passed thru to Jamestown Park & Recreation District	<u>3,189,991</u>
Total City Sales Tax	<u>\$ 4,784,987</u>

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**19. Federal and State Grants**

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authorities to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

**20. Deficit Fund Balances**

The deficit of \$5,223 in the Forestry Grant Fund (special revenue fund), the \$58 in the North Dakota Highway Safety Fund (special revenue fund), the \$17,500 in the Justice Assistance Grant Fund (special revenue fund), the \$23,442 in the DES Homeland Security Fund (special revenue fund), and \$4,011 in the Bulletproof Vest Fund (special revenue fund) are due to timing differences for expenses that will be reimbursed by the grant or by matching funds.

The deficit of \$456,831 in the Series 2017 Definitive Improvement Warrant fund (16-43), \$564,878 in the Series 2020 Water Mains fund (19-61), \$96,533 in the Series AD Refunding Improvement, \$78,800 in the Series 2021A SH Water Mains, \$37,494 in the Series AE Refunding Improvement, \$233,368 in the Series 2021C Water Mains, \$331,070 in the Series 2020B Lift Station, and \$485,819 in the Series AF Refunding Improvement (all debt service funds) are due to timing differences for when the specials will be assessed or the bonds or warrants will be issued.

**21. Net Position**

Governmental activities net position reported on the Government Wide Statement of Net Position at December 31, 2022 include the following:

	Governmental Activities	Business-type Activities
Net investment in capital assets		
Capital assets, net of accumulated depreciation	\$ 24,458,458	\$ 56,707,554
Less: related long-term debt	22,253,847	27,767,241
Net Investment in Capital Assets	2,204,611	28,940,313
Restricted		
Capital projects	9,472,453	6,836,038
Debt service	5,105,329	6,313,428
Special revenue	79,000	2,608,783
Total Restricted	14,656,782	15,758,249
Unrestricted	6,697,614	8,309,140
Total Net Position	\$ 23,559,007	\$ 53,007,702

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Year Ended December 31, 2022**

**22. Governmental Fund Balances**

Governmental fund balances reported on the fund financial statements at December 31, 2022, include the following:

	General	Equipment Replacement	City Sales Tax	Special Assessment Deficiency	Construction	City Share Specials - Reserve	Other Governmental Funds	Total
Restricted:								
Debt service	\$	\$	\$	\$2,422,907	\$	\$	\$ 2,677,193	\$ 5,100,100
Committed:								
Visitors Promotion								
Capital Construction							79,000	79,000
Assigned:								
Equipment replacement		3,865,491						3,865,491
Economic development / infrastructure			8,083,993					8,083,993
Public building site							22,353	22,353
American rescue plan							1,388,368	1,388,368
City share specials						971,918		971,918
Vector control							395,503	395,503
Visitor's promotion							287,604	287,604
Visitor's promotion capital construction							132,572	132,572
ND highway safety							(58)	(58)
Justice assistance							(17,500)	(17,500)
Bulletproof vest							(4,011)	(4,011)
Homeland security							(23,442)	(23,442)
MCPL infrastructure							3,466,164	3,466,164
Forestry							(5,223)	(5,223)
DARE							8,673	8,673
Construction					728,614			728,614
Unassigned	2,977,299							2,977,299
	<u>\$ 2,977,299</u>	<u>\$3,865,490</u>	<u>\$ 8,083,993</u>	<u>\$ 2,422,907</u>	<u>\$ 728,614</u>	<u>\$ 971,918</u>	<u>\$ 8,407,196</u>	<u>\$ 27,457,417</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Required Supplementary Information**  
**Budget and Actual (with Variances) Schedule**  
**General Fund**  
**Year Ended December 31, 2022**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Property taxes	\$ 4,349,692	\$ 4,349,692	\$ 4,565,897	\$ 216,205
Sales and miscellaneous taxes	87,109	87,109	78,798	(8,311)
Fees and fines	114,600	114,600	136,117	21,517
Licenses and permits	328,730	328,730	380,289	51,559
Intergovernmental	1,825,300	1,825,300	1,851,526	26,226
Charges for services	425,585	425,585	120,492	(305,093)
Investment earnings	68,500	68,500	47,445	(21,055)
Miscellaneous	178,105	178,105	195,234	17,129
Total Revenues	<u>7,377,621</u>	<u>7,377,621</u>	<u>7,375,798</u>	<u>(1,823)</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,018,354	1,018,354	1,026,096	(7,742)
Public safety	4,169,435	4,169,435	4,410,698	(241,263)
Public works	2,644,690	2,644,690	2,361,335	283,355
Health	61,515	61,515	61,515	
Civic center	505,654	505,654	406,814	98,840
Debt Service				
Principal	125,617	125,617	125,617	
Interest	31,826	31,826	31,826	
Capital Outlay	101,775	101,775	129,974	(28,199)
Total Expenditures	<u>8,658,866</u>	<u>8,658,866</u>	<u>8,553,875</u>	<u>104,991</u>
Excess (deficiency) of revenues over expenditures	<u>(1,281,245)</u>	<u>(1,281,245)</u>	<u>(1,178,077)</u>	<u>103,168</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in			896,117	896,117
Transfers out	(526,536)	(526,536)	(575,755)	(49,219)
Total Other Financing Sources and (Uses)	<u>(526,536)</u>	<u>(526,536)</u>	<u>320,362</u>	<u>846,898</u>
<b>SPECIAL ITEM</b>				
Proceeds from sale of capital assets			350	350
Net change in fund balances	(1,807,781)	(1,807,781)	(857,365)	950,416
Fund Balances - Beginning	4,274,778	4,274,778	4,274,778	
Fund Balances - Ending	<u>\$ 2,466,997</u>	<u>\$ 2,466,997</u>	<u>\$ 3,417,413</u>	<u>\$ 950,416</u>



**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Required Supplementary Information**  
**Budget and Actual (with Variances) Schedule**  
**Notes to RSI - General Fund**  
**Year Ended December 31, 2022**

**Note A - Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures**

**Sources/Inflows of Resources**

Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule	\$ 7,375,798
Taxes receivable collected in first 60 days of the year are not considered revenues for budgetary purposes	(15,017)
Grants accrued at prior year are included for budgetary purposes	(2,387)
Grants accrued are not considered revenues for budgetary purposes	1,484
Engineering fees are treated as transfers for fund purposes	(7,678)
The net proceeds from the civic center are included in the budget	<u>128,650</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u><u>\$ 7,480,850</u></u>

**Uses/Outflows of Resources**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 8,553,875
Accounts payable at prior year end are included in the budget	(72,164)
Accounts payable at current year end are not included in the budget	82,392
The expenses from promotion, revolving and concession funds are not included in the budget	<u>119,498</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u><u>\$ 8,683,601</u></u>

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Required Supplementary Information**  
**Budget and Actual (with Variances) Schedule**  
**Notes to RSI - General Fund**  
**Year Ended December 31, 2022**

**Note B - Budgets and Budgetary Accounting**

Budgets should be adopted for the general fund, each special revenue fund and each debt service fund. The final budget and tax levy must be approved by October 7th. The final budget must be submitted to the county auditor no later than October 10th.

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to September 10, the City Administrator submits to the City Council a proposed operating budget for the year beginning January 1. The operating budget includes proposed expenditures and the means of financing them. Annual appropriations lapse at year end.
2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to October 1st, the budget is legally enacted through the passage of an ordinance.
4. Formal budgetary integration is employed as a management control device for the year.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Required Supplementary Information**  
**Budget and Actual (with Variances) Schedule**  
**Major Special Revenue Fund**  
**Year Ended December 31, 2022**

City Sales Tax				
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Sales and miscellaneous taxes	\$ 2,800,000	\$ 2,800,000	\$ 3,019,265	\$ 219,265
Investment earnings	30,000	30,000	32,654	2,654
Miscellaneous	62,570	62,570	537,218	474,648
Total revenues	<u>2,892,570</u>	<u>2,892,570</u>	<u>3,589,137</u>	<u>696,567</u>
<b>EXPENDITURES</b>				
Current:				
Business and industrial development	<u>1,365,000</u>	<u>1,365,000</u>	<u>1,761,823</u>	<u>(396,823)</u>
Total Expenditures	<u>1,365,000</u>	<u>1,365,000</u>	<u>1,761,823</u>	<u>(396,823)</u>
Excess (deficiency) of revenues over expenditures	<u>1,527,570</u>	<u>1,527,570</u>	<u>1,827,314</u>	<u>299,744</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
Transfers out	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>(1,300,039)</u>	<u>99,961</u>
Total other financing sources (uses)	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>(1,300,039)</u>	<u>99,961</u>
Net change in fund balances	127,570	127,570	527,275	399,705
Fund balances - beginning	<u>7,556,718</u>	<u>7,556,718</u>	<u>7,556,718</u>	
Fund balances - ending	<u>\$ 7,684,288</u>	<u>\$ 7,684,288</u>	<u>\$ 8,083,993</u>	<u>\$ 399,705</u>

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Required Supplementary Information**  
**Budget and Actual (with Variances) Schedule**  
**Note to RSI - Major Special Revenue Fund**  
**Year Ended December 31, 2022**

**Note A - Excess of Expenditures Over Appropriations**

Expenditures in the City Sales Tax Fund exceeded appropriations by \$396,823. All expenditures were approved by the City Council. These expenditures were all funded by available fund balances.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**Year Ended December 31, 2022**

**Schedule of City's Contributions to Pension Plan**

RETIREMENT PLAN FOR EMPLOYEES OF THE CITY OF JAMESTOWN  
ANALYSIS OF PENSION PLAN FUNDING PROGRESS (UNAUDITED)

Year	Net Assets Available for Benefits	Accumulated Pension Benefit Obligation	Percentage Funded	Assets in Excess of Pension Benefit Obligation	Annual Covered Payroll
2013	\$ 7,593,591	\$ 7,268,583	104%	\$ 325,008	\$ 1,068,364
2014	8,176,763	7,635,616	107%	541,147	N/A
2015	7,935,683	7,618,177	104%	317,506	N/A
2016	8,359,910	8,282,730	101%	77,180	N/A
2017	9,695,014	8,281,851	117%	1,413,163	N/A
2018	8,792,073	8,332,408	106%	459,665	N/A
2019	10,913,516	8,298,242	132%	2,615,274	N/A
2020	11,988,512	8,366,057	143%	3,622,455	N/A
2021	14,741,610	8,318,446	177%	6,423,164	N/A
2022	11,409,652	8,183,284	139%	3,226,368	N/A

\*effective January 1, 2008 partial switch to North Dakota Public Employees Retirement System

Plan fiduciary net position as a percentage of the total pension liability 139.43%

Covered payroll \$1,987,141

Net pension liability (asset) as a percentage of covered payroll -162.36%

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Required Supplementary Information**  
**Schedule of City's Share of Net Pension Liability**  
**ND Public Employees Retirement System**  
**Last 10 Years\***

	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.498466%	0.491013%	0.481630%	0.487475%	0.480496%	0.505996%	0.497234%	0.500908%
Employer's proportionate share of the net pension liability (asset)	\$ 14,356,153	\$ 5,117,831	\$ 15,152,183	\$ 5,713,560	\$ 8,108,894	\$ 8,133,016	\$ 4,846,030	\$ 3,406,089
Employer's covered payroll	\$ 5,786,381	\$ 5,560,181	\$ 5,312,955	\$ 5,070,567	\$ 4,936,222	\$ 5,165,421	\$ 5,010,950	\$ 4,462,486
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	248.10%	92.04%	285.19%	112.68%	164.27%	157.45%	96.71%	76.33%
Plan fiduciary net position as a percentage of the total pension liability	54.47%	78.26%	48.91%	71.66%	62.80%	61.98%	70.46%	77.15%

\* Complete data for this schedule is not available prior to 2015

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Required Supplementary Information**  
**Schedule of City's Contributions**  
**ND Public Employees Retirement System**  
**Last 10 Years\***

	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 435,812	\$ 410,039	\$ 376,204	\$ 369,166	\$ 363,574	\$ 374,556	\$ 362,784	\$ 338,961
Contributions in relation to the statutorily required contribution	\$ 428,143	\$ 411,182	\$ 379,130	\$ 373,010	\$ 369,992	\$ 369,566	\$ 351,874	\$ 333,948
Contribution deficiency (excess)	\$ 7,669	\$ (1,143)	\$ (2,926)	\$ (3,844)	\$ (6,418)	\$ 4,990	\$ 10,910	\$ 5,013
Employer's covered - employee payroll	\$ 5,786,381	\$ 5,560,181	\$ 5,312,955	\$ 5,070,567	\$ 4,936,222	\$ 5,165,421	\$ 5,010,950	\$ 4,462,486
Contributions as a percentage of covered-employee payroll	7.40%	7.40%	7.14%	7.36%	7.50%	7.15%	7.02%	7.48%

\* Complete data for this schedule is not available prior to 2015

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**Year Ended December 31, 2022**

**ND Public Employees Retirement System**

**Changes of benefit terms.**

The interest rate earned on member contributions decreased from 6.50 percent to 6.00 percent effective January 1, 2023 (based on the adopted decrease in the investment return assumption). New Main System members who are hired on or after January 1, 2020, will have a benefit multiplier of 1.75 percent (compared to the current benefit multiplier of 2.00 percent). The fixed employer contribution for new members of the Main System increased from 7.12 percent to 8.26 percent. For members who terminate after December 31, 2019, final average salary is the higher of the final average salary calculated on December 31, 2019, or the average salary earned in the three highest periods of twelve consecutive months employed during the last 180 months of employment. There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2020.

**Changes of assumptions**

The investment return assumption was updated from 7.00% to 6.50% beginning with the actuarial valuation as of July 1, 2022. All other actuarial assumptions used in the actuarial valuation as of July 1, 2022 were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for first use commencing with the actuarial valuation as of July 1, 2020.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Required Supplementary Information**  
**Schedule of City's Share of Net OPEB Liability**  
**ND Public Employees Retirement System**  
**Last 10 Years\***

	2022	2021	2020	2019	2018	2017
Employer's proportion of the net OPEB liability	0.477816%	0.447393%	0.444398%	0.454410%	0.451119%	0.477466%
Employer's proportionate share of the net OPEB liability	\$ 573,527	\$ 248,828	\$ 373,827	\$ 364,976	\$ 355,287	\$ 377,681
Employer's covered payroll	\$ 4,932,997	\$ 4,877,742	\$ 5,066,010	\$ 5,070,567	\$ 4,936,222	\$ 5,165,421
Employer's proportionate share of the net OPEB liability as a percentage of its covered - employee payroll	11.63%	5.10%	7.38%	7.20%	7.20%	7.31%
Plan fiduciary net position as a percentage of the total OPEB liability	56.28%	76.63%	63.38%	63.13%	61.89%	59.78%

\* Complete data for this schedule is not available prior to 2017

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Required Supplementary Information**  
**Schedule of City's Contributions to OPEB**  
**ND Public Employees Retirement System**  
**Last 10 Years\***

	2022	2021	2020	2019	2018	2017
Statutorily required contribution	\$ 60,040	\$ 58,656	\$ 59,515	\$ 58,971	\$ 57,899	\$ 60,044
Contributions in relation to the statutorily required contribution	\$ 58,586	\$ 59,362	\$ 60,126	\$ 59,723	\$ 59,241	\$ 59,172
Contribution deficiency (excess)	\$ 1,454	\$ (706)	\$ (611)	\$ (752)	\$ (1,342)	\$ 872
Employer's covered - employee payroll	\$ 4,932,997	\$ 4,877,742	\$ 5,066,010	\$ 5,070,567	\$ 4,936,222	\$ 5,165,421
Contributions as a percentage of covered-employee payroll	1.19%	1.22%	1.19%	1.18%	1.20%	1.15%

\* Complete data for this schedule is not available prior to 2017



**City of Jamestown**  
**Stutsman County, North Dakota**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**Year Ended December 31, 2022**

**Other Post-Employment Benefits**

**Changes of benefit terms**

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

**Changes of Assumptions**

The investment return assumption was updated from 6.50% to 5.75% beginning with the actuarial valuation as of July 1, 2022. All actuarial assumptions and the actuarial cost method are unchanged from the last actuarial valuation as of July 1, 2021.

## **OTHER SUPPLEMENTARY INFORMATION**

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Combining Balance Sheet**  
**Other Governmental Funds**  
**December 31, 2022**

	Nonmajor Special Revenue	Nonmajor Capital Projects	Nonmajor Debt Service	Total Other Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Cash and cash equivalents	\$ 637,574	\$ 3,305,467	\$ 5,435,281	\$ 9,378,322
Certificates of deposit over three months			1,300,000	1,300,000
Taxes receivable, net		39,791	1,090,409	1,130,200
Due from other funds	359,724	2,051,156	2,637,563	5,048,443
Receivable from other governments	30,739			30,739
Other receivables	8,866			8,866
Total Assets and Deferred Outflows of Resources	<u>\$ 1,036,903</u>	<u>\$ 5,396,414</u>	<u>\$ 10,463,253</u>	<u>\$ 16,896,570</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 33,524	\$ 75,801	\$	\$ 109,325
Due to other funds	150,261	404,853	7,261,105	7,816,219
Total Liabilities	<u>183,785</u>	<u>480,654</u>	<u>7,261,105</u>	<u>7,925,544</u>
Deferred inflows of resources				
Long - term receivables		<u>38,875</u>	<u>524,955</u>	<u>563,830</u>
Fund Balances:				
Restricted for:				
Debt service			2,677,193	2,677,193
Committed	79,000			79,000
Assigned	774,118	4,876,885		5,651,003
Total Fund Balances	<u>853,118</u>	<u>4,876,885</u>	<u>2,677,193</u>	<u>8,407,196</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,036,903</u>	<u>\$ 5,396,414</u>	<u>\$ 10,463,253</u>	<u>\$ 16,896,570</u>

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds**  
**Year Ended December 31, 2022**

	<b>Nonmajor Special Revenues</b>	<b>Nonmajor Capital Projects</b>	<b>Nonmajor Debt Service</b>	<b>Total Other Governmental Funds</b>
<b>REVENUES</b>				
Property taxes	\$	\$ 232,587	\$ 3,062,552	\$ 3,295,139
Sales and miscellaneous taxes	631,738			631,738
Menards sales tax & TIF			604,711	604,711
Intergovernmental	195,432	3,700,756		3,896,188
Charges for services	96,405			96,405
Investment earnings	4,095	6,730	34,611	45,436
Miscellaneous	12,871	15,834		28,705
Total Revenues	<u>940,541</u>	<u>3,955,907</u>	<u>3,701,874</u>	<u>8,598,322</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	229,061			229,061
Public works	101,298	508,033		609,331
Visitor's promotion	576,602			576,602
Principal			3,178,591	3,178,591
Interest and other charges			1,087,742	1,087,742
Menards share			152,289	152,289
Capital outlay				
Total Expenditures	<u>906,961</u>	<u>508,033</u>	<u>4,418,622</u>	<u>5,833,616</u>
Excess (deficiency) of revenues over expenditures	<u>33,580</u>	<u>3,447,874</u>	<u>(716,748)</u>	<u>2,764,706</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issue of bonds			26,399	26,399
Transfers in	2,478	224,704	6,190,892	6,418,074
Transfers out	(2,940)	(2,004,994)	(2,804,610)	(4,812,544)
Total other financing sources (uses)	<u>(462)</u>	<u>(1,780,290)</u>	<u>3,412,681</u>	<u>1,631,929</u>
Net change in fund balances	33,118	1,667,584	2,695,933	4,396,635
Fund balances - beginning	820,000	3,209,301	(18,740)	4,010,561
Fund balances - ending	<u>\$ 853,118</u>	<u>\$ 4,876,885</u>	<u>\$ 2,677,193</u>	<u>\$ 8,407,196</u>

CITY OF JAMESTOWN  
Stutsman County, North Dakota  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2022

	Vector Control	Visitor's Promotion	Visitor's Capital Construction	Safe Shelter Grant	City Taxi	ND Highway Safety	Justice Assistance Grant	Bulletproof Vest Grant	DES Homeland Security	Forestry Grant	D.A.R.E. Program Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS AND DEFERRED OUTFLOWS</b>												
<b>OF RESOURCES</b>												
Cash and cash equivalents	\$455,925	\$ 81,134	\$ 100,515	\$	\$	\$	\$	\$	\$	\$	\$	\$ 637,574
Due from other funds		206,470	144,581									359,724
Receivable from other governments									30,739			30,739
Other receivables	8,866											8,866
Total Assets and Deferred Outflows of Resources	\$464,791	\$ 287,604	\$ 245,096	\$	\$	\$	\$	\$	\$ 30,739	\$	\$ 8,673	\$ 1,036,903
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>												
<b>Liabilities:</b>												
Accounts payable	\$	\$	\$ 33,524	\$	\$	\$	\$ 17,500	\$	\$ 54,181	\$ 5,223	\$	\$ 33,524
Due to other funds	69,288					58	4,011	4,011	54,181	5,223		150,261
Total Liabilities	69,288		33,524			58	17,500	4,011	54,181	5,223		183,785
<b>Fund balances:</b>												
Committed			79,000				(17,500)		(23,442)	(5,223)	8,673	79,000
Assigned	395,503	287,604	132,572			(58)						774,118
Total Fund Balances	395,503	287,604	211,572			(58)	(17,500)		(23,442)	(5,223)	8,673	853,118
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$464,791	\$ 287,604	\$ 245,096	\$	\$	\$	\$	\$	\$ 30,739	\$	\$ 8,673	\$ 1,036,903

CITY OF JAMESTOWN  
 Stutsman County, North Dakota  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 Year Ended December 31, 2022

	Vector Control	Visitor's Promotion	Visitor's Promotion Capital Construction	Safe Shelter Grant	City Tax	ND Highway Safety	Justice Assistance Grant	Bulletproof Vest Grant	DES Homeland Security	Forestry Grant	D.A.R.E. Program Fund	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>												
Sales and miscellaneous taxes	\$	\$ 541,875	\$ 89,863	\$ 5,078	\$	\$	\$	\$ 1,392	\$	\$ 8,230	\$	\$ 631,738
Intergovernmental												195,432
Charges for services	96,405											96,405
Investment earnings	2,864	535	696									4,095
Miscellaneous	12,772	99										12,871
Total Revenues	112,041	542,509	90,559	5,078				1,392	177,149	8,230	3,583	940,541
<b>EXPENDITURES</b>												
Current:												
Public safety												
Public works	89,483			5,078			17,500	2,726	201,046	8,478	2,711	229,061
Visitor's promotion		503,857	72,745									101,298
Total Expenditures	89,483	503,857	72,745	5,078			17,500	2,726	201,046	8,478	2,711	576,602
Excess (deficiency) of revenues over expenditures	22,558	38,652	17,814		(3,337)		(17,500)	(1,334)	(23,897)	(248)	872	33,580
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers in					2,478							2,478
Transfers out	(2,940)											(2,940)
Total other financing sources (uses)	(2,940)				2,478							(462)
Net change in fund balances	19,618	38,652	17,814		(859)		(17,500)	(1,334)	(23,897)	(248)	872	33,118
Fund balances - beginning	375,885	248,952	193,758			(58)		(2,677)	455	(4,975)	7,801	820,000
Fund balances - ending	\$ 395,503	\$ 287,604	\$ 211,572	\$	\$	\$ (58)	\$ (17,500)	\$ (4,011)	\$ (23,442)	\$ (5,223)	\$ 8,673	\$ 853,118

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**December 31, 2022**

	<u>Public Building Site</u>	<u>MCPL Infrastructure</u>	<u>American Rescue Plan</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>ASSETS AND DEFERRED</b>				
<b>OUTFLOWS OF RESOURCES</b>				
Cash and cash equivalents	\$ 502,091	\$ 2,803,376	\$	\$ 3,305,467
Taxes receivable, net	39,791			39,791
Due from other funds		662,788	1,388,368	2,051,156
Total Assets and Deferred				
Outflows of Resources	<u>\$ 541,882</u>	<u>\$ 3,466,164</u>	<u>\$ 1,388,368</u>	<u>\$ 5,396,414</u>
 <b>LIABILITIES, DEFERRED</b>				
<b>INFLOWS OF RESOURCES</b>				
<b>AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 75,801	\$	\$	\$ 75,801
Due to other funds	404,853			404,853
Total Liabilities	<u>480,654</u>			<u>480,654</u>
Deferred inflows of resources				
Long - term receivables	<u>38,875</u>			<u>38,875</u>
Fund balances:				
Assigned	<u>22,353</u>	<u>3,466,164</u>	<u>1,388,368</u>	<u>4,876,885</u>
Total Fund Balances	<u>22,353</u>	<u>3,466,164</u>	<u>1,388,368</u>	<u>4,876,885</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 541,882</u>	<u>\$ 3,466,164</u>	<u>\$ 1,388,368</u>	<u>\$ 5,396,414</u>

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**Year Ended December 31, 2022**

	<b>Public Building Site</b>	<b>MCPL Infrastructure</b>	<b>American Rescue Plan</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>REVENUES</b>				
Property taxes	\$ 232,587	\$	\$	\$ 232,587
Intergovernmental		2,500,000	1,200,756	3,700,756
Investment earnings	3,321	3,409		6,730
Miscellaneous income	15,834			15,834
Total Revenues	<u>251,742</u>	<u>2,503,409</u>	<u>1,200,756</u>	<u>3,955,907</u>
<b>EXPENDITURES</b>				
Current:				
Public works	508,033			508,033
Total Expenditures	<u>508,033</u>			<u>508,033</u>
Excess (deficiency) of revenues over expenditures	<u>(256,291)</u>	<u>2,503,409</u>	<u>1,200,756</u>	<u>3,447,874</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	224,704			224,704
Transfers out	(9,760)	(998,689)	(996,545)	(2,004,994)
Total other financing sources (uses)	<u>214,944</u>	<u>(998,689)</u>	<u>(996,545)</u>	<u>(1,780,290)</u>
Net change in fund balances	(41,347)	1,504,720	204,211	1,667,584
Fund balances - beginning	63,700	1,961,444	1,184,157	3,209,301
Fund balances - ending	<u>\$ 22,353</u>	<u>\$ 3,466,164</u>	<u>\$ 1,388,368</u>	<u>\$ 4,876,885</u>



CITY OF JAMESTOWN  
Stutsman County, North Dakota  
Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2022

		Series T	Series U	Series V	Series W	Series X	Series 2013 SRF	Series Y	Series Z	Series AA	Series 2016B	Series 2017 Def Imp Warrants (16-42)	Series 2017 Def Imp Warrants (16-43)	Series AB Refunding Improvement
	Curb and Gutter	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement			
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>														
Cash and cash equivalents	\$	\$ 100,515	\$ 100,515	\$ 100,515	\$ 100,418	\$ 100,418	\$ 301,350	\$ 62,319	\$ 100,515	\$	\$ 1,004,177	\$ 1,004,182	\$ 1,004,177	\$ 200,799
Certificates of deposit over three months			2,110	2,104	41,082		6,201		100,000	400,000				
Taxes receivable, net	3,230		63,460	80,251	13,219			558,414	2,720	88,596	5,009	12,855		28,867
Due from other funds	843,286	174,418							50,937					
Total Assets and Deferred Outflows of Resources	\$ 846,516	\$ 274,933	\$ 166,085	\$ 182,870	\$ 154,719	\$ 100,418	\$ 307,551	\$ 620,733	\$ 254,172	\$ 488,596	\$ 1,009,186	\$ 1,017,037	\$ 1,004,177	\$ 229,666
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>														
Liabilities:	\$	\$	\$	\$	\$	\$ 93,378	\$ 95,434	\$	\$	\$ 70,781	\$ 900,448	\$ 863,016	\$ 1,461,008	\$ 33,029
Due to other funds						93,378	95,434			70,781	900,448	863,016	1,461,008	33,029
Total Liabilities														
Deferred inflows of resources			2,039	2,104	17,744		6,200		2,719	88,242	5,009	12,855		28,268
Long - term receivables	3,230													
Fund balances:														
Restricted for:														
Debt service	843,286	274,933	164,046	180,766	136,975	7,040	205,917	620,733	251,453	329,573	103,729	141,166	(456,831)	168,369
Total Fund Balances	843,286	274,933	164,046	180,766	136,975	7,040	205,917	620,733	251,453	329,573	103,729	141,166	(456,831)	168,369
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 846,516	\$ 274,933	\$ 166,085	\$ 182,870	\$ 154,719	\$ 100,418	\$ 307,551	\$ 620,733	\$ 254,172	\$ 488,596	\$ 1,009,186	\$ 1,017,037	\$ 1,004,177	\$ 229,666

Series AC Refunding Improvement	Series C-NW Watermain	Series 2020 Water Mains (19-61)	Series AD Refunding Improvement	Series 2021 BND (SEPA)	Series 2021B Water Mains	Series 2021A SH Water Mains	Series AE Refunding Improvement	Series 2021C Water Mains	Series 2020B Lift Station	Series AF Refunding Improvement	Series WWT Refunding Improvement	Series O Refunding Improvement	Series 2007B SW Sewer	Series S Refunding Improvement	Total Nonmajor Debt Service Funds
\$ 301,314	\$ 301,314	\$ 201,030	\$ 100,515	\$	\$	\$	\$ 200,567	\$	\$	\$ 50,126	\$	\$	\$	\$ 100,515	\$ 5,435,281
53,457	2,147	8,412	100,000	100,000	100,000	100,000	100,000	100,000	100,000	55,656	13,925	28	100,000	3,085	1,300,000
283,205			54,440	19,050	107,030	107,030	71,979	5,390	502,091		219,468		945	107,635	1,090,409
													243,270		2,637,563
\$ 637,976	\$ 303,461	\$ 209,442	\$ 254,955	\$ 119,050	\$ 100,000	\$ 207,030	\$ 372,546	\$ 105,390	\$ 602,091	\$ 105,782	\$ 233,393	\$ 28	\$ 344,215	\$ 211,235	\$ 10,463,253
\$	\$ 159,793	\$ 765,908	\$ 305,417	\$ 99,558	\$ 84,806	\$ 178,800	\$ 338,061	\$ 333,368	\$ 933,161	\$ 545,139	\$	\$	\$	\$	\$ 7,261,105
	159,793	765,908	305,417	99,558	84,806	178,800	338,061	333,368	933,161	545,139					7,261,105
52,126	2,147	8,412	46,071	9,380		107,030	71,979	5,390		46,462	3,491	28	945	3,084	524,955
585,850	141,521	(564,878)	(96,533)	10,112	15,194	(78,800)	(37,494)	(233,368)	(331,070)	(485,819)	229,902		343,270	208,151	2,677,193
585,850	141,521	(564,878)	(96,533)	10,112	15,194	(78,800)	(37,494)	(233,368)	(331,070)	(485,819)	229,902		343,270	208,151	2,677,193
\$ 637,976	\$ 303,461	\$ 209,442	\$ 254,955	\$ 119,050	\$ 100,000	\$ 207,030	\$ 372,546	\$ 105,390	\$ 602,091	\$ 105,782	\$ 233,393	\$ 28	\$ 344,215	\$ 211,235	\$ 10,463,253

**CITY OF JAMESTOWN**  
**Stateman County, North Dakota**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**Year Ended December 31, 2022**

		Series T	Series U	Series V	Series W	Series X	Series 2013		Series Y	Series Z	Series AA	Series 2016B	Series 2017 Def	Series 2017 Def	Series AB
	Curb and Gutter	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	SRF Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Refunding Improvement	Imp Warrants (16-42)	Imp Warrants (16-43)	Refunding Improvement
<b>REVENUES</b>															
Property taxes	\$ 183,027	\$	\$ 69,105	\$ 12,158	\$ 110,855	\$ 75,385	\$ 57,531	\$	\$ 529,126	\$ 194,821	\$ 433,619	\$ 73,949	\$ 107,991	\$ 10,390	\$ 278,549
Menards sales tax & TIF															
Investment earnings	945	739	739	739	511	572	1,554	1,376		937	677	4,318	4,331	4,352	1,240
Total Revenues	<u>183,972</u>	<u>739</u>	<u>69,844</u>	<u>12,897</u>	<u>111,366</u>	<u>76,157</u>	<u>59,085</u>	<u>510,502</u>	<u>195,758</u>		<u>434,296</u>	<u>78,267</u>	<u>112,322</u>	<u>14,742</u>	<u>279,789</u>
<b>EXPENDITURES</b>															
Principal															
Menards share		80,000	95,000	15,000	300,000	60,000		140,000	270,000		565,000	50,000	76,473	64,118	310,000
Interest and other charges		13,355	3,021	4,263	62,772	15,585	17,875	152,289	3,405		28,645	22,250	48,055	41,586	36,495
Total Expenditures		<u>93,355</u>	<u>98,021</u>	<u>19,263</u>	<u>362,772</u>	<u>75,585</u>	<u>17,875</u>	<u>490,921</u>	<u>273,405</u>		<u>593,645</u>	<u>72,250</u>	<u>124,528</u>	<u>105,704</u>	<u>346,495</u>
Excess (deficiency) of revenues over expenditures	<u>183,972</u>	<u>(92,616)</u>	<u>(28,177)</u>	<u>(6,366)</u>	<u>(251,406)</u>	<u>572</u>	<u>41,210</u>	<u>(252,708)</u>	<u>(77,647)</u>		<u>(159,349)</u>	<u>6,017</u>	<u>(12,206)</u>	<u>(90,962)</u>	<u>(66,706)</u>
<b>OTHER FINANCING SOURCES (USES)</b>															
Proceeds from issue of bonds			31,456		193,829		21,156	26,399	84,347		180,611	22,857	53,866	40,310	75,317
Transfers in	8,319						(45,000)								
Transfers out															
Total other financing sources (uses)	<u>8,319</u>		<u>31,456</u>		<u>193,829</u>		<u>(23,844)</u>	<u>26,399</u>	<u>84,347</u>		<u>180,611</u>	<u>22,857</u>	<u>53,866</u>	<u>40,310</u>	<u>75,317</u>
Net change in fund balances	<u>192,291</u>	<u>(92,616)</u>	<u>3,279</u>	<u>(6,366)</u>	<u>(57,577)</u>	<u>572</u>	<u>17,366</u>	<u>(226,309)</u>	<u>6,700</u>		<u>21,262</u>	<u>28,874</u>	<u>41,660</u>	<u>(50,652)</u>	<u>8,611</u>
Fund balances - beginning	<u>650,995</u>	<u>367,549</u>	<u>160,767</u>	<u>187,132</u>	<u>194,552</u>	<u>6,468</u>	<u>188,551</u>	<u>847,042</u>	<u>244,753</u>		<u>308,311</u>	<u>74,855</u>	<u>99,506</u>	<u>(406,179)</u>	<u>159,738</u>
Fund balances - ending	<u>\$ 843,286</u>	<u>\$ 274,933</u>	<u>\$ 164,046</u>	<u>\$ 180,766</u>	<u>\$ 136,975</u>	<u>\$ 7,040</u>	<u>\$ 205,917</u>	<u>\$ 620,733</u>	<u>\$ 251,453</u>		<u>\$ 329,573</u>	<u>\$ 103,729</u>	<u>\$ 141,166</u>	<u>\$ (456,831)</u>	<u>\$ 168,369</u>

Series AC Refunding Improvement	Series C NW Watermain	Series 2020 Water Mains (19-61)	Series AD Refunding Improvement	Series 2021 BND (SEPA)	Series 2021B Water Mains	Series 2021A SH Water Mains	Series AE Refunding Improvement	Series 2021C Water Mains	Series 2020B Lift Station	Series AF Refunding Improvement	Series WWT A Refunding Improvement	Series O Refunding Improvement	Series 2007B SW Sewer	Series S Refunding Improvement	Total Nonmajor Debt Service Funds
\$ 311,348	\$ 79,170	\$ 135,739	\$ 353,696	\$ 9,670	\$ 126,938	\$ 71,610	\$ 266,730	\$ 8,359	\$	\$ 9,193	\$ 80,080	\$ 183	\$ 52,797	\$ 25,044	\$ 3,062,552
1,865	1,865	1,436	959	442	442	441	1,079	13	2,159	126			14	740	604,711
313,213	81,035	137,175	354,655	10,112	127,380	72,051	267,809	8,372	2,159	9,319	80,080	183	52,811	25,784	3,701,874
385,000			365,000				225,000				80,000		78,000	20,000	3,178,591
58,520	25,100	37,400	36,545		32,425	15,232	27,049	14,613	29,960	500	7,300		11,535	3,335	152,289
443,520	25,100	37,400	401,545		32,425	15,232	252,049	14,613	29,960	500	87,300		89,535	23,335	1,087,742
															4,418,622
(130,307)	55,935	99,775	(46,890)	10,112	94,955	56,819	15,760	(6,241)	(27,801)	8,819	(7,220)	183	(36,724)	2,449	(716,748)
101,091	57,813	20,074	61,139		522,212	1,344,000	60,532	3,285,477		8,359	1,488		13,450	3,189	26,399
	(65,000)	(80,000)			(578,000)	(65,820)	(1,500)	(1,810,243)	(124,320)	(34,468)		(259)			6,190,892
101,091	(7,187)	(59,926)	61,139		(55,788)	1,278,180	59,032	1,475,234	(124,320)	(26,109)	1,488	(259)	13,450	3,189	(2,804,610)
(29,216)	48,748	39,849	14,249	10,112	39,167	1,334,999	74,792	1,468,993	(152,121)	(17,290)	(5,732)	(76)	(23,274)	5,638	3,412,681
615,066	92,773	(604,727)	(110,782)		(23,973)	(1,413,799)	(112,286)	(1,702,361)	(178,949)	(468,529)	235,634	76	366,544	202,513	2,695,933
\$ 585,850	\$ 141,521	\$ (564,878)	\$ (96,533)	\$ 10,112	\$ 15,194	\$ (78,800)	\$ (37,494)	\$ (233,368)	\$ (331,070)	\$ (485,819)	\$ 229,902	\$	\$ 343,270	\$ 208,151	(18,740)
															\$ 2,677,193

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**OTHER SUPPLEMENTARY INFORMATION - continued**  
**Year Ended December 31, 2022**

**LIST OF CITY OFFICIALS**

Mayor	Dwaine Heinrich
Council	David Steele
	Dan Buchanan
	Brian Kamlitz
	David Schloegel
City Administrator	Sarah Hellekson



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

Honorable Mayor and City Council  
**CITY OF JAMESTOWN**  
Jamestown, North Dakota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **CITY OF JAMESTOWN, NORTH DAKOTA**, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the **CITY OF JAMESTOWN, NORTH DAKOTA's** basic financial statements and have issued our report thereon dated September 29, 2023.

**CITY OF JAMESTOWN, NORTH DAKOTA's** basic financial statements include the operations of the Jamestown Regional Airport Authority, which received \$1,173,377 in federal awards that are not included in the schedule of expenditures of federal awards for the year ended December 31, 2022. Our audit described below, did not include the operations of the Jamestown Regional Airport Authority because the component unit has separately issued financial statements prepared and presented in accordance with the Uniform Guidance.

**Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may

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

exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies (2022 - 001)

**Compliance and Other Matters**

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

**CITY OF JAMESTOWN's Response to Findings**

**CITY OF JAMESTOWN's** response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. **CITY OF JAMESTOWN's** response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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

*Schauer & Associates, P.C.*

SCHAUER & ASSOCIATES, P.C.  
Certified Public Accountants

Jamestown, North Dakota  
September 29, 2023



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

Honorable Mayor and City Council  
**CITY OF JAMESTOWN**  
Jamestown, North Dakota

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited **CITY OF JAMESTOWN, NORTH DAKOTA's** compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of **CITY OF JAMESTOWN, NORTH DAKOTA's** major federal programs for the year ended December 31, 2022. **CITY OF JAMESTOWN, NORTH DAKOTA's** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **CITY OF JAMESTOWN, NORTH DAKOTA** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

**Basis for Opinion on Each Major Federal Program**

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

We are required to be independent of **CITY OF JAMESTOWN, NORTH DAKOTA** and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of **CITY OF JAMESTOWN, NORTH DAKOTA's** compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to **CITY OF JAMESTOWN, NORTH DAKOTA's** federal programs.



# INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE - continued

## Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and to express an opinion on **CITY OF JAMESTOWN, NORTH DAKOTA's** compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **CITY OF JAMESTOWN, NORTH DAKOTA's** compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **CITY OF JAMESTOWN, NORTH DAKOTA's** compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of **CITY OF JAMESTOWN, NORTH DAKOTA's** internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of **CITY OF JAMESTOWN, NORTH DAKOTA's** internal control over compliance. Accordingly, no such opinion is expressed.

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

## Report on Internal Control over Compliance

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

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

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

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

*Schauer & Associates, P.C.*

SCHAUER & ASSOCIATES, P.C.  
Certified Public Accountants  
Jamestown, North Dakota  
September 29, 2023

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**SUPPLEMENTARY INFORMATION**  
**Year Ended December 31, 2022**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Federal Grantor/Pass-Through Grantor Program Grant Title	Federal CFDA #	Pass-Through Grantor's #	Expenditures
U. S. Department of Justice			
Direct Funding			
Bulletproof Vest Partnership Grant	16.607	2018-BUBX18	\$ 1,392
Bureau of Justice Assistance Grant	16.738	2020-MU-BX-K001	27,470
Passed Through ND Attorney General's Office			
Edward Byrne Memorial Justice Assistance	16.738	21204	5,078
<b>Total U. S. Department of Justice</b>			<u>33,940</u>
U. S. Department of Transportation			
Passed Through ND Department of Transportation			
Highway Safety Cluster			
Distracted driving	20.600	PHSPDD2211-02-07	1,004
Occupant protection enforcement	20.600	PHSPOP2205-05-10	4,983
Speed enforcement	20.600	PHSPSC2207-04-11	1,600
Impaired driving enforcement	20.616	PHSPID2210-02-09	2,658
<b>Total U.S. Department of Transportation</b>			<u>10,245</u>
U.S. Department of Treasury			
Passed Through ND Office of State Treasury			
Coronavirus state and local fiscal recovery funds (1)	21.027	N/A	996,545
<b>Total U.S. Department of Treasury</b>			<u>996,545</u>
U. S. Department of Homeland Security			
Passed Through ND Department of Emergency Services			
Disaster Grants – public assistance	97.036	DR 4475	10,579
Disaster Grants – public assistance	97.036	DR 4553	4,437
Hazard mitigation assistance	97.039	DR 4444	5,581
Building resilient infrastructure and communities	97.047	DR 2018	40,416
Homeland security grant	97.067	EMW 2021 SS 00063	149,679
<b>Total U. S. Department of Homeland Security</b>			<u>210,692</u>
Total City of Jamestown			<u>\$ 1,251,422</u>
(1) major programs			

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**NOTES TO SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS**  
**Year Ended December 31, 2022**

**A. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **CITY OF JAMESTOWN, NORTH DAKOTA** under programs of the federal government for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the **CITY OF JAMESTOWN**, it is not intended to and does not present the financial position, changes in net position, or cash flows of the **CITY OF JAMESTOWN**.

**B. Basis of Accounting**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. **CITY OF JAMESTOWN** has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**C. State Revolving Loan Balances at year end**

2004 Wastewater Treatment Assessment Warrant	\$ 170,000
2005 Water Treatment Revenue Bonds	460,000
2005B Master Lift Station Revenue Bonds	359,000
2007B Improvement Bonds Replace Sanitary Sewer Mains	313,000
2007 Water Treatment Revenue Bonds	520,000
2010 Waste Treatment Revenue Bonds	1,275,000
2010B Waste Treatment Revenue Bonds	1,030,000
2011 Wastewater Treatment Revenue Bonds	535,000
2013 Clean Water (Wastewater Inlet Piping) Revenue Bonds	500,000
2013 Wastewater Treatment Assessment Warrant	670,000
2013D Wastewater Treatment Revenue Bonds	6,640,000
2014 Water Tower Revenue Bonds	2,260,000
2014 Drinking Water Revenue Bonds	515,000
2016 Solid Waste Treatment Revenue Bonds	400,000
2016C Water Treatment Revenue Bonds	340,000
2016B Water Treatment Assessment warrant	840,000
2017 Solid Waste Disposal revenues bonds	2,697,028
2017B Wastewater treatment revenue bonds	485,000
2017C Water treatment assessment warrant	1,190,000
2019 Water main rehab series 2020	1,790,000
2020B Wastewater treatment revenue bonds	1,418,034
2021B Water treatment assessment warrant	1,230,000
2021 Water treatment assessment warrant	1,281,700
2021C Water treatment assessment warrant	313,477

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2022**

**A. Summary of Audit Results**

Financial Statements

Type of auditors' report issued – unmodified

Internal control over financial reporting

Material weakness(es) identified? \_\_\_\_\_ yes        X   no

Significant deficiency(ies) identified that are not  
considered to be material weaknesses?   X   yes      \_\_\_\_\_ none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes        X   no

Federal Awards

Internal control over major federal programs

Material weakness(es) identified? \_\_\_\_\_ yes        X   no

Significant deficiency(ies) identified that are not  
considered to be material weaknesses? \_\_\_\_\_ yes        X   none reported

Type of auditors' report issued on compliance for major  
programs - unmodified

Identification of major programs

21.027 Coronavirus state and local fiscal recovery

Dollar threshold used to distinguish between type A and  
Type B programs \$750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes        X   no

**B. Financial Statements Findings.**

2022-001 Significant Deficiency - Financial Statement Preparation

Condition - Schauer & Associates, P.C. assists the City's management in preparing financial statements that are presented, including note disclosures in accordance with generally accepted accounting principles.

Criteria - As a matter of internal control, management should be responsible and capable of preparing financial statements in conformity with generally accepted accounting principles.

**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - continued**  
**Year Ended December 31, 2022**

Cause - The City Council feels it is more cost effective to ask an independent accountant to prepare the complete financial statements and disclosures, rather than to invest in ongoing specialized training that would be necessary.

Effect - Without the assistance of the auditors, the financial statements could be misstated or omit material financial statement disclosures.

Recommendation - We recommend that management be aware of this condition and be prepared and able to provide all necessary information and schedules to complete the financial statements and disclosures. We further recommend that a responsible official review a current appropriate disclosure checklist or other guidance to ensure the financial statements contain all necessary disclosures.

View of Responsible Officials - Concur

**C. Federal Award Findings and Questioned Costs.**

1. None

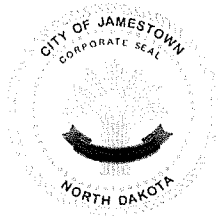
**CITY OF JAMESTOWN**  
**Stutsman County, North Dakota**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**Year Ended December 31, 2022**

**Finding Number: 2021-001**

**Finding Title: Financial Statement Preparation**

**Summary of Condition:** The City of Jamestown does not have an internal control system designed to provide for the preparation of financial statements being audited.

**Summary of Corrective Action Previously Reported:** The City Council is aware of this condition. The Council will continue to request that Schauer & Associates, P.C. assist with preparation of financial statements but will instruct City administration to provide all requested schedules.



Sarah Hellekson  
City Administrator / City Auditor  
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**CORRECTIVE ACTION PLAN**  
**Year Ended December 31, 2022**

**Finding Number: 2022-001**

**Finding Title: Financial Statement Preparation**

Name of Contact Person Responsible for Corrective  
Action: Sarah Hellekson, City Administrator

Corrective Action Planned:

The City Council is aware of this condition. The Council will continue to request that Schauer & Associates, P.C. assist with the preparation of financial statements but will instruct City administration to provide all requested schedules.

Anticipated Completion

Date: Not Applicable