



Cell phones ringing? Get ready to donate \$5 to the Scholarship Fund.

AGENDA ILG BOARD OF DIRECTORS

Thursday, August 29, 2024 – 8:30 AM
NDACo County Office Building – 1661 Capitol Way

- 8:30 AM CALL TO ORDER ILG President Steve Lee
- (Steve) PLEDGE OF ALLEGIANCE
- (Genny) ROLL CALL
- (Jayme) INTRODUCTION OF BOARD GUEST
 - Josh Frey, McHenry/Towner County State’s Attorney
 - Aaron Mork, Nelson County Commissioner
- (Steve) APPROVE ORDER OF AGENDA **ACTION**
- (Steve) REVIEW OF MINUTES **ACTION**
 - Meeting of December 14, 2023 *POSTED ~ Page 3*
- (Genny) FINANCIAL REPORT *POSTED ~ Page 5* **ACTION**
 - ILG List of Payments
- (Jeff) SCHOLARSHIP FUND REPORT *POSTED ~ Page 9*
- (Steve) GOVERNANCE **ACTION**
 - Election of Officers (Effective: October 22, 2024)
 - President: Jayme Tenneson, Nelson/Griggs County State’s Attorney
 - Vice President: Trudy Ruland, Mountrail County Commissioner
 - Secretary/Treasurer: Aaron Birst
- (Steve) OTHER BUSINESS
- ADJOURN

“**ACTION**” indicates formal motion may be required.

- RECOMMENDED MOTIONS -

**ILG BOARD MEETING
OF
AUGUST 29, 2024**

- Order of Agenda: Motion to approve the agenda as printed.
- Minutes of December 14: Motion to approve the minutes of the December 14, 2023 ILG Board meeting.
- Financial Report: Motion to approve the financial report including ILG Fund checks 4566 through 4571 and ACH payments from November 2023 through July 2024.
- Election of Officers: Motion to elect Jayme Tenneson as president, Trudy Ruland as vice president and Aaron Birst as secretary/treasurer of the Institute of Local Government, effective October 22, 2024.

**Meeting Minutes
ILG Board of Directors
December 14, 2023
NDACo County Office Building**

President Lee called the meeting to order at 8:32 AM. After the pledge of allegiance, the President asked Genny to take roll call and a quorum was declared. The President introduced the new member to the ILG and NDACo Boards: Jamee Folk, Mercer County Commissioner; Tony Grindberg, Cass County Commissioner; and Joan Hollekim, Mountrail County Commissioner.

Members Present:	Steve Lee	Jayme Tenneson
Steve Forde	Becky Hagel	Tony Grindberg
Lori Hanson	Erica Johnsrud	Kim Jacobson
Dana Larsen	Shirley Murray	Robert Wilson
Nick Moser	Trudy Ruland	Perry Turner
Kelly Palm	Chad Kaiser	Joan Hollekim
Jamee Folk	Wanda Knutson	

Members Absent:	Beau Anderson	Scott Ouradnik
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Also Present:	Aaron Birst, NDACo Executive Director Genny Dienstmann, NDACo Staff Michelle Tabbert, NDACo Staff Jeff Eslinger, NDACo Staff Donnell Preskey, NDACo Staff
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The President then called for review of the proposed agenda. As there were no suggested changes, Moser moved that the agenda be approved as printed. The motion was seconded and passed on a voice vote.

The President then asked for a review of the minutes of the August 24, 2023, meeting. Kaiser moved to approve the minutes as printed and distributed. The motion was seconded and passed on a voice vote.

Genny was next asked to present the ILG financial report. It was moved by Moser to approve the financial report as presented, including checks #4557 through 4565 and ACH payments made from July through October 2023. The motion was seconded and passed on a voice vote.

Genny continued with a presentation of the proposed 2024 budget for ILG. Tenneson moved the adoption of the 2024 ILG budget as presented. The motion was seconded and passed on a voice vote.

Jeff continued with the Scholarship Fund Report. He noted the recent scholarship award amounts and focused on the contributions to the fund. It was noted that the Amy Svihovec Memorial Scholarship will no longer be funded. There was also discussion of investing more funds into CD's or other options to maximize investment income for the Fund. The Board discussed whether six scholarships should continue to be awarded or if the number of scholarships awarded should be decreased based on funding levels. Motion was made

by Moser for board members to offer a portion or all of their meeting stipend to allocate to the Scholarship Fund. The motion was seconded and passed on a voice vote. There was discussion to dedicate one of the ILG Scholarships to remain in Amy Svihovec's name. Tenneson made a motion to dedicate one of the ILG Scholarships in Amy's name. The motion was seconded and passed on a voice vote. Jacobsen made a motion to award six scholarships in 2024 and until further board action. The motion was seconded and passed on a voice vote.

There being no further business, and having reached the end of the agenda, the meeting was declared adjourned at 8:55 AM.

Approved by Board Resolution: _____
Aaron Birst, Secretary

Date: _____

**Institute of Local Government
 Combined Statement of Revenues and Expenditures
 For Period Ending July 31, 2024**

Institute of Local Government			
	2024 Actual Year-to-Date	2024 Budget	% of Budget
REVENUES			
Scholarship Program Revenue	225.80	9,000.00	2.5%
Interest Income	394.22	0.00	0.0%
TOTAL REVENUES	620.02	9,000.00	6.9%
EXPENDITURES			
Scholarship Program Expense	12,020.00	12,500.00	96.2%
TOTAL EXPENDITURES	12,020.00	12,500.00	96.2%
EXCESS REV OVER EXPEND.	(11,399.98)	(3,500.00)	

See
Notes:

1)

2)

2)

Suggested Motion: Motion to accept financial reports

**Institute of Local Government
Balance Sheet
As of July 31, 2024**

Assets	<u>Amount</u>	See <u>Notes:</u>
Current Assets		
Cash	20,404.37	3)
Certificates of Deposit (Scholarship Fund)	25,486.30	4)
Accounts Receivable	0.00	
Prepaid Expenses	0.00	
NDACo Scholarship Fund	10,075.41	5)
Total Current Assets	55,966.08	
Noncurrent Assets		
Total Noncurrent Assets	0.00	
TOTAL ASSETS	55,966.08	
Liabilities & Fund Balances		
Current Liabilities		
Accounts Payable	10.00	
Total Current Liabilities	10.00	
TOTAL LIABILITIES	10.00	
Fund Balances		
Undesignated	31,794.35	
NDACo Scholarship Fund	35,561.71	5)
Excess Rev Over Expenditures	(11,399.98)	
TOTAL FUND BALANCES	55,956.08	
TOTAL LIABILITIES & FUND BALANCES	55,966.08	

Suggested Motion: Motion to accept financial reports

Institute of Local Government

July 31, 2024



Notes to the Financial Statements:

- 1) We are through 7 out of 12 months; and revenues and expenses should typically be near 58% of budget. The only active program in ILG currently is the Scholarship Program. Most of the Scholarship Funds are generated during the October NDACo Annual Conference.
- 2) The Scholarship Program Revenues to date are \$225. We expect the scholarship program will have approximately \$3,500 expenses greater than income for the year. Per board direction, we will be covering the shortfall with the Scholarship Fund Reserves.
- 3) Cash represents the amount of money in the Institute of Local Government general fund.
- 4) The Scholarship Fund maximizes interest income by carrying CD's; there is currently a CD in the amount of \$25,000 which matures in November of 2024.
- 5) The NDACo Scholarship Fund Savings Account holds enough funds to maintain cash flow. The 2024 scholarship payments were made in July. Overall, the Scholarship Fund balance is \$35,561.

**CHECK LISTING FOR ILG GENERAL FUND
NOVEMBER 2023 - JULY 2024**

FEBRUARY			
ACH	ND ASSOCIATION OF COUNTIES	BILLING	\$10.00
JULY			
4566	GREGORY FELCHLE & NDSCS	SCHOLARSHIP	\$2,000.00
4567	CHRISTINA LARSEN & MSU	SCHOLARSHIP	\$2,000.00
4568	TIA MADRIGGA & DSU	SCHOLARSHIP	\$2,000.00
4569	KYLEE MATTISON & UND	SCHOLARSHIP	\$2,000.00
4570	KELBI PRITCHETT & NDSU	SCHOLARSHIP	\$2,000.00
4571	ABRAM SEVIGNY & NDSU	SCHOLARSHIP	\$2,000.00

Approved by motion of the Board of Directors.

Secretary: _____ Date: _____

**SUGGESTED MOTION: "MOTION TO APPROVE ILG FUND CHECK 4566-4571
AND ACH PAYMENTS DURING THIS TIME PERIOD."**

**INSTITUTE OF LOCAL GOVERNMENT
SERVICE REPORT: Scholarship Fund
August 2024**

(Report submitted to the Board of Directors by Jeff and Genny.)

PROGRAM UPDATE:

The recipients for the 2024 NDACo Scholarship awards (\$2,000 each) are:

- **Greg Felchle** – Son of Sandra Felchle, Sheridan County Commissioner
ND State College of Science Freshman
- **Christina Larsen** – Daughter of Dana Larsen, Ward County Highway Engineer
Minot State University Senior (Amy Svihovec Memorial Scholarship)
- **Tia Madrigga** – Daughter of Brandy Madrigga, Cass County Finance Director
Dickinson State University Freshman
- **Kylee Mattison** – Daughter of Carmell Mattison, Grand Forks County Assistant
State's Attorney
University of North Dakota Freshman
- **Kelbi Pritchett** – Daughter of Tad Pritchett, Morton County Sheriff's Deputy
North Dakota State University Freshman
- **Abram Sevigny** – Son of Ed Sevigny, Walsh County Tax Equalization Director
North Dakota State University Freshman

Currently, the Scholarship Fund has a balance of \$35,562, after paying out this year's scholarships of \$12,000.00. This is down about \$3,050 from last year.

North Dakota Association of Counties Board of Directors Meeting



Cell phones ringing? Get ready to donate \$5 to the Scholarship Fund.

- A G E N D A -

Thursday, August 29, 2024 – 8:45 AM
NDACo County Office Building – 1661 Capitol Way

8:45 AM CALL TO ORDER President Jayme Tenneson

- Roll Call Genny
- Approve Order of Agenda Jayme **ACTION**
- Board Warm-Up Question *POSTED ~ Page 14* Jayme

CONSENT AGENDA Steve ACTION

- Approve Minutes of April 25, 2024 *POSTED ~ Page 15*
- Administrative Services
 - Financial Services
 - NDACo General Fund List of Payments (#38198 - 38437) *POSTED ~ Page 18*
 - DJS Grant List of Payments (#7904 - 7940) *POSTED ~ Page 25*
 - Year-to-Date Financials *POSTED ~ Page 26*
 - State Investment Board *POSTED ~ Page 30*
 - Cooperative Services
 - County Financial Partnerships (CFP) *POSTED ~ Page 32*
 - Special Operations Team Reimbursement
 - Public Administrators Support Services (PASS)
 - Juvenile Justice Grant Administration *POSTED ~ Page 33*
 - National Participation/NACo Board/Steering Committees/WIR *POSTED ~ Page 34*
 - NDACo Mailbag *POSTED ~ Page 37*

ADMINISTRATIVE SERVICES

- Personnel Services *POSTED ~ Page 42*
 - Introduction of New Employees..... Aaron
 - Peter Halbach, Traffic Safety Resource Prosecutor **Virtual Introduction**
 - Michael Casey, CEG Underwriting & Loss Control Manager
- Financial Services
 - 2023 Audit *POSTED ~ Page 43* **Virtual Presentation**.....Eide Bailly **ACTION**
 - Form 990 ApprovalAaron/Genny **ACTION**
 - Investment Policy *POSTED ~ Page 89*Aaron/Genny **ACTION**
 - Investment Strategies *POSTED ~ Page 93* **Virtual Presentation** Genny/Angie/three+one **ACTION**

COOPERATIVE SERVICES

- NDIRF – Introduction of Keith Pic, CEO *POSTED ~ Page 94* Aaron

(OVER)

MEMBER SERVICES

NDPERS Presentation..... Derrick Hohbein
Professional Development Services *POSTED ~ Page 95*Alisha
2024 Conference Planning Status *POSTED ~ Page 97* Jeff/Michelle
Pre-Conference Caucus Meetings Aaron
EICG Winners Jeff
Member Outreach
County Tours *POSTED ~ Page 101* Jayme/Joan/Aaron

BACKGROUND

Governance *POSTED ~ Page 103*
Nomination of 3rd Vice PresidentSteve L **ACTION**
Constitution & Bylaws *POSTED ~ Page 104*.....Steve L **ACTION**
2024 Individual Board Member Self-Evaluation * *POSTED ~ Page 109*Steve L
NDACo Executive Director Evaluation *POSTED ~ Page 111*Jayme

LEGISLATIVE SERVICES *POSTED ~ Page 112*

Interim Committee Activities Donnell
Keep It Local..... Aaron/Donnell
Resolutions (Committee of the Whole)..... Aaron/Staff

OLD BUSINESS

NEW BUSINESS

Next Board Meeting Date –Thursday, December 12.....Jayme
Board Gathering – Sunday, October 20
Delegate Council Breakfast & Meeting – October 22
Board Meeting Evaluation Jayme

* To be completed after the meeting “ACTION” indicates formal motion may be required.

Mission: “The North Dakota Association of Counties provides leadership and services to foster effective and efficient government for the good of all counties.”

Vision: “NDACo will be a recognized leader in proactively addressing challenges and opportunities affecting local governments.”

- RECOMMENDED MOTIONS -

**NDACo BOARD MEETING
OF
AUGUST 29, 2024**

- Order of Agenda: Motion to approve the agenda as proposed.
- Consent Agenda: Motion to approve the items on the Consent Agenda as presented including approval of the minutes of the April 25, 2024 Board of Directors meetings, as well as the NDACo General Fund checks 38198 through 38437, DJS Fund checks 7904 through 7940 and ACH payments from March through July 2024.
- 2023 Audit: Motion to accept the FY2023 audited financial statements as presented by Eide Bailly.
- 990 NDACo/ILG Form: Motion to accept the 2023 NDACo 990 form as presented.
- Investment Policy: Motion to approve the Investment Policy as presented.
- Investment Strategies: Motion to adopt Investment Schedule Option (1 or 2) and close the NDACo Fund with SIB and work with Colliers to invest the funds in accordance with the Investment Policy.
- Nomination of 3rd Vice Presidents: Motion to accept the recommendation of Agassiz Valley Human Service Director Kim Jacobson as nominee for 3rd Vice President and forward her name to the Delegate Council.
- Constitution & Bylaws: Motion to accept the recommended amendments to the NDACo Constitution and Bylaws as presented by the Governance Committee and forward them to the Delegate Council.

REPORTS NOT PLANNED

- ❑ Strategic Planning Process
- ❑ Building Management
- ❑ Website
- ❑ County News
- ❑ County Officials Directory
- ❑ Salary Survey
- ❑ Leader Letter
- ❑ Common Ground
- ❑ Social Media
- ❑ Legislative Blog
- ❑ NRG Technology Services
- ❑ Indirect Cost Reimbursement Service
- ❑ Drug & Alcohol Testing Service
- ❑ Wireless 911/NG911/Collection and Remittance of 911 Fees
- ❑ GIS
- ❑ Traffic Safety Resource Prosecutor (TSRP)
- ❑ Vision Zero Outreach Program (VZOP)
- ❑ Member Association Management Agreements (MAMA)
- ❑ Statewide Tractor Lease
- ❑ Nationwide Retirement Solutions
- ❑ County Employer Group (CEG)

NDACo Board Warm-Up

August 2024

(Question submitted to the Board of Directors by President Tenneson.)

How did your county approach the budget this year with the potential initiated measure?

*Note: Please keep your comments to **two minutes or less.***

President Tenneson would like to start the August NDACo Board meeting with a Board Warm-Up question. The question is designed to get all members actively involved in the meeting discussions that will follow.
Please Note: There is no right or wrong answer to the Board Warm-Up question.

Meeting Minutes
NDACo Board of Directors
April 25, 2024
NDACo County Office Building

President Tenneson called the meeting to order at 8:30 AM. After the pledge of allegiance, the President asked Genny to take roll call and a quorum was declared.

Members Present:	Jayme Tenneson	Steve Lee
Trudy Ruland	Chad Kaiser	Nick Moser
Becky Hagel	Jamee Folk	Robert Wilson
Wanda Knutson	Kelly Palm	Shirley Murray
Erica Johnsrud	Kim Jacobson	Dana Larsen
Lori Hanson	Joan Hollekim	Steve Forde
Members Absent:	Beau Anderson	Tony Grindberg
Scott Ouradnik	Perry Turner	

Also Present:

- Aaron Birst, NDACo Executive Director
- Genny Dienstmann, NDACo Staff
- Michelle Tabbert, NDACo Staff
- Dr. Rick Becker
- Brent Bogar, AE2S
- Mike Wolf, NDACo Staff
- Linda Svihovec, NDACo Staff
- Jason Horning, NDACo Staff
- Teanna Hintz, NDACo Staff
- Jeff Eslinger, NDACo Staff
- Alisha Adolf, NDACo Staff
- Donnell Preskey, NDACo Staff
- Mary Korsmo, NDACo Staff
- Patrick Engelhart, NDACo Staff
- Lonny Bosch, NRG Technology Services President
- Dwight Driscoll, NRG Account Manager
- Don Flaherty, Dickey County Tax Director - Guest

The President asked Lori Hanson to introduce her guest, Dickey County Tax Director Don Flaherty. Hanson explained that she plans to retire at the end of the year and Flaherty would be the Tax Director's new representative. Tenneson welcomed Flaherty. He next asked if there were any requests for changes to the agenda. There were no suggested changes. Kaiser moved to approve the agenda as printed. The motion was seconded and passed on a voice vote.

The President next asked for consideration of the Consent Agenda. Jacobsen moved to approve the Consent Agenda, including the NDACo minutes from the December 14, 2023, meeting, NDACo General Fund checks #38125 through #38197 and DJS Account checks #7890 through #7903 and ACH payments from November 2023 through February 2024. The motion was seconded and passed on a voice vote.

Rick Becker joined the meeting and presented on the Proposed Petition to Eliminate Property Taxes. After a brief question and answer period, Dr. Becker was thanked for joining the board and presenting.

The Governance Report began with Governance Committee Chair Kaiser summarizing the results of the 2023 Board of Directors Governance Appraisal and the New NDACo Board Member Appraisal. President Tenneson finished the Governance Report with a discussion of our state's second representative on the NACo Board of Directors. Motion made by Lee to ratify the appointment of Robert Wilson as North Dakota's second representative on the National Association of Counties' Board of Directors. The motion was seconded and passed on a voice vote.

Aaron next provided a Strategic Planning Update. He explained the contracts with AE2S and Moore Engineering to look for grant funding opportunities for county governments. Brent Bogar, AE2S, joined the meeting to give an update on what AE2S has been working on in this area.

Trudy and Aaron were called upon to begin the Dues Discussion. Aaron gave a brief overview of the dues process and how dues relate to core services. Trudy reviewed the materials prepared by staff, including a table showing four overall dues amount options for 2025. Kaiser moved to approve a 3% dues increase, unless the 2025 budget warrants a lower percentage increase based on proposed revenue and expenses. Jacobsen posed a question in how Human Service Zones can fund a dedicated NDACo staffer like other MAMA's, similar to the support that was provided by Terry Traynor in the past. Their entities are state funded so seems inappropriate to request state funds to pay for this service. Aaron agreed his vision would be to include a dedicated staff member to Social Services and other county groups. Aaron indicated NDACo runs on limited staff that isn't dedicated to existing programs and such additional duties would have to be considered in the budget. Aaron will continue to think of these desires during the upcoming budget process. The motion on the proposed dues increase was seconded and passed on a voice vote.

Trudy introduced the investment report and requested Genny to explain that NDACo is exploring options for its long-term investments. She explained that NDACo has worked closely with the State Investment Board (SIB) in the past but feels there could be greater options if allowed to transition investment funds to other entities. The Board requested NDACo staff continue to review investment options and bring forward recommendations at the August Board meeting.

The last item under Financial Services was a request to close the VOIP Account. Motion by Hagel to close the VOIP Account at Kirkwood Bank and Trust. The motion was seconded and passed on a voice vote.

Under Personnel Services, Aaron gave an update on the attorney that has been hired for the Traffic Safety Resource Prosecutor position and Mike Wolf gave an update on his transition to part-time work with the CEG and the efforts to find his replacement in the coming year. Genny concluded the Personnel Services Report by explaining the proposed revisions to the Technology, Internet and Email Policy that were suggested by the auditors. After a review of the revisions, Moser made a motion to approve the Technology, Internet

and Email Policy with recommended revisions as presented. The motion was seconded and passed on a voice vote.

Aaron next presented on the North Dakota Insurance Reserve Fund, outlining the process of how it is operating with the vacancy of the CEO and the process to find a replacement for the CEO position. He continued with an update on the Indirect Cost Reimbursement Services program that is under contract with Abacus Cost Services. He noted that NDACo is reviewing its options and has been in contact with Abacus outlining its concerns, with Abacus committing to improve their services. A request was made that an official communication be sent by Aaron to the Auditors and Human Zone Directors stating the transition plan of these services. Lee made a motion to authorize the NDACo Executive Committee to explore options to provide services for the Indirect Cost program whether through another entity or an additional FTE of the Association. The motion was seconded, and after discussion, the motion passed on a voice vote. Jason concluded by giving an update on the new collection and distribution of 911 Fee JPA, noting the project has been very successful.

Jeff was asked to give the 2024 Conference Planning Status Report. He noted the dates, theme and keynote speaker and Monday evening entertainment. He explained that we have contracted with Funatix for a second year to assist with planning and some conference onsite assistance. The website for exhibitors and sponsors will be up soon. Board members were encouraged to turn in their Conference Room Request Form before leaving the meeting.

Alisha followed with a report on the County Commissioners Summit held in March. She highlighted attendance numbers, evaluation comments and summarized the financials.

Michelle was asked to explain the County Tours planned for 2024. She highlighted the dates for the first three and noted that the fourth Tour would be conducted in November after the annual conference.

The President then moved the NRG report up on the agenda. Lonny Bosch, NRG President, started by giving a review of NRG Technology Services (NRG) sharing the services it provides and that NRG is the counties' IT provider. Dwight Driscoll continued by sharing its customer base and highlighting the various contracts they currently hold.

Under the Legislative Services Report, Donnell explained the efforts undertaken to refute the Proposed Property Tax Elimination Measure. She continued with an update on the various interim committees.

President Tenneson reminded the Board of the next meeting date of August 29, 2024. Having reached the end of the approved agenda, the President reminded everyone of their board meeting evaluation and declared the meeting adjourned.

Approved by: _____

Date: _____

**CHECK LISTING FOR NDACO GENERAL FUND
MARCH 2024 - JULY 2024**

MARCH			
ACH	COMMERCIAL CARD SOLUTIONS	BILLING	\$199,109.25
ACH	GUARDIAN ANGELS INC.	PASS BILLING	\$58,361.00
ACH	CATHOLIC CHARITIES NORTH DAKOTA	PASS BILLING	\$45,101.00
ACH	DAKOTA CARRIER NETWORK	BILLING	\$10,770.63
ACH	EIDE BAILLY LLP	BILLING	\$18,000.00
ACH	FAMILY ADVOCACY SERVICES	PASS BILLING	\$18,615.00
ACH	GUARDIAN & PROTECTIVE SERVICES INC	PASS BILLING	\$47,209.00
ACH	LIGHTHOUSE ASSOCIATES, INC.	PASS BILLING	\$7,956.00
ACH	LUTHERAN SOCIAL SERVICE OF MN	PASS BILLING	\$52,224.00
ACH	VERONICA MILLER	PASS BILLING	\$3,570.00
ACH	MORGAN PRINTING, INC	BILLING	\$4,854.77
ACH	NDACO RESOURCES GROUP	BILLING	\$2,744.30
ACH	OPPORTUNITY FOUNDATION INC.	PASS BILLING	\$8,670.00
ACH	ROBERT WILSON	BOARD VOUCHER	\$530.00
ACH	GRAND FORKS COUNTY AUDITOR	VZOP BILLING	\$9,239.64
ACH	JAYME TENNESON	BOARD VOUCHER	\$409.53
ACH	PRESORT PLUS	BILLING	\$247.81
38198	NDIT	BILLING	\$688.97
38199	TRANE U.S. INC.	BUILDING BILLING	\$7,615.00
38200	CLEARWATER COMMUNICATIONS, INC.	BILLING	\$1,273.00
38201	BISMARCK SIGN CO LLC	BUILDING BILLING	\$1,638.53
38202	ND DEPT OF ENVIRONMENTAL QUALITY	BUILDING BILLING	\$165.00
38203	COUNCIL OF STE GOV JUSTICE CENTER	JUVENILE JUSTICE BILLING	\$11,177.02
38204	AE2S	GRANT CONSULTING BILLING	\$2,500.00
38205	D&S LLC	BUILDING BILLING	\$7,673.84
38206	WARRENS LOCKS & KEYS	BUILDING BILLING	\$223.50
38207	TRICORNE AUDIO INC.	BUILDING BILLING	\$8,954.62
ACH	BURLEIGH COUNTY AUDITOR	VZOP BILLING	\$9,126.32
ACH	CASS COUNTY AUDITOR	VZOP BILLING	\$9,341.45
ACH	NDACO RESOURCES GROUP	BILLING	\$2,065.15
ACH	PERRY TURNER	BOARD VOUCHER	\$208.00
ACH	WARD COUNTY AUDITOR	VZOP BILLING	\$9,525.87
38208	WORKFORCE SAFETY	CEG BILLING	\$509.84
38209	WARRENS LOCKS & KEYS	BUILDING BILLING	\$102.00
APRIL			
ACH	COMMERCIAL CARD SOLUTIONS	BILLING	\$299,778.37
38210	NDIT	BILLING	\$697.22
38211	ND NEWSPAPER ASSOCIATION	BILLING	\$300.00
38212	BAREKNUCKLE EVENTS, LLC	VZOP BILLING	\$5,410.59
38213	COUNCIL OF STE GOV JUSTICE CENTER	JUVENILE JUSTICE BILLING	\$12,637.78
38214	AE2S	GRANT CONSULTING BILLING	\$2,500.00
38215	D&S LLC	BUILDING BILLING	\$6,834.77
38216	NEWVISION SECURITY, LLC	BUILDING BILLING	\$365.00
38217	MOORE ENGINEERING INC	GRANT CONSULTING BILLING	\$791.25
38218	DACOTA SPEEDWAY	VZOP BILLING	\$1,500.00
38219	TRANSTRASH	BUILDING BILLING	\$195.00
ACH	GUARDIAN ANGELS INC.	PASS BILLING	\$58,089.00
ACH	CATHOLIC CHARITIES NORTH DAKOTA	PASS BILLING	\$45,883.00
ACH	DAKOTA CARRIER NETWORK	BILLING	\$10,295.97
ACH	EIDE BAILLY LLP	BILLING	\$440.00
ACH	FAMILY ADVOCACY SERVICES	PASS BILLING	\$18,870.00
ACH	GUARDIAN & PROTECTIVE SERVICES INC	PASS BILLING	\$46,784.00
ACH	LIGHTHOUSE ASSOCIATES, INC.	PASS BILLING	\$6,222.00

APRIL

ACH	LUTHERAN SOCIAL SERVICE OF MN	PASS BILLING	\$51,510.00
ACH	VERONICA MILLER	PASS BILLING	\$3,570.00
ACH	MORGAN PRINTING, INC	BILLING	\$2,347.16
ACH	NDACO RESOURCES GROUP	BILLING	\$2,740.30
ACH	OPPORTUNITY FOUNDATION INC.	PASS BILLING	\$8,670.00
ACH	PRESORT PLUS	BILLING	\$343.94
ACH	GRAND FORKS COUNTY AUDITOR	VZOP BILLING	\$8,880.85
ACH	DE NOVO CONSULTING SOLUTIONS, LLC	BILLING	\$46,225.00
38220	WORKFORCE SAFETY	CEG BILLING	\$953.00
38221	IMAGE PRINTING INC	BILLING	\$1,323.93
38222	BISMARCK SIGN CO LLC	BUILDING BILLING	\$1,269.11
38223	COUNCIL OF STE GOV JUSTICE CENTER	JUVENILE JUSTICE BILLING	\$11,440.34
38224	CENTRAL REGION EDUCATION ASSOC	JUVENILE JUSTICE BILLING	\$25,095.10
38225	AE2S	GRANT CONSULTING BILLING	\$2,500.00
38226	PETER KENNETH HALBACH	TSRP BILLING	\$495.00
38227	DAVID STONE	DHHS GRANT BILLING	\$1,808.71
38228	DON FLAHERTY	BOARD GUEST BILLING	\$240.42
ACH	BURLEIGH COUNTY AUDITOR	VZOP BILLING	\$8,296.95
ACH	CHAD KAISER	BOARD VOUCHER	\$125.00
ACH	CASS COUNTY AUDITOR	VZOP BILLING	\$9,075.20
ACH	BECKY SUE HAGEL	BOARD VOUCHER	\$291.16
ACH	LORI HANSON	BOARD VOUCHER	\$346.10
ACH	JOAN HOLLEKIM	BOARD VOUCHER	\$125.00
ACH	JAMEE FOLK	BOARD VOUCHER	\$222.82
ACH	KIM JACOBSON	BOARD VOUCHER	\$423.15
ACH	ERICA JOHNSRUD	BOARD VOUCHER	\$372.90
ACH	KELLY PALM	BOARD VOUCHER	\$347.44
ACH	WANDA KNUTSON	BOARD VOUCHER	\$205.40
ACH	DANA LARSEN	BOARD VOUCHER	\$125.00
ACH	NICHOLAS MOSER	BOARD VOUCHER	\$466.70
ACH	ROBERT WILSON	BOARD VOUCHER	\$1,353.50
ACH	STEVEN LEE	BOARD VOUCHER	\$205.40
ACH	SHIRLEY MURRAY	BOARD VOUCHER	\$212.10
ACH	TRUDY RULAND	BOARD VOUCHER	\$337.39
ACH	JAYME TENNESON	BOARD VOUCHER	\$326.00
ACH	WARD COUNTY AUDITOR	VZOP BILLING	\$8,924.15
ACH	NDACO RESOURCES GROUP	BILLING	\$2,646.34

MAY

38229	ND ATTORNEY GENERAL	BILLING	\$30.00
38230	ADAMS COUNTY AUDITOR	WC PREMIUM REC	\$3,679.59
38231	BURLEIGH COUNTY AUDITOR	WC PREMIUM REC	\$2,487.68
38232	DIVIDE COUNTY AUDITOR	WC PREMIUM REC	\$2,888.31
38233	DUNN COUNTY AUDITOR	WC PREMIUM REC	\$1,306.61
38234	EDDY COUNTY AUDITOR	WC PREMIUM REC	\$295.91
38235	EMMONS COUNTY AUDITOR	WC PREMIUM REC	\$5,260.34
38236	GOLDEN VALLEY COUNTY AUDITOR	WC PREMIUM REC	\$394.36
38237	KIDDER COUNTY AUDITOR	WC PREMIUM REC	\$480.52
38238	LAMOURE COUNTY AUDITOR	WC PREMIUM REC	\$121.85
38239	MCINTOSH COUNTY AUDITOR	WC PREMIUM REC	\$1,673.46
38240	NELSON COUNTY AUDITOR	WC PREMIUM REC	\$1,653.81
38241	PIERCE COUNTY AUDITOR	WC PREMIUM REC	\$2,527.36
38242	RENVILLE COUNTY AUDITOR	WC PREMIUM REC	\$908.25
38243	RICHLAND CO AUDITOR	WC PREMIUM REC	\$1,374.55
38244	WARD COUNTY AUDITOR	WC PREMIUM REC	\$1,906.44
ACH	COMMERCIAL CARD SOLUTIONS	BILLING	\$134,050.10
28245	NDIT	BILLING	\$690.89
38246	WORKFORCE SAFETY	CEG BILLING	\$26.62

MAY			
38247	DAKOTA FIRE STATION INC.	BUILDING BILLING	\$183.80
38248	PRINTERS, INC	BILLING	\$700.00
38249	F-M REDHAWKS	VZOP BILLING	\$5,400.00
38250	BISMARCK SIGN CO LLC	BUILDING BILLING	\$629.50
38251	NODAK RACING CLUB INC	VZOP BILLING	\$1,500.00
38252	D&S LLC	BUILDING BILLING	\$4,759.72
38253	TRICORNE AUDIO INC.	BUILDING BILLING	\$11,860.38
38254	TRANSTRASH	BUILDING BILLING	\$195.00
38255	SHIRLEY ORR	DHHS GRANT BILLING	\$2,024.98
38256	ND ATTORNEY GENERAL	BILLING	\$20,400.00
ACH	GUARDIAN ANGELS INC.	PASS BILLING	\$58,259.00
ACH	CATHOLIC CHARITIES NORTH DAKOTA	PASS BILLING	\$46,274.00
ACH	FAMILY ADVOCACY SERVICES	PASS BILLING	\$19,312.00
ACH	GUARDIAN & PROTECTIVE SERVICES INC	PASS BILLING	\$48,637.00
ACH	LIGHTHOUSE ASSOCIATES, INC.	PASS BILLING	\$7,650.00
ACH	LUTHERAN SOCIAL SERVICE OF MN	PASS BILLING	\$50,235.00
ACH	VERONICA MILLER	PASS BILLING	\$3,604.00
ACH	OPPORTUNITY FOUNDATION INC.	PASS BILLING	\$8,670.00
ACH	DAKOTA CARRIER NETWORK	BILLING	\$11,838.57
ACH	GRAND FORKS COUNTY AUDITOR	VZOP BILLING	\$8,998.32
ACH	NDACO RESOURCES GROUP	BILLING	\$6,842.74
38257	ADAMS COUNTY AUDITOR	WC LMS DISCOUNT	\$1,169.73
38258	BOTTINEAU COUNTY AUDITOR	WC LMS DISCOUNT	\$2,346.78
38259	BURKE COUNTY AUDITOR	WC LMS DISCOUNT	\$837.07
38260	BURLEIGH COUNTY AUDITOR	WC LMS DISCOUNT	\$16,548.96
38261	DUNN COUNTY AUDITOR	WC LMS DISCOUNT	\$3,064.89
38262	EMMONS COUNTY AUDITOR	WC LMS DISCOUNT	\$1,067.14
38263	GOLDEN VALLEY COUNTY AUDITOR	WC LMS DISCOUNT	\$927.56
38264	GRIGGS COUNTY AUDITOR	WC LMS DISCOUNT	\$535.60
38265	KIDDER COUNTY AUDITOR	WC LMS DISCOUNT	\$557.01
38266	MCHENRY COUNTY AUDITOR	WC LMS DISCOUNT	\$1,042.27
38267	MCINTOSH COUNTY AUDITOR	WC LMS DISCOUNT	\$732.16
38268	MCLEAN COUNTY AUDITOR	WC LMS DISCOUNT	\$3,166.23
38269	MERCER COUNTY AUDITOR	WC LMS DISCOUNT	\$2,190.59
38270	MORTON COUNTY AUDITOR	WC LMS DISCOUNT	\$4,563.94
38271	MOUNTRAIL COUNTY AUDITOR	WC LMS DISCOUNT	\$4,949.69
38272	OLIVER COUNTY AUDITOR	WC LMS DISCOUNT	\$1,210.06
38273	PEMBINA COUNTY AUDITOR	WC LMS DISCOUNT	\$1,186.83
38274	PIERCE COUNTY AUDITOR	WC LMS DISCOUNT	\$1,348.99
38275	RANSOM COUNTY AUDITOR	WC LMS DISCOUNT	\$1,323.35
38276	RICHLAND CO AUDITOR	WC LMS DISCOUNT	\$3,307.20
38277	SARGENT COUNTY AUDITOR	WC LMS DISCOUNT	\$1,626.42
38278	STARK COUNTY AUDITOR	WC LMS DISCOUNT	\$2,825.69
38279	STEELE COUNTY AUDITOR	WC LMS DISCOUNT	\$1,049.68
38280	TRAILL COUNTY AUDITOR	WC LMS DISCOUNT	\$1,652.12
38281	WALSH COUNTY AUDITOR	WC LMS DISCOUNT	\$2,452.93
38282	WELLS COUNTY AUDITOR	WC LMS DISCOUNT	\$1,730.79
38283	ADAMS COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,169.73
38284	BARNES COUNTY AUDITOR	WC SAFETY DISCOUNT	\$3,070.47
38285	BENSON COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,419.91
38286	BILLINGS COUNTY AUDITOR	WC SAFETY DISCOUNT	\$2,156.84
38287	BOTTINEAU COUNTY AUDITOR	WC SAFETY DISCOUNT	\$2,346.78
38288	BOWMAN COUNTY AUDITOR	WC SAFETY DISCOUNT	\$567.08
38289	BURKE COUNTY AUDITOR	WC SAFETY DISCOUNT	\$837.07
38290	BURLEIGH COUNTY AUDITOR	WC SAFETY DISCOUNT	\$16,548.96
38291	CASS COUNTY AUDITOR	WC SAFETY DISCOUNT	\$14,243.44
38292	CAVALIER COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,678.07

MAY			
38293	DICKEY COUNTY AUDITOR	WC SAFETY DISCOUNT	\$2,008.72
38294	DIVIDE COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,775.67
38295	DUNN COUNTY AUDITOR	WC SAFETY DISCOUNT	\$3,064.89
38296	EDDY COUNTY AUDITOR	WC SAFETY DISCOUNT	\$404.97
38297	EMMONS COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,067.14
38298	FOSTER COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,099.21
38299	GOLDEN VALLEY COUNTY AUDITOR	WC SAFETY DISCOUNT	\$927.56
38300	GRAND FORKS COUNTY AUDITOR	WC SAFETY DISCOUNT	\$9,710.34
38301	GRANT COUNTY AUDITOR	WC SAFETY DISCOUNT	\$986.37
38302	GRIGGS COUNTY AUDITOR	WC SAFETY DISCOUNT	\$535.60
38303	HETTINGER COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,119.56
38304	KIDDER COUNTY AUDITOR	WC SAFETY DISCOUNT	\$557.01
38305	LAMOURE COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,181.65
38306	LOGAN COUNTY AUDITOR	WC SAFETY DISCOUNT	\$421.95
38307	MCHENRY COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,042.27
38308	MCINTOSH COUNTY AUDITOR	WC SAFETY DISCOUNT	\$732.16
38309	MCKENZIE COUNTY AUDITOR	WC SAFETY DISCOUNT	\$20,744.32
38310	MCLEAN COUNTY AUDITOR	WC SAFETY DISCOUNT	\$3,166.23
38311	MERCER COUNTY AUDITOR	WC SAFETY DISCOUNT	\$2,190.59
38312	MORTON COUNTY AUDITOR	WC SAFETY DISCOUNT	\$4,563.94
38313	MOUNTRAIL COUNTY AUDITOR	WC SAFETY DISCOUNT	\$4,949.69
38314	NELSON COUNTY AUDITOR	WC SAFETY DISCOUNT	\$914.36
38315	OLIVER COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,210.06
38316	PEMBINA COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,186.83
38317	PIERCE COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,348.99
38318	RAMSEY COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,373.97
38319	RANSOM COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,323.35
38320	RENVILLE COUNTY AUDITOR	WC SAFETY DISCOUNT	\$834.65
38321	RICHLAND CO AUDITOR	WC SAFETY DISCOUNT	\$3,307.20
38322	ROLETTE COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,956.63
38323	SARGENT COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,626.42
38324	SHERIDAN COUNTY AUDITOR	WC SAFETY DISCOUNT	\$883.03
38325	SIOUX COUNTY AUDITOR	WC SAFETY DISCOUNT	\$291.55
38326	SLOPE COUNTY	WC SAFETY DISCOUNT	\$350.42
38327	STARK COUNTY AUDITOR	WC SAFETY DISCOUNT	\$2,825.69
38328	STEELE COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,049.68
38329	STUTSMAN COUNTY AUDITOR	WC SAFETY DISCOUNT	\$6,887.75
38330	TOWNER COUNTY AUDITOR	WC SAFETY DISCOUNT	\$884.54
38331	TRAILL COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,652.12
38332	WALSH COUNTY AUDITOR	WC SAFETY DISCOUNT	\$2,452.93
38333	WARD COUNTY AUDITOR	WC SAFETY DISCOUNT	\$8,401.94
38334	WELLS COUNTY AUDITOR	WC SAFETY DISCOUNT	\$1,730.79
38335	WILLIAMS COUNTY AUDITOR	WC SAFETY DISCOUNT	\$7,856.21
38336	LAKE REG LAW ENFORCEMENT CNTR	WC SAFETY DISCOUNT	\$1,392.31
38337	SW MULTI-CO CORRECTIONAL CENTER	WC SAFETY DISCOUNT	\$5,337.41
38338	ADAMS COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$5,487.03
38339	BARNES COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$14,403.06
38340	BENSON COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$6,660.58
38341	BILLINGS COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$10,117.39
38342	BOTTINEAU COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$11,008.34
38343	BOWMAN COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$2,660.08
38344	BURKE COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$3,926.57
38345	BURLEIGH COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$77,628.42
38346	CASS COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$66,813.62
38347	CAVALIER COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$7,871.56
38348	DICKEY COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$9,422.56
38349	DIVIDE COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$8,329.39

MAY			
38350	DUNN COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$14,376.90
38351	EDDY COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$1,899.63
38352	EMMONS COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$5,005.75
38353	FOSTER COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$5,156.20
38354	GOLDEN VALLEY COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$4,351.01
38355	GRAND FORKS COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$45,549.58
38356	GRANT COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$4,626.91
38357	GRIGGS COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$2,512.41
38358	HETTINGER COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$5,251.68
38359	KIDDER COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$2,612.82
38360	LAMOURE COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$5,542.92
38361	LOGAN COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$1,979.30
38362	MCHENRY COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$4,889.11
38363	MCINTOSH COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$3,434.46
38364	MCKENZIE COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$97,308.15
38365	MCLEAN COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$14,852.24
38366	MERCER COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$10,275.69
38367	MORTON COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$21,408.67
38368	MOUNTRAIL COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$23,218.17
38369	NELSON COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$4,289.09
38370	OLIVER COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$5,676.17
38371	PEMBINA COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$5,567.24
38372	PIERCE COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$6,327.88
38373	RAMSEY COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$6,445.07
38374	RANSOM COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$6,207.64
38375	RENVILLE COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$3,915.21
38376	RICHLAND CO AUDITOR	WC PREM DIVIDEND CREDIT	\$15,513.52
38377	ROLETTE COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$9,178.23
38378	SARGENT COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$7,629.27
38379	SHERIDAN COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$4,142.12
38380	SIOUX COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$1,367.63
38381	SLOPE COUNTY	WC PREM DIVIDEND CREDIT	\$1,643.77
38382	STARK COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$13,254.85
38383	STEELE COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$4,923.89
38384	STUTSMAN COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$32,309.27
38385	TOWNER COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$4,149.22
38386	TRAILL COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$7,749.81
38387	WALSH COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$11,506.31
38388	WARD COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$39,412.09
38389	WELLS COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$8,118.84
38390	WILLIAMS COUNTY AUDITOR	WC PREM DIVIDEND CREDIT	\$36,852.17
38391	LAKE REG LAW ENFORCEMENT CNTR	WC PREM DIVIDEND CREDIT	\$6,531.11
38392	SW MULTI-CO CORRECTIONAL CENTER	WC PREM DIVIDEND CREDIT	\$25,036.88
38393	WORKFORCE SAFETY	CEG BILLING	\$750.00
38394	VOIDED CHECK	VOIDED CHECK	\$0.00
38395	F-M REDHAWKS	VZOP BILLING	\$712.00
38396	CLEARWATER COMMUNICATIONS, INC.	BILLING	\$1,273.00
38397	COUNCIL OF STE GOV JUSTICE CENTER	JUVENILE JUSTICE BILLING	\$12,081.46
38398	AE2S	GRANT CONSULTING BILLING	\$2,500.00
38399	PETER KENNETH HALBACH	TSRP BILLING	\$1,045.00
38400	MINOT AREA COUNICL OF THE ARTS INC	VZOP BILLING	\$1,500.00
38401	BISMARCK PARKS & REC DISTRICT	BILLING	\$15.00
ACH	BURLEIGH COUNTY AUDITOR	VZOP BILLING	\$8,808.02
ACH	CASS COUNTY AUDITOR	VZOP BILLING	\$10,025.77
ACH	PRESORT PLUS	BILLING	\$182.66
ACH	WARD COUNTY AUDITOR	VZOP BILLING	\$10,189.96
ACH	NDACO RESOURCES GROUP	BILLING	\$2,616.80

MAY			
ACH	ROBERT WILSON	BOARD VOUCHER	\$949.27
JUNE			
38402	NDIT	BILLING	\$589.91
38403	F-M REDHAWKS	VZOP BILLING	\$3,000.00
38404	RED RIVER VALLEY FAIR ASSOCIATION	VZOP BILLING	\$4,500.00
38405	D&S LLC	BUILDING BILLING	\$5,521.68
38406	SURRYSTONE RESOURCES	DHHS GRANT BILLING	\$5,000.00
38407	TRANSTRASH	BUILDING BILLING	\$195.00
ACH	GUARDIAN ANGELS INC.	PASS BILLING	\$57,800.00
ACH	BURLEIGH COUNTY AUDITOR	VZOP BILLING	\$12,154.73
ACH	CATHOLIC CHARITIES NORTH DAKOTA	PASS BILLING	\$46,427.00
ACH	DAKOTA CARRIER NETWORK	BILLING	\$10,671.60
ACH	FAMILY ADVOCACY SERVICES	PASS BILLING	\$20,043.00
ACH	GUARDIAN & PROTECTIVE SERVICES INC	PASS BILLING	\$49,487.00
ACH	GRAND FORKS COUNTY AUDITOR	VZOP BILLING	\$8,998.90
ACH	LIGHTHOUSE ASSOCIATES, INC.	PASS BILLING	\$7,616.00
ACH	LUTHERAN SOCIAL SERVICE OF MN	PASS BILLING	\$49,657.00
ACH	VERONICA MILLER	PASS BILLING	\$4,080.00
ACH	MORGAN PRINTING, INC	BILLING	\$1,004.41
ACH	NDACO RESOURCES GROUP	BILLING	\$7,872.84
ACH	OPPORTUNITY FOUNDATION INC.	PASS BILLING	\$8,670.00
ACH	WARD COUNTY AUDITOR	VZOP BILLING	\$9,229.26
ACH	COMMERCIAL CARD SOLUTIONS	BILLING	\$148,751.00
38408	WORKFORCE SAFETY	CEG BILLING	\$470.38
38409	MDU RECOURCES GROUP INC	CONFERENCE REFUND	\$1,500.00
38410	BRIDGEMARK INSURANCE SOLUTIONS	BUILDING BILLING	\$4,608.00
38411	ND PUBLIC HEALTH INSURANCE TRUST	BILLING	\$340.00
38412	RIVER CITIES SPEEDWAY INC.	VZOP BILLING	\$3,000.00
38413	ND COUNTRY FEST LLC	VZOP BILLING	\$4,500.00
38414	UNIVERSITY OF JAMESTOWN	VZOP BILLING	\$5,000.00
38415	NORSK HOSTFEST	VZOP BILLING	\$4,000.00
38416	DAVID STONE	DHHS GRANT BILLING	\$25.00
38417	STONERIDGE SOFTWARE LLC	BILLING	\$176.25
38418	NFS: FBO G3H-014448	INVESTMENT TRANSFER	\$800,000.00
ACH	CASS COUNTY AUDITOR	VZOP BILLING	\$9,868.32
ACH	EIDE BAILLY LLP	BILLING	\$1,050.00
ACH	NDACO RESOURCES GROUP	BILLING	\$4,341.80
ACH	PRESORT PLUS	BILLING	\$190.66
JULY			
ACH	COMMERCIAL CARD SOLUTIONS	BILLING	\$91,812.14
ACH	GUARDIAN ANGELS INC.	PASS BILLING	\$62,478.00
ACH	CATHOLIC CHARITIES NORTH DAKOTA	PASS BILLING	\$51,822.00
ACH	FAMILY ADVOCACY SERVICES	PASS BILLING	\$21,510.00
ACH	GUARDIAN & PROTECTIVE SERVICES INC	PASS BILLING	\$51,480.00
ACH	LIGHTHOUSE ASSOCIATES, INC.	PASS BILLING	\$7,560.00
ACH	LUTHERAN SOCIAL SERVICE OF MN	PASS BILLING	\$51,864.00
ACH	VERONICA MILLER	PASS BILLING	\$4,320.00
ACH	OPPORTUNITY FOUNDATION INC.	PASS BILLING	\$8,928.00
38419	WILLIAMS COUNTY AUDITOR	911 FEE REFUND	\$17.10
38420	NDIT	BILLING	\$636.83
38421	AVI SYSTEMS, INC.	BUILDING BILLING	\$320.00
38422	ESRI, INC	GS/ING911 BILLING	\$7,195.00
38423	BROOKE LARSON	VZOP BILLING	\$1,000.00
38424	WILL LARSON	VZOP BILLING	\$400.00
38425	WEST FARGO BASEBALL ASSOCIATION	VZOP BILLING	\$1,000.00
38426	BAREKNUCKLE EVENTS, LLC	CONFERENCE BILLING	\$30,000.00
38427	COUNCIL OF STE GOV JUSTICE CENTER	JUVENILE JUSTICE BILLING	\$11,481.76

JULY			
38428	D&S LLC	BUILDING BILLING	\$6,027.82
38429	NEWVISION SECURITY, LLC	BUILDING BILLING	\$210.00
38430	TRANSTRASH	BUILDING BILLING	\$195.00
38431	STONERIDGE SOFTWARE LLC	BILLING	\$1,175.00
ACH	BURLEIGH COUNTY AUDITOR	VZOP BILLING	\$9,661.68
ACH	CASS COUNTY AUDITOR	VZOP BILLING	\$8,954.86
ACH	DAKOTA CARRIER NETWORK	BILLING	\$12,275.96
ACH	DE NOVO CONSULTING SOLUTIONS, LLC	BILLING	\$76,193.00
ACH	GRAND FORKS COUNTY AUDITOR	VZOP BILLING	\$8,956.34
ACH	MORGAN PRINTING, INC	BILLING	\$1,162.78
ACH	NDACO RESOURCES GROUP	BILLING	\$2,476.04
ACH	PRESORT PLUS	BILLING	\$157.20
ACH	WARD COUNTY AUDITOR	VZOP BILLING	\$8,877.53
38432	WORKFORCE SAFETY	CEG BILLING	\$812.78
38433	IDAHO ASSOCIATION OF COUNTIES	NACO BILLING	\$421.88
38434	BROOKE LARSON	VZOP BILLING	\$800.00
38435	CLEARWATER COMMUNICATIONS, INC.	BILLING	\$1,273.00
38436	CENTRAL REG EDUC ASSOCIATION	JUVENILE JUSTICE BILLING	\$55,819.39
38437	AE2S	GRANT CONSULTING BILLING	\$2,500.00
ACH	MORGAN PRINTING, INC	BILLING	\$1,004.75
ACH	NDACO RESOURCES GROUP	BILLING	\$4,478.84
911 FEE COLLECTION PAYMENTS			
ACH	MARCH ND 911 PAYMENTS	JAN 911 FEE COLLECTION	\$1,389,165.05
ACH	APRIL ND 911 PAYMENTS	FEB 911 FEE COLLECTION	\$1,549,898.36
ACH	MAY ND 911 PAYMENTS	MARCH 911 FEE COLLECTION	\$1,507,826.10
ACH	JUNE ND 911 PAYMENTS	APRIL 911 FEE COLLECTION	\$1,518,811.66
ACH	JULY ND 911 PAYMENTS	MAY 911 FEE COLLECTION	\$1,510,167.53

Approved by motion of the Board of Directors.

President: _____

Date: _____

SUGGESTED MOTION: "MOTION TO APPROVE GENERAL FUND CHECKS 38198-38437 AND ACH PAYMENTS DURING THIS TIME PERIOD."

**CHECK LISTING FOR DJS GENERAL FUND
MARCH 2024 - JULY 2024**

MARCH			
7904	NW YOUTH ASSESSMENT CENTER	BILLING	\$844.63
7905	YOUTHWORKS	BILLING	\$8,327.57
7906	CAISEE SANDUSKY	VOUCHER	\$89.04
7907	MILINDA TURNER	VOUCHER	\$75.00
7908	KYLIE SCHULTZ	VOUCHER	\$75.00
7909	CAMRYN ANDERS	VOUCHER	\$75.00
7910	DEREK STEINER	VOUCHER	\$304.00
7911	DUSTY JOHNSON	VOUCHER	\$215.00
ACH	ND ASSOCIATION OF COUNTIES	BILLING	\$2,373.77
7912	SUNRISE YOUTH BUREAU	BILLING	\$2,453.94
7913	OLIVIA REVELS-STROTHER	VOUCHER	\$364.26
APRIL			
7914	NW YOUTH ASSESSMENT CENTER	BILLING	\$1,858.00
7915	YOUTHWORKS	BILLING	\$5,332.76
7916	GRAND FORKS JUVENILE DETENTION CENTER	BILLING	\$518.00
ACH	ND ASSOCIATION OF COUNTIES	BILLING	\$2,373.77
ACH	TURTLE MOUNTAIN ATTENDANT CARE PROGRAM	BILLING	\$1,089.00
7917	YOUTHWORKS	BILLING	\$45,370.37
7918	SUNRISE YOUTH BUREAU	BILLING	\$1,684.64
7919	THE CONSENSUS COUNCIL, INC	BILLING	\$19,054.50
7920	DAKOTA BOYS AND GIRLS RANCH	BILLING	\$1,498.78
ACH	TURTLE MOUNTAIN ATTENDANT CARE PROGRAM	BILLING	\$1,294.00
MAY			
7921	NW YOUTH ASSESSMENT CENTER	BILLING	\$92.47
7922	YOUTHWORKS	BILLING	\$2,574.27
7923	GRAND FORKS JUVENILE DETENTION CENTER	BILLING	\$659.00
7924	SUNRISE YOUTH BUREAU	BILLING	\$3,952.86
7925	TURTLE MOUNTAIN ATTENDANT CARE PROGRAM	BILLING	\$1,048.00
ACH	ND ASSOCIATION OF COUNTIES	BILLING	\$2,373.77
ACH	TURTLE MOUNTAIN ATTENDANT CARE PROGRAM	BILLING	\$1,048.00
7926	YOUTHWORKS	BILLING	\$3,369.30
JUNE			
7927	YOUTHWORKS	BILLING	\$7,110.67
7928	GRAND FORKS JUVENILE DETENTION CENTER	BILLING	\$3,731.00
7929	MILINDA TURNER	VOUCHER	\$75.00
7930	KYLIE SCHULTZ	VOUCHER	\$75.00
ACH	TURTLE MOUNTAIN ATTENDANT CARE PROGRAM	BILLING	\$10,480.00
ACH	ND ASSOCIATION OF COUNTIES	BILLING	\$2,373.77
7931	NW YOUTH ASSESSMENT CENTER	BILLING	\$998.81
7932	SUNRISE YOUTH BUREAU	BILLING	\$2,386.23
JULY			
7933	YOUTHWORKS	BILLING	\$10,006.91
7934	GRAND FORKS JUVENILE DETENTION CENTER	BILLING	\$1,087.00
7935	SUNRISE YOUTH BUREAU	BILLING	\$2,298.75
7936	NYAKVOTH CHAKIN	VOUCHER	\$125.00
7937	TRAVIS ALBERS	VOUCHER	\$125.00
ACH	ND ASSOCIATION OF COUNTIES	BILLING	\$2,373.77
7938	NW YOUTH ASSESSMENT CENTER	BILLING	\$1,421.92
7939	BAYMONT BY WYNDHAM	BILLING	\$212.34
7940	THE CONSENSUS COUNCIL, INC	BILLING	\$16,740.74

Approved by motion of the Board of Directors.

President: _____

Date: _____

**SUGGESTED MOTION: "MOTION TO APPROVE DJS FUND CHECKS 7904-7940 AND
ACH PAYMENTS DURING THIS TIME PERIOD."**

**North Dakota Association of Counties
Combined Statement of Revenues and Expenditures
for Period Ending July 31, 2024**

	2024 Actual Year-to-Date	2024 Budget	% of Budget	See Notes:
OPERATING REVENUES				1)
County Dues	424,527.00	727,750.00	58.3%	
General Revenue	131,040.80	152,140.00	86.1%	2)
Publication Services	35,596.97	47,700.00	74.6%	2)
Conference/Workshop Services	0.00	236,630.00	0.0%	3)
Cooperative Services	3,842,486.03	6,591,600.00	58.3%	
Subsidiary Reimbursements	15,792.86	22,000.00	71.8%	4)
Building Income	143,662.86	250,010.00	57.5%	
DJS-Juvenile Justice Grant	190,803.46	500,000.00	38.2%	5)
TOTAL OPERATING REVENUES	\$4,783,909.98	\$8,527,830.00	56.1%	1)
OPERATING EXPENDITURES				
Salaries	1,150,674.44	2,051,540.00	56.1%	
Overhead	463,522.64	845,870.00	54.8%	
Travel	68,094.85	111,500.00	61.1%	6)
Supplies	9,073.16	13,600.00	66.7%	
Fees & Services	36,211.57	65,290.00	55.5%	
Other Operating	27,403.87	53,080.00	51.6%	
Building Operations Expense	189,084.82	361,640.00	52.3%	
Legislative Services	4,990.44	19,600.00	25.5%	7)
Publication Services	22,151.05	42,790.00	51.8%	
Conference/Workshop Services	7,483.91	206,000.00	3.6%	3)
Cooperative Services	2,134,247.10	4,416,950.00	48.3%	8)
DJS Grant Pass Thru/Subgrants	190,803.46	500,000.00	38.2%	5)
TOTAL EXPENDITURES	\$4,303,741.31	\$8,687,860.00	49.5%	1)
EXCESS REVENUES OVER EXPEND.	\$480,168.67	(\$160,030.00)		9)
NONOPERATING REVENUES				
Variable Investment Income	\$226,144.94	\$261,000.00	86.6%	10)

Suggested Motion: Motion to accept financial reports

**North Dakota Association of Counties
Combined Balance Sheet
as of July 31, 2024**

	NDACo General Fund	DJS Fund	Combined Total	See Notes:
Assets				
Current Assets				
Cash	7,710,993.59	(18,375.00)	7,692,618.59	11)
Prepaid Expenses	641,546.42	0.00	641,546.42	12)
Accounts/Lease/Interest Receivable	400,072.76	29,795.08	429,867.84	13)
Total Current Assets	8,752,612.77	11,420.08	8,764,032.85	
Noncurrent Assets				
Investments	7,855,131.00		7,855,131.00	14)
Designated Investments	1,115,170.40		1,115,170.40	15)
Capital Lease Commission	6,642.56		6,642.56	16)
Land	178,558.71		178,558.71	
Furniture & Equip.	477,677.50		477,677.50	
Building & Improvements	4,847,976.30		4,847,976.30	
Vehicles	108,993.81		108,993.81	
Accumulated Depr.	(2,667,654.26)		(2,667,654.26)	
Total Noncurrent Assets	11,922,496.02	0.00	11,922,496.02	
TOTAL ASSETS	\$20,675,108.79	\$11,420.08	\$20,686,528.87	
Liabilities & Fund Balances				
Current Liabilities				
Accounts Payable	894,221.22	11,420.08	905,641.30	17)
Accounts Payable-Next Gen 911 Fund	4,051,927.55		4,051,927.55	18)
Payroll Withholding Payable	(19.51)		(19.51)	
Accrued Expenses	525,811.25		525,811.25	19)
Deferred Premiums	1,603,825.00		1,603,825.00	20)
Deferred Inflows of Resources-Lease Rev	134,117.85		134,117.85	13)
Deferred Dues Revenue	303,230.00		303,230.00	
Deferred Special Projects Revenue	321.99		321.99	
Deferred Ad Revenue	13,353.56		13,353.56	
Deferred Conference Revenue	95,591.05		95,591.05	
Deferred ILG Prof Development Revenue	34,541.67		34,541.67	
Deferred County Officials Day	6,000.00		6,000.00	
Accrued PTO Leave	190,004.17		190,004.17	
Total Current Liabilities	7,852,925.80	11,420.08	7,864,345.88	
TOTAL LIABILITIES	7,852,925.80	11,420.08	7,864,345.88	
Fund Balances				
Net Fixed Assets	3,001,041.35		3,001,041.35	
Reserve for Workers Comp	1,000,000.00		1,000,000.00	
Unreserved:				
Undesignated	8,114,828.03	0.00	8,114,828.03	
Excess Rev Over Expenditures	706,313.61	0.00	706,313.61	
TOTAL FUND BALANCES	12,822,182.99	0.00	12,822,182.99	
TOTAL LIABILITIES & FUND BALANCES	\$20,675,108.79	\$11,420.08	\$20,686,528.87	

Suggested Motion: Motion to accept financial reports

North Dakota Association of Counties

July 31, 2024



Notes to the Financial Statements:

- 1) We are through 7 out of 12 months; and revenues and expenses should be near 58% of budget to be on target. Total revenues are 56.1% of budget, and expenses are 49.5% after July.
- 2) General Revenues are billed early in the year; as are some of the Publications, including the Directory.
- 3) Annual Conference Revenues and Expenses won't be booked until October.
- 4) Subsidiary Reimbursements are ahead of budget at 71.8%. This is typically ahead of budget early in the year, when NDACo finance staff support the subsidiary with payroll and benefits as well as the annual audit.
- 5) The Juvenile Justice Program is behind target at 38.2% of budget at this time. Contracts have recently been awarded, and we should begin to see those billings soon.
- 6) Travel Expenses are slightly ahead of budget, due to a majority of the NACO conferences being held in the first 7 months of the year.
- 7) Legislative Services are low; most of these costs will be incurred later in the year as the legislative team ramps up for next year's session.
- 8) The CEG Program is a primary reason for the expenses in the Cooperative Services area under budget. Premium costs came in less than expected. There is also a Juvenile Justice Grant that is behind budget at this time; but activity will pick up through the year.
- 9) After July, the excess Revenues over Expenditures is \$480,168; compared to annual budgeted loss for 2024 of (\$160,030).
- 10) The NDACo Investments have shown gains so far in 2024; with income of \$226,145.
- 11) Cash contains NDACo general funds, the NG911 Program, PASS Program, CEG Program, and the recently created 911 Fee Collections Program. The Juvenile Justice Account (DJS) is on a reimbursement basis, so we do not have funds on hand, and actually shows as a negative balance until funds arrive.
- 12) Prepaid Expenses include Workers Compensation premium payments, office/vehicle insurance, and paid travel for future months.
- 13) Related to GASB 87 implementation for leases in 2022: 1) the Accounts/Lease/Interest Receivable includes some NDACo lease and interest receivables, 2) Deferred Inflows are the future building lease income through future lease periods.
- 14) The NDACo Investments are in the SIB Fund; \$7,855,131.
- 15) Designated Investments are the CEG Program Reserves of \$1,000,000 at Colliers as well as some NDACo Investments.
- 16) Capital Lease Commission is the payment to the agency who helped us find a rental tenant which began February 2023. This commission expense is spread out over the 5 year lease.
- 17) The Accounts Payable is mainly comprised of monthly credit card bills for travel, monthly NG911 program bills and other program and operating expenses.
- 18) Accts Payable - NG911 Fund includes the 911 Fee Collection Payables (started in January 2024), thus an increase of about \$1,500,000 per month as these payments come in and go back out.
- 19) Accrued Expenses consist of accrued CEG Excess in 2024 program to be returned to counties in 2025; as well as some funds designated for Ergonomic Initiative purchases for counties.
- 20) Deferred Premiums are the CEG Premiums that will be recognized through 2024.

**NDACO RESOURCES GROUP, INC.
BALANCE SHEET
AS OF JULY 31, 2024**

ASSETS

	<u>CURRENT YEAR-TO-DATE</u>	<u>PRIOR YEAR-TO-DATE</u>
CURRENT ASSETS	\$1,054,458.79	\$964,899.18
PROPERTY, EQUIPMENT, & RIGHT OF USE ASSETS	51,364.40	194,869.57
OTHER ASSETS	511,468.53	480,296.29
	-----	-----
TOTAL ASSETS	\$1,617,291.72	\$1,640,065.04
	=====	=====

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES	\$613,712.13	\$690,160.33
LONG TERM LIABILITIES	15,000.00	8,000.00
STOCKHOLDERS EQUITY	988,579.59	941,904.71
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$1,617,291.72	\$1,640,065.04
	=====	=====

**NDACO RESOURCES GROUP, INC.
INCOME STATEMENT
FOR THE PERIOD ENDING JULY 31, 2024**

	<u>CURRENT YEAR-TO-DATE</u>	<u>PRIOR YEAR-TO-DATE</u>
REVENUE	\$1,724,730.66	\$1,546,463.86
COST OF SALES	1,524,075.50	1,368,057.87
	-----	-----
GROSS PROFIT	200,655.16	178,405.99
	=====	=====
OPERATING EXPENSES	\$214,195.36	\$236,570.25
OTHER INCOME	26,475.38	24,406.53
INVESTMENT INTEREST INCOME	23,980.18	26,652.13
OTHER EXPENSE	1,874.71	13,518.54
	-----	-----
NET INCOME BEFORE INCOME TAXES	\$35,040.65	(\$20,624.14)
	=====	=====

SERVICE REPORT: State Investment Board August 2024

(Report submitted to the Board of Directors by Cathy.)

PROGRAM UPDATE:

- Attached is the monthly statement for the period ending May 31, 2024.

Below is a table that reflects the May 2024 Net ROR (rate of return), the current FYTD, prior year FY23, 3 years ended 6/30/23, and 5 years ended 6/30/23 for the NDACo Fund.

NDACo Fund

	May-24 Net ROR	Current FYTD	Prior Year FY23	3 Years Ended 6/30/23	5 Years Ended 6/30/23
Total	2.55%	8.01%	6.28%	2.55%	4.07%
Policy Target Benchmark	2.55%	6.83%	5.33%	1.78%	3.83%

ND ASSOCIATION OF COUNTIES

State Investment Board Statement of Net Position As of 5/31/2024

	As of <u>5-31-24</u>	As of <u>6-30-23</u>
ASSETS:		
INVESTMENTS (AT FAIR VALUE)		
GLOBAL EQUITIES	\$ 2,644,198	\$ 2,530,071
GLOBAL FIXED INCOME	4,906,872	4,477,988
INVESTED CASH (NOTE 1)	<u>222,100</u>	<u>210,006</u>
TOTAL INVESTMENTS	7,773,170	7,218,065
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>5,260</u>	<u>5,023</u>
TOTAL RECEIVABLES	5,260	5,023
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	<u>81,899</u>	<u>42,409</u>
TOTAL ASSETS	<u>7,860,329</u>	<u>7,265,497</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	81,899	42,409
INVESTMENT EXPENSE PAYABLE	<u>5,198</u>	<u>5,040</u>
TOTAL LIABILITIES	<u>87,097</u>	<u>47,449</u>
NET POSITION:		
HELD IN TRUST	<u>7,773,232</u>	<u>7,218,048</u>
TOTAL NET POSITION	<u>\$ 7,773,232</u>	<u>\$ 7,218,048</u>

SERVICE REPORT: County Financial Partnerships (CFP)

August 2024

(Report submitted to the Board of Directors by Genny and Aaron.)

PROGRAM UPDATE:

- **Special Operations Team Reimbursement**

The Attorney General's Drug & Violent Crime Policy Board has once again granted federal "Byrne Grant" funding to support the deployment of special operations teams into those jurisdictions that request these specialized resources from other areas. The federal award is matched by \$20,000 from the counties. Each county annually contributes an amount between \$200 and \$800, based on population. Even the counties supporting their own Special Operations teams contribute, as there are times when they need backup from teams from other jurisdictions. NDACo collects the funds and remits them to the Attorney General's Office for deposit in a special fund created for this program.

The funds are used to pay direct equipment, fuel and overtime costs, as well as training, to avoid charges for these teams between counties and cities. For the last nine years, all 53 counties have participated in the Fund.

- **Public Administrator Support Services (PASS)**

As mentioned previously after the last session the legislature significantly increased the amount of money available for PASS to \$7.2 million dollars. That \$7.2 million was based on our best estimate of the number of cases anticipated being enrolled in the program. For several years, we were seeing an increase of five cases a month. However, 2024 appears to have stabilized in the number of monthly cases being added. Currently PASS is paying out around 485 cases a month, which should allow the entire biennium to be funded.

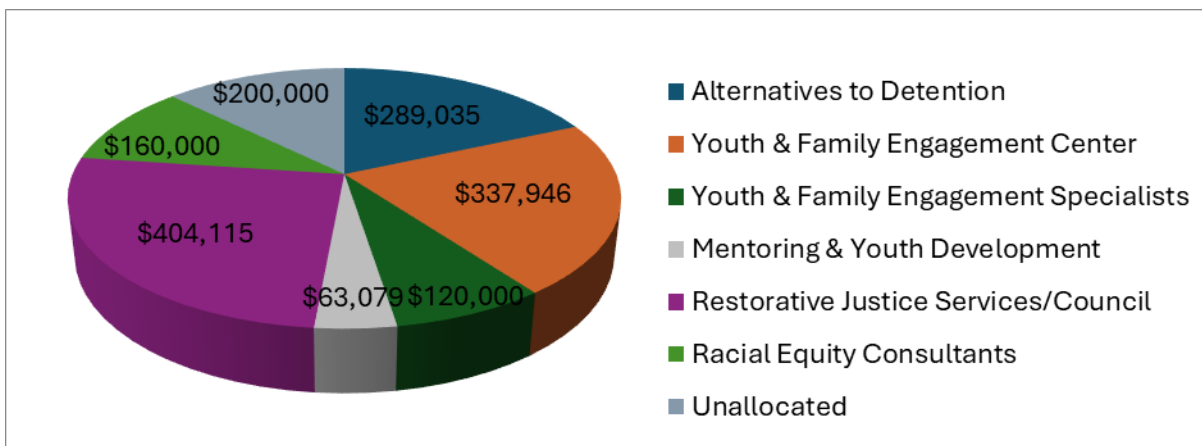
SERVICE REPORT: Juvenile Justice Program August 2024

(Report submitted to the Board of Directors by Lisa.)

PROGRAM UPDATE:

To assist counties and local communities with services for at-risk youth and families, the Division of Juvenile Services (a division of the ND Dept. of Corrections) contracts with NDACo to employ North Dakota's Juvenile Justice Specialist, Lisa Jahner. This position is federally mandated by the Juvenile Justice and Delinquency Prevention Act (JJDP Act). In that role, Lisa is responsible for coordinating the development and implementation of the state's strategic plan for addressing the needs of at-risk youth, working with federal/state/local officials on practices and policies and staffing a Governor's advisory group established pursuant to the Act to provide leadership and direction.

Over \$1.3 m in federal funding has been allocated to local programs under the current strategic plan, as detailed by the following chart. The overall goal of the funding is to connect youth and families to individualized services in an effort to prevent child welfare and/or juvenile justice system involvement.



North Dakota's plan for Fiscal Years 2024-26, which will direct \$1.5 m in federal funding, was recently finalized. The main priorities in the plan are increasing school interventions and community-based services, particularly family-based services. The Attendant Care Program will continue to be supported as a collaborative effort with counties and cities, with additional resources for care coordination in order to assist youth and families with connection to services and supports. The plan also includes support for behavioral interventions in schools, increasing the response to mental health issues, and reducing barriers to services for youth and families.

With the award of several federal discretionary grants in addition to the JJDP Act formula funding, NDACo is currently administering close to \$4.0 million in federal juvenile justice grant funds. Almost all of this funding goes out to local government or community-based service organizations.

SERVICE REPORT: National Participation August 2024

(Report submitted to the Board of Directors by Perry, Robert and Michelle.)

PROGRAM UPDATE:

National Participation/NACo Board

NACo Annual Conference: The NACo Annual Conference was held in Travis County (Austin) TX July 21-24. Below is a list of the nine county officials from North Dakota who attended:

- Alicia Hildebrand, Cass County Accountant
- Tony Grindberg, Cass County Commissioner
- Jim Kapitan, Cass County Commissioner
- Brandy Madrigga, Cass County Finance Director
- Chad Peterson, Cass County Commissioner
- Tracy Peters, Cass County HR Director/Assistant County Administrator
- Perry Turner, McIntosh County Commissioner
- Jayme Tenneson, Nelson/Griggs County State's Attorney
- Shelly Wepler, Ward County Commissioner *

* Shelly Wepler won the free trip to the NACo Annual Conference at our annual conference last year.

Following is Perry Turner's National Participation Report for August 2024:

The 2024 NACo Annual Conference was held in Hillsborough County, Florida July 12-15. As a Board member my work began by participating in the NACo policy process. I was able to join in on several policy steering committee hearings and follow the development of all county policies that impact federal policy. Ten policy steering committees moved forward with policy resolutions that would eventually be passed or defeated during a general membership meeting. Several well attended workshops provided information and discussion regarding the growth and application of generative artificial intelligence, GenAI. A major theme of the workshops dealt with many opportunities and challenges GenAI will bring to all counties. Counties were encouraged to consider the following important suggestions:

- 1) Train staff, as this technology will evolve in a rapidly changing landscape involving new tools and applications.
- 2) Take all necessary steps to protect security and privacy.
- 3) When needed, update governance, compliance and accountability.

I also attended the West Region Caucus Meeting on July 15th. The meeting agenda supported discussions on subjects such as Payments in Lieu of Taxes, a Secure Rural School update and Public Lands legislation. The 2025 WIR Conference will take place May 20-23, 2025, in Pennington County (Rapid City), SD.

Following is Robert Wilson's National Participation Report for August 2024:

One of the things I appreciate about being active in NDACo and NACo is the opportunity for 'hallway conversations' and to learn from people with backgrounds and experiences different than my own. As much as any session or workshop these encounters make me a better Administrator and Board member.

So when Michelle reached out last month asking for updates from the NACo Board or the WIR Conference I thought of a conversation that may be worth sharing.

In May at the WIR Conference/NACo Board meeting in Mariposa County, CA I was sitting in the lodge catching up on emails one morning between sessions. NACo Executive Director Matt Chase sat down next to me as he was a few minutes early for his next meeting. I've always appreciated how approachable Matt is and his interest in the experience of individual members.

As we chatted, I mentioned that as much as I enjoy serving on the NACo and NDACo Boards, the commitments on top of regular work responsibilities can be a scheduling challenge. That particular day I was missing my daughter's track meet and just found out I'd miss one of her soccer tournaments because it overlapped with the upcoming NACo Annual Conference.

Without hesitation Matt said, 'you can't miss the tournament. Those things are too important.' I wasn't looking for an 'excused absence,' but his comments made me stop and think. Ultimately, I skipped the conference and it was a great weekend of soccer. Maintaining a balance between home, professional, county and other obligations means something different for each of us. And it's important. Not wanting to sound 'preachy,' I considered discarding these comments without submitting. But I think it's worth repeating – and thinking about - that we can't give our best to any of our obligations if we don't also have a little fun and down time as well.

I missed not being at the convention in Tampa, but I don't regret it.

Have a fantastic end of summer/beginning of fall,

Robert Wilson

Presidential Appointments and Steering Committee Members

NACo is a grassroots-driven organization that encourages member engagement. Currently, more than 1,100 individual county elected and appointed officials from every region of the country serve on ten policy steering committees, ad hoc and standing committees and various caucuses and task forces. From North Dakota, fourteen different county individuals serve on fourteen different committees. Below is a list of who serves on what committees in 2024-2025.

Find out more about the various committees, caucuses and task forces at <https://www.naco.org/page/committees-caucuses>.

NAME	COMMITTEE	POSITION
Ben Gates (Steele)	Justice & Public Safety	Member
Tony Grindberg (Cass)	Agriculture & Rural Affairs	Member
Bob Henderson (Cass)	Telecommunications & Technology	Member
Alicia Hildebrand (Cass)	Finance, Pensions & Intergovernmental Affairs	Member
Kim Jacobson (Agassiz Valley)	Human Services & Education	Member
Chad Kaiser (Stutsman)	Justice & Public Safety	Member
James Kapitan (Cass)	Transportation	Subcommittee Chair
James Kapitan (Cass)	Veterans & Military Services	Member
Dana Larsen (Ward)	Transportation	Member
Patrick Martin (Morton)	Justice & Public Safety	Member
Scott Ouradnik (Slope)	Public Lands	Member
Tracy Peters (Cass)	Defined Contribution & Retirement Advisory Committee	Member
Chad Peterson (Cass)	Artificial Intelligence Exploratory	Member
Chad Peterson (Cass)	Immigration Reform Task Force	Member
Chad Peterson (Cass)	Justice & Public Safety	Vice Chair
Chad Peterson (Cass)	Rural Action Caucus	Member
Jayne Tenneson (Griggs)	Agriculture & Rural Affairs	Member
Robert Wilson (Cass)	Community, Economic & Workforce Development	Subcommittee Vice Chair
Robert Wilson (Cass)	Membership	Member
Robert Wilson (Cass)	Rural Action Caucus	Member

NACo steering committees annually review and make recommendations on public policy issues and legislation. The policy development process initiated by the steering committees is the foundation for the American County Platform, which drives NACo’s advocacy work.

Future NACo Conferences

Following are the dates and locations of the 2025 NACo Conferences:

- Legislative Conference March 1 – 4 Washington DC
- Western Interstate Region May 20 – 23 Rapid City SD
- Annual Conference July 11 – 14 Philadelphia PA

**NDACo Board Meeting
August 2024**

NDACo Mailbag



The NDACo Mailbag is an opportunity for the board to see letters received by the Association that relate opinions of how well we are doing or aren't doing our job. Happy reading!

Donnell Preskey

From: Howe, Michael C. <michaelhowe@nd.gov>
Sent: Monday, June 10, 2024 6:04 AM
To: Auditors
Subject: A big thank you!

County Auditors-

I wanted to send along my best wishes and a huge thank you for all your preparations in the lead up to our Statewide Primary Election tomorrow. I appreciate all of your efforts in wanting to run a safe, secure, and accessible election for all eligible North Dakota voters.

It is a fact: We simply would not be able to have an Election Day without you and your dedicated teams who are committed to ensuring North Dakotans can exercise their right and follow through on their responsibility to choose who will lead their communities.

Please know we will be with you until the very last results are reported to our office (Erika and Sandy are prepping the caffeine IV for tomorrow). As always if you have ANY questions, please do not hesitate to reach out to our team here at the Office of Secretary of State.

Enjoy the final preparations and have a fun Election Day!

Michael

Michael Howe
Secretary of State

NORTH DAKOTA OFFICE OF THE SECRETARY OF STATE

P: 701-328-3670 | michaelhowe@nd.gov | sos.nd.gov

Subject: FW: Amazing Conference Experience Regarding our NG911 Program

Importance: High

From: Genny M. Dienstmann

Sent: Wednesday, August 14, 2024 12:07 PM

To: Jason Horning <jason.horning@ndaco.org>; Kathy Kottenbrock <kathyk@ndaco.org>

Subject: Amazing Conference Experience Regarding our NG911 Program

Importance: High

Hi Jason and Kathy,

I just returned from the ASAE Conference in Cleveland and had to share an amazing experience I had on my last day there. I inadvertently sat at a table for lunch that happened to be an ASL (American Sign Language) table. There was one seat remaining and one of the translators saw me looking for a seat and invited me over to join them. When I sat down, she asked how long I had been a translator. I shared I was not and didn't want to take a space for a translator or hearing impaired attendee to join them. Everyone at the table 'signed' they disagreed and wanted me to stay, they were very excited to have someone with hearing capabilities join them and thankfully I sat beside the interpreter who helped me communicate with everyone throughout the lunch.

Here is the really cool part, I was asked where I was from and what programs we offer for our county members; the first program I mentioned was the NG911 program. One of the attendees at our table stopped me and shared that he was the federal government relations rep for the deaf on NG 911 (he's been deaf since birth) and enthusiastically signed that our state is a pioneer in moving this program forward and is extremely grateful in our state moving the needle forward in providing this life changing (yes, that is what he called it) opportunity for hearing impaired citizens to utilize the NG911 services independently, on their own. The table was thrilled with knowing this and we had a great conversation in helping me understand their needs and ways we, as organizations, can help them succeed. I was completely overwhelmed (in a positive way), because it never occurred to me that this service was so crucial for those in the hearing-impaired community. So, I wanted to share with you that you are helping make life changing experiences for hearing-impaired people nationwide - well done!

Genny Dienstmann, CAE
ND Association of Counties
(701) 425-0815 – w
(701) 391-4375 - c

Subject: FW: law enforcement

From: Runck, Nickela H. <nhrunck@nd.gov>
Sent: Friday, April 19, 2024 11:29 AM
To: Linda Svihovec <Linda.Svihovec@ndaco.org>
Subject: RE: law enforcement

Thank you both so much for all the help. That is very helpful!!!! 🙏

You have an amazing weekend and stay worm.

Thanks,
Nickela

From: Linda Svihovec <Linda.Svihovec@ndaco.org>
Sent: Friday, April 19, 2024 9:32 AM
To: Runck, Nickela H. <nhrunck@nd.gov>
Cc: Aaron Birst <aaron.birst@ndaco.org>
Subject: RE: law enforcement

Hi Nickela,

I asked Aaron Birst to provide the ND Century Code that says that law enforcement officers in North Dakota follow federal employment rules (see below). Also for quick reference here are the two FLSA fact sheets that address law enforcement employees. [Fact Sheet 8](#) [Fact Sheet 7](#)

Linda Svihovec
ND Association of Counties
Cell: 701-570-0082



From: Aaron Birst <aaron.birst@ndaco.org>
Sent: Friday, April 19, 2024 9:21 AM
To: Linda Svihovec <Linda.Svihovec@ndaco.org>
Subject: law enforcement

Here is where law enforcement is exempted out of north Dakota labor law. Then the second statute is what creates the requirements to follow federal law.

34-06-01. Definitions.

In this chapter, unless the context or subject matter otherwise requires:

1. "Commissioner" means the labor commissioner.
2. "Employee" includes any individual employed by an employer. However, an individual is not an "employee" while engaged in a ridesharing arrangement, as defined in section 8-02-07. **The term does not include a person engaged in firefighting or sworn**

section 8-02-07. **The term does not include a person engaged in firefighting or sworn law enforcement officers for a political subdivision of the state.**

3. "Employer" includes any individual, partnership, association, corporation, limited liability company, the state and political subdivisions of the state, or any person or group of persons acting in the interest of an employer in relation to an employee.

4. "Minor" means a person of either sex under the age of eighteen years.

5. "Occupation" means a business or industry, or a trade or branch thereof, but it does not include outside salesmen who are compensated on a commission basis.

6. "Wages" includes all payments made to or on behalf of an employee as remuneration for employment, whether calculated on a time, piece, job, or incentive basis.

34-06-04.1. Compensatory time, overtime, and work-period claims. The state or a political subdivision of the state may provide for compensatory time and for a work period for compensatory time and overtime calculation for its employees if the state or political subdivision complies with the requirements of the Fair Labor Standards Act of 1938, as amended, [Pub. L. 75-718; 52 Stat. 1060; 29 U.S.C. 201 et seq.] and any rules and interpretations adopted by the United States department of labor. The authority provided in this section applies in any proceeding brought after June 30, 2003, with respect to compensatory time or overtime earned regardless of when the work in question was performed.

SERVICE REPORT: Personnel Services

August 2024

(Report submitted to the Board of Directors by Michelle.)

PROGRAM UPDATE:

Two new NDACo employees will be introduced at the Board meeting on August 29th.

- Peter Halbach, Traffic Safety Resource Prosecutor
- Michael Casey, CEG Underwriting & Loss Control Manager



Financial Statements
December 31, 2023

North Dakota Association of Counties

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North Dakota Association of Counties

Listing of Board Members (Unaudited)

December 31, 2023

North Dakota Association of Counties*

Jayne Tenneson	President
Trudy Ruland	1st Vice President
Chad Kaiser	2nd Vice President
Nick Moser	3rd Vice President
Steve Lee	Past President
Beau Anderson	Director
Tony Grindberg	Director
Steve Forde	Director
Becky Hagel	Director
Scott Ouradnik	Director
Jamee Folk	Director
Lori Hanson	Director
Kim Jacobson	Director
Wanda Knutson	Director
Dana Larsen	Director
Shirley Murray	Director
Erica Johnsrud	Director
Kelly Palm	Director
Robert Wilson	Ex Officio
Perry Turner	Ex-Officio
Joan Hollekim	Ex-Officio

NDACo Resources Group, Inc.

Lonny Bosch	President
Leslie Korgel	Secretary/Treasurer
Aaron Birst	Board Chair
Cole Higlin	Director
Tony Weiler	Director
Joel Rostberg	Director
Marcia Kessel	Director

*- The Institute of Local Government (ILG)'s board consists of the same members as the North Dakota Association of Counties (NDACo)'s Board except ILG's President is NDACo's Past President and ILG's Vice President is NDACo's Current President.



Independent Auditor's Report

Board of Directors
North Dakota Association of Counties
Bismarck, North Dakota

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Dakota Association of Counties ("the Association"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Association, as of December 31, 2023, and the respective changes in financial position and, where, applicable, cash flows thereof and the respective budgetary comparison for governmental funds 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Association 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; this includes 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 Association's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 Association'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 Association'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 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2024, on our consideration of the Association'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 Association's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Association's internal control over financial reporting and compliance.



Fargo, North Dakota
June 11, 2024

As management of the North Dakota Association of Counties (NDACo), we offer readers of NDACo's financial statements this narrative overview and analysis of the financial activities of NDACo for the fiscal year ended December 31, 2023. When discussing NDACo and its components, the term "Association" is used. When referring to a specific department, the narrative will indicate which department (NDACo, NRG, governmental funds). We encourage readers to consider the information presented here in conjunction with the basic financial statements, which can be found on pages 9-20 of this report.

Financial Highlights

- The assets of the Association exceeded its liabilities at the close of the year by \$13,136,761, which is its net position. Of this amount, \$10,058,136 is unrestricted and may be used to meet the needs of its members through programs and services.
- The Association's total net position increased by \$793,515 in 2023.
- At the close of the current fiscal year, NDACo's operating fund net position was \$12,115,868, an increase of \$805,533 compared to the prior year. Of this total, \$9,114,827 is unrestricted and is available for spending as needed by NDACo.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Association's basic financial statements. The Association's government-wide financial statements encompass four components - the parent company's financial position (NDACo), its components - Institute of Local Government (ILG), NDACo Resources Group and grant funds from the Office of Juvenile Justice. These financials distinguish between the governmental and business-type activities of the Association; they do not include fiduciary activities. Governmental activities are financed through intergovernmental revenues and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external entities. This report encompasses the parent company and all components and includes comparisons of current year to prior year financial information.

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

The following table presents condensed financial information on the Association's net position as of December 31, 2023:

North Dakota Association of Counties
Net Position - 2023 & 2022

	Governmental Activities		Business-Type Activities		2023 Total	2022 Total
	2023	2022	2023	2022		
Current and Other Assets	\$ 114,975	\$ 155,065	\$ 13,394,099	\$ 11,456,149	\$ 13,509,074	\$ 11,611,214
Capital Assets	-	-	3,061,897	3,182,590	3,061,897	3,182,590
Total assets	<u>114,975</u>	<u>155,065</u>	<u>16,455,996</u>	<u>14,638,739</u>	<u>16,570,971</u>	<u>14,793,804</u>
Current Liabilities	<u>47,619</u>	<u>84,682</u>	<u>3,178,207</u>	<u>2,163,835</u>	<u>3,225,826</u>	<u>2,248,517</u>
Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>208,384</u>	<u>202,041</u>	<u>208,384</u>	<u>202,041</u>
Net Position						
Net Investment in Capital Assets	-	-	3,031,289	3,173,995	3,031,289	3,173,995
Restricted for Scholarships	47,336	50,163	-	-	47,336	50,163
Unrestricted	<u>20,020</u>	<u>20,220</u>	<u>10,038,116</u>	<u>9,098,868</u>	<u>10,058,136</u>	<u>9,119,088</u>
Total net position	<u>67,356</u>	<u>70,383</u>	<u>13,069,405</u>	<u>12,272,863</u>	<u>13,136,761</u>	<u>12,343,246</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 114,975</u>	<u>\$ 155,065</u>	<u>\$ 16,455,996</u>	<u>\$ 14,638,739</u>	<u>\$ 16,570,971</u>	<u>\$ 14,793,804</u>

Governmental Activities

The Association's net position in governmental activities decreased by \$3,027 or 4.3%. The decrease is attributed to the 2023 scholarships awarded totaled more than the revenue acquired; thereby using scholarship fund reserves to offset the cost difference. The net position was decreased by this variance.

Business-Type Activities

The Association's net position in business-type activities increased by \$796,542 or 6.5%. The increase is attributed to income on NDACo's investments of nearly \$943,000.

The *Statement of Activities* presents information illustrating how the net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused paid time off). The table on the following page presents condensed financial information on the Association's Changes in Net Position for the fiscal year ending December 31, 2023.

The Statement of Net Position and Statement of Activities can be found on pages 9-10 of this report. In addition, financial statements specific to governmental funds and proprietary funds are also included in this report.

North Dakota Association of Counties
Changes in Net Position - 2023 & 2022

	Governmental Activities		Business-Type Activities		2023 Total	2022 Total
	2023	2022	2023	2022		
Program Revenues						
Charges for services	\$ -	\$ -	\$ 8,851,644	\$ 8,590,378	\$ 8,851,644	\$ 8,590,378
Operating grants and contributions	200,545	411,641	797,499	559,813	998,044	971,454
General Revenues						
Building rent and other fees	-	-	219,611	219,151	219,611	219,151
Investment earnings	-	-	1,007,205	(1,461,124)	1,007,205	(1,461,124)
Other general revenues	9,398	9,985	25,408	45,599	34,806	55,584
Total revenues	209,943	421,626	10,901,367	7,953,817	11,111,310	8,375,443
Expenses						
Juvenile Justice Grants	200,545	388,378	-	-	200,545	388,378
Institute of Local Governments	12,425	35,691	-	-	12,425	35,691
NDACo Operating fund	-	-	7,377,040	6,773,341	7,377,040	6,773,341
NDACo Resources Group	-	-	2,727,785	2,512,665	2,727,785	2,512,665
Total expenses	212,970	424,069	10,104,825	9,286,006	10,317,795	9,710,075
Increase (Decrease) in Net Position	(3,027)	(2,443)	796,542	(1,332,189)	793,515	(1,334,632)
Net Position - January 1	70,383	72,826	12,272,863	13,605,052	12,343,246	13,677,878
Net Position - December 31	\$ 67,356	\$ 70,383	\$ 13,069,405	\$ 12,272,863	\$ 13,136,761	\$ 12,343,246

Governmental Funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Revenues are recognized as soon as they are available, and expenses are recorded when the liability is incurred. The Association maintains two governmental funds. Information for these funds is presented separately in the *Governmental Balance Sheet and Statement of Revenues, Expenses and Changes in Fund Balances* for the Institute of Local Government and the Juvenile Justice grants. The reports for *Governmental Funds* can be found on pages 11-13 of this report.

Proprietary Funds are used to account for the operations of NDACo including services provided to counties, publications and administering various programs for its members. NDACo Resources Group also falls under this fund. Their focus is providing technology support to counties, other government entities and private businesses. The reports for *Proprietary Funds* can be found on pages 14-18 of the report.

Fiduciary Funds are used to account for resources held for the benefit of organizations outside the Association. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funders are not available to support NDACo's programs. The basic *Fiduciary Fund* financial statements are on pages 19-20 of the report.

Governmental Funds

Justice Grants is the Association's fund used to help counties apply for and administer federal and state grant programs for juvenile delinquency prevention and enforcement. At the end of the current fiscal year, total fund balance remained at \$0 as the fund has primarily pass-through grant activities.

Institute of Local Government runs a scholarship fund and houses special grants and other projects. At the end of the current fiscal year, total fund balance was \$67,356. The total fund balance decreased by \$3,027. The decrease is attributed to the 2023 scholarships awarded totaled more than the revenue acquired; thereby using scholarship fund reserves to offset the cost difference. The fund balance was decreased by this variance.

Proprietary Funds

NDACo Operating fund tracks the services provided to counties, from publications to administering various programs. At the end of the current fiscal year, total net position was \$12,115,868. Total net position increased by \$805,533. The increase is attributed to income on NDACo's investments of nearly \$943,000.

NDACo Resources Group performs technology support for counties, state and local government, and private companies. At the end of the current fiscal year, total net position was \$953,537. Total net position decreased by \$8,991.

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 21-36 of this report.

Capital Assets

Capital Assets: The Association's investment in capital assets as of December 31, 2023, amounts to \$3,061,897 (net of accumulated depreciation/amortization) compared to prior year total of \$3,145,201. The investment in capital assets includes land, buildings, building improvements, software, vehicles and equipment, and right-to-use leased property.

Additional information on *Capital Assets* can be found in Note 4 of this report.

The Association adopts an annual budget for its governmental and business-type funds on a basis consistent with GAAP.

Request for Information

This financial report is designed to provide a general overview of the Association's finances for all those with an interest in the organization's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the NDACo Operations Director, 1661 Capitol Way, PO Box 877, Bismarck ND 58502-0877.

North Dakota Association of Counties

Statement of Net Position

December 31, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 20,020	\$ 2,720,107	\$ 2,740,127
Restricted cash	21,850	-	21,850
Restricted investments	25,486	-	25,486
Invested securities lending	-	52,285	52,285
Accounts receivable	-	510,468	510,468
Grants receivable	47,619	-	47,619
Accrued interest	-	21,838	21,838
Due from fiduciary fund	-	213,130	213,130
Prepaid income tax expense	-	4,000	4,000
Lease receivable	-	220,839	220,839
Technology supplies	-	34,048	34,048
Prepaid items	-	64,378	64,378
Long-term investments	-	9,519,006	9,519,006
Deferred taxes	-	34,000	34,000
Capital assets not being depreciated/amortized			
Land	-	178,558	178,558
Capital assets (net of accumulated depreciation/ and amortization)			
Buildings and improvements	-	2,770,395	2,770,395
Furniture and equipment	-	45,669	45,669
Vehicles	-	15,707	15,707
Right-to-use leased property	-	51,568	51,568
Total assets	\$ 114,975	\$ 16,455,996	\$ 16,570,971
Liabilities			
Accounts payable	\$ 46,050	\$ 1,121,224	\$ 1,167,274
Checks issued in excess of bank balance	1,569	-	1,569
Securities lending collateral	-	52,285	52,285
Accrued longevity program payable	-	18,753	18,753
Unearned revenue	-	715,594	715,594
Accrued expenses	-	958,911	958,911
Compensated absences payable	-	246,388	246,388
Lease liability - due within one year	-	19,444	19,444
Lease liability - due in more than one year	-	30,608	30,608
Deferred taxes	-	15,000	15,000
Total Liabilities	47,619	3,178,207	3,225,826
Deferred Inflows of Resources			
Lease related	-	208,384	208,384
Net Position			
Net investment in capital assets	-	3,031,289	3,031,289
Restricted for scholarships	47,336	-	47,336
Unrestricted	20,020	10,038,116	10,058,136
Total Net Position	67,356	13,069,405	13,136,761
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 114,975	\$ 16,455,996	\$ 16,570,971

See Notes to Financial Statements

North Dakota Association of Counties

Statement of Activities

Year Ended December 31, 2023

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business - Type Activities	Total
Primary Government						
Justice Grants	\$ 200,545	\$ -	\$ 200,545	\$ -	\$ -	\$ -
Institute of local government	12,425	-	-	(12,425)	-	(12,425)
Total Governmental Activities	212,970	-	200,545	(12,425)	-	(12,425)
Business-Type Activities						
Operating	7,377,040	6,222,379	797,499	-	(357,162)	(357,162)
NDACO Resources	2,727,785	2,629,265	-	-	(98,520)	(98,520)
Total Business-Type Activities	10,104,825	8,851,644	797,499	-	(455,682)	(455,682)
Total Government	\$ 10,317,795	\$ 8,851,644	\$ 998,044	(12,425)	(455,682)	(468,107)
	General Revenues					
				-	219,611	219,611
				-	25,408	25,408
				-	1,007,205	1,007,205
				9,398	-	9,398
				9,398	1,252,224	1,261,622
				(3,027)	796,542	793,515
				70,383	12,272,863	12,343,246
				\$ 67,356	\$ 13,069,405	\$ 13,136,761

North Dakota Association of Counties

Balance Sheet - Governmental Funds

December 31, 2023

	<u>Justice Grants</u>	<u>Institute of Local Government</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ -	\$ 20,020	\$ 20,020
Restricted cash	-	21,850	21,850
Restricted investments	-	25,486	25,486
Grants receivable	47,619	-	47,619
	<u>47,619</u>	<u>-</u>	<u>47,619</u>
Total Assets	<u>\$ 47,619</u>	<u>\$ 67,356</u>	<u>\$ 114,975</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 46,050	\$ -	\$ 46,050
Checks issued in excess of bank balance	1,569	-	1,569
	<u>47,619</u>	<u>-</u>	<u>47,619</u>
Total Liabilities	<u>47,619</u>	<u>-</u>	<u>47,619</u>
Fund Balances			
Restricted for scholarships	-	47,336	47,336
Assigned for scholarships	-	20,020	20,020
	<u>-</u>	<u>67,356</u>	<u>67,356</u>
Total Fund Balances	<u>-</u>	<u>67,356</u>	<u>67,356</u>
Total Liabilities and Fund Balances	<u>\$ 47,619</u>	<u>\$ 67,356</u>	<u>\$ 114,975</u>

North Dakota Association of Counties
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2023

	Justice Grants	Institute of Local Government	Total Governmental Funds
Revenues			
Grants	\$ 200,545	\$ -	\$ 200,545
Other general revenue	-	9,398	9,398
Total revenues	200,545	9,398	209,943
Expenditures			
Salaries	22,462	-	22,462
Travel	2,167	-	2,167
Other operating costs	11,781	12,425	24,206
Justice Grant Programs	164,135	-	164,135
Total expenditures	200,545	12,425	212,970
Net Change in Fund Balances	-	(3,027)	(3,027)
Fund Balance - January 1	-	70,383	70,383
Fund Balance - December 31	\$ -	\$ 67,356	\$ 67,356

North Dakota Association of Counties
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Governmental Funds
Year Ended December 31, 2023

	Justice Grants			Institute of Local Government		
	Original/Final Budget	Actual	Variance - Positive (Negative)	Original/Final Budget	Actual	Variance - Positive (Negative)
Revenues						
Grants	\$ 360,000	\$ 200,545	\$ (159,455)	\$ -	\$ -	\$ -
Other general revenue	-	-	-	12,500	9,398	(3,102)
Total revenues	<u>360,000</u>	<u>200,545</u>	<u>(159,455)</u>	<u>12,500</u>	<u>9,398</u>	<u>(3,102)</u>
Expenditures						
Current						
Salaries	-	22,462	(22,462)	-	-	-
Travel	-	2,167	(2,167)	-	-	-
Other operating costs	-	11,781	(11,781)	12,500	12,425	75
Justice Grant Programs	360,000	164,135	195,865	-	-	-
Total expenditures	<u>360,000</u>	<u>200,545</u>	<u>159,455</u>	<u>12,500</u>	<u>12,425</u>	<u>75</u>
Net Change in Fund Balances	-	-	-	-	(3,027)	(3,027)
Fund Balance - January 1	-	-	-	70,383	70,383	-
Fund Balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,383</u>	<u>\$ 67,356</u>	<u>\$ (3,027)</u>

North Dakota Association of Counties

Statement of Net Position - Proprietary Funds

December 31, 2023

	NDACo Operating Fund	NDACo Resources Group	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 2,287,314	\$ 432,793	\$ 2,720,107
Invested securities lending	52,285	-	52,285
Accounts receivable	417,664	92,804	510,468
Due from fiduciary fund	213,130	-	213,130
Lease receivable	220,839	-	220,839
Accrued interest receivable	17,779	4,059	21,838
Technology supplies	-	34,048	34,048
Prepaid income tax expense	-	4,000	4,000
Prepaid items	54,398	9,980	64,378
Total current assets	3,263,409	577,684	3,841,093
Capital Assets			
Land	178,558	-	178,558
Buildings and improvements	4,810,710	-	4,810,710
Furniture and equipment	482,469	150,928	633,397
Vehicles	108,994	-	108,994
Software	-	5,909	5,909
Right-to-use leased property	-	63,273	63,273
	5,580,731	220,110	5,800,841
Less accumulated depreciation/amortization	(2,579,690)	(159,254)	(2,738,944)
Net capital assets	3,001,041	60,856	3,061,897
Other Assets			
Deferred taxes	-	34,000	34,000
Long-term investments	9,021,807	497,199	9,519,006
Total other assets	9,021,807	531,199	9,553,006
Total Assets	\$ 15,286,257	\$ 1,169,739	\$ 16,455,996

North Dakota Association of Counties

Statement of Net Position - Proprietary Funds

December 31, 2023

	NDACo Operating Fund	NDACo Resources Group	Total
Liabilities and Net Position			
Liabilities			
Current Liabilities			
Accounts payable	\$ 1,077,141	\$ 44,083	\$ 1,121,224
Securities lending collateral	52,285	-	52,285
Accrued longevity program payable	18,753	-	18,753
Accrued expenses	939,417	19,494	958,911
Compensated absences payable	190,004	56,384	246,388
Lease liability	-	19,444	19,444
Unearned revenue	684,405	31,189	715,594
Total current liabilities	2,962,005	170,594	3,132,599
Noncurrent Liabilities			
Lease liability	-	30,608	30,608
Deferred taxes	-	15,000	15,000
Total noncurrent liabilities	-	45,608	45,608
Total Liabilities	2,962,005	216,202	3,178,207
Deferred Inflows of Resources			
Lease related	208,384	-	208,384
Net Position			
Net investment in capital assets	3,001,041	30,248	3,031,289
Unrestricted	9,114,827	923,289	10,038,116
Total Net Position	12,115,868	953,537	13,069,405
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 15,286,257	\$ 1,169,739	\$ 16,455,996

North Dakota Association of Counties
Statement of Revenues, Expenses and Changes in Fund Balances - Proprietary Funds
Year Ended December 31, 2023

	NDACo Operating Fund	NDACo Resources Group	Total
Operating Revenues			
NDACo publication sales	\$ 52,262	\$ -	\$ 52,262
Cost of goods sold	(30,724)	-	(30,724)
Gross Margin	21,538	-	21,538
Charges for services			
County Dues	706,561	-	706,561
Conferences and workshops	248,348	-	248,348
Commissions	-	25,408	25,408
NDACo programs	3,985,193	-	3,985,193
Special projects	1,230,015	2,629,265	3,859,280
Total operating revenues	<u>6,191,655</u>	<u>2,654,673</u>	<u>8,846,328</u>
Operating Expenses			
Salaries	1,878,502	933,246	2,811,748
Fringe benefits	603,826	327,275	931,101
Payroll taxes	143,617	70,538	214,155
Travel	101,855	4,499	106,354
Supplies and equipment	15,026	1,595	16,621
Legislative	46,946	-	46,946
Fees and services	74,690	64,798	139,488
Building expenses	195,673	86,753	282,426
Other operating costs	26,594	44,962	71,556
Depreciation/amortization	186,765	22,667	209,432
Conferences and workshops	204,668	6,284	210,952
Special NDACo programs	3,129,121	-	3,129,121
Special Projects	737,159	1,161,892	1,899,051
Total operating expenses	<u>7,344,442</u>	<u>2,724,509</u>	<u>10,068,951</u>
Operating loss	<u>(1,152,787)</u>	<u>(69,836)</u>	<u>(1,222,623)</u>
Non-Operating Revenues (Expenses)			
Grant revenue	797,499	-	797,499
Building rent and lease revenue	219,611	-	219,611
Investment income	943,084	64,121	1,007,205
Income tax expense	-	7,978	7,978
Interest expense on leases	(1,874)	(11,254)	(13,128)
Total non-operating revenues (expenses)	<u>1,958,320</u>	<u>60,845</u>	<u>2,019,165</u>
Change in Net Position	805,533	(8,991)	796,542
Net Position - January 1	<u>11,310,335</u>	<u>962,528</u>	<u>12,272,863</u>
Net Position - December 31	<u>\$ 12,115,868</u>	<u>\$ 953,537</u>	<u>\$ 13,069,405</u>

See Notes to Financial Statements

North Dakota Association of Counties
Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2023

	NDACo Operating Fund	NDACo Resources Group	Total
Cash Flows from Operating Activities			
Cash received for services provided to counties and other users	\$ 6,604,148	\$ 2,672,968	\$ 9,277,116
Cash paid for NDACo operations	(3,933,246)	(1,384,801)	(5,318,047)
Cash paid to/on behalf of employees	(2,608,344)	(1,330,229)	(3,938,573)
Cash received from income tax	-	(4,938)	(4,938)
Net Cash Provided (Used) for Operating Activities	<u>62,558</u>	<u>(47,000)</u>	<u>15,558</u>
Cash Flows from Noncapital Financing Activity			
Cash received for building rent and other fees	<u>215,638</u>	<u>-</u>	<u>215,638</u>
Cash Flows from Capital and Related Financing Activities			
Grants received	797,499	-	797,499
Purchase of capital assets	(59,536)	(3,319)	(62,855)
Payment of lease principal	(5,501)	(13,314)	(18,815)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>732,462</u>	<u>(16,633)</u>	<u>715,829</u>
Cash Flows from Investing Activities			
Purchase of investments	(613,756)	-	(613,756)
Proceeds from maturity of investment	-	340	340
Dividends and interest income	<u>115,604</u>	<u>29,116</u>	<u>144,720</u>
Net Cash Flows Used for Investing Activities	<u>(498,152)</u>	<u>29,456</u>	<u>(468,696)</u>
Net Change in Cash and Cash Equivalents	512,506	(34,177)	478,329
Cash and Cash Equivalents, January 1	<u>1,774,808</u>	<u>466,970</u>	<u>2,241,778</u>
Cash and Cash Equivalents, December 31	<u>\$ 2,287,314</u>	<u>\$ 432,793</u>	<u>\$ 2,720,107</u>

North Dakota Association of Counties

Statement of Cash Flows - Proprietary Funds

Year Ended December 31, 2023

	NDACo Operating Fund	NDACo Resources Group	Total
Operating Loss	\$ (1,152,787)	\$ (69,836)	\$ (1,222,623)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) for Operating Activities			
Depreciation and amortization expense	186,765	22,667	209,432
Interest expense on leases	(1,874)	(11,254)	(13,128)
Income tax expense	-	7,978	7,978
Changes in assets and liabilities			
Accounts receivable	13,641	56,627	70,268
Prepaid items	(6,405)	6,737	332
Deferred income taxes	-	(16,000)	(16,000)
Accounts payable	563,147	(9,501)	553,646
Accrued longevity program payable	10,982	-	10,982
Accrued expenses	74,342	(693)	73,649
Income tax payable	-	(3,916)	(3,916)
Compensated absences payable	6,619	1,523	8,142
Deferred tax liability	-	7,000	7,000
Unearned revenue	368,128	(38,332)	329,796
Net Cash Provided (Used) for Operating Activities	<u>\$ 62,558</u>	<u>\$ (47,000)</u>	<u>\$ 15,558</u>
Non-Cash Disclosure			
Increase (decrease) in fair value of investments	\$ (823,112)	\$ 34,625	\$ (788,487)
Increase in right-to-use leased property	\$ -	\$ 63,273	\$ 63,273

North Dakota Association of Counties
Statement of Net Position - Fiduciary Funds
December 31, 2023

	<u>Custodial Fund</u>
Assets	
Cash and Cash Equivalents	<u>\$ 2,487,904</u>
Liabilities	
Due to Primary Government	<u>\$ 213,130</u>
Net Position	
Restricted for NG 911	<u>2,274,774</u>
Total liabilities and net position	<u>\$ 2,487,904</u>

North Dakota Association of Counties
Statement of Changes in Net Position - Fiduciary Funds
Year Ended December 31, 2023

	Custodial Fund
Additions	
Contributions	
County/City contributions	\$ 910,278
Wireless funds from state	1,061,079
VOIP payments received from vendors	132,610
Total Contributions	2,103,967
Investment income	
Interest income	89,330
Total additions	2,193,297
Deductions	
Project salary costs	307,386
Travel & other direct costs	10,408
NG911 services monthly recurring costs	1,768,003
NG911 grant expenses	211,014
VOIP reimbursements to counties	153,325
Total deductions	2,450,136
Change in net position	(256,839)
Net position, January 1	2,531,613
Net position, December 31	\$ 2,274,774

Note 1 - Summary of Significant Accounting Policies

The North Dakota Association of Counties (the Association) is a nonprofit North Dakota Corporation which has received tax exempt status under section 501 (C)(4) of the Internal Revenue Code. The financial statements of the Association have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The more significant of the Association's accounting policies are described below.

Financial Reporting Entity

For financial reporting purposes, the North Dakota Association of Counties has included all funds and has considered all potential component units for which the Association is financially accountable, and other organizations for which the nature and significance of their relationships with the Association are such that exclusion would cause the Association's financial statements to be misleading or incomplete. The Government Accounting Standards Board has set forth criteria to be considered in determining financial accountability. This criterion includes appointing a voting majority of an organization's governing body and (1) the ability of the Association to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Association.

A blended component unit is a separate legal entity. The blended component unit's governing body is the same or substantially the same as the Association, or the component unit provides services entirely to or on behalf of the Association. These component unit funds are blended into those of the Association by appropriate fund type to constitute the primary government presentation.

Blended component units of the Association are as follows:

Institute of Local Government - Created as a wholly owned component unit of the Association for a scholarship fund and specific grants and other projects.

NDACo Resource Group - Created as a wholly owned component unit of the Association. It was created to perform technology support for counties, state and local governments, and private companies. It is considered a C-Corporation.

Basis of Presentation

The financial statements of the Association have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the standard setting body for governmental accounting and financial reporting.

Government-Wide Statements

The Statement of Net Position and the Statement of Activities display information about the Association. These statements include the financial activities of the overall Association, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and the business-type activities of the Association. Governmental activities generally are financed through intergovernmental revenues and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. As a general rule, the effect of interfund activity has been eliminated from the government wide financial statements.

The Statement of Net Position reports all financial and capital resources, in a net position form (Net position represents the difference between all other elements in a statement of financial position). Net Position is displayed in three components, as applicable, net investment in capital assets, restricted (distinguishing between major categories of restrictions), and unrestricted.

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

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Association and for each function of the Association's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include a) charges paid by recipients of goods and services offered by the programs and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Net Position

Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources in the Association's financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any long-term debt attributable to the acquisition, construction, or improvement of those assets. Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund Financial Statements

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

Fund Balance Classification Policies and Procedures

In accordance with Government Accounting Standards Board (GASB) No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Association classifies governmental fund balances as follows:

- **Nonspendable** - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- **Restricted** - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- **Committed** - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority and does not lapse at year-end.
- **Assigned** - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Executive Director.
- **Unassigned** - includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

The Association uses *restricted* amounts first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the Association would first use *committed*, then *assigned*, and lastly *unassigned* amounts of unrestricted fund balance when expenditures are made.

The Association does not have a formal minimum fund balance policy.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. The Association considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Operating revenues consist of sales of goods and services, quasi-external operating transactions with other funds, grant revenue for specific activities that are considered to be operating activities of the grantor, and other miscellaneous revenue that should be classified as operating. Grants that would qualify as an operating activity are those that do not subsidize an existing program, rather they finance a program the Association would not otherwise undertake. All other revenues that do not meet the above criteria should be classified as non-operating.

Financial Statement Presentation

The Association reports the following major governmental funds:

Justice Grants - the Association's fund used to help counties apply for and administer federal and state grant programs for juvenile delinquency prevention and enforcement. The program assists with a variety of delinquency and youth development activities involving other government and community-based organizations.

Institute of Local Government - ILG runs a scholarship fund and houses special grants and other projects.

The Association reported the following major proprietary funds:

NDACo Operating Fund - This fund tracks the services provided to counties, from publications to administering various programs.

NDACo Resource Group - Performs technology support for counties, state and local government, and private companies.

The Association reported the following fiduciary fund:

NG 911 - Used to account for resources held for the benefit of the NG 911 fund for the running of that program for the counties, which is an organization outside of NDACo.

Budgets

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and savings accounts.

Certificates of Deposit

Interest-bearing deposits with financial institutions are carried at cost.

Accounts Receivable

Accounts receivable consist of amounts due from member counties for their membership dues that were billed in 2023; and amounts due from individuals, companies, or organizations for goods and services provided prior to December 31.

The Company estimates an allowance for uncollectible accounts, which is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. At December 31, 2023, management determined that an allowance was deemed unnecessary.

Grants Receivable

The Association's grant receivables consist of grant revenue that has been earned but not received.

Prepaid Items

Prepaid items consist of amounts paid in advance to various vendors for rental contracts and other agreements, prior to December 31, and will be amortized over future periods.

Investments

Investments consist of certificates of deposit and monies invested with Colliers, Kirkwood Bank and Trust, and the ND State Investment Board, which include funds invested in various stock indexes, convertible securities and government/corporate domestic bond indexes; and 90-day Treasury Bills. Investments are carried at fair value in accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*.

Restricted Investments

Certain items in the Institute of Local Government fund are classified as restricted investments on the balance sheet because their use is limited by applicable donor restrictions for scholarships.

Capital Assets

The Association's capital assets consist of land, buildings, improvements, furniture and equipment, and vehicles. These assets are capitalized in the general fund and are depreciated over the estimated useful life of the asset on a straight-line basis. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The following estimated useful lives are used to compute depreciation:

Building and improvements	15-50 years
Equipment	3-10 years
Furniture and equipment	3-10 years
Software	3-5 years
Vehicles	3-7 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized. The threshold for capital improvements for NDACo Operating Fund is \$2,500, while the threshold for all other assets and funds is \$1,000.

Right to use leased assets are recognized at the lease commencement date and represent the Association's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability, plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period for all right to use leased assets is within three years.

Accounts Payable

Accounts payable consists of amounts on open account for goods and services received prior to December 31, 2023, but paid for subsequent to that date.

Accrued Longevity Program Payable

Accrued longevity program payable consists of amounts incurred for future distribution to staff members who have devoted years of service to the Association.

Unearned Revenue

Unearned revenue consists of grant proceeds for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met; and amounts due from member counties for their 2024 membership dues and workers compensation premiums, which were billed and collected in December 2023.

Compensated Absences

Employees are paid for paid time off (PTO) up to 300 hours. Upon termination of employment, employees will be paid for vacation benefits that have accrued at the employee's rate of pay on their last day of employment. Vested paid time off (PTO) is reported as an expense of the appropriate funds. Compensated absences represent the liability of the Association for these employee benefits. No liability is recorded for nonvesting accumulating rights to receive sick leave benefits.

Use of 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 certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

Lease Liability

Lease liabilities represent the Association's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the Association.

Income Taxes

For the NDACo Resources Group, Inc., income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to the difference between the basis of net operating loss, charitable contributions, property and equipment, and accrued expenses for financial and income tax reporting. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

We believe the Resources Group has appropriate support for any tax position taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Resources Group will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred. The Resources Group is no longer subject to Federal tax examinations by tax authorities for years before 2020 and state examinations for years before 2020.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

The Association has one type of item that qualify for reporting in this category. The deferred inflows of resources (revenue) related to leases where the Association is the lessor and is reported in the governmental funds balance sheet and statement of net position. The deferred inflows of resources related to leases are recognized as in inflow of resources (revenue) on the straight-line basis over the term of the lease.

Subsequent Events

The Association has evaluated subsequent events through June 11, 2024, the date which the financial statements were available to be issued.

Note 2 - Cash and Cash Equivalents

Custodial Credit Risk

In accordance with North Dakota Statutes, the Association maintains deposits at the depository banks designated by the governing board. All depositories are members of the Federal Reserve System.

Deposits must either be deposited with the Bank of North Dakota or in other financial institutions situated and doing business within the state. Deposits, other than with the Bank of North Dakota, must be fully insured or bonded. In lieu of a bond, a financial institution may provide a pledge of securities equal to the deposits not covered by insurance or bonds.

Authorized collateral includes bills, notes or bonds issued by the United States government, its agencies or instrumentalities, 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 investments 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 instrumentalities or by any county, city, township, school district, park district or any 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 another state of the United States or other securities approved by the banking board.

At December 31, 2023 the Association's carrying amount of deposits was \$2,740,127. Of the bank balance, \$500,000 was covered by Federal Depository Insurance. The remaining balance was collateralized with securities held by the pledging financial institution's agent in the government's name. The NG 911 fund had deposits of \$2,487,904 that are collateralized with securities.

Note 3 - Investments**Interest Rate Risk**

The Association has an investment policy that limits investments as a means of managing its exposure to fair value losses arising from changing interest rates. Cash and equivalents/short-term fixed income can make up to 20% of the portfolio balance, equities can make up to 30% of the balance and fixed income make up the remainder of the portfolio. The quality rating must be A- or better with not more than 15% of the portfolio in stocks with a rating of A - or lower. Bonds issued by agencies of the federal government, unless otherwise declared, are deemed to carry a AAA rating. Any other non-rated bonds are not to be included in the investment portfolio.

Investments	Amount	N/A	Maturity Less Than 1 Year	Maturity 1-5 Years	Maturity 6-10 Years	Maturity Over 10 Years
Fixed Income	\$ 1,522,795	\$ -	\$ 601,764	\$ 415,071	\$ 505,960	\$ -
Other investments	401,838	-	-	401,838	-	-
Restricted Certificates of Deposit	25,486	-	-	25,486	-	-
Pooled Funds in State Investment Board	7,646,658	7,646,658	-	-	-	-
	<u>\$ 9,596,777</u>	<u>\$ 7,646,658</u>	<u>\$ 601,764</u>	<u>\$ 842,395</u>	<u>\$ 505,960</u>	<u>\$ -</u>

Reported on the Statement of Net Position as the following

Long-term investments	\$ 9,519,006
Restricted certificates of deposit	25,486
Invested securities lending	52,285
Total investments	<u>\$ 9,596,777</u>

Credit Risk

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The investments of the Association's pooled funds are an investment with Colliers, Kirkwood Bank and Trust, and in the State Investment Board investment pool. The funds invested in the State Investment Board investment pool are securities authorized by State Statutes. At December 31, 2023, the Association's portion of State Investment Board had a fair market value of \$7,646,658.

The State Investment Board (SIB) is an external investment pool created for the administration of investment programs of several North Dakota funds and maintains contractual relationships for investment management with certain political subdivisions. It is regulated by an eleven-member board. The audited financial statements for this fund can be found on the North Dakota State Government website under the Retirement and Investment Office, State Investment Board.

Several agencies whose investments are under the supervision of the SIB participate in pooled investments. The agencies transfer money into the investment pools and receive an appropriate percentage ownership of the pooled portfolio based upon fair value. All activities of the investment pools are allocated to the agencies based upon their respective ownership percentages. Each participant unit is valued at \$1.00 per unit.

The Association does not have a limit on the amount the Association may invest in any one issuer.

Securities Lending

GASB Pronouncements for "Accounting and Financial Reporting for Securities Lending Transactions," establishes accounting and financial reporting standards for securities lending transactions. The standard requires governmental entities to report securities lent as assets in their balance sheets. Cash received as collateral and investments made with that cash must also be reported as assets. The statement also requires the costs of the securities lending transactions to be reported as expenses separately from income received. In addition, the statement requires disclosures about the transactions and collateral related to them.

State statutes permit and the SIB has authorized the use of securities lending - loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future. Northern Trust is the securities lending agent for the SIB. Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any accrued interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest.

Non-cash collateral cannot be pledged or sold unless the borrower defaults. All securities loans can be terminated on demand by either the lender or the borrower. Cash open collateral is invested in a short-term investment pool. There were no violations of legal or contractual provisions, no borrower or lending agent default losses known to the securities lending agent. There are no dividends or coupon payments owing on the securities lent. Securities lending earnings are credited to participating clients on approximately the fifteenth day of the following month.

Indemnification deals with the situation in which a client's securities are not returned due to the insolvency of a borrower and Northern Trust has failed to live up to its contractual responsibilities relating to the lending of those securities. Northern Trust's responsibilities include performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable Department of Labor and Federal Financial Institutions Examination Council regulations concerning securities lending.

For securities loaned at fiscal year-end, the SIB has no credit risk exposure to borrowers because the amount the SIB owes the borrowers exceeds the amounts the borrowers owe the SIB.

As of December 31, 2023, the total amount of cash collateral related to these lent securities was \$52,285.

Fair Value Measurement

The Association categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Level 1 Unadjusted quoted prices for identical instruments in active markets.

Level 2 Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 Valuations derived from valuation techniques in which significant inputs are unobservable.

The following table shows the fair value leveling of the Association's investment portfolio at December 31, 2023:

<u>Investments</u>	<u>Fair Value 12-31-23</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>
Fixed income investments				
Municipal bonds	<u>\$ 1,522,795</u>	<u>\$ -</u>	<u>\$ 1,522,795</u>	<u>\$ -</u>
<u>Investments measured at net asset value (NAV)</u>				
Fixed income securities	4,712,281			
Equity securities	2,658,523			
Securities lending	52,285			
Short-term investment fund	<u>223,569</u>			
Total investments measured at net asset value	<u>7,646,658</u>			
<u>Investments measured at other than fair value</u>				
Other investment	401,838			
Restricted Certificates of deposit	<u>25,486</u>			
Total investments measured at other than fair value	<u>427,324</u>			
Total investments	<u>\$ 9,596,777</u>			

Note 4 - Capital Assets

The following is a schedule of changes in capital assets during the year ended December 31, 2023:

Proprietary Funds

	Balance 01-01-23	Additions	Deletions	Balance 12-31-23
Capital assets not being depreciated/amortized:				
Land	\$ 178,558	\$ -	\$ -	\$ 178,558
Capital assets being depreciated/amortized:				
Buildings and improvements - NDACo	4,768,593	42,117	-	4,810,710
Equipment	465,050	17,419	-	482,469
Furniture and equipment - NRG	147,609	3,319	-	150,928
Vehicles - NDACo	108,994	-	-	108,994
Software - NRG	5,909	-	-	5,909
Right-to-use leased property - NDACo	10,946	-	10,946	-
Right-to-use leased property - NRG	21,532	63,273	21,532	63,273
Total capital assets being depreciated/amortized	<u>5,528,633</u>	<u>126,128</u>	<u>32,478</u>	<u>5,622,283</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	1,881,219	159,096	-	2,040,315
Equipment	435,174	10,914	-	446,088
Furniture and equipment - NRG	136,061	5,579	-	141,640
Vehicles - NDACo	81,767	11,520	-	93,287
Software - NRG	5,909	-	-	5,909
Right-to-use leased property - NDACo	5,711	5,235	10,946	-
Right-to-use leased property - NRG	16,149	17,088	21,532	11,705
Total accumulated depreciation/amortization	<u>2,561,990</u>	<u>209,432</u>	<u>32,478</u>	<u>2,738,944</u>
Total Capital Assets, Net	<u>\$ 3,145,201</u>	<u>\$ (83,304)</u>	<u>\$ -</u>	<u>\$ 3,061,897</u>

Depreciation/amortization expense was allocated to proprietary funds as follows:

Fund	Amount
NDACo Operating Fund	\$ 186,765
NDACo Resources Group	<u>22,667</u>
Total Depreciation/Amortization	<u>\$ 209,432</u>

Note 5 - Leases**Leases Receivable**

The Association has accrued a receivable for four office leases. The remaining receivable for these leases was \$220,839 for the year ended December 31, 2023. Deferred inflows related to these leases were \$208,384 as of December 31, 2023. Interest revenue recognized on these leases was \$19,063 for the year ended December 31, 2023. Principal receipts of \$121,150 were recognized during the fiscal year. The interest rate on each lease is 7%. Final receipt is expected in the fiscal year 2028.

Lease Payable

The Association has entered into three lease agreements for the acquisition and use of vehicles. The Association is required to make principal and interest payments through June 2026. The lease agreements have an interest rate of 7%.

Changes in the lease payable during the year ended December 31, 2023, are as follows:

<u>Balance</u> <u>January 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 2023</u>	<u>Due Within</u> <u>One Year</u>
\$ 8,595	\$ 60,273	\$ 18,816	\$ 50,052	\$ 19,444

The future principal and interest lease payments as of December 31, 2023, were as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 19,444	\$ 2,888
2025	20,851	1,482
2026	9,757	182
Total	<u>\$ 50,052</u>	<u>\$ 4,552</u>

Note 6 - Risk Management

The North Dakota Association of Counties is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

In 1986, state agencies and political subdivisions of the State of North Dakota joined together to form the North Dakota Insurance Reserve Fund (NDIRF), a public entity risk pool currently operating as a common risk management and insurance program for the state and over 2,000 political subdivisions. The Association pays an annual premium to NDIRF for its general liability and auto insurance coverage. The coverage by NDIRF is limited to losses of \$1,000,000 per occurrence.

NDACo Resources Group is not included in the NDIRF coverage, they pay an annual premium to Acuity for its general liability and auto insurance coverage. The coverage by Acuity is limited to losses of \$1,000,000 per occurrence. NRG also has Directors and Officers Liability insurance through Philadelphia Indemnity Insurance Company with a per claim limit of \$1,000,000.

The Association also participates in the North Dakota Fire and Tornado Fund and the State Bonding Fund. The Association pays an annual premium to the Fire and Tornado Fund to cover property damage to personal property. Replacement cost coverage is provided by estimating replacement cost in consultation with the Fire and Tornado Fund. The Fire and Tornado Fund is reinsured by a third-party insurance carrier for losses in excess of \$1,000,000 per occurrence during a 12-month period. As of 2021, the Fire and Tornado Fund is administered by the North Dakota Insurance Reserve Fund. The State Bonding Fund currently provides the Association with a blanket fidelity bond coverage in the amount of \$2,000,000 for its employees. The State Bonding Fund does not currently charge any premium for this coverage.

The Association participates in the North Dakota Worker's Compensation Bureau and purchases commercial insurance for employee health and accident.

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

Note 7 - Defined Contribution Plan

The North Dakota Association of Counties contributes to the North Dakota Association of Counties 401(a) Plan, a defined contribution plan, for its full-time employees. North Dakota Association of Counties 401(a) Plan is administered by the NDACo Board of Directors. Benefit terms, including contribution requirements, for the Plan are established and may be amended by the NDACo Board of Directors. The North Dakota Association of Counties is required to contribute 12 percent of annual base salary to individual employee accounts for each participating employee. Employees are not permitted to make contributions. For the years ended December 31, 2023, 2022, and 2021, the North Dakota Association of Counties recognized expense related to the plan of \$206,844, \$199,567, and \$211,712, respectively.

Employees become vested in the North Dakota Association of Counties contributions and earnings on the North Dakota Association of Counties contributions after completion of 12 months of creditable service. Nonvested contributions are forfeited upon termination of employment and such forfeitures are used to pay a portion of the Plan's administrative expenses. For the years ended December 31, 2023, 2022, and 2021, forfeitures reduced the North Dakota Association of Counties' plan expense by \$0.

NDACo Resources Group contributes to the NDACo Resources Group Incorporated Retirement 401(k) Plan, a defined contribution pension plan, for its employees who work 1,000 hours or more per year. NDACo Resources Group Incorporated Retirement 401(k) Plan is administered by the NDACo Resources Group Board of Directors. Benefit terms, including contribution requirements, for the Plan are established and may be amended by the NDACo Resources Group Board of Directors. The NDACo Resources Group is required to contribute 10.12 percent of annual salary, exclusive of overtime pay, to individual employee accounts for each participating employee. Employees are permitted to make deferrals in addition to the employer contributions. For the years ended December 31, 2023, 2022, and 2021, the NDACo Resources Group recognized pension expense of \$84,196, \$71,590, and \$71,986, respectively.

Employees qualify for the NDACo Resources Group contributions and earnings after 12 months employment and a minimum of 1,000 hours of service. Nonvested contributions are forfeited upon termination of employment and such forfeitures are used to pay a portion of the Plan's administrative expenses. For the years ended December 31, 2023, 2022, and 2021, forfeitures reduced NDACo Resources Group's pension expense by \$0.

Note 8 - Income Taxes

The provision for income taxes charged to income for the year ended December 31, 2023, consists of the following:

Currently payable	\$ 26,978
Deferred income taxes	<u>(19,000)</u>
Income tax expense	<u><u>\$ 7,978</u></u>

The provision for income taxes included in the statement of revenue and expenses and changes in fund balance - proprietary fund's effective income tax rate is lower than what it would be expected if the federal statutory rate were applied to income from continuing operations primarily because of expenses deductible for financial reporting purposes that are not deductible for tax purposes and revenue included for financial purposes are not included in revenue for tax purposes.

Deferred income tax assets and liabilities in the accompanying balance sheets - proprietary funds include the following components:

Deferred tax assets	
Vacation accrual	\$ 12,000
Federal NOL carryforward	19,000
Charitable contributions	<u>3,000</u>
Total deferred tax asset	<u>\$ 34,000</u>
Deferred tax liabilities	
Unrealized investment gains	\$ (14,000)
Property and equipment	<u>(1,000)</u>
Total deferred tax liability	<u>\$ (15,000)</u>

Other Reports
December 31, 2023



North Dakota Association of Counties



Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
North Dakota Association of Counties
Bismarck, North Dakota

We have audited, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Dakota Association of Counties (“the Association”) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Association’s basic financial statements, and have issued our report thereon dated June 11, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association'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 Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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 Association’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 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 a certain deficiency in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association'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*.

North Dakota Association of Counties' Response to the Finding

Government Auditing Standards require the auditor to perform limited procedures on the Association's response to the findings identified in our audit and described in the accompanying schedule of findings. The Association's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Association'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 Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Fargo, North Dakota
June 11, 2024

Section II - Financial Statement Findings

Significant Deficiency

2023-001 Preparation of Financial Statements and Proposed Journal Entries

Criteria - Proper controls over financial reporting include the ability to prepare financial statements and accompanying notes to the financial statements, including the tax accrual and disclosures, and all necessary entries.

Condition - North Dakota Association of Counties does not have an internal control system designed to provide for the preparation of the financial statements being audited. As auditors, we were requested to draft the financial statements and accompanying notes to the financial statements. Eide Bailly is also utilized to prepare the tax accrual for the NDACo Resource Group and to draft the appropriate entry and disclosure for inclusion in the financial statements. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Cause - The Association does not have staff trained in GASB reporting standards or accounting for all tax accruals and adjustments.

Effect - Inadequate control over financial reporting of North Dakota Association of Counties could result in more than a remote likelihood that the financial statements and accompanying notes to the financial statements are not materially correct without the assistance of the auditors.

Recommendation - Management and the Board should continually be aware of the financial reporting of North Dakota Association of Counties and changes in reporting requirements.

Views of Responsible Officials - We concur with the finding. At this time, NDACo does not have the resources to prepare the financial statements and accompanying notes. We will continue to evaluate our ability to prepare the statements internally; in relation to the costs associated with preparing this report.



June 11, 2024

To the Board of Directors
North Dakota Association of Counties
Bismarck, North Dakota

We have audited the financial statements of North Dakota Association of Counties (the Association) as of and for the year ended December 31, 2023, and have issued our report thereon dated June 11, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our letter dated January 26, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Association solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated June 11, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

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Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Association is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ending December 31, 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is:

Management's estimate of the worker's compensation premium is based on WSI's billing process which is determined by using the three-year average of payroll in each classification. We evaluated the key factors and assumptions used to develop the premium estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. There were no financial statement disclosures that we consider to be particularly sensitive or involve significant judgment.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

The following misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management: An adjustment for the income tax accrual was brought to the attention of, and corrected by, management. The adjustment increased the deferred income tax asset by \$11,000, increased the deferred income tax liability by \$7,000, decreased the federal taxes payable by \$4,836, and decreased the provision for income tax expense by \$8,836.

There were no uncorrected misstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to North Dakota Association of Counties' financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated June 11, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with North Dakota Association of Counties, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as North Dakota Association of Counties' auditors.

Component Units

The financial statements of the North Dakota Association of Counties include the financial statements of the Institute of Local Government and NDACo Resources Group, blended component units of the North Dakota Association of Counties, which we considered to be significant components of the financial statements. Consistent with the audit of the financial statements as a whole, our audit included obtaining an understanding of the Association, Institute of Local Government, and NDACo Resources Group, and their environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements of the Association, Institute of Local Government, and NDACo Resources Group and completion of further audit procedures.

This report is intended solely for the information and use of the Board of Directors, and management of North Dakota Association of Counties and is not intended to be and should not be used by anyone other than these specified parties.

Eide Sully LLP

Fargo, North Dakota

INVESTMENTS

INTRODUCTION

NDACo was established to provide a medium for exchange of information and ideas of county officials, promote training, facilitate cooperation with all levels of government and be a legislative advocate for counties. NDACo and the benefits provided thereunder are funded by county member dues and special programs and projects of NDACo.

PURPOSE OF THE INVESTMENT POLICY

The purpose of this policy is to establish a framework to define investment guidelines, objectives, standards and performance measures of NDACo investments. The majority of NDACo's investment returns should be viewed in a long-term perspective and that rates of return may fluctuate on an annual basis. However, unnecessary levels of risk are to be avoided in achieving the objectives of the investment portfolio.

The investment goals and objectives will be defined and established by the NDACo Board of Directors and reviewed on a regular basis with input from investment professionals and NDACo staff.

INVESTMENT MANAGEMENT BY BOARD AND STAFF

The NDACo Finance Committee, with assistance from NDACo staff, is responsible for establishing an investment policy for the Association. The Finance Committee shall meet as necessary to review the investment portfolio performance, asset allocation and investment selection to ascertain they are in line with the guidelines and objectives of this investment policy.

The investment of assets is administered by the NDACo Executive Director. The Executive Director will establish a system of procedures and internal controls to ensure appropriate safeguard of its assets. He/she has the authority to enter into investment contracts/agreements within the scope authorized by this policy to engage in the services of investment manager(s) who possess the necessary expertise and resources to meet the investment objectives of this policy. The manager(s) are responsible for the investments according to the guidelines established herein. Contracts/agreements entered into with investment managers shall be reported to the Board of Directors at the next regularly scheduled meeting.

INVESTMENT MANAGER(S) RESPONSIBILITY

The investment manager(s) is (are) responsible to comply with Securities Exchange Commission (SEC) regulations and any other applicable oversight agencies. The investment manager(s) is (are) responsible for strict compliance with the investment objectives of NDACo and understands its duties and responsibilities as a fiduciary.

The manager(s) will provide regular statements and portfolio valuations, including cost and market data, on a monthly basis. Additionally, the manager(s) will provide quarterly performance reports at the discretion of the Association.

The investment manager(s) will meet with the Association at least annually to review the portfolio, results of the past period, comparative data to evaluate performance relative to the market and other balanced fund managers and the outlook for the next period to meet Association objectives.

The Executive Director is authorized to change investment managers if there is a justification for not meeting objectives.

STATEMENT OF INVESTMENT OBJECTIVES

NDACo seeks to achieve the following objectives in the investment of Association assets in both short-term and long-term investments:

- Provide financial stability and real growth of the Association's assets
- Incorporate short and long-term planning of the Association
- Maximize return on investments within expressed risk/return preferences
- Moderate risk levels, where possible, through diversification

To accomplish the Association's investment objectives, NDACo staff and hired investment manager(s) is (are) authorized to utilize portfolios of mutual funds, equity securities, exchange traded funds (ETFs), fixed-income securities, cash and cash equivalents.

The operating needs of the Association are to be met by short-term investments, i.e. liquid investments whose maturities match expected cash flow needs. These assets will constitute the Short-Term Fund. Annually, NDACo staff will review and determine the value of this reserve and the liquidity needs of the Association. NDACo intends to keep approximately half a year's operating budget in the Short-Term Fund.

Funds in excess of the Short-Term Fund will constitute the Long-Term Fund. The objective of the Long-Term Fund is to obtain a return on investments consistent with safety of principal on funds in excess of those required for operating payment needs.

ASSET ALLOCATION & DIVERSIFICATION GUIDELINES

The targeted asset allocations for short and long term funds are as follows:

Short-Term Fund

- Cash and cash equivalents up to 100%

- Treasury and agency securities with maturities no longer than 2 years

Long-Term Fund

- Cash and cash equivalents up to 10%
- Equities up to 30%
- Fixed Income up to 100%

Fixed Income Securities: The benchmark for this portfolio is Bloomberg US Intermediate Government/Credit Bond Index, which is a market value-weighted index of investment-grade and fixed-rate debt securities with maturities from one up to (but not including) ten years from the US Treasury, US Government-Agency, and US Corporate Indices.

Equities: A total rate of return equal to the performance of the S&P 500 plus or minus twenty-five basis points shall be the performance objective for this Fund.

NDACo recognizes that the capital markets can be unpredictable at times and that different investment postures could result in periods whereby the market value of the Fund's assets may decline in value. However, because it is the NDACo Board's intent to protect capital, the following shall be strived for:

Short-Term Fund

- Zero loss tolerance for the Short-Term portfolio on investments with maturities of ninety days or less.
- Minimum loss tolerance for the Short-Term portfolio with maturities between ninety days and two years.

Long-Term Fund

- Fixed Income Fund: on a trailing twelve month basis, the total return of the portfolio should track the Bloomberg US Intermediate Government/Credit Index.
- Equity Fund: on a trailing twelve month basis, the return should closely mirror the return on the S&P 500.
- Minimum Quality Criteria of Stocks & Bonds: it is the intention of the Association to invest in the S&P 500 Index.
- Bonds: Bonds must be readily marketable. The minimum credit rate for corporate bonds will be Baa rating by Moody's or a BBB by the S&P. On a dollar weighted basis, the quality rating of the Bond Portfolio must be A or better. Bonds issued by agencies of the federal government or if issued by municipalities or any state will be rate at least Baa by Moody's or BBB by S&P. Preference will be given to purchasing bonds of North Dakota municipalities rated at least Baa or BBB by Moody's and S&P respectively.

Diversification: Investments for the total investment portfolio should be diversified in a way which is consistent with the risk tolerance and investment objectives of the Association, including:

- Not more than the maximum amount insurable by the Federal Deposit Insurance Corporation (FDIC) may be deposited in any particular bank unless assets are pledged by the financial institution in the amount of the funds deposited.
- Not more than the maximum amount insurable by the Federal Savings and Loan Insurance Corporation (FSLIC) may be deposited in savings and loan associations unless assets are pledged as collateral by the financial institution in the amount of the funds deposited.
- No single industry group shall constitute more than 25% of the market value of the Fixed Income portion of the Long Term Portfolio.
- No more than 25% of the fixed income portfolio will be “callable”. This restriction is intended to manage reinvestment risk.
- Any security downgraded below its approved quality level must be disposed of in an orderly market manner within ninety days unless exception is granted by the Finance Committee.

Ethics and Conflicts of Interest: All investment decisions by the NDACo staff or hired investment managers, shall be made free from bias or impartiality. Staff or hired investment managers shall refrain from personal business activity that could conflict with their ability to make impartial investment decisions. Any material financial interest in financial institutions or investment vehicles (current or under consideration) shall be disclosed to the Executive Director.

**SERVICE REPORT: Financial Services
Investment Strategies
August 2024**

(Report submitted to the Board of Directors by Genny and Angie.)

At the last board meeting, a proposal was brought forward to transition investments out of the State Investment Board (SIB) to have more flexibility and control of our investments. The board asked staff to research options to transition investment funds and potentially close the account with SIB. The SIB confirmed the agreement in place allows for a 90-day written notice or a date mutually agreed upon by both parties.

NDACo staff met with two local, trusted investment firms and ultimately chose Colliers to assist with the investment management of NDACo. NDACo currently works with Colliers for other investments outside the SIB.

In order to have a clean transition to close the investment account, the closing date must be at quarter end to more easily calculate fees for the fund. The SIB staff has assured they are willing to work with NDACo staff to make this a smooth transition.

The balance of the investment fund as of **May 31, 2024** is **\$7,773,232**.

Options to transfer these funds are included below for board consideration. Please note, the final transfer amount will change based on the balance of the fund at the time of closing the account.

Option 1: Staying within the parameters of the investment policy, funds will be transferred to Colliers in the following schedule:

9/4/24	Transfer 1	850,000		11/13/24	Transfer 6	850,000
9/18/24	Transfer 2	850,000		11/27/24	Transfer 7	850,000
10/2/24	Transfer 3	850,000		12/11/24	Transfer 8	850,000
10/16/24	Transfer 4	850,000		12/31/24	Transfer 9	Remaining Bal.
10/30/24	Transfer 5	850,000		Approx. \$973,232		

Option 2: Staying within the parameters of the investment policy, funds will be transferred to Colliers in the following schedule:

9/4/24	Transfer 1	1,000,000		11/13/24	Transfer 6	750,000
9/18/24	Transfer 2	750,000		11/27/24	Transfer 7	1,000,000
10/2/24	Transfer 3	750,000		12/11/24	Transfer 8	750,000
10/16/24	Transfer 4	1,000,000		12/31/24	Transfer 9	Remaining Bal.
10/30/24	Transfer 5	750,000		Approx. \$1,023,232		

Suggested Motion: Motion to adopt Investment Schedule Option (1 or 2) and close the NDACo Fund with SIB and work with Colliers to invest the funds in accordance with the investment policy.

SERVICE REPORT: ND Insurance Reserve Fund August 2024

(Report submitted to the Board of Directors by Michelle.)

PROGRAM UPDATE:

- Newly appointed CEO Keith Pic will join us at the Board meeting. Board members are asked to please review NDIRF's 2023 Annual Report, which can be found at <https://www.ndirf.com/about/financials>. The link will also be included in the email regarding the web postings.

SERVICE REPORT: Professional Development August 2024

(Report submitted to the Board of Directors by Alisha.)

PROGRAM UPDATE:

- **Popular ILG Trainings & Attendance Examples**

County Budgeting 101 & Mill Levy Essentials – 105

2025 NDPERS: Enrollment Options & Implementation – 146

I'm a Notary...Now What? – 206

Primary Residence Credit - 224

Supervisor Success – 200

Public Health Law in ND's Local Public Health Units – 122

Organization of Rural Ambulance Service Districts - 129

Law Enforcement Open Records – 114

HR Responsibilities for County Officials (Part 1) – 125

HR Responsibilities for County Officials (Part 2) – 106

Identifying Essential Job Functions & Employment Documentation - 97

Payroll 101 – 119

Payroll Year-End - 98

- **Office of State Tax Commissioner Monthly & Quarterly Webinars**

The monthly *Got 15?!* webinars remain a staple training for tax directors averaging 60-70 participants each month. The Office of State Tax Commissioner and ILG expanded to hosting more in-depth quarterly webinars titled “*Did You Know?*” These topics take a deep dive and further explain processes. The last quarterly topics offered: Sales Ratio Study, Farm Residence Exemption, HPC DVC Programs, and Agricultural Land Review Process.

- **2024 ND Insurance Reserve Fund Quarterly Webinars**

- Identifying the Essential Functions of a Job is Essential for Employment Documentation
- NDIRF Financial Performance and Claims Review
- New CEO Introduction & NDIRF Strategic Plan Review
- To Be Announced...

- **HR Collaborative Conference for Local Government**

57 county officials and employees participated. A sample of workshop topics included building an HR system, attracting and retaining employees, company culture, AI in the workplace, de-escalation tactics, benefits, compensation, etc.

- **Webinar Recordings: Demand Remains Strong**

Since the beginning of this year, ILG has emailed **over 600** webinar recordings! This is an increase of over 100 recordings from this time last year. Members continue to value the convenience of recordings.

- **ILG Hour Level Awards**

In 2024, ILG will honor **approximately 100** hour level award recipients! This is an increase of over 20 from last year.

SERVICE REPORT: Conference & Training Services

August 2024

(Report submitted to the Board of Directors by Jeff, Michelle and Aaron.)

2024 Annual Conference

General Conference Information

October 20 – 22 ~ Bismarck Event Center



Important Changes:

- **ALL events at Bismarck Event Center**
 - Includes Sunday Registration (no registration at Radisson)
 - Includes Sunday Welcoming Social
- **Room block at Radisson for Board Members only**
- **No other hotel room blocks are reserved, but state-rate hotels listed on website**

Workshop Topics

Staff are working on finalizing and confirming presenters on the following topics:

- Roads/Grants
- 911 Communications
- Ag & Data Center Zoning
- Human Trafficking
- A.I.
- Behavioral Health
- Retirement: PERS/Nationwide
- Elections
- Property Tax Measure
- Safety: Drones, ATV, UTVs
- Why a PIO is needed in your county.

Monday Opening General Session

EICG Awards

Keynote Speaker: Christopher Carter – Leadership Communication Skills

Monday Lunch

ILG Hour Level Awards & Scholarship Awards

Highlighted Entertainment

Monday Evening: Christopher Carter, Mentalis, followed by Trivia (optional)

Closing Tuesday Lunch & General Session

NDIRF Sponsored: NDPERS Retirement Update and Moving Forward

Hotel Room Blocks

We have secured room blocks at the Radisson hotel for Board members wishing to stay at the host hotel. All other attendees will choose their own hotels for the annual conference. This move was prompted by two things – the complaints we've been getting over the poor quality of some of the chosen "official" hotels, and that we are no longer offering busing, so it seems unnecessary for us to push people to use certain hotels.

Registration Fees

Registration Fees for 2024:

- Early Bird Full Registration \$255 (thru 9/27)
- Full Price Registration \$275
- Early Bird One Day Registration (Monday or Tuesday) \$180 (thru 9/27)
- Full Price One Day Registration (Monday or Tuesday) \$200
- Early Bird First Time Attendee \$150 (thru 9/27)
- Full Price First Time Attendee \$170

Based on a Strategic Plan objective, a discount will be offered to first-time county attendees at the conference. This objective was set to help encourage counties to send an official who may not have had an opportunity to attend in the past. County attendees will be asked to note they are a first-time attendee (having never attended an NDACo Annual Conference) upon registration.

Exhibitors/Sponsors

Exhibitor registrations are steadily coming in. As of August 13, we have 16 Sponsors for various events, 23 Elite Exhibitors, 25 Traditional Exhibitors and 3 Large Equipment Exhibitors. This is similar to last year at this time; however, the conference is two weeks later, so it is actually a bit ahead of last year's pace. *Note: There is some overlap, as some companies both exhibit and sponsor.*

Board Member Attendance

We hope all Board members have made arrangements (conference registration) through their county to attend the annual conference in October. If your county will not cover your expenses to attend, please let Michelle know and she will make sure you are registered. *We want all Board members in attendance!* Beginning in 2013, the Association increased their room block at the Radisson to include rooms for all Board members. The rooms will be direct billed to each Board member's individual county after the convention. Confirmation numbers for these rooms will be emailed to the Board members prior to the convention.

Voting Delegates

All NDACo Board members are automatically voting delegates at the conference. If your county and/or member association has appointed you to serve as their delegate, they may want to select a different delegate to increase your county's number of votes at the conference.

NDACo Board Member Marketing

As a direct strategy of the 2004 Strategic Planning Focus and in an effort to increase attendance at the annual meeting, NDACo Board members were again asked to contact 2-4 counties to encourage them to send someone new to the annual conference. County assignments were included in the June and July Board Updates. As of August 21, we have 12 First Time Attendees registered for the conference. We hope that number will increase. Board members' efforts to contact counties and newly elected or appointed officials is greatly appreciated.

Pre-Conference Caucus Meetings

After some positive feedback from 2023, Team NDACo will continue partnering with the regional caucuses pre-annual conference. Holding the caucus regional meetings before the annual conference provides the membership significantly more time to hold

elections and discuss all the relevant issues and resolutions. This being an even-numbered year means the even-numbered regions (Region 2 – Trudy Ruland, Region 4 – Steve Forde, Region 6 – Becky Hagel, and Region 8 – Scott Ouradnik) will have to conduct elections for their NDACo regional representative. NDACo will be coordinating with the current commissioner regional representatives on a date that works best for their fall caucus meeting.

SERVICE REPORT: County Tours August 2024

(Report submitted to the Board of Directors by Michelle.)

PROGRAM UPDATE:

- Four County Tours are planned for 2024. Two were conducted this summer.
 - Ward, Renville, Oliver, Mercer and McLean Counties were visited in July.
 - Barnes, Ramsey, Nelson and Griggs Counties were visited in August.

The schedule for the September Tour is listed below.

Tuesday, September 10

LaMoure County – 10:00 am CDT Arrival

Dickey County – 2:00 pm CDT Arrival

Wednesday, September 11

Richland County – 9:00 am CDT Arrival

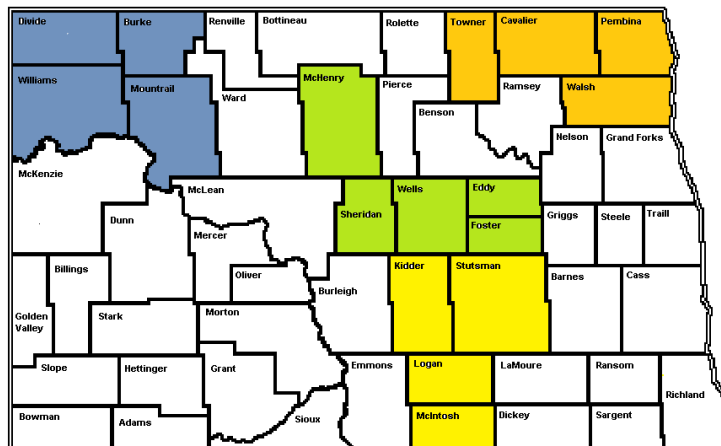
Sargent County – 1:00 pm CDT Arrival

Ransom County – 3:15 pm CDT Arrival

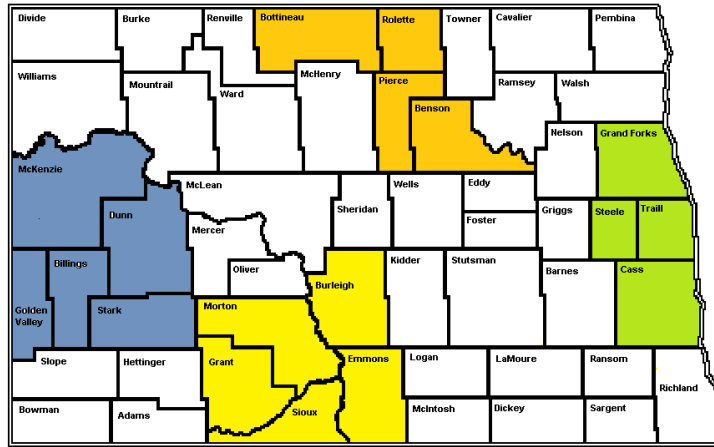
The fourth Tour to Hettinger, Adams, Bowman and Slope Counties will be conducted after the annual conference in October, when new leadership for NDACo will be in place.

- Below are maps showing the counties to be visited in 2025 and 2026.

2025 County Tours – Proposed



2026 County Tours – Proposed



SERVICE REPORT: Governance

August 2024

(Report submitted to the Board of Directors by Chad, Aaron and Michelle.)

PROGRAM UPDATE:

- **Nomination of 3rd Vice President**

The Governance Committee is responsible for the nominations of leadership positions on the NDACo Board of Directors. At the 2024 Annual Conference a non-commissioner will be elected to the position of NDACo 3rd Vice President. The Governance Committee will be nominating Agassiz Valley Human Service Zone Director Kim Jacobson for the position of 3rd Vice President.

Suggested Motion: Motion to accept the recommendation of Agassiz Valley Human Service Zone Director Kim Jacobson as nominee for 3rd Vice President and forward her name to the Delegate Council.

- **Constitution & Bylaws**

The Governance Committee has reviewed the NDACo Constitution & Bylaws and is recommending amendments in 2024. See the attached; proposed amendments are highlighted.

Suggested Motion: Motion to accept the recommended amendments to the NDACo Constitution and Bylaws as presented by the Governance Committee and forward them to the Delegate Council.

- **2023 Assessments**

The Governance Committee also reviewed the results of last year's Individual Board Member Self-Evaluation and Governance Appraisal. No changes to any assessments were suggested.

- **2024 Individual Board Member Self-Evaluation**

At the August meeting, all Board members will be asked to complete the 2024 Individual Board Member Self-Evaluation. This evaluation is conducted annually during the summer, with results to be shared at the next Board meeting. To get a better return on the evaluations, members will be provided a paper copy at the meeting and asked to complete the self-evaluation before leaving the meeting.

CONSTITUTION OF THE NORTH DAKOTA ASSOCIATION OF COUNTIES

Adopted in 1975, amended and approved by the North Dakota Association of Counties State Council on November 14, 1986; November 13, 1987; October 21, 1988; November 16, 1990; October 6, 1993; October 18, 1995; October 13, 1998; October 10, 2000; October 9, 2001; October 1, 2002; October 5, 2004; October 9, 2007; October 27, 2015; October 8, 2019; and October 5, 2021 and October 22, 2024.

ARTICLE I - NAME

The name of the Association shall be the North Dakota Association of Counties and shall be incorporated under the statutes of the State of North Dakota.

ARTICLE II - MISSION STATEMENT

The North Dakota Association of Counties provides leadership and services to foster effective and efficient government for the good of all counties.

ARTICLE III - OBJECTIVES

The objectives of this Association shall be to promote, for the general good of all counties, sound administration of county government in North Dakota by:

- A. Providing a medium for the exchange of ideas, information, and experience of all county officials.
- B. Promoting training of county officials in new developments in their fields of endeavor.
- C. Facilitating cooperation with all levels of government and other interest groups.
- D. Proposing and supporting legislation for county government.
- E. Engaging in such other activities as will help achieve more effective county government in North Dakota.
- F. Participating in any other activities permitted by law in the furtherance of the objectives of the Association.

ARTICLE IV - MEMBERSHIP

Each county is entitled to membership and shall be assessed membership dues allocated by a formula based on appropriate fiscal, activity, and benefit information, as determined by the Board of Directors. In addition, counties shall be responsible for paying the expenses of county delegates attending the annual State Council meetings.

ARTICLE V - STATE COUNCIL

- A. COUNTY REPRESENTATIVES: By September of each odd numbered year, the Chairman of the Board of County Commissioners in each county shall call a meeting of all county officials granted membership by the State Council as stated in Article V, Section F of this

Constitution at which time they shall elect, with each person casting one vote, the county's representative and an alternate to the State Council.

- B. COUNCIL POWERS: The State Council shall adopt and may amend bylaws, review the annual budget adopted by the Board of Directors and may develop and vote on policy regarding matters of concern to the North Dakota Association of Counties.
- C. MAKEUP OF STATE COUNCIL: The State Council shall consist of the following voting members:
1. The representative from each member county.
 2. One commissioner member from each of the eight regions, as elected at the annual Commissioners' Convention. Even-numbered regions shall elect members on even-numbered years and odd-numbered regions shall elect members on odd-numbered years.
 3. Two county official members each as named by the:
 - a. ~~ND County Auditors Association,~~
 - b. ND Clerk of Courts Association,
 - c. ND County Recorders Association,
 - d. ND Sheriffs and Deputies Association,
 - e. ND State's Attorneys Association,
 - f. ~~ND County Treasurers Association,~~
 - g. ND Association of Assessing Officers,
 - h. ND Association of County Engineers, and
 - i. ND Human Service Zone Director Association.
 4. Four county official members as named by the ND County Auditors' and Treasurers' Association.
 5. Members of the Board of Directors not otherwise serving on the State Council under Article V, Section C1-C~~34~~, above.
- D. COUNCIL MEETINGS: The State Council shall meet annually at a time, date, and location designated by the Board of Directors.
- E. OFFICERS OF THE STATE COUNCIL: The State Council shall elect from among its members or from among the Board of Directors, a President, First Vice President, Second Vice President, and Third Vice President (Executive Committee). No single association of county officials as described in Article V, Section C2-~~C4 and C3~~, above, shall hold more than two of such offices.
- F. BOARD OF DIRECTORS: The Board of Directors shall consist of the following voting members:
1. All officers of the State Council,
 2. Eight county commissioners selected on a regional basis at the annual convention of the North Dakota County Commissioners,
 3. One county official member from each of the organizations listed under Article V, Section C3,
 4. Two county official members from the organization listed under Article V, Section C4,
 5. The President of the North Dakota County Commissioners Association,

6. Any of North Dakota's representatives on the National Association of Counties Board of Directors, and
7. The Immediate Past President of NDACo.

A regional or association representative shall serve on the Board of the Directors in addition to a Past President from their region or association. Between meetings of the State Council and when required by the circumstances, the Board of Directors may modify policy of the State Council by a two-thirds affirmative vote of the Board of Directors.

- G. BOARD MEETINGS: The Board of Directors shall meet periodically on call of the Chairman or Executive Director to conduct the affairs of the Association between annual meetings of the State Council. The Board of Directors may establish committees to which the Board may assign the work of the Board.

ARTICLE VI - AMENDMENTS

The Constitution may be amended or repealed by a two-thirds vote of the State Council members present and voting at an annual meeting, or by two-thirds vote of State Council members voting thereon through a mail ballot prepared and administered by the Board of Directors. Bylaws may be adopted or amended by majority vote of the State Council. All amendments shall be made available to Council members 30 days prior to the annual meeting.

ARTICLE VII - DISSOLUTION

The Association may be dissolved upon a two-thirds vote of the qualified members of the State Council, in session or by mail ballot. If dissolution be decreed, the unencumbered balance of the treasury shall be pro-rated back to member counties according to the formula established for payment of dues.

BYLAWS OF THE NORTH DAKOTA ASSOCIATION OF COUNTIES

Amended and approved by the North Dakota Association of Counties (“NDACo”) State Council on November 14, 1986; November 13, 1987; October 21, 1988; November 16, 1990; October 13, 1998; October 10, 2000; and October 9, 2007 and October 22, 2024.

SECTION 1 - NONPROFIT CORPORATION

This Association is incorporated as a nonprofit corporation under the laws of the State of North Dakota. The Articles of Incorporation and Constitution of NDACo form the basis for its mission, structure and policy.

SECTION 2 - MEMBERS IN GOOD STANDING

MEMBERS IN GOOD STANDING shall be a designation granted to counties that have paid their annual membership dues within thirty days of the beginning of the current fiscal year. All county representatives and association representatives from counties which are MEMBERS IN GOOD STANDING are eligible to vote at the annual meeting of the State Council and receive such services and/or benefits normally extended to member counties. Only persons from counties with a MEMBER IN GOOD STANDING classification shall be eligible to hold any office, serve on committees and vote at State Council meetings.

SECTION 3 - BOARD OF DIRECTORS

The Board of Directors may create such other legal entities as may serve the mission of the North Dakota Association of Counties.

- A. If a vacancy on the Board of Directors should occur, the President shall make an appointment to fill such vacancy after consulting with the member association or commissioner region involved and the appointment must be ratified at the next regular meeting of the Board of Directors.
- B. If a vacancy of an officer of the State Council should occur, the President shall make an appointment to fill such vacancy after consultation with the Governance Committee. The appointment shall be filled with a member of the Board of Directors and must be ratified at the next regular meeting of the Board of Directors or annual meeting of the State Council.
- C. If a vacancy in the office of President should occur before the next meeting of the State Council, depending on the year, the First Vice President or the Second Vice President shall succeed to the office of President. The president of the Association of Counties shall be a County Commissioner during legislative years as long as the North Dakota Legislature meets on a biennium basis.

SECTION 4 - SPECIAL INTEREST DIFFERENCES BETWEEN MEMBER ASSOCIATIONS

Any differences between member associations that make up NDACo shall be brought to the attention of the Board of Directors, which shall bring such matters before a meeting of the State Council for resolution through a policy statement.

SECTION 5 - INDIVIDUAL POLICY POSITION

NDACo will not recognize individual member policy positions unless such positions have been endorsed by one of the member associations. If such policy positions would be in conflict with other member associations, then a policy statement determination will be made by the State Council as provided in Section 4 of these Bylaws.

SECTION 6 - ASSOCIATION REPRESENTATIVES TO COUNCIL AND BOARD OF DIRECTORS

Each association listed in Subsection 3 of Section C, Article V of the NDACo Constitution shall, at their respective annual meetings, elect three of its county official members to represent them at the annual State Council meeting. One of the representatives shall be designated by each association to serve on the Board of Directors. The ND County Auditors' and Treasurers' Association shall, at their annual meeting, elect six of its county official members to represent them at the annual State Council meeting. Two of their representatives shall be designated to serve on the Board of Directors. The members of the Board of Directors shall receive travel expenses to attend regular and special meetings duly called for that purpose, at the reimbursement rates established by the Board of Directors. In addition, members of duly established committees of NDACo shall receive a per diem prescribed and adopted by the Board of Directors.

SECTION 7 - IMMEDIATE PAST PRESIDENT TO BE A MEMBER OF THE BOARD OF DIRECTORS

The Immediate Past President of NDACo shall be a member of the Board of Directors for a period of one year, in addition to the regular representatives of the Board of Directors. Upon completion of the term of Immediate Past President, that member shall not be eligible to serve on the Board of Directors for a period of two (2) years.

SECTION 8 - ASSOCIATION MEMBERSHIPS

The Board of Directors may reduce or enlarge the number of members serving on the Board and may establish voting and non-voting status of its members.

SECTION 9 - NATIONAL ASSOCIATION OF COUNTIES

If the North Dakota Association of Counties is eligible to seat more than one member of the National Association of Counties Board of Directors, the President shall appoint such member with the ratification of the Board of Directors.

2024 NDACo

Individual Board Member

Self-Evaluation

using a scale of
1 = not satisfied
5 = satisfied
NS = not sure

DEADLINE: September 13, 2024

How satisfied are you that you:	Not Satisfied	Not Sure	Satisfied		
1. Understand NDACo's mission, vision and six major goals?	1	2	NS	4	5
2. Support the mission and goals?	1	2	NS	4	5
3. Have a good working relationship with other board members?	1	2	NS	4	5
4. Have a good working relationship with the chief executive?	1	2	NS	4	5
5. Are knowledgeable about NDACo's major programs and services?	1	2	NS	4	5
6. Are able to express a dissenting vote or voice concerns about a recommendation with which you disagree?	1	2	NS	4	5
7. Strive to represent the views and interests of the general membership during board meetings?	1	2	NS	4	5
8. Read and understand NDACo financial statements?	1	2	NS	4	5
9. Act knowledgeably and prudently when making recommendations about how NDACo's funds should be invested or spent?	1	2	NS	4	5
10. Prepare for and participate at board meetings, as well as other activities of NDACo?	1	2	NS	4	5

How satisfied are you that you:	Not Satisfied	Not Sure	Satisfied		
11. Take advantage of opportunities to enhance the organization's public image by periodically speaking to leaders in the community about the work of the organization?	1	2	NS	4	5
12. Take advantage of opportunities to enhance NDACo's image by periodically speaking to members and nonmembers about the association's benefits?	1	2	NS	4	5
13. Are able to meet the time and financial commitments to NDACo?	1	2	NS	4	5
14. Are able to attend regularly scheduled meetings?	1	2	NS	4	5
15. Respect the confidentiality of the board's executive sessions?	1	2	NS	4	5
16. Suggest agenda items for future board and committee meetings?	1	2	NS	4	5
17. Advise and assist the chief executive when your help is requested?	1	2	NS	4	5
18. Are heard and considered when you give your opinions and views?	1	2	NS	4	5
19. Find serving on the board to be a satisfying and rewarding experience?	1	2	NS	4	5

Comments:

Board Member Name: _____

***Please return the survey to Michelle at NDACo no later than September 13, 2024.
Surveys should be completed at the August 29th Board meeting.
If that isn't possible, it may be returned via email (michelle.tabbert@ndaco.org),
fax (701-425-0830) or mail (PO Box 877, Bismarck ND 58502-0877).
Thank you for your response!***

2024 NDACo EXECUTIVE DIRECTOR EVALUATION SCHEDULE

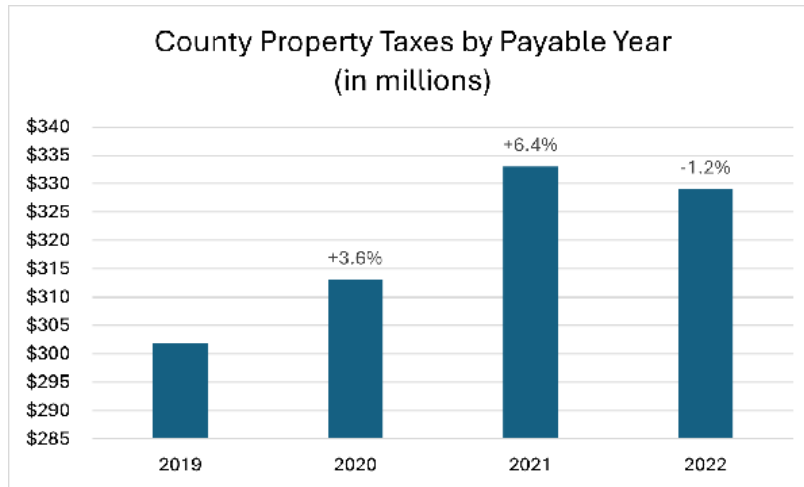
All Dates Approximate

ACTIVITY	DATE
Link to Electronic Evaluation Distributed by:	November 1, 2024
Evaluations Completed by:	November 15, 2024
President Reviews and Oversees the Compilation of Responses from Individual Board Member Evaluations by:	November 29, 2024
Summary Information Mailed to Board of Directors by:	December 13, 2024
Meeting Between NDACo President (also the Governance Committee Chair) and Executive Director to Discuss the Executive's Past Performance and Future Goals and Objectives by:	December 31, 2024

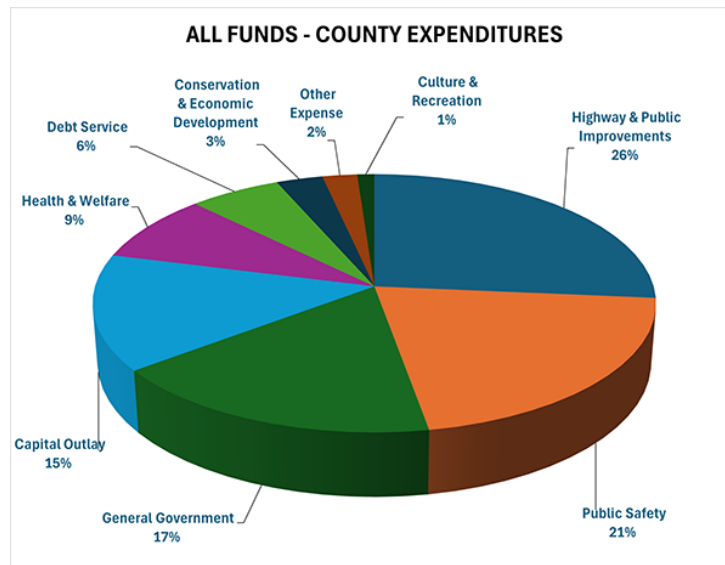
SERVICE REPORT: Legislative Services August 2024

(Report submitted to the Board of Directors by Aaron, Donnell and Linda.)

- Legislative Discussions:** North Dakota legislators are preparing for the 2025 legislative session with a focus on tax policy, particularly around property tax elimination and improving the tax system. NDACo provided testimony to the Interim Tax Relief Advisory Committee on tax exemptions and potential limitations on growth of property values, budgets, or taxes levied.
- Property Tax Data:** In 2022, North Dakota counties levied 23% of the total \$1.4 billion in property taxes levied. From 2019-2022, property values increased 11% or an average of 3.6% per year. During that same period, counties averaged a 3% per year increase in taxes levied which included a 1.2% decrease in dollars levied in 2022.



- County Spending:** One-third of county expenses are funded by property taxes, with nearly half of the expenditures going toward roads and public safety.
- Citizen Support for Tax Increases:** Despite opposition to property taxes, 91% of ballot measures in 2022 and 2024 to increase taxes for specific services, were approved by citizens.
- Property Tax Exemptions:** North Dakota counties have 25,000 tax-exempt parcels, with a significant portion being farm related. The NDACo opposes expanding unfunded exemptions as it increases the tax burden on other taxpayers.



NDACo 2023-24 Interim Legislative Activities

The following summarizes the key studies that may ultimately affect counties.

Agriculture and Natural Resources Committee

Rep. Paul Thomas – Chair

- Study the tracking and updating land use authority for National Flood Insurance Program purposes.
- Study the monitoring of Foreign Adversaries in North Dakota.

Budget Section

Sen. Brad Bekkedahl - Chair

- Approve Emergency Commission acceptance and authorization of federal funds.
- Approve Dept. of Transportation projects that utilize more than \$10 million from flexible transportation fund.
- Review and report on state budget data.

Energy Development and Transmission Committee

Sen. David Hogue - Chair

- Study accessibility of natural gas in small communities.

Government Finance Committee

Sen. Dean Rummel – Chair

- Review state budget information, including monitoring state revenue and appropriations and review and develop state revenue forecasts.
- Study the state's guardianship programs.
- Study changing the administration of the state fire and tornado fund and state bonding fund from Insurance Commissioner to OMB.
- Receive a report from DES on Snow Removal Grants.

Government Services Committee

Rep. Ben Koppelman - Chair

- Study the services and needs of the State Crime Laboratory.
- Agency construction management procurement procedures.
- Study homelessness and barriers to housing.

Health Services Committee

Sen. Kristin Roers - Chair

- Study of the delivery of emergency medical services in the state to include funding, taxation, access, volunteer retention.
- Report on deaths caused by fentanyl.

Human Services Committee

Rep. Matthew Ruby - Chair

- Study implementation of recommendations of the 2018 ND behavioral health system study.
- Study need for inpatient mental health care for children.
- Report from DHHS on foster care and adoption child welfare redesign.

Information Technology Committee

Rep. Glenn Bosch - Chair

- Study emergency and interoperable public safety communications system governance needs and options. Evaluate roles of state and local emergency governing entities. Includes future responsibility for ongoing administrative and operational maintenance cost of SIRN.
- Study the emergence of artificial intelligence.

Judiciary Committee

Sen. Janne Myrdal - Chair

- Study NDCC that places restrictions on carrying firearms and dangerous weapons. Study is looking at current prohibitions compared to nations regulations and restrictions.
- Study of recording practices of law enforcement during custodial interrogations to determine feasibility and desirability for uniform implementation of recording practices.
- Receive report summarizing activity of any civilly forfeited property.
- Receive report on status of program to assist rural counties and municipalities in recruiting attorneys.

Juvenile Justice Committee

Rep. Michelle Strinden – Chair

- Study NDCC related to juvenile delinquency offenses.
- Study statewide criminal history record check process.
- Study improving re-entry outcomes for incarcerated adults & youth.

Legislative Audit & Fiscal Review Committee

Rep. Emily O'Brien – Chair

- Study and review audit reports submitted by State Auditor.
- Determine when State Auditor is to perform audits of political subdivisions.
- Order the State Auditor to audit or review the accounts of any political subdivisions.
- Receive report from State Auditor on communication processes, billing practices and procedures and other audit related information for audits performed by State Auditor.

Retirement Committee

Rep. Jason Dockter – Chair

- Study the Public Employees Retirement System (PERS) main plan, including funding options and contributions by political subdivisions.
- Study best practices for public retirement plans.

Tax Relief Advisory Committee

Sen. Jordan Kannianen - Chair

- Study of income and property tax relief, the history and analysis of relief provided by the 68th Legislative Assembly.

Taxation Committee

Rep. Jared Hagert – Chair

- Study of property tax exemptions for elevators, warehouses and other farm structures classified as commercial property, which are privately owned.
- Study the impact of political subdivisions levying special assessments against other political subdivisions and impact on taxpayers.
- Receive report on study of property tax transparency.
- Receive report of property tax increases statewide from Tax Commissioner.

Keep It Local

At the Board meeting Donnell will present a PowerPoint on the Keep It Local campaign to defeat Measure 4 on the November ballot. An educational flyer on the measure is included in the Legislative Report. Hard copies will be available at the meeting.

Resolutions

The NDCCA Resolutions Committee has been appointed and a first meeting is being planned.

North Dakota Property Taxes

MEASURE 4

End Unfair Property Tax is the campaign behind the initiated ballot measure.



In summary, Measure 4 states:

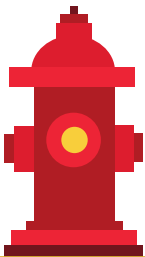
- Political subdivisions may not raise revenue through levying any tax on assessed value of real or personal property.
- Political subdivisions may continue to levy tax if the tax was dedicated for the payment of bonded indebtedness.
- The State shall provide annual property tax revenue replacement payments to political subdivisions in an amount equal to what was levied in 2024.

SUMMARY OF CONCERNS with the measure:

1) Measure 4 does not contain a plan for how the state would cover the estimated \$1.329 billion per year for property taxes to fund essential services.

2) It would take away local control of the local budget. Officials in your community know more about your community's needs than those at the state level.

3) The revenue replacement funding levels will likely be frozen at 2024 levy levels with no authority for political subdivisions to raise the needed additional revenue to keep pace with growth and/or inflation.



PROPERTY TAXES FUND ESSENTIAL SERVICES

The property taxes you pay directly benefits the development of your community and funds the services available to you as a resident.

Property taxes are collected by local government (city, county, township, school, and park district) to fund essential local public services. The local public services whose funding relies on property tax include, but are not limited to:

SCHOOLS: schools receive approximately 40% of property tax funds

PUBLIC SAFETY: police, sheriff, fire, corrections

PUBLIC WORKS: road maintenance, snow removal, street cleaning, water and waste maintenance

COMMUNITY SERVICES: public parks, pools, recreation facilities, libraries

