

**JAMESTOWN/STUTSMAN  
DEVELOPMENT CORPORATION**  
(a non-profit organization)

***FINANCIAL STATEMENTS***  
***Years Ended December 31, 2024 and 2023***  
***(With Independent Auditors' Report)***

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*Schauer & Associates, P.C.*

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Certified Public Accountants

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors

**JAMESTOWN/STUTSMAN**

**DEVELOPMENT CORPORATION**

Jamestown, North Dakota

### **Opinion**

We have audited the accompanying financial statements of **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION** as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION** 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 opinion.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION's** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibility 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION'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 **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION'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 to matters that we identified during the audit.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information found on pages 18 - 21 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the

**INDEPENDENT AUDITORS' REPORT - continued**

responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Schauer & Associates, PC*

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

June 9, 2025

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**

**ASSETS**

	December 31	
	2024	2023
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 339,821	\$ 214,415
Cash and cash equivalents - restricted	735,619	1,220,654
Accounts receivable	258,684	29,526
Current portion of reimbursement receivable	18,458	18,458
Current portion of notes receivable	107,379	20,750
Current portion of notes receivable - related party	78,500	119,611
Prepaid expenses	16,290	15,988
Prepaid income tax		12,440
Total Current Assets	<u>1,554,751</u>	<u>1,651,842</u>
 <b>PROPERTY AND EQUIPMENT, at cost</b>		
Land		49,916
Airport park	2,757,230	2,757,230
Buildings and improvements	970,422	970,422
Furniture and equipment	167,956	168,511
	<u>3,895,608</u>	<u>3,946,079</u>
Less accumulated depreciation	765,933	680,573
Net Property and Equipment	<u>3,129,675</u>	<u>3,265,506</u>
 <b>OTHER ASSETS</b>		
Investment in Precision Stock	75,000	75,000
Investment in SEPA	7,325,611	7,323,813
Right-of-use lease asset	32,746	44,531
Reimbursement receivable, less current portion	96,593	115,051
Notes receivable, less current portion	4,390,707	3,674,053
Notes receivable - related party, less current portion	364,743	228,958
Total Other Assets	<u>12,285,400</u>	<u>11,461,406</u>
 <b>TOTAL ASSETS</b>	 <u><u>\$ 16,969,826</u></u>	 <u><u>\$ 16,378,754</u></u>

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

## LIABILITIES AND NET ASSETS

	December 31	
	2024	2023
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 645,386	\$ 588,317
Real estate taxes payable	483	1,601
Current portion of due to city and county	185,879	140,361
Accrued expenses	20,388	16,825
Deferred rent revenue	7,598	7,390
Current portion of deferred reimbursement	18,458	18,458
Current portion of capital lease payable	7,574	3,577
Current portion of lease liability	12,351	11,991
Total Current Liabilities	<u>898,117</u>	<u>788,520</u>
 <b>LONG-TERM LIABILITIES</b>		
Due to city and county, less current portion	7,538,027	6,767,886
Deferred reimbursement, less current portion	96,593	115,051
Capital lease payable, less current portion	7,658	1,194
Lease liability, less current portion	20,395	32,540
Total Long-Term Liabilities	<u>7,662,673</u>	<u>6,916,671</u>
 Total Liabilities	<u>8,560,790</u>	<u>7,705,191</u>
 <b>NET ASSETS</b>		
Without donor restrictions	7,673,417	7,452,909
With donor restrictions	735,619	1,220,654
Total Net Assets	<u>8,409,036</u>	<u>8,673,563</u>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 16,969,826</u>	<u>\$ 16,378,754</u>

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**STATEMENTS OF ACTIVITIES**  
**Years Ended December 31, 2024 and 2023**

	December 31, 2024			December 31, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT, REVENUE AND RECLASSIFICATIONS</b>						
Contributions - City of Jamestown	\$ 440,464	\$ 525,777	\$ 966,241	\$ 398,610	\$ 1,014,322	\$ 1,412,932
Contributions - Stutsman County	106,743	138,801	245,544	96,600	265,306	361,906
Rents	78,816		78,816	77,317		77,317
Reimbursement	18,458		18,458	18,458		18,458
Increase in SEPA investment	229,977		229,977	284,293		284,293
Expense reimbursement - SEPA	297		297			
Expense reimbursement - Chamber	14,290		14,290	15,452		15,452
Gain on disposition of assets	2,220	57,958	60,178			
Interest income	12,617		12,617			
Miscellaneous	520		520	1,944		1,944
Released from restrictions	1,207,571	(1,207,571)		1,618,113	(1,618,113)	
Total Support, Revenue and Reclassifications	2,111,973	(485,035)	1,626,938	2,510,787	(338,485)	2,172,302
<b>EXPENSES</b>						
Project services, grants	1,191,771		1,191,771	1,745,041		1,745,041
Operational costs	587,997		587,997	669,243		669,243
Repayment of lease income	111,697		111,697	100,991		100,991
Total Expenses	1,891,465		1,891,465	2,515,275		2,515,275
<b>CHANGE IN NET ASSETS</b>						
	220,508	(485,035)	(264,527)	(4,488)	(338,485)	(342,973)
<b>NET ASSETS, January 1</b>	7,452,909	1,220,654	8,673,563	7,457,397	1,559,139	9,016,536
<b>NET ASSETS, December 31</b>	\$ 7,673,417	\$ 735,619	\$ 8,409,036	\$ 7,452,909	\$ 1,220,654	\$ 8,673,563

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



**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**Years Ended December 31, 2024 and 2023**

	December 31, 2024			December 31, 2023		
	Economic Development	Management and General	Total	Economic Development	Management and General	Total
<b>Expenses</b>						
Project services, grants	\$ 1,191,771	\$	\$ 1,191,771	\$ 1,745,041	\$	\$ 1,745,041
Repayment of lease income	111,697		111,697	100,991		100,991
Salaries	165,733	91,063	256,795	199,166	106,429	305,595
Payroll taxes	12,450	6,840	19,290	15,260	8,154	23,414
Employee benefits	30,769	16,906	47,675	41,687	22,276	63,963
Shared office space	26,992	14,436	41,428	29,473	15,763	45,236
Telephone and internet	1,032	3,095	4,127	947	2,842	3,789
Professional training	5,184	576	5,760	6,041	671	6,712
Travel	1,447	4,342	5,789	1,333	4,000	5,333
Vehicle lease	192	576	768			
Postage and printing	295	886	1,181	318	952	1,270
Marketing and recruiting	18,261		18,261	20,017		20,017
Dues and subscriptions	1,605	178	1,783	2,798	310	3,108
Professional fees	37,564	4,174	41,738	36,629	4,070	40,699
Rent	2,807	1,501	4,309	2,594	1,589	4,183
Office supplies	2,463	274	2,736	2,274	253	2,527
Office equipment	3,208	356	3,565	4,008	446	4,454
Real estate taxes	688	368	1,056	953	584	1,537
Interest		1,557	1,556		948	948
Insurance		3,400	3,400		3,054	3,054
Bank and service charges	81	81	162	91	92	183
Meetings and conferences	12,773	1,419	14,193	14,885	1,654	16,539
Repairs and maintenance		7,208	7,208		7,292	7,292
Depreciation	52,460	52,460	104,920	54,390	54,391	108,781
Miscellaneous		297	297		609	609
	<u>\$ 1,679,472</u>	<u>\$ 211,993</u>	<u>\$ 1,891,465</u>	<u>\$ 2,278,896</u>	<u>\$ 236,379</u>	<u>\$ 2,515,275</u>

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

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended December 31, 2024 and 2023**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (264,527)	\$ (342,973)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	104,920	108,781
Gain on disposition of assets	(60,178)	
Earnings from equity method investment	(229,977)	(284,293)
(Increase) decrease in operating assets		
Accounts receivable	(229,158)	29,916
Prepaid expenses	(302)	454
Increase (decrease) in operating liabilities		
Accounts payable	57,069	222,125
Real estate taxes payable	(1,118)	105
Due to city and county	815,659	53,429
Accrued expenses	3,563	(3,566)
Deferred rent revenue	208	151
Income taxes payable	12,440	(16,390)
Net Cash Provided by (Used In) Operating Activities	<u>208,599</u>	<u>(232,261)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Collection of notes receivable	307,058	344,090
Distribution from equity method investment	228,179	
Issue of notes receivable	(1,205,015)	(475,389)
Proceeds from sale of assets	110,608	
Net Cash Used in Investing Activities	<u>(559,170)</u>	<u>(131,299)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on capital lease payable	(9,058)	(9,286)
Net Cash Used in Financing Activities	<u>(9,058)</u>	<u>(9,286)</u>
Net change in cash and cash equivalents	(359,629)	(372,846)
Cash and cash equivalents at beginning of year	<u>1,435,069</u>	<u>1,807,915</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 1,075,440</u>	<u>\$ 1,435,069</u>
Cash and cash equivalents	\$ 339,821	\$ 214,415
Cash and cash equivalents - restricted	735,619	1,220,654
	<u>\$ 1,075,440</u>	<u>\$ 1,435,069</u>

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

	2024	2023
<b>Schedule of other cash flow information</b>		
Cash paid during the year for interest	\$ 1,523	\$ 948
<b>Noncash investing activities</b>		
Investment in SEPA	\$ 229,977	\$ 284,293
<b>Noncash financing activities</b>		
Lease incurred for purchase of property and equipment	\$ 19,519	

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**Years Ended December 31, 2024 and 2023**

1. Summary of Significant Accounting Policies

A. Nature of Activities

The **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION** (the “Corporation”) is organized to improve business conditions of the City of Jamestown and Stutsman County, North Dakota, to attract new primary sector businesses and industry, and support existing business and industry. The Corporation is primarily supported by the City of Jamestown through sales tax revenues and Stutsman County by a dedicated mill levy.

B. Basis of Accounting

The financial statements of the Corporation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

C. Basis of Presentation

The financial statements of **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION** have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”), which requires the Corporation to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Corporation. These net assets may be used at the discretion of management and the board of directors.

Net assets with donor restrictions: Net assets that represent resources restricted by donors as to purpose or by the passage of time as well as resources whose use by the Corporation is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Corporation.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Corporation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

E. Use of Estimates

The presentation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Years Ended December 31, 2024 and 2023**

F. Accounts Receivable

Accounts receivable are carried at original invoice amount. Management determines uncollectible amounts by identifying troubled accounts and by using historical experience. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. The Corporation believes all accounts receivable at December 31, 2024 and 2023, are collectible.

G. Notes Receivable

The Corporation participates in the PACE and Flex PACE loan programs with the Bank of North Dakota. Notes receivable consist of loans receivable from businesses as part of interest buydown agreements made in accordance with the PACE and Flex PACE programs. The note receivable agreements are set up in which the business does not begin repayment on their loan from the Corporation until the original loan with the Bank of North Dakota and the participating bank is paid off. The carrying amount of the note receivable is reduced by management's best estimate of the amount that will not be collected. Management has determined all notes receivable are collectible as of December 31, 2024 and 2023.

Because the notes do not accrue interest during the initial term of the loan and payoff during the initial term is at their face value, rather than a discounted note, they are recorded at their original loan balance and no interest is accrued.

H. Investment in Precision Stock

The Corporation acquired 75,000 shares of no-par value common stock of Precision Results Manufacturing, Inc. in Jamestown, North Dakota in a prior year for \$75,000. The shares are to be repurchased by Precision Results Manufacturing, Inc. in the future at a mutually agreed upon time and value. This investment is accounted for at cost.

I. Investment in SEPA

As of December 31, 2024 and 2023, **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION** owns 78.01% of the limited partnership interest in Spiritwood Energy Park Association, LLC (SEPA), whose purpose is to own and manage an industrial park with energy and transportation infrastructure near Spiritwood, North Dakota. This investment is accounted for as an equity investment. Under the equity method the investment is increased by the Corporation's share of the investee's earnings and reduced by distributions received. The Corporation's share of the earnings from this investment is shown as "increase (decrease) in SEPA investment" on the statement of activities.

J. Property and Equipment

Property and equipment are carried at cost and depreciated over the estimated useful lives on the straight-line method. The estimated useful lives of the assets are as follows:

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Years Ended December 31, 2024 and 2023**

**J. Property and Equipment - continued**

Airport park	50 years
Buildings and improvements	10 to 50 years
Furniture and equipment	3 to 10 years

The Corporation capitalizes all property and equipment in excess of \$150; maintenance and repairs that do not improve or extend the lives of the respective assets are expensed currently. Upon disposal of fixed properties, the cost and related accumulated depreciation are removed from the accounts and the gain or loss is reflected in income.

Depreciation expense aggregated \$104,920 in 2024 and \$108,781 in 2023.

**K. Due to City and County**

In conjunction with the City and County participating in the community portion of the PACE and Flex PACE loan programs and new jobs training loan program, the Corporation has entered into an agreement with the City and County that all loan payments, including principal and interest, and any other funds received by the Corporation shall be returned to the City and County based upon their proportion of the initial contribution. As such, this liability represents the original amount contributed by the City and County that is owed back to each. The interest portion will be paid to the City and County as it is collected.

**L. Revenue and Revenue Recognition**

The Corporation recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

The Corporation recognizes revenue from reimbursement of expenses during the period the expenses were incurred.

**M. Income Taxes**

The Corporation is a not-for-profit organization and has been recognized as tax-exempt pursuant to Section 501 (c) (6) of the Internal Revenue Code. Therefore, the Organization is not subject to income tax for Corporation related activities, however it is subject to unrelated business income tax on its portion of taxable income of activities unrelated to its tax-exempt purpose.

The Corporation's policy is to evaluate the likelihood that uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

As of December 31, 2024, the Forms 990, *Return of Organization Exempt from Income Taxes*, and 990-T, *Exempt Organization Business Income Tax Return*, for the years ending 2021, 2022, and 2023 are subject to examination by the IRS, generally for three years after they are filed.

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Years Ended December 31, 2024 and 2023**

N. Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses allocated include building related expenses which are allocated on a square footage basis and operational costs including salaries and benefits which are allocated on the basis of estimates of time and effort.

2. Concentrations of Revenues

The **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION** is primarily supported by the City of Jamestown through sales tax revenues and Stutsman County through a dedicated mill levy. Revenue from the City and County accounted for 59% and 15% of the total revenue, respectively, during the year ended December 31, 2024, and 65% and 17% of total revenue during the year ended December 31, 2023.

3. Concentrations of Credit Risk

The Corporation maintains its cash balances in one financial institution located in Jamestown, North Dakota. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2024 and 2023, the Corporation's uninsured cash balances totaled \$1,274,051 and \$1,499,786, respectively. Excess funds over the insured amount are covered by a pledge of assets. The Corporation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

4. Investment in SEPA

The Corporation invested in Spiritwood Energy Park Association, LLC (SEPA). This investment representing 78.01% interest as of December 31, 2024 and 2023, is accounted for under the equity method as described in Note 1. Earnings of \$229,977 and \$284,293 were recorded in the statement of activities for the years ended December 31, 2024 and 2023, respectively. Spiritwood Energy Park Association, LLC declared distributions for the year ended December 31, 2024 of \$228,179.

Spiritwood Energy Park Association, LLC uses the accrual method of accounting. Its condensed financial statements, which were obtained from their audited financial statements as of and for the years ending December 31, 2024 and 2023, are as follows:

Condensed Balance Sheets	2024	2023
Assets	\$ 27,614,450	\$ 28,115,144
Liabilities	18,295,116	18,798,115
Members' Equity	9,319,334	9,317,029
Condensed Statements of Operations		
Revenues	\$ 2,321,036	\$ 1,504,390
Expenses	(2,026,231)	(1,139,959)
Net Income	<u>\$ 294,805</u>	<u>\$ 364,431</u>

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Years Ended December 31, 2024 and 2023**

5. Notes Receivable and Notes Receivable - Related Party

Notes receivable and notes receivable - related party at December 31, 2024 and 2023, consist of the following:

	2024	2023
PACE and Flex PACE Community Share receivables at December 31, 2024 and 2023, consist of receivables from businesses as part of interest buy down agreements made in accordance with the PACE and Flex PACE programs with the Bank of North Dakota. Loans bear an interest rate of 2% or 5% with terms of repayment over two or five years. All receivables are secured by a personal guarantee and / or real estate with the exceptions of the loans to the Jamestown Regional Airport Authority and the Jamestown Rowhomes Limited Partnership.	\$ 4,055,862	\$ 3,413,054
New Jobs Credit receivables at December 31, 2024 and 2023, consist of receivables from businesses that participated in the New Jobs Credit from Income Tax Withholding program. Loans bear an interest rate of 1% and are paid back in quarterly payments that coincide with the state income tax reporting requirements over a period of ten years. All loans are secured by assignment of New Jobs Tax credit from income tax withholding.	17,224	31,749
15% convertible promissory notes from Bison World, Inc, with a maximum aggregate of \$20,000,000 issued through a series of unsecured promissory notes. No payments of principal or interest are scheduled pursuant to the Notes.	425,000	250,000
0% notes receivable from Spiritwood Energy Park Association, LLC (a related party), dated March 17, 2015, due in monthly payments of \$6,542 starting two years from the date of the note, another note dated November 1, 2022, due in monthly payments of \$6,852, paid off June 1, 2024. Another note dated March 19, 2024 due in monthly payments of \$13,957 starting three years from the date of the note.	443,243	348,569
	4,941,329	4,043,372
	185,879	140,361
Less current portion	\$ 4,755,450	\$ 3,903,011



**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Years Ended December 31, 2024 and 2023**

5. Notes Receivable and Notes Receivable - Related Party - continued

Anticipated future collections on notes receivable as of December 31, 2024, is as follows:

2025	\$	185,879
2026		223,010
2027		219,244
2028		111,073
2029		173,063
Thereafter		4,029,060
	\$	<u>4,941,329</u>

6. Income Taxes Payable

Income taxes payable due to unrelated business activities consist of the following as of December 31, 2024 and 2023:

	2024	2023
Estimated tax payments	<u>\$</u>	<u>\$ 12,440</u>
(Prepaid income taxes)	<u>\$</u>	<u>\$ (12,440)</u>

As of December 31, 2024, the Corporation had federal net operating loss carryforwards of \$99,177 and state net operating loss carryforwards of \$4,558,932 available to offset future taxable income.

As of December 31, 2023, the Corporation had federal net operating loss carryforwards of \$19,542 and state net operating loss carryforwards of \$3,054,967 available to offset future taxable income.

7. Reimbursement Receivable/Deferred Reimbursement

The Corporation has entered into an agreement with the Jamestown Regional Airport Authority dated March 26, 2021, where they will be reimbursed at the rate of \$.70 per square foot at 0% interest over ten years with an annual payment of \$18,458.30 to recoup the costs of infrastructure development on real estate on which they have vacated an interest.

8. Lease Receivable

The Corporation has entered into various operating lease agreements for the rental of its office space in the CED building, pasture land, and another building. The investment in property under lease at December 31, 2024 and 2023, is as follows:

	2024	2023
Building	<u>\$ 562,787</u>	<u>\$ 562,787</u>
Less accumulated depreciation	<u>230,249</u>	<u>214,760</u>
	<u>\$ 332,538</u>	<u>\$ 348,027</u>

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Years Ended December 31, 2024 and 2023**

**8. Lease Receivable - continued**

Minimum future lease income under non-cancellable operating leases with a term in excess of one year as of December 31, 2024, for each of the subsequent years is as follows:

2025	\$ 45,835
2026	46,752
2027	7,818

**9. Lease Assets**

The Corporation has entered into lease obligations with unrelated parties for office equipment and a vehicle. The economic substance of the leases is that the Corporation is financing the acquisition of the asset through the lease, and accordingly, it is recorded in the Corporation's assets and liabilities. The lease assets are included in furniture and equipment at a cost of \$30,223 and \$30,778, with accumulated depreciation of \$15,234 and \$26,202 at December 31, 2024 and 2023, respectively. Depreciation of the leases in the amount of \$8,592 and \$8,318 is included in depreciation expense within the statement of activities for 2024 and 2023, respectively.

The lease obligation for the copier is payable to LEAF Capital Funding, LLC in monthly installments of approximately \$202, including interest through June 2025. The lease obligation for the 2021 Ford Explorer is payable to Ford Credit in monthly payments of \$648 through February 2024. The lease obligation for the 2024 Ford Edge is payable to Ford Credit in monthly payments of \$623.64 through February 2027.

The following is a schedule of years of future minimum payments required under the financing leases together with the present value as of December 31, 2024:

Year ending December 31	Vehicle	Copier	Total
2025	\$ 7,484	\$ 1,212	\$ 8,696
2026	7,484		7,484
2027	623		623
	<u>15,591</u>	<u>1,212</u>	<u>16,803</u>
Less: amount representing interest	1,553	18	1,571
Present value of lease payments	<u>\$ 14,038</u>	<u>\$ 1,194</u>	<u>\$ 15,232</u>

Weighted average remaining lease term for financing leases	2.0
The weighted average discount rate for financing leases	9.5

The Corporation has an operating land lease with Jamestown Regional Airport Authority dated June 1, 2018 to May 31, 2027. The initial terms were 96.68 acres at \$112.17 per acre with a 3% annual adjustment. In 2021, the acres were decreased to 90.63 acres.

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Years Ended December 31, 2024 and 2023**

9. Lease Assets - continued

The following schedule is a schedule of years of future minimum payments required under the operating lease as of December 31, 2024:

Year ending December 31	
2025	\$ 12,351
2026	12,722
2027	5,366
	<u>\$ 30,439</u>

Weighted average remaining lease term for operating leases	2.4
The weighted average discount rate for operating leases	3.0

Lease expense was \$16,296 and \$15,815 for the years ended December 31, 2024 and 2023, respectively.

10. Retirement Plan

The Corporation allows employees to set up their own retirement plan. The Corporation's contribution is 5.12% of eligible employees' compensation. To be eligible, an employee must be at least 21 years old, have performed services at least one year of service in the five years immediately preceding, and received total compensation in excess of \$5,000 per year. The Corporation contributed \$13,043 and \$14,594 to the plan for the years ended December 31, 2024 and 2023, respectively.

11. Accounting for Uncertainty in Income Taxes

It is the opinion of management that the Corporation has no uncertain tax positions that would be subject to change upon examination. The federal and state income tax returns of the Corporation are subject to examination by the IRS, generally for three years after they were filed.

12. Availability and Liquidity

The following represents **JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION's** financial assets as of December 31, 2024 and 2023, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of grantor restrictions. The following table reflects the Corporation's financial assets due within one year of the statement of financial position as of December 31, 2024 and 2023, for general expenditures:

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Years Ended December 31, 2024 and 2023**

12. Availability and Liquidity - continued

Financial assets at year-end:	2024	2023
Cash and cash equivalents	\$ 339,821	\$ 214,415
Cash and cash equivalents - restricted	735,619	1,220,654
Accounts receivable	258,684	29,526
Current portion of notes receivable	107,379	20,750
Current portion of notes receivable - related party	78,500	119,611
Total financial assets	1,520,003	1,604,956
Money restricted by grantor for investment in capital assets	5,850	17,876
Current portion of notes receivable	185,879	140,361
Money restricted by grantor for grants and other purposes	729,769	1,202,779
Total restricted financial assets	921,498	1,361,016
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 598,505</u>	<u>\$ 243,940</u>

In addition to financial assets available to meet general expenditures over the year, the Corporation operates with an annual budget and anticipates its general expenditures by collecting sufficient contributions from the City of Jamestown and Stutsman County, along with rental income from the Chamber. The statement of cash flows identifies the sources and uses of the Corporation's cash.

13. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

	2024	2023
Subject to expenditure for specified purpose:		
Funds received for Intern program	\$ 47,803	\$ 61,944
Funds received for loans not yet disbursed	593,079	571,839
Funds received for Airport Park project	5,850	17,876
Funds received for residential infrastructure	38,121	38,121
Funds received for Daycare Expansion program	30,000	32,389
Funds received for Buffalo City Park/Bison World	(11,983)	(11,983)
Funds received for rail switches		500,000
Paybacks to City/County	24,761	10,468
Funds received from interest income	7,988	
Total net asset with donor restrictions	<u>\$ 735,619</u>	<u>\$ 1,220,654</u>

Net assets with donor restrictions that were released for the use of the restricted purposes was \$1,207,571 and \$1,618,113 for the year ended December 31, 2024 and 2023, respectively.

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - continued**  
**Years Ended December 31, 2024 and 2023**

14. Revenue Recognition in Accordance with FASB ASC 606

The Corporation's revenue from exchange transactions with all being recognized at a point in time and consist of the following:

	2024	2023
Expense reimbursement - SEPA	\$ 297	\$
Expense reimbursement - Chamber	14,290	15,452
Total revenue from contracts with customers	<u>\$ 14,587</u>	<u>\$ 15,452</u>

15. Advertising Costs

Advertising costs are charged to operations as incurred. Advertising costs incurred for the years ended December 31, 2024 and 2023, was \$15,435 and \$13,874, respectively.

16. Subsequent Events

Subsequent events were evaluated through June 9, 2025, which is the date the financial statements were available to be issued.

## **SUPPLEMENTARY INFORMATION**

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**SUPPLEMENTARY INFORMATION**  
**Years Ended December 31, 2024 and 2023**

**DETAILED STATEMENTS OF FINANCIAL POSITION**

**ASSETS**

	December 31, 2024				December 31, 2023			
	Operations	Incentive	Eliminations	Total	Operations	Incentive	Eliminations	Total
<b>CURRENT ASSETS</b>								
Cash and cash equivalents	\$ 339,821	\$	\$	\$ 339,821	214,415	\$		214,415
Cash and cash equivalents - restricted		735,619		735,619		1,220,654		1,220,654
Accounts receivable	17,337	255,859	(14,512)	258,684	16,641	25,892	(13,007)	29,526
Current portion of reimbursement receivable		18,458		18,458		18,458		18,458
Current portion of notes receivable		107,379		107,379		20,750		20,750
Current portion of notes receivable - related party		78,500		78,500		119,611		119,611
Prepaid expenses	6,794	9,496		16,290	6,773	9,215		15,988
Prepaid income tax						12,440		12,440
Total Current Assets	363,952	1,205,311	(14,512)	1,554,751	237,829	1,427,020	(13,007)	1,651,842
<b>PROPERTY AND EQUIPMENT, at cost</b>								
Land						49,916		49,916
Airport park		2,757,230		2,757,230		2,757,230		2,757,230
Buildings and improvements	407,636	562,786		970,422	407,636	562,786		970,422
Furniture and equipment	167,956			167,956	168,511			168,511
	575,592	3,320,016		3,895,608	576,147	3,369,932		3,946,079
Less accumulated depreciation	328,892	437,041		765,933	314,166	366,407		680,573
Net Property and Equipment	246,700	2,882,975		3,129,675	261,981	3,003,525		3,265,506
<b>OTHER ASSETS</b>								
Investment in Precision Stock		75,000		75,000		75,000		75,000
Investment in SEPA		7,325,611		7,325,611		7,323,813		7,323,813
Right-of-use lease asset		32,746		32,746		44,531		44,531
Reimbursement receivable, less current portion		96,593		96,593		115,051		115,051
Notes receivable, less current portion		4,390,707		4,390,707		3,674,053		3,674,053
Notes receivable, related party, less current portion		364,743		364,743		228,958		228,958
Total Other Assets		12,285,400		12,285,400		11,461,406		11,461,406
<b>TOTAL ASSETS</b>	\$ 610,652	\$ 16,373,686	\$ (14,512)	\$ 16,969,826	499,810	15,891,951	(13,007)	16,378,754

# **LIABILITIES AND NET ASSETS**

	December 31, 2024				December 31, 2023			
	Operations	Incentive	Eliminations	Total	Operations	Incentive	Eliminations	Total
<b>CURRENT LIABILITIES</b>								
Accounts payable	\$ 9,124	\$ 650,774	\$ (14,512)	\$ 645,386	8,963	592,361	(13,007)	588,317
Real estate taxes payable	483			483	1,601			1,601
Current portion of due to city and county		185,879		185,879		140,361		140,361
Accrued expenses	20,388			20,388	16,825			16,825
Deferred rent revenue		7,598		7,598		7,390		7,390
Current portion of deferred reimbursement		18,458		18,458		18,458		18,458
Current portion of capital lease payable	7,574			7,574	3,577			3,577
Current portion of lease liability		12,351		12,351		11,991		11,991
Total Current Liabilities	<u>37,569</u>	<u>875,060</u>	<u>(14,512)</u>	<u>898,117</u>	<u>30,966</u>	<u>770,561</u>	<u>(13,007)</u>	<u>788,520</u>
<b>LONG-TERM LIABILITIES</b>								
Due to city and county, less current portion		7,538,027		7,538,027		6,767,886		6,767,886
Deferred reimbursement, less current portion		96,593		96,593		115,051		115,051
Capital lease payable, less current portion	7,658			7,658	1,194			1,194
Lease liability, less current portion		20,395		20,395		32,540		32,540
Total Long-Term Liabilities	<u>7,658</u>	<u>7,655,015</u>		<u>7,662,673</u>	<u>1,194</u>	<u>6,915,477</u>		<u>6,916,671</u>
Total Liabilities	<u>45,227</u>	<u>8,530,075</u>	<u>(14,512)</u>	<u>8,560,790</u>	<u>32,160</u>	<u>7,686,038</u>	<u>(13,007)</u>	<u>7,705,191</u>
<b>NET ASSETS</b>								
Without donor restrictions	565,425	7,107,992		7,673,417	467,650	6,985,259		7,452,909
With donor restrictions		735,619		735,619		1,220,654		1,220,654
Total Net Assets	<u>565,425</u>	<u>7,843,611</u>		<u>8,409,036</u>	<u>467,650</u>	<u>8,205,913</u>		<u>8,673,563</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>								
	\$ 610,652	\$ 16,373,686	\$ (14,512)	\$ 16,969,826	499,810	15,891,951	(13,007)	16,378,754



**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**SUPPLEMENTARY INFORMATION - continued**  
**Years Ended December 31, 2024 and 2023**

**DETAILED STATEMENTS OF ACTIVITIES**

	December 31, 2024				December 31, 2023			
	Without Donor Operations	Restrictions Incentive	With Donor Restrictions	Total	Without Donor Operations	Restrictions Incentive	With Donor Restrictions	Total
<b>SUPPORT, REVENUE AND RECLASSIFICATIONS</b>								
Contributions - City of Jamestown	\$ 440,464	\$	\$ 525,777	\$ 966,241	\$ 398,610	\$	\$ 1,014,322	\$ 1,412,932
Contributions - Stutsman County	106,743		138,801	245,544	96,600		265,306	361,906
Rents	24,594	54,222		78,816	24,272	53,045		77,317
Reimbursements		18,458		18,458		18,458		18,458
Increase in SEPA investment		229,977		229,977		284,293		284,293
Expense reimbursement - SEPA	297			297				
Expense reimbursement - Chamber	14,290			14,290	15,452			15,452
Gain on disposition of assets	2,220		57,958	60,178				
Interest income	4,569	8,048		12,617				
Miscellaneous	520			520	1,944			1,944
Released from restrictions		1,207,571	(1,207,571)			1,618,113	(1,618,113)	
Total Support, Revenue and Reclassifications	593,697	1,518,276	(485,035)	1,626,938	536,878	1,973,909	(338,485)	2,172,302
<b>EXPENSES</b>								
Project services, grants		1,191,771		1,191,771		1,745,041		1,745,041
Operational costs	508,362	79,635		587,997	583,503	85,740		669,243
Repayment of lease income		111,697		111,697		100,991		100,991
Total Expenses	508,362	1,383,103		1,891,465	583,503	1,931,772		2,515,275
<b>CHANGE IN NET ASSETS</b>	85,335	135,173	(485,035)	(264,527)	(46,625)	42,137	(338,485)	(342,973)
<b>NET ASSETS, January 1</b>	467,650	6,985,259	1,220,654	8,673,563	530,665	6,926,732	1,559,139	9,016,536
<b>Transfer</b>	12,440	(12,440)			(16,390)	16,390		
<b>NET ASSETS, December 31</b>	\$ 565,425	\$ 7,107,992	\$ 735,619	\$ 8,409,036	\$ 467,650	\$ 6,985,259	\$ 1,220,654	\$ 8,673,563

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**SUPPLEMENTARY INFORMATION - continued**  
**Years Ended December 31, 2024 and 2023**

**DETAILED STATEMENTS OF EXPENSES**

	December 31, 2024			December 31, 2023		
	Operations	Incentive	Total	Operations	Incentive	Total
<b>Operational Costs</b>						
Salaries	\$ 256,795	\$	\$ 256,795	\$ 305,595	\$	\$ 305,595
Payroll taxes	19,290		19,290	23,414		23,414
Employee benefits	47,675		47,675	63,963		63,963
Shared office space	38,308	3,120	41,428	41,139	4,097	45,236
Telephone and internet	4,127		4,127	3,789		3,789
Professional training	5,760		5,760	6,712		6,712
Travel	5,789		5,789	5,333		5,333
Vehicle lease	768		768			
Postage and printing	1,181		1,181	1,270		1,270
Marketing and recruiting	18,261		18,261	20,017		20,017
Dues and subscriptions	1,783		1,783	3,108		3,108
Professional fees	41,084	654	41,738	35,753	4,946	40,699
Rent		4,309	4,309		4,183	4,183
Office supplies	2,736		2,736	2,527		2,527
Office equipment	3,565		3,565	4,454		4,454
Real estate taxes	211	845	1,056	150	1,387	1,537
Interest	1,543	13	1,556	945	3	948
Insurance	3,400		3,400	3,054		3,054
Bank and service charges	102	60	162	183		183
Meetings and conferences	14,193		14,193	16,539		16,539
Repairs and maintenance	7,208		7,208	7,292		7,292
Depreciation	34,286	70,634	104,920	37,657	71,124	108,781
Miscellaneous	297		297	609		609
	<u>\$ 508,362</u>	<u>\$ 79,635</u>	<u>\$ 587,997</u>	<u>\$ 583,503</u>	<u>\$ 85,740</u>	<u>\$ 669,243</u>

**JAMESTOWN/STUTSMAN DEVELOPMENT CORPORATION**  
**SUPPLEMENTARY INFORMATION - continued**  
**Years Ended December 31, 2024 and 2023**

**BUDGET VERSUS ACTUAL - OPERATIONS**  
**Year Ended December 31, 2024**

<b>SUPPORT AND REVENUE</b>	Unaudited Budget	Actual	Favorable (Unfavorable)
Contributions - City of Jamestown	\$ 440,664	\$ 440,464	\$ (200)
Contributions - Stutsman County	106,793	106,743	(50)
Rents	27,964	24,594	(3,370)
Interest		4,569	4,569
Expense reimbursements - SEPA	265	297	32
Expense reimbursements - Chamber	16,800	14,290	(2,510)
Gain on disposition of assets		2,220	2,220
Miscellaneous	400	520	120
<b>TOTAL SUPPORT AND REVENUE</b>	<b>592,886</b>	<b>593,697</b>	<b>811</b>
<b>EXPENSES</b>			
Salaries	296,000	256,795	39,205
Payroll taxes	22,504	19,290	3,214
Employee benefits	53,780	47,675	6,105
Shared office space	62,700	38,308	24,392
Telephone and internet	5,200	4,127	1,073
Professional training	2,500	5,760	(3,260)
Travel	5,150	5,789	(639)
Vehicle lease	7,800	768	7,032
Postage and printing	1,250	1,181	69
Marketing and recruiting	60,000	18,261	41,739
Dues and subscriptions	5,000	1,783	3,217
Professional fees	30,500	41,084	(10,584)
Office supplies	2,000	2,736	(736)
Office equipment	9,460	3,565	5,895
Real estate taxes	250	211	39
Interest	500	1,543	(1,043)
Insurance	3,850	3,400	450
Bank and service charges	250	102	148
Meetings and conferences	13,500	14,193	(693)
Repairs and maintenance	10,000	7,208	2,792
Income tax	21,000		21,000
Depreciation	22,000	34,286	(12,286)
Miscellaneous	1,000	297	703
<b>TOTAL EXPENSES</b>	<b>636,194</b>	<b>508,362</b>	<b>127,832</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (43,308)</b>	<b>\$ 85,335</b>	<b>\$ 128,643</b>