

An aerial photograph of a suburban neighborhood in Minot, North Dakota. The central focus is a large, circular roundabout with a grassy center and a brick-paved border. Several vehicles, including a white pickup truck, a dark sedan, and a motorcycle, are visible on the roads. The surrounding area consists of residential houses with brown roofs and green lawns, interspersed with trees. The sky is clear and blue.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF MINOT
NORTH DAKOTA

FISCAL YEAR ENDING DECEMBER 31, 2020

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**Comprehensive
Annual
Financial
Report**

City of Minot, North Dakota
For the Fiscal Year Ended December 31, 2020

Prepared By
The Finance Department

**City of Minot, North Dakota
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended December 31, 2020**

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June 3, 2021

To the Honorable Mayor,
City Council, and
Citizens of the
City of Minot, North Dakota

Ladies and Gentlemen,

The City Council requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. Pursuant to that requirement, the City hereby issues the Comprehensive Annual Financial Report of the City of Minot, North Dakota, for the fiscal year ended December 31, 2020. The City Finance Department prepares this set of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the City of Minot (the City). Consequently, management assumes full responsibility for the completeness and reliability for all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of these financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls provides reasonable rather than absolute assurance the financial statements will be free from material misstatement.

As management, we assert, to the best of our knowledge and belief, these financial statements are complete and reliable in all material respects.

Eide Bailly, LLP, a firm of licensed certified public accountants, have audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance the financial statements of the City for the fiscal year ended December 31, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report has been included as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grants and/or agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Single Audit Section of this report.

GAAP requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A. The City's MD&A is immediately following the report of the independent auditors.

Profile of the City of Minot

The City of Minot, incorporated on July 16, 1887, is located in the north central part of North Dakota. The City currently occupies a land area of approximately 27.63 square miles and serves a population of approximately 47,382. Located twelve miles north of the City, and a definite part of the community, is one of the nation's largest Air Force bases. The economic impact of the Minot Air Force Base on the City during 2020 was nearly \$622.4 million. The Minot Air Force Base had over \$96.3 million in construction, services and other expenditures. Minot Air Force Base serves as the

home for over 12,405 active duty personnel and their dependents. Many of the personnel assigned to the base choose to reside in the City during their tour of duty and after their discharge. The relationship between the citizens of Minot and the citizens of the base is one of cooperation and friendliness.

The City is empowered to levy a property tax on real property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council. During 2020, the property valuations for commercial building permits increased by over \$9.0 million compared to 2019 largely due to the construction of a new mixed-use development project for nearly \$7.8 million, \$1.3 million for renovation of an existing building in downtown Minot, and decreases of nearly \$1.3 million in stores, misc. nonresidential, and structures other than buildings. New residential buildings increased by nearly \$14.1 million due to an increase in single family dwellings of over \$7.7 million, townhouses of over \$6.1 million, and two-family dwellings increased nearly \$0.3 million. Remodels and additions decreased over \$9.6 million primarily due to an increase of over \$2.1 million in commercial additions, decrease of over \$11.2 million for commercial remodels, and a decrease in residential remodels and additions of over \$0.5 million.

The City has seen a reduction in property values in the past couple of years. The mill levy decrease in the 2020 budget was the operational mill equivalent for the City's Recreation and Auditorium departments. As of April 1, 2019, the Minot Park District operates the Recreation and Auditorium departments. The mill levy for 2021 remained identical to 2020.

The City of Minot is a home rule city and adopted its home rule charter on November 7, 1972. Minot operates under a "modern council" form of government and a council-manager plan. The City Council is comprised of the mayor and six council members. The mayor is elected, at large, to serve a four-year term; council members serve four-year staggered terms, with three council members elected, at large, every two years. Among other things, the City Council is responsible for passing ordinances, adopting the budget, appointing committees, confirming the appointments of department heads, and hiring the City Manager. The City Manager is responsible for carrying out the City Council's

policies and ordinances, and for overseeing the day-to-day operations of the City government.

The City provides a full range of services contemplated by statute or charter. This includes police and fire protection, the construction and maintenance of highways, streets, and other infrastructure, sanitation, planning and community development, water and sewer, cemetery, airport, two parking ramps located in downtown Minot and general administrative services necessary to serve the citizens of the City.

A comprehensive workforce improvement plan was implemented in 2019, the plan improved workforce attraction, retainage rates, and aligned the City's benefit package with local and regional equivalents. At the end of 2020, the City's turnover rate dropped down to 8.27%, which was a slight decrease from the 2019 rate of 8.63%.

The annual budget serves as the foundation for the City's financial planning and control. All departments and agencies submit requests for appropriations to the City Manager in May of each year for the ensuing year's budget, which begins January 1. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue fund this comparison is presented on page 30 as part of the basic financial statements for the governmental funds. The major debt service fund and major capital project fund comparison can be found beginning on page 86. For nonmajor governmental funds, other than the general fund, with appropriated annual budgets, this comparison is in the governmental fund subsection of this report, beginning on page 100.

Beginning in 2019, the City of Minot began working on an Enterprise Resource Planning (ERP) software upgrade. Phase I of the project was completed in November of 2020 and included going live with the City's financials. During this phase of the project the City was able to combine several funds together as well as align the chart of accounts to align more closely with Governmental Accounting Standard Board (GASB) standards. Phases II and III are currently in progress, Phase II is Human Capital Management and Phase III Utility Billing and Special Assessments are both expected to go live in October 2021.

Two phases of the Mouse River enhanced flood protection plan (MREFPP) received the 2020 Crown Communities Award from American City & County, a national organization dedicated to recognizing public projects and servants. Napa valley, (phase II) and Forest road (phase III) of the MREFPP are vital parts of the overall \$1.028 billion dollar project; construction began in May of 2018 with final completion in October 2020. Some of the features included in these phases were multiple levee ramps, interior drainage pump stations, river crossings of municipal utilities, removable road closure, over 8,900 feet of earthen levee, and 1,600 feet of bio-engineered stream bank restoration.

Factors Affecting Financial Condition

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy. Minot’s centralized location in North America and its high-quality transportation make it an attractive site for both businesses and manufacturers. The sales tax base, the oil industry, and construction are all factors that build a solid foundation for business and industry to enjoy greater productivity and profitability.

<u>Sales Tax Collections</u>		<u>Property Tax Levied</u>	
2016	\$ 21,375,144	2017	\$ 17,871,719
2017	20,035,165	2018	22,616,328
2018	21,182,065	2019	26,611,273
2019	22,160,231	2020	25,301,186
2020	20,655,109	2021	25,781,496

The financial position of the City remains sound with management continuing to administer the financial policies established by the City Council in a prudent and effective manner as shown in the table below. A continuation of that cooperative effort will assure the citizens a healthy future.

<u>Assets, Liabilities and Net Position Per Capita</u>				
		Total	Total	
	Population	Assets &	Liabilities	Net
	Estimate*	Deferred	& Deferred	Position
		Outflows	Inflows	
2016	47,338	\$ 17,837	\$ 3,959	\$ 13,879
2017	48,743	18,037	3,464	14,572
2018	47,822	19,096	3,706	15,390
2019	47,370	19,187	3,715	15,473
2020	47,382	20,357	4,189	16,168

*Estimates obtained from the U.S. Census Bureau

<u>Expenses and Program Revenues Per Capita</u>					
	Charges		Operating	Capital	Change
	for	and	Grants	Grants	in Net
	Expenses	Services	Contributions	and	Position
				Contributions	
2016	\$ 2,318	\$ 805	\$ 124	\$ 1,246	\$ 877
2017	2,369	792	158	1,539	1,096
2018	2,508	857	242	794	537
2019	2,683	854	163	324	(64)
2020	3,293	845	360	1,627	699

Ratio of Net Position to Expenses

	<u>Government Business-Type</u>	
	<u>Activities:</u>	<u>Activities</u>
2016	5.35	6.92
2017	5.24	7.69
2018	5.22	7.66
2019	4.80	7.49
2020	3.77	7.32

Long-Term Financial Planning. The City has implemented five-year budget modeling in order to provide a longer-term view of anticipated revenues and expenditures. The challenges include funding and constructing the NAWS and flood control projects, identification and deployment of a new enterprise-wide software upgrade, construction of the northwest fire station, correcting maintenance backlogs, adequately funding street improvements, siting and construction of a new City Hall, and adequate financing of City capital infrastructure and capital equipment needs.

The City continually plans for anticipated construction projects and infrastructure needs. Cash reserves were capped by the Finance Director effective September 30, 2011 in the Sales Tax Northwest Area Water Supply Project (NAWS) Fund that had been receiving a 1% dedicated sales tax. Effective January 1, 2019, the City reinstated the collection to allocate 40% of one cent of dedicated sales tax.

The NAWS project will bring Missouri River water to Minot and Northwest North Dakota, ensuring an adequate water supply for the future, and has an estimated \$204.6 million in expenditures remaining, of this \$108.4 million is for a biota treatment facility at the continental divide which will prevent biota transfer from the Missouri River Basin to the Great Lake Basin. The cost for this facility will be funded completely by the Federal government. The remaining \$96.2 million will be to complete pipelines, storage tanks, and pumping facilities along the pipeline. The City of Minot has a 35% cost share or approximately \$32.0 million which will be paid with sales tax funds. The City has approximately \$17.4 million in cash reserves remaining for this purpose. The project will extend to northwest North Dakota.

Based on the results of the City Council passing an ordinance, the first penny sales tax was reallocated to the following as of July 1, 2014: property tax relief 10%; economic development 15%; improvements fund 25%; and flood control 50%.

In June 2011, the voters opted to continue collecting the 1% sales tax, formerly for NAWS, and dedicated 30% to property tax relief, 40% to infrastructure projects, and 30% to community facilities. Effective January 1, 2019 it was determined to reallocate the sales tax collection, 40% was allocated to NAWS, 18% to property tax relief, 24% to infrastructure projects, and 18% to community facilities/flood control.

As of the 2020 budget, approximately 50% of the first penny and 18% of the second penny is allocated to flood control. Based on legislative house bill 1020, \$193 million will be dedicated to this project. The City of Minot will be required to match the funds by 35%, which may require more sales tax funds dedicated to flood control.

The City of Minot is also the recipient of three separate allocations of funding from the U.S. Department of Housing and Urban Development Community Development Block Grants, two of which are Disaster Recovery Funds and the third one is National Disaster Resilience Funds. The first allocation was in April 2012 for \$67,575,964. The second allocation was in April 2014 for \$35,056,000. The third allocation was in January 2016 for \$74,340,770. Each allocation has spent the following funds, respectively: \$62,856,494, \$35,031,334, and \$31,370,882 as of December 31, 2020. The first

allocation is considered “no year funds”, which means there is not a date by which the funds must be spent. The balance of these funds will be spent on blighted homes, multi-family housing and close out. The second allocation has obligated a portion of the gross funds to home acquisitions, demolitions, and street repairs. The obligated funds had to be spent by September 30, 2019. The third allocation will be obligated to reduce flood risk and increase resilience, build affordable, resilient neighborhoods, and foster economic resilience and diversification and must be spent by September 30, 2022. Due to COVID-19, the City along with other Community Development Block Grant recipients, requested grant extensions. The City requested extensions for the second and third allocations and received approval in early 2021.

The last year has presented a number of challenges. COVID-19 has impacted the City of Minot as well as the entire nation. North Dakota reported their first case on March 11, 2020 and that case was in Minot. As a result, many governments issued or recommended “stay-at-home” orders, which led to rapid changes in how businesses were conducted in government, education and private industry. In the ever-changing environment many switched to remote operations or used social distancing guidelines.

The response to the pandemic included a number of costs not budgeted. The City was able to secure CARES funding for public safety, general government, and the airport which helped to offset the impact of the pandemic response.

The two dominant industry sectors in this region, agriculture and energy, have experienced weather, market, and COVID-19 challenges. At this time, indicators suggest the economy remains stable in the region. The City is anticipating a slight increase in valuations for the upcoming budget year, which is a positive indicator. The City will continue to monitor collections of sales tax and HUB City oil and gas funding and make any adjustments that may be prudent.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Minot for its' Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. This was the 41st consecutive year the City has achieved this

prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City believes the current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and plans to submit it to the Government Finance Officers Association to determine its eligibility for another certificate.

Acknowledgements. The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. I would also like to thank the Mayor and City Council for their unfailing support and for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



David Lakefield
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Minot
North Dakota**

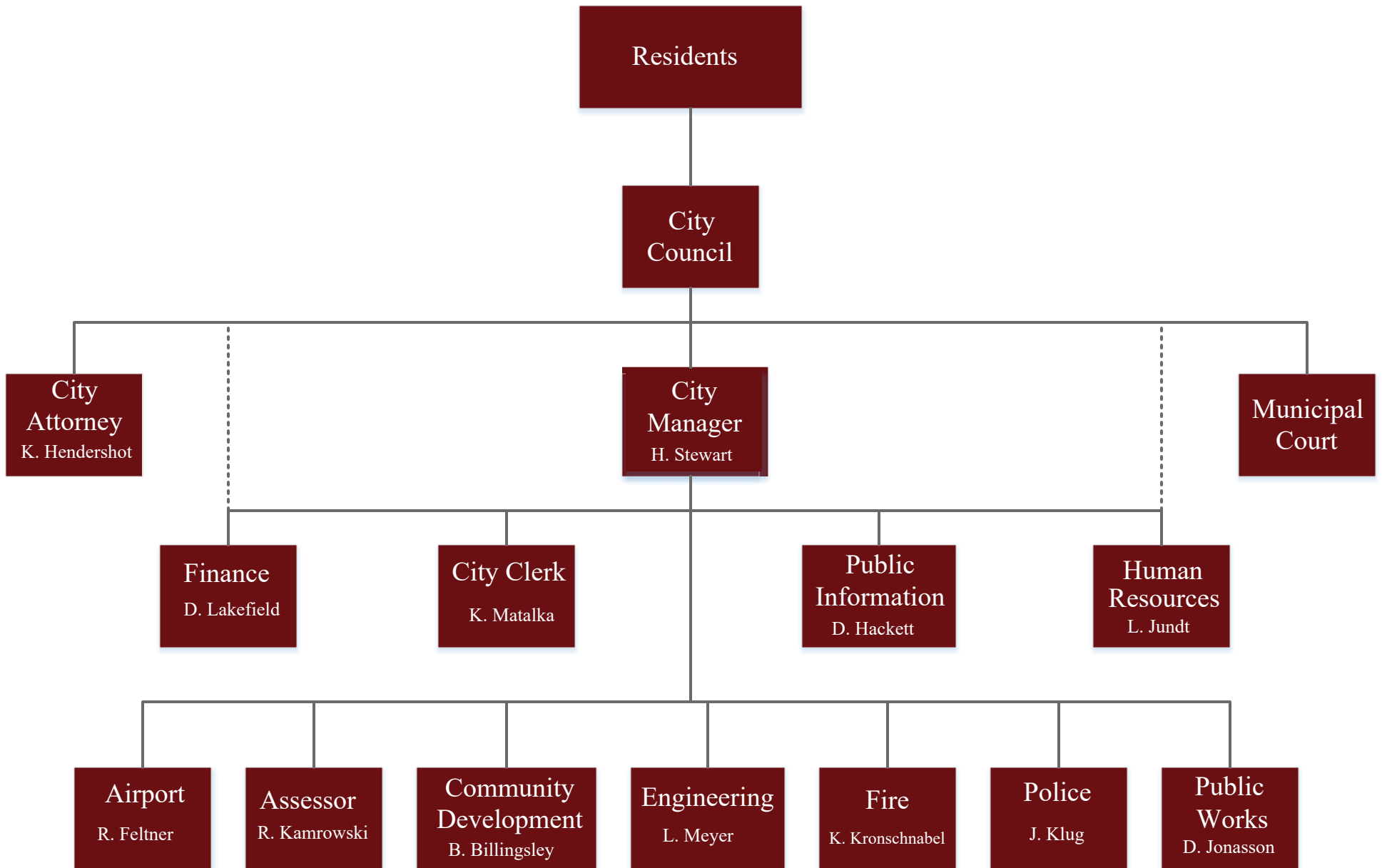
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

City of Minot Organizational Chart



Elected and Appointed Officials

City of Minot, North Dakota

	<u>Term Ends</u>
Mayor - Shaun Sipma	2022
Members of the Council:	
Carrie Evans - Vice President	2024
Mark Jantzer	2022
Lisa Olson - President	2022
Stephan Podrygula	2024
Paul Pitner	2022



Independent Auditor's Report

To the Honorable Mayor and City Council
City of Minot, North Dakota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Minot, North Dakota (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Minot, North Dakota, as of December 31, 2020, and the respective changes in financial position and, where, applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Prior Year Comparative Information

We have previously audited the City of Minot's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 21, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of pension contributions, schedule of changes in net pension liability, schedule of pension investment returns, schedule of changes in net OPEB liability, schedule of OPEB contributions, and schedule of OPEB investment returns be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Boards who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Minot, North Dakota's financial statements. The introductory section, schedule of revenues, expenditures, and changes in fund balance – budget and actual – major debt service fund, schedule of revenues, expenditures, and changes in fund balance – budget and actual – major capital projects fund, combining and individual nonmajor fund statements and schedules, capital assets used in the operation of governmental funds, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and the schedule of passenger facility charges is presented for purposes of additional analysis as specified in the *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration; and are also not a required part of the basic financial statements.

The schedule of revenues, expenditures, and changes in fund balance – budget and actual – major debt service fund, schedule of revenues, expenditures, and changes in fund balance – budget and actual – major capital projects fund, combining and individual nonmajor fund statements and schedules, capital assets used in the operation of governmental funds, the schedule of expenditures of federal awards, and schedule of passenger facility charges are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 2, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Fargo, North Dakota
June 2, 2021



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Management's
Discussion
and
Analysis

**City of Minot
Comprehensive Annual Financial Report
December 31, 2020**

Management's Discussion and Analysis

The City of Minot management are pleased to offer readers of the City of Minot's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended December 31, 2020, with comparative data for the fiscal year ended December 31, 2019. The City encourages readers to consider it in conjunction with the additional information presented in the accompanying letter of transmittal, the basic financial statements, the fund financial statements, and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The *net position* of the City increased by over \$33.1 million or 4.5%.
- *Charges for services* decreased over \$0.5 million due to a decrease in licenses and permits, a decrease in airport operations, and an increase in sanitation.
- *Operating grants and contributions* increased over \$9.3 million due to over \$7.7 million received for CARES funding relief grants for operational expenditures / expenses for the airport, public safety, and general government. The airport was awarded over \$2.7 million and expensed almost \$1.4 million of the grant, public safety expended almost \$6.1 million, and general government expended over \$0.2 million. There was increased reimbursement for activity for the National Disaster Resilience Grant Program of over \$2.4 million, and a reduction of over \$0.8 million in State aid and taxes.
- *Capital grants and contributions* increased over \$61.7 million due to an increase in developer donated assets of nearly \$40.3 million, an increase for the gain on the transfer of the parking ramps from general government of nearly \$17.3 million, and increased activity of airport and water, sewer, and sanitary sewer of almost \$5.1 million for the northern sanitary sewer, SW water tower, general aviation apron, and cargo apron work.
- *Program expenses* increased by nearly \$28.9 million with business-type activities increasing in expenses by over \$4.5 million primarily due to an increase in operating and non-operating expenses of over \$3.1 million

and a recorded loss on sale of City property of over \$1.1 million and governmental activities increasing by over \$24.3 million due to the loss on the transfer of the parking ramps to business-type of nearly \$17.3 million, an increase in pension and OPEB expenditures of over \$1.3 million, and an increase in street maintenance department expenditures of over \$2.4 million.

- Overall governmental and business-type activities netted to a negative change in net position prior to general revenues of over \$21.8 million with the governmental activities reporting a negative change in net position of over \$42.3 million and the business-type activities reporting a positive change in net position of nearly \$20.5 million.
- During 2020 *capital assets*, net of depreciation, increased by over \$31.0 million compared to 2019. Construction in progress decreased by over \$5.8 million compared to 2019 largely in part to flood control and water and sewer projects being placed in service, such as the Mouse River Enhanced Flood Protection Project (MREFPP). Land increased over \$1.4 million due to flood control acquisitions. Infrastructure increased over \$32.3 million. Governmental activities accounted for over \$16.0 million of the increase primarily due to depreciation expense of over \$10.6 million, infrastructure additions of nearly \$46.3 million, mainly due to the completion of the reconstruction of 31st St SE which has the City's first round-about as well as flood control projects, and transfers to business type of over \$21.0 million, which nearly \$17.3 million was for the parking ramps being transferred. Business-type activities accounted for over \$16.3 million of the increase due to depreciation expense of over \$19.1 million, infrastructure additions of almost \$20.0 million, deletions of fully depreciated infrastructure of nearly \$5.6 million, and transfer in from governmental of over \$21.0 million.
- General government program expenses increased by over \$25.4 million due to the loss of the parking ramps to business-type of nearly \$17.3 million, an increase for a loss of over \$3.9 million for land assets that were unknown and removed from the

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City’s assets during the City’s Enterprise Resource Planning software upgrade, and due to an increase in NDR expenditures of nearly \$2.5 million. Water and sewer program expenses increased over \$3.1 million primarily due to an increase in operating expenses of nearly \$2.0 million and a recorded loss on sale of City property of over \$1.1 million.

- The *unassigned fund balance* for the General Fund is nearly \$35.1 million or about 76.5% of the total general fund expenditures. In total, this is an increase from 2019 of nearly \$1.5 million primarily due to the consolidation of recreation auditorium into the general fund. The department merged with the park district in 2019 and the fund balance was transferred to General Fund in 2020.
- As of December 2020, the price per barrel for oil was \$43.43, which was \$12.42 lower per barrel than December 2019. As of December 2020, North Dakota was producing 1,168,000 barrels of crude oil per day, down from 1,399,000 barrels per day as of January 2020.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the City’s basic financial statements. The comprehensive annual financial report presents the following three components of the financial statements:

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

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

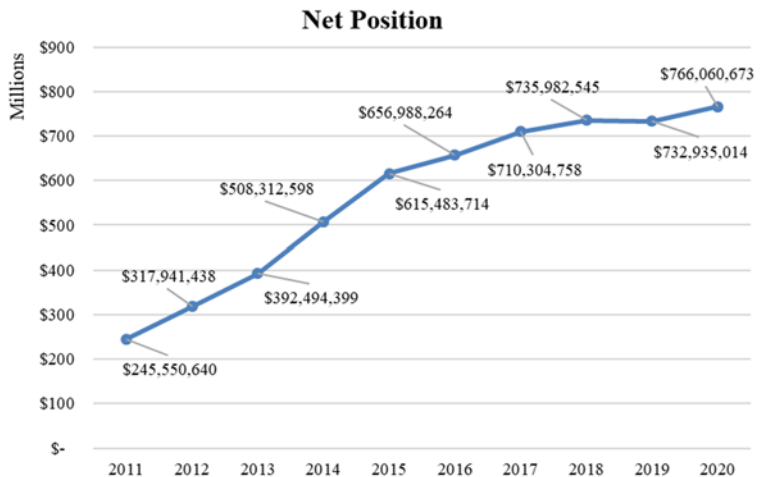
Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the

City’s finances, in a manner similar to a private-sector business.

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

Since the 2011 flood the City’s net position has improved from \$245.5 million to over \$766.0 million. This is an increase of \$520.5 million or 212.0%. The majority of the funding for this increase came from grants and contributions as the City only issued \$132.9 million of debt during this same period.



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

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

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

The government-wide financial statements begin on page 18.

Fund Financial Statements

A *fund* is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The City of Minot, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements provide detailed information about the City's significant funds – not the City as a whole. There are three categories of City funds– governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains 20 individual governmental funds. The City presents separate information in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general fund, and the following major funds: sales tax NAWS, debt service, and capital infrastructure. Data from the other governmental funds are combined in a single, aggregate presentation. Combining statements provide individual fund data for each of these non-major governmental funds, which begin on page 86.

The City adopts an annual budget for its governmental funds. Budgetary comparison statements demonstrate compliance.

The governmental fund financial statements begin on page 22.

Proprietary Funds. The City maintains two types of proprietary funds, enterprise and internal service. Enterprise funds report activities that charge for services provided to outside customers. The enterprise funds are business-type activities in the government-wide statements. The City uses enterprise funds to account for its airport, sanitation, water, sewer and storm sewer, and parking ramps operations, as major funds, and its cemetery, and parking authority operations, as non-major funds. Internal Service funds report activities that provide supplies and services to other City programs and activities. The City of Minot uses internal service funds to account for its central garage and the self-funded insurance program. Because these services predominantly benefit governmental rather than business-type functions, they have been included within

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governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide statements, only in more detail. The City combines both internal service funds in a single, aggregate presentation in the proprietary fund financial statements. The City provides individual fund data for the non-major proprietary funds in the form of combining statements, which begin on page 122. Individual fund data for the internal service funds are also in the form of combining statements beginning on page 126. The basic proprietary fund statements begin on page 32.

Fiduciary Funds. Fiduciary funds account for resources held for the benefit of parties outside the government. The City is a trustee for its employees' pension and other post-employment benefit plans. It is also responsible for other assets held on behalf of others. The City is responsible for ensuring the assets reported in these funds are used for their intended purpose. The City reports fiduciary activities in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These activities have been excluded from the City's other financial statements since the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is similar to proprietary funds. The basic fiduciary fund statements begin on page 42.

Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 44-77 of this report.

The City presents combining statements referred to earlier in connection with non-major governmental funds and internal service funds immediately following the notes to the financial statements. Combining and individual fund statements and schedules are on pages 86-134 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following two tables present condensed information on the City's Net Position and Changes in Net Position for the fiscal year ended December 31, 2020, with comparative data for the fiscal year ended December 31, 2019. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$766,060,673 at the close of the most recent fiscal year.

The largest portion of the City of Minot's net position (82.8%) reflects its investment in capital assets (e.g. land, buildings, equipment, infrastructure, intangibles, and books); less any related liabilities used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 143,468,466	\$ 135,542,437	\$ 63,749,797	\$ 61,374,501	\$ 207,218,263	\$ 196,916,938
Capital assets	352,337,631	345,407,552	379,288,307	355,132,860	731,625,938	700,540,412
Total assets	495,806,097	480,949,989	443,038,104	416,507,361	938,844,201	897,457,350
Deferred outflows of resources	19,013,735	8,101,890	6,681,822	3,350,574	25,695,557	11,452,464
Long-term debt outstanding	92,054,918	76,568,169	70,351,339	66,418,800	162,406,257	142,986,969
Other liabilities	11,927,651	12,325,006	9,532,252	8,988,673	21,459,903	21,313,679
Total liabilities	103,982,569	88,893,175	79,883,591	75,407,473	183,866,160	164,300,648
Deferred inflows of resources	11,159,583	8,289,018	3,453,342	3,385,134	14,612,925	11,674,152
Net position						
Net investment in capital assets	314,163,170	311,589,385	320,279,420	295,935,018	634,442,590	607,524,403
Restricted net position	3,925,050	50,556,588	10,987,717	8,862,671	14,912,767	59,419,259
Unrestricted net position	81,589,460	29,723,713	35,115,856	36,267,639	116,705,316	65,991,352
Total net position	<u>\$ 399,677,680</u>	<u>\$ 391,869,686</u>	<u>\$ 366,382,993</u>	<u>\$ 341,065,328</u>	<u>\$ 766,060,673</u>	<u>\$ 732,935,014</u>

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future spending. Although the City reports investment in capital assets net of related debt, the resources needed to repay this debt comes from other sources, since the City cannot liquidate the capital assets to pay the liabilities.

A portion of the City's net position (2.0%) represents resources subject to external restrictions on how they may be used. Restricted net position includes amounts restricted for customer facility charges \$1,361,825, for general government \$195,712, for public safety \$13,251, for capital leases \$2,194,516, for other purposes \$31,241, and \$11,147,463 for debt service. The unrestricted net position of \$116,674,075 is to meet the government's ongoing obligations to citizens and creditors.

There are no restrictions, commitments, or other limitations that significantly affect the availability of fund resources for future use. At the end of 2020, the City is able to report positive balances in all three categories of net position for the government as a whole, as well

as for governmental and business-type activities.

Changes in Net Position. The City's net position increased over \$33.1 million during 2020. The increase was a combination of items, program expenses increased by nearly \$28.9 million, of that over \$24.3 million was an increase in governmental activities and over \$4.5 million was an increase in business-type activities. Program revenues increased from 2019 due largely to operating and capital grants and contributions increasing over \$71.1 million between governmental and business-type activities. Charges for services decreased over \$0.5 million primarily in governmental due to a decrease licenses and permits.

Governmental Activities. Governmental program revenues increased nearly \$35.6 million largely due to operating and capital grants and contributions increasing over \$36.1 million. This increase was primarily due to an increase in developer donated assets of nearly \$29.0 million

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Program Revenues						
Charges for services	\$ 7,712,492	\$ 8,260,626	\$ 32,302,190	\$ 32,266,859	\$ 40,014,682	\$ 40,527,485
Operating grants and contributions	15,347,059	7,209,286	1,718,216	500,621	17,065,275	7,709,907
Capital grants and contributions	40,528,450	12,527,461	36,543,707	2,799,869	77,072,157	15,327,330
General revenues						
Taxes	50,975,919	53,118,802	960,564	2,802,605	51,936,483	55,921,407
Investment earnings	1,606,922	2,144,612	387,779	748,124	1,994,701	2,892,736
Miscellaneous	802,964	989,287	249,841	695,604	1,052,805	1,684,891
Total revenues	116,973,806	84,250,074	72,162,297	39,813,682	189,136,103	124,063,756
Program Expenses						
General government	46,671,426	21,270,277	-	-	46,671,426	21,270,277
Public safety	28,806,347	28,133,572	-	-	28,806,347	28,133,572
Highways and streets	26,874,991	23,956,775	-	-	26,874,991	23,956,775
Culture and recreation	1,886,115	6,494,132	-	-	1,886,115	6,494,132
Economic development	679,972	646,685	-	-	679,972	646,685
Interest on long-term debt	1,020,861	1,089,828	-	-	1,020,861	1,089,828
Airport	-	-	10,409,737	10,294,345	10,409,737	10,294,345
Cemetery	-	-	479,625	565,414	479,625	565,414
Parking authority	-	-	17,548	19,842	17,548	19,842
Sanitation	-	-	5,721,502	5,411,164	5,721,502	5,411,164
Water and sewer	-	-	32,257,004	29,150,934	32,257,004	29,150,934
Parking ramps	-	-	1,185,316	78,319	1,185,316	78,319
Total expenses	105,939,712	81,591,269	50,070,732	45,520,018	156,010,444	127,111,287
Excess (deficiency) before transfers	11,034,094	2,658,805	22,091,565	(5,706,336)	33,125,659	(3,047,531)
Transfers	(3,226,100)	(1,418,099)	3,226,100	1,418,099	-	-
Change in net position	7,807,994	1,240,706	25,317,665	(4,288,237)	33,125,659	(3,047,531)
Net position, January 1	391,869,686	390,628,980	341,065,328	345,353,565	732,935,014	735,982,545
Net position, December 31	\$ 399,677,680	\$ 391,869,686	\$ 366,382,993	\$ 341,065,328	\$ 766,060,673	\$ 732,935,014

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as well as over \$6.4 million in CARES funding received for operation expenditures.

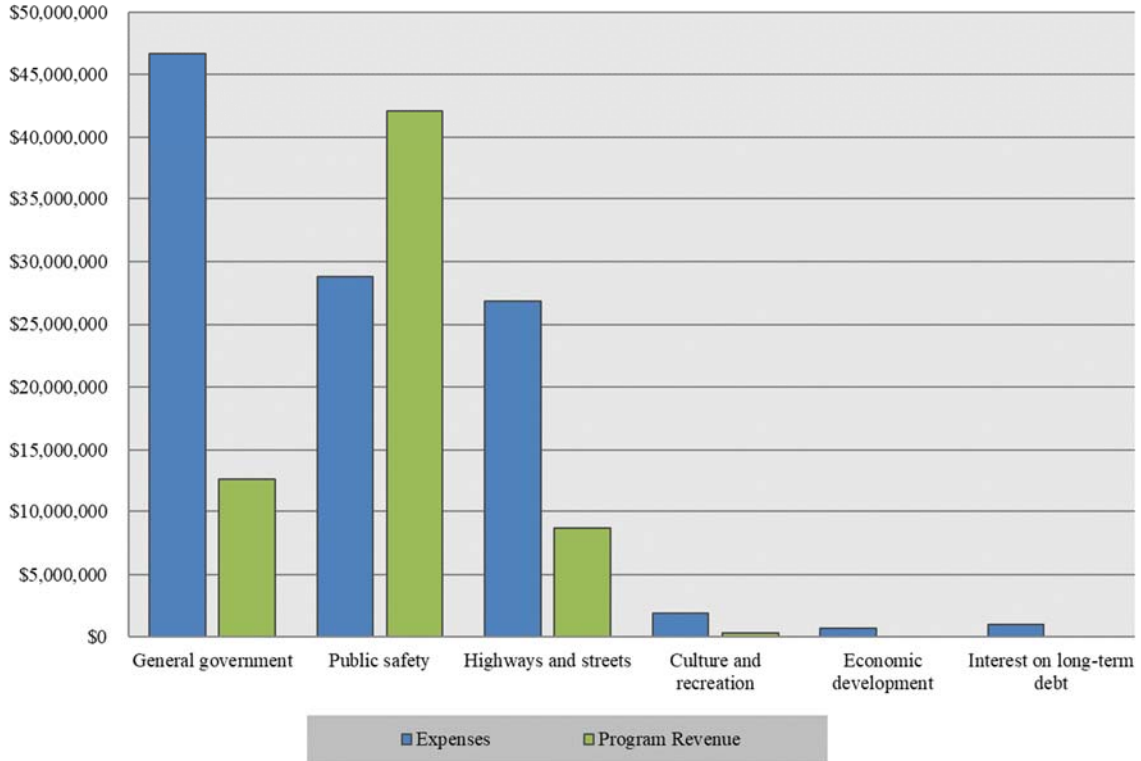
Governmental program expenses increased by over \$24.3 million. Overall, the general government program expenses increased almost \$25.4 million, public safety increased over \$0.6 million due to an increase in personnel costs, highways and street increased over \$2.9 million due to increased street and levy maintenance, culture and recreation decreased over \$4.6 million due to decreased activity in community facility grants.

Business-Type Activities. Business-type program revenues increased by nearly \$35.0 million during 2020 due to increases in capital grants and contributions of over \$33.7 million primarily which included an increase in developer donated assets of over \$11.2 million and a gain on the transfer of the parking ramps of nearly \$17.3 million, and over \$4.2 million in airport general aviation and cargo apron work. Business-type program expenses increased by over \$4.5 million in 2020 due to an increase in expenses in Water, Sewer, and Sanitary Sewer of over \$3.1 million due to an increase in department expense of nearly \$2.0 million, and a loss on sale of City property of over \$1.1 million, and an increase in parking ramps of over \$1.1 million due to an increase in depreciation.

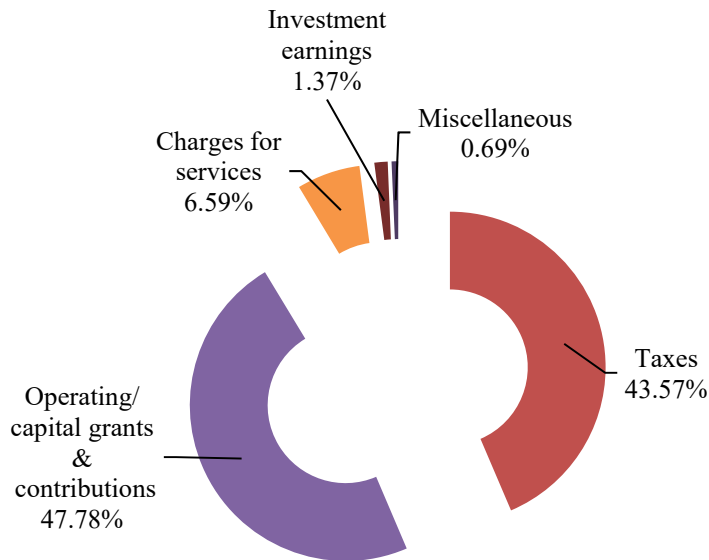
The charts on pages 12 and 13 summarize the City's revenues and expenses for both governmental and business-type activities.

Management's Discussion and Analysis

**Expenses & Program Revenues
 Governmental Activities**

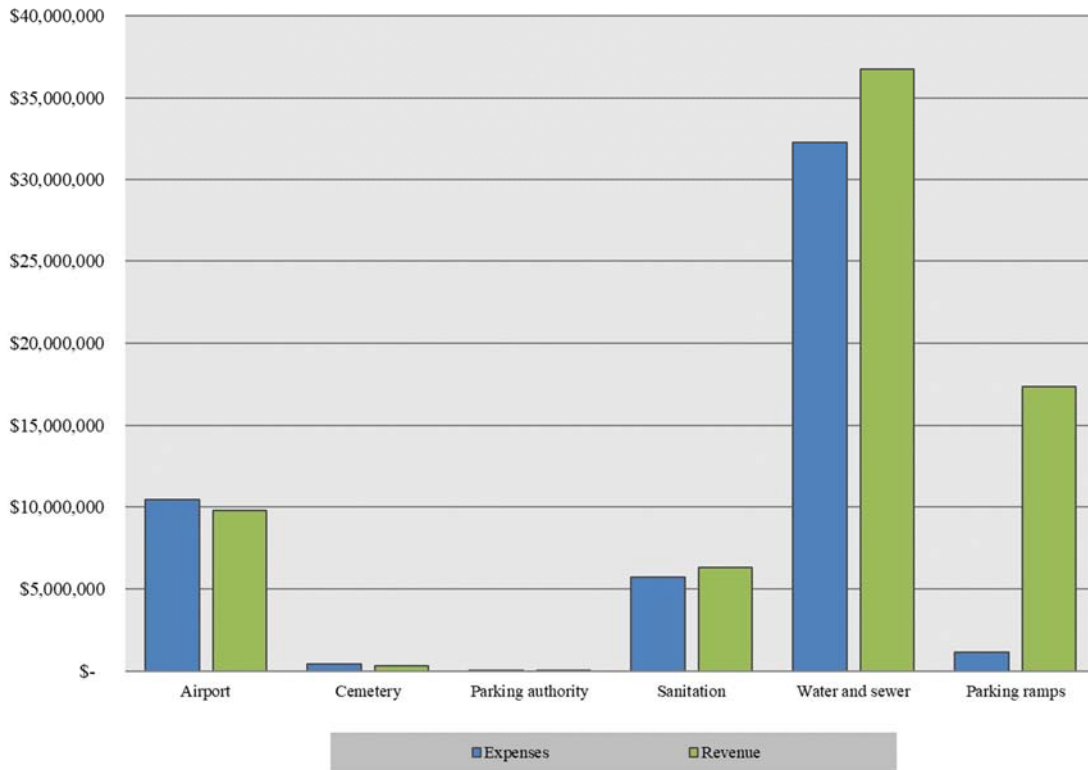


**Revenues by Source
 Governmental Activities**

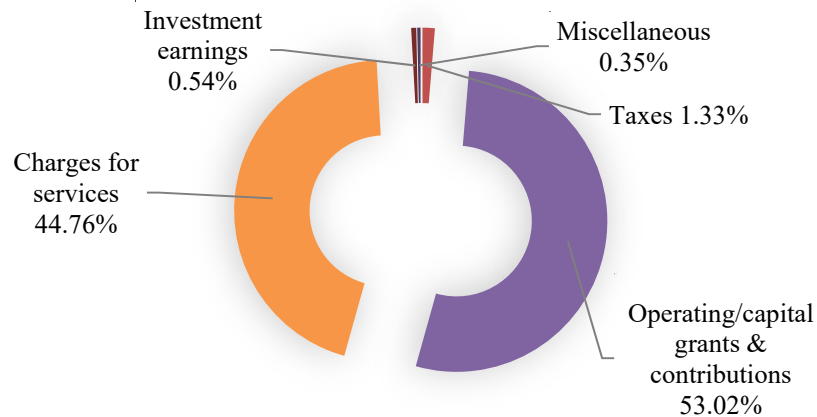


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**Expenses & Program Revenues
 Business-Type Activities**



**Revenues by Source
 Business-Type Activities**



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FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City of Minot uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required statutorily while others are internally set up to assist management in accounting for certain activities.

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, an unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of 2020, the City's governmental funds reported combined ending fund balances of over \$122.8 million, an increase of nearly \$10.2 million in comparison with 2019. Revenues for the period increased almost \$3.8 million due to an increase of almost \$6.4 million in intergovernmental revenues due primarily to CARES funding, a decrease in sales tax collections of over \$1.5 million and a decrease in interest income and miscellaneous revenue of over \$0.8 million while expenditures increased over \$0.1 million. The governmental funds nonspendable fund balance is \$767,135, restricted fund balance \$3,925,051, committed fund balance \$59,226,654, assigned fund balance \$23,800,920, and unassigned fund balance \$35,096,891.

The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$35,096,891. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance represents nearly 76.5% of total general fund expenditures.

The City of Minot's general fund balance increased by \$2,755,670 during the current fiscal year. This increase was a result of the consolidation of Auditorium Recreation Fund into the General Fund and due to revenues being

higher than expenditures. In total, all department expenditures were over \$6.4 million below budget and revenues for the general fund were under \$5.5 million compared to the budget.

The **Sales Tax NAWS Fund** had a decrease in fund balance of \$985,087 primarily due to the utilizing budgeted cash reserves in 2020.

The **Debt Fund** had an increase in fund balance by \$512,159 due to debt retirement expenditures being less than revenues during 2020. During 2020 all debt funds were combined into one fund during the City's Enterprise Resource Planning software upgrade.

The **Capital Infrastructure Fund** increased in fund balance by \$3,666,178 due to expenditures being less than revenues during 2020. During 2020 the capital infrastructure fund combined the previous highway reserve and capital purchases funds during the City's Enterprise Resource Planning software upgrade.

Propriety Funds. The City of Minot's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position at the end of the year for the Enterprise Funds was \$34,077,347, of which airport accounted for \$3,257,511, sanitation (\$619,618), water, sewer, and sanitary sewer \$30,210,383, parking ramps \$631,463, and the non-major funds accounted for \$597,608. Sanitation has an unrestricted negative net position due to the net pension liability of \$4,557,144. Restricted net position was \$8,146,961 for debt service, \$1,361,825 for customer facility charges and \$1,478,931 for capital leases. The restrictions do not significantly affect the availability of fund resources for future use.

The change in net position was an increase of nearly \$25.2 million, due to an increase in operating revenues of nearly \$0.9 million, due to an increase in capital grants and contributions of over \$33.6 million, an increase in expenses of over \$3.8 million, a decrease in property taxes of over \$1.8 million, and an increased loss on the sale of City property of over \$1.5 million.

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**GENERAL FUND BUDGETARY
HIGHLIGHTS**

The differences between the original budget and the final amended budget was an increase in revenues of nearly \$1.7 million and an increase in expenditure appropriations of over \$8.3 million. Differences between the final amended budget and actual amounts in the general fund consist of total revenues being over \$3.3 million less than budgeted and the expenditures being nearly \$6.5 million less than budgeted. There is a total deficiency of actual revenues over expenditures of over \$5.0 million primarily due to budgeted transfers from sales tax funds to reduce property tax levy. After transfers in of over \$12.2 million, of which nearly \$3.2 million was for direct property tax relief, the overall net change in fund balance was \$2,755,670.

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

- Home acquisitions
- Mouse River Enhance Flood Protection Project (MREFPP) Phases 2-3
- 31st Ave SE Reconstruction Project, included completion of the City’s first round-about
- General Aviation Apron
- Cargo Apron

Additional information on the City of Minot’s capital assets can be found in Note 4. E on pages 54-55 of this report.

**CAPITAL ASSET AND DEBT
ADMINISTRATION**

Capital Assets. The City’s investment in capital assets for its governmental and business-type activities as of December 31, 2020, is \$731,625,938 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, intangibles, and books. The City’s investment in capital assets increased nearly \$31.1 million in 2020 due to an increase of over \$1.4 million in land, a decrease of over \$5.8 million in construction in progress, an increase of over \$32.3 million in infrastructure, an increase of \$4.0 million in buildings, a decrease of over \$0.5 million in equipment, and a decrease of over \$0.4 million in intangible assets.

Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 99,346,130	\$ 97,940,182	\$ 9,647,078	\$ 9,647,078	\$ 108,993,208	\$ 107,587,260
Construction in progress	12,928,046	22,677,479	26,411,949	22,465,124	39,339,995	45,142,603
Infrastructure	218,997,622	202,970,500	280,337,620	264,016,327	499,335,242	466,986,827
Buildings	11,728,662	12,134,156	51,628,523	47,185,402	63,357,185	59,319,558
Equipment	7,795,619	7,773,646	11,188,967	11,770,430	18,984,586	19,544,076
Intangible assets	157,725	587,353	74,170	48,499	231,895	635,852
Books	1,383,827	1,324,236	-	-	1,383,827	1,324,236
Total capital assets	\$352,337,631	\$345,407,552	\$ 379,288,307	\$355,132,860	\$ 731,625,938	\$ 700,540,412

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Long-Term Debt. At year-end, the City had total debt of \$99,889,247, an increase of \$6,854,194 compared to the prior year.

Note 4. I on pages 57-60 of this report describes the City’s long-term debt in detail.

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 12,534,299	\$ 14,547,505	\$ -	\$ -	\$ 12,534,299	\$ 14,547,505
Special assessment bonds	13,866,084	15,823,171	1,430,017	-	15,296,101	15,823,171
Sales tax bonds	8,215,187	-	-	-	8,215,187	-
Capital financing program bonds	1,421,683	1,556,937	-	-	1,421,683	1,556,937
Revenue bonds	-	-	41,187,408	43,327,354	41,187,408	43,327,354
State revolving fund	1,360,211	613,242	13,868,098	11,699,299	15,228,309	12,312,541
Capital leases	439,432	423,245	830,823	216,095	1,270,255	639,340
Direct borrowings, capital leases	276,153	336,636	648,108	1,117,046	924,261	1,453,682
Compensated absences	1,756,784	1,480,441	439,950	379,701	2,196,734	1,860,142
MSWLF closure & postclosure costs	-	-	1,615,010	1,514,381	1,615,010	1,514,381
Total outstanding debt	<u>\$ 39,869,833</u>	<u>\$ 34,781,177</u>	<u>\$ 60,019,414</u>	<u>\$ 58,253,876</u>	<u>\$ 99,889,247</u>	<u>\$ 93,035,053</u>

The City’s debt is limited to 8% of the assessed valuation of taxable property within the City of Minot or \$178,707,977. The City’s legal debt margin is \$166,715,893. The net bonded debt per capita is \$253.09.

Total appropriations for operations for 2021 decreased over \$129.7 million from 2020. This 47.48% decrease is primarily due to a decrease in non-City funded capital projects. Due to a budgeting change the City will no longer include Federal and State portions of projects.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

Projects in 2020, which boosted the economy in Minot included, Blu on Broadway for \$7.7 million for new commercial space and multi-family affordable housing, Souris Valley Humane Society for \$1.2 million for an expanded facility, Burlington Northern & Santa Fe Railroad for \$2.1 million for a new terminal facility, and several other condos, apartment buildings, and business remodels.

The last year has presented a number of challenges. The two major industry sectors in the region, agriculture and energy, have experienced weather, market, and COVID-19 challenges. At this time, indicators suggest the economy remains stable in the region. In addition, the economic impacts of the COVID-19 outbreak have resulted in reductions for the City, in sales tax collections as well as reduced operations for the Airport. The City will continue to monitor collections of sales tax and HUB City oil and gas funding and make any adjustments that may be prudent.

The 2021 City of Minot budget value of a mill increased from \$207,607 to \$214,907 per mill.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

The mill levy for the City of Minot’s 2021 budget is 121.29 mills – remaining the same as 2020.

This financial report is designed to provide a general overview of the City’s finances and to demonstrate the City’s accountability for the money it receives for the citizens of Minot. If you have any questions about this report or need further information, contact the City of Minot Finance Department, 515 2nd Avenue SW or PO Box 5006, Minot, ND 58702 or visit us online at www.minotnd.org.

Basic
Financial
Statements

City of Minot, North Dakota
Statement of Net Position
December 31, 2020
With Comparative Totals for December 31, 2019

	Governmental Activities	Business-type Activities	Total 2020	Total 2019
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 84,257,421	\$ 21,123,662	\$ 105,381,083	\$ 62,884,403
Restricted cash and cash equivalents	20,473	6,285,917	6,306,390	44,849,023
Investments	28,152,193	13,765,080	41,917,273	41,316,673
Taxes Receivable	1,302,197	82,232	1,384,429	1,304,106
Special assessments	452,057	7,308	459,365	474,429
Accounts receivable, net of allowance	315,200	3,072,220	3,387,420	3,498,235
Loans receivable, net of allowance	1,440,320	-	1,440,320	1,450,400
Intergovernmental receivable	11,168,642	12,343,200	23,511,842	19,162,999
Accrued interest receivable	265,380	15,526	280,906	352,381
Inventory	381,634	103,685	485,319	350,959
Prepaid	294,440	119,181	413,621	442,330
Internal balances	(1,038,510)	1,038,510	-	-
Total current assets	<u>127,011,447</u>	<u>57,956,521</u>	<u>184,967,968</u>	<u>176,085,938</u>
Noncurrent assets:				
Restricted cash and cash equivalents	3,904,577	4,701,800	8,606,377	3,956,081
Investments, long-term	1,463,076	-	1,463,076	3,258,409
Other assets - capital credits	442,555	471,486	914,041	856,823
Net OPEB asset	-	-	-	2,911
Special assessments deferred	10,646,811	619,990	11,266,801	12,756,776
Land	99,346,130	9,647,078	108,993,208	107,587,260
Construction in process	12,928,046	26,411,949	39,339,995	45,142,603
Infrastructure	218,997,622	280,337,620	499,335,242	466,986,827
Buildings	11,728,662	51,628,523	63,357,185	59,319,558
Equipment	7,795,619	11,188,967	18,984,586	19,544,076
Intangible assets	157,725	74,170	231,895	635,852
Books	1,383,827	-	1,383,827	1,324,236
Total noncurrent assets	<u>368,794,650</u>	<u>385,081,583</u>	<u>753,876,233</u>	<u>721,371,412</u>
Total assets	<u>495,806,097</u>	<u>443,038,104</u>	<u>938,844,201</u>	<u>897,457,350</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	1,213,414	1,213,414	-
Deferred outflows of resources related to pension	18,765,020	5,400,386	24,165,406	11,287,024
Deferred outflows of resources related to OPEB	248,715	68,022	316,737	165,440
Total deferred outflows of resources	<u>19,013,735</u>	<u>6,681,822</u>	<u>25,695,557</u>	<u>11,452,464</u>

City of Minot, North Dakota
Statement of Net Position
December 31, 2020
With Comparative Totals for December 31, 2019

	Governmental Activities	Business-type Activities	Total 2020	Total 2019
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 4,210,406	\$ 1,662,364	\$ 5,872,770	\$ 6,867,148
Retainage payable	824,778	1,673,412	2,498,190	2,473,258
Accrued salaries and benefits payable	1,033,058	324,079	1,357,137	1,036,990
Insurance claims payable	250,817	-	250,817	171,307
Accrued interest payable	259,092	415,575	674,667	645,086
Unearned revenue - other	184,845	1,517	186,362	340,552
Special assessment debt with governmental commitment current	56,892	-	56,892	59,715
Compensated absences current	614,875	153,982	768,857	651,049
Capital leases payable current	201,945	712,458	914,403	901,651
Capital financing program debt current	140,254	-	140,254	135,254
All other debt current	4,123,734	4,367,885	8,491,619	7,796,147
Total current liabilities	<u>11,900,696</u>	<u>9,311,272</u>	<u>21,211,968</u>	<u>21,078,157</u>
Noncurrent liabilities:				
Customer deposits	26,955	220,980	247,935	235,522
Special assessment debt with governmental commitment	343,728	-	343,728	400,620
Compensated absences	1,141,909	285,968	1,427,877	1,209,093
Capital lease payable	513,640	766,473	1,280,113	1,191,371
Capital financing program debt	1,281,429	-	1,281,429	1,421,683
All other debt	31,451,427	52,117,638	83,569,065	77,754,089
Accrued MSWLF postclosure care costs	-	1,615,010	1,615,010	1,514,381
Net pension liability	57,221,507	15,536,205	72,757,712	59,469,134
Net OPEB liability	101,278	30,045	131,323	26,598
Total noncurrent liabilities	<u>92,081,873</u>	<u>70,572,319</u>	<u>162,654,192</u>	<u>143,222,491</u>
Total liabilities	<u>103,982,569</u>	<u>79,883,591</u>	<u>183,866,160</u>	<u>164,300,648</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pension	11,014,344	3,415,232	14,429,576	11,499,566
Deferred inflows of resources related to OPEB	145,239	38,110	183,349	174,586
Total deferred inflows of resources	<u>11,159,583</u>	<u>3,453,342</u>	<u>14,612,925</u>	<u>11,674,152</u>
NET POSITION				
Net investment in capital assets	314,163,170	320,279,420	634,442,590	607,524,403
Restricted for:				
Capital leases	715,585	1,478,931	2,194,516	2,093,022
Customer facility charges	-	1,361,825	1,361,825	1,127,735
Debt service	3,000,502	8,146,961	11,147,463	8,947,871
General government	195,712	-	195,712	194,506
Public safety	13,251	-	13,251	147,762
Sales tax	-	-	-	46,908,363
Unrestricted	81,589,460	35,115,856	116,705,316	65,991,352
Total net position	<u>\$399,677,680</u>	<u>\$366,382,993</u>	<u>\$ 766,060,673</u>	<u>\$ 732,935,014</u>

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



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City of Minot, North Dakota
Statement of Activities
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total 2020	Total 2019
Governmental Activities:								
General Government	\$ 46,671,426	\$ 4,637,569	\$ 7,046,635	\$ 855,376	\$ (34,131,846)	\$ -	\$ (34,131,846)	\$ (16,604)
Public Safety	28,806,347	2,828,616	8,236,931	31,012,559	13,271,759	-	13,271,759	(24,527,810)
Highways and Streets	26,874,991	149,390	-	8,515,099	(18,210,502)	-	(18,210,502)	(20,964,257)
Culture and Recreation	1,886,115	96,917	63,493	145,416	(1,580,289)	-	(1,580,289)	(6,348,711)
Economic Development	679,972	-	-	-	(679,972)	-	(679,972)	(646,685)
Interest on long-term debt	1,020,861	-	-	-	(1,020,861)	-	(1,020,861)	(1,089,829)
Total governmental activities	105,939,712	7,712,492	15,347,059	40,528,450	(42,351,711)	-	(42,351,711)	(53,593,896)
Business-Type Activities:								
Airport	10,409,737	3,225,837	1,717,616	4,798,762	-	(667,522)	(667,522)	(3,445,342)
Cemetery	479,625	328,238	600	-	-	(150,787)	(150,787)	(290,196)
Parking Authority	17,548	51,976	-	-	-	34,428	34,428	32,947
Parking Ramps	1,185,316	94,421	-	17,279,821	-	16,188,926	16,188,926	3,914
Sanitation	5,721,502	6,302,618	-	591	-	581,707	581,707	91,261
Water, Sewer, & Storm Sewer	32,257,004	22,299,100	-	14,464,533	-	4,506,629	4,506,629	(6,345,253)
Total business-type activities	50,070,732	32,302,190	1,718,216	36,543,707	-	20,493,381	20,493,381	(9,952,669)
Total primary government	\$156,010,444	\$40,014,682	\$ 17,065,275	\$ 77,072,157	(42,351,711)	20,493,381	(21,858,330)	(63,546,565)
General Revenues:								
Taxes								
Property taxes, levied for general purposes					20,322,998	954,484	21,277,482	23,332,726
Property taxes, levied for debt service					3,367,226	6,080	3,373,306	2,971,720
Sales tax collections					20,655,109	-	20,655,109	22,160,231
Municipal highway tax					2,387,134	-	2,387,134	2,647,322
State aid distribution					3,460,199	-	3,460,199	3,987,699
Franchise taxes					485,958	-	485,958	525,036
Other taxes					297,295	-	297,295	296,673
Investment earnings					1,606,922	387,779	1,994,701	2,892,736
Miscellaneous					802,964	249,841	1,052,805	1,684,891
Transfers					(3,226,100)	3,226,100	-	-
Total general revenues, special items, and transfers					50,159,705	4,824,284	54,983,989	60,499,034
Change in net position					7,807,994	25,317,665	33,125,659	(3,047,531)
Net position - beginning					391,869,686	341,065,328	732,935,014	735,982,545
Net position - ending					\$399,677,680	\$366,382,993	\$ 766,060,673	\$732,935,014

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

City of Minot, North Dakota
Balance Sheet
Governmental Funds
December 31, 2020
With Comparable Totals to December 31, 2019

	General Fund	Special Revenue Fund Sales Tax NAWS	Debt Service Fund Debt
ASSETS			
Cash and cash equivalents	\$ 20,266,114	\$ 15,911,804	\$ 2,506,579
Restricted cash and cash equivalents	904,075	-	3,000,502
Investments current	24,028,877	-	-
Taxes receivable delinquent	945,004	-	181,807
Special assessment receivable delinquent	34,582	-	417,475
Due from other funds	-	-	-
Accounts receivable	776,943	-	-
Allowance for accounts receivable	(549,508)	-	-
Intergovernmental receivable	2,410,362	358,206	3,351
Loans receivable	-	-	-
Allowance for loans receivable	-	-	-
Accrued interest receivable	263,028	-	-
Inventory	32,396	-	-
Prepaid	224,692	-	-
Other assets - capital credits	409,082	-	-
Investments	-	1,463,076	-
Advance to other funds	-	-	-
Special assessments receivable uncertified	66,314	-	10,580,497
Total assets and deferred outflows of resources	<u>\$ 49,811,961</u>	<u>\$ 17,733,086</u>	<u>\$ 16,690,211</u>
LIABILITIES			
Accounts payable	\$ 775,307	\$ 855,204	\$ -
Retainage payable	169,148	-	-
Accrued salaries and benefits payable	955,355	-	-
Due to other funds	-	-	-
Customer deposits	26,955	-	-
Unearned revenue - other	19,325	-	-
Total liabilities	<u>1,946,090</u>	<u>855,204</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Uncertified special assessments	66,314	-	10,580,497
Unavailable revenue - property taxes	791,275	-	151,911
Unavailable revenue - special assessments	34,582	-	417,332
Total deferred inflow of resources	<u>892,171</u>	<u>-</u>	<u>11,149,740</u>
FUND BALANCES (DEFICITS)			
Nonspendable	666,170	-	-
Restricted	728,836	-	3,000,502
Committed	3,037,974	16,877,882	-
Assigned	7,443,829	-	2,539,969
Unassigned	35,096,891	-	-
Total fund balances (deficits)	<u>46,973,700</u>	<u>16,877,882</u>	<u>5,540,471</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 49,811,961</u>	<u>\$ 17,733,086</u>	<u>\$ 16,690,211</u>

City of Minot, North Dakota
Balance Sheet
Governmental Funds
December 31, 2020
With Comparable Totals to December 31, 2019

	Capital Project Fund Capital Infrastructure	Total Nonmajor Funds	Total Governmental Funds 2020	Total Governmental Funds 2019
ASSETS				
Cash and cash equivalents	\$ 10,135,768	\$32,344,225	\$ 81,164,490	\$ 37,528,231
Restricted cash and cash equivalents	-	-	3,904,577	39,942,433
Investments current	-	4,123,316	28,152,193	27,786,660
Taxes receivable delinquent	21,671	153,715	1,302,197	1,189,342
Special assessment receivable delinquent	-	-	452,057	470,699
Due from other funds	-	585,578	585,578	1,001,190
Accounts receivable	1,296,809	207,492	2,281,244	2,211,258
Allowance for accounts receivable	(1,284,309)	(135,150)	(1,968,967)	(1,886,331)
Intergovernmental receivable	5,308,510	3,088,213	11,168,642	7,837,809
Loans receivable	-	1,800,400	1,800,400	1,813,000
Allowance for loans receivable	-	(360,080)	(360,080)	(362,600)
Accrued interest receivable	-	2,352	265,380	265,995
Inventory	-	-	32,396	-
Prepaid	-	69,748	294,440	341,846
Other assets - capital credits	-	31,241	440,323	420,734
Investments	-	-	1,463,076	3,258,409
Advance to other funds	-	-	-	45,000
Special assessments receivable uncertified	-	-	10,646,811	12,049,290
Total assets and deferred outflows of resources	<u>\$ 15,478,449</u>	<u>\$41,911,050</u>	<u>\$141,624,757</u>	<u>\$133,912,965</u>
LIABILITIES				
Accounts payable	\$ 333,134	\$ 1,998,784	\$ 3,962,429	\$ 4,221,838
Retainage payable	158,065	497,565	824,778	1,312,115
Accrued salaries and benefits payable	-	77,702	1,033,057	796,680
Due to other funds	-	585,578	585,578	1,001,190
Customer deposits	-	-	26,955	22,052
Unearned revenue - other	24,706	140,815	184,846	339,179
Total liabilities	<u>515,905</u>	<u>3,300,444</u>	<u>6,617,643</u>	<u>7,693,054</u>
DEFERRED INFLOWS OF RESOURCES				
Uncertified special assessments	-	-	10,646,811	12,049,290
Unavailable revenue - property taxes	17,580	130,972	1,091,738	1,070,168
Unavailable revenue - special assessments	-	-	451,914	470,283
Total deferred inflow of resources	<u>17,580</u>	<u>130,972</u>	<u>12,190,463</u>	<u>13,589,741</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	100,965	767,135	762,580
Restricted	-	195,713	3,925,051	50,556,588
Committed	3,411,290	35,899,508	59,226,654	10,155,955
Assigned	11,533,674	2,283,448	23,800,920	18,518,129
Unassigned	-	-	35,096,891	32,636,918
Total fund balances (deficits)	<u>14,944,964</u>	<u>38,479,634</u>	<u>122,816,651</u>	<u>112,630,170</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 15,478,449</u>	<u>\$41,911,050</u>	<u>\$141,624,757</u>	<u>\$133,912,965</u>

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



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City of Minot, North Dakota
Reconciliation of Government Funds Balance Sheet
To Governmental Activities Statement of Net Position
December 31, 2020

Fund balances of governmental funds	\$122,816,651
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Amounts reported for governmental activities in the statement of net position are different because:

Liabilities not due and payable in the current period and not reported in the governmental funds	(40,128,925)
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Internal service funds are used by the City to charge the cost of the central garage and the City's self insurance to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position. They are not included in the government-wide.	1,930,493
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Capital assets used in governmental activities are not financial resources; therefore, are not reported in the funds.	352,337,631
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Net OPEB asset/liability and OPEB related deferred outflows and inflows of resources are not due in the current period; therefore, are not reported in the funds.	2,198
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Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period; therefore, are not reported in the funds.	(49,470,831)
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Other assets are not available to pay for current period expenditures; therefore, are reported as deferred revenue in the funds.	12,190,463
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Net position of governmental activities	\$399,677,680
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The accompanying notes to the financial statements are an integral part of these statements.

City of Minot, North Dakota
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	General Fund	Special Revenue Fund Sales Tax NAWS	Debt Service Fund Debt
REVENUES			
Property tax collections	\$ 17,034,189	\$ -	\$ 3,367,226
Sales tax collections	-	4,131,022	-
Cable TV franchise fees	485,958	-	-
Licenses and permits	901,383	-	-
Intergovernmental	16,204,061	-	-
Charges for services	4,088,450	-	-
Fines and forfeitures	565,484	-	-
Special assessment collections	54,372	-	1,897,494
Interest income	1,013,242	136,232	117,175
Miscellaneous	496,382	-	177,330
Total revenues	<u>40,843,521</u>	<u>4,267,254</u>	<u>5,559,225</u>
EXPENDITURES			
Current:			
General government	12,135,513	4,015,760	-
Public safety	20,736,896	-	-
Highways and streets	13,017,055	-	-
Culture and recreation	-	-	-
Economic development	-	-	-
Debt service:			
Principal retirement	-	-	3,999,711
Interest	-	-	997,841
Administrative charges	-	-	408
Capital outlay:			
General government	-	-	-
Public safety	-	-	-
Highways and streets	-	-	-
Culture and recreation	-	-	-
Total expenditures	<u>45,889,464</u>	<u>4,015,760</u>	<u>4,997,960</u>
Excess (deficiency) of revenues over expenditures	<u>(5,045,943)</u>	<u>251,494</u>	<u>561,265</u>
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	-	-
Premiums on bonds sold	-	-	-
Capital leases issued	-	-	-
Sale of City property	24,442	-	-
Transfers in	12,233,693	-	1,215
Transfers out	(4,456,522)	(1,236,581)	(50,321)
Total other financing sources (uses)	<u>7,801,613</u>	<u>(1,236,581)</u>	<u>(49,106)</u>
Net change in fund balances	2,755,670	(985,087)	512,159
Fund balances - beginning	44,218,030	17,862,969	5,028,312
Fund balances - ending	<u>\$ 46,973,700</u>	<u>\$ 16,877,882</u>	<u>\$ 5,540,471</u>

City of Minot, North Dakota
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Capital <u>Project Fund</u> Capital Infrastructure	Total Nonmajor Funds	Total Governmental Funds 2020	Total Governmental Funds 2019
REVENUES				
Property tax collections	\$ 565,054	\$ 2,170,208	\$ 23,136,677	\$ 22,895,662
Sales tax collections	-	16,524,087	20,655,109	22,160,231
Cable TV franchise fees	-	-	485,958	525,036
Licenses and permits	-	-	901,383	777,618
Intergovernmental	8,842,833	8,997,769	34,044,663	27,756,631
Charges for services	-	76,903	4,165,353	4,471,421
Fines and forfeitures	-	-	565,484	741,953
Special assessment collections	-	-	1,951,866	1,963,557
Interest income	92,802	247,471	1,606,922	2,144,611
Miscellaneous	51,708	110,689	836,109	1,126,269
Total revenues	<u>9,552,397</u>	<u>28,127,127</u>	<u>88,349,524</u>	<u>84,562,989</u>
EXPENDITURES				
Current:				
General government	-	7,083,789	23,235,062	18,743,031
Public safety	-	4,621,335	25,358,231	24,997,553
Highways and streets	-	-	13,017,055	9,950,063
Culture and recreation	-	2,012,406	2,012,406	5,932,137
Economic development	-	679,973	679,973	646,685
Debt service:				
Principal retirement	-	-	3,999,711	3,840,000
Interest	-	1,130	998,971	1,112,458
Administrative charges	-	-	408	1,201
Capital outlay:				
General government	-	451,462	451,462	9,858,980
Public safety	5,709,302	5,616,496	11,325,798	7,495,490
Highways and streets	2,480,623	602,523	3,083,146	1,457,291
Culture and recreation	-	178,407	178,407	178,804
Total expenditures	<u>8,189,925</u>	<u>21,247,521</u>	<u>84,340,630</u>	<u>84,213,693</u>
Excess (deficiency) of revenues over expenditures	<u>1,362,472</u>	<u>6,879,606</u>	<u>4,008,894</u>	<u>349,296</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	8,946,680	8,946,680	434,122
Premiums on bonds sold	-	70,777	70,777	-
Capital leases issued	-	196,153	196,153	805,472
Sale of City property	-	165,637	190,079	147,162
Transfers in	3,769,350	2,659,533	18,663,791	22,771,414
Transfers out	(1,465,644)	(14,680,823)	(21,889,891)	(24,189,512)
Total other financing sources (uses)	<u>2,303,706</u>	<u>(2,642,043)</u>	<u>6,177,589</u>	<u>(31,342)</u>
Net change in fund balances	3,666,178	4,237,563	10,186,483	317,954
Fund balances - beginning	11,278,786	34,242,071	112,630,168	112,312,216
Fund balances - ending	<u>\$ 14,944,964</u>	<u>\$ 38,479,634</u>	<u>\$ 122,816,651</u>	<u>\$ 112,630,170</u>

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



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City of Minot, North Dakota
Reconciliation of Government Funds Statement of Revenues, Expenditures and Changes in
Fund Balance to Governmental Activities Statement of Activities
For the Year Ended December 31, 2020

Net change in fund balances - total governmental funds	\$10,186,481
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Amounts reported for governmental activities in the statement of net position are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	6,930,079
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The issuance of long-term debt (bonds & leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt uses the current financial resources of governmental funds. Neither transaction has an effect on the net assets. In addition, governmental funds report the effect of premiums, discounts and deferred amounts on refundings when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(4,812,315)
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Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in governmental funds between fiscal years.	(1,399,276)
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The internal service funds are used by the City to charge the cost of the central garage and the City's self insurance to the individual funds. The net revenue of internal service funds is reported with governmental activities.	(216,446)
---	-----------

Changes to net OPEB asset/liability and OPEB related deferred outflows and inflows of resources do not require current financial resources; therefore, are not reported as expenditures in the governmental funds.	27,658
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Changes to the net pension liability and pension related deferred outflows and inflows do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.	(2,609,953)
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Some expenses reported in the statement of activities do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.	(298,234)
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Change in net position of governmental activities	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 3px double black;">\$7,807,994</td> </tr> </table>	\$7,807,994
\$7,807,994		

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

City of Minot, North Dakota
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Property tax collections	\$18,055,375	\$18,055,269	\$ 17,034,189	\$(1,021,080)	\$ 14,631,721
Cable TV franchise fees	571,432	571,432	485,958	(85,474)	525,036
Licenses and permits	749,327	817,092	901,383	84,291	777,618
Intergovernmental	9,341,186	10,927,192	16,204,061	5,276,869	11,625,150
Charges for services	4,270,354	4,270,726	4,088,450	(182,276)	4,245,943
Fines and forfeitures	696,179	696,179	565,484	(130,695)	741,953
Special assessment collections	57,242	57,242	54,372	(2,870)	103,098
Interest income	1,777,689	1,777,689	1,013,242	(764,447)	816,940
Miscellaneous	293,526	307,576	496,382	188,806	619,450
Total revenues	<u>35,812,310</u>	<u>37,480,397</u>	<u>40,843,521</u>	<u>3,363,124</u>	<u>34,086,909</u>
EXPENDITURES					
General government					
Mayor and city council	251,266	251,266	155,402	95,864	102,010
City manager	660,195	681,595	649,854	31,741	580,982
Human resources	486,650	486,650	441,590	45,060	408,204
City attorneys	719,651	719,651	650,715	68,936	569,320
Administrative and general	2,381,139	2,703,741	2,686,261	17,480	2,299,727
Finance	1,312,334	2,512,215	1,917,284	594,931	1,108,982
Information technology	970,603	1,026,405	867,866	158,539	776,710
Property assessment	755,186	755,186	704,887	50,299	689,017
Municipal judge	742,754	742,754	598,458	144,296	731,496
Planning	703,427	703,427	562,257	141,170	489,103
Building inspection	1,037,258	1,212,352	1,163,088	49,264	1,101,142
Vehicle maintenance	909,395	909,395	827,767	81,628	850,643
Property maintenance	817,162	921,001	910,084	10,917	782,732
Total general government	<u>11,747,020</u>	<u>13,625,638</u>	<u>12,135,513</u>	<u>1,490,125</u>	<u>10,490,068</u>
Public safety					
Police grants	-	88,084	80,953	7,131	160,181
Police	10,458,730	10,536,836	10,263,600	273,236	9,215,616
Narcotics task force	66,122	86,407	85,024	1,383	57,309
Telecommunications division	1,355,287	1,355,287	1,261,116	94,171	1,671,814
Fire grants	-	85,301	57,617	27,684	134,641
Fire control	7,343,168	7,406,135	7,381,918	24,217	6,803,085
Traffic	1,722,267	1,806,713	1,606,668	200,045	1,485,387
Total Public safety	<u>20,945,574</u>	<u>21,364,763</u>	<u>20,736,896</u>	<u>627,867</u>	<u>19,528,033</u>
Highways and streets					
Engineering	1,436,917	3,513,468	1,784,328	1,729,140	1,148,183
Street maintenance	9,911,654	13,860,829	11,232,727	2,628,102	8,801,880
Total Highways and streets	<u>11,348,571</u>	<u>17,374,297</u>	<u>13,017,055</u>	<u>4,357,242</u>	<u>9,950,063</u>
Total expenditures	<u>44,041,165</u>	<u>52,364,698</u>	<u>45,889,464</u>	<u>6,475,234</u>	<u>39,968,164</u>
Excess (deficiency) of revenues over expenditures	<u>(8,228,855)</u>	<u>(14,884,301)</u>	<u>(5,045,943)</u>	<u>9,838,358</u>	<u>(5,881,255)</u>
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	24,442	24,442	3,900
Transfers in	9,154,804	12,626,413	12,233,693	(392,720)	18,098,508
Transfers out	(3,925,949)	(5,884,896)	(4,456,522)	1,428,374	(356,601)
Total other financing sources (uses)	<u>5,228,855</u>	<u>6,741,517</u>	<u>7,801,613</u>	<u>1,060,096</u>	<u>17,745,807</u>
Net change in fund balances	<u>\$ (3,000,000)</u>	<u>\$ (8,142,784)</u>	<u>2,755,670</u>	<u>\$10,898,454</u>	<u>11,864,552</u>
Fund balances - beginning			<u>44,218,030</u>		<u>32,353,478</u>
Fund balances - ending			<u>\$ 46,973,700</u>		<u>\$ 44,218,030</u>

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

City of Minot, North Dakota
Sales Tax NAWS
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Sales tax collections	\$ 4,000,000	\$ 4,000,000	\$ 4,131,022	\$ 131,022	\$ 4,432,046
Intergovernmental	21,417,217	21,417,217	-	(21,417,217)	-
Interest income	-	-	136,232	136,232	441,005
Total revenues	<u>25,417,217</u>	<u>25,417,217</u>	<u>4,267,254</u>	<u>(21,149,963)</u>	<u>4,873,051</u>
EXPENDITURES					
Current:					
General government	32,949,564	32,949,564	4,015,760	28,933,804	3,301,801
Total expenditures	<u>32,949,564</u>	<u>32,949,564</u>	<u>4,015,760</u>	<u>28,933,804</u>	<u>3,301,801</u>
Excess (deficiency) of revenues over expenditures	<u>(7,532,347)</u>	<u>(7,532,347)</u>	<u>251,494</u>	<u>7,783,841</u>	<u>1,571,250</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(1,128,685)</u>	<u>(1,236,580)</u>	<u>(1,236,581)</u>	<u>(1)</u>	<u>(275,115)</u>
Total other financing sources (uses)	<u>(1,128,685)</u>	<u>(1,236,580)</u>	<u>(1,236,581)</u>	<u>(1)</u>	<u>(275,115)</u>
Net change in fund balances	<u><u>\$(8,661,032)</u></u>	<u><u>\$(8,768,927)</u></u>	<u>(985,087)</u>	<u><u>\$ 7,783,840</u></u>	<u>1,296,135</u>
Fund balances - beginning			<u>17,862,969</u>		<u>16,566,834</u>
Fund balances - ending			<u><u>\$16,877,882</u></u>		<u><u>\$17,862,969</u></u>

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

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2020
With Comparative Totals for December 31, 2019

	Business-type Activities			
	Airport	Sanitation	Water, Sewer, & Storm Sewer	Parking Ramps
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,650,452	\$4,298,304	\$ 12,747,703	\$ 609,146
Restricted cash and cash equivalents	2,505,944	709,787	3,070,186	-
Investments current	-	-	13,765,080	-
Taxes receivable delinquent	45,755	-	222	25,783
Special assessment receivable delinquent	-	-	7,308	-
Accounts Receivable	287,388	632,102	3,055,212	-
Allowance for accounts receivable	-	-	(920,150)	-
Intergovernmental receivable	1,593,051	-	10,749,271	683
Accrued interest receivable	6,733	-	8,793	-
Inventory	330	-	103,355	-
Prepaid	16,920	74,355	27,798	-
Total current assets	<u>7,106,573</u>	<u>5,714,548</u>	<u>42,614,778</u>	<u>635,612</u>
Noncurrent assets:				
Restricted cash and cash equivalents	3,173,714	762,423	765,663	-
Other assets - capital credits	35,585	57,106	370,088	1,125
Net OPEB asset	-	-	-	-
Special assessments receivable uncertified	-	-	619,990	-
Land	2,924,004	4,380,906	2,026,267	-
Construction in progress	2,795,709	22,395	23,585,070	8,775
Infrastructure	72,644,777	3,338,189	322,101,688	21,996,162
Buildings	52,931,831	2,327,920	13,506,326	-
Equipment	11,871,049	8,612,985	9,021,002	387,440
Intangible assets	-	-	74,170	-
Less-accumulated depreciation	(48,863,430)	(8,086,426)	(113,874,532)	(5,150,158)
Total noncurrent assets	<u>97,513,239</u>	<u>11,415,498</u>	<u>258,195,732</u>	<u>17,243,344</u>
Total assets	<u>104,619,812</u>	<u>17,130,046</u>	<u>300,810,510</u>	<u>17,878,956</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	1,213,414	-	-	-
Deferred outflows of resources related to pension	459,270	1,866,808	2,842,815	-
Deferred outflows of resources related to OPEB	8,748	25,956	28,733	-
Total deferred outflows of resources	<u>1,681,432</u>	<u>1,892,764</u>	<u>2,871,548</u>	<u>-</u>

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2020
With Comparative Totals for December 31, 2019

	Total Nonmajor Funds	Total Enterprise Funds	Governmental	Total 2020	Total 2019
			Activities Internal Service Funds		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 818,057	\$ 21,123,662	\$ 3,113,405	\$ 24,237,067	\$ 25,356,170
Restricted cash and cash equivalents	-	6,285,917	-	6,285,917	4,906,590
Investments current	-	13,765,080	-	13,765,080	13,530,013
Taxes receivable delinquent	10,472	82,232	-	82,232	114,765
Special assessment receivable delinquent	-	7,308	-	7,308	3,730
Accounts Receivable	17,668	3,992,370	2,923	3,995,293	4,093,458
Allowance for accounts receivable	-	(920,150)	-	(920,150)	(920,150)
Intergovernmental receivable	195	12,343,200	-	12,343,200	11,325,190
Accrued interest receivable	-	15,526	-	15,526	86,386
Inventory	-	103,685	349,239	452,924	350,959
Prepaid	108	119,181	-	119,181	100,484
Total current assets	<u>846,500</u>	<u>56,918,011</u>	<u>3,465,567</u>	<u>60,383,578</u>	<u>58,947,595</u>
Noncurrent assets:					
Restricted cash and cash equivalents	-	4,701,800	-	4,701,800	3,956,081
Other assets - capital credits	7,582	471,486	2,232	473,718	436,089
Net OPEB asset	-	-	-	-	2,911
Special assessments receivable uncertified	-	619,990	-	619,990	707,486
Land	315,901	9,647,078	-	9,647,078	9,647,078
Construction in progress	-	26,411,949	-	26,411,949	22,465,124
Infrastructure	482,387	420,563,203	-	420,563,203	385,062,704
Buildings	158,502	68,924,579	-	68,924,579	62,455,956
Equipment	585,097	30,477,573	-	30,477,573	30,231,314
Intangible assets	-	74,170	-	74,170	156,521
Less-accumulated depreciation	(835,699)	(176,810,245)	-	(176,810,245)	(154,885,837)
Total noncurrent assets	<u>713,770</u>	<u>385,081,583</u>	<u>2,232</u>	<u>385,083,815</u>	<u>360,235,427</u>
Total assets	<u>1,560,270</u>	<u>441,999,594</u>	<u>3,467,799</u>	<u>445,467,393</u>	<u>419,183,022</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	-	1,213,414	-	1,213,414	-
Deferred outflows of resources related to pension	231,493	5,400,386	-	5,400,386	3,308,814
Deferred outflows of resources related to OPEB	4,585	68,022	-	68,022	41,760
Total deferred outflows of resources	<u>236,078</u>	<u>6,681,822</u>	<u>-</u>	<u>6,681,822</u>	<u>3,350,574</u>

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2020
With Comparative Totals for December 31, 2019

	Business-type Activities			
	Airport	Sanitation	Water, Sewer, & Storm Sewer	Parking Ramps
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 139,203	\$ 79,528	\$ 1,432,271	\$ 5,115
Retainage payable	303,384	-	1,370,028	-
Accrued salaries and benefits payable	79,989	59,677	172,872	159
Accrued interest payable	222,852	-	192,723	-
Unearned revenue - other	1,517	-	-	-
Compensated absences	29,251	39,880	76,864	-
Capital leases payable	-	709,787	2,671	-
Bonds payable (net of premium/discount)	1,493,092	-	2,874,793	-
Total current liabilities	<u>2,269,288</u>	<u>888,872</u>	<u>6,122,222</u>	<u>5,274</u>
Noncurrent liabilities:				
Customer deposits	915	-	220,065	-
Compensated absences	54,324	74,063	142,748	-
Capital leases payable	-	762,423	4,050	-
Advance from other funds	-	-	-	-
Accrued MSWLF closure and postclosure care costs	-	1,615,010	-	-
Bonds payable (net of premium/discount)	24,384,408	-	27,733,230	-
Net pension liability	1,115,394	4,557,144	9,502,553	-
Net OPEB liability	7,714	16,269	1,077	-
Total noncurrent liabilities	<u>25,562,755</u>	<u>7,024,909</u>	<u>37,603,723</u>	<u>-</u>
Total liabilities	<u>27,832,043</u>	<u>7,913,781</u>	<u>43,725,945</u>	<u>5,274</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pension	210,945	1,143,800	1,975,027	-
Deferred inflows of resources related to OPEB	2,264	11,272	24,029	-
Total deferred inflows of resources	<u>213,209</u>	<u>1,155,072</u>	<u>1,999,056</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	69,318,823	9,101,365	223,910,825	17,242,219
Restricted for:				
Capital leases	-	1,472,210	6,721	-
Customer facility charges	1,361,825	-	-	-
Debt service	4,317,833	-	3,829,128	-
Unrestricted	3,257,511	(619,618)	30,210,383	631,463
Total net position	<u>\$ 78,255,992</u>	<u>\$ 9,953,957</u>	<u>\$ 257,957,057</u>	<u>\$ 17,873,682</u>

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2020
With Comparative Totals for December 31, 2019

	Total Nonmajor Funds	Total Enterprise Funds	Governmental	Total 2020	Total 2019
			Activities		
			Internal Service Funds		
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 6,246	\$ 1,662,363	\$ 498,796	\$ 2,161,159	\$ 2,816,614
Retainage payable	-	1,673,412	-	1,673,412	1,161,143
Accrued salaries and benefits payable	11,382	324,079	-	324,079	240,310
Accrued interest payable	-	415,575	-	415,575	407,887
Unearned revenue - other	-	1,517	-	1,517	1,373
Compensated absences	7,987	153,982	-	153,982	132,895
Capital leases payable	-	712,458	-	712,458	668,699
Bonds payable (net of premium/discount)	-	4,367,885	-	4,367,885	3,830,004
Total current liabilities	<u>25,615</u>	<u>9,311,271</u>	<u>498,796</u>	<u>9,810,067</u>	<u>9,258,925</u>
Noncurrent liabilities:					
Customer deposits	-	220,980	-	220,980	213,470
Compensated absences	14,833	285,968	-	285,968	246,806
Capital leases payable	-	766,473	-	766,473	664,442
Advance from other funds	-	-	-	-	45,000
Accrued MSWLF closure and postclosure care costs	-	1,615,010	-	1,615,010	1,514,381
Bonds payable (net of premium/discount)	-	52,117,638	-	52,117,638	51,196,649
Net pension liability	361,114	15,536,205	-	15,536,205	12,780,944
Net OPEB liability	4,985	30,045	-	30,045	15,578
Total noncurrent liabilities	<u>380,932</u>	<u>70,572,319</u>	<u>-</u>	<u>70,572,319</u>	<u>66,677,270</u>
Total liabilities	<u>406,547</u>	<u>79,883,590</u>	<u>498,796</u>	<u>80,382,386</u>	<u>75,936,195</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources related to pension	85,460	3,415,232	-	3,415,232	3,348,668
Deferred inflows of resources related to OPEB	545	38,110	-	38,110	36,466
Total deferred inflows of resources	<u>86,005</u>	<u>3,453,342</u>	<u>-</u>	<u>3,453,342</u>	<u>3,385,134</u>
NET POSITION					
Net investment in capital assets	706,188	320,279,420	-	320,279,420	295,935,018
Restricted for:					
Capital leases	-	1,478,931	-	1,478,931	1,333,141
Customer facility charges	-	1,361,825	-	1,361,825	1,127,735
Debt service	-	8,146,961	-	8,146,961	6,401,795
Unrestricted	597,608	34,077,347	2,969,003	37,046,350	38,414,578
Total net position	<u>\$ 1,303,796</u>	<u>365,344,484</u>	<u>\$ 2,969,003</u>	<u>\$368,313,487</u>	<u>343,212,267</u>
Difference between business-type adjustments to assets and liabilities		1,038,509			901,501
Net position of business-type activities		<u>\$366,382,993</u>			<u>\$ 344,113,768</u>

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

City of Minot, North Dakota
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020
With Comparative to Totals for December 31, 2019

	Business-type Activities			
	Airport	Sanitation	Water, Sewer, & Storm Sewer	Parking Ramps
OPERATING REVENUES				
Sales	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	-	-	-	-
Gross margin	-	-	-	-
Charges for services	3,248,551	6,246,317	22,151,568	95,711
Miscellaneous	-	5,000	41,346	-
Customer facility charge income	203,719	-	-	-
Total operating revenues	<u>3,452,270</u>	<u>6,251,317</u>	<u>22,192,914</u>	<u>95,711</u>
OPERATING EXPENSES				
Salaries	1,484,260	1,258,848	3,221,267	4,828
Employee benefits	489,377	555,753	2,401,217	1,388
Insurance claims	-	-	-	-
Professional services	559,931	76,020	213,200	12,961
Property services	332,873	745,964	4,480,428	9,343
Purchased services	57,389	46,437	282,575	7,755
Supplies	456,028	318,852	2,921,103	35,893
Sundry	313,577	617,345	1,811,575	9,154
MSWLF closure & postclosure care	-	100,630	-	-
Depreciation	5,780,238	1,566,153	15,112,111	1,103,994
Total operating expenses	<u>9,473,673</u>	<u>5,286,002</u>	<u>30,443,476</u>	<u>1,185,316</u>
Operating income (loss)	<u>(6,021,403)</u>	<u>965,315</u>	<u>(8,250,562)</u>	<u>(1,089,605)</u>
NONOPERATING REVENUES (EXPENSES)				
Property tax collections	780,219	-	6,122	37,150
Intergovernmental	1,513,897	-	-	-
Special assessment collections	-	-	16,264	-
Interest income	68,792	32,366	275,737	5,552
Miscellaneous	45,951	53,143	121,440	869
Sale of City property	9,300	(434,909)	(1,101,470)	-
Interest and fiscal charges	(936,064)	-	(665,690)	-
Total nonoperating revenues (expenses)	<u>1,482,095</u>	<u>(349,400)</u>	<u>(1,347,597)</u>	<u>43,571</u>
Income (loss) before contributions and transfers	(4,539,308)	615,915	(9,598,159)	(1,046,034)
Capital contributions	4,789,462	-	14,401,903	17,279,821
Transfers in	9,523	175,897	3,889,526	-
Transfers out	-	(416,166)	(433,691)	(4,922)
Total contributions and transfers	<u>4,798,985</u>	<u>(240,269)</u>	<u>17,857,738</u>	<u>17,274,899</u>
Change in net position	259,677	375,646	8,259,579	16,228,865
Total net position - beginning	77,996,315	9,578,311	249,697,478	1,644,817
Total net position - ending	<u>\$ 78,255,992</u>	<u>\$ 9,953,957</u>	<u>\$ 257,957,057</u>	<u>\$ 17,873,682</u>

City of Minot, North Dakota
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020
With Comparative to Totals for December 31, 2019

	Total Nonmajor Funds	Total Enterprise Funds	Governmental Activities		
			Internal Service Funds		
			Total 2020	Total 2019	
OPERATING REVENUES					
Sales	\$ -	\$ -	\$ 1,473,311	\$ 1,473,311	\$ 1,168,399
Cost of goods sold	-	-	(1,471,149)	(1,471,149)	(1,167,814)
Gross margin	-	-	2,162	2,162	585
Charges for services	376,687	32,118,834	4,942,121	37,060,955	36,041,880
Miscellaneous	-	46,346	-	46,346	27,596
Customer facility charge income	-	203,719	-	203,719	352,877
Total operating revenues	<u>376,687</u>	<u>32,368,899</u>	<u>4,944,283</u>	<u>37,313,182</u>	<u>36,422,938</u>
OPERATING EXPENSES					
Salaries	259,904	6,229,107	-	6,229,107	6,061,104
Employee benefits	96,575	3,544,310	-	3,544,310	3,312,343
Insurance claims	-	-	5,055,368	5,055,368	4,277,889
Professional services	2,558	864,670	-	864,670	719,393
Property services	28,946	5,597,554	2	5,597,556	3,996,607
Purchased services	4,463	398,619	-	398,619	920,843
Supplies	16,291	3,748,167	-	3,748,167	3,695,373
Sundry	49,049	2,800,700	-	2,800,700	2,791,545
MSWLF closure & postclosure care	-	100,630	-	100,630	(312,954)
Depreciation	39,387	23,601,883	-	23,601,883	22,675,413
Total operating expenses	<u>497,173</u>	<u>46,885,640</u>	<u>5,055,370</u>	<u>51,941,010</u>	<u>48,137,556</u>
Operating income (loss)	<u>(120,486)</u>	<u>(14,516,741)</u>	<u>(111,087)</u>	<u>(14,627,828)</u>	<u>(11,714,618)</u>
NONOPERATING REVENUES (EXPENSES)					
Property tax collections	137,073	960,564	-	960,564	2,802,608
Intergovernmental	-	1,513,897	-	1,513,897	147,744
Special assessment collections	-	16,264	-	16,264	3,893
Interest income	5,332	387,779	21,249	409,028	791,294
Miscellaneous	29,038	250,441	10,401	260,842	669,113
Sale of City property	-	(1,527,079)	-	(1,527,079)	11,649
Interest and fiscal charges	-	(1,601,754)	-	(1,601,754)	(1,672,000)
Total nonoperating revenues (expenses)	<u>171,443</u>	<u>112</u>	<u>31,650</u>	<u>31,762</u>	<u>2,754,301</u>
Income (loss) before contributions and transfers	50,957	(14,516,629)	(79,437)	(14,596,066)	(8,960,317)
Capital contributions	-	36,471,186	-	36,471,186	2,795,976
Transfers in	10,000	4,084,946	-	4,084,946	2,892,553
Transfers out	(4,067)	(858,846)	-	(858,846)	(1,474,455)
Total contributions and transfers	<u>5,933</u>	<u>39,697,286</u>	<u>-</u>	<u>39,697,286</u>	<u>4,214,074</u>
Change in net position	56,890	25,180,657	(79,437)	25,101,220	(4,746,243)
Total net position - beginning	1,246,906	340,163,827	3,048,440	343,212,267	347,958,510
Total net position - ending	<u>\$ 1,303,796</u>	<u>\$ 365,344,484</u>	<u>\$ 2,969,003</u>	<u>\$ 368,313,487</u>	<u>\$ 343,212,267</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		137,008			
Changes in net position of business-type activities		<u>\$ 25,317,665</u>			

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

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Business-type Activities - Enterprise Funds			
	Airport	Sanitation	Water, Sewer, & Storm Sewer	Parking Ramps
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 3,628,257	\$6,150,046	\$ 22,217,568	\$ 94,756
Payments to suppliers	(1,403,920)	(1,848,372)	(10,102,880)	(117,492)
Payments to employees	(1,954,510)	(1,812,481)	(4,750,756)	(6,139)
Due from other agencies	-	-	888	-
Due to other agencies	(1,018,156)	-	-	(683)
Net cash provided (used) by operating activities	<u>(748,329)</u>	<u>2,489,193</u>	<u>7,364,820</u>	<u>(29,558)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes/intergovernmental	2,339,568	53,142	127,341	68,302
Transfers in	3,527,389	175,897	3,889,526	-
Transfers out	(3,517,865)	(416,166)	(433,691)	(4,922)
Internal activity - payments from other funds	-	-	-	-
Internal activity - payments to other funds	-	-	(45,000)	-
Net cash provided (used) by noncapital financing activities	<u>2,349,092</u>	<u>(187,127)</u>	<u>3,538,176</u>	<u>63,380</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	4,789,462	-	3,120,901	17,279,821
Special assessment collections	-	-	16,264	-
Acquisition and construction of capital assets	(4,545,723)	(53,857)	(14,801,044)	(21,942,759)
Proceeds from the sale of capital assets	9,300	591	339,371	4,046,164
Principal paid on capital debt	(1,265,000)	-	(2,721,695)	-
Interest paid on capital debt	(964,534)	-	(670,562)	-
Proceeds from debt	-	-	4,265,494	-
Capital leases	-	(899,215)	(2,831)	-
Net cash provided (used) by capital and related financing activities	<u>(1,976,495)</u>	<u>(952,481)</u>	<u>(10,454,102)</u>	<u>(616,774)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	68,792	32,366	275,738	5,552
Net cash provided (used) by investing activities	<u>68,792</u>	<u>32,366</u>	<u>275,738</u>	<u>5,552</u>
Net increase (decrease) in cash and cash equivalents	(306,940)	1,381,951	724,632	(577,400)
Cash and cash equivalent balances - beginning of year	8,637,050	4,388,563	29,624,000	1,186,546
Cash and cash equivalent balances - end of year	<u>\$ 8,330,110</u>	<u>\$5,770,514</u>	<u>\$ 30,348,632</u>	<u>\$ 609,146</u>
Cash and cash equivalents are comprised of the following:				
Cash and cash equivalents	\$ 2,650,452	\$4,298,304	\$ 12,747,703	\$ 609,146
Investments - certificate of deposits	-	-	13,765,080	-
Restricted cash and cash equivalents - current	2,505,944	709,787	3,070,186	-
Restricted cash and cash equivalents - noncurrent	3,173,714	762,423	765,663	-
Total cash and cash equivalents on the Statement of Net Position	<u>\$ 8,330,110</u>	<u>\$ 5,770,514</u>	<u>\$ 30,348,632</u>	<u>\$ 609,146</u>

Proprietary Funds
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Total Nonmajor Enterprises Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds	Total 2020	Total 2019
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers	\$ 379,011	\$ 32,469,638	\$ 6,537,504	\$39,007,142	\$ 37,803,073
Payments to suppliers	(101,222)	(13,573,886)	(6,516,432)	(20,090,318)	(18,794,135)
Payments to employees	(368,901)	(8,892,787)	-	(8,892,787)	(8,752,657)
Due from other agencies	-	888	-	888	-
Due to other agencies	(59)	(1,018,898)	-	(1,018,898)	(585,758)
Net cash provided (used) by operating activities	(91,171)	8,984,955	21,072	9,006,027	9,670,523
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Property taxes/intergovernmental	169,080	2,757,433	-	2,757,433	3,574,426
Transfers in	10,000	7,602,812	-	7,602,812	2,892,553
Transfers out	(4,067)	(4,376,711)	-	(4,376,711)	(1,474,455)
Internal activity - payments from other funds	-	-	-	-	2,528
Internal activity - payments to other funds	-	(45,000)	(105,112)	(150,112)	(69,016)
Net cash provided (used) by noncapital financing activities	175,013	5,938,534	(105,112)	5,833,422	4,926,036
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions	-	25,190,184	-	25,190,184	2,769,626
Special assessment collections	-	16,264	-	16,264	3,893
Acquisition and construction of capital assets	(7,617)	(41,351,000)	-	(41,351,000)	(15,197,545)
Proceeds from the sale of capital assets	-	4,395,426	-	4,395,426	51,014
Principal paid on capital debt	-	(3,986,695)	-	(3,986,695)	(5,046,795)
Interest paid on capital debt	-	(1,635,096)	-	(1,635,096)	(1,657,710)
Proceeds from debt	-	4,265,494	-	4,265,494	5,761,800
Capital leases	-	(902,046)	-	(902,046)	(777,709)
Net cash provided (used) by capital and related financing activities	(7,617)	(14,007,469)	-	(14,007,469)	(14,093,426)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	5,332	387,780	21,249	409,029	791,294
Net cash provided (used) by investing activities	5,332	387,780	21,249	409,029	791,294
Net increase (decrease) in cash and cash equivalents	81,557	1,303,800	(62,791)	1,241,009	1,294,427
Cash and cash equivalent balances - beginning of year	736,500	44,572,659	3,176,196	47,748,855	46,454,427
Cash and cash equivalent balances - end of year	\$ 818,057	\$ 45,876,459	\$ 3,113,405	\$48,989,864	\$ 47,748,854
Cash and cash equivalents are comprised of the following:					
Cash and cash equivalents	\$ 818,057	\$ 21,123,662	\$ 3,113,405	\$24,237,067	\$ 28,024,723
Investments - certificate of deposits	-	13,765,080	-	13,765,080	9,284,698
Restricted cash and cash equivalents - current	-	6,285,917	-	6,285,917	4,709,688
Restricted cash and cash equivalents - noncurrent	-	4,701,800	-	4,701,800	4,435,318
Total cash and cash equivalents on the Statement of Net Position	\$ 818,057	\$ 45,876,459	\$ 3,113,405	\$48,989,864	\$ 46,454,427

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

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Business-type Activities - Enterprise Funds			
	Airport	Sanitation	Water, Sewer, & Storm Sewer	Parking Ramps
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING				
Operating income (loss)	\$(6,021,403)	\$ 965,315	\$ (8,250,562)	\$(1,089,605)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	5,780,238	1,566,153	15,112,111	1,103,994
MSWLF closure and post closure care cost adjustment	-	100,630	-	-
Changes in assets, deferred outflows, liabilities & deferred inflows:				
Customer receivables	187,201	(101,104)	9,006	-
Special assessment receivable	-	-	83,918	-
Intergovernmental receivable	(1,018,156)	-	888	(683)
Interest receivable	(6,733)	-	77,592	-
Inventory	(330)	-	(103,355)	-
Prepays	(1,777)	1,084	(17,990)	-
Other assets	(2,843)	(1,251)	(32,479)	(783)
Net OPEB asset	-	-	2,911	-
Deferred outflow on refunding	-	-	-	-
Deferred outflows related to pension	(353,484)	(886,505)	(720,761)	-
Deferred outflows related to OPEB	(4,499)	(9,491)	(12,516)	-
Accounts payable - supplier	25,059	(41,458)	(652,663)	(1,943)
Retainage payable	303,384	-	249,326	(40,442)
Salaries & benefits payable	24,923	8,590	47,347	77
Compensated absences	12,185	7,338	33,640	-
Interest payable	(9,488)	-	17,175	-
Customer deposits	150	-	7,960	-
Unearned revenue	317	-	-	(173)
Net pension liability	394,877	1,076,621	1,113,622	-
Net OPEB liability	4,999	8,090	1,077	-
Deferred inflows related to pension	(63,123)	(205,336)	397,609	-
Deferred inflows related to OPEB	174	517	964	-
Net cash provided (used) by operating activities	<u>\$ (748,329)</u>	<u>\$2,489,193</u>	<u>\$ 7,364,820</u>	<u>\$ (29,558)</u>
Noncash investing, capital and financing activities				
Borrowing under capital lease	\$ -	\$1,047,837	\$ -	\$ -
Construction of capital assets from developers	-	-	11,281,002	-
Transfer fully depreciated capital assets to (from) general fund	-	(1,400)	318,675	-
Total noncash investing, capital and financing activities	<u>\$ -</u>	<u>\$1,046,437</u>	<u>\$ 11,599,677</u>	<u>\$ -</u>

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Total Nonmajor Enterprises Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds	Total 2020	Total 2019
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ (120,486)	\$ (14,516,741)	\$ 4,426	\$ (14,512,315)	\$ (11,714,618)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	39,387	23,601,883	-	23,601,883	22,675,413
MSWLF closure and post closure care cost adjustment	-	100,630	-	100,630	(312,954)
Changes in assets, deferred outflows, liabilities & deferred inflows:					
Customer receivables	3,207	98,310	(148)	98,162	216,386
Special assessment receivable	-	83,918	-	83,918	94,012
Intergovernmental receivable	(59)	(1,018,010)	-	(1,018,010)	(585,758)
Interest receivable	-	70,859	-	70,859	(47,770)
Inventory	-	(103,685)	1,720	(101,965)	6,240
Prepays	(14)	(18,697)	-	(18,697)	8,087
Other assets	(271)	(37,627)	-	(37,627)	(64,807)
Net OPEB asset	-	2,911	-	2,911	(2,911)
Deferred outflow on refunding	-	-	-	-	-
Deferred outflows related to pension	(130,820)	(2,091,570)	-	(2,091,570)	(722,768)
Deferred outflows related to OPEB	244	(26,262)	-	(26,262)	(30,979)
Accounts payable - supplier	482	(670,523)	15,074	(655,449)	(443,302)
Retainage payable	-	512,268	-	512,268	(784,395)
Salaries & benefits payable	2,831	83,768	-	83,768	100,372
Compensated absences	7,086	60,249	-	60,249	84,598
Interest payable	-	7,687	-	7,687	4,448
Customer deposits	(600)	7,510	-	7,510	(1,422)
Unearned revenue	-	144	-	144	173
Net pension liability	170,141	2,755,261	-	2,755,261	(876,485)
Net OPEB liability	300	14,466	-	14,466	(8,825)
Deferred inflows related to pension	(62,587)	66,563	-	66,563	2,041,322
Deferred inflows related to OPEB	(12)	1,643	-	1,643	36,466
Net cash provided (used) by operating activities	<u>\$ (91,171)</u>	<u>\$ 8,984,955</u>	<u>\$ 21,072</u>	<u>\$ 9,006,027</u>	<u>\$ 9,670,523</u>
Noncash investing, capital and financing activities					
Borrowing under capital lease	\$ -	\$ 1,047,837	\$ -	\$ 1,047,837	\$ -
Construction of capital assets from developers	-	11,281,002	-	11,281,002	26,350
Transfer fully depreciated capital assets to (from) general fund	(13,299)	303,977	-	303,977	15,528
Total noncash investing, capital and financing activities	<u>\$ (13,299)</u>	<u>\$ 12,632,816</u>	<u>\$ -</u>	<u>\$ 12,632,816</u>	<u>\$ 41,878</u>

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

City of Minot, North Dakota
Statement of Fiduciary Net Position
December 31, 2020
With Comparative Total for December 31, 2019

	Pension & OPEB Trust Funds	Custodial Funds	Total Fiduciary Funds 2020	Total Fiduciary Funds 2019
ASSETS				
Cash and cash equivalents	\$ 535,403	\$ 22,933	\$ 558,336	\$ 436,070
Investments	88,926,276	-	88,926,276	79,748,450
Accounts receivable	1,962	32,260	34,222	54,487
Intergovernmental receivable	-	4,304	4,304	6,006
Total assets	<u>89,463,641</u>	<u>59,497</u>	<u>89,523,138</u>	<u>80,245,013</u>
LIABILITIES				
Accounts payable	\$ 55,402	\$ 59,497	\$ 114,899	\$ 240,116
Total liabilities	<u>55,402</u>	<u>59,497</u>	<u>114,899</u>	<u>240,116</u>
NET POSITION				
Restricted for:				
Pension benefits	88,421,158	-	88,421,158	79,109,250
OPEB benefits	987,081	-	987,081	895,647
Total net position	<u>\$ 89,408,239</u>	<u>\$ -</u>	<u>\$89,408,239</u>	<u>\$80,004,897</u>

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

City of Minot, North Dakota
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2020
With Comparative Total for December 31, 2019

	Pension & OPEB Trust Funds	Custodial Funds	Total Fiduciary Funds 2019
ADDITIONS			
Contributions:			
Contributions employer	\$ 5,942,049	\$ -	\$ 5,567,371
Contributions plan members	2,256,107	-	2,437,606
Lodging taxes	-	479,033	868,410
Car rental taxes	-	20,947	38,741
Intergovernmental	-	7,800	6,500
Total contributions	<u>8,198,156</u>	<u>507,780</u>	<u>8,918,628</u>
Investment earnings:			
Interest & dividends	1,862,445	-	2,220,694
Net increase (decrease) in fair value of investments	<u>9,585,246</u>	<u>-</u>	<u>12,175,034</u>
Total investment earnings	<u>11,447,691</u>	<u>-</u>	<u>14,395,728</u>
Less investment expense	<u>137,998</u>	<u>-</u>	<u>134,061</u>
Net investment earnings	<u>11,309,693</u>	<u>-</u>	<u>14,261,667</u>
Total additions	<u>19,507,849</u>	<u>507,780</u>	<u>23,180,295</u>
DEDUCTIONS			
Benefits paid to plan member and beneficiaries	9,130,606	-	8,790,098
Refunds paid to plan member and beneficiaries	472,740	-	462,306
Retiree claims	213,120	-	335,755
Taxes distributed to Visit Minot	-	354,106	588,567
Taxes distributed to All Seasons Arena	-	211,848	273,415
Third party premiums	128,785	-	144,805
Administrative expenses	<u>159,256</u>	<u>57,940</u>	<u>217,712</u>
Total deductions	<u>10,104,507</u>	<u>623,894</u>	<u>10,812,658</u>
Net increase (decrease) in fiduciary net position	<u>9,403,342</u>	<u>(116,114)</u>	<u>12,367,637</u>
Net position -- beginning of the year	<u>80,004,897</u>	<u>116,114</u>	<u>67,753,374</u>
Net position -- end of the year	<u>\$89,408,239</u>	<u>\$ -</u>	<u>\$ 80,121,011</u>

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

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The financial statements of the City have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the nationally accepted standard setting body for establishing GAAP for governmental accounting and financial reporting. With respect to both the government-wide and business-type fund financial statements, the City has adopted GASB statement No. 62 “*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.*” Governments also have the option of following subsequent private-sector guidance for their business-type activities and business-type funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

B. REPORTING ENTITY

The City of Minot was incorporated on July 16, 1887. The City has been governed by a Council, with a part-time Mayor and six part-time Aldermen, since the citizens approved a home rule charter in 1972. The accompanying financial statements present the activities of the City of Minot. Only funds of the City have been included since the City does not have any blended or discrete component units.

C. BASIC FINANCIAL STATEMENTS (GASB 34)

The basic financial statements are prepared in conformity with GASB Statement No. 34 and presented on both the government-wide and fund financial level. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

Government-Wide Financial Statements

The government-wide financial statements, consisting of the Statement of Net Position and the Statement of Activities report information on all of the non-fiduciary activities. Reporting of the internal activities has been eliminated to avoid duplication on the statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely

significantly on fees and charges for support.

The Statement of Activities demonstrates the degree the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those clearly identifiable with a specific function or segment. The City eliminates indirect expense allocations from the statement of financial activities. Program revenues include: 1) fines, fees, and charges for services to customers that benefit from the services provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. The City reports taxes and other items not properly included among program revenues as general revenues.

Fund Financial Statements

The fund financial statements report information at the individual fund level. Each fund is considered a separate accounting entity. Separate financial statements are provided for governmental funds, business-type funds and fiduciary funds, even though the latter are excluded from the government-wide statements. Major individual governmental funds and major individual business-type funds are reported in separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column within each fund type in the financial section of the basic financial statements and are detailed in the supplemental information.

D. FINANCIAL STATEMENT PRESENTATION

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts comprised of its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance or net position, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and business-type combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements and are detailed in the combining statements section.

The City reports the following major governmental funds:

The **General Fund** is the government’s primary operating fund. It accounts for all financial

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resources of the general government, except those required to be accounted for in another fund. Revenue sources include property taxes, licenses and permits, state and county shared revenues, and charges for goods and services. In addition to general government, primary expenditures include the functions of public safety and highways and streets.

The **Sales Tax NAWS Fund** accounts for the collection of a one percent City sales tax. The collection on this tax was reallocated by the Finance Director effective October 1, 2011 due to sufficient funds available to pay the local share of the Northwest Area Water Supply project as projected at the time the collection was reallocated. As of 2020, 40 percent of the second penny was reallocated back to NAWS.

The **Debt Fund** is a debt service fund established to accumulate the resources used to pay for the principal and interest for City debt. This includes resources from properties benefitted by special assessment districts, bonds for paving and street projects, and flood control projects which will mature in future years. During 2020 all debt funds which included special assessments, highway debt, and flood control debt were combined into one fund during the City's Enterprise Resource Planning (ERP) software upgrade.

The **Capital Infrastructure Fund** is used to account for the cost of highway improvement projects and capital infrastructure purchases deemed beneficial to the citizens of Minot and funded by federal, state, and local funds. During 2020 the capital infrastructure fund combined the previous highway reserve and capital purchases funds during the City's ERP software upgrade.

The City reports the following major business-type funds:

The **Airport Fund** is used to account for the activities of airline services to the residents of the City and the surrounding areas. The rates generate the primary funding source.

The **Sanitation Fund** is used to account for residential garbage collection as well as landfill services for the City. The residential and landfill rates fund the expenses and keep the fund self-supporting.

The **Water, Sewer, and Storm Sewer Fund**

accounts for the water, sewer, and storm sewer services provided to the City. The rates are set to ensure the costs of services and infrastructure debt are adequate.

The **Parking Ramps Fund** accounts for two parking ramps located in downtown that is provided to residents and consumers of the City. The rates generate the primary funding source.

Additionally, the government reports the following fund types:

The **Internal Service Funds** account for self-funded health insurance and central garage services provided to other departments of the government, or to other governments, on a cost reimbursement basis.

The **Fiduciary Trust Funds** account for the activities of the City employee pension plan, which accumulates resources for pension benefit payments to qualified employees and the City's other post-employment benefits, which accumulate resources for OPEB payments to qualified employees.

The **Custodial Funds** are used to report resources held by the City in a purely custodial capacity. These funds hotel/motel and motor vehicle taxes (collects lodging and motor vehicle taxes disbursed to Visit Minot and the All Season's Arena) and passthrough for pass-through grants.

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded, regardless of the measurement focus.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the business-type fund and fiduciary fund financial statements. This focus concentrates on the fund's assets. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This focus concentrates on the fund's resources available for spending currently or in the near future. Revenues are recognized when they become both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available if they are collected within 30 days of the end of the fiscal year. Expenditures are generally recognized when the 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.

Property taxes, sales taxes, municipal highway taxes, estate taxes, and franchise fees are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered susceptible to accrual as revenue of the current period. All other revenues are considered measurable and available only when cash is received by the City.

Business-type funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a business-type fund's principal ongoing operations. The principal operating revenues of the City of Minot's business-type and internal service funds are charges to customers for sales and services. Operating expenses for business-type and internal service funds include the cost of sales and services, administrative expenses, MSWLF closure and post-closure care costs, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When fund balance resources are available for use, it is the government's policy to use restricted, committed, assigned, and unassigned resources as needed in that order.

The financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended

December 31, 2019, from which the summarized information was derived.

F. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

Cash

Cash and cash equivalents are short-term, highly liquid investments readily convertible to known amounts of cash and near enough to maturity to present an insignificant risk of change in value because of changes in interest rates.

Interest earnings are allocated to the funds based on an average balance in the cash account. Those funds with an average negative balance in the cash account are charged interest at the rate earned by the cash account.

Investments

North Dakota state statute authorizes municipalities to invest their surplus funds in: a) bonds, treasury bills and notes, or other securities that are a direct obligation of, or an obligation insured or guaranteed by, the Treasury of the United States, or its agencies, instrumentalities, or organizations created by an act of Congress; b) securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are of a type listed above; c) certificates of deposit fully insured by the federal deposit insurance corporation or by the state; d) certificates of deposit, savings deposits, or other deposits fully insured or guaranteed by the federal deposit insurance corporation and placed for the benefit of the public depositor by a public depository through an appropriate deposit placement service as determined by the commissioner of financial institutions; e) State and local securities: (1) any security that is a general obligation of any state or local government with taxing powers and is rated in the highest three categories by a nationally recognized rating agency; (2) an obligation of the state housing finance agency that is rated in the highest two categories by a nationally recognized rating agency; (3) any security that is a general obligation of a school district and is rated in the highest two categories by a nationally recognized rating agency; (4) obligations of this state and general obligations of its political subdivisions; f) commercial paper issued by a United States corporation rated in the highest quality category by at least two nationally recognized rating agencies and matures in two hundred seventy days or less.

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The Pension Trust Funds are authorized to invest all or part of their surplus funds in other investments by selecting a funding agent or agents to hold and invest such funds for the board and such funds shall be placed for investment only with a firm or firms whose primary endeavor is money management.

Method used to value investments. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. For the pension and OPEB plans, independent valuation services are used along with appraisals for other investments. The net appreciation in fair value of investments consists of the realized gains or losses and the unrealized appreciation or depreciation in fair value of investments during the year. Realized gains and losses on sales of investments are computed based on the difference between the sales price and the fair value of the investments as of the beginning of the year or cost if purchased during the year. Unrealized appreciation or depreciation is computed based on changes in the fair value of investments between years.

The City 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. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Receivables and Payables

Transactions between funds representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “advances to/from other funds” (i.e., non-current inter-fund loans). All other outstanding balances between funds are referred to as “due to/from other funds” (i.e., current inter-fund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

All receivables are shown net of an allowance for uncollectible accounts. This allowance is equal to estimated losses that may be incurred in collection of outstanding receivables.

All real estate is assessed as of the current value on February 1 of each year. Property taxes are attached as an enforceable lien on the real estate and become due on January 1 of the year following the assessment date.

A 5% reduction of the taxes is allowed if the taxes are paid in full by February 15.

Penalty and interest are added on March 1 if the first half of the taxes is not paid. Additional penalty and interest are added October 15 to those taxes not paid. Taxes are collected by the County and remitted monthly to the City.

The City is permitted under provisions of the Home Rule Charter to levy taxes, as needed for general governmental services and payment of principal and interest on long-term debt.

Inventories and Prepaid Items

Inventories are valued at average cost for the central garage fund and first-in, first-out for the department inventories in the proprietary funds and the governmental funds. The costs of inventory are recognized as expenditures in the governmental funds and as expenses in the proprietary funds when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods (consumption method) and are recorded as prepaid items in both government-wide and fund financial statements.

Other Assets – Capital Credits

The City purchases electrical power, telephone services and fuel from local cooperatives which grants yearly patronage capital credit allocations to its customers. Capital credits represent the customer’s share of ownership in the cooperative. They are held by the cooperative until the board of directors chooses to retire a portion, the balance in the capital credit is not available as cash and is considered non-spendable, unless the board of directors elects this option. At which time the customer will receive a capital credit refund check for the applicable portion. Capital credit allocations are recognized in the year received.

Restricted Assets

Assets whose use is restricted for construction, debt service, or the payment of specific claims and benefits have been classified as restricted assets as their use is limited by bond covenants or other externally imposed requirements.

Certain proceeds of the City’s airport and water and sewer business-type funds revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet

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because their use is limited by applicable bond covenants. A project is established within the fund into which the proceeds of the bonds are deposited. A debt service project is established within the fund to set aside the net revenues of the utility each month an amount equal to not less than the sum of one-sixth of the interest due within the next six months plus one-twelfth of the principal to become due within the next twelve months.

Capital Assets

Capital assets, which include land, infrastructure assets (e.g., roads, bridges, and similar items), buildings, equipment, intangibles, and books, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year.

Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount. Capital assets are valued at historical or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at acquisition value on the date donated.

Additions or improvements that significantly add value to an asset such as extending the useful life of an asset or increasing capacity or efficiency are capitalized. Other costs for repairs and maintenance are expensed as incurred.

Depreciation/amortization has been provided over the estimated useful life, using the straight-line method, as follows:

- Buildings 20-40 years
- Infrastructure 30-100 years
- Equipment 3-10 years
- Intangibles 10 years
- Books 20 years

Net Position/Fund Balance

The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is “net position” on the government-wide, business-type and fiduciary fund financial statements and “fund balance” on the governmental fund financial statements.

In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, committed, assigned or unassigned.

Nonspendable is a component of fund balance that includes only amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

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

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority (the City Council), the vote of the citizens, or the wishes of a donor or third party. The formal action required to be taken to establish, modify or rescind a fund balance commitment is a majority vote by the City Council.

Assigned fund balance represents amounts constrained by the government’s intent to be used for specific purposes, but neither restricted nor committed. The City Council has the authority to assign amounts to a specific purpose via an ordinance or resolution.

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

In the event the fund balance exceeds the minimum requirements equal to one month’s average expenditures for the budget year, the excess may be utilized for any lawful purpose approved by City Council. The first priority is to utilize the restricted before unrestricted fund balance when both are available. Committed funds will be considered spent first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund

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balance classification could be used like assigned or unassigned. In order to minimize the long term effect of such use, the excess shall be appropriated to fund one time expenditures or expenses which do not result in recurring operating costs, or other onetime costs including the establishment of or increase in legitimate restriction or commitment of fund balance/retained earnings in other funds.

The emergency levy fund is established and updated through the annual budget process with the budget ordinance approval by the City Council. The fund objective is to keep the cash balance around the value of three mills. The funds may be spent for overtime along with associated benefits or operation expenditures not predictable in the budget.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding principal of capital related debt (adjusted by any unamortized premiums, discounts and unspent proceeds related to debt) and any other (non-debt) capital related liabilities as of fiscal year end, including accounts payable and retainage payable. This doesn't include the capital financing program bonds since this isn't long-term debt related to the acquisition, construction, or improvement of the City's assets.

The City reports capital and operating related liabilities in business-type activities; therefore, these amounts will not directly tie to the financial statements. The calculation of the City's net investment in capital assets is as follows:

	Governmental Activities	Business-Type Activities
Capital assets net of accumulated depreciation	\$ 352,337,631	\$ 379,288,307
Outstanding principal of capital related debt		
General obligation bonds	(12,534,299)	-
Special assessment bonds	(13,866,084)	(1,430,017)
Sales tax revenue bonds	(8,215,187)	-
Revenue bonds	-	(41,187,408)
State revolving fund	(1,360,211)	(13,868,098)
Capital leases	(715,585)	(1,478,931)
Capital related liabilities (accounts payable)		
Airport	-	(17,646)
Sanitation	-	(22,395)
Water, sewer, and storm sewer	-	(660,305)
Capital infrastructure	(328,823)	-
Nonmajor governmental funds	(665,947)	-
Capital related liabilities (retainage payable)		
Airport	-	(303,384)
Water, sewer, and storm sewer	-	(1,254,117)
Capital infrastructure	(158,065)	-
Nonmajor governmental funds	(330,260)	-
Capital related deferred outflows of resources		
Deferred charge on refunding	-	1,213,414
Total net investment in capital assets	\$ 314,163,170	\$ 320,279,420

Compensated Absences

Employees accrue vacation leave at a rate of fourteen days per year for the first five years of continuous service. The accrual rate is increased to seventeen days per year after five years, twenty days per year after ten years, and twenty-three days per year after fifteen years of service. A maximum of 300 vacation hours may be carried over from year to year. Due to COVID, City Council passed an ordinance that allowed employees to carry over any hours in excess of 300 on a temporary basis, which expires on December 31, 2021. Accumulated unpaid vacation is accrued when earned in the government-wide and business-type fund statements.

Sick leave is accrued at a rate of eight hours per month of continuous service. Accumulation of sick leave is unlimited; however, liabilities are not recorded in any fund, as there are no provisions for vesting of unused sick leave. Governmental activities compensated absences are liquidated by the general fund, public transportation, and library fund.

Self-Insurance

The City is self-insured for health benefits. Liabilities are recorded when a determinable claim has been incurred.

Deferred Inflows of Resources

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

Deferred Outflows of Resources

In addition to assets, the statement of financial position will report a separate section for deferred outflows of resources. This separate element, deferred outflows of resources, represents a consumption of net assets by the government that is applicable to a future reporting period(s) and so will not be recognized as an outflow of resources (expenditure) until that time.

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Long-Term Obligations

In the government-wide financial statements, and business-type fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in order to provide an understanding of the changes in financial position and operations of these funds. Also, certain amounts presented in the prior year date have been reclassified in order to be consistent with the current year's presentation.

G. REVENUES

Grant Revenue

The City recognizes grant revenues when all applicable eligibility requirements, including time requirements, are met. The City follows the policy if expenditures of funds are the prime factor for determining eligibility for the grant funds; revenue is recognized at the time of the expenditure.

H. PENSIONS/OTHER POST-EMPLOYMENT BENEFITS (OPEB)

For purposes of measuring the net pension liability, deferred inflows/outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City and additions to/deductions from the City's fiduciary net position have been determined on the same basis as reported by the City. Investments are reported at fair value.

For purposes of measuring the net OPEB liability (asset), deferred inflows/outflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City and additions to/deductions from the City's fiduciary net position

have been determined on the same basis as reported by the City. Investments are reported at fair value.

NOTE 2-RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. The governmental fund balance sheet includes a reconciliation between total governmental funds fund balance and net position of governmental activities as reported in the government-wide statement of net position. One element of the reconciliation explains, "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this (\$40,128,925) difference are as follows:

Bonds payable	\$ 36,037,253
State revolving fund	1,360,211
Accrued interest payable	259,092
Capital leases payable	715,585
Compensated absences	<u>1,756,784</u>
Net adjustment to reduce fund balance- total governmental funds to arrive at net position-governmental activities	<u>\$ 40,128,925</u>

B. The governmental fund statement of revenues, expenditures, and changes in fund balances include reconciliation between net changes in fund balances, total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains "Governmental funds report capital outlays as expenditures; however, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense." The details of these differences are as follows:

Donated capital assets	\$ 29,380,849
Capital outlay	15,038,815
Depreciation expenditure	(16,246,966)
Proceeds from sale of City property	190,079
Gain/(loss) on sale of City property	<u>(21,432,698)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental funds	<u>\$ 6,930,079</u>

NOTE 3-STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. COMPLIANCE WITH FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

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Annual budgets are adopted on a basis consistent with GAAP for the general fund, special revenue funds, and capital project funds. All appropriations lapse at year-end unless encumbered.

The City incurred no material violations of finance-related legal and contractual provision.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS AT THE LEGAL LEVEL OF CONTROL

The budget is prepared by fund, by department within each fund, and by line item within each department. The legal level of budgetary control is at the fund level. The management of the City of Minot has the authority to exceed line items or department budgets as long as the fund appropriations are not exceeded. City Council approval is required for (a) the transfer of appropriations from one fund to another fund or the addition of line items within a fund or both and (b) an increase in the aggregate total of appropriations in order to reflect changes in financial circumstances. The City incurred zero violations of excess of expenditures over appropriations.

C. NET POSITION/FUND BALANCE DEFICITS

The City had no net position or fund balance deficits as of December 31, 2020.

NOTE 4-DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Except for the cash in the NAWS fund, the City maintains a pooled cash portfolio used by substantially all City funds using the pooled deposit and investment concept. This concept provides the City with the ability to maximize earnings on idle fund monies while ensuring the liquidity needs of each fund are met and the integrity of the cash balances of each fund are preserved. The pool consists of checking and savings accounts, certificates of deposit, and securities, including money market accounts, which are stated at fair value.

Government and Business-Type Funds

Investment Policy: The City's investment policy serves as the guide to the deposit and investment of operating funds managed within the City's pooled cash portfolio. This policy sets forth the City's investment objectives as well as authorized and suitable deposits and investments, and serves as a guide for proper

diversification, maturity constraints, internal controls and performance measurement. The foremost objective of the City's investment program as set forth by the investment policy is safety of principal. Investment decisions are made under the assumption that, except under limited circumstances, all investments within the pooled cash portfolio will be held to maturity.

Allowable deposits and investments:

- a. U.S. Treasury obligations, which carry the full faith and credit guarantee of the United States government and are considered to be the most secure instruments available;
- b. U.S. government agency and instrumentality obligations that have a liquid market with a readily determinable fair value;
- c. Certificates of deposits and other evidences of deposit at financial institutions;
- d. Repurchase agreements whose underlying purchased securities consist of the aforementioned instruments

Custodial credit risk: This is the risk in the event of bank failure, the government's deposits may not be returned to it. Per the City's investment policy, custodial credit risk will be minimized by using the following techniques; limiting investments to the safest type of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the City will do business; and diversifying the investment portfolio so potential losses on individual securities will be minimized. As of December 31, 2020, the City's deposits were either fully insured or properly collateralized, were held in the City's name, and have no custodial credit risk.

Credit risk: Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations. As outlined above, city policy limits the type of investments allowed to reduce the amount of credit risk to the portfolio.

Interest rate risk: Interest rate risk is the risk changes in interest rates will adversely affect the fair value of an investment. Per the City's investment policy, interest rate risk will be minimized by 1) structuring the investment portfolio so securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity; and 2) investing operating funds primarily in shorter-term securities, money market funds, or similar investments and limiting the average maturity of the portfolio in accordance with this policy. The charts below summarize the City's investments using

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segmented time distribution.

As of December 31, 2020, the City has invested in cash and money markets \$120,293,850, and certificates of deposit \$41,917,274, which have no credit ratings. The City also has NAWS investments valued at \$1,463,076. The fixed income securities are all government agency securities.

NAWS Investments

<u>Investment Type</u>	<u>Fair Value</u>	<u>Not-Rated</u>
Cash & money market	\$ 1,172,745	\$ 1,172,745
Fixed income		
Government agencies	290,331	290,331
Total fair value	<u>\$ 1,463,076</u>	<u>\$ 1,463,076</u>
<u>Maturity (Years)</u>	<u>Fixed Income</u>	
5-10	56,030	
>10	234,301	
	<u>\$ 290,331</u>	

The City has the following recurring fair value measurements as of December 31, 2020:

NAWS government agencies of \$290,331 are valued using quoted market prices (Level 1 inputs)

B. INTERGOVERNMENTAL RECEIVABLES

A total of \$23,511,842 is due from intergovernmental receivables. This includes \$2,978,494 due from the Federal government, \$592,834 from Housing and Urban Development; \$1,527,857 from the Federal Aviation Administration; \$350,924 from Federal Transit Administration grants; \$13,167 from Department of Homeland Security; \$42,725 from Department of Justice; \$2,425 from National Highway Traffic Safety Administration; \$9,161 from National Endowment for the Humanities; and \$439,401 from Department of the Treasury. It also includes \$20,376,805 from the State of North Dakota,

\$16,693,570 from the State Water Commission for home acquisitions, NAWS, and flood control; \$1,791,030 for city sales tax; \$208,500 for North Dakota Statewide Interoperable Radio Network; \$848,150 for State Aid Distribution; \$365,814 of oil & gas taxes; \$5,039 of gambling tax; \$270,559 for Municipal Highway tax; \$64,282 for State Aeronautics; \$12,196 from ND Bureau of Criminal Investigation; \$13,171 from Department of Transportation; and \$104,494 from ND Department of Emergency Services; and \$156,541 due from Ward County.

C. RECEIVABLES

Loans receivables as of the end of the current fiscal year for the Sales Tax-Economic Development fund were:

Due within one year	\$ 800,400
Due after one year	1,000,000
Less: allowance for uncollectible	(360,080)
Total loans receivable	<u>\$ 1,440,320</u>

The only receivables not expected to be collected within one year are \$10,512,953 of special assessments deferred and the loans receivables as noted above.

Governmental funds report deferred inflows in connection with receivables for revenues not considered available to liquidate liabilities of the current period.

At the end of the current fiscal year, the deferred inflows reported in the governmental funds were as follows:

Uncertified special assessments	\$ 10,646,811
Unavailable revenue - property taxes	1,091,738
Unavailable revenue - special assessments	451,914
Total deferred inflows of resources	<u>\$ 12,190,463</u>

Receivables for the City's individual major, nonmajor and internal service funds, including the applicable allowances for uncollectible accounts, are in the following table:

	Taxes		Specials		Loans	Intergov't	Accrued	Specials	Gross	Less: Allow	Total Net
	Delinquent	Delinquent	Assessments	Accounts							
General fund	\$ 945,004	\$ 34,582	\$ 776,943	\$ -	\$ 2,410,362	\$ 263,028	\$ 66,314	\$ 4,496,233	\$ (549,508)	\$ 3,946,725	
Sales tax NAWS	-	-	-	-	358,206	-	-	358,206	-	358,206	
Debt	181,807	417,475	-	-	3,351	-	10,580,497	11,183,130	-	11,183,130	
Capital infrastructure	21,671	-	1,296,809	-	5,308,510	-	-	6,626,990	(1,284,309)	5,342,681	
Nonmajor governmental funds	153,715	-	207,492	1,800,400	3,088,213	2,352	-	5,252,172	(495,230)	4,756,942	
Airport	45,755	-	287,388	-	1,593,051	6,733	-	1,932,927	-	1,932,927	
Sanitation	-	-	632,102	-	-	-	-	632,102	-	632,102	
Water, sewer, & storm sewer	222	7,308	3,055,212	-	10,749,271	8,793	619,990	14,440,796	(920,150)	13,520,646	
Parking ramps	25,783	-	-	-	683	-	-	26,466	-	26,466	
Nonmajor enterprise funds	10,472	-	17,668	-	195	-	-	28,335	-	28,335	
Internal service	-	-	2,923	-	-	-	-	2,923	-	2,923	
Total net receivables	<u>\$ 1,384,429</u>	<u>\$ 459,365</u>	<u>\$ 6,276,537</u>	<u>\$ 1,800,400</u>	<u>\$ 23,511,842</u>	<u>\$ 280,906</u>	<u>\$ 11,266,801</u>	<u>\$ 44,980,280</u>	<u>\$ (3,249,197)</u>	<u>\$ 41,731,083</u>	

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D. TAX ABATEMENTS

As of December 31, 2020, the County provides tax abatements/incentives through four programs, renaissance zone property tax exemptions for commercial buildings, renaissance zone property tax exemptions for residential buildings, exemption of improvements to commercial and residential buildings, and a new business exemption or payment in lieu of tax (PILOT) tax incentive.

The renaissance zone property tax exemptions, NDCC § 40-63, is for commercial and residential buildings located within a renaissance zone that allow for the property to be excluded for up to five years, provided the City approves the exemption. A renaissance zone is a geographic area a City applies to the State Department of Commerce to designate a portion of the City into a renaissance zone. An exemption can be requested for up to 100 percent of the building excluding the land.

The commercial and residential remodeling exemption under NDCC § 40-57.02.2, provides property tax exemptions by assisting in incentives for certain remodeled properties. The exemption is only for the portion of the house that was remodeled and follows the City’s policies. This exemption will be for commercial and residential remodeling projects and will be for a maximum of three years. This exemption is valid for the prescribed period and shall not terminate upon the sale or exchange, allowing for the exemption to be transferred, providing the exemption is approved by the City. This remodeling exemption used by the City is more restrictive than what is allowed by the State, which is allowed by ND State statute.

New or expanding business exemption under NDCC § 40-57.1-03, provides property tax exemptions as well as payments in lieu of taxes to revenue-producing primary sector enterprises. This incentive allows a new or expanding business to be granted a property tax exemption or up to five years or a payment in lieu of tax option for up to twenty years. The City of Minot currently doesn’t have any projects receiving this exemption.

The City does not have a quantitative threshold for disclosing individual tax abatement agreements.

The following is information relevant to the disclosure of these programs for the fiscal year ended December 31, 2020:

Tax Abatement Programs	Amount of taxes abated during the 2020 fiscal year
Renaissance zone exemption - commercial buildings	\$ 35,054
Renaissance zone exemption - residential buildings	1,721
Exemption of improvements to commercial and residential buildings	250
	<u>\$ 37,025</u>

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E. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

Governmental Activities	Beginning	Additions	Deletions	Transfers	Ending
	Balance				Balance
	1/1/2020				12/31/20
Land	\$ 97,940,182	\$ 5,503,534	\$ 3,939,861	\$ (157,725)	\$ 99,346,130
Construction in progress	22,677,479	44,639,371	54,388,804	-	12,928,046
Depreciable assets					
Infrastructure	304,554,419	46,289,459	9,209	(19,595,481)	331,239,188
Buildings	21,911,966	105,321	3,198	(131,500)	21,882,589
Equipment	24,887,928	2,289,589	836,838	(833,523)	25,507,156
Intangible assets	1,101,957	-	32,500	(911,732)	157,725
Books	3,308,911	171,274	247,480	-	3,232,705
Totals at historical cost	476,382,842	98,998,548	59,457,890	(21,629,961)	494,293,539
Accumulated depreciation					
Infrastructure	(101,583,919)	(14,584,440)	7,562	3,919,231	(112,241,566)
Buildings	(9,777,810)	(376,503)	386	-	(10,153,927)
Equipment	(17,114,282)	(1,656,831)	628,667	430,909	(17,711,537)
Intangible assets	(514,604)	482,104	32,500	-	-
Books	(1,984,675)	(111,683)	247,480	-	(1,848,878)
Total accumulated depreciation	(130,975,290)	(16,247,353)	916,595	4,350,140	(141,955,908)
Governmental activities capital assets, net	\$ 345,407,552	\$ 82,751,195	\$ 58,541,295	\$ (17,279,821)	\$ 352,337,631
Business-Type Activities	Beginning	Additions	Deletions	Transfers	Ending
	Balance				Balance
	1/1/2020				12/31/20
Land	\$ 9,647,078	\$ -	\$ -	\$ -	\$ 9,647,078
Construction in progress	22,465,124	32,032,981	28,086,156	-	26,411,949
Depreciable assets					
Infrastructure	385,062,704	20,054,205	5,575,051	21,021,345	420,563,203
Buildings	62,455,956	6,468,623	-	-	68,924,579
Equipment	30,231,314	1,565,523	2,010,231	690,967	30,477,573
Intangible assets	156,521	-	-	(82,351)	74,170
Totals at historical cost	510,018,697	60,121,332	35,671,438	21,629,961	556,098,552
Accumulated depreciation					
Infrastructure	(121,046,377)	(19,719,742)	4,459,767	(3,919,231)	(140,225,583)
Buildings	(15,270,554)	(2,025,476)	(26)	-	(17,296,056)
Equipment	(18,460,884)	(1,856,665)	1,542,203	(513,260)	(19,288,606)
Intangible assets	(108,022)	-	25,671	82,351	-
Total accumulated depreciation	(154,885,837)	(23,601,883)	6,027,615	(4,350,140)	(176,810,245)
Business-type activities capital assets, net	355,132,860	36,519,449	29,643,823	17,279,821	379,288,307
Total capital assets, net	\$ 700,540,412	\$ 119,270,644	\$ 88,185,118	\$ -	\$ 731,625,938

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Depreciation and amortization expenditure or expense was charged to the following functions/programs of the City for the current fiscal year:

Governmental Activities	
General government	\$ 624,854
Public safety	1,789,332
Highways and streets	13,532,230
Culture and recreation	<u>300,550</u>
Total depreciation expenditure - governmental activities	<u>\$ 16,246,966</u>
Business-Type Activities	
Airport	\$ 5,780,238
Cemetery	38,813
Parking authority	574
Sanitation	1,566,153
Parking ramps	1,103,994
Water, sewer, & storm sewer	<u>15,112,111</u>
Total depreciation expense - business-type activities	<u>\$ 23,601,883</u>

F. COMMITMENTS

Construction and other significant commitments as of December 31, 2020 were \$51,312,477.

Commitments	<u>Spent to Date</u>	<u>Remaining</u>
General fund	\$ 6,656,279	\$ 2,950,514
Capital infrastructure	15,221,129	3,957,731
Nonmajor governmental funds	28,990,788	36,258,326
Airport	4,612,264	681,718
Sanitation	22,395	542,831
Water, sewer, & storm sewer	27,199,249	6,918,325
Nonmajor enterprise funds	5,879	3,032
	<u>\$ 82,707,983</u>	<u>\$ 51,312,477</u>

The City is committed in the Northwest Area Water Supply Project to bring water from the Missouri River to Minot, the estimated costs of the project remaining is \$180.0 million, with the City's cost share to be approximately \$32.0 million. The City's local share of expenditures to date is approximately \$60.8 million. This project will be funded with sales tax monies approved by the voters in March 1999.

Following is the breakdown of encumbrances by major fund as of December 31, 2020, CDBG-DR and NDR funds make up \$44,907,732 of the \$59,539,675 included within the nonmajor governmental funds amount:

Encumbrances

General fund	\$ 3,269,068
Capital infrastructure	3,411,290
Nonmajor governmental funds	59,539,675
Airport	405,123
Sanitation	547,541
Water, sewer, & storm sewer	3,607,958
Parking ramps	<u>8,775</u>
Total encumbrances	<u>\$ 70,789,430</u>

Although there may be other commitments, it is the opinion of the City they will not have a material effect on the financial statements.

G. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The City had no interfund advance to and from balances as of December 31, 2020.

The interfund due to and from balances are to maintain positive cash balances as of the end of the year.

	Nonmajor	
	Governmental	Total
	Funds	Due From
Nonmajor governmental funds	\$ 585,578	\$ 585,578
Total due to	<u>\$ 585,578</u>	<u>\$ 585,578</u>

The outstanding balances between funds result mainly from the time lag between the dates that goods and services are provided and expended and when reimbursement is received. These amounts made within several nonmajor governmental funds are expected to be collected in the subsequent year.

Transfers are used to 1) move revenues from the fund with collection authority to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, and 3) move unrestricted general fund revenues to finance various programs the government must account for in other funds in accordance with budgetary authorizations.

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Transfers in and out.

	Governmental Funds					
	General Fund	Debt	Capital Infrastructure	Nonmajor Governmental Funds	Subtotal Governmental Transfers Out	Total Transfers Out
General fund	\$ -	\$ -	\$ 3,608,243	\$ 167,238	\$ 3,775,481	\$ 4,456,522
Sales TaxNAWS	50,000	-	-	-	50,000	1,236,581
Debt	50,321	-	-	-	50,321	50,321
Capital infrastructure	-	-	-	37,600	37,600	1,465,644
Nonmajor governmental funds	11,784,383	-	161,107	2,121,950	14,067,440	14,680,823
Sanitation	340,000	-	-	76,166	416,166	416,166
Water, sewer, & storm sewer	-	1,215	-	256,579	257,794	433,691
Parking ramps	4,922	-	-	-	4,922	4,922
Nonmajor enterprise funds	4,067	-	-	-	4,067	4,067
Total transfers in	<u>\$ 12,233,693</u>	<u>\$ 1,215</u>	<u>\$ 3,769,350</u>	<u>\$ 2,659,533</u>	<u>\$ 18,663,791</u>	<u>\$ 22,748,737</u>

	Business-Type Funds				
	Airport	Sanitation	Water, Sewer, & Storm Sewer	Nonmajor Enterprise Funds	Subtotal Business-Type Transfers Out
General fund	\$ 2,023	\$ -	\$ 679,018	\$ -	\$ 681,041
Sales TaxNAWS	-	-	1,186,581	-	1,186,581
Capital infrastructure	-	-	1,428,044	-	1,428,044
Nonmajor governmental funds	7,500	-	595,883	10,000	613,383
Water, sewer, & storm sewer	-	175,897	-	-	175,897
Total transfers in	<u>\$ 9,523</u>	<u>\$ 175,897</u>	<u>\$ 3,889,526</u>	<u>\$ 10,000</u>	<u>\$ 4,084,946</u>

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H. LEASES

Operating Leases. The City leases equipment under operating leases. Operating leases do not give rise to property rights or lease obligations; therefore, the results of the lease agreements are not reflected in the City's assets and liabilities. The City leases the sanitation trash cans for the automated collections as a noncancellable operating lease. Total costs for the lease was \$125,528 for the year ended December 31, 2020. The future minimum lease payments for these leases are as follows:

For the year ended December 31, 2020	Business- Type Activities
2021	\$ 125,528
2022	83,685
Total minimum lease payments	<u>\$ 209,214</u>

Capital Leases. The City has entered into four capital lease agreements as lessee for financing the acquisition for a copy machine for City Hall, an in-car cameras for the police, a compactor and crawler for the landfill. The agreements have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	Governmental Activities	Business- Type Activities
Asset:		
Equipment	\$ 1,211,030	\$ 4,744,028
Less: accumulated depreciation	(118,974)	(1,841,712)
Total	<u>\$ 1,092,056</u>	<u>\$ 2,902,316</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2020, were as follows:

For the year ending December 31, 2020	Governmental Activities	Business- Type Activities
2021	\$ 263,119	\$ 777,877
2022	262,429	387,283
2023	330,472	234,261
2024	34,152	233,093
2025	652	-
Total minimum lease payments	890,824	1,632,514
Less: amount representing interest	(175,239)	(153,584)
Present value of minimum lease payments	<u>\$ 715,585</u>	<u>\$ 1,478,931</u>

I. LONG-TERM DEBT

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

General Obligation Bonds are issued to provide funds for the acquisition and construction of major capital items. They are direct obligations and pledge the full faith and credit of the City of Minot. These bonds are paid through the debt service fund by a tax levy and sales tax funds sufficient to meet the current year's principal and interest payments. The City did not issue any general obligation bonds in 2020. These bonds are generally issued as 10-15-year bonds and the outstanding bonds have interest rates ranging from 2.00% to 4.00%.

General obligation bonds currently outstanding are as follows:

Year	Original Amount Issued	Balance Outstanding 12/31/2020	Interest Rate	Matures
2012	\$ 2,900,000	\$ 495,000	2.00%	10/01/2023
2013	6,815,000	2,055,000	3.00%	10/01/2023
2014	3,950,000	1,685,000	2.00-4.00%	10/01/2024
2015	390,000	210,000	2.00-3.00%	10/01/2025
2016	10,110,000	7,905,000	3.00-4.00%	10/01/2031
	<u>\$ 24,165,000</u>	<u>\$ 12,350,000</u>		

Special Assessment Bonds are issued to provide funds for the construction of improvement projects for residential and commercial developments. Special assessment bonds are paid directly from the sinking funds with the annual certification payments made by the property owners who directly benefit from each project. During the year, the City issued \$1,340,000 of refunding improvement bonds for improvements projects within storm sewer district #123 which are payable over 10 years. The City has \$14,085,000 special assessment bonds outstanding backed by property owner annual certification payments. The City of Minot is legally obligated to meet any deficiencies by levying ad valorem taxes. Interest rates on the outstanding bonds range from 1.20% to 4.00%.

Special assessment bonds currently outstanding are as follows:

Year	Original Amount Issued	Balance Outstanding 12/31/2020	Interest Rate	Matures
2011	\$ 4,285,000	\$ 490,000	2.00%	10/01/2021
2012	1,885,000	585,000	1.20-1.60%	10/01/2023
2013	11,595,000	7,250,000	3.00-4.00%	10/01/2033
2014	4,135,000	2,305,000	3.00-3.375%	10/01/2034
2015	1,835,000	1,460,000	2.00-3.25%	10/01/2035
2016	780,000	655,000	3.00-3.25%	10/01/2036
2020	1,340,000	1,340,000	2.00%	10/01/2030
	<u>\$ 25,855,000</u>	<u>\$ 14,085,000</u>		

State Revolving Funds are issued by the State of North Dakota's State Revolving Fund (SRF) to provide funds to finance political subdivisions authorized projects with below-market interest rates. The City used the

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\$3,727,174 issued in 2020 to finance the waste water treatment facility hydraulic improvements, upsizing of pipes from the City’s aeration ponds to the lagoon cells for adequate treatment of wastewater, and construction of the Broadway pump station. The debt will be paid using income from rates and/or sales tax revenues.

The City has a line of credit of \$4,131,691 in SRF available as of December 31, 2020. At December 31, 2020, no amount had been drawn on the line of credit.

A bond reserve fund must be maintained and must be established in the amount which qualifies as a reasonably required reserve under federal tax laws and regulations and must be fully funded no later than five years after the loan has been fully funded or as otherwise agreed. Per the City’s agreement with the State the reserve funding must be nearly six percent of the principal funding amount.

State revolving funds currently outstanding are as follows:

Governmental Activities

Year	Original Amount Issued	Balance Outstanding 12/31/2020	Interest Rate	Matures
2018	\$ 179,120	\$ 124,409	1.50%	9/1/2039
2019	434,122	434,122	1.50%	9/1/2039
2020	801,680	801,680	1.50%	9/1/2039
	<u>\$ 1,414,922</u>	<u>\$ 1,360,211</u>		

Business-Type Activities

Year	Original Amount Issued	Balance Outstanding 12/31/2020	Interest Rate	Matures
2018	\$ 4,285,700	\$ 3,742,294	1.50%	9/1/2038
2018	1,929,799	1,438,510	1.50%	9/1/2039
2019	1,300,461	1,300,461	1.50%	9/1/2038
2019	4,461,339	4,461,339	1.50%	9/1/2039
2020	847,245	847,245	1.50%	9/1/2038
2020	2,078,249	2,078,249	1.50%	9/1/2039
	<u>\$ 14,902,793</u>	<u>\$ 13,868,098</u>		

Business-type activities include the following type of long-term debt:

Revenue Bonds. The City of Minot issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. Interest rates on the outstanding bonds range from 1.00% to 4.50%. During the year, the City did not issue any revenue bonds for water and sewer projects but issued airport revenue refunding bonds and sales tax revenue bonds.

The City of Minot issued advanced airport revenue refunding bonds for \$16,750,000 with interest rates ranging from 1.00-1.70%. The proceeds were used to

advance refund \$15,560,000 of outstanding Series 2013D and 2014D airport revenue bonds which had interest rates ranging between 3.00-4.50 %. The net proceeds of \$16,680,384 (including a \$114,422 premium and after payment of \$184,038 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agency to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2013D and 2014D airport revenue bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$1,213,414. This amount is reported as a deferred outflow of resources and amortized over the remaining life of the refunding debt, which has the same life as the refunded debt.

The present value of savings to the City for refunding the bond series is as follows:

Present Value Savings	
Series 2013D	\$ 1,569,583
Series 2014D	572,380
	<u>\$ 2,141,963</u>

The City issued \$8,145,000 of sales tax revenue bonds for flood control projects being constructed within the Mouse River basin.

A bond reserve fund is required to be maintained and must be sustained at an amount equal to at least the lesser of the following; 1) the maximum annual debt service on the bond series; 2) 125% of the average annual debt service on the bond; 3) or ten percent of the proceeds of the revenue bond. The City also accrues principal and interest quarterly and maintains the minimum reserve amount required for each bond series.

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The following are outstanding revenue bonds:

Year	Original		Interest Rate	Matures
	Amount Issued	Balance Outstanding 12/31/2020		
2015	\$ 11,770,000	\$ 9,360,000	2.25-3.625%	10/01/2035
2020	16,750,000	16,750,000	1.00-1.70%	10/01/2035
	<u>\$ 28,520,000</u>	<u>\$ 26,110,000</u>		

Water, Sewer, and Storm Sewer

Year	Original		Interest Rate	Matures
	Amount Issued	Balance Outstanding 12/31/2020		
2012	\$ 3,650,000	\$ 795,000	2.00%	10/01/2023
2012	1,955,000	745,000	2.00%	10/01/2024
2013	5,220,000	3,095,000	3.00-4.00%	10/01/2028
2014	4,200,000	2,710,000	2.25-3.10%	10/01/2029
2015	6,860,000	3,615,000	2.00-3.00%	10/01/2025
2016	4,785,000	3,740,000	3.00-4.00%	10/01/2031
	<u>\$ 26,670,000</u>	<u>\$ 14,700,000</u>		

Sales Tax

Year	Original		Interest Rate	Matures
	Amount Issued	Balance Outstanding 12/31/2020		
2020	\$ 8,145,000	\$ 8,145,000	1.00-3.00%	10/1/2050

Capital Financial Program Bonds currently outstanding for the All Seasons Arena to update their facilities are as follows:

Year	Original		Interest Rate	Matures
	Amount Issued	Balance Outstanding 12/31/2020		
2015	\$ 1,945,000	\$ 1,320,000	3.00-4.00%	06/01/2029

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

Governmental Activities	General Obligation Bonds	
	Principal	Interest
2021	\$ 1,855,000	\$ 413,500
2022	1,920,000	353,550
2023	1,980,000	291,450
2024	1,155,000	223,100
2025	740,000	177,350
2026-2030	3,855,000	488,250
2031	845,000	25,350
Total governmental activities	<u>\$ 12,350,000</u>	<u>\$ 1,972,550</u>

Governmental Activities	Special Assessment Bonds	
	Principal	Interest
2021	\$ 1,925,000	\$ 410,133
2022	1,480,000	352,463
2023	1,530,000	302,735
2024	1,365,000	260,485
2025	580,000	220,173
2026-2030	3,180,000	820,494
2031-2035	2,635,000	236,715
2036	50,000	1,625
Total governmental activities	<u>\$ 12,745,000</u>	<u>\$ 2,604,821</u>

Governmental Activities	Sales Tax Revenue Bonds	
	Principal	Interest
2021	\$ 185,000	\$ 180,625
2022	200,000	164,673
2023	205,000	158,673
2024	210,000	152,523
2025	220,000	146,223
2026-2030	1,190,000	631,113
2031-2035	1,295,000	524,523
2036-2040	1,400,000	421,873
2041-2045	1,535,000	285,213
2046-2050	1,705,000	116,775
Total governmental activities	<u>\$ 8,145,000</u>	<u>\$ 2,782,210</u>

Governmental Activities	Capital Financing Program Bonds	
	Principal	Interest
2021	\$ 130,000	\$ 45,500
2022	130,000	41,600
2023	135,000	37,625
2024	140,000	33,500
2025	145,000	28,500
2026-2029	640,000	52,600
Total governmental activities	<u>\$ 1,320,000</u>	<u>\$ 239,325</u>

Governmental Activities	State Revolving Fund	
	Principal	Interest
2021	\$ 62,344	\$ 14,684
2022	63,286	14,011
2023	64,242	13,328
2024	65,212	12,635
2025	66,197	11,931
2026-2030	346,287	48,715
2031-2035	373,240	29,450
2035-2039	319,404	8,685
Total governmental activities	<u>\$ 1,360,211</u>	<u>\$ 153,439</u>

Business-Type Activities	Revenue Bonds	
	Principal	Interest
2021	\$ 3,525,000	\$ 966,478
2022	3,630,000	866,619
2023	3,740,000	778,569
2024	3,545,000	694,699
2025	3,435,000	612,799
2026-2030	13,000,000	2,007,889
2031-2035	9,935,000	699,224
Total business-type activities	<u>\$ 40,810,000</u>	<u>\$ 6,626,276</u>

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Business-Type Activities	Special Assessment Bonds	
	Principal	Interest
2021	\$ 120,000	\$ 28,438
2022	125,000	24,400
2023	125,000	21,900
2024	130,000	19,400
2025	135,000	16,800
2026-2030	705,000	42,800
Total business-type activities	<u>\$ 1,340,000</u>	<u>\$ 153,738</u>

Business-Type Activities	State Revolving Fund	
	Principal	Interest
2021	\$ 640,670	\$ 208,021
2022	651,193	198,411
2023	661,800	188,644
2024	672,490	178,717
2025	688,267	168,629
2025-2029	3,611,092	685,006
2031-2035	3,934,180	404,778
2035-2039	3,008,405	105,054
Total business-type activities	<u>\$ 13,868,098</u>	<u>\$ 2,137,261</u>

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Changes in Long Term Liabilities.

OPEB and Net Pension Liability may be found in Note F. Bonds payable are reported net of any premiums or discounts. The following is a summary of the activity for long-term liabilities as of December 31, 2020:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Bonds payable					
General obligation	\$ 14,305,000	\$ -	\$ (1,955,000)	\$ 12,350,000	\$ 1,913,837
Bond discount, net	(630)	630	-	-	-
Bond premium, net	243,135	-	(58,836)	184,299	-
Special assessment	14,610,000	-	(1,865,000)	12,745,000	2,017,086
Bond discount, net	(5,219)	1,392	-	(3,827)	-
Bond premium, net	1,218,390	-	(93,479)	1,124,911	-
Sales tax	-	8,145,000	-	8,145,000	187,359
Bond premium, net	-	70,777	(590)	70,187	-
Capital financing program bonds	1,445,000	-	(125,000)	1,320,000	140,254
Bond premium, net	111,937	-	(10,254)	101,683	-
Total bonds payable	31,927,613	8,217,800	(4,108,159)	36,037,253	4,258,536
State revolving fund	613,242	801,680	(54,711)	1,360,211	62,344
Capital leases	423,245	196,153	(179,966)	439,432	139,477
Direct borrowings, capital leases	336,636	-	(60,483)	276,153	62,468
Compensated absences	1,480,441	1,209,868	(933,525)	1,756,784	614,875
Governmental activities long-term liabilities	\$ 34,781,177	\$ 10,425,501	\$ (5,336,844)	\$ 39,869,833	\$ 5,137,700

Business-Type Activities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Revenue bonds	\$ 42,850,000	\$ 16,750,000	\$ (18,790,000)	\$ 40,810,000	\$ 3,597,982
Bond discount, net	(227,442)	109,224	(114,281)	(232,499)	-
Bond premium, net	704,796	-	(94,890)	609,906	-
Special assessment	-	1,340,000	-	1,340,000	129,233
Bond premium, net	-	92,326	(2,309)	90,017	-
State revolving fund	11,699,299	2,925,494	(756,695)	13,868,098	640,670
Capital leases	216,095	1,047,837	(433,109)	830,823	227,735
Direct borrowings, capital leases	1,117,046	-	(468,938)	648,108	484,723
Compensated absences	379,701	357,720	(297,471)	439,950	153,982
MSWLF closure & postclosure costs	1,514,381	100,629	-	1,615,010	-
Business-type activities long-term liabilities	\$ 58,253,876	\$ 22,723,230	\$ (20,957,692)	\$ 60,019,414	\$ 5,234,325

Arbitrage is the reinvestment of the proceeds of tax-exempt securities in materially higher yielding taxable securities. Any excess earnings resulting from arbitrage must be rebated to the federal government.

The City's debt limit is \$178,707,977 and the legal debt margin is \$166,715,893.

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J. FUND BALANCE

	General Fund	Special Revenue Fund Sales Tax NAWS	Major Debt Service Fund Debt	Capital Project Fund Capital Infrastructure	Nonmajor Other Governmental Funds	Total
Fund balances						
Nonspendable						
Inventory	\$ 32,396	\$ -	\$ -	\$ -	\$ -	\$ 32,396
Prepaid	224,692	-	-	-	69,724	294,416
Other assets - capital credits	409,082	-	-	-	31,241	440,323
Total nonspendable	666,170	-	-	-	100,965	767,135
Restricted						
General government	-	-	-	-	195,713	195,713
Capital leases - General government	5,806	-	-	-	-	5,806
Capital leases - Public safety	106,557	-	-	-	-	106,557
Capital leases - Highways and streets	603,222	-	-	-	-	603,222
Public safety	13,251	-	-	-	-	13,251
Debt service	-	-	3,000,502	-	-	3,000,502
Total restricted	728,836	-	3,000,502	-	195,713	3,925,051
Committed						
General government	754,395	-	-	-	-	754,395
Public safety	93,229	-	-	-	-	93,229
Public transportation	-	-	-	-	19,735	19,735
Culture and recreation	-	-	-	-	59,008	59,008
Highways and streets	2,190,350	-	-	-	-	2,190,350
Sales tax property tax relief	-	-	-	-	1,008,425	1,008,425
Sales tax economic development	-	-	-	-	10,121,377	10,121,377
Sales tax improvements	-	-	-	-	5,675,043	5,675,043
Sales tax flood control	-	-	-	-	4,039,069	4,039,069
Sales tax NAWS	-	16,877,882	-	-	-	16,877,882
Sales tax infrastructure	-	-	-	-	8,385,557	8,385,557
Sales tax community facilities	-	-	-	-	2,110,883	2,110,883
Emergency fund	-	-	-	-	1,703,894	1,703,894
Capital infrastructure	-	-	-	3,411,290	-	3,411,290
Capital equipment - General government	-	-	-	-	481,475	481,475
Capital equipment - Public safety	-	-	-	-	303,044	303,044
Capital equipment - Culture and recreation	-	-	-	-	126	126
Capital flood control	-	-	-	-	1,991,872	1,991,872
Total committed	3,037,974	16,877,882	-	3,411,290	35,899,508	59,226,654
Assigned						
General government	1,399,218	-	-	-	-	1,399,218
Public transportation	-	-	-	-	1,031,542	1,031,542
Culture and recreation	543,664	-	-	-	215,751	759,415
Sidewalk improvements	69,702	-	-	-	-	69,702
Debt service	-	-	2,539,969	-	-	2,539,969
Highways and streets	5,431,245	-	-	-	-	5,431,245
Capital infrastructure	-	-	-	11,533,674	-	11,533,674
Capital equipment - General government	-	-	-	-	1,036,155	1,036,155
Total assigned	7,443,829	-	2,539,969	11,533,674	2,283,448	23,800,920
Unassigned	35,096,891	-	-	-	-	35,096,891
Total fund balance	\$ 46,973,700	\$ 16,877,882	\$ 5,540,471	\$ 14,944,964	\$ 38,479,634	\$ 122,816,651

NOTE 5-OTHER INFORMATION

A. RISK MANAGEMENT

The City of Minot is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the mid - 1980s, the City was not able to obtain general liability insurance at a cost it considered economically justifiable.

In 1986, the state and other political subdivisions 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. All members joined to help capitalize the NDIRF. During the past five years, the NDIRF returned approximately 2.18% of the capitalized amount with a premium reduction or cash payment to the City. The City pays an annual premium to NDIRF for its general insurance, personal injury insurance, auto insurance, and inland marine insurance coverage. The coverage by NDIRF is limited to losses of \$2,000,000 per occurrence for general liability and errors and omissions, and \$1,000,000 for auto liability. The City continues to carry commercial insurance for all other risks of loss, including workers' compensation, employee health and accident insurance, and airport liability insurance. Settled claims resulting from the above risks have not exceeded insurance coverage in any of the past three years.

Employee Health Benefits

Effective January 1, 1999, the City began insuring for employee health benefits. All covered expenses are paid from the City's Health Insurance Fund, which is operated by a third party administrator. Risks retained by the employees include deductibles and co-insurance. The City pays all other claims subject to the health plan agreement up to plan maximums. Commercial stop loss insurance has been purchased to limit catastrophic losses. This coverage pays all claims in excess of \$20,000 per year per employee with a \$2,634,500 lifetime employee maximum. The City's insurer pays all aggregate claims in excess of \$3,161,400.

Claims, which have been incurred at year-end but not reported, have been recorded as insurance claims payable in the amount of \$296,643. This reserve requirement was calculated by the City and it is the amount payable within 90 days of year-end. A summary of the claim liabilities and related claim payments are shown below:

	Beginning Claim Liability	Current Year Claims Incurred and Changes in Estimates	Payments on Claims	Ending Claim Liability
2018	\$ 147,613	\$ 2,239,556	\$ 2,216,726	\$ 170,443
2019	170,443	2,672,066	2,665,799	176,710
2020	176,710	3,226,227	3,106,294	296,643

B. TERMINATION BENEFITS

The Consolidated Omnibus Budget Reconciliation Act (COBRA) provides certain former employees, retirees, spouses, former spouses, and dependent children the right to temporary continuation of health coverage at group rates. Group health coverage for COBRA participants is usually more expensive than health coverage for active employees, since the employer pays a part of the premium for active employees while COBRA participants pay the entire premium themselves. It is ordinarily less expensive than individual health coverage.

As of December 31, 2020, the City had three COBRA participants for health. Each COBRA participant who voluntarily terminated is responsible for 100% of the premium; however, there remains an implicit rate subsidy to the City for a maximum of 18 months per participant. The City has not reported a liability for termination benefits because the amount is immaterial. The City expects to have former employees on COBRA on an ongoing basis.

C. CONTINGENT LIABILITIES

There are various police department claims against the City; however, it is the opinion of the City they will have no material effect on the financial statements.

City of Minot, North Dakota
Combining Statement of Fiduciary Net Position
Pension (and Other Employee Benefit) Trust Funds
December 31, 2020
With Comparative Total for December 31, 2019

	City Pension Plan	City OPEB	Total Pension Trust Funds 2020	Total Pension Trust Funds 2019
ASSETS				
Cash and cash equivalents	\$ 528,548	\$ 6,855	\$ 535,403	\$ 276,109
Investments	87,892,610	1,033,666	88,926,276	79,748,450
Accounts receivable	-	1,962	1,962	4,141
Total assets	<u>88,421,158</u>	<u>1,042,483</u>	<u>89,463,641</u>	<u>80,028,700</u>
LIABILITIES				
Accounts payable	\$ -	\$ 55,402	\$ 55,402	\$ 23,803
Total liabilities	<u>-</u>	<u>55,402</u>	<u>55,402</u>	<u>23,803</u>
NET POSITION				
Restricted for:				
Pension benefits	88,421,158	-	88,421,158	79,109,250
OPEB benefits	-	987,081	987,081	895,647
Total net position	<u>\$ 88,421,158</u>	<u>\$ 987,081</u>	<u>\$ 89,408,239</u>	<u>\$ 80,004,897</u>

City of Minot, North Dakota
Combining Statement of Changes in Fiduciary Net Position
Pension (and Other Employee Benefit) Trust Funds
For the Year Ended December 31, 2020
With Comparative Total for December 31, 2019

	City Pension Plan	City OPEB	Total Pension Trust Funds 2020	Total Pension Trust Funds 2019
ADDITIONS				
Contributions:				
Contributions employer	\$ 5,856,306	\$ 85,743	\$ 5,942,049	\$ 5,567,371
Contributions plan members	2,015,332	240,775	2,256,107	2,437,606
Total contributions	<u>7,871,638</u>	<u>326,518</u>	<u>8,198,156</u>	<u>8,004,977</u>
Investment earnings:				
Interest & dividends	1,836,934	25,511	1,862,445	2,220,694
Net increase (decrease) in fair value of investments	9,488,981	96,265	9,585,246	12,175,034
Total investment earnings	<u>11,325,915</u>	<u>121,776</u>	<u>11,447,691</u>	<u>14,395,728</u>
Less investment expense	136,243	1,755	137,998	134,061
Net investment earnings	<u>11,189,672</u>	<u>120,021</u>	<u>11,309,693</u>	<u>14,261,667</u>
Total additions	<u>19,061,310</u>	<u>446,539</u>	<u>19,507,849</u>	<u>22,266,644</u>
DEDUCTIONS				
Benefits paid to plan member and beneficiaries	9,130,606	-	9,130,606	8,790,098
Refunds paid to plan member and beneficiaries	472,740	-	472,740	462,306
Retiree claims	-	213,120	213,120	335,755
Third party premiums	-	128,785	128,785	144,805
Administrative expenses	146,056	13,200	159,256	161,212
Total deductions	<u>9,749,402</u>	<u>355,105</u>	<u>10,104,507</u>	<u>9,894,176</u>
Net increase (decrease) in fiduciary net	9,311,908	91,434	9,403,342	12,372,468
Net position -- beginning of the year	79,109,250	895,647	80,004,897	67,632,429
Net position -- end of the year	<u>\$ 88,421,158</u>	<u>\$ 987,081</u>	<u>\$ 89,408,239</u>	<u>\$ 80,004,897</u>

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D. EMPLOYEE RETIREMENT PLANS

The City of Minot administers a defined benefit pension plan covering all civil service full-time employees hired before January 1, 2014 and an Other Post Employment Benefit (OPEB) plan. Each plan is included in the City’s financial reports as Pension and OPEB Trust Funds. The City of Minot Finance Department, PO Box 5006, Minot, North Dakota 58702 has separate actuarial reports for each plan. Separate financial statements are not issued.

The City of Minot administers a defined contribution plan and a deferred compensation plan for all full-time employees hired January 1, 2014 through December 31, 2018.

All full-time employees hired after December 31, 2018 are enrolled in the North Dakota Public Employee Retirement System (NDPERS), which is a defined benefit pension system. The City also contributes to the North Dakota Public Employee Retirement System OPEB, which was available for all full-time employees hired after December 31, 2018 and before January 1, 2020. OPEB is closed to new participants.

NDPERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained on the internet at www.nd.gov/ndpers, or by writing to NDPERS at PO Box 1657, Bismarck, ND 58502.

CITY OF MINOT DEFINED BENEFIT AND OPEB PLANS

Pension Plan Description. The City Employee Pension Plan (CEPP) is a cost sharing, multiple employer public employee retirement system. The pension plan document provides all employees of the City of Minot (excluding non-civil service employees) and the Minot Park District, with a hire date before January 1, 2014, shall become a member of the pension plan at the time they begin employment. There are no provisions or policies with respect to automatic and ad hoc postretirement benefit increases. Effective January 1, 2014 the Plan was closed to new participants.

OPEB Plan Description. The OPEB Plan is a single-employer plan, which provides all employees of the City of Minot (excluding the Minot Park District and non-civil service City employees) participating in the City’s group health insurance plan (medical and prescription drugs), who retire under the CEPP, may continue to participate in the City’s group health

insurance plan after retirement. Employees are eligible to continue coverage in the group health insurance plan until they attain age 65, provided eligibility requirements are met and applicable premiums are paid. Retirees or spouses that elect not to continue health coverage, at any time, are not eligible to reenroll in the City’s group health insurance plan.

Plan Administration. North Dakota Century Code 40-46 grants the City Council authority to establish and amend the benefit terms. Management of the CEPP and the OPEB is vested in the CEPP Board, which consists of 10 members; the Mayor, City Auditor, Human Resource Director, Police Chief, 2 members from the Police Department elected by police plan members, 2 at large members elected by all plan members except police department members, and 2 City Council members appointed by the Mayor. Elected members serve 2-year terms. The following table summarizes membership information by plan at the actuarial date:

	<u>Pension</u>	<u>OPEB</u>
Retirees and beneficiaries receiving benefits	281	39
Terminated employees		
Vested	28	-
Non-vested	16	-
Total terminated employees	44	-
Active employees		
Vested	118	172
Non-vested	62	20
Total active employees	180	192
Date of annual valuation	1/1/2021	1/1/2019

Pension & OPEB Benefits Provided. For the CEPP, the benefit provisions, amendments, and all requirements are amended in the pension plan document. City civil service employees hired before July 6, 2010, who retire at or after the age of 60 with 60 months of service and civil service employees hired on or after July 6, 2010, who retire at or after the age of 60 with 120 months of service are eligible for a monthly pension benefit and OPEB benefits. The average monthly earnings are considered the average of the highest 36 months earnings prior to July 6, 2010 and 48 months after July 6, 2010, within the last 120 months (need not be consecutive).

After December 31, 2003, members satisfying the Rule of 85 are also eligible for a monthly pension benefit and OPEB benefits. After July 6, 2010, members satisfying the Rule of 90 and who have attained age 55 are eligible for a monthly pension benefit and OPEB benefits. Also, the average monthly earnings is calculated using the highest 78 bi-weekly earnings

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within the last 120 months. The Rule of 85 is satisfied when the member's age plus the member's total period of service equals 85 years. The Rule of 90 is satisfied when the member's age plus the member's total period of services equals 90 years and the employee is at least 55 years old.

Prior to July 6, 2010, benefits vest after 5 years of service. After July 5, 2010, benefits vest after 10 years. Vested employees may retire upon Rule of 85 or 90 or 60 years of age after 5 or 10 years of employment. The pension and OPEB plans provide the same death benefits. If death is not in the course of employment and the participant has less than 5 or 10 years of service, then a refund of contributions is made. In all other cases, the plan pays survivor benefits allocated on a percentage dependent upon if there is a surviving spouse and/or children or other beneficiaries. For participants who die in the course of employment or are deferred vested or active participants with more than 5 or 10 years of service, the benefit amount is equal to the normal retirement benefit.

Supplemental Benefits Provided. Employees who retire under the City of Minot Employee's Pension Plan before January 1, 2004 and annually provide proof of health insurance coverage receive a monthly healthcare supplement equal to the City's portion of the group-blended premium for an active employee with single coverage. Employees who retire under the City of Minot Pension Plan after December 31, 2003 and employees hired before July 6, 2010 receive a monthly healthcare supplement equal to \$7.50 per year of service. Employees hired after July 5, 2010 do not receive any retiree healthcare supplement. These supplements are accounted for in the pension plan valuation because they are not restricted to the payment of health insurance.

Contributions Required and Contributions Made. The actuary does not determine the pension or OPEB contribution rates; rather it is done by employer recommendations within the limits established by state statute. For the pension plan, the employees contributed \$2,015,332 and the employer contributed \$5,856,306. The employer contributed \$85,743 to the OPEB plan. The employer contributions to the plans are to be made through an annual tax levy or other budgeted sources. Based on actuarial valuations, contributions are providing for a closed amortization period of 30 years (23 years remaining as of January 1, 2021) respectively on the pension unfunded liability at January 1, 2021.

Summary of Significant Accounting Policies and Plan Asset Matters.

Basis of Accounting. The City Employee Pension and OPEB Plan financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period they are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contribution. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Investment Policy. The pension plan and OPEB plan policies in regard to the allocation of invested assets is established and may be amended by the CEPP Board by a majority vote of its members. It is the policy of the CEPP Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of December 31, 2020:

<u>Asset Class</u>	<u>Target Allocation</u>
US fixed income	28%
International fixed income	7%
Domestic equity	42%
International equity	15%
Alternative investments	8%
	<u>100%</u>

The target allocation and investment policy were last amended in April 2013.

The City also has pension & OPEB investments valued at \$87,892,610 and \$1,033,666, respectively. The fixed income securities are broken down by subclass, maturities and ratings in the following tables:

<u>Maturity (Years)</u>	<u>Pension Fixed Income</u>	<u>OPEB Fixed Income</u>
<1	\$ 47	\$ -
1-5	2,202,726	-
>5-10	8,752,348	-
>10	18,415,175	495,699
	<u>\$ 29,370,296</u>	<u>\$ 495,699</u>

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Credit Rating	Pension Fixed Income	OPEB Fixed Income
AAA	\$ 3,612,546	\$ -
AA+	7,166,352	-
AA	2,995,770	-
AA-	469,925	-
A+	1,439,145	-
A-	3,377,584	-
BBB+	3,083,881	-
BBB	2,290,883	-
Not rated	4,317,433	495,699
Other	616,777	-
	<u>\$ 29,370,296</u>	<u>\$ 495,699</u>

Fixed Income Subclass	Pension Fixed Income	OPEB Fixed Income
US treasuries	\$ 1,140,312	\$ -
Government agencies	5,597,184	-
Corporate bonds	11,104,717	495,699
Taxable municipal debt	11,528,083	-
	<u>\$ 29,370,296</u>	<u>\$ 495,699</u>

The City has the following recurring fair value measurements as of December 31, 2020:

U.S. Treasury securities, government agencies and taxable municipal debt of \$18,265,579 valued using quoted market prices (Level 1 inputs)

Corporate bonds of \$11,600,415 are valued using a matrix pricing model (Level 2 inputs)

Equity securities of \$57,677,898 are valued using quoted market prices (Level 1 inputs)

Interest income is recognized when earned. Dividend income is recorded on the ex-dividend date.

The long-term expected rate of return of 7.5 percent on CEPP and OPEB plan investments was determined using official rates of return under the Global Investment Performance Standards in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best

estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-Term	
	Target Allocation	Expected Rate of Return
US Fixed Income	28%	3%
International Fixed Income	7%	4%
Domestic Equity	42%	8%
International Equity	15%	9%
Alternative Investments	8%	6%
	<u>100%</u>	

Discount Rate. The discount rate used to measure the total pension liability and the OPEB liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the pension plan's fiduciary net position and the OPEB plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Rate of Return. For the year ended December 31, 2020, the annual money-weighted rate of return on pension and OPEB plan investments, net of investment expense, was 14.3 and 13.23 percent, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Actuarial Assumptions. The actuarial methods and assumptions are presented by plan below. The information is based upon the actuary reports generated by the studies conducted by the Gallagher Group. Securities are valued at fair value. The calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and the pattern of sharing costs between the employee and the plan members to that point.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial

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calculations reflect a long-term perspective.

The costs of administering the City Pension and OPEB plans are part of the calculation to determine the employer and employee contributions.

Below is listed the various actuarial methods and significant assumptions used to measure the total pension liability and the total OPEB liability.

<u>Assumption</u>	<u>Pension</u>	<u>OPEB</u>
Valuation date	January 1, 2021	January 1, 2019
Measurement date	January 1, 2021	December 31, 2020
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level dollar amount	Level dollar amount
Remaining amortization period	30 year closed period (23 years remain as of 1/1/21)	23 year closed period
Asset valuation method-smoothing	5 years gains and losses	5 years gains and losses
Investment rate of return	7.5%	7.5%
Projected salary increases	0-4 years of service 7% 5-12 years of service 4.5% 13+ years of service 4%	0-4 years of service 7% 5-12 years of service 4.5% 13+ years of service 4%
Cost of living adjustments	1% after age 65	N/A
Marriage rate	85%	85%
Spouse age differential	males 3 years older than female spouses	males 3 years older than female spouses
Mortality rate	Mortality rates are based on the Pub-2010 and Pub-2010 Mortality tables with Projection Scale MP-2020.	Mortality rates are based on the Pub-2010 and Pub-2010 Mortality tables with Projection Scale MP-2020.
Health insurance elections	N/A	80% City employees elect medical coverage 60% City employees elect spousal coverage Current retirees continue current medical coverage

The healthcare trend rates are used to project health insurance claims, administration costs, and retiree premiums into the future. Effective December 31, 2020, healthcare cost trend rates were updated and increased by .5 percent. The following table provides the healthcare cost trend rates for future years.

<u>Fiscal Year</u>	<u>1/01/17</u>	<u>1/01/19</u>
Beginning	Valuation	Valuation
2017	8.5%	N/A
2018	8.0%	N/A
2019	7.5%	8.0%
2020	7.0%	7.5%
2021	6.5%	7.0%
2022	6.0%	6.5%
2023	5.5%	6.0%
2024	5.0%	5.5%
2025+	5.0%	5.0%

Pension Costs. As of December 31, 2020, the CEPP reported a net pension liability of \$61,068,712 as determined by the actuarial valuation. The City of Minot reported a liability of \$55,557,719 for its proportionate share of the CEPP's net pension liability which was based on its present value of future payroll relative to the total present value of payroll for all participating employers. The City of Minot's proportionate share was 90.60 percent which was a decrease of .38 percent from its proportion measured as of December 31, 2019.

The components of the net pension liability of all participants as of December 31, 2020 were as follows:

Total pension liability	\$ 149,489,870
Plan fiduciary net position	88,421,158
Net pension liability (asset)	<u>\$ 61,068,712</u>

For the year ended December 31, 2020, The CEPP recognized pension expense of \$4,914,418. The City of Minot recognized pension expense of \$4,249,027 for its proportionate share of the CEPP's pension expense.

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At December 31, 2020, the CEPP reported the following amounts and sources for deferred outflows of resources and deferred inflows of resources:

Source	Deferred Outflows of Resources	Deferred Inflows of Resources	City of Minot's Proportionate Share	
			Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,841,868	\$ -	\$ 1,675,653	\$ -
Changes of assumptions	3,040,675	-	2,766,277	-
Net difference between projected and actual earnings on investments	-	(7,169,726)	-	(6,522,712)
Changes in proportion	5,538,346	(5,538,346)	5,034,674	(5,510,982)
Total	\$ 10,420,889	\$(12,708,072)	\$ 9,476,604	\$(12,033,694)

Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense for the CEPP and for the City of Minot's proportionate share as follows:

Year	Pension Plan	City of Minot Proportionate Share
2021	\$ 59,586	\$ (167,693)
2022	769,436	477,115
2023	(2,050,827)	(2,081,163)
2024	(1,065,378)	(1,007,251)

The following presents the CEPP's net pension liability and City of Minot's proportionate share calculated using the discount rate of 7.5 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net pension liability	\$ 78,621,254	\$ 61,068,712	\$ 46,380,554
City of Minot's proportionate share of the Net Pension Liability	71,526,276	55,557,719	42,195,057

OPEB Costs. As of December 31, 2020, the OPEB reported a net OPEB asset of \$250,253. The net OPEB asset was measured as of December 31, 2020, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of January 1, 2019. Update procedures were used to roll forward the total OPEB asset to the measurement date. The schedule of changes in the net OPEB asset for the year ended, December 31, 2020 were as follows:

	Increase/(Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at 12/31/19	\$ 751,254	\$ 897,508	\$ (146,254)
Changes for the year:			
Service cost	29,453	-	29,453
Interest	55,495	-	55,495
Difference between expected and actual experience	-	-	-
Changes in Assumptions	1,756	-	1,756
Contributions - employer	-	85,743	(85,743)
Net investment income	-	118,160	(118,160)
Benefit payments	(81,550)	(81,550)	-
Administrative expense	-	(13,200)	13,200
Net changes	5,154	109,153	(103,999)
Balance at 12/31/20	\$ 756,408	\$ 1,006,661	\$ (250,253)

For the year ended December 31, 2020, the OPEB plan recognized OPEB expense (revenue) of \$(14,422).

The plan reported the following amounts and sources for deferred outflows of resources and deferred inflows of resources:

Source	Balances at December 31, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (95,065)
Changes of assumptions	3,537	-
Net difference between projected and actual earnings on investments	-	(79,136)
Total	\$ 3,537	\$ (174,201)

Deferred outflows and inflows of resources will be recognized in OPEB expense as follows:

Year	
2021	(45,593)
2022	(26,539)
2023	(53,563)
2024	(29,169)
2025	(16,068)
Thereafter	268

The following presents the net OPEB asset calculated using the discount rate of 7.5 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate:

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	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net OPEB Liability (Asset)	\$ (176,872)	\$ (250,253)	\$ (316,222)

The following presents the net OPEB asset of the City, as well as what the City's net OPEB asset would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7 percent decreasing to 4 percent) or 1 percentage point higher (9 percent decreasing to 6 percent) than the current healthcare cost trend rates:

	1% Decrease (7% decreasing to 4%)	Healthcare Cost Trend Rates (8% decreasing to 5%)	1% Increase (9% decreasing to 6%)
Net OPEB Liability (Asset)	\$ (326,300)	\$ (250,253)	\$ (162,125)

**NORTH DAKOTA PUBLIC EMPLOYEE
RETIREMENT SYSTEM PENSION PLAN**

Plan Description

As of January 1, 2019, all newly hired full-time employees of the City of Minot are required to enroll in the defined benefit plan administered by the North Dakota Public Employee Retirement System (NDPERS). Voluntary enrollment in the NDPERS plan was offered to all members currently participating in the City Defined Contribution Plan.

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

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

The following brief description of NDPERS is provided for general information purposes only.

Participants should refer to NDCC Chapter 54-52 for more complete information.

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

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

Pension Benefits

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

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

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Death and Disability Benefits

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

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

Refunds of Member Account Balance

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

Member and Employer Contributions

Member and employer contributions paid to NDPERS are set by statute and are established as a percent of salaries and wages. Member contribution rates are 7% and employer contribution rates are 7.12% of covered compensation.

The member's account balance includes the vested employer contributions equal to the member's contributions to an eligible deferred compensation

plan. The minimum member contribution is \$25 and the maximum may not exceed the following:

1 to 12 months of service – Greater of one percent of monthly salary or \$25

13 to 24 months of service – Greater of two percent of monthly salary or \$25

25 to 36 months of service – Greater of three percent of monthly salary or \$25

Longer than 36 months of service – Greater of four percent of monthly salary or \$25

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

At December 31, 2020, the City of Minot reported a liability of \$17,199,991 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net pension liability was based on the Employer's share of covered payroll in the Main System pension plan relative to the covered payroll of all participating Main System employers. At June 30, 2020, the Employer's proportion was .546722 percent, which was an increase of .319745 from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the Employer recognized pension expense of \$4,372,593. At December 31, 2020, the Employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 66,935	\$ 871,540
Changes of assumptions	9,220,281	1,524,342
Net difference between projected and actual earnings on pension plan investments	555,129	-
Changes in proportions and differences between employer contributions and proportionate share of contributions	4,799,919	-
Employer contributions subsequent to the measurement date (see below)	46,538	-
Total	\$ 14,688,802	\$ 2,395,882

\$46,538 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will

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be recognized as a reduction of the net pension liability in the year ended 12/31/2021.

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

Year ended June 30, 2020:	
2021	\$ 3,526,672
2022	3,225,068
2023	2,866,670
2024	2,627,972
Total	\$ 12,246,382

Actuarial assumptions

The total pension liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	3.5% to 17.75% including inflation
Investment rate of return	7.00%, net of investment expenses
Cost-of-living adjustments	None

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	30%	6.30%
International Equity	21%	6.85%
Private Equity	7%	9.75%
Domestic Fixed Income	23%	1.25%
Global Real Assets	19%	5.01%

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 2.45%; and the resulting Single Discount Rate is 4.64%.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate. The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 4.64 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.64 percent) or 1-percentage-point higher (5.64 percent) than the current rate:

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	Current	
1% Decrease	Discount Rate	1% Increase
(3.64%)	(4.64%)	(5.64%)
\$ 22,315,697	\$17,199,993	\$ 13,014,097

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

NORTH DAKOTA RETIREE HEALTH INSURANCE CREDIT FUND (OPEB)

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

North Dakota Public Employees Retirement System

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

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

consists of a Chairman, who is appointed by the Governor; one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

OPEB Benefits

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

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

Effective July 1, 2015, the credit is also available to apply towards monthly premiums under the state dental, vision and long-term care plan and any other health insurance plan. Effective August 1, 2019 the benefit may be used for any eligible health, prescription drug plan, dental, vision, or long term care plan premium expense. The benefits are equal to \$5.00 for each of the employee's, or deceased employee's years of credited service not to exceed the premium in effect for selected coverage. The retiree health insurance credit is also available for early retirement with reduced benefits.

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

2021	\$ 60,773
2022	64,166
2023	63,544
2024	59,722
2025	42,768
2026	4,684
Total	\$ 295,657

At 12/31/2020, the City of Minot reported a liability of \$381,576 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net OPEB liability was based on the Employer's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At 06/30/2020, the Employer's proportion was .453611 percent which was an increase of .242029 from its proportion measured as of June 30, 2019.

Actuarial assumptions. The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Not applicable
Investment rate of return	6.50%, net of investment expenses
Cost-of-living adjustments	None

For the year ended December 31, 2020, the Employer recognized OPEB expense of \$103,410. At December 31, 2020, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,472	\$ 9,148
Changes of assumptions	51,161	-
Net difference between projected and actual earnings on OPEB plan investments	13,122	-
Changes in proportions and differences between employer contributions and proportionate share of contributions	232,050	-
Employer contributions subsequent to the measurement date (see below)	8,393	-
Total	<u>\$ 313,198</u>	<u>\$ 9,148</u>

\$8,393 reported as deferred outflows of resources related to OPEB resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2021.

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

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

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of RHIC investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Domestic Equities	33%	6.10%
Small Cap Domestic Equities	6%	7.00%
Domestic Fixed Income	40%	1.15%
International Equities	21%	6.45%

Discount rate. The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed plan

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member and statutory/Board approved employer contributions will be made at rates equal to those based on the July 1, 2018, and July 1, 2017, HPRS actuarial valuation reports. For this purpose, only employer contributions that are intended to fund benefits of current RHIC members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the RHIC fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on RHIC investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Employer's proportionate share of the net OPEB liability to changes in the discount rate.

The following presents the net OPEB liability of the Plans as of June 30, 2020, calculated using the discount rate of 6.50%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	Current Discount Rate (6.50%)	1% Increase (7.50%)
1% Decrease (5.50%)	\$ 500,446	\$ 281,056
	\$ 381,576	

DEFINED CONTRIBUTION PLAN

The City administers the City of Minot North Dakota 401(a) Retirement Plan and the City of Minot North Dakota 457 Plan, a defined contribution plan and a 457(e)(1)(A) deferred compensation plan, respectively, for all full-time employees of the City of Minot and the Minot Park District hired January 1, 2014 through December 31, 2018. The 401(a) plan requires eligible employees to contribute 7.5 percent of their earnings to the Plan. The employee contributions meet the requirements of pick-up contributions under Internal Revenue Code 414(h) (2). The 457(b) plan is provided for those employees who elect to defer a portion of their compensation.

For each enrolled city employee, the City shall contribute an amount which will equal 400 percent of the amount of the employee's contribution to the 457(e) (1) (A) plan, not to exceed 8 percent of the employee's eligible compensation. Benefit terms, including contribution requirements are established and may be amended by the City Council. For the year ended December 31, 2020, City of Minot employee

contributions totaled \$734,379 and the City recognized employer contributions of \$464,273.

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in City contributions and earnings on City contributions based on the following schedule:

<u>Years of Creditable Service</u>	<u>Vested Portion</u>
Less than 1 year	0%
Less than 2 years	20%
Less than 3 years	40%
Less than 4 years	60%
Less than 5 years	80%
5 years or more	100%

Non-vested City contributions are forfeited following a five year period of severance. Such forfeitures are used to make restorations for rehired participants and to reduce employer contributions or to correct errors, omissions and exclusions. For the year ended December 31, 2020, forfeitures reduced the City's plan expense by \$70,464.

E. MUNICIPAL SOLID WASTE LANDFILL

State and federal rules and regulations require the City of Minot to place a final cover on its Municipal Solid Waste Landfill (MSWLF) site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after the closure. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as operating expense in each period based on landfill capacity used as of each balance sheet date. The \$1,615,010 reported as MSWLF closure and post-closure care liability at December 31, 2020, represents the cumulative amount reported to date based on the use of 60.93% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of over \$0.7 million as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2020.

The City acquired 320 acres of land in 2017 to expand the landfill, City Council approved the rezoning of the land to public use in March of 2019. The City is currently working towards permitting 100 acres of the land, which will result in an additional 5 cells. It is expected the new cells will expand the life of the landfill approximately 15-20 years putting the anticipated closure in 2045. Actual costs may be higher due to inflation, deflation, changes in

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technology, or changes in applicable laws or regulations.

The City is required by state and federal rules and regulations to establish a mechanism to demonstrate financial assurance for both closure and post-closure care. Mechanisms used to demonstrate financial assurance must ensure the amount of funds assured are adequate to cover the costs of closure and post-closure care costs and the funds will be available in a timely fashion whenever needed. All mechanisms must be legally valid and binding under North Dakota law. The City of Minot has chosen a financial test as their mechanism of choice.

City's share will decrease yearly by 1/3, the City will never be required to exceed the \$500,000 reserve fund balance. The reserve fund balance is being tracked in the general fund.

H. ISSUED BUT NON-EFFECTIVE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued several statements not yet implemented by the City. The first statement issued but not yet implemented that will affect the City is statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This statement will be implemented at the City in the year ending December 31, 2021 and management has not yet determined the affect this pronouncement will have on the City's financial statements.

I. TRANSFER OF OPERATIONS

The City of Minot transferred the operations of the Recreation and Auditorium department as of April 1, 2019 to the Minot Park District. Minot Park District is a separate legal entity. The City is required to keep a reserve fund balance of \$500,000 to contribute to the costs of repairs and maintenance, in 2020 the City was responsible for 100% of repairs. In 2021 and 2022 the

Required
Supplementary
Information

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Required Supplementary Information

City of Minot Pension Plan							
Schedule of Changes in Net Pension Liability							
	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service cost	\$ 1,922,055	\$ 2,082,244	\$ 2,249,894	\$ 2,383,628	\$ 2,629,375	\$ 2,772,781	\$ 2,926,936
Interest	10,400,514	10,075,851	9,842,601	9,549,088	9,316,516	8,987,447	8,647,284
Differences between expected and actual experience	1,007,342	1,829,136	585,846	1,115,928	(129,360)	912,914	930,846
Changes of assumptions	4,210,166				-	-	-
Benefit payments, including refunds of member contributions	(9,603,346)	(9,393,046)	(9,408,354)	(8,594,432)	(8,345,228)	(7,939,080)	(7,691,728)
Net change in total pension liability	7,936,731	4,594,185	3,269,987	4,454,212	3,471,303	4,734,062	4,813,338
Total pension liability--beginning	141,553,139	136,958,954	133,688,967	129,234,755	125,763,452	121,029,390	116,216,052
Total pension liability--ending (a)	<u>\$ 149,489,870</u>	<u>\$ 141,553,139</u>	<u>\$ 136,958,954</u>	<u>\$ 133,688,967</u>	<u>\$ 129,234,755</u>	<u>\$ 125,763,452</u>	<u>\$ 121,029,390</u>
Plan fiduciary net position							
Contributions--employer	\$ 5,856,306	\$ 5,520,348	\$ 5,699,224	\$ 4,761,786	\$ 4,943,357	\$ 4,250,241	\$ 4,520,993
Contributions--member	2,015,332	2,101,187	2,239,449	2,364,529	2,461,395	2,635,549	2,705,235
Net investment income	11,189,672	14,214,347	(3,912,342)	10,005,230	3,888,252	(1,168,638)	4,222,235
Benefit payments, including refunds of member contributions	(9,603,346)	(9,393,046)	(9,408,354)	(8,594,432)	(8,345,228)	(7,939,080)	(7,691,728)
Administrative expense	(146,056)	(150,337)	(137,437)	(138,656)	(168,872)	(176,725)	(252,270)
Net change in plan fiduciary net position	9,311,908	12,292,499	(5,519,459)	8,398,457	2,778,904	(2,398,653)	3,504,465
Plan fiduciary net position--beginning	79,109,250	66,816,751	72,336,210	63,937,754	61,158,850	63,557,503	60,053,038
Plan fiduciary net position--ending (b)	<u>\$ 88,421,158</u>	<u>\$ 79,109,250</u>	<u>\$ 66,816,751</u>	<u>\$ 72,336,211</u>	<u>\$ 63,937,753</u>	<u>\$ 61,158,850</u>	<u>\$ 63,557,503</u>
Net pension liability (asset)--ending (a) - (b)	\$ 61,068,712	\$ 62,443,889	\$ 70,142,203	\$ 61,352,756	\$ 65,297,001	\$ 64,604,602	\$ 57,471,887

Schedules are intended to show information for 10 years commencing with the fiscal year ended December 31, 2014. Additional years will be displayed as they occur.

City of Minot Pension Plan							
Schedule of Pension Contributions							
	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 5,506,052	\$ 5,329,140	\$ 5,253,403	\$ 5,188,965	\$ 5,084,364	\$ 4,721,976	\$ 4,772,530
Contributions in relation to the actuarially determined contribution	5,856,306	5,520,348	5,699,224	4,761,786	4,943,357	4,250,241	4,520,993
Contribution deficiency (excess)	<u>\$ (350,254)</u>	<u>\$ (191,208)</u>	<u>\$ (445,821)</u>	<u>\$ 427,179</u>	<u>\$ 141,007</u>	<u>\$ 471,735</u>	<u>\$ 251,537</u>
Covered payroll	\$ 13,723,399	\$ 14,252,995	\$ 14,346,729	\$ 15,526,328	\$ 16,111,568	\$ 16,945,005	\$ 16,984,001
Contributions as a percentage of covered payroll	42.67%	38.73%	39.72%	30.67%	30.68%	25.08%	26.62%

City of Minot Pension Plan							
Schedule of Pension Investment Returns							
	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses	14.3%	21.6%	-5.5%	15.9%	6.4%	-1.9%	7.1%

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City of Minot Pension Plan
Schedule of Net Pension Liability - Employer's Proportionate Share

Fiscal Year Ending	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	92.0500%	\$ 52,902,872	\$ 15,719,104	337%	52.51%
2015	91.8260%	59,323,830	15,620,939	380%	48.63%
2016	91.8533%	59,977,437	14,900,307	403%	49.47%
2017	91.8255%	56,337,499	14,369,546	392%	54.11%
2018	92.0056%	64,534,755	13,213,393	488%	48.79%
2019	90.9758%	56,808,799	12,852,017	442%	55.89%
2020	90.5985%	55,557,719	12,289,971	452%	59.15%

City of Minot Pension Plan
Schedule of Contributions - Employer's Proportionate Share

Fiscal Year Ending	Actuarially Determined Contributions	Actual Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 4,393,114	\$ 4,278,573	\$ 114,541	\$ 15,719,104	27.22%
2015	4,336,002	3,993,088	342,914	15,620,939	25.56%
2016	4,670,155	4,678,695	(8,540)	14,900,307	31.40%
2017	4,764,795	4,520,825	243,970	14,369,546	31.46%
2018	4,833,425	5,328,970	(495,545)	13,213,393	40.33%
2019	5,184,912	5,041,069	143,843	12,852,017	39.22%
2020	4,988,402	5,332,496	(344,094)	12,289,971	43.39%

Note: The actuarially determined contributions have been restated, retroactively, to reflect the City's proportionate share based on the actual dollar amount, rather than as a percentage of payroll. Because the plan has been closed to new participants and the amortization period is closed, the dollar amount of actuarially determined contributions more accurately depicts what should be contributed to the plan.

Schedules are intended to show information for 10 years commencing with the fiscal year ended December 31, 2014. Additional years will be displayed as they occur.

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Notes to City of Minot Employee's Pension Plan:

Measurement Date: January 1, 2021

Assumption changes: As of 12/31/2020 the Plan updated the mortality from the fully generational RP-2000 mortality table to the Pub-2010 with mortality improvement Scale MP-2020. This change increased the liability by \$4,210,166. There were no other changes in Plan provisions, cost allocation procedures, contribution allocation procedures, assumptions or methods from the January 1, 2020 Valuation. There were no adjustments of prior measurements or use of approximations which would materially impact the results. Effective January 1, 2014 the Plan has been closed to new participants. As a result of the plan closing, the amortization method was changed from an open 30 year level percentage of payroll method to a 30-year close level dollar method. As of January 1, 2021 there are 23 years remaining in the amortization period.

Schedule of Changes in Net OPEB Liability (Asset)				
	2020	2019	2018	2017
Total OPEB Liability				
Service Cost	\$ 29,453	\$ 27,398	\$ 34,119	\$ 32,965
Interest	55,495	66,543	71,789	76,434
Differences between expected and actual experience	-	(134,261)	-	-
Changes of assumptions	1,756	2,865	-	-
Benefit payments (net)	(81,550)	(142,280)	(195,973)	(149,002)
Net change in total OPEB liability	\$ 5,154	\$ (179,735)	\$ (90,065)	\$ (39,603)
Total OPEB Liability--Beginning	751,254	930,989	1,021,054	1,060,657
Total OPEB Liability--Ending (a)	<u>\$ 756,408</u>	<u>\$ 751,254</u>	<u>\$ 930,989</u>	<u>\$ 1,021,054</u>
 Plan fiduciary net position				
Contributions--employer	\$ 85,743	\$ 47,023	\$ 41,482	\$ 41,482
Net investment income	118,160	179,487	(63,313)	165,108
Benefit payments (net)	(81,550)	(142,280)	(195,973)	(149,002)
Administrative expense	(13,200)	(2,400)	(2,400)	(13,200)
Other	-	-	-	-
Net change in plan fiduciary net position	\$ 109,153	\$ 81,830	\$ (220,204)	\$ 44,388
Plan fiduciary net position--beginning	897,508	815,678	1,035,882	991,494
Plan fiduciary net position--ending (b)	<u>\$ 1,006,661</u>	<u>\$ 897,508</u>	<u>\$ 815,678</u>	<u>\$ 1,035,882</u>
Net OPEB Liability (asset)--ending (a) - (b)	<u>\$ (250,253)</u>	<u>\$ (146,254)</u>	<u>\$ 115,311</u>	<u>\$ (14,828)</u>
 Plan fiduciary net position as a percentage of the total OPEB liability (asset)				
	133.1%	119.5%	87.6%	101.5%
Covered payroll	\$ 13,700,000	\$ 13,200,000	\$ 15,400,000	\$ 14,900,000
Net OPEB liability (asset) as a percentage of covered payroll	-1.8%	-1.1%	0.75%	-0.10%

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**City of Minot Employees' OPEB Plan
Schedule of OPEB Contributions**

	2020	2019	2018	2017
Actuarially Determined Contributions	\$ 85,743	\$ 47,023	\$ 41,482	\$ 41,482
Contributions in Relation to the Actuarially Determined Contributions	85,743	47,023	41,482	41,482
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 13,700,000	\$ 13,200,000	\$ 15,400,000	\$ 14,900,000
Contributions as a Percentage of Covered Payroll	0.6%	0.4%	0.3%	0.3%

**City of Minot Employees' OPEB Plan
Schedule of OPEB Investment Returns**

	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expenses	13.23%	23.41%	-6.61%	17.73%

Notes to City of Minot Employee's OPEB Plan Schedules

Methods and assumptions used to determine contribution rates:

Valuation date	January 1, 2019
Measurement date	December 31, 2020
Actuarial cost method	Entry age normal
Amortization method	Level dollar amount
Remaining amortization period	23 year closed period
Asset valuation method-smoothing	5 years gains and losses
Investment rate of return	7.5%
Healthcare cost trend rates	8.0% initial, decreasing 0.5% per year to an ultimate rate of 5.0%
Projected salary increases	0-4 years of service 7% 5-12 years of service 4.5% 13+ years of service 4%
Cost of living adjustments	N/A
Marriage rate	85%
Spouse age differential	males 3 years older than female spouses
Mortality rate	Mortality rates are based on the Pub-2010 and Pub-2010 Mortality tables with Projection Scale MP-2020.
Health insurance elections	80% City employees elect medical coverage 60% City employees elect spousal coverage Current Retirees to continue with current coverage

OPEB plan schedules are intended to show information for 10 years commencing with the fiscal year ended December 31, 2017. Additional years will be displayed as they occur. Update procedures were used to roll forward the total OPEB liability to the measurement date.

Assumption changes: As of 12/31/2020 the Plan updated the mortality from the fully generational RP-2000 mortality table to the Pub-2010 with mortality improvement Scale MP-2020. This change increased the liability by \$1,756. There were no other changes in Plan provisions, cost allocation procedures, contribution allocation procedures, assumptions or methods from the previous measurement. Effective January 1, 2014 the Plan has been

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closed to new participants. As a result of the plan closing, the amortization method was changed from an open 30 year level percentage of payroll method to a 30-year close level dollar method. As of January 1, 2021 there are 23 years remaining in the amortization period.

**ND Public Employees Retirement System
Schedule of City of Minot's Share of Net Pension Liability**

As of measurement date of	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2019	0.2270%	\$ 2,660,335	\$ 2,360,950	1.13%	71.66%
6/30/2020	0.5467%	17,199,991	6,031,001	2.85%	48.91%

**ND Public Employees Retirement System
Schedule of City of Minot's Contributions**

Fiscal Year Ending	Statutorily Determined Contribution	Contributions in Relation to the Statutorily Determined Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 171,890	\$ 55,027	\$ 116,863	\$ 2,360,950	2.33%
2020	427,048	328,371	98,677	6,031,001	5.44%

The amounts presented for the fiscal year was determined as of the measurement date of the City's net pension liability, which is June 30, of the previous year for NDPERS.

Notes to North Dakota Employees Retirement System Schedules

Measurement Date: June 30, 2020

Changes of benefit terms.

The interest rate earned on member contributions will decrease from 7.00 percent to 6.50 percent effective January 1, 2021 (based on the adopted decrease in the investment return assumption). New Main System members who are hired on or after January 1, 2020 will have a benefit multiplier of 1.75 percent (compared to the current benefit multiplier of 2.00 percent). The fixed employer contribution for new members of the Main System will increase from 7.12 percent to 8.26 percent. For members who terminate after December 31, 2019, final average salary is the higher of the final average salary calculated on December 31, 2019 or the average salary earned in the three highest periods of twelve consecutive months employed during the last 180 months of employment. There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2019.

Changes of assumptions.

The Board approved the following changes to the actuarial assumptions beginning with the July 1, 2019 valuation:

- The investment return assumption was lowered from 7.5% to 7.0%
- The assumed rate of price inflation was lowered from 2.5 to 2.25 percent for the July 1, 2020 valuation
- The assumed rate of total payroll growth was updated for the July 1, 2020 valuation
- Mortality table updates were made for the July 1, 2020 valuation

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All other actuarial assumptions and the actuarial cost method are unchanged from the last actuarial valuation as of July 1, 2019.

ND Public Employees Retirement System OPEB Plan Schedule of City of Minot's Share of Net OPEB Liability					
As of measurement date of	Employer's Proportion of the Net Opeb Liability	Employers's Proportionate Share of the Net Opeb Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Opeb Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Opeb Liability
6/30/2019	0.2119%	\$ 169,940	\$ 2,360,950	7.20%	63.13%
6/30/2020	0.4536%	381,576	5,171,035	7.38%	63.38%

ND Public Employees Retirement System OPEB Plan Schedule of City of Minot's Contributions					
Fiscal Year Ending	Statutorily Determined Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 27,458	\$ 8,810	\$ 18,648	\$ 2,360,950	0.37%
2020	60,749	50,628	10,121	5,171,035	0.98%

The amounts presented for the fiscal year was determined as of the measurement date of the City's net pension liability, which is June 30, of the previous year for NDPERS.

Notes to North Dakota Employees Retirement System OPEB Plan Schedules

Measurement Date: June 30, 2020

Changes of benefit terms: Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2019.

Changes of assumptions: The Board approved the following changes to the actuarial assumptions beginning with the July 1, 2020 valuation:

- The investment return assumption was lowered from 7.25% to 6.50%

All other actuarial assumptions and the actuarial cost method are unchanged from the last actuarial valuation as of July 1, 2019.

Supplementary Information

City of Minot, North Dakota

Debt

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

For the Year Ended December 31, 2020

With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Property tax collections	\$ 3,493,123	\$ 3,493,123	\$3,367,226	\$ (125,897)	\$ 2,971,720
Special assessment collections	1,659,496	1,659,496	1,897,494	237,998	1,860,459
Interest income	-	-	117,175	117,175	154,070
Miscellaneous	-	-	177,330	177,330	207,197
Total revenues	<u>5,152,619</u>	<u>5,152,619</u>	<u>5,559,225</u>	<u>406,606</u>	<u>5,193,446</u>
EXPENDITURES					
Debt service:					
Principal retirement	4,421,492	4,421,492	3,999,711	421,781	3,840,000
Interest	1,556,637	1,556,229	997,841	558,388	1,089,040
Administrative charges	-	408	408	-	1,201
Total expenditures	<u>5,978,129</u>	<u>5,978,129</u>	<u>4,997,960</u>	<u>980,169</u>	<u>4,930,241</u>
Excess (deficiency) of revenues over expenditures	<u>(825,510)</u>	<u>(825,510)</u>	<u>561,265</u>	<u>1,386,775</u>	<u>263,205</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	46,215	46,215	1,215	(45,000)	218,042
Transfers out	-	(50,321)	(50,321)	-	(85,800)
Total other financing sources (uses)	<u>46,215</u>	<u>(4,106)</u>	<u>(49,106)</u>	<u>(45,000)</u>	<u>132,242</u>
Net change in fund balances	<u>\$ (779,295)</u>	<u>\$ (829,616)</u>	512,159	<u>\$ 1,341,775</u>	395,447
Fund balances - beginning			<u>5,028,312</u>		<u>4,632,865</u>
Fund balances - ending			<u>\$5,540,471</u>		<u>\$ 5,028,312</u>

City of Minot, North Dakota
Capital Infrastructure
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Property tax collections	\$ 602,662	\$ 602,662	\$ 565,054	\$ (37,608)	\$ 7,500
Intergovernmental	24,821,465	24,821,465	8,842,833	(15,978,632)	11,094,655
Interest income	-	-	92,802	92,802	132,003
Miscellaneous	-	-	51,708	51,708	57,828
Total revenues	<u>25,424,127</u>	<u>25,424,127</u>	<u>9,552,397</u>	<u>(15,871,730)</u>	<u>11,291,986</u>
EXPENDITURES					
Capital outlay:					
General government	-	-	-	-	9,106,704
Public safety	20,625,949	14,534,859	5,709,302	8,825,557	-
Highways and streets	10,210,707	21,348,040	2,480,623	18,867,417	288,842
Total expenditures	<u>30,836,656</u>	<u>35,882,899</u>	<u>8,189,925</u>	<u>27,692,974</u>	<u>9,395,546</u>
Excess (deficiency) of revenues over expenditures	<u>(5,412,529)</u>	<u>(10,458,772)</u>	<u>1,362,472</u>	<u>11,821,244</u>	<u>1,896,440</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	3,425,949	3,845,709	3,769,350	(76,359)	402,530
Transfers out	<u>(50,000)</u>	<u>(1,507,239)</u>	<u>(1,465,644)</u>	<u>41,595</u>	<u>(756,364)</u>
Total other financing sources (uses)	<u>3,375,949</u>	<u>2,338,470</u>	<u>2,303,706</u>	<u>(34,764)</u>	<u>(353,834)</u>
Net change in fund balances	<u>\$(2,036,580)</u>	<u>\$ (8,120,302)</u>	3,666,178	<u>\$ 11,786,480</u>	1,542,606
Fund balances - beginning			11,278,786		9,736,180
Fund balances - ending			<u>\$ 14,944,964</u>		<u>\$ 11,278,786</u>

City of Minot, North Dakota
Combining Governmental Balance Sheet
Nonmajor Governmental Funds

Summary by Fund Type

December 31, 2020

With Comparative Totals for December 31, 2019

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds 2020	Total Nonmajor Governmental Funds 2019
ASSETS				
Cash and cash equivalents	\$ 27,653,304	\$ 4,690,921	\$ 32,344,225	\$ 6,398,871
Restricted cash and cash equivalents	-	-	-	20,966,456
Investments current	4,123,316	-	4,123,316	4,050,643
Taxes receivable delinquent	93,796	59,919	153,715	291,576
Due from other funds	585,578	-	585,578	1,001,190
Accounts receivable	207,492	-	207,492	173,341
Allowance for accounts receivable	(135,150)	-	(135,150)	(135,150)
Intergovernmental receivable	2,978,244	109,969	3,088,213	3,850,697
Loans receivable	1,800,400	-	1,800,400	1,813,000
Allowance for loans receivable	(360,080)	-	(360,080)	(362,600)
Accrued interest receivable	2,352	-	2,352	28,558
Prepaid	69,748	-	69,748	64,177
Other assets - capital credits	31,241	-	31,241	29,285
Total assets	<u>\$ 37,050,241</u>	<u>\$ 4,860,809</u>	<u>\$ 41,911,050</u>	<u>\$ 38,170,044</u>
LIABILITIES				
Accounts payable	\$ 1,332,839	\$ 665,945	\$ 1,998,784	\$ 1,671,039
Retainage payable	167,305	330,260	497,565	885,299
Accrued salaries and benefits payable	77,702	-	77,702	57,976
Due to other funds	585,578	-	585,578	1,001,190
Unearned revenue - other	140,815	-	140,815	49,274
Total liabilities	<u>2,304,239</u>	<u>996,205</u>	<u>3,300,444</u>	<u>3,664,778</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	79,040	51,932	130,972	263,195
Total deferred inflow of resources	<u>79,040</u>	<u>51,932</u>	<u>130,972</u>	<u>263,195</u>
FUND BALANCES (DEFICITS)				
Nonspendable	100,965	-	100,965	93,462
Restricted	195,713	-	195,713	29,240,900
Committed	33,122,992	2,776,516	35,899,508	2,760,252
Assigned	1,247,292	1,036,156	2,283,448	3,114,542
Unassigned	-	-	-	(967,085)
Total fund balances (deficits)	<u>34,666,962</u>	<u>3,812,672</u>	<u>38,479,634</u>	<u>34,242,071</u>
Total liabilities and fund balances (deficits)	<u>\$ 37,050,241</u>	<u>\$ 4,860,809</u>	<u>\$ 41,911,050</u>	<u>\$ 38,170,044</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Summary by Fund Type
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds 2020	Total Nonmajor Governmental Funds 2019
REVENUES				
Property tax collections	\$ 1,608,754	\$ 561,454	\$ 2,170,208	\$ 5,284,721
Sales tax collections	16,524,087	-	16,524,087	17,728,185
Intergovernmental	7,434,895	1,562,874	8,997,769	5,036,826
Charges for services	76,903	-	76,903	225,478
Interest income	234,262	13,209	247,471	600,592
Miscellaneous	87,792	22,897	110,689	241,795
Total revenues	<u>25,966,693</u>	<u>2,160,434</u>	<u>28,127,127</u>	<u>29,117,597</u>
EXPENDITURES				
Current:				
General government	7,083,789	-	7,083,789	4,951,163
Public safety	4,621,335	-	4,621,335	5,469,519
Culture and recreation	2,012,406	-	2,012,406	5,932,137
Economic development	679,973	-	679,973	646,685
Debt service:				
Interest	-	1,130	1,130	23,418
Capital outlay:				
General government	-	451,462	451,462	752,276
Public safety	-	5,616,496	5,616,496	7,495,490
Highways and streets	-	602,523	602,523	1,168,449
Culture and recreation	-	178,407	178,407	178,804
Total expenditures	<u>14,397,503</u>	<u>6,850,018</u>	<u>21,247,521</u>	<u>26,617,941</u>
Excess (deficiency) of revenues over expenditures	<u>11,569,190</u>	<u>(4,689,584)</u>	<u>6,879,606</u>	<u>2,499,656</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	1,391,228	7,555,452	8,946,680	434,122
Premiums on bonds sold	12,089	58,688	70,777	-
Capital leases issued	-	196,153	196,153	805,472
Sale of City property	-	165,637	165,637	143,262
Transfers in	2,124,550	534,983	2,659,533	4,052,334
Transfers out	<u>(14,006,626)</u>	<u>(674,197)</u>	<u>(14,680,823)</u>	<u>(22,715,632)</u>
Total other financing sources (uses)	<u>(10,478,759)</u>	<u>7,836,716</u>	<u>(2,642,043)</u>	<u>(17,280,442)</u>
Net change in fund balances	1,090,431	3,147,132	4,237,563	(14,780,786)
Fund balances - beginning	33,576,531	665,540	34,242,071	49,022,857
Fund balances - ending	<u>\$ 34,666,962</u>	<u>\$ 3,812,672</u>	<u>\$ 38,479,634</u>	<u>\$ 34,242,071</u>



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City of Minot, North Dakota Nonmajor Special Revenue Funds

SPECIAL REVENUE FUNDS – Funds used to account for and report the proceeds of specific revenue sources restricted or committed to expenditure for specified purposes other than debt service or capital projects. (GASB Statement No 54, paragraph 30) Additional information is provided below for some of the nonmajor funds in this category.

Public Transportation - To account for the provisions of transportation services to the residents of the City and surrounding area. Funding is provided by a specific annual property tax levy in addition to miscellaneous revenues such as user fees and grants.

Library - To account for the operation and maintenance of the City's library. Financing is provided by a specific annual property tax levy to the extent miscellaneous revenues such as state grants, rental income and various other funds and fees are not sufficient to provide adequate financing. Property taxes are levied in accordance with ND Century Code Sec. 40-37-01.

Recreation/Auditorium - To account for the operation and maintenance of the City's recreation program and facilities. Financing is provided by a specific annual property tax levy in addition to miscellaneous revenues such as user fees, concessions, and facility rentals. As of April 1, 2019, the operations of the Recreation and Auditorium were merged into the Minot Park District.

Emergency Fund - Accounts for amounts set aside for use in emergency situations caused by natural forces. This funding is provided for by ND Century Code Sec. 57-15-48 and is limited to a maximum of unexpended funds equal to five mills or five dollars per capita.

Sales Tax Funds – The first penny sales tax is dedicated 10% to property tax, 15% to economic development, and 25% to improvements, 50% to flood control. The second penny sales tax is dedicated 18% to property tax relief, 18% to community facilities or flood control, 24% to infrastructure, and 40% to Northwest Area Water Supply (NAWS).

Community Development Block Grant - Disaster Recovery \$67.5 million Fund - To account for the \$67.5 million grant received to assist the City of Minot in recovering from the 2011 flood.

Community Development Block Grant - Disaster Recovery \$35 million Fund - To account for the \$35 million grant received to assist the City of Minot in recovering from the 2011 flood.

National Disaster Resilience \$74.3 million Fund - To account for the \$74.3 million grant received to assist the City of Minot in reducing flood risk and increase resilience, building affordable resilient neighborhoods, and fostering economic resilience and diversification.

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020
With Comparative Totals for December 31, 2019

	<u>Public Transportation</u>	<u>Library</u>	<u>Recreation/ Auditorium</u>	<u>Emergency Fund</u>
ASSETS				
Cash and cash equivalents	\$ 783,888	\$ 261,482	\$ -	\$ 1,703,888
Restricted cash and cash equivalents	-	-	-	-
Investments current	-	-	-	-
Taxes receivable delinquent	20,089	72,603	-	1,104
Due from other funds	-	-	-	-
Accounts receivable	238	61,604	-	-
Allowance for accounts receivable	-	-	-	-
Intergovernmental receivable	298,609	10,493	-	1
Loans receivable	-	-	-	-
Allowance for loans receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Prepaid	25,515	23,473	-	-
Other assets - capital credits	16,159	15,082	-	-
Total assets	<u>\$ 1,144,498</u>	<u>\$ 444,737</u>	<u>\$ -</u>	<u>\$ 1,704,993</u>
LIABILITIES				
Accounts payable	\$ 8,159	\$ 19,388	\$ -	\$ -
Retainage payable	-	17,351	-	-
Accrued salaries and benefits payable	26,404	33,729	-	-
Due to other funds	-	-	-	-
Unearned revenue - other	-	-	-	-
Total liabilities	<u>34,563</u>	<u>70,468</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	16,985	60,956	-	1,099
Total deferred inflow of resources	<u>16,985</u>	<u>60,956</u>	<u>-</u>	<u>1,099</u>
FUND BALANCES (DEFICITS)				
Nonspendable	41,674	38,555	-	-
Restricted	-	-	-	-
Committed	19,735	59,008	-	1,703,894
Assigned	1,031,541	215,750	-	-
Total fund balances (deficits)	<u>1,092,950</u>	<u>313,313</u>	<u>-</u>	<u>1,703,894</u>
Total liabilities, deferred inflows, & fund balances	<u>\$ 1,144,498</u>	<u>\$ 444,737</u>	<u>\$ -</u>	<u>\$ 1,704,993</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

With Comparative Totals for December 31, 2019

	Sales Tax Property Tax Relief 1st Penny	Sales Tax Economic Development	Sales Tax Improvements	Sales Tax Flood Control
ASSETS				
Cash and cash equivalents	\$ 204,784	\$ 8,552,162	\$ 5,451,164	\$ 4,733,961
Restricted cash and cash equivalents	-	-	-	-
Investments current	-	-	-	-
Taxes receivable delinquent	-	-	-	-
Due from other funds	-	-	-	-
Accounts receivable	-	-	-	-
Allowance for accounts receivable	-	-	-	-
Intergovernmental receivable	89,552	134,327	223,879	558,679
Loans receivable	-	1,800,400	-	-
Allowance for loans receivable	-	(360,080)	-	-
Accrued interest receivable	-	-	-	-
Prepaid	-	-	-	-
Other assets - capital credits	-	-	-	-
Total assets	<u>\$ 294,336</u>	<u>\$10,126,809</u>	<u>\$ 5,675,043</u>	<u>\$ 5,292,640</u>
LIABILITIES				
Accounts payable	\$ -	\$ 5,432	\$ -	\$ 1,103,617
Retainage payable	-	-	-	149,954
Accrued salaries and benefits payable	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue - other	-	-	-	-
Total liabilities	<u>-</u>	<u>5,432</u>	<u>-</u>	<u>1,253,571</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	294,336	10,121,377	5,675,043	4,039,069
Assigned	-	-	-	-
Total fund balances (deficits)	<u>294,336</u>	<u>10,121,377</u>	<u>5,675,043</u>	<u>4,039,069</u>
Total liabilities, deferred inflows, & fund balances	<u>\$ 294,336</u>	<u>\$10,126,809</u>	<u>\$ 5,675,043</u>	<u>\$ 5,292,640</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

With Comparative Totals for December 31, 2019

	Sales Tax Property Tax Relief 2nd Penny	Sales Tax Infrastructure Fund	Sales Tax Community Facilities/Flood	CDBG-DR \$67.5 Million
ASSETS				
Cash and cash equivalents	\$ 552,897	\$ 4,044,965	\$ 1,364,113	\$ -
Restricted cash and cash equivalents	-	-	-	-
Investments current	-	4,123,316	-	-
Taxes receivable delinquent	-	-	-	-
Due from other funds	-	-	585,578	-
Accounts receivable	-	135,150	-	-
Allowance for accounts receivable	-	(135,150)	-	-
Intergovernmental receivable	161,193	214,924	161,193	103,205
Loans receivable	-	-	-	-
Allowance for loans receivable	-	-	-	-
Accrued interest receivable	-	2,352	-	-
Prepaid	-	-	-	24
Other assets - capital credits	-	-	-	-
Total assets	<u>\$ 714,090</u>	<u>\$ 8,385,557</u>	<u>\$ 2,110,884</u>	<u>\$ 103,229</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 176
Retainage payable	-	-	-	-
Accrued salaries and benefits payable	-	-	-	6,326
Due to other funds	-	-	-	96,727
Unearned revenue - other	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,229</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	714,090	8,385,557	2,110,884	-
Assigned	-	-	-	-
Total fund balances (deficits)	<u>714,090</u>	<u>8,385,557</u>	<u>2,110,884</u>	<u>-</u>
Total liabilities, deferred inflows, & fund balances	<u>\$ 714,090</u>	<u>\$ 8,385,557</u>	<u>\$ 2,110,884</u>	<u>\$ 103,229</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020
With Comparative Totals for December 31, 2019

	CDBG-DR \$35 Million	CDBG-NDR \$74.3 Million	Total Nonmajor Special Revenue Funds 2020	Total Nonmajor Special Revenue Funds 2019
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 27,653,304	\$ 4,280,442
Restricted cash and cash equivalents	-	-	-	20,966,456
Investments current	-	-	4,123,316	4,050,643
Taxes receivable delinquent	-	-	93,796	191,486
Due from other funds	-	-	585,578	943,829
Accounts receivable	-	10,500	207,492	173,341
Allowance for accounts receivable	-	-	(135,150)	(135,150)
Intergovernmental receivable	9,088	1,013,101	2,978,244	3,723,729
Loans receivable	-	-	1,800,400	1,813,000
Allowance for loans receivable	-	-	(360,080)	(362,600)
Accrued interest receivable	-	-	2,352	28,558
Prepaid	-	20,736	69,748	64,177
Other assets - capital credits	-	-	31,241	29,285
Total assets	<u>\$ 9,088</u>	<u>\$1,044,337</u>	<u>\$ 37,050,241</u>	<u>\$ 35,767,196</u>
LIABILITIES				
Accounts payable	\$ -	\$ 196,067	\$ 1,332,839	\$ 690,304
Retainage payable	-	-	167,305	275,903
Accrued salaries and benefits payable	320	10,923	77,702	57,976
Due to other funds	8,768	480,083	585,578	943,829
Unearned revenue - other	-	140,815	140,815	49,194
Total liabilities	<u>9,088</u>	<u>827,888</u>	<u>2,304,239</u>	<u>2,017,206</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	79,040	173,459
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>79,040</u>	<u>173,459</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	20,736	100,965	93,462
Restricted	-	195,713	195,713	29,240,900
Committed	-	-	33,122,992	1,836,552
Assigned	-	-	1,247,292	2,405,617
Total fund balances (deficits)	<u>-</u>	<u>216,449</u>	<u>34,666,962</u>	<u>33,576,531</u>
Total liabilities, deferred inflows, & fund balances	<u>\$ 9,088</u>	<u>\$1,044,337</u>	<u>\$ 37,050,241</u>	<u>\$ 35,767,196</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	<u>Public Transportation</u>	<u>Library</u>	<u>Recreation/ Auditorium</u>	<u>Emergency Fund</u>
REVENUES				
Property tax collections	\$ 322,971	\$1,269,843	\$ -	\$ 15,940
Sales tax collections	-	-	-	-
Intergovernmental	979,397	63,493	-	226,160
Charges for services	39,437	37,466	-	-
Interest income	5,416	5,273	3,423	11,225
Miscellaneous	27,146	27,302	-	-
Total revenues	<u>1,374,367</u>	<u>1,403,377</u>	<u>3,423</u>	<u>253,325</u>
EXPENDITURES				
Current:				
General government	1,014,414	-	-	-
Public safety	-	-	-	289,800
Culture and recreation	-	1,742,406	-	-
Economic development	-	-	-	-
Total expenditures	<u>1,014,414</u>	<u>1,742,406</u>	<u>-</u>	<u>289,800</u>
Excess (deficiency) of revenues over expenditures	<u>359,953</u>	<u>(339,029)</u>	<u>3,423</u>	<u>(36,475)</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premiums on bonds issued	-	-	-	-
Sale of City property	-	-	-	-
Transfers in	-	321,950	-	-
Transfers out	(3,436)	(4,597)	(1,473,036)	(31,619)
Total other financing sources (uses)	<u>(3,436)</u>	<u>317,353</u>	<u>(1,473,036)</u>	<u>(31,619)</u>
Net change in fund balances	356,517	(21,676)	(1,469,613)	(68,094)
Fund balances - beginning	736,433	334,989	1,469,613	1,771,988
Fund balances - ending	<u>\$ 1,092,950</u>	<u>\$ 313,313</u>	<u>\$ -</u>	<u>\$1,703,894</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Sales Tax Property Tax Relief 1st Penny	Sales Tax Economic Development	Sales Tax Improvements	Sales Tax Flood Control
REVENUES				
Property tax collections	\$ -	\$ -	\$ -	\$ -
Sales tax collections	1,032,755	1,549,133	2,581,889	5,163,777
Intergovernmental	-	-	-	111,778
Charges for services	-	-	-	-
Interest income	1,659	58,470	36,727	24,024
Miscellaneous	-	21,344	-	-
Total revenues	<u>1,034,414</u>	<u>1,628,947</u>	<u>2,618,616</u>	<u>5,299,579</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	4,331,535
Culture and recreation	-	-	270,000	-
Economic development	-	679,973	-	-
Total expenditures	<u>-</u>	<u>679,973</u>	<u>270,000</u>	<u>4,331,535</u>
Excess (deficiency) of revenues over expenditures	<u>1,034,414</u>	<u>948,974</u>	<u>2,348,616</u>	<u>968,044</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	1,391,228
Premiums on bonds issued	-	-	-	12,089
Sale of City property	-	-	-	-
Transfers in	-	-	-	1,800,000
Transfers out	(1,117,105)	(1,004,636)	(2,292,158)	(2,166,490)
Total other financing sources (uses)	<u>(1,117,105)</u>	<u>(1,004,636)</u>	<u>(2,292,158)</u>	<u>1,036,827</u>
Net change in fund balances	(82,691)	(55,662)	56,458	2,004,871
Fund balances - beginning	377,027	10,177,039	5,618,585	2,034,198
Fund balances - ending	<u>\$ 294,336</u>	<u>\$10,121,377</u>	<u>\$ 5,675,043</u>	<u>\$4,039,069</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Sales Tax Property Tax Relief 2nd Penny	Sales Tax Infrastructure Fund	Sales Tax Community Facilities/Flood	CDBG-DR \$67.5 Million
REVENUES				
Property tax collections	\$ -	\$ -	\$ -	\$ -
Sales tax collections	1,858,960	2,478,613	1,858,960	-
Intergovernmental	-	-	-	190,057
Charges for services	-	-	-	-
Interest income	4,008	70,600	13,394	43
Miscellaneous	-	-	-	-
Total revenues	<u>1,862,968</u>	<u>2,549,213</u>	<u>1,872,354</u>	<u>190,100</u>
EXPENDITURES				
Current:				
General government	-	-	-	190,100
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,100</u>
Excess (deficiency) of revenues over expenditures	<u>1,862,968</u>	<u>2,549,213</u>	<u>1,872,354</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premiums on bonds issued	-	-	-	-
Sale of City property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(2,113,139)	(1,987,017)	(1,813,393)	-
Total other financing sources (uses)	<u>(2,113,139)</u>	<u>(1,987,017)</u>	<u>(1,813,393)</u>	<u>-</u>
Net change in fund balances	(250,171)	562,196	58,961	-
Fund balances - beginning	964,261	7,823,361	2,051,923	-
Fund balances - ending	<u>\$ 714,090</u>	<u>\$ 8,385,557</u>	<u>\$ 2,110,884</u>	<u>\$ -</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	CDBG-DR \$35 Million	CDBG-NDR \$74.3 Million	Total Nonmajor Special Revenue Funds 2020	Total Nonmajor Special Revenue Funds 2019
REVENUES				
Property tax collections	\$ -	\$ -	\$ 1,608,754	\$ 3,340,505
Sales tax collections	-	-	16,524,087	12,570,345
Intergovernmental	9,088	5,854,922	7,434,895	4,790,385
Charges for services	-	-	76,903	225,478
Interest income	-	-	234,262	566,401
Miscellaneous	-	12,000	87,792	163,496
Total revenues	<u>9,088</u>	<u>5,866,922</u>	<u>25,966,693</u>	<u>21,656,610</u>
EXPENDITURES				
Current:				
General government	17,531	5,861,744	7,083,789	4,951,163
Public safety	-	-	4,621,335	5,469,519
Culture and recreation	-	-	2,012,406	5,932,137
Economic development	-	-	679,973	646,685
Total expenditures	<u>17,531</u>	<u>5,861,744</u>	<u>14,397,503</u>	<u>16,999,504</u>
Excess (deficiency) of revenues over expenditures	<u>(8,443)</u>	<u>5,178</u>	<u>11,569,190</u>	<u>4,657,106</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	1,391,228	-
Premiums on bonds issued	-	-	12,089	-
Sale of City property	-	-	-	16,480
Transfers in	-	2,600	2,124,550	3,455,101
Transfers out	-	-	(14,006,626)	(22,454,335)
Total other financing sources (uses)	<u>-</u>	<u>2,600</u>	<u>(10,478,759)</u>	<u>(18,982,754)</u>
Net change in fund balances	(8,443)	7,778	1,090,431	(14,325,648)
Fund balances - beginning	8,443	208,671	33,576,531	47,902,179
Fund balances - ending	<u>\$ -</u>	<u>\$ 216,449</u>	<u>\$ 34,666,962</u>	<u>\$ 33,576,531</u>

City of Minot, North Dakota
Public Transportation
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Property tax collections	\$ 330,494	\$ 330,494	\$ 322,971	\$ (7,523)	\$ 405,900
Intergovernmental	686,267	686,267	979,397	293,130	639,192
Charges for services	81,000	81,000	39,437	(41,563)	73,267
Interest income	1,980	1,980	5,416	3,436	9,494
Miscellaneous	17,160	17,160	27,146	9,986	27,073
Total revenues	<u>1,116,901</u>	<u>1,116,901</u>	<u>1,374,367</u>	<u>257,466</u>	<u>1,154,926</u>
EXPENDITURES					
Current:					
General government	1,206,901	1,208,121	1,014,414	193,707	1,090,372
Total expenditures	<u>1,206,901</u>	<u>1,208,121</u>	<u>1,014,414</u>	<u>193,707</u>	<u>1,090,372</u>
Excess (deficiency) of revenues over expenditures	<u>(90,000)</u>	<u>(91,220)</u>	<u>359,953</u>	<u>451,173</u>	<u>64,554</u>
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	-	-	16,480
Transfers out	-	(3,437)	(3,436)	1	(14,810)
Total other financing sources (uses)	<u>-</u>	<u>(3,437)</u>	<u>(3,436)</u>	<u>1</u>	<u>1,670</u>
Net change in fund balances	<u>\$ (90,000)</u>	<u>\$ (94,657)</u>	356,517	<u>\$ 451,174</u>	66,224
Fund balances - beginning			736,433		670,209
Fund balances - ending			<u>\$ 1,092,950</u>		<u>\$ 736,433</u>

City of Minot, North Dakota

Library

**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020**

With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Property tax collections	\$1,314,952	\$1,307,346	\$1,269,843	\$ (37,503)	\$1,289,514
Intergovernmental	48,000	57,161	63,493	6,332	49,686
Charges for services	22,073	22,073	37,466	15,393	7,577
Interest income	369	369	5,273	4,904	11,283
Miscellaneous	15,675	29,325	27,302	(2,023)	41,959
Total revenues	<u>1,401,069</u>	<u>1,416,274</u>	<u>1,403,377</u>	<u>(12,897)</u>	<u>1,400,019</u>
EXPENDITURES					
Current:					
Culture and recreation	1,723,019	1,868,170	1,742,406	125,764	1,481,536
Total expenditures	<u>1,723,019</u>	<u>1,868,170</u>	<u>1,742,406</u>	<u>125,764</u>	<u>1,481,536</u>
Excess (deficiency) of revenues over expenditures	<u>(321,950)</u>	<u>(451,896)</u>	<u>(339,029)</u>	<u>112,867</u>	<u>(81,517)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	321,950	321,950	321,950	-	-
Transfers out	<u>-</u>	<u>(4,598)</u>	<u>(4,597)</u>	<u>1</u>	<u>(27,696)</u>
Total other financing sources (uses)	<u>321,950</u>	<u>317,352</u>	<u>317,353</u>	<u>1</u>	<u>(27,696)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (134,544)</u>	(21,676)	<u>\$ 112,868</u>	(109,213)
Fund balances - beginning			334,989		444,202
Fund balances - ending			<u>\$ 313,313</u>		<u>\$ 334,989</u>

City of Minot, North Dakota
Recreation/Auditorium
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Property tax collections	\$ -	\$ -	\$ -	-	\$ 1,611,944
Charges for services	-	-	-	-	144,634
Interest income	-	-	3,423	3,423	28,806
Miscellaneous	-	-	-	-	24,841
Total revenues	<u>-</u>	<u>-</u>	<u>3,423</u>	<u>3,423</u>	<u>1,810,225</u>
EXPENDITURES					
Current:					
Culture and recreation	-	37,564	-	37,564	1,793,875
Total expenditures	<u>-</u>	<u>37,564</u>	<u>-</u>	<u>37,564</u>	<u>1,793,875</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(37,564)</u>	<u>3,423</u>	<u>40,987</u>	<u>16,350</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(925,949)</u>	<u>(1,473,038)</u>	<u>(1,473,036)</u>	<u>2</u>	<u>(28,594)</u>
Total other financing sources (uses)	<u>(925,949)</u>	<u>(1,473,038)</u>	<u>(1,473,036)</u>	<u>2</u>	<u>(28,594)</u>
Net change in fund balances	<u><u>\$(925,949)</u></u>	<u><u>\$(1,510,602)</u></u>	<u>(1,469,613)</u>	<u>\$ 40,989</u>	<u>(12,244)</u>
Fund balances - beginning			<u>1,469,613</u>		<u>1,481,857</u>
Fund balances - ending			<u><u>\$ -</u></u>		<u><u>\$ 1,469,613</u></u>

City of Minot, North Dakota
Emergency Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	<u>Budgeted Amounts</u>		<u>2020 Actual</u>	<u>Variance with Final Budget</u>	<u>2019 Actual</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Property tax collections	\$ -	\$ -	\$ 15,940	\$ 15,940	\$ 33,147
Intergovernmental	-	226,160	226,160	-	-
Interest income	-	-	11,225	11,225	23,445
Total revenues	<u>-</u>	<u>226,160</u>	<u>253,325</u>	<u>27,165</u>	<u>56,592</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	6,256
Public safety	-	300,260	289,800	10,460	-
Total expenditures	<u>-</u>	<u>300,260</u>	<u>289,800</u>	<u>10,460</u>	<u>6,256</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(74,100)</u>	<u>(36,475)</u>	<u>37,625</u>	<u>50,336</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>-</u>	<u>(31,619)</u>	<u>(31,619)</u>	<u>-</u>	<u>(23,445)</u>
Total other financing sources (uses)	<u>-</u>	<u>(31,619)</u>	<u>(31,619)</u>	<u>-</u>	<u>(23,445)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$(105,719)</u>	<u>(68,094)</u>	<u>\$ 37,625</u>	<u>26,891</u>
Fund balances - beginning			<u>1,771,988</u>		<u>1,745,097</u>
Fund balances - ending			<u>\$ 1,703,894</u>		<u>\$ 1,771,988</u>

City of Minot, North Dakota
Sales Tax Property Tax Relief 1st Penny
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	<u>Budgeted Amounts</u>		<u>2020 Actual</u>	<u>Variance with Final Budget</u>	<u>2019 Actual</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Sales tax collections	\$1,000,000	\$1,000,000	\$1,032,755	\$ 32,755	\$ 1,108,012
Interest income	786	786	1,659	873	3,259
Total revenues	<u>1,000,786</u>	<u>1,000,786</u>	<u>1,034,414</u>	<u>33,628</u>	<u>1,111,271</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(1,116,233)</u>	<u>(1,117,106)</u>	<u>(1,117,105)</u>	<u>1</u>	<u>(1,055,836)</u>
Total other financing sources (uses)	<u>(1,116,233)</u>	<u>(1,117,106)</u>	<u>(1,117,105)</u>	<u>1</u>	<u>(1,055,836)</u>
Net change in fund balances	<u>\$ (115,447)</u>	<u>\$ (116,320)</u>	(82,691)	<u>\$ 33,629</u>	55,435
Fund balances - beginning			<u>377,027</u>		<u>321,592</u>
Fund balances - ending			<u>\$ 294,336</u>		<u>\$ 377,027</u>

City of Minot, North Dakota
Sales Tax Economic Development
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	<u>Budgeted Amounts</u>		<u>2020 Actual</u>	<u>Variance with Final Budget</u>	<u>2019 Actual</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Sales tax collections	\$1,500,000	\$ 1,500,000	\$ 1,549,133	\$ 49,133	\$ 1,662,017
Interest income	31,504	31,504	58,470	26,966	114,688
Miscellaneous	-	-	21,344	21,344	2,520
Total revenues	<u>1,531,504</u>	<u>1,531,504</u>	<u>1,628,947</u>	<u>97,443</u>	<u>1,779,225</u>
EXPENDITURES					
Current:					
Economic development	576,364	1,471,533	679,973	791,560	646,685
Total expenditures	<u>576,364</u>	<u>1,471,533</u>	<u>679,973</u>	<u>791,560</u>	<u>646,685</u>
Excess (deficiency) of revenues over expenditures	<u>955,140</u>	<u>59,971</u>	<u>948,974</u>	<u>889,003</u>	<u>1,132,540</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(177,670)</u>	<u>(1,132,307)</u>	<u>(1,004,636)</u>	<u>127,671</u>	<u>(1,237,188)</u>
Total other financing sources (uses)	<u>(177,670)</u>	<u>(1,132,307)</u>	<u>(1,004,636)</u>	<u>127,671</u>	<u>(1,237,188)</u>
Net change in fund balances	<u>\$ 777,470</u>	<u>\$(1,072,336)</u>	(55,662)	<u>\$ 1,016,674</u>	(104,648)
Fund balances - beginning			<u>10,177,039</u>		<u>10,281,687</u>
Fund balances - ending			<u>\$10,121,377</u>		<u>\$10,177,039</u>

City of Minot, North Dakota
Sales Tax Improvements
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	<u>Budgeted Amounts</u>		<u>2020 Actual</u>	<u>Variance with Final Budget</u>	<u>2019 Actual</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Sales tax collections	\$2,500,000	\$ 2,500,000	\$ 2,581,889	\$ 81,889	\$ 2,770,029
Interest income	17,939	17,939	36,727	18,788	65,927
Total revenues	<u>2,517,939</u>	<u>2,517,939</u>	<u>2,618,616</u>	<u>100,677</u>	<u>2,835,956</u>
EXPENDITURES					
Current:					
Culture and recreation	-	270,000	270,000	-	-
Total expenditures	<u>-</u>	<u>270,000</u>	<u>270,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>2,517,939</u>	<u>2,247,939</u>	<u>2,348,616</u>	<u>100,677</u>	<u>2,835,956</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	7,211
Transfers out	<u>(2,517,939)</u>	<u>(2,591,588)</u>	<u>(2,292,158)</u>	<u>299,430</u>	<u>(2,049,932)</u>
Total other financing sources (uses)	<u>(2,517,939)</u>	<u>(2,591,588)</u>	<u>(2,292,158)</u>	<u>299,430</u>	<u>(2,042,721)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (343,649)</u>	56,458	<u>\$ 400,107</u>	793,235
Fund balances - beginning			<u>5,618,585</u>		<u>4,825,350</u>
Fund balances - ending			<u>\$ 5,675,043</u>		<u>\$ 5,618,585</u>

City of Minot, North Dakota
Sales Tax Flood Control
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Sales tax collections	\$ 5,000,000	\$ 5,000,000	\$5,163,777	\$ 163,777	\$ 382,217
Intergovernmental	26,360,000	26,409,000	111,778	(26,297,222)	337,886
Interest income	39,984	39,984	24,024	(15,960)	114,067
Miscellaneous	-	-	-	-	33,076
Total revenues	<u>31,399,984</u>	<u>31,448,984</u>	<u>5,299,579</u>	<u>(26,149,405)</u>	<u>867,246</u>
EXPENDITURES					
Current:					
Public safety	39,800,000	42,123,840	4,331,535	37,792,305	5,469,519
Total expenditures	<u>39,800,000</u>	<u>42,123,840</u>	<u>4,331,535</u>	<u>37,792,305</u>	<u>5,469,519</u>
Excess (deficiency) of revenues over expenditures	<u>(8,400,016)</u>	<u>(10,674,856)</u>	<u>968,044</u>	<u>11,642,900</u>	<u>(4,602,273)</u>
OTHER FINANCING SOURCES (USES)					
Bonds issued	3,959,158	3,959,158	1,391,228	(2,567,930)	-
Premiums on bonds sold	-	-	12,089	12,089	-
Transfers in	1,800,000	1,800,000	1,800,000	-	2,916,649
Transfers out	<u>(1,593,580)</u>	<u>(2,182,450)</u>	<u>(2,166,490)</u>	<u>15,960</u>	<u>(3,951,229)</u>
Total other financing sources (uses)	<u>4,165,578</u>	<u>3,576,708</u>	<u>1,036,827</u>	<u>(2,539,881)</u>	<u>(1,034,580)</u>
Net change in fund balances	<u><u>\$(4,234,438)</u></u>	<u><u>\$(7,098,148)</u></u>	<u>2,004,871</u>	<u><u>\$ 9,103,019</u></u>	<u>(5,636,853)</u>
Fund balances - beginning			<u>2,034,198</u>		<u>7,671,051</u>
Fund balances - ending			<u><u>\$4,039,069</u></u>		<u><u>\$2,034,198</u></u>

City of Minot, North Dakota
Sales Tax Property Tax Relief 2nd Penny
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Sales tax collections	\$1,800,000	\$1,800,000	\$ 1,858,960	\$ 58,960	\$ 1,994,421
Interest income	3,140	3,140	4,008	868	9,857
Total revenues	<u>1,803,140</u>	<u>1,803,140</u>	<u>1,862,968</u>	<u>59,828</u>	<u>2,004,278</u>
OTHER FINANCING SOURCES					
(USES)					
Transfers out	<u>(2,112,272)</u>	<u>(2,113,139)</u>	<u>(2,113,139)</u>	-	<u>(1,930,372)</u>
Total other financing sources (uses)	<u>(2,112,272)</u>	<u>(2,113,139)</u>	<u>(2,113,139)</u>	-	<u>(1,930,372)</u>
Net change in fund balances	<u>\$ (309,132)</u>	<u>\$ (309,999)</u>	(250,171)	<u>\$ 59,828</u>	73,906
Fund balances - beginning			<u>964,261</u>		<u>890,355</u>
Fund balances - ending			<u>\$ 714,090</u>		<u>\$ 964,261</u>

City of Minot, North Dakota
Sales Tax Infrastructure
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	<u>Budgeted Amounts</u>		<u>2020 Actual</u>	<u>Variance with Final Budget</u>	<u>2019 Actual</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Sales tax collections	\$2,400,000	\$2,400,000	\$ 2,478,613	\$ 78,613	\$ 2,659,228
Interest income	69,376	69,376	70,600	1,224	140,843
Total revenues	<u>2,469,376</u>	<u>2,469,376</u>	<u>2,549,213</u>	<u>79,837</u>	<u>2,800,071</u>
OTHER FINANCING SOURCES					
(USES)					
Transfers out	<u>(1,550,000)</u>	<u>(2,219,760)</u>	<u>(1,987,017)</u>	<u>232,743</u>	<u>(2,781,710)</u>
Total other financing sources (uses)	<u>(1,550,000)</u>	<u>(2,219,760)</u>	<u>(1,987,017)</u>	<u>232,743</u>	<u>(2,781,710)</u>
Net change in fund balances	<u>\$ 919,376</u>	<u>\$ 249,616</u>	562,196	<u>\$ 312,580</u>	18,361
Fund balances - beginning			<u>7,823,361</u>		<u>7,805,000</u>
Fund balances - ending			<u>\$ 8,385,557</u>		<u>\$ 7,823,361</u>

City of Minot, North Dakota
Sales Tax Community Facilities/Flood
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Sales tax collections	\$1,800,000	\$1,800,000	\$ 1,858,960	\$ 58,960	\$ 1,994,421
Intergovernmental	-	6,293,820	-	(6,293,820)	-
Interest income	-	-	13,394	13,394	44,678
Total revenues	<u>1,800,000</u>	<u>8,093,820</u>	<u>1,872,354</u>	<u>(6,221,466)</u>	<u>2,039,099</u>
EXPENDITURES					
Current:					
Culture and recreation	-	928,858	-	928,858	2,656,726
Total expenditures	<u>-</u>	<u>928,858</u>	<u>-</u>	<u>928,858</u>	<u>2,656,726</u>
Excess (deficiency) of revenues over expenditures	<u>1,800,000</u>	<u>7,164,962</u>	<u>1,872,354</u>	<u>(5,292,608)</u>	<u>(617,627)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	218
Transfers out	<u>(1,800,000)</u>	<u>(1,813,393)</u>	<u>(1,813,393)</u>	<u>-</u>	<u>(1,849,757)</u>
Total other financing sources (uses)	<u>(1,800,000)</u>	<u>(1,813,393)</u>	<u>(1,813,393)</u>	<u>-</u>	<u>(1,849,539)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$5,351,569</u>	58,961	<u>\$ (5,292,608)</u>	(2,467,166)
Fund balances - beginning			<u>2,051,923</u>		<u>4,519,089</u>
Fund balances - ending			<u>\$ 2,110,884</u>		<u>\$ 2,051,923</u>

City of Minot, North Dakota
CDBG-DR \$67.5 Million
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	<u>Budgeted Amounts</u>		<u>2020 Actual</u>	<u>Variance with Final Budget</u>	<u>2019 Actual</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 190,057	\$ 190,057	\$ 219,106
Interest income	-	-	43	43	54
Total revenues	<u>-</u>	<u>-</u>	<u>190,100</u>	<u>190,100</u>	<u>219,160</u>
EXPENDITURES					
Current:					
General government	-	1,165,418	190,100	975,318	311,800
Total expenditures	<u>-</u>	<u>1,165,418</u>	<u>190,100</u>	<u>975,318</u>	<u>311,800</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(1,165,418)</u>	<u>-</u>	<u>1,165,418</u>	<u>(92,640)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	92,640
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,640</u>
Net change in fund balances	<u>\$ -</u>	<u>\$(1,165,418)</u>	-	<u>\$ 1,165,418</u>	-
Fund balances - beginning			<u>-</u>		<u>-</u>
Fund balances - ending			<u>\$ -</u>		<u>\$ -</u>

City of Minot, North Dakota
CDBG-DR \$35 Million
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	<u>Budgeted Amounts</u>		<u>2020 Actual</u>	<u>Variance with Final Budget</u>	<u>2019 Actual</u>
	<u>Original</u>	<u>Final</u>			
REVENUES					
Intergovernmental	\$ -	\$ -	\$9,088	\$ 9,088	\$ 162,447
Miscellaneous	-	-	-	-	21,277
Total revenues	<u>-</u>	<u>-</u>	<u>9,088</u>	<u>9,088</u>	<u>183,724</u>
EXPENDITURES					
Current:					
General government	-	24,665	17,531	7,134	175,282
Total expenditures	<u>-</u>	<u>24,665</u>	<u>17,531</u>	<u>7,134</u>	<u>175,282</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(24,665)</u>	<u>(8,443)</u>	<u>16,222</u>	<u>8,442</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	13,600
Transfers out	-	-	-	-	(13,599)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Net change in fund balances	<u>\$ -</u>	<u>\$(24,665)</u>	<u>(8,443)</u>	<u>\$ 16,222</u>	<u>8,443</u>
Fund balances - beginning			<u>8,443</u>		<u>-</u>
Fund balances - ending			<u>\$ -</u>		<u>\$ 8,443</u>

City of Minot, North Dakota
CDBG-NDR \$74.3 Million
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Intergovernmental	\$ -	\$ -	\$5,854,922	\$ 5,854,922	\$3,382,068
Miscellaneous	-	-	12,000	12,000	12,750
Total revenues	-	-	5,866,922	5,866,922	3,394,818
EXPENDITURES					
Current:					
General government	-	47,052,310	5,861,744	41,190,566	3,367,453
Total expenditures	-	47,052,310	5,861,744	41,190,566	3,367,453
Excess (deficiency) of revenues over expenditures	-	(47,052,310)	5,178	47,057,488	27,365
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	2,600	2,600	8,117
Total other financing sources (uses)	-	-	2,600	2,600	8,117
Net change in fund balances	\$ -	\$(47,052,310)	7,778	\$ 47,060,088	35,482
Fund balances - beginning			208,671		173,189
Fund balances - ending			\$ 216,449		\$ 208,671



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City of Minot, North Dakota Nonmajor Capital Project Funds

CAPITAL PROJECT FUNDS Funds used to account for and report financial resources restricted, committed, or assigned to expenditure for capital outlays (items with a value greater than \$5,000) including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of funds or for assets held in trust for individuals, private organizations, or other governments. (GASB Statement No. 54, paragraph 33)

Capital Equipment - To account for the resources used for the purchase and replacement of capital equipment for various City departments. Funding is provided by the sanitation and water and sewer utility funds, grants, and the mill levy.

Capital Flood Control - To account for capital resources used towards flood control projects within the City of Minot. Funding is provided by sales tax collections.

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2020
With Comparative Total for December 31, 2019

	<u>Capital Equipment</u>	<u>Capital Flood Control</u>	<u>Total Nonmajor Capital Project Funds 2020</u>	<u>Total Nonmajor Capital Project Funds 2019</u>
ASSETS				
Cash and cash equivalents	\$ 2,069,423	\$ 2,621,498	\$ 4,690,921	\$ 2,118,429
Taxes receivable delinquent	43,252	16,667	59,919	100,090
Due from other funds	-	-	-	57,361
Intergovernmental receivable	94,492	15,477	109,969	126,968
Total assets	<u>\$ 2,207,167</u>	<u>\$ 2,653,642</u>	<u>\$ 4,860,809</u>	<u>\$ 2,402,848</u>
LIABILITIES				
Accounts payable	\$ 331,151	\$ 334,794	\$ 665,945	\$ 980,735
Retainage payable	17,736	312,524	330,260	609,396
Due to other funds	-	-	-	57,361
Unearned revenue - other	-	-	-	80
Total liabilities	<u>348,887</u>	<u>647,318</u>	<u>996,205</u>	<u>1,647,572</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	<u>37,479</u>	<u>14,453</u>	<u>51,932</u>	<u>89,736</u>
Total deferred inflow of resources	<u>37,479</u>	<u>14,453</u>	<u>51,932</u>	<u>89,736</u>
FUND BALANCES (DEFICITS)				
Committed	784,645	1,991,871	2,776,516	923,700
Assigned	1,036,156	-	1,036,156	708,925
Unassigned	-	-	-	(967,085)
Total fund balances (deficits)	<u>1,820,801</u>	<u>1,991,871</u>	<u>3,812,672</u>	<u>665,540</u>
Total liabilities, deferred inflows, & fund balances	<u>\$ 2,207,167</u>	<u>\$ 2,653,642</u>	<u>\$ 4,860,809</u>	<u>\$ 2,402,848</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Capital Equipment	Capital Flood Control	Total Nonmajor Capital Project Funds 2020	Total Nonmajor Capital Project Funds 2019
REVENUES				
Property tax collections	\$ 540,139	\$ 21,315	\$ 561,454	\$ 1,944,216
Sales tax collections	-	-	-	5,157,840
Intergovernmental	1,547,847	15,027	1,562,874	246,441
Interest income	13,209	-	13,209	34,191
Miscellaneous	22,897	-	22,897	78,299
Total revenues	<u>2,124,092</u>	<u>36,342</u>	<u>2,160,434</u>	<u>7,460,987</u>
EXPENDITURES				
Debt service:				
Interest	-	1,130	1,130	23,418
Capital outlay:				
General government	451,462	-	451,462	752,276
Public safety	919,970	4,696,526	5,616,496	7,495,490
Highways and streets	602,523	-	602,523	1,168,449
Culture and recreation	178,407	-	178,407	178,804
Total expenditures	<u>2,152,362</u>	<u>4,697,656</u>	<u>6,850,018</u>	<u>9,618,437</u>
Excess (deficiency) of revenues over expenditures	<u>(28,270)</u>	<u>(4,661,314)</u>	<u>(4,689,584)</u>	<u>(2,157,450)</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	7,555,452	7,555,452	434,122
Premiums on bonds sold	-	58,688	58,688	-
Capital leases issued	196,153	-	196,153	805,472
Sale of City property	165,637	-	165,637	126,782
Transfers in	367,746	167,237	534,983	597,233
Transfers out	(513,090)	(161,107)	(674,197)	(261,297)
Total other financing sources (uses)	<u>216,446</u>	<u>7,620,270</u>	<u>7,836,716</u>	<u>1,702,312</u>
Net change in fund balances	188,176	2,958,956	3,147,132	(455,138)
Fund balances (deficit) - beginning	1,632,625	(967,085)	665,540	1,120,678
Fund balances - ending	<u>\$ 1,820,801</u>	<u>\$1,991,871</u>	<u>\$ 3,812,672</u>	<u>\$ 665,540</u>

City of Minot, North Dakota
Capital Equipment
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Property tax collections	\$ 525,823	\$ 533,535	\$ 540,139	\$ 6,604	\$ 936,199
Intergovernmental	1,946,416	1,988,976	1,547,847	(441,129)	202,698
Interest income	-	-	13,209	13,209	34,191
Miscellaneous	-	22,576	22,897	321	78,299
Total revenues	<u>2,472,239</u>	<u>2,545,087</u>	<u>2,124,092</u>	<u>(420,995)</u>	<u>1,251,387</u>
EXPENDITURES					
Capital outlay:					
General government	2,424,343	1,696,081	451,462	1,244,619	752,276
Public safety	302,900	1,407,350	919,970	487,380	528,669
Highways and streets	797,000	812,388	602,523	209,865	1,168,449
Culture and recreation	148,496	178,678	178,407	271	178,804
Total capital outlay	<u>3,672,739</u>	<u>4,094,497</u>	<u>2,152,362</u>	<u>1,942,135</u>	<u>2,628,198</u>
Excess (deficiency) of revenues over expenditures	<u>(1,200,500)</u>	<u>(1,549,410)</u>	<u>(28,270)</u>	<u>1,521,140</u>	<u>(1,376,811)</u>
OTHER FINANCING SOURCES (USES)					
Capital leases issued	-	196,153	196,153	-	805,472
Sale of City property	159,500	166,975	165,637	(1,338)	126,782
Transfers in	540,000	535,000	367,746	(167,254)	314,824
Transfers out	-	(514,500)	(513,090)	1,410	(1,134)
Total other financing sources (uses)	<u>699,500</u>	<u>383,628</u>	<u>216,446</u>	<u>(167,182)</u>	<u>1,245,944</u>
Net change in fund balances	<u>\$ (501,000)</u>	<u>\$(1,165,782)</u>	188,176	<u>\$ 1,353,958</u>	(130,867)
Fund balances - beginning			<u>1,632,625</u>		<u>1,763,492</u>
Fund balances - ending			<u>\$1,820,801</u>		<u>\$ 1,632,625</u>

City of Minot, North Dakota
Capital Flood Control
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Budgeted Amounts		2020 Actual	Variance with Final Budget	2019 Actual
	Original	Final			
REVENUES					
Property tax collections	\$ -	\$ -	\$ 21,315	\$ 21,315	\$1,008,017
Sales tax collections	-	-	-	-	5,157,840
Intergovernmental	30,550,000	30,550,000	15,027	(30,534,973)	43,743
Total revenues	<u>30,550,000</u>	<u>30,550,000</u>	<u>36,342</u>	<u>(30,513,658)</u>	<u>6,209,600</u>
EXPENDITURES					
Debt service:					
Interest	-	1,130	1,130	-	23,418
Capital outlay:					
Public safety	47,000,000	51,119,101	4,696,526	46,422,575	6,966,821
Total expenditures	<u>47,000,000</u>	<u>51,120,231</u>	<u>4,697,656</u>	<u>46,422,575</u>	<u>6,990,239</u>
Excess (deficiency) of revenues over expenditures	<u>(16,450,000)</u>	<u>(20,570,231)</u>	<u>(4,661,314)</u>	<u>15,908,917</u>	<u>(780,639)</u>
OTHER FINANCING SOURCES (USES)					
Bonds issued	16,450,000	16,450,000	7,555,452	(8,894,548)	434,122
Premiums on bonds sold	-	-	58,688	58,688	-
Transfers in	-	166,108	167,237	1,129	282,409
Transfers out	-	(161,107)	(161,107)	-	(260,163)
Total other financing sources (uses)	<u>16,450,000</u>	<u>16,455,001</u>	<u>7,620,270</u>	<u>(8,834,731)</u>	<u>456,368</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (4,115,230)</u>	2,958,956	<u>\$ 7,074,186</u>	(324,271)
Fund balances (deficit) - beginning			(967,085)		(642,814)
Fund balances - ending			<u>\$ 1,991,871</u>		<u>\$ (967,085)</u>



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City of Minot, North Dakota Nonmajor Enterprise Funds

ENTERPRISE FUNDS – Funds for operations (a) financed and operated in a manner similar to private enterprises, where the intent of the governing body is to provide goods or services to the general public on a continuing basis where the expenses, including depreciation, be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Cemetery - To account for the provisions of burial services for the residents of the City and surrounding area. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, and sale of burial plots and related services.

Parking Authority - To account for the provisions of providing parking for the central business district of the City of Minot. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, and maintenance.

City of Minot, North Dakota
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2020
With Comparative Totals for December 31, 2019

	Cemetery	Parking Authority	Total Nonmajor Enterprise Funds 2020	Total Nonmajor Enterprise Funds 2019
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 501,437	\$ 316,620	\$ 818,057	\$ 736,500
Taxes receivable delinquent	10,472	-	10,472	13,441
Accounts receivable	17,668	-	17,668	20,878
Intergovernmental receivable	195	-	195	136
Prepaid	-	108	108	94
Total current assets	<u>529,772</u>	<u>316,728</u>	<u>846,500</u>	<u>771,049</u>
Noncurrent assets:				
Other assets - capital credits	6,101	1,481	7,582	7,309
Land	179,504	136,397	315,901	315,901
Infrastructure	465,159	17,228	482,387	507,213
Buildings	158,502	-	158,502	150,885
Equipment	262,230	322,867	585,097	598,396
Less-accumulated depreciation	<u>(500,294)</u>	<u>(335,405)</u>	<u>(835,699)</u>	<u>(834,437)</u>
Total noncurrent assets	<u>571,202</u>	<u>142,568</u>	<u>713,770</u>	<u>745,267</u>
Total assets	<u>1,100,974</u>	<u>459,296</u>	<u>1,560,270</u>	<u>1,516,316</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pension	231,493	-	231,493	100,673
Deferred outflows of resources related to OPEB	<u>4,585</u>	<u>-</u>	<u>4,585</u>	<u>4,829</u>
Total deferred outflows of resources	<u>236,078</u>	<u>-</u>	<u>236,078</u>	<u>105,502</u>
LIABILITIES				
Current liabilities:				
Accounts payable	4,790	1,456	6,246	5,766
Accrued salaries and benefits payable	11,382	-	11,382	8,551
Compensated absences	7,987	-	7,987	5,507
Total current liabilities	<u>24,159</u>	<u>1,456</u>	<u>25,615</u>	<u>19,824</u>
Noncurrent liabilities:				
Customer deposits	-	-	-	600
Compensated absences	14,833	-	14,833	10,227
Net pension liability	361,114	-	361,114	190,973
Net OPEB liability	4,985	-	4,985	4,684
Total noncurrent liabilities	<u>380,932</u>	<u>-</u>	<u>380,932</u>	<u>206,484</u>
Total liabilities	<u>405,091</u>	<u>1,456</u>	<u>406,547</u>	<u>226,308</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pension	85,460	-	85,460	148,047
Deferred inflows of resources related to OPEB	<u>545</u>	<u>-</u>	<u>545</u>	<u>557</u>
Total deferred inflows of resources	<u>86,005</u>	<u>-</u>	<u>86,005</u>	<u>148,604</u>
NET POSITION				
Net investment in capital assets	565,101	141,087	706,188	737,958
Unrestricted	<u>280,855</u>	<u>316,753</u>	<u>597,608</u>	<u>508,948</u>
Total net position	<u>\$ 845,956</u>	<u>\$ 457,840</u>	<u>\$ 1,303,796</u>	<u>\$1,246,906</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Cemetery	Parking Authority	Total Nonmajor Enterprise Funds 2020	Total Nonmajor Enterprise Funds 2019
OPERATING REVENUES				
Charges for services	\$324,711	\$ 51,976	\$ 376,687	\$ 324,811
Total operating revenues	<u>324,711</u>	<u>51,976</u>	<u>376,687</u>	<u>324,811</u>
OPERATING EXPENSES				
Salaries	259,904	-	259,904	231,848
Employee benefits	96,575	-	96,575	149,995
Professional services	158	2,400	2,558	662
Property services	22,417	6,529	28,946	89,522
Purchased services	4,234	229	4,463	6,619
Supplies	15,049	1,242	16,291	16,569
Sundry	42,475	6,574	49,049	49,048
Depreciation	38,813	574	39,387	41,244
Total operating expenses	<u>479,625</u>	<u>17,548</u>	<u>497,173</u>	<u>585,507</u>
Operating income (loss)	<u>(154,914)</u>	<u>34,428</u>	<u>(120,486)</u>	<u>(260,696)</u>
NONOPERATING REVENUES (EXPENSES)				
Property tax collections	137,073	-	137,073	258,150
Interest income	3,353	1,979	5,332	10,692
Miscellaneous	26,659	2,379	29,038	81,681
Sale of City property	-	-	-	252
Total nonoperating revenues (expenses)	<u>167,085</u>	<u>4,358</u>	<u>171,443</u>	<u>350,775</u>
Income (loss) before contributions and transfers	12,171	38,786	50,957	90,079
Transfers in	10,000	-	10,000	68,940
Transfers out	(2,088)	(1,979)	(4,067)	(8,086)
Total contributions and transfers	<u>7,912</u>	<u>(1,979)</u>	<u>5,933</u>	<u>60,854</u>
Change in net position	20,083	36,807	56,890	150,933
Total net position - beginning	<u>825,873</u>	<u>421,033</u>	<u>1,246,906</u>	<u>1,095,973</u>
Total net position - ending	<u>\$845,956</u>	<u>\$457,840</u>	<u>\$1,303,796</u>	<u>\$1,246,906</u>

City of Minot, North Dakota
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2020
With Comparative Totals for December 31, 2019

	Cemetery	Parking Authority	Total Nonmajor Enterprise Funds 2020	Total Nonmajor Enterprise Funds 2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 324,166	\$ 54,845	\$ 379,011	\$ 324,218
Payments to suppliers	(83,713)	(17,509)	(101,222)	(161,930)
Payments to employees	(368,901)	-	(368,901)	(426,276)
Due from other agencies	(59)	-	(59)	(47)
Net cash provided (used) by operating activities	<u>(128,507)</u>	<u>37,336</u>	<u>(91,171)</u>	<u>(264,035)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes/intergovernmental	166,701	2,379	169,080	338,956
Transfers in	10,000	-	10,000	68,940
Transfers out	(2,088)	(1,979)	(4,067)	(8,086)
Net cash provided (used) by noncapital financing activities	<u>174,613</u>	<u>400</u>	<u>175,013</u>	<u>399,810</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(7,617)	-	(7,617)	(8,882)
Disposal of capital assets	-	-	-	701
Net cash provided (used) by capital and related financing activities	<u>(7,617)</u>	<u>-</u>	<u>(7,617)</u>	<u>(8,181)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	3,353	1,979	5,332	10,692
Net cash provided (used) by investing activities	<u>3,353</u>	<u>1,979</u>	<u>5,332</u>	<u>10,692</u>
Net increase (decrease) in cash and cash equivalents	41,842	39,715	81,557	138,286
Balances - beginning of year	459,595	276,905	736,500	598,214
Balances - end of the year	<u>\$ 501,437</u>	<u>\$ 316,620</u>	<u>\$ 818,057</u>	<u>\$ 736,500</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income (loss)	\$ (154,914)	\$ 34,428	\$ (120,486)	\$ (260,696)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	38,813	574	39,387	41,244
Changes in assets and liabilities:				
Customer receivables	(303)	3,510	3,207	(346)
Intergovernmental receivable	(59)	-	(59)	(47)
Prepays	-	(14)	(14)	(94)
Other assets	(244)	(27)	(271)	(153)
Deferred outflows related to pension	(130,820)	-	(130,820)	(84,453)
Deferred outflows related to OPEB	244	-	244	(4,703)
Accounts payable - supplier	1,017	(535)	482	492
Salaries & benefits payable	2,831	-	2,831	3,202
Compensated absences	7,086	-	7,086	(885)
Customer deposits	-	(600)	(600)	-
Net pension liability	170,141	-	170,141	30,986
Net OPEB liability	300	-	300	4,398
Deferred inflows related to OPEB	(12)	-	(12)	557
Deferred inflows related to pension	(62,587)	-	(62,587)	6,463
Net cash provided (used) by operating activities	<u>\$ (128,507)</u>	<u>\$ 37,336</u>	<u>\$ (91,171)</u>	<u>\$ (264,035)</u>

City of Minot, North Dakota
Internal Service Funds

INTERNAL SERVICE FUNDS - To account for the financing of goods or services provided by one department or agency of a government to other departments or agencies on a cost reimbursement basis.

Central Garage - To account for the cost of providing fuel, maintenance, and repairs to vehicles and equipment of all City departments.

Self Insurance - To account for the cost of providing health insurance to City of Minot employees and retirees.

City of Minot, North Dakota
Combining Statement of Net Position
Nonmajor Internal Service Funds
December 31, 2020
With Comparative Total for December 31, 2019

	<u>Central Garage</u>	<u>Self Insurance</u>	<u>Total Nonmajor Internal Service Funds 2020</u>	<u>Total Nonmajor Internal Service Funds 2019</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 54,518	\$ 3,058,887	\$ 3,113,405	\$3,176,196
Accounts Receivable	1,385	1,538	2,923	2,775
Inventory	349,239	-	349,239	350,959
Total current assets	<u>405,142</u>	<u>3,060,425</u>	<u>3,465,567</u>	<u>3,529,930</u>
Noncurrent assets:				
Other assets - capital credits	2,232	-	2,232	2,232
Total noncurrent assets	<u>2,232</u>	<u>-</u>	<u>2,232</u>	<u>2,232</u>
Total assets	<u>407,374</u>	<u>3,060,425</u>	<u>3,467,799</u>	<u>3,532,162</u>
LIABILITIES				
Current liabilities:				
Accounts payable	34,020	464,776	498,796	483,722
Total liabilities	<u>34,020</u>	<u>464,776</u>	<u>498,796</u>	<u>483,722</u>
NET POSITION				
Unrestricted	<u>373,354</u>	<u>2,595,649</u>	<u>2,969,003</u>	<u>3,048,440</u>
Total net position	<u>\$373,354</u>	<u>\$ 2,595,649</u>	<u>\$ 2,969,003</u>	<u>\$3,048,440</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2020
With Comparative Total for December 31, 2019

	Central Garage	Self Insurance	Total Nonmajor Internal Service Funds 2020	Total Nonmajor Internal Service Funds 2019
OPERATING REVENUES				
Sales	\$1,473,311	\$ -	\$1,473,311	\$1,168,399
Cost of good sold	(1,471,149)	-	(1,471,149)	(1,167,814)
Gross margin	2,162	-	2,162	585
Charges for services	-	4,942,121	4,942,121	4,002,391
Total operating revenues	<u>2,162</u>	<u>4,942,121</u>	<u>4,944,283</u>	<u>4,002,976</u>
OPERATING EXPENSES				
Insurance claims	-	5,055,368	5,055,368	4,277,889
Property services	2	-	2	-
Total operating expenses	<u>2</u>	<u>5,055,368</u>	<u>5,055,370</u>	<u>4,277,889</u>
Operating income (loss)	<u>2,160</u>	<u>(113,247)</u>	<u>(111,087)</u>	<u>(274,913)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	265	20,984	21,249	43,169
Miscellaneous	(33,105)	43,506	10,401	(26,488)
Total nonoperating revenues (expenses)	<u>(32,840)</u>	<u>64,490</u>	<u>31,650</u>	<u>16,681</u>
Change in net position	(30,680)	(48,757)	(79,437)	(258,232)
Total net position - beginning	404,034	2,644,406	3,048,440	3,306,672
Total net position - ending	<u>\$ 373,354</u>	<u>\$ 2,595,649</u>	<u>\$2,969,003</u>	<u>\$3,048,440</u>

City of Minot, North Dakota
Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2020
With Comparative Total for December 31, 2019

	Central Garage	Self Insurance	Total Nonmajor Internal Service Funds 2020	Total Nonmajor Internal Service Funds 2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 1,501,095	\$ 5,036,409	\$ 6,537,504	\$ 5,175,177
Payments to suppliers	(1,481,123)	(5,035,309)	(6,516,432)	(5,170,722)
Net cash provided (used) by operating activities	<u>19,972</u>	<u>1,100</u>	<u>21,072</u>	<u>4,455</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Internal activity - payments from other funds	-	-	-	2,528
Internal activity - payments to other funds	(55,391)	(49,721)	(105,112)	(29,016)
Net cash provided (used) by noncapital financing activities	<u>(55,391)</u>	<u>(49,721)</u>	<u>(105,112)</u>	<u>(26,488)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and Dividends	265	20,984	21,249	43,169
Net cash provided (used) by investing activities	<u>265</u>	<u>20,984</u>	<u>21,249</u>	<u>43,169</u>
Net increase (decrease) in cash and cash equivalents	(35,154)	(27,637)	(62,791)	21,136
Balances - beginning of year	89,672	3,086,524	3,176,196	3,155,060
Balances - end of the year	<u>\$ 54,518</u>	<u>\$ 3,058,887</u>	<u>\$ 3,113,405</u>	<u>\$ 3,176,196</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 2,160	\$ (113,247)	\$ 4,426	\$ (274,913)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Changes in assets and liabilities:				
Customer Receivables	(1,209)	1,061	(148)	(1,853)
Inventory	1,720	-	1,720	6,240
Accounts Payable - Supplier	(4,985)	20,059	15,074	274,981
Net cash provided (used) by operating activities	<u>\$ 19,972</u>	<u>\$ 1,100</u>	<u>\$ 21,072</u>	<u>\$ 4,455</u>

City of Minot, North Dakota Custodial Funds

CUSTODIAL FUNDS - Funds used to report resources held by the reporting government in a purely custodial capacity. Custodial funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. (SGAS 34) Additional information is provided below for some of the major funds in this category.

Hotel/Motel Tax - To account for the receipt and disbursement of hotel/motel tax as collected and distributed by the City to the Convention and Visitor's Bureau and the All Season's Arena.

Passthrough - To account for resources provided by the Community Development Block Grants and the Economic Development Administration.

City of Minot, North Dakota
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2020
With Comparative Total for December 31, 2019

	Hotel/ Motel Tax	Passthrough Fund	Total Custodial Funds 2020	Total Custodial Funds 2019
ASSETS				
Cash and cash equivalents	\$ 22,933	\$ -	\$ 22,933	\$ 159,961
Accounts receivable	32,260	-	32,260	50,346
Intergovernmental receivable	1,516	2,788	4,304	6,006
Total assets	56,709	2,788	59,497	216,313
LIABILITIES				
Accounts payable	56,709	2,788	59,497	100,199
Total liabilities	56,709	2,788	59,497	100,199
NET POSITION				
Total net position	\$ -	\$ -	\$ -	\$ 116,114

City of Minot, North Dakota
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2020
With Comparative Total for December 31, 2019

	<u>Hotel/ Motel Tax</u>	<u>Passthrough Funds</u>	<u>Total Custodial Funds 2020</u>	<u>Total Custodial Funds 2020</u>
ADDITIONS				
Contributions:				
Lodging taxes	\$ 479,033	\$ -	\$ 479,033	\$ 868,410
Car rental taxes	20,947	-	20,947	38,741
Intergovernmental	-	7,800	7,800	6,500
Total additions	<u>499,980</u>	<u>7,800</u>	<u>507,780</u>	<u>913,651</u>
DEDUCTIONS				
Administrative expenses	50,140	7,800	57,940	56,500
Taxes distributed to Visit Minot	354,106	-	354,106	588,567
Taxes distributed to All Seasons Arena	211,848	-	211,848	273,415
Total deductions	<u>616,094</u>	<u>7,800</u>	<u>623,894</u>	<u>918,482</u>
Net increase (decrease) in fiduciary net position	(116,114)	-	(116,114)	(4,831)
Net Position -- beginning of the year	116,114	-	116,114	120,945
Net Position -- end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,114</u>

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source December 31, 2020 and 2019

GOVERNMENTAL FUNDS CAPITAL ASSETS	12/31/2020	12/13/2019
Land	\$ 99,346,130	\$ 97,940,182
Construction in progress	12,928,046	22,677,479
Infrastructure	331,239,188	304,554,419
Buildings	21,882,589	21,911,966
Equipment	25,507,156	24,887,928
Intangible assets	157,725	1,101,957
Books	3,232,705	3,308,911
Total governmental funds capital assets	<u>\$ 494,293,539</u>	<u>\$ 476,382,842</u>
 INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE		
Capital project funds		
General obligation bonds	\$ 48,489,184	\$ 33,613,078
Revenue bonds	9,726,683	3,554,141
Sales tax	23,652,756	35,444,655
Federal grants	151,886,825	170,573,034
State grants	104,293,080	81,286,641
County grants	1,099,021	1,310,090
Contributions from others	63,427,480	85,568,624
General fund	56,523,968	24,803,543
Special revenue	12,723,740	18,080,385
Special assessments	20,075,813	18,313,453
Urban renewal	-	465,739
Enterprise fund	2,394,989	3,369,459
Total governmental funds capital assets	<u>\$ 494,293,539</u>	<u>\$ 476,382,842</u>

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
December 31, 2020
With Comparative Totals for December 31, 2019

FUNCTION AND ACTIVITY	Land	Construction in Process	Buildings	Equipment	Infrastructure	Intangible Assets	Books	12/31/2020	12/31/2019
General Government									
Civic center/property maintenance	\$ -	\$ -	\$ 3,435,003	\$ 397,020	\$ 305,527	\$ -	\$ -	\$ 4,137,550	\$ 4,156,186
City Manager/Clerk	-	-	-	110,553	-	-	-	110,553	108,320
Information technology	-	-	-	506,961	-	-	-	506,961	722,846
Assessor	-	-	-	63,139	-	-	-	63,139	95,639
Engineering	-	-	-	400,920	-	-	-	400,920	417,059
Planning	-	-	-	27,184	-	-	-	27,184	27,184
Inspection	-	-	-	249,226	-	-	-	249,226	232,592
Traffic control	-	301,135	-	1,740,954	4,586,866	-	-	6,628,955	5,916,549
Public works	-	-	4,411,777	68,583	3,667,227	-	-	8,147,587	8,174,066
General	-	258,771	119,425	6,137	1,113,934	-	-	1,498,267	47,618,040
Total general government	-	559,906	7,966,205	3,570,677	9,673,554	-	-	21,770,342	67,468,481
Public Safety									
Police	-	200,494	161,536	5,364,819	1,956,912	-	-	7,683,761	7,387,317
Fire	331,372	209,952	8,052,338	5,176,221	1,388,084	-	-	15,157,967	15,021,378
Flood Control	97,161,561	11,841,141	-	503,628	38,215,784	-	-	147,722,114	92,161,690
Total public safety	97,492,933	12,251,587	8,213,874	11,044,668	41,560,780	-	-	170,563,842	114,570,385
Street	1,423,196	49,411	485,422	6,491,520	279,092,970	157,725	-	287,700,244	280,113,651
Shop	-	-	-	342,912	-	-	-	342,912	342,912
Library	7,624	1,286	3,128,995	149,337	315,781	-	3,232,705	6,835,728	6,904,799
Public transportation	-	65,856	853,027	3,563,499	-	-	-	4,482,382	4,377,026
Recreation	422,377	-	1,235,066	344,543	596,103	-	-	2,598,089	2,605,588
Total governmental funds	\$ 99,346,130	\$ 12,928,046	\$ 21,882,589	\$ 25,507,156	\$ 331,239,188	\$ 157,725	\$ 3,232,705	\$ 494,293,539	\$ 476,382,842

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
December 31, 2020

FUNCTION AND ACTIVITY	Governmental Fund Capital Assets January 1, 2020	Additions	Deletions	Transfers	Construction in Process	Governmental Fund Capital Assets December 31, 2020
GENERAL GOVERNMENT						
Civic center/property maintenance	\$ 4,156,186	\$ 30,154	\$ 55,379	\$ 6,589	\$ -	\$ 4,137,550
City Manager/Clerk	108,320	7,525	5,292	-	-	110,553
Information technology	722,846	64,522	280,407	-	-	506,961
Assessor	95,639	-	32,500	-	-	63,139
Engineering	417,059	5,601	6,790	(14,950)	-	400,920
Planning	27,184	-	-	-	-	27,184
Inspection	232,592	-	29,669	46,303	-	249,226
Traffic control	5,916,549	1,070,061	658,790	-	301,135	6,628,955
Public works	8,174,066	-	-	(26,479)	-	8,147,587
General	47,618,040	34	25,052,593	(21,325,985)	258,771	1,498,267
Total general government	<u>67,468,481</u>	<u>1,177,897</u>	<u>26,121,420</u>	<u>(21,314,522)</u>	<u>559,906</u>	<u>21,770,342</u>
PUBLIC SAFETY						
Police	7,387,317	439,522	312,219	(31,353)	200,494	7,683,761
Fire	15,021,378	150,805	230,878	6,710	209,952	15,157,967
Flood Control	92,161,690	43,719,283	-	-	11,841,141	147,722,114
Total public safety	<u>114,570,385</u>	<u>44,309,610</u>	<u>543,097</u>	<u>(24,643)</u>	<u>12,251,587</u>	<u>170,563,842</u>
Street	280,113,651	8,654,999	827,020	(290,797)	49,411	287,700,244
Shop	342,912	-	-	-	-	342,912
Library	6,904,799	177,168	247,525	-	1,286	6,835,728
Public transportation	4,377,026	39,500	-	-	65,856	4,482,382
Recreation	2,605,588	-	7,499	-	-	2,598,089
Total governmental funds	<u>\$ 476,382,842</u>	<u>\$ 54,359,174</u>	<u>\$ 27,746,561</u>	<u>\$ (21,629,962)</u>	<u>\$ 12,928,046</u>	<u>\$ 494,293,539</u>

City of Minot, North Dakota Statistical Section

This statistical section presents information to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the basic financial statements, notes to the financial statements, and combining financial statements to understand and assess the City of Minot's overall economic condition.

The Statistical Section is presented in five categories:

Financial Trends – schedules are intended to assist users in understanding and assessing how the City's financial position has changed over time.

- Net Position by Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds

Revenue Capacity – schedules are intended to assist users in understanding and assessing the factors affecting the City's ability to generate its own-source revenues. The City of Minot's own-source revenues are property and sales taxes.

- Governmental Activities Tax Revenues by Source
- Sales Tax-Taxable Sales and Purchases
- Sales Tax-Taxable Sales and Purchases by Industry
- Assessed Value and Estimated Actual Value of Taxable Property
- Property Tax Rates in Mills - Direct and Overlapping Governments
- Property Tax Levies and Collections
- Principal Property Taxpayers

Debt Capacity – schedules are intended to assist users in understanding and assessing the City's debt burden and its ability to issue new debt in the future.

- Ratios of Outstanding Debt by Type
- Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita
- Direct and Overlapping Debt
- Legal Debt Margin
- Legal Debt Margin, Last Ten Fiscal Years
- Revenue Bond Coverage

Demographic and Economic - schedules are intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and with other governments.

- Demographic and Economic Statistics
- Principal Employers, Current Year and Nine Years Ago

Operating - schedules are intended to provide information about the City's operations and resources to assist readers in understanding how the City's financial information relates to the services the city provides and the activities it performs.

- Full-time Equivalent City Employees by Function
- Operating Indicators by Function
- Capital Asset Statistics by Function

Sources: Unless otherwise noted, the information in the schedules is from the Comprehensive Annual Financial Reports of the City of Minot for the current year and prior years as presented. If less than 10 years of information is presented the schedule will provide an explanation. The City of Minot implemented GASB #54 in 2009, and GASB #67 and #68 in 2015, and GASB #74 and #75 in 2017.



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City of Minot, North Dakota
Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
unaudited

	2011	Restated 2012	Restated 2013	2014	Restated 2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 81,010,769	\$ 101,542,579	\$ 119,345,975	\$ 153,468,851	\$ 213,781,240	\$ 245,659,435	\$ 289,558,273	\$ 307,599,271	\$ 311,589,385	\$ 314,163,170
Restricted for:										
General government	-	-	-	-	-	-	-	173,189	194,506	195,712
Public safety	-	-	-	-	-	-	-	-	147,762	13,251
Capital leases	-	-	-	7,921	-	-	6,405	214,717	759,881	715,585
Sales tax property tax relief	1,627,741	2,951,612	3,226,156	4,009,260	3,320,232	466,078	620,510	1,211,947	1,341,288	-
Sales tax economic development	12,123,071	6,634,410	10,441,606	10,668,504	6,440,271	7,642,551	9,956,038	10,281,687	10,177,039	-
Sales tax improvements	3,710,746	4,573,624	5,419,924	5,840,353	5,862,916	5,618,656	4,539,630	4,534,254	5,618,585	-
Sales tax flood control	1,724,068	1,962,268	4,634,140	7,141,360	11,238,809	12,983,515	11,298,564	4,750,786	2,034,198	-
Sales tax NAWS	39,271,885	35,085,324	34,464,866	34,130,645	34,099,423	33,063,703	29,139,579	16,566,834	17,861,969	-
Sales tax infrastructure	1,265,347	5,025,790	6,083,970	7,677,734	7,483,834	9,361,205	7,694,952	7,805,000	7,823,361	-
Sales tax community facilities	949,011	4,654,813	6,567,548	7,655,275	6,669,543	5,640,828	5,780,863	4,519,089	2,051,923	-
Debt service	1,230,207	960,352	517,259	1,946,942	4,362,686	4,821,781	3,000,375	2,478,763	2,546,076	3,000,502
Highway projects	1,269,078	2,777	-	-	-	-	2,530,196	-	-	-
Other purposes	739	16,989	51,407	631,104	14,491	-	400,303	-	-	-
Unrestricted	21,843,214	38,869,534	45,912,502	51,710,024	28,862,541	24,715,847	15,216,593	30,493,443	29,723,713	81,589,460
Total governmental activities net position	\$ 166,025,876	\$ 202,280,072	\$ 236,665,353	\$ 284,887,973	\$ 322,135,986	\$ 349,973,599	\$ 379,742,281	\$ 390,628,980	\$ 391,869,686	\$ 399,677,680
Business-type activities										
Net investment in capital assets	\$ 62,782,830	\$ 93,309,610	\$ 117,348,148	\$ 187,576,187	\$ 246,874,877	\$ 277,102,647	\$ 304,758,387	\$ 301,986,780	\$ 295,935,018	\$ 320,279,420
Restricted for:										
Customer facility charges	-	-	-	-	-	-	620,699	815,226	1,127,735	1,361,825
Capital leases	426,950	-	440,000	5,383	884,900	1,157,675	1,836,498	2,110,850	1,333,141	1,478,931
Debt service	3,859,697	3,736,319	4,843,540	5,115,955	7,176,604	7,534,598	6,004,140	6,218,930	6,401,795	8,146,961
Passenger facility charges not spent	-	1,041,086	925,887	651,251	-	-	-	-	-	-
Other purposes	54,277	61,593	45,027	14,402	-	-	-	-	-	-
Unrestricted	12,401,010	17,512,758	32,226,444	30,061,447	38,411,347	21,219,745	17,342,753	34,221,779	36,267,639	35,115,856
Total business-type activities net position	\$ 79,524,764	\$ 115,661,366	\$ 155,829,046	\$ 223,424,625	\$ 293,347,728	\$ 307,014,665	\$ 330,562,477	\$ 345,353,565	\$ 341,065,328	\$ 366,382,993
Government-wide activities										
Net investment in capital assets	\$ 143,793,599	\$ 194,852,189	\$ 236,694,123	\$ 341,045,038	\$ 460,656,117	\$ 522,762,082	\$ 594,316,660	\$ 609,586,051	\$ 607,524,403	\$ 634,442,590
Restricted	67,512,817	66,706,957	77,661,330	85,496,089	87,553,709	88,290,590	83,428,752	61,681,272	59,419,259	14,912,767
Unrestricted	34,244,224	56,382,292	78,138,946	81,771,471	67,273,888	45,935,592	32,559,346	64,715,222	65,991,352	116,705,316
Total government net position	\$ 245,550,640	\$ 317,941,438	\$ 392,494,399	\$ 508,312,598	\$ 615,483,714	\$ 656,988,264	\$ 710,304,758	\$ 735,982,545	\$ 732,935,014	\$ 766,060,673

City of Minot, North Dakota
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
unaudited

	2011	Restated 2012	Restated 2013	2014	2015	2016	2017	2019	2020
EXPENSES									
Governmental activities									
General government	\$ 16,286,125	\$ 18,663,226	\$ 22,855,601	\$ 27,476,332	\$ 27,783,373	\$ 28,066,358	\$ 23,950,938	\$ 21,270,277	\$ 46,671,426
Public safety	11,737,486	11,894,017	14,276,698	15,297,259	14,843,622	18,800,391	18,904,678	28,133,572	28,806,347
Highways and streets	8,673,395	10,786,782	17,921,085	16,199,177	16,772,838	8,141,336	19,749,436	23,956,775	26,874,991
Culture and recreation	3,605,205	3,682,272	4,902,342	7,673,973	9,991,456	7,856,753	7,759,929	6,494,132	1,886,115
Economic development	903,978	851,421	1,306,170	3,292,475	3,266,376	1,145,992	826,120	646,685	679,972
Interest on long-term debt	599,608	670,777	377,420	1,084,587	1,323,446	1,359,381	1,324,441	1,089,828	1,020,861
Total governmental activities expenses	41,805,797	46,548,495	61,639,316	71,023,803	73,981,111	65,370,211	72,515,542	81,591,269	105,939,712
Business-type activities									
Airport	2,886,779	4,072,715	5,127,918	6,406,365	8,758,360	13,340,229	10,979,519	10,294,345	10,409,737
Cemetery	304,502	325,301	378,717	488,825	469,091	533,872	497,669	565,414	479,625
Parking authority	118,367	231,938	123,598	72,806	98,705	79,994	32,703	19,842	17,548
Parking ramps	-	-	-	-	-	-	-	78,319	1,185,316
Sanitation	4,269,081	3,813,767	4,123,633	4,461,806	4,464,495	5,068,307	6,156,209	5,411,164	5,721,502
Water and sewer	14,102,005	14,405,238	15,399,199	18,558,478	20,167,628	25,344,511	25,312,026	29,150,934	32,257,004
Total business-type activities expenses	21,680,734	22,848,959	25,153,065	29,988,280	33,958,279	44,366,913	42,978,126	45,520,018	50,070,732
Total government expenses	63,486,531	69,397,454	86,792,381	101,012,083	107,939,390	109,737,124	115,493,668	127,111,287	156,010,444
PROGRAM REVENUES									
Governmental activities									
Charges for services									
General government	8,635,786	11,131,748	10,136,446	11,273,075	7,592,971	6,684,624	5,545,362	4,986,281	4,637,569
Public safety	1,637,161	1,344,251	2,068,420	1,721,664	1,074,256	1,429,447	1,130,201	3,129,361	2,828,616
Highways and streets	84,164	15,554	112,496	793	-	123,754	22,715	51,308	149,390
Culture and recreation	1,150,392	2,010,063	2,021,129	558,414	568,694	655,084	592,532	93,676	96,917
Operating grants and contributions									
General government	6,686,784	1,782,240	9,665,447	13,467,696	5,524,812	3,214,916	4,785,366	4,740,699	7,046,635
Public safety	364,666	338,479	576,299	534,176	311,835	1,136,656	463,544	268,901	8,236,931
Highways and streets	4,604	9,511,871	4,366,489	593,703	8,606,392	-	1,832,659	2,150,000	-
Culture and Recreation	-	-	152,993	90,498	98,447	3,937	37,452	49,686	63,493
Capital grants and contributions									
General government	5,354	2,397,534	11,582,417	14,555,981	31,748,416	21,856,896	27,108,995	11,526,690	855,376
Public safety	181,340	268,620	815,504	468,119	2,663,668	10,564	27,204	207,500	31,012,559
Highways and streets	1,165,700	14,271,317	12,152,326	28,049,555	39,835,660	6,416,100	21,863,378	791,210	8,515,099
Culture and recreation	6,673	-	12,011	24,806	190,839	63,400	27,515	2,061	145,416
Total governmental activities program revenues	19,922,624	43,071,677	53,661,977	71,338,480	98,215,990	41,595,378	63,436,924	27,997,373	63,588,001
Business-type activities									
Charges for services									
Airport	1,815,968	2,518,466	4,010,834	4,047,237	3,327,592	4,585,949	4,136,045	4,454,804	3,225,837
Cemetery	261,460	303,427	303,061	330,264	313,701	298,117	297,359	275,218	328,238
Parking authority	143,438	149,343	107,647	39,259	45,655	48,527	47,310	52,788	51,976
Parking ramps	-	-	-	-	-	-	-	82,233	94,421
Sanitation	5,555,689	4,668,460	5,051,929	4,679,968	4,536,174	4,292,700	5,465,072	5,502,394	6,302,618
Water and sewer	11,098,007	14,563,524	17,545,492	19,216,996	19,953,794	20,000,966	21,384,485	21,899,422	22,299,100
Operating grants and contributions									
Airport	604,989	977,359	1,418,223	1,248,307	2,401,140	1,421,390	580,465	500,621	1,717,616
Cemetery	-	-	-	-	-	-	-	-	600
Sanitation	-	-	-	-	5,200	89,903	-	-	-
Water and sewer	-	-	-	-	-	24,608	-	-	-

City of Minot, North Dakota
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
unaudited

	2011	Restated 2012	Restated 2013	2014	2015	2016	2017	2019	2020
Capital grants and contributions									
Airport	\$ 649,789	\$ 8,103,553	\$ 13,489,126	\$ 20,519,210	\$ 21,362,081	\$ 3,564,669	\$ 2,203,852	\$ 1,893,578	\$ 4,798,762
Cemetery	10,964	26,508	-	-	-	-	-	-	-
Parking authority	-	89,053	-	(1,513)	-	-	-	-	-
Parking ramps	-	-	-	-	-	-	-	-	17,279,821
Sanitation	407,443	298,497	1,540,548	190,550	-	577,716	2,606,770	31	591
Water and sewer	4,582,021	21,310,811	17,532,389	46,719,119	62,750,889	26,480,713	21,169,631	906,260	14,464,533
Total business-type activities program revenues	25,129,768	52,974,001	60,999,249	96,989,397	114,696,225	61,385,258	57,890,988	35,567,349	70,564,113
Total government program revenues	45,052,393	96,045,678	114,661,226	168,327,877	212,912,215	102,980,636	121,327,912	63,564,722	134,152,114
Net revenue (expense)									
Governmental activities	(21,883,173)	(3,476,818)	(7,977,339)	314,678	24,234,879	(23,774,833)	(9,078,618)	(53,593,896)	(42,351,711)
Business-type activities	3,449,034	30,125,042	35,846,184	67,001,117	80,737,946	17,018,346	14,912,862	(9,952,669)	20,493,381
Total government net expense	(18,434,139)	26,648,224	27,868,845	67,315,795	104,972,825	(6,756,487)	5,834,244	(63,546,565)	(21,858,330)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION									
Governmental activities									
Taxes									
Property taxes, levied for general purposes	9,556,958	6,818,892	9,479,846	9,668,534	13,094,945	14,555,649	13,897,560	20,530,118	20,322,998
Property taxes, levied for debt service	800,683	735,488	499,901	1,126,237	2,875,336	2,333,770	3,056,361	2,971,720	3,367,226
Sales taxes	21,612,185	26,705,354	24,850,061	27,245,883	26,035,551	21,375,144	20,035,165	22,160,231	20,655,109
Municipal highway tax	2,418,451	2,570,954	4,231,254	4,792,103	2,740,748	2,400,195	2,560,200	2,647,322	2,387,134
State aid distribution-unrestricted	3,055,454	4,166,709	2,816,975	2,952,874	4,411,924	3,477,932	3,378,357	3,987,699	3,460,199
Franchise taxes	525,180	588,414	668,203	699,277	702,627	676,847	629,927	525,036	485,958
Other taxes	450,630	1,729,453	564,120	700,272	311,720	314,838	303,037	296,676	297,295
Grants and contributions not restricted to specific programs									
Investment earnings	950,457	480,932	251,460	471,073	694,916	645,118	801,119	2,144,612	1,606,922
Miscellaneous	2,749,359	1,807,263	2,443,339	604,999	2,702,358	1,337,662	1,165,742	989,287	802,964
Transfers	(4,276,666)	(5,872,446)	(3,442,538)	(353,310)	1,262,055	4,495,291	(6,886,141)	(1,418,099)	(3,226,100)
Total governmental activities	37,842,691	39,731,013	42,362,621	47,907,942	54,832,180	51,612,446	38,941,327	54,834,602	50,159,705
Business-type activities:									
Taxes									
Property taxes, levied for general purposes	480,909	687	186,344	82,208	166,746	385,491	758,690	2,802,605	954,484
Property taxes, levied for debt service	-	-	-	-	-	-	-	-	6,080
Other taxes	108,670	-	-	-	-	-	-	-	-
Investment earnings	105,260	91,147	88,706	114,540	119,072	98,063	249,010	748,124	387,779
Miscellaneous	442,812	247,280	403,908	44,404	1,244,180	660,328	756,238	695,604	249,841
Transfers	4,276,666	5,872,446	3,442,538	353,310	(1,262,055)	(4,495,291)	6,886,141	1,418,099	3,226,100
Total business-type activities	5,414,317	6,211,560	4,121,496	594,462	267,943	(3,351,409)	8,650,079	5,664,432	4,824,284
Total government	43,257,008	45,942,573	46,484,117	48,502,404	55,100,123	48,261,037	47,591,406	60,499,034	54,983,989
Change in net position									
Governmental activities	15,959,518	36,254,196	34,385,282	48,222,620	79,067,059	27,837,613	29,862,709	1,240,706	7,807,994
Business-type activities	8,863,351	36,336,602	39,967,680	67,595,579	81,005,889	13,666,937	23,562,941	(4,288,237)	25,317,665
Total government	\$ 24,822,869	\$ 72,590,798	\$ 74,352,962	\$ 115,818,199	\$ 160,072,948	\$ 41,504,550	\$ 53,425,650	\$ (3,047,531)	\$ 33,125,659

City of Minot, North Dakota
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General fund										
Nonspendable	\$ 114,184	\$ 39,167	\$ 225,635	\$ 265,407	\$ 517,859	\$ 508,264	\$ 471,775	\$ 473,597	\$ 668,118	\$ 666,170
Restricted	739	6,039	-	3,171	-	654,437	372,804	214,717	907,643	728,836
Committed	-	-	-	-	-	-	-	480,742	2,318,748	3,037,974
Assigned	-	-	-	-	-	82,268	85,700	234,849	6,719,520	7,443,829
Unassigned	10,502,936	16,184,502	19,274,270	22,706,977	24,689,554	24,487,188	26,556,632	30,949,573	33,604,001	35,096,891
Total general fund	<u>\$ 10,617,859</u>	<u>\$ 16,229,708</u>	<u>\$ 19,499,905</u>	<u>\$ 22,975,555</u>	<u>\$ 25,207,413</u>	<u>\$ 25,732,157</u>	<u>\$ 27,486,911</u>	<u>\$ 32,353,478</u>	<u>\$ 44,218,030</u>	<u>\$ 46,973,700</u>
All other governmental funds										
Nonspendable	\$ 109,535	\$ 67,299	\$ 622,897	\$ 1,811,788	\$ 1,802,560	\$ 2,428,847	\$ 1,068,548	\$ 115,614	\$ 94,462	\$ 100,965
Restricted	41,771,170	36,048,453	34,982,125	36,569,675	79,520,645	79,598,317	74,588,206	52,321,549	49,648,945	3,196,215
Committed	3,972,645	6,011,986	12,497,167	38,123,755	-	-	291,096	5,750,502	7,837,207	56,188,680
Assigned	26,310,329	38,012,025	48,079,550	26,648,670	25,864,361	24,420,302	18,479,763	22,413,885	11,798,609	16,357,091
Unassigned	(726,084)	(1,637,152)	(1,852,004)	(265,877)	-	(265,822)	(22,847)	(642,814)	(967,083)	-
Total all other governmental funds	<u>\$ 71,437,595</u>	<u>\$ 78,502,611</u>	<u>\$ 94,329,735</u>	<u>\$ 102,888,011</u>	<u>\$ 107,187,566</u>	<u>\$ 106,181,644</u>	<u>\$ 94,404,766</u>	<u>\$ 79,958,736</u>	<u>\$ 68,412,140</u>	<u>\$ 75,842,951</u>

*Implemented GASB #54 with 2009 CAFR

City of Minot, North Dakota
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES										
Property taxes	\$ 10,148,857	\$ 7,391,659	\$ 9,816,255	\$ 10,550,013	\$ 15,719,398	\$ 16,620,590	\$ 16,685,984	\$ 20,885,157	\$ 22,895,662	\$ 23,136,677
Sales tax collections	21,612,185	26,705,354	24,850,061	27,245,883	26,035,551	21,375,144	20,035,165	21,182,065	22,160,231	20,655,109
Cable TV franchise fees	525,180	588,414	668,203	668,203	699,277	676,847	629,927	571,431	525,036	485,958
Licenses and permits	1,486,521	2,311,025	2,153,400	1,862,029	1,331,860	977,803	685,449	1,398,108	777,618	901,383
Intergovernmental	14,315,003	23,120,131	33,762,275	39,740,800	60,177,461	32,513,738	47,959,928	30,411,854	27,756,631	34,044,663
Charges for services	6,755,299	8,311,975	8,413,316	8,746,373	5,089,099	5,223,295	3,986,868	4,535,173	4,471,421	4,165,353
Fines and forfeits	852,821	1,117,060	1,198,946	1,229,088	679,969	669,284	646,728	739,543	741,953	565,484
Special assessment collections	805,084	753,755	775,793	2,030,276	4,884,263	4,002,683	2,205,809	1,945,189	1,963,557	1,951,866
Interest income	958,300	546,393	251,460	471,073	694,916	645,118	801,119	1,576,164	2,144,611	1,606,922
Contract revenue	1,698,584	1,200,000	1,187,136	-	-	-	-	-	-	-
Miscellaneous	1,027,307	607,263	1,256,203	604,999	2,934,911	1,506,669	1,505,480	1,677,642	1,126,269	836,107
Total revenues	60,185,141	72,653,029	84,333,048	93,148,737	118,246,705	84,211,171	95,142,457	84,922,326	84,562,989	88,349,522
EXPENDITURES										
General government	15,569,025	17,366,238	19,335,762	23,680,730	26,239,852	15,721,274	21,646,093	23,146,741	18,743,031	23,235,062
Public safety	10,619,643	10,790,276	12,707,694	14,376,257	14,869,964	16,320,099	16,591,562	17,379,470	24,997,553	25,358,231
Highways and streets	4,398,650	6,145,446	12,090,496	8,557,587	7,966,728	6,472,349	7,882,733	8,625,795	9,950,063	13,017,055
Culture and recreation	3,195,012	3,356,958	4,501,165	7,364,051	9,762,841	7,658,965	7,396,239	3,693,931	5,932,137	2,012,406
Economic development	903,978	851,421	1,306,170	3,292,475	3,266,376	1,145,992	826,120	420,838	646,685	679,973
Capital outlay	4,921,732	14,347,097	27,442,679	27,926,088	49,490,425	47,648,330	36,562,709	21,055,738	18,990,565	15,038,813
Debt retirement										
Principal	2,225,000	5,510,000	2,995,000	3,060,000	4,485,000	4,920,000	6,110,000	3,760,000	3,840,000	3,999,711
Interest and fiscal charges	600,808	696,720	551,892	1,022,919	1,319,488	1,326,733	1,341,613	1,211,259	1,112,458	998,971
Administrative Charges	-	-	-	-	-	-	-	-	1,201	408
Total expenditures	42,433,848	59,064,156	80,930,858	89,280,107	117,400,674	101,213,742	98,357,069	79,293,772	84,213,693	84,340,630
Excess (deficiency) of revenues over (under) expenditures	17,751,293	13,588,873	3,402,190	3,868,630	846,031	(17,002,571)	(3,214,612)	5,628,554	349,296	4,008,892
OTHER FINANCING SOURCES (USES)										
General obligation bonds issued	-	2,900,000	6,815,000	3,950,000	390,000	780,000	-	-	-	-
Special assessment bonds issued	4,285,000	1,885,000	11,595,000	4,135,000	3,780,000	10,110,000	-	-	-	-
Sales tax bonds issued	-	-	-	-	-	-	-	-	-	8,145,000
Premium (discount) on debt issued	200,025	95,838	642,825	332,360	166,241	949,616	-	-	-	70,777
State revolving fund	-	-	-	-	-	-	-	179,120	434,122	801,680
Capital leases	-	-	-	7,921	(1,779)	-	6,405	203,000	805,472	196,153
Sale of City Property	89,751	79,600	84,844	93,325	88,865	186,486	72,224	105,339	147,162	190,079
Transfers in	4,132,386	16,158,598	16,523,322	21,264,126	19,905,935	21,977,660	16,349,478	13,303,536	22,771,414	18,663,791
Transfers out	(8,409,052)	(22,031,044)	(19,965,860)	(21,617,436)	(18,643,880)	(17,482,369)	(23,235,619)	-	(24,189,512)	(21,889,891)
Total other financing sources (uses)	298,110	(912,008)	15,695,131	8,165,296	5,685,382	16,521,393	(6,807,512)	13,790,995	(31,342)	6,177,589
Net change in fund balances	\$ 18,049,403	\$ 12,676,865	\$ 19,097,321	\$ 12,033,926	\$ 6,531,413	\$ (481,178)	\$ (10,022,124)	\$ 19,419,549	\$ 317,954	\$ 10,186,481
Debt service expenditures to noncapital expenditures	7.53%	13.88%	6.63%	6.65%	8.55%	11.66%	12.06%	8.54%	7.59%	7.21%

City of Minot, North Dakota
Governmental Activities Tax Revenue by Source
Last Ten Fiscal Years
(accrual basis of accounting)
unaudited

Year	Property Tax Levied for General Purposes	Property Tax Levied for Debt Service	Sales Tax	Municipal Highway Tax	State Aid Distribution	Franchise Tax	Other Tax	Total	(1) Population Estimated
2011	\$ 9,556,958	\$ 800,683	\$ 21,612,185	\$ 2,418,451	\$ 3,055,454	\$ 525,180	\$ 450,630	\$ 38,419,541	42,485
2012	6,819,579	735,488	26,705,354	2,570,954	4,166,709	588,414	1,729,453	43,315,951	43,746
2013	9,666,190	499,901	24,850,061	2,794,431	4,231,254	668,203	564,120	43,274,160	46,398
2014	9,750,742	1,126,237	27,245,883	2,952,874	4,792,103	699,277	700,272	47,267,388	47,997
2015	13,261,691	2,875,336	26,035,551	2,740,748	4,411,924	702,627	311,720	50,339,597	49,450
2016	14,555,649	2,333,770	21,375,144	2,400,195	3,477,932	676,847	314,838	45,134,375	47,338
2017	14,656,250	3,056,361	20,035,165	2,560,200	3,378,357	629,927	303,037	44,619,297	48,743
2018	18,361,227	2,936,172	21,182,065	2,618,870	3,818,739	571,431	303,918	49,792,422	47,822
2019	20,530,118	2,971,720	22,160,231	2,647,322	3,987,699	525,036	296,676	53,118,802	47,370
2020	20,322,998	3,367,226	20,655,109	2,387,134	3,460,199	485,958	297,295	50,975,919	47,382

(1) 2017-2020 Source: Ward County Area Profile. 2020 as of 2/3/21
2009-2016 Source: U.S. Census Bureau

City of Minot, North Dakota
Sales Tax - Taxable Sales and Purchases
Last Ten Fiscal Years
 (accrual basis of accounting)
 unaudited

Year	(1) Population Estimated	City Direct Sales Tax Rate	(2) Taxable Sales & Purchases	Sales Tax remitted by State of ND to the City													Total Sales Tax Collections	Percentage of Taxable Sales & Purchases top ten permit holders
				First Penny				June 1998 to October 2011 Northwest Area Water Supply 100%	Second Penny			Northwest Area Water Supply 40%						
				Property Tax Relief 10%	Economic Development 40%/15%	Improvements 50%/25%	Flood Control 50%		Capital Purchases	Flood Control Capital	Property Tax Relief 30%/18%		Infrastructure 40%/24%	Community Facilities 30%/18%	Capital Purchases			
2011	42,485	2%	\$ 1,390,182,220	\$ 1,080,609	\$ 4,322,437	\$ 5,403,047	\$ -	\$ -	\$ -	\$ 7,642,725	\$ 949,010	\$ 1,265,347	\$ 949,010	\$ -	\$ -	\$ 21,612,185	32.50%	
2012	43,746	2%	1,644,090,990	1,335,268	5,341,071	6,676,338	-	-	-	-	4,005,803	5,341,071	4,005,803	-	-	26,705,354	30.89%	
2013	46,398	2%	1,559,389,207	1,242,503	4,970,012	6,212,516	-	-	-	-	3,727,509	4,970,012	3,727,509	-	-	24,850,062	30.07%	
2014	47,997	2%	1,566,093,772	1,362,295	3,541,644	4,903,938	3,815,065	-	-	-	4,086,883	5,449,176	4,086,882	-	-	27,245,884	27.20%	
2015	49,450	2%	1,419,398,286	1,301,778	-	3,254,215	6,508,886	1,952,898	-	-	3,905,333	2,759,100	3,755,333	2,598,009	-	-	26,035,551	32.00%
2016	47,338	2%	1,046,054,220	1,068,757	1,603,136	2,671,893	2,668,786	-	2,675,000	-	3,206,271	4,275,029	3,206,272	-	-	21,375,144	27.70%	
2017	48,743	2%	1,007,678,634	1,001,758	1,502,637	2,504,396	5,008,791	-	-	-	3,005,275	4,007,033	3,005,275	-	-	20,035,165	28.20%	
2018	47,822	2%	1,049,220,541	1,059,103	1,588,655	2,647,758	1,842,280	-	6,630,546	-	3,177,310	4,236,413	-	-	-	21,182,065	28.50%	
2019	47,370	2%	1,096,014,823	1,108,012	1,662,017	2,770,029	382,217	-	5,157,840	-	1,994,421	2,659,228	1,994,421	-	4,432,046	22,160,231	30.40%	
2020	47,382	2%	1,012,670,052	1,032,755	1,549,133	2,581,889	5,163,777	-	-	-	1,858,960	2,478,613	1,858,960	-	4,131,022	20,655,109	31.92%	

In 1998, Sales Tax increased from 1% to 2%, with the additional 1% dedicated to the Northwest Area Water Supply project. The sales tax is a citizen voted tax. The original 1% is for capital improvements at 50%, economic development at 40%, and property tax relief at 10%. In June 2011, the voters opted to continue collecting the additional 1% sales tax, formerly for the Northwest Area Water Supply project and dedicate 30% to property tax relief, 40% to infrastructure projects, and 30% to community facilities. Based on the results of the City Council passing an ordinance, the first penny sales tax will be reallocated to the following as of July 1, 2014: property tax relief 10%; economic development 15%; improvements fund 25%; and flood control 50%. Effective January 1, 2019, 40% of the second penny sales tax was reallocated to the Northwest Area Water Supply project.

(1) 2017-2020 Source: Ward County Area Profile. 2020 as of 2/3/21
 2009-2016 Source: U.S. Census Bureau

(2) Taxable sales and purchases figure are from the State of ND Sales Tax Department Sales and Use Tax Statistical Annual Report.

City of Minot, North Dakota
Sales Tax - Taxable Sales and Purchases by Industry
Last Ten Fiscal Years*
 unaudited

Industry	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Construction	\$ 38,717,443	\$ 58,247,973	\$ 48,910,592	\$ 49,746,274	\$ 50,617,167	\$ 33,914,871	\$ 25,724,984	\$ 30,518,657	\$ 26,691,993	\$ 26,010,568
Manufacturing	37,402,333	46,344,370	41,189,329	44,013,916	35,172,479	26,147,004	24,098,344	25,157,356	25,863,286	24,454,374
Wholesale trade	220,934,137	263,822,015	251,299,458	290,327,737	188,430,808	119,459,817	121,122,546	131,858,479	142,197,859	125,737,440
Retail trade	708,083,354	844,491,363	797,159,510	787,593,298	701,907,245	588,795,861	561,632,634	571,195,731	578,080,327	565,718,473
Transportation & warehousing	3,799,564	4,249,433	4,366,386	4,857,706	4,544,458	3,843,794	3,840,060	3,918,938	3,282,504	640,379
Information industries	4,257,936	5,397,964	5,614,714	5,370,170	5,361,095	4,658,360	4,366,103	4,184,241	4,206,383	1,453,829
Fin, insurance, real estate, rental & leasing	43,874,462	49,996,975	66,228,844	56,572,911	37,360,861	22,283,586	22,824,929	25,620,582	31,460,558	24,000,666
Professional, scientific, tech., & mgmt serv.	12,496,178	12,529,022	13,341,555	6,201,548	4,968,086	4,993,857	5,303,173	4,913,830	5,431,346	5,976,447
Educational, health care, & social services	3,617,411	3,872,616	3,358,110	4,526,544	4,359,408	4,086,361	3,373,433	4,035,600	4,488,726	3,796,923
Arts, entertainment & recreation	3,485,182	3,849,395	5,251,128	5,852,922	6,143,852	6,546,703	7,613,172	7,384,957	7,479,974	7,138,654
Accommodation & food services	163,610,566	191,892,960	191,616,550	202,405,713	190,000,047	166,075,079	164,225,049	166,260,319	171,919,322	142,518,809
Mining and Oil Extraction	112,311,540	111,271,321	88,648,677	61,488,901	147,323,049	26,921,532	22,506,295	30,371,368	47,156,652	41,595,112
Other services	35,124,654	39,632,295	40,431,146	45,168,580	42,127,833	37,167,275	39,418,208	41,659,096	45,972,434	41,369,275
Miscellaneous	2,467,460	8,493,288	1,973,208	1,967,552	1,081,898	1,160,120	1,629,704	2,141,387	1,783,459	2,259,103
Total taxable sales and purchases	\$ 1,390,182,220	\$ 1,644,090,990	\$ 1,559,389,207	\$ 1,566,093,772	\$ 1,419,398,286	\$ 1,046,054,220	\$ 1,007,678,634	\$ 1,049,220,541	\$ 1,096,014,823	\$ 1,012,670,052

Industry taxable sales and purchases figures are from the State of ND Sales Tax Department - 2020 numbers are preliminary

NOTE: Classification by industry is based on 2002 North American Industry Classification System (NAICS)

Statistics are not reportable unless at least five businesses are included in the industry group

City of Minot, North Dakota
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
 unaudited

Levy Year	(1) Commercial Land and Buildings	(1) Residential Land and Buildings	Public Utilities	(2) Total Assessed Value	Total True and Full Value	Assessed Value as a Percentage of True and Full Value	Total Direct Tax Rate
2011	\$ 485,485,645	\$ 828,297,280	\$ 9,492,470	\$ 1,323,275,395	\$ 2,646,550,790	50.00%	76.67
2012	620,200,100	936,981,878	13,467,661	1,570,649,639	3,141,299,278	50.00%	84.29
2013	843,373,150	1,188,428,700	15,175,410	2,046,977,260	4,093,954,520	50.00%	76.05
2014	1,000,617,300	1,227,636,250	15,781,324	2,244,034,874	4,488,069,748	50.00%	77.90
2015	1,126,074,880	1,300,547,378	15,256,870	2,441,879,128	4,883,758,256	50.00%	77.05
2016	1,111,099,350	1,295,175,344	20,045,240	2,426,319,934	4,852,639,869	50.00%	77.81
2017	991,146,600	1,233,454,067	19,278,330	2,243,878,997	4,487,757,994	50.00%	106.65
2018	929,727,850	1,223,475,000	21,038,600	2,174,241,450	4,348,482,900	50.00%	129.70
2019	949,876,220	1,222,460,256	25,981,810	2,198,318,286	4,396,636,572	50.00%	121.87
2020	965,751,000	1,242,758,122	25,340,590	2,233,849,712	4,467,699,424	50.00%	119.95

(1) Data obtained from the City Assessor's Office and Ward County Auditor's Office

(2) Assessed values are finalized by the State Assessment Board on the second Tuesday in August of each year.

The assessed value is calculated at 50% of the true and full value.

City of Minot, North Dakota
Property Tax Rates in Mills - Direct and Overlapping Governments
Per \$1,000 Taxable Valuation
Last Ten Fiscal Years
 unaudited

<u>Levy Year</u>	<u>City of Minot</u>					<u>Total</u>	<u>Minot Park District</u>	<u>Minot School District</u>	<u>State and County</u>	<u>Total</u>
	<u>General Fund</u>	<u>Proprietary Funds</u>	<u>Special Revenue Funds</u>	<u>Capital Funds</u>	<u>Debt Service Funds</u>					
2011	54.59	-	15.17	0.39	6.52	76.67	30.87	135.19	69.58	312.31
2012	55.32	1.33	15.65	8.44	3.55	84.29	31.65	141.02	71.12	328.08
2013	42.88	0.44	21.90	4.63	6.20	76.05	28.11	81.98	63.03	249.17
2014	46.01	0.82	20.64	2.94	7.49	77.90	27.09	92.41	71.22	268.62
2015	47.41	1.70	16.62	7.11	4.21	77.05	29.35	98.25	64.79	269.44
2016	44.07	3.50	12.96	3.21	14.07	77.81	31.36	108.22	65.47	282.86
2017	61.69	3.86	20.64	6.09	14.37	106.65	34.40	111.05	72.42	324.52
2018	69.39	14.07	19.54	11.90	14.80	129.70	35.55	113.50	73.08	351.83
2019	86.56	4.69	8.46	5.41	16.75	121.87	43.22	111.34	61.27	337.70
2020	93.13	4.24	5.99	2.72	13.87	119.95	42.66	109.33	60.38	332.32

Data obtained from the City of Minot Budget and the Ward County Auditor's Office

City of Minot, North Dakota
Property Tax Levies and Collections
Last Ten Fiscal Years
unaudited

<u>Levy Year</u>	<u>(1) Total Current Tax Levy</u>	<u>(2) Current Collections</u>	<u>Percent of Levy Collected</u>	<u>(2) Delinquent Collections</u>	<u>(2) Total Collections</u>	<u>Total Collection as Percent of Current Levy</u>	<u>(3) Adjustments</u>	<u>(4) Accumulated Outstanding Taxes</u>	<u>Outstanding Delinquent as Percent of Current Levy</u>
2011	\$ 9,408,148	\$ 8,943,179	95.06%	\$ 206,031	\$ 9,149,210	97.25%	\$ 315,299	\$ 227,902	2.42%
2012	12,449,978	11,789,696	94.70%	170,747	11,960,443	96.07%	354,891	362,546	2.91%
2013	14,505,927	13,803,849	95.16%	264,952	14,068,802	96.99%	351,294	448,378	3.09%
2014	16,451,633	15,063,278	91.56%	309,745	15,373,023	93.44%	459,639	1,067,348	6.49%
2015	17,616,035	15,905,973	90.29%	885,793	16,791,766	95.32%	486,750	1,404,868	7.97%
2016	17,871,719	16,700,619	93.45%	1,217,215	17,917,834	100.26%	489,146	869,607	4.87%
2017	22,616,328	20,925,767	92.53%	625,918	21,551,685	95.29%	761,757	1,172,493	5.18%
2018	26,611,273	24,637,660	92.58%	769,619	25,407,279	95.48%	969,740	1,406,747	5.29%
2019	25,301,186	23,054,460	91.12%	786,710	23,841,170	94.23%	914,692	1,952,071	7.72%
2020	25,781,496	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Amounts are given to Ward County in November of each year but are not due until February 15 of the following year.

(2) Collections are for the 12 month period January through December of the year following the levy year.

(3) Includes discount, mobile homes, abatements & change orders

(4) Prior year accumulated taxes + current levy - current collections - delinquent collections - adjustments

City of Minot, North Dakota
Principal Property Taxpayers
December 31, 2020
unaudited

TAXPAYER	2020			2011		
	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value
IRET Properties	\$ 3,583,100	1	0.16%	\$ 3,436,065	2	0.26%
Dakota Square Mall CMBS LLC	3,289,650	2	0.15%	3,758,095	1	0.28%
Trinity Health	2,061,850	3	0.09%			
Northern States Power Co	1,463,473	4	0.07%			
North Highland-Minot, LLC	1,148,050	5	0.05%			
SUSO 3 Southgate LP	1,065,850	6	0.05%			
ARHC MMINND01, LLC (Medical Arts/Wellington)	1,051,900	7	0.05%			
Farmers Union Oil Company	1,047,350	8	0.05%	405,045	12	0.03%
Westcorp Minot, LLC	891,450	9	0.04%			
Schatz Properties, LLC	882,400	10	0.04%			
Sail Properties, LLC	861,150	11	0.04%			
United Pulse Trading Inc.	818,650	12	0.04%			
Doc-2111 Landmark Circle Mob, LLC (CHI St Alexius)	780,600	13	0.03%			
Montana Dakota Utilities Co.	726,958	14	0.03%			
Westlie Motor Company	709,050	15	0.03%			
Wal-Mart Real Estate Business Trst	684,000	16	0.03%	796,265	3	0.06%
Menards Inc.	659,600	17	0.03%	639,275	6	0.05%
Northdale Apartments, LLC	644,450	18	0.03%			
Dakota Upreit (Metro Mall)	640,100	19	0.03%	387,590	13	0.03%
Woodridge Fund 7 MPH, LLC	638,950	20	0.03%			
Kadima Medical Properties (Former Unimed Clinic)				665,730	4	0.05%
Meadowridge				642,095	5	0.05%
International Inn (Grand Hotel)				603,370	7	0.05%
Cambridge Capital Management				550,530	8	0.04%
Cenex Harvest States Co-Op				506,270	9	0.04%
Cognizant Technology Solutions US Corp.				485,240	10	0.04%
Philadelphia Macaroni				417,680	11	0.03%
Glacial Holdings				374,815	14	0.03%
Map Dakota (Wellington)				369,650	15	0.03%
Minot Senior Living (Brentmoor)				363,480	16	0.03%
Minot Town & Country Investors LLP				361,415	17	0.03%
Riverside Inc. (Holiday Inn Riverside)				359,245	18	0.03%
Elk Pointe Apartments, LLC				354,730	19	0.03%
Woodridge Mobile Home Park LLC				346,385	20	0.03%
All Others	2,210,201,131		98.94%	1,307,452,425		98.80%
Total Taxable Assessed Value	<u>\$2,233,849,712</u>		<u>99.84%</u>	<u>\$1,323,275,395</u>		<u>99.74%</u>

(1) Data obtained from City Assessor's Office. Taxable Value of commercial properties is 5% of actual market value per state statute.

City of Minot, North Dakota
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
 unaudited

Year	Governmental Activities						Business-Type Activities				Total Government	(1) Percentage of Personal Income	(2) Per Capita
	General Obligation Bonds	Special Assessment Bonds	Sales Tax	Capital Financing Program Bonds	State Revolving Funds	Capital Lease	Revenue Bonds	State Revolving Funds	Notes Payable	Capital Leases			
2011	\$ 9,934,280	\$ 8,953,802	\$ -	\$ -	\$ -	\$ 6,563	\$20,835,653	\$ -	\$1,428,722	\$ 640,437	\$ 41,799,457	15.43%	983.86
2012	8,474,812	9,791,156	-	-	-	3,383	20,829,857	-	1,358,115	491,120	40,948,443	13.22%	936.05
2013	13,628,909	20,665,181	-	-	-	265	36,292,434	-	1,285,015	683,680	72,555,484	19.72%	1,563.76
2014	15,789,576	23,796,115	-	-	-	6,495	42,639,711	-	1,209,334	473,392	83,914,623	22.06%	1,748.33
2015	13,732,954	23,529,579	-	2,062,952	-	4,026	59,101,796	-	1,130,981	1,029,389	100,591,677	25.02%	2,034.21
2016	21,596,698	22,582,805	-	1,942,698	-	23,949	60,022,310	-	1,049,862	1,135,917	108,354,239	28.24%	2,288.95
2017	18,408,804	19,622,342	-	1,817,444	-	22,945	50,575,996	-	965,878	2,189,092	93,602,501	26.55%	1,920.33
2018	16,500,655	17,740,256	-	1,687,190	179,120	214,717	47,217,220	6,215,499	878,930	2,110,850	92,744,437	26.44%	1,939.37
2019	14,547,505	15,823,171	-	1,556,937	613,242	759,881	43,327,354	11,699,299	-	1,333,141	89,660,530	24.45%	1,892.77
2020	12,534,300	13,866,084	8,215,187	1,421,683	1,360,211	715,585	41,187,408	13,868,098	-	1,478,931	94,647,487	24.95%	1,997.54

(1) \$3,793,831 Source: Bureau of Economic Analysis; Last updated March 2020

(2) 2017-2020 Source: Ward County Area Profile. 2019 as of 2/3/21
 2009-2016 Source: U.S. Census Bureau

City of Minot, North Dakota
Ratio of Net General Bonded Debt to Assessed
Value and Net Bonded Debt per Capita
Last Ten Fiscal Years
 unaudited

Year	(1) Population Estimated	(2) Assessed Value	(3) Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2011	42,485	\$ 1,323,275,395	\$ 10,017,759	\$ 348,339	\$ 9,669,420	0.73%	227.60
2012	43,746	1,570,649,639	8,503,327	510,105	7,993,222	0.51%	182.72
2013	46,398	2,046,977,260	13,879,232	352,896	13,526,336	0.66%	291.53
2014	47,997	2,244,034,874	16,506,462	1,273,150	15,233,312	0.68%	317.38
2015	49,450	2,441,879,128	14,449,840	1,195,984	13,253,856	0.54%	268.03
2016	47,338	2,426,319,934	21,799,895	1,048,359	20,751,536	0.86%	438.37
2017	48,743	2,243,878,997	18,589,243	389,879	18,199,364	0.81%	373.37
2018	47,822	2,174,241,450	17,020,770	871,643	16,149,127	0.74%	337.69
2019	47,370	2,198,318,286	15,007,840	949,798	14,058,042	0.64%	296.77
2020	47,382	2,233,849,712	12,934,920	942,835	11,992,085	0.54%	253.09

(1) 2017-2020 Source: Ward County Area Profile. 2020 as of 2/3/21
 2009-2016 Source: U.S. Census Bureau

(2) Assessed values are finalized by the State Assessment Board on the second Tuesday in August of each year. Since 1982, assessed value is calculated at 50% of the true and full value. Prior to 1982, assessed value was calculated at a residential or commercial percentage of market value.

(3) This includes all long-term general obligation debt

City of Minot, North Dakota
Computation of Direct and Overlapping Debt
For the Year Ended December 31, 2020
unaudited

<u>Governmental Unit</u>	<u>Outstanding Debt</u>	<u>Sinking Funds</u>	<u>Net Debt</u>	<u>Ratio</u>	<u>City's Share of Debt</u>
Minot School District (1)	\$ 49,047,122	\$ 3,687,515	\$ 45,359,607	92.98%	\$42,174,760
Minot Park District (2)	23,360,275	-	23,360,275	100.00%	23,360,275
Ward County (3)	23,395,000	8,766,236	14,628,764	63.85%	9,339,779
Ward Co. Water Resource District	2,155,000	-	2,155,000	63.85%	1,375,866
Overlapping Debt					<u>76,250,680</u>
City of Minot (General Obligation Direct Debt)			12,534,300	100.00%	12,534,300
City of Minot (Special Assessment)			13,866,084	100.00%	13,866,084
City of Minot (Sales Tax)			8,215,187	100.00%	8,215,187
City of Minot (Capital Financing Program Bonds)			1,421,683	100.00%	1,421,683
City of Minot (State Revolving Fund)			1,360,211	100.00%	1,360,211
City of Minot (Capital Lease)			715,585.00	100.00%	<u>715,585</u>
Direct Debt					<u>38,113,050</u>
Total Direct and Overlapping Debt					<u><u>\$114,363,730</u></u>

<u>Ratios Used</u>	<u>2020 Assessed Value</u>	<u>2020 City's Assessed Value</u>	<u>Percentage</u>
Minot School District (3)	\$2,077,003,788	\$2,233,849,712	92.98%
Minot Park District (3)	2,233,849,712	2,233,849,712	100.00%
Ward County (3)	3,498,847,456	2,233,849,712	63.85%
Ward Co. Water Resource District	3,498,847,456	2,233,849,712	63.85%

(1) Data obtained from Minot Public School's Administration Office

(2) Data obtained from Minot Park District

(3) Data obtained from Ward County Auditor's Office

The method used to determine the percentage of overlap was the percentage of the City's assessed value shared by the separate entity.

City of Minot, North Dakota
Computation of Legal Debt Margin
December 31, 2020
unaudited

True and full value of taxable property - 2020	\$ 4,467,699,424
Debt limit - 8% of 50% of true and full value	178,707,977
Amount of debt applicable to debt limit:	
General obligation bonds	\$ 12,534,299
Special Assessment bonds with Government Commitment	400,620
Less: cash in debt service sinking funds	<u>(942,835)</u>
Total net debt applicable to limit	<u>11,992,084</u>
Legal debt margin	<u><u>\$ 166,715,893</u></u>

City of Minot, North Dakota
Legal Debt Margin Information
Last Ten Fiscal Years
unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 105,862,032	\$ 126,682,969	\$ 163,758,181	\$ 179,522,790	\$ 203,226,781	\$ 194,105,595	\$ 179,510,320	\$ 173,939,316	\$ 175,865,463	\$ 178,707,977
Less total net debt applicable to limit	10,017,759	8,503,327	13,879,232	16,506,462	14,449,840	21,799,895	18,589,243	16,089,347	14,058,042	11,992,084
Legal debt margin	\$ 95,844,273	\$ 118,179,642	\$ 149,878,949	\$ 163,016,328	\$ 188,776,941	\$ 172,305,700	\$ 160,921,077	\$ 157,849,969	\$ 161,807,421	\$ 166,715,893
Total net debt applicable to the limit as a percentage of debt limit	9.46%	6.71%	8.48%	9.19%	7.11%	11.23%	10.36%	9.25%	7.99%	6.71%

City of Minot, North Dakota
Revenue Bond Coverage
Airport Bonds
Last Ten Fiscal Years
unaudited

Year	Operating Revenue	State & Federal Collected Revenues	Tax Levy	(1) Direct Operating Expenses	Budget Appropriated Transfers In for Debt Service	Net Revenue Available for Debt Service	Debt Service Requirements			
							(2) Principal	Interest & Fiscal Charges	Total	Coverage
2011	\$ 1,810,807	\$ 744,646	\$ 480,907	\$ 1,353,188	\$ 150,000	\$ 1,833,172	\$ 320,000	\$ 27,395	\$ 347,395	5.28
2012	2,555,744	8,103,553	679	2,419,903	150,000	8,390,073	340,000	12,128	352,128	23.83
2013	3,946,497	13,510,812	397	2,679,069	-	14,778,637	-	83,485	83,485	177.02
2014	4,054,181	20,518,010	7	2,758,673	-	21,813,525	-	444,141	444,141	49.11
2015	3,339,385	22,735,030	-	4,434,790	-	21,639,625	-	597,076	597,076	36.24
2016	4,521,765	4,107,953	100,159	4,829,320	-	3,900,557	1,205,000	1,016,100	2,221,100	1.76
2017	4,357,683	2,547,713	531,242	4,170,988	-	3,265,650	1,170,000	1,013,533	2,183,533	1.50
2018	4,530,290	1,406,385	585,952	3,704,460	-	2,818,167	1,180,711	984,820	2,165,531	1.30
2019	4,745,972	2,041,322	1,011,955	3,510,319	-	4,288,930	1,215,711	953,433	2,169,144	1.98
2020	3,452,270	6,303,359	780,219	3,693,435	-	6,842,413	1,265,000	964,534	2,229,534	3.07

(1) Excludes depreciation

(2) Permanent financing only

City of Minot, North Dakota
Revenue Bond Coverage
Water, Sewer, and Storm Sewer Bonds
Last Ten Fiscal Years
 unaudited

Year	Operating Revenue	(1) Direct Operating Expenses	Budget Appropriated Transfers In for Operations	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
					(2) Principal	Interest & Fiscal Charges	Total	
2011	\$11,080,614	\$9,698,469	\$ 1,840,666	\$3,222,811	\$1,965,000	\$ 857,474	\$2,822,474	1.14
2012	14,730,248	9,582,090	1,454,790	6,602,948	5,500,000	882,602	6,382,602	1.03
2013	17,375,336	9,403,818	550,000	8,521,518	2,315,000	726,360	3,041,360	2.80
2014	19,191,243	11,520,824	1,050,000	8,720,419	4,520,000	717,507	5,237,507	1.66
2015	19,956,729	10,646,170	1,050,000	10,360,559	2,295,000	838,360	3,133,360	3.31
2016	19,958,715	13,804,239	1,050,000	7,204,476	2,995,000	928,823	3,923,823	1.84
2017	21,342,366	11,973,630	1,050,000	10,418,736	*8,303,984	1,026,799	9,330,783	1.12
2018	22,328,966	12,897,110	1,050,000	10,481,856	2,265,013	796,183	3,061,196	3.42
2019	21,797,189	13,354,113	648,867	9,091,943	3,831,084	704,277	4,535,361	2.00
2020	22,192,914	15,331,365	2,154,174	9,015,723	2,721,695	670,562	3,392,257	2.66

(1) Excludes depreciation

(2) Permanent financing only

* Prepaid Debt: 2008 D Water & Sewer Revenue Bonds \$5,210,000

City of Minot, North Dakota
Demographic and Economic Statistics
Last Ten Fiscal Years
 unaudited

Year	(1) Population Estimated	(2) Annual Personal Income	(2) Per Capita Personal Income	(3) Median Age	(2) Education Levels in Years of Formal Schooling	(4) School Enrollment	(2) Unemployment Rate
2011	42,485	\$2,708,309	\$ 34,319	33.2	13.47	7,424	1.7%
2012	43,746	3,097,629	44,252	33.2	13.47	7,758	3.1%
2013	46,398	3,679,861	47,320	33.8	13.44	7,737	2.3%
2014	47,997	3,803,799	49,296	30.4	13.50	7,758	2.8%
2015	49,450	4,019,683	56,024	31.0	13.52	8,192	3.5%
2016	47,338	3,836,536	55,852	31.1	13.41	8,027	3.7%
2017	48,743	3,525,988	53,545	31.1	13.46	8,006	2.9%
2018	47,822	3,508,028	51,462	31.6	13.51	7,985	2.7%
2019	47,370	3,666,886	55,214	32.1	13.54	8,281	2.3%
2020	47,382	3,793,831	56,088	32.3	13.61	8,116	4.9%

(1) 2017-2020 Source: Ward County Area Profile. 2020 as of 2/3/21
 2009-2016 Source: U.S. Census Bureau

(2) 2016-2020 Source: Bureau of Economic Analysis
 2009-2015 Source: Ward County Area Profile
 Annual Personal Income (thousands of dollars)

(3) 2016-2020 Source: Bureau of Economic Analysis
 2009-2015 Source: Minot Area Development Corp Community Profile

(4) Minot Public Schools; Our Redeemer's Christian School; Bishop Ryan Catholic Schools

Principal Employers
Current Year and Nine Years Ago
 unaudited

Employer	2020			2011		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Minot Air Force Base	6,803	1	29.63%	12,865	1	41.48%
Trinity Health	2,885	2	12.56%	2,866	2	9.24%
Minot Public Schools	1,057	3	4.60%	1,400	3	4.51%
City of Minot	416	4	1.81%	321	8	1.03%
Minot State University	387	5	1.69%	465	6	1.50%
BNSF Railway	360	6	1.57%			
Marketplace Foods	313	7	1.36%			
Ward County	283	8	1.23%	220	9	0.71%
Kalix	277	9	1.21%			
Ryan Family Dealerships	204	10	0.89%			
Cognizant (ING Minot Service Center)*				882	4	2.84%
Minot Vocational Adjustment Workshop				590	5	1.90%
MLT Inc.				325	7	1.05%
SRT Communications				213	10	0.69%
Total	12,985		56.55%	19,934		64.26%

Source: Employers

*Employer no longer willing to disclose this information

City of Minot, North Dakota
Full-time Equivalent City Government Employees by Function (1)
Last Ten Fiscal Years
 unaudited

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government	33.00	38.00	44.84	48.34	55.84	68.34	69.26	66.80	70.80	74.80
Public safety										
Police										
Officers	69.00	70.00	75.00	79.00	83.00	85.00	84.00	84.00	87.00	86.00
Civilians	20.00	22.00	25.00	25.00	26.00	27.00	27.00	27.00	26.00	27.00
Fire										
Firefighters and officers	50.00	47.00	50.00	50.00	56.00	62.00	62.00	62.00	62.00	62.00
Civilians	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Highways and streets										
Engineering	10.00	11.00	12.00	12.00	14.00	13.00	13.00	10.00	10.00	11.00
Maintenance	38.00	35.00	36.68	36.68	39.68	42.68	42.57	42.47	42.47	42.47
Culture and recreation	25.63	25.63	26.63	26.63	26.63	26.63	26.63	26.63	15.63	15.44
Airport	12.00	16.00	18.00	18.00	18.50	25.00	27.00	25.00	25.00	25.00
Cemetery	3.00	3.00	4.21	4.21	4.21	4.21	4.21	4.23	4.23	4.23
Parking authority	1.00	1.00	1.00	1.00	-	-	-	-	-	-
Sanitation	22.00	23.00	27.15	30.15	31.47	31.48	31.66	22.43	22.43	22.43
Water and sewer	38.00	41.00	42.62	48.62	49.30	50.29	50.30	51.07	52.07	52.07
Total	322.63	333.63	365.13	381.63	406.63	437.63	439.63	423.63	419.63	424.44

(1) Budgeted and appropriated positions are shown.

Data obtained from City Clerk's Office - Annual Budget

City of Minot, North Dakota
Operating Indicators by Function
Last Ten Fiscal Years
 unaudited

FUNCTION	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Assessors										
Properties reviewed	950	150	922	4,148	3,158	3,062	3,555	3,039	2,689	2,543
Properties photographed	900	2,790	1,944	4,557	4,437	3,731	4,024	3,109	2,788	3,880
Building inspections										
Permits issued	873	1,872	1,064	777	719	512	568	511	416	474
City bus										
Bus ridership	123,744	136,951	128,184	130,866	114,472	89,602	88,803	91,666	91,960	50,760
Public safety										
Police										
Parking tickets issued	6,957	9,619	9,032	7,368	8,029	4,198	5,473	4,705	3,758	1,935
Criminal citations issued	6,206	6,781	7,492	6,057	4,223	3,379	3,235	3,197	2,996	2,535
Traffic citations issued	4,194	4,901	4,239	4,990	5,340	5,729	6,414	5,740	5,071	3,636
Alarms-patrol & parking division	939	1,348	1,172	1,410	1,501	1,588	1,319	1,126	1,063	894
Fire										
# of fire incidents	498	594	660	751	737	751	758	762	1,023	970
# of rescue incidents	1,920	2,052	2,175	2,043	2,036	2,044	2,162	2,611	2,604	2,331
Inspections made	1,137	1,514	2,370	2,812	1,465	2,029	1,623	780	434	314
Highways and streets										
Traffic										
Signs installed	1,207	1,497	1,314	1,331	1,484	1,390	2,101	2,009	2,630	1,612
Signs/posts repaired	1,776	1,543	1,582	1,401	1,351	1,124	1,078	2,362	2,987	2,232
Traffic light repairs	441	569	861	276	293	529	380	945	1,071	837
Street light repairs	373	396	892	274	297	644	1,005	915	1,118	1,350
Culture and recreation										
Auditorium										
Event days	1,137	714	746	590	697	762	794	846	*	*
Attendance	211,608	199,435	186,914	78,531	94,843	117,649	125,832	138,353	*	*
Library										
Registered borrowers	24,039	23,105	21,994	21,874	22,196	23,081	24,078	25,176	26,204	26,868
Circulation and activity	232,471	268,444	302,028	292,676	205,338	645,648	384,705	446,697	411,331	294,248
Airport										
Gallons airline fuel dispensed	2,676,456	3,829,885	3,129,913	3,999,072	3,734,641	2,171,640	1,885,773	1,907,901	2,061,115	1,325,741
Airline boarding's	306,403	444,921	222,083	222,144	182,872	151,700	143,172	151,658	165,998	85,255
Sanitation										
# of customers	10,825	15,453	11,044	11,504	11,512	11,530	11,508	11,486	11,541	11,603
Landfill tonnage	215,860	191,326	161,131	151,913	142,030	178,196	120,973	180,811	212,869	164,027
Water and Sewer										
# of consumers	13,671	13,708	14,320	14,649	14,700	14,755	14,734	14,680	14,717	14,770
Gallons pumped/treated	2,009,928,000	2,434,000,000	2,334,900,000	2,422,130,000	2,455,390,000	2,368,960,000	2,539,061,201	2,455,902,936	2,327,997,548	2,381,857,895

Source: Various city departments

*Auditorium merged with Minot Park District April 1, 2019

City of Minot, North Dakota
Capital Asset Statistics by Function
Last Ten Fiscal Years*
 unaudited

FUNCTION	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Public works building	1	2	2	2	2	2	2	2	2	2
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	33	35	36	40	41	42	42	44	43	45
Fire										
Stations	3	3	3	3	3	4	4	4	4	4
Highways and streets										
Streets (square miles)	19.72	25.14	27.32	27.36	27.48	27.76	27.23	27.24	27.24	27.63
Street lights	2,604	2,897	3,229	3,400	3,603	3,690	3,751	3,795	3,800	3,790
Traffic signals	51	52	53	53	53	50	50	50	50	49
Culture and recreation										
Libraries	1	1	1	1	1	1	1	1	1	1
Ball diamonds	16	16	16	16	16	16	16	16	*	*
Tennis courts	10	10	2	2	2	2	2	2	*	*
Indoor tennis center	1	1	1	1	1	1	1	1	*	*
Sanitation										
Collection trucks	8	8	8	9	9	9	12	14	14	14
Water and Sewer										
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Water mains (miles-estimated)	269	292	302	315	322.9	324.15	324.49	315.08	319.75	322
Sewer mains (miles-estimated)	212.3	229.9	232.8	249.2	255.9	259.22	264.66	266.28	269.54	271
Storm Sewer mains (miles-estimated)	71.96	85.59	88.45	98.12	105.61	112.81	111.57	118.54	118.54	121
Maximum daily capacity (millions of gallons)	8.2	11.5	10.95	11.3	11.3	11.3	12.4	12.3	11.3	11.2

Sources: Various city departments

*Auditorium merged with Minot Park District April 1, 2019



Independent Auditor’s Report on Compliance for the Passenger Facility Charge Program; Report on Internal Control over Compliance; and Report on Schedule of Passenger Facility Charges

To the Honorable Mayor and City Council
City of Minot, North Dakota

Report on Compliance for the Passenger Facility Charge Program

We have audited the Municipal Airport Authority of the City of Minot’s (The “Airport”) compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration that could have a direct and material effect on the Airport’s Passenger Facility Charge (PFC) Program for the year ended December 31, 2020. The Airport’s PFC Program is identified in the summary of auditor’s results section of the accompanying schedule of findings.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its PFC Program.

Auditor’s Responsibility

Our responsibility is to express an opinion on the compliance for the Airport’s PFC Program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Passenger Facility Charge Audit Guide for Public Agencies*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the PFC Program occurred. An audit includes examining, on a test basis, evidence about the Airport’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the PFC Program. However, our audit does not provide a legal determination of the Airport’s compliance.

Opinion on the Passenger Facility Charge Program

In our opinion, the Airport complied, in all material respects, with the compliance requirements referred above that could have a direct and material effect on the PFC Program for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the Airport is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Airport's internal control over compliance with the types of requirements that could have a direct and material effect on the PFC Program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the PFC Program and to test and report on internal control over compliance in accordance with the *Passenger Facility Charge Audit Guide for Public Agencies*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Airport's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Passenger Facility Charge Audit Guide for Public Agencies*. Accordingly, this report is not suitable for any other purpose.



Fargo, North Dakota
June 2, 2021



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*

To the Honorable Mayor and City Council
City of Minot, 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, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Minot, North Dakota as of and for the year ended December 31, 2020, and the related notes to the financial statements, and have issued our report thereon dated June 2, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

The image shows a handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive style.

Fargo, North Dakota
June 2, 2021



Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the *Uniform Guidance*

To the Honorable Mayor and City Council
City of Minot, North Dakota

Report on Compliance for Each Major Federal Program

We have audited the City of Minot, North Dakota’s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City’s major federal program for the year ended December 31, 2020. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on the compliance for each of the City’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City’s compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Fargo, North Dakota
June 2, 2021

City of Minot, North Dakota
 Schedule of Expenditures of Federal Awards
 Year Ended December 31, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/ Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Passed- Through to Subrecipients
Department of Housing and Urban Development				
Community Development Block Grants Cluster	14.218		\$ 1,880,430	
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants Cluster	14.269		<u>5,150,932</u>	\$ 675,602
Total Department of Housing and Urban Development				\$ 7,031,362
Department of Justice				
COVID-19 - Emergency Supplemental Funding	16.034		40,834	
Bulletproof Vest Partnership Program	16.607		2,274	
Edward Byrne Memorial Justice Assistance Grant Program	16.738		\$ 39,823	
<i>Passed through ND Attorney General's Office</i> Edward Byrne Memorial Justice Assistance Grant Program Total CFDA #16.738	16.738	DJ-BX-0054	<u>7,800</u>	7,800
Total Department of Justice				90,731
Department of Transportation				
Airport Improvement Program	20.106		4,299,713	
COVID-19 - Coronavirus Aid, Relief, and Economic Security Act Airport Grant	20.106		1,354,160	
<i>Passed through ND Department of Transportation</i>				
Formula Grants for Rural Areas	20.509	38190991 & 38201032	371,026	
COVID-19 - Formula Grants for Rural Areas	20.509	38190991 & 38201032	598,012	
Bus and Bus Facilities Federal Transit Cluster	20.526	38171125 & 38181781	72,765	
State and Community Highway Safety	20.600	PHSPDD2011-02-09	5,209	
National Priority Safety Programs	20.616	PHSPID2010-02-12	\$ 11,796	
National Priority Safety Programs	20.616	PHSPOP2005-05-12	2,829	
National Priority Safety Programs	20.616	PHSPOP2105-05-12	1,744	
National Priority Safety Programs	20.616	PHSPID2110-02-10	<u>680</u>	
Total CFDA #20.616			17,049	
Total Highway Safety Cluster			<u>22,258</u>	
Total Department of Transportation				6,717,934

City of Minot, North Dakota
 Schedule of Expenditures of Federal Awards
 Year Ended December 31, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Passed- Through to Subrecipients
<u>Department of Treasury</u>				
<i>Passed through ND Office of Office of Management and Budget</i> COVID-19 - Coronavirus Relief Fund	21.019	SLT0013 & SLT0079	6,412,006	
<i>Passed through ND Humanities Council</i> COVID-19 - State Humanities General Support Grant	45.129	50208	<u>9,161</u>	
Total Department of Treasury				6,421,167
<u>Environmental Protection Agency</u>				
Drinking Water State Revolving Fund Cluster	66.468		<u>473,223</u>	
Total Environmental Protection Agency				473,223
<u>Department of Homeland Security</u>				
<i>Passed through ND Department of Emergency Services</i> Homeland Security Grant Program	97.067	EMW-2018-SS-00008	61,289	
Homeland Security Grant Program	97.067	EMW-2019-SS-000033-S01	77,506	
Homeland Security Grant Program	97.067	A1171-001-2017-R	12,480	
Homeland Security Grant Program	97.067	EMW-2018-SS-00008	<u>33,562</u>	
Total CFDA #97.067				<u>184,837</u>
Total Department of Homeland Security				<u>184,837</u>
Total Federal Financial Assistance				<u>\$ 20,919,254</u> <u>\$ 683,402</u>

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 2020. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or fund balance, or cash flows of the City.

Note B – Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Indirect Cost Rate

The City does not draw for indirect administrative expenses and has not elected to use the 10% de minimis cost rate.

City of Minot, North Dakota
Schedule of Passenger Facility Charges
Year Ended December 31, 2020

<u>Program Title</u>	<u>Revenue</u>
Passenger Facility Charge Program	<u>\$ 370,751</u>

Notes to Schedule of Passenger Facility Charges

Note A – Basis of Presentation

The accompanying schedule of Passenger Facility Charges is presented on the accrual basis of accounting.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing/CFDA Number</u>
Community Development Block Grants Cluster	14.218
Formula Grants for Rural Areas	20.509
Coronavirus Relief Fund	21.019
Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

Section IV – Passenger Facilities Charges

None reported.