

MINOT, NORTH DAKOTA

City of Minot 

CAFR

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Fiscal Year Ending December 31, 2019

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**Comprehensive
Annual
Financial
Report**

City of Minot, North Dakota
For the Fiscal Year Ended December 31, 2019

Prepared By
The Finance Department

**City of Minot, North Dakota
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended December 31, 2019**

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April 22, 2020

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, 2019. 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, 2019 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 27.24 square miles and serves a population of approximately 47,370. 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 2019 was nearly \$559.4 million. During 2019, the Minot Air Force Base had nearly \$61.1 million in construction, services and other expenditures. Minot Air Force Base serves as

the home for over 12,041 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 2019, the property valuations for commercial building permits decreased by over \$182.0 million compared to 2018 largely due to the construction of a new hospital for over \$129.9 million and flood protection infrastructure for over \$44.5 million that started in 2018. New residential buildings increased by over \$0.4 million primarily due to an increase in townhouses of over \$0.3 million. Remodels and additions increased about \$3.0 million primarily due to an increase of nearly \$6.0 million in commercial remodels, a decrease of over \$3.2 million for commercial additions, and an increase in residential remodels of over \$0.2 million.

The City has seen a reduction in property values in the past couple of years. The mill levy increase in the 2019 budget was due to a reduction in property values and the sales tax reallocation for NAWS. 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 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.

For more than ten years, the City of Minot has struggled with retention and recruitment of employees. At the end of 2018, the City's turnover rate was 12.56%. A comprehensive workforce improvement plan was included in the 2019 budget. The City implemented the plan to improve workforce attraction, retainage rates, and better align the City's benefit package with local and regional equivalents. At the end of 2019, the City's turnover rate dropped down to 8.63%, the lowest it has been in over a decade.

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 pages 30 through 32 as part of the basic financial statements for the governmental funds. The major debt service fund and major capital project funds comparison can be found beginning on page 89. 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 104.

Minot was the recipient of the North Dakota League of Cities (NDLC), City of the Year for 2018. This award was established in 1984 and recognizes North Dakota cities for the quality, number, and progressiveness of activities undertaken in the community. This was awarded to Minot for several critical accomplishments which included the completion of the three year downtown Minot infrastructure improvement project, ongoing work with the Northwest Area Water Supply project, the ongoing Mouse River Enhanced Flood Protection project (MREFPP), and the completions of flood walls to protect the Minot water treatment plant from future flooding.

The Broadway Bridge replacement project was recently named the 2019 Gold Star winner for excellence in concrete in the bridge category at the Ready Mix & Concrete Products Association’s annual convention. The City of Minot, in conjunction with the North Dakota Department of Transportation, replaced the aging bridge structure, which was built in 1962 and expanded to two lanes of northbound and two lanes of south bound traffic in 1971. The bridge was built in two phases over two years.

Approximately 8,500 cubic yards of concrete were produced for the project. The new structures is 86 feet wide with a length of 822 feet. The bridge carries approximately 30,000 vehicles a day.

The Downtown Infrastructure Improvements project was recently selected as a recipient of the American Public Works Association’s 2019 Public Works Project of the Year Award for infrastructure projects publicly developed, owned, and maintained that promote excellence in construction management and administration. The downtown project received APWA’s award in the Historical Restoration/Preservation category in the \$25 million to \$75 million division. The project included the complete reconstruction of 26 square blocks of downtown Minot. The project was built over three construction seasons between 2015-2017. The project was designed by HMjv and constructed by Strata Corporation, Keller Paving & Landscaping, and Wagner Construction.

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.

Sales Tax Collections		Property Tax Levied	
2015	\$ 26,035,551	2016	\$ 17,616,035
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

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.

Assets, Liabilities and Net Position Per Capita				
	Total	Total		
	Assets & Liabilities			
	Population	Deferred	& Deferred	Net
	Estimate*	Outflows	Inflows	Position
2015	49,450	\$ 16,235	\$ 3,788	\$ 12,447
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	19,184	3,711	15,473

*Estimates obtained from the U.S. Census Bureau

Expenses and Program Revenues Per Capita					
	Operating		Capital		
	Charges	Grants	Grants	Change	
	for	and	and	in Net	
	Expenses	Services	Contributions	Contributions	Position
2015	\$ 2,183	\$ 757	\$ 343	\$ 3,206	\$ 3,237
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	850	163	324	(64)

**Ratio of Net Position to Expenses
Governmer Business-Type
Activitie: Activities**

2015	4.39	8.50
2016	5.35	6.92
2017	5.24	7.69
2018	5.22	7.66
2019	4.80	7.49

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 \$220.0 million in expenditures remaining, of this \$70.0 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 \$150.0 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 \$52.5 million which will be paid with sales tax funds. The City has approximately \$18.8 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: \$61,289,075, \$35,031,334, and \$26,190,682 as of December 31, 2019. 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 a revolving loan fund, blighted homes, northern sewer project 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.

The last year has presented a number of challenges. The two dominant industry sectors in this region, agriculture and energy, have experienced weather and market challenges. At this time, indicators suggest that the economy remains stable in the region. We are anticipating a slight increase in valuations for the upcoming budget year, which is a positive indicator. We 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, 2018. This was the 40th 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.

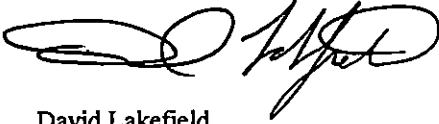
A Certificate of Achievement is valid for a period of one year only. The City believes the current comprehensive annual financial report continues to meet the Certificate of Achievement Program’s requirements and plans to submit it to the Government Finance Officers Association to determine its eligibility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

Acknowledgements. The preparation of this report on a timely basis could not be accomplished without

The Honorable Mayor, City Council and City Manager

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,

A handwritten signature in black ink, appearing to read 'D. Lakefield', written in a cursive style.

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

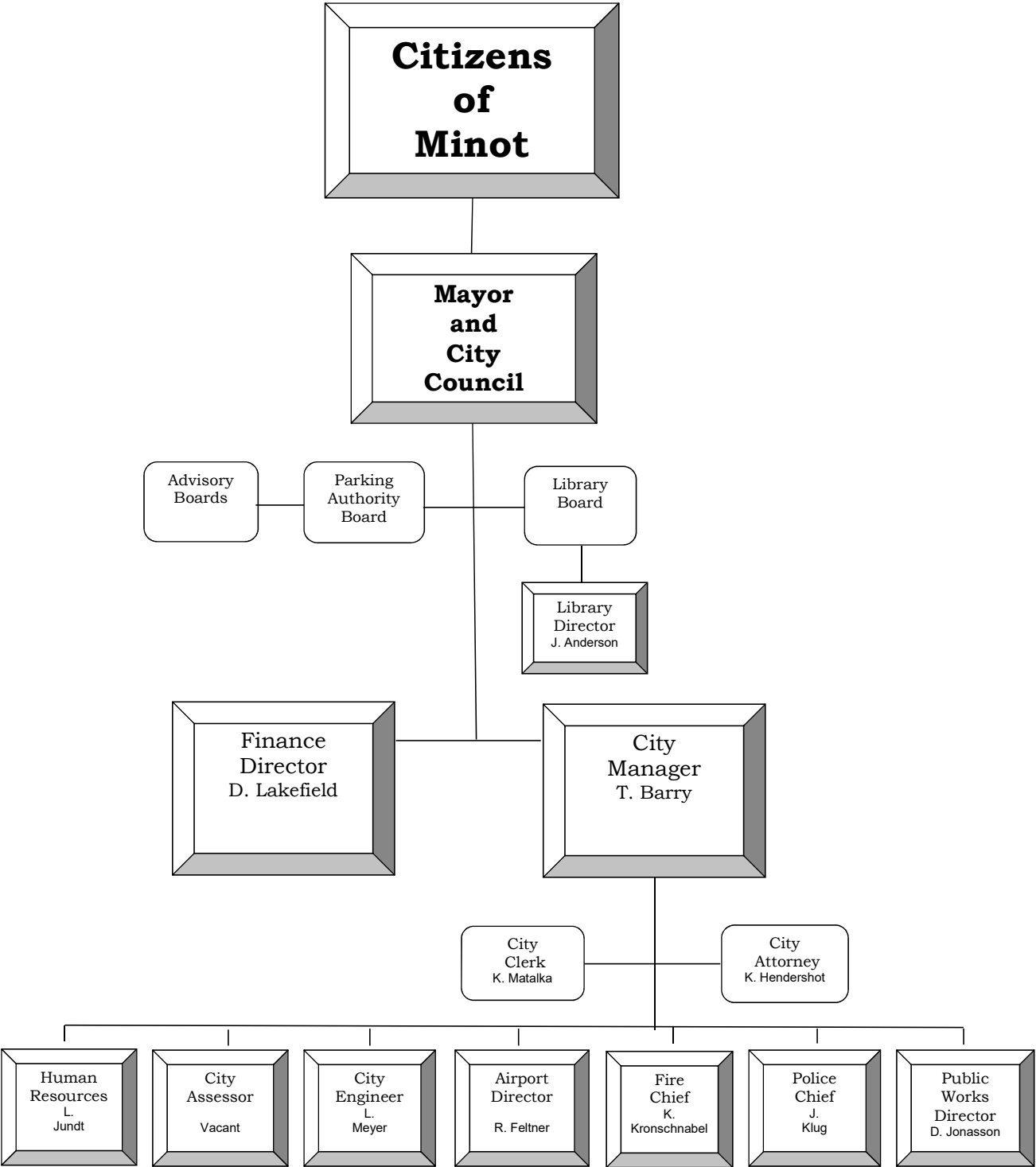
December 31, 2018

Christopher P. Morill

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:	
Shannon Straight	2020
Josh Wolsky	2020
Mark Jantzer - President	2022
Lisa Olson - Vice President	2022
Stephan Podrygula	2020
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, 2019, 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.

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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, 2019, 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 Fund, 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 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 18, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 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 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 April 21, 2020 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.



Fargo, North Dakota
April 21, 2020



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Management's
Discussion
and
Analysis

**City of Minot
Comprehensive Annual Financial Report
December 31, 2019**

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, 2019, with comparative data for the fiscal year ended December 31, 2018. 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 decreased by over \$3.0 million or 0.4%. Charges for services decreased over \$0.7 million due to a decrease in licenses and permits and a decrease in water and sewer rates. Operating grants and contributions decreased over \$3.8 million due to decreased activity for the National Disaster Resilience Grant Program of over \$0.4 million, decreased activity of over \$2.0 million for the System Wide Improvement Framework (SWIF) levy maintenance and outfall pipes project. Capital grants and contributions decreased over \$22.6 million due to a decrease in developer donated assets of nearly \$16.0 million, a decrease in special assessment contributions of nearly \$4.0 million and a decrease in activity in capital projects of nearly \$1.8 million due to fewer grant-funded equipment purchases and the completion of large highway projects. Program expenses increased by over \$7.9 million with business-type activities increasing in expenses by over \$1.1 million primarily due to an increase in depreciation expense of nearly \$0.9 million and governmental activities increasing by over \$6.7 million due to an increase in depreciation expense of nearly \$1.7 million, an increase in Community Facilities community grants of nearly \$2.2 million and an increase in street maintenance department expenditures of nearly \$0.9 million. Overall governmental and business-type activities netted to a negative change in net position prior to general revenues of over \$63.8 million with the governmental activities

reporting a negative change in net position of nearly \$53.9 million and the business-type activities reporting a negative change in net position of over \$9.9 million.

- During 2019 capital assets, net of depreciation, decreased by nearly \$6.2 million compared to 2018. Construction in progress increased by over \$10.0 million compared to 2018 largely in part to flood control and water and sewer projects, such as the Mouse River Enhanced Flood Protection Project (MREFPP). Land increased over \$8.6 million due to flood control acquisitions. Infrastructure decreased over \$22.1 million. Governmental activities accounted for over \$14.1 million of the decrease primarily due to depreciation expense of nearly \$12.5 million, infrastructure additions of over \$0.8 million and deletions of fully depreciated infrastructure of nearly \$2.2 million. Business-type activities accounted for nearly \$8.0 million of the decrease due to depreciation expense of nearly \$15.9 million, infrastructure additions of over \$11.1 million and deletions of fully depreciated infrastructure of over \$2.9 million.
- Public safety program expenses increased by over \$2.9 million due to an increase in personnel costs of over \$1.3 million and an increase in rural flood control of nearly \$0.5 million. Culture and recreation program expenses increased nearly \$2.4 million an increase in Community Facilities community grants such as Minot State University Dome Seating and Roosevelt Park Zoo's Cat Habitat. Airport program expenses decreased over \$0.2 million due to a decrease in department expenditures. Water and sewer program expenses increased over \$1.2 million primarily due to an increase in depreciation expense of nearly \$0.9 million.
- The unassigned fund balance for the General Fund is over \$33.6 million or about 84.1% of the total general fund expenditures. In total, this is an increase from 2018 of nearly \$11.9 million primarily due to the consolidation of Sidewalk Improvements, Street Improvements and Demolitions into the General Fund.

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- As of December 2019, the price per barrel for oil was \$55.85, which was \$11.36 higher per barrel than January 2019. As of December 2019, North Dakota was producing 1,437,000 barrels of crude oil per day, compared to 1,374,000 barrels per day as of January 2019.

the City only issued \$120.6 million of debt during this same period.

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 \$732.9 million. This is an increase of \$487.4 million or 198.5%. The majority of the funding for this increase came from grants and contributions as



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).

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

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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 26 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, special assessment debt service, highway reserves, and capital purchases. 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 89.

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, and Water and Sewer operations, as major funds, and its Cemetery, Parking Authority, and Parking Ramps 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 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 134. Individual fund data for the internal service funds are also in the form of combining statements beginning on page 138. The basic proprietary fund statements begin on page 34.

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

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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 44.

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 46-79 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 89-146 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, 2019, with comparative data for the fiscal year ended December 31, 2018. Assets and deferred outflows of resources exceeded

liabilities and deferred inflows of resources by \$732,935,014 at the close of the most recent fiscal year.

The largest portion of the City of Minot’s net position (82.9%) 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 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 (8.1%) represents resources subject to external restrictions on how they may be used. Restricted net position includes amounts restricted for customer facility charges \$1,127,735, for general government \$194,506, for public safety \$147,762, for capital leases \$2,093,022, for sales tax property tax relief \$1,341,288, for sales tax economic development \$10,177,039, for sales tax improvements \$5,618,585, for sales tax flood control \$2,034,198, for sales tax NAWS \$17,861,969, for sales tax infrastructure \$7,823,361, for sales tax community facilities \$2,051,923, and \$8,947,871 for debt service. The unrestricted net position of \$65,991,351 is to meet the government’s ongoing obligations to citizens and creditors.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 136,219,918	\$ 136,806,237	\$ 60,518,000	\$ 58,792,274	\$ 196,737,918	\$ 195,598,511
Capital assets	345,407,552	344,072,213	355,132,860	362,638,034	700,540,412	706,710,247
Total assets	481,627,470	480,878,450	415,650,860	421,430,308	897,278,330	902,308,758
Deferred outflows of resources	8,101,890	8,315,808	3,350,574	2,596,827	11,452,464	10,912,635
Long-term debt outstanding	76,568,169	84,081,532	66,418,800	67,631,896	142,986,969	151,713,428
Other liabilities	13,002,487	11,486,038	8,132,172	9,734,328	21,134,659	21,220,366
Total liabilities	89,570,656	95,567,570	74,550,972	77,366,224	164,121,628	172,933,794
Deferred inflows of resources	8,289,018	2,997,708	3,385,134	1,307,346	11,674,152	4,305,054
Net position						
Net investment in capital assets	311,589,385	307,599,271	295,935,018	301,986,780	607,524,403	609,586,051
Restricted net position	50,556,588	52,536,266	8,862,671	9,145,006	59,419,259	61,681,272
Unrestricted net position	29,723,713	30,493,443	36,267,639	34,221,779	65,991,351	64,715,222
Total net position	\$ 391,869,686	\$ 390,628,980	\$ 341,065,328	\$ 345,353,565	\$ 732,935,014	\$ 735,982,545

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There are no restrictions, commitments, or other limitations that significantly affect the availability of fund resources for future use.

At the end of 2019, 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 decreased over \$3.0 million during 2019. The decrease was a combination of items, program expenses increased by over \$7.9 million, of that over \$6.7 million was an increase in governmental activities and over \$1.1 million was an increase in business-type activities. Program revenues decreased from 2018 due largely to capital grants and contributions decreasing over \$22.6 million between governmental and business-type activities. Charges for services decreased over \$0.7 million, a decrease of governmental of nearly \$0.3 million primarily due to a decrease licenses and permits and business-type decreased by over

\$0.4 million primarily due to a decrease in water and sewer rates.

Governmental Activities. Governmental program revenues decreased over \$20.9 million largely due to capital grants and contributions decreasing nearly \$17.4 million. This decrease was primarily due to a decrease in developer donated assets of nearly \$16.0 million. Governmental program expenses increased by nearly \$6.7 million. Overall, the general government program expenses increased over \$0.6 million, public safety increased over \$2.9 million due to an increase in personnel costs, highways and street increased over \$0.7 million, culture and recreation increased over \$2.3 million due to increased activity in community facility grants, an increase in economic development over \$0.2 million.

Business-Type Activities. Business-type program revenues decreased by nearly \$6.3 million during 2019 due to decreases in capital

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Program Revenues						
Charges for services	\$ 7,985,668	\$ 8,280,596	\$ 32,266,859	\$ 32,701,839	\$ 40,252,527	\$ 40,982,435
Operating grants and contributions	7,209,286	10,488,285	500,621	1,071,823	7,709,907	11,560,108
Capital grants and contributions	12,527,464	29,911,056	2,799,869	8,077,017	15,327,333	37,988,073
General revenues						
Taxes	53,170,107	49,792,422	2,802,608	797,082	55,972,715	50,589,504
Investment earnings	2,144,611	1,576,164	748,125	423,177	2,892,736	1,999,341
Miscellaneous	1,212,939	1,360,796	695,601	390,265	1,908,540	1,751,061
Total revenues	84,250,075	101,409,320	39,813,683	43,461,203	124,063,758	144,870,523
Program Expenses						
General government	21,688,167	21,054,341	-	-	21,688,167	21,054,341
Public safety	28,865,067	25,961,082	-	-	28,865,067	25,961,082
Highways and streets	22,807,389	22,087,149	-	-	22,807,389	22,087,149
Culture and recreation	6,494,134	4,115,743	-	-	6,494,134	4,115,743
Economic development	646,685	420,838	-	-	646,685	420,838
Interest on long-term debt	1,089,829	1,187,992	-	-	1,089,829	1,187,992
Airport	-	-	10,294,345	10,498,354	10,294,345	10,498,354
Cemetery	-	-	565,414	514,137	565,414	514,137
Parking authority	-	-	19,841	15,337	19,841	15,337
Sanitation	-	-	5,411,164	5,342,969	5,411,164	5,342,969
Water and sewer	-	-	29,150,935	27,894,194	29,150,935	27,894,194
Parking ramps	-	-	78,319	100,600	78,319	100,600
Total expenses	81,591,271	74,827,145	45,520,018	44,365,591	127,111,289	119,192,736
Excess (deficiency) before transfers	2,658,804	26,582,175	(5,706,335)	(904,388)	(3,047,531)	25,677,787
Transfers	(1,418,098)	(15,695,476)	1,418,098	15,695,476	-	-
Change in net position	1,240,706	10,886,699	(4,288,237)	14,791,088	(3,047,531)	25,677,787
Net position, January 1	390,628,980	379,742,281	345,353,565	330,562,477	735,982,545	710,304,758
Net position, December 31	\$ 391,869,686	\$ 390,628,980	\$ 341,065,328	\$ 345,353,565	\$ 732,935,014	\$ 735,982,545

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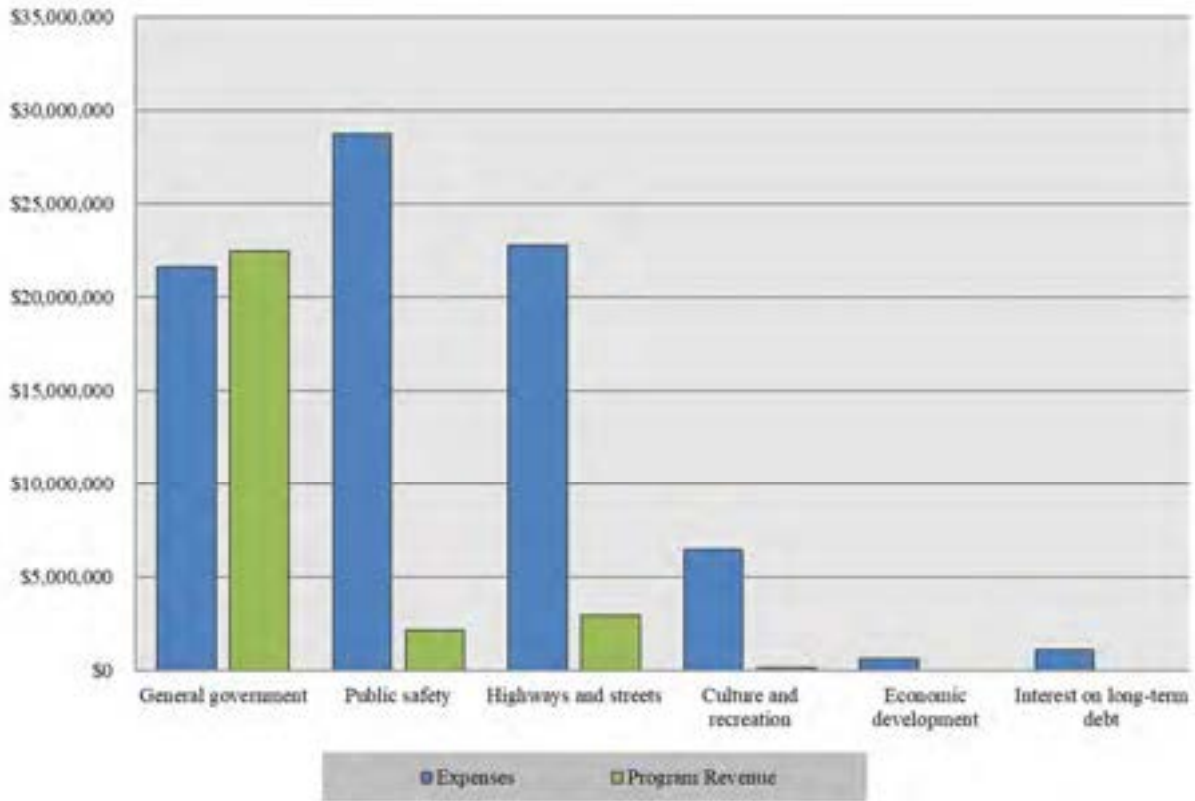
Management's Discussion and Analysis

grants and contributions of nearly \$5.3 million primarily due to the Sundre Waterline Relocation and North Hill Elevated Tank grants ending. Business-type program expenses increased by over \$1.1 million in 2019 due to an increase in expenses in Water and Sewer of over \$1.2 million due to an increase in depreciation expense of nearly \$0.9 million, decrease in Airport of over \$0.2 million due to decrease in department expenses.

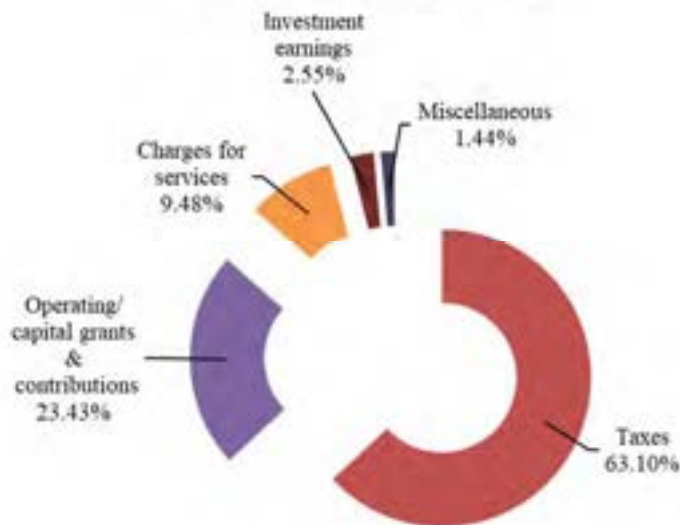
The charts on pages 12 and 13 summarize the City's revenues and expenses for both governmental and business-type activities.

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**Expenses & Program Revenues
 Governmental Activities**

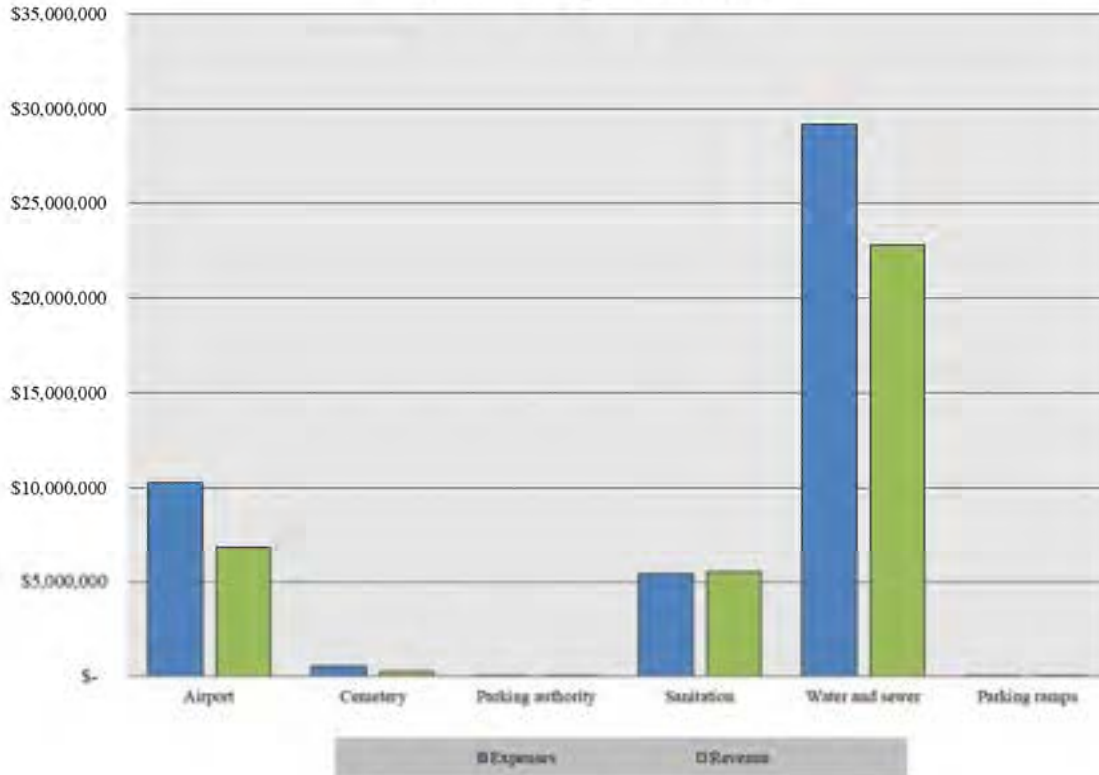


**Revenues by Source
 Governmental Activities**

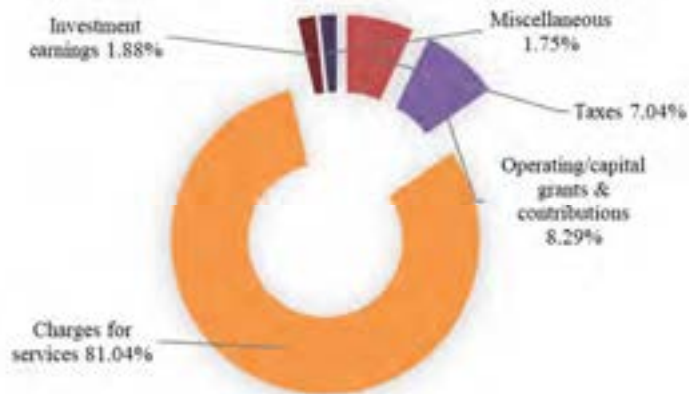


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**Expenses & Program Revenues
 Business-Type Activities**



**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 2019, the City's governmental funds reported combined ending fund balances of over \$112.6 million, an increase of over \$0.3 million in comparison with 2018. Revenues for the period decreased over \$0.3 million due to a decrease of over \$2.6 million in intergovernmental revenues due primarily to decreasing activity in the National Disaster Resilience grant expenditures, an increase in property tax collections of over \$2.0 million and an increase in sales tax collections of nearly \$1.0 million while expenditures increased over \$4.9 million due to increases in general government of over \$2.3 million, public safety expenditures increased by over \$2.0 million, an increase in highway and streets expenditures nearly \$0.2 million, an increase in culture and recreation expenditures of over \$2.2 million and an increase in economic development expenditures of over \$0.2 million, a decrease in capital outlay of over \$2.0 million. The governmental funds nonspendable fund balance is \$762,580, restricted fund balance \$50,556,588, committed fund balance \$10,155,955, assigned fund balance \$18,518,129, and unassigned fund balance \$32,636,916.

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 \$33,604,001. 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 84.1% of total general fund expenditures.

The City of Minot's general fund fund balance increased by \$11,864,552 during the current fiscal year. This increase resulted the consolidation of Sidewalk Improvements, Street Improvements and Demolitions into the General Fund. In total, all department expenditures were over \$5.9 million below budget and revenues for the general fund were over nearly \$0.1 million compared to the budget.

The **Sales Tax NAWS Fund** had an increase in fund balance of \$1,296,135 primarily due to sales tax collections being higher than current expenditures.

The **Special Assessment Debt Fund** had a decrease in fund balance by \$133,919 due to debt retirement expenditures being more than revenues during 2019.

The **Highway Reserve Fund** decreased in fund balance by \$556,666 due to transfers out being more than revenues during 2019.

The **Capital Purchases Fund** increased by \$2,099,272 due to capital purchases revenues exceeding expenditures. Revenues increased by over \$1.5 million due to HUB City Oil & Gas collections for projects such as City Hall Retaining Wall.

Proprietary 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 \$35,366,138, of which Airport accounted for \$4,531,085, Sanitation (\$1,917,613), Water and sewer \$31,006,013 and the non-major funds accounted for \$1,746,652. Sanitation has an unrestricted negative net position due to the net pension liability of \$3,480,523. Restricted net position was \$6,401,795 for bond covenants, \$1,127,735 for customer facility charges and \$1,333,141 for capital leases. The restrictions do not significantly affect the availability of fund resources for future use.

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The change in net position was a decrease of nearly \$4.5 million, due to a decrease in charges for services of over \$0.5 million, an increase in expenses of nearly \$2.4 million, an increase in property taxes of over \$2.0 million, a decrease in special assessment collections of over \$0.9 million, a decrease in transfers in of over \$14.5 million, and a decrease in capital contributions of \$4.3 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The differences between the original budget and the final amended budget was an increase in revenues of over \$3.3 million and an increase in expenditure appropriations of nearly \$6.9 million. Differences between the final amended budget and actual amounts in the general fund consist of total revenues being nearly \$0.1 million more than budgeted and the expenditures being over \$5.9 million less than budgeted. There is a total deficiency of actual revenues over expenditures of nearly \$5.9 million primarily due to budgeted transfers from sales tax funds to reduce property tax levy. After transfers in of nearly \$18.1 million, of which nearly \$3.0 million was for direct property tax relief and nearly \$7.5 million was for the consolidation of three special revenue funds into general fund, the overall net change in fund balance was \$11,864,552.

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, 2019, is \$700,540,412 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, intangibles, and books. The City’s investment in capital assets decreased nearly \$6.2 million in 2019 due to an increase of over \$8.6 million in land, an increase of over \$10.0 million in construction in progress, a decrease of \$1.7 million in buildings, a decrease of nearly \$1.5 million in equipment and a decrease of over \$22.1 million in infrastructure.

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

- Home acquisitions
- North Hill Elevated 1.5 million Gallon Water Tank
- Wastewater Treatment Facility Hydraulic Improvements

Additional information on the City of Minot’s capital assets can be found in Note 4. E on pages 56-57 of this report.

	Capital Assets (net of depreciation)					
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 97,940,182	\$ 89,315,522	\$ 9,647,078	\$ 9,647,078	\$ 107,587,260	\$ 98,962,600
Construction in progress	22,677,479	15,172,549	22,465,124	19,931,493	45,142,603	35,104,042
Buildings	12,134,156	12,354,797	47,185,402	48,695,757	59,319,558	61,050,554
Equipment	7,773,646	8,692,240	11,770,430	12,308,432	19,544,076	21,000,672
Infrastructure	202,970,500	217,139,541	264,016,327	271,993,699	466,986,827	489,133,240
Intangible assets	587,353	183,259	48,499	61,575	635,852	244,834
Books	1,324,236	1,214,305	-	-	1,324,236	1,214,305
Total capital assets	<u>\$ 345,407,552</u>	<u>\$ 344,072,213</u>	<u>\$ 355,132,860</u>	<u>\$ 362,638,034</u>	<u>\$ 700,540,412</u>	<u>\$ 706,710,247</u>

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Long-Term Debt. At year-end, the City had total debt of \$93,035,053, a decrease of \$2,981,772 compared to the prior year.

Note 4. I on pages 59-62 of this report describes the City’s long-term debt in detail.

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 14,547,505	\$ 16,500,655	\$ -	\$ -	\$ 14,547,505	\$ 16,500,655
Special assessment bonds	15,823,171	17,740,256	-	-	15,823,171	17,740,256
Capital financing program bonds	1,556,937	1,687,190	-	-	1,556,937	1,687,190
Revenue bonds	-	-	43,327,354	47,217,220	43,327,354	47,217,220
State revolving fund	613,242	179,120	11,699,299	6,215,499	12,312,541	6,394,619
Notes payable	-	-	-	878,930	-	878,930
Capital leases	423,245	15,741	216,095	488,616	639,340	504,357
Direct borrowings, capital leases	336,636	198,976	1,117,046	1,622,234	1,453,682	1,821,210
Compensated absences	1,480,441	1,149,950	379,701	295,103	1,860,142	1,445,053
MSWLF closure & postclosure costs	-	-	1,514,381	1,827,335	1,514,381	1,827,335
Total outstanding debt	<u>\$ 34,781,177</u>	<u>\$ 37,471,888</u>	<u>\$ 58,253,876</u>	<u>\$ 58,544,937</u>	<u>\$ 93,035,053</u>	<u>\$ 96,016,825</u>

The City’s debt is limited to 8% of the assessed valuation of taxable property within the City of Minot or \$175,865,463. The City’s legal debt margin is \$161,807,421. The net bonded debt per capita is \$296.77.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

Projects in 2019, which boosted the economy in Minot included, Dakota Square Mall for \$4.5 million for new retail space and movie theater upgrades, Farm Credit Services for \$2.4 million for a floor remodel, State of North Dakota for \$1.7 million for dome bleachers, and several other condos, apartment buildings, restaurants and business remodels.

The 2020 City of Minot budget value of a mill increased from \$205,189 to \$207,607 per mill.

The mill levy for the City of Minot’s 2020 budget is 121.29 mills – compared to 129.23 mills in 2019, a decrease of 7.94 mills. The decrease in the mills is the equivalent mill value of the recreation and auditorium departments which operations were taken over by the Minot Park District as of April 1, 2019.

Total appropriations for operations for 2020 increased over \$94.8 million from 2019. This 52.7% increase is primarily due to an increase in capital projects, of which flood control projects increased \$57.7 million and capital infrastructure projects increased \$17.5 million due to a budgeting change including Federal and State portions of projects.

The last year has presented a number of challenges. The two major industry sectors in the region, agriculture and energy, have experienced weather and market challenges. At this time, indicators suggest the economy remains stable in the region. In addition, the economic impacts of the COVID-19 outbreak are not yet known. 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.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City’s finances and to demonstrate the City’s accountability for the money it receives 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, 2019
With Comparative Totals for December 31, 2018

	Governmental Activities	Business-Type Activities	Total 2019	Total 2018
ASSETS				
Cash and cash equivalents	\$ 40,525,429	\$ 22,179,974	\$ 62,705,403	\$ 64,322,028
Investments	31,045,069	13,530,013	44,575,082	40,875,666
Receivables				
Taxes receivable delinquent	1,189,342	114,765	1,304,107	1,172,492
Special assessments delinquent	470,699	3,730	474,429	481,172
Accounts receivable, net of allowance	327,681	3,170,533	3,498,214	3,768,636
Loans receivable, net of allowance	1,450,400	-	1,450,400	1,460,480
Intergovernmental receivable	7,837,809	11,325,190	19,162,999	16,946,083
Accrued interest receivable	265,995	86,386	352,381	167,929
Inventory	350,959	-	350,959	363,789
Prepaid	341,846	100,484	442,330	294,962
Other assets - capital credits	422,966	433,857	856,823	767,512
Restricted cash and cash equivalents	39,942,433	8,862,671	48,805,104	50,688,030
Net OPEB asset	-	2,911	2,911	-
Special assessments deferred	12,049,290	707,486	12,756,776	14,289,732
Capital assets not being depreciated				
Land	97,940,182	9,647,078	107,587,260	98,962,600
Construction in progress	22,677,479	22,465,124	45,142,603	35,104,042
Capital assets net of accumulated depreciation				
Buildings	12,134,156	47,185,402	59,319,558	61,050,554
Equipment	7,773,646	11,770,430	19,544,076	21,000,672
Infrastructure	202,970,500	264,016,327	466,986,827	489,133,240
Intangible assets	587,353	48,499	635,852	244,834
Books	1,324,236	-	1,324,236	1,214,305
Total assets	<u>481,627,470</u>	<u>415,650,860</u>	<u>897,278,330</u>	<u>902,308,758</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pension	7,978,210	3,308,814	11,287,024	10,861,701
Deferred outflows of resources related to OPEB	123,680	41,760	165,440	50,934
Total deferred outflows of resources	<u>8,101,890</u>	<u>3,350,574</u>	<u>11,452,464</u>	<u>10,912,635</u>

City of Minot, North Dakota
Statement of Net Position
December 31, 2019
With Comparative Totals for December 31, 2018

	Governmental Activities	Business-Type Activities	Total 2019	Total 2018
LIABILITIES				
Accounts payable	\$ 4,355,236	\$ 2,332,892	\$ 6,688,128	\$ 5,976,902
Retainage payable	1,312,115	1,161,143	2,473,258	2,872,247
Internal balances	856,501	(856,501)	-	-
Accrued salaries and benefits payable	796,680	240,310	1,036,990	630,670
Insurance claims payable	171,307	-	171,307	170,443
Accrued interest payable	237,199	407,887	645,086	663,267
Customer deposits	22,052	213,470	235,522	261,125
Unearned revenue - other	339,179	1,373	340,552	1,692,249
Current debt - due within one year				
Special assessment debt with governmental commitment	59,715	-	59,715	59,780
Compensated absences	518,154	132,895	651,049	505,768
Capital leases payable	232,952	668,699	901,651	813,073
Capital financing program debt	135,254	-	135,254	130,254
All other debt	3,966,143	3,830,004	7,796,147	7,444,588
Noncurrent debt - due after one year				
Special assessment debt with governmental commitment	400,620	-	400,620	460,335
Compensated absences	962,287	246,806	1,209,093	939,285
Capital leases payable	526,929	664,442	1,191,371	1,512,494
Capital financing program debt	1,421,683	-	1,421,683	1,556,936
All other debt	26,557,440	51,196,649	77,754,089	80,766,977
Accrued MSWLF postclosure care costs	-	1,514,381	1,514,381	1,827,335
Net pension liability	46,688,190	12,780,944	59,469,134	64,534,755
Net OPEB liability	11,020	15,578	26,598	115,311
Total liabilities	<u>89,570,656</u>	<u>74,550,972</u>	<u>164,121,628</u>	<u>172,933,794</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pension	8,150,898	3,348,668	11,499,566	4,305,054
Deferred inflows of resources related to OPEB	138,120	36,466	174,586	-
Total deferred inflows of resources	<u>8,289,018</u>	<u>3,385,134</u>	<u>11,674,152</u>	<u>4,305,054</u>
NET POSITION				
Net investment in capital assets	311,589,385	295,935,018	607,524,403	609,586,051
Restricted for:				
Customer facility charges	-	1,127,735	1,127,735	815,226
General government	194,506	-	194,506	173,189
Public safety	147,762	-	147,762	-
Capital leases	759,881	1,333,141	2,093,022	2,325,567
Sales tax property tax relief	1,341,288	-	1,341,288	1,211,947
Sales tax economic development	10,177,039	-	10,177,039	10,281,687
Sales tax improvements	5,618,585	-	5,618,585	4,534,254
Sales tax flood control	2,034,198	-	2,034,198	4,750,786
Sales tax NAWS	17,861,969	-	17,861,969	16,566,834
Sales tax infrastructure	7,823,361	-	7,823,361	7,805,000
Sales tax community facilities	2,051,923	-	2,051,923	4,519,089
Debt service	2,546,076	6,401,795	8,947,871	8,697,693
Unrestricted net position	29,723,713	36,267,639	65,991,351	64,715,222
Total net position	<u>\$ 391,869,686</u>	<u>\$ 341,065,328</u>	<u>\$ 732,935,014</u>	<u>\$ 735,982,545</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, 2019
With Comparative Totals for December 31, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges For Services	Operating	Capital	Governmental Activities	Business-Type Activities	Total 2019	Total 2018
			Grants and Contributions	Grants and Contributions				
Governmental Activities								
General government	\$ 21,688,167	\$ 6,203,041	\$ 4,740,699	\$ 11,526,693	\$ 782,266	\$ -	\$ 782,266	\$ 1,652,251
Public safety	28,865,067	1,688,951	268,901	207,500	(26,699,715)	-	(26,699,715)	(17,340,115)
Highways and streets	22,807,389	-	2,150,000	791,210	(19,866,179)	-	(19,866,179)	(5,395,747)
Culture and recreation	6,494,134	93,676	49,686	2,061	(6,348,711)	-	(6,348,711)	(3,454,767)
Economic development	646,685	-	-	-	(646,685)	-	(646,685)	(420,838)
Interest on long-term debt	1,089,829	-	-	-	(1,089,829)	-	(1,089,829)	(1,187,992)
Total governmental activities	81,591,271	7,985,668	7,209,286	12,527,464	(53,868,853)	-	(53,868,853)	(26,147,208)
Business-Type Activities								
Airport	10,294,345	4,454,804	500,621	1,893,578	-	(3,445,342)	(3,445,342)	(4,550,743)
Cemetery	565,414	275,218	-	-	-	(290,196)	(290,196)	(233,796)
Parking authority	19,841	52,788	-	-	-	32,947	32,947	36,373
Sanitation	5,411,164	5,502,394	-	31	-	91,261	91,261	426,657
Water and sewer	29,150,935	21,899,422	-	906,260	-	(6,345,253)	(6,345,253)	1,865,003
Parking ramps	78,319	82,233	-	-	-	3,914	3,914	(58,406)
Total business-type activities	45,520,018	32,266,859	500,621	2,799,869	-	(9,952,669)	(9,952,669)	(2,514,911)
Total government	\$ 127,111,289	\$ 40,252,527	\$ 7,709,907	\$ 15,327,333	(53,868,853)	(9,952,669)	(63,821,522)	(28,662,119)
General Revenues								
Taxes								
Property taxes, levied for general purposes					20,530,118	2,802,608	23,332,726	19,158,309
Property taxes, levied for debt service					2,971,720	-	2,971,720	2,936,172
Sales tax					22,160,231	-	22,160,231	21,182,065
Municipal highway tax					2,698,630	-	2,698,630	2,618,870
State aid distribution-unrestricted					3,987,699	-	3,987,699	3,818,739
Franchise taxes					525,036	-	525,036	571,431
Other taxes					296,673	-	296,673	303,918
Investment earnings					2,144,611	748,125	2,892,736	1,999,341
Miscellaneous					1,212,939	695,601	1,908,540	1,751,061
Transfers					(1,418,098)	1,418,098	-	-
Total general revenues and transfers					55,109,559	5,664,432	60,773,991	54,339,906
Change in net position					1,240,706	(4,288,237)	(3,047,531)	25,677,787
Net position, January 1					390,628,980	345,353,565	735,982,545	710,304,758
Net position, December 31					\$ 391,869,686	\$ 341,065,328	\$ 732,935,014	\$ 735,982,545

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, 2019
With Comparative Totals for December 31, 2018

	General Fund	Special Revenue Fund Sales Tax NAWS	Debt Service Fund Special Assessment Debt	Capital Project Fund Highway Reserve
ASSETS				
Cash and investments	\$ 18,500,356	\$ -	\$ 1,740,909	\$ 8,984,507
Restricted cash and investments	907,643	15,522,258	1,787,170	-
Investments - certificates of deposit	23,736,017	-	-	-
Taxes receivable delinquent	742,096	-	2,148	-
Special assessments receivable delinquent	27,723	-	442,976	-
Accounts receivable	741,087	-	-	-
Allowance for accounts receivable	(466,872)	-	-	-
Loans receivable	-	-	-	-
Allowance for loans receivable	-	-	-	-
Due from other funds	-	-	-	-
Intergovernmental receivable	1,570,216	457,416	973	-
Accrued interest receivable	235,706	1,731	-	-
Inventory	-	-	-	-
Prepaid	276,669	1,000	-	-
Other assets - capital credits	391,449	-	-	-
Investments	-	3,258,409	-	-
Advance to other funds	-	-	-	-
Special assessments receivable uncertified	50,688	-	11,998,602	-
Total assets	<u>\$ 46,712,778</u>	<u>\$ 19,240,814</u>	<u>\$ 15,972,778</u>	<u>\$ 8,984,507</u>
LIABILITIES				
Accounts payable	\$ 814,251	\$ 1,213,786	\$ -	\$ 21,219
Retainage payable	122,265	164,059	-	50,811
Due to other funds	-	-	-	-
Accrued salaries and benefits payable	738,704	-	-	-
Customer deposits	22,052	-	-	-
Unearned revenue - other	52,227	-	-	-
Total liabilities	<u>1,749,499</u>	<u>1,377,845</u>	<u>-</u>	<u>72,030</u>
DEFERRED INFLOWS OF RESOURCES				
Uncertified special assessments	50,688	-	11,998,602	-
Unavailable revenue - property taxes	666,838	-	1,977	-
Unavailable revenue - special assessments	27,723	-	442,560	-
Deferred inflows of resources	<u>745,249</u>	<u>-</u>	<u>12,443,139</u>	<u>-</u>
FUND BALANCE				
Nonspendable	668,118	1,000	-	-
Restricted	907,643	17,861,969	1,787,170	-
Committed	2,318,748	-	-	2,710,646
Assigned	6,719,520	-	1,742,469	6,201,831
Unassigned	33,604,001	-	-	-
Total fund balance	<u>44,218,030</u>	<u>17,862,969</u>	<u>3,529,639</u>	<u>8,912,477</u>
Total liabilities, inflows and fund balance	<u>\$ 46,712,778</u>	<u>\$ 19,240,814</u>	<u>\$ 15,972,778</u>	<u>\$ 8,984,507</u>

City of Minot, North Dakota
Balance Sheet
Governmental Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Capital Project Fund	Other	Total Governmental	Total Governmental
	Capital	Governmental	Funds	Funds
	Purchases	Funds	2019	2018
ASSETS				
Cash and investments	\$ 1,047,071	\$ 7,076,390	\$ 37,349,233	\$ 36,297,305
Restricted cash and investments	-	21,725,362	39,942,433	41,543,024
Investments - certificates of deposit	-	4,050,643	27,786,660	23,628,632
Taxes receivable delinquent	-	445,098	1,189,342	1,129,254
Special assessments receivable delinquent	-	-	470,699	481,172
Accounts receivable	1,296,809	173,341	2,211,237	2,261,599
Allowance for accounts receivable	(1,284,309)	(135,150)	(1,886,331)	(1,882,657)
Loans receivable	-	1,813,000	1,813,000	1,825,600
Allowance for loans receivable	-	(362,600)	(362,600)	(365,120)
Due from other funds	-	1,001,190	1,001,190	297,737
Intergovernmental receivable	1,956,623	3,852,581	7,837,809	6,206,651
Accrued interest receivable	-	28,558	265,995	129,313
Inventory	-	-	-	6,590
Prepaid	-	64,177	341,846	186,391
Other assets - capital credits	-	29,285	420,734	396,230
Investments	-	-	3,258,409	7,962,336
Advance to other funds	-	45,000	45,000	85,000
Special assessments receivable uncertified	-	-	12,049,290	13,484,504
Total assets	<u>\$ 3,016,194</u>	<u>\$ 39,806,875</u>	<u>\$ 133,733,946</u>	<u>\$ 133,673,561</u>
LIABILITIES				
Accounts payable	\$ 322,526	\$ 1,671,039	\$ 4,042,821	\$ 2,887,429
Retainage payable	89,681	885,299	1,312,115	926,709
Due to other funds	-	1,001,190	1,001,190	297,737
Accrued salaries and benefits payable	-	57,976	796,680	490,732
Customer deposits	-	-	22,052	46,233
Unearned revenue - other	237,678	49,274	339,179	1,691,049
Total liabilities	<u>649,885</u>	<u>3,664,778</u>	<u>7,514,037</u>	<u>6,339,889</u>
DEFERRED INFLOWS OF RESOURCES				
Uncertified special assessments	-	-	12,049,290	13,484,504
Unavailable revenue - property taxes	-	401,353	1,070,168	1,055,983
Unavailable revenue - special assessments	-	-	470,283	480,971
Deferred inflows of resources	<u>-</u>	<u>401,353</u>	<u>13,589,741</u>	<u>15,021,458</u>
FUND BALANCE				
Nonspendable	-	93,462	762,580	589,211
Restricted	-	29,999,806	50,556,588	52,536,266
Committed	2,366,309	2,760,252	10,155,955	7,975,869
Assigned	-	3,854,309	18,518,129	20,904,109
Unassigned	-	(967,085)	32,636,916	30,306,759
Total fund balance	<u>2,366,309</u>	<u>35,740,744</u>	<u>112,630,168</u>	<u>112,312,214</u>
Total liabilities, inflows and fund balance	<u>\$ 3,016,194</u>	<u>\$ 39,806,875</u>	<u>\$ 133,733,946</u>	<u>\$ 133,673,561</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 the Governmental Funds Balance Sheet
To the Statement of Net Position
December 31, 2019

Total fund balances for governmental funds		\$ 112,630,168
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	\$ 97,940,182	
Construction work in process	22,677,479	
Buildings, net of accumulated depreciation (\$9,777,810)	12,134,156	
Equipment, net of accumulated depreciation (\$17,114,282)	7,773,646	
Infrastructure, net of accumulated depreciation (\$101,583,919)	202,970,500	
Intangible assets, net of accumulated depreciation (\$514,604)	587,353	
Books, net of accumulated depreciation (\$1,984,675)	1,324,236	
Total capital assets (Note 4. E)		345,407,552
Net OPEB asset/liability and OPEB related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of:		
Net OPEB liability	(11,020)	
Deferred inflows of resources	(138,120)	
Deferred outflow of resources	123,680	
Total net OPEB liability and related deferred inflows/outflows		(25,460)
Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of:		
Net pension liability	(46,688,190)	
Deferred outflows of resources	7,978,210	
Deferred inflows of resources	(8,150,898)	
Total net pension liability and related deferred outflows and inflows		(46,860,878)
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 government-wide.		
		2,146,939
Some of the City's taxes and special assessments will be collected after year-end, but are not available soon enough to pay for the current period's expenditures; therefore, they are reported as deferred revenue in the governmental funds.		
Deferred revenues taxes and special assessments		13,589,741
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. (Note 2. A)		
		(35,018,376)
Total net position of governmental activities		\$ 391,869,686

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-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	General Fund	Special Revenue Fund Sales Tax NAWS	Debt Service Fund Special Assessment Debt	Capital Project Fund Highway Reserve
REVENUES				
Property tax collections	\$ 14,631,721	\$ -	\$ 31,870	\$ -
Special assessment collections	103,098	-	1,860,459	-
Sales tax collections	-	4,432,046	-	-
Licenses and permits	777,618	-	-	-
Intergovernmental	11,623,561	-	-	200,000
Charges for services	3,749,636	-	-	-
Cable TV franchise fees	525,036	-	-	-
Fines and forfeits	771,916	-	-	-
Interest income	816,941	441,005	120,478	123,192
Miscellaneous	1,087,382	-	207,197	2,445
Total revenues	34,086,909	4,873,051	2,220,004	325,637
EXPENDITURES				
Current				
General government	10,906,755	3,301,801	404	-
Public safety	20,259,529	-	-	-
Highways and streets	8,801,880	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	288,842
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	1,945,000	-
Interest and fiscal charges	-	-	559,058	-
Total expenditures	39,968,164	3,301,801	2,504,462	288,842
Excess (deficiency) of revenues over (under) expenditures	(5,881,255)	1,571,250	(284,458)	36,795
OTHER FINANCING SOURCES (USES)				
State revolving fund proceeds	-	-	-	-
Capital leases	-	-	-	-
Sale of City property	3,900	-	-	-
Transfers in	18,098,508	-	208,039	62,500
Transfers out	(356,601)	(275,115)	(57,500)	(655,961)
Total other financing sources (uses)	17,745,807	(275,115)	150,539	(593,461)
Net change in fund balance	11,864,552	1,296,135	(133,919)	(556,666)
Fund balance (deficit), January 1	32,353,478	16,566,834	3,663,558	9,469,143
Fund balance (deficit), December 31	\$ 44,218,030	\$ 17,862,969	\$ 3,529,639	\$ 8,912,477

City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Capital Project Fund Capital Purchases	Other Governmental Funds	Total Governmental Funds 2019	Total Governmental Funds 2018
REVENUES				
Property tax collections	\$ 7,500	\$ 8,224,571	\$ 22,895,662	\$ 20,885,157
Special assessment collections	-	-	1,963,557	1,945,189
Sales tax collections	-	17,728,185	22,160,231	21,182,065
Licenses and permits	-	-	777,618	1,398,108
Intergovernmental	10,894,655	5,036,826	27,755,042	30,411,854
Charges for services	-	217,901	3,967,537	4,535,173
Cable TV franchise fees	-	-	525,036	571,431
Fines and forfeits	-	-	771,916	739,543
Interest income	8,811	634,184	2,144,611	1,576,164
Miscellaneous	55,383	249,372	1,601,779	1,677,642
Total revenues	<u>10,966,349</u>	<u>32,091,039</u>	<u>84,562,989</u>	<u>84,922,326</u>
EXPENDITURES				
Current				
General government	-	4,951,960	19,160,920	16,818,138
Public safety	-	5,469,519	25,729,048	23,708,073
Highways and streets	-	-	8,801,880	8,625,795
Culture and recreation	-	5,932,137	5,932,137	3,693,931
Economic development	-	646,685	646,685	420,838
Capital outlay				
General government	9,106,704	752,276	9,858,980	10,109,472
Public safety	-	7,495,490	7,495,490	8,277,527
Highways and streets	-	1,168,449	1,457,291	2,453,109
Culture and recreation	-	178,804	178,804	215,630
Debt service				
Principal retirement	-	1,895,000	3,840,000	3,760,000
Interest and fiscal charges	-	553,400	1,112,458	1,211,259
Total expenditures	<u>9,106,704</u>	<u>29,043,720</u>	<u>84,213,693</u>	<u>79,293,772</u>
Excess (deficiency) of revenues over (under) expenditures	1,859,645	3,047,319	349,296	5,628,554
OTHER FINANCING SOURCES (USES)				
State revolving fund proceeds	-	434,122	434,122	179,120
Capital leases	-	805,472	805,472	203,000
Sale of City property	-	143,262	147,162	105,339
Transfers in	340,030	4,062,337	22,771,414	13,303,536
Transfers out	(100,403)	(22,743,932)	(24,189,512)	(28,999,012)
Total other financing sources (uses)	<u>239,627</u>	<u>(17,298,739)</u>	<u>(31,342)</u>	<u>(15,208,017)</u>
Net change in fund balance	2,099,272	(14,251,420)	317,954	(9,579,463)
Fund balance (deficit), January 1	267,037	49,992,164	112,312,214	121,891,677
Fund balance (deficit), December 31	<u>\$ 2,366,309</u>	<u>\$ 35,740,744</u>	<u>\$ 112,630,168</u>	<u>\$ 112,312,214</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 the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year-to-Date as of December 31, 2019

Net change in fund balances-total governmental funds		\$ 317,954
<p>The change in net position reported for governmental activities in the statement of activities is different because:</p>		
<p>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. This is the amount by which capital outlays exceeded depreciation in the current period. (Note 2. B)</p>		1,986,831
<p>Gross proceeds from the sale of capital assets is reported as revenue in the governmental fund; however, in the statement of activities only the gain or loss on the transaction is reported. (Note 2. B)</p>		(651,492)
<p>Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position issuing debt increases long-term liabilities and does not affect the statement of activities; similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. (Note 4. I)</p>		
Debt issued		
State revolving funds issued	\$ (434,122)	
Repayments of bond principal	3,840,000	
Capital lease	(805,472)	
Payment on capital lease	260,308	
Annual amortization of premiums and discounts	160,488	
Net adjustment		3,021,202
<p>Net OPEB asset/liability and OPEB related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. The government-wide statement of net activities reports the change in net position related to OPEB.</p>		25,295
<p>Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. The government-wide statement of net activities reports the change in net position related to pension.</p>		(1,261,499)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions not normally paid with expendable available financial resources. In the statement of activities; however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due.</p>		
Accrued interest payable		22,629
Compensated absences		(330,491)
<p>Change in revenue accruals. The purpose of this adjustment is to recognize the net change in unavailable revenues. Under the modified accrual basis of accounting, revenues are not recognized unless they are deemed available to finance the expenditures of the current period. Accrual-basis recognition is not limited by availability, so certain revenues need to be reduced by the amounts unavailable at the beginning of the year and increased by the amounts unavailable at the end of the year. This adjustment records a net decrease in revenues unavailable at the end of the year which were less than beginning revenues by this amount.</p>		
New special assessment districts to be billed and collected annually	53,434	
Special assessment write-offs, foreclosures, and interest	478,406	
Amount shown as revenue in governmental funds	(1,963,557)	
Net change		(1,431,717)
<p>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.</p>		(458,006)
Change in net position of governmental activities		\$ 1,240,706

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 Balance, Budget and Actual
General Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Budgeted Amounts		2019 Actual Amounts	Variance With Final Budget	2018 Actual Amounts
	Original	Final Amended			
REVENUES					
Property tax collections	\$ 14,289,736	\$ 15,221,111	\$ 14,631,721	\$ (589,390)	\$ 12,550,840
Special assessment collections	12,282	39,406	103,098	63,692	169,855
Licenses & permits	681,572	683,844	777,618	93,774	1,398,108
Cable TV franchise fees	556,457	556,457	525,036	(31,421)	571,431
Intergovernmental federal					
Operating grants	89,744	250,024	196,829	(53,195)	542,046
Intergovernmental state					
Highway fund	2,560,200	2,560,200	2,647,322	87,122	2,622,174
State aid distribution	3,261,460	3,261,460	3,987,699	726,239	3,818,739
Cigarette tax	95,284	95,284	107,654	12,370	113,680
Telecommunications tax	140,497	140,497	144,842	4,345	144,842
Homestead and disabled veterans tax credits	-	-	511,600	511,600	356,094
Fire insurance refund	313,994	313,994	375,365	61,371	307,196
Gambling tax revenue	21,284	21,284	13,534	(7,750)	19,657
Operating grants	1,056,880	3,206,880	2,211,823	(995,057)	2,155,027
Intergovernmental county					
Operating grants	10,383	10,700	10,249	(451)	11,333
Joint communications	1,162,223	1,162,223	1,216,760	54,537	822,884
Computer maintenance	91,682	91,682	74,665	(17,017)	87,331
Assessed utility	23,290	23,290	30,643	7,353	25,739
PILOT payments	-	-	54,399	54,399	-
Intergovernmental other					
Housing authority	38,329	38,329	38,118	(211)	55,584
Parking authority	2,059	2,059	2,059	-	564
Total intergovernmental	8,867,309	11,177,906	11,623,561	445,655	11,082,890
Charges for services					
Engineering and administrative	467,125	442,102	448,336	6,234	762,071
Utility and special funds	3,139,821	3,139,821	3,139,821	-	3,098,645
Custodial funds	50,000	50,000	50,000	-	50,000
Fleet labor	145,783	145,783	111,479	(34,304)	85,669
Total charges for services	3,802,729	3,777,706	3,749,636	(28,070)	3,996,385
Fines and forfeitures					
Parking tickets	91,185	91,185	63,255	(27,930)	80,505
Police court	574,300	574,300	708,661	134,361	659,038
Total fines and forfeitures	665,485	665,485	771,916	106,431	739,543
Interest income	1,081,571	1,081,571	816,941	(264,630)	533,214
Miscellaneous income					
Work for others	63,663	63,663	65,591	1,928	71,140
Policing-Schools	280,946	280,946	262,375	(18,571)	178,487
Miscellaneous	359,405	420,466	601,239	180,773	663,131
Damage claims	-	-	126,465	126,465	138,359
Towing fees	22,570	22,570	31,712	9,142	26,310
Total miscellaneous income	726,584	787,645	1,087,382	299,737	1,077,427
Total revenues	30,683,725	33,991,131	34,086,909	95,778	32,119,693

City of Minot, North Dakota
Statement of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
General Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Budgeted Amounts		2019 Actual Amounts	Variance With Final Budget	2018 Actual Amounts
	Original	Final Amended			
EXPENDITURES					
General government					
Mayor and city council	\$ 128,934	\$ 128,934	\$ 102,010	\$ 26,924	\$ 100,658
City manager	602,641	616,683	580,982	35,701	530,778
Human resources	451,155	451,493	408,204	43,289	307,646
City attorney	708,019	708,019	569,320	138,699	450,220
Administrative and general	2,832,485	3,189,598	2,299,727	889,871	1,932,372
Finance	1,129,283	1,130,720	1,108,982	21,738	1,017,193
Information technology	858,517	865,744	776,710	89,034	830,715
Property assessment	706,007	706,007	689,017	16,990	645,940
Planning	512,181	647,814	489,103	158,711	344,625
Building inspection	1,031,146	1,274,237	1,101,142	173,095	1,150,185
Engineering	1,223,166	1,594,081	1,148,183	445,898	933,023
Vehicle maintenance	869,519	869,550	850,643	18,907	807,559
Property maintenance	805,332	820,943	782,732	38,211	735,025
Total general government	11,858,385	13,003,823	10,906,755	2,097,068	9,785,939
Public safety					
Police grants	-	271,996	160,181	111,815	502,883
Police	9,371,280	9,451,184	9,215,616	235,568	8,398,847
Narcotics task force	59,334	59,334	57,309	2,025	59,308
Telecommunications division	1,264,864	1,719,024	1,671,814	47,210	1,195,590
Municipal judge	701,059	731,496	731,496	-	677,839
Fire grants	-	300,226	134,641	165,585	364,028
Fire control	6,947,343	6,959,211	6,803,085	156,126	6,408,759
Traffic	1,658,909	1,692,252	1,485,387	206,865	1,343,477
Total public safety	20,002,789	21,184,723	20,259,529	925,194	18,950,731
Street maintenance					
Total expenditures	7,204,291	11,747,797	8,801,880	2,945,917	7,712,436
Excess (deficiency) of revenues over (under) expenditures					
	(8,381,740)	(11,945,212)	(5,881,255)	6,063,957	(4,329,413)
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	3,900	3,900	23,650
Transfers in	8,381,740	10,424,620	18,098,508	7,673,888	10,572,929
Transfers out	-	(423,190)	(356,601)	66,589	(67,656)
Total other financing sources (uses)	8,381,740	10,001,430	17,745,807	7,744,377	10,528,923
Net change in fund balance	\$ -	\$ (1,943,782)	11,864,552	\$ 13,808,334	6,199,510
Fund balance (deficit), January 1			32,353,478		26,153,968
Fund balance (deficit), December 31			\$ 44,218,030		\$ 32,353,478

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 Balance, Budget and Actual
Major Special Revenue Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Sales Tax NAWS			
	Original & Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES				
Sales tax collections	\$ 4,000,000	\$ 4,432,046	\$ 432,046	\$ -
Intergovernmental	22,100,000	-	(22,100,000)	-
Interest income	88,645	441,005	352,360	402,021
Total revenues	<u>26,188,645</u>	<u>4,873,051</u>	<u>(21,315,594)</u>	<u>402,021</u>
EXPENDITURES				
General government	34,100,000	3,301,801	30,798,199	389,330
Total expenditures	<u>34,100,000</u>	<u>3,301,801</u>	<u>30,798,199</u>	<u>389,330</u>
Excess (deficiency) of revenues over (under) expenditures	(7,911,355)	1,571,250	9,482,605	12,691
OTHER FINANCING SOURCES (USES)				
Transfers out	(50,000)	(275,115)	(225,115)	(12,585,436)
Total other financing sources (uses)	<u>(50,000)</u>	<u>(275,115)</u>	<u>(225,115)</u>	<u>(12,585,436)</u>
Net change in fund balance	<u><u>\$(7,961,355)</u></u>	1,296,135	<u><u>\$ 9,257,490</u></u>	(12,572,745)
Fund balance (deficit), January 1		16,566,834		29,139,579
Fund balance (deficit), December 31		<u><u>\$ 17,862,969</u></u>		<u><u>\$ 16,566,834</u></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 Fund Net Position
Proprietary Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Business-Type Activities			
	Enterprise Funds			
	Airport	Sanitation	Water and Sewer	Nonmajor
ASSETS				
Current assets				
Cash and cash equivalents	\$ 4,749,618	\$ 3,064,974	\$ 12,442,336	\$ 1,923,046
Restricted cash and cash equivalents	1,483,049	666,121	2,757,420	-
Investments - certificate of deposits	-	-	13,530,013	-
Special assessment receivable delinquent	-	-	3,730	-
Taxes receivable delinquent	45,258	-	-	69,507
Accounts receivable	474,589	530,998	3,064,218	20,878
Allowance for doubtful accounts	-	-	(920,150)	-
Intergovernmental receivable	574,895	-	10,750,159	136
Accrued interest receivable	-	-	86,386	-
Inventory	-	-	-	-
Prepaid	15,143	75,439	9,808	94
Total current assets	<u>7,342,552</u>	<u>4,337,532</u>	<u>41,723,920</u>	<u>2,013,661</u>
Noncurrent assets				
Restricted cash and cash equivalents	2,404,383	657,467	894,231	-
Uncertified special assessment receivable deferred	-	-	707,486	-
Other assets - capital credits	32,742	55,855	337,609	7,651
Net OPEB asset	-	-	2,911	-
Capital assets				
Land	2,924,004	4,380,906	2,026,267	315,901
Construction in progress	503,895	62	21,511,549	449,618
Buildings	52,931,831	2,327,920	7,045,320	150,885
Equipment	11,966,494	8,901,939	8,764,485	598,396
Infrastructure	70,390,868	3,338,189	310,826,434	507,213
Intangible assets	46,816	-	109,705	-
Total capital assets	<u>138,763,908</u>	<u>18,949,016</u>	<u>350,283,760</u>	<u>2,022,013</u>
Less-accumulated depreciation	<u>(43,225,453)</u>	<u>(7,453,086)</u>	<u>(103,372,861)</u>	<u>(834,437)</u>
Net capital assets	<u>95,538,455</u>	<u>11,495,930</u>	<u>246,910,899</u>	<u>1,187,576</u>
Total noncurrent assets	<u>97,975,580</u>	<u>12,209,252</u>	<u>248,853,136</u>	<u>1,195,227</u>
Total assets	<u>105,318,132</u>	<u>16,546,784</u>	<u>290,577,056</u>	<u>3,208,888</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pension	105,785	980,302	2,122,054	100,673
Deferred outflows of resources related to OPEB	4,249	16,465	16,217	4,829
Total deferred outflows of resources	<u>110,034</u>	<u>996,767</u>	<u>2,138,271</u>	<u>105,502</u>

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Total Enterprise Funds	Governmental Activities		Total 2019	Total 2018
		Internal Service Funds			
ASSETS					
Current assets					
Cash and cash equivalents	\$ 22,179,974	\$ 3,176,196	\$ 25,356,170	\$ 28,024,723	
Restricted cash and cash equivalents	4,906,590	-	4,906,590	4,709,688	
Investments - certificate of deposits	13,530,013	-	13,530,013	9,284,698	
Special assessment receivable delinquent	3,730	-	3,730	-	
Taxes receivable delinquent	114,765	-	114,765	43,238	
Accounts receivable	4,090,683	2,775	4,093,458	4,309,844	
Allowance for doubtful accounts	(920,150)	-	(920,150)	(920,150)	
Intergovernmental receivable	11,325,190	-	11,325,190	10,739,432	
Accrued interest receivable	86,386	-	86,386	38,616	
Inventory	-	350,959	350,959	357,199	
Prepaid	100,484	-	100,484	108,571	
Total current assets	<u>55,417,665</u>	<u>3,529,930</u>	<u>58,947,595</u>	<u>56,695,859</u>	
Noncurrent assets					
Restricted cash and cash equivalents	3,956,081	-	3,956,081	4,435,318	
Uncertified special assessment receivable deferred	707,486	-	707,486	805,228	
Other assets - capital credits	433,857	2,232	436,089	371,282	
Net OPEB asset	2,911	-	2,911	-	
Capital assets					
Land	9,647,078	-	9,647,078	9,647,078	
Construction in progress	22,465,124	-	22,465,124	19,931,493	
Buildings	62,455,956	-	62,455,956	62,188,698	
Equipment	30,231,314	-	30,231,314	29,112,917	
Infrastructure	385,062,704	-	385,062,704	377,147,440	
Intangible assets	156,521	-	156,521	156,521	
Total capital assets	<u>510,018,697</u>	<u>-</u>	<u>510,018,697</u>	<u>498,184,147</u>	
Less-accumulated depreciation	<u>(154,885,837)</u>	<u>-</u>	<u>(154,885,837)</u>	<u>(135,546,113)</u>	
Net capital assets	<u>355,132,860</u>	<u>-</u>	<u>355,132,860</u>	<u>362,638,034</u>	
Total noncurrent assets	<u>360,233,195</u>	<u>2,232</u>	<u>360,235,427</u>	<u>368,249,862</u>	
Total assets	<u>415,650,860</u>	<u>3,532,162</u>	<u>419,183,022</u>	<u>424,945,721</u>	
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pension	3,308,814	-	3,308,814	2,586,046	
Deferred outflows of resources related to OPEB	41,760	-	41,760	10,781	
Total deferred outflows of resources	<u>3,350,574</u>	<u>-</u>	<u>3,350,574</u>	<u>2,596,827</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, 2019
With Comparative Totals for December 31, 2018

	Business-Type Activities Enterprise Funds			
	Airport	Sanitation	Water and Sewer	
			Nonmajor	Nonmajor
LIABILITIES				
Current liabilities				
Accounts payable	\$ 114,144	\$ 120,986	\$ 2,084,936	\$ 12,826
Retainage payable	-	-	1,120,701	40,442
Accrued salaries and benefits payable	55,066	51,088	125,525	8,631
Compensated absences	24,986	37,312	65,090	5,507
Insurance claims payable	-	-	-	-
Bonds payable (net of premium/discount)	1,250,710	-	2,059,890	-
State revolving fund	-	-	519,404	-
Notes payable	-	-	-	-
Capital leases payable	-	666,121	2,578	-
Accrued interest payable	232,339	-	175,548	-
Unearned revenue - other	1,200	-	-	173
Total current liabilities	<u>1,678,445</u>	<u>875,507</u>	<u>6,153,672</u>	<u>67,579</u>
Long-term liabilities				
Customer deposits	765	-	212,105	600
Compensated absences	46,404	69,293	120,882	10,227
Bonds payable (net of premium/discount)	24,706,847	-	15,309,907	-
State revolving fund	-	-	11,179,895	-
Notes payable	-	-	-	-
Capital leases payable	-	657,467	6,975	-
Advance from other funds	-	-	45,000	-
Accrued MSWLF closure and postclosure care costs	-	1,514,381	-	-
Net pension liability	720,517	3,480,523	8,388,931	190,973
Net OPEB liability	2,715	8,179	-	4,684
Total long-term liabilities	<u>25,477,248</u>	<u>5,729,843</u>	<u>35,263,695</u>	<u>206,484</u>
Total liabilities	<u>27,155,693</u>	<u>6,605,350</u>	<u>41,417,367</u>	<u>274,063</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pension	274,068	1,349,135	1,577,418	148,047
Deferred inflows of resources related to OPEB	2,090	10,755	23,064	557
Total deferred inflows of resources	<u>276,158</u>	<u>1,359,890</u>	<u>1,600,482</u>	<u>148,604</u>
NET POSITION				
Net investment in capital assets	69,577,798	10,172,336	215,039,814	1,145,071
Restricted for bond covenants	2,759,697	-	3,642,098	-
Restricted for customer facility charges	1,127,735	-	-	-
Restricted for capital leases	-	1,323,588	9,553	-
Unrestricted net position	4,531,085	(1,917,613)	31,006,013	1,746,652
Total net position	<u>\$ 77,996,315</u>	<u>\$ 9,578,311</u>	<u>\$ 249,697,478</u>	<u>\$ 2,891,723</u>

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Governmental		Total 2019	Total 2018
	Total Enterprise Funds	Internal Service Funds		
LIABILITIES				
Current liabilities				
Accounts payable	\$ 2,332,892	\$ 312,415	\$ 2,645,307	\$ 3,089,473
Retainage payable	1,161,143	-	1,161,143	1,945,538
Accrued salaries and benefits payable	240,310	-	240,310	139,938
Compensated absences	132,895	-	132,895	103,286
Insurance claims payable	-	171,307	171,307	170,443
Bonds payable (net of premium/discount)	3,310,600	-	3,310,600	3,438,777
State revolving fund	519,404	-	519,404	185,338
Notes payable	-	-	-	90,018
Capital leases payable	668,699	-	668,699	777,454
Accrued interest payable	407,887	-	407,887	403,439
Unearned revenue - other	1,373	-	1,373	1,200
Total current liabilities	<u>8,775,203</u>	<u>483,722</u>	<u>9,258,925</u>	<u>10,344,904</u>
Long-term liabilities				
Customer deposits	213,470	-	213,470	214,892
Compensated absences	246,806	-	246,806	191,817
Bonds payable (net of premium/discount)	40,016,754	-	40,016,754	43,778,443
State revolving fund	11,179,895	-	11,179,895	6,030,161
Notes payable	-	-	-	788,912
Capital leases payable	664,442	-	664,442	1,333,396
Advance from other funds	45,000	-	45,000	85,000
Accrued MSWLF closure and postclosure care costs	1,514,381	-	1,514,381	1,827,335
Net pension liability	12,780,944	-	12,780,944	13,657,429
Net OPEB liability	15,578	-	15,578	24,403
Total long-term liabilities	<u>66,677,270</u>	<u>-</u>	<u>66,677,270</u>	<u>67,931,788</u>
Total liabilities	<u>75,452,473</u>	<u>483,722</u>	<u>75,936,195</u>	<u>78,276,692</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pension	3,348,668	-	3,348,668	1,307,346
Deferred inflows of resources related to OPEB	36,466	-	36,466	-
Total deferred inflows of resources	<u>3,385,134</u>	<u>-</u>	<u>3,385,134</u>	<u>1,307,346</u>
NET POSITION				
Net investment in capital assets	295,935,018	-	295,935,018	301,986,780
Restricted for bond covenants	6,401,795	-	6,401,795	6,218,930
Restricted for customer facility charges	1,127,735	-	1,127,735	815,226
Restricted for capital leases	1,333,141	-	1,333,141	2,110,850
Unrestricted net position	35,366,138	3,048,440	38,414,578	36,826,724
Total net position	<u>340,163,827</u>	<u>\$ 3,048,440</u>	<u>343,212,267</u>	<u>347,958,510</u>
Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included.				
	<u>901,501</u>		<u>901,501</u>	<u>701,727</u>
Total net position	<u>\$ 341,065,328</u>		<u>\$ 344,113,768</u>	<u>\$ 348,660,237</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-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Business-Type Activities			
	Enterprise Funds			
	Airport	Sanitation	Water and Sewer	Nonmajor
OPERATING REVENUES				
Sales	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	-	-	-	-
Gross margin	-	-	-	-
Charges for services	4,393,095	5,460,526	21,779,593	406,275
Employer	-	-	-	-
Employee	-	-	-	-
Customer facility charge income	352,877	-	-	-
Miscellaneous	-	10,000	17,596	-
Total operating revenues	<u>4,745,972</u>	<u>5,470,526</u>	<u>21,797,189</u>	<u>406,275</u>
OPERATING EXPENSES				
Salaries	1,388,664	1,330,881	3,102,370	239,189
Employee benefits	474,708	684,231	2,001,465	151,939
Professional services	493,432	157,514	67,785	662
Property services	301,267	753,670	2,829,715	111,955
Purchased services	80,423	87,242	734,322	18,856
Supplies	458,248	379,311	2,806,881	50,933
Sundry	313,577	617,345	1,811,575	49,048
Insurance claims	-	-	-	-
Amortization	14,290	-	-	-
MSWLF closure & postclosure care	-	(312,954)	-	-
Depreciation	5,816,261	1,726,949	15,090,959	41,244
Total operating expenses	<u>9,340,870</u>	<u>5,424,189</u>	<u>28,445,072</u>	<u>663,826</u>
Operating income (loss)	(4,594,898)	46,337	(6,647,883)	(257,551)
NON-OPERATING REVENUES (EXPENSES)				
Property tax collections	1,011,955	-	-	1,790,653
Special assessment collections	-	-	3,893	-
Intergovernmental revenues (expenses)	147,744	-	-	-
Interest income (expense)	119,819	51,497	548,264	28,545
Miscellaneous income (expense)	220,607	160,705	232,266	82,023
Gain (loss) on sale of City property	(42)	13,025	(1,586)	252
Interest and fiscal charges	(953,433)	-	(704,277)	-
Total non-operating revenues (expenses)	<u>546,650</u>	<u>225,227</u>	<u>78,560</u>	<u>1,901,473</u>
Income (loss) before contributions and transfers	(4,048,248)	271,564	(6,569,323)	1,643,922
Capital contributions	1,893,578	31	902,367	-
Transfers in	114,665	173,462	2,535,486	68,940
Transfers out	(115,539)	(356,879)	(966,595)	(35,442)
Total contributions and transfers	<u>1,892,704</u>	<u>(183,386)</u>	<u>2,471,258</u>	<u>33,498</u>
Change in net position	(2,155,544)	88,178	(4,098,065)	1,677,420
Net position, January 1	80,151,859	9,490,133	253,795,543	1,214,303
Net position, December 31	<u>\$ 77,996,315</u>	<u>\$ 9,578,311</u>	<u>\$ 249,697,478</u>	<u>\$ 2,891,723</u>

City of Minot, North Dakota
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Total Enterprise Funds	Governmental Activities		Total 2019	Total 2018
		Internal Service Funds			
OPERATING REVENUES					
Sales	\$ -	\$ 1,168,399	\$ 1,168,399	\$ 1,168,399	\$ 1,108,392
Cost of goods sold	-	(1,167,814)	(1,167,814)	(1,167,814)	(1,106,711)
Gross margin	-	585	585	585	1,681
Charges for services	32,039,489	-	32,039,489	32,039,489	32,554,722
Employer	-	3,586,448	3,586,448	3,586,448	2,922,400
Employee	-	415,943	415,943	415,943	805,152
Customer facility charge income	352,877	-	352,877	352,877	322,811
Miscellaneous	27,596	-	27,596	27,596	95,772
Total operating revenues	32,419,962	4,002,976	36,422,938	36,422,938	36,702,538
OPERATING EXPENSES					
Salaries	6,061,104	-	6,061,104	6,061,104	5,728,319
Employee benefits	3,312,343	-	3,312,343	3,312,343	2,915,355
Professional services	719,393	-	719,393	719,393	1,085,177
Property services	3,996,607	-	3,996,607	3,996,607	4,052,694
Purchased services	920,843	-	920,843	920,843	827,512
Supplies	3,695,373	-	3,695,373	3,695,373	3,495,827
Sundry	2,791,545	-	2,791,545	2,791,545	2,790,051
Insurance claims	-	4,277,889	4,277,889	4,277,889	3,251,733
Amortization	14,290	-	14,290	14,290	14,290
MSWLF closure & postclosure care	(312,954)	-	(312,954)	(312,954)	(211,434)
Depreciation	22,675,413	-	22,675,413	22,675,413	21,805,620
Total operating expenses	43,873,957	4,277,889	48,151,846	48,151,846	45,755,144
Operating income (loss)	(11,453,995)	(274,913)	(11,728,908)	(11,728,908)	(9,052,606)
NON-OPERATING REVENUES (EXPENSES)					
Property tax collections	2,802,608	-	2,802,608	2,802,608	797,082
Special assessment collections	3,893	-	3,893	3,893	959,792
Intergovernmental revenues (expenses)	147,744	-	147,744	147,744	749,012
Interest income (expense)	748,125	43,169	791,294	791,294	447,907
Miscellaneous income (expense)	695,601	(26,488)	669,113	669,113	384,230
Gain (loss) on sale of City property	11,649	-	11,649	11,649	(81,177)
Interest and fiscal charges	(1,657,710)	-	(1,657,710)	(1,657,710)	(1,781,003)
Total non-operating revenues (expenses)	2,751,910	16,681	2,768,591	2,768,591	1,475,843
Income (loss) before contributions and transfers	(8,702,085)	(258,232)	(8,960,317)	(8,960,317)	(7,576,763)
Capital contributions	2,795,976	-	2,795,976	2,795,976	7,117,225
Transfers in	2,892,553	-	2,892,553	2,892,553	17,445,572
Transfers out	(1,474,455)	-	(1,474,455)	(1,474,455)	(1,750,096)
Total contributions and transfers	4,214,074	-	4,214,074	4,214,074	22,812,701
Change in net position	(4,488,011)	(258,232)			
Net position, January 1	344,651,838	3,306,672			
Net position, December 31	<u>\$ 340,163,827</u>	<u>\$ 3,048,440</u>			
Change in net position enterprise funds only			(4,488,011)	(4,488,011)	14,739,743
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds				199,774	51,345
Change in net position of business-type activities				<u>\$ (4,288,237)</u>	<u>\$ 14,791,088</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-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Business-Type Activities			
	Enterprise Funds			
	Airport	Sanitation	Water & Sewer	Nonmajor
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 4,735,158	\$ 5,511,445	\$ 21,970,327	\$ 410,966
Payments to suppliers	(1,869,297)	(1,970,023)	(9,592,102)	(191,991)
Payments to employees	(1,926,822)	(1,920,528)	(4,469,722)	(435,585)
Due from other agencies	-	-	-	-
Due to other agencies	(95,006)	-	(490,705)	(47)
Net cash provided (used) by operating activities	<u>844,033</u>	<u>1,620,894</u>	<u>7,417,798</u>	<u>(216,657)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes/intergovernmental	1,365,720	160,705	232,266	1,815,735
Transfers in	114,665	173,462	2,535,486	68,940
Transfers out	(115,539)	(356,879)	(966,595)	(35,442)
Internal activity - payments from other funds	-	-	-	-
Internal activity - payments to other funds	-	-	(40,000)	-
Net cash provided (used) by noncapital financing activities	<u>1,364,846</u>	<u>(22,712)</u>	<u>1,761,157</u>	<u>1,849,233</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	1,867,536	31	902,059	-
Acquisitions and construction of capital assets	(1,292,952)	(34,509)	(13,411,587)	(458,497)
Special assessment collections	-	-	3,893	-
Proceeds from debt	-	-	5,761,800	-
Disposal of capital assets	(14,289)	16,770	47,832	701
Capital lease payment	(190)	(773,526)	(3,993)	-
Principal paid on capital debt	(1,215,711)	-	(3,831,084)	-
Interest paid on capital debt	(953,433)	-	(704,277)	-
Net cash used by capital and related financing activities	<u>(1,609,039)</u>	<u>(791,234)</u>	<u>(11,235,357)</u>	<u>(457,796)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	119,819	51,497	548,264	28,545
Net increase (decrease) in cash and cash equivalents	719,659	858,445	(1,508,138)	1,203,325
Cash and cash equivalents, January 1	7,917,391	3,530,117	31,132,138	719,721
Cash and cash equivalents, December 31	<u>\$ 8,637,050</u>	<u>\$ 4,388,562</u>	<u>\$ 29,624,000</u>	<u>\$ 1,923,046</u>
Cash and cash equivalents are comprised of the following:				
Cash and cash equivalents	\$ 4,749,618	\$ 3,064,974	\$ 12,442,336	\$ 1,923,046
Investments - certificate of deposits	-	-	13,530,013	-
Restricted cash and cash equivalents - current	1,483,049	666,121	2,757,420	-
Restricted cash and cash equivalents - noncurrent	2,404,383	657,467	894,231	-
Total cash and cash equivalents on the Statement of Net Position	<u>\$ 8,637,050</u>	<u>\$ 4,388,562</u>	<u>\$ 29,624,000</u>	<u>\$ 1,923,046</u>

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Total Enterprise Funds	Governmental Activities		Total 2019	Total 2018
		Internal Service Funds			
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 32,627,896	\$ 5,175,177		\$ 37,803,073	\$ 36,811,544
Payments to suppliers	(13,623,413)	(5,170,722)		(18,794,135)	(15,699,399)
Payments to employees	(8,752,657)	-		(8,752,657)	(8,161,009)
Due from other agencies	-	-		-	953,663
Due to other agencies	(585,758)	-		(585,758)	-
Net cash provided (used) by operating activities	9,666,068	4,455		9,670,523	13,904,799
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Property taxes/intergovernmental	3,574,426	-		3,574,426	1,926,341
Transfers in	2,892,553	-		2,892,553	17,445,572
Transfers out	(1,474,455)	-		(1,474,455)	(1,749,466)
Internal activity - payments from other funds	-	2,528		2,528	18,316
Internal activity - payments to other funds	(40,000)	(29,016)		(69,016)	(904,529)
Net cash provided (used) by noncapital financing activities	4,952,524	(26,488)		4,926,036	16,736,234
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions	2,769,626	-		2,769,626	6,034,445
Acquisitions and construction of capital assets	(15,197,545)	-		(15,197,545)	(25,309,198)
Special assessment collections	3,893	-		3,893	959,792
Proceeds from debt	5,761,800	-		5,761,800	6,215,499
Disposal of capital assets	51,014	-		51,014	770,687
Capital lease payment	(777,709)	-		(777,709)	(779,799)
Principal paid on capital debt	(5,046,795)	-		(5,046,795)	(3,445,724)
Interest paid on capital debt	(1,657,710)	-		(1,657,710)	(2,525,354)
Net cash used by capital and related financing activities	(14,093,426)	-		(14,093,426)	(18,079,652)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	748,125	43,169		791,294	1,191,628
Net increase (decrease) in cash and cash equivalents	1,273,291	21,136		1,294,427	13,753,009
Cash and cash equivalents, January 1	43,299,367	3,155,060		46,454,427	32,701,418
Cash and cash equivalents, December 31	\$ 44,572,658	\$ 3,176,196		\$ 47,748,854	\$ 46,454,427
Cash and cash equivalents are comprised of the following:					
Cash and cash equivalents	\$ 22,179,974	\$ 3,176,196		\$ 25,356,170	\$ 28,024,723
Investments - certificate of deposits	13,530,013	-		13,530,013	9,284,698
Restricted cash and cash equivalents - current	4,906,590	-		4,906,590	4,709,688
Restricted cash and cash equivalents - noncurrent	3,956,081	-		3,956,081	4,435,318
Total cash and cash equivalents on the Statement of Net Position	\$ 44,572,658	\$ 3,176,196		\$ 47,748,854	\$ 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-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Business-Type Activities			
	Enterprise Funds			
	Airport	Sanitation	Water & Sewer	Nonmajor
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$(4,594,898)	\$ 46,337	\$ (6,647,883)	\$ (257,551)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation expense	5,816,261	1,726,949	15,090,959	41,244
Amortization expense	14,290	-	-	-
MSWLF closure and post closure care cost adjustment	-	(312,954)	-	-
Change in assets and liabilities				
Receivables, net	(12,287)	42,540	188,332	(346)
Accrued interest receivable	-	-	(47,770)	-
Inventory	-	-	-	-
Prepaid	3,169	(307)	(134)	5,359
Accounts payable	(183,673)	25,059	(558,690)	(979)
Retainage payable	(25,667)	-	(799,170)	40,442
Intergovernmental receivables	(95,006)	-	(490,705)	(47)
Accrued salaries and benefits payable	54,745	49,642	78,288	2,295
Insurance claims payable	-	-	-	-
Accrued interest payable	(8,025)	-	12,473	-
Customer deposits	(4,985)	-	3,563	-
Special assessment receivable	-	-	94,012	-
Other assets/liabilities	(1,696)	(1,314)	(61,302)	(495)
Net OPEB asset	-	-	(2,911)	-
Net pension liability	(20,733)	(475,133)	(411,605)	30,986
Net OPEB liability	1,391	1,111	(15,725)	4,398
Unearned revenue - other	-	-	-	173
Deferred outflows of resources related to pension	(16,641)	(156,028)	(465,646)	(84,453)
Deferred outflows of resources related to OPEB	(3,664)	(13,341)	(9,271)	(4,703)
Deferred inflows of resources related to pension	(80,638)	677,578	1,437,919	6,463
Deferred inflows of resources related to OPEB	2,090	10,755	23,064	557
Net cash provided (used) by operating activities	<u>\$ 844,033</u>	<u>\$ 1,620,894</u>	<u>\$ 7,417,798</u>	<u>\$ (216,657)</u>
NONCASH CAPITAL ACTIVITY				
Borrowing under capital lease	\$ -	\$ -	\$ -	\$ -
Construction of capital assets from developers	26,042	-	308	-
Transfer fully depreciated capital assets to (from) general fund	(1,694)	(3,775)	20,997	-

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Total Enterprise Funds	Governmental Activities		Total 2019	Total 2018
		Internal Service Funds			
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$(11,453,995)	\$ (274,913)		\$(11,728,908)	\$ (9,052,606)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation expense	22,675,413	-		22,675,413	21,805,620
Amortization expense	14,290	-		14,290	14,290
MSWLF closure and post closure care cost adjustment	(312,954)	-		(312,954)	(211,434)
Change in assets and liabilities					
Receivables, net	218,239	(1,853)		216,386	(167,598)
Accrued interest receivable	(47,770)	-		(47,770)	2,707
Inventory	-	6,240		6,240	2,185
Prepaid	8,087	-		8,087	(10,635)
Accounts payable	(718,283)	274,117		(444,166)	57,943
Retainage payable	(784,395)	-		(784,395)	824,319
Intergovernmental receivables	(585,758)	-		(585,758)	953,663
Accrued salaries and benefits payable	184,970	-		184,970	2,257
Insurance claims payable	-	864		864	22,830
Accrued interest payable	4,448	-		4,448	(389)
Customer deposits	(1,422)	-		(1,422)	5,603
Special assessment receivable	94,012	-		94,012	(805,228)
Other assets/liabilities	(64,807)	-		(64,807)	(20,336)
Net OPEB asset	(2,911)	-		(2,911)	3,243
Net pension liability	(876,485)	-		(876,485)	1,334,278
Net OPEB liability	(8,825)	-		(8,825)	24,403
Unearned revenue - other	173	-		173	1,200
Deferred outflows of resources related to pension	(722,768)	-		(722,768)	(936,379)
Deferred outflows of resources related to OPEB	(30,979)	-		(30,979)	(10,781)
Deferred inflows of resources related to pension	2,041,322	-		2,041,322	82,315
Deferred inflows of resources related to OPEB	36,466	-		36,466	(16,671)
Net cash provided (used) by operating activities	\$ 9,666,068	\$ 4,455		\$ 9,670,523	\$ 13,904,799
NONCASH CAPITAL ACTIVITY					
Borrowing under capital lease	\$ -	\$ -		\$ -	\$ 701,557
Construction of capital assets from developers	26,350	-		26,350	1,082,780
Transfer fully depreciated capital assets to (from) general fund	15,528	-		15,528	37,079

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

City of Minot, North Dakota
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2019

	Pension & OPEB Trust Funds	Custodial Funds	Total Fiduciary Funds 2019	Total Fiduciary Funds 2018
ASSETS				
Cash and cash equivalents	\$ 276,109	\$ 338,959	\$ 615,068	\$ 349,068
Investments				
Money market	1,646,228	-	1,646,228	2,630,727
Equity/stocks	51,716,190	-	51,716,190	39,948,774
Fixed income	26,386,032	-	26,386,032	25,064,208
Total investments	79,748,450	-	79,748,450	67,643,709
Accounts receivable	4,141	50,367	54,508	72,486
Intergovernmental receivable	-	7,303	7,303	7,303
Due from other funds	126,280	-	126,280	167,849
Total assets	<u>\$ 80,154,980</u>	<u>\$ 396,629</u>	<u>\$ 80,551,609</u>	<u>\$ 68,240,415</u>
LIABILITIES				
Accounts payable	\$ 18,400	\$ 288,150	\$ 306,550	\$ 288,150
Insurance claims payable	5,403	-	5,403	-
Deferred revenue	-	-	-	31,042
Due to other funds	126,280	-	126,280	167,849
Total liabilities	<u>150,083</u>	<u>288,150</u>	<u>438,233</u>	<u>487,041</u>
NET POSITION				
Restricted for pension benefits	79,109,250	-	79,109,250	66,816,751
Restricted for OPEB benefits	895,647	-	895,647	815,678
Restricted for custodial activities	-	116,114	116,114	120,945
Total net position	<u>\$ 80,004,897</u>	<u>\$ 116,114</u>	<u>\$ 80,121,011</u>	<u>\$ 67,753,374</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
Fiduciary Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Pension & OPEB Trust Funds	Custodial Funds	Total Fiduciary Funds 2019	Total Fiduciary Funds 2018
ADDITIONS				
Contributions				
Employer	\$ 5,567,371	\$ -	\$ 5,567,371	\$ 5,740,706
Plan members	2,437,606	-	2,437,606	2,615,877
Employees payroll deductions	-	7,309,249	7,309,249	6,940,002
Lodging taxes	-	907,151	907,151	852,079
Grants	-	6,500	6,500	7,800
Total contributions	<u>8,004,977</u>	<u>8,222,900</u>	<u>16,227,877</u>	<u>16,156,464</u>
Investment income				
Interest and dividends	2,220,694	-	2,220,694	2,790,820
Net increase (decrease) in the fair value of investments	12,175,034	-	12,175,034	(6,764,604)
Total investment income	<u>14,395,728</u>	<u>-</u>	<u>14,395,728</u>	<u>(3,973,784)</u>
Less investment expense	134,061	-	134,061	121,667
Net investment income	<u>14,261,667</u>	<u>-</u>	<u>14,261,667</u>	<u>(4,095,451)</u>
Total additions	<u>22,266,644</u>	<u>8,222,900</u>	<u>30,489,544</u>	<u>12,061,013</u>
DEDUCTIONS				
Benefits paid to plan member and beneficiaries	8,790,098	-	8,790,098	8,452,013
Refunds paid to plan member and beneficiaries	462,306	-	462,306	793,833
Retiree claims	335,755	-	335,755	414,910
Third party premiums	144,805	-	144,805	157,491
Payroll taxes/benefits	-	7,309,249	7,309,249	6,940,002
Taxes distributed to Convention and Visitor's Bureau	-	588,567	588,567	578,951
Taxes distributed to All Seasons Arena debt	-	273,415	273,415	224,036
Payments to subgrantees	-	6,500	6,500	7,800
Administrative expenses	161,212	50,000	211,212	232,548
Total deductions	<u>9,894,176</u>	<u>8,227,731</u>	<u>18,121,907</u>	<u>10,000,795</u>
Change in net position	12,372,468	(4,831)	12,367,637	(5,740,571)
Net position, January 1 as restated - Note 5K	67,632,429	120,945	67,753,374	73,493,945
Net position, December 31	<u>\$80,004,897</u>	<u>\$ 116,114</u>	<u>\$ 80,121,011</u>	<u>\$ 67,753,374</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 resources of the general government, except those

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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 public safety, highways and streets, culture and recreation, and economic development.

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 2019, 40 percent of the second penny was reallocated back to NAWS.

The **Special Assessment Debt Fund** is a debt service fund established to accumulate the resources from properties benefitted by special assessment districts used to pay the principal and interest on bonds for projects in special assessment districts.

The **Highway Reserve Fund** is used to account for the financing of highway improvement projects in the City of Minot funded by federal, state, and local funds.

The **Capital Purchases Fund** is a capital project fund used to fund capital purchases deemed beneficial to the citizens of Minot and funded by federal, state, and local funds.

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

Additionally, the government reports the following fund types:

The **Internal Service Funds** account for 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 include Payroll Deductions, Hotel/Motel and Motor Vehicle Taxes (collects lodging and motor vehicle taxes disbursed to the Convention and Visitor's Bureau and All Season's Arena) and CDBG/EDA 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.

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

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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, 2018, 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.

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

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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 (first-in, first-out) in the business-type funds and the governmental funds. The costs of inventory are recognized as expenditures in the governmental funds and as an expenses in the business-type 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 retired by action of the cooperative’s board of directors, at which time the customer will receive a capital credit refund check. Capital credit allocations are recognized in the year in which they are 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 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-

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twelfth of the principal to become due within the next twelve months.

Capital Assets

Capital assets, which include land, buildings, equipment, infrastructure assets (e.g., roads, bridges, street lights, and similar items), 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	30-50 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 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.

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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.

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	\$ 345,407,552	\$ 355,132,860
Outstanding principal of capital related debt		
General obligation	(14,547,505)	-
Special assessment	(15,823,171)	-
Revenue bonds	-	(43,327,354)
State revolving fund	(613,242)	(11,699,299)
Capital leases	(759,881)	(1,333,141)
Capital related liabilities (accounts payable)		
Airport	-	(3,100)
Sanitation	-	(6)
Water and sewer	-	(1,683,221)
Nonmajor enterprise funds	-	(2,063)
Highway reserve	(21,219)	-
Capital purchases	(322,526)	-
Nonmajor governmental funds	(980,735)	-
Capital related liabilities (retainage payable)		
Water and sewer	-	(1,109,215)
Nonmajor enterprise funds	-	(40,442)
Highway reserve	(50,811)	-
Capital purchases	(89,681)	-
Nonmajor governmental funds	(609,396)	-
Total net investment in capital assets	<u>\$ 311,589,385</u>	<u>\$ 295,935,018</u>

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. 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 for all employees except the City Manager. In December of 2019, the City Council amended the City Manager's contract to include a 240-hour accrual for unused sick leave, which is accrued when earned in the government-wide fund statements.

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.

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

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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 (\$35,018,376)

difference are as follows:

Bonds payable	\$31,927,613
State revolving fund	613,242
Accrued interest payable	237,199
Capital leases payable	759,881
Compensated absences	<u>1,480,441</u>
Net adjustment to reduce fund balance- total governmental funds to arrive at net position-governmental activities	<u><u>\$35,018,376</u></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	\$ 507,365
Capital outlay	18,990,565
Depreciation expenditure	<u>(17,511,099)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental funds	<u>\$ 1,986,831</u>
Proceeds from sale of City property	\$ 147,162
Gain/(loss) on sale of City property	(798,654)
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental funds	<u><u>\$ (651,492)</u></u>

NOTE 3-STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. COMPLIANCE WITH FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

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.

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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 Flood Control Capital fund had a deficit fund balance of \$967,085 as of December 31, 2019, which will be funded with sales tax funds.

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 market 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 market 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, 2019, 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 segmented time distribution.

As of December 31, 2019, the City has invested in cash and money markets \$112,125,575, \$21,864,516 of U.S. bonds, and certificates of deposit \$19,452,158, which have no credit ratings. The City also has NAWS investments valued at \$3,258,409. The fixed income securities are all government agency securities.

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NAWS Investments

Investment Type	Fair Value	Rated AA+	Not-Rated
Cash & money market	\$ 341,373	\$ -	\$ 341,373
Fixed income			
Government agencies	2,917,036	2,504,512	412,524
Total fair value	<u>\$ 3,258,409</u>	<u>\$ 2,504,512</u>	<u>\$ 753,897</u>

NAWS Investments

Maturity (Years)	Fixed Income
< 1	\$ 1,499,357
1-5	997,626
< 5-10	81,677
< 10	338,376
	<u>\$ 2,917,036</u>

City of Minot Investments

Investment Type	Fair Value	Rated AA+	Not-Rated
Cash & money market	\$ 3,078,558	\$ -	\$ 3,078,558
Fixed income			
Government agencies	18,284,572	18,284,572	-
Total fair value	<u>\$ 21,363,130</u>	<u>\$ 18,284,572</u>	<u>\$ 3,078,558</u>

Maturity (Years)	Fixed Income
< 3-5	\$ 18,284,572
	<u>\$ 18,284,572</u>

The City has the following recurring fair value measurements as of December 31, 2019:

NAWS government agencies of \$2,917,036 are valued using quoted market prices (Level 1 inputs)

City government agencies of \$18,284,572 are valued using quoted market prices (Level 1 inputs)

B. INTERGOVERNMENTAL RECEIVABLES

A total of \$19,162,999 is due from intergovernmental receivables. This includes \$2,883,702 due from the Federal Government, \$2,042,837 from Housing and Urban Development; \$544,278 from the FAA; \$146,323 from Federal Transit Administration grants; \$139,954 from Department of Homeland Security;

\$5,761 from Department of Justice; and \$4,549 from National Highway Traffic Safety Administration. It also includes \$16,053,166 from the State of North Dakota, \$11,906,891 from the State Water Commission for home acquisitions, NAWS, and flood control; \$2,287,081 for city sales taxes; \$1,014,793 for State Aid Distribution; \$503,403 of oil & gas taxes; \$270,114 for Municipal Highway tax; \$30,238 for State Aeronautics; \$19,751 for ND Workforce Safety and Insurance; \$18,012 for NDDOT projects; \$2,832 from ND Bureau of Criminal Investigation; and \$51 from ND Department of Emergency Services; and \$226,131 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	\$ 813,000
Due after one year	1,000,000
Less: allowance for uncollectible	<u>(362,600)</u>
Total loans receivable	<u>\$ 1,450,400</u>

The only receivables not expected to be collected within one year are \$11,926,649 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	\$ 12,049,290
Unavailable revenue - property taxes	1,070,168
Unavailable revenue - special assessments	470,283
Total deferred inflows of resources	<u>\$ 13,589,741</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:

	Specials				Intergov't'l	Accrued Interest	Specials Assessments	Gross Receivables	Less: Allow for Uncollectible	Total Net Receivables
	Taxes	Assessments	Accounts	Loans						
	Delinquent	Delinquent	Receivable	Receivable						
General fund	\$ 742,096	\$ 27,723	\$ 741,087	\$ -	\$ 1,570,216	\$ 235,706	\$ 50,688	\$ 3,367,516	\$ (466,872)	\$ 2,900,644
Sales tax NAWS	-	-	-	-	457,416	1,731	-	459,147	-	459,147
Special assessment debt	2,148	442,976	-	-	973	-	11,998,602	12,444,699	-	12,444,699
Highway reserve	-	-	-	-	-	-	-	-	-	-
Capital purchases	-	-	1,296,809	-	1,956,623	-	-	3,253,432	(1,284,309)	1,969,123
Nonmajor governmental funds	445,098	-	173,341	1,813,000	3,852,581	28,558	-	6,312,578	(497,750)	5,814,828
Airport	45,258	-	474,589	-	574,895	-	-	1,094,742	-	1,094,742
Sanitation	-	-	530,998	-	-	-	-	530,998	-	530,998
Water and sewer	-	3,730	3,064,218	-	10,750,159	86,386	707,486	14,611,979	(920,150)	13,691,829
Nonmajor enterprise funds	69,507	-	20,878	-	136	-	-	90,521	-	90,521
Internal service	-	-	2,775	-	-	-	-	2,775	-	2,775
Total net receivables	<u>\$ 1,304,107</u>	<u>\$ 474,429</u>	<u>\$ 6,304,695</u>	<u>\$ 1,813,000</u>	<u>\$ 19,162,999</u>	<u>\$ 352,381</u>	<u>\$ 12,756,776</u>	<u>\$ 42,168,387</u>	<u>\$ (3,169,081)</u>	<u>\$ 38,999,306</u>

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D. TAX ABATEMENTS

As of December 31, 2019, 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, 2019:

Tax Abatement Programs	Amount of taxes abated during the 2019 fiscal year
Renaissance zone exemption - commercial buildings	\$ 33,587
Renaissance zone exemption - residential buildings	1,623
Exemption of improvements to commercial and residential buildings	236
	\$ 35,446

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E. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

Governmental Activities	Beginning	Additions	Deletions	Transfers	Ending
	Balance				Balance
	1/1/2019				12/31/19
Land	\$ 89,315,522	\$ 8,790,545	\$ 165,885	\$ -	\$ 97,940,182
Construction in progress	15,172,549	19,699,885	12,194,955	-	22,677,479
Depreciable assets					
Buildings	21,606,949	178,354	3,144	129,807	21,911,966
Equipment	24,946,641	1,645,962	1,441,576	(263,099)	24,887,928
Infrastructure	306,245,938	812,065	2,652,404	148,820	304,554,419
Intangible assets	598,329	503,628	-	-	1,101,957
Books	3,437,736	209,608	338,433	-	3,308,911
Totals at historical cost	<u>461,323,664</u>	<u>31,840,047</u>	<u>16,796,397</u>	<u>15,528</u>	<u>476,382,842</u>
Accumulated depreciation					
Buildings	(9,252,152)	(499,300)	-	(26,358)	(9,777,810)
Equipment	(16,254,401)	(2,057,970)	1,192,137	5,952	(17,114,282)
Infrastructure	(89,106,397)	(14,754,618)	2,267,602	9,494	(101,583,919)
Intangible assets	(415,070)	(99,534)	-	-	(514,604)
Books	(2,223,431)	(99,677)	338,433	-	(1,984,675)
Total accumulated depreciation	<u>(117,251,451)</u>	<u>(17,511,099)</u>	<u>3,798,172</u>	<u>(10,912)</u>	<u>(130,975,290)</u>
Governmental activities capital assets, net	<u>\$ 344,072,213</u>	<u>\$14,328,948</u>	<u>\$ 12,998,225</u>	<u>\$ 4,616</u>	<u>\$ 345,407,552</u>
Business-Type Activities	Beginning	Additions	Deletions	Transfers	Ending
	Balance				Balance
	1/1/2019				12/31/19
Land	\$ 9,647,078	-	-	-	\$ 9,647,078
Construction in progress	19,931,493	15,213,216	12,679,585	-	22,465,124
Depreciable assets					
Buildings	62,188,698	129,127	-	138,131	62,455,956
Equipment	29,112,917	1,377,859	444,746	185,284	30,231,314
Infrastructure	377,147,440	11,171,083	2,916,876	(338,943)	385,062,704
Intangible assets	156,521	-	-	-	156,521
Totals at historical cost	<u>498,184,147</u>	<u>27,891,285</u>	<u>16,041,207</u>	<u>(15,528)</u>	<u>510,018,697</u>
Accumulated depreciation					
Buildings	(13,492,941)	(1,757,948)	-	(19,665)	(15,270,554)
Equipment	(16,804,485)	(1,977,822)	409,488	(88,065)	(18,460,884)
Infrastructure	(105,153,741)	(18,926,567)	2,915,289	118,642	(121,046,377)
Intangible assets	(94,946)	(13,076)	-	-	(108,022)
Total accumulated depreciation	<u>(135,546,113)</u>	<u>(22,675,413)</u>	<u>3,324,777</u>	<u>10,912</u>	<u>(154,885,837)</u>
Business-type activities capital assets, net	<u>362,638,034</u>	<u>5,215,872</u>	<u>12,716,430</u>	<u>(4,616)</u>	<u>355,132,860</u>
Total capital assets, net	<u>\$ 706,710,247</u>	<u>\$19,544,820</u>	<u>\$ 25,714,655</u>	<u>\$ -</u>	<u>\$ 700,540,412</u>

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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	\$	2,006,853
Public safety		1,503,958
Highways and streets		13,684,111
Culture and recreation		316,177
Total depreciation expenditure - governmental activities		<u>\$ 17,511,099</u>
Business-Type Activities		
Airport	\$	5,816,261
Cemetery		40,669
Parking authority		575
Sanitation		1,726,949
Water and sewer		15,090,959
Total depreciation expense - business-type activities		<u>\$ 22,675,413</u>

F. COMMITMENTS

Construction and other significant commitments as of December 31, 2019 were \$55,548,351.

	<u>Spent to Date</u>	<u>Remaining</u>
General fund	\$ 3,313,997	\$ 1,981,955
Highway reserve	3,985,362	2,710,647
Capital purchases	6,936,204	5,775,614
Nonmajor governmental funds	32,455,404	33,026,361
Airport	373,286	361,856
Sanitation	273,353	13
Water and sewer	29,981,236	11,119,189
Nonmajor enterprise funds	409,135	572,716
	<u>\$ 77,727,977</u>	<u>\$ 55,548,351</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 \$220.0 million, with the City's cost share to be approximately \$52.5 million. The City's local share of expenditures to date is approximately \$55.8 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, 2019, CDBG-DR and NDR funds make up \$48,242,391 of the \$58,083,545 included within the nonmajor governmental funds amount:

Encumbrances

General fund	\$	2,138,796
Highway reserve		1,412,241
Capital purchases		2,250,221
Nonmajor governmental funds		58,083,545
Airport		43,476
Sanitation		13
Water and sewer		36,716
Nonmajor enterprise funds		82,760
Total encumbrances		<u>\$ 64,047,768</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 composition of interfund advance to and from balances at December 31, 2019 is to fund outstanding highway debt paid in annual installments for storm sewer development.

	Total	
	Water and Sewer	Advance From
Nonmajor governmental funds	\$ 45,000	\$ 45,000
Total advance to	<u>\$ 45,000</u>	<u>\$ 45,000</u>

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

	Nonmajor	
	Governmental Funds	Total Due From
Nonmajor governmental funds	\$ 1,001,190	\$ 1,001,190
Total due to	<u>\$ 1,001,190</u>	<u>\$ 1,001,190</u>

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	Sales Tax NAWS	Special		Highway Reserve	Capital Purchases	Nonmajor Governmental Funds	Subtotal Governmental Transfers Out
			Assessment Debt					
General fund	\$ -	\$ -	\$ -	\$ -	\$ 66,484	\$ 290,117	\$ 356,601	
NAWS	50,000	-	-	-	-	-	50,000	
Special assessment debt	57,500	-	-	-	-	-	57,500	
Highway reserve	232,116	-	-	62,500	-	-	294,616	
Capital purchases	-	-	-	-	-	92,640	92,640	
Nonmajor governmental funds	16,983,137	-	-	-	273,546	3,367,777	20,624,460	
Airport	115,539	-	-	-	-	-	115,539	
Sanitation	306,735	-	-	-	-	50,144	356,879	
Water and sewer	323,435	-	208,039	-	-	261,659	793,133	
Nonmajor enterprise funds	30,046	-	-	-	-	-	30,046	
Total transfers in	<u>\$ 18,098,508</u>	<u>\$ -</u>	<u>\$ 208,039</u>	<u>\$ 62,500</u>	<u>\$ 340,030</u>	<u>\$ 4,062,337</u>	<u>\$ 22,771,414</u>	

	Business-Type Funds						
	Airport	Sanitation	Water and Sewer	Nonmajor Enterprise Funds	Internal Service Funds	Subtotal Business-Type	Total Transfers Out
General fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 356,601
NAWS	-	-	225,115	-	-	225,115	275,115
Special assessment debt	-	-	-	-	-	-	57,500
Highway reserve	-	-	361,345	-	-	361,345	655,961
Capital purchases	-	-	7,763	-	-	7,763	100,403
Nonmajor governmental funds	114,665	-	1,935,867	68,940	-	2,119,472	22,743,932
Airport	-	-	-	-	-	-	115,539
Sanitation	-	-	-	-	-	-	356,879
Water and sewer	-	173,462	-	-	-	173,462	966,595
Nonmajor enterprise funds	-	-	5,396	-	-	5,396	35,442
Total transfers in	<u>\$ 114,665</u>	<u>\$ 173,462</u>	<u>\$ 2,535,486</u>	<u>\$ 68,940</u>	<u>\$ -</u>	<u>\$ 2,892,553</u>	<u>\$ 25,663,967</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, 2019. The future minimum lease payments for these leases are as follows:

For the year ended December 31, 2019	Business- Type Activities
2020	\$ 125,528
2021	125,528
2022	83,685
Total minimum lease payments	<u>\$ 334,742</u>

Capital Leases. The City has entered into seven capital lease agreements as lessee for financing the acquisition for six motor graders and a loader for the street department. 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	\$ 1,047,377	\$ 3,696,079
Less: accumulated depreciation	(54,244)	(1,294,642)
Total	<u>\$ 993,133</u>	<u>\$ 2,401,437</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2019, were as follows:

For the year ending December 31, 2019	Governmental Activities	Business- Type Activities
2020	\$ 232,952	\$ 721,632
2021	228,967	544,784
2022	228,277	154,190
2023	296,320	1,168
Total minimum lease payments	986,516	1,421,774
Less: amount representing interest	(226,635)	(88,633)
Present value of minimum lease payments	<u>\$ 759,881</u>	<u>\$ 1,333,141</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 2019. 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 12/31/2019	Interest Rate	Matures
2010	\$ 1,375,000	\$ 150,000	2.70%	10/01/2020
2012	2,900,000	650,000	2.00%	10/01/2023
2013	6,815,000	2,700,000	3.00%	10/01/2023
2014	3,950,000	2,080,000	2.00-4.00%	10/01/2024
2015	390,000	250,000	2.00-3.00%	10/01/2025
2016	10,110,000	8,475,000	3.00-4.00%	10/01/2031
	<u>\$ 25,540,000</u>	<u>\$ 14,305,000</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 did not issue any special assessment bonds for storm sewer districts and paving districts. The City has \$14,610,000 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 12/31/2019	Interest Rate	Matures
2011	\$ 4,285,000	\$ 965,000	2.00%	10/01/2021
2012	1,885,000	775,000	1.20-1.60%	10/01/2023
2013	11,595,000	8,025,000	3.00-4.00%	10/01/2033
2014	4,135,000	2,620,000	3.00-3.375%	10/01/2034
2015	1,835,000	1,540,000	2.00-3.25%	10/01/2035
2016	780,000	685,000	3.00-3.25%	10/01/2036
	<u>\$ 24,515,000</u>	<u>\$ 14,610,000</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 \$6,195,922 issued in 2019 to finance the waste water treatment facility hydraulic improvements, upsizing of

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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 \$8,103,459 in SRF available as of December 31, 2019. At December 31, 2019, 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 12/31/2019	Interest Rate	Matures
2018	\$ 179,120	\$ 179,120	1.50%	9/1/2039
2019	434,122	434,122	1.50%	9/1/2039
	<u>\$ 613,242</u>	<u>\$ 613,242</u>		

Business-Type Activities

Year	Original Amount Issued	Balance Outstanding 12/31/2019	Interest Rate	Matures
2018	\$ 4,285,700	\$ 4,007,700	1.50%	9/1/2038
2018	1,929,799	1,929,799	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
	<u>\$ 11,977,299</u>	<u>\$ 11,699,299</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 2.00% to 4.50%. During the year, the City did not issue any revenue bonds for airport, or water and sewer projects. 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.

The following are outstanding revenue bonds:

Airport

Year	Original Amount Issued	Balance Outstanding 12/31/2019	Interest Rate	Matures
2013	\$ 12,505,000	\$ 10,660,000	3.00-4.50%	10/01/2035
2014	6,710,000	5,675,000	3.00-4.00%	10/01/2035
2015	11,770,000	9,850,000	2.25-3.625%	10/01/2035
	<u>\$ 30,985,000</u>	<u>\$ 26,185,000</u>		

Water and Sewer

Year	Original Amount Issued	Balance Outstanding 12/31/2019	Interest Rate	Matures
2012	\$ 3,650,000	\$ 1,050,000	2.00%	10/01/2023
2012	1,955,000	920,000	2.00%	10/01/2024
2013	5,220,000	3,425,000	3.00-4.00%	10/01/2028
2014	4,200,000	2,975,000	2.25-3.10%	10/01/2029
2015	6,860,000	4,285,000	2.00-3.00%	10/01/2025
2016	4,785,000	4,010,000	3.00-4.00%	10/01/2031
	<u>\$ 26,670,000</u>	<u>\$ 16,665,000</u>		

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

Year	Original Amount Issued	Balance Outstanding 12/31/2019	Interest Rate	Matures
2015	\$ 1,945,000	\$ 1,445,000	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
2020	\$ 1,955,000	\$ 471,500
2021	1,855,000	413,500
2022	1,920,000	353,550
2023	1,980,000	291,450
2024	1,155,000	223,100
2025-2029	3,775,000	615,650
2030-2031	1,665,000	75,300
Total governmental activities	<u>\$ 14,305,000</u>	<u>\$ 2,444,050</u>

Governmental Activities	Special Assessment Bonds	
	Principal	Interest
2020	\$ 1,865,000	\$ 465,663
2021	1,925,000	410,133
2022	1,480,000	352,463
2023	1,530,000	302,735
2024	1,365,000	260,485
2025-2029	3,085,000	918,544
2030-2034	3,140,000	351,688
2035-2036	220,000	8,775
Total governmental activities	<u>\$ 14,610,000</u>	<u>\$ 3,070,484</u>

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Governmental Activities	Capital Financing Program Bonds	
	Principal	Interest
2020	\$ 125,000	\$ 49,325
2021	130,000	45,500
2022	130,000	41,600
2023	135,000	37,625
2024	140,000	33,500
2025-2029	785,000	81,100
Total governmental activities	<u>\$ 1,445,000</u>	<u>\$ 288,650</u>

Governmental Activities	State Revolving Fund	
	Principal	Interest
2020	\$ 26,493	\$ 9,199
2021	26,893	8,801
2022	27,300	8,398
2023	27,712	7,988
2024	28,130	7,573
2025-2029	147,155	31,405
2030-2034	158,608	20,030
2035-2039	170,951	7,770
Total governmental activities	<u>\$ 613,242</u>	<u>\$ 101,163</u>

Business-Type Activities	Revenue Bonds	
	Principal	Interest
2020	\$ 3,230,000	\$ 1,434,413
2021	3,305,000	1,342,513
2022	3,410,000	1,241,563
2023	3,540,000	1,134,213
2024	3,360,000	1,035,143
2025-2029	13,660,000	3,724,013
2030-2034	10,230,000	1,608,450
2035	2,115,000	85,019
Total business-type activities	<u>\$ 42,850,000</u>	<u>\$ 11,605,324</u>

Business-Type Activities	State Revolving Fund	
	Principal	Interest
2020	\$ 519,403	\$ 175,489
2021	527,248	167,698
2022	535,212	159,790
2023	543,295	151,762
2024	551,501	143,612
2025-2029	2,884,993	591,445
2030-2034	3,109,543	368,435
2035-2039	3,028,103	128,068
Total business-type activities	<u>\$ 11,699,299</u>	<u>\$ 1,886,300</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, 2019:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Bonds payable					
General obligation	\$ 16,500,655	\$ 687	\$ (1,953,837)	\$ 14,547,505	\$ 2,013,206
Special assessment	17,740,256	1,393	(1,918,478)	15,823,171	1,957,086
Capital financing program bonds	1,687,190	-	(130,253)	1,556,937	135,254
Total bonds payable	35,928,101	2,080	(4,002,568)	31,927,613	4,105,546
State revolving fund	179,120	434,122	-	613,242	55,566
Capital leases	15,741	597,472	(189,968)	423,245	162,612
Direct borrowings, capital leases	198,976	208,000	(70,340)	336,636	70,340
Compensated absences	1,149,950	1,277,569	(947,078)	1,480,441	518,154
Governmental activities long-term liabilities	<u>\$ 37,471,888</u>	<u>\$ 2,519,243</u>	<u>\$ (5,209,954)</u>	<u>\$ 34,781,177</u>	<u>\$ 4,912,218</u>

Business-Type Activities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Revenue bonds	\$ 47,217,220	\$ 14,290	\$ (3,904,156)	\$ 43,327,354	\$ 3,310,600
State revolving fund	6,215,499	5,761,800	(278,000)	11,699,299	519,404
Notes payable	878,930	-	(878,930)	-	-
Capital leases	488,616	-	(272,521)	216,095	146,830
Direct borrowings, capital leases	1,622,234	-	(505,188)	1,117,046	521,869
Compensated absences	295,103	359,641	(275,043)	379,701	132,895
MSWLF closure & postclosure costs	1,827,335	-	(312,954)	1,514,381	-
Business-type activities long-term liabilities	<u>\$ 58,544,937</u>	<u>\$ 6,135,731</u>	<u>\$ (6,426,792)</u>	<u>\$ 58,253,876</u>	<u>\$ 4,631,598</u>

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 \$175,865,463 and the legal debt margin is \$161,807,421.

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J. FUND BALANCE

	General Fund	Major Special Revenue Fund	Major Debt Service Fund	Major Capital Project Funds		Nonmajor Other	Total
		Sales Tax NAWS	Assessment Debt	Highway Reserve	Capital Purchases	Governmental Funds	
Fund balances							
Nonspendable							
Prepaid	\$ 276,669	\$ 1,000	\$ -	\$ -	\$ -	\$ 64,177	\$ 341,846
Other assets - capital credits	391,449	-	-	-	-	29,285	420,734
Total nonspendable	668,118	1,000	-	-	-	93,462	762,580
Restricted							
General government	-	-	-	-	-	194,506	194,506
Capital leases	759,881	-	-	-	-	-	759,881
Public safety	147,762	-	-	-	-	-	147,762
Sales tax property tax relief	-	-	-	-	-	1,341,288	1,341,288
Sales tax economic development	-	-	-	-	-	10,177,039	10,177,039
Sales tax improvements	-	-	-	-	-	5,618,585	5,618,585
Sales tax flood control	-	-	-	-	-	2,034,198	2,034,198
Sales tax NAWS	-	17,861,969	-	-	-	-	17,861,969
Sales tax infrastructure	-	-	-	-	-	7,823,361	7,823,361
Sales tax community facilities	-	-	-	-	-	2,051,923	2,051,923
Debt service	-	-	1,787,170	-	-	758,906	2,546,076
Total restricted	907,643	17,861,969	1,787,170	-	-	29,999,806	50,556,588
Committed							
General government	1,210,425	-	-	-	2,177,512	-	3,387,937
Public safety	336,792	-	-	-	188,797	347,141	872,730
Public transportation	-	-	-	-	-	1,220	1,220
Culture and recreation	-	-	-	-	-	63,344	63,344
Sidewalk improvements	73,313	-	-	-	-	-	73,313
Highways and streets	698,218	-	-	2,710,646	-	-	3,408,864
Emergency fund	-	-	-	-	-	1,771,988	1,771,988
Equipment purchases	-	-	-	-	-	576,559	576,559
Total committed	2,318,748	-	-	2,710,646	2,366,309	2,760,252	10,155,955
Assigned							
General government	1,206,419	-	-	-	-	-	1,206,419
Sidewalk improvements	70,267	-	-	-	-	-	70,267
Public transportation	-	-	-	-	-	699,897	699,897
Culture and recreation	-	-	-	-	-	1,705,720	1,705,720
Debt service	-	-	1,742,469	-	-	739,767	2,482,236
Highways and streets	5,442,834	-	-	6,201,831	-	-	11,644,665
Equipment purchases	-	-	-	-	-	708,925	708,925
Total assigned	6,719,520	-	1,742,469	6,201,831	-	3,854,309	18,518,129
Unassigned	33,604,001	-	-	-	-	(967,085)	32,636,916
Total fund balance	\$ 44,218,030	\$ 17,862,969	\$ 3,529,639	\$ 8,912,477	\$ 2,366,309	\$ 35,740,744	\$ 112,630,168

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 (NDRIF), 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 NDRIF. During the past five years, the NDRIF 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 NDRIF for its general insurance, personal injury insurance, auto insurance, and inland marine insurance coverage. The coverage by NDRIF 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 \$2,259,921 lifetime employee maximum. The City's insurer pays all aggregate claims in excess of \$2,711,905.

Claims, which have been incurred at year-end but not reported, have been recorded as insurance claims payable in the amount of \$176,710. 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	Current		Ending
	Claim	Year Claims		Claim
	Liability	Incurred and	Payments	Liability
		Changes in	on Claims	
		Estimates		
2017	\$ 136,303	\$ 2,282,328	\$ 2,271,018	\$ 147,613
2018	147,613	2,239,556	2,216,726	170,443
2019	170,443	2,672,066	2,665,799	176,710

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, 2019, the City had one COBRA participant 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.



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City of Minot, North Dakota
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Pension and OPEB Trust Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Pension Trust	OPEB Trust	Total Pension & OPEB Trust Funds 2019	Total Pension & OPEB Trust Funds 2018
ASSETS				
Cash and cash equivalents	\$ 276,109	\$ -	\$ 276,109	\$ 19,762
Investments				
Money market	1,623,505	22,723	1,646,228	2,630,727
Equity/stocks	51,185,180	531,010	51,716,190	34,859,501
Fixed income	25,897,577	488,455	26,386,032	25,064,208
Alternative	-	-	-	5,089,273
Total investments	78,706,262	1,042,188	79,748,450	67,643,709
Accounts receivable	599	3,542	4,141	-
Due from other funds	126,280	-	126,280	167,849
Total assets	79,109,250	1,045,730	80,154,980	67,831,320
LIABILITIES				
Accounts payable	-	18,400	18,400	-
Insurance claims payable	-	5,403	5,403	-
Deferred revenue	-	-	-	31,042
Due to other funds	-	126,280	126,280	167,849
Total liabilities	-	150,083	150,083	198,891
NET POSITION				
Restricted for pension benefits	79,109,250	-	79,109,250	66,816,751
Restricted for OPEB benefits	-	895,647	895,647	815,678
Total net position	\$ 79,109,250	\$ 895,647	\$ 80,004,897	\$ 67,632,429

City of Minot, North Dakota
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Pension and OPEB Trust Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Pension Trust	OPEB Trust	Total Pension & OPEB Trust Funds 2019	Total Pension & OPEB Trust Funds 2018
ADDITIONS				
Contributions				
Employer	\$ 5,520,348	\$ 47,023	\$ 5,567,371	\$ 5,740,706
Plan members	2,101,187	336,419	2,437,606	2,615,877
Total contributions	<u>7,621,535</u>	<u>383,442</u>	<u>8,004,977</u>	<u>8,356,583</u>
Investment income				
Interest and dividends	2,189,756	30,938	2,220,694	2,790,820
Net increase (decrease) in the fair value of investments	12,024,591	150,443	12,175,034	(6,764,604)
Total investment income	<u>14,214,347</u>	<u>181,381</u>	<u>14,395,728</u>	<u>(3,973,784)</u>
Less investment expense	132,167	1,894	134,061	121,667
Net investment income	<u>14,082,180</u>	<u>179,487</u>	<u>14,261,667</u>	<u>(4,095,451)</u>
Total additions	<u>21,703,715</u>	<u>562,929</u>	<u>22,266,644</u>	<u>4,261,132</u>
DEDUCTIONS				
Benefits paid to plan member and beneficiaries	8,790,098	-	8,790,098	8,452,013
Refunds paid to plan member and beneficiaries	462,306	-	462,306	793,833
Retiree claims	-	335,755	335,755	414,910
Third party premiums	-	144,805	144,805	157,491
Administrative expenses	158,812	2,400	161,212	182,548
Total deductions	<u>9,411,216</u>	<u>482,960</u>	<u>9,894,176</u>	<u>10,000,795</u>
Change in net position	12,292,499	79,969	12,372,468	(5,739,663)
Net position, January 1	66,816,751	815,678	67,632,429	73,372,092
Net position, December 31	<u>\$ 79,109,250</u>	<u>\$ 895,647</u>	<u>\$ 80,004,897</u>	<u>\$ 67,632,429</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.

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.

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.

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:

	Pension	OPEB
Retirees and beneficiaries receiving benefits	278	39
Terminated employees		
Vested	26	-
Non-vested	20	-
Total terminated employees	46	-
Active employees		
Vested	130	172
Non-vested	65	20
Total active employees	195	192
Date of annual valuation	1/1/2020	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

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calculated using the highest 78 bi-weekly earnings 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 \$2,101,187 and the employer contributed \$5,520,348. The employer contributed \$47,023 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 (24 years remaining as of January 1, 2020) respectively on the pension unfunded liability at January 1, 2020.

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, 2019:

<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 \$78,706,262 and \$1,042,188, respectively. The fixed income securities are broken down by subclass, maturities and ratings in the following tables:

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<u>Maturity (Years)</u>	<u>Pension Fixed</u>	<u>OPEB</u>
	<u>Income</u>	<u>Fixed</u>
<1	\$ 258,976	\$ -
1-5	1,838,728	-
>5-10	5,593,877	-
>10	18,205,997	488,455
	<u>\$ 25,897,577</u>	<u>\$ 488,455</u>

<u>Credit Rating</u>	<u>Pension Fixed</u>	<u>OPEB</u>
	<u>Income</u>	<u>Fixed</u>
AAA	\$ 2,978,222	\$ -
AA+	7,458,502	-
AA	1,812,830	-
A+	1,346,674	-
A	699,235	-
A-	3,185,402	-
BBB+	1,268,981	-
BBB	1,890,523	-
Not rated	4,713,359	488,455
Other	543,849	-
	<u>\$ 25,897,577</u>	<u>\$ 488,455</u>

<u>Fixed Income Subclass</u>	<u>Pension</u>	<u>OPEB</u>
	<u>Fixed Income</u>	<u>Fixed</u>
US treasuries	\$ 243,027	\$ -
Government agencies	7,408,065	-
Corporate bonds	8,657,798	488,455
Taxable municipal debt	9,588,687	-
	<u>\$ 25,897,577</u>	<u>\$ 488,455</u>

The City has the following recurring fair value measurements as of December 31, 2019:

U.S. Treasury securities, government agencies and taxable municipal debt of \$17,239,779 valued using quoted market prices (Level 1 inputs)

Corporate bonds of \$9,146,253 are valued using a matrix pricing model (Level 2 inputs)

Equity securities of \$51,716,190 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:

<u>Asset Class</u>	<u>Long-Term</u>	
	<u>Target</u>	<u>Expected</u>
	<u>Allocation</u>	<u>Rate of</u>
		<u>Return</u>
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, 2019, the annual money-weighted rate of return on pension and OPEB plan investments, net of investment expense, was 21.6 and 23.41 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 market 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

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and new estimates are made about the future. Actuarial 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, 2020	January 1, 2019
Measurement date	January 1, 2020	December 31, 2019
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level dollar amount	Level dollar amount
Remaining amortization period	30 year closed period (24 years remain as of 1/1/20)	24 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	RP-2000 mortality table with projected future improvements to the valuation date	RP-2000 mortality table with projected future improvements to the valuation date
Health insurance elections	N/A	80% City employees elect medical coverage 60% City employees elect spousal coverage

The healthcare trend rates are used to project health insurance claims, administration costs, and retiree premiums into the future. Effective December 31, 2019, 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>
<u>Beginning</u>	<u>Valuation</u>	<u>Valuation</u>
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, 2019, the CEPP reported a net pension liability of \$62,443,889 as determined by the actuarial valuation. The City of Minot reported a liability of \$56,808,799 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 90.98 percent which was a decrease of 1.03 percent from its proportion measured as of December 31, 2018.

The components of the net pension liability of all participants as of December 31, 2019 were as follows:

Total Pension Liability	\$	141,553,139
Plan fiduciary net position		<u>79,109,250</u>
Net pension liability (asset)	\$	<u>62,443,889</u>

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For the year ended December 31, 2019, The CEPP recognized pension expense of \$6,439,742. The City of Minot recognized pension expense of \$5,677,328 for its proportionate share of the CEPP's pension expense.

At December 31, 2019, the CEPP reported the following amounts and sources for deferred outflows of resources and deferred inflows of resources:

Source	City of Minot's Proportionate Share			
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,995,776	\$ (19,268)	\$ 1,815,672	\$ (17,529)
Net difference between projected and actual earnings on investments	-	(3,830,402)	-	(3,484,737)
Changes in proportion	6,718,901	(6,718,898)	6,190,872	(6,660,980)
Total	\$ 8,714,677	\$ (10,568,568)	\$ 8,006,544	\$ (10,163,246)

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	City of Minot Pension Proportionate	
	Plan	Share
2020	\$ (60,027)	\$ (235,886)
2021	(324,343)	(453,613)
2022	385,507	191,196
2023	(1,855,032)	(1,839,675)

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	\$ 78,592,917	\$ 62,443,889	\$ 48,868,248
City of Minot's proportionate	71,500,496	56,808,799	44,458,255

OPEB Costs. As of December 31, 2019, the OPEB reported a net OPEB asset of \$146,253. The net OPEB asset was measured as of December 31, 2019, 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, 2019 were as follows:

	Increase/(Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at 12/31/18	\$ 930,989	\$ 815,678	\$ 115,311
Changes for the year:			
Service cost	27,398	-	27,398
Interest	66,543	-	66,543
Difference between expected and actual experience	(134,261)	-	(134,261)
Changes in Assumptions	2,865		2,865
Contributions - employer	-	47,023	(47,023)
Net investment income	-	179,487	(179,487)
Benefit payments	(142,280)	(142,280)	-
Administrative expense	-	(2,401)	2,401
Net changes	(179,735)	81,830	(261,564)
Balance at 12/31/19	\$ 751,254	\$ 897,508	\$ (146,253)

For the year ended December 31, 2019, the OPEB plan recognized OPEB expense of \$3,222.

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

Source	Balances at December 31, 2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (114,663)
Changes of assumptions	2,447	-
Net difference between projected and actual earnings on investments	-	(54,614)
Total	\$ 2,447	\$ (169,277)

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

Year	OPEB
2020	\$ (35,606)
2021	(35,604)
2022	(16,551)
2023	(43,573)
2024	(19,180)
Thereafter	(16,316)

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:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net OPEB Liability (Asset)	\$ (83,186)	\$ (146,253)	\$ (203,237)

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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)	\$ (213,305)	\$ (146,253)	\$ (68,709)

**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. 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.

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

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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, 2019, the City of Minot reported a liability of \$2,660,335 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, 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, 2019, the Employer's proportion was .226977 percent

For the year ended December 31, 2019, the Employer recognized pension expense of \$964,412. At December 31, 2019, 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	\$ 1,574	\$ (482,800)
Changes of assumptions	994,097	(853,518)
Net difference between projected and actual earnings on pension plan investments	46,349	-
Changes in proportions and differences between employer contributions and proportionate share of contributions	2,045,248	-
Employer contributions subsequent to the measurement date (see below)	193,212	-
Total	\$ 3,280,480	\$ (1,336,318)

\$193,212 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended 12/31/2020.

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

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Year ended June 30:

2020	\$ 568,500
2021	509,706
2022	384,491
2023	235,699
2024	52,554
Total	\$ 1,750,950

Actuarial assumptions

The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%		
Salary Increases	Service At		
	Beginning of Year	State Employee	Non-State Employee
	0	12.00%	15.00%
	1	9.50%	10.00%
	2	7.25%	8.00%
	Age		
	Under 30	7.25%	10.00%
	30-39	6.50%	7.50%
	40-49	6.25%	6.75%
	50-59	5.75%	6.50%
	60+	5.00%	5.25%

*Age-based salary increase rates apply for employees with three or more years of service

Investment rate of return 7.75%, net of investment expenses
Cost-of-living adjustments None

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 Combined Healthy Mortality Table set back two years for males and three years for females, projected generationally using the SSA 2014 Intermediate Cost scale from 2014. For disabled retirees, mortality rates were based on the RP-2000 Disabled Mortality Table set back one year for males (no setback for females) multiplied by 125%.

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%	6.05%
International Equity	21%	6.71%
Private Equity	7%	10.20%
Domestic Fixed Income	23%	1.45%
Global Real Assets	19%	5.11%

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 7.50%; the municipal bond rate is 3.13%; and the resulting Single Discount Rate is 7.50%.

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 7.50 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 (6.50 percent) or 1-percentage-point higher (8.50

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percent) than the current rate:

1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
\$ 3,814,347	\$ 2,660,335	\$ 1,690,762

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

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effect for selected coverage. The retiree health insurance credit is also available for early retirement with reduced benefits.

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

At 12/31/2019, the City of Minot reported a liability of \$169,940 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of 06/30/2019, 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 06/30/2019, the Employer's proportion was .211582 percent.

For the year ended 12/31/2019, the Employer recognized OPEB expense of \$41,946. At 12/31/2019, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,198	\$ (5,309)
Changes of assumptions	20,254	-
Net difference between projected and actual earnings on OPEB plan investments	189	-
Changes in proportions and differences between employer contributions and proportionate share of contributions	117,472	-
Employer contributions subsequent to the measurement date (see below)	20,881	-
Total	<u>\$ 162,994</u>	<u>\$ (5,309)</u>

\$20,881 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 12/31/2020.

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

2020	\$ 21,965
2021	21,965
2022	23,547
2023	23,257
2024	21,474
2025	20,181
Thereafter	<u>4,415</u>
Total	\$ 136,804

Actuarial assumptions. The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	Not applicable
Investment rate of return	7.25%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 Combined Healthy Mortality Table set back two years for males and three years for females, projected generationally using the SSA 2014 Intermediate Cost scale from 2014. For disabled retirees, mortality rates were based on the RP-2000 Disabled Mortality Table set back one year for males (no setback for females) multiplied by 125%.

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, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Domestic Equities	33%	6.00%
Small Cap Domestic Equities	6%	7.30%
Domestic Fixed Income	40%	2.07%
International Equities	21%	6.95%

Discount rate. The discount rate used to measure the total OPEB liability was 7.25%. 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, 2019, calculated using the discount rate of 7.25%, 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 (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	Current	
1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
\$ 216,906	\$ 169,940	\$ 129,737

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, 2019, City of Minot employee contributions totaled \$976,102 and the City recognized employer contributions of \$623,299.

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, 2019, forfeitures reduced the City's plan expense by \$312,893.

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 \$1,514,381 reported as MSWLF closure and post-closure care liability at December 31, 2019, represents the cumulative amount reported to date based on the use of 58.1% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of over \$0.8 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 2019.

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. The City expects the permitting to be completed within 18 months. It is expected the new cells will expand the life of the landfill approximately 15-20 years putting

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the anticipated closure in 2045. Actual costs may be higher due to inflation, deflation, changes in 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.

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, 2020 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 kept all land and

building assets on the books. The City transferred all operational equipment with asset values of \$918,047 and infrastructure with asset values of \$461,327 to the Minot Park District.

J. SUBSEQUENT EVENT

Subsequent to year-end, the City has been impacted by the effects of the world-wide coronavirus pandemic. The City is closely monitoring its operations and reserves and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the City's management does not expect the pandemic to have a significant impact on operations and reserves.

K. ADOPTION OF NEW STANDARD, IMPLEMENTATION OF GASB STATEMENT NO. 84

During the year ended December 31, 2019, the City adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. The objective of this Statement is to improve the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement will enhance consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The implementation of this statement has resulted in changing the presentation of the financial statements by including accruals and ending net position to custodial funds not previously required. The following table describes the effects of the implementation of GASB 84 on beginning net position.

Fiduciary Activities - Custodial Funds:

Net Position - December 1, 2018 as previously reported	\$ -
Change in accounting principle	120,945
Net Position - January 1, 2019, as restated	<u>\$ 120,945</u>

The summarized comparative information was also restated to conform with current year information. The beginning of year net position for January 1, 2018 was restated from \$0 to \$121,853.

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**City of Minot Pension Plan
Schedule of Changes in Net Pension Liability**

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 2,082,244	\$ 2,249,894	\$ 2,383,628	\$ 2,629,375	\$ 2,772,781	\$ 2,926,936
Interest	10,075,851	9,842,601	9,549,088	9,316,516	8,987,447	8,647,284
Differences between expected and actual experience	1,829,136	585,846	1,115,928	(129,360)	912,914	930,846
Benefit payments, including refunds of member contributions	(9,393,046)	(9,408,354)	(8,594,432)	(8,345,228)	(7,939,080)	(7,691,728)
Net change in total pension liability	4,594,185	3,269,987	4,454,212	3,471,303	4,734,062	4,813,338
Total pension liability--beginning	136,958,954	133,688,967	129,234,755	125,763,452	121,029,390	116,216,052
Total pension liability--ending (a)	<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	\$ 5,520,348	\$ 5,699,224	\$ 4,761,786	\$ 4,943,357	\$ 4,250,241	\$ 4,520,993
Contributions--member	2,101,187	2,239,449	2,364,529	2,461,395	2,635,549	2,705,235
Net investment income	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	(9,393,046)	(9,408,354)	(8,594,432)	(8,345,228)	(7,939,080)	(7,691,728)
Administrative expense	(150,337)	(137,437)	(138,656)	(168,872)	(176,725)	(252,270)
Net change in plan fiduciary net position	12,292,499	(5,519,459)	8,398,457	2,778,904	(2,398,653)	3,504,465
Plan fiduciary net position--beginning	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>\$ 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)	\$ 62,443,889	\$ 70,142,203	\$ 61,352,756	\$ 65,297,001	\$ 64,604,602	\$ 57,471,887

**City of Minot Pension Plan
Schedule of Pension Contributions**

	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 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	5,520,348	5,699,224	4,761,786	4,943,357	4,250,241	4,520,993
Contribution deficiency (excess)	<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	\$ 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	38.73%	39.72%	30.67%	30.68%	25.08%	26.62%

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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**City of Minot Pension Plan
Schedule of Pension Investment Returns**

	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses	21.6%	-5.5%	15.9%	6.4%	-1.9%	7.1%

**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%

**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%

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, 2020

Assumption changes: In 2012 an experience study was conducted for the City of Minot Employee's Pension Plan. Many assumptions were changed effective with the January 1, 2013 actuarial valuation. The disability assumption was removed and the marriage, salary increase, mortality, withdrawal and retirement assumptions were all changed. The investment return assumption was also changed from 7.75% to 7.50% and the plan was amended to exclude overtime from the average monthly earnings calculation effective February 24, 2013. There were no assumption changes for the January 1, 2020 actuarial valuation from those used for the January 1, 2019 actuarial valuation. 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, 2020 there are 24 years remaining in the amortization period.

**City of Minot Employees' OPEB Plan
Schedule of Changes in Net OPEB Liability (Asset)**

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

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City of Minot Employees' OPEB Plan			
Schedule of OPEB Contributions			
	2019	2018	2017
Actuarially Determined Contributions	\$ 47,023	\$ 41,482	\$ 41,482
Contributions in Relation to the Actuarially Determined Contributions	47,023	41,482	41,482
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Covered Payroll	\$ 13,200,000	\$ 15,400,000	\$ 14,900,000
Contributions as a Percentage of Covered Payroll	4.0%	0.3%	0.3%

City of Minot Employees' OPEB Plan			
Schedule of OPEB Investment Returns			
	2019	2018	2017
Annual money-weighted rate of return, net of investment expenses	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, 2019
Actuarial cost method	Entry age normal
Amortization method	Level dollar amount
Remaining amortization period	24 year closed period
Asset valuation method-smoothing	5 years gains and losses
Investment rate of return	7.5%
Healthcare cost trend rates	8.5% 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	RP-2000 mortality table with projected future
Health insurance elections	80% City employees elect medical coverage 60% City employees elect spousal 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: In 2012 an experience study was conducted for the City of Minot Employee's Pension and OPEB Plans. Many assumptions were changed effective with the January 1, 2013 actuarial valuation. The disability assumption was removed and the marriage, salary increase, mortality, withdrawal and retirement assumptions were all changed. The investment return assumption was also changed from 7.75% to 7.50% and the plan was amended to exclude overtime from the average monthly earnings calculation effective February 24, 2013. 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, 2020 there are 24 years remaining in the amortization period. Effective with the December 31, 2019 measurement, healthcare cost trend rates were updated and increased by .5 percent.

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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 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%

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%

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, 2019

Assumption Changes: Amounts reported in 2019 reflect actuarial assumption changes effective July 1, 2018 based on the results of an actuarial experience study completed in 2015. This includes changes to the mortality tables, disability incidence rates, retirement rates, administrative expenses, salary scale, and percent married assumption.

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	Employer'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	0.07%	63.13%

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%

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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, 2019

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, 2018.

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 7.50% to 7.25%

All other actuarial assumptions and the actuarial cost method are unchanged from the last actuarial valuation as of July 1, 2018.

Supplementary Information



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City of Minot, North Dakota
Schedule of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual
Major Debt Service Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Special Assessment Debt			
	Original & Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES				
Property tax collections	\$ 35,001	\$ 31,870	\$ (3,131)	\$ 46,029
Special assessment collections	1,762,633	1,860,459	97,826	1,775,334
Interest income	-	120,478	120,478	139,705
Miscellaneous	-	207,197	207,197	191,167
Total revenues	<u>1,797,634</u>	<u>2,220,004</u>	<u>422,370</u>	<u>2,152,235</u>
EXPENDITURES				
Current				
General government	404	404	-	403
Debt service				
Principal retirement	1,957,917	1,945,000	12,917	1,910,000
Interest and fiscal charges	559,058	559,058	-	609,422
Total expenditures	<u>2,517,379</u>	<u>2,504,462</u>	<u>12,917</u>	<u>2,519,825</u>
Excess (deficiency) of revenues over (under) expenditures	(719,745)	(284,458)	435,287	(367,590)
OTHER FINANCING SOURCES (USES)				
Transfers in	190,000	208,039	18,039	352
Transfers out	-	(57,500)	(57,500)	(57,428)
Total other financing sources (uses)	<u>190,000</u>	<u>150,539</u>	<u>(39,461)</u>	<u>(57,076)</u>
Net change in fund balance	<u>\$ (529,745)</u>	<u>(133,919)</u>	<u>\$ 395,826</u>	<u>(424,666)</u>
Fund balance (deficit), January 1		3,663,558		4,088,224
Fund balance (deficit), December 31		<u>\$3,529,639</u>		<u>\$3,663,558</u>

City of Minot, North Dakota
Schedule of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual
Major Capital Project Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Highway Reserve				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ 1,457,104
Interest income	-	-	123,192	123,192	85,925
Miscellaneous	-	-	2,445	2,445	6,405
Total revenues	-	-	325,637	325,637	1,549,434
EXPENDITURES					
Capital outlay					
Highways and streets	825,000	2,186,429	288,842	1,897,587	1,895,201
Debt service					
Interest and fiscal charges	-	-	-	-	338
Total expenditures	825,000	2,186,429	288,842	1,897,587	1,895,539
Excess (deficiency) of revenues over (under) expenditures	(825,000)	(2,186,429)	36,795	2,223,224	(346,105)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	62,500	62,500	111,645
Transfers out	(50,000)	(170,888)	(655,961)	(485,073)	(165,925)
Total other financing sources (uses)	(50,000)	(170,888)	(593,461)	(422,573)	(54,280)
Net change in fund balance	<u>\$ (875,000)</u>	<u>\$ (2,357,317)</u>	(556,666)	<u>\$ 1,800,651</u>	(400,385)
Fund balance (deficit), January 1			9,469,143		9,869,528
Fund balance (deficit), December 31			<u>\$ 8,912,477</u>		<u>\$ 9,469,143</u>

City of Minot, North Dakota
Schedule of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual
Major Capital Project Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Capital Purchases				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Property tax collections	\$ -	\$ 7,500	\$ 7,500	\$ -	\$ -
Intergovernmental	11,900,000	11,900,000	10,894,655	(1,005,345)	9,362,545
Interest income	-	-	8,811	8,811	-
Miscellaneous	-	-	55,383	55,383	72,231
Total revenues	<u>11,900,000</u>	<u>11,907,500</u>	<u>10,966,349</u>	<u>(941,151)</u>	<u>9,434,776</u>
EXPENDITURES					
Capital outlay					
General government	11,900,000	20,553,464	9,106,704	11,446,760	9,237,392
Debt service					
Interest and fiscal charges	-	-	-	-	10,431
Total expenditures	<u>11,900,000</u>	<u>20,553,464</u>	<u>9,106,704</u>	<u>11,446,760</u>	<u>9,247,823</u>
Excess (deficiency) of revenues over (under) expenditures	-	(8,645,964)	1,859,645	10,505,609	186,953
OTHER FINANCING SOURCES (USES)					
Transfers in	-	90,223	340,030	249,807	177,216
Transfers out	-	-	(100,403)	(100,403)	(74,285)
Total other financing sources (uses)	<u>-</u>	<u>90,223</u>	<u>239,627</u>	<u>149,404</u>	<u>102,931</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (8,555,741)</u>	<u>2,099,272</u>	<u>\$ 10,655,013</u>	<u>289,884</u>
Fund balance (deficit), January 1			<u>267,037</u>		<u>(22,847)</u>
Fund balance (deficit), December 31			<u>\$ 2,366,309</u>		<u>\$ 267,037</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds 2019	Total Nonmajor Governmental Funds 2018
ASSETS					
Cash and investments	\$ 4,280,442	\$ 677,519	\$ 2,118,429	\$ 7,076,390	\$ 6,249,675
Restricted cash and investments	20,966,456	758,906	-	21,725,362	33,475,806
Investments	4,050,643	-	-	4,050,643	-
Taxes receivable delinquent	191,486	153,522	100,090	445,098	466,366
Accounts receivable	173,341	-	-	173,341	191,769
Allowance for accounts receivable	(135,150)	-	-	(135,150)	(135,150)
Loans receivable	1,813,000	-	-	1,813,000	1,825,600
Allowance for loans receivable	(362,600)	-	-	(362,600)	(365,120)
Due from other funds	943,829	-	57,361	1,001,190	297,737
Intergovernmental receivable	3,723,729	1,884	126,968	3,852,581	3,781,411
Accrued interest receivable	28,558	-	-	28,558	-
Inventory	-	-	-	-	6,590
Prepaid	64,177	-	-	64,177	67,767
Other assets - capital credits	29,285	-	-	29,285	41,257
Advance to other funds	-	45,000	-	45,000	85,000
Total assets	<u>\$35,767,196</u>	<u>\$ 1,636,831</u>	<u>\$ 2,402,848</u>	<u>\$ 39,806,875</u>	<u>\$ 45,988,708</u>
LIABILITIES					
Accounts payable	\$ 690,304	\$ -	\$ 980,735	\$ 1,671,039	\$ 1,511,593
Retainage payable	275,903	-	609,396	885,299	762,083
Due to other funds	943,829	-	57,361	1,001,190	297,737
Accrued salaries and benefits payable	57,976	-	-	57,976	64,371
Unearned revenue - other	49,194	-	80	49,274	-
Total liabilities	<u>2,017,206</u>	<u>-</u>	<u>1,647,572</u>	<u>3,664,778</u>	<u>2,635,784</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	173,459	138,158	89,736	401,353	434,261
Total deferred inflows of resources	<u>173,459</u>	<u>138,158</u>	<u>89,736</u>	<u>401,353</u>	<u>434,261</u>
FUND BALANCE					
Nonspendable	93,462	-	-	93,462	115,614
Restricted	29,240,900	758,906	-	29,999,806	37,307,075
Committed	1,836,552	-	923,700	2,760,252	2,210,540
Assigned	2,405,617	739,767	708,925	3,854,309	3,928,248
Unassigned	-	-	(967,085)	(967,085)	(642,814)
Total fund balance	<u>33,576,531</u>	<u>1,498,673</u>	<u>665,540</u>	<u>35,740,744</u>	<u>42,918,663</u>
Total liabilities, inflows, and fund balance	<u>\$35,767,196</u>	<u>\$ 1,636,831</u>	<u>\$ 2,402,848</u>	<u>\$ 39,806,875</u>	<u>\$ 45,988,708</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds 2019	Total Nonmajor Governmental Funds 2018
REVENUES					
Property tax collections	\$ 3,340,505	\$ 2,939,850	\$ 1,944,216	\$ 8,224,571	\$ 8,288,288
Sales tax collections	12,570,345	-	5,157,840	17,728,185	21,182,065
Intergovernmental	4,790,385	-	246,441	5,036,826	8,509,315
Charges for services	217,901	-	-	217,901	538,788
Interest income	566,401	33,592	34,191	634,184	415,299
Miscellaneous	171,073	-	78,299	249,372	330,412
Total revenues	<u>21,656,610</u>	<u>2,973,442</u>	<u>7,460,987</u>	<u>32,091,039</u>	<u>39,264,167</u>
EXPENDITURES					
Current					
General government	4,951,163	797	-	4,951,960	7,125,041
Public safety	5,469,519	-	-	5,469,519	4,985,126
Culture and recreation	5,932,137	-	-	5,932,137	3,693,931
Economic development	646,685	-	-	646,685	420,838
Capital outlay					
General government	-	-	752,276	752,276	872,080
Public safety	-	-	7,495,490	7,495,490	8,277,527
Highways and streets	-	-	1,168,449	1,168,449	760,908
Culture and recreation	-	-	178,804	178,804	215,630
Debt service					
Principal retirement	-	1,895,000	-	1,895,000	1,850,000
Interest and fiscal charges	-	529,982	23,418	553,400	591,068
Total expenditures	<u>16,999,504</u>	<u>2,425,779</u>	<u>9,618,437</u>	<u>29,043,720</u>	<u>28,792,149</u>
Excess (deficiency) of revenues over (under) expenditures	4,657,106	547,663	(2,157,450)	3,047,319	10,472,018
OTHER FINANCING SOURCES (USES)					
State revolving fund issued	-	-	434,122	434,122	179,120
Capital leases	-	-	805,472	805,472	203,000
Sale of City property	16,480	-	126,782	143,262	81,689
Transfers in	3,455,101	10,003	597,233	4,062,337	2,441,394
Transfers out	(22,454,335)	(28,300)	(261,297)	(22,743,932)	(16,048,282)
Total other financing sources (uses)	<u>(18,982,754)</u>	<u>(18,297)</u>	<u>1,702,312</u>	<u>(17,298,739)</u>	<u>(13,143,079)</u>
Net change in fund balance	(14,325,648)	529,366	(455,138)	(14,251,420)	(2,671,061)
Fund balance (deficit), January 1	47,902,179	969,307	1,120,678	49,992,164	45,589,724
Fund balance (deficit), December 31	<u>\$ 33,576,531</u>	<u>\$ 1,498,673</u>	<u>\$ 665,540</u>	<u>\$ 35,740,744</u>	<u>\$ 42,918,663</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).

Sidewalk Improvements - To account for the maintenance of sidewalks within the City of Minot. City sidewalk maintenance is funded by sales tax improvements and special assessment collections. This fund was combined into the general fund in 2019.

Street Improvements - To account for the annual street improvement and street seal programs. The City has a budgeted sales tax improvements and infrastructure funds to pay for these projects. This fund was combined into the general fund in 2019.

Demolitions - To account for the demolition of condemned property within the City. Special assessments are levied against benefiting property owners. This fund was combined into the general fund in 2019.

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, 2019
With Comparative Totals for December 31, 2018

	Public		Recreation	Emergency	Sales Tax
	Transportation	Library	Auditorium	Fund	Property Tax
					Relief
					1st Penny
ASSETS					
Cash and investments	\$ 565,872	\$ 306,309	\$ 1,637,803	\$ 1,770,458	\$ -
Restricted cash and investments	-	-	-	-	262,673
Investments	-	-	-	-	-
Taxes receivable delinquent	20,853	68,118	87,121	15,394	-
Accounts receivable	-	33,191	-	-	-
Allowance for accounts receivable	-	-	-	-	-
Loans receivable	-	-	-	-	-
Allowance for loans receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Intergovernmental receivable	164,550	819	983	711	114,354
Accrued interest receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid	19,156	22,413	-	-	-
Other assets - capital credits	16,160	13,125	-	-	-
Total assets	<u>\$ 786,591</u>	<u>\$ 443,975</u>	<u>\$ 1,725,907</u>	<u>\$ 1,786,563</u>	<u>\$ 377,027</u>
LIABILITIES					
Accounts payable	\$ 12,522	\$ 20,000	\$ 177,563	\$ -	\$ -
Retainage payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Accrued salaries and benefits payable	18,863	27,606	-	-	-
Unearned revenue - other	-	-	-	-	-
Total liabilities	<u>31,385</u>	<u>47,606</u>	<u>177,563</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	18,773	61,380	78,731	14,575	-
Total deferred inflows of resources	<u>18,773</u>	<u>61,380</u>	<u>78,731</u>	<u>14,575</u>	<u>-</u>
FUND BALANCE					
Nonspendable	35,316	35,538	-	-	-
Restricted	-	-	-	-	377,027
Committed	1,220	25,780	37,564	1,771,988	-
Assigned	699,897	273,671	1,432,049	-	-
Total fund balance	<u>736,433</u>	<u>334,989</u>	<u>1,469,613</u>	<u>1,771,988</u>	<u>377,027</u>
Total liabilities, inflows and fund balance	<u>\$ 786,591</u>	<u>\$ 443,975</u>	<u>\$ 1,725,907</u>	<u>\$ 1,786,563</u>	<u>\$ 377,027</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Sales Tax Economic Development	Sales Tax Improvements	Sales Tax Flood Control	Sidewalk Improvements	Street Improvements
ASSETS					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	8,580,589	5,332,700	1,651,863	-	-
Investments	-	-	-	-	-
Taxes receivable delinquent	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Allowance for accounts receivable	-	-	-	-	-
Loans receivable	1,813,000	-	-	-	-
Allowance for loans receivable	(362,600)	-	-	-	-
Due from other funds	-	-	-	-	-
Intergovernmental receivable	171,531	285,885	926,400	-	-
Accrued interest receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid	-	-	-	-	-
Other assets - capital credits	-	-	-	-	-
Total assets	<u>\$ 10,202,520</u>	<u>\$ 5,618,585</u>	<u>\$ 2,578,263</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES					
Accounts payable	\$ 25,481	\$ -	\$ 268,162	\$ -	\$ -
Retainage payable	-	-	275,903	-	-
Due to other funds	-	-	-	-	-
Accrued salaries and benefits payable	-	-	-	-	-
Unearned revenue - other	-	-	-	-	-
Total liabilities	<u>25,481</u>	<u>-</u>	<u>544,065</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	10,177,039	5,618,585	2,034,198	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balance	<u>10,177,039</u>	<u>5,618,585</u>	<u>2,034,198</u>	<u>-</u>	<u>-</u>
Total liabilities, inflows and fund balance	<u>\$ 10,202,520</u>	<u>\$ 5,618,585</u>	<u>\$ 2,578,263</u>	<u>\$ -</u>	<u>\$ -</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Demolitions	Sales Tax Property Tax Relief 2nd Penny	Sales Tax Infrastructure	Sales Tax Community Facilities	CDBG-DR \$67.5M
ASSETS					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	-	758,424	3,469,710	902,257	-
Investments	-	-	4,050,643	-	-
Taxes receivable delinquent	-	-	-	-	-
Accounts receivable	-	-	135,150	-	-
Allowance for accounts receivable	-	-	(135,150)	-	-
Loans receivable	-	-	-	-	-
Allowance for loans receivable	-	-	-	-	-
Due from other funds	-	-	-	943,829	-
Intergovernmental receivable	-	205,837	274,450	205,837	75,524
Accrued interest receivable	-	-	28,558	-	-
Inventory	-	-	-	-	-
Prepaid	-	-	-	-	-
Other assets - capital credits	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 964,261</u>	<u>\$ 7,823,361</u>	<u>\$ 2,051,923</u>	<u>\$ 75,524</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 3,072
Retainage payable	-	-	-	-	-
Due to other funds	-	-	-	-	67,617
Accrued salaries and benefits payable	-	-	-	-	4,835
Unearned revenue - other	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,524</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	-	964,261	7,823,361	2,051,923	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balance	<u>-</u>	<u>964,261</u>	<u>7,823,361</u>	<u>2,051,923</u>	<u>-</u>
Total liabilities, inflows and fund balance	<u>\$ -</u>	<u>\$ 964,261</u>	<u>\$ 7,823,361</u>	<u>\$ 2,051,923</u>	<u>\$ 75,524</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	CDBG-DR	National Disaster Resilience	Total	Total
	\$35 M	\$74.3M	2019	2018
ASSETS				
Cash and investments	\$ -	\$ -	\$ 4,280,442	\$ 3,803,830
Restricted cash and investments	8,240	-	20,966,456	32,655,580
Investments	-	-	4,050,643	-
Taxes receivable delinquent	-	-	191,486	223,788
Accounts receivable	-	5,000	173,341	191,769
Allowance for accounts receivable	-	-	(135,150)	(135,150)
Loans receivable	-	-	1,813,000	1,825,600
Allowance for loans receivable	-	-	(362,600)	(365,120)
Due from other funds	-	-	943,829	297,737
Intergovernmental receivable	203	1,296,645	3,723,729	3,480,696
Accrued interest receivable	-	-	28,558	-
Inventory	-	-	-	6,590
Prepaid	-	22,608	64,177	67,767
Other assets - capital credits	-	-	29,285	41,257
Total assets	<u>\$ 8,443</u>	<u>\$ 1,324,253</u>	<u>\$ 35,767,196</u>	<u>\$ 42,094,344</u>
LIABILITIES				
Accounts payable	\$ -	\$ 183,504	\$ 690,304	\$ 599,500
Retainage payable	-	-	275,903	96,274
Due to other funds	-	876,212	943,829	297,737
Accrued salaries and benefits payable	-	6,672	57,976	64,371
Unearned revenue - other	-	49,194	49,194	-
Total liabilities	<u>-</u>	<u>1,115,582</u>	<u>2,017,206</u>	<u>1,057,882</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	173,459	207,784
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>173,459</u>	<u>207,784</u>
FUND BALANCE				
Nonspendable	-	22,608	93,462	115,614
Restricted	8,443	186,063	29,240,900	36,486,849
Committed	-	-	1,836,552	1,754,077
Assigned	-	-	2,405,617	2,472,138
Total fund balance	<u>8,443</u>	<u>208,671</u>	<u>33,576,531</u>	<u>40,828,678</u>
Total liabilities, inflows and fund balance	<u>\$ 8,443</u>	<u>\$ 1,324,253</u>	<u>\$ 35,767,196</u>	<u>\$ 42,094,344</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Public Transportation	Library	Recreation Auditorium	Emergency Fund	Sales Tax Property Tax Relief 1st Penny
REVENUES					
Property tax collections	\$ 405,900	\$ 1,289,514	\$ 1,611,944	\$ 33,147	\$ -
Sales tax collections	-	-	-	-	1,108,012
Intergovernmental	639,192	49,686	-	-	-
Charges for services	73,267	-	144,634	-	-
Interest income	9,494	11,283	28,806	23,445	3,259
Miscellaneous	27,073	49,536	24,841	-	-
Total revenues	<u>1,154,926</u>	<u>1,400,019</u>	<u>1,810,225</u>	<u>56,592</u>	<u>1,111,271</u>
EXPENDITURES					
Current					
General government	1,090,372	-	-	6,256	-
Public safety	-	-	-	-	-
Culture and recreation	-	1,481,536	1,793,875	-	-
Economic development	-	-	-	-	-
Total expenditures	<u>1,090,372</u>	<u>1,481,536</u>	<u>1,793,875</u>	<u>6,256</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	64,554	(81,517)	16,350	50,336	1,111,271
OTHER FINANCING SOURCES (USES)					
Sale of City property	16,480	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(14,810)	(27,696)	(28,594)	(23,445)	(1,055,836)
Total other financing sources (uses)	<u>1,670</u>	<u>(27,696)</u>	<u>(28,594)</u>	<u>(23,445)</u>	<u>(1,055,836)</u>
Net change in fund balance	66,224	(109,213)	(12,244)	26,891	55,435
Fund balance (deficit), January 1	670,209	444,202	1,481,857	1,745,097	321,592
Fund balance (deficit), December 31	<u>\$ 736,433</u>	<u>\$ 334,989</u>	<u>\$ 1,469,613</u>	<u>\$ 1,771,988</u>	<u>\$ 377,027</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Sales Tax				
	Economic	Sales Tax	Sales Tax	Sidewalk	Street
	Development	Improvements	Flood Control	Improvements	Improvements
REVENUES					
Property tax collections	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax collections	1,662,017	2,770,029	382,217	-	-
Intergovernmental	-	-	337,886	-	-
Charges for services	-	-	-	-	-
Interest income	114,688	65,927	114,067	-	-
Miscellaneous	2,520	-	33,076	-	-
Total revenues	<u>1,779,225</u>	<u>2,835,956</u>	<u>867,246</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Current					
General government	-	-	-	-	-
Public safety	-	-	5,469,519	-	-
Culture and recreation	-	-	-	-	-
Economic development	646,685	-	-	-	-
Total expenditures	<u>646,685</u>	<u>-</u>	<u>5,469,519</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	1,132,540	2,835,956	(4,602,273)	-	-
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	-	-	-
Transfers in	-	7,211	2,916,649	-	416,666
Transfers out	(1,237,188)	(2,049,932)	(3,951,229)	(125,539)	(6,184,304)
Total other financing sources (uses)	<u>(1,237,188)</u>	<u>(2,042,721)</u>	<u>(1,034,580)</u>	<u>(125,539)</u>	<u>(5,767,638)</u>
Net change in fund balance	(104,648)	793,235	(5,636,853)	(125,539)	(5,767,638)
Fund balance (deficit), January 1	10,281,687	4,825,350	7,671,051	125,539	5,767,638
Fund balance (deficit), December 31	<u>\$ 10,177,039</u>	<u>\$ 5,618,585</u>	<u>\$ 2,034,198</u>	<u>\$ -</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-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Demolitions	Sales Tax Property Tax Relief 2nd Penny	Sales Tax Infrastructure	Sales Tax Community Facilities	CDBG-DR \$67.5M
REVENUES					
Property tax collections	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax collections	-	1,994,421	2,659,228	1,994,421	-
Intergovernmental	-	-	-	-	219,106
Charges for services	-	-	-	-	-
Interest income	-	9,857	140,843	44,678	54
Miscellaneous	-	-	-	-	-
Total revenues	-	2,004,278	2,800,071	2,039,099	219,160
EXPENDITURES					
Current					
General government	-	-	-	-	311,800
Public safety	-	-	-	-	-
Culture and recreation	-	-	-	2,656,726	-
Economic development	-	-	-	-	-
Total expenditures	-	-	-	2,656,726	311,800
Excess (deficiency) of revenues over (under) expenditures	-	2,004,278	2,800,071	(617,627)	(92,640)
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	-	-	-
Transfers in	-	-	-	218	92,640
Transfers out	(1,180,324)	(1,930,372)	(2,781,710)	(1,849,757)	-
Total other financing sources (uses)	(1,180,324)	(1,930,372)	(2,781,710)	(1,849,539)	92,640
Net change in fund balance	(1,180,324)	73,906	18,361	(2,467,166)	-
Fund balance (deficit), January 1	1,180,324	890,355	7,805,000	4,519,089	-
Fund balance (deficit), December 31	\$ -	\$ 964,261	\$ 7,823,361	\$ 2,051,923	\$ -

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	CDBG-DR \$35M	National Disaster Resilience \$74.3M	Total 2019	Total 2018
REVENUES				
Property tax collections	\$ -	\$ -	\$ 3,340,505	\$ 4,157,084
Sales tax collections	-	-	12,570,345	14,551,519
Intergovernmental	162,447	3,382,068	4,790,385	7,779,877
Charges for services	-	-	217,901	538,788
Interest income	-	-	566,401	374,678
Miscellaneous	21,277	12,750	171,073	270,911
Total revenues	<u>183,724</u>	<u>3,394,818</u>	<u>21,656,610</u>	<u>27,672,857</u>
EXPENDITURES				
Current				
General government	175,282	3,367,453	4,951,163	7,125,041
Public safety	-	-	5,469,519	4,985,126
Culture and recreation	-	-	5,932,137	3,693,931
Economic development	-	-	646,685	420,838
Total expenditures	<u>175,282</u>	<u>3,367,453</u>	<u>16,999,504</u>	<u>16,224,936</u>
Excess (deficiency) of revenues over (under) expenditures	8,442	27,365	4,657,106	11,447,921
OTHER FINANCING SOURCES (USES)				
Sale of City property	-	-	16,480	2,300
Transfers in	13,600	8,117	3,455,101	1,240,714
Transfers out	(13,599)	-	(22,454,335)	(15,346,202)
Total other financing sources (uses)	<u>1</u>	<u>8,117</u>	<u>(18,982,754)</u>	<u>(14,103,188)</u>
Net change in fund balance	8,443	35,482	(14,325,648)	(2,655,267)
Fund balance (deficit), January 1	-	173,189	47,902,179	43,483,945
Fund balance (deficit), December 31	<u>\$ 8,443</u>	<u>\$ 208,671</u>	<u>\$ 33,576,531</u>	<u>\$ 40,828,678</u>

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	Public Transportation				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Property tax collections	\$ 418,371	\$ 418,371	\$ 405,900	\$ (12,471)	\$ 333,961
Intergovernmental	654,617	654,617	639,192	(15,425)	578,415
Charges for services	75,000	75,000	73,267	(1,733)	74,557
Interest income	-	-	9,494	9,494	5,752
Miscellaneous	17,160	17,160	27,073	9,913	20,646
Total revenues	<u>1,165,148</u>	<u>1,165,148</u>	<u>1,154,926</u>	<u>(10,222)</u>	<u>1,013,331</u>
EXPENDITURES					
Current					
General government	1,165,148	1,200,667	1,090,372	110,295	1,004,951
Total expenditures	<u>1,165,148</u>	<u>1,200,667</u>	<u>1,090,372</u>	<u>110,295</u>	<u>1,004,951</u>
Excess (deficiency) of revenues over (under) expenditures	-	(35,519)	64,554	100,073	8,380
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	16,480	16,480	2,300
Transfers out	-	-	(14,810)	(14,810)	(5,752)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,670</u>	<u>1,670</u>	<u>(3,452)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (35,519)</u>	<u>66,224</u>	<u>\$ 101,743</u>	<u>4,928</u>
Fund balance (deficit), January 1			<u>670,209</u>		<u>665,281</u>
Fund balance (deficit), December 31			<u>\$ 736,433</u>		<u>\$ 670,209</u>

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	Library				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Property tax collections	\$1,322,732	\$1,322,732	\$1,289,514	\$ (33,218)	\$ 1,254,362
Intergovernmental	35,328	35,328	49,686	14,358	46,372
Charges for services	12,510	12,510	-	(12,510)	11,083
Interest income	-	-	11,283	11,283	8,095
Miscellaneous	27,200	27,200	49,536	22,336	29,016
Total revenues	<u>1,397,770</u>	<u>1,397,770</u>	<u>1,400,019</u>	<u>2,249</u>	<u>1,348,928</u>
EXPENDITURES					
Current					
Culture and recreation	1,397,770	1,521,902	1,481,536	40,366	1,332,264
Total expenditures	<u>1,397,770</u>	<u>1,521,902</u>	<u>1,481,536</u>	<u>40,366</u>	<u>1,332,264</u>
Excess (deficiency) of revenues over (under) expenditures	-	(124,132)	(81,517)	42,615	16,664
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	(27,696)	(27,696)	(7,865)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(27,696)</u>	<u>(27,696)</u>	<u>(7,865)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (124,132)</u>	<u>(109,213)</u>	<u>\$ 14,919</u>	<u>8,799</u>
Fund balance (deficit), January 1			444,202		435,403
Fund balance (deficit), December 31			<u>\$ 334,989</u>		<u>\$ 444,202</u>

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	Recreation/Auditorium				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Property tax collections	\$ 1,657,322	\$ 1,657,322	\$ 1,611,944	\$ (45,378)	\$ 1,506,833
Charges for services	441,697	441,697	144,634	(297,063)	453,148
Interest income	-	-	28,806	28,806	17,665
Miscellaneous	31,623	31,623	24,841	(6,782)	30,530
Total revenues	<u>2,130,642</u>	<u>2,130,642</u>	<u>1,810,225</u>	<u>(320,417)</u>	<u>2,008,176</u>
EXPENDITURES					
Current					
Culture and recreation	2,130,642	2,219,156	1,793,875	425,281	1,880,764
Total expenditures	<u>2,130,642</u>	<u>2,219,156</u>	<u>1,793,875</u>	<u>425,281</u>	<u>1,880,764</u>
Excess (deficiency) of revenues over (under) expenditures	-	(88,514)	16,350	104,864	127,412
OTHER FINANCING SOURCES (USES)					
Transfers in	-	28,790	-	(28,790)	1,751
Transfers out	-	(28,790)	(28,594)	196	(108,502)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(28,594)</u>	<u>(28,594)</u>	<u>(106,751)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (88,514)</u>	<u>(12,244)</u>	<u>\$ 76,270</u>	<u>20,661</u>
Fund balance (deficit), January 1			<u>1,481,857</u>		<u>1,461,196</u>
Fund balance (deficit), December 31			<u><u>\$1,469,613</u></u>		<u><u>\$ 1,481,857</u></u>

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	Emergency Fund				
	Original & Final Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Property tax collections	\$ -	\$ -	\$ 33,147	\$ 33,147	\$ 1,061,928
Interest income	-	-	23,445	23,445	10,588
Total revenues	-	-	56,592	56,592	1,072,516
EXPENDITURES					
Current					
General government	-	6,256	6,256	-	57,243
Total expenditures	-	6,256	6,256	-	57,243
Excess (deficiency) of revenues over (under) expenditures	-	(6,256)	50,336	56,592	1,015,273
OTHER FINANCING SOURCES (USES)					
Transfers out	-	(23,446)	(23,445)	1	(10,588)
Total other financing sources (uses)	-	(23,446)	(23,445)	1	(10,588)
Net change in fund balance	<u>\$ -</u>	<u>\$ (29,702)</u>	26,891	<u>\$ 56,593</u>	1,004,685
Fund balance (deficit), January 1			1,745,097		740,412
Fund balance (deficit), December 31			<u>\$1,771,988</u>		<u>\$ 1,745,097</u>

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	<u>Sales Tax Property Relief-1st Penny</u>			
	Original & Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES				
Sales tax collections	\$ 1,000,000	\$ 1,108,012	\$ 108,012	\$1,059,103
Interest income	-	3,259	3,259	1,257
Total revenues	<u>1,000,000</u>	<u>1,111,271</u>	<u>111,271</u>	<u>1,060,360</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,052,576)	(1,055,836)	(3,260)	(912,500)
Total other financing sources (uses)	<u>(1,052,576)</u>	<u>(1,055,836)</u>	<u>(3,260)</u>	<u>(912,500)</u>
Net change in fund balance	<u>\$ (52,576)</u>	55,435	<u>\$ 108,011</u>	147,860
Fund balance (deficit), January 1		321,592		173,732
Fund balance (deficit), December 31		<u>\$ 377,027</u>		<u>\$ 321,592</u>

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	Sales Tax Economic Development				
	Original & Final Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Sales tax collections	\$ 1,500,000	\$ 1,500,000	\$ 1,662,017	\$ 162,017	\$ 1,588,655
Interest income	43,933	43,933	114,688	70,755	71,548
Miscellaneous	-	-	2,520	2,520	4,957
Total revenues	<u>1,543,933</u>	<u>1,543,933</u>	<u>1,779,225</u>	<u>235,292</u>	<u>1,665,160</u>
EXPENDITURES					
Current					
Economic development	377,500	1,677,500	646,685	1,030,815	420,838
Total expenditures	<u>377,500</u>	<u>1,677,500</u>	<u>646,685</u>	<u>1,030,815</u>	<u>420,838</u>
Excess (deficiency) of revenues over (under) expenditures	1,166,433	(133,567)	1,132,540	1,266,107	1,244,322
OTHER FINANCING SOURCES (USES)					
Transfers out	(1,166,433)	(1,166,433)	(1,237,188)	(70,755)	(918,673)
Total other financing sources (uses)	<u>(1,166,433)</u>	<u>(1,166,433)</u>	<u>(1,237,188)</u>	<u>(70,755)</u>	<u>(918,673)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,300,000)</u>	(104,648)	<u>\$ 1,195,352</u>	325,649
Fund balance (deficit), January 1			10,281,687		9,956,038
Fund balance (deficit), December 31			<u>\$ 10,177,039</u>		<u>\$ 10,281,687</u>

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	<u>Sales Tax Improvements</u>				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Sales tax collections	\$2,500,000	\$2,500,000	\$2,770,029	\$ 270,029	\$ 2,647,758
Interest income	-	-	65,927	65,927	38,328
Total revenues	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,835,956</u>	<u>335,956</u>	<u>2,686,086</u>
EXPENDITURES					
Culture and recreation	-	-	-	-	20,000
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
Excess (deficiency) of revenues over (under) expenditures	2,500,000	2,500,000	2,835,956	335,956	2,666,086
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	7,211	7,211	95,712
Transfers out	(2,500,000)	(2,550,000)	(2,049,932)	500,068	(2,767,174)
Total other financing sources (uses)	<u>(2,500,000)</u>	<u>(2,550,000)</u>	<u>(2,042,721)</u>	<u>507,279</u>	<u>(2,671,462)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (50,000)</u>	793,235	<u>\$ 843,235</u>	(5,376)
Fund balance (deficit), January 1			4,825,350		4,830,726
Fund balance (deficit), December 31			<u>\$5,618,585</u>		<u>\$ 4,825,350</u>

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	Sales Tax Flood Control				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Sales tax collections	\$ 5,000,000	\$ -	\$ 382,217	\$ 382,217	\$ 1,842,280
Intergovernmental	-	521,236	337,886	(183,350)	1,275,252
Interest income	34,924	34,924	114,067	79,143	102,414
Miscellaneous	-	-	33,076	33,076	-
Total revenues	<u>5,034,924</u>	<u>556,160</u>	<u>867,246</u>	<u>311,086</u>	<u>3,219,946</u>
EXPENDITURES					
Public safety	5,660,000	10,443,694	5,469,519	4,974,175	4,985,126
Total expenditures	<u>5,660,000</u>	<u>10,443,694</u>	<u>5,469,519</u>	<u>4,974,175</u>	<u>4,985,126</u>
Excess (deficiency) of revenues over (under) expenditures	(625,076)	(9,887,534)	(4,602,273)	5,285,261	(1,765,180)
OTHER FINANCING SOURCES (USES)					
Transfers in	2,916,433	2,916,433	2,916,649	216	822,968
Transfers out	(2,291,357)	(3,872,085)	(3,951,229)	(79,144)	(2,685,301)
Total other financing sources (uses)	<u>625,076</u>	<u>(955,652)</u>	<u>(1,034,580)</u>	<u>(78,928)</u>	<u>(1,862,333)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$(10,843,186)</u>	<u>(5,636,853)</u>	<u>\$ 5,206,333</u>	<u>(3,627,513)</u>
Fund balance (deficit), January 1			<u>7,671,051</u>		<u>11,298,564</u>
Fund balance (deficit), December 31			<u>\$ 2,034,198</u>		<u>\$ 7,671,051</u>

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	<u>Sidewalk Improvements</u>				
	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>2019 Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>2018 Actual Amounts</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	\$ -	\$ (125,539)	\$ (125,539)	\$ -	\$ -
Total other financing sources (uses)	-	(125,539)	(125,539)	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (125,539)</u>	<u>(125,539)</u>	<u>\$ -</u>	<u>-</u>
Fund balance (deficit), January 1			125,539		-
Fund balance (deficit), December 31			<u>\$ -</u>		<u>\$ -</u>

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	<u>Street Improvements</u>				
	Original & Final Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ -	\$ -	\$ 416,666	\$ 416,666	\$ -
Transfers out	-	(6,184,304)	(6,184,304)	-	-
Total other financing sources (uses)	-	(6,184,304)	(5,767,638)	416,666	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (6,184,304)</u>	<u>(5,767,638)</u>	<u>\$ 416,666</u>	-
Fund balance (deficit), January 1			5,767,638		-
Fund balance (deficit), December 31			<u>\$ -</u>		<u>\$ -</u>

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	<u>Demolitions</u>				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
OTHER FINANCING SOURCES (USES)					
Transfers out	\$ -	\$ (1,180,324)	\$ (1,180,324)	\$ -	\$ -
Total other financing sources (uses)	-	(1,180,324)	(1,180,324)	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,180,324)</u>	(1,180,324)	<u>\$ -</u>	-
Fund balance (deficit), January 1			1,180,324		-
Fund balance (deficit), December 31			<u>\$ -</u>		<u>\$ -</u>

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<u>Sales Tax Property Tax Relief - 2nd Penny</u>					
	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>2019 Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>2018 Actual Amounts</u>
REVENUES					
Sales tax collections	\$ 1,800,000	\$ 1,800,000	\$ 1,994,421	\$ 194,421	\$ 3,177,310
Interest income	-	-	9,857	9,857	3,140
Total revenues	<u>1,800,000</u>	<u>1,800,000</u>	<u>2,004,278</u>	<u>204,278</u>	<u>3,180,450</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	(1,920,514)	(1,930,372)	(1,930,372)	-	(2,736,873)
Total other financing sources (uses)	<u>(1,920,514)</u>	<u>(1,930,372)</u>	<u>(1,930,372)</u>	<u>-</u>	<u>(2,736,873)</u>
Net change in fund balance	<u>\$ (120,514)</u>	<u>\$ (130,372)</u>	73,906	<u>\$ 204,278</u>	443,577
Fund balance (deficit), January 1			890,355		446,778
Fund balance (deficit), December 31			<u>\$ 964,261</u>		<u>\$ 890,355</u>

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	Sales Tax Infrastructure				
	Original & Final Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Sales tax collections	\$2,400,000	\$ 2,400,000	\$2,659,228	\$ 259,228	\$4,236,413
Interest income	-	-	140,843	140,843	60,194
Total revenues	<u>2,400,000</u>	<u>2,400,000</u>	<u>2,800,071</u>	<u>400,071</u>	<u>4,296,607</u>
OTHER FINANCING SOURCES (USES)					
Transfer in	-	-	-	-	35,219
Transfers out	(2,700,000)	(2,781,711)	(2,781,710)	1	(4,221,778)
Total other financing sources (uses)	<u>(2,700,000)</u>	<u>(2,781,711)</u>	<u>(2,781,710)</u>	<u>1</u>	<u>(4,186,559)</u>
Net change in fund balance	<u>\$ (300,000)</u>	<u>\$ (381,711)</u>	18,361	<u>\$ 400,072</u>	110,048
Fund balance (deficit), January 1			7,805,000		7,694,952
Fund balance (deficit), December 31			<u>\$7,823,361</u>		<u>\$7,805,000</u>

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	Sales Tax Community Facilities				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Sales tax collections	\$ 1,800,000	\$ 1,800,000	\$1,994,421	\$ 194,421	\$ -
Interest income	-	-	44,678	44,678	55,670
Total revenues	<u>1,800,000</u>	<u>1,800,000</u>	<u>2,039,099</u>	<u>239,099</u>	<u>55,670</u>
EXPENDITURES					
General government	-	-	-	-	5,137
Culture and recreation	-	3,922,771	2,656,726	1,266,045	460,903
Total expenditures	<u>-</u>	<u>3,922,771</u>	<u>2,656,726</u>	<u>1,266,045</u>	<u>466,040</u>
Excess (deficiency) of revenues over (under) expenditures	1,800,000	(2,122,771)	(617,627)	1,505,144	(410,370)
OTHER FINANCING SOURCES (USES)					
Transfer in	-	-	218	218	84,792
Transfers out	(1,800,000)	(1,800,000)	(1,849,757)	(49,757)	(936,196)
Total other financing sources (uses)	<u>(1,800,000)</u>	<u>(1,800,000)</u>	<u>(1,849,539)</u>	<u>(49,539)</u>	<u>(851,404)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (3,922,771)</u>	<u>(2,467,166)</u>	<u>\$ 1,455,605</u>	<u>(1,261,774)</u>
Fund balance (deficit), January 1			<u>4,519,089</u>		<u>5,780,863</u>
Fund balance (deficit), December 31			<u>\$2,051,923</u>		<u>\$4,519,089</u>

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	CDBG - Disaster Recovery \$67.5M				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 219,106	\$ 219,106	\$ 245,590
Interest income	-	-	54	54	27
Miscellaneous	-	-	-	-	10,762
Total revenues	-	-	219,160	219,160	256,379
EXPENDITURES					
General government	-	1,595,846	311,800	1,284,046	421,651
Total expenditures	-	1,595,846	311,800	1,284,046	421,651
Excess (deficiency) of revenues over (under) expenditures	-	(1,595,846)	(92,640)	1,503,206	(165,272)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	92,640	92,640	165,272
Total other financing sources (uses)	-	-	92,640	92,640	165,272
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,595,846)</u>	<u>-</u>	<u>\$ 1,595,846</u>	<u>-</u>
Fund balance (deficit), January 1			<u>-</u>		<u>-</u>
Fund balance (deficit), December 31			<u><u>\$ -</u></u>		<u><u>\$ -</u></u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	CDBG - Disaster Recovery \$35M				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 162,447	\$ 162,447	\$ 268,260
Miscellaneous	-	-	21,277	21,277	-
Total revenues	-	-	183,724	183,724	268,260
EXPENDITURES					
General government	-	237,115	175,282	61,833	233,260
Total expenditures	-	237,115	175,282	61,833	233,260
Excess (deficiency) of revenues over (under) expenditures	-	(237,115)	8,442	245,557	35,000
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	13,600	13,600	-
Transfers out	-	-	(13,599)	(13,599)	(35,000)
Total other financing sources (uses)	-	-	1	1	(35,000)
Net change in fund balance	<u>\$ -</u>	<u>\$ (237,115)</u>	8,443	<u>\$ 245,558</u>	-
Fund balance (deficit), January 1			-		-
Fund balance (deficit), December 31			<u>\$ 8,443</u>		<u>\$ -</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	National Disaster Resilience \$74.3M				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Intergovernmental	\$ -	\$ -	\$3,382,068	\$ 3,382,068	\$ 5,365,988
Miscellaneous	-	-	12,750	12,750	175,000
Total revenues	-	-	3,394,818	3,394,818	5,540,988
EXPENDITURES					
General government	-	50,561,262	3,367,453	47,193,809	5,402,799
Total expenditures	-	50,561,262	3,367,453	47,193,809	5,402,799
Excess (deficiency) of revenues over (under) expenditures	-	(50,561,262)	27,365	50,588,627	138,189
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	8,117	8,117	35,000
Total other financing sources (uses)	-	-	8,117	8,117	35,000
Net change in fund balance	\$ -	\$ (50,561,262)	35,482	\$ 50,596,744	173,189
Fund balance (deficit), January 1			173,189		-
Fund balance (deficit), December 31			<u>\$ 208,671</u>		<u>\$ 173,189</u>



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City of Minot, North Dakota
Nonmajor Debt Service Funds

Highway Debt – is a debt service fund established to accumulate the resources used to pay the principal and interest on bonds for paving and street projects maturing in future years.

Flood Control Debt - is a debt service fund established to accumulate the resources used to pay the principal and interest on bonds for flood control projects maturing in future years.

City of Minot, North Dakota
Balance Sheet
Nonmajor Debt Service Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Highway Debt	Flood Control Debt	Total Nonmajor Debt Service Funds 2019	Total Nonmajor Debt Service Funds 2018
ASSETS				
Cash and investments	\$ 231,246	\$ 446,273	\$ 677,519	\$ 51,417
Restricted cash and investments	718,552	40,354	758,906	820,226
Taxes receivable delinquent	135,416	18,106	153,522	162,089
Intergovernmental receivable	1,884	-	1,884	1,211
Advance to other funds	45,000	-	45,000	85,000
Total assets	<u>\$ 1,132,098</u>	<u>\$ 504,733</u>	<u>\$ 1,636,831</u>	<u>\$ 1,119,943</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	\$ 122,299	\$ 15,859	\$ 138,158	\$ 150,636
Total deferred inflows of resources	<u>122,299</u>	<u>15,859</u>	<u>138,158</u>	<u>150,636</u>
FUND BALANCE				
Restricted	718,552	40,354	758,906	820,226
Assigned	291,247	448,520	739,767	149,081
Total fund balance	<u>1,009,799</u>	<u>488,874</u>	<u>1,498,673</u>	<u>969,307</u>
Total deferred inflows and fund balance	<u>\$ 1,132,098</u>	<u>\$ 504,733</u>	<u>\$ 1,636,831</u>	<u>\$ 1,119,943</u>

City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Highway Debt	Flood Control Debt	Total Nonmajor Debt Service Funds 2019	Total Nonmajor Debt Service Funds 2018
REVENUES				
Property tax collections	\$2,460,801	\$ 479,049	\$ 2,939,850	\$ 2,890,143
Interest income	28,300	5,292	33,592	19,289
Total revenues	<u>2,489,101</u>	<u>484,341</u>	<u>2,973,442</u>	<u>2,909,432</u>
EXPENDITURES				
General government	4	793	797	-
Debt service				
Principal retirement	1,895,000	-	1,895,000	1,850,000
Interest and fiscal charges	527,600	2,382	529,982	575,465
Total expenditures	<u>2,422,604</u>	<u>3,175</u>	<u>2,425,779</u>	<u>2,425,465</u>
Excess (deficiency) of revenues over (under) expenditures	66,497	481,166	547,663	483,967
OTHER FINANCING SOURCES (USES)				
Transfers in	2,295	7,708	10,003	3,195
Transfers out	(28,300)	-	(28,300)	(19,351)
Total other financing sources (uses)	<u>(26,005)</u>	<u>7,708</u>	<u>(18,297)</u>	<u>(16,156)</u>
Net change in fund balance	40,492	488,874	529,366	467,811
Fund balance (deficit), January 1	969,307	-	969,307	501,496
Fund balance (deficit), December 31	<u>\$1,009,799</u>	<u>\$ 488,874</u>	<u>\$ 1,498,673</u>	<u>\$ 969,307</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual
Nonmajor Debt Service Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	<u>Highway Debt</u>			
	<u>Original & Final Budgeted Amounts</u>	<u>2019 Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>2018 Actual Amounts</u>
REVENUES				
Property tax collections	\$2,499,309	\$2,460,801	\$ (38,508)	\$ 2,890,143
Interest income	-	28,300	28,300	19,289
Total revenues	<u>2,499,309</u>	<u>2,489,101</u>	<u>(10,208)</u>	<u>2,909,432</u>
EXPENDITURES				
General government	4	4	-	-
Debt service				
Principal retirement	1,910,000	1,895,000	15,000	1,850,000
Interest and fiscal charges	631,600	527,600	104,000	575,465
Total expenditures	<u>2,541,604</u>	<u>2,422,604</u>	<u>119,000</u>	<u>2,425,465</u>
Excess (deficiency) of revenues over (under) expenditures	(42,295)	66,497	108,792	483,967
OTHER FINANCING SOURCES (USES)				
Transfers in	42,295	2,295	(40,000)	3,195
Transfers out	-	(28,300)	(28,300)	(19,351)
Total other financing sources (uses)	<u>42,295</u>	<u>(26,005)</u>	<u>(68,300)</u>	<u>(16,156)</u>
Net change in fund balance	<u>\$ -</u>	<u>40,492</u>	<u>\$ 40,492</u>	467,811
Fund balance (deficit), January 1		969,307		501,496
Fund balance (deficit), December 31		<u>\$ 1,009,799</u>		<u>\$ 969,307</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual
Nonmajor Debt Service Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Flood Control Debt				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Property tax collections	\$ 513,011	\$ 513,011	\$ 479,049	\$ (33,962)	\$ -
Interest income	-	-	5,292	5,292	-
Total revenues	<u>513,011</u>	<u>513,011</u>	<u>484,341</u>	<u>(28,670)</u>	<u>-</u>
EXPENDITURES					
General government	793	793	793	-	-
Debt service					
Principal retirement	237,500	237,500	-	237,500	-
Interest and fiscal charges	274,718	274,718	2,382	272,336	-
Total expenditures	<u>513,011</u>	<u>513,011</u>	<u>3,175</u>	<u>509,836</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	481,166	481,166	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	13,000	7,708	(5,292)	-
Total other financing sources (uses)	<u>-</u>	<u>13,000</u>	<u>7,708</u>	<u>(5,292)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 13,000</u>	488,874	<u>\$ 475,874</u>	-
Fund balance (deficit), January 1			-		-
Fund balance (deficit), December 31			<u>\$ 488,874</u>		<u>\$ -</u>

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)

Equipment Purchase - 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.

Flood Control Capital - 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, 2019
With Comparative Totals for December 31, 2018

	Equipment Purchase	Flood Control Capital	Total Nonmajor Capital Funds 2019	Total Nonmajor Capital Funds 2018
ASSETS				
Cash and investments	\$2,118,429	\$ -	\$ 2,118,429	\$ 2,394,428
Taxes receivable delinquent	61,991	38,099	100,090	80,489
Due from other funds	57,361	-	57,361	-
Intergovernmental receivable	99,841	27,127	126,968	299,504
Total assets	<u>\$2,337,622</u>	<u>\$ 65,226</u>	<u>\$ 2,402,848</u>	<u>\$ 2,774,421</u>
LIABILITIES				
Accounts payable	\$ 648,633	\$ 332,102	\$ 980,735	\$ 912,093
Retainage payable	-	609,396	609,396	665,809
Due to other funds	-	57,361	57,361	-
Unearned revenue - other	-	80	80	-
Total liabilities	<u>648,633</u>	<u>998,939</u>	<u>1,647,572</u>	<u>1,577,902</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	56,364	33,372	89,736	75,841
Total deferred inflows of resources	<u>56,364</u>	<u>33,372</u>	<u>89,736</u>	<u>75,841</u>
FUND BALANCE				
Committed	923,700	-	923,700	456,463
Assigned	708,925	-	708,925	1,307,029
Unassigned	-	(967,085)	(967,085)	(642,814)
Total fund balance	<u>1,632,625</u>	<u>(967,085)</u>	<u>665,540</u>	<u>1,120,678</u>
Total liabilities, inflows and fund balance	<u>\$2,337,622</u>	<u>\$ 65,226</u>	<u>\$ 2,402,848</u>	<u>\$ 2,774,421</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Equipment Purchase	Flood Control Capital	Total Nonmajor Capital Funds 2019	Total Nonmajor Capital Funds 2018
REVENUES				
Property tax collections	\$ 936,199	\$1,008,017	\$ 1,944,216	\$ 1,241,061
Sales tax collections	-	5,157,840	5,157,840	6,630,546
Intergovernmental	202,698	43,743	246,441	729,438
Interest income	34,191	-	34,191	21,332
Miscellaneous	78,299	-	78,299	59,501
Total revenues	<u>1,251,387</u>	<u>6,209,600</u>	<u>7,460,987</u>	<u>8,681,878</u>
EXPENDITURES				
Capital outlay				
General government	752,276	-	752,276	872,080
Public safety	528,669	6,966,821	7,495,490	8,277,527
Highways and streets	1,168,449	-	1,168,449	760,908
Culture and recreation	178,804	-	178,804	215,630
Debt service				
Interest and fiscal charges	-	23,418	23,418	15,603
Total expenditures	<u>2,628,198</u>	<u>6,990,239</u>	<u>9,618,437</u>	<u>10,141,748</u>
Excess (deficiency) of revenues over (under) expenditures	(1,376,811)	(780,639)	(2,157,450)	(1,459,870)
OTHER FINANCING SOURCES (USES)				
State revolving fund issued	-	434,122	434,122	179,120
Capital leases	805,472	-	805,472	203,000
Sale of City property	126,782	-	126,782	79,389
Transfers in	314,824	282,409	597,233	1,197,485
Transfers out	(1,134)	(260,163)	(261,297)	(682,729)
Total other financing sources (uses)	<u>1,245,944</u>	<u>456,368</u>	<u>1,702,312</u>	<u>976,265</u>
Net change in fund balance	(130,867)	(324,271)	(455,138)	(483,605)
Fund balance (deficit), January 1	1,763,492	(642,814)	1,120,678	1,604,283
Fund balance (deficit), December 31	<u>\$1,632,625</u>	<u>\$ (967,085)</u>	<u>\$ 665,540</u>	<u>\$ 1,120,678</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Capital Project Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Equipment Purchase				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Property tax collections	\$ 1,370,842	\$ 961,234	\$ 936,199	\$ (25,035)	\$ 1,231,320
Intergovernmental	63,043	286,319	202,698	(83,621)	567,478
Interest income	-	-	34,191	34,191	21,332
Miscellaneous	-	83,456	78,299	(5,157)	38,503
Total revenues	<u>1,433,885</u>	<u>1,331,009</u>	<u>1,251,387</u>	<u>(79,622)</u>	<u>1,858,633</u>
EXPENDITURES					
Capital outlay					
General government	1,060,900	1,239,512	752,276	(487,236)	872,080
Public safety	314,748	942,716	528,669	(414,047)	641,417
Highways and streets	527,500	1,284,936	1,168,449	(116,487)	576,943
Culture and recreation	142,237	178,804	178,804	-	215,630
Total expenditures	<u>2,045,385</u>	<u>3,645,968</u>	<u>2,628,198</u>	<u>(1,017,770)</u>	<u>2,306,070</u>
Excess (deficiency) of revenues over (under) expenditures	(611,500)	(2,314,959)	(1,376,811)	938,148	(447,437)
OTHER FINANCING SOURCES (USES)					
Capital leases	-	805,472	805,472	-	203,000
Sale of City property	71,500	74,464	126,782	52,318	79,389
Transfers in	540,000	599,721	314,824	(284,897)	1,144,454
Transfers out	-	(28,790)	(1,134)	27,656	(95,204)
Total other financing sources (uses)	<u>611,500</u>	<u>1,450,867</u>	<u>1,245,944</u>	<u>(204,923)</u>	<u>1,331,639</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (864,092)</u>	<u>(130,867)</u>	<u>\$ 733,225</u>	<u>884,202</u>
Fund balance (deficit), January 1			<u>1,763,492</u>		<u>879,290</u>
Fund balance (deficit), December 31			<u><u>\$1,632,625</u></u>		<u><u>\$ 1,763,492</u></u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Capital Project Fund
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Flood Control Capital				
	Original Budgeted Amounts	Final Budgeted Amounts	2019 Actual Amounts	Variance with Final Budget	2018 Actual Amounts
REVENUES					
Property tax collections	\$ 1,079,479	\$ 1,079,479	\$ 1,008,017	\$ (71,462)	\$ -
Sales tax collections	-	5,000,000	5,157,840	157,840	6,630,546
Intergovernmental	-	17,264	43,743	26,479	73,983
Miscellaneous	-	-	-	-	658
Total revenues	<u>1,079,479</u>	<u>6,096,743</u>	<u>6,209,600</u>	<u>112,857</u>	<u>6,705,187</u>
EXPENDITURES					
Capital outlay					
Public safety	21,105,000	31,895,485	6,966,821	(24,928,664)	7,592,048
Debt service					
Interest and fiscal charges	-	23,418	23,418	-	15,603
Total expenditures	<u>21,105,000</u>	<u>31,918,903</u>	<u>6,990,239</u>	<u>(24,928,664)</u>	<u>7,607,651</u>
Excess (deficiency) of revenues over (under) expenditures	(20,025,521)	(25,822,160)	(780,639)	25,041,521	(902,464)
OTHER FINANCING SOURCES (USES)					
Sales tax bonds issued	20,025,521	20,025,521	-	(20,025,521)	-
State revolving fund issued	-	-	434,122	434,122	179,120
Transfers in	-	262,505	282,409	19,904	53,031
Transfers out	-	(4,685)	(260,163)	(255,478)	-
Total other financing sources (uses)	<u>20,025,521</u>	<u>20,283,341</u>	<u>456,368</u>	<u>(19,826,973)</u>	<u>232,151</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (5,538,819)</u>	<u>(324,271)</u>	<u>\$ 5,214,548</u>	<u>(670,313)</u>
Fund balance (deficit), January 1			(642,814)		27,499
Fund balance (deficit), December 31			<u>\$ (967,085)</u>		<u>\$ (642,814)</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.

Parking Ramps - To account for the provisions of providing parking for the Central and Renaissance parking ramps located in the downtown business district for 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 Proprietary Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Nonmajor Business-Type Activities			Total Nonmajor Proprietary Funds 2019	Total Nonmajor Proprietary Funds 2018
	Cemetery	Parking Authority	Parking Ramps		
ASSETS					
Current					
Cash and cash equivalents	\$ 459,595	\$ 276,905	\$ 1,186,546	\$ 1,923,046	\$ 719,721
Taxes receivable delinquent	13,441	-	56,066	69,507	12,566
Accounts receivable	17,368	3,510	-	20,878	20,532
Intergovernmental receivable	136	-	-	136	89
Prepaid	-	94	-	94	5,453
Total current assets	490,540	280,509	1,242,612	2,013,661	758,361
Noncurrent assets					
Other assets - capital credits	5,856	1,453	342	7,651	7,156
Capital assets					
Land	179,504	136,397	-	315,901	315,901
Construction in progress	-	-	449,618	449,618	-
Buildings	150,885	-	-	150,885	150,885
Equipment	275,529	322,867	-	598,396	596,240
Infrastructure	489,985	17,228	-	507,213	507,213
Total capital assets	1,095,903	476,492	449,618	2,022,013	1,570,239
Less-accumulated depreciation	(499,606)	(334,831)	-	(834,437)	(799,467)
Net capital assets	596,297	141,661	449,618	1,187,576	770,772
Total assets	1,092,693	423,623	1,692,572	3,208,888	1,536,289
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pension	100,673	-	-	100,673	16,220
Deferred outflows of resources related to OPEB	4,829	-	-	4,829	126
Total deferred outflows of resources	105,502	-	-	105,502	16,346
LIABILITIES					
Current liabilities					
Accounts payable	3,777	1,990	7,059	12,826	13,805
Retainage payable	-	-	40,442	40,442	-
Accrued salaries and benefits payable	8,550	-	81	8,631	5,451
Compensated absences	5,507	-	-	5,507	5,817
Total current liabilities	17,834	1,990	47,582	67,406	25,073
Long-term liabilities					
Compensated absences	10,227	-	-	10,227	10,802
Customer deposits	-	600	-	600	600
Unearned revenue - other	-	-	173	173	-
Net pension liability	190,973	-	-	190,973	159,987
Net OPEB liability	4,684	-	-	4,684	286
Total long-term liabilities	205,884	600	173	206,657	171,675
Total liabilities	223,718	2,590	47,755	274,063	196,748
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources related to pension	148,047	-	-	148,047	141,584
Deferred inflows of resources related to OPEB	557	-	-	557	-
Total deferred inflows of resources	148,604	-	-	148,604	141,584
NET POSITION					
Net investment in capital assets	596,297	141,661	407,113	1,145,071	770,772
Unrestricted net position	229,576	279,372	1,237,704	1,746,652	443,531
Total net position	\$ 825,873	\$ 421,033	\$ 1,644,817	\$ 2,891,723	\$ 1,214,303

City of Minot, North Dakota
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Proprietary Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Nonmajor Business-Type Activities			Total Nonmajor Proprietary Funds 2019	Total Nonmajor Proprietary Funds 2018
	Cemetery	Parking Authority	Parking Ramps		
OPERATING REVENUES					
Charges for services	\$ 272,023	\$ 52,788	\$ 81,464	\$ 406,275	\$ 369,518
Total operating revenues	272,023	52,788	81,464	406,275	369,518
OPERATING EXPENSES					
Salaries	231,848	-	7,341	239,189	260,475
Employee benefits	149,995	-	1,944	151,939	114,861
Professional services	62	600	-	662	-
Property services	79,826	9,696	22,433	111,955	77,674
Purchased services	5,348	1,271	12,237	18,856	20,619
Supplies	15,443	1,126	34,364	50,933	38,204
Sundry	42,475	6,573	-	49,048	47,554
Depreciation	40,669	575	-	41,244	70,687
Total operating expenses	565,666	19,841	78,319	663,826	630,074
Operating income (loss)	(293,643)	32,947	3,145	(257,551)	(260,556)
NON-OPERATING REVENUES (EXPENSES)					
Property tax collections	258,150	-	1,532,503	1,790,653	211,130
Interest income	7,243	3,449	17,853	28,545	5,570
Miscellaneous income (expense)	80,061	1,619	343	82,023	60,647
Gain (loss) on sale of capital assets	252	-	-	252	-
Total non-operating revenues (expenses)	345,706	5,068	1,550,699	1,901,473	277,347
Income (loss) before contributions and transfers	52,063	38,015	1,553,844	1,643,922	16,791
Transfers in	68,940	-	-	68,940	191,107
Transfers out	(4,637)	(3,449)	(27,356)	(35,442)	(5,570)
Total contributions and transfers	64,303	(3,449)	(27,356)	33,498	185,537
Change in net position	116,366	34,566	1,526,488	1,677,420	202,328
Net position, January 1	709,507	386,467	118,329	1,214,303	1,011,975
Net position, December 31	\$ 825,873	\$ 421,033	\$ 1,644,817	\$ 2,891,723	\$ 1,214,303

City of Minot, North Dakota
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Nonmajor Business-Type Activities			Total Nonmajor Proprietary Funds 2019	Total Nonmajor Proprietary Funds 2018
	Cemetery	Parking Authority	Parking Ramps		
	CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 268,646	\$ 55,572	\$ 86,748	\$ 410,966	\$ 368,259
Payments to suppliers	(142,487)	(19,443)	(30,061)	(191,991)	(177,860)
Payments to employees	(426,278)	-	(9,307)	(435,585)	(434,032)
Due from other agencies	-	-	-	-	52
Due to other agencies	(47)	-	-	(47)	-
Net cash provided (used) by operating activities	(300,166)	36,129	47,380	(216,657)	(243,581)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Property taxes/intergovernmental	337,336	1,619	1,476,780	1,815,735	271,602
Transfers in	68,940	-	-	68,940	191,107
Transfers out	(4,637)	(3,449)	(27,356)	(35,442)	(4,940)
Net cash provided (used) by noncapital financing activities	401,639	(1,830)	1,449,424	1,849,233	457,769
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(8,879)	-	(449,618)	(458,497)	(13,860)
Disposal of capital asset	701	-	-	701	(3)
Net cash used by capital and related financing activities	(8,178)	-	(449,618)	(457,796)	(13,863)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	7,243	3,449	17,853	28,545	4,940
Net cash provided by investing activities	7,243	3,449	17,853	28,545	4,940
Net increase in cash and cash equivalents	100,538	37,748	1,065,039	1,203,325	205,265
Cash and investments, January 1	359,057	239,157	121,507	719,721	514,456
Cash and investments, December 31	\$ 459,595	\$ 276,905	\$ 1,186,546	\$ 1,923,046	\$ 719,721
Cash and cash equivalents	\$ 459,595	\$ 276,905	\$ 1,186,546	\$ 1,923,046	\$ 719,721
Total cash and equivalents on the Statement of Net Position	\$ 459,595	\$ 276,905	\$ 1,186,546	\$ 1,923,046	\$ 719,721
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (293,643)	\$ 32,947	\$ 3,145	\$ (257,551)	\$ (260,556)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation expense	40,669	575	-	41,244	70,687
Change in assets and liabilities:					
Receivables, net	(3,240)	2,894	-	(346)	4,349
Intergovernmental receivable	(47)	-	-	(47)	52
Prepaid	-	(94)	5,453	5,359	(5,453)
Accounts payable	667	(177)	(1,469)	(979)	6,191
Retainage payable	-	-	40,442	40,442	-
Accrued salaries and benefits payable	2,317	-	(22)	2,295	517
Other assets	(137)	(16)	(342)	(495)	(155)
Unearned revenue - other	-	-	173	173	-
Net OPEB asset	-	-	-	-	37
Net pension liability	30,986	-	-	30,986	19,314
Net OPEB liability	4,398	-	-	4,398	286
Deferred outflows of resources related to pension	(84,453)	-	-	(84,453)	(11,509)
Deferred outflows of resources related to OPEB	(4,703)	-	-	(4,703)	(126)
Deferred inflows of resources related to pension	6,463	-	-	6,463	(67,025)
Deferred inflows of resources related to OPEB	557	-	-	557	(190)
Net cash provided (used) by operating activities	\$ (300,166)	\$ 36,129	\$ 47,380	\$ (216,657)	\$ (243,581)

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
Internal Service Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Central Garage	Self Insurance	Total Internal Service Funds 2019	Total Internal Service Funds 2018
ASSETS				
Cash and investments	\$ 89,672	\$ 3,086,524	\$ 3,176,196	\$ 3,155,060
Accounts receivable	176	2,599	2,775	922
Inventory	350,959	-	350,959	357,199
Other assets - capital credits	2,232	-	2,232	2,232
Total assets	<u>443,039</u>	<u>3,089,123</u>	<u>3,532,162</u>	<u>3,515,413</u>
LIABILITIES				
Accounts payable	39,005	273,410	312,415	38,298
Insurance claims payable	-	171,307	171,307	170,443
Total liabilities	<u>39,005</u>	<u>444,717</u>	<u>483,722</u>	<u>208,741</u>
NET POSITION				
Unrestricted	404,034	2,644,406	3,048,440	3,306,672
Total net position	<u>\$ 404,034</u>	<u>\$ 2,644,406</u>	<u>\$ 3,048,440</u>	<u>\$ 3,306,672</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Central Garage	Self Insurance	Total Internal Service Funds 2019	Total Internal Service Funds 2018
OPERATING REVENUES				
Sales	\$ 1,168,399	\$ -	\$1,168,399	\$1,108,392
Cost of goods sold	(1,167,814)	-	(1,167,814)	(1,106,711)
Gross margin	585	-	585	1,681
Charges for services				
Employer	-	3,586,448	3,586,448	2,922,400
Employee	-	415,943	415,943	805,152
Total operating revenues	585	4,002,391	4,002,976	3,729,233
OPERATING EXPENSES				
Insurance claims	-	4,277,889	4,277,889	3,251,733
Total operating expenses	-	4,277,889	4,277,889	3,251,733
Operating income (loss)	585	(275,498)	(274,913)	477,500
NON-OPERATING REVENUES (EXPENSES)				
Interest income	882	42,287	43,169	24,730
Miscellaneous income (expense)	(29,016)	2,528	(26,488)	(6,035)
Total non-operating revenues (expenses)	(28,134)	44,815	16,681	18,695
Change in net position	(27,549)	(230,683)	(258,232)	496,195
Net position, January 1	431,583	2,875,089	3,306,672	2,810,477
Net position, December 31	\$ 404,034	\$2,644,406	\$3,048,440	\$3,306,672

City of Minot, North Dakota
Combining Statement of Cash Flows
Internal Service Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Central Garage	Self Insurance	Total Internal Service Funds 2019	Total Internal Service Funds 2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$1,174,463	\$ 4,000,714	\$ 5,175,177	\$4,837,822
Payments to suppliers	(1,166,909)	(4,003,813)	(5,170,722)	(4,483,965)
Net cash provided (used) by operating activities	7,554	(3,099)	4,455	353,857
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Internal activity - payments from other funds	-	2,528	2,528	10,371
Internal activity - payments to other funds	(29,016)	-	(29,016)	(16,406)
Net cash provided (used) by noncapital financing activities	(29,016)	2,528	(26,488)	(6,035)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	882	42,287	43,169	24,730
Net cash provided by investing activities	882	42,287	43,169	24,730
Net increase (decrease) in cash and cash equivalents	(20,580)	41,716	21,136	372,552
Cash and investments, January 1	110,252	3,044,808	3,155,060	2,782,508
Cash and investments, December 31	\$ 89,672	\$ 3,086,524	\$ 3,176,196	\$3,155,060
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 585	\$ (275,498)	\$ (274,913)	\$ 477,500
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Change in assets and liabilities				
Receivables, net	(176)	(1,677)	(1,853)	(307)
Inventory	6,240	-	6,240	2,185
Accounts payable	905	273,212	274,117	(148,351)
Insurance claims payable	-	864	864	22,830
Net cash provided (used) by operating activities	\$ 7,554	\$ (3,099)	\$ 4,455	\$ 353,857

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.

Payroll Deductions - To account for the receipt and disbursement of employee payroll deductions on a monthly basis.

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.

Community Development Block Grant and Economic Development Administration – To account for resources provided by the Community Development Block Grants and the Economic Development Administration.

City of Minot, North Dakota
Combining Statement of Net Position
Custodial Funds
December 31, 2019
With Comparative Totals for December 31, 2018

	Payroll Deductions	Hotel/ Motel Tax	CDBG/ EDA	Total Custodial Funds 2019	Total Custodial Funds 2018
ASSETS					
Cash and investments	\$ 178,998	\$ 159,961	\$ -	\$ 338,959	\$ 329,306
Accounts receivable	21	50,346	-	50,367	72,486
Intergovernmental receivable	-	2,756	3,250	6,006	7,303
Total assets	<u>179,019</u>	<u>213,063</u>	<u>3,250</u>	<u>395,332</u>	<u>409,095</u>
LIABILITIES					
Accounts payable	179,019	96,949	3,250	279,218	288,150
Total liabilities	<u>179,019</u>	<u>96,949</u>	<u>3,250</u>	<u>279,218</u>	<u>288,150</u>
NET POSITION					
Restricted for custodial activities	-	116,114	-	116,114	120,945
Total net position	<u>\$ -</u>	<u>\$ 116,114</u>	<u>\$ -</u>	<u>\$ 116,114</u>	<u>\$ 120,945</u>

City of Minot, North Dakota
Combining Statement of Changes in Net Position
Custodial Funds
For the Year-to-Date as of December 31, 2019
With Comparative Totals for December 31, 2018

	Payroll Deductions	Hotel/ Motel Tax	CDBG/ EDA	Total Custodial Funds 2019	Total Custodial Funds 2018
ADDITIONS					
Contributions					
Employees payroll deductions	\$ 7,309,249	\$ -	\$ -	\$ 7,309,249	\$ 6,940,002
Lodging taxes	-	907,151	-	907,151	852,079
Grants	-	-	6,500	6,500	7,800
Total contributions	<u>7,309,249</u>	<u>907,151</u>	<u>6,500</u>	<u>8,222,900</u>	<u>7,799,881</u>
Total additions	<u>7,309,249</u>	<u>907,151</u>	<u>6,500</u>	<u>8,222,900</u>	<u>7,799,881</u>
DEDUCTIONS					
Payroll taxes/benefits	7,309,249	-	-	7,309,249	6,940,002
Taxes distributed to Convention and Visitor's Bureau	-	588,567	-	588,567	578,951
Taxes distributed to All Seasons Arena debt	-	273,415	-	273,415	224,036
Payments to subgrantees	-	-	6,500	6,500	7,800
Administrative expenses	-	50,000	-	50,000	50,000
Total deductions	<u>7,309,249</u>	<u>911,982</u>	<u>6,500</u>	<u>8,227,731</u>	<u>7,800,789</u>
Change in net position	-	(4,831)	-	(4,831)	(908)
Net position, January 1 as restated - Note 5K	-	120,945	-	120,945	121,853
Net position, December 31	<u>\$ -</u>	<u>\$ 116,114</u>	<u>\$ -</u>	<u>\$ 116,114</u>	<u>\$ 120,945</u>

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source December 31, 2019 and 2018

GOVERNMENTAL FUNDS CAPITAL ASSETS	2019	2018
Land	\$ 97,940,182	\$ 89,315,522
Construction in progress	22,677,479	15,172,549
Buildings	21,911,966	21,606,949
Equipment	24,887,928	24,946,641
Infrastructure	304,554,419	306,245,938
Intangible assets	1,101,957	598,329
Books	3,308,911	3,437,736
Total governmental funds capital assets	<u>\$ 476,382,842</u>	<u>\$ 461,323,664</u>
INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE		
Capital project funds		
General obligation bonds	\$ 33,613,078	\$ 33,572,820
Revenue bonds	3,554,141	3,554,141
Sales tax	35,444,655	35,378,067
Federal grants	170,573,034	163,586,541
State grants	81,286,641	78,804,610
County grants	1,310,090	1,305,015
Contributions from others	103,882,077	98,533,790
General fund	24,803,543	24,621,890
Special revenue	18,080,385	18,120,483
Urban renewal	465,739	465,739
Enterprise fund	3,369,459	3,380,568
Total governmental funds capital assets	<u>\$ 476,382,842</u>	<u>\$ 461,323,664</u>

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
December 31, 2019
With Comparative Totals for December 31, 2018

FUNCTION AND ACTIVITY	Construction		Buildings	Equipment	Infrastructure	Intangible Assets	Books	2019	2018
	Land	in Process							
General Government									
Civic center/property maintenance	\$ 49,374	\$ 5	\$ 3,429,528	\$ 371,752	\$ 305,527	\$ -	\$ -	\$ 4,156,186	\$ 4,113,236
City Manager/Clerk	-	-	-	108,320	-	-	-	108,320	108,320
Information technology	-	-	-	501,947	-	220,899	-	722,846	697,696
Assessor	-	-	-	63,139	-	32,500	-	95,639	95,639
Engineering	-	-	-	417,059	-	-	-	417,059	439,899
Planning	-	-	-	27,184	-	-	-	27,184	17,604
Inspection	-	-	-	199,592	-	33,000	-	232,592	232,592
Traffic control	-	637,515	-	958,561	4,320,473	-	-	5,916,549	5,416,525
Public works	-	-	4,411,778	95,063	3,667,225	-	-	8,174,066	8,036,589
General	95,404,564	21,273,556	250,923	1,176,888	21,170,171	503,628	-	139,779,730	123,980,919
Total general government	95,453,938	21,911,076	8,092,229	3,919,505	29,463,396	790,027	-	159,630,171	143,139,019
Public Safety									
Police	-	157,184	161,537	5,111,684	1,956,912	-	-	7,387,317	7,416,023
Fire	475,322	63,740	8,055,536	5,038,696	1,388,084	-	-	15,021,378	14,783,030
Total public safety	475,322	220,924	8,217,073	10,150,380	3,344,996	-	-	22,408,695	22,199,053
Street	1,580,920	545,432	385,576	6,463,149	270,826,644	311,930	-	280,113,651	279,962,055
Shop	-	-	-	342,912	-	-	-	342,912	342,912
Library	7,624	47	3,128,994	143,442	315,781	-	3,308,911	6,904,799	7,033,577
Public transportation	-	-	853,027	3,523,999	-	-	-	4,377,026	4,525,667
Recreation	422,378	-	1,235,067	344,541	603,602	-	-	2,605,588	4,121,381
Total governmental funds	\$ 97,940,182	\$ 22,677,479	\$ 21,911,966	\$ 24,887,928	\$ 304,554,419	\$ 1,101,957	\$ 3,308,911	\$ 476,382,842	\$ 461,323,664

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
December 31, 2019

FUNCTION AND ACTIVITY	Governmental Fund Capital Assets					Construction in Process	Governmental Fund Capital Assets
	January 1, 2019	Additions	Deletions	Transfers		December 31, 2019	
GENERAL GOVERNMENT							
Civic center/property maintenance	\$ 4,113,236	\$ 37,470	\$ -	\$ 5,475	\$ 5	\$ 4,156,186	
City Manager/Clerk	108,320	-	-	-	-	108,320	
Information technology	697,696	30,485	5,335	-	-	722,846	
Assessor	95,639	-	-	-	-	95,639	
Engineering	439,899	-	13,260	(9,580)	-	417,059	
Planning	17,604	-	-	9,580	-	27,184	
Inspection	232,592	-	-	-	-	232,592	
Traffic control	5,416,525	-	137,491	-	637,515	5,916,549	
Public works	8,036,589	144,914	14,436	6,999	-	8,174,066	
General	123,980,919	9,470,858	14,945,603	-	21,273,556	139,779,730	
Total general government	<u>143,139,019</u>	<u>9,683,727</u>	<u>15,116,125</u>	<u>12,474</u>	<u>21,911,076</u>	<u>159,630,171</u>	
PUBLIC SAFETY							
Police	7,416,023	181,504	374,393	6,999	157,184	7,387,317	
Fire	14,783,030	260,369	91,066	5,305	63,740	15,021,378	
Total public safety	<u>22,199,053</u>	<u>441,873</u>	<u>465,459</u>	<u>12,304</u>	<u>220,924</u>	<u>22,408,695</u>	
Street	279,962,055	1,716,725	2,101,311	(9,250)	545,432	280,113,651	
Shop	342,912	-	-	-	-	342,912	
Library	7,033,577	251,041	379,866	-	47	6,904,799	
Public transportation	4,525,667	46,795	195,436	-	-	4,377,026	
Recreation	4,121,381	-	1,515,793	-	-	2,605,588	
Total governmental funds	<u>\$461,323,664</u>	<u>\$12,140,161</u>	<u>\$19,773,990</u>	<u>\$ 15,528</u>	<u>\$ 22,677,479</u>	<u>\$476,382,842</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

	2010	2011	Restated 2012	Restated 2013	2014	Restated 2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 82,821,937	\$ 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
Restricted for:										
General government	-	-	-	-	-	-	-	-	173,189	194,506
Public safety	-	-	-	-	-	-	-	-	-	147,762
Capital leases	15,392	-	-	-	7,921	-	-	6,405	214,717	759,881
Sales tax property tax relief	663,930	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	7,930,388	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	2,383,709	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	2,202,085	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	34,204,624	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	812,051	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
Highway projects	1,448,511	1,269,078	2,777	-	-	-	-	2,530,196	-	-
Other purposes	157,398	739	16,989	51,407	631,104	14,491	-	400,303	-	-
Unrestricted	17,426,333	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
Total governmental activities net position	\$ 150,066,358	\$ 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
Business-type activities										
Net investment in capital assets	\$ 60,096,339	\$ 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
Restricted for:										
Customer facility charges	-	-	-	-	-	-	-	620,699	815,226	1,127,735
Capital leases	450,000	426,950	-	440,000	5,383	884,900	1,157,675	1,836,498	2,110,850	1,333,141
Debt service	3,657,311	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
Passenger facility charges not spent	-	-	1,041,086	925,887	651,251	-	-	-	-	-
Other purposes	48,349	54,277	61,593	45,027	14,402	-	-	-	-	-
Unrestricted	6,409,415	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
Total business-type activities net position	\$ 70,661,414	\$ 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
Government-wide activities										
Net investment in capital assets	\$ 142,918,276	\$ 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
Restricted	53,973,748	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
Unrestricted	23,835,748	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
Total government net position	\$ 220,727,772	\$ 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

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

	2010	2011	Restated 2012	Restated 2013	2014	2015	2016	2017	2018	2019
EXPENSES										
Governmental activities										
General government	\$ 10,877,394	\$ 16,286,125	\$ 18,663,226	\$ 22,855,601	\$ 27,476,332	\$ 27,783,373	\$ 28,066,358	\$ 23,950,938	\$ 27,658,285	\$ 21,688,167
Public safety	10,983,251	11,737,486	11,894,017	14,276,698	15,297,259	14,843,622	18,800,391	18,904,678	19,357,138	28,865,067
Highways and streets	8,197,388	8,673,395	10,786,782	17,921,085	16,199,177	16,772,838	8,141,336	19,749,436	22,087,149	22,807,389
Culture and recreation	3,122,273	3,605,205	3,682,272	4,902,342	7,673,973	9,991,456	7,856,753	7,759,929	4,115,743	6,494,134
Economic development	1,122,808	903,978	851,421	1,306,170	3,292,475	3,266,376	1,145,992	826,120	420,838	646,685
Interest on long-term debt	684,342	599,608	670,777	377,420	1,084,587	1,323,446	1,359,381	1,324,441	1,187,992	1,089,829
Total governmental activities expenses	34,987,456	41,805,797	46,548,495	61,639,316	71,023,803	73,981,111	65,370,211	72,515,542	74,827,145	81,591,271
Business-type activities										
Airport	3,046,398	2,886,779	4,072,715	5,127,918	6,406,365	8,758,360	13,340,229	10,979,519	10,498,354	10,294,345
Cemetery	305,368	304,502	325,301	378,717	488,825	469,091	533,872	497,669	514,137	565,414
Parking authority	123,727	118,367	231,938	123,598	72,806	98,705	79,994	32,703	15,337	19,841
Sanitation	2,529,736	4,269,081	3,813,767	4,123,633	4,461,806	4,464,495	5,068,307	6,156,209	5,342,969	5,411,164
Water and sewer	11,113,562	14,102,005	14,405,238	15,399,199	18,558,478	20,167,628	25,344,511	25,312,026	27,894,194	29,150,935
Parking ramps	-	-	-	-	-	-	-	-	100,600	78,319
Total business-type activities expenses	17,118,791	21,680,734	22,848,959	25,153,065	29,988,280	33,958,279	44,366,913	42,978,126	44,365,591	45,520,018
Total government expenses	52,106,247	63,486,531	69,397,454	86,792,381	101,012,083	107,939,390	109,737,124	115,493,668	119,192,736	127,111,289
PROGRAM REVENUES										
Governmental activities										
Charges for services										
General government	6,440,278	8,635,786	11,131,748	10,136,446	11,273,075	7,592,971	6,684,624	5,545,362	6,516,083	6,203,041
Public safety	1,382,128	1,637,161	1,344,251	2,068,420	1,721,664	1,074,256	1,429,447	1,130,201	1,287,801	1,688,951
Highways and streets	-	84,164	15,554	112,496	793	-	123,754	22,715	-	-
Culture and recreation	534,353	1,150,392	2,010,063	2,021,129	558,414	568,694	655,084	592,532	476,712	93,676
Operating grants and contributions										
General government	1,066,608	6,686,784	1,782,240	9,665,447	13,467,696	5,524,812	3,214,916	4,785,366	7,897,958	4,740,699
Public safety	676,006	364,666	338,479	576,299	534,176	311,835	1,136,656	463,544	661,683	268,901
Highways and streets	630,630	4,604	9,511,871	4,366,489	593,703	8,606,392	-	1,832,659	1,882,272	2,150,000
Culture and Recreation	-	-	-	152,993	90,498	98,447	3,937	37,452	46,372	49,686
Capital grants and contributions										
General government	120,720	5,354	2,397,534	11,582,417	14,555,981	31,748,416	21,856,896	27,108,995	14,896,495	11,526,693
Public safety	604,476	181,340	268,620	815,504	468,119	2,663,668	10,564	27,204	67,539	207,500
Highways and streets	4,713,115	1,165,700	14,271,317	12,152,326	28,049,555	39,835,660	6,416,100	21,863,378	14,809,130	791,210
Culture and recreation	-	6,673	-	12,011	24,806	190,839	63,400	27,515	137,892	2,061
Total governmental activities program revenues	16,168,314	19,922,624	43,071,677	53,661,977	71,338,480	98,215,990	41,595,378	63,436,924	48,679,937	27,722,418
Business-type activities										
Charges for services										
Airport	1,114,890	1,815,968	2,518,466	4,010,834	4,047,237	3,327,592	4,585,949	4,136,045	4,218,415	4,454,804
Cemetery	291,230	261,460	268,427	303,061	330,264	313,701	298,117	297,359	280,341	275,218
Parking authority	126,065	143,438	149,343	107,647	39,259	45,655	48,527	47,310	51,710	52,788
Sanitation	3,229,834	5,555,689	4,668,460	5,051,929	4,679,968	4,536,174	4,292,700	5,465,072	5,733,297	5,502,394
Water and sewer	10,392,992	11,098,007	14,563,524	17,545,492	19,216,996	19,953,794	20,000,966	21,384,485	22,375,882	21,899,422
Parking ramps	-	-	-	-	-	-	-	-	42,194	82,233
Operating grants and contributions										
Airport	328,837	604,989	977,359	1,418,223	1,248,307	2,401,140	1,421,390	580,465	626,823	500,621
Sanitation	-	-	-	-	-	5,200	89,903	-	-	-
Water and sewer	-	-	-	-	-	-	24,608	-	445,000	-

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

	2010	2011	Restated 2012	Restated 2013	2014	2015	2016	2017	2018	2019
Capital grants and contributions										
Airport	\$ 857,936	\$ 649,789	\$ 8,103,553	\$ 13,489,126	\$ 20,519,210	\$ 21,362,081	\$ 3,564,669	\$ 2,203,852	\$ 1,102,373	\$ 1,893,578
Cemetery	61,853	10,964	26,508	-	-	-	-	-	-	-
Parking authority	-	-	89,053	-	(1,513)	-	-	-	-	-
Sanitation	2,197	407,443	298,497	1,540,548	190,550	-	577,716	2,606,770	36,329	31
Water and sewer	495,267	4,582,021	21,310,811	17,532,389	46,719,119	62,750,889	26,480,713	21,169,631	6,938,315	906,260
Total business-type activities program revenues	16,901,101	25,129,768	52,974,001	60,999,249	96,989,397	114,696,225	61,385,258	57,890,988	41,850,679	35,567,349
Total government program revenues	33,069,416	45,052,393	96,045,678	114,661,226	168,327,877	212,912,215	102,980,636	121,327,912	90,530,616	63,289,767
Net revenue (expense)										
Governmental activities	(18,819,142)	(21,883,173)	(3,476,818)	(7,977,339)	314,678	24,234,879	(23,774,833)	(9,078,618)	(26,147,208)	(53,868,853)
Business-type activities	(217,689)	3,449,034	30,125,042	35,846,184	67,001,117	80,737,946	17,018,346	14,912,862	(2,514,912)	(9,952,669)
Total government net expense	(19,036,831)	(18,434,139)	26,648,224	27,868,845	67,315,795	104,972,825	(6,756,487)	5,834,244	(28,662,120)	(63,821,522)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	8,750,586	9,556,958	6,818,892	9,479,846	9,668,534	13,094,945	14,555,649	13,897,560	18,361,227	20,530,118
Property taxes, levied for debt service	749,233	800,683	735,488	499,901	1,126,237	2,875,336	2,333,770	3,056,361	2,936,172	2,971,720
Sales taxes	17,200,391	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
Municipal highway tax	2,120,108	2,418,451	2,570,954	4,231,254	4,792,103	2,740,748	2,400,195	2,560,200	2,618,870	2,698,630
State aid distribution-unrestricted	2,478,437	3,055,454	4,166,709	2,816,975	2,952,874	4,411,924	3,477,932	3,378,357	3,818,739	3,987,699
Franchise taxes	517,894	525,180	588,414	668,203	699,277	702,627	676,847	629,927	571,431	525,036
Other taxes	425,536	450,630	1,729,453	564,120	700,272	311,720	314,838	303,037	303,918	296,673
Grants and contributions not restricted to specific programs										
Investment earnings	474,228	950,457	480,932	251,460	471,073	694,916	645,118	801,119	1,576,164	2,144,611
Miscellaneous	1,106,373	2,749,359	1,807,263	2,443,339	604,999	2,702,358	1,337,662	1,165,742	1,360,796	1,212,939
Transfers	(652,774)	(4,276,666)	(5,872,446)	(3,442,538)	(353,310)	1,262,055	4,495,291	(6,886,141)	(15,695,476)	(1,418,098)
Total governmental activities	33,170,012	37,842,691	39,731,013	42,362,621	47,907,942	54,832,180	51,612,446	38,941,327	37,033,906	55,109,559
Business-type activities:										
Taxes										
Property taxes, levied for general purposes	305,389	480,909	687	186,344	82,208	166,746	385,491	758,690	797,082	2,802,608
Other taxes	88,318	108,670	-	-	-	-	-	-	-	-
Investment earnings	98,049	105,260	91,147	88,706	114,540	119,072	98,063	249,010	423,177	748,125
Miscellaneous	307,387	442,812	247,280	403,908	44,404	1,244,180	660,328	756,238	390,265	695,601
Transfers	652,774	4,276,666	5,872,446	3,442,538	353,310	(1,262,055)	(4,495,291)	6,886,141	15,695,476	1,418,098
Total business-type activities	1,451,917	5,414,317	6,211,560	4,121,496	594,462	267,943	(3,351,409)	8,650,079	17,306,000	5,664,432
Total government	34,621,929	43,257,008	45,942,573	46,484,117	48,502,404	55,100,123	48,261,037	47,591,406	54,339,906	60,773,991
Change in net position										
Governmental activities	14,350,870	15,959,518	36,254,196	34,385,282	48,222,620	79,067,059	27,837,613	29,862,709	10,886,699	1,240,706
Business-type activities	1,234,228	8,863,351	36,336,602	39,967,680	67,595,579	81,005,889	13,666,937	23,562,941	14,791,088	(4,288,237)
Total government	\$ 15,585,098	\$ 24,822,869	\$ 72,590,798	\$ 74,352,962	\$ 115,818,199	\$ 160,072,948	\$ 41,504,550	\$ 53,425,650	\$ 25,677,787	\$ (3,047,531)

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General fund										
Nonspendable	\$ 26,691	\$ 114,184	\$ 39,167	\$ 225,635	\$ 265,407	\$ 517,859	\$ 508,264	\$ 471,775	\$ 473,597	\$ 668,118
Restricted	50,077	739	6,039	-	3,171	-	654,437	372,804	214,717	907,643
Committed	-	-	-	-	-	-	-	-	480,742	2,318,748
Assigned	1,916	-	-	-	-	-	82,268	85,700	234,849	6,719,520
Unassigned	7,269,575	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
Total general fund	<u>\$ 7,348,259</u>	<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>
All other governmental funds										
Nonspendable	\$ 419,517	\$ 109,535	\$ 67,299	\$ 622,897	\$ 1,811,788	\$ 1,802,560	\$ 2,428,847	\$ 1,068,548	\$ 115,614	\$ 94,462
Restricted	40,463,027	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
Committed	1,703,715	3,972,645	6,011,986	12,497,167	38,123,755	-	-	291,096	5,750,502	6,065,219
Assigned	14,424,926	26,310,329	38,012,025	48,079,550	26,648,670	25,864,361	24,420,302	18,479,763	22,413,885	13,570,597
Unassigned	(353,393)	(726,084)	(1,637,152)	(1,852,004)	(265,877)	-	(265,822)	(22,847)	(642,814)	(967,085)
Total all other governmental funds	<u>\$ 56,657,792</u>	<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>\$ 68,412,138</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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
REVENUES										
Property taxes	\$ 9,324,583	\$ 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
Special assessment collections	845,259	805,084	753,755	775,793	2,030,276	4,884,263	4,002,683	2,205,809	1,945,189	1,963,557
Sales tax collections	17,200,391	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
Licenses and permits	836,065	1,486,521	2,311,025	2,153,400	1,862,029	1,331,860	977,803	685,449	1,398,108	777,618
Intergovernmental	9,021,144	14,315,003	23,120,131	33,762,275	39,740,800	60,177,461	32,513,738	47,959,928	30,411,854	27,755,042
Charges for services	4,868,019	6,755,299	8,311,975	8,413,316	8,746,373	5,089,099	5,223,295	3,986,868	4,535,173	3,967,537
Cable TV franchise fees	517,894	525,180	588,414	668,203	668,203	699,277	676,847	629,927	571,431	525,036
Fines and forfeits	659,823	852,821	1,117,060	1,198,946	1,229,088	679,969	669,284	646,728	739,543	771,916
Interest income	454,200	958,300	546,393	251,460	471,073	694,916	645,118	801,119	1,576,164	2,144,611
Contract revenue	-	1,698,584	1,200,000	1,187,136	-	-	-	-	-	-
Miscellaneous	1,106,373	1,027,307	607,263	1,256,203	604,999	2,934,911	1,506,669	1,505,480	1,677,642	1,601,779
Total revenues	44,833,751	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
EXPENDITURES										
General government	10,245,057	15,569,025	17,366,238	19,335,762	23,680,730	26,239,852	15,721,274	21,646,093	23,146,741	19,160,920
Public safety	10,045,515	10,619,643	10,790,276	12,707,694	14,376,257	14,869,964	16,320,099	16,591,562	17,379,470	25,729,048
Highways and streets	4,201,481	4,398,650	6,145,446	12,090,496	8,557,587	7,966,728	6,472,349	7,882,733	8,625,795	8,801,880
Culture and recreation	2,642,299	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
Economic development	1,122,808	903,978	851,421	1,306,170	3,292,475	3,266,376	1,145,992	826,120	420,838	646,685
Capital outlay	6,618,990	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
Debt retirement										
Principal	2,730,000	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
Interest and fiscal charges	700,606	600,808	696,720	551,892	1,022,919	1,319,488	1,326,733	1,341,613	1,211,259	1,112,458
Total expenditures	38,306,756	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
Excess (deficiency) of revenues over (under) expenditures	6,526,995	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
OTHER FINANCING SOURCES (USES)										
General obligation bonds issued	1,375,000	-	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	-	-	-
Premium (discount) on debt issued	(6,875)	200,025	95,838	642,825	332,360	166,241	949,616	-	-	-
State revolving fund	-	-	-	-	-	-	-	-	179,120	434,122
Capital leases	15,392	-	-	-	7,921	(1,779)	-	6,405	203,000	805,472
Sale of City Property	312,939	89,751	79,600	84,844	93,325	88,865	186,486	72,224	105,339	147,162
Transfers in	5,702,692	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
Transfers out	(6,355,466)	(8,409,052)	(22,031,044)	(19,965,860)	(21,617,436)	(18,643,880)	(17,482,369)	(23,235,619)	(28,999,012)	(24,189,512)
Total other financing sources (uses)	1,043,682	298,110	(912,008)	15,695,131	8,165,296	5,685,382	16,521,393	(6,807,512)	(15,208,017)	(31,342)
Net change in fund balances	\$ 7,570,677	\$ 18,049,403	\$ 12,676,865	\$ 19,097,321	\$ 12,033,926	\$ 6,531,413	\$ (481,178)	\$ (10,022,124)	\$ (9,579,463)	\$ 317,954
Debt service expenditures to noncapital expenditures	10.83%	7.53%	13.88%	6.63%	6.65%	8.55%	11.66%	12.06%	8.54%	7.59%

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
2010	8,750,586	749,233	17,200,391	2,478,437	2,120,108	517,894	425,536	32,242,185	40,888
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	2,698,630	3,987,699	525,036	296,673	53,170,107	47,370

(1) 2017-2019 Source: Ward County Area Profile. 2019 as of 2/5/20
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	Second Penny								
				Property Tax Relief 10%	Economic Development 40%/15%	Improvements 50%/25%	Flood Control 50%	Capital Purchases	Flood Control Capital	Northwest Area Water Supply 100%	Property Tax Relief 30%/18%	Infrastructure 40%/24%	Community Facilities 30%/18%	Capital Purchases	Northwest Area Water Supply 40%				
2010	40,888	2%	1,070,664,687	860,020	3,440,078	4,300,098	-	-	-	-	8,600,195	-	-	-	-	-	17,200,391	32.30%	
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%	1,094,832,312	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%	

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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) 2017-2019 Source: Ward County Area Profile. 2019 as of 2/5/20
 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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Construction	\$ 26,203,104	\$ 38,717,443	\$ 58,247,973	\$ 48,910,592	\$ 49,746,274	\$ 50,617,167	\$ 33,914,871	\$ 25,724,984	\$ 30,518,657	\$ 26,477,788
Manufacturing	31,694,324	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
Wholesale trade	180,417,164	220,934,137	263,822,015	251,299,458	290,327,737	188,430,808	119,459,817	121,122,546	131,858,479	142,049,803
Retail trade	575,395,068	708,083,354	844,491,363	797,159,510	787,593,298	701,907,245	588,795,861	561,632,634	571,195,731	578,033,838
Transportation & warehousing	36,440,379	3,799,564	4,249,433	4,366,386	4,857,706	4,544,458	3,843,794	3,840,060	3,918,938	3,265,892
Information industries	3,882,824	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
Fin, insurance, real estate, rental & leasing	19,157,346	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
Professional, scientific, tech., & mgmt serv.	11,333,361	12,496,178	12,529,022	13,341,555	6,201,548	4,968,086	4,993,857	5,303,173	4,913,830	5,430,416
Educational, health care, & social services	3,088,652	3,617,411	3,872,616	3,358,110	4,526,544	4,359,408	4,086,361	3,373,433	4,035,600	4,454,694
Arts, entertainment & recreation	3,750,517	3,485,182	3,849,395	5,251,128	5,852,922	6,143,852	6,546,703	7,613,172	7,384,957	7,483,541
Accommodation & food services	136,428,915	163,610,566	191,892,960	191,616,550	202,405,713	190,000,047	166,075,079	164,225,049	166,260,319	171,629,973
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	47,156,651
Other services	26,373,761	35,124,654	39,632,295	40,431,146	45,168,580	42,127,833	37,167,275	39,418,208	41,659,096	45,629,617
Miscellaneous	16,499,272	2,467,460	8,493,288	1,973,208	1,967,552	1,081,898	1,160,120	1,629,704	2,141,387	1,689,872
Total taxable sales and purchases	\$ 1,070,664,687	\$ 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	\$ 1,094,832,312

Industry taxable sales and purchases figures are from the State of ND Sales Tax Department - 2019 numbers are preliminary

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

156 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
2010	\$ 451,055,991	\$ 820,974,530	\$ 9,717,790	\$ 1,281,748,311	\$ 2,563,496,622	50.00%	107.33
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

(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>					
2010	51.91	4.24	33.37	3.63	14.18	107.33	29.83	129.75	72.66	339.57
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

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>
2010	12,736,802	12,063,643	94.71%	205,011	12,268,654	96.32%	466,124	284,263	2.23%
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	25,407,278	95.48%	969,740	1,406,748	5.29%
2019	25,301,186	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, 2019
 unaudited

TAXPAYER	2019			2010		
	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value
Dakota Square Mall CMBS LLC	\$ 3,506,050	1	1.69%	\$ 3,889,410	1	3.28%
IRET Properties	3,429,250	2	1.65%	3,463,940	2	2.92%
Northern States Power Co	1,590,327	3	0.77%			
SUSO 3 Southgate LP	1,050,700	4	0.51%			0.00%
Trinity Health	1,004,500	5	0.48%			0.00%
Farmers Union Oil Company	973,100	6	0.47%	334,900	17	0.28%
North Highland-Minot, LLC	929,600	7	0.45%			0.00%
Sail Properties, LLC	846,150	8	0.41%			0.00%
Westcorp Minot, LLC	845,250	9	0.41%			0.00%
United Pulse Trading Inc.	808,650	10	0.39%			0.00%
Doc-2111 Landmark Circle Mob, LLC (CHI St Alexius)	777,500	11	0.37%			0.00%
Schatz Properties, LLC	737,100	12	0.36%			0.00%
Wal-Mart Real Estate Business Trst-Property Tax Dept #8013	732,100	13	0.35%	818,055	3	0.69%
Westlie Motor Company	700,300	14	0.34%	313,282	19	0.26%
Cognizant Technology Solutions US Corp.	691,850	15	0.33%	493,025	10	0.42%
Montana Dakota Utilities Co.	691,303	16	0.33%			
ARHC MMINND01, LLC (Medical Arts/Wellington)	678,600	17	0.33%			0.00%
Menards Inc.	676,900	18	0.33%	624,545	6	0.53%
First Western Bank & Trust	659,350	19	0.32%			0.00%
Dakota Upreit (Metro Mall)	643,350	20	0.31%	335,045	16	0.28%
Riverside Inc. (Holiday Inn Riverside)				812,310	4	0.68%
Kadima Medical Properties (Former Unimed Clinic)				673,785	5	0.57%
International Inn (Grand Hotel)				557,075	7	0.47%
Cambridge Capital Management				508,355	8	0.43%
Glacial Holdings				498,460	9	0.42%
Philadelphia Macaroni				399,070	11	0.34%
Cenex Harvest States Co-Op				377,540	12	0.32%
Map Dakota (Wellington)				348,555	13	0.29%
Elk Pointe Apartments, LLC				345,145	14	0.29%
Minot Senior Living (Brentmoor)				339,390	15	0.29%
Dayton-Hudson Corporation (Target)				324,350	18	0.27%
Somerset Court				299,915	20	0.25%
All Others	185,635,296		89.42%	102,916,145		86.72%
Total Taxable Assessed Value	<u>\$207,607,226</u>		<u>100.00%</u>	<u>\$118,672,297</u>		<u>100.00%</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	Capital Financing Program Bonds	State Revolving Funds	Capital Lease	Revenue Bonds	State Revolving Funds	Notes Payable	Capital Leases			
2010	11,438,774	5,186,234	-	-	9,748	21,085,129	-	1,496,921	360,656	39,577,462	16.27%	967.95
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	22.35%	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	25.01%	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	29.43%	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	26.19%	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	26.41%	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	23.97%	1,892.77

(1) \$3,740,423 Source: Bureau of Economic Analysis; Last updated March 2019

(2) 2017-2019 Source: Ward County Area Profile. 2019 as of 2/5/120

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
2010	40,888	1,281,748,311	11,489,263	297,431	11,191,832	0.87%	273.72
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

(1) 2017-2019 Source: Ward County Area Profile. 2019 as of 2/5/20
 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, 2019
 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)	\$ 54,775,096	\$ 3,203,306	\$ 51,571,790	93.18%	\$48,054,697
Minot Park District (2)	17,835,000	-	17,835,000	100.00%	17,835,000
Ward County (3)	30,244,550	865,969	29,378,581	63.98%	18,797,404
Ward Co. Water Resource District	2,330,000	-	2,330,000	63.96%	1,490,253
Overlapping Debt					<u>86,177,354</u>
City of Minot (General Obligation Direct Debt)			14,547,505	100.00%	14,547,505
City of Minot (Special Assessment)			15,823,171	100.00%	15,823,171
City of Minot (Capital Financing Program Bonds)			1,556,937	100.00%	1,556,937
City of Minot (State Revolving Fund)			613,242	100.00%	613,242
City of Minot (Capital Lease)			759,881	100.00%	<u>759,881</u>
Direct Debt					<u>33,300,736</u>
Total Direct and Overlapping Debt					<u><u>\$ 119,478,090</u></u>
Ratios Used	<u>2019 Assessed Value</u>		<u>2019 City's Assessed Value</u>		<u>Percentage</u>
Minot School District (3)	\$ 2,048,397,391		\$ 2,198,318,286		93.18%
Minot Park District (3)	2,198,318,286		2,198,318,286		100.00%
Ward County (3)	3,435,765,483		2,198,318,286		63.98%
Ward Co. Water Resource District	3,437,056,109		2,198,318,286		63.96%

(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, 2019
unaudited

True and full value of taxable property - 2019	\$ 4,396,636,572
Debt limit - 8% of 50% of true and full value	175,865,463
Amount of debt applicable to debt limit:	
General obligation bonds	\$ 14,547,505
Special Assessment bonds with Government Commitment	460,335
Less: cash in debt service sinking funds	<u>(949,798)</u>
Total net debt applicable to limit	<u>14,058,042</u>
Legal debt margin	<u><u>\$ 161,807,421</u></u>

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 102,539,865	\$ 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
Less total net debt applicable to limit	11,489,263	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
Legal debt margin	\$ 91,050,602	\$ 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
Total net debt applicable to the limit as a percentage of debt limit	11.20%	9.46%	6.71%	8.48%	9.19%	7.11%	11.23%	10.36%	9.25%	7.99%

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
2010	1,113,294	851,041	298,424	1,458,934	150,000	953,825	305,000	42,205	347,205	2.75
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

(1) Excludes depreciation

(2) Permanent financing only

CAFR Spreadsheet

City of Minot, North Dakota
Revenue Bond Coverage
Water & 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	
2010	10,383,153	6,627,269	817,667	4,573,551	2,225,000	977,069	3,202,069	1.43
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	-	8,443,076	3,831,084	704,277	4,535,361	1.86

(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
2008	36,694	\$ 2,104,568	\$ 29,407	35.0	13.47	7,100	2.9%
2009	35,730	\$ 2,371,712	\$ 30,917	35.0	13.16	7,233	2.9%
2010	40,888	\$ 2,462,122	\$ 32,532	35.0	13.16	7,503	2.9%
2011	42,485	2,711,387	34,319	33.2	13.47	7,424	1.7%
2012	43,746	3,132,692	44,252	33.2	13.47	7,758	3.1%
2013	46,398	3,701,003	47,320	33.8	13.44	7,737	2.3%
2014	47,997	3,830,707	49,296	30.4	13.50	7,783	2.8%
2015	49,450	4,060,875	56,024	31.0	13.52	8,192	3.5%
2016	47,338	3,927,142	55,852	31.1	13.41	8,027	3.7%
2017	48,743	3,759,383	53,545	31.1	13.46	8,006	2.9%
2018	47,822	3,512,278	51,462	31.6	13.51	7,985	2.7%
2019	47,370	3,740,423	55,214	32.1	13.54	8,281	2.3%

(1) 2017-2019 Source: Ward County Area Profile. 2019 as of 2/5/20
 2009-2016 Source: U.S. Census Bureau

(2) 2016-2019 Source: Bureau of Economic Analysis
 2009-2015 Source: Ward County Area Profile

(3) 2016-2019 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	2019			2010		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Minot Air Force Base	6,736	10	29.26%	11,878	1	37.46%
Trinity Health	2,480	9	10.77%	2,855	2	9.00%
Minot Public Schools	1,049	8	4.56%	1,547	3	4.88%
Marketplace Foods	476	7	2.07%			
City of Minot	414	6	1.80%	315	9	0.99%
Minot State University	407	5	1.77%	450	6	1.42%
MLT Inc.	366	4	1.59%	321	8	1.01%
BNSF Railways	360	3	1.56%			
Kalix (MVAW)	359	2	1.56%	590	5	1.86%
Ward County	285	1	1.24%	220	10	0.69%
Cognizant (ING Minot Service Center)*				934	4	2.95%
Miracle Mart				394	7	1.24%
Total	12,932		56.17%	19,504		61.52%

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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	33.00	33.00	38.00	44.84	48.34	55.84	68.34	69.26	66.80	70.80
Public safety										
Police										
Officers	67.00	69.00	70.00	75.00	79.00	83.00	85.00	84.00	84.00	87.00
Civilians	20.00	20.00	22.00	25.00	25.00	26.00	27.00	27.00	27.00	26.00
Fire										
Firefighters and officers	49.00	50.00	47.00	50.00	50.00	56.00	62.00	62.00	62.00	62.00
Civilians	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Highways and streets										
Engineering	9.00	10.00	11.00	12.00	12.00	14.00	13.00	13.00	10.00	10.00
Maintenance	36.00	38.00	35.00	36.68	36.68	39.68	42.68	42.57	42.47	42.47
Culture and recreation	25.63	25.63	25.63	26.63	26.63	26.63	26.63	26.63	26.63	15.63
Airport	11.00	12.00	16.00	18.00	18.00	18.50	25.00	27.00	25.00	25.00
Cemetery	3.00	3.00	3.00	4.21	4.21	4.21	4.21	4.21	4.23	4.23
Parking authority	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Sanitation	22.00	22.00	23.00	27.15	30.15	31.47	31.48	31.66	22.43	22.43
Water and sewer	39.00	38.00	41.00	42.62	48.62	49.30	50.29	50.30	51.07	52.07
Total	316.63	322.63	333.63	365.13	381.63	406.63	437.63	439.63	423.63	419.63

(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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
FUNCTION										
General government										
Assessors										
Properties reviewed	1,500	950	150	922	4,148	3,158	3,062	3,555	3,039	2,689
Properties photographed	2,200	900	2,790	1,944	4,557	4,437	3,731	4,024	3,109	2,788
Building inspections										
Permits issued	528	873	1,872	1,064	777	719	512	568	511	419
City bus										
Bus ridership	123,139	123,744	136,951	128,184	130,866	114,472	89,602	88,803	91,666	91,960
Public safety										
Police										
Parking tickets issued	6,072	6,957	9,619	9,032	7,368	8,029	4,198	5,473	4,705	3,758
Criminal citations issued	6,035	6,206	6,781	7,492	6,057	4,223	3,379	3,235	3,197	2,996
Traffic citations issued	4,251	4,194	4,901	4,239	4,990	5,340	5,729	6,414	5,740	5,071
Alarms-patrol & parking division	839	939	1,348	1,172	1,410	1,501	1,588	1,319	1,126	1,063
Fire										
# of fire incidents	432	498	594	660	751	737	751	758	762	1,023
# of rescue incidents	1,957	1,920	2,052	2,175	2,043	2,036	2,044	2,162	2,611	2,604
Inspections made	1,514	1,137	1,514	2,370	2,812	1,465	2,029	1,623	780	434
Highways and streets										
Traffic										
Signs installed	1,419	1,207	1,497	1,314	1,331	1,484	1,390	2,101	2,009	2,630
Signs/posts repaired	2,005	1,776	1,543	1,582	1,401	1,351	1,124	1,078	2,362	2,987
Traffic light repairs	241	441	569	861	276	293	529	380	945	1,071
Street light repairs	186	373	396	892	274	297	644	1,005	915	1,118
Culture and recreation										
Auditorium										
Event days	1,362	1,137	714	746	590	697	762	794	846	*
Attendance	194,067	211,608	199,435	186,914	78,531	94,843	117,649	125,832	138,353	*
Library										
Registered borrowers	24,079	24,039	23,105	21,994	21,874	22,196	23,081	24,078	25,176	26,204
Circulation and activity	274,665	232,471	268,444	302,028	292,676	205,338	645,648	384,705	446,697	411,331
Airport										
Gallons airline fuel dispensed	1,714,587	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
Airline boarding's	96,599	306,403	444,921	222,083	222,144	182,872	151,700	143,172	151,658	165,998
Sanitation										
# of customers	10,884	10,825	15,453	11,044	11,504	11,512	11,530	11,508	11,486	11,541
Landfill tonnage	115,812	215,860	191,326	161,131	151,913	142,030	178,181	121,184	133,571	115,368
Water and Sewer										
# of consumers	13,640	13,671	13,708	14,320	14,649	14,700	14,755	14,734	14,680	14,717
Gallons pumped/treated	2,003,000,000	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

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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government										
Public works building	1	1	2	2	2	2	2	2	2	2
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	31	33	35	36	40	41	42	42	44	43
Fire										
Stations	3	3	3	3	3	3	4	4	4	4
Highways and streets										
Streets (square miles)	18.78	19.72	25.14	27.32	27.36	27.48	27.76	27.23	27.24	27.24
Street lights	2,672	2,604	2,897	3,229	3,400	3,603	3,690	3,751	3,795	3,800
Traffic signals	51	51	52	53	53	53	50	50	50	50
Culture and recreation										
Libraries	1	1	1	1	1	1	1	1	1	1
Ball diamonds	16	16	16	16	16	16	16	16	16	*
Tennis courts	10	10	10	2	2	2	2	2	2	*
Indoor tennis center	1	1	1	1	1	1	1	1	1	*
Sanitation										
Collection trucks	8	8	8	8	9	9	9	12	14	14
Water and Sewer										
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Water mains (miles-estimated)	245	269	292	302	315	322.9	324.15	324.49	315.08	319.75
Sewer mains (miles-estimated)	208.5	212.3	229.9	232.8	249.2	255.9	259.22	264.66	266.28	269.54
Storm Sewer mains (miles-estimated)	67.61	71.96	85.59	88.45	98.12	105.61	112.81	111.57	118.54	118.54
Maximum daily capacity (millions of gallons)	9.93	8.2	11.5	10.95	11.3	11.3	11.3	12.4	12.3	11.3

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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, 2019. 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, 2019.

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
April 21, 2020



**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, 2019, and the related notes to the financial statements, and have issued our report thereon dated April 21, 2020.

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) to determine the 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 determination of financial statement amounts. 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.

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

Fargo, North Dakota
April 21, 2020



Independent Auditor’s Report on Compliance for the 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 the 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 the City’s major federal program for the year ended December 31, 2019. The City’s major federal program is 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 the City’s major federal 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 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 the 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 its major federal program for the year ended December 31, 2019.

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
April 21, 2020

City of Minot, North Dakota
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

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 Housing and Urban Development</u>				
Community Development Block Grants Cluster	14.218		\$ 884,588	\$ 36,000
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants Cluster	14.269		<u>8,678,124</u>	1,092,628
Total Department of Housing and Urban Development				\$ 9,562,712
<u>Department of Justice</u>				
Bulletproof Vest Partnership Program	16.607		7,801	
Edward Byrne Memorial Justice Assistance Grant Program	16.738		\$ 20,227	
<i>Passed through ND Department of Health</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	18211	<u>6,500</u>	6,500
Total CFDA #16738			<u>26,727</u>	
Total Department of Justice				34,528
<u>Department of Transportation</u>				
Airport Improvement Program	20.106		1,122,326	
<i>Passed through ND Department of Transportation</i>				
Formula Grants for Rural Areas	20.509	38181022 & 38190991	547,926	
Bus and Bus Facilities Federal Transit Cluster	20.526	38170158, 38180973, 38181781	44,859	
State and Community Highway Safety	20.600	PHSPDD1911-02-07	4,265	
National Priority Safety Programs	20.616	PHSPID1910-02-11	\$ 9,250	
National Priority Safety Programs	20.616	PHSPOP1905-05-12	3,017	
National Priority Safety Programs	20.616	PHSPID1910-12-07	2,793	
National Priority Safety Programs	20.616	PHSPID2010-02-12	2,077	
National Priority Safety Programs	20.616	PHSPOP2005-05-12	2,471	
National Priority Safety Programs	20.616	PHSPID2010-12-07	<u>864</u>	
Total CFDA #20.616			<u>20,472</u>	
Total Highway Safety Cluster				24,737
Hazardous Materials Emergency Preparedness	20.703		<u>12,680</u>	
Total Department of Transportation				1,752,528

City of Minot, North Dakota
 Schedule of Expenditures of Federal Awards
 Year Ended December 31, 2019

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>				
Equitable Sharing Program				
Federal Asset Forfeiture Drug Share Program	21.016		28,986	
Total Department of Treasury				28,986
<u>Environmental Protection Agency</u>				
Drinking Water State Revolving Fund Cluster	66.468		459,420	
Total Environmental Protection Agency				459,420
<u>Department of Homeland Security</u>				
<i>Passed through ND Department of Emergency Services</i>				
Homeland Security Grant Program	97.067	A1216-002-2017-R	51,409	
Homeland Security Grant Program	97.067	A1215-001-2017-R	47,889	
Homeland Security Grant Program	97.067	EMW-2018-SS-00008	31,509	
Homeland Security Grant Program	97.067	A1171-001-2017-R	100,798	
Homeland Security Grant Program	97.067	EMW-2018-SS-00008	12,396	
Homeland Security Grant Program	97.067	EMW-2018-SS-00008	52,705	
Total CFDA #97.067			296,706	
Total Department of Homeland Security				296,706
Total Federal Financial Assistance			\$ 12,134,880	\$ 1,135,128

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, 2019. 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.

<u>Program Title</u>	<u>Revenue</u>
Passenger Facility Charge Program	<u>\$ 685,650</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
d 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>CFDA Number</u>
Community Development Block Grants	14.269
Airport Improvement Program	20.106
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.