

City of



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended December 31, 2020

CITY OF BISMARCK, NORTH DAKOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the fiscal year ended
December 31, 2020**

Prepared by Fiscal Services

**CITY OF BISMARCK, NORTH DAKOTA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

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INTRODUCTORY SECTION





Finance Department

June 17, 2021

To the Honorable Mayor, Members of the City Commission, and citizens of the City of Bismarck, North Dakota:

The Annual Comprehensive Financial Report (ACFR) of the City of Bismarck, North Dakota (the City) for the fiscal year ended December 31, 2020 is hereby presented. This complete set of financial statements has been prepared by the Fiscal Services Division of the City's Finance Department in accordance with generally accepted accounting principles (GAAP) and audited by an independent licensed certified public accounting firm in accordance with the generally accepted auditing standards and applicable laws.

GAAP requires management to provide a narrative introduction overview and analysis to accompany the basic financial statements in the form of management discussion and analysis (MD&A). The MD&A section follows the report of the independent auditors. This transmittal letter is designed to complement and read in conjunction with the MD&A.

Management is responsible for the accuracy, completeness, and reliability of the financial statements. Management believes the financial statements present fairly, in all material respects, the financial position and results of operations of various funds, including all disclosures necessary to enable the reader to achieve a full understanding of the City's activities.

Management is responsible for establishing and maintaining an internal control framework. Internal controls are designed to provide reasonable and not absolute assurance regarding the safeguarding of assets against loss, theft, or misuse, and the reliability of financial records for preparing financial statements and maintaining accountability. The concept of reasonable assurance recognizes that the cost of internal controls should not outweigh the benefits derived and that the valuation of cost and benefits require management's judgment and estimates. Management believes that the City's internal control over financial reporting provides reasonable assurance of proper recording and assets are adequately safeguarded.

State statutes and local ordinances require an annual audit by independent certified public accountants. The firm of Eide Bailly, LLP, has audited the financial statements of the City for the December 31, 2020 fiscal year-end. The annual audit provides reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. Eide Bailly, LLP, concluded that the audit provides a reasonable basis for an unmodified opinion, and the City's financial statements for the fiscal year ending December 31, 2020, are in conformity with generally accepted accounting principles (GAAP). The auditors' report is presented in the financial section of this report.

Federal funds received by the City are also subject to an independent audit under the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Finance Department ★ Fiscal Services Division

Phone: 701-355-1600 ★ Fax: 701-222-6606 ★ TDD: 711 ★ Website: www.bismarcknd.gov

221 N. Fifth Street ★ P.O. Box 5503 ★ Bismarck, ND 58506-5503



City Profile

Incorporated in 1875, the City is the State of North Dakota's (the State) capitol and located in the center of the State in Burleigh County, bounded on the west by the Missouri River. The City currently has a land area of 34.91 square miles and a 2010 census population of 61,272. The City is empowered to levy a property tax on real estate located within its boundaries. The City also has the power by state statute to extend its corporate limits by annexation, which is performed periodically by the governing commission.

The City operates under a commission form of government, consisting of a president and four commissioners known as the City Commission. The City Commission is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, the city administrator, assistant city administrator and city attorney, and hiring department directors. The city administrator is responsible for carrying out policies and ordinances of the governing body and for overseeing the day-to-day operations of the City. City Commission members are elected to a four-year staggered term with two commission members elected every two years. The president is elected to a four-year term and serves as the mayor of the City.

The financial reporting entity includes all funds of the primary government. The City provides a full range of services, such as police and fire protection, sanitation services, construction and maintenance of highways, streets and infrastructure, water, wastewater and storm water utility services, solid waste disposal, municipal airport, library, and cultural centers and events.

The City adopts an annual budget ordinance approved by the City Commission. Activities of the general fund, special revenue funds, and debt service funds are included in the annually appropriated budget in accordance with the North Dakota Century Code (NDCC) and the City's Home Rule Charter. Charges for fees and services are reviewed and adjusted with budget approval by the City Commission. A five-year capital projects budget is also updated and approved by the City Commission during the same process.

Local Economic Condition and Statistics

Although the area's largest industry is farming, the City is also a major medical center for the region. The City continues to seek economic diversification and committed to new as well as current initiatives that support the economic growth of our City.

In 2020, the City experienced the effects of the COVID-19 global pandemic. The pandemic impacted the business activity, unemployment, and the economy in the City. In April 2020, the City received an emergency declaration. During the pandemic, some businesses were forced to close and operate remotely. The pandemic caused the City's unemployment rate to increase from 2.6% in 2019 to 9.0% in 2020. Travel ended abruptly and caused significant declines in the use of lodging, gasoline, and entertainment across the City. However, as the pandemic progressed through 2020, the City's local businesses and restaurants re-opened and restarted operations as the City's population adapted to the COVID-19 safety protocols. As a result, the City's sales tax, state aid, liquor, and restaurant taxes continued to be consistent in 2020. Property tax collection avoided any negative impact as these revenues were collected in the first three months of 2020, which was prior to the beginning of the COVID-19 pandemic. In addition, other City revenues including utility fee revenues and charges for services, such as building permits, were minimally impacted. However, the City's lodging tax, car rental tax, airport fees, and event center fees were the most negatively impacted revenues.

In 2020, the City received approximately \$30 million in COVID-19 financial assistance from the federal and state governments. \$10 million was provided for general COVID-19 response and \$20 million in federal assistance for the Bismarck Municipal Airport from the United States known as the CARES Act. In 2021, the City was provided additional COVID-19 assistance from the State and federal government.

The City's unemployment rate increased to 9.0% in April 2020 from 2.6% in 2019 as a result of the COVID-19 pandemic. Even though the unemployment rate increased to 9.0% in the City in 2020, the City's unemployment rate was still lower compared to the national unemployment rate of 14.4%. The local economic outlook remains positive as the City begins to recover from the COVID-19 pandemic. Census

population estimates identify the City as one of the top three largest fastest growing cities in the State. The City continues to gain residents, which will be confirmed after the completion of the 2020 census.

The City's real estate market continues to remain active. The average sale price of a residential property was \$283,348, which is an increase from the average sale price of \$265,000 in 2019. This is supported by a number of accolades City received in 2019. Wallethub's ranked Bismarck in the top ten in the nation as the Best State Capital to live in, Best City to Start a Business, Best City for People with Disabilities and ranked #6 for the Best Place to Rent. Livability.com also ranked Bismarck in the Top 100 Best Places to Live for small to mid-sized cities in the US. Bismarck was also included in Forbes' Best Small Place for Business and Careers.

The City continues to experience growth in the tax base through both property value enhancement and new construction. In 2020, 855 building permits were issued within the City's corporate limits, an increase of 110 permits. Residential construction in the City's extraterritorial jurisdiction and the adjacent zoned areas of Burleigh County also continued to grow in 2020. Commercial growth also increased which included the construction of new retail services, banks, restaurants, grocery store, medical and dental clinics, apartments, a new parochial school complex, and public school additions. The growth in the property tax for the year 2020 was 2.77%.

In previous years, the Commission was granted a five-year extension for the Renaissance Zone (RZ) program which was established in 2001 to encourage reinvestment through property and income tax incentives in a 39-block area of downtown properties. This program has contributed to the revitalization of downtown with numerous new business including retail, services, and residential units. A total of 131 projects have been completed which included 47 new downtown housing units. The projects have created 599.25 new jobs to date and the initial building value of RZ projects of \$22.6 million has more than tripled to \$77 million. The RZ projects reflect the commitment of the City Commission to strengthen the core of our community by stimulating new development and increased tax base in the downtown.

Major Initiatives

The City Commission continued the Infrastructure Task Force to review the City's road infrastructure ten-year capital improvement plan which totals \$140 million and develop funding recommendations. The City Commission also continued the Special Assessment Task Force (SATF) to consider funding recommendations for infrastructure maintenance as well as new development. The City Commission then established a joint task force with representatives from each existing task force committees to meet and consider all the recommendations. Based on the recommendations in 2018, the City Commission approved ballot measures to cap the sales tax used for the 25-mill levy property tax reduction to the 2019 level and add an additional ½ cent sales tax dedicated to a specific list of arterial street project with a ten-year sunset. The City began collection of the ½ cent sales tax in the amount of approximately \$8 million annually to be used for the restricted projects, as noted in the ballot measure. The City Commission also authorized the legislation for cities to utilize a street maintenance fee in lieu of special assessments. With this option, property owners would pay a monthly fee on the utility bill and special assessments for street maintenance would be eliminated. This would be similar to the funding used for maintenance of water and sewer. The bill has been approved in the 2021 legislative session but will still need a vote by the citizens of the City before implementation.

In 2018, Burleigh County authorized a ballot measure to increase the 9-1-1 fee by \$0.50 for the purpose of purchasing, leasing or constructing, and operating a new joint Central Dakota Communications (CenCom) public safety center. The measure passed in the June of 2018 and plans for developing the new center are in process. CenCom serves Bismarck, Mandan and Burleigh County. In 2019, the City entered into a lease agreement for the use of the building by CenCom upon construction. In November 2020, the new facility was completed and occupied by the CenCom Authority.

The City Commission approved a space needs study to identify needs and uses of City buildings to account for growth and additional space for public safety, public health, and public works functions within the City. The study was completed in November 2020. The City Commission continues to evaluate the future building needs based on the study.

The City Commission completed the process to update the City's strategic plan. A project team of City employees co-chaired by Commissioners Zenker and former Commissioner Oban continued their work with a consultant to gather public input to develop the vision of the community. The project theme is "Imagine Bismarck" for the future. Input has been solicited from the public at the annual Downtowners Street Fair, surveys, focus groups, school classrooms, and an interactive town hall meeting. In addition, the mission and values were modified to identify the strategic focus areas for the next five years. These will be used to develop specific objectives and goals. The plan was approved in 2019 and used as a basis of the 2020 and 2021 budgets.

The Metropolitan Planning Organization initiated the development of the transportation plan "Arrive 2045." The plan will address all transportation issues and opportunities for improvements in the region for the next 25 years. Ideas from community leaders and public input sessions will be used to identify projects for streets, public transit, bikes, freight and pedestrian and strategies. This plan was completed in 2021, which includes local municipalities such as the City, the City of Lincoln, the City of Mandan, Morton County, and Burleigh County.

These initiatives reflect the City Commission's commitment to the key areas of the Strategic Plan for economic vitality, community character, civic engagement, and community services.

In 2021, the City Commission approved a \$4.3 million increase to property tax revenues to sustain City's existing services and apply significant objectives such as equipment replacement and afford base operational costs. The City will continue to implement this plan into the 2022 budget year.

Awards and Acknowledgements

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 for its annual comprehensive financial report for the year ended December 31, 2019. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized the annual comprehensive financial report, whose contents conform to program standards. 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 report continues to conform to the Certificate of Achievement program requirements and submits to the GFOA to determine eligibility.

The preparation of this report could not have been accomplished without the dedicated services of the fiscal services division staff, the various department directors, and the support of the City Commissioners. Appreciation is expressed to all personnel who assisted and contributed to its preparation. We acknowledge the thorough and professional manner in which the audit was conducted by our independent auditors, Eide Bailly, LLP. Appreciation is also expressed to the Mayor and to all members of the City Commission for their interest and support in planning and conducting the financial operation of the City in an exemplary manner throughout the year.

Respectfully submitted,

Dmitriy Chernyak, CPA
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

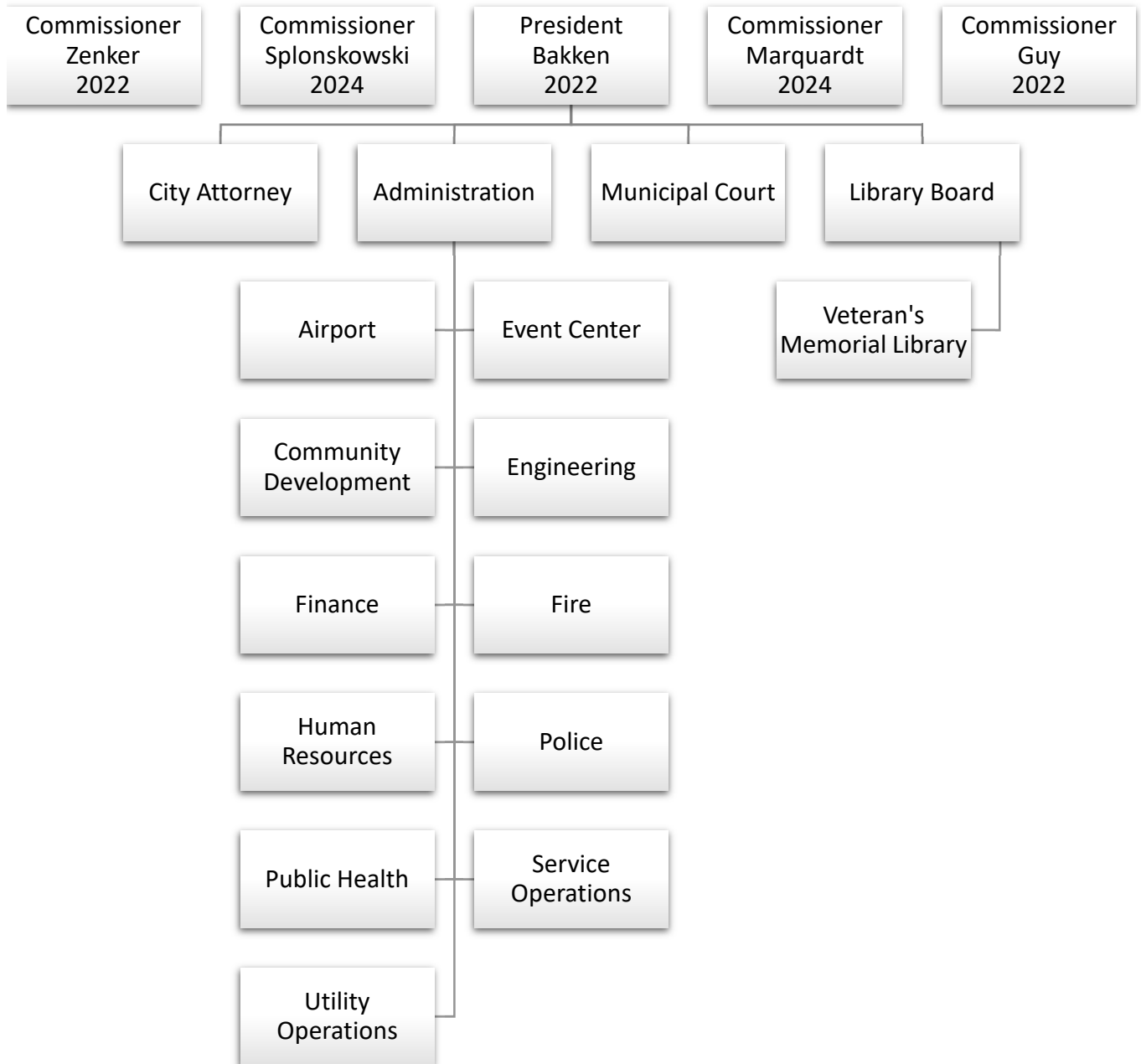
**City of Bismarck
North Dakota**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Executive Director/CEO

City of Bismarck



CITY OF BISMARCK, NORTH DAKOTA

LIST OF ELECTED AND APPOINTED OFFICIALS

Mayor-Commissioners:

	Initial Term <u>Commenced</u>	Current Term Expires <u>2nd Tuesday of June</u>
Mayor, Steven Bakken	2018	2022
Commissioner, Greg Zenker	2018	2022
Commissioner, Mark Splonskowski	2020	2024
Commissioner, Steve Marquardt	2014	2024
Commissioner, Nancy Guy	2014	2022

Other Elected Officials:

Municipal Judge..... William Severin

Appointed Officials:

City Administrator..... Keith Hunke
City Attorney.....Jannelle Combs
Assistant City Administrator.....Jason Tomanek

Department Directors:

Airport..... Greg Haug
Event Center..... Charlie Jeske
Engineering..... Gabe Schell
Finance..... Dmitriy Chernyak
Fire Department..... Joel Boespflug
Human Resources..... Robert McConnell
Library..... Christine Kujawa
Public Health..... Renae Moch
Community Development.....Ben Ehreth
Police Department..... Dave Draovitch
Public Works Service Operations..... Jeff Heintz
Public Works Utility Operations..... Michelle Klose

FINANCIAL SECTION





Independent Auditor's Report

To the Honorable Mayor
and Board of City Commissioners
City of Bismarck
Bismarck, North Dakota

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bismarck, North Dakota, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note IV. N. to the financial statements, the City has adopted the provisions of GASB Statement No. 84, Fiduciary Activities, which has resulted in a restatement of the net position as of January 1, 2020. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparisons for the General Fund and Sales Tax Fund, and the pension schedules 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 Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to 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 Bismarck, North Dakota's basic financial statements. The introductory section, combining nonmajor fund financial statements, budget and actual comparisons, capital asset schedules and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining nonmajor fund financial statements, budget and actual comparisons, and capital asset schedules 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 combining nonmajor fund financial statements, budget to actual comparisons, and capital asset schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 28, 2021 on our consideration of the City of Bismarck's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Bismarck'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 of Bismarck's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Bismarck, North Dakota
June 28, 2021

MANAGEMENT'S
DISCUSSION
AND
ANALYSIS

CITY OF BISMARCK, NORTH DAKOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis for the City of Bismarck, North Dakota (City) offers readers a narrative overview and analysis of the City's financial activities for the fiscal year ended December 31, 2020. Readers are encouraged to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, basic financial statements, and notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$981,789,046 (net position). Of this amount, \$206,367,891 may be used to meet the government's ongoing obligations to citizens and creditors.
- Total net position increased by \$44,735,280. The increase in net position is explained in subsequent sections of the analysis.
- As of December 31, 2020, the City's governmental activities reported combined ending net position of \$490,141,407, an increase of \$26,292,235 in comparison with the prior year. The unrestricted net position of \$154,297,592 or 31.48% of the governmental net position, is available for spending at the government's discretion.
- As of December 31, 2020, unassigned fund balance for the general fund was \$32,885,439, assigned fund balance was \$17,300,470, restricted fund balance was \$6,049,590, and nonspendable fund balance was \$38,799.
- Revenue from all sources totaled \$185,220,304 which was an increase of \$25,923,673 from 2019. This increase is mainly attributed to federal grants received through the Coronavirus Relief Funds and US Department of Housing and Urban Development, an increase of property tax revenues due to an increased property valuations and mill levy rate in 2020, and an increase in sales tax revenues primarily due to an additional half-cent sales tax for the construction and reconstruction of major arterial roadways collected for the entire year.
- Central Dakota Communications Center (CenCom) is presented as a discretely presented component unit for 2020. It was determined that CenCom has dependency on the City which resulted in the change of reporting CenCom as a discretely presented component unit. Further detail on CenCom can be found in the notes to the financial statements.
- The City implemented Statement No. 84 of the Government Accounting Standards Board, *Fiduciary Activities*. As a result, deferred sick leave no longer met the criteria to be classified as a fiduciary fund. The net position of governmental and fiduciary activities was restated to reflect the effect of adopting the standard.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to 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 of the City's assets, deferred outflows of resources, deferred inflows of resources and liabilities, with the difference between the two reported as net position.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event of the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused annual leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, health and welfare, culture and recreation, and public works. The business-type activities of the City include an Airport, Event Center, Solid Waste Disposal, Solid Waste Collections, Water, Sanitary Sewer, Storm Water, Northern Plains Commerce Centre, and Parking Authority Lots.

The government-wide financial statements can be found on pages 20 - 21 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Sales Tax Fund, Highway Construction Fund, Sewermain Bond Fund, Street Improvement Bond Fund, and Street Improvement Construction Fund which are considered to be major funds. Data from the other governmental funds are combined into an aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its governmental funds, except for capital project funds. A budgetary comparison statement has been provided for all of these funds to demonstrate compliance with the approved budget.

The basic governmental fund financial statements can be found on pages 22 - 25 of this report.

Proprietary funds: The City maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report activities that charge for services it provides to outside customers. The enterprise funds are presented as business-type activities in the government-wide financial statements. Internal service funds are used to accumulate and allocate costs internally among the City's

various functions. The internal service funds are allocated across governmental activities or business-type activities in the government-wide statements.

Proprietary funds present information using the accrual basis of accounting. The proprietary fund financial statements provide separate information for the Airport, Event Center, Solid Waste Disposal, Solid Waste Collections, Water, Sanitary Sewer, Storm Water, Northern Plains Commerce Centre and Parking Authority. Airport, Event Center, Water, Sanitary Sewer, and Storm Water are considered major proprietary funds. Data from the nonmajor proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements as supplementary information in this report.

The basic proprietary fund financial statements can be found on pages 26 - 28 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own functions. Fiduciary funds use the accrual basis of accounting. The basic fiduciary fund financial statements can be found on pages 29 - 30 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31 - 70 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 71 - 74 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position - The following table presents condensed financial information on the City's Net Position as of December 31, 2019 and December 31, 2020.

	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Current and Other Non-Capital Assets	\$ 248,336,041	\$ 259,836,818	\$ 75,557,208	\$ 77,978,253	\$ 323,893,249	\$ 337,815,071
Capital Assets	362,141,710	377,865,772	491,879,549	505,257,427	854,021,259	883,123,199
Total Assets	610,477,751	637,702,590	567,436,757	583,235,680	1,177,914,508	1,220,938,270
Deferred Outflows of Resources	5,166,643	4,617,821	1,447,000	1,136,865	6,613,643	5,754,686
Long-Term Liabilities Outstanding	139,566,065	132,393,227	89,396,656	86,146,172	228,962,721	218,539,399
Other Liabilities	7,498,561	12,193,071	5,023,282	4,836,546	12,521,843	17,029,617
Total Liabilities	147,064,626	144,586,298	94,419,938	90,982,718	241,484,564	235,569,016
Deferred Inflows of Resources	5,543,697	7,592,706	1,259,225	1,742,188	6,802,922	9,334,894
Net Position:						
Net Investment in Capital Assets	238,971,819	258,881,437	409,059,784	426,085,338	648,031,603	684,966,775
Restricted	78,260,446	76,962,378	12,408,591	13,492,002	90,669,037	90,454,380
Unrestricted	145,803,806	154,297,592	51,736,219	52,070,299	197,540,025	206,367,891
Total Net Position	\$ 463,036,071	\$ 490,141,407	\$ 473,204,594	\$ 491,647,639	\$ 936,240,665	\$ 981,789,046

The largest portion of the City's net position is the net investment in capital assets of \$684,966,775. This number consists of capital assets (e.g., land, buildings, machinery and equipment) less any related outstanding debt used to acquire those assets.

The City's net position also reflects \$90,454,380 that is restricted due to externally imposed constraints that are placed on the use of resources. The City's restricted net position is primarily made up of resources that are required to be used for future building construction, capital projects, or debt service.

The remaining balance of \$206,367,891 represents the unrestricted portion of the City's net position. Unrestricted net position may be used to meet the City's ongoing services to the citizens.

Statement of Activities - The following presents the changes in net position for governmental and business-type activities for the fiscal year ending December 31, 2019 and December 31, 2020.

	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Revenues:						
Program Revenues:						
Charges for Services	\$ 11,333,254	\$ 12,307,628	\$ 53,147,164	\$ 51,048,917	\$ 64,480,418	\$ 63,356,545
Operating Grants and Contributions	10,374,465	25,630,321	38,307	3,015,545	10,412,772	28,645,866
Capital Grants and Contributions	15,828,761	22,330,509	13,085,359	9,548,744	28,914,120	31,879,253
General Revenues:						
Taxes	54,389,208	55,614,963	45,071	44,737	54,434,279	55,659,700
Investment Earnings	4,277,125	4,040,976	1,660,326	1,172,657	5,937,451	5,213,633
Gain (Loss) on Disposal of Capital Assets	(30,697)	673,970	(4,851,712)	(208,663)	(4,882,409)	465,307
Total Revenues	96,172,116	120,598,367	63,124,515	64,621,937	159,296,631	185,220,304
Expenses:						
General Government	16,227,336	20,219,261	-	-	16,227,336	20,219,261
Public Safety	29,579,689	30,415,140	-	-	29,579,689	30,415,140
Highways and Streets	11,597,897	10,975,903	-	-	11,597,897	10,975,903
Health and Welfare	3,506,605	3,606,230	-	-	3,506,605	3,606,230
Culture and Recreation	3,610,946	3,398,425	-	-	3,610,946	3,398,425
Public Works	12,980,551	16,422,484	-	-	12,980,551	16,422,484
Interest and Fiscal Charges	3,835,971	4,314,667	-	-	3,835,971	4,314,667
Airport	-	-	8,008,830	8,548,410	8,008,830	8,548,410
Event Center	-	-	9,947,984	6,096,566	9,947,984	6,096,566
Solid Waste Disposal	-	-	3,068,343	2,820,233	3,068,343	2,820,233
Solid Waste Collections	-	-	4,185,101	4,057,608	4,185,101	4,057,608
Water	-	-	12,825,126	13,571,779	12,825,126	13,571,779
Sanitary Sewer	-	-	8,776,175	8,601,524	8,776,175	8,601,524
Storm Water	-	-	2,313,297	5,509,598	2,313,297	5,509,598
Commercial Property	-	-	26,593	-	26,593	-
Northern Plains Commerce Centre	-	-	286,817	285,811	286,817	285,811
Parking Authority	-	-	1,615,739	1,641,385	1,615,739	1,641,385
Total Expenses	81,338,995	89,352,110	51,054,005	51,132,914	132,393,000	140,485,024
Change in Net Position Before Transfers	14,833,121	31,246,257	12,070,510	13,489,023	26,903,631	44,735,280
Transfers	(4,128,260)	(4,954,022)	4,128,260	4,954,022	-	-
Change in Net Position	10,704,861	26,292,235	16,198,770	18,443,045	26,903,631	44,735,280
Net Position, Beginning of Year, as Restated	452,331,210	463,849,172	457,005,824	473,204,594	909,337,034	937,053,766
Net Position, End of Year	\$463,036,071	\$490,141,407	\$473,204,594	\$491,647,639	\$936,240,665	\$981,789,046

Governmental Activities

Governmental activities increased the City's net position by \$26,292,235, accounting for 58.77% of the total increase in the net position of the City. As stated previously, the increase is primarily attributed to grants received from the Coronavirus Relief Fund and the US Department of Housing and Urban Development and increases in property tax collections and sales tax revenues.

Business-type Activities

Business-type activities increased the City's net position by \$18,443,045, accounting for 41.23% of the total growth in the City's net position. Increases in water usage and grants received for water projects makes up a significant portion of the increase in net position.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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, 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 December 31, 2020, the City's governmental funds reported combined ending fund balances of \$159,449,141, an increase of \$13,088,216 in comparison with the prior year.

At the end of the current fiscal year, total fund balance of the General Fund reached \$56,274,298 which is an increase of \$10,420,293 as compared to the prior year. The unassigned fund balance of the General Fund was \$32,885,439 which is a decrease of \$2,671,500 from the prior year. The decrease is primarily due to unassigned fund balance being used to cover reductions in revenue from COVID-19. Assigned fund balance was \$17,300,470 which is an increase of \$12,534,736 from the prior year. The increase is largely attributed to Coronavirus Relief Funds received that were used to reimburse Police Officer and Public Health salaries that were originally going to be paid using City resources. The unspent funds are assigned to be used for future COVID-19 related costs.

Total restricted fund balance was \$76,962,378. This represents a decrease of \$1,298,069 from the prior year. The decrease is related to a major road construction project that was completed in 2020 and paid with Sales Tax revenues.

The committed fund balance of \$46,139,992 increased by \$8,747,720 compared to the prior year. This is due to transfers from the Sales Tax Fund to the Highway Construction Fund that will be utilized for future road construction projects.

Proprietary Funds

The City's proprietary fund statements use the accrual basis of accounting.

Unrestricted net position of the proprietary funds at the end of the year amounted to \$51,861,665. All individual proprietary funds reported increases in net position, except for Storm Water (\$885,064), Northern Plains Commerce Centre (\$186,689), and the Parking Authority (\$71,464). Storm Water paid a large portion of special assessments in 2020 to save on future costs. Northern Plains Commerce Center decrease in fund balance is due to depreciation on capital assets. The Parking Authority had a decrease in revenue due to the COVID-19 pandemic and a lower demand for parking. The remaining utility funds stayed consistent from the prior year.

Airport operating revenues decreased \$2,597,213 compared to the prior year due to the COVID-19 pandemic. The Airport received a CARES Act grant in the amount of \$20,291,850 to be used over a period of four years. \$2,956,444 in CARES Act revenue was received in 2020.

Event Center operating revenues decreased \$4,538,111 compared to the prior year due to the COVID-19 pandemic. The Event Center saw a decrease in operating expenses due to a reduction in events and an increase in transfers from the Liquor, Lodging, and Food fund for capital purchases. This resulted in an increase in net position of \$278,589 from the prior year. The Event Center has applied for a Shuttered Venue Operations Grant through the Small Business Administration. The grant could provide up to \$3.4

million to the Event Center for reductions in revenue from COVID-19. At the time of this analysis, the Event Center continues to wait for notification from SBA.

Internal service fund revenues and expenses remained consistent with the prior year. Fleet Services saw a decrease in fuel consumption in 2020 which resulted in a net position decrease of \$126,848. Due to rising health costs, the employee insurance fund saw a decrease in net position of \$246,571. The remaining Internal Service Funds saw small increases in net position.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year the City had an overall increase between the original and final budget of \$665,708. This is due to budget amendments needed due to unforeseen expenditures in 2020. Significant variances between budget and actual are as follows:

- Taxes collected were under budget by \$987,911 which is largely due to the 5% discount on early payment of property tax as described in the notes to the financial statements.
- Intergovernmental revenue exceeded budget by \$10,153,495 which is primarily due to Coronavirus Relief Funds received from the federal government.
- Charges for services exceeded budget by \$730,214 due to an accounting change of moving Central Dakota Communications Center (CenCom) from the General Fund to a discretely presented component unit in 2020. The City provides employees to operate CenCom which were paid from the General Fund. CenCom subsequently reimbursed the General Fund for the salaries and benefits paid on their behalf.
- Licenses and Permits exceeded budget by \$706,877 which is due to a new liquor license that was created and not budgeted and an increase in building permits from the prior year.
- Fines and Forfeitures were under budget by \$390,368 which is due to the COVID-19 pandemic. Criminal court was not held for two months and a limit on the number of people that could be seen was in place after operations resumed.
- Highways and Streets surplus of \$293,960 is due to vacant positions and staff retirements resulting in unexpended wages and benefits.
- Health and Welfare surplus of \$309,191 is due to Public Health adjusting operations in order to address the pandemic. Many COVID-19 related expenses were covered by federal grants.
- Capital outlay surplus of \$1,596,851 is due to one-time purchases that were not completed in 2020 but rolled over to 2021. This includes a work order system, radios for the fire department and various other purchases.
- Proceeds from sale of capital assets is the sale of the Public Health building for \$2,133,163.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets – As of December 31, 2020, the City's capital assets for its governmental and business type activities were \$883,123,199 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress.

The following table summarizes capital assets for governmental and business-type activities for 2019 and 2020:

**City of Bismarck
Capital Assets
(net of depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Land	\$ 2,767,950	\$ 2,767,950	\$ 18,576,528	\$ 18,630,429	\$ 21,344,478	\$ 21,398,379
Construction in Progress	2,870,631	10,327,798	4,061,597	18,964,700	6,932,228	29,292,498
Buildings and Building Improvements	19,001,256	17,267,502	171,039,513	167,289,829	190,040,769	184,557,331
Improvements Other Than Buildings	14,282	12,103	277,535,991	278,947,368	277,550,273	278,959,471
Infrastructure	323,529,424	334,070,116	-	-	323,529,424	334,070,116
Machinery and Equipment	13,958,167	13,420,303	20,665,919	21,425,101	34,624,086	34,845,404
Total	<u>\$ 362,141,710</u>	<u>\$ 377,865,772</u>	<u>\$ 491,879,548</u>	<u>\$ 505,257,427</u>	<u>\$ 854,021,258</u>	<u>\$ 883,123,199</u>

The following are the major capital asset transactions and events during the fiscal year ending December 31, 2020:

- The reconstruction of 43rd Ave from Washington Street to State Street.
- 57th Ave and Brookside Lane improvements.
- The construction of a regional storm water detention pond on north Washington Street.
- Asphalt resurfacing throughout various residential neighborhoods.
- Main Ave three lane conversion from Washington Street to 7th Street.
- Airport runway improvements.
- Parkade parking ramp structural tendon repairs.
- HVAC improvements for the library.

Additional information on the City's capital assets can be found in Note IV.D on pages 45 – 47 of this report.

Long-term debt – As of December 31, 2020, the City had total long-term debt outstanding of \$216,859,148. Of this amount, \$112,820,000 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The City revenue bonds are secured by Water Revenue, Sanitary Sewer Revenue and Lodging, Liquor and Food Tax.

The following table shows various classifications of the City's long-term debt as of December 31, 2020:

City of Bismarck Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Net Pension Liability	\$ 13,040,343	\$ 9,608,671	\$ 2,574,151	\$ 1,707,709	\$ 15,614,494	\$ 11,316,380
Special Assessment Bonds	118,080,000	112,820,000	-	-	118,080,000	112,820,000
Plus Unamortized Premiums	4,752,538	5,465,170	-	-	4,752,538	5,465,170
Compensated Absences	3,197,602	3,669,116	928,183	949,885	4,125,785	4,619,001
Claims and Judgments	495,582	762,770	150,418	231,230	646,000	994,000
Closure and Postclosure Costs	-	-	3,065,981	3,047,041	3,065,981	3,047,041
Event Center Revenue Bonds	-	-	21,695,000	20,590,000	21,695,000	20,590,000
Less Unamortized Discount	-	-	(19,611)	(18,278)	(19,611)	(18,278)
Water Revenue Bonds-2012	-	-	1,515,000	765,000	1,515,000	765,000
Plus Unamortized Premium	-	-	11,404	2,851	11,404	2,851
Water Revenue Bonds-2013	-	-	5,945,000	-	5,945,000	-
Plus Unamortized Premium	-	-	825	-	825	-
Water Revenue Bonds-2014	-	-	9,370,000	8,550,000	9,370,000	8,550,000
Less Unamortized Discount	-	-	(84,281)	(75,169)	(84,281)	(75,169)
Water Revenue Bonds-2020	-	-	-	4,825,000	-	4,825,000
Plus Unamortized Premium	-	-	-	333,089	-	333,089
Water Treatment-2009	-	-	9,095,000	8,230,000	9,095,000	8,230,000
Drinking Water SRF-2020	-	-	-	3,013,044	-	3,013,044
Wastewater Revenue Bonds-2006	-	-	9,390,000	8,335,000	9,390,000	8,335,000
Wastewater Revenue Bonds-2015	-	-	24,785,000	23,540,000	24,785,000	23,540,000
Less Unamortized Discount	-	-	(59,352)	(55,481)	(59,352)	(55,481)
Clean Water SRF-2020	-	-	-	562,500	-	562,500
Total	\$139,566,065	\$132,325,727	\$ 88,362,718	\$ 84,533,421	\$227,928,783	\$216,859,148

The City issued total special assessment debt of \$22,370,000 in December 2020. \$10,920,000 was issued to refund existing special assessment bonds and the remainder was issued for special assessment projects completed in 2019.

The City issued \$4,825,000 in revenue bonds in October 2020 to refund Water Revenue Bonds, Series 2013. The existing revenue bonds are secured by water and sewer revenue and Lodging, Liquor and Food tax.

The City received new loans from the Drinking Water State Revolving Fund and Clean Water State Revolving Fund. As of December 31, 2020, \$3,748,044 was drawn for drinking water and \$562,500 was drawn for clean water. \$735,000 of the drinking water loan is eligible for loan forgiveness. In 2021, the City anticipates receiving an additional \$2,000,000 loan from the drinking water loan fund with \$647,000 eligible for forgiveness.

The City received an Aa2 bond rating from Moody's. These ratings are consistent with previous ratings received from this agency.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5% of its total assessed valuation. The City has no outstanding general obligation debt.

Net pension liability of the City as of December 31, 2020 was \$11,316,380, a decrease of \$4,298,114 from 2019. The decrease was due to actual investment returns exceeding projections and differences between actual and expected experience.

More detailed information about the debt position of the City can be found on Note IV.F on page 49 and more detailed information about the City's pension plans can be found on Note IV.M starting on page 57.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Growth has continued in the property tax base with new construction and improvements in residential properties. The total estimated market value for 2021 increased 2.9% from the prior year. The continued growth leads to an increase in the need for the expansion of infrastructure, improvements for streets and utilities, and additional resources for Police, Fire, and Public Health. In 2021, the City increased the property tax mill levy rate in order to meet the increasing demands of the City.

The City is continuing to monitor the impacts of COVID-19 on the community. Unemployment has declined to 3.4% compared to 9.0% at the peak of the pandemic. The City anticipates continued revenue shortfalls in various areas but overall, has been able to maintain strong reserve balances. The City anticipates receiving an additional \$9.6 million in Coronavirus State and Local Fiscal Recovery Funds. The City is in a very strong position to meet any short-term losses sustained as a result of the pandemic.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 221 North Fifth Street, City of Bismarck, ND, 58506 or visit the City's web site at www.bismarcknd.gov.

BASIC FINANCIAL STATEMENTS



CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Primary Government			Component Unit
	Governmental	Business-Type	Total	Central Dakota
	Activities	Activities		Communications
				Center
ASSETS:				
Current Assets				
Cash and Investments	\$ 145,291,908	\$ 50,021,819	\$ 195,313,727	\$ -
Taxes Receivable	311,223	-	311,223	-
Accounts Receivable	13,464,064	5,859,242	19,323,306	-
Special Assessments Receivable	94,544,486	9,159,158	103,703,644	-
Interest Receivable	997,501	434,420	1,431,921	-
Notes Receivable	3,580,061	-	3,580,061	-
Inventory	353,501	147,308	500,809	-
Prepaid Items	5,893	152,485	158,378	630
Internal Balances	1,288,181	(1,288,181)	-	-
Total Current Assets	<u>259,836,818</u>	<u>64,486,251</u>	<u>324,323,069</u>	<u>630</u>
Noncurrent Assets				
Restricted Cash and Investments	-	13,492,002	13,492,002	-
Land	2,767,950	18,630,429	21,398,379	-
Construction in Progress	10,327,798	18,964,700	29,292,498	-
Buildings and Building Improvements	17,267,502	167,289,829	184,557,331	12,333,958
Improvements Other Than Buildings	12,103	278,947,368	278,959,471	-
Infrastructure	334,070,116	-	334,070,116	-
Machinery and Equipment	13,420,303	21,425,101	34,845,404	2,415,255
Total Noncurrent Assets	<u>377,865,772</u>	<u>518,749,429</u>	<u>896,615,201</u>	<u>14,749,213</u>
Total Assets	<u>637,702,590</u>	<u>583,235,680</u>	<u>1,220,938,270</u>	<u>14,749,843</u>
DEFERRED OUTFLOWS OF RESOURCES				
Asset Retirement Obligation	67,500	-	67,500	-
Pensions	4,550,321	1,136,865	5,687,186	-
Total Deferred Outflows of Resources	<u>4,617,821</u>	<u>1,136,865</u>	<u>5,754,686</u>	<u>-</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	5,876,361	3,222,447	9,098,808	-
Retainage Payable	699,165	574,533	1,273,698	-
Salaries Payable	1,991,757	501,067	2,492,824	-
Accrued Interest Payable	552,270	538,007	1,090,277	-
Unearned Revenue	2,998,472	492	2,998,964	-
Customer Deposits	75,046	-	75,046	-
Due Within One Year	20,501,505	7,494,939	27,996,444	459,485
Total Current Liabilities	<u>32,694,576</u>	<u>12,331,485</u>	<u>45,026,061</u>	<u>459,485</u>
Noncurrent Liabilities				
Customer Deposits	-	1,612,751	1,612,751	-
Due in More Than One Year	102,215,551	75,330,773	177,546,324	11,902,207
Net Pension Liability	9,608,671	1,707,709	11,316,380	-
Asset Retirement Obligation	67,500	-	67,500	-
Total Noncurrent Liabilities	<u>111,891,722</u>	<u>78,651,233</u>	<u>190,542,955</u>	<u>11,902,207</u>
Total Liabilities	<u>144,586,298</u>	<u>90,982,718</u>	<u>235,569,016</u>	<u>12,361,692</u>
DEFERRED INFLOWS OF RESOURCES				
Pensions	<u>7,592,706</u>	<u>1,742,188</u>	<u>9,334,894</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	258,881,437	426,085,338	684,966,775	2,388,151
Restricted For				
Building Construction	6,049,590	-	6,049,590	-
Capital Projects	22,856,140	-	22,856,140	-
Debt Service	47,784,781	13,492,002	61,276,783	-
Highway Weather Related Projects	271,867	-	271,867	-
Unrestricted	154,297,592	52,070,299	206,367,891	-
Total Net Position	<u>\$ 490,141,407</u>	<u>\$ 491,647,639</u>	<u>\$ 981,789,046</u>	<u>\$ 2,388,151</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

					NET REVENUES (EXPENSE) AND CHANGES IN NET POSITION			
					PRIMARY GOVERNMENT			COMPONENT UNIT
								Central Dakota Communications Center
Functions / Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental Activities								
General Government	\$ 20,219,261	\$ 3,844,027	\$ 16,003,800	\$ -	\$ (371,434)	\$ -	\$ (371,434)	\$ -
Public Safety	30,415,140	3,170,759	925,768	-	(26,318,613)	-	(26,318,613)	-
Highways and Streets	10,975,903	4,710,938	3,756,603	-	(2,508,362)	-	(2,508,362)	-
Health and Welfare	3,606,230	514,777	1,607,396	-	(1,484,057)	-	(1,484,057)	-
Culture and Recreation	3,398,425	67,127	606,802	-	(2,724,496)	-	(2,724,496)	-
Public Works	16,422,484	-	2,729,952	22,330,509	8,637,977	-	8,637,977	-
Interest and Fiscal Charges	4,314,667	-	-	-	(4,314,667)	-	(4,314,667)	-
Total Governmental Activities	89,352,110	12,307,628	25,630,321	22,330,509	(29,083,652)	-	(29,083,652)	-
Business-Type Activities								
Airport	8,548,410	5,028,751	2,966,444	2,390,678	-	1,837,463	1,837,463	-
Event Center	6,096,566	2,945,849	-	-	-	(3,150,717)	(3,150,717)	-
Water	13,571,779	18,822,596	-	4,979,823	-	10,230,640	10,230,640	-
Sanitary Sewer	8,601,524	12,020,917	-	1,703,969	-	5,123,362	5,123,362	-
Storm Water	5,509,598	1,455,797	49,101	474,274	-	(3,530,426)	(3,530,426)	-
Solid Waste Disposal	2,820,233	3,995,766	-	-	-	1,175,533	1,175,533	-
Solid Waste Collections	4,057,608	5,119,114	-	-	-	1,061,506	1,061,506	-
Northern Plains Commerce Centre	285,811	67,717	-	-	-	(218,094)	(218,094)	-
Parking Authority	1,641,385	1,592,410	-	-	-	(48,975)	(48,975)	-
Total Business-Type Activities	51,132,914	51,048,917	3,015,545	9,548,744	-	12,480,292	12,480,292	-
Total Primary Government	\$ 140,485,024	\$ 63,356,545	\$ 28,645,866	\$ 31,879,253	(29,083,652)	12,480,292	(16,603,360)	-
Component Unit								
Central Dakota Comm Center	\$ 3,234,117	\$ 3,207,013	\$ -	\$ 2,415,255	-	-	-	2,388,151
General Revenues								
Property Taxes					22,387,939	-	22,387,939	-
Sales Tax					23,411,959	-	23,411,959	-
Occupancy Tax					619,471	-	619,471	-
Lodging, Liquor, and Food Tax					2,553,256	-	2,553,256	-
Car Rental Tax					39,722	-	39,722	-
State Aid					4,202,218	-	4,202,218	-
Franchise Taxes					1,040,153	-	1,040,153	-
Other Taxes					1,360,245	44,737	1,404,982	-
Investment Income					4,040,976	1,172,657	5,213,633	-
Gain (Loss) on Disposal of Capital Assets					673,970	(208,663)	465,307	-
Transfers					(4,954,022)	4,954,022	-	-
Total General Revenues, Gain (Loss) on Disposal of Capital Assets, and Transfers					55,375,887	5,962,753	61,338,640	-
Change in Net Position					26,292,235	18,443,045	44,735,280	2,388,151
Net Position, Beginning of Year, as Restated					463,849,172	473,204,594	937,053,766	-
Net Position, End of Year					\$ 490,141,407	\$ 491,647,639	\$ 981,789,046	\$ 2,388,151

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General Fund	Sales Tax	Highway Construction	Sewermain Bonds	Street Improvement Bonds	Street Improvement Construction	Total Nonmajor Funds	Total Governmental Funds
ASSETS								
Cash and Investments	\$ 53,481,333	\$ 25,291,521	\$18,581,671	\$ 7,002,430	\$ 15,104,556	\$ -	\$ 22,488,447	\$ 141,949,958
Taxes Receivable	260,418	-	-	-	-	-	50,805	311,223
Accounts Receivable	3,807,654	3,764,093	170,526	-	-	-	5,384,031	13,126,304
Special Assessments Receivable	-	-	169,658	16,499,984	69,350,676	-	8,524,168	94,544,486
Interest Receivable	1,469	-	-	-	-	-	-	1,469
Notes Receivable	-	-	-	-	-	-	3,580,061	3,580,061
Inventory	38,799	-	-	-	-	-	-	38,799
Interfund Receivables	1,367,146	-	-	1,848,141	9,575,573	-	1,768,142	14,559,002
Total Assets	<u>\$ 58,956,819</u>	<u>\$ 29,055,614</u>	<u>\$18,921,855</u>	<u>\$ 25,350,555</u>	<u>\$ 94,030,805</u>	<u>\$ -</u>	<u>\$ 41,795,654</u>	<u>\$ 268,111,302</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE								
LIABILITIES								
Accounts Payable	\$ 894,892	\$ -	\$ 260,189	\$ 10,177	\$ 43,848	\$ 15,268	\$ 3,806,051	\$ 5,030,425
Retainage Payable	-	-	26,801	-	-	548,258	124,106	699,165
Interfund Payables	-	-	-	-	-	9,575,573	3,695,248	13,270,821
Salaries Payable	1,633,531	-	-	-	-	-	321,628	1,955,159
Customer Deposits	100	-	-	-	-	-	74,946	75,046
Unearned Revenue	-	-	-	-	-	-	2,998,472	2,998,472
Total Liabilities	<u>2,528,523</u>	<u>-</u>	<u>286,990</u>	<u>10,177</u>	<u>43,848</u>	<u>10,139,099</u>	<u>11,020,451</u>	<u>24,029,088</u>
DEFERRED INFLOWS OF RESOURCES								
Special Assessments	-	-	162,693	15,149,258	61,780,593	-	7,356,447	84,448,991
Property Tax	153,998	-	-	-	-	-	30,084	184,082
Total Deferred Inflows of Resources	<u>153,998</u>	<u>-</u>	<u>162,693</u>	<u>15,149,258</u>	<u>61,780,593</u>	<u>-</u>	<u>7,386,531</u>	<u>84,633,073</u>
FUND BALANCE								
Nonspendable	38,799	-	-	-	-	-	281,589	320,388
Restricted	6,049,590	22,856,140	-	10,191,120	32,206,364	-	5,659,164	76,962,378
Committed	-	6,199,474	18,472,172	-	-	-	21,468,346	46,139,992
Assigned	17,300,470	-	-	-	-	-	300,000	17,600,470
Unassigned	32,885,439	-	-	-	-	(10,139,099)	(4,320,427)	18,425,913
Total Fund Balances	<u>56,274,298</u>	<u>29,055,614</u>	<u>18,472,172</u>	<u>10,191,120</u>	<u>32,206,364</u>	<u>(10,139,099)</u>	<u>23,388,672</u>	<u>159,449,141</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 58,956,819</u>	<u>\$ 29,055,614</u>	<u>\$18,921,855</u>	<u>\$ 25,350,555</u>	<u>\$ 94,030,805</u>	<u>\$ -</u>	<u>\$ 41,795,654</u>	<u>\$ 268,111,302</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
RECONCILIATION OF BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020**

Total Fund Balances	\$159,449,141
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	377,865,772
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Other assets are not available to pay for current period expenditures and, therefore, are deferred outflow (inflow) of resources in the governmental funds.	85,629,105
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(122,574,056)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. Deferred outflows and inflows of resources related to pensions are applicable to future periods, and, therefore, are not reported in the governmental funds.	(12,651,056)
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Internal service funds are used by management to charge the cost of employee insurance, liability insurance, unemployment insurance, and revolving cost to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	<u>2,422,501</u>
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Total Net Position	<u><u>\$490,141,407</u></u>
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The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	General Fund	Sales Tax	Highway Construction	Sewermain Bonds	Street Improvement Bonds	Street Improvement Construction	Total Nonmajor Funds	Total Governmental Funds
REVENUES								
Taxes	\$ 19,863,847	\$ 23,411,959	\$ -	\$ -	\$ -	\$ -	\$ 6,858,112	\$ 50,133,918
Special Assessments Revenue	-	-	22,430	4,601,172	15,812,988	28,000	4,193,527	24,658,117
Intergovernmental	16,627,881	-	3,442,472	-	-	-	13,197,893	33,268,246
Charges for Services	4,856,581	-	1,511,097	-	-	-	3,856,210	10,223,888
Licenses and Permits	1,964,952	-	-	-	-	-	1,500	1,966,452
Fines and Forfeitures	1,084,832	-	-	-	-	-	155,506	1,240,338
Rentals	182,448	-	-	-	-	-	92,974	275,422
Investment Income	1,028,183	561,469	137,266	156,263	450,524	-	382,703	2,716,408
Miscellaneous	31,349	-	-	-	-	-	671,111	702,460
Total Revenues	45,640,073	23,973,428	5,113,265	4,757,435	16,263,512	28,000	29,409,536	125,185,249
EXPENDITURES								
Current								
General Government	10,983,452	336	-	-	-	-	7,365,625	18,349,413
Public Safety	28,471,110	-	-	-	-	-	1,112,627	29,583,737
Highways and Streets	2,580,690	-	-	-	-	-	7,715,589	10,296,279
Health and Welfare	2,516,697	-	-	-	-	-	1,029,190	3,545,887
Culture and Recreation	471,232	-	-	-	-	-	2,311,599	2,782,831
Public Works	-	-	1,023,208	-	-	1,426,645	2,111,011	4,560,864
Capital Outlay	565,622	-	13,101,723	-	-	13,220,692	8,926,336	35,814,373
Debt Service								
Principal	-	-	-	2,707,050	12,424,355	-	1,578,595	16,710,000
Interest and Fiscal Charges	-	-	-	633,925	2,694,391	-	271,489	3,599,805
Total Expenditures	45,588,803	336	14,124,931	3,340,975	15,118,746	14,647,337	32,422,061	125,243,189
Excess of Revenues Over (Under) Expenditures	51,270	23,973,092	(9,011,666)	1,416,460	1,144,766	(14,619,337)	(3,012,525)	(57,940)
OTHER FINANCING SOURCES (USES)								
Proceeds from Sale of Capital Assets	2,133,163	-	-	-	-	-	-	2,133,163
Issuance of Special Assessment Bonds	-	-	-	1,168,845	9,253,645	7,610,000	4,337,510	22,370,000
Premium on Special Assessment Bonds	-	-	-	67,135	531,505	437,098	228,763	1,264,501
Payment to Escrow Agent on Refunded Bonds	-	-	-	(1,214,185)	(9,673,481)	-	(112,807)	(11,000,473)
Transfers In	12,412,284	-	18,935,136	320,814	362,753	3,543,626	5,040,303	40,614,916
Transfers Out	(4,176,424)	(28,882,731)	(3,093,904)	-	(22,545)	(413,819)	(5,646,528)	(42,235,951)
Total Other Financing Sources (Uses)	10,369,023	(28,882,731)	15,841,232	342,609	451,877	11,176,905	3,847,241	13,146,156
Net Change in Fund Balances	10,420,293	(4,909,639)	6,829,566	1,759,069	1,596,643	(3,442,432)	834,716	13,088,216
Fund Balances, Beginning of Year, as Restated	45,854,005	33,965,253	11,642,606	8,432,051	30,609,721	(6,696,667)	22,553,956	146,360,925
Fund Balances, End of Year	\$ 56,274,298	\$ 29,055,614	\$ 18,472,172	\$ 10,191,120	\$ 32,206,364	\$ (10,139,099)	\$ 23,388,672	\$ 159,449,141

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Changes in Fund Balances	\$13,088,216
Amounts reported for governmental activities in the statement of net position are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	17,487,518
In the statement of activities, the gain (loss) on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale of capital assets increases (decrease) current resources. Thus, the change in net position differs from the change in fund balance by the remaining book value of the disposed capital asset.	(1,763,456)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.	(7,210,734)
The issuance of long-term debt (i.e. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(12,634,028)
Some expenses reported in the statement of activities do not require the use of current financial resources, and, therefore, not reported as expenditures in governmental funds.	17,550,011
Internal service funds are used by management to charge the cost of health insurance, liability insurance, unemployment insurance, and revolving funds to the City's other funds. A portion of the change in net position in the internal service funds is reported with governmental activities.	<u>(225,292)</u>
Change in Net Position	<u><u>\$26,292,235</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL
	Airport	Event Center	Water	Sanitary Sewer	Storm Water	Nonmajor Funds	ACTIVITIES Internal Service Funds
ASSETS							
Current Assets							
Cash and Cash Equivalents	\$ 7,018,941	\$ -	\$ 11,152,304	\$ 11,873,348	\$ 781,247	\$ 18,762,952	\$ 49,588,792
Accounts Receivable	2,121,522	70,860	1,506,359	1,330,640	211,042	618,709	5,859,132
Special Assessments Receivable	-	-	3,474,166	3,588,509	2,096,483	-	9,159,158
Interest Receivable	46,550	-	105,848	135,640	5,729	140,653	434,420
Inventory	-	-	147,308	-	-	-	147,308
Prepaid Items	24,306	38,334	39,013	18,713	2,870	29,249	152,485
Total Current Assets	9,211,319	109,194	16,424,998	16,946,850	3,097,371	19,551,563	65,341,295
Noncurrent Assets							
Restricted Cash and Cash Equivalents	-	161,413	7,270,435	6,060,154	-	-	13,492,002
Land	8,469,631	912,100	877,279	337,375	4,972,397	3,061,647	18,630,429
Construction in Progress	3,112,250	1,002,244	7,741,761	2,357,610	274,849	4,475,986	18,964,700
Buildings and Building Improvements	12,935,695	26,512,967	56,659,611	49,534,271	-	21,647,285	167,289,829
Improvements Other Than Buildings	94,026,169	-	76,936,895	49,356,981	49,758,576	8,868,747	278,947,368
Machinery and Equipment	1,471,612	1,835,831	5,992,617	6,934,481	83,545	5,107,015	21,425,101
Total Noncurrent Assets	120,015,357	30,424,555	155,478,598	114,580,872	55,089,367	43,160,680	518,749,429
Total Assets	129,226,676	30,533,749	171,903,596	131,527,722	58,186,738	62,712,243	584,090,724
DEFERRED OUTFLOWS OF RESOURCES							
Asset Retirement Obligation	-	-	-	-	-	-	67,500
Pensions	186,779	170,061	331,303	188,038	44,095	216,589	1,136,865
Total Deferred Outflows of Resources	186,779	170,061	331,303	188,038	44,095	216,589	1,136,865
LIABILITIES							
Current Liabilities							
Accounts Payable	353,571	58,056	1,539,105	740,670	193,437	268,892	3,153,731
Retainage Payable	75,443	-	436,590	62,500	-	-	574,533
Salaries Payable	90,195	75,920	129,711	70,095	17,854	117,292	501,067
Interfund Payable	-	1,288,181	-	-	-	-	1,288,181
Unearned Revenue	-	-	-	-	-	492	492
Accrued Interest Payable	-	94,431	202,173	241,403	-	-	538,007
Compensated Absences Payable	117,377	110,487	167,841	72,787	24,733	139,940	633,165
Claims and Judgments Payable	-	-	-	-	-	-	994,000
Debt Payable	-	1,135,000	3,135,044	2,360,500	-	-	6,630,544
Total Current Liabilities	636,586	2,762,075	5,610,464	3,547,955	236,024	526,616	13,319,720
Noncurrent Liabilities							
Customer Deposits	-	606,750	977,500	-	-	28,501	1,612,751
Compensated Absences Payable	33,658	41,010	47,425	46,478	10,643	137,506	316,720
Asset Retirement Obligation Liability	-	-	-	-	-	-	-
Net Pension Liability	274,872	250,080	490,484	278,384	65,282	348,607	1,707,709
Debt Payable	-	19,436,722	22,508,771	30,021,519	-	-	71,967,012
Closure and Post-Closure Liability	-	-	-	-	-	3,047,041	3,047,041
Total Noncurrent Liabilities	308,530	20,334,562	24,024,180	30,346,381	75,925	3,561,655	78,651,233
Total Liabilities	945,116	23,096,637	29,634,644	33,894,336	311,949	4,088,271	91,970,953
DEFERRED INFLOWS OF RESOURCES							
Pensions	280,420	259,457	478,927	271,825	63,743	387,816	1,742,188
NET POSITION							
Net Investment in Capital Assets	120,015,357	9,691,420	122,127,758	76,076,199	55,089,367	43,160,680	426,160,781
Restricted for Debt Service	-	161,413	7,270,435	6,060,154	-	-	13,492,002
Unrestricted	8,172,562	(2,505,117)	12,723,135	15,413,246	2,765,774	15,292,065	51,861,665
Total Net Position	\$128,187,919	\$ 7,347,716	\$142,121,328	\$ 97,549,599	\$ 57,855,141	\$ 58,452,745	\$ 491,514,448

Difference Between Business-Type Adjustments to Statement of Net Position 133,191
Total Net Position, Business-Type Activities \$491,647,639

CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITIES
	Airport	Event Center	Water	Sanitary Sewer	Storm Water	Nonmajor Funds	Internal Service Funds
OPERATING REVENUES							
Event Sales	\$ -	\$ 2,305,325	\$ -	\$ -	\$ -	\$ -	\$ -
Gas and Oil Sales	-	-	-	-	-	-	642,084
Parts and Labor Sales	56,445	182,496	150,237	135	450	-	2,154,246
Water Sales	1,747	-	17,878,937	-	-	-	-
Sanitation Fees	-	-	19,336	12,005,763	1,425,605	8,987,127	-
Landing and Airport Fees	2,184,440	-	-	-	-	-	-
Miscellaneous Sales	13,999	107,304	19,974	2,700	29,742	18,323	426,964
Rentals	2,772,120	350,724	754,112	12,319	-	1,769,557	17,413
Employer Contributions	-	-	-	-	-	-	11,058,795
Employee Contributions	-	-	-	-	-	-	94,295
Total Operating Revenues	5,028,751	2,945,849	18,822,596	12,020,917	1,455,797	10,775,007	14,393,797
OPERATING EXPENSES							
Cost of Goods Sold	-	727,105	98,760	-	-	-	1,669,951
Salaries and Wages	1,411,947	1,783,562	2,173,354	1,261,173	317,442	1,902,131	649,149
Fringe Benefits	601,219	664,390	1,008,287	565,082	134,738	908,508	306,355
Professional Legal and Contracted Services	1,181,501	86,434	249,431	56,114	75,338	651,946	2,151
Building Equipment and Vehicle Services	832,081	636,896	2,530,541	1,222,814	3,768,585	1,465,397	282,310
Travel and Training	4,199	3,809	11,742	4,867	300	3,370	3,892
Operating Services	237,987	229,801	733,042	235,836	13,315	1,634,334	11,948,095
Operating Supplies	268,102	28,552	1,234,828	478,496	10,428	279,586	13,688
Depreciation Expense	4,006,246	1,100,446	4,660,727	3,757,048	1,188,311	1,951,742	4,665
Total Operating Expenses	8,543,282	5,260,995	12,700,712	7,581,430	5,508,457	8,797,014	14,880,256
Net Operating Income (Loss)	(3,514,531)	(2,315,146)	6,121,884	4,439,487	(4,052,660)	1,977,993	(486,459)
NONOPERATING REVENUES (EXPENSES)							
Grants	2,966,444	-	-	-	-	-	-
Taxes	44,737	-	-	-	-	-	-
Special Assessments	-	-	38,508	(18,522)	122,098	-	-
Investment Income	94,418	1,895	544,449	257,099	18,993	248,865	52,495
Gain (Loss) on Disposal of Capital Assets	-	5,760	10,919	49,330	-	(274,672)	87,733
Interest and Fiscal Charges	-	(830,183)	(862,235)	(1,015,183)	-	-	-
Total Nonoperating Revenues (Expenses)	3,105,599	(822,528)	(268,359)	(727,276)	141,091	(25,807)	140,228
Net Income (Loss) Before Capital Charges, Capital Grants, Capital Contributions, and Transfers	(408,932)	(3,137,674)	5,853,525	3,712,211	(3,911,569)	1,952,186	(346,231)
Capital Charges	-	-	632,856	270,539	-	-	-
Capital Grants	2,341,978	-	2,805,618	-	49,101	-	-
Capital Contributions	48,700	192,187	1,887,689	1,532,164	3,122,247	-	-
Transfers In	9,930	3,461,681	181,429	-	-	-	330,000
Transfers Out	(157,524)	(237,605)	(549,984)	(175,681)	(144,843)	(829,645)	(266,723)
Change in Net Position	1,834,152	278,589	10,811,133	5,339,233	(885,064)	1,122,541	(282,954)
Net Position, Beginning of Year	126,353,767	7,069,127	131,310,195	92,210,366	58,740,205	57,330,204	2,591,799
Net Position, End of Year	\$ 128,187,919	\$ 7,347,716	\$ 142,121,328	\$ 97,549,599	\$ 57,855,141	\$ 58,452,745	\$ 2,308,845
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds						(57,539)	
Changes in Net Position, Business-Type Activities						\$ 18,443,045	

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS							GOVERNMENTAL
								ACTIVITIES
	Airport	Event Center	Water	Sanitary Sewer	Storm Water	Nonmajor	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts From Customers and Users	\$ 3,273,619	\$ 3,001,640	\$ 18,594,689	\$ 11,506,251	\$ 1,335,930	\$ 10,913,375	\$ 48,625,504	\$ 3,376,855
Receipts From Employer	-	-	-	-	-	-	-	11,058,795
Payments to Suppliers	(3,074,033)	(2,486,627)	(4,985,213)	(2,099,688)	(4,162,339)	(5,011,010)	(21,818,910)	(14,259,662)
Payments to Employees	(1,424,170)	(1,808,920)	(2,157,718)	(1,247,762)	(313,214)	(1,891,842)	(8,843,626)	(648,502)
Net Cash Provided (Used) by Operating Activities	(1,224,584)	(1,293,907)	11,451,758	8,158,801	(3,139,623)	4,010,523	17,962,968	(472,514)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Grants Received	2,966,444	-	-	-	-	-	2,966,444	-
Payments from Other Funds	9,930	4,772,792	181,429	-	-	-	4,964,151	330,000
Payments to Other Funds	(157,524)	(237,605)	(549,984)	(175,681)	(144,843)	(829,645)	(2,095,282)	(266,723)
Net Cash Provided (Used) by Noncapital Financing Activities	2,818,850	4,535,187	(368,555)	(175,681)	(144,843)	(829,645)	5,835,313	63,277
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Grants Received	2,341,978	-	2,070,618	-	49,101	-	4,461,697	-
Taxes Received	44,737	-	-	-	-	-	44,737	-
Loan Proceeds	-	-	3,131,683	562,500	-	-	3,694,183	-
Proceeds from Refunding Bond Issuance	-	-	4,825,000	-	-	-	4,825,000	-
Premium from Refunding Bond Issuance	-	-	333,089	-	-	-	333,089	-
Payment to Escrow Agent on Refunded Bonds	-	-	(5,365,000)	-	-	-	(5,365,000)	-
Debt Principal Paid	-	(1,105,000)	(3,015,000)	(2,300,000)	-	-	(6,420,000)	-
Debt Interest and Fees Paid	-	(833,627)	(894,789)	(1,034,295)	-	-	(2,762,711)	-
Proceeds From Sale of Capital Assets	-	-	-	-	-	16,150	16,150	-
Proceeds from Insurance Recoveries	-	5,760	10,919	-	-	-	16,679	87,733
Special Assessments Collected	-	-	568,827	578,306	308,546	-	1,455,679	-
Capital Charges Collected	-	-	632,856	270,539	-	-	903,395	-
Acquisition and Construction of Capital Assets	(4,361,173)	(1,301,842)	(8,359,901)	(2,872,937)	(375,619)	(6,880,008)	(24,151,480)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,974,458)	(3,234,709)	(6,061,698)	(4,795,887)	(17,972)	(6,863,858)	(22,948,582)	87,733
CASH FLOWS FROM INVESTING ACTIVITIES								
Investment Income	100,750	1,895	510,868	230,929	44,908	284,104	1,173,454	52,495
Net Increase (Decrease) in Cash and Cash Equivalent	(279,442)	8,466	5,532,373	3,418,162	(3,257,530)	(3,398,876)	2,023,153	(269,009)
Cash and Cash Equivalents, Beginning of Year	7,298,383	152,947	12,890,366	14,515,340	4,038,777	22,161,828	61,057,641	4,043,986
Cash and Cash Equivalents, End of Year	\$ 7,018,941	\$ 161,413	\$ 18,422,739	\$ 17,933,502	\$ 781,247	\$ 18,762,952	\$ 63,080,794	\$ 3,774,977
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities								
Net Operating Income (Loss)	\$ (3,514,531)	\$ (2,315,146)	\$ 6,121,884	\$ 4,439,487	\$ (4,052,660)	\$ 1,977,993	\$ 2,657,027	\$ (486,459)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:								
Depreciation Expense	4,006,246	1,100,446	4,660,727	3,757,048	1,188,311	1,951,742	16,664,520	4,665
Change in Deferred Outflows of Resources	47,382	45,155	82,749	49,095	10,989	74,765	310,135	(31,676)
Change in Deferred Inflows of Resources	76,855	71,434	148,404	82,530	19,771	83,969	482,963	39,299
Change in Net Pension Liability	(137,876)	(124,691)	(242,558)	(141,439)	(32,240)	(187,638)	-	(79,665)
Change in Asset Retirement Obligation Liability	-	-	-	-	-	-	-	67,500
(Increase) Decrease in Accounts Receivable	(1,755,132)	82,537	(227,907)	(514,666)	(119,867)	137,204	(2,397,831)	41,853
(Increase) Decrease in Inventory	-	-	17,299	-	-	-	17,299	20,798
(Increase) Decrease in Prepaid Items	(12,388)	25,970	(1,414)	(1,145)	636	(8,714)	2,945	(457)
Increase (Decrease) in Customer Deposits	-	(26,746)	-	-	-	2,241	(24,505)	-
Increase (Decrease) in Accounts Payable	63,444	(135,610)	865,533	464,666	(160,271)	(40,215)	1,057,547	(400,537)
Increase (Decrease) in Compensated Absences Payable	(10,292)	(2,136)	7,638	9,875	3,215	13,402	21,702	-
Increase (Decrease) in Salaries Payable	11,708	(15,120)	19,403	13,350	2,493	25,791	57,625	4,165
Increase (Decrease) in Unearned Revenue	-	-	-	-	-	(1,077)	(1,077)	-
Increase (Decrease) in Claims and Judgments Payable	-	-	-	-	-	-	-	348,000
Increase (Decrease) in Closure and Post-Closure Liability	-	-	-	-	-	(18,940)	(18,940)	-
Total Adjustments	2,289,947	1,021,239	5,329,874	3,719,314	913,037	2,032,530	15,305,941	13,945
Net Cash Provided (Used) by Operating Activities	\$ (1,224,584)	\$ (1,293,907)	\$ 11,451,758	\$ 8,158,801	\$ (3,139,623)	\$ 4,010,523	\$ 17,962,968	\$ (472,514)
NONCASH INVESTING, CAPITAL, AND RELATED FINANCING ACTIVITIES:								
Contributed Capital Assets	\$ 48,700	\$ 192,187	\$ 384,848	\$ 80,212	\$ 2,770,071	\$ -	\$ 3,476,018	\$ -
Capital Assets Contributed from Developers	-	-	1,502,841	1,451,952	352,176	-	3,306,969	-

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020

	PENSION TRUST			CUSTODIAL
	City Pension	Police Pension	Total	Employee Excess Retirement
ASSETS				
Cash and Cash Equivalents	\$ 109,996	\$ 213,317	\$ 323,313	\$ 488
Investments, at Fair Value:				
International Equities	54,601,933	24,271,513	78,873,446	-
International Fixed Income	40,028,936	13,674,281	53,703,217	-
Real Estate	23,246,948	9,304,848	32,551,796	-
Mutual Funds	-	-	-	198,717
Invested Cash	331,226	143,349	474,575	-
Invested Securities Lending	197,692	75,681	273,373	-
Accounts Receivable	397	-	397	-
Accrued Interest and Dividends	93,176	35,300	128,476	-
Total Assets	<u>118,610,304</u>	<u>47,718,289</u>	<u>166,328,593</u>	<u>199,205</u>
LIABILITIES				
Accounts Payable	116,452	59,562	176,014	-
Securities Lending Collateral	197,692	75,681	273,373	-
Total Liabilities	<u>314,144</u>	<u>135,243</u>	<u>449,387</u>	<u>-</u>
NET POSITION				
Restricted for Pensions	118,296,160	47,583,046	165,879,206	199,205
Total Net Position	<u>\$ 118,296,160</u>	<u>\$ 47,583,046</u>	<u>\$ 165,879,206</u>	<u>\$ 199,205</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

	PENSION TRUST			CUSTODIAL
	City Pension	Police Pension	Total	Employee Excess Retirement
ADDITIONS				
Employer Contributions	\$ 3,034,058	\$ 1,351,427	\$ 4,385,485	\$ -
Employee Contributions	1,401,930	824,461	2,226,391	-
Total Contributions	<u>4,435,988</u>	<u>2,175,888</u>	<u>6,611,876</u>	<u>-</u>
Investment Income:				
Net increase (Decrease) in				
Fair Value of Investments	9,460,697	3,992,484	13,453,181	21,384
Interest and Dividend Earnings	2,230,247	856,208	3,086,455	-
Securities Lending Income	7,923	3,153	11,076	-
Total Investment Income	<u>11,698,867</u>	<u>4,851,845</u>	<u>16,550,712</u>	<u>21,384</u>
Investment Expense:				
Investment Activity Expense	(352,261)	(145,452)	(497,713)	-
Securities Lending Expense	(1,583)	(631)	(2,214)	-
Net Investment Income (Loss)	<u>11,345,023</u>	<u>4,705,762</u>	<u>16,050,785</u>	<u>21,384</u>
Total Additions	<u>15,781,011</u>	<u>6,881,650</u>	<u>22,662,661</u>	<u>21,384</u>
DEDUCTIONS				
Benefits Paid to Participants	6,000,994	2,758,797	8,759,791	-
Refunds	314,810	95,557	410,367	13,003
Administration Expenses	90,147	40,944	131,091	-
Total Deductions	<u>6,405,951</u>	<u>2,895,298</u>	<u>9,301,249</u>	<u>13,003</u>
Change in Net Position	9,375,060	3,986,352	13,369,793	8,381
Net Position, Beginning of Year, As Restated	108,921,100	43,596,694	152,517,794	190,824
Net Position, End of Year	<u>\$ 118,296,160</u>	<u>\$ 47,583,046</u>	<u>\$ 165,879,206</u>	<u>\$ 199,205</u>

The notes to the financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Bismarck, North Dakota (the City) was incorporated in 1875. The City operates under a city commission form of government under the Home Rule Charter. The City is governed by a mayor and four city commissioners elected by the residents known as the Board of City Commissioners (the City Commissioners). The accompanying financial statements present the activities of the City.

The accounting policies of the City conform to generally accepted accounting principles as applicable to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY

The financial reporting entity consists of the City, organizations for which the City is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the City. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the City. Legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the City.

The City operates the Central Dakota 911 Authority, also known as the *Central Dakota Communications Center* (CenCom), under a joint-powers agreement with Burleigh County and the City of Mandan. CenCom dispatches emergency calls for law enforcement, fire, and emergency medical services within member areas and is administered by an appointed board made up of three members, one from each of the members. Membership consists of a Commissioner representing the City of Bismarck, a Commissioner representing the City of Mandan, and a Commissioner representing Burleigh County. Although CenCom is a legally separate entity, CenCom follows the budget process and policies established by the City. The City has agreed to hire, manage, and provide benefits to employees that operate CenCom. The City contributes the majority (52%) of the annual operating expenditures net of fee revenues collected by CenCom. Due to the fiscal dependency on the City, CenCom is reported as a discretely presented component unit in the City's financial statements and does not issue separate financial statements.

The City operates the Bismarck Veterans' Memorial Public Library (the Library) pursuant to section 40-38 of the North Dakota Century Code (NDCC). The Library is administered by a City-appointed five-member board, known as the Library Board of Directors, with various terms pursuant to the NDCC. The Library primarily finances operations with the established six mill levies, abides by the City's financial policies, and participates in the City's employment benefits. The Library is a separate legal entity with a board that is appointed by the City Commission and has significant fiscal dependency on the City. Therefore, the Library is reported as a blended component unit in the City's fund financial statements and does not issue separate financial statements.

The City operates the Bismarck Parking Authority (Parking Authority) pursuant to section 40-61 of the North Dakota Century Code (NDCC). The Parking Authority is administered by a City-appointed five-member board with various terms pursuant to the NDCC. The Parking Authority Board contracts the operations of the facilities with a third-party property management company. Its operations are primarily funded through user fees and long-term rental contracts. The Parking Authority abides by the City's policies. The Parking Authority is a separate legal and has significant fiscal dependency on the City. Therefore, the Parking Authority is reported as a blended component unit within the City's financial statements and does not issue separate financial statements.

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City. For the most part, the effect of interfund activity has been removed from these financial statements to avoid duplication. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are normally financed through user fees and charges for goods or services. Likewise, the primary government is reported separately from the discretely presented component unit.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. The statement of activities compares the direct expenses and program revenues for both the functions of the governmental activities and the business-type activities of the City. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current year, except for reimbursement revenues yet to be received from federal grants. These revenue sources are considered current for reimbursement of current liabilities in the respective fiscal year.

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues in the current year. All other revenues are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary funds distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The operating revenues of the City's

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

enterprise funds and the internal service funds are charges to customers for sales and services. Similarly, operating expenses include the cost of goods and services sold, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Revenues that do not meet the previous criteria are reported as general revenues, including all taxes.

Interfund transactions that are representative of lending or borrowing arrangements subsequently to the fiscal year-end are reported as advances. Other outstanding interfund balances are reported as interfund receivables and payables. Residual interfund balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are when various charges exist between different functions of the government (i.e. water and sewer charges to other various functions of the City). Elimination of these charges would distort direct revenues and expenses reported from various City functions.

Property value is assessed as of the second Tuesday in April of each year. Property taxes are levied and attached as an enforceable lien by January 1st of the preceding year. A 5% discount is applied if payment is received by February 15th subsequent the year for which the tax is levied. The tax levy is divided into two payments due March 1st and October 15th. Penalty and interest is assessed on any delinquent payment.

In the fund financial statements, the City reports the following major governmental funds:

General Fund – This fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for in another fund.

Sales Tax Fund – This is a special revenue fund that accounts for the collection of the City-imposed one and one-half percent sales tax revenue used for voter-approved eligible expenditures.

Highway Construction Fund – This fund accounts for the improvements made to arterial streets and traffic signal systems. Financing is provided by sales tax and grants via the State of North Dakota Department of Transportation.

Sewermain Bond Fund – This fund accounts for the collection of the special assessment revenue and the payment of special assessment bonds for sewermain improvements.

Street Improvement Bond Fund – This fund accounts for the collection of the special assessment revenue and the payment of special assessment bonds related to street improvements.

Street Improvement Construction Fund – This fund accounts for the expenditures related to construction of street improvements. The street improvement expenditures are financed by special assessment bond proceeds.

The City reports the following major proprietary funds:

Airport – This fund accounts for the operations of the Bismarck Municipal Airport.

Event Center – This fund accounts for the operations of the Bismarck Event Center.

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Water – This fund accounts for the operations of water treatment and distribution.

Sanitary Sewer – This fund accounts for the operations of sanitary sewers and wastewater treatment.

Storm Water – This fund accounts for the operations of storm sewers.

Additionally, the City reports the following fund types:

Internal Service Funds – These funds are used by the City to charge for internal fleet services, health insurance, liability insurance, unemployment insurance, and revolving expenditures allocated to individual City funds. Internal service funds predominately serve the governmental funds.

Fiduciary Funds – These are pension trust funds used to account for the activities of the City Employees' Pension Plan, the Police Employees' Pension Plan, and a custodial fund for Employee Excess Retirement. These activities accumulate resources for retirement benefit payments made to retirees and City employees.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE

1. Cash and Investments

Deposits and investments are displayed on the statement of net position as cash and investments. Investments are reported at fair value, net asset value, and amortized cost, as applicable. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Highly liquid investments are readily convertible and near their maturity.

2. Inventories and Prepaid Items

Inventories are valued at cost, using the first-in / first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed.

Proprietary funds record any payments made to vendors for services that will benefit periods beyond December 31, 2020, as prepaid items.

3. Capital Assets

Capital assets, which include buildings and building improvements, improvements other than buildings, machinery and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000, except for infrastructure networks which are capitalized if the total cost exceeds \$50,000. Capital assets are valued at historical or estimated historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Building Improvements	10 – 50 Years
Improvements Other Than Buildings	25 – 50 Years
Infrastructure	20 – 100 Years
Machinery and Equipment	2 – 15 Years

4. Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position by the government that would not be recognized as an outflow of resources (expense/expenditure) until future period(s) in which it is applicable. Deferred outflows are recorded in the government-wide Statement of Net Position under the governmental, business-type, and/or discretely presented component unit columns. Deferred outflows of resources of proprietary and internal service funds are reported in detail in their respective fund statements. The City reports defined benefit pension plans as well as asset retirement obligations in this category.

5. Unearned Revenues

Unearned revenues include revenues that have been collected but the corresponding expenditures have not been incurred and the eligibility criteria have not been met.

6. Long-Term Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Premiums and discounts are deferred and amortized over the life of the debt issuance on a straight-line basis. Long-term debt payable is reported net of the related debt premium or discount.

In the fund financial statements, governmental fund types recognize related debt premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures or expenses.

7. Compensated Absences / Termination Benefits

Annual Leave

The annual leave plan allows employees to accrue annual leave with pay based on their years of service with the City as follows:

0 – 3 years	8 hours per month
4 – 7 years	10 hours per month
8 – 12 years	12 hours per month
13 – 18 years	14 hours per month
Over 18 years	16 hours per month

Regular part-time employees shall earn a prorated number of annual leave hours paid at their current rate of compensation. Fire department employees who have a regular workweek in excess of forty hours per week are granted annual leave at a rate adjusted to take into account additional hours to make their annual leave comparable to the leave granted for regular full-time employees.

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Annual leave accrued during the calendar year may be accumulated up to a maximum of 360 hours for eligible employees, except for the fire department employees that work a regular work week in excess of 40 hours may accumulate up to a maximum of 477 hours. On January 1 of each year, annual leave in excess of the maximum annual leave hours are forfeited without compensation. Remaining annual leave hours are paid upon termination at the employee's current pay rate up to a maximum of 360 hours for regular employees and 477 hours for fire department employees.

Accumulated annual leave hours are calculated at the current pay rate on December 31 to determine the liability. Annual leave is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. In the governmental funds, a liability is incurred only when payable in the respective fund. Governmental activities compensated absences are liquidated by the General Fund and the respective fund from which the employee is paid.

Sick Leave

The current sick leave policy was established on December 31, 1992. Employees may accumulate a maximum of 960 and 1,272 hours annually for 40-hour per week and 53-hour per week employees, respectively. Excess sick leave will be paid to all employees at 40% of their excess hours over 960 or 1272. Sick leave is not paid upon termination, except for employees hired and accumulated sick leave prior to December 31, 1992.

Employees that had accumulated sick leave prior to December 31, 1992 were allowed to accumulate outstanding sick leave hours for payment upon termination. On December 31, 1992, any hours in excess of the maximum 960 or 1272 hours were reduced by 25%. The remaining sick leave hours, in excess of the maximum, at the rate of pay on December 31, 1992 were owed to the employee by the City. In addition, any employee with a sick leave balance less than the 960 or 1272-hour maximum was allowed to choose an option to either reduce the sick leave hours by 25% or retain the hours in order to reach the maximum at a faster pace. The employees that chose to reduce the sick leave by 25% were allowed to be paid upon termination at the pay rate on December 31, 1992.

8. Pensions

The City is a majority member of the City of Bismarck Employees' Pension Plan (City Employees' Pension Plan). The Employees' Pension Plan is a multiple employer cost-sharing defined benefit pension plan. The City is required to report a proportionate share of the net pension liability (asset), deferred outflows and inflows of resources, and pension expense using the economic resources measurement focus and accrual basis of accounting. The City also maintains and participates in the Bismarck Police Employees' Pension Plan (Police Employees' Pension Plan), a single employer defined benefit pension plan. The City is required to report related net pension liability (asset), deferred outflows and inflows of resources, and pension expense for the Police Employees' Pension Plan using the economic resources measurement focus and accrual basis of accounting. For this purpose, benefits and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms and statutes governing the City Employees' Pension Plan and the Police Employees' Pension Plan, accordingly. Expenses are recognized when the liability is incurred, regardless of when the payment is made.

Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. The City's proportionate share is allocated among governmental activities, business-type activities, proprietary funds, and internal service funds based on the present value of future payroll.

The City Employees' Pension Plan employer and plan member contributions are recognized when due pursuant to the City ordinance and requirements. Investment income is recognized as revenue when earned. Retirement benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Other expenses are recognized when the corresponding liabilities are incurred. The net appreciation or

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

depreciation in fair value of investments is recorded as an increase or decrease to investment income. The entire expense of the City Employees' Pension Plan administration is charged against the earnings.

9. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that would not be recognized as an inflow of resources (revenue) until a future period(s). Deferred inflows of resources are recorded in the Statement of Net Position under the governmental and business-type columns. Deferred inflows of resources of governmental funds, proprietary funds, and internal service funds are reported in detail in their respective fund statements.

Property taxes and special assessment revenues that are measurable and meet the eligibility criteria but not available within 60 days after the fiscal year-end are classified as deferred inflows of resources in the governmental fund financial statements, but recognized as revenues in the government-wide financial statements. The City also reports defined benefit pension plans in this category.

10. Net Position and Fund Balance

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources on the government-wide, proprietary, and fiduciary fund financial statements and fund balance on the governmental fund financial statements.

In 2011, the City approved a policy that defined fund balance categories and the constraints placed on the City's fund balances. Governmental funds report fund balances based on the extent of the purpose and constraints placed on the available resources. The following classifications describe the relative strength of spending constraints of fund balance:

Nonspendable – Balances that cannot be spent either because they are not in spendable form or legally or contractually required to be maintained intact.

Restricted – Balances that are subject to externally enforceable legal purpose imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – Balances that are subject to a purpose constraint imposed by formal action of the City Commission. The City Commission is the highest level of decision-making authority. The City Commissioners have authorized to set aside funds for a specific purpose based on a single majority vote. The formal motion must take place prior to December 31 of the applicable fiscal year and be recorded in the official minutes. If the actual amount of the commitment is not available by December 31st, the motion must state the process or formula necessary to calculate the actual amount as soon as information is available. Commitments may be established, modified, or rescinded by the same formal action that imposed the original commitment by the City Commissioners. The City Commission establishes, modifies or rescinds fund balance commitments by passage of an ordinance.

Assigned – Balances that are subject to a purpose constraint that represents an intended use, but do not meet the criteria to be classified as restricted or committed. The City Commission has delegated the authority to assign unrestricted fund balance to the City's Finance Director. Assigned fund balance is established through adoption or amendment of the budget for its intended specific purpose.

Unassigned – Represents the residual classification of balances that are not subject to external restrictions and not committed or assigned. The General Fund is the only fund that reports a positive fund balance. This

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

represents the resources available for future spending and amounts that are not nonspendable, restricted, committed, or assigned to a specific purpose.

In the General Fund, the City will strive to maintain a minimum unrestricted fund balance equal to 60% of the General Fund revenue. This will assist in maintaining an adequate level of fund balance to provide for large future expenditures, cash flow requirements, and contingencies. If spending in designated circumstances has reduced unrestricted fund balance to a point below the minimum target, the replenishment will be within five years.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the City considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers committed balances to have been spent first, then assigned, and, finally, unassigned, as needed, unless the City Commission has provided otherwise in its commitment or assignment actions. As of December 31, 2020, fund balances are composed of the following:

	General Fund	Sales Tax	Highway Construction	Sewermain Bonds	Street Improvement Bonds	Street Improvement Construction	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:								
Economic Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 281,589	\$ 281,589
Inventory	38,799	-	-	-	-	-	-	38,799
Restricted:								
Building Construction	6,049,590	-	-	-	-	-	-	6,049,590
Highway Weather Projects	-	-	-	-	-	-	271,867	271,867
Capital Projects	-	22,856,140	-	-	-	-	-	22,856,140
Debt Service	-	-	-	10,191,120	32,206,364	-	5,387,297	47,784,781
Committed:								
Public Health Programs	-	-	-	-	-	-	933,158	933,158
Transit System	-	-	-	-	-	-	6,518	6,518
Public Library	-	-	-	-	-	-	971,216	971,216
Drug Enforcement	-	-	-	-	-	-	503,932	503,932
Highways and Streets	-	-	-	-	-	-	4,800,154	4,800,154
Street Light Operations	-	-	-	-	-	-	3,386,375	3,386,375
Economic Development	-	-	-	-	-	-	1,501,730	1,501,730
Capital Projects	-	6,199,474	18,472,172	-	-	-	9,365,263	34,036,909
Assigned:								
Contingencies	825,000	-	-	-	-	-	-	825,000
Building Construction	2,133,163	-	-	-	-	-	-	2,133,163
Department Equipment	1,579,503	-	-	-	-	-	-	1,579,503
Fire Truck and Equipment	858,733	-	-	-	-	-	-	858,733
Technology Equipment	128,362	-	-	-	-	-	-	128,362
Computer Expansion	422,031	-	-	-	-	-	-	422,031
Parking Lot	97,687	-	-	-	-	-	-	97,687
27th Payroll Set-Aside	856,291	-	-	-	-	-	-	856,291
COVID-19 Response	10,332,200	-	-	-	-	-	-	10,332,200
Asset Retirement Obligation	67,500	-	-	-	-	-	-	67,500
Economic Development	-	-	-	-	-	-	300,000	300,000
Unassigned	32,885,439	-	-	-	-	(10,139,099)	(4,320,427)	18,425,913
Total Fund Balances	\$ 56,274,298	\$ 29,055,614	\$ 18,472,172	\$ 10,191,120	\$ 32,206,364	\$ (10,139,099)	\$ 23,388,672	\$ 159,449,141

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND BALANCES AND NET POSITION IN THE GOVERNMENTAL ACTIVITIES

The governmental funds balance sheet includes a reconciliation between total governmental fund balances and net position in the governmental activities. Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. The detail of this reconciliation is as follows:

Debt Payable	\$ (112,820,000)
Plus: Debt Premium, Net	(5,465,170)
Accrued Interest Payable	(552,270)
Asset Retirement Obligation	(67,500)
Compensated Absences	<u>(3,669,116)</u>
Net Adjustment to Reduce Fund Balance to Arrive at Net Position	<u><u>\$ (122,574,056)</u></u>

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND STATEMENT OF ACTIVITIES

The governmental funds statement of revenues, expenditures and changes in fund balances includes a reconciliation between the changes in fund balances in governmental funds and change in net position in the statement of activities. 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.

The detail of this reconciliation is as follows:

Capital Outlay	\$ 35,814,373
Contributed Capital	856,355
Capital Outlay Transferred to Business-Type Activities	(3,427,318)
Depreciation Expense	<u>(15,755,892)</u>
Net Adjustment to Changes in Fund Balances	
to Arrive at Change in Net Position	<u><u>\$ 17,487,518</u></u>

The net effect of various miscellaneous transactions involving capital assets is to increase net position. The detail of this reconciliation is as follows:

In the statement of activities, only the gain (loss) on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase (decrease) current resources. Thus, the change in net position differs from the change in fund balance by the remaining book value of the disposed capital asset.	<u><u>\$ (1,763,456)</u></u>
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CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Governmental funds report the effect of debt proceeds, including premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this reconciliation are as follows:

Debt Issued or Entered:	
Debt Issuance Principal	\$ (22,370,000)
Plus: Debt Issuance Premium	(1,264,501)
Less: Payment to Escrow Agent on Refunded Debt	<u>11,000,473</u>
Net Adjustment to Increase (Decrease) Changes in Fund Balances to Arrive at Change in Net Position	<u>\$ (12,634,028)</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The detail of this reconciliation is as follows:

Principal Payments	\$ 16,710,000
Changes in Compensated Absences Payable	(471,514)
Change in Accrued Interest Payable	73,800
Amortization Expense of Debt Premium (Discount)	471,383
Net Pension Liability and Related Deferred Outflows (Inflows) of Resources	<u>766,341</u>
Net Adjustment to Changes in Fund Balances to Arrive at Change in Net Position	<u>\$ 17,550,010</u>

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

The City adopts an annual budget approved by the City Commissioners. The budget is adopted on a basis of the generally accepted accounting principles (GAAP). Activities of the General Fund, Special Revenue Funds, and Debt Service Funds are included in the annual appropriated budget in accordance with the NDCC.

The level of budgetary control is established at the organizational unit level. City Commissioner approval is required for the transfer of appropriations between departments. The entire budget may be amended by City Commission approval of the amendment. The proposed budget is presented annually to the City Commissioners for review and approval by August 10th. The City Commissioners hold public hearings and may modify the proposed budget before the annual budget is officially adopted by October 10th.

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

B. FUND BALANCE DEFICIT

The following individual funds had fund balance deficits as of December 31, 2020, in the fund balance of the following funds:

<u>Fund</u>	<u>Deficit</u>
Street Improvement Construction	\$ (10,139,099)
Sewermain Construction	\$ (1,939,471)
Watermain Construction	\$ (243,816)
Sidewalk Construction	\$ (2,137,140)

Street Improvement Construction, Sewermain Construction, Watermain Construction, and Sidewalk Construction will be reimbursed from the issuance of special assessment bonds in following fiscal year.

IV.DETAILED NOTES ON ALL FUNDS

A. DEPOSITS

The City maintains cash and investments in accordance with state statute, NDCC 21-06-07.

Cash and Investments

As of December 31, 2020, the City's cash and investments are as follows:

Petty Cash	\$ 46,143
Deposits	125,803,370
Investments	249,355,141
Total Cash and Investments	<u>\$ 375,204,654</u>

The cash and investments presented in the financial statements as of December 31, 2020, are as follows:

Primary Government	
Unrestricted	\$ 195,313,727
Restricted	13,492,002
Fiduciary Funds	
Pension Trust	166,199,720
Custodial	199,205
Total Cash and Investments	<u>\$ 375,204,654</u>

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

Custodial Credit Risk

Custodial credit risk is associated with the failure of a depository financial institution to recover its deposits or collateralized securities that are in the possession of outside parties. The City does not have a formal policy that addresses custodial credit risk for deposits. However, in accordance with state statutes, the City maintains deposits at financial institutions authorized by the City Commissioners. State statutes also require that the deposits be protected by insurance, collateral, or surety bond. The fair value of the collateral pledged by the financial institution must be equal to or greater than 110% of the deposits not covered by FDIC insurance or surety bonds. The only exception is deposits with the Bank of North Dakota, which is owned and backed by the full faith and credit of the State of North Dakota. At December 31, 2020, the carrying amount of the City's deposits was \$125,803,370 and the bank balance was \$126,857,670, which was FDIC insured and collateralized.

B. INVESTMENTS

As of December 31, 2020, the City had the following investments:

	S & P Rating	Investment Maturities				Percent of Investments	Fair Value Hierarchy
		Less Than One Year	1-5 Years	6-10 Years	Fair Value		
US Government Agency	AA+	\$ 6,051,999	\$ 4,001,267	\$ -	\$ 10,053,266	4%	Level 2
US Treasury STRIPS	Not Rated	144,907	5,110,449	631,181	5,886,537	2%	Level 2
US Treasury Notes	AA+	7,046,918	2,600,406	-	9,647,324	4%	Level 1
Commercial Paper	A-1+	53,711,380	-	-	53,711,380	22%	Level 2
Money Market Fund	AAAm	3,166,205	-	-	3,166,205	1%	Level 2
Local Gov't Investment Pool	Not Rated	166,890,429	-	-	166,890,429	67%	NAV
Total Investments		<u>\$ 237,011,838</u>	<u>\$ 11,712,122</u>	<u>\$ 631,181</u>	<u>\$ 249,355,141</u>	<u>100%</u>	

State statutes authorize the City to invest in the following:

- 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
- Securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are of the type listed above
- Certificates of deposit fully insured by the Federal Deposit Insurance Corporation (FDIC) or the State of North Dakota
- Securities of any state and local government
- Commercial paper issued by a United States corporation

Pension trust funds in the fiduciary funds are authorized to invest their surplus funds outside of NDCC 21-06-07 by selecting a funding agent or agents to hold and invest such funds and shall be placed for investment only with a firm whose primary endeavor is money management. The City invests pension trust funds and custodial funds with the State of North Dakota State Investment Board (SIB).

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The price of a debt security typically moves in the opposite direction of the change in interest rate. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to potential fair value losses arising from future changes in interest rates.

Investments in the City Pension and Police Pension funds are generally managed by the North Dakota Retirement and Investment Office (NDRIO) under the authority of the State Investment Board. The NDCC 21-10 allows the State Investment Board to apply the prudent investor rule in investing funds under its supervision. The investments must be exclusively for the benefit of their members and in accordance with the respective funds' investment goals and objectives. For more information, refer to the NDRIO financial reports as follows: <https://www.rio.nd.gov/other-state-investment-board-clients>.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does not have a formal investment policy that specifically addresses credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City does not have an investment policy that specifically addresses concentrations of credit risk in a single issuer.

Fair Value Measurement

Investments are stated at fair value based on quoted market prices.

The fair value measurements are categorized by the fair value hierarchy based on the generally accepted accounting principles. Valuation inputs are used measure the fair value of the asset to determine the appropriate category. The categories range from level 1 which is the highest priority to level 3 which is the lowest priority and are based on the following categories:

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

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

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

Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. The fair value leveling of the City's investment portfolio were as of December 31, 2020.

The Level 1 securities are valued using the quoted prices in active markets for identical assets. Level 2 and Level 3 securities are valued based on methodologies such as bid evaluations, market averages, and other matrix pricing techniques as well as values derived from associated traded securities or last trade data. In instances where inputs used to measure fair value fall into different levels, the fair value is categorized based on the lowest level input that is significant to the valuation.

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

DETAILED NOTES ON ALL FUNDS (Continued)

The State of North Dakota Investment Board is regulated by an eleven-member board. The audited financial statements may be found at <https://www.nd.gov/rio/SIB/Publications/default.htm> or on the State of North Dakota website. Several agencies whose investments are under the supervision of the State Investment Board participates in the pooled investments. The agencies transfer money into the investment pools and receive an appropriate percentage ownership of the pooled portfolio based upon fair value. All activities of the investment pools are allocated to the agencies based upon their respective ownership percentages. Each participant unit is valued at \$1 per unit.

C. NOTES RECEIVABLE

Notes receivable as of December 31, 2020, were:

Project	Interest Rate	Maturity Date	Balance 12/31/2020
HUD HOME Abused Adult Resource Center - Bonnie's House	0%	7/24/2013 - 7/24/2033	\$ 100,563
HUD HOME Missouri Valley Habitat - Home Ownership Project	0%	7/8/2009 - 7/8/2024	20,800
HUD NSP Pride Inc. - 411 Sunset Place Acquisition	0%	3/30/2010 - 3/30/2025	10,800
HUD HOME BCHA - Dakota Apartments Project	0%	12/20/2011 - 12/20/2031	347,000
HUD NSP BCHA - Dakota Apartments Project	0%	12/20/2011 - 12/20/2031	193,443
HUD HOME Washington Courts Project	0%	12/23/2020 - 12/23/2030	769,350
HUD HOME Community Works - Boulevard Ave. Apartments	0%	11/1/2020 - 11/1/2035	689,650
HUD NSP Community Works - Boulevard Ave. Apartments	0%	9/21/2020 - 9/21/2035	866,866
Patterson Place Apartments Loan	0%	12/31/2039	300,000
Laughing Sun Brewing Company, LLC	2%	5/18/2018 - 12/1/2030	103,337
JB Lozensky Properties, LLP	2%	12/31/2018 - 6/1/2036	39,627
North Dakota Safety Council	2%	5/24/2018 - 1/1/2024	106,014
Activities for Learning Inc.	2%	12/23/2019 - 11/23/2038	32,611
Total Notes Receivable			<u>\$ 3,580,061</u>

HUD notes receivable are forgivable when the terms of the agreement are met.

The City has entered into eight notes receivable with the Department of Housing and Urban Development (HUD) for the HOME Investment Partnerships Program (HOME) and Neighborhood Stabilization Programs (NSP). The July 24, 2013, HOME loan to Abused Adult Resource Center for Bonnie's Apartments is forgiven after the 20-year period of affordability expires in 2033 or if ownership changes before 2033. The July 8, 2009, HOME loan for the Missouri Valley Habitat Home Ownership project for home buyer assistance is forgivable at 10% of the original loan amount of \$52,000 annually beginning on the sixth year of the loan in 2015 and 100% forgiven after ownership for 15 years. The March 30, 2010, NSP loan to Pride Inc. is forgivable at 10% of the original loan amount of \$21,600 annually beginning on the sixth year of the loan in 2016 and 100% forgiven after ownership for 15 years. The December 20, 2011, NSP and HOME Loans to Burleigh County Housing Authority for the Dakota Apartments Project are forgiven after 20 years in 2031 or if ownership changes before 2031. The December 23, 2020, HOME loan to Washington Court LLC is forgiven after 10 years in 2030 or if ownership changes before 2030. The November 1, 2020, HOME Loan and the September 21, 2020, NSP Loan to Community Works for the Boulevard Avenue Apartments are both forgiven after 15 years in 2035 or if ownership changes before 2035.

The Patterson Place Apartments Loan is a non-forgivable loan with a payment due from surplus cash from the sale of the property, if ownership changes, or when a change in the façade easement is made. The original 1983 loan was subordinated on December 16, 2013, with an extended term until April 1, 2024. On March 24, 2019, the note was assumed by new ownership and the term was extended to December 31, 2039. On April 23, 2020 the amount was subordinated again during a refinancing process to two new lenders replacing the previous subordination.

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

Notes receivable authorized from the Vision Fund to Laughing Sun Brewing Company LLC, JB Lozensky Properties LLP, and North Dakota Safety Council promote economic and job development in the City. The Vision Fund has three outstanding loans all accruing interest at 2%, with 1% payable to Lewis and Clark Development Group and 1% payable to the Vision Fund. The Laughing Sun Brewing Company LLC, loan payments are required starting 97 months from the promissory date. Monthly principal and interest payments of \$2,320 will begin on June 1, 2026. The JB Lozensky Properties LLP loan payment is required starting 127 months from the promissory date. Monthly principal and interest payments will begin July 1, 2029 in the amount of \$610. The North Dakota Safety Council loan of \$106,014 payments are required starting 32 months from the promissory date. Monthly principal and interest payments will begin February 1, 2021, in the amount of \$3,194. The Activities for Learning Inc. loan of \$32,611 payments are required starting 121 months from the promissory date. Monthly principal and interest payments will begin July 1, 2030, in the amount of \$455.20.

D. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental Activities:</u>				
Capital assets, Not Being Depreciated:				
Land	\$ 2,767,950	\$ -	\$ -	\$ 2,767,950
Construction in Progress	2,870,631	10,189,703	(2,732,536)	10,327,798
Total Capital Assets, Not Being Depreciated	5,638,581	10,189,703	(2,732,536)	13,095,748
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	40,449,224	784,694	(3,920,660)	37,313,258
Improvements Other Than Buildings	85,349	-	(18,411)	66,938
Infrastructure	453,227,096	22,740,791	(361,837)	475,606,050
Machinery and Equipment	42,946,486	2,260,758	(1,654,669)	43,552,575
Total Capital Assets, Being Depreciated	536,708,155	25,786,243	(5,955,577)	556,538,821
Less Accumulated Depreciation:				
Buildings and Building Improvements	(21,447,968)	(995,890)	2,398,102	(20,045,756)
Improvements Other Than Buildings	(71,067)	(1,872)	18,104	(54,835)
Infrastructure	(129,697,672)	(12,011,611)	173,349	(141,535,934)
Machinery and Equipment	(28,988,319)	(2,746,519)	1,602,566	(30,132,272)
Total Accumulated Depreciation	(180,205,026)	(15,755,892)	4,192,121	(191,768,797)
Total Capital Assets, Being Depreciated, Net	356,503,129	10,030,351	(1,763,456)	364,770,024
Governmental Activities Capital Assets, Net	\$ 362,141,710	\$ 20,220,054	\$ (4,495,992)	\$ 377,865,772

In 2020, the City transferred \$14,995 of machinery and equipment from the business-type activities to the governmental activities and transferred \$3,427,318 of machinery and equipment from the governmental activities to the business-type activities, which is reported as a transfer on the statement of activities.

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Business-Type Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 18,576,529	\$ 53,900	\$ -	\$ 18,630,429
Construction in Progress	4,061,597	17,050,850	(2,147,747)	18,964,700
Total Capital Assets, Not Being Depreciated	22,638,126	17,104,750	(2,147,747)	37,595,129
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	279,026,247	2,414,842	(16,000)	281,425,089
Improvements Other Than Buildings	398,485,337	10,705,779	(1,480,594)	407,710,522
Machinery and Equipment	38,519,185	3,317,122	(2,321,643)	39,514,664
Total Capital Assets, Being Depreciated	716,030,769	16,437,743	(3,818,237)	728,650,275
Less Accumulated Depreciation:				
Buildings and Building Improvements	(107,986,734)	(6,164,526)	16,000	(114,135,260)
Improvements Other Than Buildings	(120,949,346)	(8,558,544)	744,736	(128,763,154)
Machinery and Equipment	(17,853,266)	(1,941,450)	1,705,153	(18,089,563)
Total Accumulated Depreciation	(246,789,346)	(16,664,520)	2,465,889	(260,987,977)
Total Capital Assets, Being Depreciated, Net	469,241,423	(226,777)	(1,352,348)	467,662,298
Business-Type Activities Capital Assets, Net	\$ 491,879,549	\$ 16,877,973	\$ (3,500,095)	\$ 505,257,427

Depreciation expense was charged to functions or programs of the primary government as follows:

Governmental Activities:

General Government	\$ 1,263,510
Public Safety	1,255,915
Highways and Streets	620,865
Health and Welfare	20,382
Culture and Recreation	619,212
Public Works	11,976,008
Total Depreciation Expense, Governmental Activities	<u>\$ 15,755,892</u>

Business-Type Activities:

Airport	\$ 4,006,246
Event Center	1,100,446
Water	4,660,727
Sanitary Sewer	3,757,048
Storm Water	1,188,311
Solid Waste Disposal	709,637
Solid Waste Collections	280,886
Northern Plains Commerce Centre	215,236
Parking Authority	745,983
Total Depreciation Expense, Business-Type Activities	<u>\$ 16,664,520</u>

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Discretely Presented Component Unit:</u>				
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	\$ -	\$ 12,437,605	\$ -	\$ 12,437,605
Machinery and Equipment	-	2,415,255	-	2,415,255
Total Capital Assets, Being Depreciated	-	14,852,860	-	14,852,860
Less Accumulated Depreciation:				
Buildings and Building Improvements	-	(103,647)	-	(103,647)
Machinery and Equipment	-	-	-	-
Total Accumulated Depreciation	-	(103,647)	-	(103,647)
Total Capital Assets, Being Depreciated, Net	-	14,749,213	-	14,749,213
Component Unit Capital Assets, Net	\$ -	\$ 14,749,213	\$ -	\$ 14,749,213

E. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The interfund receivable and interfund payable balances as of December 31, 2020, were as follows:

	Interfund Payable			Total
	Street Improvement Construction Fund	Nonmajor Governmental Funds	Event Center Fund	
Interfund Receivable				
General Fund	\$ -	\$ 78,965	\$ 1,288,181	\$ 1,367,146
Sewermain Bonds Fund	-	1,848,141	-	1,848,141
Street Improvement Bonds Fund	9,575,573	-	-	9,575,573
Nonmajor Governmental Funds	-	1,768,142	-	1,768,142
Total	\$ 9,575,573	\$ 3,695,248	\$ 1,288,181	\$ 14,559,002

Interfund receivables and interfund payables resulted primarily from short-term timing of cash flows. These balances are expected to be eliminated in the subsequent fiscal year. The interfund transfers during fiscal year ended December 31, 2020, were as follows:

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

Transfers Out	Transfers In					
	General Fund	Highway Construction	Sewermain Bonds	Street Improvement Bonds	Street Improvement Construction	Nonmajor Governmental Funds
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,846,424
Sales Tax	9,883,168	18,884,070	-	-	-	115,493
Street Improvement Bonds	-	-	-	-	22,545	-
Highway Construction	-	-	-	-	3,093,904	-
Street Improvement Construction	-	51,066	-	362,753	-	-
Nonmajor Governmental Funds	856,392	-	320,814	-	286,494	711,217
Airport	157,524	-	-	-	-	-
Event Center	237,605	-	-	-	-	-
Water	409,301	-	-	-	140,683	-
Sanitary Sewer	145,000	-	-	-	-	-
Storm Water	114,931	-	-	-	-	-
Nonmajor Enterprise Funds	341,640	-	-	-	-	367,169
Internal Service Funds	266,723	-	-	-	-	-
Total	\$ 12,412,284	\$ 18,935,136	\$ 320,814	\$ 362,753	\$ 3,543,626	\$ 5,040,303

Transfers Out	Transfers In						Total
	Airport Fund	Event Center Fund	Water Fund	Storm Water Fund	Nonmajor Enterprise Funds	Internal Service Funds	
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 330,000	\$ 4,176,424
Sales Tax	-	-	-	-	-	-	28,882,731
Street Improvement Bonds	-	-	-	-	-	-	22,545
Highway Construction	-	-	-	-	-	-	3,093,904
Street Improvement Construction	-	-	-	-	-	-	413,819
Nonmajor Governmental Funds	9,930	3,461,681	-	-	-	-	5,646,528
Airport	-	-	-	-	-	-	157,524
Event Center	-	-	-	-	-	-	237,605
Water	-	-	-	-	-	-	549,984
Sanitary Sewer	-	-	30,681	-	-	-	175,681
Storm Water	-	-	29,912	-	-	-	144,843
Nonmajor Enterprise Funds	-	-	120,836	-	-	-	829,645
Internal Service Funds	-	-	-	-	-	-	266,723
Total	\$ 9,930	\$ 3,461,681	\$ 181,429	\$ -	\$ -	\$ 330,000	\$ 44,597,956

Transfers are primarily for internal charges related to general administrative support, distribution of payroll and related benefits for grant reimbursement, budgeted interfund contributions, and distributions to the related capital projects funds for budgeted capital improvement.

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

F. LONG-TERM DEBT

Long-term liabilities for the year ended December 31, 2020, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
GOVERNMENTAL ACTIVITIES:					
Special Assessment Bonds	\$ 118,080,000	\$ 22,370,000	\$ 27,630,000	\$ 112,820,000	\$ 16,750,000
Bond Premiums and Discounts, Net	4,752,538	1,264,501	551,869	5,465,170	-
Compensated Absences	3,197,602	3,106,549	2,635,035	3,669,116	2,988,735
Claims and Judgments	495,582	6,864,158	6,596,970	762,770	762,770
Total Governmental Activities	126,525,722	33,605,208	37,413,874	122,717,056	20,501,505
BUSINESS-TYPE ACTIVITIES:					
Lodging and Restaurant Tax Revenue Bonds, Series 2013	\$ 21,695,000	-	\$ 1,105,000	\$ 20,590,000	\$ 1,135,000
Bond Discount, Net	(19,611)	-	(1,333)	(18,278)	-
Water Revenue Refunding Bonds, Series 2012	1,515,000	-	750,000	765,000	765,000
Bond Premium, Net	11,404	-	8,553	2,851	-
Water Revenue Bonds, Series 2013	5,945,000	-	5,945,000	-	-
Bond Premium, Net	825	-	825	-	-
Water Revenue Bonds, Series 2014	9,370,000	-	820,000	8,550,000	840,000
Bond Discount, Net	(84,281)	-	(9,112)	(75,169)	-
Water Revenue Refunding Bonds, Series 2020	-	4,825,000	-	4,825,000	625,000
Bond Premium, Net	-	333,089	-	333,089	-
Water Treatment Loan, 2009	9,095,000	-	865,000	8,230,000	900,000
Drinking Water State Revolving Fund Loan, 2020	-	3,013,044	-	3,013,044	5,044
Wastewater Treatment Loan, 2006	9,390,000	-	1,055,000	8,335,000	1,085,000
Sanitary Sewer Revenue Bonds, Series 2015	24,785,000	-	1,245,000	23,540,000	1,270,000
Bond Discount, Net	(59,352)	-	(3,871)	(55,481)	-
Clean Water State Revolving Fund Loan, 2020	-	562,500	-	562,500	5,500
Landfill Closure and Post-Closure	3,065,981	-	18,940	3,047,041	-
Compensated Absences	928,183	701,922	680,220	949,885	633,165
Claims and Judgments	150,418	2,185,015	2,104,203	231,230	231,230
Total Business-Type Activities	85,788,567	11,620,570	14,583,425	82,825,712	7,494,939
Total Long-Term Liabilities	\$ 212,314,289	\$ 45,225,778	\$ 51,997,299	\$ 205,542,768	\$ 27,996,444

General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The legal debt margin as of December 31, 2020, was \$215,910,256 with a remaining non-obligated margin of \$215,910,256. The City has not issued any general obligation bonds as of December 31, 2020.

Special Assessment Bonds

Special assessment bonds outstanding as of December 31, 2020, are as follows:

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

Issuance	Issuance Date	Date of Final Payment	Interest Rates	Original Par Value	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Series W Refunding	12/15/2008	5/1/2023	3.5 - 4.5%	\$ 8,915,000	\$ 2,310,000	\$ -	\$ 2,310,000	\$ -	\$ -
Series X Refunding	1/1/2008	5/1/2023	3.5 - 5.4%	8,210,000	40,000	-	10,000	30,000	10,000
Series Y Refunding	1/6/2010	5/1/2024	2.0 - 4.0%	9,615,000	2,080,000	-	2,080,000	-	-
Series B Refunding	12/8/2010	5/1/2025	0.7 - 4.2%	9,630,000	2,500,000	-	2,500,000	-	-
Series C Refunding	12/14/2011	5/1/2026	2.0 - 2.8%	9,065,000	2,540,000	-	400,000	2,140,000	380,000
Series D Refunding	12/14/2011	5/1/2020	1.0 - 2.0%	1,605,000	85,000	-	85,000	-	-
Series E Refunding	4/15/2012	5/1/2021	2.0 - 2.2%	4,365,000	700,000	-	355,000	345,000	345,000
Series F Refunding	12/19/2012	5/1/2027	1.0 - 1.8%	9,465,000	4,815,000	-	635,000	4,180,000	635,000
Series G Refunding	1/3/2013	5/1/2022	1.5 - 2.0%	3,790,000	165,000	-	55,000	110,000	55,000
Series H Refunding	11/14/2013	5/1/2028	1.0 - 1.8%	15,755,000	6,905,000	-	6,905,000	-	-
Series I Refunding	12/1/2014	5/1/2029	0.1 - 3.0%	24,725,000	13,060,000	-	2,375,000	10,685,000	2,325,000
Series J Refunding	3/25/2015	5/1/2022	2.0 - 3.0%	6,510,000	2,500,000	-	875,000	1,625,000	830,000
Series K Refunding	11/10/2015	5/1/2030	2.5 - 5.0%	31,905,000	20,755,000	-	2,850,000	17,905,000	2,600,000
Series L Refunding	12/15/2016	5/1/2031	2.0 - 5.0%	18,365,000	13,950,000	-	1,590,000	12,360,000	1,560,000
Series M Refunding	11/14/2017	5/1/2032	2.0 - 2.5%	17,790,000	15,685,000	-	1,510,000	14,175,000	1,545,000
Series N Refunding	11/27/2018	5/1/2033	3.0 - 5.0%	13,815,000	13,290,000	-	1,375,000	11,915,000	1,405,000
Series O Refunding	11/26/2019	5/1/2034	2.0 - 5.0%	8,235,000	8,235,000	-	355,000	7,880,000	835,000
Series P Refunding	11/24/2020	5/1/2035	1.3 - 4.0%	20,890,000	-	20,890,000	-	20,890,000	2,800,000
Total Improvement Special Assessment Bonds				\$ 222,650,000	\$ 109,615,000	\$ 20,890,000	\$ 26,265,000	\$ 104,240,000	\$ 15,325,000
Sidewalk 2009	11/23/2010	5/1/2020	0.9-3.3%	665,000	65,000	-	65,000	-	-
Sidewalk 2010	11/22/2011	5/1/2021	0.5-2%	935,000	185,000	-	95,000	90,000	90,000
Sidewalk 2011	11/27/2012	5/1/2022	1.2-1.7%	915,000	270,000	-	90,000	180,000	90,000
Sidewalk 2012	11/1/2013	5/1/2023	2-2.75%	2,145,000	865,000	-	220,000	645,000	215,000
Sidewalk 2013	12/1/2014	5/1/2024	2-3%	1,835,000	930,000	-	190,000	740,000	185,000
Sidewalk 2014	12/1/2015	5/1/2025	2.0 - 3.0%	1,950,000	1,180,000	-	200,000	980,000	200,000
Sidewalk 2015	12/15/2016	5/1/2026	2.0 - 4.0%	1,970,000	1,410,000	-	200,000	1,210,000	200,000
Sidewalk 2016	11/14/2017	5/1/2027	2.0 - 2.5%	1,535,000	1,270,000	-	150,000	1,120,000	155,000
Sidewalk 2017	11/27/2018	5/1/2028	3.0 - 5.0%	1,200,000	1,155,000	-	115,000	1,040,000	115,000
Sidewalk 2018	11/26/2019	5/1/2029	2.0 - 5.0%	1,135,000	1,135,000	-	40,000	1,095,000	115,000
Sidewalk 2019	11/24/2020	5/1/2030	1.0 - 4.0%	1,480,000	-	1,480,000	-	1,480,000	60,000
Total Sidewalk Special Assessment Bonds				\$ 15,765,000	\$ 8,465,000	\$ 1,480,000	\$ 1,365,000	\$ 8,580,000	\$ 1,425,000
Total Long-Term Debt, Governmental Activities				\$ 238,415,000	\$ 118,080,000	\$ 22,370,000	\$ 27,630,000	\$ 112,820,000	\$ 16,750,000

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

DETAILED NOTES ON ALL FUNDS (Continued)

On December 15, 2020, the City issued 2020 Refunding Improvement Bonds, Series P, in the amount of \$20,890,000. Bond proceeds were used to refund \$10,920,000 in outstanding Refunding Improvement Bonds, Series W, Y, B, and H and reimburse the City for the construction of streetlights, streets, sewer mains, water mains, sidewalks, and public parking lots completed in 2019. The annual installment of principal and interest is paid by special assessments levied against the benefiting property owners. Interest payments are due semi-annually on May 1st and November 1st. Principal payments are due annually beginning on May 1st, 2021, through 2035. Interest accrues at rates ranging from 1.25% to 4% per annum. The transaction resulted in an economic gain of \$717,838 and a difference in the cash flow savings of \$635,447.

On December 15, 2020, the City issued 2020 Sidewalk, Curb, and Gutter Warrants, Series SCG-2019 in the amount of \$1,480,000. Bond proceeds were used to reimburse the City for certain improvements for sidewalk, curb, and gutter improvements completed in 2019. The annual installment of principal and interest is paid by special assessments levied against the benefiting property owners. Interest payments are due semi-annually on May 1st and November 1st. Principal payments are due annually beginning on May 1st, 2021, through 2030. Interest accrues at rates ranging from 1% to 4% per annum.

From 2008 to 2020, the City issued multiple Refunding Improvement Bonds totaling \$104,240,000 as of December 31, 2020. Bond proceeds were used to finance construction and repairs of various streets, sewer mains, water mains, sidewalks, streetlights, and public parking lots. Principal and interest due in 2020 were \$31,076,916. Special assessment revenues collected in 2020 were \$22,383,078.

In the event special assessment taxes are insufficient to meet principal and interest payments due on these bonds, the City is required to levy an additional general fund tax on all taxable property within the City for the payment of the assumption upon the maturity of the last bond principal installment pursuant to City ordinance and NDCC.

Special assessment bond debt service requirements to maturity are as follows:

<u>Year Ended December 31,</u>	GOVERNMENTAL ACTIVITIES		
	Principal	Interest	Total
2021	\$ 16,750,000	\$ 3,095,628	\$ 19,845,628
2022	15,760,000	2,631,284	18,391,284
2023	13,985,000	2,102,238	16,087,238
2024	12,615,000	1,641,321	14,256,321
2025	11,205,000	1,257,643	12,462,643
2026 - 2030	34,790,000	2,988,993	37,778,993
2031 - 2035	7,715,000	316,083	8,031,083
Total	<u>\$ 112,820,000</u>	<u>\$ 14,033,190</u>	<u>\$ 126,853,190</u>

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

DETAILED NOTES ON ALL FUNDS (Continued)

Business-Type Activities Revenue Bonds and Loans

Business-type activities outstanding debt service as of December 31, 2020 are as follows:

Issuance	Issuance Date	Date of Final Payment	Interest Rate	Original Par Value	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lodging, Liquor, Food Tax Bonds (Event Center)	10/16/2013	12/1/2034	3.0 - 4.25%	\$ 27,695,000	\$ 21,695,000	\$ -	\$ 1,105,000	\$ 20,590,000	\$ 1,135,000
Water Revenue Bonds, 2012	4/26/2012	4/1/2021	2.0 - 2.5%	6,415,000	1,515,000	-	750,000	765,000	765,000
Water Revenue Bonds, 2013	10/10/2013	10/1/2020	1.0 - 4.0%	9,000,000	5,945,000	-	5,945,000	-	-
Water Revenue Bonds, 2014	11/1/2014	4/1/2029	0.05 - 3.0%	13,535,000	9,370,000	-	820,000	8,550,000	840,000
Water Revenue Bonds, 2020	10/22/2020	4/1/2028	2.0 - 4.0%	4,825,000	-	4,825,000	-	4,825,000	625,000
Water Treatment Loan, 2009	6/15/2009	9/1/2028	3.31%	16,320,000	9,095,000	-	865,000	8,230,000	900,000
Water Treatment Loan, 2020	10/5/2020	9/1/2036	1.5%	3,013,044	-	3,013,044	-	3,013,044	5,044
Wastewater Loan, 2006	11/14/2006	9/1/2027	2.5%	18,400,000	9,390,000	-	1,055,000	8,335,000	1,085,000
Wastewater Loan, 2020	7/1/2020	9/1/2036	1.5%	562,500	-	562,500	-	562,500	5,500
Wastewater Bonds, 2015	11/1/2015	5/1/2035	2.0 - 5.0%	29,000,000	24,785,000	-	1,245,000	23,540,000	1,270,000
Total Long-Term Debt, Business-Type Activities				<u>\$ 128,765,544</u>	<u>\$ 81,795,000</u>	<u>\$ 8,400,544</u>	<u>\$ 11,785,000</u>	<u>\$ 78,410,544</u>	<u>\$ 6,630,544</u>

In 2013, the City issued \$27,695,000 in Lodging and Restaurant Tax Revenue Bonds, Series 2013, to finance the construction of the City's Event Center Exhibit Hall expansion. The City dedicated the future lodging, liquor, and restaurant tax revenue to meet the annual and future debt service requirements. Interest payments are due semi-annually on June 1st and December 1st. Principal payments are due annually beginning on December 1st, 2014, through 2034. Interest accrues at rates ranging from 3% to 4.25% per annum. This bond contains a provision that if liquor, lodging, and restaurant tax revenues are insufficient to make principal and interest payments on the bond, such deficiencies shall be restored out of the following period lodging, liquor, and restaurant tax revenues. In addition, the City has purchased a surety issued by Assured Guaranty Municipal Corporation (AGM) to fund a lodging, liquor, and restaurant tax reserve, which may be drawn in the event of default. The City must repay any draws made on this surety and pay all reasonable expenses incurred including interest at the per annum rate of interest plus 3%. The principal and interest were \$1,940,106 in 2020. In 2020, lodging, liquor, and restaurant tax revenue totaled \$2,592,978, which covered the bond's debt service requirement.

On October 22, 2020, the City issued Water Revenue Refunding Bonds, Series 2020, in the amount of \$4,825,000. Bond proceeds were used to refund the Water Revenue Bonds, Series 2013, in the amount of \$5,365,000. The City pledged future water revenues to finance the standby power, the water softening expansion project, and the water treatment plant intake project. The transaction resulted in an economic gain of \$523,969 and a difference in the cash flow savings of \$519,845. Interest payments are due semi-annually on April 1st and October 1st. Principal payments are due annually beginning on April 1st, 2021, through 2028. Interest accrues at rates ranging from 2% to 4% per annum. The City will establish, impose and collect reasonable charges for their services, facilities, products and by-products of the utility according to schedules sufficient to pay all principal and interest due.

In previous years, the City issued Water Revenue Bonds, Series 2012 and 2014 with original issues totaling \$19,950,000. The City pledged future water revenues to finance the standby power, the water softening expansion project, and the water treatment plant intake project. Interest payments are due semi-annually on April 1st and October 1st. Principal payments are due annually beginning on April 1st through 2036. Interest accrues at rates ranging from 0.05% to 4% per annum. The City will establish, impose and collect reasonable charges for their services, facilities, products and by-products of the utility according to schedules sufficient to pay all principal and interest due.

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

DETAILED NOTES ON ALL FUNDS (Continued)

In 2015, the City has issued \$29,000,000 in Sanitary Sewer Revenue Bonds, Series 2015, to finance the construction of a wastewater pumping station for delivery of wastewater to trickling filters. The City dedicated the future sanitary sewer fees and revenue to meet the annual and future debt service requirements. Interest payments are due semi-annually on May 1st and November 1st. Principal payments are due annually beginning on May 1st, 2016 through 2035. Interest accrues at rates ranging from 2% to 5% per annum.

In 2020, the City received authorization for a \$5,000,000 loan from the Drinking Water State Revolving Fund (DWSRF) and a \$5,000,000 loan from the Clean Water State Revolving Fund (CWSRF). The loan proceeds are being used for watermain replacements, lead service line replacements, and improvements to a wastewater treatment facility. As of December 31, 2020, \$3,748,044 was drawn from DWSRF and \$562,500 was drawn from CWSRF. \$735,000 of the proceeds received from the DWSRF are eligible for loan forgiveness. Interest payments are due semi-annually on March 1st and September 1st. Principal payments are due annually beginning September 1st, 2021. Interest accrues at a rate of 2% per annum.

For the revenue bond issues that dedicated water and sanitary sewer revenues, the City agreed to comply with similar covenants and requirements. If net revenues at any time are insufficient to make principal and interest payments, such deficiencies shall be restored from revenues collected thereafter. The City is required to own and maintain the capital assets resulting from this construction. However, the City may dispose of any water or sanitary sewer property not essential to the operation in order to meet debt service requirements on these bonds. Principal and interest were \$7,947,151 in 2020 for the water revenue bonds, including the principal payment of Water Revenue Bonds, Series 2013, and \$1,990,000 for the Sanitary Sewer Revenue Bond, Series 2015.

In 2006, 2009, and 2020, the City entered into four loan agreements with the North Dakota Public Finance Authority in the amount of \$16,320,000, \$18,400,000, \$5,000,000, and \$5,000,000, respectively. The wastewater loan proceeds were used to upgrade to the wastewater treatment plant intake system and sanitary sewer improvements. The water loan proceeds were used to upgrade the water treatment facility's sludge plant expansion and replace cast-iron mains. In the event of default, the North Dakota Public Finance Authority may take any action permitted within state statutes to collect revenues to meet the necessary debt service requirements. Principal and interest were \$2,455,795 in 2020. In 2020, the City's revenues for water and sanitary sewer were \$18,822,596 and \$12,020,917, respectively. Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ended December 31,	BUSINESS-TYPE ACTIVITIES		
	Principal	Interest	Total
2021	\$ 6,630,544	\$ 2,324,420	\$ 8,954,964
2022	6,175,000	2,136,649	8,311,649
2023	6,365,000	1,934,251	8,299,251
2024	6,555,000	1,746,044	8,301,044
2025	6,770,000	1,536,753	8,306,753
2026 - 2030	28,050,000	4,599,512	32,649,512
2031 - 2035	17,590,000	1,320,063	18,910,063
2036	275,000	4,125	279,125
Total	<u>\$ 78,410,544</u>	<u>\$ 15,601,817</u>	<u>\$ 94,012,361</u>

In 2020, CenCom entered into a lease agreement for the use of property utilized for CenCom operations. The present value of the future lease payments was \$12,437,605 at the inception date of the lease. The City, City of Mandan, and Burleigh County are responsible for failure to make lease payments. The lease term is 20 years. In 2020, the depreciation expense of the building was \$103,647. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date.

**CITY OF BISMARCK, NORTH DAKOTA
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DETAILED NOTES ON ALL FUNDS (Continued)

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

Year Ended December 31,	COMPONENT UNIT		
	Principal	Interest	Total
2021	\$ 459,485	\$ 182,275	\$ 641,760
2022	466,425	175,335	641,760
2023	473,470	168,290	641,760
2024	480,621	161,139	641,760
2025	490,021	153,879	643,900
2026 - 2030	2,767,198	650,730	3,417,928
2031 - 2035	3,351,576	422,134	3,773,710
2036 - 2040	3,872,896	146,770	4,019,666
Total	<u>\$ 12,361,692</u>	<u>\$ 2,060,552</u>	<u>\$ 14,422,244</u>

G. CONDUIT DEBT

In previous years, the City has approved issuance of industrial revenue bonds in the form of conduit debt to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the financed property and are payable solely from payments received on the underlying mortgage loans. Ownership of the acquired facilities will transfer to the private-sector entity upon repayment of the bonds. The City, State of North Dakota,

or any political subdivision thereof is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2020, three series of industrial revenue bonds were outstanding. The aggregate principal balance is unknown. The State of North Dakota or the City does not have a central repository. The only requirement for this type of issue is to request the amount needed for City Commission approval. The City will be notified once the industrial revenue bonds are paid in full.

H. COMMITMENTS

As of December 31, 2020, the City had commitments on various contracts totaling \$29,248,661.

I. TAX ABATEMENTS

The City allows for five tax abatement programs, such as the Commercial and Residential Renaissance Zone Program, New or Expanding Business Exemptions, and a Commercial and Residential Remodeling Exemption.

In accordance with N.D.C.C. 40-63, the Renaissance Zone Property Tax Exemptions Program is available for commercial and residential buildings located within the renaissance zone, which allows for the property to be excluded from property taxes for a maximum of five years pending City approval. A renaissance zone is a geographical area that the City applies to the North Dakota Department of Commerce for designation.

The Renaissance Zone Program for commercial and residential properties was established in March 2001 and encompasses a 39-block area in the City's downtown area. The purpose of the renaissance zone is to encourage reinvestment in downtown properties by providing property tax incentives to commercial and residential property owners. Four different types of Renaissance Zone projects that qualify for property tax exemptions include rehabilitation, purchase with major improvements, purchase only, and historical preservation and renovation. A renaissance zone project must be approved by both the City and the North Dakota Department of Commerce.

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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DETAILED NOTES ON ALL FUNDS (Continued)

In accordance with N.D.C.C. 40-57.1, the New or Expanding Business Exemption Program allows property tax abatements by assisting in the establishment of industrial plants and expanding and retaining existing businesses. A property tax exemption allows for properties to be excluded for a maximum of five years. The property must have prior certification as a primary sector business by the State of North Dakota Commerce Department. A partial or complete exemption from ad valorem taxation under this section for retail sector projects may receive a partial or complete exemption.

In accordance with N.D.C.C. 40-57-02.2, the Commercial and Residential Remodeling Exemption Program allows for property tax abatements by providing incentives for remodeling properties that are 30 years or older. This exemption is available for commercial and residential remodeling projects that only include additions for residential structures. This exemption is available for a maximum of three years pending City approval.

Taxes abated for the year ending December 31, 2020, were as follows:

Tax Abatement Programs	
Renaissance Zone Exemption - Commercial	\$ 244,265
Renaissance Zone Exemption - Residential	40,378
Remodeling Exemption - Commercial	-
Remodeling Exemption - Residential	765
Total Tax Abatement	<u>\$ 285,408</u>

J. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City pays an annual premium to the North Dakota Insurance Reserve Fund (NDRF) for its general, personal injury, and auto insurance. The coverage by NDRF is limited to losses of \$2,000,000 per occurrence for general liability and \$2,000,000 per occurrence for errors and omissions with a deductible of \$1,000 per insurance claim. The City has purchased a separate airport liability policy that provides coverage for the Bismarck Municipal Airport.

In addition, the City has established a general liability self-insurance fund. This fund is structured to only cover liabilities under \$2,500. The self-insurance fund does not provide collision or comprehensive automotive coverage for the City.

In accordance with N.D.C.C. 32-12.1, the City has a liability limitation of \$250,000 per claim with a \$500,000 aggregate limit for actions in tort.

As of December 31, 2020, the City did not have any estimated liability claims incurred; however, any sewer backup claims have been recorded as a liability in the Sanitary Sewer Fund, as follows:

Sewer Backup Claims					
For year-ended December 31,	Beginning Liability	Claims and Changes in Estimates	Claim Payments	Ending Liability	
2020	\$ -	\$ 104,178	\$ 104,178	\$ -	
2019	\$ 9,504	\$ 11,618	\$ 21,122	\$ -	
2018	\$ 3,770	\$ 118,018	\$ 112,284	\$ 9,504	

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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DETAILED NOTES ON ALL FUNDS (Continued)

Employee Insurance

The City has established a medical self-insurance fund. The purpose of medical self-insurance fund is to finance medical claims for employees and covered dependents of the City and the Bismarck Parks and Recreation District, and to minimize the total cost of annual medical insurance premiums. Medical claims exceeding \$75,000 per individual per year is covered by the stop-loss insurance. This medical plan has paid an excess of stop-loss coverage of \$2,235,776 for 2020. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years. As of December 31, 2020, incurred but not reported (IBNR) liability was estimated by a third-party administrator and reported in the financial statements in the amount of \$994,000. A summary of the IBNR claim reserve liabilities and related claim payments is shown below:

For year-ended December 31,	Beginning Liability	Claims and Changes in Estimates	Claim Payments	Ending Liability
2020	\$ 646,000	\$ 8,944,996	\$ 8,596,996	\$ 994,000
2019	\$ 665,000	\$ 7,741,119	\$ 7,760,119	\$ 646,000
2018	\$ 672,000	\$ 7,054,210	\$ 7,061,210	\$ 665,000

State Fire and Tornado and Bonding Fund

The City participates in the State of North Dakota Fire and Tornado Fund and the State of North Dakota Bonding Fund. The City pays an annual premium for the North Dakota Fire and Tornado Fund to cover damage to buildings and contents. Replacement cost is estimated in consultation with the State of North Dakota Fire and Tornado Fund to provide replacement cost coverage. The State of North Dakota Fire and Tornado Fund is reinsured by a third-party insurance carrier for losses in excess of \$1,000,000 per occurrence during a 12-month period. The State of North Dakota Bonding Fund currently provides the City with blanket fidelity bond coverage in the amount of \$5,000,000 for employees. The State of North Dakota Bonding Fund does not currently charge a premium for this insurance coverage.

Worker's Compensation

The City participates in the State of North Dakota Workforce Safety and Insurance Bureau. The North Dakota Workforce Safety and Insurance Bureau is a State of North Dakota insurance fund and a 'no fault' insurance system covering employees. The State of North Dakota Workforce Safety and Insurance Bureau is financed by premiums assessed to state-wide businesses that maintain employees. The premiums are available for the payment of claims to employees injured in the course of employment.

K. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The City maintains the Bismarck Municipal Solid Waste Facility that acts in the form of a landfill. Federal and state regulations require the City to place a final cover and perform certain maintenance and monitoring functions at the site for 30 years after closure. The City reports a portion of these closure and post-closure care costs as an operating expense annually based on landfill capacity used. As of December 31, 2020, the City reported a \$3,047,041 liability as future landfill closure and post-closure, which represents the cumulative costs with an inflation factor on the use of 94.74% of the estimated capacity of the landfill, as provided by the State of North Dakota Department of Environmental Quality. Actual costs may be higher due to inflation, various economic factors, changes in technology, or changes in regulations. The current Municipal Solid Waste Pit is nearing capacity, and, in 2021, a new pit will be activated for use and the process to close out the old pit will begin.

**CITY OF BISMARCK, NORTH DAKOTA
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DETAILED NOTES ON ALL FUNDS (Continued)

In addition, the City is required by federal and state regulations to determine the method to finance this liability. The City is required to manage an annual financial test in accordance with NDCC 33-20-14-07 to ensure compliance. The City expects that future inflation costs will be covered by the City's operating revenue. However, if the revenues are inadequate or additional closure and post-closure requirements are established, this liability and related costs may be covered by the City's future tax revenues and the issuance of the City's general obligation bonds.

L. CERTAIN ASSET RETIREMENT OBLIGATIONS

The City maintains three underground fuel tanks for refueling vehicles and equipment used in City operations. Two tanks are located at the City's public works facility and one is located at the solid waste facility. The Environmental Protection Agency (40 CFR 280.71) establishes the permanent closure requirements for underground fuel tanks no longer in use.

The liability for the asset retirement obligations is based on estimated costs provided by an external consultant which includes the cost to remove, clean, and dispose of the tanks when retired. The estimated costs are being amortized utilizing a straight-line method over the estimated remaining useful lives of 40 years. As of December 31, 2020, the asset retirement obligation liability was \$67,500. The City has assigned fund balance to cover the future payment of the liability.

Costs included with the cleanup of contaminated soil are not included in the asset retirement obligation liability. At this time, there are no known leaks to the fuel tanks so the cleanup of contaminated soil would not be necessary. If a leak did occur, the City would treat and dispose the contaminated soil with minimal additional liability to the City.

M. EMPLOYEE RETIREMENT PLANS

The City administers the City Employees' Pension Plan, a multiple-employer cost sharing defined benefit pension plan, for full-time City and Bismarck Parks and Recreation District (the District) employees. The City also administers the Bismarck Police Employees' Pension Plan, a single-employer defined benefit pension plan. These pension plans are reported as fiduciary funds in the City's financial statements as pension trust funds. Actuarial reports are available by contacting:

City of Bismarck, North Dakota
Finance Department
P.O. Box 5506
Bismarck, ND 58506-5506

In addition, the City contributes to the Bismarck Firefighters' Relief Association Pension Plan (the Firefighters' Pension Plan) administered by the Firefighters' Relief Association, which is a separate legal entity and not included in the City's financial statements. The Firefighters' Pension Plan is a single-employer public employee retirement system governed by NDCC 18-05 and 18-07. The Firefighters' Pension Plan is organized, operated, and maintained in accordance with separate articles of incorporation and by-laws. Participating employees contribute to the plan at a minimum of \$237 per bi-weekly payroll or 8% of their covered payroll, whichever is greater. The City contributed \$794,993 in 2020. The complete audited financial and pension information can be obtained by contacting:

Firefighters' Relief Association
P.O. Box 5503
Bismarck, ND 58506-5503

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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DETAILED NOTES ON ALL FUNDS (Continued)

City of Bismarck Employees' Pension Plan

Plan Description - The City of Bismarck Employees' Pension Plan (City Employees' Pension Plan) is a multiple-employer cost-sharing defined benefit pension plan. The City and the Bismarck Parks and Recreation District (the District) full-time employees are the members of the City Employees' Pension Plan, excluding sworn police officers and non-sworn members of the City's police department who began employment before December 31, 2006 and members of the Firefighters' Pension Plan.

Plan Membership – Employees begin participation at the first day of employment with a vesting period of five years. As of December 31, 2020, the City Employees' Pension Plan membership was as follows:

Retirees and Beneficiaries Receiving Benefits	253
Terminated Employees - Vested	69
Active Employees:	
Vested	311
Non-Vested	158
Total Members	<u>791</u>

Plan Administration – The City Employees' Pension Plan is managed by the board of trustees, which consists of the City Administrator and the City department directors, except for the chief of police. The City administers the pension plan and related investments.

Benefits Provided - Benefit provisions, amendments, and requirements are established under the authority of the City Commissioners. Employees may be eligible for early or normal retirement, as well as death benefits. Normal retirement age for full benefits is age 62. Employees who retire at or after age 62 with 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1.75% of the average of the member's highest 36-month base salary for each full and fractional year of contributing service before January 2005 and 2.25% for contributing service on or after January 2005. Married participants receive a joint and two-thirds to survivor annuity while single participants receive a life-only annuity. There are no provisions with respect to automatic and post-retirement benefit increases. Employees with five years of credited service may retire at an earlier age and receive actuarially reduced retirement benefit. Benefit terms may be amended in accordance with on N.D.C.C. 40-46. Chapter 9-07 of the City's code of ordinance grants the authority to the City Commissioners to establish and amend the benefit terms.

Prior to January 2005, City employees directed the investment of their contribution utilizing a contracted City investment manager. These employees were eligible to receive a distribution of the interest earned on the contributions in excess of 5% upon retirement. Effective January 1, 2005, employee contributions are invested with the City pension trust funds and self-directed accounts were discontinued. On December 31, 2004, interest earned in excess of 5% for the individual employee accounts has been transferred to an Employee Excess Retirement Fund as a Custodial Fiduciary Fund. Employee excess retirement accounts continue to be self-directed by the employees but administered by the City in custodial capacity.

Employees or designated beneficiary that separate from the City before attaining the five-year service credit are refunded the employee's accumulated contribution plus interest earnings at 5% per annum.

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

Contributions

Employee Contributions - Participating active employees contribute to the plan at a rate of 5% of covered payroll. Employees or designated beneficiaries that separate from the City before attaining the five-year service credit are refunded the employee's accumulated contribution plus interest earnings at 5% per annum. Member contributions are made through deductions applied to the regular bi-weekly payroll.

Employer Contributions – Employer contributions are based on an actuarial formula identified as entry age normal cost method. This method produces an employer contribution rate consisting of an amount for normal cost and an amount for amortization of the net pension liability over a closed period of 30 years. The annual contribution is approved in the annual adopted budget.

Net Position – As of December 31, 2020, the net position is \$118,296,160 and the entire amount is restricted for employee pension benefits.

	2020
Actuarially Determined Contributions	\$ 2,711,120
Contributions in Relation to the	
Actuarially Determined Contribution	<u>2,653,396</u>
Contribution Deficiency (Excess)	<u>\$ 57,724</u>
Covered Payroll	\$ 24,554,144
Contributions as a Percentage of	
Covered Payroll	10.8%

Investments

Investment Policy – The City Employees' Pension Plan investment policy and asset class allocations are established and may be amended by the Board of Trustees by a majority vote of its members. The policy of the City Employees' Pension Plan is to pursue an investment strategy to improve the funding status to protect and sustain current and future benefits, minimize the employee and employer contributions, avoid substantial volatility in required contribution rates and fluctuations in the funding status, and accumulate a funding surplus to provide increases in retiree payments to preserve the purchasing power of their retirement benefits.

The City Employees' Pension Plan Board has entered into a contract with the North Dakota State Investment Board (SIB) for investment services, in accordance with NDCC 21-10-06, and implement these policies by investing the City Employees' Pension Plan assets in the manner described in NDCC 21-10-07, the prudent investor rule. Management's responsibility that is not assigned to the SIB in NDCC 21-10 is delegated to the SIB. SIB must establish written policies for the operation of the investment program consistent with the City Employees' Pension Plan investment policy.

The City Employees' Pension Plan Board of Trustees adopted a long-term investment horizon and asset allocation policy for the management of these assets. Asset allocation targets are established using an asset-liability analysis designed to determine an acceptable volatility target for the plan and an optimal asset allocation policy mix. The asset-liability analysis considers both sides of the plan balance sheet, utilizing both quantitative and qualitative inputs, in order to estimate the potential impact of various asset class mixes on key measures of total plan risk. The following was the plan's asset allocation as of December 31, 2020:

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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DETAILED NOTES ON ALL FUNDS (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>
World Equity	10%
Large Domestic Equity	15%
Small Domestic Equity	4%
Developed International Equity	10%
Emerging International Equity	3%
Private Equity	4%
Domestic Fixed Income	34%
Real Estate	12%
Infrastructure	6%
Timber	2%
	<u>100%</u>

Investment Valuation – Investments are recorded at fair value determined by reference to published market data for publicly traded securities and using independent valuation services and appraisals for other investments. The net increase in fair value of investments consists of the realized gains or losses and the unrealized increases or decreases 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 original cost of the investment. Unrealized increases or decreases are computed based on changes in the fair value of investment between years. Security transactions are accounted for on a trade date basis. Interest income is recognized when earned. Dividend income is recorded on the ex-dividend date.

Long-term Expected Return on Plan Assets – The long-term expected rate of return of 7.5% on plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return were developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates to return by the target asset allocation percentage.

The projected 10 year geometric real rates of return by asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
World Equity	7.90%
Large Domestic Equity	7.60%
Small Domestic Equity	7.90%
Developed International Equity	7.60%
Emerging International Equity	8.00%
Private Equity	8.80%
Domestic Fixed Income	3.25%
Real Estate	6.40%
Infrastructure	7.50%
Timber	7.10%

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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DETAILED NOTES ON ALL FUNDS (Continued)

Actuarial Assumptions

City Employees' Pension Plan	
Valuation Date	January 1, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Payroll Over Remaining Amortization Period-Closed
Remaining Amortization Period	18
Mortality Rate	Based on Pub-2010 Mortality Tables Projected with Scale MP-2020
Asset Valuation Method	Market
Valuation Method:	
Inflation Rate	3.00%
Investment Rate of Return	7.50%
Projected Salary Increases:	
All active participants	3.25%
Post Retirement Cost of Living Adjustments	None

Measurements – Presented below are the Schedule of Net Pension Liability, Schedule of Changes in Net Pension Liability, Schedule of Changes in Plan Fiduciary Net Position, and the Schedule of Investment Returns for the City Employees' Pension Plan.

**CITY OF BISMARCK, NORTH DAKOTA
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Schedule of Net Pension Liability	2020
Total Pension Liability	\$ 124,726,114
Plan Fiduciary Net Position	118,296,160
Net Pension Liability (Asset)	<u>\$ 6,429,954</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.84%
Covered Payroll	\$ 28,310,578
Net Pension Liability (Asset) as a Percentage of Covered Payroll	22.7%
 Schedule of Changes in Total Pension Liability	 2020
Service Cost	\$ 3,206,349
Interest	8,918,281
Differences Between Expected and Actual Experience	178,035
Changes of Assumptions	(122,712)
Benefit Payments, including Refunds of Member Contributions	(6,315,804)
Net Change in Total Pension Liability	<u>5,864,149</u>
Total Pension Liability, Beginning of Year	118,861,965
Total Pension Liability, End of Year	<u>\$ 124,726,114</u>
 Schedule of Changes in Plan Fiduciary Net Position	 2020
Contributions - Employer	\$ 3,034,058
Contributions - Employee	1,401,930
Net Investment Income	11,698,867
Benefit Payments, including Refunds of Member Contributions	(6,315,804)
Administrative Expense	(443,991)
Net Change in Fiduciary Net Position	<u>9,375,060</u>
Plan Fiduciary Net Position, Beginning of Year	108,921,100
Plan Fiduciary Net Position, End of Year	<u>\$ 118,296,160</u>
 Schedule of Investment Returns	 2020
Annual Money-Weighted Rate of Return, Net of Investment Expense	<u>10.9%</u>

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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DETAILED NOTES ON ALL FUNDS (Continued)

Sensitivity of the Net Pension Liability to changes in the Discount Rate – The net pension liability of the City Employees' Pension Plan is calculated at a discount rate of 7.5%, as well as what the City Employees' Pension Plan net pension liability would be if calculated using a discount rate that is 1% lower (6.5%) or 1% higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
Total Pension Liability	\$ 140,297,878	\$ 124,726,114	\$ 111,686,448
Plan Fiduciary Net Position	118,296,160	118,296,160	118,296,160
Net Pension Liability (Asset)	<u>\$ 22,001,718</u>	<u>\$ 6,429,954</u>	<u>\$ (6,609,712)</u>
City Portion	<u>\$ 18,591,452</u>	<u>\$ 5,433,477</u>	<u>\$ (5,585,207)</u>

Proportionate Share of the Net Pension Liability – As of December 31, 2020, the City's proportionate share of the net pension liability for the City Employees' Pension Plan was \$5,433,477. The calculation was determined by an actuarial valuation based on the City's share of present value of future payroll. The City's proportionate share was 84.5%.

Net Pension Liability	2020
Employer's Proportion of the Net Pension Liability	84.50%
Employer's Proportionate Share of the Net Pension Liability	\$ 5,433,477
Employer's Covered Payroll	\$ 24,554,144
Plan Fiduciary Net Position	\$ 118,296,160
Employer's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	22.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.84%

Deferred Inflows and Outflows of Resources – As of December 31, 2020, the City Employees' Pension Plan recognized pension expense of \$2,348,678 of total City pension expense of \$3,102,511. Deferred inflows and outflows of resources related to pensions are as a result of the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,041,264	\$ 702,156
Changes of Assumptions	2,301,865	88,881
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	4,480,015
Changes in Proportionate and Differences Between Employer Contributions and Proportionate Share of Contributions	422,253	522,592
Total	<u>\$ 3,765,382</u>	<u>\$ 5,793,644</u>

**CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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DETAILED NOTES ON ALL FUNDS (Continued)

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

2021	\$ (356,444)
2022	371,918
2023	(1,464,244)
2024	(444,331)
2025	(122,358)
Thereafter	<u>(12,803)</u>
Total	<u>\$ (2,028,262)</u>

Bismarck City Police Pension Plan

Plan Description - The Bismarck City Police Pension Plan (BCPPP) is a single employer defined benefit pension plan. The BCPMP provides for all full-time sworn police officers and non-sworn members of the police department.

Plan Membership - Memberships begin with their hire date before December 31, 2020, and are vested after five years of service. Membership in the BCPMP on December 31, 2020, is as follows:

Retirees and Beneficiaries Receiving Benefits	86
Terminated Employees - Vested	26
Active Employees:	
Vested	97
Non-Vested	<u>42</u>
Total Members	<u>251</u>

Plan Administration – North Dakota Century Code (NDCC) 40-45 and in accordance with Chapter 9-08 of the Bismarck Code of Ordinance grants the authority to establish and amend the benefit terms to the City Commission. Management of the BCPMP plan is vested in the Board of Trustees which consists of the Chief of Police, two members of the police department appointed by the chief of police with no less than eight years of service and two elected members of the police department with no less than eight years of service. Each appointed trustee shall serve a two-year term.

Benefits Provided - Benefit provisions, amendments, and all requirements are established under the authority of the City Commission. Employees who retire at or after age 55 with 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.5% of their final average salary, for each full and fractional year of contributing service. Final average salary is the employees' average salary, excluding overtime and longevity pay, of the highest 36-month period of credited service. Married participants receive a joint and two-thirds to survivor annuity while single participants receive a life annuity. There are no provisions with respect to automatic and ad-hoc post-retirement benefit increases. Employees with five years of credited service may retire at an earlier age and receive an actuarially reduced retirement benefit. Benefit provision is established under the authority of the City Commission.

**CITY OF BISMARCK, NORTH DAKOTA
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DETAILED NOTES ON ALL FUNDS (Continued)

Pension benefits available under this plan are funded in part from the accumulation of the employees' contribution. Prior to January 2005, employees directed the investment of their contribution utilizing a contracted City investment manager and were eligible to receive a distribution of the interest earned on the contributions in excess of 5% upon retirement. Effective January 1, 2005, all employee contributions are invested with the City pension funds and individual self-directed accounts were discontinued. Interest earned in excess of 5% for the individual employee accounts as of December 31, 2004 has been transferred to an Employee Excess Retirement Fund, a Custodial Fiduciary Fund, and the excess funds in the individual employee accounts continue to be self-directed.

Contributions

Employee Contributions - Participating active employees contribute to the plan at a rate of 9.4% of covered payroll. If an employee leaves covered employment before attaining the five-year service credit, the accumulated contributions plus interest earnings at 5% per annum are refunded to the employee or designated beneficiary. All member contributions are made by payroll deductions applied to regular bi-weekly pay.

Employer Contributions – Employer contributions are based on an actuarial formula identified as entry age normal cost method. This method produces an employer contribution rate consisting of an amount for normal cost and an amount for amortization of the unfunded accrued liability over a closed period of 30 years. The annual contribution is recommended to the City Commission and considered for approval and adoption.

Net Position - The net position at December 31, 2020 is \$47,593,576 and the entire amount is restricted for employee pension benefits.

Schedule of Contributions

	2020
Actuarially Determined Contributions	\$ 1,118,814
Contributions in Relation to the Actuarially Determined Contribution	1,351,427
Contribution Deficiency (Excess)	\$ (232,613)
Covered Payroll	\$ 9,108,027
Contributions as a Percentage of Covered Payroll	14.8%

Measurement Focus and Basis of Accounting – The City's Fiduciary Pension Trust Fund financial statements are accounted for on an economic resources measurement focus and the accrual basis of accounting. Employer and plan member contributions are recognized when due pursuant to formal commitments, as well as ordinance requirements. Investment income is recognized as revenue when earned. Retirement benefits and refunds are recognized when due and payable in accordance with the terms of the BCPPP. Other expenses are recognized when the corresponding liabilities are incurred. The net appreciation (depreciation) in fair value of investments is recorded as an increase (decrease) to investment income based on the fair market value of the investments. The entire expense of the BCPPP administration is charged against the earnings of the BCPPP.

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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DETAILED NOTES ON ALL FUNDS (Continued)

Investments

Investment Policy – The BCPPP investment policy and asset class allocations are established and may be amended by the Board of Trustees by a majority vote of its members. It is the policy of the BCPPP to pursue an investment strategy to improve the BCPPP's funding status to protect and sustain current and future benefits, minimize the employee and employer contributions needed to fund the BCPPP over the long-term, avoid substantial volatility in required contribution rates and fluctuations in the BCPPP's funding status and to accumulate a funding surplus to provide increases in retiree payments to preserve the purchasing power of their retirement benefits.

BCPPP Board of Trustees has entered into a contract with the North Dakota State Investment Board (SIB) for investment services as allowed under NDCC 21-10-06 and to implement these policies by investing the assets of the Fund in the manner provided in NDCC 21-10-07, the prudent investor rule. Management's responsibility that is not assigned to the SIB in Chapter 21-10 of the NDCC is delegated to the SIB who must establish written policies for the operation of the investment program consistent with this investment policy.

The BCPPP Board of Trustees adopted a long-term investment horizon and asset allocation policy for the management of the BCPPP's assets. Asset allocation targets are established using an asset-liability analysis designed to determine an acceptable volatility target for the plan and an optimal asset allocation policy mix. The asset-liability analysis considers both sides of the plan balance sheet, utilizing both quantitative and qualitative inputs to estimate the potential impact of various asset class mixes on key measures of total plan risk.

The following was the plans asset allocation as of December 31, 2020:

<u>Asset Class</u>	<u>Target Allocation</u>
World Equity	10%
Large Domestic Equity	17%
Small Domestic Equity	4%
Developed International Equity	11%
Emerging International Equity	4%
Private Equity	5%
Domestic Fixed Income	29%
Real Estate	12%
Infrastructure	6%
Timber	2%
	<u>100%</u>

Investment Valuation – Investments are recorded at fair value determined by reference to published market data for publicly traded securities and using independent valuation services and appraisals for other investments. The net increases (decreases) in fair value of investments consists of the realized gains (losses) and the unrealized increases (decreases) in fair value of investments during the year. Realized gains (losses) on sales of investments are computed based on the difference between the sales price and the original cost of the investment. Unrealized increases (decreases) are computed based on changes in the fair value of investment between years. Security transactions are accounted for on a trade date basis. Interest income is recognized when earned. Dividend income is recorded on the ex-dividend date.

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Expected Return on Plan Assets – The long-term expected rate of return of 7.5% on plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates to return by the target asset allocation percentage.

The projected 10-year geometric real rates of return by asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
World Equity	7.90%
Large Domestic Equity	7.60%
Small Domestic Equity	7.90%
Developed International Equity	7.60%
Emerging International Equity	8.00%
Private Equity	8.80%
Domestic Fixed Income	3.25%
Real Estate	6.40%
Infrastructure	7.50%
Timber	7.10%

Actuarial Assumptions

<u>Police Employees' Pension Plan</u>	
Valuation Date	January 1, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Payroll Over Remaining Amortization Period-Closed
Remaining Amortization Period	18
Mortality Rate	Based on PUBS-2010 Public Safety Amount Weighted Mortality Projected with Scale MP-2020
Asset Valuation Method	Market
Valuation Method:	
Inflation Rate	3.00%
Investment Rate of Return	7.50%
Projected Salary Increases:	
All active participants	3.25%
Post Retirement Cost of Living Adjustments	None

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

Measurements – Presented below are the Schedule of Net Pension Liability, Schedule of Changes in Net Pension Liability, Schedule of Changes in Plan Fiduciary Net Position and the Schedule of Investment Returns.

Schedule of Net Pension Liability

	2020
Total Pension Liability	\$ 53,476,479
Plan Fiduciary Net Position	47,593,576
Net Pension Liability (Asset)	<u>\$ 5,882,903</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.00%
Covered Payroll	\$ 9,108,027
Net Pension Liability (Asset) as a Percentage of Covered Payroll	64.6%

Schedule of Changes in Total Pension Liability

	2020
Service Cost	\$ 1,186,486
Interest	3,788,633
Differences Between Expected and Actual Experience	989,347
Changes of Assumptions	(389,436)
Benefit Payments, including Refunds of Member Contributions	(2,854,354)
Net Change in Total Pension Liability	<u>2,720,676</u>
Total Pension Liability, Beginning of Year	50,755,803
Total Pension Liability, End of Year	<u>\$ 53,476,479</u>

Schedule of Changes in Plan Fiduciary Net Position

	2020
Contributions - Employer	\$ 1,351,427
Contributions - Employee	824,461
Net Investment Income	4,851,844
Benefit Payments, including Refunds of Member Contributions	(2,854,354)
Administrative Expense	(176,497)
Net Change in Fiduciary Net Position	<u>3,996,881</u>
Plan Fiduciary Net Position, Beginning of Year	43,596,695
Plan Fiduciary Net Position, End of Year	<u>\$ 47,593,576</u>

Schedule of Investment Returns

	2020
Annual Money-Weighted Rate of Return, Net of Investment Expense	11.2%

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

Sensitivity of the Net Pension Liability to changes in the Discount Rate – The net pension liability of the BCPPP is calculated at a discount rate of 7.5%. The BCPPP's sensitivity of the net pension liability used a discount rate that is 1% lower (6.5%) or 1% higher (8.5%) than the current discount rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Total Pension Liability	\$ 60,652,208	\$ 53,476,479	\$ 47,548,787
Plan Fiduciary Net Position	47,593,576	47,593,576	47,593,576
Net Pension Liability (Asset)	<u>\$ 13,058,632</u>	<u>\$ 5,882,903</u>	<u>\$ (44,789)</u>

Deferred Inflows and Outflows of Resources – As of December 31, 2020, the City recognized a pension expense of \$753,833 of the total City pension expense of \$3,102,511. Deferred inflows and outflows of resources related to pensions are as a result of the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,108,428	\$ 678,476
Changes of Assumptions	813,376	477,794
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	2,384,980
Total	<u>\$ 1,921,804</u>	<u>\$ 3,541,250</u>

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

2020	\$ (424,715)
2021	7,747
2022	(882,690)
2023	(355,195)
2024	(37,877)
Thereafter	73,284
Total	<u>\$ (1,619,446)</u>

CITY OF BISMARCK, NORTH DAKOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

DETAILED NOTES ON ALL FUNDS (Continued)

N. CHANGE IN ACCOUNTING PRINCIPLE

Effective for fiscal year ended December 31, 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, *Fiduciary Activities*, which clarified guidance on the reporting of fiduciary activities. As a result, deferred sick leave activity no longer met the criteria to be classified as a fiduciary fund. The activities are now reported in the governmental activities. In addition, the employee excess retirement fund is now considered a custodial fund. Net position of governmental and fiduciary activities as of December 31, 2019 were restated to reflect the cumulative effect of adopting the standard.

	Governmental Fund	Fiduciary Funds	
	General Fund	Pension Trust Funds	Custodial Fund
Fund Balance, January 1, as Previously Reported	\$ 45,040,904	\$ 153,521,719	\$ -
Restatement			
Cash and Investments	813,101	(1,003,925)	190,824
Fund Balance, January 1, as Restated	<u>\$ 45,854,005</u>	<u>\$ 152,517,794</u>	<u>\$ 190,824</u>

	Governmental Activities
Net Position - January 1, as Previously Reported	\$ 463,036,071
Restatement	
Cash and Investments	813,101
Net Position - January 1, as Restated	<u>\$ 463,849,172</u>

O. COVID-19 CONTINGENCY

Coronavirus Pandemic

The City continues to be negatively impacted by the effects of the world-wide coronavirus pandemic. The City is closely monitoring its operation, liquidity and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of the issuance of these financial statements, the full impact to the City's financial position is not known.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

**CITY OF BISMARCK, NORTH DAKOTA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 20,851,758	\$ 20,851,758	\$ 19,863,847	\$ (987,911)
Intergovernmental	6,474,386	6,474,386	16,627,881	10,153,495
Charges for Services	4,126,367	4,126,367	4,856,581	730,214
Licenses and Permits	1,258,075	1,258,075	1,964,952	706,877
Fines and Forfeitures	1,475,200	1,475,200	1,084,832	(390,368)
Rentals	89,733	89,733	182,448	92,715
Investment Income	792,500	792,500	1,028,183	235,683
Miscellaneous	26,300	26,300	31,349	5,049
Total Revenues	35,094,319	35,094,319	45,640,073	10,545,754
EXPENDITURES				
Current				
General Government	12,043,702	11,396,991	10,983,452	413,539
Public Safety	29,399,091	29,558,647	28,471,110	1,087,537
Highways and Streets	2,874,650	2,874,650	2,580,690	293,960
Health and Welfare	2,825,888	2,825,888	2,516,697	309,191
Culture and Recreation	471,232	471,232	471,232	-
Capital Outlay	1,019,653	2,162,473	565,622	1,596,851
Total Expenditures	48,634,216	49,289,881	45,588,803	3,701,078
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	(13,539,897)	(14,195,562)	51,270	14,246,832
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	-	-	2,133,163	2,133,163
Transfers In	12,618,675	12,618,675	12,412,284	(206,391)
Transfers Out	(5,563,899)	(5,573,942)	(4,176,424)	1,397,518
Total Other Financing Sources	7,054,776	7,044,733	10,369,023	3,324,290
Change in Fund Balance	(6,485,121)	(7,150,829)	10,420,293	17,571,122
Fund Balance, Beginning of Year, as Restated	45,854,005	45,854,005	45,854,005	-
Fund Balance, End of Year	\$ 39,368,884	\$ 38,703,176	\$ 56,274,298	\$ 17,571,122

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 22,900,000	\$ 22,900,000	\$ 23,411,959	\$ 511,959
Investment Income	280,000	280,000	561,469	281,469
Total Revenues	23,180,000	23,180,000	23,973,428	793,428
EXPENDITURES				
Current				
General Government	100	100	336	(236)
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,179,900	23,179,900	23,973,092	793,192
OTHER FINANCING SOURCES (USES)				
Transfers Out	(29,488,682)	(29,488,682)	(28,882,731)	605,951
Change in Fund Balance	(6,308,782)	(6,308,782)	(4,909,639)	1,399,143
Fund Balance, Beginning of Year	33,965,253	33,965,253	33,965,253	-
Fund Balance, End of Year	\$ 27,656,471	\$ 27,656,471	\$ 29,055,614	\$ 1,399,143

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2020**

CITY OF BISMARCK EMPLOYEES' PENSION PLAN

Proportionate Share of the Net Pension Liability

	2014	2015	2016	2017	2018	2019	2020
Employer's Proportion of the Net Pension Liability	87.64%	87.29%	86.57%	85.48%	85.53%	85.06%	84.50%
Employer's Proportionate Share of the Net Pension Liability	847,444	8,022,941	8,478,413	7,555,249	16,095,175	8,455,386	5,433,477
Employer's Covered Payroll	21,850,884	23,069,097	23,633,534	23,747,865	23,757,750	24,652,588	24,554,144
Plan Fiduciary Net Position	81,274,325	81,585,449	86,746,756	98,665,938	95,023,653	108,921,100	118,296,160
Employer's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	3.88%	34.78%	35.87%	31.81%	67.75%	34.30%	22.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.82%	89.88%	89.88%	91.78%	83.47%	91.64%	94.84%

* Complete data for this schedule is not available prior to 2014. The 2014, 2015, 2016, 2017, 2018, 2019, and 2020 information presented has a measurement date of December 31.

Schedule of Contributions

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contributions	\$ 981,273	\$ 1,082,266	\$ 1,806,842	\$ 2,187,386	\$ 2,467,685	\$ 3,181,564	\$ 2,711,120
Contributions in Relation to the Actuarially Determined Contribution	2,181,183	2,071,677	2,263,240	2,477,572	2,541,349	2,565,468	2,653,396
Contribution Deficiency (Excess)	<u>\$ (1,199,910)</u>	<u>\$ (989,411)</u>	<u>\$ (456,398)</u>	<u>\$ (290,186)</u>	<u>\$ (73,664)</u>	<u>\$ 616,096</u>	<u>\$ 57,724</u>
Covered Payroll	\$21,850,884	\$23,069,097	\$23,633,534	\$23,747,865	\$23,757,750	\$24,652,588	\$24,554,144
Contributions as a Percentage of Covered Payroll	10.0%	9.0%	9.6%	10.4%	10.7%	10.4%	10.8%

* Complete data for this schedule is not available prior to 2014. The 2014, 2015, 2016, 2017, 2018, 2019, and 2020 information presented has a measurement date of December 31.

Notes to the Required Supplementary Information

Actuarial Assumptions

Valuation Date	1/1/2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Payroll Over Remaining Amortization Period-Closed
Remaining Amortization Period	18
Mortality Rate	Based on Pub-2010 Mortality Tables Projected with Scale MP-2020
Asset Valuation Method	Market
Valuation Method:	
Inflation Rate	3.00%
Investment Rate of Return	7.50%
Projected Salary Increases All Active Participants	3.25%
Post-Retirement Cost of Living Adjustments	None

**CITY OF BISMARCK, NORTH DAKOTA
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2020**

BISMARCK CITY POLICE PENSION PLAN

Net Pension Liability

	2014	2015	2016	2017	2018	2019	2020
Total Pension Liability	\$ 39,959,458	\$ 42,555,764	\$ 44,459,890	\$ 47,688,313	\$ 49,718,945	\$ 50,755,803	\$ 53,476,479
Plan Fiduciary Net Position	34,525,350	33,861,051	35,395,974	40,136,438	38,157,708	43,596,695	47,593,576
Net Pension Liability (Asset)	<u>\$ 5,434,108</u>	<u>\$ 8,694,713</u>	<u>\$ 9,063,916</u>	<u>\$ 7,551,875</u>	<u>\$ 11,561,237</u>	<u>\$ 7,159,108</u>	<u>\$ 5,882,903</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.4%	79.6%	79.6%	84.2%	76.7%	85.9%	89.0%
Covered Payroll	\$ 6,214,690	\$ 7,101,508	\$ 7,643,499	\$ 7,942,900	\$ 8,152,505	\$ 8,570,539	\$ 9,108,027
Net Pension Liability (Asset) as a Percentage of Covered	87.4%	122.4%	118.6%	95.1%	141.8%	83.5%	64.6%

* Data for this schedule is not available prior to 2014. The 2014, 2015, 2016, 2017, 2018, 2019, and 2020 information presented has a measurement date of December 31.

Schedule of Contributions

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contributions	\$ 481,480	\$ 576,620	\$ 837,641	\$ 1,033,660	\$ 1,042,573	\$ 1,339,670	\$ 1,118,814
Contributions in Relation to the Actuarially Determined Contribution	941,815	892,803	961,513	1,091,295	1,208,939	1,268,664	1,351,427
Contribution Deficiency (Excess)	<u>\$ (460,335)</u>	<u>\$ (316,183)</u>	<u>\$ (123,872)</u>	<u>\$ (57,635)</u>	<u>\$ (166,366)</u>	<u>\$ 71,006</u>	<u>\$ (232,613)</u>
Covered Payroll	\$ 6,214,690	\$ 7,101,508	\$ 7,643,499	\$ 7,942,900	\$ 8,152,505	\$ 8,570,539	\$ 9,108,027
Contributions as a percentage of covered payroll	15.2%	12.6%	12.6%	13.7%	14.8%	14.8%	14.8%

* Data for this schedule is not available prior to 2014. The 2014, 2015, 2016, 2017, 2018, 2019, and 2020 information presented has a measurement date of December 31.

Notes to the Required Supplementary Information

Actuarial Assumptions

Valuation Date	1/1/2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Payroll Over Remaining Amortization Period Closed
Remaining Amortization Period	18
Mortality Rate	Based on PUBS-2010 Public Safety Amount Weighted Mortality Projected with Scale MP-2020
Asset Valuation Method	
Valuation Method:	
Inflation Rate	3.00%
Investment Rate of Return	7.50%
Projected Salary Increases All Active Participants	3.25%
Post-Retirement Cost of Living Adjustments	None

COMBINING & INDIVIDUAL FUND STATEMENTS & SCHEDULES



CITY OF BISMARCK, NORTH DAKOTA
BALANCE SHEET
SUMMARY OF NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ 16,242,279	\$ 696,412	\$ 5,549,756	\$ 22,488,447
Taxes Receivable	45,485	-	5,320	50,805
Accounts Receivable	5,267,363	-	116,668	5,384,031
Special Assessments Receivable	-	8,420,224	103,944	8,524,168
Notes Receivable	281,589	-	3,298,472	3,580,061
Interfund Receivable	-	1,768,142	-	1,768,142
Total Assets	<u>\$ 21,836,716</u>	<u>\$ 10,884,778</u>	<u>\$ 9,074,160</u>	<u>\$ 41,795,654</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 2,987,624	\$ 9,528	\$ 808,899	\$ 3,806,051
Retainage Payable	-	-	124,106	124,106
Interfund Payables	52,816	-	3,642,432	3,695,248
Salaries Payable	321,628	-	-	321,628
Customer Deposits	48,446	-	26,500	74,946
Unearned Revenue	-	-	2,998,472	2,998,472
Total Liabilities	<u>3,410,514</u>	<u>9,528</u>	<u>7,600,409</u>	<u>11,020,451</u>
DEFERRED INFLOWS OF RESOURCES				
Special Assessments	-	7,293,040	63,407	7,356,447
Property Taxes	26,934	-	3,150	30,084
Total Deferred Inflows of Resources	<u>26,934</u>	<u>7,293,040</u>	<u>66,557</u>	<u>7,386,531</u>
FUND BALANCES				
Nonspendable	281,589	-	-	281,589
Restricted	2,076,954	3,582,210	-	5,659,164
Committed	16,040,725	-	5,427,621	21,468,346
Assigned	-	-	300,000	300,000
Unassigned	-	-	(4,320,427)	(4,320,427)
Total Fund Balances	<u>18,399,268</u>	<u>3,582,210</u>	<u>1,407,194</u>	<u>23,388,672</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 21,836,716</u>	<u>\$ 10,884,778</u>	<u>\$ 9,074,160</u>	<u>\$ 41,795,654</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SUMMARY OF NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 6,476,369	\$ -	\$ 381,743	\$ 6,858,112
Special Assessments	-	1,968,919	2,224,608	4,193,527
Intergovernmental	11,478,899	-	1,718,994	13,197,893
Charges for Services	3,549,429	-	306,781	3,856,210
Licenses and Permits	1,500	-	-	1,500
Fines and Forfeitures	155,506	-	-	155,506
Rentals	92,974	-	-	92,974
Investment Income	256,902	57,533	68,268	382,703
Miscellaneous	671,111	-	-	671,111
Total Revenues	<u>22,682,690</u>	<u>2,026,452</u>	<u>4,700,394</u>	<u>29,409,536</u>
EXPENDITURES				
Current				
General Government	7,277,336	-	88,289	7,365,625
Public Safety	1,112,627	-	-	1,112,627
Highways and Streets	7,715,589	-	-	7,715,589
Health and Welfare	1,029,190	-	-	1,029,190
Culture and Recreation	2,311,599	-	-	2,311,599
Public Works	-	-	2,111,011	2,111,011
Capital Outlay	2,188,233	-	6,738,103	8,926,336
Debt Service				
Principal	-	1,578,595	-	1,578,595
Interest and Fiscal Charges	-	271,489	-	271,489
Total Expenditures	<u>21,634,574</u>	<u>1,850,084</u>	<u>8,937,403</u>	<u>32,422,061</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,048,116</u>	<u>176,368</u>	<u>(4,237,009)</u>	<u>(3,012,525)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of Special Assessment Bonds	-	107,510	4,230,000	4,337,510
Premium on Special Assessment Bonds	-	6,175	222,588	228,763
Payment to Escrow Agent on Refunded Bonds	-	(112,807)	-	(112,807)
Transfers In	2,898,720	74,440	2,067,143	5,040,303
Transfers Out	(4,451,384)	-	(1,195,144)	(5,646,528)
Total Other Financing Sources (Uses)	<u>(1,552,664)</u>	<u>75,318</u>	<u>5,324,587</u>	<u>3,847,241</u>
Change In Fund Balance	(504,548)	251,686	1,087,578	834,716
Fund Balance, Beginning of Year	<u>18,903,816</u>	<u>3,330,524</u>	<u>319,616</u>	<u>22,553,956</u>
Fund Balance, End of Year	<u>\$ 18,399,268</u>	<u>\$ 3,582,210</u>	<u>\$ 1,407,194</u>	<u>\$ 23,388,672</u>

The notes to the financial statements are an integral part of this statement.

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are established to account for specific revenue sources (other than Expendable Trusts or Major Capital Projects) that are legally restricted to expenditures for specified purposes.

PUBLIC TRANSIT SYSTEM - This fund accounts for the pass through of federal funds and a tax levy of 3 mills to the Bismarck-Mandan Transit Board. These funds are used to operate a bus system for the elderly and handicapped citizens and a fixed route for general transportation in Bismarck and Mandan.

LIBRARY - This fund accounts for the operation of the Public Library. Financing is provided by a specific annual property tax levy.

POLICE ASSET FORFEITURE - This fund accounts for programs related to drug enforcement that is funded through forfeitures.

ROADS AND STREETS - This fund accounts for the maintenance of all public streets. Financing is provided by motor vehicle license and gasoline tax collected by the State and reimbursed on a per capita basis. Snow gating activities are funded by Sales Tax.

STREET LIGHTS AND TRAFFIC SIGNALS - This fund accounts for the cost of providing electricity and maintenance of the City's residential street lights and traffic signals. Financing is provided by a monthly fee billed to each property owner.

HOTEL/MOTEL TAX - This fund accounts for the distribution of 85% of the hotel/motel two percent tax collections. Revenues from this fund are passed through to Bismarck/Mandan Convention Visitors Bureau to promote tourism.

LODGING, LIQUOR AND FOOD TAX - This fund accounts for the collection of the one percent lodging, liquor and food tax used for visitor's promotion capital projects.

VISION FUND - This fund accounts for the economic development activities for the City of Bismarck and is funded by Sales Tax.

GOVERNMENT GRANTS AND ACTIVITIES - This fund accounts for federal and state grants, self-funded activities, and donations.

**CITY OF BISMARCK, NORTH DAKOTA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2020**

	Public Transit System	Library	Police Asset Forfeiture	Roads and Streets	Street Lights and Traffic Signals	Hotel / Motel Tax	Lodging, Liquor, and Food Tax	Vision	Government Grants and Activities	Total Nonmajor Special Revenue
ASSETS										
Cash and Investments	\$ 6,364	\$ 1,044,419	\$ 496,303	\$ 4,563,883	\$ 3,303,523	\$ -	\$ 5,326,057	\$1,501,730	\$ -	\$ 16,242,279
Taxes Receivable	15,959	29,526	-	-	-	-	-	-	-	45,485
Accounts Receivable	2,416,428	46,029	7,629	718,030	173,805	90,203	416,672	-	1,398,567	5,267,363
Notes Receivable	-	-	-	-	-	-	-	281,589	-	281,589
Total Assets	<u>\$ 2,438,751</u>	<u>\$ 1,119,974</u>	<u>\$ 503,932</u>	<u>\$ 5,281,913</u>	<u>\$ 3,477,328</u>	<u>\$ 90,203</u>	<u>\$ 5,742,729</u>	<u>\$1,783,319</u>	<u>\$ 1,398,567</u>	<u>\$ 21,836,716</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts Payable	\$ 2,422,783	\$ 51,966	\$ -	\$ 23,769	\$ 64,892	\$ 67,652	\$ -	\$ -	\$ 356,562	\$ 2,987,624
Interfund Payables	-	-	-	-	-	22,551	-	-	30,265	52,816
Salaries Payable	-	79,308	-	137,677	26,061	-	-	-	78,582	321,628
Customer Deposits	-	-	-	48,446	-	-	-	-	-	48,446
Total Liabilities	<u>2,422,783</u>	<u>131,274</u>	<u>-</u>	<u>209,892</u>	<u>90,953</u>	<u>90,203</u>	<u>-</u>	<u>-</u>	<u>465,409</u>	<u>3,410,514</u>
DEFERRED INFLOWS OF RESOURCES										
Property Taxes	9,450	17,484	-	-	-	-	-	-	-	26,934
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	281,589	-	281,589
Restricted	-	-	-	271,867	-	-	1,805,087	-	-	2,076,954
Committed	6,518	971,216	503,932	4,800,154	3,386,375	-	3,937,642	1,501,730	933,158	16,040,725
Total Fund Balances	<u>6,518</u>	<u>971,216</u>	<u>503,932</u>	<u>5,072,021</u>	<u>3,386,375</u>	<u>-</u>	<u>5,742,729</u>	<u>1,783,319</u>	<u>933,158</u>	<u>18,399,268</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,438,751</u>	<u>\$ 1,119,974</u>	<u>\$ 503,932</u>	<u>\$ 5,281,913</u>	<u>\$ 3,477,328</u>	<u>\$ 90,203</u>	<u>\$ 5,742,729</u>	<u>\$1,783,319</u>	<u>\$ 1,398,567</u>	<u>\$ 21,836,716</u>

CITY OF BISMARCK, NORTH DAKOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Public Transit System	Library	Police Asset Forfeiture	Roads and Streets	Street Lights and Traffic Signals	Hotel / Motel Tax	Lodging, Liquor, and Food Tax	Vision	Government Grants and Activities	Total Nonmajor Special Revenue
REVENUES										
Taxes	\$ 1,145,217	\$2,118,703	\$ -	\$ -	\$ -	\$ 619,471	\$ 2,592,978	\$ -	\$ -	\$ 6,476,369
Intergovernmental	3,027,216	618,323	-	3,738,908	-	-	-	-	4,094,452	11,478,899
Charges for Services	-	49,991	-	139,776	2,758,289	-	-	-	601,373	3,549,429
Licenses and Permits	-	-	-	1,500	-	-	-	-	-	1,500
Fines and Forfeitures	-	12,815	142,521	-	-	-	-	-	170	155,506
Rentals	-	3,307	-	57,421	1,046	-	31,200	-	-	92,974
Investment Income	1,572	28,996	6,195	54,738	49,363	-	89,050	22,150	4,838	256,902
Miscellaneous	-	3,603	7,079	116,284	133,396	-	-	-	410,749	671,111
Total Revenues	<u>4,174,005</u>	<u>2,835,738</u>	<u>155,795</u>	<u>4,108,627</u>	<u>2,942,094</u>	<u>619,471</u>	<u>2,713,228</u>	<u>22,150</u>	<u>5,111,582</u>	<u>22,682,690</u>
EXPENDITURES										
Current										
General Government	4,161,722	-	-	-	-	464,750	12,103	200,000	2,438,761	7,277,336
Public Safety	-	-	24,701	-	-	-	-	-	1,087,926	1,112,627
Highways and Streets	-	-	-	5,867,576	1,831,150	-	-	-	16,863	7,715,589
Health and Welfare	-	-	-	-	-	-	-	-	1,029,190	1,029,190
Culture and Recreation	-	2,249,921	-	-	-	-	-	-	61,678	2,311,599
Capital Outlay	99,770	432,279	23,564	883,427	54,890	-	-	-	694,303	2,188,233
Total Expenditures	<u>4,261,492</u>	<u>2,682,200</u>	<u>48,265</u>	<u>6,751,003</u>	<u>1,886,040</u>	<u>464,750</u>	<u>12,103</u>	<u>200,000</u>	<u>5,328,721</u>	<u>21,634,574</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(87,487)</u>	<u>153,538</u>	<u>107,530</u>	<u>(2,642,376)</u>	<u>1,056,054</u>	<u>154,721</u>	<u>2,701,125</u>	<u>(177,850)</u>	<u>(217,139)</u>	<u>1,048,116</u>
OTHER FINANCING SOURCES (USES)										
Transfers In	90,000	-	-	2,626,649	-	-	-	-	182,071	2,898,720
Transfers Out	-	(75,376)	-	(157,777)	(716,918)	(154,721)	(3,346,592)	-	-	(4,451,384)
Total Other Financing Sources (Uses)	<u>90,000</u>	<u>(75,376)</u>	<u>-</u>	<u>2,468,872</u>	<u>(716,918)</u>	<u>(154,721)</u>	<u>(3,346,592)</u>	<u>-</u>	<u>182,071</u>	<u>(1,552,664)</u>
Net Change in Fund Balances	2,513	78,162	107,530	(173,504)	339,136	-	(645,467)	(177,850)	(35,068)	(504,548)
Fund Balances, Beginning of Year	4,005	893,054	396,402	5,245,525	3,047,239	-	6,388,196	1,961,169	968,226	18,903,816
Fund Balances, End of Year	<u>\$ 6,518</u>	<u>\$ 971,216</u>	<u>\$ 503,932</u>	<u>\$5,072,021</u>	<u>\$ 3,386,375</u>	<u>\$ -</u>	<u>\$ 5,742,729</u>	<u>\$1,783,319</u>	<u>\$ 933,158</u>	<u>\$ 18,399,268</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
PUBLIC TRANSIT SYSTEM FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 1,198,204	\$ 1,198,204	\$ 1,145,217	\$ (52,987)
Intergovernmental	2,126,030	2,126,030	3,027,216	901,186
Investment Income	2,000	2,000	1,572	(428)
Total Revenues	3,326,234	3,326,234	4,174,005	847,771
EXPENDITURES				
Current				
General Government	3,416,234	-	4,161,722	(4,161,722)
Capital Outlay	-	-	99,770	(99,770)
Total Expenditures	3,416,234	-	4,261,492	(4,261,492)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(90,000)	3,326,234	(87,487)	(3,413,721)
OTHER FINANCING SOURCES (USES)				
Transfers In	90,000	90,000	90,000	-
Change in Fund Balance	-	3,416,234	2,513	(3,413,721)
Fund Balance, Beginning of Year	4,005	4,005	4,005	-
Fund Balance, End of Year	\$ 4,005	\$ 3,420,239	\$ 6,518	\$ (3,413,721)

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
LIBRARY FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 2,222,245	\$ 2,222,245	\$ 2,118,703	\$ (103,542)
Intergovernmental	655,917	655,917	618,323	(37,594)
Charges for Services	92,800	92,800	49,991	(42,809)
Fines and Forfeitures	40,700	40,700	12,815	(27,885)
Rentals	8,800	8,800	3,307	(5,493)
Investment Income	16,000	16,000	28,996	12,996
Miscellaneous	3,300	3,300	3,603	303
Total Revenues	<u>3,039,762</u>	<u>3,039,762</u>	<u>2,835,738</u>	<u>(204,024)</u>
EXPENDITURES				
Current				
Culture and Recreation	2,955,033	2,955,033	2,249,921	705,112
Capital Outlay	<u>237,707</u>	<u>237,707</u>	<u>432,279</u>	<u>(194,572)</u>
Total Expenditures	<u>3,192,740</u>	<u>3,192,740</u>	<u>2,682,200</u>	<u>510,540</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(152,978)</u>	<u>(152,978)</u>	<u>153,538</u>	<u>306,516</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	61,519	61,519	-	(61,519)
Transfers Out	<u>(275,376)</u>	<u>(275,376)</u>	<u>(75,376)</u>	<u>200,000</u>
Total Other Financing Sources (Uses)	<u>(213,857)</u>	<u>(213,857)</u>	<u>(75,376)</u>	<u>138,481</u>
Change in Fund Balance	(366,835)	(366,835)	78,162	444,997
Fund Balance, Beginning of Year	<u>893,054</u>	<u>893,054</u>	<u>893,054</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 526,219</u>	<u>\$ 526,219</u>	<u>\$ 971,216</u>	<u>\$ 444,997</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
POLICE ASSET FORFEITURE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines and Forfeitures	\$ 75,000	\$ 75,000	\$ 142,521	\$ 67,521
Investment Income	1,000	1,000	6,195	5,195
Miscellaneous	-	-	7,079	7,079
Total Revenues	<u>76,000</u>	<u>76,000</u>	<u>155,795</u>	<u>79,795</u>
EXPENDITURES				
Current				
Public Safety	77,579	77,579	24,701	52,878
Capital Outlay	24,999	24,999	23,564	1,435
Total Expenditures	<u>102,578</u>	<u>102,578</u>	<u>48,265</u>	<u>54,313</u>
Change in Fund Balance	(26,578)	(26,578)	107,530	134,108
Fund Balance, Beginning of Year	396,402	396,402	396,402	-
Fund Balance, End of Year	<u>\$ 369,824</u>	<u>\$ 369,824</u>	<u>\$ 503,932</u>	<u>\$ 134,108</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
ROADS AND STREETS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	\$ 4,082,367	\$ 4,082,367	\$ 3,738,908	\$ (343,459)
Charges for Services	93,400	93,400	139,776	46,376
Licenses and Permits	1,050	1,050	1,500	450
Rentals	69,000	69,000	57,421	(11,579)
Investment Income	21,300	21,300	54,738	33,438
Miscellaneous	37,600	37,600	116,284	78,684
Total Revenues	<u>4,304,717</u>	<u>4,304,717</u>	<u>4,108,627</u>	<u>(196,090)</u>
EXPENDITURES				
Current				
Highways and Streets	6,967,780	6,967,780	5,867,576	1,100,204
Capital Outlay	<u>1,115,300</u>	<u>1,115,300</u>	<u>883,427</u>	<u>231,873</u>
Total Expenditures	<u>8,083,080</u>	<u>8,083,080</u>	<u>6,751,003</u>	<u>1,332,077</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,778,363)</u>	<u>(3,778,363)</u>	<u>(2,642,376)</u>	<u>1,135,987</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	3,216,967	3,216,967	2,626,649	(590,318)
Transfers Out	<u>(157,777)</u>	<u>(157,777)</u>	<u>(157,777)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>3,059,190</u>	<u>3,059,190</u>	<u>2,468,872</u>	<u>(590,318)</u>
Change in Fund Balance	(719,173)	(719,173)	(173,504)	545,669
Fund Balance, Beginning of Year	<u>5,245,525</u>	<u>5,245,525</u>	<u>5,245,525</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 4,526,352</u>	<u>\$ 4,526,352</u>	<u>\$ 5,072,021</u>	<u>\$ 545,669</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
STREET LIGHTS AND TRAFFIC SIGNALS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for Services	\$ 2,522,467	\$ 2,522,467	\$ 2,758,289	\$ 235,822
Rentals	2,000	2,000	1,046	(954)
Investment Income	15,650	15,650	49,363	33,713
Miscellaneous	90,025	90,025	133,396	43,371
Total Revenues	<u>2,630,142</u>	<u>2,630,142</u>	<u>2,942,094</u>	<u>311,952</u>
EXPENDITURES				
Current				
Highways and Streets	2,104,325	2,104,325	1,831,150	273,175
Capital Outlay	355,665	355,665	54,890	300,775
Total Expenditures	<u>2,459,990</u>	<u>2,459,990</u>	<u>1,886,040</u>	<u>573,950</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>170,152</u>	<u>170,152</u>	<u>1,056,054</u>	<u>885,902</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(401,141)</u>	<u>(440,821)</u>	<u>(716,918)</u>	<u>(276,097)</u>
Change in Fund Balance	(230,989)	(270,669)	339,136	609,805
Fund Balance, Beginning of Year	<u>3,047,239</u>	<u>3,047,239</u>	<u>3,047,239</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,816,250</u>	<u>\$ 2,776,570</u>	<u>\$ 3,386,375</u>	<u>\$ 609,805</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
HOTEL / MOTEL TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 900,000	\$ 900,000	\$ 619,471	\$ (280,529)
EXPENDITURES				
Current				
General Government	675,100	675,100	464,750	210,350
Excess (deficiency) of Revenues Over (Under) Expenditures	224,900	224,900	154,721	(70,179)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(224,900)	(224,900)	(154,721)	70,179
Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of the Year	-	-	-	-
Fund Balance, End of the Year	\$ -	\$ -	\$ -	\$ -

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
LODGING, LIQUOR, AND FOOD TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 2,860,000	\$ 2,860,000	\$ 2,592,978	\$ (267,022)
Investment Income	50,000	50,000	89,050	39,050
Rentals	28,800	28,800	31,200	2,400
Total Revenues	2,938,800	2,938,800	2,713,228	(225,572)
EXPENDITURES				
Current				
General Government	12,100	12,100	12,103	(3)
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,926,700	2,926,700	2,701,125	(225,575)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(3,915,627)	(3,915,627)	(3,346,592)	569,035
Change in Fund Balance	(988,927)	(988,927)	(645,467)	343,460
Fund Balance, Beginning of Year	6,388,196	6,388,196	6,388,196	-
Fund Balance, End of Year	\$ 5,399,269	\$ 5,399,269	\$ 5,742,729	\$ 343,460

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
VISION FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Investment Income	\$ 23,333	\$ 23,333	\$ 22,150	\$ (1,183)
EXPENDITURES				
Current				
General Government	250,000	250,000	200,000	50,000
Change in Fund Balance	(226,667)	(226,667)	(177,850)	48,817
Fund Balance, Beginning of Year	1,961,169	1,961,169	1,961,169	-
Fund Balance, End of Year	<u>\$ 1,734,502</u>	<u>\$ 1,734,502</u>	<u>\$ 1,783,319</u>	<u>\$ 48,817</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
GOVERNMENT GRANTS AND ACTIVITIES FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	\$ 3,349,615	\$ 4,713,554	\$ 4,094,452	\$ (619,102)
Charges for Services	417,264	513,137	601,373	88,236
Fines and Forfeitures	500	500	170	(330)
Investment Income	2,875	2,875	4,838	1,963
Miscellaneous	320,300	320,300	410,749	90,449
Total Revenues	4,090,554	5,550,366	5,111,582	(438,784)
EXPENDITURES				
Current				
General Government	1,133,542	1,944,760	2,438,761	(494,001)
Public Safety	1,231,215	1,327,088	1,087,926	239,162
Highways and Streets	37,500	37,500	16,863	20,637
Health and Welfare	1,350,271	1,350,271	1,029,190	321,081
Culture and Recreation	108,248	108,248	61,678	46,570
Capital Outlay	235,000	787,721	694,303	93,418
Total Expenditures	4,095,776	5,555,588	5,328,721	226,867
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,222)	(5,222)	(217,139)	(211,917)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	182,071	182,071
Transfers Out	(1,551)	(1,551)	-	1,551
Total Other Financing Sources (Uses)	(1,551)	(1,551)	182,071	183,622
Change in Fund Balance	(6,773)	(6,773)	(35,068)	(28,295)
Fund Balance, Beginning of Year	968,226	968,226	968,226	-
Fund Balance, End of Year	\$ 961,453	\$ 961,453	\$ 933,158	\$ (28,295)

The notes to the financial statements are an integral part of this statement.

MAJOR DEBT SERVICE FUNDS

The debt service funds are established to account for the accumulation of resources and the payment of general long-term debt principal and interest.

STREET IMPROVEMENT BONDS - This fund accounts for the collection of special assessments and payment of special assessment bonds.

SEWERMAIN BONDS - This fund accounts for the collection of special assessments and payment of special assessment bonds.

**CITY OF BISMARCK, NORTH DAKOTA
STREET IMPROVEMENT BONDS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Special Assessments	\$ 15,966,500	\$ 15,966,500	\$ 15,812,988	\$ (153,512)
Investment Income	450,000	450,000	450,524	524
Total Revenues	16,416,500	16,416,500	16,263,512	(152,988)
EXPENDITURES				
Debt Service				
Principal	14,103,716	14,103,716	12,424,355	1,679,361
Interest and Fiscal Charges	2,931,519	2,931,519	2,694,391	237,128
Total Expenditures	17,035,235	17,035,235	15,118,746	1,916,489
Excess (Deficiency) of Revenues Over (Under) Expenditures	(618,735)	(618,735)	1,144,766	1,763,501
OTHER FINANCING SOURCES (USES)				
Issuance of Special Assessment Bonds	6,000,000	6,705,000	9,253,645	2,548,645
Premium on Special Assessment Bonds	-	-	531,505	531,505
Payment to Escrow Agent on Refunded Bonds	(6,000,000)	(6,705,000)	(9,673,481)	(2,968,481)
Transfers In	1,500,000	1,500,000	362,753	(1,137,247)
Transfers Out	(1,000,000)	(1,000,000)	(22,545)	977,455
Total Other Financing Sources (Uses)	500,000	500,000	451,877	(48,123)
Change in Fund Balance	(118,735)	(118,735)	1,596,643	1,715,378
Fund Balance, Beginning of Year	30,609,721	30,609,721	30,609,721	-
Fund Balance, End of Year	\$ 30,490,986	\$ 30,490,986	\$ 32,206,364	\$ 1,715,378

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
SEWERMAIN BONDS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Special Assessments	\$ 3,805,600	\$ 3,805,600	\$ 4,601,172	\$ 795,572
Investment Income	125,000	125,000	156,263	31,263
Total Revenues	3,930,600	3,930,600	4,757,435	826,835
EXPENDITURES				
Debt Service				
Principal	3,022,691	3,022,691	2,707,050	315,641
Interest and Fiscal Charges	712,008	712,008	633,925	78,083
Discount on Special Assessment Debt	45,000	45,000	-	45,000
Total Expenditures	3,779,699	3,779,699	3,340,975	438,724
Excess (Deficiency) of Revenues Over (Under) Expenditures	150,901	150,901	1,416,460	1,265,559
OTHER FINANCING SOURCES (USES)				
Issuance of Special Assessment Bonds	3,500,000	3,500,000	1,168,845	(2,331,155)
Premium on Special Assessment Bonds	45,000	45,000	67,135	22,135
Payment to Escrow Agent on Refunded Bonds	(3,500,000)	(3,500,000)	(1,214,185)	2,285,815
Transfers In	500,000	500,000	320,814	(179,186)
Transfers Out	(500,000)	(500,000)	-	500,000
Total Other Financing Sources (Uses)	45,000	45,000	342,609	297,609
Change in Fund Balance	195,901	195,901	1,759,069	1,563,168
Fund Balance, Beginning of Year	8,432,051	8,432,051	8,432,051	-
Fund Balance, End of Year	\$ 8,627,952	\$ 8,627,952	\$ 10,191,120	\$ 1,563,168

The notes to the financial statements are an integral part of this statement.

NONMAJOR DEBT SERVICE FUNDS

The debt service funds are established to account for the accumulation of resources and the payment of general long-term debt principal and interest.

WATERMAIN BONDS - This fund accounts for the collection of special assessments and payment of special assessment bonds.

SIDEWALK BONDS - This fund accounts for the collection of special assessments and payment of special assessment bonds.

**CITY OF BISMARCK, NORTH DAKOTA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2020**

	Watermain Bonds	Sidewalk Bonds	Total Nonmajor Debt Service
ASSETS			
Cash and Investments	\$ 466,666	\$ 229,746	\$ 696,412
Special Assessments Receivable	1,023,230	7,396,994	8,420,224
Interfund Receivables	72	1,768,070	1,768,142
Total Assets	<u>\$ 1,489,968</u>	<u>\$ 9,394,810</u>	<u>\$ 10,884,778</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 279	\$ 9,249	\$ 9,528
DEFERRED INFLOWS OF RESOURCES			
Special Assessments	<u>967,771</u>	<u>6,325,269</u>	<u>7,293,040</u>
FUND BALANCES			
Restricted	<u>521,918</u>	<u>3,060,292</u>	<u>3,582,210</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,489,968</u>	<u>\$ 9,394,810</u>	<u>\$ 10,884,778</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2020

	Watermain Bonds	Sidewalk Bonds	Total Nonmajor Debt Service
REVENUES			
Special Assessments	\$ 196,062	\$ 1,772,857	\$ 1,968,919
Investment Income	6,624	50,909	57,533
Total Revenues	<u>202,686</u>	<u>1,823,766</u>	<u>2,026,452</u>
EXPENDITURES			
Debt Service			
Principal	213,595	1,365,000	1,578,595
Interest and Fiscal Charges	47,184	224,305	271,489
Total Expenditures	<u>260,779</u>	<u>1,589,305</u>	<u>1,850,084</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(58,093)</u>	<u>234,461</u>	<u>176,368</u>
OTHER FINANCING SOURCES (USES)			
Issuance of Special Assessment Bonds	107,510	-	107,510
Premium on Special Assessment Bonds	6,175	-	6,175
Payment to Escrow Agent on Refunded Bonds	(112,807)	-	(112,807)
Transfers In	-	74,440	74,440
Total Other Financing Sources (Uses)	<u>878</u>	<u>74,440</u>	<u>75,318</u>
Change in Fund Balance	(57,215)	308,901	251,686
Fund Balance, Beginning of Year	579,133	2,751,391	3,330,524
Fund Balance, End of Year	<u>\$ 521,918</u>	<u>\$ 3,060,292</u>	<u>\$ 3,582,210</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
WATERMAIN BONDS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Special Assessments	\$ 287,350	\$ 287,350	\$ 196,062	\$ (91,288)
Investment Income	8,000	8,000	6,624	(1,376)
Total Revenues	<u>295,350</u>	<u>295,350</u>	<u>202,686</u>	<u>(92,664)</u>
EXPENDITURES				
Debt Service				
Principal	248,594	248,594	213,595	34,999
Interest and Fiscal Charges	<u>68,283</u>	<u>68,283</u>	<u>47,184</u>	<u>21,099</u>
Total Expenditures	<u>316,877</u>	<u>316,877</u>	<u>260,779</u>	<u>56,098</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(21,527)</u>	<u>(21,527)</u>	<u>(58,093)</u>	<u>(36,566)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of Special Assessment Bonds	450,000	450,000	107,510	(342,490)
Premium on Special Assessment Bonds	-	-	6,175	6,175
Payment to Escrow Agent on Refunded Bonds	(450,000)	(450,000)	(112,807)	337,193
Transfers In	250,000	250,000	-	(250,000)
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>250,000</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>878</u>	<u>878</u>
Change in Fund Balance	(21,527)	(21,527)	(57,215)	(35,688)
Fund Balance, Beginning of Year	579,133	579,133	579,133	-
Fund Balance, End of Year	<u>\$ 557,606</u>	<u>\$ 557,606</u>	<u>\$ 521,918</u>	<u>\$ (35,688)</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK, NORTH DAKOTA
SIDEWALK BONDS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Special Assessments	\$ 1,786,500	\$ 1,786,500	\$ 1,772,857	\$ (13,643)
Investment Income	40,000	40,000	50,909	10,909
Total Revenues	1,826,500	1,826,500	1,823,766	(2,734)
EXPENDITURES				
Debt Service				
Principal	1,545,000	1,545,000	1,365,000	180,000
Interest and Fiscal Charges	244,696	244,696	224,305	20,391
Total Expenditures	1,789,696	1,789,696	1,589,305	200,391
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,804	36,804	234,461	197,657
OTHER FINANCING SOURCES (USES)				
Transfers In	50,000	50,000	74,440	24,440
Transfers Out	(50,000)	(50,000)	-	50,000
Total Other Financing Sources (Uses)	-	-	74,440	74,440
Change in Fund Balance	36,804	36,804	308,901	272,097
Fund Balance, Beginning of Year	2,751,391	2,751,391	2,751,391	-
Fund Balance, End of Year	\$ 2,788,195	\$ 2,788,195	\$ 3,060,292	\$ 272,097

The notes to the financial statements are an integral part of this statement.

NONMAJOR CAPITAL PROJECTS FUNDS

The capital projects funds are established to account for the acquisition or construction of major capital facilities and improvements (other than those financed by Proprietary Funds and Trust Funds).

SPECIAL DEFICIENCY/ASSUMPTION – This fund is used for the deficiencies in the special assessment funds and accounts for the city's share of the special assessment improvements and taxes on public property.

COMMUNITY DEVELOPMENT - This fund accounts for capital improvement expenditures financed with HUD Grant Funds.

BUILDING IMPROVEMENTS - This fund accounts for major improvements made to the City of Bismarck buildings and is funded by Sales Tax or General Fund Revenues.

STREET LIGHT AND TRAFFIC SIGNALS - This fund accounts for the construction and improvements to the street lights and traffic signals systems. Financing is provided by the General Fund and Street Light/Traffic Signal Special Revenue Fund.

SEWERMAIN CONSTRUCTION - This fund accounts for the construction of sewer mains. Financing is provided by the proceeds from the special assessment bonds.

WATERMAIN CONSTRUCTION - This fund accounts for the construction of water mains. Financing is provided by the proceeds from the special assessment bonds.

SIDEWALK CONSTRUCTION - This fund accounts for the construction of sidewalks. Financing is provided by the proceeds from the special assessment bonds.

**CITY OF BISMARCK, NORTH DAKOTA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2020**

	Special Deficiency	Community Development	Building Improvements	Street Light and Signals	Sewermain Construction	Watermain Construction	Sidewalk Construction	Total Capital Projects
ASSETS								
Cash and Investments	\$ 3,618,154	\$ -	\$ 1,811,375	\$ 120,227	\$ -	\$ -	\$ -	\$ 5,549,756
Taxes Receivable	5,320	-	-	-	-	-	-	5,320
Accounts Receivable	-	116,668	-	-	-	-	-	116,668
Special Assessments Receivable	103,944	-	-	-	-	-	-	103,944
Notes Receivable	-	3,298,472	-	-	-	-	-	3,298,472
Total Assets	<u>\$ 3,727,418</u>	<u>\$ 3,415,140</u>	<u>\$ 1,811,375</u>	<u>\$ 120,227</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,074,160</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ -	\$ 90,519	\$ 73,753	\$ 6,143	\$ 83,316	\$ 219,598	\$ 335,570	\$ 808,899
Retainage Payable	-	-	73,632	11,314	8,014	24,146	7,000	124,106
Interfund Payables	-	26,149	-	-	1,848,141	72	1,768,070	3,642,432
Customer Deposits	-	-	-	-	-	-	26,500	26,500
Unearned Revenue	-	2,998,472	-	-	-	-	-	2,998,472
Total Liabilities	<u>-</u>	<u>3,115,140</u>	<u>147,385</u>	<u>17,457</u>	<u>1,939,471</u>	<u>243,816</u>	<u>2,137,140</u>	<u>7,600,409</u>
DEFERRED INFLOWS OF RESOURCES								
Special Assessment Taxes	63,407	-	-	-	-	-	-	63,407
Property Taxes	3,150	-	-	-	-	-	-	3,150
Total Deferred Inflows of Resources	<u>66,557</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,557</u>
FUND BALANCES								
Committed	3,660,861	-	1,663,990	102,770	-	-	-	5,427,621
Assigned	-	300,000	-	-	-	-	-	300,000
Unassigned	-	-	-	-	(1,939,471)	(243,816)	(2,137,140)	(4,320,427)
Total Fund Balances	<u>3,660,861</u>	<u>300,000</u>	<u>1,663,990</u>	<u>102,770</u>	<u>(1,939,471)</u>	<u>(243,816)</u>	<u>(2,137,140)</u>	<u>1,407,194</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,727,418</u>	<u>\$ 3,415,140</u>	<u>\$ 1,811,375</u>	<u>\$ 120,227</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,074,160</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Special Deficiency	Community Development	Building Improvements	Street Lights and Signals	Sewermain Construction	Watermain Construction	Sidewalk Construction	Total Capital Projects
REVENUES								
Taxes	\$ 381,743	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 381,743
Special Assessments	52,589	-	-	-	1,883,848	-	288,171	2,224,608
Intergovernmental	8,813	1,710,181	-	-	-	-	-	1,718,994
Charges for Services	306,781	-	-	-	-	-	-	306,781
Investment Income	53,662	-	14,606	-	-	-	-	68,268
Total Revenues	<u>803,588</u>	<u>1,710,181</u>	<u>14,606</u>	<u>-</u>	<u>1,883,848</u>	<u>-</u>	<u>288,171</u>	<u>4,700,394</u>
EXPENDITURES								
Current								
General Government	88,289	-	-	-	-	-	-	88,289
Public Works	-	1,630,884	211,082	89,934	110,816	-	68,295	2,111,011
Capital Outlay	-	-	888,223	444,594	2,850,284	243,816	2,311,186	6,738,103
Total Expenditures	<u>88,289</u>	<u>1,630,884</u>	<u>1,099,305</u>	<u>534,528</u>	<u>2,961,100</u>	<u>243,816</u>	<u>2,379,481</u>	<u>8,937,403</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>715,299</u>	<u>79,297</u>	<u>(1,084,699)</u>	<u>(534,528)</u>	<u>(1,077,252)</u>	<u>(243,816)</u>	<u>(2,091,310)</u>	<u>(4,237,009)</u>
OTHER FINANCING SOURCES (USES)								
Issuance of Special Assessment Bonds	-	-	-	-	2,750,000	-	1,480,000	4,230,000
Premium on Special Assessment Bonds	-	-	-	-	157,953	-	64,635	222,588
Transfers In	-	-	1,430,365	636,778	-	-	-	2,067,143
Transfers Out	(720,592)	(79,297)	-	-	(320,815)	-	(74,440)	(1,195,144)
Total Other Financing Sources (Uses)	<u>(720,592)</u>	<u>(79,297)</u>	<u>1,430,365</u>	<u>636,778</u>	<u>2,587,138</u>	<u>-</u>	<u>1,470,195</u>	<u>5,324,587</u>
Net Change in Fund Balances	<u>(5,293)</u>	<u>-</u>	<u>345,666</u>	<u>102,250</u>	<u>1,509,886</u>	<u>(243,816)</u>	<u>(621,115)</u>	<u>1,087,578</u>
Fund Balances, Beginning of Year	3,666,154	300,000	1,318,324	520	(3,449,357)	-	(1,516,025)	319,616
Fund Balances, End of Year	<u>\$ 3,660,861</u>	<u>\$ 300,000</u>	<u>\$ 1,663,990</u>	<u>\$ 102,770</u>	<u>\$ (1,939,471)</u>	<u>\$ (243,816)</u>	<u>\$ (2,137,140)</u>	<u>\$ 1,407,194</u>

The notes to the financial statements are an integral part of this statement.

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is to see that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

SOLID WASTE DISPOSAL - This fund accounts for the disposal of solid waste.

SOLID WASTE COLLECTIONS - This fund accounts for the operations of solid waste collections.

NORTHERN PLAINS COMMERCE CENTRE - This fund accounts for the operations of the northern plains commerce centre.

PARKING AUTHORITY - This fund accounts for the operations of the parking lots under the jurisdiction of the Parking Authority Board.

CITY OF BISMARCK, NORTH DAKOTA
STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2020

	Solid Waste Disposal	Solid Waste Collections	Northern Plains Commerce Centre	Parking Authority	Total Nonmajor Enterprise
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 10,101,470	\$ 4,648,116	\$ 3,439,974	\$ 573,392	\$ 18,762,952
Accounts Receivable	299,215	310,394	-	9,100	618,709
Interest Receivable	76,772	34,805	26,641	2,435	140,653
Prepaid Items	16,129	3,912	-	9,208	29,249
Total Current Assets	<u>10,493,586</u>	<u>4,997,227</u>	<u>3,466,615</u>	<u>594,135</u>	<u>19,551,563</u>
Noncurrent Assets					
Land	1,031,945	603,338	223,212	1,203,152	3,061,647
Construction In Progress	4,440,685	-	-	35,301	4,475,986
Buildings and Building Improvements	3,119,378	-	-	18,527,907	21,647,285
Improvements Other Than Buildings	2,789,479	3,800	6,063,188	12,280	8,868,747
Machinery and Equipment	2,417,570	2,263,275	-	426,170	5,107,015
Total Noncurrent Assets	<u>13,799,057</u>	<u>2,870,413</u>	<u>6,286,400</u>	<u>20,204,810</u>	<u>43,160,680</u>
Total Assets	<u>24,292,643</u>	<u>7,867,640</u>	<u>9,753,015</u>	<u>20,798,945</u>	<u>62,712,243</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pensions	<u>79,587</u>	<u>137,002</u>	<u>-</u>	<u>-</u>	<u>216,589</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	31,890	120,829	66,219	49,954	268,892
Salaries Payable	45,166	72,126	-	-	117,292
Unearned Revenue	-	-	-	492	492
Compensated Absences Payable	56,394	83,546	-	-	139,940
Total Current Liabilities	<u>133,450</u>	<u>276,501</u>	<u>66,219</u>	<u>50,446</u>	<u>526,616</u>
Noncurrent Liabilities					
Customer Deposits	-	-	-	28,501	28,501
Compensated Absences Payable	44,225	93,281	-	-	137,506
Net Pension Liability	128,098	220,509	-	-	348,607
Closure and Post-Closure Liability	3,047,041	-	-	-	3,047,041
Total Noncurrent Liabilities	<u>3,219,364</u>	<u>313,790</u>	<u>-</u>	<u>28,501</u>	<u>3,561,655</u>
Total Liabilities	<u>3,352,814</u>	<u>590,291</u>	<u>66,219</u>	<u>78,947</u>	<u>4,088,271</u>
DEFERRED INFLOWS OF RESOURCES					
Pensions	<u>142,505</u>	<u>245,311</u>	<u>-</u>	<u>-</u>	<u>387,816</u>
NET POSITION					
Net Investment in Capital Assets	13,799,057	2,870,413	6,286,400	20,204,810	43,160,680
Unrestricted	7,077,854	4,298,627	3,400,396	515,188	15,292,065
Total Net Position	<u>\$ 20,876,911</u>	<u>\$ 7,169,040</u>	<u>\$ 9,686,796</u>	<u>\$ 20,719,998</u>	<u>\$ 58,452,745</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Solid Waste Disposal	Solid Waste Collections	Northern Plains Commerce Centre	Parking Authority	Total Nonmajor Enterprise
OPERATING REVENUES					
Sanitation Fees	\$ 3,869,463	\$ 5,117,664	\$ -	\$ -	\$ 8,987,127
Miscellaneous Sales	16,873	1,450	-	-	18,323
Rentals	109,430	-	67,717	1,592,410	1,769,557
Total Operating Revenues	<u>3,995,766</u>	<u>5,119,114</u>	<u>67,717</u>	<u>1,592,410</u>	<u>10,775,007</u>
OPERATING EXPENSES					
Salaries and Wages	679,326	1,222,805	-	-	1,902,131
Fringe Benefits	313,966	594,542	-	-	908,508
Professional Legal and Contracted Services	146,758	1,403	1,058	502,727	651,946
Building Equipment and Vehicle Services	514,280	547,646	66,218	337,253	1,465,397
Travel and Training	908	2,462	-	-	3,370
Operating Services	314,721	1,272,076	3,299	44,238	1,634,334
Operating Supplies	137,976	130,426	-	11,184	279,586
Depreciation Expense	709,637	280,886	215,236	745,983	1,951,742
Total Operating Expenses	<u>2,817,572</u>	<u>4,052,246</u>	<u>285,811</u>	<u>1,641,385</u>	<u>8,797,014</u>
Net Operating Income (Loss)	<u>1,178,194</u>	<u>1,066,868</u>	<u>(218,094)</u>	<u>(48,975)</u>	<u>1,977,993</u>
NONOPERATING REVENUES (EXPENSES)					
Investment Income	129,186	68,963	47,093	3,623	248,865
Gain (Loss) on Disposal of Assets	(251,580)	(23,092)	-	-	(274,672)
Total Nonoperating Revenues (Expenses)	<u>(122,394)</u>	<u>45,871</u>	<u>47,093</u>	<u>3,623</u>	<u>(25,807)</u>
Net Income (Loss) Before Transfers	<u>1,055,800</u>	<u>1,112,739</u>	<u>(171,001)</u>	<u>(45,352)</u>	<u>1,952,186</u>
Transfers Out	<u>(626,784)</u>	<u>(161,061)</u>	<u>(15,688)</u>	<u>(26,112)</u>	<u>(829,645)</u>
Change in Net Position	429,016	951,678	(186,689)	(71,464)	1,122,541
Net Position, Beginning of Year	<u>20,447,895</u>	<u>6,217,362</u>	<u>9,873,485</u>	<u>20,791,462</u>	<u>57,330,204</u>
Net Position, End of Year	<u>\$20,876,911</u>	<u>\$ 7,169,040</u>	<u>\$ 9,686,796</u>	<u>\$20,719,998</u>	<u>\$58,452,745</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK , NORTH DAKOTA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Solid Waste Disposal	Solid Waste Collections	Northern Plains Commerce Centre	Parking Authority	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	\$ 4,122,981	\$ 5,124,712	\$ 67,717	\$ 1,597,965	\$ 10,913,375
Payments to Suppliers	(1,472,255)	(2,536,395)	(72,483)	(929,877)	(5,011,010)
Payments to Employees	(678,905)	(1,212,937)	-	-	(1,891,842)
Net Cash Provided (Used) by Operating Activities	<u>1,971,821</u>	<u>1,375,380</u>	<u>(4,766)</u>	<u>668,088</u>	<u>4,010,523</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Payments to Other Funds	(626,784)	(161,061)	(15,688)	(26,112)	(829,645)
Net Cash Used by Noncapital Financing Activities	<u>(626,784)</u>	<u>(161,061)</u>	<u>(15,688)</u>	<u>(26,112)</u>	<u>(829,645)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds From Sale of Capital Assets	13,000	3,150	-	-	16,150
Acquisition and Construction of Capital Assets	(5,137,482)	(404,999)	-	(1,337,527)	(6,880,008)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(5,124,482)</u>	<u>(401,849)</u>	<u>-</u>	<u>(1,337,527)</u>	<u>(6,863,858)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment Income	<u>163,024</u>	<u>63,378</u>	<u>47,819</u>	<u>9,883</u>	<u>284,104</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(3,616,421)	875,848	27,365	(685,668)	(3,398,876)
Cash and Cash Equivalents, Beginning of Year	<u>13,717,891</u>	<u>3,772,268</u>	<u>3,412,609</u>	<u>1,259,060</u>	<u>22,161,828</u>
Cash and Cash Equivalents, End of Year	<u>\$ 10,101,470</u>	<u>\$ 4,648,116</u>	<u>\$ 3,439,974</u>	<u>\$ 573,392</u>	<u>\$ 18,762,952</u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Net Operating Income (Loss)	\$ 1,178,194	\$ 1,066,868	\$ (218,094)	\$ (48,975)	\$ 1,977,993
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	709,637	280,886	215,236	745,983	1,951,742
Change in Deferred Outflows of Resources	25,433	49,332	-	-	74,765
Change in Deferred Inflows of Resources	32,981	50,988	-	-	83,969
Change in Net Pension Liability	(65,195)	(122,443)	-	-	(187,638)
(Increase) Decrease in Accounts Receivable	127,215	5,598	-	4,391	137,204
(Increase) Decrease in Prepaid Items	(545)	(229)	-	(7,940)	(8,714)
Increase (Decrease) in Customer Deposits	-	-	-	2,241	2,241
Increase (Decrease) in Accounts Payable	(24,161)	12,389	(1,908)	(26,535)	(40,215)
Increase (Decrease) in Compensated Benefits Payable	(1,908)	15,310	-	-	13,402
Increase (Decrease) in Salaries Payable	9,110	16,681	-	-	25,791
Increase (Decrease) in Closure and Post-Closure Liability	(18,940)	-	-	-	(18,940)
Total Adjustments	<u>793,627</u>	<u>308,512</u>	<u>213,328</u>	<u>717,063</u>	<u>2,032,530</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,971,821</u>	<u>\$ 1,375,380</u>	<u>\$ (4,766)</u>	<u>\$ 668,088</u>	<u>\$ 4,010,523</u>

NONMAJOR INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies on a cost reimbursement basis.

FLEET SERVICES - This fund accounts for the distribution of vehicle maintenance and fuel sales to the departments.

LIABILITY INSURANCE - This fund provides general liability and vehicle insurance coverage for all non-enterprise funds through the North Dakota Insurance Fund.

WORKFORCE SAFETY INSURANCE - This fund provides workers compensation coverage for all employees through the North Dakota Workforce Safety.

EMPLOYEE INSURANCE - This fund accounts for the employee health, life and disability plans. This is a self-insurance fund with funding provided from each department based on a pre-established rate per employee.

REVOLVING - This fund accounts for the expenditures of goods and services that are redistributed to other departments.

CITY OF BISMARCK, NORTH DAKOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2020

	Fleet Services	Liability Insurance	Workforce Safety Insurance	Employee Insurance	Revolving	Total Internal Service
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 700,730	\$ 220,143	\$ 704,552	\$ 1,861,478	\$ 288,074	\$ 3,774,977
Accounts Receivable	4,260	405	-	411	332,794	337,870
Inventory	314,702	-	-	-	-	314,702
Prepaid Items	5,893	-	-	-	-	5,893
Total Current Assets	<u>1,025,585</u>	<u>220,548</u>	<u>704,552</u>	<u>1,861,889</u>	<u>620,868</u>	<u>4,433,442</u>
DEFERRED OUTFLOWS OF RESOURCES						
Asset Retirement Obligation	67,500	-	-	-	-	67,500
Pensions	85,590	-	-	-	-	85,590
Total Deferred Outflows of Resources	<u>153,090</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,090</u>
LIABILITIES						
Current Liabilities						
Accounts Payable	67,991	-	1,539	295,362	549,760	914,652
Salaries Payable	36,598	-	-	-	-	36,598
Claims and Judgments Payable	-	-	-	994,000	-	994,000
Total Current Liabilities	<u>104,589</u>	<u>-</u>	<u>1,539</u>	<u>1,289,362</u>	<u>549,760</u>	<u>1,945,250</u>
Noncurrent Liabilities						
Asset Retirement Obligation Liability	67,500	-	-	-	-	67,500
Net Pension Liability	130,860	-	-	-	-	130,860
Total Noncurrent Liabilities	<u>198,360</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,360</u>
Total Liabilities	<u>302,949</u>	<u>-</u>	<u>1,539</u>	<u>1,289,362</u>	<u>549,760</u>	<u>2,143,610</u>
DEFERRED INFLOWS OF RESOURCES						
Pensions	<u>134,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,077</u>
NET POSITION						
Unrestricted	741,649	220,548	703,013	572,527	71,108	2,308,845
Total Net Position	<u>\$ 741,649</u>	<u>\$ 220,548</u>	<u>\$ 703,013</u>	<u>\$ 572,527</u>	<u>\$ 71,108</u>	<u>\$ 2,308,845</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BISMARCK, NORTH DAKOTA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Fleet Services	Liability Insurance	Workforce Safety Insurance	Employee Insurance	Revolving	Total Internal Service
OPERATING REVENUES						
Event Sales						
Sale of Gas and Oil	\$ 642,084	\$ -	\$ -	\$ -	\$ -	\$ 642,084
Sale of Parts and Labor	2,154,246	-	-	-	-	2,154,246
Miscellaneous Sales	1,805	74,951	50	350,158	-	426,964
Rentals	17,413	-	-	-	-	17,413
Employer Contributions	-	-	27,880	11,030,915	-	11,058,795
Employee Contributions	-	-	-	94,295	-	94,295
Total Operating Revenues	<u>2,815,548</u>	<u>74,951</u>	<u>27,930</u>	<u>11,475,368</u>	<u>-</u>	<u>14,393,797</u>
OPERATING EXPENSES						
Cost of Goods Sold	1,669,951	-	-	-	-	1,669,951
Salaries and Wages	649,149	-	-	-	-	649,149
Fringe Benefits	294,078	-	-	12,277	-	306,355
Professional Legal and Contracted Services	556	429	66	1,100	-	2,151
Building Equipment and Vehicle Services	204,747	-	-	-	77,563	282,310
Travel and Training	3,892	-	-	-	-	3,892
Operating Services	38,254	304,474	-	11,605,367	-	11,948,095
Operating Supplies	13,386	-	-	302	-	13,688
Depreciation Expense	4,665	-	-	-	-	4,665
Total Operating Expenses	<u>2,878,678</u>	<u>304,903</u>	<u>66</u>	<u>11,619,046</u>	<u>77,563</u>	<u>14,880,256</u>
Net Operating Income (Loss)	<u>(63,130)</u>	<u>(229,952)</u>	<u>27,864</u>	<u>(143,678)</u>	<u>(77,563)</u>	<u>(486,459)</u>
NONOPERATING REVENUES (EXPENSES)						
Investment Income	11,212	2,299	9,160	29,824	-	52,495
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	87,733	87,733
Total Nonoperating Revenues (Expenses)	<u>11,212</u>	<u>2,299</u>	<u>9,160</u>	<u>29,824</u>	<u>87,733</u>	<u>140,228</u>
Net Income (Loss) Before Transfers	(51,918)	(227,653)	37,024	(113,854)	10,170	(346,231)
Transfers In	-	330,000	-	-	-	330,000
Transfers Out	<u>(74,930)</u>	<u>(51,139)</u>	<u>(7,937)</u>	<u>(132,717)</u>	<u>-</u>	<u>(266,723)</u>
Change in Net Position	(126,848)	51,208	29,087	(246,571)	10,170	(282,954)
Net Position, Beginning of Year	868,497	169,340	673,926	819,098	60,938	2,591,799
Net Position, End of Year	<u>\$ 741,649</u>	<u>\$ 220,548</u>	<u>\$ 703,013</u>	<u>\$ 572,527</u>	<u>\$ 71,108</u>	<u>\$ 2,308,845</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BISMARCK , NORTH DAKOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Fleet Services	Liability Insurance	Workforce Safety	Employee Insurance	Revolving	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers and Users	\$ 2,823,411	\$ 74,546	\$ 50	\$ 444,042	\$ 34,806	\$ 3,376,855
Receipts from Employer	-	-	27,880	11,030,915	-	11,058,795
Payments to Suppliers	(2,370,025)	(304,903)	(1,332)	(11,426,366)	(157,036)	(14,259,662)
Payments to Employees	(648,502)	-	-	-	-	(648,502)
Net Cash Provided (Used) by Operating Activities	(195,116)	(230,357)	26,598	48,591	(122,230)	(472,514)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Payments from Other Funds	-	330,000	-	-	-	330,000
Payments to Other Funds	(74,930)	(51,139)	(7,937)	(132,717)	-	(266,723)
Net Cash Provided (Used) by Noncapital Financing Activities	(74,930)	278,861	(7,937)	(132,717)	-	63,277
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from Insurance Recoveries	-	-	-	-	87,733	87,733
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment Income	11,212	2,299	9,160	29,824	-	52,495
Net Increase (Decrease) in Cash and Cash Equivalents	(258,834)	50,803	27,821	(54,302)	(34,497)	(269,009)
Cash and Cash Equivalents, Beginning of Year	959,564	169,340	676,731	1,915,780	322,571	4,043,986
Cash and Cash Equivalents, End of Year	<u>\$ 700,730</u>	<u>\$ 220,143</u>	<u>\$ 704,552</u>	<u>\$ 1,861,478</u>	<u>\$ 288,074</u>	<u>\$ 3,774,977</u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Net Operating Income (Loss)	\$ (63,130)	\$ (229,952)	\$ 27,864	\$ (143,678)	\$ (77,563)	\$ (486,459)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation Expense	4,665	-	-	-	-	4,665
Change in Deferred Outflows of Resources	(31,676)	-	-	-	-	(31,676)
Change in Deferred Inflows of Resources	39,299	-	-	-	-	39,299
Change in Net Pension Liability	(79,665)	-	-	-	-	(79,665)
Change in Asset Retirement Obligation Liability	67,500	-	-	-	-	67,500
(Increase) Decrease in Accounts Receivable	7,863	(405)	-	(411)	34,806	41,853
(Increase) Decrease in Inventory	20,798	-	-	-	-	20,798
(Increase) Decrease in Prepaid Items	(457)	-	-	-	-	(457)
Increase (Decrease) in Accounts Payable	(165,502)	-	(1,266)	(155,320)	(78,449)	(400,537)
Increase (Decrease) in Salaries Payable	5,189	-	-	-	(1,024)	4,165
Increase (Decrease) in Claims and Judgments Payable	-	-	-	348,000	-	348,000
Total Adjustments	(131,986)	(405)	(1,266)	192,269	(44,667)	13,945
Net Cash Provided (Used) by Operating Activities	<u>\$ (195,116)</u>	<u>\$ (230,357)</u>	<u>\$ 26,598</u>	<u>\$ 48,591</u>	<u>\$ (122,230)</u>	<u>\$ (472,514)</u>

CAPITAL ASSETS

USED IN THE OPERATION

OF GOVERNMENTAL FUNDS

CITY OF BISMARCK, NORTH DAKOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE
DECEMBER 31, 2020

GOVERNMENTAL FUNDS CAPITAL ASSETS:

Land	\$ 2,767,950
Buildings and Building Improvements	37,313,259
Improvements Other Than Buildings	66,938
Machinery and Equipment	43,552,575
Infrastructure	475,606,049
Construction in Progress	10,327,798
Total governmental funds capital assets	<u>569,634,569</u>

INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE:

General Fund	\$ 6,343,783
Special Revenue Funds	22,359,858
Federal and State Grants	132,004,238
Capital Projects Funds	399,890,004
Enterprise Funds	15,210
Donations	9,021,476
Total Governmental Funds Capital Assets	<u>569,634,569</u>

CITY OF BISMARCK, NORTH DAKOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
DECEMBER 31, 2020

FUNCTION AND ACTIVITY	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Infrastructure	Total
General Government:						
Administration and Management	\$ -	\$ -	\$ -	\$ 24,508	\$ -	\$ 24,508
Fiscal, Assessing and Information Services	-	-	-	1,413,697	-	1,413,697
Common Software	-	-	-	1,058,423	-	1,058,423
City/county Office Building	-	7,035,549	-	886,349	-	7,921,898
Bismarck-Mandan Visitor Bureau	200,000	804,475	-	-	-	1,004,475
Human Resources	-	-	-	21,229	-	21,229
Attorney	-	-	-	8,423	-	8,423
Municipal Court	-	269,509	-	-	-	269,509
Community Development	-	-	-	265,922	-	265,922
Building Maintenance	-	-	-	163,829	-	163,829
Public Transit System	108,421	3,342,424	-	5,905,976	44,223	9,401,044
Total General Government	308,421	11,451,957	-	9,748,356	44,223	21,552,957
Public Safety:						
Police	499,500	7,982,930	37,078	7,612,561	319,359	16,451,428
Fire	580,688	9,206,950	15,790	7,779,236	101,099	17,683,763
Central Dakota Communications Center	-	-	-	326,242	-	326,242
Total Public Safety	1,080,188	17,189,880	52,868	15,718,039	420,458	34,461,433
Highways and streets:						
Roads and Streets	50,923	-	-	10,756,470	65,184	10,872,577
Engineering	-	-	-	600,880	-	600,880
Forestry	-	-	-	1,348,793	-	1,348,793
Total Highways and Streets	50,923	-	-	12,706,143	65,184	12,822,250
Health:						
Bismarck Burleigh Public Health	-	-	-	358,804	-	358,804
Total Health	-	-	-	358,804	-	358,804
Culture and Recreation:						
Centennial Beach	-	-	-	29,956	-	29,956
Library	324,000	8,671,421	-	4,975,517	104,275	14,075,213
Total Culture and Recreation	324,000	8,671,421	-	5,005,473	104,275	14,105,169
Public works:						
Sales Tax Fund	22,721	-	-	-	-	22,721
Highway Construction	980,937	-	-	-	115,124,974	116,105,911
Sidewalk Construction	-	-	14,070	-	34,717,858	34,731,928
Street Lights Construction	-	-	-	15,760	2,964,764	2,980,524
Street Improvements	760	-	-	-	322,164,314	322,165,074
Total Public Works	1,004,418	-	14,070	15,760	474,971,910	476,006,158
Construction in Progress:	-	171,308	-	405,889	9,750,601	10,327,798
Total Governmental Funds Capital Assets	\$ 2,767,950	\$ 37,484,566	\$ 66,938	\$ 43,958,464	\$ 485,356,651	\$ 569,634,569

CITY OF BISMARCK, NORTH DAKOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2020

FUNCTION AND ACTIVITY	Balance January 1, 2020	Additions	Deductions	Transfers	Balance December 31, 2020
General Government:					
Administration and Management	\$ 48,439	\$ 31,007	\$ 54,938	\$ -	\$ 24,508
Fiscal, Assessing and Information Services	1,459,946	-	46,249	-	1,413,697
Common Software	1,058,423	-	-	-	1,058,423
City/county Office Building	11,690,445	-	3,768,547	-	7,921,898
Bismarck-Mandan Visitor Bureau	1,004,475	-	-	-	1,004,475
Human Resources	21,229	-	-	-	21,229
Attorney	8,423	-	-	-	8,423
Municipal Court	269,509	-	-	-	269,509
Community Development	179,785	86,137	-	-	265,922
Building Maintenance	163,829	-	-	-	163,829
Public Transit System	9,919,983	104,789	623,728	-	9,401,044
Total General Government	<u>25,824,486</u>	<u>221,933</u>	<u>4,493,462</u>	<u>-</u>	<u>21,552,957</u>
Public Safety:					
Police	16,411,095	408,426	322,052	(46,041)	16,451,428
Fire	17,675,459	64,603	64,304	(11,995)	17,663,763
Central Dakota Communications Center	382,655	-	56,413	-	326,242
Total Public Safety	<u>34,469,209</u>	<u>473,029</u>	<u>442,769</u>	<u>(58,036)</u>	<u>34,441,433</u>
Highways and Streets:					
Roads and Streets	10,327,925	794,341	322,720	73,031	10,872,577
Engineering	600,880	-	-	-	600,880
Forestry	1,240,327	184,407	55,941	-	1,368,793
Total Highways and Streets	<u>12,169,132</u>	<u>978,748</u>	<u>378,661</u>	<u>73,031</u>	<u>12,842,250</u>
Health:					
Bismarck Burleigh Public Health	712,527	36,801	390,524	-	358,804
Total Health	<u>712,527</u>	<u>36,801</u>	<u>390,524</u>	<u>-</u>	<u>358,804</u>
Culture and Recreation:					
Centennial Beach	29,956	-	-	-	29,956
Library	12,819,367	1,379,165	123,319	-	14,075,213
Total Culture and Recreation	<u>12,849,323</u>	<u>1,379,165</u>	<u>123,319</u>	<u>-</u>	<u>14,105,169</u>
Public Works:					
Sales Tax Fund	22,721	-	-	-	22,721
Highway Construction	101,665,733	14,582,015	141,837	-	116,105,911
Sidewalk Construction	34,545,687	186,241	-	-	34,731,928
Street Light Construction	2,179,679	800,845	-	-	2,980,524
Street Improvements	315,037,608	7,127,466	-	-	322,165,074
Total Public Works	<u>453,451,428</u>	<u>22,696,567</u>	<u>141,837</u>	<u>-</u>	<u>476,006,158</u>
Construction in Progress:	<u>2,870,631</u>	<u>10,189,703</u>	<u>2,732,536</u>	<u>-</u>	<u>10,327,798</u>
Total Governmental Funds Capital Assets	<u>\$ 542,346,736</u>	<u>\$ 35,975,946</u>	<u>\$ 8,703,108</u>	<u>\$ 14,995</u>	<u>\$ 569,634,569</u>

STATISTICAL SECTION



STATISTICAL SECTION

This part of the City of Bismarck's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	105
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	
Revenue Capacity	110
These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax.	
Debt Capacity	115
These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	
Demographic and Economic Information	119
These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.	
Operating Information	121
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the city provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year. The city implemented GASB 34 in 2003; schedules presenting government-wide information beginning in that year.

**CITY OF BISMARCK, NORTH DAKOTA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net Investment in Capital Assets	\$ 148,375,719	\$ 166,974,373	\$ 180,195,611	\$ 192,652,784	\$ 197,951,649	\$ 218,218,040	\$ 225,240,744	\$ 230,739,569	\$ 238,971,819	\$ 258,881,437
Restricted	25,072,759	17,512,811	22,540,504	20,182,943	25,205,341	31,075,288	49,167,595	55,329,012	78,260,446	76,962,378
Unrestricted	110,261,833	120,115,806	136,188,454	148,773,677	171,295,399	181,422,256	170,563,328	166,262,629	145,803,806	154,297,592
Total Governmental Activities Net Position	<u>\$ 283,710,311</u>	<u>\$ 304,602,990</u>	<u>\$ 338,924,569</u>	<u>\$ 361,609,404</u>	<u>\$ 394,452,389</u>	<u>\$ 430,715,584</u>	<u>\$ 444,971,667</u>	<u>\$ 452,331,210</u>	<u>\$ 463,036,071</u>	<u>\$ 490,141,407</u>
Business-type Activities										
Net Investment in Capital Assets	\$ 261,533,235	\$ 280,053,990	\$ 289,017,006	\$ 319,745,687	\$ 319,247,440	\$ 341,955,183	\$ 374,421,127	\$ 401,875,951	\$ 409,059,784	\$ 426,085,338
Restricted	6,991,320	8,419,928	7,264,652	9,941,852	36,089,113	12,175,717	11,138,729	11,195,951	12,408,591	13,492,002
Unrestricted	44,055,121	40,723,027	52,359,095	59,056,335	38,560,107	51,133,751	42,895,634	43,933,922	51,736,219	52,070,299
Total Business-type Activities Net Position	<u>\$ 312,579,676</u>	<u>\$ 329,196,945</u>	<u>\$ 348,640,753</u>	<u>\$ 388,743,874</u>	<u>\$ 393,896,660</u>	<u>\$ 405,264,651</u>	<u>\$ 428,455,490</u>	<u>\$ 457,005,824</u>	<u>\$ 473,204,594</u>	<u>\$ 491,647,639</u>
Primary Government										
Net Investment in Capital Assets	\$ 409,908,954	\$ 447,028,363	\$ 469,212,617	\$ 512,398,471	\$ 517,199,089	\$ 560,173,223	\$ 599,661,871	\$ 632,615,520	\$ 648,031,603	\$ 684,966,775
Restricted	32,064,079	25,932,739	29,805,156	30,124,795	61,294,454	43,251,005	60,306,324	66,524,963	90,669,037	90,454,380
Unrestricted	154,316,954	160,838,833	188,547,549	207,830,012	209,855,506	232,556,007	213,458,962	210,196,551	197,540,025	206,367,891
Total Primary Government Net Position	<u>\$ 596,289,987</u>	<u>\$ 633,799,935</u>	<u>\$ 687,565,322</u>	<u>\$ 750,353,278</u>	<u>\$ 788,349,049</u>	<u>\$ 835,980,235</u>	<u>\$ 873,427,157</u>	<u>\$ 909,337,034</u>	<u>\$ 936,240,665</u>	<u>\$ 981,789,046</u>

CITY OF BISMARCK, NORTH DAKOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General Government	\$ 28,399,400	\$ 15,456,780	\$ 15,602,062	\$ 17,017,718	\$ 18,265,605	\$ 16,888,611	\$ 16,268,593	\$ 18,290,495	\$ 16,227,336	\$ 20,219,261
Public Safety	18,250,946	19,192,839	19,578,855	20,852,897	24,641,875	26,286,801	27,502,752	29,185,109	29,579,689	30,415,140
Highways and Streets	8,099,656	8,061,851	8,324,951	8,727,481	10,413,928	10,407,454	10,946,367	11,430,676	11,597,897	10,975,903
Health and Welfare	2,915,310	3,024,156	3,068,043	2,782,462	3,201,291	3,201,853	3,329,632	3,486,093	3,506,605	3,606,230
Culture and Recreation	2,538,849	2,727,686	2,755,016	2,757,172	2,953,530	3,182,488	3,336,676	3,524,975	3,610,946	3,398,425
Interest and Fiscal Charges	2,174,135	2,067,666	2,245,752	2,063,752	2,400,187	3,041,297	5,144,125	3,849,896	3,835,971	4,314,667
Public Works	7,145,379	16,242,401	9,248,433	9,243,920	9,972,223	11,551,442	13,945,500	14,626,171	12,980,551	16,422,484
Total Governmental Activities Expenses	69,523,675	66,773,379	60,823,112	63,445,402	71,848,639	74,559,946	80,473,645	84,393,415	81,338,995	89,352,110
Business-type Activities:										
Airport	5,706,324	6,419,847	6,852,348	8,361,929	8,679,828	7,588,752	7,399,832	7,735,107	8,008,830	8,548,410
Event Center	7,271,580	7,943,750	8,270,394	9,594,634	11,436,810	11,043,455	10,718,816	11,108,512	9,947,984	6,096,566
Solid Waste Disposal	2,480,955	2,385,838	2,655,380	2,694,350	2,453,612	4,340,662	2,997,121	2,600,476	3,068,343	2,820,233
Solid Waste Collections	2,194,976	2,165,553	2,198,750	3,118,929	4,065,304	3,872,531	4,018,808	4,275,343	4,185,101	4,057,608
Water	8,501,442	9,118,635	9,516,385	10,581,458	11,722,982	11,896,989	12,867,647	13,347,820	12,825,126	13,571,779
Sanitary Sewer	6,059,940	5,832,427	6,000,337	6,401,858	7,014,055	7,691,135	8,772,088	8,601,984	8,776,175	8,601,524
Storm Water	1,517,382	1,701,198	1,828,442	2,167,522	1,993,037	2,697,316	3,076,950	4,239,065	2,313,297	5,509,598
Northern Plains Commerce Centre	-	-	-	-	-	-	-	-	286,817	285,811
Commercial Property	151,021	339,567	379,303	385,053	441,991	293,168	399,710	376,854	26,593	-
Parking Authority	905,461	990,948	1,030,182	1,114,692	1,608,473	1,639,973	1,596,137	1,575,237	1,615,739	1,641,385
Total Business-type Activities Expenses	34,789,081	36,897,763	38,731,521	44,420,425	49,416,092	51,063,981	51,847,109	53,860,398	51,054,005	51,132,914
Total Primary Government Expenses	<u>\$ 104,312,756</u>	<u>\$ 103,671,142</u>	<u>\$ 99,554,633</u>	<u>\$ 107,865,827</u>	<u>\$ 121,264,731</u>	<u>\$ 125,623,927</u>	<u>\$ 132,320,754</u>	<u>\$ 138,253,813</u>	<u>\$ 132,393,000</u>	<u>\$ 140,485,024</u>
Program Revenues										
Governmental activities:										
Charges for Services:										
General Government	\$ 3,905,967	\$ 4,158,680	\$ 4,951,446	\$ 4,803,514	\$ 4,903,933	\$ 4,141,666	\$ 4,282,664	\$ 4,155,262	\$ 4,105,318	\$ 3,844,027
Public Safety	1,236,829	1,315,180	1,221,973	1,165,470	1,122,078	1,382,234	1,471,580	1,636,966	2,034,483	3,170,759
Highways and Streets	4,083,149	4,002,264	5,312,152	6,219,938	6,310,840	6,306,131	5,306,563	5,496,307	4,435,164	4,710,938
Health and Welfare	554,209	473,245	554,942	446,889	446,618	474,109	575,029	607,188	608,216	514,777
Culture and Recreation	150,215	137,179	127,966	121,094	131,868	135,435	131,136	130,571	123,921	67,127
Public Works	-	-	300,235	-	-	-	-	20,000	26,152	-
Operating Grants and Contributions	27,284,007	11,335,009	13,663,676	12,042,851	11,067,383	13,162,314	11,751,542	12,039,864	10,372,987	25,630,321
Capital Grants and Contributions	22,787,617	21,559,092	27,917,289	39,286,234	39,485,749	36,180,257	25,081,772	20,673,170	15,830,239	22,330,509
Total Governmental Activities Program Revenue	60,001,993	42,980,649	54,049,679	64,085,990	63,468,469	61,782,146	48,600,286	44,759,328	37,536,480	60,268,458
Business-type Activities:										
Charges for Services:										
Airport	4,903,504	5,680,205	5,813,095	5,688,130	6,004,126	5,880,634	6,581,900	6,988,947	7,625,965	5,028,751
Event Center	5,019,304	5,627,000	5,400,169	6,178,766	7,106,440	6,817,419	6,904,800	7,293,652	7,447,339	2,945,849
Solid Waste Disposal	2,796,433	2,842,790	3,739,199	4,201,932	4,307,855	4,355,606	4,375,408	3,902,953	4,213,453	3,995,766
Solid Waste Collections	2,390,337	2,360,138	3,271,983	3,250,198	3,899,855	4,003,128	4,609,120	4,768,732	4,978,616	5,119,114
Water	9,468,281	12,276,473	11,600,535	12,320,934	14,179,792	13,918,492	16,101,327	16,504,992	13,963,761	18,822,596
Sanitary Sewer	5,667,907	6,167,542	5,840,563	6,719,385	7,224,309	8,917,828	10,209,905	10,963,919	11,695,570	12,020,917

CITY OF BISMARCK, NORTH DAKOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS*
(ACCRUAL BASIS OF ACCOUNTING)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Storm Water	920,664	983,176	1,183,703	1,242,126	1,352,712	1,390,903	1,825,511	2,305,184	1,484,594	1,455,797
Northern Plains Commerce Centre	-	-	-	-	-	-	-	-	67,717	67,717
Commercial Property	201,831	424,361	346,142	235,951	255,917	180,632	104,430	102,109	11,058	-
Parking Authority	941,990	963,953	1,063,898	1,230,561	1,561,998	1,460,754	1,550,277	1,510,575	1,659,091	1,592,410
Operating Grants and Contributions	1,856	-	68,057	1,212,522	227,245	40,360	6,666	11,319	38,307	3,015,545
Capital Grants and Contributions	10,680,059	11,361,611	9,212,197	13,475,408	9,924,565	6,748,212	17,502,063	24,121,524	13,085,359	9,548,744
Total Business-type Activities Program Revenue	42,992,166	48,687,249	47,539,541	55,755,913	56,044,814	53,713,968	69,771,407	78,473,906	66,270,830	63,613,206
Total Primary Government Program Revenues	\$ 102,994,159	\$ 91,667,898	\$ 101,589,220	\$ 119,841,903	\$ 119,513,283	\$ 115,496,114	\$ 118,371,693	\$ 123,233,234	\$ 103,807,310	\$ 123,881,664
Net (Expense)/Revenue										
Government Activities	(9,521,682)	(23,792,730)	(6,773,433)	640,588	(8,380,170)	(12,777,800)	(31,873,359)	(39,634,087)	(43,802,515)	(29,083,652)
Business-type Activities	8,203,085	11,789,486	8,808,020	11,335,488	6,628,722	2,649,987	17,924,298	24,613,906	15,216,825	12,480,292
Total Primary Government Net Expense	\$ (1,318,597)	\$ (12,003,244)	\$ 2,034,587	\$ 11,976,076	\$ (1,751,448)	\$ (10,127,813)	\$ (13,949,061)	\$ (15,020,579)	\$ (28,585,690)	\$ (16,603,360)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property Taxes	\$ 17,162,429	\$ 17,230,221	\$ 17,801,629	\$ 18,398,151	\$ 19,270,501	\$ 20,253,570	\$ 21,250,283	\$ 20,628,624	\$ 21,198,684	\$ 22,387,939
Sales Tax	13,955,767	16,388,127	17,271,062	17,238,016	17,436,203	16,747,940	15,849,579	15,543,636	21,833,317	23,411,959
Occupancy Tax	914,599	1,066,817	1,174,646	1,219,152	1,188,853	1,086,064	1,014,964	965,445	1,031,410	619,471
Lodging, Liquor, and Food Tax	2,217,379	2,498,156	2,672,862	2,809,757	2,910,312	2,848,332	2,877,076	2,919,682	3,036,341	2,553,256
Car Rental Tax	75,119	87,310	77,142	72,999	71,808	73,046	78,262	66,121	81,482	39,722
State Aid Distribution	3,773,172	4,882,955	4,958,139	5,539,292	5,069,954	3,902,315	3,888,355	4,498,092	4,784,709	4,202,218
Franchise Taxes	1,182,709	1,246,491	1,341,007	1,427,837	1,123,478	1,243,287	1,218,141	1,158,319	1,093,964	1,040,153
Other Taxes	665,151	2,776,357	932,923	1,239,000	1,333,130	1,247,280	1,225,954	1,706,736	1,329,301	1,360,245
Investment Earnings	579,687	632,739	362,192	837,497	675,796	690,481	2,954,251	2,342,382	4,277,125	4,040,976
Gain (Loss) on Disposal of Assets	31,259	49,510	107,871	(416,026)	-	178,109	121,371	352,053	(30,697)	673,970
Transfers	(29,440,618)	(2,173,274)	(5,604,461)	(26,321,428)	1,959,501	(3,580,283)	(4,348,794)	(3,187,460)	(4,128,260)	(4,954,022)
Total Governmental Activities	11,116,653	44,685,409	41,095,012	22,044,247	51,039,536	44,690,141	46,129,442	46,993,630	54,507,376	55,375,887
Business-type Activities:										
Taxes										
Other Taxes	60,524	61,658	56,441	43,158	39,923	40,714	33,643	36,465	45,071	44,737
Investment Earnings	352,646	189,974	82,393	543,817	419,227	375,048	576,858	535,407	1,660,326	1,172,657
Gain (Loss) on Disposal of Assets	18,257	2,402,877	4,892,493	1,859,230	487,056	1,445,890	307,246	177,494	(4,851,712)	(208,663)
Transfers	29,440,618	2,173,274	5,604,461	26,321,428	(2,153,088)	3,580,283	4,348,794	3,187,460	4,128,260	4,954,022
Total Business-type Activities	29,872,045	4,827,783	10,635,788	28,767,633	(1,206,882)	5,441,935	5,266,541	3,936,826	981,945	5,962,753
Total Primary Government	\$ 40,988,698	\$ 49,513,192	\$ 51,730,800	\$ 50,811,880	\$ 49,832,654	\$ 50,132,076	\$ 51,395,983	\$ 50,930,456	\$ 55,489,321	\$ 61,338,640
Change in Net Position										
Governmental Activities	\$ 1,594,971	\$ 20,892,679	\$ 34,321,579	\$ 22,684,835	\$ 42,659,366	\$ 31,912,341	\$ 14,256,083	\$ 7,359,543	\$ 10,704,861	\$ 26,292,235
Business-type Activities	38,075,130	16,617,269	19,443,808	40,103,121	5,421,840	8,091,922	23,190,839	28,550,334	16,198,770	18,443,045
Total Primary Government	\$ 39,670,101	\$ 37,509,948	\$ 53,765,387	\$ 62,787,956	\$ 48,081,206	\$ 40,004,263	\$ 37,446,922	\$ 35,909,877	\$ 26,903,631	\$ 44,735,280

CITY OF BISMARCK, NORTH DAKOTA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	*2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nondisposable	\$ -	\$ -	\$ -	\$ 200,000	\$ 230,000	\$ 230,000	\$ 230,000	\$ 150,000	\$ -	\$ 38,799
Restricted	197,703	387,263	1,138,547	423,884	2,414,706	2,741,315	2,553,106	3,128,667	4,718,231	6,049,590
Committed	22,043	-	1,243,193	-	-	-	-	-	-	-
Assigned	3,966,827	4,656,009	5,654,308	4,928,903	4,236,860	4,555,285	3,622,460	4,316,068	4,765,734	17,300,470
Unassigned	18,424,444	23,284,261	24,868,320	30,743,043	31,714,584	32,800,155	34,269,492	36,360,862	35,556,939	32,885,439
Total General Fund	<u>\$ 22,611,017</u>	<u>\$ 28,327,533</u>	<u>\$ 32,904,368</u>	<u>\$ 36,295,830</u>	<u>\$ 38,596,150</u>	<u>\$ 40,326,755</u>	<u>\$ 40,675,058</u>	<u>\$ 43,955,597</u>	<u>\$ 45,040,904</u>	<u>\$ 56,274,298</u>
All Other Governmental Funds										
Nondisposable	\$ 2,707,591	\$ 2,379,957	\$ 2,243,109	\$ 2,112,390	\$ -	\$ 1,880,000	\$ -	\$ -	\$ 1,234,481	\$ 281,589
Restricted	26,179,564	23,020,798	27,802,558	31,603,572	10,503,322	40,936,613	46,614,489	52,200,345	73,542,216	70,912,788
Committed	36,269,194	39,415,488	42,338,892	40,212,743	76,137,429	55,295,682	56,097,547	46,702,145	37,392,272	46,139,992
Assigned	-	-	-	-	-	-	-	-	-	300,000
Unassigned	(11,628,605)	(20,370,554)	(18,379,791)	(28,128,497)	(21,204,601)	(22,506,461)	(19,880,207)	(9,312,024)	(11,662,049)	(14,459,526)
Total All Other Governmental Funds	<u>\$ 53,527,744</u>	<u>\$ 44,445,689</u>	<u>\$ 54,004,768</u>	<u>\$ 45,800,208</u>	<u>\$ 65,436,150</u>	<u>\$ 75,605,834</u>	<u>\$ 82,831,829</u>	<u>\$ 89,590,466</u>	<u>\$ 100,506,920</u>	<u>\$ 103,174,843</u>

*Implemented GASB #54 with 2011 Annual Comprehensive Financial Report.

CITY OF BISMARCK, NORTH DAKOTA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES										
Taxes	\$ 33,189,580	\$ 38,399,225	\$ 38,060,526	\$ 40,918,256	\$ 42,010,581	\$ 44,000,157	\$ 42,252,472	\$ 41,694,759	\$ 48,233,253	\$ 50,133,918
Special Assessments Revenue	12,107,061	13,253,134	18,157,172	17,717,047	18,539,363	21,449,838	21,849,733	22,334,763	22,518,068	24,658,117
Intergovernmental	38,165,942	17,763,798	21,041,079	20,549,194	17,854,293	18,299,828	17,743,566	18,335,857	17,179,104	33,268,246
Charges for Services	5,724,439	5,788,168	7,378,274	8,373,154	8,660,788	8,631,635	7,795,507	7,919,450	7,189,971	10,223,888
Licenses and Permits	1,956,383	2,552,169	3,195,879	2,478,578	2,333,947	2,023,147	1,861,177	1,897,424	2,020,572	1,966,452
Fines and Forfeitures	869,714	1,018,317	1,082,254	1,382,099	1,193,693	1,263,594	1,510,695	1,557,451	1,569,334	1,240,338
Investment Income	770,749	789,381	633,343	1,099,991	1,142,573	1,087,639	1,406,656	1,896,794	2,995,049	2,716,408
Rentals	914,901	423,403	476,051	404,790	427,935	410,379	402,562	390,677	373,034	275,422
Miscellaneous	710,737	628,557	612,875	418,866	398,792	543,337	263,390	448,997	315,837	702,460
Total Revenues	94,409,506	80,616,152	90,637,453	93,341,975	92,561,965	97,709,554	95,085,758	96,476,172	102,394,222	125,185,249
EXPENDITURES										
Current										
General Government	26,460,346	13,785,186	13,967,053	15,750,318	15,715,568	15,192,348	14,432,957	15,767,436	14,299,862	18,349,413
Public Safety	16,520,641	17,040,285	17,392,151	19,993,552	21,529,929	23,883,543	25,619,157	25,730,050	27,472,723	29,583,737
Highways and Streets	7,757,762	7,923,168	8,103,587	8,656,321	9,131,659	10,243,511	10,734,028	9,974,139	10,738,028	10,296,279
Health and Welfare	2,819,958	2,862,728	2,892,536	2,786,465	2,904,894	3,167,152	3,247,464	3,191,344	3,379,797	3,545,887
Culture and Recreation	1,954,030	2,091,326	2,078,185	2,184,841	2,230,807	2,600,315	2,740,879	2,748,969	2,906,938	2,782,831
Public Works	1,260,901	9,866,920	2,404,256	1,975,649	1,703,421	2,931,214	3,788,925	3,502,262	1,306,187	4,560,864
Capital Outlay	28,295,435	27,843,527	42,597,079	58,509,103	44,750,179	33,359,349	31,585,615	20,099,187	19,721,519	35,814,373
Debt Service										
Principal	9,355,000	9,690,000	9,715,000	10,660,000	11,730,000	14,415,000	15,755,000	16,170,001	16,455,001	16,710,000
Interest and Fiscal Charges	2,230,206	2,040,805	1,840,051	2,108,120	2,315,618	3,248,717	3,412,221	3,778,000	3,752,817	3,599,805
Total Expenditures	96,654,279	93,143,945	100,989,898	122,624,369	112,012,075	109,041,149	111,316,246	100,961,388	100,032,872	125,243,189
Excess of Revenues Over (Under)										
Expenditures	(2,244,773)	(12,527,793)	(10,352,445)	(29,282,394)	(19,450,110)	(11,331,595)	(16,230,488)	(4,485,216)	2,361,350	(57,940)
OTHER FINANCING SOURCES (USES)										
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	-	-	2,133,163
Issuance of Special Assessment Bonds	10,000,000	9,465,000	22,605,000	26,560,000	33,855,000	20,335,000	19,325,000	15,015,000	9,370,000	22,370,000
Premium on Special Assessment Bonds	150,391	118,586	521,142	18,507	1,889,225	762,423	1,983,299	428,935	458,847	1,264,501
Discount on Special Assessment Debt	(18,189)	-	(7,278)	(261,951)	-	-	-	-	-	-
Payment to Escrow Agent on Refunded B	(1,850,000)	(5,425,000)	-	-	(7,405,000)	-	-	-	-	(11,000,473)
Transfers In	23,187,603	23,914,275	23,576,359	26,863,375	49,932,949	33,181,033	34,653,793	32,490,879	39,723,665	40,614,916
Transfers Out	(24,505,560)	(23,275,607)	(22,206,862)	(28,710,635)	(43,395,802)	(33,590,238)	(32,157,306)	(33,410,422)	(39,912,101)	(42,235,951)
Refunding Bonds Issued	1,605,000	4,365,000	-	-	6,510,000	-	-	-	-	-
Total Other Financing Sources (Uses)	8,569,245	9,162,254	24,488,361	24,469,296	41,386,372	20,688,218	23,804,786	14,524,392	9,640,411	13,146,156
Net Change in Fund Balances	6,324,472	(3,365,539)	14,135,916	(4,813,098)	21,936,262	9,356,623	7,574,298	10,039,176	12,001,761	13,088,216
Debt Service as a Percentage of										
Noncapital Expenditures	16.9%	18.0%	19.8%	19.9%	20.9%	23.3%	24.0%	24.7%	25.2%	22.7%

Source: Fiscal Services

**CITY OF BISMARCK, NORTH DAKOTA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year	Property¹ Taxes	Sales Tax	Occupancy Tax	Lodging/ Liquor/Food Tax	Car Rental Tax	State Aid Distribution	Franchise Tax	Other Taxes	Total
2011	17,162,429	13,955,767	914,599	2,217,379	75,119	3,773,172	1,182,709	665,151	39,946,325
2012	17,230,221	16,388,127	1,066,817	2,498,156	87,310	4,882,955	1,246,491	2,776,357	46,176,434
2013	17,801,629	17,271,062	1,174,646	2,672,862	77,142	4,958,139	1,341,007	932,923	46,229,410
2014	18,398,151	17,238,016	1,219,152	2,809,757	72,999	5,539,292	1,427,837	1,239,000	47,944,204
2015	19,270,501	17,436,203	1,188,853	2,910,312	71,808	5,069,954	1,123,478	1,333,130	48,404,239
2016	20,253,570	16,747,940	1,086,064	2,848,332	73,046	3,902,315	1,243,287	1,247,280	47,401,834
2017	21,250,283	15,849,579	1,014,964	2,877,076	78,262	3,888,355	1,218,141	1,225,954	47,402,614
2018	20,628,624	15,543,636	965,445	2,919,682	66,121	4,498,092	1,158,319	1,706,736	47,486,655
2019	21,198,684	21,833,317	1,031,410	3,036,341	81,482	4,784,709	1,093,964	1,329,301	54,389,208
2020	22,387,939	23,411,959	619,471	2,553,256	39,722	4,202,218	1,040,153	1,404,982	55,659,700

¹ Includes tax revenues from pension trust funds.

Source: Fiscal Services

**CITY OF BISMARCK, NORTH DAKOTA
ASSESSED VALUE AND TRUE AND FULL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Year	Commercial Land and Buildings	Residential Land and Buildings	Agricultural Land	Public Utilities	Total Assessed Value	Total True and Full Value	Assessed Value as a Percentage of True and Full Value	Taxable Value	Total Direct Tax Rate
2010	731,769,330	1,432,085,034	179,050	30,219,050	2,194,252,464	4,388,504,927	50%	199,968,720	80.68
2011	750,575,750	1,437,185,900	169,450	34,450,950	2,222,382,050	4,444,764,100	50%	207,866,346	79.05
2012	802,091,790	1,545,634,922	287,200	37,619,840	2,385,633,752	4,771,267,504	50%	223,107,026	75.77
2013	917,646,830	1,760,180,545	361,800	44,303,550	2,722,492,725	5,444,985,449	50%	254,647,467	69.35
2014	1,041,981,000	2,012,744,111	401,100	50,630,280	3,105,756,491	6,211,512,982	50%	290,448,208	63.10
2015	1,177,555,620	2,232,032,489	371,000	54,422,280	3,464,381,389	6,928,762,778	50%	324,136,621	59.07
2016	1,308,377,570	2,389,363,545	428,050	50,439,270	3,748,608,435	7,497,216,869	50%	350,957,710	57.01
2017	1,505,305,200	2,454,101,322	475,150	52,943,010	4,012,824,682	8,025,649,364	50%	376,741,455	57.01
2018	1,545,115,150	2,509,157,700	389,950	58,884,700	4,113,547,500	8,227,095,000	50%	386,263,173	56.88
2019	1,578,354,350	2,556,190,778	411,050	62,073,470	4,197,029,648	8,394,059,296	50%	394,141,057	58.88

Source: Burleigh County Auditor/Treasurer Office

**CITY OF BISMARCK, NORTH DAKOTA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING¹ GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year²	City of Bismarck		Overlapping Rates				Total Direct & Overlapping Rates
	Operating Millage	Total City Millage	Burleigh County Millage	Public School Millage	Bismarck Park District	State of North Dakota	
2010	80.68	80.68	54.55	142.13	39.82	1.00	318.18
2011	79.05	79.05	55.32	140.99	39.62	1.00	315.98
2012	75.77	75.77	53.99	138.39	39.55	1.00	308.70
2013	69.35	69.35	50.28	101.68	38.50	1.00	260.81
2014	63.10	63.10	48.63	103.60	37.30	1.00	253.63
2015	59.07	59.07	47.03	100.42	36.08	1.00	243.60
2016	57.01	57.01	45.77	100.47	34.68	1.00	238.93
2017	57.01	57.01	36.66	103.92	34.31	1.00	232.90
2018	56.88	56.88	31.66	103.91	34.23	1.00	227.68
2019	58.88	58.88	35.30	107.19	34.22	1.00	236.59

¹ Overlapping rates are those of local and county governments that apply to property owners within the City of Bismarck. Not all overlapping rates apply to all City of Bismarck property owners.

² Represents the year in which property taxes are levied. Collection of taxes will be received in the subsequent year.

Source: Burleigh County Levies

**CITY OF BISMARCK, NORTH DAKOTA
PRINCIPAL "SINGLE PROPERTY" TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
* Kirkwood Mall Acquisition LLC	\$ 24,572,600	1	0.57 %	\$ 8,997,150	3	0.41 %
Waterford on West Century LLC	18,305,150	2	0.43			
LaSalle Shopping Center	15,188,750	3	0.35			
EVI Coulee Ridge 1 LLC	13,247,450	4	0.31			
Medcenter One Inc	13,058,250	5	0.30	9,608,600	2	0.44
* Clark Equipment Company	12,753,050	6	0.30	8,480,900	4	0.39
EVI Bismarck Village LLC	11,243,850	7	0.26			
First International Bank & Trust	11,241,850	8	0.26			
Clark Equipment Company A Corp	10,640,250	9	0.25			
Mid Dakota Clinic	10,586,000	10	0.25	7,517,900	8	0.35
REI Holdings LLC	9,446,450	11	0.22			
CMGL11LLC	9,165,500	12	0.21			
Walmart RE Trust -North				8,159,000	5	0.38
Walmart RE Trust-South				7,797,400	7	0.36
Inreit Properties (Edgewood)				8,068,850	6	0.37
Menards Inc				6,936,750	9	0.32
Gateway Fashion Mall				6,426,200	10	0.30
Pinehurst Square Acquisition LLC				6,365,100	11	0.29
Regency Midwest Ventures LTD				6,031,350	12	0.28
Metropolitan Life Assurance Company				23,494,250	1	1.08
Totals	<u>\$ 159,449,150</u>		<u>3.71</u>	<u>\$ 107,883,450</u>		<u>4.97</u>

* These properties receive partial exemptions. The portion that is exempt is not included in the values.

Source: Assessing Division

**CITY OF BISMARCK, NORTH DAKOTA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Total Tax Levy for Fiscal Year¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	16,133,477	15,207,718	0.9426	216,757	15,424,475	0.9561
2012	16,431,836	15,478,265	0.9420	187,816	15,666,081	0.9534
2013	16,904,819	15,953,724	0.9437	139,427	16,093,151	0.9520
2014	17,659,802	16,786,435	0.9505	101,201	16,887,636	0.9563
2015	18,327,284	17,501,225	0.9549	86,534	17,587,759	0.9596
2016	19,146,750	18,371,529	0.9595	116,676	18,488,205	0.9656
2017	20,008,099	19,260,495	0.9626	115,708	19,376,203	0.9684
2018	21,478,030	20,279,319	0.9442	135,005	20,414,324	0.9505
2019	21,970,650	20,778,395	0.9457	185,269	20,963,664	0.9542
2020	23,207,026	22,024,806	0.9491	254,806	22,279,612	0.9600

¹ Previous fiscal year tax levy.

**CITY OF BISMARCK, NORTH DAKOTA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Revenue Bonds	Special Assessment Bonds	Capital Leases	Revenue Bonds	Capital Leases			
2011	-	1,940,000	66,155,000	-	29,807,244	17,377	97,919,621	0.0256	1,576
2012	-	-	68,810,000	-	32,135,806	12,543	100,958,349	0.0246	1,563
2013	-	-	79,700,000	-	70,642,434	5,037	150,347,471	0.0307	2,257
2014	-	-	95,600,000	-	80,777,434	-	176,377,434	0.0584	2,571
2015	-	-	116,830,000	-	105,495,000	-	222,325,000	0.0656	3,142
2016	-	-	125,651,063	-	100,011,979	-	225,663,042	0.0666	3,094
2017	-	-	130,958,280	-	94,017,648	-	224,975,928	0.0703	3,091
2018	-	-	129,861,275	-	87,903,317	-	217,764,592	0.0660	2,931
2019	-	-	122,832,538	-	81,643,984	-	204,476,522	0.0585	2,626
2020	-	-	118,285,170	-	78,009,111	-	196,294,281	0.0537	2,670

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹ See the Schedule of Demographic and Economic Statistics on page 120 for personal income and population data.

**CITY OF BISMARCK, NORTH DAKOTA
LEGAL DEBT MARGIN INFORMATION
LAST 10 YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit	\$ 111,119,103	\$ 119,281,688	\$ 136,124,636	\$ 155,287,825	\$ 173,219,069	\$ 187,430,422	\$ 200,641,234	\$ 205,677,375	\$ 209,851,482	\$ 215,910,256
Total Net Debt Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 111,119,103</u>	<u>\$ 119,281,688</u>	<u>\$ 136,124,636</u>	<u>\$ 155,287,825</u>	<u>\$ 173,219,069</u>	<u>\$ 187,430,422</u>	<u>\$ 200,641,234</u>	<u>\$ 205,677,375</u>	<u>\$ 209,851,482</u>	<u>\$ 215,910,256</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2020

Total Assessed Value	\$ 4,318,205,112
Debt Limit (5% of Total Assessed Value)	215,910,256
Debt Applicable to Limit:	
General Obligation Bonds	-
Less: Amount Set Aside for Repayment of General Obligation Debt	-
Total Net Debt Applicable to Limit	-
Legal Debt Margin	<u>\$ 215,910,256</u>

Note: Under state finance law, the City of Bismarck's outstanding general obligation debt should not exceed 5 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Sources:
Burleigh County Auditor/Treasurer Office
Fiscal Services

**CITY OF BISMARCK, NORTH DAKOTA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2020**

Governmental Unit	2020 Taxable Value	Net Debt Outstanding	Estimated Percentage Applicable¹	Total Direct and Overlapping Debt
City of Bismarck	\$ 410,774,405	\$ 118,285,170	100.00%	\$ 118,285,170
Bismarck Public School	510,836,379	126,683,650	80.41%	101,866,323
Bismarck Park District	410,774,405	30,665,205	100.00%	30,665,205
Burleigh County	543,951,940	63,847,000	75.51%	48,210,870
Total Overlapping Debt	1,465,562,724	221,195,855		180,742,398
Total Direct and Overlapping Debt		<u>\$ 339,481,025</u>		<u>\$ 299,027,568</u>

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Bismarck. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

Sources:

Bismarck Public School as of June 30, 2020

Bismarck Park District

Burleigh County Levies, 2020

Burleigh County Auditor

**CITY OF BISMARCK, NORTH DAKOTA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Water Revenue Bonds							Sanitary Sewer Bonds					
Fiscal Year	Water Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Sanitary Sewer Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2011	9,957,329	5,637,538	4,319,791	1,210,000	478,992	2.56	5,669,910	3,523,287	2,146,623	810,000	440,375	1.72
2012	12,926,268	5,945,048	6,981,220	7,930,000	412,206	0.84	6,167,541	3,254,117	2,913,424	835,000	420,125	2.32
2013	12,222,233	6,261,250	5,960,983	1,350,000	477,553	3.26	5,840,563	3,387,536	2,453,027	860,000	399,250	1.95
2014	12,869,433	6,195,938	6,673,495	1,685,000	818,438	2.67	6,719,390	3,588,061	3,131,329	885,000	377,750	2.48
2015	14,557,406	6,658,423	7,898,983	2,215,000	1,063,525	2.41	7,224,308	3,851,519	3,372,789	910,000	355,625	2.66
2016	14,483,419	6,476,574	8,006,845	2,765,000	1,018,350	2.12	8,917,827	3,624,122	5,293,705	1,535,000	1,304,875	1.86
2017	16,662,851	7,103,387	9,559,464	2,815,000	956,170	2.53	10,209,905	4,714,551	5,495,354	2,155,000	1,236,750	1.62
2018	16,504,992	7,604,585	8,900,407	2,870,000	880,017	2.37	10,963,919	4,448,093	6,515,826	2,200,000	1,152,750	1.94
2019	13,963,761	7,246,562	6,717,199	2,940,000	808,059	1.79	11,695,571	3,997,660	7,697,911	2,250,000	1,067,125	2.32
2020	18,822,596	8,039,985	10,782,611	7,515,000	432,151	1.36	12,020,917	3,824,382	8,196,535	3,165,000	745,000	2.10
Special Assessment Bonds					Motel, Liquor, Restaurant Bonds							
Fiscal Year	Special Assessment Collections	Debt Service		Coverage	Lodging, Liquor, Food Tax Collections *	Debt Service		Coverage				
		Principal	Interest			Principal	Interest					
2011	9,566,595	8,445,000	2,096,794	0.91	2,217,379	910,000	112,715	2.17				
2012	10,488,662	13,175,000	1,971,244	0.69	2,498,156	1,940,000	68,548	1.24				
2013	11,346,780	9,715,000	1,840,051	0.98	2,672,862	-	-	-				
2014	11,690,035	10,660,000	2,108,120	0.92	2,809,757	830,000	1,184,291	1.39				
2015	15,506,201	19,135,000	2,315,618	0.72	2,910,312	1,000,000	990,206	1.46				
2016	15,657,902	13,175,000	3,208,493	0.96	2,848,332	1,015,000	960,206	1.44				
2017	17,236,969	15,755,000	3,356,638	0.90	2,877,076	1,030,000	929,756	1.47				
2018	18,394,111	16,170,000	3,740,823	0.92	2,919,682	1,050,000	898,856	1.50				
2019	18,499,295	16,455,000	3,444,384	0.93	3,036,341	1,075,000	867,356	1.56				
2020	18,656,859	27,630,000	3,599,804	0.60	2,553,256	1,105,000	835,106	1.32				

**CITY OF BISMARCK, NORTH DAKOTA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population¹	Personal Income²	Per Capita Personal Income²	Median Age¹	Public School Enrollment³	Unemployment Rate⁴
2011	62,120	3,829,946,480	61,654	38.0	10,971	3.1
2012	64,588	4,097,462,720	63,440	38.0	11,424	2.7
2013	66,608	4,892,290,992	73,449	38.0	11,656	2.4
2014	68,601	3,019,653,476	73,371	38.0	12,020	2.5
2015	70,766	3,387,188,980	80,166	38.0	12,380	2.3
2016	72,926	3,387,893,453	78,906	38.0	12,683	2.5
2017	72,793	3,200,488,435	75,384	38.0	12,861	2.6
2018	74,294	3,301,033,103	77,952	38.0	13,007	2.4
2019	77,880	3,497,297,521	82,701	38.0	13,331	2.4
2020	79,658	3,653,485,099	84,007	38.0	13,276	3.4

Note: Population, median age, and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

Sources:

¹ Community Development

² ND State Tax Department

³ Bismarck Public Schools

⁴ North Dakota Job Service Labor Market Information Center website

**CITY OF BISMARCK, NORTH DAKOTA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
State of ND	4,600	1	11.96 %	4,400	1	12.68 %
Sanford Health	3,284	2	8.54	3,064	2	8.83
Bismarck Public Schools	2,187	3	5.69	1,804	4	5.20
CHI St. Alexius	2,044	4	5.31	2,215	3	6.38
US Government Offices	1,200	5	3.12	1,200	5	3.46
Bismarck State College	719	6	1.51			
Walmart North and South Walmart	665	7	1.87	332	15	0.96
Aetna	660	8	1.54	816	6	2.35
City of Bismarck	643	9	1.73	690	7	1.99
University of Mary	642	10	1.72	618	8	1.78
Housing Industry Training (HIT)	641	11	1.67			
MDU Resources Group	592	12	1.67	544	9	1.57
Bobcat/Doosan Company	582	13	1.67	503	12	1.45
Missouri Slope Lutheran Care Center	560	14	1.46	530	11	1.53
Basin Electric Power Cooperative	560	15	1.46	530	10	1.53
Mid Dakota Clinic				455	14	1.31
Coventry Healthcare				460	13	1.33
Total	<u>19,579</u>		<u>50.92</u>	<u>18,161</u>		<u>52.35</u>

Sources:

City of Bismarck 2020 Budget

Bismarck Mandan Chamber

ND Job Service-Labor Market Information Center website

CITY OF BISMARCK, NORTH DAKOTA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	72	73	80	85	86	86	87	93	92	92
Public Safety										
Central Dakota Communications Center	26	26	26	26	27	30	31	31	31	33
Police										
Officers	101	103	109	112	113	116	128	128	129	129
Civilians	28	28	28	28	30	30	30	30	30	30
Fire										
Firefighters and Officers	76	76	79	80	83	83	82	83	83	86
Civilians	6	6	6	6	2	2	2	2	2	2
Highways and Streets										
Engineering	24	25	26	28	29	29	29	29	29	29
Maintenance	55	55	60	59	63	64	63	64	64	63
Health and Welfare	26	26	26	25	29	29	29	29	28	29
Culture and Recreation	16	17	17	19	22	24	25	25	25	25
Airport	21	21	21	21	21	21	22	23	23	23
Solid Waste	38	38	38	38	38	38	38	36	37	37
Water and Sewer	55	55	58	61	64	64	64	65	65	65
Total	544	549	574	588	607	616	631	638	637	643

Source: City of Bismarck Annual Budgets

(Continued on next page)

**CITY OF BISMARCK, NORTH DAKOTA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Number of Building Permits Issued	1,879	2,365	2,218	1,951	1,756	1,648	1,410	1,248	940	1,268
Number of Building Inspections Done	7,830	9,745	9,460	8,926	5,581	5,690	6,321	4,979	4,687	4,265
Number of Plumbing Permits Issued	707	1,092	1,153	920	696	644	548	389	353	506
Number of Plumbing Inspections Done	1,972	2,861	3,050	2,006	2,170	1,946	1,748	1,748	1,129	1,606
Number of Mechanical/HVAC Permits Issued	1,564	2,037	2,037	1,692	1,454	1,649	1,653	1,577	1,376	52
Number of Mechanical/HVAC Inspections Done	2,361	2,991	3,210	2,296	2,924	3,254	2,805	2,708	2,139	2,009
Number of Electrical Permits Issued	1,257	1,589	1,578	1,248	-	1,395	1,071	927	837	1,085
Number of Electrical Inspections Done	4,024	4,789	5,220	3,141	-	3,462	3,505	2,483	2,275	2,455
Number of Septic Permits Issued	122	225	193	101	102	52	47	46	33	52
Number of Septic Inspections Done	240	298	249	121	200	129	108	92	60	108
Public Safety										
Police										
Physical Arrests	2,480	3,862	4,768	4,672	4,750	4,958	5,757	5,728	5,367	4,340
Traffic Citations	12,869	14,309	16,168	15,623	14,831	16,062	17,733	19,279	15,935	14,716
Parking Citations	7,975	8,617	7,898	15,188	11,845	11,342	10,903	10,064	9,557	6,748
Number of Accidents	3,820	3,747	3,985	3,824	3,723	3,789	3,680	3,535	3,821	2,703
Number of 911 Emergency Dispatches	4,037	4,858	3,554	3,907	5,704	5,258	4,981	5,000	4,425	5,557
Fire										
Number of 911 Emergency Dispatches	2,833	3,115	3,106	3,475	3,799	4,289	4,364	4,448	4,580	4,876
Number of Fire Inspections Conducted	3,607	3,130	2,985	3,236	3,256	4,069	4,058	3,291	1,885	3,485
Highways and Streets										
Engineering										
Number of Excavation Permits	608	743	820	739	706	647	535	411	419	495
Number of Improvement Projects	35	72	82	57	65	37	28	38	41	37
Forestry										
Number of Street Trees Planted	423	507	477	235	889	806	667	713	648	1,094
Number of Street Trees Trimmed	3,182	2,948	2,248	2,910	1,904	1,675	4,450	2,720	2,040	2,545
Number of Street Trees Removed	194	190	294	162	408	321	439	182	241	220
Roads and Streets										
Potholes Repaired	7,640	844	5,052	5,634	108,628	103,677	63,953	20,122	28,147	17,185
Street Striping (Miles)	195	204	211	211	157	145	156	126	147	162
Snow removal (Hours)	11,947	1,199	8,854	7,695	12,877	19,060	12,848	12,096	21,122	2,023
Sand Ice Removal (Tons)	3,889	4,005	6,216	4,730	2,329	4,573	5,493	4,998	3,136	3,007
Salt Ice Removal (Tons)	1,547	1,937	1,927	1,658	1,278	1,153	1,690	1,350	1,793	1,347
Loads of Snow Hauled	5,321	1,382	4,049	1,579	1,417	84,747	21,881	2,386	6,150	2,866
Health and Welfare										
Number of Home Visits	5,190	4,240	4,808	4,302	4,033	4,426	4,382	4,473	4,310	4,531
Number of immunizations	8,473	6,316	9,039	8,833	9,719	7,059	6,881	6,195	6,057	4,893
Number of Office Visits	3,586	3,150	3,174	3,081	3,292	3,217	4,142	4,557	3,874	2,631
Number of Environmental Health Inspections	2,437	2,270	1,534	2,091	1,718	1,821	1,606	1,548	1,379	1,291

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**CITY OF BISMARCK, NORTH DAKOTA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Culture and recreation										
Auditorium events	108	90	123	174	153	138	150	162	154	82
Auditorium admissions	34,163	38,840	37,454	51,820	55,051	41,373	48,480	52,118	42,083	10,494
Community center events	484	452	416	430	498	531	464	451	477	295
Community center admissions	340,331	359,149	315,580	353,218	420,403	411,619	345,787	343,557	332,978	158,765
Function										
Airport										
Gallons fuel dispensed (fuel permit holders)	3,772,974	4,084,352	4,110,507	4,550,313	4,895,740	4,864,385	4,452,075	4,874,780	5,211,979	3,378,620
Number of passengers-enplaning	196,414	236,172	237,683	245,205	259,734	271,022	272,739	282,363	309,337	150,161
Number of passengers-deplaning	195,208	235,207	237,450	245,062	261,459	272,251	271,274	281,487	308,279	151,099
Pounds of freight-enplaning	29,858	29,472	16,813	12,856	19,591	26,288	31,696	35,339	33,609	10,361
Pounds of freight-deplaning	35,300	48,135	13,738	8,149	10,667	33,840	31,715	22,545	28,482	12,490
Pounds of air cargo freight-enplaning	1,412,447	2,129,165	1,495,195	1,399,845	1,976,260	1,469,145	614,248	858,106	976,856	767,535
Pounds of air cargo freight-deplaning	3,486,123	4,853,797	4,535,773	5,193,061	5,926,322	5,699,311	2,860,020	3,036,927	3,793,861	3,270,020
Solid Waste										
Refuse collected (tons/year)	25,143	24,826	24,662	25,033	26,789	26,199	26,195	26,338	27,271	26,927
Garbage accepted for disposal (tons/year)	97,675	98,932	102,197	106,758	108,919	111,131	118,430	107,636	119,037	109,397
Acres used at landfill	2.5	2.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Water										
Number of service connections	18,700	19,420	20,000	20,350	20,978	21,237	21,691	22,024	22,205	22,538
Average daily consumption (thousand of gallons)	8,260	10,290	9,640	9,390	8,582	9,850	10,800	10,120	7,997	10,100
Wastewater										
Average daily sewage treatment (thousand of gallons)	7,150	6,240	6,830	6,620	6,410	6,370	6,430	6,330	6,980	6,400

Sources:

Airport Department
 Building Inspections
 Engineering Department
 Event Center
 Fiscal Services
 Fire Department
 Police Department
 Public Health Department
 Public Works Departments

**CITY OF BISMARCK, NORTH DAKOTA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	18	19	21	21	21	21	35	34	34	33
Fire Stations	5	5	5	5	5	5	5	5	5	5
Highways and Streets										
Paved Streets (Miles)	311	313	319	339	345	349	365	367	367	369
Streetlights	7,755	7,990	8,149	8,522	8,596	8,872	9,068	9,113	9,189	9,293
Traffic Signals	105	107	107	108	110	110	110	110	107	110
Culture and Recreation										
Community Centers	3	3	3	3	3	3	3	3	3	3
Airport										
Terminal Building	1	1	1	1	1	1	1	1	1	1
Waste Collection										
Collection Trucks	20	20	20	21	21	21	21	22	19	18
Water										
Watermains (Miles)	330	336	348	354	365	371	371	373	376	378
Fire Hydrants	3,100	3,256	3,355	3,430	3,625	3,675	3,720	4,500	4,600	4,653
Maximum Daily Water Treatment Capacity (Thousand of Gallons)	30,000	30,000	30,000	30,000	30,000	30,000	29,000	29,000	29,500	28,500
Sewer										
Sanitary Sewers (Miles)	295	297	300	305	307	310	313	307	307	327
Storm Sewers (Miles)	146	147	148	149	149	152	153	153	156	157
Maximum Daily Wastewater Treatment Capacity (Thousand of Gallons)	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	9,330	9,300
Parking Lots										
Number of Parking Lots	4	4	4	5	5	5	5	5	5	5

Note: Parking lots only include Parking Authority lots.

Source:

Airport Department
Engineering Department
Event Center
Fiscal Services
Fire Department
Police Department
Public Works Departments