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**Comprehensive
Annual
Financial
Report**

City of Minot, North Dakota
For the Fiscal Year Ended December 31, 2009

Prepared By
The Finance Department
Cindy K. Hemphill, Finance Director

City of Minot, North Dakota
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended December 31, 2009

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City of Minot

Finance Department

April 27, 2010

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

Ladies and Gentlemen,

The City Council requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the City of Minot, North Dakota, for the fiscal year ended December 31, 2009. The City Finance Department prepares this set of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

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

As management, we assert, to the best of our knowledge and belief, these financial statements are

complete and reliable in all material respects.

Eide Bailly, LLP, a firm of licensed certified public accountants, have audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance the financial statements of the City for the fiscal year ended December 31, 2009 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report has been included as the first component of the financial section of this report.

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

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

Profile of the City of Minot

The City, incorporated on July 16, 1887, is located in the north central part of North Dakota. The City currently occupies a land area of approximately 17.31 square miles and serves a population of 36,567. Located twelve miles north of the City, and a definite part of the community, is one of the nation's largest

IV

★ The Magic City ★

The Honorable Mayor, City Council and City Manager

Air Force bases. The economic impact of the Minot Air Force Base on the City during 2008 was approximately \$382.8 million. During 2008, the Minot Air Force Base had over \$57.9 million in construction, services and other expenditures. Minot Air Force Base serves as the home for over 10,885 active duty personnel and their dependents. Many of the personnel assigned to the base choose to reside in the City during their tour of duty and after their discharge. The relationship between the citizens of Minot and the citizens of the base is one of cooperation and friendliness.

The City is empowered to levy a property tax on real property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council. During 2009, the property valuations for building permits decreased by \$14.29 million compared to 2008; however, the City has had a healthy level of growth in property values, which has continued to enable the City to reduce the number of mills levied.

In 1972, the citizens of the City voted to operate under a Home Rule Charter, with a council-manager form of government. Policy-making and legislative authority vest in a city council consisting of the mayor and 14 council members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the city manager and city attorney. The city manager is responsible for carrying out the policies and ordinances of the council, and for overseeing the day-to-day operations of the city government. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with seven council members elected every two years by ward. The mayor is elected to serve a four-year term and is elected at large.

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

The annual budget serves as the foundation for the

City's financial planning and control. All departments and agencies submit requests for appropriations to the city manager in May of each year for the ensuing year's budget, which begins January 1. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds this comparison is presented on pages 24 through 28 as part of the basic financial statements for the governmental funds. For nonmajor governmental funds, other than the general fund, with appropriated annual budgets, this comparison is in the governmental fund subsection of this report, beginning on page 73.

Factors Affecting Financial Condition

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

Local Economy. Minot's centralized location in North America and its high-quality transportation make it an excellent site for both businesses and manufacturers. By being cost-efficient and cost-effective, services, utilities, and real estate among others are significantly lower in Minot than in other areas of the United States. A growing sales tax base, a strong labor force, and a solid foundation of business and industry makes Minot a dynamic and attractive place to do business.

<u>Sales Tax Collections</u>		<u>Property Tax Levied</u>	
2005	\$ 11,021,415	2005	\$ 8,655,618
2006	11,920,592	2006	9,443,018
2007	13,242,768	2007	10,132,780
2008	14,574,340	2008	10,329,502
2009	14,845,915	2009	10,895,992

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

The Honorable Mayor, City Council and City Manager

Assets, Liabilities and Net Assets Per Capita

	Population	Total Assets	Total Liabilities	Net Assets
2005	36,567	\$ 4,621	\$ 758	\$ 3,863
2006	36,567	5,313	854	4,459
2007	36,567	5,867	1,064	4,803
2008	36,567	6,684	1,379	5,305
2009	36,567	6,942	1,331	5,610

Expenses and Program Revenues Per Capita

Population	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Change in Net Assets
2005	36,567	\$ 945	\$ 445	\$ 21	\$ 54
2006	36,567	1,024	468	19	397
2007	36,567	1,209	462	28	443
2008	36,567	1,425	592	38	424
2009	36,567	1,499	607	88	250

Ratio of Net Assets to Expenses

	Governmental Activities	Business-Type Activities
2005	3.48	5.21
2006	4.17	4.69
2007	3.73	4.49
2008	3.70	3.78
2009	3.66	3.92

Long-Term Financial Planning. The City continually plans for anticipated construction projects and infrastructure needs. Cash reserves are increasing in the Sales Tax Northwest Area Water Supply Project (NAWS) Fund with a 1% dedicated sales tax. These cash reserves will allow continued funding of the NAWS project rather than issuing debt for the project. The NAWS project will bring Missouri River water to Minot and Northwest North Dakota, ensuring an adequate water supply for the future. The project will extend to Northwest North Dakota by 2014.

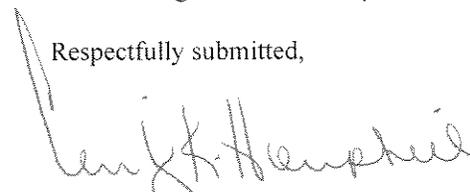
The City has completed several major highway projects in recent years with additional projects planned for 2010 and 2011. Other projects planned for the future include water and sewer, storm sewer, and special assessment projects. These projects will be funded with debt, thereby increasing the per capita debt. The per capita debt is deceiving in that not all the debt service payments will be paid through general property taxes but rather with dedicated revenue sources to fund portions of each of these projects.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Minot for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2008. This was the 30th consecutive year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate.

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

Respectfully submitted,



Cindy K. Hemphill
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Minot
North Dakota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



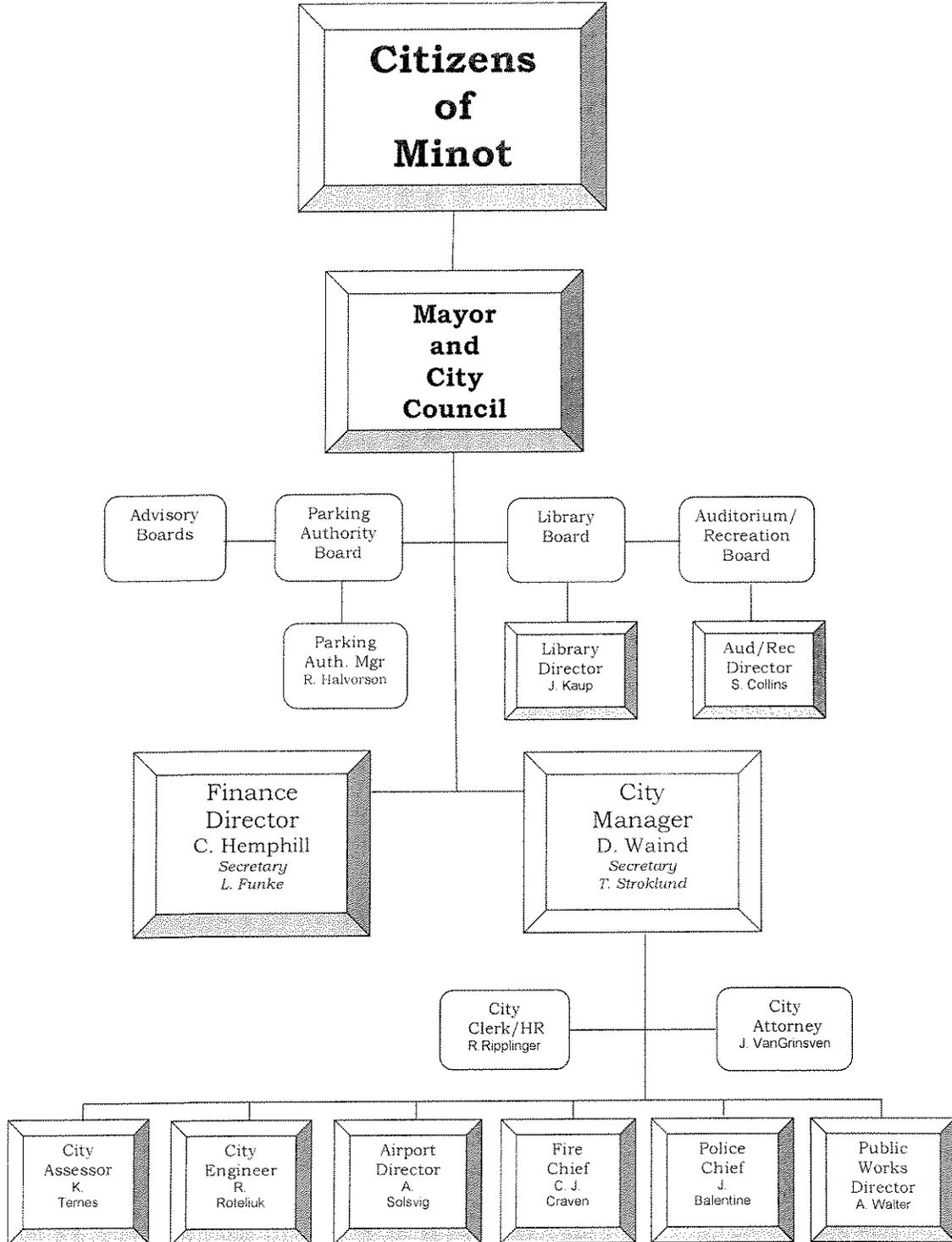
A stylized, handwritten signature in black ink, appearing to read "H.H.", positioned above the title "President".

President

A handwritten signature in black ink, reading "Jeffrey R. Emer", positioned above the title "Executive Director".

Executive Director

City of Minot
Organizational Chart



Elected Officials
City of Minot, North Dakota

Mayor.....Curt Zimbelman

Members of the City Council

Ward 1:.....Larry Frey
Dave Lehner

Ward 2:.....Bob Miller
Hardy D. Lieberg

Ward 3:.....Jim Hatlelid
Dean A. Frantsvog - President

Ward 4:.....Chuck Barney
Tim Greenheck

Ward 5:.....Aaron Vibeto
Scott Knudsvig - Vice President

Ward 6:.....Mark Jantzer
Randy A. Burckhard

Ward 7:.....Ron Boen
Dean Somerville (appointed to serve
the remainder of Blake Krabseth's
term)



INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Minot, North Dakota**, as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the **City of Minot's** management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year summarized comparative information has been derived from the City's 2008 financial statements and, in our report dated May 7, 2009; we expressed an unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information.

We conducted our audits 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 of material misstatement. 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. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Minot, North Dakota**, as of December 31, 2009, and the respective changes in financial position and, where applicable, cash flows, thereof and the respective budgetary comparison for the General Fund, the Sales Tax Economic Development Fund, the Sales Tax-NW Area Water Fund, and the Sales Tax Capital Improvements Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1F to the financial statements, the City has adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in 2009.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 26, 2010, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 13 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Minot, North Dakota's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Eide Bailly LLP

Bismarck, North Dakota
April 26, 2010

Management's
Discussion
and
Analysis

**City of Minot
Comprehensive Annual Financial Report
December 31, 2009**

Management's Discussion and Analysis

As management of the City of Minot, we are pleased to offer readers of the City of Minot's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended December 31, 2009, with comparative data for the fiscal year ended December 31, 2008. We encourage readers to consider it in conjunction with the additional information presented in the accompanying letter of transmittal, the basic financial statements, the fund financial statements, and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The net assets of the City increased by \$11,142,915 or 5.74%. The majority of the increase (nearly \$8.57) is due to opening a new cell at the landfill, water and sewer projects like Puppy Dog Coulee Phase II and paving projects like 16th St NW to 21 Ave NW that increased capital assets. Net assets of governmental activities increased by \$3,456,253 or 2.61% and net assets of business type activities increased by \$7,686,662 or 12.45%.
- Total revenues from all sources were \$65,945,585. This is a decrease of \$4,518,774 from 2008. Revenues decreased due to a decrease in capital grants and contributions of \$6,346,479 and a decrease in investment earnings of \$431,475 while operating grants and contributions increased by \$1,809,623.
- Total cost of all programs was \$54,802,670. This is an increase of \$2,702,600 from 2008.
- The unassigned fund balance for the General Fund was \$6,956,811 or 41.39% of the total general fund expenditures. This is an increase from 2008 of \$582,899.

OVERVIEW OF FINANCIAL STATEMENTS

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

1. Government-wide financial statements provide information for the City as a whole.

2. Fund financial statements provide detailed information for the City's significant funds.
3. Notes to the financial statements provide additional information essential to understanding the government-wide and fund statements.

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

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

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

Management's Discussion and Analysis

The government-wide financial statements begin on page 14.

Fund Financial Statements

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

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

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

Because the focus of governmental funds is narrower than the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between the governmental funds and the government-wide financial statements. The City maintains 24 individual governmental funds. The City presents separate information in

the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general fund, and the following major funds: sales tax economic development, sales tax capital improvements, sales tax NAWS fund, special assessment debt service fund, and highway reserve fund. Data from the 18 other governmental funds are combined in a single, aggregate presentation. Combining statements provide individual fund data for each of these nonmajor governmental funds, which begin on page 62.

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

The governmental fund financial statements begin on page 16.

Proprietary Funds. The City maintains two types of proprietary funds, enterprise and internal service. Enterprise funds report activities that charge for services provided to outside customers. The enterprise funds are business-type activities in the government-wide statements. The City uses enterprise funds to account for its Airport, Sanitation, and Water and Sewer operations, as major funds, and its Cemetery and Parking Authority operations, as nonmajor funds. Internal Service funds report activities that provide supplies and services to other City programs and activities. The City of Minot uses internal service funds to account for its central garage and for the self-funded insurance program. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide statements, only in more detail. The City combines both internal service funds in a single, aggregate presentation in the proprietary fund financial statements. The City provides individual fund data for the nonmajor proprietary funds in the form of combining statements, which begin on page 90. Individual fund data for the internal service funds are also in the form of combining statements beginning on page 94. The basic proprietary fund statements begin on page 30.

City of Minot
 Comprehensive Annual Financial Report
 December 31, 2009

Management's Discussion and Analysis

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

The basic fiduciary fund statements begin on page 36.

Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements are on pages 39-58 of this report.

The City presents combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds immediately following the notes to the financial statements. Combining and individual fund statements and schedules are on pages 62-107 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following two table's present condensed information on the City's Net Assets and Changes in Net Assets for the fiscal year ended December 31, 2009, with comparative data for the fiscal year ended December 31, 2008. Assets exceeded liabilities by \$205,142,675 at the close of the most recent fiscal year.

The largest portion of the City of Minot's net assets (67.42%) reflects its investment in capital assets (e.g. land, buildings, equipment, infrastructure, intangibles, and books); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City reports investment in capital assets net of related debt, the resources needed to repay this debt comes from other sources, since the City cannot liquidate the capital assets to pay the liabilities.

A portion of the City's net assets (21.32%) represents resources subject to external restrictions on how they may be used. Restricted net assets include amounts restricted for debt service \$6,944,074, for highway projects \$2,833,320, for economic development projects \$2,837,842, for flood control \$2,202,085, for the NAWS project \$28,404,171, and for other purposes \$507,595. The unrestricted net assets are \$23,105,475, is to meet the government's ongoing obligations to citizens and creditors.

	Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 65,325,548	\$ 61,780,372	\$ 10,463,818	\$ 10,315,275	\$ 75,789,366	\$ 72,095,647
Capital assets	92,335,876	90,982,916	85,704,809	81,352,768	178,040,685	172,335,684
Total assets	157,661,424	150,579,868	96,168,627	91,668,043	253,830,051	244,431,331
Long-term debt outstanding	16,041,087	16,423,000	23,116,943	25,715,006	39,158,030	42,138,006
Other liabilities	5,904,849	4,081,054	3,624,497	4,212,512	9,529,346	8,293,566
Total liabilities	21,945,936	20,504,053	26,741,440	29,927,518	48,687,376	50,431,572
Net assets						
Invested in capital assets, net of related debt	76,811,701	66,709,351	61,496,412	51,274,183	138,308,113	117,983,534
Restricted net assets	39,388,120	52,647,181	4,340,967	4,146,567	43,729,087	56,793,748
Unrestricted net assets	19,515,667	12,902,703	3,589,808	6,319,775	23,105,475	19,222,478
Total net assets	<u>\$ 135,715,488</u>	<u>\$ 132,259,235</u>	<u>\$ 69,427,187</u>	<u>\$ 61,740,525</u>	<u>\$ 205,142,675</u>	<u>\$ 193,999,760</u>

**City of Minot
Comprehensive Annual Financial Report
December 31, 2009**

Management's Discussion and Analysis

At the end of 2009, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for governmental and business-type activities.

Changes in Net Assets. The City's net assets increased \$11,142,915 during 2009. The majority of this increase was due to continued growth in the local economy requiring an investment in infrastructure and other assets. Capital assets increased by \$5.7 million during 2009. New capital assets contributed \$18.74 million with over \$6.09 million of the new assets coming from donated assets to the City.

Governmental Activities. Governmental program revenues decreased by nearly \$8.59 million due to capital grants and contributions decreasing by \$10.01 million primarily due to a decline in donated assets of nearly \$8.52 million. Governmental program expenses decreased due

to decreased expenditures for highways and streets and economic development projects during the year. Investment earnings decreased due to declining interest rates during 2009.

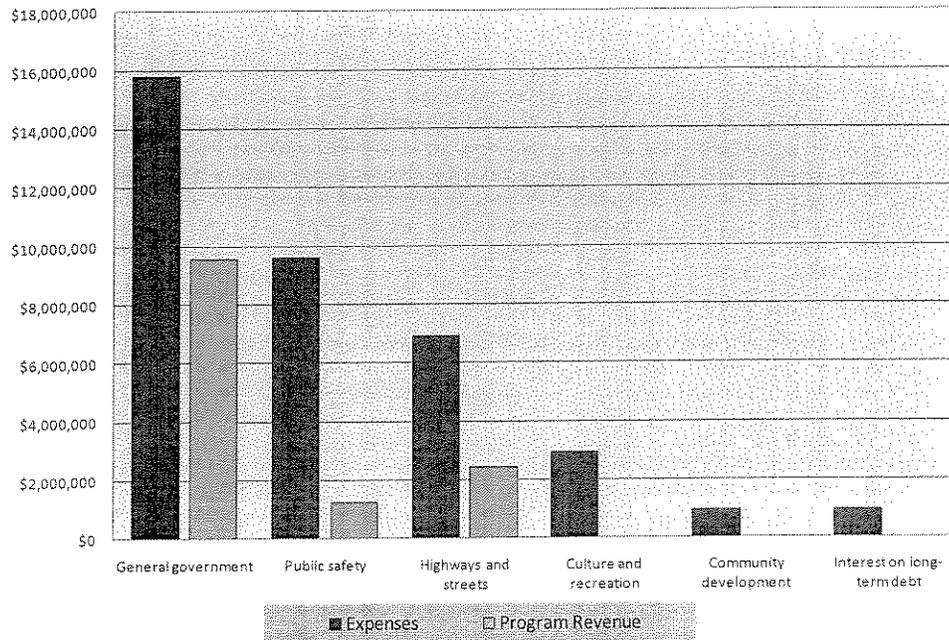
Business-Type Activities. Business-type program revenues increased by \$4.5 million during 2009 due to increases in capital grants and contributions of nearly \$3.6 million, a decrease in operating grants and contributions of \$20,859 and an increase in charges for services of \$943,648. Business-type program expenses increased in 2009 due to increases in operating expenses.

	Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
Program revenues						
Charges for services	\$ 7,263,867	\$ 7,676,060	\$ 14,927,253	\$ 13,983,605	\$ 22,191,120	\$ 21,659,665
Operating grants and contributions	2,960,706	1,130,224	241,680	262,539	3,202,386	1,392,763
Capital grants and contributions	2,992,059	12,932,288	6,150,014	2,556,264	9,142,073	15,488,552
General revenues						
Taxes	28,531,998	28,167,254	346,610	151,573	28,878,608	28,318,827
Investment earnings	961,136	1,468,090	215,446	139,967	1,176,582	1,608,057
Miscellaneous	1,282,593	2,012,030	72,223	(15,535)	1,354,816	1,996,495
Total revenues	43,992,359	53,385,946	21,953,226	17,078,413	65,945,585	70,464,359
Expenses						
General government	15,791,433	12,610,950	-	-	15,791,433	12,610,950
Public safety	9,621,297	8,784,220	-	-	9,621,297	8,784,220
Highways and streets	6,884,847	5,943,486	-	-	6,884,847	5,943,486
Culture and recreation	2,927,935	3,603,029	-	-	2,927,935	3,603,029
Economic development	932,000	3,882,862	-	-	932,000	3,882,862
Interest on long-term debt	952,970	939,131	-	-	952,970	939,131
Airport	-	-	3,747,615	4,213,797	3,747,615	4,213,797
Cemetery	-	-	245,719	226,999	245,719	226,999
Parking authority	-	-	121,475	113,232	121,475	113,232
Sanitation	-	-	2,327,461	2,021,582	2,327,461	2,021,582
Water and sewer	-	-	11,249,918	9,760,782	11,249,918	9,760,782
Total expenses	37,110,482	35,763,678	17,692,188	16,336,392	54,802,670	52,100,070
Excess (deficiency) before transfers	6,881,877	17,622,268	4,261,038	742,021	11,142,915	18,364,288
Transfers	(3,425,624)	2,353,460	3,425,624	(2,353,460)	-	-
Change in net assets	3,456,253	19,975,728	7,686,662	(1,611,439)	11,142,915	18,364,289
Net assets, January 1	132,259,235	112,283,507	61,740,525	63,351,964	193,999,760	175,635,471
Net assets, December 31	\$ 135,715,488	\$ 132,259,235	\$ 69,427,187	\$ 61,740,525	\$ 205,142,675	\$ 193,999,760

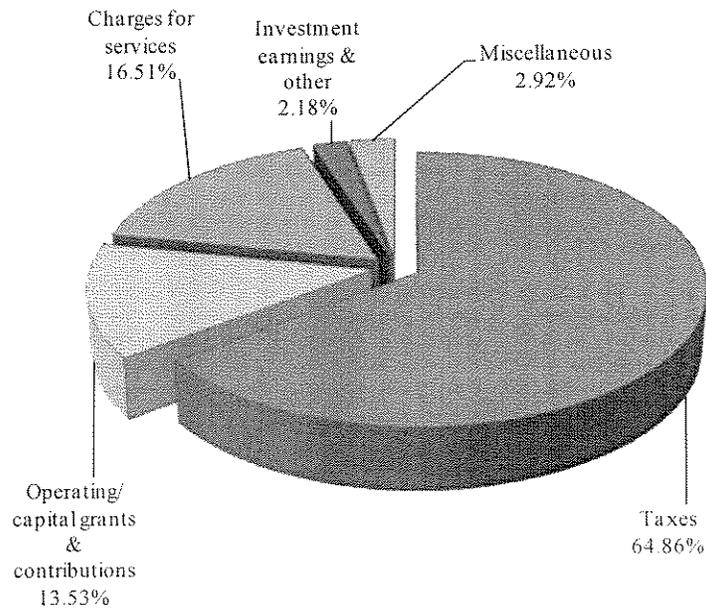
Management's Discussion and Analysis

The charts below summarize the City's revenues and expenses for both governmental and business-type activities.

**Expenses & Program Revenues
 Governmental Activities**

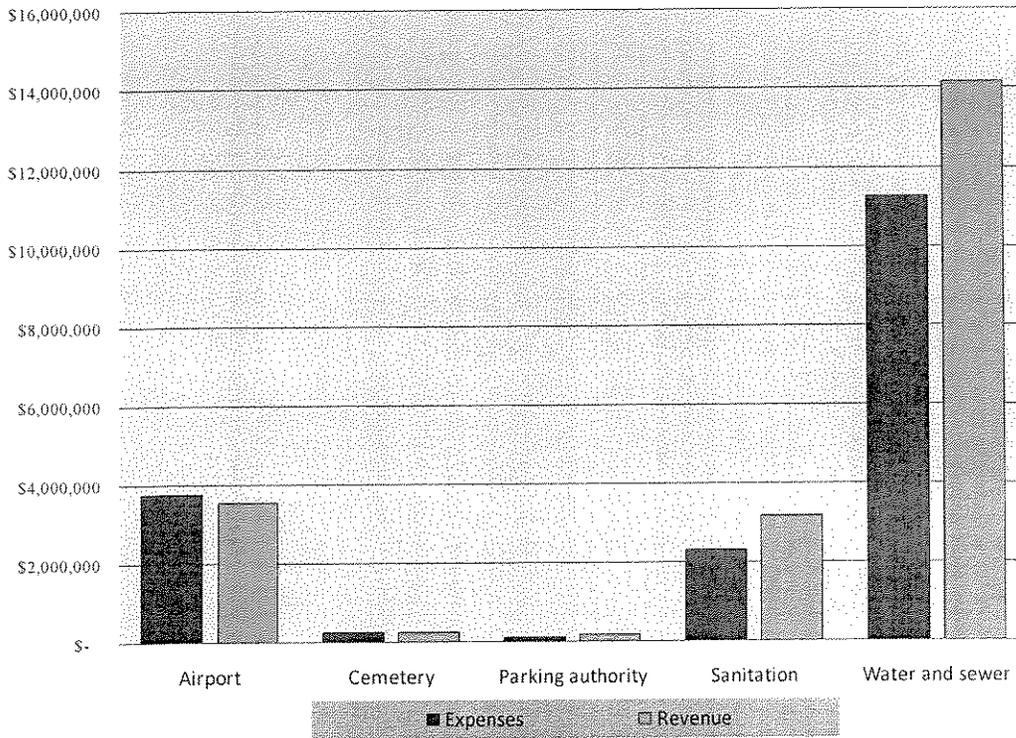


**Revenues by Source
 Governmental Activities**

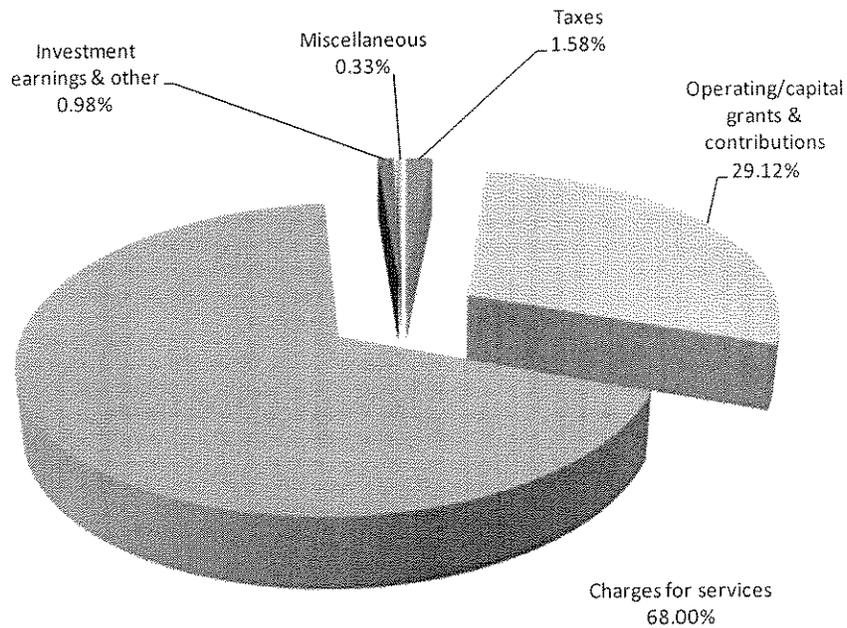


Management's Discussion and Analysis

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



**Revenues by Source
 Business-Type Activities**



Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

As of the end of 2009, the City's governmental funds reported combined ending fund balances of \$56,435,374, an increase of \$2,421,815 in comparison with 2008. Revenues for the period increased by over \$1.5 million due to an increase in intergovernmental revenues while expenditures decreased by \$275,336. The City also issued over \$2 million in General Obligation Bonds in 2009 to fund expenditures for capital outlays for a highway and street project. The governmental funds nonspendable fund balance is \$1,753,174, restricted fund balance \$37,821,812, committed fund balance 2,536,138, assigned fund balance \$7,990,404, and unassigned fund balance \$6,333,846.

The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$6,956,811. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance represents 41.39% of total general fund expenditures.

The City of Minot's general fund fund balance increased by \$832,208 during the current fiscal year. The main reason for this change was an increase in transfers in from other departments.

The **Sales Tax Economic Development Fund** increased fund balance by over \$1.6 million due

to a decline in number of economic development projects brought before the City during 2009.

The **Sales Tax Capital Improvement Fund** had a decrease of \$851,762 in fund balance due to transfers out to fund capital improvement projects.

The **Sales Tax NAWS Fund** had a decrease in fund balance of \$211,747 due to an increase in construction costs over sale tax collections during 2009.

The **Special Assessment Debt Fund** increased its fund balance by \$804,014 due to a significant number of prepayments for a storm sewer project.

The **Highway Reserve Fund** had a decrease of \$524,280 in fund balance due to an increase in expenditures for capital projects.

Proprietary Funds. The City of Minot's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets at the end of the year for the major Enterprise Funds were \$4,027,458, of which Airport amounted to \$1,748,448, Sanitation \$898,600, Water and Sewer \$1,380,410 and the nonmajor funds amounted to \$328,300. Restricted net assets were \$4,340,967 for bond covenants and other purposes.

The change in net assets for these funds was \$7,693,541. The majority of this increase is due to an increase in capital contributions of over \$2,828,078, an increase in sale of City property \$97,261, and an increase in transfers in of \$3,995,040 and a decrease in transfers out of \$1,826,584 from year to year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget were an increase of \$24,184 in expenditure appropriations. The following summarizes the changes:

- An increase in the budget of \$73,107 in city council, information technology, police and

City of Minot
 Comprehensive Annual Financial Report
 December 31, 2009

Management's Discussion and Analysis

- | | |
|--|--|
| <p>fire department expenditures to encumber prior year funds.</p> <ul style="list-style-type: none"> The majority of the increase in revenues \$412,754 and expenditures of \$505,309 was due to grants not anticipated at budget time. | <p>Additional information on the City of Minot's capital assets can be found in Note 4. D on pages 47-48 of this report.</p> |
|--|--|

Differences between the final amended budget and actual amounts in the general fund consist of total revenues being \$318,648 more than budgeted. The total general government expenditures were \$254,487 more than budgeted due to street department expenditures being higher than expected due to above normal snowfall. Public safety expenditures were less than budgeted by \$364,581. This resulted in total excess of revenues over expenditures being \$421,840 less than budgeted.

These budget appropriations were funded with available fund balances and any positive change in net assets will remain in the appropriate fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2009, is \$178,040,685 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, intangibles, and books.

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

- The opening of Landfill cell #4
- 16th St NW to 21st Ave NW
- Puppy Dog Phase II
- A variety of other street construction projects

	Capital Assets (net of depreciation)					
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 6,844,919	\$ 6,844,919	\$ 3,429,078	\$ 3,379,311	\$ 10,273,997	\$ 10,224,230
Construction in progress	1,888,071	1,088,656	953,910	1,959,626	2,841,981	3,048,282
Buildings	7,001,465	6,900,038	3,685,394	4,121,036	10,686,859	11,021,074
Equipment	5,989,601	5,520,308	3,706,679	3,088,575	9,696,280	8,608,883
Infrastructure	69,459,309	69,402,296	73,929,748	68,804,220	143,389,057	138,206,516
Intangible assets - software	190,203	210,886	-	-	190,203	210,886
Books	962,308	1,015,813	-	-	962,308	1,015,813
Total capital assets	<u>\$ 92,335,876</u>	<u>\$ 90,982,916</u>	<u>\$ 85,704,809</u>	<u>\$ 81,352,768</u>	<u>\$ 178,040,685</u>	<u>\$ 172,335,684</u>

City of Minot
 Comprehensive Annual Financial Report
 December 31, 2009

Management's Discussion and Analysis

Long-Term Debt. At year-end, the City had total debt of \$44,135,702, a decrease of \$2,458,692 over the prior year. Note 4. H on pages 50-52 of this report describes the City's long-term debt in detail.

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$ 11,440,000	\$ 10,675,000	\$ -	\$ -	\$ 11,440,000	\$ 10,675,000
Special assessment bonds	6,555,000	7,735,000	-	-	6,555,000	7,735,000
Revenue bonds	-	-	23,675,000	25,620,000	23,675,000	25,620,000
Unamortized premium	34,835	32,708	47,122	53,172	81,957	85,880
Unamortized discount	(46,945)	(57,943)	(72,653)	(79,364)	(119,598)	(137,307)
Notes payable	-	-	1,562,795	1,626,420	1,562,795	1,626,420
Loans payable	-	-	74,567	144,146	74,567	144,146
Compensated absences	677,054	644,077	188,927	201,178	865,981	845,255
Total outstanding debt	\$ 18,659,944	\$ 19,028,842	\$ 25,475,758	\$ 27,565,552	\$ 44,135,702	\$ 46,594,394

The City issued new debt for General Obligation Highway Bonds of \$2,005,000. The City continues to receive ratings of AA and A1 from Standard & Poor's and Moody's respectively.

The City's debt is limited to 8% of the assessed valuation of taxable property within the City of Minot or \$90,905,006. The City's legal debt margin is \$80,815,579. The net bonded debt per capita is \$275.92.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Projects in 2009, which boosted the economy in Minot included, Minot State University Swain Hall remodel, \$8,965,000; ND State Fair Association grandstand, \$5,729,000; Elk Pointe Apartments, \$3,957,000; Northdale Apartments, \$1,877,000; People's State Bank, \$1,674,000; Prairie Federal Credit Union, \$1,456,000; Westlie's Truck Center addition to repair shop \$1,170,000; B & S Investments for an apartment complex, \$1,230,000; North Dakota Port Services office and scale house for rail operations \$1,000,000; and several other condo and business remodels.

During 2010, the City anticipates the oil industry will continue to boost the economy primarily due to the Bakken Formation. In addition, the Minot Air Force Base is standing up a new B-52 H Strato-fortress squadron. It will require an additional 1,000 airmen and bring an additional 4,000-associated family members.

The 2010 budget for the City of Minot includes an increase in the water and sewer rates. The value of a mill for the City increased from \$96,209 to \$104,500 per mill. The mill levy for the City of Minot's 2010 budget is 109.61 mills – compared to 112.90 mills in 2009, a decrease of 3.29 mills.

Total appropriations for operations for 2010 increased approximately \$4.0 million dollars from 2009. This 6.38% increase is caused primarily by increases in sales tax capital improvement expenditures (over \$1.65 million increase) and increases in debt retirement (over \$0.4 million increase). The Airport budget decreased by over \$1.2 million due to the Airport contracting with a fixed base operator, Minot Aero Center. Due to rate increases and growth around the City of Minot, the water and sewer budget increased by nearly \$1.0 million in order to provide water and sewer to new areas.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances and to demonstrate the City's accountability for the money it receives to the citizens of Minot. If you have any questions about this report or need further information, contact the City of Minot Finance Department, 515 2nd Avenue SW, Minot, ND 58701 or visit us online at www.minotnd.org.

Basic
Financial
Statements

City of Minot, North Dakota
Statement of Net Assets
December 31, 2009
With Comparative Totals for December 31, 2008

	Governmental Activities	Business-Type Activities	Total 2009	Total 2008
ASSETS				
Cash and investments	\$ 23,299,376	\$ 3,976,211	\$ 27,275,587	\$ 28,904,688
Investments	25,329	-	25,329	53,304
Receivables				
Taxes receivable delinquent	285,828	6,198	292,026	320,542
Special assessments deferred	4,146,235	-	4,146,235	4,277,715
Special assessments delinquent	37,208	-	37,208	38,498
Accounts receivable	237,184	1,238,205	1,475,389	1,179,420
Loans receivable, net of allowance	380,690	-	380,690	397,859
Intergovernmental receivable	3,006,649	595,723	3,602,372	2,910,398
Accrued interest receivable	46,672	-	46,672	404,836
Inventory	332,729	90,231	422,960	362,699
Prepaid	12,396	2,473	14,869	68,814
Deferred charges	177,852	213,810	391,662	384,315
Net pension obligation asset	351,834	-	351,834	462,635
Restricted cash and cash equivalents	32,985,566	4,340,967	37,326,533	32,329,924
Capital assets not being depreciated				
Land	6,844,919	3,429,078	10,273,997	10,224,230
Construction in progress	1,888,071	953,910	2,841,981	3,048,282
Capital assets net of accumulated depreciation				
Buildings	7,001,465	3,685,394	10,686,859	11,021,074
Equipment	5,989,601	3,706,679	9,696,280	8,608,883
Infrastructure	69,459,309	73,929,748	143,389,057	138,206,516
Intangible assets - software	190,203	-	190,203	210,886
Books	962,308	-	962,308	1,015,813
Total assets	<u>\$ 157,661,424</u>	<u>\$ 96,168,627</u>	<u>\$ 253,830,051</u>	<u>\$ 244,431,331</u>
LIABILITIES				
Accounts payable	\$ 1,564,920	\$ 821,485	\$ 2,386,405	\$ 1,766,332
Retainage payable	52,969	133,594	186,563	555,590
Internal balances	721,995	(721,995)	-	-
Accrued vacation payable	23,863	188,927	212,790	230,940
Accrued salaries payable	403,567	104,441	508,008	411,445
Insurance claims payable	143,245	-	143,245	115,481
Accrued interest payable	165,120	246,565	411,685	379,908
Customer deposits	8,241	97,505	105,746	97,575
Deferred revenue	-	48,534	48,534	975
Current debt - due within one year				
Special assessment debt with governmental commitment	18,846	-	18,846	20,362
All other debt	2,802,083	2,705,441	5,507,524	4,714,958
Noncurrent debt - due after one year				
Special assessment debt with governmental commitment	66,216	-	66,216	81,031
All other debt	15,974,871	22,606,921	38,581,792	41,653,526
Accrued MSWLF postclosure care costs	-	510,022	510,022	403,449
Total liabilities	<u>21,945,936</u>	<u>26,741,440</u>	<u>48,687,376</u>	<u>50,431,572</u>
NET ASSETS				
Invested in capital assets, net of related debt	76,811,701	61,496,412	138,308,113	117,984,329
Restricted for:				
Debt service	2,643,771	4,300,303	6,944,074	6,127,587
Highway projects	2,833,320	-	2,833,320	4,240,289
Economic development	2,837,842	-	2,837,842	1,997,969
Flood control	2,202,085	-	2,202,085	2,207,545
NAWS	28,404,171	-	28,404,171	27,989,367
Other purposes	466,931	40,664	507,595	14,230,196
Unrestricted	19,515,667	3,589,808	23,105,475	19,222,478
Total net assets	<u>\$ 135,715,488</u>	<u>\$ 69,427,187</u>	<u>\$ 205,142,675</u>	<u>\$ 193,999,760</u>

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

City of Minot, North Dakota
Statement of Activities
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total 2009	Total 2008
Governmental Activities								
General government	\$ 15,791,433	\$ 6,053,336	\$ 2,313,214	\$ 1,182,924	\$ (6,241,959)	\$ -	\$ (6,241,959)	\$ (3,324,852)
Public safety	9,621,297	1,147,007	99,507	-	(8,374,783)	-	(8,374,783)	(6,402,333)
Highways and streets	6,884,847	63,523	547,985	1,809,135	(4,464,204)	-	(4,464,204)	3,124,499
Culture and recreation	2,927,935	-	-	-	(2,927,935)	-	(2,927,935)	(3,155,946)
Community development	932,000	-	-	-	(932,000)	-	(932,000)	(3,327,343)
Interest on long-term debt	952,970	-	-	-	(952,970)	-	(952,970)	(939,131)
Total governmental activities	37,110,482	7,263,867	2,960,706	2,992,059	(23,893,850)	-	(23,893,850)	(14,025,106)
Business-Type Activities								
Airport	3,747,615	2,083,123	241,680	1,229,346	-	(193,466)	(193,466)	(1,001,195)
Cemetery	245,719	251,298	-	(5,080)	-	499	499	8,547
Parking authority	121,475	136,618	-	52,921	-	68,064	68,064	31,893
Sanitation	2,327,461	3,179,491	-	1,400	-	853,430	853,430	933,878
Water and sewer	11,249,918	9,276,724	-	4,871,427	-	2,898,233	2,898,233	492,893
Total business-type activities	17,692,188	14,927,253	241,680	6,150,014	-	3,626,759	3,626,759	466,016
Total government	\$ 54,802,670	\$ 22,191,120	\$ 3,202,386	\$ 9,142,073	(23,893,850)	3,626,759	(20,267,091)	(13,559,090)
General Revenues								
Taxes								
Property taxes, levied for general purposes					8,147,645	281,001	8,428,646	7,860,093
Property taxes, levied for debt service					1,064,857	-	1,064,857	1,152,519
Sales tax					14,845,915	-	14,845,915	14,639,441
Municipal highway tax					1,802,746	-	1,802,746	1,862,605
State aid distribution-unrestricted					1,894,613	-	1,894,613	1,985,198
Franchise taxes					483,377	-	483,377	442,420
Other taxes					292,845	65,609	358,454	376,551
Investment earnings					961,136	215,446	1,176,582	1,608,057
Miscellaneous					1,282,593	72,223	1,354,816	1,996,495
Transfers					(3,425,624)	3,425,624	-	-
Total general revenues and transfers					27,350,103	4,059,903	31,410,006	31,923,379
Change in net assets					3,456,253	7,686,662	11,142,915	18,364,289
Net assets, January 1					132,259,235	61,740,525	193,999,760	175,635,471
Net assets, December 31					\$ 135,715,488	\$ 69,427,187	\$ 205,142,675	\$ 193,999,760

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

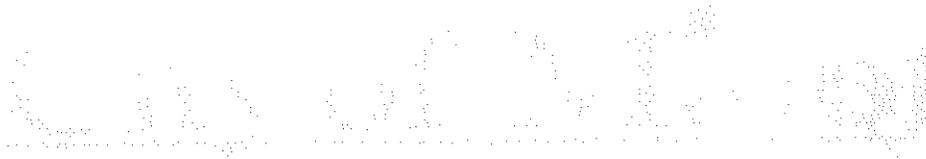
City of Minot, North Dakota
Balance Sheet
Governmental Funds
December 31, 2009
With Comparative Totals for December 31, 2008

	General Fund	Special Revenue Funds			Debt Service Fund
		Sales Tax Economic Development	Sales Tax Capital Improvements	Sales Tax NAWS	Special Assessment Debt
ASSETS					
Current assets					
Cash and investments	\$6,724,506	\$ 3,430,043	\$ 1,272,332	\$ -	\$ 747,547
Restricted cash and investments	-	2,422,530	-	28,360,951	-
Investments	-	25,329	-	-	-
Taxes receivable delinquent	150,828	-	-	-	684
Special assessments receivable delinquent	2,161	-	-	-	28,150
Accounts receivable	207,013	-	-	-	1
Loans receivable	-	254,596	-	-	-
Allowance for loans receivable	-	(95,173)	-	-	-
Due from other funds	14,672	-	-	-	-
Intergovernmental receivable	940,907	272,558	340,697	681,394	368
Accrued interest receivable	12,721	-	-	33,951	-
Inventory	-	-	-	-	-
Prepaid	4,746	-	-	-	-
Total current assets	<u>8,057,554</u>	<u>6,309,883</u>	<u>1,613,029</u>	<u>29,076,296</u>	<u>776,750</u>
Noncurrent assets					
Special assessments receivable deferred	2,543	-	-	-	4,141,892
Loans receivable	-	221,267	-	-	-
Advance from other funds	-	-	57,797	-	1,452,566
Total noncurrent assets	<u>2,543</u>	<u>221,267</u>	<u>57,797</u>	<u>-</u>	<u>5,594,458</u>
Total assets	<u>\$8,060,097</u>	<u>\$ 6,531,150</u>	<u>\$ 1,670,826</u>	<u>\$ 29,076,296</u>	<u>\$ 6,371,208</u>
LIABILITIES					
Current liabilities					
Accounts payable	\$ 210,585	\$ 20,899	\$ -	\$ 672,125	\$ -
Retainage payable	-	16,188	-	-	-
Due to other funds	-	-	-	-	-
Accrued salaries payable	361,323	-	-	-	-
Accrued vacation payable	20,290	-	-	-	-
Total current liabilities	<u>592,198</u>	<u>37,087</u>	<u>-</u>	<u>672,125</u>	<u>-</u>
Noncurrent liabilities					
Customer deposits	8,241	-	-	-	-
Advance to other funds	-	-	-	-	-
Deferred revenue	192,860	-	-	-	4,169,267
Total noncurrent liabilities	<u>201,101</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,169,267</u>
Total liabilities	<u>793,299</u>	<u>37,087</u>	<u>-</u>	<u>672,125</u>	<u>4,169,267</u>
FUND BALANCE					
Nonspendable	4,746	221,267	57,797	-	1,452,566
Restricted	41,532	2,422,530	-	28,404,171	-
Committed	4,667	-	488,780	-	-
Assigned	259,042	3,850,266	1,124,249	-	749,375
Unassigned	6,956,811	-	-	-	-
Total fund balance	<u>7,266,798</u>	<u>6,494,063</u>	<u>1,670,826</u>	<u>28,404,171</u>	<u>2,201,941</u>
Total liabilities and fund balance	<u>\$8,060,097</u>	<u>\$ 6,531,150</u>	<u>\$ 1,670,826</u>	<u>\$ 29,076,296</u>	<u>\$ 6,371,208</u>

City of Minot, North Dakota
Balance Sheet
Governmental Funds
December 31, 2009
With Comparative Totals for December 31, 2008

	<u>Capital Project Fund</u>	<u>Other Governmental</u>	<u>Total Governmental</u>	<u>Total Governmental</u>
	<u>Highway Reserve</u>	<u>Funds</u>	<u>Funds 2009</u>	<u>Funds 2008</u>
ASSETS				
Current assets				
Cash and investments	\$ 3,857,479	\$ 6,032,200	\$ 22,064,107	\$ 20,875,563
Restricted cash and investments	-	2,202,085	32,985,566	29,991,466
Investments	-	-	25,329	53,304
Taxes receivable delinquent	2,197	132,119	285,828	318,411
Special assessments receivable delinquent	-	6,897	37,208	38,498
Accounts receivable	-	24,837	231,851	149,095
Loans receivable	-	-	254,596	145,803
Allowance for loans receivable	-	-	(95,173)	(99,465)
Due from other funds	-	551,205	565,877	543,323
Intergovernmental receivable	391,838	378,887	3,006,649	2,864,971
Accrued interest receivable	-	-	46,672	404,836
Inventory	-	9,148	9,148	6,828
Prepaid	-	7,650	12,396	44,725
Total current assets	<u>4,251,514</u>	<u>9,345,028</u>	<u>59,430,054</u>	<u>55,337,358</u>
Noncurrent assets				
Special assessments receivable deferred	-	1,800	4,146,235	4,277,715
Loans receivable	-	-	221,267	351,521
Advance from other funds	-	-	1,510,363	2,958,311
Total noncurrent assets	<u>-</u>	<u>1,800</u>	<u>5,877,865</u>	<u>7,587,547</u>
Total assets	<u>\$ 4,251,514</u>	<u>\$ 9,346,828</u>	<u>\$ 65,307,919</u>	<u>\$ 62,924,905</u>
LIABILITIES				
Current liabilities				
Accounts payable	\$ 357,924	\$ 143,084	\$ 1,404,617	\$ 1,527,594
Retainage payable	36,781	-	52,969	166,881
Due to other funds	-	551,205	551,205	522,205
Accrued salaries payable	-	42,244	403,567	320,998
Accrued vacation payable	-	3,573	23,863	29,762
Total current liabilities	<u>394,705</u>	<u>740,106</u>	<u>2,436,221</u>	<u>2,567,440</u>
Noncurrent liabilities				
Customer deposits	-	-	8,241	-
Advance to other funds	738,886	1,195,660	1,934,546	1,706,762
Deferred revenue	2,089	129,321	4,493,537	4,637,144
Total noncurrent liabilities	<u>740,975</u>	<u>1,324,981</u>	<u>6,436,324</u>	<u>6,343,906</u>
Total liabilities	<u>1,135,680</u>	<u>2,065,087</u>	<u>8,872,545</u>	<u>8,911,346</u>
FUND BALANCE				
Nonspendable	-	16,798	1,753,174	3,326,630
Restricted	2,833,320	3,704,947	37,821,812	30,645,782
Committed	-	2,042,691	2,536,138	8,318,890
Assigned	282,514	2,140,270	7,990,404	5,313,590
Unassigned	-	(622,965)	6,333,846	6,408,667
Total fund balance	<u>3,115,834</u>	<u>7,281,741</u>	<u>56,435,374</u>	<u>54,013,559</u>
Total liabilities and fund balance	<u>\$ 4,251,514</u>	<u>\$ 9,346,828</u>	<u>\$ 65,307,919</u>	<u>\$ 62,924,905</u>

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



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City of Minot, North Dakota
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Assets
December 31, 2009

Total fund balances for governmental funds \$56,435,374

Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 6,844,919	
Construction work in process	1,888,071	
Buildings, net of accumulated depreciation (\$6,142,235)	7,001,465	
Equipment, net of accumulated depreciation (\$6,245,605)	5,989,601	
Infrastructure, net of accumulated depreciation (\$29,076,165)	69,459,309	
Intangible assets, net of accumulated depreciation (\$20,683)	190,203	
Books, net of accumulated depreciation (\$3,364,253)	<u>962,308</u>	
Total capital assets (Note 4. D)		92,335,876

A negative net pension obligation should be reported as an asset in the government-wide statement of net assets and in connection with proprietary and fiduciary funds. Conversely, a negative net pension obligation is not considered to represent a financial asset; therefore, it is not properly reported in a governmental fund. 351,834

Internal service funds are used by the City to charge the cost of the central garage and the City's self insurance to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets. They are not included in government-wide. 948,151

Some of the City's taxes and special assessments will be collected after year-end, but are not available soon enough to pay for the current period's expenditures; therefore, they are reported as deferred revenue in the governmental funds. 4,493,537

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net assets. (Note 2. A) (\$18,849,284)

Total net assets of governmental activities \$135,715,488

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

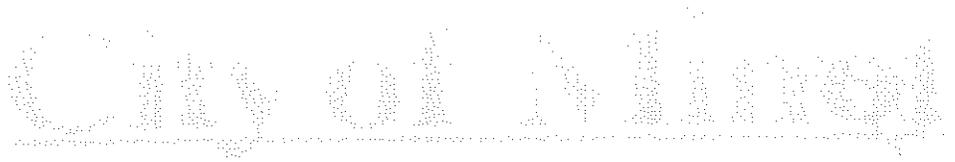
City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	General Fund	Special Revenue Fund		Debt Service Fund	
		Sales Tax Economic Development	Sales Tax Capital Improvement	Sales Tax NAWS	Special Assessment Debt
REVENUES					
Property tax collections	\$ 5,040,346	\$ -	\$ -	\$ -	\$ 19,922
Special assessment collections	6,283	-	-	-	1,210,270
Sales tax collections	-	2,969,183	3,711,479	7,422,957	-
Licenses and permits	701,740	-	-	-	-
Intergovernmental	5,604,393	-	-	-	-
Charges for services	4,438,184	-	-	-	-
Fines and forfeits	490,864	-	-	-	-
Interest income	28,034	89,442	21,556	463,368	66,434
Miscellaneous	477,725	78,014	-	-	243
Total revenues	16,787,569	3,136,639	3,733,035	7,886,325	1,296,869
EXPENDITURES					
Current					
General government	5,619,692	-	57,000	8,048,072	-
Public safety	8,736,792	-	-	-	-
Highways and streets	2,453,470	-	11,446	-	-
Culture and recreation	-	-	53,164	-	-
Economic development	-	928,319	-	-	-
Capital outlay					
Contracted work	-	-	21,859	-	-
Equipment	-	-	39,918	-	-
Legal	-	-	-	-	-
Other	-	-	-	-	-
Acquisitions	-	-	-	-	-
Engineering	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	1,180,000
Interest and fiscal charges	-	-	-	-	300,076
Total expenditures	16,809,954	928,319	183,387	8,048,072	1,480,076
Excess (deficiency) of revenues over (under) expenditures	(22,385)	2,208,320	3,549,648	(161,747)	(183,207)
OTHER FINANCING SOURCES (USES)					
General obligation bonds issued	-	-	-	-	-
Special assessment bonds issued	-	-	-	-	-
Premium on special assessment bonds	-	-	-	-	-
Discount on general obligation bonds	-	-	-	-	-
Sale of City property	10,075	-	-	-	4,000
Transfers in	852,306	-	60,000	-	1,014,722
Transfers out	(7,788)	(550,000)	(4,461,410)	(50,000)	(31,501)
Total other financing sources (uses)	854,593	(550,000)	(4,401,410)	(50,000)	987,221
Net change in fund balance	832,208	1,658,320	(851,762)	(211,747)	804,014
Fund balance, January 1	6,434,590	4,835,743	2,522,588	28,615,918	1,397,927
Fund balance, December 31	\$ 7,266,798	\$ 6,494,063	\$ 1,670,826	\$ 28,404,171	\$ 2,201,941

City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Capital Project Fund	Other Governmental Funds	Total Governmental Funds 2009	Total Governmental Funds 2008
	Highway Reserve			
REVENUES				
Property tax collections	\$ 3,319	\$ 4,060,079	\$ 9,123,666	\$ 8,855,449
Special assessment collections	-	-	1,216,553	779,292
Sales tax collections	-	742,296	14,845,915	14,639,441
Licenses and permits	-	-	701,740	744,303
Intergovernmental	547,985	1,971,619	8,123,997	6,716,698
Charges for services	-	580,406	5,018,590	4,540,984
Fines and forfeits	-	-	490,864	471,653
Interest income	73,505	218,797	961,136	1,468,090
Miscellaneous	3,100	723,511	1,282,593	2,012,030
Total revenues	<u>627,909</u>	<u>8,296,708</u>	<u>41,765,054</u>	<u>40,227,940</u>
EXPENDITURES				
Current				
General government	-	990,208	14,714,972	11,048,600
Public safety	-	-	8,736,792	8,191,065
Highways and streets	226,924	650,462	3,342,302	2,777,822
Culture and recreation	-	2,440,373	2,493,537	3,377,216
Economic development	-	3,681	932,000	3,882,862
Capital outlay				
Contracted work	1,065,481	871,748	1,959,088	3,678,770
Equipment	-	982,221	1,022,139	607,039
Legal	6,500	-	6,500	3,464
Other	55,151	54,850	110,001	94,684
Acquisitions	365,391	3,423	368,814	464,841
Engineering	856,934	197,919	1,054,853	668,863
Debt service				
Principal retirement	-	1,240,000	2,420,000	2,655,000
Interest and fiscal charges	32,770	455,004	787,850	773,958
Total Expenditures	<u>2,609,151</u>	<u>7,889,889</u>	<u>37,948,848</u>	<u>38,224,184</u>
Excess (deficiency) of revenues over (under) expenditures	(1,981,242)	406,819	3,816,206	2,003,756
OTHER FINANCING SOURCES (USES)				
General obligation bonds issued	2,005,000	-	2,005,000	1,720,000
Special assessment bonds issued	-	-	-	1,905,000
Discount on special assessment bonds	-	-	-	(1,376)
Premium on general obligation bonds	6,180	-	6,180	11,641
Sale of City property	-	5,978	20,053	33,617
Transfers in	1,260,506	2,306,855	5,494,389	5,999,009
Transfers out	(1,814,724)	(2,004,590)	(8,920,013)	(3,603,009)
Total other financing sources (uses)	<u>1,456,962</u>	<u>308,243</u>	<u>(1,394,391)</u>	<u>6,064,882</u>
Net change in fund balance	(524,280)	715,062	2,421,815	8,068,638
Fund balance, January 1	3,640,114	6,566,679	54,013,559	45,944,921
Fund balance, December 31	<u>\$ 3,115,834</u>	<u>\$ 7,281,741</u>	<u>\$ 56,435,374</u>	<u>\$ 54,013,559</u>

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



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City of Minot, North Dakota
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Fiscal Year Ended December 31, 2009

Net change in fund balances-total governmental funds		\$ 2,421,815
<p>The change in net assets reported for governmental activities in the statement of activities is different because:</p>		
<p>Governmental funds report capital outlays as expenditures; however, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (Note 2. B)</p>		
	1,236,813	
<p>Gross proceeds from the sale of capital assets is reported as revenue in the governmental fund; however, in the statement of activities only the gain or loss on the transaction is reported.</p>		
	(15,742)	
<p>Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets issuing debt increases long-term liabilities and does not affect the statement of activities; similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net assets. (Note 4. H)</p>		
<p>Debt issued</p>		
General obligation highway bonds	\$ (2,005,000)	
Premium on debt issuance	(6,180)	
Repayments of bond principal	2,420,000	
Annual amortization of premium/discount and issuance costs	<u>(33,960)</u>	
Net adjustment		374,860
<p>A negative net pension obligation should be reported as an asset in the government-wide statement of net assets. Conversely, a negative net pension obligation is not considered to represent a financial asset; therefore, it is not properly reported in a governmental fund. The government-wide statement of net activities reports the change in the net pension obligation asset from year to year.</p>		
		(110,801)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions not normally paid with expendable available financial resources. In the statement of activities; however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due.</p>		
Accrued interest payable		53
Compensated absences		(32,977)
<p>Change in revenue accruals. The purpose of this adjustment is to recognize the net change in unavailable revenues. Under the modified accrual basis of accounting, revenues are not recognized unless they are deemed available to finance the expenditures of the current period. Accrual-basis recognition is not limited by availability, so certain revenues need to be reduced by the amounts unavailable at the beginning of the year and increased by the amounts unavailable at the end of the year. This adjustment records a net decrease in revenues unavailable at the end of the year which were less than beginning revenues by this amount.</p>		
New special assessment districts to be billed and collected annually	1,182,924	
Special assessment write-offs and foreclosures	(97,851)	
Amount shown as revenue in governmental funds	<u>(1,216,553)</u>	
Net change		(131,480)
<p>Internal service funds are used by the City to charge the cost of the central garage and the City's self insurance to the individual funds. The net revenue of internal service funds is reported with governmental activities.</p>		
		<u>(286,288)</u>
Change in net assets of governmental activities		<u>\$ 3,456,253</u>

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

City of Minot, North Dakota
Statement of Revenues, Expenditures and Changes in Fund Balance, Budget to Actual
General Fund
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Budgeted Amounts		2009 Actual Amounts	Variance With Final Budget	2008 Actual Amounts
	Original	Final			
REVENUES					
Property tax collections	\$ 4,932,462	\$ 4,932,462	\$ 5,040,346	\$ (107,884)	\$ 4,571,334
Special assessment collections	10,618	10,618	6,283	4,335	7,675
Licenses	194,220	194,220	216,673	(22,453)	210,662
Permits	404,695	404,695	485,067	(80,372)	533,641
Intergovernmental federal					
Drug task force	73,698	111,056	37,056	74,000	78,953
Security for schools	-	-	2,285	(2,285)	-
JAG recovery act grant	-	35,376	44,928	(9,552)	-
Bullet proof vest grant	-	4,493	7,446	(2,953)	-
2009 flood	-	-	1,703	(1,703)	-
Intergovernmental state					
Highway fund	1,822,513	1,822,513	1,894,613	(72,100)	1,985,198
State aid distribution	1,718,147	1,718,147	1,802,746	(84,599)	1,862,605
Cigarette tax	112,090	112,090	107,022	5,068	112,175
Estate tax	25,526	25,526	4,282	21,244	-
Gas and oil production tax	23,519	23,519	22,155	1,364	28,524
Telecommunications tax	132,092	132,092	132,092	-	132,092
Senior citizen property tax credit	32,175	32,175	41,367	(9,192)	36,729
Fire insurance refund	63,410	63,410	116,052	(52,642)	123,246
Gambling tax revenue	21,597	21,597	27,294	(5,697)	25,234
Law enforcement grants	-	120,878	121,427	(549)	-
Fire grants	-	103,461	81,288	22,173	-
2009 snow removal	-	-	63,523	(63,523)	-
Bomb squad	-	-	2,888	(2,888)	-
Other state grants	-	97,713	82,518	15,195	-
Intergovernmental county					
Drug task force	-	-	9,977	(9,977)	-
Road and bridge	3,464	3,464	4,570	(1,106)	4,315
Joint communications	162,800	162,800	155,808	6,992	147,355
Telephone fee	182,047	182,047	165,231	16,816	173,909
Information services	84,957	84,957	75,431	9,526	60,896
PSAP manager	-	-	49,586	(49,586)	-
Intergovernmental other					
Housing authority	29,102	29,102	37,571	(8,469)	37,896
Parking authority	5,328	5,328	5,328	-	5,176
Cable TV franchise fees	400,264	400,264	483,377	(83,113)	442,420
Damage claims	15,384	15,384	23,879	(8,495)	(24,904)
Policing-Central Campus	1,873	1,873	950	923	1,862
Total intergovernmental	4,909,986	5,309,265	5,604,393	(295,128)	5,233,681
Charges for services					
Engineering & administrative	275,000	275,000	423,536	(148,536)	447,953
Utility & special funds	2,522,758	2,522,758	2,522,756	2	2,193,775
Agency funds	1,459,649	1,459,649	1,433,356	26,293	1,335,628
Fleet labor	59,400	59,400	58,536	864	46,883
Total charges for services	4,316,807	4,316,807	4,438,184	(121,377)	4,024,239
Fines and forfeitures					
Parking tickets	67,727	67,727	64,905	2,822	62,858
Police court	370,510	370,510	425,959	(55,449)	408,795
Total fines and forfeitures	438,237	438,237	490,864	(52,627)	471,653
Interest income	592,750	592,750	28,034	564,716	191,195
Miscellaneous income					
Work for others	8,499	18,974	47,448	(28,474)	9,417
Single family mortgage payoffs	22,623	22,623	18,619	4,004	47,555
Miscellaneous	213,838	216,838	388,833	(171,995)	136,558
Towing fees	11,432	11,432	22,825	(11,393)	14,006
Total miscellaneous income	256,392	269,867	477,725	(207,858)	207,536
Total revenues	16,056,167	16,468,921	16,787,569	(318,648)	15,451,616

City of Minot, North Dakota
Statement of Revenues, Expenditures and Changes in Fund Balance, Budget to Actual
General Fund
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Budgeted Amounts		2009 Actual Amounts	Variance With Final Budget	2008 Actual Amounts
	Original	Final			
EXPENDITURES					
General government					
Mayor and city council	\$ 157,019	\$ 169,925	\$ 156,824	\$ 13,101	\$ 126,325
City manager	196,762	197,142	190,595	6,547	186,528
City clerk	188,877	188,877	185,442	3,435	189,367
City attorney	128,213	130,638	141,990	(11,352)	89,256
Administrative and general	649,614	723,909	813,871	(89,962)	556,376
Finance	480,853	480,853	469,022	11,831	439,410
Information technology	401,817	403,861	377,687	26,174	287,728
Property assessment	314,291	326,356	324,057	2,299	273,419
Building inspection	394,491	406,556	374,236	32,320	358,560
Traffic	887,381	901,759	786,010	115,749	805,994
Engineering and planning	690,000	714,131	653,954	60,177	622,555
Vehicle maintenance	530,879	537,107	489,103	48,004	454,643
Property maintenance	338,500	339,500	312,593	26,907	310,099
Public works administration	353,565	353,565	344,308	9,257	328,637
Total general government	<u>5,712,262</u>	<u>5,874,179</u>	<u>5,619,692</u>	<u>254,487</u>	<u>5,028,897</u>
Public safety					
Police administration	770,992	787,667	733,712	53,955	696,773
Police patrol	3,027,969	3,203,125	3,045,988	157,137	2,715,705
Criminal investigation	758,011	758,011	747,294	10,717	753,665
Narcotics task force	57,100	94,458	57,325	37,133	57,957
Telecommunications division	647,142	647,142	589,129	58,013	597,549
Municipal judge	155,284	155,284	173,141	(17,857)	161,800
Fire administration	405,816	405,816	431,265	(25,449)	438,414
Fire control	2,941,700	3,049,870	2,958,938	90,932	2,764,920
Total public safety	<u>8,764,014</u>	<u>9,101,373</u>	<u>8,736,792</u>	<u>364,581</u>	<u>8,186,783</u>
Street & storm sewer maintenance	1,931,561	1,937,594	2,453,470	(515,876)	1,763,726
Total expenditures	<u>16,407,837</u>	<u>16,913,146</u>	<u>16,809,954</u>	<u>103,192</u>	<u>14,979,406</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(351,670)</u>	<u>(444,225)</u>	<u>(22,385)</u>	<u>(421,840)</u>	<u>472,210</u>
OTHER FINANCING SOURCES (USES)					
Sale of property	-	-	10,075	(10,075)	25,317
Transfers in	351,670	420,041	852,306	(432,265)	914,742
Transfers out	-	-	(7,788)	7,788	(22,546)
Total other financing sources (uses)	<u>351,670</u>	<u>420,041</u>	<u>854,593</u>	<u>(434,552)</u>	<u>917,513</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (24,184)</u>	<u>832,208</u>	<u>\$ (856,392)</u>	<u>1,389,723</u>
Fund balance, January 1			6,434,590		5,044,867
Fund balance, December 31			<u>\$ 7,266,798</u>		<u>\$ 6,434,590</u>

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

City of Minot, North Dakota
Schedule of Revenues, Expenditures
and Changes in Fund Balances, Budget and Actual
Major Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	<u>Sales Tax Economic Development</u>			
	Original and Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES				
Sales tax collections	\$ 2,688,282	\$ 2,969,183	\$ (280,901)	\$ 2,914,868
Interest income	50,000	89,442	(39,442)	126,370
Miscellaneous	-	78,014	(78,014)	997,834
Total revenues	<u>2,738,282</u>	<u>3,136,639</u>	<u>(398,357)</u>	<u>4,039,072</u>
EXPENDITURES				
Current				
Economic development	2,688,282	928,319	1,759,963	3,742,456
Total expenditures	<u>2,688,282</u>	<u>928,319</u>	<u>1,759,963</u>	<u>3,742,456</u>
Excess (deficiency) of revenues over (under) expenditures	50,000	2,208,320	(2,158,320)	296,616
OTHER FINANCING SOURCES (USES)				
Transfers out	(50,000)	(550,000)	500,000	(50,000)
Total other financing sources (uses)	<u>(50,000)</u>	<u>(550,000)</u>	<u>500,000</u>	<u>(50,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,658,320</u>	<u>\$(1,658,320)</u>	<u>246,616</u>
Fund balance (deficit), January 1		4,835,743		4,589,127
Fund balance (deficit), December 31		<u>\$6,494,063</u>		<u>\$4,835,743</u>

City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund, Budget and Actual
Major Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

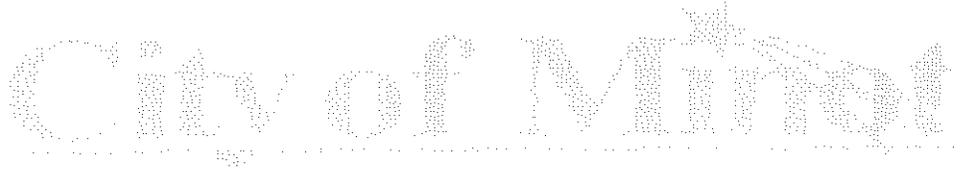
	Sales Tax Capital Improvement				
	Original Budgeted Amounts	Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES					
Sales tax collections	\$3,360,353	\$3,360,353	\$3,711,479	\$ (351,126)	\$3,643,585
Interest income	-	-	21,556	(21,556)	35,006
Miscellaneous income	-	-	-	-	53,150
Total revenues	<u>3,360,353</u>	<u>3,360,353</u>	<u>3,733,035</u>	<u>(372,682)</u>	<u>3,731,741</u>
EXPENDITURES					
General government	-	30,000	57,000	(27,000)	267,028
Highway and street	-	13,000	11,446	1,554	2,000
Culture and recreation	20,000	50,000	53,164	(3,164)	94,469
Capital outlay					
Contracted work	-	-	21,859	(21,859)	-
Equipment	-	-	39,918	(39,918)	-
Total expenditures	<u>20,000</u>	<u>93,000</u>	<u>183,387</u>	<u>(90,387)</u>	<u>363,497</u>
Excess (deficiency) of revenues over (under) expenditures	3,340,353	3,267,353	3,549,648	(282,295)	3,368,244
OTHER FINANCING SOURCES (USES)					
Transfers in	14,326	14,326	60,000	(45,674)	455,221
Transfers out	<u>(3,354,679)</u>	<u>(3,339,679)</u>	<u>(4,461,410)</u>	<u>1,121,731</u>	<u>(2,278,714)</u>
Total other financing sources (uses)	<u>(3,340,353)</u>	<u>(3,325,353)</u>	<u>(4,401,410)</u>	<u>1,076,057</u>	<u>(1,823,493)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (58,000)</u>	<u>(851,762)</u>	<u>\$ 793,762</u>	<u>1,544,751</u>
Fund balance (deficit), January 1			<u>2,522,588</u>		<u>977,837</u>
Fund balance (deficit), December 31			<u><u>\$1,670,826</u></u>		<u><u>\$2,522,588</u></u>

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

City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund, Budget and Actual
Major Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Sales Tax NAWS			
	Original and Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES				
Sales tax collections	\$6,720,705	\$ 7,422,957	\$ (702,252)	\$ 7,287,170
Interest income	625,000	463,368	161,632	756,710
Total revenues	<u>7,345,705</u>	<u>7,886,325</u>	<u>(540,620)</u>	<u>8,043,880</u>
EXPENDITURES				
General government	7,295,705	8,048,072	(752,367)	4,111,137
Total expenditures	<u>7,295,705</u>	<u>8,048,072</u>	<u>(752,367)</u>	<u>4,111,137</u>
Excess (deficiency) of revenues over (under) expenditures	50,000	(161,747)	211,747	3,932,743
OTHER FINANCING SOURCES (USES)				
Transfers out	(50,000)	(50,000)	-	(50,000)
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>(50,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>(211,747)</u>	<u>\$ 211,747</u>	3,882,743
Fund balance (deficit), January 1		<u>28,615,918</u>		<u>24,733,175</u>
Fund balance (deficit), December 31		<u>\$ 28,404,171</u>		<u>\$ 28,615,918</u>

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



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City of Minot, North Dakota
Statement of Net Assets
Proprietary Funds
December 31, 2009
With Comparative Totals for December 31, 2008

ASSETS	Business-Type Activities Enterprise Funds			
	Airport	Sanitation	Water & Sewer	Nonmajor
Current assets				
Cash and cash equivalents	\$ 1,811,704	\$ 1,261,081	\$ 565,178	\$ 338,248
Restricted cash and cash equivalents	316,454	-	2,635,552	40,664
Taxes receivable delinquent	5,951	-	-	247
Accounts receivable	98,291	224,355	905,684	9,875
Intergovernmental receivable	592,054	-	3,664	5
Inventory	90,231	-	-	-
Prepaid	267	35	2,167	4
Deferred charges	-	-	6,711	-
Total current assets	<u>2,914,952</u>	<u>1,485,471</u>	<u>4,118,956</u>	<u>389,043</u>
Noncurrent assets				
Restricted cash and cash equivalents	81,251	-	1,267,046	-
Advance from other funds	-	-	903,772	-
Deferred charges	9,671	-	197,428	-
Capital assets				
Land	1,109,583	367,335	1,697,367	254,793
Buildings	6,625,367	359,791	6,848,486	194,057
Equipment	3,174,493	1,333,785	5,893,661	445,429
Infrastructure	37,352,361	3,029,264	90,894,217	160,156
Intangible assets - software	-	-	345,144	-
Construction in progress	714,832	-	239,078	-
Total capital assets	<u>48,976,636</u>	<u>5,090,175</u>	<u>105,917,953</u>	<u>1,054,435</u>
Less-accumulated depreciation	<u>(20,545,641)</u>	<u>(2,392,405)</u>	<u>(51,749,551)</u>	<u>(646,794)</u>
Net capital assets	<u>28,430,995</u>	<u>2,697,770</u>	<u>54,168,402</u>	<u>407,641</u>
Total noncurrent assets	<u>28,521,917</u>	<u>2,697,770</u>	<u>56,536,648</u>	<u>407,641</u>
Total assets	<u>\$ 31,436,869</u>	<u>\$ 4,183,241</u>	<u>\$ 60,655,604</u>	<u>\$ 796,684</u>
LIABILITIES				
Current liabilities				
Accounts payable	\$ 649,842	\$ 6,174	\$ 161,957	\$ 3,511
Retainage payable	83,072	-	50,522	-
Due to other funds	14,672	-	-	-
Accrued vacation payable	34,082	45,917	99,736	9,192
Accrued salaries payable	19,281	24,758	53,626	6,776
Insurance claims payable	-	-	-	-
Bonds payable	305,000	-	2,260,000	-
Notes payable	-	-	65,874	-
Loans payable	-	-	74,567	-
Accrued interest payable	11,454	-	235,111	-
Deferred revenue	1,412	-	6,050	-
Total current liabilities	<u>1,118,815</u>	<u>76,849</u>	<u>3,007,443</u>	<u>19,479</u>
Long-term liabilities				
Customer deposits	5,309	-	91,596	600
Bonds payable	660,000	-	20,450,000	-
Notes payable	-	-	1,496,921	-
Loans payable	-	-	-	-
Advance to other funds	40,597	-	438,992	-
Accrued MSWLF closure and postclosure care costs	-	510,022	-	-
Deferred revenue	-	-	41,072	-
Total long-term liabilities	<u>705,906</u>	<u>510,022</u>	<u>22,518,581</u>	<u>600</u>
Total liabilities	<u>1,824,721</u>	<u>586,871</u>	<u>25,526,024</u>	<u>20,079</u>
NET ASSETS				
Invested in capital assets, net of related debt	27,465,995	2,697,770	29,846,572	407,641
Restricted for bond covenants	397,705	-	3,902,598	-
Restricted for perpetual care	-	-	-	38,250
Restricted for chapel/veteran's memorial	-	-	-	2,414
Unrestricted	1,748,448	898,600	1,380,410	328,300
Total net assets	<u>\$ 29,612,148</u>	<u>\$ 3,596,370</u>	<u>\$ 35,129,580</u>	<u>\$ 776,605</u>

City of Minot, North Dakota
Statement of Net Assets
Proprietary Funds
December 31, 2009
With Comparative Totals for December 31, 2008

	Governmental Activities			
	Total Enterprise Funds	Internal Service Funds	Total 2009	Total 2008
ASSETS				
Current assets				
Cash and cash equivalents	\$ 3,976,211	\$ 1,235,269	\$ 5,211,480	\$ 6,221,016
Restricted cash and cash equivalents	2,992,670	-	2,992,670	2,338,458
Taxes receivable delinquent	6,198	-	6,198	2,131
Accounts receivable	1,238,205	5,333	1,243,538	1,030,325
Intergovernmental receivable	595,723	-	595,723	45,427
Inventory	90,231	323,581	413,812	355,871
Prepaid	2,473	-	2,473	24,089
Deferred charges	6,711	-	6,711	-
Total current assets	<u>8,908,422</u>	<u>1,564,183</u>	<u>10,472,605</u>	<u>10,017,317</u>
Noncurrent assets				
Restricted cash and cash equivalents	1,348,297	-	1,348,297	1,808,109
Advance from other funds	903,772	-	903,772	1,435,616
Deferred charges	207,099	-	207,099	204,411
Capital assets				
Land	3,429,078	-	3,429,078	3,379,311
Buildings	14,027,701	-	14,027,701	14,167,701
Equipment	10,847,368	-	10,847,368	9,868,606
Infrastructure	131,435,998	-	131,435,998	122,121,520
Intangible assets - software	345,144	-	345,144	345,144
Construction in progress	953,910	-	953,910	1,959,626
Total capital assets	<u>161,039,199</u>	<u>-</u>	<u>161,039,199</u>	<u>151,841,908</u>
Less-accumulated depreciation	<u>(75,334,390)</u>	<u>-</u>	<u>(75,334,390)</u>	<u>(70,489,140)</u>
Net capital assets	<u>85,704,809</u>	<u>-</u>	<u>85,704,809</u>	<u>81,352,768</u>
Total noncurrent assets	<u>88,163,977</u>	<u>-</u>	<u>88,163,977</u>	<u>84,800,904</u>
Total assets	<u>\$ 97,072,399</u>	<u>\$ 1,564,183</u>	<u>\$ 98,636,582</u>	<u>\$ 94,818,221</u>
LIABILITIES				
Current liabilities				
Accounts payable	\$ 821,484	\$ 160,303	\$ 981,787	\$ 238,738
Retainage payable	133,594	-	133,594	388,709
Due to other funds	14,672	-	14,672	21,118
Accrued vacation payable	188,927	-	188,927	201,178
Accrued salaries payable	104,441	-	104,441	90,446
Insurance claims payable	-	143,245	143,245	115,481
Bonds payable	2,565,000	-	2,565,000	1,945,000
Notes payable	65,874	-	65,874	63,627
Loans payable	74,567	-	74,567	70,382
Accrued interest payable	246,565	-	246,565	214,735
Deferred revenue	7,462	-	7,462	975
Total current liabilities	<u>4,222,586</u>	<u>303,548</u>	<u>4,526,134</u>	<u>3,350,389</u>
Long-term liabilities				
Customer deposits	97,505	-	97,505	97,575
Bonds payable	21,110,000	-	21,110,000	23,675,000
Notes payable	1,496,921	-	1,496,921	1,562,793
Loans payable	-	-	-	73,764
Advance to other funds	479,589	-	479,589	2,687,165
Accrued MSWLF closure and postclosure care costs	510,022	-	510,022	403,449
Deferred revenue	41,072	-	41,072	-
Total long-term liabilities	<u>23,735,109</u>	<u>-</u>	<u>23,735,109</u>	<u>28,499,746</u>
Total liabilities	<u>27,957,695</u>	<u>303,548</u>	<u>28,261,243</u>	<u>31,850,135</u>
NET ASSETS				
Invested in capital assets, net of related debt	60,417,978	-	60,417,978	53,233,808
Restricted for bond covenants	4,300,303	-	4,300,303	4,101,853
Restricted for perpetual care	38,250	-	38,250	38,250
Restricted for chapel/veteran's memorial	2,414	-	2,414	6,464
Unrestricted	4,355,758	1,260,635	5,616,393	5,587,710
Total net assets	<u>69,114,703</u>	<u>\$ 1,260,635</u>	<u>70,375,338</u>	<u>62,968,085</u>
Some amounts reported for business-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included.	312,484		312,484	319,363
	<u>\$ 69,427,187</u>		<u>\$ 70,687,822</u>	<u>\$ 63,287,448</u>

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

City of Minot, North Dakota
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Business-Type Activities			
	Enterprise Funds			
	Airport	Sanitation	Water & Sewer	Nonmajor
OPERATING REVENUES				
Sales	\$ 1,237,361	\$ -	\$ -	\$ -
Cost of goods sold	(848,794)	-	-	-
Gross margin	388,567	-	-	-
Charges for services	848,678	3,169,139	9,261,226	387,933
Employer	-	-	-	-
Employee	-	-	-	-
Miscellaneous	-	-	29,795	-
Total operating revenues	<u>1,237,245</u>	<u>3,169,139</u>	<u>9,291,021</u>	<u>387,933</u>
OPERATING EXPENSES				
Salaries	477,834	730,709	1,547,241	196,684
Employee benefits	114,445	201,133	396,830	36,659
Professional services	17,613	52,910	37,409	139
Property services	209,627	495,042	552,563	40,896
Purchased services	58,028	27,451	708,425	8,883
Supplies	201,075	223,386	1,870,037	25,737
Capital purchases	-	8,318	-	-
Sundry	110,880	320,885	1,808,429	38,171
Insurance claims	-	-	-	-
Bad debt expense	-	5,711	19,984	-
Amortization	8,186	-	35,587	-
MSWLF closure & postclosure care	-	106,573	-	-
Depreciation	1,644,846	155,343	3,274,427	20,025
Total operating expenses	<u>2,842,534</u>	<u>2,327,461</u>	<u>10,250,932</u>	<u>367,194</u>
Operating income (loss)	(1,605,289)	841,678	(959,911)	20,739
NON-OPERATING REVENUES (EXPENSES)				
Property tax collections	280,979	-	-	22
State and federal collected taxes	1,248,678	-	12,218	-
Interest income	38,673	28,107	143,210	5,456
Miscellaneous income (expense)	3,054	4,444	61,089	3,636
Passenger facility charge income	241,680	-	-	-
Gain (loss) on disposal of capital assets	1,210	-	-	(44,340)
Interest and fiscal charges	(56,287)	-	(998,986)	-
Total non-operating revenues (expenses)	<u>1,757,987</u>	<u>32,551</u>	<u>(782,469)</u>	<u>(35,226)</u>
Income (loss) before contributions and transfers	152,698	874,229	(1,742,380)	(14,487)
Capital contributions	45,067	1,400	4,859,209	(5,080)
Sale of City Property	-	-	-	97,261
Transfers in	341,631	6,033	4,350,283	-
Transfers out	(88,811)	(769,838)	(408,344)	(5,330)
Total contributions and transfers	<u>297,887</u>	<u>(762,405)</u>	<u>8,801,148</u>	<u>86,851</u>
Change in net assets	450,585	111,824	7,058,768	72,364
Net assets, January 1	29,161,563	3,484,546	28,070,812	704,241
Net assets, December 31	<u>\$ 29,612,148</u>	<u>\$ 3,596,370</u>	<u>\$ 35,129,580</u>	<u>\$ 776,605</u>

City of Minot, North Dakota
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Total Enterprise Funds	Governmental Activities		Total 2009	Total 2008
		Internal Service Funds			
OPERATING REVENUES					
Sales	\$ 1,237,361	\$ 698,283	\$ 1,935,644	\$ 2,465,329	
Cost of goods sold	(848,794)	(654,356)	(1,503,150)	(2,067,535)	
Gross margin	388,567	43,927	432,494	397,794	
Charges for services	13,666,976	-	13,666,976	12,200,219	
Employer	-	1,280,901	1,280,901	1,324,373	
Employee	-	657,736	657,736	683,654	
Miscellaneous	29,795	-	29,795	31,625	
Total operating revenues	14,085,338	1,982,564	16,067,902	14,637,665	
OPERATING EXPENSES					
Salaries	2,952,468	-	2,952,468	2,882,616	
Employee benefits	749,067	-	749,067	696,334	
Professional services	108,071	61	108,132	57,974	
Property services	1,298,128	-	1,298,128	1,064,436	
Purchased services	802,787	-	802,787	597,079	
Supplies	2,320,235	39,081	2,359,316	2,427,846	
Capital purchases	8,318	-	8,318	50,988	
Sundry	2,278,365	-	2,278,365	1,940,147	
Insurance claims	-	2,198,581	2,198,581	2,173,648	
Bad debt expense	25,695	-	25,695	8,741	
Amortization	43,773	-	43,773	37,595	
MSWLF closure & postclosure care	106,573	-	106,573	21,990	
Depreciation	5,094,641	-	5,094,641	4,529,990	
Total operating expenses	15,788,121	2,237,723	18,025,844	16,489,384	
Operating income (loss)	(1,702,783)	(255,159)	(1,957,942)	(1,851,719)	
NON-OPERATING REVENUES (EXPENSES)					
Property tax collections	281,001	-	281,001	73,047	
State and federal collected taxes	1,260,896	-	1,260,896	562,050	
Interest income	215,446	31,987	247,433	182,510	
Miscellaneous income (expense)	72,223	(63,116)	9,107	(114,326)	
Passenger facility charge income	241,680	-	241,680	262,539	
Gain (loss) on disposal of capital assets	(43,130)	-	(43,130)	(26,442)	
Interest and fiscal charges	(1,055,273)	-	(1,055,273)	(779,989)	
Total non-operating revenues (expenses)	972,843	(31,129)	941,714	159,389	
Income (loss) before contributions and transfers	(729,940)	(286,288)	(1,016,228)	(1,692,330)	
Capital contributions	4,900,596	-	4,900,596	2,072,518	
Sale of City Property	97,261	-	97,261	-	
Transfers in	4,697,947	-	4,697,947	702,907	
Transfers out	(1,272,323)	-	(1,272,323)	(3,098,907)	
Total contributions and transfers	8,423,481	-	8,423,481	(323,482)	
Change in net assets	7,693,541	(286,288)			
Net assets, January 1	61,421,162	1,546,923			
Net assets, December 31	\$ 69,114,703	\$ 1,260,635			
Change in net assets enterprise funds only			7,693,541	(1,758,640)	
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds			(6,879)	147,201	
Change in net assets of business-type activities			\$ 7,686,662	\$ (1,611,439)	

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

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Business-Type Activities Enterprise Funds				
	Airport	Sanitation	Water & Sewer		Nonmajor
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 2,054,195	\$ 3,147,762	\$ 9,153,495	\$ 392,727	
Payments to suppliers	(804,478)	(1,131,372)	(5,220,948)	(122,046)	
Payments to employees	(597,020)	(925,850)	(1,943,957)	(232,964)	
Due from (to) other agencies	(546,640)	-	(3,664)	8	
Net cash provided (used) by operating activities	<u>106,057</u>	<u>1,090,540</u>	<u>1,984,926</u>	<u>37,725</u>	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Taxes received	1,532,711	4,444	73,307	3,658	
Transfers in	341,631	6,033	4,350,283	-	
Transfers out	(88,811)	(769,838)	(408,344)	(5,330)	
Internal activity - payments from (to) other funds	(18,999)	575,000	(2,238,179)	-	
Net cash provided (used) by noncapital financing activities	<u>1,766,532</u>	<u>(184,361)</u>	<u>1,777,067</u>	<u>(1,672)</u>	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions	45,067	1,400	2,745,220	(5,080)	
Passenger facility charges	241,680	-	-	-	
Acquisition and construction of capital assets	(1,308,844)	(1,271,176)	(4,628,635)	(20,108)	
Proceeds from bonds	-	-	-	-	
Disposal of capital assets	10,721	(35,250)	(141,895)	72,850	
Principal paid on capital debt	(295,000)	-	(1,783,204)	-	
Interest paid on capital debt	(56,287)	-	(998,986)	-	
Net cash provided (used) by capital and related financing activities	<u>(1,362,663)</u>	<u>(1,305,026)</u>	<u>(4,807,500)</u>	<u>47,662</u>	
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	38,673	28,107	143,210	5,456	
Net cash provided by investing activities	<u>38,673</u>	<u>28,107</u>	<u>143,210</u>	<u>5,456</u>	
Net increase (decrease) in cash and cash equivalents	548,599	(370,740)	(902,297)	89,171	
Cash and cash equivalents, January 1	1,660,810	1,631,821	5,370,073	289,741	
Cash and cash equivalents, December 31	<u>\$ 2,209,409</u>	<u>\$ 1,261,081</u>	<u>\$ 4,467,776</u>	<u>\$ 378,912</u>	
Cash and cash equivalents are comprised of the following:					
Cash and cash equivalents	\$ 1,811,704	\$ 1,261,081	\$ 565,178	\$ 338,248	
Restricted cash and cash equivalents - current	316,454	-	2,635,552	40,664	
Restricted cash and cash equivalents - noncurrent	81,251	-	1,267,046	-	
Total cash and cash equivalents on the Statement of Net Assets	<u>\$ 2,209,409</u>	<u>\$ 1,261,081</u>	<u>\$ 4,467,776</u>	<u>\$ 378,912</u>	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (1,605,289)	\$ 841,678	\$ (959,911)	\$ 20,739	
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Depreciation expense	1,644,846	155,343	3,274,427	20,025	
Amortization expense	8,186	-	35,587	-	
MSWLF closure and post closure care cost adjustment	-	106,573	-	-	
Change in assets and liabilities					
Taxes receivable	(4,516)	-	-	449	
Receivables, net	(18,701)	(24,783)	(172,171)	3,845	
Inventory	(29,852)	-	-	-	
Prepaid	12,602	3,406	5,108	500	
Accounts payable	589,180	2,331	51,613	(8,220)	
Retainage payable	55,660	-	(310,775)	-	
Intergovernmental receivables	(546,640)	-	(3,664)	8	
Accrued vacation payable	(6,647)	(62)	(5,656)	114	
Accrued salaries payable	1,906	6,054	5,770	265	
Insurance claims payable	-	-	-	-	
Accrued interest payable	(3,491)	-	35,321	-	
Customer deposits	190	-	(260)	-	
Deferred revenue (charge)	8,623	-	29,537	-	
Net cash provided (used) by operating activities	<u>\$ 106,057</u>	<u>\$ 1,090,540</u>	<u>\$ 1,984,926</u>	<u>\$ 37,725</u>	
NONCASH CAPITAL ACTIVITY					
Construction of capital assets from developers	\$ -	\$ -	\$ 2,113,989	\$ -	
Transfer fully depreciated capital assets to general fund	-	-	-	-	

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Total Enterprise Funds	Governmental Activities		Total 2009	Total 2008
		Internal Service Funds			
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 14,748,179	\$ 2,607,430		\$ 17,355,609	\$ 16,685,733
Payments to suppliers	(7,278,844)	(2,756,170)		(10,035,014)	(7,762,756)
Payments to employees	(3,699,791)	-		(3,699,791)	(5,702,960)
Due from (to) other agencies	(550,296)	-		(550,296)	(35,579)
Net cash provided (used) by operating activities	3,219,248	(148,740)		3,070,508	3,184,438
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Taxes received	1,614,120	-		1,614,120	619,560
Transfers in	4,697,947	-		4,697,947	702,907
Transfers out	(1,272,323)	-		(1,272,323)	(3,098,907)
Internal activity - payments from (to) other funds	(1,682,178)	(63,116)		(1,745,294)	1,518,501
Net cash provided (used) by noncapital financing activities	3,357,566	(63,116)		3,294,450	(257,939)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions	2,786,607	-		2,786,607	1,100,322
Passenger facility charges	241,680	-		241,680	262,539
Acquisition and construction of capital assets	(7,228,765)	-		(7,228,763)	(9,993,243)
Proceeds from bonds	-	-		-	12,202,700
Disposal of capital assets	(93,574)	-		(93,574)	(93,223)
Principal paid on capital debt	(2,078,204)	-		(2,078,204)	(1,993,007)
Interest paid on capital debt	(1,055,273)	-		(1,055,273)	(779,989)
Net cash provided (used) by capital and related financing activities	(7,427,527)	-		(7,427,527)	706,099
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	215,446	31,987		247,433	182,510
Net cash provided by investing activities	215,446	31,987		247,433	182,510
Net increase (decrease) in cash and cash equivalents	(635,267)	(179,869)		(815,136)	3,815,108
Cash and cash equivalents, January 1	8,952,445	1,415,138		10,367,583	6,552,475
Cash and cash equivalents, December 31	\$ 8,317,178	\$ 1,235,269		\$ 9,552,447	\$ 10,367,583
Cash and cash equivalents are comprised of the following:					
Cash and cash equivalents	\$ 3,976,211	\$ 1,235,269		\$ 5,211,480	\$ 6,221,016
Restricted cash and cash equivalents - current	2,992,670	-		2,992,670	2,338,458
Restricted cash and cash equivalents - noncurrent	1,348,297	-		1,348,297	1,808,109
Total cash and cash equivalents on the Statement of Net Assets	\$ 8,317,178	\$ 1,235,269		\$ 9,552,447	\$ 10,367,583
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (1,702,783)	\$ (255,159)		\$ (1,957,942)	\$ (1,851,719)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Depreciation expense	5,094,641	-		5,094,641	4,529,990
Amortization expense	43,773	-		43,773	37,595
MSWLF closure and post closure care cost adjustment	106,573	-		106,573	21,990
Change in assets and liabilities					
Taxes receivable	(4,067)	-		(4,067)	(693)
Receivables, net	(211,810)	(1,401)		(213,211)	(33,675)
Inventory	(29,852)	(28,089)		(57,941)	82,105
Prepaid	21,616	-		21,616	(23,794)
Accounts payable	634,904	108,145		743,049	209,139
Retainage payable	(255,115)	-		(255,115)	111,583
Intergovernmental receivables	(550,296)	-		(550,296)	(35,579)
Accrued vacation payable	(12,251)	-		(12,251)	19,740
Accrued salaries payable	13,995	-		13,995	29,898
Insurance claims payable	-	27,764		27,764	51,263
Accrued interest payable	31,830	-		31,830	78,380
Customer deposits	(70)	-		(70)	1,625
Deferred revenue (charge)	38,160	-		38,160	(43,410)
Net cash provided (used) by operating activities	\$ 3,219,248	\$ (148,740)		\$ 3,070,508	\$ 3,184,438
NONCASH CAPITAL ACTIVITY					
Construction of capital assets from developers	\$ 2,113,989	\$ -		\$ 2,113,989	\$ 972,418
Transfer fully depreciated capital assets to general fund	-	-		-	24,139

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

City of Minot, North Dakota
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2009

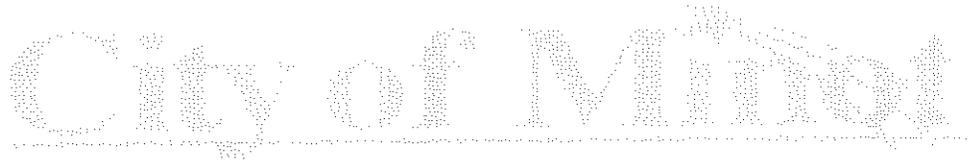
	Pension Trust Fund	OPEB Trust Fund	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 72,567	\$ -	\$ 80,908
Investments			
Money market	158,594	4,146	
Equity/stocks	21,073,641	126,386	
Fixed income-tax exempt	620,832	-	
Fixed income-taxable	23,798,479	113,766	
Total investments	<u>45,651,546</u>	<u>244,298</u>	
Taxes receivable delinquent	42,253	-	2,836
Accounts receivable	143,797	32,700	
Due from other funds	32,700	-	
Intergovernmental receivable	504	-	1,384
Total assets	<u>\$ 45,943,367</u>	<u>\$ 276,998</u>	<u>\$ 101,038</u>
LIABILITIES			
Due to others	\$ 148,326	\$ 82,435	\$ -
Due to other funds	-	32,700	
Deferred revenue	49,985	-	98,169
Total liabilities	<u>198,311</u>	<u>115,135</u>	<u>\$ 98,169</u>
NET ASSETS			
Assets held in trust for pension benefits	45,745,056	-	
Assets held in trust for OPEB benefits	-	161,863	
Total net assets	<u>\$ 45,745,056</u>	<u>\$ 161,863</u>	

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

City of Minot, North Dakota
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Pension Trust Fund	OPEB Trust Fund	2009 Total	2008 Total
ADDITIONS				
Contributions				
Employer	\$ 1,905,577	\$ 196,192	\$ 2,101,769	\$ 1,887,923
Employee	1,906,527	421,468	2,327,995	2,152,879
Total contributions	<u>3,812,104</u>	<u>617,660</u>	<u>4,429,764</u>	<u>4,040,802</u>
Investment income				
Interest and dividends	1,568,215	4,839	1,573,054	1,820,706
Net increase (decrease) in the fair value of investments	4,918,011	33,374	4,951,385	(10,309,119)
Total investment income	<u>6,486,226</u>	<u>38,213</u>	<u>6,524,439</u>	<u>(8,488,413)</u>
Less investment expense	96,397	201	96,598	109,722
Net investment income	<u>6,389,829</u>	<u>38,012</u>	<u>6,427,841</u>	<u>(8,598,135)</u>
Total additions	<u>10,201,933</u>	<u>655,672</u>	<u>10,857,605</u>	<u>(4,557,333)</u>
DEDUCTIONS				
Benefits paid to plan member and beneficiaries	5,098,539	-	5,098,539	4,791,651
Refunds paid to plan member and beneficiaries	306,749	-	306,749	136,442
Retiree claims	-	355,213	355,213	418,013
Third party premiums	-	130,989	130,989	110,721
Administrative expenses	303,036	-	303,036	282,078
Total deductions	<u>5,708,324</u>	<u>486,202</u>	<u>6,194,526</u>	<u>5,738,905</u>
Change in net assets	4,493,609	169,470	4,663,079	(10,296,238)
Net assets - January 1	41,251,447	(7,607)	41,243,840	51,540,078
Net assets - December 31	<u>\$ 45,745,056</u>	<u>\$ 161,863</u>	<u>\$ 45,906,919</u>	<u>\$ 41,243,840</u>

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



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Notes to Financial Statements

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The financial statements of the City have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the nationally accepted standard setting body for establishing GAAP for governmental accounting and financial reporting. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent those standards do not conflict with or contradict guidance of the GASB board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

B. REPORTING ENTITY

The City of Minot was incorporated on July 16, 1887. The City has been governed by a Council, with a part-time Mayor and 14 part-time Aldermen, since the citizens approved a home rule charter in 1972. The accompanying financial statements present the activities of the City of Minot. Only funds of the City have been included since the City does not have any blended or discrete component units.

C. BASIC FINANCIAL STATEMENTS (GASB 34)

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

Government-Wide Financial Statements

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

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

significantly on fees and charges for support.

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

Fund Financial Statements

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

D. FINANCIAL STATEMENT PRESENTATION

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

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

The City reports the following major governmental funds:

The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

CITY OF MINOT, NORTH DAKOTA
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DECEMBER 31, 2009

Notes to Financial Statements

Revenue sources include property and sales taxes, licenses and permits, state and county shared revenues, and charges for goods and services. In addition to general government, primary expenditures include public safety, highways and streets, culture and recreation, and economic development.

The **Sales Tax Economic Development Fund** accounts for 40% of the collection of a one percent City sales tax. The fund is dedicated to economic development in and around the Minot area.

The **Sales Tax Capital Improvements Fund** accounts for 50% of the collection of a one percent City sales tax. The fund is dedicated to capital improvements in and around the Minot area.

The **Sales Tax NAWS Fund** accounts for the collection of a one percent City sales tax. This tax is used to pay the local share of the Northwest Area Water Supply project.

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

The **Highway Reserve Fund** is a capital project fund used to fund highway improvements in Minot.

The City reports the following major proprietary funds:

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

The **Sanitation Fund** is used to account for residential garbage collection as well as landfill services for the City.

The **Water and Sewer Fund** accounts for the water and sewer services provided to the City.

Additionally, the government reports the following fund types:

The **Internal Service Funds** account for health insurance and fleet management services provided to other departments of the government, or to other governments, on a cost reimbursement basis.

The **Fiduciary Trust Funds** account for the activities of the City Employee Pension Plan,

which accumulates resources for pension, benefit payments to qualified employees, and the City Other Post Employment Benefits, which accumulate resources for OPEB payments to qualified employees.

The **Agency Funds** are used for assets held by the City as the agent for other individuals, private organizations, or other governmental units and/or funds. These funds include Payroll Deductions, Social Security, and Hotel/Motel Tax (collects lodging taxes disbursed to the Convention and Visitor's Bureau and All Season's Arena).

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. This focus concentrates on the fund's assets. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Agency funds have no measurement focus. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This focus concentrates on the fund's resources available for spending currently or in the near future. Revenues are recognized when they become both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available if they are collected within 30 days of the end of the fiscal year. Expenditures are generally recognized when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, municipal highway taxes,

Notes to Financial Statements

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

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

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

The financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2008, from which the summarized information was derived.

F. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash

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

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

Investments

North Dakota state statute authorizes municipalities to invest their surplus funds in: a) bonds, treasury bills and notes, or other securities that are a direct obligation of, or an obligation insured or guaranteed by, the Treasury of the United States, or its agencies, instrumentalities, or organizations created by an act of Congress; b) securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are of a type listed above; c) certificates of deposit fully insured by the federal deposit insurance corporation or by the state; and d) obligations of the state.

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

Investments are stated at fair value based on quoted market prices. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties.

Receivables and Payables

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

Advances between governmental funds are offset by a restricted fund balance to indicate they are not available for appropriation and are not available financial resources.

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

All real estate is assessed as of the current value on February 1 of each year. Property taxes are attached as an enforceable lien on the real estate and become due on January 1 of the year following the assessment date. A 5% reduction of the taxes is allowed if the taxes are

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
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Notes to Financial Statements

paid in full by February 15.

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

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

Inventories and Prepaid Items

Inventories are valued at the lower of cost (first-in, first-out) or market in the proprietary funds and at cost in the governmental funds. The costs of inventory are recognized as expenditures in governmental funds and as expenses in proprietary funds when consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

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

Certain proceeds of the City's Airport and Water and Sewer enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. A construction account is established within the fund into which the proceeds of the bonds are deposited. A debt service account is established within the fund to set aside the net revenues of the utility each month an amount equal to not less than the sum of one-sixth of the interest due within the next six months plus one-twelfth of the principal to become due within the next twelve months.

Capital Assets

Capital assets, which include land, buildings, equipment, infrastructure assets (e.g., roads, bridges, street lights, and similar items), intangibles, and books, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined as assets with an

initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount. Capital assets are valued at historical or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at estimated fair value on the date donated.

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

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

- Buildings 20-40 years
- Infrastructure 30-50 years
- Equipment 3-10 years
- Intangibles 10 years
- Books 20 years

Net Assets/Fund Balance

The difference between assets and liabilities is "Net assets" on the government-wide, proprietary and fiduciary fund financial statements and "Fund Balance" on the governmental fund financial statements.

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

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

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

Committed fund balance includes amounts that can only be used for specific purposes pursuant to

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
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Notes to Financial Statements

constraints imposed by formal action of the government's highest level of decision-making authority which is the City Council through an ordinance or resolution.

Assigned fund balance represents amounts constrained by the government's intent to be used for specific purposes, but neither restricted nor committed. The departments are only allowed to spend what had been appropriated and approved by the City Council through an ordinance or resolution.

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

In the event the fund balance exceeds the minimum requirements equal to one month's average expenditures for the budget year, the excess may be utilized for any lawful purpose approved by City Council. The first priority is to utilizing the restricted before unrestricted fund balance when both are available. Committed funds will be considered spent first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classification could be used like assigned or unassigned. In order to minimize the long term effect of such use, the excess shall be appropriated to fund one time expenditures or expenses which do not result in recurring operating costs, or other onetime costs including the establishment of or increase in legitimate restriction or commitment of fund balance/retained earnings in other funds.

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

**G. REVENUES AND
EXPENDITURES/EXPENSES**

Compensated Absences

Employees accrue vacation leave at a rate of eight hours per month for the first five years of continuous service. The accrual rate is increased to ten hours per month after five years, twelve hours per month after ten years, and fourteen hours per month after fifteen years of service. A maximum of 240 vacation hours may be carried over from year to year. Accumulated unpaid vacation is accrued when earned in the government-wide and proprietary fund statements.

Sick leave is accrued at a rate of eight hours per month of continuous service. Accumulation of sick leave is unlimited; however, liabilities are not recorded in any fund, as there are no provisions for vesting of unused sick leave.

Grant Revenue

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

Self Insurance

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

Deferred Revenue

As sources of revenue become measurable, even though not currently available, they are generally recorded as a receivable and deferred revenue in governmental funds. When the sources of revenue become available for use, they are recognized as revenue.

Long-Term Obligations

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 statements of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective

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interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

A. The governmental fund balance sheet includes a reconciliation between total governmental funds fund balance and net assets of governmental activities as reported in the government-wide statement of net assets. One element of the reconciliation explains, “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this (\$18,849,284) difference are as follows:

Bonds payable	\$ 17,995,000
Unamortized discounts/premiums	12,110
Accrued interest payable	165,120
Compensated absences	<u>677,054</u>
Net adjustment to reduce fund balance- total governmental funds to arrive at net assets-governmental activities	<u>\$ 18,849,284</u>

B. The governmental fund statement of revenues, expenditures, and changes in fund balances include a reconciliation between net changes in fund balances, total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains “Governmental funds report capital outlays as expenditures; however, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.” The details of this (\$1,236,813) difference are as follows:

Donated capital assets	\$ 1,809,135
Capital outlay	4,494,067
Depreciation	<u>(5,066,389)</u>
Net adjustment to increase net changes in fund balances—total governmental funds to arrive at changes in net assets of governmental funds	<u>\$ 1,236,813</u>

**NOTE 3-STEWARDSHIP, COMPLIANCE, AND
 ACCOUNTABILITY**

**A. COMPLIANCE WITH FINANCE-RELATED
 LEGAL AND CONTRACTUAL PROVISIONS**

Annual budgets are adopted on a basis consistent with GAAP for the General Fund, Special Revenue Funds with the exception of Sales Tax - Flood Control, Sidewalk Improvement, and Demolitions. All appropriations lapse at year-end.

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

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

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

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. Supplemental appropriations were approved by the Council for the Fire Equipment Fund.

The City incurred no material excess of expenditures over appropriations at the legal level of control.

C. NET ASSETS/FUND BALANCE DEFICITS

Four nonmajor funds had deficit fund balances as of

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December 31, 2009. The \$232,866 deficit in Emergency Fund will be reimbursed with future tax levy and use of general fund reserves. The \$65,530 deficit in Sidewalk Improvements will be reimbursed with future tax levy. The \$298,002 deficit in Special Assessment Capital will be reimbursed with future special assessments. The \$26,567 in Capital-Library Construction will be reimbursed by pledged donations toward the construction of the library addition.

NOTE 4-DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

Government and Business-Type Funds

Investment Policy: The City's investment policy serves as the guide to the deposit and investment of operating funds managed within the City's pooled cash portfolio. This policy sets forth the City's investment objectives as well as authorized and suitable deposits and investments, and serves as a guide for proper diversification, maturity constraints, internal controls and performance measurement. The foremost objective of the City's investment program as set forth by the investment policy is safety of principal. Investment decisions are made under the assumption that, except under limited circumstances, all investments within the pooled cash portfolio will be held to maturity.

Allowable deposits and investments:

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

above-mentioned instruments

Custodial credit risk – deposits: This is the risk in the event of bank failure, the government's deposits may not be returned to it. As of December 31, 2009, the City is fully insured by FDIC and has pledged collateral in the amount of 110% of its investments.

Custodial credit risk - investment: This is the risk, in the event of the failure of the counterparty; the government will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The City of Minot minimizes credit risk, which is the risk of loss due to the failure of the issuer or backer, by; 1) limiting investments to the types of authorized securities; 2) pre-qualifying the financial institutions with which the City will do business; and 3) diversifying the investment portfolio so the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

Interest rate risk: The City minimizes interest rate risk, which is the risk the market value of securities in the portfolio will fall due to changes in market interest rates, by; 1) structuring the investment portfolio so securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity; and 2) investing operating funds primarily in shorter-term securities, money market funds, or similar investments and limiting the average maturity of the portfolio in accordance with this policy. As of December 31, 2009, the City has invested in Cash and Money Markets \$40,827,449 and Certificates of Deposit \$23,800,000, which have no credit ratings. All investments will mature in less than one year.

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B. INTERGOVERNMENTAL RECEIVABLES

A total of \$3,602,372 is due from intergovernmental receivables. This includes \$2,896,006 due from the State of North Dakota, \$1,362,789 for city sales taxes, \$567,994 for State Aid Distribution, \$250,952 for shared use paths, \$229,670 for Highway tax, \$200,000 for Fire Department Homeland Security Grants, \$77,357 for highway economic stimulus funds, \$24,052 for a Section 18/5311 grant other amounts. It also includes \$678,140 due from the Federal Government, \$555,263 from the FAA, \$58,803 from Section 18-5311 grant, \$44,028 for highway projects, and \$28,226 due from the County. The remaining \$183,192 and \$20,046 due from State and Federal respectively is for reimbursement of expenses from various entities and individuals.

The only receivables not expected to be collected within one year are \$3,614,073 of special assessments deferred reported in the Special Assessment Debt fund and the loans receivables as noted above.

Governmental funds report deferred revenue in connection with receivables for revenues not considered available to liquidate liabilities of the current period. At the end of the current fiscal year, the deferred revenue reported in the governmental funds was as follows:

General fund	\$ 192,860
Assessment debt	4,169,267
Highway reserve	2,089
Nonmajor governmental funds	129,321
Total deferred revenue	<u>\$ 4,493,537</u>

C. RECEIVABLES

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

Due within one year	\$ 254,596
Due after one year	221,267
Less: allowance for uncollectible	<u>(95,173)</u>
Total loans receivable	<u>\$ 380,690</u>

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

	Taxes	Specials	Specials	Accounts		Intergov't'l	Gross	Less: Allow	Total Net
	Delinquent	Deferred	Delinquent	Receivable	Loans	Receivable	Receivables	for	Receivables
								Uncollectible	
General	\$ 150,828	\$ 2,543	\$ 2,161	\$ 207,013	\$ -	\$ 940,906	\$ 1,303,451	\$ -	\$ 1,303,451
Assessment debt	684	4,141,892	28,150	1	-	368	4,171,095	-	4,171,095
Highway reserve	2,197	-	-	-	-	391,838	394,035	-	394,035
Nonmajor governmental	132,119	1,800	6,897	24,837	475,863	1,673,537	2,315,053	(95,173)	2,219,880
Airport	5,951	-	-	98,291	-	592,054	696,296	-	696,296
Sanitation	-	-	-	224,355	-	-	224,355	-	224,355
Water and sewer	-	-	-	905,684	-	3,664	909,348	-	909,348
Nonmajor enterprise	247	-	-	9,875	-	5	10,127	-	10,127
Internal service	-	-	-	5,333	-	-	5,333	-	5,333
Total net receivables	<u>\$ 292,026</u>	<u>\$ 4,146,235</u>	<u>\$ 37,208</u>	<u>\$ 1,475,389</u>	<u>\$ 475,863</u>	<u>\$ 3,602,372</u>	<u>\$ 10,029,093</u>	<u>\$ (95,173)</u>	<u>\$ 9,933,920</u>

**CITY OF MINOT, NORTH DAKOTA
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D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009 was as follows:

	Balance 01/01/09	Additions	Deletions	Transfers	Balance 12/31/09
Governmental Activities					
Land	\$ 6,844,919	\$ -	\$ -	\$ -	\$ 6,844,919
Construction in progress	1,088,656	1,610,898	811,483	-	1,888,071
Depreciable assets					
Buildings	12,760,598	383,102	-	-	13,143,700
Equipment	11,294,128	1,320,299	399,039	19,818	12,235,206
Infrastructure	94,754,982	6,037,645	-	(2,257,153)	98,535,474
Books	4,152,364	174,197	-	-	4,326,561
Intangible assets - software	210,886	-	-	-	210,886
Totals at historical cost	131,106,533	9,526,141	1,210,522	(2,237,335)	137,184,817
Accumulated depreciation					
Buildings	(5,860,560)	(281,675)	-	-	(6,142,235)
Equipment	(5,773,820)	(812,850)	352,453	(11,388)	(6,245,605)
Infrastructure	(25,352,686)	(3,723,479)	-	-	(29,076,165)
Books	(3,136,551)	(227,702)	-	-	(3,364,253)
Intangible assets - software	-	(20,683)	-	-	(20,683)
Total accumulated depreciation	(40,123,617)	(5,066,389)	352,453	(11,388)	(44,848,941)
Governmental activities capital assets, net	\$ 90,982,916	\$ 4,459,752	\$ 858,069	\$ (2,248,723)	\$ 92,335,876
Business-Type Activities					
	Balance 01/01/09	Additions	Deletions	Transfers	Balance 12/31/09
Land	\$ 3,379,311	\$ 49,767	\$ -	\$ -	\$ 3,429,078
Construction in progress	1,959,626	953,910	1,959,626	-	953,910
Depreciable assets					
Buildings	14,167,701	-	140,000	-	14,027,701
Equipment	9,868,606	1,140,925	142,345	(19,818)	10,847,368
Infrastructure	122,121,520	7,065,810	8,485	2,257,153	131,435,998
Intangible assets	345,144	-	-	-	345,144
Totals at historical cost	151,841,908	9,210,412	2,250,456	2,237,335	161,039,199
Accumulated depreciation					
Buildings	(10,046,665)	(391,302)	95,660	-	(10,342,307)
Equipment	(6,780,031)	(514,389)	142,343	11,388	(7,140,689)
Infrastructure	(53,317,300)	(4,188,950)	-	-	(57,506,250)
Intangible assets	(345,144)	-	-	-	(345,144)
Total accumulated depreciation	(70,489,140)	(5,094,641)	238,003	11,388	(75,334,390)
Business-type activities capital assets, net	81,352,768	4,115,771	2,012,453	2,248,723	85,704,809
Total capital assets, net	\$ 172,335,684	\$ 8,575,523	\$ 2,870,522	\$ -	\$ 178,040,685

**CITY OF MINOT, NORTH DAKOTA
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Depreciation expense was charged to the following functions/programs of the City for the current fiscal year:

Governmental Activities	
General government	\$ 698,211
Public safety	517,772
Highways and streets	3,480,819
Culture and recreation	369,587
Total depreciation expense - governmental activities	<u>\$ 5,066,389</u>

Business -Type Activities	
Airport	\$ 1,644,846
Cemetery	8,930
Parking authority	11,095
Sanitation	155,343
Water and sewer	3,274,427
Total depreciation expense - business-type activities	<u>\$ 5,094,641</u>

E. COMMITMENTS

Construction commitments as of December 31, 2009 were approximately \$2,913,994. The City is also committed to approximately \$72.55 million local share in the Northwest Area Water Supply Project to bring water from the Missouri River to Minot. Our local share of expenditures to date is approximately \$27.55 million. The City has approximately \$45 million local share remaining on this project. This project will be funded with sales tax monies approved by the voters in March 1999.

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

F. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

	Advance to:				Total Advance From
	Nonmajor Gov't	Highway Reserve	Airport	Water & Sewer	
Governmental funds					
Special Assessment Debt	\$1,178,460	\$ -	\$ -	\$ 274,106	\$ 1,452,566 (2)
Sales Tax Capital Imp	17,200	-	40,597	-	57,797 (1)
Business-Type Funds					
Water & Sewer	-	738,886	-	164,886	903,772 (2)
Total advance to	<u>\$1,195,660</u>	<u>\$ 738,886</u>	<u>\$ 40,597</u>	<u>\$ 438,992</u>	<u>\$ 2,414,135</u>

	Due To:			Total Due From
	General Fund	Special Assessment Debt	Nonmajor Gov't	
Governmental funds				
Nonmajor governmental	\$ -	\$ -	\$ 551,205	\$ 551,205 (3)
Business-Type Funds				
Airport	14,672	-	-	14,672 (1)
Total due to	<u>\$ 14,672</u>	<u>\$ -</u>	<u>\$ 551,205</u>	<u>\$ 565,877</u>

The composition of interfund balances at December 31, 2009 was:

- (1) The purpose of this interfund receivable is to provide operating funds.
- (2) Outstanding special assessments paid in annual installments for storm sewer development.
- (3) The purpose of this interfund receivable is to maintain a positive fund balance as of the end of the year.

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

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The following table shows transfers out by major fund and nonmajor funds in aggregate:

Transfers Out	Sales Tax			Sales Tax	Special	Highway	Nonmajor	Water &	Nonmajor	Total		
	General	Economic	Capital								NAWS	Assessment
	Fund	Development	Improvements		Debt	Reserve	Funds	Airport	Sanitation	Sewer	Funds	
General fund	\$ -	\$ 50,000	\$ 16,656	\$ 50,000	\$ 12,750	\$ 122,951	\$ 252,074	\$ 88,811	\$ 151,813	\$ 101,921	\$ 5,330	\$ 852,306
Sales tax capital improvements	-	-	20,000	-	-	-	40,000	-	-	-	-	60,000
Assessment debt	-	-	-	-	18,751	-	834,774	-	-	161,197	-	1,014,722
Highway reserve	-	500,000	678,135	-	-	82,371	-	-	-	-	-	1,260,506
Nonmajor governmental funds	7,788	-	1,364,988	-	-	-	663,853	-	160,000	110,226	-	2,336,855
Airport	-	-	341,631	-	-	-	-	-	-	-	-	341,631
Sanitation	-	-	-	-	-	-	6,033	-	-	-	-	6,033
Water and sewer	-	-	2,040,000	-	-	1,609,402	207,856	-	458,025	35,000	-	4,350,283
Total transfers out	\$ 7,788	\$ 550,000	\$ 4,461,410	\$ 50,000	\$ 31,501	\$ 1,814,724	\$ 2,004,590	\$ 88,811	\$ 769,838	\$ 408,344	\$ 5,330	\$ 10,192,336

Transfers in/out consisted of the following:

\$ 468,712	Interest Distribution transfer from all funds to General Fund.
50,936	Airport budgeted transfers to General Fund.
160,000	Sanitation (Garbage \$20,000 and Landfill \$140,000) budgeted equipment transfer to Equipment Purchase Fund.
123,706	Sanitation budgeted transfers to General Fund.
458,025	Sanitation transfer to Water & Sewer.
161,197	Water and sewer budgeted transfers to Special Assessment Debt Fund for debt payments.
142,500	Water and Sewer budgeted equipment transfer (Water Treatment \$55,000 and Sewer \$20,000) to Equipment Purchase Fund.
2,726	Water and Sewer transfer to capital projects.
25,000	Fire Equipment Purchase transfers to Fire Equipment Capital to purchase fire equipment.
672,071	Property Tax Relief budgeted transfers to Highway Debt.
50,000	Magic Fund administration budgeted transfers to General Fund for administration.
500,000	MAGIC Fund transfer to Capital Projects.
341,631	Sales Tax Capital Improvements budgeted transfers to Airport for debt payments.
1,875,000	Sales Tax Capital Improvements budgeted transfers to Water and Sewer Fund for infrastructure.
165,000	Sales Tax Capital Improvements major project transfer to Sanitation for Aeration Pond Blowers
299,751	Sales Tax Capital Improvements budgeted transfers to Sales Tax Capital Fund for maintenance.
215,770	Sales Tax Capital Improvements budgeted transfers to Highway Debt for debt payments.
678,135	Sales Tax Capital Improvements budgeted transfers to Highway Reserve for highway projects.
250,000	Sales Tax Capital Improvements budgeted transfers to Fire Equipment Purchase Fund.
942,500	Sales Tax Capital Improvements budgeted transfers to Sales Tax Capital projects.
350,000	Street Improvement budgeted transfer to Special Assessment Debt.
18,750	Special Assessment Debt transfer to Highway Debt.
1,715,596	Transfer funds from Capital Projects to Water and Sewer Projects.
304,211	Capital Projects to Special Assessment Debt.
52,748	Capital Projects to Special Revenue Projects.
68,371	Capital Projects to General Fund
50,000	NAWS administration budgeted transfers to General Fund for administration.
50,000	Highway Reserve budgeted transfer to General Fund for administration.
<u>\$ 10,192,336</u>	Total transfers in/out

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G. LEASES

Operating Leases. The City leases equipment under operating leases. Operating leases do not give rise to property rights or lease obligations; therefore, the results of the lease agreements are not reflected in the City's assets and liabilities. Total cost for such leases were \$197,472 for the year ended December 31, 2009. The future minimum lease payments for these leases are as follows:

Year Ended December 31	Amounts
2010	\$ 288,636
2011	513,426
2012	3,426
2013	3,426
Total minimum payments	<u>\$ 808,914</u>

H. LONG-TERM DEBT

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

General obligation bonds are issued to provide funds for the acquisition and construction of major capital items. They are direct obligations and pledge the full faith and credit of the City of Minot. These bonds are paid through the debt service fund by a tax levy and sales tax funds sufficient to meet the current year's principal and interest payments. These bonds are generally issued as 10-year bonds and the outstanding bonds have interest rates ranging from 3.0% to 5.0%. During the year, the City issued \$2,005,000 of general obligation highway bonds for construction on 20th Avenue Southeast paving.

General obligation bonds currently outstanding are as follows:

Year	Original Amount	Balance Outstanding 12/31/2009	Interest Rate	Matures
2001A	\$ 450,000	\$ 115,000	4.25-4.65%	10/01/2011
2002	1,835,000	620,000	3.50%	10/01/2012
2003	2,675,000	2,055,000	3-5%	10/01/2023
2005	2,355,000	1,495,000	3.3-3.75%	10/01/2015
2006	2,810,000	2,060,000	3.6-3.7%	10/01/2016
2007	1,785,000	1,500,000	3.4-3.7%	10/01/2017
2008	1,720,000	1,590,000	3.5-4.6%	10/01/2018
2009	2,005,000	2,005,000	2-3.1%	10/01/2019
	<u>\$ 15,635,000</u>	<u>\$ 11,440,000</u>		

Special assessment bonds are issued to provide funds for the construction of improvement projects for residential and commercial developments. Special assessment bonds are paid directly from the sinking funds with the annual certification payments made by

the property owners who directly benefit from each project. The City has \$6,555,000 special assessment bonds outstanding backed by property owner annual certification payments. The City of Minot is legally obligated to meet any deficiencies by levying ad valorem taxes. Interest rates on the outstanding bonds range from 2.75% to 5.0%.

Special assessment bonds currently outstanding are as follows:

Year	Original Amount	Balance Outstanding 12/31/2009	Interest Rate	Matures
1999	\$ 2,380,000	\$ 175,000	4.75%	10/01/2010
2000	1,780,000	170,000	4.75-4.85%	10/01/2010
2001	1,530,000	350,000	3.5-3.9%	10/01/2011
2002	565,000	160,000	3.3-4%	10/01/2012
2003	2,205,000	880,000	2.75-3.7%	10/01/2013
2006	910,000	630,000	4.00%	10/01/2016
2007A	2,255,000	2,045,000	4-4.5%	10/01/2022
2007D	460,000	385,000	3.4-3.875%	10/01/2017
2008	1,905,000	1,760,000	3.75-5.0%	10/01/2018
	<u>\$ 13,990,000</u>	<u>\$ 6,555,000</u>		

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

Notes outstanding as of December 31, 2009 include the Bureau of Reclamation note on the Garrison Diversion Project for \$1,562,795 with a 3.5% interest rate, and matures July 1, 2027. Water and sewer fund income is used to pay the annual principal and interest due.

Loans outstanding as of December 31, 2009 are a loan from Zion's Bank for water and sewer generators for \$74,567, which has an interest rate of 5.77% and matures December 15, 2010. Water and sewer fund income is used to pay the annual principal and interest due.

Revenue Bonds. The City of Minot issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. Interest rates on the outstanding bonds range from 2.5% to 5.375%. The following are outstanding revenue bonds:

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Airport

Year	Original Amount	Balance	Interest Rate	Matures
		Outstanding 12/31/2009		
1998	\$ 1,500,000	\$ 410,000	4.9-5.1%	10/01/2012
2000	400,000	55,000	5.3-5.5%	10/01/2010
2001	400,000	90,000	4-4.5%	10/01/2011
2002	800,000	410,000	4-4.5%	10/01/2012
	<u>\$ 3,100,000</u>	<u>\$ 965,000</u>		

Water & Sewer

Year	Original Amount	Balance	Interest Rate	Matures
		Outstanding 12/31/2009		
1993	\$ 665,000	\$ 155,000	2.50%	10/01/2013
2000	1,105,000	145,000	4.75-4.9%	10/01/2010
2003	2,000,000	880,000	3-3.75%	10/01/2013
2004A	1,965,000	345,000	3-3.4%	10/01/2010
2004	2,650,000	2,360,000	3.25-4.4%	10/01/2024
2006	3,095,000	2,275,000	3.75-4%	10/01/2016
2007	5,490,000	4,610,000	3.75%	10/01/2017
2008A	1,835,000	1,560,000	3.45-3.9%	10/01/2017
2008D	10,380,000	10,380,000	3.5-5.375%	10/01/2023
	<u>\$ 29,185,000</u>	<u>\$ 22,710,000</u>		

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

Governmental Activities	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2010	\$ 1,335,000	\$ 400,363	\$ 1,215,000	\$ 271,094
2011	1,405,000	366,483	895,000	222,496
2012	1,390,000	318,995	720,000	188,946
2013	1,220,000	272,070	685,000	161,274
2014	1,260,000	230,407	480,000	134,319
2015-2019	4,110,000	547,088	1,995,000	364,974
2020-2024	720,000	91,675	565,000	51,525
Total governmental activities	<u>\$ 11,440,000</u>	<u>\$ 2,227,081</u>	<u>\$ 6,555,000</u>	<u>\$ 1,394,628</u>

Business-Type Activities	Revenue Bonds		Notes Payable		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 2,565,000	\$ 985,508	\$ 65,873	\$ 55,259	\$ 74,567	\$ 3,242
2011	2,285,000	888,881	68,199	52,974	-	-
2012	2,375,000	803,366	70,607	50,607	-	-
2013	2,120,000	712,808	73,100	48,157	-	-
2014	1,920,000	633,265	75,681	45,621	-	-
2015-2019	7,795,000	2,028,882	420,422	186,809	-	-
2020-2024	4,615,000	619,605	502,451	108,483	-	-
2025-2027	-	-	286,462	21,157	-	-
Total business-type activities	<u>\$ 23,675,000</u>	<u>\$ 6,672,315</u>	<u>\$ 1,562,795</u>	<u>\$ 569,067</u>	<u>\$ 74,567</u>	<u>\$ 3,242</u>

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
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Notes to Financial Statements

Changes in Long Term Liabilities. The following is a summary of the activity for long-term liabilities for the year ended December 31, 2009.

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable					
General obligation	\$ 10,675,000	\$ 2,005,000	\$ (1,240,000)	\$ 11,440,000	\$ 1,335,000
Special assessment	7,735,000	-	(1,180,000)	6,555,000	1,215,000
Total bonds payable	18,410,000	2,005,000	(2,420,000)	17,995,000	2,550,000
Unamortized premium	32,708	6,180	(4,053)	34,835	4,620
Unamortized discount	(57,943)	-	10,997	(46,945)	(8,555)
Compensated absences	644,077	606,874	(573,897)	677,054	236,969
Governmental activity long-term liabilities	<u>\$ 19,028,842</u>	<u>\$ 2,618,054</u>	<u>\$ (2,986,953)</u>	<u>\$ 18,659,943</u>	<u>\$ 2,783,034</u>
Business-Type Activities					
Bonds payable					
Revenue bonds	\$ 25,620,000	\$ -	\$ (1,945,000)	\$ 23,675,000	\$ 2,565,000
Unamortized premium	53,172	-	(6,050)	47,122	6,050
Unamortized discount	(79,364)	6,711	-	(72,653)	(6,711)
Notes payable	1,626,420	-	(63,625)	1,562,795	65,873
Loans payable	144,146	-	(69,579)	74,567	74,567
Compensated absences	201,178	168,532	(180,783)	188,927	66,124
Business-type activity long-term liabilities	<u>\$ 27,565,552</u>	<u>\$ 175,243</u>	<u>\$ (2,265,037)</u>	<u>\$ 25,475,758</u>	<u>\$ 2,770,903</u>

Compensated absences for governmental activities are generally liquidated by the general fund.

Conduit Debt. From time to time, the City has issued Municipal Industrial Development Act Revenue Bonds 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 property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City 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, 2009, the aggregate principal amount payable for the nine outstanding conduit debt series issued prior to July 1, 1995, could not be determined; however, their original issue amounts totaled \$41,500,000.

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

The City's debt limit is \$90,905,006 and the legal debt margin is \$80,815,579.

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009**

Notes to Financial Statements

I. FUND BALANCE

	General Fund	Sales Tax Economic Dvpm	Major Special Revenue Funds		Major Debt Service	Major Capital Projects Fund	Nonmajor Other Governmental Funds	Total
			Sales Tax Capital Improvements	Sales Tax NWAWS	Special Assessment Debt	Highway Reserve		
Fund balances								
Nonspendable								
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,148	\$ 9,148
Loans receivable	-	221,267	-	-	-	-	-	221,267
Prepays	4,746	-	-	-	-	-	7,650	12,396
Advance from other funds	-	-	57,797	-	1,452,566	-	-	1,510,363
Nonspendable	4,746	221,267	57,797	-	1,452,566	-	16,798	1,753,174
Restricted								
Highways	-	-	-	-	-	2,833,320	-	2,833,320
Debt service reserve	-	-	-	-	-	-	1,354,481	1,354,481
Law enforcement	41,532	-	-	-	-	-	-	41,532
Economic development	-	2,422,530	-	-	-	-	138,294	2,560,824
Library	-	-	-	-	-	-	10,087	10,087
Flood control	-	-	-	-	-	-	2,202,085	2,202,085
NWAWS	-	-	-	28,404,171	-	-	-	28,404,171
Restricted	41,532	2,422,530	-	28,404,171	-	2,833,320	3,704,947	37,406,500
Committed								
Budget appropriations	4,667	-	488,780	-	-	-	(17,400)	476,047
Street Improvements	-	-	-	-	-	-	948,175	948,175
Culture and recreation	-	-	-	-	-	-	334,983	334,983
Special Assessment Districts	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	722,284	722,284
Equipment	-	-	-	-	-	-	32,576	32,576
Other purposes	-	-	-	-	-	-	22,073	22,073
Committed	4,667	-	488,780	-	-	-	2,042,691	2,536,138
Assigned								
Public transportation	-	-	-	-	-	-	193,749	193,749
Library	-	-	-	-	-	-	87,582	87,582
Culture and recreation	-	-	-	-	-	-	24,358	24,358
Economic development	-	3,850,266	-	-	-	-	-	3,850,266
Highways	-	-	-	-	-	282,514	970,090	1,252,604
Debt service	-	-	-	-	749,375	-	539,915	1,289,290
Capital projects	-	-	1,124,249	-	-	-	-	1,124,249
Law Enforcement	3,693	-	-	-	-	-	-	3,693
Storm sewer development	-	-	-	-	-	-	125,532	125,532
Encumbrances	255,349	-	-	-	-	-	176,005	431,354
Other purposes	-	-	-	-	-	-	23,039	23,039
Assigned	259,042	3,850,266	1,124,249	-	749,375	282,514	2,140,270	8,405,716
Unassigned	6,956,811	-	-	-	-	-	(622,965)	6,333,846
Total fund balance	\$ 7,266,798	\$ 6,494,063	\$ 1,670,826	\$ 28,404,171	\$ 2,201,941	\$ 3,115,834	\$ 7,281,741	\$ 56,435,374

NOTE 5-OTHER INFORMATION

A. RISK MANAGEMENT

The City of Minot is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the mid - 1980s, the City was not able to obtain general liability insurance at a cost it considered economically justifiable. In 1986, the state and other political subdivisions joined together to form the North Dakota Insurance Reserve Fund (NDIRF), a public entity risk pool currently operating as a common risk management and insurance program for the state and over 2,000 political subdivisions. All members joined to help capitalize the

NDIRF. During the past five years, the NDIRF returned approximately 34.83% of the capitalized amount with a premium reduction or cash payment to the City. The City pays an annual premium to NDIRF for its general insurance, personal injury insurance, auto insurance, and inland marine insurance coverage. The coverage by NDIRF is limited to losses of \$1,000,000 per occurrence for general liability and \$2,000,000 per occurrence for errors and omissions.

The City continues to carry commercial insurance for all other risks of loss, including workers' compensation, employee health and accident insurance. Settled claims resulting from the above risks have not exceeded insurance coverage in any of the past three years.

**CITY OF MINOT, NORTH DAKOTA
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Employee Health Benefits

Effective January 1, 1999, the City began insuring for employee health benefits. All covered expenses are paid from the City's Health Insurance Fund, which is operated by a third party administrator. Risks retained by the employees include deductibles and co-insurance. The City pays all other claims subject to the health plan agreement up to plan maximums. Commercial stop loss insurance has been purchased to limit catastrophic losses. This coverage pays all claims in excess of \$20,000 per year per employee with a \$2,000,000 lifetime employee maximum. The City's insurer pays all aggregate claims in excess of \$1,719,135.

Claims, which have been incurred at year-end but not reported, have been recorded as insurance claims payable in the amount of \$143,245. This reserve requirement was calculated by the City and it is the amount payable within 90 days of year-end. A summary of the claim liabilities and related claim payments are shown below:

	Beginning Claim Liability	Current Year Claims Incurred and Changes in Estimates	Payments on Claims	Ending Claim Liability
2007	\$ 73,470	\$ 1,215,452	\$ 1,224,704	\$ 64,218
2008	64,218	1,610,512	1,559,249	115,481
2009	115,481	1,535,982	1,508,218	143,245

B. TERMINATION BENEFITS

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

Individuals involuntarily terminated at any time from September 1, 2008 through February 28, 2010 and the members of his/her family may be eligible for a COBRA premium reduction under ARRA, as amended by the 2010 DOD Act. Eligible individuals pay only 35 percent of their COBRA premiums for periods of coverage beginning on or after February 17, 2009. The premium reduction for an individual ends after 15

months of the reduction, upon eligibility for other group coverage (or Medicare), or when the maximum period for COBRA coverage ends, whichever occurs first. The remaining 65 percent of the premium is reimbursed to the City as a credit on its IRS Form 941 quarterly employment tax return.

As of December 31, 2009, the City had two COBRA participants for dental and none for health. Each COBRA participant who voluntarily terminated is responsible for 100% of the premium; however, there remains an implicit rate subsidy to the City for a maximum of 18 months per participant. The City has not reported a liability for termination benefits because the amount is not reasonably estimated. The City expects to have former employees on COBRA on an ongoing basis.

C. CONTINGENT LIABILITIES

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

D. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

The City of Minot administers a defined benefit pension and an Other Post Employment Benefit (OPEB) plan covering all full-time employees. Each plan is included in the City's financial reports as Pension and OPEB Trust Funds. The City of Minot Finance Department, 515 2nd Ave SW, Minot, North Dakota 58701 has separate actuarial reports for each plan.

Plan Description. The City Employee Pension Plan is a cost sharing, multiple employer public employee retirement system. City ordinances #2553, #2893, #3846, #4131, and #4247 provide all employees of the City of Minot (excluding the Library) or the Minot Park District shall become a member of the pension plan at the time they begin employment. There are no provisions or policies with respect to automatic and ad hoc post retirement benefit increases.

The OPEB Plan is a single-employer plan, which provides all employees of the City of Minot (excluding the Minot Park District and the Library as they are not on the City health plan) participating in the City's group health insurance plan (medical and prescription drugs), who retire under the City of Minot Employees' Pension Plan, may continue to participate in the City's group health insurance plan after retirement. Employees are eligible to continue coverage in the

**CITY OF MINOT, NORTH DAKOTA
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Notes to Financial Statements

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

Employees who retire under the City of Minot Employee's Pension Plan after December 31, 2004 receive a monthly healthcare supplement equal to \$7.50 per year of service. These supplements are accounted for in the pension plan valuation because they are not effectively restricted to the payment of health insurance.

The benefit provisions, amendments, and all requirements are established by City ordinance. City employees who retire at or after the age of 60 with 60 months of service are eligible for a monthly pension benefit and OPEB benefits. The average monthly earnings are considered the average of the highest 36 months earnings within the last 120 months (need not be consecutive). After December 31, 2003, members satisfying the Rule of 85 are also eligible for an unreduced monthly pension benefit and OPEB benefits. The Rule of 85 is satisfied when the member's age plus the member's total period of service equals 85 years.

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

The following table summarizes membership information by plan at the actuarial valuation date:

	<u>Pension</u>
Retirees and beneficiaries receiving benefits	204
Terminated employees	
Vested	22
Non-vested	<u>10</u>
Total terminated employees	32
Active employees	
Vested	210
Non-vested	<u>108</u>
Total active employees	318
Date of annual valuation	01/01/10
	<u>OPEB</u>
Retirees with coverage	55
Terminated employees	
With coverage	20
Waived coverage	<u>2</u>
Total terminated employees	22
Active employees	
With coverage	243
Waived coverage	<u>50</u>
Total active employees	293
Date of annual valuation	01/01/10

Summary of Significant Accounting Policies and Plan Asset Matters.

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

Method Used to Value Investments. 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 appreciation in fair value of investments consists of the realized gains or losses and the unrealized appreciation or depreciation in fair value of investments during the year. Realized gains and losses on sales of investments are computed based on the difference between the sales price and the fair value of the investments as of the beginning of the year or cost if purchased during the year. Unrealized appreciation or depreciation is computed based on changes in the fair value of investments between years. Security transactions are accounted for on a trade date basis.

**CITY OF MINOT, NORTH DAKOTA
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Interest income is recognized when earned. Dividend income is recorded on the ex-dividend date.

Funding Status and Progress. The actuarial methods and assumptions together with the schedule of funding progress are presented by plan below. The information is based upon the actuary reports generated by the studies conducted by the Gallagher Group. Securities are valued at fair market value.

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

Below is listed the various actuarial methods and significant assumptions used to determine the annual required contributions, together with the schedule of funding progress.

Pension		
Valuation date	January 1, 2010	
Actuarial cost method	Entry age normal	
Amortization method	Level percentage of pay	
Remaining amortization period	30 year open period	
Asset valuation method	Fair market value	
Actuarial assumptions:		
Investment rate of return	7.75%	
Projected salary increases	0-5	6.0%
	5-13	4.5%
	13+	3.5%
Includes inflation at	3.0%	
Post retirement cost of living adjustments	1% after age 65	

OPEB		
Valuation date	January 1, 2009	
Benefits valued	Pre-65 medical & prescription drug coverage	
Actuarial cost method	Entry age normal	
Amortization method	Level percentage of pay	
Remaining amortization period	30 year closed period	
Asset valuation method	Fair market value	
Actuarial assumptions:		
Investment rate of return	7.75%	
Projected salary increases	0-5	6.0%
	5-13	4.5%
	13+	3.5%
Includes inflation at	3.0%	
Marriage rate	80%	
Spouse age differential	males 3 years older than female spouses	
Health insurance elections	70% City employees elect medical coverage	
	60% City employees elect coverage for spouse	
	75% Police employees elect coverage	
	70% Police employees elect coverage for spouse	

The City's annual pension cost and net pension obligation for 2009 and the past two years are as follows:

	Pension		
	2009	2008	2007
Annual required contribution (ARC)	\$ 2,010,737	\$ 1,793,941	\$ 1,794,229
Interest on net pension obligation (asset)	(35,854)	(40,145)	(53,626)
Adjustment to ARC - beginning of year NPO amortized over 15 years	41,495	46,460	62,062
Annual pension cost	2,016,378	1,800,256	1,802,665
Contributions made	(1,905,577)	(1,744,902)	(1,628,716)
Increase (decrease) in NPO (asset)	110,801	55,354	173,949
Net pension obligation (asset) January 1	(462,635)	(517,989)	(691,938)
Net pension obligation (asset) December 31	\$ (351,834)	\$ (462,635)	\$ (517,989)

The City's annual OPEB cost and net pension obligation for 2009 is as follows:

	OPEB	
	2009	2008
Annual required contribution (ARC)	\$ 196,192	\$ 143,021
Interest on net OPEB obligation (asset)	-	-
Adjustment to ARC - beginning of year	-	-
Annual pension cost	196,192	143,021
Employer contributions	(196,192)	(143,021)
Increase (decrease) in net OPEB obligation	-	-
Net OPEB obligation (asset) January 1	-	-
Net OPEB obligation (asset) December 31	\$ -	\$ -

Contributions Required and Contributions Made. The actuary does not determine the pension contribution rates, rather by employer recommendations within the limits established by state statute. Both the employees and employer contribute 14.11% of gross earnings. The employer contributions to the plans are to be made through an annual tax levy or other budgeted sources. Based on an actuarial valuation contributions are providing for an amortization of 40 years respectively on the unfunded liability at January 1, 2010.

The annual pension cost exceeds the annual required contribution (ARC) in 2002 and 2006. Due to a net pension obligation (NPO) asset in the trust, the deficit in the remaining years has been covered by it. The NPO asset of \$351,834 is shown on the government-wide statement of net assets. The OPEB was 100% funded in 2009.

CITY OF MINOT, NORTH DAKOTA
 NOTES TO THE FINANCIAL STATEMENTS
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Notes to Financial Statements

Pension Schedule of Employer Contributions			
	Annual Required Contribution	Contributions Made	Percentage Contributed
2002	\$ 1,079,156	\$ 1,081,995	100.26%
2003	1,266,157	1,104,299	87.22%
2004	1,702,837	1,382,332	81.18%
2005	1,918,301	1,743,340	90.88%
2006	1,350,938	1,593,998	117.99%
2007	1,794,229	1,628,716	90.78%
2008	1,793,941	1,744,902	97.27%
2009	2,010,737	1,905,577	94.77%

The required schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

OPEB Schedule of Employer Contributions			
	Annual Required Contribution	Contributions Made	Percentage Contributed
2008	143,021	143,021	100.00%
2009	196,192	196,192	100.00%

Pension Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Annual Covered Payroll
January 1, 2002	\$ 40,684,669	\$ 55,244,369	\$ 14,559,700	73.64%	\$ 10,277,361	141.67%
January 1, 2003	42,742,199	53,720,068	10,977,869	79.56%	10,807,681	101.57%
January 1, 2004	44,436,923	69,980,362	25,543,439	63.50%	11,206,799	227.93%
January 1, 2005	46,196,524	77,847,350	31,650,826	59.34%	11,596,314	272.94%
January 1, 2006	47,954,223	79,503,912	31,549,689	60.32%	11,523,110	273.79%
January 1, 2007	48,554,265	79,750,774	31,196,509	60.88%	11,174,989	279.16%
January 1, 2008	51,540,078	83,482,716	31,942,638	61.74%	11,826,269	270.10%
January 1, 2009	49,501,736	87,467,115	37,965,379	56.59%	12,515,578	303.34%
January 1, 2010	50,493,598	91,922,237	41,428,639	54.93%	13,264,828	312.32%

OPEB Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Annual Covered Payroll
January 1, 2008	-	1,485,924	1,485,924	0.00%	11,826,279	12.56%
January 1, 2009	(7,607)	1,881,683	1,889,290	-0.40%	11,492,751	16.44%
January 1, 2010	161,863	2,003,167	1,841,304	8.08%	11,837,534	15.55%

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009**

Notes to Financial Statements

E. MUNICIPAL SOLID WASTE LANDFILL

State and federal rules and regulations require the City of Minot to place a final cover on its Municipal Solid Waste Landfill (MSWLF) site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after the closure. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as operating expense in each period based on landfill capacity used as of each balance sheet date. The \$510,022 reported as MSWLF closure and post-closure care liability at December 31, 2009, represents the cumulative amount reported to date based on the use of 26.79% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of over \$1.6 million as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2009. The City expects the landfill will be operated for another 41 years with closure anticipated in the year 2050. Actual costs may be higher due to inflation, deflation, changes in technology, or changes in applicable laws or regulations.

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

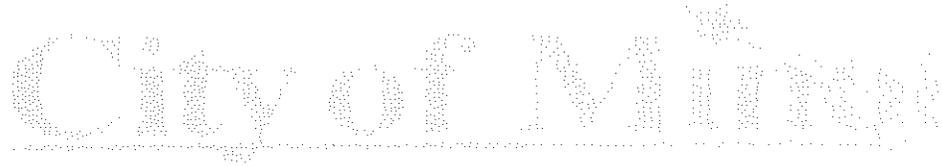
F. SUBSEQUENT EVENTS

Subsequent to year-end the City will no longer provide the fueling to the airlines flying into the airport as of January 1, 2010. This will eliminate the fueling sales and cost of sales from the Statement of Revenues, Expenses, and Changes in Fund Net Assets which will reduce the income generated for the City.

Supplementary Information

City of Minot, North Dakota
Statement of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual
Major Debt Service Fund
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Special Assessment Debt				
	Original Budgeted Amounts	Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES					
Property tax collections	\$ 32,399	\$ 32,399	\$ 19,922	\$ (12,477)	\$ 25,849
Special assessment collections	625,081	625,081	1,210,270	585,189	771,617
Interest income	-	-	66,434	66,434	64,710
Miscellaneous	214,872	214,872	243	(214,629)	78,422
Total revenues	<u>872,352</u>	<u>872,352</u>	<u>1,296,869</u>	<u>424,517</u>	<u>940,598</u>
EXPENDITURES					
Current					
General government	-	-	-	-	6,545
Debt service					
Principal retirement	1,162,730	1,102,500	1,180,000	(77,500)	1,125,000
Interest and fiscal charges	319,452	286,457	300,076	(13,619)	306,043
Total expenditures	<u>1,482,182</u>	<u>1,388,957</u>	<u>1,480,076</u>	<u>(91,119)</u>	<u>1,437,588</u>
Excess (deficiency) of revenues over (under) expenditures	(609,830)	(516,605)	(183,207)	333,398	(496,990)
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	4,000	(4,000)	7,500
Transfers in	281,354	281,354	1,014,722	733,368	82,042
Transfers out	-	-	(31,501)	(31,501)	(16,625)
Total other financing sources (uses)	<u>281,354</u>	<u>281,354</u>	<u>987,221</u>	<u>697,867</u>	<u>72,917</u>
Net change in fund balance	<u>\$ (328,476)</u>	<u>\$ (235,251)</u>	804,014	<u>\$ 1,031,265</u>	(424,073)
Fund balance (deficit), January 1			1,397,927		1,822,000
Fund balance (deficit), December 31			<u>\$ 2,201,941</u>		<u>\$ 1,397,927</u>



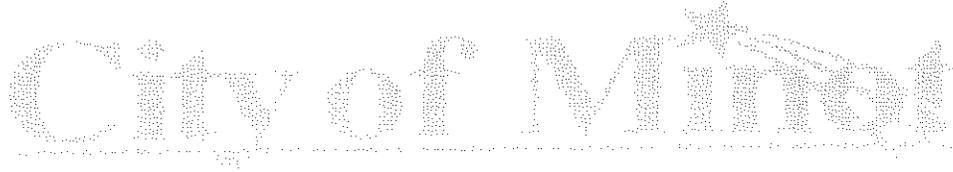
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City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009
With Comparative Totals for December 31, 2008

	Special Revenue Funds	Debt Fund	Capital Project Funds	Total Nonmajor Governmental Funds 2009	Total Nonmajor Governmental Funds 2008
ASSETS					
Current assets					
Cash and investments	\$ 2,600,997	\$ 1,350,573	\$ 2,080,630	\$ 6,032,200	\$ 5,308,130
Restricted cash and investments	2,202,085	-	-	2,202,085	2,211,675
Taxes receivable delinquent	89,889	34,878	7,352	132,119	150,324
Special assessments receivable delinquent	6,897	-	-	6,897	5,855
Accounts receivable	11,843	-	12,994	24,837	24,706
Due from other funds	226,652	-	324,553	551,205	120,134
Intergovernmental receivable	152,067	412	226,408	378,887	324,258
Inventory	9,148	-	-	9,148	6,828
Prepaid	7,650	-	-	7,650	5,500
Total current assets	<u>5,307,228</u>	<u>1,385,863</u>	<u>2,651,937</u>	<u>9,345,028</u>	<u>8,157,410</u>
Noncurrent assets					
Special assessments receivable deferred	1,800	-	-	1,800	2,700
Total noncurrent assets	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>1,800</u>	<u>2,700</u>
Total assets	<u>\$ 5,309,028</u>	<u>\$ 1,385,863</u>	<u>\$ 2,651,937</u>	<u>\$ 9,346,828</u>	<u>\$ 8,160,110</u>
LIABILITIES					
Current liabilities					
Accounts payable	\$ 109,015	\$ -	\$ 34,069	\$ 143,084	\$ 291,789
Retainage payable	-	-	-	-	39,599
Due to other funds	226,652	-	324,553	551,205	120,134
Accrued salaries payable	42,244	-	-	42,244	35,673
Accrued vacation payable	3,573	-	-	3,573	3,649
Total current liabilities	<u>381,484</u>	<u>-</u>	<u>358,622</u>	<u>740,106</u>	<u>490,844</u>
Noncurrent liabilities					
Advance to other funds	-	-	1,195,660	1,195,660	917,704
Deferred revenue	91,414	31,382	6,525	129,321	184,883
Total noncurrent liabilities	<u>91,414</u>	<u>31,382</u>	<u>1,202,185</u>	<u>1,324,981</u>	<u>1,102,587</u>
Total liabilities	<u>472,898</u>	<u>31,382</u>	<u>1,560,807</u>	<u>2,065,087</u>	<u>1,593,431</u>
FUND BALANCE					
Nonspendable	16,798	-	-	16,798	12,328
Restricted	2,212,172	1,354,481	138,294	3,704,947	1,055,313
Committed	970,248	-	1,072,443	2,042,691	2,724,057
Assigned	1,935,308	-	204,962	2,140,270	2,886,477
Unassigned	(298,396)	-	(324,569)	(622,965)	(111,496)
Total fund balance	<u>4,836,130</u>	<u>1,354,481</u>	<u>1,091,130</u>	<u>7,281,741</u>	<u>6,566,679</u>
Total liabilities and fund balance	<u>\$ 5,309,028</u>	<u>\$ 1,385,863</u>	<u>\$ 2,651,937</u>	<u>\$ 9,346,828</u>	<u>\$ 8,160,110</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Special Revenue Funds	Debt Fund	Capital Project Funds	Total Nonmajor Governmental Funds 2009	Total Nonmajor Governmental Funds 2008
REVENUES					
Property tax collections	\$ 2,746,476	\$ 1,044,935	\$ 268,668	\$ 4,060,079	\$ 4,005,563
Sales tax collections	742,296	-	-	742,296	793,818
Intergovernmental	1,469,922	-	501,697	1,971,619	1,051,271
Charges for services	580,406	-	-	580,406	516,745
Interest income	121,495	42,209	55,093	218,797	204,919
Miscellaneous	86,538	-	636,973	723,511	675,088
Total revenues	<u>5,747,133</u>	<u>1,087,144</u>	<u>1,462,431</u>	<u>8,296,708</u>	<u>7,247,404</u>
EXPENDITURES					
Current					
General government	987,754	-	2,454	990,208	1,634,993
Highways and streets	650,050	-	412	650,462	874,823
Culture and recreation	2,341,073	-	99,300	2,440,373	3,379,498
Economic Development	-	-	3,681	3,681	140,406
Capital outlay					
Contracted work	-	-	871,748	871,748	1,332,800
Equipment	-	-	982,221	982,221	607,040
Legal	-	-	-	-	2,389
Other	-	-	54,850	54,850	65,103
Acquisitions	-	-	3,423	3,423	-
Engineering	-	-	197,919	197,919	284,608
Debt service					
Principal retirement	-	1,240,000	-	1,240,000	1,530,000
Interest and fiscal charges	-	392,621	62,383	455,004	436,413
Total expenditures	<u>3,978,877</u>	<u>1,632,621</u>	<u>2,278,391</u>	<u>7,889,889</u>	<u>10,288,072</u>
Excess (deficiency) of revenues over (under) expenditures	1,768,256	(545,477)	(815,960)	406,819	(3,040,668)
OTHER FINANCING SOURCES (USES)					
Special assessment bonds issued	-	-	-	-	1,905,000
Premium on special assessments bonds	-	-	-	-	11,641
Sale of City property	5,000	-	978	5,978	800
Transfers in	213,300	887,841	1,205,714	2,306,855	1,657,681
Transfers out	(1,116,914)	(34,936)	(852,740)	(2,004,590)	(1,060,997)
Total other financing sources (uses)	<u>(898,614)</u>	<u>852,905</u>	<u>353,952</u>	<u>308,243</u>	<u>2,514,125</u>
Net change in fund balance	869,642	307,428	(462,008)	715,062	(526,543)
Fund balance, January 1	3,966,488	1,047,053	1,553,138	6,566,679	7,093,222
Fund balance, December 31	<u>\$ 4,836,130</u>	<u>\$ 1,354,481</u>	<u>\$ 1,091,130</u>	<u>\$ 7,281,741</u>	<u>\$ 6,566,679</u>



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City of Minot, North Dakota
Nonmajor Special Revenue Funds

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

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

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

Recreation/Auditorium - To account for the operation and maintenance of the City's recreation program and facilities. Financing is provided by a specific annual property tax levy in addition to miscellaneous revenues such as user fees, concessions, and facility rentals.

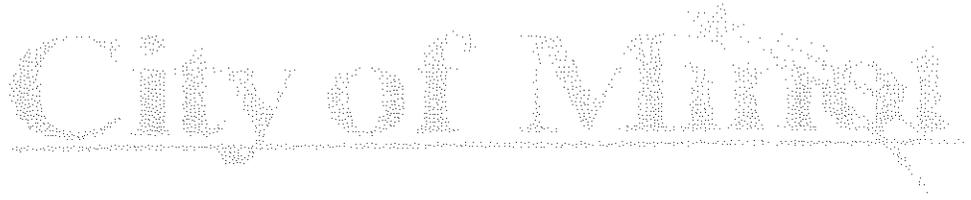
Emergency Levy – Amounts formally set aside for use in emergency situations caused by natural forces. This funding is provided for by ND Century Code Sec. 57-15-48 and is limited to a maximum of unexpended funds equal to three dollars per capita.

Sales Tax – To receive and disburse monies dedicated to the following: property tax relief and flood control.

Sidewalk Improvement - To account for the maintenance of sidewalks within the City of Minot. City sidewalk maintenance is funded by a tax levy dollars.

Street Improvements - To account for the annual street improvement and street seal programs. The City has a budgeted levy for this program.

Demolitions - To account for the demolition of condemned property within the City. Special assessments are levied against benefiting property owners.



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City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009
With Comparative Totals for December 31, 2008

ASSETS	Public Transportation	Library	Recreation Auditorium	Emergency Levy
Current assets				
Cash and investments	\$ 225,719	\$ 133,941	\$ 58,928	\$ -
Restricted cash and investments	-	-	-	-
Taxes receivable delinquent	5,115	30,720	25,728	798
Special assessments delinquent	-	-	-	-
Accounts receivable	26	-	11,817	-
Due from other funds	-	-	-	-
Intergovernmental receivable	82,917	364	302	10
Inventory	-	-	9,148	-
Prepaid	17	2,462	5,171	-
Total current assets	<u>313,794</u>	<u>167,487</u>	<u>111,094</u>	<u>808</u>
Noncurrent assets				
Special assessments receivable deferred	-	-	-	-
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 313,794</u>	<u>\$ 167,487</u>	<u>\$ 111,094</u>	<u>\$ 808</u>
LIABILITIES				
Accounts payable	\$ 1,597	\$ 9,052	\$ 26,552	\$ 69,898
Due to other funds	-	-	-	163,038
Accrued salaries payable	4,975	17,372	19,897	-
Accrued vacation payable	797	1,780	996	-
Deferred revenue	4,659	27,538	24,972	738
Total liabilities	<u>12,028</u>	<u>55,742</u>	<u>72,417</u>	<u>233,674</u>
FUND BALANCE				
Nonspendable	17	2,462	14,319	-
Restricted	-	10,087	-	-
Committed	-	-	-	-
Assigned	301,749	99,196	24,358	-
Unassigned	-	-	-	(232,866)
Total fund balance	<u>301,766</u>	<u>111,745</u>	<u>38,677</u>	<u>(232,866)</u>
Total liabilities and fund balance	<u>\$ 313,794</u>	<u>\$ 167,487</u>	<u>\$ 111,094</u>	<u>\$ 808</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009
With Comparative Totals for December 31, 2008

ASSETS	Sales Tax Property Tax Relief	Sales Tax Flood Control	Sidewalk Improvements
Current assets			
Cash and investments	\$ 245,124	\$ -	\$ -
Restricted cash and investments	-	2,202,085	-
Taxes receivable delinquent	-	-	-
Special assessments delinquent	-	-	212
Accounts receivable	-	-	-
Due from other funds	226,652	-	-
Intergovernmental receivable	68,139	-	-
Inventory	-	-	-
Prepaid	-	-	-
Total current assets	<u>539,915</u>	<u>2,202,085</u>	<u>212</u>
Noncurrent assets			
Special assessments receivable deferred	-	-	-
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 539,915</u>	<u>\$ 2,202,085</u>	<u>\$ 212</u>
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 1,916
Due to other funds	-	-	63,614
Accrued salaries payable	-	-	-
Accrued vacation payable	-	-	-
Deferred revenue	-	-	212
Total liabilities	<u>-</u>	<u>-</u>	<u>65,742</u>
FUND BALANCE			
Nonspendable	-	-	-
Restricted	-	2,202,085	-
Committed	-	-	-
Assigned	539,915	-	-
Unassigned	-	-	(65,530)
Total fund balance	<u>539,915</u>	<u>2,202,085</u>	<u>(65,530)</u>
Total liabilities and fund balance	<u>\$ 539,915</u>	<u>\$ 2,202,085</u>	<u>\$ 212</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

With Comparative Totals for December 31, 2008

ASSETS	Street		Total	Total
	Improvements	Demolitions	2009	2008
Current assets				
Cash and investments	\$ 1,915,215	\$ 22,070	\$ 2,600,997	\$ 1,642,314
Restricted cash and investments	-	-	2,202,085	2,211,675
Taxes receivable delinquent	27,482	46	89,889	103,096
Special assessments delinquent	-	6,685	6,897	5,855
Accounts receivable	-	-	11,843	11,884
Due from other funds	-	-	226,652	84,497
Intergovernmental receivable	335	-	152,067	172,856
Inventory	-	-	9,148	6,828
Prepaid	-	-	7,650	5,500
Total current assets	<u>1,943,032</u>	<u>28,801</u>	<u>5,307,228</u>	<u>4,244,505</u>
Noncurrent assets				
Special assessments receivable deferred	-	1,800	1,800	2,700
Total noncurrent assets	<u>-</u>	<u>1,800</u>	<u>1,800</u>	<u>2,700</u>
Total assets	<u>\$ 1,943,032</u>	<u>\$ 30,601</u>	<u>\$ 5,309,028</u>	<u>\$ 4,247,205</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 109,015	\$ 53,159
Due to other funds	-	-	226,652	84,497
Accrued salaries payable	-	-	42,244	35,673
Accrued vacation payable	-	-	3,573	3,649
Deferred revenue	24,767	8,528	91,414	103,739
Total liabilities	<u>24,767</u>	<u>8,528</u>	<u>472,898</u>	<u>280,717</u>
FUND BALANCE				
Nonspendable	-	-	16,798	12,328
Restricted	-	-	2,212,172	8,260
Committed	948,175	22,073	970,248	2,324,058
Assigned	970,090	-	1,935,308	1,733,338
Unassigned	-	-	(298,396)	(111,496)
Total fund balance	<u>1,918,265</u>	<u>22,073</u>	<u>4,836,130</u>	<u>3,966,488</u>
Total liabilities and fund balance	<u>\$ 1,943,032</u>	<u>\$ 30,601</u>	<u>\$ 5,309,028</u>	<u>\$ 4,247,205</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

REVENUES	Public Transportation	Library	Recreation Auditorium	Emergency Levy
Property tax collections	\$ 121,940	\$ 968,893	\$ 833,356	\$ 14,903
Sales tax collections	-	-	-	-
Intergovernmental	324,414	81,681	-	115,652
Charges for services	101,312	20,164	458,930	-
Interest income	5,768	14,120	10,363	243
Miscellaneous	15,892	52,695	17,951	-
Total revenues	<u>569,326</u>	<u>1,137,553</u>	<u>1,320,600</u>	<u>130,798</u>
EXPENDITURES				
Current				
General government	527,272	-	-	437,841
Highways and streets	-	-	-	-
Culture and recreation	-	1,127,264	1,213,809	-
Capital outlay				
Equipment	-	-	-	-
Debt retirement				
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>527,272</u>	<u>1,127,264</u>	<u>1,213,809</u>	<u>437,841</u>
Excess (deficiency) of revenues over (under) expenditures	42,054	10,289	106,791	(307,043)
OTHER FINANCING SOURCES (USES)				
Sale of City property	-	-	5,000	-
Transfers in	6,033	2,001	-	4,303
Transfers out	(4,556)	-	(5,470)	-
Total other financing sources (uses)	<u>1,477</u>	<u>2,001</u>	<u>(470)</u>	<u>4,303</u>
Net change in fund balance	43,531	12,290	106,321	(302,740)
Fund balance (deficit), January 1	258,235	99,455	(67,644)	69,874
Fund balance (deficit), December 31	<u>\$ 301,766</u>	<u>\$ 111,745</u>	<u>\$ 38,677</u>	<u>\$ (232,866)</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Sales Tax Property Tax Relief	Sales Tax Flood Control	Sidewalk Improvements
REVENUES			
Property tax collections	\$ -	\$ -	\$ -
Sales tax collections	742,296	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Interest income	8,057	41,817	-
Miscellaneous	-	-	-
Total revenues	750,353	41,817	-
EXPENDITURES			
Current			
General government	-	-	22,641
Highways and streets	-	-	-
Culture and recreation	-	-	-
Capital outlay			
Equipment	-	-	-
Debt retirement			
Interest and fiscal charges	-	-	-
Total expenditures	-	-	22,641
Excess (deficiency) of revenues over (under) expenditures	750,353	41,817	(22,641)
OTHER FINANCING SOURCES (USES)			
Sale of City property	-	-	-
Transfers in	-	-	963
Transfers out	(680,128)	(41,817)	-
Total other financing sources (uses)	(680,128)	(41,817)	963
Net change in fund balance	70,225	-	(21,678)
Fund balance (deficit), January 1	469,690	2,202,085	(43,852)
Fund balance (deficit), December 31	\$ 539,915	\$ 2,202,085	\$ (65,530)

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Street Improvements	Demolitions	Total 2009	Total 2008
REVENUES				
Property tax collections	\$ 807,310	\$ 74	\$ 2,746,476	\$ 2,726,774
Sales tax collections	-	-	742,296	793,818
Intergovernmental	948,175	-	1,469,922	446,928
Charges for services	-	-	580,406	516,745
Interest income	40,598	529	121,495	76,095
Miscellaneous	-	-	86,538	58,439
Total revenues	<u>1,796,083</u>	<u>603</u>	<u>5,747,133</u>	<u>4,618,799</u>
EXPENDITURES				
Current				
General government	-	-	987,754	560,696
Highways and streets	650,050	-	650,050	874,823
Culture and recreation	-	-	2,341,073	2,204,306
Capital outlay				
Equipment	-	-	-	80,468
Debt retirement				
Interest and fiscal charges	-	-	-	1,278
Total expenditures	<u>650,050</u>	<u>-</u>	<u>3,978,877</u>	<u>3,721,571</u>
Excess (deficiency) of revenues over (under) expenditures	1,146,033	603	1,768,256	897,228
OTHER FINANCING SOURCES (USES)				
Sale of City property	-	-	5,000	800
Transfers in	200,000	-	213,300	151,278
Transfers out	(384,526)	(417)	(1,116,914)	(738,872)
Total other financing sources (uses)	<u>(184,526)</u>	<u>(417)</u>	<u>(898,614)</u>	<u>(586,794)</u>
Net change in fund balance	961,507	186	869,642	310,434
Fund balance (deficit), January 1	956,758	21,887	3,966,488	3,656,054
Fund balance (deficit), December 31	<u>\$ 1,918,265</u>	<u>\$ 22,073</u>	<u>\$ 4,836,130</u>	<u>\$ 3,966,488</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures
and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Public Transportation				
	Original Budgeted Amounts	Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES					
Property tax collections	\$ 123,698	\$ 123,698	\$ 121,940	\$ 1,758	\$ 234,080
Intergovernmental	718,738	718,738	324,414	394,324	305,012
Charges for services	83,550	83,550	101,312	(17,762)	74,399
Interest income	-	-	5,768	(5,768)	5,898
Miscellaneous	24,567	24,567	15,892	8,675	3,640
Total revenues	<u>950,553</u>	<u>950,553</u>	<u>569,326</u>	<u>381,227</u>	<u>623,029</u>
EXPENDITURES					
Current					
General government	610,553	616,586	527,272	89,314	505,655
Capital outlay					
Equipment	340,000	396,400	-	396,400	1,340
Total expenditures	<u>950,553</u>	<u>1,012,986</u>	<u>527,272</u>	<u>485,714</u>	<u>506,995</u>
Excess (deficiency) of revenues over (under) expenditures	-	(62,433)	42,054	(104,487)	116,034
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	-	-	800
Transfers in	-	6,033	6,033	-	-
Transfers out	-	-	(4,556)	4,556	(5,804)
Total other financing sources (uses)	<u>-</u>	<u>6,033</u>	<u>1,477</u>	<u>4,556</u>	<u>(5,004)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (56,400)</u>	43,531	<u>\$ (99,931)</u>	111,030
Fund balance (deficit), January 1			258,235		147,205
Fund balance (deficit), December 31			<u>\$ 301,766</u>		<u>\$ 258,235</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures
and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Library				
	Original Budgeted Amounts	Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES					
Property tax collections	\$ 999,963	\$ 999,963	\$ 968,893	\$ 31,070	\$ 911,041
Intergovernmental	81,750	81,750	81,681	69	141,916
Charges for services	31,800	31,800	20,164	11,636	21,839
Interest income	10,000	10,000	14,120	(4,120)	11,680
Miscellaneous	11,564	39,609	52,695	(13,086)	31,898
Total revenues	<u>1,135,077</u>	<u>1,163,122</u>	<u>1,137,553</u>	<u>25,569</u>	<u>1,118,374</u>
EXPENDITURES					
Current					
Culture and recreation	1,071,112	1,135,157	1,127,264	7,893	976,705
Capital outlay					
Equipment	12,000	12,000	-	12,000	79,128
Total expenditures	<u>1,083,112</u>	<u>1,147,157</u>	<u>1,127,264</u>	<u>19,893</u>	<u>1,055,833</u>
Excess (deficiency) of revenues over (under) expenditures	51,965	15,965	10,289	5,676	62,541
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	2,001	(2,001)	-
Transfers out	-	-	-	-	(5,259)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,001</u>	<u>(2,001)</u>	<u>(5,259)</u>
Net change in fund balance	<u>\$ 51,965</u>	<u>\$ 15,965</u>	12,290	<u>\$ 3,675</u>	57,282
Fund balance (deficit), January 1			99,455		42,173
Fund balance (deficit), December 31			<u>\$ 111,745</u>		<u>\$ 99,455</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures
and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Recreation/Auditorium			
	Original and Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES				
Property tax collections	\$ 861,428	\$ 833,356	\$ 28,072	\$ 736,012
Charges for services	480,000	458,930	21,070	420,507
Interest income	-	10,363	(10,363)	7,676
Miscellaneous	15,000	17,951	(2,951)	20,561
Total revenues	<u>1,356,428</u>	<u>1,320,600</u>	<u>35,828</u>	<u>1,184,756</u>
EXPENDITURES				
Current				
Culture and recreation	1,325,512	1,213,809	111,703	1,227,601
Capital outlay				
Equipment	18,500	-	18,500	-
Total expenditures	<u>1,344,012</u>	<u>1,213,809</u>	<u>130,203</u>	<u>1,227,601</u>
Excess (deficiency) of revenues over (under) expenditures	12,416	106,791	(94,375)	(42,845)
OTHER FINANCING SOURCES (USES)				
Sale of City property	-	5,000	(5,000)	-
Transfers out	-	(5,470)	5,470	(7,350)
Total other financing sources (uses)	<u>-</u>	<u>(470)</u>	<u>470</u>	<u>(7,350)</u>
Net change in fund balance	<u>\$ 12,416</u>	106,321	<u>\$ (93,905)</u>	(50,195)
Fund balance (deficit), January 1		(67,644)		(17,449)
Fund balance (deficit), December 31		<u>\$ 38,677</u>		<u>\$ (67,644)</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures
and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Emergency Levy			
	Original and Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES				
Property tax collections	\$ 14,800	\$ 14,903	\$ (103)	\$ 31,525
Intergovernmental	-	115,652	(115,652)	-
Interest income	-	243	(243)	2,968
Total revenues	<u>14,800</u>	<u>130,798</u>	<u>(115,998)</u>	<u>34,493</u>
EXPENDITURES				
Current				
General government	14,800	437,841	(423,041)	47,241
Total expenditures	<u>14,800</u>	<u>437,841</u>	<u>(423,041)</u>	<u>47,241</u>
Excess (deficiency) of revenues over (under) expenditures	-	(307,043)	307,043	(12,748)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	4,303	(4,303)	-
Transfers out	-	-	-	(2,949)
Total other financing sources (uses)	<u>-</u>	<u>4,303</u>	<u>(4,303)</u>	<u>(2,949)</u>
Net change in fund balance	<u>\$ -</u>	<u>(302,740)</u>	<u>\$ 302,740</u>	<u>(15,697)</u>
Fund balance (deficit), January 1		69,874		85,571
Fund balance (deficit), December 31		<u><u>\$ (232,866)</u></u>		<u><u>\$ 69,874</u></u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures
and Changes in Fund Balances, Budget and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	<u>Sales Tax Property Relief</u>			
	Original and Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES				
Sales tax collections	\$ 672,071	\$ 742,296	\$ (70,225)	\$ 728,717
Interest income	-	8,057	(8,057)	9,773
Total revenues	<u>672,071</u>	<u>750,353</u>	<u>(78,282)</u>	<u>738,490</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(672,071)	(680,128)	8,057	(614,743)
Total other financing sources (uses)	<u>(672,071)</u>	<u>(680,128)</u>	<u>8,057</u>	<u>(614,743)</u>
Net change in fund balance	<u>\$ -</u>	70,225	<u>\$ (70,225)</u>	123,747
Fund balance (deficit), January 1		469,690		345,943
Fund balance (deficit), December 31		<u>\$ 539,915</u>		<u>\$ 469,690</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures
and Changes in Fund Balances, Budget and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	<u>Street Improvement</u>			
	Original and Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES				
Property tax collections	\$ 830,000	\$ 807,310	\$ 22,690	\$ 807,645
Intergovernmental	-	948,175	(948,175)	-
Interest income	-	40,598	(40,598)	37,486
Total revenues	<u>830,000</u>	<u>1,796,083</u>	<u>(966,083)</u>	<u>845,131</u>
EXPENDITURES				
Highways and streets	1,030,000	650,050	379,950	816,797
Total expenditures	<u>1,030,000</u>	<u>650,050</u>	<u>379,950</u>	<u>816,797</u>
Excess (deficiency) of revenues over (under) expenditures	(200,000)	1,146,033	(1,346,033)	28,334
OTHER FINANCING SOURCES (USES)				
Transfer in	200,000	200,000	-	150,000
Transfers out	-	(384,526)	384,526	(37,052)
Total other financing sources (uses)	<u>200,000</u>	<u>(184,526)</u>	<u>384,526</u>	<u>112,948</u>
Net change in fund balance	<u>\$ -</u>	961,507	<u>\$ (961,507)</u>	141,282
Fund balance (deficit), January 1		956,758		815,476
Fund balance (deficit), December 31		<u>\$1,918,265</u>		<u>\$ 956,758</u>

City of Minot, North Dakota
Nonmajor Debt Funds

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

City of Minot, North Dakota
Balance Sheet
Nonmajor Debt Service Fund
December 31, 2009
With Comparative Totals for December 31, 2008

	Highway Debt 2009	Highway Debt 2008
ASSETS		
Cash and investments	\$1,350,573	\$1,043,314
Taxes receivable delinquent	34,878	41,388
Due from other funds	-	-
Intergovernmental receivable	412	519
Total assets	<u>\$1,385,863</u>	<u>\$1,085,221</u>
LIABILITIES		
Deferred revenue	\$ 31,382	\$ 38,168
Total liabilities	<u>31,382</u>	<u>38,168</u>
FUND BALANCE		
Restricted	1,354,481	1,047,053
Total fund balance	<u>1,354,481</u>	<u>1,047,053</u>
Total liabilities and fund balance	<u>\$1,385,863</u>	<u>\$1,085,221</u>

City of Minot, North Dakota
Statement of Revenue, Expenditures, and Changes in Fund Balance
Nonmajor Debt Service Fund
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Highway Debt 2009	Highway Debt 2008
REVENUES		
Property tax collections	\$1,044,935	\$1,126,670
Interest income	42,209	53,920
Total revenues	<u>1,087,144</u>	<u>1,180,590</u>
EXPENDITURES		
Debt service		
Principal retirement	1,240,000	1,530,000
Interest and fiscal charges	392,621	389,536
Total expenditures	<u>1,632,621</u>	<u>1,919,536</u>
Excess (deficiency) of revenues over (under) expenditures	(545,477)	(738,946)
OTHER FINANCING SOURCES (USES)		
Transfers in	887,841	704,970
Transfers out	(34,936)	(53,401)
Total other financing sources (uses)	<u>852,905</u>	<u>651,569</u>
Net change in fund balance	307,428	(87,377)
Fund balance, January 1	1,047,053	1,134,430
Fund balance, December 31	<u>\$1,354,481</u>	<u>\$1,047,053</u>

City of Minot, North Dakota
Schedule of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual
Nonmajor Debt Service Fund
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Highway Debt				
	Original Budgeted Amounts	Final Budgeted Amounts	2009 Actual Amounts	Variance with Final Budget	2008 Actual Amounts
REVENUES					
Property tax collections	\$ 1,075,384	\$ 1,075,384	\$ 1,044,935	\$ 30,449	\$ 1,126,670
Interest income	-	-	42,209	(42,209)	53,920
Total revenues	<u>1,075,384</u>	<u>1,075,384</u>	<u>1,087,144</u>	<u>(11,760)</u>	<u>1,180,590</u>
EXPENDITURES					
Debt service					
Principal retirement	1,291,250	1,223,750	1,240,000	(16,250)	1,530,000
Interest and fiscal charges	403,481	385,103	392,621	(7,518)	389,536
Total expenditures	<u>1,694,731</u>	<u>1,608,853</u>	<u>1,632,621</u>	<u>(23,768)</u>	<u>1,919,536</u>
Excess (deficiency) of revenues over (under) expenditures	(619,347)	(533,469)	(545,477)	12,008	(738,946)
OTHER FINANCING SOURCES (USES)					
Transfers in	887,841	887,841	887,841	-	704,970
Transfers out	(211,313)	(211,313)	(34,936)	(176,377)	(53,401)
Total other financing sources (uses)	<u>676,528</u>	<u>676,528</u>	<u>852,905</u>	<u>(176,377)</u>	<u>651,569</u>
Net change in fund balance	<u>\$ 57,181</u>	<u>\$ 143,059</u>	307,428	<u>\$ (164,369)</u>	(87,377)
Fund balance (deficit), January 1			1,047,053		1,134,430
Fund balance (deficit), December 31			<u>\$ 1,354,481</u>		<u>\$ 1,047,053</u>

City of Minot, North Dakota
Nonmajor Capital Project Funds

Sertoma Sports Complex - To account for resources used in construction of athletic facilities within the City. The City's share of funding is provided by private donations, tournament and user fees.

Assessment Capital - To account for the financing of public improvements or services deemed advisable to benefit the properties against which special assessments are levied.

Fire Equipment - To account for the resources used for the purchase of budgeted fire equipment and maintain buildings. Funding is provided by ND Century Code Sec. 57-15-42 upon a 60% vote of approval by the electorate.

Sales Tax Capital - To account for the resources used in the purchase and maintenance of items deemed to be beneficial to the citizens of Minot. Funding is provided by the capital improvement portion of city sales tax.

Library - To account for the resources used in the remodeling and addition to the Municipal Library. Additional funding is provided by private donations.

Storm Sewer Development - To account for the resources used towards the construction of new storm sewer districts within the City of Minot. Funding is provided by a monthly charge on user water bills.

Community Development Block Grant and Economic Development Agency - To account for resources used toward the intermodal park. Funding is provided by the Community Development Block Grants and the Economic Development Agency.

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

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2009

With Comparative Totals for December 31, 2008

	Sports Complex	Special Assessment Capital	Fire Equipment	Sales Tax Capital	Library Construction
ASSETS					
Cash and investments	\$ 60,036	\$ -	\$ 506,326	\$ 45,649	\$ -
Taxes receivable delinquent	-	-	1,710	-	-
Accounts receivable	-	-	-	-	-
Due from other funds	297,986	-	-	26,567	-
Intergovernmental receivable	-	-	200,021	-	-
Total assets	<u>\$ 358,022</u>	<u>\$ -</u>	<u>\$ 708,057</u>	<u>\$ 72,216</u>	<u>\$ -</u>
LIABILITIES					
Current liabilities					
Accounts payable	\$ -	\$ 16	\$ -	\$ 36	\$ -
Retainage payable	-	-	-	-	-
Due to other funds	-	297,986	-	-	26,567
Deferred revenue	-	-	1,562	-	-
Total liabilities	<u>-</u>	<u>298,002</u>	<u>1,562</u>	<u>36</u>	<u>26,567</u>
Noncurrent liabilities					
Advance to other funds	-	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>298,002</u>	<u>1,562</u>	<u>36</u>	<u>26,567</u>
FUND BALANCE					
Restricted	-	-	-	-	-
Committed	334,983	-	650,104	72,180	-
Assigned	23,039	-	56,391	-	-
Unassigned	-	(298,002)	-	-	(26,567)
Total fund balance	<u>358,022</u>	<u>(298,002)</u>	<u>706,495</u>	<u>72,180</u>	<u>(26,567)</u>
Total liabilities and fund balance	<u>\$ 358,022</u>	<u>\$ -</u>	<u>\$ 708,057</u>	<u>\$ 72,216</u>	<u>\$ -</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2009

With Comparative Totals for December 31, 2008

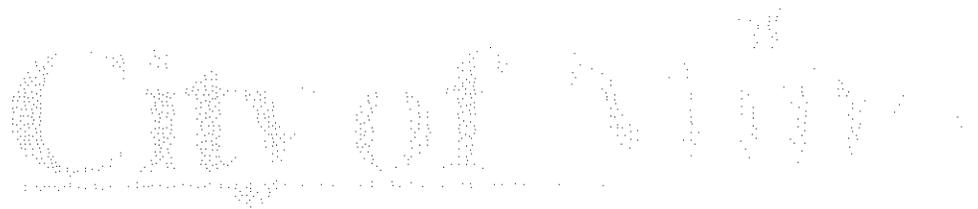
	CDBG			Total 2009	Total 2008
	Storm Sewer Development	and EDA	Equipment Purchase		
ASSETS					
Cash and investments	\$ 1,290,998	\$ 138,294	\$ 39,327	\$ 2,080,630	\$ 2,622,502
Taxes receivable delinquent	-	-	5,642	7,352	5,840
Accounts receivable	12,994	-	-	12,994	12,822
Due from other funds	-	-	-	324,553	35,637
Intergovernmental receivable	-	-	26,387	226,408	150,883
Total assets	<u>\$ 1,303,992</u>	<u>\$ 138,294</u>	<u>\$ 71,356</u>	<u>\$ 2,651,937</u>	<u>\$ 2,827,684</u>
LIABILITIES					
Current liabilities					
Accounts payable	\$ -	\$ -	\$ 34,017	\$ 34,069	\$ 238,630
Retainage payable	-	-	-	-	39,599
Due to other funds	-	-	-	324,553	35,637
Deferred revenue	-	-	4,963	6,525	42,976
Total liabilities	<u>-</u>	<u>-</u>	<u>38,980</u>	<u>365,147</u>	<u>356,842</u>
Noncurrent liabilities					
Advance to other funds	1,178,460	-	17,200	1,195,660	917,704
Total noncurrent liabilities	<u>1,178,460</u>	<u>-</u>	<u>17,200</u>	<u>1,195,660</u>	<u>917,704</u>
Total liabilities	<u>1,178,460</u>	<u>-</u>	<u>56,180</u>	<u>1,560,807</u>	<u>1,274,546</u>
FUND BALANCE					
Restricted	-	138,294	-	138,294	-
Committed	-	-	15,176	1,072,443	399,999
Assigned	125,532	-	-	204,962	1,153,139
Unassigned	-	-	-	(324,569)	-
Total fund balance	<u>125,532</u>	<u>138,294</u>	<u>15,176</u>	<u>1,091,130</u>	<u>1,553,138</u>
Total liabilities and fund balance	<u>\$ 1,303,992</u>	<u>\$ 138,294</u>	<u>\$ 71,356</u>	<u>\$ 2,651,937</u>	<u>\$ 2,827,684</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

REVENUES	Sertoma Sports Complex	Special Assessment Capital	Fire Equipment	Sales Tax Capital	Library
Property tax collections	\$ -	\$ -	\$ 41,274	\$ -	\$ -
Interest income	4,200	7,999	11,248	5,347	-
Intergovernmental	-	-	200,000	-	-
Miscellaneous	18,336	138	-	3,003	9,070
Total revenues	<u>22,536</u>	<u>8,137</u>	<u>252,522</u>	<u>8,350</u>	<u>9,070</u>
EXPENDITURES					
Current					
General government	-	-	-	255	-
Highways and streets	-	412	-	-	-
Culture and recreation	-	35,500	-	63,800	-
Economic development	-	-	-	-	-
Capital outlay					
Contracted work	-	514,183	22,986	333,579	-
Equipment	19,068	-	200,000	-	-
Legal	-	-	-	-	-
Other	1,425	51,198	1,908	319	-
Acquisitions	-	-	-	3,423	-
Engineering	23,344	142,943	-	31,632	-
Debt retirement					
Interest and fiscal charges	-	-	-	-	522
Total expenditures	<u>43,837</u>	<u>744,236</u>	<u>224,894</u>	<u>433,008</u>	<u>522</u>
Excess (deficiency) of revenues over (under) expenditures	(21,301)	(736,099)	27,628	(424,658)	8,548
OTHER FINANCING SOURCES (USES)					
Special assessment bonds issued	-	-	-	-	-
Premium on special assessments bonds	-	-	-	-	-
Sale of City property	-	-	-	-	-
Transfers in	234,751	-	250,000	464,465	522
Transfers out	(4,200)	(281,807)	(10,856)	(29,169)	-
Total other financing sources (uses)	<u>230,551</u>	<u>(281,807)</u>	<u>239,144</u>	<u>435,296</u>	<u>522</u>
Net change in fund balance	209,250	(1,017,906)	266,772	10,638	9,070
Fund balance (deficit), January 1	148,772	719,904	439,723	61,542	(35,637)
Fund balance (deficit), December 31	<u>\$ 358,022</u>	<u>\$ (298,002)</u>	<u>\$ 706,495</u>	<u>\$ 72,180</u>	<u>\$ (26,567)</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

REVENUES	CDBG			Total 2009	Total 2008
	Storm Sewer Development	and EDA	Equipment Purchase		
Property tax collections	\$ -	\$ -	\$ 227,394	\$ 268,668	\$ 152,119
Interest income	22,878	-	3,421	55,093	74,904
Intergovernmental	-	-	301,697	501,697	604,343
Miscellaneous	388,108	218,318	-	636,973	616,649
Total revenues	410,986	218,318	532,512	1,462,431	1,448,015
EXPENDITURES					
Current					
General government	915	-	1,284	2,454	1,074,297
Highways and streets	-	-	-	412	-
Culture and recreation	-	-	-	99,300	1,175,192
Economic development	-	3,681	-	3,681	140,406
Capital outlay					
Contracted work	-	1,000	-	871,748	1,332,800
Equipment	-	-	763,153	982,221	526,572
Legal	-	-	-	-	2,389
Other	-	-	-	54,850	65,103
Acquisitions	-	-	-	3,423	-
Engineering	-	-	-	197,919	284,608
Debt retirement					
Interest and fiscal charges	56,961	-	4,900	62,383	45,599
Total expenditures	57,876	4,681	769,337	2,278,391	4,646,965
Excess (deficiency) of revenues over (under) expenditures	353,110	213,637	(236,825)	(579,135)	(3,198,950)
OTHER FINANCING SOURCES (USES)					
Special assessment bonds issued	-	-	-	-	1,905,000
Premium on special assessments bonds	-	-	-	-	11,641
Sale of City property	-	-	978	978	-
Transfers in	-	-	255,976	1,205,714	801,433
Transfers out	(417,878)	-	(108,830)	(852,740)	(268,724)
Total other financing sources (uses)	(417,878)	-	148,124	353,952	2,449,350
Net change in fund balance	(64,768)	213,637	(88,701)	(462,008)	(749,600)
Fund balance (deficit), January 1	190,300	(75,343)	103,877	1,553,138	2,302,738
Fund balance (deficit), December 31	\$ 125,532	\$ 138,294	\$ 15,176	\$1,091,130	\$1,553,138



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City of Minot, North Dakota
Nonmajor Enterprise Funds

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

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

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

City of Minot, North Dakota
Combining Statement of Net Assets
Nonmajor Proprietary Funds
December 31, 2009
With Comparative Totals for December 31, 2008

	<u>Nonmajor Business-Type Activities</u>		<u>Total Nonmajor Proprietary Funds 2009</u>	<u>Total Nonmajor Proprietary Funds 2008</u>
	<u>Parking Cemetery</u>	<u>Authority</u>		
ASSETS				
Current				
Cash and cash equivalents	\$ 98,618	\$ 239,630	\$ 338,248	\$ 245,027
Restricted cash and cash equivalents	40,664	-	40,664	44,714
Taxes receivable delinquent	247	-	247	696
Accounts receivable	9,875	-	9,875	13,720
Intergovernmental receivable	5	-	5	13
Prepaid	4	-	4	504
Total current assets	<u>149,413</u>	<u>239,630</u>	<u>389,043</u>	<u>304,674</u>
Noncurrent assets				
Capital assets				
Land	118,396	136,397	254,793	254,793
Buildings	150,885	43,172	194,057	334,057
Equipment	143,959	301,470	445,429	430,780
Infrastructure	34,197	125,959	160,156	160,156
Total capital assets	<u>447,437</u>	<u>606,998</u>	<u>1,054,435</u>	<u>1,179,786</u>
Less-accumulated depreciation	<u>(232,946)</u>	<u>(413,848)</u>	<u>(646,794)</u>	<u>(752,299)</u>
Net capital assets	<u>214,491</u>	<u>193,150</u>	<u>407,641</u>	<u>427,487</u>
Total assets	<u>\$ 363,904</u>	<u>\$ 432,780</u>	<u>\$ 796,684</u>	<u>\$ 732,161</u>
LIABILITIES				
Accounts payable	\$ 1,725	\$ 1,786	\$ 3,511	\$ 11,731
Accrued vacation payable	9,192	-	9,192	9,078
Accrued salaries payable	4,791	1,985	6,776	6,511
Customer deposits	-	600	600	600
Total liabilities	<u>15,708</u>	<u>4,371</u>	<u>20,079</u>	<u>27,920</u>
NET ASSETS				
Invested in capital assets, net of related debt	214,491	193,150	407,641	427,487
Restricted for perpetual care	38,250	-	38,250	504
Restricted for chapel/veteran's memorial	2,414	-	2,414	44,714
Assigned	93,041	235,259	328,300	231,536
Total net assets	<u>\$ 348,196</u>	<u>\$ 428,409</u>	<u>\$ 776,605</u>	<u>\$ 704,241</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Proprietary Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	<u>Nonmajor Business-Type Activities</u>		<u>Total Nonmajor Proprietary Funds 2009</u>	<u>Total Nonmajor Proprietary Funds 2008</u>
	<u>Cemetery</u>	<u>Parking Authority</u>		
OPERATING REVENUES				
Charges for services	\$ 251,315	\$ 136,618	\$ 387,933	\$ 374,359
Total operating revenues	<u>251,315</u>	<u>136,618</u>	<u>387,933</u>	<u>374,359</u>
OPERATING EXPENSES				
Salaries	141,315	55,369	196,684	186,126
Employee benefits	32,286	4,373	36,659	33,525
Professional services	139	-	139	135
Property services	14,087	26,809	40,896	31,671
Purchased services	5,359	3,524	8,883	7,777
Supplies	15,202	10,535	25,737	24,280
Sundry	28,401	9,770	38,171	38,011
Depreciation	8,930	11,095	20,025	18,706
Total operating expenses	<u>245,719</u>	<u>121,475</u>	<u>367,194</u>	<u>340,231</u>
Operating income (loss)	5,596	15,143	20,739	34,128
NON-OPERATING REVENUES (EXPENSES)				
Property tax collections	22	-	22	1,200
Interest income	3,204	2,252	5,456	7,342
Miscellaneous income	3,425	211	3,636	1,529
Gain (loss) on disposal of capital assets	-	(44,340)	(44,340)	-
Total non-operating revenues (expenses)	<u>6,651</u>	<u>(41,877)</u>	<u>(35,226)</u>	<u>10,071</u>
Income (loss) before contributions and transfers	<u>12,247</u>	<u>(26,734)</u>	<u>(14,487)</u>	<u>44,199</u>
Capital contributions	(5,080)	-	(5,080)	-
Sale of City property	-	97,261	97,261	-
Transfers out	(3,078)	(2,252)	(5,330)	(7,342)
Total contributions and transfers	<u>(8,158)</u>	<u>95,009</u>	<u>86,851</u>	<u>(7,342)</u>
Change in net assets	4,089	68,275	72,364	36,857
Net assets, January 1	344,107	360,134	704,241	667,384
Net assets, December 31	<u>\$ 348,196</u>	<u>\$ 428,409</u>	<u>\$ 776,605</u>	<u>\$ 704,241</u>

City of Minot, North Dakota
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Nonmajor Business-Type Activities		Total Nonmajor Proprietary Funds 2009	Total Nonmajor Proprietary Funds 2008
	Cemetery	Parking Authority		
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 256,107	\$ 136,620	\$ 392,727	\$ 369,089
Payments to suppliers	(64,628)	(57,418)	(122,046)	(92,471)
Payments to employees	(173,512)	(59,452)	(232,964)	(216,890)
Due from (to) other agencies	8	-	8	1,207
Net cash provided (used) by operating activities	<u>17,975</u>	<u>19,750</u>	<u>37,725</u>	<u>60,935</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes received	3,447	211	3,658	2,729
Transfers out	(3,078)	(2,252)	(5,330)	(7,342)
Net cash provided (used) by noncapital financing activities	<u>369</u>	<u>(2,041)</u>	<u>(1,672)</u>	<u>(4,613)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	(5,080)	-	(5,080)	-
Acquisition and construction of capital assets	(20,108)	-	(20,108)	(5,632)
Disposal of capital asset	(24,411)	97,261	72,850	-
Net cash provided (used) by capital and related financing activities	<u>(49,599)</u>	<u>97,261</u>	<u>47,662</u>	<u>(5,632)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	3,204	2,252	5,456	7,342
Net cash provided by investing activities	<u>3,204</u>	<u>2,252</u>	<u>5,456</u>	<u>7,342</u>
Net increase (decrease) in cash and cash equivalents	(28,051)	117,222	89,171	58,032
Cash and investments, January 1	167,333	122,408	289,741	231,709
Cash and investments, December 31	<u>\$ 139,282</u>	<u>\$ 239,630</u>	<u>\$ 378,912</u>	<u>\$ 289,741</u>
Cash and cash equivalents are comprised of the following:				
Cash and cash equivalents	\$ 98,618	\$ 239,630	\$ 338,248	\$ 245,027
Restricted cash and cash equivalents	40,664	-	40,664	44,714
Total cash and equivalents on the Statement of Net Assets	<u>\$ 139,282</u>	<u>\$ 239,630</u>	<u>\$ 378,912</u>	<u>\$ 289,741</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 5,596	\$ 15,143	\$ 20,739	\$ 34,128
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation expense	8,930	11,095	20,025	18,706
Change in assets and liabilities:				
Taxes receivable delinquent	449	-	449	742
Receivables, net	3,845	-	3,845	(5,518)
Intergovernmental receivable	8	-	8	1,207
Prepaid	498	2	500	(494)
Accounts payable	(1,440)	(6,780)	(8,220)	9,403
Accrued vacation payable	114	-	114	89
Accrued salaries payable	(25)	290	265	2,672
Net cash provided (used) by operating activities	<u>\$ 17,975</u>	<u>\$ 19,750</u>	<u>\$ 37,725</u>	<u>\$ 60,935</u>

City of Minot, North Dakota
Internal Service Funds

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

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

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

City of Minot, North Dakota
Combining Statement of Net Assets
Internal Service Funds
December 31, 2009
With Comparative Totals for December 31, 2008

	Central Garage	Self Insurance	Total Internal Service Funds 2009	Total Internal Service Funds 2008
ASSETS				
Cash and investments	\$ 154,722	\$1,080,547	\$1,235,269	\$1,415,138
Accounts receivable	5,333	-	5,333	3,932
Inventory	323,581	-	323,581	295,492
Total assets	<u>\$ 483,636</u>	<u>\$1,080,547</u>	<u>\$1,564,183</u>	<u>\$1,714,562</u>
LIABILITIES				
Accounts payable	\$ 92,084	\$ 68,219	\$ 160,303	\$ 52,158
Insurance claims payable	-	143,245	143,245	115,481
Total liabilities	<u>92,084</u>	<u>211,464</u>	<u>303,548</u>	<u>167,639</u>
NET ASSETS				
Unrestricted	391,552	869,083	1,260,635	1,546,923
Total net assets	<u>\$ 391,552</u>	<u>\$ 869,083</u>	<u>\$1,260,635</u>	<u>\$1,546,923</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Central Garage	Self Insurance	Total Internal Service Funds 2009	Total Internal Service Funds 2008
OPERATING REVENUES				
Sales	\$ 698,283	\$ -	\$ 698,283	\$ 860,767
Cost of goods sold	(654,356)	-	(654,356)	(787,528)
Gross margin	43,927	-	43,927	73,239
Charges for services				
Employer	-	1,280,901	1,280,901	1,324,373
Employee	-	657,736	657,736	683,654
Total operating revenues	43,927	1,938,637	1,982,564	2,081,266
OPERATING EXPENSES				
Professional and technical	61	-	61	52
Supplies	39,081	-	39,081	65,730
Insurance claims	-	2,198,581	2,198,581	2,173,648
Total operating expenses	39,142	2,198,581	2,237,723	2,239,430
Operating income (loss)	4,785	(259,944)	(255,159)	(158,164)
NON-OPERATING REVENUES (EXPENSES)				
Interest income	1,630	30,357	31,987	42,543
Miscellaneous income (expense)	(13,787)	(49,329)	(63,116)	(98,789)
Total non-operating revenues (expenses)	(12,157)	(18,972)	(31,129)	(56,246)
Income (loss) before transfers	(7,372)	(278,916)	(286,288)	(214,410)
Transfers out	-	-	-	(42,540)
Total transfers in (out)	-	-	-	(42,540)
Change in net assets	(7,372)	(278,916)	(286,288)	(256,950)
Net assets, January 1	398,924	1,147,999	1,546,923	1,803,873
Net assets, December 31	\$ 391,552	\$ 869,083	\$ 1,260,635	\$ 1,546,923

City of Minot, North Dakota
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Central Garage	Self Insurance	Total Internal Service Funds 2009	Total Internal Service Funds 2008
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 668,793	\$1,938,637	\$2,607,430	\$2,901,460
Payments to suppliers	(653,572)	(2,102,598)	(2,756,170)	(2,923,537)
Net cash provided (used) by operating activities	<u>15,221</u>	<u>(163,961)</u>	<u>(148,740)</u>	<u>(22,077)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	-	-	-	(42,540)
Internal activity - payments from (to) other funds	(13,787)	(49,329)	(63,116)	(98,789)
Net cash provided (used) by noncapital financing activities	<u>(13,787)</u>	<u>(49,329)</u>	<u>(63,116)</u>	<u>(141,329)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	1,630	30,357	31,987	42,543
Net cash provided by investing activities	<u>1,630</u>	<u>30,357</u>	<u>31,987</u>	<u>42,543</u>
Net increase in cash and cash equivalents	3,064	(182,933)	(179,869)	(120,863)
Cash and investments, January 1	151,658	1,263,480	1,415,138	1,536,001
Cash and investments, December 31	<u>\$ 154,722</u>	<u>\$1,080,547</u>	<u>\$1,235,269</u>	<u>\$1,415,138</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 4,785	\$ (259,944)	\$ (255,159)	\$ (158,164)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Change in assets and liabilities				
Receivables, net	(1,401)	-	(1,401)	1,292
Inventory	(28,089)	-	(28,089)	31,374
Accounts payable	39,926	68,219	108,145	52,158
Insurance claims payable	-	27,764	27,764	51,263
Net cash provided (used) by operating activities	<u>\$ 15,221</u>	<u>\$ (163,961)</u>	<u>\$ (148,740)</u>	<u>\$ (22,077)</u>

City of Minot, North Dakota Trust and Agency Funds

TRUST FUNDS - A pension trust fund is a fund made up of money contributed to by both the employer and the employee for pension benefits. A trustee administers the funds and invests the money, collects the earnings and interest and distributes the benefits. Additional information is provided below for some of the major funds in this category.

City Employee Pension - Arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits (including refunds of member contributions) to any of the plan members or beneficiaries, as defined by the terms of the plan.

OPEB - Other Postemployment Benefits include postemployment healthcare benefits, regardless of the type of plan that provides them, and all postemployment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

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

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

Employer Social Security - To account for the receipt and disbursement of employer and employee contributions to social security.

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

City of Minot, North Dakota
Combining Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2009
With Comparative Totals for December 31, 2008

	Pension Trust	OPEB Trust	Total Fiduciary Funds 2009	Total Fiduciary Funds 2008
ASSETS				
Cash and cash equivalents	\$ 72,567	\$ -	\$ 72,567	\$ 79,137
Investments				
Money market	158,594	4,146	162,740	500,148
Equity/stocks	21,073,641	126,386	21,200,027	14,280,315
Fixed income-tax exempt	620,832	-	620,832	852,690
Fixed income-taxable	23,798,479	113,766	23,912,245	25,666,613
Total investments	45,651,546	244,298	45,895,844	41,299,766
Taxes receivable delinquent	42,253	-	42,253	45,919
Accounts receivable	143,797	32,700	176,497	-
Due from other funds	32,700	-	32,700	-
Intergovernmental receivable	504	-	504	580
Total assets	<u>\$45,943,367</u>	<u>\$ 276,998</u>	<u>\$46,220,365</u>	<u>\$41,425,402</u>
LIABILITIES				
Due to others	\$ 148,326	\$ 82,435	\$ 230,761	\$ 134,612
Due to other funds	-	32,700	32,700	-
Deferred revenue	49,985	-	49,985	46,950
Total liabilities	<u>198,311</u>	<u>115,135</u>	<u>313,446</u>	<u>181,562</u>
NET ASSETS				
Assets held in trust for pension benefits	45,745,056	-	45,745,056	41,243,840
Assets held in trust for OPEB benefits	-	161,863	161,863	(7,607)
Total net assets	<u>\$45,745,056</u>	<u>\$ 161,863</u>	<u>\$45,906,919</u>	<u>\$41,243,840</u>

City of Minot, North Dakota
Combining Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

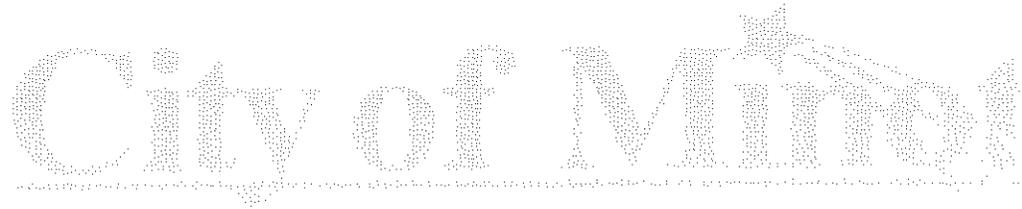
	Pension Trust	OPEB Trust	Total Fiduciary Funds 2009	Total Fiduciary Funds 2008
ADDITIONS				
Contributions				
Employer	\$ 1,905,577	\$ 196,192	\$ 2,101,769	\$ 1,887,923
Employee	1,906,527	421,468	2,327,995	2,152,879
Total contributions	<u>3,812,104</u>	<u>617,660</u>	<u>4,429,764</u>	<u>4,040,802</u>
Investment income				
Interest and dividends	1,568,215	4,839	1,573,054	1,820,706
Net increase (decrease) in the fair value of investments	4,918,011	33,374	4,951,385	(10,309,119)
Total investment income	<u>6,486,226</u>	<u>38,213</u>	<u>6,524,439</u>	<u>(8,488,413)</u>
Less investment expense	96,397	201	96,598	109,722
Net investment income	<u>6,389,829</u>	<u>38,012</u>	<u>6,427,841</u>	<u>(8,598,135)</u>
Total additions	<u>10,201,933</u>	<u>655,672</u>	<u>10,857,605</u>	<u>(4,557,333)</u>
DEDUCTIONS				
Benefits paid to plan member and beneficiaries	5,098,539	-	5,098,539	4,791,651
Refunds paid to plan member and beneficiaries	306,749	-	306,749	136,442
Retiree claims	-	355,213	355,213	418,013
Third party premiums	-	130,989	130,989	110,721
Administrative expenses	303,036	-	303,036	282,078
Total deductions	<u>5,708,324</u>	<u>486,202</u>	<u>6,194,526</u>	<u>5,738,905</u>
Change in net assets	4,493,609	169,470	4,663,079	(10,296,238)
Net assets, January 1	41,251,447	(7,607)	41,243,840	51,540,078
Net assets, December 31	<u>\$45,745,056</u>	<u>\$ 161,863</u>	<u>\$45,906,919</u>	<u>\$41,243,840</u>

City of Minot, North Dakota
Combining Statement of Net Assets
Agency Funds
December 31, 2009
With Comparative Totals for December 31, 2008

	Payroll Deductions	Employer Social Security	Hotel/ Motel Tax	Total Agency Funds 2009	Total Agency Funds 2008
ASSETS					
Cash and investments	\$ 23,150	\$ -	\$ 57,758	\$ 80,908	\$ 68,419
Taxes receivable delinquent	-	2,836	-	2,836	3,093
Accounts receivable	8,218	-	7,692	15,910	-
Intergovernmental receivable	-	33	1,351	1,384	38
Total assets	<u>\$ 31,368</u>	<u>\$ 2,869</u>	<u>\$ 66,801</u>	<u>\$ 101,038</u>	<u>\$ 71,550</u>
LIABILITIES					
Accounts payable	\$ 31,368	\$ -	\$ 66,801	\$ 98,169	\$ 71,550
Deferred revenue	-	2,869	-	2,869	-
Total liabilities	<u>\$ 31,368</u>	<u>\$ 2,869</u>	<u>\$ 66,801</u>	<u>\$ 101,038</u>	<u>\$ 71,550</u>

City of Minot, North Dakota
Agency Funds Combining Statements of Changes in Assets and Liabilities
For the Fiscal Year Ended December 31, 2009
With Comparative Totals for December 31, 2008

	Beginning	Additions	Deletions	Ending
PAYROLL DEDUCTIONS				
Assets				
Cash and investments	\$ 19,549	\$ 2,907,854	\$ 2,904,253	\$ 23,150
Accounts receivable	-	8,218	-	8,218
Total assets	<u>\$ 19,549</u>	<u>\$ 2,907,854</u>	<u>\$ 2,904,253</u>	<u>\$ 23,150</u>
Liabilities				
Accounts payable	\$ 19,549	\$ 455,579	\$ 467,398	\$ 31,368
Total liabilities	<u>\$ 19,549</u>	<u>\$ 455,579</u>	<u>\$ 467,398</u>	<u>\$ 31,368</u>
EMPLOYER SOCIAL SECURITY				
Assets				
Cash and investments	\$ -	\$ 107,742	\$ 107,742	\$ -
Taxes receivable current	-	90,878	90,878	-
Taxes receivable delinquent	3,093	1,777	2,034	2,836
Intergovernmental receivable	38	54	59	33
Total assets	<u>\$ 3,131</u>	<u>\$ 200,451</u>	<u>\$ 200,713</u>	<u>\$ 2,869</u>
Liabilities				
Deferred revenue	\$ 3,131	\$ 91,509	\$ 91,247	\$ 2,869
Total liabilities	<u>\$ 3,131</u>	<u>\$ 91,509</u>	<u>\$ 91,247</u>	<u>\$ 2,869</u>
HOTEL/MOTEL TAX				
Assets				
Cash and investments	\$ 48,870	\$ 837,020	\$ 828,132	\$ 57,758
Accounts receivable	-	7,692	-	7,692
Intergovernmental receivable	-	1,351	-	1,351
Total assets	<u>\$ 48,870</u>	<u>\$ 846,063</u>	<u>\$ 828,132</u>	<u>\$ 66,801</u>
Liabilities				
Accounts payable	\$ 48,870	\$ 1,970,660	\$ 1,988,591	\$ 66,801
TOTAL 2009				
Assets				
Cash and investments	\$ 68,419	\$ 3,852,616	\$ 3,840,127	\$ 80,908
Taxes receivable delinquent	3,093	1,777	2,034	2,836
Accounts receivable	-	15,910	-	15,910
Intergovernmental receivable	38	1,405	59	1,384
Total assets	<u>\$ 71,550</u>	<u>\$ 3,871,708</u>	<u>\$ 3,842,220</u>	<u>\$ 101,038</u>
Liabilities				
Accounts payable	\$ 68,419	\$ 2,426,239	\$ 2,455,989	\$ 98,169
Deferred revenue	3,131	91,509	91,247	2,869
Total liabilities	<u>\$ 71,550</u>	<u>\$ 2,517,748</u>	<u>\$ 2,547,236</u>	<u>\$ 101,038</u>
TOTAL 2008				
Assets				
Cash and investments	\$ 2,251	\$ 4,056,396	\$ 3,990,228	\$ 68,419
Taxes receivable delinquent	3,024	1,694	1,625	3,093
Due from other agencies	-	38	-	38
Total assets	<u>\$ 5,275</u>	<u>\$ 4,058,128</u>	<u>\$ 3,991,853</u>	<u>\$ 71,550</u>
Liabilities				
Accounts payable	\$ -	\$ 892,458	\$ 892,458	\$ -
Due to other agencies	5,275	4,145,528	4,079,253	71,550
Total liabilities	<u>\$ 5,275</u>	<u>\$ 5,037,986</u>	<u>\$ 4,971,711</u>	<u>\$ 71,550</u>



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Capital

Assets

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source December 31, 2009 and 2008

GOVERNMENTAL FUNDS CAPITAL ASSETS	2009	2008
Land	\$ 6,844,919	\$ 6,844,919
Buildings	13,143,700	12,760,598
Equipment	12,235,206	11,294,128
Infrastructure	98,535,474	94,754,982
Intangible assets - software	210,886	210,886
Books	4,326,561	4,152,364
Construction in progress	1,888,071	1,088,656
Total governmental funds capital assets	<u>\$137,184,817</u>	<u>\$131,106,533</u>
 INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE		
Capital project funds		
General obligation bonds and levies	\$ 9,816,627	\$ 10,441,301
Revenue bonds	190,916	190,916
Sales tax	9,681,891	8,916,411
Federal grants	52,737,830	50,763,541
State grants	2,251,318	2,251,318
County grants	1,216,423	1,216,423
Contributions from others	22,397,684	19,568,426
General fund	20,782,218	19,975,633
Special revenue	15,990,524	15,650,529
Urban renewal	465,739	465,739
Enterprise fund	1,653,647	1,666,296
Total governmental funds capital assets	<u>\$137,184,817</u>	<u>\$131,106,533</u>

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
 Schedule by Function and Activity
 December 31, 2009
 With Comparative Totals for December 31, 2008

FUNCTION OR ACTIVITY	Land	Buildings	Equipment	Infrastructure	Intangible Assets	Books	Construction in Process	2009	2008
General Government									
Civic center/property maintenance	\$ 49,374	\$ 3,429,528	\$ 58,786	\$ 305,527	\$ -	\$ -	\$ -	\$ 3,843,215	\$ 3,859,378
Finance	-	-	19,230	-	-	-	-	19,230	-
Information technology	-	-	10,051	-	178,386	-	-	188,437	178,386
Assessor	-	-	81,977	-	32,500	-	-	114,477	113,887
Engineering	-	421,334	242,572	-	-	-	-	663,906	615,378
Inspection	-	-	135,724	-	-	-	-	135,724	191,013
Traffic control	-	-	482,529	5,601,442	-	-	-	6,083,971	6,015,446
Public works	-	1,432,856	73,147	-	-	-	-	1,506,003	1,491,103
General	5,610,394	119,425	1,108,935	1,827,769	-	-	139,399	8,805,922	8,728,089
Total general government	5,659,768	5,403,143	2,212,951	7,734,738	210,886	-	139,399	21,360,885	21,192,680
Public Safety									
Police	-	161,536	2,777,435	339,344	-	-	-	3,278,315	3,071,220
Fire	243,861	2,513,993	2,499,181	-	-	-	24,896	5,281,931	5,035,218
Total public safety	243,861	2,675,529	5,276,616	339,344	-	-	24,896	8,560,246	8,106,438
Street	511,289	374,626	2,160,002	89,294,067	-	-	1,699,007	94,038,991	89,019,145
Shop	-	-	98,312	-	-	-	-	98,312	87,112
Library	7,624	3,128,995	27,191	-	-	4,326,561	-	7,490,371	7,322,144
Public transportation	-	853,027	1,473,267	-	-	-	-	2,326,294	2,335,494
Recreation	422,377	708,380	986,867	1,167,325	-	-	24,769	3,309,718	3,043,520
Total governmental funds	\$ 6,844,919	\$ 13,143,700	\$ 12,235,206	\$ 98,535,474	\$ 210,886	\$ 4,326,561	\$ 1,888,071	\$ 137,184,817	\$ 131,106,533

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function Activity
December 31, 2009

FUNCTION/ACTIVITY	Governmental Fund Capital Assets				Deletions	Transfers	Construction in Process	Governmental Fund Capital Assets December 31
	January 1	Additions						
GENERAL GOVERNMENT								
Civic center/property maintenance	\$ 3,859,378	\$ -	\$ 1,000	\$ (15,163)	\$ -	\$ -	\$ 3,843,215	
Finance	-	-	-	19,230	-	-	19,230	
Information technology	178,386	10,051	-	-	-	-	188,437	
Assessor	113,887	-	20,573	21,163	-	-	114,477	
Engineering	615,378	35,372	28,009	41,165	-	-	663,906	
Inspection	191,013	17,753	101,221	28,179	-	-	135,724	
Traffic control	6,015,446	50,772	-	17,753	-	-	6,083,971	
Public works	1,491,103	-	-	14,900	-	-	1,506,003	
General	8,728,089	200,624	262,190	-	139,399	-	8,805,922	
Total general government	21,192,680	314,572	412,993	127,227	139,399	-	21,360,885	
PUBLIC SAFETY								
Police	3,071,220	563,944	139,898	(216,951)	-	-	3,278,315	
Fire	5,035,218	200,000	-	21,817	24,896	-	5,281,931	
Total public safety	8,106,438	763,944	139,898	(195,134)	24,896	-	8,560,246	
Street	89,019,145	6,444,031	928,832	(2,194,360)	1,699,007	-	94,038,991	
Shop	87,112	2,000	-	9,200	-	-	98,312	
Library	7,322,144	174,197	5,970	-	-	-	7,490,371	
Public transportation	2,335,494	-	-	(9,200)	-	-	2,326,294	
Recreation	3,043,520	216,497	-	24,932	24,769	-	3,309,718	
Total governmental funds	\$ 131,106,533	\$ 7,915,241	\$ 1,487,693	\$ (2,237,335)	\$ 1,888,071	\$ -	\$ 137,184,817	

City of Minot, North Dakota
Capital Assets Used in the Operations of Governmental Funds
Comparative Schedule of Changes in Governmental Capital Assets by Source
December 31, 2009
With Comparative Totals for December 31, 2008

	Land	Buildings	Equipment	Infrastructure	Intangible Assets	Books	Construction In Process	2009	2008
GOVERNMENTAL FUNDS CAPITAL ASSETS JANUARY 1,	\$ 6,844,919	\$ 12,760,598	\$ 11,294,128	\$ 94,754,982	\$ 210,886	\$ 4,152,364	\$ 1,088,656	\$ 131,106,533	\$ 115,255,750
ADDITIONS									
General fund	-	383,102	1,211,429	5,930,017	-	-	1,542,257	9,066,805	15,724,300
Special revenue	-	-	108,870	107,628	-	174,197	68,641	459,336	228,501
Transferred from enterprise	-	-	113,017	-	-	-	-	113,017	24,139
General fund transfers	-	-	237,237	-	-	-	-	237,237	-
Total additions	-	383,102	1,670,553	6,037,645	-	174,197	1,610,898	9,876,395	15,976,940
Total balance & additions	6,844,919	13,143,700	12,964,681	100,792,627	210,886	4,326,561	2,699,554	140,982,928	131,232,690
DEDUCTIONS									
Capital assets traded	-	-	110,258	-	-	-	-	110,258	26,728
Capital assets sold	-	-	161,018	-	-	-	-	161,018	79,528
Capitalized	-	-	-	-	-	-	811,483	811,483	-
Written off	-	-	127,763	-	-	-	-	127,763	19,901
Transferred to enterprise	-	-	93,199	2,257,153	-	-	-	2,350,352	-
General fund transfers	-	-	237,237	-	-	-	-	237,237	-
Total deductions	-	-	729,475	2,257,153	-	-	811,483	3,798,111	126,157
GENERAL CAPITAL ASSETS DECEMBER 31,	\$ 6,844,919	\$ 13,143,700	\$ 12,235,206	\$ 98,535,474	\$ 210,886	\$ 4,326,561	\$ 1,888,071	\$ 137,184,817	\$ 131,106,533



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City of Minot, North Dakota Statistical Section

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

The Statistical Section is presented in five categories:

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

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

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

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

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

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

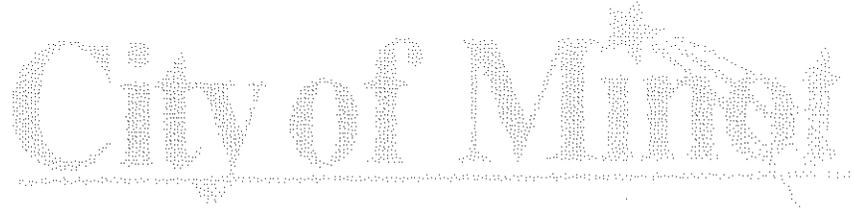
Demographic and Economic - schedules are intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and with other governments.

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

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

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

Sources: Unless otherwise noted, the information in the schedules is from the Comprehensive Annual Financial Reports of the City of Minot for the current year and prior years as presented. If less than 10 years of information is presented the schedule will provide an explanation. The City of Minot implemented GASB 34 for the fiscal year ended December 31, 2001. With the 2009 CAFR the City of Minot implemented GASB #54.



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City of Minot, North Dakota
Net Assets by Component
Last Ten Fiscal Years*
(accural basis of accounting)
unaudited

	2001**	2002	2003	2004	2005	Restated 2006	2007	2008	2009
Governmental activities									
Invested in capital assets, net of related debt	\$ (4,132,706)	\$ 27,618,820	\$ 31,309,332	\$ 51,958,589	\$ 46,333,667	\$ 50,713,665	\$ 59,701,807	\$ 66,709,351	\$ 76,811,701
Restricted for:									
Debt service	136,142	1,021,187	1,373,926	944,364	442,745	1,910,960	2,617,579	2,025,734	2,643,771
Capital projects	6,286,203	8,403,858	11,116,994	11,118,792	15,999,116	20,310,497	24,733,175	-	-
Highway projects	-	-	-	-	-	-	-	4,240,289	2,833,320
Economic development	-	-	-	-	-	-	-	1,997,969	2,837,842
Flood control	-	-	-	-	-	-	-	2,207,545	2,202,085
NAWS	-	-	-	-	-	-	-	27,989,367	28,404,171
Other purposes	-	-	-	-	-	735,412	715,775	14,186,277	466,931
Unrestricted	16,068,448	9,415,049	19,164,126	11,114,418	15,107,715	14,336,538	24,515,171	12,902,703	19,515,667
Total governmental activities net assets	\$ 18,358,087	\$ 46,458,914	\$ 62,964,378	\$ 75,136,163	\$ 77,883,243	\$ 88,007,072	\$ 112,283,507	\$ 132,259,235	\$ 135,715,488
Business-type activities									
Invested in capital assets, net of related debt	\$ 37,972,659	\$ 50,309,487	\$ 53,280,312	\$ 51,899,651	\$ 58,821,571	\$ 58,453,802	\$ 57,707,036	\$ 51,274,183	\$ 61,496,412
Restricted for:									
Debt service	5,482,401	5,050,928	6,282,767	4,525,305	4,479,980	4,645,085	5,601,055	4,101,853	4,300,303
Other purposes	39,605	40,182	42,580	41,792	42,163	43,474	43,874	44,714	40,664
Unrestricted	-	-	-	-	-	-	-	6,319,775	3,589,808
Total business-type activities net assets	\$ 43,455,060	\$ 55,360,415	\$ 59,563,079	\$ 56,424,956	\$ 63,301,551	\$ 63,098,887	\$ 63,308,090	\$ 61,740,525	\$ 69,427,187
Government-wide activities									
Invested in capital assets, net of related debt	\$ 33,839,953	\$ 77,928,307	\$ 84,589,644	\$ 103,858,240	\$ 105,155,238	\$ 109,167,467	\$ 117,408,843	\$ 117,983,534	\$ 138,308,113
Restricted	6,461,950	9,465,227	12,533,500	12,104,948	16,484,024	22,264,931	28,110,403	56,793,748	43,729,087
Unrestricted	21,550,849	14,465,977	25,446,893	15,639,723	19,587,695	23,331,348	30,116,225	19,222,478	23,105,475
Total government net assets	\$ 61,852,752	\$ 101,859,511	\$ 122,570,037	\$ 131,602,911	\$ 141,226,937	\$ 154,763,746	\$ 175,635,471	\$ 193,999,760	\$ 205,142,675

* This report is new with the 2004 CAFR, and these line items have only been available since the City implemented GABS #34 with our fiscal year ended December 31, 2001.

** Capital Assets were not included in 2001, they were added starting in 2002.

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

	Restated									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	
EXPENSES										
Governmental activities										
General government	\$ 6,703,291	\$ 8,994,383	\$ 7,504,143	\$ 11,754,173	\$ 7,604,240	\$ 8,428,173	\$ 10,581,242	\$ 12,610,950	\$ 15,791,433	
Public safety	6,349,105	6,614,253	7,046,392	7,596,040	7,672,804	7,903,316	8,585,950	8,784,220	9,621,297	
Highways and streets	2,431,141	3,771,929	2,500,445	3,942,303	4,060,526	3,875,190	4,525,555	5,943,486	6,884,847	
Culture and recreation	1,937,281	1,757,139	2,067,089	2,440,820	1,952,237	1,952,705	3,709,916	3,603,029	2,927,935	
Community development	2,717,852	35,641	587,920	645,376	551,207	408,008	2,717,155	3,882,862	932,000	
Interest on long-term debt	900,023	934,073	899,139	779,285	559,525	727,521	806,265	939,131	952,970	
Total governmental activities expenses	21,038,693	22,107,418	20,605,128	27,157,997	22,400,539	23,294,913	30,926,082	35,763,678	37,110,482	
Business-type activities										
Airport	1,889,375	1,763,660	1,893,121	2,307,295	2,359,727	2,675,382	2,765,722	4,213,797	3,747,615	
Cemetery	214,164	222,538	213,527	225,415	228,538	222,139	213,392	226,999	245,719	
Parking authority	174,108	170,617	182,440	176,985	165,161	178,147	115,667	113,232	121,475	
Sanitation	1,649,318	1,633,854	1,823,056	2,397,135	1,898,475	1,924,082	1,841,238	2,021,582	2,327,461	
Water and sewer	6,017,143	6,146,502	6,560,712	7,283,610	7,500,357	8,464,880	9,179,295	9,760,782	11,249,918	
Total business-type activities expenses	9,944,108	9,937,171	10,672,856	12,390,440	12,152,258	13,464,650	14,115,314	16,336,392	17,692,188	
Total government expenses	30,982,801	32,044,589	31,277,984	39,548,437	34,552,797	36,759,563	45,041,397	52,100,070	54,802,670	
PROGRAM REVENUES										
Governmental activities										
Charges for services										
General government	2,929,596	3,531,166	3,867,504	4,567,494	4,901,177	5,063,202	4,182,085	5,599,611	6,053,336	
Public safety	559,843	547,670	877,607	820,566	835,844	917,002	907,811	1,166,387	1,147,007	
Highways and streets	5,696	10,196	39,946	43,046	38,913	-	-	467,716	63,523	
Culture and recreation	11,792	11,652	45,652	49,195	44,472	54,016	474,985	442,346	-	
Operating grants and contributions										
General government	1,534,042	289,859	937,622	816,833	414,555	299,813	675,890	1,051,271	2,313,214	
Public safety	136,276	144,039	86,394	95,886	70,360	103,032	70,435	78,953	99,507	
Highways and streets	-	-	-	2,619,461	-	-	-	-	547,985	
Capital grants and contributions										
General government	1,478,747	1,379,845	1,327,028	533,831	126,655	55,949	726,303	2,635,216	1,182,924	
Public safety	-	-	-	-	-	-	-	1,136,547	-	
Highways and streets	-	-	8,139,850	4,425,385	-	3,539,693	11,784,624	8,600,269	1,809,135	
Culture and recreation	-	-	-	-	-	-	-	4,737	-	
Community development	-	-	-	-	-	-	-	555,519	-	
Total governmental activities program revenues	6,655,992	5,914,427	15,321,603	13,971,697	6,431,976	10,032,707	18,822,133	21,738,572	13,216,632	
Business-type activities										
Charges for services										
Airport	870,528	934,580	972,965	892,093	952,201	998,941	1,142,638	2,447,799	2,083,123	
Cemetery	148,694	172,217	155,278	152,580	172,847	225,234	200,333	235,546	251,298	
Parking authority	193,422	187,177	174,441	174,464	160,299	123,237	136,713	145,125	136,618	
Sanitation	1,992,773	1,849,448	1,830,479	1,984,815	1,938,064	2,099,706	2,148,607	2,706,534	3,179,491	
Water and sewer	6,082,779	6,120,192	6,416,205	6,849,133	7,192,105	7,635,599	7,686,895	8,448,601	9,276,724	
Operating grants and contributions										
Airport	167,182	283,684	283,152	293,426	295,190	282,857	263,381	262,539	241,680	

	2001	2002	2003	2004	2005	Restated 2006	2007	2008	2009
Capital grants and contributions									
Airport	\$ 4,899,936	\$ 5,229,442	\$ 1,992,422	\$ 150,557	\$ 1,326,349	\$ 683,772	\$ 1,696,337	\$ 502,264	\$ 1,229,346
Cemetery	-	606	2,880	250	99	309	-	-	(5,080)
Parking authority	-	-	54,600	-	-	-	-	-	52,921
Sanitation	-	-	-	-	-	-	10,165	248,926	1,400
Water and sewer	-	129,097	2,990,415	628,482	519,377	1,294,055	1,965,477	1,805,074	4,871,427
Total business-type activities program revenues	14,357,315	14,908,445	15,029,236	10,973,468	12,578,536	13,345,716	15,250,546	16,802,408	21,318,947
Total government program revenues	21,013,307	20,822,872	30,350,839	24,945,165	19,010,512	23,378,423	34,072,679	38,540,980	34,335,379
Net revenue (expense)	(14,382,701)	(16,192,991)	(5,283,525)	(13,186,300)	(15,968,363)	(5,015,283)	(12,103,949)	(14,025,106)	(23,893,850)
Governmental activities	4,413,207	4,971,274	4,356,380	(1,416,972)	426,278	(120,940)	1,135,230	466,016	3,626,759
Business-type activities	(9,969,494)	(11,221,717)	(927,145)	(14,603,272)	(15,542,285)	(5,136,223)	(10,968,718)	(13,559,090)	(20,267,091)

GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS

Governmental activities									
Taxes									
Property taxes, levied for general purposes	5,890,594	6,121,577	6,333,804	6,412,849	6,327,110	7,065,705	7,665,997	7,787,046	8,147,645
Property taxes, levied for debt service	953,223	853,386	954,337	1,042,433	1,065,170	998,952	1,142,353	1,152,519	1,064,857
Sales taxes	8,993,959	9,668,627	9,537,654	10,127,486	11,021,415	11,920,592	13,242,768	14,639,441	14,845,915
Municipal highway tax	1,443,352	1,490,695	1,454,460	1,483,320	1,622,132	1,683,303	1,769,430	1,862,605	1,802,746
State aid distribution-unrestricted	1,083,818	1,068,268	1,062,948	1,224,252	1,321,497	1,424,650	1,620,893	1,985,198	1,894,613
Franchise taxes	259,244	269,602	299,824	348,130	348,019	370,158	400,264	442,420	483,377
Other taxes	280,398	656,423	326,351	301,605	321,245	309,801	287,113	298,025	292,845
Grants and contributions not restricted to specific programs									
Investment earnings	848,083	876,509	627,567	329,216	892,061	1,643,502	2,282,098	1,468,090	961,136
Miscellaneous	957,633	1,050,349	713,914	1,092,462	1,005,293	963,821	2,896,504	2,012,030	1,282,593
Transfers	172,516	434,927	478,130	2,096,332	(5,208,299)	675,813	1,458,649	2,353,460	(3,425,624)
Total governmental activities	20,882,820	22,490,363	21,788,989	25,358,085	18,715,643	27,056,297	32,766,069	34,000,834	27,350,103
Business-type activities:									
Taxes									
Property taxes, levied for general purposes	130,384	78,317	82,585	21,221	39,515	47,185	34,608	73,047	281,001
State aid distribution	3,800	3,800	3,800	3,800	-	-	-	-	-
Other taxes	247,015	198,737	102,183	199,379	182,858	322,184	164,724	78,526	65,609
Investment earnings	278,405	189,444	119,508	102,814	144,680	91,364	226,834	139,967	215,446
Miscellaneous	23,652	25,300	20,739	49,183	877,341	134,667	106,857	(15,535)	72,223
Transfers	(172,516)	(434,927)	(478,130)	(2,096,332)	5,208,299	(675,813)	(1,458,649)	(2,353,460)	3,425,624
Total business-type activities	510,740	60,671	(149,315)	(1,719,935)	6,452,693	(80,413)	(925,626)	(2,077,455)	4,059,903
Total government	21,393,560	22,551,034	21,639,674	23,638,150	25,168,336	26,975,884	31,840,443	31,923,379	31,410,006
Change in net assets									
Governmental activities	6,500,119	6,297,372	16,505,464	12,171,785	2,747,080	13,738,142	20,662,120	19,975,728	3,456,253
Business-type activities	4,921,946	5,029,943	4,205,062	(3,138,911)	6,876,966	(201,353)	209,606	(1,611,439)	7,686,662
Total government ¹	\$ 11,422,065	\$ 11,327,315	\$ 20,710,526	\$ 9,032,874	\$ 9,624,046	\$ 13,536,789	\$ 20,871,725	\$ 18,364,289	\$ 11,142,915

* This report is new with the 2004 CAFR, and these line items have only been available since the City implemented GABS #34 with our fiscal year ended December 31, 2001.

¹ The increase in 2003 was primarily due to a temporary debt issue for construction of South Broadway for \$10,000,000 repaid in 2004.

City of Minot, North Dakota
Fund Balances of Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)
 unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009*
General fund										
Reserved	\$ 11,254	\$ 27,481	\$ 29,902	\$ 25,417	\$ 5,021	\$ 6,734	\$ -	\$ 66,542	\$ -	\$ -
Unreserved	3,487,537	3,033,506	2,965,453	2,624,002	2,167,158	2,260,512	3,643,208	4,978,325	-	-
Nonspendable	-	-	-	-	-	-	-	-	39,225	4,746
Restricted	-	-	-	-	-	-	-	-	-	41,532
Committed	-	-	-	-	-	-	-	-	-	4,667
Assigned	-	-	-	-	-	-	-	-	21,453	259,042
Unassigned	-	-	-	-	-	-	-	-	6,373,912	6,956,811
Total general fund	\$ 3,498,791	\$ 3,060,987	\$ 2,995,355	\$ 2,649,419	\$ 2,172,179	\$ 2,267,246	\$ 3,643,208	\$ 5,044,867	\$ 6,434,590	\$ 7,266,798
All other governmental funds										
Reserved	\$ 9,883,911	\$ 11,826,051	\$ 12,552,412	\$ 15,283,772	\$ 13,393,529	\$ 17,512,029	\$ 21,126,377	\$ 27,285,887	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	(1,915,420)	(2,983,225)	(2,583,340)	(3,033,771)	3,180,398	4,823,207	7,797,181	8,493,078	-	-
Debt service funds	958,880	136,142	1,021,187	1,373,926	944,364	442,745	1,910,960	2,617,579	-	-
Capital project funds	(816,927)	395,947	(351,234)	520,760	(1,238,231)	2,515,273	2,908,277	2,503,510	-	-
Nonspendable	-	-	-	-	-	-	-	-	3,322,160	1,748,428
Restricted	-	-	-	-	-	-	-	-	30,645,782	37,780,280
Committed	-	-	-	-	-	-	-	-	8,318,890	2,531,471
Assigned	-	-	-	-	-	-	-	-	5,403,633	7,731,362
Unassigned	-	-	-	-	-	-	-	-	(111,496)	(622,965)
Total all other governmental funds	\$ 8,110,444	\$ 9,374,915	\$ 10,639,025	\$ 14,144,687	\$ 16,280,060	\$ 25,293,254	\$ 33,742,795	\$ 40,900,054	\$ 47,578,969	\$ 49,168,576

The increase in total fund balance from 2006 to 2007 is explained in the Management Discussion and Analysis.

* Implemented GASB #54 with 2009 CAFR

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

	2000	2001*	2002	2003	2004	2005	2006	2007	2008	2009
REVENUES										
Property taxes	\$ 6,475,184	\$ 6,775,332	\$ 6,912,390	\$ 7,221,351	\$ 7,393,732	\$ 7,331,800	\$ 7,995,420	\$ 8,730,892	\$ 8,855,449	\$ 9,123,666
Special assessment collections	604,724	644,304	826,078	916,817	833,144	884,137	702,392	669,155	779,292	1,216,553
Sales tax collections	9,070,485	8,993,959	9,668,627	9,537,654	10,127,486	11,021,415	11,920,592	13,242,768	14,639,441	14,845,915
Licenses and permits	384,335	344,806	345,873	413,553	502,408	607,474	647,390	607,708	744,303	701,740
Intergovernmental	4,264,213	5,123,131	4,296,948	13,510,969	7,379,165	4,612,249	4,695,404	5,348,836	6,716,698	8,123,997
Charges for services	2,720,102	2,295,849	2,889,849	2,983,946	3,558,377	3,788,077	4,281,728	3,821,965	4,540,984	5,018,590
Fines and forfeits	381,848	444,103	431,493	573,961	493,287	520,615	524,050	540,046	471,653	490,864
Interest income	1,004,368	848,083	876,509	604,167	329,216	892,061	1,643,502	2,282,098	1,468,090	961,136
Miscellaneous	695,650	957,633	1,050,349	713,914	1,992,462	1,005,293	963,821	2,896,504	2,012,030	1,282,593
Total revenues	25,600,909	26,427,200	27,298,116	36,476,332	32,609,277	30,663,121	33,374,299	38,139,972	40,227,940	41,765,054
EXPENDITURES										
General government	4,255,155	6,526,829	8,672,981	7,341,323	11,496,187	6,962,816	8,001,249	8,709,351	11,048,600	14,714,972
Public safety	5,506,917	6,084,587	6,349,779	6,758,687	7,231,044	7,311,855	7,501,383	7,828,236	8,191,065	8,736,792
Highways and streets	2,309,631	2,322,209	2,587,407	2,385,232	2,525,080	2,450,835	2,210,048	2,069,635	2,777,822	3,342,302
Culture and recreation	1,467,580	1,901,854	1,614,088	1,789,177	2,147,590	1,858,446	1,859,266	3,292,295	3,377,216	2,493,537
Economic development	2,136,108	2,717,852	35,641	587,920	645,376	551,207	408,008	2,717,155	3,882,862	932,000
Capital outlay	7,258,744	4,495,259	4,354,636	16,471,332	5,602,326	2,321,872	4,854,425	7,898,663	5,517,661	4,521,395
Debt retirement	-	-	-	-	-	-	-	-	-	-
Principal	2,375,000	2,510,000	4,870,800	2,435,000	2,620,000	2,395,000	2,415,000	2,520,000	2,655,000	2,420,000
Interest and fiscal charges	789,751	760,948	917,496	929,669	796,546	583,438	707,286	627,917	773,958	787,850
Intergovernmental	1,481,456	-	-	-	-	-	-	-	-	-
Total expenditures	27,580,342	27,319,538	29,402,828	38,698,340	33,064,149	24,435,469	27,956,665	35,663,252	38,224,184	37,948,848
Excess (deficiency) of revenues over (under) expenditures	(1,979,433)	(892,338)	(2,104,712)	(2,222,008)	(454,872)	6,227,652	5,417,634	2,476,720	2,003,756	3,816,206
OTHER FINANCING SOURCES (USES)										
General obligation bonds issued	1,780,000	1,530,000	2,850,000	2,675,000	-	2,355,000	2,810,000	1,785,000	1,720,000	2,005,000
Proceeds from loan issue	-	-	-	-	-	-	-	-	-	-
Special assessment bonds issued	-	1,740,000	(4,759)	2,205,000	-	-	910,000	2,715,000	1,905,000	-
Premium (discount) on debt issued	-	-	(4,759)	205	-	-	(15,658)	100	10,265	6,180
Principal retirement on current refunding	-	(1,725,000)	-	-	-	-	-	17,540	-	-
Sale of City Property	-	-	-	-	-	-	-	27,043	33,617	20,053
Transfers In	3,573,953	3,940,832	6,409,948	3,751,138	10,739,674	6,105,360	5,191,192	5,834,714	5,999,009	5,494,389
Transfers Out	(3,485,421)	(3,766,827)	(5,951,999)	(3,249,609)	(8,626,669)	(5,579,751)	(4,487,665)	(4,297,199)	(3,603,009)	(8,920,013)
Total other financing sources (uses)	1,868,532	1,719,005	3,303,190	5,381,734	2,113,005	2,880,609	4,407,869	6,082,198	6,064,882	(1,394,391)
Net change in fund balances	\$ (110,901)	\$ 826,667	\$ 1,198,478	\$ 3,159,726	\$ 1,658,133	\$ 9,108,261	\$ 9,825,503	\$ 8,558,918	\$ 8,068,638	\$ 2,421,815
Debt service as a percentage of noncapital expenditures	15.57%	14.33%	23.11%	15.14%	12.44%	13.47%	13.52%	11.34%	10.48%	9.60%

*GASB 34 implemented in 2001

City of Minot, North Dakota
Governmental Activities Tax Revenue by Source

Last Ten Fiscal Years

(accrual basis of accounting)
 unaudited

Year	Property Tax Levied for General Purposes	Property Tax Levied for Debt Service	* Sales Tax	Municipal Highway Tax	State Aid Distribution	Franchise Tax	Other Tax	Total	Population
2000	\$ 5,439,739	\$ 1,035,445	\$ 9,070,485	\$ 1,408,596	\$ 970,413	\$ 258,444	\$ 334,914	\$ 18,518,036	34,544
2001	5,890,594	953,223	8,993,959	1,443,352	1,083,818	259,244	280,398	18,904,588	36,567
2002	6,121,577	853,386	9,668,627	1,490,695	1,068,268	269,602	656,423	20,128,578	36,567
2003	6,333,804	954,337	9,537,654	1,454,460	1,062,948	299,824	326,351	19,969,378	36,567
2004	6,412,849	1,042,433	10,127,486	1,483,320	1,224,252	348,130	301,605	20,940,075	36,567
2005	6,327,110	1,065,170	11,021,415	1,622,132	1,321,497	348,019	321,245	22,026,588	36,567
2006	7,065,705	998,952	11,920,592	1,683,303	1,424,650	370,158	309,801	23,773,161	36,567
2007	7,665,997	1,142,353	13,242,768	1,769,430	1,620,893	400,264	287,113	26,128,818	36,567
2008	7,787,046	1,152,519	14,639,441	1,862,605	1,985,198	442,420	298,025	28,167,254	36,567
2009	8,147,645	1,064,857	14,845,915	1,802,746	1,894,613	483,377	292,845	28,531,998	36,567

* Sales Tax increased from 1% to 2%, with the additional 1% dedicated to the Northwest Area Water Supply project. The sales tax is a citizen voted tax. The original 1% is for capital improvements, economic development and property tax relief. The original 1% sales tax will expire June 30, 2014, unless extended by a vote of the citizens. In 1998, we began collecting the additional 1% for the Northwest Area Water Supply project.

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

(accrual basis of accounting)
 unaudited

Year	Population	City Direct Sales Tax Rate	(1)										Percentage of Taxable Sales & Purchases top ten permit holders
			Taxable Sales & Purchases	Property Tax Relief 10%	Original Economic Development 50%	Capital Improvements 40%	1% dedicated Northwest Area Water Supply 100%	Total Sales Tax Collections					
2000	34,544	2%	\$ 529,579,222	457,361	1,829,444	3,068,392	3,715,288	9,070,485	na				
2001	36,567	2%	537,932,451	453,548	1,814,193	2,267,741	4,458,477	8,993,959	na				
2002	36,567	2%	545,039,536	475,242	1,900,969	2,376,211	4,916,205	9,668,627	na				
2003	36,567	2%	562,646,219	476,882	1,907,531	2,384,414	4,768,827	9,537,654	34.16%				
2004	36,567	2%	607,684,297	506,374	2,025,497	2,531,872	5,063,743	10,127,486	34.02%				
2005	36,567	2%	632,611,203	551,071	2,204,283	2,755,354	5,510,707	11,021,415	33.51%				
2006	36,567	2%	673,620,128	596,030	2,384,118	2,980,148	5,960,296	11,920,592	33.16%				
2007	36,567	2%	741,745,928	662,138	2,648,554	3,310,692	6,621,384	13,242,768	33.51%				
2008	36,567	2%	839,876,644	728,717	2,914,868	3,643,585	7,287,170	14,574,340	32.92%				
2009	36,567	2%	905,704,967	742,296	2,969,183	3,711,479	7,422,957	14,845,915	31.10%				

In 1998, Sales Tax increased from 1% to 2%, with the additional 1% dedicated to the Northwest Area Water Supply project. The sales tax is a citizen voted tax. The original 1% is for capital improvements, economic development and property tax relief. The sales tax will expire June 30, 2014, unless extended by a vote of the citizens.

(1) Taxable Sales and Purchases figure are from the State of ND Sales Tax Department Sales and Use Tax Statistical Annual Report.

(2) This table is new with the 2009 CAFR, this information had not previously requested by the City to State and the State did not keep this percentage information from prior years.

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

Industry	2006	2007	2008
Construction	\$ 19,501,477	\$ 20,771,513	\$ 24,281,951
Manufacturing	26,302,204	26,747,454	30,885,053
Wholesale trade	71,115,002	84,416,178	102,051,071
Retail trade	407,725,973	446,711,074	502,811,606
Transportation & warehousing	3,932,535	4,996,441	5,573,468
Information industries	3,232,367	3,333,475	3,376,973
Fin. ins. real estate, rental & leasing	9,133,815	11,213,308	12,972,766
Professional, scientific, tech., & mgmt serv.	8,988,399	9,279,587	9,845,218
Educational, health care, & soc. services	3,184,550	3,002,059	2,772,035
Arts, entertainment & recreation	3,319,163	3,595,895	3,863,158
Accommodation & food services	89,727,364	99,568,279	114,272,513
Other services	21,582,457	21,041,752	20,765,032
Miscellaneous	5,874,822	7,068,913	6,405,800
Total Taxable Sales and Purchases	\$ 673,620,128	\$ 741,745,928	\$ 839,876,644

* Industry taxable sales and purchases figures are from the State of ND Sales Tax Department
 This is a new table with the 2009 CAFR, prior data is not available from the State due to a
 change in coding method and a change in software.

** at the time of printing the 2009 figures were not yet available from the State of ND.

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

Year	(1) Commercial Land and Buildings	(1) Residential Land and Buildings	Public Utilities	(2) Total Assessed Value	Total True and Full Value	Assessed Value as a Percentage of True and Full Value	Total Direct Tax Rate
2000	\$ 244,717,050	\$ 390,096,480	\$ 7,276,570	\$ 642,090,100	\$ 1,284,180,200	50.00%	128.21
2001	240,964,250	407,031,567	7,549,780	655,545,597	1,311,091,194	50.00%	128.24
2002	240,702,800	412,990,296	7,660,304	661,353,400	1,322,706,800	50.00%	130.63
2003	253,660,900	424,318,752	8,523,130	686,502,782	1,373,005,564	50.00%	132.77
2004	253,470,100	458,695,500	7,000,000	719,165,600	1,438,331,200	50.00%	128.66
2005	281,522,450	509,759,100	8,221,360	799,502,910	1,599,005,820	50.00%	126.52
2006	303,626,400	568,287,700	8,075,165	879,989,265	1,759,978,530	50.00%	122.74
2007	342,470,100	616,720,533	7,982,740	967,173,373	1,934,346,747	50.00%	113.70
2008	364,312,900	658,155,100	7,921,785	1,030,389,785	2,060,779,570	50.00%	113.25
2009	399,824,050	727,791,050	8,697,477	1,136,312,577	2,272,625,153	50.00%	108.12

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

(2) Assessed values are finalized by the State Assessment Board on the second Tuesday in August of each year.
 The assessed value is calculated at 50% of the true and full value.

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

Year	City of Minot			Total	Minot Park District	Minot School District	State and County	Total
	General Fund	Special Revenue Funds	Debt Service Funds					
2000	61.22	41.02	25.97	128.21	28.10	184.78	68.86	409.95
2001	64.10	39.77	24.37	128.24	29.28	192.29	73.05	422.86
2002	62.48	40.96	27.19	130.63	29.81	208.99	75.23	444.66
2003	61.48	42.69	28.60	132.77	29.91	206.93	78.02	447.63
2004	55.62	43.28	29.76	128.66	33.54	212.31	75.15	449.66
2005	55.17	43.71	27.64	126.52	32.56	211.16	78.45	448.69
2006	53.44	41.75	27.55	122.74	30.83	208.42	79.75	441.74
2007	49.50	38.73	25.47	113.70	31.48	206.47	68.13	419.78
2008	51.11	38.82	23.32	113.25	32.80	204.65	74.45	425.15
2009	50.19	41.09	16.84	108.12	30.68	133.40	77.43	349.63

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

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

Levy Year	(1) Total Current Tax Levy	(2) Current Collections	Percent of Levy Collected	(2) Delinquent Collections	(2) Total Collections	Total Collection as Percent of Current Levy	(3) Adjustments	(4) Accumulated Outstanding Taxes	Outstanding Delinquent as Percent of Current Levy
1999	\$ 7,479,335	\$ 7,095,650	94.87%	\$ 123,498	\$ 7,219,148	96.52%	\$ 223,634	\$ 310,096	4.15%
2000	7,793,799	7,334,493	94.11%	100,772	7,435,265	95.40%	253,181	415,449	5.33%
2001	7,884,739	7,441,868	94.38%	163,366	7,605,234	96.46%	285,315	409,639	5.20%
2002	8,175,763	7,745,018	94.73%	204,701	7,949,719	97.24%	268,505	367,178	4.49%
2003	8,540,161	8,117,461	95.05%	219,961	8,337,422	97.63%	279,091	290,826	3.41%
2004	8,655,618	8,212,157	94.88%	151,912	8,364,069	96.63%	284,769	297,606	3.44%
2005	9,443,018	8,969,961	94.99%	147,755	9,117,716	96.56%	315,824	307,084	3.25%
2006	10,132,780	9,573,509	94.48%	125,104	9,698,613	95.72%	373,073	368,178	3.63%
2007	10,329,502	9,754,043	94.43%	188,150	9,942,193	96.25%	385,933	369,554	3.58%
2008	10,895,992	10,322,163	94.73%	201,647	10,523,810	96.58%	404,619	337,117	3.09%
2009	11,453,689	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

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

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

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

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

City of Minot, North Dakota
Principal Property Taxpayers
December 31, 2009
 unaudited

TAXPAYER	2009			2000		
	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value
Minot Dakota Mall, LLC (includes Sleep Inn Complex)	\$ 3,855,045	1	3.99%	\$ 2,700,780	1	4.58%
Investor's Real Estate Trust (IRET)	2,211,515	2	2.29%	1,286,990	3	2.18%
Wal-Mart Real Estate	825,115	3	0.86%	304,110	7	0.52%
Kadima Medial Properties (Former Unimed Clinic)	657,885	4	0.68%			
Menard's Inc.	603,490	5	0.63%	348,160	6	0.59%
Reliastar (ING)	546,845	6	0.57%	295,140	8	0.50%
International Inn	513,145	7	0.53%			
Philadelphia Macaroni	487,550	8	0.51%			
Glacial Holdings	460,950	9	0.48%			
Cambridge Capital Management	436,195	10	0.45%			
Minot Vista (Edgewood Vista)	392,745	11	0.41%	201,720	14	0.34%
Riverside Inc. (Holiday Inn)	390,210	12	0.40%			
Woodridge Mobile Home Park	360,830	13	0.37%			
Minot Senior Living (Brentmoor)	329,800	14	0.34%			
Map Dakota (Wellington)	326,675	15	0.34%	252,330	9	0.43%
Cenex Harvest States	313,605	16	0.32%			
Dayton-Hudson Corporation (Target)	309,970	17	0.32%			
Farmers Union Oil	297,850	18	0.31%			
MLT	285,705	19	0.30%			
Somerset Court	276,155	20	0.29%			
Bremer				179,690	17	0.30%
Dakota Square Inn (Comfort Inn)				177,430	18	0.30%
First International Bank & Trust				162,270	19	0.26%
Health Care Property Investors(Medical Arts Clinic)				565,430	4	0.96%
James & Mary Ommen				545,130	5	0.92%
Johannesson's Property (Marketplace)				215,510	12	0.37%
JPW Ventures				211,540	13	0.36%
Magic City Financial Group (Medical Arts)				235,070	11	0.40%
Quorum Real Estate Trust				1,581,150	2	2.68%
Royale (Old Sunmart)				132,420	20	0.21%
Salem Plaza Associates (South K-Mart)				198,620	15	0.34%
Sports World (Chad Yale)				188,160	16	0.32%
Wells Fargo Bank ND				250,420	10	0.42%
All Others	82,618,720		85.62%	48,996,157		83.00%
Total Taxable Value	<u>\$96,500,000</u>		<u>100.00%</u>	<u>\$59,028,227</u>		<u>100.00%</u>

(1) Data obtained from City Assessor's Office

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

Year	Governmental Activities				Business-Type Activities			Total Government	(1) Percentage of Personal Income	(3) Per Capita
	General Obligation Bonds	Special Assessment Bonds	Grants Payable	Loans Payable	Revenue Bonds	Notes Payable	Loans Payable			
2000	\$ 5,590,000	\$ 8,985,000	\$3,104,000	\$1,410,000	\$ 8,659,386	\$ 2,043,747	\$ 850,894	\$30,643,027	(2)	838.00
2001	4,925,000	8,905,000	2,107,950	1,190,000	8,174,386	2,015,029	742,271	28,059,636	(2)	767.35
2002	6,460,000	7,910,000	737,150	-	7,984,386	1,965,122	627,183	25,683,841	(2)	702.38
2003	8,235,000	8,580,000	737,150	-	9,004,386	1,913,453	607,513	29,077,502	11.65%	795.18
2004	7,170,000	7,025,000	-	-	10,554,386	1,859,960	488,565	27,097,911	10.21%	741.05
2005	8,520,000	5,635,000	-	-	9,245,000	1,804,578	363,477	25,568,055	9.75%	699.21
2006	10,075,000	5,385,000	-	-	11,180,000	1,747,241	273,563	28,660,804	10.59%	783.79
2007	10,485,000	6,955,000	-	-	15,270,000	1,687,879	210,756	34,608,635	12.39%	946.44
2008	10,675,000	7,735,000	-	-	25,620,000	1,627,479	144,146	45,801,625	15.58%	1,252.54
2009	11,440,000	6,555,000	-	-	23,675,000	1,562,795	74,567	43,307,362	14.01%	1,184.33

(1) Obtained the per capita personal income (\$30,917 for 2009) from www.jobsnd.com.

(2) This is a new table with our 2004 CAFR per GASB #44- prior year's data was unavailable.

(3) 36,567 - U.S. Census Bureau

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

Year	Population	(1) Assessed Value	(2) Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2000	36,567	\$ 642,090,100	\$ 5,590,000	\$ 380,561	\$ 5,209,439	0.81%	142.46
2001	36,567	655,545,597	4,925,000	348,148	4,576,852	0.70%	125.16
2002	36,567	661,353,400	6,460,000	455,299	6,004,701	0.91%	164.21
2003	36,567	686,502,782	8,235,000	471,993	7,763,007	1.13%	212.30
2004	36,567	719,165,600	7,170,000	362,918	6,807,082	0.95%	186.15
2005	36,567	799,502,910	8,520,000	177,055	8,342,945	1.04%	228.16
2006	36,567	879,989,265	10,075,000	225,765	9,849,234	1.12%	269.35
2007	36,567	973,559,940	10,485,000	1,076,549	9,408,451	0.97%	257.29
2008	36,567	1,030,389,785	10,675,000	1,043,314	9,631,686	0.93%	263.40
2009	36,567	1,136,312,577	11,440,000	1,350,573	10,089,427	0.89%	275.92

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

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

City of Minot, North Dakota
Computation of Direct and Overlapping Debt
For the Year Ended December 31, 2009
 unaudited

Governmental Unit	(1) Outstanding Debt	Sinking Funds	Net Debt	Ratio	City's Share of Debt
Minot School District	\$ 8,050,000	\$ -	\$ 8,050,000	93.17%	\$7,500,104
Minot Park District	-	-	-	100.00%	-
Ward County	-	-	-	66.39%	-
Overlapping Debt					7,500,104
City of Minot (Direct Debt)			10,089,427	100.00%	<u>10,089,427</u>
Total Direct and Overlapping Debt					<u><u>\$17,589,531</u></u>

Ratios Used	(2) 2009 Assessed Value	2009 City's Assessed Value	Percentage
Minot School District	\$ 1,219,625,190	\$ 1,136,312,577	93.17%
Minot Park District	1,136,312,577	1,136,312,577	100.00%
Ward County	1,711,647,618	1,136,312,577	66.39%

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

(2) Data obtained from City Assessor's Office & Ward County Auditor's Office

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

City of Minot, North Dakota
Computation of Legal Debt Margin
December 31, 2009
unaudited

True and full value of taxable property - 2009	\$ 2,272,625,153
Debt limit - 8% of 50% of true and full value	90,905,006
Amount of debt applicable to debt limit:	
General obligation bonds	\$ 11,440,000
Special Assessment bonds with Government Commitment	62,699
Less: cash in debt service sinking funds	<u>1,350,573</u>
	<u>10,089,427</u>
Legal debt margin	<u><u>\$ 80,815,579</u></u>

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$ 51,367,208	\$ 52,443,648	\$ 52,908,272	\$ 54,920,223	\$ 57,533,248	\$ 63,960,233	\$ 70,399,141	\$ 77,884,795	\$ 82,431,183	\$ 90,905,006
Less total net debt applicable to limit	6,167,322	5,765,912	6,511,639	8,128,385	6,908,162	8,414,944	9,849,234	9,408,451	9,631,686	10,089,427
Legal debt margin	\$ 45,199,886	\$ 46,677,736	\$ 46,396,633	\$ 46,791,838	\$ 50,625,086	\$ 55,545,289	\$ 60,549,907	\$ 68,476,344	\$ 72,799,497	\$ 80,815,579

Total net debt applicable to the limit as a percentage of debt limit	12.01%	10.99%	12.31%	14.80%	12.01%	13.16%	13.99%	12.08%	11.68%	11.10%
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City of Minot, North Dakota
Revenue Bond Coverage
Airport Bonds
Last Ten Fiscal Years
 unaudited

Year	Gross Revenue	State & Federal Collected Taxes	Tax Levy	(1) Direct Operating Expenses	Budget Appropriated Transfers In for Operations	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
							(2) Principal	Interest & Fiscal Charges	Total	
2000	\$ 749,843	\$ 104,311	\$ 94,736	\$ 808,958	\$ 150,000	\$ 289,932	\$ 80,000	\$ 68,112	\$ 148,112	1.96
2001	870,528	245,318	91,247	958,699	150,000	398,394	105,000	86,755	191,755	2.08
2002	933,039	197,040	39,941	868,897	150,000	451,123	135,000	95,744	230,744	1.96
2003	972,965	100,486	63,013	983,439	150,000	303,025	140,000	126,360	266,360	1.14
2004	892,093	174,943	484	1,002,936	150,000	214,584	245,000	114,031	359,031	0.60
2005	952,201	135,161	181	980,822	150,000	256,721	255,000	103,911	358,911	0.72
2006	973,986	322,184	107	993,225	150,000	453,052	255,000	93,190	348,190	1.30
2007	1,143,245	1,764,185	94	1,066,534	150,000	1,990,990	275,000	81,890	356,890	5.58
2008	1,148,227	562,050	71,847	1,177,910	150,000	754,214	280,000	69,474	349,474	2.16
2009	1,237,245	1,248,678	280,979	1,189,502	150,000	1,727,400	295,000	56,287	351,287	4.92

(1) Excludes depreciation

(2) Permanent financing only

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

Year	Gross Revenue	(1) Direct Operating Expenses	Budget Appropriated Transfers In for Operations	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
					(2) Principal	Interest & Fiscal Charges	Total	
2000	\$ 5,765,813	\$ 4,174,147	\$ 295,000	\$ 1,886,666	\$ 630,000	\$ 395,813	\$ 1,025,813	1.84
2001	6,067,731	4,055,897	315,000	2,326,834	750,000	425,118	1,175,118	1.98
2002	6,117,762	4,001,686	63,000	2,179,076	805,000	363,414	1,168,414	1.86
2003	6,365,265	4,351,564	75,000	2,088,701	825,000	325,874	1,150,874	1.81
2004	6,843,818	4,761,095	100,000	2,182,723	825,000	357,012	1,182,012	1.85
2005	7,199,190	5,013,167	100,000	2,286,023	840,000	364,387	1,204,387	1.90
2006	7,597,350	5,963,549	100,000	1,733,801	840,000	349,127	1,189,127	1.46
2007	7,695,089	6,319,567	550,000	1,925,522	1,125,000	457,548	1,582,548	1.22
2008	8,362,319	6,312,316	350,000	2,400,003	1,470,000	710,515	2,180,515	1.10
2009	9,291,021	6,940,378	350,000	2,700,643	1,650,000	998,986	2,648,986	1.02

(1) Excludes depreciation

(2) Permanent financing only

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

Year	(1) Population	(2) Annual Personal Income	(2) Per Capita Personal Income	(2) Median Age	(2) Education Levels in Years of Formal Schooling	School Enrollment	Unemployment Rate
2000	36,567	-	-	-	-	7,802	-
2001	36,567	-	-	-	-	7,783	-
2002	36,567	-	-	-	-	7,422	-
2003	36,567	912,712,320	24,960	-	-	7,389	-
2004 (3)	36,567	970,195,644	26,532	36.2	n/a	7,213	3.6%
2005	36,567	958,677,039	26,217	35.0	13.16	7,108	3.9%
2006	36,567	989,905,257	27,071	35.0	13.16	7,039	2.9%
2007	36,567	1,021,426,011	27,933	35.0	13.16	6,932	3.2%
2008	36,567	1,075,325,769	29,407	35.0	13.16	7,100	2.9%
2009	36,567	1,130,541,939	30,917	35.0	13.16	7,233	2.9%

Note: This is a new table with our 2004 CAFR. Some of the previous year information is not available.

(1) U.S. Census Bureau

(2) Job Services, North Dakota

(3) Median age is for the entire State of ND, individual City information is not available.

Principal Employers
Current Year and Nine Years Ago
 unaudited

Employer	2009			2000		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Minot Air Force Base	4,435	1	14.08%	5,800	1	19.96%
Trinity Health	2,720	2	8.63%	2,444	2	8.41%
Minot Public Schools	1,419	3	4.50%	1,583	3	5.45%
ING Minot Service Center	925	4	2.94%	680	6	2.34%
Minot Vocational Adjustment Workshop	553	5	1.76%	520	7	1.79%
Minot State University	510	6	1.62%	750	5	2.58%
Dakota Boys & Girls Ranch	452	7	1.43%			
Miracle Mart	394	8	1.25%	353	10	1.21%
Choice Hotels International, Inc.	380	9	1.21%	334	11	1.15%
Wal-Mart Super Center	350	10	1.11%	300	12	1.03%
MLT Inc.	349	11	1.11%	421	9	1.45%
City of Minot	311	12	0.99%	280	13	0.96%
Sykes, Inc.				474	8	1.63%
Ward County	216	13	0.69%			
SRT Communications	206	14	0.65%			
Grand International	165	15	0.52%			
ManorCare Health Services	150	16	0.48%			
US Post Office	130	17	0.41%			
Burdick Job Corps Center	125	18	0.40%			
Westlie Motors	122	19	0.39%			
Dakota Square Mall				1,000	4	3.44%
Total	<u>13,912</u>		* <u>44.15%</u>	<u>14,939</u>		<u>51.41%</u>

Source: Minot Chamber of Commerce

Note: Unimed and Medical Arts Clinic were purchased by Trinity Hospital.

* The percentage is less than 50%; however, this is all the information that was available.

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

Function	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government	33	33	33	33	32	32	31	31	31	33
Public safety										
Police										
Officers	58	60	60	64	64	65	63	64	64	63
Civilians	20	19	19	20	20	20	20	20	20	20
Fire										
Firefighters and officers	45	49	49	49	49	49	49	49	49	49
Civilians	1	1	1	1	1	1	1	1	1	1
Highways and streets										
Engineering	8	9	9	9	9	9	9	9	9	9
Maintenance	36	36	36	36	36	36	35	36	36	36
Culture and recreation	22	22	22	22	24	24	24	25	25	24
Airport	11	11	11	13	13	13	13	13	13	13
Cemetery	3	3	3	3	3	3	3	3	3	3
Parking authority	1	1	1	1	1	1	1	1	1	1
Sanitation	20	20	20	20	20	19	20	20	20	22
Water and sewer	40	39	41	39	39	39	39	39	39	39
Total	298	303	305	310	311	311	308	311	311	313

(1) Budgeted and appropriated positions are shown.

Data obtained from City Clerk's Office - 2008 Budget

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

FUNCTION	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government										
Assessors										
Properties reviewed	1,860	1,546	1,835	1,021	1,510	1,390	1,575	1,203	775	1,600
Properties photographed	2,560	5,725	550	1,043	2,985	1,435	1,899	1,800	2,800	3,500
Building inspections										
Permits issued	439	399	415	486	474	690	600	502	540	486
City bus										
Bus ridership	154,752	151,027	156,189	160,025	153,036	146,047	151,594	152,314	151,169	131,062
Public safety										
Police										
Parking tickets issued	10,792	9,821	9,901	8,392	8,729	7,019	8,155	8,330	6,804	6,914
Criminal citations issued	3,606	4,752	4,416	5,226	5,607	5,421	5,454	5,695	5,605	5,697
Traffic citations issued	6,772	6,866	5,414	6,958	4,918	4,809	4,556	5,021	3,895	3,551
Alarms-patrol & parking division	688	722	649	658	620	647	671	675	693	716
Fire										
# of fire incidents	454	437	390	378	364	371	350	373	405	381
# of rescue incidents	1,599	1,530	1,713	1,767	1,658	1,781	1,907	2,003	1,924	1,867
Inspections made	1,539	2,003	1,775	1,373	1,742	1,792	1,640	1,645	1,593	1,393
Highways and streets										
Traffic										
Signs installed	1,324	1,683	1,702	1,034	1,783	862	1,194	1,112	1,503	1,430
Signs/posts repaired	874	1,080	1,055	664	1,523	851	817	1,302	2,118	2,138
Traffic light repairs	448	582	434	286	354	592	369	458	568	273
Street light repairs	158	158	259	164	214	199	174	243	301	253
Culture and recreation										
Auditorium										
Event days	2,342	2,034	2,234	2,109	2,010	1,833	1,551	1,895	1,996	1,539
Attendance	371,666	344,165	360,405	234,689	222,484	218,666	203,641	246,596	256,041	256,439
Library										
Registered borrowers	27,300	27,358	24,955	26,326	23,970	23,245	24,371	24,007	23,384	22,933
Circulation and activity	283,350	263,273	276,090	272,011	285,805	301,721	292,785	304,531	294,441	273,182
Airport										
Gallons airline fuel dispensed	1,203,273	1,187,110	1,195,553	958,048	943,337	985,647	815,120	748,825	870,578	1,078,256
Airline boarding's	78,376	74,212	75,382	75,323	79,257	79,654	78,854	74,921	75,972	72,219
Sanitation										
# of customers	9,849	9,862	9,917	9,966	10,069	10,210	10,279	10,392	10,497	10,769
Landfill tonnage	95,564	80,153	85,372	104,781	93,487	88,343	94,757	95,216	113,936	113,677
Water and Sewer										
# of consumers	11,391	11,443	11,492	11,545	11,704	11,801	11,858	11,970	12,142	12,472
Gallons pumped/treated	2,330,973,000	2,347,274,000	2,167,046,000	2,236,058,000	2,248,699,400	2,084,604,000	2,263,666,000	2,185,650,000	2,132,600,000	1,969,000,000

Source: Various city departments

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

FUNCTION	2002	2003	2004	2005	2006	2007	2008	2009
General government								
Public works building	1	1	1	1	1	1	1	1
Public safety								
Police								
Stations	1	1	1	1	1	1	1	1
Patrol units	32	32	33	33	33	31	31	31
Speed trailer	-	1	1	1	1	1	1	1
Fire								
Stations	3	3	3	3	3	3	3	3
Highways and streets								
Streets (square miles)	14.860	14.900	15.029	15.047	16.170	16.395	16.73	17.31
Street lights	2,131	2,142	2,167	2,225	2,273	2,311	2,375	2,504
Traffic signals	43	44	43	43	44	50	50	50
Culture and recreation								
Parks	1	1	1	1	1	1	1	1
Libraries	1	1	1	1	1	1	1	1
Ball diamonds	16	16	16	16	16	16	16	16
Tennis courts	12	12	12	12	12	12	10	10
Indoor tennis center	-	-	1	1	1	1	1	1
Sanitation								
Collection trucks	7	7	8	7	7	8	8	8
Water								
Water treatment plant	1	1	1	1	1	1	1	1
Water mains (miles-estimated)	160	160	160	160	160	210	210	210
Maximum daily capacity (millions of gallons)	12.30	12.10	11.80	11.90	13.13	12.91	11.96	10.56

*This report is new with the 2004 CAFR, capital assets were implemented with our 2002 CAFR.
 Sources: Various city departments



REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

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

Compliance

We have audited the compliance of **the City of Minot, North Dakota Airport**, with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (Guide), issued by the Federal Aviation Administration for its Passenger Facility Charge Program for the year ended December 31, 2009. Compliance with the requirements of laws and regulations applicable to its Passenger Facility Charge Program is the responsibility of **the City of Minot, North Dakota Airport's** management. Our responsibility is to express an opinion on **the City of Minot, North Dakota Airport's** compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the Passenger Facility Charge Program occurred. An audit includes examining, on a test basis, evidence about **the City of Minot, North Dakota Airport's** compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on **the City of Minot, North Dakota Airport's** compliance with those requirements.

In our opinion, **the City of Minot, North Dakota Airport** complied, in all material respects, with the requirements referred to above that are applicable with its Passenger Facility Charge Program for the year ended December 31, 2009.

Internal Control Over Compliance

The management of **the City of Minot, North Dakota Airport** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations applicable to the Passenger Facility Charge Program. In planning and performing our audit, we considered **the City of Minot, North Dakota Airport's** internal control over compliance with requirements that could have a direct and material effect on the Passenger Facility Charge Program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with the Guide.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to the passenger facility charge program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Bismarck, North Dakota
April 26, 2010



CPAs & BUSINESS ADVISORS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable Mayor and City Council
City of Minot
Minot, North Dakota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Minot**, North Dakota, as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 26, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Minot, North Dakota's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Bismarck, North Dakota
April 26, 2010



CPAs & BUSINESS ADVISORS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Mayor and City Council
City of Minot
Minot, North Dakota

Compliance

We have audited the compliance of the **City of Minot**, North Dakota, with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. The **City of Minot**, North Dakota's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of City of Minot, North Dakota's management. Our responsibility is to express an opinion on **City of Minot**, North Dakota's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the **City of Minot**, North Dakota's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the **City of Minot**, North Dakota's compliance with those requirements.

In our opinion, the **City of Minot**, North Dakota complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Internal Control Over Compliance

Management of **City of Minot**, North Dakota is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered **City of Minot**, North Dakota's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the **City of Minot's** internal control over compliance.

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

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

This report is intended solely for the information and use of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Bismarck, North Dakota
April 26, 2010

CITY OF MINOT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2009

Federal Grantor/ Pass-Through Grantor/Program Title	Agency or Pass Through Number	Federal CFDA Number	Expenditures
<i>U.S. DEPARTMENT OF JUSTICE</i>			
Direct Programs:			
Bullet Proof Vest Grant		16.607	\$ 6,162
Edward Byrne Memorial Justice Assistance Grant - (JAG) - ARRA		16.804	44,927
School Security		16.738	2,285
Total Direct Programs			<u>53,374</u>
Passed-Through North Dakota Attorney General's Office:			
Domestic Violence Crisis Center	D08-215	16.579	4,675
Project Safe Neighborhoods		16.609	17,843
Total passed-through ND Attorney General's Office			<u>22,518</u>
Passed through the State of North Dakota Health Department:			
Violence Against Women - ARRA		16.588	1,810
Smoking Cessation Program	G08-351	N/A	2,219
Total passed-through ND Health Department			<u>4,029</u>
Passed through the State of North Dakota Highway Patrol			
Enforcing Underage Drinking Laws		16.727	3,162
Total Department of Justice			<u>83,083</u>
<i>U.S. DEPARTMENT OF TRANSPORTATION</i>			
Direct Programs:			
Airport Projects:			
#633		20.106	3,585
#634		20.106	30,558
#635		20.106	387,668
#636		20.106	38,693
#637		20.106	107,806
#638		20.106	123,328
#639		20.106	406,919
Total CFDA #20.106			<u>1,098,557</u>
Transportation Security Program		N/A	65,608
Passed-Through North Dakota Department of Transportation:			
Section 5311		20.509	220,902

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Grantor/ Pass-Through Grantor/Program Title	Agency or Pass Through Number	Federal CFDA Number	Expenditures
Highway Safety Cluster:			
Mayor's Council for Traffic Safety - Safe Communities		20.600	29,360
Safety Incentive for Seatbelts		20.600	4,641
Radar Equipment		20.600	1,500
Mayor's Council for Traffic Safety - Alcohol Countermeasures		20.601	18,124
Overtime Impaired Driving		20.601	5,998
Total Highway Safety Cluster			<u>59,623</u>
Highway Planning & Construction Projects			
Safe Routes to School		20.205	59,998
Amtrak Depot		20.205	5,986
Chip Seal - ARRA		20.205	11,256
Mill and Overlay - ARRA		20.205	71,419
Shared Use Paths		20.205	353,341
Total CFDA #20.205			<u>502,000</u>
Passed-Through North Dakota Department of Emergency Services			
Interagency Hazardous Materials Public Sector Training and Planning		20.703	6,867
Total Department of Transportation			<u>1,953,557</u>
<i>FEDERAL EMERGENCY MANAGEMENT AGENCY</i>			
Passed-Through North Dakota Department of Emergency Services			
Disaster Grants - Public Assistance		97.036	102,356
<i>U.S. DEPARTMENT OF HOMELAND SECURITY</i>			
Passed-Through North Dakota Department of Emergency Services			
Homeland Security Grant Program		97.067	536,508
Law Enforcement Terrorism Prevention Program		97.074	161,036
Total Department of Homeland Security			<u>697,544</u>
<i>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</i>			
Passed Through ND Division of Community Services			
Community Development Block Grant		14.228	1,000
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 2,837,540</u></u>

CITY OF MINOT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2009

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is presented on the accrual basis of accounting.

NOTE 2 – AGENCY OR PASS-THROUGH NUMBER

The only programs without agency or pass-through numbers are programs where the federal funds are direct therefore agency and pass-through numbers are not required.

CITY OF MINOT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2009

None

CITY OF MINOT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED December 31, 2009

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the **City of Minot**.
2. No significant deficiencies were disclosed by our audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the **City of Minot** were disclosed during the audit.
4. No significant deficiencies were reported by our audit of the major federal award programs.
5. The auditor's report on compliance for the major federal award programs for the **City of Minot** expresses an unqualified opinion on all major federal programs.
6. Audit findings relative to the major federal award programs for the **City of Minot** are reported in Part C of this schedule.
7. The programs tested as a major programs are the Highway Planning and Construction Grants #20.205 and Homeland Security Grant Program #97.067
8. The threshold for distinguishing a Type A program was \$300,000.
9. The **City of Minot** was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

