



THE
MAGIC
CITY

**Comprehensive
Annual
Financial
Report**

City of Minot, North Dakota
For the Fiscal Year Ended December 31, 2015

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, 2015

Table of Contents

I. Introductory Section

Title Page
 Table of Contents..... I
 Finance Director's Letter of Transmittal..... IV
 GFOA Certificate of Achievement for Excellence in Financial Reporting VIII
 Organizational Chart..... IX
 Elected Officials and Members of the City Council X

II. Financial Section

A. Independent Auditor's Report..... 1
B. Management's Discussion and Analysis..... 6
C. Basic Financial Statements
 Government-Wide Financial Statements
 Statement of Net Position 16
 Statement of Activities 17
 Fund Financial Statements
 Balance Sheet – Governmental Funds 18
 Reconciliation of the Governmental Funds Balance Sheet to the
 Statement of Net Position 21
 Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Governmental Funds 22
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of Governmental Funds to the
 Statement of Activities..... 25
 Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Budget and Actual – General Fund 26
 Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Budget and Actual – Major Special Revenue Funds 28
 Statement of Net Position – Proprietary Funds 30
 Statement of Revenues, Expenses, and Changes in
 Fund Net Position – Proprietary Funds..... 32
 Statement of Cash Flows – Proprietary Funds..... 34
 Statement of Fiduciary Net Position – Fiduciary Funds 36
 Statement of Changes in Fiduciary Net Position – Fiduciary Funds 37
 Notes to the Financial Statements 38
D. Required Supplementary Information
 Schedule of Contributions 65
 Schedule of Net Pension Liability 65
 Schedule of Changes in Net Pension Liability 66
 Schedule of Investment Returns 66
 Schedule of Funding Progress – Other Postemployment Employee Benefits (OPEB)..... 67
E. Supplementary Information
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual – Major Debt Service Fund 71
 Combining and Individual Nonmajor Fund Statements and Schedules
 Combining Balance Sheet – Nonmajor Governmental Funds 72
 Combining Statement of Revenues, Expenditures and Changes in
 Fund Balances – Nonmajor Governmental Funds 73
 Combining Balance Sheet – Nonmajor Special Revenue Funds 75

Fund Balances – Nonmajor Special Revenue Funds	78
Schedule of Revenues, Expenditures and Changes in	
Fund Balances - Budget and Actual – Nonmajor Special Revenue Funds	81
Balance Sheet – Nonmajor Debt Service Fund	98
Statement of Revenues, Expenditures and Changes in	
Fund Balance – Nonmajor Debt Service Fund	99
Statement of Revenues, Expenditures, and Changes in	
Fund Balance – Budget and Actual – Nonmajor Debt Service Fund.....	100
Combining Balance Sheet – Nonmajor Capital Project Funds	102
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Capital Project Funds	104
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual – Nonmajor Capital Project Funds	106
Combining Statement of Net Position – Nonmajor Proprietary Funds.....	110
Combining Statement of Revenues, Expenses and Changes in	
Fund Net Position – Nonmajor Proprietary Funds.....	111
Combining Statement of Cash Flows – Nonmajor Proprietary Funds.....	112
Combining Statement of Net Position – Internal Service Funds	114
Combining Statement of Revenues, Expenses, and Changes in	
Fund Net Position – Internal Service Funds	115
Combining Statement of Cash Flows – Internal Service Funds	116
Combining Statement of Fiduciary Net Position – Fiduciary Funds	118
Combining Statement of Changes in Fiduciary Net Position –	
Fiduciary Funds	119
Combining Statement of Net Position – Agency Funds	120
Combining Statements of Changes in Assets and Liabilities – Agency Funds	121
Capital Assets Used in the Operation of Governmental Funds	
Comparative Schedule by Source.....	123
Schedule by Function and Activity.....	124
Schedule of Changes by Function and Activity.....	125

III. Statistical Section

Net Position by Component.....	129
Changes in Net Position	130
Fund Balances of Governmental Funds.....	132
Changes in Fund Balances of Governmental Funds	133
Governmental Activities Tax Revenue by Source.....	134
Sales Tax-Taxable Sales and Purchases	135
Sales Tax-Taxable Sales and Purchases by Industry	136
Assessed Value and Estimated Actual Value of Taxable Property	137
Property Tax Rates in Mills - Direct and Overlapping Governments.....	138
Property Tax Levies and Collections.....	139
Principal Property Taxpayers	140
Ratios of Outstanding Debt by Type	141
Ratio of Net General Bonded Debt to Assessed Value	
And Net Bonded Debt per Capita	142
Computation of Direct and Overlapping Debt.....	143
Computation of Legal Debt Margin	144
Legal Debt Margin Information	145
Revenue Bond Coverage – Airport Bonds.....	146
Revenue Bond Coverage – Water and Sewer Bonds.....	147
Demographic and Economic Statistics	148
Principal Employers	149
Full-Time Equivalent City Government Employees by Function	150
Operating Indicators by Function	151
Capital Asset Statistics by Function	152

Capital Asset Statistics by Function 152

IV. Single Audit Section

Independent Auditor’s Report on compliance with requirements applicable
to the passenger facility charge program and on
internal control over compliance 153

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* 155

Independent Auditor’s Report on compliance for each major
program and report on internal control over
compliance in accordance with the Uniform Guidance 157

Schedule of Expenditures of Federal Awards 159

Notes to Schedule of Expenditures of Federal Awards 163

Summary Schedule of Prior Audit Findings 164

Schedule of Findings and Questioned Costs 165

City of Minot



Finance Department

April 22, 2016

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

Ladies and Gentlemen,

The City Council requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the City of Minot, North Dakota, for the fiscal year ended December 31, 2015. 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, 2015 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 27.48 square miles and serves a population of 40,888 based

The Honorable Mayor, City Council and City Manager

on the 2010 census. Located twelve miles north of the City, and a definite part of the community, is one of the nation's largest Air Force bases. The economic impact of the Minot Air Force Base on the City during 2015 was approximately \$578 million. During 2015, the Minot Air Force Base had nearly \$125 million in construction, services and other expenditures. Minot Air Force Base serves as the home for over 12,107 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 2015, the property valuations for building permits decreased by over \$78.2 million compared to 2014 due in part to the flood recovery and stabilization of housing in the City. The majority of the decreases were due to the following: new residential buildings decreased by \$49.6 million primarily due to multi-family residences and single family declining by \$34.1 million and \$10.5 million, respectively; new nonresidential buildings increased by \$12.6 million primarily due to an increase in commercial and nonresidential remodels and additions of \$24.0 million and an increase of \$19.8 million in schools, a decrease of \$22.5 million in office, banks, and professional buildings, and a decrease in industrial and manufacturing and services stations and repair garages of \$5.9 million and \$5.2 million, respectively.

The City has had a healthy level of growth in property values in the past couple of years. Based on the results of the City Council passing an ordinance, the first penny sales tax was reallocated to the following as of July 1, 2014: property tax relief 10%; economic development 15%; improvements fund 25%; and flood control 50%. This reallocation continues 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, 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 June 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 26 through 29 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 81.

Factors Affecting Financial Condition

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

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

The Honorable Mayor, City Council and City Manager

productivity and profitability.

<u>Sales Tax Collections</u>		<u>Property Tax Levied</u>	
2011	\$ 21,612,185	2011	\$ 12,736,802
2012	26,705,354	2012	9,408,148
2013	24,850,061	2013	12,449,978
2014	27,245,883	2014	14,505,927
2015	26,035,551	2015	16,451,633

During 2011, the City incurred the worst flooding in history. Despite the millions of dollars in damages, the financial position of the City remains sound with management continuing to administer the financial policies established by the City Council in a prudent and effective manner as shown in the table below. A continuation of that cooperative effort will assure the citizens a healthy future.

Assets & Deferred Outflows, Liabilities & Deferred Inflows and Net Position Per Capita

		<u>Total</u>	<u>Total</u>	<u>Net</u>
	<u>Population</u>	<u>Assets & Deferred Outflows</u>	<u>Liabilities & Deferred Inflows</u>	<u>Position</u>
2011	40,888	\$ 7,205	\$ 1,200	\$ 6,005
2012	40,888	8,970	1,194	7,776
2013	40,888	12,401	1,738	10,663
2014	40,888	16,467	2,331	14,136
2015	40,888	19,413	4,625	15,053

Expenses and Program Revenues Per Capita

	<u>Population</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Change in Net Position</u>
2011	40,888	\$ 1,553	\$ 743	\$ 187	\$ 171	\$ 607
2012	40,888	1,702	897	308	1,144	1,770
2013	40,888	1,638	768	370	1,160	1,472
2014	40,888	1,858	668	201	1,869	1,844
2015	40,888	2,641	913	414	3,878	3,912

Ratio of Net Position to Expenses

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2011	3.97	3.67
2012	4.35	5.02
2013	5.27	6.43
2014	5.20	8.12
2015	4.39	8.50

Long-Term Financial Planning. The City continually plans for anticipated construction projects and infrastructure needs. Cash reserves have been capped by the Finance Director effective September

30, 2011 in the Sales Tax Northwest Area Water Supply Project (NAWS) Fund that received 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 is pending determination of where the treatment of the water will take place. The project will extend to Northwest North Dakota. The voters opted to continue collecting the 1% sales tax, formerly for NAWS, and dedicate 30% to property tax relief, 40% to infrastructure projects and 30% to community facilities. However, if additional funds are needed for NAWS, the Finance Director may reallocate funds back to the project.

The City of Minot is also the recipient of three separate allocations of funding from the U.S. Department of Housing and Urban Development Community Block Grant – Disaster Recovery Funds. The first allocation was in April 2012 for \$67,575,964. The second allocation was in April 2014 for \$35,056,000. The third allocation was in January 2016 for \$74,340,770. The first allocation is considered “no year funds”, which means there is not a date by which the funds must be spent. However, the City has completed an Action Plan, which has been approved by the City Council for expenditure for the funds to include housing rehabilitation and reconstruction, and public infrastructure. The second allocation has obligated a portion of the gross funds to home acquisitions, demolitions, and street repairs at this time. The obligated funds must be spent in two years. The third allocation will be obligated to reduce flood risk and increase resilience, build affordable, resilient neighborhoods, and foster economic resilience and diversification.

The City has completed several major highway projects in recent years with additional projects planned for 2016. Other projects planned for the future include water and sewer, storm sewer, and special assessment projects. These projects will be funded with CDBG-DR, oil impact grants, storm sewer development funds, State Water Commission funds, and 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.

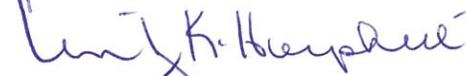
The Honorable Mayor, City Council and City Manager

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, 2014. This was the 36th 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. 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



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

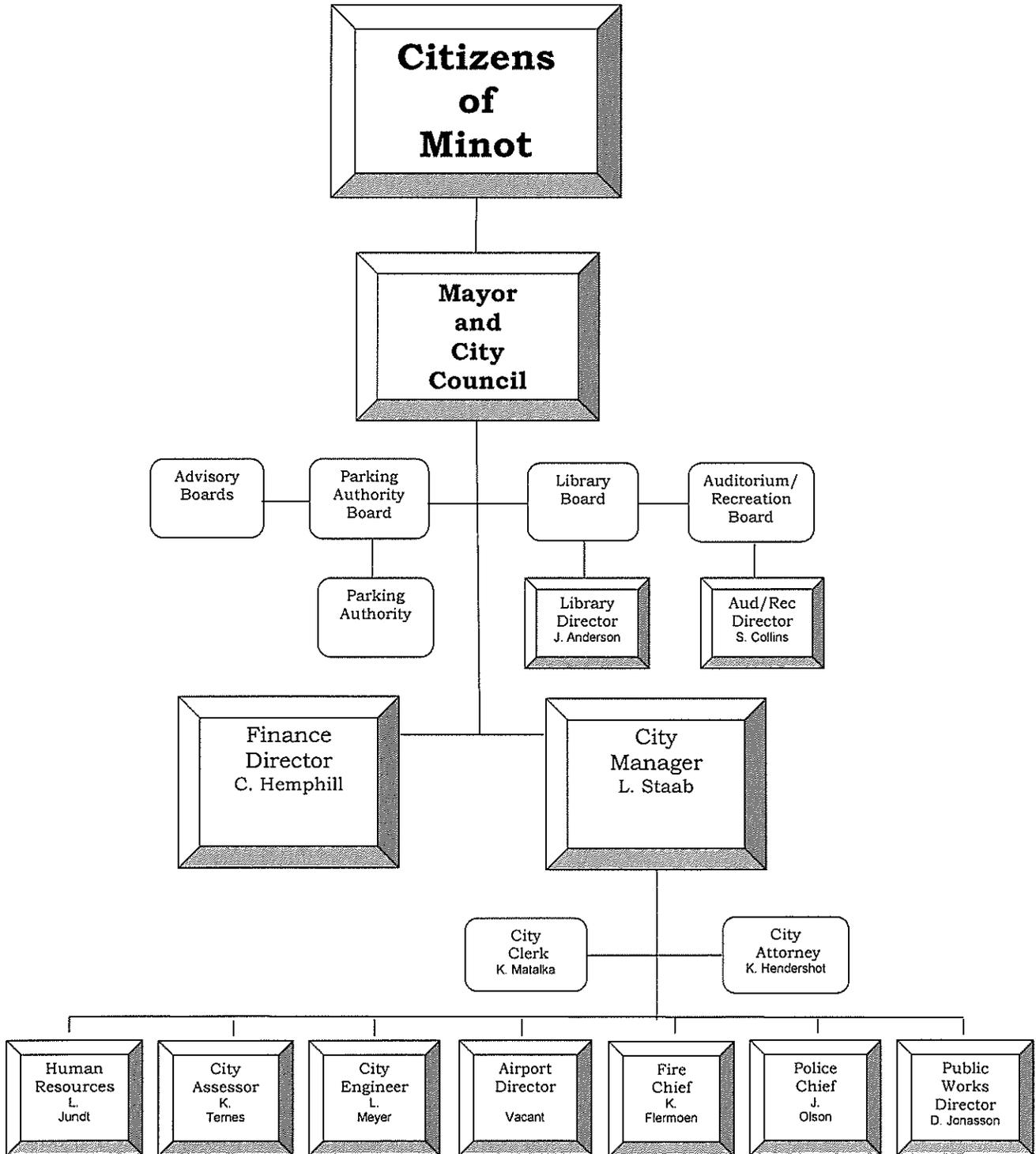
**City of Minot
North Dakota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

City of Minot
Organizational Chart



Elected and Appointed Officials

City of Minot, North Dakota

Mayor.....Chuck Barney

Members of the City Council

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

Ward 2:.....Bob Miller
Ben Berg

Ward 3:.....Jim Hatlelid – Vice President
Dean A. Frantsvog

Ward 4:.....Rick Hedberg
David Shomento

Ward 5:.....Tom Seymour
Miranda Schuler

Ward 6:.....Mark Jantzer – President
Dave Pankow

Ward 7:.....Kevin Connole
Lisa Olson



This page left blank intentionally.



Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Minot, North Dakota (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

www.eidebailly.com

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, 2015, and the respective changes in financial position and, where, applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Sales Tax NAWS Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in notes 1 and 5 to the financial statements, the City has adopted the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and GASB No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which has resulted in a restatement of the net position as of January 1, 2015. Our opinions are not modified with respect to this matter

Other Matters

Required Supplementary Information

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

Other Information

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

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

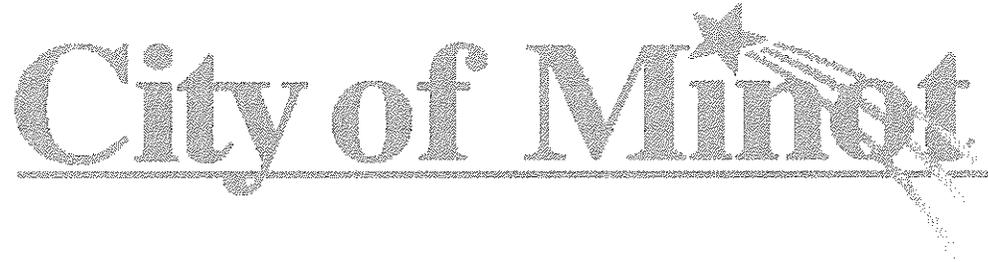
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2016 on our consideration of the City of Minot, North Dakota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Minot's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eric Sully LLP". The signature is written in black ink and is positioned above the typed name and date.

Fargo, North Dakota
April 20, 2016



This page left blank intentionally.

Management's
Discussion
and
Analysis

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, 2015, with comparative data for the fiscal year ended December 31, 2014. 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 position of the City increased by over \$107.1 million or 21.1% after restatement. This increase was primarily due to an increase in capital grants of over \$48.0 million. The majority of the grants were for infrastructure improvements. In addition, general revenue increased by over \$6.5 million due to an increase in property taxes levied for general purposes of \$3,510,949 and an increase in property taxes levied for debt of \$1,749,009. The net position of governmental activities increased by over \$37.3 million or 13.1% and net position of business type activities increased by over \$69.9 million or 31.3% after restatement.
- Total cost of all programs was over \$107.9 million after restatement. This is an increase of over \$6.9 million from 2014 after restatement. Culture and recreation increased by over \$2.3 million due to the increase in activity in the sales tax improvements and sales tax community facilities funds. Highways and streets increased by \$0.5 million for road work due to increased traffic on aging roads.
- The unassigned fund balance for the General Fund was over \$24.6 million or 84.0% of the total general fund expenditures. This is an increase from 2014 of over \$1.9 million.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the City's basic financial statements. The comprehensive annual financial

report presents the following three components of the financial statements:

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

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

Government-Wide Financial Statements

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

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

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

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

- Governmental activities – This includes most of the City's basic services, with property and sales taxes, interest income, user fees and

Management's Discussion and Analysis

intergovernmental revenues supporting it.

- Business-type activities – This includes those services which are intended to recover all or a significant part of their costs through user fees.

The government-wide financial statements begin on page 16.

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 29 individual governmental funds. The City presents separate information in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general fund, and the following major funds: sales tax NAWS, special assessment debt service, highway reserves, and capital purchases. Data from the other governmental funds are combined in a single, aggregate presentation. Combining statements provide individual fund data for each of these nonmajor governmental funds, which begin on page 72.

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

The governmental fund financial statements begin on page 18.

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

**City of Minot
Comprehensive Annual Financial Report
December 31, 2015**

Management's Discussion and Analysis

funds in the form of combining statements, which begin on page 110. Individual fund data for the internal service funds are also in the form of combining statements beginning on page 114. The basic proprietary fund statements begin on page 30.

Fiduciary Funds. Fiduciary funds account for resources held for the benefit of parties outside the government. The City is a trustee for its employees' pension and other post-employment benefit plans. It is also responsible for other assets held on behalf of others. The City is responsible for ensuring the assets reported in these funds are used for their intended purpose. The City reports fiduciary activities in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These activities have been excluded from the City's other financial statements since the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is similar to proprietary funds. The basic fiduciary fund statements begin on page 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 38-61 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 72-125 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following two tables present condensed information on the City's Net Position and Changes in Net Position for the fiscal year ended December 31, 2015, with comparative data for the fiscal year ended December 31, 2014. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$615,483,714 at the close of the most recent fiscal year.

The largest portion of the City of Minot's net position (74.8%) 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 are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City reports investment in capital assets net of related debt, the resources needed to repay this debt comes from other sources, since the City cannot liquidate the capital assets to pay the liabilities. A portion of the City's net position (9.0%) represents resources subject to external restrictions on how they may be used. Restricted net position includes amounts restricted for debt service \$11,539,290, for sales tax property tax relief \$3,320,232, for economic development projects \$6,440,271, for the NAWS project \$34,099,423, and for other purposes, \$14,491. The unrestricted net position of \$99,413,890 is to meet the government's ongoing obligations to citizens and creditors. There are no restrictions, commitments, or other limitations that significantly affect the availability of fund resources for future use.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 161,311,483	\$ 140,780,380	\$ 76,842,571	\$ 59,837,367	\$ 238,154,054	\$ 200,617,747
Capital assets	251,151,060	190,213,485	302,640,945	221,798,735	553,792,005	412,012,220
Total assets	412,462,543	330,993,865	379,483,516	281,636,102	791,946,059	612,629,967
Deferred outflows of resources	8,278,700	-	2,573,944	-	10,852,644	-
Long-term debt outstanding	34,743,237	35,701,823	56,976,886	41,849,871	91,720,123	77,551,694
Other liabilities	60,064,190	10,404,069	31,268,608	16,363,606	91,332,798	26,767,675
Total liabilities	96,706,342	46,105,892	88,477,613	58,213,477	185,183,955	104,319,369
Deferred inflows of resources	1,898,915	-	232,119	-	2,131,034	-
Net position						
Invested in capital assets	213,781,240	153,468,851	246,874,877	187,576,187	460,656,117	341,045,038
Restricted net position	48,237,103	43,662,672	7,176,604	5,781,608	55,413,707	49,444,280
Unrestricted net position	60,117,643	87,756,450	39,296,247	30,066,830	99,413,890	117,823,280
Total net position	\$ 322,135,986	\$ 284,887,973	\$ 293,347,728	\$ 223,424,625	\$ 615,483,714	\$ 508,312,598

**City of Minot
Comprehensive Annual Financial Report
December 31, 2015**

Management's Discussion and Analysis

At the end of 2015, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for governmental and business-type activities.

Changes in Net Position. The City's net position increased \$107,171,116 during 2015. The majority of this increase was due to an increase in program revenues of over \$51.1 million. There was a decrease to the net pension in the amount of \$52,901,832 due to a restatement of the beginning net position to record the City's proportionate share of net pension liability in accordance with GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. This resulted in the recognition of a net pension liability in the amount of \$59,323,830, the deferred outflows of resources related to pension in the amount of \$10,852,644, and the deferred inflows of resources related to pension in the amount of \$2,131,034.

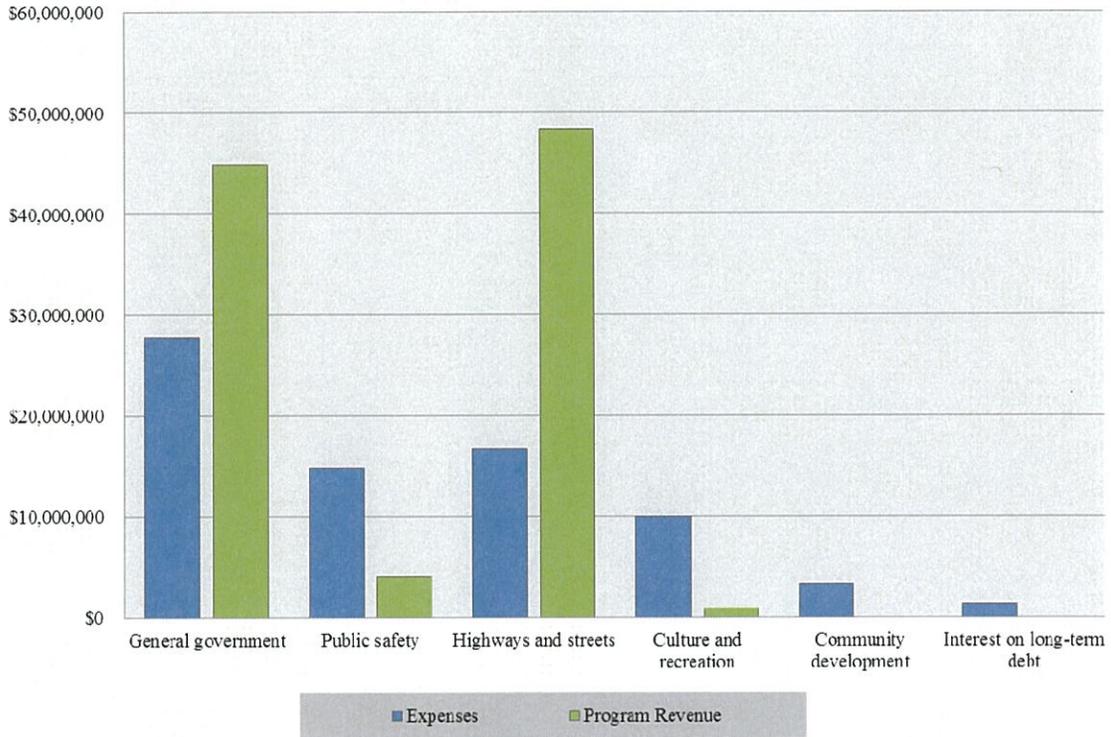
Governmental Activities. Governmental program revenues increased over \$26.8 million due to operating and capital grants and contributions increasing by \$31.3 million and charges for services decreasing by nearly \$4.3 million. Governmental program expenses increased by over \$2.9 million. Overall the general government increased over \$0.3 million, while culture and recreation increased over \$2.3 million.

Business-Type Activities. Business-type program revenues increased by over \$17.7 million during 2015 due to increases in capital grants and contributions of over \$16.6 million. Business-type program expenses increased by \$3.9 million in 2015 due to increases in expenses in Water and Sewer of over \$1.6 million due to an increase in infrastructure projects, Minot International Airport of over \$2.3 million due to construction of a new airport terminal and apron. The charts below summarize the City's revenues and expenses for both governmental and business-type activities.

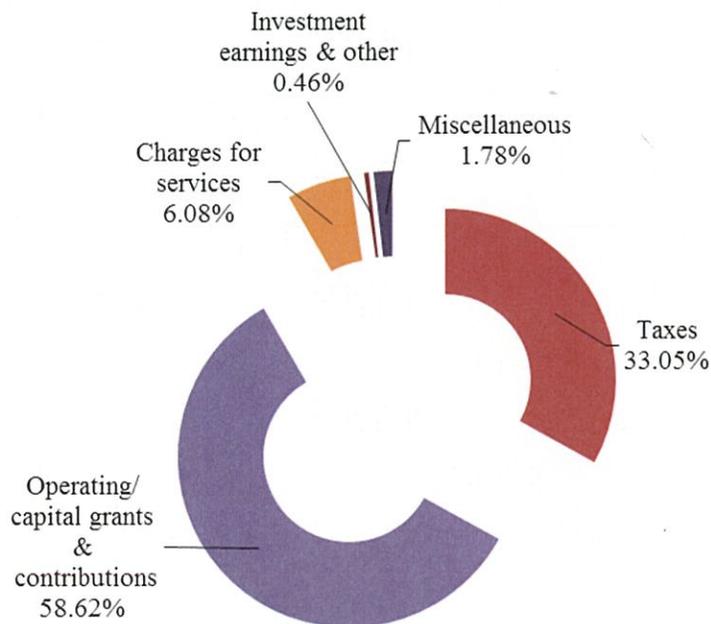
	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Program Revenues						
Charges for services	\$ 9,235,921	\$ 13,553,946	\$ 28,176,915	\$ 28,313,724	\$ 37,412,836	\$ 41,867,670
Operating grants and contributions	14,541,486	14,686,073	2,406,340	1,248,307	16,947,826	15,934,380
Capital grants and contributions	74,438,583	43,098,461	84,112,970	67,427,366	158,551,553	110,525,827
General revenues						
Taxes	50,172,851	47,185,180	166,746	82,208	50,339,597	47,267,388
Investment earnings	694,916	471,073	119,072	114,540	813,988	585,613
Miscellaneous	2,702,358	604,999	1,244,180	44,404	3,946,538	649,403
Total revenues	151,786,115	119,599,732	116,226,223	97,230,549	268,012,338	216,830,281
Program Expenses						
General government	27,783,373	27,476,332	-	-	27,783,373	27,476,332
Public safety	14,843,622	15,297,259	-	-	14,843,622	15,297,259
Highways and streets	16,772,838	16,199,177	-	-	16,772,838	16,199,177
Culture and recreation	9,991,456	7,673,973	-	-	9,991,456	7,673,973
Economic development	3,266,376	3,292,475	-	-	3,266,376	3,292,475
Interest on long-term debt	1,323,446	1,084,587	-	-	1,323,446	1,084,587
Airport	-	-	8,758,360	6,406,365	8,758,360	6,406,365
Cemetery	-	-	469,091	488,825	469,091	488,825
Parking authority	-	-	98,705	72,806	98,705	72,806
Sanitation	-	-	4,464,495	4,461,806	4,464,495	4,461,806
Water and sewer	-	-	20,167,628	18,558,478	20,167,628	18,558,478
Total expenses	73,981,111	71,023,803	33,958,279	29,988,280	107,939,390	101,012,082
Excess (deficiency) before transfers	77,805,004	48,575,929	82,267,944	67,242,269	160,072,948	115,818,199
Transfers	1,262,055	(353,310)	(1,262,055)	353,310	-	-
Change in net position	79,067,059	48,222,620	81,005,889	67,595,579	160,072,948	115,818,199
Net position, January 1	284,887,973	236,665,353	223,424,625	155,829,046	508,312,598	392,494,399
Change in accounting principle - Note 5E	(41,819,046)	-	(11,082,786)	-	(52,901,832)	-
Net position, January 1, as restated	243,068,927	236,665,353	212,341,839	155,829,046	455,410,766	392,494,399
Net position, December 31	\$ 322,135,986	\$ 284,887,973	\$ 293,347,728	\$ 223,424,625	\$ 615,483,714	\$ 508,312,598

Management's Discussion and Analysis

**Expenses & Program Revenues
 Governmental Activities**

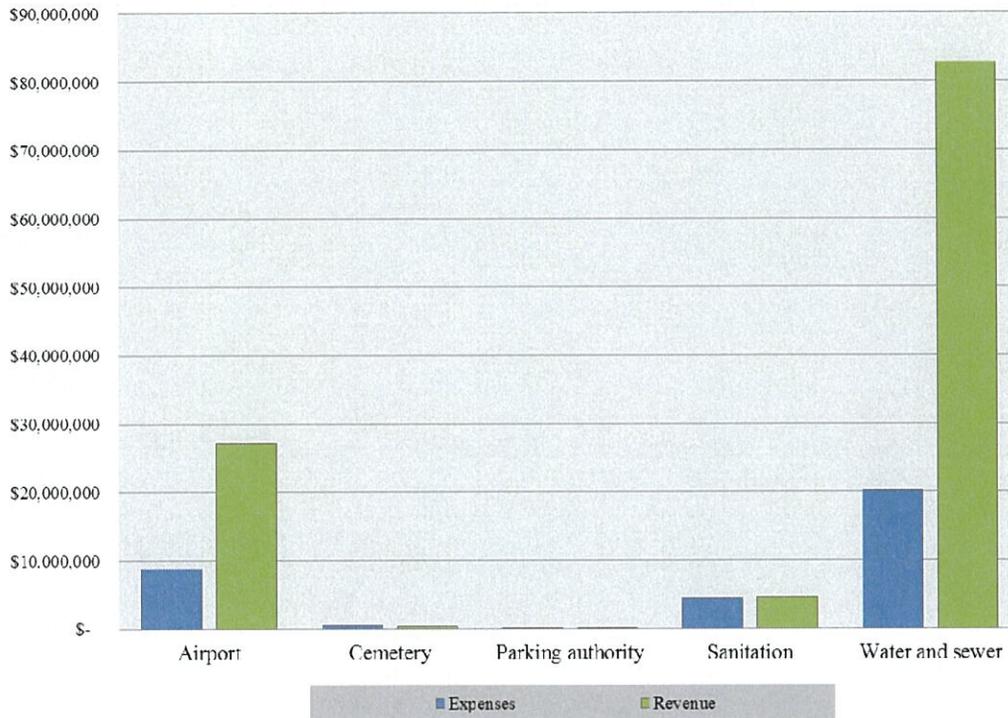


**Revenues by Source
 Governmental Activities**

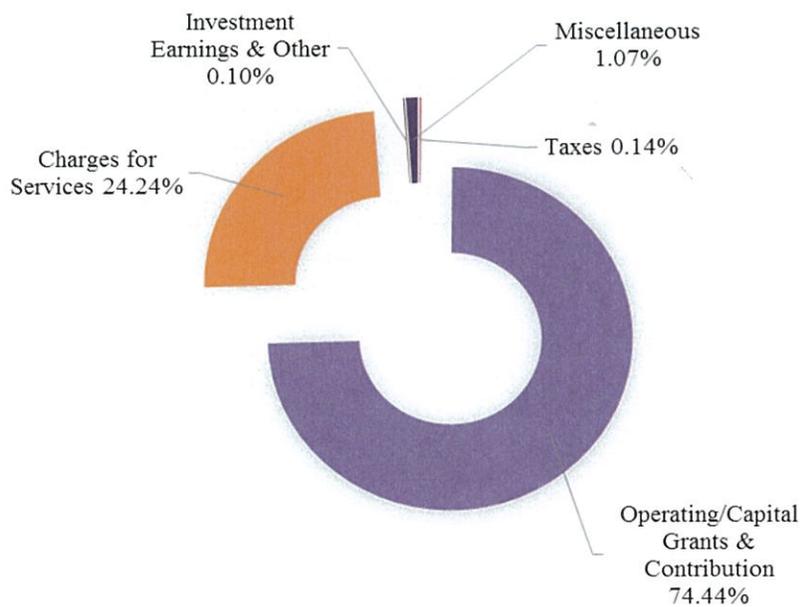


Management's Discussion and Analysis

**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 2015, the City's governmental funds reported combined ending fund balances of over \$132.3 million, an increase of over \$6.5 million in comparison with 2014. Revenues for the period increased by nearly \$25.1 million due to an increase of \$20.4 million intergovernmental revenues, an increase in property tax collections of \$5.1 million, an increase in special assessment collections of \$2.0 million, and a decrease in charges for services of \$3.6 million while expenditures increased by \$28.1 million due to increases in general government by \$2.5 million, culture and recreation expenditures increased by \$2.3 million, and an increase in capital outlay contracted work of \$16.8 million. The City also issued over \$1.8 million in special assessment bonds in 2015 to fund expenditures for a water and sewer district and paving districts. The City also issued over \$0.4 million in general obligation bonds. The governmental funds nonspendable fund balance is \$2,320,419, restricted fund balance \$79,520,645, no committed fund balance, assigned fund balance \$25,864,361, and unassigned fund balance \$24,689,554.

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 \$24,689,554. 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 84.0% of total general fund expenditures.

The City of Minot's general fund fund balance increased by \$2,231,858 during the current fiscal year. This increase resulted from expenditures being lower than budgeted for the following departments: Engineering, Police Patrol, Fire Control, and Street totaling nearly \$2.3 million. The savings were primarily due to grant encumbrances which were used in the next fiscal year and less anticipated snow removal needed in 2015.

The **Sales Tax NAWS Fund** had a decrease in fund balance of \$30,222 due to the increase in expenditures.

The **Special Assessment Debt Fund** increased its fund balance by \$2,261,812 due to revenues being more than expenditures during 2015 due to special assessment prepayments.

The **Highway Reserve Fund** increased in fund balance by \$3.2 million due to an increase in intergovernmental revenues for the Downtown Infrastructure project.

The **Capital Purchases Fund** decreased by nearly \$3.9 million due to capital purchases expenditures exceeding revenues.

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

Unrestricted net position at the end of the year for the major Enterprise Funds was \$38,842,687, of which Airport accounted for \$1,135,450, Sanitation \$1,056,571, Water and Sewer \$36,644,018 and the nonmajor funds accounted for \$6,648. Restricted net position was \$7,176,604 for bond covenants. The restrictions do not significantly affect the availability of fund resources for future use.

The change in net position for these funds was \$69.9 million. This change was due to an increase in intergovernmental revenues of over \$1.2 million, and increase in expenses of over

**City of Minot
Comprehensive Annual Financial Report
December 31, 2015**

Management's Discussion and Analysis

\$3.9 million, and an increase in capital contributions of over \$16.8 million.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

The differences between the original budget and the final amended budget was a decrease in revenues of over \$1.0 million and an increase in expenditure appropriations of nearly \$2.0 million. Differences between the final amended budget and actual amounts in the general fund consist of total revenues being \$1.1 million less than budgeted and the expenditures being \$4.6 million less than budgeted due to \$1.6 million in grants carrying over to 2016, \$0.8 million less snow events than budgeted for and various departments not spending their entire budget. There is a total deficiency of actual revenues over expenditures of over \$4.6 million.

- Home Acquisitions
- Paving Districts
- Airport Terminal
- Downtown infrastructure
- Donations of infrastructure
- A variety of other street construction projects

Additional information on the City of Minot's capital assets can be found in Note 4. D on pages 47-48 of this report.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2015, is \$553,792,005 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, intangibles, and books.

	Capital Assets (net of depreciation)					
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 42,569,187	\$ 31,055,094	\$ 5,417,535	\$ 5,417,535	\$ 47,986,722	\$ 36,472,629
Construction in progress	20,208,352	8,215,463	79,901,837	48,330,342	100,110,189	56,545,805
Buildings	7,014,313	7,000,461	8,536,587	9,136,547	15,550,900	16,137,008
Equipment	9,541,125	7,359,002	6,436,326	6,142,674	15,977,451	13,501,676
Infrastructure	170,559,143	135,363,756	202,288,158	152,690,952	372,847,301	288,054,708
Intangible assets	322,912	374,745	60,502	80,685	383,414	455,430
Books	936,028	844,964	-	-	936,028	844,964
Total capital assets	<u>\$251,151,060</u>	<u>\$ 190,213,485</u>	<u>\$302,640,945</u>	<u>\$221,798,735</u>	<u>\$ 553,792,005</u>	<u>\$ 412,012,220</u>

**City of Minot
Comprehensive Annual Financial Report
December 31, 2015**

Management’s Discussion and Analysis

Long-Term Debt. At year-end, the City had total debt of \$161,291,672, an increase of \$23,182,626 over the prior year. Note 4. H on pages 51-53 of this report describes the City’s long-term debt in detail.

The 2016 City of Minot budget value of a mill increased from \$189,000,000 to \$209,200,000 per mill.

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 13,260,000	\$ 15,255,000	\$ -	\$ -	\$ 13,260,000	\$ 15,255,000
Special assessment bonds	22,930,000	23,160,000	-	-	22,930,000	23,160,000
Capital Financing Program Bonds	1,910,000	-	-	-	1,910,000	-
Revenue bonds	-	-	58,730,000	42,395,000	58,730,000	42,395,000
Unamortized premium	1,244,638	1,185,993	687,929	439,757	1,932,567	1,625,750
Unamortized discount	(14,944)	(15,302)	(316,133)	(195,046)	(331,077)	(210,348)
Notes payable	-	-	1,130,981	1,209,334	1,130,981	1,209,334
Capital leases	4,026	6,495	1,029,389	473,392	1,033,415	479,887
Compensated absences	1,067,304	1,024,492	304,652	268,099	1,371,956	1,292,591
Net pension liability	46,399,696	41,819,046	12,924,134	11,082,786	59,323,830	52,901,832
Total outstanding debt	\$ 86,800,720	\$ 82,435,724	\$ 74,490,952	\$ 55,673,322	\$ 161,291,672	\$ 138,109,046

The City issued new debt for special assessment bonds of \$1,835,000, general obligation bonds of \$390,000, capital financing program bonds of \$1,945,000, water and sewer bonds of \$6,860,000, and airport bonds of \$11,770,000. The City received a rating of Aa2 from Moody’s.

The mill levy for the City of Minot’s 2016 budget is 79.50 mills – compared to 78.63 mills in 2014, an increase of 0.87 mills. The increase in the mills is due to an increase in operating expenditures.

In addition, net pension liability of \$59,323,830 was recorded due to the implementation of GASB Statement No. 68.

Total appropriations for operations for 2016 decreased over \$16.8 million dollars from 2015. This 51% decrease is due to the airport budget decreasing by nearly \$12.4 million due to capital projects, the CDBG-DR budget decreased by \$13.5 million, and the general fund and sales tax funds increased by \$3.5 million each.

The City’s debt is limited to 8% of the assessed valuation of taxable property within the City of Minot or \$203,226,781. The City’s legal debt margin is \$191,071,246. The net bonded debt per capita is \$295.05.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

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

Projects in 2015, which boosted the economy in Minot included, Nedrose School building added a bus barn concession building for \$9.6 million; Minot Public School added an additional classroom and gymnasium for \$6.4 million, Dakota Square Mall renovated the common areas for \$5.6 million, St. Alexis Medical Center built commercial space for \$4.7 million, and several other condos, apartment buildings, restaurants and business remodels.

Basic
Financial
Statements

City of Minot, North Dakota
Statement of Net Position
December 31, 2015
With Comparative Totals for December 31, 2014

	Governmental Activities	Business-Type Activities	Total 2015	Total 2014
ASSETS				
Cash and cash equivalents	\$ 28,096,632	\$ 42,848,594	\$ 70,945,226	\$ 87,444,506
Investments	47,061,198	13,016,444	60,077,642	45,727,320
Receivables				
Taxes receivable delinquent	1,030,461	10,741	1,041,202	343,152
Special assessments delinquent	24,760	-	24,760	19,543
Accounts receivable, net of allowance	529,359	3,846,936	4,376,295	3,749,145
Loans receivable, net of allowance	2,040,000	-	2,040,000	60,000
Intergovernmental receivable	15,863,832	9,592,719	25,456,551	25,297,219
Accrued interest receivable	27,987	8,861	36,848	31,064
Inventory	318,592	-	318,592	356,951
Prepaid	206,949	30,184	237,133	224,298
Other assets - capital credits	359,619	311,488	671,107	329,199
Restricted cash and cash equivalents	48,949,699	7,176,604	56,126,303	29,191,520
Negative OPEB obligation	40,455	-	40,455	2,092,679
Capital assets not being depreciated				
Land	42,569,187	5,417,535	47,986,722	36,472,629
Construction in progress	20,208,352	79,901,837	100,110,189	56,545,805
Capital assets net of accumulated depreciation				
Buildings	7,014,313	8,536,587	15,550,900	16,137,008
Equipment	9,541,125	6,436,326	15,977,451	13,501,676
Infrastructure	170,559,143	202,288,158	372,847,301	288,054,708
Intangible assets	322,912	60,502	383,414	455,430
Books	936,028	-	936,028	844,964
Special assessments deferred	16,761,940	-	16,761,940	5,753,151
Total assets	412,462,543	379,483,516	791,946,059	612,631,967
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow of resources related to pension	8,278,700	2,573,944	10,852,644	-
Total deferred outflows of resources	8,278,700	2,573,944	10,852,644	-
LIABILITIES				
Accounts payable	3,417,977	7,988,129	11,406,106	11,343,399
Retainage payable	1,717,338	8,107,407	9,824,745	4,472,547
Internal balances	3,926,644	(3,926,644)	-	-
Accrued salaries payable	291,249	84,333	375,582	1,053,171
Insurance claims payable	142,927	-	142,927	109,069
Accrued interest payable	267,619	447,454	715,073	757,199
Customer deposits	137,689	201,458	339,147	251,856
Unearned revenue - other	4,179	5,675	9,854	201,522
Current debt - due within one year				
Special assessment debt with governmental commitment	38,476	-	38,476	38,476
Compensated absences	373,556	106,628	480,184	452,407
Capital leases payable	3,403	162,795	166,198	234,228
All other debt	4,547,981	4,334,740	8,882,721	6,784,877
Noncurrent debt - due after one year				
Special assessment debt with governmental commitment	678,410	-	678,410	678,410
Compensated absences	693,748	198,024	891,772	840,184
Capital leases payable	623	866,594	867,217	245,659
All other debt	34,064,827	55,898,037	89,962,864	75,932,973
Accrued MSWLF postclosure care costs	-	1,078,849	1,078,849	923,392
Net pension liability	46,399,696	12,924,134	59,323,830	-
Total liabilities	96,706,342	88,477,613	185,183,955	104,319,369
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow of resources related to pension	1,898,915	232,119	2,131,034	-
Total deferred inflow of resources	1,898,915	232,119	2,131,034	-
NET POSITION				
Net investment in capital assets	213,781,240	246,874,877	460,656,117	341,045,038
Restricted for:				
Debt service	4,362,686	7,176,604	11,539,290	7,062,897
Passenger facility charges not spent	-	-	-	651,251
Sales tax property tax relief	3,320,232	-	3,320,232	4,009,260
Economic development	6,440,271	-	6,440,271	5,750,029
NAWS	34,099,423	-	34,099,423	34,129,645
Other purposes	14,491	-	14,491	645,506
Unrestricted net position	60,117,643	39,296,247	99,413,890	115,018,972
Total net position	\$ 322,135,986	\$ 293,347,728	\$ 615,483,714	\$ 508,312,598

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

City of Minot, North Dakota
Statement of Activities
For the Year Ended December 31, 2015
With Comparative Totals for December 31, 2014

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges For Services	Operating	Capital	Governmental Activities	Business-Type Activities	Total 2015	Total 2014
			Grants and Contributions	Grants and Contributions				
Governmental Activities								
General government	\$ 27,783,373	\$ 7,592,971	\$ 5,524,812	\$ 31,748,416	\$ 17,082,825	\$ -	\$ 17,082,825	\$ 11,820,420
Public safety	14,843,622	1,074,256	311,835	2,663,668	(10,793,863)	-	(10,793,863)	(12,573,299)
Highways and streets	16,772,838	-	8,606,392	39,835,660	31,669,214	-	31,669,214	12,444,874
Culture and recreation	9,991,456	568,694	98,447	190,839	(9,133,476)	-	(9,133,476)	(7,000,254)
Community development	3,266,376	-	-	-	(3,266,376)	-	(3,266,376)	(3,292,475)
Interest on long-term debt	1,323,446	-	-	-	(1,323,446)	-	(1,323,446)	(1,084,587)
Total governmental activities	73,981,111	9,235,921	14,541,486	74,438,583	24,234,879	-	24,234,879	314,678
Business-Type Activities								
Airport	8,758,360	3,327,592	2,401,140	21,362,081	-	18,332,453	18,332,453	19,408,389
Cemetery	469,091	313,701	-	-	-	(155,390)	(155,390)	(158,561)
Parking authority	98,705	45,655	-	-	-	(53,050)	(53,050)	(35,060)
Sanitation	4,464,495	4,536,174	5,200	-	-	76,879	76,879	408,712
Water and sewer	20,167,628	19,953,794	-	62,750,889	-	62,537,055	62,537,055	47,377,637
Total business-type activities	33,958,279	28,176,915	2,406,340	84,112,970	-	80,737,946	80,737,946	67,001,117
Total government	\$ 107,939,390	\$ 37,412,836	\$ 16,947,826	\$ 158,551,553	24,234,879	80,737,946	104,972,825	67,315,795
General Revenues								
Taxes								
Property taxes, levied for general purposes					13,094,945	166,746	13,261,691	9,750,742
Property taxes, levied for debt service					2,875,336	-	2,875,336	1,126,237
Sales tax					26,035,551	-	26,035,551	27,245,883
Municipal highway tax					2,740,748	-	2,740,748	2,952,874
State aid distribution-unrestricted					4,411,924	-	4,411,924	4,792,103
Franchise taxes					702,627	-	702,627	699,277
Other taxes					311,720	-	311,720	700,272
Investment earnings					694,916	119,072	813,988	585,613
Miscellaneous					2,702,358	1,244,180	3,946,538	649,403
Transfers					1,262,055	(1,262,055)	-	-
Total general revenues and transfers					54,832,180	267,943	55,100,123	48,502,404
Change in net position					79,067,059	81,005,889	160,072,948	115,818,199
Net position, January 1					284,887,973	223,424,625	508,312,598	392,494,399
Change in accounting principle - Note 5E					(41,819,046)	(11,082,786)	(52,901,832)	-
Net position, January 1, as restated					243,068,927	212,341,839	455,410,766	392,494,399
Net position, December 31					\$ 322,135,986	\$ 293,347,728	\$ 615,483,714	\$ 508,312,598

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

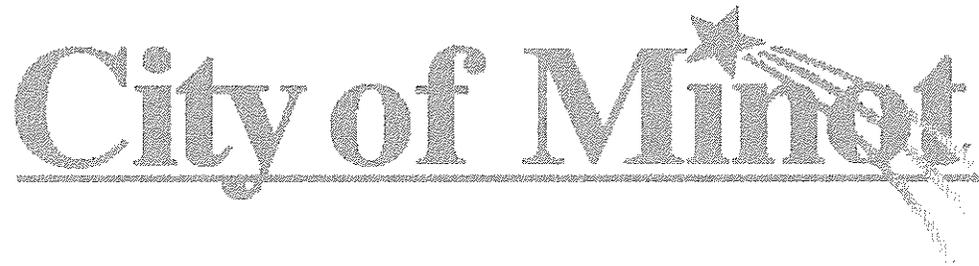
City of Minot, North Dakota
Balance Sheet
Governmental Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	General Fund	Special Revenue Fund Sales Tax NAWS	Debt Service Fund Special Assessment Debt	Capital Project Fund Highway Reserve
ASSETS				
Cash and investments	\$ 3,474,414	\$ -	\$ -	\$ 3,764,025
Restricted cash and investments	-	6,726,904	3,166,702	-
Investments - certificates of deposit	19,631,443	4,009,883	-	-
Taxes receivable delinquent	580,754	-	5,187	-
Special assessments receivable delinquent	1,075	-	16,415	-
Accounts receivable	463,350	-	-	38,902
Allowance for accounts receivable	(126,085)	-	-	-
Loans receivable	-	-	-	-
Allowance for loans receivable	-	-	-	-
Due from other funds	-	-	-	-
Intergovernmental receivable	1,927,814	-	688	4,834,051
Accrued interest receivable	23,844	4,143	-	-
Inventory	-	-	-	-
Prepaid	197,445	1,000	-	-
Other assets - capital credits	320,414	-	-	-
Investments	-	23,419,872	-	-
Advance to other funds	-	-	1,341,140	-
Special assessments receivable uncertified	9,775	-	16,681,025	-
Total assets	<u>\$ 26,504,243</u>	<u>\$ 34,161,802</u>	<u>\$ 21,211,157</u>	<u>\$ 8,636,978</u>
LIABILITIES				
Accounts payable	\$ 651,555	\$ 61,379	\$ 15,666	\$ 423,910
Retainage payable	-	-	-	454,804
Due to other funds	-	-	-	-
Accrued salaries payable	257,200	-	-	-
Customer deposits	137,689	-	-	-
Advance from other funds	-	-	-	133,227
Unearned revenue - other	4,179	-	-	-
Total liabilities	<u>1,050,623</u>	<u>61,379</u>	<u>15,666</u>	<u>1,011,941</u>
DEFERRED INFLOWS OF RESOURCES				
Uncertified special assessments	9,775	-	16,681,025	-
Unavailable revenue - property taxes	235,357	-	5,187	-
Unavailable revenue - special assessments	1,075	-	8,075	-
Deferred inflows of resources	<u>246,207</u>	<u>-</u>	<u>16,694,287</u>	<u>-</u>
FUND BALANCE				
Nonspendable	517,859	1,000	-	-
Restricted	-	34,099,423	3,166,702	-
Committed	-	-	-	-
Assigned	-	-	1,334,502	7,625,037
Unassigned	24,689,554	-	-	-
Total fund balance	<u>25,207,413</u>	<u>34,100,423</u>	<u>4,501,204</u>	<u>7,625,037</u>
Total liabilities, inflows and fund balance	<u>\$ 26,504,243</u>	<u>\$ 34,161,802</u>	<u>\$ 21,211,157</u>	<u>\$ 8,636,978</u>

City of Minot, North Dakota
Balance Sheet
Governmental Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	<u>Capital Project Fund</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>Capital Purchases</u>	<u>Funds</u>	<u>2015</u>	<u>2014</u>
ASSETS				
Cash and investments	\$ 1,100,946	\$ 17,449,179	\$ 25,788,564	\$ 48,269,688
Restricted cash and investments	-	39,056,093	48,949,699	23,409,912
Investments - certificates of deposit	-	-	23,641,326	22,507,915
Taxes receivable delinquent	-	444,520	1,030,461	339,746
Special assessments receivable delinquent	-	7,270	24,760	19,543
Accounts receivable	-	145,853	648,105	881,086
Allowance for accounts receivable	-	-	(126,085)	-
Loans receivable	-	2,550,000	2,550,000	75,000
Allowance for loans receivable	-	(510,000)	(510,000)	(15,000)
Due from other funds	-	1,072,005	1,072,005	1,860,272
Intergovernmental receivable	4,243,608	4,857,671	15,863,832	11,761,375
Accrued interest receivable	-	-	27,987	31,064
Inventory	-	6,083	6,083	6,590
Prepaid	-	8,504	206,949	159,054
Other assets - capital credits	-	36,973	357,387	132,425
Investments	-	-	23,419,872	23,219,405
Advance to other funds	-	173,527	1,514,667	1,779,126
Special assessments receivable uncertified	-	71,140	16,761,940	5,753,151
Total assets	<u>\$ 5,344,554</u>	<u>\$ 65,368,818</u>	<u>\$ 161,227,552</u>	<u>\$ 140,190,352</u>
LIABILITIES				
Accounts payable	\$ 1,048,937	\$ 1,196,043	\$ 3,397,490	\$ 2,697,588
Retainage payable	1,178,119	84,415	1,717,338	781,607
Due to other funds	-	1,072,005	1,072,005	1,860,272
Accrued salaries payable	-	34,049	291,249	817,680
Customer deposits	-	-	137,689	59,490
Advance from other funds	-	4,854,524	4,987,751	1,865,128
Unearned revenue - other	-	-	4,179	200,547
Total liabilities	<u>2,227,056</u>	<u>7,241,036</u>	<u>11,607,701</u>	<u>8,282,312</u>
DEFERRED INFLOWS OF RESOURCES				
Uncertified special assessments	-	71,140	16,761,940	5,753,151
Unavailable revenue - property taxes	-	205,968	446,512	275,786
Unavailable revenue - special assessments	-	7,270	16,420	15,537
Deferred inflows of resources	<u>-</u>	<u>284,378</u>	<u>17,224,872</u>	<u>6,044,474</u>
FUND BALANCE				
Nonspendable	-	1,801,560	2,320,419	2,077,195
Restricted	-	42,254,520	79,520,645	74,497,978
Committed	-	-	-	198,623
Assigned	3,117,498	13,787,324	25,864,361	26,648,670
Unassigned	-	-	24,689,554	22,441,100
Total fund balance	<u>3,117,498</u>	<u>57,843,404</u>	<u>132,394,979</u>	<u>125,863,566</u>
Total liabilities, inflows and fund balance	<u>\$ 5,344,554</u>	<u>\$ 65,368,818</u>	<u>\$ 161,227,552</u>	<u>\$ 140,190,352</u>

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



This page left blank intentionally.

City of Minot, North Dakota
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
December 31, 2015

Total fund balances for governmental funds		\$132,394,979
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	\$ 42,569,187	
Construction work in process	20,208,352	
Buildings, net of accumulated depreciation (\$7,875,208)	7,014,313	
Equipment, net of accumulated depreciation (\$11,974,229)	9,541,125	
Infrastructure, net of accumulated depreciation (\$54,152,440)	170,559,143	
Intangible assets, net of accumulated depreciation (\$275,417)	322,912	
Books, net of accumulated depreciation (\$2,394,834)	936,028	
Total capital assets (Note 4. D)		251,151,060
A negative OPEB obligation should be reported as an asset in the government-wide statement of net position and in connection with proprietary and fiduciary funds. Conversely, a negative OPEB obligation is not considered to represent a financial asset; therefore, it is not properly reported in a governmental fund.		
		40,455
Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of:		
Net pension liability	(46,399,696)	
Deferred outflows of resources	8,278,700	
Deferred inflows of resources	(1,898,915)	
		(40,019,911)
Internal service funds are used by the City to charge the cost of the central garage and the City's self insurance to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position. They are not included in government-wide.		
		2,013,174
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.		
Total taxes and specials not available		17,224,872
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. (Note 2. A)		
		(\$40,668,643)
Total net position of governmental activities		\$322,135,986

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

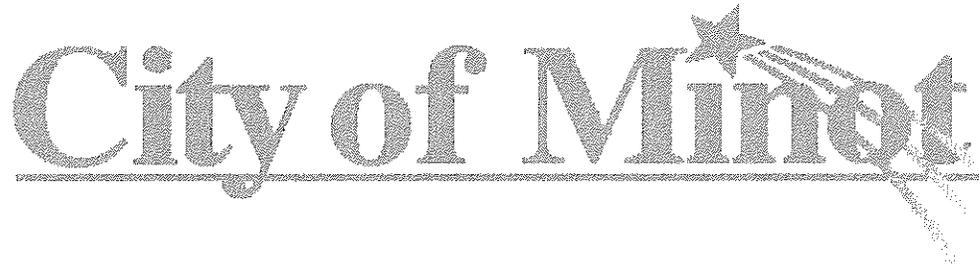
City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	General Fund	Special	Debt	Capital
		Revenue Fund	Service Fund	Project Fund
		Sales Tax	Assessment	Highway
		NAWS	Debt	Reserve
REVENUES				
Property tax collections	\$ 7,858,702	\$ -	\$ 78,806	\$ -
Special assessment collections	4,181	-	4,826,273	-
Sales tax collections	-	-	-	-
Licenses and permits	1,331,860	-	-	-
Intergovernmental	10,490,385	-	-	13,449,511
Charges for services	3,289,345	-	-	-
Fines and forfeits	679,969	-	-	-
Interest income	173,500	261,084	107,758	19,353
Miscellaneous	961,622	-	87,854	500,673
Total revenues	24,789,564	261,084	5,100,691	13,969,537
EXPENDITURES				
Current				
General government	10,100,265	241,306	2,084,467	-
Public safety	14,869,964	-	-	-
Highways and streets	4,423,031	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay				
Contracted work	-	-	-	9,012,688
Equipment	-	-	-	-
Legal	-	-	-	-
Other	-	-	-	161,948
Acquisitions	-	-	-	-
Engineering	-	-	-	1,902,627
Debt service				
Principal retirement	-	-	2,100,000	-
Interest and fiscal charges	-	-	753,402	8,358
Total expenditures	29,393,260	241,306	4,937,869	11,085,621
Excess (deficiency) of revenues over (under) expenditures	(4,603,696)	19,778	162,822	2,883,916
OTHER FINANCING SOURCES (USES)				
General obligation bonds issued	-	-	-	390,000
Bonds issued	-	-	1,945,000	-
Premium on bonds	-	-	153,806	12,435
Discount on bonds	-	-	-	-
Capital leases	-	-	-	-
Sale of City property	13,500	-	-	-
Transfers in	6,889,153	-	3,315	69,058
Transfers out	(67,099)	(50,000)	(3,131)	(128,123)
Total other financing sources (uses)	6,835,554	(50,000)	2,098,990	343,370
Net change in fund balance	2,231,858	(30,222)	2,261,812	3,227,286
Fund balance, January 1	22,975,555	34,130,645	2,239,392	4,397,751
Fund balance, December 31	\$ 25,207,413	\$ 34,100,423	\$ 4,501,204	\$ 7,625,037

City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	<u>Capital Project Fund</u>	<u>Other Governmental</u>	<u>Total Governmental</u>	<u>Total Governmental</u>
	<u>Capital Purchases</u>	<u>Funds</u>	<u>Funds 2015</u>	<u>Funds 2014</u>
REVENUES				
Property tax collections	\$ -	\$ 7,781,890	\$ 15,719,398	\$ 10,550,013
Special assessment collections	-	53,809	4,884,263	2,030,276
Sales tax collections	4,550,907	21,484,644	26,035,551	27,245,883
Licenses and permits	-	-	1,331,860	1,862,029
Intergovernmental	19,730,840	17,206,002	60,876,738	40,409,003
Charges for services	-	1,799,754	5,089,099	8,746,373
Fines and forfeits	-	-	679,969	1,229,088
Interest income	12,866	120,355	694,916	471,073
Miscellaneous	110,847	1,273,915	2,934,911	604,999
Total revenues	<u>24,405,460</u>	<u>49,720,369</u>	<u>118,246,705</u>	<u>93,148,737</u>
EXPENDITURES				
Current				
General government	-	13,813,814	26,239,852	23,680,730
Public safety	-	-	14,869,964	14,376,257
Highways and streets	-	3,543,697	7,966,728	8,557,587
Culture and recreation	-	9,762,841	9,762,841	7,364,051
Economic development	-	3,266,376	3,266,376	3,292,475
Capital outlay				
Contracted work	16,836,624	4,207,498	30,056,810	13,218,035
Equipment	-	2,581,331	2,581,331	2,489,396
Legal	177,919	3,751	181,670	1,292
Other	1,828,311	197,320	2,187,579	835,096
Acquisitions	9,275,869	16,337	9,292,206	9,230,112
Engineering	64,559	3,223,643	5,190,829	2,152,157
Debt service				
Principal retirement	-	2,385,000	4,485,000	3,060,000
Interest and fiscal charges	-	557,728	1,319,488	1,022,919
Total Expenditures	<u>28,183,282</u>	<u>43,559,336</u>	<u>117,400,674</u>	<u>89,280,107</u>
Excess (deficiency) of revenues over (under) expenditures	(3,777,822)	6,161,033	846,031	3,868,630
OTHER FINANCING SOURCES (USES)				
General obligation bonds issued	-	-	390,000	-
Bonds issued	-	1,835,000	3,780,000	8,085,000
Premium on bonds	-	-	166,241	332,360
Discount on bonds	-	(1,779)	(1,779)	-
Capital leases	-	-	-	7,921
Sale of City property	-	75,365	88,865	93,325
Transfers in	2,548,141	10,396,268	19,905,935	21,264,126
Transfers out	(2,658,260)	(15,737,267)	(18,643,880)	(21,617,436)
Total other financing sources (uses)	<u>(110,119)</u>	<u>(3,432,413)</u>	<u>5,685,382</u>	<u>8,165,296</u>
Net change in fund balance	(3,887,941)	2,728,620	6,531,413	12,033,926
Fund balance, January 1	7,005,439	55,114,784	125,863,566	113,829,640
Fund balance, December 31	<u>\$ 3,117,498</u>	<u>\$ 57,843,404</u>	<u>\$ 132,394,979</u>	<u>\$ 125,863,566</u>

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



This page left blank intentionally.

City of Minot, North Dakota
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year-to-Date as of December 31, 2015

Net change in fund balances-total governmental funds \$ 6,531,413

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (Note 2. B) 61,564,445

Gross proceeds from the sale of capital assets is reported as revenue in the governmental fund; however, in the statement of activities only the gain or loss on the transaction is reported. (Note 2. B) (626,870)

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position issuing debt increases long-term liabilities and does not affect the statement of activities; similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. (Note 4. H)

Debt issued			
Special assessment bonds issued	\$	(3,780,000)	
Premium on bonds issued		(166,241)	
General obligation bonds issued		(390,000)	
Repayments of bond principal		4,485,000	
Payment on capital lease		2,469	
Annual amortization of leases, premiums, and discounts		<u>105,459</u>	
Net adjustment			258,466

A negative net pension and OPEB obligation should be reported as an asset in the government-wide statement of net position. Conversely, a negative net pension and OPEB 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 and OPEB obligation asset from year to year. (2,052,224)

Changes to net pension liability and pension related deferred outflows and inflows of resources do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds 1,799,135

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.

Accrued interest payable	(3,958)
Compensated absences	(42,812)

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.

New special assessment districts to be billed and collected annually	15,359,988	
Special assessment write-offs, foreclosures, and interest	704,673	
Amount shown as revenue in governmental funds	<u>(4,884,263)</u>	
Net change		11,180,398

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. 459,066

Change in net position of governmental activities \$ 79,067,059

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

City of Minot, North Dakota
Statement of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
General Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Budgeted Amounts		2015 Actual Amounts	Variance With Final Budget	2014 Actual Amounts
	Original	Final Amended			
REVENUES					
Property tax collections	\$ 9,626,256	\$ 8,252,794	\$ 7,858,702	\$ 394,092	\$ 4,720,060
Special assessment collections	5,456	5,456	4,181	1,275	4,975
Licenses & permits	1,738,318	1,738,318	1,331,860	406,458	1,862,029
Intergovernmental federal					
Operating Grants	137,855	98,885	420,610	(321,725)	422,504
Intergovernmental state					
Highway fund	2,984,010	2,984,010	2,740,748	243,262	2,945,858
State aid distribution	4,702,120	4,702,120	4,411,924	290,196	4,792,103
Financial institution tax	-	-	-	-	373,313
Cigarette tax	133,587	133,587	132,711	876	134,790
Telecommunications tax	144,842	144,842	132,092	12,750	144,842
Homestead and disabled veterans tax credits	-	-	190,231	(190,231)	187,304
Fire insurance refund	266,995	306,983	347,616	(40,633)	289,597
Gambling tax revenue	26,398	26,398	23,710	2,688	26,048
State operating grants	48,400	269,638	110,952	158,686	77,824
Intergovernmental county					
Operating grants	7,943	7,943	35,599	(27,656)	33,848
Road and bridge	5,701	5,701	-	5,701	7,016
Joint communications	1,119,854	1,119,854	1,032,124	87,730	994,559
Computer maintenance	120,111	120,111	125,582	(5,471)	190,156
Assessed utility	19,971	19,971	23,207	(3,236)	21,279
Intergovernmental other					
Housing authority	49,957	49,957	59,869	(9,912)	54,892
Parking authority	4,515	4,515	783	3,732	2,562
Cable TV franchise fees	593,932	593,932	702,627	(108,695)	699,277
Total intergovernmental	10,366,191	10,588,447	10,490,385	98,062	11,397,772
Charges for services					
Engineering & administrative	509,875	509,875	349,976	159,899	677,961
Utility & special funds	2,733,893	2,733,891	2,733,893	(2)	2,677,563
Agency funds	50,000	50,000	135,023	(85,023)	3,527,496
Fleet labor	49,200	49,200	70,453	(21,253)	102,286
Total charges for services	3,342,968	3,342,966	3,289,345	53,621	6,985,306
Fines and forfeitures					
Parking tickets	79,839	79,839	135,012	(55,173)	104,659
Police court	975,415	975,415	544,957	430,458	1,124,429
Total fines and forfeitures	1,055,254	1,055,254	679,969	375,285	1,229,088
Interest income	291,702	291,702	173,500	118,202	77,316
Miscellaneous income					
Work for others	59,043	59,043	68,631	(9,588)	55,366
Policing-Central Campus	103,867	103,867	99,268	4,599	112,904
Miscellaneous	394,341	408,764	640,826	(232,062)	426,637
Damage claims	-	90,959	133,284	(42,325)	-
Towing fees	43,617	43,617	19,613	24,004	33,535
Total miscellaneous income	600,868	706,250	961,622	(255,372)	628,442
Total revenues	27,027,013	25,981,187	24,789,564	1,191,623	26,904,988

City of Minot, North Dakota
Statement of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
General Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Budgeted Amounts		2015 Actual Amounts	Variance With Final Budget	2014 Actual Amounts
	Original	Final Amended			
EXPENDITURES					
General government					
Mayor and city council	\$ 172,040	\$ 172,040	\$ 150,845	\$ 21,195	\$ 147,505
City manager	391,319	391,319	381,230	10,089	358,521
City clerk	392,089	392,090	339,018	53,072	336,267
City attorney	362,721	362,721	336,175	26,546	264,371
Administrative and general	1,775,755	1,882,448	1,698,969	183,479	1,695,222
Finance	1,018,654	1,205,470	1,091,740	113,730	959,804
Information technology	716,328	737,082	678,506	58,576	662,859
Property assessment	600,558	600,656	528,435	72,221	521,876
Planning	346,970	856,959	482,200	374,759	-
Building inspection	1,133,835	1,145,666	950,822	194,844	830,294
Traffic	1,281,733	1,344,099	1,244,733	99,366	1,112,638
Engineering	1,151,252	1,566,137	931,702	634,435	1,153,906
Vehicle maintenance	802,707	801,143	638,595	162,548	601,424
Property maintenance	737,306	814,254	647,295	166,959	559,514
Total general government	10,883,267	12,272,084	10,100,265	2,171,819	9,204,201
Public safety					
Police administration	1,288,628	1,467,037	1,208,451	258,586	1,192,967
Police patrol	5,406,444	5,658,921	5,280,469	378,452	5,091,868
Criminal investigation	1,480,733	1,489,227	1,362,441	126,786	1,321,413
Narcotics task force	64,842	81,367	74,428	6,939	81,357
Telecommunications division	1,119,854	1,119,853	1,032,124	87,729	994,500
Municipal judge	878,028	878,028	561,429	316,599	871,071
Fire administration	996,836	1,037,824	978,339	59,485	943,730
Fire control	4,786,999	4,864,417	4,372,283	492,134	3,879,351
Total public safety	16,022,364	16,596,674	14,869,964	1,726,710	14,376,257
Street & storm sewer maintenance	5,204,305	5,221,479	4,423,031	798,448	3,791,484
Total expenditures	32,109,936	34,090,237	29,393,260	4,696,977	27,371,942
Excess (deficiency) of revenues over (under) expenditures	(5,082,923)	(8,109,050)	(4,603,696)	(3,505,354)	(466,954)
OTHER FINANCING SOURCES (USES)					
Capital leases	-	-	-	-	7,921
Sale of property	-	-	13,500	(13,500)	6,125
Transfers in	5,082,923	6,636,500	6,889,153	(252,653)	4,023,843
Transfers out	-	-	(67,099)	67,099	(95,285)
Total other financing sources (uses)	5,082,923	6,636,500	6,835,554	(199,054)	3,942,604
Net change in fund balance	\$ -	\$ (1,472,550)	2,231,858	\$ (3,704,408)	3,475,650
Fund balance, January 1			22,975,555		19,499,905
Fund balance, December 31			<u>\$ 25,207,413</u>		<u>\$ 22,975,555</u>

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

City of Minot, North Dakota
Schedule of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual
Major Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Sales Tax NAWS			
	Original & Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES				
Interest income	\$ 168,441	\$ 261,084	\$ (92,643)	\$ 136,410
Total revenues	<u>168,441</u>	<u>261,084</u>	<u>(92,643)</u>	<u>136,410</u>
EXPENDITURES				
General government	3,000,000	241,306	2,758,694	420,631
Total expenditures	<u>3,000,000</u>	<u>241,306</u>	<u>2,758,694</u>	<u>420,631</u>
Excess (deficiency) of revenues over (under) expenditures	(2,831,559)	19,778	(2,851,337)	(284,221)
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>\$ (2,881,559)</u>	<u>(30,222)</u>	<u>\$ (2,851,337)</u>	<u>(334,221)</u>
Fund balance, January 1		34,130,645		34,464,866
Fund balance, December 31		<u>\$ 34,100,423</u>		<u>\$ 34,130,645</u>



This page left blank intentionally.

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2015
With Comparative Totals for December 31, 2014

ASSETS	Business-Type Activities Enterprise Funds			
	Airport	Sanitation	Water & Sewer	Nonmajor
Current assets				
Cash and cash equivalents	\$ 10,953,953	\$ 3,518,401	\$ 27,894,953	\$ 481,287
Restricted cash and cash equivalents	1,441,420	-	3,287,153	-
Investments - certificate of deposits	-	1,001,168	12,015,276	-
Taxes receivable delinquent	-	-	-	10,741
Accounts receivable	399,350	385,414	4,016,960	17,298
Allowance for doubtful accounts	-	-	(972,086)	-
Intergovernmental receivable	2,968,589	142,371	6,481,334	425
Accrued interest receivable	-	1,108	7,753	-
Inventory	-	-	-	-
Prepaid	2,808	1,405	25,807	164
Total current assets	15,766,120	5,049,867	52,757,150	509,915
Noncurrent assets				
Restricted cash and cash equivalents	1,307,645	-	1,140,386	-
Advance from other funds	-	-	3,701,456	-
Unamortized bond discounts	284,601	-	31,532	-
Other assets - capital credits	27,884	52,600	227,663	3,341
Capital assets				
Land	2,890,804	367,335	1,843,495	315,901
Buildings	12,210,947	2,149,398	6,848,486	150,885
Equipment	4,785,712	4,314,923	8,318,841	566,763
Infrastructure	71,799,788	4,126,280	192,853,907	407,289
Intangible assets	-	-	454,849	-
Construction in progress	50,006,907	105,872	29,786,453	2,605
Total capital assets	141,694,158	11,063,808	240,106,031	1,443,443
Less-accumulated depreciation	(28,258,480)	(4,226,079)	(58,477,194)	(704,742)
Net capital assets	113,435,678	6,837,729	181,628,837	738,701
Total noncurrent assets	115,055,808	6,890,329	186,729,874	742,042
Total assets	130,821,928	11,940,196	239,487,024	1,251,957
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pension	291,603	810,834	1,407,357	64,150
Total deferred outflows of resources	291,603	810,834	1,407,357	64,150
LIABILITIES				
Current liabilities				
Accounts payable	2,197,415	90,535	5,695,823	4,356
Retainage payable	5,530,802	3,892	2,572,713	-
Accrued salaries payable	15,900	23,668	40,284	4,481
Compensated absences	21,625	29,991	47,724	7,287
Insurance claims payable	-	-	-	-
Bonds payable	1,205,000	-	2,995,000	-
Notes payable	-	-	81,119	-
Capital leases payable	179	162,616	-	-
Accrued interest payable	236,420	-	211,034	-
Unearned revenue - other	5,675	-	-	-
Total current liabilities	9,213,016	310,702	11,643,697	16,124
Long-term liabilities				
Customer deposits	5,364	-	195,494	600
Compensated absences	40,162	55,698	88,631	13,534
Bonds payable	29,780,000	-	24,750,000	-
Notes payable	-	-	1,049,862	-
Unamortized bond premiums	-	-	687,929	-
Capital leases payable	3,499	851,362	11,733	-
Advance to other funds	-	-	228,372	-
Accrued MSWLF closure and postclosure care costs	-	1,078,849	-	-
Net pension liability	1,511,754	3,518,203	7,392,256	501,921
Total long-term liabilities	31,340,779	5,504,112	34,404,277	516,055
Total liabilities	40,553,795	5,814,814	46,047,974	532,179
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pension	7,557	55,894	130,089	38,579
Total deferred inflow of resources	7,557	55,894	130,089	38,579
NET POSITION				
Invested in capital assets	86,667,664	5,823,751	153,644,761	738,701
Restricted for bond covenants	2,749,065	-	4,427,539	-
Restricted for passenger facility receipts not spent	-	-	-	-
Restricted for chapel/veteran's memorial	-	-	-	-
Unrestricted net position	1,135,450	1,056,571	36,644,018	6,648
Total net position	\$ 90,552,179	\$ 6,880,322	\$ 194,716,318	\$ 745,349

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

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Governmental Activities		Total 2015	Total 2014
	Total Enterprise Funds	Internal Service Funds		
ASSETS				
Current assets				
Cash and cash equivalents	\$ 42,848,594	\$ 2,308,068	\$ 45,156,662	\$ 39,174,818
Restricted cash and cash equivalents	4,728,573	-	4,728,573	2,881,293
Investments - certificate of deposits	13,016,444	-	13,016,444	-
Taxes receivable delinquent	10,741	-	10,741	3,406
Accounts receivable	4,819,022	7,339	4,826,361	3,148,781
Allowance for doubtful accounts	(972,086)	-	(972,086)	(280,722)
Intergovernmental receivable	9,592,719	-	9,592,719	13,535,844
Accrued interest receivable	8,861	-	8,861	-
Inventory	-	312,509	312,509	350,361
Prepaid	30,184	-	30,184	65,244
Total current assets	<u>74,083,052</u>	<u>2,627,916</u>	<u>76,710,968</u>	<u>58,879,025</u>
Noncurrent assets				
Restricted cash and cash equivalents	2,448,031	-	2,448,031	2,900,315
Advance from other funds	3,701,456	-	3,701,456	383,833
Unamortized bond discounts	316,133	-	316,133	195,046
Other assets - capital credits	311,488	2,232	313,720	196,774
Capital assets				
Land	5,417,535	-	5,417,535	5,417,535
Buildings	21,359,716	-	21,359,716	21,696,204
Equipment	17,986,239	-	17,986,239	16,572,927
Infrastructure	269,187,264	-	269,187,264	216,178,846
Intangible assets	454,849	-	454,849	454,849
Construction in progress	79,901,837	-	79,901,837	48,330,342
Total capital assets	<u>394,307,440</u>	<u>-</u>	<u>394,307,440</u>	<u>308,650,703</u>
Less-accumulated depreciation	(91,666,495)	-	(91,666,495)	(86,851,968)
Net capital assets	<u>302,640,945</u>	<u>-</u>	<u>302,640,945</u>	<u>221,798,735</u>
Total noncurrent assets	<u>309,418,053</u>	<u>2,232</u>	<u>309,420,285</u>	<u>225,474,703</u>
Total assets	<u>383,501,105</u>	<u>2,630,148</u>	<u>386,131,253</u>	<u>284,353,728</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pension	2,573,944	-	2,573,944	-
Total deferred outflows of resources	<u>2,573,944</u>	<u>-</u>	<u>2,573,944</u>	<u>-</u>
LIABILITIES				
Current liabilities				
Accounts payable	7,988,129	20,487	8,008,616	8,645,811
Retainage payable	8,107,407	-	8,107,407	3,690,940
Accrued salaries payable	84,333	-	84,333	235,491
Compensated absences	106,628	-	106,628	93,835
Insurance claims payable	-	142,927	142,927	109,069
Bonds payable	4,200,000	-	4,200,000	2,295,000
Notes payable	81,119	-	81,119	78,353
Capital leases payable	162,795	-	162,795	230,825
Accrued interest payable	447,454	-	447,454	493,538
Unearned revenue - other	5,675	-	5,675	975
Total current liabilities	<u>21,183,540</u>	<u>163,414</u>	<u>21,346,954</u>	<u>15,873,837</u>
Long-term liabilities				
Customer deposits	201,458	-	201,458	192,366
Compensated absences	198,024	-	198,024	174,264
Bonds payable	54,530,000	-	54,530,000	40,100,000
Notes payable	1,049,862	-	1,049,862	1,130,981
Unamortized bond premiums	687,929	-	687,929	439,757
Capital leases payable	866,594	-	866,594	242,567
Advance to other funds	228,372	-	228,372	297,831
Accrued MSWLF closure and postclosure care costs	1,078,849	-	1,078,849	923,392
Net pension liability	12,924,134	-	12,924,134	-
Total long-term liabilities	<u>71,765,222</u>	<u>-</u>	<u>71,765,222</u>	<u>43,501,158</u>
Total liabilities	<u>92,948,762</u>	<u>163,414</u>	<u>93,112,176</u>	<u>59,374,995</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pension	232,119	-	232,119	-
Total deferred inflow of resources	<u>232,119</u>	<u>-</u>	<u>232,119</u>	<u>-</u>
NET POSITION				
Invested in capital assets	246,874,877	-	246,874,877	187,576,187
Restricted for bond covenants	7,176,604	-	7,176,604	5,115,955
Restricted for passenger facility receipts not spent	-	-	-	651,251
Restricted for chapel/veteran's memorial	-	-	-	14,402
Unrestricted net position	38,842,687	2,466,734	41,309,421	31,620,938
Total net position	<u>292,894,168</u>	<u>\$ 2,466,734</u>	<u>295,360,902</u>	<u>224,978,733</u>
Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included.				
	<u>453,560</u>		<u>453,560</u>	<u>469,170</u>
	<u>\$ 293,347,728</u>		<u>\$ 295,814,462</u>	<u>\$ 225,447,903</u>

City of Minot, North Dakota
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Business-Type Activities			
	Enterprise Funds			
	Airport	Sanitation	Water & Sewer	Nonmajor
OPERATING REVENUES				
Sales	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	-	-	-	-
Gross margin	-	-	-	-
Charges for services	3,339,385	4,534,462	19,890,510	359,334
Employer	-	-	-	-
Employee	-	-	-	-
Miscellaneous	-	2,616	66,219	-
Total operating revenues	<u>3,339,385</u>	<u>4,537,078</u>	<u>19,956,729</u>	<u>359,334</u>
OPERATING EXPENSES				
Salaries	869,183	1,463,703	2,490,096	311,887
Employee benefits	215,986	344,302	577,833	89,264
Professional services	1,203,835	32,066	60,466	97
Property services	1,589,424	673,693	2,457,926	30,078
Purchased services	117,125	46,867	573,397	18,462
Supplies	249,652	285,342	2,817,980	25,277
Sundry	189,585	617,345	1,668,472	31,396
Insurance claims	-	-	-	-
Amortization	-	-	11,176	-
MSWLF closure & postclosure care	-	155,457	-	-
Depreciation	3,721,229	845,618	8,492,140	61,335
Total operating expenses	<u>8,156,019</u>	<u>4,464,393</u>	<u>19,149,486</u>	<u>567,796</u>
Operating income (loss)	(4,816,634)	72,685	807,243	(208,462)
NON-OPERATING REVENUES (EXPENSES)				
Property tax collections	-	-	-	166,746
Intergovernmental revenues	1,372,949	-	-	-
Interest income	15,253	6,481	96,287	1,051
Miscellaneous income (expense)	(54,697)	42,719	1,252,547	3,611
Gain (loss) on sale of City property	(5,265)	5,200	(179,782)	-
Passenger facility charge income	722,830	-	-	-
Customer facility charge income	305,361	-	-	-
Interest and fiscal charges	(597,076)	(102)	(838,360)	-
Total non-operating revenues (expenses)	<u>1,759,355</u>	<u>54,298</u>	<u>330,692</u>	<u>171,408</u>
Income (loss) before contributions and transfers	(3,057,279)	126,983	1,137,935	(37,054)
Capital contributions	21,362,081	-	62,750,889	-
Transfers in	545,173	243,044	1,036,939	-
Transfers out	(97,099)	(409,404)	(2,516,381)	(64,327)
Total contributions and transfers	<u>21,810,155</u>	<u>(166,360)</u>	<u>61,271,447</u>	<u>(64,327)</u>
Change in net position	18,752,876	(39,377)	62,409,382	(101,381)
Net position, January 1	73,086,526	9,833,061	138,696,584	1,339,283
Change in accounting principle - Note 5E	(1,287,223)	(2,913,362)	(6,389,648)	(492,553)
Net position, January 1, as restated	<u>71,799,303</u>	<u>6,919,699</u>	<u>132,306,936</u>	<u>846,730</u>
Net position, December 31	<u>\$ 90,552,179</u>	<u>\$ 6,880,322</u>	<u>\$ 194,716,318</u>	<u>\$ 745,349</u>

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

City of Minot, North Dakota
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Total Enterprise Funds	Governmental Activities		Total 2015	Total 2014
		Internal Service Funds			
OPERATING REVENUES					
Sales	\$ -	\$ 994,277	\$ 994,277	\$ 994,277	\$ 1,335,788
Cost of goods sold	-	(902,794)	(902,794)	(902,794)	(1,241,660)
Gross margin	-	91,483	91,483	91,483	94,128
Charges for services	28,123,691	-	28,123,691	28,123,691	28,217,086
Employer	-	2,193,558	2,193,558	2,193,558	1,877,129
Employee	-	633,410	633,410	633,410	562,813
Miscellaneous	68,835	-	68,835	68,835	52,443
Total operating revenues	28,192,526	2,918,451	31,110,977	31,110,977	30,803,599
OPERATING EXPENSES					
Salaries	5,134,869	-	5,134,869	5,134,869	4,894,913
Employee benefits	1,227,385	-	1,227,385	1,227,385	1,629,872
Professional services	1,296,464	-	1,296,464	1,296,464	773,175
Property services	4,751,121	-	4,751,121	4,751,121	3,924,130
Purchased services	755,851	-	755,851	755,851	618,580
Supplies	3,378,251	-	3,378,251	3,378,251	3,989,056
Sundry	2,506,798	-	2,506,798	2,506,798	2,502,810
Insurance claims	-	2,523,588	2,523,588	2,523,588	2,038,201
Amortization	11,176	-	11,176	11,176	7,107
MSWLF closure & postclosure care	155,457	-	155,457	155,457	143,634
Depreciation	13,120,322	-	13,120,322	13,120,322	10,348,263
Total operating expenses	32,337,694	2,523,588	34,861,282	34,861,282	30,869,741
Operating income (loss)	(4,145,168)	394,863	(3,750,305)	(3,750,305)	(66,142)
NON-OPERATING REVENUES (EXPENSES)					
Property tax collections	166,746	-	166,746	166,746	82,208
Intergovernmental revenues	1,372,949	-	1,372,949	1,372,949	144,096
Interest income	119,072	3,943	123,015	123,015	118,502
Miscellaneous income (expense)	1,244,180	44,649	1,288,829	1,288,829	(288,670)
Gain (loss) on sale of City property	(179,847)	-	(179,847)	(179,847)	(22,433)
Passenger facility charge income	722,830	-	722,830	722,830	872,372
Customer facility charge income	305,361	-	305,361	305,361	375,935
Interest and fiscal charges	(1,435,538)	-	(1,435,538)	(1,435,538)	(1,207,269)
Total non-operating revenues (expenses)	2,315,753	48,592	2,364,345	2,364,345	74,741
Income (loss) before contributions and transfers	(1,829,415)	443,455	(1,385,960)	(1,385,960)	8,599
Capital contributions	84,112,970	-	84,112,970	84,112,970	67,305,703
Transfers in	1,825,156	-	1,825,156	1,825,156	1,606,228
Transfers out	(3,087,211)	-	(3,087,211)	(3,087,211)	(1,252,918)
Total contributions and transfers	82,850,915	-	82,850,915	82,850,915	67,659,013
Change in net position	81,021,500	443,455	81,464,955	81,464,955	67,551,384
Net position, January 1	222,955,454	2,023,279	224,978,733	224,978,733	222,955,454
Change in accounting principle - Note 5E	(11,082,786)	-	(11,082,786)	(11,082,786)	-
Net position, January 1, as restated	211,872,668	2,023,279	213,895,947	213,895,947	222,955,454
Net position, December 31	\$ 292,894,168	\$ 2,466,734	\$ 295,360,902	\$ 295,360,902	\$ 222,955,454
Change in net position enterprise funds only			81,021,500	81,021,500	67,551,384
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds			(15,610)	(15,610)	44,194
Change in net position of business-type activities			\$ 81,005,890	\$ 81,005,890	\$ 67,595,578

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Business-Type Activities Enterprise Funds			
	Water & Sewer			
	Airport	Sanitation	Sewer	Nonmajor
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 3,237,411	\$ 4,482,318	\$ 19,175,997	\$ 343,908
Payments to suppliers	(635,825)	(1,575,688)	(6,641,000)	(109,780)
Payments to employees	(1,155,351)	(1,983,057)	(3,406,708)	(432,220)
Due from other agencies	2,751,899	3,297	1,187,367	109
Due to other agencies	-	-	-	(1,266)
Net cash provided (used) by operating activities	<u>4,198,134</u>	<u>926,870</u>	<u>10,315,656</u>	<u>(199,249)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes received	1,318,252	42,719	1,252,547	170,357
Transfers in	545,173	243,044	1,036,939	-
Transfers out	(97,099)	(409,404)	(2,516,381)	(64,327)
Internal activity - payments from other funds	-	-	(3,317,623)	-
Internal activity - payments to other funds	-	-	(69,459)	-
Net cash provided (used) by noncapital financing activities	<u>1,766,326</u>	<u>(123,641)</u>	<u>(3,613,977)</u>	<u>106,030</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	21,362,081	-	41,951,568	-
Passenger facility charges	722,830	-	-	-
Customer facility charges	305,361	-	-	-
Acquisition and construction of capital assets	(39,659,435)	231,185	(24,509,927)	(34,339)
Proceeds from bonds	11,770,000	-	6,860,000	-
Disposal of capital assets	(367,776)	(696,285)	(7,432,756)	-
Capital lease payment	(898)	(325,838)	(2,167)	-
Principal paid on capital debt	-	-	(2,373,353)	-
Interest paid on capital debt	(597,076)	(102)	(838,360)	-
Net cash provided (used) by capital and related financing activities	<u>(6,464,913)</u>	<u>(791,040)</u>	<u>13,655,005</u>	<u>(34,339)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	15,253	6,481	96,287	1,051
Net cash provided by investing activities	<u>15,253</u>	<u>6,481</u>	<u>96,287</u>	<u>1,051</u>
Net increase (decrease) in cash and cash equivalents	(485,200)	18,670	20,452,971	(126,507)
Cash and cash equivalents, January 1	14,188,218	4,500,899	23,884,797	607,794
Cash and cash equivalents, December 31	<u>\$ 13,703,018</u>	<u>\$ 4,519,569</u>	<u>\$ 44,337,768</u>	<u>\$ 481,287</u>
Cash and cash equivalents are comprised of the following:				
Cash and cash equivalents	\$ 10,953,953	\$ 3,518,401	\$ 27,894,953	\$ 481,287
Investments - certificate of deposits	-	1,001,168	12,015,276	-
Restricted cash and cash equivalents - current	1,441,420	-	3,287,153	-
Restricted cash and cash equivalents - noncurrent	1,307,645	-	1,140,386	-
Total cash and cash equivalents on the Statement of Net Position	<u>\$ 13,703,018</u>	<u>\$ 4,519,569</u>	<u>\$ 44,337,768</u>	<u>\$ 481,287</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (4,816,634)	\$ 72,685	\$ 807,243	\$ (208,462)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation expense	3,721,229	845,618	8,492,140	61,335
Amortization expense	-	-	11,176	-
MSWLF closure and post closure care cost adjustment	-	155,457	-	-
Change in assets and liabilities				
Taxes receivable	-	-	-	(7,335)
Receivables, net	28,371	(67,363)	(938,424)	(8,047)
Accrued interest receivable	-	(1,108)	(7,753)	-
Inventory	-	-	-	-
Prepaid	8,534	22,569	1,151	(44)
Accounts payable	72,710	75,733	(797,256)	(4,470)
Retainage payable	2,709,274	3,892	1,703,301	-
Intergovernmental receivables	2,751,899	3,297	1,187,367	562
Accrued salaries payable	(10,667)	(24,953)	(64,119)	(11,370)
Insurance claims payable	-	-	-	-
Accrued interest payable	(68,218)	-	22,134	(3,496)
Customer deposits	30	-	9,062	-
Other assets/liabilities	(143,579)	(8,858)	164,294	(1,719)
Net pension liability	(59,515)	(150,099)	(274,660)	(16,203)
Unearned revenue - other	4,700	-	-	-
Net cash provided (used) by operating activities	<u>\$ 4,198,134</u>	<u>\$ 926,870</u>	<u>\$ 10,315,656</u>	<u>\$ (199,249)</u>
NONCASH CAPITAL ACTIVITY				
Borrowing under capital lease	\$ -	\$ 871,000	\$ 13,900	\$ -
Construction of capital assets from developers	-	-	20,799,321	-
Transfer fully depreciated capital assets to general fund	-	-	-	-

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Total Enterprise Funds	Governmental Activities		Total 2015	Total 2014
		Internal Service Funds			
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 27,239,634	\$ 3,858,344	\$ 31,097,978	\$ 32,158,688	
Payments to suppliers	(8,962,293)	(3,373,586)	(12,335,879)	(8,618,391)	
Payments to employees	(6,977,336)	-	(6,977,336)	(6,487,637)	
Due from other agencies	3,942,672	-	3,942,672	-	
Due to other agencies	(1,266)	-	(1,266)	(6,242,229)	
Net cash provided (used) by operating activities	15,241,411	484,758	15,726,169	10,810,431	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Taxes received	2,783,875	-	2,783,875	270,708	
Transfers in	1,825,156	-	1,825,156	1,606,228	
Transfers out	(3,087,211)	-	(3,087,211)	(1,252,918)	
Internal activity - payments from other funds	(3,317,623)	44,649	(3,272,974)	(289,276)	
Internal activity - payments to other funds	(69,459)	-	(69,459)	-	
Net cash provided (used) by noncapital financing activities	(1,865,262)	44,649	(1,820,613)	334,742	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions	63,313,649	-	63,313,649	46,663,982	
Passenger facility charges	722,830	-	722,830	872,372	
Customer facility charges	305,361	-	305,361	375,935	
Acquisition and construction of capital assets	(63,972,516)	-	(63,972,516)	(39,581,772)	
Proceeds from bonds	18,630,000	-	18,630,000	10,910,000	
Disposal of capital assets	(8,496,817)	-	(8,496,817)	(23,134,303)	
Capital lease payment	(328,903)	-	(328,903)	(215,671)	
Principal paid on capital debt	(2,373,353)	-	(2,373,353)	(4,595,681)	
Interest paid on capital debt	(1,435,538)	-	(1,435,538)	(1,207,269)	
Net cash provided (used) by capital and related financing activities	6,364,713	-	6,364,713	(9,912,407)	
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	119,072	3,943	123,015	118,502	
Net cash provided by investing activities	119,072	3,943	123,015	118,502	
Net increase (decrease) in cash and cash equivalents	19,859,934	533,350	20,393,284	1,351,268	
Cash and cash equivalents, January 1	43,181,708	1,774,718	44,956,426	43,605,158	
Cash and cash equivalents, December 31	\$ 63,041,642	\$ 2,308,068	\$ 65,349,710	\$ 44,956,426	
Cash and cash equivalents are comprised of the following:					
Cash and cash equivalents	\$ 42,848,594	\$ 2,308,068	\$ 45,156,662	\$ 39,174,818	
Investments - certificate of deposits	13,016,444	-	13,016,444	-	
Restricted cash and cash equivalents - current	4,728,573	-	4,728,573	2,881,293	
Restricted cash and cash equivalents - noncurrent	2,448,031	-	2,448,031	2,900,315	
Total cash and cash equivalents on the Statement of Net Position	\$ 63,041,642	\$ 2,308,068	\$ 65,349,710	\$ 44,956,426	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (4,145,168)	\$ 394,863	\$ (3,750,305)	\$ (66,142)	
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation expense	13,120,322	-	13,120,322	10,348,263	
Amortization expense	11,176	-	11,176	7,107	
MSWLF closure and post closure care cost adjustment	155,457	-	155,457	143,634	
Change in assets and liabilities					
Taxes receivable	(7,335)	-	(7,335)	1,422	
Receivables, net	(985,463)	(753)	(986,216)	215,233	
Accrued interest receivable	(8,861)	-	(8,861)	-	
Inventory	-	37,852	37,852	3,736	
Prepaid	32,210	2,850	35,060	(43,440)	
Accounts payable	(653,283)	16,088	(637,195)	4,022,332	
Retainage payable	4,416,467	-	4,416,467	2,292,707	
Intergovernmental receivables	3,943,125	-	3,943,125	(6,241,725)	
Accrued salaries payable	(111,109)	-	(111,109)	30,780	
Insurance claims payable	-	33,858	33,858	(6,602)	
Accrued interest payable	(49,580)	-	(49,580)	148,615	
Customer deposits	9,092	-	9,092	21,387	
Other assets/liabilities	10,138	-	10,138	(66,876)	
Net pension liability	(500,477)	-	(500,477)	-	
Unearned revenue - other	4,700	-	4,700	-	
Net cash provided (used) by operating activities	\$ 15,241,411	\$ 484,758	\$ 15,726,169	\$ 10,810,431	
NONCASH CAPITAL ACTIVITY					
Borrowing under capital lease	\$ 884,900	\$ -	\$ 884,900	\$ 5,383	
Construction of capital assets from developers	20,799,321	-	20,799,321	20,641,721	
Transfer fully depreciated capital assets to general fund	-	-	-	221,594	

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

City of Minot, North Dakota
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2015

	Pension Trust Fund	OPEB Trust Fund	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 171,064	\$ -	\$ 404,426
Investments			
Money market	785,921	34,855	
Equity/stocks	34,211,683	669,625	
Fixed income	21,699,341	402,421	
Alternative	4,201,907	53,732	
Total investments	<u>60,898,852</u>	<u>1,160,633</u>	
Taxes receivable delinquent	25,131	-	1,015
Due from other funds	88,934	-	265
Intergovernmental receivable	-	-	24,843
Total assets	<u>61,183,981</u>	<u>1,160,633</u>	<u>\$ 510,954</u>
LIABILITIES			
Accounts payable	-	-	\$ 510,689
Due to other funds	-	88,934	265
Total liabilities	<u>-</u>	<u>88,934</u>	<u>\$ 510,954</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>25,131</u>	<u>-</u>	
NET POSITION			
Restricted for pension benefits	61,158,850	-	
Restricted for OPEB benefits	-	1,071,699	
Total net position	<u>\$ 61,158,850</u>	<u>\$ 1,071,699</u>	

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

City of Minot, North Dakota
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Pension Trust Fund	OPEB Trust Fund	2015 Total	2014 Total
ADDITIONS				
Contributions				
Employer	\$ 4,250,241	\$ 32,959	\$ 4,283,200	\$ 4,847,704
Employee	2,635,549	466,515	3,102,064	3,194,919
Total contributions	<u>6,885,790</u>	<u>499,474</u>	<u>7,385,264</u>	<u>8,042,623</u>
Investment income				
Interest and dividends	1,596,449	22,292	1,618,741	1,690,204
Net increase (decrease) in the fair value of investments	(2,765,087)	(34,777)	(2,799,864)	2,605,674
Total investment income	<u>(1,168,638)</u>	<u>(12,485)</u>	<u>(1,181,123)</u>	<u>4,295,878</u>
Less investment expense	157,642	3,161	160,803	149,915
Net investment income	<u>(1,326,280)</u>	<u>(15,646)</u>	<u>(1,341,926)</u>	<u>4,145,963</u>
Total additions	<u>5,559,510</u>	<u>483,828</u>	<u>6,043,338</u>	<u>12,188,586</u>
DEDUCTIONS				
Benefits paid to plan member and beneficiaries	7,299,926	-	7,299,926	6,912,542
Refunds paid to plan member and beneficiaries	434,086	-	434,086	566,634
Retiree claims	-	363,549	363,549	549,772
Third party premiums	-	176,300	176,300	166,938
Administrative expenses	224,143	15,600	239,743	316,469
Total deductions	<u>7,958,155</u>	<u>555,449</u>	<u>8,513,604</u>	<u>8,512,355</u>
Change in net position	(2,398,645)	(71,621)	(2,470,266)	3,676,231
Net position, January 1	63,557,495	1,143,320	64,700,815	61,024,584
Net position, December 31	<u>\$ 61,158,850</u>	<u>\$ 1,071,699</u>	<u>\$ 62,230,549</u>	<u>\$ 64,700,815</u>

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. With respect to both the government-wide and proprietary fund financial statements, the City has adopted GASB statement No. 62 *"Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements."* Governments also have the option of following subsequent private-sector guidance for their business-type activities and 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 Position and the Statement of Activities or Changes in Net Position, 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance or net position, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and 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.

Notes to Financial Statements

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

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

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

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

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

The City reports the following major 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 rates generate the primary funding source.

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

The **Water and Sewer Fund** accounts for the

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

Additionally, the government reports the following fund types:

The **Internal Service Funds** account for health insurance and 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's 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 and Motor Vehicle Taxes (collects lodging and motor vehicle 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.

Notes to Financial Statements

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

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

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, 2014, from which the summarized information was derived.

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

Cash

Cash and cash equivalents are 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.

Method used to value investments. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. For the pension and OPEB plans, independent valuation services are used along with appraisals for other investments. The net appreciation in fair value of investments consists of the realized gains or losses and the unrealized

Notes to Financial Statements

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.

Receivables and Payables

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

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

All real estate is assessed as of the current value on February 1 of each year. Property taxes are attached as an enforceable lien on the real estate and become due on January 1 of the year following the assessment date. A 5% reduction of the taxes is allowed if the taxes are paid in full by February 15.

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

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

Inventories and Prepaid Items

Inventories are valued at average cost (first-in, first-out) in the proprietary funds and 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 (consumption method) 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 funds revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. A 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/amortization has been provided over the estimated useful life, using the straight-line method, as follows:

Notes to Financial Statements

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

Net Position/Fund Balance

The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is "net position" on the government-wide, 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 constraints imposed by formal action of the government's highest level of decision-making authority (the City Council), the vote of the citizens, or the wishes of a donor or third party. The formal action required to be taken to establish, modify or rescind a fund balance commitment is a majority vote by the City Council.

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

Unassigned fund balance represents residual classification for the general fund. This classification represents fund balance not assigned to other funds and not restricted, committed, or assigned to specific

purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it would be necessary to report a negative unassigned fund balance.

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

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

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.

**CITY OF MINOT, NORTH DAKOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015**

Notes to Financial Statements

Self-Insurance

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

Deferred Inflows of Resources

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

Deferred Outflows of Resources

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

Long-Term Obligations

In the government-wide financial statements, and 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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

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

Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in order to provide an understanding of the changes in financial position and operations of these

funds. Also, certain amounts presented in the prior year date have been reclassified in order to be consistent with the current year's presentation.

G. REVENUES

Grant Revenue

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

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

A. The governmental fund balance sheet includes a reconciliation between total governmental funds fund balance and net position of governmental activities as reported in the government-wide statement of net position. One element of the reconciliation explains, "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this (\$40,668,643) difference are as follows:

Bonds payable	\$ 38,100,000
Unamortized discounts/premiums	1,229,694
Accrued interest payable	267,619
Capital lease payable	4,026
Compensated absences	<u>1,067,304</u>
Net adjustment to reduce fund balance- total governmental funds to arrive at net position-governmental activities	<u>\$ 40,668,643</u>

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

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

Donated capital assets	\$ 23,215,631
Capital outlay	49,490,425
Depreciation	<u>(11,141,611)</u>
Net adjustment to decrease net changes in fund balances—total governmental funds to arrive at changes in net position of governmental funds	<u>\$ 61,564,445</u>
Proceeds from capital asset sales	\$ 88,865
Gain/(loss) on capital asset sales	(715,735)
Net adjustment to decrease net changes in fund balances—total governmental funds to arrive at changes in net position of governmental funds	<u>\$ (626,870)</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 and Special Revenue Funds. The Fire Equipment, Equipment Purchases, and Flood Control Capital funds are the only three Capital Project Funds budgeted. All appropriations lapse at year-end unless encumbered.

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

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

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

The City incurred two violations of excess of expenditures over appropriations. Sales Tax Improvements incurred over a \$0.6 million violation due to budgeted transfers being considered in the budget balancing process. Special Assessment Debt incurred a \$2.8 million violation due to the Capital

Financing Program bond proceeds were planned to offset expenditures.

C. NET POSITION/FUND BALANCE DEFICITS

The City had no fund balance deficits as of December 31, 2015.

NOTE 4-DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

Government and Business-Type Funds

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

Allowable deposits and investments:

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

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

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, 2015, 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, 2015, the City has invested in cash and money markets \$127,683,736, \$15,637,374 of U.S. bonds, and certificates of deposit \$17,010,513, which have no credit ratings. The City also has NAWS investments valued at \$27,429,755. The fixed income securities are all United States Government Agency securities.

Investment Type	Fair Value	Rated AAA	Not-Rated
Fixed Income	\$ 22,366,789	\$ 17,461,331	\$ 4,905,458
Cash & Money Market	1,053,083	-	1,053,083
Total Fair Value	\$ 23,419,872	\$ 17,461,331	\$ 5,958,541

Maturity (Years)	Fixed Income
0-1	\$ 4,195,545
1-3	17,150,363
3-5	286,944
10-15	629,758
15+	104,179
	\$ 22,366,789

B. INTERGOVERNMENTAL RECEIVABLES

A total of \$25,456,551 is due from intergovernmental receivables. This includes \$14,956,869 due from the Federal Government, \$6,213,794 from an EDA grants; \$3,875,317 from Department of Emergency Services; \$2,577,275 from Community Development Block Grant – Disaster Recovery grant; \$1,430,707 from the FAA; \$463,692 from U.S. Corp of Engineers; \$191,775 from Community Development Block Grants; \$74,984 from Department of Transportation grants; \$60,898 from Department of Homeland Security; \$60,423 from EPA grants; and \$8,004 from Department of Justice. It also includes \$10,213,815 from the State of North Dakota, \$3,143,398 from the State Water Commission for home acquisitions; \$1,849,315 for city sales taxes; \$1,609,450 for ND Department of Emergency Services; \$1,537,882 for State Aeronautics; \$1,024,294 for State Aid Distribution; \$650,021 for ND Trust Land Grants; \$298,200 for Municipal Highway tax; \$40,896 from ND Housing & Finance Agency; \$29,987 from ND Bureau of Criminal Investigation; \$24,647 for NDDOT projects; and \$5,725 from ND gambling taxes; and \$285,867 due from Ward county.

C. RECEIVABLES

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

Due within one year	\$ 800,000
Due after one year	1,750,000
Less: allowance for uncollectible	(510,000)
Total loans receivable	\$ 2,040,000

The only receivables not expected to be collected within one year are \$15,161,857 of special assessments deferred and the loans receivables as noted above.

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

Uncertified special assessments	\$ 16,761,940
Unavailable revenue - property taxes	446,512
Unavailable revenue - special assessments	16,420
Total deferred inflows of resources	\$ 17,224,872

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

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 Delinquent	Specials Deferred	Specials Delinquent	Accounts Receivable	Loans	Intergov't'l Receivable	Accrued Interest Receivable	Gross Receivables	Less: Allow for Uncollectible	Total Net Receivables
General	\$ 580,754	\$ 9,775	\$ 1,075	\$ 463,350	\$ -	\$ 1,927,814	\$ 23,844	\$ 3,006,612	\$ (126,085)	\$ 2,880,527
Sales Tax/NAWS	-	-	-	-	-	-	4,143	4,143	-	4,143
Assessment debt	5,187	16,681,025	16,415	-	-	688	-	16,703,315	-	16,703,315
Highway reserve	-	-	-	38,902	-	4,834,051	-	4,872,953	-	4,872,953
Capital purchases	-	-	-	-	-	4,243,608	-	4,243,608	-	4,243,608
Nonmajor governmental	444,520	71,140	7,270	145,853	2,550,000	4,857,671	-	8,076,454	(510,000)	7,566,454
Airport	-	-	-	399,350	-	2,968,589	-	3,367,939	-	3,367,939
Sanitation	-	-	-	385,414	-	142,371	1,108	528,893	-	528,893
Water and sewer	-	-	-	4,016,960	-	6,481,334	7,753	10,506,047	(972,086)	9,533,961
Nonmajor enterprise	10,741	-	-	17,298	-	425	-	28,464	-	28,464
Internal service	-	-	-	7,339	-	-	-	7,339	-	7,339
Total net receivables	\$ 1,041,202	\$ 16,761,940	\$ 24,760	\$ 5,474,466	\$ 2,550,000	\$ 25,456,551	\$ 36,848	\$ 51,345,767	\$ (1,608,171)	\$ 49,737,596

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

Governmental Activities	Balance 01/01/15	Additions	Deletions	Transfers	Balance 12/31/15
Land	\$ 31,055,094	\$ 12,068,589	\$ 554,496	\$ -	\$ 42,569,187
Construction in progress	8,215,463	72,743,165	60,750,276	-	20,208,352
Depreciable assets					
Buildings	14,913,448	397,409	421,336	-	14,889,521
Equipment	17,911,741	3,922,288	318,675	-	21,515,354
Infrastructure	180,559,156	44,260,256	107,829	-	224,711,583
Intangible assets	598,329	-	-	-	598,329
Books	3,794,171	153,490	616,799	-	3,330,862
Totals at historical cost	257,047,402	133,545,197	62,769,411	-	327,823,188
Accumulated depreciation					
Buildings	(7,912,987)	(383,557)	421,336	-	(7,875,208)
Equipment	(10,552,739)	(1,676,891)	255,401	-	(11,974,229)
Infrastructure	(45,195,400)	(8,966,904)	9,864	-	(54,152,440)
Intangible assets	(223,584)	(51,833)	-	-	(275,417)
Books	(2,949,207)	(62,426)	616,799	-	(2,394,834)
Total accumulated depreciation	(66,833,917)	(11,141,611)	1,303,400	-	(76,672,128)
Governmental activities capital assets, net	\$ 190,213,485	\$ 122,403,586	\$ 61,466,011	\$ -	\$ 251,151,060
Business-Type Activities	Balance 01/01/15	Additions	Deletions	Transfers	Balance 12/31/15
Land	\$ 5,417,535	\$ -	\$ -	\$ -	\$ 5,417,535
Construction in progress	48,330,342	85,082,669	53,511,174	-	79,901,837
Depreciable assets					
Buildings	21,696,204	-	336,488	-	21,359,716
Equipment	16,572,927	2,288,697	812,243	(63,142)	17,986,239
Infrastructure	216,178,846	60,346,295	7,401,019	63,142	269,187,264
Intangible assets	454,849	-	-	-	454,849
Totals at historical cost	308,650,703	147,717,661	62,060,924	-	394,307,440
Accumulated depreciation					
Buildings	(12,559,657)	(588,394)	324,922	-	(12,823,129)
Equipment	(10,430,253)	(1,895,990)	776,330	-	(11,549,913)
Infrastructure	(63,487,894)	(10,622,861)	7,211,649	-	(66,899,106)
Intangible assets	(374,164)	(20,183)	-	-	(394,347)
Total accumulated depreciation	(86,851,968)	(13,127,428)	8,312,901	-	(91,666,495)
Business-type activities capital assets, net	221,798,735	134,590,233	53,748,023	-	302,640,945
Total capital assets, net	\$ 412,012,220	\$ 256,993,819	\$ 115,214,034	\$ -	\$ 553,792,005

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

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

Governmental Activities	
General government	\$ 830,087
Public safety	1,075,421
Highways and streets	8,944,086
Culture and recreation	<u>292,017</u>
Total depreciation expenditure - governmental activities	<u>\$ 11,141,611</u>
Business -Type Activities	
Airport	\$ 3,721,229
Cemetery	47,799
Parking authority	13,536
Sanitation	845,618
Water and sewer	<u>8,499,246</u>
Total depreciation expense - business-type activities	<u>\$ 13,127,428</u>

E. COMMITMENTS

Construction and other significant commitments as of December 31, 2015 were \$86,260,830.

	<u>Spent to Date</u>	<u>Remaining</u>
General fund	\$ 378,735	\$ 435,671
Highway reserve	30,870,204	6,235,733
Capital purchases	12,801,977	5,762,773
Nonmajor governmental funds	19,141,520	10,181,439
Airport	65,647,494	15,298,801
Sanitation	100,327	120,615
Water and sewer	41,186,251	48,179,469
Nonmajor enterprise funds	-	46,329
	<u>\$ 170,126,508</u>	<u>\$ 86,260,830</u>

The City is also committed to approximately \$74.1 million local share in the Northwest Area Water Supply Project to bring water from the Missouri River to Minot. The City's local share of expenditures to date is approximately \$41.3 million. The City has approximately \$32.8 million local share remaining on this project. This project will be funded with sales tax monies approved by the voters in March 1999. The City has encumbrance commitments of \$1,189,150 in the general fund, and \$8,995,032 in nonmajor governmental funds. The City has encumbrance commitments of \$1,231,094 in Airport, \$24,365 in Sanitation, \$1,282,766 in Water and Sewer.

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

	Highway Reserve	Nonmajor Gov't	Water & Sewer	Total Advance From
Governmental funds				
Special Assessment Debt	\$ -	\$ 1,286,295	\$ 54,845	\$ 1,341,140
Nonmajor Gov	-	-	173,527	173,527
Business-type funds				
Water & Sewer	133,227	3,568,229	-	3,701,456
Total advance to	<u>\$ 133,227</u>	<u>\$ 4,854,524</u>	<u>\$ 228,372</u>	<u>\$ 5,216,123</u>

The composition of interfund advance to and from balances at December 31, 2015 is to fund outstanding special assessments and highway debt paid in annual installments for storm sewer development.

	Nonmajor Gov't	Total Due From
Governmental funds		
Nonmajor governmental	<u>\$ 1,072,005</u>	<u>\$ 1,072,005</u>
Total Due To	<u>\$ 1,072,005</u>	<u>\$ 1,072,005</u>

The interfund due to and from balances are to maintain positive fund balances 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.

**CITY OF MINOT, NORTH DAKOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015**

Notes to Financial Statements

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

Transfers Out	General Fund	Sales Tax NAWS	Special		Capital Purchases	Nonmajor Governmental			Water & Sewer	Nonmajor Enterprise Funds	Total Transfers In
			Assessment Debt	Highway Reserve		Airport	Sanitation				
General fund	\$ 142	\$ 50,000	\$ 3,131	\$ 69,511	\$ -	\$ 6,320,231	\$ 14,969	\$ 282,256	\$ 147,862	\$ 1,051	\$ 6,889,153
Assessment debt	-	-	-	-	-	-	-	-	3,315	-	3,315
Highway reserve	-	-	-	-	-	69,058	-	-	-	-	69,058
Capital purchases	37,097	-	-	-	-	2,511,044	-	-	-	-	2,548,141
Nonmajor governmental funds	29,860	-	-	50,750	2,658,260	5,258,673	82,130	127,148	2,126,171	63,276	10,396,268
Airport	-	-	-	-	-	532,917	-	-	12,256	-	545,173
Sanitation	-	-	-	-	-	16,267	-	-	226,777	-	243,044
Water and sewer	-	-	-	7,862	-	1,029,077	-	-	-	-	1,036,939
Total transfers out	\$ 67,099	\$ 50,000	\$ 3,131	\$ 128,123	\$ 2,658,260	\$ 15,737,267	\$ 97,099	\$ 409,404	\$ 2,516,381	\$ 64,327	\$ 21,731,091

**CITY OF MINOT, NORTH DAKOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015**

Notes to Financial Statements

Transfers in/out consisted of the following:

\$ 197,204	Interest Distribution transfers to General Fund
50,000	Highway Reserve budgeted transfers to General Fund for highway repairs
157	Highway Reserve transfers to General Fund
50,000	Sales TaxNAWS budgeted transfers to general fund for administration
7,862	Highway Reserve transfers to Water/Sewer
50,750	Highway Reserve transfers to Street Improvements
1,600,000	Capital Purchases transfers to Flood Control Capital for MREFPP project
168	Capital Purchases transfers to Street Improvements
82,130	Airport transfers to Sales Tax Economic Development
275,775	Sanitation budgeted transfers to General Fund
76,990	Water/Sewer budgeted transfers to General Fund
13,448	Emergency fund transfers to General Fund
28,170	General Fund transfer to Equipment Purchase
14,679	Sales Tax Improvements transfer to Equipment Purchase
104	Equipment Purchase transfer to Equipment Purchase
109,733	Sanitation budgeted equipment transfers to Equipment Purchase Fund
1,148	Sanitation transfer to CDBG-DR \$67.5M
3,315	Water/Sewer transfers to Special Assessment Debt Fund for debt payments
12,256	Water/Sewer transfers to Airport
226,777	Water/Sewer budgeted transfers to Sanitation
1,341,796	Water/Sewer budgeted transfers to Special Assessment Capital
405,525	Water/Sewer budgeted equipment transfers to Equipment Purchase Fund
45	Special Assessment Capital to Sales Tax Community Facilities
5,375	Water/Sewer transfers to Highway Debt Fund for debt payments
180,000	Water/Sewer budgeted transfers to Street Improvements Fund
185,000	Water/Sewer transfers to Sales Tax Flood Control
63,276	Cemetery transfers to Sales Tax Improvements Fund
1,368,990	Sales Tax Property Tax Relief budgeted transfers to General Fund
179,440	Sales Tax Improvements transfers to General Fund
50,000	MAGIC Fund administration budgeted transfers to General Fund
4,527,148	Sales Tax Property Tax Relief budgeted transfers to General Fund - Second Penny
50,000	Sales Tax Infrastructure budgeted transfers to General Fund
50,000	Sales Tax Community Facilities budgeted transfers to General Fund
25,401	Equipment Purchase transfer to Flood Control Capital
63,750	Equipment Purchase transfers to Fire Equipment
1,124	Equipment Purchase transfers to Library for noncapital purchases
15,000	Equipment Purchase transfers to Sales Tax Flood Control
16,267	Equipment Purchase transfers to Sanitation
8,475	Equipment Purchase transfers to Water/Sewer
69,058	Highway Debt budgeted transfers to Highway Reserve
50,087	Special Assessment Capital to Street Improvements
37,097	General Fund transfer to Capital Purchases
1,411	Sales Tax Improvements transfer to Capital Purchases
245,000	Highway Debt transfers to Capital Purchases
6,167	Sales Tax Community Facilities transfers to Street Improvements
68,770	Sertoma Sports Complex transfers to Sales Tax Improvements
500,000	Sales Tax Infrastructure budgeted transfers to Water/Sewer
300,000	Sales Tax Improvements budgeted transfers to Airport
520,602	Sales Tax Improvements budgeted transfers to Water/Sewer
220,862	Sales Tax Improvements budgeted transfers to Recreation/Auditorium
352,908	Sales Tax Improvements budgeted transfers to Street Improvements
101,000	Sales Tax Improvements budgeted transfers to Library
102,232	Library transfers to Library
1,118,294	Street Improvements transfers to Sales Tax Economic Development
1,032,692	Capital Purchases transfer to Flood Control Capital
232,917	Sales Tax Infrastructure transfers to Airport
547,334	Sales Tax Economic Development transfer to Capital Purchases
2,600,000	Sales Tax Flood Control transfer to Flood Control Capital
2,000,083	Sales Tax Infrastructure budgeted transfers to Street Improvements Fund
170,000	Sales Tax Infrastructure budgeted transfers to Recreation/Auditorium
117,299	Fire Equipment transfers to Capital Purchase for capital purchases
<u>\$ 21,731,091</u>	Total transfers in/out

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

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 \$253,121 for the year ended December 31, 2015. The future minimum lease payments for these leases are as follows:

Year Ended December 31	Amounts
2016	\$ 253,121
Total minimum payments	<u>\$ 253,121</u>

Capital Leases. The City has entered into two capital lease agreements as lessee for financing the acquisition Caterpillar compactor for the landfill and a mailer machine for utility billing. The agreements have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

Asset:	Governmental Activities	Proprietary Activities
Equipment	\$ 7,921	\$ 1,757,233
Less: Accumulated depreciation	(2,640)	(651,518)
Total	<u>\$ 5,281</u>	<u>\$ 1,105,715</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2015, were as follows:

Year Ended December 31	Governmental Activities	Proprietary Activities
2016	\$ 3,403	\$ 348,487
2017	1,134	248,486
2018	-	153,996
2019	-	149,302
2020	-	257,250
Total minimum lease payments	4,537	1,157,521
Less: Amount representing interest	(511)	(128,132)
Present value of minimum lease payments	<u>\$ 4,026</u>	<u>\$ 1,029,389</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. The City issued \$390,000 of general obligation bonds in 2015 for highway projects. These bonds are generally issued as 10-year bonds and the outstanding bonds have interest rates ranging from 1.15% to 4.60%.

General obligation bonds currently outstanding are as follows:

Year	Original Amount	Balance Outstanding 12/31/2015	Interest Rate	Matures
2007	\$ 1,785,000	\$ 420,000	3.65-3.70%	10/01/2017
2008	1,720,000	585,000	4.20-4.60%	10/01/2018
2009	2,005,000	870,000	2.625-3.10%	10/01/2019
2010	1,375,000	725,000	1.60-2.70%	10/01/2020
2012	2,900,000	1,565,000	2.00%	10/01/2023
2013	6,815,000	5,125,000	2.00-3.00%	10/01/2023
2014	3,950,000	3,580,000	2.00-4.00%	10/01/2024
2015	390,000	390,000	2.00-3.00%	10/01/2025
	<u>\$ 20,940,000</u>	<u>\$ 13,260,000</u>		

Special assessment bonds are issued to provide funds for the construction of improvement projects for residential and commercial developments. Special assessment bonds are paid directly from the sinking funds with the annual certification payments made by the property owners who directly benefit from each project. During the year, the City issued \$1,835,000 of special assessment bonds for storm sewer districts and paving districts. The City has \$22,930,000 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 0.50% to 5.00%.

Special assessment bonds currently outstanding are as follows:

Year	Original Amount	Balance Outstanding 12/31/2015	Interest Rate	Matures
2006	\$ 910,000	\$ 90,000	4.00%	10/01/2016
2007	2,255,000	1,220,000	4.25-4.50%	10/01/2022
2007	460,000	110,000	3.875%	10/01/2017
2008	1,905,000	650,000	5.00%	10/01/2018
2011	4,285,000	2,750,000	2.00-3.00%	10/01/2021
2012	1,885,000	1,520,000	0.60-1.60%	10/01/2023
2013	11,595,000	10,925,000	2.00-4.00%	10/01/2033
2014	4,135,000	3,830,000	2.00-3.375%	10/01/2034
2015	1,835,000	1,835,000	2.00-3.25%	10/01/2035
	<u>\$ 29,265,000</u>	<u>\$ 22,930,000</u>		

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

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

Notes outstanding as of December 31, 2015 include the Bureau of Reclamation note on the Garrison Diversion Project for \$1,130,981 with a 3.50% interest rate, and matures July 1, 2027. 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 2.00% to 5.375%.

During the year, the City issued \$11,770,000 in revenue bonds for airport new terminal projects and \$6,860,000 for water and sewer projects. The following are outstanding revenue bonds:

Airport				
Year	Original Amount	Balance		Matures
		Outstanding 12/31/2015	Interest Rate	
2013	\$ 12,505,000	\$ 12,505,000	3.00-4.50%	10/01/2035
2014	6,710,000	6,710,000	2.00-4.00%	10/01/2035
2015	11,770,000	11,770,000	2.00-3.625%	10/01/2035
	<u>\$ 30,985,000</u>	<u>\$ 30,985,000</u>		

Water & Sewer				
Year	Original Amount	Balance		Matures
		Outstanding 12/31/2015	Interest Rate	
1972	\$ -	\$ 1,130,981	3.50%	07/01/2027
2008	1,835,000	440,000	3.85-3.90%	10/01/2017
2008	10,380,000	6,660,000	4.50-5.375%	10/01/2023
2011	2,005,000	1,275,000	2.00%	10/01/2021
2012	3,650,000	2,320,000	2.00%	10/01/2023
2012	1,955,000	1,595,000	2.00%	10/01/2024
2013	5,220,000	4,640,000	3.00-4.00%	10/01/2028
2014	4,200,000	3,955,000	2.25-3.10%	10/01/2029
2015	6,860,000	6,860,000	2.00-3.00%	10/01/2025
	<u>\$ 36,105,000</u>	<u>\$ 28,875,981</u>		

During the year, the City of Minot issued capital financing program bonds for the All Seasons Arena to update the facility for \$1,945,000. Capital financial program bonds currently outstanding are as follows:

Capital Financing Program Bonds				
Year	Original Amount	Balance		Matures
		Outstanding 12/31/2015	Interest Rate	
2015	\$ 1,945,000	\$ 1,910,000	3.00-400%	06/01/2029

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

Governmental Activities	General Obligation Bonds	
	Principal	Interest
2016	\$ 2,190,000	\$ 355,181
2017	1,915,000	304,555
2018	1,745,000	256,173
2019	1,580,000	213,730
2020-2024	5,785,000	493,900
2025-2029	45,000	1,350
Total governmental activities	<u>\$ 13,260,000</u>	<u>\$ 1,624,889</u>

Governmental Activities	Special Assessment Bonds	
	Principal	Interest
2016	\$ 2,180,000	\$ 702,949
2017	2,140,000	645,334
2018	2,150,000	581,315
2019	1,970,000	516,981
2020-2024	8,565,000	1,746,165
2025-2029	2,890,000	848,406
2030-2034	2,915,000	313,023
2035	120,000	3,900
Total governmental activities	<u>\$ 22,930,000</u>	<u>\$ 5,358,073</u>

Business-Type Activities	Revenue Bonds	
	Principal	Interest
2016	\$ 4,200,000	\$ 1,867,048
2017	3,915,000	1,828,806
2018	3,800,000	1,716,906
2019	3,905,000	1,606,744
2020-2024	19,455,000	6,092,643
2025-2029	11,895,000	3,433,863
2030-2034	9,445,000	1,572,900
2035	2,115,000	85,019
Total business-type activities	<u>\$ 58,730,000</u>	<u>\$ 18,203,929</u>

Business-Type Activities	Notes Payable	
	Principal	Interest
2016	\$ 81,119	\$ 40,276
2017	83,983	37,461
2018	86,948	34,547
2019	90,018	31,530
2020-2024	502,451	108,483
2025-2029	286,461	21,157
Total business-type activities	<u>\$ 1,130,981</u>	<u>\$ 273,454</u>

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

Governmental Activities	Capital Financing Program Bonds	
	Principal	Interest
2016	\$ 110,000	\$ 63,500
2017	115,000	60,125
2018	120,000	56,600
2019	120,000	53,000
2020-2024	660,000	207,550
2025-2029	785,000	81,100
Total governmental activities	\$ 1,910,000	\$ 521,875

Changes in Long Term Liabilities. The following is a summary of the activity for long-term liabilities for the year ended December 31, 2015.

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Bonds payable					
General obligation	\$ 15,255,000	\$ 390,000	\$ (2,385,000)	\$ 13,260,000	\$ 2,190,000
Special assessment	23,160,000	1,835,000	(2,065,000)	22,930,000	2,180,000
Capital Financing Program Bonds	-	1,945,000	(35,000)	1,910,000	110,000
Total bonds payable	38,415,000	4,170,000	(4,485,000)	38,100,000	4,480,000
Unamortized premium	1,185,993	166,241	(107,596)	1,244,638	108,675
Unamortized discount	(15,302)	(1,779)	2,137	(14,944)	(2,218)
Capital leases	6,495	-	(2,469)	4,026	3,403
Compensated absences	1,024,492	821,541	(778,729)	1,067,304	373,556
Net pension liability	41,819,046	8,278,698	(3,698,048)	46,399,696	-
Governmental activity long-term liabilities	\$ 82,435,724	\$ 13,434,701	\$ (9,069,705)	\$ 86,800,720	\$ 4,963,416

Business-Type Activities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Bonds payable					
Revenue bonds	\$ 42,395,000	\$ 18,630,000	\$ (2,295,000)	\$ 58,730,000	\$ 4,200,000
Unamortized premium	439,757	293,268	(45,096)	687,929	71,979
Unamortized discount	(195,046)	(133,333)	12,246	(316,133)	(18,358)
Notes payable	1,209,334	-	(78,353)	1,130,981	81,119
Capital leases	473,392	884,900	(328,903)	1,029,389	162,795
Compensated absences	268,099	235,800	(199,247)	304,652	106,628
Net pension liability	11,082,786	2,573,945	(732,597)	12,924,134	-
Business-type activity long-term liabilities	\$ 55,673,322	\$ 22,484,580	\$ (3,666,950)	\$ 74,490,952	\$ 4,604,163

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

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 \$203,226,781 and the legal debt margin is \$191,071,246.

Net pension liability of \$59,323,830 was recorded at December 31, 2015 due to the implementation of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*.

CITY OF MINOT, NORTH DAKOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Notes to Financial Statements

I. FUND BALANCE

	General Fund	Special Revenue	Major Debt Service	Major Capital Project Funds		Nonmajor Other	Total
		Fund Sales Tax NAWS	Special Assessment Debt	Highway Reserve	Capital Purchases	Governmental Funds	
Fund balances							
Nonspendable							
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,083	\$ 6,083
Long-term loans receivable	-	-	-	-	-	1,750,000	1,750,000
Prepaid	197,445	1,000	-	-	-	8,504	206,949
Other assets - capital credits	320,414	-	-	-	-	36,973	357,387
Total nonspendable	517,859	1,000	-	-	-	1,801,560	2,320,419
Restricted							
General government	-	-	-	-	-	25,541	25,541
Highways and streets	-	-	-	-	-	14,491	14,491
Culture and recreation	-	-	-	-	-	2,900	2,900
Community development	-	-	-	-	-	6,440,271	6,440,271
Sales tax improvements	-	-	-	-	-	5,862,916	5,862,916
Sales tax flood control	-	-	-	-	-	11,238,809	11,238,809
Sales tax property tax relief	-	-	-	-	-	3,320,232	3,320,232
Sales tax infrastructure	-	-	-	-	-	7,483,834	7,483,834
Sales tax community facilities	-	-	-	-	-	6,669,543	6,669,543
NAWS	-	34,099,423	-	-	-	-	34,099,423
Debt service reserve	-	-	3,166,702	-	-	1,195,984	4,362,686
Total restricted	-	34,099,423	3,166,702	-	-	42,254,520	79,520,645
Assigned							
General government	-	-	-	-	-	691,399	691,399
Public transportation	-	-	-	-	-	343,023	343,023
Culture and recreation	-	-	-	-	-	1,156,836	1,156,836
Emergency fund	-	-	-	-	-	665,750	665,750
Highways and streets	-	-	-	7,625,037	-	4,314,911	11,939,948
Debt service	-	-	1,334,502	-	-	227,555	1,562,057
Equipment purchases	-	-	-	-	-	1,107,100	1,107,100
Capital purchases	-	-	-	-	3,117,498	904,799	4,022,297
Special assessment districts	-	-	-	-	-	1,214,969	1,214,969
Stonn sewer development	-	-	-	-	-	3,122,266	3,122,266
Other purposes	-	-	-	-	-	38,716	38,716
Total assigned	-	-	1,334,502	7,625,037	3,117,498	13,787,324	25,864,361
Unassigned	24,689,554	-	-	-	-	-	24,689,554
Total fund balance	\$ 25,207,413	\$ 34,100,423	\$ 4,501,204	\$ 7,625,037	\$ 3,117,498	\$ 57,843,404	\$ 132,394,979

**CITY OF MINOT, NORTH DAKOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015**

Notes to Financial Statements

NOTE 5-OTHER INFORMATION

A. RISK MANAGEMENT

The City of Minot is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the mid - 1980s, the City was not able to obtain general liability insurance at a cost it considered economically justifiable. In 1986, the state and other political subdivisions joined together to form the North Dakota Insurance Reserve Fund (NDRIF), a public entity risk pool currently operating as a common risk management and insurance program for the state and over 2,000 political subdivisions. All members joined to help capitalize the NDRIF. During the past five years, the NDRIF returned approximately 13.6% of the capitalized amount with a premium reduction or cash payment to the City. The City pays an annual premium to NDRIF for its general insurance, personal injury insurance, auto insurance, and inland marine insurance coverage. The coverage by NDRIF is limited to losses of \$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.

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 \$2,230,300 lifetime employee maximum. The City's insurer pays all aggregate claims in excess of \$1,858,583.

Claims, which have been incurred at year-end but not reported, have been recorded as insurance claims payable in the amount of \$142,927. 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
2013	121,892	1,587,463	1,593,684	115,671
2014	115,671	1,809,265	1,815,867	109,069
2015	109,069	1,824,945	1,791,087	142,927

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.

As of December 31, 2015, the City had two COBRA participants for health. Each COBRA participant who voluntarily terminated is responsible for 100% of the premium; however, there remains an implicit rate subsidy to the City for a maximum of 18 months per participant. The City has not reported a liability for termination benefits because the amount is 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. SUBSEQUENT EVENT

On January 21, 2016, the City was awarded \$74.3M from the National Disaster Resilience Competition. The funds will be used to reduce flood risk and increase resilience, build affordable resilient neighborhoods, and foster economic resilience and diversification.

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

E. CHANGE IN ACCOUNTING PRINCIPLE

The City implemented GASB 68 *Accounting for Financial Reporting for Pension* in 2015 which addresses the accounting and financial reporting requirements for pension. The provisions of GASB Statement 68 separate accounting and financial reporting from how pension are funded and require changes in the notes to the financial statements and required supplementary information. Significant changes include an actuarial calculation of the total and net pension liability. It also includes comprehensive footnote disclosure regarding the pension liability, the sensitivity of the net pension liability to the discount rate, and the pension expense and related deferred outflows/inflows of resources disclosures. The City restated the beginning net position to record the beginning deferred pension contributions and net pension liability as follows:

	Governmental Activities	Business-Type Activities	Total
Net position, January 1 - beginning as previously reported	\$ 284,887,973	\$ 223,424,625	\$ 508,312,598
Change in accounting principle	(41,819,046)	(11,082,786)	(52,901,832)
Net position, January 1, beginning as restated	<u>\$ 243,068,927</u>	<u>\$ 212,341,839</u>	<u>\$ 455,410,766</u>

F. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

The City of Minot administers a defined benefit pension plan covering all civil service full-time employees hired before January 1, 2014 and an Other Post Employment Benefit (OPEB) plan. Each plan is included in the City's financial reports as Pension and OPEB Trust Funds. The City of Minot Finance Department, PO Box 5006, Minot, North Dakota 58702 has separate actuarial reports for each plan. Separate financial statements are not issued. The City of Minot also administers a defined contribution plan and a deferred compensation plan for all full-time employees hired after December 31, 2013.

DEFINED BENEFIT PLAN AND OPEB PLAN

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

postretirement benefit increases. Effective January 1, 2014 the Plan was closed to new participants.

OPEB Plan Description. The OPEB Plan is a single-employer plan, which provides all employees of the City of Minot (excluding the Minot Park District, as they are not on the City health plan and non-civil service City employees) participating in the City's group health insurance plan (medical and prescription drugs), who retire under the CEPP, may continue to participate in the City's group health insurance plan after retirement. Employees are eligible to continue coverage in the group health insurance plan until they attain age 65, provided eligibility requirements are met and applicable premiums are paid. Retirees or spouses that elect not to continue health coverage, at any time, are not eligible to reenroll in the City's group health insurance plan.

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

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

	Pension	OPEB
Retirees and beneficiaries receiving benefits	248	61
Terminated employees		
Vested	29	37
Non-vested	17	8
Total terminated employees	46	45
Active employees		
Vested	175	236
Non-vested	132	46
Total active employees	307	282
Date of annual valuation	1/1/2016	1/1/2015

Benefits Provided. For the CEPP, the benefit provisions, amendments, and all requirements are amended in the pension plan document. City civil service employees hired before July 6, 2010, who retire at or after the age of 60 with 60 months of service and civil service employees hired on or after July 6, 2010, who retire at or after the age of 60 with 120 months of

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

service are eligible for a monthly pension benefit and OPEB benefits. The average monthly earnings are considered the average of the highest 36 months earnings prior to July 6, 2010 and 48 months after July 6, 2010, within the last 120 months (need not be consecutive).

After December 31, 2003, members satisfying the Rule of 85 are also eligible for a monthly pension benefit and OPEB benefits. After July 6, 2010, members satisfying the Rule of 90 and who have attained age 55 are eligible for a monthly pension benefit and OPEB benefits. Also, the average monthly earnings is calculated using the highest 78 bi-weekly earnings within the last 120 months. The Rule of 85/90 is satisfied when the member's age plus the member's total period of service equals 85/90 years and the employee is at least 55 years old.

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

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

Contributions Required and Contributions Made. The actuary does not determine the pension contribution rates; rather it is done by employer recommendations

within the limits established by state statute. The employees contributed 14.74% and the employer 24.77% of covered payroll. 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 a closed amortization period of 30 years (28 years remaining as of January 1, 2016) respectively on the unfunded liability at January 1, 2016.

Summary of Significant Accounting Policies and Plan Asset Matters.

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

Investment Policy. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the CEPP Board by a majority vote of its members. It is the policy of the CEPP Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of December 31, 2014:

Asset Class	Target Allocation
US Fixed Income	28%
International Fixed Income	7%
Domestic Equity	42%
International Equity	15%
Alternative Investments	8%
	100%

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

The City also has pension & OPEB investments valued at \$60,898,852 and \$1,160,633, respectively. The fixed income securities are broken down by subclass, maturities and ratings in the following tables:

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

Fixed Income Subclass	Pension	OPEB
US Treasuries	\$ 773,749	\$ 60,252
Government Agencies	4,500,095	166,096
Corporate Bonds	4,467,383	
Foreign Corporate Bonds	1,070,674	-
International Fixed Income	1,527,247	22,672
Taxable Fixed Income	596,372	153,401
Taxable Municipal Debt	8,763,821	-
	<u>\$21,699,341</u>	<u>\$ 402,421</u>

Maturity (Years)	Pension Fixed Income	OPEB Fixed Income
1-3	\$ 450,390	\$ -
3-5	1,257,133	39,596
10-15	6,525,718	129,562
15+	11,342,481	57,190
Not Defined	2,123,619	176,073
	<u>\$21,699,341</u>	<u>\$ 402,421</u>

Credit Rating	Pension Fixed Income	OPEB Fixed Income
AAA	\$ 6,387,168	\$ 144,338
AA+	2,078,932	-
AA	2,592,650	-
AA-	1,268,786	-
A+	1,159,622	-
A	946,883	-
A-	721,398	-
BBB+	1,975,791	-
BBB	418,900	-
Not Rated	2,025,593	82,010
Not Defined	2,123,619	176,073
	<u>\$21,699,341</u>	<u>\$ 402,421</u>

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

The City's annual OPEB cost and net OPEB obligation for 2015 is as follows:

	OPEB		
	2015	2014	2013
Annual required contribution (ARC)	\$ 32,958	\$ 238,913	\$ 248,901
Interest on net OPEB obligation (asset)	(3,066)	(1,978)	(1,955)
Adjustment to ARC - beginning of year	3,496	1,701	1,650
Annual OPEB cost	33,388	238,636	248,596
Employer contributions	(32,958)	(253,150)	(248,901)
Increase (decrease) in net OPEB obligation	430	(14,514)	(305)
Net OPEB obligation (asset) January 1	(40,885)	(26,371)	(26,066)
Net OPEB obligation (asset) December 31	<u>\$ (40,455)</u>	<u>\$ (40,885)</u>	<u>\$ (26,371)</u>
Percentage of annual benefit cost	98.71%	106.08%	100.12%

The long-term expected rate of return of 7.50% on plan investments was determined using official rates of return under the Global Investment Performance Standards in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-Term Expected Rate of Return
US Fixed Income	3%
International Fixed Income	4%
Domestic Equity	8%
International Equity	9%
Alternative Investments	6%

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

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Rate of Return. For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -1.9 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net pension liability of all participants at December 31, 2015 were as follows:

Total Pension Liability	\$125,763,452
Plan fiduciary net position	<u>61,158,850</u>
Net pension liability (asset)	<u>\$ 64,604,602</u>

Plan fiduciary net position as a percentage of the total pension liability	48.63%
--	--------

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

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

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

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

<u>Assumption</u>	<u>Pension</u>	<u>OPEB</u>
Valuation date	January 1, 2016	January 1, 2015
Measurement Date	January 1, 2016	January 1, 2015
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level dollar amount	Level percentage of pay
Remaining amortization period	30 year closed period (28 years remain as of 1/1/16)	28 year closed period
Asset valuation method-Smoothing	5 Years Gains and Losses	Fair market value
Investment rate of return	7.5%	7.5%
Projected salary increases	0-4 years of service 7% 5-12 years of service 4.5% 13+ years of service 4%	Same Same Same
Cost of Living Adjustments	1% after age 65	N/A
Inflation Rate	N/A	3%
Marriage rate	85%	Same
Spouse age differential	males 3 years older than female spouses	Same
Mortality Rate	RP-2000 Mortality Table with projected future improvements to the valuation date	Same
Health insurance elections	N/A	80% City employees elect medical coverage 60% City employees elect spousal coverage

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

The healthcare trend rates are used to project health insurance claims and administration costs and retiree premiums into the future. The following table provides the healthcare cost trend rates for future years.

Fiscal Year	Valuation
Beginning	
2013	9.50%
2014	9.00%
2015	8.50%
2016	8.00%
2017	7.50%
2018	7.00%
2019	6.50%
2020	6.00%
2021	5.50%
2022+	5.00%

2015 data for funding progress of OPEB is as follows:

Actuarial Valuation Date	January 1, 2016
Actuarial Value of Plan Assets	1,071,699
Actuarial Accrued Liability (AAL)	1,063,175
Unfunded Actuarial Accrued Liability (UAAL)	(8,524)
Funded Ratio	100.80%
Annual Covered Payroll	16,700,000
UAAL as a Percentage of Annual Covered Payroll	-0.05%

The OPEB schedule of funding progress found in the required supplementary information presents multi-year trend information showing the actuarial value of plan assets is increasing over time relative to the actuarial accrued liability for benefits.

Pension Costs. At December 31, 2015, the CEPP reported a net pension liability of \$64,604,602. The City of Minot reported a liability of \$59,323,830 for its proportionate share of the CEPP's net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of Minot's proportion of the net pension liability was based on its present value of future payroll relative to the total present value of payroll for all participating employers. At December 31, 2015, the City of Minot's proportionate share was 91.83% which was a decrease of .22% from its proportion measured as of December 31, 2014.

For the year ended December 31, 2015, The CEPP recognized pension expense of \$8,091,322. The City of Minot recognized pension expense of \$7,429,938 for its proportionate share of the CEPP's pension expense.

At December 31, 2015, the CEPP reported the following amounts and sources for deferred outflows of resources and deferred inflows of resources:

Source	Balances at		City of Minot's Proportionate Share	
	December 31, 2015		Balances at	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
	of Resources	of Resources	of Resources	of Resources
Differences between expected and ac	\$ 3,684,352	\$ (317,983)	\$ 3,383,194	\$ (291,991)
Changes of assumptions	2,596,544	-	2,384,303	-
Net difference between projected and	3,634,100	-	3,337,049	-
Changes in proportion	-	-	1,748,098	(1,839,043)
Total	\$ 9,914,996	\$ (317,983)	\$ 10,852,644	\$ (2,131,034)

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

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

Year	City of Minot	
	Pension Plan	Proportionate Share
2016	\$ 2,975,337	\$ 2,709,397
2017	3,022,428	2,752,639
2018	2,058,608	1,867,602
2019	1,540,641	1,391,973
2020	-	-
Thereafter	-	-

The following presents the CEPP's net pension liability calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate. Also presented is the City of Minot's proportionate share of the net pension liability using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent):

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net Pension Liability	\$ 79,218,838	\$ 64,604,602	\$ 52,330,404
City of Minot's proportionate share of the Net Pension Liability	72,743,500	59,323,830	48,052,923

DEFINED CONTRIBUTION PLAN

The City administers the City of Minot North Dakota 401(a) Retirement Plan and the City of Minot North Dakota 457 Plan, a defined contribution plan and a 457(e)(1)(A) deferred compensation plan, respectively, for all full-time employees hired after December 31, 2013. The 401(a) plan requires eligible employees to contribute 7.5 percent of their earnings to the Plan. The employee contributions meet the requirements of pick-up contributions under Internal Revenue Code 414(h) (2). The 457(b) plan is provided for those employees who elect to defer a portion of their compensation.

For each enrolled employee, the City shall contribute an amount which will equal 400 percent of the amount

of the employee's contribution to the 457(e) (1) (A) plan, not to exceed 8 percent of the employee's eligible compensation. Benefit terms, including contribution requirements are established and may be amended by the City Council. For the year ended December 31, 2015, employee contributions totaled \$418,439 and the City recognized pension expense of \$297,091.

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

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

Non-vested City contributions are forfeited following a five year period of severance. Such forfeitures are used to make restorations for rehired participants and to reduce employer contributions or to correct errors, omissions and exclusions. For the year ended December 31, 2015, forfeitures reduced the City's plan expense by \$0.

G. MUNICIPAL SOLID WASTE LANDFILL

State and federal rules and regulations require the City of Minot to place a final cover on its Municipal Solid Waste Landfill (MSWLF) site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after the closure. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as operating expense in each period based on landfill capacity used as of each balance sheet date. The \$1,078,849 reported as MSWLF closure and post-closure care liability at December 31, 2015, represents the cumulative amount reported to date based on the use of 59.3% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of over \$0.5 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 2015. The City expects the landfill will be operated for another 13 years with closure anticipated in the year 2028. Actual costs may

**CITY OF MINOT, NORTH DAKOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

Notes to Financial Statements

be higher due to inflation, deflation, changes in technology, or changes in applicable laws or regulations.

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

**H. ISSUED BUT NON-EFFECTIVE
ACCOUNTING PRONOUNCEMENTS**

The Governmental Accounting Standards Board (GASB) has issued several statements not yet implemented by the City. The first statement issued but not yet implemented that will affect the City is statement No. 72, *Fair Value Measurement and Application*. This statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This statement also will enhance fair value applicable guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. This statement will be implemented at the City in the year ended December 31, 2016. The second statement issued but not yet implemented that will affect the City is statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement replaces the requirements of Statements No. 45 and No. 57. This statement addresses accounting and financial reporting for OPEB that is provided to employees of state and local governmental employers, and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. This statement will be implemented at the City in the year ended December 31, 2018. Management has not yet determined the effect these pronouncements will have on the City's financial statements.

Required
Supplementary
Information



This page left blank intentionally.

City of Minot
 Required Supplementary Information
 December 31, 2015

City of Minot Employees' Pension Plan
 Schedule of Changes in Net Pension Liability

	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service Cost	\$ 2,772,781	\$ 2,926,936
Interest	8,987,447	8,647,284
Differences between expected and actual experience	912,914	930,846
Benefit payments, including refunds of member contributions	<u>(7,939,080)</u>	<u>(7,691,728)</u>
Net change in total pension liability	\$ 4,734,062	\$ 4,813,338
Total Pension Liability--Beginning	<u>121,029,390</u>	<u>116,216,052</u>
Total Pension Liability--Ending (a)	<u>\$ 125,763,452</u>	<u>\$ 121,029,390</u>
 Plan fiduciary net position		
Contributions--employer	\$ 4,250,241	\$ 4,520,993
Contributions--member	2,635,549	2,705,235
Net investment income	(1,168,638)	4,222,235
Benefit payments, including refunds of member contributions	(7,939,080)	(7,691,728)
Administrative expense	(176,725)	(252,270)
Net change in plan fiduciary net position	\$ (2,398,653)	\$ 3,504,465
Plan fiduciary net position--beginning	<u>63,557,503</u>	<u>60,053,038</u>
Plan fiduciary net position--ending (b)	<u>\$ 61,158,850</u>	<u>\$ 63,557,503</u>
 Net Pension Liability (asset)--ending (a) - (b)	\$ 64,604,602	\$ 57,471,887

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

City of Minot
 Required Supplementary Information
 December 31, 2015

City of Minot Employees' Pension Plan
 Schedule of Net Pension Liability

	<u>2015</u>	<u>2014</u>
Total Pension Liability	\$125,763,452	\$121,029,390
Plan fiduciary net position	<u>61,158,850</u>	<u>63,557,503</u>
Net pension liability (asset)	<u>\$ 64,604,602</u>	<u>\$ 57,471,887</u>
Plan fiduciary net position as a percentage of the total pension liability	48.63%	52.51%
Covered-employee Payroll	17,357,716	18,018,692
Net pension liability (asset) as a percentage of covered-employee payroll	372.20%	318.96%

City of Minot Employees' Pension Plan
 Schedule of Contributions

	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 4,721,976	\$ 4,772,530
Contributions in relation to the actuarially determined contribution	<u>4,250,241</u>	<u>4,520,993</u>
Contribution deficiency (excess)	<u>\$ 471,735</u>	<u>\$ 251,537</u>
Covered-employee Payroll	17,357,716	18,018,692
Contributions as a percentage of covered-employee payroll	24.49%	25.09%

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

City of Minot Employees' Pension Plan
 Schedule of Investment Returns

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Annual money-weighted rate of return, net of investment expenses	-1.9%	7.1%	11.4%	11.5%	5.2%	12.5%	16.1%	-16.7%

City of Minot
 Required Supplementary Information
 December 31, 2015

City of Minot Employees' Pension Plan

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

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2014	92.0500%	\$ 52,902,872	\$ 15,885,329	333%	48.34%
2015	91.8260%	59,323,830	15,633,476	379%	44.66%

City of Minot Employees' Pension Plan

Schedule of Contributions - City of Minot's Proportionate Share

<u>Fiscal Year Ending</u>	<u>Actuarially Determined Contributions</u>	<u>Contributions in Relation to the Actuarially Determined Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2014	\$ 4,074,587	\$ 4,074,587	\$ -	\$ 15,885,329	25.65%
2015	3,872,412	3,872,412	-	15,633,476	24.77%

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

Notes to City of Minot Employee's Pension Plan:

Measurement Date: January 1, 2016

Assumption changes: In 2012 an experience study was conducted for the City of Minot Employee's Pension Plan. Many assumptions were changed effective with the January 1, 2013 actuarial valuation. The disability assumption was removed and the marriage, salary increase, mortality, withdrawal and retirement assumptions were all changed. The investment return assumption was also changed from 7.75% to 7.50% and the plan was amended to exclude overtime from the average monthly earnings calculation effective February 24, 2013. There were no assumption changes for the January 1, 2016 actuarial valuation from those used for the January 1, 2015 actuarial valuation. Effective January 1, 2014 the Plan has been closed to new participants. As a result of the plan closing, the amortization method was changed from an open 30 year level percentage of payroll method to a 30-year close level dollar method. As of January 1, 2016 there are 28 years remaining in the amortization period.

City of Minot
 Required Supplementary Information
 December 31, 2015

OPEB Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial 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%	\$11,800,000	12.59%
January 1, 2009	(7,607)	1,881,683	1,889,290	-0.40%	11,500,000	16.43%
January 1, 2010	90,079	2,003,167	1,913,088	4.50%	11,800,000	16.21%
January 1, 2011	286,836	2,524,963	2,238,127	11.36%	13,300,000	16.83%
January 1, 2012	510,513	2,679,242	2,168,729	19.05%	13,700,000	15.83%
January 1, 2013	766,792	2,843,885	2,077,093	26.96%	13,700,000	15.16%
January 1, 2014	1,044,145	2,906,678	1,862,533	35.92%	14,100,000	13.21%
January 1, 2015	1,143,320	1,045,699	(97,621)	109.34%	16,700,000	-0.58%
January 1, 2016	1,071,699	1,063,175	(8,524)	100.80%	16,700,000	-0.05%

Note to Opeb Schedule

Annual covered payroll represents the actuarial estimate of annual covered payroll for the subsequent year.

Supplementary Information



This page left blank intentionally.

City of Minot, North Dakota
Schedule of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual
Major Debt Service Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Special Assessment Debt				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Property tax collections	\$ 89,116	\$ 89,116	\$ 78,806	\$ 10,310	\$ 44,614
Special assessment collections	1,839,551	1,839,551	4,826,273	(2,986,722)	1,614,123
Interest income	-	-	107,758	(107,758)	110,754
Miscellaneous	-	-	87,854	(87,854)	-
Total revenues	<u>1,928,667</u>	<u>1,928,667</u>	<u>5,100,691</u>	<u>(3,172,024)</u>	<u>1,769,491</u>
EXPENDITURES					
Current					
General government	-	-	2,084,467	(2,084,467)	-
Debt service					
Principal retirement	2,296,250	1,238,750	2,100,000	(861,250)	1,065,000
Interest and fiscal charges	829,480	829,479	753,402	76,077	576,101
Total expenditures	<u>3,125,730</u>	<u>2,068,229</u>	<u>4,937,869</u>	<u>(2,869,640)</u>	<u>1,641,101</u>
Excess (deficiency) of revenues over (under) expenditures	(1,197,063)	(139,562)	162,822	(302,384)	128,390
OTHER FINANCING SOURCES (USES)					
Bonds issued	-	-	1,945,000	(1,945,000)	-
Bond premium	-	-	153,806	(153,806)	-
Transfers in	276,319	256,644	3,315	253,329	1,621,892
Transfers out	-	-	(3,131)	3,131	(15,962)
Total other financing sources (uses)	<u>276,319</u>	<u>256,644</u>	<u>2,098,990</u>	<u>(1,842,346)</u>	<u>1,605,930</u>
Net change in fund balance	<u>\$ (920,744)</u>	<u>\$ 117,082</u>	2,261,812	<u>\$ (2,144,730)</u>	1,734,320
Fund balance, January 1			<u>2,239,392</u>		<u>505,072</u>
Fund balance, December 31			<u>\$ 4,501,204</u>		<u>\$ 2,239,392</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Special Revenue Funds	Debt Service Fund	Capital Project Funds	Total Nonmajor Governmental Funds 2015	Total Nonmajor Governmental Funds 2014
ASSETS					
Cash and investments	\$ 6,411,696	\$ -	\$ 11,037,483	\$ 17,449,179	\$ 36,292,145
Restricted cash and investments	37,711,230	1,195,984	148,879	39,056,093	16,438,030
Investments	-	-	-	-	6,981
Taxes receivable delinquent	294,529	92,879	57,112	444,520	241,370
Special assessments receivable delinquent	7,270	-	-	7,270	15,575
Accounts receivable	80,912	-	64,941	145,853	137,080
Loans receivable	2,550,000	-	-	2,550,000	75,000
Allowance for loans receivable	(510,000)	-	-	(510,000)	(15,000)
Due from other funds	1,072,005	-	-	1,072,005	1,222,754
Intergovernmental receivable	4,129,185	747	727,739	4,857,671	6,036,548
Inventory	6,083	-	-	6,083	6,590
Prepaid	8,504	-	-	8,504	6,628
Other assets - capital credits	36,973	-	-	36,973	18,444
Advance to other funds	-	173,527	-	173,527	213,527
Special assessments receivable deferred	71,140	-	-	71,140	151,947
Total assets	<u>\$ 51,869,527</u>	<u>\$ 1,463,137</u>	<u>\$ 12,036,154</u>	<u>\$ 65,368,818</u>	<u>\$ 60,847,619</u>
LIABILITIES					
Accounts payable	\$ 630,219	\$ -	\$ 565,824	\$ 1,196,043	\$ 1,290,643
Retainage payable	749	-	83,666	84,415	302,794
Due to other funds	1,072,005	-	-	1,072,005	1,860,272
Accrued salaries payable	34,049	-	-	34,049	98,511
Advance from other funds	-	-	4,854,524	4,854,524	1,673,212
Unearned revenue - other	-	-	-	-	139,397
Total liabilities	<u>1,737,022</u>	<u>-</u>	<u>5,504,014</u>	<u>7,241,036</u>	<u>5,364,829</u>
DEFERRED INFLOWS OF RESOURCES					
Uncertified special assessment revenue	71,140	-	-	71,140	151,947
Unavailable revenue - property taxes	132,243	39,598	34,127	205,968	202,552
Unavailable revenue - special assessments	7,270	-	-	7,270	13,507
Total deferred inflows of resources	<u>210,653</u>	<u>39,598</u>	<u>34,127</u>	<u>284,378</u>	<u>368,006</u>
FUND BALANCE					
Nonspendable	1,801,560	-	-	1,801,560	245,189
Restricted	40,909,657	1,195,984	148,879	42,254,520	44,758,723
Committed	-	-	-	-	198,623
Assigned	7,210,635	227,555	6,349,134	13,787,324	10,178,126
Unassigned	-	-	-	-	(265,877)
Total fund balance	<u>49,921,852</u>	<u>1,423,539</u>	<u>6,498,013</u>	<u>57,843,404</u>	<u>55,114,784</u>
Total liabilities, inflows, and fund balance	<u>\$ 51,869,527</u>	<u>\$ 1,463,137</u>	<u>\$ 12,036,154</u>	<u>\$ 65,368,818</u>	<u>\$ 60,847,619</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Special Revenue Funds	Debt Service Fund	Capital Project Funds	Total Nonmajor Governmental Funds 2015	Total Nonmajor Governmental Funds 2014
REVENUES					
Property tax collections	\$ 4,345,796	\$ 2,796,530	\$ 639,564	\$ 7,781,890	\$ 5,785,339
Special assessment collections	53,809	-	-	53,809	411,178
Sales tax collections	21,484,644	-	-	21,484,644	27,245,883
Intergovernmental	13,974,325	-	3,231,677	17,206,002	14,603,416
Charges for services	595,369	-	1,204,385	1,799,754	1,761,067
Interest income	99,794	4,807	15,754	120,355	119,049
Miscellaneous	266,743	214,524	792,648	1,273,915	89,361
Total revenues	<u>40,820,480</u>	<u>3,015,861</u>	<u>5,884,028</u>	<u>49,720,369</u>	<u>50,015,293</u>
EXPENDITURES					
Current					
General government	13,812,809	1,005	-	13,813,814	14,055,898
Highways and streets	3,543,697	-	-	3,543,697	4,766,103
Culture and recreation	9,762,841	-	-	9,762,841	7,364,051
Economic Development	3,266,376	-	-	3,266,376	3,292,475
Capital outlay					
Contracted work	-	-	4,207,498	4,207,498	2,621,637
Equipment	-	-	2,581,331	2,581,331	2,489,396
Other	-	-	197,320	197,320	418,718
Engineering	-	-	3,223,643	3,223,643	304,321
Debt service					
Interest and fiscal charges	-	386,226	171,502	557,728	436,073
Total expenditures	<u>30,385,723</u>	<u>2,772,231</u>	<u>10,401,382</u>	<u>43,559,336</u>	<u>37,743,672</u>
Excess (deficiency) of revenues over (under) expenditures	10,434,757	243,630	(4,517,354)	6,161,033	12,271,621
OTHER FINANCING SOURCES (USES)					
Special assessment bonds issued	-	-	1,835,000	1,835,000	4,135,000
Premium on bonds	-	-	-	-	105,427
Discount on bonds	-	-	(1,779)	(1,779)	-
Sale of City property	550	-	74,815	75,365	87,200
Transfers in	4,769,044	5,375	5,621,849	10,396,268	11,824,977
Transfers out	(15,061,300)	(318,865)	(357,102)	(15,737,267)	(18,865,917)
Total other financing sources (uses)	<u>(10,291,706)</u>	<u>(313,490)</u>	<u>7,172,783</u>	<u>(3,432,413)</u>	<u>(2,713,313)</u>
Net change in fund balance	143,051	(69,860)	2,655,429	2,728,620	9,558,308
Fund balance, January 1	49,778,801	1,493,399	3,842,584	55,114,784	45,556,476
Fund balance, December 31	<u>\$ 49,921,852</u>	<u>\$ 1,423,539</u>	<u>\$ 6,498,013</u>	<u>\$ 57,843,404</u>	<u>\$ 55,114,784</u>

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

Sales Tax – The first penny sales tax is dedicated 10% to property tax, 15% to economic development, and 25% to improvements, 50% to flood control. The second penny sales tax is dedicated 30% to property tax relief and community facilities and 40% to infrastructure.

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.

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

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

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Public Transportation	Library	Recreation Auditorium	Emergency Fund	Sales Tax Property Tax Relief-1st Penny	Sales Tax Economic Development
ASSETS						
Cash and investments	\$ 236,484	\$ 77,835	\$ 968,439	\$ 636,954	\$ -	\$ -
Restricted cash and investments	-	28,440	-	-	445,914	5,863,255
Investments	-	-	-	-	-	-
Taxes receivable delinquent	27,847	74,690	89,526	29,741	-	-
Special assessments delinquent	-	-	-	-	-	-
Accounts receivable	1,551	63,490	4,370	9,763	-	1,738
Loans receivable	-	-	-	-	-	2,550,000
Allowance for loans receivable	-	-	-	-	-	(510,000)
Due from other funds	-	-	-	-	-	-
Intergovernmental receivable	99,851	17,523	3,237	450,397	92,466	138,699
Inventory	-	-	6,083	-	-	-
Prepaid	-	7,123	1,381	-	-	-
Other assets - capital credits	16,159	8,457	11,884	473	-	-
Special assessments receivable deferred	-	-	-	-	-	-
Total assets	<u>\$ 381,892</u>	<u>\$ 277,558</u>	<u>\$ 1,084,920</u>	<u>\$ 1,127,328</u>	<u>\$ 538,380</u>	<u>\$ 8,043,692</u>
LIABILITIES						
Accounts payable	\$ 5,298	\$ 18,202	\$ 25,492	\$ 445,151	\$ -	\$ 2,300
Retainage payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Accrued salaries payable	5,890	11,880	14,339	-	-	-
Unearned revenue - other	-	-	-	-	-	-
Total liabilities	<u>11,188</u>	<u>30,082</u>	<u>39,831</u>	<u>445,151</u>	<u>-</u>	<u>2,300</u>
DEFERRED INFLOWS OF RESOURCES						
Uncertified special assessment revenue	-	-	-	-	-	-
Unavailable revenue - property taxes	11,522	33,210	39,151	15,954	-	-
Unavailable revenue - special assessments	-	-	-	-	-	-
Total deferred inflows of resources	<u>11,522</u>	<u>33,210</u>	<u>39,151</u>	<u>15,954</u>	<u>-</u>	<u>-</u>
FUND BALANCE						
Nonspendable	16,159	15,580	19,348	473	-	1,750,000
Restricted	-	28,440	-	-	538,380	6,291,392
Committed	-	-	-	-	-	-
Assigned	343,023	170,246	986,590	665,750	-	-
Total fund balance	<u>359,182</u>	<u>214,266</u>	<u>1,005,938</u>	<u>666,223</u>	<u>538,380</u>	<u>8,041,392</u>
Total liabilities, inflows and fund balance	<u>\$ 381,892</u>	<u>\$ 277,558</u>	<u>\$ 1,084,920</u>	<u>\$ 1,127,328</u>	<u>\$ 538,380</u>	<u>\$ 8,043,692</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Sales Tax Improvements	Sales Tax Flood Control	Sidewalk Improvements	Street Improvements	Demolitions	Sales Tax Property Tax Relief-2nd Penny
ASSETS						
Cash and investments	\$ -	\$ -	\$ 34,282	\$ 3,784,575	\$ 673,127	\$ -
Restricted cash and investments	5,634,771	10,761,807	-	14,491	-	2,504,455
Investments	-	-	-	-	-	-
Taxes receivable delinquent	-	454	7,975	34,982	29,314	-
Special assessments delinquent	-	-	905	-	6,365	-
Accounts receivable	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-
Allowance for loans receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Intergovernmental receivable	231,215	477,002	67	575,046	220	277,397
Inventory	-	-	-	-	-	-
Prepaid	-	-	-	-	-	-
Other assets - capital credits	-	-	-	-	-	-
Special assessments receivable deferred	-	-	827	-	70,313	-
Total assets	<u>\$ 5,865,986</u>	<u>\$ 11,239,263</u>	<u>\$ 44,056</u>	<u>\$ 4,409,094</u>	<u>\$ 779,339</u>	<u>\$ 2,781,852</u>
LIABILITIES						
Accounts payable	\$ 3,070	\$ -	\$ -	\$ 61,861	\$ -	\$ -
Retainage payable	-	-	-	749	-	-
Due to other funds	-	-	-	-	-	-
Accrued salaries payable	-	-	-	-	-	-
Unearned revenue - other	-	-	-	-	-	-
Total liabilities	<u>3,070</u>	<u>-</u>	<u>-</u>	<u>62,610</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Uncertified special assessment revenue	-	-	827	-	70,313	-
Unavailable revenue - property taxes	-	454	3,608	17,082	11,262	-
Unavailable revenue - special assessments	-	-	905	-	6,365	-
Total deferred inflows of resources	<u>-</u>	<u>454</u>	<u>5,340</u>	<u>17,082</u>	<u>87,940</u>	<u>-</u>
FUND BALANCE						
Nonspendable	-	-	-	-	-	-
Restricted	5,862,916	11,238,809	-	14,491	-	2,781,852
Committed	-	-	-	-	-	-
Assigned	-	-	38,716	4,314,911	691,399	-
Total fund balance	<u>5,862,916</u>	<u>11,238,809</u>	<u>38,716</u>	<u>4,329,402</u>	<u>691,399</u>	<u>2,781,852</u>
Total liabilities, inflows and fund balance	<u>\$ 5,865,986</u>	<u>\$ 11,239,263</u>	<u>\$ 44,056</u>	<u>\$ 4,409,094</u>	<u>\$ 779,339</u>	<u>\$ 2,781,852</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Sales Tax Infrastructure	Sales Tax Community Facilities	CDBG-DR \$67.5M	CDBG-DR \$35 M	Total 2015	Total 2014
ASSETS						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 6,411,696	\$ 30,866,800
Restricted cash and investments	7,113,971	5,344,126	-	-	37,711,230	15,016,001
Investments	-	-	-	-	-	6,981
Taxes receivable delinquent	-	-	-	-	294,529	129,300
Special assessments delinquent	-	-	-	-	7,270	15,575
Accounts receivable	-	-	-	-	80,912	72,514
Loans receivable	-	-	-	-	2,550,000	75,000
Allowance for loans receivable	-	-	-	-	(510,000)	(15,000)
Due from other funds	-	1,072,005	-	-	1,072,005	1,175,625
Intergovernmental receivable	369,863	277,397	48,880	1,069,925	4,129,185	5,899,592
Inventory	-	-	-	-	6,083	6,590
Prepaid	-	-	-	-	8,504	6,628
Other assets - capital credits	-	-	-	-	36,973	18,444
Special assessments receivable deferred	-	-	-	-	71,140	151,947
Total assets	<u>\$ 7,483,834</u>	<u>\$ 6,693,528</u>	<u>\$ 48,880</u>	<u>\$ 1,069,925</u>	<u>\$ 51,869,527</u>	<u>\$ 53,425,997</u>
LIABILITIES						
Accounts payable	\$ -	\$ 23,985	\$ 8,860	\$ 36,000	\$ 630,219	\$ 1,166,881
Retainage payable	-	-	-	-	749	157,884
Due to other funds	-	-	38,910	1,033,095	1,072,005	1,813,143
Accrued salaries payable	-	-	1,110	830	34,049	98,511
Unearned revenue - other	-	-	-	-	-	139,397
Total liabilities	<u>-</u>	<u>23,985</u>	<u>48,880</u>	<u>1,069,925</u>	<u>1,737,022</u>	<u>3,375,816</u>
DEFERRED INFLOWS OF RESOURCES						
Uncertified special assessment revenue	-	-	-	-	71,140	151,947
Unavailable revenue - property taxes	-	-	-	-	132,243	105,926
Unavailable revenue - special assessments	-	-	-	-	7,270	13,507
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>210,653</u>	<u>271,380</u>
FUND BALANCE						
Nonspendable	-	-	-	-	1,801,560	31,662
Restricted	7,483,834	6,669,543	-	-	40,909,657	43,242,643
Committed	-	-	-	-	-	49,744
Assigned	-	-	-	-	7,210,635	6,454,752
Total fund balance	<u>7,483,834</u>	<u>6,669,543</u>	<u>-</u>	<u>-</u>	<u>49,921,852</u>	<u>49,778,801</u>
Total liabilities, inflows and fund balance	<u>\$ 7,483,834</u>	<u>\$ 6,693,528</u>	<u>\$ 48,880</u>	<u>\$ 1,069,925</u>	<u>\$ 51,869,527</u>	<u>\$ 53,425,997</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Public Transportation	Library	Recreation Auditorium	Emergency Fund	Sales Tax Property Tax Relief-1st Penny	Sales Tax Economic Development
REVENUES						
Property tax collections	\$ 437,376	\$ 1,112,274	\$ 1,344,613	\$ 369,500	\$ -	\$ -
Special assessment collections	-	-	-	-	-	-
Sales tax collections	-	-	-	-	1,301,777	-
Intergovernmental	492,767	98,447	-	572,727	-	-
Charges for services	99,838	2,209	493,322	-	-	-
Interest income	534	1,197	2,575	2,036	930	17,924
Miscellaneous	6,681	102,153	63,353	19,763	-	18,250
Total revenues	<u>1,037,196</u>	<u>1,316,280</u>	<u>1,903,863</u>	<u>964,026</u>	<u>1,302,707</u>	<u>36,174</u>
EXPENDITURES						
Current						
General government	837,589	-	-	879,626	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	1,545,144	1,903,537	-	-	-
Economic development	-	-	-	-	-	3,266,376
Total expenditures	<u>837,589</u>	<u>1,545,144</u>	<u>1,903,537</u>	<u>879,626</u>	<u>-</u>	<u>3,266,376</u>
Excess (deficiency) of revenues over (under) expenditures	199,607	(228,864)	326	84,400	1,302,707	(3,230,202)
OTHER FINANCING SOURCES (USES)						
Special assessment bond issued	-	-	-	-	-	-
Premium on bonds	-	-	-	-	-	-
Sale of City property	550	-	-	-	-	-
Transfers in	-	204,356	390,862	-	-	1,200,424
Transfers out	(534)	-	(2,470)	(15,484)	(1,369,920)	(597,334)
Total other financing sources (uses)	<u>16</u>	<u>204,356</u>	<u>388,392</u>	<u>(15,484)</u>	<u>(1,369,920)</u>	<u>603,090</u>
Net change in fund balance	199,623	(24,508)	388,718	68,916	(67,213)	(2,627,112)
Fund balance, January 1	159,559	238,774	617,220	597,307	605,593	10,668,504
Fund balance, December 31	<u>\$ 359,182</u>	<u>\$ 214,266</u>	<u>\$ 1,005,938</u>	<u>\$ 666,223</u>	<u>\$ 538,380</u>	<u>\$ 8,041,392</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Sales Tax Improvements	Sales Tax Flood Control	Sidewalk Improvements	Street Improvements	Demolitions	Sales Tax Property Tax Relief-2nd Penny
REVENUES						
Property tax collections	\$ -	\$ 68	\$ 117,137	\$ 481,303	\$ 483,525	\$ -
Special assessment collections	-	-	2,435	-	51,374	-
Sales tax collections	3,254,215	6,508,886	-	-	-	3,905,333
Intergovernmental	11,393	5,183	-	888,121	-	-
Charges for services	-	-	-	-	-	-
Interest income	10,200	17,646	328	10,072	2,930	5,444
Miscellaneous	20,259	-	-	670	-	-
Total revenues	3,296,067	6,531,783	119,900	1,380,166	537,829	3,910,777
EXPENDITURES						
Current						
General government	-	34,334	92,018	-	26,559	-
Highways and streets	-	-	-	3,543,697	-	-
Culture and recreation	1,629,217	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total expenditures	1,629,217	34,334	92,018	3,543,697	26,559	-
Excess (deficiency) of revenues over (under) expenditures	1,666,850	6,497,449	27,882	(2,163,531)	511,270	3,910,777
OTHER FINANCING SOURCES (USES)						
Special assessment bond issued	-	-	-	-	-	-
Premium on bonds	-	-	-	-	-	-
Sale of City property	-	-	-	-	-	-
Transfers in	132,046	200,000	-	2,640,163	-	-
Transfers out	(1,776,333)	(2,600,000)	(198)	(1,128,366)	(1,158)	(4,532,592)
Total other financing sources (uses)	(1,644,287)	(2,400,000)	(198)	1,511,797	(1,158)	(4,532,592)
Net change in fund balance	22,563	4,097,449	27,684	(651,734)	510,112	(621,815)
Fund balance, January 1	5,840,353	7,141,360	11,032	4,981,136	181,287	3,403,667
Fund balance, December 31	\$ 5,862,916	\$ 11,238,809	\$ 38,716	\$ 4,329,402	\$ 691,399	\$ 2,781,852

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Sales Tax Infrastructure	Sales Tax Community Facilities	CDBG-DR \$67.5M	CDBG-DR \$35 M	Total 2015	Total 2014
REVENUES						
Property tax collections	\$ -	\$ -	\$ -	\$ -	\$ 4,345,796	\$ 3,826,553
Special assessment collections	-	-	-	-	53,809	411,178
Sales tax collections	2,759,100	3,755,333	-	-	21,484,644	27,245,883
Intergovernmental	-	-	2,334,265	9,571,422	13,974,325	14,111,920
Charges for services	-	-	-	-	595,369	589,870
Interest income	13,260	14,484	234	-	99,794	101,532
Miscellaneous	-	-	-	35,614	266,743	89,361
Total revenues	<u>2,772,360</u>	<u>3,769,817</u>	<u>2,334,499</u>	<u>9,607,036</u>	<u>40,820,480</u>	<u>46,376,297</u>
EXPENDITURES						
Current						
General government	-	-	2,335,647	9,607,036	13,812,809	14,055,898
Highways and streets	-	-	-	-	3,543,697	4,766,103
Culture and recreation	-	4,684,943	-	-	9,762,841	7,364,051
Economic development	-	-	-	-	3,266,376	3,292,475
Total expenditures	<u>-</u>	<u>4,684,943</u>	<u>2,335,647</u>	<u>9,607,036</u>	<u>30,385,723</u>	<u>29,478,527</u>
Excess (deficiency) of revenues over (under) expenditures	2,772,360	(915,126)	(1,148)	-	10,434,757	16,897,770
OTHER FINANCING SOURCES (USES)						
Special assessment bond issued	-	-	-	-	-	36,150
Premium on bonds	-	-	-	-	-	922
Sale of City property	-	-	-	-	550	700
Transfers in	-	45	1,148	-	4,769,044	7,700,476
Transfers out	(2,966,260)	(70,651)	-	-	(15,061,300)	(14,988,067)
Total other financing sources (uses)	<u>(2,966,260)</u>	<u>(70,606)</u>	<u>1,148</u>	<u>-</u>	<u>(10,291,706)</u>	<u>(7,249,819)</u>
Net change in fund balance	(193,900)	(985,732)	-	-	143,051	9,647,951
Fund balance, January 1	7,677,734	7,655,275	-	-	49,778,801	40,130,850
Fund balance, December 31	<u>\$ 7,483,834</u>	<u>\$ 6,669,543</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,921,852</u>	<u>\$ 49,778,801</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	<u>Public Transportation</u>				
	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>2015 Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>2014 Actual Amounts</u>
REVENUES					
Property tax collections	\$ 454,661	\$ 454,661	\$ 437,376	\$ 17,285	\$ 244,454
Intergovernmental	519,111	519,111	492,767	26,344	478,853
Charges for services	95,561	95,561	99,838	(4,277)	108,035
Interest income	-	-	534	(534)	179
Miscellaneous	9,623	9,623	6,681	2,942	14,763
Total revenues	<u>1,078,956</u>	<u>1,078,956</u>	<u>1,037,196</u>	<u>41,760</u>	<u>846,284</u>
EXPENDITURES					
Current					
General government	1,078,956	1,094,971	837,589	257,382	827,679
Total expenditures	<u>1,078,956</u>	<u>1,094,971</u>	<u>837,589</u>	<u>257,382</u>	<u>827,679</u>
Excess (deficiency) of revenues over (under) expenditures	-	(16,015)	199,607	(215,622)	18,605
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	550	(550)	700
Transfers out	-	-	(534)	534	(179)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>16</u>	<u>(16)</u>	<u>521</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (16,015)</u>	199,623	<u>\$ (215,638)</u>	19,126
Fund balance, January 1			159,559		140,433
Fund balance, December 31			<u>\$ 359,182</u>		<u>\$ 159,559</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Library				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Property tax collections	\$ 1,143,141	\$ 1,170,141	\$ 1,112,274	\$ 57,867	\$ 1,001,115
Intergovernmental	98,750	132,768	98,447	34,321	90,498
Charges for services	18,500	18,500	2,209	16,291	43,294
Interest income	1,061	1,061	1,197	(136)	1,133
Miscellaneous	31,081	37,419	102,153	(64,734)	33,618
Total revenues	<u>1,292,533</u>	<u>1,359,889</u>	<u>1,316,280</u>	<u>43,609</u>	<u>1,169,658</u>
EXPENDITURES					
Current					
Culture and recreation	1,393,533	1,601,271	1,545,144	56,127	1,163,900
Total expenditures	<u>1,393,533</u>	<u>1,601,271</u>	<u>1,545,144</u>	<u>56,127</u>	<u>1,163,900</u>
Excess (deficiency) of revenues over (under) expenditures	(101,000)	(241,382)	(228,864)	(12,518)	5,758
OTHER FINANCING SOURCES (USES)					
Transfers in	101,000	176,232	204,356	(28,124)	5,902
Transfers out	-	-	-	-	(31,355)
Total other financing sources (uses)	<u>101,000</u>	<u>176,232</u>	<u>204,356</u>	<u>(28,124)</u>	<u>(25,453)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (65,150)</u>	<u>(24,508)</u>	<u>\$ (40,642)</u>	<u>(19,695)</u>
Fund balance, January 1			238,774		258,469
Fund balance, December 31			<u>\$ 214,266</u>		<u>\$ 238,774</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Recreation/Auditorium				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Property tax collections	\$ 1,403,865	\$ 1,409,338	\$ 1,344,613	\$ 64,725	\$ 724,682
Charges for services	410,619	410,619	493,322	(82,703)	438,541
Interest income	-	-	2,575	(2,575)	3,493
Miscellaneous	22,067	22,067	63,353	(41,286)	11,892
Total revenues	<u>1,836,551</u>	<u>1,842,024</u>	<u>1,903,863</u>	<u>(61,839)</u>	<u>1,178,608</u>
EXPENDITURES					
Current					
Culture and recreation	2,206,551	2,329,666	1,903,537	426,129	2,098,405
Total expenditures	<u>2,206,551</u>	<u>2,329,666</u>	<u>1,903,537</u>	<u>426,129</u>	<u>2,098,405</u>
Excess (deficiency) of revenues over (under) expenditures	(370,000)	(487,642)	326	(487,968)	(919,797)
OTHER FINANCING SOURCES (USES)					
Transfers in	370,000	370,000	390,862	(20,862)	23,571
Transfers out	-	(1,000)	(2,470)	1,470	(147,044)
Total other financing sources (uses)	<u>370,000</u>	<u>369,000</u>	<u>388,392</u>	<u>(19,392)</u>	<u>(123,473)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (118,642)</u>	388,718	<u>\$ (507,360)</u>	(1,043,270)
Fund balance, January 1			617,220		1,660,490
Fund balance, December 31			<u>\$ 1,005,938</u>		<u>\$ 617,220</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Emergency Fund				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Property tax collections	\$ 365,079	\$ 367,226	\$ 369,500	\$ (2,274)	\$ 1,248,368
Intergovernmental	-	-	572,727	(572,727)	-
Interest income	-	-	2,036	(2,036)	1,952
Miscellaneous	-	-	19,763	(19,763)	539
Total revenues	<u>365,079</u>	<u>367,226</u>	<u>964,026</u>	<u>(596,800)</u>	<u>1,250,859</u>
EXPENDITURES					
Current					
General government	365,079	1,137,773	879,626	258,147	9,149
Total expenditures	<u>365,079</u>	<u>1,137,773</u>	<u>879,626</u>	<u>258,147</u>	<u>9,149</u>
Excess (deficiency) of revenues over (under) expenditures	-	(770,547)	84,400	(854,947)	1,241,710
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	(15,484)	15,484	(301,952)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(15,484)</u>	<u>15,484</u>	<u>(301,952)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (770,547)</u>	68,916	<u>\$ (839,463)</u>	939,758
Fund balance (deficit), January 1			<u>597,307</u>		<u>(342,451)</u>
Fund balance, December 31			<u>\$ 666,223</u>		<u>\$ 597,307</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	<u>Sales Tax Property Relief-1st Penny</u>				
	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>2015 Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>2014 Actual Amounts</u>
REVENUES					
Sales tax collections	\$ 1,150,000	\$ 1,150,000	\$ 1,301,777	\$ (151,777)	\$ 1,362,295
Interest income	-	-	930	(930)	1,100
Total revenues	<u>1,150,000</u>	<u>1,150,000</u>	<u>1,302,707</u>	<u>(152,707)</u>	<u>1,363,395</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	(1,368,990)	(1,369,920)	(1,369,920)	-	(1,425,346)
Total other financing sources (uses)	<u>(1,368,990)</u>	<u>(1,369,920)</u>	<u>(1,369,920)</u>	<u>-</u>	<u>(1,425,346)</u>
Net change in fund balance	<u>\$ (218,990)</u>	<u>\$ (219,920)</u>	(67,213)	<u>\$ (152,707)</u>	(61,951)
Fund balance, January 1			605,593		667,544
Fund balance, December 31			<u>\$ 538,380</u>		<u>\$ 605,593</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Sales Tax Economic Development				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Sales tax collections	\$ 1,725,000	\$ 1,725,000	\$ -	\$ 1,725,000	\$ 3,541,644
Interest income	28,405	28,405	17,924	10,481	26,381
Miscellaneous	-	-	18,250	(18,250)	1,348
Total revenues	<u>1,753,405</u>	<u>1,753,405</u>	<u>36,174</u>	<u>1,717,231</u>	<u>3,569,373</u>
EXPENDITURES					
Current					
Economic development	1,753,405	7,166,584	3,266,376	3,900,208	3,292,475
Total expenditures	<u>1,753,405</u>	<u>7,166,584</u>	<u>3,266,376</u>	<u>3,900,208</u>	<u>3,292,475</u>
Excess (deficiency) of revenues over (under) expenditures	-	(5,413,179)	(3,230,202)	(2,182,977)	276,898
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	1,200,424	(1,200,424)	-
Transfers out	-	(50,000)	(597,334)	547,334	(50,000)
Total other financing sources (uses)	<u>-</u>	<u>(50,000)</u>	<u>603,090</u>	<u>(653,090)</u>	<u>(50,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (5,463,179)</u>	<u>(2,627,112)</u>	<u>\$ (2,836,067)</u>	226,898
Fund balance, January 1			10,668,504		10,441,606
Fund balance, December 31			<u>\$ 8,041,392</u>		<u>\$ 10,668,504</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Sales Tax Improvements				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Sales tax collections	\$ 2,875,000	\$ 2,875,000	\$ 3,254,215	\$ (379,215)	\$ 4,903,938
Intergovernmental	-	-	11,393	(11,393)	-
Interest income	-	-	10,200	(10,200)	12,838
Miscellaneous income	-	-	20,259	(20,259)	-
Total revenues	<u>2,875,000</u>	<u>2,875,000</u>	<u>3,296,067</u>	<u>(421,067)</u>	<u>4,916,776</u>
EXPENDITURES					
General government	-	-	-	-	6,725
Culture and recreation	200,000	992,061	1,629,217	(637,156)	126,472
Total expenditures	<u>200,000</u>	<u>992,061</u>	<u>1,629,217</u>	<u>(637,156)</u>	<u>133,197</u>
Excess (deficiency) of revenues over (under) expenditures	2,675,000	1,882,939	1,666,850	216,089	4,783,579
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	132,046	(132,046)	3,696
Transfers out	(3,465,000)	(3,334,492)	(1,776,333)	(1,558,159)	(4,366,846)
Total other financing sources (uses)	<u>(3,465,000)</u>	<u>(3,334,492)</u>	<u>(1,644,287)</u>	<u>(1,690,205)</u>	<u>(4,363,150)</u>
Net change in fund balance	<u>\$ (790,000)</u>	<u>\$ (1,451,553)</u>	22,563	<u>\$ (1,474,116)</u>	420,429
Fund balance, January 1			5,840,353		5,419,924
Fund balance, December 31			<u>\$ 5,862,916</u>		<u>\$ 5,840,353</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Major Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

Sales Tax Flood Control

	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Property tax collection	\$ -	\$ -	\$ 68	\$ (68)	\$ 985
Sales tax collections	5,750,000	3,150,000	6,508,886	(3,358,886)	3,815,065
Intergovernmental	-	-	5,183	(5,183)	956
Interest income	9,542	9,542	17,646	(8,104)	9,600
Total revenues	<u>5,759,542</u>	<u>3,159,542</u>	<u>6,531,783</u>	<u>(3,372,241)</u>	<u>3,826,606</u>
EXPENDITURES					
General government	5,100,000	3,483,646	34,334	3,449,312	-
Total expenditures	<u>5,100,000</u>	<u>3,483,646</u>	<u>34,334</u>	<u>3,449,312</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	659,542	(324,104)	6,497,449	(6,821,553)	3,826,606
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	200,000	(200,000)	-
Transfers out	-	-	(2,600,000)	2,600,000	(1,319,386)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,400,000)</u>	<u>2,400,000</u>	<u>(1,319,386)</u>
Net change in fund balance	<u>\$ 659,542</u>	<u>\$ (324,104)</u>	4,097,449	<u>\$ (4,421,553)</u>	2,507,220
Fund balance, January 1			7,141,360		4,634,140
Fund balance, December 31			<u>\$ 11,238,809</u>		<u>\$ 7,141,360</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	<u>Sidewalk</u>			
	Original & Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES				
Property tax collections	\$ 120,000	\$ 117,137	\$ 2,863	\$ 116,648
Special assessment collections	-	2,435	(2,435)	2,790
Interest income	-	328	(328)	467
Total revenues	<u>120,000</u>	<u>119,900</u>	<u>100</u>	<u>119,905</u>
EXPENDITURES				
General government	<u>120,000</u>	<u>92,018</u>	<u>27,982</u>	<u>160,578</u>
Total expenditures	<u>120,000</u>	<u>92,018</u>	<u>27,982</u>	<u>160,578</u>
Excess (deficiency) of revenues over (under) expenditures	-	27,882	(27,882)	(40,673)
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	-	26,076
Transfers out	-	(198)	198	-
Total other financing sources (uses)	<u>-</u>	<u>(198)</u>	<u>198</u>	<u>26,076</u>
Net change in fund balance	<u>\$ -</u>	<u>27,684</u>	<u>\$ (27,684)</u>	<u>(14,597)</u>
Fund balance, January 1		11,032		25,629
Fund balance, December 31		<u>\$ 38,716</u>		<u>\$ 11,032</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Street Improvements				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Property tax collections	\$ 485,000	\$ 545,000	\$ 481,303	\$ 63,697	\$ 483,318
Intergovernmental	-	-	888,121	(888,121)	593,703
Interest income	-	-	10,072	(10,072)	8,255
Miscellaneous income	-	-	670	(670)	6,052
Total revenues	<u>485,000</u>	<u>545,000</u>	<u>1,380,166</u>	<u>(835,166)</u>	<u>1,091,328</u>
EXPENDITURES					
Highways and streets	3,125,000	3,599,288	3,543,697	55,591	4,766,103
Total expenditures	<u>3,125,000</u>	<u>3,599,288</u>	<u>3,543,697</u>	<u>55,591</u>	<u>4,766,103</u>
Excess (deficiency) of revenues over (under) expenditures	(2,640,000)	(3,054,288)	(2,163,531)	(890,757)	(3,674,775)
OTHER FINANCING SOURCES (USES)					
Transfer in	2,640,000	2,580,000	2,640,163	(60,163)	6,091,451
Transfers out	-	-	(1,128,366)	1,128,366	(9,919)
Total other financing sources (uses)	<u>2,640,000</u>	<u>2,580,000</u>	<u>1,511,797</u>	<u>1,068,203</u>	<u>6,081,532</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (474,288)</u>	<u>(651,734)</u>	<u>\$ 177,446</u>	<u>2,406,757</u>
Fund balance, January 1			<u>4,981,136</u>		<u>2,574,379</u>
Fund balance, December 31			<u>\$ 4,329,402</u>		<u>\$ 4,981,136</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Demolitions			
	Original & Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES				
Property tax collections	\$ 500,000	\$ 483,525	\$ 16,475	\$ 6,983
Special assessment collections	-	51,374	(51,374)	408,388
Interest income	-	2,930	(2,930)	348
Total revenues	<u>500,000</u>	<u>537,829</u>	<u>(37,829)</u>	<u>415,719</u>
EXPENDITURES				
General government	500,000	26,559	473,441	85,722
Total expenditures	<u>500,000</u>	<u>26,559</u>	<u>473,441</u>	<u>85,722</u>
Excess (deficiency) of revenues over (under) expenditures	-	511,270	(511,270)	329,997
OTHER FINANCING SOURCES (USES)				
Special assessment bond issues	-	-	-	36,150
Premium on bonds	-	-	-	922
Transfer in	-	-	-	373,661
Transfers out	-	(1,158)	1,158	-
Total other financing sources (uses)	<u>-</u>	<u>(1,158)</u>	<u>1,158</u>	<u>410,733</u>
Net change in fund balance	<u>\$ -</u>	<u>510,112</u>	<u>\$ (510,112)</u>	<u>740,730</u>
Fund balance, January 1		<u>181,287</u>		<u>(559,443)</u>
Fund balance, December 31		<u>\$ 691,399</u>		<u>\$ 181,287</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	<u>Sales Tax Property Tax Relief - 2nd Penny</u>				
	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>2015 Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>2014 Actual Amounts</u>
REVENUES					
Sales tax collections	\$ 3,450,000	\$ 3,450,000	\$ 3,905,333	\$ (455,333)	\$ 4,086,883
Interest income	-	-	5,444	(5,444)	3,928
Total revenues	<u>3,450,000</u>	<u>3,450,000</u>	<u>3,910,777</u>	<u>(460,777)</u>	<u>4,090,811</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	(4,527,148)	(4,532,592)	(4,532,592)	-	(3,245,756)
Total other financing sources (uses)	<u>(4,527,148)</u>	<u>(4,532,592)</u>	<u>(4,532,592)</u>	<u>-</u>	<u>(3,245,756)</u>
Net change in fund balance	<u>\$(1,077,148)</u>	<u>\$ (1,082,592)</u>	(621,815)	<u>\$ (460,777)</u>	845,055
Fund balance, January 1			3,403,667		2,558,612
Fund balance, December 31			<u>\$ 2,781,852</u>		<u>\$ 3,403,667</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Sales Tax Infrastructure				
	Original & Final Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Sales tax collections	\$ 4,600,000	\$ 5,141,270	\$ 2,759,100	\$ 2,382,170	\$ 5,449,176
Interest income	-	-	13,260	(13,260)	15,158
Total revenues	<u>4,600,000</u>	<u>5,141,270</u>	<u>2,772,360</u>	<u>2,368,910</u>	<u>5,464,334</u>
EXPENDITURES					
General government	3,520,000	-	-	-	-
Total expenditures	<u>3,520,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	1,080,000	5,141,270	2,772,360	2,368,910	5,464,334
OTHER FINANCING SOURCES (USES)					
Transfers out	(50,000)	(5,414,270)	(2,966,260)	(2,448,010)	(3,870,570)
Total other financing sources (uses)	<u>(50,000)</u>	<u>(5,414,270)</u>	<u>(2,966,260)</u>	<u>(2,448,010)</u>	<u>(3,870,570)</u>
Net change in fund balance	<u>\$ 1,030,000</u>	<u>\$ (273,000)</u>	<u>(193,900)</u>	<u>\$ (79,100)</u>	1,593,764
Fund balance, January 1			7,677,734		6,083,970
Fund balance, December 31			<u>\$ 7,483,834</u>		<u>\$ 7,677,734</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Sales Tax Community Facilities				
	Original & Final Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Sales tax collections	\$ 3,450,000	\$ 3,450,000	\$ 3,755,333	\$ (305,333)	\$ 4,086,882
Interest income	-	-	14,484	(14,484)	16,018
Total revenues	<u>3,450,000</u>	<u>3,450,000</u>	<u>3,769,817</u>	<u>(319,817)</u>	<u>4,102,900</u>
EXPENDITURES					
Culture and recreation	2,150,000	4,918,687	4,684,943	233,744	3,975,274
Total expenditures	<u>2,150,000</u>	<u>4,918,687</u>	<u>4,684,943</u>	<u>233,744</u>	<u>3,975,274</u>
Excess (deficiency) of revenues over (under) expenditures	1,300,000	(1,468,687)	(915,126)	(553,561)	127,626
OTHER FINANCING SOURCES (USES)					
Transfer in	-	-	45	(45)	1,176,119
Transfers out	(50,000)	(200,000)	(70,651)	(129,349)	(216,018)
Total other financing sources (uses)	<u>(50,000)</u>	<u>(200,000)</u>	<u>(70,606)</u>	<u>(129,394)</u>	<u>960,101</u>
Net change in fund balance	<u>\$ 1,250,000</u>	<u>\$ (1,668,687)</u>	<u>(985,732)</u>	<u>\$ (682,955)</u>	1,087,727
Fund balance, January 1			7,655,275		6,567,548
Fund balance, December 31			<u>\$ 6,669,543</u>		<u>\$ 7,655,275</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

CDBG - Disaster Recovery \$67.5M					
REVENUES	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
Intergovernmental	\$ 140,940	\$ 142,603	\$ 2,334,265	\$ (2,191,662)	\$ 7,396,427
Interest income	-	-	234	(234)	682
Miscellaneous	-	-	-	-	21,149
Total revenues	<u>140,940</u>	<u>142,603</u>	<u>2,334,499</u>	<u>(2,191,896)</u>	<u>7,418,258</u>
EXPENDITURES					
General government	140,940	6,060,441	2,335,647	3,724,794	7,414,562
Total expenditures	<u>140,940</u>	<u>6,060,441</u>	<u>2,335,647</u>	<u>3,724,794</u>	<u>7,414,562</u>
Excess (deficiency) of revenues over (under) expenditures	-	(5,917,838)	(1,148)	(5,916,690)	3,696
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	1,148	(1,148)	(3,696)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,148</u>	<u>(1,148)</u>	<u>(3,696)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (5,917,838)</u>	<u>-</u>	<u>\$ (5,917,838)</u>	<u>-</u>
Fund balance, January 1			<u>-</u>		<u>-</u>
Fund balance (deficit), December 31			<u>\$ -</u>		<u>\$ -</u>

City of Minot, North Dakota
Schedule of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual
Major Special Revenue Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

CDBG - Disaster Recovery \$35M					
REVENUES	Original & Final Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
Intergovernmental	\$13,409,036	\$ 13,409,498	\$ 9,571,422	\$ 3,838,076	\$ 5,551,483
Miscellaneous	-	-	35,614	(35,614)	-
Total revenues	<u>13,409,036</u>	<u>13,409,498</u>	<u>9,607,036</u>	<u>3,802,462</u>	<u>5,551,483</u>
EXPENDITURES					
General government	13,409,036	25,539,342	9,607,036	15,932,306	5,551,483
Total expenditures	<u>13,409,036</u>	<u>25,539,342</u>	<u>9,607,036</u>	<u>15,932,306</u>	<u>5,551,483</u>
Excess (deficiency) of revenues over (under) expenditures	-	(12,129,844)	-	(12,129,844)	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (12,129,844)</u>	-	<u>\$ (12,129,844)</u>	-
Fund balance, January 1			-		-
Fund balance, December 31			<u>\$ -</u>		<u>\$ -</u>

**City of Minot, North Dakota
Nonmajor Debt Service Funds**

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

City of Minot, North Dakota
Balance Sheet
Nonmajor Debt Service Fund
December 31, 2015
With Comparative Totals for December 31, 2014

	Highway Debt 2015	Highway Debt 2014
ASSETS		
Restricted cash and investments	\$ 1,195,984	\$1,273,150
Taxes receivable delinquent	92,879	31,103
Intergovernmental receivable	747	548
Advance to other funds	173,527	213,527
Total assets	<u>\$ 1,463,137</u>	<u>\$1,518,328</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	\$ 39,598	\$ 24,929
Total deferred inflows of resources	<u>39,598</u>	<u>24,929</u>
FUND BALANCE		
Nonspendable	-	213,527
Restricted	1,195,984	1,273,149
Assigned	227,555	6,723
Total fund balance	<u>1,423,539</u>	<u>1,493,399</u>
Total deferred inflows and fund balance	<u>\$ 1,463,137</u>	<u>\$1,518,328</u>

City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Debt Service Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Highway Debt 2015	Highway Debt 2014
REVENUES		
Property tax collections	\$ 2,796,530	\$1,081,623
Interest income	4,807	4,298
Miscellaneous income	214,524	-
Total revenues	<u>3,015,861</u>	<u>1,085,921</u>
EXPENDITURES		
General government	1,005	-
Debt service		
Principal retirement	2,385,000	1,995,000
Interest and fiscal charges	386,226	317,252
Total expenditures	<u>2,772,231</u>	<u>2,312,252</u>
Excess (deficiency) of revenues over (under) expenditures	243,630	(1,226,331)
OTHER FINANCING SOURCES (USES)		
Transfers in	5,375	1,645,013
Transfers out	(318,865)	(73,277)
Total other financing sources (uses)	<u>(313,490)</u>	<u>1,571,736</u>
Net change in fund balance	(69,860)	345,405
Fund balance, January 1	1,493,399	1,147,994
Fund balance, December 31	<u>\$ 1,423,539</u>	<u>\$1,493,399</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual
Nonmajor Debt Service Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Highway Debt				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Property tax collections	\$ 1,477,705	\$ 2,846,695	\$ 2,796,530	\$ 50,165	\$ 1,081,623
Interest income	-	-	4,807	(4,807)	4,298
Miscellaneous income	-	-	214,524	(214,524)	-
Total revenues	<u>1,477,705</u>	<u>2,846,695</u>	<u>3,015,861</u>	<u>(169,166)</u>	<u>1,085,921</u>
EXPENDITURES					
General government	157,530	138,037	1,005	137,032	-
Debt service					
Principal retirement	2,502,500	2,323,750	2,385,000	(61,250)	1,995,000
Interest and fiscal charges	446,563	446,562	386,226	60,336	317,252
Total expenditures	<u>3,106,593</u>	<u>2,908,349</u>	<u>2,772,231</u>	<u>136,118</u>	<u>2,312,252</u>
Excess (deficiency) of revenues over (under) expenditures	(1,628,888)	(61,654)	243,630	(305,284)	(1,226,331)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,628,889	259,899	5,375	254,524	1,645,013
Transfers out	-	(314,058)	(318,865)	4,807	(73,277)
Total other financing sources (uses)	<u>1,628,889</u>	<u>(54,159)</u>	<u>(313,490)</u>	<u>259,331</u>	<u>1,571,736</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (115,813)</u>	<u>(69,860)</u>	<u>\$ (45,953)</u>	<u>345,405</u>
Fund balance, January 1			1,493,399		1,147,994
Fund balance, December 31			<u>\$ 1,423,539</u>		<u>\$ 1,493,399</u>

City of Minot, North Dakota
Nonmajor Capital Project Funds

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

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.

Special 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 capital assets. Funding is provided by ND Century Code Sec. 57-15-42 upon a 60% vote of approval by the electorate.

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

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

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

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Sertoma Sports Complex	Special Assessment Capital	Fire Equipment	Storm Sewer Development
ASSETS				
Cash and investments	\$ 6,642	\$ 980,638	\$ 478,129	\$ 7,911,849
Restricted cash and investments	-	-	-	-
Taxes receivable delinquent	-	-	4,472	-
Accounts receivable	-	-	-	64,941
Due from other funds	-	-	-	-
Intergovernmental receivable	-	275,926	109	-
Total assets	<u>\$ 6,642</u>	<u>\$ 1,256,564</u>	<u>\$ 482,710</u>	<u>\$ 7,976,790</u>
LIABILITIES				
Accounts payable	\$ -	\$ 14,612	\$ -	\$ -
Retainage payable	-	26,983	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	4,854,524
Total liabilities	<u>-</u>	<u>41,595</u>	<u>-</u>	<u>4,854,524</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	1,373	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,373</u>	<u>-</u>
FUND BALANCE				
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	6,642	1,214,969	481,337	3,122,266
Unassigned	-	-	-	-
Total fund balance	<u>6,642</u>	<u>1,214,969</u>	<u>481,337</u>	<u>3,122,266</u>
Total liabilities, inflows and fund balance	<u>\$ 6,642</u>	<u>\$ 1,256,564</u>	<u>\$ 482,710</u>	<u>\$ 7,976,790</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	CDBG and EDA	Equipment Purchase	Flood Control Capital	Total 2015	Total 2014
ASSETS					
Cash and investments	\$ -	\$ 445,031	\$ 1,215,194	\$ 11,037,483	\$ 5,425,345
Restricted cash and investments	148,879	-	-	148,879	148,879
Taxes receivable delinquent	-	52,640	-	57,112	80,967
Accounts receivable	-	-	-	64,941	64,566
Due from other funds	-	-	-	-	47,129
Intergovernmental receivable	-	451,704	-	727,739	136,408
Total assets	<u>\$ 148,879</u>	<u>\$ 949,375</u>	<u>\$ 1,215,194</u>	<u>\$ 12,036,154</u>	<u>\$ 5,903,294</u>
LIABILITIES					
Accounts payable	\$ -	\$ 234,175	\$ 317,037	\$ 565,824	\$ 123,762
Retainage payable	-	56,683	-	83,666	144,910
Due to other funds	-	-	-	-	47,129
Advance from other funds	-	-	-	4,854,524	1,673,212
Total liabilities	<u>-</u>	<u>290,858</u>	<u>317,037</u>	<u>5,504,014</u>	<u>1,989,013</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	32,754	-	34,127	71,697
Total deferred inflows of resources	<u>-</u>	<u>32,754</u>	<u>-</u>	<u>34,127</u>	<u>71,697</u>
FUND BALANCE					
Restricted	148,879	-	-	148,879	242,931
Committed	-	-	-	-	148,879
Assigned	-	625,763	898,157	6,349,134	3,716,651
Unassigned	-	-	-	-	(265,877)
Total fund balance	<u>148,879</u>	<u>625,763</u>	<u>898,157</u>	<u>6,498,013</u>	<u>3,842,584</u>
Total liabilities, inflows and fund balance	<u>\$ 148,879</u>	<u>\$ 949,375</u>	<u>\$ 1,215,194</u>	<u>\$ 12,036,154</u>	<u>\$ 5,903,294</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Sertoma Sports Complex	Special Assessment Capital	Fire Equipment	Storm Sewer Development
REVENUES				
Property tax collections	\$ -	\$ -	\$ 86,835	\$ -
Sales tax collections	-	-	-	-
Intergovernmental	-	849,519	5,941	-
Charges for services	-	-	-	1,204,385
Interest income	131	-	818	13,115
Miscellaneous	-	-	320,492	-
Total revenues	<u>131</u>	<u>849,519</u>	<u>414,086</u>	<u>1,217,500</u>
EXPENDITURES				
Capital outlay				
Contracted work	-	1,965,029	380,437	-
Equipment	-	-	283,818	-
Legal	-	-	-	-
Other	-	87,888	112	-
Acquisitions	-	-	-	-
Engineering	-	440,641	7,754	-
Debt retirement				
Interest and fiscal charges	-	142	-	171,360
Total expenditures	<u>-</u>	<u>2,493,700</u>	<u>672,121</u>	<u>171,360</u>
Excess (deficiency) of revenues over (under) expenditures	131	(1,644,181)	(258,035)	1,046,140
OTHER FINANCING SOURCES (USES)				
Special assessment bonds issued	-	1,835,000	-	-
Premium on special assessments bonds	-	-	-	-
Discount on special assessment bonds	-	(1,779)	-	-
Sale of City property	-	-	-	-
Transfers in	-	1,341,796	63,750	-
Transfers out	(68,901)	(49,990)	(118,117)	(13,115)
Total other financing sources (uses)	<u>(68,901)</u>	<u>3,125,027</u>	<u>(54,367)</u>	<u>(13,115)</u>
Net change in fund balance	(68,770)	1,480,846	(312,402)	1,033,025
Fund balance (deficit), January 1	75,412	(265,877)	793,739	2,089,241
Fund balance, December 31	<u>\$ 6,642</u>	<u>\$ 1,214,969</u>	<u>\$ 481,337</u>	<u>\$ 3,122,266</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	CDBG and EDA	Equipment Purchase	Flood Control Capital	Total 2015	Total 2014
REVENUES					
Property tax collections	\$ -	\$ 552,729	\$ -	\$ 639,564	\$ 877,163
Sales tax collections	-	-	-	-	-
Intergovernmental	-	2,376,217	-	3,231,677	491,496
Charges for services	-	-	-	1,204,385	1,171,197
Interest income	-	1,690	-	15,754	13,219
Miscellaneous	-	439,464	32,692	792,648	-
Total revenues	-	3,370,100	32,692	5,884,028	2,553,075
EXPENDITURES					
Capital outlay					
Contracted work	-	1,862,032	-	4,207,498	2,621,637
Equipment	-	2,297,513	-	2,581,331	2,489,396
Legal	-	-	3,751	3,751	-
Other	-	109,320	-	197,320	418,718
Acquisitions	-	-	16,337	16,337	-
Engineering	-	2,709	2,772,539	3,223,643	304,321
Debt retirement					
Interest and fiscal charges	-	-	-	171,502	118,821
Total expenditures	-	4,271,574	2,792,627	10,401,382	5,952,893
Excess (deficiency) of revenues over (under) expenditures	-	(901,474)	(2,759,935)	(4,517,354)	(3,399,818)
OTHER FINANCING SOURCES (USES)					
Special assessment bonds issued	-	-	-	1,835,000	4,098,850
Premium on special assessments bonds	-	-	-	-	104,505
Discount on special assessment bonds	-	-	-	(1,779)	-
Sale of City property	-	74,815	-	74,815	86,500
Transfers in	-	558,211	3,658,092	5,621,849	2,479,488
Transfers out	-	(106,979)	-	(357,102)	(3,804,573)
Total other financing sources (uses)	-	526,047	3,658,092	7,172,783	2,964,770
Net change in fund balance	-	(375,427)	898,157	2,655,429	(435,048)
Fund balance (deficit), January 1	148,879	1,001,190	-	3,842,584	4,277,632
Fund balance, December 31	\$ 148,879	\$ 625,763	\$ 898,157	\$ 6,498,013	\$ 3,842,584

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Capital Project Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Fire Equipment				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Property tax collections	\$ 72,900	\$ 72,900	\$ 86,835	\$ (13,935)	\$ 143,142
Intergovernmental	277,000	277,000	5,941	271,059	35,072
Interest income	-	-	818	(818)	2,029
Total revenues	<u>349,900</u>	<u>349,900</u>	<u>414,086</u>	<u>(64,186)</u>	<u>180,243</u>
EXPENDITURES					
Capital outlay					
Contracted work	420,000	-	380,437	(380,437)	591,187
Equipment	334,900	1,585,951	283,818	1,302,133	989,911
Other	-	-	112	(112)	6,337
Engineering	-	-	7,754	(7,754)	89,966
Total expenditures	<u>754,900</u>	<u>1,585,951</u>	<u>672,121</u>	<u>913,830</u>	<u>1,677,401</u>
Excess (deficiency) of revenues over (under) expenditures	(405,000)	(1,236,051)	(258,035)	(978,016)	(1,497,158)
OTHER FINANCING SOURCES (USES)					
Sale of City property	-	-	-	-	14,000
Transfers in	405,000	405,000	63,750	341,250	729,833
Transfers out	-	-	(118,117)	118,117	(46,312)
Total other financing sources (uses)	<u>405,000</u>	<u>405,000</u>	<u>(54,367)</u>	<u>459,367</u>	<u>697,521</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (831,051)</u>	<u>(312,402)</u>	<u>\$ (518,649)</u>	<u>(799,637)</u>
Fund balance, January 1			793,739		1,593,376
Fund balance, December 31			<u>\$ 481,337</u>		<u>\$ 793,739</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Capital Project Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	<u>Equipment Purchase</u>				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Property tax collections	\$ 542,463	\$ 539,315	\$ 552,729	\$ (13,414)	\$ 734,021
Intergovernmental	240,000	262,781	2,376,217	(2,113,436)	416,447
Interest income	-	-	1,690	(1,690)	2,525
Miscellaneous	-	3,680	439,464	(435,784)	-
Total revenues	<u>782,463</u>	<u>805,776</u>	<u>3,370,100</u>	<u>(2,564,324)</u>	<u>1,152,993</u>
EXPENDITURES					
Capital outlay					
Contracted work	-	-	1,862,032	(1,862,032)	67,919
Equipment	1,887,463	5,365,441	2,297,513	3,067,928	1,355,985
Other	-	-	109,320	(109,320)	150,607
Engineering	-	-	2,709	(2,709)	92,015
Total expenditures	<u>1,887,463</u>	<u>5,365,441</u>	<u>4,271,574</u>	<u>1,093,867</u>	<u>1,666,526</u>
Excess (deficiency) of revenues over (under) expenditures	(1,105,000)	(4,559,665)	(901,474)	(3,658,191)	(513,533)
OTHER FINANCING SOURCES (USES)					
Sale of City property	75,000	75,000	74,815	185	72,500
Transfers in	1,030,000	1,024,853	558,211	466,642	725,893
Transfers out	-	-	(106,979)	106,979	(30,833)
Total other financing sources (uses)	<u>1,105,000</u>	<u>1,099,853</u>	<u>526,047</u>	<u>573,806</u>	<u>767,560</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (3,459,812)</u>	<u>(375,427)</u>	<u>\$ (3,084,385)</u>	<u>254,027</u>
Fund balance, January 1			<u>1,001,190</u>		<u>747,163</u>
Fund balance, December 31			<u>\$ 625,763</u>		<u>\$ 1,001,190</u>

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Capital Project Fund
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Flood Control Capital				
	Original Budgeted Amounts	Final Budgeted Amounts	2015 Actual Amounts	Variance with Final Budget	2014 Actual Amounts
REVENUES					
Sales tax collections	\$ -	\$ 2,984,211	\$ -	\$ 2,984,211	\$ -
Total revenues	-	2,984,211	32,692	2,951,519	-
EXPENDITURES					
Capital outlay					
Contracted work	-	2,967,857	-	2,967,857	-
Legal	-	-	3,751	(3,751)	-
Acquisitions	-	16,354	16,337	17	-
Engineering	-	-	2,772,539	(2,772,539)	-
Total expenditures	-	2,984,211	2,792,627	191,584	-
Excess (deficiency) of revenues over (under) expenditures	-	-	(2,759,935)	2,759,935	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	3,658,092	(3,658,092)	-
Total other financing sources (uses)	-	-	3,658,092	(3,658,092)	-
Net change in fund balance	\$ -	\$ -	898,157	\$ (898,157)	-
Fund balance, January 1			-		-
Fund balance, December 31			\$ 898,157		\$ -

City of Minot, North Dakota
Nonmajor Enterprise Funds

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

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

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

City of Minot, North Dakota
Combining Statement of Net Position
Nonmajor Proprietary Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Nonmajor		Total	Total
	Business-Type Activities		Nonmajor	Nonmajor
	Cemetery	Parking Authority	Funds	Funds
			2015	2014
ASSETS				
Current				
Cash and cash equivalents	\$ 280,330	\$ 200,957	\$ 481,287	\$ 593,392
Restricted cash and cash equivalents	-	-	-	14,402
Taxes receivable delinquent	10,741	-	10,741	3,406
Accounts receivable	14,442	2,856	17,298	9,251
Intergovernmental receivable	425	-	425	987
Prepaid	94	70	164	120
Total current assets	<u>306,032</u>	<u>203,883</u>	<u>509,915</u>	<u>621,558</u>
Noncurrent assets				
Other assets - capital credits	1,987	1,354	3,341	1,623
Capital assets				
Land	179,504	136,397	315,901	315,901
Buildings	150,885	-	150,885	150,885
Equipment	223,896	342,867	566,763	623,182
Infrastructure	390,061	17,228	407,289	319,136
Construction in progress	2,605	-	2,605	-
Total capital assets	<u>946,951</u>	<u>496,492</u>	<u>1,443,443</u>	<u>1,409,104</u>
Less-accumulated depreciation	<u>(370,448)</u>	<u>(334,294)</u>	<u>(704,742)</u>	<u>(643,408)</u>
Net capital assets	<u>576,503</u>	<u>162,198</u>	<u>738,701</u>	<u>765,696</u>
Total assets	<u>884,522</u>	<u>367,435</u>	<u>1,251,957</u>	<u>1,388,877</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pension	64,150	-	64,150	-
Total deferred outflows of resources	<u>64,150</u>	<u>-</u>	<u>64,150</u>	<u>-</u>
LIABILITIES				
Current liabilities				
Accounts payable	2,851	1,505	4,356	8,826
Accrued salaries payable	3,619	862	4,481	15,851
Compensated absences	7,287	-	7,287	8,511
Total current liabilities	<u>13,757</u>	<u>2,367</u>	<u>16,124</u>	<u>33,188</u>
Long-term liabilities				
Compensated absences	13,534	-	13,534	15,806
Customer deposits	-	600	600	600
Net pension liability	501,921	-	501,921	-
Total long-term liabilities	<u>515,455</u>	<u>600</u>	<u>516,055</u>	<u>16,406</u>
Total liabilities	<u>529,212</u>	<u>2,967</u>	<u>532,179</u>	<u>49,594</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pension	38,579	-	38,579	-
Total deferred inflows of resources	<u>38,579</u>	<u>-</u>	<u>38,579</u>	<u>-</u>
NET POSITION				
Invested in capital assets, net of related debt	576,503	162,198	738,701	765,696
Restricted for fountain, entrance, memorials	-	-	-	14,402
Unrestricted net position	<u>(195,622)</u>	<u>202,270</u>	<u>6,648</u>	<u>559,185</u>
Total net position	<u>\$ 380,881</u>	<u>\$ 364,468</u>	<u>\$ 745,349</u>	<u>\$ 1,339,283</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Proprietary Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	<u>Nonmajor Business-Type Activities</u>		<u>Total Nonmajor Proprietary Funds 2015</u>	<u>Total Nonmajor Proprietary Funds 2014</u>
	<u>Cemetery</u>	<u>Parking Authority</u>		
OPERATING REVENUES				
Charges for services	\$ 313,679	\$ 45,655	\$ 359,334	\$ 358,974
Total operating revenues	<u>313,679</u>	<u>45,655</u>	<u>359,334</u>	<u>358,974</u>
OPERATING EXPENSES				
Salaries	266,134	45,753	311,887	298,959
Employee benefits	84,303	4,961	89,264	101,140
Professional services	97	-	97	260
Property services	19,762	10,316	30,078	34,131
Purchased services	6,434	12,028	18,462	7,967
Supplies	18,464	6,813	25,277	27,551
Sundry	26,098	5,298	31,396	27,363
Depreciation	47,799	13,536	61,335	64,260
Total operating expenses	<u>469,091</u>	<u>98,705</u>	<u>567,796</u>	<u>561,631</u>
Operating income (loss)	<u>(155,412)</u>	<u>(53,050)</u>	<u>(208,462)</u>	<u>(202,657)</u>
NON-OPERATING REVENUES (EXPENSES)				
Property tax collections	166,746	-	166,746	82,201
Interest income	668	383	1,051	581
Gain (loss) on sale of capital assets	-	-	-	(1,513)
Miscellaneous income (expense)	1,482	2,129	3,611	6,289
Total non-operating revenues (expenses)	<u>168,896</u>	<u>2,512</u>	<u>171,408</u>	<u>87,558</u>
Income (loss) before contributions and transfers	<u>13,484</u>	<u>(50,538)</u>	<u>(37,054)</u>	<u>(115,099)</u>
Transfers in	-	-	-	280,000
Transfers out	(63,944)	(383)	(64,327)	(1,259)
Total contributions and transfers	<u>(63,944)</u>	<u>(383)</u>	<u>(64,327)</u>	<u>278,741</u>
Change in net position	<u>(50,460)</u>	<u>(50,921)</u>	<u>(101,381)</u>	<u>163,642</u>
Net position, January 1	923,894	415,389	1,339,283	1,175,641
Change in accounting principle - Note 5E	(492,553)	-	(492,553)	-
Net position, January 1, as restated	<u>431,341</u>	<u>415,389</u>	<u>846,730</u>	<u>1,175,641</u>
Net position, December 31	<u>\$ 380,881</u>	<u>\$ 364,468</u>	<u>\$ 745,349</u>	<u>\$ 1,339,283</u>

City of Minot, North Dakota
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Nonmajor Business-Type Activities		Total Nonmajor Proprietary Funds 2015	Total Nonmajor Proprietary Funds 2014
	Cemetery	Parking Authority		
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 298,451	\$ 45,457	\$ 343,908	\$ 354,825
Payments to suppliers	(70,730)	(39,050)	(109,780)	(97,412)
Payments to employees	(382,251)	(49,969)	(432,220)	(389,331)
Due from other agencies	109	-	109	-
Due to other agencies	-	(1,266)	(1,266)	(1,030)
Net cash provided (used) by operating activities	<u>(154,421)</u>	<u>(44,828)</u>	<u>(199,249)</u>	<u>(132,948)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes received	168,228	2,129	170,357	88,490
Transfers in	-	-	-	280,000
Transfers out	(63,944)	(383)	(64,327)	(1,259)
Net cash provided (used) by noncapital financing activities	<u>104,284</u>	<u>1,746</u>	<u>106,030</u>	<u>367,231</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(34,339)	-	(34,339)	(55,532)
Disposal of capital asset	-	-	-	(34,198)
Net cash provided (used) by capital and related financing activities	<u>(34,339)</u>	<u>-</u>	<u>(34,339)</u>	<u>(89,730)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	668	383	1,051	581
Net cash provided by investing activities	<u>668</u>	<u>383</u>	<u>1,051</u>	<u>581</u>
Net increase (decrease) in cash and cash equivalents	(83,808)	(42,699)	(126,507)	145,134
Cash and investments, January 1	364,138	243,656	607,794	462,660
Cash and investments, December 31	<u>\$ 280,330</u>	<u>\$ 200,957</u>	<u>\$ 481,287</u>	<u>\$ 607,794</u>
Cash and cash equivalents are comprised of the following:				
Cash and cash equivalents	\$ 280,330	\$ 200,957	\$ 481,287	\$ 593,392
Restricted cash and cash equivalents	-	-	-	14,402
Total cash and equivalents on the Statement of Net Position	<u>\$ 280,330</u>	<u>\$ 200,957</u>	<u>\$ 481,287</u>	<u>\$ 607,794</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (155,412)	\$ (53,050)	\$ (208,462)	\$ (202,657)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation expense	47,799	13,536	61,335	64,260
Change in assets and liabilities:				
Taxes receivable	(7,335)	-	(7,335)	1,377
Receivables, net	(7,919)	(128)	(8,047)	(5,406)
Intergovernmental receivable	562	-	562	(526)
Prepaid	26	(70)	(44)	(120)
Accounts payable	125	(4,595)	(4,470)	(140)
Accrued salaries payable	(12,115)	745	(11,370)	4,400
Accrued interest payable	(3,496)	-	(3,496)	6,368
Other assets	(453)	(1,266)	(1,719)	(504)
Net pension liability	(16,203)	-	(16,203)	-
Net cash provided (used) by operating activities	<u>\$ (154,421)</u>	<u>\$ (44,828)</u>	<u>\$ (199,249)</u>	<u>\$ (132,948)</u>

City of Minot, North Dakota
Internal Service Funds

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

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

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

City of Minot, North Dakota
Combining Statement of Net Position
Internal Service Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Central Garage	Self Insurance	Total Internal Service Funds 2015	Total Internal Service Funds 2014
ASSETS				
Cash and investments	\$ 254,592	\$ 2,053,476	\$ 2,308,068	\$ 1,774,718
Accounts receivable	5,238	2,101	7,339	6,586
Inventory	312,509	-	312,509	350,361
Other assets - capital credits	2,232	-	2,232	2,232
Prepaid	-	-	-	2,850
Total assets	<u>574,571</u>	<u>2,055,577</u>	<u>2,630,148</u>	<u>2,136,747</u>
LIABILITIES				
Accounts payable	4,127	16,360	20,487	4,399
Insurance claims payable	-	142,927	142,927	109,069
Total liabilities	<u>4,127</u>	<u>159,287</u>	<u>163,414</u>	<u>113,468</u>
NET POSITION				
Unrestricted	570,444	1,896,290	2,466,734	2,023,279
Total net position	<u>\$ 570,444</u>	<u>\$ 1,896,290</u>	<u>\$ 2,466,734</u>	<u>\$ 2,023,279</u>

City of Minot, North Dakota
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Central Garage	Self Insurance	Total Internal Service Funds 2015	Total Internal Service Funds 2014
OPERATING REVENUES				
Sales	\$ 994,277	\$ -	\$ 994,277	\$ 1,335,788
Cost of goods sold	(902,794)	-	(902,794)	(1,241,660)
Gross margin	91,483	-	91,483	94,128
Charges for services				
Employer	-	2,193,558	2,193,558	1,877,129
Employee	-	633,410	633,410	562,813
Total operating revenues	91,483	2,826,968	2,918,451	2,534,070
OPERATING EXPENSES				
Supplies	-	-	-	50,529
Insurance claims	-	2,523,588	2,523,588	2,038,201
Total operating expenses	-	2,523,588	2,523,588	2,088,730
Operating income (loss)	91,483	303,380	394,863	445,340
NON-OPERATING REVENUES (EXPENSES)				
Interest income	417	3,526	3,943	3,962
Miscellaneous income (expense)	(5,207)	49,856	44,649	(333,074)
Total non-operating revenues (expenses)	(4,790)	53,382	48,592	(329,112)
Income (loss) before transfers	86,693	356,762	443,455	116,228
Change in net position	86,693	356,762	443,455	116,228
Net position, January 1	483,751	1,539,528	2,023,279	1,907,051
Net position, December 31	\$ 570,444	\$ 1,896,290	\$ 2,466,734	\$ 2,023,279

City of Minot, North Dakota
Combining Statement of Cash Flows
Internal Service Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Central Garage	Self Insurance	Total Internal Service Funds 2015	Total Internal Service Funds 2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 1,032,977	\$ 2,825,367	\$ 3,858,344	\$ 3,784,268
Payments to suppliers	(903,066)	(2,470,520)	(3,373,586)	(3,462,863)
Payments to employees	-	-	-	-
Net cash provided (used) by operating activities	129,911	354,847	484,758	321,405
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Internal activity - payments from (to) other funds	(5,207)	49,856	44,649	(333,074)
Net cash provided (used) by noncapital financing activities	(5,207)	49,856	44,649	(333,074)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	417	3,526	3,943	3,962
Net cash provided by investing activities	417	3,526	3,943	3,962
Net increase in cash and cash equivalents	125,121	408,229	533,350	(7,707)
Cash and investments, January 1	129,471	1,645,247	1,774,718	1,782,425
Cash and investments, December 31	\$ 254,592	\$ 2,053,476	\$ 2,308,068	\$ 1,774,718
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 91,483	\$ 303,380	\$ 394,863	\$ 445,340
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Change in assets and liabilities				
Receivables, net	848	(1,601)	(753)	7,034
Inventory	37,852	-	37,852	3,736
Other assets - capital credits	-	-	-	(2,232)
Prepaid	-	2,850	2,850	(2,850)
Accounts payable	(272)	16,360	16,088	(123,021)
Insurance claims payable	-	33,858	33,858	(6,602)
Net cash provided (used) by operating activities	\$ 129,911	\$ 354,847	\$ 484,758	\$ 321,405

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.

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

City of Minot, North Dakota
Combining Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Pension Trust	OPEB Trust	Total Fiduciary Funds 2015	Total Fiduciary Funds 2014
ASSETS				
Cash and cash equivalents	\$ 171,064	\$ -	\$ 171,064	\$ 137,160
Investments				
Money market	785,921	34,855	820,776	1,778,908
Equity/stocks	34,211,683	669,625	34,881,308	34,708,216
Fixed income	21,699,341	402,421	22,101,762	23,257,901
Alternative	4,201,907	53,732	4,255,639	5,049,989
Total investments	60,898,852	1,160,633	62,059,485	64,795,014
Taxes receivable delinquent	25,131	-	25,131	101,141
Due from other funds	88,934	-	88,934	-
Total assets	61,183,981	1,160,633	62,344,614	65,033,315
LIABILITIES				
Due to other funds	-	88,934	88,934	231,359
Total liabilities	-	88,934	88,934	231,359
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	25,131	-	25,131	101,141
NET POSITION				
Restricted for pension benefits	61,158,850	-	61,158,850	63,557,495
Restricted for OPEB benefits	-	1,071,699	1,071,699	1,143,320
Total net position	\$ 61,158,850	\$ 1,071,699	\$ 62,230,549	\$ 64,700,815

City of Minot, North Dakota
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Pension Trust	OPEB Trust	Total Fiduciary Funds 2015	Total Fiduciary Funds 2014
ADDITIONS				
Contributions				
Employer	4,250,241	\$ 32,959	\$ 4,283,200	\$ 4,847,704
Employee	2,635,549	466,515	3,102,064	3,194,919
Total contributions	<u>6,885,790</u>	<u>499,474</u>	<u>7,385,264</u>	<u>8,042,623</u>
Investment income				
Interest and dividends	1,596,449	22,292	1,618,741	1,690,204
Net increase (decrease) in the fair value of investments	(2,765,087)	(34,777)	(2,799,864)	2,605,674
Total investment income	<u>(1,168,638)</u>	<u>(12,485)</u>	<u>(1,181,123)</u>	<u>4,295,878</u>
Less investment expense	157,642	3,161.00	160,803	149,915
Net investment income	<u>(1,326,280)</u>	<u>(15,646)</u>	<u>(1,341,926)</u>	<u>4,145,963</u>
Total additions	<u>5,559,510</u>	<u>483,828</u>	<u>6,043,338</u>	<u>12,188,586</u>
DEDUCTIONS				
Benefits paid to plan member and beneficiaries	7,299,926	-	7,299,926	6,912,542
Refunds paid to plan member and beneficiaries	434,086	-	434,086	566,634
Retiree claims	-	363,549	363,549	549,772
Third party premiums	-	176,300	176,300	166,938
Administrative expenses	224,143	15,600	239,743	316,469
Total deductions	<u>7,958,155</u>	<u>555,449</u>	<u>8,513,604</u>	<u>8,512,355</u>
Change in net position	(2,398,645)	(71,621)	(2,470,266)	3,676,231
Net position, January 1	63,557,495	1,143,320	64,700,815	61,024,584
Net position, December 31	<u>\$ 61,158,850</u>	<u>\$ 1,071,699</u>	<u>\$ 62,230,549</u>	<u>\$ 64,700,815</u>

City of Minot, North Dakota
Combining Statement of Net Position
Agency Funds
December 31, 2015
With Comparative Totals for December 31, 2014

	Payroll Deductions	Employer Social Security	Hotel/ Motel Tax	CDBG/ EDA	Total Agency Funds 2015	Total Agency Funds 2014
ASSETS						
Cash and investments	\$ 308,653	\$ -	\$ 95,773	\$ -	\$ 404,426	\$ 37,107
Taxes receivable delinquent	-	1,015	-	-	1,015	4,085
Accounts receivable	398	-	80,007	-	80,405	127,805
Intergovernmental receivable	-	14	2,090	22,739	24,843	621,851
Due from other funds	-	-	265	-	265	227,474
Total assets	<u>\$ 309,051</u>	<u>\$ 1,029</u>	<u>\$ 178,135</u>	<u>\$ 22,739</u>	<u>\$ 510,954</u>	<u>\$ 1,018,322</u>
LIABILITIES						
Accounts payable	\$ 309,051	\$ 1,029	\$ 178,135	\$ 22,474	\$ 510,689	\$ 1,016,912
Due to other funds	-	-	-	265	265	1,410
Total liabilities	<u>\$ 309,051</u>	<u>\$ 1,029</u>	<u>\$ 178,135</u>	<u>\$ 22,739</u>	<u>\$ 510,954</u>	<u>\$ 1,018,322</u>

City of Minot, North Dakota
Combining Statements of Changes in Assets and Liabilities - Agency Funds
For the Year-to-Date as of December 31, 2015
With Comparative Totals for December 31, 2014

	Beginning	Additions	Deletions	Ending
PAYROLL DEDUCTIONS				
Assets				
Cash and investments	\$ 37,107	\$ 6,320,488	\$ 6,048,942	\$ 308,653
Accounts receivable	5,591	1,463	6,656	398
Due from other funds	43,692	-	43,692	-
Total assets	<u>\$ 86,390</u>	<u>\$ 6,321,951</u>	<u>\$ 6,099,290</u>	<u>\$ 309,051</u>
Liabilities				
Accounts payable	\$ 86,390	\$ 608,411	\$ 831,072	\$ 309,051
Total liabilities	<u>\$ 86,390</u>	<u>\$ 608,411</u>	<u>\$ 831,072</u>	<u>\$ 309,051</u>
EMPLOYER SOCIAL SECURITY				
Assets				
Cash and investments	\$ -	\$ 3,301	\$ 3,301	\$ -
Taxes receivable delinquent	4,085	2	3,072	1,015
Intergovernmental receivable	72	734	792	14
Total assets	<u>\$ 4,157</u>	<u>\$ 4,037</u>	<u>\$ 7,165</u>	<u>\$ 1,029</u>
Liabilities				
Accounts payable	\$ 4,157	\$ -	\$ (3,128)	\$ 1,029
Total liabilities	<u>\$ 4,157</u>	<u>\$ -</u>	<u>\$ (3,128)</u>	<u>\$ 1,029</u>
HOTEL/MOTEL TAX				
Assets				
Cash and investments	\$ -	\$ 1,585,163	\$ 1,489,390	\$ 95,773
Accounts receivable	122,214	1,398,073	1,440,280	80,007
Intergovernmental receivable	2,661	2,090	2,661	2,090
Due from other funds	183,782	-	183,517	265
Total assets	<u>\$ 308,657</u>	<u>\$ 2,985,326</u>	<u>\$ 3,115,848</u>	<u>\$ 178,135</u>
Liabilities				
Accounts payable	\$ 308,657	\$ 1,335,875	\$ 1,205,353	\$ 178,135
Total liabilities	<u>\$ 308,657</u>	<u>\$ 1,335,875</u>	<u>\$ 1,205,353</u>	<u>\$ 178,135</u>
CDBG/EDA				
Assets				
Cash and investments	\$ -	\$ 3,234,785	\$ 3,234,785	\$ -
Intergovernmental receivable	619,118	2,829,500	3,425,879	22,739
Total assets	<u>\$ 619,118</u>	<u>\$ 6,064,285</u>	<u>\$ 6,660,664</u>	<u>\$ 22,739</u>
Liabilities				
Accounts payable	\$ 617,708	\$ 668,171	\$ 72,937	\$ 22,474
Due to other funds	1,410	1,145	-	265
Total liabilities	<u>\$ 619,118</u>	<u>\$ 669,316</u>	<u>\$ 72,937</u>	<u>\$ 22,739</u>
TOTAL DECEMBER 31, 2015				
Assets				
Cash and investments	\$ 37,107	\$ 11,143,737	\$ 10,776,418	\$ 404,426
Taxes receivable delinquent	4,085	2	3,072	1,015
Accounts receivable	127,805	1,399,536	1,446,936	80,405
Intergovernmental receivable	621,851	2,832,324	3,429,332	24,843
Due from other funds	227,474	-	227,209	265
Total assets	<u>\$ 1,018,322</u>	<u>\$ 15,375,599</u>	<u>\$ 15,882,967</u>	<u>\$ 510,954</u>
Liabilities				
Accounts payable	\$ 1,016,912	\$ 2,612,457	\$ 2,106,234	\$ 510,689
Due to other funds	1,410	1,145	-	265
Total liabilities	<u>\$ 1,018,322</u>	<u>\$ 2,613,602</u>	<u>\$ 2,106,234</u>	<u>\$ 510,954</u>
TOTAL DECEMBER 31, 2014				
Assets				
Cash and investments	\$ 187,444	\$ 12,241,289	\$ 12,391,626	\$ 37,107
Taxes receivable delinquent	3,584	3,164	2,663	4,085
Accounts receivable	150,178	1,795,749	1,818,122	127,805
Intergovernmental receivable	42,094	2,036,829	1,457,072	621,851
Due to other funds	-	227,474	-	227,474
Total assets	<u>\$ 383,300</u>	<u>\$ 16,304,505</u>	<u>\$ 15,669,483</u>	<u>\$ 1,018,322</u>
Liabilities				
Accounts payable	\$ 383,300	\$ 4,467,951	\$ 5,101,563	\$ 1,016,912
Due to other funds	-	-	1,410	1,410
Total liabilities	<u>\$ 383,300</u>	<u>\$ 4,467,951</u>	<u>\$ 5,102,973</u>	<u>\$ 1,018,322</u>



This page left blank intentionally.

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source December 31, 2015 and 2014

GOVERNMENTAL FUNDS CAPITAL ASSETS	2015	2014
Land	\$ 42,569,187	\$ 31,055,094
Buildings	14,889,521	14,913,448
Equipment	21,515,354	17,911,741
Infrastructure	224,711,583	180,559,156
Intangible assets	598,329	598,329
Books	3,330,862	3,794,171
Construction in progress	20,208,352	8,215,463
Total governmental funds capital assets	<u>\$ 327,823,188</u>	<u>\$ 257,047,402</u>
 INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE		
Capital project funds		
General obligation bonds and levies	\$ 27,483,151	\$ 21,120,985
Revenue bonds	3,554,141	3,554,141
Sales tax	20,779,115	17,348,617
Federal grants	104,456,915	90,051,872
State grants	28,527,103	19,929,061
County grants	1,216,423	1,216,423
Contributions from others	96,627,842	59,418,892
General fund	24,607,593	24,588,029
Special revenue	17,555,095	17,389,897
Urban renewal	465,739	465,739
Enterprise fund	2,550,071	1,963,746
Total governmental funds capital assets	<u>\$ 327,823,188</u>	<u>\$ 257,047,402</u>

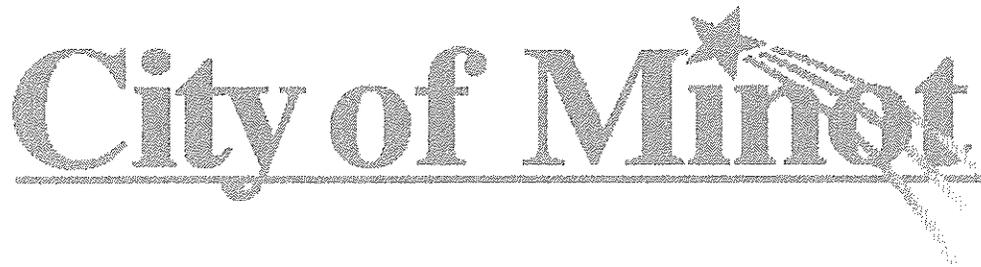
City of Minot, North Dakota
 Capital Assets Used in the Operation of Governmental Funds
 Schedule by Function and Activity

December 31, 2015
 With Comparative Totals for December 31, 2014

FUNCTION AND ACTIVITY	Land	Buildings	Equipment	Infrastructure	Intangible		Books	Construction in Process	2015	2014
					Assets	Assets				
General Government										
Civic center/property maintenance	\$ 49,374	\$ 3,429,528	\$ 288,603	\$ 305,527	\$ -	\$ -	\$ -	\$ -	\$ 4,073,032	\$ 4,060,815
Clerk	-	-	7,999	-	-	-	-	-	7,999	7,999
Finance	-	-	26,888	-	-	-	-	-	26,888	26,888
Information technology	-	-	208,699	-	220,899	-	-	-	429,598	420,764
Assessor	-	-	73,079	-	32,500	-	-	-	105,579	148,785
Engineering	-	-	379,079	-	-	-	9	-	379,088	757,573
Inspection	-	-	257,631	-	33,000	-	-	-	290,631	287,988
Traffic control	-	1,432,856	857,718	5,216,647	-	-	-	16,992	6,091,357	3,443,491
Public works	-	362,136	112,458	-	-	-	-	-	1,545,314	1,530,039
General	40,857,686	4,224,136	1,148,248	647,757	-	-	-	16,137,895	59,153,722	34,855,947
Total general government	40,907,060	5,224,520	3,360,402	6,169,931	286,399	-	-	16,154,896	72,103,208	45,540,289
Public Safety										
Police	-	161,537	4,870,450	2,213,992	-	-	-	-	7,245,979	5,141,067
Fire	243,861	4,062,599	4,688,087	1,388,084	-	-	-	3,026,900	13,409,531	9,977,891
Total public safety	243,861	4,224,136	9,558,537	3,602,076	-	-	-	3,026,900	20,655,510	15,118,958
Street	988,264	385,576	3,766,261	213,538,182	311,930	-	-	1,020,778	220,010,991	182,446,802
Shop	-	-	277,165	-	-	-	-	8	277,173	277,165
Library	7,624	3,128,994	44,874	315,781	-	-	3,330,862	5,744	6,833,879	7,019,767
Public transportation	-	853,027	3,266,923	-	-	-	-	-	4,119,950	3,196,354
Recreation	422,378	1,073,268	1,241,192	1,085,613	-	-	-	26	3,822,477	3,448,067
Total governmental funds	\$ 42,569,187	\$ 14,889,521	\$ 21,515,354	\$ 224,711,583	\$ 598,329	\$ 3,330,862	\$ 20,208,352	\$ 327,823,188	\$ 257,047,402	

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
December 31, 2015

FUNCTION AND ACTIVITY	Governmental Fund Capital Assets January 1, 2015	Additions	Deletions	Transfers	Construction in Process	Governmental Fund Capital Assets December 31, 2015
GENERAL GOVERNMENT						
Civic center/property maintenance	\$ 4,060,815	\$ 27,492	\$ -	\$ (15,275)	\$ -	\$ 4,073,032
Clerk	7,999	-	-	-	-	7,999
Finance	26,888	-	-	-	-	26,888
Information technology	420,764	8,834	-	-	-	429,598
Assessor	148,785	-	43,206	-	-	105,579
Engineering	757,573	70,539	478,080	29,047	9	379,088
Inspection	287,988	-	-	2,643	-	290,631
Traffic control	3,443,491	2,638,689	27,174	19,359	16,992	6,091,357
Public works	1,530,039	-	-	15,275	-	1,545,314
General	34,855,947	12,729,530	4,569,650	-	16,137,895	59,153,722
Total general government	45,540,289	15,475,084	5,118,110	51,049	16,154,896	72,103,208
PUBLIC SAFETY						
Police	5,141,067	2,825,630	669,669	(51,049)	-	7,245,979
Fire	9,977,891	1,431,083	1,026,343	-	3,026,900	13,409,531
Total public safety	15,118,958	4,256,713	1,696,012	(51,049)	3,026,900	20,655,510
Street	182,446,802	39,281,075	2,737,664	-	1,020,778	220,010,991
Shop	277,165	-	-	-	8	277,173
Library	7,019,767	491,179	682,811	-	5,744	6,833,879
Public transportation	3,196,354	923,596	-	-	-	4,119,950
Recreation	3,448,067	374,384	-	-	26	3,822,477
Total governmental funds	\$ 257,047,402	\$ 60,802,031	\$ 10,234,597	\$ -	\$ 20,208,352	\$ 327,823,188



This page left blank intentionally.

City of Minot, North Dakota Statistical Section

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

The Statistical Section is presented in five categories:

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

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

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

- 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

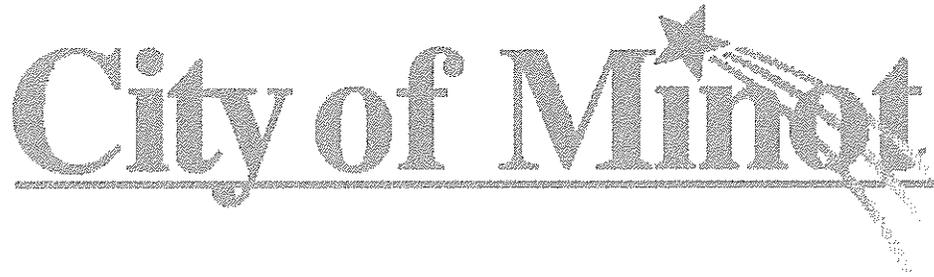
Demographic and Economic - schedules are intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and with other governments.

- 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 #54 in 2009.



This page left blank intentionally.

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

	Restated 2006	2007	2008	2009	2010	2011	Restated 2012	Restated 2013	2014	2015
Governmental activities										
Net investment in capital assets	\$ 50,713,665	\$ 59,701,807	\$ 66,709,351	\$ 76,811,701	\$ 82,821,937	\$ 81,010,769	\$ 101,542,579	\$ 119,345,975	\$ 153,468,851	\$ 213,781,240
Restricted for:										
Debt service	1,910,960	2,617,579	2,025,734	2,643,771	812,051	1,230,207	960,352	517,259	1,946,942	4,362,686
Sales tax property tax relief	-	-	-	-	-	1,205,472	2,951,612	3,226,156	4,009,260	3,320,232
Capital projects	20,310,497	24,733,175	-	-	-	-	-	-	-	-
Highway projects	-	-	4,240,289	2,833,320	1,448,511	1,417,563	3,802	-	-	14,491
Economic development	-	-	1,997,969	2,837,842	1,688,435	2,126,312	1,086,131	4,585,464	5,750,029	6,440,271
Flood control	-	-	2,207,545	2,202,085	2,202,085	1,539,481	1,962,268	4,634,140	-	-
NAWS	-	-	27,989,367	28,404,171	34,204,624	39,271,885	35,085,324	34,464,866	34,129,645	34,099,423
Other purposes	735,412	715,775	14,186,277	466,931	157,398	739	16,989	51,407	631,104	-
Unrestricted	14,336,538	24,515,171	12,902,703	19,515,667	26,731,317	38,223,448	58,671,015	69,840,086	84,952,142	60,117,643
Total governmental activities net position	\$ 88,007,072	\$ 112,283,507	\$ 132,259,235	\$ 135,715,488	\$ 150,066,358	\$ 166,025,876	\$ 202,280,072	\$ 236,665,353	\$ 284,887,973	\$ 322,135,986
Business-type activities										
Net investment in capital assets	\$ 58,453,802	\$ 57,707,036	\$ 51,274,183	\$ 61,496,412	\$ 60,096,339	\$ 62,782,830	\$ 93,509,610	\$ 117,348,148	\$ 187,576,187	\$ 246,874,877
Restricted for:										
Debt service	4,645,085	5,601,055	4,101,853	4,300,303	3,657,311	3,859,697	3,736,319	4,843,540	5,115,955	7,176,604
Passenger facility charges not spent	-	-	-	-	-	-	1,041,086	925,887	651,251	-
Other purposes	43,474	43,874	44,714	40,664	48,349	54,277	61,593	45,027	14,402	-
Unrestricted	-	-	6,319,775	3,589,808	6,859,415	12,827,960	17,512,758	32,666,444	30,066,830	39,296,247
Total business-type activities net position	\$ 63,142,361	\$ 63,351,965	\$ 61,740,525	\$ 69,427,187	\$ 70,661,414	\$ 79,524,764	\$ 115,861,366	\$ 155,829,046	\$ 223,424,625	\$ 293,347,728
Government-wide activities										
Net investment in capital assets	\$ 109,167,467	\$ 117,408,843	\$ 117,983,534	\$ 138,308,113	\$ 142,918,276	\$ 143,793,599	\$ 195,052,189	\$ 236,694,123	\$ 341,045,038	\$ 460,656,117
Restricted	22,264,931	28,110,403	56,793,748	43,729,087	44,218,764	50,705,633	46,905,476	53,293,746	52,248,588	55,413,707
Unrestricted	23,331,348	30,116,225	19,222,478	23,105,475	33,590,732	51,051,408	76,183,773	102,506,530	115,018,972	99,413,890
Total government net position	\$ 154,763,746	\$ 175,635,471	\$ 193,999,760	\$ 205,142,675	\$ 220,727,772	\$ 245,550,640	\$ 318,141,438	\$ 392,494,399	\$ 508,312,598	\$ 615,483,714

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

	Restated									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
EXPENSES										
Governmental activities										
General government	\$ 8,428,173	\$ 10,581,242	\$ 12,610,950	\$ 15,791,433	\$ 10,877,394	\$ 16,286,125	\$ 18,663,226	\$ 22,855,601	\$ 27,476,332	\$ 27,783,373
Highways and streets	7,903,316	8,585,950	8,784,220	9,621,297	10,983,251	11,737,486	11,894,017	14,276,698	15,297,259	14,843,622
Culture and recreation	3,875,190	4,525,555	5,943,486	6,884,847	8,197,388	8,673,395	10,786,782	17,921,085	16,199,177	16,772,838
Community development	1,952,705	3,709,916	3,603,029	2,927,935	3,122,273	3,605,205	3,682,272	4,902,342	7,673,973	9,991,456
Interest on long-term debt	408,008	2,717,155	3,882,862	932,000	1,122,808	903,978	851,421	1,306,170	3,292,475	3,266,376
Total governmental activities expenses	727,521	806,265	939,131	952,970	684,342	599,608	670,777	377,420	1,084,587	1,323,446
Business-type activities	23,294,913	30,926,082	35,763,678	37,110,482	34,987,456	41,805,797	46,548,495	61,639,316	71,023,803	73,981,111
Airport	2,675,382	2,765,722	4,213,797	3,747,615	3,046,398	2,886,779	4,072,715	5,127,918	6,406,365	8,758,360
Cemetery	222,159	213,392	226,999	245,719	305,368	304,502	325,301	378,717	488,825	469,091
Parking authority	178,147	115,667	113,232	121,475	123,727	118,367	231,938	123,598	72,806	98,705
Sanitation	1,924,082	1,841,238	2,021,582	2,327,461	2,529,736	4,269,081	3,813,767	4,123,633	4,461,806	4,464,695
Water and sewer	8,464,880	9,179,295	9,760,782	11,249,918	11,113,562	14,102,005	14,405,238	15,399,199	18,558,478	20,167,628
Total business-type activities expenses	13,464,650	14,115,314	16,336,392	17,692,188	17,118,791	21,680,734	22,848,959	25,153,065	29,988,280	33,958,279
Total government expenses	36,759,563	45,041,397	52,100,070	54,802,670	52,106,247	63,486,531	69,397,454	86,792,381	101,012,083	107,939,390
PROGRAM REVENUES										
Governmental activities										
Charges for services	5,063,202	4,182,085	5,599,611	6,053,336	6,440,278	8,635,786	11,131,748	10,136,446	11,273,075	7,592,971
General government	917,002	907,811	1,166,387	1,147,007	1,382,128	1,637,161	1,344,251	2,068,420	1,721,664	1,074,256
Highways and streets	-	-	467,716	63,523	-	84,164	15,554	112,496	793	-
Culture and recreation	54,016	474,985	442,346	-	534,353	1,150,392	2,010,063	2,021,129	558,414	568,694
Operating grants and contributions	299,813	675,890	1,051,271	2,313,214	1,066,608	6,686,784	1,782,240	9,665,447	13,467,696	5,524,812
Public safety	103,032	70,435	78,953	99,507	676,006	364,666	338,479	576,299	534,176	311,835
Highways and streets	-	-	-	547,985	630,630	4,604	9,511,871	4,366,489	593,703	8,606,392
Culture and Recreation	-	-	-	-	-	-	-	152,993	90,498	98,447
Capital grants and contributions	55,949	726,303	2,635,216	1,182,924	120,720	5,354	2,397,534	11,582,417	14,555,981	31,748,416
General government	-	-	1,136,547	-	604,476	181,340	268,620	815,504	468,119	2,663,668
Public safety	3,539,693	11,784,624	8,600,269	1,809,135	4,713,115	1,165,700	14,271,317	12,152,326	28,049,555	39,835,660
Highways and streets	-	-	4,737	-	-	6,673	-	12,011	24,806	190,839
Culture and recreation	-	-	555,519	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	10,032,707	18,822,133	21,738,572	13,216,631	16,168,314	19,922,624	43,071,677	53,661,977	71,338,480	98,215,990
Business-type activities										
Charges for services	998,941	1,142,638	2,447,799	2,083,123	1,114,890	1,815,968	2,518,466	4,010,834	4,047,237	3,327,592
Airport	225,234	200,333	235,546	251,298	291,230	261,460	268,427	303,061	330,264	313,701
Cemetery	123,237	136,713	145,125	136,618	126,065	143,438	149,343	107,647	39,259	45,655
Parking authority	2,099,706	2,148,607	2,706,534	3,179,491	3,229,834	5,555,689	4,668,460	5,051,929	4,679,968	4,536,174
Sanitation	7,635,599	7,686,895	8,448,601	9,276,724	10,392,992	11,098,007	14,563,524	17,545,492	19,216,996	19,953,794
Water and sewer	282,857	263,381	262,539	241,680	328,837	604,989	977,359	1,418,223	1,248,307	2,401,140
Operating grants and contributions	-	-	-	-	-	-	-	-	-	5,200
Airport	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-

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

	Restated									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Capital grants and contributions										
Airport	\$ 683,772	\$ 1,696,337	\$ 502,264	\$ 1,229,346	\$ 857,936	\$ 649,789	\$ 8,103,553	\$ 13,489,126	\$ 20,519,210	\$ 21,362,081
Cemetery	309	-	-	(5,080)	61,853	10,964	26,508	-	-	-
Parking authority	-	-	-	52,921	-	-	89,053	-	(1,513)	-
Sanitation	-	10,165	248,926	1,400	2,197	407,443	298,497	1,540,548	190,550	-
Water and sewer	1,294,055	1,965,477	1,805,074	4,871,427	495,267	4,582,021	21,310,811	17,532,389	46,719,119	62,750,889
Total business-type activities program revenues	13,343,710	15,230,546	16,802,408	21,318,947	16,901,101	25,129,768	52,974,001	60,999,249	96,989,397	114,696,225
Total government program revenues	23,376,417	34,072,679	38,540,580	34,555,578	33,069,416	45,052,393	96,045,678	114,661,226	168,327,877	212,912,125
Net revenue (expense)	(5,015,283)	(12,103,949)	(14,025,106)	(23,893,851)	(18,819,142)	(21,883,173)	(3,476,818)	(7,977,339)	314,678	24,234,879
Governmental activities	(120,940)	1,135,230	466,016	3,626,759	(217,689)	3,449,034	30,125,042	35,846,184	67,001,117	80,737,946
Business-type activities	(5,136,223)	(10,968,718)	(13,559,090)	(20,267,092)	(19,036,831)	(18,434,139)	26,648,224	27,868,845	67,315,795	104,972,825
Total government net expense										
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	7,065,705	7,665,997	7,787,046	8,147,645	8,750,586	9,556,958	6,818,892	9,479,846	9,668,534	13,094,945
Property taxes, levied for debt service	998,952	1,142,353	1,152,519	1,064,857	749,233	800,683	735,488	499,901	1,126,237	2,875,336
Sales taxes	11,920,592	13,242,768	14,639,441	14,845,915	17,200,391	21,612,185	26,705,354	24,850,061	27,245,883	26,035,551
State aid distribution-unrestricted	1,683,303	1,769,430	1,862,605	1,802,746	2,478,437	3,055,454	4,166,709	2,816,975	2,952,874	4,411,924
Municipal highway tax	1,424,650	1,620,893	1,985,198	1,894,613	2,120,108	2,418,451	2,570,954	4,231,254	4,792,103	2,740,748
Franchise taxes	370,158	400,264	442,420	483,377	517,894	525,180	588,414	668,203	699,277	702,627
Other taxes	309,801	287,113	298,025	292,845	425,536	450,630	1,729,453	564,120	700,272	311,720
Grants and contributions not restricted to specific programs	1,643,502	2,282,098	1,468,090	961,136	474,228	950,457	480,932	251,460	471,073	694,916
Investment earnings	963,821	2,896,504	2,012,030	1,282,593	1,106,373	2,749,359	1,807,263	2,443,339	604,999	2,702,358
Miscellaneous	675,813	1,458,649	2,353,460	(3,425,624)	(652,774)	(4,276,666)	(5,872,446)	(3,442,538)	(353,310)	1,262,055
Transfers	27,056,297	32,766,069	34,000,834	27,350,103	33,170,012	37,842,691	39,731,013	42,362,621	47,907,942	54,832,180
Total governmental activities	47,185	34,608	73,047	281,001	305,389	480,909	687	186,344	82,208	166,746
Business-type activities:										
Taxes										
Property taxes, levied for general purposes	322,184	164,724	78,526	65,609	88,318	108,670	-	-	-	-
Other taxes	91,364	226,834	139,967	215,446	98,049	105,260	91,147	88,706	114,540	119,072
Investment earnings	134,667	106,837	(15,535)	72,223	307,387	442,812	247,280	403,908	44,404	1,244,180
Miscellaneous	(675,813)	(1,458,649)	(2,353,460)	3,425,624	652,774	4,276,666	5,872,446	3,442,538	353,310	(1,262,055)
Transfers	(80,413)	(925,626)	(2,077,455)	4,059,903	1,451,917	5,414,317	6,211,560	4,121,496	594,462	267,943
Total business-type activities	26,975,884	31,840,443	31,923,379	31,410,006	34,621,929	43,257,008	45,942,573	46,484,117	48,502,404	55,100,123
Total government	13,738,142	20,662,120	19,975,728	3,456,252	14,350,870	15,959,518	36,254,196	34,385,282	48,222,620	79,067,059
Change in net position	(201,353)	209,606	(1,611,439)	7,686,662	1,234,228	8,863,351	36,336,602	39,967,680	67,595,579	81,005,889
Governmental activities	\$ 13,536,789	\$ 20,871,725	\$ 18,364,289	\$ 11,142,914	\$ 15,585,098	\$ 24,822,869	\$ 72,590,798	\$ 74,352,962	\$ 115,818,199	\$ 160,072,948
Business-type activities										
Total government										

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

unaudited

	2006	2007	2008	2009*	2010	2011	2012	2013	2014	2015
General fund										
Reserved	\$ -	\$ 66,542	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	3,643,208	4,978,325	-	-	-	-	-	-	-	-
Nonspendable	-	-	39,225	4,746	26,691	114,184	39,167	225,635	265,407	517,859
Restricted	-	-	-	41,532	50,077	739	6,039	-	3,171	-
Committed	-	-	-	4,667	-	-	-	-	-	-
Assigned	-	-	21,453	259,042	1,916	-	-	-	-	-
Unassigned	-	-	6,373,912	6,956,811	7,269,575	10,502,936	16,184,502	19,274,270	22,706,977	24,689,554
Total general fund	\$ 3,643,208	\$ 5,044,867	\$ 6,434,590	\$ 7,266,798	\$ 7,348,259	\$ 10,617,859	\$ 16,229,708	\$ 19,499,905	\$ 22,975,555	\$ 25,207,413
All other governmental funds										
Reserved	\$ 21,126,377	\$ 27,285,887	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	7,797,181	8,493,078	-	-	-	-	-	-	-	-
Debt service funds	1,910,960	2,617,579	-	-	-	-	-	-	-	-
Capital project funds	2,908,277	2,503,510	-	-	-	-	-	-	-	-
Nonspendable	-	-	3,322,160	1,748,428	419,517	109,535	67,299	622,897	1,811,788	1,802,560
Restricted	-	-	30,645,782	37,780,280	40,463,027	41,771,170	36,048,453	34,982,125	36,569,675	79,520,645
Committed	-	-	8,318,890	2,531,471	1,703,715	3,972,645	6,011,986	12,497,167	38,123,755	-
Assigned	-	-	5,403,633	7,731,362	14,424,926	26,310,329	38,012,025	48,079,550	26,648,670	25,864,361
Unassigned	-	-	(111,496)	(622,965)	(353,393)	(726,984)	(1,637,152)	(1,852,004)	(265,877)	-
Total all other governmental funds	\$ 33,742,795	\$ 40,900,054	\$ 47,578,969	\$ 49,168,576	\$ 56,657,792	\$ 71,437,595	\$ 78,502,611	\$ 94,329,735	\$ 102,888,011	\$ 107,187,566

*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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REVENUES										
Property taxes	\$ 7,995,420	\$ 8,730,892	\$ 8,855,449	\$ 9,123,666	\$ 9,324,583	\$ 10,148,857	\$ 7,391,659	\$ 9,816,255	\$ 10,550,013	\$ 15,719,398
Special assessment collections	702,392	669,155	779,292	1,216,553	845,259	805,084	753,755	775,793	2,030,276	4,884,263
Sales tax collections	11,920,592	13,242,768	14,639,441	14,845,915	17,200,391	21,612,185	26,795,354	24,850,061	27,245,883	26,035,551
Licenses and permits	647,390	607,708	744,303	701,740	836,065	1,486,521	2,311,025	2,153,400	1,862,029	1,331,860
Intergovernmental	4,695,404	5,348,836	6,716,698	8,123,997	9,539,038	14,840,183	23,708,545	34,430,478	40,409,003	60,876,738
Charges for services	4,281,728	3,821,965	4,540,984	5,018,590	4,868,019	6,755,299	8,311,975	8,413,316	8,746,373	5,089,099
Fines and forfeits	524,050	540,046	471,653	490,864	659,823	832,821	1,117,060	1,198,946	1,229,088	679,969
Interest income	1,643,502	2,282,098	1,468,090	961,136	454,200	958,300	546,393	251,460	471,073	694,916
Contract revenue	-	-	-	-	-	1,698,584	1,200,000	1,187,136	-	-
Miscellaneous	963,821	2,896,504	2,012,030	1,282,593	1,106,373	1,027,307	607,263	1,256,203	604,999	2,934,911
Total revenues	33,374,299	38,139,972	40,227,940	41,765,054	44,833,751	60,185,141	72,653,029	84,333,048	93,148,737	118,246,705
EXPENDITURES										
General government	8,001,249	8,709,351	11,048,600	14,714,972	10,245,057	15,569,025	17,366,238	19,335,762	23,680,730	26,239,852
Public safety	7,501,383	7,828,236	8,191,065	8,736,792	10,045,515	10,619,643	10,790,276	12,707,694	14,376,257	14,869,964
Highways and streets	2,210,048	2,069,635	3,442,302	4,201,481	4,398,650	6,145,446	6,145,446	12,090,496	8,557,587	7,966,728
Culture and recreation	1,859,266	3,292,295	2,777,216	2,493,537	2,642,299	3,195,012	3,356,958	4,501,165	7,364,051	9,762,841
Economic development	408,008	2,717,155	3,882,862	932,000	1,122,808	903,978	851,421	1,306,170	3,292,475	3,266,376
Capital outlay	4,854,425	7,898,663	5,517,661	4,521,395	6,618,990	4,921,732	14,347,097	27,442,679	27,926,088	49,490,425
Debt retirement	-	-	-	-	-	-	-	-	-	-
Principal	2,415,000	2,520,000	2,655,000	2,420,000	2,730,000	2,225,000	5,510,000	2,995,000	3,060,000	4,485,000
Interest and fiscal charges	707,286	627,917	773,958	787,850	700,606	600,808	696,720	551,892	1,022,919	1,319,488
Total expenditures	27,956,665	35,663,252	38,224,184	37,948,848	38,306,756	42,433,848	59,064,156	80,930,858	89,280,107	117,400,674
Excess (deficiency) of revenues over (under) expenditures	5,417,634	2,476,720	2,003,756	3,816,206	6,526,995	17,751,293	13,588,873	3,402,190	3,868,630	846,031
OTHER FINANCING SOURCES (USES)										
General obligation bonds issued	2,810,000	1,785,000	1,720,000	2,005,000	1,375,000	-	2,900,000	6,815,000	3,950,000	390,000
Special assessment bonds issued	910,000	2,715,000	1,905,000	-	-	4,285,000	1,885,000	11,595,000	4,135,000	3,780,000
Premium (discount) on debt issued	(15,658)	100	10,265	6,180	(6,875)	200,025	95,838	642,825	332,360	166,241
Capital leases	-	-	-	-	15,392	-	-	-	7,921	(1,779)
Principal retirement on current refunding	-	17,540	-	-	-	-	-	-	-	-
Sale of City Property	-	27,043	33,617	20,053	312,939	89,751	79,600	84,844	93,325	88,865
Transfers In	5,191,192	5,834,714	5,999,009	5,494,389	5,702,692	4,132,386	16,158,598	16,523,322	21,264,126	19,905,935
Transfers Out	(4,487,665)	(4,297,199)	(3,603,009)	(8,920,013)	(6,355,466)	(8,409,052)	(22,031,044)	(19,965,860)	(21,617,436)	(18,643,880)
Total other financing sources (uses)	4,407,869	6,082,198	6,064,882	(1,394,391)	1,043,682	298,110	(912,008)	15,695,131	8,165,296	5,685,382
Net change in fund balances	\$ 9,825,503	\$ 8,558,918	\$ 8,068,638	\$ 2,421,815	\$ 7,570,677	\$ 18,049,403	\$ 12,676,865	\$ 19,097,321	\$ 12,033,926	\$ 6,531,413
Debt service as a percentage of noncapital expenditures	13.52%	11.34%	10.48%	9.60%	10.83%	7.53%	13.88%	6.63%	6.65%	8.55%

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		Sales Tax	Municipal Highway Tax		State Aid Distribution	Franchise Tax	Other Tax	Total	* Population
	General Purposes	Property Tax Levied for Debt Service		Highway Tax	State Aid Distribution					
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	
2010	8,750,586	749,233	17,200,391	2,478,437	2,120,108	517,894	425,536	32,242,185	40,888	
2011	9,556,958	800,683	21,612,185	2,418,451	3,055,454	525,180	450,630	38,419,541	40,888	
2012	6,819,579	735,488	26,705,354	2,570,954	4,166,709	588,414	1,729,453	43,315,951	40,888	
2013	9,666,190	499,901	24,850,061	2,794,431	4,231,254	668,203	564,120	43,274,160	40,888	
2014	9,750,742	1,126,237	27,248,673	2,952,874	4,792,103	699,277	700,272	47,270,178	40,888	
2015	13,261,691	2,875,336	26,035,551	2,740,748	4,411,924	702,627	311,720	50,339,597	40,888	

* Population data provided by the US Census Bureau

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	Taxable Sales & Purchases	Sales Tax remitted by State of ND to the City										Percentage of Taxable Sales & Purchases from top ten permit holders					
				Property Tax Relief 10%	Economic Development 40%/15%	Improvements 50%/25%	Flood Control 50%	Capital Purchases	Northwest Area Water Supply 100%	Property Tax 30%	Infrastructure 40%	Community Facilities 30%	Capital Purchases		Total Sales Tax Collections				
2006	36,567	2%	\$ 673,620,128	\$ 596,030	\$ 2,384,118	\$ 2,980,148	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 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	32.93%
2009	36,567	2%	906,784,178	742,296	2,969,183	3,711,479	-	-	-	7,422,957	-	-	-	-	-	-	-	14,845,915	31.10%
2010	40,888	2%	1,072,382,163	860,020	3,440,078	4,300,098	-	-	-	8,600,195	-	-	-	-	-	-	-	17,200,391	32.30%
2011	40,888	2%	1,443,645,118	1,080,609	4,322,437	5,403,047	-	-	-	7,642,725	949,010	1,265,347	949,010	-	-	-	-	21,612,185	32.50%
2012	40,888	2%	1,692,043,875	1,335,268	5,341,071	6,676,338	-	-	-	-	4,005,803	5,341,071	4,005,803	-	-	-	-	26,705,354	30.89%
2013	40,888	2%	1,557,674,234	1,242,503	4,970,012	6,212,516	-	-	-	-	3,727,509	4,970,012	3,727,509	-	-	-	-	24,850,061	30.07%
2014	40,888	2%	1,565,003,471	1,362,295	3,541,644	4,903,938	3,815,065	-	-	-	4,086,883	5,449,176	4,086,882	-	-	-	-	27,245,883	27.20%
2015	40,888	2%	1,420,383,335	1,301,778	-	3,254,215	6,508,886	1,952,898	-	-	3,905,333	2,759,100	3,755,333	2,598,009	-	-	-	26,035,551	32.00%

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

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

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

unaudited

Industry	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Construction	\$ 19,501,477	\$ 20,771,513	\$ 24,281,951	\$ 28,164,170	\$ 26,203,104	\$ 38,717,443	\$ 58,247,973	\$ 49,948,965	\$ 49,665,915	\$ 50,673,129
Manufacturing	26,302,204	26,747,454	30,885,053	31,867,746	31,694,324	37,402,333	46,344,370	44,069,846	44,013,113	35,160,207
Wholesale trade	71,115,002	84,416,178	102,051,071	131,555,267	180,417,164	220,934,137	263,822,015	256,065,372	290,304,871	188,449,682
Retail trade	407,725,973	446,711,074	502,811,606	512,271,955	575,395,068	708,083,354	844,491,363	807,964,374	787,848,046	702,104,934
Transportation & warehousing	3,932,535	4,996,441	5,573,468	12,428,865	36,440,379	3,799,564	4,249,433	4,029,605	5,062,171	4,339,993
Information industries	3,232,367	3,333,475	3,376,973	3,916,838	3,882,824	4,257,936	5,397,964	5,425,739	5,369,904	5,361,361
Fin, insurance, real estate, rental & leasing	9,133,815	11,213,308	12,972,766	14,286,085	19,157,346	43,874,462	49,996,975	52,239,917	56,370,723	37,613,351
Professional, scientific, tech., & mgmt serv.	8,988,399	9,279,587	9,845,218	10,770,836	11,333,361	12,496,178	12,529,022	12,716,305	6,201,488	3,484,521
Educational, health care, & social services	3,184,550	3,002,059	2,772,035	3,069,870	3,088,652	3,617,411	3,872,616	3,422,969	4,529,547	4,352,522
Arts, entertainment & recreation	3,319,163	3,595,895	3,863,158	3,832,661	3,750,517	3,485,182	3,849,395	4,021,739	5,852,922	6,143,852
Accommodation & food services	89,727,364	99,568,279	114,272,513	119,962,840	136,428,915	163,610,566	191,892,960	191,478,800	202,218,462	189,908,620
Mining and Oil Extraction						112,311,540	111,271,321	93,540,551	45,172,738	148,354,398
Other services	21,582,457	21,041,752	20,765,032	22,544,992	26,373,761	35,124,694	39,632,295	38,369,378	60,436,019	41,877,555
Miscellaneous	5,874,822	7,068,913	6,403,800	12,659,014	16,499,272	2,467,460	8,493,288	2,279,552	1,967,552	2,559,210
Total taxable sales and purchases	\$ 673,620,128	\$ 741,745,928	\$ 839,876,644	\$ 907,331,139	\$ 1,070,664,687	\$ 1,390,182,220	\$ 1,644,090,990	\$ 1,563,573,112	\$ 1,565,003,471	\$ 1,420,383,335

* Industry taxable sales and purchases figures are from the State of ND Sales Tax Department

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

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

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

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
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
2010	451,055,991	820,974,530	9,717,790	1,281,748,311	2,563,496,622	50.00%	107.33
2011	485,485,645	828,297,280	9,492,470	1,323,275,395	2,646,550,790	50.00%	76.67
2012	620,200,100	936,981,878	13,467,661	1,570,649,639	3,141,299,270	50.00%	84.64
2013	843,373,150	1,188,428,700	15,175,410	2,046,977,260	4,093,954,520	50.00%	76.05
2014	1,000,617,300	1,227,636,250	15,781,324	2,244,034,874	4,488,069,748	50.00%	77.90
2015	1,249,607,644	1,273,775,044	16,952,078	2,540,334,767	5,080,669,533	50.00%	77.05

(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	Proprietary Funds	Special Revenue Funds	Capital Funds	Debt Service Funds					
2006	53.44	0.43	38.62	2.70	27.55	122.74	30.83	208.42	79.75	441.74
2007	49.50	0.84	36.16	1.73	25.47	113.70	31.48	206.47	68.13	419.78
2008	51.11	3.01	32.93	2.88	23.32	113.25	32.80	204.65	74.45	425.15
2009	50.19	2.95	35.75	2.39	16.84	108.12	30.68	133.40	77.43	349.63
2010	51.91	4.24	33.37	3.63	14.18	107.33	29.83	129.75	72.66	339.57
2011	54.59	-	15.17	0.39	6.52	76.67	30.87	135.19	69.58	312.31
2012	55.32	1.33	16.00	8.44	3.55	84.64	31.65	141.02	71.12	328.43
2013	42.88	0.44	21.90	4.63	6.20	76.05	28.11	81.98	63.03	249.17
2014	46.01	0.82	20.64	2.94	7.49	77.90	27.09	92.41	71.22	268.62
2015	47.41	1.70	16.62	7.11	4.21	77.05	29.35	98.25	64.79	269.44

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
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	10,852,906	94.75%	257,025	11,109,931	97.00%	398,636	282,239	2.46%
2010	12,736,802	12,063,643	94.71%	205,011	12,268,654	96.32%	466,124	284,263	2.23%
2011	9,408,148	8,943,179	95.06%	206,031	9,149,210	97.25%	315,299	227,902	2.42%
2012	12,449,978	11,789,696	94.70%	170,747	11,960,443	96.07%	354,891	362,546	2.91%
2013	14,505,927	13,803,849	95.16%	264,952	14,068,802	96.99%	351,294	448,378	3.09%
2014	16,451,633	15,063,278	91.56%	309,745	15,373,023	93.44%	459,639	1,067,348	6.49%
2015	17,616,035	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, 2015
unaudited

TAXPAYER	2015			2006		
	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value
Investor's Real Estate Trust (IRET)	\$ 7,462,100	1	2.94%	\$ 1,303,620	2	1.75%
Minot Dakota Mall, LLC (includes Sleep Inn Complex)	4,294,650	2	1.69%	3,213,840	1	4.31%
ARHC MMMINND01, LLC (Medical Arts/Wellington)	1,320,250	3	0.52%			
Stonebridge Development Company LLC	1,299,500	4	0.51%			
SUSO 3 Southgate LP	1,078,200	5	0.42%			
Northdale Apartments III LLC	974,950	6	0.38%			
Prairie Heights Apartments	947,400	7	0.37%			
Wal-Mart Real Estate	946,600	8	0.37%	558,100	4	0.75%
Southwood Apartments	938,100	9	0.37%			
Hartland Hospitality Fund LLC	913,250	10	0.36%			
North Highland Minot LLC	906,550	11	0.36%			
The Pines on 37th LLC	857,650	12	0.34%			
Menard's Inc.	840,700	13	0.33%	399,860	7	0.54%
St Alexius Medical Center	824,950	14	0.32%			
International Inn	821,400	15	0.32%	395,000	8	0.53%
Northern Plains Apartments	818,050	16	0.32%			
Meadow Ridge, LLC (Apartments)	813,950	17	0.32%			
KCR Investments LLC	794,900	18	0.31%			
Farmers Union Oil Co	783,600	19	0.31%			
Cognizant Technology Solutions	771,350	20	0.30%			
Kadima Medial Properties (Former Unimed Clinic)				603,480	3	0.81%
Northern States Power (Xcel)				555,000	5	0.74%
Glacial Holdings (Apartments)				324,940	13	0.44%
Cambridge Capital Management				362,690	10	0.49%
ReliaStar (ING)				393,870	9	0.53%
Trinity				276,930	16	0.37%
Minot Senior Living (Brentmoor)				246,510	18	0.33%
Minot Vista Properties (Edgewood Vista)				336,690	11	0.45%
L & S Family (MLT)				330,630	12	0.44%
Dayton-Hudson (Target)				285,310	15	0.38%
Riverside Inc. (Holiday Inn)				292,320	14	0.39%
USPG Portfolio Two (Former Wal-Mart)				239,470	19	0.32%
Philadelphia Macaroni				417,200	6	0.56%
Johannesson's Property (Marketplace)				250,590	17	0.34%
Somerset Court Partnership				226,080	20	0.30%
Community Care Group						
All Others	225,625,377		88.82%	63,597,870		85.24%
Total Taxable Assessed Value	<u>\$254,033,477</u>		<u>100.00%</u>	<u>\$74,610,000</u>		<u>100.00%</u>

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

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

Year	Governmental Activities				Business-Type Activities				Total Government	(1) Percentage of Personal Income	(2) Per Capita
	General Obligation Bonds	Special Assessment Bonds	Capital Financing Program Bonds	Capital Lease	Revenue Bonds	Notes Payable	Loans Payable	Capital Leases			
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
2010	11,480,000	5,160,000	-	9,748	21,110,000	1,496,921	-	360,656	39,617,325	12.18%	968.92
2011	9,970,000	8,730,000	-	6,563	20,830,000	1,428,722	-	640,437	41,605,722	12.12%	1,017.55
2012	8,390,000	9,585,000	-	3,383	20,595,000	1,358,115	-	491,120	40,422,618	9.13%	988.62
2013	13,300,000	20,090,000	-	265	36,005,000	1,285,015	-	683,680	71,363,960	15.08%	1,745.35
2014	15,255,000	23,160,000	-	6,495	42,395,000	1,209,334	-	473,392	82,499,221	16.74%	2,017.69
2015	13,260,000	22,930,000	1,910,000	4,026	58,730,000	1,130,981	-	1,029,389	98,994,396	20.17%	2,421.11

(1) \$49,088 (ND Job Service Q3 2014)

(2) 40,888 - U.S. Census Bureau 2010 , prior years 36,567 (2000 Census)

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
2006	36,567	\$ 879,989,265	\$ 10,075,000	\$ 225,765	\$ 9,849,234	1.12%	\$ 269
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
2010	40,888	1,281,748,311	11,480,000	297,431	11,182,569	0.87%	273.49
2011	40,888	1,323,275,395	9,970,000	348,339	9,621,661	0.73%	235.32
2012	40,888	1,570,649,639	8,390,000	510,105	7,879,895	0.50%	192.72
2013	40,888	2,046,977,260	13,300,000	352,896	12,947,104	0.63%	316.65
2014	40,888	2,244,034,874	15,255,000	1,273,150	13,981,850	0.62%	341.95
2015	40,888	2,540,334,767	13,260,000	1,195,984	12,064,016	0.47%	295.05

(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, 2015
unaudited

Governmental Unit	Outstanding Debt	Sinking Funds	Net Debt	Ratio	City's Share of Debt
Minot School District (1)	\$ 60,952,276	\$ -	\$ 60,952,276	91.75%	\$55,923,997
Minot Park District	11,704,848	-	11,704,848	90.01%	10,535,094
Ward County (2)	44,521,452	-	44,521,452	82.12%	36,561,723
Overlapping Debt					103,020,814
City of Minot (General Obligation Direct Debt)			13,260,000	100.00%	13,260,000
City of Minot (Special Assessment Direct Debt)			22,930,000	100.00%	22,930,000
City of Minot (Capital Financing Program Bonds)			1,910,000	100.00%	1,910,000
City of Minot (Capital Lease)			4,026	100.00%	4,026
Total Direct and Overlapping Debt					<u>\$ 139,214,840</u>

Ratios Used	2015 Assessed Value	2015 City's Assessed Value	Percentage
Minot School District (2)	\$ 2,330,768,992	\$2,540,334,767	91.75%
Minot Park District (2)	2,286,459,956	2,540,334,767	90.01%
Ward County (2)	3,093,382,490	2,540,334,767	82.12%

(1) Data obtained from Minot Public School's Administration Office & Ward County Auditor's 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, 2015
unaudited

True and full value of taxable property - 2015	\$ 5,080,669,533
Debt limit - 8% of 50% of true and full value	203,226,781
Amount of debt applicable to debt limit:	
General obligation bonds	\$ 13,260,000
Special Assessment bonds with Government Commitment	91,519
Less: cash in debt service sinking funds	<u>1,195,984</u>
Total net debt applicable to limit	<u>12,155,535</u>
Legal debt margin	<u><u>\$ 191,071,246</u></u>

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 70,399,141	\$ 77,884,795	\$ 82,431,183	\$ 90,905,006	\$ 102,539,865	\$ 105,862,032	\$ 126,682,969	\$ 163,758,181	\$ 179,522,790	\$ 203,226,781
Less total net debt applicable to limit	9,849,234	9,408,451	9,631,686	10,089,427	11,182,569	9,621,661	7,879,895	12,971,358	14,035,186	12,155,535
Legal debt margin	\$ 60,549,907	\$ 68,476,344	\$ 72,799,497	\$ 80,815,579	\$ 91,357,296	\$ 96,240,371	\$ 118,803,074	\$ 150,786,823	\$ 165,487,604	\$ 191,071,246
Total net debt applicable to the limit as a percentage of debt limit	13.99%	12.08%	11.68%	11.10%	10.91%	9.09%	6.22%	7.92%	7.82%	5.98%

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

Year	Charges For Services	State & Federal Collected Revenues	Tax Levy	(1) Direct Operating Expenses	Budget Appropriated Transfers In for Debt Service	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
							(2) Principal	Interest & Fiscal Charges	Total	
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
2010	1,113,294	851,041	298,424	1,458,934	150,000	953,825	305,000	42,205	347,205	2.75
2011	1,810,807	744,646	480,907	1,353,188	150,000	1,833,172	320,000	27,395	347,395	5.28
2012	2,555,744	8,103,553	679	2,419,903	150,000	8,390,073	340,000	12,128	352,128	23.83
2013	3,946,497	13,510,812	397	2,679,069	-	14,778,637	-	83,485	83,485	177.02
2014	4,054,181	20,518,010	7	2,758,673	-	21,813,525	-	444,141	444,141	49.11
2015	3,339,385	22,735,030	-	4,494,305	-	21,580,110	-	597,076	597,076	36.14

(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	
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
2010	10,383,153	6,627,269	817,667	4,573,551	2,225,000	977,069	3,202,069	1.43
2011	11,080,614	9,698,469	1,840,666	3,222,811	1,965,000	857,474	2,822,474	1.14
2012	14,730,248	9,582,090	1,454,790	6,602,948	5,500,000	882,602	6,382,602	1.03
2013	17,375,336	9,403,818	550,000	8,521,518	2,315,000	726,360	3,041,360	2.80
2014	19,191,243	11,520,824	1,050,000	8,720,419	4,520,000	717,507	5,237,507	1.66
2015	19,956,729	10,920,830	1,050,000	10,085,899	2,295,000	838,360	3,133,360	3.22

(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	(3) Median Age	(2) Education Levels in Years of Formal Schooling	School Enrollment	Unemployment Rate
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	13.47	7,100	2.9%
2009	36,567	1,130,541,939	30,917	35.0	13.16	7,233	2.9%
2010	40,888	1,330,168,416	32,532	35.0	13.16	7,503	2.9%
2011	40,888	1,403,235,272	34,319	33.2	13.47	7,424	1.7%
2012	40,888	1,809,375,776	44,252	33.2	13.47	7,758	3.1%
2013	40,888	1,934,820,160	47,320	33.8	13.44	7,737	2.3%
2014	40,888	2,015,614,848	49,296	30.4	13.50	7,783	2.8%
2015	40,888	2,290,709,312	56,024	31.0	13.52	8,192	3.5%

(1) U.S. Census Bureau

(2) Job Services, North Dakota

(3) Minot Area Development Corporation Community Profile

Principal Employers
Current Year and Nine Years Ago
 unaudited

Employer	2015			2006		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Minot Air Force Base	12,107	1	59.56%	5,896	1	38.21%
Trinity Health	2,790	2	13.72%	2,709	2	17.56%
Minot Public Schools	1,030	3	5.07%	1,300	3	8.43%
Minot State University	453	4	2.23%	549	5	3.56%
Cognizant (ING Minot Service Center)	350	5	1.72%	750	4	4.86%
City of Minot	380	6	1.87%	289	13	1.87%
Marketplace Foods	327	7	1.61%	217	15	1.41%
Wal-Mart	290	8	1.43%	350	9	2.27%
Kalix (MVAW)	309	9	1.52%	526	6	3.41%
MLT Inc.	243	10	1.20%	300	11	1.94%
Ward County	227	11	1.12%	220	14	1.43%
SRT Communications	205	12	1.01%	213	16	1.38%
Menards	190	13	0.93%	185	17	1.20%
Pumpco	173	14	0.85%			
Westlie Motors	170	15	0.84%			
Central Trenching	164	16	0.81%			
Ryan Family Dealerships-Minot	200	17	0.98%			
Cameron Oil	150	18	0.74%			
Colter Energy	140	19	0.69%			
Pure Energy/FMC Technology Completion Services	80	20	0.39%			
Enbridge	110	21	0.54%			
First Western Bank	130	22	0.64%			
Weatherford	110	23	0.54%			
Choice Hotels International, Inc.				453	7	2.94%
E Telecare Global Solutions				300	12	1.94%
Sykes, Inc.				300	10	1.94%
Miracle Mart				394	8	2.55%
Dakota Boys & Girls Ranch				184	18	1.19%
International Inn				165	19	1.07%
US Post Office				130	20	0.84%
Total	20,328		100.00%	15,430		100.00%

Source: Minot Area Development Corp

Above information was all that was available on the MADC website

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

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government	31	31	31	33	33	33	38	44.84	48.34	55.84
Public safety										
Police										
Officers	63	64	64	63	67	69	70	75.00	79.00	83.00
Civilians	20	20	20	20	20	20	22	25.00	25.00	26.00
Fire										
Firefighters and officers	49	49	49	49	49	50	47	50.00	50.00	56.00
Civilians	1	1	1	1	1	1	1	2.00	2.00	2.00
Highways and streets										
Engineering	9	9	9	9	9	10	11	12.00	12.00	14.00
Maintenance	35	36	36	36	36	38	35	36.68	36.68	39.68
Culture and recreation	24	25	25	24	24	24	24	25.00	25.00	25.00
Airport	13	13	13	13	11	12	16	18.00	18.00	18.50
Cemetery	3	3	3	3	3	3	3	4.21	4.21	4.21
Parking authority	1	1	1	1	1	1	1	1.00	1.00	-
Sanitation	20	20	20	22	22	22	23	27.15	30.15	31.47
Water and sewer	39	39	39	39	39	38	41	42.62	48.62	49.30
Total	308	311	311	313	315	321	332	363.50	380.00	405.00

(1) Budgeted and appropriated positions are shown.

Data obtained from City Clerk's Office - Annual Budget

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

FUNCTION	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
Assessors										
Properties reviewed	1,575	1,203	775	1,600	1,500	950	150	922	4,148	3,158
Properties photographed	1,899	1,800	2,800	3,500	2,200	900	2,790	1,944	4,557	4,437
Building inspections										
Permits issued	600	502	540	486	447	873	1,227	996	654	719
City bus										
Bus ridership	151,594	152,314	151,169	131,062	123,139	123,744	136,951	128,184	130,866	114,472
Public safety										
Police										
Parking tickets issued	8,155	8,330	6,804	6,914	6,072	6,957	9,619	9,032	7,368	8,029
Criminal citations issued	5,454	5,695	5,605	5,697	6,035	6,206	6,781	7,492	6,057	4,223
Traffic citations issued	4,556	5,021	3,895	3,551	4,251	4,194	4,901	4,239	4,990	5,340
Alarms-patrol & parking division	671	675	693	716	839	939	1,348	1,172	1,410	1,501
Fire										
# of fire incidents	350	373	405	381	432	498	594	660	751	737
# of rescue incidents	1,907	2,003	1,924	1,867	1,957	1,920	2,052	2,175	2,043	2,036
Inspections made	1,640	1,645	1,593	1,393	1,514	1,137	1,514	2,370	2,812	1,465
Highways and streets										
Traffic										
Signs installed	1,194	1,112	1,503	1,430	1,419	1,207	1,497	1,314	1,331	1,484
Signs/posts repaired	817	1,302	2,118	2,138	2,005	1,776	1,543	1,582	1,401	1,351
Traffic light repairs	369	458	568	273	241	441	569	861	276	293
Street light repairs	174	243	301	253	186	373	396	892	274	297
Culture and recreation										
Auditorium										
Event days	1,551	1,895	1,996	1,539	1,362	1,137	714	746	590	697
Attendance	203,641	246,596	256,041	256,439	194,067	211,608	199,435	186,914	78,531	94,843
Library										
Registered borrowers	24,371	24,007	23,384	22,933	24,079	24,039	23,105	21,994	21,874	22,196
Circulation and activity	292,785	304,531	294,441	273,182	274,665	232,471	268,444	302,028	292,676	205,338
Airport										
Gallons airline fuel dispensed	815,120	748,825	870,578	1,078,256	1,714,587	2,676,456	3,829,885	3,129,913	3,999,072	3,734,641
Airline boarding's	78,854	74,921	75,972	72,219	96,599	306,403	444,921	222,083	222,144	133,666
Sanitation										
# of customers	10,279	10,392	10,497	10,769	10,884	10,825	15,453	11,044	11,504	11,512
Landfill tonnage	94,757	95,216	113,936	114,685	115,812	215,860	191,326	161,131	151,913	142,030
Water and Sewer										
# of consumers	11,858	11,970	12,142	12,472	13,640	13,671	13,708	14,320	14,649	14,700
Gallons pumped/treated	2,263,666,000	2,185,650,000	2,132,600,000	1,969,000,000	2,003,000,000	2,009,928,000	2,434,000,000	2,334,900,000	2,422,130,000	2,455,390,000

Source: Various city departments

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

FUNCTION	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
Public works building	1	1	1	1	1	1	2	2	2	2
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	33	31	31	31	31	33	35	36	40	41
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Highways and streets										
Streets (square miles)	16,170	16,395	16,73	17,31	18,78	19,72	25,14	27,32	27,36	27,48
Street lights	2,273	2,311	2,375	2,504	2,672	2,604	2,897	3,229	3,400	3,603
Traffic signals	44	50	50	50	51	51	52	53	53	53
Culture and recreation										
Parks	1	1	1	1	1	1	1	2	2	2
Libraries	1	1	1	1	1	1	1	1	1	1
Ball diamonds	16	16	16	16	16	16	16	16	16	16
Tennis courts	12	12	10	10	10	10	10	2	2	2
Indoor tennis center	1	1	1	1	1	1	1	1	1	1
Sanitation										
Collection trucks	7	8	8	8	8	8	8	8	9	9
Water										
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Water mains (miles-estimated)	160	210	210	210	245	269	292	302	315	322.9
Maximum daily capacity (millions of gallons)	13.13	12.91	11.96	10.56	9.93	8.2	11.5	10.95	11.3	11.3

Sources: Various city departments



Independent Auditor's Report on Compliance with Requirements Applicable to the Passenger Facility Charge Program and Internal Control over Compliance

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

Report on 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, 2015.

Management's Responsibility

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.

Auditor's Responsibility

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 of the City of Minot, North Dakota Airport's, compliance with those requirements.

Opinion

In our opinion, the City of Minot, North Dakota Airport, complied, in all material respects, with the requirements referred to above that are applicable to its Passenger Facility Charge Program for the year ended December 31, 2015.

Report on 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, but not for the purpose of expressing our opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Minot, North Dakota Airport's internal control over compliance.

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

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

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

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

Fargo, North Dakota
April 20, 2016



**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, 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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 20, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Fargo, North Dakota
April 20, 2016



CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

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

Report on Compliance for Each Major Federal Program

We have audited the City of Minot, North Dakota's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2015. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect of each of its major Federal programs for the year ended December 31, 2015.

Report on Internal Control over Compliance

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

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

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

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



Fargo, North Dakota
April 20, 2016

City of Minot, North Dakota
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Passed- Through to Subrecipients
<u>Department of Commerce</u>				
<i>Passed through ND Department of Commerce,</i>				
<i>Division of Community Services</i>				
Economic Adjustment Assistance	11.307	05-79-05271	\$ 35,078	\$ 31,900
Economic Adjustment Assistance	11.307		<u>5,332,828</u>	60,000
Total Department of Commerce			\$ 5,367,906	
<u>Department of Defense</u>				
North Dakota Environmental Infrastructure	12.118			554,072
<u>Department of Housing and Urban Development</u>				
North Dakota Environmental Infrastructure	14.218		11,786,082	
<i>Passed through ND Department of Commerce,</i>				
<i>Division of Community Services</i>				
Community Block Development Grants	14.228		1,239,966	30,000
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants	14.269		\$ 15,550,989	
<i>Passed through ND Department of Commerce,</i>				
<i>Division of Community Services</i>				
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants	14.269	B-13-DS-38-0001	<u>1,855,203</u>	30,000
Total CFDA #14.269			<u>17,406,192</u>	
Total Department of Housing and Urban Development				30,432,240
<u>Department of Justice</u>				
<i>Passed through ND Department of Health</i>				
<i>Violence Against Women Formula Grants</i>				
Violence Against Women Formula Grants	16.588	G13-1164	33,438	
Violence Against Women Formula Grants	16.588	G13-336	<u>11,201</u>	
Total CFDA #16.588				44,639
Bulletproof Vest Partnership Program	16.607		5,493	
Public Safety Partnership and Community Policing Grants	16.710	2014-DJ-BX-0906	9,597	
Public Safety Partnership and Community Policing Grants	16.710	2015-DJ-BX-0282	<u>8,004</u>	
Total CFDA #16.710				17,601
<i>Passed through ND Attorney General's Office</i>				
<i>Edward Byrne Memorial Justice Assistance Grant Program</i>				
Assistance Grant Program	16.738	1/1/15 - 12/31/15	<u>14,950</u>	14,950
Total Department of Justice				82,683

City of Minot, North Dakota
 Schedule of Expenditures of Federal Awards
 Year Ended December 31, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Passed- Through to Subrecipients
<u>Department of Transportation</u>				
Airport Improvement Program	20.106		11,615,473	
<i>Passed through ND Department of Transportation</i>				
Formula Grants for Rural Areas Capital	20.500	38140854 and 38140974	415,075	
Formula Grants for Rural Areas	20.509	381415001 and 35151508	496,965	
Formula Grants for Rural Areas	20.516	38140851	154,638	
Alcohol Impaired Driving Countermeasures Incentive Grants I	* 20.601	PHSPID1510-02-12	14,536	
Alcohol Impaired Driving Countermeasures Incentive Grants I	* 20.601	PHSPID1510-02-60	4,269	
National Priority Safety Programs	* 20.616	PHSPDD1511-02-07	4,173	
National Priority Safety Programs	* 20.616	PHSPID1610-02-15	2,190	
National Priority Safety Programs	* 20.616	PHSPOP1605-05-13	1,426	
National Priority Safety Programs	* 20.616	PHSPOP1505-05-13	5,022	
Total CFDA #20.601 / #20.616 Cluster			31,616	
Total Department of Transportation				12,713,767
<u>Environmental Protection Agency</u>				
Brownfields Training, Research, and Technical Assistance Grants and Cooperative Agreements	66.814	96826801	107,218	
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	96826801	96,622	
Total Environmental Protection Agency				203,840
<u>Department of Homeland Security</u>				
<i>Passed through ND Department of Emergency Services</i>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-1981-DR-ND DR1C	283,721	
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-1981-DR-ND 12C	64,413	
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-08-ND-4128-PW-00182 and 00183	139,964	
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-08-ND-4190-PW-0036(0)	29,492	
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-08-ND-4190-PW-0037(0)	130,568	
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-08-ND-4190-PW-0038(0)	100,808	

City of Minot, North Dakota
 Schedule of Expenditures of Federal Awards
 Year Ended December 31, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Passed- Through to Subrecipients
<u>Department of Homeland Security (continued)</u>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Total CFDA #97.036	97.036	PA-08-ND-4190-PW-0039701	64,086	813,052
Hazard Mitigation Grant	97.039	ND-DR-1981-39-R	189,224	
Hazard Mitigation Grant	97.039	ND-DR-1981-59F	1,288,093	
Hazard Mitigation Grant	97.039	ND-DR-1981-27R	26,267	
Hazard Mitigation Grant Total CFDA #97.039	97.039	ND-DR-1981-26R	2,231,816	3,735,400
Homeland Security Grant Program	97.067	A0771-001-2013-RQ	21,828	
Homeland Security Grant Program	97.067	A0771-002-2013-RE	8,193	
Homeland Security Grant Program	97.067	A0771-002-2013-RT	17,996	
Homeland Security Grant Program	97.067	A0771-001-2014-RQ	448	
Homeland Security Grant Program	97.067	A0771-002-2014-RE	40,050	
Homeland Security Grant Program	97.067	A0751-001-2013-RQ	1,329	
Homeland Security Grant Program	97.067	A0751-001-2013-RQ	695	
Homeland Security Grant Program	97.067	A0751-001-2014-RQ	375	
Homeland Security Grant Program	97.067	A1171-001-2014-RQ	102,110	
Homeland Security Grant Program Total CFDA #97.067	97.067	A1171-001-2015-RT	5,949	198,973
Total Department of Homeland Security			4,747,425	
Total Federal Financial Assistance			\$ 54,101,933	\$ 166,850

• Denotes a program cluster

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Minot, North Dakota, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. The City received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is paid to the subrecipient.

Note B – Significant Accounting Policies

Governmental and proprietary fund types account for the City's federal grant activity. Expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis – when they become a demand on current available financial resources. The City's summary of significant accounting policies is presented in Note 1 in the City's basic financial statements.

The City has not elected to use the 10% de minimis cost rate.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

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

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Economic Adjustment Assistance	11.307
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants	14.269

Dollar threshold used to distinguish between type A and type B programs:	\$ 1,623,058
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

No federal findings reported in the prior year