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ANNUAL COMPREHENSIVE FINANCIAL REPORT

City of Minot
North Dakota

FISCAL YEAR ENDING DECEMBER 31, 2023

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**Annual
Comprehensive
Financial
Report**

City of Minot, North Dakota
For the Fiscal Year Ended December 31, 2023

Prepared By
The Finance Department

**City of Minot, North Dakota
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2023**

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City of Minot

June 3, 2024

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

Ladies and Gentlemen,

The City Council requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. Pursuant to that requirement, the City hereby issues the Annual Comprehensive Financial Report of the City of Minot, North Dakota, for the fiscal year ended December 31, 2023. 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 that the financial statements of the City for the fiscal year ended December 31, 2023 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report has been included as the first component of the financial section of this report.

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

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

Profile of the City of Minot

The City of Minot, incorporated on July 16, 1887, is located in the north central part of North Dakota. The City currently occupies a land area of approximately 27.67 square miles and serves a population of approximately 47,759. 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 2022 was over \$621.6 million. The Minot Air Force Base had nearly \$84.3 million in construction, services and other expenditures. Minot Air Force Base serves as the home for over 11,827 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 2023, the property valuations for commercial building permits decreased by nearly \$42.1 million compared to 2022 largely due to the large remodel project for the Dakota Square Mall and the renovation of Harnett Hall at Minot State University permits being issued in 2022. New residential buildings

decreased by nearly \$14.2 million due to a decrease in five or more family dwellings of nearly \$19.4 million and an increase in townhomes of over \$6.2 million. Non residential buildings increased by nearly \$13.1 million primarily due to addition of the new high school for Minot Public Schools. Remodels and additions decreased nearly \$36.7 million primarily due to a decrease of over \$36.6 million in commercial addition for the remodel of Minot State University Harnett Hall, Dakota College at Bottineau's Center for Technical Education and Dakota Square Mall for the Target expansion permits all issued in 2022.

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

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

The annual budget serves as the foundation for the City's financial planning and control. All departments and agencies submit requests for appropriations to the City Manager in May of each year for the ensuing year's budget, which begins January 1. Budget-to-actual comparisons are provided in this report for all individual governmental funds for which an appropriated annual budget has been adopted. For the general fund this comparison is presented on page 34 as part of the basic financial statements for the governmental funds. The major debt service fund and major capital project funds comparison can be found beginning on page 102. 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 115.

Beginning in 2019, the City of Minot began working on an Enterprise Resource Planning (ERP) software upgrade. Phase I of the project was completed in November of 2020 and included going live with the City's financials. During this phase of the project the City was able to combine several funds together as well as align the chart of accounts to align more closely with Governmental Accounting Standards Board (GASB) standards. Phase II Human Capital Management/Payroll was live in October 2023 and Phase III Utility Billing was live in April 2022.

Factors Affecting Financial Condition

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

Local Economy. Minot's centralized location in North America and its high-quality transportation make it an attractive site for both businesses and manufacturers. The sales tax base, the oil

industry, and construction are all factors that build a solid foundation for business and industry to enjoy greater productivity and profitability.

Sales Tax Collections		Property Tax Levied	
2019	22,160,231	2020	25,301,186
2020	20,655,109	2021	25,781,496
2021	23,141,014	2022	26,137,235
2022	25,588,350	2023	27,186,821
2023	26,440,643	2024	28,520,411

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.

Population Estimate*	Assets, Liabilities and Net Position Per Capita			
	Total Assets & Liabilities		Total Net Position	
	Population	Deferred Outflows	Deferred Inflows	Net Position
2019	47,370	19,187	3,715	15,472
2020	47,382	20,357	4,189	16,168
2021	48,377	21,347	4,927	16,420
2022	47,789	22,004	5,798	16,206
2023	47,759	22,317	5,626	16,690

*Estimates obtained from the U.S. Census Bureau

Expenses	Expenses and Program Revenues Per Capita			
	Operating		Capital	
	Charges for Services	Grants and Contributions	Grants and Contributions	Change in Net Position
2019	2,683	854	163	324 (64)
2020	3,293	845	360	1,627 699
2021	2,970	838	376	1,144 584
2022	3,500	879	433	512 (416)
2023	3,404	898	459	1,040 426

Ratio of Net Position to Expenses

	Governmental Activities	Business-Type Activities
2019	4.80	7.49
2020	3.77	7.32
2021	4.49	7.42
2022	3.63	6.65
2023	4.00	6.42

Long-Term Financial Planning. The City has implemented five-year budget modeling in order to provide a longer-term view of anticipated revenues and

expenditures. The challenges include funding and constructing the NAWS and flood control projects, correcting maintenance backlogs, adequately funding street improvements, rehabilitation of the old City Hall, and adequate financing of City capital infrastructure and capital equipment needs.

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

The NAWS project will bring Missouri River water to Minot and Northwest North Dakota, ensuring an adequate water supply for the future, and has an estimated \$141.8 million in expenditures remaining. The project will be to complete pipelines, storage tanks, and pumping facilities along the pipeline. The City of Minot has a 35% cost share or approximately \$39.8 million which will be paid with sales tax funds. The City has approximately \$18.1 million in cash reserves remaining for this purpose. The project will extend to northwest North Dakota.

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

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

collection, 40% was allocated to NAWS, 18% to property tax relief, 24% to infrastructure projects, and 18% to community facilities/flood control.

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

In June 2023, the City Council along with the management team facilitated a governance and goal setting retreat. During the retreat, the City Council laid out its vision for the future of Minot. Four aspirations, known as the "Magic City Aspirations," will now drive every decision the Council makes to help reach that goal of a thriving, resilient, safe and connected community.

Dynamic & Flourishing: Minot is a thriving and vibrant community, built on a spirit of sharing strengths, a commitment to sustainable strategic growth, and investments in targeted partnerships.

Resilient & Prepared: Minot rises up and is positioned to meet the challenges and opportunities of the future.

Safe & Welcoming: Minot is a caring community where people feel safe and engaged, with opportunities to celebrate our histories and diverse identities.

Excellent & Connected: Minot is an innovative, professional, fiscally stable City government that works collaboratively with residents and community stakeholders to deliver high quality services.

The City of Minot is also the recipient of three separate allocations of funding from the U.S. Department of Housing and Urban Development Community Development Block Grants, two of which are Disaster Recovery Funds and the third one is National Disaster Resilience Funds. The first allocation was in April 2012 for \$67,575,964. The second allocation was in April 2014 for \$35,056,000. The third allocation was in January 2016 for \$74,340,770. Each allocation has spent the following funds, respectively: \$63,327,195, \$35,031,334, and \$69,091,164 as of December 31, 2023. The first allocation is considered "no year funds", which means there is not a date by which the funds must be spent. The balance of these funds will be spent on blighted homes, multi-family housing and close out. The second allocation has obligated a portion of the gross funds to home acquisitions, demolitions, and street repairs. The obligated funds had to be spent by September 30, 2019. The third allocation will be obligated to reduce flood risk and increase resilience, build affordable, resilient neighborhoods, and foster economic resilience and diversification and must be spent by September 30, 2022.

Due to COVID-19, the City along with other Community Development Block Grant recipients, requested grant extensions. The City requested extensions for the second and third allocations and received approval of extensions through September 30, 2023. In the spring of 2022, the City received an additional extension for the second and third allocations through September 30, 2025. In the spring of 2024, the City received an additional extension for the second and third allocations through September 30, 2029.

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' Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. This was the 44th 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 annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,



David Lakefield
Finance Director



Government Finance Officers Association

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

Presented to

**City of Minot
North Dakota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

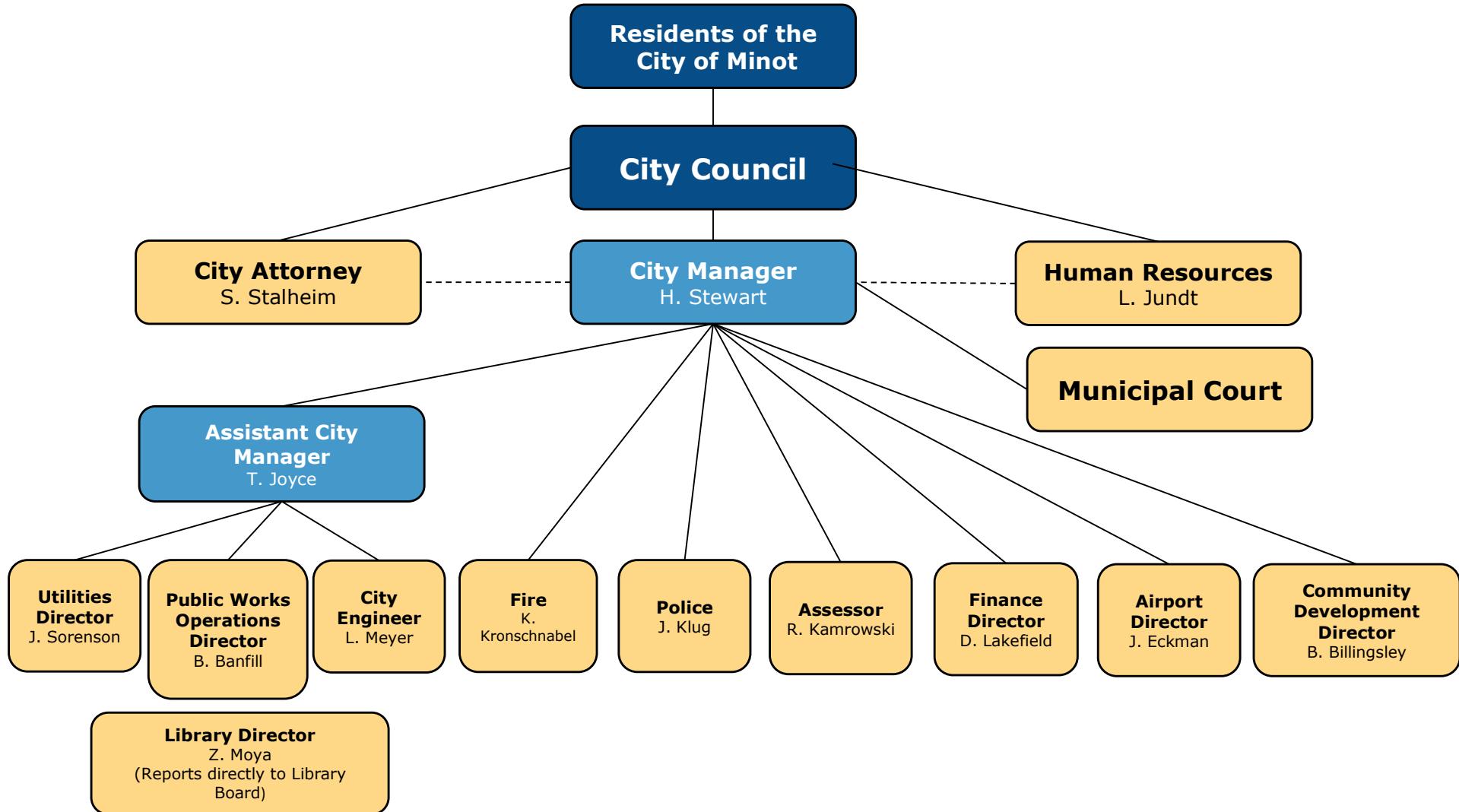
December 31, 2022

Christopher P. Monell

Executive Director/CEO

City of Minot

Organizational Chart





ELECTED OFFICIALS

CITY COUNCIL

Tom Ross | Mayor | Term Ends 2026

Paul Pitner | Council President | Term Ends 2026

Stephan Podrygula | Council Vice President | Term Ends 2024

Mark Jantzer | Council Member | Term Ends 2026

Carrie Evans | Council Member | Term Ends 2024

Lisa Olson | Council Member | Term Ends 2026

Scott Burlingame | Council Member | Term Ends 2024

OTHER ELECTED OFFICIAL

Ashley Beall | Municipal Judge

DEPARTMENT DIRECTORS

Harold Stewart | City Manager

Tom Joyce | Assistant City Manager

David Lakefield | Finance Director

Lisa Jundt | Human Resources Director

Stefanie Stalheim | City Attorney

Ryan Kamrowski | City Assessor

John Klug | Police Chief

Kelli Kronschnabel | Fire Chief

Brian Billingsley | Community Development Director

Lance Meyer | City Engineer

Bryan Banfill | Public Works Operations Director

Jason Sorenson | Utilities Director

Jennifer Eckman | Airport Director

Zhaina Moya | Library Director



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Minot, North Dakota ("the City"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Adoption of New Accounting Standard

As discussed in Note 5 to the financial statements, the City has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, and Statement No 94 , *Public- Private and Public-Public Partnerships and Availability Payment Arrangements* for the year ended December 31, 2023. As a result of implementing the standards, there was no effect on beginning fund balance or net position of the City as of January 1, 2023. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; City of Minot Pension Plan schedule of changes in net pension liability, schedule of pension contributions, schedule of pension investment returns, schedule of changes in net OPEB liability (asset), schedule of OPEB contributions, and schedule of OPEB investment returns; and ND Public Employees Retirement System schedule of net pension liability, schedule of pension contributions, schedule of net OPEB liability (asset), and schedule of OPEB contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The schedule of revenues, expenditures, and changes in fund balance – budget and actual – major debt service fund; schedule of revenues, expenditures, and changes in fund balance – budget and actual – major capital projects fund; combining and individual nonmajor fund statements and schedules; schedules of capital assets used in the operation of governmental funds; and schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the schedule of revenues, expenditures, and changes in fund balance – budget and actual – major debt service fund; schedule of revenues, expenditures, and changes in fund balance – budget and actual – major capital projects fund; combining and individual nonmajor fund statements and schedules; schedules of capital assets used in the operation of governmental funds; and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eddie Bailely CPA". The signature is fluid and cursive, with "Eddie" and "Bailely" connected and "CPA" in a smaller, separate block.

Fargo, North Dakota
May 31, 2024



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Management's

Discussion

and

Analysis

City of Minot
Annual Comprehensive Financial Report
December 31, 2023
Management's Discussion and Analysis

The City of Minot management are pleased to offer readers of the City of Minot's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended December 31, 2023. The City encourages readers to consider it in conjunction with the additional information presented in the accompanying letter of transmittal, the basic financial statements, the fund financial statements, and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The *net position* of the City increased by over \$20.3 million or 2.6%.
- *Charges for services* increased nearly \$0.9 million due to an increase in water-sewer-storm sewer operations.
- *Operating grants and contributions* increased over \$1.2 million due to an increase in Airport due to drawdowns of CARES and ARPA grants for operating activities.
- *Capital grants and contributions* increased nearly \$25.2 million primarily due to an increase in developer donated assets of over \$23.2 million for phases of the Mouse River Enhanced Flood Protection Project (MREFPP) and the NAWS Water Treatment Plant Expansion project going into service in 2023 and an increase in FAA funding for the Airport's Wildlife Mitigation and Drainage Improvement project.
- *Program expenses* decreased by nearly \$4.7 million with business-type activities increasing in expenses by over \$4.5 million primarily due to an increase in Sanitation and Water-Sewer-Storm Sewer operating expenses of over \$4.3 million and governmental activities decreasing by nearly \$9.2 million due to a decrease in

National Disaster Resilience program expenses of over \$4.2 million and a decrease in Community Facilities program expenses of nearly \$4.4 million.

- Overall governmental and business-type activities netted to a negative change in net position prior to general revenues of over \$48.1 million with the governmental activities reporting a negative change in net position of over \$59.6 million and the business-type activities reporting a positive change in net position of nearly \$11.5 million.
- During 2023 *capital assets*, net of depreciation and amortization, increased by over \$27.5 million compared to 2022. Land increased nearly \$1.6 million due to flood control acquisitions. Construction in progress decreased nearly \$11.4 million due to the capitalization of large infrastructure projects such as the Landfill Transfer Entrance and Facility and City Hall Retaining Wall. Infrastructure decreased over \$17.3 million due to disposal of fully depreciated assets and depreciation expense. Buildings increased over \$48.2 million due to the NAWS Water Treatment Plant Expansion project being capitalized in 2023. Governmental activities accounted for an increase of over \$15.6 million primarily due to an increase in buildings of over \$16.6 million, infrastructure deletions of over \$3.9 million. Business-type activities accounted for nearly \$11.9 million of the increase due to an increase in buildings of nearly \$31.6 million and a decrease in infrastructure of over \$13.4 million.
- General government program expenses decreased by nearly \$9.2 million due to an increase in

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general fund expenses of over \$4.6 million for the Center for Technical Education and the Broadway Circle housing and family homeless shelter project. Public safety program expenses decreased by over \$9.0 million due to a decrease in the regional MREFPP project of nearly \$6.8 million and a decrease in pension and OPEB expenditures of over \$3.6 million. Highways and streets program expenses decreased nearly \$1.3 million due to a decrease in street maintenance work completed during construction season. Many contracts will be completed in spring of 2024. Culture and recreation program expenses decreased by over \$4.1 million primarily due to the Defense Community Infrastructure Program expenses for the Magic City Discovery Center finishing construction in 2022. Sanitation program expenses increased nearly \$1.7 million due to the purchase of all the recycling carts for the program to start in July 2023. Water, sewer and storm sewer program expenses increased nearly \$2.7 million primarily due to an increase in water and sewer replacement projects.

- The *unassigned fund balance* for the General Fund is nearly \$34.9 million or about 65.5% of the total general fund expenditures. In total, this is an increase from 2022 of nearly \$3.9 million due to revenues and other financing sources exceeding the estimated budget.
- As of December 2023, the price per barrel for oil was \$65.67, which was \$7.31 lower per barrel than December 2022. As of December 2023, North Dakota was producing 1,284,000 barrels of crude oil per

day, up from 950,000 barrels per day as of December 2022.

OVERVIEW OF FINANCIAL STATEMENTS

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

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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 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 22.

Fund Financial Statements

A *fund* is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations,

restrictions, or limitations. The City of Minot, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Governmental Funds. Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental fund statements provide a detailed short-term view of the government operations and the basic services it provides, and are reported on the modified accrual basis of accounting which focuses on available spendable resources. This allows the reader to evaluate the City's short-term financing requirements. Because the focus of governmental funds is narrower than the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between the governmental funds and the government-wide financial statements.

The City maintains 20 individual governmental funds. The City

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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: debt service, capital infrastructure and capital flood control. Data from the other governmental funds are combined in a single, aggregate presentation. Combining statements provide individual fund data for each of these non-major governmental funds, which begin on page 106.

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

The governmental fund financial statements begin on page 26.

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

Proprietary fund statements provide the same type of information as the government-wide statements, only in more detail. The City combines both internal service funds in a single, aggregate presentation in the proprietary fund financial statements. The City provides individual fund data for the non-major proprietary funds in the form of combining statements, which begin on page 136. Individual fund data for the internal service funds are also in the form of combining statements beginning on page 140. The basic proprietary fund statements begin on page 36.

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 46.

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 48-91 of this report.

The City presents combining statements referred to earlier in connection with non-major

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governmental funds and internal service funds immediately following the notes to the financial statements. Combining and individual fund statements and schedules are on pages 106-148 of this report.

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.

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, 2023, with comparative data for the fiscal year ended December 31, 2022. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$794,800,985 at the close of the most recent fiscal year.

The largest portion of the City of Minot's net position (86.1%) reflects its investment in capital assets (e.g. land, buildings, equipment, infrastructure, intangibles, books, right-to-use assets); less any related liabilities used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

A portion of the City's net position (1.3%) represents resources subject to external restrictions on how they may be used. Restricted net position includes amounts restricted for customer facility charges \$2,289,254, for public safety \$163,137, and \$8,491,084 for debt service. The unrestricted net position of \$99,227,482 is to meet the government's ongoing obligations to citizens and creditors. There are no restrictions, commitments, or other limitations that significantly affect the availability of fund resources for future use. At the end of 2023, the City is able to report positive balances in all three categories of net position for the government as a whole, as well as for governmental and business-type activities.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
Current and other assets						
Capital assets	\$ 176,730,311	\$ 183,929,652	\$ 83,837,474	\$ 82,056,334	\$ 260,567,785	\$ 265,985,986
Total assets	395,884,606	380,178,260	381,734,166	369,857,074	777,618,772	750,035,334
Deferred outflows of resources						
Long-term debt outstanding	572,614,917	564,107,912	465,571,640	451,913,408	1,038,186,557	1,016,021,320
Other liabilities	20,494,206	26,689,473	7,142,310	8,830,561	27,636,516	35,520,034
Total liabilities	27,177,545	25,234,332	15,922,616	16,845,397	43,100,161	42,079,729
Deferred inflows of resources	169,878,609	175,107,217	79,958,631	84,734,270	249,837,240	259,841,487
Net position	12,131,409	8,681,401	9,053,439	8,572,808	21,184,848	17,254,209
Net investment in capital assets	349,290,831	335,194,174	335,339,197	319,038,236	684,630,028	654,232,410
Restricted net position	1,947,909	7,905,382	8,995,566	8,717,811	10,943,475	16,623,193
Unrestricted net position	59,860,365	63,909,211	39,367,117	39,680,844	99,227,482	103,590,055
Total net position	\$ 411,099,105	\$ 407,008,767	\$ 383,701,880	\$ 367,436,891	\$ 794,800,985	\$ 774,445,658

*Items may not be comparable due to the application of GASB 96, the City chose not to restate the 2022 financial statements for this standard.

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Changes in Net Position. The City's net position increased over \$20.3 million during 2023. The increase was a combination of items, program expenses decreased by nearly \$4.7 million, of that nearly \$9.2 million was a decrease in governmental activities and over \$4.5 million was an increase in business-type activities. Program revenues increased from 2022 due largely to operating and capital grants and contributions increasing over \$26.4 million between governmental and business-type activities. Charges for services increased nearly \$0.8 million primarily due to an increase in water-sewer-storm sewer operations.

Governmental Activities.
 Governmental program revenues decreased by nearly \$5.8 million. Overall, capital grants and contributions decreased by over \$2.2 million, operating grants and contributions decreased by nearly \$3.0 million and charges for services decreased by over \$0.6 million.

Governmental program expenses decreased by nearly \$9.2 million. Overall, the general government program expenses increased over \$4.5 million, public safety decreased over \$9.0 million, highways and street decreased nearly \$1.3 million, culture and recreation decreased over \$4.1 million, and economic development increased by nearly \$0.8 million.

Business-Type Activities. Business-type program revenues increased by nearly \$33.1 million during 2023. Overall, capital grants and contributions increased of nearly \$27.4 million, operating grants and contributions increased nearly \$4.2 million, and charges for services increased by nearly \$1.5 million.

Business-type program expenses increased by over \$4.5 million in 2023. Overall, the sanitation program expenses increased by nearly \$1.7 million, and water, sewer, and storm sewer program expenses increased by nearly \$2.7 million.

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
Program revenues						
Charges for services	\$ 6,684,728	\$ 7,295,195	\$ 36,189,738	\$ 34,709,882	\$ 42,874,466	\$ 42,005,077
Operating grants and contributions	16,872,238	19,841,636	5,026,831	830,734	21,899,069	20,672,370
Capital grants and contributions	19,634,800	21,850,826	30,029,193	2,619,807	49,663,993	24,470,633
General revenues						
Taxes	56,644,245	56,794,396	657,265	880,249	57,301,510	57,674,645
Interest income (loss)	6,582,395	(929,685)	2,392,636	138,022	8,975,031	(791,663)
Miscellaneous	1,852,592	2,056,057	372,882	1,283,913	2,225,474	3,339,970
Total revenues	108,270,998	106,908,425	74,668,545	40,462,607	182,939,543	147,371,032
Program expenses						
General government	35,559,621	31,039,765	-	-	35,559,621	31,039,765
Public safety	31,273,248	40,329,290	-	-	31,273,248	40,329,290
Highways and streets	28,955,931	30,244,333	-	-	28,955,931	30,244,333
Culture and recreation	2,313,419	6,432,604	-	-	2,313,419	6,432,604
Economic development	2,363,487	1,589,076	-	-	2,363,487	1,589,076
Interest on long-term debt	2,356,127	2,367,133	-	-	2,356,127	2,367,133
Airport	-	-	11,155,480	11,051,091	11,155,480	11,051,091
Cemetery	-	-	588,403	549,569	588,403	549,569
Parking authority	-	-	32,590	25,499	32,590	25,499
Sanitation	-	-	7,832,525	6,158,652	7,832,525	6,158,652
Water, sewer, & storm sewer	-	-	38,927,434	36,257,064	38,927,434	36,257,064
Parking ramps	-	-	1,225,951	1,209,758	1,225,951	1,209,758
Total expenses	102,821,833	112,002,201	59,762,383	55,251,633	162,584,216	167,253,834
Excess (deficiency) before transfers	5,449,165	(5,093,776)	14,906,162	(14,789,026)	20,355,327	(19,882,802)
Transfers	(1,358,827)	(3,565,301)	1,358,827	3,565,301	-	-
Change in net position	4,090,338	(8,659,077)	16,264,989	(11,223,725)	20,355,327	(19,882,802)
Net position - beginning	407,008,767	415,667,844	367,436,891	378,660,616	774,445,658	794,328,460
Net position - ending	\$411,099,105	\$407,008,767	\$383,701,880	\$367,436,891	\$794,800,985	\$774,445,658

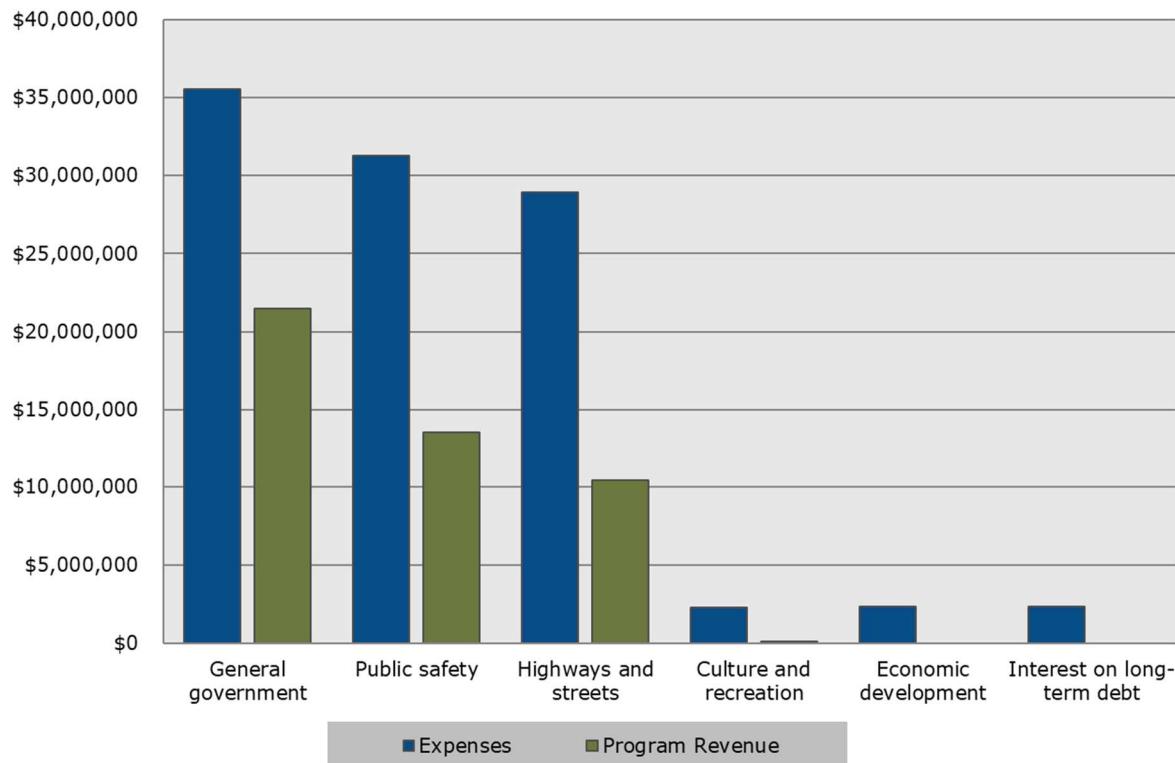
*Items may not be comparable due to the application of GASB 96, the City chose not to restate the 2022 financial statements for this standard.

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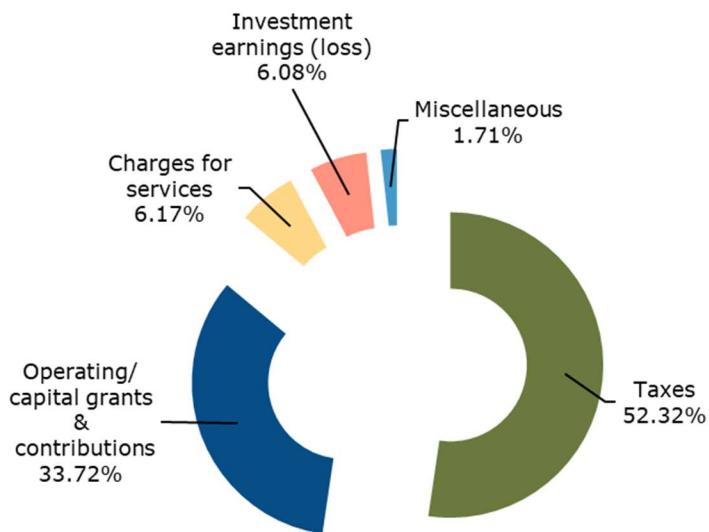
The charts on pages 15 and 16 summarize the City's revenues and expenses for both governmental and business-type activities.

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**Expenses & Program Revenues
 Governmental Activities**

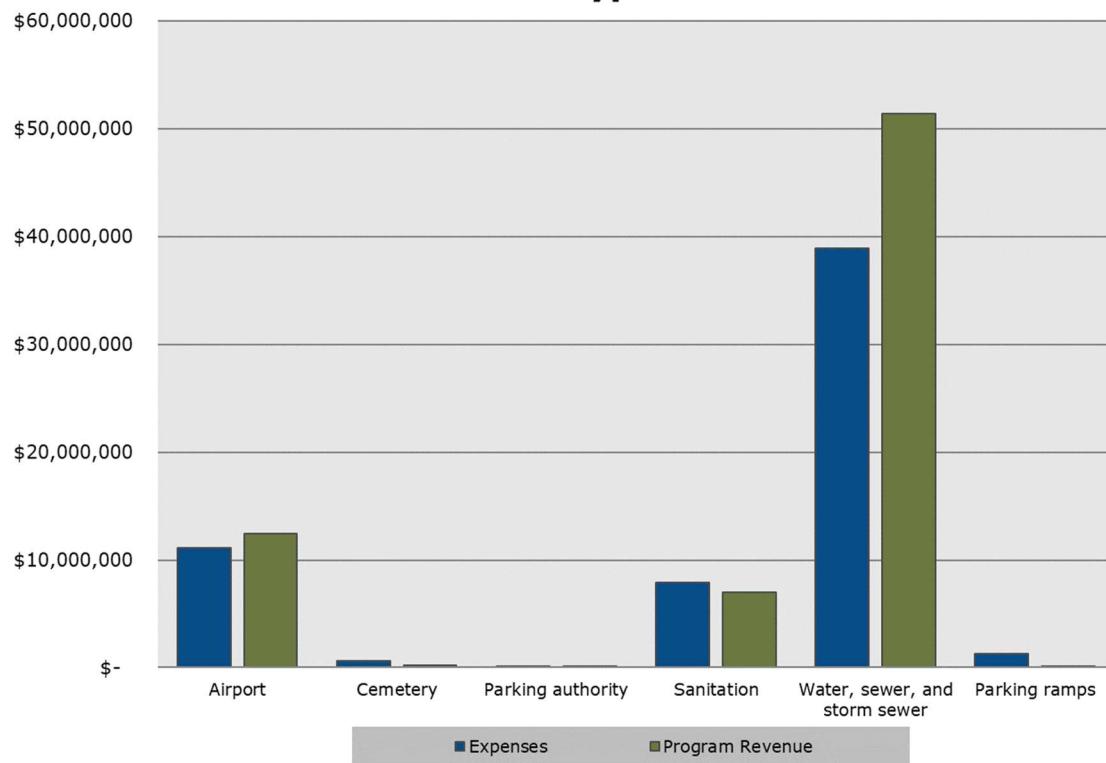


**Revenues by Source
 Governmental Activities**

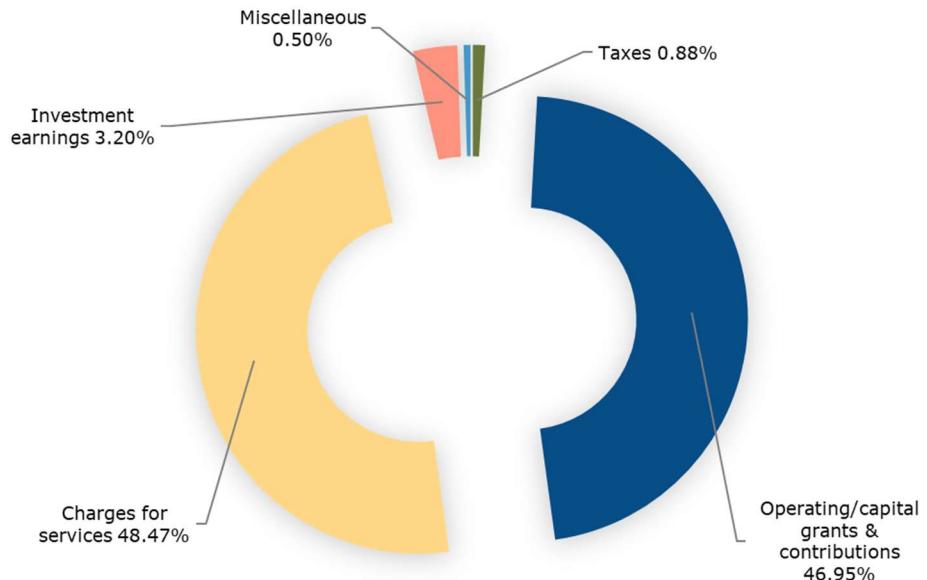


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Expenses & Program Revenues
Business-Type Activities



Revenues by Source
Business-Type Activities



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**FINANCIAL ANALYSIS OF THE
CITY'S FUNDS**

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

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

As of the end of 2023, the City's governmental funds reported combined ending fund balances of nearly \$142.6 million, a decrease of over \$18.1 million in comparison with 2022. Revenues for the period decreased over \$2.1 million due to a decrease of over \$9.1 million in intergovernmental revenues due primarily to a decrease in NDR program activities, an increase in interest income (loss) of over \$7.5 million, and a decrease in miscellaneous revenue of nearly \$0.5 million. Current expenditures decreased over \$1.3 million primarily due to a decrease in NDR program activity. The governmental funds nonspendable fund balance is \$890,515, restricted fund balance \$2,500,945, committed fund balance \$72,403,255, assigned fund balance \$34,079,056, and unassigned fund balance \$32,718,275.

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 \$34,883,822. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance represents nearly 65.8% of total general fund expenditures.

The City of Minot's general fund balance increased by \$2,994,600 during the current fiscal year. This increase was a result of the revenues and other financing sources being more than the estimated budget. In total, all department expenditures were over \$7.6 million below budget and revenues for the general fund were over \$0.7 million higher compared to the budget.

The **Debt Service Fund** had a decrease in fund balance by \$8,044,860 primarily due to the refunding of the 2013 special assessment bonds completed in 2022 with a call date of 2023.

The **Capital Infrastructure Fund** decreased in fund balance by \$4,467,690 due to budgeted use of cash reserves to fund major projects. Many of these large capital projects must have funding up front but the construction may cover multiple seasons.

The **Capital Flood Control Fund** decreased in fund balance by \$10,525,625 due to the use of prior year bond proceeds. It is anticipated that bond issuance would continue to fund the local share of the flood control project through fiscal year 2024.

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

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but in more detail. Unrestricted net position at the end of the year for the Enterprise Funds was \$37,505,673, of which airport accounted for \$8,182,007, sanitation (\$73,473), water, sewer, and storm sewer \$28,155,235, and the non-major funds accounted for \$1,241,904. Restricted net position was \$6,706,312 for debt service and \$2,289,254 for customer facility charges. The restrictions do not significantly affect the availability of fund resources for future use.

The change in net position was an increase of nearly \$16.2 million, due to an increase in operating revenues of nearly \$2.0 million, an increase in capital contributions of nearly \$26.3 million, an increase in expenses of over \$4.5 million, a decrease in special assessment collections of nearly \$1.2 million, and a decrease in miscellaneous income of over \$0.7 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The differences between the original budget and the final amended budget was an increase in revenues of nearly \$1.0 million and an increase in expenditure appropriations of over \$7.3 million. Differences between the final amended budget and actual amounts in the general fund consist of total revenues being nearly \$0.9 million more than budgeted and the expenditures being over \$7.6 million

less than budgeted. There is a total deficiency of actual revenues over expenditures of over \$11.2 million primarily due to budgeted transfers from sales tax funds to reduce property tax levy. After transfers in of nearly \$16.4 million, of which over \$4.0 million was for direct property tax relief, the overall net change in fund balance was \$3,129,219.

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, 2022, is \$777,618,772 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, buildings, equipment, infrastructure, intangibles, books and right-to-use assets. The City's investment in capital assets increased over \$27.5 million in 2023 due to an increase of nearly \$1.6 million in land, a decrease of nearly \$11.4 million in construction in progress, a decrease of over \$17.3 million in infrastructure, an increase of over \$48.2 million in buildings, and an increase of nearly \$6.3 million in equipment.

	Capital Assets (net of depreciation/amortization)					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
Land	\$109,404,583	\$107,817,715	\$ 9,647,205	\$ 9,647,205	\$119,051,788	\$117,464,920
Construction in progress	33,753,240	33,313,041	7,426,417	19,253,187	41,179,657	52,566,228
Infrastructure	213,018,521	216,933,157	259,529,832	272,958,815	472,548,353	489,891,972
Buildings	27,356,297	10,715,635	88,705,179	57,112,067	116,061,476	67,827,702
Equipment	9,748,023	8,770,863	14,987,189	9,671,079	24,735,212	18,441,942
Intangible assets	224,163	214,207	122,417	95,200	346,580	309,407
Books	1,579,760	1,547,653	-	-	1,579,760	1,547,653
Right-to-use leased land	-	-	296	296	296	296
Right-to-use leased equipment	606,484	865,989	1,230,488	1,119,225	1,836,972	1,985,214
Right-to-use subscription-based IT assets	193,535	82,479	85,143	-	278,678	82,479
Total capital assets	<u>\$395,884,606</u>	<u>\$380,260,739</u>	<u>\$ 381,734,166</u>	<u>\$369,857,074</u>	<u>\$777,618,772</u>	<u>\$750,117,813</u>

*Items may not be comparable due to the application of GASB 96, the City chose not to restate the 2022 financial statements for this standard.

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

- Home acquisitions
- NAWS Water Treatment Plant Expansion
- Mouse River Enhance Flood Protection Project (MREFPP)
- City Hall Rehabilitation
- City Hall Retaining Wall
- Landfill Entrance and Transfer Facility
- Burdick Expressway Viaduct Rehabilitation
- Northwest Fire Station

Additional information on the City of Minot's capital assets can be found in Note 4. F on pages 62-64 of this report.

Long-Term Debt. At year-end, the City had total debt of \$125,596,900, a decrease of \$14,911,311 compared to the prior year. Note 4. K on pages 67-71 of this report describes the City's long-term debt in detail. The City's debt is limited to 8% of the assessed valuation of taxable property within the City of Minot or \$196,870,253. The City's legal debt margin is \$191,125,030. The net bonded debt per capita is \$114.42.

IMPLEMENTATION OF NEW GASB STANDARDS

As of January 1, 2023, the City adopted two new GASB standards, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. GASB 94 had no significant impacts to the financial statements as it did not change the way the City currently accounted for service concession arrangement PPP related transactions. The implementation of GASB 96 resulted in recognizing a right-to-use subscription-based IT asset (net of accumulated amortization) and subscription IT liability of \$278,678 and \$237,032, respectively.

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
General obligation bonds	\$ 6,616,683	\$ 8,642,535	\$ -	\$ -	\$ 6,616,683	\$ 8,642,535
Tax increment bonds	2,247,510	2,361,321	-	-	2,247,510	2,361,321
Special assessment bonds	11,183,472	18,897,590	1,922,220	2,149,309	13,105,692	21,046,899
Sales tax bonds	51,073,250	52,201,245	-	-	51,073,250	52,201,245
Capital financing program bonds	995,921	1,141,175	-	-	995,921	1,141,175
Revenue bonds	-	-	30,090,767	33,888,330	30,090,767	33,888,330
State revolving fund	1,512,431	1,538,555	12,860,229	13,368,506	14,372,660	14,907,061
Direct financing leases	-	135,642	564,412	-	564,412	135,642
Leases	535,416	835,344	1,099,901	1,055,392	1,635,317	1,890,736
Subscription liabilities	160,835	78,787	76,197	-	237,032	78,787
Compensated absences	1,918,240	1,787,335	491,439	439,105	2,409,679	2,226,440
MSWLF closure & postclosure costs	-	-	2,247,979	1,988,040	2,247,979	1,988,040
Total outstanding debt	<u>\$ 76,243,757</u>	<u>\$ 87,619,529</u>	<u>\$ 49,353,143</u>	<u>\$ 52,888,682</u>	<u>\$ 125,596,900</u>	<u>\$ 140,508,211</u>

*Items may not be comparable due to the application of GASB 96, the City chose not to restate the 2022 financial statements for this standard.

City of Minot
Annual Comprehensive Financial Report
December 31, 2023
Management's Discussion and Analysis

**ECONOMIC FACTORS AND NEXT
YEAR'S BUDGET AND RATES**

Projects in 2023, which boosted the economy in Minot included Minot Public Schools for the remodel of existing building for \$63.3 million, North Dakota Safety Council for a new ambulatory surgery center for \$11.0 million, Minot Public Schools for the construction of a new high school sports complex for \$10.3 million, Big M Minot, LLC for the remodel of a downtown building for \$10.0 million and several other condos, apartment buildings, and business remodels.

The 2024 City of Minot budget value of a mill increased from \$228,190 to \$238,125 per mill.

The mill levy for the City of Minot's 2024 budget is 119.93 mills, a decrease of 0.15 mills from 2023 budget.

Total appropriations for operations for 2024 increased nearly \$16.8 million from 2023. This 9.18% increase is primarily due to an increase in water-sewer-storm sewer operations.

**CONTACTING THE CITY'S
FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the City's finances and to demonstrate the City's accountability for the money it receives for the citizens of Minot. If you have any questions about this report or need further information, contact the City of Minot Finance Department, 10 3rd Ave SW or PO Box 5006, Minot, ND 58702 or visit us online at www.minotnd.gov.

Basic
Financial
Statements

City of Minot, North Dakota
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total 2023
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 99,002,527	\$ 14,780,262	\$ 113,782,789
Investments	55,425,413	27,500,907	82,926,320
Receivables			
Taxes receivable	1,018,050	29,472	1,047,522
Special assessments receivable	365,140	12,574	377,714
Accounts receivable, net of allowance	491,943	6,730,823	7,222,766
Loans receivable, net of allowance	1,762,710	-	1,762,710
Intergovernmental receivable	7,266,632	15,503,104	22,769,736
Accrued interest receivable	229,409	342,306	571,715
Leases receivable	30,101	162,886	192,987
Inventory	561,946	466,258	1,028,204
Prepaid	812,003	115,161	927,164
Internal balances	(1,861,449)	1,861,449	-
Total current assets	<u>165,104,425</u>	<u>67,505,202</u>	<u>232,609,627</u>
Noncurrent assets:			
Restricted cash and cash equivalents	2,500,945	8,995,566	11,496,511
Investments, long-term	-	1,139,574	1,139,574
Leases receivable	279,061	3,370,798	3,649,859
Other assets - capital credits	516,545	653,549	1,170,094
Special assessments deferred	8,329,335	2,172,785	10,502,120
Capital assets not being depreciated			
Land	109,404,583	9,647,205	119,051,788
Construction in progress	33,753,240	7,426,417	41,179,657
Capital assets, net of accumulated depreciation/amortization			
Infrastructure	213,018,521	259,529,832	472,548,353
Buildings	27,356,297	88,705,179	116,061,476
Equipment	9,748,023	14,987,189	24,735,212
Intangible assets	224,163	122,417	346,580
Books	1,579,760	-	1,579,760
Right to use leased assets			
Land	-	296	296
Equipment	606,484	1,230,488	1,836,972
Right to use subscription-based IT assets	193,535	85,143	278,678
Total noncurrent assets	<u>407,510,492</u>	<u>398,066,438</u>	<u>805,576,930</u>
Total assets	<u>572,614,917</u>	<u>465,571,640</u>	<u>1,038,186,557</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	-	966,618	966,618
Deferred outflows of resources related to pension	19,971,990	6,023,738	25,995,728
Deferred outflows of resources related to OPEB	522,216	151,954	674,170
Total deferred outflows of resources	<u>20,494,206</u>	<u>7,142,310</u>	<u>27,636,516</u>

City of Minot, North Dakota
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total 2023
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 9,994,404	\$ 1,373,394	\$ 11,367,798
Retainage payable	2,097,402	697,830	2,795,232
Accrued salaries and benefits payable	1,444,094	410,682	1,854,776
Insurance claims payable	306,669	-	306,669
Accrued interest payable	561,368	278,101	839,469
Unearned revenue - other	7,475,707	7,560,111	15,035,818
Special assessment debt with governmental commitment	43,884	-	43,884
Compensated absences current	671,384	172,003	843,387
Direct financing leases payable current	-	130,381	130,381
Leases payable current	190,011	518,275	708,286
Subscription IT liabilities current	58,284	10,753	69,037
Capital financing program debt current	150,254	-	150,254
Tax increment financing debt current	98,811	-	98,811
All other debt current	4,068,813	4,534,828	8,603,641
Total current liabilities	<u>27,161,083</u>	<u>15,686,359</u>	<u>42,847,442</u>
Noncurrent liabilities:			
Customer deposits	16,463	236,257	252,720
Special assessment debt with governmental commitment	236,852	-	236,852
Compensated absences	1,246,856	319,436	1,566,292
Direct financing leases payable	-	434,030	434,030
Leases payable	345,405	581,627	927,032
Subscription IT liabilities	102,551	65,444	167,995
Capital financing program debt	845,667	-	845,667
Tax increment financing debt	2,148,699	-	2,148,699
All other debt	66,036,287	40,338,389	106,374,676
Accrued MSWLF postclosure care costs	-	2,247,979	2,247,979
Net pension liability	71,501,031	19,962,892	91,463,923
Net OPEB liability	237,715	86,218	323,933
Total noncurrent liabilities	<u>142,717,526</u>	<u>64,272,272</u>	<u>206,989,798</u>
Total liabilities	<u>169,878,609</u>	<u>79,958,631</u>	<u>249,837,240</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to PPPs	-	1,837,335	1,837,335
Deferred inflows of resources related to leases	299,040	3,399,640	3,698,680
Deferred inflows of resources related to pension	11,527,217	3,732,317	15,259,534
Deferred inflows of resources related to OPEB	305,152	84,147	389,299
Total deferred inflows of resources	<u>12,131,409</u>	<u>9,053,439</u>	<u>21,184,848</u>
NET POSITION			
Net investment in capital assets	349,290,831	335,339,197	684,630,028
Restricted for:			
Customer facility charges	-	2,289,254	2,289,254
Debt service	1,784,772	6,706,312	8,491,084
Public safety	163,137	-	163,137
Unrestricted net position	59,860,365	39,367,117	99,227,482
Total net position	<u>\$ 411,099,105</u>	<u>\$ 383,701,880</u>	<u>\$ 794,800,985</u>

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



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City of Minot, North Dakota
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Program Revenues						Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities		Business-Type Activities	Total 2023
Governmental Activities								
General government	\$ 35,559,621	\$ 5,383,262	\$ 11,224,373	\$ 2,533,575	\$ (16,418,412)	\$ -	\$ (16,418,412)	
Public safety	31,273,248	1,099,276	2,447,396	9,981,433	(17,745,143)	-	(17,745,143)	
Highways and streets	28,955,931	149,423	3,158,189	7,111,124	(18,537,195)	-	(18,537,195)	
Culture and recreation	2,313,419	52,768	42,280	8,668	(2,209,702)	-	(2,209,702)	
Economic development	2,363,487	-	-	-	(2,363,487)	-	(2,363,487)	
Interest on long-term debt	2,356,127	-	-	-	(2,356,127)	-	(2,356,127)	
Total governmental activities	102,821,833	6,684,728	16,872,238	19,634,800	(59,630,067)	-	(59,630,067)	
Business-Type Activities								
Airport	11,155,480	4,802,013	4,845,944	2,872,801	-	1,365,278	1,365,278	
Cemetery	588,403	228,182	25	-	-	(360,196)	(360,196)	
Parking authority	32,590	46,581	-	-	-	13,991	13,991	
Sanitation	7,832,525	6,760,489	177,041	-	-	(894,995)	(894,995)	
Water, sewer, & storm sewer	38,927,434	24,244,059	3,821	27,156,392	-	12,476,838	12,476,838	
Parking ramps	1,225,951	108,414	-	-	-	(1,117,537)	(1,117,537)	
Total business-type activities	59,762,383	36,189,738	5,026,831	30,029,193	-	11,483,379	11,483,379	
Total government	\$ 162,584,216	\$ 42,874,466	\$ 21,899,069	\$ 49,663,993	(59,630,067)	11,483,379	(48,146,688)	
General Revenues								
Taxes								
Property taxes, levied for general purposes				19,890,971		650,683	20,541,654	
Property taxes, levied for debt service				4,837,703		6,582	4,844,285	
Sales tax collections				26,440,643		-	26,440,643	
State aid distribution				4,821,718		-	4,821,718	
Franchise taxes				358,502		-	358,502	
Other taxes				294,708		-	294,708	
Interest income (loss)				6,582,395		2,392,636	8,975,031	
Miscellaneous				1,852,592		372,882	2,225,474	
Transfers				(1,358,827)		1,358,827	-	
Total general revenues and transfers				63,720,405		4,781,610	68,502,015	
Change in net position				4,090,338		16,264,989	20,355,327	
Net position - beginning				407,008,767		367,436,891	774,445,658	
Net position - ending				\$411,099,105		\$ 383,701,880	\$ 794,800,985	

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, 2023

	General Fund	Debt Service Fund	Capital Debt	Capital Project Fund
				Capital Infrastructure
ASSETS				
Cash and cash equivalents	\$ 15,627,998	\$ 4,890,103	\$ 13,348,661	
Restricted cash and cash equivalents	716,173	1,784,772	-	
Investments current	27,943,902	-	5,000,000	
Taxes receivable delinquent	746,170	183,031	15	
Special assessments receivable delinquent	34,472	330,668	-	
Due from other funds	-	-	-	
Accounts receivable	1,127,273	-	1,164,459	
Allowance for accounts receivable	(696,330)	-	(1,164,459)	
Intergovernmental receivable	985,272	2,478	2,329,899	
Loans receivable	-	-	-	
Allowance for loans receivable	-	-	-	
Accrued interest receivable	107,396	-	121,027	
Leases receivable	303,243	-	-	
Inventory	89,808	-	-	
Prepaid	723,291	-	-	
Other assets - capital credits	476,906	-	-	
Investments	321,418	-	-	
Special assessments receivable uncertified	156,802	8,172,533	-	
Total assets	<u>\$ 48,663,794</u>	<u>\$ 15,363,585</u>	<u>\$ 20,799,602</u>	
LIABILITIES				
Accounts payable	\$ 2,057,036	\$ -	\$ 662,320	
Retainage payable	600,991	-	553,682	
Accrued salaries and benefits payable	1,352,189	-	-	
Due to other funds	-	-	-	
Customer deposits	16,463	-	-	
Unearned revenue - other	472,336	-	4,696,549	
Total liabilities	<u>4,499,015</u>	<u>-</u>	<u>5,912,551</u>	
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to leases	292,989	-	-	
Uncertified special assessments	156,802	8,172,533	-	
Unavailable revenue - property taxes	660,325	160,420	15	
Unavailable revenue - special assessments	34,472	328,247	-	
Deferred inflows of resources	<u>1,144,588</u>	<u>8,661,200</u>	<u>15</u>	
FUND BALANCES (DEFICITS)				
Nonspendable	813,099	-	-	
Restricted	716,173	1,784,772	-	
Committed	3,385,758	-	4,480,770	
Assigned	3,221,339	4,917,613	10,406,266	
Unassigned	34,883,822	-	-	
Total fund balance	43,020,191	6,702,385	14,887,036	
Total liabilities, inflows and fund balances (deficits)	<u>\$ 48,663,794</u>	<u>\$ 15,363,585</u>	<u>\$ 20,799,602</u>	

City of Minot, North Dakota
Balance Sheet
Governmental Funds
December 31, 2023

ASSETS

	<u>Capital Project Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>Capital Flood Control</u>	<u>Governmental Funds</u>	<u>12/31/2023</u>
Cash and cash equivalents	\$ 9,779,812	\$ 50,629,365	\$ 94,275,939
Restricted cash and cash equivalents	-	-	2,500,945
Investments current	17,700,493	4,265,371	54,909,766
Taxes receivable delinquent	185	88,649	1,018,050
Special assessments receivable delinquent	-	-	365,140
Due from other funds	-	250,045	250,045
Accounts receivable	-	183,030	2,474,762
Allowance for accounts receivable	-	(135,150)	(1,995,939)
Intergovernmental receivable	-	3,948,983	7,266,632
Loans receivable	-	16,309,939	16,309,939
Allowance for loans receivable	-	(14,547,229)	(14,547,229)
Accrued interest receivable	-	986	229,409
Leases receivable	-	5,919	309,162
Inventory	-	-	89,808
Prepaid	-	88,712	812,003
Other assets - capital credits	-	37,407	514,313
Investments	-	194,229	515,647
Special assessments receivable uncertified	-	-	8,329,335
Total assets	<u>\$ 27,480,490</u>	<u>\$ 61,320,256</u>	<u>\$ 173,627,727</u>

LIABILITIES

Accounts payable	\$ 2,237,172	\$ 4,904,187	\$ 9,860,715
Retainage payable	716,920	225,809	2,097,402
Accrued salaries and benefits payable	-	91,905	1,444,094
Due to other funds	-	250,045	250,045
Customer deposits	-	-	16,463
Unearned revenue - other	-	2,306,822	7,475,707
Total liabilities	<u>2,954,092</u>	<u>7,778,768</u>	<u>21,144,426</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources related to leases	-	6,051	299,040
Uncertified special assessments	-	-	8,329,335
Unavailable revenue - property taxes	185	79,216	900,161
Unavailable revenue - special assessments	-	-	362,719
Deferred inflows of resources	<u>185</u>	<u>85,267</u>	<u>9,891,255</u>

FUND BALANCES (DEFICITS)

Nonspendable	-	77,416	890,515
Restricted	-	-	2,500,945
Committed	10,657,632	53,879,095	72,403,255
Assigned	13,868,581	1,665,257	34,079,056
Unassigned	-	(2,165,547)	32,718,275
Total fund balance	<u>24,526,213</u>	<u>53,456,221</u>	<u>142,592,046</u>
Total liabilities, inflows and fund balances (deficits)	<u>\$ 27,480,490</u>	<u>\$ 61,320,256</u>	<u>\$ 173,627,727</u>

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



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City of Minot, North Dakota
Reconciliation of the Governmental Funds Balance Sheet
To the Governmental Activities Statement of Net Position
December 31, 2023

Fund balances of governmental funds \$ 142,592,046

Amounts reported for governmental activities in the statement of net position are different because:

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

Land	\$ 109,404,583
Construction in process	33,753,240
Infrastructure, net of accumulated depreciation (\$152,717,647)	213,018,521
Buildings, net of accumulated depreciation (\$11,957,264)	27,356,297
Equipment, net of accumulated depreciation (\$20,832,478)	9,748,023
Intangible assets, net of accumulated amortization (\$0)	224,163
Books, net of accumulated depreciation (\$1,452,844)	<u>1,579,760</u>
Total capital assets (Note 4. F)	395,084,587

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

Equipment, net of accumulated amortization (\$579,917)	\$ 606,484
Subscription-based IT assets, net of accumulated amortization (\$40,592)	<u>193,535</u>
Total right to use assets (Note 4. F)	800,019

Net OPEB asset/liability and OPEB related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of:

Net OPEB liability	\$ (237,715)
Deferred inflows of resources	(305,152)
Deferred outflow of resources	<u>522,216</u>
Total net OPEB liability and related deferred inflows/outflows	(20,651)

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	\$ (71,501,031)
Deferred outflows of resources	19,971,990
Deferred inflows of resources	<u>(11,527,217)</u>
Total net pension liability and related deferred outflows and inflows	(63,056,258)

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.

2,912,271

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

Deferred revenues taxes and special assessments	9,592,215
-------------------------------------------------	-----------

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)

(76,805,124)

Total net position of governmental activities

\$ 411,099,105

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, 2023

	General Fund	Debt	Capital
		Service Fund	Project Fund
		Debt	Capital
REVENUES			
Property tax collections	\$ 17,892,009	\$ 4,837,703	\$ 18
Sales tax collections	-	-	-
Cable TV franchise fees	358,502	-	-
Licenses and permits	1,272,678	-	-
Intergovernmental	14,728,608	-	5,523,887
Charges for services	4,104,684	-	-
Fines and forfeitures	795,923	-	-
Special assessment collections	78,680	1,350,558	-
Interest income (loss)	1,977,022	437,635	643,864
Miscellaneous	637,084	173,025	146,203
Total revenues	<u>41,845,190</u>	<u>6,798,921</u>	<u>6,313,972</u>
EXPENDITURES			
Current			
General government	15,379,984	1,637,460	-
Public safety	23,978,243	-	-
Highways and streets	13,834,592	-	-
Culture and recreation	-	-	-
Economic development	-	-	-
Debt service			
Principal retirement	-	10,832,763	-
Interest	-	2,365,651	-
Administrative charges	-	7,907	-
Capital outlay			
General government	-	-	144,294
Public safety	-	-	4,386,633
Highways and streets	-	-	4,553,096
Culture and recreation	-	-	-
Total expenditures	<u>53,192,819</u>	<u>14,843,781</u>	<u>9,084,023</u>
Excess (deficiency) of revenues over (under) expenditures	(11,347,629)	(8,044,860)	(2,770,051)
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	-	-
Leases (lessee)	-	-	-
Subscription-based information technology arrangements	-	-	-
Sale of City property	16,386	-	-
Transfers in	16,375,822	-	17,173
Transfers out	(2,049,979)	-	(1,714,812)
Total other financing sources (uses)	<u>14,342,229</u>	<u>-</u>	<u>(1,697,639)</u>
Net change in fund balances	2,994,600	(8,044,860)	(4,467,690)
Fund balances (deficits) - beginning	40,025,591	14,747,245	19,354,726
Fund balances (deficits) - ending	<u>\$ 43,020,191</u>	<u>\$ 6,702,385</u>	<u>\$ 14,887,036</u>

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, 2023

	<u>Capital</u> <u>Project Fund</u>	<u>Other</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
	<u>Capital</u> <u>Flood Control</u>	<u>Governmental</u> <u>Funds</u>	<u>12/31/2023</u>
REVENUES			
Property tax collections	\$ 48	\$ 1,998,896	\$ 24,728,674
Sales tax collections	-	26,440,643	26,440,643
Cable TV franchise fees	-	-	358,502
Licenses and permits	-	-	1,272,678
Intergovernmental	7,032,993	7,430,101	34,715,589
Charges for services	-	83,353	4,188,037
Fines and forfeitures	-	-	795,923
Special assessment collections	-	-	1,429,238
Interest income (loss)	1,443,921	2,079,953	6,582,395
Miscellaneous	-	896,280	1,852,592
Total revenues	8,476,962	38,929,226	102,364,271
EXPENDITURES			
Current			
General government	-	16,289,068	33,306,512
Public safety	-	1,376,071	25,354,314
Highways and streets	-	-	13,834,592
Culture and recreation	-	2,055,381	2,055,381
Economic development	-	2,363,487	2,363,487
Debt service			
Principal retirement	-	-	10,832,763
Interest	-	-	2,365,651
Administrative charges	-	-	7,907
Capital outlay			
General government	-	490,340	634,634
Public safety	16,970,785	1,628,338	22,985,756
Highways and streets	-	1,292,309	5,845,405
Culture and recreation	-	162,347	162,347
Total expenditures	16,970,785	25,657,341	119,748,749
Excess (deficiency) of revenues over (under) expenditures	(8,493,823)	13,271,885	(17,384,478)
OTHER FINANCING SOURCES (USES)			
Bonds issued	65,602	-	65,602
Leases (lessee)	-	36,495	36,495
Subscription-based information technology arrangements	-	232,027	232,027
Sale of City property	-	233,842	250,228
Transfers in	-	7,512,796	23,905,791
Transfers out	(2,097,404)	(19,402,423)	(25,264,618)
Total other financing sources (uses)	(2,031,802)	(11,387,263)	(774,475)
Net change in fund balances	(10,525,625)	1,884,622	(18,158,953)
Fund balances (deficits) - beginning	35,051,838	51,571,599	160,750,999
Fund balances (deficits) - ending	\$ 24,526,213	\$ 53,456,221	\$ 142,592,046

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



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City of Minot, North Dakota
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Governmental Activities Statement of Activities
For the Year-to-Date as of December 31, 2023

Net change in fund balances - total governmental funds \$ (18,158,953)

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) 16,477,090

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) (849,531)

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

Debt issued	
Bonds issued	\$ (65,602)
Repayments of bond principal	10,832,763
Leases	(36,495)
Subscription IT liabilities	(149,548)
Payment on leases	336,423
Payment on subscription IT liabilities	67,500
Annual amortization of premiums and discounts	<u>521,636</u>
Net adjustment	11,506,677

Net OPEB asset/liability and OPEB related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. The government-wide statement of net activities reports the change in net position related to OPEB. (54,487)

Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. The government-wide statement of net activities reports the change in net position related to pension. (6,719,747)

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	9,524
Compensated absences	(130,905)

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	\$ 1,955,232
Special assessment write-offs, foreclosures, and interest	410,339
Amount shown as revenue in governmental funds	<u>(1,429,238)</u>
Net change	936,333

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. 1,074,335

Change in net position of governmental activities \$ 4,090,338

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, 2023

	Budgeted Amounts		12/31/2023	Variance
	Original	Final Amended	Actual Amounts	With Final Budget
REVENUES				
Property tax collections	\$ 19,378,011	\$ 19,378,011	\$ 17,892,009	\$ (1,486,002)
Cable TV franchise fees	462,721	462,721	358,502	(104,219)
Licenses & permits	984,563	984,563	1,272,678	288,115
Intergovernmental	13,490,576	14,358,296	14,728,608	370,312
Charges for services	4,154,303	4,231,251	4,104,684	(126,567)
Fines and forfeitures	486,192	486,192	795,923	309,731
Special assessment collections	173,810	173,810	78,680	(95,130)
Interest income (loss)	423,823	423,823	1,977,022	1,553,199
Miscellaneous income	558,715	596,693	637,084	40,391
Total revenues	40,112,714	41,095,360	41,845,190	749,830
EXPENDITURES				
General government				
Mayor and city council	\$ 1,330,592	\$ 4,879,564	\$ 4,849,482	\$ 30,082
City manager	788,522	790,712	724,769	65,943
Human resources	629,536	642,986	625,432	17,554
City attorney	885,652	885,652	622,740	262,912
Finance	1,468,527	1,761,176	1,502,880	258,296
Information technology	1,455,213	1,738,573	1,419,481	319,092
Property assessment	785,470	785,470	685,804	99,666
Municipal judge	696,488	696,488	686,338	10,150
Community development	743,490	955,821	914,357	41,464
Building inspection	1,264,187	1,389,319	1,141,297	248,022
Vehicle maintenance	1,264,081	1,264,081	1,123,040	141,041
Property maintenance	1,037,950	1,102,808	1,084,364	18,444
Total general government	12,349,708	16,892,650	15,379,984	1,512,666
Public safety				
Police grants	-	409,805	153,572	256,233
Police	11,688,381	11,879,251	11,169,866	709,385
Narcotics task force	115,223	115,223	103,590	11,633
Telecommunications division	1,762,655	2,118,970	1,907,540	211,430
Fire grants	-	302,747	98,919	203,828
Fire control	8,882,834	9,033,751	8,777,909	255,842
Traffic	2,642,165	3,023,443	1,766,847	1,256,596
Total public safety	25,091,258	26,883,190	23,978,243	2,904,947
Highways and streets				
Engineering	10,622,209	11,538,001	9,254,600	2,283,401
Street maintenance	5,384,028	5,491,258	4,579,992	911,266
Total highways and streets	16,006,237	17,029,259	13,834,592	3,194,667
Total expenditures	53,447,203	60,805,099	53,192,819	7,612,280
Excess (deficiency) of revenues over (under) expenditures	(13,334,489)	(19,709,739)	(11,347,629)	8,362,110
OTHER FINANCING SOURCES (USES)				
Sale of City property	-	-	16,386	16,386
Transfers in	13,944,027	13,937,027	16,375,822	2,438,795
Transfers out	(1,668,116)	(2,726,699)	(2,049,979)	676,720
Total other financing sources (uses)	12,275,911	11,210,328	14,342,229	3,131,901
Net change in fund balance	\$ (1,058,578)	\$ (8,499,411)	2,994,600	\$ 11,494,011
Fund balances (deficits) - beginning			40,025,591	
Fund balances (deficits) - ending			\$ 43,020,191	

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



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City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2023

ASSETS

Current assets
Cash and cash equivalents
Restricted cash and cash equivalents
Investments current
Taxes receivable delinquent
Special assessment receivable delinquent
Accounts receivable
Intergovernmental receivable
Accrued interest receivable
Leases receivable
Inventory
Prepaid
Total current assets
Noncurrent assets
Restricted cash and cash equivalents
Investments
Leases receivable
Other assets - capital credits
Special assessments receivable uncertified
Land
Construction in progress
Infrastructure
Buildings
Equipment
Intangible assets
Less-accumulated depreciation
Right to use leased assets - land
Right to use leased assets - equipment
Right to use subscription-based IT assets
Less-accumulated amortization
Total noncurrent assets
Total assets

DEFERRED OUTFLOWS OF RESOURCES

Deferred charge on refunding	966,618	-	-
Deferred outflows of resources related to pension	1,069,960	1,411,989	3,381,827
Deferred outflows of resources related to OPEB	17,095	38,925	92,723
Total deferred outflows of resources	2,053,673	1,450,914	3,474,550

Business-Type Activities Enterprise Funds			Water, Sewer, & Storm Sewer
Airport	Sanitation		
\$ 4,778,422	\$ 6,475,419	\$ 1,991,995	
1,610,294	-	2,924,534	
235,000	-	27,265,907	
24,562	-	253	
-	-	12,574	
3,204,968	725,956	2,785,786	
3,028,055	-	12,475,010	
9,987	2,657	329,334	
89,912	16,085	28,776	
18,465	-	447,793	
55,587	8,880	50,490	
13,055,252	7,228,997	48,312,452	
3,248,543	-	1,212,195	
-	-	1,139,574	
3,096,918	69,501	121,240	
45,673	61,445	534,059	
-	-	2,172,785	
2,924,003	4,380,906	2,026,395	
2,402,616	1,692,579	3,331,222	
59,497,226	1,902,950	339,377,772	
52,931,831	5,982,340	58,157,381	
12,183,756	7,466,577	14,316,666	
-	-	122,417	
(47,706,672)	(5,835,780)	(149,277,205)	
-	591	-	
-	2,003,607	94,697	
9,335	88,948	-	
(4,668)	(853,175)	(23,406)	
88,628,561	16,960,489	273,305,792	
101,683,813	24,189,486	321,618,244	

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2023

	Nonmajor	Total Enterprise Funds	Governmental Activities
			Internal Service Funds
ASSETS			
Current assets			
Cash and cash equivalents	\$ 1,534,426	\$ 14,780,262	\$ 4,726,588
Restricted cash and cash equivalents	-	4,534,828	-
Investments current	-	27,500,907	-
Taxes receivable delinquent	4,657	29,472	-
Special assessment receivable delinquent	-	12,574	-
Accounts receivable	14,113	6,730,823	13,120
Intergovernmental receivable	39	15,503,104	-
Accrued interest receivable	328	342,306	-
Leases receivable	28,113	162,886	-
Inventory	-	466,258	472,138
Prepaid	204	115,161	-
Total current assets	<u>1,581,880</u>	<u>70,178,581</u>	<u>5,211,846</u>
Noncurrent assets			
Restricted cash and cash equivalents	-	4,460,738	-
Investments	-	1,139,574	-
Leases receivable	83,139	3,370,798	-
Other assets - capital credits	12,372	653,549	2,232
Special assessments receivable uncertified	-	2,172,785	-
Land	315,901	9,647,205	-
Construction in progress	-	7,426,417	-
Infrastructure	22,478,549	423,256,497	-
Buildings	158,502	117,230,054	-
Equipment	1,000,665	34,967,664	-
Intangible assets	-	122,417	-
Less-accumulated depreciation	(9,412,357)	(212,232,014)	-
Right to use leased assets - land	-	591	-
Right to use leased assets - equipment	-	2,098,304	-
Right to use subscription-based IT assets	-	98,283	-
Less-accumulated amortization	-	(881,249)	-
Total noncurrent assets	<u>14,636,771</u>	<u>393,531,613</u>	<u>2,232</u>
Total assets	<u>16,218,651</u>	<u>463,710,194</u>	<u>5,214,078</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	-	966,618	-
Deferred outflows of resources related to pension	159,962	6,023,738	-
Deferred outflows of resources related to OPEB	3,211	151,954	-
Total deferred outflows of resources	<u>163,173</u>	<u>7,142,310</u>	<u>-</u>

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

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2023

LIABILITIES

	Business-Type Activities Enterprise Funds		
	Airport	Sanitation	Water, Sewer, & Storm Sewer
Current liabilities			
Accounts payable	\$ 240,932	\$ 100,177	\$ 1,004,553
Retainage payable	-	168,409	529,421
Accrued salaries and benefits payable	76,588	90,218	224,115
Accrued interest payable	107,256	26,419	144,426
Unearned revenue - other	68,600	-	7,491,511
Compensated absences	28,782	47,151	87,585
Leases payable	-	629,239	19,417
Subscription IT liabilities	-	10,753	-
Bonds payable (net of premium/discount)	<u>1,610,294</u>	<u>-</u>	<u>2,924,534</u>
Total current liabilities	<u>2,132,452</u>	<u>1,072,366</u>	<u>12,425,562</u>
Long-term liabilities			
Customer deposits	990	-	235,267
Compensated absences	53,451	87,566	162,660
Leases payable	-	972,555	43,102
Subscription IT liabilities	-	65,444	-
Accrued MSWLF closure and postclosure care costs	-	2,247,979	-
Bonds payable (net of premium/discount)	19,660,730	-	20,677,659
Net pension liability	1,174,056	5,185,446	13,317,036
Net OPEB liability	32,208	16,528	33,388
Total long-term liabilities	<u>20,921,435</u>	<u>8,575,518</u>	<u>34,469,110</u>
Total liabilities	<u>23,053,887</u>	<u>9,647,884</u>	<u>46,894,673</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources related to leases	3,062,173	86,947	143,037
Deferred inflows of resources related to PPPs	1,837,335	-	-
Deferred inflows of resources related to pension	897,613	953,052	1,743,568
Deferred inflows of resources related to OPEB	3,335	23,070	56,584
Total deferred inflows of resources	<u>5,800,456</u>	<u>1,063,069</u>	<u>1,943,189</u>

NET POSITION

Net investment in capital assets	61,842,299	15,002,920	243,962,968
Restricted for:			
Customer facility charges	2,289,254	-	-
Debt service	2,569,583	-	4,136,729
Unrestricted net position	8,182,007	(73,473)	28,155,235
Total net position	<u>\$ 74,883,143</u>	<u>\$ 14,929,447</u>	<u>\$ 276,254,932</u>

City of Minot, North Dakota
Statement of Fund Net Position
Proprietary Funds
December 31, 2023

	Nonmajor	Total Enterprise Funds	Governmental Activities
			Internal Service Funds
LIABILITIES			
Current liabilities			
Accounts payable	\$ 27,732	\$ 1,373,394	\$ 440,358
Retainage payable	-	697,830	-
Accrued salaries and benefits payable	19,761	410,682	-
Accrued interest payable	-	278,101	-
Unearned revenue - other	-	7,560,111	-
Compensated absences	8,485	172,003	-
Leases payable	-	648,656	-
Subscription IT liabilities	-	10,753	-
Bonds payable (net of premium/discount)	-	4,534,828	-
Total current liabilities	<u>55,978</u>	<u>15,686,359</u>	<u>440,358</u>
Long-term liabilities			
Customer deposits	-	236,257	-
Compensated absences	15,759	319,436	-
Leases payable	-	1,015,657	-
Subscription IT liabilities	-	65,444	-
Accrued MSWLF closure and postclosure care costs	-	2,247,979	-
Bonds payable (net of premium/discount)	-	40,338,389	-
Net pension liability	286,354	19,962,892	-
Net OPEB liability	4,094	86,218	-
Total long-term liabilities	<u>306,207</u>	<u>64,272,270</u>	-
Total liabilities	<u>362,185</u>	<u>79,958,629</u>	<u>440,358</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	107,483	3,399,640	-
Deferred inflows of resources related to PPPs	-	1,837,335	-
Deferred inflows of resources related to pension	138,084	3,732,317	-
Deferred inflows of resources related to OPEB	1,158	84,147	-
Total deferred inflows of resources	<u>246,725</u>	<u>9,053,439</u>	-
NET POSITION			
Net investment in capital assets	14,531,010	335,339,197	-
Restricted for:			
Customer facility charges	-	2,289,254	-
Debt service	-	6,706,312	-
Unrestricted net position	1,241,904	37,505,673	4,773,720
Total net position	<u>\$ 15,772,914</u>	<u>381,840,436</u>	<u>\$ 4,773,720</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.			
Total net position	<u>1,861,444</u>		
		<u>\$ 383,701,880</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, 2023

	Business-Type Activities		
	Enterprise Funds		
	Airport	Sanitation	Water, Sewer, & Storm Sewer
	\$	\$	\$
OPERATING REVENUES			
Sales	-	-	-
Cost of goods sold	-	-	-
Gross margin	-	-	-
Charges for services	4,499,698	6,764,595	24,214,755
Miscellaneous	147,218	16,789	28,558
Customer facility charge income	299,187	-	-
Total operating revenues	<u>4,946,103</u>	<u>6,781,384</u>	<u>24,243,313</u>
OPERATING EXPENSES			
Salaries	1,341,824	1,609,805	3,629,801
Employee benefits	781,624	1,253,932	3,761,691
Insurance claims	-	-	-
Professional services	497,447	178,987	50,873
Property services	1,798,291	1,758,324	6,337,710
Purchased services	150,458	122,525	624,847
Supplies	566,039	790,729	4,821,741
Sundry	333,986	617,345	2,014,982
MSWLF closure & postclosure care	-	259,939	-
Amortization	4,668	460,164	12,929
Depreciation	5,156,368	742,477	17,091,600
Total operating expenses	<u>10,630,705</u>	<u>7,794,227</u>	<u>38,346,174</u>
Operating income (loss)	<u>(5,684,602)</u>	<u>(1,012,843)</u>	<u>(14,102,861)</u>
NON-OPERATING REVENUES (EXPENSES)			
Property tax collections	585,258	-	6,621
Intergovernmental	4,546,757	-	3,821
Special assessment collections	-	-	1,155,019
Interest income (loss)	506,912	288,830	1,530,065
Miscellaneous	49,645	203,906	295,284
Gain (loss) on sale of City property	18,200	-	(10,582)
Interest and fiscal charges	(542,975)	(38,298)	(570,678)
Total non-operating revenues (expenses)	<u>5,163,797</u>	<u>454,438</u>	<u>2,409,550</u>
Income (loss) before contributions and transfers	<u>(520,805)</u>	<u>(558,405)</u>	<u>(11,693,311)</u>
Capital contributions	2,872,801	-	26,001,373
Transfers in	93,875	1,467,813	871,566
Transfers out	-	(188,898)	(955,279)
Total contributions and transfers	<u>2,966,676</u>	<u>1,278,915</u>	<u>25,917,660</u>
Change in net position	<u>2,445,871</u>	<u>720,510</u>	<u>14,224,349</u>
Net position - beginning	<u>72,437,272</u>	<u>14,208,937</u>	<u>262,030,583</u>
Net position - ending	<u>\$ 74,883,143</u>	<u>\$ 14,929,447</u>	<u>\$ 276,254,932</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, 2023

	Nonmajor	Total Enterprise Funds	Governmental Activities
		Internal Service Funds	
OPERATING REVENUES			
Sales	\$ -	\$ -	\$ 2,250,817
Cost of goods sold	-	-	(2,249,745)
Gross margin	-	-	1,072
Charges for services	432,155	35,911,203	7,274,439
Miscellaneous	469	193,034	-
Customer facility charge income	-	299,187	-
Total operating revenues	432,624	36,403,424	7,275,511
OPERATING EXPENSES			
Salaries	308,706	6,890,136	-
Employee benefits	156,462	5,953,709	-
Insurance claims	-	-	6,234,654
Professional services	15,741	743,048	86,478
Property services	46,827	9,941,152	-
Purchased services	31,234	929,064	-
Supplies	61,089	6,239,598	-
Sundry	77,382	3,043,695	-
MSWLF closure & postclosure care	-	259,939	-
Amortization	-	477,761	-
Depreciation	1,149,503	24,139,948	-
Total operating expenses	1,846,944	58,618,050	6,321,132
Operating income (loss)	(1,414,320)	(22,214,626)	954,379
NON-OPERATING REVENUES (EXPENSES)			
Property tax collections	65,386	657,265	-
Intergovernmental	-	4,550,578	-
Special assessment collections	-	1,155,019	-
Interest income (loss)	66,829	2,392,636	163,039
Miscellaneous	1,113	549,948	42,424
Gain (loss) on sale of City property	-	7,618	-
Interest and fiscal charges	-	(1,151,951)	-
Total non-operating revenues (expenses)	133,328	8,161,113	205,463
Income (loss) before contributions and transfers	(1,280,992)	(14,053,513)	1,159,842
Capital contributions	-	28,874,174	-
Transfers in	69,750	2,503,004	-
Transfers out	-	(1,144,177)	-
Total contributions and transfers	69,750	30,233,001	-
Change in net position	(1,211,242)	16,179,488	1,159,842
Net position - beginning	16,984,156	365,660,948	3,613,878
Net position - ending	\$ 15,772,914	\$ 381,840,436	\$ 4,773,720
Change in net position enterprise funds only		16,179,488	
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds		85,501	
Change in net position of business-type activities		\$ 16,264,989	

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

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year-to-Date as of December 31, 2023

	Business-Type Activities		
	Enterprise Funds		
	Airport	Sanitation	Water, Sewer, & Storm Sewer
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	\$ 4,110,282	\$ 6,734,523	\$ 23,204,782
Payments to suppliers	(3,209,811)	(4,174,437)	(14,359,556)
Payments to employees	(1,776,596)	(2,335,197)	(5,500,297)
Due from other agencies	-	-	-
Due to other agencies	(2,023,233)	-	(1,447,646)
Net cash provided (used) by operating activities	<u>(2,899,358)</u>	<u>224,889</u>	<u>1,897,283</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property taxes/intergovernmental	5,183,402	203,906	305,698
Transfers in	93,875	1,467,813	871,566
Transfers out	-	(188,898)	(955,279)
Internal activity - payments from other funds	-	-	-
Net cash provided by noncapital financing activities	<u>5,277,277</u>	<u>1,482,821</u>	<u>221,985</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital contributions	2,872,801	-	1,775,142
Special assessment collections	-	-	1,155,019
Acquisitions and construction of capital assets	(2,670,569)	(3,512,524)	(4,835,731)
Proceeds from the sale of capital assets	18,199	51,920	105,175
Principal paid on capital debt	(1,580,294)	-	(3,212,632)
Interest paid on capital debt	(542,975)	(38,298)	(570,678)
Proceeds from debt	-	-	259,997
Payments on leases	-	(670,797)	(20,742)
Payments on subscription liabilities	(9,335)	(12,751)	-
Net cash used by capital and related financing activities	<u>(1,912,173)</u>	<u>(4,182,450)</u>	<u>(5,344,450)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(235,000)	-	(14,612,817)
Interest and dividends	506,912	288,830	1,530,065
Net cash provided by investing activities	<u>271,912</u>	<u>288,830</u>	<u>(13,082,752)</u>
Net increase (decrease) in cash and cash equivalents	737,658	(2,185,910)	(16,307,934)
Cash and cash equivalent balances - beginning of year	8,899,601	8,661,329	22,436,658
Cash and cash equivalent balances - end of year	<u>\$ 9,637,259</u>	<u>\$ 6,475,419</u>	<u>\$ 6,128,724</u>
Cash and cash equivalents are comprised of the following:			
Cash and cash equivalents	\$ 4,778,422	\$ 6,475,419	\$ 1,991,995
Restricted cash and cash equivalents - current	1,610,294	-	2,924,534
Restricted cash and cash equivalents - noncurrent	3,248,543	-	1,212,195
Total cash and cash equivalents on the Statement of Net Position	<u>\$ 9,637,259</u>	<u>\$ 6,475,419</u>	<u>\$ 6,128,724</u>

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year-to-Date as of December 31, 2023

	Nonmajor	Total Enterprise Funds	Governmental Activities
			Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	\$ 445,561	\$ 34,495,148	\$ 9,688,309
Payments to suppliers	(216,505)	(21,960,309)	(8,639,601)
Payments to employees	(435,337)	(10,047,427)	-
Due from other agencies	38	38	-
Due to other agencies	-	(3,470,879)	-
Net cash provided (used) by operating activities	<u>(206,243)</u>	<u>(983,429)</u>	<u>1,048,708</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property taxes/intergovernmental	67,968	5,760,974	-
Transfers in	69,750	2,503,004	-
Transfers out	-	(1,144,177)	-
Internal activity - payments from other funds	-	-	42,424
Net cash provided by noncapital financing activities	<u>137,718</u>	<u>7,119,801</u>	<u>42,424</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital contributions	-	4,647,943	-
Special assessment collections	-	1,155,019	-
Acquisitions and construction of capital assets	(18,682)	(11,037,506)	-
Proceeds from the sale of capital assets	-	175,294	-
Principal paid on capital debt	-	(4,792,926)	-
Interest paid on capital debt	-	(1,151,951)	-
Proceeds from debt	-	259,997	-
Payments on leases	-	(691,539)	-
Payments on subscription liabilities	-	(22,086)	-
Net cash used by capital and related financing activities	<u>(18,682)</u>	<u>(11,457,755)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	-	(14,847,817)	-
Interest and dividends	66,829	2,392,636	163,039
Net cash provided by investing activities	<u>66,829</u>	<u>(12,455,181)</u>	<u>2,736,956</u>
Net increase (decrease) in cash and cash equivalents	(20,378)	(17,776,564)	3,828,088
Cash and cash equivalent balances - beginning of year	1,554,804	41,552,392	3,472,417
Cash and cash equivalent balances - end of year	<u>\$ 1,534,426</u>	<u>\$ 23,775,828</u>	<u>\$ 7,300,505</u>
Cash and cash equivalents are comprised of the following:			
Cash and cash equivalents	\$ 1,534,426	\$ 14,780,262	\$ 4,726,588
Restricted cash and cash equivalents - current	-	4,534,828	-
Restricted cash and cash equivalents - noncurrent	-	4,460,738	-
Total cash and cash equivalents on the Statement of Net Position	<u>\$ 1,534,426</u>	<u>\$ 23,775,828</u>	<u>\$ 4,726,588</u>

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

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year-to-Date as of December 31, 2023

	Business-Type Activities		
	Enterprise Funds		
	Airport	Sanitation	Water, Sewer, & Storm Sewer
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (5,684,602)	\$ (1,012,843)	\$ (14,102,861)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation expense	5,156,368	742,477	17,091,600
Amortization expense	4,668	460,164	12,929
MSWLF closure and post closure care cost adjustment	-	259,939	-
Change in assets, deferred outflows, liabilities & deferred inflows:			
Accounts receivable	(22,533)	(121,927)	535,847
Special assessment receivable	-	-	(962,685)
Intergovernmental receivables	(2,023,233)	-	(1,447,646)
Accrued interest receivable	(1,733)	(2,657)	(281,196)
Inventory	(9,615)	-	(215,329)
Prepays	(15,524)	(7,864)	(12,118)
Other assets	(2,480)	(1,360)	(73,949)
Deferred outflow on refunding	82,265	-	-
Deferred outflows of resources related to pension	214,309	651,539	639,032
Deferred outflows of resources related to OPEB	11,149	4,059	5,951
Accounts payable	64,784	(663,684)	(605,479)
Retainage payable	(5,054)	(50,771)	111,182
Accrued salaries and benefits payable	8,862	6,818	32,402
Compensated absences	10,347	(292)	42,228
Accrued interest payable	(5,660)	7,928	(20,457)
Customer deposits	75	-	5,351
Unearned revenue	68,600	-	-
Net pension liability	(236,012)	(444,349)	548,067
Net OPEB asset/liability	114	(5,292)	19,516
Unavailable revenue - special assessments	-	-	-
Deferred inflows of resources related to leases	(141,309)	86,947	(29,101)
Deferred inflows of resources related to PPPs	(711,227)	-	-
Deferred inflows of resources related to pension	340,004	314,774	615,909
Deferred inflows of resources related to OPEB	(1,921)	1,283	(11,910)
Net cash provided (used) by operating activities	<u>\$ (2,899,358)</u>	<u>\$ 224,889</u>	<u>\$ 1,897,283</u>
NONCASH CAPITAL ACTIVITY			
Borrowing under lease	\$ -	\$ 1,244,099	\$ 56,361
Construction of capital assets from developers	-	-	24,226,231
Net interfund transfers of capital assets	-	-	47,587

City of Minot, North Dakota
Statement of Cash Flows
Proprietary Funds
For the Year-to-Date as of December 31, 2023

	Nonmajor	Total Enterprise Funds	Governmental Activities	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)		\$ (1,414,320)	\$ (22,214,626)	\$ 954,379
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation expense	1,149,503	24,139,948		-
Amortization expense	-	477,761		-
MSWLF closure and post closure care cost adjustment	-	259,939		-
Change in assets, deferred outflows, liabilities & deferred inflows:				
Accounts receivable	39,460	430,847	130,516	
Special assessment receivable	-	(962,685)		-
Intergovernmental receivables	38	(3,470,841)		-
Accrued interest receivable	14	(285,572)		-
Inventory	-	(224,944)	32,582	
Prepays	(204)	(35,710)		-
Other assets	(870)	(78,659)		-
Deferred outflow on refunding	-	82,265		-
Deferred outflows of resources related to pension	42,537	1,547,417		-
Deferred outflows of resources related to OPEB	108	21,267		-
Accounts payable	15,768	(1,188,611)	(68,724)	
Retainage payable	-	55,357		-
Accrued salaries and benefits payable	7,561	55,643		-
Compensated absences	51	52,334		-
Accrued interest payable	-	(18,189)		-
Customer deposits	-	5,426		-
Unearned revenue	78,213	146,813	(45)	
Net pension liability	(99,104)	(231,398)		-
Net OPEB asset/liability	(1,269)	13,069		-
Unavailable revenue - special assessments	1,734	1,734		-
Deferred inflows of resources related to leases	(25,463)	(108,926)		-
Deferred inflows of resources related to PPPs	-	(711,227)		-
Deferred inflows of resources related to pension	-	1,270,687		-
Deferred inflows of resources related to OPEB	-	(12,548)		-
Net cash provided (used) by operating activities	<u>\$ (206,243)</u>	<u>\$ (983,429)</u>	<u>\$ 1,048,708</u>	
NONCASH CAPITAL ACTIVITY				
Borrowing under lease	\$ -	\$ 1,300,460	\$ -	
Construction of capital assets from developers	-	24,226,231		-
Net interfund transfers of capital assets	-	47,587		-

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, 2023

	Pension & OPEB Trust Funds	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 432,726	\$ 61,474
Investments:		
U.S. government securities	9,122,056	-
State and local obligations	9,596,414	-
Corporate bonds	10,191,431	-
Mutual funds	57,610,796	-
Accounts receivable	20,822	82,882
Intergovernmental receivable	-	7,585
Total assets	<u>86,974,245</u>	<u>151,941</u>
LIABILITIES		
Accounts payable	5,581	147,470
Total liabilities	<u>5,581</u>	<u>147,470</u>
NET POSITION		
Restricted for:		
Pension benefits	85,700,825	-
OPEB benefits	1,267,839	-
Custodial activities	-	4,471
Total net position	<u>\$ 86,968,664</u>	<u>\$ 4,471</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, 2023

	Pension & OPEB Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Contributions employer	\$ 5,720,956	\$ -
Contributions plan members	1,899,646	-
Lodging taxes	-	1,192,918
Car rental taxes	-	46,676
Intergovernmental	-	13,650
Total contributions	<u>7,620,602</u>	<u>1,253,244</u>
Investment earnings:		
Interest and dividends	2,278,139	-
Net increase (decrease) in the fair value of investments	<u>10,434,181</u>	-
Total investment earnings	<u>12,712,320</u>	-
Less investment expense	179,480	-
Net investment earnings	<u>12,532,840</u>	-
Total additions	<u>20,153,442</u>	<u>1,253,244</u>
DEDUCTIONS		
Benefits paid to plan member and beneficiaries	10,382,611	-
Refunds paid to plan member and beneficiaries	407,366	-
Retiree claims	87,303	-
Taxes distributed to Visit Minot/All Seasons Arena	-	1,185,021
Third party premiums	36,079	-
Administrative expenses	37,241	63,752
Total deductions	<u>10,950,600</u>	<u>1,248,773</u>
Net increase (decrease) in fiduciary net position	9,202,842	4,471
Net position - beginning	<u>77,765,822</u>	-
Net position - ending	<u>\$ 86,968,664</u>	<u>\$ 4,471</u>

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

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**NOTE 1-SUMMARY OF SIGNIFICANT
ACCOUNTING POLICIES**

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

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

**C. BASIC FINANCIAL STATEMENTS
(GASB 34)**

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

**Government-Wide Financial
Statements**

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

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely significantly on fees and charges for support.

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

Fund Financial Statements

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

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detailed in the supplemental information.

D. FINANCIAL STATEMENT PRESENTATION

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

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

The City reports the following major governmental funds:

The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue sources include property taxes, licenses and permits, state and county shared revenues, and charges for goods and services. In addition to general government, primary expenditures include the functions of public safety and highways and streets.

The **Debt Service Fund** is a debt service fund established to accumulate the resources used to pay for the principal and interest for City debt. This includes resources from properties benefitting by special assessment districts, bonds for paving and street projects, and flood control projects

which will mature in future years.

The **Capital Infrastructure Fund** is used to account for the cost of highway improvement projects and capital infrastructure purchases deemed beneficial to the citizens of Minot and funded by federal, state, and local funds.

The **Capital Flood Control Fund** is used to account for capital resources used towards flood control projects within the City of Minot. Funding is provided by sales tax collections or debt issuances.

The City reports the following major business-type funds:

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

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

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

Additionally, the government reports the following fund types:

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

The **Fiduciary Trust Funds** account for the activities of the City employee

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pension plan, which accumulates resources for pension benefit payments to qualified employees and the City's other post-employment benefits, which accumulate resources for OPEB payments to qualified employees.

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

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This focus concentrates on the fund's resources available for spending currently or in the near future. Revenues are recognized when they become both measurable and available. Revenues are considered available when they are collectible within

the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available if they are collected within 30 days of the end of the fiscal year. Expenditures are generally recognized when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

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

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

Cash

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

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

Investments

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

obligation of the state housing finance agency that is rated in the highest two categories by a nationally recognized rating agency; (3) any security that is a general obligation of a school district and is rated in the highest two categories by a nationally recognized rating agency; (4) obligations of this state and general obligations of its political subdivisions; f) commercial paper issued by a United States corporation rated in the highest quality category by at least two nationally recognized rating agencies and matures in two hundred seventy days or less.

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

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

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets

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for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Receivables and Payables

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

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

Lease receivables are recorded at the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the City of Minot charges the lessee.

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

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

are collected by the County and remitted monthly to the City.

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

Inventories and Prepaid Items

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

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

Other Assets – Capital Credits

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

Restricted Cash

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.

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

Capital and Right-To-Use Assets

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

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

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

Depreciation/amortization has been provided over the estimated useful life,

using the straight-line method, as follows:

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

Right-to-use leased assets are recognized at the lease commencement date and represent the City of Minot's right-to-use an underlying asset for the lease term. Right-to-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right-to-use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the effective interest method. The amortization period varies from 3-5 years.

The right-to-use subscription IT assets are recognized at the subscription commencement date and represent the City's right-to-use an underlying IT asset for the subscription term. Right-to-use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right-to-use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies from more than 1 to 7 years.

Net Position/Fund Balance

The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is "net

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position" on the government-wide, business-type and fiduciary fund financial statements and "fund balance" on the governmental fund financial statements.

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

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

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

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

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

Unassigned fund balance represents residual classification for the general fund. This classification represents fund balance not assigned to other funds and not

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

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

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

Net investment in capital assets consists of capital and right-to-use assets, net of accumulated depreciation/amortization, reduced by the outstanding principal of capital related borrowings (adjusted by any unamortized premiums, discounts and unspent proceeds related to debt) and any other (non-debt) capital related liabilities as of fiscal year end, including accounts payable and

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retainage payable. This doesn't include the capital financing program bonds or tax increment financing bonds since these aren't long-term debt related to the acquisition, construction, or improvement of the City's assets.

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

	Governmental Activities	Business-Type Activities
Capital assets net of accumulated depreciation/amortization	\$ 395,884,606	\$ 381,734,166
Outstanding principal of capital related debt		
General obligation	(6,595,000)	-
Special assessment	(9,591,543)	(1,718,457)
Excluding unspent proceeds	106,897	-
Sales tax	(48,495,000)	-
Excluding unspent proceeds	26,362,627	-
Revenue bonds		(29,915,000)
State revolving fund	(1,512,431)	(12,860,229)
Direct financing leases	-	(564,412)
Leases	(535,416)	(1,099,901)
Subscription IT liabilities	(160,835)	(76,197)
Capital related liabilities (accounts payable)		
Airport	-	(90,722)
Sanitation	-	(533)
Water, sewer & storm sewer	-	(202,046)
Nonmajor enterprise funds	-	(10,250)
Capital infrastructure	(662,320)	-
Capital flood control	(2,237,172)	-
Nonmajor governmental funds	(394,548)	-
Capital related liabilities (retainage payable)		
Sanitation	-	(148,099)
Water, sewer & storm sewer	-	(296,211)
Capital infrastructure	553,682	-
Capital flood control	716,920	-
Nonmajor governmental funds	42,226	-
Unamortized original issue premiums on outstanding capital debt	(4,192,922)	(553,507)
Unamortized original issue discounts on outstanding capital debt	1,061	173,977
Capital related deferred outflows of resources		
Deferred charge on refunding	-	966,618
Total net investment in capital assets	<u>\$ 349,290,831</u>	<u>\$ 335,339,197</u>

Compensated Absences

Employees accrue vacation leave at a rate of fourteen days per year for the first five years of continuous service. The accrual rate is increased to seventeen days per year after five years, twenty days per year after ten years, and twenty-three days per year after fifteen years of service. A maximum of 300 vacation hours may be carried over from year to year. Accumulated unpaid vacation is accrued when earned in the government-wide and business-type fund statements.

The City is authorized to provide compensatory time off to employees in lieu of overtime. Compensatory time guidelines differ by department with maximum allowable accrual based on the type of work performed. The employee is entitled to

cash out of any unused compensatory time upon termination of employment. Accumulated unpaid compensatory time is accrued when earned in the government-wide and business-type fund statements.

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

Self-Insurance

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

Deferred Inflows of Resources

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

The City recognizes the following types of deferred inflows of resources:

Deferred inflows of resources related to leases where the City is the lessor is reported in the governmental funds balance sheet and statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) using the straight-line method over the term of the lease.

Deferred inflows related to pensions and OPEB are collective deferred inflows of

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resources related to pensions and OPEB, which are described in more detail in Note 5D.

Deferred inflows related to PPPs is the amount of the initial measurement of the receivable for the installment payments and any payments received from the operator at or before the commencement of the PPP term. The deferred inflows of resources related to PPPs is amortized using the straight-line method over the term of the agreement.

Deferred Outflows of Resources

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

The City recognizes the following types of deferred outflows of resources:

Unamortized refunding costs, which are only recorded in the government-wide and proprietary fund statements of net position, represent the deferred charges on refundings which resulted from the difference in carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred outflows related to pensions and OPEB are collective deferred outflows of resources related to pensions and OPEB, which are described in more detail in Note 5D.

Long-Term Obligations

In the government-wide financial statements, and business-type fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable

governmental activities or business-type activities statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Lease liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the City.

Subscription liabilities represent the City's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments are discounted based on a borrowing rate determined by the City.

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.

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

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

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

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

A. The governmental fund balance sheet includes a reconciliation between total governmental funds fund balance and net position of governmental activities as reported in the government-wide statement of net position. One element of the reconciliation explains, "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this (\$76,805,124) difference are as follows:

Bonds payable	\$ 72,116,835
State revolving fund	1,512,431
Accrued interest payable	561,368
Leases payable	535,416
Subscription IT liabilities	160,835
Compensated absences	<u>1,918,240</u>
Net adjustment to reduce fund balance- total governmental funds to arrive at net position-governmental activities	<u>\$ 76,805,124</u>

B. The governmental fund statement of revenues, expenditures, and changes in fund balances include reconciliation between net changes in fund balances, total governmental funds and changes in net

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

Donated capital assets	\$ 4,539,085
Capital outlay	29,628,142
Depreciation/amortization expenditure	(17,690,137)
Proceeds from sale of City property	250,228
Gain/(loss) on sale of City property	<u>(1,099,759)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental funds	<u>\$ 15,627,559</u>

NOTE 3-STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. COMPLIANCE WITH FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

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

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

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

The budget is prepared by fund, by department within each fund, and by line item within each department. 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

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circumstances.

The City incurred zero violations of excess of expenditures over appropriations.

C. NET POSITION/FUND BALANCE DEFICITS

The CDBG-NDR \$74.3 million fund had a deficit fund balance of \$2,165,547 as of December 31, 2023, which will be funded by the collection of the grant revenue.

NOTE 4-DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

Government and Business-Type Funds

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

Allowable deposits and investments:

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

Custodial credit risk: This is the risk in the event of bank failure, the government's deposits may not be returned to it. Per the City's investment policy, custodial credit risk will be minimized by using the following techniques; limiting investments to the safest type of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the City will do business; and diversifying the investment portfolio so potential losses on individual securities will be minimized. As of December 31, 2023, the City's deposits were either fully insured or properly collateralized, were held in the City's name, and have no custodial credit risk.

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

Interest rate risk: Interest rate risk is the risk changes in interest rates that will adversely affect the fair value of an investment. Per the City's investment policy, interest rate risk will be minimized by 1) structuring the investment portfolio so securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity; and 2) investing

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operating funds primarily in shorter-term securities, money market funds, or similar investments and limiting the average maturity of the portfolio in accordance with this policy. The charts below summarize the City's investments using segmented time distribution.

As of December 31, 2023, the City has invested in cash and money markets \$125,279,300, \$54,565,111 of U.S. bonds, and certificates of deposit \$26,311,054, which have no credit ratings. The City also has NAWS investments valued at \$194,229. The fixed income securities are all government agency securities.

NAWS Investments

Investment Type	Fair Value	Rated AAA	Rated AA+	Not-Rated
Cash & money market	\$ 4,994	\$ -	\$ -	\$ 4,994
Fixed income				
Government agencies	189,235	4,920	84,588	99,727
Total fair value	<u>\$ 194,229</u>	<u>\$ 4,920</u>	<u>\$ 84,588</u>	<u>\$ 104,721</u>

Maturity (Years)	Fixed Income
1-5	\$ 102,944
5-10	78,911
> 10	7,380
	<u>\$ 189,235</u>

City of Minot Investments

Investment Type	Fair Value
Cash & money market	\$ 2,831,234
Fixed income	
Government agencies	51,733,877
Total fair value	<u>\$ 54,565,111</u>

Credit Rating	Fixed Income
AAA	\$ 1,483,366
AA+	48,464,885
AA	331,576
Not rated	494,225
Other	959,825
	<u>\$ 51,733,877</u>

Maturity (Years)	Fixed Income
<1	\$ 15,920,519
1-5	33,579,584
5-10	2,233,774
	<u>\$ 51,733,877</u>

The City has the following recurring fair value measurements as of December 31, 2023:

NAWS government agencies of \$189,235 are valued using quoted market prices (Level 1 inputs)
 City government agencies of \$51,733,877 are valued using quoted market prices (Level 1 inputs)

B. INTERGOVERNMENTAL RECEIVABLES

A total of \$22,769,736 is due from intergovernmental receivables. This includes \$4,994,416 due from the Federal government, \$2,860,518 from the Federal Aviation Administration; \$1,879,787 from Housing and Urban Development; \$198,920 from Federal Transit Administration; \$33,495 from Department of Homeland Security; \$18,721 from Federal Railroad Administration; and \$2,975 from Department of Justice. It also includes \$117,445,897 from the State of North Dakota, \$14,466,012 from the Department of Water Resources for home acquisitions, NAWS, and flood control; \$1,549,443 for city sales tax; \$647,319 of oil & gas taxes; \$332,632 for State Aid Distribution; \$227,804 for Municipal Highway tax; \$171,059 from State Aeronautics; \$36,492 from Office of Attorney General; \$7,636 from Department of Transportation; and \$7,500 from North Dakota Information Technology department; and \$329,423 due from Ward County.

C. RECEIVABLES

The City has development agreements and business incentive agreements with private-sector businesses that include no-interest, forgivable loans. These agreements range from 5-30 year terms and various forgiveness terms.

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Loans receivable as of the end of the current fiscal year are as follows:

Due within one year	\$ 1,408,091
Due after one year	14,901,848
Less: allowance for uncollectible	(14,547,229)
Total loans receivable	<u>\$ 1,762,710</u>

The only receivables not expected to be collected within one year are \$8,823,444 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:

Deferred inflows of resources related to leases	\$ 299,040
Uncertified special assessments	8,329,335
Unavailable revenue - property taxes	900,161
Unavailable revenue - special assessments	362,719
Total deferred inflows of resources	<u>\$ 9,891,255</u>

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

	Taxes Delinquent	Specials Assessments Delinquent	Accounts Receivable	Loans Receivable	Leases Receivables	Intergov't Receivable	Accrued Interest Receivable	Specials Assessments Deferred	Gross Receivables	Less: Allow for Uncollectible	Total Net Receivables
General fund	\$ 746,170	\$ 34,472	\$ 1,127,273	\$ -	\$ 303,243	\$ 985,272	\$ 107,396	\$ 156,802	\$ 3,460,628	\$ (696,330)	\$ 2,764,298
Debt service	183,031	330,668	-	-	-	2,478	-	8,172,533	8,688,710	-	8,688,710
Capital infrastructure	15	-	1,164,459	-	-	2,329,899	121,027	-	3,615,400	(1,164,459)	2,450,941
Capital flood control	185	-	-	-	-	-	-	-	185	-	185
Nonmajor governmental funds	88,649	-	183,030	16,309,939	5,919	3,948,983	986	-	20,537,506	(14,682,379)	5,855,127
Airport	24,562	-	3,204,968	-	3,186,830	3,028,055	9,987	-	9,454,402	-	9,454,402
Sanitation	-	-	725,956	-	85,586	-	2,657	-	814,199	-	814,199
Water, sewer & storm sewer	253	12,574	2,785,786	-	150,016	12,475,010	329,334	2,172,785	17,925,758	-	17,925,758
Nonmajor enterprise funds	4,657	-	14,113	-	111,252	39	328	-	130,389	-	130,389
Internal service	-	-	13,120	-	-	-	-	-	13,120	-	13,120
Total net receivables	<u>\$1,047,522</u>	<u>\$ 377,714</u>	<u>\$ 9,218,705</u>	<u>\$16,309,939</u>	<u>\$ 3,842,846</u>	<u>\$ 22,769,736</u>	<u>\$ 571,715</u>	<u>\$ 10,502,120</u>	<u>\$64,640,297</u>	<u>\$ (16,543,168)</u>	<u>\$ 48,097,129</u>

D. TAX ABATEMENTS

As of December 31, 2023, the County provides tax abatements/incentives through four programs, renaissance zone property tax exemptions for commercial buildings, renaissance zone property tax exemptions for residential buildings, exemption of improvements to commercial and residential buildings, and a new business exemption.

The renaissance zone property tax exemptions, NDCC § 40-63, is for commercial and residential buildings located within a renaissance zone that allow for the property to be excluded for up to five years, provided the City approves the exemption. A renaissance zone is a geographic area a City applies to the State

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Department of Commerce to designate a portion of the City into a renaissance zone. An exemption can be requested for up to 100 percent of the building excluding the land.

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

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

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

The following is information relevant to the disclosure of these programs for the fiscal year ended December 31, 2023:

Tax Abatement Programs	Amount of taxes abated during the 2023 fiscal year
Renaissance zone exemption - commercial buildings	\$ 48,713 <u>\$ 48,713</u>

E. SERVICE CONCESSION ARRANGEMENT (SCA)

GASB Statement No. 94 (GASB 94), *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* defines an SCA as a type of public-private or public-public partnership. The City has determined the following arrangement meets the criteria set forth (where the City is the transferor) and therefore included the SCA in the City's financial statements.

On August 1, 2021, the City entered into a five-year agreement with LAZ Parking Midwest, LLC, to operate and manage the parking at the Minot International Airport. LAZ will be compensated by a percentage of annual gross revenues per the terms of the agreement. The City holds an asset and a deferred inflow of resources in the amount of \$1,837,335 that will be amortized over the remaining term of the agreement.

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F. CAPITAL AND RIGHT-TO-USE ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

Governmental Activities	Beginning Balance 1/1/2023	Additions	Deletions	Transfers	Ending Balance 12/31/2023
Land	\$ 107,817,715	\$ 2,157,730	\$ 570,862	\$ -	\$ 109,404,583
Construction in progress	33,313,041	33,849,335	33,409,136	-	33,753,240
Depreciable assets					
Infrastructure	356,546,517	10,996,940	1,807,289	-	365,736,168
Buildings	21,877,299	17,436,262	-	-	39,313,561
Equipment	28,526,683	2,637,235	844,145	260,728	30,580,501
Intangible assets	214,207	9,956	-	-	224,163
Books	3,096,780	171,015	235,191	-	3,032,604
Totals at historical cost	551,392,242	67,258,473	36,866,623	260,728	582,044,820
Accumulated depreciation					
Infrastructure	(139,613,360)	(14,911,574)	1,807,287	-	(152,717,647)
Buildings	(11,161,664)	(795,600)	-	-	(11,957,264)
Equipment	(19,755,820)	(1,516,483)	653,753	(213,928)	(20,832,478)
Books	(1,549,127)	(133,425)	229,708	-	(1,452,844)
Total accumulated depreciation	(172,079,971)	(17,357,082)	2,690,748	(213,928)	(186,960,233)
Governmental activities capital assets, net	\$ 379,312,271	\$ 49,901,391	\$ 34,175,875	\$ 46,800	\$ 395,084,587

Business-Type Activities	Beginning Balance 1/1/2023	Additions	Deletions	Transfers	Ending Balance 12/31/2023
Land	\$ 9,647,205	\$ -	\$ -	\$ -	\$ 9,647,205
Construction in progress	19,253,187	35,912,548	47,739,318	-	7,426,417
Depreciable assets					
Infrastructure	428,628,527	4,655,844	10,027,874	-	423,256,497
Buildings	81,103,568	36,126,486	-	-	117,230,054
Equipment	29,209,629	6,929,772	911,009	(260,728)	34,967,664
Intangible assets	95,200	27,217	-	-	122,417
Totals at historical cost	567,937,316	83,651,867	58,678,201	(260,728)	592,650,254
Accumulated depreciation					
Infrastructure	(155,669,712)	(18,084,827)	10,027,874	-	(163,726,665)
Buildings	(23,991,501)	(4,533,374)	-	-	(28,524,875)
Equipment	(19,538,550)	(1,521,747)	865,894	213,928	(19,980,475)
Total accumulated depreciation	(199,199,763)	(24,139,948)	10,893,768	213,928	(212,232,015)
Business-type activities capital assets, net	\$ 368,737,553	\$ 59,511,919	\$ 47,784,433	\$ (46,800)	\$ 380,418,239
Total capital assets, net	\$ 748,049,824	\$ 109,413,310	\$ 81,960,308	\$ -	\$ 775,502,826

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Right-to-use activity for the year ended December 31, 2023 was as follows:

Governmental Activities	Beginning			Ending
	Balance	Additions	Deletions	Balance
	1/1/2023*			12/31/2023
Right-to-Use Assets:				
Equipment	\$ 1,157,156	\$ 36,495	\$ 7,250	\$ 1,186,401
Subscription-based IT assets	82,479	151,648	-	234,127
Total Right to Use Assets	1,239,635	188,143	7,250	1,420,528
Less Accumulated Amortization				
Equipment	(291,167)	(292,463)	3,713	(579,917)
Subscription-based IT assets	-	(40,592)		(40,592)
Total Accumulated Amortization	(291,167)	(333,055)	3,713	(620,509)
Governmental activities right-to-use assets, net	\$ 948,468	\$ (144,912)	\$ 3,537	\$ 800,019
Business-Type Activities				
	Beginning			Ending
	Balance	Additions	Deletions	Balance
	1/1/2023*			12/31/2023
Right-to-Use Assets:				
Land	\$ 591	\$ -	\$ -	\$ 591
Equipment	1,522,419	575,885	-	2,098,304
Subscription-based IT assets	-	98,282	-	98,282
Total Right to Use Assets	1,523,010	674,167	-	2,197,177
Less Accumulated Amortization				
Land	(295)	-	-	(295)
Equipment	(403,194)	(464,622)	-	(867,816)
Subscription-based IT assets	-	(13,139)	-	(13,139)
Total Accumulated Amortization	(403,489)	(477,761)	-	(881,250)
Business-type activities right-to-use assets, net	1,119,521	196,406	-	1,315,927
Total right-to-use assets, net	\$ 2,067,989	\$ 51,494	\$ 3,537	\$ 2,115,946

**Items may not be comparable due to the application of GASB 96, the City chose not to restate 2022 financial statements for this standard.*

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

Governmental Activities

General government	\$ 746,141
Public safety	2,388,988
Culture and recreation	310,125
Highways and streets	<u>13,911,828</u>
 Total depreciation expenditure - governmental activities	<u>\$ 17,357,082</u>

Business-Type Activities

Airport	\$ 5,156,368
Cemetery	34,366
Parking authority	575
Sanitation	742,477
Water, sewer & storm sewer	17,091,600
Parking ramps	<u>1,114,562</u>
 Total depreciation expense - business-type activities	<u>\$ 24,139,948</u>

Governmental Activities

General government	\$ 37,096
Public safety	188,186
 Highways and streets	<u>107,773</u>
 Total amortization expenditure - governmental activities	<u>\$ 333,055</u>

Business-Type Activities

Airport	\$ 4,668
Sanitation	460,164
Water, sewer & storm sewer	<u>12,929</u>
 Total amortization expense - business-type activities	<u>\$ 477,761</u>

The Souris River Joint Water Resource Board (SRJB), in cooperation with the City, is providing local sponsorship and coordination of the Mouse River Enhanced Flood Protection Project. The City has committed to funding the local cost share (35%) of the entire basin-wide project and to provide the matching funds required under the Department of Water Resources funding (65%). SRJB provides administrative support for the basin-wide project to set forth a phasing plan for flood recovery and flood protection efforts. SRJB also provides overall management and coordination of the project and is the contract holders for the design and

construction of each phase. The City's cost share of 35% is recorded as construction in progress for phases within City limits until the phases are in-service. Once the phase is in service, the SRJB donates the Department of Water Resources 65% cost share to the City. At that time, the City is responsible for operation, maintenance and replacement of the project features. The City recorded \$956,943 of donated assets in the fiscal year ended December 31, 2023 related to this project.

G. COMMITMENTS

Construction and other significant commitments as of December 31, 2023 were \$34,257,566.

	<u>Spent to Date</u>	<u>Remaining</u>
General fund	\$ 5,671,751	\$ 2,139,525
Capital infrastructure	17,377,601	4,230,689
Capital flood control	37,832,352	11,732,587
Nonmajor governmental funds	26,605,661	7,835,107
Airport	336,767	2,592,347
Sanitation	7,250,789	1,282,529
Water, sewer & storm sewer	25,394,370	4,443,073
Nonmajor enterprise funds	<u>13,290</u>	<u>1,710</u>
	<u>\$ 120,482,582</u>	<u>\$ 34,257,566</u>

The City is committed in the Northwest Area Water Supply Project to bring water from the Missouri River to Minot, the estimated costs of the project remaining is \$141.8 million, with the City's cost share to be approximately \$39.8 million. The City's local share of expenditures to date is approximately \$77.7 million. This project will be funded with sales tax monies approved by the voters in March 1999.

Following is the breakdown of encumbrances by major fund as of December 31, 2023:

General fund	\$ 3,385,758
Capital infrastructure	4,480,768
Capital flood control	10,657,632
Nonmajor governmental funds	8,345,272
Airport	4,342,075
Sanitation	1,239,774
Water, sewer & storm sewer	3,335,442
Nonmajor enterprise funds	<u>1,844</u>
Total encumbrances	<u>\$ 35,788,565</u>

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

**H. INTERFUND RECEIVABLES,
 PAYABLES, AND TRANSFERS**

The City had no interfund advance to and from balances as of December 31, 2023.

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

	Nonmajor Governmental Funds	Total Due From
Nonmajor governmental funds	250,045	250,045
Total due to	<u>250,045</u>	<u>250,045</u>

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

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

Transfers in and out are detailed in the table below:

	Governmental Funds				
	General Fund	Capital Infrastructure	Nonmajor Governmental Funds	Subtotal Governmental Transfers Out	
General fund	\$ -	\$ -	\$ 2,042,325	\$ 2,042,325	
Capital infrastructure	1,511,801	-	203,011	1,714,812	
Nonmajor governmental funds	14,690,193	-	4,467,223	19,157,416	
Airport	-	-	14,875	14,875	
Sanitation	-	-	188,898	188,898	
Water, sewer, & storm sewer	173,828	17,173	596,464	787,465	
Total transfers in	<u>\$ 16,375,822</u>	<u>\$ 17,173</u>	<u>\$ 7,512,796</u>	<u>\$ 23,905,791</u>	

	Business-Type Funds				
	Sanitation	Airport	Water, Sewer, & Storm Sewer	Nonmajor Enterprise Funds	Subtotal Business- Type
General fund	\$ -	\$ -	\$ -	\$ -	\$ 2,042,325
Capital infrastructure	-	-	-	-	1,714,812
Nonmajor governmental funds	1,300,000	93,875	871,566	69,750	2,335,191
Airport	-	-	-	-	14,875
Sanitation	-	-	-	-	188,898
Water, sewer, & storm sewer	167,813	-	-	-	167,813
Total transfers in	<u>\$ 1,467,813</u>	<u>\$ 93,875</u>	<u>\$ 871,566</u>	<u>\$ 69,750</u>	<u>\$ 2,503,004</u>
					<u>\$ 26,408,795</u>

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I. LEASES

City as Lessee

The City leases land for a compost site and equipment for various departments. The equipment leases are for copier machines, heavy machinery, and police in-car and body cameras. The total lease liability at December 31, 2023 is \$535,416 for governmental activities and \$1,099,902 for business-type activities. There are no significant residual payments excluded from the measurement of the lease liability. There are no significant outflows of resources recognized in the current year for other payments, including residual value guarantees or termination penalties, not previously included in the measurement of the lease liability. Interest expense on leases recognized in the current year are \$10,974 for governmental activities and \$35,144 for business-type activities. Interest rates on the leasing arrangements range from 2.22-10.55%.

The following table presents lease principal and interest requirements to maturity:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 190,011	\$ 10,974	\$ 518,275	\$ 35,144
2025	163,454	5,771	304,001	19,811
2026	168,571	529	121,354	11,465
2027	7,558	286	108,356	5,134
2028	5,822	60	47,915	1,435
	<u>\$ 535,416</u>	<u>\$ 17,620</u>	<u>\$ 1,099,901</u>	<u>\$ 72,989</u>

City as Lessor

The City leases land and buildings for various departments. The leases are for hangars at the Minot International Airport, parking lots owned and operated by the Parking Authority, water tower rentals, and office space. There are no significant variable payments excluded from the measurement of the lease receivable and no significant inflows of resources from variable or other payments not previously included in the measurement of the lease receivable. The lease receivable at December 31, 2023 is \$309,162 for governmental activities and \$3,533,684 for business-type activities. The deferred

inflows related to leases at December 31, 2023 is \$299,040 for governmental activities and \$3,399,640 for business-type activities.

The City recognized rental income of \$29,615 for governmental activities and \$162,223 for business-type activities and interest income on leases of \$9,784 for governmental activities and \$110,549 for business-type activities. There are no significant leases with options for the lessee to terminate the lease or abate payments if the City issues debt for which the principal and interest payments are secured by the lease payments.

There are no significant leases of assets that are held as investments; no significant regulated leases; and no leasing of assets to other entities considered to be a principal and ongoing operation of the City.

The following table presents the lease receivables to maturity:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 30,101	\$ 9,021	\$ 162,886	\$ 105,894
2025	27,475	8,109	154,020	100,808
2026	25,094	7,271	140,097	96,141
2027	19,290	6,629	115,845	92,315
2028	19,885	6,043	100,331	89,212
2029-2033	114,484	20,224	343,572	413,330
2034-2038	72,833	2,992	389,812	357,034
2039-2043	-	-	470,712	291,359
2044-2048	-	-	467,745	216,175
2049-2053	-	-	509,106	144,492
2054-2058	-	-	571,259	57,469
2059-2063	-	-	108,299	2,354
	<u>\$ 309,162</u>	<u>\$ 60,289</u>	<u>\$ 3,533,684</u>	<u>\$ 1,966,583</u>

If no implicit interest rate was stated in the leasing arrangement, the City used 3.07% as the determined borrowing rate.

Direct Financing Leases. The City has one direct financing lease arrangement for financing the purchase of 12,480 recycling carts. The agreement has been recorded at the present value of their future minimum lease payments as of the inception date. The price of these recycling carts was below the capital asset threshold so no assets were acquired through the direct financing

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lease arrangement.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2023, were as follows:

For the year ending December 31, 2023	Business-Type Activities
2024	\$ 160,163
2025	160,163
2026	160,163
2027	160,164
Total minimum lease payments	<u>640,652</u>
Less: amount representing interest	(76,241)
Present value of minimum lease payments	<u><u>\$ 564,411</u></u>

J. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

In the prior year, the City entered into a SBITA contract for citizen engagement software with a subscription term of 87 months. As of December 31, 2023, the value of the total subscription liability was \$68,177. The subscription liability was valued using a discount rate of 2.94% to 3.07% based on the rates from the Department of Treasury schedules. The right to use subscription asset, and the related accumulated amortization on right to use subscription asset were \$82,479 and \$11,247, as of December 31, 2023, respectively.

During the current year, the City's governmental activities entered into two SBITA contracts with software subscription terms ranging from 35 to 36 months. As of December 31, 2023, the value of the total subscription liabilities for these contracts was \$92,658. The subscription liabilities were valued using a discount rate of 3.07% based on the rates from the Department of Treasury schedules. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets were \$151,648 and \$29,345, as of December 31, 2023, respectively.

During the current year, the City's business-type activities entered into two SBITA contracts with software subscription terms ranging from 24 to 84 months. As of December 31, 2023, the value of the total subscription liabilities for these contracts was \$76,197. The subscription liabilities were valued using a discount rate of 3.07% based on the rates from the Department of Treasury schedules. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets were \$98,282 and \$13,139, as of December 31, 2023, respectively.

The following table presents subscription principal and interest requirements to maturity:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 58,284	\$ 5,022	\$ 10,753	\$ 2,379
2025	54,275	3,193	11,489	2,038
2026	10,963	1,503	12,252	1,680
2027	11,678	1,162	13,052	1,298
2028	12,425	800	13,886	895
2029-2033	<u>13,210</u>	<u>412</u>	<u>14,765</u>	<u>459</u>
	<u><u>\$ 160,835</u></u>	<u><u>\$ 12,092</u></u>	<u><u>\$ 76,197</u></u>	<u><u>\$ 8,749</u></u>

K. LONG-TERM DEBT

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

General Obligation Bonds are issued to provide funds for the acquisition and construction of major capital items. They are direct obligations and pledge the full faith and credit of the City of Minot. These bonds are paid through the debt service fund by a tax levy and sales tax funds sufficient to meet the current year's principal and interest payments. The City did not issue any general obligation bonds in 2023. These bonds are generally issued as 10-15-year bonds and the outstanding bonds have interest rates ranging from 3.00% to 4.00%.

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General obligation bonds currently outstanding are as follows:

Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2014	3,950,000	445,000	4.00%	10/01/2024
2015	390,000	90,000	3.00%	10/01/2025
2016	<u>10,110,000</u>	<u>6,060,000</u>	3.00-4.00%	10/01/2031
	<u><u>\$14,450,000</u></u>	<u><u>\$ 6,595,000</u></u>		

Special Assessment Bonds are issued to provide funds for the construction of improvement projects for residential and commercial developments. Special assessment bonds are paid directly from the sinking funds with the annual certification payments made by the property owners who directly benefit from each project. The City did not issue any special assessment bonds in 2023. The City has \$11,310,000 special assessment bonds outstanding backed by property owner annual certification payments. The City of Minot is legally obligated to meet any deficiencies by levying ad valorem taxes. Interest rates on the outstanding bonds range from 2.25% to 5.00%.

Special assessment bonds currently outstanding are as follows:

Governmental Activities				
Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2014	4,135,000	1,295,000	3.00-3.375%	10/01/2034
2015	1,835,000	1,215,000	2.25-3.25%	10/01/2035
2016	780,000	555,000	3.00-3.25%	10/01/2036
2021	2,641,137	2,211,543	4.00-5.00%	10/01/2031
2022	<u>5,160,000</u>	<u>4,315,000</u>	5.00%	10/01/2033
	<u><u>\$14,551,137</u></u>	<u><u>\$ 9,591,543</u></u>		

Business-Type Activities				
Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2020	\$ 1,340,000	\$ 970,000	2.00%	10/01/2030
2021	<u>893,863</u>	<u>748,457</u>	4.00-5.00%	10/01/2031
	<u><u>\$ 2,233,863</u></u>	<u><u>\$ 1,718,457</u></u>		

State Revolving Funds are issued by the State of North Dakota's State Revolving Fund (SRF) to provide funds to finance political subdivisions authorized projects with below-market interest rates. The City used the \$325,599 issued in 2023 to finance the construction of the Broadway

pump station. The debt will be paid using income from rates and/or sales tax revenues.

The City has a line of credit of \$2,452,340 in SRF available as of December 31, 2023. At December 31, 2023, no amount had been drawn on the line of credit.

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

State revolving funds currently outstanding are as follows:

Governmental Activities				
Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2019	434,122	293,080	1.50%	9/1/2040
2020	801,680	801,680	1.50%	9/1/2040
2021	34,625	34,625	1.50%	9/1/2040
2022	317,444	317,444	1.50%	9/1/2040
2023	<u>65,602</u>	<u>65,602</u>	1.50%	9/1/2040
	<u><u>\$ 1,653,473</u></u>	<u><u>\$ 1,512,431</u></u>		

Business-Type Activities				
Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2018	\$ 4,285,700	\$ 981,456	1.50%	9/1/2038
2018	1,929,799	1,929,799	1.50%	9/1/2040
2019	1,300,461	1,300,461	1.50%	9/1/2038
2019	4,461,339	4,461,339	1.50%	9/1/2040
2020	847,245	847,245	1.50%	9/1/2038
2020	2,078,249	2,078,249	1.50%	9/1/2040
2021	345,729	345,729	1.50%	9/1/2040
2022	655,954	655,954	1.50%	9/1/2040
2023	<u>259,997</u>	<u>259,997</u>	1.50%	9/1/2040
	<u><u>\$ 16,164,473</u></u>	<u><u>\$ 12,860,229</u></u>		

Revenue Bonds. The City of Minot issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. Interest rates on the outstanding bonds range from 1.00% to 5.00%.

During the year, the City did not issue any revenue bonds for airport, water and sewer projects, or sales tax revenue bonds.

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

The following are outstanding revenue bonds:

Business-Type Activities

Airport

Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2015	\$11,770,000	\$ 7,800,000	2.50-3.625%	10/01/2035
2020	<u>16,750,000</u>	<u>13,645,000</u>	<u>1.00-1.70%</u>	<u>10/01/2035</u>
	<u>\$28,520,000</u>	<u>\$21,445,000</u>		

Water and Sewer

Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2012	1,955,000	190,000	2.00%	10/01/2024
2013	5,220,000	2,030,000	3.00-3.50%	10/01/2028
2014	4,200,000	1,875,000	2.50-3.10%	10/01/2029
2015	6,860,000	1,510,000	3.00%	10/01/2025
2016	<u>4,785,000</u>	<u>2,865,000</u>	<u>3.00-4.00%</u>	<u>10/01/2031</u>
	<u>\$23,020,000</u>	<u>\$ 8,470,000</u>		

Governmental Activities

Sales Tax

Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2020	\$ 8,145,000	\$ 7,555,000	1.00-3.00%	10/1/2050
2021	<u>42,555,000</u>	<u>40,940,000</u>	<u>2.00-5.00%</u>	<u>10/1/2051</u>
	<u>\$50,700,000</u>	<u>\$48,495,000</u>		

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

Capital Financing Program Bonds

Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2015	\$ 1,945,000	\$ 925,000	3.00-4.00%	06/01/2029

General Obligation Tax Increment Bonds issued for the finance development associated with TIF District #2022-1, the rehabilitation of the Big M building in downtown Minot. The bonds will be payable from ad valorem taxes levied on all taxable property in the City, not subject to limitation as to rate or amount, and from

tax increment revenue derived from the TIF district. Interest rates on the outstanding bonds range from 4.54-5.40% with a term of 20 years.

The following are outstanding tax increment bonds:

Year	Original Amount Issued	Balance Outstanding 12/31/2023	Interest Rate	Matures
2022	\$ 2,385,000	\$ 2,270,000	4.54-5.40%	10/1/2042

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

General Obligation Bonds		
Governmental Activities	Principal	Interest
2024	\$ 1,155,000	\$ 223,100
2025	740,000	177,350
2026	720,000	148,200
2027	750,000	119,400
2028	770,000	96,900
2029-2031	2,460,000	149,100
Total governmental activities	<u>\$ 6,595,000</u>	<u>\$ 914,050</u>

Special Assessment Bonds		
Governmental Activities	Principal	Interest
2024	\$ 1,526,625	\$ 361,797
2025	767,820	309,904
2026	807,763	281,038
2027	838,970	249,669
2028	873,913	216,783
2029-2033	4,281,452	555,053
2034-2036	495,000	25,000
Total governmental activities	<u>\$ 9,591,543</u>	<u>\$ 1,999,243</u>

Sales Tax Revenue Bonds		
Governmental Activities	Principal	Interest
2024	\$ 1,080,000	\$ 1,385,254
2025	1,135,000	1,335,454
2026	1,185,000	1,283,104
2027	1,240,000	1,228,354
2028	1,300,000	1,170,954
2029-2033	7,295,000	5,055,289
2034-2038	8,405,000	3,939,986
2039-2043	9,505,000	2,842,570
2044-2048	10,630,000	1,725,349
2049-2051	6,720,000	327,099
Total governmental activities	<u>\$48,495,000</u>	<u>\$20,293,415</u>

Capital Financing Program Bonds		
Governmental Activities	Principal	Interest
2024	\$ 140,000	\$ 33,500
2025	145,000	28,500
2026	150,000	22,600
2027	155,000	16,500
2028	165,000	10,100
2029	170,000	3,400
Total governmental activities	<u>\$ 925,000</u>	<u>\$ 114,600</u>

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		Tax Increment Bonds				Special Assessment Bonds	
		Principal	Interest			Principal	Interest
Governmental Activities				Business-Type Activities			
2024	\$ 100,000	\$ 112,847		2024		\$ 208,375	\$ 53,688
2025	100,000	108,307		2025		217,180	47,169
2026	105,000	103,767		2026		222,237	40,360
2027	110,000	99,000		2027		231,030	33,298
2028	115,000	93,940		2028		236,087	25,946
2029-2033	545,000	389,420		2029-2031		603,547	34,138
2034-2038	595,000	255,150		Total business-type activities		\$ 1,718,457	\$ 234,598
2039-2042	600,000	82,610					
Total governmental activities	<u>\$ 2,270,000</u>	<u>\$ 1,245,041</u>					
State Revolving Fund				Business-Type Activities			
Governmental Activities		Principal	Interest	2024		Principal	Interest
2024	\$ 78,700	\$ 15,568		2024		\$ 696,407	\$ 154,766
2025	79,888	21,506		2025		712,546	182,457
2026	81,095	20,308		2026		723,776	171,769
2027	82,320	19,091		2027		735,101	160,912
2028	83,563	17,856		2028		746,522	149,886
2029-2033	437,133	70,097		2029-2033		3,932,364	577,535
2034-2038	471,157	36,307		2034-2038		4,288,063	272,091
2038-2040	198,575	4,479		2038-2039		1,025,449	23,129
Total governmental activities	<u>\$ 1,512,431</u>	<u>\$ 205,212</u>		Total business-type activities		<u>\$ 12,860,229</u>	<u>\$ 1,692,546</u>
Revenue Bonds							
Business-Type Activities		Principal	Interest				
2024	\$ 3,545,000	\$ 694,699					
2025	3,435,000	612,799					
2026	2,725,000	528,149					
2027	2,780,000	463,786					
2028	2,855,000	400,711					
2029-2033	10,630,000	1,169,811					
2034-2036	3,945,000	144,655					
Total business-type activities	<u>\$ 29,915,000</u>	<u>\$ 4,014,610</u>					

The City has pledged future revenues, net of specified operating expenses, to repay various debt issues of the City. The debt and information relating to the pledged revenues as of December 31, 2023, are as follows:

	Purpose	Pledged Revenue Source	Approximate Amount of Revenue Pledged	Final Maturity Date	Issue Amount	2023		Total Principal & Interest Remaining
						Principal & Interest Paid	Net Revenues	
Governmental Activities								
Revenue Bonds & Loans								
Sales Tax Flood Control								
Sales Tax Revenue Bonds								
State Revolving Loan								
	Flood Control	Sales and Use Taxes	34%	2051 2040	50,700,000 1,653,473	2,467,904 393,242	9,382,417	68,788,415 1,717,643
Business-type Activities								
Revenue Bonds & Loans								
Airport Fund								
Airport Revenue Bonds		Airport Terminal and Grounds Construction						
		Airport Revenues						
			58%	2035	28,520,000	2,046,664	7,476,582	24,557,513
Water-Sewer-Storm Sewer Fund								
Water and Sewer Revenue Bonds								
State Revolving Loan								
State Revolving Loan								
	System Construction	Water-Sewer-Storm Sewer Revenues	13%	2031 2038	23,020,000 6,433,406	2,196,505 365,025	3,161,798	9,372,098 5,684,200
	Flood Control	Sales and Use Taxes	34%	2040	9,731,067	2,408,177	9,382,417	8,868,575

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Changes in Long Term Liabilities.

The following is a summary of the activity for long-term liabilities as of December 31, 2023:

Governmental Activities	Beginning Balance*	Additions	Deletions	Ending Balance	Due Within One Year
Bonds payable					
General obligation	\$ 8,575,000	\$ -	\$ (1,980,000)	\$ 6,595,000	\$ 1,155,000
Bond premium, net	67,535	-	(45,852)	21,683	20,913
Tax increment	2,385,000	-	(115,000)	2,270,000	100,000
Bond discount, net	(23,679)	-	(1,189)	(22,490)	(1,189)
Special assessment	16,931,938	-	(7,340,395)	9,591,543	1,526,625
Bond discount, net	(1,150)	-	(89)	(1,061)	(89)
Bond premium, net	1,966,802	-	(373,812)	1,592,990	158,554
Sales tax	49,530,000	-	(1,035,000)	48,495,000	1,080,000
Bond premium, net	2,671,245	-	(92,995)	2,578,250	92,995
Capital financing program bonds	1,060,000	-	(135,000)	925,000	140,000
Bond premium, net	81,175	-	(10,254)	70,921	10,254
Total bonds payable	83,243,866	-	(11,129,586)	72,116,836	4,283,063
State revolving fund	1,538,555	65,602	(91,726)	1,512,431	78,700
Direct financing leases	135,642	-	(135,642)	-	-
Leases	835,344	36,495	(336,423)	535,416	190,011
Subscription IT liabilities	78,787	149,548	(67,500)	160,835	58,284
Compensated absences	1,787,335	235,106	(104,201)	1,918,240	671,384
Governmental activities long-term liabilities	\$ 87,619,529	\$ 486,751	\$ (11,865,078)	\$ 76,243,758	\$ 5,281,442
Business-Type Activities	Beginning Balance*	Additions	Deletions	Ending Balance	Due Within One Year
Revenue bonds	\$ 33,655,000	\$ -	\$ (3,740,000)	\$ 29,915,000	\$ 3,545,000
Bond discount, net	(188,682)	-	(14,705)	(173,977)	(14,706)
Bond premium, net	422,012	-	(72,268)	349,744	90,519
Special assessment	1,918,062	-	(199,605)	1,718,457	208,375
Bond premium, net	231,247	-	(27,483)	203,764	9,233
State revolving fund	13,368,506	259,997	(768,274)	12,860,229	696,407
Direct financing leases	-	724,575	(160,163)	564,412	130,381
Leases	1,055,392	575,884	(531,375)	1,099,901	518,275
Subscription IT liabilities	-	98,282	(22,085)	76,197	10,753
Compensated absences	439,105	79,134	(26,800)	491,439	172,003
MSWLF closure & postclosure costs	1,988,040	259,939	-	2,247,979	-
Business-type activities long-term liabilities	\$ 52,888,682	\$ 1,997,810	\$ (5,562,759)	\$ 49,353,145	\$ 5,366,240

*Items may not be comparable due to the application of GASB 96, the City chose not to restate the 2022 financial statements for this standard.

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 \$196,870,253 and the legal debt margin is \$191,125,030.

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J. FUND BALANCE

	General Fund	Major Debt Fund	Major Capital Project Fund		Major Capital Project Fund		Other Governmental Funds	Total
			Capital Infrastructure	Capital Flood Control	Capital Flood Control	Capital Flood Control		
Fund balances								
Nonspendable								
Inventory	\$ 89,808	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,808	
Prepaid	723,291	-	-	-	-	77,416	800,707	
Total nonspendable	813,099	-	-	-	-	77,416	890,515	
Restricted								
Leases	553,036	-	-	-	-	-	553,036	
Public safety	163,137	-	-	-	-	-	163,137	
Debt service	-	1,784,772	-	-	-	-	1,784,772	
Total restricted	716,173	1,784,772	-	-	-	-	2,500,945	
Committed								
General government	825,815	-	3,038,324	-	-	34,153	3,898,292	
Public safety	838,089	-	923,406	10,657,632	13,895,487	26,314,614		
Culture and recreation	-	-	-	-	-	60,151	60,151	
Highways and streets	1,721,854	-	519,040	-	-	246,362	2,487,256	
Economic development	-	-	-	-	-	10,644,296	10,644,296	
Emergency fund	-	-	-	-	-	1,440,804	1,440,804	
Sales tax property tax relief	-	-	-	-	-	2,068,121	2,068,121	
Sales tax improvements	-	-	-	-	-	4,385,864	4,385,864	
Sales tax NAWS	-	-	-	-	-	16,357,694	16,357,694	
Sales tax infrastructure	-	-	-	-	-	4,746,163	4,746,163	
Total committed	3,385,758	-	4,480,770	10,657,632	53,879,095	72,403,255		
Assigned								
General government	1,475,957	-	1,816,098	-	-	1,070,155	4,362,210	
Public safety	86,443	-	89,737	13,868,581	62,321	14,107,082		
Culture and recreation	-	-	-	-	-	432,781	432,781	
Debt service	-	4,917,613	-	-	-	-	4,917,613	
Highways and streets	1,602,465	-	8,500,431	-	-	100,000	10,202,896	
Economic development	56,474	-	-	-	-	-	56,474	
Total assigned	3,221,339	4,917,613	10,406,266	13,868,581	1,665,257	34,079,056		
Unassigned								
Total fund balance	\$ 43,020,191	\$ 6,702,385	\$ 14,887,036	\$ 24,526,213	\$ 53,456,221	\$ 142,592,046		

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NOTE 5-OTHER INFORMATION

A. RISK MANAGEMENT

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

In 1986, the state and other political subdivisions joined together to form the North Dakota Insurance Reserve Fund (NDIRF), a public entity risk pool currently operating as a common risk management and insurance program for the state and over 2,000 political subdivisions. All members joined to help capitalize the NDIRF. The City pays an annual premium to NDIRF for its general insurance, personal injury insurance, auto insurance, and inland marine insurance coverage. The coverage by NDIRF is limited to losses of \$2,000,000 per occurrence for general liability and errors and omissions, and \$1,000,000 for auto liability. The City continues to carry commercial insurance for all other risks of loss, including workers' compensation, employee health and accident insurance, and airport liability insurance. Settled claims resulting from the above risks have not exceeded insurance coverage in any of the past three years.

Employee Health Benefits

Effective January 1, 1999, the City began insuring for employee health benefits. All covered expenses are paid from the City's Health Insurance Fund, which is operated by a third party administrator. Risks retained by the employees include deductibles and co-insurance. The City pays all other claims subject to the health plan agreement up to plan maximums. Commercial stop loss insurance has been purchased to limit catastrophic losses. This coverage pays all claims in excess of \$100,000 per year per employee with no

lifetime maximum except for specific covered services as outlined in the summary plan description. The City's insurer pays all aggregate claims in excess of \$5,611,269.

Claims, which have been incurred at year-end but not reported, have been recorded as insurance claims payable in the amount of \$307,445. 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:

	Current Year Claims			Ending Claim Liability
	Beginning Claim Liability	Incurred and Changes in Estimates	Payments on Claims	
2021	296,643	3,427,408	3,447,930	276,121
2022	276,121	4,675,994	4,682,308	269,807
2023	269,807	5,274,362	5,236,724	307,445

B. TERMINATION BENEFITS

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

As of December 31, 2023, the City had one COBRA participant for health. Each COBRA participant who voluntarily terminated is responsible for 100% of the premium; however, there remains an implicit rate subsidy to the City for a maximum of 18 months per participant. The City has not reported a liability for termination benefits because the amount is immaterial. The City expects to have former employees on COBRA on an ongoing basis.

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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. IMPLEMENTATION OF NEW GASB STANDARDS

As of January 1, 2023, the City adopted GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, the primary objective of this Statement is to improve the financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which the operator collects and is compensated by fees from third parties; the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB Statement No. 94 does

not change the way the City is currently accounting for service concession arrangement PPP related transactions. Adoption of GASB Statement No. 94 had no effect on beginning net position. The City's service concession arrangements disclosures can be found in Note 4E.

As of January 1, 2023, the City adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The implementation of this standard establishes that a SBITA results in a right-to-use subscription IT asset (an intangible asset) and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract.

As a result of implementing this standard, the City recognized a right-to-use subscription-based IT asset (net of accumulated amortization) and subscription IT liability of \$278,678 and \$237,032, respectively. As a result of these adjustments, the effect on beginning net position was deemed immaterial and was not restated. The additional disclosures required by this standard are included in Notes 4J.

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City of Minot, North Dakota
Combining Statement of Fiduciary Net Position
Pension (and Other Employee Benefit) Trust Funds
December 31, 2023

	City Pension Trust	City OPEB Trust	Total Pension Trust Funds	12/31/2023
ASSETS				
Cash and cash equivalents	\$ 235,565	\$ 197,161	\$ 432,726	
Investments:				
U.S. government securities	9,122,056	-	9,122,056	
State and local obligations	9,596,414	-	9,596,414	
Corporate bonds	9,656,556	534,875	10,191,431	
Mutual funds	57,071,434	539,362	57,610,796	
Accounts receivable	20,552	270	20,822	
Total assets	<u>85,702,577</u>	<u>1,271,668</u>	<u>86,974,245</u>	
LIABILITIES				
Accounts payable	1,752	3,829	5,581	
Total liabilities	<u>1,752</u>	<u>3,829</u>	<u>5,581</u>	
NET POSITION				
Restricted for:				
Pension benefits	85,700,825	-	85,700,825	
OPEB benefits	-	1,267,839	1,267,839	
Total net position	<u>\$ 85,700,825</u>	<u>\$ 1,267,839</u>	<u>\$ 86,968,664</u>	

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City of Minot, North Dakota
Combining Statement of Changes in Fiduciary Net Position
Pension (and Other Employee Benefit) Trust Funds
For the Year-to-Date as of December 31, 2023

	City Pension Trust	City OPEB Trust	Total Pension Trust Funds	12/31/2023
ADDITIONS				
Contributions:				
Contributions employer	\$ 5,698,315	\$ 22,641	\$ 5,720,956	
Contributions plan members	1,672,840	226,806	1,899,646	
Total contributions	<u>7,371,155</u>	<u>249,447</u>	<u>7,620,602</u>	
Investment earnings:				
Interest and dividends	2,243,367	34,772	2,278,139	
Net increase (decrease) in the fair value of investments	<u>10,350,788</u>	<u>83,393</u>	<u>10,434,181</u>	
Total investment earnings	12,594,155	118,165	12,712,320	
Less investment expense	177,494	1,986	179,480	
Net investment earnings	<u>12,416,661</u>	<u>116,179</u>	<u>12,532,840</u>	
Total additions	<u>19,787,816</u>	<u>365,626</u>	<u>20,153,442</u>	
DEDUCTIONS				
Benefits paid to plan member and beneficiaries	10,382,611	-	10,382,611	
Refunds paid to plan member and beneficiaries	407,366	-	407,366	
Retiree claims	-	87,303	87,303	
Third party premiums	-	36,079	36,079	
Administrative expenses	23,600	13,641	37,241	
Total deductions	<u>10,813,577</u>	<u>137,023</u>	<u>10,950,600</u>	
Change in net position	8,974,239	228,603	9,202,842	
Net position - beginning	<u>76,726,586</u>	<u>1,039,236</u>	<u>77,765,822</u>	
Net position - ending	<u>\$85,700,825</u>	<u>\$1,267,839</u>	<u>\$86,968,664</u>	

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D. EMPLOYEE RETIREMENT PLANS

The City of Minot administers a defined benefit pension plan covering all civil service full-time employees hired before January 1, 2014 and an Other Post Employment Benefit (OPEB) plan. Each plan is included in the City's financial reports as Pension and OPEB Trust Funds. The City of Minot Finance Department, PO Box 5006, Minot, North Dakota 58702 has separate actuarial reports for each plan. The City's defined benefit pension plan and OPEB are included in the City of Minot financial statements. It does not issue a stand-alone report, nor is it included in the report of any other entity.

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

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

The City of Minot's defined contribution plan and deferred compensation plan for all full-time employees hired January 1, 2014 through December 31, 2018, is independently administered by Empower Retirement, which acquired Mass Mutual.

As of and for the year ending December 31, 2023, the two defined benefit pension plans had the following balances reported in the government-wide financial statements:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CEPP (proportionate share)	\$ 73,872,554	\$ 10,150,324	\$ 1,810,223	\$ 8,789,387
NDPERS (proportionate share)	17,591,369	15,845,404	13,449,311	4,283,408
Total Pension Plans	\$ 91,463,923	\$ 25,995,728	\$ 15,259,534	\$ 13,072,795

As of and for the year ending December 31, 2023, the two OPEB plans had the following balances reported in the government-wide financial statements:

	Net OPEB Liability / (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
CEPP (proportionate share)	\$ (158,640)	\$ 418,015	\$ 339,316	\$ 5,210
NDPERS (proportionate share)	482,573	256,155	49,983	145,336
Total OPEB Plans	\$ 323,933	\$ 674,170	\$ 389,299	\$ 150,546

CITY OF MINOT DEFINED BENEFIT AND OPEB PLANS

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

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

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coverage, at any time, are not eligible to reenroll in the City's group health insurance plan.

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

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

2023	
Pension	
Retirees and beneficiaries receiving benefits	298
Terminated employees	
Vested	31
Non-vested	11
Total terminated employee	42
Active employees	
Vested	129
Non-vested	-
Total active employees	129
Date of annual valuation	1/1/2024

The following table summarizes membership information for the OPEB at the actuarial date:

OPEB	
Retirees with coverage	22
Active employees	
With coverage	121
Waived coverage	9
Total active employees	130
Valuation date	12/31/2022

Pension & OPEB Benefits Provided. For the CEPP, the benefit provisions, amendments, and all requirements are amended in the

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

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

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

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

Contributions Required and Contributions Made. The actuary does not determine the pension or OPEB contribution rates; rather it is done by employer recommendations within the limits established by state statute. For the pension plan, the employees contributed \$1,672,840 and the employer contributed \$5,698,315. The employer contributed \$22,641 to the OPEB plan. The employer contributions to the plans are to be made through an annual tax levy or other budgeted sources. Based on actuarial valuations, contributions are providing for a closed amortization period of 30 years (20 years remaining as of January 1, 2024) on the pension unfunded liability at January 1, 2024.

Summary of Significant Accounting Policies and Plan Asset Matters.

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

Investment Policy. The pension plan and OPEB plan policies in regard to the allocation of invested assets is established and may be amended by the CEPP Board by a majority vote of its members. It is the policy of the CEPP Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of December 31, 2023:

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

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

The City also has pension & OPEB investments valued at \$85,446,460 and \$1,074,237, respectively. The fixed income securities are broken down by subclass, maturities and ratings in the following tables:

<u>Maturity (Years)</u>	<u>Pension Fixed Income</u>	<u>OPEB Fixed Income</u>
<1	\$ 851,251	\$ -
1-5	4,767,004	-
>5-10	9,136,758	-
>10	13,620,013	514,039
	<u>\$28,375,026</u>	<u>\$514,039</u>

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Credit Rating	Pension Fixed Income	OPEB Fixed Income
AAA	\$ 3,036,128	\$ -
AA+	11,037,885	-
AA	2,355,127	-
A+	964,751	-
A	1,163,376	-
A-	2,156,502	-
BBB+	2,837,503	-
BBB	2,468,627	-
Not rated	1,986,252	514,039
Other	368,875	-
	<u>\$28,375,026</u>	<u>\$514,039</u>

Fixed Income Subclass	Pension Fixed Income	OPEB Fixed Income
US treasuries	\$ 151,421	\$ -
Government agencies	8,951,338	-
Corporate bonds	9,663,603	514,039
Taxable municipal debt	9,608,663	-
	<u>\$28,375,026</u>	<u>\$514,039</u>

The City has the following recurring fair value measurements as of December 31, 2023:

U.S. Treasury securities, government agencies and taxable municipal debt of \$18,673,449 valued using quoted market prices (Level 1 inputs)

Corporate bonds of \$10,191,431 are valued using a matrix pricing model (Level 2 inputs)

Equity securities of \$56,626,781 are valued using quoted market prices (Level 1 inputs)

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

The long-term expected rate of return of 7.0 percent on CEPP and OPEB plan investments was determined using official rates of return under the Global Investment Performance Standards in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. The long-term expected rate of return was changed from 7.5 percent and a revised

2023 actuary report for the City's fiscal year ending December 31, 2022 was issued in June of 2023. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

Discount Rate. The discount rate used to measure the total pension liability and the OPEB liability was 7.0 percent. The discount rate was updated from 7.5 percent to 7.0 percent in June 2023 and a revised actuary report was issued for the fiscal year ending December 31, 2022. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the pension plan's fiduciary net position and the OPEB plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Rate of Return. For the year ended December 31, 2023, the annual money-weighted rate of return on pension and OPEB plan investments, net of investment expense, was 16.6 and 10.63 percent, respectively. The money-weighted rate of

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return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

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

Summary of Actuarial Assumptions and Methods – City of Minot Pension Plan:

Assumption	Pension
Valuation date	January 1, 2024
Measurement date	January 1, 2024
Actuarial cost method	Entry age normal
Amortization method	Level dollar amount of 1/1/24)
Remaining amortization period	5 years gains and losses
Asset valuation method-smoothing	7.0%
Investment rate of return	0-4 years of service 7%
Projected salary increases	5-12 years of service 4.5%
	13+ years of service 4%
Cost of living adjustments	1% after age 65
Marriage rate	85%
Spouse age differential	males 3 years older than female spouses
Mortality rate	Mortality rates are based on the Pub-2010 and PubS-2010 Mortality tables with Projection Scale MP-2021.

Summary of Actuarial Assumptions and Methods – City of Minot OPEB Plan:

Assumptions	OPEB
Valuation date	December 31, 2022
Measurement date	December 31, 2023
Actuarial cost method	Entry age normal level percent of pay. Investment gains/losses are amortized over 5 years, liability gains/losses are amortized over average working lifetime, and plan changes are recognized 7.0%
Investment rate of return	8.0% initial, trending downward to ultimate rate of 4.0%.
Healthcare cost trend rates	0-4 years of service 7%
Projected salary increases	5-12 years of service 4.5%
	13+ years of service 4%
Inflation Rate	2.60%
Spouse age differential	Males 3 years older than female spouses
Mortality rate	Mortality rates are based on the Pub-2010 and Pub-2010 Mortality tables with Projection Scale MP-2021.
Health insurance elections	50% City employees elect medical coverage
	25% City employees elect spousal coverage
Medicare Eligibility	All retirees are assumed to be Medicare eligible at age 65.

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

Fiscal Year	Beginning	Trend
2023		8.0%
2024		7.4%
2025		6.8%
2026		6.2%
2027		5.6%
2028-2074	Transition to ultimate rate	
2056+		4.0%

Pension Costs. As of December 31, 2023, the CEPP reported a net pension liability of \$80,038,757 as determined by the actuarial valuation. The City of Minot reported a liability of \$73,872,554 for its proportionate share of the CEPP's net pension liability which was based on its present value of future payroll relative to the total present value of payroll for all participating employers. The City of Minot's proportionate share was 92.30 percent which was a decrease of 0.29 percent from its proportion measured as of December 31, 2022.

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The components of the net pension liability of all participants as of December 31, 2023 were as follows:

Net Pension Liability	
Total pension liability	\$ 165,739,581
Plan fiduciary net position	<u>85,700,824</u>
Net pension liability (asset)	<u><u>\$ 80,038,757</u></u>

For the year ended December 31, 2023, The CEPP recognized pension expense of \$9,523,043. The City of Minot recognized pension expense of \$8,789,387 for its proportionate share of the CEPP's pension expense.

At December 31, 2023, the CEPP reported the following amounts and sources for deferred outflows of resources and deferred inflows of resources:

Source	City of Minot's Proportionate Share			
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 363,406	\$ -	\$ 335,409	\$ -
Changes of assumptions	2,857,617	-	2,637,466	-
Net difference between projected and actual earnings on investments	6,218,711	(409,033)	5,739,621	(377,523)
Changes in proportionate share	1,441,095	(1,441,095)	1,437,828	(1,432,700)
Total	<u>\$ 10,880,829</u>	<u>(\$ 1,850,128)</u>	<u>\$ 10,150,324</u>	<u>(\$ 1,810,223)</u>

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 Proportionate Share	
	Pension Plan	Share
2024	\$ 4,194,143	\$ 3,872,694
2025	2,713,286	2,507,713
2026	3,556,527	3,282,529
2027	(1,433,255)	(1,322,835)
2028	-	-
Thereafter	-	-
Total	<u>\$ 9,030,701</u>	<u>\$ 8,340,101</u>

The following presents the CEPP's net pension liability and City of Minot's proportionate share calculated using the discount rate of 7.0 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 (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net pension liability	\$ 99,827,337	\$ 80,038,757	\$ 63,525,027
City of Minot's proportionate share of the Net Pension Liability	92,136,625	73,872,554	58,631,050
Minot Park District's proportionate share of the Net Pension Liability	7,690,712	6,166,203	4,893,977

OPEB Costs. As of December 31, 2023, the City OPEB reported a net OPEB asset of \$158,640. The net OPEB asset was measured as of December 31, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2023. The schedule of changes in the net OPEB asset for the year ended, December 31, 2023 were as follows:

	Increase/(Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at 12/31/22	\$ 781,921	\$ 1,039,035	(\$ 257,114)
Changes for the year:			
Service cost	24,065	-	24,065
Interest	60,039	-	60,039
Difference between expected and actual experience	59,207	-	59,207
Changes in assumptions	80,543	-	80,543
Contributions - employer	-	22,641	(22,641)
Net investment income	-	116,380	(116,380)
Benefit payments	103,424	103,424	-
Administrative expense	-	(13,641)	13,641
Net changes	327,278	228,804	98,474
Balance at 12/31/23	<u>\$ 1,109,199</u>	<u>\$ 1,267,839</u>	<u>(\$ 158,640)</u>

For the year ended December 31, 2023, the OPEB plan recognized OPEB expense (revenue) of \$5,210.

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

	Balances at December 31, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Source		
Differences between expected and actual experience	\$ 208,975	\$ (148,092)
Changes of assumptions	95,448	(191,224)
Net difference between projected and actual earnings on investments	113,592	-
Total	<u>\$ 418,015</u>	<u>\$ (339,316)</u>

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

Year	OPEB Plan
2024	8,526
2025	21,627
2026	38,031
2027	(14,120)
2028	(4,760)
Thereafter	<u>29,395</u>
Total	<u><u>78,699</u></u>

The following presents the net OPEB asset calculated using the discount rate of 7.0 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net OPEB Liability (Asset)	\$ (70,289)	\$ (158,640)	\$ (238,532)

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

	1% Decrease	Current Trend Rates	1% Increase
Net OPEB Liability (Asset)	\$ (262,340)	\$ (158,640)	\$ (38,683)

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM PENSION PLAN

Plan Description

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

Contribution Plan.

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

North Dakota Public Employees Retirement System (Main System)

The following brief description of NDPERS is provided for general information purposes only. Participants should refer to NDCC Chapter 54-52 for more complete information.

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

Responsibility for administration of the NDPERS defined benefit pension plan is assigned to a Board comprised of eleven members. The Governor is responsible for appointing three

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other members in addition to the Chairman of the Board. Four members are appointed by legislative management, and the remaining three Board members are elected from active employees currently contributing to PERS.

Pension Benefits

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

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

Death and Disability Benefits

Death and disability benefits are set by statute. If an active member dies with less than three years of service for the Main

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

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

Refunds of Member Account Balance

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

Member and Employer Contributions

Member and employer contributions paid to NDPERS are set by statute and are

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established as a percent of salaries and wages. Member contribution rates are 7% and employer contribution rates are 7.12% of covered compensation. For members hired on or after January 1, 2020 member contribution rates are 7% and employer contribution rates are 8.26% of covered compensation

The member's account balance includes the vested employer contributions equal to the member's contributions to an eligible deferred compensation plan. The minimum member contribution is \$25 and the maximum may not exceed the following:

- 1 to 12 months of service – Greater of one percent of monthly salary or \$25
- 13 to 24 months of service – Greater of two percent of monthly salary or \$25
- 25 to 36 months of service – Greater of three percent of monthly salary or \$25
- Longer than 36 months of service – Greater of four percent of monthly salary or \$25

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

At December 31, 2023, the Employer reported a liability of \$17,591,369 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net pension liability was based on the Employer's share of covered payroll in the Main System pension plan relative to the covered payroll of all participating Main System employers. At June 30, 2023, the Employer's proportion was .912296 percent, which was an increase of .128025 from its proportion measured as of June 30, 2022.

For the year ended December 31, 2023, the Employer recognized pension expense of \$4,283,408. At December 31, 2023, the Employer reported deferred outflows of

resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 572,656	\$ (97,015)
Changes of assumptions	9,700,087	(13,352,296)
Net difference between projected and actual earnings on pension plan investments	461,566	-
Changes in proportions and differences between employer contributions and proportionate share of contributions	5,008,232	-
Employer contributions subsequent to the measurement date (see above)	102,863	-
Total	\$15,845,404	\$(13,449,311)

\$102,863 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024.

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

Year ended June 30, 2023:

2024	\$ 2,448,806
2025	(610,542)
2026	1,198,838
2027	(743,872)
Total	\$ 2,293,230

Actuarial assumptions

The total pension liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	3.5% to 17.75% including inflation
Investment rate of return	6.50%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities	31%	6.25%
International Equities	20%	6.95%
Private Equity	7%	9.45%
Domestic Fixed Income	23%	2.51%
Global Real Assets	19%	4.33%

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

be sufficient to meet benefit payments, which is the case for the PERS plan, the use of a municipal bond rate is required.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.86%; and the resulting Single Discount Rate is 6.50%.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate. The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
\$	24,254,272	\$ 17,591,369	\$ 12,063,975

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

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**NORTH DAKOTA RETIREE HEALTH
INSURANCE CREDIT FUND (OPEB)**

**Summary of Significant Accounting
Policies**

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

**General Information about the OPEB
Plan**

***North Dakota Public Employees
Retirement System***

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

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

Insurance Credit Fund is advance-funded on an actuarially determined basis.

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

OPEB Benefits

The employer contribution for the PERS, the HPRS and the Defined Contribution Plan is set by statute at 1.14% of covered compensation. The employer contribution for employees of the state board of career and technical education is 2.99% of covered compensation for a period of eight years ending October 1, 2015. Employees participating in the retirement plan as part-time/temporary members are required to contribute 1.14% of their covered compensation to the Retiree Health Insurance Credit Fund. Employees purchasing previous service credit are also required to make an employee contribution to the Fund. The benefit amount applied each year is shown as "*prefunded credit applied*" on the Statement of Changes in Plan Net Position for the OPEB trust funds. Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There were no other benefit changes during the year.

Retiree health insurance credit benefits and death and disability benefits are set by statute. There are no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Employees

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who are receiving monthly retirement benefits from the PERS, the HPRS, the Defined Contribution Plan, the Chapter 27-17 judges or an employee receiving disability benefits, or the spouse of a deceased annuitant receiving a surviving spouse benefit or if the member selected a joint and survivor option are eligible to receive a credit toward their monthly health insurance premium under the state health plan.

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

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

At December 31, 2023, the Employer reported a liability of \$482,573 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net OPEB liability was based on the Employer's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2023, the Employer's proportion was .482695 percent, which was an increase of .012584 from its proportion measured as of June 30, 2022.

For the year ended December 31, 2023, the Employer recognized OPEB expense of

\$145,336. At December 31, 2023, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,080	\$ (5,523)
Changes of assumptions	102,920	(39,960)
Net difference between projected and actual earnings on OPEB plan investments	34,855	-
Changes in proportions and differences between employer contributions and proportionate share of contributions	109,088	(4,500)
Employer contributions subsequent to the measurement date (see below)	212	-
Total	\$ 256,155	\$ (49,983)

\$212 reported as deferred outflows of resources related to OPEB resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024.

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

Year ended June 30, 2023:	
2024	\$ 89,843
2025	72,447
2026	56,134
2027	<u>(12,464)</u>
Total	\$ 205,960

Actuarial assumptions. The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	applicable
Investment rate of return	5.75%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the MortalityPub-2010 Healthy Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010

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Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of RHIC investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real
Large Cap Domestic Equities	33%	6.10%
Small Cap Domestic Equities	6%	7.10%
Domestic Fixed Income	35%	2.59%
International Equities	26%	6.50%

Discount rate. The discount rate used to measure the total OPEB liability was 5.75%. The projection of cash flows used to determine the discount rate assumed plan member and statutory rates described in this report. For this purpose, only employer contributions that are intended to fund benefits of current RHIC members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the RHIC fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of

return on RHIC investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

The following presents the net OPEB liability of the Plans as of June 30, 2023, calculated using the discount rate of 5.75%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.75 percent) or 1-percentage-point higher (6.75 percent) than the current rate:

1% Decrease (4.75%)	Current Discount Rate (5.75%)	1% Increase (6.75%)
\$ 634,222	\$ 482,573	\$ 354,907

DEFINED CONTRIBUTION PLAN

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

For each enrolled city employee, the City shall contribute an amount which will equal 400 percent of the amount of the employee's contribution to the 457(e) (1) (A) plan, not to exceed 8 percent of the employee's eligible compensation. Benefit terms, including contribution requirements are established and may be amended by the City Council. For the year ended December 31, 2023, City of Minot employee contributions totaled \$518,151 and the City

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recognized employer contributions of \$352,366.

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, 2023, forfeitures reduced the City's plan expense by \$19,201.

E. MUNICIPAL SOLID WASTE LANDFILL

State and federal rules and regulations require the City of Minot to place a final cover on its Municipal Solid Waste Landfill (MSWLF) site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after the closure. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as operating expense in each period based on landfill capacity used as of each balance sheet date. The \$2,247,979 reported as MSWLF closure and post-closure care liability at December 31, 2023, represents the cumulative amount reported to date based on the use of 70.40% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of over \$0.6 million as the

remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2023. The City acquired 320 acres of land in 2017 to expand the landfill, City Council approved the rezoning of the land to public use in March of 2019. The City is currently working towards permitting 100 acres of the land, which will result in an additional 5 cells. It is expected the new cells will expand the life of the landfill approximately 15-20 years putting the anticipated closure in 2045. Actual costs may be higher due to inflation, deflation, changes in 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 one statement not yet implemented by the City. The statement issued but not yet implemented that will affect the City is statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

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This statement will be implemented at the City in the year ending December 31, 2024 and management has not yet determined the affect this pronouncement will have on the City's financial statements.



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City of Minot Pension Plan Schedule of Changes in Net Pension Liability										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 1,869,524	\$ 1,631,646	\$ 1,922,055	\$ 1,922,055	\$ 2,082,244	\$ 2,249,894	\$ 2,383,628	\$ 2,629,375	\$ 2,772,781	\$ 2,926,936
Interest	11,162,189	11,228,000	10,981,108	10,400,514	10,075,851	9,842,601	9,549,088	9,316,516	8,987,447	8,647,284
Differences between expected and actual experience	512,534	(1,227,099)	447,685	1,007,342	1,829,136	585,846	1,115,928	(129,360)	912,914	930,846
Changes of assumptions	-	8,460,623	411,505	4,210,166	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(10,789,977)	(10,365,771)	(9,994,311)	(9,603,346)	(9,393,046)	(9,408,354)	(8,594,432)	(8,345,228)	(7,939,080)	(7,691,728)
Net change in total pension liability	2,754,270	9,727,399	3,768,042	7,936,731	4,594,185	3,269,987	4,454,212	3,471,303	4,734,062	4,813,338
Total pension liability--beginning	162,985,311	153,257,912	149,489,870	141,553,139	136,958,954	133,688,967	129,234,755	125,763,452	121,029,390	116,216,052
Total pension liability--ending (a)	<u>\$ 165,739,581</u>	<u>\$ 162,985,311</u>	<u>\$ 153,257,912</u>	<u>\$ 149,489,870</u>	<u>\$ 141,553,139</u>	<u>\$ 136,958,954</u>	<u>\$ 133,688,967</u>	<u>\$ 129,234,755</u>	<u>\$ 125,763,452</u>	<u>\$ 121,029,390</u>
Plan fiduciary net position										
Contributions--employer	\$ 5,698,315	\$ 5,777,650	\$ 5,779,045	\$ 5,856,306	\$ 5,520,348	\$ 5,699,224	\$ 4,761,786	\$ 4,943,357	\$ 4,250,241	\$ 4,520,993
Contributions--member	1,672,840	1,762,463	1,850,074	2,015,332	2,101,187	2,239,449	2,364,529	2,461,395	2,635,549	2,705,235
Net investment income	12,416,660	(17,756,035)	11,417,983	11,189,672	14,214,347	(3,912,342)	10,005,230	3,888,252	(1,168,638)	4,222,235
Benefit payments, including refunds of member contributions	(10,789,977)	(10,365,771)	(9,994,311)	(9,603,346)	(9,393,046)	(9,408,354)	(8,594,432)	(8,345,228)	(7,939,080)	(7,691,728)
Administrative expense	(23,600)	(19,250)	(146,419)	(146,056)	(150,337)	(137,437)	(138,656)	(168,872)	(176,725)	(252,270)
Net change in plan fiduciary net position	8,974,238	(20,600,943)	8,906,372	9,311,908	12,292,499	(5,519,459)	8,398,457	2,778,904	(2,398,653)	3,504,465
Plan fiduciary net position--beginning	76,726,587	97,327,530	88,421,158	79,109,250	66,816,751	72,336,210	63,937,754	61,158,850	63,557,503	60,053,038
Plan fiduciary net position--ending (b)	<u>\$ 85,700,825</u>	<u>\$ 76,726,587</u>	<u>\$ 97,327,530</u>	<u>\$ 88,421,158</u>	<u>\$ 79,109,250</u>	<u>\$ 66,816,751</u>	<u>\$ 72,336,211</u>	<u>\$ 63,937,754</u>	<u>\$ 61,158,850</u>	<u>\$ 63,557,503</u>
Net pension liability (asset)--ending (a) - (b)	<u>\$ 80,038,756</u>	<u>\$ 86,258,724</u>	<u>\$ 55,930,382</u>	<u>\$ 61,068,712</u>	<u>\$ 62,443,889</u>	<u>\$ 70,142,203</u>	<u>\$ 61,352,756</u>	<u>\$ 65,297,001</u>	<u>\$ 64,604,602</u>	<u>\$ 57,471,887</u>

Schedules are intended to show information for 10 years commencing with the fiscal year ended December 31, 2014.

City of Minot Pension Plan Schedule of Pension Contributions										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 5,696,702	\$ 5,877,115	\$ 5,660,404	\$ 5,506,052	\$ 5,329,140	\$ 5,253,403	\$ 5,188,965	\$ 5,084,364	\$ 4,721,976	\$ 4,772,530
Contributions in relation to the actuarially determined contribution	5,698,315	5,777,650	5,779,045	5,856,306	5,520,348	5,699,224	4,761,786	4,943,357	4,250,241	4,520,993
Contribution deficiency (excess)	(1,613)	99,465	(118,641)	(350,254)	(191,208)	(445,821)	427,179	141,007	471,735	251,537
Covered payroll	\$ 11,131,847	\$ 11,660,064	\$ 12,443,766	\$ 13,723,399	\$ 14,252,995	\$ 14,346,729	\$ 15,526,328	\$ 16,111,568	\$ 16,945,005	\$ 16,984,001
Contributions as a percentage of covered payroll	51.19%	49.55%	46.44%	42.67%	38.73%	39.72%	30.67%	30.68%	25.08%	26.62%

City of Minot Pension Plan Schedule of Pension Investment Returns										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses	16.6%	-18.5%	13.1%	14.3%	21.6%	-5.5%	15.9%	6.4%	-1.9%	7.1%

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

Fiscal Year Ending	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	92.0500%	\$ 52,902,872	\$ 15,719,104	337%	52.51%
2015	91.8260%	59,323,830	15,620,939	380%	48.63%
2016	91.8533%	59,977,437	14,900,307	403%	49.47%
2017	91.8255%	56,337,499	14,369,546	392%	54.11%
2018	92.0056%	64,534,755	13,213,393	488%	48.79%
2019	90.9758%	56,808,799	12,852,017	442%	55.89%
2020	90.5985%	55,557,719	12,289,971	452%	59.15%
2021	90.8522%	50,813,956	11,154,013	456%	63.51%
2022	92.2761%	79,596,228	10,669,664	746%	47.08%
2023	92.2960%	73,872,554	10,233,453	722%	51.71%

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

Fiscal Year Ending	Actual Contributions in Relation to the			Contributions as a Percentage of Covered Payroll	
	Actuarially Determined Contributions	Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 4,393,114	\$ 4,278,573	\$ 114,541	\$ 15,719,104	27.22%
2015	4,336,002	3,993,088	342,914	15,620,939	25.56%
2016	4,670,155	4,678,695	(8,540)	14,900,307	31.40%
2017	4,764,795	4,520,825	243,970	14,369,546	31.46%
2018	4,833,425	5,328,970	(495,545)	13,213,393	40.33%
2019	5,184,912	5,041,069	143,843	12,852,017	39.22%
2020	4,988,402	5,332,496	(344,094)	12,289,971	43.39%
2021	5,142,599	5,211,925	(69,326)	11,154,013	46.73%
2022	5,423,175	5,280,786	142,390	10,669,664	49.49%
2023	5,257,827	5,262,063	(4,236)	10,233,453	51.42%

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

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Schedules are intended to show information for 10 years commencing with the fiscal year ended December 31, 2014.

Notes to City of Minot Employee's Pension Plan:

Measurement Date: January 1, 2024

Assumption changes: As of 12/31/2021 the Plan updated the mortality improvement scale from Scale MP-2020 to mortality improvement table MP-2021, but the underlying mortality tables of Pub-2010 and PubS-2010 did not change. There were no other changes in Plan provisions, cost allocation procedures, contribution allocation procedures, assumptions or methods from the January 1, 2024 Actuarial Valuation. There were no adjustments of prior measurements or use of approximations which would materially impact the results.

Effective January 1, 2014 the Plan has been closed to new participants. As a result of the plan closing, the amortization method was changed from an open 30 year level percentage of payroll method to a 30-year close level dollar method. As of January 1, 2024 there are 20 years remaining in the amortization period.

City of Minot Employees' Opeb Plan

Schedule of Changes in Net Opeb Liability (Asset) and Related Ratios

City of Minot Employees' OPEB Plan							
Schedule of Changes in Net OPEB Liability (Asset)							
	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service Cost	\$ 24,065	\$ 21,109	\$ 31,859	\$ 29,453	\$ 27,398	\$ 34,119	\$ 32,965
Interest	60,039	61,211	58,379	55,495	66,543	71,789	76,434
Differences between expected and actual experience	59,207	(150,379)	254,625	-	(134,261)	-	-
Changes of assumptions	80,543	30,644	(310,738)	1,756	2,865	-	-
Benefit payments (net)	103,424	48,573	(19,770)	(81,550)	(142,280)	(195,973)	(149,002)
Net change in total OPEB liability	<u>\$ 327,278</u>	<u>\$ 11,158</u>	<u>\$ 14,355</u>	<u>\$ 5,154</u>	<u>\$ (179,735)</u>	<u>\$ (90,065)</u>	<u>\$ (39,603)</u>
Total OPEB Liability--Beginning	781,921	770,763	756,408	751,254	930,989	1,021,054	1,060,657
Total OPEB Liability--Ending (a)	<u>\$ 1,109,199</u>	<u>\$ 781,921</u>	<u>\$ 770,763</u>	<u>\$ 756,408</u>	<u>\$ 751,254</u>	<u>\$ 930,989</u>	<u>\$ 1,021,054</u>
Plan fiduciary net position							
Contributions--employer	\$ 22,641	\$ 60,215	\$ 65,343	\$ 85,743	\$ 47,023	\$ 41,482	\$ 41,482
Net investment income	116,380	(172,346)	77,159	118,160	179,487	(63,313)	165,108
Benefit payments (net)	103,424	48,573	(19,770)	(81,550)	(142,280)	(195,973)	(149,002)
Administrative expense	(13,641)	(13,600)	(13,200)	(13,200)	(2,400)	(2,400)	(13,200)
Other	-	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>\$ 228,804</u>	<u>\$ (77,158)</u>	<u>\$ 109,532</u>	<u>\$ 109,153</u>	<u>\$ 81,830</u>	<u>\$ (220,204)</u>	<u>\$ 44,388</u>
Plan fiduciary net position--beginning	1,039,035	1,116,193	1,006,661	897,508	815,678	1,035,882	991,494
Plan fiduciary net position--ending (b)	<u>\$ 1,267,839</u>	<u>\$ 1,039,035</u>	<u>\$ 1,116,193</u>	<u>\$ 1,006,661</u>	<u>\$ 897,508</u>	<u>\$ 815,678</u>	<u>\$ 1,035,882</u>
Net OPEB Liability (asset)--ending (a) - (b)	<u>\$ (158,640)</u>	<u>\$ (257,114)</u>	<u>\$ (345,430)</u>	<u>\$ (250,253)</u>	<u>\$ (146,254)</u>	<u>\$ 115,311</u>	<u>\$ (14,828)</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	114.3%	132.9%	144.8%	133.1%	119.5%	87.6%	101.5%
Covered payroll	\$ 10,400,000	\$ 11,500,000	\$ 11,200,000	\$ 13,700,000	\$ 13,200,000	\$ 15,400,000	\$ 14,900,000
Net OPEB liability (asset) as a percentage of covered payroll	-1.5%	-2.2%	-3.1%	-1.8%	-1.1%	0.75%	-0.10%

City of Minot Employees' OPEB Plan

Schedule of OPEB Contributions

	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contributions	N/A	N/A	N/A	N/A	\$ 47,023	\$ 41,482	\$ 41,482
Contributions in Relation to the Actuarially Determined Contributions	N/A	N/A	N/A	N/A	47,023	41,482	41,482
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -
Covered Payroll	\$ 10,400,000	\$ 11,500,000	\$ 11,200,000	\$ 13,700,000	\$ 13,200,000	\$ 15,400,000	\$ 14,900,000
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	0.4%	0.3%	0.3%

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

	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expenses	10.63%	-14.81%	7.54%	13.23%	23.41%	-6.61%	17.73%

Notes to City of Minot Employee's OPEB Plan Schedules

Methods and assumptions used to determine contribution rates:

<u>Assumptions</u>	<u>OPEB</u>
Valuation date	December 31, 2022
Measurement date	December 31, 2023
Actuarial cost method	Entry age normal level percent of pay. Investment gains/losses are amortized over 5 years, liability gains/losses are amortized over average working lifetime, and plan changes are recognized immediately.
Investment rate of return	7.0%
Healthcare cost trend rates	8.0% initial, trending downward to ultimate rate of 4.0%.
Projected salary increases	0-4 years of service 7% 5-12 years of service 4.5% 13+ years of service 4%
Inflation Rate	2.60%
Spouse age differential	Males 3 years older than female spouses
Mortality rate	Mortality rates are based on the Pub-2010 and Pub-2010 Mortality tables with Projection Scale MP-2021.
Health insurance elections	50% City employees elect medical coverage 25% City employees elect spousal coverage
Medicare Eligibility	All retirees are assumed to be Medicare eligible at age 65.

OPEB plan schedules are intended to show information for 10 years commencing with the fiscal year ended December 31, 2017. Additional years will be displayed as they occur.

Assumption changes:

Medical trend was updated based on recently published trend model and trend surveys to better reflect future anticipated experience. Medical per capita claims tables were updated based on recent experience and demographics. The mortality improvement scale was updated to reflect a recently published table. Participant election rates were updated from 80% to 50% based on the City's recent historical plan elections. Spouse participation rates were updated from 60% to 50% based on the City's recent historical medical coverage elections. Approximately \$280,000 of the experience loss was due to claims and premiums experience higher than expected. This was partially offset by approximately \$(25,000) due to census experience since the prior valuation. Approximately \$(305,000) of the assumption liability changes were due to a reduction in the participation assumptions and approximately \$(6,000) was due to updated medical trend rates. There were no other changes in Plan provisions, cost allocation procedures, contribution allocation procedures, assumptions or methods from the previous measurement. Effective January 1, 2014 the Plan has been closed to new participants.

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

As of measurement date of	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2019	0.2270%	\$ 2,660,335	\$ 2,360,950	1.13%	71.66%
6/30/2020	0.5467%	17,199,991	6,031,001	2.85%	48.91%
6/30/2021	0.6546%	6,822,535	7,412,237	6.83%	78.26%
6/30/2022	0.7843%	22,587,526	9,104,099	7.72%	54.47%
6/30/2023	0.9122%	17,591,369	11,156,202	6.72%	65.31%

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

Fiscal Year Ending	Statutorily Determined Contribution	Contributions in Relation to the Statutorily Determined Contribution	Contributions on Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 171,890	\$ 55,027	\$ 116,863	\$ 2,834,998	1.94%
2020	427,048	328,371	98,677	6,244,277	5.26%
2021	546,620	506,244	40,376	7,668,094	6.60%
2022	685,694	702,864	(17,170)	9,675,878	7.26%
2023	843,975	749,389	94,586	11,898,022	6.30%

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

Notes to North Dakota Employees Retirement System Schedules

Measurement Date: June 30, 2023

Changes of benefit terms:

In 2023, House Bill 1040 was passed, which closes the Main System to employees newly enrolled into the system on January 1, 2025 and later. The state employer contribution for 2026 and later was changed to be the amount sufficient to fund the Main System on actuarial basis, with the amortization of the unfunded liability determined on a level percent of payroll basis over a closed period beginning on January 1, 2026 and ending June 30, 2056.

Changes of assumptions:

All actuarial assumptions used in the actuarial valuation as of July 1, 2022 were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for first use commencing with the actuarial valuation as of July 1, 2020. There have been no changes in actuarial assumptions since the previous actuarial valuation as of July 1, 2022.

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ND Public Employees Retirement System OPEB Plan
Schedule of City of Minot's Share of Net OPEB Liability

As of measurement date of	Employer's Proportion of the Net OPEB Liability	Employer's Proportionate Share of the Net OPEB Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net OPEB Liability as a Percentage of	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
6/30/2019	0.2119%	\$ 169,940	\$ 2,360,950	7.20%	63.13%
6/30/2020	0.4536%	381,576	5,171,035	7.38%	63.38%
6/30/2021	0.4354%	242,179	4,747,412	5.10%	76.63%
6/30/2022	0.4701%	564,277	4,853,448	11.63%	56.28%
6/30/2023	0.4827%	482,573	4,851,966	9.95%	62.74%

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

Fiscal Year Ending	Contributions in Relation to the			Contributions as a Percentage of Covered Payroll	
	Statutorily Determined Contribution	Statutorily Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Percentage of Covered Payroll
2019	\$ 27,458	\$ 8,810	\$ 18,648	\$ 2,360,950	0.37%
2020	60,749	50,628	10,121	5,171,035	0.98%
2021	57,089	59,453	(2,364)	4,747,412	1.25%
2022	59,072	63,188	(4,116)	4,853,448	1.30%
2023	58,587	54,901	3,686	4,851,966	1.13%

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

Notes to North Dakota Employees Retirement System OPEB Plan Schedules

Measurement Date: June 30, 2023

Changes of benefit terms:

Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2022.

Changes of assumptions:

All actuarial assumptions used in the actuarial valuation as of July 1, 2022 were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for first use commencing with the actuarial valuation as of July 1, 2020. There have been no changes in actuarial assumptions since the previous actuarial valuation as of July 1, 2022.



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Supplementary Information

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, 2023

	Debt			
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Property tax collections	\$ 5,252,751	\$ 5,252,751	\$ 4,837,703	\$ (415,048)
Special assessment collections	1,638,160	1,638,160	1,350,558	(287,602)
Interest income (loss)	-	-	437,635	437,635
Miscellaneous	173,025	173,025	173,025	-
Total revenues	<u>7,063,936</u>	<u>7,063,936</u>	<u>6,798,921</u>	<u>(265,015)</u>
EXPENDITURES				
Current:				
General government	-	1,637,441	1,637,460	(19)
Debt service:				
Principal retirement	5,202,252	10,902,252	10,832,763	69,489
Interest	2,320,296	2,320,296	2,365,651	(45,355)
Administrative charges	9,720	9,720	7,907	1,813
Total expenditures	<u>7,532,268</u>	<u>14,869,709</u>	<u>14,843,781</u>	<u>25,928</u>
Net change in fund balance	<u><u>\$ (468,332)</u></u>	<u><u>\$(7,805,773)</u></u>	<u><u>(8,044,860)</u></u>	<u><u>\$ (239,087)</u></u>
Fund balances (deficits) - beginning			<u>14,747,245</u>	
Fund balances (deficits) - ending			<u><u>\$ 6,702,385</u></u>	

City of Minot, North Dakota
Schedule of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual
Major Capital Project Fund
For the Year-to-Date as of December 31, 2023

Capital Infrastructure				
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Property tax collections	\$ -	\$ -	\$ 18	\$ 18
Intergovernmental	4,006,129	4,006,129	5,523,887	1,517,758
Interest income (loss)	-	-	643,864	643,864
Miscellaneous	-	-	146,203	146,203
Total revenues	<u>4,006,129</u>	<u>4,006,129</u>	<u>6,313,972</u>	<u>2,307,843</u>
EXPENDITURES				
Capital outlay:				
General government	-	205,680	144,294	61,386
Public safety	2,900,000	9,660,371	4,386,633	5,273,738
Highways and streets	2,318,629	6,150,060	4,553,096	1,596,964
Total expenditures	<u>5,218,629</u>	<u>16,016,111</u>	<u>9,084,023</u>	<u>6,932,088</u>
Excess (deficiency) of revenues over (under) expenditures	(1,212,500)	(12,009,982)	(2,770,051)	9,239,931
OTHER FINANCING SOURCES (USES)				
Transfers in	212,500	212,500	17,173	(195,327)
Transfers out	-	(2,544,709)	(1,714,812)	829,897
Total other financing sources (uses)	<u>212,500</u>	<u>(2,332,209)</u>	<u>(1,697,639)</u>	<u>634,570</u>
Net change in fund balance	<u><u>\$(1,000,000)</u></u>	<u><u>\$ (14,342,191)</u></u>	<u><u>(4,467,690)</u></u>	<u><u>\$ 9,874,501</u></u>
Fund balances (deficits) - beginning			19,354,726	
Fund balances (deficits) - ending			<u><u>\$ 14,887,036</u></u>	

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Major Capital Project Fund
For the Year-to-Date as of December 31, 2023

Capital Flood Control				
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Property tax collections	\$ -	\$ -	\$ 48	\$ 48
Intergovernmental	- -	- -	7,032,993	7,032,993
Interest income (loss)	- -	- -	1,443,921	1,443,921
Total revenues	- -	- -	8,476,962	8,476,962
EXPENDITURES				
Capital outlay:				
Public safety	14,315,000	38,332,047	16,970,785	21,361,262
Total expenditures	14,315,000	38,332,047	16,970,785	21,361,262
Excess (deficiency) of revenues over (under) expenditures	(14,315,000)	(38,332,047)	(8,493,823)	29,838,224
OTHER FINANCING SOURCES (USES)				
Bonds issued	- -	- -	65,602	65,602
Transfers out	(2,097,404)	(2,097,404)	(2,097,404)	- -
Total other financing sources (uses)	(2,097,404)	(2,097,404)	(2,031,802)	65,602
Net change in fund balance	<u>\$ (16,412,404)</u>	<u>\$ (40,429,451)</u>	<u>(10,525,625)</u>	<u>\$ 29,903,826</u>
Fund balances (deficits) - beginning			35,051,838	
Fund balances (deficits) - ending			<u>\$ 24,526,213</u>	



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City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds	12/31/2023
ASSETS				
Cash and cash equivalents	\$ 48,773,894	\$ 1,855,471	\$ 50,629,365	
Investments current	4,265,371	-	4,265,371	
Taxes receivable delinquent	80,448	8,201	88,649	
Due from other funds	250,045	-	250,045	
Accounts receivable	183,030	-	183,030	
Allowance for accounts receivable	(135,150)	-	(135,150)	
Intergovernmental receivable	3,931,342	17,641	3,948,983	
Loans receivable	16,309,939	-	16,309,939	
Allowance for loans receivable	(14,547,229)	-	(14,547,229)	
Accrued interest receivable	986	-	986	
Leases receivable	5,919	-	5,919	
Prepaid	88,712	-	88,712	
Other assets - capital credits	37,407	-	37,407	
Investments	194,229	-	194,229	
Total assets	<u>\$ 59,438,943</u>	<u>\$ 1,881,313</u>	<u>\$ 61,320,256</u>	
LIABILITIES				
Accounts payable	\$ 4,509,639	\$ 394,548	\$ 4,904,187	
Retainage payable	183,583	42,226	225,809	
Accrued salaries and benefits payable	91,905	-	91,905	
Due to other funds	250,045	-	250,045	
Unearned revenue - other	2,306,822	-	2,306,822	
Total liabilities	<u>7,341,994</u>	<u>436,774</u>	<u>7,778,768</u>	
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to leases	6,051	-	6,051	
Unavailable revenue - property taxes	71,056	8,160	79,216	
Total deferred inflows of resources	<u>77,107</u>	<u>8,160</u>	<u>85,267</u>	
FUND BALANCES (DEFICITS)				
Nonspendable	77,416	-	77,416	
Committed	52,700,450	1,178,645	53,879,095	
Assigned	1,407,523	257,734	1,665,257	
Unassigned	(2,165,547)	-	(2,165,547)	
Total fund balance	<u>52,019,842</u>	<u>1,436,379</u>	<u>53,456,221</u>	
Total liabilities, inflows, and fund balance	<u><u>\$ 59,438,943</u></u>	<u><u>\$ 1,881,313</u></u>	<u><u>\$ 61,320,256</u></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, 2023

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds 12/31/2023
REVENUES			
Property tax collections	\$ 1,993,110	\$ 5,786	\$ 1,998,896
Sales tax collections	26,440,643	-	26,440,643
Intergovernmental	7,256,364	173,737	7,430,101
Charges for services	83,119	234	83,353
Interest income (loss)	2,015,887	64,066	2,079,953
Miscellaneous	766,629	129,651	896,280
Total revenues	<u>38,555,752</u>	<u>373,474</u>	<u>38,929,226</u>
EXPENDITURES			
Current			
General government	16,289,068	-	16,289,068
Public safety	1,376,071	-	1,376,071
Culture and recreation	2,055,381	-	2,055,381
Economic development	2,363,487	-	2,363,487
Capital outlay			
General government	-	490,340	490,340
Public safety	-	1,628,338	1,628,338
Highways and streets	-	1,292,309	1,292,309
Culture and recreation	-	162,347	162,347
Total expenditures	<u>22,084,007</u>	<u>3,573,334</u>	<u>25,657,341</u>
Excess (deficiency) of revenues over (under) expenditures	16,471,745	(3,199,860)	13,271,885
OTHER FINANCING SOURCES (USES)			
Leases (lessee)	-	36,495	36,495
Subscription-based information technology arrangements	-	232,027	232,027
Sale of City property	-	233,842	233,842
Transfers in	4,635,040	2,877,756	7,512,796
Transfers out	<u>(19,390,023)</u>	<u>(12,400)</u>	<u>(19,402,423)</u>
Total other financing sources (uses)	<u>(14,754,983)</u>	<u>3,367,720</u>	<u>(11,387,263)</u>
Net change in fund balances	1,716,762	167,860	1,884,622
Fund balances (deficits) - beginning	50,303,080	1,268,519	51,571,599
Fund balances (deficits) - ending	<u>\$ 52,019,842</u>	<u>\$ 1,436,379</u>	<u>\$ 53,456,221</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.

NAWS Biota Plant - To account for the operation and maintenance of the NAWS Biota Plant in Max. Financing will be provided by the Federal Bureau of Reclamation.

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

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

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

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

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

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2023

	Public Transportation	Library	NAWS Biota Plant	Emergency Fund	Sales Tax Property Tax Relief 1st Penny
ASSETS					
Cash and cash equivalents	\$ 840,265	\$ 533,880	\$ -	\$ 1,440,804	\$ 701,025
Investments current	-	-	-	-	-
Taxes receivable delinquent	17,791	61,980	-	677	-
Due from other funds	-	-	-	-	-
Accounts receivable	1,162	46,283	-	-	-
Allowance for accounts receivable	-	-	-	-	-
Intergovernmental receivable	189,132	721	-	-	77,472
Loans receivable	-	-	-	-	-
Allowance for loans receivable	-	-	-	-	-
Accrued interest receivable	-	-	-	-	-
Leases receivable	-	-	-	-	-
Prepaid	34,462	31,095	-	-	-
Other assets - capital credits	16,159	21,248	-	-	-
Investments	-	-	-	-	-
Total assets	<u>\$ 1,098,971</u>	<u>\$ 695,207</u>	<u>\$ -</u>	<u>\$ 1,441,481</u>	<u>\$ 778,497</u>
LIABILITIES					
Accounts payable	\$ 13,654	\$ 30,701	\$ -	\$ -	\$ -
Retainage payable	-	38,569	-	-	-
Accrued salaries and benefits payable	32,628	47,444	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue - other	4,647	-	-	-	-
Total liabilities	<u>50,929</u>	<u>116,714</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources related to leases	-	-	-	-	-
Unavailable revenue - property taxes	15,651	54,728	-	677	-
Total deferred inflows of resources	<u>15,651</u>	<u>54,728</u>	<u>-</u>	<u>677</u>	<u>-</u>
FUND BALANCES (DEFICITS)					
Nonspendable	34,462	31,095	-	-	-
Committed	23,187	59,889	-	1,440,804	778,497
Assigned	974,742	432,781	-	-	-
Unassigned	-	-	-	-	-
Total fund balance	<u>1,032,391</u>	<u>523,765</u>	<u>-</u>	<u>1,440,804</u>	<u>778,497</u>
Total liabilities, inflows and fund balance	<u>\$ 1,098,971</u>	<u>\$ 695,207</u>	<u>\$ -</u>	<u>\$ 1,441,481</u>	<u>\$ 778,497</u>

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2023

	Sales Tax				Sales Tax			Sales Tax	
	Economic	Sales Tax	Sales Tax	Sales Tax	NAWS			Property Tax	
	Development	Improvements	Flood Control					Relief	
ASSETS									
Cash and cash equivalents	\$ 8,765,342	\$ 4,192,184	\$ 10,689,296	\$ 18,152,069	\$ 1,150,174				
Investments current	-	-	-	-	-				
Taxes receivable delinquent	-	-	-	-	-				
Due from other funds	-	-	-	-	-				
Accounts receivable	-	-	-	-	-				
Allowance for accounts receivable	-	-	-	-	-				
Intergovernmental receivable	116,208	193,680	387,361	309,889	139,450				
Loans receivable	4,417,785	-	-	-	-				
Allowance for loans receivable	(2,655,075)	-	-	-	-				
Accrued interest receivable	168	-	-	-	-				
Leases receivable	5,919	-	-	-	-				
Prepaid	-	-	-	-	1,000				
Other assets - capital credits	-	-	-	-	-				
Investments	-	-	-	194,229	-				
Total assets	<u>\$ 10,650,347</u>	<u>\$ 4,385,864</u>	<u>\$ 11,076,657</u>	<u>\$ 18,657,187</u>	<u>\$ 1,289,624</u>				
LIABILITIES									
Accounts payable	\$ -	\$ -	\$ 361,520	\$ 2,298,493	\$ -				
Retainage payable	-	-	145,014	-	-				
Accrued salaries and benefits payable	-	-	-	-	-				
Due to other funds	-	-	-	-	-				
Unearned revenue - other	-	-	-	-	-				
Total liabilities	<u>-</u>	<u>-</u>	<u>506,534</u>	<u>2,298,493</u>	<u>-</u>				
DEFERRED INFLOWS OF RESOURCES									
Deferred inflows of resources related to leases	6,051	-	-	-	-				
Unavailable revenue - property taxes	-	-	-	-	-				
Total deferred inflows of resources	<u>6,051</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>				
FUND BALANCES (DEFICITS)									
Nonspendable	-	-	-	-	1,000				
Committed	10,644,296	4,385,864	10,570,123	16,357,694	1,289,624				
Assigned	-	-	-	-	-				
Unassigned	-	-	-	-	-				
Total fund balance	<u>10,644,296</u>	<u>4,385,864</u>	<u>10,570,123</u>	<u>16,358,694</u>	<u>1,289,624</u>				
Total liabilities, inflows and fund balance	<u>\$ 10,650,347</u>	<u>\$ 4,385,864</u>	<u>\$ 11,076,657</u>	<u>\$ 18,657,187</u>	<u>\$ 1,289,624</u>				

City of Minot, North Dakota
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2023

	Sales Tax Infrastructure	Sales Tax Community Facilities/ Flood Control	CDBG-DR \$67.5M	CDBG-DR \$35 M	National Disaster Resilience \$74.3M	Total 12/31/2023
ASSETS						
Cash and cash equivalents	\$ 294,041	\$ 2,014,814	\$ -	\$ -	\$ -	\$ 48,773,894
Investments current	4,265,371	-	-	-	-	4,265,371
Taxes receivable delinquent	-	-	-	-	-	80,448
Due from other funds	-	250,045	-	-	-	250,045
Accounts receivable	135,150	-	435	-	-	183,030
Allowance for accounts receivable	(135,150)	-	-	-	-	(135,150)
Intergovernmental receivable	185,933	139,450	1,688	15,775	2,174,583	3,931,342
Loans receivable	-	-	-	-	11,892,154	16,309,939
Allowance for loans receivable	-	-	-	-	(11,892,154)	(14,547,229)
Accrued interest receivable	818	-	-	-	-	986
Leases receivable	-	-	-	-	-	5,919
Prepaid	-	-	10,877	-	11,278	88,712
Other assets - capital credits	-	-	-	-	-	37,407
Investments	-	-	-	-	-	194,229
Total assets	\$ 4,746,163	\$ 2,404,309	\$ 13,000	\$ 15,775	\$ 2,185,861	\$ 59,438,943
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,805,271	\$ 4,509,639
Retainage payable	-	-	-	-	-	183,583
Accrued salaries and benefits payable	-	-	1,643	-	10,190	91,905
Due to other funds	-	-	498	15,775	233,772	250,045
Unearned revenue - other	-	-	-	-	2,302,175	2,306,822
Total liabilities	-	-	2,141	15,775	4,351,408	7,341,994
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to leases	-	-	-	-	-	6,051
Unavailable revenue - property taxes	-	-	-	-	-	71,056
Total deferred inflows of resources	-	-	-	-	-	77,107
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	10,859	-	-	77,416
Committed	4,746,163	2,404,309	-	-	-	52,700,450
Assigned	-	-	-	-	-	1,407,523
Unassigned	-	-	-	-	(2,165,547)	(2,165,547)
Total fund balance	4,746,163	2,404,309	10,859	-	(2,165,547)	52,019,842
Total liabilities, inflows and fund balance	\$ 4,746,163	\$ 2,404,309	\$ 13,000	\$ 15,775	\$ 2,185,861	\$ 59,438,943

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, 2023

	Public Transportation	Library	NAWS Biota Plant	Emergency Fund	Sales Tax Property Tax Relief 1st Penny
REVENUES					
Property tax collections	\$ 463,355	\$ 1,529,695	\$ -	\$ 60	\$ -
Sales tax collections	-	-	-	-	1,322,033
Intergovernmental	915,076	42,280	-	-	-
Charges for services	68,337	14,782	-	-	-
Interest income (loss)	38,154	41,964	-	57,196	28,840
Miscellaneous	10,243	219,428	-	-	-
Total revenues	<u>1,495,165</u>	<u>1,848,149</u>	<u>-</u>	<u>57,256</u>	<u>1,350,873</u>
EXPENDITURES					
Current:					
General government	1,424,086	-	-	-	-
Public safety	-	-	-	-	-
Culture and recreation	-	2,055,381	-	-	-
Economic development	-	-	-	-	-
Total expenditures	<u>1,424,086</u>	<u>2,055,381</u>	<u>-</u>	<u>57,256</u>	<u>1,350,873</u>
Excess (deficiency) of revenues over (under) expenditures	71,079	(207,232)	-	57,256	1,350,873
OTHER FINANCING SOURCES (USES)					
Transfers in	-	377,349	-	-	-
Transfers out	-	-	-	-	(1,458,569)
Total other financing sources (uses)	<u>-</u>	<u>377,349</u>	<u>-</u>	<u>-</u>	<u>(1,458,569)</u>
Net change in fund balances	71,079	170,117	-	57,256	(107,696)
Fund balances (deficits) - beginning	961,312	353,648	-	1,383,548	886,193
Fund balances (deficits) - ending	<u>\$ 1,032,391</u>	<u>\$ 523,765</u>	<u>\$ -</u>	<u>\$ 1,440,804</u>	<u>\$ 778,497</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, 2023

	Sales Tax Economic Development	Sales Tax Improvements	Sales Tax Flood Control	Sales Tax NAWS	Sales Tax Property Tax Relief	2nd Penny
REVENUES						
Property tax collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax collections	1,983,048	3,305,080	6,610,161	5,288,128	2,379,658	
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest income (loss)	382,590	164,867	312,690	668,771	46,362	
Miscellaneous	337,363	-	-	-	-	-
Total revenues	<u>2,703,001</u>	<u>3,469,947</u>	<u>6,922,851</u>	<u>5,956,899</u>	<u>2,426,020</u>	
EXPENDITURES						
Current:						
General government	-	-	-	6,014,353	-	-
Public safety	-	-	1,376,071	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	2,363,487	-	-	-	-	-
Total expenditures	<u>2,363,487</u>	<u>-</u>	<u>1,376,071</u>	<u>6,014,353</u>	<u>-</u>	
Excess (deficiency) of revenues over (under) expenditures	339,514	3,469,947	5,546,780	(57,454)	2,426,020	
OTHER FINANCING SOURCES (USES)						
Transfers in	-	12,400	4,077,404	153,012	-	-
Transfers out	(637,121)	(3,693,414)	(3,652,404)	(50,000)	(2,564,406)	(2,564,406)
Total other financing sources (uses)	<u>(637,121)</u>	<u>(3,681,014)</u>	<u>425,000</u>	<u>103,012</u>	<u>(2,564,406)</u>	
Net change in fund balances	(297,607)	(211,067)	5,971,780	45,558	(138,386)	
Fund balances (deficits) - beginning	10,941,903	4,596,931	4,598,343	16,313,136	1,428,010	
Fund balances (deficits) - ending	<u>\$10,644,296</u>	<u>\$ 4,385,864</u>	<u>\$ 10,570,123</u>	<u>\$16,358,694</u>	<u>\$ 1,289,624</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, 2023

	Sales Tax Infrastructure	Sales Tax Community Facilities/ Flood Control	CDBG-DR \$67.5M	CDBG-DR \$35M	National Disaster Resilience \$74.3M	Total 12/31/2023
REVENUES						
Property tax collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,993,110
Sales tax collections	3,172,877	2,379,658	-	-	-	26,440,643
Intergovernmental	-	-	10,450	-	6,288,558	7,256,364
Charges for services	-	-	-	-	-	83,119
Interest income (loss)	194,538	79,908	7	-	-	2,015,887
Miscellaneous	-	-	-	-	199,595	766,629
Total revenues	3,367,415	2,459,566	10,457	-	6,488,153	38,555,752
EXPENDITURES						
Current						
General government	-	-	56,293	-	8,794,336	16,289,068
Public safety	-	-	-	-	-	1,376,071
Culture and recreation	-	-	-	-	-	2,055,381
Economic development	-	-	-	-	-	2,363,487
Total expenditures	-	-	56,293	-	8,794,336	22,084,007
Excess (deficiency) of revenues over (under) expenditures	3,367,415	2,459,566	(45,836)	-	(2,306,183)	16,471,745
OTHER FINANCING SOURCES (USES)						
Transfers in	14,875	-	-	-	-	4,635,040
Transfers out	(5,354,109)	(1,980,000)	-	-	-	(19,390,023)
Total other financing sources (uses)	(5,339,234)	(1,980,000)	-	-	-	(14,754,983)
Net change in fund balances	(1,971,819)	479,566	(45,836)	-	(2,306,183)	1,716,762
Fund balances (deficits) - beginning	6,717,982	1,924,743	56,695	-	140,636	50,303,080
Fund balances (deficits) - ending	\$ 4,746,163	\$ 2,404,309	\$ 10,859	\$ -	\$ (2,165,547)	\$ 52,019,842

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, 2023

Public Transportation

	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Property tax collections	\$ 485,627	\$ 485,627	\$ 463,355	\$ (22,272)
Intergovernmental	875,746	914,717	915,076	39,330
Charges for services	40,000	40,000	68,337	28,337
Interest income (loss)	-	-	38,154	38,154
Miscellaneous	13,260	13,260	10,243	(3,017)
Total revenues	<u>1,414,633</u>	<u>1,453,604</u>	<u>1,495,165</u>	<u>80,532</u>
EXPENDITURES				
Current:				
General government	1,597,118	1,653,152	1,424,086	173,032
Total expenditures	<u>1,597,118</u>	<u>1,653,152</u>	<u>1,424,086</u>	<u>173,032</u>
Net change in fund balances	<u><u>\$(182,485)</u></u>	<u><u>\$ (199,548)</u></u>	<u><u>71,079</u></u>	<u><u>\$ 253,564</u></u>
Fund balances (deficits) - beginning			961,312	
Fund balances (deficits) - ending			<u><u>\$ 1,032,391</u></u>	

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2023

	Library			
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Property tax collections	\$ 1,590,814	\$ 1,590,814	\$ 1,529,695	\$ (61,119)
Intergovernmental	54,000	54,000	42,280	(11,720)
Charges for services	15,240	15,240	14,782	(458)
Interest income (loss)	78	78	41,964	41,886
Miscellaneous	30,000	213,124	219,428	6,304
Total revenues	<u>1,690,132</u>	<u>1,873,256</u>	<u>1,848,149</u>	<u>(25,107)</u>
EXPENDITURES				
Current:				
Culture and recreation	2,015,371	2,392,996	2,055,381	337,615
Total expenditures	<u>2,015,371</u>	<u>2,392,996</u>	<u>2,055,381</u>	<u>337,615</u>
Excess (deficiency) of revenues over (under) expenditures	(325,239)	(519,740)	(207,232)	312,508
OTHER FINANCING SOURCES (USES)				
Transfers in	325,239	332,239	377,349	45,110
Total other financing sources (uses)	<u>325,239</u>	<u>332,239</u>	<u>377,349</u>	<u>45,110</u>
Net change in fund balances	\$ -	\$ (187,501)	170,117	\$ 357,618
Fund balances (deficits) - beginning			353,648	
Fund balances (deficits) - ending			<u>\$ 523,765</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, 2023

REVENUES

Intergovernmental
 Total revenues

NAWS Biota Plant			
Original & Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget	
\$ 451,322	\$ -	\$ (451,322)	
<u>451,322</u>	<u>-</u>	<u>(451,322)</u>	

EXPENDITURES

Current:
 General government
 Total expenditures

Net change in fund balances	\$ -	\$ -	
Fund balances (deficits) - beginning	<u>-</u>	<u>-</u>	
Fund balances (deficits) - ending	<u>\$ -</u>	<u>\$ -</u>	

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2023

Emergency Fund			
	Original & Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES			
Property tax collections	\$ -	\$ 60	\$ 60
Interest income (loss)	- -	57,196	57,196
Total revenues	<hr/> - -	<hr/> 57,256	<hr/> 57,256
Net change in fund balance	<hr/> \$ -	<hr/> 57,256	<hr/> \$ 57,256
Fund balances (deficits) - beginning		1,383,548	
Fund balances (deficits) - ending		<hr/> \$ 1,440,804	

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, 2023

REVENUES

Sales tax collections
 Interest income (loss)
 Total revenues

Sales Tax Property Relief-1st Penny

	Original & Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
Sales tax collections	\$ 1,100,000	\$ 1,322,033	\$ 222,033
Interest income (loss)	-	28,840	28,840
Total revenues	<u>1,100,000</u>	<u>1,350,873</u>	<u>250,873</u>

OTHER FINANCING SOURCES (USES)

Transfers out
 Total other financing sources (uses)

Net change in fund balance
 Fund balances (deficits) - beginning
 Fund balances (deficits) - ending

Transfers out	(1,458,569)	(1,458,569)	-
Total other financing sources (uses)	<u>(1,458,569)</u>	<u>(1,458,569)</u>	<u>-</u>
Net change in fund balance	\$ (358,569)	(107,696)	\$ 250,873
Fund balances (deficits) - beginning		886,193	
Fund balances (deficits) - ending		<u>\$ 778,497</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, 2023

Sales Tax Economic Development				
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Sales tax collections	\$ 1,650,000	\$ 1,650,000	\$ 1,983,048	\$ 333,048
Interest income (loss)	-	-	382,590	382,590
Miscellaneous	-	-	337,363	337,363
Total revenues	<u>1,650,000</u>	<u>1,650,000</u>	<u>2,703,001</u>	<u>1,053,001</u>
EXPENDITURES				
Current:				
Economic development	1,426,583	3,713,606	2,363,487	1,350,119
Total expenditures	<u>1,426,583</u>	<u>3,713,606</u>	<u>2,363,487</u>	<u>1,350,119</u>
Excess (deficiency) of revenues over (under) expenditures	223,417	(2,063,606)	339,514	2,403,120
OTHER FINANCING SOURCES (USES)				
Transfers out	(223,417)	(637,121)	(637,121)	-
Total other financing sources (uses)	<u>(223,417)</u>	<u>(637,121)</u>	<u>(637,121)</u>	<u>-</u>
Net change in fund balance	\$ -	\$ (2,700,727)	(297,607)	\$ 2,403,120
Fund balances (deficits) - beginning			10,941,903	
Fund balances (deficits) - ending			<u>\$ 10,644,296</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, 2023

Sales Tax Improvements				
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Sales tax collections	\$ 2,750,000	\$ 2,750,000	\$ 3,305,080	\$ 555,080
Interest income (loss)	-	-	164,867	164,867
Total revenues	<u>2,750,000</u>	<u>2,750,000</u>	<u>3,469,947</u>	<u>719,947</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	12,400	12,400
Transfers out	(3,369,601)	(4,177,102)	(3,693,414)	483,688
Total other financing sources (uses)	<u>(3,369,601)</u>	<u>(4,177,102)</u>	<u>(3,681,014)</u>	<u>496,088</u>
Net change in fund balance	<u><u>\$ (619,601)</u></u>	<u><u>\$ (1,427,102)</u></u>	<u><u>(211,067)</u></u>	<u><u>\$ 1,216,035</u></u>
Fund balances (deficits) - beginning			4,596,931	
Fund balances (deficits) - ending			<u><u>\$ 4,385,864</u></u>	

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2023

Sales Tax Flood Control				
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Sales tax collections	\$ 5,500,000	\$ 5,500,000	\$ 6,610,161	\$ 1,110,161
Interest income (loss)	-	-	312,690	312,690
Total revenues	<u>5,500,000</u>	<u>5,500,000</u>	<u>6,922,851</u>	<u>1,422,851</u>
EXPENDITURES				
Current:				
Public safety	5,925,000	8,190,845	1,376,071	6,814,774
Total expenditures	<u>5,925,000</u>	<u>8,190,845</u>	<u>1,376,071</u>	<u>6,814,774</u>
Excess (deficiency) of revenues over (under) expenditures	(425,000)	(2,690,845)	5,546,780	8,237,625
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	5,374,473	-	(5,374,473)
Transfers in	4,077,404	4,077,404	4,077,404	-
Transfers out	(3,652,404)	(3,652,404)	(3,652,404)	-
Total other financing sources (uses)	<u>425,000</u>	<u>5,799,473</u>	<u>425,000</u>	<u>(5,374,473)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 3,108,628</u>	<u>5,971,780</u>	<u>\$ 2,863,152</u>
Fund balances (deficits) - beginning			4,598,343	
Fund balances (deficits) - ending			<u>\$ 10,570,123</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, 2023

Sales Tax NAWS			
	Original & Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES			
Sales tax collections	\$ 4,400,000	\$ 5,288,128	\$ 888,128
Interest income (loss)	-	668,771	668,771
Total revenues	<u>4,400,000</u>	<u>5,956,899</u>	<u>1,556,899</u>
EXPENDITURES			
General government	10,517,445	6,014,353	4,503,092
Total expenditures	<u>10,517,445</u>	<u>6,014,353</u>	<u>4,503,092</u>
Excess (deficiency) of revenues over (under) expenditures	(6,117,445)	(57,454)	6,059,991
OTHER FINANCING SOURCES (USES)			
Transfer in	-	153,012	153,012
Transfers out	(50,000)	(50,000)	-
Total other financing sources (uses)	<u>(50,000)</u>	<u>103,012</u>	<u>153,012</u>
Net change in fund balance	\$ (6,167,445)	45,558	\$ 6,213,003
Fund balances (deficits) - beginning		16,313,136	
Fund balances (deficits) - ending		<u>\$ 16,358,694</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, 2023

Sales Tax Property Tax Relief - 2nd Penny			
	Original & Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES			
Sales tax collections	\$ 1,980,000	\$ 2,379,658	\$ 399,658
Interest income (loss)	-	46,362	46,362
Total revenues	<u>1,980,000</u>	<u>2,426,020</u>	<u>446,020</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(2,564,406)	(2,564,406)	-
Total other financing sources (uses)	<u>(2,564,406)</u>	<u>(2,564,406)</u>	<u>-</u>
Net change in fund balance	\$ (584,406)	(138,386)	\$ 446,020
Fund balances (deficits) - beginning		1,428,010	
Fund balances (deficits) - ending		<u>\$ 1,289,624</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, 2023

	Sales Tax Infrastructure			
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Sales tax collections	\$ 2,640,000	\$ 2,640,000	\$ 3,172,877	\$ 532,877
Interest income (loss)	-	-	194,538	194,538
Total revenues	<u>2,640,000</u>	<u>2,640,000</u>	<u>3,367,415</u>	<u>727,415</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	14,875	14,875
Transfers out	<u>(5,018,357)</u>	<u>(5,354,109)</u>	<u>(5,354,109)</u>	-
Total other financing sources (uses)	<u>(5,018,357)</u>	<u>(5,354,109)</u>	<u>(5,339,234)</u>	<u>14,875</u>
Net change in fund balance	<u><u>\$ (2,378,357)</u></u>	<u><u>\$ (2,714,109)</u></u>	<u><u>(1,971,819)</u></u>	<u><u>\$ 406,538</u></u>
Fund balances (deficits) - beginning			6,717,982	
Fund balances (deficits) - ending			<u><u>\$ 4,746,163</u></u>	

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2023

<u>Sales Tax Community Facilities/Flood Control</u>			
	Original & Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES			
Sales tax collections	\$ 1,980,000	\$ 2,379,658	\$ 399,658
Interest income (loss)	-	79,908	79,908
Total revenues	<u>1,980,000</u>	<u>2,459,566</u>	<u>479,566</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,980,000)	(1,980,000)	-
Total other financing sources (uses)	<u>(1,980,000)</u>	<u>(1,980,000)</u>	<u>-</u>
Net change in fund balance	\$ _____ -	479,566	\$ 479,566
Fund balances (deficits) - beginning		1,924,743	
Fund balances (deficits) - ending		<u>\$ 2,404,309</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, 2023

CDBG - Disaster Recovery \$67.5M					
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget	
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 10,450	\$ 10,450	
Interest income (loss)	- -	- -	7	7	
Total revenues	- -	- -	10,457	10,457	
EXPENDITURES					
Current:					
General government	- -	2,872,873	56,293	2,816,580	
Total expenditures	- -	2,872,873	56,293	2,816,580	
Net change in fund balance	\$ -	\$ (2,872,873)	(45,836)	\$ 2,827,037	
Fund balances (deficits) - beginning			56,695		
Fund balances (deficits) - ending			<u>\$ 10,859</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, 2023

CDBG - Disaster Recovery \$35M				
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
EXPENDITURES				
Current:				
General government	\$ -	\$ 11,559	\$ -	\$ 11,559
Total expenditures	<u>-</u>	<u>11,559</u>	<u>-</u>	<u>11,559</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (11,559)</u>	<u>-</u>	<u>\$ 11,559</u>
Fund balances (deficits) - beginning				-
Fund balances (deficits) - ending			<u>\$ -</u>	

City of Minot, North Dakota
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual
Nonmajor Special Revenue Fund
For the Year-to-Date as of December 31, 2023

National Disaster Resilience \$74.3M

	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 6,288,558	\$ 6,288,558
Miscellaneous	-	-	199,595	199,595
Total revenues	-	-	6,488,153	6,488,153
EXPENDITURES				
Current:				
General government	-	12,285,012	8,794,336	3,490,676
Total expenditures	-	12,285,012	8,794,336	3,490,676
Net change in fund balance	<u>\$ -</u>	<u>\$ (12,285,012)</u>	<u>(2,306,183)</u>	<u>\$ 9,978,829</u>
Fund balances (deficits) - beginning			140,636	
Fund balances (deficits) - ending			<u>\$ (2,165,547)</u>	



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City of Minot, North Dakota Nonmajor Capital Project Funds

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

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

City of Minot, North Dakota
Balance Sheet
Nonmajor Capital Project Fund
December 31, 2023

	<u>Capital Equipment</u>
ASSETS	
Cash and cash equivalents	\$ 1,855,471
Taxes receivable delinquent	8,201
Intergovernmental receivable	17,641
Total assets	<u>\$ 1,881,313</u>
LIABILITIES	
Accounts payable	\$ 394,548
Retainage payable	42,226
Total liabilities	<u>436,774</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - property taxes	<u>8,160</u>
Total deferred inflows of resources	<u>8,160</u>
FUND BALANCES (DEFICITS)	
Committed	1,178,645
Assigned	257,734
Total fund balance	<u>1,436,379</u>
Total liabilities, inflows and fund balance	<u>\$ 1,881,313</u>

City of Minot, North Dakota
Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Fund
For the Year-to-Date as of December 31, 2023

	Capital Equipment
REVENUES	
Property tax collections	\$ 5,786
Intergovernmental	173,737
Charges for services	234
Interest income (loss)	64,066
Miscellaneous	129,651
Total revenues	<u>373,474</u>
EXPENDITURES	
Capital outlay:	
General government	490,340
Public safety	1,628,338
Highways and streets	1,292,309
Culture and recreation	162,347
Total expenditures	<u>3,573,334</u>
Excess (deficiency) of revenues over (under) expenditures	(3,199,860)
OTHER FINANCING SOURCES (USES)	
Leases (lessee)	36,495
Subscription-based information technology arrangements	232,027
Sale of City property	233,842
Transfers in	2,877,756
Transfers out	(12,400)
Total other financing sources (uses)	<u>3,367,720</u>
Net change in fund balances	167,860
Fund balances (deficits) - beginning	1,268,519
Fund balances (deficits) - ending	<u>\$ 1,436,379</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, 2023

	Capital Equipment			
	Original Budgeted Amounts	Final Budgeted Amounts	12/31/2023 Actual Amounts	Variance with Final Budget
REVENUES				
Property tax collections	\$ -	\$ -	\$ 5,786	\$ 5,786
Intergovernmental	539,600	850,350	173,737	(676,613)
Charges for services	-	-	234	234
Interest income (loss)	10,479	10,479	64,066	53,587
Miscellaneous	-	43,755	129,651	85,896
Total revenues	<u>550,079</u>	<u>904,584</u>	<u>373,474</u>	<u>(531,110)</u>
EXPENDITURES				
Capital outlay:				
General government	681,400	907,650	490,340	417,310
Public safety	1,068,152	2,803,190	1,628,338	1,174,852
Highways and streets	863,500	1,805,211	1,292,309	512,902
Culture and recreation	165,664	162,347	162,347	-
Total expenditures	<u>2,778,716</u>	<u>5,678,398</u>	<u>3,573,334</u>	<u>2,105,064</u>
Excess (deficiency) of revenues over (under) expenditures	(2,228,637)	(4,773,814)	(3,199,860)	1,573,954
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	702,734	-	(702,734)
Leases (lessee)	-	-	36,495	36,495
Subscription-based information technology arrangements	-	-	232,027	232,027
Sale of City property	222,500	222,500	233,842	11,342
Transfers in	1,995,616	1,988,616	2,877,756	889,140
Transfers out	-	12,400	(12,400)	(24,800)
Total other financing sources (uses)	<u>2,218,116</u>	<u>2,223,516</u>	<u>3,367,720</u>	<u>1,144,204</u>
Net change in fund balance	<u><u>\$ (10,521)</u></u>	<u><u>\$(2,550,298)</u></u>	<u><u>167,860</u></u>	<u><u>\$ 2,718,158</u></u>
Fund balances (deficits) - beginning			1,268,519	
Fund balances (deficits) - ending			<u><u>\$ 1,436,379</u></u>	

City of Minot, North Dakota Nonmajor Enterprise Funds

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

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

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

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

City of Minot, North Dakota
Combining Statement of Net Position
Nonmajor Proprietary Funds
December 31, 2023

	Nonmajor	Business-Type Activities	Parking	Parking	Total
	Cemetery	Authority	Ramps	Ramps	Nonmajor
					Proprietary
					12/31/2023
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 444,961	\$ 431,805	\$ 657,660	\$ 1,534,426	
Taxes receivable delinquent	4,378	-	279	4,657	
Accounts receivable	14,113	-	-	14,113	
Accrued interest receivable	52	276	-	328	
Leases receivable	531	27,582	-	28,113	
Intergovernmental receivable	39	-	-	39	
Prepaid	29	175	-	204	
Total current assets	464,103	459,838	657,939	1,581,880	
Noncurrent assets:					
Other assets - capital credits	6,988	1,572	3,812	12,372	
Leases receivable	1,693	81,446	-	83,139	
Land	179,504	136,397	-	315,901	
Infrastructure	465,159	17,228	21,996,162	22,478,549	
Buildings	158,502	-	-	158,502	
Equipment	272,809	322,867	404,989	1,000,665	
Less-accumulated depreciation	(582,262)	(337,128)	(8,492,967)	(9,412,357)	
Total noncurrent assets	502,393	222,382	13,911,996	14,636,771	
Total assets	966,496	682,220	14,569,935	16,218,651	
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pension	159,962	-	-	159,962	
Deferred outflows of resources related to OPEB	3,211	-	-	3,211	
Total deferred outflows of resources	163,173	-	-	163,173	
LIABILITIES					
Current liabilities:					
Accounts payable	18,810	1,934	6,988	27,732	
Accrued salaries and benefits payable	17,463	-	2,298	19,761	
Compensated absences	8,485	-	-	8,485	
Total current liabilities	44,758	1,934	9,286	55,978	
Noncurrent liabilities:					
Compensated absences	15,759	-	-	15,759	
Net pension liability	286,354	-	-	286,354	
Net OPEB liability	4,094	-	-	4,094	
Total noncurrent liabilities	306,207	-	-	306,207	
Total liabilities	350,965	1,934	9,286	362,185	
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources related to leases	2,348	105,135	-	107,483	
Deferred inflows of resources related to pension	138,084	-	-	138,084	
Deferred inflows of resources related to OPEB	1,158	-	-	1,158	
Total deferred inflows of resources	141,590	105,135	-	246,725	
NET POSITION					
Net investment in capital assets	483,462	139,364	13,908,184	14,531,010	
Unrestricted net position	153,652	435,787	652,465	1,241,904	
Total net position	\$ 637,114	\$ 575,151	\$ 14,560,649	\$ 15,772,914	

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, 2023

	Nonmajor Business-Type Activities			Total
	Parking	Parking	Nonmajor Proprietary Funds	
	Cemetery	Authority		
				12/31/2023
OPERATING REVENUES				
Charges for services	\$ 277,163	\$ 46,581	\$ 108,411	\$ 432,155
Miscellaneous	469	-	-	469
Total operating revenues	<u>277,632</u>	<u>46,581</u>	<u>108,411</u>	<u>432,624</u>
OPERATING EXPENSES				
Salaries	295,942	-	12,764	308,706
Employee benefits	149,083	-	7,379	156,462
Professional services	13,341	2,400	-	15,741
Property services	10,319	18,908	17,600	46,827
Purchased services	7,815	417	23,002	31,234
Supplies	19,150	1,267	40,672	61,089
Sundry	58,387	9,023	9,972	77,382
Depreciation	34,366	575	1,114,562	1,149,503
Total operating expenses	<u>588,403</u>	<u>32,590</u>	<u>1,225,951</u>	<u>1,846,944</u>
Operating income (loss)	<u>(310,771)</u>	<u>13,991</u>	<u>(1,117,540)</u>	<u>(1,414,320)</u>
NON-OPERATING REVENUES (EXPENSES)				
Property tax collections	65,363	-	23	65,386
Interest income	20,186	20,425	26,218	66,829
Miscellaneous	335	30	748	1,113
Total non-operating revenues (expenses)	<u>85,884</u>	<u>20,455</u>	<u>26,989</u>	<u>133,328</u>
Income (loss) before contributions and transfers	<u>(224,887)</u>	<u>34,446</u>	<u>(1,090,551)</u>	<u>(1,280,992)</u>
Transfers in	69,750	-	-	69,750
Total contributions and transfers	<u>69,750</u>	<u>-</u>	<u>-</u>	<u>69,750</u>
Change in net position	<u>(155,137)</u>	<u>34,446</u>	<u>(1,090,551)</u>	<u>(1,211,242)</u>
Net position - beginning	<u>792,251</u>	<u>540,705</u>	<u>15,651,200</u>	<u>16,984,156</u>
Net position - ending	<u>\$ 637,114</u>	<u>\$ 575,151</u>	<u>\$ 14,560,649</u>	<u>\$ 15,772,914</u>

City of Minot, North Dakota
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year-to-Date as of December 31, 2023

	Cemetery	Nonmajor Business-Type Activities	Parking Authority	Parking Ramps	Total Nonmajor Proprietary Funds
					12/31/2023
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers	\$ 281,301	\$ 56,479	\$ 107,781	\$ 445,561	
Payments to suppliers	(93,491)	(32,055)	(90,959)	(216,505)	
Payments to employees	(417,492)	-	(17,845)	(435,337)	
Due from other agencies	38	-	-	38	
Net cash provided (used) by operating activities	<u>(229,644)</u>	<u>24,424</u>	<u>(1,023)</u>	<u>(206,243)</u>	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Property taxes/intergovernmental	67,117	30	821	67,968	
Transfers in	69,750	-	-	69,750	
Net cash provided by noncapital financing activities	<u>136,867</u>	<u>30</u>	<u>821</u>	<u>137,718</u>	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisitions and construction of capital assets	(18,682)	-	-	(18,682)	
Net cash used by capital and related financing activities	<u>(18,682)</u>	<u>-</u>	<u>-</u>	<u>(18,682)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	20,186	20,425	26,218	66,829	
Net cash provided by investing activities	<u>20,186</u>	<u>20,425</u>	<u>26,218</u>	<u>66,829</u>	
Net increase (decrease) in cash and cash equivalents	(91,273)	44,879	26,016	(20,378)	
Cash and cash equivalent balances - beginning of year	536,234	386,926	631,644	1,554,804	
Cash and cash equivalent balances - end of year	<u>\$ 444,961</u>	<u>\$ 431,805</u>	<u>\$ 657,660</u>	<u>\$ 1,534,426</u>	
Cash and cash equivalents are comprised of the following:					
Cash and cash equivalents	<u>\$ 444,961</u>	<u>\$ 431,805</u>	<u>\$ 657,660</u>	<u>\$ 1,534,426</u>	
Total cash and equivalents on the Statement of Net Position	<u>\$ 444,961</u>	<u>\$ 431,805</u>	<u>\$ 657,660</u>	<u>\$ 1,534,426</u>	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (310,771)	\$ 13,991	\$ (1,117,540)	\$ (1,414,320)	
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation expense	34,366	575	1,114,562	1,149,503	
Change in assets, deferred outflows, liabilities & deferred inflows:					
Customer receivables	1,621	37,839	-	39,460	
Intergovernmental receivable	38	-	-	38	
Interest receivable	(52)	66	-	14	
Prepays	(29)	(175)	-	(204)	
Other assets	(219)	(21)	(630)	(870)	
Deferred outflows of resources related to pension	78,213	-	-	78,213	
Deferred outflows of resources related to OPEB	1,734	-	-	1,734	
Accounts payable - supplier	15,521	(40)	287	15,768	
Salaries and benefits payable	5,263	-	2,298	7,561	
Compensated absences	51	-	-	51	
Net pension liability	(99,104)	-	-	(99,104)	
Net OPEB liability	(1,269)	-	-	(1,269)	
Deferred inflows of resources related to leases	2,348	(27,811)	-	(25,463)	
Deferred inflows of resources related to pension	42,537	-	-	42,537	
Deferred inflows of resources related to OPEB	108	-	-	108	
Net cash provided (used) by operating activities	<u>\$ (229,644)</u>	<u>\$ 24,424</u>	<u>\$ (1,023)</u>	<u>\$ (206,243)</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, 2023

	Central Garage	Self Insurance	Total Internal Service Funds	12/31/2023
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 60,479	\$ 4,666,109	\$ 4,726,588	
Accounts receivable	-	13,120	13,120	
Inventory	472,138	-	472,138	
Total current assets	<u>532,617</u>	<u>4,679,229</u>	<u>5,211,846</u>	
Noncurrent assets:				
Other assets - capital credits	2,232	-	2,232	
Total noncurrent assets	<u>2,232</u>	<u>-</u>	<u>2,232</u>	
Total assets	<u>534,849</u>	<u>4,679,229</u>	<u>5,214,078</u>	
LIABILITIES				
Current liabilities:				
Accounts payable	38,509	401,849	440,358	
Total liabilities	<u>38,509</u>	<u>401,849</u>	<u>440,358</u>	
NET POSITION				
Unrestricted	496,340	4,277,380	4,773,720	
Total net position	<u>\$ 496,340</u>	<u>\$ 4,277,380</u>	<u>\$ 4,773,720</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, 2023

	Central Garage	Self Insurance	Total Internal Service Funds
	12/31/2023		
OPERATING REVENUES			
Sales	\$2,250,817	\$ -	\$ 2,250,817
Cost of goods sold	(2,249,745)	-	(2,249,745)
Gross margin	1,072	-	1,072
Charges for services	-	7,274,439	7,274,439
Total operating revenues	1,072	7,274,439	7,275,511
OPERATING EXPENSES			
Insurance claims	-	6,234,654	6,234,654
Professional services	-	86,478	86,478
Total operating expenses	-	6,321,132	6,321,132
Operating income (loss)	1,072	953,307	954,379
NON-OPERATING REVENUES (EXPENSES)			
Interest income	(2,891)	165,930	163,039
Miscellaneous	42,424	-	42,424
Total non-operating revenues (expenses)	39,533	165,930	205,463
Change in net position	40,605	1,119,237	1,159,842
Net position - beginning	455,735	3,158,143	3,613,878
Net position - ending	\$ 496,340	\$ 4,277,380	\$ 4,773,720

City of Minot, North Dakota
Combining Statement of Cash Flows
Internal Service Funds
For the Year-to-Date as of December 31, 2023

	Central Garage	Self Insurance	Total Internal Service Funds	12/31/2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 2,283,399	\$ 7,404,910	\$ 9,688,309	
Payments to suppliers	(2,322,315)	(6,317,286)	(8,639,601)	
Net cash provided (used) by operating activities	<u>(38,916)</u>	<u>1,087,624</u>	<u>1,048,708</u>	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Internal activity - payments from other funds	42,424	-	42,424	
Net cash provided by noncapital financing activities	<u>42,424</u>	<u>-</u>	<u>42,424</u>	
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	(2,891)	165,930	163,039	
Net cash provided (used) by investing activities	<u>(2,891)</u>	<u>165,930</u>	<u>163,039</u>	
Net increase (decrease) in cash and cash equivalents	617	1,253,554	1,254,171	
Cash and cash equivalent balances - beginning of year	59,862	3,412,555	3,472,417	
Cash and cash equivalent balances - end of year	<u>\$ 60,479</u>	<u>\$ 4,666,109</u>	<u>\$ 4,726,588</u>	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income	\$ 1,072	\$ 953,307	\$ 954,379	
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Change in assets and liabilities				
Customer receivables	-	130,516	130,516	
Inventory	32,582	-	32,582	
Accounts payable - supplier	(72,570)	3,846	(68,724)	
Unearned revenue - other	-	(45)	(45)	
Net cash provided (used) by operating activities	<u>\$ (38,916)</u>	<u>\$ 1,087,624</u>	<u>\$ 1,048,708</u>	

City of Minot, North Dakota Custodial Funds

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

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

Passthrough - To account for resources provided by the federal or state government and passed through to private organizations or other governments.

City of Minot, North Dakota
Combining Statement of Net Position
Custodial Funds
December 31, 2023

	Hotel/ Motel Tax	Passthrough	Total Custodial Funds 12/31/2023
ASSETS			
Cash and cash equivalents	\$ 61,474	\$ -	\$ 61,474
Accounts receivable	82,882	-	82,882
Intergovernmental receivable	3,626	3,959	7,585
Total assets	<u>147,982</u>	<u>3,959</u>	<u>151,941</u>
LIABILITIES			
Accounts payable	\$ 143,511	\$ 3,959	\$ 147,470
Total liabilities	<u>\$ 143,511</u>	<u>\$ 3,959</u>	<u>\$ 147,470</u>
NET POSITION			
Restricted for:			
Custodial activities	4,471	-	4,471
Total net position	<u>\$ 4,471</u>	<u>\$ -</u>	<u>\$ 4,471</u>

City of Minot, North Dakota
Combining Statement of Changes in Net Position
Custodial Funds
For the Year-to-Date as of December 31, 2023

	Hotel/ Motel Tax	Passthrough	Total Custodial Funds	12/31/2023
ADDITIONS				
Contributions:				
Lodging taxes	\$ 1,192,918	\$ -	\$ 1,192,918	
Car rental taxes	46,676	-	46,676	
Intergovernmental	-	13,650	13,650	
Total additions	<u>1,239,594</u>	<u>13,650</u>	<u>1,253,244</u>	
DEDUCTIONS				
Administrative expenses	50,102	13,650	63,752	
Taxes distributed to Visit Minot/All Seasons Arena	<u>1,185,021</u>	-	<u>1,185,021</u>	
Total deductions	<u>1,235,123</u>	<u>13,650</u>	<u>1,248,773</u>	
Change in net position	4,471	-	4,471	
Net position - beginning	-	-	-	
Net position - ending	<u>\$ 4,471</u>	<u>\$ -</u>	<u>\$ 4,471</u>	

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source December 31, 2023

GOVERNMENTAL FUNDS CAPITAL ASSETS	12/31/2023
Land	109,404,583
Construction in progress	33,753,240
Infrastructure	365,736,168
Buildings	39,313,561
Equipment	30,580,501
Intangible assets	224,163
Books	3,032,604
Total governmental funds capital assets	582,044,820

INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE

Capital project funds	
General obligation bonds	48,398,042
Revenue bonds	37,334,973
Sales tax	25,419,149
Federal grants	178,201,199
State grants	142,434,655
County grants	1,099,021
Contributions from others	51,452,512
General fund	62,965,428
Special revenue	11,383,952
Special assessments	19,219,410
Enterprise fund	4,136,479
Total governmental funds capital assets	582,044,820

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
December 31, 2023

FUNCTION AND ACTIVITY	Land	Construction in Process	Buildings	Equipment	Infrastructure	Intangible Assets	Books	12/31/2023
GENERAL GOVERNMENT								
Property maintenance	\$ -	\$ -	\$ 16,815,535	\$ 727,167	\$ 305,527	\$ -	\$ -	\$ 17,848,229
City manager/clerk	-	-	-	45,594	-	-	-	45,594
Finance	-	-	20,000	-	1,113,934	-	-	1,133,934
Information technology	-	-	-	541,053	-	-	-	541,053
Assessor	-	-	-	90,619	-	-	-	90,619
Planning	-	-	-	45,554	-	-	-	45,554
Inspection	-	-	-	239,200	-	-	-	239,200
Shop	-	-	-	373,806	-	-	-	373,806
Public works	-	-	4,411,777	31,720	-	-	-	4,443,497
Public transportation	-	22,214	853,027	4,016,292	-	-	-	4,891,533
Total general government	-	22,214	22,100,339	6,111,005	1,419,461	-	-	29,653,019
PUBLIC SAFETY								
Police	-	279,653	233,844	5,801,277	7,883,654	-	-	14,198,428
Fire	331,371	-	12,129,896	6,358,118	1,388,084	-	-	20,207,469
Traffic control	-	306,019	-	3,798,526	4,312,370	-	-	8,416,915
Flood control	107,220,015	32,076,384	-	503,627	63,878,040	22,353	-	203,700,419
Total public safety	107,551,386	32,662,056	12,363,740	16,461,548	77,462,148	22,353	-	246,523,231
HIGHWAYS AND STREETS								
Engineering	-	1,068,970	-	499,028	-	29,569	-	1,597,567
Street	1,423,196	-	485,422	7,013,346	285,942,675	172,241	-	295,036,880
Total highways and streets	1,423,196	1,068,970	485,422	7,512,374	285,942,675	201,810	-	296,634,447
CULTURE AND RECREATION								
Library	7,624	-	3,128,994	151,031	315,781	-	3,032,604	6,636,034
Recreation	422,377	-	1,235,066	344,543	596,103	-	-	2,598,089
Total culture and recreation	430,001	-	4,364,060	495,574	911,884	-	3,032,604	9,234,123
Total governmental funds	\$109,404,583	\$33,753,240	\$ 39,313,561	\$30,580,501	\$365,736,168	\$ 224,163	\$3,032,604	\$ 582,044,820

City of Minot, North Dakota
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
December 31, 2023

FUNCTION AND ACTIVITY	Governmental Fund Capital Assets				Governmental Fund Capital Assets	
	January 1, 2023	Additions	Deletions	Transfers	Construction in Process	December 31, 2023
GENERAL GOVERNMENT						
Civic center/property maintenance	\$ 19,847,130	\$ 13,448,064	\$ 15,534,718	\$ 87,755	\$ -	\$ 17,848,231
City manager/clerk	45,594	-	-	-	-	45,594
Finance	1,133,934	-	-	-	-	1,133,934
Information technology	490,683	50,370	-	-	-	541,053
Assessor	90,619	-	-	-	-	90,619
Planning	42,597	-	-	2,957	-	45,554
Inspection	265,686	6,250	57,729	24,993	-	239,200
Shop	401,827	6,821	5,849	(28,993)	-	373,806
Public works	4,450,496	-	-	(6,999)	-	4,443,497
Public transportation	4,797,476	14,900	-	56,943	22,214	4,891,533
Total general government	31,566,042	13,526,405	15,598,296	136,656	22,214	29,653,021
PUBLIC SAFETY						
Police	7,978,879	6,578,582	554,836	(83,849)	279,653	14,198,429
Fire	18,002,535	4,783,208	2,578,274	-	-	20,207,469
Traffic control	7,988,218	258,919	155,224	18,983	306,019	8,416,915
Flood control	184,106,105	3,128,903	15,610,974	-	32,076,384	203,700,418
Total public safety	218,075,737	14,749,612	18,899,308	(64,866)	32,662,056	246,523,231
HIGHWAYS AND STREETS						
Engineering	473,541	83,160	28,104	-	1,068,970	1,597,567
Street	291,985,553	4,878,943	2,009,626	182,008	-	295,036,878
Total highways and streets	292,459,094	4,962,103	2,037,730	182,008	1,068,970	296,634,445
CULTURE AND RECREATION						
Library	6,693,280	171,015	235,191	6,930	-	6,636,034
Recreation	2,598,089	-	-	-	-	2,598,089
Total culture and recreation	9,291,369	171,015	235,191	6,930	-	9,234,123
Total governmental funds	\$ 551,392,242	\$ 33,409,135	\$ 36,770,525	\$ 260,728	\$ 33,753,240	\$ 582,044,820

City of Minot, North Dakota Statistical Section

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

The Statistical Section is presented in five categories:

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

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

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

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

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

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

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

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

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

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

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

City of Minot, North Dakota

Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

unaudited

	Restated													
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023				
Governmental activities														
Net investment in capital assets	\$ 153,468,851	\$ 213,781,240	\$ 245,659,435	\$ 289,558,273	\$ 307,599,271	\$ 311,589,385	\$ 314,163,170	\$ 328,538,231	\$ 335,194,174	\$ 349,290,831				
Restricted for:														
General government	-	-	-	-	-	173,189	194,506	195,712	-	-				
Public safety	-	-	-	-	-	-	147,762	13,251	45,218	54,874	163,137			
Leases	7,921	-	-	6,405	214,717	759,881	715,585	513,640	-	-				
Culture and recreation	-	-	-	-	-	-	1,000	-	-	-				
Sales tax property tax relief	4,009,260	3,320,232	466,078	620,510	1,211,947	1,341,288	-	-	-	-				
Sales tax economic development	10,668,504	6,440,271	7,642,551	9,956,038	10,281,687	10,177,039	-	-	-	-				
Sales tax improvements	5,840,353	5,862,916	5,618,656	4,539,630	4,534,254	5,618,585	-	-	-	-				
Sales tax flood control	7,141,360	11,238,809	12,983,515	11,298,564	4,750,786	2,034,198	-	-	-	-				
Sales tax NAWS	34,130,645	34,099,423	33,063,703	29,139,579	16,566,834	17,861,969	-	-	-	-				
Sales tax infrastructure	7,677,734	7,483,834	9,361,205	7,694,952	7,805,000	7,823,361	-	-	-	-				
Sales tax community facilities	7,655,275	6,669,543	5,640,828	5,780,863	4,519,089	2,051,923	-	-	-	-				
Debt service	1,946,942	4,362,686	4,821,781	3,000,375	2,478,763	2,546,076	3,000,502	3,264,295	7,850,508	1,784,772				
Highway projects	-	-	-	2,530,196	-	-	-	-	-					
Other purposes	631,104	14,491	-	400,303	-	-	-	-	-					
Unrestricted	51,710,024	28,862,541	24,715,847	15,216,593	30,493,443	29,723,713	81,589,460	83,305,460	63,909,212	59,860,365				
Total governmental activities net position	\$ 284,887,973	\$ 322,135,986	\$ 349,973,599	\$ 379,742,281	\$ 390,628,980	\$ 391,869,686	\$ 399,677,680	\$ 415,667,844	\$ 407,008,767	\$ 411,099,105				
Business-type activities														
Net investment in capital assets	\$ 187,576,187	\$ 246,874,877	\$ 277,102,647	\$ 304,758,387	\$ 301,986,780	\$ 295,935,018	\$ 320,279,420	\$ 329,559,041	\$ 319,038,236	\$ 335,339,197				
Restricted for:														
Customer facility charges	-	-	-	620,699	815,226	1,127,735	1,361,825	1,617,460	1,905,966	2,289,254				
Leases	5,383	884,900	1,157,675	1,836,498	2,110,850	1,333,141	1,478,931	1,495,188	-	-				
Debt service	5,115,955	7,176,604	7,534,598	6,004,140	6,218,930	6,401,795	8,146,961	6,602,150	6,811,845	6,706,312				
Passenger facility charges not spent	651,251	-	-	-	-	-	-	-	-					
Other purposes	14,402	-	-	-	-	-	-	-	-					
Unrestricted	30,061,447	38,411,347	21,219,745	17,342,753	34,221,779	36,267,639	35,115,856	39,386,777	39,680,844	39,367,117				
Total business-type activities net position	\$ 223,424,625	\$ 293,347,728	\$ 307,014,665	\$ 330,562,477	\$ 345,353,565	\$ 341,065,328	\$ 366,382,993	\$ 378,660,616	\$ 367,436,891	\$ 383,701,880				
Government-wide activities														
Net investment in capital assets	\$ 341,045,038	\$ 460,656,117	\$ 522,762,082	\$ 594,316,660	\$ 609,586,051	\$ 607,524,403	\$ 634,442,590	\$ 658,097,272	\$ 654,232,410	\$ 684,630,028				
Restricted	85,496,089	87,553,709	88,290,590	83,428,752	61,681,272	59,419,259	14,912,767	13,538,951	16,623,193	10,943,475				
Unrestricted	81,771,471	67,273,888	45,935,592	32,559,346	64,715,222	65,991,352	116,705,316	122,692,237	103,590,055	99,227,482				
Total government net position	\$ 508,312,598	\$ 615,483,714	\$ 656,988,264	\$ 710,304,758	\$ 735,982,545	\$ 732,935,014	\$ 766,060,673	\$ 794,328,460	\$ 774,445,658	\$ 794,800,985				

*Restated 2015: The City implemented GASB 68 *Accounting for Financial Reporting to Pension* in 2015 which was a significant change in accounting principle and required a re-statement of net position.

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

	Restated													
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023				
EXPENSES														
Governmental activities														
General government	\$ 27,476,332	\$ 27,783,373	\$ 28,066,358	\$ 23,950,938	\$ 27,658,285	\$ 21,270,277	\$ 46,671,426	\$ 27,508,285	\$ 31,039,765	\$ 35,559,621				
Public safety	15,297,259	14,843,622	18,800,391	18,904,678	19,357,138	28,133,572	28,806,347	29,806,546	40,329,290	31,273,248				
Highways and streets	16,199,177	16,772,838	8,141,336	19,749,436	22,087,149	23,956,775	26,874,991	27,901,514	30,244,333	28,955,931				
Culture and recreation	7,673,973	9,991,456	7,856,753	7,759,929	4,115,743	6,494,132	1,886,115	4,289,502	6,432,604	2,313,419				
Economic development	3,292,475	3,266,376	1,145,992	826,120	420,838	646,685	679,972	1,750,090	1,589,076	2,363,487				
Interest on long-term debt	1,084,587	1,323,446	1,359,381	1,324,441	1,187,992	1,089,828	1,020,861	1,398,143	2,367,133	2,356,127				
Total governmental activities expenses	71,023,803	73,981,111	65,370,211	72,515,542	74,827,145	81,591,269	105,939,712	92,654,080	112,002,201	102,821,833				
Business-type activities														
Airport	6,406,365	8,758,360	13,340,229	10,979,519	10,498,354	10,294,345	10,409,737	9,911,353	11,051,091	11,155,480				
Cemetery	488,825	469,091	533,872	497,669	514,137	565,414	479,625	480,888	549,569	588,403				
Parking authority	72,806	98,705	79,994	32,703	15,337	19,842	17,548	20,010	25,499	32,590				
Sanitation	4,461,806	4,464,495	5,068,307	6,156,209	5,342,969	5,411,164	5,721,502	5,621,689	6,158,652	7,832,525				
Water, sewer, & storm sewer	18,558,478	20,167,628	25,344,511	25,312,026	27,894,194	29,150,934	32,257,004	33,793,602	36,257,064	38,927,434				
Parking ramps	-	-	-	-	100,600	78,319	1,185,316	1,207,653	1,209,758	1,225,951				
Total business-type activities expenses	29,988,280	33,958,279	44,366,913	42,978,126	44,365,591	45,520,018	50,070,732	51,035,195	55,251,633	59,762,383				
Total government expenses	101,012,083	107,939,390	109,737,124	115,493,668	119,192,736	127,111,287	156,010,444	143,689,275	167,253,834	162,584,216				
PROGRAM REVENUES														
Governmental activities														
Charges for services														
General government	11,273,075	7,592,971	6,684,624	5,545,362	6,516,083	4,986,281	4,637,569	5,747,074	5,710,537	5,383,262				
Public safety	1,721,664	1,074,256	1,429,447	1,130,201	1,287,801	3,129,361	2,828,616	828,812	1,247,374	1,099,276				
Highways and streets	793	-	123,754	22,715	-	51,308	149,390	149,423	149,423	149,423				
Culture and recreation	558,414	568,694	655,084	592,532	476,712	93,676	96,917	-	187,861	52,768				
Operating grants and contributions														
General government	13,467,696	5,524,812	3,214,916	4,785,366	7,897,958	4,740,699	7,046,635	13,710,500	14,210,915	11,224,373				
Public safety	534,176	311,835	1,136,656	463,544	661,683	268,901	8,236,931	640,329	1,723,018	2,447,396				
Highways and streets	593,703	8,606,392	-	1,832,659	1,882,272	2,150,000	-	-	231,882	3,158,189				
Culture and Recreation	90,498	98,447	3,937	37,452	46,372	49,686	63,493	2,745,802	3,675,821	42,280				
Capital grants and contributions														
General government	14,555,981	31,748,416	21,856,896	27,108,995	14,896,495	11,526,690	855,376	635,653	5,879,871	2,533,575				
Public safety	468,119	2,663,668	10,564	27,204	67,539	207,500	31,012,559	22,644,162	7,247,940	9,981,433				
Highways and streets	28,049,555	39,835,660	6,416,100	21,863,378	14,809,130	791,210	8,515,099	7,235,067	8,714,001	7,111,124				
Culture and recreation	24,806	190,839	63,400	27,515	137,892	2,061	145,416	5,702	9,014	8,668				
Total governmental activities program revenues	71,338,480	98,215,990	41,595,378	63,436,924	48,679,937	27,997,373	63,588,001	54,342,524	48,987,657	43,191,766				
Business-type activities														
Charges for services														
Airport	4,047,237	3,327,592	4,585,949	4,136,045	4,218,415	4,454,804	3,225,837	3,912,852	4,367,567	4,802,013				
Cemetery	330,264	313,701	298,117	297,359	280,341	275,218	328,238	352,482	341,711	228,182				
Parking authority	39,259	45,655	48,527	47,310	51,710	52,788	51,976	54,100	65,022	46,581				
Sanitation	4,679,968	4,536,174	4,292,700	5,465,072	5,733,297	5,502,394	6,302,618	6,334,884	6,593,259	6,760,489				
Water, sewer, & storm sewer	19,216,996	19,953,794	20,000,966	21,384,485	22,375,882	21,899,422	22,299,100	23,042,969	23,256,683	24,244,059				
Parking ramps	-	-	-	-	42,194	82,233	94,421	95,277	85,640	108,414				
Operating grants and contributions														
Airport	1,248,307	2,401,140	1,421,390	580,465	626,823	500,621	1,717,616	1,108,584	830,734	4,845,944				
Cemetery	-	-	-	-	-	-	600	80	-	25				
Sanitation	-	5,200	89,903	-	-	-	-	-	2,360	-	177,041			
Water, sewer, & storm sewer	-	-	24,608	-	445,000	-	-	-	1,614	-	3,821			

City of Minot, North Dakota
Changes in Net Position

Last Ten Fiscal Years
 (accrual basis of accounting)
 unaudited

	Restated									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Capital grants and contributions										
Airport	\$ 20,519,210	\$ 21,362,081	\$ 3,564,669	\$ 2,203,852	\$ 1,102,373	\$ 1,893,578	\$ 4,798,762	\$ 1,808,327	\$ 631,108	\$ 2,872,801
Cemetery	-	-	-	-	-	-	-	-	-	-
Parking authority	(1,513)	-	-	-	-	-	-	-	-	-
Sanitation	190,550	-	577,716	2,606,770	36,329	31	591	-	-	-
Water, sewer, & storm sewer	46,719,119	62,750,889	26,480,713	21,169,631	6,938,315	906,260	14,464,533	22,998,933	1,988,699	27,156,392
Parking ramps	-	-	-	-	-	17,279,821	-	-	-	-
Total business-type activities program revenues	96,989,397	114,696,225	61,385,258	57,890,988	41,850,679	35,567,349	70,564,113	59,712,462	38,160,423	71,245,762
Total government program revenues	168,327,877	212,912,215	102,980,636	121,327,912	90,530,616	63,564,722	134,152,114	114,054,986	87,148,080	114,437,528
Net revenue (expense)										
Governmental activities	314,678	24,234,879	(23,774,833)	(9,078,618)	(26,147,208)	(53,593,896)	(42,351,711)	(38,311,556)	(63,014,544)	(59,630,067)
Business-type activities	67,001,117	80,737,946	17,018,346	14,912,862	(2,514,912)	(9,952,669)	20,493,381	8,677,267	(17,091,210)	11,483,379
Total government net expense	67,315,795	104,972,825	(6,756,487)	5,834,244	(28,662,120)	(63,546,565)	(21,858,330)	(29,634,289)	(80,105,754)	(48,146,688)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	9,668,534	13,094,945	14,555,649	13,897,560	18,361,227	20,530,118	20,322,998	20,496,354	20,348,057	19,890,971
Property taxes, levied for debt service	1,126,237	2,875,336	2,333,770	3,056,361	2,936,172	2,971,720	3,367,226	2,833,567	3,549,875	4,837,703
Sales tax collections	27,245,883	26,035,551	21,375,144	20,035,165	21,182,065	22,160,231	20,655,109	23,141,014	25,588,350	26,440,643
Municipal highway tax*	4,792,103	2,740,748	2,400,195	2,560,200	2,618,870	2,647,322	2,387,134	2,312,339	2,268,840	-
State aid distribution	2,952,874	4,411,924	3,477,932	3,378,357	3,818,739	3,987,699	3,460,199	3,768,870	4,314,535	4,821,718
Franchise taxes	699,277	702,627	676,847	629,927	571,431	525,036	485,958	462,721	430,103	358,502
Other taxes	700,272	311,720	314,838	303,037	303,918	296,676	297,295	309,301	294,636	294,708
Grants and contributions not restricted to specific programs										
Interest Income (loss)	471,073	694,916	645,118	801,119	1,576,164	2,144,612	1,606,922	483,993	(929,685)	6,582,395
Miscellaneous	604,999	2,702,358	1,337,662	1,165,742	1,360,796	989,287	802,964	1,176,141	2,056,057	1,852,592
Transfers	(353,310)	1,262,055	4,495,291	(6,886,141)	(15,695,476)	(1,418,099)	(3,226,100)	(682,580)	(3,565,301)	(1,358,827)
Total governmental activities	47,907,942	54,832,180	51,612,446	38,941,327	37,033,906	54,834,602	50,159,705	54,301,720	54,355,467	63,720,405
Business-type activities:										
Taxes										
Property taxes, levied for general purposes	82,208	166,746	385,491	758,690	797,082	2,802,605	954,484	859,533	873,670	650,683
Property taxes, levied for debt service	-	-	-	-	-	-	6,080	6,675	6,579	6,582
Interest Income (loss)	114,540	119,072	98,063	249,010	423,177	748,124	387,779	13,719	138,022	2,392,636
Miscellaneous	44,404	1,244,180	660,328	756,238	390,265	695,604	249,841	2,037,849	1,283,913	372,882
Transfers	353,310	(1,262,055)	(4,495,291)	6,886,141	15,695,476	1,418,099	3,226,100	682,580	3,565,301	1,358,827
Total business-type activities	594,462	267,943	(3,351,409)	8,650,079	17,306,000	5,664,432	4,824,284	3,600,356	5,867,485	4,781,610
Total government	48,502,404	55,100,123	48,261,037	47,591,406	54,339,906	60,499,034	54,983,989	57,902,076	60,222,952	68,502,015
Change in net position										
Governmental activities	48,222,620	79,067,059	27,837,613	29,862,709	10,886,699	1,240,706	7,807,994	15,990,164	(8,659,077)	4,090,338
Business-type activities	67,595,579	81,005,889	13,666,937	23,562,941	14,791,088	(4,288,237)	25,317,665	12,277,623	(11,223,725)	16,264,989
Total government	\$ 115,818,199	\$ 160,072,948	\$ 41,504,550	\$ 53,425,650	\$ 25,677,787	\$ (3,047,531)	\$ 33,125,659	\$ 28,267,787	\$ (19,882,802)	\$ 20,355,327

*Restated 2015: The City implemented GASB 68 Accounting for Financial Reporting in 2015 which was a significant change in accounting principle and required a re-statement of net position.

*Municipal highway tax was reclassified into program revenues as of 12/31/2023 per the State Auditor's Office

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General fund										
Nonspendable	\$ 265,407	\$ 517,859	\$ 508,264	\$ 471,775	\$ 473,597	\$ 668,118	\$ 666,170	\$ 837,920	\$ 860,246	\$ 813,099
Restricted	3,171	-	654,437	372,804	214,717	907,643	728,836	523,883	915,222	716,173
Committed	-	-	-	-	480,742	2,318,748	3,037,974	3,271,769	1,330,277	3,385,758
Assigned	-	-	82,268	85,700	234,849	6,719,520	7,443,829	7,348,859	5,909,661	3,221,339
Unassigned	22,706,977	24,689,554	24,487,188	26,556,632	30,949,573	33,604,001	35,096,891	30,176,508	31,010,185	34,883,822
Total general fund	<u>\$ 22,975,555</u>	<u>\$ 25,207,413</u>	<u>\$ 25,732,157</u>	<u>\$ 27,486,911</u>	<u>\$ 32,353,478</u>	<u>\$ 44,218,030</u>	<u>\$ 46,973,700</u>	<u>\$ 42,158,939</u>	<u>\$ 40,025,591</u>	<u>\$ 43,020,191</u>
All other governmental funds										
Nonspendable	\$ 1,811,788	\$ 1,802,560	\$ 2,428,847	\$ 1,068,548	\$ 115,614	\$ 94,462	\$ 100,965	\$ 119,193	\$ 1,529,740	\$ 77,416
Restricted	36,569,675	79,520,645	79,598,317	74,588,206	52,321,549	49,648,945	3,196,215	3,300,270	7,860,558	1,784,772
Committed	38,123,755	-	-	291,096	5,750,502	7,837,207	56,188,680	70,972,987	82,094,063	69,017,497
Assigned	26,648,670	25,864,361	24,420,302	18,479,763	22,413,885	11,798,609	16,357,091	55,050,382	29,241,047	30,857,717
Unassigned	(265,877)	-	(265,822)	(22,847)	(642,814)	(967,083)	-	-	-	(2,165,547)
Total all other governmental funds	<u>\$ 102,888,011</u>	<u>\$ 107,187,566</u>	<u>\$ 106,181,644</u>	<u>\$ 94,404,766</u>	<u>\$ 79,958,736</u>	<u>\$ 68,412,140</u>	<u>\$ 75,842,951</u>	<u>\$ 129,442,832</u>	<u>\$ 120,725,408</u>	<u>\$ 99,571,855</u>

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES										
Property taxes	\$ 10,550,013	\$ 15,719,398	\$ 16,620,590	\$ 16,685,984	\$ 20,885,157	\$ 22,895,662	\$ 23,136,677	\$ 23,329,921	\$ 23,897,932	\$ 24,728,674
Sales tax collections	27,245,883	26,035,551	21,375,144	20,035,165	21,182,065	22,160,231	20,655,109	23,141,014	25,588,350	26,440,643
Cable TV franchise fees	668,203	699,277	676,847	629,927	571,431	525,036	485,958	462,721	430,103	358,502
Licenses and permits	1,862,029	1,331,860	977,803	685,449	1,398,108	777,618	901,383	1,673,116	1,278,514	1,272,678
Intergovernmental	39,740,800	60,177,461	32,513,738	47,959,928	30,411,854	27,756,631	34,044,663	38,938,413	43,873,909	34,715,589
Charges for services	8,746,373	5,089,099	5,223,295	3,986,868	4,535,173	4,471,421	4,165,353	3,704,686	4,032,850	4,188,037
Fines and forfeits	1,229,088	679,969	669,284	646,728	739,543	741,953	565,484	538,176	761,251	795,923
Special assessment collections	2,030,276	4,884,263	4,002,683	2,205,809	1,945,189	1,963,557	1,951,866	2,195,270	3,276,999	1,429,238
Interest income	471,073	694,916	645,118	801,119	1,576,164	2,144,611	1,606,922	483,993	(929,685)	6,582,395
Contract revenue	-	-	-	-	-	-	-	-	-	-
Miscellaneous	604,999	2,934,911	1,506,669	1,505,480	1,677,642	1,126,269	836,107	1,176,141	2,310,157	1,852,592
Total revenues	<u>93,148,737</u>	<u>118,246,705</u>	<u>84,211,171</u>	<u>95,142,457</u>	<u>84,922,326</u>	<u>84,562,989</u>	<u>88,349,522</u>	<u>95,643,451</u>	<u>104,520,380</u>	<u>102,364,271</u>
EXPENDITURES										
General government	23,680,730	26,239,852	15,721,274	21,646,093	23,146,741	18,743,031	23,235,062	27,441,383	30,347,845	33,306,512
Public safety	14,376,257	14,869,964	16,320,099	16,591,562	17,379,470	24,997,553	25,358,231	26,069,678	30,925,034	25,354,314
Highways and streets	8,557,587	7,966,728	6,472,349	7,882,733	8,625,795	9,950,063	13,017,055	13,865,901	15,525,069	13,834,592
Culture and recreation	7,364,051	9,762,841	7,658,965	7,396,239	3,693,931	5,932,137	2,012,406	4,278,713	6,415,112	2,055,381
Economic development	3,292,475	3,266,376	1,145,992	826,120	420,838	646,685	679,973	1,750,090	1,589,076	2,363,487
Capital outlay	27,926,088	49,490,425	47,648,330	36,562,709	21,055,738	18,990,565	15,038,813	16,206,174	28,975,570	29,628,142
Debt retirement										
Principal	3,060,000	4,485,000	4,920,000	6,110,000	3,760,000	3,840,000	3,999,711	4,177,890	4,879,767	10,832,763
Interest and fiscal charges	1,022,919	1,319,488	1,326,733	1,341,613	1,211,259	1,112,458	998,971	1,068,748	2,384,727	2,365,651
Administrative Charges	-	-	-	-	-	1,201	408	6,740	7,532	7,907
Total expenditures	<u>89,280,107</u>	<u>117,400,674</u>	<u>101,213,742</u>	<u>98,357,069</u>	<u>79,293,772</u>	<u>84,213,693</u>	<u>84,340,630</u>	<u>94,865,317</u>	<u>121,049,732</u>	<u>119,748,749</u>
Excess (deficiency) of revenues over (under) expenditures	3,868,630	846,031	(17,002,571)	(3,214,612)	5,628,554	349,296	4,008,892	778,134	(16,529,352)	(17,384,478)
OTHER FINANCING SOURCES (USES)										
General obligation bonds issued	3,950,000	390,000	780,000	-	-	-	-	-	-	65,602
Special assessment bonds issued	4,135,000	3,780,000	10,110,000	-	-	-	-	2,641,138	-	-
Sales tax bonds issued	-	-	-	-	-	-	8,145,000	42,589,626	7,862,444	-
Premium (discount) on debt issued	332,360	166,241	949,616	-	-	-	70,777	3,258,334	534,146	-
State revolving fund	-	-	-	-	179,120	434,122	801,680	-	-	-
Capital leases	7,921	(1,779)	-	6,405	203,000	805,472	196,153	-	754,768	36,495
Subscription-based information technology arrangements	-	-	-	-	-	-	-	-	-	232,027
Sale of City Property	93,325	88,865	186,486	72,224	105,339	147,162	190,079	200,468	92,523	250,228
Transfers in	21,264,126	19,905,935	21,977,660	16,349,478	13,303,536	22,771,414	18,663,791	15,504,677	16,561,953	23,905,791
Transfers out	(21,617,436)	(18,643,880)	(17,482,369)	(23,235,619)	(24,189,512)	(21,889,891)	(16,187,257)	(20,127,254)	(25,264,618)	
Total other financing sources (uses)	<u>8,165,296</u>	<u>5,685,382</u>	<u>16,521,393</u>	<u>(6,807,512)</u>	<u>13,790,995</u>	<u>(31,342)</u>	<u>6,177,589</u>	<u>48,006,986</u>	<u>5,678,580</u>	<u>(774,475)</u>
Net change in fund balances	<u>\$ 12,033,926</u>	<u>\$ 6,531,413</u>	<u>\$ (481,178)</u>	<u>\$ (10,022,124)</u>	<u>\$ 19,419,549</u>	<u>\$ 317,954</u>	<u>\$ 10,186,481</u>	<u>\$ 48,785,120</u>	<u>\$ (10,850,772)</u>	<u>\$ (18,158,953)</u>
Debt service expenditures to noncapital expenditures	6.65%	8.55%	11.66%	12.06%	8.54%	7.59%	7.21%	6.67%	7.89%	14.65%

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

Year	Property Tax Levied for General Purposes	Property Tax Levied for Debt Service	Sales Tax	Municipal Highway Tax*	State Aid Distribution	Franchise Tax	Other Tax	Total	(1) Population Estimated
2014	9,750,742	1,126,237	27,245,883	2,952,874	4,792,103	699,277	700,272	47,267,388	47,997
2015	13,261,691	2,875,336	26,035,551	2,740,748	4,411,924	702,627	311,720	50,339,597	49,450
2016	14,555,649	2,333,770	21,375,144	2,400,195	3,477,932	676,847	314,838	45,134,375	47,338
2017	14,656,250	3,056,361	20,035,165	2,560,200	3,378,357	629,927	303,037	44,619,297	48,743
2018	18,361,227	2,936,172	21,182,065	2,618,870	3,818,739	571,431	303,918	49,792,422	47,822
2019	20,530,118	2,971,720	22,160,231	2,647,322	3,987,699	525,036	296,676	53,118,802	47,370
2020	20,322,998	3,367,226	20,655,109	2,387,134	3,460,199	485,958	297,295	50,975,919	47,382
2021	20,496,354	2,833,567	23,141,014	2,312,339	3,768,870	462,721	309,301	53,324,166	48,377
2022	22,651,009	3,549,875	25,588,350	2,268,840	4,314,535	430,103	294,636	59,097,348	47,789
2023	20,541,654	4,844,285	26,440,643	-	4,821,718	358,502	294,708	57,301,510	47,759

(1) 2017-2021 Source: Ward County Area Profile.
 2014-2016 Source: U.S. Census Bureau

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

Year	Population Estimated	City Direct Sales Tax Rate	(2) Taxable Sales & Purchases	Sales Tax remitted by State of ND to the City												Total Sales Tax Collections	Percentage of Taxable Sales & Purchases top ten permit holders	
				First Penny						Second Penny								
				Property Tax Relief 10%	Economic Development 40%/15%	Improvements 50%/25%	Flood Control 50%	Capital Purchases	Flood Control Capital	Property Tax Relief 30%/18%	Infrastructure 40%/24%	Community Facilities 30%/18%	Capital Purchases	Northwest Area Water Supply 40%				
2014	47,997	2%	1,566,093,772	1,362,295	3,541,644	4,903,938	3,815,065	-	-	4,086,883	5,449,176	4,086,882	-	-	27,245,884	27.20%		
2015	49,450	2%	1,419,398,286	1,301,778	-	3,254,215	6,508,886	1,952,898	-	3,905,333	2,759,100	3,755,333	2,598,009	-	26,035,551	32.00%		
2016	47,338	2%	1,046,054,220	1,068,757	1,603,136	2,671,893	2,668,786	-	2,675,000	3,206,271	4,275,029	3,206,272	-	-	21,375,144	27.70%		
2017	48,743	2%	1,007,678,634	1,001,758	1,502,637	2,504,396	5,008,791	-	-	3,005,275	4,007,033	3,005,275	-	-	20,035,165	28.20%		
2018	47,822	2%	1,049,220,541	1,059,103	1,588,655	2,647,758	1,842,280	-	6,630,546	3,177,310	4,236,413	-	-	-	21,182,065	28.50%		
2019	47,370	2%	1,096,014,823	1,108,012	1,662,017	2,770,029	382,217	-	5,157,840	1,994,421	2,659,228	1,994,421	-	4,432,046	22,160,231	30.40%		
2020	47,382	2%	1,007,032,777	1,032,755	1,549,133	2,581,889	5,163,777	-	-	1,858,960	2,478,613	1,858,960	-	4,131,022	20,655,109	31.92%		
2021	48,377	2%	1,099,675,642	1,157,051	1,735,576	2,892,627	5,785,253	-	-	2,082,691	2,776,922	2,082,691	-	4,628,203	23,141,014	29.29%		
2022	47,789	2%	1,220,333,393	1,279,417	1,919,126	3,198,544	6,397,088	-	-	2,302,952	3,070,601	2,302,952	-	5,117,670	25,588,350	30.90%		
2023	47,759	2%	1,330,188,556	1,322,033	1,983,048	3,305,080	6,610,161			2,379,658	3,172,877	2,379,658		5,288,128	26,440,643	32.50%		

In 1998, Sales Tax increased from 1% to 2%, with the additional 1% dedicated to the Northwest Area Water Supply project. The sales tax is a citizen voted tax. The original 1% is for capital improvements at 50%, economic development at 40%, and property tax relief at 10%. In June 2011, the voters opted to continue collecting the additional 1% sales tax, formerly for the Northwest Area Water Supply project and dedicate 30% to property tax relief, 40% to infrastructure projects, and 30% to community facilities.

Based on the results of the City Council passing an ordinance, the first penny sales tax will be reallocated to the following as of July 1, 2014: property tax relief 10%; economic development 15%; improvements fund 25%; and flood control 50%. Effective January 1, 2019, 40% of the second penny sales tax was reallocated to the Northwest Area Water Supply project.

(1) 2017-2021 Source: Ward County Area Profile.
 2014-2016 Source: U.S. Census Bureau

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

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

Industry	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Construction	\$ 49,746,274	\$ 50,617,167	\$ 33,914,871	\$ 25,724,984	\$ 30,518,657	\$ 26,691,993	\$ 24,376,007	\$ 29,724,090	\$ 37,707,998	\$ 40,683,325
Manufacturing	44,013,916	35,172,479	26,147,004	24,098,344	25,157,356	25,863,286	24,454,978	28,913,652	33,104,924	32,411,655
Wholesale trade	290,327,737	188,430,808	119,459,817	121,122,546	131,858,479	142,197,859	125,853,922	129,892,240	172,991,558	207,245,671
Retail trade	787,593,298	701,907,245	588,795,861	561,632,634	571,195,731	578,080,327	563,257,457	602,536,431	607,562,000	624,954,025
Transportation & warehousing	4,857,706	4,544,458	3,843,794	3,840,060	3,918,938	3,282,504	596,969	475,366	1,227,009	1,299,909
Information industries	5,370,170	5,361,095	4,658,360	4,366,103	4,184,241	4,206,383	1,447,307	2,215,935	3,187,878	3,591,786
Fin, insurance, real estate, rental & leasing	56,572,911	37,360,861	22,283,586	22,824,929	25,620,582	31,460,558	24,017,979	19,566,187	28,194,194	30,523,972
Professional, scientific, tech., & mgmt serv.	6,201,548	4,968,086	4,993,857	5,303,173	4,913,830	5,431,346	3,588,617	3,997,205	4,296,375	5,132,510
Educational, health care, & social services	4,526,544	4,359,408	4,086,361	3,373,433	4,035,600	4,488,726	3,829,500	5,098,034	4,817,330	5,026,851
Arts, entertainment & recreation	5,852,922	6,143,852	6,546,703	7,613,172	7,384,957	7,479,974	7,166,799	9,218,539	10,094,666	11,879,583
Accommodation & food services	202,405,713	190,000,047	166,075,079	164,225,049	166,260,319	171,919,322	141,680,796	169,721,189	185,036,319	196,365,683
Mining and Oil Extraction	61,488,901	147,323,049	26,921,532	22,506,295	30,371,368	47,156,652	41,595,112	46,173,872	71,591,525	101,787,555
Other services	45,168,580	42,127,833	37,167,275	39,418,208	41,659,096	45,972,434	41,480,855	48,677,536	56,956,841	66,309,086
Miscellaneous	1,967,552	1,081,898	1,160,120	1,629,704	2,141,387	1,783,459	3,686,479	3,465,366	3,564,776	2,976,945
Total taxable sales and purchases	\$ 1,566,093,772	\$ 1,419,398,286	\$ 1,046,054,220	\$ 1,007,678,634	\$ 1,049,220,541	\$ 1,096,014,823	\$ 1,007,032,777	\$ 1,099,675,642	\$ 1,220,333,393	\$ 1,330,188,556

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

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

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

Levy Year	(1) Commercial Land and Buildings	(1) Residential Land and Buildings	Public Utilities	(2) Total Assessed Value	Total True and Full Value	Assessed Value as a Percentage of True and Full Value	Total Direct Tax Rate
2014	1,000,617,300	1,227,636,250	15,781,324	2,244,034,874	4,488,069,748	50.00%	77.90
2015	1,126,074,880	1,300,547,378	15,256,870	2,441,879,128	4,883,758,256	50.00%	77.05
2016	1,111,099,350	1,295,175,344	20,045,240	2,426,319,934	4,852,639,869	50.00%	77.81
2017	991,146,600	1,233,454,067	19,278,330	2,243,878,997	4,487,757,994	50.00%	106.65
2018	929,727,850	1,223,475,000	21,038,600	2,174,241,450	4,348,482,900	50.00%	129.70
2019	949,876,220	1,222,460,256	25,981,810	2,198,318,286	4,396,636,572	50.00%	121.87
2020	965,751,000	1,242,758,122	25,340,590	2,233,849,712	4,467,699,424	50.00%	119.95
2021	931,325,490	1,283,030,667	24,335,650	2,238,691,807	4,477,383,614	50.00%	121.47
2022	978,922,250	1,367,748,622	26,676,170	2,373,347,042	4,746,694,084	50.00%	119.15
2023	977,712,000	1,453,631,667	29,534,500	2,460,878,167	4,921,756,333	50.00%	119.76

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

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

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

Levy 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						
2014	46.01	0.82	20.64	2.94	7.49	77.90	27.09	92.41	71.22	268.62	
2015	47.41	1.70	16.62	7.11	4.21	77.05	29.35	98.25	64.79	269.44	
2016	44.07	3.50	12.96	3.21	14.07	77.81	31.36	108.22	65.47	282.86	
2017	61.69	3.86	20.64	6.09	14.37	106.65	34.40	111.05	72.42	324.52	
2018	69.39	14.07	19.54	11.90	14.80	129.70	35.55	113.50	73.08	351.83	
2019	86.56	4.69	8.46	5.41	16.75	121.87	43.22	111.34	61.27	337.70	
2020	93.13	4.24	5.99	2.72	13.87	119.95	42.66	109.33	60.38	332.32	
2021	92.35	4.19	7.90	-	17.03	121.47	45.58	109.34	58.91	335.30	
2022	84.92	2.95	9.10	-	22.18	119.15	48.57	142.34	56.95	367.01	
2023	85.59	2.97	8.84	-	22.36	119.76	48.30	139.69	57.65	365.40	

Data obtained from the Ward County Auditor's Office

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

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
2014	16,451,633	15,063,278	91.56%	309,745	15,373,023	93.44%	459,639	1,067,348	6.49%
2015	17,616,035	15,905,973	90.29%	885,793	16,791,766	95.32%	486,750	1,404,868	7.97%
2016	17,871,719	16,700,619	93.45%	1,217,215	17,917,834	100.26%	489,146	869,607	4.87%
2017	22,616,328	20,925,767	92.53%	625,918	21,551,685	95.29%	761,757	1,172,493	5.18%
2018	26,611,273	24,637,660	92.58%	769,619	25,407,279	95.48%	969,740	1,406,747	5.29%
2019	25,301,186	23,054,460	91.12%	786,710	23,841,170	94.23%	914,692	1,952,071	7.72%
2020	25,781,496	23,142,701	89.76%	945,533	24,088,234	93.43%	1,480,507	2,164,826	8.40%
2021	26,137,235	23,983,329	91.76%	689,443	24,672,772	94.40%	940,009	2,689,280	10.29%
2022	27,186,821	25,422,331	93.51%	688,542	26,110,873	96.04%	998,400	2,766,828	10.18%
2023	28,520,411	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, 2023
 unaudited

TAXPAYER	2023			2014		
	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value	(1) Taxable Assessed Value	Rank	% of total Taxable Assessed Value
Dakota Square Mall CMBS LLC	\$ 2,878,300	1	0.12%	\$ 3,943,950	2	1.86%
Northern States Power Co	1,689,857	2	0.07%			
MIMG CCXXXI Commons Sub LLC	1,551,660	3	0.06%			
Hill Wyatt, LLC	1,215,050	4	0.05%			
SUSO 3 Southgate LP	1,107,300	5	0.04%	954,950	5	0.45%
EWR Minot North Highlands Apartments LLC	1,099,550	6	0.04%			
Farmers Union Oil Company	993,950	7	0.04%			
Sail Properties LLC	866,600	8	0.04%			
Montana Dakota Utilities Co.	843,989	9	0.03%			
MIMG CCXXXI Plaza Sub LLC	824,700	10	0.03%			
DOC-2111 Landmark Circle MOB	823,550	11	0.03%			
United Pulse Trading	792,750	12	0.03%			
ARHC MMMINND01 LLC	743,500	13	0.03%	1,244,700	3	0.59%
BIG M Minot LLC	737,900	14	0.03%			
Westlie Motor Company	712,900	15	0.03%			
Cenex Harvest States	711,100	16	0.03%			
Prairie Heights Apartments LLLP	688,200	17	0.03%	902,100	8	0.43%
Menards Inc.	683,300	18	0.03%	811,350	14	0.38%
Northdale Apartments LLC	681,350	19	0.03%	980,200	4	0.46%
Southwood Apartments LLC	675,800	20	0.03%	946,800	6	0.45%
Walmart RE Business Trust	674,900		0.03%			
Dakota Upreit Limited C/O SMC	665,850		0.03%			
Somerset Court Partnership	652,450		0.03%			
Home Depot USA Inc	629,300		0.03%			
EWR Minot Woodside Willow LLC	628,200		0.03%			
Philadelphia Macaroni	627,400		0.03%			
Northern Plains Apartments LLC	623,550		0.03%	833,250	8	0.39%
Pines on 37th LLC	622,050		0.03%	869,850	10	0.41%
EWR Minot Meadow Ridge Apartments LLC	565,150		0.02%	821,900	13	0.39%
KCR Investments LLC	552,000		0.02%			
MIMG CCXXXI Chateau Sub LLC	530,850		0.02%			
Woodridge Fund 7 MHP LLC	522,200		0.02%	791,400	15	0.37%
All Others	2,433,262,961		98.88%	198,375,387		93.81%
Total Taxable Assessed Value	<u>\$2,460,878,167</u>		<u>100.00%</u>	<u>\$211,475,837</u>		<u>100.00%</u>

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

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

Year	Governmental Activities							Business-Type Activities							Total Government	(1) Percentage of Personal Income	(2) Per Capita
	General Obligation Bonds	Special Assessment Bonds	Sales Tax	Capital Financing Program Bonds	Tax Increment	Subscription IT Liabilities	State Revolving Funds	Leases	Revenue Bonds	Special Assessment Bonds	Subscription IT Liabilities	State Revolving Funds	Notes Payable	Leases			
2014	15,789,576	23,796,115	-	-	-	-	-	6,495	42,639,711	-	-	-	1,209,334	473,392	83,914,623	21.43%	1,748.33
2015	13,732,954	23,529,579	-	2,062,952	-	-	-	4,026	59,101,796	-	-	-	1,130,981	1,029,389	100,591,677	24.21%	2,034.21
2016	21,596,698	22,582,805	-	1,942,698	-	-	-	23,949	60,022,310	-	-	-	1,049,862	1,135,917	108,354,239	27.70%	2,288.95
2017	18,408,804	19,622,342	-	1,817,444	-	-	-	22,945	50,575,996	-	-	-	965,878	2,189,092	93,602,501	25.90%	1,920.33
2018	16,500,655	17,740,256	-	1,687,190	-	-	179,120	214,717	47,217,220	-	-	6,215,499	878,930	2,110,850	92,744,437	26.07%	1,939.37
2019	14,547,505	15,823,171	-	1,556,937	-	-	613,242	759,881	43,327,354	-	-	11,699,299	-	1,333,141	89,660,530	24.11%	1,892.77
2020	12,534,299	13,866,084	8,215,187	1,421,683	-	-	1,360,211	715,585	56,747,408	1,430,017	-	13,868,098	-	1,478,931	111,637,503	29.04%	1,997.54
2021	10,620,463	15,015,916	53,279,240	1,281,429	-	-	1,311,946	513,640	37,589,427	2,372,593	-	13,466,717	-	1,495,188	136,946,559	34.79%	2,830.82
2022	8,642,535	18,897,590	52,201,245	1,141,175	2,361,321	-	1,538,555	970,986	33,888,330	2,149,309	-	13,368,506	-	1,055,392	136,214,944	32.93%	2,850.34
2023	6,616,683	11,183,472	51,073,250	995,921	2,247,510	160,835	1,512,431	535,416	30,090,767	1,922,220	76,197	12,860,229	-	1,664,313	120,939,244	28.06%	2,532.28

(1) \$3,936,273 Source: Bureau of Economic Analysis; Last updated March 2021

(2) 2017-2021 Source: Ward County Area Profile. 2020 as of 3/2/2022

2012-2016 Source: U.S. Census Bureau

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

Year	(1) Population Estimated	(2) Assessed Value	(3) Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2014	47,997	2,244,034,874	16,506,462	1,273,150	15,233,312	0.68%	317.38
2015	49,450	2,441,879,128	14,449,840	1,195,984	13,253,856	0.54%	268.03
2016	47,338	2,426,319,934	21,799,895	1,048,359	20,751,536	0.86%	438.37
2017	48,743	2,243,878,997	18,589,243	389,879	18,199,364	0.81%	373.37
2018	47,822	2,174,241,450	17,020,770	871,643	16,149,127	0.74%	337.69
2019	47,370	2,198,318,286	15,007,840	949,798	14,058,042	0.64%	296.77
2020	47,382	2,233,849,712	12,934,920	942,835	11,992,085	0.54%	253.09
2021	48,377	2,238,691,807	11,013,242	908,466	10,104,776	0.45%	208.88
2022	47,789	2,373,347,042	8,968,620	1,224,130	7,744,490	0.33%	162.06
2023	47,759	2,460,878,167	8,642,535	1,152,196	7,490,339	0.30%	156.84

(1) 2017-2021 Source: Ward County Area Profile.
 2012-2016 Source: U.S. Census Bureau

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

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

City of Minot, North Dakota
Computation of Direct and Overlapping Debt
For the Year Ended December 31, 2023
 unaudited

<u>Governmental Unit</u>	Outstanding Debt	Ratio	City's Share of Debt
Minot School District (1)	\$ 138,289,287	88.36%	122,193,709
Minot Park District (2)	22,393,600	99.88%	22,367,079
Ward Co. Water Resource District	1,805,000	64.16%	1,158,134
Overlapping Debt			145,718,922
City of Minot (General Obligation Direct Debt)	6,616,683	100.00%	6,616,683
City of Minot (Special Assessment)	11,183,472	100.00%	11,183,472
City of Minot (Sales Tax)	51,073,250	100.00%	51,073,250
City of Minot (Capital Financing Program Bonds)	995,921	100.00%	995,921
City of Minot (State Revolving Fund)	1,512,431	100.00%	1,512,431
City of Minot (Tax Increment Bonds)	2,247,510	100.00%	2,247,510
City of Minot (Subscription IT Liabilities)	160,835	100.00%	160,835
City of Minot (Leases)	535,416	100.00%	<u>535,416</u>
Direct Debt			74,325,518
Total Direct and Overlapping Debt			<u>\$ 220,044,440</u>

<u>Ratios Used</u>	2023 Assessed Value	2023 City's Assessed Value	Percentage
Minot School District (3)	\$ 2,640,498,014	\$ 2,333,168,765	88.36%
Minot Park District (3)	2,541,593,505	2,538,583,504	99.88%
Ward Co. Water Resource District	3,956,489,346	2,538,583,504	64.16%

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

(2) Data obtained from Minot Park District

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

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

City of Minot, North Dakota
Computation of Legal Debt Margin
December 31, 2023
unaudited

True and full value of taxable property-2023	4,921,756,333
Debt limit - 8% of 50% of true and full value	196,870,253
Amount of debt applicable to debt limit:	
General obligation bonds	6,616,683
Special Assessment bonds with Government Commitment	280,736
Less: cash in debt service sinking funds	<u>(1,152,196)</u>
Total net debt applicable to limit	<u>5,745,223</u>
Legal debt margin	<u>\$ 191,125,030</u>

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 179,522,790	\$ 203,226,781	\$ 194,105,595	\$ 179,510,320	\$ 173,939,316	\$ 175,865,463	\$ 178,707,977	\$ 179,095,345	\$ 189,867,763	\$ 196,870,253
Less total net debt applicable to li	16,506,462	14,449,840	21,799,895	18,589,243	16,089,347	14,058,042	11,992,085	11,921,708	5,745,223	5,745,223
Legal debt margin	<u>\$ 163,016,328</u>	<u>\$ 188,776,941</u>	<u>\$ 172,305,700</u>	<u>\$ 160,921,077</u>	<u>\$ 157,849,969</u>	<u>\$ 161,807,421</u>	<u>\$ 166,715,892</u>	<u>\$ 167,173,637</u>	<u>\$ 184,122,540</u>	<u>\$ 191,125,030</u>
Total net debt applicable to the limit as a percentage of debt limit	9.19%	7.11%	11.23%	10.36%	9.25%	7.99%	6.71%	6.66%	3.03%	2.92%

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

Year	Operating Revenue	State & Federal Collected Revenues	Tax Levy	(1) Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			
						(2) Principal	Interest & Fiscal Charges	Total	Coverage
2014	4,054,181	20,518,010	7	2,758,673	21,813,525	-	444,141	444,141	49.11
2015	3,339,385	22,735,030	-	4,434,790	21,639,625	-	597,076	597,076	36.24
2016	4,521,765	4,107,953	100,159	4,829,320	3,900,557	1,205,000	1,016,100	2,221,100	1.76
2017	4,357,683	2,547,713	531,242	4,170,988	3,265,650	1,170,000	1,013,533	2,183,533	1.50
2018	4,530,290	1,406,385	585,952	3,704,460	2,818,167	1,180,711	984,820	2,165,531	1.30
2019	4,745,972	2,041,322	1,011,955	3,510,319	4,288,930	1,215,711	953,433	2,169,144	1.98
2020	3,452,270	6,303,359	780,219	3,693,435	6,842,413	1,265,000	964,534	2,229,534	3.07
2021	4,083,026	2,672,298	727,041	3,677,952	3,804,413	1,493,092	433,832	1,926,924	1.97
2022	4,627,611	1,189,002	742,342	4,763,347	1,795,608	1,533,090	575,300	2,108,390	0.85
2023	4,946,103	7,419,558	585,258	5,474,337	7,476,582	1,580,294	542,975	2,123,269	3.52

(1) Excludes depreciation

(2) Permanent financing only

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

Year	Operating Revenue	(1) Direct Operating Expenses	Budget Appropriated Transfers In for Operations	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
					(2) Principal	Interest & Fiscal Charges	Total	
2014	19,191,243	11,520,824	1,050,000	8,720,419	4,520,000	717,507	5,237,507	1.66
2015	19,956,729	10,646,170	1,050,000	10,360,559	2,295,000	838,360	3,133,360	3.31
2016	19,958,715	13,804,239	1,050,000	7,204,476	2,995,000	928,823	3,923,823	1.84
2017	21,342,366	11,973,630	1,050,000	10,418,736	*8,303,984	1,026,799	9,330,783	1.12
2018	22,328,966	12,897,110	1,050,000	10,481,856	2,265,013	796,183	3,061,196	3.42
2019	21,797,189	13,354,113	648,867	9,091,943	3,831,084	704,277	4,535,361	2.00
2020	22,192,914	15,331,365	2,154,174	9,015,723	2,721,695	670,562	3,392,257	2.66
2021	22,909,469	17,652,459	1,025,545	6,282,555	2,803,286	672,570	3,475,856	1.81
2022	22,841,647	19,750,978	1,091,610	4,182,279	3,145,456	649,779	3,795,235	1.10
2023	24,243,313	21,254,574	173,059	3,161,798	3,212,632	570,678	3,783,310	0.84

(1) Excludes depreciation

(2) Permanent financing only

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

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

Year	(1) Population Estimated	(2) Annual Personal Income	(3) Per Capita Personal Income	(3) Median Age	(4) Education Levels in Years of Formal Schooling	(5) School Enrollment	(2) Unemployment Rate
2014	47,997	3,916,658	57,574	30.4	13.50	7,758	2.8%
2015	49,450	4,155,594	59,718	31.0	13.52	8,192	3.5%
2016	47,338	3,911,343	54,774	31.1	13.41	8,027	3.7%
2017	48,743	3,613,809	51,505	31.1	13.46	8,006	2.9%
2018	47,822	3,557,196	51,385	31.6	13.51	7,985	2.7%
2019	47,370	3,718,654	54,284	32.1	13.54	8,281	2.3%
2020	47,382	3,844,136	56,161	32.3	13.61	8,116	5.7%
2021	48,377	3,936,273	57,492	32.0	13.61	8,126	3.0%
2022	47,789	4,136,840	59,893	32.5	10.00	8,191	1.9%
2023	47,759	4,309,665	62,577	33.4	10.01	8,221	1.9%

(1) 2017-2021 Source: Ward County Area Profile.
 2014-2016 Source: U.S. Census Bureau

(2) 2013-2021 Source: Bureau of Economic Analysis
 2013-2015 Source: Ward County Area Profile
 Annual Personal Income (thousands of dollars)

(3) 2013-2021 Source: Ward County Area Profile.
 2013-2015 Source: Minot Area Development Corp Community Profile

(4) 2013-2021 Source: Ward County Area Profile.

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

Principal Employers
Current Year and Nine Years Ago
 unaudited

Employer	2023			2014		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Minot Air Force Base	11,710	1	49.90%	6,700	1	27.96%
Trinity Health	2,566	2	10.93%	2,778	2	11.59%
Minot Public Schools	1,027	3	4.38%	1,030	3	4.30%
Delta Vacations	467	4	1.99%	243	10	1.01%
City of Minot	424	5	1.81%	355	6	1.48%
Minot State University	407	6	1.73%	453	4	1.89%
BNSF Railway	330	7	1.41%			
Hess	301	8	1.28%			
Ward County	266	9	1.13%	227	11	0.95%
Kalix	258	10	1.10%	284	9	1.19%
Marketplace Foods				327	7	1.36%
Cognizant (ING Minot Service Center)*				400	5	1.67%
Walmart*				290	8	1.21%
Total	<u>17,756</u>		<u>75.66%</u>	<u>13,087</u>		<u>54.61%</u>

Source: Employers

*Employer no longer willing to disclose this information

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

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	59.27	66.77	81.27	81.11	78.62	82.62	86.62	86.62	93.32	92.32
Public safety										
Police										
Officers	79.00	83.00	85.00	84.00	84.00	86.00	86.00	86.00	86.00	87.00
Civilians	22.00	23.00	22.00	23.00	23.00	23.00	23.00	24.00	27.00	28.00
Fire										
Firefighters and officers	50.00	56.00	62.00	62.00	62.00	62.00	62.00	62.00	66.00	69.00
Civilians	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Traffic										
Civilians	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Highways and streets										
Engineering	12.00	14.00	13.00	13.00	10.00	10.00	11.00	11.00	12.00	13.00
Street maintenance	23.75	26.75	28.75	28.72	28.65	28.65	28.65	28.65	28.65	28.65
Culture and recreation	26.63	26.63	26.63	26.63	26.63	15.63	15.44	15.44	14.56	15.84
Airport	18.00	18.50	25.00	27.00	25.00	25.00	25.00	25.00	22.00	22.00
Cemetery	4.21	4.21	4.21	4.21	4.23	4.23	4.23	4.23	4.23	4.23
Parking authority	1.00	-	-	-	-	-	-	-	-	-
Sanitation	30.15	31.47	31.48	31.66	22.43	22.43	22.43	22.68	24.68	24.93
Water, sewer, & storm sewer	48.62	49.30	50.29	50.30	51.07	52.07	52.07	52.82	54.79	58.87
Total	381.63	406.63	437.63	439.63	423.63	419.63	424.44	426.44	441.23	451.84

(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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government										
Assessors										
Properties reviewed	4,148	3,158	3,062	3,555	3,039	2,689	2,543	2,700	4,044	2,773
Properties photographed	4,557	4,437	3,731	4,024	3,109	2,788	3,880	3,205	4,120	3,003
Building inspections										
Permits issued	777	719	512	568	511	416	474	452	373	357
Public transportation										
Bus ridership	130,866	114,472	89,602	88,803	91,666	91,960	50,760	51,124	69,045	73,758
Public safety										
Police										
Parking tickets issued	7,368	8,029	4,198	5,473	4,705	3,758	1,935	1,469	1,453	1,247
Criminal citations issued	6,057	4,223	3,379	3,235	3,197	2,996	2,535	2,344	2,627	2,633
Traffic citations issued	4,990	5,340	5,729	6,414	5,740	5,071	3,636	2,692	4,489	4,863
Alarms-patrol & parking d	1,410	1,501	1,588	1,319	1,126	1,063	894	905	904	728
Fire										
# of fire incidents	751	737	751	758	762	1,023	970	1,063	1,100	1,103
# of rescue incidents	2,043	2,036	2,044	2,162	2,611	2,604	2,331	3,425	3,518	3,743
Inspections made	2,812	1,465	2,029	1,623	780	434	314	583	969	618
Traffic										
Signs installed	1,331	1,484	1,390	2,101	2,009	2,630	1,612	1,717	1,823	1,406
Signs/posts repaired	1,401	1,351	1,124	1,078	2,362	2,987	2,232	2,719	1,075	956
Traffic lights repaired	276	293	529	380	945	1,071	837	1,096	1,149	535
Street lights repaired	274	297	644	1,005	915	1,118	1,350	1,158	861	829
Culture and recreation										
Auditorium										
Event days	590	697	762	794	846	*	*	*	*	*
Attendance	78,531	94,843	117,649	125,832	138,353	*	*	*	*	*
Library										
Registered borrowers	21,874	22,196	23,081	24,078	25,176	26,204	26,868	22,428	22,006	18,292
Physical circulation and ac	202,092	205,338	241,688	189,330	117,475	136,257	174,607	196,231	509,560	175,888
Digital circulation and acti	90,584	268,917	403,960	195,375	329,222	275,074	119,641	173,091	240,143	231,985
Airport										
Gallons airline fuel dispense	3,999,072	3,734,641	2,171,640	1,885,773	1,907,901	2,061,115	1,325,741	1,633,701	1,737,948	1,802,943
Airline boarding's	222,144	182,872	151,700	143,172	151,658	165,998	85,255	126,181	137,312	151,032
Sanitation										
# of customers	11,504	11,512	11,530	11,508	11,486	11,541	11,603	11,689	11,891	11,961
Landfill tonnage	151,913	142,030	178,196	120,973	180,811	212,869	164,027	141,238	135,257	133,332
Water, sewer, & storm sewer										
# of consumers	14,649	14,700	14,755	14,734	14,680	14,717	14,770	14,856	14,145	14,175
Gallons pumped/treated	2,422,130,000	2,455,390,000	2,368,960,000	2,539,061,201	2,455,902,936	2,327,997,548	2,381,857,895	2,456,223,090	2,349,754,218	2,490,401,240
Parking ramps										
Active parking passes	**	**	**	**	**	227	238	243	273	137
										163

Source: Various city departments

*Auditorium merged with Minot Park District April 1, 2019

**Operations of parking ramps began in 2018

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

FUNCTION	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government										
City hall building	1	1	1	1	1	1	1	1	1	1
Public works building	1	1	1	1	1	1	1	1	1	1
Auditorium	1	1	1	1	1	1	1	1	1	1
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	40	41	42	42	44	43	45	46	45	46
Fire										
Stations	3	3	4	4	4	4	4	4	4	5
Traffic										
Street lights	3,400	3,603	3,690	3,751	3,795	3,800	3,790	3,682	3,907	3,938
Traffic signals	53	53	50	50	50	50	49	49	46	51
Highways and streets										
Streets (square miles)	27.36	27.48	27.76	27.23	27.24	27.24	27.63	27.65	27.69	27.67
Culture and recreation										
Libraries	1	1	1	1	1	1	1	1	1	1
Ball diamonds	16	16	16	16	16	*	*	*		
Tennis courts	2	2	2	2	2	*	*	*		
Indoor tennis center	1	1	1	1	1	1	1	1	1	1
Airport										
Terminal	1	1	1	1	1	1	1	1		
Sanitation										
Landfill building	1	1	1	1	1	1	1	1	1	1
Collection trucks	9	9	9	12	14	14	14	14	14	15
Water, sewer, & storm sewer										
Water treatment plant	1	1	1	1	1	1	1	1		
Water mains (miles-estimated)	315	322.9	324.15	324.49	315.08	319.75	322	322	316	317
Sewer mains (miles-estimated)	249.2	255.9	259.22	264.66	266.28	269.54	271	273	288	288
Storm Sewer mains (miles-estimated)	98.12	105.61	112.81	111.57	118.54	118.54	121	122	142	143
Maximum daily capacity (millions of gallons)	11.3	11.3	11.3	12.4	12.3	11.3	11.2	18	11.7	12.2
Parking ramps										
Parking ramps	**	**	**	**	2	2	2	2	2	2

Sources: Various city departments

*Auditorium merged with Minot Park District April 1, 2019

**Operations of parking ramps began in 2018



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Independent Auditor's Report on Compliance for the Passenger Facility Charge Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Passenger Facility Charges Required by the Passenger Facility Charge Audit Guide for Public Agencies

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

Report on Compliance

Opinion on Compliance with the Passenger Facility Charge Program

We have audited the Municipal Airport Authority of the City of Minot's (the Airport) compliance with the types of compliance requirements identified as subject to audit in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), that could have a direct and material effect on its passenger facility charge program for the year ended December 31, 2023.

In our opinion, the Airport complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program for the year ended December 31, 2023.

Basis for our Opinion on the Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the Guide. Our responsibilities under those standards and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Airport and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the passenger facility charge program. Our audit does not provide a legal determination of the Airport's compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Airport's passenger facility charge program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Airport's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Airport's compliance with the requirements of the passenger facility charge program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Airport's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Airport's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the passenger facility charge program 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 passenger facility charge 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Guide. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Passenger Facility Charges Required by the Guide

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Minot as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Minot's basic financial statements. We have issued our report thereon dated May 31, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of passenger facility charges is presented for purposes of additional analysis as required by the Guide and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 schedule of expenditures of passenger facility charges is fairly stated in all material respects in relation to the basic financial statements as a whole.



Fargo, North Dakota
May 31, 2024



**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 (*Government Auditing Standards*), 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 ("the City"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 31, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 City'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 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. 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2023-001.

City of Minot's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The City's responses were not subjected to the other auditing procedures applied in the audits of the financial statements and, accordingly, we express no opinion on the responses.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Fargo, North Dakota
May 31, 2024



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

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

Report on Compliance for Each Major Federal Program

Opinion on each Major Federal Program

We have audited the City of Minot ("the City")'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal programs for the year ended December 31, 2023. 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.

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 on its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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
May 31, 2024

City of Minot, North Dakota
 Schedule of Expenditures of Federal Awards
 Year Ended December 31, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
<u>Department of Defense</u> Community Investment	12.600	N/A		<u>\$ 7,032,993</u> \$ 7,032,993
<u>Department of Housing and Urban Development</u> CDBG - Entitlement Grants Cluster CDBG Entitlement Grants	14.218	N/A		55,109
CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster Hurricane Sandy Community Development Block Grant Disaster Recovery Grants	14.269	N/A		<u>8,386,349</u> 7,004,308
<u>Department of Justice</u> Bulletproof Vest Partnership Program Passed through North Dakota Bureau of Criminal Investigation Project Safe Neighborhoods Passed through North Dakota Bureau of Criminal Investigation Edward Byrne Memorial Justice Assistance Grant Program Total Federal Financial Assistance Listing	16.607 16.609 16.738	N/A 2019-GP-BX-0051 15PBJA-21-GG-00279-JAGX	\$ 10,625 2,101 <u>13,650</u>	13,650
Total Department of Justice			<u>26,376</u>	
<u>Department of Transportation</u> COVID-19 Airport Improvement Program COVID-19 Airport Improvement Program (Concessions Relief Grant) COVID-19 Airport Improvement Program (ARPA) Airport Improvement Program (Airport Development or Noise Program Implementation) Airport Improvement Program (Wildlife Hazard Mitigation) Airport Improvement Program (Airport Ground Transportation Study) Airport Improvement Program (Bipartisan Infrastructure Law Airport Infrastructure Grant) Total Federal Financial Assistance Listing	20.106 20.106 20.106 20.106 20.106 20.106 20.106 20.106 20.106	N/A N/A N/A N/A N/A N/A N/A N/A	\$ 1,395,220 451,664 1,735,586 980,868 1,114,702 110,566 <u>656,893</u>	6,445,499

City of Minot, North Dakota
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
<u>Department of Transportation (continued)</u>				
Passed through North Dakota Department of Transportation				
Consolidated Rail Infrastructure and Safety Improvement	20.325	17200360		69,305
COVID-19 Formula Grants for Rural Areas and Tribal Transit Program	20.509	38210558	146,568	
Formula Grants for Rural Areas and Tribal Transit Program	20.509	38220973	301,974	
Formula Grants for Rural Areas and Tribal Transit Program	20.509	38230974	371,506	
Formula Grants for Rural Areas and Tribal Transit Program	20.509	unknown	5,922	
Total Federal Financial Assistance Listing				825,970
Federal Transit Cluster				
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	38181781	1,716	
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	38231164	17,627	
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	38231165	31,176	
Total Federal Financial Assistance Listing				50,519
Highway Safety Cluster				
State and Community Highway Safety - Distracted Driving	20.600	PHSPOP2311-02-09	4,689	
State and Community Highway Safety - Occupant Protection	20.600	PHSPOP2305-05-14	3,169	
Total Federal Financial Assistance Listing				7,858
National Priority Safety Programs	20.616	PHSPID2310-02-11	9,634	
Total Highway Safety Cluster				17,492
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	693JK32240028HMEP		
Total Department of Transportation				1,167
				7,409,952
<u>Department of Treasury</u>				
Equitable Sharing Program	21.016	N/A		4,600
<u>Environmental Protection Agency</u>				
Passed through North Dakota Department of Health				
Drinking Water State Revolving Loan Fund (DWSRF) Cluster				
Drinking Water State Revolving Fund	66.468	5100660-01		43,768
<u>Department of Energy</u>				
Passed through North Dakota Department of Energy				
State Energy Program	81.041	DE-EE0010044		675
<u>Department of Health and Human Services</u>				
Passed through North Dakota Department of Health and Human Services				
State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health	93.366	NU58DP006477		3,821
<u>Department of Homeland Security</u>				
Passed through North Dakota Department of Emergency Services				
Homeland Security Grant Program	97.067	EMW-2019-SS-000033	4,088	
Homeland Security Grant Program	97.067	EMW-2021-SS-00063	81,014	
Homeland Security Grant Program	97.067	EMW-2022-SS-00076	91,439	
Homeland Security Grant Program	97.067	EMW-2022-CY-00014-S01	68,556	
Total Federal Financial Assistance Listing				245,097
Total Federal Financial Assistance				\$ 23,208,740
				\$ 14,050,951

City of Minot, North Dakota
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 2023. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or fund balance, or cash flows of the City.

Note B – Summary of Significant Accounting Policies

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

Note C – Indirect Cost Rate

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

City of Minot, North Dakota
Schedule of Passenger Facility Charges
Year Ended December 31, 2023

Program Title	Revenue
Passenger Facility Charge Program	<u>\$ 608,344</u>

Note A – Basis of Presentation

Passenger Facility Charges (“PFCs”), net of the air carriers’ handling charges, are recognized and reported when earned by the Municipal Airport Authority of the City of Minot (the “Airport”). Expenditures are recorded when incurred, up to the level of PFC revenue earned. The Airport maintains funds in a separate cash account. Interest income is recognized on the accrual basis. The basis of accounting described above is in accordance with the Federal Aviation Administration (“FAA”) guidelines.

City of Minot, North Dakota
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

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?	Yes

FEDERAL AWARDS

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

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
Formula Grants for other than Urbanized Areas	20.509
Airport Improvement Plan	20.106
Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	Yes

City of Minot, North Dakota
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

Section IV – Passenger Facilities Charges

None reported.

Section V – State Compliance Item

**2023-001 Excess Cash Reserves
 Material Noncompliance**

Criteria: Cash reserve identified in N.D.C.C. 40-40-09 is in accordance with N.D.C.C. 57-15-27, limits the cash reserve in the general fund and special revenue funds to not exceed 75% of the appropriation for that fund.

Condition: At December 31, 2023, the City had cash reserve balances that were in excess of 75% of the annual appropriation for the general fund, in the amount of approximately \$7,268,000. The City of Minot has cash reserves earmarked in the General Fund for anticipated large infrastructure projects including the rehabilitation of the old City Hall.

Cause: The City was not aware of how to properly calculate this specific requirement within N.D.C.C. 40-40-09.

Effect: The City is not in compliance with the cash reserve requirements of N.D.C.C. 57-15-27, causing excess property taxes to be levied during 2023.

Recommendation: We recommend that the City adhere to all specific requirements of N.D.C.C. 40-40-09 and N.D.C.C. 57-15-27.

Response: Management agrees with the finding. The City will continue to review the requirements of N.D.C.C. 40-40-09 and N.D.C.C. 57-15-27, in the future.

MANAGEMENT'S RESPONSE TO AUDITOR'S FINDINGS

Summary Schedule of Prior Audit Findings
and Corrective Action Plan
December 31, 2023 and 2022

Prepared by Management of the City of Minot



Summary Schedule of Prior Audit Findings

None reported.



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www.minotnd.gov



Corrective Action Plan

Finding 2023-001 Excess Cash Reserves State Compliance Finding Material Noncompliance

Finding Summary: The City of Minot is out of compliance with the cash reserve requirements set forth in N.D.C.C 57-15-27, which limits the cash reserve in the general fund and special revenue funds to not exceed 75% of the appropriation for that fund. As of December 31, 2023, the City of Minot had cash reserves that were in excess of 75% of the annual appropriation for the general fund, in the amount of approximately \$7,268,553.

Responsible Individuals: David Lakefield, Finance Director

Corrective Action Plan: The City is in agreement to the above finding. The City has earmarked cash reserves in the General Fund for anticipated large infrastructure projects including the rehabilitation of the old City Hall. The City will implement additional monitoring and review procedures to ensure adherence to the specific requirements of N.D.C.C 40-40-09 and N.D.C.C 57-15-27.

Anticipated Completion Date: December 31, 2024

