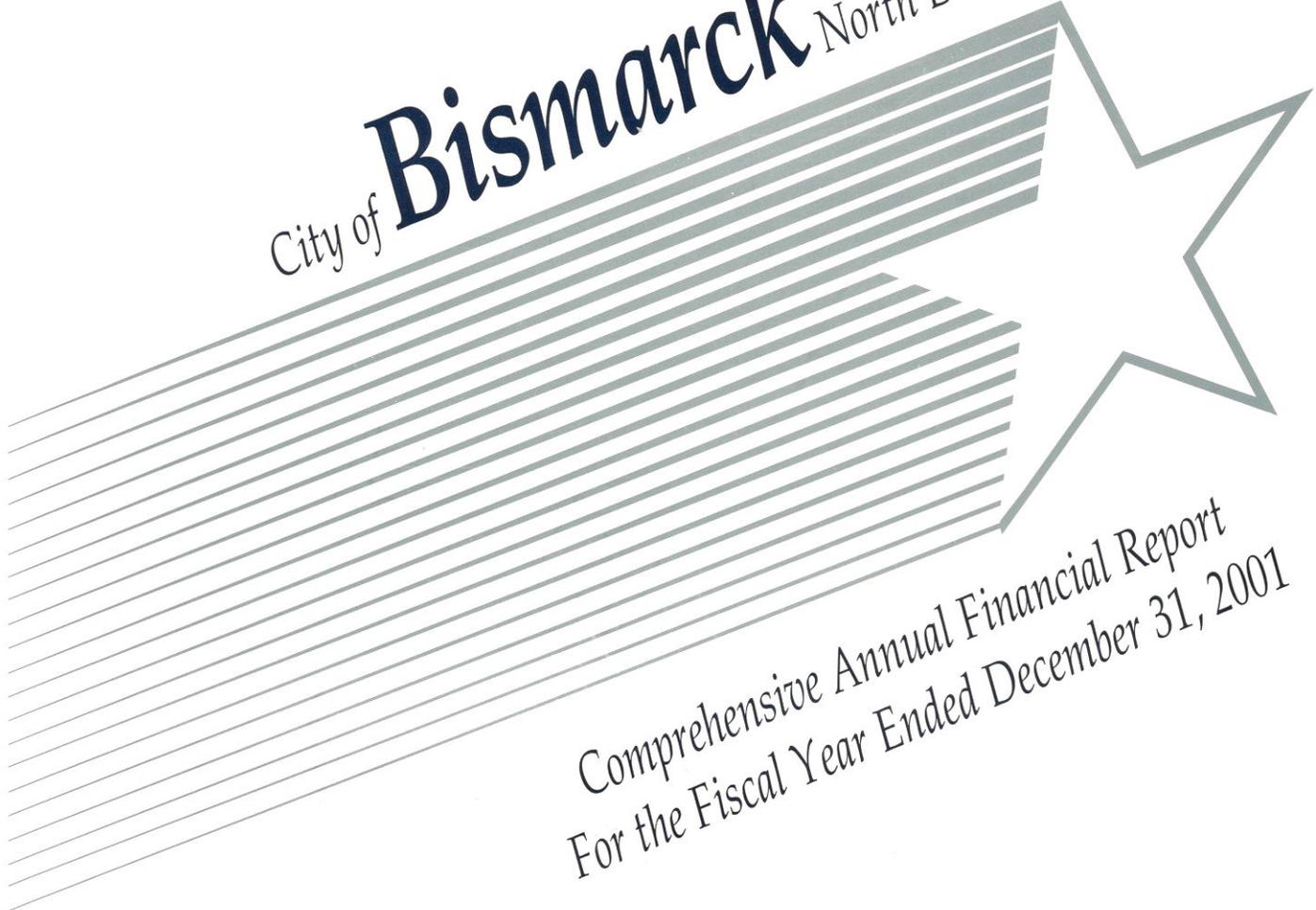


City of **Bismarck** North Dakota



Comprehensive Annual Financial Report  
For the Fiscal Year Ended December 31, 2001

**CITY OF BISMARCK, NORTH DAKOTA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the fiscal year ended**  
**December 31, 2001**

**Prepared by Fiscal Services**

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**City of Bismarck, North Dakota  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended December 31, 2001**

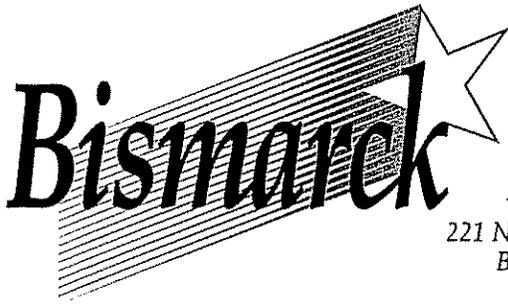
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**Fiscal Services**

221 N. 5th St. ★ P.O. Box 5503  
Bismarck, ND 58506-5503

March 8, 2002

**The Honorable Mayor,  
Members of the City Commission,  
And Citizens of Bismarck, North Dakota**

The Comprehensive Annual Financial Report (CAFR) of the City of Bismarck, North Dakota for the fiscal year ended December 31, 2001 is hereby submitted. A complete set of financial statements is presented in accordance with the generally accepted accounting principles (GAAP) and audited by an independent licensed certified public accounting firm in accordance with the generally accepted auditing standards and applicable laws.

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

**CONTENT OF CAFR**

The comprehensive annual financial report is presented in four sections:

1. Introductory Section: This section is unaudited. It includes this transmittal letter, the City organizational chart, and a list of principal elected and appointed officials.
2. Financial Section: This section includes the general-purpose financial statements, the combining individual fund and account group financial statements and schedules, and the independent auditor's report.
3. Statistical Section: This section is unaudited. It includes financial and non-financial data that presents historical trends and other information about the city on a multi-year basis.
4. Single Audit Section: This section includes a schedule of federal financial assistance and the independent auditor's reports on internal controls and compliance with applicable laws and regulations.

**FINANCIAL REPORTING ENTITY**

The financial reporting entity includes all funds and account groups of the primary government, the City of Bismarck. There are no component units that are defined as legally separate entities for which the primary government is financially accountable. The City of Bismarck provides a full range of services, such as police and fire protection, sanitation services, construction and maintenance of highways, streets and infrastructure, water and wastewater utility service, solid waste disposal, municipal airport, library, and cultural centers and events.

## GOVERNMENTAL STRUCTURE

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

## LOCAL ECONOMIC CONDITION AND OUTLOOK

The City of Bismarck, incorporated in 1875, is North Dakota's state capitol and is located in the center of the state in Burleigh County, bounded on the west by the Missouri River. The City currently has a land area of 27.46 square miles and an estimated population of 55,392. The City is empowered to levy a property tax on real estate located within its boundaries. The City also has the power by state statute to extend its corporate limits by annexation, which is done periodically by the governing body of the City.

Although the area's largest industry is farming, the City is also a major medical center for the region. The City continues to seek economic diversification. To support this effort, the citizens of Bismarck voted to dedicate a portion of sales tax revenue to be used to attract new business and industry to the City. The Vision Fund Committee administers this funding and has yielded some positive results, which included the relocation of US HealthCare, Unisys and Sykes offices to Bismarck. The Vision Fund, in conjunction with Bismarck-Mandan Development Corporation, (BMDA), is currently working on a pre-permitting project to identify suitable sites for high technology production companies. BMDA has enhanced their web site to provide information to national site consultants as new corporate locations are evaluated.

An important factor instrumental in attracting new industry, business, and families to the Bismarck area is the exceptionally low crime rate. The City of Bismarck continues to enjoy one of the lowest crime rates in the country. Members of the Bismarck Police Department are committed to working with members of our community to ensure this trend continues. The Police Department is also the only accredited Municipal Law Enforcement agency in the state.

The growth in taxable sales and purchases was 4.84% through the third quarter of 2001 as compared to the same period in 2000 for Bismarck. This growth is evidenced by the 4.49% increase in sales tax and 4.84% increase in the motel, restaurant and liquor tax in the year 2001.

New construction continues to expand the tax base. In 2001, 217 building permits were issued for residential construction within the City's corporate limits. This included 184 single-family homes and 33 multi-family homes, which provided an additional 453 residential units. Residential construction in the City's extraterritorial jurisdiction and the adjacent zoned areas of Burleigh County also continues to grow with a total of 194 single-family building permits issued in 2001.

Bismarck continues to experience growth in its tax base through both property value enhancement and new construction. Growth in the property tax base for the year 2001 was 5.27%. The table below provides the percentage change by property classification.

Property Class	2001	2000	Percentage
	Market Value	Market Value	Change
Commercial	\$ 766,745,200	\$ 730,592,400	4.95 %
Residential	1,447,672,900	1,372,891,300	5.45 %
Agricultural	646,400	781,900	(17.33) %
<b>Total</b>	<b>\$ 2,215,064,500</b>	<b>\$2,104,265,600</b>	<b>5.27 %</b>

The City has also implemented additional measures to support continued growth of the tax base. The Walkway Committee and Renaissance Zone Development Plan are activities that have been established to revitalize areas of community which are experiencing declining property values.

## **MAJOR INITIATIVES 2001 AND FUTURE YEARS**

Over the past several years, the City has reviewed its building needs and has authorized the design and construction of new facilities and the renovation of existing buildings.

The design of a new Public Works facility at 601 South 26<sup>th</sup> Street was completed in February in 2001. The new building will comprise 113,518 square feet with additional space provided for salt storage facility. The bids were let in March 2001 and construction began in the spring. The estimated cost of the building is \$10.8 million with funding provided by the Water and Sewer and Solid Waste utilities. The construction of the building is scheduled for completion in the fall of 2002.

Preliminary building designs were initiated for a new terminal at the Municipal Airport. The designs also included a new entrance/exit roadway and parking lot system. The City Commission has set the total funding for the project at \$24.2 million dollars. The Federal Aviation Administration will provide approximately 70% of the construction funding with the balance from Airport revenues and \$1 million from the City Motel/Liquor/Restaurant tax. Federal funding in the amount of \$1.5 million has already been provided for the design of the new terminal. Final authorization of the design is scheduled for the spring of 2002.

As a result of ground water infiltration in the basement of the Law Enforcement Center, the Combined Communications/Emergency Management Office was forced to relocate its functions within the facility. The relocation of the office was temporary and the City has evaluated several alternative options including new construction and the renovation of existing buildings. Final selection of a facility is expected in the spring of 2002. Funding for the building relocation is included in the Sales Tax Community Betterment Program in 2002.

The Police Department also reviewed several alternatives for providing additional building space. The alternatives included renovation of the old Public Works Building and expansion/remodeling of the Law Enforcement Center. Due to the cost associated with converting the Public Work Building, utilizing the current Center was considered the most feasible option. The renovation of the Center will be done in phases starting with the remodeling of the basement in the spring of 2002.

The Fire Department has also evaluated the need for an additional fire station. Due to the growth in the northern part of the City, a new station is needed to provide for overall fire protection and adequate response time. Preliminary cost of a new station is estimated to be approximately \$900,000. Funding for the new fire station is also included in the Sales Tax Community Betterment in 2002.

The Commission will continue to review all their building needs and develop sound financial plan to provide funding to support all the facility requirements.

## **DEPARTMENTAL ACTIVITIES AND ACCOMPLISHMENTS**

The City Commission continued its support of the Lewis & Clark 2004-2006 Bicentennial Celebration by authorizing its financial support of the local Lewis & Clark Committee. The Commission has also designated \$750,000 of the Sales Tax Community Betterment Program to provide funding for future Lewis & Clark projects to assist in the promotion of this event in the City and the State.

The City evaluated the needs for a new financial and human resources management system. An RFP was prepared in consultation with GFOA for the implementation of a new system in the spring of 2001. A contract with New World Systems to purchase the new software was authorized in the fall. The new software provides a comprehensive range of financial and human resources services that include financial reporting capabilities that meet the new Governmental Accounting Standards Board (GASB) 34

requirements. The new system, which will also be utilized by Burleigh County, will be implemented in 2002.

In the summer of 2001 the Foundation of the Bismarck Public Library launched a major \$1 million endowment campaign for the purchase of new books and operational support of informational programming. By year-end the total cash and pledges approximated \$400,000. The plan is to complete the campaign by mid 2002. The Library was also a recipient of a Bill & Melinda Gates Foundation equipment grant in the amount of \$15,000. The grant provided funding for additional technological equipments that enabled more user access to library and Internet resources.

In the fall of 2000, Human Resources initiated a "Business Partners Training Program" for City employees. This program provides numerous training courses in the areas of computer software programs, Internet, professional management and communications. The departmental cost was \$5.50 per session and the City had 326 participants in the first year of the program. Human Resources also organized a new citywide safety committee. The mission of the Committee is to study, develop recommendations and review matters pertaining to the occupational safety and health of city employees in an effort to empower those employees to create a safe and healthy work environment.

The Public Works Department started an Electronics Recycling Program. This new program gives Bismarck residents and businesses the opportunity to dispose of electronic equipment by having the items recycled. In 2001 over 3,000 pounds of electronic items were collected. In addition, Public Works also had its first Household Hazardous Waste Roundup. This program, in conjunction with a local contractor, HPC Inc., provided residents a chance to properly dispose of paints and other chemicals. These programs are intended to keep such items out of the landfill so the air, soil and water are not contaminated.

The City Commission authorized a contract with iNet Technologies to develop a new web site for the City of Bismarck. The web site was designed to provide a positive image of the City and give citizens Internet access to information on city services. All departments have consistent sections that are easily updated to provide users with the latest news and information.

## **FINANCIAL INFORMATION**

**BUDGET:** The City adopts an annual appropriated budget approved by the City's governing body. This budget is normally adopted by October 1<sup>st</sup> for the upcoming year. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget in accordance with the N.D.C.C. and the City of Bismarck's Home Rule Charter. Budgets are prepared at the detailed level although the level of budgetary control is established at the department level. Department heads may transfer appropriations within a department. Commission approval is needed to transfer appropriated funds from one fund to another fund. The entire budget can only be amended by ordinance and with commission approval. The City also maintains an encumbrance system as a technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. All charges for fees and services are reviewed and adjusted at the time of budget approval by the governing board. A five year capital projects budget is also updated and approved by the governing board.

**INTERNAL CONTROL:** Management is responsible for establishing and maintaining an internal control framework. Internal control is designed to provide reasonable and not absolute assurance regarding:

1. The safeguarding of assets against loss, theft, or misuse, and
2. The reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that the cost of control should not outweigh the benefits derived and that the valuation of cost and benefits require management's judgment and estimates. Management believes that the City's internal control over financial reporting provides reasonable assurance of proper recording and assets are adequately safeguarded.

**AUDIT:** State statutes and local ordinances require an annual audit by independent certified public accountants. The firm of Eide Bailly LLP was selected by the City's audit committee to audit the financial statements of the City of Bismarck. The audit provides reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. Eide Bailly LLP concluded that the audit provides a reasonable basis for an unqualified opinion and the City of Bismarck's financial statement for the fiscal year ending December 31, 2001 are in conformity with the generally accepted accounting principles (GAAP). The auditor's report is presented in the financial section of this report.

Federal funds received by the City are also subject to an independent audit under the requirements of the Single Audit Act of 1996 and Office of Management and Budget Circular A-133. The Auditor's reports and results of this audit are contained in the Single Audit Section of this financial report.

## **GENERAL GOVERNMENT FUNCTIONS AND GENERAL FUND BALANCE**

The following schedule presents a summary of the General Fund, Special Revenue Funds, and Debt Service Funds revenues and operating transfers in for the years ended December 31, 2001 and 2000.

Revenues and Transfers	2001 Amount	Percent of Total	2000 Amount	Percent of Total	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Taxes	\$ 18,898,071	39.89%	\$ 17,350,289	40.14%	\$ 1,547,782	8.92 %
Licenses and permits	991,339	2.09%	806,014	1.86%	185,325	22.99 %
Special assessments	5,062,951	10.69%	4,596,572	10.63%	466,379	10.15 %
Intergovernmental	7,374,184	15.56%	6,135,482	14.19%	1,238,702	20.19 %
Charges for services	4,246,430	8.96%	4,362,725	10.09%	(116,295)	(2.67) %
Fines and Forfeits	958,229	2.02%	914,156	2.11%	44,073	4.82 %
Investment Income	2,055,685	4.34%	2,002,559	4.63%	53,126	2.65 %
Land/Equipment/Building Sales & Rental	403,250	0.85%	339,061	0.78%	64,189	18.93 %
Miscellaneous	41,613	0.09%	42,895	0.10%	(1,282)	(2.99) %
Operating transfers in	7,345,351	15.50%	6,675,710	15.44%	669,641	10.03 %
<b>Total</b>	<b>\$ 47,377,103</b>	<b>100.00%</b>	<b>\$ 43,225,463</b>	<b>100.00%</b>	<b>\$ 4,151,640</b>	

### Revenue Discussion:

The largest dollar value increase came from real estate tax on property. Although the mill levy for real estate tax has remained stable, the property values have increased. The increase in intergovernmental revenue is attributed to increased state and federal grants and state shared revenues. The decrease in charges for services was due to the loss of revenue from the Bismarck Airport when it privatized its firefighter services.

The following schedule presents a summary of General Fund, Special Revenue Funds and Debt Service Funds expenditures and operating transfers out for the years ended December 31, 2001 and 2000.

Expenditures and Transfers	2001 Amount	Percent of Total	2000 Amount	Percent of Total	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Current:						
General Government	\$ 5,813,893	14.00%	\$ 5,353,173	13.27%	\$ 460,720	8.61 %
Public Safety	9,759,129	23.50%	9,257,992	22.94%	501,137	5.41 %
Highways and Streets	4,489,716	10.81%	4,146,253	10.28%	343,463	8.28 %
Health and Welfare	857,895	2.07%	790,492	1.96%	67,403	8.53 %
Culture and Recreation	3,210,837	7.73%	3,183,076	7.89%	27,761	0.87 %
Capital Outlay	1,086,027	2.62%	2,014,483	4.99%	(928,456)	(46.09) %
Debt Service:						
Principal	5,380,065	12.96%	5,275,001	13.07%	105,064	1.99 %
Interest and Fiscal Charges	2,350,011	5.66%	1,988,451	4.93%	361,560	18.18 %
Operating transfers out	8,574,287	20.65%	8,340,418	20.67%	233,869	2.80 %
<b>Total</b>	<b>\$ 41,521,860</b>	<b>100.00%</b>	<b>\$ 40,349,339</b>	<b>100.00%</b>	<b>\$ 1,172,521</b>	

#### Expenditures Discussion:

Expenditure increase in the general government is due in part to the increased number of federal and state grants. Increased cost for workers compensation for public safety employees and prisoner care charges account for part of the increase in public safety.

The large decrease in capital outlay is attributed to equipment acquisitions for the library and EH Transit that were made in 2000 and no like transactions were made in 2001.

## **OTHER INFORMATION**

### **Proprietary Operations**

The following is a two year comparison of financial statistical data for the Airport, Airport Flightline Operation, Solid Waste Utility, Water and Sewer Utility, Parking Authority Lots, Health Insurance, Liability Insurance and Unemployment Compensation. Closure and post closure costs for the landfill are recognized as a part of the Solid Waste Utility operating expense. Total operating expenses for all enterprise funds include depreciation.

	Airport		Airport Flightline Operation	
	2001	2000	2001	2000
Total operating revenues	\$ 2,293,195	\$ 2,222,862	\$ 754,406	\$ 665,659
Total operating expenses	(3,055,530)	(2,501,017)	(734,840)	(688,732)
Total nonoperating revenues	1,710,647	6,554,911	13,702	19,194
Total nonoperating expenses	-	-	-	-
Transfers	(42,426)	(31,902)	(11,278)	(8,480)
Net gain (loss)	\$ 905,886	\$ 6,244,854	\$ 21,990	\$ (12,359)

	Solid Waste Utility		Water & Sewer Utility	
	2001	2000	2001	2000
Total operating revenues	\$ 3,708,190	\$ 3,426,390	\$ 11,918,706	\$ 10,959,257
Total operating expenses	(3,045,509)	(2,425,739)	(7,557,712)	(6,993,076)
Total nonoperating revenues	440,554	509,368	1,538,652	1,327,219
Total nonoperating expenses	-	-	(87,983)	(49,553)
Transfers	(46,841)	(894,497)	(371,282)	1,361,450
Net gain (loss)	\$ 1,056,394	\$ 615,522	\$ 5,440,381	\$ 6,605,297

	Parking Authority Lots		Employee Insurance	
	2001	2000	2001	2000
Total operating revenues	\$ 781,162	\$ 751,105	\$ 2,052,460	\$ 1,857,376
Total operating expenses	(773,938)	(680,218)	(2,035,861)	(1,908,912)
Total nonoperating revenues	14,237	15,350	202,141	149,149
Total nonoperating expenses	-	-	-	-
Transfers	(208,612)	(211,913)	(28,584)	(5,863)
Net gain (loss)	\$ (187,151)	\$ (125,676)	\$ 190,156	\$ 91,750

	Liability Insurance		Unemployment Compensation	
	2001	2000	2001	2000
Total operating revenues	\$ -	\$ -	\$ -	\$ 1,663
Total operating expenses	(428,572)	(41,509)	(11,679)	(20,691)
Total nonoperating revenues	240,078	551,655	4,429	6,008
Total nonoperating expenses	-	-	-	-
Transfers	(24,899)	(15,295)	2,772	-
Net gain (loss)	\$ (213,393)	\$ 494,851	\$ (4,478)	\$ (13,020)

The decrease in non-operating revenues at the Airport reflects the decline in federal and state grants for projects in 2001.

The decrease in Solid Waste transfers is due to a transfer out that was made for building construction in 2000 and no similar transfers were made in 2001.

Water and Sewer increase in operating revenues reflect an increase in fees for water sales. The decrease in transfers is in part attributed to a larger one-time transfer that was made in 2000 for building construction.

All fees, rates and charges are reviewed annually to ensure that the rates continue to be appropriate. Rates will continue to be monitored to ensure adequate revenues for the operation of each fund.

## **Fiduciary Operations**

The City of Bismarck participates in three separate defined benefit pension plans. An actuarial study conducted December 31, 2000, showed an actuarial accrued liability of \$23,299,000 for the City

Employee pension plan, \$11,581,000 for the Police pension plan. As of December 31, 2000, 135.7% of the City pension plan's unfunded actuarial accrued liability, 130.6% of the Police pension plan's unfunded actuarial accrued liability has been funded with net assets available for benefits. The information for the Firefighters pension plan was not available from the Bismarck Firefighter's Relief Association, an entity independent of the City of Bismarck that administers the Firefighters pension plan.

### **Debt Administration**

The ratio of general obligation debt to assessed valuation and the amount of general obligation debt per capita are helpful indicators of the City's debt position to management and the users of this report.

Year	Net Direct Bonded Debt	Ratio of Debt to Present Assessed Value	Debt per Capita
2001	\$ 62,942	0.0001	\$ 1.13

Outstanding general obligation bonds at December 31, 2001, totaled \$345,000. In addition the amount of special assessment bonds outstanding is \$36,095,000. Note F of the General Purpose Financial Statements presents more detailed information about the debt position of the City. Debt issued during 2001 includes \$11,870,000 in special assessment bonds. Each of these received an Aa2 rating from Moodys. These ratings are consistent with previous ratings received from this agency.

### **Cash Management**

All cash balances of the City are invested in investments that are insured or registered or for which securities are held by the City or its agent in the City's name. The amount of income earned on the investments (for the City, the City Employee pension and Police pension) for the fiscal year was \$3,832,471. As of December 31, 2001, the City's investments (exclusive of cash on hand and cash deposits) of \$89,156,654 were invested as follows:

US Government securities	\$ 38,613,364
Investment in state investment board pool	34,418,731
Investment in mutual funds (Kemper)	13,315,930
Securities lending short-term collateral investment pool	2,808,629
Total investments	\$ 89,156,654

### **Risk Management**

The City of Bismarck maintains two self insurance funds. The General Liability fund is structured so that only expenses relating to covered liabilities of the City are charged against it. It does not provide comprehensive coverage to City departments. The Municipal Airport Flightline operation has a private policy, which covers the general liability of the Airport with a \$1,000 deductible.

The City also maintains a medical insurance fund. This fund provides payment of medical claims for all full time City employees and their dependents. This plan has an aggregate stop loss covered through Blue Cross Blue Shield of North Dakota, for all claims exceeding \$50,000 per individual or \$1,946,027 for the plan year of 2001.

Other risk management achievements include the implementation of a city-wide safety program, which provides for safety training, and accident prevention techniques. Establishing this program has resulted in a considerable savings on the City's Workers Compensation premium.

## AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bismarck for its comprehensive annual financial report for the year ended December 31, 2000. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. CAFRs must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,



Sheila Hillman  
Director of Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bismarck,  
North Dakota

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2000

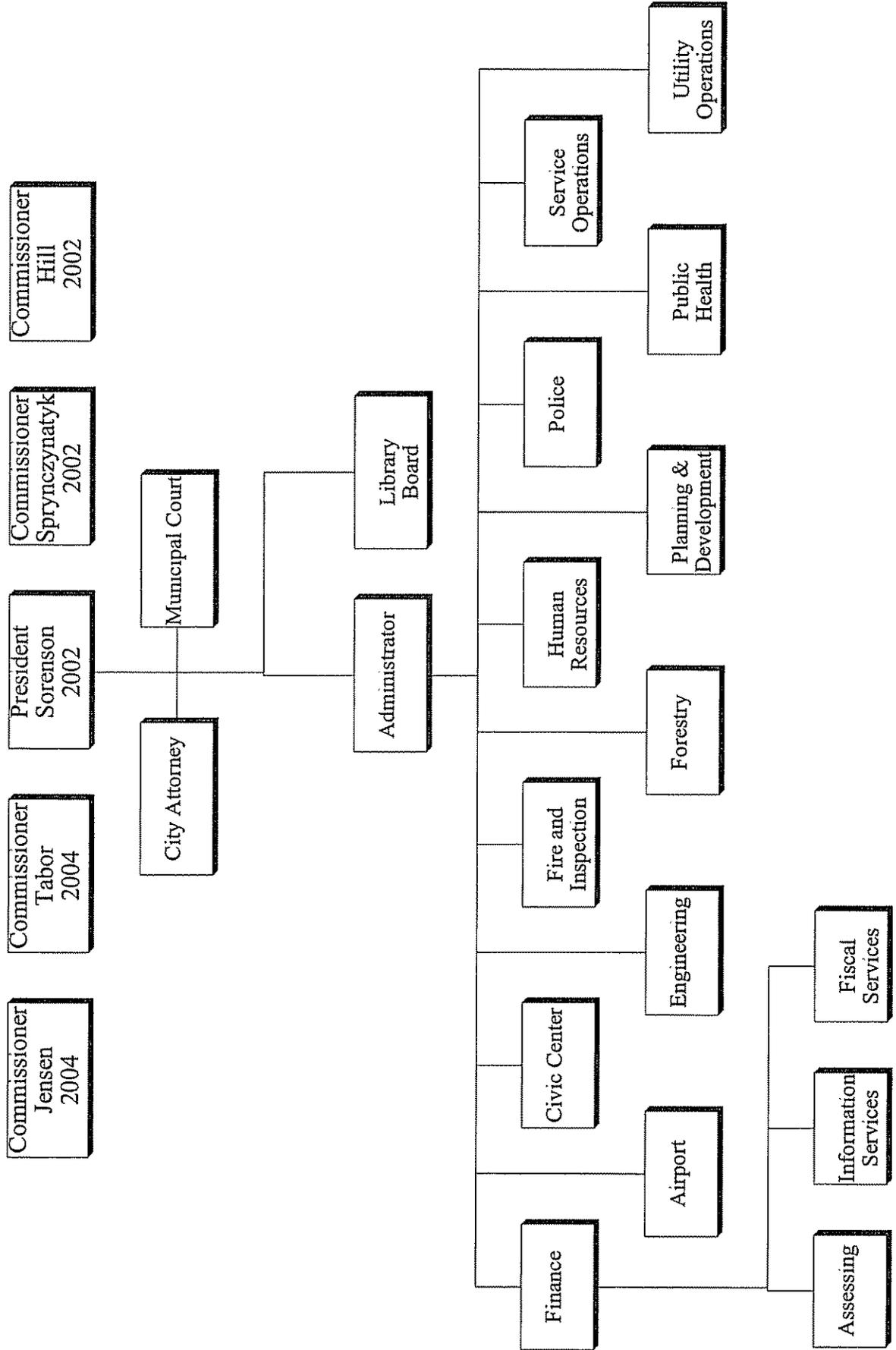
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



*Timothy Drew*  
President

*Jeffrey L. Esser*  
Executive Director

# City of Bismarck



**CITY OF BISMARCK, NORTH DAKOTA**

**LISTING OF CITY OFFICIALS**

**ELECTED OFFICIALS:**

President..... Bill Sorensen  
Commissioner..... Dave Jensen  
Commissioner..... Sandi Tabor  
Commissioner..... Connie Sprynczynatyk  
Commissioner..... Bryce Hill  
Municipal Judge..... William Severin

**APPOINTED OFFICIALS:**

City Administrator..... William Wocken  
City Attorney..... Charles Whitman

**DEPARTMENT DIRECTORS:**

Airport..... Greg Haug  
Civic Center..... Richard Petersen  
Engineering..... Mel Bullinger  
Fire and Building Inspection..... Joel Boespflug  
Fiscal/Information Services..... Sheila Hillman  
Forestry..... Paul Blumhardt  
Human Resources..... Charles Klein  
Library..... Tom Jones  
Public Health..... Paula Flanders  
Planning and Development..... Carl Hokenstad  
Police..... Deborah Ness  
Public Works Service Operations..... Keith Hunke  
Public Works Utility Operations..... Keith Demke



Consultants • Certified Public Accountants  
**INDEPENDENT AUDITOR'S REPORT**

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The Honorable Mayor and Members  
of City Council  
City of Bismarck  
Bismarck, North Dakota

We have audited the accompanying general purpose financial statements of the **City of Bismarck**, North Dakota, as of and for the year ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the city's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General at the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the **City of Bismarck** at December 31, 2001, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2002, on our considerations of the **City of Bismarck's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of **City of Bismarck**, North Dakota, taken as a whole. The accompanying combining, individual fund and account group financial statements, supporting schedules and statistical data listed in the table of contents and the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the **City of Bismarck**. Such information, except for the statistical data marked unaudited, on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Eide Bailly LLP*

Bismarck, North Dakota  
March 8, 2002

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**CITY OF BISMARCK, NORTH DAKOTA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 2001**

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<b>ASSETS AND OTHER DEBITS</b>			
<b>ASSETS:</b>			
Cash and Investments	\$ 13,596,173	\$ 13,744,853	\$ 6,993,502
Cash with Escrow Agent	-	-	4,794,154
Receivables (Net of Allowances for Uncollectibles):			
Taxes	171,523	58,321	9,628
Accounts	869,579	932,725	-
Special Assessments	-	-	193,898
Due from Other Funds	108,152	-	5,013,451
Intergovernmental	-	-	932,520
Notes Receivable	-	250,000	-
Inventories	-	-	-
Prepaid Items	-	-	-
Fixed Assets Held for Resale	-	-	-
Customer Deposits - Restricted	-	-	-
Fixed Assets (Net Where Applicable, of Accumulated Depreciation)	-	-	-
<b>OTHER DEBITS:</b>			
Amount Available in Debt Service Fund	-	-	-
Amount to be Provided for Retirement of General Long-term Debt	-	-	-
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b><u>\$ 14,745,427</u></b>	<b><u>\$ 14,985,899</u></b>	<b><u>\$ 17,937,153</u></b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>			
<b>LIABILITIES:</b>			
Accounts Payable	\$ 134,875	\$ 24,763	\$ 56,374
Leases Payable	-	-	-
Claims and Judgements Payable	-	-	-
Due to Other Funds	-	18,864	-
Due to Employees	-	-	-
Due to Other Entities	-	-	-
Deferred Revenue	119,451	41,697	1,873,639
General Obligation Bonds Payable	-	-	-
Special Assessment Debt with Governmental Commitment	-	-	-
Securities Lending Collateral	-	-	-
Customer Deposits	-	-	-
Revenue Bonds Payable	-	-	-
Compensation Benefits Payable	-	-	-
Accrued Closure/Post Closure Costs	-	-	-
<b>TOTAL LIABILITIES</b>	<b><u>254,326</u></b>	<b><u>85,324</u></b>	<b><u>1,930,013</u></b>
<b>EQUITY AND OTHER CREDITS:</b>			
Investment in General Fixed Assets	-	-	-
Contributed Capital	-	-	-
Retained Earnings:			
Unreserved	-	-	-
Fund Balances:			
Reserved for Debt Service	-	-	11,212,986
Reserved for Refunding Bonds	-	-	4,794,154
Fund Balance Reserved for Employee Benefits	-	-	-
Reserved for Long-Term Receivable	-	250,000	-
Unreserved, undesignated	14,491,101	14,650,575	-
<b>TOTAL EQUITY AND OTHER CREDITS</b>	<b><u>14,491,101</u></b>	<b><u>14,900,575</u></b>	<b><u>16,007,140</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 14,745,427</u></b>	<b><u>\$ 14,985,899</u></b>	<b><u>\$ 17,937,153</u></b>

See Notes to the Financial Statements

Capital Projects	Proprietary Funds		Fiduciary Funds	Account Groups		Totals (Memorandum Only) 2001
	Enterprise	Internal Service	Trust & Agency	General Fixed Assets	General Long-Term Debt	
\$ 7,270,638	\$ 33,294,070	\$ 5,730,572	\$ 51,736,921	\$ -	\$ -	\$ 132,366,729
-	-	-	-	-	-	4,794,154
26,430	-	1,542	24,935	-	-	292,379
151,990	564,639	22,671	81,484	-	-	2,623,088
-	25,990	-	-	-	-	219,888
-	-	-	54,852	-	-	5,176,455
4,617	-	-	-	-	-	937,137
-	-	-	-	-	-	250,000
-	44,918	-	-	-	-	44,918
-	24,220	-	-	-	-	24,220
-	20,347	-	-	-	-	20,347
796,152	2,723,303	-	239,500	-	-	3,758,955
-	129,250,184	-	-	65,205,616	-	194,455,800
-	-	-	-	-	16,007,140	16,007,140
-	-	-	-	-	31,605,238	31,605,238
<u>\$ 8,249,827</u>	<u>\$ 165,947,671</u>	<u>\$ 5,754,785</u>	<u>\$ 52,137,692</u>	<u>\$ 65,205,616</u>	<u>\$ 47,612,378</u>	<u>\$ 392,576,448</u>
\$ 560,665	\$ 1,858,154	\$ 189,291	\$ 38,858	\$ -	\$ -	\$ 2,862,980
-	125,258	-	-	-	-	125,258
-	-	509,817	-	-	-	509,817
4,343,964	813,627	-	-	-	-	5,176,455
-	-	-	14,063,543	-	-	14,063,543
-	-	-	9,165	-	-	9,165
26,282	48,617	1,115	18,065	-	-	2,128,866
-	-	-	-	-	345,000	345,000
-	-	-	-	-	36,095,000	36,095,000
-	-	-	2,707,410	-	-	2,707,410
796,152	2,723,302	-	239,500	-	-	3,758,954
-	-	-	-	-	9,695,000	9,695,000
-	385,131	-	-	-	1,477,378	1,862,509
-	394,206	-	-	-	-	394,206
<u>5,727,063</u>	<u>6,348,295</u>	<u>700,223</u>	<u>17,076,541</u>	<u>-</u>	<u>47,612,378</u>	<u>79,734,163</u>
-	-	-	-	65,205,616	-	65,205,616
-	94,180,346	-	-	-	-	94,180,346
-	65,419,030	5,054,562	-	-	-	70,473,592
-	-	-	-	-	-	11,212,986
-	-	-	-	-	-	4,794,154
-	-	-	33,978,801	-	-	33,978,801
-	-	-	-	-	-	250,000
<u>2,522,764</u>	<u>-</u>	<u>-</u>	<u>1,082,350</u>	<u>-</u>	<u>-</u>	<u>32,746,790</u>
<u>2,522,764</u>	<u>159,599,376</u>	<u>5,054,562</u>	<u>35,061,151</u>	<u>65,205,616</u>	<u>-</u>	<u>312,842,285</u>
<u>\$ 8,249,827</u>	<u>\$ 165,947,671</u>	<u>\$ 5,754,785</u>	<u>\$ 52,137,692</u>	<u>\$ 65,205,616</u>	<u>\$ 47,612,378</u>	<u>\$ 392,576,448</u>

**CITY OF BISMARCK, NORTH DAKOTA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	Governmental Fund	
	General	Special Revenue
<b>REVENUES</b>		
Taxes	\$ 7,487,920	\$ 11,062,889
Licenses and Permits	976,512	14,827
Special Assessments	-	-
Intergovernmental	3,586,421	3,777,268
Charges for Services	3,031,769	1,214,661
Fines and Forfeits	899,382	58,847
Investment Income	792,180	847,312
Rentals	123,613	279,637
Miscellaneous	14,949	26,664
<b>TOTAL REVENUES</b>	<u>16,912,746</u>	<u>17,282,105</u>
<b>EXPENDITURES</b>		
Current:		
General Government	3,624,831	2,189,062
Public Safety	9,609,498	149,631
Highways and Streets	1,432,959	3,056,757
Health and Welfare	857,895	-
Culture and Recreation	2,024,169	1,186,668
Capital Outlay	575,421	510,606
Debt Service:		
Principal	-	-
Interest and Fiscal Charges	-	-
<b>TOTAL EXPENDITURES</b>	<u>18,124,773</u>	<u>7,092,724</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,212,027)</u>	<u>10,189,381</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Operating Transfers In	3,487,148	554,999
Operating Transfers Out	(95,360)	(7,762,830)
Proceeds of Refunding Bonds	-	-
Payment of Refunding Bonds	-	-
Special Assessment Bond Proceeds	-	-
<b>TOTAL OTHER FINANCING SOURCES AND (USES)</b>	<u>3,391,788</u>	<u>(7,207,831)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>2,179,761</u>	<u>2,981,550</u>
<b>FUND BALANCES - BEGINNING</b>	12,311,340	11,919,025
<b>FUND BALANCES - ENDING</b>	<u>\$ 14,491,101</u>	<u>\$ 14,900,575</u>

See Notes to the Financial Statements

Exhibit 2

Types		Fiduciary	Totals
Debt Service	Capital Projects	Expendable Trust	(Memorandum Only) 2001
\$ 347,262	\$ 1,057,885	\$ -	\$ 19,955,956
-	-	-	991,339
5,062,951	842,710	-	5,905,661
10,495	5,225,863	5,000	12,605,047
-	-	478,983	4,725,413
-	-	-	958,229
416,193	268,654	53,224	2,377,563
-	698	256,100	660,048
-	40,441	9,648	91,702
<u>5,836,901</u>	<u>7,436,251</u>	<u>802,955</u>	<u>48,270,958</u>
-	-	-	5,813,893
-	-	-	9,759,129
-	-	375	4,490,091
-	-	-	857,895
-	-	589,320	3,800,157
-	11,942,674	-	13,028,701
5,380,065	-	-	5,380,065
2,350,011	-	-	2,350,011
<u>7,730,076</u>	<u>11,942,674</u>	<u>589,695</u>	<u>45,479,942</u>
<u>(1,893,175)</u>	<u>(4,506,423)</u>	<u>213,260</u>	<u>2,791,016</u>
3,303,204	2,962,699	24,578	10,332,628
(716,067)	(910,678)	(102,279)	(9,587,214)
6,090,880	-	-	6,090,880
(1,050,000)	-	-	(1,050,000)
-	5,685,439	-	5,685,439
<u>7,628,017</u>	<u>7,737,460</u>	<u>(77,701)</u>	<u>11,471,733</u>
5,734,842	3,231,037	135,559	14,262,749
10,272,298	(708,273)	946,791	34,741,181
<u>\$ 16,007,140</u>	<u>\$ 2,522,764</u>	<u>\$ 1,082,350</u>	<u>\$ 49,003,930</u>

**CITY OF BISMARCK, NORTH DAKOTA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	General Fund		
	Budget	2001 Actual	2000 Actual
<b>REVENUES</b>			
Taxes	\$ 7,860,614	\$ 7,487,920	\$ 6,196,664
Licenses and Permits	993,275	976,512	802,209
Intergovernmental	3,421,092	3,586,421	2,848,202
Charges for Services	2,837,875	3,031,769	3,267,079
Fines and Forfeits	883,000	899,382	852,100
Investment Income	713,204	792,180	857,102
Rentals	237,139	123,613	163,748
Miscellaneous	10,500	14,949	14,770
TOTAL REVENUES	<u>16,956,699</u>	<u>16,912,746</u>	<u>15,001,874</u>
<b>EXPENDITURES</b>			
Current:			
General Government	4,878,577	3,624,831	3,373,289
Public Safety	10,078,858	9,609,498	8,765,496
Highways and Streets	1,595,053	1,432,959	1,356,961
Health and Welfare	888,052	857,895	790,492
Culture and Recreation	2,086,934	2,024,169	2,047,509
Capital Outlay	3,472,523	575,421	856,823
TOTAL EXPENDITURES	<u>22,999,997</u>	<u>18,124,773</u>	<u>17,190,570</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(6,043,298)</u>	<u>(1,212,027)</u>	<u>(2,188,696)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In	3,295,169	3,487,148	2,932,542
Operating Transfers Out	(54,637)	(95,360)	(174,609)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>3,240,532</u>	<u>3,391,788</u>	<u>2,757,933</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>\$ (2,802,766)</u>	2,179,761	569,237
<b>FUND BALANCES - BEGINNING</b>		12,311,340	11,742,103
<b>FUND BALANCES - ENDING</b>		<u>\$ 14,491,101</u>	<u>\$ 12,311,340</u>

See Notes to the Financial Statements

Exhibit 3

Special Revenue Funds		
Budget	2001 Actual	2000 Actual
\$ 10,939,273	\$ 11,062,889	\$ 10,773,960
4,000	14,827	3,805
3,094,846	3,777,268	3,279,415
940,620	1,214,661	1,095,646
53,000	58,847	62,056
504,900	847,312	632,025
351,036	279,637	175,313
96,500	26,664	28,185
<u>15,984,175</u>	<u>17,282,105</u>	<u>16,050,405</u>
3,715,422	2,189,062	1,979,884
191,581	149,631	492,496
3,447,356	3,056,757	2,789,292
-	-	-
1,265,095	1,186,668	1,135,567
572,287	510,606	1,157,660
<u>9,191,741</u>	<u>7,092,724</u>	<u>7,554,899</u>
<u>6,792,434</u>	<u>10,189,381</u>	<u>8,495,506</u>
455,982	554,999	1,143,347
<u>(7,889,473)</u>	<u>(7,762,830)</u>	<u>(7,037,345)</u>
<u>(7,433,491)</u>	<u>(7,207,831)</u>	<u>(5,893,998)</u>
<u>\$ (641,057)</u>	2,981,550	2,601,508
	11,919,025	9,317,517
	<u>\$ 14,900,575</u>	<u>\$ 11,919,025</u>

**CITY OF BISMARCK, NORTH DAKOTA  
COMBINED STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Proprietary Fund Types		Totals (Memorandum Only) 2001
	Enterprise	Internal Service	
<b>OPERATING REVENUES:</b>			
Charges for Services	\$ 19,455,659	\$ -	\$ 19,455,659
Employer Contributing	-	2,052,460	2,052,460
<b>TOTAL OPERATING REVENUES</b>	<u>19,455,659</u>	<u>2,052,460</u>	<u>21,508,119</u>
<b>OPERATING EXPENSES:</b>			
Cost of Sales and Services	9,668,754	2,475,086	12,143,840
Administration	916,208	1,026	917,234
Depreciation	4,582,567	-	4,582,567
<b>TOTAL OPERATING EXPENSES</b>	<u>15,167,529</u>	<u>2,476,112</u>	<u>17,643,641</u>
<b>OPERATING INCOME (LOSS)</b>	<u>4,288,130</u>	<u>(423,652)</u>	<u>3,864,478</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Intergovernmental	1,663,732	132	1,663,864
Special Assessments	266,972	-	266,972
Gain on Disposal of Assets	17,441	-	17,441
Investment Income	1,724,992	437,178	2,162,170
Taxes	-	2,197	2,197
Interest Expense	(43,328)	-	(43,328)
Miscellaneous	-	16,586	16,586
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<u>3,629,809</u>	<u>456,093</u>	<u>4,085,902</u>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	<u>7,917,939</u>	<u>32,441</u>	<u>7,950,380</u>
<b>OPERATING TRANSFERS</b>			
Transfer From Other Funds	48,139	8,004	56,143
Transfer (To) Other Funds	(728,578)	(53,483)	(782,061)
<b>TOTAL OPERATING TRANSFERS</b>	<u>(680,439)</u>	<u>(45,479)</u>	<u>(725,918)</u>
<b>NET INCOME</b>	7,237,500	(13,038)	7,224,462
<b>DEPRECIATION ON ASSETS ACQUIRED WITH CAPITAL GRANTS</b>	1,276,078	-	1,276,078
<b>RETAINED EARNINGS - BEGINNING</b>	<u>56,905,452</u>	<u>5,067,600</u>	<u>61,973,052</u>
<b>RETAINED EARNINGS - ENDING</b>	<u>\$ 65,419,030</u>	<u>\$ 5,054,562</u>	<u>\$ 70,473,592</u>

See Notes to the Financial Statements

**CITY OF BISMARCK, NORTH DAKOTA  
COMBINED STATEMENT OF CASH FLOWS  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Proprietary Fund Types		Totals (Memorandum Only)
	Enterprise	Internal Service	2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received From Customers and Users	\$ 20,885,702	\$ 7,255	\$ 20,892,957
Cash Received From Employer	-	2,037,092	2,037,092
Cash Paid to Suppliers	(6,861,066)	(2,306,835)	(9,167,901)
Cash Paid to Employees	(3,556,690)	-	(3,556,690)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>10,467,946</u>	<u>(262,488)</u>	<u>10,205,458</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Miscellaneous	-	16,586	16,586
Taxes	-	2,197	2,197
In Lieu of Taxes	-	132	132
Intergovernmental Revenue	1,663,732	-	1,663,732
Transfers From Other Funds	48,139	8,004	56,143
Transfers (to) Other Funds	(728,578)	(53,483)	(782,061)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>983,293</u>	<u>(26,564)</u>	<u>956,729</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital Lease Payment	(125,258)	-	(125,258)
Interest Paid	(43,328)	-	(43,328)
Proceeds From Sale of Fixed Assets	17,441	-	17,441
Purchase of Fixed Assets	(277,516)	-	(277,516)
Construction	(11,338,275)	-	(11,338,275)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(11,766,936)</u>	<u>-</u>	<u>(11,766,936)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	1,724,992	437,178	2,162,170
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>1,724,992</u>	<u>437,178</u>	<u>2,162,170</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,409,295	148,126	1,557,421
<b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	31,884,775	5,582,446	37,467,221
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<u>\$ 33,294,070</u>	<u>\$ 5,730,572</u>	<u>\$ 39,024,642</u>

See Notes to the Financial Statements

**CITY OF BISMARCK, NORTH DAKOTA  
COMBINED STATEMENT OF CASH FLOWS  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Proprietary Fund Types		Totals (Memorandum Only) 2001
	Enterprise	Internal Service	
<b>REPORTED IN THE BALANCE SHEET AS FOLLOWS:</b>			
Cash and Investments	\$ 33,294,070	\$ 5,730,572	\$ 39,024,642
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating Income (Loss)	4,288,130	(423,652)	3,864,478
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	4,582,567	-	4,582,567
(Increase) decrease in Taxes Receivable	-	2,645	2,645
(Increase) decrease in Accounts Receivable	282,105	(16,472)	265,633
(Increase) decrease in Due From Other Funds	1,147,938	-	1,147,938
(Increase) decrease in Inventories	54,422	-	54,422
(Increase) decrease in Prepaid Items	12,376	-	12,376
Increase (decrease) in Accounts Payable	125,623	(14,117)	111,506
Increase (decrease) in Deferred Revenue	-	(2,309)	(2,309)
Increase (decrease) in Estimating Pending Claims	-	191,417	191,417
Increase (decrease) in Due to Other Funds	(103,207)	-	(103,207)
Increase (decrease) in Compensated Absences Payable	(4,928)	-	(4,928)
Increase (decrease) in Closure/Post Closure Costs	82,920	-	82,920
Total Adjustments	6,179,816	161,164	6,340,980
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ 10,467,946</b>	<b>\$ (262,488)</b>	<b>\$ 10,205,458</b>
<b>NONCASH CAPITAL ACTIVITIES:</b>			
Contributions of fixed assets from government	\$ 29,012	\$ -	\$ 29,012
Construction of Fixed Assets Contributed through Capital Project Funds	\$ 264,628	\$ -	\$ 264,628

See Notes to the Financial Statements

**CITY OF BISMARCK, NORTH DAKOTA**  
**COMBINED STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

	City Pension	Police Pension	Totals (Memorandum Only) 2001
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ADDITIONS</b>			
CONTRIBUTIONS:			
Employer	\$ 375,227	\$ 109,231	\$ 484,458
Employee	436,209	333,736	769,945
INVESTMENT INCOME:			
Loss on Investments	(1,206,609)	(727,957)	(1,934,566)
Interest and Dividends	905,935	430,522	1,336,457
Securities Lending Income	98,191	39,848	138,039
	<u>(202,483)</u>	<u>(257,587)</u>	<u>(460,070)</u>
Less: Investment Expense	(77,294)	(41,216)	(118,510)
Less: Securities Lending Expenses	(91,597)	(37,085)	(128,682)
Net investment income (loss)	<u>(371,374)</u>	<u>(335,888)</u>	<u>(707,262)</u>
<b>TOTAL ADDITIONS</b>	<u>440,062</u>	<u>107,079</u>	<u>547,141</u>
 <b>DEDUCTIONS</b>			
Administration	18,032	12,373	30,405
Benefits	1,230,411	458,363	1,688,774
<b>TOTAL DEDUCTIONS</b>	<u>1,248,443</u>	<u>470,736</u>	<u>1,719,179</u>
 <b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In:			
General Fund	9	3,145	3,154
Special Revenue	-	1,562	1,562
Capital Projects	3,571	-	3,571
Operating Transfers Out:			
General Fund	<u>(16,325)</u>	<u>(11,458)</u>	<u>(27,783)</u>
<b>TOTAL OTHER FINANCING USES</b>	<u>(12,745)</u>	<u>(6,751)</u>	<u>(19,496)</u>
 <b>CHANGE IN NET ASSETS</b>	 (821,126)	 (370,408)	 (1,191,534)
 <b>NET ASSETS - BEGINNING</b>	 23,471,374	 11,698,961	 35,170,335
<b>NET ASSETS - ENDING</b>	<u>\$ 22,650,248</u>	<u>\$ 11,328,553</u>	<u>\$ 33,978,801</u>

See Notes to the Financial Statements

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**CITY OF BISMARCK, NORTH DAKOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Bismarck was incorporated in 1875. The City operates under a city commission form of government and provides the following services as authorized by its charter: Public Safety (Police and Fire), Streets, Sanitation, Health, Culture and Recreation, Public Improvements, Planning and Zoning, General Administrative Services, Airport Facilities, Solid Waste Collection and Disposal, and Water and Sewer Utilities.

The financial statements of the City of Bismarck, North Dakota, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units and the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant of the City's accounting policies are described below:

**A. REPORTING ENTITY**

For financial reporting purposes the City's financial statements include all funds and account groups. There are no component units of the City of Bismarck. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e. the City) are financially accountable. The City would consider an organization to be a component unit if:

1. The City appoints a voting majority of the organization's governing body AND
  - (a) is able to impose its will on that organization OR
  - (b) there is a potential for the organization to provide specific financial burdens on the City; OR
2. The organization is fiscally dependent upon the City; OR
3. The nature of the relationship between the City and the organization is such that the exclusion from the financial reporting entity would render the financial statements of the City misleading.

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION**

The accounts of the City are organized in funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose, and is used by management to demonstrate compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistently with City Ordinances and the North Dakota Century Code. Account groups are a reporting device to account for fixed assets and liabilities of the governmental funds not recorded directly into those funds.

**1. Governmental Funds**

Governmental funds are used to account for the City's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under a modified accrual basis of accounting, revenues are recognized when they are susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or in time to pay liabilities for the current period. The City considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related liability occurs, except for non-matured interest on general long-term debt, which is recognized when due, and compensated absences that are recognized when the obligations are expected to be liquidated with available financial resources.

**CITY OF BISMARCK, NORTH DAKOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

Property taxes, cable franchise fees, licenses, interest and special assessments are susceptible to accrual. Sales tax; Motel, Liquor, Restaurant tax; motor vehicle fees and the 2% Motel tax collected and held by the state at year end on behalf of the City are also recognized as revenue. Other receipts become measurable and available when billed on the accounts receivable system.

Shared revenues are recorded at the time of receipt or earlier if susceptible to accrual. Expenditure-driven grants are recognized as revenue when the expenditures have been obligated and all other grant requirements have been met.

## **2. Types of Governmental Funds**

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

Special Revenue Funds - The special revenue funds account for revenue sources that are legally restricted to expenditures for specific purposes.

Debt Service Fund - The debt service funds account for the servicing of the general long-term debt that is not financed by proprietary or nonexpendable trust funds.

Capital Projects Funds - The capital projects funds account for the acquisition of fixed assets and/or construction of major capital projects that are not being financed by proprietary funds.

## **3. Proprietary Funds**

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Using this method, the revenues are recorded as earned and expenses are incurred at the time of the encumbrance of the liability.

The City's financial statements have been prepared in accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting." The City accounts for its Proprietary activities in accordance with all applicable GASB pronouncements, as well as pronouncements of the Financial Accounting Standards Board (FASB) and its predecessors issued on or before November 20, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Proprietary funds include the following fund types:

Enterprise Funds - Enterprise funds are used for those operations that are financed and operated in a manner similar to private business or where the board decides the fees to be charged and the net income necessary for management accountability.

Internal Service Funds - Internal service funds account for operations that provide services to other departments of the City on a cost-reimbursement basis.

## **4. Fiduciary Funds**

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government in the form of a formal trust agreement.

Expendable Trust - The expendable trust fund is accounted for in almost the same manner as the governmental fund types, using the same measurement focus and basis of accounting. These trust funds account for assets where both principal and interest may be spent.

Nonexpendable Trust Fund - The pension trust fund is accounted for in essentially the same manner as proprietary funds, using the same measurement focus and basis of accounting. The pension trust

**CITY OF BISMARCK, NORTH DAKOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

funds account for the assets of the police and city employees pension plan. The nonexpendable trust funds account for assets where both principal and interest may not be spent.

Agency Fund - The agency fund is custodial in nature and does not present results of operations in this report or have a measurement focus. Agency funds are accounted for by using the modified accrual basis of accounting. These funds are used to account for assets that the City holds for others in an agency capacity.

#### **5. Account Groups**

General Fixed Asset Account Group - The general fixed asset account group is used to account for fixed assets not accounted for in proprietary or trust funds.

General Long-term Debt Account Group - The general long-term debt account group is used to account for general long-term debt and other liabilities that are not a specific liability of proprietary or trust funds of the City.

### **C. ASSETS, LIABILITIES, AND EQUITY**

#### **1. Deposits and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair market value.

#### **2. Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

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

#### **3. Inventories**

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

#### **4. Prepaid Items**

The Enterprise Funds record any payments made to vendors for services that will benefit periods beyond December 31, 2001, as prepaid items. The cost of services to governmental type funds is recorded as an expenditure when paid rather than the benefited period.

#### **5. Fixed Assets**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

**CITY OF BISMARCK, NORTH DAKOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

The City does not report public domain or "infrastructure" fixed assets, roads, curbs, gutters, sidewalks, streets, street lights, and similar assets that are immovable and of value only to the governmental unit in the general fixed asset account group. All infrastructure fixed assets are reported in the proprietary fund types and depreciation is computed using the straight-line method.

Assets in the general fixed assets account group are not depreciated. Depreciation of all exhaustible fixed assets used by proprietary funds is charged as depreciation expense against their operations. Depreciation recognized on grants, entitlements, and shared revenues is closed to the related contributed capital. Depreciation has been provided over the estimated useful life, using the straight-line method, as follows:

Buildings	20 - 50 Years
Improvements other than buildings	25 - 50 Years
Small equipment	2 - 10 Years
Heavy equipment	5 - 10 Years

#### **6. Compensated Absences/Termination Benefits**

##### Sick Leave

A new plan for compensated absences commenced on December 31, 1992. It established a maximum number of accumulated sick leave hours that could be accrued. The maximum hours for employees working a forty-hour work week is 960 and the maximum hours of accumulated sick leave is 1272 for all employees working a 53-hour workweek. Excess sick leave will be paid to all employees at a rate of forty percent of their excess hours over 960/1272 annually. These payments will be made out of the fund in which the liability occurs.

On December 31, 1992 the outstanding accumulated sick leave hours of all employees having over 960/1272 hours were reduced by twenty five percent. The number of reduced hours multiplied by their rate of pay per hour, became the amount of pay the employee will receive at termination of their employment. If the employee had less than 960/1272 hours they were given an option, to either reduce their hours by twenty five percent or retain the hours in order to reach the 960/1272 maximum at a faster pace. If they chose the option to reduce their hours, this number was multiplied times their rate per hour to establish the amount of compensation they will receive at termination.

The total amount of compensation is funded by an annual departmental contribution at the rate of ten percent of the total for ten years or until such time the fund is sufficient to fully meet the obligation. The funds will be held in an agency fund until all employees employed on December 31, 1992 will have terminated their employment. The \$185,214 in the Deferred Compensation Payable in the General Long term Debt Account Group is the amount owed by the governmental funds. The proprietary funds are obligated for an additional \$54,853.

##### Annual Leave

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

**CITY OF BISMARCK, NORTH DAKOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

0 - 3 years	96 hours per year
4 - 7 years	120 hours per year
8 -12 years	144 hours per year
13 - 18 years	168 hours per year
over 18 years	192 hours per year

Fire employees who have a regular workweek in excess of forty hours per week are granted annual leave at a rate adjusted to take into account the extra hours so their annual leave is comparable to the leave granted for forty hour per week employees.

Annual leave accrued during the calendar year may be accumulated but shall in no case exceed a total of 360 hours for all employees except fire employees who work a regular work week in excess of forty hours, may accumulate 477 hours. On January 1 of each year all excess leave is forfeited without compensation.

Regular part-time employees shall earn a prorated number of vacation days payable at their current rate of compensation.

At the time of the employee's termination of employment, the unused hours are paid to him at his current rate of pay. The hours will be paid up to 360 hours for regular employees and 477 hours for firemen.

All of the accumulated hours are brought to the current rate of pay on December 31, to establish the value in the funds. The amount in the compensated absences line item \$1,292,164 is the value of the employees annual leave hours on December 31, 2001. In proprietary funds, compensated absences are expensed when earned. The entire amount of unpaid compensated absences is reported as a fund liability.

**7. Long-term Obligations**

The government funds recognize long-term debt as a liability in the general long-term debt account group. For other obligations, only that portion expected to be financed from expendable available financial resources are reported as a fund liability of a governmental fund. The remaining portion of such obligations are reported in the general long-term debt account group. Long-term liabilities and other obligations expected to be financed from proprietary fund operations are accounted for in those funds.

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Highway Construction
Highway Construction	Debt Service Fund
Revenue Bonds	Motel Liquor Restaurant
Motel Liquor Restaurant Bonds	Tax Fund
Sales Tax Revenue Bonds	Sales Tax Revenue Fund
Special Assessment Bonds	Watermains, Sewermains, Sidewalks, Street Improvements, and Parking Lot Debt Service Funds
Employee Termination Benefits	General, Library, and Roads and Streets
Compensated Absences	General, Library, and Roads and Streets

**CITY OF BISMARCK, NORTH DAKOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

Investment Category

Investments are categorized to give an indication of the level of risk assumed by the entity at year-end.

Category 1 - investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. The following is a summary of the City's investments at December 31, 2001:

	Category 1	Fair Market Value
US Government Securities	\$ 38,613,364	\$ 38,613,364
Investments in state investment board pool		34,418,731
Investments in mutual funds (Kemper)		13,315,930
Securities lending short-term collateral investment pool		2,808,629
 Total Investments		 \$ 89,156,654

The US government securities and the Kemper mutual funds are based on fair market value for these investments.

State Investment and Securities Lending Pool

North Dakota Retirement and Investment Office (NDRIO) manages the state investment and securities lending pools. NDRIO manages the City Employee pension and Police pension and enters into security lending transactions. As part of these transactions, securities are loaned versus collateralized. At year-end, the pension plans have no credit risk exposure to borrowers because the amount the plans owe the borrowers exceed the amounts the borrowers owe the plans. The investment includes cash, U.S. government securities and irrevocable letters of credit. U.S. securities valued at 102% of the market value of the securities plus any interest and non-U.S. securities collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash is invested in a short-term investment pool. The investment pool is not registered with the SEC and is regulated by the North Dakota Century Code. The fair market value of the investment pool is the same as the value of the pooled investment shares. A reconciliation of cash and investments as shown on the Combined Balance Sheet is as follows:

Cash on hand	\$ 44,134
Carrying amount of deposits	51,719,050
Fair Value of Investments	89,156,654
Total	\$ 140,919,838
 Cash and investments	 \$ 137,160,883
Customer deposits	3,758,955
Total	\$ 140,919,838

Burleigh County Water Users Investment

On January 5, 1996, the City of Bismarck entered into a contract with Burleigh County Water Users, to furnish the rural citizens with water for the next 40 years. The Burleigh County Water Users deposited \$2,300,000 up front to buy a specific number of gallons each year at a rate of \$.397 per billing unit of 100 cubic feet of water. The funds were invested in United States Zero Coupon Treasury Bonds with an annual maturity date to meet the current water obligation. Each year the City recognizes the value of these bonds at fair market value. The funds are held as deposits. If the Burleigh County Water

**CITY OF BISMARCK, NORTH DAKOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

Users elected to cancel the contract, the deposit would be refunded at the current fair market value. The value of the deposits in the Water and Sewer Utility fund at December 31, 2001 was \$2,723,103.

**C. Receivables**

Receivables at December 31, 2001 consist of the following:

<u>Receivables:</u>	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust/ Agency
Taxes - Real Estate & Mobile	\$ 171,523	\$ 58,321	\$ 9,628	\$ 26,430	\$ -	\$ 1,542	\$ 24,935
Accounts Receivable - Trade	869,579	932,725	-	151,990	564,639	22,671	81,484
Special Assessment	-	-	193,898	-	25,990	-	-
Due from Other Funds	108,152	-	5,013,451	-	-	-	54,852
Notes Receivable	-	250,000	-	-	-	-	-
Intergovernmental	-	-	932,520	4,617	-	-	-
<b>Total Receivables</b>	<b>\$ 1,149,254</b>	<b>\$ 1,241,046</b>	<b>\$ 6,149,497</b>	<b>\$ 183,037</b>	<b>\$ 590,629</b>	<b>\$ 24,213</b>	<b>\$ 161,271</b>

**D. Fixed Assets**

The following is a summary of changes in the general fixed assets account group during the fiscal year:

<u>General fixed assets:</u>	Balance 1/1/2001	Additions	Retirements	Balance 12/31/2001
Land	\$ 1,689,788	\$ -	\$ -	\$ 1,689,788
Buildings	45,683,901	470,149	-	46,154,050
Improvements other than buildings	65,418	-	13,641	51,777
Machinery & Equipment	19,025,470	1,143,780	2,859,249	17,310,001
<b>Totals</b>	<b>\$ 66,464,577</b>	<b>\$ 1,613,929</b>	<b>\$ 2,872,890</b>	<b>\$ 65,205,616</b>

The following is a summary of proprietary fund-type fixed assets at December 31, 2001:

<u>Enterprise:</u>	12/31/2001
Land	\$ 7,765,511
Buildings and system	51,475,065
Improvements other than buildings	122,796,613
Machinery & Equipment	9,692,341
Less: accumulated depreciation	(62,479,346)
<b>Totals</b>	<b>\$ 129,250,184</b>

**E. Self-Insurance**

There have been no significant reductions in insurance coverage from the prior year and settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

**CITY OF BISMARCK, NORTH DAKOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

General Liability Insurance

The City has established a general liability self-insurance fund. The fund is structured so that only expenses relating to covered liabilities of the City are charged against it. The Fund earns interest and is subject to periodic funding from property taxation as deemed necessary by the Board of City Commissioners. The City has purchased a separate airport liability policy that is primary coverage at the airport. There is a deductible of \$1,000 per claim. The self-insurance fund does not provide collision or comprehensive automotive coverage for the city.

N.D.C.C. Chapter 32-12.1 provides that for actions in tort, the City has a liability limitation of \$250,000 per claim with a \$500,000 aggregate limit per event. At December 31, 2001 management estimates claims incurred but not paid of \$259,817. This amount has been recorded as a liability. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Medical Insurance

The City has also established a medical self-insurance fund. The purpose of this fund is to pay medical claims for the City of Bismarck and Parks and Recreation employees and their covered dependents and to minimize the total cost of annual medical insurance premiums paid by the City of Bismarck. Medical claims exceeding \$50,000 per individual per year is covered through Blue Cross and Blue Shield of North Dakota. The Plan also has aggregate stop loss coverage of \$1,946,027 for 2001. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

City of Bismarck  
Self-Insurance Funds  
Changes in Aggregate Claims Liability  
For the year ended December 31, 2001

	<u>Liability Insurance</u>		<u>Medical Insurance</u>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Unpaid claims & claim adjustment expenses at the beginning of the fiscal year	\$ 68,400	\$ 418,807	\$ 250,000	\$ 250,000
Unpaid claims & claim adjustment expenses:				
Provisions for insured events of the current fiscal year	266,852	13,532	1,491,852	1,346,843
Increases (decreases) in provision for insured events of prior fiscal years	(401)	(358,041)	(133,048)	180,374
Total claims & claim adjustment expenses	<u>334,851</u>	<u>74,298</u>	<u>1,608,804</u>	<u>1,777,217</u>
Payments:				
Claims & claim adjustment expenses attributable to insured events of:				
Current year	(34,731)	(145)	(1,491,852)	(1,346,843)
Prior year	(40,303)	(5,753)	133,048	(180,374)
Total payments	<u>(75,034)</u>	<u>(5,898)</u>	<u>(1,358,804)</u>	<u>(1,527,217)</u>
Total Unpaid claims & claim adjustment expenses at the end of the fiscal year	<u>\$ 259,817</u>	<u>\$ 68,400</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>

State Fire and Tornado and Bonding Fund

The City participates in the North Dakota Fire and Tornado Fund and the State Bonding Fund. The City pays an annual premium for the Fire and Tornado Fund to cover damage to buildings and contents. Estimating replacement cost in consultation with the Fire provides replacement cost coverage and Tornado Fund. The Fire and Tornado Fund is reinsured by a third party insurance carrier for losses in excess of one million dollars per occurrence during a twelve-month period. The

**CITY OF BISMARCK, NORTH DAKOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

State Bonding Fund currently provides the City with blanket fidelity bond coverage in the amount of \$5,000,000 for its employees. The State Bonding Fund does not currently charge any premium for this coverage.

Worker's Compensation

The City participates in the North Dakota Worker's Compensation Bureau. The Bureau is a state insurance fund and a "no fault" insurance system covering the employees and is financed by premiums assessed to employers for businesses throughout the State. The premiums are available for the payment of claims to employees injured in the course of employment.

**F. Long-term Debt**

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. The legal debt margin as of December 31, 2001 was \$55,677,860 with a remaining non-obligated margin of \$55,614,918. City general obligation bonds currently outstanding are as follows:

General obligation bonds	Date of Issue	Date of Final Payment	Interest Rate	Original Amount of Issue	Amount Outstanding 1/1/2001	Amount Issued in 2001	Amount Retired in 2001	Amount Outstanding 12/31/2001
Highway construction 1991	5/1/1991	6/1/2001	4.75-6.20%	\$ 360,000	\$ 50,000	\$ -	\$ 50,000	\$ -
Highway construction 1992	5/1/1992	6/1/2002	4.00-6.25%	1,150,000	295,000	-	140,000	155,000
Highway construction 1995	5/1/1995	6/1/2003	4.30-4.87%	380,000	170,000	-	55,000	115,000
Highway construction 1997	5/1/1997	6/1/2002	4.25-4.80%	340,000	150,000	-	75,000	75,000
<b>Total highway construction</b>				<b>\$ 2,230,000</b>	<b>\$ 665,000</b>	<b>\$ -</b>	<b>\$ 320,000</b>	<b>\$ 345,000</b>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Years</u>	<u>General Obligation</u>
2002	295,253
2003	61,463
Subtotal	356,716
Less: amount representing interest	(11,716)
<b>Total</b>	<b>\$345,000</b>

Revenue Bonds

The government has also issued bonds where the government pledges income derived from current operations to pay debt service. Revenue bonds outstanding at December 31, 2001 are as follows:

Revenue Bonds	Date of Issue	Date of Final Payment	Interest Rate	Original Amount of Issue	Amount Outstanding 1/1/2001	Amount Issued in 2001	Amount Retired in 2001	Amount Outstanding 12/31/2001
Motel, liquor, restaurant	6/1/1998	12/1/2013	3.25-6.40%	\$ 9,400,000	\$ 8,840,000	\$ -	\$ 410,000	\$ 8,430,000
Sales tax bonds	5/15/1997	10/1/2002	4.60-4.80%	5,720,000	2,450,000	-	1,185,000	1,265,000
<b>Total Special Revenue Bonds</b>				<b>\$ 15,120,000</b>	<b>\$ 11,290,000</b>	<b>\$ -</b>	<b>\$ 1,595,000</b>	<b>\$ 9,695,000</b>

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Special Assessment Debt with Governmental Commitment

Special assessment bonds were issued annually to meet the cost of construction of street lights, streets, sewer mains, water mains, sidewalks, and public parking lots. The annual installment of principal and interest is met by special assessments levied against the benefiting property owners. In the event special assessment taxes are insufficient to meet principal and interest payments on bonds, the governing body is required to levy a general tax on all taxable property within the city for the payment of the assumption upon the maturity of the last bond principal installment, pursuant to City ordinance and N.D.C.C. Special assessment bonds outstanding at December 31, 2001 are as follows:

Special Assessment Bonds	Date of Issue	Date of Final Payment	Interest Rate	Original Amount of Issue	Amount Outstanding 1/1/2001	Amount Issued in 2001	Amount Retired in 2001	Amount Outstanding 12/31/2001
Series B refunding	6/1/1994	6/1/2009	4 00-5 25%	\$ 2,730,000	\$ 1,330,000	\$ -	\$ 1,330,000	\$ -
Series C refunding	5/1/1995	6/1/2010	4 80-5 12%	3,945,000	2,745,000	-	300,000	2,445,000
Series D refunding	3/28/1996	5/1/2005	4 00-4 70%	4,185,000	1,535,000	-	500,000	1,035,000
Series F refunding	7/1/1996	6/1/2011	4 85-5 25%	4,630,000	3,460,000	-	390,000	3,070,000
Series G refunding	5/15/1997	6/1/2012	5 00-5 20%	4,025,000	3,185,000	-	420,000	2,765,000
Series H refunding	6/1/1998	5/1/2013	4 00-4 70%	3,815,000	3,445,000	-	370,000	3,075,000
Series I refunding	5/1/1999	6/1/2008	3 50-3 70%	3,465,000	2,830,000	-	395,000	2,435,000
Series J refunding	5/1/1999	5/1/2014	4 00-4 40%	3,920,000	3,920,000	-	400,000	3,520,000
Series K refunding	5/15/2000	5/1/2015	5 00-5 60%	3,530,000	3,530,000	-	-	3,530,000
Series L refunding	4/30/2001	6/1/2011	4 00-4 50%	6,140,000	-	6,140,000	110,000	6,030,000
Series M refunding	5/15/2001	5/1/2016	4 00-5 10%	5,310,000	-	5,310,000	-	5,310,000
<b>Total refunding series</b>				<b>\$ 45,695,000</b>	<b>\$ 25,980,000</b>	<b>\$ 11,450,000</b>	<b>\$ 4,215,000</b>	<b>\$ 33,215,000</b>
Sidewalk 91	5/1/1991	6/1/2001	5 10-6 20%	\$ 395,000	\$ 40,000	\$ -	\$ 40,000	\$ -
Sidewalk 92	6/1/1992	6/1/2002	3 30-5 70%	270,000	60,000	-	30,000	30,000
Sidewalk 93	6/1/1993	6/1/2003	3 00-4 00%	750,000	240,000	-	80,000	160,000
Sidewalk 94	6/1/1994	6/1/2004	3 90-5 10%	660,000	285,000	-	75,000	210,000
Sidewalk 95	7/1/1996	6/1/2006	4 50-5 30%	415,000	270,000	-	45,000	225,000
Sidewalk 96	5/15/1997	6/1/2007	4 40-5 20%	590,000	455,000	-	65,000	390,000
Sidewalk 97	6/1/1998	5/1/2008	4 00-4 55%	590,000	520,000	-	65,000	455,000
Sidewalk 98	5/1/1999	4/1/2009	3 90-4 30%	570,000	570,000	-	60,000	510,000
Sidewalk 99	5/15/2000	5/1/2010	5 20-5 90%	480,000	480,000	-	-	480,000
Sidewalk 00	5/15/2001	5/1/2011	4 30-4 70%	420,000	-	420,000	-	420,000
<b>Total sidewalk bonds</b>				<b>\$ 5,140,000</b>	<b>\$ 2,920,000</b>	<b>\$ 420,000</b>	<b>\$ 460,000</b>	<b>\$ 2,880,000</b>
<b>Total special assessment bonds</b>				<b>\$ 50,835,000</b>	<b>\$ 28,900,000</b>	<b>\$ 11,870,000</b>	<b>\$ 4,675,000</b>	<b>\$ 36,095,000</b>

In the current year, the City issued \$6,140,000 of general obligation refunding bonds, Series L that refunded Series B, C, and F. The transaction resulted in an economic gain of \$167,814 and a reduction of \$175,068 in future debt service payments.

Special Assessment Debt Requirement to Maturity

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

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<u>Years</u>	<u>Special Assessment</u>
2002	\$ 10,901,759
2003	5,441,172
2004	4,940,954
2005	4,415,811
2006	3,930,957
2007-2011	11,274,841
2012-2016	2,550,280
Subtotal	43,455,774
Less: amount representing interest	(7,360,774)
Total	<u>\$ 36,095,000</u>

**G. Changes in Long-term Liabilities**

During the year ended December 31, 2001, the following changes in liabilities occurred in the general long-term debt account group:

	Balance Outstanding			Balance Outstanding	
	1/1/2001	Issued		Retired	12/31/2001
General Obligation Bonds	\$ 665,000	\$ -	\$ 320,000	\$ 345,000	
Special Revenue Bonds	11,290,000	-	1,595,000	9,695,000	
Special Assessments Bonds	28,900,000	11,870,000	4,675,000	36,095,000	
Deferred Sick Leave	277,821	-	92,607	185,214	
Compensated Absences	1,275,192	1,057,813	1,040,841	1,292,164	
Total	<u>\$ 42,408,013</u>	<u>\$ 12,927,813</u>	<u>\$ 7,723,448</u>	<u>\$ 47,612,378</u>	

**H. Capital Lease**

The City has entered into a lease agreement to finance the acquisition of a truck for its Solid Waste Utility. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, it has been recorded at the present value of the future minimum lease payments as of the inception in the Solid Waste Utility enterprise fund.

The asset acquired through this capital lease is as follows:

Machinery and equipment	\$ 147,059
Less: Accumulated depreciation	(11,029)
Total	<u>\$ 136,030</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2001 were as follows:

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Year ending December 31	
2002	\$ 34,781
2003	34,781
2004	34,781
2005	34,781
2006	5,797
Total minimum lease payments	\$ 144,921
Less: amount representing interest	(19,662)
Present value of minimum lease payments	\$ 125,259

**I. Industrial Revenue Bonds**

From time to time, the City has approved issuance of Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the financed property and are payable solely from payments received on the underlying mortgage loans. Ownership of the acquired facilities will transfer to the private-sector entity upon repayment of the bonds. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2001, there were 5 series of Industrial Revenue Bonds outstanding; the aggregate principal amount payable is unknown. Neither the State of North Dakota nor the City of Bismarck has a central repository. The only requirement for this type of issue is to request the amount needed for City approval. Most of the time this amount is in excess of the actual amount issued. When completely paid or called, they must notify the City of this event.

**J. Interfund Assets/Liabilities**

Details pertaining to interfund receivables (due from) and payables (due to) are as follows:

<u>Receivable fund (due from)</u>	<u>Payable fund (due to)</u>	<u>Amount</u>
Watermains Debt Service	Watermains Capital Projects	\$ 281,186
Sidewalks Debt Service	Sidewalks Capital Projects	193,986
Street Improvements Debt Service	Street Improvements Capital Projects	3,779,504
Watermains Debt Service	Water and Sewer Utility Enterprise Fund	758,774
General Fund	Library Special Revenue Fund	18,864
General Fund	Community Development	4,017
General Fund	Miscellaneous Government Grants	85,271
Deferred Sick Leave Trust & Agency Fund	Airport Enterprise Fund	7,815
Deferred Sick Leave Trust & Agency Fund	Solid Waste Enterprise Fund	15,207
Deferred Sick Leave Trust & Agency Fund	Water and Sewer Utility Enterprise Fund	30,446
Deferred Sick Leave Trust & Agency Fund	Airport Flightline Enterprise Fund	1,385
Total Receivables/Payables		\$ 5,176,455

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**K. Contributed Capital**

Changes in contributed capital for the year 2001 are as follows:

Sources	Enterprise					Total
	Airport	Airport Flightline	Solid Waste Utility	Water and Sewer Utility	Parking Authority Lots	
Beginning balance	\$ 24,117,758	\$ 272,762	\$ 1,165,660	\$ 59,558,956	\$ 10,047,648	\$ 95,162,784
Contributing sources:						
General fixed assets	-	-	-	29,012	-	29,012
Capital Project Funds	-	-	-	264,628	-	264,628
Depreciation on assets acquired with capital grants prior to January 1, 2000	(876,554)	-	-	(399,524)	-	(1,276,078)
Ending balance	\$ 23,241,204	\$ 272,762	\$ 1,165,660	\$ 59,453,072	\$ 10,047,648	\$ 94,180,346

**IV. OTHER INFORMATION**

**A. Segment Information – Enterprise Funds**

The government maintains five enterprise funds that are intended to be self-supporting through user fees charged for service to the public. These enterprise funds provide airport services, flightline services, waste disposal and collection, water and sewer, and public parking. Financial segment information as of and for the year ended December 31, 2001 is presented below:

	Enterprise					Total
	Airport	Airport Flightline	Solid Waste Utility	Water and Sewer Utility	Parking Authority Lots	
Operating Revenues	\$ 2,293,195	\$ 754,406	\$ 3,708,190	\$ 11,918,706	\$ 781,162	\$ 19,455,659
Depreciation Expense	1,395,308	7,617	461,299	2,482,643	235,700	4,582,567
Operating Income (Loss)	(762,335)	19,566	662,681	4,360,994	7,224	4,288,130
Net Income (Loss)	905,886	21,990	1,056,394	5,440,381	(187,151)	7,237,500
Operating Transfers In	-	-	-	42,163	5,976	48,139
Operating Transfers Out	42,426	11,278	46,841	413,445	214,588	728,578
Current Capital						
Contributions	-	-	-	293,640	-	293,640
Fixed Asset Additions	1,792,103	-	648,385	9,468,945	-	11,909,433
Fixed Asset Deletions	349,424	12,476	213,023	993,643	-	1,568,566
Net Working Capital	1,892,455	368,145	2,789,850	8,625,340	460,543	14,136,333
Total Assets	38,530,586	578,274	16,092,032	103,425,843	7,320,936	165,947,671
Total Equity	38,239,984	547,301	15,389,098	98,102,057	7,320,936	159,599,376

**B. Closure and Post Closure Care Costs**

State and federal laws and regulations require the City to place a final cover on its Bismarck Municipal Solid Waste Facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be

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paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$394,206 reported as landfill closure and post closure care liability at December 31, 2001, represents the cumulative amount reported to date based on the use of 29 percent of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post closure care of \$981,511 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 2001. The City expects to close the existing landfill cell in 2018. Actual costs may be higher due to inflation, changes in technology, or changes in regulation.

The City is required by state and federal laws and regulations to determine the method they would choose to finance the closure and post closure costs. We are required to run an annual financial test as specified in the N.D.C.C. 33-20-14-07 to insure compliance. The City expects that future inflation costs will be paid from operating revenue. However, if the funds are inadequate or additional post closure requirements are determined (due to changes in technology or applicable laws or regulations), these costs may need to be covered by the sale of general obligation bonds and from future tax revenue.

**C. Cost Sharing Arrangement**

Combined Communications Center

The City of Bismarck owns and operates a Combined Communications Center. The Center is managed by a board, which is comprised of six members. It includes three members from the City (a commissioner, the Chief of Police, and the Chief of Fire and Inspections), two members for the County (a commissioner and the County Sheriff), and one representative from a local ambulance service that is appointed by a majority of the members of the board. Initially, the City provided 65% and the County provided 35% of the funding for the Center. The City and County approve the annual budget for the Center. The percentages for 2001 remain the same as the initial percentage of 35% for the County and 65% for the City. The employees of the Center are the employees of the City. The Combined Communications Center is a part of the General Fund.

<u>Assets:</u>	<u>Total</u>
Property and equipment	\$ 867,337
Less value of depreciation	<u>(582,022)</u>
Net assets	<u>\$ 285,315</u>
 Total operating expenditures - 2001	 <u>\$ 693,374</u>

There is no debt outstanding for the Combined Communications Center. The total value of the assets is carried in the City's General Fixed Asset Account Group. No depreciation is recorded in the financial statements.

**D. Employee Retirement Systems**

The City of Bismarck contributes to three separate pension plans that cover substantially all full-time employees. They include the City of Bismarck Employees Pension ("City"), the Bismarck Police Pension ("Police") and the Bismarck Firefighter's Relief Association ("Fire"). All of these plans are defined benefit pension system. The Firefighter's Relief Association is a separate legal entity and is not administered by the City. This plan has not been included in the reporting entity and therefore is not shown in the accompanying financial statements. The City and Police plans are included in the City's financial reports as Pension Trust Funds.

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Summary of Significant Accounting Policies

Basis of Accounting - The City's financial statements are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments - Investments are reported at fair market value.

Actuarial information is not available for the year ending December 31, 2001.

City of Bismarck Employees Pension

Plan Description - The City plan is a cost sharing multiple employer public employee retirement system. Membership in the plan on December 31, 2000 is as follows:

Retirees and beneficiaries receiving benefits	101
Terminated employees - vested	14
Active employees:	
Vested	183
Non-vested	124
Number of participating employers:	2

Employees may be eligible for early, normal or disability retirement, as well as death benefits. Normal retirement age for full benefits is age 62. Employees who retire at or after age 62 with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to one and three-quarters percent of the average of the member's highest 60 months base salary for each full and fractional year of contributing service. Employees with 10 years of credited service may retire at an earlier age and receive a reduced retirement benefit.

If an employee leaves employment or dies, the employee's contributions, plus earnings at two and one-half percent, or the actual amount earned, whichever is greater are refunded to the employee or their beneficiary.

Benefit provisions are established under the authority of the City Commission.

Contributions - Participating employees contribute to the plan at a rate of 5% of salary and the employers contribute at a rate determined by local statute. The contribution rates are established by local ordinance, and the employer contribution rate set by the City Commission.

Contributions:	
<u>Year</u>	<u>Amount</u>
2001	\$ 375,227
2000	830,187
1999	839,520

The annual pension cost equals the employer contributions for the years ending December 31, 2001, 2000, and 1999. The percentage funded was 100% for each year. NPO for the end of each year was zero.

Reserves - The fund balance at December 31, 2001 is \$22,650,248 and the entire amount is reserved for employee pension benefits.

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City of Bismarck Police Pension Plan

Plan Description - The Police plan is a single employer public employee retirement system.

Membership in the plan on December 31, 2000 is as follows:

Retirees and beneficiaries receiving benefits	30
Terminated employees - vested	3
Active employees:	
Vested	57
Non-vested	53
Number of participating employers:	1

The plan provides retirement benefits as well as death and disability benefits. All benefits vest after 10 years of credited service. Employees who retire at or after age 55 with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to two percent of their final average salary, for each full and fractional year of contributing service. Final average salary is the employees' average salary, excluding overtime and longevity pay, over the last 36-month period of credited service. Employees with 10 years of credited service may retire at an earlier age and receive a reduced retirement benefit.

Any employee who leaves shall be entitled to a refund of all contributions made by them, with accumulated interest thereon, at the rate of two and one-half percent per annum or the actual amount earned, whichever is greater. A member who retires as a result of length of service or as a result of disability shall be eligible for pension. The surviving spouse, as long as unmarried, shall receive a sum equal to two-thirds of the amount the employee would have received. Children are covered until 18 years of age.

Benefit provision is established under the authority of the City Commission.

Contributions - Participating employees contribute to the plan at a rate of 6% of salary and the employers contribute at a rate determined by local statute. The contribution rates are established by local ordinance and the employer contribution rate set by the City Commission.

Contributions:

Year	Amount
2001	\$ 109,231
2000	424,103
1999	413,899

The annual pension cost equals the employer contributions for the years ending December 31, 2001, 2000, and 1999. The percentage funded was 100% for each year. NPO for the end of each year was zero.

Reserves - The fund balance at December 31, 2001 is \$11,328,553 and the entire amount is reserved for employee pension benefits.

Bismarck Firefighter's Relief Association Plan

Plan Description - The Fire plan is a single employer public employee retirement system governed by Section 18-11 of the North Dakota State Century Code. The Association is organized, operated, and maintained in accordance with its own articles of incorporation and by-laws. All full-time firefighters are eligible members, however participation is voluntary.

Membership in the plan on December 31, 2001 is not available at this time.

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Retirees and beneficiaries receiving benefits	-
Terminated employees - vested	-
Active employees:	
Vested	-
Non-vested	-

Employees who retire at or after age 50, with at least 10 years of credited service, are eligible to a retirement benefit payable monthly for life, equal to 20 to 60 percent of a first class firefighter's salary. The plan also provides for death and disability benefits.

Benefit provisions and changes to benefit formulas are established under the authority of the plans Board of Directors.

Contributions - Participating employees contribute to the plan at a rate of 7% of salary, as set annually by the Board of Directors. In addition, 50% of the amount received from the State for the assessed revenue from the 1.125% of the premiums assessed to insurance companies for fire and multi-perial insurance on property within the City is contributed to the plan.

Contributions:

Year	Amount
2001	\$ 396,077
2000	315,925
1999	296,362

The annual pension cost equals the employer contributions for the years ending December 31, 2001, 2000, and 1999. The percentage funded was 100% for each year. NPO for the end of each year was zero.

Complete financial and pension information on the Bismarck Firefighter's Relief Association can be obtained by contacting:

Firefighter's Relief Association  
PO Box 5503  
Bismarck, North Dakota 58506-5503.

Schedule of Funding Progress

City of Bismarck Employees Pension (In Thousand of Dollars)

Actuarial Valuation Date Jan 1	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Annual Covered Payroll
1996	\$ 18,995	\$ 16,254	\$ (2,741)	116.9%	\$ 8,462	(32.4) %
1997	21,504	17,688	(3,816)	121.6%	8,759	(43.6) %
1998	24,849	19,148	(5,701)	129.8%	8,901	(64.0) %
1999	27,868	20,190	(7,678)	138.0%	9,110	(84.3) %
2000	30,929	21,632	(9,297)	143.0%	9,685	(96.0) %
2001	31,609	23,299	(8,310)	135.7%	10,508	(79.1) %

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City of Bismarck Police Pension (In Thousand of Dollars)

Actuarial Valuation Date Jan 1	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Annual Covered Payroll
1996	\$ 8,674	\$ 7,165	\$ (1,509)	121.1%	\$ 2,903	(52.0) %
1997	9,921	7,933	(1,988)	125.1%	3,055	(65.1) %
1998	11,555	8,713	(2,842)	132.6%	3,139	(90.5) %
1999	13,057	9,536	(3,521)	136.9%	3,234	(108.9) %
2000	14,742	10,402	(4,340)	141.7%	3,396	(127.8) %
2001	15,126	11,581	(3,545)	130.6%	3,723	(95.2) %

City of Bismarck Firefighter's Relief Association (In Thousand of Dollars)

Actuarial Valuation Date Jan 1	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Annual Covered Payroll
1994	\$ 7,966	\$ 9,836	1,870	81.0%	\$ 1,770	105.6 %
1996	9,877	10,959	1,082	90.1%	2,120	51.0 %
1998	12,707	11,880	(827)	107.0%	2,265	(36.5) %

Bi-annual actuarial valuations are done on the Firefighter's Relief Association.

	City Plan	Police Plan	Fire Plan
Valuation date	1/1/2001	1/1/2001	1/1/1998
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level % of payroll over remaining amortization period-closed	Level % of payroll over remaining amortization period-closed	Level % of payroll over remaining amortization period-closed
Remaining amortization period	16 yrs	13 yrs	27 yrs

Valuation Method - Actuarial assumptions:

Investment rate of return	7.50%	7.50%	7.50%
Projected salary increases	4.00%	4.00%	4.50%
Assumed payment increases	3.00%	3.00%	3.00%
Post retirement cost of living adjustments	None	None	2.25%

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The above information on the Firefighter's Relief Association is the latest information available as of the date of this report.

**E. Issued But Non-Effective Pronouncements**

The Government Accounting Standards Board (GASB) has issued several statements not yet implemented by the City. The statements that will impact the City are as follows:

No. 34 "Basic Financial Statement and Management Discussion and Analysis for State and Local Governments;" No. 37 "Basic Financial Statements and Management's Discussion and Analysis-For State and Local Governments: Omnibus;" and No. 38, "Certain Financial Statements Note Disclosures" will be effective for the City based on its revenues, for the fiscal year ended December 31, 2003. These statements, summarized below, impose new standards for financial reporting. Management has not yet completed their assessment of these statements, however, it will have a material effect on the overall financial statement presentation for the City.

For the first time, financial managers will be required to share their insights in a management's discussion and analysis (MD&A) that gives readers an analysis of the government's overall financial position and results of the previous year's operations.

Financial statements will be presented under a dual perspective – a government-wide perspective (new) and a fund level perspective. For the first time, the annual report will include government wide financial statements prepared using full accrual accounting for all of the government's activities, not just those that cover costs by charging a fee for services, as was previously required. Governments will report all capital assets, including infrastructure, in a government-wide statement of net assets and will report depreciation expense, the cost of using up capital assets, in the statement of activities. Infrastructure assets will be reported; but may not be required to be depreciated under certain circumstances. The net assets of a government will be broken down into three categories: invested in capital assets, net of related debt; restricted; and unrestricted. A statement of activities will be presented in at least the same level of detail provided in governmental fund statements; generally, expenses and program revenues by function. Program expenses will include all direct expenses: governments that allocate overhead and other indirect expenses to individual programs will show the allocation in a separate column. Special and extraordinary items will be reported separately from other revenues and expenses. This way, users will see if the government's conventional, recurring revenues and expenses balanced.

Statement No. 34 requires governments to continue to present fund level financial statements with information about funds. The focus of these fund-based statements has been sharpened, however, by requiring governments to report information about their most important or major funds (those whose revenues, expenditures/expenses, assets, or liabilities are at least 10 percent of the total for their fund category or type (governmental or enterprise) and at least 5 percent of the aggregate amount for all governmental and enterprise funds), including a government's general fund. Fund-based statements for governmental activities (generally, those supported by tax revenues) will continue to report the flow of current financial resources (generally, cash and other assets that can easily be converted to cash.)

To help users understand and assess the relationship between fund-based and government-wide financial statements, governments will present a summary reconciliation that will show the interplay between the two types of statements.

The City will continue to provide budgetary comparison information in their annual reports as required supplementary information. An important change, however, is a requirement to add the government's original budget to the current comparison of final budget and actual results.

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DECEMBER 31, 2001**

**F. Commitments**

Preliminary building designs were initiated for a new terminal building at the Municipal Airport. The designs also included a new entrance/exit roadway and parking lot system. The City Commission has set the total funding for the project at \$24.2 million. The Federal Aviation Administration will provide approximately 70% of the construction funding with the balance from Airport revenues and \$1 million from the City Motel/Liquor/Restaurant tax. Federal funding in the amount of \$1.5 million has already been provided for the design of the new terminal. Final authorization of the design is scheduled for the spring of 2002.

**CITY OF BISMARCK, NORTH DAKOTA  
GENERAL FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2001 AND 2000**

	2001	2000
<b>ASSETS</b>		
Cash and Investments	\$ 13,596,173	\$ 11,745,898
Receivables (Net of Allowances for Uncollectibles):		
Taxes:		
Property	171,523	180,319
Accounts	869,579	510,710
Due from Other Funds:		
Library	18,864	31,853
City Transit	-	4,495
Community Development	4,017	8,058
Miscellaneous Government Grants	85,271	77,277
Intergovernmental	-	50,896
<b>TOTAL ASSETS</b>	<b>\$ 14,745,427</b>	<b>\$ 12,609,506</b>
 <b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES:</b>		
Accounts Payable	\$ 134,875	\$ 151,225
Deferred Revenue:		
Property Taxes	119,451	146,941
<b>TOTAL LIABILITIES</b>	<b>254,326</b>	<b>298,166</b>
 <b>FUND BALANCES:</b>		
Unreserved, undesignated	14,491,101	12,311,340
<b>TOTAL FUND BALANCES</b>	<b>14,491,101</b>	<b>12,311,340</b>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <b>\$ 14,745,427</b>	 <b>\$ 12,609,506</b>

**CITY OF BISMARCK , NORTH DAKOTA**

**GENERAL FUND**

**STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	<u>Budget</u>	<u>2001 Actual</u>	<u>2000 Actual</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 7,480,614	\$ 7,075,370	\$ 5,799,872
2% Motel Hotel	380,000	412,550	396,792
Licenses and Permits	993,275	976,512	802,209
Intergovernmental	3,421,092	3,586,421	2,848,202
Charges for Services	2,837,875	3,031,769	3,267,079
Fines and Forfeits	883,000	899,382	852,100
Investment Income	713,204	792,180	857,102
Rentals	237,139	123,613	163,748
Miscellaneous	10,500	14,949	14,770
<b>TOTAL REVENUES</b>	<u>16,956,699</u>	<u>16,912,746</u>	<u>15,001,874</u>
<b>EXPENDITURES</b>			
CURRENT:			
GENERAL GOVERNMENT:			
Building Construction	21,300	21,257	130,153
Technical Equipment	-	-	539
GIS System	8,308	8,245	7,248
Municipal Court	215,419	206,172	190,983
Assessing	390,645	376,110	345,088
Administration and Commission	356,827	318,358	857,714
Fiscal and Information Services	1,002,355	866,567	646,016
Attorney	197,485	195,368	168,843
Human Resources	193,443	190,173	130,486
Common Software	243,000	-	20,000
Employee Training	30,000	11,575	11,308
Equipment Reserve	30,639	30,365	28,623
Government Aid Programs	773,500	696,413	485,343
Special Projects	89,000	75,369	-
Salary and Benefit Adjustments	78,737	1,873	-
Contingencies	586,000	-	-
City/County Office Building	173,514	173,310	152,270
One-Time Budgets	185,708	185,512	-
Planning	302,697	268,164	198,675
<b>TOTAL GENERAL GOVERNMENT</b>	<u>4,878,577</u>	<u>3,624,831</u>	<u>3,373,289</u>
PUBLIC SAFETY:			
Police	5,347,859	5,237,334	4,615,785
Fire and Inspections	3,831,842	3,673,663	3,482,979
Combined Communication Center	804,157	693,134	666,732
Fire Truck and Equipment	95,000	5,367	-
<b>TOTAL PUBLIC SAFETY</b>	<u>10,078,858</u>	<u>9,609,498</u>	<u>8,765,496</u>

**CITY OF BISMARCK , NORTH DAKOTA  
GENERAL FUND  
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Budget	2001 Actual	2000 Actual
<b>HIGHWAY AND STREETS:</b>			
Engineering	1,056,090	964,284	908,012
Weed Control	24,485	24,378	15,145
Leafy Spurge	24,485	24,485	16,927
Forestry	388,134	349,102	321,410
Forestry-Boulevard Trees	101,859	70,710	95,467
<b>TOTAL HIGHWAY AND STREETS</b>	<b>1,595,053</b>	<b>1,432,959</b>	<b>1,356,961</b>
<b>HEALTH:</b>			
ND Health Tracks	87,259	65,260	63,039
Bismarck-Burleigh Public Health	800,793	792,635	727,453
<b>TOTAL HEALTH</b>	<b>888,052</b>	<b>857,895</b>	<b>790,492</b>
<b>CULTURE AND RECREATION:</b>			
Civic Center/City Auditorium	1,432,234	1,424,263	1,492,397
Civic Center Promotions	422,500	417,694	372,551
Cable TV Promotions	182,000	182,000	182,000
Centennial Beach	50,200	212	561
<b>TOTAL CULTURE AND RECREATION</b>	<b>2,086,934</b>	<b>2,024,169</b>	<b>2,047,509</b>
<b>CAPITAL OUTLAY</b>	<b>3,472,523</b>	<b>575,421</b>	<b>856,823</b>
<b>TOTAL EXPENDITURES</b>	<b>22,999,997</b>	<b>18,124,773</b>	<b>17,190,570</b>
<b>REVENUES UNDER EXPENDITURES</b>	<b>(6,043,298)</b>	<b>(1,212,027)</b>	<b>(2,188,696)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In:			
Special Revenue	2,973,368	3,008,357	2,775,448
Capital Projects	10,542	66,701	15,532
Enterprise	228,997	228,997	111,091
Internal Service	43,573	53,483	21,158
Trust and Agency	38,689	129,610	9,313
Operating Transfers Out:			
Special Revenue	(51,072)	(42,744)	(173,834)
Enterprise	-	(42,163)	(775)
Internal Service	(3,265)	(7,299)	-
Trust and Agency	(300)	(3,154)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,240,532</b>	<b>3,391,788</b>	<b>2,757,933</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (2,802,766)</b>	<b>2,179,761</b>	<b>569,237</b>
<b>FUND BALANCES - BEGINNING</b>		<b>12,311,340</b>	<b>11,742,103</b>
<b>FUND BALANCES - ENDING</b>		<b>\$ 14,491,101</b>	<b>\$ 12,311,340</b>

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CITY OF BISMARCK, NORTH DAKOTA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR 2000)

	Special Deficiency/ Assumption	Social Security	Sales Tax Fund	Motel/Liquor Restaurant Tax
<b>ASSETS</b>				
Cash and Investments	\$ 1,297,350	\$ 98,204	\$ 8,610,482	\$ 1,056,149
Receivables (Net of Allowances For Uncollectibles):				
Taxes	9,581	18,634	-	-
Accounts	-	-	568,270	85,672
Notes Receivable	-	-	250,000	-
Customer Deposits - Restricted	-	-	-	-
	<u>\$ 1,306,931</u>	<u>\$ 116,838</u>	<u>\$ 9,428,752</u>	<u>\$ 1,141,821</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts Payable	\$ 2,354	\$ 142	\$ -	\$ -
Due to other funds	-	-	-	-
Deferred Revenue:				
Property Taxes	7,311	13,220	-	-
Grants	-	-	-	-
Customer Deposits	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>9,665</u>	<u>13,362</u>	<u>-</u>	<u>-</u>
 <b>FUND BALANCES:</b>				
Reserved for Long-Term Receivable	-	-	250,000	-
Unreserved, Undesignated	1,297,266	103,476	9,178,752	1,141,821
<b>TOTAL FUND BALANCES</b>	<u>1,297,266</u>	<u>103,476</u>	<u>9,428,752</u>	<u>1,141,821</u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,306,931</u>	<u>\$ 116,838</u>	<u>\$ 9,428,752</u>	<u>\$ 1,141,821</u>

E/H Transit System	Police Department Special Funds	Youth Activities	Roads and Streets	Library	Totals	
					2001	2000
\$ 657	\$ 390,648	\$ -	\$ 2,078,510	\$ 212,853	\$ 13,744,853	\$ 11,301,130
4,949	-	-	-	25,157	58,321	72,542
-	-	-	261,792	16,991	932,725	930,556
-	-	-	-	-	250,000	-
-	-	-	-	-	-	20,000
<u>\$ 5,606</u>	<u>\$ 390,648</u>	<u>\$ -</u>	<u>\$ 2,340,302</u>	<u>\$ 255,001</u>	<u>\$ 14,985,899</u>	<u>\$ 12,324,228</u>
\$ -	\$ 369	\$ -	\$ 10,900	\$ 10,998	\$ 24,763	\$ 71,817
-	-	-	-	18,864	18,864	36,348
3,473	-	-	-	17,693	41,697	58,549
-	-	-	-	-	-	218,489
-	-	-	-	-	-	20,000
<u>3,473</u>	<u>369</u>	<u>-</u>	<u>10,900</u>	<u>47,555</u>	<u>85,324</u>	<u>405,203</u>
-	-	-	-	-	250,000	-
2,133	390,279	-	2,329,402	207,446	14,650,575	11,919,025
<u>2,133</u>	<u>390,279</u>	<u>-</u>	<u>2,329,402</u>	<u>207,446</u>	<u>14,900,575</u>	<u>11,919,025</u>
<u>\$ 5,606</u>	<u>\$ 390,648</u>	<u>\$ -</u>	<u>\$ 2,340,302</u>	<u>\$ 255,001</u>	<u>\$ 14,985,899</u>	<u>\$ 12,324,228</u>

**CITY OF BISMARCK, NORTH DAKOTA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Special Deficiency/ Assumption	Social Security	Sales Tax Fund	Motel/Liquor Restaurant Tax
<b>REVENUES</b>				
Taxes	\$ 244,328	\$ 699,872	\$ 7,837,357	\$ 1,127,264
Licenses and Permits	-	-	-	-
Intergovernmental	6,467	21,128	165,534	-
Charges for Services	-	-	-	-
Fines and Forfeits	-	-	-	-
Investment Income	220,551	20,168	394,532	68,317
Rentals	-	-	-	19,200
Miscellaneous	-	489	-	-
<b>TOTAL REVENUES</b>	<u>471,346</u>	<u>741,657</u>	<u>8,397,423</u>	<u>1,214,781</u>
<b>EXPENDITURES</b>				
Current:				
General Government	51,982	923,525	277,506	-
Public Safety	-	-	-	-
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>51,982</u>	<u>923,525</u>	<u>277,506</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>419,364</u>	<u>(181,868)</u>	<u>8,119,917</u>	<u>1,214,781</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In:				
General Fund	-	33,780	-	-
Special Revenue	-	1,698	-	-
Debt Service	293,831	-	-	-
Capital Projects	-	8,869	-	-
Enterprise	-	-	-	-
Operating Transfers Out:				
General Fund	(64,517)	-	(2,847,028)	(37,266)
Special Revenue	-	-	(207,857)	-
Debt Service	(361,671)	-	(1,301,415)	(808,070)
Capital Projects	(112,087)	-	(1,500,000)	(460,000)
Internal Service	-	-	-	-
Trust and Agency	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES AND USES</b>	<u>(244,444)</u>	<u>44,347</u>	<u>(5,856,300)</u>	<u>(1,305,336)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>174,920</u>	<u>(137,521)</u>	<u>2,263,617</u>	<u>(90,555)</u>
<b>FUND BALANCES - BEGINNING</b>	<u>1,122,346</u>	<u>240,997</u>	<u>7,165,135</u>	<u>1,232,376</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,297,266</u>	<u>\$ 103,476</u>	<u>\$ 9,428,752</u>	<u>\$ 1,141,821</u>

E/H Transit System	Police Department Special Funds	Youth Activities	Roads and Streets	Library	Totals	
					2001	2000
\$ 190,894	\$ -	\$ -	\$ -	\$ 963,174	\$ 11,062,889	\$ 10,773,960
-	14,827	-	-	-	14,827	3,805
749,600	380,774	-	2,208,189	245,576	3,777,268	3,279,415
-	-	-	1,194,899	19,762	1,214,661	1,095,646
-	6,882	-	-	51,965	58,847	62,056
1,122	20,276	-	98,112	24,234	847,312	632,025
-	-	-	260,413	24	279,637	175,313
-	-	-	11,575	14,600	26,664	28,185
<u>941,616</u>	<u>422,759</u>	<u>-</u>	<u>3,773,188</u>	<u>1,319,335</u>	<u>17,282,105</u>	<u>16,050,405</u>
936,049	-	-	-	-	2,189,062	1,979,884
-	149,631	-	-	-	149,631	492,496
-	-	-	3,056,757	-	3,056,757	2,789,292
-	-	-	-	1,186,668	1,186,668	1,135,567
-	53,791	-	456,815	-	510,606	1,157,660
<u>936,049</u>	<u>203,422</u>	<u>-</u>	<u>3,513,572</u>	<u>1,186,668</u>	<u>7,092,724</u>	<u>7,554,899</u>
5,567	219,337	-	259,616	132,667	10,189,381	8,495,506
-	8,964	-	-	-	42,744	173,834
-	-	-	207,857	-	209,555	221,669
-	-	-	-	-	293,831	474,471
-	-	-	-	-	8,869	151,644
-	-	-	-	-	-	121,729
-	(4,199)	-	(40,547)	(14,800)	(3,008,357)	(2,775,448)
-	(1,698)	-	-	-	(209,555)	(221,669)
-	-	-	-	-	(2,471,156)	(2,505,880)
-	-	-	-	-	(2,072,087)	(1,514,348)
-	(113)	-	-	-	(113)	(20,000)
-	(1,562)	-	-	-	(1,562)	-
<u>-</u>	<u>1,392</u>	<u>-</u>	<u>167,310</u>	<u>(14,800)</u>	<u>(7,207,831)</u>	<u>(5,893,998)</u>
5,567	220,729	-	426,926	117,867	2,981,550	2,601,508
(3,434)	169,550	-	1,902,476	89,579	11,919,025	9,317,517
<u>\$ 2,133</u>	<u>\$ 390,279</u>	<u>\$ -</u>	<u>\$ 2,329,402</u>	<u>\$ 207,446</u>	<u>\$ 14,900,575</u>	<u>\$ 11,919,025</u>

**CITY OF BISMARCK, NORTH DAKOTA  
SPECIAL DEFICIENCY/ASSUMPTION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	<u>Budget</u>	<u>2001 Actual</u>	<u>2000 Actual</u>
<b>REVENUES</b>			
Taxes	\$ 255,068	\$ 244,328	\$ 416,293
Intergovernmental	3,798	6,467	6,825
Charges for Services	-	-	141,441
Investment Income	60,000	220,551	126,715
Rentals	-	-	-
Miscellaneous	-	-	-
<b>TOTAL REVENUES</b>	<u>318,866</u>	<u>471,346</u>	<u>691,274</u>
<b>EXPENDITURES</b>			
Current:			
General Government	52,072	51,982	120,587
<b>TOTAL EXPENDITURES</b>	<u>52,072</u>	<u>51,982</u>	<u>120,587</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>266,794</u>	<u>419,364</u>	<u>570,687</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In:			
Debt Service	-	293,831	474,471
Capital Projects	-	-	10,078
Operating Transfers Out:			
General Fund	(64,517)	(64,517)	(6,209)
Debt Service	(473,758)	(361,671)	(375,345)
Capital Projects	-	(112,087)	-
Internal Service	-	-	(20,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(538,275)</u>	<u>(244,444)</u>	<u>82,995</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (271,481)</u>	174,920	653,682
<b>FUND BALANCES - BEGINNING</b>		1,122,346	468,664
<b>FUND BALANCES - ENDING</b>		<u>\$ 1,297,266</u>	<u>\$ 1,122,346</u>

**CITY OF BISMARCK, NORTH DAKOTA**  
**SOCIAL SECURITY FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Budget	2001 Actual	2000 Actual
<b>REVENUES</b>			
Taxes	\$ 740,059	\$ 699,872	\$ 674,689
Intergovernmental	11,117	21,128	13,949
Charges for Services	-	-	-
Investment Income	7,000	20,168	26,949
Miscellaneous	-	489	-
<b>TOTAL REVENUES</b>	<u>758,176</u>	<u>741,657</u>	<u>715,587</u>
<b>EXPENDITURES</b>			
Current:			
General Government	928,950	923,525	839,969
<b>TOTAL EXPENDITURES</b>	<u>928,950</u>	<u>923,525</u>	<u>839,969</u>
<b>REVENUES UNDER EXPENDITURES</b>	<u>(170,774)</u>	<u>(181,868)</u>	<u>(124,382)</u>
<b>OTHER FINANCING SOURCES</b>			
Operating Transfers In:			
General Fund	-	33,780	-
Special Revenue	-	1,698	-
Capital Projects	-	8,869	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>44,347</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES UNDER EXPENDITURES</b>	<u>\$ (170,774)</u>	<u>(137,521)</u>	<u>(124,382)</u>
<b>FUND BALANCES - BEGINNING</b>		240,997	365,379
<b>FUND BALANCES - ENDING</b>		<u>\$ 103,476</u>	<u>\$ 240,997</u>

**CITY OF BISMARCK, NORTH DAKOTA**  
**SALES TAX FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Budget	2001 Actual	2000 Actual
<b>REVENUES</b>			
Taxes	\$ 7,652,320	\$ 7,837,357	\$ 7,500,496
Intergovernmental	-	165,534	204,824
Investment Income	265,000	394,532	283,381
Miscellaneous	-	-	-
TOTAL REVENUES	7,917,320	8,397,423	7,988,701
<b>EXPENDITURES</b>			
Current:			
General Government	1,500,000	277,506	403,062
TOTAL EXPENDITURES	1,500,000	277,506	403,062
REVENUES OVER EXPENDITURES	6,417,320	8,119,917	7,585,639
<b>OTHER FINANCING USES</b>			
Operating Transfers Out:			
General Fund	(2,847,028)	(2,847,028)	(2,727,432)
Special Revenue	(344,272)	(207,857)	(221,669)
Debt Service	-	(1,301,415)	(1,303,625)
Capital Projects	(2,801,415)	(1,500,000)	(1,500,000)
TOTAL OTHER FINANCING USES	(5,992,715)	(5,856,300)	(5,752,726)
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	\$ 424,605	2,263,617	1,832,913
<b>FUND BALANCES - BEGINNING</b>		7,165,135	5,332,222
<b>FUND BALANCES - ENDING</b>		\$ 9,428,752	\$ 7,165,135

**CITY OF BISMARCK, NORTH DAKOTA  
MOTEL, LIQUOR, RESTAURANT TAX FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Budget	2001 Actual	2000 Actual
<b>REVENUES</b>			
Taxes	\$ 1,075,000	\$ 1,127,264	\$ 1,075,264
Investment Income	77,000	68,317	52,249
Rentals	-	19,200	6,400
<b>TOTAL REVENUES</b>	<u>1,152,000</u>	<u>1,214,781</u>	<u>1,133,913</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	182,372
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>182,372</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>1,152,000</u>	<u>1,214,781</u>	<u>951,541</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In:			
Capital Projects	-	-	141,566
Operating Transfers Out:			
General Fund	(6,476)	(37,266)	(5,311)
Debt Service	(838,860)	(808,070)	(826,910)
Capital Projects	(460,000)	(460,000)	(14,348)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(1,305,336)</u>	<u>(1,305,336)</u>	<u>(705,003)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>			
	<u>\$ (153,336)</u>	(90,555)	246,538
<b>FUND BALANCES - BEGINNING</b>		1,232,376	985,838
<b>FUND BALANCES - ENDING</b>		<u>\$ 1,141,821</u>	<u>\$ 1,232,376</u>

**CITY OF BISMARCK, NORTH DAKOTA**  
**E/H TRANSIT SYSTEM FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	<u>Budget</u>	<u>2001 Actual</u>	<u>2000 Actual</u>
<b>REVENUES</b>			
Taxes	\$ 200,643	\$ 190,894	\$ 182,654
Intergovernmental	777,211	749,600	610,577
Investment Income	-	1,122	824
<b>TOTAL REVENUES</b>	<u>977,854</u>	<u>941,616</u>	<u>794,055</u>
<b>EXPENDITURES</b>			
Current:			
General Government	1,234,400	936,049	433,894
Capital Outlay	-	-	365,320
<b>TOTAL EXPENDITURES</b>	<u>1,234,400</u>	<u>936,049</u>	<u>799,214</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (256,546)</u>	<u>5,567</u>	<u>(5,159)</u>
<b>FUND BALANCES - BEGINNING</b>		(3,434)	1,725
<b>FUND BALANCES - ENDING</b>		<u>\$ 2,133</u>	<u>\$ (3,434)</u>

**CITY OF BISMARCK, NORTH DAKOTA**  
**POLICE DEPARTMENT SPECIAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	<u>Budget</u>	<u>2001 Actual</u>	<u>2000 Actual</u>
<b>REVENUES</b>			
Licenses and Permits	\$ 4,000	\$ 14,827	\$ 3,805
Intergovernmental	110,000	380,774	31,632
Fines and Forfeits	-	6,882	5,500
Investment Income	9,900	20,276	20,066
Miscellaneous	9,000	-	2,805
TOTAL REVENUES	<u>132,900</u>	<u>422,759</u>	<u>63,808</u>
<b>EXPENDITURES</b>			
Current:			
Public Safety	191,581	149,631	147,930
Capital Outlay	77,510	53,791	-
TOTAL EXPENDITURES	<u>269,091</u>	<u>203,422</u>	<u>147,930</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(136,191)</u>	<u>219,337</u>	<u>(84,122)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In:			
General Fund	-	8,964	-
Operating Transfers Out:			
General Fund	-	(4,199)	-
Special Revenue	-	(1,698)	-
Internal Service	-	(113)	-
Trust and Agency	-	(1,562)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>1,392</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ (136,191)</u>	220,729	(84,122)
<b>FUND BALANCES - BEGINNING</b>		<u>169,550</u>	<u>253,672</u>
<b>FUND BALANCES - ENDING</b>		<u>\$ 390,279</u>	<u>\$ 169,550</u>

**CITY OF BISMARCK, NORTH DAKOTA**  
**YOUTH ACTIVITIES FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Budget	2001 Actual	2000 Actual
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ 125,187
Charges for Services	-	-	12,695
Investment Income	-	-	58
Miscellaneous	-	-	4,005
TOTAL REVENUES	-	-	141,945
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	344,566
TOTAL EXPENDITURES	-	-	344,566
REVENUES UNDER EXPENDITURES	-	-	(202,621)
<b>OTHER FINANCING SOURCES</b>			
Operating Transfers In:			
General Fund	-	-	173,834
TOTAL OTHER FINANCING SOURCES	-	-	173,834
EXCESS OF REVENUES AND OTHER FINANCING SOURCES UNDER EXPENDITURES	\$ -	-	(28,787)
<b>FUND BALANCES - BEGINNING</b>		-	28,787
<b>FUND BALANCES - ENDING</b>		\$ -	\$ -

**CITY OF BISMARCK, NORTH DAKOTA**  
**ROADS AND STREETS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	<u>Budget</u>	<u>2001 Actual</u>	<u>2000 Actual</u>
<b>REVENUES</b>			
Intergovernmental	\$ 1,975,650	\$ 2,208,189	\$ 2,012,289
Charges for Services	907,620	1,194,899	921,819
Investment Income	75,000	98,112	101,628
Rentals	350,036	260,413	168,901
Miscellaneous	86,500	11,575	20,708
TOTAL REVENUES	<u>3,394,806</u>	<u>3,773,188</u>	<u>3,225,345</u>
<b>EXPENDITURES</b>			
Current:			
Highway and Streets	3,447,356	3,056,757	2,789,292
Capital Outlay	494,777	456,815	606,627
TOTAL EXPENDITURES	<u>3,942,133</u>	<u>3,513,572</u>	<u>3,395,919</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(547,327)</u>	<u>259,616</u>	<u>(170,574)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In:			
Special Revenue	344,272	207,857	221,669
Enterprise	111,710	-	121,729
Operating Transfers Out:			
General Fund	(40,547)	(40,547)	(24,546)
TOTAL OTHER FINANCING SOURCES (USES)	<u>415,435</u>	<u>167,310</u>	<u>318,852</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>\$ (131,892)</u>	426,926	148,278
<b>FUND BALANCES - BEGINNING</b>		1,902,476	1,754,198
<b>FUND BALANCES - ENDING</b>		<u>\$ 2,329,402</u>	<u>\$ 1,902,476</u>

**CITY OF BISMARCK, NORTH DAKOTA  
LIBRARY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Budget	2001 Actual	2000 Actual
<b>REVENUES</b>		-	
Taxes	\$ 1,016,183	\$ 963,174	\$ 924,564
Intergovernmental	217,070	245,576	274,132
Charges for Services	33,000	19,762	19,691
Fines and Forfeits	53,000	51,965	56,556
Investment Income	11,000	24,234	20,155
Rentals	1,000	24	12
Miscellaneous	1,000	14,600	667
TOTAL REVENUES	1,332,253	1,319,335	1,295,777
<b>EXPENDITURES</b>			
Current:			
Culture and Recreation	1,265,095	1,186,668	1,135,567
Capital Outlay	-	-	185,713
TOTAL EXPENDITURES	1,265,095	1,186,668	1,321,280
REVENUES OVER (UNDER) EXPENDITURES	67,158	132,667	(25,503)
<b>OTHER FINANCING USES</b>			
Operating Transfers Out:			
General Fund	(12,600)	(14,800)	(11,950)
Trust and Agency	-	-	-
TOTAL OTHER FINANCING USES	(12,600)	(14,800)	(11,950)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$ 54,558	117,867	(37,453)
<b>FUND BALANCES - BEGINNING</b>		89,579	127,032
<b>FUND BALANCES - ENDING</b>		\$ 207,446	\$ 89,579

**CITY OF BISMARCK, NORTH DAKOTA**  
**TOTALS FOR SPECIAL REVENUE FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Budget	2001 Actual	2000 Actual
<b>REVENUES</b>			
Taxes	\$ 10,939,273	\$ 11,062,889	\$ 10,773,960
Licenses and Permits	4,000	14,827	3,805
Intergovernmental	3,094,846	3,777,268	3,279,415
Charges for Services	940,620	1,214,661	1,095,646
Fines and Forfeits	53,000	58,847	62,056
Investment Income	504,900	847,312	632,025
Rentals	351,036	279,637	175,313
Miscellaneous	96,500	26,664	28,185
TOTAL REVENUES	<u>15,984,175</u>	<u>17,282,105</u>	<u>16,050,405</u>
<b>EXPENDITURES</b>			
Current:			
General Government	3,715,422	2,189,062	1,979,884
Public Safety	191,581	149,631	492,496
Highways and Streets	3,447,356	3,056,757	2,789,292
Culture and Recreation	1,265,095	1,186,668	1,135,567
Capital Outlay	572,287	510,606	1,157,660
TOTAL EXPENDITURES	<u>9,191,741</u>	<u>7,092,724</u>	<u>7,554,899</u>
REVENUES OVER EXPENDITURES	<u>6,792,434</u>	<u>10,189,381</u>	<u>8,495,506</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In:			
General Fund	-	42,744	173,834
Special Revenue	344,272	209,555	221,669
Debt Service	-	293,831	474,471
Capital Projects	-	8,869	151,644
Enterprise	111,710	-	121,729
Operating Transfers Out:			
General Fund	(2,971,168)	(3,008,357)	(2,775,448)
Special Revenue	(344,272)	(209,555)	(221,669)
Debt Service	(1,312,618)	(2,471,156)	(2,505,880)
Capital Projects	(3,261,415)	(2,072,087)	(1,514,348)
Internal Service	-	(113)	(20,000)
Trust and Agency	-	(1,562)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(7,433,491)</u>	<u>(7,207,831)</u>	<u>(5,893,998)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>\$ (641,057)</u>	2,981,550	2,601,508
<b>FUND BALANCES - BEGINNING</b>		11,919,025	9,317,517
<b>FUND BALANCES - ENDING</b>		<u>\$ 14,900,575</u>	<u>\$ 11,919,025</u>

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**CITY OF BISMARCK, NORTH DAKOTA  
DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR 2000)**

	Sales Tax Revenue Bonds	Highway Construction Bond Fund	Motel, Liquor, Restaurant Bonds
<b>ASSETS</b>			
Cash and Investments	\$ 463,680	\$ 282,058	\$ 935,890
Cash with Escrow Agent	-	-	-
Taxes Receivable	-	9,628	-
Special Assessments Receivable	-	-	-
Due from Other Funds	-	-	-
Due from Other Governments	-	-	-
	<b>\$ 463,680</b>	<b>\$ 291,686</b>	<b>\$ 935,890</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts Payable	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-
Deferred Revenue:			
Property Taxes	-	6,806	-
Water and Sewer Utility	-	-	-
Park District	-	-	-
Special Assessments	-	-	-
<b>TOTAL DEFERRED REVENUE</b>	<b>-</b>	<b>6,806</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>6,806</b>	<b>-</b>
 <b>FUND BALANCES:</b>			
Reserved for Refunding Bonds	-	-	-
Unreserved, Undesignated	463,680	284,880	935,890
<b>TOTAL FUND BALANCES</b>	<b>463,680</b>	<b>284,880</b>	<b>935,890</b>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 463,680</b>	<b>\$ 291,686</b>	<b>\$ 935,890</b>

Sewer mains	Water mains	Sidewalks	Street Improvements	Parking Lots	Totals	
					2001	2000
\$ 397,341	\$ 50,990	\$ 831,400	\$ 3,990,315	\$ 41,828	\$ 6,993,502	\$ 6,554,397
-	-	-	4,794,154	-	4,794,154	-
-	-	-	-	-	9,628	12,106
69,864	6,140	9,398	108,496	-	193,898	300,103
-	1,039,961	193,986	3,779,504	-	5,013,451	4,496,062
92,672	33,273	32,697	257,533	516,345	932,520	1,156,186
<u>\$ 559,877</u>	<u>\$ 1,130,364</u>	<u>\$1,067,481</u>	<u>\$12,930,002</u>	<u>\$ 558,173</u>	<u>\$ 17,937,153</u>	<u>\$ 12,518,854</u>
\$ -	\$ -	\$ -	\$ 56,374	\$ -	\$ 56,374	\$ -
-	-	-	-	-	-	2,135
-	-	-	-	-	6,806	9,819
-	758,774	-	-	-	758,774	838,065
92,672	33,273	32,697	257,533	516,345	932,520	1,156,186
67,905	5,386	5,787	96,461	-	175,539	240,351
<u>160,577</u>	<u>797,433</u>	<u>38,484</u>	<u>353,994</u>	<u>516,345</u>	<u>1,873,639</u>	<u>2,244,421</u>
<u>160,577</u>	<u>797,433</u>	<u>38,484</u>	<u>410,368</u>	<u>516,345</u>	<u>1,930,013</u>	<u>2,246,556</u>
-	-	-	4,794,154	-	4,794,154	-
399,300	332,931	1,028,997	7,725,480	41,828	11,212,986	10,272,298
<u>399,300</u>	<u>332,931</u>	<u>1,028,997</u>	<u>12,519,634</u>	<u>41,828</u>	<u>16,007,140</u>	<u>10,272,298</u>
<u>\$ 559,877</u>	<u>\$ 1,130,364</u>	<u>\$1,067,481</u>	<u>\$12,930,002</u>	<u>\$ 558,173</u>	<u>\$ 17,937,153</u>	<u>\$ 12,518,854</u>

**CITY OF BISMARCK, NORTH DAKOTA  
DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Sales Tax Revenue Bonds	Highway Construction Bond Fund	Motel, Liquor Restaurant Bonds
<b>REVENUES</b>			
Taxes	\$ -	\$ 347,262	\$ -
Special Assessments	-	-	-
Intergovernmental	-	10,495	-
Investment Income	30,144	17,214	54,699
<b>TOTAL REVENUES</b>	<u>30,144</u>	<u>374,971</u>	<u>54,699</u>
<b>EXPENDITURES</b>			
Debt Service:			
Principal	1,185,000	320,000	410,000
Interest	116,415	26,200	428,860
Fiscal Charges	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>1,301,415</u>	<u>346,200</u>	<u>838,860</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,271,271)</u>	<u>28,771</u>	<u>(784,161)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In:			
Special Revenue	1,301,415	-	808,070
Capital Projects	-	-	-
Enterprise	-	-	-
Operating Transfers Out:			
Special Revenue	-	-	-
Capital Projects	-	-	-
Enterprise	-	-	-
Trust and Agency	-	-	-
Proceeds of Refunding Bonds	-	-	-
Payment of Refunding Bonds	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,301,415</u>	<u>-</u>	<u>808,070</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	30,144	28,771	23,909
<b>FUND BALANCES - BEGINNING</b>	433,536	256,109	911,981
<b>FUND BALANCES - ENDING</b>	<u>\$ 463,680</u>	<u>\$ 284,880</u>	<u>\$ 935,890</u>

Sewer mains	Water mains	Sidewalks	Street Improvements	Parking Lots	Totals	
					2001	2000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 347,262	\$ 379,665
432,007	184,914	707,771	3,591,647	146,612	5,062,951	4,596,572
-	-	-	-	-	10,495	7,865
10,159	-	37,439	264,165	2,373	416,193	513,432
<u>442,166</u>	<u>184,914</u>	<u>745,210</u>	<u>3,855,812</u>	<u>148,985</u>	<u>5,836,901</u>	<u>5,497,534</u>
316,927	132,357	460,000	2,475,366	80,415	5,380,065	5,275,001
90,154	73,967	140,262	1,314,946	21,537	2,212,341	1,987,776
11,876	-	9,866	115,928	-	137,670	675
<u>418,957</u>	<u>206,324</u>	<u>610,128</u>	<u>3,906,240</u>	<u>101,952</u>	<u>7,730,076</u>	<u>7,263,452</u>
<u>23,209</u>	<u>(21,410)</u>	<u>135,082</u>	<u>(50,428)</u>	<u>47,033</u>	<u>(1,893,175)</u>	<u>(1,765,918)</u>
-	-	-	361,671	-	2,471,156	2,505,880
-	56,363	149,631	599,180	-	805,174	93,941
26,279	595	-	-	-	26,874	-
-	-	-	(293,831)	-	(293,831)	(474,471)
(2,011)	(153,275)	(118,904)	(120,398)	(3,070)	(397,658)	(61,077)
-	-	-	-	-	-	(592,916)
-	-	-	(24,578)	-	(24,578)	-
-	-	-	6,090,880	-	6,090,880	-
-	-	-	(1,050,000)	-	(1,050,000)	-
<u>24,268</u>	<u>(96,317)</u>	<u>30,727</u>	<u>5,562,924</u>	<u>(3,070)</u>	<u>7,628,017</u>	<u>1,471,357</u>
47,477	(117,727)	165,809	5,512,496	43,963	5,734,842	(294,561)
351,823	450,658	863,188	7,007,138	(2,135)	10,272,298	10,566,859
<u>\$ 399,300</u>	<u>\$ 332,931</u>	<u>\$1,028,997</u>	<u>\$ 12,519,634</u>	<u>\$ 41,828</u>	<u>\$ 16,007,140</u>	<u>\$ 10,272,298</u>

CITY OF BISMARCK, NORTH DAKOTA  
 CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 DECEMBER 31, 2001  
 (WITH COMPARATIVE TOTALS FOR 2000)

	<u>Tax Increment</u>	<u>Community Development</u>	<u>Miscellaneous Construction</u>	<u>Civic Center Building Construction</u>	<u>Highway Construction</u>
<b>ASSETS</b>					
Cash and Investments	\$ 4,805,791	\$ -	\$ -	\$ 431,175	\$ 1,715,280
Receivables (Net of Allowances for Uncollectibles):					
Taxes	26,430	-	-	-	-
Accounts	-	-	86,310	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Governments	-	4,617	-	-	-
Cash - Restricted	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL ASSETS	<u>\$ 4,832,221</u>	<u>\$ 4,617</u>	<u>\$ 86,310</u>	<u>\$ 431,175</u>	<u>\$ 1,715,280</u>
 <b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
Accounts Payable	\$ 4,350	\$ 600	\$ 1,039	\$ 2,066	\$ 125,517
Due to Other Funds	-	4,017	85,271	-	-
Deferred Revenue	26,282	-	-	-	-
Customer Deposits	-	-	-	-	-
TOTAL LIABILITIES	<u>30,632</u>	<u>4,617</u>	<u>86,310</u>	<u>2,066</u>	<u>125,517</u>
 <b>FUND BALANCES:</b>					
Unreserved, Undesignated	<u>4,801,589</u>	<u>-</u>	<u>-</u>	<u>429,109</u>	<u>1,589,763</u>
TOTAL FUND BALANCES	<u>4,801,589</u>	<u>-</u>	<u>-</u>	<u>429,109</u>	<u>1,589,763</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 4,832,221</u>	 <u>\$ 4,617</u>	 <u>\$ 86,310</u>	 <u>\$ 431,175</u>	 <u>\$ 1,715,280</u>

Sewer mains Construction	Water mains Construction	Sidewalks Construction	Street Improvements Construction	Parking Lots Construction	Bismarck/ Mandan Visitors Center	Riverfront Enhancement	Totals	
							2001	2000
\$ 129,952	\$ -	\$ -	\$ -	\$ 71,475	\$ 17,149	\$ 99,816	\$ 7,270,638	\$ 4,262,638
-	-	-	-	-	-	-	26,430	31,097
-	-	-	-	-	65,680	-	151,990	116,187
-	-	-	-	-	-	-	-	2,135
-	-	-	-	-	-	-	4,617	24,690
-	-	796,152	-	-	-	-	796,152	938,152
<u>\$ 129,952</u>	<u>\$ -</u>	<u>\$ 796,152</u>	<u>\$ -</u>	<u>\$ 71,475</u>	<u>\$ 82,829</u>	<u>\$ 99,816</u>	<u>\$ 8,249,827</u>	<u>\$ 5,374,899</u>
\$ -	\$ -	\$ 268,107	\$ 79,573	\$ -	\$ 79,413	\$ -	\$ 560,665	\$ 231,880
-	281,186	193,986	3,779,504	-	-	-	4,343,964	4,891,270
-	-	-	-	-	-	-	26,282	21,870
-	-	796,152	-	-	-	-	796,152	938,152
-	281,186	1,258,245	3,859,077	-	79,413	-	5,727,063	6,083,172
129,952	(281,186)	(462,093)	(3,859,077)	71,475	3,416	99,816	2,522,764	(708,273)
<u>129,952</u>	<u>(281,186)</u>	<u>(462,093)</u>	<u>(3,859,077)</u>	<u>71,475</u>	<u>3,416</u>	<u>99,816</u>	<u>2,522,764</u>	<u>(708,273)</u>
<u>\$ 129,952</u>	<u>\$ -</u>	<u>\$ 796,152</u>	<u>\$ -</u>	<u>\$ 71,475</u>	<u>\$ 82,829</u>	<u>\$ 99,816</u>	<u>\$ 8,249,827</u>	<u>\$ 5,374,899</u>

CITY OF BISMARCK, NORTH DAKOTA  
 CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED DECEMBER 31, 2001  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)

	Tax Increment	Community Development	Miscellaneous Construction Grants	Civic Center Building Construction	Highway Construction
<b>REVENUES</b>					
Taxes	\$ 1,057,885	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Intergovernmental	-	1,221,326	348,342	-	-
Investment Income	221,738	-	-	-	43,488
Rentals	-	-	-	-	-
Miscellaneous	-	-	-	-	35,000
<b>TOTAL REVENUES</b>	<u>1,279,623</u>	<u>1,221,326</u>	<u>348,342</u>	<u>-</u>	<u>78,488</u>
<b>EXPENDITURES</b>					
Capital Outlay:					
Public Works	329,405	1,164,737	336,192	30,891	363,614
Special Assessments	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>329,405</u>	<u>1,164,737</u>	<u>336,192</u>	<u>30,891</u>	<u>363,614</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>950,218</u>	<u>56,589</u>	<u>12,150</u>	<u>(30,891)</u>	<u>(285,126)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating Transfers In:					
Special Revenue	-	-	-	460,000	1,500,000
Debt Service	-	-	-	-	-
Capital Projects	-	-	-	-	-
Enterprise	214,588	-	-	-	-
Operating Transfers Out:					
General Fund	(10,542)	(52,305)	(3,854)	-	-
Special Revenue	-	(3,020)	(5,849)	-	-
Debt Service	-	-	-	-	-
Capital Projects	-	-	-	-	-
Trust and Agency	-	(1,216)	(2,355)	-	-
Internal Service	-	(48)	(92)	-	-
Enterprise	(5,976)	-	-	-	-
Special Assessment Bond Proceeds	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>198,070</u>	<u>(56,589)</u>	<u>(12,150)</u>	<u>460,000</u>	<u>1,500,000</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>1,148,288</u>	<u>-</u>	<u>-</u>	<u>429,109</u>	<u>1,214,874</u>
<b>FUND BALANCES (DEFICIT) - BEGINNING</b>	<u>3,653,301</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>374,889</u>
<b>FUND BALANCES (DEFICIT) - ENDING</b>	<u>\$ 4,801,589</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 429,109</u>	<u>\$ 1,589,763</u>

Sewermain Construction	Watermain Construction	Sidewalks Construction	Street Improvements Construction	Parking Lots Construction	Bismarck/Mdn Visitors Center	Riverfront Enhancement	Totals	
							2001	2000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,057,885	\$ 1,039,202
79,070	647,017	12,509	104,114	-	-	-	842,710	-
-	-	-	3,506,195	-	150,000	-	5,225,863	2,353,585
-	-	-	-	3,428	-	-	268,654	340,698
-	-	-	-	698	-	-	698	795
-	-	-	667	-	4,774	-	40,441	131,629
<u>79,070</u>	<u>647,017</u>	<u>12,509</u>	<u>3,610,976</u>	<u>4,126</u>	<u>154,774</u>	<u>-</u>	<u>7,436,251</u>	<u>3,865,909</u>
-	-	-	-	4,289	189,501	39,271	2,457,900	3,512,480
291,370	476,962	511,125	8,205,317	-	-	-	9,484,774	6,642,555
<u>291,370</u>	<u>476,962</u>	<u>511,125</u>	<u>8,205,317</u>	<u>4,289</u>	<u>189,501</u>	<u>39,271</u>	<u>11,942,674</u>	<u>10,155,035</u>
<u>(212,300)</u>	<u>170,055</u>	<u>(498,616)</u>	<u>(4,594,341)</u>	<u>(163)</u>	<u>(34,727)</u>	<u>(39,271)</u>	<u>(4,506,423)</u>	<u>(6,289,126)</u>
-	-	-	112,087	-	-	-	2,072,087	1,514,348
2,011	153,275	118,904	120,398	3,070	-	-	397,658	61,077
20,247	-	-	-	-	-	-	20,247	1,032,000
148,119	-	-	110,000	-	-	-	472,707	265,618
-	-	-	-	-	-	-	(66,701)	(15,532)
-	-	-	-	-	-	-	(8,869)	(151,644)
-	(56,363)	(149,631)	(599,180)	-	-	-	(805,174)	(93,941)
-	(20,247)	-	-	-	-	-	(20,247)	(1,032,000)
-	-	-	-	-	-	-	(3,571)	(345,010)
-	-	-	-	-	-	-	(140)	-
-	-	-	-	-	-	-	(5,976)	(119,405)
<u>1,641,253</u>	<u>-</u>	<u>416,570</u>	<u>3,627,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,685,439</u>	<u>3,981,095</u>
<u>1,811,630</u>	<u>76,665</u>	<u>385,843</u>	<u>3,370,921</u>	<u>3,070</u>	<u>-</u>	<u>-</u>	<u>7,737,460</u>	<u>5,096,606</u>
1,599,330	246,720	(112,773)	(1,223,420)	2,907	(34,727)	(39,271)	3,231,037	(1,192,520)
<u>(1,469,378)</u>	<u>(527,906)</u>	<u>(349,320)</u>	<u>(2,635,657)</u>	<u>68,568</u>	<u>38,143</u>	<u>139,087</u>	<u>(708,273)</u>	<u>484,247</u>
<u>\$ 129,952</u>	<u>\$ (281,186)</u>	<u>\$ (462,093)</u>	<u>\$ (3,859,077)</u>	<u>\$ 71,475</u>	<u>\$ 3,416</u>	<u>\$ 99,816</u>	<u>\$ 2,522,764</u>	<u>\$ (708,273)</u>

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**CITY OF BISMARCK, NORTH DAKOTA  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR 2000)**

	Airport	Airport Flightline
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ 3,499,642	\$ 296,456
Accounts Receivable (Net of Allowances or Uncollectibles)	139,750	52,164
Special Assessments	-	-
Due from other funds	-	-
Inventories	-	24,101
Prepaid Insurance	10,509	1,576
TOTAL CURRENT ASSETS	3,649,901	374,297
Noncurrent Assets:		
Restricted Cash and Investments:		
Customer Deposits	-	-
Fixed assets held for resale	-	-
TOTAL RESTRICTED ASSETS	-	-
<b>FIXED ASSETS</b>		
Land	3,801,177	-
Buildings and System	3,615,611	-
Accumulated Depreciation-Buildings and System	(2,052,536)	-
Improvements Other than Buildings	45,047,989	233,984
Accumulated Depreciation-Improvements Other than Building	(15,690,424)	(34,515)
Machinery and Equipment	858,085	61,212
Accumulated Depreciation-Machinery and Equipment	(699,217)	(56,704)
FIXED ASSETS (NET OF ACCUMULATED DEPRECIATION)	34,880,685	203,977
<b>TOTAL ASSETS</b>	<b>\$ 38,530,586</b>	<b>\$ 578,274</b>

**Exhibit E-1**  
**(Continued on next page)**

Solid Waste Utility	Water & Sewer Utility	Parking Authority Lots	Totals	
			2001	2000
\$ 7,714,563	\$ 21,322,866	\$ 460,543	\$ 33,294,070	\$ 31,884,775
102,519	270,206	-	564,639	867,622
-	25,990	-	25,990	5,113
-	-	-	-	1,147,938
-	20,817	-	44,918	99,340
810	11,325	-	24,220	36,597
<u>7,817,892</u>	<u>21,651,204</u>	<u>460,543</u>	<u>33,953,837</u>	<u>34,041,385</u>
-	2,723,303	-	2,723,303	2,805,203
-	20,347	-	20,347	75,358
-	<u>2,743,650</u>	-	<u>2,743,650</u>	<u>2,880,561</u>
892,888	1,868,294	1,203,152	7,765,511	7,700,511
3,860,528	34,870,000	9,128,926	51,475,065	43,809,644
(393,024)	(9,245,492)	(3,513,834)	(15,204,886)	(14,110,073)
3,479,192	72,986,251	1,049,197	122,796,613	118,036,651
(1,493,949)	(23,300,767)	(1,007,048)	(41,526,703)	(38,846,371)
3,905,105	4,831,126	36,813	9,692,341	9,949,419
(1,976,600)	(2,978,423)	(36,813)	(5,747,757)	(6,069,319)
<u>8,274,140</u>	<u>79,030,989</u>	<u>6,860,393</u>	<u>129,250,184</u>	<u>120,470,462</u>
<u>\$ 16,092,032</u>	<u>\$ 103,425,843</u>	<u>\$ 7,320,936</u>	<u>\$ 165,947,671</u>	<u>\$ 157,392,408</u>

**CITY OF BISMARCK, NORTH DAKOTA  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET (Continued)  
DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR 2000)**

	<u>Airport</u>	<u>Airport Flightline</u>
<b>LIABILITIES AND EQUITY</b>		
Current Liabilities:		
Accounts Payable	\$ 242,757	\$ 4,767
Lease Payable	-	-
Due to Other Funds	7,815	1,385
Deferred Revenue	-	-
TOTAL CURRENT LIABILITIES	<u>250,572</u>	<u>6,152</u>
Current Liabilities Payable From Restricted Assets:		
Customer Deposits Payable	<u>-</u>	<u>-</u>
Noncurrent Liabilities:		
Compensated Absences	40,030	24,821
Lease Payable	-	-
Accrued Closure/Post Closure Costs	-	-
TOTAL NONCURRENT LIABILITIES	<u>40,030</u>	<u>24,821</u>
TOTAL LIABILITIES	<u>290,602</u>	<u>30,973</u>
Fund Equity		
Contributed Capital:		
State Government	1,199,799	-
Federal Government	20,707,007	-
Developers	-	-
Intergovernmental	1,334,398	272,762
TOTAL CONTRIBUTED CAPITAL	<u>23,241,204</u>	<u>272,762</u>
Retained Earnings (Deficit)		
Unreserved	14,998,780	274,539
TOTAL RETAINED EARNINGS	<u>14,998,780</u>	<u>274,539</u>
TOTAL EQUITY	<u>38,239,984</u>	<u>547,301</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 38,530,586</u>	<u>\$ 578,274</u>

Exhibit E-1  
(Continued from previous page)

Solid Waste Utility	Water & Sewer Utility	Parking Authority Lots	Totals	
			2001	2000
\$ 7,568	\$ 1,603,062	\$ -	\$ 1,858,154	\$ 892,593
26,905	-	-	26,905	-
15,207	789,220	-	813,627	920,344
-	48,617	-	48,617	4,687
<u>49,680</u>	<u>2,440,899</u>	<u>-</u>	<u>2,747,303</u>	<u>1,817,624</u>
-	2,723,302	-	2,723,302	2,805,203
160,695	159,585	-	385,131	390,059
98,353	-	-	98,353	-
394,206	-	-	394,206	311,286
<u>653,254</u>	<u>159,585</u>	<u>-</u>	<u>877,690</u>	<u>701,345</u>
<u>702,934</u>	<u>5,323,786</u>	<u>-</u>	<u>6,348,295</u>	<u>5,324,172</u>
-	-	-	1,199,799	1,199,799
624,970	13,672,455	-	35,004,432	36,280,509
-	24,269	-	24,269	24,269
540,690	45,756,348	10,047,648	57,951,846	57,658,207
<u>1,165,660</u>	<u>59,453,072</u>	<u>10,047,648</u>	<u>94,180,346</u>	<u>95,162,784</u>
14,223,438	38,648,985	(2,726,712)	65,419,030	56,905,452
<u>14,223,438</u>	<u>38,648,985</u>	<u>(2,726,712)</u>	<u>65,419,030</u>	<u>56,905,452</u>
15,389,098	98,102,057	7,320,936	159,599,376	152,068,236
<u>\$ 16,092,032</u>	<u>\$ 103,425,843</u>	<u>\$ 7,320,936</u>	<u>\$ 165,947,671</u>	<u>\$ 157,392,408</u>

CITY OF BISMARCK , NORTH DAKOTA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)

	Airport	Airport Flightline
<b>OPERATING REVENUES:</b>		
Charges for Sales and Services:		
Sales of Gas and Oil	\$ -	\$ 584,397
Sales of Parts and Supplies	-	-
Water Sales	-	-
Sanitation Fees	-	-
Utilities and Miscellaneous Sales	34,013	1,309
Landing Fees and Airport Services	987,225	89,135
Rentals	1,271,957	79,565
TOTAL OPERATING REVENUES	<u>2,293,195</u>	<u>754,406</u>
<b>OPERATING EXPENSES:</b>		
Costs of Sales and Services	1,426,192	713,594
Administration	234,030	13,629
Depreciation	1,395,308	7,617
TOTAL OPERATING EXPENSES	<u>3,055,530</u>	<u>734,840</u>
OPERATING INCOME (LOSS)	<u>(762,335)</u>	<u>19,566</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Intergovernmental	1,555,897	-
Special Assessments	-	-
Gain (Loss) on Disposal of Assets	8,916	543
Investment Income	145,834	13,159
Interest Expense	-	-
TOTAL NONOPERATING REVENUE (EXPENSES)	<u>1,710,647</u>	<u>13,702</u>
INCOME BEFORE OPERATING TRANSFERS	<u>948,312</u>	<u>33,268</u>
<b>OPERATING TRANSFERS IN (OUT):</b>		
General Fund	-	-
Debt Service	-	-
Enterprise	-	-
Capital Projects	-	-
General Fund	(42,426)	(11,278)
Special Revenue	-	-
Debt Service	-	-
Capital Projects	-	-
Enterprise	-	-
TOTAL OPERATING TRANSFERS	<u>(42,426)</u>	<u>(11,278)</u>
NET INCOME (LOSS)	905,886	21,990
DEPRECIATION ON ASSETS ACQUIRED WITH CAPITAL GRANTS	876,554	-
RETAINED EARNINGS - BEGINNING	<u>13,216,340</u>	<u>252,549</u>
RETAINED EARNINGS - ENDING	<u>\$ 14,998,780</u>	<u>\$ 274,539</u>

Solid Waste Utility	Water & Sewer Utility	Parking Authority Lots	Totals	
			2001	2000
\$ -	\$ 116,420	\$ -	\$ 700,817	\$ 608,721
-	113,869	-	113,869	88,187
-	7,192,141	-	7,192,141	6,352,132
3,695,507	4,377,856	-	8,073,363	7,706,699
2,700	103,864	-	141,886	137,779
-	-	-	1,076,360	1,037,470
9,983	14,556	781,162	2,157,223	2,094,285
<u>3,708,190</u>	<u>11,918,706</u>	<u>781,162</u>	<u>19,455,659</u>	<u>18,025,273</u>
2,495,830	4,784,707	248,431	9,668,754	8,339,932
88,380	290,362	289,807	916,208	744,181
461,299	2,482,643	235,700	4,582,567	4,204,669
<u>3,045,509</u>	<u>7,557,712</u>	<u>773,938</u>	<u>15,167,529</u>	<u>13,288,782</u>
662,681	4,360,994	7,224	4,288,130	4,736,491
10,506	97,329	-	1,663,732	6,412,526
-	266,972	-	266,972	-
52,637	(44,655)	-	17,441	36,633
377,411	1,174,351	14,237	1,724,992	1,976,489
-	(43,328)	-	(43,328)	(49,159)
<u>440,554</u>	<u>1,450,669</u>	<u>14,237</u>	<u>3,629,809</u>	<u>8,376,489</u>
1,103,235	5,811,663	21,461	7,917,939	13,112,980
-	42,163	-	42,163	775
-	-	-	-	592,916
-	-	-	-	750,000
-	-	5,976	5,976	119,405
(46,841)	(128,452)	-	(228,997)	(111,091)
-	-	-	-	(121,729)
-	(26,874)	-	(26,874)	-
-	(258,119)	(214,588)	(472,707)	(265,618)
-	-	-	-	(750,000)
<u>(46,841)</u>	<u>(371,282)</u>	<u>(208,612)</u>	<u>(680,439)</u>	<u>214,658</u>
1,056,394	5,440,381	(187,151)	7,237,500	13,327,638
-	399,524	-	1,276,078	1,021,023
<u>13,167,044</u>	<u>32,809,080</u>	<u>(2,539,561)</u>	<u>56,905,452</u>	<u>42,556,791</u>
<u>\$ 14,223,438</u>	<u>\$ 38,648,985</u>	<u>\$ (2,726,712)</u>	<u>\$ 65,419,030</u>	<u>\$ 56,905,452</u>

CITY OF BISMARCK , NORTH DAKOTA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)

	Airport	Airport Flightline
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received From Customers and Users	\$ 2,580,644	\$ 760,511
Cash Paid to Suppliers	(1,230,051)	(487,707)
Cash Paid to Employees	(437,348)	(233,874)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>913,245</u>	<u>38,930</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Intergovernmental Revenue	1,555,897	-
Transfers From Other Funds	-	-
Transfers (to) Other Funds	(42,426)	(11,278)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>1,513,471</u>	<u>(11,278)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital Lease Payment	-	-
Interest Paid	-	-
Proceeds from Sale of Fixed Assets	8,916	543
Purchase of Fixed Assets	(33,850)	-
Construction	(1,758,253)	-
NET CASH PROVIDED (USED ) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,783,187)</u>	<u>543</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received	145,834	13,159
NET CASH PROVIDED USED BY INVESTING ACTIVITIES	<u>145,834</u>	<u>13,159</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	789,363	41,354
CASH AND CASH EQUIVALENTS - BEGINNING	2,710,279	255,102
CASH AND CASH EQUIVALENTS - ENDING	<u>3,499,642</u>	<u>296,456</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	(762,335)	19,566
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	1,395,308	7,617
(Increase) Decrease in Accounts Receivable	287,449	6,105
(Increase) Decrease in Due From Other Funds	-	-
(Increase) Decrease in Inventories	-	14,513
(Increase) Decrease in Prepaid Items	(1,757)	296
Increase (Decrease) in Accounts Payable	(690)	(11,112)
Increase (Decrease) in Due to Other Funds	(3,907)	(692)
Increase (Decrease) in Compensated Absences Payable	(823)	2,637
Increase (Decrease) in Closure/Post Closure Costs	-	-
TOTAL ADJUSTMENTS	<u>1,675,580</u>	<u>19,364</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 913,245</u>	<u>\$ 38,930</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCE ACTIVITIES:</b>		
Contributions of fixed assets from government	\$ -	\$ -
Construction of Fixed Assets Contributed Through Capital Project Funds	<u>\$ -</u>	<u>\$ -</u>

Solid Waste Utility	Water & Sewer Utility	Parking Authority Lots	Totals	
			2001	2000
\$ 4,758,467	\$ 12,004,918	\$ 781,162	\$ 20,885,702	\$ 17,120,329
(1,500,863)	(3,104,207)	(538,238)	(6,861,066)	(5,680,682)
(1,192,786)	(1,692,682)	-	(3,556,690)	(3,398,625)
<u>2,064,818</u>	<u>7,208,029</u>	<u>242,924</u>	<u>10,467,946</u>	<u>8,041,022</u>
10,506	97,329	-	1,663,732	6,412,526
-	42,163	5,976	48,139	1,463,096
(46,841)	(413,445)	(214,588)	(728,578)	(1,248,438)
<u>(36,335)</u>	<u>(273,953)</u>	<u>(208,612)</u>	<u>983,293</u>	<u>6,627,184</u>
(125,258)	-	-	(125,258)	(425,000)
-	(43,328)	-	(43,328)	(49,159)
52,637	(44,655)	-	17,441	36,633
(205,206)	(38,460)	-	(277,516)	(2,521,411)
(443,179)	(9,136,843)	-	(11,338,275)	(13,086,602)
<u>(721,006)</u>	<u>(9,263,286)</u>	<u>-</u>	<u>(11,766,936)</u>	<u>(16,045,539)</u>
377,411	1,174,351	14,237	1,724,992	1,976,489
<u>377,411</u>	<u>1,174,351</u>	<u>14,237</u>	<u>1,724,992</u>	<u>1,976,489</u>
1,684,888	(1,154,859)	48,549	1,409,295	599,156
6,029,675	22,477,725	411,994	31,884,775	31,285,619
<u>7,714,563</u>	<u>21,322,866</u>	<u>460,543</u>	<u>33,294,070</u>	<u>31,884,775</u>
662,681	4,360,994	7,224	4,288,130	4,736,491
461,299	2,482,643	235,700	4,582,567	4,204,669
(19,857)	8,408	-	282,105	242,994
1,070,134	77,804	-	1,147,938	(1,147,938)
-	39,909	-	54,422	(58,616)
249	13,588	-	12,376	(11,763)
(199,557)	336,982	-	125,623	(221,895)
(4,094)	(94,514)	-	(103,207)	243,141
11,043	(17,785)	-	(4,928)	9,953
82,920	-	-	82,920	43,986
<u>1,402,137</u>	<u>2,847,035</u>	<u>235,700</u>	<u>6,179,816</u>	<u>3,304,531</u>
\$ 2,064,818	\$ 7,208,029	\$ 242,924	\$ 10,467,946	\$ 8,041,022
\$ -	\$ 29,012	\$ -	\$ 29,012	\$ 20,139
\$ -	\$ 264,628	\$ -	\$ 264,628	\$ 1,529,420

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**CITY OF BISMARCK, NORTH DAKOTA  
INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR 2000)**

	<u>Employee Insurance</u>	<u>Liability Insurance</u>
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ 2,837,314	\$ 2,589,130
Taxes Receivable	-	1,542
Accounts Receivable	16,028	-
<b>TOTAL CURRENT ASSETS</b>	<u><u>\$ 2,853,342</u></u>	<u><u>\$ 2,590,672</u></u>
 <b>LIABILITIES AND EQUITY</b>		
CURRENT LIABILITIES:		
Accounts Payable	\$ 647	\$ -
Deferred Revenue	-	1,115
Reserve-Pending Claims	250,000	259,817
<b>TOTAL CURRENT LIABILITIES</b>	<u>250,647</u>	<u>260,932</u>
EQUITY:		
Retained Earnings-Unreserved	2,602,695	2,329,740
<b>TOTAL EQUITY</b>	<u>2,602,695</u>	<u>2,329,740</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u><u>\$ 2,853,342</u></u>	<u><u>\$ 2,590,672</u></u>

Exhibit F-1

Unemployment Compensation	Revolving	Totals	
		2001	2000
\$ 87,450	\$ 216,678	\$ 5,730,572	\$ 5,582,446
-	-	1,542	4,190
-	6,643	22,671	6,199
<u>\$ 87,450</u>	<u>\$ 223,321</u>	<u>\$ 5,754,785</u>	<u>\$ 5,592,835</u>
\$ -	\$ 188,644	\$ 189,291	\$ 203,408
-	-	1,115	3,427
-	-	509,817	318,400
<u>-</u>	<u>188,644</u>	<u>700,223</u>	<u>525,235</u>
87,450	34,677	5,054,562	5,067,600
<u>87,450</u>	<u>34,677</u>	<u>5,054,562</u>	<u>5,067,600</u>
<u>\$ 87,450</u>	<u>\$ 223,321</u>	<u>\$ 5,754,785</u>	<u>\$ 5,592,835</u>

**CITY OF BISMARCK , NORTH DAKOTA  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	Employee Insurance	Liability Insurance
<b>OPERATING REVENUES</b>		
Employer Contributions	\$ 2,052,460	\$ -
Charges for Services	-	-
<b>TOTAL OPERATING REVENUES</b>	<u>2,052,460</u>	<u>-</u>
<b>OPERATING EXPENSES</b>		
Costs of Services	2,035,476	427,931
Administration	385	641
<b>TOTAL OPERATING EXPENSE</b>	<u>2,035,861</u>	<u>428,572</u>
 OPERATING INCOME (LOSS)	 16,599	 (428,572)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment Income	195,167	237,582
In Lieu of Taxes	-	132
Recovery of Anticipated Claims	-	-
Taxes	-	2,197
Miscellaneous	6,974	167
<b>TOTAL NONOPERATING REVENUES/(EXPENSE)</b>	<u>202,141</u>	<u>240,078</u>
 INCOME (LOSS) BEFORE OPERATING TRANSFERS	 <u>218,740</u>	 <u>(188,494)</u>
<b>TRANSFERS FROM (TO) OTHER FUNDS</b>		
General Fund	-	-
Special Revenue	-	-
Capital Projects	-	-
Trust and Agency	-	-
General Fund	(28,584)	(24,899)
<b>TOTAL TRANSFERS FROM (TO) OTHER FUNDS</b>	<u>(28,584)</u>	<u>(24,899)</u>
 <b>NET INCOME (LOSS)</b>	 190,156	 (213,393)
 <b>RETAINED EARNINGS - BEGINNING</b>	 <u>2,412,539</u>	 <u>2,543,133</u>
 <b>RETAINED EARNINGS - ENDING</b>	 <u>\$ 2,602,695</u>	 <u>\$ 2,329,740</u>

Unemployment Compensation	Revolving	Totals	
		2001	2000
\$ -	\$ -	\$ 2,052,460	\$ 1,857,376
-	-	-	1,663
-	-	2,052,460	1,859,039
11,679	-	2,475,086	1,970,154
-	-	1,026	958
11,679	-	2,476,112	1,971,112
(11,679)	-	(423,652)	(112,073)
4,429	-	437,178	294,910
-	-	132	2,838
-	-	-	272,191
-	-	2,197	136,873
-	9,445	16,586	-
4,429	9,445	456,093	706,812
(7,250)	9,445	32,441	594,739
2,067	5,232	7,299	(21,158)
113	-	113	20,000
140	-	140	-
452	-	452	-
-	-	(53,483)	-
2,772	5,232	(45,479)	(1,158)
(4,478)	14,677	(13,038)	593,581
91,928	20,000	5,067,600	4,474,019
\$ 87,450	\$ 34,677	\$ 5,054,562	\$ 5,067,600

**CITY OF BISMARCK , NORTH DAKOTA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2000)**

	<u>Employee Insurance</u>	<u>Liability Insurance</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts From Customers and Users	\$ -	\$ 2,820
Receipts From Employer	2,037,092	-
Payments to Suppliers	<u>(2,035,874)</u>	<u>(239,639)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>1,218</u>	<u>(236,819)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Miscellaneous	6,974	167
Taxes	-	2,197
In Lieu of Taxes	-	132
Transfers (to) Other Funds	<u>(28,584)</u>	<u>(24,899)</u>
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>(21,610)</u>	<u>(22,403)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received	<u>195,167</u>	<u>237,582</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>195,167</u>	<u>237,582</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	174,775	(21,640)
CASH AND CASH EQUIVALENTS - BEGINNING	<u>2,662,539</u>	<u>2,610,770</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>2,837,314</u>	<u>2,589,130</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating Income (Loss)	<u>16,599</u>	<u>(428,572)</u>
Adjustments To Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
(Increase) Decrease in Taxes Receivable	-	2,645
(Increase) Decrease in Accounts Receivable	(15,368)	-
Increase (Decrease) in Accounts Payable	(13)	-
Increase (Decrease) in Deferred Revenue	-	(2,309)
Increase (Decrease) in Estimated Pending Claims	<u>-</u>	<u>191,417</u>
TOTAL ADJUSTMENTS	<u>(15,381)</u>	<u>191,753</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 1,218</u>	<u>\$ (236,819)</u>

Exhibit F-3

Unemployment Compensation	Revolving	Totals	
		2001	2000
\$ -	\$ 4,435	\$ 7,255	\$ 1,663
-	-	2,037,092	1,870,024
<u>(17,481)</u>	<u>(13,841)</u>	<u>(2,306,835)</u>	<u>(1,862,141)</u>
<u>(17,481)</u>	<u>(9,406)</u>	<u>(262,488)</u>	<u>9,546</u>
-	9,445	16,586	-
-	-	2,197	136,873
-	-	132	2,838
<u>2,772</u>	<u>5,232</u>	<u>(45,479)</u>	<u>(1,158)</u>
<u>2,772</u>	<u>14,677</u>	<u>(26,564)</u>	<u>138,553</u>
4,429	-	437,178	294,910
<u>4,429</u>	<u>-</u>	<u>437,178</u>	<u>294,910</u>
(10,280)	5,271	148,126	443,009
<u>97,730</u>	<u>211,407</u>	<u>5,582,446</u>	<u>5,139,437</u>
<u>87,450</u>	<u>216,678</u>	<u>5,730,572</u>	<u>5,582,446</u>
(11,679)	-	(423,652)	(112,073)
-	-	2,645	(624)
-	(1,104)	(16,472)	7,558
(5,802)	(8,302)	(14,117)	193,040
-	-	(2,309)	(139)
-	-	191,417	(78,216)
<u>(5,802)</u>	<u>(9,406)</u>	<u>161,164</u>	<u>121,619</u>
<u>\$ (17,481)</u>	<u>\$ (9,406)</u>	<u>\$ (262,488)</u>	<u>\$ 9,546</u>

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CITY OF BISMARCK, NORTH DAKOTA  
 TRUST AND AGENCY FUNDS  
 COMBINING BALANCE SHEET  
 DECEMBER 31, 2001  
 (WITH COMPARATIVE TOTALS FOR 2000)

	Agency Funds		Expendable Trust Funds	
	Firemen's Pension	Deferred	Arena Revolving	Tree Memorial
		Sick Leave		
<b>ASSETS</b>				
Cash and Investments	\$ 1,254	\$ 692,762	\$ 1,019,191	\$ 14,589
Taxes Receivable	6,741	-	-	-
Accounts Receivable	5,917	-	55,031	-
Due from Other Funds	-	54,852	-	-
Customer Deposits	-	-	239,500	-
<b>TOTAL ASSETS</b>	<b>\$ 13,912</b>	<b>\$ 747,614</b>	<b>\$ 1,313,722</b>	<b>\$ 14,589</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts Payable	\$ -	\$ -	\$ 38,858	\$ -
Due to Employees	-	747,614	-	-
Due to Other Entities	9,165	-	-	-
Deferred Revenue	4,747	-	-	-
Securities Lending Collateral	-	-	-	-
Customer Deposits	-	-	239,500	-
<b>TOTAL LIABILITIES</b>	<b>13,912</b>	<b>747,614</b>	<b>278,358</b>	<b>-</b>
 <b>FUND BALANCES:</b>				
Unreserved, Undesignated	-	-	1,035,364	14,589
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>1,035,364</b>	<b>14,589</b>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <b>\$ 13,912</b>	 <b>\$ 747,614</b>	 <b>\$ 1,313,722</b>	 <b>\$ 14,589</b>

Expendable Trust Funds			Pension Trust Funds		Totals	
Library Memorial	Christmas Lights	Lewis & Clark Expedition	City Pension	Police Pension	2001	2000
\$ 3,937	\$ 23,460	\$ 5,000	\$ 34,031,524	\$ 15,945,204	\$ 51,736,921	\$ 55,197,499
-	-	-	12,397	5,797	24,935	42,332
-	-	-	13,043	7,493	81,484	63,835
-	-	-	-	-	54,852	82,279
-	-	-	-	-	239,500	71,074
<u>\$ 3,937</u>	<u>\$ 23,460</u>	<u>\$ 5,000</u>	<u>\$ 34,056,964</u>	<u>\$ 15,958,494</u>	<u>\$ 52,137,692</u>	<u>\$ 55,457,019</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,858	\$ 13,000
-	-	-	9,458,356	3,857,573	14,063,543	15,942,809
-	-	-	-	-	9,165	6,368
-	-	-	9,036	4,282	18,065	34,152
-	-	-	1,939,324	768,086	2,707,410	3,272,490
-	-	-	-	-	239,500	71,074
-	-	-	<u>11,406,716</u>	<u>4,629,941</u>	<u>17,076,541</u>	<u>19,339,893</u>
3,937	23,460	5,000	22,650,248	11,328,553	35,061,151	36,117,126
<u>3,937</u>	<u>23,460</u>	<u>5,000</u>	<u>22,650,248</u>	<u>11,328,553</u>	<u>35,061,151</u>	<u>36,117,126</u>
<u>\$ 3,937</u>	<u>\$ 23,460</u>	<u>\$ 5,000</u>	<u>\$ 34,056,964</u>	<u>\$ 15,958,494</u>	<u>\$ 52,137,692</u>	<u>\$ 55,457,019</u>

**CITY OF BISMARCK , NORTH DAKOTA  
EXPENDABLE TRUST FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(WITH COMPARATIVE TOTALS FOR 2000)**

	Arena Revolving	Tree Memorial
<b>REVENUES</b>		
Intergovernmental	\$ -	\$ -
Charges for Sales and Services	478,983	-
Rentals	256,100	-
Investment Income	52,129	733
Miscellaneous	-	4,355
<b>TOTAL REVENUES</b>	<u>787,212</u>	<u>5,088</u>
<b>EXPENDITURES</b>		
Current:		
Highways and Streets	-	375
Culture and Recreation	582,042	-
<b>TOTAL EXPENDITURES</b>	<u>582,042</u>	<u>375</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>205,170</u>	<u>4,713</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Operating Transfers In:		
Debt Service	-	-
Operating Transfers Out:		
General Fund	(87,577)	(14,250)
Capital Projects	-	-
Internal Service	(452)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(88,029)</u>	<u>(14,250)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	117,141	(9,537)
<b>FUND BALANCES - BEGINNING</b>	918,223	24,126
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,035,364</u>	<u>\$ 14,589</u>

Exhibit G-2

Library Memorial	Christmas Lights	Lewis & Clark Expedition	Totals	
			2001	2000
\$ -	\$ -	\$ 5,000	\$ 5,000	\$ -
-	-	-	478,983	487,164
-	-	-	256,100	231,781
362	-	-	53,224	30,799
5,293	-	-	9,648	9,410
<u>5,655</u>	<u>-</u>	<u>5,000</u>	<u>802,955</u>	<u>759,154</u>
-	-	-	375	1,156
6,160	1,118	-	589,320	498,881
<u>6,160</u>	<u>1,118</u>	<u>-</u>	<u>589,695</u>	<u>500,037</u>
<u>(505)</u>	<u>(1,118)</u>	<u>5,000</u>	<u>213,260</u>	<u>259,117</u>
-	24,578	-	24,578	-
-	-	-	(101,827)	(9,313)
-	-	-	-	345,010
-	-	-	(452)	-
<u>-</u>	<u>24,578</u>	<u>-</u>	<u>(77,701)</u>	<u>335,697</u>
(505)	23,460	5,000	135,559	594,814
4,442	-	-	946,791	351,977
<u>\$ 3,937</u>	<u>\$ 23,460</u>	<u>\$ 5,000</u>	<u>\$ 1,082,350</u>	<u>\$ 946,791</u>

CITY OF BISMARCK, NORTH DAKOTA  
ALL AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED DECEMBER 31, 2001

	Balance January 1, 2001	Additions	Deletions	Balance December 31, 2001
<b>FIREMEN'S PENSION AGENCY</b>				
<b>ASSETS</b>				
Cash	\$ 481	\$ 396,856	\$ 396,083	\$ 1,254
Receivables	11,666	279,813	278,821	12,658
<b>TOTAL ASSETS</b>	<u>\$ 12,147</u>	<u>\$ 676,669</u>	<u>\$ 674,904</u>	<u>\$ 13,912</u>
<b>LIABILITIES</b>				
Due to Other Entities	<u>\$ 12,147</u>	<u>\$ 676,669</u>	<u>\$ 674,904</u>	<u>\$ 13,912</u>
<b>DEFERRED SICK LEAVE</b>				
<b>ASSETS</b>				
Cash	\$ 580,660	\$ 304,614	\$ 192,512	\$ 692,762
Due From Other Funds	82,279	-	27,426	54,853
<b>TOTAL ASSETS</b>	<u>\$ 662,939</u>	<u>\$ 304,614</u>	<u>\$ 219,938</u>	<u>\$ 747,615</u>
<b>LIABILITIES</b>				
Due to Employees	<u>\$ 662,939</u>	<u>\$ 304,614</u>	<u>\$ 219,938</u>	<u>\$ 747,615</u>
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash	\$ 581,141	\$ 701,470	\$ 588,595	\$ 694,016
Receivables	11,666	279,813	278,821	12,658
Due From Other Funds	82,279	-	27,426	54,853
<b>TOTAL ASSETS</b>	<u>\$ 675,086</u>	<u>\$ 981,283</u>	<u>\$ 894,842</u>	<u>\$ 761,527</u>
<b>LIABILITIES</b>				
Due to Other Entities	\$ 12,147	\$ 676,669	\$ 674,904	\$ 13,912
Due to Employees	662,939	304,614	219,938	747,615
<b>TOTAL LIABILITIES</b>	<u>\$ 675,086</u>	<u>\$ 981,283</u>	<u>\$ 894,842</u>	<u>\$ 761,527</u>

**CITY OF BISMARCK, NORTH DAKOTA**  
**COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(WITH COMPARATIVE TOTALS FOR 2000)**

	City Pension	Police Pension	TOTALS	
			2001	2000
<b>ADDITIONS</b>				
<b>CONTRIBUTIONS:</b>				
Employer	\$ 375,227	\$ 109,231	\$ 484,458	\$ 1,254,290
Employee	436,209	333,736	769,945	495,151
<b>INVESTMENT INCOME:</b>				
Loss on Investments	(1,206,609)	(727,957)	(1,934,566)	(1,221,932)
Interest and Dividends	905,935	430,522	1,336,457	1,384,000
Securities Lending Income	98,191	39,848	138,039	207,967
	<u>(202,483)</u>	<u>(257,587)</u>	<u>(460,070)</u>	<u>370,035</u>
Less: Investment Expense	(77,294)	(41,216)	(118,510)	(126,831)
Less: Securities Lending Expenses	(91,597)	(37,085)	(128,682)	(197,972)
Net investment income (loss)	<u>(371,374)</u>	<u>(335,888)</u>	<u>(707,262)</u>	<u>45,232</u>
<b>TOTAL ADDITIONS</b>	<u>440,062</u>	<u>107,079</u>	<u>547,141</u>	<u>1,794,673</u>
<b>DEDUCTIONS</b>				
Administration	18,032	12,373	30,405	44,904
Benefits	1,230,411	458,363	1,688,774	1,466,359
<b>TOTAL DEDUCTIONS</b>	<u>1,248,443</u>	<u>470,736</u>	<u>1,719,179</u>	<u>1,511,263</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In:				
General Fund	9	3,145	3,154	-
Special Revenue	-	1,562	1,562	-
Capital Projects	3,571	-	3,571	-
Operating Transfers Out:				
General Fund	(16,325)	(11,458)	(27,783)	-
<b>TOTAL OTHER FINANCING USES</b>	<u>(12,745)</u>	<u>(6,751)</u>	<u>(19,496)</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	(821,126)	(370,408)	(1,191,534)	283,410
<b>NET ASSETS - BEGINNING</b>	23,471,374	11,698,961	35,170,335	34,886,925
<b>NET ASSETS - ENDING</b>	<u>\$ 22,650,248</u>	<u>\$ 11,328,553</u>	<u>\$ 33,978,801</u>	<u>\$ 35,170,335</u>

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**CITY OF BISMARCK, NORTH DAKOTA**  
**COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS**  
**BY SOURCE**  
**DECEMBER 31, 2001 AND 2000**

	<u>2001</u>	<u>2000</u>
<b>GENERAL FIXED ASSETS</b>		
Land	\$ 1,689,788	\$ 1,689,788
Buildings	46,154,050	45,683,901
Improvements Other than Buildings	51,777	65,418
Machinery and Equipment	17,310,001	19,025,470
TOTAL GENERAL FIXED ASSETS	<u>\$ 65,205,616</u>	<u>\$ 66,464,577</u>
 <b>INVESTMENTS IN GENERAL FIXED ASSETS</b>		
General Fund	\$ 8,789,167	\$ 9,940,852
Special Revenue Funds	16,070,247	16,433,917
State Government	105,274	103,274
Federal Government	2,115,786	2,115,786
Capital Projects Funds	36,849,480	36,676,395
Trust and Agency Funds	1,167,185	1,085,876
Donations	108,477	108,477
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u>\$ 65,205,616</u>	<u>\$ 66,464,577</u>

**CITY OF BISMARCK , NORTH DAKOTA**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

FUNCTION AND ACTIVITY	General Fixed Assets 1/1/2001	Additions	Deductions	General Fixed Assets 12/31/2001
<b>GENERAL GOVERNMENT:</b>				
Municipal Court	\$ 11,972	\$ -	\$ 11,972	\$ -
Assessing	36,571	-	36,571	-
Administration and Management	22,677	11,353	22,677	11,353
Fiscal and Information Services	440,673	-	241,240	199,433
Attorney	5,898	-	5,898	-
Human Resources	9,116	-	9,116	-
Common Software	-	94,927	-	94,927
City/County Office Building	2,959,859	6,891	7,050	2,959,700
Bismarck-Mandan Visitors Bureau	814,975	189,500	-	1,004,475
Planning	36,240	-	11,499	24,741
E/H Transit System	1,697,434	211,038	114,439	1,794,033
<b>TOTAL GENERAL GOVERNMENT</b>	<b>6,035,415</b>	<b>513,709</b>	<b>460,462</b>	<b>6,088,662</b>
<b>PUBLIC SAFETY:</b>				
Police	4,722,744	275,629	724,508	4,273,865
Fire and Inspections	4,770,352	48,700	229,506	4,589,546
Combined Communications Center	923,746	-	56,409	867,337
<b>TOTAL PUBLIC SAFETY</b>	<b>10,416,842</b>	<b>324,329</b>	<b>1,010,423</b>	<b>9,730,748</b>
<b>HIGHWAYS AND STREETS:</b>				
Roads and Streets	4,899,713	470,486	872,001	4,498,198
Engineering	376,275	20,422	97,700	298,997
Forestry	355,589	55,254	23,806	387,037
<b>TOTAL HIGHWAYS AND STREETS</b>	<b>5,631,577</b>	<b>546,162</b>	<b>993,507</b>	<b>5,184,232</b>
<b>HEALTH:</b>				
ND Health Tracks	1,379	-	1,379	-
Bismarck Burleigh Public Health	47,004	-	25,196	21,808
<b>TOTAL HEALTH</b>	<b>48,383</b>	<b>-</b>	<b>26,575</b>	<b>21,808</b>
<b>CULTURE AND RECREATION:</b>				
City Auditorium	3,471,798	-	-	3,471,798
Civic Center	29,975,274	229,729	244,534	29,960,469
Library	10,885,288	-	137,389	10,747,899
<b>TOTAL CULTURE AND RECREATION</b>	<b>44,332,360</b>	<b>229,729</b>	<b>381,923</b>	<b>44,180,166</b>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ 66,464,577</b>	<b>\$ 1,613,929</b>	<b>\$ 2,872,890</b>	<b>\$ 65,205,616</b>

**CITY OF BISMARCK, NORTH DAKOTA**  
**SCHEDULE OF GENERAL FIXED ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

FUNCTION AND ACTIVITY	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Total
<b>GENERAL GOVERNMENT:</b>					
Administration and Management	\$ -	\$ -	\$ -	\$ 11,353	\$ 11,353
Fiscal and Information Services	-	-	-	199,433	199,433
Common Software	-	-	-	94,927	94,927
City/County Office Building	-	2,923,597	-	36,103	2,959,700
Bismarck-Mandan Visitors Bureau	200,000	804,475	-	-	1,004,475
Planning	-	-	-	24,741	24,741
E/H Transit System	108,421	795,444	-	890,168	1,794,033
<b>TOTAL GENERAL GOVERNMENT</b>	<b>308,421</b>	<b>4,523,516</b>	<b>-</b>	<b>1,256,725</b>	<b>6,088,662</b>
<b>PUBLIC SAFETY:</b>					
Police	499,500	2,759,940	51,777	962,648	4,273,865
Fire and Inspections	245,767	1,965,325	-	2,378,454	4,589,546
Combined Communications Center	-	-	-	867,337	867,337
<b>TOTAL PUBLIC SAFETY</b>	<b>745,267</b>	<b>4,725,265</b>	<b>51,777</b>	<b>4,208,439</b>	<b>9,730,748</b>
<b>HIGHWAYS AND STREETS:</b>					
Roads and Streets	-	-	-	4,498,198	4,498,198
Engineering	-	-	-	298,997	298,997
Forestry	-	-	-	387,037	387,037
<b>TOTAL HIGHWAYS AND STREETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,184,232</b>	<b>5,184,232</b>
<b>HEALTH:</b>					
Bismarck Burleigh Public Health	-	-	-	21,808	21,808
<b>TOTAL HEALTH</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,808</b>	<b>21,808</b>
<b>CULTURE AND RECREATION:</b>					
City Auditorium	11,500	3,454,948	-	5,350	3,471,798
Civic Center	300,600	28,778,406	-	881,463	29,960,469
Library	324,000	4,671,915	-	5,751,984	10,747,899
<b>TOTAL CULTURE AND RECREATION</b>	<b>636,100</b>	<b>36,905,269</b>	<b>-</b>	<b>6,638,797</b>	<b>44,180,166</b>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ 1,689,788</b>	<b>\$ 46,154,050</b>	<b>\$ 51,777</b>	<b>\$ 17,310,001</b>	<b>\$ 65,205,616</b>

**CITY OF BISMARCK, NORTH DAKOTA**  
**SCHEDULE OF GENERAL LONG-TERM DEBT**  
**DECEMBER 31, 2001**  
**WITH COMPARATIVE TOTALS FOR 2000**

	<u>2001</u>	<u>2000</u>
<b>AMOUNT AVAILABLE AND TO BE PROVIDED FOR RETIREMENT OF GENERAL OBLIGATION BONDS, AND GENERAL LONG-TERM DEBT:</b>		
Amount Available in Debt Service Funds:		
Special Assessment with Governmental Commitment	\$ 14,322,690	\$ 8,672,959
Highway Construction	284,880	253,822
Sales Tax Bonds	463,680	433,536
Motel, Liquor, Restaurant Bonds	935,890	911,981
Total Amount Available	<u>16,007,140</u>	<u>10,272,298</u>
<b>AMOUNT TO BE PROVIDED:</b>		
Retirement of General Long-term Debt:		
Special Assessment with Governmental Commitment	21,772,310	20,227,041
Sales Tax Bonds	798,498	2,016,464
Motel, Liquor Restaurant Bonds	7,494,110	7,928,019
Highway Construction	62,942	411,178
Compensated Absences	1,292,164	1,275,192
Employee Termination Benefits	185,214	277,821
Total to be Provided	<u>31,605,238</u>	<u>32,135,715</u>
Total Available and to be Provided	<u>\$ 47,612,378</u>	<u>\$ 42,408,013</u>
<b>GENERAL LONG-TERM DEBT PAYABLE:</b>		
General Obligation Bonds Payable:		
Highway Construction 1995	\$ 115,000	\$ 170,000
Highway Construction 1991	-	50,000
Highway Construction 1992	155,000	295,000
Highway Construction 1996	75,000	150,000
Total General Obligation Bonds Payable	<u>345,000</u>	<u>665,000</u>
Revenue Bonds Payable:		
Sales Tax Bonds	1,265,000	2,450,000
Motel, Liquor, and Restaurant	8,430,000	8,840,000
Total Revenue Bonds Payable	<u>9,695,000</u>	<u>11,290,000</u>
Special Assessment Bonds Payable, with Governmental Commitment:		
Sidewalks Bonds	2,880,000	2,920,000
Refunding Series A thru Z	33,215,000	25,980,000
Total Special Assessment Bonds Payable	<u>36,095,000</u>	<u>28,900,000</u>
Accrued Liability for Compensated Absences	1,292,164	1,275,192
Accrued Liability for Employee Termination Benefits	185,214	277,821
Total Miscellaneous Payable	<u>1,477,378</u>	<u>1,553,013</u>
Total General Long-Term Debt Payable	<u>\$ 47,612,378</u>	<u>\$ 42,408,013</u>

**CITY OF BISMARCK, NORTH DAKOTA**  
**GENERAL GOVERNMENTAL EXPENDITURES AND OTHER FINANCING USES, BY FUNCTION<sup>1</sup>**  
**LAST TEN FISCAL YEARS**

Fiscal Year	General Government	Conservation of Natural Resources	Public Safety	Highways and Streets	Health and Welfare	Culture and Recreation	Miscellaneous	Capital Outlays	Debt Service	Other Financing Uses	Total Expenditures
1992	\$ 5,251,458	\$ 262,553	\$ 5,923,660	\$ 1,862,673	\$ 505,958	\$ 2,007,307	\$ 152,695	\$ 998,311	\$ 10,234,906	\$ 12,021,193	\$ 39,220,714
1993	5,012,015	-	6,010,499	2,970,465	516,016	2,155,372	-	1,178,544	8,640,119	14,023,822	40,506,852
1994	4,991,971	-	7,289,729	3,140,114	637,506	1,133,102	-	1,123,543	8,219,580	11,129,195	37,664,740
1995	7,347,903	-	7,474,780	3,276,392	627,199	2,296,797	-	894,669	7,868,746	13,541,156	43,327,642
1996	4,807,358	-	7,652,621	3,330,380	634,597	2,343,346	-	753,870	7,527,775	16,374,781	43,424,728
1997	7,559,506	-	7,979,209	3,445,070	660,760	2,559,493	-	1,547,243	18,957,762	13,053,502	55,762,545
1998	5,873,131	-	8,394,662	3,676,183	703,747	2,433,407	-	1,112,919	6,524,657	11,728,096	40,446,802
1999	5,433,036	-	8,505,848	3,685,136	737,108	2,691,887	-	1,188,475	12,179,992	12,598,548	47,020,030
2000	5,353,173	-	9,088,117	4,146,253	790,492	3,183,076	-	2,014,483	7,263,452	8,340,417	40,179,463
2001	5,813,893	-	9,759,129	4,489,716	857,895	3,210,837	-	1,086,027	7,730,076	9,624,287	42,571,860

<sup>1</sup>Includes general, special revenue and debt service funds.

Source: Fiscal Services

**CURRENT GENERAL EXPENDITURES BY FUNCTION**

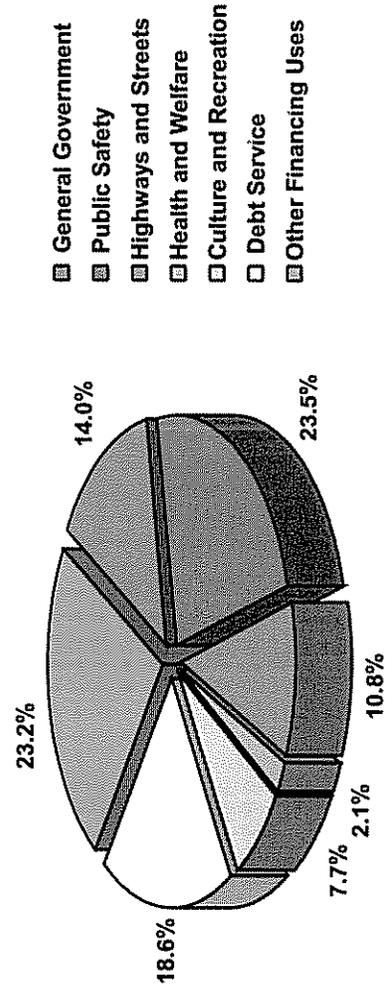


Table 1

**CITY OF BISMARCK, NORTH DAKOTA  
GENERAL GOVERNMENTAL REVENUES AND OTHER FINANCING SOURCES<sup>1</sup>  
LAST TEN FISCAL YEARS**

Fiscal Year	Licenses and Permits		Special Assessments	Intergovernmental	Charges for Services		Fines and Forfeitures		Miscellaneous	Other Financing Sources		Total
	Taxes	and Permits										
1992	\$ 11,693,142	\$ 559,975	\$ 6,097,273	\$ 4,475,713	\$ 1,933,159	\$ 557,055	\$ 2,213,099	\$ 12,991,608	40,521,024			
1993	12,611,430	612,044	5,582,400	4,680,801	3,738,947	518,160	1,245,743	13,888,572	42,878,097			
1994	13,197,246	705,419	5,167,219	4,711,916	3,206,504	581,694	1,324,333	10,508,952	39,403,283			
1995	13,934,191	605,621	5,872,592	4,527,949	3,540,612	622,587	2,024,106	13,213,914	44,341,572			
1996	14,264,583	712,391	4,512,477	4,733,147	3,818,942	646,961	1,859,562	15,445,368	45,993,431			
1997	14,856,696	795,784	4,198,901	6,410,810	3,740,502	682,588	1,765,921	11,761,076	44,212,278			
1998	15,395,628	959,261	5,225,595	6,182,346	3,745,824	697,936	1,816,891	11,854,808	45,878,289			
1999	16,350,342	963,334	4,561,559	6,564,675	3,400,131	914,009	1,890,192	15,358,425	50,002,667			
2000	17,350,289	806,014	4,596,572	6,135,482	4,197,330	908,656	2,531,515	6,699,664	43,225,522			
2001	18,898,071	991,339	5,062,951	7,374,184	4,246,430	958,229	2,500,548	13,436,231	53,467,983			

**CITY OF BISMARCK, NORTH DAKOTA  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE<sup>1</sup>  
LAST TEN FISCAL YEARS**

Fiscal Year	General Ad Valorem Tax		Mobile Home Tax	General Sales Tax	One Percent Motel/Liquor Restaurant Tax		Two Percent Motel Tax	Total
1992	\$ 5,630,433	\$ 64,028	\$ 4,938,615	\$ 763,737	\$ 296,329	11,693,142		
1993	5,991,648	70,756	5,432,369	817,829	298,828	12,611,430		
1994	6,282,959	72,685	5,722,755	826,391	292,456	13,197,246		
1995	6,618,002	92,964	6,036,619	869,196	317,410	13,934,191		
1996	6,709,731	93,747	6,225,485	914,446	321,174	14,264,583		
1997	6,913,977	103,957	6,540,124	960,403	338,235	14,856,696		
1998	7,185,873	109,587	6,802,804	935,628	361,736	15,395,628		
1999	7,718,325	120,363	7,113,335	1,033,431	364,888	16,350,342		
2000	8,242,803	134,934	7,500,496	1,075,264	396,792	17,350,289		
2001	9,355,291	165,609	7,837,357	1,127,264	412,550	18,898,071		

Table 2

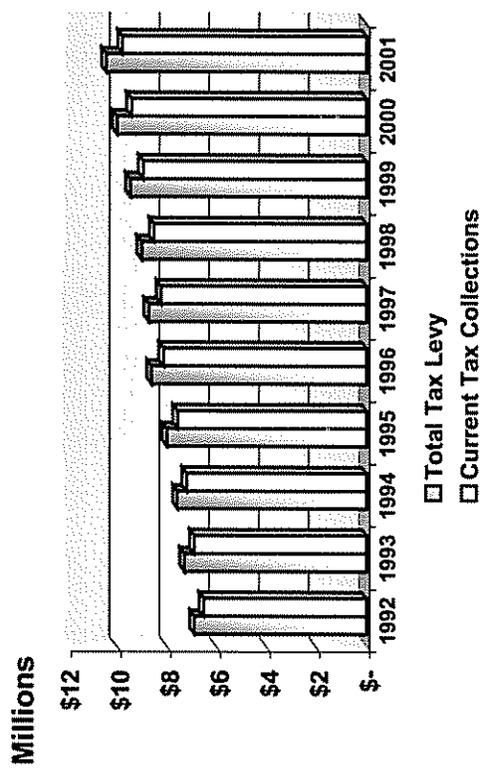
<sup>1</sup>Includes general, special revenue and debt service funds.

Source: Fiscal Services

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

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
1992	\$ 6,923,675	\$ 6,544,221	0.9452	\$ 105,964	6,650,185	0.9605	\$ 153,047	0.0221
1993	7,316,476	6,925,944	0.9466	95,950	7,021,894	0.9597	149,679	0.0205
1994	7,601,839	7,226,403	0.9506	91,577	7,317,980	0.9627	163,125	0.0215
1995	8,031,339	7,592,126	0.9453	114,538	7,706,664	0.9596	145,362	0.0181
1996	8,639,571	8,158,615	0.9443	132,089	8,290,704	0.9596	124,138	0.0144
1997	8,746,692	8,252,607	0.9435	62,420	8,315,027	0.9506	230,128	0.0263
1998	9,041,881	8,540,922	0.9446	96,995	8,637,917	0.9553	222,552	0.0246
1999	9,492,309	8,985,097	0.9466	78,815	9,063,912	0.9549	376,974	0.0397
2000	10,028,887	9,452,491	0.9425	155,733	9,608,224	0.9581	231,465	0.0231
2001	10,442,538	9,816,710	0.9401	158,846	9,975,556	0.9553	211,097	0.0202

**TOTAL TAX LEVY COMPARED TO CURRENT TAX COLLECTIONS**



**CURRENT TAX COLLECTIONS AND DELINQUENT TAX COLLECTIONS IN 2001**

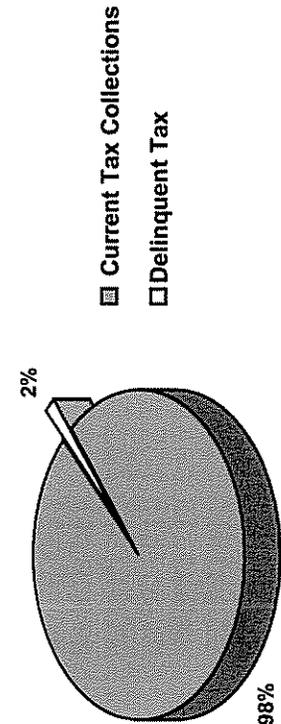


Table 3

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

Fiscal Year <sup>2</sup>	Market Value	Real Property		Assessed Value Ratio
		Assessed Value <sup>1</sup>	Taxable Value	
1992	\$ 1,237,699,800	\$ 618,849,900	\$ 57,956,058	0.5
1993	1,309,233,300	654,616,650	61,258,375	0.5
1994	1,433,407,200	716,703,600	67,043,133	0.5
1995	1,597,075,800	798,537,900	74,641,058	0.5
1996	1,685,999,800	849,999,900	78,740,180	0.5
1997	1,777,475,200	888,737,600	82,999,595	0.5
1998	1,883,173,300	941,586,650	87,986,429	0.5
1999	2,009,280,200	1,004,640,100	93,923,274	0.5
2000	2,104,265,600	1,052,132,800	98,353,445	0.5
2001	2,215,064,500	1,107,532,250	103,514,806	0.5

<sup>1</sup> Excluded from the taxable value is the incremental taxable value of urban development renewal project areas. The portion levied upon the incremental value of urban development is segregated to pay the redevelopment cost of the urban renewal project. After payment of total redevelopment costs, the incremental value is added to the tax base for general governmental purposes. Incremental taxable value deductions for the years 1992 through 2001 are as follows:

1992	\$ 987,041
1993	927,300
1994	1,188,311
1995	1,603,085
1996	1,608,849 *
1997	1,749,739
1998	2,097,497
1999	2,244,847
2000	2,289,515
2001	2,471,408

\*Tax increment area was expanded in April, 1995.

<sup>2</sup> Represents the year in which property taxes are levied. Collections of taxes will be received in the subsequent year.  
 Source: Assessing Division

**CITY OF BISMARCK, NORTH DAKOTA  
PROPERTY TAX MILL RATES PER \$1,000 ASSESSED VALUATION  
DIRECT AND ALL OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS**

Fiscal Year <sup>1</sup>	City of Bismarck	Public School District	State of North Dakota	Burleigh County	Park District	Total All Governments
1991	115.86	248.27	1.00	76.00	39.78	480.91
1992	122.19	258.63	1.00	79.73	39.74	501.29
1993	120.43	263.89	1.00	79.44	39.13	503.89
1994	116.60	264.47	1.00	73.67	38.45	494.19
1995	113.76	262.84	1.00	69.96	39.19	486.75
1996	109.37	260.72	1.00	70.17	39.00	480.26
1997	107.25	263.29	1.00	68.31	38.69	478.54
1998	108.25	265.07	1.00	66.70	38.76	479.78
1999	107.30	279.88	1.00	64.32	38.44	490.94
2000	106.37	277.88	1.00	63.71	37.98	486.94

<sup>1</sup>Represents the year in which property taxes are levied. Collections of taxes will be received in the subsequent year.

Source: Burleigh County Auditor

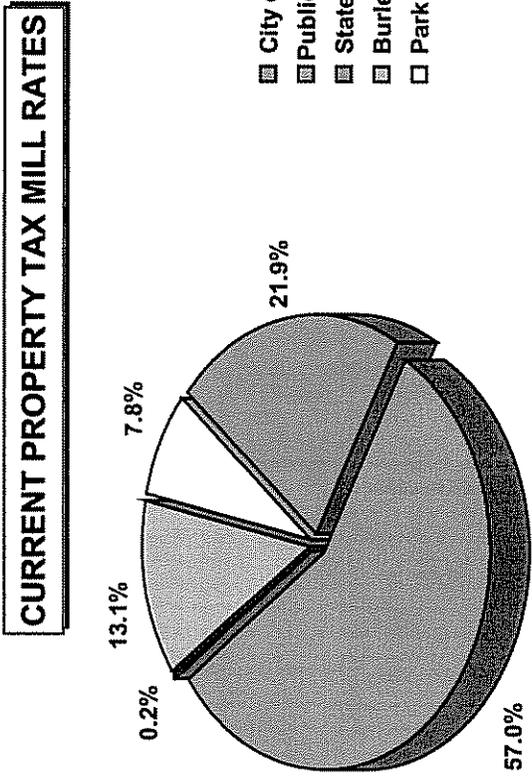


Table 5

**CITY OF BISMARCK, NORTH DAKOTA  
PRINCIPAL "SINGLE PROPERTY" TAXPAYERS  
DECEMBER 31, 2001**

Taxpayer	Type of Business	Market Value	Assessed Value	Percentage of Total Assessed Valuation
Metropolitan Life Assurance Company	Kirkwood shopping center	\$ 38,956,000	\$ 19,478,000	1.75 %
Medcenter One	Hospital	12,797,500	6,398,750	0.57
North Bismarck Associates	Gateway shopping center	11,113,800	5,556,900	0.50
Clark Equipment	Manufacturing	8,088,100	4,044,050	0.36
MinDakota LTD Partnership	Motel	8,033,000	4,016,500	0.36
Basin Electric	Electric cooperative	7,792,400	3,896,200	0.35
Waterford On West Century	Assisted Living Complex	7,297,300	3,648,650	0.33
Mid Dakota Medical Building	Clinic	6,836,800	3,418,400	0.31
Menards	Lumber shopping center	6,696,500	3,348,250	0.30
Wal-Mart Store	Discount shopping center	5,747,500	2,873,750	0.26
<b>Totals</b>		<b>\$ 113,358,900</b>	<b>\$ 56,679,450</b>	<b>5.09</b>

**TOTAL ASSESSED VALUE FOR ALL TAXPAYERS IN CITY OF BISMARCK**

**\$ 1,113,557,192**

**PRINCIPAL TAXPAYERS ASSESSED VALUE TO THE TOTAL ASSESSED VALUE**

Source: Assessing Division

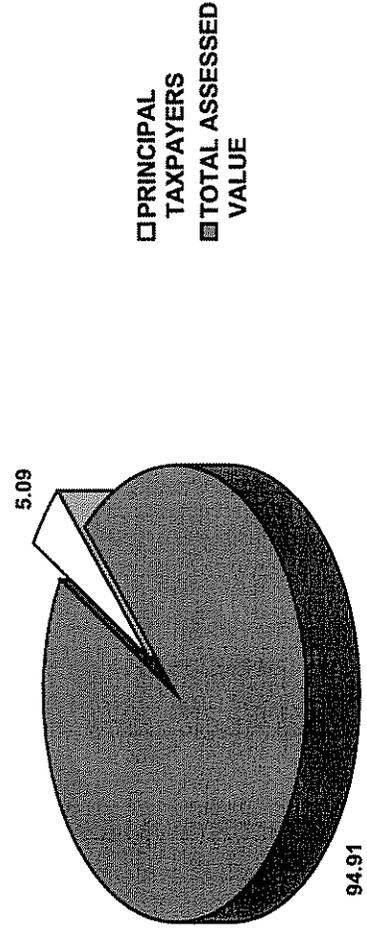


Table 6

**CITY OF BISMARCK, NORTH DAKOTA  
SPECIAL ASSESSMENT COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year	Current Assessments Billed	Current Assessments Collected	Ratio of Collections to Amount Due	Total Outstanding Assessments
1992	\$ 4,601,561	\$ 4,529,769	0.9844	\$ 247,578
1993	4,297,794	4,219,780	0.9818	230,023
1994	3,914,740	3,858,087	0.9855	163,781
1995	3,519,161	3,404,091	0.9673	115,070
1996	3,466,581	3,421,356	0.9870	153,903
1997	3,365,102	3,247,021	0.9649	203,828
1998	3,463,963	3,318,697	0.9581	236,385
1999	3,404,063	3,293,877	0.9676	254,567
2000	3,643,828	3,496,227	0.9595	305,217
2001	4,067,632	3,492,066	0.8585	175,538

Source: Fiscal Services

**SPECIAL ASSESSMENTS  
BILLED, COLLECTED AND OUTSTANDING**

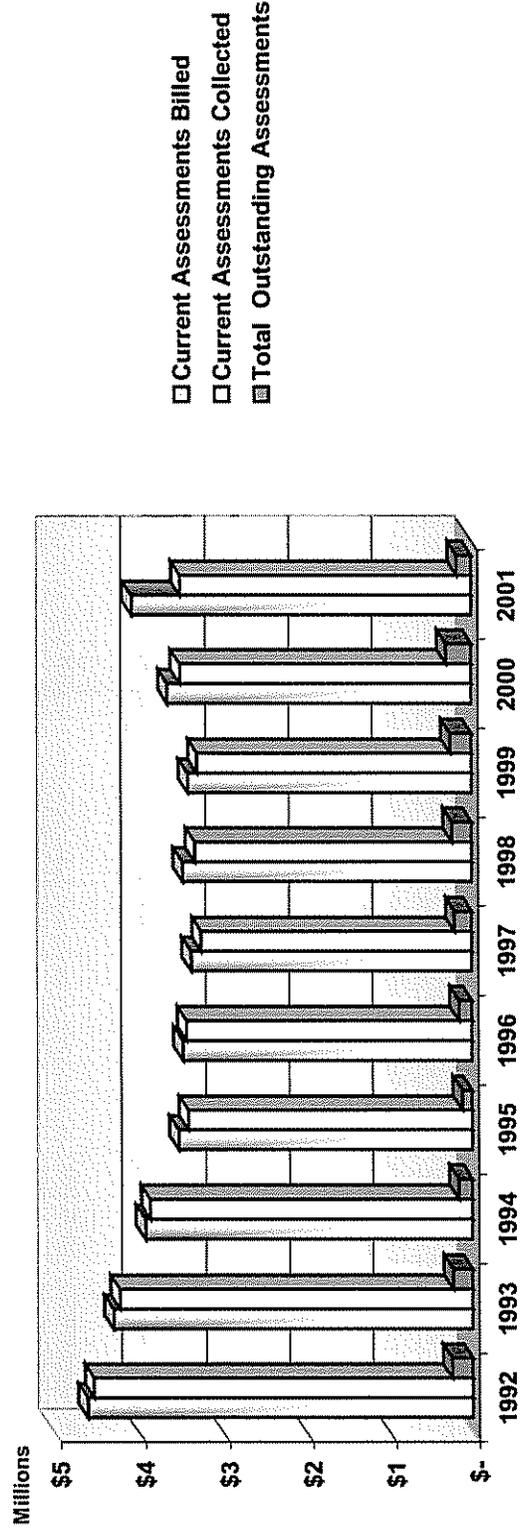


Table 7

**CITY OF BISMARCK, NORTH DAKOTA  
COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 2001**

Real Property Assessed Value		\$ 1,113,557,192
Legal debt limit - 5% of assessed value		\$ 55,677,860
Amount of debt applicable to debt limit <sup>1</sup>	\$ 345,000	
Less:		
Cash in debt service funds <sup>2</sup>		282,058
General obligation debt net of cash available		<u>62,942</u>
Legal debt margin		\$ 55,614,918

<sup>1</sup> Debt includes highway construction bonds.  
<sup>2</sup> Cash in funds pertaining to general obligation debt.

Sources:  
 Assessing Division  
 Fiscal Services

**Table 8**

**CITY OF BISMARCK, NORTH DAKOTA**  
**RATIO OF NET GENERAL BONDED DEBT**  
**TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Census <sup>1</sup>	Assessed Value <sup>2</sup>	Gross Bonded Debt <sup>3</sup>	Less Debt Service Fund <sup>3</sup>	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1992	51,294	\$ 618,849,900	\$ 4,740,000	\$ 422,488	4,317,512	0.0070	84.17
1993	52,005	654,616,650	4,205,000	407,184	3,797,816	0.0058	73.03
1994	52,592	716,703,600	3,720,000	313,095	3,406,905	0.0048	64.78
1995	53,168	798,537,900	3,695,000	271,634	3,423,366	0.0043	64.39
1996	53,917	849,999,900	3,305,000	338,049	2,966,951	0.0035	55.03
1997	53,982	888,837,600	3,225,000	491,493	2,733,507	0.0031	50.64
1998	54,040	941,856,650	2,755,000	342,085	2,412,915	0.0026	44.65
1999	54,571	1,004,640,100	960,000	191,185	768,815	0.0008	14.09
2000	55,532	1,052,132,800	665,000	253,822	411,178	0.0004	7.40
2001	55,873	1,107,532,250	345,000	282,058	62,942	0.0001	1.13

<sup>1</sup> Planning Department

<sup>2</sup> From Table 4

<sup>3</sup> Amount does not include special assessment bonds and revenue bonds

Sources:

Planning Department  
 Assessing Division  
 Fiscal Services

**NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**

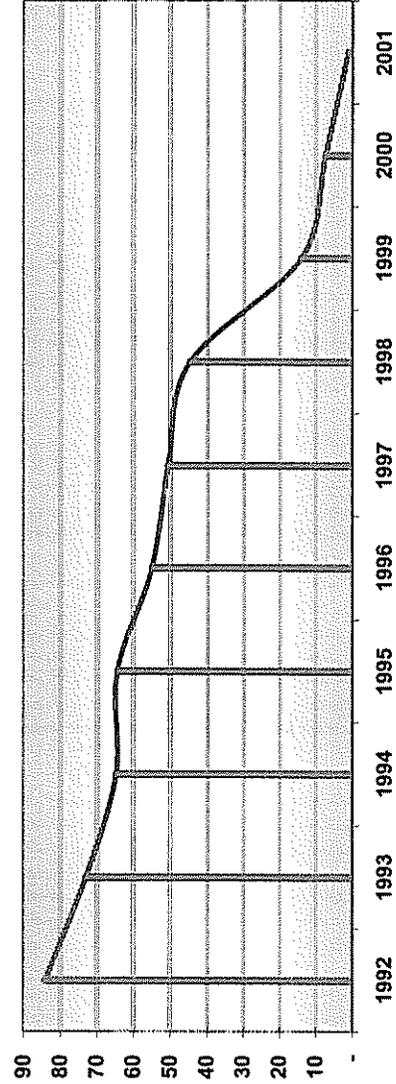


Table 9

**CITY OF BISMARCK, NORTH DAKOTA**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES**  
**FOR GENERAL BONDED DEBT TO TOTAL**  
**GENERAL GOVERNMENTAL EXPENDITURES**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Principal	Interest and Fiscal Charges	Total Debt Service <sup>1</sup>	Total General Governmental Expenditures <sup>2</sup>	Ratio of Debt Service to General Governmental Expenditures
1992	\$ 6,860,000	\$ 2,923,987	\$ 9,783,987	\$ 39,227,437	0.2494
1993	5,754,000	2,886,119	8,640,119	39,932,506	0.2164
1994	5,524,000	2,695,580	8,219,580	38,668,481	0.2126
1995	5,400,000	2,468,746	7,868,746	43,346,789	0.1815
1996	5,140,000	2,387,775	7,527,775	43,427,988	0.1733
1997	7,395,000	2,087,762	9,482,762	46,364,874	0.2045
1998	4,750,000	1,774,657	6,524,657	40,463,499	0.1612
1999	5,730,000	2,264,992	7,994,992	42,845,925	0.1866
2000	5,275,001	1,988,451	7,263,452	40,179,463	0.1808
2001	5,380,065	2,048,403	7,428,468	41,220,252	0.1802

<sup>1</sup> Total Debt Service includes the debt recorded in the Debt Service Fund less any refunding

<sup>2</sup> Refer to Table 1 for the Total General Government Expenditures less any refunding

Source: Fiscal Services

**COMPARISON OF PRINCIPAL AND INTEREST**

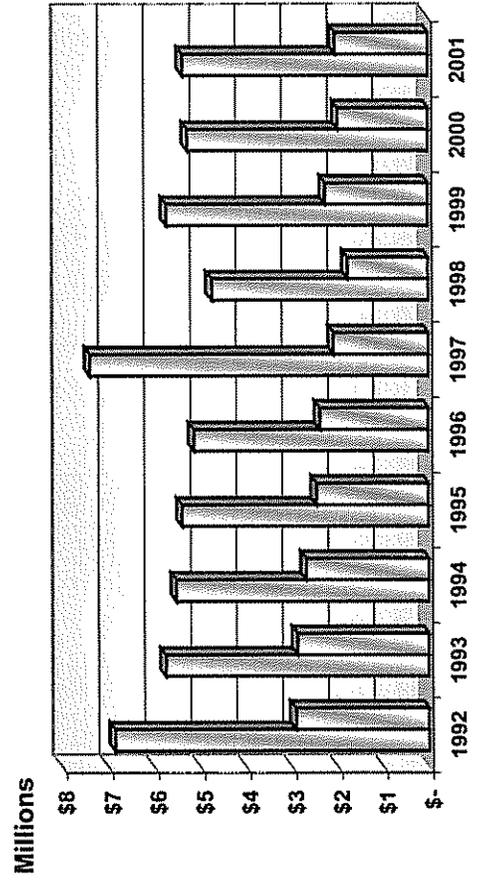


Table 10

**CITY OF BISMARCK, NORTH DAKOTA  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
GENERAL OBLIGATION  
DECEMBER 31, 2001**

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City	Amount Applicable to City
City of Bismarck	\$ 345,000	100.00 %	\$ 345,000
Bismarck Public School	27,939,405	86.50	24,167,585
<b>Totals</b>	<b>\$ 28,284,405</b>		<b>\$ 24,512,585</b>

**GENERAL OBLIGATION OVERLAPPING DEBT APPLICABLE TO THE CITY**

Sources:  
 Bismarck Public School  
 Bismarck Parks & Recreation  
 Burleigh County  
 Fiscal Services

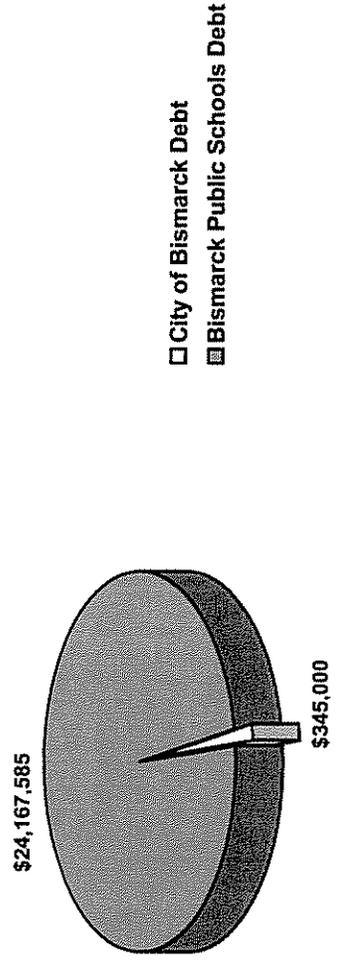


Table 11

**CITY OF BISMARCK, NORTH DAKOTA  
PROPERTY VALUES, CONSTRUCTION AND BANK DEPOSITS  
LAST TEN FISCAL YEARS**

Fiscal Year	Commercial Construction Value <sup>1</sup>	Residential Number of Units	Residential Construction Value	Market Value			Bank <sup>2</sup> Deposits
				Commercial	Residential	Agricultural	
1992	\$ 23,906,030	420	\$ 29,374,565	\$ 450,133,100	\$ 786,822,700	\$ 744,000	\$ ---
1993	21,661,211	463	34,275,936	466,921,400	841,571,600	740,300	---
1994	32,317,582	560	40,546,509	506,320,800	926,365,700	720,700	737,714,000
1995	25,267,361	314	22,325,807	552,932,000	1,043,476,100	667,700	747,242,000
1996	38,446,225	251	22,346,868	572,414,800	1,112,908,300	676,700	768,209,000
1997	57,354,145	456	31,176,102	598,995,900	1,177,801,400	677,900	789,162,000
1998	31,408,147	483	45,116,455	648,036,300	1,234,447,300	689,700	812,979,000
1999	43,866,775	267	33,239,904	699,557,400	1,309,059,600	838,700	844,026,000
2000	23,044,411	215	27,443,555	730,592,400	1,372,891,300	781,900	890,741,000
2001	45,697,614	453	46,707,968	766,745,200	1,447,672,800	646,400	1,099,461,000

<sup>1</sup>The number of units are not available in commercial construction.  
<sup>2</sup> Information prior to 1994 is not available at this time.

Sources:  
 Assessing Division  
 Fire & Inspections

CITY OF BISMARCK, NORTH DAKOTA  
MISCELLANEOUS STATISTICS  
DECEMBER 31, 2001

Date of incorporation 1875  
Form of government City Commission  
Number of employees (excluding police and fire) 279  
Area in square miles 27

City of Bismarck facilities and services:			
Miles of streets	239.10	Water system:	
Number of street lights	5,650	Miles of watermains	257.5
Fire protection and code enforcement:		Number of service connections	15,900
Number of stations	3	Number of fire hydrants	2,319
Number of building and environmental health officials	10	Daily average consumption in gallons	9,569,000
Number of fire personnel and officers	67	Maximum daily capacity of plant in gallons	30,000,000
Number of calls answered	1,900	Education:	
Number of fire inspections conducted	2,250	Number of elementary schools	16
Number of building inspections conducted	11,302	Number of secondary schools	6
Number of environmental health inspections conducted	4,752	Number of teaching staff elementary/secondary schools	767
Police protection:		Number of state colleges	1
Number of stations	1	Number of universities	1
Number of police personnel and officers	115	Hospitals:	
Number of patrol and traffic units	40	Number of hospitals	2
Number of traffic citations	9,604	Number of patient beds	558
Number of parking citations	29,113		
Number of accidents	2,960		
Number of 911 emergency dispatches	2,796		
Airline traffic:		Sources:	
Number of passengers-enplaning	131,246	Bismarck Public School	
Number of passengers-deplaning	130,760	Engineering Department	
Number of airmail-enplaning	456,651	Fire & Inspections	
Number of airmail-deplaning	856,096	Human Resources Department	
Number of freight-enplaning	171,193	Planning Department	
Number of freight-deplaning	170,176	Police Department	
Sewerage system:		Public Works Department	
Miles of sanitary sewers	230.5	St. Alexius and Medcenter One	
Miles of storm sewers	97.5		
Number of treatment plants	1		
Daily average treatment in gallons	6,860,000		
Maximum daily capacity of plant in gallons	7,500,000		

Table 15

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

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The Board of City Commissioners  
City of Bismarck  
Bismarck, North Dakota

We have audited the general-purpose financial statements of City of Bismarck, as of and for the year ended December 31, 2001, and have issued our report thereon dated March 8, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

*Compliance*

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

*Internal Control over Financial Reporting*

In planning and performing our audit, we considered City of Bismarck's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all reportable conditions that also considered to be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City of Bismarck, in a separate letter dated March 8, 2002.

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

Eide Bailly LLP

Bismarck, North Dakota  
March 8, 2002



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

---

The Board of City Commissioners  
City of Bismarck  
Bismarck, North Dakota

*Compliance*

We have audited the compliance of City of Bismarck with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2001. City of Bismarck's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of City of Bismarck's management. Our responsibility is to express an opinion on City of Bismarck's compliance based on our audit.

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

In our opinion, City of Bismarck complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2001.

### *Internal Control Over Compliance*

The management of City of Bismarck is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered City of Bismarck's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

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

*Eide Bailly LLP*

Bismarck, North Dakota  
March 8, 2002

**CITY OF BISMARCK**  
**BISMARCK, NORTH DAKOTA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2001**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Agency or Pass-Through Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<i>Department of Agriculture</i>			
<i>North Dakota Forest Service</i>			
America the Beautiful		10.664	\$ <u>700</u>
<i>Department of Housing and Urban Development</i>			
<i>Direct</i>			
Community Development Block Grants/Entitlement Grants		14.218	<u>1,221,326</u>
<i>Department of Justice</i>			
<i>Direct</i>			
COPS Universal Hiring Program		16.710	<u>116,664</u>
Local Law Enforcement Block Grant #4		16.592	101,707
Local Law Enforcement Block Grant #5		16.592	<u>29,918</u>
Total CFDA #16.592			<u>131,625</u>
Abused Adult Resource Center		16.579	<u>24,346</u>
<i>North Dakota Attorney General</i>			
Hazardous Materials Emergency Preparedness			<u>24,022</u>
Juvenile Justice		16.540	<u>71,496</u>
Total Department of Justice			<u>368,153</u>

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - page 2

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Agency or Pass-Through Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<i>Department of Transportation</i>			
<i>Direct</i>			
Airport Improvement Project		20.106	292,017
Airport Improvement Project		20.106	237,641
Airport Improvement Project		20.106	258,806
Airport Improvement Project		20.106	562,575
Total CFDA #20.106			<u>1,351,039</u>
FTA - E/H Transit		20.507	<u>743,808</u>
<i>North Dakota Department of Transportation</i>			
MPO		20.205	348,342
<i>North Dakota Forestry Service</i>			
Lewis & Clark Community Tree Planting Grant		20.205	5,000
Total CFDA #20.205			<u>353,342</u>
Alcohol Prevention		20.600	10,930
Occupant Protection Plan		20.600	10,160
Video Surveillance Equipment		20.600	18,225
Alcohol Saturation Patrol		20.600	3,879
STOP		20.600	9,902
Total CFDA #20.600			<u>53,096</u>
Total Department of Transportation			<u>2,501,285</u>

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - page 3

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Agency or Pass-Through Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<b><i>Federal Emergency Management Agency</i></b>			
<i>North Dakota Department of Emergency Management</i>			
Hazardous Materials Emergency Preparedness		83.516	5,333
Hazardous Materials Emergency Preparedness #2		83.516	16,155
HMEP-Air Monitoring Training		83.516	11,500
Storm Repairs-Fire & Inspection		83.516	14,028
Storm Repairs-Forestry		83.516	86,689
Storm Repairs-Police		83.516	22,788
Storm Repairs-Engineering		83.516	1,716
Storm Repairs-Roads & Streets		83.516	76,091
Storm Repairs-Library		83.516	1,320
Storm Repairs-Airport		83.516	83,311
Storm Repairs-Solid Waste		83.516	10,506
Storm Repairs-Water & Sewer Utility		83.516	19,016
Total Federal Emergency Management Agency			<u>348,453</u>
<b><i>Department of Health and Human Services</i></b>			
<i>North Dakota Department of Health and Human Services</i>			
Breast & Cervical Cancer Screening		93.919	43,357
Immunization		93.268	18,591
Tobacco Prevention & Control		93.283	70,003
HIV Screening		93.940	460
ND Health Tracks		93.991	69,175
Ryan White CARE		93.917	1,208
Student Health Manager		93.994	3,187
Maternal & Child Health/OPOP		93.994	41,905
Health Alert Network		93.283	3,076
Bmk/Bur Public Health School Nurse		93.994	6,373
CPR Instruction			2,454
Time Study			7,794
Stand for Children			2,632
Tobacco Settlement			8,754
Total Department of Health and Human Services			<u>278,969</u>
<b><i>United States Fireman's Association</i></b>			
<i>North Dakota Firemen's Association</i>			
Anti-Terrorism Training			<u>13,189</u>
Total Federal Financial Assistance			<u>\$ 4,732,075</u>

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

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

### NOTE 2 – AGENCY OR PASS-THROUGH NUMBERS

Certain pass-through entities have not provided us with the identifying numbers, therefore, they are not included in this schedule.

**CITY OF BISMARCK**  
**BISMARCK, NORTH DAKOTA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED DECEMBER 31, 2001**

---

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the City of Bismarck.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the City of Bismarck were disclosed during the audit.
4. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the City of Bismarck expresses an unqualified opinion on all major federal programs.
6. Audit findings relative to the major federal award programs for the City of Bismarck are reported in Part C of this schedule.
7. The programs tested as major programs were COPS Universal Hiring Program CFDA #16.710; Highway Planning & Construction CFDA #20.205; and Federal Transit Grant CFDA #20.507.
8. The threshold for distinguishing a Type A program was \$200,000
9. The City of Bismarck was determined to be a low-risk auditee.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT - NONE**

**C. FINDINGS – MAJOR FEDERAL AWARD PROGRAM – NONE**