

WARD COUNTY

**FINANCIAL STATEMENTS
DECEMBER 31, 2021**

WITH INDEPENDENT AUDITOR'S REPORT

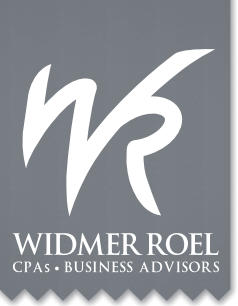
WARD COUNTY
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FOR THE YEAR ENDED DECEMBER 31, 2021

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**WARD COUNTY
COUNTY OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Current

Jim Rostad	Commissioner-Chairperson
John Pietsch	Commissioner-Vice Chair
Howard Anderson	Commissioner
Shelly Wepler	Commissioner
John Fjeldahl	Commissioner
Marisa Haman	Auditor/Treasurer
Robert Roed	Sheriff
Kristin Kowalczyk	County Recorder
Rozanna Larson	States Attorney



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INDEPENDENT AUDITOR’S REPORT

County Commission
Ward County
Minot, North Dakota

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Ward County** (“County”), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of **Ward County**, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements the Water Resource District, which represents 4 percent, 4 percent, and 5 percent, respectively, of the assets, net position, and revenues of the governmental activities. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Water Resource District, is based solely on the report of the other auditors.

Basis for Opinions

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

Emphasis of Matter – Correction of an Error

As discussed in Note 12 to the financial statements, Ward County restated net position on the statement of activities and restated fund balance on the statement of revenues, expenditures, and changes in fund balance to correct an error in the previously issued financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Ward County's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Ward County's** ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Ward County's** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Ward County's** ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Employer's Share of Net Pension and OPEB Liability, Schedule of Employer Contributions, Budgetary Comparison Schedule - General Fund, Budgetary Comparison Schedule - Special Revenue Fund, and Notes to the Required Supplementary Information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **Ward County’s** basic financial statements. The County officials listing and schedule of fund activity arising from cash transactions are presented for purposes of additional analysis and are not a required part of the basic financial statements. The County officials listing has not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

The schedule of fund activity arising from cash transactions is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of fund activity arising from cash transactions is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 2, 2022, on our consideration of the **Ward County’s** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Ward County’s** internal control over financial reporting and compliance.



Fargo, North Dakota
August 2, 2022

WARD COUNTY
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government Governmental Activities	Component Unit Water Resource District
ASSETS		
Cash and investments	\$ 26,158,896	\$ 2,593,679
Inventory	1,286,276	-
Intergovernmental receivable	43,178	-
Taxes receivable	382,809	38,155
Special assessments receivable	-	2,855
Uncertified special assessments receivable	-	1,916,479
Due from county treasurer	-	8,073
Capital assets, not being depreciated		
Land	698,100	113,800
Capital assets, net of accumulated depreciation		
Infrastructure	99,785,927	3,119,909
Buildings	62,425,121	-
Machinery, vehicles, & equipment	5,639,138	-
Total assets	196,419,445	7,792,950
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions and OPEB	16,824,660	-
Total assets and deferred outflows of resources	\$ 213,244,105	\$ 7,792,950
LIABILITIES		
Interest payable	\$ 231,787	\$ 13,600
Long-term liabilities		
Portion due or payable within one year		
Compensated absences payable	169,267	-
Bond payable	5,300,000	115,000
Portion due or payable after one year		
Compensated absences	712,120	-
Bond payable	14,695,000	1,925,000
Bond premium	1,141,342	-
Net pension and OPEB liability	11,357,433	-
Total liabilities	33,606,949	2,053,600
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions and OPEB	24,764,797	-
NET POSITION		
Net investment in capital assets	147,411,944	1,193,709
Restricted for		
Special revenue	12,028,722	-
Debt services	6,487,703	2,171,713
Capital projects	996,157	-
Unrestricted	(12,052,167)	2,373,928
Total net position	154,872,359	5,739,350
Total liabilities, deferred inflows of resources and net position	\$ 213,244,105	\$ 7,792,950

WARD COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Functions/Programs					Net (Expense) Revenue and Changes in Net Position	
					Primary Government	Component Unit
	Expenses	Charges for Services	Program Revenues		Governmental Activities	Water Resource District
		Operating Grants and Contributions	Capital Grants and Contributions			
Primary Government:						
Governmental Activities:						
General government	\$ 9,140,086	\$ 620,840	\$ 7,231,287	\$ -	\$ (1,287,959)	\$ -
Public safety	13,650,883	1,343,691	1,670,352	-	(10,636,840)	-
Highways and public improvement	7,112,394	60,152	4,343,289	1,505,073	(1,203,880)	-
Health and welfare	6,535,198	5,033,667	312,919	-	(1,188,612)	-
Culture and recreation	743,601	7,546	33,679	-	(702,376)	-
Conservation and economic development	434,444	-	-	-	(434,444)	-
Interest expense	546,524	-	-	-	(546,524)	-
	\$ 38,163,130	\$ 7,065,896	\$ 13,591,526	\$ 1,505,073	(16,000,635)	-
Total governmental activities						
Component Units:						
Water resource district	\$ 833,314	\$ 2,906	\$ 81,977	\$ -	-	(748,431)
	\$ 833,314	\$ 2,906	\$ 81,977	\$ -	-	(748,431)
	GENERAL REVENUES					
					16,740,427	1,320,255
					6,990,731	-
					-	18,891
					3,890,615	-
					34,014	-
				Total general revenues	27,655,787	1,339,146
				Change in net position	11,655,152	590,715
				Net position - January 1	142,194,668	5,148,635
				Prior period adjustment	1,022,539	-
				Net position - January 1 as restated	143,217,207	5,148,635
				Net position - December 31	\$ 154,872,359	\$ 5,739,350

See Notes to Financial Statements

WARD COUNTY
BALANCE SHEET - GOVERNMENT FUNDS
DECEMBER 31, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Government Funds</u>
ASSETS					
Cash and investments	\$ 7,932,589	\$ 10,742,446	\$ 6,487,703	\$ 996,157	\$ 26,158,895
Inventory	-	1,286,276	-	-	1,286,276
Intergovernmental receivable	43,180	-	-	-	43,180
Taxes receivable	<u>354,483</u>	<u>28,325</u>	<u>-</u>	<u>-</u>	<u>382,808</u>
Total assets	<u>\$ 8,330,252</u>	<u>\$ 12,057,047</u>	<u>\$ 6,487,703</u>	<u>\$ 996,157</u>	<u>\$ 27,871,159</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred tax revenue	<u>\$ 354,483</u>	<u>\$ 28,325</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 382,808</u>
FUND BALANCES					
Restricted for					
Public safety/911	-	1,750,927	-	-	1,750,927
Highway and public improvement	-	3,030,069	-	-	3,030,069
Health and welfare	-	601,753	-	-	601,753
Culture and recreation	-	(20,611)	-	-	(20,611)
Conservation and economic development	-	126,662	-	-	126,662
General government	-	6,539,922	-	-	6,539,922
Capital project	-	-	-	996,157	996,157
Debt service	-	-	6,487,703	-	6,487,703
Unassigned	<u>7,975,769</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,975,769</u>
Total fund balances	<u>7,975,769</u>	<u>12,028,722</u>	<u>6,487,703</u>	<u>996,157</u>	<u>27,488,351</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,330,252</u>	<u>\$ 12,057,047</u>	<u>\$ 6,487,703</u>	<u>\$ 996,157</u>	<u>\$ 27,871,159</u>

WARD COUNTY
RECONCILIATION OF GOVERNMENT FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

Total fund balances for governmental funds		\$ 27,488,351
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and are not reported in the governmental funds.</p>		
Cost of capital assets	255,689,338	
Less accumulated depreciation	<u>(87,141,052)</u>	168,548,286
<p>Property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as unavailable revenue in the funds.</p>		
		382,808
<p>Net pension and OPEB obligations are not due and payable in the current period, and therefore are not reported in the governmental funds.</p>		
		(11,357,433)
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.</p>		
Total deferred outflows of resources	16,824,660	
Total deferred inflows of resources	<u>(24,764,797)</u>	(7,940,137)
<p>Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.</p>		
Compensated absences payable	(881,387)	
Bonds payable	(19,995,000)	
Unamortized bond premium	(1,141,342)	
Interest payable	<u>(231,787)</u>	<u>(22,249,516)</u>
Total net position of governmental activities		\$ <u>154,872,359</u>

WARD COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GOVERNMENT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Government Funds</u>
REVENUES					
Taxes	\$ 12,284,332	\$ 4,527,956	\$ 6,988,091	\$ 37,927	\$ 23,838,306
Special assessments	-	-	-	39,288	39,288
Licenses, permits and fees	635,823	1,599,373	-	-	2,235,196
Intergovernmental	4,113,730	18,118,401	-	-	22,232,131
Charges and services	1,343,691	-	-	-	1,343,691
Miscellaneous	251,349	500,954	31,590	5,791	789,684
	<u>18,628,925</u>	<u>24,746,684</u>	<u>7,019,681</u>	<u>83,006</u>	<u>50,478,296</u>
Total revenues					
EXPENDITURES					
Current					
General government	8,558,429	109,609	-	-	8,668,038
Public safety/911	10,728,234	2,061,590	-	-	12,789,824
Highway and public improvement	-	9,045,509	-	-	9,045,509
Health and welfare	343,413	6,178,722	-	-	6,522,135
Culture and recreation	267,924	386,087	-	-	654,011
Conservation and economic development	-	418,883	-	-	418,883
Debt service:					
Principal	-	-	5,400,000	-	5,400,000
Interest and fees	-	-	1,103,400	-	1,103,400
	<u>19,898,000</u>	<u>18,200,400</u>	<u>6,503,400</u>	<u>-</u>	<u>44,601,800</u>
Total expenditures					
Excess (deficiency) of revenues over expenditures	<u>(1,269,075)</u>	<u>6,546,284</u>	<u>516,281</u>	<u>83,006</u>	<u>5,876,496</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	5,215,408	983,491	-	6,198,899
Transfers out	<u>(15,408)</u>	<u>(5,200,000)</u>	<u>(983,491)</u>	<u>-</u>	<u>(6,198,899)</u>
Total other financing sources (uses)	<u>(15,408)</u>	<u>15,408</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(1,284,483)</u>	<u>6,561,692</u>	<u>516,281</u>	<u>83,006</u>	<u>5,876,496</u>
FUND BALANCES - JANUARY 1	9,260,252	4,444,491	5,971,422	913,151	20,589,316
PRIOR PERIOD ADJUSTMENT	-	1,022,539	-	-	1,022,539
FUND BALANCE - JANUARY 1	<u>9,260,252</u>	<u>5,467,030</u>	<u>5,971,422</u>	<u>913,151</u>	<u>21,611,855</u>
AS RESTATED					
FUND BALANCES - DECEMBER 31	<u>\$ 7,975,769</u>	<u>\$ 12,028,722</u>	<u>\$ 6,487,703</u>	<u>\$ 996,157</u>	<u>\$ 27,488,351</u>

WARD COUNTY

**RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

Net change in fund balances - total governmental funds \$ 5,876,496

Amount reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period these amounts are:

Current year capital outlay (less disposals)	4,707,180	
Depreciation expense (net accumulated depreciation of disposals)	<u>(4,904,832)</u>	(197,652)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which payments exceeded proceeds.

Debt payments	5,400,000
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Governmental funds report the effect of premiums on refunding when debt is first issued, whereas this amount is deferred and amortized in the statement of activities. 437,496

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.

Net decrease in compensated absences	171,394	
Net decrease in interest payable	<u>87,651</u>	259,045

The net pension and OPEB liability, and related deferred outflows and inflows of resources are reported in the government wide statements; however, activity related to these pension and OPEB items do not involve financial resources, and are not reported in the funds.

Decrease in net pension and OPEB liability	24,405,818	
Decrease in deferred outflows of resources	(5,388,771)	
Increase in deferred inflows of resources	<u>(19,026,657)</u>	(9,610)

Some revenues reported on the statement of activities are not reported as revenues in the governmental funds since they do not represent available resources to pay current expenditures.

Net decrease in taxes receivable	<u>(110,623)</u>
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Change in net position of governmental activities \$ 11,655,152

WARD COUNTY
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2021

	<u>Custodial Funds</u>
ASSETS	
Cash and investments	\$ <u>31,922,415</u>
LIABILITIES	
Due to other governments	\$ <u>31,922,415</u>

WARD COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Custodial Funds</u>
ADDITIONS	
Contributions	\$ <u>89,630,823</u>
Total additions	<u>89,630,823</u>
DEDUCTIONS	
Disbursements	<u>87,247,004</u>
Total deductions	<u>87,247,004</u>
Change in net position	<u>2,383,819</u>
NET POSITION - JANUARY 1	<u>29,538,596</u>
NET POSITION - DECEMBER 31	\$ <u><u>31,922,415</u></u>

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Ward County (“County”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Government Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government’s accounting policies are described below.

Financial Reporting Entity

The accompanying financial statements present the activities of the County. The County has considered all potential component units for which the County is financially accountable and other organizations for which the nature and significance of their relationships with the County are such that exclusion would cause the County’s financial statements to be misleading or incomplete. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes appointing a voting majority of an organization’s governing board and (1) the ability of the County to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or imposed specific financial burdens on the County.

Based on these criteria, the component unit discussed below is included within the County’s reporting entity because of the significance of its operational or financial relationship with the County.

Discretely Presented Component Unit

The component unit column in the basic financial statements includes the financial data of the County’s component unit. The unit is reported in a separate column to emphasize that it is legally separate from the County.

Ward County Water Resource District

The Ward County Water Resource District’s governing board is appointed by the County’s governing board. The County’s governing body has the authority to disapprove, amend, or approve the water resource district budget. The water resource district has the authority to issue its own debt.

Complete financial statements of the Ward County Water Resource District may be obtained at Ward County Water Resource District, PO Box 5055, Minot, ND 58072.

Basis of Presentation

Government-wide Financial Statements: The statement of net position and the statement of activities display information about the primary government, Ward County and its component unit. These statements include the financial activities of the overall government, except for financial activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County’s governmental activities. Direct expenses are those that are specifically associated with program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Fund Financial Statements: The fund financial statements provide information about the County's funds including its fiduciary funds. Separate statements for each fund category – *governmental* and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The County reports the following major governmental funds:

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

Special Revenue Fund: This fund accounts for all other resources which are required by law, contract or policy to be accounted for in another fund, but which do not meet the criteria of debt service or capital projects funds.

Debt Service Fund: This fund is used to account for the accumulation of resources for, and the payment of principal, interest and related costs for the general obligation and sales tax revenue bonds.

Capital Projects Fund: This fund accounts for financial resources dedicated to the construction of new buildings, additions to old buildings, or the making of major repairs to existing buildings.

The County reports the following fund type:

Custodial Funds: These funds account for assets held by the County in a custodial capacity as an agent on behalf of others. The County's custodial funds are used to account for various deposits of other governments.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. These financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Accounts past due more than sixty days are analyzed for collectability. When management deems any account receivable to be uncollectible, an allowance is setup and deducted from the related accounts receivable.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. All revenues are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursements grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted components of net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, and then by general revenues.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Cash and Investments

Cash includes amounts in demand deposits money market accounts. Investments consist of certificates of deposit stated at cost. Certificates of deposit principle may be withdrawn at any time before maturity with a penalty of interest.

Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased. The inventory is offset within the non-spendable classification of fund balance in the fund financial statements which indicates that inventory does not constitute “available spending resources” even though it is a component of net current assets.

Capital Assets

Capital assets include property, plant and equipment. Assets are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more. Such assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Infrastructure	50 to 70 years
Buildings	50 to 100 years
Machinery, Vehicles, & Equipment	10 years

Interest Payable

Interest payable consists of interest on long-term liabilities accrued to December 31, 2021.

Compensated Absences

Vested or accumulated vacation leave and compensatory time is reported in government-wide statement of net position. Compensation for unused vacation leave will be granted to all full-time employees upon termination of employment with the County. The employees may carry forward unused vacation leave not to exceed 240 hours. Compensatory time must be used or paid out within six months of accrual. No liability is recorded for non-vesting accumulation rights to receive sick pay benefits.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has multiple items that qualify for reporting in this category. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County also reports deferred inflows and outflows of resources related to pensions and other post-employment benefits.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported separately from the applicable bond premium or discount.

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

Pension

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

Other Post-Employment Benefits (“OPEB”)

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

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash such as inventories or prepaid expenses) or (b) legally or contractually required to be maintained intact (i.e., endowment funds).

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, contributors, or law or regulations of other governments (i.e., funds restricted by state statute, unspent bond proceeds, grants earned but not spent, debt covenants or taxes raised for a specific purpose).

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County commission through the adoption of a resolution. The County commission also may modify or rescind the commitment.

Assigned – Fund balances are reported as assigned when amounts are constrained by the County’s intent to be used for specific purposes but are neither restricted nor committed.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County’s policy to use fund balance in the following order:

1. Committed
2. Assigned
3. Unassigned

Net Position – Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulation depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has not spent) for acquisition, construction or improvement of those assets. Net position is reported as restricted as described in the fund balance section above. All other net position is reported as unrestricted. When both restricted and unrestricted amounts of net position are available for use for expenditures incurred, it is the County’s policy to use restricted amounts first and then unrestricted amounts as they are needed.

Interfund Transactions

In the governmental fund statements, transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except reimbursements, are reported as transfers.

In the government-wide financial statements, interfund transactions have been eliminated.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reporting amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS

In accordance with North Dakota Statutes, the County maintains deposits at the depository banks designated by the governing board. All depositories are members of the Federal Reserve System.

Deposits must either be deposited with the Bank of North Dakota or in another financial institution situated and doing business within the state. Deposits, other than with the Bank of North Dakota, must be fully insured or bonded. In lieu of a bond, a financial institution may provide a pledge of securities of 110% of the deposits not covered by insurance or bonds.

Authorized collateral includes bills, notes, or bonds issued by the United States government, its agencies or instrumentalities, all bonds and notes guaranteed by the United States government, Federal Land Bank bonds, bonds, notes, warrants, certificates of indebtedness, insured certificates of deposit, shares of investment companies registered under the Investment Companies Act of 1940, and all other forms of securities issued by the State of North Dakota, its boards, agencies or instrumentalities, or by any County, city, township, school district, park district, or other political subdivision of the state of North Dakota, whether payable from special revenues or supported by the full faith and credit of the issuing body and bonds issued by another state of the United States or other securities approved by the banking board.

At year ended December 31, 2021, the County's carrying amount of deposits was \$58,081,311 and the bank balances were \$54,186,355. Of the bank balance, \$500,000 was covered by Federal Depository Insurance. The remaining balance of \$53,686,355 was collateralized with securities held by the pledging financial institution's agent in the government's name.

At year ended December 31, 2021, the Water Resource District's carrying amount of deposits was \$2,593,680 and the bank balance was \$2,594,355. Of the bank balance, \$1,708,589 was covered by Federal Depository Insurance. The remaining balance of \$885,766 was collateralized with securities held by the pledging financial institution's agent in the government's name.

Credit Risk

The County may invest idle funds as authorized in North Dakota Statutes, as follows:

- a) Bonds, treasury bills and notes, or other securities that are a direct obligation insured or guaranteed by the Treasury of the United States, or its agencies, instrumentalities, or organizations created by an Act of Congress.
- b) Securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are the type listed above.
- c) Certificates of deposit fully insured by the Federal Deposit Insurance Corporation.
- d) Obligations of the state.

At December 31, 2021 the County held certificates of deposit in the amount of \$515,000 which are all considered deposits.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Concentration of Credit Risk

The County does not have a limit on the amount the County may invest in any one issuer.

NOTE 3 – TAXES RECEIVABLE

Taxes and special assessments receivable represent the past three years of uncollected current and delinquent taxes. No allowance has been established for uncollectible taxes and special assessments receivable.

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Any material tax collections are distributed after the end of each month.

Property taxes are levied as of January 1. The property taxes attach as an enforceable lien on property on January 1 and may be paid in two installments. The first installment includes one-half of the real estate taxes and all the special assessments, and the second installment is the balance of the real estate taxes. The first installment is due by March 1 and the second installment is due by October 15. A 5% discount is allowed if all taxes and special assessments are paid by February 15. After the due dates, the bill becomes delinquent, and penalties are assessed.

Most property owners choose to pay property taxes and special assessments in a single payment on or before February 15 and receive the discount on the property taxes.

NOTE 4 – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2021:

Primary Government:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 698,100	\$ -	\$ -	\$ 698,100
Capital assets, being depreciated				
Infrastructure	164,346,633	3,726,161	-	168,072,794
Buildings	72,613,921	235,159	-	72,849,080
Machinery, vehicles, & equipment	13,323,504	1,874,388	1,128,528	14,069,364
Total capital assets, being depreciated	<u>250,284,058</u>	<u>5,835,708</u>	<u>1,128,528</u>	<u>254,991,238</u>
Less accumulated depreciation for				
Infrastructure	65,018,552	3,268,315	-	68,286,867
Buildings	9,386,599	1,037,360	-	10,423,959
Machinery, vehicles, & equipment	7,831,069	1,192,859	593,702	8,430,226
Total accumulated depreciation	<u>82,236,220</u>	<u>5,498,534</u>	<u>593,702</u>	<u>87,141,052</u>
Total capital assets, being depreciated, net	<u>168,047,838</u>	<u>337,174</u>	<u>534,826</u>	<u>167,850,186</u>
Governmental activities capital assets, net	<u>\$ 168,745,938</u>	<u>\$ 337,174</u>	<u>\$ 534,826</u>	<u>\$ 168,548,286</u>

(Continued)

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Depreciation expense was charged to functions/programs of the County as follows:

General government	\$ 452,375
Public safety	767,727
Highways and public improvement	4,237,487
Health and welfare	13,063
Culture and recreation	24,255
Conservation and economic development	3,627
	\$ 5,498,534

Component Unit:

	Beginning Balance	Additions	Dispositions	Ending Balance
Capital assets not being depreciated				
Land	\$ 113,800	\$ -	\$ -	\$ 113,800
Capital assets, being depreciated				
Infrastructure	3,847,742	-	-	3,847,742
Less accumulated depreciation for				
Infrastructure	647,067	80,766	-	727,833
Total capital assets, being depreciated, net	3,200,675	(80,766)	-	3,119,909
Component unit capital assets, net	\$ 3,314,475	\$ (80,766)	\$ -	\$ 3,233,709

Depreciation expense was charged to functions/programs of the water resource district as follows:

Public works	\$ <u>80,766</u>
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WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 5 – LONG-TERM DEBT

Primary Government:

Changes in Long-Term Liabilities

During the year ended December 31, 2021, the following changes occurred in liabilities reported in the long-term liabilities – Governmental Activities:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 7,260,000	\$ -	\$ -	\$ 7,260,000	\$ -
Sales tax revenue bonds	18,135,000	-	5,400,000	12,735,000	5,300,000
Bond premium	1,578,838	-	437,496	1,141,342	-
Compensated absences	1,052,781	-	171,394	881,387	169,267
Net pension liability	34,784,283	-	24,098,984	10,685,299	-
Net OPEB liability	978,968	-	306,834	672,134	-
Total	\$ <u>63,789,870</u>	\$ <u>-</u>	\$ <u>30,414,708</u>	\$ <u>33,375,162</u>	\$ <u>5,469,267</u>

Outstanding debt at December 31, 2021 consists of the following:

General Obligation Debt

General obligation debt is a direct obligation and pledges the full faith and credit of the government. General obligation debt outstanding at December 31, 2021 is as follows:

\$7,260,000 General Obligation Correction Center Bonds. Series 2017A due in annual installments of \$1,030,000 to \$3,175,000 from April 1, 2024 through April 1, 2026; interest at 4%.	\$ <u><u>7,260,000</u></u>
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Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 290,400	\$ 290,400
2023	-	290,400	290,400
2024	3,055,000	229,300	3,284,300
2025	3,175,000	104,700	3,279,700
2026	1,030,000	20,600	1,050,600
	\$ <u><u>7,260,000</u></u>	\$ <u><u>935,400</u></u>	\$ <u><u>8,195,400</u></u>

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Revenue Bond Debt

The County has issued revenue bonds to provide funds for the construction of new courthouse building. Revenue bonds outstanding at December 31, 2021 are as follows:

\$18,135,000 Limited Tax Refunding Bonds, Series 2020 due in annual installments of \$1,835,000 to \$5,600,000 through April 1, 2024; interest at 5%. \$ 12,735,000

Annual debt service requirements to maturity for revenue bond debt are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 5,300,000	\$ 504,250	\$ 5,804,250
2023	5,600,000	231,750	5,831,750
2024	<u>1,835,000</u>	<u>45,875</u>	<u>1,880,875</u>
	<u>\$ 12,735,000</u>	<u>\$ 781,875</u>	<u>\$ 13,516,875</u>

Component Units:

Changes in Long-Term Liabilities

During the year ended December 31, 2021, the following changes occurred in liabilities reported in the long-term liabilities.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Special assessment bonds	\$ <u>2,155,000</u>	\$ <u>-</u>	\$ <u>115,000</u>	\$ <u>2,040,000</u>	\$ <u>115,000</u>

Outstanding debt at December 31, 2021 consists of the following:

\$2,546,106 Sanitary Sewer System Improvement Bonds, Series 2016 due in annual installments of \$110,000 to \$165,000 through September 1, 2036; interest at 2%. \$ 2,040,000

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Special Assessment Debt

The water resource district has issued special assessment bonds to provide funds for the construction of the Nedrose sanitary sewer. Special assessment bonds outstanding at December 31, 2021, are as follows:

Annual debt service requirements to maturity for special assessment bonds are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 115,000	\$ 40,800	\$ 155,800
2023	120,000	38,500	158,500
2024	125,000	36,100	161,100
2025	125,000	33,600	158,600
2026	130,000	31,100	161,100
2027-2031	700,000	115,100	815,100
2032-2036	725,000	41,600	766,600
	<u>\$ 2,040,000</u>	<u>\$ 336,800</u>	<u>\$ 2,376,800</u>

NOTE 6 – TRANSFERS

The following is a reconciliation between transfers in and transfers out as reported in the basic financial statements for the year ended December 31, 2021:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General fund	\$ -	\$ 15,408
Special revenue funds		
911 depreciation	135,000	-
911 wired/wireless	-	135,000
Highway	5,015,408	-
Highway users	-	5,000,000
Library	-	65,000
Book mobile replacement	65,000	-
Debt service funds		
Sales tax bond	983,491	-
Bond surplus	-	983,491
	<u>\$ 6,198,899</u>	<u>\$ 6,198,899</u>

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 7 – DEFICIT FUND BALANCES

The following funds had a deficit balance as of December 31, 2021:

<u>Special Revenue Funds</u>	
Library	\$ (105,404)
Vision zero outreach	(17,055)
CDBG projects	<u>(31,412)</u>
 Total	 \$ <u><u>(153,871)</u></u>

The County plans to eliminate these deficits with future revenue collections and/or transfers from other funds.

NOTE 8 – RISK MANAGEMENT

Ward County is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

In 1986, the state agencies and political subdivisions of the state of North Dakota joined together to form the North Dakota Insurance Reserve Fund (“NDIRF”), a public entity risk pool currently operating as a common risk management and insurance program for the state and over 2,000 political subdivisions. The County pays an annual premium to NDIRF for its general liability, automobile, and inland marine insurance coverage. The coverage by NDIRF is limited to losses of \$2,000,000 per occurrence for general liability and automobile; and \$6,854,966 for public assets.

The County also participates in the North Dakota Fire and Tornado Fund and the State Bonding Fund. The County pays an annual premium to the Fire and Tornado Fund to cover property damage to buildings and personal property. Replacement cost coverage is provided by estimating replacement cost in consultation with the Fire 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 12-month period. The State Bonding Fund currently provides the County with blanket fidelity bond coverage in the amount of \$2,000,000 for its employees. The State Bonding Fund does not currently charge any premium for this coverage.

The County has worker’s compensation with the Department of Workforce Safety and Insurance and purchases commercial insurance for employee health and accident insurance.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTE 9 – CONTINGENT LIABILITIES

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Ward County State’s Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 10 – PENSION PLANS

North Dakota Public Employees Retirement System (Main & Law Enforcement Systems)

The following brief description of NDPERS is provided for general information purposes only. Participants should refer to North Dakota Century Code (“NDCC”) Chapter 54-52 for more complete information.

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

The Law Enforcement System is a cost-sharing multiple-employer defined benefit pension plan that covers peace officers and correctional officers employed by participating political subdivisions. Effective August 1, 2015, the plan will include National Guard Security Officers and Firefighters. The Law Enforcement System provides for pension, death, and disability benefits. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

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

Pension Benefits

Main System

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

Law Enforcement System

Benefits are set by statute. The Law Enforcement System has no provision or policies with respect to automatic and ad hoc post-retirement benefit increases. Members of the Law Enforcement System are entitled to unreduced monthly pension benefits beginning when the sum of age and years of credited service equal or exceed 85 (Rule of 85), or at normal retirement age (55) with three or more years of service. The monthly pension benefit is equal to 2.00% of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. For members first enrolled in the plan after December 31, 2019, the multiplier was reduced from 2.0% to 1.75%. The plan permits early retirement at ages 50-55 with three or more years of service.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Both Systems

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

Death and Disability Benefits

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

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

Refunds of Member Account Balance

Main System

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

Law Enforcement System

Upon termination, if a member of the Law Enforcement System is not vested (is not 55 or does not have three years of service), they will receive the accumulated member contributions and vested employer contributions, plus interest, or may elect to receive this amount at a later date. If the member has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member is terminated and withdrew their accumulated member contribution and is subsequently reemployed, they have the option of repurchasing their previous service.

Member and Employer Contributions

Main System

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

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Law Enforcement System

Member and employer contributions paid to NDPERS are established as a percentage of covered compensation. Member contribution rates are set by statute and employer contribution rates are set by the Board. Contribution rates for the Law Enforcement System are established as follows:

Plan	Member contribution rate	Employer contribution rate
Law Enforcement with previous service		
Political Subdivisions	5.50%	9.81%
State	6.00%	9.81%
National Guard	5.50%	9.81%
Law Enforcement without previous service	5.50%	7.93%

Both Systems

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

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

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

At December 31, 2021, the County reported a liability for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The proportion of the net pension liability was based on the share of covered payroll in the Main System and the Law Enforcement System pension plan relative to the covered payroll of all participating employers.

The table shows the net pension liability and the proportionate share for each system:

	<u>Net Pension Liability</u>	<u>Proportion Share</u>	<u>Change in Proportion Share</u>
Main System	\$ 9,408,013	0.902620%	-0.036609%
Law Enforcement System	\$ 1,277,286	7.707725%	-0.910707%

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

For the year ended December 31, 2021, the County recognized pension expense as follows:

	Pension Expense
Main System	\$ 1,341,038
Law Enforcement System	\$ (109,851)

At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Main System

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 162,427	\$ 960,216
Changes of assumptions	10,412,844	13,576,172
Net difference between projected and actual earnings on pension plan investments	-	3,489,284
Changes in proportion and differences between employer contributions and proportionate share of contributions	67,463	1,050,355
County contributions subsequent to the measurement date	384,939	-
	\$ 11,027,673	\$ 19,076,027

\$384,939 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Law Enforcement

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,438,067	\$ 60,860
Changes of assumptions	2,895,933	4,442,893
Net difference between projected and actual earnings on pension plan investments	-	692,915
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,445	199,386
County contributions subsequent to the measurement date	<u>222,859</u>	<u>-</u>
	<u>\$ 5,560,304</u>	<u>\$ 5,396,054</u>

\$222,859 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date for the primary government and its component units will be recognized as a reduction of the net pension liability in the year ended December 31, 2022.

Both Systems

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

Main System

Year Ended June 30:		
2022		\$ (1,338,821)
2023		(1,986,389)
2024		(1,608,288)
2025		(3,499,795)

Law Enforcement System

Year Ended June 30:		
2022		\$ 169,348
2023		35,691
2024		13,307
2025		147,782
2026		(209,027)
Thereafter		(215,710)

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Actuarial Assumptions

The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.5% to 17.75% including inflation
Investment rate of return	7.00%, net of investment expenses
Cost-of-living adjustments	None

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

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

Asset Class - Main	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	30%	6.00%
International equity	21%	6.70%
Private equity	7%	9.50%
Domestic fixed income	23%	0.73%
Global real assets	19%	4.77%

Asset Class - Law Enforcement	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	30%	6.30%
International equity	21%	6.70%
Private equity	7%	9.50%
Domestic fixed income	23%	0.73%
Global real assets	19%	4.77%

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Discount Rate

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 1.92%; and the resulting Single Discount Rate is 7.00%.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

Main System

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of net pension liability	\$ 14,961,903	\$ 9,408,013	\$ 4,783,527

Law Enforcement System

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of net pension liability	\$ 2,989,475	\$ 1,277,286	\$ (96,679)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NDPERS financial report. Additional financial and actuarial information is available on their website, www.nd.gov/ndpers, or may be obtained by contacting the agency at: North Dakota Public Employees Retirement System, 400 E Broadway Ave Suite 505, P.O. Box 1657, Bismarck, ND, 58502-1657 or by calling (701) 328-3900.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS PLANS

North Dakota Public Employees Retirement System

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

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

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

OPEB Benefits

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

Retiree health insurance credit benefits and death and disability benefits are set by statute. There are no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Employees who are receiving monthly retirement benefits from the NDPERS, the HPRS, the Defined Contribution Plan, the Chapter 27-17 judges or an employee receiving disability benefits, or the spouse of a deceased annuitant receiving a surviving spouse benefit or if the member selected a joint and survivor option are eligible to receive a credit toward their monthly health insurance premium under the state health plan.

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

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

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

At December 31, 2021, the County reported a liability of \$672,134 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liability was based on the Employer's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2021, the County's proportion was 1.208499 percent, which was an increase of 0.04472 from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the County recognized OPEB expense of \$83,665. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 38,602	\$ 18,423
Changes of assumptions	104,087	-
Net difference between projected and actual earnings on pension plan investments	-	230,290
Changes in proportion and differences between employer contributions and proportionate share of contributions	19,349	44,003
County contributions subsequent to the measurement date	<u>74,645</u>	<u>-</u>
	<u>\$ 236,683</u>	<u>\$ 292,716</u>

\$74,645 reported as deferred outflows of resources related to OPEB resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022.

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

Year Ended June 30:		
2022		\$ (22,091)
2023		(23,749)
2024		(34,584)
2025		(52,492)
2026		2,202
2027		-
Thereafter		-

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Actuarial Assumptions

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	Not applicable
Investment rate of return	6.50%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the Mortality Pub-2010 Healthy Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of RHIC investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Large cap domestic equities	33%	5.85%
Small cap domestic equities	6%	6.75%
Domestic fixed income	40%	0.50%
International equities	21%	6.25%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed plan member and statutory/Board approved employer contributions will be made at rates equal to those based on the July 1, 2018, and July 1, 2017, HPRS actuarial valuation reports. For this purpose, only employer contributions that are intended to fund benefits of current RHIC members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the RHIC fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on RHIC investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

WARD COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

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

The following presents the net OPEB liability of the Plans as of June 30, 2020, calculated using the discount rate of 6.50%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of net pension liability	\$ <u>996,862</u>	\$ <u>672,134</u>	\$ <u>397,367</u>

NOTE 12 – CORRECTION OF AN ERROR

The 2021 beginning net position and special revenue fund balance amounts have been restated to adjust for inventory that had not previously been recorded, which resulted in an understatement of beginning net position and special revenue fund balance in the amount of \$1,022,539.

WARD COUNTY

**REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

WARD COUNTY

**SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION AND OPEB LIABILITY
LAST 10 FISCAL YEARS***

<u>Pension Plan</u>	<u>Measurement Date</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Employer's Covered-Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
ND PERS - Main System	6/30/2021	0.902620%	\$ 9,408,013	\$ 10,221,189	92.04%	78.26%
ND PERS - Main System	6/30/2020	0.939229%	\$ 29,548,345	\$ 10,360,833	285.19%	48.91%
ND PERS - Main System	6/30/2019	0.992173%	\$ 11,628,985	\$ 10,320,290	112.68%	71.66%
ND PERS - Main System	6/30/2018	1.015218%	\$ 17,132,911	\$ 10,429,512	164.27%	62.80%
ND PERS - Main System	6/30/2017	0.998332%	\$ 16,046,472	\$ 10,191,403	157.45%	61.98%
ND PERS - Main System	6/30/2016	0.936847%	\$ 9,130,487	\$ 9,441,211	96.71%	70.46%
ND PERS - Main System	6/30/2015	0.913962%	\$ 6,214,786	\$ 8,142,296	76.33%	77.15%
ND PERS - Main System	6/30/2014	0.946207%	\$ 6,005,778	\$ 7,970,652	75.35%	77.70%
ND PERS - Law Enforcement	6/30/2021	7.707725%	\$ 1,277,286	\$ 4,742,833	26.93%	87.10%
ND PERS - Law Enforcement	6/30/2020	7.987957%	\$ 5,235,938	\$ 3,625,242	144.43%	53.12%
ND PERS - Law Enforcement	6/30/2019	7.991588%	\$ 950,427	\$ 3,219,967	29.52%	84.95%
ND PERS - Law Enforcement	6/30/2018	10.183491%	\$ 2,373,185	\$ 3,515,450	67.51%	71.64%
ND PERS - Law Enforcement	6/30/2017	11.462062%	\$ 2,523,509	\$ 3,297,140	76.54%	69.86%
ND PERS - Law Enforcement	6/30/2016	11.286701%	\$ 1,293,281	\$ 3,185,768	40.60%	78.73%
ND PERS - Law Enforcement	6/30/2015	14.574460%	\$ 885,474	\$ 2,136,098	41.45%	83.61%
ND PERS - Law Enforcement	6/30/2014	16.688576%	\$ 1,032,479	\$ 2,181,867	47.32%	80.56%

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

<u>Pension Plan</u>	<u>Measurement Date</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Employer's Covered-Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
OPEB	6/30/2021	1.208499%	\$ 672,134	\$ 13,175,759	5.10%	76.63%
OPEB	6/30/2020	1.163779%	\$ 978,968	\$ 13,266,742	7.38%	63.38%
OPEB	6/30/2019	1.213440%	\$ 974,620	\$ 13,540,257	7.20%	63.13%
OPEB	6/30/2018	1.274424%	\$ 1,003,696	\$ 13,944,962	7.20%	61.89%
OPEB	6/30/2017	1.246814%	\$ 986,243	\$ 13,488,543	7.31%	59.78%

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

WARD COUNTY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST 10 FISCAL YEARS*

<u>Pension Plan</u>	<u>Measurement Date</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in Relation to the Statutorily Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered-Employee Payroll</u>	<u>Contributions as a Percentage of Covered-Employee Payroll</u>
ND PERS - Main System	6/30/2021	\$ 753,768	\$ (707,525)	\$ 46,243	\$ 10,221,189	6.92%
ND PERS - Main System	6/30/2020	\$ 733,637	\$ (822,460)	\$ (88,823)	\$ 10,360,833	7.94%
ND PERS - Main System	6/30/2019	\$ 734,805	\$ (734,805)	\$ -	\$ 10,320,290	7.12%
ND PERS - Main System	6/30/2018	\$ 742,581	\$ (742,581)	\$ -	\$ 10,429,512	7.12%
ND PERS - Main System	6/30/2017	\$ 725,628	\$ (725,628)	\$ -	\$ 10,191,403	7.12%
ND PERS - Main System	6/30/2016	\$ 672,214	\$ (672,214)	\$ -	\$ 9,441,211	7.12%
ND PERS - Main System	6/30/2015	\$ 579,731	\$ (579,731)	\$ -	\$ 8,142,296	7.12%
ND PERS - Main System	6/30/2014	\$ 567,510	\$ (567,510)	\$ -	\$ 7,970,652	7.12%
ND PERS - Law Enforcement	6/30/2021	\$ 421,665	\$ (425,842)	\$ (4,177)	\$ 4,742,833	8.98%
ND PERS - Law Enforcement	6/30/2020	\$ 387,037	\$ (386,310)	\$ 727	\$ 3,625,242	10.66%
ND PERS - Law Enforcement	6/30/2019	\$ 315,879	\$ (315,879)	\$ -	\$ 3,219,967	9.81%
ND PERS - Law Enforcement	6/30/2018	\$ 344,866	\$ (344,866)	\$ -	\$ 3,515,450	9.81%
ND PERS - Law Enforcement	6/30/2017	\$ 323,449	\$ (323,449)	\$ -	\$ 3,297,140	9.81%
ND PERS - Law Enforcement	6/30/2016	\$ 312,524	\$ (312,524)	\$ -	\$ 3,185,768	9.81%
ND PERS - Law Enforcement	6/30/2015	\$ 209,551	\$ (209,551)	\$ -	\$ 2,136,098	9.81%
ND PERS - Law Enforcement	6/30/2014	\$ 214,041	\$ (214,041)	\$ -	\$ 2,181,867	9.81%

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

<u>Pension Plan</u>	<u>Measurement Date</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in Relation to the Statutorily Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered-Employee Payroll</u>	<u>Contributions as a Percentage of Covered-Employee Payroll</u>
OPEB	6/30/2021	\$ 158,442	\$ (146,744)	\$ 11,698	\$ 13,175,759	1.11%
OPEB	6/30/2020	\$ 155,856	\$ (174,049)	\$ (18,193)	\$ 13,266,742	1.31%
OPEB	6/30/2019	\$ 154,359	\$ (154,359)	\$ -	\$ 13,540,257	1.14%
OPEB	6/30/2018	\$ 158,973	\$ (158,973)	\$ -	\$ 13,944,962	1.14%
OPEB	6/30/2017	\$ 153,769	\$ (153,769)	\$ -	\$ 13,488,543	1.14%

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

WARD COUNTY
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
REVENUES				
Taxes	\$ 12,811,396	\$ 12,811,396	\$ 12,284,332	\$ (527,064)
Licenses, permits and fees	481,650	481,650	635,823	154,173
Intergovernmental	2,157,345	2,598,405	4,113,730	1,515,325
Charges and services	610,000	610,000	1,343,691	733,691
Miscellaneous	<u>445,000</u>	<u>445,000</u>	<u>251,349</u>	<u>(193,651)</u>
Total revenues	<u>16,505,391</u>	<u>16,946,451</u>	<u>18,628,925</u>	<u>1,682,474</u>
EXPENDITURES				
Current				
General government	9,597,799	9,732,049	8,558,429	(1,173,620)
Public safety/911	11,672,051	11,672,051	10,728,234	(943,817)
Highway and public improvement	421,354	421,354	-	(421,354)
Health and welfare	160,000	267,786	343,413	75,627
Culture and recreation	<u>-</u>	<u>-</u>	<u>267,924</u>	<u>267,924</u>
Total expenditures	<u>21,851,204</u>	<u>22,093,240</u>	<u>19,898,000</u>	<u>(2,195,240)</u>
Excess (deficiency) of revenues over expenditures	(5,345,813)	(5,146,789)	(1,269,075)	3,877,714
OTHER FINANCING USES				
Transfers in	135,000	-	-	-
Transfers out	<u>270,000</u>	<u>135,000</u>	<u>(15,408)</u>	<u>(150,408)</u>
Net change in fund balance	(5,075,813)	(5,011,789)	(1,284,483)	3,727,306
FUND BALANCE, JANUARY 1	<u>9,260,252</u>	<u>9,260,252</u>	<u>9,260,252</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u>\$ 4,184,439</u>	<u>\$ 4,248,463</u>	<u>\$ 7,975,769</u>	<u>\$ 3,727,306</u>

WARD COUNTY

**BUDGETARY COMPARISON SCHEDULE – SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
REVENUES				
Taxes	\$ 4,724,985	\$ 4,724,985	\$ 4,527,956	\$ (197,029)
Licenses, permits and fees	1,650,000	1,650,000	1,599,373	(50,627)
Intergovernmental	10,641,457	10,641,457	18,118,401	7,476,944
Miscellaneous	314,400	314,400	500,954	186,554
Total revenues	17,330,842	17,330,842	24,746,684	7,415,842
EXPENDITURES				
Current				
General government	-	-	109,609	109,609
Public safety/911	2,853,411	2,869,424	2,061,590	(807,834)
Highway and public improvement	9,509,992	9,509,992	9,045,509	(464,483)
Health and welfare	5,857,258	6,008,334	6,178,722	170,388
Culture and recreation	522,785	522,785	386,087	(136,698)
Conservation and economic development	361,682	446,682	418,883	(27,799)
Total expenditures	19,105,128	19,357,217	18,200,400	(1,156,817)
Excess (deficiency) of revenues over expenditures	(1,774,286)	(2,026,375)	6,546,284	8,572,659
OTHER FINANCING SOURCES (USES)				
Transfers in	135,000	-	5,215,408	5,215,408
Transfers out	270,000	135,000	(5,200,000)	(5,335,000)
Total other financing sources (uses)	405,000	135,000	15,408	(119,592)
Net change in fund balances	(1,369,286)	(1,891,375)	6,561,692	8,453,067
FUND BALANCE, JANUARY 1	4,444,491	4,444,491	4,444,491	-
PRIOR PERIOD ADJUSTMENT	-	-	1,022,539	1,022,539
FUND BALANCE, JANUARY 1 AS RESTATED	4,444,491	4,444,491	5,467,030	1,022,539
FUND BALANCE, DECEMBER 31	\$ 3,075,205	\$ 2,553,116	\$ 12,028,722	\$ 9,475,606

WARD COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT BUDGET POLICIES

Annually, the board of county commissioners provides each office a department budget. The departments complete their budget and file it with the county auditor. Based upon the departmental budget requests and other financial information, the county auditor prepares the preliminary county budget. The budget is prepared for the general, special revenue and debt service funds on the modified accrual basis of accounting. The preliminary budget includes the proposed expenditures and the means of financing them. All annual appropriations lapse at year-end.

The board of county commissioners holds a public hearing where any taxpayer may testify in favor or against any proposed expenditures or tax levies requested in the preliminary budget. After the budget hearing and on or before the October meeting, the board adopts the final budget and shall determine the amount of taxes that shall be levied for county purposes and shall levy all such taxes in specific amounts. No expenditure shall be made, or liability incurred in excess of the total appropriation by fund, except for transfers as authorized by the North Dakota Century Code Section 11-23-07. However, the board of county commissioners may amend the budget, except for property taxes, during the year for any revenues and appropriations not anticipated at the time the budget was prepared. The budget amendments must be approved by the board and the approval must be noted in the proceedings of the board.

NOTE 2 – LEGAL COMPLIANCE

Budget Amendments

The governing board approved the following amendments to the County’s budget for the year ending December 31, 2021:

	<u>Original Budget</u>	<u>Amendment</u>	<u>Amended Budget</u>
General fund - expenditures	\$ 21,851,204	\$ 242,036	\$ 22,093,240
Special revenue fund - expenditures	\$ 19,105,128	\$ 252,089	\$ 19,357,217

NOTE 3 – PENSIONS AND OPEB

Changes of Assumptions

Main System and Law Enforcement System

All actuarial assumptions and the actuarial cost method are unchanged from the last actuarial valuation as of July 1, 2020.

OPEB

All actuarial assumptions and the actuarial cost method are unchanged from the last actuarial valuation as of July 1, 2020.

WARD COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

Changes of Benefit Terms

Main System and Law Enforcement System

The interest rate earned on member contributions will decrease from 7.00 percent to 6.50 percent effective January 1, 2021 (based on the adopted decrease in the investment return assumption). New Main System members who are hired on or after January 1, 2020, will have a benefit multiplier of 1.75 percent (compared to the current benefit multiplier of 2.00 percent). The fixed employer contribution for new members of the Main System will increase from 7.12 percent to 8.26 percent. For members who terminate after December 31, 2019, final average salary is the higher of the final average salary calculated on December 31, 2019, or the average salary earned in the three highest periods of twelve consecutive months employed during the last 180 months of employment. There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2020.

OPEB

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

WARD COUNTY
SCHEDULE OF FUND ACTIVITY
ARISING FROM CASH TRANSACTIONS
DECEMBER 31, 2021

	<u>Balance 01/01/21</u>	<u>Receipts</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Disbursements</u>	<u>Balance 12/31/21</u>
MAJOR GOVERNMENTAL FUNDS						
<u>General fund</u>	\$ 9,260,252	\$ 18,628,926	\$ -	\$ (15,408)	\$ (19,898,001)	\$ 7,975,769
<u>Special revenue fund</u>						
Library	(22,245)	367,928	-	(65,000)	(386,087)	(105,404)
Bookmobile replacement	750	19,042	65,000	-	-	84,792
911 wired/wireless	333,192	2,296,858	-	(135,000)	(2,044,974)	450,076
911 depreciation	272,676	-	135,000	-	(16,012)	391,664
Highway	1,105,384	5,003,884	5,015,408	-	(9,045,509)	2,079,167
Highway user	1,609,335	4,341,568	-	(5,000,000)	-	950,903
Vision zero outreach	-	86,858	-	-	(103,913)	(17,055)
Weed	248,921	313,679	-	-	(418,883)	143,717
Social welfare	1,070,996	5,067,664	-	-	(5,541,378)	597,282
State attorney	12,733	-	-	-	(604)	12,129
Senior citizens	3,647	638,169	-	-	(637,345)	4,471
Emergency	703,224	34,005	-	-	-	737,229
Emergency FEMA township	68,439	-	-	-	-	68,439
Emergency FEMA county	91,389	-	-	-	-	91,389
CDBG projects	(31,412)	-	-	-	-	(31,412)
American rescue plan act	-	6,577,029	-	-	(5,695)	6,571,334
Total	<u>5,467,029</u>	<u>24,746,684</u>	<u>5,215,408</u>	<u>(5,200,000)</u>	<u>(18,200,400)</u>	<u>12,028,721</u>
<u>Debt service fund</u>						
Sales tax bond	5,798,110	7,019,681	983,491	(983,491)	(6,503,400)	6,314,391
Special district finance	173,312	-	-	-	-	173,312
Total	<u>5,971,422</u>	<u>7,019,681</u>	<u>983,491</u>	<u>(983,491)</u>	<u>(6,503,400)</u>	<u>6,487,703</u>
<u>Capital projects fund</u>						
Construction	871,292	-	-	-	-	871,292
Country club heights	41,859	43,614	-	-	-	85,473
19th Ave / 56th St	-	39,392	-	-	-	39,392
Total	<u>913,151</u>	<u>83,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>996,157</u>
TOTAL GOVERNMENTAL FUNDS	<u>21,611,854</u>	<u>50,478,297</u>	<u>6,198,899</u>	<u>(6,198,899)</u>	<u>(44,601,801)</u>	<u>27,488,350</u>

(Continued)

WARD COUNTY
SCHEDULE OF FUND ACTIVITY
ARISING FROM CASH TRANSACTIONS
DECEMBER 31, 2021

	<u>Balance</u> <u>01/01/21</u>	<u>Receipts</u>	<u>Transfers</u> <u>In</u>	<u>Transfers</u> <u>Out</u>	<u>Disbursements</u>	<u>Balance</u> <u>12/31/21</u>
<u>Agency fund</u>						
24/7 sobriety fund	217,289	183,806	-	-	(204,670)	196,425
Crime/victim witness fund	1,702	29,109	-	-	(29,040)	1,771
Marriage license - dvcc fund	(5,950)	19,495	-	-	(19,810)	(6,265)
District reimbursements fund	(27,527)	14,649	-	-	(11,384)	(24,262)
Foster care recruit/retain fund	73,125	1,200	-	-	(8,972)	65,353
Employee benefits - flex spending fund	-	188,086	-	-	(83,268)	104,818
Jail inmate trust (commissary) fund	328,795	157,740	-	-	(115,414)	371,121
Utilities central assess fund	1,284	-	-	-	-	1,284
Gas and oil production fund	27,965	-	-	-	-	27,965
Hazardous chemical fund	36,461	4,075	-	-	-	40,536
Gambling tax fund	1,000	8,585	-	-	(6,473)	3,112
First district health unit fund	58,799	747,110	-	-	(744,416)	61,493
State medical center fund	15,105	328,257	-	-	(327,712)	15,650
State fair fund	20,523	369,158	-	-	(369,328)	20,353
Garrison diversion fund	3,164	356,837	-	-	(355,848)	4,153
Weather modification fund	15,281	-	-	-	(15,281)	-
Water management district fund	27,598	1,497,573	-	-	(1,498,544)	26,627
Soil conservation fund	(938)	136,564	-	-	(135,058)	568
Souris river joint board fund	14,364	660,424	-	-	(662,071)	12,717
Unorganized township fund	-	-	-	-	-	-
Assiniboine river basin board fund	(45)	3,441	-	-	(3,475)	(79)
Prepaid taxes fund	26,629,847	2,790,957	-	-	(430,334)	28,990,470
Paid under protest	-	881	-	-	-	881
Tax deed sales fund	47,277	215,465	-	-	(182,205)	80,537
Homeland security grants fund	2,855	36,744	-	-	(36,744)	2,855
Department of justice grants fund	(18,894)	23,495	-	-	(4,601)	-
Asset forfeitures - sheriff fund	101,205	4	-	-	(10,889)	90,320
Drug proceeds - sa fund	28,461	5,364	-	-	(13,803)	20,022
Park improvement fund	230,283	61,649	-	-	(107,786)	184,146
Doc preservation fund	377,982	74,380	-	-	(38,799)	413,563
NDSU extension activities fund	23,380	4,015	-	-	(6,113)	21,282
Minot parent resource fund	1,305	8,442	-	-	(8,509)	1,238
Unclaimed property fund	23,659	19,372	-	-	(7,416)	35,615
Vending commissions fund	11,283	1,221	-	-	-	12,504
Payroll fund	680,454	-	-	-	(12,708)	667,746
Afton township fund	1,066	117,970	-	-	(118,242)	794
Anna township fund	-	29,981	-	-	(29,853)	128
Baden township fund	-	49,427	-	-	(49,278)	149
Berthold township fund	-	70,836	-	-	(70,193)	643
Brilliant township fund	-	37,495	-	-	(36,828)	667
Burlington township fund	524	63,744	-	-	(64,019)	249
Burt township fund	-	42,902	-	-	(42,669)	233
Cameron township fund	-	30,980	-	-	(30,809)	171
Carbondale township fund	43	35,758	-	-	(35,518)	283
Carpio township fund	-	35,738	-	-	(35,473)	265
Denmark township fund	390	29,483	-	-	(29,671)	202
Des lacs township fund	138	50,893	-	-	(50,770)	261
Elmdale township fund	44	43,367	-	-	(43,071)	340
Eureka township fund	618	115,904	-	-	(116,485)	37
Evergreen township fund	-	21,009	-	-	(20,893)	116
Foxholm township fund	970	48,370	-	-	(48,155)	1,185
Freedom township fund	788	40,484	-	-	(40,635)	637
Gasman township fund	409	43,644	-	-	(43,624)	429
Greely township fund	23	19,968	-	-	(19,884)	107
Greenbusch township fund	-	25,742	-	-	(25,552)	190
Harrison township fund	341	238,168	-	-	(235,154)	3,355

(Continued)

WARD COUNTY
SCHEDULE OF FUND ACTIVITY
ARISING FROM CASH TRANSACTIONS
DECEMBER 31, 2021

	<u>Balance</u> <u>01/01/21</u>	<u>Receipts</u>	<u>Transfers</u> <u>In</u>	<u>Transfers</u> <u>Out</u>	<u>Disbursements</u>	<u>Balance</u> <u>12/31/21</u>
Hiddenwood township fund	-	41,232	-	-	(40,965)	267
Hilton township fund	1	25,801	-	-	(25,699)	103
Iota flat township fund	-	48,935	-	-	(48,639)	296
Kenmare township fund	-	43,100	-	-	(42,788)	312
Kirkelie township fund	57	79,051	-	-	(78,579)	529
Linton township fund	70	18,185	-	-	(18,137)	118
Lund township fund	50	25,624	-	-	(25,518)	156
Mandan township fund	28	31,896	-	-	(31,327)	597
Margaret township fund	31	54,651	-	-	(53,992)	690
Maryland township fund	1,201	42,533	-	-	(43,441)	293
Mayland township fund	127	36,947	-	-	(36,854)	220
Mckinley township fund	31	75,853	-	-	(75,483)	401
Nedrose township fund	1,546	262,266	-	-	(260,521)	3,291
New praire township fund	371	57,818	-	-	(57,677)	512
Newman township fund	1,478	34,270	-	-	(34,550)	1,198
Orlien township fund	194	33,459	-	-	(33,445)	208
Passport township fund	207	41,191	-	-	(41,116)	282
Ree township fund	172	33,372	-	-	(33,324)	220
Rice lake township fund	37	22,397	-	-	(22,272)	162
Rolling green township fund	2,067	38,157	-	-	(39,735)	489
Rushville township fund	(161,104)	53,827	-	-	(9,289)	(116,566)
Ryder township fund	-	46,850	-	-	(46,289)	561
Sauk praire township fund	235	42,446	-	-	(42,105)	576
Sawyer township fund	3	52,206	-	-	(51,511)	698
Shealy township fund	-	22,746	-	-	(22,590)	156
Spencer township fund	-	32,713	-	-	(32,185)	528
Spring lake township fund	-	15,788	-	-	(15,748)	40
St Marys township fund	89	25,955	-	-	(25,909)	135
Sundre township fund	606	145,061	-	-	(144,133)	1,534
Surrey township fund	3,154	130,908	-	-	(132,647)	1,415
Tatman township fund	-	79,548	-	-	(74,468)	5,080
Tolgen township fund	(89)	17,895	-	-	(17,757)	49
Torning township fund	971	22,331	-	-	(23,137)	165
Vang township fund	-	22,634	-	-	(22,500)	134
Waterford township fund	1,009	66,247	-	-	(64,460)	2,796
Willis township fund	1,257	67,603	-	-	(68,543)	317
Berthold city fund	(255)	416,142	-	-	(415,231)	656
Burlington city fund	6,840	620,404	-	-	(623,724)	3,520
Carpio city fund	62	59,234	-	-	(57,381)	1,915
Des lacs city fund	186	20,942	-	-	(21,128)	-
Donnybrook city fund	-	13,615	-	-	(13,615)	-
Douglas city fund	95	11,490	-	-	(11,473)	112
Kenmare city fund	2,504	461,737	-	-	(460,918)	3,323
Makoti city fund	61	21,515	-	-	(21,126)	450
Minot city fund	252,814	26,863,474	-	-	(26,906,783)	209,505
Ryder city fund	15	16,767	-	-	(16,617)	165
Sawyer city fund	2,050	82,997	-	-	(84,389)	658
Surrey city fund	743	778,277	-	-	(774,357)	4,663
United ambulance district fund	1,452	160,111	-	-	(160,516)	1,047
Berthold rural fire fund	142	14,090	-	-	(14,022)	210
Burlington rural fire fund	922	124,448	-	-	(124,398)	972
Carpio rural fire fund	69	13,790	-	-	(13,754)	105
Deering rural fire fund	283	8,788	-	-	(8,994)	77
Des lacs rural fire fund	573	26,102	-	-	(26,516)	159
Donnybrook rural fire fund	10	9,338	-	-	(9,347)	1
Douglas rural fire fund	11	3,852	-	-	(3,851)	12
Glenburn rural fire fund	199	12,414	-	-	(12,504)	109
Kenmare rural fire fund	174	33,348	-	-	(33,313)	209
Max rural fire fund	247	52,178	-	-	(52,092)	333
Minot rural fire fund	3,993	601,294	-	-	(601,152)	4,135

(Continued)

WARD COUNTY
SCHEDULE OF FUND ACTIVITY
ARISING FROM CASH TRANSACTIONS
DECEMBER 31, 2021

	<u>Balance 01/01/21</u>	<u>Receipts</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Disbursements</u>	<u>Balance 12/31/21</u>
Plaza rural fire fund	24	5,020	-	-	(5,007)	37
Ryder makoti rural fire fund	817	66,965	-	-	(67,197)	585
Sawyer rural fire fund	274	13,241	-	-	(13,169)	346
Surrey rural fire fund	245	20,191	-	-	(20,175)	261
Velva rural fire fund	75	5,121	-	-	(5,054)	142
Berthold city park fund	62	19,714	-	-	(19,765)	11
Carpio city park fund	5	2,565	-	-	(2,542)	28
Des lacs city park fund	11	1,370	-	-	(1,381)	-
Donnybrook city park fund	-	1,355	-	-	(1,355)	-
Kenmare city park fund	183	33,470	-	-	(33,364)	289
Makoti city park fund	(54)	3,826	-	-	(3,766)	6
Minot city park fund	84,274	9,018,749	-	-	(9,032,048)	70,975
Ryder city park fund	1	947	-	-	(938)	10
Surrey city park fund	93	51,583	-	-	(51,601)	75
Minot school 1 fund	237,612	23,942,752	-	-	(24,010,457)	169,907
Velva school 2 fund	1,539	36,148	-	-	(35,373)	2,314
Nedrose school 4 fund	19,686	3,147,202	-	-	(3,157,997)	8,891
United school 7 fund	21,178	2,364,214	-	-	(2,374,789)	10,603
Bowbells school 14 fund	-	8,766	-	-	(8,766)	-
Sawyer school 16 fund	14,756	833,962	-	-	(839,014)	9,704
Glenburn school 26 fund	5,775	434,224	-	-	(438,374)	1,625
Kenmare school 28 fund	5,840	1,288,796	-	-	(1,286,629)	8,007
Surrey school 41 fund	15,651	1,194,337	-	-	(1,206,497)	3,491
Max school 50 fund	252	353,836	-	-	(353,667)	421
Garrison school 51 fund	-	5,461	-	-	(5,461)	-
South praire school 70 fund	30,464	2,257,522	-	-	(2,263,840)	24,146
Lewis and clark school 161 fund	14,731	2,697,881	-	-	(2,697,483)	15,129
Rice lake recreation dist fund	3,152	201,416	-	-	(204,414)	154
Rice lake sewer assessment fund	2,515	162,385	-	-	(164,900)	-
Total	<u>29,538,596</u>	<u>89,630,823</u>	<u>-</u>	<u>-</u>	<u>(87,247,004)</u>	<u>31,922,415</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 51,150,450</u>	<u>\$ 140,109,120</u>	<u>\$ 6,198,899</u>	<u>\$ (6,198,899)</u>	<u>\$ (131,848,805)</u>	<u>\$ 59,410,765</u>