Burleigh County
Bismarck, North Dakota

Audit Report

For the Year Ended December 31, 2017

JOSHUA C. GALLION
STATE AUDITOR

Office of the State Auditor
Division of Local Government

BURLEIGH COUNTY
Bismarck, North Dakota

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For the Year Ended December 31, 2017

BURLEIGH COUNTY
Bismarck, North Dakota

December 31, 2017

COUNTY OFFICIALS

Jerry Woodcox	Commissioner - Chairman
Jim Peluso	Commissioner - Vice Chairman
Brian Bitner	Commissioner
Kathleen Jones	Commissioner
Doug Schonert	Commissioner
Kevin Glatt	Auditor/Treasurer
Pat Heinert	Sheriff
Debbie Kroshus	Recorder
Richard Riha	State's Attorney

AUDITOR PERSONNEL

Dave Mix	Audit Manager/In-Charge

STATE AUDITOR
JOSHUA C. GALLION
Phone (701) 328-2241

Local Government Division:
FARGO OFFICE
MANAGER – DAVID MIX
Phone: (701) 239-7252

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVENUE - DEPT. 117
BISMARCK, NORTH DAKOTA 58505

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Burleigh County
Bismarck, North Dakota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Burleigh County, Bismarck, North Dakota, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Burleigh County, Bismarck, North Dakota, as of December 31, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 24 to the financial statements, Burleigh County adopted new accounting guidance, GASB Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefit Plans Other Than Pensions. Our opinion is not modified with respect to this matter

Other Matters

Required Supplementary Information

Management has omitted the *management's discussion and analysis* that accounting principles generally accepted in the United States of America require 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.

Accounting principles generally accepted in the United States of America require that the *budgetary comparison information, the pension schedules, and the notes to the required supplementary information* on pages 36-44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Burleigh County's basic financial statements. The *combining fund financial statements and schedule of expenditures of federal awards*, *as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200,* Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the financial statements.

The *combining fund financial statements and schedule of expenditures of federal awards* is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 and the schedule of expenditures of federal awards* are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2018 on our consideration of Burleigh 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Burleigh County's internal control over financial reporting and compliance.

/s/
Joshua C. Gallion
State Auditor

Fargo, North Dakota
June 1, 2018

BURLEIGH COUNTY
Bismarck, North Dakota

STATEMENT OF NET POSITION
December 31, 2017

	Primary Government	Component Unit
	Governmental Activities	Water Resource District
ASSETS:		
Cash and investments	$ 54,080,079	$ 3,946,610
Accounts receivable	422,734	-
Intergovernmental receivable	5,141,523	19,173
Interest receivable	10,421	-
Inventories	1,550,202	-
Due from county	-	1,579
Taxes receivable	196,769	6,094
Special assessments receivable	1,870	65
Uncertified special assessments receivable	1,499,948	-
Unamortized Bond Discount	382,493	10,785
Capital Assets (not being depreciated):		
Land	7,639,554	112,482
Construction in progress	1,271,728	635,282
Capital Assets (being depreciated):		
Infrastructure	32,425,360	1,514,701
Land improvements	4,860,376	993,913
Buildings	80,466,271	41,272
Machinery and vehicles	6,651,330	-
Furniture and equipment	1,461,076	51,175
Total Capital Assets	$ 134,775,695	$ 3,348,825
Total Assets	$ 198,061,734	$ 7,333,131
DEFERRED OUTFLOWS OF RESOURCES:		
Pension and OPEB items	$ 12,242,292	$ -
Total Assets & Deferred Outflows of Resources	$ 210,304,026	$ 7,333,131
LIABILITIES:		
Current Liabilities:		
Accounts payable	$ 1,432,223	$ 20,185
Salaries payable	875,685	9,349
Interest payable	301,159	3,156
Long-Term Liabilities:		
Due Within One Year:		
Special assessment bonds payable	300,000	25,000
Sales tax revenue bonds payable	1,923,125	-
Loans payable	-	11,000
Compensated absences payable	139,248	-
Due After One Year:		
Special assessment bonds payable	2,240,000	710,000
Sales tax revenue bonds payable	45,234,875	-
Loans payable	12,202,205	181,000
Compensated absences payable	1,253,234	-
Net pension and OPEB liability	26,102,851	-
Total Liabilities	$ 92,004,605	$ 959,690
Deferred Inflows of Resources:		
Taxes received in advance	$ 5,287,010	$ -
Pension and OPEB items	888,401	-
Grants received in advance	-	2,295,993
Total Deferred Inflows of Resources	$ 6,175,411	$ 2,295,993
Total Liabilities & Deferred Inflows of Resources	$ 98,180,016	$ 3,255,683
NET POSITION:		
Net investment in capital assets	$ 75,797,983	$ 3,348,825
Restricted for:		
Highways and bridges	5,575,225	-
Culture and recreation	8,230,250	-
Conservation of resources/economic development	50,231	-
Other	469,308	-
Capital Projects	19,359,458	728,623
Unrestricted	2,641,555	-
Total Net Position	$ 112,124,010	$ 4,077,448

The notes to the financial statements are an integral part of this statement.

BURLEIGH COUNTY
Bismarck, North Dakota

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position	
					Primary Government	Component Unit
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Water Resource Board
Primary Government:						
Governmental Activities:						
General government	$ 6,955,205	$ 1,650,189	$ 94,774	$ -	$ (5,210,242)	$ -
Public safety	13,806,362	3,949,827	82,937	-	(9,773,598)	-
Highways and bridges	11,395,101	1,181,982	10,382,356	762,027	931,264	-
Health and welfare	8,285,107	5,719	2,095,640	-	(6,183,748)	-
Culture and recreation	875,687	-	924	-	(874,763)	-
Conservation & economic development	999,138	157,788	-	-	(841,350)	-
Other	1,111,005	-	-	-	(1,111,005)	-
Interest on long-term debt	2,312,512	-	-	-	(2,312,512)	-
Total Primary Government	$ 45,740,117	$ 6,945,505	$ 12,656,631	$ 762,027	$ (25,375,954)	$ -
Component Unit:						
Water Resource District	$ 457,997	$ -	$ 1,195,753	$ -	$ -	$ 737,756
	General Revenues:					
	Taxes:					
	Property taxes; levied for general purposes				$ 12,686,757	$ 675,029
	Property taxes; levied for special purposes				7,962,513	-
	Sales taxes				8,534,123	-
	Non restricted grants and contributions				3,796,218	105,046
	Earnings on investments				244,320	2,645
	Miscellaneous revenues				828,021	29,300
	Total General Revenues				$ 34,051,952	$ 812,020
	Change in Net Position				$ 8,675,998	$ 1,549,776
	Net Position - January 1				$ 107,571,335	$ 2,460,178
	Prior Period Adjustments				(4,123,323)	67,494
	Net Position - January 1, as restated				$ 103,448,012	$ 2,527,672
	Net Position - December 31				$ 112,124,010	$ 4,077,448

The notes to the financial statements are an integral part of this statement.

BURLEIGH COUNTY
Bismarck, North Dakota

BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2017

	General	County Road and Bridge	Highway Gas Tax	Social Services	Missouri Valley Complex	County Jail Maintenance & Construction	Other Governmental Funds	Total Governmental Funds
ASSETS:								
Cash and investments	$ 13,198,946	$ 3,499,762	$ -	$ 3,309,703	$ 7,710,920	$ 17,297,497	$ 9,063,251	$ 54,080,079
Accounts receivable	150,996	8,879	-	713	45	2,650	259,451	422,734
Interest receivable	10,421	-	-	-	-	-	-	10,421
Intergovernmental receivable	1,569,029	18,277	741,506	280,122	-	2,456,873	75,716	5,141,523
Taxes receivable	121,595	3,740	-	50,032	-	422	20,980	196,769
Special assessments receivable	-	-	-	-	-	-	1,870	1,870
Uncertified special assessments receivable	-	-	-	-	-	-	1,499,948	1,499,948
Inventories	-	1,550,202	-	-	-	-	-	1,550,202
Total Assets	$ 15,050,987	$ 5,080,860	$ 741,506	$ 3,640,570	$ 7,710,965	$ 19,757,442	$ 10,921,216	$ 62,903,546
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:								
Liabilities:								
Accounts payable	$ 326,845	$ 143,572	$ -	$ 22,512	$ 849	$ 377,554	$ 560,891	$ 1,432,223
Salaries payable	524,890	109,517	-	210,590	-	-	30,688	875,685
Total Liabilties	$ 851,735	$ 253,089	$ -	$ 233,102	$ 849	$ 377,554	$ 591,579	$ 2,307,908
Deferred Inflows of Resources:								
Taxes receivable	$ 121,595	$ 3,740	$ -	$ 50,032	$ -	$ 422	$ 20,980	$ 196,769
Special assessments receivable	-	-	-	-	-	-	1,870	1,870
Uncertified special assessments receivable	-	-	-	-	-	-	1,499,948	1,499,948
Taxes received in advance	4,291,900	145,146	-	-	-	72,569	777,395	5,287,010
Total Deferred Inflows of Resources	$ 4,413,495	$ 148,886	$ -	$ 50,032	$ -	$ 72,991	$ 2,300,193	$ 6,985,597
Total Liabilities & Deferred Inflows of Resources	$ 5,265,230	$ 401,975	$ -	$ 283,134	$ 849	$ 450,545	$ 2,891,772	$ 9,293,505
Fund Balances:								
Non-Spendable:								
Inventory	$ -	$ 1,550,202	$ -	$ -	$ -	$ -	$ -	$ 1,550,202
Restricted for:								
Debt service	-	-	-	-	-	-	533,031	533,031
General government	-	-	-	-	-	-	756,340	756,340
Highways and bridges	-	3,128,683	741,506	-	-	-	594,578	4,464,767
Health and welfare	-	-	-	3,357,436	-	-	266,024	3,623,460
Public safety	-	-	-	-	-	-	2,953,726	2,953,726
Culture and recreation	-	-	-	-	7,710,116	-	514,113	8,224,229
Conservation & economic development	-	-	-	-	-	-	261,359	261,359
Capital project funds	-	-	-	-	-	19,306,897	52,139	19,359,036
Other	-	-	-	-	-	-	606,424	606,424
Committed to:								
Provident building	-	-	-	-	-	-	1,492,161	1,492,161
Parking lot	-	-	-	-	-	-	55,446	55,446
Missouri valley complex	-	-	-	-	-	-	-	-
Jail commissary	-	-	-	-	-	-	262,646	262,646
Unassigned:								
General fund	9,785,757	-	-	-	-	-	-	9,785,757
Negative funds	-	-	-	-	-	-	(318,543)	(318,543)
Total Fund Balances	$ 9,785,757	$ 4,678,885	$ 741,506	$ 3,357,436	$ 7,710,116	$ 19,306,897	$ 8,029,444	$ 53,610,041
Total Liabilities and Fund Balances	$ 15,050,987	$ 5,080,860	$ 741,506	$ 3,640,570	$ 7,710,965	$ 19,757,442	$ 10,921,216	$ 62,903,546

The notes to the financial statements are an integral part of this statement.

BURLEIGH COUNTY
Bismarck, North Dakota

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2017

Total *Fund Balances* for Governmental Funds		$ 53,610,041
Total *net position* reported for government activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and are not reported in the governmental funds.		
Cost of Capital Assets	$ 193,776,032	
Less Accumulated Depreciation	(59,000,337)	134,775,695
Property taxes receivable and special assessments receivable 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 deferred revenues in the funds.		
Taxes Receivable		196,769
Special Assessments Receivable		1,870
Uncertified special assessments will be certified and collected in future years, but are not available to pay for the current period's expenditures and therefore are not reported in the funds.		1,499,948
Net pension & OPEB obligations are not due and payable in the current period, and therefore are not reported in the governmental funds.		(26,102,851)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the governmental funds.		
Deferred Inflows of Resources Related to Pensions and OPEB	$ (888,401)	
Deferred Outflows of Resources Related to Pensions and OPEB	12,242,292	11,353,891
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities-both current and long-term- are reported in the statement of net position. Balances at December 31, 2017 are:		
Special Assesment Bonds Payable	$ (2,540,000)	
Sales Tax Bonds Payable	(47,158,000)	
Bond Discount	382,493	
Drawdowns Payable	(12,202,205)	
Interest Payable	(301,159)	
Compensated Absences Payable	(1,392,482)	(63,211,353)
Total Net Position of Governmental Activities		$ 112,124,010

The notes to the financial statements are an integral part of this statement.

BURLEIGH COUNTY
Bismarck, North Dakota

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2017

	General	County Road and Bridge	Highway Gas Tax	Social Services	Missouri Valley Complex	County Jail Maintenance & Construction	Other Governmental Funds	Total Governmental Funds
Revenues:								
Taxes	$ 12,666,187	$ 457,573	$ -	$ 5,221,933	$ -	$ 1,521	$ 2,271,550	$ 20,618,764
Sales taxes	-	-	-	-	-	8,534,123	-	8,534,123
Special assessments	-	-	-	-	-	-	449,793	449,793
Licenses, permits and fines	228,525	7,140	-	-	-	-	-	235,665
Intergovernmental	2,784,592	3,434,734	6,965,678	2,378,689	-	22,877	866,277	16,452,847
Charges for services	3,205,732	1,174,842	-	5,719	-	-	2,323,549	6,709,842
Interest income	84,342	4,788	-	39,743	54,692	8,386	52,369	244,320
Miscellaneous	43,663	343,986	-	7,189	16,068	95,360	321,755	828,021
Total Revenues	$ 19,013,041	$ 5,423,063	$ 6,965,678	$ 7,653,273	$ 70,760	$ 8,662,267	$ 6,285,293	$ 54,073,375
Expenditures:								
Current:								
General government	$ 5,684,110	$ -	$ -	$ -	$ -	$ -	$ 562,864	$ 6,246,974
Public safety	13,300,068	-	-	-	-	-	1,452,132	14,752,200
Highways and bridges	-	11,342,168	-	-	-	-	461,266	11,803,434
Health and welfare	185,640	-	-	7,120,517	-	-	339,881	7,646,038
Culture and recreation	315,601	-	-	-	59,325	-	314,294	689,220
Conservation & economic development	93,801	-	-	-	-	-	870,868	964,669
Other	-	-	-	-	-	-	1,087,719	1,087,719
Capital outlay	-	-	-	-	-	9,193,176	711,506	9,904,682
Debt Service:								
Principal	-	-	-	-	-	5,762,276	410,000	6,172,276
Interest & service charges	-	-	-	-	-	2,166,688	138,979	2,305,667
Total Expenditures	$ 19,579,220	$ 11,342,168	$ -	$ 7,120,517	$ 59,325	$ 17,122,140	$ 6,349,509	$ 61,572,879
Excess (Deficiency) of Revenues Over Expenditures	$ (566,179)	$ (5,919,105)	$ 6,965,678	$ 532,756	$ 11,435	$ (8,459,873)	$ (64,216)	$ (7,499,504)
Other Financing Sources (Uses):								
Bond proceeds	$ -	$ -	$ -	$ -	$ -	$ -	$ 770,000	$ 770,000
Drawdown proceeds	-	-	-	-	-	3,573,835	-	3,573,835
Bond discount	-	-	-	-	-	-	(9,625)	(9,625)
Transfers in	1,871,154	6,890,319	-	-	-	-	130,909	8,892,382
Transfers out	(128,000)	-	(6,890,319)	-	-	-	(1,874,063)	(8,892,382)
Total Other Financing Sources and Uses	$ 1,743,154	$ 6,890,319	$ (6,890,319)	$ -	$ -	$ 3,573,835	$ (982,779)	$ 4,334,210
Net Change in Fund Balances	$ 1,176,975	$ 971,214	$ 75,359	$ 532,756	$ 11,435	$ (4,886,038)	$ (1,046,995)	$ (3,165,294)
Fund Balances - January 1	$ 8,608,782	$ 3,707,671	$ 666,147	$ 2,824,680	$ 7,698,681	$ 24,192,935	$ 9,076,439	$ 56,775,335
Fund Balances - December 31	$ 9,785,757	$ 4,678,885	$ 741,506	$ 3,357,436	$ 7,710,116	$ 19,306,897	$ 8,029,444	$ 53,610,041

The notes to the financial statements are an integral part of this statement.

BURLEIGH COUNTY
Bismarck, North Dakota

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017

Net Change in *Fund Balances* - Total Governmental Funds		$ (3,165,294)
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year.		
Current Year Capital Outlay	$ 13,208,297	
Current Year Depreciation Expense	(3,867,936)	9,340,361
The net result of miscellaneous transactions involving capital assets was a net decrease to capital assets.		(388,896)
Retainages payable is not an expenditure at the fund level. Retainages are paid or will be paid more than two months after year-end. The net change in retainages payable totaled.		3,348,971
Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of Net Position:		
Bond Proceeds	$ (770,000)	
Less: Bond Discount	9,625	
Loan Proceeds	(3,573,835)	
Repayment of Debt	6,172,276	
Amortization of Bond Discount	(23,242)	1,814,824
The Net Pension Liability, OPEB, and related Deferred Outflows of Resources and Deferred Inflows of Resources are reported in the government wide statements; however, activity related to these pension items do not involve current financial resources, and are not reported in the funds.		
Change in Net Pension and OPEB Liability	$ (10,509,386)	
Change in Deferred Outflows of Resources Related to Pensions and OPEB	7,865,879	
Change in Deferred Inflows of Resources Related to Pensions and OPEB	138,703	(2,504,804)
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.		
Change in Compensated Absences	$ (128,301)	
Change in Interest Payable	16,397	(111,904)
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. This consists of taxes and special assessments receivable.		
Change in Taxes Receivable	$ 30,506	
Change in Special Assessments Receivable	460	
Change in Long-Term Uncertified Special Assessments Receivable	311,774	342,740
Change in Net Position of Governmental Activities		$ 8,675,998

The notes to the financial statements are an integral part of this statement.

BURLEIGH COUNTY
Bismarck, North Dakota

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
December 31, 2017

	Agency Funds
Assets:	
Cash and investments	$ 31,841,332
Accounts receivable	6,125
Total Assets	$ 31,847,457
Liabilities:	
Due to other governments	$ 31,847,457

The notes to the financial statements are an integral part of this statement.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Burleigh County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental 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.

A. Reporting Entity

The accompanying financial statements present the activities of Burleigh 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 Governmental Accounting Standards Board has set forth criteria in GASB Statement No. 61 to be considered in determining financial accountability. These criteria includes appointing a voting majority of an organization's governing body and (1) the ability of Burleigh County to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on Burleigh 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.

Component Units

In conformity with accounting principles generally accepted in the United States of America, the financial statements of component units have been included in the financial reporting entity either as blended component units or as discretely presented component units.

<u>Discretely Presented Component Unit</u>

The component unit column in the government wide financial statements includes the financial data of the County's one component unit. This unit is reported in a separate column to emphasize that it is legally separate from the County.

<u>Burleigh County Water Resource District</u>: The Burleigh County Water Resource District governing board is appointed by the County's governing body. The County's governing body has the authority to disapprove, amend, or approve the water resource district budget.

Complete financial statements of Burleigh County Water Resource District are included in these financial statements. Additional information may be obtained from the Burleigh County Water Resource District: 1720 Burnt Boat Drive, Suite 205; Bismarck, ND 58503.

B. Government-wide and fund financial statements

Government-wide statements: The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Fund Financial Statements: The fund financial statements provide information about the County's funds including its fiduciary funds and blended component unit. 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. All remaining governmental funds are aggregated and reported as nonmajor funds.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within sixty days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

All revenues are considered to be susceptible to accrual and so have been recognized as revenues of the current period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

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.

County Road and Bridge Fund. This is the County's primary road maintenance fund. It accounts for all financial resources related to highway maintenance, except those required to be accounted for in another fund. Primary sources of revenue in this fund include committed/restricted charges for services revenue, and restricted tax levy.

Highway Gas Tax Fund. This is the County's clearing account for State Highway Tax revenue. It accounts for State Highway Tax distribution. These funds are transferred to the Road and Bridge Fund. Primary source of revenue in this fund is restricted highway gas tax distribution.

Social Services Fund. This is the County's primary health and welfare fund. It accounts for all financial resources related to health and welfare, except those required to be accounted for in another fund. Primary sources of revenue in this fund are restricted tax levy and restricted intergovernmental grants/reimbursements.

Missouri Valley Complex Fund. This fund is the primary culture and recreational fund. It accounts for financial resources and expenses related to the fairgrounds. The primary source of revenue in this fund consisted of committed land sale proceeds.

County Jail Maintenance & Construction Fund. This fund accounts for resources accumulated for the construction of the new correctional center, and for maintenance costs. Primary sources of inflows and revenues in this fund are bond and loan proceeds, and restricted sales tax.

Additionally, the County reports the following fund type:

Agency Funds. These funds account for assets held by the County in a custodial capacity as an agent on behalf of others. The County's agency funds are used to account for property taxes collected on behalf of other governments.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes and special assessments.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Investments

Cash include amounts in demand deposits, money market accounts and short-term certificates of deposit. Cash includes certificates of deposit with maturities of 3 months or less.

The investments consist of an investment in an investment pool stated at market value, and certificates of deposit with maturities of greater than 3 months.

E. Inventories

Inventories are valued 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.

F. Capital Assets

Capital assets include 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 assets lives 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	40 – 50 years
Land Improvements	15 – 40 years
Buildings	40 years
Building Improvements	15 – 20 years
Office Equipment & Furn.	3 – 10 years
Vehicles	3 – 10 years
Machinery & Equipment	3 – 15 years

G. Compensated Absences

Vested or accumulated vacation leave is reported in the 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 leave not to exceed 240 hours.

Compensation for unused sick leave will be granted to all full-time employees upon termination of employment of 5 or more years. Employees may carry forward unlimited unused sick leave. The severance payment will be based on 25% of accumulated sick leave for employees hired prior to January 1, 1991 and 10% of accumulated sick leave for those hired on or after January 1, 1991.

H. 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, discounts, and issuance costs are recognized in the current period.

In the fund financial statements, governmental fund types recognize bond premiums, discounts and issuance costs 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.

I. Pensions

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

J. Other Post-Employment Benefits (OPEB)

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

K. Fund Balance/Net Position

Fund Balances

Fund Balance Spending Policy

It is the policy of Burleigh County to spend restricted resources first, followed by unrestricted resources. It is also the policy of the Board to spend unrestricted resources of funds in the following order: committed, assigned and then unassigned.

Minimum Fund Balance Policy

Minimum Fund Balance – The County will maintain a minimum unassigned fund balance in its General Fund ranging from 15 percent to 25 percent of the subsequent year's budgeted expenditures and outgoing transfers. This minimum fund balance is to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment.

Replenishing deficiencies – when fund balance falls below the minimum 25 percent range, the County will replenish shortages/deficiencies using the budget strategies and time frames described below.

The following budgetary strategies shall be utilized by the County to replenish funding deficiencies:

- The County will reduce recurring expenditures to eliminate any structural deficit or,
- The County will increase revenues or pursue other funding sources, or,
- Some combination of the two options above.

Minimum fund balance deficiencies shall be replenished within the following time periods:

- Deficiency resulting in a minimum fund balance between 15 percent and 25 percent shall be replenished over a period not to exceed one year
- Deficiency resulting in a minimum fund balance between 10 percent and 15 percent shall be replenished over a period not to exceed three years
- Deficiency resulting in a minimum fund balance of less than 10 percent shall be replenished over a period not to exceed five years

Major Special Revenue Fund Purposes & Revenue Sources

Purposes and major revenue sources of the major special revenue funds (county road and bridge, highway gas tax, social services, and Missouri Valley Complex) are disclosed in more detail in Note 1C in the discussion of major funds.

Fund Balance Reporting and Governmental Fund Type Definitions

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

CLASSIFICATION	***DEFINITION***	***EXAMPLES***
Nonspendable	Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.	Inventories, prepaid amounts (expenses), long-term receivables, endowment funds.
Restricted	Fund balance is reported as restricted when constraints are placed on the use of resources that are either (a) Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments. (b) Imposed by law through constitutional provisions or enabling legislation.	Funds restricted by State Statute, unspent bond proceeds, grants earned but not spent, debt covenants, taxes raised for a specific purpose.
Committed	A committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the governing board. Formal action is required to be taken to establish, modify or rescind a fund balance commitment.	By board action, construction, claims and judgments, retirements of loans and notes payable, capital expenditures and self-insurance.
Assigned	Assigned fund balances are amounts that are constrained by the government's intent to be used for specific purposes, but are under the direction of the board and the business manager.	By board action, construction, claims and judgments, retirements of loans and notes payable, capital expenditures and self-insurance.
Unassigned	Unassigned fund balance is the lowest classification for the General Fund. This is fund balance that has not been reported in any other classification. (a) The General Fund is the only fund that can report a positive unassigned fund balance (b) A negative unassigned fund balance may be reported in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes	Available for any remaining general fund expenditure.

Burleigh County reported non-spendable, committed, restricted and unassigned fund balances in the balance sheet at December 31, 2017.

<u>Restricted Fund Balances – consist of the following items at December 31, 2017</u>

Restricted fund balances are shown by primary function on the balance sheet for debt service, capital projects, general government, public safety, highways & bridges, health & welfare, conservation & economic development, emergencies, culture & recreation, and other purposes (reported in the other governmental funds). Restricted fund balances are restricted by enabling legislation (primarily state law for various tax levies) and by outside 3rd parties (State & Federal governments for various grants & reimbursements and bond indentures).

<u>Special Revenue Funds – Non-spendable, Restricted & Committed Fund Balances:</u>

(a) Non-spendable – consists of the loans receivable portion in the county jail maintenance and construction fund, and inventory amounts in the road and bridge fund
(b) Restricted by specified tax levies and/or restricted Federal & State grants and reimbursements:
  - Restricted tax levies – includes fund balances for various tax levies other than the general fund.
  - Restricted grants/reimbursements – primarily includes social welfare/services and highways & bridges, and other grant funds.
(c) Committed fund balances (special revenue funds) – committed by governing board by county commission action
  - Committed in special revenue funds for the provident building fund, jail commissary fund, and the county parking fund.

<u>Unassigned Fund Balances</u>

Unassigned fund balances are shown for the positive fund balance of the general fund and negative funds balances in nonmajor funds.

Net Position

When both unrestricted and restricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Net position is shown in three primary categories (net investment in capital assets, restricted, and unrestricted), outlined in further detail as follows:

Net investment in capital assets (shown net of related debt to finance acquisition and construction of related capital assets) is shown for the cost of capital assets less any related depreciation on depreciable capital assets, and any related debt, where applicable, to finance the acquisition or construction of those related capital assets.

Restrictions of net position shown in the statement of net position are due to restricted tax levies, restricted Federal & State grants/reimbursements, and restricted amounts for unspent bond proceeds reported in debt service and capital projects funds. Restricted net position in the statement of net position is shown by primary function and restricted for debt service, capital projects, highways and bridges, health and welfare, public safety, conservation of natural resources/economic development emergencies, culture & recreation, and other purposes.

Unrestricted net position consists of activity primarily related to the general fund, any other resources not restricted for specific purposes, and reclassifications of negative restricted net position.

L. 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.

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 other financial institutions 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 equal to 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 any other state of the United States or such other securities approved by the banking board.

At year ended December 31, 2017, the County's carrying amount of deposits was $90,367,076, and the bank balances totaled $84,477,519. Of the bank balances, $57,712,711 was covered by Federal Depository or other insurance. Additionally, $19,460,480 was held at the Bank of North Dakota, which is not collateralized and does not require to provide security pledges. The remaining bank balances was collateralized with securities held by the pledging financial institution's agent in the government's name.

At year ended December 31, 2017, the Water Resource District's carrying amount of deposits was $3,946,610 and the bank balance was $4,001,094. Of the bank balance, $500,000 was covered by Federal Depository Insurance. The remaining bank balances were 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.

As of December 31, 2017, the County held certificates of deposit in the amount of $18,809,208, which are all considered deposits.

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

The taxes receivable represents the past two (three) years of delinquent uncollected taxes. No allowance has been established for uncollectible taxes receivable.

The County treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Any material 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 5% discount on the property taxes.

NOTE 4: ACCOUNTS RECEIVABLE

Accounts receivable consists of money due the County at December 31, 2017. No allowance has been established for estimated uncollectible accounts receivable.

NOTE 5: UNCERTIFIED SPECIAL ASSESSMENTS RECEIVABLE

Uncertified special assessments receivable represents a long-term receivable in the government-wide financial statements showing the amount of uncertified special assessments.

NOTE 6: INTERGOVERNMENTAL RECEIVABLE

Intergovernmental receivables consist of reimbursements due for expenses in the operation of various programs. These amounts consist of a mix of State and Federal dollars.

NOTE 7: INVENTORY

Inventories consist of road materials and culverts of the County Road and Bridge Fund. Reported inventories are equally offset by a ‘non-spendable’ fund balance classification, which indicates they do not constitute “available spendable resources” even though they are a component of net current assets.

NOTE 8: CAPITAL ASSETS

Primary Government

The following is a summary of changes in capital assets for the year ended December 31, 2017:

Primary Government	Bal. Jan 1 Restated	Additions	Deletions	Transfers	Balance Dec 31
Capital assets not being depreciated:					
Land	$ 7,616,928	$ 22,626	$ -	$ -	$ 7,639,554
Construction in Progress	58,107,871	8,379,715	-	(65,215,858)	1,271,728
Total Caital Assets Not Being Deprciated, Net	$ 65,724,799	$ 8,402,341	$ -	$ (65,215,858)	$ 8,911,282
Capital assets being depreciated:					
Infrastructure	$ 63,909,871	$ 3,191,701		$ 2,694,317	$ 69,795,889
Land Improvements	6,564,747	-	-	-	6,564,747
Buildings	29,274,419	-	-	62,521,541	91,795,960
Machinery and Vehicles	11,843,458	1,222,186	998,442	-	12,067,202
Furniture and Equipment	4,782,441	392,070	533,559	-	4,640,952
Total Capital Assets, Being Depreciated	$ 116,374,936	$ 4,805,957	$ 1,532,001	$ 65,215,858	$ 184,864,750
Less Accumulated Depreciation for:					
Infrastructure	$ 36,101,608	$ 1,268,921	$ -	$ -	$ 37,370,529
Land Improvements	1,466,315	238,056	-	-	1,704,371
Buildings	10,157,088	1,172,601	-	-	11,329,689
Machinery and Vehicles	5,207,411	829,217	620,756	-	5,415,872
Furniture and Equipment	3,343,083	359,141	522,348	-	3,179,876
Total Accumulated Depreciation	$ 56,275,505	$ 3,867,936	$ 1,143,104	$ -	$ 59,000,337
Total Capital Assets Being Depreciated, Net	$ 60,099,431	$ 938,021	$ 388,897	$ 65,215,858	$ 125,864,413
Primary Government Capital Assets, Net	$ 125,824,230	$ 9,340,362	$ 388,897	$ -	$ 134,775,695

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

Primary Government	Amounts
General Government	$ 260,295
Public Safety	1,238,837
Highways and Bridges	2,177,240
Health and Welfare	5,254
Culture and Recreation	186,310
Total Depreciation Expense - Primary Government	$ 3,867,936

Water Resource District

The following is a summary of changes in capital assets for the year ended December 31, 2017:

Water Resource District	Balance Jan 1	Additions	Decreases	Transfers	Balance Dec 31
Capital assets not being depreciated:					
Land	$ 112,482	$ -	$ -	$ -	$ 112,482
Construction in Progress	663,562	1,487,063	-	(1,515,343)	635,282
Total Caital Assets Not Being Deprciated, Net	$ 776,044	$ 1,487,063	$ -	$ (1,515,343)	$ 747,764
Capital assets being depreciated:					
Infrastructure	$ 92,848	$ -	$ -	$ 1,515,343	$ 1,608,191
Land Improvements	1,810,033	-	-	-	1,810,033
Building	187,660	-	-	-	187,660
Office Furniture & Equipment	105,495	38,714	-	-	144,209
Total Capital Assets, Being Depreciated	$ 2,196,036	$ 38,714	$ -	$ 1,515,343	$ 3,750,093
Less Accumulated Depreciation for:					
Infrastructure	$ 88,012	$ 5,478	$ -	$ -	$ 93,490
Land Improvements	758,397	57,723	-	-	816,120
Buildings	143,789	2,599	-	-	146,388
Office Furniture & Equipment	89,042	3,992	-	-	93,034
Total Accumulated Depreciation	$ 1,079,240	$ 69,792	$ -	$ -	$ 1,149,032
Total Capital Assets Being Depreciated, Net	$ 1,116,796	$ (31,078)	$ -	$ 1,515,343	$ 2,601,061
Water Resource District Capital Assets, Net	$ 1,892,840	$ 1,455,985	$ -	$ -	$ 3,348,825

NOTE 9: DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources in the government wide financial statements consist of amounts related to net pension and OPEB liabilities. See more detail about deferred outflows of resources in Notes 19 and 20.

NOTE 10: ACCOUNTS PAYABLE

Accounts payable consists of amounts on open account for goods and services received prior to December 31, 2017 and chargeable to the appropriations for the year then ended, but paid for subsequent to that date.

NOTE 11: SALARIES PAYABLE

Salaries payable consists of amounts earned by employees in the last week in December 2017 in the general fund, road and bridge fund, social services fund, and various other non-major funds but paid subsequent to year-end in 2017.

NOTE 12: INTEREST PAYABLE

Interest payable consists of the portion of interest accrued on long-term debt (bonds payable and leases payable) outstanding at December 31, 2017.

NOTE 13: LONG-TERM LIABILITIES

Primary Government

Changes in Long-Term Liabilities - During the year ended December 31, 2017, the following changes occurred in liabilities reported in long-term liabilities:

Primary Government	Bal. Jan 1 Restated	Increases	Decreases	Balance Dec 31	Due Within One Year
Special Assessment Bonds	$ 2,180,000	$ 770,000	$ 410,000	$ 2,540,000	$ 300,000
Sales Tax Bonds	49,079,000	-	1,921,000	47,158,000	1,923,125
Less: Bond Discount	(396,110)	(9,625)	(23,242)	(382,493)	(23,214)
Loans Payable	12,469,646	3,573,835	3,841,276	12,202,205	-
Compensated Absences *	1,264,181	128,301	-	1,392,482	139,248
Net Pension & OPEB Liability *	15,593,465	10,509,386	-	26,102,851	-
Total Primary Government	$ 80,190,182	$ 14,971,897	$ 6,149,034	$ 89,013,045	$ 2,339,159

* The change in compensated absences and net pension & OPEB liability is shown as a net change because changes in salary prohibit exact calculations of additions and reductions.

Debt Issued:

The County issued $770,000 of 2017 refunding improvement bonds for the High Plains Country Estates & 2nd and the Metro Industrial Park 1st & 2nd Replats special assessment district projects. The bonds were issued with an $9,625 discount.

Outstanding debt at December 31, 2017 consists of the following issues:

Special Assessment Bonds

$215,000 Refunding Improvement Bonds of 2009 A; due in annual installments of $20,000 through May 2021; interest at 3.4%.	$ 80,000

Special Assessment Bonds (Continued):

$375,000 Refunding Improvement Bonds of 2011; due in annual installments of $35,000 through May 2022; interest at 1.35% to 2.0%.	$ 175,000
$1,540,000 Refunding Improvement Bonds of 2014 due in annual installments of $25,000 to $145,000 through May 2026; interest at 1.6% to 3.0%	440,000
$590,000 Refunding Improvement Bonds of 2016 Series A; due in annual installments of $50,000 to $60,000 through May 2027; interest at 1.0% to 2.25%.	535,000
$540,000 Refunding Improvement Bonds of 2016 Series B; due in annual installments of $45,000 to $55,000 through May 2028; interest at 1.75% to 2.0%.	540,000
$770,000 Refunding Improvement Bonds of 2017; due in annual installments of $60,000 to $75,000 through May 2029; interest at 1.0% to 2.25%.	770,000
Total Special Assessment Bonds	$ 2,540,000

Sales Tax Bonds

$51,000,000 Sales Tax Bonds of 2017 – Series A due in annual installments of $1,942,250 to $6,540,750 through November 1, 2035; interest at 3.0% to 5.0% (net of $382,500 discount).	$ 47,158,000

Loan Payable:

A line of credit exists with Wells Fargo Bank to draw down up to $30,000,000 for construction costs related to the correctional center. As of December 31, 2017, the County had drawn down a total of $23,989,684, with an ending balance of $12,202,205. No set payment schedule exists yet for the loan. The County is notified periodically to pay interest at the rate of 2.34%.

Debt service requirements on long-term debt at December 31, 2017 are as follows:

Year Ending	Spec. Assmt. Bonds		Sales Tax Bonds		Bond
December 31	Principal	Interest	Principal	Interest	Discount
2018	$ 300,000	$ 37,894	$ 1,942,250	$ 1,769,854	$ 23,242
2019	290,000	44,359	1,972,000	1,672,741	23,242
2020	295,000	39,115	2,006,000	1,574,142	23,242
2021	250,000	34,054	2,044,250	1,493,902	23,242
2022	235,000	29,444	2,091,000	1,391,689	22,993
2023 - 2027	965,000	83,431	11,343,250	5,774,608	111,534
2028 - 2032	205,000	6,216	13,247,250	3,836,629	97,625
2033 - 2037	-	-	12,512,000	1,070,044	57,373
Total	$ 2,540,000	$ 274,513	$ 47,158,000	$ 18,583,609	$ 382,493

Operating Lease Payments:

Burleigh County Extension Service entered a lease September 15, 1999 with the Burleigh County 4-H Council for renting 4,950 square feet of office space located in the northwest portion of the Joann Hertzel Memorial 4-H building. Lessee shall have and hold said portion of the premises for a term of not to exceed 30 years, commencing on the 1st day of May 2000, and terminating no later than the 30th day of April 2030, with the option to renew the sublease for an additional 10 years; subject to annual appropriations as provided by resolution approved by the Burleigh County Commission on September 8, 1999.

Extension Service agreed to pay rent for the premise. Rent will be paid in advance on the 1st day of each month commencing on the 1st day of May 2000, and continuing thereafter for the term of the lease. The rental payment sum will be reviewed on April 1, 2017, 2020, and 2025, and may be adjusted upon agreement between the lessor and lessee.

Monthly lease payments were reviewed April 1, 2010, and were adjusted to $3,637 per month at that time upon agreement between the lessor and lessee. Rental payments totaled $43,644 for 2017. The remaining rental payments at December 31, 2017 is outlined below:

Year(s)	Amount
2018	$ 43,644
2019	43,644
2020	43,644
2021	43,644
2022	43,644
2023-2027	218,220
2028-2032	101,836
Totals	$ 538,276

Water Resource District

Changes in Long-Term Liabilities - During the year ended December 31, 2017, the following changes occurred in liabilities reported in long-term liabilities of the WRD:

Water Resource District	Balance Jan 1	Increases	Decreases	Balance Dec 31	Due Within One Year
Loans Payable	$ 203,000	$ -	$ 11,000	$ 192,000	$ 11,000
Bonds Payable	355,000	395,000	15,000	735,000	25,000
Bond Discount	(5,130)	5,925	(270)	(10,785)	(665)
Total Water Resource District	$ 552,870	$ 400,925	$ 25,730	$ 916,215	$ 35,335

Outstanding debt at December 31, 2017 consists of the following individual loan issues:

Bonds Payable:

$360,000 Refunding Improvement Bonds of 2016; due in annual installments of $15,000 to $25,000 through November 1, 2035; interest at 2.0% to 3.0%.	$ 340,000
$395,000 Refunding Improvement Bonds of 2017; due in annual installments of $10,000 to $35,000 through May 2032; interest at 2.5%.	395,000
Total Bonds Payable	$ 735,000

Loans Payable:

$5,627 State Revolving Fund Loan with annual installments of $1,000, through September 1, 2019; interest of 2%.	$ 2,000
$220,000 State Revolving Fund Loan with annual installments of $10,000 to $15,000, through September 1, 2032; interest of 2.5%.	190,000
Total Loans Payable	$ 192,000

Debt service requirements on long-term debt at December 31, 2017 are as follows:

Year Ending December 31	Loans Payable Principal	Loans Payable Interest	Bonds Payable Principal	Bonds Payable Interest	Bond Discount
2018	$ 11,000	$ 4,790	$ 25,000	$ 18,135	$ 665
2019	11,000	4,520	40,000	17,563	665
2020	10,000	4,250	40,000	16,637	665
2021	10,000	4,000	40,000	15,713	665
2022	10,000	3,750	40,000	14,787	665
2023 - 2027	65,000	14,625	225,000	59,100	3,325
2028 - 2032	75,000	5,625	255,000	27,938	3,325
2033 - 2037	-	-	70,000	3,300	810
Total	$ 192,000	$ 41,560	$ 735,000	$ 173,173	$ 10,785

NOTE 14: DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources reported in the balance sheet represent amounts reported for uncollected taxes and long-term uncertified special assessments receivable, and taxes paid in advance prior to year-end applicable to the next year. Deferred inflows of resources reported in the statement of net position represent amounts for taxes paid in advance prior to year-end applicable to the next year, and also the amount related to pensions & OPEB as outlined in more detail in Notes 19 and 20.

Additionally, the Water Resource District has grants received in advance totaling $2.8 million reported as deferred inflows of resources. The grants received in advance were from the state water commission for the MRCC project and the Fox Island Project. As of December 31, 2017, $504,007 had been expended leaving an unexpended balance of $2,295,993. Those amounts were reported as deferred inflows of resources on the statement of net position.

NOTE 15: RELATED ORGANIZATION

The County is also responsible for levying a property tax for the Senior Citizens but the County's accountability for this entity does not extend beyond levying the tax. In 2017, the County remitted $750,000 to the Senior Citizens.

NOTE 16: RISK MANAGEMENT

Burleigh 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 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. Burleigh County pays an annual premium to NDIRF for its general liability, automobile, and public assets insurance coverage. The coverage by NDIRF is limited to losses of two million dollars per occurrence for general liability and automobile and $5,304,333 for public assets (mobile equipment and portable property).

Burleigh 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.

Burleigh County has workers compensation with the North Dakota Workforce Safety and Insurance and purchases commercial insurance for employee health, dental, vision, cancer, and various other types of insurance.

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

NOTE 17: CONDUIT DEBT OBLIGATIONS

From time to time, the County has issued Municipal Industrial Development (MIDA) Bonds and obtained community development block grant loans to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds and loans are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facility transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Since 1995 there were 42 series of Municipal Industrial Development Bonds issued, with an aggregate principal amount payable of $298,725,003. The amount outstanding at December 31, 2017 is not known, or readily available.

NOTE 18: LEASE PAYMENTS RECEIVABLE

Operating Leases - The County has five leases of building and tower space with other entities. These leases are considered for accounting purposes to be operating leases. Lease revenues were $313,405 for 2017. The leases expire at various times through October 31, 2022. Future minimum lease revenue is as follows:

Year Ended December 31	Amount
2018	$ 309,662
2019	352,334
2020	199,964
2021	139,793
2022	46,875
Total	$ 1,048,628

NOTE 19: PENSION PLAN

North Dakota Public Employees Retirement System (Main System)

General Information about the Pension Plan

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

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

Responsibility for administration of the NDPERS defined benefit pension plan is assigned to a Board comprised of 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

Benefits are set by statute. NDPERS has no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Member 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 will be 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. The plan permits early retirement at ages 55-64 with three or more years of service.

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

Death and Disability Benefits

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

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

Refunds of Member Account Balance

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

Member and Employer Contributions

Member and employer contributions paid to NDPERS are set by statute and are established as a percent of salaries and wages. Member contribution rates are 7% and employer contribution rates are 7.12% of covered compensation.

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

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

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

At December 31, 2017, the Employer reported a liability of $24,944,480 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net pension liability was based on the Employer's share of covered payroll in the Main System pension plan relative to the covered payroll of all participating Main System employers. At June 30, 2017, the Employer's proportion was 1.551922 percent, which was an increase of .071238 from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017 the Employer recognized pension expense of $3,903,042. At December 31, 2017, the Employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 148,268	$ 121,534
Changes of Assumptions	10,228,920	562,613
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	335,483	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	719,925	132,205
Employer Contributions Subsequent to the Measurement Date	594,066	-
Total	$ 12,026,662	$ 816,352

$594,066 is 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, 2018.

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

2018	$ 2,301,831
2019	2,762,155
2020	2,414,195
2021	2,047,953
2022	1,090,110
Thereafter	-

Actuarial assumptions

The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.50%	
Salary increases	Service at Beginning of year:	Increase Rate:
	0	15.00%
	1	10.00%
	2	8.00%
	Age*	
	Under 36	8.00%
	36 – 40	7.50%
	41 – 49	6.00%
	50+	5.00%
	* Age-based salary increase rates apply for employees with three or more years of service	
Investment rate of return	7.75%, net of investment expenses	
Cost–of-living adjustments	None	

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 Combined Healthy Mortality Table set back two years for males and three years for females, projected generationally using the SSA 2014 Intermediate Cost scale from 2014. For disabled retirees, mortality rates were based on the RP-2000 Disabled Mortality Table set back one year for males (no setback for females) multiplied by 125%.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31%	6.90%
International Equity	21%	7.55%
Private Equity	5%	11.30%
Domestic Fixed Income	17%	1.52%
International Fixed Income	5%	-0.45%
Global Real Assets	20%	5.38%
Cash Equivalents	1%	0.00%

Discount rate

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

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

The pension plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments through the year of 2061. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2061, and the municipal bond rate was applied to all benefit payments after that date. For the purpose of this valuation, the expected rate of return on pension plan investments is 7.75%; the municipal bond rate is 3.56%; and the resulting Single Discount Rate is 6.44%.

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

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.44 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.44 percent) or 1-percentage-point higher (7.44 percent) than the current rate:

	1% Decrease (5.44%)	Current Discount Rate (6.44%)	1% Increase (7.44%)
Proportionate Share of the Net Pension Liability	$ 33,862,894	$ 24,944,480	$ 17,524,730

Pension plan fiduciary net position

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

NOTE 20: OPEB PLAN

<u>General Information about the OPEB Plan</u>

North Dakota Public Employees Retirement System

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

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

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

OPEB Benefits

The employer contribution for the PERS, the HPRS and the Defined Contribution Plan is set by statute at 1.14% of covered compensation. The employer contribution for employees of the state board of career and technical education is 2.99% of covered compensation for a period of eight years ending October 1, 2015. Employees participating in the retirement plan as part-time/temporary members are required to contribute 1.14% of their covered compensation to the Retiree Health Insurance Credit Fund. Employees purchasing previous service credit are also required to make an employee contribution to the Fund. The benefit amount applied each year is shown as "prefunded credit applied" on the Statement of Changes in Plan Net Position for the OPEB trust funds.

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

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

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

At December 31, 2017, the County reported a liability of $1,158,371 for their proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Employer's proportion of the net OPEB liability was based on the Employer's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2017, the County’s proportion was 1.464419 percent.

For the year ended December 31, 2017 the County recognized OPEB expense of $140,931. At December 31, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 28,252
Changes of Assumptions	112,195	-
Net Difference Between Projected and Actual Investment Earnings on OPEB Plan Investments	-	43,797
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	8,314	-
Employer Contributions Subsequent to the Measurement Date	95,121	-
Total	$ 215,630	$ 72,049

$95,121 reported by the County 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, 2018.

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

2018	$ 3,493
2019	3,493
2020	3,493
2021	3,493
2022	14,443
2023	14,443
Thereafter	5,602

Actuarial assumptions

The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	Not applicable
Investment rate or return	7.50%, net of investment expenses
Cost of living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 Combined Healthy Mortality Table set back two years for males and three years for females, projected generationally using the SSA 2014 Intermediate Cost scale from 2014. For disabled retirees, mortality rates were based on the RP-2000 Disabled Mortality Table set back one year for males (no setback for females) multiplied by 125%.

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, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Domestic Equities	37%	5.80%
Small Cap Domestic Equities	9%	7.05%
International Equities	14%	6.20%
Core-Plus Fixed Income	40%	1.56%

Discount rate

The discount rate used to measure the total OPEB liability was 7.75%. 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, 2017, and July 1, 2016, 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.

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, 2017, calculated using the discount rate of 7.50%, 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 (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate Share of the Net OPEB Liability	$ 1,450,140	$ 1,158,371	$ 908,274

NOTE 21: TRANSFERS

The following is reconciliation between transfers in and transfers out as reported in the basic financial statements for the year ended December 31, 2017:

Fund	Transfers In	Transfers Out
General Fund	$ 1,871,154	$ 128,000
County Road and Bridge	6,890,319	-
Highway Gas Tax	-	6,890,319
Burnt Creek Unorganized Township	1,391	-
Insurance	-	51,000
Victim Witness Advocate Program	120,000	-
Provident Building	-	1,000,000
County Park	1,518	-
Abandoned Cemetery	8,000	-
Social Security	-	356,000
Comprehensive Health	-	367,000
County Advertising	-	16,000
City Recreation Areas	-	1,518
24/7 Sobriety Program	-	48,500
North Star Acres	-	3,889
Prairiewood Estates	-	8,014
Ashwood Estates I-III	-	10,542
Foxhaven II & IV	-	3,995
Rolling Meadows	-	3,938
Ashwood IV	-	1,813
4 K's Chip Seal	-	1,854
Total Transfers	$ 8,892,382	$ 8,892,382

Transfers in and out were done for the primary reasons:

- County road and bridge fund from the highway gas tax fund ($6,890,319)
- General fund to the victim witness fund ($120,000) and to the abandoned cemetery fund ($8,000)
- Transfers to the general fund totaling $1,871,154 from the insurance fund ($51,000), social security fund ($356,000), comprehensive health fund ($367,000), county advertising ($16,000), provident building ($1,000,000), 24/7 sobriety fund ($48,500), & from several rural special assessment district funds to close fund balances totaling $32,654
- City recreational areas fund to the county park fund ($1,518)
- Several debt service funds to close rural special assessment fund balances into the general fund totaling $32,654
- Transfer of $1,391 into the Burnt Creek Unorganized Township fund from one of the rural special assessment district funds

NOTE 22: DEFICIT BALANCES

The following funds were in a deficit fund balance and cash position at December 31, 2017:

	Negative Fund Balance	Negative Cash Balance
Riverview Unorganized Township	$ (317,843)	$ (289,904)
Imperial Valley Subdivision	(381)	(381)
Crested Butte Subdivision	(319)	-

The County anticipates alleviating negative fund and cash balances from annual revenues, transfers and possible debt issuance for capital projects.

NOTE 23: CONSTRUCTION COMMITMENTS

Burleigh County had one open construction commitment as of December 31, 2017 as follows:

Project	Contract	Completed	Retainage	Balance
15th St from 57th Ave to Hwy 1804	$ 1,258,690	$ 778,690	$ -	$ 480,000

NOTE 24: PRIOR PERIOD ADJUSTMENTS

Primary Government

Correction of Long Term Liabilities

Prior period adjustments totaling $(4,602,750) and $4,347,750 for sales tax bonds payable and loan payable, respectively, were necessary to properly restate the respective beginning balances due to improper allocation of principal payments in the prior year.

Correction of Capital Assets and Bond Discount

Prior period adjustments totaling ($2,738,302) were necessary to properly report the beginning balances of construction in progress, buildings, machinery & equipment, and infrastructure as outlined in the table below. Additionally, another $32,735 was a prior period adjustment to properly report the beginning amount of bond discount at the government-wide level.

Due to Change in Accounting Principle

Due to the provisions of GASB 75, 'Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions', prior period adjustments totaling ($1,162,756) were necessary to properly report the beginning amount of the liability related to the retiree health insurance credit fund.

The net effect of all prior period adjustments are as follows:

Primary Government	**Amounts**
Beginning Net Position, as previously reported	$ 107,571,335
Adjustments to restate the January 1, 2017 Net Position:	
Capital Asset Errors - Cost - Buildings	(2,893,292)
Capital Asset Errors - Cost - Machinery & Vehicles	26,810
Capital Asset Errors - Cost - CIP	144,126
Capital Asset Errors - accumulated deprec. - infrastructure	(15,946)
Beginning Sales Tax Bond Payable	(4,602,750)
Beginning Loan Payable	4,347,750
Beginning Bond Discount	32,735
Beginning OPEB Liability	(1,162,756)
Net Position January 1, 2017, as restated	$ 103,448,012

Water Resource District

Construction in Progress Adjustment

Net position as of January 1, 2017 has been restated for the Neideffer Dam project that was completed in November of 2016 but had not been transferred out of CIP. Corresponding accumulated depreciation was also adjusted for the two months that the asset should have been depreciated.

Correction of Bond Discount

Net position as of January 1, 2017 has been restated for the 2016 Refunding Improvement Bond Discount that was not recorded. The bond discount will be amortized over the life of the bond using the straight-line method.

The effect of the prior period adjustments to beginning net position is as follows:

Water Resource District	**Amounts**
Beginning Net Position, as previously reported	$ 2,460,178
Adjustments to restate the January 1, 2017 Net Position:	
Capital Assets - Cost Errors	62,465
Capital Assets - Accumulated Depreciation Errors	(101)
Bond Discount	5,130
Net Position January 1, 2017, as restated	$ 2,527,672

NOTE 25: TAX ABATEMENTS

Burleigh County and political subdivisions within the County can negotiate property tax abatement agreements with individuals and various commercial entities/businesses. Burleigh County and the political subdivisions within have the following types of tax abatement agreements with various individuals and commercial entities at December 31, 2017.

Burleigh County will state individually the parties whom received a benefit of the reduction in taxes of 20% or greater when compared to the total reduction of taxes for all tax abatement programs.

New and Expanding Business

Businesses that are primarily industrial, commercial, retail or service are eligible for property tax incentives for new and expanding businesses if they meet state requirements (NDCC 40.57.1-04.1) and the guidelines stated below. The following criteria are only guidelines.

General criteria — In evaluation applications for property tax exemption, the Burleigh County Commission will consider the following factors:

- Economic impact through increased construction activity, equipment purchases, additional product purchases, additional work activity, immediate and projected increases in property values, and impact on future tax collections
- Number of jobs created and employee benefits (types of jobs — professional, managerial, technical, skilled, unskilled with emphasis on full-time positions)
- Diversification of economic base
- Growth potential of company and industry and potential spin-off benefits
- Impact on city/county services: Can the company be accommodated within existing service levels, or will additional capacity be needed? Is the company locating where better use of existing services will take place or further the development plans of the City/County?
- Utilization of local resources: Will the company be an exporter from our region? Will it provide support services to existing companies? Use of raw materials and services developed in the area

Exemption criteria:
Amount of exemption is per the following schedule: Year 1 — 100%, Year 2 — 100%, Year 3 — 75%, Year 4 — 50%, Year 5 — 25%.

2017 Reduction in Taxes – Due to Agreements with Other Entities:
Total program reduction in taxes – $12,318

Public Charity Exemption

Public Charities are eligible for property tax incentives if they meet state requirements (NDCC 57-02-08(8)) and the guidelines stated below. The following criteria are only guidelines.

All buildings belonging to institutions of public charity, including public hospitals and nursing homes licensed pursuant to section 23-16-01 under the control of religious or charitable institutions, used wholly or in part for public charity, together with the land occupied by such institutions not leased or otherwise used with a view to profit. The exemption provided by this subsection includes any dormitory, dwelling, or residential-type structure, together with necessary land on which such structure is located, owned by a religious or charitable organization recognized as tax exempt under section 501(c)(3) of the United States Internal Revenue Code which is occupied by members of said organization who are subject to a religious vow of poverty and devote and donate substantially all of their time to the religious or charitable activities of the owner.

Exemption criteria:
Property exempt if the qualified facility is used wholly or in part for public charity, together with the land occupied by such institutions not leased or otherwise used with a view to profit.

2017 Reduction in Taxes – Due to Agreements with Other Entities:
Total program reduction in taxes – $3,428,151

New Business

New businesses are eligible for property tax incentives for the specified property that meet state requirements (NDCC 40-57.1-03.

After negotiation with a potential project operator, a municipality may grant a partial or complete exemption from ad valorem taxation on all buildings, structures, fixtures, and improvements used in or necessary to the operation of a project for a period not exceeding five years from the date of commencement of project operations. A municipality may also grant a partial or complete exemption from ad valorem taxation on buildings, structures, fixtures, and improvements used in or necessary to the operation of a project that produces or manufactures a product from agricultural commodities for all or part of the sixth year through the tenth year from the date of commencement of project operations. Before a municipality may grant a partial or complete exemption from ad valorem taxation under this section:

a. The governing body of the municipality must have received the certification of the department of commerce division of economic development and finance that the project is a primary sector business, as defined in subsection 3 of section 40-57.1-02;

2017 Reduction in Taxes:
Total program reduction in taxes – $34,415

Commercial and Residential

Commercial and Residential property are eligible for property tax incentives if they meet state requirements (NDCC 57-05.2-03) and the guidelines stated below. The following criteria are only guidelines.

Under NDCC 57-02.2-03 improvements to commercial and residential buildings and structures as defined in this chapter may be exempt from assessment and taxation for up to five years from the date of commencement of making the improvements, if the exemption is approved by the governing body of the city and county, for property within city limits and by the county, for property outside city limits. The governing body of the city or county may limit or impose conditions upon exemptions under this section, including limitations on the time during which an exemption is allowed. A resolution adopted by the governing body of the city and county under this section may be rescinded or amended at any time. The exemption provided by this chapter shall apply only to that part of the valuation resulting from the improvements which is over and above the assessed valuation, exclusive of the land, placed upon the building or structure for the last assessment period immediately preceding the date of commencement of the improvements. Any person, corporation, limited liability company, association, or organization owning real property and seeking an exemption under this chapter shall file with the assessor a certificate setting out the facts upon which the claim for exemption is based. The assessor shall determine whether the improvements qualify for the exemption based on the resolution of the governing body of the city and county, and if the assessor determines that the exemption should apply, upon approval of the governing body, the exemption is valid for the prescribed period and shall not terminate upon the sale or exchange of the property but shall be transferable to subsequent owners. If the certificate is not filed as herein provided, the assessor shall regard the improvements as nonexempt and shall assess them as such.

2017 Reduction in Taxes – Due to Agreements with Other Entities:
Total program reduction in taxes – $435,790

Solar, Wind, Geothermal - Structures:

Under North Dakota Century Code Section 57-02-08(237) installations, machinery, and equipment of systems in new or existing buildings or structures, designed to provide heating or cooling or to produce electrical or mechanical power, or any combination of these, or to store any of these, by utilization of solar, wind, or geothermal energy; provided, that if the solar, wind, or geothermal energy device is part of a system which uses other means of energy, only that portion of the total system directly attributable to solar, wind, or geothermal energy shall be exempt. Provided, however, that any exemptions granted by this subsection shall be valid for a five-year period following installation of any such system and apply only to locally assessed property. For the purposes of this subsection, solar or wind energy devices shall have the meaning provided in section 57-38-01.8 and geothermal energy device means a system or mechanism or series of mechanisms designed to provide heating or cooling or to produce electrical or mechanical power, or any combination of these, by a method which extracts or converts the energy naturally occurring beneath the earth's surface in rock structures, water, or steam.

2017 Reduction in Taxes – Due to Agreements with Other Entities:
Total program reduction in taxes – $482

BURLEIGH COUNTY
Bismarck, North Dakota

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 12,618,000	$ 12,618,000	$ 12,666,187	$ 48,187
Licenses, permits and fees	195,000	195,000	228,525	33,525
Intergovernmental	2,954,000	2,954,000	2,784,592	(169,408)
Charges for services	3,413,000	3,413,000	3,205,732	(207,268)
Interest income	100,000	100,000	84,342	(15,658)
Miscellaneous	22,000	22,000	43,663	21,663
Total Revenues	$ 19,302,000	$ 19,302,000	$ 19,013,041	$ (288,959)
Expenditures:				
Current:				
General government	$ 6,183,258	$ 6,183,258	$ 5,684,110	$ 499,148
Public safety	14,679,279	14,679,279	13,300,068	1,379,211
Health and welfare	185,640	185,640	185,640	-
Culture and recreation	354,500	354,500	315,601	38,899
Conservation & economic development	93,801	93,801	93,801	-
Total Expenditures	$ 21,496,478	$ 21,496,478	$ 19,579,220	$ 1,917,258
Excess (Deficiency) of Revenues Over Expenditures	$ (2,194,478)	$ (2,194,478)	$ (566,179)	$ 1,628,299
Other Financing Sources (Uses):				
Transfers In	$ 9,542,500	$ 9,542,500	$ 1,871,154	$ (7,671,346)
Transfers out	(372,600)	(372,600)	(128,000)	244,600
Total Other Financing Sources and Uses	$ 9,169,900	$ 9,169,900	$ 1,743,154	$ (7,426,746)
Net Change in Fund Balances	$ 6,975,422	$ 6,975,422	$ 1,176,975	$ (5,798,447)
Fund Balance - January 1	$ 8,608,782	$ 8,608,782	$ 8,608,782	$ -
Fund Balance - December 31	$ 15,584,204	$ 15,584,204	$ 9,785,757	$ (5,798,447)

The accompanying required supplementary information notes are an integral part of this schedule.

BURLEIGH COUNTY
Bismarck, North Dakota

BUDGETARY COMPARISON SCHEDULE
COUNTY ROAD AND BRIDGE FUND
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 450,300	$ 450,300	$ 457,573	$ 7,273
Licenses, permits and fees	5,000	5,000	7,140	2,140
Intergovernmental	3,300,100	3,300,100	3,434,734	134,634
Charges for services	781,500	781,500	1,174,842	393,342
Miscellaneous	316,000	316,000	343,986	27,986
Total Revenues	$ 4,852,900	$ 4,852,900	$ 5,423,063	$ 570,163
Expenditures:				
Current:				
Highways and bridges	$ 11,805,313	$ 11,805,313	$ 11,342,168	$ 463,145
Excess (Deficiency) of Revenues Over Expenditures	$ (6,952,413)	$ (6,952,413)	$ (5,919,105)	$ 1,033,308
Other Financing Sources (Uses):				
Transfers In	$ 6,460,000	$ 6,460,000	$ 6,890,319	$ 430,319
Net Change in Fund Balances	$ (492,413)	$ (492,413)	$ 971,214	$ 1,463,627
Fund Balance - January 1	$ 3,707,671	$ 3,707,671	$ 3,707,671	$ -
Fund Balance - December 31	$ 3,215,258	$ 3,215,258	$ 4,678,885	$ 1,463,627

The accompanying required supplementary information notes are an integral part of this schedule.

BURLEIGH COUNTY
Bismarck, North Dakota

BUDGETARY COMPARISON SCHEDULE
HIGHWAY GAS TAX FUND
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	$ 6,460,000	$ 6,891,000	$ 6,965,678	$ 74,678
Expenditures:	$ -	$ -	$ -	$ -
Excess (Deficiency) of Revenues Over Expenditures	$ 6,460,000	$ 6,891,000	$ 6,965,678	$ 74,678
Other Financing Sources (Uses):				
Transfers out	$ (6,460,000)	$ (6,891,000)	$ (6,890,319)	$ 681
Net Change in Fund Balances	$ -	$ -	$ 75,359	$ 75,359
Fund Balance - January 1	$ 666,147	$ 666,147	$ 666,147	$ -
Fund Balance - December 31	$ 666,147	$ 666,147	$ 741,506	$ 75,359

The accompanying required supplementary information notes are an integral part of this schedule.

BURLEIGH COUNTY
Bismarck, North Dakota

BUDGETARY COMPARISON SCHEDULE
SOCIAL SERVICES FUND
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 5,161,400	$ 5,161,400	$ 5,221,933	$ 60,533
Intergovernmental	2,392,600	2,392,600	2,378,689	(13,911)
Charges for services	3,500	3,500	5,719	2,219
Interest income	10,000	10,000	39,743	29,743
Miscellaneous	4,800	4,800	7,189	2,389
Total Revenues	$ 7,572,300	$ 7,572,300	$ 7,653,273	$ 80,973
Expenditures:				
Current:				
Health and welfare	$ 7,908,620	$ 7,908,620	$ 7,120,517	$ 788,103
Excess (Deficiency) of Revenues Over Expenditures	$ (336,320)	$ (336,320)	$ 532,756	$ 869,076
Fund Balance - January 1	$ 2,824,680	$ 2,824,680	$ 2,824,680	$ -
Fund Balance - December 31	$ 2,488,360	$ 2,488,360	$ 3,357,436	$ 869,076

The accompanying required supplementary information notes are an integral part of this schedule.

BURLEIGH COUNTY
Bismarck, North Dakota

BUDGETARY COMPARISON SCHEDULE
MISSOURI VALLEY COMPLEX FUND
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest income	$ 30,600	$ 30,600	$ 54,692	$ 24,092
Miscellaneous	12,500	12,500	16,068	3,568
Total Revenues	$ 43,100	$ 43,100	$ 70,760	$ 27,660
Expenditures:				
Current:				
Culture and Recreation	$ 7,798,900	$ 7,798,900	$ 59,325	$ 7,739,575
Excess (Deficiency) of Revenues Over Expenditures	$ (7,755,800)	$ (7,755,800)	$ 11,435	$ 7,767,235
Other Financing Sources (Uses):				
Loss on investments	$ -	$ -	$ -	$ -
Net Change in Fund Balances	$ (7,755,800)	$ (7,755,800)	$ 11,435	$ 7,767,235
Fund Balance - January 1	$ 7,698,681	$ 7,698,681	$ 7,698,681	$ -
Fund Balance - December 31	$ (57,119)	$ (57,119)	$ 7,710,116	$ 7,767,235

The accompanying required supplementary information notes are an integral part of this schedule.

BURLEIGH COUNTY
Bismarck, North Dakota

PENSION AND OPEB SCHEDULES
For the Year Ended December 31, 2017

Schedule of Employer's Share of Net Pension Liability
ND Public Employees Retirement System
Last 10 Fiscal Years*

	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	1.551922%	1.480684%	1.434633%	1.475901%
County's proportionate share of the net pension liability (asset)	$ 24,944,480	$ 14,430,709	$ 9,755,259	$ 9,367,859
County's covered-employee payroll	$ 15,842,687	$ 14,921,800	$ 12,780,838	$ 12,432,688
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	157.45%	96.71%	76.33%	75.35%
Plan fiduciary net position as a percentage of the total pension liability	61.98%	70.46%	77.15%	77.70%

*Complete data for this schedule is not available prior to 2014.

Schedule of Employer Contributions
ND Public Employees Retirement System
Last 10 Fiscal Years*

	2017	2016	2015	2014
Statutory required contribution	$ 1,148,788	$ 1,080,314	$ 970,807	$ 885,207
Contributions in relation to the statutory required contribution	$ (1,210,248)	$ (1,057,662)	$ (1,010,081)	$ (885,207)
Contribution deficiency (excess)	$ (61,460)	$ 22,652	$ (39,274)	$ -
County's covered-employee payroll	$ 15,842,687	$ 14,921,800	$ 12,780,838	$ 12,432,688
Contributions as a percentage of covered-employee payroll	7.64%	7.09%	7.90%	7.12%

*Complete data for this schedule is not available prior to 2014.

Schedule of Employer's Share of Net OPEB Liability
ND Public Employees Retirement System
Last 10 Fiscal Years*

	2017
County's proportion of the net OPEB liability (asset)	1.464419%
Coumty's proportionate share of the net OPEB liability (asset)	$ 1,158,371
County's covered-employee payroll	$ 15,842,687
County's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	7.31%
Plan fiduciary net position as a percentage of the total OPEB liability	59.78%

	2017
Statutory required contribution	$ 184,160
Contributions in relation to the statutory required contribution	$ (193,776)
Contribution deficiency (excess)	$ (9,616)
County's covered-employee payroll	$ 15,842,687
Contributions as a percentage of covered-employee payroll	1.22%

*Complete data for this schedule is not available prior to 2017.

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information:

- The county commission adopts an “appropriated budget” on the modified accrual basis of accounting.

- The county auditor prepares an annual budget for the general fund and each special revenue fund of the county. NDCC 11-23-02. The budget includes proposed expenditures and means of financing them.

- The county commission holds a public hearing where any taxpayer may appear and shall be heard in favor of or against any proposed disbursements or tax levies. When the hearing shall have been concluded, the board shall adopt such estimate as finally is determined upon. All taxes shall be levied in specific amounts and shall not exceed the amount specified in the published estimates. NDCC 11-23-04

- The board of county commissioners, on or before the October meeting shall determine the amount of taxes that shall be levied for county purposes and shall levy all such taxes in specific amounts. NDCC 11-23-05

- Each budget is controlled by the county auditor at the revenue and expenditure function/object level.

- The current budget, except for property taxes, may be amended during the year for any revenues and appropriations not anticipated at the time the budget was prepared. NDCC 57-15-31.1

- All appropriations lapse at year-end.

NOTE 2: LEGAL COMPLIANCE - BUDGETS

BUDGET AMENDMENTS

The board of county commissioners amended the county expenditures, and transfers out budget for 2017 for various funds follows:

	EXPENDITURES / TRANSFERS OUT		
Fund	**Original Budget**	**Budget Amendment**	**Amended Budget**
Highway Gas Tax (transfers out)	$ 6,460,000	$ 431,000	$ 6,891,000
County Library	303,225	6,775	310,000
Weed Control	385,801	27,199	413,000
K-9 Patrol Program	-	31,000	31,000
Sheriff Drug Asset Forfeiture	28,000	7,000	35,000
State's Attorney Asset Forfeiture	10,000	3,000	13,000
City Recreational Areas	300	4,400	4,700
Detention Commissary	46,000	1,000	47,000
North Star Acres RSAD	-	16,000	16,000
Prairiewood Estates RSAD	-	33,000	33,000
Ashwood Estates RSAD	-	43,000	43,000
Foxhaven II & IV RSAD	-	16,000	16,000
Rolling Meadows RSAD	-	16,000	16,000
Ashwood IV RSAD	-	8,000	8,000
Spiritwood Estates RSAD	-	11,000	11,000
High Plains Country Estates & 2nd RSAD	-	246,000	246,000
Metro Industrial Park 1st & 2nd RSAD	-	475,000	475,000
Imperal Valley Subdivision RSAD	-	1,000	1,000
Crested Butte RSAD	-	1,000	1,000

NOTE 3: CHANGES OF ASSUMPTIONS – NET PENSION AND OPEB LIABILITY

Amounts reported in 2017 reflect actuarial assumption changes effective July 1, 2017 based on the results of an actuarial experience study completed in 2015. This includes changes to the mortality tables, disability incidence rates, retirement rates, administrative expenses, salary scale, and percent married assumption.

BURLEIGH COUNTY
Bismarck, North Dakota

COMBINING BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2017

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Funds
ASSETS:				
Cash and investments	$ 8,376,355	$ 631,638	$ 55,258	$ 9,063,251
Accounts receivable	259,451	-	-	259,451
Intergovernmental receivable	75,716	-	-	75,716
Taxes receivable	20,980	-	-	20,980
Special assessments receivable	-	1,870	-	1,870
Uncertified special assessments receivable	-	1,499,948	-	1,499,948
Total Assets	$ 8,732,502	$ 2,133,456	$ 55,258	$ 10,921,216
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:				
Liabilities:				
Accounts payable	$ 557,072	$ -	$ 3,819	$ 560,891
Salaries payable	30,688	-	-	30,688
Total Liabilties	$ 587,760	$ -	$ 3,819	$ 591,579
Deferred Inflows of Resources:				
Taxes receivable	$ 20,980	$ -	$ -	$ 20,980
Special assessments receivable	-	1,870	-	1,870
Uncertified special assessments receivable	-	1,499,948	-	1,499,948
Taxes received in advance	678,788	98,607	-	777,395
Total Deferred Inflows of Resources	$ 699,768	$ 1,600,425	$ -	$ 2,300,193
Total Liabilities & Deferred Inflows of Resources	$ 1,287,528	$ 1,600,425	$ 3,819	$ 2,891,772
Fund Balances:				
Non-Spendable:				
Restricted for:				
Debt service	$ -	$ 533,031	$ -	$ 533,031
General government	756,340	-	-	756,340
Highways and bridges	594,578	-		594,578
Health and welfare	266,024	-	-	266,024
Public safety	2,953,726	-	-	2,953,726
Culture and recreation	514,113	-	-	514,113
Conservation & economic development	261,359	-	-	261,359
Capital project funds	-	-	52,139	52,139
Other	606,424	-	-	606,424
Committed to:				
Provident building	1,492,161	-	-	1,492,161
Parking lot	55,446	-	-	55,446
Jail commissary	262,646	-	-	262,646
Unassigned:				
Negative funds	(317,843)	-	(700)	(318,543)
Total Fund Balances	$ 7,444,974	$ 533,031	$ 51,439	$ 8,029,444
Total Liabilities and Fund Balances	$ 8,732,502	$ 2,133,456	$ 55,258	$ 10,921,216

The notes to the financial statements are an integral part of this statement.

BURLEIGH COUNTY
Bismarck, North Dakota

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2017

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Funds
Revenues:				
Taxes	$ 2,271,550	$ -	$ -	$ 2,271,550
Special assessments	-	449,793	-	449,793
Intergovernmental	866,277	-	-	866,277
Charges for services	2,323,549	-	-	2,323,549
Interest income	52,369	-	-	52,369
Miscellaneous	321,755	-	-	321,755
Total Revenues	$ 5,835,500	$ 449,793	$ -	$ 6,285,293
Expenditures:				
Current:				
General government	$ 562,864	$ -	$ -	$ 562,864
Public safety	1,452,132	-	-	1,452,132
Highways and bridges	461,266	-	-	461,266
Health and welfare	339,881	-	-	339,881
Culture and recreation	314,294	-	-	314,294
Conservation & economic delvelopment	870,868	-	-	870,868
Other	1,087,719	-	-	1,087,719
Capital outlay	-	578	710,928	711,506
Debt Service:				
Principal	-	410,000	-	410,000
Interest & service charges	-	138,979	-	138,979
Total Expenditures	$ 5,089,024	$ 549,557	$ 710,928	$ 6,349,509
Excess (Deficiency) of Revenues Over Expenditures	$ 746,476	$ (99,764)	$ (710,928)	$ (64,216)
Other Financing Sources (Uses):				
Bond proceeds	$ -	$ -	$ 770,000	$ 770,000
Bond discount	-	-	(9,625)	(9,625)
Transfers in	130,909	-	-	130,909
Transfers out	(1,840,018)	(34,045)	-	(1,874,063)
Total Other Financing Sources and Uses	$ (1,709,109)	$ (34,045)	$ 760,375	$ (982,779)
Net Change in Fund Balances	$ (962,633)	$ (133,809)	$ 49,447	$ (1,046,995)
Fund Balances - January 1	$ 8,407,607	$ 666,840	$ 1,992	$ 9,076,439
Fund Balances - December 31	$ 7,444,974	$ 533,031	$ 51,439	$ 8,029,444

The notes to the financial statements are an integral part of this statement.

BURLEIGH COUNTY
Bismarck, North Dakota

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2017

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Number		Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION:				
Passed through State Department of Transportation:				
National Priority Safety Programs	20.616	N/A		$ 15,717
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
Passed through the State Department of Human Services:				
Special Programs for the Aging-Title III, Part C-Nutrition Services	93.045	N/A		$ 26
Promoting Safe and Stable Families	93.556	N/A		67,440
Temporary Assistance for Needy Families	93.558	N/A	**	717,992
Child Support Enforcement	93.563	N/A		76,734
Child Care Mandatory and Matching Funds of the Child Care & Development Fund	93.596	N/A		33,770
Children's Justice Grants to States	93.643	N/A		125
Stephane Tubbs Jones Child Welfare Services Program	93.645	N/A		10,310
Foster Care-Title IV-E - Recovery	93.658	N/A		394,529
Adoption Assistance	93.659	N/A		5,689
HIV Prevention Activities-Health Department Based	93.940	N/A		800
Maternal and Child Health Services Block Grant to the States	93.994	N/A		7,335
Total U.S. Department of Health and Human Services				$ 1,314,750
U.S. DEPARTMENT OF JUSTICE:				
Passed through the State Attorney General's Office:				
Edward Bryne Memorial Justice Assistance Grant Program	16.738			$ 824
U.S. DEPARTMENT OF HOMELAND SECURITY:				
Passed through the State Department of Emergency Services:				
Emergency Management Performance Grants	97.042	N/A		$ 53,821
Homeland Security Grant Program	97.067			9,967
Total State Department of Emergency Services				$ 63,788
Passed Through State Department of Game and Fish:				
Boating Safety Financial Assistance	97.012	N/A		$ 8,258
Total U.S. Department of Homeland Security				$ 72,046
U.S. DEPARTMENT OF INTERIOR:				
Passed through North Dakota Game and Fish Department:				
Sport Fish Restoration Program	15.605	N/A		$ 3,500
Wildlife Restoration and Basic Hunter Education	15.611	N/A		29,083
Total U.S. Department of Interior				$ 32,583
Total Expenditures of Federal Awards				$ 1,435,920

** - Major Program

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2017

NOTE 1: BASIS OF PRESENTATION / ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Burleigh County under programs of the federal government for the year ended December 31, 2017. The information in the schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Because the schedule presents only a selected portion of the operations of Burleigh County, it is not intended to and does not present the financial position or changes in net position of Burleigh County. Expenditures represent only the federally funded portions of the program. County records should be consulted to determine amounts expended or matched from non-federal sources.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Subpart E of the Uniform Guidance, wherein certain types of expenditures are allowable or are limited as to reimbursement.

NOTE 3: NOT AVAILABLE (N/A)

Burleigh County was unable to obtain other identification number.

STATE AUDITOR
JOSHUA C. GALLION
Phone (701) 328-2241

Local Government Division:
FARGO OFFICE
MANAGER – DAVID MIX
Phone: (701) 239-7252

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVENUE - DEPT. 117
BISMARCK, NORTH DAKOTA 58505

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

Independent Auditor's Report

Board of County Commissioners
Burleigh County
Bismarck, North Dakota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Burleigh County, Bismarck, North Dakota as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Burleigh County's basic financial statements, and have issued our report thereon dated June 1, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

/s/
Joshua C. Gallion
State Auditor

Fargo, North Dakota
June 1, 2018

STATE AUDITOR
JOSHUA C. GALLION
Phone (701) 328-2241

Local Government Division:
FARGO OFFICE
MANAGER – DAVID MIX
Phone: (701) 239-7252

STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVENUE - DEPT. 117
BISMARCK, NORTH DAKOTA 58505

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAMS; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditor's Report

Board of County Commissioners
Burleigh County
Bismarck, North Dakota

Report on Compliance for Each Major Federal Programs

We have audited Burleigh County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Burleigh County's major federal program for the year ended December 31, 2017. Burleigh County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Programs

In our opinion, Burleigh County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2017.

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Burleigh County as of and for the year ended December 31, 2017, and have issued our report thereon dated June 1, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

/s/
Joshua C. Gallion
State Auditor

Fargo, North Dakota
June 1, 2018

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued?

Governmental Activities	Unmodified
Component Unit – Water Resource District	Unmodified
Major Funds	Unmodified
Aggregate Remaining Fund Information	Unmodified

Internal Control Over Financial Reporting:

Material weaknesses identified?	______	Yes	X	None noted
Significant deficiencies identified not considered to be material weaknesses?	______	Yes	X	None noted
Noncompliance material to financial statements noted?	______	Yes	X	None noted

Federal Awards

Internal Control Over Major Programs:

Material weaknesses identified?	______	Yes	X	None noted
Reportable conditions identified not considered to be material weaknesses?	______	Yes	X	None noted
Type of Auditor's Report Issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with CFR §200.516 (Uniform Guidance) requirements?	______	Yes	X	None noted

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
93.558	Temporary Assistance for Needy Families

Dollar threshold used to distinguish between Type A and B programs:	$750,000			
Auditee qualified as low-risk auditee?	X	Yes	______	No

Section II – Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported.

You may obtain audit reports on the internet at:

www.nd.gov/auditor/

or by contacting the
Division of Local Government Audit

Office of the State Auditor
600 East Boulevard Avenue – Department 117
Bismarck, ND 58505-0060

(701) 328-2220

Burleigh County

Bismarck, North Dakota

Management's Letter

For the Year Ended December 31, 2017

JOSHUA C. GALLION
STATE AUDITOR

Office of the State Auditor
Division of Local Government

STATE AUDITOR
JOSHUA C. GALLION
Phone (701) 328-2241

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600 E. BOULEVARD AVENUE - DEPT. 117
BISMARCK, NORTH DAKOTA 58505

Board of County Commissioners
Burleigh County
Bismarck, North Dakota

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Burleigh County for the year ended December 31, 2017, and have issued our report thereon dated June 1, 2018. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in The United States of America, Government Auditing Standards and The Uniform Guidance

As stated in our engagement letter dated March 1, 2018, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts may exist and not be detected by us.

In planning and performing our audit, we considered Burleigh County's internal control over financial reporting to determine our auditing procedures for expressing our opinion on the basic financial statements and not to provide an opinion on internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on each major federal program in order to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance, and for reporting on the schedule of expenditures of federal awards required by the Uniform Guidance.

As part of obtaining reasonable assurance about whether Burleigh County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about Burleigh County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for expressing an opinion on Burleigh County's compliance with those requirements over each major federal program. While our audit provides a reasonable basis for our opinion over compliance for each major federal program, it does not provide a legal determination on Burleigh County's compliance with those requirements.

Significant Accounting Policies/Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Burleigh County are described in Note 1 to the financial statements. Application of existing policies was not changed during the year ended December 31, 2017. We noted no transactions entered by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements presented by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements is useful lives of capital assets.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial and report them to the appropriate level of management. Management has corrected all such misstatements. The schedules below titled "Audit Adjustments" lists all misstatements detected as a result of audit procedures were corrected by management:

AUDIT ADJUSTMENTS - PRIMARY GOVERNMENT

Prior Period Adjustments:		
Capital Asset & Debt Errors:		
Net Investment in Capital Assets	$ 2,705,567	
Construction in Progress	144,126	
Machinery & Vehicles	26,810	
Bond Discount	32,735	
Buildings		$ 2,893,292
Infrastructure - Accum. Depr.		15,946
Change in Accounting Principle:		
Unrestricted Net Position	1,162,756	
Beginning OPEB liability		1,162,756

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether resolved to our satisfaction, concerning a financial accounting, or reporting matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 1, 2018.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the county's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of County Commissioners and management of Burleigh County, is not intended to be, and should not be used for any other purpose. We would be happy to meet with you and any member of your staff to discuss any of the items in this letter in more detail if you so desire.

Thank you and the employees of Burleigh County for the courteous and friendly assistance we received during the course of our audit. It is a pleasure for us to be able to serve Burleigh County.

/s/
Joshua C. Gallion
State Auditor

Fargo, North Dakota
June 1, 2018