



NORTH DAKOTA OFFICE OF THE STATE AUDITOR

State Auditor Joshua C. Gallion

City of Hillsboro

Hillsboro, North Dakota

Audit Report for the Years Ended December 31, 2019 and 2018

Client Code: PS49100



© Great North Dakota Tourism



Office of the
State Auditor

CITY OF HILLSBORO

Table of Contents

For the Years Ended December 31, 2019 and 2018

City Officials and Audit Personnel.....	1
Independent Auditor's Report.....	2
Basic Financial Statements	
2019 Statements	
Statement of Net Position – Modified Cash Basis	5
Statement of Activities – Modified Cash Basis	6
Balance Sheet - Governmental Funds – Modified Cash Basis.....	7
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position – Modified Cash Basis	8
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds – Modified Cash Basis	9
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities – Modified Cash Basis	10
Statement of Net Position - Proprietary Funds – Modified Cash Basis.....	11
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds – Modified Cash Basis	12
Statement of Cash Flows - Proprietary Funds – Modified Cash Basis	13
2018 Statements	
Statement of Net Position – Modified Cash Basis	14
Statement of Activities – Modified Cash Basis	15
Balance Sheet - Governmental Funds – Modified Cash Basis.....	16
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position – Modified Cash Basis	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds – Modified Cash Basis	18
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities – Modified Cash Basis	19
Statement of Net Position - Proprietary Funds – Modified Cash Basis.....	20
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds – Modified Cash Basis	21
Statement of Cash Flows - Proprietary Funds – Modified Cash Basis	22
Statement of Fiduciary Assets & Liabilities - Agency Funds – Modified Cash Basis	23
Notes to the Financial Statements	24
Supplementary Information	
Budgetary Comparison Schedules.....	31
Notes to the Supplementary Information	37
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	39
Summary of Auditor's Results	41
Schedule of Audit Findings.....	42
Governance Communication	49

CITY OF HILLSBORO

City Officials and Audit Personnel
December 31, 2019 and 2018

CITY OFFICIALS

At December 31, 2019

Terry Sando	President
Levi Reese	Vice-President
Lorraine Tibert	Board Member
Mike Kress	Board Member
Dave Sather	Board Member
Matt Mutzenberger	Auditor
Julie Bjorklund	Deputy Auditor
John Juelson	Attorney

At December 31, 2018

Terry Sando	President
Levi Reese	Vice-President
Lorraine Tibert	Board Member
Mike Kress	Board Member
Dave Sather	Board Member
Matt Mutzenberger	Auditor
Julie Bjorklund	Deputy Auditor
John Juelson	Attorney

AUDITOR PERSONNEL

Heath Erickson, CPA	Audit Manager
Brian Hermanson	Audit In-Charge