



NORTH DAKOTA OFFICE OF THE STATE AUDITOR

State Auditor Joshua C. Gallion

2023 Annual Financial Report of **City of Woodworth**



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HAVE QUESTIONS? ASK US.


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Basic Review Summary

We have reviewed the cash basis Annual Financial Report for the City of Woodworth for the year ended 2023. This review was done under the authority of North Dakota Century Code 54-10-14. These reviews are limited in scope and are not completed under the Generally Accepted Auditing or Attestation standards issued by the American Institute of Certified Public Accountants. Therefore, we do not express an opinion over the financial information included in this report.

This review was limited to verifying the following:

- Fund balances submitted on the Annual Financial Report agreed to the balances held at the bank.
- Long-term debt reported agrees to debt statements.
- Required fund breakouts are reported.

During the basic review, we identified that bank balances didn't agree to total balances reported on the Annual Financial Report.

Additional procedures for the bank balances were completed.

We received a listing of outstanding checks and deposits at the year end. These were verified with accounting records to ensure they were an outstanding item that would impact the Annual Financial Report. There were additional differences identified.

We determined the total amount of revenue and expenditures from bank records. We performed a comparison between the bank records and the accounting records and identified the transactions that were not recorded to the accounting ledger. Finally, we reviewed the support for those transactions to ensure nothing appeared unusual.

Any comments from either the Basic Review or Extended Review are included at the back of the report.

North Dakota State Auditor's Office
Bismarck, North Dakota
April 17, 2025



	Special Revenue			
	General Fund	Fund	Enterprise Fund	Total Funds
Receipts				
General Property Taxes	\$ 17,035.80	\$ -	\$ -	\$ 17,035.80
City Sales Taxes	23,778.79	-	-	23,778.79
Coal Taxes	39.72	-	-	39.72
Highway Taxes	-	2,736.60	-	2,736.60
All Other Taxes	76.96	841.34	-	918.30
Total Taxes	<u>40,931.27</u>	<u>3,577.94</u>	<u>-</u>	<u>44,509.21</u>
Licenses And Permits	<u>500.00</u>	<u>-</u>	<u>-</u>	<u>500.00</u>
Total Licenses And Permits, And Fees	<u>500.00</u>	<u>-</u>	<u>-</u>	<u>500.00</u>
Grants From Federal Government	7,180.40	-	-	7,180.40
State Aid Distribution	<u>4,577.30</u>	<u>-</u>	<u>-</u>	<u>4,577.30</u>
Total Intergovernmental	<u>11,757.70</u>	<u>-</u>	<u>-</u>	<u>11,757.70</u>
Municipal Utilities	<u>-</u>	<u>-</u>	<u>40,424.45</u>	<u>40,424.45</u>
Total Service Revenue	<u>-</u>	<u>-</u>	<u>40,424.45</u>	<u>40,424.45</u>
Interest And Dividends	221.48	-	-	221.48
Donations	268.58	-	-	268.58
Charitable Gaming And Fundraising	2,700.00	-	-	2,700.00
All Other Miscellaneous Receipts	<u>1,031.02</u>	<u>-</u>	<u>-</u>	<u>1,031.02</u>
Total Miscellaneous Receipts	<u>4,221.08</u>	<u>-</u>	<u>-</u>	<u>4,221.08</u>
Total Receipts	<u>\$ 57,410.05</u>	<u>\$ 3,577.94</u>	<u>\$ 40,424.45</u>	<u>\$ 101,412.44</u>
Disbursements				
Payroll And Benefits	\$ 11,553.17	\$ -	\$ 3,740.20	\$ 15,293.37
Insurance	171.00	-	-	171.00
Utilities	5,252.54	-	-	5,252.54
Other Operating	<u>9,310.44</u>	<u>-</u>	<u>-</u>	<u>9,310.44</u>
Total Personnel And Administrative	<u>26,287.15</u>	<u>-</u>	<u>3,740.20</u>	<u>30,027.35</u>
Infrastructure	-	1,002.90	-	1,002.90
Repairs And Maintenance	<u>10,495.78</u>	<u>-</u>	<u>-</u>	<u>10,495.78</u>
Total Capital And Infrastructure	<u>10,495.78</u>	<u>1,002.90</u>	<u>-</u>	<u>11,498.68</u>
Municipal Utilities	<u>-</u>	<u>-</u>	<u>40,530.44</u>	<u>40,530.44</u>
Total Cost Of Service Revenue	<u>-</u>	<u>-</u>	<u>40,530.44</u>	<u>40,530.44</u>
Total Disbursements	<u>\$ 36,782.93</u>	<u>\$ 1,002.90</u>	<u>\$ 44,270.64</u>	<u>\$ 82,056.47</u>
Beginning Fund Balance	\$ (6,102.23)	\$ 6,264.23	\$ 77,493.09	\$ 77,655.09
Current Year Activity	<u>20,627.12</u>	<u>2,575.04</u>	<u>(3,846.19)</u>	<u>19,355.97</u>
Ending Fund Balance	<u>\$ 14,524.89</u>	<u>\$ 8,839.27</u>	<u>\$ 73,646.90</u>	<u>\$ 97,011.06</u>



Comments Letter

Municipal Infrastructure Fund not in Separate Fund (2023)

During review of the annual financial report, the City of Woodworth received Municipal Infrastructure Funds, also known as Prairie Dog funds, and did not record them in a Capital Projects Fund.

GASB 54 states capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets.

Suggested Change:

The City of Woodworth should track revenues and expenditures related to the Municipal Infrastructure Funds in a Capital Projects fund.

Missing Support for Expenditures

A total of \$3,302.58 of expenditures was not recorded during the year. We reviewed the support for the unrecorded expenditures and found \$607.34 were unsupported.

The GAO Green Book Standards for Internal Control in governments should be followed by establishing controls over maintaining documentation of transactions. (10.03)

Suggested Change:

The City of Woodworth should retain documentation to support all payments made during the year.



Office of the
State Auditor

NORTH DAKOTA STATE AUDITOR
JOSHUA C. GALLION

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