



NORTH DAKOTA OFFICE OF THE STATE AUDITOR

State Auditor Joshua C. Gallion

2013 Annual Financial Report of **City of Cathay**



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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 Cathay for the year ended 2013. 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 determined the total amount of revenue and expenditures from bank records.

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 10, 2025



	General Fund	Enterprise Fund	Total Funds
Receipts			
Highway Taxes	\$ 7,231.13	\$ -	\$ 7,231.13
All Other Taxes	<u>133.79</u>	<u>-</u>	<u>133.79</u>
Total Taxes	<u>7,364.92</u>	<u>-</u>	<u>7,364.92</u>
Grants From Local Governments	18,800.00	1,478.11	20,278.11
State Aid Distribution	<u>4,499.12</u>	<u>-</u>	<u>4,499.12</u>
Total Intergovernmental	<u>23,299.12</u>	<u>1,478.11</u>	<u>24,777.23</u>
Municipal Utilities	<u>-</u>	<u>16,761.39</u>	<u>16,761.39</u>
Total Service Revenue	<u>-</u>	<u>16,761.39</u>	<u>16,761.39</u>
Interest And Dividends	40.04	9.31	49.35
Insurance Proceeds	<u>1,333.78</u>	<u>-</u>	<u>1,333.78</u>
Total Miscellaneous Receipts	<u>1,373.82</u>	<u>9.31</u>	<u>1,383.13</u>
Total Receipts	<u>\$ 32,037.86</u>	<u>\$ 18,248.81</u>	<u>\$ 50,286.67</u>
Disbursements			
Payroll And Benefits	\$ 4,855.65	\$ 1,045.00	\$ 5,900.65
Insurance	1,262.67	-	1,262.67
Utilities	8,640.83	-	8,640.83
Other Operating	<u>5,184.01</u>	<u>-</u>	<u>5,184.01</u>
Total Personnel And Administrative	<u>19,943.16</u>	<u>1,045.00</u>	<u>20,988.16</u>
Equipment	1,696.51	-	1,696.51
Infrastructure	6,300.00	-	6,300.00
Repairs And Maintenance	<u>1,173.51</u>	<u>-</u>	<u>1,173.51</u>
Total Capital And Infrastructure	<u>9,170.02</u>	<u>-</u>	<u>9,170.02</u>
Debt Payments	<u>-</u>	<u>711.70</u>	<u>711.70</u>
Total Debt	<u>-</u>	<u>711.70</u>	<u>711.70</u>
Municipal Utilities	<u>-</u>	<u>19,775.56</u>	<u>19,775.56</u>
Total Cost Of Service Revenue	<u>-</u>	<u>19,775.56</u>	<u>19,775.56</u>
Total Disbursements	<u>\$ 29,113.18</u>	<u>\$ 21,532.26</u>	<u>\$ 50,645.44</u>
Beginning Fund Balance	\$ 10,046.30	\$ 27,073.26	\$ 37,119.56
Current Year Activity	<u>2,924.68</u>	<u>(3,283.45)</u>	<u>(358.77)</u>
Adjustment To Fund Balance (Sao Use)	3,375.34	-	3,375.34
Ending Fund Balance	<u>\$ 16,346.32</u>	<u>\$ 23,789.81</u>	<u>\$ 40,136.13</u>



Comments Letter

Highway Tax Dollars - Not in its own Fund (2013)

During review of the annual financial report, a total of \$7,231.13 in Highway tax revenue was received and deposited into the General Fund.

North Dakota Century Code 54-27-19(5) requires all highway tax funds to be deposited into a separate fund by cities.

Suggested Change:

The entity should track revenues and expenditures related to highway tax revenue in a Highway Tax Fund.

Inaccurate Reporting of Revenues and Expenditures (2013)

It is noted that the annual report submitted for the entity does not tie to the bank statements at the end of the year, nor are revenues or expenditures recorded accurately.

Suggested Change:

Adjustments were made to the annual financial report to reflect the missing revenues and/or expenditures. The entity should record all revenues and expenditures throughout the year to ensure the accuracy of the annual financial report.



Office of the
State Auditor

NORTH DAKOTA STATE AUDITOR
JOSHUA C. GALLION

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