



NORTH DAKOTA OFFICE OF THE STATE AUDITOR

State Auditor Joshua C. Gallion

2022 Annual Financial Report of City of Tolley



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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 City of Tolley for the year ended 2022. 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 did agree to total balances reported on the Annual Financial Report.

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

North Dakota State Auditor's Office
Bismarck, North Dakota
April 14, 2025



	<u>General Fund</u>	<u>Total Funds</u>
Receipts		
General Property Taxes	\$ 18,603.83	\$ 18,603.83
Oil And Gas Taxes	10,649.39	10,649.39
Highway Taxes	3,468.77	3,468.77
All Other Taxes	<u>78.34</u>	<u>78.34</u>
Total Taxes	<u>32,800.33</u>	<u>32,800.33</u>
Licenses And Permits	<u>3,066.38</u>	<u>3,066.38</u>
Total Licenses And Permits, And Fees	<u>3,066.38</u>	<u>3,066.38</u>
Grants From Federal Government	7,905.44	7,905.44
State Aid Distribution	<u>3,998.17</u>	<u>3,998.17</u>
Total Intergovernmental	<u>11,903.61</u>	<u>11,903.61</u>
Municipal Utilities	<u>18,581.99</u>	<u>18,581.99</u>
Total Service Revenue	<u>18,581.99</u>	<u>18,581.99</u>
Interest And Dividends	384.13	384.13
Insurance Proceeds	256.00	256.00
All Other Miscellaneous Receipts	<u>100.00</u>	<u>100.00</u>
Total Miscellaneous Receipts	<u>740.13</u>	<u>740.13</u>
Total Receipts	<u>\$ 67,092.44</u>	<u>\$ 67,092.44</u>
Disbursements		
Payroll And Benefits	\$ 9,836.00	\$ 9,836.00
Insurance	1,054.84	1,054.84
Utilities	3,686.29	3,686.29
Other Operating	<u>1,521.17</u>	<u>1,521.17</u>
Total Personnel And Administrative	<u>16,098.30</u>	<u>16,098.30</u>
Repairs And Maintenance	<u>6,220.65</u>	<u>6,220.65</u>
Total Capital And Infrastructure	<u>6,220.65</u>	<u>6,220.65</u>
Municipal Utilities	<u>16,447.09</u>	<u>16,447.09</u>
Total Cost Of Service Revenue	<u>16,447.09</u>	<u>16,447.09</u>
Total Disbursements	<u>\$ 38,766.04</u>	<u>\$ 38,766.04</u>
Beginning Fund Balance	\$ 118,710.97	\$118,710.97
Current Year Activity	<u>28,326.40</u>	<u>28,326.40</u>
Ending Fund Balance	<u>\$ 147,037.37</u>	<u>\$147,037.37</u>



Comments Letter

Highway Tax Dollars –Not in its own Fund (2022)

During review of the annual financial report, a total of \$3,468.77 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.

Enterprise Funds Reported in the General Fund (2022)

Municipal utility fund revenues and expenditures were reported in the General Fund.

Under GASB 34, enterprise funds are used to report activities where fees are charged to external users for goods or services, and the costs of providing those services.

Suggested Change

An enterprise fund should be created to track revenues and expenditures of municipal utility services provided.



Office of the
State Auditor

NORTH DAKOTA STATE AUDITOR
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