

AGENDA
REGULAR WHITEWOOD COUNCIL MEETING
February 3, 2025
5:30 PM – CITY HALL

1. CALL MEETING TO ORDER.
2. ROLL CALL
3. APPROVE MINUTES from Regular Meeting on January 21, 2025.
4. APPROVE THE CLAIMS.
5. PATRICK KAISER REIMBURSEMENT STATUS.
6. SOUTH STREET LITIGATION STATUS.
7. APPROVE QUOTE FOR NEW SONICWALL FOR THE POLICE DEPT.
8. APPROVE ENGAGEMENT LETTER WITH KETEL THORSTENSON LLP FOR YEAR ENDING DECEMBER 31, 2024, AUDIT.
9. APPROVE 2024 ANNUAL REPORT.
10. DEPARTMENT REPORTS.

◦ Police Department	Library Board	Street Department
◦ Water Department	Finance Commission	Liquor Commission
◦ Sewer Department	Parks Department	Economic Development
◦ ADA Commission	Railroad Authority	NH Waste Management
◦ Emergency Management		Historic Dist. Commiss.
11. PUBLIC COMMENTS.
12. NEXT REGULAR COUNCIL MEETING- *Tuesday*, February 18, 2025, at 5:30pm
13. ADJOURN

REGULAR WHITEWOOD COUNCIL MEETING**January 21, 2025**

The Whitewood City Council met in regular session on Tuesday the 21st of January 2025 at City Hall. Mayor Mitch Harmon called the meeting to order at 5:30 pm, with Council members Roxie Cooper, Jeremy Noren, Sara Fitzgerald, Randy Wiege, and Monica Burke present. Councilmen Jerry Davidson was absent. Attorney Fitzgerald, Police Chief Bach, Public Works Werlinger and Finance Officer Heckenlaible were also present.

Action 2025-007

Motion by Cooper, seconded by Noren, to approve the minutes from the regular meeting on January 6, 2025. All members present voting yes, motion carried.

Action 2025-008

Motion by Wiege, seconded by Burke, to approve the claims as presented. Roll call, all members present voting yes, motion carried.

CLAIMS- JANUARY 21, 2025**GENERAL LEDGER**

DELTA DENTAL- Employee Dental Insurance	681.60
HEALTH POOL OF SD- Employee Health Insurance	9,014.32
UNITED HEALTH CARE- Employee Life Insurance	73.50
TOTAL	\$9,769.42

GENERAL FUND

A&B BUSINESS SOLUTIONS- Police 59.99 & 162.61, City Hall 231.51	454.11
A&B WELDING	158.91
ADVANCED ENGINEERING- General Engineering	842.00
ALL NET CONNECTIONS- Police 204.75, Sonicwall Update 45.50, Server 113.75	364.00
BH PIONEER	169.85
BH NERGY-HH 119.43, CH 110.32, Shop 302.61, Police 231.74, Parks 165.00, Lights 1156.29	2,085.39
BLUEPEAK- Shop 49.28	49.28
BUTTE ELECTRIC- Exit Lights	521.25
CE CONSTRUCTION- Hale Damage Repairs	96,660.16
DSR INC.- Road Grader Filters	256.82
MID-STATES ORGANIZED CRIME- Police Dues	100.00
MONTANA DAKOTA- Hale Hall 239.47, City Hall 120.99, Shop 185.76, Police 154.64	700.86
MOTIVE MAGIC- Police Windshield	400.00
REPUBLIC NATIONAL- January Liquor	1,278.16
SERVALL- PW Uniforms	152.60
SOUTHERN GLAZERS- January Liquor	863.11
VIGILANT BUSINESS- Employment Drug Test	56.50
WHITEWOOD CHAMBERS- Dues & Banquet	400.00
SD DEPT OF REVENUE- Hideaway LLC Liquor Licenses	300.00
PIONEER BANK & TRUST- Riley TIFD	269.33
GODFREY BRAKE SERVICE- Road Grader Chains	1,574.00
SPEARFISH AUTO- Diesel Equip Supplies	605.98
AMAZON CAPITAL- Streets	754.86
TOTAL	\$109,017.17

LIBRARY

AMAZON CAPITAL	295.36
BH ENERGY	112.83
MONTANA DAKOTA	27.49
SCOTT WEINZETL- Bathroom Floor	500.00
RASMUSSEN MECHANICAL- Furnace	246.18
TOTAL	\$1,181.86

WATER/SEWER FUNDS

ADVANCED ENGINEERING- Treatment Plant Upgrade	2,209.80
BH ENERGY	2,698.10
BUTTE ELECTRIC- Treatment Plant 1961.69, Booster Pump 271.93	2,233.62
DAN'S DUMPSTERS	100.00
MIDCONTINENT- TESTING	546.50
MONTANA DAKOTA- Generators	104.80
ONE CALL	11.55
POSTMASER- Water Bill Postage	426.00
TOTAL	\$8,330.37

AUTOMATIC PAYMENTS

USDA RURAL DEVELOPMENT- Storm Sewer	1,226.50
USDA RURAL DEVELOPMENT- Laurel Stret Project	3,254.00
EFTPS- Payroll Taxes 01/10/25	6,123.07
TOTAL	\$10,603.57

At this time Mayor Harmon opened the Public Hearing for the transfer of the Hideaway Diner & Bar, LLC's, Retail (On-Sale) Liquor and Retail (On-Off Sale) Malt Beverage & SD Farm Wine licenses, to the Hideaway, LLC. With no one in attendance with any objections to the transfer, Mayor Harmon closed the Public Hearing.

Action 2025-009

Motion by Burke, seconded by Noren, to approve the transfer of the Hideaway Diner & Bar, LLC's, Retail (On-Sale) Liquor and Retail (On-Off Sale) Malt Beverage & SD Farm Wine licenses, to the Hideaway, LLC. Roll call, all members present voting yes, motion carried.

Action 2025-0010

Motion by Cooper, seconded by Burke, to enter into Executive Session for Legal Matters Pursuant to SDCL 1-25-2 (3) at 5:35 PM. All members present voting yes, motion carried.

At 5:41 PM, Mayor Harmon announced that Executive Session had ended.

There being no further business, the meeting was adjourned at 5:42 PM.

MITCHELL U. HARMON
Mayor

Attest:

CORY HECKENLAIBLE
Finance Officer

CLAIMS- February 3, 2025

ESTIMATED WAGES –FEBRUARY 2025

MAYOR	550.00
COUNCIL	2,250.00
CITY ATTORNEY	1,000.00
BUILDING INSPECTOR	300.00
CHIEF OF POLICE- Josh Bach	4,345.60
POLICE OFFICER- Anthony Spencer	3,643.20
POLICE OFFICER- Greg Meyer	3,998.40
BUILDING OFFICAL- Jim Smit	1,577.40
WASTE/WATER OPERATOR- DJ Werlinger	3,910.40
WASTE/WATER OPERATOR- Derek Daniels	3,824.00
WASTE/WATER OPERATOR- John Cooper	3,617.60
LIBRARIAN – Deb Terhue	1,986.56
LIBRARY ASST.- Donna Willson	400.00
LIBRARY ASST- Racine Morgan	400.00
LIBRARY ASST.- Olyn Smith	179.16
FINANCE OFFICER – Cory Heckenlaible	4,300.80
FINANCE & PW- Jessica Bestgen	2,571.52
TOTAL	\$38,854.64

GENERAL LEDGER

SD DEPT REVENUE & REGULATION- Garbage Tax	372.00
CITY OF WHITEWOOD- Take Deposit for Bill- Oliver	100.00
SD RETIREMENT- Employee Retirement	5,203.30
TOTAL	\$5,675.30

GENERAL FUND

WASTE CONNECTIONS- Garbage Collection	6,193.02
ALL NET CONNECTIONS- Microsoft 365	90.00
AMAZON CAPITAL- Hale Hall	41.63
AT&T	399.62
BLUEPEAK- City Hall 414.54, Police 375.90	790.44
RUNNING'S- Shop	397.01
DMC WEAR PARTS- Streets	187.50
POMPS TIRE SERVICE- Bldg Inspector	881.48
REPUBLIC NATIONAL- January Liquor	1,727.35
RICHTERS TIRE & EXHAUST- Bldg Inspector	115.54
SOUTHERN GLAZERS- January Liquor	1,378.75
WELLS FARGO VISA- City 21.23, Title Rec 38.70, Vision 56.84, Police 21.23	138.00
LIGHTING MAINTENANCE- Exit Lights	58.52
TOTAL	\$12,398.86

LIBRARY

ALL NET CONNECTIONS	42.00
AMAZON CAPITAL	46.66
BAKER & TAYLOR- Books	14.38
BLUEPEAK	191.44
DEB TERHUNE- Supplies	126.89
WOLFF'S PLUMBING	304.56
TOTAL	\$725.93

WATER/SEWER FUNDS

CENTURY LINK	86.19
WELLS FARGO VISA	76.90
TOTAL	\$163.09

AUTOMATIC PAYMENTS

USDA RURAL DEVELOPMENT- Water Project Loan	4,028.00
USDA RURAL DEVELOPMENT- Trunk Sewer Project	1,057.00
EFTPS- Payroll Taxes 01/24/25	5,155.02
TOTAL	\$10,240.02

PO Box 27
Whitewood, SD 57793
www.anetconnect.com
605-269-4141



Wednesday, January 22, 2025

City of Whitewood
Jim Smit
1025 Meade Street
Whitewood, SD 57793
Jim@cityofwhitewood.com

Dear Jim ,
This quote is for a new SonicWall TZ370 security appliance. This will replace your current TZ300 device that has gone end of life. We are quoting the upgrade plus 2-year option which means you purchase one year of support/warranty and you get one year for free. Take a look and let Bric know if you have any questions.

Thank you -

LeAnn Harlan
Office Manager
All Net Connections

PO Box 27
Whitewood, SD 57793
www.anetconnect.com
605-269-4141



Hardware

Item	Description	Price	Qty	Ext. Price
SonicWALL TZ370 with Ess - U2Y	SonicWALL TZ370 with Essential Upgrade Plus 2YR SonicWALL TZ370 with Essential Upgrade Plus 2YR	\$1,531.15	1	\$1,531.15

Subtotal: **\$1,531.15**



Ketel Thorstenson, LLP
810 Quincy Street Rapid City, SD 57701
P: 605.342.5630 | F: 605.342.2172
E: info@ktllp.com

January 22, 2025

City Council,
Mayor,
And City Finance Officer
City of Whitewood
PO Box 36
Whitewood, SD 57793

Dear Client:

We are pleased to confirm our understanding of the services we are to provide for the City of Whitewood (the City) for the year ended December 31, 2024.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, and each major fund, and the disclosures, which collectively comprise the entity's basic financial statements as of and for the year end stated above. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), 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. The City has elected to omit the RSI.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP); and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the City and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2), fraudulent financial reporting, (3) misappropriation of assets, or (4) violation of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures may include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as "significant risks." Although our audit planning has not yet been concluded, we anticipate the following significant risks of material misstatement will be identified:

1. Revenue recognition
2. Management override of controls

If we conclude that the above risks are no longer significant or if new significant risks are identified, we will communicate those to you as part of our planning process.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures – Internal Control

We will obtain an understanding of the City and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with GAAP with the oversight of those charged with governance, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for the twelve months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the City from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the City involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the City complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Other Services

We will assist in preparing the financial statements and related notes, including GASB 34 adjustments, of the City in conformity with GAAP based on information provided by you. Other non-audit services provided by Ketel Thorstenson, LLP and its affiliates are:

1. SDRS Pension adjustments
2. Depreciation schedule maintenance
3. Assistance with implementation of new accounting standards

These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedures or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement preparation services and any other non-audit services we provide. You will be required to acknowledge in the management representation letter the services provided and our assistance with the preparation of the financial statements and related notes and that you have evaluated the adequacy of our services and have reviewed and approved the results of the services, the financial statements, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

Traci Hanson is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately March 17, 2025 and to issue our reports soon thereafter.

We understand that your employees will prepare all confirmations and schedules we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees from our original fee estimate. If the engagement is rescheduled due to lack of providing enough information in a timely manner, we may assess a rescheduling fee up to 10 percent of your service fee, with a minimum rescheduling fee of \$1,000. We will not undertake any accounting services (including but not limited to reconciliation of accounts and preparation of requested schedules) without obtaining your approval.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

We will utilize portals, collaborative, virtual workspaces in a protected, online environment. Our portals permit real-time collaboration across geographic boundaries and time zones and allow us to share data, engagement information, knowledge, and deliverables in a protected environment. To use the portals, you may be required by the provider of portals to execute a client portal agreement and agree to be bound by the terms, conditions and limitations of such agreement. You agree that we have no responsibility for the activities of the portals and agree to indemnify and hold us harmless with respect to all claims arising from your misuse of the portals.

You are responsible for maintaining your own copy of information provided on the portals. We do not provide back-up services for any of your data or records, including information we provide to you. Portals are utilized solely as a method of transferring data and are not intended for the storage of your information. Information on the portals may be deleted at any time.

If you decide to transmit your confidential information to us in a manner other than a secure portal, you accept responsibility for all unauthorized access to your confidential information. If you request that we transmit confidential information to you in a manner other than a secure portal or encrypted email, you agree that we are not responsible for any liability, including but not limited to, (a) any loss or damage of any nature, whether direct or indirect, that may arise as a result of our sending confidential information in a manner other than a secure portal, and (b) any damages arising as a result of any virus being passed on or with, or arising from any alteration of, any email message.

In providing our services to you, we may send data over the Internet, temporarily store electronic data via computer software applications hosted remotely on the Internet or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with our obligations under applicable laws, regulations, and professional standards. You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us. You consent to our use of these electronic devices and applications during this engagement.

In the interest of enhancing our availability to meet your professional service needs while maintaining service quality and timeliness, we may use a third-party service provider to assist us. This may include provision of your confidential information to the third-party service provider. We require our third-party service providers to have established procedures and controls designed to protect client confidentiality and maintain data security. As the paid provider of professional services, our firm remains responsible for exercising reasonable care in providing such services, and our work product will be subjected to our firm's customary quality control procedures. By accepting the terms and conditions of our engagement, you are providing your consent and authorization to disclose your confidential information to a third-party service provider, if such disclosure is necessary to deliver professional services or provide support services to our firm.

With regard to electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

The audit documentation for this engagement is the property of Ketel Thorstenson, LLP, and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an oversight or grantor agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of our audit personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Your acceptance of this engagement letter will serve as your advance consent to our compliance with these requests. We may bill you separately for our time and expenses in responding to any such requests.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by your oversight or grantor agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Assisting you with your compliance with the Corporate Transparency Act ("CTA"), including beneficial ownership information ("BOI") reporting, is not within the scope of this engagement. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA's reporting requirements and issues surrounding the collection of relevant ownership information.

If you have engaged Ketel Thorstenson, LLP to assist with your BOI reporting, that service will be governed by a separate engagement letter.

Our professional fees for the services outlined above will be \$26,500 for the audit. This fee is based upon the complexity of the work to be performed and our professional time. In addition, this fee depends upon the timely delivery, availability, quality, and completeness of the information you provide to us. If significant additional time is necessary, we will keep you informed of any problems we encounter, and our fees will be adjusted accordingly. You agree that you will deliver all records requested and respond to all inquiries made by our staff to complete this engagement on a timely basis. If you choose to have us maintain lease calculations and schedules, an additional fee of \$150 per lease will be billed. In addition, you will be charged a one-time fee based on time spent for assistance with the implementation of Governmental Accounting Standards Board (GASB) Statement 101, *Compensated Absences*. You will also be billed for travel and other out-of-pocket costs such as postage. We will provide you with an electronic copy of the financial statements. If you elect to have paper copies produced by us, they will be billed at \$25 each. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed, even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. At completion of the engagement, we will submit a final invoice which is due upon receipt.

Our audit engagement ends on delivery of our audit report. You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you concerning the scope of the additional services and the estimated fees. We may also issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter and will be billed separately each month.

Either party may terminate this agreement at any time, and we reserve the right to withdraw from the engagement without completing services for any reason, including, but not limited to, non-payment of fees, your failure to comply with the terms of this agreement, or as we determine professional standards require. If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet governmental and other deadlines, or for any liability, including but not limited to, penalties or interest that may be assessed against you resulting from your failure to meet such deadlines. If this agreement is terminated before services are completed, you agree to compensate us for the services performed and expenses incurred through the effective date of termination.

In the event we are requested pursuant to subpoena or other legal process to produce documents relating to current or prior engagements for the Organization in legal, administrative, arbitration, or similar proceedings to which we are not a party, the Organization shall reimburse us at our standard billing rates for our professional time and expenses, including reasonable attorney's fees, incurred by us in responding to such requests. In the event of a dispute, the courts of the state of South Dakota shall have jurisdiction, and all disputes will be submitted to the state of South Dakota, which is the proper and most convenient venue for resolution. We also agree that the law of the state of South Dakota shall govern all such disputes.

If a dispute arises out of or relates to this Agreement, including the scope of services contained herein, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under the AAA Accounting and Related Services Arbitration Rules and Mediation Procedures before resorting to arbitration, litigation, or some other dispute resolution procedure. The mediator will be selected by mutual agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the AAA. The mediation will be conducted in the state noted above.

The mediation will be treated as a settlement discussion and, therefore, all discussions during the mediation will be confidential. The mediator may not testify for either party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceedings. The costs of any mediation proceedings shall be shared equally by all parties. Any costs of legal representation shall be borne by the hiring party.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

Notwithstanding anything to the contrary in this agreement, Ketel Thorstenson, LLP shall not be liable for any lost profits, indirect, special, incidental, punitive, consequential, or similar damages, to the extent such damages may be lawfully limited or excluded, of any nature even if we have been advised by you of the possibility of such damages.

You agree that any claim arising out of this agreement shall be commenced within 3 years from the date our services conclude as outlined in this agreement, regardless of any longer period of time for commencing such claim as may be set by law. A claim is understood to be a demand for money or services, the service of a suit, or the institution of arbitration proceedings against Ketel Thorstenson, LLP.

We are independent within the meaning of the AICPA *Code of Professional Conduct*.

You acknowledge we have invested time and money into developing and training our personnel. To ensure our independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel. If you should choose to hire one of our employees, we may, at our discretion, charge you a recruiting fee of fifty percent of the annual salary offered to our employee to compensate us for the loss of our valued and extensively trained employee.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract, when requested by you. Our September 23, 2022, peer review report accompanies this letter.

We understand that our services are subject to advance approval by the Auditor General. Such approval should be requested by you directly to the Auditor General.

Reporting

We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to the City Council of the City. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

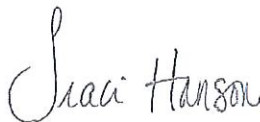
If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to you. Please sign below and return it to us to indicate your acknowledgement of, and agreement with, the arrangements for our engagement, and our respective responsibilities.

Sincerely,

KETEL THORSTENSON, LLP



Traci Hanson, CPA
Partner

This letter correctly sets forth our understanding of our contract. I have read it and fully understand its terms and provisions.

Management Signature: _____

Title: _____

Date: _____

Governance Signature: _____

Title: _____

Date: _____

Report on the Firm's System of Quality Control

To the Partners of Ketel Thorstenson, LLP
and the Peer Review Committee of the Oklahoma Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Ketel Thorstenson, LLP (the Firm) in effect for the year ended March 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The Firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Ketel Thorstenson, LLP in effect for the year ended March 31, 2022, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Ketel Thorstenson, LLP has received a peer review rating of *pass*.

Anderson Zurmuehlen & Co, P.C.

Billings, Montana
September 23, 2022

MUNICIPALITY OF WHITEWOOD
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024

	General Fund	Library Fund	3rd Cent Fund	Debt Service Fund	Economic Development Fund	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:						
Assets:						
106 Cash and Cash Equivalents	1,504,792.89	54,456.20	38,106.79	19,296.10	123,969.89	1,740,621.87
151 Cash with Fiscal Agent						0.00
110 Investments	3,493.54					3,493.54
115 Taxes Receivable--Delinquent	85,621.67		525.72			86,147.39
117 Accounts Receivable, Net						0.00
121 Unbilled Accounts Receivable				10,568.50		10,568.50
122 Special Assessments Receivable--Current				53,171.00		53,171.00
123 Special Assessments Receivable--Delinquent						0.00
125 Special Assessments Receivable--Noncurrent						0.00
126 Interest Receivable--Special Assessments						0.00
127 Governmental Unit's Share of Assessment Improvement Costs						0.00
128 Notes Receivable					24,418.20	24,418.20
130 Leases Receivable						0.00
131 Due from other Funds	85,177.30					85,177.30
132 Due from _____ Governments						0.00
129 Due from Component Unit						0.00
135 Interest Receivable						0.00
136 Accrued Interest on Investments Purchased						0.00
137 Dividend Receivable						0.00
141 Inventory of Supplies						0.00
142 Inventory of Stores Purchased for Resale						0.00
154 Deposits						0.00
155 Prepaid Expenses						0.00
157 Unamortized Discounts on Bonds Sold						0.00
133 Advance to West River Fund					40,000.00	40,000.00
107.1 Restricted Cash and Cash Equivalents						0.00
107.2 Restricted Investments						0.00
Total Assets	1,679,085.40	54,456.20	38,632.51	83,035.60	188,388.09	2,043,597.80
Deferred Outflows of Resources:						
198 Other Deferred Outflows of Resources						0.00
Total Deferred Outflows of Resources		0.00	0.00	0.00	0.00	0.00
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	1,679,085.40	54,456.20	38,632.51	83,035.60	188,388.09	2,043,597.80

MUNICIPALITY OF WHITEWOOD
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024

	General Fund	Library Fund	3rd Cent Fund	Debt Service Fund	Economic Development Fund	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:						
Liabilities:						
201 Claims Payable						0.00
202 Accounts Payable	40,460.86	1,592.73	358.90			42,412.49
203 Judgments Payable						0.00
204 Annuities Payable						0.00
205 Notes Payable						0.00
206 Contracts Payable						0.00
207 Contracts Payable--Retained Percentage						0.00
208 Due to General Fund				77,508.98		77,508.98
209 Due to _____ Government						0.00
210 Due to Resigned Employees						0.00
211 Matured Bonds Payable						0.00
212 Matured Interest Payable						0.00
213 Incurred but Not Reported Claims						0.00
215 Accrued Interest Payable						0.00
216 Accrued Wages Payable	12,437.59	1,014.20				13,451.79
217 Accrued Taxes Payable						0.00
218 Amount Held for Special Assessment Debt Service						0.00
219 Amounts Held for Others						0.00
220 Customer Deposits	2,250.00					2,250.00
221 Due to Fiscal Agent	5,290.01					5,290.01
223 Unearned Revenue						0.00
225 Registered Warrants						0.00
226 Bonds Payable Current:						0.00
226.01 General Obligation						0.00
226.02 Revenue						0.00
226.03 Special Assessment						0.00
227 Unamortized Premiums on Bonds Sold						0.00
228 Payable from Restricted Assets						0.00
229 Due to Component Unit						0.00
230 Compensated Absences Payable -- Current						0.00
236 Advance from _____ Fund						0.00
Total Liabilities	60,438.46	2,606.93	358.90	77,508.98	0.00	140,913.27

MUNICIPALITY OF WHITEWOOD
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024

	General Fund	Library Fund	3rd Cent Fund	Debt Service Fund	Economic Development Fund	Total Governmental Funds
Deferred Inflows of Resources:						
244 Unavailable Revenue--Sales and Use Taxes						0.00
245 Unavailable Revenue--Property Taxes						0.00
246 Unavailable Revenue--Special Assessments						0.00
247 Other Deferred Inflows of Resources						0.00
Total Deferred Inflows of Resources	0.00	0.00	0.00	0.00	0.00	0.00
Fund Balances:						
263 Nonspendable	14,718.00	12,000.00	38,273.61	5,526.62	40,000.00	40,000.00
264 Restricted	61,396.17	7,668.32				70,518.23
265 Committed	16,000.00				148,388.09	217,452.58
266 Assigned	1,528,532.77	32,180.95				16,000.00
267 Unassigned						1,558,713.72
Total Fund Balances	1,618,646.94	51,849.27	38,273.61	5,526.62	188,388.09	1,902,684.53
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	1,679,085.40	54,456.20	38,632.51	83,035.60	188,388.09	2,043,597.80

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

MUNICIPALITY OF WHITEWOOD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	General Fund	Library Fund	3rd Cent Fund	Debt Service Fund	Economic Development Funds	Total Governmental Funds
Revenues:						
Taxes:						
310 General Property Taxes	309,200.36					309,200.36
311 Airflight Property Tax						0.00
312 General Sales and Use Taxes	397,462.69		37,896.44			435,359.13
313 Gross Receipts Business Taxes						0.00
314 Amusement Taxes						0.00
315 Excise Tax						0.00
316 Tax Deed Revenue						0.00
317 Penalties and Interest on Delinquent Taxes	517.79			3,233.21		3,751.00
318 Licenses and Permits	16,768.00					16,768.00
319 Intergovernmental Revenue:						
320 Federal Grants						0.00
321 Federal Shared Revenue						0.00
322 Federal Payments in Lieu of Taxes						0.00
323 State Grants	1,994.00					1,994.00
324 State Shared Revenue:						
325 Bank Franchise Tax	3,244.22					3,244.22
326 Prorate License Fees						0.00
327 Liquor Tax Reversion (25%)	5,938.17					5,938.17
328 Motor Vehicle Licenses	14,719.38					14,719.38
329 Fire Insurance Premiums Reversion						0.00
330 Local Government Highway and Bridge Fund	13,213.90					13,213.90
331 911 Remittances						0.00
332 Other- Gaming Revenue	16,256.99					16,256.99
333 State Payments in Lieu of Taxes						0.00
334 County Shared Revenue:						
335 County Road Tax (25%)						0.00
336 County Road and Bridge Tax (25%)						0.00
337 County Wheel Tax						0.00
338 Other		55,186.00				55,186.00
339 Other Intergovernmental Revenues						
340 Charges for Goods and Services:						
341 General Government						0.00
342 Public Safety	1,650.50					1,650.50
343 Highways and Streets	72,774.31					72,774.31
344 Sanitation						0.00
345 Health						0.00
346 Culture and Recreation	4,248.37					4,248.37
347 Ambulance						0.00

MUNICIPALITY OF WHITEWOOD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	General Fund	Library Fund	3rd Cent Fund	Debt Service Fund	Economic Development Funds	Total Governmental Funds
348 Cemetery						0.00
349 Other						0.00
350 Fines and Forfeits:						
351 Court Fines and Costs	39.75					39.75
352 Animal Control Fines						0.00
353 Parking Meter Fines						0.00
354 Library						0.00
359 Other						0.00
360 Miscellaneous Revenue:						
361 Investment Earnings	2,813.18	2,813.17	2,813.17		793.68	9,233.20
362 Rentals	18,635.00					18,635.00
363 Special Assessments				12,903.39		12,903.39
364 Maintenance Assessments	16,836.77					16,836.77
367 Contributions and Donations from Private Sources		3,219.24				3,219.24
368 Liquor Operating Agreement Income	308,817.07					308,817.07
369 Other	3,941.41					3,941.41
Total Revenue	1,209,071.86	61,220.41	40,709.61	16,136.60	793.68	1,327,932.16
Expenditures:						
410 General Government:						
411 Legislative	130,015.37					130,015.37
412 Executive	7,104.96					7,104.96
413 Elections	669.66					669.66
414 Financial Administration	81,474.24					81,474.24
419 Other- Government Buildings	134,469.55					134,469.55
Total General Government	353,733.78	0.00	0.00	0.00	0.00	353,733.78
420 Public Safety:						
421 Police	313,444.71					313,444.71
422 Fire						0.00
423 Protective Inspection	17,887.81					17,887.81
424 Corrections						0.00
429 Other Protection						0.00
Total Public Safety	331,332.52	0.00	0.00	0.00	0.00	331,332.52
430 Public Works:						
431 Highways and Streets	135,402.11					135,402.11
432 Sanitation	68,473.07					68,473.07
433 Water						0.00
434 Electricity						0.00
435 Airport						0.00
436 Parking Facilities						0.00
437 Cemeteries						0.00
438 Natural Gas						0.00
439 Transit						0.00
Total Public Works	203,875.18	0.00	0.00	0.00	0.00	203,875.18

MUNICIPALITY OF WHITEWOOD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	General Fund	Library Fund	3rd Cent Fund	Debt Service Fund	Economic Development Funds	Total Governmental Funds
440 Health and Welfare:						
441 Health	0.00	0.00	0.00	0.00	0.00	0.00
442 Home Health						0.00
443 Mental Health Centers						0.00
444 Humane Society						0.00
445 Drug Education						0.00
446 Ambulance						0.00
447 Hospitals, Nursing Homes and Rest Homes						0.00
449 Other						0.00
Total Health and Welfare	0.00	0.00	0.00	0.00	0.00	0.00
450 Culture and Recreation:						
451 Recreation	76,135.08					0.00
452 Parks		53,909.45				76,135.08
455 Libraries			26,533.81			53,909.45
456 Auditorium						26,533.81
457 Historical Preservation						0.00
458 Museums						0.00
Total Culture and Recreation	76,135.08	53,909.45	26,533.81	0.00	0.00	156,578.34
460 Conservation and Development:						
463 Urban Redevelopment and Housing						0.00
465 Economic Development and Assistance						0.00
466 Economic Opportunity						0.00
Total Conservation and Development	0.00	0.00	0.00	0.00	0.00	0.00
470 Debt Service	99,460.61			31,595.00		131,055.61
480 Intergovernmental Expenditures						0.00
485 Capital Outlay						0.00
490 Miscellaneous:						
491 Judgements and Losses						0.00
492 Other Expenditures						0.00
493 Liquor Operating Agreements	284,688.06					284,688.06
Total Miscellaneous	284,688.06	0.00	0.00	0.00	0.00	284,688.06
Total Expenditures	1,349,225.23	53,909.45	26,533.81	31,595.00	0.00	1,461,263.49
Excess of Revenues Over (Under) Expenditures	(140,153.37)	7,310.96	14,175.80	(15,458.40)	793.68	(133,331.33)

MUNICIPALITY OF WHITEWOOD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	General Fund	Library Fund	3rd Cent Fund	Debt Service Fund	Economic Development Funds	Total Governmental Funds
Other Financing Sources (Uses):						
391.01 Transfers in						0.00
391.03 Sale of Municipal Property	30,112.50					30,112.50
391.04 Compensation for Loss or Damage to Capital Assets	88,902.82					88,902.82
391.20 Long-Term Debt Issued						0.00
511 Transfers Out						0.00
512 Discount on Bonds Issued						0.00
513 Payments to Refunded Debt Escrow Agent						0.00
Total Other Financing Sources (Uses)	119,015.32	0.00	0.00	0.00	0.00	119,015.32
391.06 (514) Special Items						0.00
391.05 (515) Extraordinary Items						0.00
Net Change in Fund Balances	(21,138.05)	7,310.96	14,175.80	(15,458.40)	793.68	(14,316.01)
Fund Balance - beginning, as previously reported						0.00
Restatement due to (See Note ___):						0.00
						0.00
Fund Balance - beginning, as restated	1,639,784.99	44,538.31	24,097.81	20,985.02	187,594.41	1,917,000.54
FUND BALANCE- ENDING	1,618,646.94	51,849.27	38,273.61	5,526.62	188,388.09	1,902,684.53

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

MUNICIPALITY OF WHITEWOOD
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2024

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Fund	Fund	Totals
ASSETS:					
Current Assets:					
Cash and Cash Equivalents					0.00
Cash with Fiscal Agent	149,170.91	475,290.56			624,461.47
Investments					0.00
Accounts Receivable, Net	21,256.82	20,117.88			41,374.70
Unbilled Accounts Receivable	7,085.60	6,154.29			13,239.89
Special Assessments Receivable--Current					0.00
Special Assessments Receivable--Delinquent					0.00
Special Assessments Receivable--Noncurrent					0.00
Interest Receivable--Special Assessments					0.00
Governmental Unit's Share of Assessment Improvement Costs					0.00
Notes Receivable					0.00
Leases Receivable					0.00
Due from _____ Fund					0.00
Due from Other Government					0.00
Due from Component Unit					0.00
Interest Receivable					0.00
Accrued Interest on Investments Purchased					0.00
Dividend Receivable					0.00
Inventory of Supplies					0.00
Inventory of Stores Purchased for Resale					0.00
Prepaid Expenses					0.00
Total Current Assets	177,513.33	501,562.73	0.00	0.00	679,076.06
Noncurrent Assets:					
Restricted Cash and Cash Equivalents					0.00
Restricted Investments					0.00
Deposits					0.00
Unamortized Discounts on Bonds Sold					0.00
Advance to _____ Fund	242.47	170.33			412.80
Net Pension Asset					
Total Noncurrent Assets	242.47	170.33	0.00	0.00	412.80
Capital Assets:					
Land		23,253.33			23,253.33
Buildings	684,727.77	845,640.80			1,530,368.57
Improvements Other Than Buildings	3,233,693.56	1,690,108.58			4,923,802.14
Furnishings and Equipment	460,772.34	297,418.74			758,191.08
Construction/Development in Progress		77,988.79			77,988.79
Infrastructure					0.00
Less: Accumulated Depreciation-Infrastructure (Credit)	(1,587,922.37)	(1,700,648.55)	()	()	(3,288,570.92)
Intangible Assets--					0.00
Less: Accumulated Amortization-- (Credit)	()	()	()	()	()
Intangible Lease Assets					0.00
Less: Accumulated Amortization-Lease Assets (Credit)	()	()	()	()	()
Intangible Subscription Assets					0.00
Less: Accumulated Amortization-Subscription Assets (Credit)	()	()	()	()	()
Total Noncurrent Assets	2,471,513.74	1,242,932.11	0.00	0.00	3,714,445.85
TOTAL ASSETS	2,649,027.07	1,744,494.84	0.00	0.00	4,393,521.91

MUNICIPALITY OF WHITEWOOD
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2024

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Fund	Totals	
DEFERRED OUTFLOWS OF RESOURCES:					
196 Pension Related Deferred Outflows	18,591.98	13,060.71		31,652.69	
197 Deferred Charge on Refunding				0.00	
198 Other Deferred Outflows of Resources				0.00	
TOTAL DEFERRED OUTFLOWS OF RESOURCES	18,591.98	13,060.71	0.00	31,652.69	0.00
LIABILITIES:					
Current Liabilities:					
201 Claims Payable				8,941.90	
202 Accounts Payable	6,348.54	2,593.36		0.00	
203 Judgments Payable				0.00	
204 Annuities Payable				0.00	
205 Notes Payable				0.00	
206 Contracts Payable				0.00	
207 Contracts Payable--Retained Percentage				0.00	
208 Due to _____ Fund				0.00	
209 Due to _____ Government				0.00	
210 Due to Resigned Employees				0.00	
211 Matured Bonds Payable				0.00	
212 Matured Interest Payable				0.00	
213 Incurred but Not Reported Claims				0.00	
215 Accrued Interest Payable	2,251.82			2,251.82	
216 Accrued Wages Payable	2,489.14	1,972.40		4,461.54	
217 Accrued Taxes Payable				0.00	
218 Amount Held for Special Assessment Debt Service				0.00	
219 Amounts Held for Others				0.00	
220 Customer Deposits	20,572.33	17,353.20		37,925.53	
221 Due to Fiscal Agent				0.00	
223 Unearned Revenue				0.00	
225 Registered Warrants				0.00	
226 Bonds Payable Current:					
226.01 General Obligation				0.00	
226.02 Revenue	18,052.94	6,520.22		24,573.16	
226.03 Special Assessment				0.00	
227 Unamortized Premiums on Bonds Sold				0.00	
228 Payable from Restricted Assets				0.00	
229 Due to Component Unit				0.00	
230 Compensated Absences Payable -- Current				0.00	
Total Current Liabilities	49,714.77	28,439.18	0.00	78,153.95	0.00

MUNICIPALITY OF WHITEWOOD
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2024

	Enterprise Funds				Internal
	Water Fund	Sewer Fund	Fund	Fund	Service Funds
Noncurrent Liabilities:					
231 Bonds Payable:					
231.01 General Obligation	682,037.85	199,356.33			0.00
231.02 Revenue					881,394.18
231.03 Special Assessment					0.00
232 Subscription Liabilities					0.00
233 Compensated Absences Payable	2,654.70	2,455.30			5,110.00
234 Lease Liabilities					0.00
235 Accrued Landfill Closure and Postclosure Care Costs					0.00
236 Advance from _____ Fund					0.00
238 Net OPEB Obligation					0.00
239 Net Pension Liabilities					0.00
237 Other Long-Term Liabilities					0.00
Total Noncurrent Liabilities	684,692.55	201,811.63	0.00	0.00	886,504.18
TOTAL LIABILITIES	734,407.32	230,250.81	0.00	0.00	964,658.13
DEFERRED INFLOWS OF RESOURCES:					
247 Other Deferred Inflows of Resources	12,117.79	8,512.64			0.00
248 Pension Related Deferred Inflows					20,630.43
TOTAL DEFERRED INFLOWS OF RESOURCES	12,117.79	8,512.64	0.00	0.00	20,630.43
NET POSITION:					
253.10 Net Investment in Capital Assets	1,771,029.38	956,764.79			2,727,794.17
253.20 Restricted For:					
253.21 Revenue Bond Debt Service	48,336.00				48,336.00
253.22 Revenue Bond Retirement					0.00
253.23 Revenue Bond Contingency					0.00
253.24 Special Assessment Bond Guarantee					0.00
253.25 Special Assessment Bond Sinking					0.00
253.26 Equipment Repair and/or Replacement					0.00
253.27 Landfill Closure and Post Closure Costs					0.00
253.28 Permanently Restricted Purposes	22,209.61	23,475.20			45,684.81
253.29 SDRS Pension Purposes					0.00
253.29 Other Purposes	57,309.34	777,315.56			834,624.90
253.30 Unrestricted					0.00
TOTAL NET POSITION	1,898,864.33	1,757,555.55	0.00	0.00	3,656,439.88

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

MUNICIPALITY OF WHITEWOOD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2024

	Enterprise Funds				Totals	Internal Service Funds
	Water Fund	Sewer Fund	Fund	Fund		
Operating Revenue:						
371 Surcharge as Security for Debt					0.00	
372-389 Charges for Goods and Services	285,528.07	325,844.52			611,372.59	
380.05 Lottery Sales					0.00	
367 Contributions and Donations					0.00	
369 Miscellaneous					0.00	
Total Operating Revenue	285,528.07	325,844.52	0.00	0.00	611,372.59	0.00
Operating Expenses:						
410 Personal Services	118,268.24	92,243.06			210,511.30	
420 Other Current Expense	95,506.56	34,316.47			129,823.03	
426.2 Materials (Cost of Goods Sold)					0.00	
453 Amortization					0.00	
457 Depreciation	7,256.56	4,275.71			11,532.27	
Total Operating Expenses	221,031.36	130,835.24	0.00	0.00	351,866.60	0.00
Operating Income (Loss)	64,496.71	195,009.28	0.00	0.00	259,505.99	0.00
Nonoperating Revenue (Expense):						
330 Operating Grants					0.00	
361 Investment Earnings					0.00	
362 Rental Revenue					0.00	
442 Interest Expense	31,054.45	6,356.24			37,410.69	
Gain (Loss) on Disposition of Assets					0.00	
Other					0.00	
Total Nonoperating Revenue (Expense)	31,054.45	6,356.24	0.00	0.00	37,410.69	0.00
Income (Loss) Before Contributions, Special Items, Extraordinary Items and Transfers	95,551.16	201,365.52	0.00	0.00	296,916.68	0.00

MUNICIPALITY OF WHITEWOOD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2024

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Fund	Fund	
391.07 Capital Contributions					0.00
391.10 Transfers In					0.00
511 Transfers Out					0.00
391.06 (514) Special Items					0.00
391.05 (515) Extraordinary Items					0.00
Change in Net Position	95,551.16	201,365.52	0.00	0.00	296,916.68
Net Position - beginning, as previously reported					0.00
Restatement due to (See Note __):					0.00
					0.00
Net Position - beginning, as restated	1,803,333.17	1,556,190.03	0.00	0.00	3,359,523.20
NET POSITION - ENDING	1,898,884.33	1,757,555.55	0.00	0.00	3,656,439.88

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

MUNICIPALITY OF WHITEWOOD
SCHEDULE OF CHANGES IN LONG-TERM DEBT
For the Year Ended December 31, 2024

Indebtedness	Long-Term Debt 1-Jan-24	Add New Debt	Less Debt Retired	Long-Term Debt 31-Dec-24
Governmental Long-Term Debt:				
231.01 General Obligation Bonds				
231.02 Revenue Bonds	48,087.88	628,000.00	49,028.51	627,059.37
231.03 Special Assessment Bonds	153,349.19		25,844.41	127,504.78
232 Subscription Liabilities				
234 Lease Liabilities				
236 Advance from Other Funds				
237 Other Long-Term Liabilities				
238 Net OPEB Obligation				
Enterprise Long-Term Debt: (only cash basis entities need to complete the enterprise section)				
231.01 General Obligation Bonds				
231.02 Revenue Bonds				
231.03 Special Assessment Bonds				
232 Subscription Liabilities				
234 Lease Liabilities				
235 Accrued Landfill Closure and Postclosure Care Costs				
236 Advance from Other Funds				
237 Other Long-Term Liabilities				
238 Net OPEB Obligation				
Total	<u>201,437.07</u>	<u>628,000.00</u>	<u>74,872.92</u>	<u>754,564.15</u>
(Do not include interest in the above figures)				

Note 1 - Long-Term Debt:

Debt payable at December 31, 2024 is comprised of the following:

General Obligation Bonds:

	\$ -

Revenue Bonds:

Sales Tax Revenue Bond, series 2004, bears interest at 4.375 percent, Due in monthly installments of \$1,227 through 2026. Finance through the General Fund.	\$ 35,217.30
Rural Development Sales Tax Revenue Bond, Series 2023, bears interest at 2.250 percent; due in monthly installments of \$3,254 through July 2043. Financed through the General Fund	\$591,842.07
<u>Subscription Liabilities:</u>	
	\$ -

Lease Liabilities:

	\$ -

Other Long-Term Liabilities:

	\$ -

[SHOW MATURITY DATES AND INTEREST RATES AND INDICATE THE FUND MAKING THE PAYMENTS TO RETIRE THE DEBT. IF VARIABLE-RATE DEBT EXISTS THE DEBT DESCRIPTIONS MUST DESCRIBE THE TERMS BY WHICH INTEREST RATES ARE ADJUSTED.]