

Partners—

RICHARD C. SCHEFFEL, C.P.A.
GARY F. KRATZSCHER, C.P.A.
GUY McCUNE, C.P.A.

R. C. SCHEFFEL & COMPANY

Certified Public Accountants

METROPOLITAN BUILDING

307 HIGH STREET

ALTON, ILL.

PHONES: 5-4295

5-4299

August 22, 1958

Village of Brighton, Illinois
Water Department
Brighton, Illinois

VILLAGE OF BRIGHTON, ILLINOIS
WATER DEPARTMENT

Gentlemen:

We have examined the Fund Balance Sheet of the Brighton Municipal Water Department as of July 31, 1958, and the related statements of income and fund balances for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Accounts Receivable as of July 31, 1958, were not confirmed by direct correspondence with debtors.

We submit the following financial statements, and our related comments and recommendations:

EXHIBIT "A" FUND BALANCE SHEET AS AT JULY 31, 1958

EXHIBIT "B" OPERATING FUND

COMPARATIVE STATEMENT OF INCOME AND FUND BALANCE
FOR THE FISCAL YEAR ENDED JULY 31, 1958

EXHIBIT "C" OTHER FUNDS

STATEMENT OF FUND BALANCES
FOR THE FISCAL YEAR ENDED JULY 31, 1958

SCHEDULE "1" SCHEDULE OF GENERAL REVENUE DUES OUTSTANDING
AS AT JULY 31, 1958

REMARKS

A summary of all the assets of the Water Department, as of July 31, 1958 is as follows:

Inter-fund Accounts are eliminated

Cash on Hand and in Banks	AUDIT	\$ 2,530.42
Accounts Receivable (Net)	JULY 31, 1958	1,722.00
Investments		24,322.31
Fixed Assets		1237,949.90
Less Accumulated Depreciation		1,232.31
Total Assets		\$235,299.32

Partners—

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METROPOLITAN BUILDING

307 HENRY STREET

ALTON, ILL.

PHONES: 5-4288

5-4289

August 22, 1958

Village of Brighton, Illinois
Water Department
Brighton, Illinois

Gentlemen:

We have examined the Fund Balance Sheet of the Brighton Municipal Water Department as of July 31, 1958, and the related Statements of Income and Fund Balances for the Fiscal Year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Accounts Receivable at July 31, 1958, were not confirmed by direct correspondence with debtors.

We submit the following financial statements, and our related comments and recommendations:

EXHIBIT "A" FUND BALANCE SHEET AS AT JULY 31, 1958

EXHIBIT "B" OPERATING FUND
COMPARATIVE STATEMENT OF INCOME AND FUND BALANCE
FOR THE FISCAL YEAR ENDED JULY 31, 1958

EXHIBIT "C" OTHER FUNDS
STATEMENT OF FUND BALANCES
FOR THE FISCAL YEAR ENDED JULY 31, 1958

SCHEDULE "1" SCHEDULE OF GENERAL REVENUE BONDS OUTSTANDING
AS AT JULY 31, 1958

COMMENTS

A summary of all the assets of the Water Department, as of July 31, 1958 is as follows:

(Inter-Fund Accounts are Eliminated)

Cash on Hand and in Banks	\$ 9,530.62
Accounts Receivable (Net)	1,722.06
Investments	24,322.31
Fixed Assets	\$237,769.90
Less Accumulated Depreciation	<u>9,242.95</u>
	<u>228,526.95</u>
Total Assets	<u>\$264,101.94</u>

Total Liabilities and Fund Balances are summarized below: (Inter-Fund Accounts are eliminated)

Accounts Payable	\$ 955.31
Meter Connection Deposits	100.00
Customers Meter Deposits	264.00
Bond Interest Payable	2,900.00
Bonds Outstanding	144,000.00
Fund Balances	<u>115,882.63</u>

Total Liabilities and Fund Balances \$264,101.94

Water Sales of \$25,258.10 were \$284.60 less than in the preceding year. Sales to metered customers increased \$1,895.85, due primarily to an increase in the number of metered users from 413 at July 31, 1957 to 427 at July 31, 1958; however, Bulk Sales decreased \$2,180.45 from the previous year.

Included in the water sales for the year is \$2,025.00 for hydrant rental which was billed to the Village of Brighton. The total amount billed to the village and unpaid as of July 31, 1958 was \$11,116.25, and a Reserve for Doubtful Accounts for the entire amount has been set up.

Water purchased during the current year increased \$642.18 as compared with the prior year, although water sales decreased \$284.60 during the current year. This is attributed to an increased cost of water purchased with no corresponding increase in the charge by the Water Department to minimum users.

RECOMMENDATIONS

We suggest that Fidelity Bonds be purchased for the collectors and custodians of funds of the Water Department. At the date of this report no such insurance coverage is in force.

At the present time the receipts of the Water Department are deposited to the Credit of the Water Commissioner, then warrants signed by the Chairman and Secretary of the Water Board, and the Village Treasurer are drawn against that account in payment of the various obligations of the department. The Ordinance setting up the Water Department while not clear on this point, seems to indicate that the funds are to be deposited to the credit of the Village Treasurer. We suggest this matter be discussed with the village attorney for a

possible clarification as to the handling of the funds of the Water Department, so as to be in compliance with the ordinance establishing the Department.

OPINION

In our opinion subject to the previous comment pertaining to our not having confirmed the Accounts Receivable, the accompanying Fund Balance Sheet and related Statements of Income and Fund Balance present fairly the Financial Position of the Water Department of the Village of Brighton, Illinois at July 31, 1958, and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with the preceding year.

Respectfully submitted,

R. C. Scheffel & Company

R. C. SCHEFFEL & COMPANY
Certified Public Accountants

CASH ON HAND		
DEPOSIT FUND:		
Cash in Bank		
Cash in Safe		
Total		
RECEIVABLES:		
Accounts Receivable		
Notes Receivable		
Total		
INVESTMENTS:		
U.S. Government Bonds		
Municipal Bonds		
Total		
PROPERTY:		
Land		
Buildings		
Equipment		
Total		
LIABILITIES:		
Accounts Payable		
Notes Payable		
Total		
FUND BALANCE:		
Capital		
Reserve		
Total		
TOTAL		

VILLAGE OF BRIGHTON, ILLINOIS

VILLAGE OF BRIGHTON, ILLINOIS

WATER DEPARTMENT - OPERATING

WATER DEPARTMENT

COMPARATIVE STATEMENT OF FUNDS

FUND BALANCE SHEET AS OF JULY 31, 1958

ASSETS

OPERATING FUND:

Cash on Hand and in Bank		\$ 1,366.62
Accounts Receivable, Water Users:		
Customers - Billed	\$ 55.61	
Customers - Billed August 1, 1958	1,666.45	
Village of Brighton	\$ 11,116.25	
Less - Reserve for Doubtful		
Accounts	11,116.25	-0-
Investments (Savings and Loan Association Stock)		24,322.31
Total		\$ 27,410.99

CUSTOMERS METER DEPOSIT FUND:

Cash in Bank		264.00
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DEPRECIATION FUND:

Due from Operating Fund		5,701.45
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BOND INTEREST AND REDEMPTION FUND:

Cash in Bank (Note)		\$ 7,900.00
Commissions and Bulk Sales		
Water Board		
Total		7,900.00

PLANT FUND:

Water System (Cost)	\$237,074.90	
Building	695.00	\$237,769.90
Less - Accumulated Depreciation		9,242.95
Total		228,526.95

TOTAL

\$269,803.39

BEFORE PROVISION FOR RESERVES,

RETIREMENT, AND CAPITAL OUTLAY

Note: On deposit with the First National Bank of Brighton, Illinois in a redemption account; representing \$7,880.00 for bonds and interest due on August 1, 1958, and \$20.00 for one coupon that has not been redeemed from the February 1, 1958 interest redemption.

Retirement of Bonds	\$ 5,000.00	
Interest on Bonds	3,780.00	
Allocation to Depreciation Reserve	600.00	
Building - Capital Outlay	695.00	
Extension of Water Mains - Capital Outlay		
INCREASE TO FUND BALANCE		14,492.77
FUND BALANCE, AUGUST 1		14,492.77
FUND BALANCE, JULY 31		\$18,985.54

LIABILITIES AND FUND BALANCE

OPERATING FUND:

Accounts Payable	\$ 955.31
Meter Connection Deposits	100.00
Due to Depreciation Fund	5,701.45
Fund Balance (Exhibit "B")	20,654.23

Total

\$ 27,410.99

CUSTOMERS METER DEPOSIT FUND:

Customers Meter Deposits	264.00
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DEPRECIATION FUND:

Fund Balance, (Exhibit "C")	5,701.45
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BOND INTEREST AND REDEMPTION FUND:

Interest Payable (Due August 1, 1958)	\$ 2,900.00
Fund Balance (Exhibit "C")	5,000.00

Total

7,900.00

PLANT FUND:

Bonds Payable - Current (Due August 1, 1958)	\$ 5,000.00
Bonds Payable - Long Term	139,000.00
Fund Balance (Exhibit "C")	84,526.95

Total

228,526.95

TOTAL

\$269,803.39

VILLAGE OF BRIGHTON, ILLINOIS
WATER DEPARTMENT - OPERATING FUND
COMPARATIVE STATEMENT OF INCOME AND FUND BALANCE
FOR THE FISCAL YEARS ENDED JULY 31, 1958 AND JULY 31, 1957

	FOR THE FISCAL YEAR ENDED JULY 31, 1958		FOR THE FISCAL YEAR ENDED JULY 31, 1957	
INCOME:				
Sale of Water:				
Metered Customers	\$20,036.70		\$18,140.85	
Bulk Sales	3,196.40		5,376.85	
Village of Brighton (See Note)	<u>2,025.00</u>	\$25,258.10	<u>2,025.00</u>	\$25,542.70
Connection Charges		2,102.00		3,845.00
Late Penalties		65.47		46.41
Dividends on Investments (Savings and Loan Association Stock)		<u>777.24</u>		<u>625.64</u>
GROSS INCOME		\$28,202.81		\$30,059.75
EXPENSES:				
Water Purchased		\$ 3,809.97		\$ 3,167.79
Wages and Salaries:				
Meter Reader	\$ 1,800.00		\$ 1,750.00	
Meter Installation	850.00		1,313.50	
Bookkeeper	600.00		600.00	
Commissions and Bulk Sales	494.92		744.47	
Water Board	<u>36.00</u>	3,780.92	<u>36.00</u>	4,443.97
Meters and Material		3,168.98		1,028.83
Repairs and Maintenance		184.94		46.32
Bank Collection Fees		306.21		282.38
Office Supplies		272.08		41.33
Electric		782.65		736.50
Uncollectible Accounts (See Note)		2,030.35		2,031.97
Accounting		90.00		90.00
Insurance		-0-		159.80
Miscellaneous		13.10		19.20
Easements - Railroad		<u>-0-</u>		<u>29.00</u>
Total Expenses		<u>14,439.20</u>		<u>12,077.09</u>
INCOME BEFORE PROVISION FOR RESERVES, DEBT RETIREMENT, AND CAPITAL OUTLAY		\$13,763.61		\$17,982.66
PROVISION FOR RESERVES, DEBT RETIREMENT AND CAPITAL OUTLAY:				
Retirement of Bonds	\$ 5,000.00		\$ 5,000.00	
Interest on Bonds	5,760.00		5,960.00	
Allocation to Depreciation Reserve	600.00		600.00	
Building - Capital Outlay	695.00		-0-	
Extension of Water Mains - Capital Outlay	<u>-0-</u>	<u>12,055.00</u>	<u>1,929.89</u>	<u>13,489.89</u>
NET INCREASE TO FUND BALANCE		\$ 1,708.61		\$ 4,492.77
FUND BALANCE, AUGUST 1		<u>18,945.62</u>		<u>14,452.85</u>
FUND BALANCE, JULY 31		<u>\$20,654.23</u>		<u>\$18,945.62</u>

Note: Includes \$2,025.00 in each year charged to the Village of Brighton, Illinois, for hydrant rental.

VILLAGE OF BRIGHTON, ILLINOIS
WATER DEPARTMENT - OTHER FUNDS
STATEMENT OF FUND BALANCES
FOR THE FISCAL YEAR ENDED JULY 31, 1958

	DEPRECIATION FUND	BOND AND INTEREST FUND	PLANT FUND
FUND BALANCES, AUGUST 1, 1957	\$ 5,101.45	\$ 5,000.00	\$ 81,202.70
ADDITIONS:			
Allocations from Operating Fund	600.00	10,760.00	-0-
Bonds Retired	-0-	-0-	5,000.00
Capital Outlay (New Building)			
Paid Out of Operating Fund	-0-	-0-	695.00
Total	\$ 5,701.45	\$ 15,760.00	\$ 86,897.70
DEDUCTIONS:			
Depreciation	\$ -0-	\$ -0-	\$ 2,370.75
Bonds Retired		5,000.00	
Interest on Bonds		5,760.00	
Total Deductions	\$ -0-	\$ 10,760.00	\$ 2,370.75
FUND BALANCE, JULY 31, 1958	\$ 5,701.45	\$ 5,000.00	\$ 84,526.95

*Interest due August 1 and February 1 of each year

In 1958-60 pay
\$63.33 per mo
for 11 mos
\$6337 - 12th mon

VILLAGE OF BRIGHTON, ILLINOIS
WATER DEPARTMENT
SCHEDULE OF GENERAL REVENUE
4% WATER BONDS OUTSTANDING
AS AT JULY 31, 1958

BOND NUMBER	DUE AUGUST 1	PRINCIPAL	INTEREST*	TOTAL DUE
25 to 29	1958	\$ 5,000.00	\$ 2,880.00	\$ 7,880.00
30 to 34	1959	5,000.00	5,560.00	10,560.00
35 to 39	1960	5,000.00	5,360.00	10,360.00
40 to 44	1961	5,000.00	5,160.00	10,160.00
45 to 49	1962	5,000.00	4,960.00	9,960.00
50 to 54	1963	5,000.00	4,760.00	9,760.00
55 to 60	1964	6,000.00	4,560.00	10,560.00
61 to 66	1965	6,000.00	4,320.00	10,320.00
67 to 72	1966	6,000.00	4,080.00	10,080.00
73 to 78	1967	6,000.00	3,840.00	9,840.00
79 to 84	1968	6,000.00	3,600.00	9,600.00
85 to 90	1969	6,000.00	3,360.00	9,360.00
91 to 96	1970	6,000.00	3,120.00	9,120.00
97 to 103	1971	7,000.00	2,880.00	9,880.00
104 to 110	1972	7,000.00	2,600.00	9,600.00
111 to 117	1973	7,000.00	2,320.00	9,320.00
118 to 124	1974	7,000.00	2,040.00	9,040.00
125 to 131	1975	7,000.00	1,760.00	8,760.00
132 to 138	1976	7,000.00	1,480.00	8,480.00
139 to 145	1977	7,000.00	1,200.00	8,200.00
146 to 152	1978	7,000.00	920.00	7,920.00
153 to 160	1979	8,000.00	640.00	8,640.00
161 to 168	1980	8,000.00	320.00	8,320.00
Totals		\$144,000.00	\$ 71,720.00	\$215,720.00

*Interest due August 1 and February 1 of each year

In 1959-60 pay
863.33 per mo
for 11 mo.
863.37 - 12th mo.