

VILLAGE OF BRIGHTON, ILLINOIS

WATER DEPARTMENT

AUDIT
JULY 31, 1961

Partners—

RICHARD C. SCHEFFEL, C.P.A.
GENE F. KRATSCHEMER, C.P.A.
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METROPOLITAN BUILDING
307 Henry Street
ALTON, ILLINOIS

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September 5, 1961

Village of Brighton, Illinois
Water Department
Brighton, Illinois

Dear Sirs:

We have examined the Fund Balance Sheet of the Brighton Municipal Water Department as of July 31, 1961 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, 1961 were not confirmed by direct correspondence with debtors.

We submit the following financial statements, together with our related comments:

EXHIBIT "A" - FUND BALANCE SHEET AS AT JULY 31, 1961.

EXHIBIT "B" - OPERATING FUND
COMPARATIVE STATEMENT OF INCOME AND FUND BALANCES
FOR THE FISCAL YEARS ENDED JULY 31, 1961, AND JULY 31, 1960

EXHIBIT "C" - OTHER FUNDS
STATEMENT OF FUND BALANCES FOR THE FISCAL YEAR
ENDED JULY 31, 1961

SCHEDULE "I" - SCHEDULE OF GENERAL REVENUE BONDS OUTSTANDING
AS AT JULY 31, 1961

COMMENTS

A summary of all the assets of the Water Department as of July 31, 1961 is presented below (Inter-fund accounts are eliminated):

Cash on Hand and in Banks	\$ 14,752.06
Accounts Receivable (Net)	3,311.50
Investments	36,601.83
Fixed Assets (Net After Depreciation)	<u>230,762.02</u>
Total Assets	<u>\$285,427.41</u>

Total liabilities and fund balances are summarized below (Inter-fund accounts are eliminated):

Accounts Payable	\$ 4,993.85
Meter Connection Deposits	300.00
Customer Meter Deposits	672.00
Bond Interest Payable	2,800.00
Bonds Outstanding	129,000.00
Fund Balances	<u>147,661.56</u>
Total Liabilities and Fund Balances	<u>\$285,427.41</u>

Water sales increased from \$31,698.60 in the previous year to \$40,108.80 in the year under review, an increase of \$8,410.20. This increase is due primarily to the greater number of water users which increased from 550 at July 31, 1960 to 613 at July 31, 1961 or an increase of 63 users.

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 is unpaid at July 31, 1961 was \$17,191.25 for which a reserve for doubtful accounts has been set up.

Bulk sales increased from \$3,333.95 in the previous year to \$7,603.60 in the year under review, an increase of \$4,269.65. Sales to the city of Greenfield accounted for \$2,262.50 of this increase in bulk sales. Consideration should be given to metering these sales so that better control may be established over such sales.

OPINION

In our opinion, the accompanying Fund Balance Sheet and related Statements of Income and Fund Balances present fairly the financial position of the Water Department of the Village of Brighton, Illinois at July 31, 1961 and the results of its operations for the fiscal year then ended, in conformity with generally accepted auditing principles applied on a basis consistent with that of the preceding year.

R. C. Scheffel & Company

R. C. SCHEFFEL & COMPANY

VILLAGE OF BRIGHTON, ILLINOIS
WATER DEPARTMENT
FUND BALANCE SHEET AS AT JULY 31, 1961

A S S E T S

OPERATING FUND:

Cash on Hand and in Bank		\$ 6,280.06	
Accounts Receivable - Water Users -			
Customers - Billed (Note)	\$ 622.85		
Customers - Billed, August 1, 1961	2,588.65		
Village of Brighton	<u>17,191.25</u>	\$ 20,402.75	
Less, Reserve for Doubtful Accounts	<u>17,191.25</u>	3,211.50	
Accounts Receivable - Connection Charges		100.00	
Investments (Savings and Loan Association Stock)		<u>36,671.90</u>	
Total			\$ 46,263.46

CUSTOMERS METER DEPOSIT FUND:

Cash in Bank			672.00
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DEPRECIATION FUND:

Due from Operating Fund			7,501.45
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BOND INTEREST AND REDEMPTION FUND:

Cash in Bank		<u>\$ 7,800.00</u>	
Total			7,800.00

PLANT FUND:

Water System	\$246,692.72		
Building	<u>695.00</u>	\$247,387.72	
Less, Accumulated Depreciation		<u>16,625.70</u>	
Total			<u>230,762.02</u>

TOTAL

\$292,998.93

NOTE: \$395.00 of this is connection charges for metered customers.

L I A B I L I T I E S A N D F U N D B A L A N C E

OPERATING FUND:

Accounts Payable	\$ 4,993.85	
Meter Connection Deposits	300.00	
Due to Depreciation Fund	7,501.45	
Fund Balance (Exhibit "B")	<u>33,468.16</u>	

Total

\$ 46,263.46

CUSTOMERS METER DEPOSIT FUND:

Customers Meter Deposits		672.00
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DEPRECIATION FUND:

Fund Balance (Exhibit "C")		7,501.45
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BOND INTEREST AND REDEMPTION FUND:

Interest Coupons Not Redeemed (Due 2-1-61)	\$ 220.00	
Interest Payable (Due 8-1-61)	<u>2,580.00</u>	\$ 2,800.00
Fund Balance (Exhibit "C")		<u>5,000.00</u>
Total		7,800.00

PLANT FUND:

Bonds Payable - Current (Due August 1, 1961)	\$ 5,000.00	
Bonds Payable - Long-Term	<u>124,000.00</u>	\$129,000.00
Fund Balance (Exhibit "C")		<u>101,762.02</u>
Total		<u>230,762.02</u>

TOTAL

\$292,998.93

VILLAGE OF BRIGHTON, ILLINOIS
WATER DEPARTMENT - OPERATING FUND
COMPARATIVE STATEMENT OF INCOME AND FUND BALANCE
FOR THE FISCAL YEARS ENDED JULY 31, 1961, AND JULY 31, 1960

	<u>FOR THE FISCAL YEAR ENDED JULY 31, 1961</u>		<u>FOR THE FISCAL YEAR ENDED JULY 31, 1960</u>	
INCOME:				
Sale of Water -				
Metered Customers	\$ 30,480.20		\$ 26,339.65	
Bulk	7,603.60		3,333.95	
Village of Brighton (Note)	<u>2,025.00</u>	\$ 40,108.80	<u>2,025.00</u>	\$ 31,698.60
Connection Charges		5,520.95		5,102.00
Late Penalties		137.04		107.08
Dividends on investments (Savings and Loan Association Stock)		<u>1,353.74</u>		<u>1,113.37</u>
GROSS INCOME		\$ 47,120.53		\$ 38,021.05
EXPENSES:				
Water Purchased		\$ 6,237.49		\$ 4,797.34
Salaries and Wages -				
Meter reader	\$ 1,056.90		\$ 672.90	
Meter Installation	2,315.00		2,375.00	
Maintenance	1,300.00		1,100.00	
Bookkeeper	1,000.00		900.00	
Commissions	1,128.71		520.90	
Water Board	<u>36.00</u>	6,836.61	<u>36.00</u>	5,604.80
Meters and Materials		6,472.83		6,391.40
Repairs and Supplies		266.82		133.74
Bank Collection Fees		393.75		368.06
Office Supplies		360.52		254.24
Electric		906.65		812.87
Uncollectible Accounts (Note)		2,029.00		2,065.14
Accounting		110.00		90.00
Insurance		100.00		100.00
Miscellaneous		14.68		31.49
Engineers Fee		<u>720.00</u>		<u>-0-</u>
Total Expenses		<u>24,448.35</u>		<u>20,649.08</u>
INCOME BEFORE PROVISION FOR RESERVES, DEBT RETIREMENT AND CAPITAL OUTLAY (Page 2)		\$ 22,672.18		\$ 17,371.97

VILLAGE OF BRIGHTON, ILLINOIS
WATER DEPARTMENT - OPERATING FUND
COMPARATIVE STATEMENT OF INCOME AND FUND BALANCE
FOR THE FISCAL YEARS ENDED JULY 31, 1961, AND JULY 31, 1960

	FOR THE FISCAL YEAR ENDED JULY 31, 1961	FOR THE FISCAL YEAR ENDED JULY 31, 1960
INCOME BEFORE PROVISION FOR RESERVES, DEBT RETIREMENT AND CAPITAL OUTLAY (Page 1)	\$ 22,672.18	\$ 17,371.97
PROVISION FOR RESERVES, DEBT RETIREMENT AND CAPITAL OUTLAY:		
Retirement of Bonds	\$ 5,000.00	\$ 5,000.00
Interest on Bonds	5,160.00	5,360.00
Allocation to Depreciation Reserve	600.00	600.00
Extension of Water Mains - Capital Outlay	<u>4,758.49</u> 15,518.49	<u>2,022.18</u> 12,982.18
NET ADDITION TO FUND BALANCE	\$ 7,153.69	\$ 4,389.79
FUND BALANCE, AUGUST 1	<u>26,314.47</u>	<u>21,924.68</u>
FUND BALANCE, JULY 31 (Exhibit "A")	<u>\$ 33,468.16</u>	<u>\$ 26,314.47</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
STATEMENT OF FUND BALANCES - OTHER FUNDS
FOR THE FISCAL YEAR ENDED JULY 31, 1961

	DEPRECIATION FUND	BOND AND INTEREST FUND	PLANT FUND
FUND BALANCE, AUGUST 1, 1960	\$ 6,901.45	\$ 5,000.00	\$ 94,477.41
ADDITIONS:			
Allocations from operating fund	600.00	10,160.00	-0-
Bond Retired (Paid from Bond and Interest Fund)			5,000.00
Capital Outlay - Main Extension (Paid from Operating Fund)			4,758.49
Total	\$ 7,501.45	\$ 15,160.00	\$ 104,235.90
DEDUCTIONS:			
Depreciation	\$ -0-	\$ -0-	\$ 2,473.88
Bonds Retired	-0-	5,000.00	-0-
Interest on Bonds	-0-	5,160.00	-0-
Total	\$ -0-	\$ 10,160.00	\$ 2,473.88
FUND BALANCE, JULY 31, 1961 (Exhibit "A")	\$ 7,501.45	\$ 5,000.00	\$ 101,762.02

VILLAGE OF BRIGHTON, ILLINOIS
WATER DEPARTMENT
SCHEDULE OF GENERAL REVENUE
4% WATER BONDS OUTSTANDING
AS AT JULY 31, 1961

<u>BOND NUMBERS</u>	<u>DUE AUGUST 1</u>	<u>PRINCIPAL</u>	<u>INTEREST*</u>	<u>TOTAL DUE</u>
40 to 44 Incl.	1961	\$ 5,000.00	\$ 2,580.00	\$ 7,580.00
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		<u>\$129,000.00</u>	<u>\$ 55,340.00</u>	<u>\$184,340.00</u>

* Interest due August 1 and February 1 of each year.