

FIRE DEPARTMENT PENSION FUND

City of Urbana, Illinois

Audit Report

For the Year Ended

April 30, 1968

Andrews, Filbey & Smith  
Certified Public Accountants  
Champaign, Illinois

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May 27, 1968

Board of Trustees  
Fire Department Pension Fund  
Urbana, Illinois

Gentlemen:

We have examined the Statement of Financial Position (Cash Basis) of the Fire Department Pension Fund of Urbana, Illinois as of April 30, 1968, and the related Statement of Revenue Receipts, Expenditures and Fund Balances resulting from cash transactions for the 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.

In our opinion, the accompanying statements present fairly the assets and fund balance of the Fire Department Pension Fund of Urbana, Illinois as of April 30, 1968 resulting from cash transactions, and the income collected and expenses disbursed during the year then ended, on a basis consistent with that of the preceding year.

Very truly yours,

*Andrews, Filbey & Smith*  
Certified Public Accountants

## COMPARATIVE STATEMENT OF FINANCIAL POSITION (CASH BASIS)

Board of Trustees of the Fire Department Pension Fund  
Of the City of Urbana, Illinois

April 30, 1968 and April 30, 1967

## ASSETS

	April 30		Increase (Decrease)
	1968	1967	
Cash in Bank	\$ 1,572.27	\$ 1,409.23	\$ 163.04
Savings Account	1,674.45	1,219.86	454.59
Certificate of Deposit	10,000.00	10,000.00	-
Shares in Savings & Loan, at Cost	58,000.00	49,500.00	8,500.00
U.S. Government Securities, at Cost	41,898.72	41,898.72	-
Stocks (Market Value on April 30, 1968, \$4,700), at Cost	2,443.75	2,443.75	-
Total Assets	<u>\$115,589.19</u>	<u>\$106,471.56</u>	<u>\$ 9,117.63</u>

## LIABILITIES AND FUND BALANCE

Statutory Reserve (See Note 1)	\$ 29,443.39	\$ 29,443.39	\$ -
Amount in excess of Reserve	<u>86,145.80</u>	<u>77,028.17</u>	<u>9,117.63</u>
Total Fund Balance	<u>\$115,589.19</u>	<u>\$106,471.56</u>	<u>\$ 9,117.63</u>

## Notes:

1. The statutory reserve is not an actuarially determined figure nor is it intended to represent one.
2. The principal asset not listed is taxes receivable collectible during the next fiscal year.

COMPARATIVE STATEMENT OF REVENUE RECEIPTS,  
EXPENDITURES AND FUND BALANCES (CASH BASIS)

Board of Trustees of the Fire Department Pension Fund  
Of the City of Urbana, Illinois

For the Years Ended April 30, 1968 and April 30, 1967

	Year Ended April 30		Increase (Decrease)
	1968	1967	
<u>Revenue Receipts</u>			
Taxes	\$ 19,710.59	\$ 18,287.88	\$ 1,422.71
Licenses	338.17	358.51	( 20.34)
Salary Deductions	8,216.50	7,605.56	610.94
Interest on U. S. Bonds and Notes	1,867.50	6,033.84	( 4,166.34)
Interest on Building and Loan Shares	2,444.28	1,922.50	521.78
Dividends	224.00	212.00	12.00
Interest on Savings Account	54.59	47.34	7.25
Interest on Certificate of Deposit	650.00	400.00	250.00
Total Revenue	33,505.63	34,867.63	( 1,362.00)
<u>Expenditures</u>			
Pensions Paid	24,177.00	23,751.60	425.40
Auditing Expense	205.00	170.00	35.00
Bank Fees and Miscellaneous	6.00	45.20	( 39.20)
Refunds to Participants	-	2,652.38	( 2,652.38)
Total Expenditures	24,388.00	26,619.18	( 2,231.18)
<u>Excess of Revenue Over Expenditures</u>	9,117.63	8,248.45	869.18
<u>Fund Balance at Beginning of Year</u>	106,471.56	98,223.11	8,248.45
<u>Fund Balance at End of Year</u>	\$115,589.19	\$106,471.56	\$ 9,117.63

COMPARATIVE STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Board of Trustees of the Fire Department Pension Fund  
Of the City of Urbana, Illinois

For the Years Ended April 30, 1968  
and April 30, 1967

	<u>Year Ended April 30</u>	
	<u>1968</u>	<u>1967</u>
<u>Cash in Bank, Beginning of Year</u>	<u>\$ 1,409.23</u>	<u>\$ 2,627.62</u>
 <u>Receipts</u>		
Total Revenue Receipts (See Exhibit B)	33,505.63	34,867.63
Less Interest Income Credited Directly to Investments	( 454.59)	( 47.34)
Net Received in Checking Account	33,051.04	34,820.29
Treasury Notes Liquidated	-	15,120.00
Total Receipts	<u>33,051.04</u>	<u>49,940.29</u>
Total Cash to be Accounted For	<u>34,460.27</u>	<u>52,567.91</u>
 <u>Disbursements</u>		
Expenditures for Pensions, etc. (See Exhibit B)	24,388.00	26,619.18
Investments Acquired	8,500.00	24,539.50
Total Disbursements	<u>32,888.00</u>	<u>51,158.68</u>
<u>Cash in Bank, End of Year</u>	<u>\$ 1,572.27</u>	<u>\$ 1,409.23</u>

## TAX LEVY INFORMATION

### Board of Trustees of the Fire Department Pension Fund Of the City of Urbana, Illinois

The law which regulates the Firemen's Pension Fund does not specify a required fund balance. There is a small statutory reserve which is actually the reserve which was on hand on a certain date and is not an actuarially determined reserve. If the Firemen's Pension Fund had the same reserve requirements as the Police Pension Fund the recommended balance at April 30, 1968 would be \$320,000 for 23 firemen and 9 pensioners. The fund balance at April 30, 1968 was \$115,589.19. Applying the Police Pension target date for attaining the required reserve balance of 1999, the fund balance would have to increase \$6,600 per year over the next 31 years.

In each of the last two years the tax levy has been increased. The 1966 levy, received in 1967, was \$20,000. The 1967 levy, which will be collected during the year ending April 30, 1969, was increased to \$25,000. If pensions and expenses were to remain constant, that levy would be sufficient. However, the expected growth in the Department and the probable increase in pensioners must be taken into account in determining an appropriate tax levy for 1968.

While doing the audit of the City of Urbana it was discovered that the Fire Department Pension Fund has taxes receivable of \$486.02. That amount is due from the General Fund for the fiscal year 1967-1968 in connection with back taxes collected during the year.