C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

TRI-TOWNSHIP WATER DISTRICT
TRENTON, ILLINOIS

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED
APRIL 30, 2024

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TRI-TOWNSHIP WATER DISTRICT
TRENTON, ILLINOIS

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Kevin J. Tepen

INDEPENDENT AUDITOR'S REPORT

To the Trustees of
Tri-Township Water District
180 State Route 160
Trenton, Illinois 62293

Opinions
We have audited the accompanying modified cash basis financial statements of the financial statements of the Tri-Township Water District, Trenton Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Tri-Township Water District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the Tri-Township Water District as of April 30, 2024, and the respective changes in modified cash basis financial position, and where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Tri-Township Water District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter—Basis of Accounting
We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives 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 to issue an auditor's report that includes our opinions. 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 generally accepted auditing standards will always detect a material misstatement when it exists. 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, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Tri-Township Water District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Tri-Township Water District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Revenue and Expenses Comparison with Budget and the Information Required by Revenue Bond Ordinances are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenue and Expenses Comparison with Budget and the Information Required by Revenue Bond Ordinances are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2024 on our consideration of Tri-Township Water District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tri-Township Water District's internal control over financial reporting and compliance.

C. J. Schlosser & Company LLC

Certified Public Accountants
Alton, Illinois
July 16, 2024

C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

David M. Bartosiak
Cindy A. Tefteller
Kevin J. Tepen

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Trustees of
Tri-Township Water District
180 State Route 160
Trenton, Illinois 62293

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Tri-Township Water District as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Tri-Township Water District's basic financial statements, and have issued our report thereon dated July 16, 2024. The financial statements were prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tri-Township Water District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tri-Township Water District's internal control. Accordingly, we do not express an opinion on the effectiveness of Tri-Township Water District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether Tri-Township Water District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our 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 or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

C. J. Schlosser & Company LLC

Certified Public Accountants
Alton, Illinois
July 16, 2024

TRI-TOWNSHIP WATER DISTRICT, TRENTON, ILLINOIS

STATEMENT OF NET POSITION - MODIFIED CASH BASIS
APRIL 30, 2024

ASSETS

Current Assets:		
Cash	$	722,919
Restricted Cash - Bond and Interest		318,556
Total Current Assets		1,041,475
Noncurrent Assets:		
Restricted Cash		671,764
Capital Assets, Net of Accumulated Depreciation		5,210,816
Total Noncurrent Assets		5,882,580
Total Assets	$	6,924,055

LIABILITIES

Current Liabilities		
Revenue Bonds - Current Portion	$	215,000
Installment Bonds - Current Portion		12,593
Note Payable - Current Portion		7,084
Total Current Liabilities		234,677
Noncurrent Liabilities:		
Revenue Bonds - Long-Term Portion		5,486,000
Installment Bonds - Long-Term Portion		209,869
Note Payable - Long-Term Portion		93,940
Total Noncurrent Liabilities		5,789,809
Total Liabilities	$	6,024,486

NET POSITION

Net Investment in Capital Assets	$	(813,670)
Restricted for Bond and Interest		318,556
Restricted for Depreciation Reserve		123,240
Restricted for Reserve		414,960
Restricted for Construction		133,564
Unrestricted		722,919
Total Net Position	$	899,569

See accompanying notes to financial statements

TRI-TOWNSHIP WATER DISTRICT, TRENTON, ILLINOIS

STATEMENT OF RECEIPTS AND DISBURSEMENTS AND CHANGES IN NET POSITION ARISING FROM MODIFIED CASH BASIS TRANSACTIONS FOR THE YEAR ENDED APRIL 30, 2024

Operating Revenues	
Charges for Services:	
Treated Water Sales	$ 1,238,039
Tap on Fees	99,037
Miscellaneous Revenues	5,960
Total Operating Revenues	1,343,036
Operating Expenses	
Wages and Payroll Taxes	108,819
Contract Services	89,484
Insurance Expense	24,342
Utilities	16,233
Professional Fees	23,185
Water Purchased	238,097
Office and Administrative Expenses	33,424
General Operating Expenses	150,577
Miscellaneous Expense	4,780
Depreciation Expense	248,610
Total Operating Expenses	937,551
Operating Income	405,485
Non-Operating Revenues (Expenses)	
Interest Income	35,490
Solar Renewable Energy Credits	11,022
Interest Expense	(257,881)
Total Nonoperating Revenues (Expenses)	(211,369)
Increase in Net Position	194,116
Net Position - Beginning of Year	705,453
Net Position - End of Year	$ 899,569

See accompanying notes to financial statements

TRI-TOWNSHIP WATER DISTRICT, TRENTON, ILLINOIS

STATEMENT OF CASH FLOWS
ARISING FROM MODIFIED CASH BASIS TRANSACTIONS
FOR THE YEAR ENDED APRIL 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	$ 1,343,036
Payments to Suppliers	(580,122)
Payments to Employees and Payroll Taxes	(108,819)
Net Cash Provided by Operating Activities	654,095
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Receipts from Solar Renewable Energy Credits	11,022
Purchase of Capital Assets	(45,795)
Principal Paid on Debt	(208,900)
Interest Paid on Debt	(257,881)
Net Cash Provided (Used) by Capital and Related Financing Activities	(501,554)
CASH FLOW FROM INVESTING ACTIVITIES	
Interest Received	35,490
Net Cash Provided by Investing Activities	35,490
Net Increase in Cash and Cash Equivalents	188,031
Cash and Cash Equivalents - Beginning of Year	1,525,208
Cash and Cash Equivalents - End of Year	$ 1,713,239

Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	$ 405,485
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	248,610
Net Cash Provided by Operating Activities	$ 654,095

See accompanying notes to financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tri-Township Water District was organized and incorporated in 1994 under and pursuant to the provisions of the general laws of the State of Illinois providing for the organization of water districts, including the Public Water District Act (Section 3705/01 of Chapter 70 of the Illinois Compiled Statutes. The initial cost of the water distribution system was defrayed by loans from Rural Development of the United States Department of Agriculture and a grant pursuant to the applicable Section of the Rural Development Act.

The District's Trustees are appointed by Madison, St. Clair and Clinton County Boards from the water system users. The District has oversight authority over no other entity and no other entity effectively has control over the District. The financial statements are of Tri-Township Water District and include no other financial information.

As discussed further in Note 1, these financial statements are presented on the modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

(a) Basis of Accounting

The District accounts for its operations as an enterprise fund using the modified cash basis of accounting. All assets and liabilities associated with the operations are included on the Statement of Net Position, while revenues, expenses and changes in net position are included on the Statement of Receipts and Disbursements and Changes in Fund Net Position.

This basis recognizes assets, liabilities, net position, revenues and expenses when they result from cash transactions with a provision for depreciation. The modified cash basis is a basis of accounting other than accounting principles generally accepted in the United States of America.

As a result, the use of the modified cash basis of accounting, certain assets and the related revenues (such as accounts receivable and revenue billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or service received but not yet paid, and accrued expenses and liabilities) are not recorded in these final statements.

(b) Financial Reporting Entity

The District's combined financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

The District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity that would exercise such oversight, which would result in the District being considered a component unit of the entity.

(c) Cash and Cash Equivalents and Investments

For the purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The District invests in checking accounts and savings accounts. Investments are stated at fair value.

(d) Operating Revenues and Expenses

Operating revenues are primarily comprised of water billings and charges for line and tap connections. Operating expenses include all costs related to the normal operations of the District. Nonoperating revenues and expenses include interest income and expense, and other items that are not directly related to current year income from operations. Proceeds from capital grants are reported separately as capital contributions.

(e) Capital Assets

The District defines capital assets as property, plant and equipment with an initial individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at either historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects when constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation of all exhaustible fixed assets is charged as an expense against its operations. Accumulated depreciation is reported on the balance sheet. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Type of Property and Equipment	Estimated Useful Lives (Years)
Building Improvements	25-40 years
Land Improvements	10-20 years
Machinery and Equipment	5-10 years
Vehicles	5-10 years
Utility Systems	25-40 years

(f) Estimates

The District uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from the estimates.

(g) Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

(h) Long-Term Debt

Long-term debt arising from cash basis transactions is reported as liabilities in the financial statements.

(i) Restricted Accounts

Certain revenues of the District are set aside for the repayment of revenue bond/USDA Rural Development loan debt and for other restrictions within the revenue bond ordinances. These amounts are classified as restricted accounts on the balance sheet because their use is limited by applicable bond and loan covenants. The Bond and Interest Account is comprised of amounts set aside monthly to retire a proportionate monthly share of the next principal and interest payments. The Reserve Account represents specific balances in the debt instruments that are required to be restricted for future debt payments. The Depreciation Reserve provides funding for needed repairs and maintenance to the system. The Construction Account represents balances that are still unspent from construction funding.

Bond and Interest	$ 318,556
Reserve Account	414,960
Depreciation Reserve	123,240
Construction Account	133,564
	$ 990,320

These restricted accounts and required deposits are further described in Note 3.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The District is allowed to invest in securities as authorized by the State of Illinois. As of April 30, 2024, the District had invested all of its deposits in checking accounts and savings accounts. The carrying amount of all deposits is $1,713,239 and the related bank balances total $1,716,319.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the District's name. As of April 30, 2024, $72,886 of the District's bank balances were not FDIC insured or collateralized.

Interest Rate Risk. As of April 30, 2024, the District did not have an interest rate risk.

Credit Risk. As of April 30, 2024, the District did not have any credit risk.

Concentration of Credit Risk. As of April 30, 2024, the District did not have a concentration of credit risk.

NOTE 3: COMMITMENTS

Water Operator Agreement

On April 24, 2022, the District renewed their agreement with a local company to operate the District's water treatment facilities and perform such other duties as may be associated with the regular maintenance and operation of the water system. The agreement is binding for three (3) years with a commencement date of May 1, 2022 and an ending date of April 30, 2025. The District will pay the water operator $7,170 per month in Year 1, $7,457 per month in Year 2, and $7,755 per month in Year 3. In addition, any services performed by the water operator that does not constitute "normal maintenance" will be billed to the District $54/hour the first year, with increases to $54/hour and $57/hour for the subsequent two years.

Water Purchase Contract

On October 23, 1996, the District entered into a contract with Summerfield, Lebanon, Mascoutah Water Commission (SLM) whereby the District agreed to purchase its treated and potable water for distribution to its customers from SLM. The original contract stipulated that the District shall not purchase water from any other supplier (nor shall it produce water itself unless SLM is unable to supply the water demands of the District) for a period of forty (40) years from the date of the initial delivery of water to amendments to the SLM contract, the District is obligated to purchase its water from SLM through May 1, 2059.

This District pledged this Water Purchase Contract, and all amendments and addendums thereto, to Rural Development as part of the security for Phase IV loan to construct water mains and a water storage tank.

Water Sales Contracts

On September 30, 1999, the District entered into a contract with the Village of Pierron whereby the District agreed to sell the Village of Pierron water in such quantities as may be required, not to exceed 2,000,000 gallons per month but not to be less than 600,000 gallons per month. The contract is in effect for the period of forty (40) years from the date of the initial delivery of water to the Village. The Village of Pierron was also granted an option to renew the contract for another forty (40) years after expiration of the initial 40-year term.

On May 18, 2000, the District entered into a contract with the Village of St. Jacob whereby the District agreed to sell the Village of St. Jacob potable water in such quantities as may be required, not to exceed 1,000,000 gallons per month but not be less than 100,000 gallons per month. The contract is in effect for a period of forty (40) years from the date of the initial delivery of water to the Village. The Village of St. Jacob was also granted an option to renew the contract for another forty (40) years after the expiration of the initial 40-year term.

NOTE 4: CAPITAL ASSETS

Capital asset activity, resulting from modified cash basis transactions, for the fiscal year ended April 30, 2024 was as follows:

	Balance at April 30, 2023	Additions	Deletions	Balance at April 30, 2024
Capital assets, not being depreciated:				
Land	$ 130,067	$ -	$ -	$ 130,067
Capital Assets, being depreciated:				
Water System	9,068,416	-	-	9,068,416
Building and Improvements	457,316	21,903	-	479,219
Field and Office Equipment	145,026	23,892	22,670	146,248
Total capital assets being depreciated	9,670,758	45,795	22,670	9,693,883
Less accumulated depreciation for:				
Water System	4,199,363	228,822	-	4,428,185
Building and Improvements	72,480	15,096	-	87,576
Field and Office Equipment	115,351	4,692	22,670	97,373
Total accumulated depreciation	4,387,194	248,610	22,670	4,613,134
Total capital assets being depreciated, net	5,283,564	(202,815)	-	5,080,749
Total capital assets, net	$ 5,413,631	$ (202,815)	$ -	$ 5,210,816

Depreciation expense for the year ended April 30, 2024 is $248,610.

NOTE 5: LONG-TERM DEBT

Long-term debt on April 30, 2024 is comprised of the following revenue bonds/loans with USDA Rural Development that were authorized through revenue bond ordinances and a loan with a local bank:

The following is a summary of long-term debt transactions for the year:

	Balance Payable April 30, 2023	Additions	Retirement of Debt	Balance Payable April 30, 2024
Revenue Bonds/USDA Rural Development Loans	$ 6,125,456	$ --	$ 201,994	$ 5,923,462
Note Payable	107,930	--	6,906	101,024
	$ 6,233,386	$ --	$ 208,900	$ 6,024,486

Revenue Bonds
$2,940,000 Waterworks System Revenue Bonds, (91-01) dated January 22, 1997 with an interest rate of 4.875%, payable May 1 and November 1, and principal payable May 1 through 2036. As of April 30, 2024, the outstanding balance on this debt was $1,640,000. This loan requires a Bond and Interest Account whereby monthly deposits are made to meet the next principal and interest payments. This loan also requires a Reserve Account to be funded by depositing $1,630 each month until such account accumulates a total amount of $195,600. This account is considered fully funded.

$2,000,000 Waterworks System Revenue Bonds, (91-04) dated December 27, 1999 with an interest rate of 4.375%, payable May 1 and November 1, and principal payable May 1 through 2038. As of April 30, 2024, the outstanding balance on this debt was $1,220,000. This loan requires a Bond and Interest Account whereby monthly deposits are made to meet the next principal and interest payments. This loan also requires a Reserve Account to be funded by depositing $910 each month until such account accumulates a total amount of $109,200. This account is considered fully funded.

$1,500,000 Waterworks System Revenue Bonds, (91-05) dated July 9, 2009 with an interest rate of 3.50%, payable May 1 and November 1, and principal payable May 1 through 2048. As of April 30, 2024, the outstanding balance on this debt was $1,081,000. This loan requires a Bond and Interest Account whereby monthly deposits are made to meet the next principal and interest payments. This loan also requires a Reserve Account to be funded by depositing $615 each month until such account accumulates a total amount of $73,800. This account is considered fully funded. This loan also requires a Depreciation Account to be funded by depositing $325 each month. This account balance is $39,000 as of April 30, 2024 and is considered fully funded.

$1,800,000 Waterworks System Revenue Bonds, (91-06) dated May 19, 2019 with an interest rate of 3.875%, payable May 1 and November 1, and principal payable May 1 through 2058. As of April 30, 2024, the outstanding balance on this debt was $1,760,000. This loan requires a Bond and Interest Account whereby monthly deposits are made to meet the next principal and interest payments. This loan also requires a Reserve Account to be funded by depositing $757.50 each month until such account accumulates a total amount of $90,900. This account balance is $36,360 as of April 30, 2024. This loan also requires a Depreciation Account to be funded by depositing $1,755 each month. This account balance is $84,820 as of April 30, 2024 which is in addition to the Series 91-05 Bonds.

Installment Bonds

$400,000 Waterworks System Revenue Installment Bonds, (91-03) dated March 5, 1997 with an interest rate of 5.00%, payable annually on May 1 through 2036. As of April 30, 2024, the outstanding balance on this debt was $222,462. This loan requires a Bond and Interest Account whereby monthly deposits are made to meet the next principal and interest payments.

Note Payable

$150,000 note payable from Bradford National Bank for real estate located at 180 State Route 160, Trenton, IL, payable in monthly installments of $794, including interest at 2.50%, through September 1, 2036. The balance on this loan is $101,024 as of April 30, 2024. The loan is secured by the real estate.

There are a number of limitations and restrictions contained in the bond indentures. The District is in compliance with all significant limitations and restrictions.

Annual requirements to amortize all debt outstanding as of April 30, 2024 are as follows:

Year Ended April 30	Principal	Interest
2025	$ 234,677	$ 248,169
2026	235,486	237,841
2027	236,331	227,477
2028	237,213	217,076
2029	258,135	206,198
2030 - 2034	1,501,020	842,129
2035 - 2039	1,495,624	483,429
2040 - 2044	490,000	301,531
2045 - 2049	526,000	202,858
2050 - 2054	325,000	126,616
2055 - 2059	395,000	56,672
2060	90,000	1,744
	$6,024,486	$3,151,740

NOTE 6: SUBSEQUENT EVENTS

The District has evaluated events occurring after the financial statement date through July 16, 2024 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

TRI-TOWNSHIP WATER DISTRICT, TRENTON, ILLINOIS

SCHEDULE OF REVENUE AND EXPENSES
COMPARISON WITH BUDGET
FOR THE YEAR ENDED APRIL 30, 2024

	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues			
Treated Water Sales	$ 1,160,000	$ 1,238,039	$ 78,039
Tap on Fees	100,000	99,037	(963)
Other Income	50,000	5,960	(44,040)
Total Operating Revenue	1,310,000	1,343,036	33,036
Operating Expenses			
Water Purchased	240,000	238,097	1,903
Wages and Payroll Taxes	115,000	108,819	6,181
Utilities	27,000	16,233	10,767
Miscellaneous	10,000	4,780	5,220
Office and Administrative Expenses	85,000	80,951	4,049
General Operating Cost	115,000	150,577	(35,577)
Contract Services	89,484	89,484	-
Total Operating Expenses	681,484	688,941	(7,457)
Operating Income Before Depreciation	628,516	654,095	25,579
Less Provision for Depreciation	260,000	248,610	11,390
Net Operating Income	368,516	405,485	36,969
Other Income and Expenses:			
Interest Income	2,000	35,490	33,490
Interest Expense	(267,250)	(257,881)	9,369
Solar Renewable Energy Credits	-	11,022	11,022
Net Income for the Year	$ 103,266	$ 194,116	$ 90,850

Note: Budget and Actual are prepared on the modified cash basis of accounting

TRI-TOWNSHIP WATER DISTRICT, TRENTON, ILLINOIS

CONSUMERS SERVED
APRIL 30, 2024

The following disclosure is required by Bond Ordinances of the District.

Number of Consumers Served by the Water Works System	1,377
Quantity of Water Distributed - Gallons	94,062,188

TRI-TOWNSHIP WATER DISTRICT, TRENTON ILLINOIS

INSURANCE COVERAGE
APRIL 30, 2024

The following disclosure is required by the Bond Ordinances of the District.

TYPE OF COVERAGE	INSURANCE COVERAGES

The coverages listed below are in effect through February 26, 2025 with Auto-Owners Insurance.

Commercial umbrella liability	$5,000,000 coverage each occurrence.
Automobile liability	$1,000,000 each occurrence
Commercial general liability	$1,000,000 each occurrence $300,000 damage to rented premises $10,000 medical payments $1,000,000 personal/advertising injury $3,000,000 general aggregate $3,000,000 products and completed operations aggregate
Workers compensation insurance	$500,000 each occurrence

The coverage listed below is in effect through June 1, 2024 with Foppe Insurance Agency Inc.

Federal official bond	$1,200,000 bond amount