

T O W N O F S C O T T S D A L E .

A U D I T .

AS OF JUNE, 30, 1957 .

By, SWENSON & SWENSON, Accountants.
9/30/57.

Scottsdale, Arizona.
September 30, 1957.

To - THE COMMON COUNCIL OF THE TOWN OF SCOTTSDALE:-

We have examined the Books of Records, of the Town of Scottsdale for the year ending June 30, 1957 and attached hereto are the following Statements and Reports;

THUNDERBIRD HOUSING AUDIT
MAGISTRATE AUDIT
REVENUE & EXPENDITURES
INVENTORY - ACCOUNT CAPITAL OUTLAY
EXPENSES, GENERAL
EXPENSE BUDGET PLUS EMERGENCY INCREASE
COMPARATIVE BUDGET AND ACTUAL INCOME & EXPENDITURES
OPTION PAYMENTS
ELECTRICAL DEPOSITS and COUPON REGISTER
FINAL BALANCE SHEET
REMARKS

We found the Books of the Clerks Office in good condition and now reflect a true picture of the financial condition of the Town of Scottsdale,

We examined and checked the books of the Thunderbird Housing, report of which is attached hereto.

We also examined and checked the books of the Magistrates Office, report of which is attached hereto.

Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

Respectfully submitted,

SWENSON & SWENSON, Accountants.

By, 
H. O. "Bud" Swenson.

TOWN OF SCOTTSDALE.

THUNDERBIRD HOUSING AUDIT.

JUNE 30, 1957.

A separate set of Books is kept by the Town Clerk, for the Thunderbird Housing, which was checked and found in good condition, however some correcting Journal Entries were made.

The Managers records were found in fair condition, it would seem that she had not been properly instructed as to detailed book work, as there were seven Security Deposits forfeited as rent which had not been credited to Rental account. We made the proper Journal Entries for the correction.

We closed the Books as of June 30, 1957 and opened new Ledger Sheets and proper entries as of July 1, 1957.

(Continued)

TOWN OF SCOTTSDALE,

THUNDERBIRD HOUSING AUDIT (Continued) JUNE 30, 1957.

INCOME & EXPENSE STATEMENT.

INCOME.

Dwelling Rental	\$14121.97	
Miscellaneous Income	<u>137.55</u>	
Total Income		\$14259.52
Less; Rental Refunds		<u>141.27</u>
Gross Income		\$14118.25

EXPENSES.

Salaries & Wages	\$ 3939.60	
Office Expense	258.43	
Garbage Disposal	405.00	
Water	1291.40	
Electricity	1525.99	
Structures Maintenance	786.58	
Painting & Decorating	795.93	
Plumbing & Gas	1337.71	
Ground Maintenance	75.12	
Insurance	179.99	
Miscellaneous Expense	306.27	
Capital Outlay - Grader - Miscel. Exp. a/c	1500.00	
Payment to Walker McCune- " " "	<u>5000.00</u>	
Total Expenses		\$17402.02
Expenses Over Income		<u>\$ 3283.77</u>

BALANCE SHEET.

ASSETS.

Bank	\$3873.85	
Cost of Thunderbird Housing	<u>2759.63</u>	
		\$6633.48

LIABILITIES.

Deposits Payable (Security Deposits)	\$ 290.00	
Employees Retirement Fund	85.90	
Payment in Lieu of Taxes	2412.92	
Withholding Tax	81.70	
Social Security Tax	27.84	
State Income Withholding Tax	6.21	
Operating Reserve	969.28	
Capital Investment Account	<u>2759.63</u>	
		\$6633.48

TOWN OF SCOTTSDALE.

THUNDERBIRD HOUSING AUDIT. (Continued) JUNE 30, 1957.

MISCELLANEOUS EXPENSE ACCOUNT No. 187.

MISCELLANEOUS EXPENSE.

Matress Repairs, Security Bond, Employment Security,
Petty Cash, Etc., \$ 306.27

CAPITAL OUTLAY.

1 - Grader, Trojan Road Tool, Model P.N. 10-47
Engine No. 1370 1500.00

PAYMENT.

September 12, 1956. Check No. 80, to Walker McCune,
Per notation on Claim; (Part of Annual Payment on
Town Hall Property \$70281.90 - \$7028.19 less \$5000.00
Balance \$2028.19). 5000.00

Total Book Account No. 187, \$6806.27

TOWN OF SCOTTSDALE.

MAGISTRATE AUDIT.

JUNE 30, 1957.

Total Receipts Reported to Town Clerk	\$8354.12
Deposit of July 20, 1956, Shown as \$74.00	
Should be <u>73.00</u>	<u>1.00</u>
Total	<u>\$8353.12</u>

Total Cases Handled	621
Cases pending or unable to locate	<u>59</u>
Total Cases Paid or Committed	<u>562</u>

CASH ACCOUNT.

Receipts Per Cash Journal	\$8523.12
Cash On Hand	\$95.00
Wm. G. Dougherty Bond Refund	65.00
Margret S. Miller, Check - N.S.F.	<u>10.00</u>
	\$ 170.00
	<u>\$8353.12</u>

BANK ACCOUNT.

Balance 7/1/56	\$ 665.23
Deposites 7/1/56 to 6/30/57, Inc.,	<u>8843.12</u>
	\$9508.35
Checks issued to Town Clerk	\$8934.12
Checks issued to Jury	24.00
Margret S. Miller Check - N.S.F.	10.00
Bank Service Charge	<u>14</u>
Check issued to Ben Fox, account overdeposit 9/25/56 \$275.00 - \$255.	<u>20.00</u>
	<u>\$8988.26</u>
Bank Balance 7/1/57	<u>\$ 520.09</u>

TOWN OF SCOTTSDALE,

MAGISTRATE AUDIT. (Continued) June 30, 1957.

ERRORS & CONDITIONS FOUND.

No monthly totals or balances shown on Cash Journal.
No deposits or balances shown on Check Book Stubbs.
December 1956 Affidate on back of Magistrates report
to the Town Clerk was not signed by the Magistrate.

We spent approximately 16 hours on book work that
should have been done by the Magistrate or his Clerk.

Citations returned to the Town Marshal by the Magistrate
for filing were not in numerical order, therefore checking
took extra time.

Discrepancy between Cash Journal Deposits and Docket Register
Deposits;

Docket Deposits	\$8536.12
From 6/30/56	350.00
	<u>8186.12</u>
Deposits not in Docket Register	337.00
	<u>8523.12</u>
Receipts Not Deposited	25.00
	<u>8548.12</u>
Check to Ben For for over deposit	20.00
	<u>8568.12</u>
Deposits per Cash Book Journal	<u>\$8568.12</u>

TOWN OF SCOTTSDALE.

REVENUE & EXPENDITURES. JUNE 30, 1957.

<u>REVENUE.</u>	<u>GENERAL FUND.</u>	<u>GAS TAX FUND</u>	<u>PERMITS.</u>	<u>LICENSE.</u>	<u>TOTAL.</u>
Auto lieu Tax	\$10713.19	\$	\$	\$	\$10713.19
Sales Tax	18527.81				18527.81
Gas Tax		8444.52			8444.52
Fines	8935.12				8935.12
Miscellaneous Income	2903.28				2903.28
Garbage Service Revenue	800.00				800.00
Building Permit Fees			5551.50		5551.50
Plumbing Permits & License Fees			1353.60	1589.00	2942.60
Electrical Permits & License Fees			2634.20	670.00	5672.53
Public Service Franchise	5672.53				3304.20
Bank Tax Clearings	189.94				189.94
Totals	\$47741.87	\$8444.52	\$9539.30	\$2259.00	\$67984.69

<u>EXPENDITURES.</u>	<u>Personal Service.</u>	<u>Contract Service.</u>	<u>Materials & Supplies.</u>	<u>Other Expense</u>	<u>Capital Outlay.</u>	<u>Total</u>
Town Clerks Office	\$ 2766.27	\$1399.27	\$ 184.59	\$2348.36	\$ 244.80	\$ 6943.29
Magistrate	2165.25	276.64		55.41		2497.30
Town Attorney	2950.00	1250.00		84.06		4284.06
Building Maintenance	360.00	9.85	4.15	25.12		399.12
Unclassified Expense		13.00	32.07	1329.61		1374.68
Police Department	13381.50	2585.36	361.36	4386.04	2419.10	23133.36
Fire Department				4796.50		4796.50
Building Department	721.72		26.34	26.94		775.00
Plumbing Department	718.93		29.12	26.94		774.99
Electrical Department	1450.93		29.15	34.48		1514.54
Public Liability Insur.				1100.00		1100.00
Street Maintenance	5726.25	834.00	1809.61	1048.96	1250.00	11668.82
Scottsdale Rd. Imp. Dist.	1636.50	704.44		313.00		2653.94
Unclassified		129.00	76.51	987.65		1193.16
Legal & Advertising		400.00		600.00		1000.00
Municipal League				116.84		116.84
Social Security				9.33		9.33
Industrial Commission				400.00		400.00
Emergency		1500.00		1400.00		2900.00
Election Expense	60.00	32.70	3.02			95.72
Totals	\$32937.35	\$9134.26	\$2555.90	\$19089.24	\$3913.90	\$67630.65

REVENUE ~~#####~~ \$67984.69
 EXPENDITURES ~~#####~~ 67630.65
 SURPLUS 1956-1957 \$ 354.04

NOTE:- A \$1.00 error credited to Fines should have been ~~to~~ credited to Building Permits, The correct amounts being Account #54 Fines \$8934.12 #58 Building Permit \$5552.50

TOWN OF SCOTTSDALE.

INVENTORY - ACCOUNT CAPITAL OUTLAY. JUNE 30, 1957.

Balance Forward From Last Year \$1243.62

ADDITIONS.

CLERKS OFFICE.

1 - Water Cooler \$ 244.80

POLICE DEPARTMENT.

1 - Plymouth Sedan, Serial No. 26583626
Motor No. P. 29-218286 2194.00
1 - Siren, No. 12V06J SN8 129.84
1 - File Cabinet 95.26
\$2419.10

STREET MAINTENCE.

1 * Austin Western Self Propelled
Sweeper, Serial No. 59910 \$1250.00

Total This Year \$ 3913.90

Total Balance To Date \$16345.52

TOWN OF SCOTTSDALE,

GENERAL EXPENSE.

JUNE 30, 1957.

Under Account No. 19, named Unclassified.

Robert Knight Engineers, Maps	\$160.70
Joseph Willmoth, Option Payment	100.00
Ray Scottsdale Lumber Co., Post Material for fence	16.95
Cash, Municipal League Convention	700.00
Scottsdale Progress, Legal Advertisement	<u>10.00</u>
Total	<u>\$987.65</u>

The Other Expense Account amounting to \$19089.24 was audited and found to contain proper expenses that could not be otherwise classified. Therefore the recap of the above amount identified as Unclassified, in the Revenue & Expenditures Statement.

TOWN OF SCOTTSDALE.

1956-1957 EXPENSE BUDGET PLUS EMERGENCY INCREASE. JUNE 30, 1967.

<u>ACCOUNT.</u>	<u>ORIGINAL BUDGET.</u>	<u>1/30/57 EMERGENCY INCREASE</u>	<u>1956-1957 TOTAL BUDGET.</u>
Town Clerks Office	\$ 5943.29	\$1000.00	\$ 6943.29
Magistrate	2500.00		2500.00
Town Attorney	3300.00	1000.00	4300.00
Building Maintenance	610.00		610.00
Unclassified Expense	1375.00		1375.00
Police Department	11500.00	13500.00	25000.00
Fire Department	4796.50		4796.50
Building Department	775.00		775.00
Plumbing Department	775.00		775.00
Electrical Department	1700.00		1700.00
Public Liability Insurance	1100.00		1100.00
Street Maintenance	10000.00	10000.00	20000.00
Unclassified	1200.00		1200.00
Legal & Advertising	1000.00		1000.00
Municipal League	116.84		116.84
Social Security	10.00		10.00
Industrial Ins. Commission	400.00		400.00
Emergency	2900.00		2900.00
Election Expense	500.00		500.00
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Totals	<u>\$50501.63</u>	<u>\$25500.00</u>	<u>\$76001.63</u>

TOWN OF SCOTTSDALE.

COMPARATIVE BUDGET AND ACTUAL INCOME & EXPENDITURES FOR YEAR.

JUNE 30, 1957.

<u>REVENUE</u>	<u>BUDGET.</u>	<u>ACTUAL.</u>	<u>INCREASE*</u> <u>DECREASE</u>
Auto Lieu Tax	\$ 9000.00	\$10713.19	\$1713.19*
Sales Tax	18000.00	18527.81	527.81*
Gas Tax	8000.00	8444.52	444.52*
Fines	8000.00	8935.12	935.12*
Miscellaneous Income	1000.00	2903.28	1903.28*
Garbage Service Franchise	1200.00	800.00	400.00
Building Permit Fees	4000.00	5551.50	1551.50*
Plumbing Permit & License Fees	2500.00	2942.60	442.60*
Electrical Permit & License Fees	2300.00	3304.20	1004.20*
Public Service Franchise	5000.00	5672.53	672.53*
Bank Tax Clearings	250.00	189.94	60.06
Totals	<u>\$59250.00</u>	<u>\$67984.69</u>	<u>\$8734.69*</u>

EXPENDITURES.

Town Clerks Office	\$ 6943.29	\$ 6943.29	\$
Magistrate	2500.00	2497.30	2.70
Town Attorney	4300.00	4284.06	15.94
Building Maintenance	610.00	399.12	210.88
Unclassified Expense	1375.00	1374.68	.32
Police Department	25000.00	23133.36	1866.64
Fire Department	4796.50	4796.50	
Building Department	775.00	775.00	
Plumbing Department	775.00	774.99	.01
Electrical Department	1700.00	1514.54	185.46
Public Liability Insurance	1100.00	1100.00	
Street Maintenance	20000.00	11668.82 ✓	8331.18
Improvement District		2653.94 ✓	2653.94*
Unclassified	1200.00	1193.16	6.84
Legal Advertising	1000.00	1000.00	
Municipal League	116.84	116.84	
Social Security	10.00	9.33	.67
Industrial Commission	400.00	400.00	
Emergency	2900.00	2900.00	
Election Expense	500.00	95.72	404.28
Totals	<u>\$76001.63</u>	<u>\$67630.65</u>	<u>\$8370.98</u>

TOWN OF SCOTTSDALE.

OPTION PAYMENTS.

JUNE 30, 1957.

<u>SEWER PROPERTY.</u>	<u>PAYMENTS.</u>	<u>TOTAL AMOUNT.</u>
Payments made to Joseph Willmoth on Option to purchase Real Property in Maricopa County, Arizona. Option dated March 19, 1957.		
	Purchase Price	\$50000.00
March 13, 1957 Claim 9183	Check 2878	\$200.00
April 10, 1957 " 9224	" 2935	100.00
May 22, 1957 " 9268	" 2993	100.00
	<u>\$400.00</u>	
Payments made to Cecil Paine and Margaret Paine to purchase Real Property and Personal Property, in Maricopa County, Arizona.		
	Option dated March 21, 1957	
	Purchase Price	\$12000.00
September 25, 1956 Claim 8085	Check No. 2593	\$100.00
March 13, 1957 " 9226	" 2879	100.00
	<u>\$200.00</u>	
 <u>TOWN HALL PROPERTY.</u>		
Payments made to Walker McCune.		
A rental, lease or option Agreement between Walker McCune and The Town Of Scottsdale, is quite evident, due to these payments. However no Agreement is on file with the Town Clerk. Total amount from notations on Thunderbird Housing Claim		\$70281.90
September 11, 1956 Claim 8063	Check 2559	\$2028.19
September 12, 1956	Check No. 80, By Thunderbird Housing,	5000.00
	<u>\$7028.19</u>	
Totals	<u>\$7628.19</u>	<u>\$132281.90</u>

TOWN OF SCOTTSDALE.

ELECTRICAL DEPOSITS.

JUNE 30, 1957.

Total Amount	\$5000.00
<u>LESS.</u>	
Gateway Electric. Forfited and applied to Permit Account	\$100.00
Ikard-McMindes Deposit not made	100.00
Smiths Scottsdale Electric. Forfited to cover Permits No.558 and others	100.00
Universal Electric Co. Forfited to cover numerous Permits	<u>100.00</u>
	\$ 400.00
Correct Book Balance	<u><u>\$4600.00</u></u>

COUPON REGISTER.

<u>Total Coupons Redeemable.</u>	\$2300.04
<u>Less; Deficiency and Outstanding Coupons.</u>	
Coupons A2- 21,22,29,30,36 &37 @ \$10.62	\$63.72
Paid, Phoenix T.& T.Co., by Check No.9	<u>31.86</u>
	\$31.86
Coupons A1- 25 to 28 Inc. @ \$10.63	\$42.52
Paid, Fred O. Adams by Check No. 4	<u>42.24</u>
	\$.28
Coupons Outstanding A2- 89 to 92 Inc. @ \$10.62, Paid by Check No.15, 7/5/57	\$42.48
Coupons Outstanding A2- 85 to 88 Inc. @ \$10.63,	<u>\$42.52</u>
Less, Total D & C/S	<u>117.14</u>
ACCOUNT No. 76A - Interest a/c, E.V.F.T.A. Coupons Redeemed	<u><u>\$2182.90</u></u>

TOWN OF SCOTTSDALE.

FINAL BALANCE SHEET. JUNE 30, 1957.

	<u>DEBIT.</u>	<u>CREDIT.</u>
Bank of Douglas, General Fund	\$19498.20	\$
Bank of Douglas, Improvement & Const. Fund	41532.21	
Bank of Douglas, Interest & Redemption Fund	680.42	
Petty Cash	35.00	
Debit Service - Bond & Interest	69507.08	
M.V.F.T.A. Bonds Redeemed	1500.00	
M.V.F.T.A. Bond Coupons Redeemed	2182.90	
Improvement & Construction		46000.00
Interest & Redemption Account		4046.65
Surplus Revenue		13959.74
Electrical Deposits		4600.00
Withholding Tax		435.20
Social Security Tax		153.12
State Withholding Tax		34.06
Motor Vehical Fuel Tax Anticipation Bonds		44375.00
Motor Vehical Fuel Tax Anticipation Bond Interest		21332.04
	<u>\$134935.81</u>	<u>\$134935.81</u>

SURPLUS ACCOUNT.

1951-1952	\$ 4594.77
1952-1953	11423.55
1953-1954	582.87
1954-1955	739.96
1955-1956 Deficit	3735.45
1956-1957	354.04
	<u>\$13959.74</u>

TOWN OF SCOTTSDALE.

REMARKS.

JUNE 30, 1957.

The Town Clerks Permit Book was checked but no Trial Balance taken as receipts were properly entered into the Cash Journal.

The Town Clerk should have more competent clerical assistance, experienced in bookkeeping and general office work.

Actually the Town of Scottsdales operations show a deficiency of \$6145.96 instead of a surplus for the year 1956-1957 of \$354.04. Due to the fact that the Thunderbird Housing paid the following for the Town of Scottsdale;

Payment to Walker McCune	\$5000.00
Paid for 1 - Grader	1500.00
	<u>\$6500.00</u>
Surplus Shown	<u>354.04</u>
Actual Deficiency	<u>\$6145.96</u>

A Bank of Douglas statement and cancelled checks were missing for the month of December 1956, duplicate statement was issued by the Bank as follows;

A/C TOWN OF SCOTTSDALE.
MOTOR VEHICLE FUEL TAX ANTICIPATION BONDS SERIES OF 1956.
INTEREST & REDEMPTION FUND.

	<u>Checks.</u>	<u>Deposits.</u>	<u>Balance.</u>
Nov. 16 '56	\$	\$	\$1020.40
Dec. 12 '56	42.52		977.88
Dec. 4 '56		316.67	1294.55
Dec. 31 '56		316.67	1611.22

(This Balance was found to be correct with Check Book.)

The Garbage Service Revenue Account is short \$400.00, evidently due to the fact that Contract was not as yet renewed with the Garbage Service Co., who was paying \$100.00 per month for the franchise.