

WEBSTER IRRIGATION DISTRICT NO. 4

Gaylord, Kansas

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2020

MAPES & MILLER LLP  
Certified Public Accountants  
Stockton, Kansas

**WEBSTER IRRIGATION DISTRICT NO. 4**  
**Gaylord, Kansas**  
**For the Year Ended December 31, 2020**

**BOARD OF DIRECTORS**

Lance Kendig – President

Russell Mick – Vice President

Ronald Holling – Secretary/Treasurer

**WEBSTER IRRIGATION DISTRICT NO. 4**  
**Gaylord, Kansas**  
**For the Year Ended December 31, 2020**

**TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditor's Report	1-2

**FINANCIAL SECTION**

STATEMENT 1

Summary Statement of Receipts, Expenditures, and Unencumbered Cash	3
Notes to the Financial Statement	4-9

**REGULATORY- REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE 1

Schedule of Receipts and Expenditures – Actual and Budget	
1-1 General Fund	10
1-2 Repayment Fund	11
1-3 Water Supply Reserve Fund	12
1-3 Water Distribution Works Reserve Fund	12



# MAPES & MILLER LLP

CERTIFIED PUBLIC ACCOUNTANTS  
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

JOHN D. MAPES, CPA, CHTD  
DENIS W. MILLER, CPA, PA  
THOMAS B. CARPENTER, CPA, PA  
DON E. TILTON, CPA, PA

BRIAN S. THOMPSON, CPA, PA  
REBECCA A. LIX, CPA, PA  
STEPHANIE M. HEIER, CPA, PA

418 E HOLME  
NORTON, KS 67654  
(785)877-5833

PO BOX 412  
QUINTER, KS 67752  
(785)754-2111

P.O. BOX 266  
711 3<sup>RD</sup> STREET  
PHILLIPSBURG, KS 67661  
(785)543-6561

P.O. BOX 508  
503 MAIN STREET  
STOCKTON, KS 67669  
(785)425-6764

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Webster Irrigation District No. 4  
Gaylord, KS 67638

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Webster Irrigation District No. 4 (a Kansas quasi-municipality), as of and for the year ended December 31, 2020 and the related notes to the financial statement.

### *Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the district's preparation and fair presentation of the financial statement 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 the district's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statement, the financial statement is prepared by the district on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Webster Irrigation District No. 4, as of December 31, 2020, or changes in financial position and cash flows thereof for the year then ended.

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Webster Irrigation District No. 4 as of December 31, 2020, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

***Other Matters  
Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The individual fund schedules of regulatory basis receipts and expenditures-actual and budget, (Schedules 1 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however is required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

**Mapes & Miller LLP**

Certified Public Accountants  
December 7, 2021  
Stockton, Kansas

**WEBSTER IRRIGATION DISTRICT NO. 4**  
**Gaylord, Kansas**

**Statement 1**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH**  
**Regulatory Basis**  
**For The Year Ended December 31, 2020**

FUNDS	Beginning	Prior Year			Ending	Add		
	Unencumbered	Cancelled	Receipts	Expenditures	Unencumbered	Encumbrances	and Accounts	Ending
	Cash Balance	Encumbrances			Cash Balance	Payable		Cash Balance
General Fund	\$ 201,592	\$ -	\$ 317,607	\$ 307,053	\$ 212,146	\$ 19,132		\$ 231,278
Special Purpose Funds:								
Repayment Fund	162,238	-	12,993	19,209	156,022	-		156,022
Water Supply Reserve Fund	33,525	-	2,078	-	35,603	-		35,603
Water Distribution Works Reserve Fund	35,182	-	1,237	-	36,419	-		36,419
Total Reporting Entity	<u>\$ 432,537</u>	<u>\$ -</u>	<u>\$ 333,915</u>	<u>\$ 326,262</u>	<u>\$ 440,190</u>	<u>\$ 19,132</u>		<u>\$ 459,322</u>

COMPOSITION OF CASH:

First National Bank & Trust

Phillipsburg, Kansas

    Checking Account \$ 6,603

    Savings Accounts 224,675

    Repayment Fund Account 156,022

    Water Supply Reserve Fund Account 35,603

    Water Distribution Works Reserve Fund Account 36,419

Total Reporting Entity \$ 459,322

The notes to financial statement are an integral part of this statement.

**WEBSTER IRRIGATION DISTRICT NO. 4**  
**Gaylord, Kansas**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended December 31, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Financial Reporting Entity**

The district is a Kansas quasi-municipal corporation organized under the provisions of K.S.A. 42-701 through 42-730. It is governed by an elected three-member board.

**Regulatory Basis Fund Types**

The following regulatory basis fund types comprise the financial activities of the district:

**General Fund** – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

**Special Purpose Fund** – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources that are intended for a specified purpose.

**Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America**

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The district has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the district to use the regulatory basis of accounting.

**Reimbursements**

The district records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund.

**Budgetary Information**

Kansas statutes do not require an annual operating budget be legally adopted for the general fund and special purpose funds of the district. The operating budget for the general fund is for informational purposes only.

## **2. DEPOSITS AND INVESTMENTS**

K.S.A. 9-1401 establishes the depositories which may be used by the district. The statute requires banks eligible to hold the district's funds have a main or branch bank in the county in which the district is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The district has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the district's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The district has no investment policy that would further limit its investment choices.

*Concentration of credit risk.* State statutes place no limit on the amount the district may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the district's deposits may not be returned to it. State statutes require the district's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The district has no designated "peak periods". All deposits were legally secured as of December 31, 2020.

At December 31, 2020, the district's carrying amount of deposits was \$459,322 and the bank balance was \$459,942. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance, \$209,942 was collateralized with securities held by the pledging financial institutions' agents in the district's name.

## **3. REPAYMENT CONTRACT AND RESERVE REQUIREMENTS**

A 40-year contract with the U.S. Department of Interior Bureau of Reclamation was signed on June 20, 2002 with an effective date of January 1, 2003. On December 13, 2005 the first amendment to the contract was signed and on June 8, 2007 the second amendment was signed. These amendments resulted in a renegotiated payment schedule.

Under the contract and amendments, the district negotiated its water supply repayment obligation to a fixed contract amount. On December 13, 2005 an amendment to the contract was signed which resulted in a renegotiated payment schedule, due to the 2005 annual payment being deferred. Per the contract the district's repayment obligation for the water supply is payable in two equal semi-annual payments on April 1 and November 1 with the final installment due in 2042. Per the amendments the district shall make base water supply payments of \$5,122 beginning in 2006 and continuing through 2011, \$15,367 for 2012 and 2013, \$12,806 in 2014 and continuing through 2042. The district could also be required to repay additional sums against the water supply costs if it is determined that they have the ability to pay. The Bureau will evaluate the district's ability to pay every five years. The district's water supply repayment obligation for the existing water supply works shall be fully satisfied at the end of the 40-year contract in the year 2042.



### **3. REPAYMENT CONTRACT AND RESERVE REQUIREMENTS (Continued)**

Under the contract and amendments, the district's repayment obligation for the water distribution works is payable in two equal semi-annual payments on April 1 and November 1 with the final installment due in 2042. Per the amendments the district shall make of \$33,682 in 2003 and 2004, \$12,949 starting in 2006 through 2011, \$2,704 for 2012 and 2013, \$5,265 in 2014 and continuing through 2042.

Provisions of the repayment contract make the following requirements:

A Water Supply Reserve Fund is to be maintained to meet extraordinary operation and maintenance costs incurred on the water supply works. Annual deposits of \$1,707 shall be made through the year 2021 and beginning in the year 2022 annual deposits will increased to \$10,244 and continue until the funds accumulate to the ceiling amount of \$247,557. The required balance in this reserve account is \$30,726 at December 31, 2020. The actual balance at December 31, 2020 is \$35,603.

A Water Distribution Works Reserve Fund is to be maintained to cover extraordinary operation and maintenance costs incurred on the distribution works. An initial deposit of \$25,000 was to be made followed by annual deposits of \$854 through the year 2021 and beginning in the year 2022 annual deposits will increase to \$10,244 and continue until the funds accumulate to the ceiling amount of \$256,350. The required balance in this reserve account is \$40,372 at December 31, 2020. The actual balance at December 31, 2020 is \$36,419.

### **4. COMPLIANCE WITH KANSAS STATUTES**

No statute violations were noted.

### **5. COMPENSATED ABSENCES**

Full time employees will begin with 80 hours of vacation with a maximum of 240 hours that can be accumulated. No vacation leave is paid out upon termination during the first year of employment.

Full time employees are eligible for sick leave. Employees will begin with 40 hours of sick leave with a maximum of 240 hours that can be accumulated. No sick leave is paid upon termination during the first year of employment.

### **6. RISK MANAGEMENT**

Webster Irrigation District No. 4 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The district continues to carry commercial insurance coverage to cover these risks. The district has had no significant reduction in insurance coverage from prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

### **7. RETIREMENT PLAN**

Effective January 1, 1998, the district adopted a Simple IRA plan covering all eligible employees. This plan provides for district matching contributions of employee contributions at a rate of up to 3% of the employee's salaries.

## **8. RELATED PARTY TRANSACTIONS**

Webster Irrigation District No. 4 and the Kirwin Irrigation District No. 1 are operating under a joint operating agreement. They share equipment, employees and management. Each district's share of equipment cost is based on a predetermined formula in the agreement.

Each irrigation district is controlled by a separate board.

## **9. PROPERTY ASSESSMENTS**

Property assessments are collected from land owners within the irrigation district and remitted to the County Treasurer. Assessments are levied November 1st of the calendar year. The assessments are due one-half on December 20th and one-half the following May 10th. Collection of current year property assessments is not completed, apportioned or distributed to the irrigation district until the succeeding year. Consequently, current year property assessments receivable are not available as a resource that can be used to finance current year operation of the district and therefore are not susceptible to accrual.

## **10. CAFETERIA PLAN**

The district adopted a flexible benefit plan under Internal Revenue Code Section 125 "Cafeteria Plan" effective January 15, 1998. The purpose of the program is to allow employees, through salary reduction agreement, to select their plan benefits within the guidelines of the Revenue Act of 1975. The benefits available include cancer, disability, accident, and life insurance. All employees of the district are eligible to participate immediately upon the first day of employment.

## **11. INTERFUND TRANSFERS**

<u>From</u>	<u>To</u>	<u>Amount</u>
Repayment Fund	General Fund	\$ 12,806
General Fund	Water Supply Reserve Fund	1,707
General Fund	Water Distribution Works Reserve Fund	854
Total		<u>\$ 15,367</u>

## **12. COVID-19**

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the district's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the district is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2020.

### **13. SUBSEQUENT EVENTS**

The U.S. Department of Interior Bureau of Reclamation began a project in the summer of 2021 to replace the spillway chute at the Webster dam with an estimated cost of \$26 million dollars. The district's share of this cost will be a small percentage of this cost, to be paid out over a 40-year period. The payments will begin after the project is complete. The completion of the project is estimated to take three years.

Management has evaluated the effects on the financial statements of subsequent events occurring through the date of this report, which is the date at which the financial statements were available to be issued.

#### 14. LONG-TERM DEBT

Changes in long-term liabilities for the district for the year ended December 31, 2020, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>
Contract Agreements:								
U.S.Department of Interior Article 5b - Water Supply	0%	01/01/03	\$ 443,084	11/01/42	\$ 294,538	\$ -	\$ 12,806	\$ 281,732
U.S.Department of Interior Article 6a - Distribution Works	0%	01/01/03	\$ 303,150	11/01/42	121,094	-	5,265	115,829
Total Contractual Indebtedness					<u>\$ 415,632</u>	<u>\$ -</u>	<u>\$ 18,071</u>	<u>\$ 397,561</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026-2030</u>
PRINCIPAL						
Contract Agreements	<u>\$ 18,071</u>	<u>\$ 18,071</u>	<u>\$ 18,071</u>	<u>\$ 18,071</u>	<u>\$ 18,071</u>	<u>\$ 90,355</u>
	<u>2031-2035</u>	<u>2036-2040</u>	<u>2041-2042</u>			<u>Total</u>
PRINCIPAL						
Contract Agreements	<u>\$ 90,355</u>	<u>\$ 90,355</u>	<u>\$ 36,141</u>			<u>\$ 397,561</u>

**WEBSTER IRRIGATION DISTRICT NO. 4**  
**REGULATORY-REQUIRED**  
**SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**WEBSTER IRRIGATION DISTRICT NO. 4**

**Gaylord, Kansas**

**GENERAL FUND**

**Schedule 1-1**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

**Regulatory Basis**

**For The Year Ended December 31, 2020**

**GENERAL FUND**

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
<b>RECEIPTS</b>			
Special Assessment:			
County Treasurers	\$ 298,445	\$ 298,796	\$ (351)
Reimbursements-Other	504	-	504
Nonprofit Income	2,503	-	2,503
Miscellaneous	2,680	-	2,680
Interest Income	669	-	669
Operating Transfers:			
Repayment Fund	12,806	-	12,806
Total Receipts	<u>317,607</u>	<u>\$ 298,796</u>	<u>\$ 18,811</u>
<b>EXPENDITURES</b>			
Salaries & Payroll Taxes	158,014	\$ 157,000	\$ 1,014
Real Estate Taxes	120	-	120
Health & Life Insurance	41,381	28,000	13,381
Retirement	4,343	4,300	43
Insurance & Bonds	21,771	16,000	5,771
Utilities & Telephone	4,565	5,000	(435)
Irrigation Meeting Expense	979	1,000	(21)
Postage & Office Supplies	2,494	2,000	494
Director's Fees	760	1,000	(240)
Attorney Fees	-	500	(500)
Audit Fees	-	6,000	(6,000)
Miscellaneous	252	164	88
Nonprofit Resale	4,019	-	4,019
Diversion Dam (Electricity)	240	200	40
Motor Fuel & Oil	11,912	15,000	(3,088)
Tools & Equipment	14,965	6,000	8,965
Maintenance	10,699	10,000	699
Weed Control	7,960	12,000	(4,040)
Meters & Pipe	-	5,000	(5,000)
Repairs	4,440	4,000	440
Supplies	429	500	(71)
Tags	343	500	(157)
Water Supply Contract Payment	11,668	12,806	(1,138)
O & M Water Supply Works	3,138	9,265	(6,127)
Operating Transfers:			
Water Supply Reserve Fund	1,707	1,707	-
Water Distribution Works Reserve Fund	854	854	-
Total Expenditures	<u>307,053</u>	<u>\$ 298,796</u>	<u>\$ 8,257</u>
Receipts Over (Under) Expenditures	10,554		
UNENCUMBERED CASH, BEGINNING	<u>201,592</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 212,146</u>		

**WEBSTER IRRIGATION DISTRICT NO. 4**  
**Gaylord, Kansas**  
**GENERAL FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
**For The Year Ended December 31, 2020**

**Schedule 1-2**

**REPAYMENT FUND**

**RECEIPTS**

Special Assessment:	
County Treasurers	\$ 12,791
Interest Income	<u>202</u>
Total Receipts	<u>12,993</u>

**EXPENDITURES**

Water Supply Contract Payment	6,403
Operating Transfers:	
General Fund	<u>12,806</u>
Total Expenditures	<u>19,209</u>

Receipts Over (Under) Expenditures	(6,216)
------------------------------------	---------

UNENCUMBERED CASH, BEGINNING	<u>162,238</u>
------------------------------	----------------

UNENCUMBERED CASH, ENDING	<u><u>\$ 156,022</u></u>
---------------------------	--------------------------

**WEBSTER IRRIGATION DISTRICT NO. 4**  
**Gaylord, Kansas**  
**SPECIAL PURPOSE FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES**  
**Regulatory Basis**  
**For The Year Ended December 31, 2020**

**Schedule 1-3**

**WATER SUPPLY RESERVE FUND**

**RECEIPTS**

Transfer from General Fund	\$ 1,707
Interest Income	<u>371</u>

Total Receipts	<u>2,078</u>
----------------	--------------

**EXPENDITURES**

<u>-</u>
----------

Receipts Over (Under) Expenditures	2,078
------------------------------------	-------

UNENCUMBERED CASH, BEGINNING	<u>33,525</u>
------------------------------	---------------

UNENCUMBERED CASH, ENDING	<u><u>\$ 35,603</u></u>
---------------------------	-------------------------

**WATER DISTRIBUTION WORKS RESERVE FUND**

**RECEIPTS**

Transfer from General Fund	\$ 854
Interest Income	<u>383</u>

Total Receipts	<u>1,237</u>
----------------	--------------

**EXPENDITURES**

<u>-</u>
----------

Receipts Over (Under) Expenditures	1,237
------------------------------------	-------

UNENCUMBERED CASH, BEGINNING	<u>35,182</u>
------------------------------	---------------

UNENCUMBERED CASH, ENDING	<u><u>\$ 36,419</u></u>
---------------------------	-------------------------