

**City of Lancaster, Kansas**  
**Financial Statement**  
**For the Year Ended December 31, 2021**

**City of Lancaster, Kansas**  
**Financial Statement**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

**Table of Contents**

Independent Auditor's Report	1-3
------------------------------	-----

**FINANCIAL SECTION**

Statement 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash	4
Notes to the Financial Statement	5-10

**SUPPLEMENTARY INFORMATION**

Schedule 1	
Summary of Expenditures – Actual and Budget	11
Schedule 2	
Schedule of Receipts and Expenditures - Actual and Budget	
General	
Schedule 2 A     General	12-13
Special Purpose Funds:	
Schedule 2 B     Special Highway	14
Schedule 2 C     American Rescue Plan Act	15
Capital Project Funds	
Schedule 2 D     Water Improvement	16
Business Funds	
Schedule 2 E     Water Utility	17
Schedule 2 F     Sewer Utility	18
Schedule 2 G     Sewer Reserve	19
Schedule 2 H     Utility Deposits	20

**JOHN R WELCH C.P.A.**

785-230-3054

3709 SW Kiowa

Topeka, Kansas 66610-2307

**INDEPENDENT AUDITOR'S REPORT**

February 8, 2022

To the City Council

City of Lancaster, Kansas

**Unmodified and Adverse Opinions**

**I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Lancaster, Kansas, (City) as of and for the year ended December 31, 2021 and the related notes to the financial statement.**

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

**In my opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2021, 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 C.**

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

In my opinion, because of the significance of the matter discussed in the Basis for Unmodified and Adverse Opinions section of this report, the accompanying 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 the City as of December 31, 2021, or changes in financial position and cash flows thereof for the year then ended.

**Basis for Unmodified and Adverse Opinions**

I conducted my audit in accordance with auditing standards accepted in the United States of America, (GAAP) and the Kansas Municipal Audit and Accounting Guide. My responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of this report. I am required to be independent of the City and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my unmodified and adverse audit opinions.

***Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As discussed in Note 1 C of the financial statement, the financial statement is prepared by the City 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 C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Responsibilities of Management 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. In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statement**

My objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 GAAS 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 statement.

In performing an audit in accordance with GAAS,


I:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, 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 statement.
- 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 the City'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 statement.
- conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

**Supplementary Information**

My 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 summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are 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 my opinion, the accompanying supplementary 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 C.

  
\_\_\_\_\_  
John R Welch, C.P.A.  
Topeka, Kansas

**Summary Statement of Receipts, Expenditures and Unencumbered Cash**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

<b>Fund</b>	<b>Beginning Unencumbered Cash Balance</b>	<b>Prior Year Cancelled Encumbrances</b>	<b>Cash Receipts</b>	<b>Expenditures</b>	<b>Ending Unencumbered Cash Balance</b>	<b>Add Encumbrances and Accounts Payable</b>	<b>Ending Cash Balance</b>
<b>General</b>	\$ 26,250.47	\$ -	\$ 90,913.33	\$ 85,882.88	\$ 31,280.92	\$ 13,827.53	\$ 45,108.45
<b>Special Purpose Funds:</b>							
Special Highway	1,992.26	-	8,199.66	-	10,191.92	-	10,191.92
American Rescue Plan Act	-	-	21,594.20	-	21,594.20	-	21,594.20
<b>Capital Project Funds</b>							
Water Improvement	26,231.26	-	6,702.52	32,933.78	-	-	-
<b>Business Funds</b>							
Water Utility	29,220.46	-	83,837.22	64,438.50	48,619.18	2,000.00	50,619.18
Sewer Utility	75,359.63	-	29,898.11	10,776.27	94,481.47	1,200.00	95,681.47
Sewer Reserve	50,290.30	-	-	-	50,290.30	-	50,290.30
Utility Deposits	2,825.00	-	375.00	450.00	2,750.00	-	2,750.00
<b>Total City</b>	<u>\$ 212,169.38</u>	<u>\$ -</u>	<u>\$ 241,520.04</u>	<u>\$ 194,481.43</u>	<u>\$ 259,207.99</u>	<u>\$ 17,027.53</u>	<u>\$ 276,235.52</u>

**Composition of Cash**

Checking Accounts General	\$ 193,964.39
Certificates of Deposit:	<u>82,271.13</u>

**Total Primary Government** \$ 276,235.52

## City of Lancaster, Kansas

### Notes to Financial Statement December 31, 2021

#### Note 1 – Summary of Significant Accounting Policies

##### Municipal Financial Reporting Entity

The City of Lancaster, Kansas, is a municipal corporation governed by an elected five-member council plus a mayor. This financial statement presents the City of Lancaster, Kansas, the primary government. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate. The City has no legally separate entities. The primary government financial statement referred to above does not include any related municipal entities of the City of Lancaster, Kansas.

##### Regulatory Basis Fund Types

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

The following types of funds were utilized in recording the financial activities of the City of Lancaster for the year 2021:

General fund – Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds – Used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than capital projects and tax levies for long-term debt) that are intended for specified purposes.

Business funds – Funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.).

##### Basis of Accounting

*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 revenues 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

## City of Lancaster, Kansas

### Notes to Financial Statement December 31, 2021

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 City 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 City to use regulatory basis of accounting.

**When regulatory basis financial statements are released for general use, generally accepted auditing standard AU-C-800.21, requires the auditor to express an opinion about whether the financial statement has been prepared in accordance with the special purpose framework. The auditor is also required in a separate paragraph to express an opinion about whether the regulatory, special purpose financial statement is presented fairly, in all material respects, in accordance with GAAP.**

#### Note 2 – Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of budget for the succeeding calendar year on or before August 1<sup>st</sup>.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5<sup>th</sup>.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to, on or before September 20<sup>th</sup>. The City did not hold a revenue neutral rate hearing for 2022.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget



## City of Lancaster, Kansas

### Notes to Financial Statement December 31, 2021

of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, and the following special purpose fund:

Special Highway fund  
American Rescue Plan Act fund

For the current year the City chose to adopt and publish a budget for the Special Highway fund.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

#### Note 3 – Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 (d) (1) requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City'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 City has no investment policy that would further limit its investment choices.

*Concentration of credit risk.* State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's investments were held by one allowable financial institution in the form of time deposits, open accounts, and certificates of deposit.

## City of Lancaster, Kansas

### Notes to Financial Statement December 31, 2021

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City'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 City's has not designated "peak periods". All deposits were legally secured December 31, 2021.

At December 31, 2021, the City's carrying amount of deposits was \$276,235.52 and the bank balance was \$276,358.39. The difference between the carrying amount and the bank balance is outstanding checks. The bank balance was administered by one bank. All deposits were covered by FDIC insurance.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments during 2021.

#### Note 4 – Compliance, Stewardship and Accountability

The City is not aware of any statute violations for the year ended December 31, 2021.

#### Note 5 – Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar-year basis and are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half of the full amounts of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes levied and collected in the year prior to January 1st of the ensuing year.

#### Note 6 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no decreases in insurance coverage from the prior year.

City of Lancaster, Kansas

Notes to Financial Statement  
December 31, 2021

Note 7 – Long Term Debt

On April 3, 2019, the City issued Series 2019A General Obligation Bonds in the amount of \$898,000.00 for Water Line Improvements. The bonds carry an interest rate of 1.875%. Annual payments of \$32,112.48 began on April 3, 2020. The final payment is scheduled for April 3, 2059.

Changes in long-term liabilities for the City for the year ended December 31, 2021, were as follows:

<u>Beginning Balance</u>	<u>Reductions</u>	<u>Balance End of Year</u>	<u>Interest</u>
<u>\$ 882,725.02</u>	<u>\$ 15,561.39</u>	<u>\$ 867,163.63</u>	<u>\$ 16,551.09</u>

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

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	15,853.16	16,259.32	32,112.48
2023	16,150.41	15,962.07	32,112.48
2024	16,453.23	15,659.25	32,112.48
2025	16,761.73	15,350.75	32,112.48
2026	17,076.01	15,036.47	32,112.48
2027-31	90,304.43	70,257.97	160,562.40
2032-36	99,093.97	61,468.43	160,562.40
2037-41	108,739.00	51,823.40	160,562.40
Thereafter	<u>277,938.17</u>	<u>75,299.11</u>	<u>353,237.28</u>
	<u>\$ 867,163.63</u>	<u>\$ 353,064.58</u>	<u>\$1,220,228.21</u>

Note 8 – Other Long-Term Obligations

The City provides no health insurance, no compensated absences, or pension plan, to employees.

Note 10 – Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	<u>Project Authorization</u>	<u>Final Project Cost</u>
Water System Improvements	\$1,286,574.50	\$ 1,255,552.35

Project Funding - U.S. Department of Agriculture and Kansas Department of Health and Environment approved the following project funding on December 16, 2016:

USDA G.O. Bond Purchase	\$ 898,000.00
Agency Grant	<u>388,574.50</u>
Total Project Funding	<u>\$1,286,574.50</u>

City of Lancaster, Kansas

Notes to Financial Statement  
December 31, 2021

Note 9 – Interfund Transactions

There were no interfund transfers made during 2021.

Note 11 – Other Long-Term Obligations

The City provides no health insurance, no compensated absences, nor pension plan, to employees.

Note 12 – Subsequent Events

In preparing this financial statement, the City has evaluated events and transactions for potential recognition or disclosure through February 8, 2022 the date the financial statement was available for issue.



**City of Lancaster, Kansas**

**Regulatory - Required**

**Supplementary Information**

**Summary of Expenditures – Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

<b>Fund</b>	Beginning Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget	Expenditures Chargeable to Current Year	Variance Over (Under)
General	\$ 99,089.00	\$ -	\$ 99,089.00	\$ 85,882.88	\$ (13,206.12)
Special Purpose Funds:					
Special Highway	9,981.00	-	9,981.00	-	(9,981.00)
Water Utility	69,156.00	-	69,156.00	64,438.50	(4,717.50)
Sewer Utility	<u>102,085.00</u>	<u>-</u>	<u>102,085.00</u>	<u>10,776.27</u>	<u>(91,308.73)</u>
<b>Total City Budget</b>	<u>\$ 280,311.00</u>	<u>\$ -</u>	<u>\$ 280,311.00</u>	<u>\$ 161,097.65</u>	

See the independent auditor's report on required supplementary information

**General**  
**Schedule of Receipts and Expenditures - Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

	Actual	Budget	Variance Over (Under)
<b>Receipts</b>			
Ad Valorem Tax	\$ 35,288.32	\$ 35,509.00	\$ (220.68)
Delinquent Tax	899.49	-	899.49
Motor Vehicle Tax	7,559.07	7,803.00	(243.93)
Recreational Vehicle Tax	333.62	254.00	79.62
16/20M Vehicle Tax	360.24	387.00	(26.76)
Commercial Vehicle Tax	59.91	134.00	(74.09)
Compensating Use Tax	-	3,700.00	(3,700.00)
Local Sales Tax	26,541.02	18,700.00	7,841.02
Franchise Tax	13,854.46	13,500.00	354.46
Licenses	125.00	300.00	(175.00)
Hall Rent	2,155.00	2,200.00	(45.00)
Donations	1,410.00	-	1,410.00
Late Charges	855.55	1,400.00	(544.45)
Utility Sales Tax	273.34	300.00	(26.66)
Insurance Dividends and Reimbursements	1,094.17	1,500.00	(405.83)
Transfer from Sewer	-	10,000.00	(10,000.00)
Interest	104.14	350.00	(245.86)
<b>Receipts Total</b>	<u>90,913.33</u>	<u>96,037.00</u>	<u>(5,123.67)</u>



**General**  
**Schedule of Receipts and Expenditures - Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
<b>Expenditures</b>			
Administrative			
Personal Services	10,978.00	17,000.00	(6,022.00)
Employee Benefits	1,510.28	2,000.00	(489.72)
Contractual Services	33,682.68	37,000.00	(3,317.32)
Commodities	6,328.04	12,000.00	(5,671.96)
Capital Outlay	6,553.40	6,889.00	(335.60)
Utility Sales Tax and Interest on Deposits	289.46	-	289.46
Park and Recreation	-	2,000.00	(2,000.00)
Appropriations			
Joint Communication and Refuge	<u>26,541.02</u>	<u>22,200.00</u>	<u>4,341.02</u>
<b>Expenditures Total</b>	<u>85,882.88</u>	<u>99,089.00</u>	<u>(13,206.12)</u>
<b>Receipts Over (Under) Expenditures</b>	5,030.45	<u>\$ (3,052.00)</u>	<u>\$ 8,082.45</u>
<b>Unencumbered Cash, Beginning</b>	<u>26,250.47</u>		
<b>Unencumbered Cash, Ending</b>	<u><u>\$ 31,280.92</u></u>		

**Special Highway**  
**Schedule of Receipts and Expenditures - Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
<b>Receipts</b>			
State of Kansas Gas Tax	\$ 8,199.66	\$ 6,510.00	\$ 1,689.66
<b>Receipts Total</b>	<u>8,199.66</u>	<u>6,510.00</u>	<u>1,689.66</u>
<b>Expenditures</b>			
Commodities	<u>-</u>	<u>9,981.00</u>	<u>(9,981.00)</u>
<b>Expenditures Total</b>	<u>-</u>	<u>9,981.00</u>	<u>(9,981.00)</u>
<b>Receipts Over (Under) Expenditures</b>	8,199.66	<u><u>\$ (3,471.00)</u></u>	<u><u>\$ 11,670.66</u></u>
<b>Unencumbered Cash, Beginning</b>	<u>1,992.26</u>		
<b>Unencumbered Cash, Ending</b>	<u><u>\$ 10,191.92</u></u>		

## City of Lancaster, Kansas

**American Rescue Plan Act**  
**Schedule of Receipts and Expenditures - Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

	Current Actual	Project To Date	Approved Project Total
<b>Receipts</b>			
American Rescue Plan Act Grant	\$ 21,594.20	\$ 21,594.20	\$ 43,188.40
<b>Receipts Total</b>	<u>21,594.20</u>	<u>21,594.20</u>	<u>43,188.40</u>
<b>Expenditures</b>			
Qualified Expenditures	<u>-</u>	<u>-</u>	<u>43,188.40</u>
<b>Expenditures Total</b>	<u>-</u>	<u>-</u>	<u>43,188.40</u>
<b>Receipts Over (Under) Expenditures</b>	21,594.20	<u><u>\$ 21,594.20</u></u>	<u><u>\$ -</u></u>
<b>Unencumbered Cash, Beginning</b>	<u>-</u>		
<b>Unencumbered Cash, Ending</b>	<u><u>\$ 21,594.20</u></u>		

**Water Improvement**  
**Schedule of Receipts and Expenditures - Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

	Current Actual	Project Final	Approved Project Total
<b>Receipts</b>			
Temporary Note	\$ -	\$ 898,000.00	\$ 898,000.00
G. O. Bond Proceeds	-	898,000.00	898,000.00
CDBG Grant	6,700.00	355,716.33	388,574.50
Temporary Note Repayment	-	(898,000.00)	\$ (898,000.00)
Interest Income	<u>2.52</u>	<u>1,836.02</u>	<u>-</u>
<b>Receipts Total</b>	<u>6,702.52</u>	<u>1,255,552.35</u>	<u>1,286,574.50</u>
<b>Expenditures</b>			
<b>Project Costs</b>			
Reimburse Costs Paid by Water	26,218.78	26,218.78	-
Engineering and Inspection	-	242,678.84	271,400.00
Construction	6,700.00	950,954.15	849,474.50
Contingency	15.00	6,515.00	116,300.00
Interest	-	4,639.67	38,000.00
Legal Fees - Bond Counsel	<u>-</u>	<u>24,545.91</u>	<u>11,400.00</u>
<b>Expenditures Total</b>	<u>32,933.78</u>	<u>1,255,552.35</u>	<u>1,286,574.50</u>
<b>Receipts Over (Under) Expenditures</b>	(26,231.26)	<u>\$ -</u>	<u>\$ -</u>
<b>Unencumbered Cash, Beginning</b>	<u>26,231.26</u>		
<b>Unencumbered Cash, Ending</b>	<u>\$ -</u>		

**Water Utility**  
**Schedule of Receipts and Expenditures - Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

	Actual	Budget	Variance Over (Under)
<b>Receipts</b>			
Water Revenue	\$ 56,543.44	\$ 52,000.00	\$ 4,543.44
Reimbursed Preconstruction Project Costs	26,218.78	-	26,218.78
Water Hookups	<u>1,075.00</u>	<u>-</u>	<u>1,075.00</u>
<b>Receipts Total</b>	<u>83,837.22</u>	<u>52,000.00</u>	<u>31,837.22</u>
<b>Expenditures</b>			
Personal Services	6,879.87	9,000.00	(2,120.13)
Contractual Services	24,338.27	25,000.00	(661.73)
Commodities	1,107.88	2,000.00	(892.12)
Capital Outlay	-	1,044.00	(1,044.00)
Debt Service	<u>32,112.48</u>	<u>32,112.00</u>	<u>0.48</u>
<b>Expenditures Total</b>	<u>64,438.50</u>	<u>69,156.00</u>	<u>(4,717.50)</u>
<b>Receipts Over (Under) Expenditures</b>	19,398.72	<u>\$ (17,156.00)</u>	<u>\$ 36,554.72</u>
<b>Unencumbered Cash, Beginning</b>	<u>29,220.46</u>		
<b>Unencumbered Cash, Ending</b>	<u>\$ 48,619.18</u>		

**Sewer Utility**  
**Schedule of Receipts and Expenditures - Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
<b>Receipts</b>			
Sewer Fees	\$ 29,898.11	\$ 36,000.00	\$ (6,101.89)
<b>Receipts Total</b>	<u>29,898.11</u>	<u>36,000.00</u>	<u>(6,101.89)</u>
<b>Expenditures</b>			
Personal Services	7,046.37	7,500.00	(453.63)
Contractual Services	3,400.15	8,000.00	(4,599.85)
Commodities	329.75	5,000.00	(4,670.25)
Capital Outlay	-	71,585.00	(71,585.00)
Debt Service	-	-	(81,308.73)
Transfer to General	-	10,000.00	(10,000.00)
<b>Expenditures Total</b>	<u>10,776.27</u>	<u>102,085.00</u>	<u>(91,308.73)</u>
<b>Receipts Over (Under) Expenditures</b>	19,121.84	<u>\$ (66,085.00)</u>	<u>\$ 85,206.84</u>
<b>Unencumbered Cash, Beginning</b>	<u>75,359.63</u>		
<b>Unencumbered Cash, Ending</b>	<u>\$ 94,481.47</u>		

## City of Lancaster, Kansas

**Sewer Reserve**  
**Schedule of Receipts and Expenditures - Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

	<u>Actual</u>
<b>Receipts</b>	
Transfer from Sewer Fund	\$ -
<b>Receipts Total</b>	<u>-</u>
<b>Expenditures</b>	
Capital Outlay	<u>-</u>
<b>Expenditures Total</b>	<u>-</u>
<b>Receipts Over (Under) Expenditures</b>	-
<b>Unencumbered Cash, Beginning</b>	<u>50,290.30</u>
<b>Unencumbered Cash, Ending</b>	<u>\$ 50,290.30</u>

**Utility Deposits**  
**Schedule of Receipts and Expenditures - Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2021**

	<u>Actual</u>
<b>Receipts</b>	
Deposits Received	\$ 375.00
<b>Receipts Total</b>	<u>375.00</u>
<b>Expenditures</b>	
Deposit Refunds	<u>450.00</u>
<b>Expenditures Total</b>	<u>450.00</u>
<b>Receipts Over (Under) Expenditures</b>	(75.00)
<b>Unencumbered Cash, Beginning</b>	<u>2,825.00</u>
<b>Unencumbered Cash, Ending</b>	<u>\$ 2,750.00</u>