

*Original*

RECEIVED

JUL 29 2009

PUBLIC SERVICE  
COMMISSION

**PROPOSED ADJUSTMENT  
OF THE WHOLESALE WATER  
SERVICE RATES OF  
THE CITY OF LANCASTER**

**Response to Information  
Requested in  
Appendix to an Order of the  
Kentucky Public Service  
Commission  
Case No. 2009-00230  
dated June 26, 2009**

**RECEIVED**

JUL 29 2009

**PUBLIC SERVICE  
COMMISSION**

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE	)	CASE NO.
WHOLESALE WATER SERVICE RATES OF	)	2009-00230
THE CITY OF LANCASTER	)	

Response to Information Requested in  
Appendix to an Order of the Kentucky Public Service Commission  
In Case No. 2009-00230 dated June 26, 2009

**1. Provide a copy of all current agreements and contracts between Lancaster and Garrard Association.**

A copy of the Water Rate Agreement between the City of Lancaster and the Garrard County Water Association dated June 5, 2008 is enclosed following Tab 1.

**2. Describe in detail all calculations used in determining the proposed wholesale rate.**

A description of all calculations used in determining the proposed wholesale rate, prepared by Municipal and Financial Services Group, is enclosed following Tab 2.

**3. Provide copies of the most recent cost-of-service analysis and management analysis for Lancaster's water system.**

A copy of the most recent wholesale water rate cost of service study, prepare by Municipal and Financial Services Group, is enclosed following Tab 3.

**4. Provide a copy of the city's resolution authorizing Lancaster to charge the wholesale rate to Garrard Association.**

The Lancaster City Council has not previously adopted resolutions authorizing water rates to wholesale customers. However, a draft resolution authorizing the proposed rates has been prepared and will be submitted to the Lancaster City Council for their consideration at their regularly scheduled meeting in August 2009. A copy of this draft resolution is enclosed following Tab 4. Once the resolution has been passed, an approved copy will be provided to all parties to Case No. 2009-00230.

**5. Provide the independent auditor's report for Lancaster's water operations, shown separately from any joint ventures for the last two fiscal years.**

A copy of the Independent Auditor's Report for Lancaster's water operations for the year ended June 30, 2008, prepared by Critchfield & Critchfield, is enclosed following Tab 5.

A copy of the Independent Auditor's Report for Lancaster's water operations for the year ended June 30, 2007, prepared by Mulligan Hill Clements & Co., is also enclosed following Tab 5.

**6. State the test period on which the proposed wholesale water rate is based.**

The cost of service analysis uses a forecasted test period of July 1, 2009 through June 30, 2010 on which the proposed wholesale water rate is based. The forecasted test period expenses were developed using audited expenses incurred during July 1, 2007 through June 30, 2008 adjusted for known and measurable changes.

**7. Provide the general ledgers for the water operations for the proposed test period and the most recently concluded fiscal year. These general ledgers shall include all check registers and spreadsheets used to record and track financial transactions.**

The projected general ledger components for the water operations for the proposed test year are contained in the cost of service study, on these schedules enclosed following Tab 3:

- Schedule 1 Operating and Maintenance Expenses
- Schedule 2 Existing Debt Service
- Schedule 3 Capital Improvement Projects
- Schedule 4 Projected Debt Service
- Schedule 5 Interest Income and Miscellaneous Revenue

A detailed general ledger trial balance for the water operations for the most recently concluded fiscal year is enclosed on two copies following Tab 7. A summary general ledger trial balance for the most recently concluded fiscal year is enclosed on the remaining six copies following Tab 7.

A check register for the most recently concluded fiscal year is also enclosed following Tab 7.

**8. For each outstanding revenue issuance related to Lancaster's water operations, provide:**

The City of Lancaster Water System has four United States Department of Agriculture Rural Development bond issues outstanding: Series 1976, Series 2000, Series 2005A, and Series 2005B.

The City of Lancaster Water System has one loan outstanding: Kentucky Infrastructure Authority 1995 Loan #93-06.

Also, the City of Lancaster intends to fund its Phase II Water System Improvements of \$2,537,500 during 2009 through a USDA grant for \$1,015,000 or 40% of the total and through the Series 2009 bonds for \$1,522,000 or 60% of the total. The Series 2009 bonds will be issued for 30 years with an interest rate of 2.75%.

**a. The bond ordinance or resolution authorizing the issuance of the revenue bonds.**

The bond ordinance for Series 1976 bonds is enclosed following Tab 8.

The supporting documents for the KIA 1995 loan could not be located in time for the July 31, 2009 deadline. Copies of the loan documents will be requested from the Kentucky Infrastructure Authority.

The bond ordinance for Series 2000 bonds is also enclosed following Tab 8.

The Series 2005A and 2005B bonds were additional bonds issued under the Bond Ordinance for the Series of 2000.

**b. An amortization schedule.**

The amortization schedule for the Series 1976 bonds, Series 2005A bonds, and Series 2005B bonds is enclosed following Tab 8. (This amortization schedule is from the audited financial statements for the year ending June 30, 2007.)

The amortization schedule for the KIA 1995 loan is also enclosed following Tab 8.

The amortization schedule for the Series 2000 bonds is also enclosed following Tab 8.

**c. A detailed explanation as to why the debt was incurred.**

The Series 1976 bonds were issued to construct an elevated storage tank and related system improvements.

The KIA 1995 loan was issued to construct water treatment plant improvements.

The Series 2000 bonds were issued to construct a raw water transmission main.

The Series 2005A bonds were issued to construct transmission and distribution system improvements.

The Series 2005 B bonds were also issued to construct transmission and distribution system improvements.

The Series 2009 bonds will be issued to fund a portion of the Phase II Water System Improvements.

**d. A calculation of the annual debt service payment for each of the next three years. Show each component of the calculation separately.**

A calculation of the annual debt service payment for each of the next three years is enclosed following Tab 9.

**9. Provide a detailed depreciation schedule for the water division.**

A detailed depreciation schedule for Lancaster's water operations for the period ending June 30, 2008 is enclosed following Tab 9. Note that the cost of service study does not allocate any depreciation expense to wholesale customers.

**10. Provide an adjusted trial balance and audit adjustments for the proposed test period and the most recently completed fiscal year. The trial balance shall be traced and referenced directly to the general ledgers request in Item 7 above.**

The projected general ledger components for the water operations for the proposed test year are contained in the cost of service study, on these schedules enclosed following Tab 3:

- Schedule 1 Operating and Maintenance Expenses
- Schedule 2 Existing Debt Service
- Schedule 3 Capital Improvement Projects
- Schedule 4 Projected Debt Service
- Schedule 5 Interest Income and Miscellaneous Revenue

A detailed general ledger trial balance for the water operations for the most recently concluded fiscal year is enclosed on two copies following Tab 7. A summary general ledger trial balance for the most recently concluded fiscal year is enclosed on the remaining six copies following Tab 7.

The trial balance for the proposed test period and the most recently completed fiscal year are traced and referenced in Item 11 below.

**11. For Lancaster's water operations, provide a reconciliation for any differences between the test period trial balance, the most recent audit report, and the cost-of-service study on which the proposed wholesale rate is base.**

A reconciliation for differences greater than +/- \$500 between the test period trial balance and the most recent audit report are referenced in the analysis following Tab

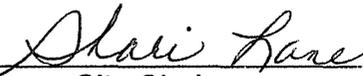
11. Differences less than +/- \$500 between the test period trial balance and the cost-of-service study are incidental inflationary increases. There are no differences between the test period trial balance and the cost-of-service study.

This response to *Information Requested in Appendix to an Order of the Kentucky Public Service Commission in Case No. 2009-00230 dated June 26, 2009* was prepared under the supervision of Donald P. Rinthen, Mayor, on behalf of the City of Lancaster and is true and accurate to the best of his knowledge, information, and belief formed after a reasonable inquiry.

  
\_\_\_\_\_  
Donald P. Rinthen, Mayor

7-29-09  
Date

Attested by:

  
\_\_\_\_\_  
Shari Lane, City Clerk

7-29-09  
Date



## Water Rate Agreement

---

This Agreement made and entered into this 5<sup>th</sup> day of June, 2008, by and between the City of Lancaster, referred to herein as the "City", and the Garrard County Water Association, referred to herein as the "Association".

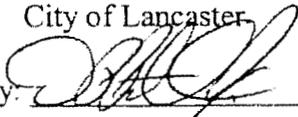
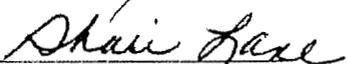
Witnesseth: That whereas by a contract dated March 25, 1970, an arrangement was made that the rate to be charged for water supplied by the City to the Association would be subject to modification every five years based on a demonstrable increase in the cost of performance, such cost not to include increased capitalization of the Lancaster system.

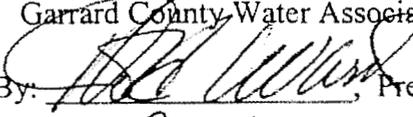
That whereas this time period was shortened to one year by subsequent agreements and that the latest one year agreement expires at the close of the day on June 30, 2008 and whereas this latest one year agreement introduced the concept of a guaranteed minimum purchase by the Association from the City.

Now, therefore, the parties hereto agree as follows:

1. That the original five year pricing period will continue to be shortened to one year.
2. That the rate charged by the City for water supplied to the Association will increase to \$1.88 per thousand gallons for the next year. There will be a Kentucky River Fee of \$.088 added. If there is an increase in the Kentucky River Fee it will be passed on to the purchaser in the next billing cycle after becoming effective. The increased rate is to take effect on July 1, 2008. This agreement will remain in effect to June 30, 2009.
3. The Association agrees to a minimum purchase amount to 200 million gallons per year.
4. That the costs and methodology used to arrive at the price increase noted above will be reviewed in 2009 by an independent third party to identify any need for an increase or decrease in wholesale rates.
5. All other provisions of the original contract between the parties will remain in full force and effect.

Witness our Signatures to duplicate copies hereof this 5<sup>th</sup> day of June, 2008.

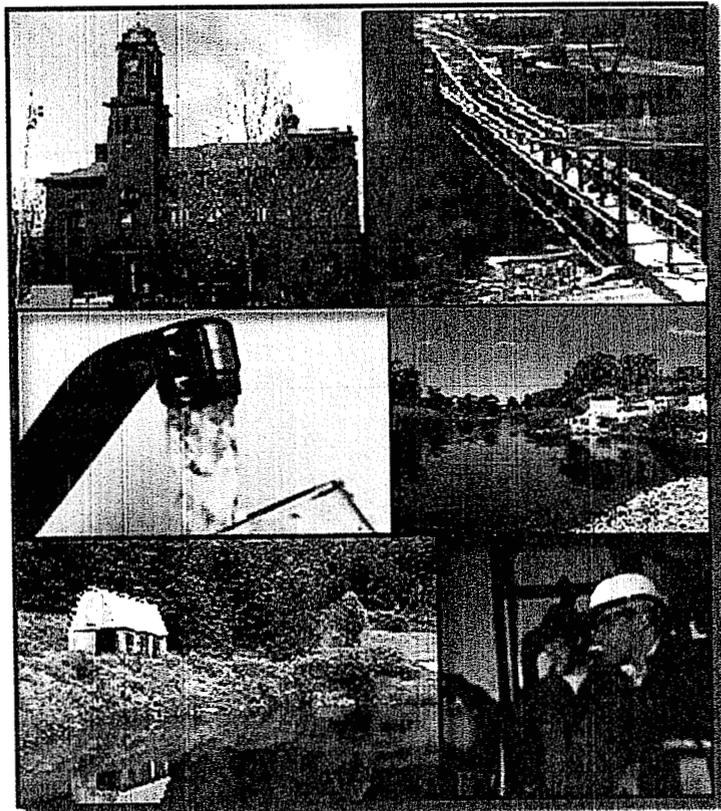
City of Lancaster  
By:  \_\_\_\_\_, Mayor  
Attest  \_\_\_\_\_

Garrard County Water Association  
By:  \_\_\_\_\_, President  
Attest  \_\_\_\_\_

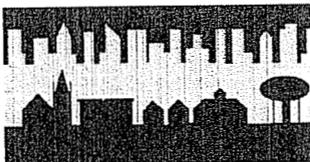


# City of Lancaster, Kentucky

## Wholesale Water Rate Study for Fiscal Year 2009-2010



Prepared by



**Municipal & Financial  
Services Group**  
223 North Hite Avenue  
Louisville, KY 40206  
502.500.1458

April 2009

**TABLE OF CONTENTS**

**A. EXECUTIVE SUMMARY..... 1**  
    1. Findings..... 1  
    2. Recommendations..... 1

**B. BASIS FOR THE STUDY ..... 2**  
    1. Scope of Work ..... 2  
    2. Assumptions Used in the Study ..... 3

**C. METHOD FOR COMPUTING REVENUE REQUIREMENTS ..... 5**  
    1. Method for Computation of Revenue Requirements ..... 5  
    2. Method for Wholesale Cost Allocation Factors..... 5

**D. OPERATING AND MAINTENANCE EXPENSES ..... 7**

**E. CAPITAL IMPROVEMENTS ..... 8**

**F. ANNUAL DEBT SERVICE REQUIREMENT..... 9**

**G. INTEREST INCOME AND MISCELLANEOUS REVENUE ..... 10**  
    1. Computation of Interest Income ..... 10  
    2. Computation of Total Miscellaneous Revenue..... 10

**H. WATER USAGE..... 11**

**I. METHOD FOR COMPUTING WHOLESAL COST ALLOCATION FACTORS..... 12**  
    1. Computation of Water Production Allocation Factor ..... 12  
    2. Computation of Cost Allocation Factor ..... 13

**J. RATE COMPUTATION..... 15**  
    1. Wholesale Unit Rate Computation ..... 15  
    2. Computation of effect on Garrard County Water Association ..... 16  
    3. Alternative Rate Methodology..... 16

**K. COMPARISONS ..... 17**

**L. FINDINGS AND RECOMMENDATIONS..... 18**  
    1. Findings..... 18  
    2. Recommendations..... 18

## APPENDIX

Water and Sewer Cost of Service Model consisting of the following schedules:

Index

Control Panel

Schedule 1	Operating & Maintenance Expenses
Schedule 2	Existing Debt Service
Schedule 3	Capital Improvement Projects
Schedule 3A	Cash Funded Capital Improvement Projects
Schedule 3B	Bond Funded Capital Improvement Projects
Schedule 4	Projected Debt Service
Schedule 5	Interest Income and Miscellaneous Revenue
Schedule 6	Water Usage
Schedule 7	Cost Allocations
Schedule 8	Wholesale Water Rate - Cash Basis Using MUSC Recommended Methodology and Cost Allocations
Schedule 9	Wholesale Water Rate Alternative - Utility Basis
Schedule 10	Cash Flow

The schedules highlighted in      are the primary components of the rate model..

The Index is provided to aid navigation between the schedules by providing a hyperlink to each of the other schedules. (Note that each schedule has a hyperlink in the upper left corner to return to the Index.) The Control Panel allows for entry of assumptions for future inflation rates, interest rates, and water consumption growth rates. The remaining schedules are provided for projecting alternative rates using the utility basis method and cash flows over the next ten years.

## A. EXECUTIVE SUMMARY

This document was prepared to summarize the work performed by the Municipal & Financial Services Group (MFSG) during the wholesale water cost of service study authorized by the City of Lancaster, KY. The study is predicated on the use of a cash flow analysis to support the pricing of utility services. The cost of service analysis uses a forecasted test period of Fiscal Year 2009-2010. This portion of the report summarizes the findings and recommendations developed during the course of the study.

### 1. Findings

- Based on projected water sales, the current wholesale water rates will not produce adequate revenues to cover the water system revenue requirements for Fiscal Year 2010 or the years following.
- The previous rate study methodology did not include recovery of debt service in the wholesale water rates despite the benefit received by wholesale customers from debt-financed assets. This resulted in recovery of those debt service costs retail customers only.
- Using a future test year based upon audited financial results through June 30, 2008 adjusted for known and measurable changes, a proposed increase in wholesale water rates from \$1.88 to \$2.10 will be required to fund a fair, just, and reasonable portion of operating expenses of the water system.
- Due to the size of the rate increase, it may be prudent to phase in the rate increase over two years.
- The City of Lancaster has planned capital investments in water treatment and distribution system improvements which may require additional funding over time.

### 2. Recommendations

- The debt service costs for the water system should be distributed equitably between the retail and wholesale customers.
- The City of Lancaster should increase wholesale water rates by 5.85%, from \$1.88 to \$1.99, effective July 1, 2009.
- The City of Lancaster should increase wholesale water rates by 5.53%, from \$1.99 to \$2.10 effective July 1, 2010.
- The City of Lancaster should consider an update to this rate study as the capital improvement plans are constructed.

## B. BASIS FOR THE STUDY

### 1. Scope of Work

The purpose of the study was to support the Water Rate Agreement between the City of Lancaster and the Garrard County Water Association to have an independent third party review the costs and methodology in 2009 to identify any need for an increase or decrease in wholesale rates.

The scope of services set forth in the contract between the City of Lancaster and the Municipal and Financial Services Group specified several related tasks:

#### *Task 1.1 – Review Existing Data*

Review prior studies and documentation, to formulate quickly an understanding of both the letter and the spirit of the policies and procedures, which govern the construction and operation of the City's water system. The key data items required for the study included:

- Most recent audited financial statements and estimated expenses;
- Known and measurable changes to the expenses as identified by City of Lancaster;
- Total water production and sales information (including plant use water - backwashing and flushing); and
- Total miles of transmission and distribution system.

#### *Task 1.2 – Identify Water System Expenses*

The most recent estimate by the City of Lancaster for expenses during July 1, 2009 through June 30, 2010 served as the Test Year and the basis for the costs inputs in the wholesale water rate analysis. The water system expenses were allocated to those related to pumping and treatment, transmission and distribution, and customer. The costs identified for the Test Year were also forecasted forward over a ten-year period to provide a forecast of water system expenses. The expenses were forecasted at the account level to allow for each of the categories of expenses to be increased at different inflation rates.

#### *Task 1.3 – Water Production and Sales Analysis*

Water production and sales information from the City was analyzed, including identification of the amount of water used within the plant for backwashing and flushing. The comparison of the water production to water sales allowed for determination of the City's unaccounted for or lost water. This information was used to determine a production factor for wholesale water due to lost water. Additionally, based on discussions with the City staff, water production and sales were forecasted over a ten-year period.

#### *Task 1.4 – Determination of Allocation Factors*

MFSG established factors to allow for allocation of costs to wholesale customers. Consistent with the City's current methodology for wholesale rates, we used the inch-mile method of

allocating transmission costs. This method is predicated on allocating costs on the proportionate use of jointly used water system facilities (wholesale vs. retail). We used the standard approach of allocating production costs based on ratio of wholesale water sales to total gallons sold. The outputs of this task were factors for production and treatment, transmission and distribution, and customer related expenses.

*Task 1.5 – Allocation of Costs to Wholesale*

Each of the expense categories were multiplied by the allocation factors to determine the total cost of providing wholesale water. The total cost of providing wholesale water was also projected over the next ten-years based on the forecasted expenses.

*Task 1.6 – Calculation of Wholesale Water Rate*

The total cost of providing wholesale water was divided by the total wholesale water sales to determine an appropriate wholesale water rate. The wholesale water rate was determined for the Test Year and forecasted over a ten-year period.

MFSG has developed a financial model by which the City of Lancaster can project cash flows and future wholesale water rates over a 10-year period using assumptions regarding operating expenses, capital improvements, customer and usage growth rates, and other items.

**2. Assumptions Used in the Study**

The following assumptions were used to guide the cost of service analysis and were developed with the assistance of the City of Lancaster staff:

- The water system must be self-supporting. It is assumed that the costs of operating and maintaining the water system must be fully supported by the water rates and charges collected from water customers.
- The costs of operating and maintaining the water system, including the cost of debt service, must be distributed equitably between the retail and wholesale customers.
- The wholesale water rates should be reviewed at least every two years.

In addition to the guiding assumption for the study, it is necessary to make several assumptions regarding future economic conditions and growth to project future revenue requirements and offsetting revenues from water rates. Assumptions made regarding various items which can be varied as needed from year to year are shown below:

<u>Element</u>	<u>Amount</u>
Inflation Rate – Water O&M Expenses	3.0%
Consumption Growth Rate – Water	1.0% initially, then flat

Interest Rate on Borrowing	2.75%
Debt Maturity	30 years
Interest Earned on Investments	1.75%
Administration Costs on Financing	0%

These assumptions were used after discussions with the City's staff, utilizing our experience and the staff's knowledge of its historical and future costs. The study was conducted using the most recent estimate of expenses for Fiscal Year 2009-2010 (the City functions on a fiscal year of July 1 to June 30) as the base year upon which forecasted figures were developed. The cost of service analysis also considers what wholesale water rates may need to be for the entire planning period (FY 2010 – 2020).

## C. METHOD FOR COMPUTING REVENUE REQUIREMENTS

### 1. Method for Computation of Revenue Requirements

The revenue requirement from user rates is the reasonable level of revenue required for a utility to properly operate and maintain its system and meet its financial obligations. The Kentucky Public Service Commission allows three different methods for computing the revenue requirement: Debt Service Method, Operating Ratio Method, and Rate of Return Method. MFSG utilized the Debt Service Method, which computes the revenue requirement as:

$$\begin{aligned} & \textit{Adjusted Operating and Maintenance Expenses} \\ & + \textit{Cash Funded Capital Improvements} \\ & + \textit{Annual Debt Service Requirement} \\ & - \textit{Miscellaneous Revenues} \\ & + \textit{Debt Service Coverage} \\ & = \textit{Total Revenue Requirement} \end{aligned}$$

Because the City of Lancaster has level debt service payments, the annual debt service requirement for the test year was equal to the average annual debt service requirement for the next three years for existing debt.

It is important to note that MFSG did not include a component for debt service coverage. If this item had been included in the total revenue requirement, then the wholesale rate would have increased above the proposed amount.

Computation of the Revenue Requirements is explained in further detail in Sections D, E, F, and G of this report.

### 2. Method for Wholesale Cost Allocation Factors

There are two main cost allocation factors that must be determined to calculate the City's of Lancaster's Wholesale Water Rates; the Wholesale Water Production Allocation Factor and the Wholesale Transmission Allocation Factor.

The Wholesale Water Production Allocation Factor is used to allocate the cost of water production to the wholesale customer. This factor is based on the ratio of water produced for the wholesale customer to the total water produced by the utility for all purposes; retail, wholesale, internal use. The water produced for the wholesale customers includes an appropriate portion of plant losses, and of transmission losses based on total system inch miles.

The Transmission Factor allocates the purchaser's use of the seller's transmission system. This factor is based on the ratio of the length of jointly used transmission mains to the total length of transmission piping multiplied by the ratio of purchaser sales to total sales.

Computation of the Wholesale Cost Allocation Factors is explained in further detail in Section I of this report.

## D. OPERATING AND MAINTENANCE EXPENSES

The day-to-day operating and maintenance expenses are broken down into fifty-three accounts for the City's water system.

The audited financial results for FY 2006-2007 and 2007-2008 and the approved budget for FY 2008-2009 were used as the basis for estimating operating and maintenance expenses for the test year of FY 2009-2010. For the years after 2010 through 2018, water and sewer O&M expenses were inflated by 2.5% per year.

The estimated cash basis Fiscal Year 2009-2010 O&M expenses for the water system are \$1,011,335. The largest expense items are:

Payroll and Benefits	\$ 278,810	27.6%
Contract Labor and Services	\$ 130,500	12.9%
Power	\$ 187,250	18.5%
Chemicals	\$ 72,500	7.2%
Materials and Supplies	\$ 180,775	17.9%
Other Expenses	<u>\$ 161,500</u>	<u>15.9%</u>
Total	\$1,011,335	100.0%

These operating and maintenance expenses do not include the Kentucky River Withdrawal Charges which are shown as a separate line item charge.

Each account number was assigned a percentage allocation between Pumping and Treatment, Transmission and Distribution, and Customer Expenses. Each account number was also assigned an individual inflation factor in order to project increases over time.

Operating and maintenance expenses for the water system are presented in Schedule 1 in the Appendix to the report.

Schedule 1 also shows the requirements for an Operating and Maintenance Reserve equal to 90 days O&M expenses, if the City chooses to establish such a reserve in the future. Schedule 1 also shows a Capital Construction Reserve composed of existing and projected cash balances above the amount needed to fund an Operating and Maintenance Reserve. These cash balances earn interest income that is used to offset the revenue requirement. Interest income is explained in further detail in Section G of this report.

## E. CAPITAL IMPROVEMENTS

The capital costs related to providing water service are generally derived by analyzing the capital costs of projects detailed in the City's capital improvement plans and then identifying which of those projects will be funded via the issuance of debt (typically bonds or similar financial instruments), those funded via grants or contributions in aid of construction, and those which will be funded from cash on hand or cash derived from operations.

The City of Lancaster has identified only one capital project, Phase II Water Improvements, in the amount of \$2,537,500 which will be funded through a USDA grant for \$1,015,000 or 40% of the total and through the Water and Sewer Revenue Bond Issue Series 2009 for \$1,522,000 or 60% of the total.

There are no cash funded capital improvements identified in this rate study.

Future capital improvement projects may be entered into Schedule 3 of the Appendix (which automatically creates Schedules 3A and 3B).

## F. ANNUAL DEBT SERVICE REQUIREMENT

The City of Lancaster has five series of outstanding water system debt with annual debt service in the amount of \$159,363 for the test year of fiscal year 2009-2010.

Series of 1976	Interest	\$7,800
	Principal	19,000
Series of 1988	Interest	46,500
	Principal	31,000
Series of 2000	Interest	23,997
	Principal	8,500
Series of 2005 A	Interest	10,706
	Principal	2,800
Series of 2005 B	Interest	7,060
	Principal	2,000
<hr/>		
Total Existing Water Debt Service		<u>\$159,363</u>
Project Series 2009 Debt Service	Interest and Principal	<u>\$75,173</u>
Total Existing and Projected Annual Debt Service		<u><u>\$234,536</u></u>

The debt is allocated between wholesale and retail customers according to the proportionate share of billable consumption.

The schedule of existing debt service is presented in Schedule 2 of the Appendix.

The schedule of projected debt service is presented in Schedule 4 of the Appendix.

The breakout between wholesale and retail billable consumption is presented in Schedule 6 of the Appendix.

## G. INTEREST INCOME AND MISCELLANEOUS REVENUE

### 1. Computation of Interest Income

The amount of interest income estimated to be earned in the test year of FY 2009-2010 is computed as the product of the amount of investable funds times the anticipated interest rate:

Total Investment	\$ 1,160,109
Interest Rate	1.75%
Interest Earned	\$ 20,302

### 2. Computation of Total Miscellaneous Revenue

The amount of Miscellaneous Revenue to be earned in the test year of FY 2009-2010 is computed as the sum of Interest Income, Turn Off/On Charges, Water Deposits, and other miscellaneous revenue items:

Interest Income	\$ 20,302
Turn Off/On Charges	\$ 20,000
Water Deposits	\$ 1,000
Other	\$ 25,000
Total Miscellaneous Revenue	\$ 66,302

Total Miscellaneous Revenue is deducted from Debt Service when computing wholesale water rates.

The schedule of total miscellaneous revenue is presented in Schedule 5 of the Appendix.

The computation of the wholesale portion of the net annual debt service is presented in Schedule 8B of the Appendix.

## H. WATER USAGE

Water usage is computed as the sum of sum of consumption by retail customers, wholesale customers, bulk customers, and other water users plus plant use and lost water.

The water usage for FY 2009-2010 is estimated at 493,603,015 gallons:

Retail Customers	87,861,337	17.8%
Wholesale Customers	294,681,000	59.7%
Bulk Customers	21,126,209	4.3%
Other Water Users	14,808,090	3.0%
Plant Use, Backwashing, Flushing	24,680,151	5.0%
Lost Water	50,347,508	10.2%
Total Water Produced	<u>493,603,015</u>	<u>100.0%</u>

The schedule of water usage is presented in Schedule 6 of the Appendix.

## I. METHOD FOR COMPUTING WHOLESALE COST ALLOCATION FACTORS

### 1. Computation of Water Production Allocation Factor

There are two main cost allocation factors that must be determined to calculate the City's of Lancaster's Wholesale Water Rates; the Wholesale Water Production Allocation Factor and the Wholesale Transmission Allocation Factor. To begin you must first calculate the City's total water system production multiplier. The table below summarizes the system characteristics that determine this multiplier.

**Table 1: Total City Water Production Multiplier**

	<b>% of Total Water Produced</b>
Plant Use Percentage	5%
Line Loss Percentage	9.4%
Plant Use and Line Loss	14.4%
<b><i>Water Production Multiplier</i></b>	<b><i>1.169</i></b>

The table above shows the City's Water Production Multiplier is 1.169. This multiplier tells us that for every one gallon of water sold by the City of Lancaster in any capacity, 1.169 gallons are produced. The 0.169 gallons produced but not sold accounts for water loss in the treatment plant and transmission/distribution lines, as well as water required for normal operations of the system, i.e. filter backwashing, line flushing, etc. It also accounts for water loss due to leaks, and theft.

The calculation of the Wholesale Water Production Allocation Factor take into account both the Lancaster Water Production Multiplier calculated above as well as the system characteristics specific to the wholesale customers.

**Table 2: Wholesale Water Production Multiplier**

Wholesale Inch-Mile Ratio*	50.7%
Wholesale Share of Line Loss	0.048
Joint Share of Plant Use and Line Loss	0.098
<b><i>Wholesale Production Multiplier</i></b>	<b><i>1.108</i></b>

The Wholesale Inch-Mile ratio is calculated based upon the known length and estimated diameter of the transmission and distribution mains used to serve the wholesale customers as a percentage of the City’s entire water transmission and distribution system. The City’s water system has 18 miles of transmission mains and 35 miles of distribution mains. The average size of the transmission mains is assumed to be twelve inches while the average size of the distribution mains is assumed to be six inches.

The Wholesale Production Multiplier of 1.108 shown above tells us that for every 1 gallon of water sold from the City of Lancaster to a wholesale customer, 1.108 gallons of water must be produced. This accounts for the wholesale customer’s portion of plant and line water system losses.

Now that the production factors have been determined for both the City water system as a whole and the Wholesale customers as a portion of that system, we must determine how to allocate the cost of operating the water system. As stated in the beginning of this chapter two factors are necessary to complete the cost allocation; Wholesale Water Production Allocation Factor and the Wholesale Transmission Allocation Factor

**2. Computation of Cost Allocation Factor**

The Wholesale Water Production Allocation Factor is used to allocate the cost of water production to the wholesale customer. This factor is based on the ratio of water produced for the wholesale customer to the total water produced by the utility for all purposes; retail, wholesale, internal use. The water produced for the wholesale customers includes an appropriate portion of plant losses, and of transmission losses based on total system inch miles. The Transmission Factor allocates the purchaser’s use of the seller’s transmission system. This factor is based on the ratio of the length of jointly used transmission mains to the total length of transmission piping multiplied by the ratio of purchaser sales to total sales. The table below summarizes the calculated allocation factors used in this study.

**Table 3: Wholesale Cost Allocation Factors**

<b>Wholesale Water Production Allocation Factor</b>	<b>0.67444</b>
<b>Wholesale Water Transmission Allocation Factor</b>	<b>0.36055</b>

The calculated Wholesale Water Production Allocation Factor shows that the City spends 67% of the total annual water treatment, pumping and storage expenses in order to service the wholesale customers. Therefore the wholesale water rate must be calculated to recover 67% of the total annual water treatment pumping, and storage expenses. The Wholesale Water Production Factor was calculated by taking the ratio of billed wholesale water gallons to total billable gallons for the City of Lancaster and multiplying that by the ratio of Wholesale Water Production Multiplier by the Lancaster Water Production Multiplier.

The Wholesale Water Transmission Allocation Factors shows that the City spends 36% of the total annual water transmission and distribution expenses in order to service the wholesale customers. There the wholesale water rate must be calculated to recover 36% of the total annual water transmission and distribution expenses. The Wholesale Water Transmission Factor was calculated by taking the ratio of billed wholesale water gallons to total billable gallons for the City of Lancaster and multiplying that by the Wholesale Inch-Mile Ratio shown in Table 2 above.

The cost allocation factors are computed and presented in Schedule 7 of the Appendix to the report.

## J. RATE COMPUTATION

### 1. Wholesale Unit Rate Computation

The next and final step was to determine what wholesale water rate increases are required to ensure that the water fund is self-supporting. The proposed increases to water rates in FY 2009-2010 and FY 2010-2011 will provide adequate funding for the water system.

The wholesale unit rate computation is relatively straightforward:

- A. Compute the Total Operating and Maintenance Expenses attributable to wholesale customers by multiplying the subtotals of Operating and Maintenance Expenses allocated between Pumping and Treatment, Transmission and Distribution, and Customer Expenses (described in Section D of this report and computed in Schedule 1 of the Appendix) by the Wholesale Cost Allocation Factors (described in Section I Table 3 of this report and computed in Schedule 7 of the Appendix).

Pumping and Treatment Expenses X Wholesale Production Allocation Factor

Transmission and Distribution Expenses X Wholesale Transmission Allocation Factor

The Total Operating and Maintenance Expenses attributable to wholesale customers is the sum of those two computations. (Note that the wholesale cost allocation factor for Customer Expenses is zero, resulting in no expenses related to Customers allocated to wholesale customers.)

- B. Compute the Operating and Maintenance Expenses per thousand gallons for wholesale customers by dividing the Total Operating and Maintenance Expenses attributable to wholesale customers from Step A by the projected wholesale water usage (in thousand gallons).
- C. Compute the Net Annual Debt Service per thousand gallons by dividing the net annual debt service by the total annual billable flow for all customers. The Net Annual Debt Service is computed by adding the existing annual debt service to the projected annual debt service and subtracting the annual miscellaneous revenue.
- D. Compute the Wholesale Unit Rate by adding the Operating and Maintenance Expenses per thousand gallons to the Net Annual Debt Service per thousand gallons.

The water rate computation is presented in Schedules 8 in the Appendix to the report.

## 2. Computation of effect on Garrard County Water Association

Garrard County Water Association is the largest wholesale customer of the City of Lancaster. The following presents a calculation for Fiscal Year 2009-2010 and 2010-2011 under the current and projected wholesale unit rates.

Purchase 254,484,600 Gallons	Rate	Annual Amount
<b>Current 2008-2009</b>	\$1.88	\$478,431.05
<b>Projected 2009-2010</b>	\$1.99	\$506,424.35
<b>Projected 2010-2011</b>	\$2.10	\$534,417.66

The proposed rate change results in an increase of \$27,993.31 to the Garrard County Water Association based upon an estimated purchase of 254,484.6 thousand gallons.

## 3. Alternative Rate Methodology

MFSG computed an alternative methodology using the utility basis methodology for illustration purposes. At this point, the computation of the return on equity is based upon a very rough estimate of the equity stake by the City of Lancaster within its water system. While this methodology represents a reasonable alternative for computing a wholesale water rate with a return component, additional work would be needed to establish a reasonable basis for amount of equity and the annual depreciation. A wholesale rate based upon the utility basis methodology would be markedly higher than the current cash basis rate.

The alternative methodology is presented in Schedule 9 in the Appendix to the report.

## K. COMPARISONS

It may be useful for the City of Lancaster and to compare the proposed wholesale rate relative to other wholesale providers within the region. The *Bluegrass Area Development District Rate Book - Water and Sewer Rates* was published in January 2008 and contains purchase price data for water utilities purchasing water for resale within the region. The report is available on the internet at:

[http://www.bgadd.org/pdf/water\\_sewer/WaterSewerTaxRates2007.pdf](http://www.bgadd.org/pdf/water_sewer/WaterSewerTaxRates2007.pdf)

The data contained in Table 6 of that report shows the effective price per thousand gallons. (When available, the information used to calculate the data was provided by the utility purchasing water for resale. If information from the purchasing utility was not available, information from the supplying utility was used in these calculations. For most water districts and water associations, data from the utility's annual report to the Kentucky Public Service Commission was used.) For purposes of this comparison, MFSG selected nearby utilities with comparable usage amounts.

<b>Supplier Utility</b>	<b>Utility Purchasing for Resale</b>	<b>Rate / 1000 gallons</b>
Kentucky-American	City of Midway	\$2.35
City of Harrodsburg	North Mercer WD	\$1.40
City of Lawrenceburg	South Anderson WD	\$2.15
City of Frankfort	South Anderson WD	\$1.78
City of Versailles	South Woodford WD	\$2.05

The average rate per thousand gallons for all utilities included in Table 6 of that report (including the utilities listed above) was \$1.93. Although this comparison is based upon 2007 rates, it appears that the proposed rate for Fiscal Year 2009-2010 is consistent with other wholesale rates within the region.

## L. FINDINGS AND RECOMMENDATIONS

The findings and recommendations that were developed during the course of this rate study are presented below.

### 1. Findings

- Based on projected water sales, the current wholesale water rates will not produce adequate revenues to cover the water system revenue requirements for Fiscal Year 2010 or the years following.
- The previous rate study methodology did not include recovery of debt service in the wholesale water rates despite the benefit received by wholesale customers from debt-financed assets. This resulted in recovery of those debt service costs retail customers only.
- Using a future test year based upon audited financial results through June 30, 2008 adjusted for known and measurable changes, a proposed increase in wholesale water rates from \$1.88 to \$2.10 will be required to fund a fair, just, and reasonable portion of operating expenses of the water system.
- Due to the size of the rate increase, it may be prudent to phase in the rate increase over two years.
- The City of Lancaster has planned capital investments in water treatment and distribution system improvements which may require additional funding over time.

### 2. Recommendations

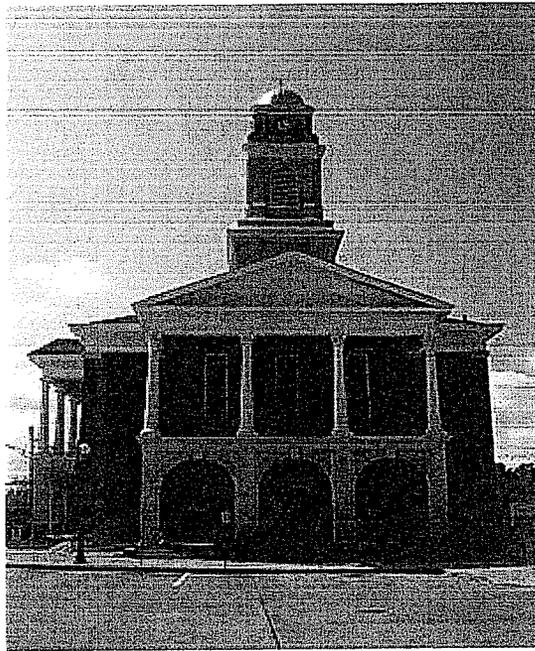
- The debt service costs for the water system should be distributed equitably between the retail and wholesale customers.
- The City of Lancaster should increase wholesale water rates from \$1.88 to \$1.99 effective July 1, 2009.
- The City of Lancaster should increase wholesale water rates from \$2.00 to \$2.10 effective July 1, 2010.
- The City of Lancaster should consider an update to this rate study as the capital improvement plans are constructed.

This wholesale water rate study and report were prepared by Robert K. Miller and Lisa M. Zitomer of the Municipal and Financial Services Group. The Municipal and Financial Services Group appreciates the cooperation received from and the assistance provided by the City of Lancaster staff throughout this project.



# City of Lancaster, Kentucky Wholesale Water Rate Study

Developed by Municipal & Financial Services Group



**MODEL INDEX**

CONTROL PANEL

SCHEDULE 1 - OPERATING & MAINTENANCE EXPENSES

SCHEDULE 2 - EXISTING DEBT SERVICE

SCHEDULE 3 - CAPITAL IMPROVEMENT PROJECTS

SCHEDULE 3A - CASH FUNDED CAPITAL IMPROVEMENT PROJECTS

SCHEDULE 3B - BOND FUNDED CAPITAL IMPROVEMENT PROJECTS

SCHEDULE 4 - PROJECTED USER DEBT SERVICE

SCHEDULE 5 - INTEREST INCOME MISCELLANEOUS REVENUE

SCHEDULE 6 - WATER USAGE

SCHEDULE 7 - COST ALLOCATIONS

SCHEDULE 8 - WHOLESALE WATER RATE COMPUTATION - CASH BASIS METHODOLOGY

SCHEDULE 9 - WHOLESALE WATER RATE - UTILITY BASIS ALTERNATIVE

SCHEDULE 10 - CASH FLOW

**CONTROL PANEL**

	Fiscal Year											
	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Population Growth Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Interest Rate on Bonds Issued	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Debt Service Period	30	30	30	30	30	30	30	30	30	30	30	30
Administration Fee on Bonds Issued	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Annual Escrowed Investment	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Water Consumption Growth Rate	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**SCHEDULE 1 - OPERATING & MAINTENANCE EXPENSES**

<u>Account Number</u>	<u>Description</u>	<u>Pump&amp;Treat</u>	<u>Trans&amp;Distr</u>	<u>Customer</u>	<u>FY09 Budget</u>	<u>FY10 Forecast</u>
200-6010.20	Salaries/Wages Plant	100%	0%	0%	116,537	120,033
200-6010.40	Salaries/Wages Distribution	0%	100%	0%	24,280	40,000
200-6010.50	Salaries Admin	33%	33%	34%	35,900	36,977
200-6040.20	Empl Benefits/Pension Plant	100%	0%	0%	42,350	45,000
200-6040.40	Empl Benefits/Pension Distribution	0%	100%	0%	15,400	25,000
200-6040.50	Empl Benefits/Pension Administration	33%	33%	34%	50	800
200-6150.10	Utilities Raw Water	100%	0%	0%	145,000	145,000
200-6150.20	Utilities Plant	100%	0%	0%	42,250	42,250
200-6150.50	Utilities City Hall	33%	33%	34%	-	-
200-6180.20	Chemicals Plant	100%	0%	0%	62,300	72,500
200-6200.10	Materials/Supplies Raw	100%	0%	0%	2,500	2,575
200-6200.20	Materials/Supplies Plant	100%	0%	0%	19,400	70,000
200-6200.40	Materials/Supplies Distribution	0%	100%	0%	45,250	100,000
200-6200.50	Materials/Supplies Administration	0%	0%	100%	7,100	8,200
200-6210.50	Miscellaneous Administration	0%	0%	100%	2,000	1,000
200-6310.10	Services-Engineer Raw	100%	0%	0%	500	500
200-6310.20	Services-Engineer Plant	100%	0%	0%	500	500
200-6310.30	Services-Engineer Storage	0%	100%	0%	500	500
200-6310.40	Services-Engineer Distribution	0%	100%	0%	500	500
200-6320.50	Services-Accounting Administration	0%	0%	100%	12,000	10,000
200-6340.10	Services-Raw Water	100%	0%	0%	3,500	3,500
200-6340.20	Services-Treatment Plant	100%	0%	0%	15,000	15,000
200-6340.30	Services-Storage	0%	100%	0%	48,834	40,000
200-6340.40	Contract Services-Distribution	0%	100%	0%	3,000	5,000
200-6340.50	Services-Other Administration	0%	0%	100%	35,000	35,000
200-6420.10	Equipment Rental Raw Water	100%	0%	0%	500	500
200-6420.20	Equipment Rental Plant	100%	0%	0%	500	500
200-6420.40	Equipment Rental Distribution	0%	100%	0%	1,000	1,000
200-6500.10	Transportation Exp Raw	100%	0%	0%	5,000	2,000
200-6500.20	Transportation Exp Plant	100%	0%	0%	2,650	5,500
200-6500.40	Transportation Exp Distribution	0%	100%	0%	3,200	7,500
200-6500.50	Transportation Exp Administration	0%	0%	100%	700	700
200-6560.10	Insurance River/Boost P	100%	0%	0%	1,750	1,750
200-6560.20	Insurance Plant	100%	0%	0%	5,850	6,000
200-6560.40	Insurance Vehicle/Equipment	33%	33%	34%	1,300	1,500

1) O&M Expenses

**SCHEDULE 1 - OPERATING & MAINTENANCE EXPENSES**

<u>Account Number</u>	<u>Description</u>	<u>Pump&amp;Treat</u>	<u>Trans&amp;Distr</u>	<u>Customer</u>	<u>FY09 Budget</u>	<u>FY10 Forecast</u>
200-6565.30	Insurance Wat Towers	0%	100%	0%	2,500	2,500
200-6570.00	Liability Insurance	0%	50%	50%	6,700	8,000
200-6580.00	Workmans Compensation	33%	33%	34%	9,700	11,000
200-6600.20	Advertising Plant	100%	0%	0%	500	500
200-6600.50	Advertising Administration	0%	0%	100%	500	500
200-6720.10	Telephone Raw Water	100%	0%	0%	850	1,000
200-6720.20	Telephone Plant	100%	0%	0%	2,100	2,100
200-6720.40	Telephone Distribution	0%	100%	0%	1,150	1,500
200-6720.50	Telephone Administration	0%	0%	100%	660	1,150
200-6740.50	City Hall Administration	0%	0%	100%	500	-
200-6750.50	Water Deposit Ref Administration	0%	0%	100%	24,300	24,300
200-6760.20	Lab Analysis Plant	100%	0%	0%	12,000	20,000
200-6770.20	Postage Plant	100%	0%	0%	300	500
200-6770.50	Postage Admin	0%	0%	100%	1,400	2,000
200-6800.50	Dues/Subscriptions Admin	0%	0%	100%	1,500	3,000
200-6820.10	Kentucky River Fee Raw					-
200-6850.10	RD Bond Payment Raw Water					-
200-6850.20	RD Bond Payment Plant					-
200-6850.30	RD Bond Payment Storage					-
200-6850.40	BD Bond Payment Distribution					-
200.6870.20	KIA Bond Payment Plant					-
200-6870.40	KIA Bond Payment Distribution					-
200-6875.40	RD Bond Payment (New)					-
200-6900.50	Sales & Usage Tax Admin	0%	0%	100%	5,000	5,000
200-6920.50	School Tax Administration	0%	0%	100%	14,600	15,500
200-6950.20	Contingency Plant					-
200-6980.50	Depreciation Administration	0%	0%	100%	66,000	66,000
<b>TOTAL OPERATING &amp; MAINTENANCE EXPENSES</b>					<b>\$ 852,361</b>	<b>\$ 1,011,335</b>

**OPERATING & MAINTENANCE EXPENSE BREAKDOWN**

<b>Pumping and Treatment Sub-Total</b>	<b>\$ 497,331</b>	<b>\$ 573,800</b>
<b>Transmission and Distribution Sub-Total</b>	<b>\$ 164,458</b>	<b>\$ 244,091</b>
<b>Customer Service and Administration Sub-Total</b>	<b>\$ 190,573</b>	<b>\$ 193,444</b>

**SCHEDULE 1 - OPERATING & MAINTENANCE EXPENSES**

<u>Account Number</u>	<u>Description</u>	<u>Pump&amp;Treat</u>	<u>Trans&amp;Distr</u>	<u>Customer</u>	<u>FY09 Budget</u>	<u>FY10 Forecast</u>
	<b>Debt Sub-Total</b>				\$ -	\$ -
	<b>TOTAL</b>				<b>\$ 852,361</b>	<b>\$ 1,011,335</b>
<b>previous study 2007</b>						
16.5%	Purchased Power for Treatment	<b>POWER</b>			\$ 140,623	\$ 166,851
4.6%	Chemicals	<b>CHEM</b>			\$ 38,927	\$ 46,187
1.8%	Kentucky River Withdrawal Fee	<b>RIVER</b>			\$ 15,394	\$ 18,265
22.3%	Pumping and Treatment	<b>P&amp;T</b>			\$ 190,380	\$ 225,888
44.8%	Transmission and Distribution	<b>T&amp;D</b>			\$ 381,869	\$ 453,091
10.0%	Customers	<b>CUSTOMER</b>			\$ 85,168	\$ 101,053
	Debt	<b>DEBT</b>			\$ -	\$ -
<b>\$1,012,064</b>	<b>TOTAL</b>				<b>\$ 852,361</b>	<b>\$ 1,011,335</b>

**OPERATING & MAINTENANCE RESERVE**

Target Balance (90 days operating)	142,060	168,556
Reserve Withdrawal	-	-
Current Balance*	145,894	149,940
<b>WATER O&amp;M RESERVE CONTRIBUTION</b>	<b>-</b>	<b>18,616</b>

\* Assumption for Year 1 Funding

**CAPITAL CONSTRUCTION RESERVE**

Current Balance	827,727	1,010,169
Reserve Withdrawal	-	-
<b>CAPITAL CONSTRUCTION RESERVE</b>	<b>827,727</b>	<b>1,010,169</b>

FY11 Forecast	FY12 Forecast	FY13 Forecast	FY14 Forecast	FY15 Forecast	FY16 Forecast	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
123,634	127,343	131,163	135,098	139,151	143,326	147,626	152,054	156,616	161,314
41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	53,757
38,086	39,229	40,406	41,618	42,866	44,152	45,477	46,841	48,247	49,694
46,350	47,741	49,173	50,648	52,167	53,732	55,344	57,005	58,715	60,476
25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598
824	849	874	900	927	955	984	1,013	1,044	1,075
149,350	153,831	158,445	163,199	168,095	173,138	178,332	183,682	189,192	194,868
43,518	44,823	46,168	47,553	48,979	50,449	51,962	53,521	55,127	56,780
-	-	-	-	-	-	-	-	-	-
74,675	76,915	79,223	81,599	84,047	86,569	89,166	91,841	94,596	97,434
2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360	3,461
72,100	74,263	76,491	78,786	81,149	83,584	86,091	88,674	91,334	94,074
103,000	106,090	109,273	112,551	115,927	119,405	122,987	126,677	130,477	134,392
8,446	8,699	8,960	9,229	9,506	9,791	10,085	10,388	10,699	11,020
1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
515	530	546	563	580	597	615	633	652	672
515	530	546	563	580	597	615	633	652	672
515	530	546	563	580	597	615	633	652	672
515	530	546	563	580	597	615	633	652	672
10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
3,605	3,713	3,825	3,939	4,057	4,179	4,305	4,434	4,567	4,704
15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572	20,159
41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	53,757
5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
36,050	37,132	38,245	39,393	40,575	41,792	43,046	44,337	45,667	47,037
515	530	546	563	580	597	615	633	652	672
515	530	546	563	580	597	615	633	652	672
1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
5,665	5,835	6,010	6,190	6,376	6,567	6,764	6,967	7,176	7,392
7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079
721	743	765	788	811	836	861	887	913	941
1,803	1,857	1,912	1,970	2,029	2,090	2,152	2,217	2,283	2,352
6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063
1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016

1) O&M Expenses

FY11 Forecast	FY12 Forecast	FY13 Forecast	FY14 Forecast	FY15 Forecast	FY16 Forecast	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438	10,751
11,330	11,670	12,020	12,381	12,752	13,135	13,529	13,934	14,353	14,783
515	530	546	563	580	597	615	633	652	672
515	530	546	563	580	597	615	633	652	672
1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
2,163	2,228	2,295	2,364	2,434	2,508	2,583	2,660	2,740	2,822
1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
1,185	1,220	1,257	1,294	1,333	1,373	1,414	1,457	1,500	1,546
-	-	-	-	-	-	-	-	-	-
25,029	25,780	26,553	27,350	28,170	29,015	29,886	30,783	31,706	32,657
20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878
515	530	546	563	580	597	615	633	652	672
2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
15,965	16,444	16,937	17,445	17,969	18,508	19,063	19,635	20,224	20,831
-	-	-	-	-	-	-	-	-	-
66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
<b>\$ 1,039,695</b>	<b>\$ 1,068,906</b>	<b>\$ 1,098,993</b>	<b>\$ 1,129,983</b>	<b>\$ 1,161,902</b>	<b>\$ 1,194,780</b>	<b>\$ 1,228,643</b>	<b>\$ 1,263,522</b>	<b>\$ 1,299,448</b>	<b>\$ 1,336,451</b>

\$ 591,014	\$ 608,744	\$ 627,006	\$ 645,816	\$ 665,191	\$ 685,147	\$ 705,701	\$ 726,872	\$ 748,678	\$ 771,139
\$ 251,414	\$ 258,957	\$ 266,725	\$ 274,727	\$ 282,969	\$ 291,458	\$ 300,202	\$ 309,208	\$ 318,484	\$ 328,038
\$ 197,268	\$ 201,206	\$ 205,262	\$ 209,440	\$ 213,743	\$ 218,175	\$ 222,740	\$ 227,442	\$ 232,286	\$ 237,274

1) O&M Expenses

FY11 Forecast	FY12 Forecast	FY13 Forecast	FY14 Forecast	FY15 Forecast	FY16 Forecast	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>\$ 1,039,695</b>	<b>\$ 1,068,906</b>	<b>\$ 1,098,993</b>	<b>\$ 1,129,983</b>	<b>\$ 1,161,902</b>	<b>\$ 1,194,780</b>	<b>\$ 1,228,643</b>	<b>\$ 1,263,522</b>	<b>\$ 1,299,448</b>	<b>\$ 1,336,451</b>
\$ 171,530	\$ 176,349	\$ 181,313	\$ 186,425	\$ 191,691	\$ 197,116	\$ 202,702	\$ 208,457	\$ 214,384	\$ 220,489
\$ 47,482	\$ 48,816	\$ 50,190	\$ 51,605	\$ 53,063	\$ 54,564	\$ 56,111	\$ 57,704	\$ 59,345	\$ 61,034
\$ 18,777	\$ 19,305	\$ 19,848	\$ 20,408	\$ 20,984	\$ 21,578	\$ 22,189	\$ 22,819	\$ 23,468	\$ 24,136
\$ 232,223	\$ 238,747	\$ 245,467	\$ 252,389	\$ 259,518	\$ 266,862	\$ 274,425	\$ 282,216	\$ 290,240	\$ 298,505
\$ 465,797	\$ 478,884	\$ 492,363	\$ 506,247	\$ 520,548	\$ 535,277	\$ 550,448	\$ 566,075	\$ 582,170	\$ 598,748
\$ 103,887	\$ 106,806	\$ 109,812	\$ 112,909	\$ 116,098	\$ 119,383	\$ 122,767	\$ 126,252	\$ 129,842	\$ 133,539
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>\$ 1,039,695</b>	<b>\$ 1,068,906</b>	<b>\$ 1,098,993</b>	<b>\$ 1,129,983</b>	<b>\$ 1,161,902</b>	<b>\$ 1,194,780</b>	<b>\$ 1,228,643</b>	<b>\$ 1,263,522</b>	<b>\$ 1,299,448</b>	<b>\$ 1,336,451</b>

173,283	178,151	183,166	188,330	193,650	199,130	204,774	210,587	216,575	222,742
-	-	-	-	-	-	-	-	-	-
154,109	158,402	162,824	167,379	172,070	176,902	181,879	187,005	192,286	197,724
<b>19,174</b>	<b>19,749</b>	<b>20,342</b>	<b>20,952</b>	<b>21,581</b>	<b>22,228</b>	<b>22,895</b>	<b>23,582</b>	<b>24,289</b>	<b>25,018</b>

1,057,771	1,091,766	1,110,709	1,115,060	1,103,627	1,073,913	1,027,256	969,212	892,807	798,914
-	-	-	-	-	-	-	-	-	-
<b>1,057,771</b>	<b>1,091,766</b>	<b>1,110,709</b>	<b>1,115,060</b>	<b>1,103,627</b>	<b>1,073,913</b>	<b>1,027,256</b>	<b>969,212</b>	<b>892,807</b>	<b>798,914</b>

**SCHEDULE 2 - EXISTING DEBT SERVICE****WATER**

		Base Year			
		FY09	FY10	FY11	FY12
Series of 1976	<b>Interest</b>	8,700	7,800	6,850	5,850
Series of 1976	<b>Principal</b>	18,000	19,000	20,000	21,000
Series of 1988	<b>Interest</b>	47,950	46,500	44,950	43,350
Series of 1988	<b>Principal</b>	29,000	31,000	32,000	34,000
Series of 2000	<b>Interest</b>	24,369	23,997	23,625	23,231
Series of 2000	<b>Principal</b>	8,500	8,500	9,000	9,500
Series of 2005 A	<b>Interest</b>	10,824	10,706	10,583	10,452
Series of 2005 A	<b>Principal</b>	2,700	2,800	3,000	3,100
Series of 2005 B	<b>Interest</b>	7,145	7,060	6,975	6,885
Series of 2005 B	<b>Principal</b>	2,000	2,000	2,100	2,200
<b>TOTAL WATER DEBT SERVICE</b>		<b>159,188</b>	<b>159,363</b>	<b>159,083</b>	<b>159,568</b>
Total Interest		98,988	96,063	92,983	89,768
Total Principal		60,200	63,300	66,100	69,800

FY13	FY14	FY15	FY16	FY17	FY18	FY 19	FY 20	FY 21-45	Total Existing Debt
4,800	3,700	2,550	1,300						41,550
22,000	23,000	25,000	26,000						174,000
41,650	39,900	38,050	36,100	34,050	31,900	29,650	27,300	117,900	579,250
35,000	37,000	39,000	41,000	43,000	45,000	47,000	50,000	496,000	959,000
22,816	22,378	21,941	21,459	20,978	20,453	19,928	19,359	223,716	488,250
10,000	10,000	11,000	11,000	12,000	12,000	13,000	13,000	429,500	557,000
10,316	10,176	10,028	9,874	9,713	9,542	9,367	9,183	137,271	258,035
3,200	3,400	3,500	3,700	3,900	4,000	4,200	4,400	205,500	247,400
6,792	6,694	6,592	6,486	6,375	6,261	6,142	6,014	88,864	168,285
2,300	2,400	2,500	2,600	2,700	2,800	3,000	3,100	138,400	168,100
158,874	158,648	160,161	159,519	132,716	131,956	132,287	132,356	1,837,151	3,640,870
86,374	82,848	79,161	75,219	71,116	68,156	65,087	61,856	567,751	1,535,370
72,500	75,800	81,000	84,300	61,600	63,800	67,200	70,500	1,269,400	2,105,500

**SCHEDULE 3 - CAPITAL IMPROVEMENT PROJECTS**

**Water Capital Improvement Projects**

Phase II Water Improvements (60% Loan and 40% Grant Funded)  
(not allocated to wholesale customers in this rate study)

CIP Description	Funding Source				
	Cash:	Bonds:			
			FY09	FY10	FY11
TD		60%	2,537,000		

**TOTAL WATER CAPITAL IMPROVEMENT PROJECTS**

**2,537,000**      -      -

**Water**

Pumping and Treatment  
Transmission and Distribution  
Other

PT  
TD  
O

-      -      -  
2,537,000      -      -  
-      -      -  
**2,537,000**      -      -

**TOTAL**



**SCHEDULE 3A - CASH FUNDED CAPITAL IMPROVEMENT PROJECTS**

	FY09	FY10	FY11	FY12	FY13
<b>Water Cash Capital Improvement Projects</b>					
Phase II Water Improvements (60% Loan and 40% Grant Funded) (not allocated to wholesale customers in this rate study)	-	-	-	-	-
0	-	-	-	-	-
0	-	-	-	-	-
0	-	-	-	-	-
0	-	-	-	-	-
0	-	-	-	-	-
0	-	-	-	-	-
0	-	-	-	-	-
0	-	-	-	-	-
0	-	-	-	-	-
<b>TOTAL CASH WATER CAPITAL IMPROVEMENT PROJECTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**SCHEDULE 3B - BOND FUNDED CAPITAL IMPROVEMENT PROJECTS**

	FY09	FY10	FY11	FY12
<b>Water Bond Capital Improvement Projects</b>				
Phase II Water Improvements (60% Loan and 40% Grant Funded) (not allocated to wholesale customers in this rate study)	1,522,200	-	-	-
0	-	-	-	-
0	-	-	-	-
0	-	-	-	-
0	-	-	-	-
0	-	-	-	-
0	-	-	-	-
0	-	-	-	-
0	-	-	-	-
0	-	-	-	-
<b>TOTAL BOND WATER CAPITAL IMPROVEMENT PROJECTS</b>	<b>1,522,200</b>	<b>-</b>	<b>-</b>	<b>-</b>



**SCHEDULE 4 - PROJECTED USER DEBT SERVICE**

	FY09	FY10	FY11	FY12	FY13
<u>Water System Projected Debt</u>					
Estimated Bond Issues (CIP)	\$ 1,522,200	\$ -	\$ -	\$ -	\$ -
Projected Borrowed Amount	1,522,200	-	-	-	-
<b>Debt Service</b>					
Interest Rate	2.75%	2.75%	2.75%	2.75%	2.75%
Period (years)	30	30	30	30	30
Debt Service by Fiscal Year	75,173	-	-	-	-
Admin Fees (% of debt service)	-	-	-	-	-
Total Debt Service by Fiscal Year	\$ 75,173	\$ -	\$ -	\$ -	\$ -

Projected Annual Debt Payment Schedule

		FY10	FY11	FY12	FY13	FY14
Projected Debt Serv. - FY	FY10	75,173	75,173	75,173	75,173	75,173
Projected Debt Serv. - FY	FY11	-	-	-	-	-
Projected Debt Serv. - FY	FY12	-	-	-	-	-
Projected Debt Serv. - FY	FY13	-	-	-	-	-
Projected Debt Serv. - FY	FY14	-	-	-	-	-
Projected Debt Serv. - FY	FY15	-	-	-	-	-
Projected Debt Serv. - FY	FY16	-	-	-	-	-
Projected Debt Serv. - FY	FY17	-	-	-	-	-
Projected Debt Serv. - FY	FY18	-	-	-	-	-
Projected Debt Serv. - FY	FY19	-	-	-	-	-
Projected Debt Serv. - FY	FY20	-	-	-	-	-
Total Annual Projected Debt Service		\$ 75,173	\$ 75,173	\$ 75,173	\$ 75,173	\$ 75,173

FY14	FY15	FY16	FY17	FY18	FY19
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
30	30	30	30	30	30
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

FY15	FY16	FY17	FY18	FY19	FY20
75,173	75,173	75,173	75,173	75,173	75,173
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 75,173	\$ 75,173	\$ 75,173	\$ 75,173	\$ 75,173	\$ 75,173

4) Projected User Debt Service

**SCHEDULE 5 - INTEREST INCOME MISCELLANEOUS REVENUE**

**Water Fund Investments**

	FY09 Budget	FY10 Forecast	FY11 Forecast	FY12 Forecast	FY13 Forecast
Total Investment	\$ 973,620	\$ 1,160,109	\$ 1,211,880	\$ 1,250,168	\$ 1,273,533
Interest Rate	1.75%	1.75%	1.75%	1.75%	1.75%
Interest Earned	\$ 17,038	\$ 20,302	\$ 21,208	\$ 21,878	\$ 22,287

**Miscellaneous Revenue**

<u>Account Number</u>	<u>Description</u>	FY09 Budget	FY10 Forecast	FY11 Forecast	FY12 Forecast	FY13 Forecast
200-4710.00	Miscellaneous	25,000	25,000	25,000	25,000	25,000
200-4740.20	Water Deposits	1,000	1,000	1,000	1,000	1,000
200-4740.30	Interest	17,038	20,302	21,208	21,878	22,287
200-4740.40	Turn Off/On Charges	20,000	20,000	20,000	20,000	20,000
<b>TOTAL MISCELLANEOUS REVENUE</b>		<b>\$ 63,038</b>	<b>\$ 66,302</b>	<b>\$ 67,208</b>	<b>\$ 67,878</b>	<b>\$ 68,287</b>

FY14 Forecast	FY15 Forecast	FY16 Forecast	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
\$ 1,282,438	\$ 1,275,697	\$ 1,250,815	\$ 1,209,135	\$ 1,156,217	\$ 1,085,092	\$ 996,638
1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
\$ 22,443	\$ 22,325	\$ 21,889	\$ 21,160	\$ 20,234	\$ 18,989	\$ 17,441

FY14 Forecast	FY15 Forecast	FY16 Forecast	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
25,000	25,000	25,000	25,000	25,000	25,000	25,000
1,000	1,000	1,000	1,000	1,000	1,000	1,000
22,443	22,325	21,889	21,160	20,234	18,989	17,441
20,000	20,000	20,000	20,000	20,000	20,000	20,000
<b>\$ 68,443</b>	<b>\$ 68,325</b>	<b>\$ 67,889</b>	<b>\$ 67,160</b>	<b>\$ 66,234</b>	<b>\$ 64,989</b>	<b>\$ 63,441</b>

**SCHEDULE 6 - WATER USAGE**

**Water Use Breakdown**

	<u>Previous Study 06/07</u>	<u>Actual Data FY07</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>
% of Total	17.8%	19.0%	19.0%	19.0%	19.0%
Retail Customers	81,337,509	96,223,600	93,784,573	93,784,573	93,784,573
% of Total	59.7%	57.3%	57.3%	57.3%	57.3%
Wholesale Customers	272,800,523	290,169,310	282,814,245	282,814,245	282,814,245
% of Total	4.3%	4.3%	4.3%	4.3%	4.3%
Bulk Customers	19,648,949	21,776,920	21,126,209	21,126,209	21,126,209
% of Total	3.0%	5.0%	5.0%	5.0%	5.0%
Other Water Users	13,708,569	25,322,000	24,680,151	24,680,151	24,680,151
% of Total	5.0%	5.0%	5.0%	5.0%	5.0%
Plant Use, Backwashing, Flushing	22,847,615	25,322,000	24,680,151	24,680,151	24,680,151
% of Total	9.4%	9.4%	9.4%	9.4%	9.4%
Lost Water	42,953,516	47,605,360	46,398,683	46,398,683	46,398,683
<b><u>Total Water Produced</u></b>	<b><u>456,952,300</u></b>	<b><u>506,440,000</u></b>	<b><u>493,603,015</u></b>	<b><u>493,603,015</u></b>	<b><u>493,603,015</u></b>
	check %	100.0%	100.0%	100.0%	100.0%
	check water produced	506,419,190	493,484,012	493,484,012	493,484,012

**Consumption (gallons)**

FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
93,784,573	93,784,573	93,784,573	93,784,573	93,784,573	93,784,573	93,784,573	93,784,573	93,784,573
57.3%	57.3%	57.3%	57.3%	57.3%	57.3%	57.3%	57.3%	57.3%
282,814,245	282,814,245	282,814,245	282,814,245	282,814,245	282,814,245	282,814,245	282,814,245	282,814,245
4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
21,126,209	21,126,209	21,126,209	21,126,209	21,126,209	21,126,209	21,126,209	21,126,209	21,126,209
5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
24,680,151	24,680,151	24,680,151	24,680,151	24,680,151	24,680,151	24,680,151	24,680,151	24,680,151
5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
24,680,151	24,680,151	24,680,151	24,680,151	24,680,151	24,680,151	24,680,151	24,680,151	24,680,151
9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%
46,398,683	46,398,683	46,398,683	46,398,683	46,398,683	46,398,683	46,398,683	46,398,683	46,398,683
<b><u>493,603,015</u></b>								
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
493,484,012	493,484,012	493,484,012	493,484,012	493,484,012	493,484,012	493,484,012	493,484,012	493,484,012

**SCHEDULE 7 - COST ALLOCATIONS**

<b>Inch-Mile Cost Allocations - Wholesale Customers</b>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
<b>Lancaster</b>				
Plant Use Percentage	5.0%	5.0%	5.0%	5.0%
Line Loss Percentage	9.4%	9.4%	9.4%	9.4%
Plant Use and Line Loss	14.4%	14.4%	14.4%	14.4%
<u>Lancaster Water Production Multiplier</u>	<u>1.169</u>	<u>1.169</u>	<u>1.169</u>	<u>1.169</u>
<b>Wholesale</b>				
Wholesale Inch-Mile Ratio	50.7%	50.7%	50.7%	50.7%
Wholesale Share of Line Loss	0.048	0.048	0.048	0.048
Joint Share of Plant Use and Line Loss	0.098	0.098	0.098	0.098
Wholesale Production Multiplier	1.108	0.902	0.902	0.902
<u>Wholesale Production Allocation Factor</u>	<u>0.67444</u>	<u>0.54895</u>	<u>0.54895</u>	<u>0.54895</u>
<u>Wholesale Transmission Allocation Factor</u>	<u>0.36055</u>	<u>0.36055</u>	<u>0.36055</u>	<u>0.36055</u>

Assumes Average Distribution Main Size of Six Inches and Average Transmission Main Size of Twelve Inches

**Allocation Factors**

<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%
14.4%	14.4%	14.4%	14.4%	14.4%	14.4%	14.4%	14.4%
<u>1.169</u>							
50.7%	50.7%	50.7%	50.7%	50.7%	50.7%	50.7%	50.7%
0.048	0.048	0.048	0.048	0.048	0.048	0.048	0.048
0.098	0.098	0.098	0.098	0.098	0.098	0.098	0.098
0.902	0.902	0.902	0.902	0.902	0.902	0.902	0.902
<u>0.54895</u>							
<u>0.36055</u>							

**SCHEDULE 8 - WHOLESALE WATER RATE COMPUTATION - CASH BASIS METHODOLOGY**

		<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
	Current Rate					
<b>Operating Expenses</b>	<u>Allocation Factors</u>					
Pumping and Treatment	0.67444	\$386,994	\$398,604	\$410,562	\$422,879	\$435,565
Transmission and Distribution	0.36055	\$88,007	\$90,647	\$93,366	\$96,167	\$99,052
Customer	0.00000	\$0	\$0	\$0	\$0	\$0
<u>Total Wholesale Operating Expenses</u>		<u>\$475,000</u>	<u>\$489,250</u>	<u>\$503,928</u>	<u>\$519,046</u>	<u>\$534,617</u>
<b>Wholesale Operating Unit Rate (per 1,000 gallons)</b>		<b>\$1.68</b>	<b>\$1.73</b>	<b>\$1.78</b>	<b>\$1.84</b>	<b>\$1.89</b>
<b>Debt Expenses</b>						
Total Debt Service (Existing)		\$159,363	\$159,083	\$159,568	\$158,874	\$158,648
Total Debt Service (Projected)		\$75,173	\$75,173	\$75,173	\$75,173	\$75,173
Miscellaneous Income		\$66,302	\$67,208	\$67,878	\$68,287	\$68,443
Total Lancaster Billable Flow		397,725	397,725	397,725	397,725	397,725
<b>Net Debt Service Unit Rate (per 1,000 gallons)</b>		<b>\$0.42</b>	<b>\$0.42</b>	<b>\$0.42</b>	<b>\$0.42</b>	<b>\$0.42</b>
Total Wholesale Billable Flow		282,814	\$282,814	282,814	282,814	282,814
<u>Total Wholesale Debt Service Expense</u>		<u>\$118,782</u>	<u>\$118,782</u>	<u>\$118,782</u>	<u>\$118,782</u>	<u>\$118,782</u>
<b>WHOLESALE UNIT RATE</b>		<b>\$1.88</b>	<b>\$2.10</b>	<b>\$2.15</b>	<b>\$2.20</b>	<b>\$2.31</b>
<b>KENTUCKY RIVER FEE UNIT RATE</b>		\$0.088	\$0.088	\$0.088	\$0.088	\$0.088
<b>TOTAL WHOLESALE CONTRACT UNIT RATE</b>		\$1.968	\$2.188	\$2.238	\$2.288	\$2.398
<b>Percent Increase in Wholesale Unit Rate</b>			11.7%	2.4%	2.3%	2.7%
<b>Percent Increase in Wholesale Contract Unit Rate</b>			11.2%			

<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
\$448,632	\$462,091	\$475,954	\$490,232	\$504,939	\$520,087
\$102,024	\$105,084	\$108,237	\$111,484	\$114,829	\$118,273
\$0	\$0	\$0	\$0	\$0	\$0
<u>\$550,656</u>	<u>\$567,175</u>	<u>\$584,191</u>	<u>\$601,716</u>	<u>\$619,768</u>	<u>\$638,361</u>
\$1.95	\$2.01	\$2.07	\$2.13	\$2.19	\$2.26
\$160,161	\$159,519	\$132,716	\$131,956	\$132,287	\$132,356
\$75,173	\$75,173	\$75,173	\$75,173	\$75,173	\$75,173
\$68,325	\$67,889	\$67,160	\$66,234	\$64,989	\$63,441
397,725	397,725	397,725	397,725	397,725	397,725
\$0.42	\$0.42	\$0.35	\$0.35	\$0.36	\$0.36
282,814	282,814	282,814	282,814	282,814	282,814
<u>\$118,782</u>	<u>\$118,782</u>	<u>\$98,985</u>	<u>\$98,985</u>	<u>\$101,813</u>	<u>\$101,813</u>
<b>\$2.37</b>	<b>\$2.43</b>	<b>\$2.42</b>	<b>\$2.48</b>	<b>\$2.55</b>	<b>\$2.62</b>
\$0.088	\$0.088	\$0.088	\$0.088	\$0.088	\$0.088
\$2.458	\$2.518	\$2.508	\$2.568	\$2.638	\$2.708
2.6%	2.5%	-0.4%	2.5%	2.8%	2.7%

**SCHEDULE 9 - WHOLESALE WATER RATE - UTILITY BASIS ALTERNATIVE**

**CALCULATION OF ACCUMULATED DEPRECIATION**

	FY06	FY10	FY11	FY12	FY13
	Starting Balance				
Annual Gross Depreciation		142,528	142,528	142,528	142,528
Accumulated Depreciation	<u>3,170,406</u>	3,597,990	3,740,518	3,883,046	4,025,574

**CALCULATION OF RETURN ON EQUITY**

		FY10	FY11	FY12	FY13
Gross Water System Assets		6,656,569	6,656,569	6,656,569	6,656,569
Less Outstanding Principal on Debt					
Less Contributed Assets/Grants (Net of Depreciation)					
Less Accumulated Depreciation		3,597,990	3,740,518	3,883,046	4,025,574
Allowance for Working Capital (Percentage of O&M)	25%	118,750	122,313	125,982	129,761
Net Equity		<u>3,177,329</u>	<u>3,038,363</u>	<u>2,899,504</u>	<u>2,760,756</u>
Rate of Return (match Ind Bond rate)	10%				
Return on Equity		<u>317,733</u>	<u>303,836</u>	<u>289,950</u>	<u>276,076</u>

**CALCULATION OF REVENUE REQUIREMENT**

	FY10	FY11	FY12	FY13
Operating Expenses	475,000	489,250	503,928	519,046
Depreciation	142,528	142,528	142,528	142,528
Return on Equity	317,733	303,836	289,950	276,076
<b>Total Utility Basis Revenue Requirement</b>	<b><u>935,261</u></b>	<b><u>935,615</u></b>	<b><u>936,406</u></b>	<b><u>937,649</u></b>
Total Wholesale Water Consumption in Gallons	282,814,245	282,814,245	282,814,245	282,814,245
<b>Utility Basis Wholesale Unit Cost per Thousand Gallons</b>	<b>\$3.31</b>	<b>\$3.31</b>	<b>\$3.31</b>	<b>\$3.32</b>

FY14	FY15	FY16	FY17	FY18
142,528	142,528	142,528	142,528	142,528
4,168,102	4,310,630	4,453,158	4,595,686	4,738,214

FY14	FY15	FY16	FY17	FY18
6,656,569	6,656,569	6,656,569	6,656,569	6,656,569
4,168,102	4,310,630	4,453,158	4,595,686	4,738,214
133,654	137,664	141,794	146,048	150,429
2,622,121	2,483,602	2,345,204	2,206,930	2,068,784
262,212	248,360	234,520	220,693	206,878

FY14	FY15	FY16	FY17	FY18
534,617	550,656	567,175	584,191	601,716
142,528	142,528	142,528	142,528	142,528
262,212	248,360	234,520	220,693	206,878
<b>939,357</b>	<b>941,544</b>	<b>944,224</b>	<b>947,412</b>	<b>951,123</b>
282,814,245	282,814,245	282,814,245	282,814,245	282,814,245
<b>\$3.32</b>	<b>\$3.33</b>	<b>\$3.34</b>	<b>\$3.35</b>	<b>\$3.36</b>

**SCHEDULE 10 - CASH FLOW**

	FY09	FY10	FY11	FY12
<b><u>Revenues</u></b>				
Retail Customer - User Fees	581,000	581,000	581,000	581,000
Wholesale Customer - User Fees	554,000	593,782	608,032	622,710
Miscellaneous Revenues	63,038	66,302	67,208	67,878
<b><i>Sub-Total Revenues</i></b>	<b><i>1,198,038</i></b>	<b><i>1,241,084</i></b>	<b><i>1,256,240</i></b>	<b><i>1,271,588</i></b>
<b><u>Expenses</u></b>				
Operating and Maintenance Expenses	852,361	1,011,335	1,039,695	1,068,906
Operating and Maintenance Reserve Contribution	-	18,616	19,174	19,749
Existing Debt Service	159,188	159,363	159,083	159,568
Projected Cash Funded Capital	-	-	-	-
Projected Debt Service	-	75,173	75,173	75,173
<b><i>Sub-Total Expenses</i></b>	<b><i>1,011,549</i></b>	<b><i>1,189,314</i></b>	<b><i>1,217,952</i></b>	<b><i>1,248,223</i></b>
Annual Surplus (Deficit)	186,489	51,771	38,288	23,365
<b>Available Cash Balance</b>	<b>973,620</b>	<b>1,160,109</b>	<b>1,211,880</b>	<b>1,273,533</b>

FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
581,000	581,000	581,000	581,000	581,000	581,000	581,000	581,000
637,828	653,399	669,438	685,957	683,176	700,701	721,581	740,174
68,287	68,443	68,325	67,889	67,160	66,234	64,989	63,441
<b>1,287,115</b>	<b>1,302,842</b>	<b>1,318,762</b>	<b>1,334,847</b>	<b>1,331,335</b>	<b>1,347,935</b>	<b>1,367,570</b>	<b>1,384,615</b>
1,098,993	1,129,983	1,161,902	1,194,780	1,228,643	1,263,522	1,299,448	1,336,451
20,342	20,952	21,581	22,228	22,895	23,582	24,289	25,018
158,874	158,648	160,161	159,519	132,716	131,956	132,287	132,356
-	-	-	-	-	-	-	-
75,173	75,173	75,173	75,173	75,173	75,173	75,173	75,173
<b>1,278,209</b>	<b>1,309,583</b>	<b>1,343,644</b>	<b>1,376,526</b>	<b>1,384,254</b>	<b>1,419,060</b>	<b>1,456,024</b>	<b>1,493,825</b>
8,906	(6,741)	(24,882)	(41,680)	(52,918)	(71,125)	(88,454)	(109,210)
<b>1,282,438</b>	<b>1,275,697</b>	<b>1,250,815</b>	<b>1,209,135</b>	<b>1,156,217</b>	<b>1,085,092</b>	<b>996,638</b>	<b>887,428</b>

# Bluegrass Area Development District Rate Book

Water and Sewer Rates / ISO Fire Insurance Ratings  
Population Estimates / and Local Tax Rates



Published January 2008

## Table of Contents

Introduction .....	2
Comparative Water Rate Data .....	5
Kentucky River Locks, Dams and Intakes in Central Kentucky .....	6
Table 1 Water Rate Comparison (In Gallons and Cubic Feet) for Bluegrass ADD Cities Over Population 2,500.....	7
Table 2 Water Rate Comparison (In Gallons and Cubic Feet) for Bluegrass ADD Cities Under Population 2,500.....	8
Table 3 Water Rate Comparison (In Gallons and Cubic Feet) For Rural Water Utilities .....	9
Comparative Sewer Rate Data.....	10
Table 4 Sewer Rate Comparison (In Gallons and Cubic Feet) for Bluegrass ADD Cities Over Population 2,500.....	11
Table 5 Sewer Rate Comparison (In Gallons and Cubic Feet) for Bluegrass ADD Cities Under Population 2,500.....	12
Utilities Purchasing Water for Resale .....	13
Table 6 Customer, Water Usage, and Purchase Price Data for Water Utilities Purchasing Water for Resale.....	14
Table 7 Water Tap-on Fees.....	16
Table 8 Water and Sewer Customers by County of Residence.....	18
Table 9 Water Production for Calendar Year 2006 .....	20
Table 10 Seven-Year Water Production in (MGD) Averages for 2000-2006 .....	21
Table 11 Publicly Owned Wastewater Treatment Plant Flows in 2006.....	22
Table 12 Water Unserved Tabulations .....	23
Table 13 Wastewater Unserved Tabulations .....	26
ISO Fire Insurance Ratings .....	28
Table 14 ISO Fire Insurance Ratings .....	29
Table 15 City Population Estimates: 2000 – 2006 .....	30
Table 16 County Population Changes: 2000 – 2006.....	31
Table 17 Local Tax Rates.....	32

## Introduction

### **WATER AND SEWER RATES, WATER PRODUCTION, AND PUBLICALLY OWNED WASTEWATER TREATMENT PLANT FLOWS**

Utility services rates are important to all of us. Service charges affect the pocketbooks of all consumers. Rates have been steadily rising due in part to increasingly stringent environmental standards, state and federal enforcement agencies, and capital construction projects to accommodate the population growth within the region.

Tables 1-5 present data on charges for water and sewer service in the 17-county Bluegrass Area Development District. They are examined in three service area categories: medium and large size cities (population 2,500 and greater - Tables 1 and 4), smaller cities (under population 2,500 - Tables 2 and 5), and Rural/suburban areas (Table 3 - water only).

Table 6 presents data on water utilities (generally the rural utilities) that purchase potable water from larger water suppliers for resale to their own customers.

Table 7 presents data on Water Tap-on Fees.

Table 8 presents data on Sewer Tap-on Fees.

Table 9 presents data on water and sewer customers by county of residence.

Table 10 presents data on water production in the Bluegrass ADD for calendar year 2006.

Table 11 presents seven-year water production averages in the Bluegrass ADD.

Table 12 presents data on measured flows at publicly owned wastewater treatment plant flows in the Bluegrass area for calendar year 2006

Water and sewer rates must be sufficient to operate and maintain the utility systems, and provide for needed capital improvements and/or expansions. Invariably, rates increase to meet these needs.

Often, customers resist rate increases because they lack information about the utility's operating and capital improvements costs. Factors which affect costs are:

1. Operation and maintenance practices.
2. The relative density of the customers. Example: A water utility with 100 customers per mile of water line might be expected to have lower rates than one with 15 customers per mile.
3. The infusion of outside funds. Example: A utility that was built utilizing some federal or state grant funds should have the financial advantage over a like utility that had no grant funds.
4. Topographic/geologic consideration. Example: A utility which must install pipelines in areas where bedrock is near the surface will likely operate at a dollar disadvantage to a utility which encounters little rock in pipeline installation.
5. The relative ease with which a water supply can be developed. Example: A utility that can draw an adequate supply of water from a nearby source has the advantage over a utility which must otherwise develop an expensive water supply.
6. The cost of progress. Example: Due to the effects of inflation upon construction, the less capital investment that a utility has made in recent years, the better is the likelihood for lower rates. Utilities that serve areas that are experiencing rapid growth are generally those which have to continually upgrade and/or expand their systems.
7. Subsidies. Example: Some utilities are water-sewer-electric or water-sewer-gas. As is the case with some of the Bluegrass District utilities, the cost of the water and sewer systems may be subsidized by some other utility. Sometimes this can have a negative effect as is often the case when a garbage system is incorporated with a water and sewer utility. In such cases, water and sewer revenues can subsidize the garbage system.

8. Legal diversion of funds. Example: Some cities will use a portion of water and/or sewer funds to supplement the General Fund account. Other cities draw from the General Fund to supplement water and/or sewer utility operations.
9. Economy of scale. Example: The smaller the utility, the greater the probability that manpower needs are being slighted, that trained and dedicated people cannot be attracted, or if employed, cannot be retained or paid a competitive wage. Similarly, with the purchase of supplies and materials, it is the large utility which normally purchases at the lower unit rate. It is generally true in the Bluegrass Area Development District that the larger the utility, the more efficient it can be and the level of service can be higher.
10. Adequacy of facilities. Example: The utility which was designed to meet long-range needs with respect to line sizing or treatment capacity may well be operating at a rate disadvantage--in the early years--when compared to a utility which was designed only to meet the needs of the near term.

Water and sewer rates are difficult to compare from community to community for the following reasons:

Some communities use 1,000 gallons as the unit of measure. Others use 100 cubic feet (approximately equal to 750 gallons).

1. Different communities use different quantities as the amount available for the minimum bill. The most common quantity of water available for the minimum bill is 2,000 gallons per month.
2. Different communities use different rate bracketing systems.
3. Some communities charge for sewer service as a direct percentage of water bills. This varies from 40 percent to well over 100 percent. In recent years, many cities implemented flat rate charges for every unit of sewer service purchased above the minimum bill quantity.
4. Some communities' rate schedules are based on a billing period other than monthly.
5. Some communities use a different rate schedule for residents outside the city limits, both for water and sewer services.
6. This is a snapshot of rate charges among utilities of like size and characteristics. Rates continually change. The reader is cautioned that these data will become "dated" rather quickly. Within a year, a sufficient number of rate schedules may have changed to the extent that the information contained herein should be updated.

#### **WATER AND WASTEWATER UNSERVED TABULATIONS**

The extent of water and wastewater unserved in the area is important to plan for extension of water and wastewater services in the community. Tables 13 and 14 present tabulations on the numbers of households and population unserved in each of the 17 counties in the Bluegrass ADD.

#### **INSURANCE SERVICE OFFICE (ISO) FIRE INSURANCE RATINGS**

Table 15 lists ISO fire insurance ratings in the Bluegrass ADD. Fire insurance ratings are directly related to the adequacy of the water service in the area rated to provide required flows for fire protection. Improved service lowers ratings which in turn may lower insurance premiums and are a boon to the community in terms of reduced expense to the consumer.

#### **POPULATION ESTIMATES**

Population growth or decline impacts future needs for water and sewer service. Growing communities experience increased demand for extended services as well as greater loads on existing facilities. This requires serious planning to assure sufficient resources are available to meet future demand.

Tables 16 and 17 present population estimates for cities and counties in the Bluegrass ADD.

#### **LOCAL TAXES**

Communities need services, facilities and infrastructure that usually can only be provided by local government. That vast network of capital-intensive services (including roads, water provision, sewer services, and electrical supply) is critical to current and future economic activity of the local communities.

The mechanisms for funding infrastructure and their role in local spending are complex. Most communities rely on a combination of local tax revenues, federal and state aid, as well as user fees to generate revenue to maintain existing services, facilities, and infrastructure and to undertake new spending for capital acquisition to meet current and future needs.

Table 18 presents local tax rates for cities, counties, and special districts in the Bluegrass ADD.

## Comparative Water Rate Data

### TABLES 1, 2 and 3

These tables compare monthly water rates at different usage levels. The usage levels were selected, in part, for their ease of conversion to cubic feet (one hundred cubic feet is approximately equal to 750 gallons):

2,000 gal.	or	267 cf	This represents a minimum quantity for many utilities.
3,000 gal.	or	400 cf	This could represent the small family of modest means.
4,000 gal.	or	533 cf	This is frequently defined as an "average" residential consumption.
6,000 gal.	or	800 cf	This could represent the average family with children, with cars to wash, and with occasional yard watering.
30,000 gal.	or	4,000 cf	This could represent the average commercial establishment, e.g., a busy service station or restaurant.
300,000 gal.	or	40,000 cf	This could represent an industrial customer. (Table 1 only)

For each usage level, the utility's rank among comparable utilities and the percent deviation from the average are presented.

A column has been added to Table 2 identifying the cost per thousand gallons for that quantity which can be purchased for the minimum monthly water bill. This quantity varies from city to city, and much care should be exercised in drawing conclusions for this usage level.

For Tables 2 and 3, no "300,000 gallons per month" category is included. This is because few utilities of this population class have such large customers in terms of water usage.

Table 3 rate data is for 30 different rural/suburban water utilities. Of the utilities whose rates are compared, 23 are "KRS 74" water districts and 8 are "KRS 273" water associations (non-profit corporations). For the reader unfamiliar with the geographical location of some of the rural water utilities listed, Table 3 also shows the principal county of service for each.

This publication of the rate book also includes a fold out map of the Kentucky River Locks, Dams & Intakes in Central Kentucky. The Kentucky River is the backbone of our water source in Central Kentucky. It is our hope that this map will be a useful tool to remind us of how we are all so closely connected through our precious water sources.

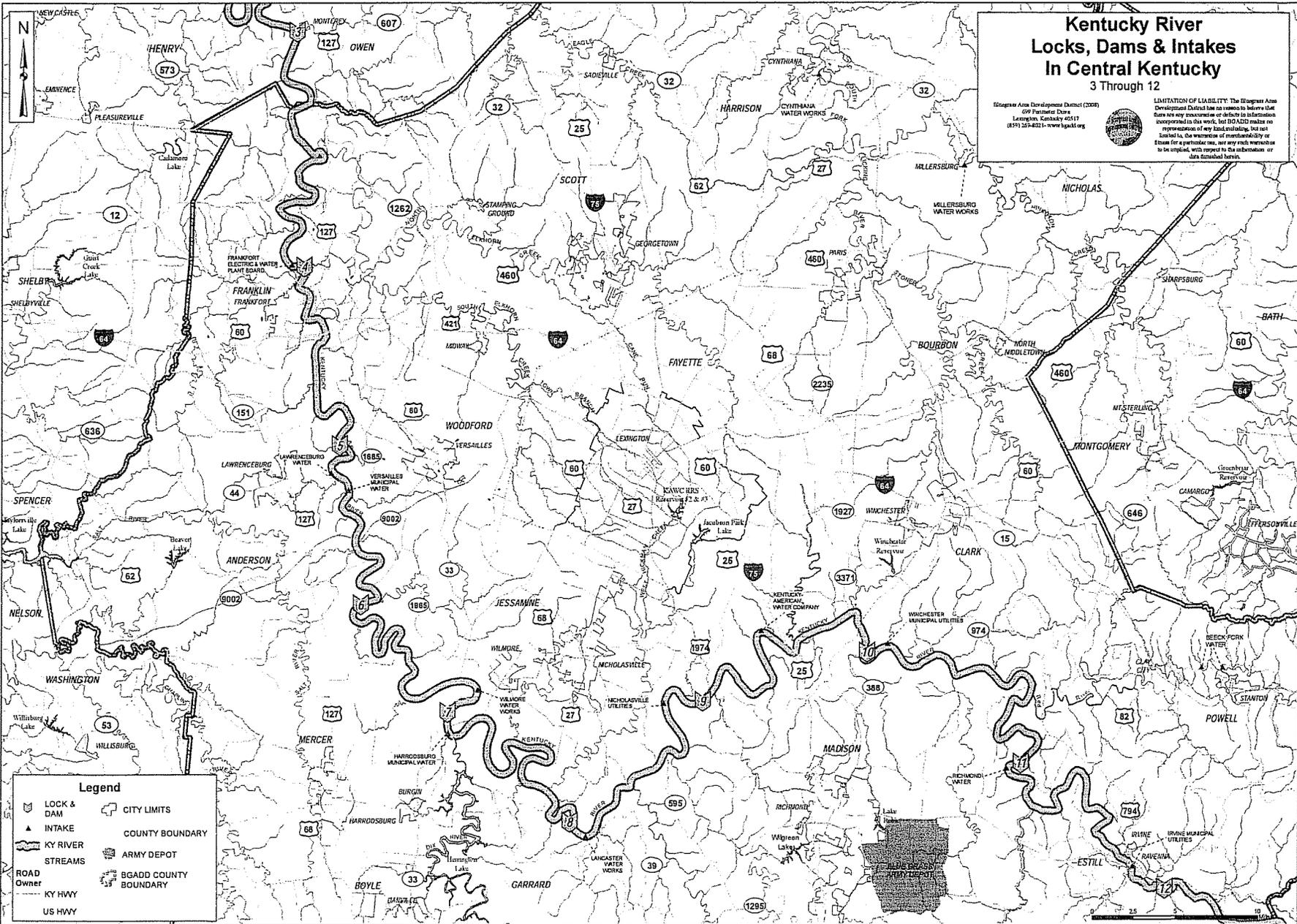
It should also be noted that pursuant to K.R.S. 151.723, The Kentucky River Authority is required for each year of the biennium to establish a rate of water use fees, which shall be based upon the total amount of funds necessary to carry out the functions, projects and expenses authorized by the Kentucky General Assembly. Resolution 2007-2 by the Kentucky River Authority passed on December 13, 2007, establishing two withdraw fees for waters taken from the main stem (Tier I Rates) of the Kentucky River or tributaries to the Kentucky River (Tier II Rates). Tier I Rates were established at \$0.22 per each one thousand gallons of water withdrawn from the main stem, and Tier II Rates were established at \$0.06 per each one thousand gallons of water use from tributaries. These rates become effective on April 1, 2008. Some utilities directly pass these charges on to their customers, while other utilities absorb these costs into their overall operation and maintenance expenses.

# Kentucky River Locks, Dams & Intakes In Central Kentucky

3 Through 12

Bluegrass Area Development District (2008)  
09 Features Data  
Lexington, Kentucky 40517  
(502) 261-4021 - www.kyaddd.org

**LIMITATION OF LIABILITY:** The Bluegrass Area Development District does not warrant or represent that there are any inaccuracies or omissions in the information incorporated in this work, but BADD makes no representation of any kind, including, but not limited to, the warranties of merchantability or fitness for a particular use, nor any such warranties to be implied, with respect to the accuracy or data furnished herein.



**Legend**

	LOCK & DAM		CITY LIMITS
	INTAKE		COUNTY BOUNDARY
	KY RIVER		ARMY DEPOT
	STREAMS		BGADD COUNTY BOUNDARY
	ROAD Owner		
	KY HWY		
	US HWY		

**Table 6  
Customer, Water Usage, and Purchase Price Data for Water Utilities Purchasing Water for Resale**

	Number of Customers	Average Daily Purchase		Effective Daily Purchase		%Line Loss Reported	Supplier
		in 1000 gal.	in 100 cu. Ft.	in \$/1000 gal.	in \$/100 cu. Ft.		
Burgin	500	86	11.47	\$1.38	\$1.03	1.0	Harrodsburg
Clay City	692	97	13.00	2.83	2.12	10.0	Beech Fork
Corinth WD	931	186	24.87	2.63	1.97	2.5	Williamstown
Crab Orchard	564	109	14.51	1.72	1.29	19.0	Lancaster
E. Casey Co. WD	4,031	600	80.21	2.38	1.78	16.0	Liberty
			0.00	1.68	1.26		Russell Springs
E. Clark Co. WD	2,320	384	51.33	2.15	1.61	8.3	Winchester
Elkhorn WD	495	258	34.54	1.78	1.33	13.8	Frankfort
Estill Co. WD	3,544	660	88.30	1.97	1.48	16.8	Irvine
Eubank	4,790	950	127.01	2.00	1.50	18.0	Somerset
Farmdale WD	2,512	582	77.81	1.75	1.31	14.9	Frankfort
Garrard Co. WA	5,290	683	91.31	1.78	1.33	15.7	Lancaster
		88	11.76	1.97	1.48		Berea
		270	36.10	1.67	1.25		Danville
Georgetown MWSS	11,397	396	52.88	1.81	1.35	12.0	Frankfort
		14	1.81	2.69	2.01		KAWC
Harrison Co. WA	5,241	930	124.38	1.85	1.38	12.3	Cynthiana
		83	11.08	2.35	1.76		KAWC
Hustonville	1,815	362	48.35	1.47	1.10	8.0	Danville
Jessamine Co. WD #1	1,632	485	64.79	1.81	1.35	6.2	Nicholasville
Jessamine South Elkhorn WD	2,514	640	85.58	2.16	1.61	8.2	KAWC
		67	8.97	1.81	1.35		Nicholasville
Judy WA	1,804	260	34.72	1.88	1.41	6.6	Mt. Sterling
		115	15.38	2.49	1.86		North Middletown
Kirksville WA	1,687	297	39.72	2.26	1.69	12.0	Richmond
Lake Village WA	2,127	508	67.98	1.54	1.16	4.0	Harrodsburg
		235	31.36	1.41	1.05		Danville
Madison County Utilities WD	9,845	2,116	282.95	1.69	1.26	14.6	Richmond

**Table 6 Customer, Water Usage, and Purchase Price Data for Water Utilities Purchasing Water for Resale continued**

	Number of Customers	Average Daily Purchase		Effective Daily Purchase		%Line Loss Reported	Supplier
		in 1000 gal.	in 100 cu. Ft.	in \$/1000 gal.	in \$/100 cu. Ft.		
Midway	727	160	21.37	2.35	1.76	6.0	KAWC
McKinney WD	1,828	283	37.83	2.05	1.53	9.8	Stanford
		56	7.49	3.33	2.49		Eubank
Nicholas Co. WD	1,340	118	15.73	N/A	N/A	14.0	Carlisle
		1	0.07	2.10	1.57		Buffalo Trail WA
		0	0.05	2.39	1.79		Millersburg
		120	16.01	1.19	0.89		W. Fleming
Nicholasville	10,492	0	0.03	2.00	1.50	N/A	KAWC
N.Mercer WD	4,246	866	115.79	1.40	1.04	23.0	Harrodsburg
North Middletown	383	207	27.63	2.01	1.51	14.0	KAWC
N. Shelby Water Co.	4,222	69	9.22	1.51	1.13	2.3	Shelbyville
		461	61.63	1.78	1.33		Frankfort
		600	80.21	1.38	1.03		Louisville Water Co.
Parksville WD	1,556	307	40.98	0.00	0.00	14.8	Danville
Peaks Mill WD	1,050	446	59.68	1.78	1.33	11.0	Frankfort
Powells Valley WD	2,073	363	48.55	1.92	1.44	22.6	Beech Fork
		1	0.17	2.45	1.83		Estill Co. WD
Reid Village WD	1,086	0	0.00	1.73	1.29	10.0	Mt. Sterling
Sharpsburg WD	1,423	185	24.73	2.32	1.74	14.5	Bath Co. WD
		95	12.70	1.56	1.17		Carlisle
S. Anderson WD	2,565	400	53.48	2.15	1.61	9.0	Lawrenceburg
		85	11.36	1.78	1.33		Frankfort
S. Woodford WD	1,471	524	70.03	2.05	1.53	35.0	Versailles
S. Madison WD	4,360	811	108.42	1.96	1.47	8.0	Berea
Stanton	2,300	532	71.17	1.90	1.42	25.0	Beech Fork
US 60 WD	2,023	474	63.37	1.78	1.33	7.0	Frankfort
Versailles	5,894	4	0.50	2.52	1.89	14.4	KAWC
W. Rockcastle WA	4,062	500	66.84	2.11	1.58	12.0	Mt. Vernon
<b>Average</b>	<b>2,996</b>	<b>348</b>	<b>46.50</b>	<b>\$1.93</b>	<b>\$1.45</b>	<b>12.4</b>	



## **City of Lancaster, Kentucky**

### **Resolution Adopting Wholesale Water Rate**

Whereas, the Water Rate Agreement between the City of Lancaster and the Garrard County Water Association requires an independent third party to review the costs and methodology in 2009 to identify any need for an increase or decrease in wholesale water rates; and

Whereas, the City of Lancaster intends that the water system should be self-supporting and that the costs of operating and maintaining the water system should be fully supported by the water rates and charges collected from water customers; and

Whereas, the City of Lancaster intends that the cost of operating and maintaining the water system, including the cost of debt service, should be distributed equitably between the retail and wholesale customers; and

Whereas, the City of Lancaster has engaged the Municipal & Financial Services Group to perform a cost-of-service rate study for wholesale water rates; and

Whereas, the Municipal & Financial Services Group has performed the cost-of-service rate study and recommends that the City of Lancaster should increase wholesale water rates per thousand gallons by 5.85%, from \$1.88 to \$1.99, effective July 1, 2009; and

Whereas the Mayor of the City of Lancaster has provided proper notice to the Kentucky Public Service Commission and the Garrard County Water Association of this revised rate;

Therefore, Be It Resolved:

The wholesale water rate recommended by the Municipal & Financial Services Group of \$1.99 per thousand gallons is approved effective upon adoption of this resolution, subject to acceptance and approval by the Kentucky Public Service Commission.



# City of Lancaster, Kentucky

***Basic Financial Statements,  
Supplementary Information and  
Independent Auditor's Reports***

***Year Ended June 30, 2008***

**Critchfield & Critchfield**  
***Certified Public Accountants, LLC***  
***336 West Broadway***  
***Danville, Kentucky 40422***

**City of Lancaster, Kentucky**  
 Table of Contents  
 Year Ended June 30, 2008

	<u>Page</u>
<b>Independent Auditor's Report</b> .....	1
<b>Management's Discussion and Analysis</b> .....	2
<b>Basic Financial Statements:</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Assets-Primary Government.....	8
Statement of Activities.....	9
<b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds.....	10
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	11
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	13
Statement of Net Assets – Proprietary Funds .....	14
Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Funds.....	15
Statement of Cash Flows – Proprietary Funds.....	16
<b>Notes to the Basic Financial Statements</b> .....	17
<b>Required Supplementary Information:</b>	
Budgetary Comparison Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual - General Fund .....	30
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Municipal Road Aid .....	31
<b>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</b> .....	32

Critchfield and Critchfield  
Certified Public Accountants, LLC  
336 West Broadway  
Danville, Kentucky 40422

Independent Auditor's Report

Mayor and Members of the City Council  
City of Lancaster  
Lancaster, Kentucky

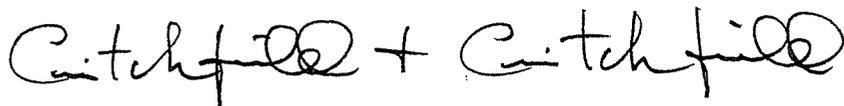
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the City of Lancaster, Kentucky (City) as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities and each major fund of the City of Lancaster, Kentucky as of June 30, 2008, and the respective changes in financial position and, where applicable, cash flows there of for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 31, 2008, on our consideration of the City of Lancaster, Kentucky's internal control over financial reporting and 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 the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 2 through 7 and the Budgetary Comparison Information on pages 30 and 31 are not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Handwritten signature of Critchfield and Critchfield, consisting of two stylized signatures joined by a plus sign.

December 31, 2008

## **Management's Discussion and Analysis (MD&A)**

**City of Lancaster, Kentucky**  
Management's Discussion and Analysis (MD&A)  
Year Ended June 30, 2008

The management team for the City of Lancaster presents this narrative to help our readers review the accompanying annual financial statements for the year ended June 30, 2008. We have prepared this overview and analysis of the City's financial activities to add additional information to the financial schedules and the note disclosures. Our analysis will examine the financial highlights for this fiscal year and help explain the format for our readers.

**Financial Highlights**

- As of June 30, 2008 the City's Assets (page 8) exceeded liabilities by \$7,791,167. This amount includes \$1,027,070 of resources that are restricted to specific projects by laws, regulations, or contractual agreements. Resources in the amount of \$959,372 are unrestricted and are available to fund the City's outstanding obligations and future programs.
- Unrestricted cash balances (page 8) as of June 30, 2008 were \$906,342 and current liabilities payable from unrestricted resources were \$344,734. This surplus cash would fund about six months' operations.
- Net assets increased by \$393,348 (page 9).
- Fund balances (A measure of current financial resources) in the governmental funds decreased \$51,669 to \$493,951 (page 12). Of this amount \$493,951 (page 10) is unreserved and available for future programs.
- The general fund unreserved fund balance (page 10), as of June 30, 2008 was \$301,668 or about 18% of total general fund expenditures.

**Overview of Financial Statements**

This discussion and analysis is intended to introduce the City's basic financial statements. Basic financial statements include three major sections: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information to provide additional information that our readers can use to analyze our finances.

**Government-wide Financial Statements** - The government-wide financial statements are designed to provide our readers with an overview of the City's finances, presenting all funds in a more simplified format. This section is similar to financial reporting used by commercial entities.

The Statement of Net Assets presents information on all the City's assets and liabilities, including long-term debt and capital assets in the governmental funds. The difference between assets and liabilities is reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as transactions occur, regardless of when the related cash flows are reported. Therefore, some revenues and expenses included in this statement may reflect cash flows that actually occur in future periods.

Government-wide statements are separated into two major categories: 1) *governmental activities* that are principally supported by taxes and intergovernmental revenues, and 2) *business-type activities* that are supported with user fees and charges. Governmental activities include administrative functions, streets, police, fire, recreation and community programs. Business-type activities include the water fund, sewer fund and the garbage fund.

The government-wide statements are found on pages 8 and 9 of this report.

**Fund financial statements** - Funds are used in governmental accounting to separate resources that are designated for specific programs or activities. The City of Lancaster, like other state and local governments uses fund accounting to demonstrate compliance with the laws, regulations, and contractual agreements that establish the authority for the City's programs and services. Governments use three types of funds: governmental, proprietary, and fiduciary funds.

**Governmental funds** – Funds are used to account for the City's basic services, the same services that are included in the governmental activities on the government-wide statements. However, the information in the fund statements is measured differently. Governmental funds focus on current financial resources rather than economic resources. Therefore, the statements include the short-term resources, such as cash, investments, receivables that will be collected in the next few months, and liabilities that will be retired with these monies. This information is important for assessing the City's current financial resources.

The reconciliation in the fund statements explains the difference between the governmental funds in the fund statements and the governmental activities found in the government-wide financial statements. These reconciliations are presented on pages 11 and 13 in the fund statements. These reconciliations will explain the adjustments necessary to add the long-term resources and liabilities for the government-wide statements to the current picture presented in the fund statements.

The City maintains two individual governmental funds. Major governmental funds include the General Fund and Municipal Road Aid Fund. The Municipal Aid Fund is presented as a major fund this year because it includes significant grant funding from the Commonwealth of Kentucky that provided critical resources for our community.

The larger funds are presented on pages 10 and 12 as major funds. The governmental fund statements include a balance sheet and statement of revenues, expenditures, and changes in fund balances.

The City adopts budgets for all funds in accordance with Kentucky Revised Statutes Section 91A.030. The budgetary comparison for the General Fund and Municipal Road Aid Fund are presented on pages 30 and 31.

**Proprietary funds** - The City's proprietary funds include three enterprise funds. The enterprise funds include operations for the water, utility, sewer utility, and garbage disposal. The water, sewer and garbage funds are presented as major funds on pages 14 through 16.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

**Notes to the financial statements** - Notes provide additional information that is essential to a full understanding of the information included in the financial schedules. Notes provide additional details about the balances and transactions in the City's financial statements and are presented on pages 17 through 29.

**Other Information** - The last section of this report includes two types of supplementary information. *Required supplementary Information* must be included to conform with generally accepted accounting principles. Lancaster has elected to include the budgetary comparisons for the General and Municipal Aid Road Fund with the basic financial statements so that the auditors will provide an opinion on this information. Management's Discussion and Analysis is classified as *required supplementary information*.

**Government-Wide Financial Analysis**

The first statement in the government-wide statements is the Statement of Net Assets. The following table summarizes the Statement of Net Assets (page 8).

<b>Net Assets of Governmental and Business-type Activities (in thousands)</b>						
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	2008	2007	2008	2007	2008	2007
Current and other assets	542	682	1,688	1,362	2,230	2,044
Capital assets	1,208	1,156	7,152	6,972	8,360	8,128
Total assets	1,750	1,838	8,840	8,334	10,590	10,172
Long-term debt outstanding	125	162	2,430	2,528	2,555	2,690
Other liabilities	27	35	217	110	244	145
Total liabilities	152	197	2,647	2,638	2,799	2,835
Net assets:						
Invested in capital assets, net of related debt	1,083	994	4,722	4,444	5,805	5,438
Restricted	0	0	1,027	252	1,027	252
Unrestricted (deficit)	515	647	444	1,000	959	1,647
Total Net Assets	1,598	1,641	6,193	5,696	7,791	7,337

By far the largest portion of the City's net assets (74%) reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. \$1.027 million of the City's net assets (page 8) are restricted to comply with provisions of various laws, regulations, and contractual agreements. Restricted funds in the business-type activities reflect the reserves required by the water and sewer bond indentures.

The second statement in the government-wide statements is the Statement of Activities. The following table outlines the major components of this statement.

**Change in Net Assets of Governmental and Business-type Activities (in thousands)**

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	-0-	-0-	1,841	1,679	1,841	1,679
Operating grants and contributions	209	202	-0-	-0-	209	202
Capital grants and contributions	-0-	-0-	261	744	261	744
General revenues:						
Property taxes	851	796	-0-	-0-	851	796
License fees and permits	121	86	-0-	-0-	121	86
Interest and investment earnings	13	13	39	31	52	44
Miscellaneous	47	72	24	-0-	71	72
Sale of asset-gain	28	-0-	-0-	-0-	28	-0-
Total Revenues	<u>1,269</u>	<u>1,169</u>	<u>2,165</u>	<u>2,454</u>	<u>3,434</u>	<u>3,623</u>
Program Expenses:						
General Government	321	374	-0-	-0-	321	374
Public Safety	825	664	-0-	-0-	825	664
Public Services	119	150	-0-	-0-	119	150
Water	-0-	-0-	926	877	926	877
Sewer system	-0-	-0-	477	443	477	443
Garbage operations	-0-	-0-	266	271	266	271
Interest expense	-0-	-0-	107	103	107	103
Total Expenses	<u>1,265</u>	<u>1,188</u>	<u>1,776</u>	<u>1,694</u>	<u>3,041</u>	<u>2,882</u>
Excess (deficiency) before transfers and special items	4	(19)	389	760	393	741
Transfers	105	-0-	(105)	-0-	-0-	-0-
Increase (decrease) in net assets	<u>109</u>	<u>(19)</u>	<u>284</u>	<u>760</u>	<u>393</u>	<u>741</u>

\$985,000 of the governmental services is financed with property taxes, license fees, and interest earnings.

Governmental activities increased the City's net assets by \$109,147.

Business-type activities increased the City's net assets by \$284,201. This increase is net of depreciation expense of \$333,904 (a non cash item).

## **Financial Analysis of the Government's Funds**

The fund statements present the City's financial information in a more detailed format, but there are other differences as well. Fund statements provide important information about the City's compliance with laws and regulations that define the local government environment in Kentucky. The measurement principles in the governmental fund statements are also different than the government-wide statements. Fund statements focus on current resources, while the government-wide statements present the long-term view.

**Governmental funds** - Financial information for the City's governmental funds is summarized on pages 10 and 12. Governmental fund balances decreased \$51,669.

**Proprietary funds** - The fund statements for the proprietary funds look much like the business-type activities in the government-wide statements. Proprietary fund financial information is measured with the same principles used by commercial enterprises, so this information does not change from the fund statements to the government-wide statements.

## **General Fund Budgetary Highlights**

Budgetary comparison schedules include information about both the original budget and the amended budget. Generally, budgets are amended to add projects that were not anticipated when the budget was first adopted. Revenue budgets are usually estimated lower to allow budgetary flexibility for additional projects.

## **Capital Asset and Debt Administration**

The City invests substantial resources in capital assets that support the services provided to the public. All of the City's outstanding bonds have been used to acquire or construct capital assets.

### **Capital Assets**

The City's capital assets, net of accumulated depreciation are summarized below:

	<u>City of Lancaster, Kentucky Capital Assets (net of depreciation )</u>		
	Governmental	Business-	
	Activities	Type	Total
		Activities	
Land	60,000	51,042	111,042
Buildings & maintenance	839,191	6,456,089	7,295,280
Equipment & vehicles	308,681	402,719	711,400
Construction in progress	-0-	241,923	241,923
Total	<u>1,207,872</u>	<u>7,151,773</u>	<u>8,359,645</u>

**Long-Term Debt**

The principal outstanding on the City's long-term debt is summarized in the following table.

**City of Lancaster's Outstanding Debt**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Farmers National Bank	\$ 125,000	\$ -0-	\$ 125,000
Series 1976 Revenue Bonds-Water	-0-	174,000	174,000
Series 1988 Revenue Bonds-Sewer	-0-	959,000	959,000
Series 2000 Revenue Bonds-Water	-0-	557,000	557,000
Series 2005 Revenue Bonds-Water	-0-	415,500	415,500
KIA Loan -Sewer	-0-	324,420	324,420
Total	\$ <u>125,000</u>	\$ <u>2,429,920</u>	\$ <u>2,554,920</u>

The City's outstanding debt decreased \$135,092.

**Economic Factors and Next Year's Budget**

We expect the area's economy to stay at current year levels for the next fiscal year. However, we have growth concerns for the subsequent year. Our general fund budget for the 2009 fiscal year will have \$1,144,412 in appropriated expenditures.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Mayor or City Clerk's Office, 308 West Maple Avenue, Lancaster, KY 40444, telephone number (859) 792-2241.

## **Government-wide Financial Statements**

City of Lancaster, Kentucky  
Statement of Net Assets Primary Government  
June 30, 2008

	Governmental Activities	Business - Type Activities	Total
<b>Assets</b>			
<b><u>Current Assets</u></b>			
Cash and cash equivalents	\$ 234,198	\$ 366,379	\$ 600,577
Investments	246,748	59,017	305,765
Prepaid insurance	34,661	17,893	52,554
Accounts receivable:			
Property taxes	3,472	-0-	3,472
Customers	-0-	161,408	161,408
Grants	-0-	56,584	56,584
Other receivables	22,633	-0-	22,633
Accrued interest	-0-	-0-	-0-
<b>Total Current Assets</b>	<b>541,712</b>	<b>661,281</b>	<b>1,202,993</b>
<b><u>Non-current Assets</u></b>			
Restricted cash and cash equivalents	-0-	578,905	578,905
Restricted investments	-0-	448,165	448,165
Capital assets:			
Land	60,000	51,042	111,042
Construction in progress	-0-	241,923	241,923
Infrastructure	-0-	-0-	-0-
Other Capital Assets	1,305,957	13,555,145	14,861,102
Less accumulated depreciation	(158,085)	(6,696,337)	(6,854,422)
Capital assets, net	1,207,872	7,151,773	8,359,645
<b>Total Non-current Assets</b>	<b>1,207,872</b>	<b>8,178,843</b>	<b>9,386,715</b>
<b>Total Assets</b>	<b>\$ 1,749,584</b>	<b>\$ 8,840,124</b>	<b>\$ 10,589,708</b>
<b>Liabilities</b>			
<b><u>Current Liabilities</u></b>			
Accounts payable	\$ 13,101	\$ 146,545	\$ 159,646
Accrued wages	8,443	4,905	13,348
Deposits	-0-	40,585	40,585
Current portion of loan obligations	-0-	101,113	101,113
Interest payable	5,294	24,748	30,042
<b>Total Current Liabilities</b>	<b>26,838</b>	<b>317,896</b>	<b>344,734</b>
<b><u>Non-current Liabilities</u></b>			
Non-current portion of loan obligations	125,000	2,328,807	2,453,807
<b>Total Non-current Liabilities</b>	<b>125,000</b>	<b>2,328,807</b>	<b>2,453,807</b>
<b>Total Liabilities</b>	<b>151,838</b>	<b>2,646,703</b>	<b>2,798,541</b>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	1,082,872	4,721,853	5,804,725
Restricted:			
Bond reserves	-0-	157,249	157,249
Depreciation reserve	-0-	869,821	869,821
Unrestricted	514,874	444,498	959,372
<b>Total Net Assets</b>	<b>1,597,746</b>	<b>6,193,421</b>	<b>7,791,167</b>
<b>Total Net Assets &amp; Liabilities</b>	<b>\$ 1,749,584</b>	<b>\$ 8,840,124</b>	<b>\$ 10,589,708</b>

See accompanying notes to financial statements

City of Lancaster, Kentucky  
Statement of Activities  
For the Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
General Government	\$ (321,582)	\$ -0-	\$ -0-	\$ -0-	\$ (321,582)	\$ -0-	\$ (321,582)
Public Safety	(824,639)	-0-	97,961	-0-	(726,678)	-0-	(726,678)
Public Services	(118,668)	-0-	110,551	-0-	(8,117)	-0-	(8,117)
Total governmental activities	(1,264,889)	-0-	208,512	-0-	(1,056,377)	-0-	(1,056,377)
<b>Business-Type Activities</b>							
Water	(926,209)	1,097,516	-0-	62,110	-0-	233,417	233,417
Sewer system	(477,208)	478,989	-0-	198,595	-0-	200,376	200,376
Garbage operations	(265,324)	264,923	-0-	-0-	-0-	(401)	(401)
Interest Expense	(107,112)	-0-	-0-	-0-	-0-	(107,112)	(107,112)
Total business-type activities	(1,775,853)	1,841,428	-0-	260,705	-0-	326,280	326,280
Total primary government	\$ (3,040,742)	\$ 1,841,428	\$ 208,512	\$ 260,705	(1,056,377)	326,280	(730,097)
General revenues:							
Property taxes, levied for general purposes					850,891	-0-	850,891
License fees and permits, levied for general purposes					32,709	-0-	32,709
Interest earnings					12,603	39,499	52,102
Fines & forfeitures					88,475	-0-	88,475
Gain on sale of capital assets					28,261	-0-	28,261
Miscellaneous					47,101	23,906	71,007
Transfers					105,484	(105,484)	-0-
Total general revenues and transfers					1,165,524	(42,079)	1,123,445
Change in net assets					109,147	284,201	393,348
Net Assets – July 1, 2007					1,460,612	5,876,505	7,337,117
Prior period adjustments					27,987	32,715	60,702
Net Assets – June 30, 2008					\$ 1,597,746	\$ 6,193,421	\$ 7,791,167

See accompanying notes to financial statements

## **Fund Financial Statements**

City of Lancaster, Kentucky  
Balance Sheet  
Governmental Funds  
June 30, 2008

	<u>General Fund</u>	<u>Municipal Road Aid Fund</u>	<u>Total Governmental Funds</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 153,484	\$ 80,714	\$ 234,198
Investments	134,408	112,340	246,748
Accounts receivable:			
Property taxes	3,472	-0-	3,472
Utility franchise tax	14,391	-0-	14,391
Other receivable	<u>8,243</u>	<u>-0-</u>	<u>8,243</u>
<b>Total assets</b>	<b>\$ <u>313,999</u></b>	<b>\$ <u>193,053</u></b>	<b>\$ <u>507,052</u></b>
<b>Liabilities</b>			
Accounts payable	\$ <u>12,331</u>	\$ <u>770</u>	\$ <u>13,101</u>
<b>Total liabilities</b>	<u>12,331</u>	<u>770</u>	<u>13,101</u>
<b>Fund Balances</b>			
Reserved	-0-	-0-	-0-
Unreserved	<u>301,668</u>	<u>192,283</u>	<u>493,951</u>
<b>Total fund balances</b>	<u>301,668</u>	<u>192,283</u>	<u>493,951</u>
<b>Total liabilities and fund balances</b>	<b>\$ <u>313,999</u></b>	<b>\$ <u>193,053</u></b>	<b>\$ <u>507,052</u></b>

See accompanying notes to financial statements

**City of Lancaster, Kentucky**  
 Reconciliation of the Balance Sheet - Governmental Funds to  
 The Statement of Net Assets  
 June 30, 2008

Total fund balance per fund financial statements	\$	493,951
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
Prepaid expense - insurance		34,661
<p>Capital assets are not reported in this fund financial statement because they are not current financial resources, but they are reported in the statement of net assets.</p>		
Governmental capital assets	\$ 1,365,957	
Less accumulated depreciation	<u>(158,085)</u>	1,207,872
<p>Certain liabilities (such as bonds payable, the long-term portion of accrued sick leave, and accrued interest) are not reported in this fund financial statement because they are not due and payable, but they are presented in the statement of net assets.</p>		
Loan agreements	\$ (125,000)	
Accrued interest payable	(5,294)	
Accrued wages	<u>(8,444)</u>	<u>(138,738)</u>
Net assets for governmental activities	\$	<u><u>1,597,746</u></u>

See accompanying notes to financial statements

**City of Lancaster, Kentucky**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2008**

	<u>General Fund</u>	<u>Municipal Road Aid Fund</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
Taxes	\$ 850,891	\$ -0-	\$ 850,891
Licenses & permits	32,709	-0-	32,709
Fines & forfeitures	88,475	-0-	88,475
Intergovernmental revenues	97,961	110,551	208,512
Interest	6,807	5,796	12,603
Other	41,041	6,060	47,101
<b>Total revenues</b>	<u>1,117,884</u>	<u>122,407</u>	<u>1,240,291</u>
<b>Expenditures:</b>			
Current operating:			
General Government	285,549	-0-	285,549
Public Safety	754,921	-0-	754,921
Public Services	-0-	118,668	118,668
Capital outlay	282,873	-0-	282,873
Debt service:			
Principal	337,365	-0-	337,365
Interest	8,068	-0-	8,068
<b>Total expenditures</b>	<u>1,668,776</u>	<u>118,668</u>	<u>1,787,444</u>
<b>Excess (deficiency) of revenues over expenditures before transfers and other sources</b>	<u>(550,892)</u>	<u>3,739</u>	<u>(547,153)</u>
<b>Transfers and other financing sources:</b>			
Bank financing	300,000	-0-	300,000
Sale of cruisers	90,000	-0-	90,000
Transfers in	105,484	-0-	105,484
Transfers out	-0-	-0-	-0-
<b>Total transfers and other sources</b>	<u>495,484</u>	<u>-0-</u>	<u>495,484</u>
<b>Excess (deficiency) revenues over expenditures</b>	(55,408)	3,739	(51,669)
Fund balances – July 1, 2007	<u>357,076</u>	<u>188,544</u>	<u>545,620</u>
Fund balances – June 30, 2008	\$ <u>301,668</u>	\$ <u>192,283</u>	\$ <u>493,951</u>

See accompanying notes to financial statements

**City of Lancaster, Kentucky**  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
 Fund Balances of Governmental Funds to the Statement of Activities  
 For the year ended June 30, 2008

Net change in total fund balances per fund financial statements	\$		(51,669)
Amounts reported for governmental activities in the statement of activities are different because:			
Loan proceeds			(300,000)
Capital asset sale proceeds			(61,739)
Capital outlays are reported as expenditures in this fund financial statement because they use current financial resources, but they are presented as assets in the statement of activities and depreciated over their estimated economic lives. The difference is the amount by which capital outlays exceed depreciation expense for the year.			
Increase in capital assets	\$	282,873	
Depreciation expense		(91,565)	191,308
Loan payments are recognized as expenditures of current financial resources in the fund financial statement but are reductions of liabilities in the statement of net assets.			337,365
Generally, expenditures recognized in this fund financial statement are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred.			
Prepaid insurance expense	\$	2,829	
Accrued Interest expense		(5,294)	
Accrued wages		(3,653)	(6,118)
Change in net assets for governmental activities	\$		109,147

See accompanying notes to financial statements

City of Lancaster, Kentucky  
Statement of Net Assets  
Proprietary Funds  
June 30, 2008

	Water	Sewer	Garbage	Total
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 278,778	\$ 49,258	\$ 38,343	\$ 366,379
Investments	-0-	-0-	59,017	59,017
Receivable from customers (less allowance for uncollectible accounts)	92,980	46,285	22,143	161,408
Receivable – grants	-0-	56,584	-0-	56,584
Prepaid insurance expense	8,298	5,956	3,639	17,893
Total current assets	<u>380,056</u>	<u>158,083</u>	<u>123,142</u>	<u>661,281</u>
<b>Non-current Assets</b>				
Restricted Cash and Cash Equivalents	302,767	276,138	-0-	578,905
Restricted investments	-0-	448,165	-0-	448,165
Capital assets:				
Land	36,767	14,275	-0-	51,042
Construction in progress	-0-	241,923	-0-	241,923
Other capital assets	8,352,408	5,102,946	99,791	13,555,145
Less: accumulated depreciation	(3,527,832)	(3,136,905)	(31,600)	(6,696,337)
Capital assets, net	<u>4,861,343</u>	<u>2,222,239</u>	<u>68,191</u>	<u>7,151,773</u>
Total Non-current assets	<u>5,164,110</u>	<u>2,946,542</u>	<u>68,191</u>	<u>8,178,843</u>
<b>Total assets</b>	<u>\$ 5,544,166</u>	<u>\$ 3,104,625</u>	<u>\$ 191,333</u>	<u>\$ 8,840,124</u>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 42,776	\$ 92,121	\$ 11,648	\$ 146,545
Accrued wages	2,049	1,744	1,112	4,905
Deposits	40,585	-0-	-0-	40,585
Current portion of loan obligation	72,113	29,000	-0-	101,113
Interest payable	12,760	11,988	-0-	24,748
Total current liabilities	<u>170,283</u>	<u>134,853</u>	<u>12,760</u>	<u>317,896</u>
<b>Non-current Liabilities</b>				
Non-current portion of loan obligation	<u>1,398,807</u>	<u>930,000</u>	<u>-0-</u>	<u>2,328,807</u>
Total non-current liabilities	<u>1,398,807</u>	<u>930,000</u>	<u>-0-</u>	<u>2,328,807</u>
<b>Total Liabilities</b>	<u>1,569,090</u>	<u>1,064,853</u>	<u>12,760</u>	<u>2,646,703</u>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	3,390,423	1,263,239	68,191	4,721,853
Restricted:				
Bond reserves	93,532	63,717	-0-	157,249
Depreciation reserve	209,235	660,586	-0-	869,821
Unrestricted	606,306	(272,190)	110,382	444,498
Total Net Assets	<u>4,299,496</u>	<u>1,715,352</u>	<u>178,573</u>	<u>6,193,421</u>
<b>Total Net Assets &amp; Liabilities</b>	<u>\$ 5,544,166</u>	<u>\$ 3,104,625</u>	<u>\$ 191,333</u>	<u>\$ 8,840,124</u>

See accompanying notes to financial statements

**City of Lancaster, Kentucky**  
**Statement of Revenues, Expenses, and Changes in Net Assets**  
**Proprietary Funds**  
**For the year ended June 30, 2008**

	Water	Sewer	Garbage	Total
<b>Operating Revenues:</b>				
Charges for services	\$ 1,060,423	\$ 478,989	\$ 264,923	\$ 1,804,335
Connection fees	37,093	-0-	-0-	37,093
Miscellaneous	7,168	16,738	-0-	23,906
<b>Total operating revenues</b>	<b>1,104,684</b>	<b>495,727</b>	<b>264,923</b>	<b>1,865,334</b>
<b>Operating Expenses:</b>				
Personal services	196,195	199,187	123,691	519,073
Maintenance, operations & contractual services	338,030	92,250	110,522	540,802
Materials and supplies	178,697	75,133	21,132	274,962
Depreciation	213,287	110,638	9,979	333,904
<b>Total operating expenses</b>	<b>926,209</b>	<b>477,208</b>	<b>265,324</b>	<b>1,668,741</b>
Operating income (loss)	178,475	18,519	(401)	196,593
<b>Non-Operating Revenues (Expenses):</b>				
Interest revenue	7,837	28,751	2,911	39,499
Interest expense	(58,112)	(49,000)	-0-	(107,112)
Grants	62,110	198,595	-0-	260,705
<b>Total non-operating revenues</b>	<b>11,835</b>	<b>178,346</b>	<b>2,911</b>	<b>193,092</b>
<b>Net income (loss) before transfers</b>	<b>190,310</b>	<b>196,865</b>	<b>2,510</b>	<b>389,685</b>
<b>Transfers:</b>				
Transfers in	-0-	-0-	-0-	-0-
Transfers out	(83,487)	(15,000)	(6,997)	(105,484)
<b>Change in net assets</b>	<b>106,823</b>	<b>181,865</b>	<b>(4,487)</b>	<b>284,201</b>
<b>Total net assets, July 1, 2007</b>	<b>4,185,410</b>	<b>1,510,393</b>	<b>180,164</b>	<b>5,876,505</b>
<b>Prior period adjustments</b>	<b>7,263</b>	<b>22,556</b>	<b>2,896</b>	<b>32,715</b>
<b>Total net assets, June 30, 2008</b>	<b>\$ 4,299,496</b>	<b>\$ 1,715,352</b>	<b>\$ 178,573</b>	<b>\$ 6,193,421</b>

See accompanying notes to financial statements

City of Lancaster, Kentucky  
Statement of Cash Flows  
Proprietary Funds  
For the year ended June 30, 2008

	Water	Sewer	Garbage	Total
<b>Cash Flows from Operating Activities:</b>				
Receipts from customers	\$ 1,104,498	\$ 492,552	\$ 267,194	\$ 1,864,244
Payments to suppliers	(171,168)	(77,116)	(13,695)	(261,979)
Payments for personal services	(194,146)	(197,443)	(122,579)	(514,168)
Other	(346,328)	(98,204)	(114,161)	(558,693)
<b>Net cash provided (used) by operating activities</b>	<u>392,856</u>	<u>119,789</u>	<u>16,759</u>	<u>529,404</u>
<b>Cash Flows from Non-Capital Financing Activities</b>				
Prepaid insurance prior period	7,263	22,556	2,896	32,715
Transfer to general fund	(83,487)	(15,000)	(6,997)	(105,484)
Customer deposits	2,990	-0-	-0-	2,990
<b>Net cash provided by non-capital financing</b>	<u>(73,234)</u>	<u>7,556</u>	<u>(4,101)</u>	<u>(69,779)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Purchases of capital assets	(173,419)	(261,764)	-0-	(435,183)
Principal paid on capital debt	(79,073)	(28,000)	-0-	(107,073)
Interest paid on capital debt	(58,112)	(49,350)	-0-	(107,462)
Capital improvement grant	62,110	142,011	-0-	204,121
Capital improvement payable	-0-	82,087	-0-	82,087
<b>Net cash provided (used) by capital and related Financing activities</b>	<u>(248,494)</u>	<u>(115,016)</u>	<u>-0-</u>	<u>(363,510)</u>
<b>Cash Flows from Investing Activities</b>				
Interest revenue	7,837	28,751	2,911	39,499
Investments in certificate of deposit	-0-	(448,165)	(59,017)	(507,182)
<b>Net cash provided (used) by investing activities</b>	<u>7,837</u>	<u>(419,414)</u>	<u>(56,106)</u>	<u>(467,683)</u>
Net increase (decrease) in cash and cash equivalents	78,965	(407,085)	(43,448)	(371,568)
Cash & Cash Equivalents, beginning of year	502,580	732,481	81,791	1,316,852
<b>Cash &amp; Cash Equivalents, end of year</b>	<u>\$ 581,545</u>	<u>\$ 325,396</u>	<u>\$ 38,343</u>	<u>\$ 945,284</u>
<b>Reconciliation of Operating Income (loss) to Net Cash</b>				
<b>Provided (used) by Operating Activities:</b>				
Operating income (loss)	\$ 178,475	\$ 18,519	\$ (401)	\$ 196,593
Adjustments to reconcile operating income to net cash				
Provided (used) by operating activities:				
Depreciation expense	213,287	110,638	9,979	333,904
Changes in assets and liabilities:				
Receivables, net decrease (increase)	(186)	(3,175)	2,271	(1,090)
Accounts and other payables increase (decrease)	9,578	(239)	8,549	17,888
Prepaid insurance	(8,298)	(5,954)	(3,639)	(17,891)
<b>Net cash provided by operating activities</b>	<u>\$ 392,856</u>	<u>\$ 119,789</u>	<u>\$ 16,759</u>	<u>\$ 529,404</u>

See accompanying notes to financial statements

## **Notes to the Basic Financial Statements**

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements  
June 30, 2008

**NOTE A – Summary of Significant Accounting Policies**

The accounting policies of the City of Lancaster (City) conform to accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

Reporting Entity

The City of Lancaster, Kentucky, was incorporated on February 23, 1837, under the provisions of the Commonwealth of Kentucky. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, planning and zoning, and general administrative services. Other services include water and sewer operations. The City has evaluated various organizations with which it is related and determined that there are no component units as defined in Governmental Accounting Standards Board Statement No.14, "The Financial Reporting Entity" and as amended by Statement No.39, "Determining Whether Certain Organizations are Component Units". Therefore, there are no component units included in the City's reporting entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, (if any) even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE A – Summary of Significant Accounting Policies - continued**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are an exception, as they are considered available when eligible expenditures have occurred even though they may be collected for up to one year after the current fiscal year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when the liability has matured, with the exception of interest and principal which are recognized as expenditures when funds are transferred to the debt service fund to make payments due shortly after the fiscal year end.

Property taxes, franchise taxes, licenses, interest revenue, intergovernmental revenue, and charges for services are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Fines, permits, net profit tax revenues and special assessments are considered to be measurable and available only when cash is received by the City.

Funds are classified into these categories; governmental, proprietary and fiduciary.

The City reports the following major governmental funds:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The municipal aid fund is used to account for revenues and expenditures of funds related to the Kentucky Street Improvement Program.

The City reports the following major proprietary fund:

The water utility fund, sewer utility fund and garbage fund account for the activities of the utility and garbage services provided to the residents of the City and the surrounding areas.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments from the various funds to the general fund to compensate the general fund for administrative services provided.

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE A – Summary of Significant Accounting Policies - continued**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - continued

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund are charges to customers for sales and services. The water and sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make use of estimates that affect reported amounts in the basic financial statements. Actual results could differ from estimates.

Assets, liabilities, and net assets or equity

1. Cash deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments, which consist of highly liquid investments with original maturities of three months or less from the date of acquisition.

Kentucky Revised Statute 66.480 generally limits the City to investing in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, obligations of the Commonwealth of Kentucky and its agencies, insured savings and loans, and interest bearing deposits of insured national or state banks. The deposits in excess of insurance coverage must be fully collateralized.

Certain cash amounts are classified on the statement of net assets as restricted because applicable bond indentures or other legal provisions limit their use. Restricted cash and cash equivalents are included and used for their respective purpose.

For the purpose of the statement of cash flows, the City considers cash equivalents to be highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased.

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE A – Summary of Significant Accounting Policies - continued**

Assets, liabilities, and net assets or equity - continued

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All trade and property tax receivables are shown net of an allowance for un-collectibles. Trade accounts receivable in excess of 90 days comprise the trade accounts receivable allowance for un-collectibles. The property tax receivable allowance is based on varying percentages depending on the age of the receivable.

3. Inventories

Inventory of supplies and materials is charged to expenditures when purchased. Therefore, the City does not have any inventory to report.

4. Restricted Assets

Certain resources set aside for the repayment of the Water and Sewer Fund debt have been classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The restricted assets have been accounted for in accordance with the provisions of the Water and Sewer Fund revenue bond resolutions or with state or federal laws and regulations.

Debt Service Reserve - The City is required to set aside the maximum annual debt service. The City must continue deposits into the debt service reserve until the funds equal the amount required to retire all outstanding bonds and related accrued interest.

Depreciation Reserve - Revenue bond covenants require the City to set aside \$5,652 monthly until \$114,612 is accumulated in the account. Also, Kentucky Infrastructure Authority covenants require the City to transfer annually \$4,750 to a replacement reserve until \$39,073 is accumulated in the account. The City made its final payment on October 1, 2007.

5 - Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (i.e., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City has elected to prospectively report newly acquired or constructed general infrastructure assets, pursuant to the provisions of GASB Statement 34.

Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at fair market value on the date received.

**City Of Lancaster, Kentucky**  
Notes to Basic Financial Statements – Continued  
June 30, 2008

**NOTE A – Summary of Significant Accounting Policies - continued**

5 - Capital Assets - continued

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. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Infrastructure, buildings, improvements, plant, equipment, and other capital assets of the government are depreciated using the straight line method over the following estimated useful lives.

Infrastructure	10-50 Years
Buildings	20-50 Years
Improvements	10-20 Years
Water & Sewer Distribution System	10-50 Years
Machinery & Equipment	5-10 Years
Vehicles	3-10 Years

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.

6 – Accumulated Unpaid Vacation and Sick Pay

Accumulated unpaid vacation and sick pay have not been accrued because the employees have no vested or accumulated rights.

7 - Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond issuance costs and bond discounts are deferred and amortized over the term of the related issues. Bonds payable are reported net of the applicable discounts and issuance costs.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8 - Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE A – Summary of Significant Accounting Policies - continued**

9 - Reconciliation of Government-Wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation between fund balances in the governmental funds and net assets reported in the government-wide statements. These adjustments reflect the changes necessary to report the governmental fund balances on the economic resources measurement focus and accrual basis of accounting. Capital assets and long-term debt are added to the governmental funds to compile the long-term view of the governmental activities column.

A similar reconciliation is included on the statement of revenues, expenditures and changes in fund balances for the governmental funds. These adjustments reflect the transition from the modified accrual accounting for governmental funds to the accrual basis of accounting for the statement of activities. Capital outlay is replaced with depreciation expense. Capital lease revenues are added, while principal payments on long-term debt are eliminated from the operating costs.

**NOTE B - Stewardship, Compliance, and Accountability**

Budgetary Information

The City follows the following procedures in establishing the budgetary data reflected in the financial statements.

Kentucky Revised Statutes 91A.030 requires the preparation and adoption of an annual budget in the form of an appropriations ordinance before the City may expend any monies from any governmental or proprietary fund and prohibits expenditures or expenses in excess of appropriations. KRS further provides that the full amount of debt service be appropriated. All appropriations lapse at year-end.

To meet the legal requirements for appropriations, all budgets are presented on a modified accrual basis. For proprietary funds this means that certain capitalized receipts and disbursements are budgeted along with related revenue and expense, that depreciation, a non-cash expenditure, is not budgeted, and that the full amount of debt service is budgeted.

Under Kentucky Revised Statutes, all local government units are required to have a June 30 fiscal year-end. The City of Lancaster has a June 30 fiscal year-end.

Public hearings are conducted to obtain citizen comments and in order to comply with various federal and state mandates.

Prior to June 30, the budget is legally enacted through passage of an ordinance by the city.

Formal budgetary integration is utilized as a management control device for all governmental fund types and the Water and Sewer Fund.

An encumbrance system under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded is maintained. Encumbrances maintained at year-end do not constitute expenditures or liabilities. Encumbrances outstanding at year-end are re-appropriated in the next budget year.

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE B - Stewardship, Compliance, and Accountability - continued**

Property taxes

The City bills and collects its property taxes through the Garrard County Sheriff's Office. The City elects to use annual property assessments prepared by the Garrard County Property Valuation Administrator. According to the Kentucky Revised Statutes, the assessment date for the City must conform to the January 1 assessment date of Garrard County.

For the year ended June 30, 2008, taxes were levied November 1, 2007 and were payable by December 31, 2007. A 2% penalty was imposed on all taxes delinquent as of January 1, 2008 and a 10% penalty was imposed on all taxes delinquent as of February 1, 2008.

The City is permitted by Section 157 of the Constitution of Kentucky to levy taxes up to \$1.00 per \$100 assessed valuation for general governmental services other than school purposes. Legislation passed by the Kentucky General Assembly imposed severe limits on the ability of a city to significantly increase property tax revenues. A city may not increase its revenues from taxes on real property, exclusive of increases due to assessment growth without giving notice of such an increase and holding a public hearing on the matter. If that increase is less than 4%, that is all that is necessary, but if the increase is more than 4%, residents of the City may petition for an election to be held on the question. If the majority of those voting in a valid election vote against the proposed rate increase, the rate must be rolled back to one which will not produce more than a 4% increase. City tax rates of 15 cents per \$100 on real property, 25 cents per \$100 on personal property, and 23.3 cents per \$100 on vehicles for the fiscal year ended June 30, 2008, are within permissible limits under the above legislation.

**NOTE C – Cash Deposits and Investments**

Deposits

The City is required by Kentucky Revised Statutes to have the financial institution pledge securities having a current quoted market value at least equal to the uninsured deposits. At year end, the carrying amount of the City's deposits and investments was \$1,933,412 and the bank balance was \$1,945,949. Of the bank balance \$200,000 was covered by federal depository insurance and \$1,745,949 was covered by collateral held in the SunTrust Bank in the City's name.

Investments

A reconciliation of cash and investments as shown on the Government-Wide Statement of Net Assets at June 30, 2008 is as follows:

	<u>Carrying Value</u>	<u>Value Per Bank</u>
Deposits	\$ 1,179,482	\$ 1,192,019
Investments	753,930	753,930
Total	<u>\$ 1,933,412</u>	<u>1,945,949</u>
Cash and cash equivalents	\$ 600,577	
Investments	305,765	
Cash and cash equivalents-restricted	578,905	
Investments-restricted CD's	448,165	
Total	<u>\$ 1,933,412</u>	

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE C – Cash Deposits and Investments - continued**

*Interest Rate Risk.* The City does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. One hundred percent of the City's investments are in bank certificates of deposits (fully insured or collateralized).

*Concentration of credit risk.* The City places no limit on the amount the City may invest in any one issuer. The City has 100.0% of its investments in bank certificates of deposit (in 2 different banks).

*Custodial Credit Risk.* Custodial credit risk for deposits and investments is the risk that, in the event of failure by a financial institution, the City may not be able to recover the value of its deposits and investments that are in the possession of the financial institution. The City's investment policy dictates that all cash maintained in any financial institution named as a depository be insured or collateralized, the collateral held in the name of the City, and that investments be registered in the name of the City. Collateral must be held by an independent third-party custodian. The City is fully collateralized and all investments were held in the City's name as of June 30, 2008.

**NOTE D – Capital Assets**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 22,024
Public Safety	<u>69,541</u>
	<u>\$ 91,565</u>
Business-type activities:	
Water	\$ 213,287
Sewer	110,638
Garbage	<u>9,979</u>
	<u>\$ 333,904</u>

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE D – Capital Assets** - continued

Capital asset activity for the fiscal year ended June 30, 2008, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Land	\$ 60,000	\$ -	\$ -	\$ 60,000
Buildings	880,977			880,977
Equipment and vehicles	374,195	282,873	(232,088)	424,980
Infrastructure	-	-	-	-
Total cost	<u>1,315,172</u>	<u>282,873</u>	<u>(232,088)</u>	<u>1,365,957</u>
Buildings	(19,762)	(22,024)	-	(41,786)
Equipment and vehicles	(138,937)	(69,541)	92,179	(116,299)
Infrastructure	-	-	-	-
Total accumulated depreciation	<u>(158,699)</u>	<u>(91,565)</u>	<u>92,179</u>	<u>(158,085)</u>
Governmental activities capital assets, net	<u>\$ 1,156,473</u>	<u>\$ 191,308</u>	<u>\$ (139,909)</u>	<u>\$ 1,207,872</u>
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Land	\$ 51,042	\$ -	\$ -	\$ 51,042
Water and Sewer plant	11,807,159	186,106	-	11,993,265
Equipment	1,326,031	7,153	-	1,333,184
Vehicles	128,905	99,791	-	228,696
Construction in progress	-	241,923	-	241,923
Total cost	<u>13,313,137</u>	<u>534,973</u>	<u>-</u>	<u>13,848,110</u>
Water and Sewer plant	(5,235,447)	(301,729)	-	(5,537,176)
Equipment	(990,111)	(17,290)	-	(1,007,401)
Vehicles	(115,254)	(36,506)	-	(151,760)
Total accumulated depreciation	<u>(6,340,812)</u>	<u>(355,525)</u>	<u>-</u>	<u>(6,696,337)</u>
Business-type activities capital assets, net	<u>\$ 6,972,325</u>	<u>\$ 179,448</u>	<u>\$ 0</u>	<u>\$ 7,151,773</u>

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE E – Defined Benefit Pension Plans**

The City participates in two statewide local government retirement systems. Both are multiple-employer, cost-sharing public employee pension plans. One plan, the Commonwealth of Kentucky County Employees' Retirement System for Hazardous Position Employees (CERSH) covers all hazardous position public safety employees. The other plan, the Commonwealth of Kentucky County Employees' Retirement System for Non-Hazardous Position Employees (CERSNH) covers all government employees not covered by the CERSH. Certain medical insurance benefits are provided to retirees covered by the CERSH and CERSNH.

Commonwealth of Kentucky County Employees' Retirement System for Non-hazardous Position Employees (CERSNH)

1 - Plan Description

The City contributes to the Commonwealth of Kentucky County Employees' Retirement System for Non-Hazardous Employees (CERSNH) for all of the City's full-time employees or the CERSH. The CERSNH is a cost sharing, multiple-employer defined benefits pension plan administered by the Kentucky Retirement Systems. CERSNH provides retirement and disability benefits and death benefits to members and beneficiaries. Cost of living adjustments are provided at the discretion of the state legislature. Kentucky Revised Statutes Section 61.645 assigns the authority to administer the CERSNH to the Board of Trustees of the Kentucky Retirement Systems (KRS). The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplemental information for CERSNH. That report may be obtained by writing Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky, 40601 or by calling 502-564-4646.

2 - Funding Policy

Plan members are required to contribute 5% of their annual salaries and the City is required to contribute an actuarially determined amount. The current rate is 16.17% of annual covered payroll. The contribution requirement of plan members and the City are established and may be amended by the KRS Board of Trustees. The City's contribution for the year ending June 30, 2008, was \$66,520. Covered wages for plan participants were \$411,380.

Commonwealth of Kentucky County Employees' Retirement System for Hazardous Position Employees (CERSH)

1 - Plan Description

The City contributes to the Commonwealth of Kentucky County Employees' Retirement System for Hazardous Employees (CERSH) for all of the city's full-time hazardous position public safety employees. The CERSH is a cost sharing, multiple-employer defined benefits pension plan administered by the Kentucky Retirement Systems. CERSH provides retirement and disability benefits and death benefits to members and beneficiaries. Cost of living adjustments are provided at the discretion of the State legislature. Kentucky Revised Statutes Section 61.645 assigns the authority to administer the CERSH to the Board of Trustees of the Kentucky Retirement Systems (KRS). The Kentucky Retirement Systems issues a publicly available financial report that includes financial statements and required supplemental information for CERSH. This report may be obtained by writing Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky, 40601 or by calling 502-564-4646.

2 - Funding Policy

Plan members are required to contribute 8% of their annual salaries and the City is required to contribute an actuarially determined amount. The current rate is 33.87% of annual covered payroll. The contribution requirement of plan members and the City are established and may be amended by the KRS Board of Trustees. The City's contribution for the year ending June 30, 2008, was \$112,908. Covered wages for plan participants were \$333,358.

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE E – Defined Benefit Pension Plans - continued**

Medical Insurance Plan

Plan description – In addition to the pension benefits described above, Kentucky Revised Statutes require CERS to provide post-retirement healthcare benefits to eligible members and dependents. The CERS Medical Insurance benefit are cost-sharing multiple employer defined benefit plans. Changes made to the medical plan may be made by the CERS Board of Trustees, the Kentucky Department of Employee Insurance and the General Assembly.

To be eligible for medical benefits, the member must have retired either for service or disability. The CERS Medical Insurance Funds offer coverage to members under the age of 65 through the Kentucky Employees Health Plan administered by the Kentucky Department of Employee Insurance. Once retired members and eligible spouses attain age 65 and are Medicare eligible, coverage is obtained through the Medicare Eligible Health Plan.

**NOTE F – Long Term Debt**

Water and Sewer Revenue Bonds outstanding at June 30, 2008 are as follows:

<u>City of Lancaster Water &amp; Sewer Revenue Bonds</u>	<u>Original Issue Amount</u>	<u>Interest Rate</u>	<u>Maturity Date Fiscal Year</u>	<u>Debt Outstanding June 30, 2008</u>
Series 1976	455,000	5.0%	2016	174,000
Series 1988	1,300,000	5.0%	2028	959,000
Series 2000	600,000	4.375%	2040	557,000
Series 2005A	250,000	4.375%	2045	247,000
Series 2005B	170,000	4.25%	2045	168,500
				<u>2,105,500</u>

Revenue Bond Debt Service Requirements

The annual principal and interest requirements of the water and sewer revenue bonds payable as of June 30, 2008, are as follows:

<u>Year Ending June 30,</u>	<u>Water</u>		<u>Sewer</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2009	\$ 31,200	\$ 51,038	\$ 29,000	47,950	\$ 159,188
2010	32,300	49,563	31,000	46,500	159,363
2011	34,100	48,033	32,000	44,950	159,083
2012	35,800	46,418	34,000	43,350	159,568
2013	37,500	44,724	35,000	41,650	158,874
2014	38,800	42,948	37,000	39,900	158,648
2015	42,000	41,111	39,000	38,050	160,161
2016-20	121,400	182,434	226,000	159,000	688,834
2021-25	118,700	158,421	287,000	96,650	660,771
2026-30	146,400	130,273	209,000	21,250	506,923
2031-35	181,700	95,425	-0-	-0-	277,125
2036-40	225,400	52,198	-0-	-0-	277,598
2041-45	101,200	13,534	-0-	-0-	114,734
	<u>\$ 1,146,500</u>	<u>\$ 956,120</u>	<u>\$ 959,000</u>	<u>579,250</u>	<u>\$ 3,640,870</u>

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE F – Long Term Debt - continued**

Total Debt Service by Bond Series

	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
Series 1976 Revenue Bonds Water	\$ 174,000	\$ 41,550	\$ 215,550
Series 1988 Revenue Bonds Sewer	959,000	579,250	1,538,250
Series 2000 Revenue Bonds Water	557,000	488,250	1,045,250
Series 2005 Revenue Bonds Water	415,500	426,320	841,820
	<u>\$ 2,105,500</u>	<u>\$ 1,535,370</u>	<u>\$ 3,640,870</u>

Bond Covenants and Provisions

Under the various bond Ordinances passed for the Water and Sewer Revenue Bonds, certain covenants and provisions for the collection, segregation, and distribution of revenues of the water and sewer system were established.

For the fiscal year ended June 30, 2008, the City is in substantial compliance with all covenants and provisions of the loan agreements.

**Water Fund Kentucky Infrastructure Authority Loan**

On December 1, 1995, the City entered into an agreement with the Kentucky Infrastructure Authority to borrow \$781,462 with an interest rate of 1.7% to be repaid over a twenty year period. The proceeds of this loan were used to fund an expansion of the City's Water Treatment Plant.

The Kentucky Infrastructure Authority Loan outstanding at June 30, 2008 is as follows:

<u>Description of Issue</u>	<u>Original Issue Amount</u>	<u>Interest Rate</u>	<u>Maturity Date Fiscal Year</u>	<u>Debt Outstanding June 30, 2008</u>
KIA Loan	\$ 781,462	1.7%	2015	<u>\$ 324,420</u>

The annual principal and interest requirements of the above loan are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2009	\$ 40,913	\$ 5,970	\$ 46,883
2010	41,612	5,190	46,802
2011	42,323	4,395	46,718
2012	43,045	3,588	46,633
2013-2015	156,527	5,992	162,519
	<u>\$ 324,420</u>	<u>\$ 25,135</u>	<u>\$ 349,555</u>

Certain Covenants contained in the above loan agreements are as follows:

- 1) The City shall maintain service charges for water and sewer activities sufficient to pay the Authority the minimum sums set forth in the loan agreement.
- 2) The City shall place \$4,750 into a "replacement reserve account" on or before December 1 of each year. These annual deposits are to be made until the balance reaches \$39,073 and maintained for the life of the loan. The final payment was made October 1, 2007.
- 3) Other miscellaneous provisions.

For the fiscal year ended June 30, 2008, the City is in substantial compliance with all covenants and provisions of the KIA loan agreements.

This loan is subordinate to any previous debt of the City, including U.S. Department of Agriculture Rural Development Debt.

**City of Lancaster, Kentucky**  
Notes to Basic Financial Statements - Continued  
June 30, 2008

**NOTE F – Long Term Debt - continued**

**Summary of Debt Transactions**

Long-term liability activity for the year ended June 30, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b><u>Governmental Activities</u></b>					
Loan obligations-due bank	\$ 162,365	\$ 300,000	\$ (337,365)	\$ 125,000	\$ -0-
Governmental activity long-term liabilities	<u>\$ 162,365</u>	<u>\$ 300,000</u>	<u>\$ (337,365)</u>	<u>\$ 125,000</u>	<u>\$ -0-</u>
<b><u>Business Type Activities</u></b>					
Loan obligations:					
Bonds – Water Fund	\$ 1,176,000	\$ -0-	\$ (29,500)	\$ 1,146,500	\$ 31,200
Bonds – Sewer Fund	<u>987,000</u>	<u>-0-</u>	<u>(28,000)</u>	<u>959,000</u>	<u>29,000</u>
Total bonds payable	2,163,000	-0-	(57,500)	2,105,500	60,200
KIA Loans – Water Fund	<u>364,647</u>	<u>-0-</u>	<u>(40,227)</u>	<u>324,420</u>	<u>40,913</u>
Business type long-term liabilities	<u>\$ 2,527,647</u>	<u>\$ -0-</u>	<u>\$ (97,727)</u>	<u>\$ 2,429,920</u>	<u>\$ 101,113</u>

**NOTE G - Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

There are no lawsuits or pending litigation that the City believes will have a material affect on its financial statements.

**NOTE H - Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation claims. Significant losses are covered by commercial insurance for all major programs except unemployment compensation and workers' compensation, for which the City retains risk of loss. For insured programs, there have been no significant reductions in insurance coverage from prior years. Also, there have been no settlements exceeding insurance coverage for each of the past three years. The City participates in two pooled self-insurance programs sponsored by the Kentucky League of Cities. These include unemployment compensation and workers' compensation.

**NOTE I – Transfers of funds**

<u>Type</u>	<u>From fund</u>	<u>To fund</u>	<u>Purpose</u>	<u>Amount</u>
Operating	Water	General	Debt Service	\$ 83,487
Operating	Sewer	General	Debt Service	15,000
Operating	Garbage	General	Debt Service	6,997
				<u>\$ 105,484</u>

**NOTE J – Economic Dependency**

The Water Department sells approximately 65% of its water to two wholesale users. The contract with these two wholesale users runs through December 31, 2028.

## **Required Supplementary Information**

**City of Lancaster, Kentucky**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - General Fund**  
**For the year ended June 30, 2008**

	<u>Budgeted</u>	<u>Amounts</u>	<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
			<u>GAAP Basis</u>	<u>Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Taxes	\$ 818,600	\$ 818,600	\$ 850,891	\$ 32,291
Licenses & permits	13,000	13,000	32,709	19,709
Fines & forfeitures	1,000	1,000	88,475	87,475
Intergovernmental revenues	41,260	41,260	97,961	56,701
Interest	1,000	1,000	6,807	5,807
Other	148,960	148,960	41,041	(107,919)
<b>Total revenues</b>	<u>1,023,820</u>	<u>1,023,820</u>	<u>1,117,884</u>	<u>94,064</u>
<b>Expenditures:</b>				
<b>Current operating:</b>				
General Government	271,075	271,075	285,549	(14,474)
Public Safety	755,450	755,450	754,921	529
Capital outlay	-0-	-0-	282,873	(282,873)
<b>Debt service:</b>				
Principal	-0-	-0-	337,365	(337,365)
Interest	-0-	-0-	8,068	(8,068)
<b>Total expenditures</b>	<u>1,026,525</u>	<u>1,026,525</u>	<u>1,668,776</u>	<u>(642,251)</u>
<b>Excess (deficiency) of revenues over expenditures before transfers and other sources</b>	<u>(2,705)</u>	<u>(2,705)</u>	<u>(550,892)</u>	<u>(548,187)</u>
<b>Transfers and other financing sources:</b>				
Bank financing	-0-	-0-	300,000	300,000
Sale of cruisers	-0-	-0-	90,000	90,000
Transfers in	-0-	-0-	105,484	105,484
<b>Total transfers and other sources</b>	<u>-0-</u>	<u>-0-</u>	<u>495,484</u>	<u>495,484</u>
<b>Excess (deficiency) revenues over expenditures</b>	<u>(2,705)</u>	<u>(2,705)</u>	<u>(55,408)</u>	<u>(52,703)</u>
Fund balances – July 1, 2007	<u>357,076</u>	<u>357,076</u>	<u>357,076</u>	<u>-0-</u>
Fund balances – June 30, 2008	<u>\$ 354,371</u>	<u>\$ 354,371</u>	<u>\$ 301,668</u>	<u>\$ (52,703)</u>

**City of Lancaster, Kentucky**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual - Municipal Road Aid  
 For the year ended June 30, 2008

	Budgeted		Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal road aid	\$ 60,000	\$ 60,000	\$ 67,909	\$ 7,909
Interest	150	150	5,796	5,646
Other	810	810	48,702	47,892)
<b>Total revenues</b>	<u>60,960</u>	<u>60,960</u>	<u>122,407</u>	<u>61,447</u>
<b>Expenditures:</b>				
Current operating:				
Streets	<u>151,063</u>	<u>151,063</u>	<u>118,668</u>	<u>32,395</u>
<b>Total expenditures</b>	<u>151,063</u>	<u>151,063</u>	<u>118,668</u>	<u>32,395</u>
<b>Excess (deficiency) of revenues over expenditures before transfers and other sources</b>	<u>(90,103)</u>	<u>(90,103)</u>	<u>3,739</u>	<u>93,842</u>
<b>Transfers and other financing sources:</b>				
Transfers in (out)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>Total transfers and other sources</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>Excess (deficiency) revenues over expenditures</b>	<u>(90,103)</u>	<u>(90,103)</u>	<u>3,739</u>	<u>93,842</u>
Fund balance -- July 1, 2007	<u>188,544</u>	<u>188,544</u>	<u>188,544</u>	<u>-0-</u>
Fund balance -- June 30, 2008	\$ <u>98,441</u>	\$ <u>98,441</u>	\$ <u>192,283</u>	\$ <u>93,842</u>

**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**

## Critchfield and Critchfield

Certified Public Accountants, LLC

336 West Broadway

Danville, Kentucky 40422

### **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**

Mayor and Members of the City Council  
City of Lancaster  
Lancaster, Kentucky

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lancaster, Kentucky as of and for the year ended June 30, 2008, which collectively comprise the City of Lancaster, Kentucky basic financial statements and have issued our report thereon dated December 31, 2008. We conducted our audit in accordance with generally accepted U.S. auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

#### **Internal Control over Financial Reporting**

In planning and performing our audit, we considered the City of Lancaster, Kentucky's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Lancaster, Kentucky's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described below to be significant deficiencies in internal control over financial reporting.

#### **Significant Deficiencies in Internal Control over Financial Reporting**

(A) The City is not able to adequately segregate accounting and asset custodial duties. This is principally due to the limited number of office employees.

We recommend the City review all procedures to assure that maximum segregation of accounting and asset custodial duties that can be accomplished with existing staff is obtained.

Management response: We agree with the recommendation. Staffing constraints limit what we can do to adequately segregate accounting and the asset custodial duties. However, we will review our procedures to assure we segregate these duties whenever possible.

(B) The City is not complying with the requirements of its purchase order system. Purchase orders are often incomplete; they lack cost information, or authorization and approval information.

We recommend the City monitor the purchase order process to assure compliance and accuracy.

Management response: We will review our purchase order policy and increase our monitoring to assure compliance with the policies.

(C) The City does not have a policy and procedures manual. Financial accounting policies, procedures and internal controls should be documented in this manual.

We recommend the City develop a policy and procedures manual.

Management response: We agree written documentation will result in better operations. An accounting procedures and internal control manual will be developed.

(D) The City did not comply with the budget requirements of KRS 91A.030. It failed to budget general fund capital expenditures and debt service expenditures.

We recommend the City monitor its expenditures and whenever necessary amend its budget to assure expenditures are fully authorized in an approved budget.

Management response: We will monitor this and amend future budgets when necessary. All expenditures made over budget were approved by the council and are viable, necessary expenses. We also did not make expenditures in excess of the revenues available for the fiscal year.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Lancaster, Kentucky's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider all items to be material weaknesses.

### **Compliance and other matters**

As part of obtaining reasonable assurance about whether the City of Lancaster, Kentucky's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 one instance of noncompliance that is required to be reported under Government Auditing Standards. Finding D above discloses a noncompliance with KRS 91A.030 budget requirements. Please see management response above.

We noted certain matters that we reported to the management of the City of Lancaster, Kentucky in a separate letter dated December 31, 2008.

This report is intended solely for the information of members of the City of Lancaster, Kentucky City Commission, management, and regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.



December 31, 2008

**CITY OF LANCASTER, KENTUCKY**  
**AUDITED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2007**

**CITY OF LANCASTER, KENTUCKY**  
**AUDITED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2007**

## TABLE OF CONTENTS

### Basis Financial Statements

Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-9
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheets - Governmental Funds	12
Statements of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	13
Reconciliation of the Statements of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Net Assets - Proprietary Funds	15
Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds	16
Statement of Cash Flows - Proprietary Funds	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Municipal Road Aid Fund	19
Notes to the Financial Statements	20-32

### Supplementary Information:

Officials, Boards and Committees	33
General Fund Account Statement of Budgeted and Actual Revenues and Expenditures	34
Police Department Account Statement of Budgeted and Actual Revenues and Expenditures	35
Garbage Account Statement of Budgeted and Actual Revenues and Expenditures	36
Insurance Tax Account Statement of Budgeted and Actual Revenues and Expenditures	37
State Municipal Road Aid Fund Statement of Budgeted and Actual Revenues and Expenditures	38
Planning and Zoning Commission Statement of Receipts and Disbursements	39
Water Fund Account Statement of Budgeted and Actual Revenues and Expenses	40
Sewer Fund Account Statement of Budgeted and Actual Revenues and Expenses	41
Depreciation Accounts Statement of Actual Receipts and Disbursements	42
New Sewer Depreciation Account Statement of Actual Receipts and Disbursements	43
Water and Sewer Sinking Fund and Bond Reserve Statement of Actual Receipts and Disbursements	44
Bond and Interest Redemption Funds Statement of Receipts and Disbursements	45
Payroll Revolving Account Statement of Receipts and Disbursements	46
Schedule of Insurance	47
Auditor's Report on Internal Control	48-50
Letter Regarding Specific Compliance Items for U.S. Department of Agriculture Rural Development	51
Water and Sewer Statement of Comparison Actual Revenues and Expenses	52-53

# MULLIGAN, HILL, CLEMENTS & CO., PSC

CERTIFIED PUBLIC ACCOUNTANTS  
231 BRECKENRIDGE LANE  
LOUISVILLE, KENTUCKY 40207  
(502) 893-2565  
FAX (502) 893-8960

WM. B. MULLIGAN, JR., CPA 1937~2005  
STEPHEN L. HILL, CPA 1933~1996  
FRANK X. CLEMENTS, CPA  
SALLY M. MUDD, CPA

ASSOCIATES:

TIMOTHY A. MASTERSON, CPA  
BRIAN A. WILLIS, CPA

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
KENTUCKY SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Council Persons  
City of Lancaster, Kentucky

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and the aggregate remaining fund information of the City of Lancaster, Kentucky, as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Lancaster's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and the aggregate remaining fund information of the City of Lancaster, Kentucky, at June 30, 2007, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2007, on our consideration of the City of Lancaster, Kentucky's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 - 9 and 18 - 19 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the City of Lancaster, Kentucky's basic financial statements. The supplementary information provided on pages 33 to 47 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Mulligan Hill Clements & Co PSC*  
Certified Public Accountants

Louisville, Kentucky  
November 28, 2007

## **MANAGEMENT'S DISCUSSION AND ANALYSIS ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

The management team for the City of Lancaster presents this narrative to help our readers review the accompanying annual financial statements for the year ended June 30, 2007. We have prepared this overview and analysis of the City's financial activities to add additional information to the financial schedules and the note disclosures.

### **Financial Highlights**

- As of June 30, 2007 the City's assets (page 10) exceeded liabilities by \$ 7,337,142. This amount includes \$ 439,115 of resources that are restricted to specific projects by laws, regulations, or contractual agreements. Resources in the amount of \$ 6,898,027 are unrestricted and are available to fund the City's outstanding obligations and future programs.
- Unrestricted cash balances (page 10) as of June 30 were \$ 1,416,145 and current liabilities payable from unrestricted resources were \$ 405,143. This surplus cash would fund about 10 months' operations.
- Net assets increased by \$ 741,262 (page11).
- Fund balances (a measure of current financial resources) in the governmental funds decreased \$118,426 to \$ 646,694 (page12). Of this amount, \$ 460,019 (page12) is unreserved and available for future programs.
- The General Fund unreserved fund balance (page12), as of June 30, 2007 was \$ 460,019 or about 35.2% of total general fund expenditures.

### **Overview of the Financial Statements**

Management's discussion and analysis are intended to introduce the City's basic financial statements. The basic financial statements include three major sections: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information to provide additional information that our readers can use to analyze our finances.

**CITY OF LANCASTER, KENTUCKY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2007**

***Government-wide Financial Statements***

The government-wide financial statements are designed to provide our readers with an overview of the City's finances, presenting all funds in a more simplified format. This section is similar to financial reporting used by private - sector business.

The *Statement of Net Assets* presents information on all the City's assets and liabilities, including long-term debt and capital assets in the governmental funds. The difference between assets and liabilities is reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as transactions occur, regardless of when the related cash flows are reported. Therefore, some revenues and expenses included in this statement may reflect cash flows that actually occur in future fiscal period.

Government-wide statements are separated into two major categories: 1) *governmental activities* that are principally supported by taxes and intergovernmental revenues, and 2) *business-type activities* that are supported with user fees and charges. Governmental activities include administrative functions, streets, police, and fire protection, sanitation, and community programs. Business-type activities include the water and sewer utilities.

The government-wide statements are found on pages 10 and 11 of the report.

***Fund Financial Statements***

Funds are used in governmental accounting to separate resources that are designed for specific programs or activities. The City of Lancaster, like other state and local governments uses fund accounting to demonstrate compliance with the laws, regulations, and contractual agreements that establish the authority for the City's programs and services. Governments use three types of funds: governmental, proprietary, and fiduciary funds.

*Governmental funds* are used to account for the City's basic services, the same services that are included in the governmental activities on the government-wide statements. However, the information in the fund statements is measured differently. Governmental funds focus on current financial resources rather than economic resources. Therefore, the statements include the short-term resources, such as cash, investments, receivables that will be collected in the next few months, and liabilities that will be retired with these monies. This information is important for assessing the City's current financial resources.

The reconciliation in the fund statements explains the difference between the governmental funds in the fund statements and the governmental activities found in the government-wide financial statements. These reconciliations are presented on pages 12 and 14 in the fund statements. These reconciliations will explain the adjustments necessary to add the long-term resources and liabilities for the government-wide statements to the current picture presented in the fund statements.

Lancaster maintains four individual governmental funds. Major governmental funds include the General Fund (when includes the Garbage Fund and the Insurance Tax Account) and Municipal Road Aid. The Municipal Road Aid Fund is presented as a major fund this year because it includes significant grant funding from the Commonwealth of Kentucky that provided critical resources for our community.

**CITY OF LANCASTER, KENTUCKY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2007**

The larger funds are presented on pages 13, 18 and 19 as major funds, while the nonmajor fund is presented on page 13. The governmental fund statements include a balance sheet and statement of revenues, expenditures, and changes in fund balances.

Lancaster adopts budgets for all funds in accordance with Kentucky Revised Statutes Section 91A.030. The budgetary comparison for the General Fund and Municipal Road Aid Fund, are presented after the basic financial statements. Budgetary comparisons for other applicable funds are presented as *Supplementary Information*.

Lancaster's *proprietary funds* include two enterprise funds. The enterprise funds include operations for the water and sewer utilities. The Water and Sewer funds are the only major funds in the proprietary fund statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

***Notes to the Financial Statements***

Notes provide additional information that is essential to a full understanding of the information included in the financial schedules. Notes provide additional details about the balances and transactions in the City's financial statements and are presented on pages 20 through 32.

***Other Information***

The last section of this report includes supplementary information. *Supplementary Information* (pages 33 through 47) is presented to expand the City's financial presentations. The City of Lancaster has elected to include the budgetary comparisons for General and Municipal Aid with the basic financial statements so that the auditors will provide an opinion on this information. Management's Discussion and Analysis is classified as *required supplementary information*.

*Supplementary information* includes the combining statements for the nonmajor funds and budgetary comparisons for certain other special revenue funds. All applicable funds are budgeted on the modified accrual basis. The budgetary comparison schedules in the *Supplementary Information* are presented to demonstrate compliance with the legally adopted budget.

**Government-wide Financial Analysis**

The first statement in the government-wide statements is the Statement of Net Assets. Let's review some of the more important issues in this statement. The following table summarizes the Statement of Net Assets (page 10).

**CITY OF LANCASTER, KENTUCKY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2007**

**Net Assets of Governmental and Business-Type Activities**

**June 30, 2007 (in thousands)**

	Governmental Activities	Business-type Activities	Total Primary Government
Current and other assets	\$ 682	\$ 1,362	\$ 2,044
Capital assets	1,156	6,972	8,128
<b>Total assets</b>	<b>1,838</b>	<b>8,334</b>	<b>10,172</b>
Long-term debt outstanding	(162)	(2,528)	(2,690)
Other liabilities	(35)	(110)	(145)
<b>Total liabilities</b>	<b>(197)</b>	<b>(2,638)</b>	<b>(2,835)</b>
Net assets:			
Invested in capital assets, net of debt	994	4,445	5,439
Restricted	187	252	439
Unrestricted (deficit)	460	999	1,459
<b>Total Net Assets</b>	<b>\$ 1,641</b>	<b>\$ 5,696</b>	<b>\$ 7,337</b>

\$439 thousand of the City's net assets (page 10) are restricted to comply with provisions of various laws, regulations, and contractual agreements. Restricted funds in the governmental activities column include funds set aside for capital improvements. Restricted funds in the business-type activities reflect the reserves required by the water and sewer bond indentures.

Since the City is a Phase III government (revenues less than \$10 million per year), it is not required to report infrastructure retroactively. Therefore, the City will prospectively report newly acquired or constructed general infrastructure assets in the statement of net assets in the period they acquire or construct these assets.

The second statement in the government-wide statements is the Statement of Activities. The following table outlines the major components of this statement.

**CITY OF LANCASTER, KENTUCKY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2007**

**Operating Results for the Year Ended June 30, 2007  
(in thousands)**

	Governmental Activities	Business-type Activities	Total Primary Government
Revenues:			
Program Revenues:			
Charges for Services	\$ 259	\$ 1,420	\$ 1,679
Grant Funding & Contributions	202	744	946
General Revenues:			
Property Taxes	796		796
Utility Franchise Fees	62		62
License Fees and Permits	24		24
Interest Earnings	13	31	44
Miscellaneous	72		72
Total Revenues	<u>1,428</u>	<u>2,195</u>	<u>3,623</u>
Program Expenses:			
General Government	374		374
Public Safety	664		664
Sanitation	271		271
Streets	150		150
Water		930	930
Sewer System		493	493
Total Expenses	<u>1,459</u>	<u>1,423</u>	<u>2,882</u>
Excess (deficiency) before transfers and special items	(31)	772	741
Transfers	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Increase (decrease) in net assets	<u>\$ (31)</u>	<u>\$ 772</u>	<u>\$ 741</u>

Governmental services are financed with property taxes, utility franchise fees, license fees, and interest earnings totaling \$ 896,000. The net change in governmental net assets was a decrease of \$ 31,000. This decrease was due partially to the City spending \$ 180,000 refurbishing the new Billy C. Moss Municipal Building.

Property taxes increased slightly over the previous year due to increased property development within the City. Insurance tax revenue increased \$ 13,000 from the previous year. License fees and permits increased \$ 9,000, while utility franchise fees decreased \$ 12,000.

With revenue being about the same as the prior year end and expenses being up, the General Fund change in Net Assets decrease of \$ 31,000 for the fiscal year is a concern and that needs to be addressed.

**CITY OF LANCASTER, KENTUCKY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2007**

Business-type activities increased the City's net assets by only \$ 28,000 after deducting \$ 744,000 in grant funds for the water distribution project. The water fund had a profit of \$ 28,800, while the sewer fund had a loss of \$ 800. The water fund has a new \$ 420,000 bond issue it must start paying on during this current fiscal year. The current utility rates were not sufficient to support the current operating expenses. Therefore, the City had a rate increase for water and sewer customers in March 2007.

**Financial Analysis of the Government's Funds**

The fund statements present the City's financial information in a more detailed format, but there are other differences as well. Fund statements provide important information about the City's compliance with laws and regulations that define the local government environment in Kentucky. The measurement principles in the governmental fund statements are also different than the government-wide statements. Fund statements focus on current resources, while the government-wide statements present the long-term view.

Financial information for the City's governmental funds is summarized on pages 12 - 14. Governmental fund balances decreased \$ 31,000 is due to expenditures exceeding revenues.

There is one nonmajor fund that had no activity during the fiscal year ended.

The fund statements for the proprietary funds look much like the business-type activities in the government-wide statements. Proprietary fund financial information is measured with the same principles used by private - sector business, so this information does not change from the fund statements to the government-wide statements.

**General Fund Budgetary Highlights**

Budgetary comparison schedules include information about both the original budget and the amended budget. Generally, budgets are amended to add projects that were not anticipated when the budget was first adopted. Revenue budgets are usually estimated lower to allow budgetary flexibility for additional projects.

During the fiscal year the City did a good job estimating revenue and expenditures and, for the most part, staying within the budget.

**Capital Asset and Debt Administration**

The City invests substantial resources in capital assets that support the services provided to the public. All of the City's outstanding bonds and capital leases have been used to acquire or construct capital assets.

**New Municipal Building**

The City received a building from Christian Care Center of Lancaster, Inc. on June 27, 2006. The value of the contributed property was \$760,000 for charitable donation purposes. However, the City's insurance carrier had the building appraised for replacement cost for \$1,550,000. The City moved its entire operations to this building on October 25, 2006. The City named the building the Billy C. Moss Municipal Building after its mayor's 38 years of service. The City spent approximately \$180,000 renovating this building.

**CITY OF LANCASTER, KENTUCKY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2007**

*Capital Assets*

The City's capital assets, net of accumulated depreciation are summarized below:

City of Lancaster, Kentucky Capital Assets  
(net of depreciation)

	Governmental Activities	Business-type Activities	Total
Land	\$	\$ 51,042	\$ 51,042
Property and Plant	921,215	6,571,712	7,492,927
Equipment and Vehicles	235,258	349,571	584,829
Infrastructure	-0-	-0-	-0-
 Total	 <u>\$ 1,156,473</u>	 <u>\$ 6,972,325</u>	 <u>\$ 8,128,798</u>

*Long Term Debt*

The principal outstanding on the City's long-term debt is summarized in the following table.

City of Lancaster's Outstanding Debt

	Governmental Activities	Business-type Activities	Total
Notes Payable Local Bank	\$ 162,365		\$ 162,365
Series 1976 Revenue Bonds		\$ 191,000	191,000
Series 1988 Revenue Bonds		987,000	987,000
Series 2000 Revenue Bonds		565,000	565,000
Series 2005 Revenue Bonds		420,000	420,000
KIA Loan		364,646	364,646
 Total	 <u>\$ 162,365</u>	 <u>\$ 2,527,646</u>	 <u>\$ 2,690,011</u>

**The Outlook for Next Year**

WATER DISTRIBUTION PROJECT

The City of Lancaster completed a \$1.6 million Water Distribution Improvement Project. The project involved a Community Development Block Grant for \$595,000 from the Department of Local Government. It also included additional financing and grants from Kentucky Infrastructure Authority (K.I.A.) and Rural Development. This project was completed on August 15, 2007. This project required the City to raise the water rates in 2007.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the City of Lancaster's Office, 308 West Maple Avenue, Lancaster, KY 40444, telephone number (859) 792-2241.

**CITY OF LANCASTER, KENTUCKY**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2007**

	<u>Primary Government</u>		<u>Total</u>
	<u>Government</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 442,525	\$ 973,620	\$ 1,416,145
Receivables, Net	<u>49,831</u>	<u>135,904</u>	<u>185,735</u>
<b>TOTAL CURRENT ASSETS</b>	492,356	1,109,524	1,601,880
Non-Current Assets:			
Restricted Cash and Cash Equivalents	189,086	252,440	441,526
Capital Assets			
Property, Plant and Equipment			
Net of Accumulated Depreciation	<u>1,156,473</u>	<u>6,972,325</u>	<u>8,128,798</u>
<b>TOTAL NON-CURRENT ASSETS</b>	<u>1,345,559</u>	<u>7,224,765</u>	<u>8,570,324</u>
<b>TOTAL ASSETS</b>	<u>1,837,915</u>	<u>8,334,289</u>	<u>10,172,204</u>
<b>LIABILITIES</b>			
Accounts Payable	34,748	47,263	82,011
Customer Deposits		37,595	37,595
Accrued Interest		25,445	25,445
Bonds, Notes and Loan Payable	<u>162,365</u>	<u>97,727</u>	<u>260,092</u>
<b>TOTAL CURRENT LIABILITIES</b>	197,113	208,030	405,143
Non-Current Liabilities			
Bonds, Notes and Loan Payable	<u>-0-</u>	<u>2,429,919</u>	<u>2,429,919</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>-0-</u>	<u>2,429,919</u>	<u>2,429,919</u>
<b>TOTAL LIABILITIES</b>	<u>197,113</u>	<u>2,637,949</u>	<u>2,835,062</u>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	994,108	4,444,679	5,438,787
Restricted For:			
Infrastructure	186,650		186,650
Other Purposes	25		25
Bond Reserves		61,754	61,754
Depreciation Reserves		190,686	190,686
Unrestricted	<u>460,019</u>	<u>999,221</u>	<u>1,459,240</u>
<b>TOTAL NET ASSETS</b>	<u>\$1,640,802</u>	<u>\$5,696,340</u>	<u>\$ 7,337,142</u>

See accompanying notes to financial statements.

CITY OF LANCASTER, KENTUCKY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2007

FUNCTIONS/ PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUES AND CHANGES IN NET ASSETS				
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS -TYPE ACTIVITIES	TOTAL
<b>GOVERNMENTAL ACTIVITIES:</b>							
General Government	\$ (373,765)						
Public Safety	(664,691)		\$ 62,843		\$ (373,765)		\$ (373,765)
Sanitation	(270,779)	\$ 259,618			(601,848)		(601,848)
Streets	<u>(150,397)</u>		<u>139,184</u>		(11,161)		(11,161)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>(1,459,632)</b>	<b>259,618</b>	<b>202,027</b>		<b>(997,987)</b>		<b>(997,987)</b>
<b>BUSINESS - TYPE ACTIVITIES:</b>							
Water	(930,385)	954,762		\$444,269		\$ 468,646	468,646
Sewer	<u>(493,912)</u>	<u>465,845</u>		<u>299,555</u>		<u>271,488</u>	<u>271,488</u>
<b>TOTAL BUSINESS - TYPE ACTIVITIES</b>	<b>(1,424,297)</b>	<b>1,420,607</b>		<b>743,824</b>		<b>740,134</b>	<b>740,134</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b><u>\$ (2,883,929)</u></b>	<b><u>\$ 1,680,225</u></b>	<b><u>\$ 202,027</u></b>	<b><u>\$ 743,824</u></b>	<b><u>\$ (997,987)</u></b>	<b><u>\$ 740,134</u></b>	<b><u>\$ (257,853)</u></b>
<b>GENERAL REVENUES:</b>							
Property taxes, levied for General Proposes					\$ 796,557	\$	\$ 796,557
Utility Franchise Fees					62,345		62,345
License Fees and Permits					24,023		24,023
Interest Earnings					12,992	31,850	44,842
Miscellaneous					71,348		71,348
Transfers					<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>Total General Revenues, Special Items and Transfers</b>					<u>967,265</u>	<u>31,850</u>	<u>999,115</u>
<b>Change in Net Assets</b>					(30,722)	771,984	741,262
<b>NET ASSETS - BEGINNING</b>					<u>1,671,524</u>	<u>4,924,356</u>	<u>6,595,880</u>
<b>NET ASSETS - ENDING</b>					<u>\$ 1,640,802</u>	<u>\$ 5,696,340</u>	<u>\$ 7,337,142</u>

See accompanying notes to financial statements.

**CITY OF LANCASTER, KENTUCKY  
BALANCE SHEETS  
GOVERNMENTAL FUNDS  
JUNE 30, 2007**

	<u>General</u>	<u>Municipal Road Aid</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$442,525	\$ -0-		\$ 442,525
Restricted Cash	-0-	189,061	\$ 25	189,086
Accounts Receivable	<u>49,831</u>	<u>-0-</u>	<u>—</u>	<u>49,831</u>
<b>TOTAL ASSETS</b>	<u>492,356</u>	<u>189,061</u>	<u>25</u>	<u>681,442</u>
<b>LIABILITIES</b>				
Accounts Payable	<u>32,337</u>	<u>2,411</u>	<u>-0-</u>	<u>34,748</u>
<b>TOTAL LIABILITIES</b>	<u>32,337</u>	<u>2,411</u>	<u>-0-</u>	<u>34,748</u>
<b>FUND BALANCES</b>				
Reserved For:				
Infrastructure	-0-	186,650	-0-	186,650
Special Projects	-0-	-0-	25	25
Unreserved	<u>460,019</u>	<u>-0-</u>	<u>-0-</u>	<u>460,019</u>
<b>TOTAL FUND BALANCES</b>	<u>460,019</u>	<u>186,650</u>	<u>25</u>	<u>646,694</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$492,356</u>	<u>\$189,061</u>	<u>\$ 25</u>	<u>\$ 681,442</u>

Total Fund Balances - Total Governmental Funds \$ 646,694

Amounts reported for *governmental activities* in the statement of  
Net assets are different because:

Capital assets (net of depreciation) used in governmental activities  
are not financial resources and therefore are not reported in the funds. 1,156,473

Long-term debt is not due and payable in the current period and  
therefore not reported in the funds. (162,365)

Net Assets of Governmental Activities. \$1,640,802

**CITY OF LANCASTER, KENTUCKY**  
**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2007**

	<u>General</u>	<u>Municipal Road Aid</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Taxes	\$ 796,557	\$	\$	\$ 796,557
Utility Franchise Fees	62,345			62,345
Licenses and Permits	24,023			24,023
Charges for Services	259,618			259,618
Intergovernmental Revenues	62,843	57,645		120,488
Investment Earnings	7,971	5,021		12,992
Other	<u>71,348</u>	<u>81,539</u>	<u>-0-</u>	<u>152,887</u>
<b>TOTAL REVENUES</b>	1,284,705	144,205	-0-	1,428,910
<b>EXPENDITURES</b>				
Current Operating:				
General Government	318,275			318,275
Public Safety:				
Police	509,766			509,766
Fire	139,863			139,863
Sanitation Department	260,800			260,800
Street Department		150,397		150,397
Debt Service	<u>75,432</u>	<u>          </u>	<u>          </u>	<u>75,432</u>
<b>TOTAL EXPENDITURES</b>	1,304,136	150,397	-0-	1,454,533
<b>OTHER FINANCING SOURCES (USES)</b>				
Financing	100,000			100,000
Capital Outlays, General Government	(180,978)			(180,978)
Capital Outlays, Fire Department	<u>(11,825)</u>			<u>(11,825)</u>
	<u>(92,803)</u>			<u>(92,803)</u>
<b>NET CHANGES IN FUND BALANCES</b>	(112,234)	(6,192)	-0-	(118,426)
<b>FUND BALANCES - BEGINNING</b>	<u>572,253</u>	<u>192,842</u>	<u>25</u>	<u>765,120</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 460,019</u>	<u>\$186,650</u>	<u>\$ 25</u>	<u>\$ 646,694</u>

CITY OF LANCASTER, KENTUCKY  
 RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 AS OF JUNE 30, 2007

Net Change in Fund Balance - Total Governmental Funds \$(118,426)

**Amounts reported for *governmental activities* in the statement of activities are different because:**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 112,272

The proceeds of debt issuance provide current financial resources to governmental funds, but the issuing debt increases long-term liabilities in the statement of net assets. Repayment of the debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net assets. This is the amount by which debt principal was reduced. 75,432

The proceeds of debt issuance provide current financial resources to governmental funds, but the issuing debt increases long-term liabilities in the statement of net assets. Increase in debt principal is a revenue in the governmental funds, but addition increases long-term liabilities in the statement of net assets. This is the amount by which debt principal was increased. (100,000)

**Change of Net Assets of Governmental Activities \$ (30,722)**

**CITY OF LANCASTER, KENTUCKY**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2007**

	<u>Water &amp; Sewer Funds</u>	<u>Total Proprietary Funds</u>
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 973,620	\$ 973,620
Receivables, Net	<u>135,904</u>	<u>135,904</u>
<b>TOTAL CURRENT ASSETS</b>	<b>1,109,524</b>	<b>1,109,524</b>
Non-Current Assets:		
Restricted Cash and Cash Equivalents	252,440	252,440
Capital Assets:		
Property, Plant and Equipment	11,450,447	11,450,447
Construction in Progress	1,862,690	1,862,690
Less Accumulated Depreciation	<u>(6,340,812)</u>	<u>(6,340,812)</u>
Capital Assets, Net	<u>6,972,325</u>	<u>6,972,325</u>
<b>TOTAL NON-CURRENT ASSETS</b>	<b><u>7,224,765</u></b>	<b><u>7,224,765</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$ 8,334,289</u></b>	<b><u>\$ 8,334,289</u></b>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	47,263	47,263
Customer Deposits	37,595	37,595
Accrued Interest	25,445	25,445
Bonds, Notes and Loan Payable	<u>97,727</u>	<u>97,727</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>208,030</b>	<b>208,030</b>
Non-Current Liabilities:		
Bonds, Notes and Loan Payable	<u>2,429,919</u>	<u>2,429,919</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b><u>2,429,919</u></b>	<b><u>2,429,919</u></b>
<b>TOTAL LIABILITIES</b>	<b><u>2,637,949</u></b>	<b><u>2,637,949</u></b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	4,444,679	4,444,679
Restricted For:		
Bond Reserves	61,754	61,754
Depreciation Reserves	190,686	190,686
Unrestricted	<u>999,221</u>	<u>999,221</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 5,696,340</u></b>	<b><u>\$ 5,696,340</u></b>

See accompanying notes to financial statements.

**CITY OF LANCASTER, KENTUCKY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Water &amp; Sewer Funds</u>	<u>Total Proprietary Funds</u>
<b>OPERATING REVENUES:</b>		
Charge for Services	\$1,349,676	\$1,349,676
Connecting Fees	22,175	22,175
Miscellaneous	<u>48,756</u>	<u>48,756</u>
<b>TOTAL OPERATING REVENUES</b>	1,420,607	1,420,607
<b>OPERATING EXPENSES</b>		
Water Services	696,656	696,656
Sewer Services	339,398	339,398
Depreciation	<u>285,056</u>	<u>285,056</u>
<b>TOTAL OPERATING EXPENSES</b>	1,321,110	1,321,110
<b>OPERATING INCOME</b>	99,497	99,497
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest Income	31,850	31,850
Interest Expense, K I A	(6,704)	(6,704)
Interest Expense, Rural Development	(96,483)	(96,483)
Capital Grants	<u>743,824</u>	<u>743,824</u>
<b>TOTAL NON-OPERATING REVENUE (EXPENSES)</b>	672,487	672,487
<b>NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	771,984	771,984
Transfers In	-0-	-0-
Transfers Out	<u>-0-</u>	<u>-0-</u>
<b>Change in Net Assets</b>	771,984	771,984
<b>TOTAL NET ASSETS - BEGINNING</b>	<u>4,924,356</u>	<u>4,924,356</u>
<b>TOTAL NET ASSETS - ENDING</b>	<u>\$5,696,340</u>	<u>\$5,696,340</u>

See accompanying notes to financial statements.

**CITY OF LANCASTER, KENTUCKY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2007**

	<u>Water &amp; Sewer Funds</u>	<u>Total Proprietary Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers	\$1,325,807	\$1,325,807
Cash Payments to Suppliers for Goods and Services	(709,032)	(709,032)
Cash Payments to Employees	(316,884)	(316,884)
Other Operating Revenues	<u>70,931</u>	<u>70,931</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	370,822	370,822
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating Transfers Out	-0-	-0-
Operating Transfers In	<u>-0-</u>	<u>-0-</u>
<b>NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES</b>	-0-	-0-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and Construction of Capital Assets	(49,411)	(49,411)
Principal Paid on Revenue Bonds	(90,050)	(90,050)
Interest Paid on Revenue Bonds	<u>(98,971)</u>	<u>(98,971)</u>
<b>NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES</b>	(238,432)	(234,832)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received on Cash Invested	<u>31,850</u>	<u>31,850</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	164,240	164,240
<b>CASH AND RESTRICTED CASH AT BEGINNING OF YEAR</b>	<u>1,061,820</u>	<u>1,061,820</u>
<b>CASH AND RESTRICTED CASH AT END OF YEAR</b>	<u>\$1,226,060</u>	<u>\$1,226,060</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Profit	\$ 99,497	\$ 99,497
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation	285,056	285,056
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(29,479)	(29,479)
Increase (Decrease) in Accounts Payable	10,138	10,138
Increase (Decrease) in Customer Deposits	5,610	5,610
Increase (Decrease) in Accrued Liabilities	-0-	-0-
Total Adjustments	<u>(13,731)</u>	<u>(13,731)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>\$ 370,822</u>	<u>\$ 370,822</u>

See accompanying notes to financial statements.

**CITY OF LANCASTER, KENTUCKY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavor.)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 786,000	\$ 786,000	\$ 796,557	\$ 10,557
Utility Franchise Fees	65,000	65,000	62,345	(2,655)
Licenses and Permits	24,000	24,000	24,023	23
Charges For Services	272,000	272,000	259,618	(12,382)
Intergovernmental Revenues	54,000	54,000	62,843	8,843
Investment Earnings	1,150	1,150	7,971	6,821
Other	<u>70,000</u>	<u>70,000</u>	<u>71,348</u>	<u>1,348</u>
<b>TOTAL REVENUES</b>	1,272,150	1,272,150	1,284,705	12,555
<b>EXPENDITURES</b>				
Current Operating:				
General Government	254,700	254,700	318,275	(63,575)
Public Safety:				
Police	520,450	520,450	509,766	10,684
Fire	142,000	142,000	139,863	2,137
Sanitation Department	260,000	260,000	260,800	(800)
Debt Service				
Principal	<u>70,000</u>	<u>70,000</u>	<u>75,432</u>	<u>(5,432)</u>
<b>TOTAL EXPENDITURES</b>	<u>1,247,150</u>	<u>1,247,150</u>	<u>1,304,136</u>	<u>(56,986)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Financing	100,000	100,000	100,000	-0-
Capital Outlays, General Government	(100,000)	(100,000)	(180,978)	(80,978)
Capital Outlays, Fire Department	<u>(25,000)</u>	<u>(25,000)</u>	<u>(11,825)</u>	<u>13,175</u>
	<u>(25,000)</u>	<u>(25,000)</u>	<u>(92,803)</u>	<u>(67,803)</u>
Net Changes in Fund Balances	\$ <u>-0-</u>	\$ <u>-0-</u>	(112,234)	\$(112,234)
<b>FUND BALANCE - BEGINNING</b>			<u>572,253</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$ 460,019</u>	

See accompanying notes to financial statements.

**CITY OF LANCASTER, KENTUCKY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**MUNICIPAL ROAD AID**  
**FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavor.)</u>
<b>REVENUES</b>				
Prior Year Fund Balance				
Appropriated For Current Year Budget	\$ 40,000	\$ 40,000	\$	\$(40,000)
Municipal Road Aid	60,000	60,000	57,645	(2,355)
State Grants	49,385	49,385	79,694	30,309
Interest	150	150	5,021	4,871
Miscellaneous Income	<u>1,000</u>	<u>1,000</u>	<u>1,845</u>	<u>845</u>
<b>TOTAL REVENUES</b>	<b>150,535</b>	<b>150,535</b>	<b>144,205</b>	<b>(6,330)</b>
<b>EXPENDITURES</b>				
Administration	4,000	4,000	4,000	-0-
Streets	136,535	136,535	134,279	2,256
Capital Outlay	10,000	10,000	12,118	(2,118)
Contingency	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>TOTAL EXPENDITURES</b>	<b><u>150,535</u></b>	<b><u>150,535</u></b>	<b><u>150,397</u></b>	<b><u>138</u></b>
Excess (Deficiency) Revenue Over Expenditures	\$ <u>-0-</u>	\$ <u>-0-</u>	(6,192)	\$ <u>(6,192)</u>
<b>FUND BALANCE - BEGINNING</b>			<u>192,842</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$186,650</u>	

See accompanying notes to financial statements.

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

**A. Reporting Entity**

The City of Lancaster, Kentucky (the "City") was incorporated on February 23, 1837, under the provisions of the Commonwealth of Kentucky. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, planning and zoning, and general administrative services. Other services include water and sewer operations. The City has evaluated various organizations with which it is related and determined that there are no component units as defined in Governmental Accounting Standards Board Statement 14. Therefore, there are no component units included in the City's reporting entity.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, franchise taxes, licenses, interest revenue, intergovernmental revenue, and charges for services are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Fines, permits, parking meter revenues and special assessments are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The general fund includes the garbage fund and the insurance tax account.

The municipal road aid fund is used to account for revenues and expenditures of funds related to the Kentucky Street Improvement Program.

The government reports the following major proprietary fund:

The water and sewer fund accounts for the activities of the utility services provided to the residents of the City and the surrounding areas.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. An exception to this general rule was a payment from the municipal road aid fund to the general fund to compensate the general fund for administrative services provided to the municipal road aid fund.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund are charges to customers for sales and services. The water and sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, liabilities, and net assets of equity**

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments in certificates of deposits.

The City does not have any investments at June 30, 2007.

2. Receivables and Payables

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

3. Inventory

Inventory of supplies and materials is charged to expenditures when purchased. Therefore, the City does not have any inventory to report.

4. Restricted Assets

Certain resources set aside for the repayment of the water and sewer fund debt have been classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The restricted assets have been accounted for in accordance with the provisions of the Water and Sewer Fund revenue bond resolutions or with state or federal laws and regulations.

Depreciation Reserve-Revenue bond covenants require the City to transfer annually \$5,652 to a Depreciation Reserve until \$114,612 is accumulated in the account. Also, Kentucky Infrastructure Authority covenants require the City to transfer annually \$4,750 to a Depreciation Reserve until \$39,073 is accumulated in the account. The City made its final payment on October 1, 2007.

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City has elected to prospectively report newly acquired or constructed general infrastructure assets, pursuant to the provisions of GASB Statement 34.

Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at fair market value on the date received.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Property, plant, and equipment of the government is depreciated using the straight line method over the following estimated useful lives.

Buildings	20 - 50 Years
Improvements	10 - 20 Years
Plant in Service	10 - 50 Years
Machinery & Equipment	5 - 10 Years

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.

6. Accumulated Unpaid Vacation and Sick Pay

Accumulated unpaid vacation and sick pay have not been accrued because the employees have no vested or accumulated rights.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

8. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

9. Reconciliation of Government-Wide and Fund Financial Statements

The governmental fund balance sheet includes reconciliation between fund balances in the governmental funds and net assets reported in the government-wide statements. These adjustments reflect the changes necessary to report the governmental fund balances on the economic resources measurement focus and accrual basis of accounting. Capital assets and long-term debt are added to the governmental funds to compile the long-term view of the governmental activities column.

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

A similar reconciliation is included on the statement of revenues, expenditures and changes in fund balances for the governmental funds. These adjustments reflect the transition from the modified accrual accounting for governmental funds to the accrual basis of accounting for the statement of activities. Capital outlay is replaced with depreciation expense. Capital lease revenues are added, while principal payments on long-term debt are eliminated from the operating costs.

**NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

1. Budgetary Information

The City follows the following procedures in establishing the budgetary data reflected in the financial statements.

Kentucky Revised Statutes requires the preparation and adoption of an annual budget in the form of an appropriations ordinance before the City may expend any monies from any governmental or proprietary fund and prohibits expenditures or expenses in excess of appropriations. KRS further provides that the full amount of debt service be appropriated. All appropriations lapse at year-end.

To meet the legal requirements for appropriations, all budgets are presented on a modified accrual basis. For proprietary funds this means that certain capitalized receipts and disbursements are budgeted along with related revenue and expense, that depreciation, a non-cash expenditure, is not budgeted, and that the full amount of debt service is budgeted.

Under Kentucky Revised Statutes, all local government units are required to have a June 30 fiscal year-end. The City of Lancaster has a June 30 fiscal year-end.

An encumbrance system under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded is maintained.

Encumbrances maintained at year-end do not constitute expenditures or liabilities. Encumbrances outstanding at year-end are re-appropriated in the next budget year.

2. Excess of Expenditures over Appropriations

Expenditures may not legally exceed budgeted appropriations at the fund level. For the year ended June 30, 2007, expenditures exceeded appropriations in the Municipal Road Aid Fund. These excess expenditures were funded by available fund balances or operating transfers.

3. Deficit Fund Equity

None of the funds had a deficit fund balance as of June 30, 2007.

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**NOTE III - DEPOSITS AND INVESTMENTS**

Deposits

The City is required by Kentucky Revised Statutes to have the financial institution pledge securities having a current quoted market value at least equal to the uninsured deposits. At year-end, the carrying amount of the City's deposits was \$1,857,671 and the bank balance was \$1,916,955. Of the bank balance \$200,000 was covered by federal depository insurance or by collateral held by the City in the City's name, and \$1,868,741 was covered by collateral held in the pledging bank's trust department in the City's name.

Investments

A reconciliation of cash and investments as shown on the government-wide Statement of Net Assets is as follows:

Carrying amount of deposits	\$ 1,857,671
Carrying amount of investments	-0-
Total	\$ <u>1,857,671</u>
Cash and cash equivalents	\$ 1,416,145
Investments	-0-
Cash and cash equivalents-restricted	441,526
Total	\$ <u>1,857,671</u>

**NOTE IV- PROPERTY TAXES**

The City bills and collects its own property taxes. The City elects to use annual property assessments prepared by the Garrard County Property Valuation Administrator. According to the Kentucky Revised Statutes, the assessment date for the City must conform to the assessment date of Garrard County. Effective for the year ended June 30, 2008, the Garrard County Sheriff's Office will collect the property tax for the City and remit them monthly.

For the year ended June 30, 2007, taxes were levied November 1, 2006, and were payable by December 31, 2006. A 2% penalty was imposed on all taxes delinquent as of January 1, 2007, and a 10% penalty was imposed on all taxes delinquent as of February 1, 2007.

City tax rates were 15 cents per \$100 on real property and 25 cents per \$100 on personal property for the fiscal year ended June 30, 2007.

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**NOTE V - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Land & buildings	\$ 760,000	\$ 180,977	\$ -0-	\$ 940,977
Equipment & vehicles	362,370	11,825	-0-	374,195
Infrastructure	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Totals at historical cost	1,122,370	192,802	-0-	1,315,172
Buildings	-0-	(19,762)		(19,762)
Equipment & vehicles	(78,168)	(60,769)	-0-	(138,937)
Infrastructure	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total accumulated depreciation	<u>(78,168)</u>	<u>(80,531)</u>	<u>-0-</u>	<u>(158,699)</u>
Governmental activities capital assets, net	<u>\$ 1,044,202</u>	<u>\$ 112,271</u>	<u>\$ -0-</u>	<u>\$ 1,156,473</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-Type Activities:				
Land	\$ 51,042	\$ -0-	\$ -0-	\$ 51,042
Water and Sewer Plant	11,168,999	638,160	-0-	11,807,159
Equipment	1,013,149	312,882	-0-	1,326,031
Vehicles	<u>128,905</u>	<u>-0-</u>	<u>-0-</u>	<u>128,905</u>
Totals at Historical Cost	12,362,095	951,042	-0-	13,313,137
Water and Sewer Plant	(4,974,751)	(260,696)	-0-	(5,235,447)
Equipment	(974,396)	(15,715)	-0-	(990,111)
Vehicles	<u>(106,609)</u>	<u>(8,645)</u>	<u>-0-</u>	<u>(115,254)</u>
Total Accumulated Depreciation	<u>(6,055,756)</u>	<u>(285,056)</u>	<u>-0-</u>	<u>(6,340,812)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 6,306,339</u>	<u>\$ 665,986</u>	<u>\$ -0-</u>	<u>\$ 6,972,325</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 55,490
Public Services	9,979
Public Safety	<u>15,062</u>
	<u>\$ 80,531</u>
Business-type activities:	
Water	\$ 180,921
Sewer	<u>104,135</u>
	<u>\$ 285,056</u>

**CITY OF LANCASTER, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

**NOTE VI - INTER-FUND RECEIVABLES AND PAYABLES**

The composition of inter-fund balances as of June 30, 2007, is as follows:

Due to/from other funds:

<u>Payable Fund</u>	<u>Receivable Fund</u>	<u>Amount</u>
None	None	\$ -0-

**NOTE VII - PENSION AND OTHER POST EMPLOYMENT BENEFITS**

The City participates in two statewide local government retirement systems. Both are multiple-employer, cost-sharing public employee pension plans. One plan, the Commonwealth of Kentucky County Employees' Retirement System for Hazardous Position Employees (CERSH) covers all hazardous position public safety employees. The other plan, the Commonwealth of Kentucky County Employees' Retirement System for Non-Hazardous Position Employees (CERSNH) covers all government employees not covered by the CERSH. Certain medical insurance benefits are provided to retirees covered by the CERSH and CERSNH.

**A. COMMONWEALTH OF KENTUCKY COUNTY EMPLOYEES' RETIREMENT SYSTEM FOR NON-HAZARDOUS POSITION EMPLOYEES (CERSNH)**

1. Plan Description

The City contributes to the Commonwealth of Kentucky County Employees' Retirement System for Non-Hazardous Employees (CERSNH) for all the City's full-time employees not covered by the CERSH. The CERSNH is a cost sharing, multiple-employer defined benefits pension plan administered by the Kentucky Retirement Systems. CERSNH provides retirement and disability benefits and death benefits to members and beneficiaries. Cost of living adjustments are provided at the discretion of the state legislature. The Kentucky Retirement Systems issues a publicly available financial report that includes financial statements and required supplemental information for CERSNH. That report may be obtained by writing Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky 40601 or by calling 502-564-4646.

2. Funding Policy

Plan members are required to contribute 5% of their annual salaries and the City is required to contribute an actuarially determined amount. The current rate is 13.19% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by the KRS Board of Trustees. The City's contributions for the years ending June 30, 2005, 2006, and 2007 were \$55,285, \$72,527, and \$57,847, respectively, equal to the required contributions for each year.

**B. COMMONWEALTH OF KENTUCKY COUNTY EMPLOYEES' RETIREMENT SYSTEM FOR HAZARDOUS POSITION EMPLOYEES (CERSH)**

1. Plan Description

The City contributes to the Commonwealth of Kentucky County Employees' Retirement System for Hazardous Employees (CERSH) for all of the City's full-time hazardous position public safety employees. The CERSH is a cost-sharing, multiple-employer defined benefits pension plan administered by the Kentucky Retirement Systems. CERSH provides retirement and disability benefits and death benefits to members and beneficiaries.

**CITY OF LANCASTER, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007**

Cost of living adjustments are provided at the discretion of the State legislature. The Kentucky Retirement Systems issues a publicly available financial report that includes financial statements and required supplemental information for CERSH. This report may be obtained by writing Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky or by calling 502-564-4646.

**2. Funding Policy**

Plan members are required to contribute 8% of their annual salaries and the City is required to contribute an actuarially determined amount. The current rate is 28.21% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by the KRS Board of Trustees. The City's contributions for the years ending June 30, 2005, 2006, and 2007 were \$67,727, \$74,171, and \$89,404, respectively, equal to the required contributions for each year.

**NOTE VIII - BOND RETIREMENT SCHEDULE WATER AND SEWER REVENUE BONDS**

**ISSUE OF 1976**

Date of Issue	April 1, 1976
Rate of Interest	5%
Date Bonds Due	April 1
Date Interest Due	October 1 and April 1
Call Provisions	On or After April 1, 1987 @ Par
Amount of Original Issue	\$ 455,000.00
Outstanding June 30, 2007	\$ 191,000.00

**ISSUE OF 1988**

Date of Issue	November 30, 1988
Rate of Interest	5%
Date Bonds Due	April 1
Date Interest Due	October 1 and April 1
Amount of Original Issue	\$ 1,300,000.00
Outstanding June 30, 2007	\$ 987,000.00

**ISSUE OF 2000**

Date of Issue	December 1, 2001
Rate of Interest	4.375%
Date Bonds Due	April 1
Date Interest Due	October 1 and April 1
Amount of Original Issue	\$ 600,000.00
Outstanding June 30, 2007	\$ 565,000.00

**ISSUE OF 2005 A AND B**

Date of Issue	November 28, 2006
Rate of Interest	4.375% and 4.25%
Date Bonds Due	April 1
Date Interest Due	October 1 and April 1
Amount of Original Issue	\$250,000 and \$170,000
Outstanding June 30, 2007	\$250,000 and \$170,000

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**COMPOSITE BOND AND INTEREST SCHEDULE**  
**WATER AND SEWER REVENUE BONDS**

Fis. Yr. Ending <u>June 30</u>	Series of 1976		Series of 1988		Series of 2000		Series of 2005 A	
	<u>Apr.1 Bonds</u>	<u>Oct. &amp; Apr. Interest</u>	<u>Apr.1 Bonds</u>	<u>Oct. &amp; Apr. 1 Interest</u>	<u>Apr.1 Bonds</u>	<u>Oct. &amp; Apr. 1 Interest</u>	<u>Apr. 1 Bonds</u>	<u>Oct. &amp; Apr. 1 Interest</u>
2008	17,000	9,550	28,000	49,350	8,000	24,719	2,600	10,938
2009	18,000	8,700	29,000	47,950	8,500	24,369	2,700	10,824
2010	19,000	7,800	31,000	46,500	8,500	23,997	2,800	10,706
2011	20,000	6,850	32,000	44,950	9,000	23,625	3,000	10,583
2012	21,000	5,850	34,000	43,350	9,500	23,231	3,100	10,452
2013	22,000	4,800	35,000	41,650	10,000	22,816	3,200	10,316
2014	23,000	3,700	37,000	39,900	10,000	22,378	3,400	10,176
2015	25,000	2,550	39,000	38,050	11,000	21,941	3,500	10,028
2016	26,000	1,300	41,000	36,100	11,000	21,459	3,700	9,874
2017			43,000	34,050	12,000	20,978	3,900	9,713
2018			45,000	31,900	12,000	20,453	4,000	9,542
2019			47,000	29,650	13,000	19,928	4,200	9,367
2020			50,000	27,300	13,000	19,359	4,400	9,183
2021-45			<u>496,000</u>	<u>117,900</u>	<u>429,500</u>	<u>223,716</u>	<u>205,500</u>	<u>137,271</u>
	<u>\$ 191,000</u>	<u>\$ 51,100</u>	<u>\$ 987,000</u>	<u>\$ 628,600</u>	<u>\$ 565,000</u>	<u>\$ 512,969</u>	<u>\$ 250,000</u>	<u>\$ 268,973</u>

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**COMPOSITE BOND AND INTEREST SCHEDULE**  
**WATER AND SEWER REVENUE BONDS**

Fis. Yr. Ending June 30	Series of 2005 B		Total Due		Payments Required	Bond Balance
	Apr. 1 Bonds	Oct. & Apr. Interest	Bonds	Interest		
2008	1,900	7,225	57,500	101,782	159,282	2,105,500
2009	2,000	7,145	60,200	98,988	156,688	2,045,300
2010	2,000	7,060	63,300	96,063	159,863	1,982,000
2011	2,100	6,975	66,100	92,983	159,083	1,915,900
2012	2,200	6,885	69,800	89,768	159,568	1,846,100
2013	2,300	6,792	72,500	86,374	158,874	1,773,600
2014	2,400	6,694	75,800	82,848	158,648	1,697,800
2015	2,500	6,592	81,000	79,161	160,161	1,616,800
2016	2,600	6,486	84,300	75,219	159,519	1,532,500
2017	2,700	6,375	61,600	71,116	132,716	1,470,900
2018	2,800	6,261	63,800	68,156	131,756	1,407,100
2019	3,000	6,142	67,200	65,087	132,287	1,339,900
2020	3,100	6,014	70,500	61,856	132,356	1,269,400
2021-45	<u>138,400</u>	<u>88,864</u>	<u>1,269,400</u>	<u>567,751</u>	<u>1,837,151</u>	<u>-0-</u>
	<u>\$ 170,000</u>	<u>\$ 175,510</u>	<u>\$2,163,000</u>	<u>\$1,637,152</u>	<u>\$3,797,952</u>	

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**A. BOND COVENANTS AND PROVISIONS**

Under the bond Ordinance passed April 1, 1976 for the Water and Sewer Revenue Bonds, certain covenants and provisions for the collection, segregation, and distribution of revenues of the water and sewer system were established.

For the fiscal year ended June 30, 2007, the City is in compliance with all covenants and provisions discussed above.

The Water Fund has obtained a new bond issue for a Water Distribution System Improvement Project from Rural Utilities Service (RUS). The amount owed at June 30, 2007 was \$420,000.

**NOTE IX - (WATER AND SEWER FUND) KENTUCKY INFRASTRUCTURE AUTHORITY LOAN**

A. On December 1, 1995, the City entered into an agreement with the Kentucky Infrastructure Authority to borrow \$781,462 with an interest rate of 1.7% to be repaid over a 20-year period. The proceeds of this loan are being used to fund an expansion of the City's Wastewater Treatment Plant. The annual principal and interest requirements of the above loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2008	40,227	6,738	46,965
2009	40,913	5,970	46,883
2010	41,612	5,190	46,802
2011	42,323	4,395	46,718
2012	43,045	3,588	46,633
2013-2015	<u>156,526</u>	<u>5,992</u>	<u>162,518</u>
	<u>\$ 364,646</u>	<u>\$ 31,873</u>	<u>\$ 396,519</u>

B. Certain covenants contained in the above loan agreement are as follows:

1. The City shall maintain service charges for water and sewer activities sufficient to pay the Authority the minimum sums set forth in the loan agreement.
2. The City shall place \$4,750 into a "replacement reserve account" on or before December 1 of each year. These annual deposits are to be made until the balance reaches \$39,073 and maintained for the life of the loan. The final payment was made October 1, 2007.
3. Other Miscellaneous provisions.

For the fiscal year ended June 30, 2007, the City is in substantial compliance with all covenants and provisions discussed above.

This loan is subordinate to any previous debt of the City, including U.S. Department of Agriculture Rural Development debt.

**CITY OF LANCASTER, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**NOTE X - GENERAL FUND NOTES PAYABLE**

Note payable owed to local bank, secured by seven Police Cruisers, payable in annual payment of principal, plus interest at prime rate.

Note matures November 25, 2007 and was paid in full on November 14, 2007.

General Fund      \$ 70,934

Note payable owed to local bank, secured by the Billy C. Moss Municipal Building, payable in monthly payments of \$1,996 principal, plus interest at 7.25%.

This Note was paid in full on September 11, 2007.

General Fund      91,431

Total General Fund - Current Debt      \$162,365

**NOTE XI - CONTINGENT LIABILITIES**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

**NOTE XII - RISK MANAGEMENT**

The City of Lancaster is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation claims. Significant losses are covered by commercial insurance for all major programs except unemployment compensation and workers' compensation, for which the City retains risk of loss. For insured programs, there have been no significant reductions in insurance coverage from prior years. Also, there have been no significant reductions in insurance coverage for each of the past three years. The City participates in two pooled self-insurance programs sponsored by the Kentucky League of Cities. These include unemployment compensation and workers' compensation.

See Schedule of Insurance in Supplementary Information, Page 47.

**NOTE XIII - RELATED PARTIES TRANSACTIONS**

In a governmental entity, related parties include members of the governing body (city council, etc.), board members, administrative officials (mayor, city clerk, etc.), immediate family members of the preceding individuals, and affiliated governmental units that are not included in the financial statements as part of the reporting entity such as water and sewer systems. There are no related party transactions to be disclosed.

**NOTE XIV - ECONOMIC DEPENDENCY**

The Water Department sells approximately 65% of its water to two wholesale users. The contract with these two wholesale users runs through December 31, 2028. The price per gallon is renegotiated every year with a guaranteed minimum purchase by the two wholesale users. The current agreement expires June 30, 2008.

**NOTE XVI - SUBSEQUENT EVENT**

The City of Lancaster completed a \$1.6 million Water Distribution System Improvement Project on August 15, 2007. The project involved a Community Development Block Grant for \$595,000 and additional financing and grants from Kentucky Infrastructure Authority and Rural Development.

**SUPPLEMENTARY INFORMATION**

**CITY OF LANCASTER, KENTUCKY  
OFFICIALS, BOARDS AND COMMITTEES  
YEAR ENDED JUNE 30, 2007**

Mayor:	Don Rinthen	
Clerk:	Shari Lane	
Councilpersons:	Jerry Domidion Chris Davis Jimmy Crutchfield Jessie Wagner Emily Whitworth Evan Seagraves	
Treasurer:	Shari Lane	
City Attorney:	Justin Genco	
Chief of Police:	Ronald Lamb	
Policemen:	Russell Preston Wanda Shelton David Shepherd Lawrence Royce	Allen Weston Steve Slone Rick Shearer Will Lake
Fire Chief:	Richard Sebastian	
Board of Zoning:	Richard Arnold - Chairman Lisa Domidion - Officer Billy J. Arnold Ralph Sebastain Sammy Durham David Lane Alan Pickett John Dixon Harlan Bratton	
Lancaster Municipal Housing Commission:	Don Rinthen - Mayor Cecil Dunn - Chairman Lisa Smith - Executive Secretary Connie Davidson Carolyn Whittaker Randy Carrier	
Disaster Emergency Services:	Vacant	

**CITY OF LANCASTER, KENTUCKY  
GENERAL FUND ACCOUNT  
STATEMENT OF BUDGETED AND ACTUAL  
REVENUES AND EXPENDITURES  
YEAR ENDED JUNE 30, 2007**

	<u>Budget</u>	<u>Actual Operations</u>	<u>Variance Favorable (Unfavor.)</u>
<b>REVENUES</b>			
Taxes	\$ 224,000	\$ 237,543	\$ 13,543
Insurance Tax	236,500	239,140	2,640
In Lieu of Taxes - Municipal Housing	10,000	9,114	(886)
Occupational License Fees	13,000	19,818	6,818
House Bill 413	14,000	12,759	(1,241)
Arrest Fees	2,700	1,365	(1,335)
State Forfeiture	-0-	9,144	9,144
Utility Franchise Fees	65,000	62,345	(2,655)
Police Training Incentive	28,000	29,910	1,910
Rent School Board	-0-	28,000	28,000
Miscellaneous	6,000	13,401	7,401
Insurance Fund	140,721	140,721	-0-
Interest Income	800	743	(57)
Federal and State Grants		20,649	20,649
Loan Proceeds - Building		100,000	100,000
Unobligated Surplus Funds	<u>238,147</u>	<u>-0-</u>	<u>(238,147)</u>
<b>TOTAL REVENUES</b>	<b>\$ 978,868</b>	<b>\$ 924,652</b>	<b>\$ (54,216)</b>
<b>EXPENDITURES</b>			
Advertising and Printing	\$ 2,000	\$ 3,472	\$ (1,472)
Assessing Taxes	6,300	7,243	(943)
City Hall - Maintenance & Repairs	1,585	25,409	(23,824)
Capital Outlay	-0-	180,978	(180,978)
Debt Service	-0-	42,292	(42,292)
Dues & Subscriptions	1,000	1,436	(436)
Health Insurance	4,500	4,506	(6)
Insurance	42,750	44,887	(2,137)
Interest Expense	-0-	7,663	(7,663)
Miscellaneous	2,702	5,512	(2,810)
Payroll Taxes - Employer	6,900	7,459	(559)
Planning and Zoning - Transfer	3,000	3,000	-0-
Police Department - Schedule	520,450	509,766	10,684
Professional Fees	1,900	1,900	-0-
Retirement Fund Contributions	5,300	6,511	(1,211)
Salaries and Wages	82,000	90,617	(8,617)
Dispatchers - 911	38,424	38,424	-0-
Supplies - Office and Equipment	3,000	2,809	191
Telephone	2,500	2,607	(107)
Travel	5,200	5,220	(20)
Utilities	45,000	55,706	(10,706)
Contingency	<u>204,357</u>	<u>-0-</u>	<u>204,357</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ 978,868</b>	<b>\$1,047,417</b>	<b>\$ (68,549)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ <u>-0-</u></b>	<b>(122,765)</b>	<b><u>\$(122,765)</u></b>
<b>FUND SURPLUS - July 1, 2006</b>		<u>307,957</u>	
<b>FUND SURPLUS - June 30, 2007</b>		<u>\$ 185,192</u>	

**CITY OF LANCASTER, KENTUCKY  
GENERAL FUND - POLICE  
DEPARTMENT ACCOUNT  
STATEMENT OF BUDGETED AND ACTUAL  
REVENUES AND EXPENDITURES  
YEAR ENDED JUNE 30, 2007**

	<u>Budget</u>	<u>Actual Operations</u>	<u>Variance Favorable (Unfavor.)</u>
<b>REVENUES</b>			
Advance from General Fund	\$520,450	\$509,766	\$(10,684)
<b>EXPENDITURES</b>			
Advertising & Printing	1,000	831	169
Communications	-0-	-0-	-0-
Computer Services	3,000	3,871	(871)
Cruiser Gas	18,000	19,022	(1,022)
Cruiser Maintenance	4,000	8,053	(4,053)
Equipment - Emergency Services	3,000	9,670	(6,670)
Health Insurance	25,000	27,386	(2,386)
Insurance	32,350	27,099	5,251
Investigation Unit	1,000	386	614
Maintenance & Repairs - Equipment	1,500	6,444	(4,944)
Miscellaneous	1,500	1,229	271
Payroll Taxes - Employer	20,750	21,401	(651)
Police Firearms	5,000	5,057	(57)
Police Vehicles	41,000	-0-	41,000
Retirement Fund Contributions	77,850	80,857	(3,007)
Salaries and Wages	276,000	286,756	(10,756)
Supplies and Postage	1,500	927	573
Telephone	2,000	5,500	(3,500)
Travel and Training	1,000	165	835
Uniforms	<u>5,000</u>	<u>5,112</u>	<u>(112)</u>
<b>TOTAL EXPENDITURES</b>	<u>520,450</u>	<u>509,766</u>	<u>10,684</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

**CITY OF LANCASTER, KENTUCKY  
GENERAL FUND - GARBAGE ACCOUNT  
STATEMENT OF BUDGETED AND ACTUAL  
REVENUES AND EXPENDITURES  
YEAR ENDED JUNE 30, 2007**

	<u>Budget</u>	<u>Actual Operations</u>	<u>Variance Favorable (Unfavor.)</u>
<b>REVENUES</b>			
Garbage Service	\$272,000	\$259,618	\$(12,382)
Interest Income	150	2,612	2,462
Litter Abatement	2,000	-0-	(2,000)
Miscellaneous Income	150	7,600	7,450
Unobligated Surplus	<u>49,588</u>	<u>-0-</u>	<u>(49,588)</u>
<b>TOTAL REVENUES</b>	<b>\$323,888</b>	<b>\$269,830</b>	<b>\$(54,058)</b>
<b>EXPENDITURES</b>			
Advertising & Printing	500	408	92
City Hall Maintenance & Repairs	1,855	280	1,575
Contract Services	2,500	2,116	384
Debt Service	18,000	33,140	(15,140)
Dues & Subscriptions	50	20	30
Employer's Payroll Taxes	7,824	6,526	1,298
Health Insurance	10,550	11,430	(880)
Insurance	15,975	18,923	(2,948)
Interest Expense	-0-	2,434	(2,434)
Lancaster Garrard Co. Rec. Park	3,000	3,000	-0-
Landfill Lease	74,500	72,000	2,500
Miscellaneous	6,000	4,751	1,249
Ombudsman	1,000	1,000	-0-
Professional Fees	1,600	1,600	-0-
Recycling	523	523	-0-
Retirement Fund Contributions	8,610	10,306	(1,696)
Salaries & Wages	93,000	86,870	6,130
Solid Waste Coordinator	10,300	10,000	300
Supplies & Postage	3,000	2,880	120
Telephone	300	1,019	(719)
Tipping Fees	5,000	4,112	888
Travel	750	308	442
Uniforms	2,200	3,234	(1,034)
Utilities	-0-	-0-	-0-
Vehicle Gas	13,000	9,536	3,464
Vehicle Maintenance	10,000	7,525	2,475
Contingency	<u>33,851</u>	<u>-0-</u>	<u>33,851</u>
<b>TOTAL EXPENDITURES</b>	<b><u>323,888</u></b>	<b><u>293,941</u></b>	<b><u>29,947</u></b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b><u>\$ -0-</u></b>	<b>(24,111)</b>	<b><u>\$(24,111)</u></b>
<b>FUND SURPLUS - July 1, 2006</b>		<b><u>126,105</u></b>	
<b>FUND SURPLUS - June 30, 2007</b>		<b><u>\$101,994</u></b>	

**CITY OF LANCASTER, KENTUCKY  
GENERAL FUND - INSURANCE TAX ACCOUNT  
STATEMENT OF BUDGETED AND ACTUAL  
REVENUES AND EXPENDITURES  
YEAR ENDED JUNE 30, 2007**

	<u>Budget</u>	<u>Actual Operations</u>	<u>Variance Favorable (Unfavor.)</u>
<b>REVENUES</b>			
Insurance Tax	\$315,500	\$310,760	\$ (4,740)
State Aid for Fire Department	8,250	8,250	-0-
Federal Grant	-0-	-0-	-0-
Fire Department Incentive	3,600	2,780	(820)
Interest Income	500	4,616	4,116
Miscellaneous Income	-0-	333	333
Unobligated Surplus Funds	<u>50,000</u>	<u>-0-</u>	<u>(50,000)</u>
<b>TOTAL REVENUES</b>	<b>377,850</b>	<b>326,739</b>	<b>(51,111)</b>
<b>EXPENDITURES</b>			
Advertising & Printing	200	155	45
Communications & Alarm System	2,500	1,486	1,014
Capital Outlay - Equipment	12,500	11,825	675
Dues & Subscriptions	300	100	200
Employer's Payroll Taxes	2,980	2,503	477
Insurance	13,170	11,985	1,185
Maintenance & Repairs	6,500	1,478	5,022
Miscellaneous	4,300	2,349	1,951
New Hose & Equipment	4,000	7,248	(3,248)
Office Supplies & Postage	2,100	682	1,418
Professional Fees	1,600	1,600	-0-
Retirement Fund Contributions	9,810	8,477	1,333
Runs & Training	30,000	26,877	3,123
Salaries & Wages	39,514	31,669	7,845
Supplies - Cleaning & Maintenance	1,855	2,732	(877)
Telephone	2,500	3,340	(840)
Training Center	25,000	19,487	5,513
Training Supplies	2,000	742	1,258
Transfer General Fund - Public Safety	140,721	140,721	-0-
Uniforms	2,500	1,658	842
Utilities	6,400	4,546	1,854
Vehicle Maintenance & Travel	12,400	10,748	1,652
Vehicle Replacement	5,000	-0-	5,000
Contingency	<u>50,000</u>	<u>-0-</u>	<u>50,000</u>
<b>TOTAL EXPENDITURES</b>	<b><u>377,850</u></b>	<b><u>292,408</u></b>	<b><u>85,442</u></b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b><u>\$ -0-</u></b>	<b>34,331</b>	<b><u>\$ 34,331</u></b>
<b>FUND SURPLUS - July 1, 2006</b>		<b><u>136,607</u></b>	
<b>FUND SURPLUS - June 30, 2007</b>		<b><u>\$170,938</u></b>	

CITY OF LANCASTER, KENTUCKY  
STATE MUNICIPAL ROAD AID FUND  
STATEMENT OF BUDGETED AND ACTUAL  
REVENUES AND EXPENDITURES  
YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual Operations</u>	<u>Variance Favorable (Unfavor.)</u>
<b>REVENUES</b>			
Receipts from Kentucky	\$ 60,000	\$ 57,645	\$ (2,355)
Interest Income	150	5,021	4,871
Mineral Severance Tax	1,000	490	(510)
Miscellaneous Income	-0-	1,355	1,355
State Grants	49,385	79,694	30,309
Unobligated Surplus Funds	<u>103,921</u>	<u>-0-</u>	<u>(103,921)</u>
<b>TOTAL REVENUES</b>	214,456	144,205	(70,251)
<b>EXPENDITURES</b>			
Administrative	4,000	4,000	-0-
Drainage	8,000	2,533	5,467
Maintenance and Repair	2,500	1,147	1,353
Patching	10,000	4,541	5,459
Professional Fees	800	1,600	(800)
Public Square Construction	-0-	3,284	(3,284)
Public Square Lights	1,500	-0-	1,500
Resurface	75,000	101,202	(26,202)
Salt	3,100	3,621	(521)
Sidewalk Repairs	7,500	5,000	2,500
Signs	2,000	7,985	(5,985)
Street Painting	2,000	1,333	667
Street Sweeper	-0-	33	(33)
Street Sweeper Salary	4,000	2,000	2,000
Salt Spreader	10,000	12,118	(2,118)
Contingency	<u>84,056</u>	<u>-0-</u>	<u>84,056</u>
<b>TOTAL EXPENDITURES</b>	<u>214,456</u>	<u>150,397</u>	<u>64,059</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -0-</u>	(6,192)	<u>\$ (6,192)</u>
<b>FUND SURPLUS - July 1, 2006</b>		<u>192,842</u>	
<b>FUND SURPLUS - June 30, 2007</b>		<u>\$186,650</u>	

CITY OF LANCASTER, KENTUCKY  
PLANNING AND ZONING COMMISSION  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2007

	<u>Actual Operations</u>
<b>CASH BALANCE - July 1, 2006</b>	\$ 1,583
<b>RECEIPTS</b>	
Building Permits and Zone Changes	4,205
Transfers from General Fund	<u>3,000</u>
<b>        TOTAL CASH AVAILABLE</b>	8,788
<b>DISBURSEMENTS</b>	
Advertising	-0-
Board Member Meeting Fees	3,600
Building Inspector	<u>3,293</u>
<b>        TOTAL DISBURSEMENTS</b>	<u>6,893</u>
<b>CASH BALANCE - June 30, 2007</b>	\$ <u>1,895</u>

**CITY OF LANCASTER, KENTUCKY  
WATER FUND ACCOUNT  
STATEMENT OF BUDGETED AND ACTUAL  
REVENUES AND EXPENSES  
YEAR ENDED JUNE 30, 2007**

	<u>Budget</u>	<u>Actual Operations</u>	<u>Variance Favorable (Unfavor.)</u>
<b>REVENUES</b>			
Water Sales	\$ 838,000	\$ 903,589	\$ 65,589
Connection Fees	-0-	8,100	8,100
Turn Off/On Charges	17,000	18,680	1,680
Interest Income	500	4,492	3,992
Miscellaneous Income	8,000	24,393	16,393
CDBG Water Improvements Grants	122,946	86,379	(36,567)
RD / Grant and Loan	404,832	187,890	(216,942)
KIA / Tobacco Grants	170,000	170,000	-0-
Unobligated Surplus	<u>52,530</u>	<u>-0-</u>	<u>(52,530)</u>
<b>TOTAL REVENUES</b>	<b>1,613,808</b>	<b>1,403,523</b>	<b>(210,285)</b>
<b>EXPENSES</b>			
Advertising and Printing	1,500	1,881	(381)
Chemicals	40,000	51,408	(11,408)
Consulting & Computer Training	14,000	8,813	5,187
Dues & Subscriptions	5,000	1,927	3,073
Engineering	2,000	468	1,532
Health Insurance	23,720	25,148	(1,428)
Insurance	30,600	22,647	7,953
Interest	52,650	52,756	(106)
Lab Analysis	15,000	9,419	5,581
Maintenance & Repair - Building	4,855	4,719	136
Maintenance & Repair - Water Tower & System	103,960	111,162	(7,202)
Miscellaneous	19,600	18,646	954
Office Supplies, Postage & Freight	3,750	1,866	1,884
Payroll Taxes - Employer	15,000	15,000	-0-
Professional Fees	3,540	5,041	(1,501)
Retirement Fund Contributions	24,000	24,964	(964)
Salaries & Wages	194,930	185,721	9,209
Sales & Usage Tax	33,000	32,350	650
Telephone	3,175	3,771	(596)
Transfer to Bond Accounts	49,000	-0-	49,000
Transfer to Depreciation Account	76,550	180,921	(104,371)
Utilities	189,800	161,092	28,708
Vehicle Gas	10,400	10,665	(265)
CDBG Water Improvements	122,946	-0-	122,946
RD / Grant Loan	404,832	-0-	404,832
KIA / Tobacco Grant	<u>170,000</u>	<u>-0-</u>	<u>170,000</u>
<b>TOTAL EXPENSES</b>	<b>1,613,808</b>	<b>930,385</b>	<b>683,423</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENSES</b>	<b>\$ <u>-0-</u></b>	<b>473,138</b>	<b>\$ <u>473,138</u></b>
<b>CHANGE IN INVESTMENT CAPITAL ASSETS, NET OF RELATED DEBT</b>		<b>(336,929)</b>	
<b>RETAINED EARNINGS - Beginning</b>		<b>364,214</b>	
<b>RETAINED EARNINGS - Ending</b>		<b>\$ <u>500,423</u></b>	

**CITY OF LANCASTER, KENTUCKY  
SEWER FUND ACCOUNT  
STATEMENT OF BUDGETED AND ACTUAL  
REVENUES AND EXPENSES  
YEAR ENDED JUNE 30, 2007**

	<u>Budget</u>	<u>Actual Operations</u>	<u>Variance Favorable (Unfavor.)</u>
<b>REVENUES</b>			
Sewer Service	\$437,500	\$446,087	\$ 8,587
Miscellaneous Income	1,200	19,758	18,558
Interest Income	125	27,358	27,233
Tobacco Grant	-0-	299,555	299,555
Unobligated Surplus	<u>46,153</u>	<u>-0-</u>	<u>(46,153)</u>
<b>TOTAL REVENUES</b>	<b>484,978</b>	<b>792,758</b>	<b>307,780</b>
<b>EXPENSES</b>			
Advertising and Printing	500	92	408
Chemicals	18,750	27,455	(8,705)
Dues and Subscriptions	1,000	1,369	(369)
Engineering	1,500	1,500	-0-
Health Insurance	18,000	18,368	(368)
Insurance	23,800	15,996	7,804
Interest	50,000	50,431	(431)
Lab Analysis	1,195	1,078	117
Maintenance and Repair - Building	1,855	2,000	(145)
Maintenance and Repair - Equipment	33,100	48,061	(14,961)
Office Supplies and Postage	4,300	3,231	1,069
Payroll Taxes - Employer	10,000	11,000	(1,000)
Professional Fees	3,600	4,512	(912)
Retirement Fund Contributions	15,200	17,998	(2,798)
Salaries and Wages	131,100	131,163	(63)
Sludge Removal	2,500	1,595	905
Telephone	1,500	1,884	(384)
Transfer to Bond Accounts	14,500	-0-	14,500
Transfer to Depreciation Account	46,000	104,135	(58,135)
Utilities	51,000	46,738	4,262
Vehicle Gas	3,230	5,358	(2,128)
Contingency	<u>52,348</u>	<u>-0-</u>	<u>52,348</u>
<b>TOTAL EXPENSES</b>	<b>484,978</b>	<b>493,964</b>	<b>(8,986)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENSES</b>	<b>\$ <u>-0-</u></b>	<b>298,794</b>	<b><u>\$298,794</u></b>
<b>CHANGE IN INVESTMENT IN CAPITAL ASSETS, NET OF RELATED DEBT</b>		<b>(261,302)</b>	
<b>RETAINED EARNINGS - Beginning</b>		<b><u>713,745</u></b>	
<b>RETAINED EARNINGS - Ending</b>		<b><u>\$751,237</u></b>	

**CITY OF LANCASTER, KENTUCKY  
WATER AND SEWER FUND  
DEPRECIATION ACCOUNT  
STATEMENT OF ACTUAL RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2007**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
<b>CASH BALANCE, July 1, 2006</b>	\$199,807	\$485,346	\$685,153
<b>RECEIPTS</b>			
Transfer from Water Fund	35,000		35,000
Transfer from Sewer Fund		15,000	15,000
Interest Earned	885	21,888	22,773
Water and Sewer Tap-In Fees	8,100	14,075	22,175
Miscellaneous Income	<u>5,226</u>	<u>-0-</u>	<u>5,226</u>
<b>        TOTAL RECEIPTS</b>	<u>49,211</u>	<u>50,963</u>	<u>100,174</u>
<b>        TOTAL CASH AVAILABLE</b>	249,018	536,309	785,327
<b>DISBURSEMENTS</b>			
Equipment - Water Plant	14,605		14,605
Equipment - Vehicle		13,327	13,327
Sewer Rehab	<u>          </u>	<u>26,556</u>	<u>26,556</u>
<b>        TOTAL DISBURSEMENTS</b>	<u>14,605</u>	<u>39,883</u>	<u>54,488</u>
<b>CASH BALANCE, June 30, 2007</b>	<u>\$234,413</u>	<u>\$496,426</u>	<u>\$730,839</u>
<b>CASH IN SAVINGS, June 30, 2007</b>	\$234,413	\$ 69,486	\$303,899
<b>CERTIFICATES OF DEPOSITS</b>	<u>-0-</u>	<u>426,940</u>	<u>426,940</u>
	<u>\$234,413</u>	<u>\$496,426</u>	<u>\$730,839</u>

**CITY OF LANCASTER, KENTUCKY  
WATER AND SEWER FUND  
NEW SEWER DEPRECIATION ACCOUNT  
STATEMENT OF ACTUAL RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2007**

<b>CASH BALANCE</b> , July 1, 2006	\$118,904
<b>RECEIPTS</b>	
Transfers from Sewer Fund	-0-
Interest Income	<u>4,431</u>
<b>TOTAL RECEIPTS</b>	<u>4,431</u>
<b>CASH BALANCE</b> , June 30, 2007	<u>\$123,335</u>

**CITY OF LANCASTER, KENTUCKY**  
**WATER AND SEWER FUND**  
**WATER AND SEWER SINKING FUND AND BOND RESERVE**  
**STATEMENT OF ACTUAL RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2007**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
CASH BALANCE, July 1, 2006	\$33,576	\$26,480	\$60,056
<b>RECEIPTS</b>			
Interest Income	<u>951</u>	<u>746</u>	<u>1,697</u>
<b>TOTAL</b>	<u>951</u>	<u>746</u>	<u>1,697</u>
<b>DISBURSEMENTS</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
CASH BALANCE, June 30, 2007	<u>\$34,527</u>	<u>\$27,226</u>	<u>\$61,753</u>
CASH - MONEY MARKET ACCOUNT, June 30, 2007	\$23,325	\$18,327	\$41,652
CERTIFICATE OF DEPOSIT	<u>11,202</u>	<u>8,899</u>	<u>20,101</u>
CASH BALANCE, June 30, 2007	<u>\$34,527</u>	<u>\$27,226</u>	<u>\$61,753</u>

CITY OF LANCASTER, KENTUCKY  
WATER AND SEWER FUND  
BOND AND INTEREST REDEMPTION FUNDS  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2007

	No. 4 Series <u>of 1976</u>	No. 5 Series <u>of 1988</u>	No. 6 Series <u>of 2000</u>
CASH BALANCE, July 1, 2006	\$21,254	\$ 33,796	\$18,819
<b>RECEIPTS</b>			
Interest Income	566	150	459
Transfers from Water and Sewer Funds	<u>27,360</u>	<u>77,400</u>	<u>32,760</u>
<b>TOTAL CASH RECEIVED</b>	<u>27,926</u>	<u>77,550</u>	<u>33,219</u>
<b>TOTAL CASH AVAILABLE</b>	<u>49,180</u>	<u>111,346</u>	<u>52,038</u>
<b>DISBURSEMENTS</b>			
Bonds Due and Paid	17,000	26,000	7,500
Interest Paid	<u>10,400</u>	<u>50,650</u>	<u>25,047</u>
<b>TOTAL DISBURSEMENTS</b>	<u>27,400</u>	<u>76,650</u>	<u>32,547</u>
CASH BALANCE, June 30, 2007	<u>21,780</u>	<u>34,696</u>	<u>19,491</u>
SAVINGS ACCOUNT, June 30, 2007	<u>\$21,780</u>	<u>\$ 34,696</u>	<u>\$19,491</u>

**CITY OF LANCASTER, KENTUCKY  
PAYROLL REVOLVING ACCOUNT  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2007**

CASH IN BANK, July 1, 2006 \$ 8,722

**RECEIPTS**

Transfers from:

General Fund	497,143	
Garbage Fund	103,702	
Insurance Fund	42,568	
Water Fund	224,326	
Sewer Fund	<u>159,211</u>	
	<u>1,026,950</u>	1,026,950
Other Reimbursements		<u>25,483</u>

**TOTAL RECEIPTS** 1,061,155

**DISBURSEMENTS**

	<u>Gross Wages</u>	<u>Employer Taxes</u>	<u>Retirement Fund</u>	<u>Total Per Fund</u>	
General Fund	\$381,373	\$28,402	\$ 87,368	\$ 497,143	
Garbage Fund	86,870	6,526	10,306	103,702	
Insurance Fund	31,669	2,422	8,477	42,568	
Water Fund	185,531	14,983	23,812	224,326	
Sewer Fund	<u>131,068</u>	<u>10,855</u>	<u>17,288</u>	<u>159,211</u>	
	<u>\$816,511</u>	<u>\$63,188</u>	<u>\$147,251</u>	<u>\$1,026,950</u>	1,026,950
Other Expense					<u>23,936</u>

**TOTAL DISBURSEMENTS** 1,050,886

CASH IN BANK, June 30, 2007 \$ 10,269

**CITY OF LANCASTER, KENTUCKY  
SCHEDULE OF INSURANCE  
JUNE 30, 2007**

**PROPERTY COVERED**

All locations shown on the latest statements of values filed by the insured with the Kentucky Inspection Bureau. F & EC and V & MM	KY League of Cities Insurance Services	12/3/07	\$16,358,593
--	--	---------	--------------

**LIABILITY AND PHYSICAL DAMAGE**

Physical Damage

1990 John Deere Tractor	KY League of Cities Insurance Services	12/3/07	\$18,728
1999 Case Backhoe	KY League of Cities Insurance Services	12/3/07	\$56,715
Comprehensive General Liability	KY League of Cities Insurance Services	12/3/07	\$1,000,000
Comprehensive Automotive Liability	KY League of Cities Insurance Services	12/3/07	\$1,000,000
2005 Ford Explorer Police Cruiser			
2000 Ford 4 Dr. Police Cruiser			
(7) 2005 Ford 4 Dr. Police Cruisers			
1997 Emergency One Ladder Fire Truck			
1987 Emergency Fire Truck			
1992 Gruman Fire Truck			
1999 Ford F250 Pickup			
1999 International Garbage Truck			
2005 International Garbage Truck			
1991 Ford F700 Dump Truck			
2003 Chevrolet S-10 Pickup			
1995 Ford F150 Pickup			
1996 Chevrolet Suburban			
2005 Chevrolet Suburban			
1995 Ford 350 Truck			
1993 GMC Dump Truck			
2005 Ford 350 Truck			

Workmen's Compensation	Kentucky League of Cities Workers' Compensation Trust	7/1/07	Statutory
------------------------	---	--------	-----------

**BONDS**

Don Rinthen, Mayor	Ohio Casualty Ins. Co.	Indefinite	\$25,000
Shari Lane, City Clerk	Ohio Casualty Ins. Co.	Indefinite	\$100,000
Ronald Lamb, Chief of Police	Ohio Casualty Ins. Co.	Indefinite	\$25,000
Jennifer Turner, Utility Clerk	Ohio Casualty Ins. Co.	Indefinite	\$25,000
Debra Carrier, Utility Clerk	Ohio Casualty Ins. Co.	Indefinite	\$25,000
David Shepherd, Firearms Instructor	Ohio Casualty Ins. Co.	Indefinite	\$2,000

FHA/Bond - Shari Lane, City Clerk	Ohio Casualty Ins. Co.	12/3/07	\$250,000
FHA/Bond - Shari Lane, City Clerk	Ohio Casualty Ins. Co.	12/3/07	\$400,000

**PUBLIC OFFICIALS ERRORS  
AND OMISSIONS**

	KY League of Cities Insurance Services	7/1/07	\$1,000,000
<b>LAW ENFORCEMENT LIABILITY</b>	KY League of Cities Insurance Services	7/1/07	\$1,000,000

**FLOOD INSURANCE - SEWAGE  
REATMENT PLANT**

	Auto-Owners Insurance Co.	2/14/08	\$133,000
--	---------------------------	---------	-----------

# MULLIGAN, HILL, CLEMENTS & CO., PSC

CERTIFIED PUBLIC ACCOUNTANTS  
231 BRECKENRIDGE LANE  
LOUISVILLE, KENTUCKY 40207  
(502) 893-2565  
FAX (502) 893-8960

WM. B. MULLIGAN, JR., CPA 1937-2005  
STEPHEN L. HILL, CPA 1933-1996  
FRANK X. CLEMENTS, CPA  
SALLY M. MUDD, CPA

ASSOCIATES:

TIMOTHY A. MASTERSON, CPA  
BRIAN A. WILLIS, CPA

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
KENTUCKY SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

## 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*

The Honorable Mayor and Council Persons  
City of Lancaster, Kentucky

We have audited the financial statements of the governmental activities, the business-type activities, and the aggregate remaining fund information of City of Lancaster, Kentucky, as of and for the year ended June 30, 2007, which collectively comprise the City of Lancaster Kentucky's basic financial statements and have issued our report thereon dated November 28, 2007. We conducted our audit in accordance with 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.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Lancaster, Kentucky's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Lancaster, Kentucky's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Lancaster, Kentucky's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, as described below, we have identified certain deficiencies in internal control that we consider to be significant deficiencies or other deficiencies that we consider to be a material weakness.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Lancaster, Kentucky's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Lancaster, Kentucky's financial statements that is more than inconsequential will not be prevented or detected by the City of Lancaster, Kentucky's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Lancaster, Kentucky's internal control.

### *Identified Deficiencies in Internal Control*

We believe the following deficiencies constitute a material weakness.

#### 1. Limited Segregation of Duties

The City currently does not have adequate separation of duties.

Due to limited resources the City of Lancaster is unable to increase staff size in order to mitigate potential internal control concerns. We recommend the mayor, city clerk and council members continue to review the monthly financial information on a timely basis.

#### 2. Lack of Financial Statement Knowledge in Specialized Matters.

During our audit, we were presented with financial statements of the City of Lancaster, Kentucky as of June 30, 2007 and for the year then ended. The statements were prepared by the City Clerk of the City of Lancaster, Kentucky. The statement of financial position and statement of income for the City's water/sewer system was prepared using the accrual method. The financial statements for the City's general fund and municipal road aid fund were prepared using the modified accrual method. These statements are a representation of the financial statements that are prepared monthly for presentation to the City Council. These financial statements are being prepared in a manner that is sufficient for their intended purpose.

The audited financial statements that are presented in the City of Lancaster, Kentucky began with the financial statements discussed in the above paragraph. Only a few minor adjustments to the financial statements were proposed by the auditor and agreed to by the City Clerk. But in order for the financial statement to be in full compliance with *Generally Accepted Government Auditing Standards (GAGAS)* it was necessary to add additional fund statements, statements reconciliation fund statements to the statement of net assets, budget versus actual statements and disclosure footnotes.

City personnel did not have the necessary knowledge to add the additional data to the basic financial statements in order for the financial statements to be in compliance with GAGAS. Therefore, it was requested that we assist the City Clerk with the preparation of the financial statements in order for them to be presented in the format prescribed by GAGAS with complete disclosure footnotes.

We recommend that the City Clerk of the City of Lancaster, Kentucky, continue to prepare the monthly, and annual, financial in the manner currently being used. As previously stated, these statements were found to be reliable and sufficient for their intended use. If full GAGAS financial statements are required, we recommend the City Clerk seek the advice and assistance of a certified public accountant to prepare the GAGAS statements due to the complexity of the statements and the disclosure requirements.

The above noted internal control deficiencies are not intended to comment in a negative manner on the ability and integrity of City personnel but to simply highlight issues in the preparation of GAGAS financial statements that are highly specialized and complex.

These comments are made as a result of new requirements placed upon auditors of financial statements by the Statement of Auditing Standards No. 112, effective December 15, 2006. This SAS applies to all entities in the private and public sector (local government included) that have financial statements prepared by certified public accountants.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Lancaster, Kentucky's financial statements are free of 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 statements amounts. However, providing an opinion on compliance with those provisions was not an object of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, City Council, and others within the Organization and is not intended to be and should not be used by anyone other than these specified parties.

  
Certified Public Accountants

Louisville, Kentucky  
November 28, 2007

# MULLIGAN, HILL, CLEMENTS & CO., PSC

CERTIFIED PUBLIC ACCOUNTANTS  
231 BRECKENRIDGE LANE  
LOUISVILLE, KENTUCKY 40207  
(502) 893-2565  
FAX (502) 893-8960

WM. B. MULLIGAN, JR., CPA 1937-2005  
STEPHEN L. HILL, CPA 1933-1996  
FRANK X. CLEMENTS, CPA  
SALLY M. MUDD, CPA

ASSOCIATES:

TIMOTHY A. MASTERSON, CPA  
BRIAN A. WILLIS, CPA

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
KENTUCKY SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

U.S. Department of Agriculture  
Rural Development  
London, Kentucky 40741

## SUPPLEMENTAL LETTER TO THE AUDIT REPORT

We have audited the financial statements of the City of Lancaster, Kentucky (the "City") for the year ended June 30, 2007 listed in the foregoing table of contents, and have issued our report thereon dated November 28, 2007. Our audit was made in accordance with generally accepted auditing standards and the audit requirements prescribed by U.S. Department of Agriculture Rural Development and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As part of our audit, we made a study and evaluation of the City's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion of the City's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal control taken as a whole.

In connection with our audit, we offer the following additional comments:

The physical control over the assets was adequate.

Financial compliance with the loan agreement has been adhered to, including the maintenance of cash reserves.

The financial reports included in the audit are in agreement with the accounting records of the City.

Deposit funds are in institutions insured by the Federal Government. There is an additional \$1,868,741 in FNMA and U.S. Treasury Notes pledged by the Whitaker Bank for additional security.

There is a detailed list of the kinds and amounts of insurance coverage on page 47 of the audit report.

The borrower is exempt from Federal Income Tax.

Aged accounts receivable to show amounts which have been due for 0-30, 31-60, 61-90 and 90 days and older has been reported on Rural Development Supplemental Data, Schedule 1, Page 2.

  
Certified Public Accountants

November 28, 2007

**CITY OF LANCASTER, KENTUCKY  
WATER FUND ACCOUNT  
STATEMENT OF COMPARISON ACTUAL  
REVENUES AND EXPENSES  
YEARS ENDED JUNE 30, 2007 AND JUNE 30, 2006**

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
<b>REVENUES</b>		
Water Sales	\$ 903,589	\$ 803,238
Connection Fees	8,100	5,100
Turn Off/On Charges	18,680	17,032
Interest Income	4,492	3,899
Miscellaneous Income	24,393	7,242
CDBG Water Improvements Grant	86,379	503,621
RD Grant	187,890	-0-
KIA / Tobacco Grants	<u>170,000</u>	<u>188,270</u>
<b>TOTAL REVENUES</b>	<b>1,403,523</b>	<b>1,528,402</b>
<b>EXPENSES</b>		
Advertising and Printing	1,881	1,739
Chemicals	51,408	46,220
Consulting & Computer Training	8,813	12,477
Dues & Subscriptions	1,927	4,827
Engineering	468	2,024
Health Insurance	25,148	33,330
Insurance	22,647	28,612
Interest	52,756	43,943
Lab Analysis	9,419	10,736
Maintenance & Repair - Building	4,719	325
Maintenance & Repair - Water Tower & System	107,447	118,106
Miscellaneous	18,646	17,710
Office Supplies, Postage & Freight	1,866	3600
Payroll Taxes - Employer	15,000	15,500
Professional Fees	5,041	3,504
Retirement Fund Contributions	24,964	22,000
Salaries & Wages	185,721	192,501
Sales & Usage Tax	32,350	31,429
Telephone	3,771	3,079
Depreciation	184,636	180,288
Utilities	161,092	166,971
Vehicle Gas	<u>10,665</u>	<u>9,096</u>
<b>TOTAL EXPENSES</b>	<b>930,385</b>	<b>948,017</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENSES</b>	<b>473,138</b>	<b>580,385</b>
<b>CHANGE IN INVESTMENT CAPITAL ASSETS, NET OF RELATED DEBT</b>	<b>(336,981)</b>	<b>(610,576)</b>
<b>RETAINED EARNINGS - Beginning</b>	<u>364,214</u>	<u>394,405</u>
<b>RETAINED EARNINGS - Ending</b>	<u>\$ 500,371</u>	<u>\$ 364,214</u>

**CITY OF LANCASTER, KENTUCKY  
SEWER FUND ACCOUNT  
STATEMENT OF COMPARISON ACTUAL  
REVENUES AND EXPENSES  
YEARS ENDED JUNE 30, 2007 AND JUNE 30, 2006**

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
<b>REVENUES</b>		
Sewer Service	\$ 446,087	\$ 430,345
Miscellaneous Income	19,758	6,794
Interest Income	27,358	18,524
Tobacco Grant	<u>299,555</u>	<u>-0-</u>
<b>TOTAL REVENUES</b>	792,758	455,663
<b>EXPENSES</b>		
Advertising and Printing	92	-0-
Chemicals	27,455	18,778
Dues and Subscriptions	1,369	697
Engineering	1,500	-0-
Health Insurance	18,368	22,611
Insurance	15,996	16,767
Interest	50,431	51,481
Lab Analysis	1,078	788
Maintenance and Repair - Building	2,000	200
Maintenance and Repair - Equipment	48,061	34,324
Office Supplies and Postage	3,179	3,078
Payroll Taxes - Employer	11,000	10,704
Professional Fees	4,512	3,000
Retirement Fund Contributions	17,998	15,300
Salaries and Wages	131,163	139,362
Sludge Removal	1,595	1,740
Telephone	1,884	747
Depreciation	104,135	106,069
Utilities	46,738	44,682
Vehicle Gas	<u>5,358</u>	<u>2,789</u>
<b>TOTAL EXPENSES</b>	493,912	473,117
<b>EXCESS OF REVENUES OVER (UNDER) EXPENSES</b>	298,846	(17,454)
<b>CHANGE IN INVESTMENT IN CAPITAL ASSETS, NET OF RELATED DEBT</b>	(261,302)	57,435
<b>RETAINED EARNINGS - Beginning</b>	<u>713,745</u>	<u>673,764</u>
<b>RETAINED EARNINGS - Ending</b>	<u>\$ 751,289</u>	<u>\$ 713,745</u>



## Section 6

Blank Page



City of Lancaster  
 Summary Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description	Previous Balance	Dr	Cr	Ending Balance
200-1020.00	Cash - Depr Fund S	145,851.59			145,851.59
200-1023.00	Cash - Raw Water	0.00			0.00
200-1024.00	Bond & Int Redempt	23,289.79			23,289.79
200-1025.00	Bond & Int. Redemp	20,098.02			20,098.02
200-1026.00	Sinking Fund Bond	35,538.84			35,538.84
200-1027.00	Rural Development	23,638.96			23,638.96
200-1028.00	KIA Loan Paymt Sav	5,711.43			5,711.43
200-1029.00	KIA Loan M&R Reser	39,744.22			39,744.22
200-1030.00	Cash Utility Fund	3,711.66			3,711.66
200-1031.00	Cash Water Sinking	5,182.29			5,182.29
200-1032.00	CD'S	0.00	96,423.46	-96,423.46	0.00
200-1100.00	Accounts Receivabl	101,278.00			101,278.00
200-1110.00	Receivable Rural D	0.00			0.00
200-1310.20	Cash in Bank-Water	278,777.61	1,266,305.05	-1,434,478.99	110,603.67
200-1500.00	Land	36,766.53			36,766.53
200-1510.00	Water Plant	8,204,536.04			8,204,536.04
200-1520.00	Vehicles & Equipme	147,872.05			147,872.05
200-1590.00	Accumulated Deprec	-3,527,831.81			-3,527,831.81
200-1595.00	Note Payment Water	0.00			0.00
200-2010.00	accounts payable -	-44,825.21	1,371,794.33	-1,307,249.69	19,719.43
200-2020.00	Due Sewer Fund	0.00			0.00
200-2030.00	Due Garbage Fund	0.00			0.00
200-2050.00	Revenue Bonds Paya	-31,200.00			-31,200.00
200-2055.00	Accrued Interest C	-12,759.50			-12,759.50
200-2065.00	Water Meter Deposi	-40,585.00			-40,585.00
200-2070.00	KIA Note	-324,419.80			-324,419.80
200-2075.00	RD Note	0.00			0.00
200-2080.00	Revenue Bond Pay.	-156,000.00			-156,000.00
200-2085.00	Revenue Bond Raw W	-959,300.00			-959,300.00
200-3010.00	Contributed Capita	-2,193,839.84			-2,193,839.84
200-3020.00	Retained Earnings	-1,697,962.87			-1,697,962.87
200-3030.00	Retained Earnings	-83,273.00			-83,273.00
200-4080.00	Water Payroll Tax	0.00			0.00
200-4610.10	Metered Water Resi	0.00		-444,635.27	-444,635.27
200-4610.20	Metered Water Comm	0.00		-71,379.18	-71,379.18
200-4610.60	Metered Quarter Ma	0.00		-8,109.00	-8,109.00
200-4660.00	Resale Garrard Cra	0.00		-627,333.90	-627,333.90
200-4661.00	Liquidated Damages	0.00			0.00
200-4710.00	Miscellaneous	0.00		-22,666.62	-22,666.62
200-4730.00	CESP Reimb Buildin	0.00		-12,500.00	-12,500.00
200-4740.20	Water Deposits	0.00		-24,435.00	-24,435.00
200-4740.30	Interest	0.00		-802.71	-802.71
200-4740.40	Turn on/off Charge	0.00		-22,670.00	-22,670.00
200-4741.00	Municipal Aid reim	0.00			0.00
200-4741.50	CDBG Water Improve	0.00			0.00
200-4742.50	RD/Grant Loan	0.00			0.00
200-4743.50	KIA Tobacco 2005	0.00			0.00
200-4745.00	Reimb. R.D.-Raw Wa	0.00			0.00
200-4746.00	Reimbursement-Stat	0.00			0.00
200-4990.00	Fund Bal Forward	0.00			0.00
200-6010.10	Salaries/Wages Raw	0.00			0.00
200-6010.20	Salaries/Wages Pla	0.00	121,096.92		121,096.92
200-6010.40	Salaries/Wages Dis	0.00	40,916.14		40,916.14

City of Lancaster  
 Summary Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description	Previous Balance	Dr	Cr	Ending Balance
200-6010.50	Salaries Admin	0.00			0.00
200-6040.10	Empl Benef/Pension	0.00	358.41		358.41
200-6040.20	Empl Benef/Pension	0.00	47,081.95		47,081.95
200-6040.40	Empl Benef/Pension	0.00	21,533.31		21,533.31
200-6040.50	Empl Benef/Pension	0.00	536.94		536.94
200-6150.10	Utilities Raw Wa	0.00	129,355.71		129,355.71
200-6150.20	Utilities Plant	0.00	43,846.18		43,846.18
200-6150.50	Utilities City Hal	0.00	18,110.99		18,110.99
200-6180.20	Chemicals Plant	0.00	71,867.62		71,867.62
200-6200.10	Materials/Supplies	0.00	3,151.42		3,151.42
200-6200.20	Materials/Supplies	0.00	44,644.20		44,644.20
200-6200.40	Materials/Supplies	0.00	129,210.28		129,210.28
200-6200.50	Materials/Supplies	0.00	15,789.33		15,789.33
200-6210.50	Miscellaneous-Admi	0.00	1,652.69		1,652.69
200-6310.10	Services-Engineer	0.00			0.00
200-6310.20	Services-Engineer	0.00	10,737.90		10,737.90
200-6310.30	Services-Engineer	0.00			0.00
200-6310.40	Services-Engineer	0.00	2,655.25		2,655.25
200-6320.50	Serviecs-Accountin	0.00	16,879.87	-1.00	16,878.87
200-6330.40	Services-Legal Dis	0.00			0.00
200-6330.50	Services-Legal Adm	0.00			0.00
200-6340.10	Services-Raw Water	0.00	3,262.78		3,262.78
200-6340.20	Services-Treatment	0.00	18,056.87		18,056.87
200-6340.30	Services-Storage	0.00	28,710.08		28,710.08
200-6340.40	Contract Services-	0.00	22,164.66		22,164.66
200-6340.50	Services-Other Adm	0.00	11,444.00		11,444.00
200-6394.40	Bluegrass Water Co	0.00			0.00
200-6420.10	Equipment Rental R	0.00	300.00		300.00
200-6420.20	Equipment Rental P	0.00	1,529.16		1,529.16
200-6420.40	Equipment Rental D	0.00			0.00
200-6500.10	Transportation Exp	0.00	1,291.85		1,291.85
200-6500.20	Transportation Exp	0.00	3,977.64		3,977.64
200-6500.40	Transportation Exp	0.00	3,847.68		3,847.68
200-6500.50	Transportation Exp	0.00	586.58		586.58
200-6560.10	Insurance River/Bo	0.00			0.00
200-6560.20	Insurance Plant	0.00	5,850.00		5,850.00
200-6560.40	Insurance Vehicle/	0.00	1,300.00		1,300.00
200-6565.30	Insurance Wat Towe	0.00	2,500.00		2,500.00
200-6570.00	Liability Insuranc	0.00	7,488.00		7,488.00
200-6580.00	Workmans Comp	0.00	19,378.25		19,378.25
200-6590.00	Insurance (Other)	0.00			0.00
200-6600.20	Advertising Plant	0.00	1,083.38		1,083.38
200-6600.50	Advertising Admin	0.00	703.38		703.38
200-6700.50	Bad Debts Admin	0.00			0.00
200-6720.10	Telephone Raw Wa	0.00	967.57		967.57
200-6720.20	Telephone Plant	0.00	1,725.55		1,725.55
200-6720.40	Telephone Dist	0.00	1,078.11		1,078.11
200-6720.50	Telephone Admin	0.00	1,042.33		1,042.33
200-6740.50	City Hall Admin	0.00	35.00		35.00
200-6750.50	Water Deposit Ref	0.00	19,453.66		19,453.66
200-6760.20	Lab Analysis Plant	0.00	16,306.50		16,306.50
200-6770.20	Postage Plant	0.00	319.35		319.35
200-6770.40	RD Bond Payment (N	0.00			0.00

City of Lancaster  
 Summary Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description	Previous Balance	Dr	Cr	Ending Balance
200-6770.50	Postage Admin	0.00	2,271.72		2,271.72
200-6800.50	Dues/Subscriptions	0.00	2,837.09		2,837.09
200-6820.10	Kentucky River Fee	0.00	45,197.90		45,197.90
200-6850.10	RD Bond Payment Ra	0.00	24,036.00		24,036.00
200-6850.20	RD Bond Payment Pl	0.00	6,000.00		6,000.00
200-6850.30	RD Bond Payment St	0.00	21,060.00		21,060.00
200-6850.40	RD Bond Payment Di	0.00	9,024.00		9,024.00
200-6870.20	KIA Bond Payment P	0.00	31,680.00		31,680.00
200-6870.40	KIA Bond Payment D	0.00	14,580.00		14,580.00
200-6875.40	RD Bond Payment (N	0.00	22,667.98		22,667.98
200-6900.50	Sales & Usage Tax	0.00	3,552.66		3,552.66
200-6920.50	School Tax Admin	0.00	14,322.96		14,322.96
200-6950.20	Contingency Plant	0.00			0.00
200-6950.40	Water Short Term D	0.00			0.00
200-6980.50	Depreciation Admin	0.00	20,652.00		20,652.00
200-6981.50	CDBG Water Improve	0.00			0.00
200-6982.00	RD/Grant Loan	0.00			0.00
200-6983.50	KIA Tobacco 2005	0.00			0.00
200-6984.50	Loan Re-pay	0.00			0.00
200-6985.50	FEMA	0.00	227,618.00		227,618.00
200-6990.00	Interest Expense	0.00			0.00
200-6990.20	Capitalization Pla	0.00			0.00
200-6990.40	Capitalization Dis	0.00			0.00
		0.00	4,073,850.64	-4,072,684.82	1,165.82

<< End of Summary Trial  
 Balance >>

**City of Lancaster**  
**AP Check Register - 200-1310.20**  
**Checks Issued 7/1/2008 To 6/30/2009**

Check #	Date	Vendor	Check Total
134629	7/1/2008	C.I. Thornburg Co., Inc.	1,512.00
134630	7/1/2008	Inter-County Energy	10,402.28
134631	7/1/2008	Kentucky League Of Cities	10,040.00
134632	7/1/2008	Kentucky Utilities	4,687.59
134633	7/1/2008	Windstream Kentucky East Inc	106.20
134634	7/1/2008	Lindas Custom Sports Apparel	281.82
134635	7/1/2008	Ferguson Enterprises, Inc.	14.55
134636	7/1/2008	Bamill, LLC dba	156.84
134637	7/1/2008	Michael Davis	75.00
134638	7/1/2008	Service Specialties LLC	727.77
134639	7/1/2008	Troy Deshon	75.00
134640	7/1/2008	Carter Printing & Signs	195.00
134641	7/1/2008	Greg Shearer	75.00
134642	7/1/2008	Larry R. Stinnett, Jr.	75.00
134643	7/1/2008	Rons Tire & Lube	20.00
134644	7/1/2008	Fouser Environmental Services	219.00
134645	7/1/2008	Stacy Grow	75.00
134646	7/2/2008	Bluegrass Area Development	486.73
134647	7/2/2008	Glynn Youngs Landscaping & Nurser	566.25
134648	7/2/2008	East Lawn Care	480.00
134649	7/2/2008	Fleet One (MSC 30425)	752.70
134650	7/9/2008	Central Record, Inc.	38.50
134651	7/9/2008	C.I. Thornburg Co., Inc.	1,100.89
134652	7/9/2008	Feldman Electric	731.44
134653	7/9/2008	Garrard Automotive Inc.	95.67
134654	7/9/2008	Garrard Hardware	613.52
134655	7/9/2008	Hach Company	192.83
134656	7/9/2008	Inter-County Energy	81.97
134657	7/9/2008	Red Bud Supply, Inc.	197.55
134658	7/9/2008	Windstream Kentucky East Inc	160.78
134659	7/9/2008	Usa Bluebook	161.66
134660	7/9/2008	Division Of Unemployment In	157.23
134661	7/9/2008	Univar USA Inc	3,898.80
134662	7/9/2008	Lancaster Water Fund	864.07
134663	7/9/2008	Kentucky State Treasurer	365.66
134664	7/9/2008	Utility Service Co., Inc.	6,258.55
134665	7/9/2008	Consolidated Pipe & Supply Co., Inc	282.08
134666	7/9/2008	Kolortech, Inc.	204.64
134667	7/9/2008	Fouser Environmental Services	649.00
134668	7/9/2008	Open World, Inc.	59.95
134669	7/9/2008	CedarChem, LLC	1,309.50
134670	7/9/2008	Shawwna Carney	6.73
134671	7/9/2008	Michael Baker	125.00
134672	7/9/2008	Tammy Burkhart	17.83
134673	7/9/2008	Kristin Bartlett	71.40
134674	7/9/2008	Elizabeth Ross	69.97
134675	7/10/2008	City Payroll Fund	8,076.71
134676	7/16/2008	Windstream Kentucky East Inc	66.73
134677	7/16/2008	Mulligan, Hill, Clements &	340.00
134678	7/16/2008	Us Postal Service	319.35
134679	7/16/2008	Roger Hume	870.91
134680	7/22/2008	AT&T Mobility	184.00
134681	7/22/2008	Kentucky Utilities	11.13
134682	7/22/2008	Anthem BCBS KY Group	2,242.14

City of Lancaster  
AP Check Register - 200-1310.20  
Checks Issued 7/1/2008 To 6/30/2009

Check #	Date	Vendor	Check Total
134683	7/22/2008	Visa	239.39
134684	7/22/2008	Glenn E. Hurt	650.00
134685	7/22/2008	Fouser Environmental Services	82.00
134686	7/22/2008	Stacy Grow	150.00
134687	7/24/2008	Town & Country Shoe Outlet	620.70
134688	7/24/2008	Us Postal Service	288.00
134689	7/24/2008	City Payroll Fund	6,727.74
134690	7/24/2008	Lancaster Water Fund	426.00
134691	7/24/2008	H.D. Supply Waterworks	89.28
134692	7/24/2008	Carter Printing & Signs	320.50
134693	7/24/2008	Turners Garage	533.59
134694	7/24/2008	Fouser Environmental Services	80.00
134695	7/24/2008	Corey Jones	3.08
134696	7/24/2008	Ted & Nannie Day	15.92
134697	7/25/2008	Feldman Electric	1,189.75
134698	8/1/2008	Inter-County Energy	12,037.89
134699	8/1/2008	Kentucky Utilities	4,929.18
134700	8/1/2008	Windstream Kentucky East Inc	105.27
134701	8/1/2008	Lancaster Water Fund	417.02
134702	8/1/2008	Bamill, LLC dba	156.84
134703	8/1/2008	Desiree Melise	14.78
134704	8/1/2008	Larry Burchett	98.20
134705	8/4/2008	Fleet One (MSC 30425)	520.43
134706	8/6/2008	Garrard Hardware	139.33
134707	8/6/2008	Inter-County Energy	78.54
134708	8/6/2008	Kentucky State Treasurer	415.42
134709	8/7/2008	C.I. Thornburg Co., Inc.	5,730.63
134710	8/7/2008	City Payroll Fund	6,209.71
134711	8/7/2008	Lancaster Water Fund	520.39
134712	8/7/2008	Consolidated Pipe & Supply Co., Inc	912.00
134713	8/7/2008	Fouser Environmental Services	270.00
134714	8/7/2008	Open World, Inc.	59.95
134715	8/7/2008	Vicky Boggs	109.20
134716	8/7/2008	Tabitha Eversole	95.88
134717	8/7/2008	Justin Winkler	98.20
134718	8/15/2008	C.I. Thornburg Co., Inc.	1,179.65
134719	8/15/2008	Windstream Kentucky East Inc	68.24
134720	8/15/2008	City Water Depreciation	5,000.00
134721	8/15/2008	Ky State Treasurer (River)	10,222.94
134722	8/15/2008	Lancaster Water Fund	97.82
134723	8/15/2008	Consolidated Pipe & Supply Co., Inc	1,603.50
134724	8/15/2008	Danville Bottled Water Distributors	55.20
134725	8/15/2008	Progressive Machine & Tool	743.00
134726	8/15/2008	Fouser Environmental Services	425.00
134727	8/15/2008	J & J Systems Plus, Inc.	70.00
134728	8/15/2008	Hazel Kunaschk	16.40
134729	8/15/2008	Kevin Crawley	80.78
134730	8/18/2008	Roger Hume	872.32
134731	8/20/2008	AT&T Mobility	187.86
134732	8/20/2008	Kentucky Utilities	11.20
134733	8/20/2008	Visa	393.75
134734	8/21/2008	City Payroll Fund	5,919.89
134735	8/21/2008	Lancaster Water Fund	526.32
134736	8/21/2008	Clifton Getter	30.82

City of Lancaster  
 AP Check Register - 200-1310.20  
 Checks Issued 7/1/2008 To 6/30/2009

Check #	Date	Vendor	Check Total
134737	8/21/2008	Sharon Bramble	22.19
134738	8/21/2008	Hubert Egner	45.67
134739	8/25/2008	Anthem BCBS KY Group	2,242.14
134740	9/1/2008	C.I. Thornburg Co., Inc.	897.75
134741	9/1/2008	Inter-County Energy	12,882.25
134742	9/1/2008	Kentucky Utilities	5,283.45
134743	9/1/2008	Windstream Kentucky East Inc	109.90
134744	9/1/2008	Elite Petroleum, Inc.	295.00
134745	9/1/2008	Barnill, LLC dba	156.84
134746	9/1/2008	Service Specialties LLC	3,675.88
134747	9/1/2008	USDA/Rural Development	8,983.99
134748	9/1/2008	Fouser Environmental Services	143.00
134749	9/3/2008	Fleet One (MSC 30425)	441.88
134750	9/4/2008	City Payroll Fund	6,719.28
134751	9/4/2008	Lancaster Water Fund	414.05
134752	9/4/2008	Robin Parker	24.50
134753	9/4/2008	Eugene Patterson	30.95
134754	9/10/2008	Central Record, Inc.	107.25
134755	9/10/2008	Feldman Electric	280.00
134756	9/10/2008	Garrard Automotive Inc.	139.00
134757	9/10/2008	Inter-County Energy	82.87
134758	9/10/2008	Univar USA Inc	4,195.80
134759	9/10/2008	Lancaster Water Fund	742.87
134760	9/10/2008	Kentucky State Treasurer	368.28
134761	9/10/2008	Gleenline Implement Inc.	83.10
134762	9/10/2008	Service Specialties LLC	940.85
134763	9/10/2008	Lexington Herald-Leader Co.	705.02
134764	9/10/2008	Fouser Environmental Services	618.00
134765	9/10/2008	J & J Systems Plus, Inc.	387.50
134766	9/10/2008	Open World, Inc.	59.95
134767	9/10/2008	CedarChem, LLC	1,713.00
134768	9/10/2008	Eugene Patterson	31.09
134769	9/10/2008	Sean Cundiff	86.33
134770	9/10/2008	Rikki Payne	53.75
134771	9/10/2008	Dairy Freeze	21.14
134772	9/10/2008	Kathleen Horn	65.79
134773	9/10/2008	Misty Maggard	15.12
134774	9/10/2008	Zach Terry	70.00
134775	9/17/2008	C.I. Thornburg Co., Inc.	2,368.83
134776	9/17/2008	Danville Office Equipment	58.31
134777	9/17/2008	Hach Company	166.93
134778	9/17/2008	City Water Depreciation	5,000.00
134779	9/17/2008	Service Specialties LLC	1,188.47
134780	9/17/2008	Fouser Environmental Services	91.00
134781	9/17/2008	Baumann Paper Company	52.51
134782	9/17/2008	Micro-Comm, Inc.	269.00
134783	9/18/2008	Kentucky Utilities	11.06
134784	9/18/2008	City Payroll Fund	7,041.67
134785	9/18/2008	Roger Hume	866.68
134786	9/23/2008	AT&T Mobility	194.56
134787	9/23/2008	Anthem BCBS KY Group	2,242.14
134788	9/23/2008	Visa	234.32
134789	10/1/2008	C.I. Thornburg Co., Inc.	13.40
134790	10/1/2008	Inter-County Energy	12,386.24

City of Lancaster  
 AP Check Register - 200-1310.20  
 Checks Issued 7/1/2008 To 6/30/2009

Check #	Date	Vendor	Check Total
134791	10/1/2008	Kentucky Utilities	5,372.41
134792	10/1/2008	Windstream Kentucky East Inc	105.15
134793	10/1/2008	Us Postal Service	344.74
134794	10/1/2008	Lancaster Water Fund	210.00
134795	10/1/2008	Bamill, LLC dba	156.84
134796	10/1/2008	Office Depot	42.00
134797	10/1/2008	Candice McQueary	41.65
134798	10/1/2008	Michael Davis	75.00
134799	10/1/2008	Troy Deshon	75.00
134800	10/1/2008	East Lawn Care	190.00
134801	10/1/2008	Greg Shearer	75.00
134802	10/1/2008	Larry R. Stinnett, Jr.	75.00
134803	10/1/2008	Daner Business Solutions	384.65
134804	10/1/2008	Jeff Buchenroth	75.00
134805	10/1/2008	Stacy Grow	75.00
134806	10/2/2008	C.I. Thornburg Co., Inc.	104.02
134807	10/2/2008	Labtronix	685.00
134808	10/2/2008	City Payroll Fund	6,388.62
134809	10/2/2008	Kentucky State Treasurer	358.64
134810	10/2/2008	Fouser Environmental Services	873.00
134811	10/2/2008	Graphic Controls, LLC	251.31
134812	10/2/2008	Stacy Grow	150.00
134813	10/6/2008	Orkin Pest Control	41.09
134814	10/6/2008	Division Of Unemployment In	56.24
134815	10/6/2008	Lancaster Water Fund	443.96
134816	10/6/2008	Hr Direct	135.03
134817	10/6/2008	Utility Service Co., Inc.	6,258.55
134818	10/6/2008	Fleet One (MSC 30425)	491.82
134819	10/6/2008	Fouser Environmental Services	483.00
134820	10/6/2008	Kyle Cupp	30.27
134821	10/6/2008	Donna League	12.57
134822	10/6/2008	William Land	43.20
134823	10/9/2008	Central Record, Inc.	22.00
134824	10/9/2008	Garrard Automotive Inc.	69.95
134825	10/9/2008	Garrard Hardware	326.30
134826	10/9/2008	Inter-County Energy	86.65
134827	10/9/2008	Windstream Kentucky East Inc	159.47
134828	10/9/2008	Urgent Treatment Clinic	76.00
134829	10/9/2008	EKWVOA	180.00
134830	10/9/2008	Open World, Inc.	59.95
134831	10/15/2008	C.I. Thornburg Co., Inc.	142.00
134832	10/15/2008	Danville Office Equipment	53.99
134833	10/15/2008	Windstream Kentucky East Inc	65.45
134834	10/15/2008	Trans Union LLC	125.00
134835	10/15/2008	Carter Printing & Signs	75.00
134836	10/15/2008	Roger Hume	865.74
134837	10/15/2008	Fouser Environmental Services	460.00
134838	10/15/2008	* V O I D * Justin T. Genco	0.00
134839	10/15/2008	Justin T. Genco, PSC	2,451.25
134840	10/16/2008	City Payroll Fund	7,300.39
134841	10/20/2008	Kentucky Utilities	11.10
134842	10/20/2008	Visa	237.25
134843	10/20/2008	J & J Systems Plus, Inc.	140.00
134844	10/20/2008	Cash	200.00

City of Lancaster  
 AP Check Register - 200-1310.20  
 Checks Issued 7/1/2008 To 6/30/2009

Check #	Date	Vendor	Check Total
134845	10/21/2008	AT&T Mobility	164.03
134846	10/21/2008	C.I. Thornburg Co., Inc.	1,665.20
134847	10/21/2008	Continental Hydrodyne Systems, Inc.	169.56
134848	10/21/2008	Anthem BCBS KY Group	2,242.14
134849	10/21/2008	Consolidated Pipe & Supply Co., Inc	393.96
134850	10/21/2008	Fouser Environmental Services	1,208.00
134851	10/23/2008	C.I. Thornburg Co., Inc.	1,183.25
134852	10/23/2008	Kentucky Utilities	3,720.93
134853	10/23/2008	Red Bud Supply, Inc.	199.40
134854	10/23/2008	Lancaster Water Fund	334.02
134855	10/23/2008	Greenline Implement, Inc.	159.44
134856	10/23/2008	International Spreaders, Inc	1,845.00
134857	10/23/2008	Service Specialties LLC	1,086.93
134858	10/23/2008	SimplexGrinnell	408.00
134859	10/23/2008	Family Dollar Store	13.00
134860	10/23/2008	Rons Mini Market	10.47
134861	10/23/2008	Jessica Goins	40.98
134862	10/29/2008	Stacy May, County Clerk	204.00
134863	10/30/2008	City Payroll Fund	7,864.83
134864	10/30/2008	Stacy Grow	79.20
134865	11/1/2008	AT& T	87.98
134866	11/1/2008	C.I. Thornburg Co., Inc.	1,459.86
134867	11/1/2008	Inter-County Energy	12,044.54
134868	11/1/2008	Lincoln County Ready Mix, I	266.00
134869	11/1/2008	Windstream Kentucky East Inc	109.04
134870	11/1/2008	Lancaster Water Fund	274.85
134871	11/1/2008	H.D. Supply Waterworks	8,835.68
134872	11/1/2008	Lindas Custom Sports Apparel	200.88
134873	11/1/2008	Bamill, LLC dba	156.84
134874	11/1/2008	Family Dollar Store	37.44
134875	11/1/2008	Karen Brammer	37.76
134876	11/1/2008	Wesley Back	62.39
134877	11/6/2008	Central Record, Inc.	66.00
134878	11/6/2008	Dix River Stone	1,188.07
134879	11/6/2008	Inter-County Energy	67.79
134880	11/6/2008	Orkin Pest Control	41.09
134881	11/6/2008	Garrard County Board Of Edu	20.33
134882	11/6/2008	Mulligan, Hill, Clements &	1,075.00
134883	11/6/2008	Quick Stop	281.02
134884	11/6/2008	Fleet One (MSC 30425)	148.36
134885	11/12/2008	Lancaster Water Fund	801.51
134886	11/12/2008	Farmers National Bank	75,323.95
134887	11/12/2008	Open World, Inc.	59.95
134888	11/12/2008	Norm Smith	109.20
134889	11/12/2008	Robbie Reynolds	87.43
134890	11/12/2008	Nita Catching	7.19
134891	11/12/2008	Lancaster Water Fund	213.05
134892	11/12/2008	Farmers National Bank	21,099.51
134893	11/13/2008	City Payroll Fund	7,381.67
134894	11/14/2008	C.I. Thornburg Co., Inc.	1,260.03
134895	11/14/2008	Kentucky State Treasurer	469.80
134896	11/14/2008	Danville Bottled Water Distributors	110.60
134897	11/14/2008	Fouser Environmental Services	659.00
134898	11/14/2008	CedarChem, LLC	1,309.50

City of Lancaster  
 AP Check Register - 200-1310.20  
 Checks Issued 7/1/2008 To 6/30/2009

Check #	Date	Vendor	Check Total
134899	11/14/2008	Tiffany Warmouth	22.90
134900	11/14/2008	Edith Cortez	16.40
134901	11/14/2008	Carolyn Burton	35.55
134902	11/20/2008	Kentucky Utilities	11.12
134903	11/20/2008	Windstream Kentucky East Inc	64.64
134904	11/20/2008	Greentree Applied Systems, Inc.	650.00
134905	11/20/2008	City Water Depreciation	5,000.00
134906	11/20/2008	Ky State Treasurer (River)	13,038.88
134907	11/20/2008	H.D. Supply Waterworks	21,352.38
134908	11/20/2008	Consolidated Pipe & Supply Co., Inc	400.00
134909	11/20/2008	Visa	261.76
134910	11/20/2008	Roger Hume	810.75
134911	11/20/2008	Deluxe Business Checks and Solution	165.90
134912	11/25/2008	AT&T Mobility	179.83
134913	11/25/2008	City Payroll Fund	6,970.11
134914	12/1/2008	Danville Office Equipment	109.98
134915	12/1/2008	Inter-County Energy	15,239.55
134916	12/1/2008	Kentucky Utilities	4,205.78
134917	12/1/2008	Windstream Kentucky East Inc	107.13
134918	12/1/2008	Anthem BCBS KY Group	1,868.45
134919	12/1/2008	Bamill, LLC dba	156.84
134920	12/5/2008	AT& T	91.09
134921	12/5/2008	Danville Office Equipment	15.36
134922	12/5/2008	Garrard Automotive Inc.	145.55
134923	12/5/2008	Garrard Hardware	524.52
134924	12/5/2008	Inter-County Energy	86.82
134925	12/5/2008	Orkin Pest Control	41.09
134926	12/5/2008	Lancaster Water Fund	181.99
134927	12/5/2008	Rebecca Preston	72.56
134928	12/5/2008	Nancy Baker	81.33
134929	12/5/2008	Kristen Collett	39.12
134930	12/9/2008	Central Record, Inc.	12.25
134931	12/9/2008	C.I. Thornburg Co., Inc.	2,245.50
134932	12/9/2008	Feldman Lumber Co., Inc.	128.63
134933	12/9/2008	Hach Company	177.90
134934	12/9/2008	Labtronix	555.00
134935	12/9/2008	Univar USA Inc	4,943.32
134936	12/9/2008	H.D. Supply Waterworks	19,243.80
134937	12/9/2008	Kentucky State Treasurer	368.54
134938	12/9/2008	Michael Davis	40.00
134939	12/9/2008	Service Specialties LLC	25,320.52
134940	12/9/2008	Paul Black	40.00
134941	12/9/2008	Troy Deshon	40.00
134942	12/9/2008	Greg Shearer	40.00
134943	12/9/2008	Larry R. Stinnett, Jr.	40.00
134944	12/9/2008	Fouser Environmental Services	701.00
134945	12/9/2008	Jeff Buchenroth	40.00
134946	12/9/2008	Open World, Inc.	59.95
134947	12/9/2008	CNA Surety	100.00
134948	12/9/2008	Carla Payton	20.00
134949	12/9/2008	Stacy Grow	40.00
134950	12/10/2008	Kentucky League Of Cities	16,681.00
134951	12/10/2008	Lancaster Water Fund	445.20
134952	12/10/2008	Quick Stop	329.81

**City of Lancaster**  
**AP Check Register - 200-1310.20**  
**Checks Issued 7/1/2008 To 6/30/2009**

Check #	Date	Vendor	Check Total
134953	12/11/2008	City Payroll Fund	8,183.24
134954	12/11/2008	Mulligan, Hill, Clements &	620.00
134955	12/11/2008	Ray Higdon	247.50
134956	12/11/2008	Brenda Staten	56.77
134957	12/11/2008	Katie Ray	38.26
134958	12/11/2008	Lora Hadding	70.40
134959	12/11/2008	Tina Parks	54.79
134960	12/11/2008	Courtney Walton	36.22
134961	12/11/2008	* V O I D * Us Postal Service	0.00
134962	12/12/2008	Us Postal Service	207.00
134963	12/17/2008	Kentucky Utilities	11.26
134964	12/17/2008	Windstream Kentucky East Inc	64.44
134965	12/17/2008	Lancaster Water Fund	259.85
134966	12/17/2008	Debbie Anderson	13.49
134967	12/17/2008	Ryan Hunt	101.66
134968	12/19/2008	Reliance Fire Protection	514.95
134969	12/19/2008	RSC Equipment Rental	1,529.16
134970	12/23/2008	AT&T Mobility	200.00
134971	12/23/2008	City Payroll Fund	8,614.89
134972	12/23/2008	Roger Hume	723.80
134973	12/24/2008	Anthem BCBS KY Group	2,242.14
134974	12/30/2008	* V O I D * Us Postal Service	0.00
134975	12/30/2008	Us Postal Service	320.35
134976	1/5/2009	Inter-County Energy	10,449.88
134977	1/5/2009	Kentucky Utilities	6,363.95
134978	1/5/2009	Orkin Pest Control	41.09
134979	1/5/2009	Windstream Kentucky East Inc	103.48
134980	1/5/2009	Lancaster Water Fund	681.55
134981	1/5/2009	Bamill, LLC dba	156.84
134982	1/5/2009	Troy Deshon	75.00
134983	1/5/2009	Greg Shearer	75.00
134984	1/5/2009	Larry R. Stinnett, Jr.	75.00
134985	1/5/2009	Jeff Buchenroth	75.00
134986	1/5/2009	Stacy Grow	75.00
134987	1/5/2009	Kasundra Smith	55.86
134988	1/5/2009	Kristen Hammond	4.92
134989	1/5/2009	Regina Garcia	22.67
134990	1/5/2009	Rebecca Newcomb	14.25
134991	1/5/2009	Jennifer Sears	21.58
134992	1/5/2009	Lancaster Water Fund	409.17
134993	1/6/2009	Inter-County Energy	272.25
134994	1/6/2009	Kentucky Rural Water	746.85
134995	1/6/2009	Critchfield & Critchfield	6,280.00
134996	1/8/2009	Division Of Unemployment In	95.61
134997	1/8/2009	City Payroll Fund	9,358.37
134998	1/8/2009	Mike Asberry	600.00
134999	1/8/2009	Tom Robinson	75.00
135000	1/8/2009	C.I. Thornburg Co., Inc.	1,140.79
135001	1/8/2009	Garrard Hardware	648.75
135002	1/8/2009	Kentucky League Of Cities	457.00
135003	1/8/2009	Utility Service Co., Inc.	6,258.55
135004	1/8/2009	Service Specialties LLC	1,797.61
135005	1/8/2009	Fouser Environmental Services	895.00
135006	1/8/2009	J & J Systems Plus, Inc.	1,499.98

Man Chl

**City of Lancaster**  
**AP Check Register - 200-1310.20**  
**Checks Issued 7/1/2008 To 6/30/2009**

Check #	Date	Vendor	Check Total
135007	1/8/2009	Open World, Inc.	59.95
135008	1/9/2009	C.I. Thornburg Co., Inc.	1,775.60
135009	1/9/2009	Kentucky State Treasurer	160.00
135010	1/9/2009	Danville Bottled Water Distributors	98.60
135011	1/9/2009	Fouser Environmental Services	178.00
135012	1/13/2009	Kentucky State Treasurer	408.94
135013	1/13/2009	Quick Stop	412.60
135014	1/13/2009	Hayes Pipe Supply, Inc.	1,892.02
135015	1/14/2009	Kentucky State Treasurer	35.00
135016	1/14/2009	Stacy Grow	132.00
135017	1/16/2009	C.I. Thornburg Co., Inc.	1,715.59
135018	1/16/2009	Hach Company	203.00
135019	1/16/2009	Red Bud Supply, Inc.	30.75
135020	1/16/2009	Lancaster Water Fund	164.96
135021	1/16/2009	Big E Insurance Service	564.48
135022	1/16/2009	Roger Hume	730.38
135023	1/16/2009	HD Supply Waterworks, Ltd.	725.00
135024	1/16/2009	Family Dollar Store	20.75
135025	1/16/2009	Fouser Environmental Services	82.00
135026	1/16/2009	Credit Bureau Systems, Inc	35.00
135027	1/16/2009	CedarChem, LLC	1,929.00
135028	1/16/2009	Candace Rutledge	91.26
135029	1/16/2009	Nicole Maggard	63.78
135030	1/21/2009	AT&T Mobility	180.98
135031	1/21/2009	Kentucky Utilities	11.23
135032	1/21/2009	Anthem BCBS KY Group	2,989.52
135033	1/21/2009	Visa	294.93
135034	1/21/2009	KWWOA	190.00
135035	1/22/2009	C.I. Thornburg Co., Inc.	50.47
135036	1/22/2009	City Payroll Fund	8,627.36
135037	1/22/2009	Family Dollar Store	16.80
135038	2/2/2009	Danville Office Equipment	360.00
135039	2/2/2009	Inter-County Energy	8,927.72
135040	2/2/2009	Kentucky Utilities	7,487.34
135041	2/2/2009	Windstream Kentucky East Inc	103.82
135042	2/2/2009	Lancaster Water Fund	368.89
135043	2/2/2009	Bamill, LLC dba	156.84
135044	2/2/2009	Eddie Anderson Jr.	81.93
135045	2/2/2009	Randy Prewitt	9.18
135046	2/3/2009	Garrard Automotive Inc.	233.04
135047	2/4/2009	AT& T	44.86
135048	2/4/2009	Central Record, Inc.	342.38
135049	2/4/2009	C.I. Thornburg Co., Inc.	2,126.02
135050	2/4/2009	Inter-County Energy	284.85
135051	2/4/2009	Orkin Pest Control	41.09
135052	2/4/2009	Univar USA Inc	5,619.60
135053	2/4/2009	Lancaster Water Fund	169.30
135054	2/4/2009	HD Supply Waterworks, Ltd.	19,877.12
135055	2/4/2009	Family Dollar Store	27.00
135056	2/4/2009	Fouser Environmental Services	1,785.00
* 135057	2/4/2009	James Wilcoxson	95.70
135100	2/5/2009	City Payroll Fund	8,476.01
135101	2/5/2009	Shannons Truck & Auto	792.03
135102	2/5/2009	Kentucky State Treasurer	382.65

**City of Lancaster**  
**AP Check Register - 200-1310.20**  
**Checks Issued 7/1/2008 To 6/30/2009**

Check #	Date	Vendor	Check Total
135103	2/5/2009	Open World, Inc.	59.95
135104	2/11/2009	Danville Office Equipment	47.48
135105	2/11/2009	Ky State Treasurer (River)	11,023.38
135106	2/11/2009	Whitaker Bank N.A.	67.12
135107	2/11/2009	Quick Stop	475.57
135108	2/18/2009	C.I. Thornburg Co., Inc.	1,142.99
135109	2/18/2009	Garrard Hardware	554.04
135110	2/18/2009	Kentucky Utilities	11.23
135111	2/18/2009	Lancaster Water Fund	95.87
135112	2/18/2009	Living Waters Co.	2,000.00
135113	2/18/2009	D & K Meter Repair, Inc.	800.00
135114	2/18/2009	Service Specialties LLC	825.00
135115	2/18/2009	Visa	127.19
135116	2/18/2009	Urgent Treatment Clinic	38.00
135117	2/18/2009	Fouser Environmental Services	714.00
135118	2/18/2009	Vickie Henderson	27.18
135119	2/18/2009	Christina Ray	71.95
135120	2/19/2009	City Payroll Fund	7,821.82
135121	2/20/2009	AT&T Mobility	200.00
135122	2/20/2009	Anthem BCBS KY Group	2,914.78
135123	3/1/2009	Kentucky Utilities	6,326.04
135124	3/1/2009	Windstream Kentucky East Inc	115.05
135125	3/1/2009	Bamill, LLC dba	156.84
135126	3/1/2009	INC Technical Incorporated	840.75
135127	3/1/2009	Bluegrass Agricultural Distributors	297.00
135128	3/1/2009	Roger Hume	726.15
135129	3/1/2009	AutoZone Inc	66.04
135130	3/1/2009	Xtreme Style Signs & Graphics	250.00
135131	3/1/2009	Cash	200.00
135132	3/4/2009	Central Record, Inc.	104.00
135133	3/4/2009	Inter-County Energy	12,414.68
135134	3/5/2009	Inter-County Energy	401.17
135135	3/5/2009	City Payroll Fund	7,399.44
135136	3/5/2009	Lancaster Water Fund	676.14
135137	3/5/2009	Michael Patrick	97.70
135138	3/5/2009	Joan Robinson	78.27
135139	3/5/2009	Duane King	68.95
135140	3/5/2009	Mike Rhineheimer	78.94
135141	3/9/2009	C.I. Thornburg Co., Inc.	1,033.60
135142	3/9/2009	Danville Office Equipment	102.96
135143	3/9/2009	Garrard Automotive Inc.	6.54
135144	3/9/2009	Labtronix	735.00
135145	3/9/2009	Big E Insurance Service	2,097.19
135146	3/9/2009	Danville Bottled Water Distributors	34.00
135147	3/9/2009	USDA/Rural Development	13,683.99
135148	3/9/2009	Fouser Environmental Services	722.00
135149	3/9/2009	Open World, Inc.	59.95
135150	3/9/2009	CedarChem, LLC	1,128.00
135151	3/16/2009	Danville Office Equipment	47.98
135152	3/16/2009	Feldman Lumber Co., Inc.	224.82
135153	3/16/2009	Garrard Hardware	867.05
135154	3/16/2009	Lancaster Water Fund	160.28
135155	3/16/2009	Vernon Manufacturing	100.00
135156	3/16/2009	Kentucky State Treasurer	318.53

City of Lancaster  
 AP Check Register - 200-1310.20  
 Checks Issued 7/1/2008 To 6/30/2009

Check #	Date	Vendor	Check Total
135157	3/16/2009	Quick Stop	393.25
135158	3/16/2009	Industrial Park Distributors	504.76
135159	3/16/2009	Service Specialties LLC	5,002.48
135160	3/16/2009	Credit Bureau Systems, Inc	37.32
135161	3/16/2009	Kathy Lane	50.79
135162	3/16/2009	Glen & Barbara Gilliam	72.50
135163	3/16/2009	Deneca Dunn	36.43
135164	3/19/2009	C.I. Thornburg Co., Inc.	1,103.41
135165	3/19/2009	Kentucky Utilities	11.23
135166	3/19/2009	Red Bud Supply, Inc.	197.64
135167	3/19/2009	Usa Bluebook	87.88
135168	3/19/2009	City Payroll Fund	7,211.13
135169	3/19/2009	Lancaster Water Fund	272.10
135170	3/19/2009	H.D. Supply Waterworks	893.45
135171	3/19/2009	Visa	348.56
135172	3/19/2009	Fouser Environmental Services	101.00
135173	3/19/2009	Shonda Lemay & J. Rigsby	27.30
135174	3/19/2009	Presciliano Perez	20.60
135175	3/19/2009	Stoll Keenon Ogden PLLC	5,119.05
135176	3/23/2009	AT&T Mobility	183.31
135177	3/23/2009	Feldman Electric	439.00
135178	3/23/2009	Anthem BCBS KY Group	2,428.99
135179	3/23/2009	Bicknells Backhoe Service	1,300.00
135180	3/25/2009	Roger Hume	717.69
135181	4/1/2009	Inter-County Energy	10,871.13
135182	4/1/2009	Kentucky Utilities	5,654.45
135183	4/1/2009	Windstream Kentucky East Inc	113.24
135184	4/1/2009	Us Postal Service	343.09
135185	4/1/2009	Lancaster Water Fund	548.97
135186	4/1/2009	Whitaker Bank N.A.	35.00
135187	4/1/2009	Bamill, LLC dba	156.84
135188	4/1/2009	CedarChem, LLC	873.00
135189	4/1/2009	Stacy Grow	14.00
135190	4/1/2009	Todd Folger	16.56
135191	4/1/2009	Denise Wyman	59.47
135192	4/1/2009	Troy Deshon	75.00
135193	4/1/2009	Greg Shearer	75.00
135194	4/1/2009	Larry R. Stinnett, Jr.	75.00
135195	4/1/2009	Jeff Buchenroth	75.00
135196	4/1/2009	Tom Robinson	75.00
135197	4/1/2009	Robert Shults	75.00
135198	4/1/2009	Robert Tudor	75.00
135199	4/1/2009	Stacy Grow	75.00
135200	4/2/2009	City Payroll Fund	8,095.54
135201	4/3/2009	C.I. Thornburg Co., Inc.	3,046.60
135202	4/3/2009	Lancaster Water Fund	198.06
135203	4/3/2009	Fouser Environmental Services	1,440.00
135204	4/3/2009	Brandon Rife	99.59
135205	4/3/2009	James Carrier	73.03
135206	4/8/2009	Central Record, Inc.	297.38
135207	4/8/2009	C.I. Thornburg Co., Inc.	768.89
135208	4/8/2009	Garrard Hardware	779.07
135209	4/8/2009	Inter-County Energy	323.14
135210	4/8/2009	Division Of Unemployment In	678.37

City of Lancaster  
 AP Check Register - 200-1310.20  
 Checks Issued 7/1/2008 To 6/30/2009

Check #	Date	Vendor	Check Total
135211	4/8/2009	Lancaster Water Fund	100.48
135212	4/8/2009	Elite Petroleum, Inc.	295.00
135213	4/8/2009	Kentucky State Treasurer	480.06
135214	4/8/2009	Utility Service Co., Inc.	6,258.55
135215	4/8/2009	Quick Stop	288.41
135216	4/8/2009	Deluxe Business Checks and Solution	278.95
135217	4/8/2009	Fouser Environmental Services	1,124.00
135218	4/8/2009	Open World, Inc.	59.95
135219	4/8/2009	CedarChem, LLC	873.00
135220	4/8/2009	Dewey Camel	32.20
135221	4/8/2009	Dana Carrier	24.52
135222	4/14/2009	Continental Hydrodyne Systems, Inc.	169.95
135223	4/14/2009	Danville Office Equipment	91.96
135224	4/14/2009	Garrard Automotive Inc.	111.01
135225	4/14/2009	Hach Company	3,342.90
135226	4/14/2009	Orkin Pest Control	1,627.50
135227	4/14/2009	Kentucky State Treasurer	250.00
135228	4/14/2009	Visa	572.34
135229	4/14/2009	Urgent Treatment Clinic	319.00
135230	4/14/2009	Bell Engineering	6,096.83
135231	4/14/2009	Danny & Ann Irvin	3.00
135232	4/14/2009	* V O I D * Kenneth & Peggy Yeakey	0.00
135233	4/14/2009	John Smith	1.00
135234	4/14/2009	David & Debbie Middleton	1.00
135235	4/14/2009	Lancaster Baptist Church	1.00
135236	4/14/2009	St Williams Church	1.00
135237	4/14/2009	Ruth E. Rogers	2.00
135238	4/14/2009	Michael & Garnetta Poirer	1.00
135239	4/14/2009	Ralph E. Clark	1.00
135240	4/14/2009	Louis Grimes	1.00
135241	4/14/2009	Municipal & Financial Services Grou	6,375.00
135242	4/16/2009	Kentucky Utilities	11.81
135243	4/16/2009	City Payroll Fund	6,912.60
135244	4/16/2009	Service Specialties LLC	296.22
135245	4/16/2009	Fouser Environmental Services	17.50
135246	4/16/2009	J & J Systems Plus, Inc.	199.95
135247	4/20/2009	Butners Excavating	113,732.00
135248	4/20/2009	CMC, Inc	113,886.00
135249	4/22/2009	AT&T Mobility	216.05
135250	4/22/2009	C.I. Thornburg Co., Inc.	2,433.40
135251	4/22/2009	Hach Company	187.14
135252	4/22/2009	Red Bud Supply, Inc.	70.33
135253	4/22/2009	Anthem BCBS KY Group	2,428.98
135254	4/22/2009	Lancaster Water Fund	534.29
135255	4/22/2009	AutoZone Inc	29.05
135256	4/22/2009	Fouser Environmental Services	351.00
135257	4/22/2009	Estella Pullum	8.98
135258	4/22/2009	Chris Penix	28.90
135259	4/22/2009	Wayne Davis	52.83
135260	5/1/2009	AT& T	103.96
135261	5/1/2009	Dix River Stone	251.57
135262	5/1/2009	Kentucky Utilities	6,205.75
135263	5/1/2009	Windstream Kentucky East Inc	115.15
135264	5/1/2009	Univar USA Inc	6,017.76

**City of Lancaster**  
**AP Check Register - 200-1310.20**  
**Checks Issued 7/1/2008 To 6/30/2009**

<b>Check #</b>	<b>Date</b>	<b>Vendor</b>	<b>Check Total</b>
135265	5/1/2009	Us Postal Service	84.00
135266	5/1/2009	Bamill, LLC dba	156.84
135267	5/1/2009	Service Specialties LLC	725.40
135268	5/1/2009	Glenn E. Hurt	650.00
135269	5/1/2009	City Payroll Fund	7,284.40
135270	5/1/2009	Inter-County Energy	9,158.55
135271	5/1/2009	Kentucky Utilities	91.86
135272	5/1/2009	Estes Engineering & Surveying, Inc.	3,581.25
135273	5/7/2009	Central Record, Inc.	126.75
135274	5/7/2009	C.I. Thornburg Co., Inc.	1,052.25
135275	5/7/2009	Dix River Stone	884.96
135276	5/7/2009	Feldman Lumber Co., Inc.	42.50
135277	5/7/2009	Garrard Hardware	642.61
135278	5/7/2009	Inter-County Energy	202.21
135279	5/7/2009	Ky State Treasurer (River)	10,912.70
135280	5/7/2009	Lancaster Water Fund	463.20
135281	5/7/2009	Living Waters Co.	1,400.01
135282	5/7/2009	Marcia L. Wooton	975.00
135283	5/7/2009	Roger Hume	765.50
135284	5/7/2009	Fouser Environmental Services	535.00
135285	5/7/2009	Open World, Inc.	59.95
135286	5/7/2009	Municipal & Financial Services Grou	2,125.00
135287	5/7/2009	Elizabeth Ross	69.12
135288	5/7/2009	Kristen Collett	37.68
135289	5/13/2009	Kentucky State Treasurer	387.88
135290	5/14/2009	C.I. Thornburg Co., Inc.	2,262.40
135291	5/14/2009	City Payroll Fund	7,628.91
135292	5/14/2009	Lancaster Water Fund	509.55
135293	5/14/2009	Quick Stop	233.42
135294	5/14/2009	Fouser Environmental Services	461.00
135295	5/14/2009	Sabrina Bruner	68.78
135296	5/14/2009	Wendy Logan	14.83
135297	5/14/2009	Larry Ebert	84.55
135298	5/14/2009	Frances Hicks	33.69
135299	5/14/2009	Shelanda Ngala	16.40
135300	5/15/2009	Rick Sowder Excavating	800.00
135301	5/15/2009	Grubbs Brothers	5,000.00
135302	5/20/2009	AT&T Mobility	237.50
135303	5/20/2009	Kentucky Utilities	11.52
135304	5/20/2009	Windstream Kentucky East Inc	107.63
135305	5/20/2009	Anthem BCBS KY Group	2,428.98
135306	5/20/2009	Shannons Truck & Auto	35.00
135307	5/20/2009	Fouser Environmental Services	173.00
135308	5/21/2009	City Utility Fund	7,370.48
135309	5/28/2009	City Payroll Fund	7,801.90
135310	5/28/2009	Grubbs Brothers	10,000.00
135311	5/28/2009	Bell Engineering	3,936.05
135312	6/1/2009	Kentucky Utilities	5,099.85
135313	6/1/2009	Lincoln County Ready Mix, I	244.50
135314	6/1/2009	Usa Bluebook	205.91
135315	6/1/2009	Lancaster Water Fund	342.45
135316	6/1/2009	Bamill, LLC dba	156.84
135317	6/1/2009	Service Specialties LLC	929.29
135318	6/1/2009	Equipment Sales And Rentals, LLC	67.81

**City of Lancaster**  
**AP Check Register - 200-1310.20**  
**Checks Issued 7/1/2008 To 6/30/2009**

Check #	Date	Vendor	Check Total
135319	6/1/2009	Wilson Equipment Company	19.05
135320	6/1/2009	Stevenson Hargis	34.30
135321	6/1/2009	Crystal Goins	35.45
135322	5/29/2009	George & Sherry Herbert	600.00
135323	6/1/2009	Roger Hume	761.00
135324	6/1/2009	Fouser Environmental Services	65.00
135325	6/3/2009	AT& T	105.61
135326	6/3/2009	Central Record, Inc.	741.00
135327	6/3/2009	Inter-County Energy	50.48
135328	6/9/2009	Dix River Stone	571.20
135329	6/9/2009	Garrard Automotive Inc.	18.42
135330	6/9/2009	Hach Company	194.62
135331	6/9/2009	Inter-County Energy	145.35
135332	6/9/2009	Kentucky League Of Cities	9,338.25
135333	6/9/2009	Labtronix	595.00
135334	6/9/2009	Us Postal Service	185.00
135335	6/9/2009	Lancaster Water Fund	720.73
135336	6/9/2009	H.D. Supply Waterworks	1,482.14
135337	6/9/2009	Kentucky State Treasurer	361.92
135338	6/9/2009	Quick Stop	531.34
135339	6/9/2009	Rons Tire & Lube	115.00
135340	6/9/2009	Fouser Environmental Services	50.00
135341	6/9/2009	Open World, Inc.	59.95
135342	6/9/2009	Southeastern Laboratories, Inc.	2,490.77
135343	6/9/2009	Veronica White	44.51
135344	6/9/2009	Emma Prewitt	42.06
135345	6/9/2009	Norman Holden	100.71
135346	6/9/2009	Cathy Bottom	36.99
135347	6/11/2009	City Payroll Fund	7,145.87
135348	6/11/2009	KY State Treasurer (Notary)	10.00
135349	6/12/2009	Us Postal Service	339.09
135350	6/18/2009	C.I. Thornburg Co., Inc.	2,604.39
135351	6/18/2009	Garrard Hardware	405.56
135352	6/18/2009	Kentucky Utilities	11.04
135353	6/18/2009	Windstream Kentucky East Inc	176.95
135354	6/18/2009	Lancaster Water Fund	428.87
135355	6/18/2009	Lindas Custom Sports Apparel	48.97
135356	6/18/2009	Service Specialties LLC	2,023.00
135357	6/18/2009	Fouser Environmental Services	821.00
135358	6/18/2009	CedarChem, LLC	1,692.00
135359	6/18/2009	Southeastern Laboratories, Inc.	1,234.17
135360	6/18/2009	John Smith Fence Co.	125.00
135361	6/18/2009	Stacy Grow	150.00
135362	6/18/2009	Billie Brock	18.41
135363	6/18/2009	Gene Marquart	52.72
135364	6/18/2009	Roger Hume	710.00
135365	6/24/2009	AT&T Mobility	228.00
135366	6/24/2009	C.I. Thornburg Co., Inc.	2,141.80
135367	6/24/2009	Danville Office Equipment	239.99
135368	6/24/2009	Anthem BCBS KY Group	2,620.87
135369	6/24/2009	Garrard Co. Fiscal Court	250.00
135370	6/24/2009	Lancaster Water Fund	395.53
135371	6/24/2009	H.D. Supply Waterworks	19,823.08
135372	6/24/2009	Fouser Environmental Services	101.00

City of Lancaster  
AP Check Register - 200-1310.20  
Checks Issued 7/1/2008 To 6/30/2009

Check #	Date	Vendor	Check Total
135373	6/24/2009	John Smith Fence Co.	587.00
135374	6/24/2009	Bonnie Long	24.28
135375	6/24/2009	Nancy Baker	80.19
135376	6/25/2009	City Payroll Fund	7,597.87
		Page Sub-Totals	1,307,141.24
		Grand Totals	1,307,141.24
		Number of Checks Printed:	702
		Number of Checks Voided:	4

\* Indicates a Skip in Check Sequence

**City of Lancaster**  
**Detailed Trial Balance 200 Water**  
**Entries From 7/1/2008 Through 6/30/2009**

Account	Description Transactions-Date		Debit	Credit	Ending Balance
200-1020.00	Cash - Depr Fund Savings	Prev Bal	145,851.59		
200-1020.00	ACCOUNT TOTAL		0.00	0.00	145,851.59
200-1024.00	Bond & Int Redempt. #4 Sa	Prev Bal	23,289.79		
200-1024.00	ACCOUNT TOTAL		0.00	0.00	23,289.79
200-1025.00	Bond & Int. Redempt. #6	Prev Bal	20,098.02		
200-1025.00	ACCOUNT TOTAL		0.00	0.00	20,098.02
200-1026.00	Sinking Fund Bond Reserve	Prev Bal	35,538.84		
200-1026.00	ACCOUNT TOTAL		0.00	0.00	35,538.84
200-1027.00	Rural Development Depr Re	Prev Bal	23,638.96		
200-1027.00	ACCOUNT TOTAL		0.00	0.00	23,638.96
200-1028.00	KIA Loan Paymt Savings	Prev Bal	5,711.43		
200-1028.00	ACCOUNT TOTAL		0.00	0.00	5,711.43
200-1029.00	KIA Loan M&R Reserve Savi	Prev Bal	39,744.22		
200-1029.00	ACCOUNT TOTAL		0.00	0.00	39,744.22
200-1030.00	Cash Utility Fund	Prev Bal	3,711.66		
200-1030.00	ACCOUNT TOTAL		0.00	0.00	3,711.66
200-1031.00	Cash Water Sinking Fd Res	Prev Bal	5,182.29		
200-1031.00	ACCOUNT TOTAL		0.00	0.00	5,182.29
200-1032.00	CD'S	Prev Bal	0.00		
11/10/2008	(AP) 0941 Farmers Nationa		21,099.51		
11/10/2008	(AP) 0941 Farmers Nationa		75,323.95		
11/10/2008	(IC) Water & Sewer Sinki			-21,099.51	
11/14/2008	(IC) Depreciation fund			-75,323.95	
200-1032.00	ACCOUNT TOTAL		96,423.46	-96,423.46	0.00
200-1100.00	Accounts Receivable	Prev Bal	101,278.00		
200-1100.00	ACCOUNT TOTAL		0.00	0.00	101,278.00
200-1310.20	Cash in Bank-Water	Prev Bal	278,777.61		
7/15/2008	(EX) City RD Accounts			-5,481.00	
7/15/2008	(EX) City KIA Accounts			-3,855.00	
7/1/2008	(IC) Kevin Crawley- 128		175.00		
7/1/2008	(IC) Kim Penix- 224 Card		175.00		
7/1/2008	(IC) Nancy Johnson- 122		30.00		
7/1/2008	(IC) Roy Browning- 409 S		30.00		
7/1/2008	(IC) Vicky Boggs Maple H		175.00		
7/1/2008	(IC) Daniel Napier 102 M		50.00		
7/1/2008	(IC) Mark Fite- 204 Hami		175.00		
7/1/2008	(IC) Joe Jackson- 128 Mi		30.00		
7/1/2008	(IC) Kim Slone- 202 Lexi		25.00		
7/1/2008	(IC) Michael Baker 293 C		175.00		
7/1/2008	(IC) Billy Broadus 105 S		175.00		
7/2/2008	(IC) Nathan Mick- 311 Da		50.00		
7/7/2008	(IC) Jeffrey Helton 287		175.00		
7/7/2008	(IC) Kristen Hammond 301		175.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
7/7/2008	(IC) Leonard Smith 122 M	50.00		
7/7/2008	(IC) Lincoln Gilliam 103	25.00		
7/7/2008	(IC) Sue Brummett 101 Su	50.00		
7/7/2008	(IC) Quarters	254.25		
7/8/2008	(IC) Drexel Cook 249 Hal	50.00		
7/8/2008	(IC) Church of Jesus 413	25.00		
7/8/2008	(IC) Earl Thornton 247 W	25.00		
7/8/2008	(IC) Quarters	400.00		
7/9/2008	(IC) Quarters	149.00		
7/9/2008	(IC) Brenda McFerron- Ma	30.00		
7/9/2008	(IC) Rebecca Potter 102	175.00		
7/9/2008	(IC) David Gibson 117 Ha	50.00		
7/10/2008	(IC) Utility Transfer th	34,284.35		
7/10/2008	(IC) Lan. Christian Chur	50.00		
7/10/2008	(IC) Jeremy Phillips 46	175.00		
7/15/2008	(EX) Dept. of Revenue- K		-1,425.51	
7/1/2008	(AP) 134629 C.I. Thornbur		-1,512.00	
7/1/2008	(AP) 134630 Inter-County		-10.56	
7/1/2008	(AP) 134630 Inter-County		-10,391.72	
7/1/2008	(AP) 134631 Kentucky Leag		-10,040.00	
7/1/2008	(AP) 134632 Kentucky Util		-407.26	
7/1/2008	(AP) 134632 Kentucky Util		-917.19	
7/1/2008	(AP) 134632 Kentucky Util		-10.90	
7/1/2008	(AP) 134632 Kentucky Util		-3,352.24	
7/1/2008	(AP) 134633 Windstream Ke		-106.20	
7/1/2008	(AP) 134634 Lindas Custom		-281.82	
7/1/2008	(AP) 134635 Ferguson Ente		-14.55	
7/1/2008	(AP) 134636 Bamill, LLC d		-156.84	
7/1/2008	(AP) 134637 Michael Davis		-75.00	
7/1/2008	(AP) 134638 Service Speci		-393.17	
7/1/2008	(AP) 134638 Service Speci		-334.60	
7/1/2008	(AP) 134639 Troy Deshon		-75.00	
7/1/2008	(AP) 134640 Carter Printi		-195.00	
7/1/2008	(AP) 134641 Greg Shearer		-75.00	
7/1/2008	(AP) 134642 Larry R. Stin		-75.00	
7/1/2008	(AP) 134643 Rons Tire & L		-20.00	
7/1/2008	(AP) 134644 Fouser Enviro		-219.00	
7/1/2008	(AP) 134645 Stacy Grow		-75.00	
7/2/2008	(AP) 134646 Bluegrass Are		-486.73	
7/2/2008	(AP) 134647 Glynn Youngs		-566.25	
7/2/2008	(AP) 134648 East Lawn Car		-480.00	
7/2/2008	(AP) 134649 Fleet One (MS		-752.70	
7/9/2008	(AP) 134650 Central Recor		-38.50	
7/9/2008	(AP) 134651 C.I. Thornbur		-39.75	
7/9/2008	(AP) 134651 C.I. Thornbur		-980.00	
7/9/2008	(AP) 134651 C.I. Thornbur		-81.14	
7/9/2008	(AP) 134652 Feldman Elect		-434.00	
7/9/2008	(AP) 134652 Feldman Elect		-297.44	
7/9/2008	(AP) 134653 Garrard Autom		-6.99	
7/9/2008	(AP) 134653 Garrard Autom		-88.68	
7/9/2008	(AP) 134654 Garrard Hardw		-51.92	
7/9/2008	(AP) 134654 Garrard Hardw		-541.60	
7/9/2008	(AP) 134654 Garrard Hardw		-20.00	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
7/9/2008	(AP) 134655 Hach Company		-192.83	
7/9/2008	(AP) 134656 Inter-County		-81.97	
7/9/2008	(AP) 134657 Red Bud Suppl		-197.55	
7/9/2008	(AP) 134658 Windstream Ke		-160.78	
7/9/2008	(AP) 134659 Usa Bluebook		-161.66	
7/9/2008	(AP) 134660 Division Of U		-157.23	
7/9/2008	(AP) 134661 Univar USA In		-3,898.80	
7/9/2008	(AP) 134662 Lancaster Wat		-63.27	
7/9/2008	(AP) 134662 Lancaster Wat		-70.00	
7/9/2008	(AP) 134662 Lancaster Wat		-70.00	
7/9/2008	(AP) 134662 Lancaster Wat		-70.00	
7/9/2008	(AP) 134662 Lancaster Wat		-125.00	
7/9/2008	(AP) 134662 Lancaster Wat		-107.17	
7/9/2008	(AP) 134662 Lancaster Wat		-53.60	
7/9/2008	(AP) 134662 Lancaster Wat		-125.00	
7/9/2008	(AP) 134662 Lancaster Wat		-125.00	
7/9/2008	(AP) 134662 Lancaster Wat		-55.03	
7/9/2008	(AP) 134663 Kentucky Stat		-365.66	
7/9/2008	(AP) 134664 Utility Servi		-3,083.03	
7/9/2008	(AP) 134664 Utility Servi		-3,175.52	
7/9/2008	(AP) 134665 Consolidated		-282.08	
7/9/2008	(AP) 134666 Kolorotech, In		-118.39	
7/9/2008	(AP) 134666 Kolorotech, In		-86.25	
7/9/2008	(AP) 134667 Fouser Enviro		-75.00	
7/9/2008	(AP) 134667 Fouser Enviro		-574.00	
7/9/2008	(AP) 134668 Open World, I		-59.95	
7/9/2008	(AP) 134669 CedarChem, LL		-1,309.50	
7/9/2008	(AP) 134670 Shawwna Carne		-6.73	
7/9/2008	(AP) 134671 Michael Baker		-125.00	
7/9/2008	(AP) 134672 Tammy Burkhar		-17.83	
7/9/2008	(AP) 134673 Kristin Bartl		-71.40	
7/9/2008	(AP) 134674 Elizabeth Ros		-69.97	
7/10/2008	(AP) 134675 City Payroll		-8,076.71	
7/16/2008	(AP) 134676 Windstream Ke		-66.73	
7/16/2008	(AP) 134677 Mulligan, Hil		-340.00	
7/16/2008	(AP) 134678 Us Postal Ser		-319.35	
7/16/2008	(AP) 134679 Roger Hume		-870.91	
7/11/2008	(IC) Billy J. Dailey 125	50.00		
7/11/2008	(IC) Chris Whitworth 57	50.00		
7/14/2008	(IC) Mike Atkins 202 Car	175.00		
7/14/2008	(IC) Justin Winkler 104	175.00		
7/14/2008	(IC) Josh Welch 217 Gale	50.00		
7/15/2008	(IC) Lisa Muncie 129 Pri	50.00		
7/16/2008	(IC) Robin Parker Maple	175.00		
7/17/2008	(IC) Utility Transfer th	53,020.35		
7/17/2008	(IC) Bryan Agee 222 Card	175.00		
7/17/2008	(IC) Jackie Wilson 117 C	50.00		
7/22/2008	(IC) Joan Grimes-127 Pri	175.00		
7/22/2008	(IC) Steve Meadows-122 W	30.00		
7/22/2008	(IC) Teresa Scott-323 Da	30.00		
7/22/2008	(IC) Lancaster Tire-101	30.00		
7/22/2008	(IC) Winnie Hall-111 Ham	30.00		
7/23/2008	(IC) Sandy Crandell - 11	30.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
7/23/2008	(IC) Joe Jackson-128 Mil	30.00		
7/23/2008	(IC) Earl Thornton-247 W	30.00		
7/23/2008	(IC) Church of Jesus Chr	30.00		
7/23/2008	(IC) Janefer Denson-109	30.00		
7/23/2008	(IC) Maude Jones-115 Cav	30.00		
7/23/2008	(IC) Carrie Griffin-122	30.00		
7/23/2008	(IC) Tyrone Spillman-246	30.00		
7/23/2008	(IC) Randy Grubbs-432 Ca	30.00		
7/23/2008	(IC) Ameer Harrison-113 P	30.00		
7/22/2008	(AP) 134680 AT&T Mobility		-184.00	
7/22/2008	(AP) 134681 Kentucky Util		-11.13	
7/22/2008	(AP) 134682 Anthem BCBS K		-2,242.14	
7/22/2008	(AP) 134683 Visa		-239.39	
7/22/2008	(AP) 134684 Glenn E. Hurt		-650.00	
7/22/2008	(AP) 134685 Fouser Enviro		-82.00	
7/22/2008	(AP) 134686 Stacy Grow		-150.00	
7/24/2008	(AP) 134687 Town & Countr		-620.70	
7/24/2008	(AP) 134688 Us Postal Ser		-288.00	
7/24/2008	(AP) 134689 City Payroll		-6,727.74	
7/24/2008	(AP) 134690 Lancaster Wat		-70.00	
7/24/2008	(AP) 134690 Lancaster Wat		-125.00	
7/24/2008	(AP) 134690 Lancaster Wat		-109.08	
7/24/2008	(AP) 134690 Lancaster Wat		-121.92	
7/24/2008	(AP) 134691 H.D. Supply W		-89.28	
7/24/2008	(AP) 134692 Carter Printi		-287.50	
7/24/2008	(AP) 134692 Carter Printi		-33.00	
7/24/2008	(AP) 134693 Turners Garag		-533.59	
7/24/2008	(AP) 134694 Fouser Enviro		-80.00	
7/24/2008	(AP) 134695 Corey Jones		-3.08	
7/24/2008	(AP) 134696 Ted & Nannie		-15.92	
7/25/2008	(AP) 134697 Feldman Elect		-1,189.75	
7/24/2008	(IC) Geraldine Penman Ma	175.00		
7/24/2008	(IC) Jimmy Davis 128 Tot	30.00		
7/25/2008	(IC) Tabitha Eversole 25	175.00		
7/25/2008	(IC) Hubert Egner 132 Hi	30.00		
7/25/2008	(IC) Marie Black 125 Hig	30.00		
7/25/2008	(IC) A. & Paula Price 12	30.00		
7/25/2008	(IC) George Moberly 145	25.00		
7/28/2008	(IC) Amy Johnson 111 Deb	175.00		
7/28/2008	(IC) Robert Troxle 110	175.00		
7/31/2008	(IC) Interest	59.35		
8/15/2008	(EX) City RD Accounts		-5,481.00	
8/15/2008	(EX) City KIA Accounts		-3,855.00	
8/1/2008	(AP) 134698 Inter-County		-9.62	
8/1/2008	(AP) 134698 Inter-County		-12,028.27	
8/1/2008	(AP) 134699 Kentucky Util		-836.65	
8/1/2008	(AP) 134699 Kentucky Util		-460.49	
8/1/2008	(AP) 134699 Kentucky Util		-11.13	
8/1/2008	(AP) 134699 Kentucky Util		-3,620.91	
8/1/2008	(AP) 134700 Windstream Ke		-105.27	
8/1/2008	(AP) 134701 Lancaster Wat		-30.00	
8/1/2008	(AP) 134701 Lancaster Wat		-125.00	
8/1/2008	(AP) 134701 Lancaster Wat		-125.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
8/1/2008	(AP) 134701 Lancaster Wat		-110.22	
8/1/2008	(AP) 134701 Lancaster Wat		-26.80	
8/1/2008	(AP) 134702 Bamill, LLC d		-156.84	
8/1/2008	(AP) 134703 Desiree Melis		-14.78	
8/1/2008	(AP) 134704 Larry Burchet		-98.20	
8/4/2008	(AP) 134705 Fleet One (MS		-520.43	
8/6/2008	(AP) 134706 Garrard Hardw		-66.51	
8/6/2008	(AP) 134706 Garrard Hardw		-38.68	
8/6/2008	(AP) 134706 Garrard Hardw		-34.14	
8/6/2008	(AP) 134707 Inter-County		-78.54	
8/6/2008	(AP) 134708 Kentucky Stat		-415.42	
8/7/2008	(AP) 134709 C.I. Thornbur		-225.00	
8/7/2008	(AP) 134709 C.I. Thornbur		-3,818.80	
8/7/2008	(AP) 134709 C.I. Thornbur		-1,319.38	
8/7/2008	(AP) 134709 C.I. Thornbur		-90.30	
8/7/2008	(AP) 134709 C.I. Thornbur		-277.15	
8/7/2008	(AP) 134710 City Payroll		-6,209.71	
8/7/2008	(AP) 134711 Lancaster Wat		-70.00	
8/7/2008	(AP) 134711 Lancaster Wat		-70.00	
8/7/2008	(AP) 134711 Lancaster Wat		-83.17	
8/7/2008	(AP) 134711 Lancaster Wat		-100.50	
8/7/2008	(AP) 134711 Lancaster Wat		-125.00	
8/7/2008	(AP) 134711 Lancaster Wat		-15.80	
8/7/2008	(AP) 134711 Lancaster Wat		-26.80	
8/7/2008	(AP) 134711 Lancaster Wat		-29.12	
8/7/2008	(AP) 134712 Consolidated		-760.00	
8/7/2008	(AP) 134712 Consolidated		-152.00	
8/7/2008	(AP) 134713 Fouser Enviro		-270.00	
8/7/2008	(AP) 134714 Open World, I		-59.95	
8/7/2008	(AP) 134715 Vicky Boggs		-109.20	
8/7/2008	(AP) 134716 Tabitha Evers		-95.88	
8/7/2008	(AP) 134717 Justin Winkle		-98.20	
8/1/2008	(IC) Phillip Oakley 203	25.00		
8/1/2008	(IC) Sonda Hinds 130 Mye	175.00		
8/1/2008	(IC) Richard Bryant 113	175.00		
8/1/2008	(IC) Clifton Getter 101	30.00		
8/1/2008	(IC) Jean Miller 213 Ric	175.00		
8/1/2008	(IC) Daniel Perkins 104	175.00		
8/1/2008	(IC) Fred Maggard 313 Cr	175.00		
8/1/2008	(IC) Brenda Snellings 38	30.00		
8/1/2008	(IC) Quarters	757.75		
8/4/2008	(IC) Barbara Montgomery	50.00		
8/5/2008	(IC) Irvin Group 112 Dic	50.00		
8/5/2008	(IC) Rick Simpson 212 S	175.00		
8/6/2008	(IC) Utility Transfer th	17,016.16		
8/7/2008	(IC) Rose Holtzclaw 205	20.00		
8/7/2008	(IC) Connie Alekna 216 S	175.00		
8/8/2008	(IC) Kasundra Smith 236	175.00		
8/8/2008	(IC) DAIDA Corp. 115 S.	50.00		
8/8/2008	(IC) James Bushnell 202	50.00		
8/8/2008	(IC) Richard Bryant 113	175.00		
8/8/2008	(IC) Richard Bryant 113	25.00		
8/8/2008	(IC) Eric Bowman 108 Has	50.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
8/12/2008	(IC) Virgil Gibson 112 M	50.00		
8/14/2008	(IC) Utility Transfer th	69,353.05		
8/14/2008	(IC) Louise Barrett 117	20.00		
8/14/2008	(IC) Judith Adams 108 Pi	50.00		
8/18/2008	(IC) Christina Callihan	50.00		
8/19/2008	(IC) Dewey McIntosh 104	30.00		
8/19/2008	(IC) Richard Gosnell 132	50.00		
8/19/2008	(IC) Quarters	518.25		
8/21/2008	(IC) Utility Transfer th	8,082.92		
8/21/2008	(IC) Timmy Poynter 105 Y	175.00		
8/21/2008	(IC) Charles Pittman 115	175.00		
8/22/2008	(IC) Judy Dawahare 211 L	30.00		
8/22/2008	(IC) Lisa Carver 206 Ham	30.00		
8/22/2008	(IC) Kenneth Caudill 124	30.00		
8/22/2008	(IC) Takia Salyers 118 C	30.00		
8/22/2008	(IC) Yvette Moore 315 W.	132.50		
8/22/2008	(IC) Sammy Durham 211 Ha	20.00		
8/22/2008	(IC) Billy J. Dailey 125	55.00		
8/22/2008	(IC) A. & Paula Price 12	30.00		
8/22/2008	(IC) Ralph Vanover 108 H	30.00		
8/15/2008	(AP) 134718 C.I. Thornbur		-225.00	
8/15/2008	(AP) 134718 C.I. Thornbur		-89.46	
8/15/2008	(AP) 134718 C.I. Thornbur		-784.00	
8/15/2008	(AP) 134718 C.I. Thornbur		-81.19	
8/15/2008	(AP) 134719 Windstream Ke		-68.24	
8/15/2008	(AP) 134720 City Water De		-5,000.00	
8/15/2008	(AP) 134721 Ky State Trea		-10,222.94	
8/15/2008	(AP) 134722 Lancaster Wat		-53.60	
8/15/2008	(AP) 134722 Lancaster Wat		-44.22	
8/15/2008	(AP) 134723 Consolidated		-1,603.50	
8/15/2008	(AP) 134724 Danville Bott		-32.00	
8/15/2008	(AP) 134724 Danville Bott		-23.20	
8/15/2008	(AP) 134725 Progressive M		-743.00	
8/15/2008	(AP) 134726 Fouser Enviro		-425.00	
8/15/2008	(AP) 134727 J & J Systems		-70.00	
8/15/2008	(AP) 134728 Hazel Kunasch		-16.40	
8/15/2008	(AP) 134729 Kevin Crawley		-80.78	
8/18/2008	(AP) 134730 Roger Hume		-872.32	
8/20/2008	(AP) 134731 AT&T Mobility		-187.86	
8/20/2008	(AP) 134732 Kentucky Util		-11.20	
8/20/2008	(AP) 134733 Visa		-393.75	
8/21/2008	(AP) 134734 City Payroll		-5,919.89	
8/21/2008	(AP) 134735 Lancaster Wat		-102.81	
8/21/2008	(AP) 134735 Lancaster Wat		-94.18	
8/21/2008	(AP) 134735 Lancaster Wat		-79.33	
8/21/2008	(AP) 134735 Lancaster Wat		-125.00	
8/21/2008	(AP) 134735 Lancaster Wat		-125.00	
8/21/2008	(AP) 134736 Clifton Gette		-30.82	
8/21/2008	(AP) 134737 Sharon Brambl		-22.19	
8/21/2008	(AP) 134738 Hubert Egner		-45.67	
8/25/2008	(AP) 134739 Anthem BCBS K		-2,242.14	
8/25/2008	(IC) Carrie Griffin-122	75.00		
8/25/2008	(IC) Melodie Devries-138	30.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
8/25/2008	(IC) Carrie Griffin-122	30.00		
8/25/2008	(IC) Steve Dearing-136 P	175.00		
8/25/2008	(IC) Orin Johnson-194 Ca	175.00		
8/26/2008	(IC) Felix Maggard-88 Ca	50.00		
8/26/2008	(IC) Earl French-212 S.	50.00		
8/28/2008	(IC) James McCall 131 De	50.00		
8/28/2008	(IC) Irvin Group 135 Hil	50.00		
8/31/2008	(IC) Interest	66.55		
8/6/2008	(EX) ret ck Richard Brya		-175.00	
8/22/2008	(EX) School tax		-1,236.26	
9/1/2008	(IC) Jovan Pennington 95	30.00		
9/2/2008	(IC) Matt & B. Hughes 20	50.00		
9/2/2008	(IC) Daneca Dunn 182 Car	30.00		
9/2/2008	(IC) Bridgete Napier 316	25.00		
9/2/2008	(IC) Roy Davis 111 Campb	50.00		
9/2/2008	(IC) Earnestine Daley 40	175.00		
9/2/2008	(IC) Karen Tomlin 102 De	50.00		
9/2/2008	(IC) Lincoln Gilliam 117	175.00		
9/2/2008	(IC) Richard Tudor 269 C	175.00		
9/2/2008	(IC) Wilson Mgt. Maple H	50.00		
9/2/2008	(IC) Gloria Townsend 107	175.00		
9/2/2008	(IC) PKSC,LLC 245 Cardin	50.00		
9/2/2008	(IC) PPKSC, LLC 257 Card	50.00		
9/2/2008	(IC) PKSC,LLC 239 Cardin	50.00		
9/2/2008	(IC) Returned check on K	25.00		
9/2/2008	(IC) Presciliano Perez 1	175.00		
9/2/2008	(IC) Judy Williams 303 C	25.00		
9/3/2008	(IC) Earl French 108 Mag	50.00		
9/3/2008	(IC) Michael Patrick 130	175.00		
9/3/2008	(IC) Donnie Lane 230 Car	20.00		
9/4/2008	(IC) Isaac Maggard 211 H	175.00		
9/4/2008	(IC) Glen & B. Gilliam 1	175.00		
9/4/2008	(IC) Utility Transfer th	11,149.81		
9/15/2008	(EX) City RD Accounts		-5,481.00	
9/15/2008	(EX) City KIA Accounts		-3,855.00	
9/1/2008	(AP) 134740 C.I. Thornbur		-897.75	
9/1/2008	(AP) 134741 Inter-County		-10.01	
9/1/2008	(AP) 134741 Inter-County		-12,872.24	
9/1/2008	(AP) 134742 Kentucky Util		-591.35	
9/1/2008	(AP) 134742 Kentucky Util		-930.88	
9/1/2008	(AP) 134742 Kentucky Util		-11.20	
9/1/2008	(AP) 134742 Kentucky Util		-3,750.02	
9/1/2008	(AP) 134743 Windstream Ke		-109.90	
9/1/2008	(AP) 134744 Elite Petrole		-295.00	
9/1/2008	(AP) 134745 Bamill, LLC d		-156.84	
9/1/2008	(AP) 134746 Service Speci		-3,675.88	
9/1/2008	(AP) 134747 USDA/Rural De		-5,411.87	
9/1/2008	(AP) 134747 USDA/Rural De		-3,572.12	
9/1/2008	(AP) 134748 Fouser Enviro		-143.00	
9/3/2008	(AP) 134749 Fleet One (MS		-441.88	
9/4/2008	(AP) 134750 City Payroll		-6,719.28	
9/4/2008	(AP) 134751 Lancaster Wat		-70.00	
9/4/2008	(AP) 134751 Lancaster Wat		-125.00	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
9/4/2008	(AP) 134751 Lancaster Wat		-125.00	
9/4/2008	(AP) 134751 Lancaster Wat		-94.05	
9/4/2008	(AP) 134752 Robin Parker		-24.50	
9/4/2008	(AP) 134753 Eugene Patter		-30.95	
9/10/2008	(AP) 134754 Central Recor		-107.25	
9/10/2008	(AP) 134755 Feldman Elect		-280.00	
9/10/2008	(AP) 134756 Garrard Autom		-34.17	
9/10/2008	(AP) 134756 Garrard Autom		-91.11	
9/10/2008	(AP) 134756 Garrard Autom		-13.72	
9/10/2008	(AP) 134757 Inter-County		-82.87	
9/10/2008	(AP) 134758 Univar USA In		-4,195.80	
9/10/2008	(AP) 134759 Lancaster Wat		-70.00	
9/10/2008	(AP) 134759 Lancaster Wat		-70.00	
9/10/2008	(AP) 134759 Lancaster Wat		-54.88	
9/10/2008	(AP) 134759 Lancaster Wat		-38.67	
9/10/2008	(AP) 134759 Lancaster Wat		-59.21	
9/10/2008	(AP) 134759 Lancaster Wat		-71.25	
9/10/2008	(AP) 134759 Lancaster Wat		-128.86	
9/10/2008	(AP) 134759 Lancaster Wat		-125.00	
9/10/2008	(AP) 134759 Lancaster Wat		-125.00	
9/10/2008	(AP) 134760 Kentucky Stat		-368.28	
9/10/2008	(AP) 134761 Gleenline Imp		-83.10	
9/10/2008	(AP) 134762 Service Speci		-940.85	
9/10/2008	(AP) 134763 Lexington Her		-705.02	
9/10/2008	(AP) 134764 Fouser Enviro		-425.00	
9/10/2008	(AP) 134764 Fouser Enviro		-86.00	
9/10/2008	(AP) 134764 Fouser Enviro		-107.00	
9/10/2008	(AP) 134765 J & J Systems		-387.50	
9/10/2008	(AP) 134766 Open World, I		-59.95	
9/10/2008	(AP) 134767 CedarChem, LL		-1,713.00	
9/10/2008	(AP) 134768 Eugene Patter		-31.09	
9/10/2008	(AP) 134769 Sean Cundiff		-86.33	
9/10/2008	(AP) 134770 Rikki Payne		-53.75	
9/10/2008	(AP) 134771 Dairy Freeze		-21.14	
9/10/2008	(AP) 134772 Kathleen Horn		-65.79	
9/10/2008	(AP) 134773 Misty Maggard		-15.12	
9/10/2008	(AP) 134774 Zach Terry		-70.00	
9/12/2008	(EX) Dept. of Revenue		-1,090.87	
9/9/2008	(IC) Blake Rentals 126 P	50.00		
9/11/2008	(IC) Utility Transfer th	81,435.67		
9/11/2008	(IC) Lora Hadding 216 St	175.00		
9/11/2008	(IC) Quarters	776.75		
9/12/2008	(IC) Connie Alekna 109 C	50.00		
9/15/2008	(IC) Raymond Lyons 41 Ma	30.00		
9/15/2008	(IC) Raymond Lyons 41 Ma	25.00		
9/15/2008	(IC) Greg Whitley 102 Ri	50.00		
9/15/2008	(IC) Joseph Lamb 257 Ca	50.00		
9/15/2008	(IC) Joseph Lamb 245 Car	50.00		
9/15/2008	(IC) Joseph Lamb 239 Car	50.00		
9/15/2008	(IC) Joseph Lamb 257,245	25.00		
9/16/2008	(IC) Kyle Cupp 116 Miles	50.00		
9/17/2008	(AP) 134775 C.I. Thornbur		-84.23	
9/17/2008	(AP) 134775 C.I. Thornbur		-2,284.60	

**City of Lancaster**  
**Detailed Trial Balance 200 Water**  
**Entries From 7/1/2008 Through 6/30/2009**

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
9/17/2008	(AP) 134776 Danville Offi		-22.32	
9/17/2008	(AP) 134776 Danville Offi		-35.99	
9/17/2008	(AP) 134777 Hach Company		-154.74	
9/17/2008	(AP) 134777 Hach Company		-12.19	
9/17/2008	(AP) 134778 City Water De		-5,000.00	
9/17/2008	(AP) 134779 Service Speci		-715.07	
9/17/2008	(AP) 134779 Service Speci		-473.40	
9/17/2008	(AP) 134780 Fouser Enviro		-91.00	
9/17/2008	(AP) 134781 Baumann Paper		-52.51	
9/17/2008	(AP) 134782 Micro-Comm, I		-269.00	
9/18/2008	(AP) 134783 Kentucky Util		-11.06	
9/18/2008	(AP) 134784 City Payroll		-7,041.67	
9/18/2008	(AP) 134785 Roger Hume		-866.68	
9/17/2008	(IC) John East 113 Cave	50.00		
9/18/2008	(IC) Utility Transfer th	5,192.11		
9/18/2008	(IC) Mike Huffman 351 De	50.00		
9/18/2008	(IC) Candice McQueary 22	175.00		
9/23/2008	(AP) 134786 AT&T Mobility		-194.56	
9/23/2008	(AP) 134787 Anthem BCBS K		-2,242.14	
9/23/2008	(AP) 134788 Visa		-54.13	
9/23/2008	(AP) 134788 Visa		-180.19	
9/19/2008	(IC) David Nalley 125 Hi	50.00		
9/19/2008	(IC) Charlie Ray 135 Hil	50.00		
9/23/2008	(IC) Judy Dawahare-211 L	30.00		
9/23/2008	(IC) Moss Investments-73	50.00		
9/23/2008	(IC) Winnie Hall-111 Ham	30.00		
9/23/2008	(IC) Christy Coleman-111	30.00		
9/23/2008	(IC) Lillian Burrows-304	175.00		
9/23/2008	(IC) Brittany Murphy-109	175.00		
9/24/2008	(IC) Takia Salyers-118 C	30.00		
9/24/2008	(IC) George Herbert-114	30.00		
9/24/2008	(IC) Daneca Dunn-182 Car	30.00		
9/24/2008	(IC) Peggy Barker-116 Hi	30.00		
9/24/2008	(IC) Edwina Lemay-101 Tu	30.00		
9/24/2008	(IC) Roy Browning-409 S.	30.00		
9/25/2008	(IC) Utility Transfer th	7,408.55		
9/25/2008	(IC) Water Dispensers	675.25		
9/25/2008	(IC) Carl Van Pelt-118 T	50.00		
9/26/2008	(IC) Tammy Hacker-405 Cr	50.00		
9/26/2008	(IC) Jovan Pennington-95	30.00		
9/26/2008	(IC) Heather Durham-230	175.00		
9/26/2008	(IC) Kathy Brogli-201 Da	175.00		
9/26/2008	(IC) Joanne Watson-114 P	50.00		
9/26/2008	(IC) Joseph Serrano-107	30.00		
9/26/2008	(IC) Delena Smith-112 De	50.00		
9/30/2008	(IC) Interest	70.81		
9/5/2008	(EX) Return ck J Lamb		-150.00	
10/1/2008	(IC) Jerry Green- 115 My	50.00		
10/1/2008	(IC) Jennifer Sears- 127	175.00		
10/1/2008	(IC) Barbara Montgomery	50.00		
10/1/2008	(IC) Joe Jackson 128 Mil	30.00		
10/1/2008	(IC) Melissa Hulett 112	175.00		
10/1/2008	(IC) Shonda Falconberry	50.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
10/2/2008	(IC) A.& Paula Price 126	30.00		
10/1/2008	(IC) Rebecca Newcomb 212	30.00		
10/2/2008	(IC) Jodie Newton 218 De	25.00		
10/3/2008	(EX) Dept. of Revenue-K		-1,237.69	
10/1/2008	(AP) 134789 C.I. Thornbur		-13.40	
10/1/2008	(AP) 134790 Inter-County		-10.21	
10/1/2008	(AP) 134790 Inter-County		-12,376.03	
10/1/2008	(AP) 134791 Kentucky Util		-958.57	
10/1/2008	(AP) 134791 Kentucky Util		-11.06	
10/1/2008	(AP) 134791 Kentucky Util		-591.71	
10/1/2008	(AP) 134791 Kentucky Util		-3,811.07	
10/1/2008	(AP) 134792 Windstream Ke		-105.15	
10/1/2008	(AP) 134793 Us Postal Ser		-344.74	
10/1/2008	(AP) 134794 Lancaster Wat		-70.00	
10/1/2008	(AP) 134794 Lancaster Wat		-70.00	
10/1/2008	(AP) 134794 Lancaster Wat		-70.00	
10/1/2008	(AP) 134795 Bamill, LLC d		-156.84	
10/1/2008	(AP) 134796 Office Depot		-42.00	
10/1/2008	(AP) 134797 Candice McQue		-41.65	
10/1/2008	(AP) 134798 Michael Davis		-75.00	
10/1/2008	(AP) 134799 Troy Deshon		-75.00	
10/1/2008	(AP) 134800 East Lawn Car		-190.00	
10/1/2008	(AP) 134801 Greg Shearer		-75.00	
10/1/2008	(AP) 134802 Larry R. Stin		-75.00	
10/1/2008	(AP) 134803 Daner Busines		-270.00	
10/1/2008	(AP) 134803 Daner Busines		-114.65	
10/1/2008	(AP) 134804 Jeff Buchenro		-75.00	
10/1/2008	(AP) 134805 Stacy Grow		-75.00	
10/2/2008	(AP) 134806 C.I. Thornbur		-104.02	
10/2/2008	(AP) 134807 Labtronix		-685.00	
10/2/2008	(AP) 134808 City Payroll		-6,388.62	
10/2/2008	(AP) 134809 Kentucky Stat		-358.64	
10/2/2008	(AP) 134810 Fouser Enviro		-50.00	
10/2/2008	(AP) 134810 Fouser Enviro		-775.00	
10/2/2008	(AP) 134810 Fouser Enviro		-48.00	
10/2/2008	(AP) 134811 Graphic Contr		-251.31	
10/2/2008	(AP) 134812 Stacy Grow		-150.00	
10/6/2008	(AP) 134813 Orkin Pest Co		-41.09	
10/6/2008	(AP) 134814 Division Of U		-56.24	
10/6/2008	(AP) 134815 Lancaster Wat		-57.43	
10/6/2008	(AP) 134815 Lancaster Wat		-70.00	
10/6/2008	(AP) 134815 Lancaster Wat		-70.00	
10/6/2008	(AP) 134815 Lancaster Wat		-26.80	
10/6/2008	(AP) 134815 Lancaster Wat		-94.73	
10/6/2008	(AP) 134815 Lancaster Wat		-125.00	
10/6/2008	(AP) 134816 Hr Direct		-135.03	
10/6/2008	(AP) 134817 Utility Servi		-3,083.03	
10/6/2008	(AP) 134817 Utility Servi		-3,175.52	
10/6/2008	(AP) 134818 Fleet One (MS		-491.82	
10/6/2008	(AP) 134819 Fouser Enviro		-397.00	
10/6/2008	(AP) 134819 Fouser Enviro		-86.00	
10/6/2008	(AP) 134820 Kyle Cupp		-30.27	
10/6/2008	(AP) 134821 Donna League		-12.57	

**City of Lancaster**  
**Detailed Trial Balance 200 Water**  
**Entries From 7/1/2008 Through 6/30/2009**

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
10/6/2008	(AP) 134822 William Land		-43.20	
10/9/2008	(AP) 134823 Central Recor		-22.00	
10/9/2008	(AP) 134824 Garrard Autom		-69.95	
10/9/2008	(AP) 134825 Garrard Hardw		-63.28	
10/9/2008	(AP) 134825 Garrard Hardw		-35.19	
10/9/2008	(AP) 134825 Garrard Hardw		-132.38	
10/9/2008	(AP) 134825 Garrard Hardw		-95.45	
10/9/2008	(AP) 134826 Inter-County		-86.65	
10/9/2008	(AP) 134827 Windstream Ke		-159.47	
10/9/2008	(AP) 134828 Urgent Treatm		-76.00	
10/9/2008	(AP) 134829 EKWWOA		-180.00	
10/9/2008	(AP) 134830 Open World, I		-59.95	
10/15/2008	(EX) City RD Accounts		-5,481.00	
10/15/2008	(EX) City KIA Accounts		-3,855.00	
10/15/2008	(AP) 134831 C.I. Thornbur		-142.00	
10/15/2008	(AP) 134832 Danville Offi		-18.00	
10/15/2008	(AP) 134832 Danville Offi		-35.99	
10/15/2008	(AP) 134833 Windstream Ke		-65.45	
10/15/2008	(AP) 134834 Trans Union L		-125.00	
10/15/2008	(AP) 134835 Carter Printi		-75.00	
10/15/2008	(AP) 134836 Roger Hume		-865.74	
10/15/2008	(AP) 134837 Fouser Enviro		-460.00	
10/15/2008	(AP) 134839 Justin T. Gen		-2,451.25	
10/16/2008	(AP) 134840 City Payroll		-7,300.39	
10/3/2008	(IC) Eddie Anderson Jr.	175.00		
10/3/2008	(IC) Eddie Anderson Jr 1	75.00		
10/3/2008	(IC) Debbie Anderson 103	175.00		
10/3/2008	(IC) Delinda Brown 111 W	175.00		
10/3/2008	(IC) Lisa Smith 404 Stan	50.00		
10/6/2008	(IC) Amanda Taulbee 104	25.00		
10/7/2008	(IC) Shirley Sams 114 Wo	25.00		
10/7/2008	(IC) Ruby Adams 121 Hill	50.00		
10/9/2008	(IC) Utility Transfer th	35,491.88		
10/9/2008	(IC) Tammy Preston 387 C	175.00		
10/10/2008	(IC) Rebecca Preston 98	50.00		
10/10/2008	(IC) Nancy Sams 368 Card	175.00		
10/10/2008	(IC) Todd Folger 202 Car	175.00		
10/13/2008	(IC) Tamarah Kuhn 114 A	175.00		
10/16/2008	(IC) Utility Transfer th	63,988.36		
10/16/2008	(IC) Chris Kendrick 116	175.00		
10/17/2008	(IC) Lora Shell 111 S Ca	50.00		
10/17/2008	(IC) Christina Ray 101 M	175.00		
10/20/2008	(AP) 134841 Kentucky Util		-11.10	
10/20/2008	(AP) 134842 Visa		-237.25	
10/20/2008	(AP) 134843 J & J Systems		-140.00	
10/20/2008	(AP) 134844 Cash		-200.00	
10/21/2008	(AP) 134845 AT&T Mobility		-164.03	
10/21/2008	(AP) 134846 C.I. Thornbur		-1,017.20	
10/21/2008	(AP) 134846 C.I. Thornbur		-648.00	
10/21/2008	(AP) 134847 Continental H		-169.56	
10/21/2008	(AP) 134848 Anthem BCBS K		-2,242.14	
10/21/2008	(AP) 134849 Consolidated		-393.96	
10/21/2008	(AP) 134850 Fouser Enviro		-1,025.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
10/21/2008	(AP) 134850 Fouser Enviro		-183.00	
10/23/2008	(AP) 134851 C.I. Thornbur		-1,183.25	
10/23/2008	(AP) 134852 Kentucky Util		-11.10	
10/23/2008	(AP) 134852 Kentucky Util		-3,709.83	
10/23/2008	(AP) 134853 Red Bud Suppl		-199.40	
10/23/2008	(AP) 134854 Lancaster Wat		-125.00	
10/23/2008	(AP) 134854 Lancaster Wat		-125.00	
10/23/2008	(AP) 134854 Lancaster Wat		-84.02	
10/23/2008	(AP) 134855 Greenline Imp		-159.44	
10/23/2008	(AP) 134856 International		-1,845.00	
10/23/2008	(AP) 134857 Service Speci		-1,086.93	
10/23/2008	(AP) 134858 SimplexGrinne		-408.00	
10/23/2008	(AP) 134859 Family Dollar		-13.00	
10/23/2008	(AP) 134860 Rons Mini Mar		-10.47	
10/23/2008	(AP) 134861 Jessica Goins		-40.98	
10/17/2008	(IC) Jennifer Croll 139	175.00		
10/20/2008	(IC) Terri Rhodus 106 Ma	175.00		
10/20/2008	(IC) Michael Laswell 100	175.00		
10/21/2008	(IC) Rebecca Newcomb 212	30.00		
10/21/2008	(IC) Brenda McFerron Map	30.00		
10/21/2008	(IC) Charles Pittman 115	30.00		
10/22/2008	(IC) Quarters	845.25		
10/22/2008	(IC) Georgia Smith 122 M	30.00		
10/22/2008	(IC) Christy Coleman 111	30.00		
10/23/2008	(IC) Utility Transfer th	8,369.54		
10/23/2008	(IC) Rita Cornett 106 Ar	30.00		
10/23/2008	(IC) Josh Howard 103 Sue	20.00		
10/23/2008	(IC) Mona Perry 323 Danv	30.00		
10/23/2008	(IC) Progressive Tool 13	30.00		
10/27/2008	(IC) Roy Browning 409 S	30.00		
10/27/2008	(IC) Jackalope Printing	175.00		
10/29/2008	(AP) 134862 Stacy May, Co		-204.00	
10/30/2008	(AP) 134863 City Payroll		-7,864.83	
10/30/2008	(AP) 134864 Stacy Grow		-79.20	
10/31/2008	(IC) Interest	78.25		
10/6/2008	(IC) Return CK Fee	25.00		
11/1/2008	(IC) Don Clayborn-123 Pr	175.00		
11/3/2008	(IC) Ghonna Moberly-128	30.00		
11/3/2008	(IC) Carolyn Hopkins-215	20.00		
11/3/2008	(IC) Tiffany Houpp-105 Su	175.00		
11/3/2008	(IC) Danny Elam-146 Hill	50.00		
11/3/2008	(IC) Vernon Gilliam-103	175.00		
11/3/2008	(IC) Kati Montgomery-103	175.00		
11/3/2008	(IC) John & Henry Maggar	175.00		
11/4/2008	(IC) Brad Meade-106 Herr	50.00		
11/4/2008	(IC) Brad Meade-106 Herr	20.00		
11/4/2008	(IC) Joe Jackson-128 Mil	30.00		
11/4/2008	(IC) Earl French=148 Hil	50.00		
11/4/2008	(IC) Darrell Moberly-117	50.00		
11/15/2008	(EX) City RD Accounts		-5,481.00	
11/15/2008	(EX) City KIA Accounts		-3,855.00	
11/1/2008	(AP) 134865 AT& T		-87.98	
11/1/2008	(AP) 134866 C.I. Thornbur		-84.26	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
11/1/2008	(AP) 134866 C.I. Thornbur		-1,375.60	
11/1/2008	(AP) 134867 Inter-County		-10.20	
11/1/2008	(AP) 134867 Inter-County		-12,034.34	
11/1/2008	(AP) 134868 Lincoln Count		-266.00	
11/1/2008	(AP) 134869 Windstream Ke		-109.04	
11/1/2008	(AP) 134870 Lancaster Wat		-87.24	
11/1/2008	(AP) 134870 Lancaster Wat		-62.61	
11/1/2008	(AP) 134870 Lancaster Wat		-125.00	
11/1/2008	(AP) 134871 H.D. Supply W		-5,188.66	
11/1/2008	(AP) 134871 H.D. Supply W		-105.00	
11/1/2008	(AP) 134871 H.D. Supply W		-34.77	
11/1/2008	(AP) 134871 H.D. Supply W		-892.32	
11/1/2008	(AP) 134871 H.D. Supply W		-446.16	
11/1/2008	(AP) 134871 H.D. Supply W		-464.17	
11/1/2008	(AP) 134871 H.D. Supply W		-223.08	
11/1/2008	(AP) 134871 H.D. Supply W		-963.20	
11/1/2008	(AP) 134871 H.D. Supply W		-498.04	
11/1/2008	(AP) 134871 H.D. Supply W		-20.28	
11/1/2008	(AP) 134872 Lindas Custom		-200.88	
11/1/2008	(AP) 134873 Bamill, LLC d		-156.84	
11/1/2008	(AP) 134874 Family Dollar		-37.44	
11/1/2008	(AP) 134875 Karen Brammer		-37.76	
11/1/2008	(AP) 134876 Wesley Back		-62.39	
11/6/2008	(AP) 134877 Central Recor		-66.00	
11/6/2008	(AP) 134878 Dix River Sto		-1,188.07	
11/6/2008	(AP) 134879 Inter-County		-67.79	
11/6/2008	(AP) 134880 Orkin Pest Co		-41.09	
11/6/2008	(AP) 134881 Garrard Count		-20.33	
11/6/2008	(AP) 134882 Mulligan, Hil		-1,075.00	
11/6/2008	(AP) 134883 Quick Stop		-281.02	
11/6/2008	(AP) 134884 Fleet One (MS		-148.36	
11/12/2008	(AP) 134885 Lancaster Wat		-62.81	
11/12/2008	(AP) 134885 Lancaster Wat		-70.00	
11/12/2008	(AP) 134885 Lancaster Wat		-70.00	
11/12/2008	(AP) 134885 Lancaster Wat		-125.00	
11/12/2008	(AP) 134885 Lancaster Wat		-37.57	
11/12/2008	(AP) 134885 Lancaster Wat		-102.10	
11/12/2008	(AP) 134885 Lancaster Wat		-125.00	
11/12/2008	(AP) 134885 Lancaster Wat		-68.23	
11/12/2008	(AP) 134885 Lancaster Wat		-15.80	
11/12/2008	(AP) 134885 Lancaster Wat		-125.00	
11/12/2008	(AP) 134886 Farmers Natio		-75,323.95	
11/12/2008	(AP) 134887 Open World, I		-59.95	
11/12/2008	(AP) 134888 Norm Smith		-109.20	
11/12/2008	(AP) 134889 Robbie Reynol		-87.43	
11/12/2008	(AP) 134890 Nita Catching		-7.19	
11/12/2008	(AP) 134891 Lancaster Wat		-53.60	
11/12/2008	(AP) 134891 Lancaster Wat		-34.45	
11/12/2008	(AP) 134891 Lancaster Wat		-125.00	
11/12/2008	(AP) 134892 Farmers Natio		-21,099.51	
11/13/2008	(AP) 134893 City Payroll		-7,381.67	
11/14/2008	(AP) 134894 C.I. Thornbur		-1,175.85	
11/14/2008	(AP) 134894 C.I. Thornbur		-84.18	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
11/14/2008	(AP) 134895 Kentucky Stat		-469.80	
11/14/2008	(AP) 134896 Danville Bott		-60.00	
11/14/2008	(AP) 134896 Danville Bott		-31.00	
11/14/2008	(AP) 134896 Danville Bott		-8.00	
11/14/2008	(AP) 134896 Danville Bott		-11.60	
11/14/2008	(AP) 134897 Fouser Enviro		-198.00	
11/14/2008	(AP) 134897 Fouser Enviro		-425.00	
11/14/2008	(AP) 134897 Fouser Enviro		-36.00	
11/14/2008	(AP) 134898 CedarChem, LL		-1,309.50	
11/14/2008	(AP) 134899 Tiffany Warmo		-22.90	
11/14/2008	(AP) 134900 Edith Cortez		-16.40	
11/14/2008	(AP) 134901 Carolyn Burto		-35.55	
11/14/2008	(EX) Dept. of Revenue- K		-1,189.96	
11/5/2008	(IC) Duane King-103 Sue	175.00		
11/5/2008	(IC) Jackie Shyrock-115	175.00		
11/5/2008	(IC) Bridgett Jackson-12	175.00		
11/6/2008	(IC) Utility Transfer th	11,708.64		
11/7/2008	(IC) Gerald Grubbs-312 C	50.00		
11/7/2008	(IC) Carolyn Hopkins-215	50.00		
11/7/2008	(IC) Doris Spurlin-409 D	20.00		
11/10/2008	(IC) Charlotte Brewer-10	175.00		
11/10/2008	(IC) Earl Foley-118 Pric	50.00		
11/10/2008	(IC) Water & Sewer Sinki	21,099.51		
11/14/2008	(IC) Depreciation fund	75,323.95		
11/11/2008	(IC) Pam Doan-Maple Hill	105.00		
11/11/2008	(IC) Frank & Dana Deney-	175.00		
11/11/2008	(IC) Nathan Carrier-327	50.00		
11/12/2008	(IC) Earl French-212 S.	50.00		
11/13/2008	(IC) Utility Transfer th	81,674.01		
11/13/2008	(IC) Marty Robbins-97 Pl	25.00		
11/13/2008	(IC) Thomas Peters-409 D	175.00		
11/14/2008	(IC) Wendall Osborne-374	25.00		
11/17/2008	(IC) James Moore-150 Car	175.00		
11/17/2008	(IC) Wendy Logan-293 Car	175.00		
11/19/2008	(IC) Russell Howell-110	50.00		
11/20/2008	(IC) Utility Transfer th	4,896.59		
11/20/2008	(IC) Kristen Collett-320	175.00		
11/20/2008	(IC) Emma Stewart-302 KY	175.00		
11/21/2008	(IC) Merle Tyree-229 W.	175.00		
11/21/2008	(IC) Patrick Ray-386 Dee	50.00		
11/21/2008	(IC) Nancy Baker-117 Tur	175.00		
11/21/2008	(IC) Ghonna Moberly-128	25.00		
11/24/2008	(IC) Joe Jennings-129a H	50.00		
11/24/2008	(IC) Kristen Hammond-104	175.00		
11/24/2008	(IC) Universal Guaranty-	50.00		
11/24/2008	(IC) Joe Jackson-128 Mil	30.00		
11/24/2008	(IC) Jeff Helton-287 Car	55.00		
11/20/2008	(AP) 134902 Kentucky Util		-11.12	
11/20/2008	(AP) 134903 Windstream Ke		-64.64	
11/20/2008	(AP) 134904 Greentree App		-650.00	
11/20/2008	(AP) 134905 City Water De		-5,000.00	
11/20/2008	(AP) 134906 Ky State Trea		-13,038.88	
11/20/2008	(AP) 134907 H.D. Supply W		-19,880.00	

**City of Lancaster**  
**Detailed Trial Balance 200 Water**  
**Entries From 7/1/2008 Through 6/30/2009**

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
11/20/2008	(AP) 134907 H.D. Supply W		-307.50	
11/20/2008	(AP) 134907 H.D. Supply W		-44.88	
11/20/2008	(AP) 134907 H.D. Supply W		-1,120.00	
11/20/2008	(AP) 134908 Consolidated		-400.00	
11/20/2008	(AP) 134909 Visa		-261.76	
11/20/2008	(AP) 134910 Roger Hume		-810.75	
11/20/2008	(AP) 134911 Deluxe Busine		-165.90	
11/25/2008	(AP) 134912 AT&T Mobility		-179.83	
11/25/2008	(AP) 134913 City Payroll		-6,970.11	
11/24/2008	(IC) Wanda Dailey-111 Ri	30.00		
11/25/2008	(IC) Margaret Beasley-62	30.00		
11/25/2008	(IC) Melinda Starks-122	175.00		
11/25/2008	(IC) Utility Transfer th	4,293.30		
11/30/2008	(IC) Interest	86.00		
12/15/2008	(EX) City RD Accounts		-5,481.00	
12/15/2008	(EX) City KIA Accounts		-3,855.00	
12/5/2008	(EX) Department of Reven		-1,082.74	
12/1/2008	(AP) 134914 Danville Offi		-32.02	
12/1/2008	(AP) 134914 Danville Offi		-77.96	
12/1/2008	(AP) 134915 Inter-County		-10.54	
12/1/2008	(AP) 134915 Inter-County		-15,229.01	
12/1/2008	(AP) 134916 Kentucky Util		-525.18	
12/1/2008	(AP) 134916 Kentucky Util		-11.12	
12/1/2008	(AP) 134916 Kentucky Util		-3,669.48	
12/1/2008	(AP) 134917 Windstream Ke		-107.13	
12/1/2008	(AP) 134918 Anthem BCBS K		-1,868.45	
12/1/2008	(AP) 134919 Bamill, LLC d		-156.84	
12/5/2008	(AP) 134920 AT& T		-91.09	
12/5/2008	(AP) 134921 Danville Offi		-15.36	
12/5/2008	(AP) 134922 Garrard Autom		-33.00	
12/5/2008	(AP) 134922 Garrard Autom		-76.09	
12/5/2008	(AP) 134922 Garrard Autom		-34.08	
12/5/2008	(AP) 134922 Garrard Autom		-2.38	
12/5/2008	(AP) 134923 Garrard Hardw		-100.58	
12/5/2008	(AP) 134923 Garrard Hardw		-250.00	
12/5/2008	(AP) 134923 Garrard Hardw		-119.62	
12/5/2008	(AP) 134923 Garrard Hardw		-54.32	
12/5/2008	(AP) 134924 Inter-County		-86.82	
12/5/2008	(AP) 134925 Orkin Pest Co		-41.09	
12/5/2008	(AP) 134926 Lancaster Wat		-85.88	
12/5/2008	(AP) 134926 Lancaster Wat		-43.67	
12/5/2008	(AP) 134926 Lancaster Wat		-52.44	
12/5/2008	(AP) 134927 Rebecca Prest		-72.56	
12/5/2008	(AP) 134928 Nancy Baker		-81.33	
12/5/2008	(AP) 134929 Kristen Colle		-39.12	
12/9/2008	(AP) 134930 Central Recor		-12.25	
12/9/2008	(AP) 134931 C.I. Thornbur		-320.00	
12/9/2008	(AP) 134931 C.I. Thornbur		-783.11	
12/9/2008	(AP) 134931 C.I. Thornbur		-1,058.40	
12/9/2008	(AP) 134931 C.I. Thornbur		-83.99	
12/9/2008	(AP) 134932 Feldman Lumbe		-128.63	
12/9/2008	(AP) 134933 Hach Company		-177.90	
12/9/2008	(AP) 134934 Labtronix		-555.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
12/9/2008	(AP) 134935 Univar USA In		-4,943.32	
12/9/2008	(AP) 134936 H.D. Supply W		-19,243.80	
12/9/2008	(AP) 134937 Kentucky Stat		-368.54	
12/9/2008	(AP) 134938 Michael Davis		-40.00	
12/9/2008	(AP) 134939 Service Speci		-21,306.18	
12/9/2008	(AP) 134939 Service Speci		-4,014.34	
12/9/2008	(AP) 134940 Paul Black		-40.00	
12/9/2008	(AP) 134941 Troy Deshon		-40.00	
12/9/2008	(AP) 134942 Greg Shearer		-40.00	
12/9/2008	(AP) 134943 Larry R. Stin		-40.00	
12/9/2008	(AP) 134944 Fouser Enviro		-125.00	
12/9/2008	(AP) 134944 Fouser Enviro		-151.00	
12/9/2008	(AP) 134944 Fouser Enviro		-425.00	
12/9/2008	(AP) 134945 Jeff Buchenro		-40.00	
12/9/2008	(AP) 134946 Open World, I		-59.95	
12/9/2008	(AP) 134947 CNA Surety		-100.00	
12/9/2008	(AP) 134948 Carla Payton		-20.00	
12/9/2008	(AP) 134949 Stacy Grow		-40.00	
12/10/2008	(AP) 134950 Kentucky Leag		-16,681.00	
12/10/2008	(AP) 134951 Lancaster Wat		-31.74	
12/10/2008	(AP) 134951 Lancaster Wat		-88.76	
12/10/2008	(AP) 134951 Lancaster Wat		-85.78	
12/10/2008	(AP) 134951 Lancaster Wat		-114.11	
12/10/2008	(AP) 134951 Lancaster Wat		-70.21	
12/10/2008	(AP) 134951 Lancaster Wat		-54.60	
12/10/2008	(AP) 134952 Quick Stop		-329.81	
12/11/2008	(AP) 134953 City Payroll		-8,183.24	
12/11/2008	(AP) 134954 Mulligan, Hil		-620.00	
12/11/2008	(AP) 134955 Ray Higdon		-247.50	
12/11/2008	(AP) 134956 Brenda Staten		-56.77	
12/11/2008	(AP) 134957 Katie Ray		-38.26	
12/11/2008	(AP) 134958 Lora Hadding		-70.40	
12/11/2008	(AP) 134959 Tina Parks		-54.79	
12/11/2008	(AP) 134960 Courtney Walt		-36.22	
12/12/2008	(AP) 134962 Us Postal Ser		-207.00	
12/17/2008	(AP) 134963 Kentucky Util		-11.26	
12/17/2008	(AP) 134964 Windstream Ke		-64.44	
12/17/2008	(AP) 134965 Lancaster Wat		-125.00	
12/17/2008	(AP) 134965 Lancaster Wat		-111.51	
12/17/2008	(AP) 134965 Lancaster Wat		-23.34	
12/17/2008	(AP) 134966 Debbie Anders		-13.49	
12/17/2008	(AP) 134967 Ryan Hunt		-101.66	
12/1/2008	(IC) Paula Price- 126 He	30.00		
12/1/2008	(IC) Marty Robbins 103 W	175.00		
12/1/2008	(IC) U Got the Look 77 S	50.00		
12/1/2008	(IC) Melodie Devries 138	30.00		
12/1/2008	(IC) Latisha Austin 104	175.00		
12/1/2008	(IC) Jovan Pennington 95	30.00		
12/1/2008	(IC) Ryan Hund 201 Hamil	175.00		
12/1/2008	(IC) John Maggard 388 Ca	175.00		
12/1/2008	(IC) Nicole Maggard 313	175.00		
12/2/2008	(IC) Lee DeForest 409 Da	175.00		
12/2/2008	(IC) Quarters	971.00		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
12/3/2008	(IC) Charles Wiles 409 D	175.00		
12/5/2008	(IC) Lancaster Tire 101	30.00		
12/5/2008	(IC) Wayne Davis 105 Tur	175.00		
12/9/2008	(IC) Sammy Durham 201 Ha	50.00		
12/10/2008	(IC) Cathy Preston 128 T	50.00		
12/10/2008	(IC) Utility Transfer th	36,603.14		
12/15/2008	(IC) David McQuerry 117	25.00		
12/15/2008	(IC) David McQuerry 117	30.00		
12/15/2008	(IC) Kandi Grow 118 Pric	50.00		
12/15/2008	(IC) Jonathan Shell 649	175.00		
12/17/2008	(IC) Simon Norris 74 Mar	30.00		
12/17/2008	(IC) Juanita Harrison Ma	50.00		
12/18/2008	(IC) Utility Transfer th	53,933.57		
12/19/2008	(AP) 134968 Reliance Fire		-140.00	
12/19/2008	(AP) 134968 Reliance Fire		-127.00	
12/19/2008	(AP) 134968 Reliance Fire		-154.45	
12/19/2008	(AP) 134968 Reliance Fire		-93.50	
12/19/2008	(AP) 134969 RSC Equipment		-1,529.16	
12/18/2008	(IC) Cecil Byrd 351 Card	175.00		
12/23/2008	(AP) 134970 AT&T Mobility		-200.00	
12/23/2008	(AP) 134971 City Payroll		-8,614.89	
12/23/2008	(AP) 134972 Roger Hume		-723.80	
12/24/2008	(AP) 134973 Anthem BCBS K		-2,242.14	
12/22/2008	(IC) Shawnda Buford 62 M	50.00		
12/22/2008	(IC) Jessica Bailey 236	175.00		
12/22/2008	(IC) Jeffrey Helton 287	30.00		
12/22/2008	(IC) Jeffrey Helton 287	50.00		
12/23/2008	(IC) Tammy Reyes 104 Sue	175.00		
12/24/2008	(IC) Brenda McFerron-Map	30.00		
12/29/2008	(IC) Melissa Hulett-112	30.00		
12/29/2008	(IC) James McCall-131 De	30.00		
12/29/2008	(IC) Jeff Helton-287 Car	30.00		
12/29/2008	(IC) Lora Shell-111 Camp	30.00		
12/29/2008	(IC) George Herbert-114	30.00		
12/29/2008	(IC) Carolyn Downs-212 W	30.00		
12/31/2008	(IC) Interest	77.17		
1/13/2009	(EX) Dept. of Revenue- K		-1,169.92	
1/2/2009	(IC) Emma Gentry Maple H	175.00		
1/2/2009	(IC) Candace Rutledge 11	175.00		
1/2/2009	(IC) Chasity Goins 212 C	30.00		
1/2/2009	(IC) Angela Daugherty 30	175.00		
1/2/2009	(IC) Shonda Lemay 117 Hi	175.00		
1/2/2009	(IC) Regina Garcia 114 W	175.00		
1/2/2009	(IC) Utility Transfer th	6,434.46		
1/2/2009	(IC) Quarters	586.50		
1/5/2009	(IC) Family Worship 129	175.00		
1/2/2009	(IC) Michael Patrick 212	50.00		
1/5/2009	(IC) Tim Nunemaker 202 C	50.00		
1/5/2009	(IC) Sammy Durham 127 Hi	20.00		
1/5/2009	(IC) Doris Spurlin 409 D	20.00		
1/6/2009	(IC) Joetta Logan 216 St	50.00		
1/6/2009	(IC) Jerry Green 115 Mye	25.00		
1/6/2009	(IC) Dewey Camel 212 S C	175.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
1/8/2009	(IC) Lisa Domidion 409 D	175.00		
1/8/2009	(IC) Alvin Masters 110 H	50.00		
1/8/2009	(IC) Arthur Price 126 He	30.00		
1/8/2009	(IC) Utility Transfer th	16,001.36		
1/8/2009	(IC) Nicole Norris 89 Ma	25.00		
1/9/2009	(IC) Kathy Lane 409 Danv	25.00		
1/9/2009	(IC) Christina Ray 121 H	50.00		
1/12/2009	(IC) Estella Pullum 212	175.00		
1/12/2009	(IC) Angela Suesz 146 Hi	175.00		
1/12/2009	(IC) James Breeden 126 T	175.00		
1/12/2009	(IC) Bobbi Gilliam 204 L	175.00		
1/15/2009	(EX) City RD Accounts		-5,481.00	
1/15/2009	(EX) City KIA Accounts		-3,855.00	
1/15/2009	(IC) Utility Transfer th	62,114.39		
1/15/2009	(IC) Joseph Kincaid 214	175.00		
1/15/2009	(IC) David Merrill 319 D	30.00		
1/16/2009	(IC) James McCall 131 De	25.00		
1/16/2009	(IC) Tonya Chapman 363 C	175.00		
1/16/2009	(IC) Adrianna Gilbert 12	175.00		
1/16/2009	(IC) Veronica White 119	175.00		
1/20/2009	(IC) Stevenson Hargis 10	175.00		
1/20/2009	(IC) Patsy Ray 127 Pleas	25.00		
1/21/2009	(IC) Michelle Hopkins 12	30.00		
1/21/2009	(IC) Judy Williams 303 C	30.00		
1/21/2009	(IC) Juanita West 108 To	30.00		
1/21/2009	(IC) Brenda Rowland 121	30.00		
1/22/2009	(IC) Kim Weddington 339	175.00		
1/22/2009	(IC) Hillary Gauntt 309	30.00		
1/22/2009	(IC) Dawn Sims 110 Sunse	30.00		
1/22/2009	(IC) Rita Cornett 106 Ar	30.00		
1/22/2009	(IC) Lora Shell 111 S. C	30.00		
1/22/2009	(IC) Amanda Taulbee 104	30.00		
1/22/2009	(IC) William Fields 211	30.00		
1/22/2009	(IC) Dana Carrier 489 Ca	30.00		
1/22/2009	(IC) Shane Thomason 20 C	30.00		
1/22/2009	(IC) James McCall 131 De	30.00		
1/22/2009	(IC) Jason Wood 108 Haga	30.00		
1/22/2009	(IC) Utility Transfer th	8,900.40		
1/22/2009	(IC) Jackie Shyrock 115	30.00		
1/22/2009	(IC) Brittany Murphy 109	30.00		
1/22/2009	(IC) Stefanie Elam 117 C	30.00		
1/22/2009	(IC) Charlotte Brewer 10	30.00		
1/22/2009	(IC) Clara Arthur 103 Pr	175.00		
1/22/2009	(IC) Chris Kendrick 116	30.00		
1/23/2009	(IC) Carrie Griffin 122	30.00		
1/23/2009	(IC) Debra Young 118 Mil	175.00		
1/23/2009	(IC) Dallas Carpenter 13	175.00		
1/23/2009	(IC) Vickie Henderson Ma	30.00		
1/23/2009	(IC) Quarters	30.75		
12/30/2008	(AP) 134975 Us Postal Ser		-320.35	
1/5/2009	(AP) 134976 Inter-County		-10.64	
1/5/2009	(AP) 134976 Inter-County		-10,439.24	
1/5/2009	(AP) 134977 Kentucky Util		-747.26	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
1/5/2009	(AP) 134977 Kentucky Util		-1,595.27	
1/5/2009	(AP) 134977 Kentucky Util		-17.92	
1/5/2009	(AP) 134977 Kentucky Util		-4,003.50	
1/5/2009	(AP) 134978 Orkin Pest Co		-41.09	
1/5/2009	(AP) 134979 Windstream Ke		-103.48	
1/5/2009	(AP) 134980 Lancaster Wat		-47.33	
1/5/2009	(AP) 134980 Lancaster Wat		-70.00	
1/5/2009	(AP) 134980 Lancaster Wat		-125.00	
1/5/2009	(AP) 134980 Lancaster Wat		-120.08	
1/5/2009	(AP) 134980 Lancaster Wat		-125.00	
1/5/2009	(AP) 134980 Lancaster Wat		-69.14	
1/5/2009	(AP) 134980 Lancaster Wat		-125.00	
1/5/2009	(AP) 134981 Bamill, LLC d		-156.84	
1/5/2009	(AP) 134982 Troy Deshon		-75.00	
1/5/2009	(AP) 134983 Greg Shearer		-75.00	
1/5/2009	(AP) 134984 Larry R. Stin		-75.00	
1/5/2009	(AP) 134985 Jeff Buchenro		-75.00	
1/5/2009	(AP) 134986 Stacy Grow		-75.00	
1/5/2009	(AP) 134987 Kasundra Smit		-55.86	
1/5/2009	(AP) 134988 Kristen Hammo		-4.92	
1/5/2009	(AP) 134989 Regina Garcia		-22.67	
1/5/2009	(AP) 134990 Rebecca Newco		-14.25	
1/5/2009	(AP) 134991 Jennifer Sear		-21.58	
1/5/2009	(AP) 134992 Lancaster Wat		-70.00	
1/5/2009	(AP) 134992 Lancaster Wat		-125.00	
1/5/2009	(AP) 134992 Lancaster Wat		-110.75	
1/5/2009	(AP) 134992 Lancaster Wat		-103.42	
1/6/2009	(AP) 134993 Inter-County		-272.25	
1/6/2009	(AP) 134994 Kentucky Rura		-746.85	
1/6/2009	(AP) 134995 Critchfield &		-6,280.00	
1/8/2009	(AP) 134996 Division Of U		-95.61	
1/8/2009	(AP) 134997 City Payroll		-9,358.37	
1/8/2009	(AP) 134998 Mike Asberry		-600.00	
1/8/2009	(AP) 134999 Tom Robinson		-75.00	
1/8/2009	(AP) 135000 C.I. Thornbur		-248.00	
1/8/2009	(AP) 135000 C.I. Thornbur		-125.79	
1/8/2009	(AP) 135000 C.I. Thornbur		-767.00	
1/8/2009	(AP) 135001 Garrard Hardw		-52.09	
1/8/2009	(AP) 135001 Garrard Hardw		-145.84	
1/8/2009	(AP) 135001 Garrard Hardw		-30.82	
1/8/2009	(AP) 135001 Garrard Hardw		-420.00	
1/8/2009	(AP) 135002 Kentucky Leag		-457.00	
1/8/2009	(AP) 135003 Utility Servi		-3,083.03	
1/8/2009	(AP) 135003 Utility Servi		-3,175.52	
1/8/2009	(AP) 135004 Service Speci		-375.00	
1/8/2009	(AP) 135004 Service Speci		-1,422.61	
1/8/2009	(AP) 135005 Fouser Enviro		-50.00	
1/8/2009	(AP) 135005 Fouser Enviro		-845.00	
1/8/2009	(AP) 135006 J & J Systems		-1,499.98	
1/8/2009	(AP) 135007 Open World, I		-59.95	
1/9/2009	(AP) 135008 C.I. Thornbur		-1,775.60	
1/9/2009	(AP) 135009 Kentucky Stat		-160.00	
1/9/2009	(AP) 135010 Danville Bott		-63.80	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
1/9/2009	(AP) 135010 Danville Bott		-34.80	
1/9/2009	(AP) 135011 Fouser Enviro		-118.00	
1/9/2009	(AP) 135011 Fouser Enviro		-60.00	
1/13/2009	(AP) 135012 Kentucky Stat		-408.94	
1/13/2009	(AP) 135013 Quick Stop		-412.60	
1/13/2009	(AP) 135014 Hayes Pipe Su		-595.63	
1/13/2009	(AP) 135014 Hayes Pipe Su		-0.46	
1/13/2009	(AP) 135014 Hayes Pipe Su		-595.63	
1/13/2009	(AP) 135014 Hayes Pipe Su		-13.04	
1/13/2009	(AP) 135014 Hayes Pipe Su		-301.30	
1/13/2009	(AP) 135014 Hayes Pipe Su		-301.30	
1/13/2009	(AP) 135014 Hayes Pipe Su		-0.46	
1/13/2009	(AP) 135014 Hayes Pipe Su		-84.20	
1/14/2009	(AP) 135015 Kentucky Stat		-35.00	
1/14/2009	(AP) 135016 Stacy Grow		-132.00	
1/16/2009	(AP) 135017 C.I. Thornbur		-846.39	
1/16/2009	(AP) 135017 C.I. Thornbur		-869.20	
1/16/2009	(AP) 135018 Hach Company		-203.00	
1/16/2009	(AP) 135019 Red Bud Suppl		-30.75	
1/16/2009	(AP) 135020 Lancaster Wat		-70.00	
1/16/2009	(AP) 135020 Lancaster Wat		-61.22	
1/16/2009	(AP) 135020 Lancaster Wat		-33.74	
1/16/2009	(AP) 135021 Big E Insuran		-564.48	
1/16/2009	(AP) 135022 Roger Hume		-730.38	
1/16/2009	(AP) 135023 HD Supply Wat		-725.00	
1/16/2009	(AP) 135024 Family Dollar		-20.75	
1/16/2009	(AP) 135025 Fouser Enviro		-82.00	
1/16/2009	(AP) 135026 Credit Bureau		-35.00	
1/16/2009	(AP) 135027 CedarChem, LL		-1,929.00	
1/16/2009	(AP) 135028 Candace Rutle		-91.26	
1/16/2009	(AP) 135029 Nicole Maggar		-63.78	
1/21/2009	(AP) 135030 AT&T Mobility		-180.98	
1/21/2009	(AP) 135031 Kentucky Util		-11.23	
1/21/2009	(AP) 135032 Anthem BCBS K		-2,989.52	
1/21/2009	(AP) 135033 Visa		-294.93	
1/21/2009	(AP) 135034 KWWOA		-190.00	
1/22/2009	(AP) 135035 C.I. Thornbur		-50.47	
1/22/2009	(AP) 135036 City Payroll		-8,627.36	
1/22/2009	(AP) 135037 Family Dollar		-16.80	
1/23/2009	(IC) Shawna Tuggle 103	30.00		
1/26/2009	(IC) Gabe Sepko 108 Magn	175.00		
1/26/2009	(IC) Betty Huffman 108 H	50.00		
1/26/2009	(IC) Randy Prewitt 323 D	175.00		
1/26/2009	(IC) Paula Price 126 Her	30.00		
1/31/2009	(IC) interest	78.32		
2/4/2009	(EX) Dept. of Revenue-KE		-1,345.58	
2/15/2009	(EX) City RD Accounts		-5,481.00	
2/15/2009	(EX) City KIA Accounts		-3,855.00	
2/2/2009	(IC) John Maggard 396 Ca	30.00		
2/2/2009	(IC) Delinda Brown 111 W	30.00		
2/2/2009	(IC) Harold Pittman 149	25.00		
2/2/2009	(IC) Roger Miller 205 Co	50.00		
2/2/2009	(IC) Tera Norris 20 Divi	50.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
2/2/2009	(IC) David Merrill 319 D	30.00		
2/2/2009	(IC) Kenneth Montgomery	50.00		
2/2/2009	(IC) Tanya Gonzalez 225	175.00		
2/2/2009	(IC) Robert Montgomery 1	50.00		
2/2/2009	(IC) David Williams 104	25.00		
2/2/2009	(IC) Primary Properties	50.00		
2/4/2009	(IC) Charles Pittman 115	30.00		
2/4/2009	(IC) Shellie Puckett 117	25.00		
2/5/2009	(IC) Utility Transfer th	9,457.18		
2/2/2009	(AP) 135038 Danville Offi		-360.00	
2/2/2009	(AP) 135039 Inter-County		-10.62	
2/2/2009	(AP) 135039 Inter-County		-8,917.10	
2/2/2009	(AP) 135040 Kentucky Util		-1,727.63	
2/2/2009	(AP) 135040 Kentucky Util		-48.03	
2/2/2009	(AP) 135040 Kentucky Util		-1,190.91	
2/2/2009	(AP) 135040 Kentucky Util		-4,520.77	
2/2/2009	(AP) 135041 Windstream Ke		-103.82	
2/2/2009	(AP) 135042 Lancaster Wat		-70.00	
2/2/2009	(AP) 135042 Lancaster Wat		-60.82	
2/2/2009	(AP) 135042 Lancaster Wat		-70.00	
2/2/2009	(AP) 135042 Lancaster Wat		-125.00	
2/2/2009	(AP) 135042 Lancaster Wat		-43.07	
2/2/2009	(AP) 135043 Bamill, LLC d		-156.84	
2/2/2009	(AP) 135044 Eddie Anderso		-81.93	
2/2/2009	(AP) 135045 Randy Prewitt		-9.18	
2/3/2009	(AP) 135046 Garrard Autom		-84.95	
2/3/2009	(AP) 135046 Garrard Autom		-12.68	
2/3/2009	(AP) 135046 Garrard Autom		-27.76	
2/3/2009	(AP) 135046 Garrard Autom		-107.65	
2/4/2009	(AP) 135047 AT& T		-44.86	
2/4/2009	(AP) 135048 Central Recor		-111.38	
2/4/2009	(AP) 135048 Central Recor		-231.00	
2/4/2009	(AP) 135049 C.I. Thornbur		-84.42	
2/4/2009	(AP) 135049 C.I. Thornbur		-1,008.00	
2/4/2009	(AP) 135049 C.I. Thornbur		-1,033.60	
2/4/2009	(AP) 135050 Inter-County		-284.85	
2/4/2009	(AP) 135051 Orkin Pest Co		-41.09	
2/4/2009	(AP) 135052 Univar USA In		-5,619.60	
2/4/2009	(AP) 135053 Lancaster Wat		-70.00	
2/4/2009	(AP) 135053 Lancaster Wat		-70.00	
2/4/2009	(AP) 135053 Lancaster Wat		-29.30	
2/4/2009	(AP) 135054 HD Supply Wat		-19,877.12	
2/4/2009	(AP) 135055 Family Dollar		-27.00	
2/4/2009	(AP) 135056 Fouser Enviro		-83.00	
2/4/2009	(AP) 135056 Fouser Enviro		-1,145.00	
2/4/2009	(AP) 135056 Fouser Enviro		-557.00	
2/4/2009	(AP) 135057 James Wilcoxs		-95.70	
2/5/2009	(AP) 135100 City Payroll		-8,476.01	
2/5/2009	(AP) 135101 Shannons Truc		-792.03	
2/5/2009	(AP) 135102 Kentucky Stat		-382.65	
2/5/2009	(AP) 135103 Open World, I		-59.95	
2/11/2009	(AP) 135104 Danville Offi		-35.99	
2/11/2009	(AP) 135104 Danville Offi		-11.49	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
2/11/2009	(AP) 135105 Ky State Trea		-11,023.38	
2/11/2009	(AP) 135106 Whitaker Bank		-67.12	
2/11/2009	(AP) 135107 Quick Stop		-475.57	
2/6/2009	(IC) Tommy Chambers 120	25.00		
2/9/2009	(IC) Jerry Musick 127 Hi	175.00		
2/9/2009	(IC) Crystal Goins 121 1	175.00		
2/9/2009	(IC) Luna & Wilson 113 T	30.00		
2/10/2009	(IC) Quarters	437.25		
2/12/2009	(IC) Utility Transfer th	61,255.36		
2/12/2009	(IC) Tammy Burkhart 109	175.00		
2/12/2009	(IC) Kenneth Hurt 214 Ri	25.00		
2/13/2009	(IC) Brenda Young 113 Bu	50.00		
2/18/2009	(AP) 135108 C.I. Thornbur		-246.55	
2/18/2009	(AP) 135108 C.I. Thornbur		-812.25	
2/18/2009	(AP) 135108 C.I. Thornbur		-84.19	
2/18/2009	(AP) 135109 Garrard Hardw		-74.41	
2/18/2009	(AP) 135109 Garrard Hardw		-125.67	
2/18/2009	(AP) 135109 Garrard Hardw		-73.75	
2/18/2009	(AP) 135109 Garrard Hardw		-280.21	
2/18/2009	(AP) 135110 Kentucky Util		-11.23	
2/18/2009	(AP) 135111 Lancaster Wat		-53.05	
2/18/2009	(AP) 135111 Lancaster Wat		-42.82	
2/18/2009	(AP) 135112 Living Waters		-2,000.00	
2/18/2009	(AP) 135113 D & K Meter R		-800.00	
2/18/2009	(AP) 135114 Service Speci		-825.00	
2/18/2009	(AP) 135115 Visa		-127.19	
2/18/2009	(AP) 135116 Urgent Treatm		-38.00	
2/18/2009	(AP) 135117 Fouser Enviro		-461.00	
2/18/2009	(AP) 135117 Fouser Enviro		-253.00	
2/18/2009	(AP) 135118 Vickie Hender		-27.18	
2/18/2009	(AP) 135119 Christina Ray		-71.95	
2/19/2009	(AP) 135120 City Payroll		-7,821.82	
2/20/2009	(AP) 135121 AT&T Mobility		-200.00	
2/20/2009	(AP) 135122 Anthem BCBS K		-2,914.78	
2/13/2009	(IC) Elige Gregory 108 H	175.00		
2/13/2009	(IC) Candice Wireman 101	25.00		
2/17/2009	(IC) Charles Pittman 67	50.00		
2/19/2009	(IC) Utility Transfer th	3,630.32		
2/19/2009	(IC) Judy Adams 108 Pin	50.00		
2/20/2009	(IC) James Weaver 301 Ri	25.00		
2/23/2009	(IC) John Maggard 396 Ca	30.00		
2/23/2009	(IC) Nancy Sams 368 Card	25.00		
2/23/2009	(IC) Sarah Lay 212 S Cam	175.00		
2/23/2009	(IC) Shonda Falconberry	30.00		
2/23/2009	(IC) Josh Wren 306 W. Bu	175.00		
2/24/2009	(IC) Janet Lark 112 Cave	30.00		
2/24/2009	(IC) Rebecca Preston 98	30.00		
2/24/2009	(IC) Jeffrey Helton 287	30.00		
2/24/2009	(IC) M. Hernandez 44 Car	30.00		
2/24/2009	(IC) Brittany Murphy 109	30.00		
2/24/2009	(IC) Melody Devries 138	30.00		
2/24/2009	(IC) Gene Marquart 150 C	175.00		
2/25/2009	(IC) Edwina LeMay 101 Tu	30.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
2/25/2009	(IC) Utility Transfer th	4,787.36		
2/28/2009	(IC) interest	69.62		
3/2/2009	(IC) Linda McMaine 124 L	175.00		
3/2/2009	(IC) Raymond Barnes 104	175.00		
3/2/2009	(IC) Elizabeth Meadows 1	175.00		
3/2/2009	(IC) James Martin 408 Cr	50.00		
3/2/2009	(IC) Rick Simpson 212 S	30.00		
3/2/2009	(IC) Heather Durham 230	30.00		
3/2/2009	(IC) Billie Brock 209 Ha	175.00		
3/2/2009	(IC) Becky Osborne 205 C	175.00		
3/2/2009	(IC) Mildred Eason 109 S	175.00		
3/2/2009	(IC) Brandon Rife 404 St	175.00		
3/2/2009	(IC) Horace Devries 324	50.00		
3/2/2009	(IC) Refund from HD Wate	3,640.00		
3/2/2009	(IC) Brenda McFerron Map	30.00		
3/2/2009	(IC) James Rogers 309 Le	200.00		
3/2/2009	(IC) Roger Saylor 314 Ri	50.00		
3/2/2009	(IC) Cindy Peel 304 Card	175.00		
3/2/2009	(IC) Julia Lopez 202 E.	175.00		
3/3/2009	(IC) Sandra Wines 107 Co	175.00		
3/15/2009	(EX) City RD Accounts		-5,481.00	
3/15/2009	(EX) City KIA Accounts		-3,855.00	
3/5/2009	(IC) Utility Transfer th	12,430.88		
3/1/2009	(IC) Arthur & Paula Pric	30.00		
3/5/2009	(IC) Richard Bryant-113	25.00		
3/5/2009	(IC) Lars Lyman-312 Card	175.00		
3/9/2009	(IC) Betty Flores-128 Hi	175.00		
3/9/2009	(IC) April Shearer-107 T	175.00		
3/12/2009	(IC) Utility Transfer th	76,941.25		
3/16/2009	(EX) Dept. of Revenue Ky		-955.00	
3/1/2009	(AP) 135123 Kentucky Util		-920.76	
3/1/2009	(AP) 135123 Kentucky Util		-1,179.54	
3/1/2009	(AP) 135123 Kentucky Util		-104.49	
3/1/2009	(AP) 135123 Kentucky Util		-66.49	
3/1/2009	(AP) 135123 Kentucky Util		-4,054.76	
3/1/2009	(AP) 135124 Windstream Ke		-115.05	
3/1/2009	(AP) 135125 Bamill, LLC d		-156.84	
3/1/2009	(AP) 135126 INC Technical		-840.75	
3/1/2009	(AP) 135127 Bluegrass Agr		-297.00	
3/1/2009	(AP) 135128 Roger Hume		-726.15	
3/1/2009	(AP) 135129 AutoZone Inc		-66.04	
3/1/2009	(AP) 135130 Xtreme Style		-250.00	
3/1/2009	(AP) 135131 Cash		-200.00	
3/4/2009	(AP) 135132 Central Recor		-104.00	
3/4/2009	(AP) 135133 Inter-County		-10.03	
3/4/2009	(AP) 135133 Inter-County		-12,404.65	
3/5/2009	(AP) 135134 Inter-County		-401.17	
3/5/2009	(AP) 135135 City Payroll		-7,399.44	
3/5/2009	(AP) 135136 Lancaster Wat		-125.00	
3/5/2009	(AP) 135136 Lancaster Wat		-125.00	
3/5/2009	(AP) 135136 Lancaster Wat		-125.00	
3/5/2009	(AP) 135136 Lancaster Wat		-46.06	
3/5/2009	(AP) 135136 Lancaster Wat		-46.73	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
3/5/2009	(AP) 135136 Lancaster Wat		-125.00	
3/5/2009	(AP) 135136 Lancaster Wat		-56.05	
3/5/2009	(AP) 135136 Lancaster Wat		-27.30	
3/5/2009	(AP) 135137 Michael Patri		-97.70	
3/5/2009	(AP) 135138 Joan Robinson		-78.27	
3/5/2009	(AP) 135139 Duane King		-68.95	
3/5/2009	(AP) 135140 Mike Rhinehei		-78.94	
3/9/2009	(AP) 135141 C.I. Thornbur		-1,033.60	
3/9/2009	(AP) 135142 Danville Offi		-102.96	
3/9/2009	(AP) 135143 Garrard Autom		-6.54	
3/9/2009	(AP) 135144 Labtronix		-735.00	
3/9/2009	(AP) 135145 Big E Insuran		-2,097.19	
3/9/2009	(AP) 135146 Danville Bott		-34.00	
3/9/2009	(AP) 135147 USDA/Rural De		-8,111.87	
3/9/2009	(AP) 135147 USDA/Rural De		-5,572.12	
3/9/2009	(AP) 135148 Fouser Enviro		-460.00	
3/9/2009	(AP) 135148 Fouser Enviro		-262.00	
3/9/2009	(AP) 135149 Open World, I		-59.95	
3/9/2009	(AP) 135150 CedarChem, LL		-1,128.00	
3/16/2009	(AP) 135151 Danville Offi		-47.98	
3/16/2009	(AP) 135152 Feldman Lumbe		-37.32	
3/16/2009	(AP) 135152 Feldman Lumbe		-187.50	
3/16/2009	(AP) 135153 Garrard Hardw		-867.05	
3/16/2009	(AP) 135154 Lancaster Wat		-5.63	
3/16/2009	(AP) 135154 Lancaster Wat		-27.94	
3/16/2009	(AP) 135154 Lancaster Wat		-74.21	
3/16/2009	(AP) 135154 Lancaster Wat		-52.50	
3/16/2009	(AP) 135155 Vernon Manufa		-100.00	
3/16/2009	(AP) 135156 Kentucky Stat		-318.53	
3/16/2009	(AP) 135157 Quick Stop		-393.25	
3/16/2009	(AP) 135158 Industrial Pa		-504.76	
3/16/2009	(AP) 135159 Service Speci		-2,167.85	
3/16/2009	(AP) 135159 Service Speci		-2,465.13	
3/16/2009	(AP) 135159 Service Speci		-369.50	
3/16/2009	(AP) 135160 Credit Bureau		-37.32	
3/16/2009	(AP) 135161 Kathy Lane		-50.79	
3/16/2009	(AP) 135162 Glen & Barbar		-72.50	
3/16/2009	(AP) 135163 Deneca Dunn		-36.43	
3/19/2009	(AP) 135164 C.I. Thornbur		-1,019.25	
3/19/2009	(AP) 135164 C.I. Thornbur		-84.16	
3/19/2009	(AP) 135165 Kentucky Util		-11.23	
3/19/2009	(AP) 135166 Red Bud Suppl		-197.64	
3/19/2009	(AP) 135167 Usa Bluebook		-87.88	
3/19/2009	(AP) 135168 City Payroll		-7,211.13	
3/19/2009	(AP) 135169 Lancaster Wat		-70.00	
3/19/2009	(AP) 135169 Lancaster Wat		-104.40	
3/19/2009	(AP) 135169 Lancaster Wat		-97.70	
3/19/2009	(AP) 135170 H.D. Supply W		-893.45	
3/19/2009	(AP) 135171 Visa		-348.56	
3/19/2009	(AP) 135172 Fouser Enviro		-101.00	
3/19/2009	(AP) 135173 Shonda Lemay		-27.30	
3/19/2009	(AP) 135174 Presciliano P		-20.60	
3/19/2009	(AP) 135175 Stoll Keenon		-5,119.05	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
3/16/2009	(IC) Ernestine Daley-409	50.00		
3/18/2009	(IC) Helen Ritter-127 Pr	175.00		
3/18/2009	(IC) Cynthia Nery-117 Ma	50.00		
3/18/2009	(IC) Carl Landrum-121 Ha	50.00		
3/19/2009	(IC) Utility Transfer th	3,994.38		
3/19/2009	(IC) Elizabeth Ross-287	175.00		
3/19/2009	(IC) Micah Hurst-101 Pri	175.00		
3/20/2009	(IC) Roy Davis-204 Richm	25.00		
3/23/2009	(AP) 135176 AT&T Mobility		-183.31	
3/23/2009	(AP) 135177 Feldman Elect		-439.00	
3/23/2009	(AP) 135178 Anthem BCBS K		-2,428.99	
3/23/2009	(AP) 135179 Bicknells Bac		-1,300.00	
3/23/2009	(IC) Christy Coleman 111	30.00		
3/23/2009	(IC) Jackie Shyrock 115	30.00		
3/23/2009	(IC) Jeff Greer 149 High	30.00		
3/24/2009	(IC) Kim Wrenn 125 Arvin	30.00		
3/24/2009	(IC) Cecil Byrd 251 Card	30.00		
3/24/2009	(IC) James Mc Call 131 D	30.00		
3/24/2009	(IC) Nancy Sams 368 Card	30.00		
3/24/2009	(IC) Reimbursement on Ph	7,774.30		
3/24/2009	(IC) Ronak & Nikul INC.	50.00		
3/24/2009	(IC) Spurlin Apt. 409 Da	20.00		
3/24/2009	(IC) Rita Cornett 106 Ar	30.00		
3/24/2009	(IC) Frank Denney 222 Ha	30.00		
3/24/2009	(IC) Roy Browning 409 S	30.00		
3/24/2009	(IC) Umesh Patel 422 S C	50.00		
3/24/2009	(IC) Lora Shell 111 S Ca	30.00		
3/24/2009	(IC) Tiffany Phelps 113	30.00		
3/24/2009	(IC) James Breeden 126 T	30.00		
3/25/2009	(IC) Justin Hale 105 Hil	175.00		
3/25/2009	(IC) John Webb 305 Richm	175.00		
3/25/2009	(IC) Melinda Starks 122	30.00		
3/25/2009	(IC) Mitchell Ray 111 Bu	50.00		
3/26/2009	(IC) Utility Transfer th	5,485.85		
3/26/2009	(IC) Jana Reynolds 315 W	50.00		
3/26/2009	(IC) Lincoln Gilliam 117	30.00		
3/26/2009	(IC) Charles Beard 220 R	30.00		
3/26/2009	(IC) Justin Caldwell 117	175.00		
3/26/2009	(IC) Big "E" Insurance	1,183.27		
3/31/2009	(IC) interest	80.07		
4/6/2009	(EX) Dept. of Revenue-ke		-1,226.62	
4/15/2009	(EX) City RD Accounts		-5,481.00	
4/15/2009	(EX) City KIA Accounts		-3,855.00	
4/1/2009	(IC) James McQuerry-115	50.00		
4/1/2009	(IC) Brenda Mcferron-Map	30.00		
4/1/2009	(IC) Martha Rigsby-101 T	175.00		
4/1/2009	(IC) Cristy Laswell-210	50.00		
4/1/2009	(IC) Geraldine Hunt-301	25.00		
4/1/2009	(IC) Kati Montgomery-103	30.00		
4/1/2009	(IC) Mona Raines-115 Her	175.00		
4/1/2009	(IC) Kim Weddington-339	30.00		
4/1/2009	(IC) Veronica White-119	25.00		
4/1/2009	(IC) Delinda Brown-212 S	175.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
4/2/2009	(IC) Larry Ebert-118 Map	50.00		
4/3/2009	(IC) Terry Lucas-409 dan	25.00		
4/3/2009	(IC) Tyrone Spillman-246	30.00		
4/3/2009	(IC) Amanda Chidester-20	175.00		
4/3/2009	(IC) Brian Black-404 Sta	175.00		
4/3/2009	(IC) Henry Maggard-336 S	175.00		
4/3/2009	(IC) Sarah Workman-128 M	175.00		
4/3/2009	(IC) Sarah Workman-128 M	75.00		
4/7/2009	(IC) Richard Rankin-111	50.00		
4/7/2009	(IC) Sold Scrap Metal to	279.70		
4/7/2009	(IC) Quarters-Water Disp	400.00		
4/8/2009	(IC) Quarters- Water Dis	295.75		
4/8/2009	(IC) Kristen Dennis-110	50.00		
4/8/2009	(IC) Mavis Cornett-239 C	175.00		
4/8/2009	(IC) Nancy Sams-368 Card	25.00		
4/9/2009	(IC) Utility Transfer th	31,764.75		
4/9/2009	(IC) Shawwna Carney-213	25.00		
4/10/2009	(IC) Jose Tipton-103 Tur	175.00		
4/10/2009	(IC) James Hale-101 Mill	175.00		
4/10/2009	(IC) Robert Robinson-112	175.00		
4/13/2009	(IC) Nicole Norris-89 Ma	25.00		
4/13/2009	(IC) Phyllis Neace-124 B	50.00		
3/25/2009	(AP) 135180 Roger Hume		-717.69	
4/1/2009	(AP) 135181 Inter-County		-10.32	
4/1/2009	(AP) 135181 Inter-County		-10,860.81	
4/1/2009	(AP) 135182 Kentucky Util		-43.12	
4/1/2009	(AP) 135182 Kentucky Util		-704.93	
4/1/2009	(AP) 135182 Kentucky Util		-1,118.15	
4/1/2009	(AP) 135182 Kentucky Util		-3,788.25	
4/1/2009	(AP) 135183 Windstream Ke		-113.24	
4/1/2009	(AP) 135184 Us Postal Ser		-343.09	
4/1/2009	(AP) 135185 Lancaster Wat		-65.53	
4/1/2009	(AP) 135185 Lancaster Wat		-125.00	
4/1/2009	(AP) 135185 Lancaster Wat		-125.00	
4/1/2009	(AP) 135185 Lancaster Wat		-125.00	
4/1/2009	(AP) 135185 Lancaster Wat		-108.44	
4/1/2009	(AP) 135186 Whitaker Bank		-35.00	
4/1/2009	(AP) 135187 Bamill, LLC d		-156.84	
4/1/2009	(AP) 135188 CedarChem, LL		-873.00	
4/1/2009	(AP) 135189 Stacy Grow		-14.00	
4/1/2009	(AP) 135190 Todd Folger		-16.56	
4/1/2009	(AP) 135191 Denise Wyman		-59.47	
4/1/2009	(AP) 135192 Troy Deshon		-75.00	
4/1/2009	(AP) 135193 Greg Shearer		-75.00	
4/1/2009	(AP) 135194 Larry R. Stin		-75.00	
4/1/2009	(AP) 135195 Jeff Buchenro		-75.00	
4/1/2009	(AP) 135196 Tom Robinson		-75.00	
4/1/2009	(AP) 135197 Robert Shults		-75.00	
4/1/2009	(AP) 135198 Robert Tudor		-75.00	
4/1/2009	(AP) 135199 Stacy Grow		-75.00	
4/2/2009	(AP) 135200 City Payroll		-8,095.54	
4/3/2009	(AP) 135201 C.I. Thornbur		-3,046.60	
4/3/2009	(AP) 135202 Lancaster Wat		-27.88	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
4/3/2009	(AP) 135202 Lancaster Wat		-51.97	
4/3/2009	(AP) 135202 Lancaster Wat		-92.80	
4/3/2009	(AP) 135202 Lancaster Wat		-25.41	
4/3/2009	(AP) 135203 Fouser Enviro		-98.00	
4/3/2009	(AP) 135203 Fouser Enviro		-1,342.00	
4/3/2009	(AP) 135204 Brandon Rife		-99.59	
4/3/2009	(AP) 135205 James Carrier		-73.03	
4/8/2009	(AP) 135206 Central Recor		-297.38	
4/8/2009	(AP) 135207 C.I. Thornbur		-295.24	
4/8/2009	(AP) 135207 C.I. Thornbur		-473.65	
4/8/2009	(AP) 135208 Garrard Hardw		-51.18	
4/8/2009	(AP) 135208 Garrard Hardw		-68.43	
4/8/2009	(AP) 135208 Garrard Hardw		-9.46	
4/8/2009	(AP) 135208 Garrard Hardw		-650.00	
4/8/2009	(AP) 135209 Inter-County		-323.14	
4/8/2009	(AP) 135210 Division Of U		-678.37	
4/8/2009	(AP) 135211 Lancaster Wat		-100.48	
4/8/2009	(AP) 135212 Elite Petrole		-295.00	
4/8/2009	(AP) 135213 Kentucky Stat		-480.06	
4/8/2009	(AP) 135214 Utility Servi		-3,083.03	
4/8/2009	(AP) 135214 Utility Servi		-3,175.52	
4/8/2009	(AP) 135215 Quick Stop		-288.41	
4/8/2009	(AP) 135216 Deluxe Busine		-278.95	
4/8/2009	(AP) 135217 Fouser Enviro		-109.00	
4/8/2009	(AP) 135217 Fouser Enviro		-1,015.00	
4/8/2009	(AP) 135218 Open World, I		-59.95	
4/8/2009	(AP) 135219 CedarChem, LL		-873.00	
4/8/2009	(AP) 135220 Dewey Camel		-32.20	
4/8/2009	(AP) 135221 Dana Carrier		-24.52	
4/14/2009	(AP) 135222 Continental H		-169.95	
4/14/2009	(AP) 135223 Danville Offi		-91.96	
4/14/2009	(AP) 135224 Garrard Autom		-3.84	
4/14/2009	(AP) 135224 Garrard Autom		-107.17	
4/14/2009	(AP) 135225 Hach Company		-3,187.95	
4/14/2009	(AP) 135225 Hach Company		-154.95	
4/14/2009	(AP) 135226 Orkin Pest Co		-1,627.50	
4/14/2009	(AP) 135227 Kentucky Stat		-250.00	
4/14/2009	(AP) 135228 Visa		-228.29	
4/14/2009	(AP) 135228 Visa		-344.05	
4/14/2009	(AP) 135229 Urgent Treatm		-319.00	
4/14/2009	(AP) 135230 Bell Engineer		-6,096.83	
4/14/2009	(AP) 135231 Danny & Ann I		-3.00	
4/14/2009	(AP) 135232 Kenneth & Peg		-1.00	
4/14/2009	(AP) 135233 John Smith		-1.00	
4/14/2009	(AP) 135234 David & Debbi		-1.00	
4/14/2009	(AP) 135235 Lancaster Bap		-1.00	
4/14/2009	(AP) 135236 St Williams C		-1.00	
4/14/2009	(AP) 135237 Ruth E. Roger		-2.00	
4/14/2009	(AP) 135238 Michael & Gar		-1.00	
4/14/2009	(AP) 135239 Ralph E. Clar		-1.00	
4/14/2009	(AP) 135240 Louis Grimes		-1.00	
4/14/2009	(AP) 135241 Municipal & F		-6,375.00	
4/16/2009	(AP) 135242 Kentucky Util		-11.81	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
4/16/2009	(AP) 135243 City Payroll		-6,912.60	
4/16/2009	(AP) 135244 Service Speci		-296.22	
4/16/2009	(AP) 135245 Fouser Enviro		-17.50	
4/16/2009	(AP) 135246 J & J Systems		-199.95	
4/20/2009	(AP) 135247 Butners Excav		-113,732.00	
4/20/2009	(AP) 135248 CMC, Inc		-113,886.00	
4/14/2009	(AP) 135232	1.00		
4/22/2009	(AP) 135249 AT&T Mobility		-216.05	
4/22/2009	(AP) 135250 C.I. Thornbur		-2,349.25	
4/22/2009	(AP) 135250 C.I. Thornbur		-84.15	
4/22/2009	(AP) 135251 Hach Company		-187.14	
4/22/2009	(AP) 135252 Red Bud Suppl		-70.33	
4/22/2009	(AP) 135253 Anthem BCBS K		-2,428.98	
4/22/2009	(AP) 135254 Lancaster Wat		-125.00	
4/22/2009	(AP) 135254 Lancaster Wat		-96.10	
4/22/2009	(AP) 135254 Lancaster Wat		-125.00	
4/22/2009	(AP) 135254 Lancaster Wat		-72.17	
4/22/2009	(AP) 135254 Lancaster Wat		-116.02	
4/22/2009	(AP) 135255 AutoZone Inc		-29.05	
4/22/2009	(AP) 135256 Fouser Enviro		-86.00	
4/22/2009	(AP) 135256 Fouser Enviro		-265.00	
4/22/2009	(AP) 135257 Estella Pullu		-8.98	
4/22/2009	(AP) 135258 Chris Penix		-28.90	
4/22/2009	(AP) 135259 Wayne Davis		-52.83	
4/24/2009	(IC) Elige Gregory 108 H	30.00		
4/24/2009	(IC) Josh Wren 306 W. Bu	30.00		
4/27/2009	(IC) Russell Preston 227	175.00		
4/27/2009	(IC) Eric Frye 925 Stanf	30.00		
4/27/2009	(IC) First Southern 103	50.00		
4/27/2009	(IC) Chassity Peak 226 C	175.00		
4/27/2009	(IC) Tammy Preston 387 C	30.00		
4/30/2009	(IC) interest	65.14		
4/8/2009	(EX) Ret ck Amanda Chide		-175.00	
5/1/2009	(EX) City RD Accounts		-5,481.00	
5/1/2009	(EX) City KIA Accounts		-3,855.00	
5/1/2009	(IC) Keri Meredith Maple	175.00		
5/1/2009	(IC) Natasha Baker Maple	175.00		
5/1/2009	(IC) Charles Richardson	20.00		
5/1/2009	(IC) Doris Spurlin 409 D	20.00		
5/1/2009	(IC) Paula Price 126 Her	30.00		
5/4/2009	(IC) Judith Shearer 409	175.00		
5/4/2009	(IC) Barbara French 112	50.00		
5/4/2009	(IC) David Sexton 207 Da	175.00		
5/5/2009	(IC) Kathy Brogli 201 Da	25.00		
5/5/2009	(IC) Bill Mullins 102 Su	175.00		
5/5/2009	(IC) Mary Smith 121 Lynn	175.00		
5/12/2009	(EX) Dept. of Revenue Ky		-1,099.63	
5/7/2009	(IC) Utility Transfer th	14,210.63		
5/7/2009	(IC) Donna Moberly 287 C	175.00		
5/7/2009	(IC) Dennis Asher 202 Ca	175.00		
5/8/2009	(IC) David Merrill 319 D	25.00		
5/8/2009	(IC) Wendell Osborne 374	25.00		
5/8/2009	(IC) Roy Davis 111 Totte	50.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
5/8/2009	(IC) Wilson Mgt. Maple H	20.00		
5/8/2009	(IC) Lisa Burkhart 409 D	175.00		
5/8/2009	(IC) Leonard Harrison 80	175.00		
5/8/2009	(IC) Koleta Condon 201 B	50.00		
5/12/2009	(IC) Kyle Murphy 124 Hig	50.00		
5/12/2009	(IC) Becky Dillion 105 M	175.00		
5/12/2009	(IC) Kymillo VanOuter 21	50.00		
5/12/2009	(IC) Arthur Ison 219 E.	50.00		
5/13/2009	(IC) Matthew Hart 202 Co	50.00		
5/13/2009	(IC) June Prater 66 Card	175.00		
5/13/2009	(IC) Tony Merida 111 W.	20.00		
5/13/2009	(IC) Tony Merida 109 W.	20.00		
5/13/2009	(IC) Bobby Ray 107 Price	25.00		
5/14/2009	(IC) Utility Transfer th	67,552.64		
5/14/2009	(IC) Edward Benson 257 L	50.00		
5/15/2009	(IC) Brenda McFerron Map	30.00		
5/18/2009	(IC) Josh Goode 320 Card	175.00		
5/18/2009	(IC) Jesse Maggard Jr 21	175.00		
5/19/2009	(IC) Lonnie Napier 105 S	50.00		
5/1/2009	(AP) 135260 AT& T		-103.96	
5/1/2009	(AP) 135261 Dix River Sto		-251.57	
5/1/2009	(AP) 135262 Kentucky Util		-1,237.80	
5/1/2009	(AP) 135262 Kentucky Util		-17.02	
5/1/2009	(AP) 135262 Kentucky Util		-368.08	
5/1/2009	(AP) 135262 Kentucky Util		-4,582.85	
5/1/2009	(AP) 135263 Windstream Ke		-115.15	
5/1/2009	(AP) 135264 Univar USA In		-6,017.76	
5/1/2009	(AP) 135265 Us Postal Ser		-84.00	
5/1/2009	(AP) 135266 Bamill, LLC d		-156.84	
5/1/2009	(AP) 135267 Service Speci		-725.40	
5/1/2009	(AP) 135268 Glenn E. Hurt		-650.00	
5/1/2009	(AP) 135269 City Payroll		-7,284.40	
5/1/2009	(AP) 135270 Inter-County		-10.56	
5/1/2009	(AP) 135270 Inter-County		-9,147.99	
5/1/2009	(AP) 135271 Kentucky Util		-91.86	
5/1/2009	(AP) 135272 Estes Enginee		-3,581.25	
5/7/2009	(AP) 135273 Central Recor		-126.75	
5/7/2009	(AP) 135274 C.I. Thornbur		-1,052.25	
5/7/2009	(AP) 135275 Dix River Sto		-119.19	
5/7/2009	(AP) 135275 Dix River Sto		-122.16	
5/7/2009	(AP) 135275 Dix River Sto		-643.61	
5/7/2009	(AP) 135276 Feldman Lumbe		-42.50	
5/7/2009	(AP) 135277 Garrard Hardw		-425.93	
5/7/2009	(AP) 135277 Garrard Hardw		-174.14	
5/7/2009	(AP) 135277 Garrard Hardw		-42.54	
5/7/2009	(AP) 135278 Inter-County		-202.21	
5/7/2009	(AP) 135279 Ky State Trea		-10,912.70	
5/7/2009	(AP) 135280 Lancaster Wat		-70.00	
5/7/2009	(AP) 135280 Lancaster Wat		-125.00	
5/7/2009	(AP) 135280 Lancaster Wat		-125.00	
5/7/2009	(AP) 135280 Lancaster Wat		-87.32	
5/7/2009	(AP) 135280 Lancaster Wat		-55.88	
5/7/2009	(AP) 135281 Living Waters		-1,400.01	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
5/7/2009	(AP) 135282 Marcia L. Woo		-975.00	
5/7/2009	(AP) 135283 Roger Hume		-765.50	
5/7/2009	(AP) 135284 Fouser Enviro		-48.00	
5/7/2009	(AP) 135284 Fouser Enviro		-97.00	
5/7/2009	(AP) 135284 Fouser Enviro		-390.00	
5/7/2009	(AP) 135285 Open World, I		-59.95	
5/7/2009	(AP) 135286 Municipal & F		-2,125.00	
5/7/2009	(AP) 135287 Elizabeth Ros		-69.12	
5/7/2009	(AP) 135288 Kristen Colle		-37.68	
5/13/2009	(AP) 135289 Kentucky Stat		-387.88	
5/14/2009	(AP) 135290 C.I. Thornbur		-84.15	
5/14/2009	(AP) 135290 C.I. Thornbur		-2,178.25	
5/14/2009	(AP) 135291 City Payroll		-7,628.91	
5/14/2009	(AP) 135292 Lancaster Wat		-16.40	
5/14/2009	(AP) 135292 Lancaster Wat		-36.31	
5/14/2009	(AP) 135292 Lancaster Wat		-40.45	
5/14/2009	(AP) 135292 Lancaster Wat		-56.22	
5/14/2009	(AP) 135292 Lancaster Wat		-125.00	
5/14/2009	(AP) 135292 Lancaster Wat		-125.00	
5/14/2009	(AP) 135292 Lancaster Wat		-110.17	
5/14/2009	(AP) 135293 Quick Stop		-233.42	
5/14/2009	(AP) 135294 Fouser Enviro		-425.00	
5/14/2009	(AP) 135294 Fouser Enviro		-36.00	
5/14/2009	(AP) 135295 Sabrina Brune		-68.78	
5/14/2009	(AP) 135296 Wendy Logan		-14.83	
5/14/2009	(AP) 135297 Larry Ebert		-84.55	
5/14/2009	(AP) 135298 Frances Hicks		-33.69	
5/14/2009	(AP) 135299 Shelanda Ngai		-16.40	
5/15/2009	(AP) 135300 Rick Sowder E		-800.00	
5/15/2009	(AP) 135301 Grubbs Brothe		-5,000.00	
5/20/2009	(AP) 135302 AT&T Mobility		-237.50	
5/20/2009	(AP) 135303 Kentucky Util		-11.52	
5/20/2009	(AP) 135304 Windstream Ke		-107.63	
5/20/2009	(AP) 135305 Anthem BCBS K		-2,428.98	
5/20/2009	(AP) 135306 Shannons Truc		-35.00	
5/20/2009	(AP) 135307 Fouser Enviro		-173.00	
5/21/2009	(AP) 135308 City Utility		-7,370.48	
5/19/2009	(IC) Alesa Lansaw-222 Ha	175.00		
5/19/2009	(IC) Van Winkle-233 Lexi	50.00		
5/21/2009	(IC) Utility Transfer th	7,310.10		
5/21/2009	(IC) Glenn Hill-102 N. P	50.00		
5/21/2009	(IC) Amanda Smith-182 Ca	175.00		
5/21/2009	(IC) John Maggard-388 Ca	30.00		
5/21/2009	(IC) Michael Ray-108 Sce	30.00		
5/21/2009	(IC) Michael Murphy-119	30.00		
5/21/2009	(IC) Jennifer Gibson-201	30.00		
5/28/2009	(AP) 135309 City Payroll		-7,801.90	
5/28/2009	(AP) 135310 Grubbs Brothe		-10,000.00	
5/28/2009	(AP) 135311 Bell Engineer		-3,936.05	
5/22/2009	(IC) Judy Williams 303 C	30.00		
5/22/2009	(IC) Debbie White 112 Tu	30.00		
5/22/2009	(IC) Sarah Lay 212 S Cam	30.00		
5/22/2009	(IC) Tony Merida 112 Lex	30.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
5/22/2009	(IC) Elige Gregory 108 H	30.00		
5/26/2009	(IC) Rita Gaines 144 Hil	30.00		
5/26/2009	(IC) Clay Clark 218 W. M	30.00		
5/26/2009	(IC) Brenda McFerron Map	30.00		
5/26/2009	(IC) Ronald Maupin 284 C	30.00		
5/26/2009	(IC) Carolyn Rosas 10 Ma	30.00		
5/26/2009	(IC) Samantha Williams 3	250.00		
5/26/2009	(IC) Kenneth Brandenburg	175.00		
5/26/2009	(IC) Community Bank 108	50.00		
5/26/2009	(IC) Roy Browning 409 S	30.00		
5/26/2009	(IC) Quarters	572.25		
5/27/2009	(IC) Barbara French 108	50.00		
5/28/2009	(IC) Utility Transfer th	2,265.38		
5/28/2009	(IC) Lisa Lynn 48 Oakwoo	25.00		
5/28/2009	(IC) Larry Flannery Jr.	175.00		
5/31/2009	(IC) interest	33.54		
5/12/2009	(EX) Check Charge		-64.00	
5/26/2009	(EX) Ret Lisa Lynn		-25.78	
5/26/2009	(EX) Ret Adrienne Colyer		-42.01	
5/29/2009	(EX) Ret Jessica Cannon		-175.00	
5/21/2009	(IC) Daily deposit corre	7,370.48		
6/15/2009	(EX) City RD Accounts		-5,481.00	
6/15/2009	(EX) City KIA Accounts		-3,855.00	
6/1/2009	(IC) Angela Daugherty 95	50.00		
6/1/2009	(IC) Alicia Duggins 409	175.00		
6/1/2009	(IC) Patricia Story 217	175.00		
6/1/2009	(IC) Nancy Kelly 102 Rid	175.00		
6/1/2009	(IC) Sean Cundiff 120 Be	50.00		
6/1/2009	(IC) Phase II Water Proj	297.38		
6/1/2009	(IC) Arthur Price 126 He	30.00		
6/1/2009	(IC) Christopher Turner	175.00		
6/1/2009	(IC) John Maggard 396 Ca	30.00		
6/1/2009	(IC) Ashley Clark 101 Pr	175.00		
6/1/2009	(IC) Cathy Bottom 158 Hi	50.00		
6/2/2009	(IC) Mark Ross 216 Stanf	175.00		
6/3/2009	(IC) Quarters	439.00		
6/3/2009	(IC) Jamie Morton 105 Ha	25.00		
6/4/2009	(IC) Utility Transfer th	9,125.20		
6/5/2009	(IC) Dolly Anderson 117	50.00		
6/5/2009	(IC) Connie Chambers 120	25.00		
6/8/2009	(IC) Ferguson Pipe	123.99		
6/8/2009	(EX) Dept. of Revenue-KE		-1,263.18	
6/9/2009	(IC) George Herbert 114	25.00		
6/9/2009	(IC) Jeff Greer 149 High	25.00		
6/10/2009	(IC) Earl French 212 S C	50.00		
6/11/2009	(IC) Utility Transfer th	74,433.11		
6/12/2009	(IC) Evan Seagraves 107	20.00		
6/12/2009	(IC) Adrienne Colyer 171	25.00		
6/12/2009	(IC) Ray Sturgeon 227 Wa	50.00		
6/15/2009	(IC) Christopher Turner	175.00		
6/15/2009	(IC) Christopher Turner	25.00		
6/15/2009	(IC) James Stinnett Mapl	175.00		
6/15/2009	(IC) Sue Lawless 101 Buc	175.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
6/15/2009	(IC) Sandy Woods 107 1/2	175.00		
6/1/2009	(AP) 135312 Kentucky Util		-45.63	
6/1/2009	(AP) 135312 Kentucky Util		-850.35	
6/1/2009	(AP) 135312 Kentucky Util		-12.26	
6/1/2009	(AP) 135312 Kentucky Util		-209.94	
6/1/2009	(AP) 135312 Kentucky Util		-3,981.67	
6/1/2009	(AP) 135313 Lincoln Count		-244.50	
6/1/2009	(AP) 135314 Usa Bluebook		-205.91	
6/1/2009	(AP) 135315 Lancaster Wat		-37.20	
6/1/2009	(AP) 135315 Lancaster Wat		-125.00	
6/1/2009	(AP) 135315 Lancaster Wat		-90.70	
6/1/2009	(AP) 135315 Lancaster Wat		-89.55	
6/1/2009	(AP) 135316 Bamill, LLC d		-156.84	
6/1/2009	(AP) 135317 Service Speci		-929.29	
6/1/2009	(AP) 135318 Equipment Sal		-67.81	
6/1/2009	(AP) 135319 Wilson Equipm		-19.05	
6/1/2009	(AP) 135320 Stevenson Har		-34.30	
6/1/2009	(AP) 135321 Crystal Goins		-35.45	
5/29/2009	(AP) 135322 George & Sher		-600.00	
6/1/2009	(AP) 135323 Roger Hume		-761.00	
6/1/2009	(AP) 135324 Fouser Enviro		-65.00	
6/3/2009	(AP) 135325 AT& T		-105.61	
6/3/2009	(AP) 135326 Central Recor		-741.00	
6/3/2009	(AP) 135327 Inter-County		-39.38	
6/3/2009	(AP) 135327 Inter-County		-11.10	
6/9/2009	(AP) 135328 Dix River Sto		-293.93	
6/9/2009	(AP) 135328 Dix River Sto		-277.27	
6/9/2009	(AP) 135329 Garrard Autom		-18.42	
6/9/2009	(AP) 135330 Hach Company		-186.53	
6/9/2009	(AP) 135330 Hach Company		-8.09	
6/9/2009	(AP) 135331 Inter-County		-131.91	
6/9/2009	(AP) 135331 Inter-County		-13.44	
6/9/2009	(AP) 135332 Kentucky Leag		-9,338.25	
6/9/2009	(AP) 135333 Labtronix		-595.00	
6/9/2009	(AP) 135334 Us Postal Ser		-185.00	
6/9/2009	(AP) 135335 Lancaster Wat		-27.94	
6/9/2009	(AP) 135335 Lancaster Wat		-24.29	
6/9/2009	(AP) 135335 Lancaster Wat		-88.01	
6/9/2009	(AP) 135335 Lancaster Wat		-125.00	
6/9/2009	(AP) 135335 Lancaster Wat		-125.00	
6/9/2009	(AP) 135335 Lancaster Wat		-80.49	
6/9/2009	(AP) 135335 Lancaster Wat		-125.00	
6/9/2009	(AP) 135335 Lancaster Wat		-125.00	
6/9/2009	(AP) 135336 H.D. Supply W		-1,482.14	
6/9/2009	(AP) 135337 Kentucky Stat		-361.92	
6/9/2009	(AP) 135338 Quick Stop		-531.34	
6/9/2009	(AP) 135339 Rons Tire & L		-115.00	
6/9/2009	(AP) 135340 Fouser Enviro		-50.00	
6/9/2009	(AP) 135341 Open World, I		-59.95	
6/9/2009	(AP) 135342 Southeastern		-1,246.02	
6/9/2009	(AP) 135342 Southeastern		-1,244.75	
6/9/2009	(AP) 135343 Veronica Whit		-44.51	
6/9/2009	(AP) 135344 Emma Prewitt		-42.06	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
6/9/2009	(AP) 135345 Norman Holden		-100.71	
6/9/2009	(AP) 135346 Cathy Bottom		-36.99	
6/11/2009	(AP) 135347 City Payroll		-7,145.87	
6/11/2009	(AP) 135348 KY State Trea		-10.00	
6/12/2009	(AP) 135349 Us Postal Ser		-339.09	
6/18/2009	(AP) 135350 C.I. Thornbur		-84.14	
6/18/2009	(AP) 135350 C.I. Thornbur		-2,520.25	
6/18/2009	(AP) 135351 Garrard Hardw		-64.33	
6/18/2009	(AP) 135351 Garrard Hardw		-4.19	
6/18/2009	(AP) 135351 Garrard Hardw		-337.04	
6/18/2009	(AP) 135352 Kentucky Util		-11.04	
6/18/2009	(AP) 135353 Windstream Ke		-64.69	
6/18/2009	(AP) 135353 Windstream Ke		-112.26	
6/18/2009	(AP) 135354 Lancaster Wat		-125.00	
6/18/2009	(AP) 135354 Lancaster Wat		-125.00	
6/18/2009	(AP) 135354 Lancaster Wat		-72.28	
6/18/2009	(AP) 135354 Lancaster Wat		-106.59	
6/18/2009	(AP) 135355 Lindas Custom		-48.97	
6/18/2009	(AP) 135356 Service Speci		-2,023.00	
6/18/2009	(AP) 135357 Fouser Enviro		-469.00	
6/18/2009	(AP) 135357 Fouser Enviro		-15.00	
6/18/2009	(AP) 135357 Fouser Enviro		-337.00	
6/18/2009	(AP) 135358 CedarChem, LL		-1,692.00	
6/18/2009	(AP) 135359 Southeastern		-1,234.17	
6/18/2009	(AP) 135360 John Smith Fe		-125.00	
6/18/2009	(AP) 135361 Stacy Grow		-150.00	
6/18/2009	(AP) 135362 Billie Brock		-18.41	
6/18/2009	(AP) 135363 Gene Marquart		-52.72	
6/18/2009	(AP) 135364 Roger Hume		-710.00	
6/24/2009	(AP) 135365 AT&T Mobility		-228.00	
6/24/2009	(AP) 135366 C.I. Thornbur		-2,141.80	
6/24/2009	(AP) 135367 Danville Offi		-239.99	
6/24/2009	(AP) 135368 Anthem BCBS K		-2,620.87	
6/24/2009	(AP) 135369 Garrard Co. F		-250.00	
6/24/2009	(AP) 135370 Lancaster Wat		-100.72	
6/24/2009	(AP) 135370 Lancaster Wat		-125.00	
6/24/2009	(AP) 135370 Lancaster Wat		-44.81	
6/24/2009	(AP) 135370 Lancaster Wat		-125.00	
6/24/2009	(AP) 135371 H.D. Supply W		-19,823.08	
6/24/2009	(AP) 135372 Fouser Enviro		-101.00	
6/24/2009	(AP) 135373 John Smith Fe		-587.00	
6/24/2009	(AP) 135374 Bonnie Long		-24.28	
6/24/2009	(AP) 135375 Nancy Baker		-80.19	
6/25/2009	(AP) 135376 City Payroll		-7,597.87	
6/17/2009	(IC) Josh Howard 104 Tur	50.00		
6/17/2009	(IC) Amy Hart 309 Richmo	175.00		
6/17/2009	(IC) Daniel Garwood 225	175.00		
6/17/2009	(IC) Matthew Cobb 326 St	175.00		
6/18/2009	(IC) Utility Transfer th	6,662.67		
6/18/2009	(IC) Michael Warren 12 D	50.00		
6/18/2009	(IC) Lawson Tire 101 Cra	200.00		
6/18/2009	(IC) Garrard Fiscal Cour	12,500.00		
6/19/2009	(IC) Darcy Walls 122 Her	175.00		

**City of Lancaster**  
**Detailed Trial Balance 200 Water**  
**Entries From 7/1/2008 Through 6/30/2009**

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-1310.20	Cash in Bank-Water(Cont'd)			
6/22/2009	(IC) Gerald Grubbs 95 Ca	50.00		
6/22/2009	(IC) Gerald Grubbs 103 C	50.00		
6/22/2009	(IC) Chris Kendrick 116	30.00		
6/22/2009	(IC) Donna Allen 320 Dan	50.00		
6/23/2009	(IC) Russell Preston 649	50.00		
6/23/2009	(IC) Simon Norris 74 Mar	30.00		
6/24/2009	(IC) Jason Weathers 109	30.00		
6/24/2009	(IC) Georgia Smith 122 M	30.00		
6/24/2009	(IC) Gabriel Sepko 108 M	30.00		
6/24/2009	(IC) James Bushnell 111	50.00		
6/24/2009	(IC) Paula Price 126 Her	30.00		
6/25/2009	(IC) Utility Transfer th	7,437.59		
6/25/2009	(IC) Godfather's Pizza 2	50.00		
6/25/2009	(IC) Lancaster Liquor 23	50.00		
6/25/2009	(IC) Peggy Foley 357 Dee	50.00		
6/25/2009	(IC) Joseph Russell 120	50.00		
6/26/2009	(IC) Lora Shell 111 S Ca	30.00		
6/26/2009	(IC) Cindy Peel 304 Card	30.00		
6/26/2009	(IC) Cindy Peel 304 Card	75.00		
6/30/2009	(IC) Interest	37.89		
6/5/2009	(EX) Ret CK Turner		-175.00	
200-1310.20	ACCOUNT TOTAL	1,266,305.05	-1,434,478.99	110,603.67
200-1500.00	Land			
	Prev Bal	36,766.53		
200-1500.00	ACCOUNT TOTAL	0.00	0.00	36,766.53
200-1510.00	Water Plant			
	Prev Bal	8,204,536.04		
200-1510.00	ACCOUNT TOTAL	0.00	0.00	8,204,536.04
200-1520.00	Vehicles & Equipment			
	Prev Bal	147,872.05		
200-1520.00	ACCOUNT TOTAL	0.00	0.00	147,872.05
200-1590.00	Accumulated Depreciation			
	Prev Bal		-3,527,831.81	
200-1590.00	ACCOUNT TOTAL	0.00	0.00	-3,527,831.81
200-2010.00	accounts payable - water			
	Prev Bal		-44,825.21	
6/26/2008	(AP) 0141 Kentucky Utilit		-407.26	
6/26/2008	(AP) 0141 Kentucky Utilit		-917.19	
6/26/2008	(AP) 0141 Kentucky Utilit		-10.90	
6/26/2008	(AP) 0141 Kentucky Utilit		-3,352.24	
6/26/2008	(AP) 0281 Lindas Custom S		-281.82	
6/26/2008	(AP) 0136 Inter-County En		-10.56	
6/26/2008	(AP) 0136 Inter-County En		-10,391.72	
6/26/2008	(AP) 0169 Windstream Kent		-106.20	
6/27/2008	(AP) 0439 Bamill, LLC dba		-156.84	
7/1/2008	(AP) 0137 Kentucky League		-10,040.00	
6/17/2008	(AP) 0367 Ferguson Enterp		-14.55	
6/12/2008	(AP) 0642 Service Special		-334.60	
6/4/2008	(AP) 0642 Service Special		-393.17	
6/20/2008	(AP) 0803 Carter Printing		-195.00	
6/17/2008	(AP) 0110 C.I. Thornburg		-1,512.00	
7/1/2008	(AP) A1038 Stacy Grow		-75.00	
7/1/2008	(AP) 0896 Larry R. Stinne		-75.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
7/1/2008	(AP) 0663 Troy Deshon		-75.00	
7/1/2008	(AP) 0893 Greg Shearer		-75.00	
7/1/2008	(AP) 0488 Michael Davis		-75.00	
6/30/2008	(AP) 0908 Fleet One (MSC		-752.70	
7/2/2008	(AP) 0739 East Lawn Care		-480.00	
7/2/2008	(AP) 0260 Glynn Youngs La		-566.25	
7/2/2008	(AP) 0105 Bluegrass Area		-486.73	
6/18/2008	(AP) 0196 Univar USA Inc		-3,898.80	
6/16/2008	(AP) 0815 Kolortech, Inc.		-118.39	
6/25/2008	(AP) 1245 CedarChem, LLC		-1,309.50	
6/24/2008	(AP) 1144 Fouser Environm		-574.00	
6/24/2008	(AP) 1144 Fouser Environm		-75.00	
7/2/2008	(AP) 0161 Red Bud Supply,		-197.55	
6/23/2008	(AP) 0133 Hach Company		-192.83	
6/23/2008	(AP) 0177 Usa Bluebook		-161.66	
7/2/2008	(AP) 0110 C.I. Thornburg		-39.75	
6/20/2008	(AP) 0498 Consolidated Pi		-282.08	
7/2/2008	(AP) 0358 Kentucky State		-365.66	
7/3/2008	(AP) 0108 Central Record,		-38.50	
6/12/2008	(AP) 0815 Kolortech, Inc.		-86.25	
7/3/2008	(AP) 0405 Utility Service		-3,083.03	
7/3/2008	(AP) 0405 Utility Service		-3,175.52	
7/3/2008	(AP) 0136 Inter-County En		-81.97	
7/7/2008	(AP) 0190 Division Of Une		-157.23	
7/7/2008	(AP) 0125 Feldman Electri		-434.00	
7/7/2008	(AP) 0125 Feldman Electri		-297.44	
7/1/2008	(AP) 1237 Open World, Inc		-59.95	
7/8/2008	(AP) 0169 Windstream Kent		-160.78	
7/8/2008	(AP) 0259 Lancaster Water		-70.00	
7/8/2008	(AP) 0259 Lancaster Water		-125.00	
7/8/2008	(AP) 0259 Lancaster Water		-63.27	
7/8/2008	(AP) 0259 Lancaster Water		-125.00	
7/8/2008	(AP) 0259 Lancaster Water		-70.00	
7/8/2008	(AP) 0259 Lancaster Water		-70.00	
7/8/2008	(AP) 0259 Lancaster Water		-107.17	
6/21/2008	(AP) 0130 Garrard Hardwar		-541.60	
6/9/2008	(AP) 0130 Garrard Hardwar		-20.00	
5/26/2008	(AP) 0130 Garrard Hardwar		-51.92	
7/8/2008	(AP) R553 Shawwna Carney		-6.73	
7/8/2008	(AP) R554 Michael Baker		-125.00	
7/8/2008	(AP) R555 Tammy Burkhart		-17.83	
6/27/2008	(AP) 0110 C.I. Thornburg		-980.00	
6/27/2008	(AP) 0110 C.I. Thornburg		-81.14	
7/10/2008	(AP) 0242 City Payroll Fu		-8,076.71	
7/15/2008	(AP) 0169 Windstream Kent		-66.73	
7/16/2008	(AP) 0388 Mulligan, Hill,		-340.00	
7/16/2008	(AP) 0201 Us Postal Servi		-319.35	
7/14/2008	(AP) A1038 Stacy Grow		-150.00	
7/8/2008	(AP) 1144 Fouser Environm		-82.00	
7/12/2008	(AP) 0900 Glenn E. Hurt		-650.00	
7/16/2008	(AP) 0831 Roger Hume		-870.91	
7/21/2008	(AP) 0704 Visa		-239.39	
7/21/2008	(AP) 0141 Kentucky Utilit		-11.13	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
6/2/2008	(AP) 0129 Garrard Automot		-6.99	
6/19/2008	(AP) 0129 Garrard Automot		-88.68	
7/8/2008	(AP) 0259 Lancaster Water		-53.60	
7/8/2008	(AP) 0259 Lancaster Water		-125.00	
7/8/2008	(AP) 0259 Lancaster Water		-55.03	
7/8/2008	(AP) R556 Kristin Bartlet		-71.40	
7/8/2008	(AP) R557 Elizabeth Ross		-69.97	
7/1/2008	(AP) 134629 C.I. Thornbur	1,512.00		
7/1/2008	(AP) 134630 Inter-County	10.56		
7/1/2008	(AP) 134630 Inter-County	10,391.72		
7/1/2008	(AP) 134631 Kentucky Leag	10,040.00		
7/1/2008	(AP) 134632 Kentucky Util	407.26		
7/1/2008	(AP) 134632 Kentucky Util	917.19		
7/1/2008	(AP) 134632 Kentucky Util	10.90		
7/1/2008	(AP) 134632 Kentucky Util	3,352.24		
7/1/2008	(AP) 134633 Windstream Ke	106.20		
7/1/2008	(AP) 134634 Lindas Custom	281.82		
7/1/2008	(AP) 134635 Ferguson Ente	14.55		
7/1/2008	(AP) 134636 Bamill, LLC d	156.84		
7/1/2008	(AP) 134637 Michael Davis	75.00		
7/1/2008	(AP) 134638 Service Speci	393.17		
7/1/2008	(AP) 134638 Service Speci	334.60		
7/1/2008	(AP) 134639 Troy Deshon	75.00		
7/1/2008	(AP) 134640 Carter Printi	195.00		
7/1/2008	(AP) 134641 Greg Shearer	75.00		
7/1/2008	(AP) 134642 Larry R. Stin	75.00		
7/1/2008	(AP) 134643 Rons Tire & L	20.00		
7/1/2008	(AP) 134644 Fouser Enviro	219.00		
7/1/2008	(AP) 134645 Stacy Grow	75.00		
7/2/2008	(AP) 134646 Bluegrass Are	486.73		
7/2/2008	(AP) 134647 Glynn Youngs	566.25		
7/2/2008	(AP) 134648 East Lawn Car	480.00		
7/2/2008	(AP) 134649 Fleet One (MS	752.70		
7/9/2008	(AP) 134650 Central Recor	38.50		
7/9/2008	(AP) 134651 C.I. Thornbur	39.75		
7/9/2008	(AP) 134651 C.I. Thornbur	980.00		
7/9/2008	(AP) 134651 C.I. Thornbur	81.14		
7/9/2008	(AP) 134652 Feldman Elect	434.00		
7/9/2008	(AP) 134652 Feldman Elect	297.44		
7/9/2008	(AP) 134653 Garrard Autom	6.99		
7/9/2008	(AP) 134653 Garrard Autom	88.68		
7/9/2008	(AP) 134654 Garrard Hardw	51.92		
7/9/2008	(AP) 134654 Garrard Hardw	541.60		
7/9/2008	(AP) 134654 Garrard Hardw	20.00		
7/9/2008	(AP) 134655 Hach Company	192.83		
7/9/2008	(AP) 134656 Inter-County	81.97		
7/9/2008	(AP) 134657 Red Bud Suppl	197.55		
7/9/2008	(AP) 134658 Windstream Ke	160.78		
7/9/2008	(AP) 134659 Usa Bluebook	161.66		
7/9/2008	(AP) 134660 Division Of U	157.23		
7/9/2008	(AP) 134661 Univar USA In	3,898.80		
7/9/2008	(AP) 134662 Lancaster Wat	63.27		
7/9/2008	(AP) 134662 Lancaster Wat	70.00		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
7/9/2008	(AP) 134662 Lancaster Wat	70.00		
7/9/2008	(AP) 134662 Lancaster Wat	70.00		
7/9/2008	(AP) 134662 Lancaster Wat	125.00		
7/9/2008	(AP) 134662 Lancaster Wat	107.17		
7/9/2008	(AP) 134662 Lancaster Wat	53.60		
7/9/2008	(AP) 134662 Lancaster Wat	125.00		
7/9/2008	(AP) 134662 Lancaster Wat	125.00		
7/9/2008	(AP) 134662 Lancaster Wat	55.03		
7/9/2008	(AP) 134663 Kentucky Stat	365.66		
7/9/2008	(AP) 134664 Utility Servi	3,083.03		
7/9/2008	(AP) 134664 Utility Servi	3,175.52		
7/9/2008	(AP) 134665 Consolidated	282.08		
7/9/2008	(AP) 134666 Kolortech, In	118.39		
7/9/2008	(AP) 134666 Kolortech, In	86.25		
7/9/2008	(AP) 134667 Fouser Enviro	75.00		
7/9/2008	(AP) 134667 Fouser Enviro	574.00		
7/9/2008	(AP) 134668 Open World, I	59.95		
7/9/2008	(AP) 134669 CedarChem, LL	1,309.50		
7/9/2008	(AP) 134670 Shawwna Carne	6.73		
7/9/2008	(AP) 134671 Michael Baker	125.00		
7/9/2008	(AP) 134672 Tammy Burkhar	17.83		
7/9/2008	(AP) 134673 Kristin Bartl	71.40		
7/9/2008	(AP) 134674 Elizabeth Ros	69.97		
7/10/2008	(AP) 134675 City Payroll	8,076.71		
7/16/2008	(AP) 134676 Windstream Ke	66.73		
7/16/2008	(AP) 134677 Mulligan, Hil	340.00		
7/16/2008	(AP) 134678 Us Postal Ser	319.35		
7/16/2008	(AP) 134679 Roger Hume	870.91		
7/24/2008	(IC) Utility Transfer th	7,135.45		
7/21/2008	(AP) 0104 AT&T Mobility		-184.00	
7/21/2008	(AP) 0192 Anthem BCBS KY		-2,242.14	
7/16/2008	(AP) 0152 Town & Country		-620.70	
7/22/2008	(AP) 1144 Fouser Environm		-80.00	
7/14/2008	(AP) 0270 H.D. Supply Wat		-89.28	
7/14/2008	(AP) 0803 Carter Printing		-33.00	
7/11/2008	(AP) 0803 Carter Printing		-287.50	
7/22/2008	(AP) 0259 Lancaster Water		-125.00	
7/22/2008	(AP) 0259 Lancaster Water		-70.00	
7/22/2008	(AP) 0259 Lancaster Water		-121.92	
7/22/2008	(AP) R558 Corey Jones		-3.08	
7/22/2008	(AP) 0201 Us Postal Servi		-288.00	
7/23/2008	(AP) 0259 Lancaster Water		-109.08	
7/23/2008	(AP) R559 Ted & Nannie Da		-15.92	
7/22/2008	(AP) 0822 Turners Garage		-533.59	
7/24/2008	(AP) 0242 City Payroll Fu		-6,727.74	
7/22/2008	(AP) 134680 AT&T Mobility	184.00		
7/22/2008	(AP) 134681 Kentucky Util	11.13		
7/22/2008	(AP) 134682 Anthem BCBS K	2,242.14		
7/22/2008	(AP) 134683 Visa	239.39		
7/22/2008	(AP) 134684 Glenn E. Hurt	650.00		
7/22/2008	(AP) 134685 Fouser Enviro	82.00		
7/22/2008	(AP) 134686 Stacy Grow	150.00		
7/24/2008	(AP) 134687 Town & Countr	620.70		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
7/24/2008	(AP) 134688 Us Postal Ser	288.00		
7/24/2008	(AP) 134689 City Payroll	6,727.74		
7/24/2008	(AP) 134690 Lancaster Wat	70.00		
7/24/2008	(AP) 134690 Lancaster Wat	125.00		
7/24/2008	(AP) 134690 Lancaster Wat	109.08		
7/24/2008	(AP) 134690 Lancaster Wat	121.92		
7/24/2008	(AP) 134691 H.D. Supply W	89.28		
7/24/2008	(AP) 134692 Carter Printi	287.50		
7/24/2008	(AP) 134692 Carter Printi	33.00		
7/24/2008	(AP) 134693 Turners Garag	533.59		
7/24/2008	(AP) 134694 Fouser Enviro	80.00		
7/24/2008	(AP) 134695 Corey Jones	3.08		
7/24/2008	(AP) 134696 Ted & Nannie	15.92		
7/25/2008	(AP) 0125 Feldman Electri		-1,189.75	
7/25/2008	(AP) 134697 Feldman Elect	1,189.75		
7/28/2008	(AP) 0259 Lancaster Water		-30.00	
7/28/2008	(AP) 0259 Lancaster Water		-110.22	
7/28/2008	(AP) 0259 Lancaster Water		-26.80	
7/28/2008	(AP) 0259 Lancaster Water		-125.00	
7/28/2008	(AP) 0259 Lancaster Water		-125.00	
7/28/2008	(AP) R560 Desiree Melise		-14.78	
7/28/2008	(AP) R561 Larry Burchett		-98.20	
7/30/2008	(AP) 0169 Windstream Kent		-105.27	
7/30/2008	(AP) 0141 Kentucky Utilit		-3,620.91	
7/30/2008	(AP) 0141 Kentucky Utilit		-460.49	
7/30/2008	(AP) 0141 Kentucky Utilit		-836.65	
7/30/2008	(AP) 0141 Kentucky Utilit		-11.13	
7/30/2008	(AP) 0136 Inter-County En		-12,028.27	
7/30/2008	(AP) 0136 Inter-County En		-9.62	
8/1/2008	(AP) 0439 Bamill, LLC dba		-156.84	
8/1/2008	(AP) 0908 Fleet One (MSC		-520.43	
8/5/2008	(AP) 0136 Inter-County En		-78.54	
8/5/2008	(AP) 0358 Kentucky State		-415.42	
7/22/2008	(AP) 0130 Garrard Hardwar		-34.14	
6/26/2008	(AP) 0130 Garrard Hardwar		-38.68	
6/24/2008	(AP) 0130 Garrard Hardwar		-66.51	
7/18/2008	(AP) 0498 Consolidated Pi		-760.00	
7/28/2008	(AP) 0498 Consolidated Pi		-152.00	
7/3/2008	(AP) 0110 C.I. Thornburg		-225.00	
7/11/2008	(AP) 0110 C.I. Thornburg		-1,319.38	
7/16/2008	(AP) 0110 C.I. Thornburg		-90.30	
7/21/2008	(AP) 0110 C.I. Thornburg		-277.15	
7/11/2008	(AP) 0110 C.I. Thornburg		-3,818.80	
7/29/2008	(AP) 1144 Fouser Environm		-270.00	
8/6/2008	(AP) R562 Vicky Boggs		-109.20	
8/6/2008	(AP) 0259 Lancaster Water		-15.80	
8/6/2008	(AP) 0259 Lancaster Water		-29.12	
8/6/2008	(AP) R563 Tabitha Eversol		-95.88	
8/7/2008	(AP) 0242 City Payroll Fu		-6,209.71	
8/14/2008	(AP) 0169 Windstream Kent		-68.24	
8/6/2008	(AP) 0259 Lancaster Water		-100.50	
8/6/2008	(AP) 0259 Lancaster Water		-83.17	
8/6/2008	(AP) 0259 Lancaster Water		-125.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
7/31/2008	(AP) 1237 Open World, Inc		-59.95	
8/7/2008	(AP) 0259 Lancaster Water		-70.00	
8/7/2008	(AP) 0259 Lancaster Water		-70.00	
8/7/2008	(AP) 0259 Lancaster Water		-26.80	
8/7/2008	(AP) R564 Justin Winkler		-98.20	
8/1/2008	(AP) 134698 Inter-County	9.62		
8/1/2008	(AP) 134698 Inter-County	12,028.27		
8/1/2008	(AP) 134699 Kentucky Util	836.65		
8/1/2008	(AP) 134699 Kentucky Util	460.49		
8/1/2008	(AP) 134699 Kentucky Util	11.13		
8/1/2008	(AP) 134699 Kentucky Util	3,620.91		
8/1/2008	(AP) 134700 Windstream Ke	105.27		
8/1/2008	(AP) 134701 Lancaster Wat	30.00		
8/1/2008	(AP) 134701 Lancaster Wat	125.00		
8/1/2008	(AP) 134701 Lancaster Wat	125.00		
8/1/2008	(AP) 134701 Lancaster Wat	110.22		
8/1/2008	(AP) 134701 Lancaster Wat	26.80		
8/1/2008	(AP) 134702 Bamill, LLC d	156.84		
8/1/2008	(AP) 134703 Desiree Melis	14.78		
8/1/2008	(AP) 134704 Larry Burchet	98.20		
8/4/2008	(AP) 134705 Fleet One (MS	520.43		
8/6/2008	(AP) 134706 Garrard Hardw	66.51		
8/6/2008	(AP) 134706 Garrard Hardw	38.68		
8/6/2008	(AP) 134706 Garrard Hardw	34.14		
8/6/2008	(AP) 134707 Inter-County	78.54		
8/6/2008	(AP) 134708 Kentucky Stat	415.42		
8/7/2008	(AP) 134709 C.I. Thornbur	225.00		
8/7/2008	(AP) 134709 C.I. Thornbur	3,818.80		
8/7/2008	(AP) 134709 C.I. Thornbur	1,319.38		
8/7/2008	(AP) 134709 C.I. Thornbur	90.30		
8/7/2008	(AP) 134709 C.I. Thornbur	277.15		
8/7/2008	(AP) 134710 City Payroll	6,209.71		
8/7/2008	(AP) 134711 Lancaster Wat	70.00		
8/7/2008	(AP) 134711 Lancaster Wat	70.00		
8/7/2008	(AP) 134711 Lancaster Wat	83.17		
8/7/2008	(AP) 134711 Lancaster Wat	100.50		
8/7/2008	(AP) 134711 Lancaster Wat	125.00		
8/7/2008	(AP) 134711 Lancaster Wat	15.80		
8/7/2008	(AP) 134711 Lancaster Wat	26.80		
8/7/2008	(AP) 134711 Lancaster Wat	29.12		
8/7/2008	(AP) 134712 Consolidated	760.00		
8/7/2008	(AP) 134712 Consolidated	152.00		
8/7/2008	(AP) 134713 Fouser Enviro	270.00		
8/7/2008	(AP) 134714 Open World, I	59.95		
8/7/2008	(AP) 134715 Vicky Boggs	109.20		
8/7/2008	(AP) 134716 Tabitha Evers	95.88		
8/7/2008	(AP) 134717 Justin Winkle	98.20		
8/14/2008	(AP) 0225 City Water Depr		-5,000.00	
8/5/2008	(AP) 1144 Fouser Environm		-425.00	
7/31/2008	(AP) 0825 Danville Bottle		-32.00	
7/31/2008	(AP) 0825 Danville Bottle		-23.20	
8/4/2008	(AP) 0243 Ky State Treasu		-10,222.94	
7/23/2008	(AP) 0498 Consolidated Pi		-1,603.50	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
7/22/2008	(AP) 0989 Progressive Mac		-743.00	
7/30/2008	(AP) 0110 C.I. Thornburg		-784.00	
7/30/2008	(AP) 0110 C.I. Thornburg		-225.00	
7/29/2008	(AP) 0110 C.I. Thornburg		-81.19	
7/30/2008	(AP) 0110 C.I. Thornburg		-89.46	
8/8/2008	(AP) 1226 J & J Systems P		-70.00	
8/14/2008	(AP) 0259 Lancaster Water		-53.60	
8/14/2008	(AP) 0259 Lancaster Water		-44.22	
8/14/2008	(AP) R565 Hazel Kunaschk		-16.40	
8/14/2008	(AP) R566 Kevin Crawley		-80.78	
8/18/2008	(AP) 0831 Roger Hume		-872.32	
8/19/2008	(AP) 0141 Kentucky Utilit		-11.20	
8/19/2008	(AP) 0704 Visa		-393.75	
8/20/2008	(AP) 0104 AT&T Mobility		-187.86	
8/20/2008	(AP) 0259 Lancaster Water		-94.18	
8/20/2008	(AP) 0259 Lancaster Water		-102.81	
8/20/2008	(AP) 0259 Lancaster Water		-79.33	
8/20/2008	(AP) 0259 Lancaster Water		-125.00	
8/20/2008	(AP) 0259 Lancaster Water		-125.00	
8/20/2008	(AP) R567 Clifton Getter		-30.82	
8/20/2008	(AP) R568 Sharon Bramble		-22.19	
8/20/2008	(AP) R569 Hubert Egner		-45.67	
8/21/2008	(AP) 0242 City Payroll Fu		-5,919.89	
8/22/2008	(AP) 0192 Anthem BCBS KY		-2,242.14	
8/15/2008	(AP) 134718 C.I. Thornbur	225.00		
8/15/2008	(AP) 134718 C.I. Thornbur	89.46		
8/15/2008	(AP) 134718 C.I. Thornbur	784.00		
8/15/2008	(AP) 134718 C.I. Thornbur	81.19		
8/15/2008	(AP) 134719 Windstream Ke	68.24		
8/15/2008	(AP) 134720 City Water De	5,000.00		
8/15/2008	(AP) 134721 Ky State Trea	10,222.94		
8/15/2008	(AP) 134722 Lancaster Wat	53.60		
8/15/2008	(AP) 134722 Lancaster Wat	44.22		
8/15/2008	(AP) 134723 Consolidated	1,603.50		
8/15/2008	(AP) 134724 Danville Bott	32.00		
8/15/2008	(AP) 134724 Danville Bott	23.20		
8/15/2008	(AP) 134725 Progressive M	743.00		
8/15/2008	(AP) 134726 Fouser Enviro	425.00		
8/15/2008	(AP) 134727 J & J Systems	70.00		
8/15/2008	(AP) 134728 Hazel Kunasch	16.40		
8/15/2008	(AP) 134729 Kevin Crawley	80.78		
8/18/2008	(AP) 134730 Roger Hume	872.32		
8/20/2008	(AP) 134731 AT&T Mobility	187.86		
8/20/2008	(AP) 134732 Kentucky Util	11.20		
8/20/2008	(AP) 134733 Visa	393.75		
8/21/2008	(AP) 134734 City Payroll	5,919.89		
8/21/2008	(AP) 134735 Lancaster Wat	102.81		
8/21/2008	(AP) 134735 Lancaster Wat	94.18		
8/21/2008	(AP) 134735 Lancaster Wat	79.33		
8/21/2008	(AP) 134735 Lancaster Wat	125.00		
8/21/2008	(AP) 134735 Lancaster Wat	125.00		
8/21/2008	(AP) 134736 Clifton Gette	30.82		
8/21/2008	(AP) 134737 Sharon Brambl	22.19		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
8/21/2008	(AP) 134738 Hubert Egner	45.67		
8/25/2008	(AP) 134739 Anthem BCBS K	2,242.14		
9/5/2008	(IC) Billy K. Carrier 11	50.00		
9/8/2008	(IC) Bridges in Comm.115	200.00		
7/31/2008	(AP) 0642 Service Special		-3,675.88	
8/18/2008	(AP) 0306 Elite Petroleum		-295.00	
9/1/2008	(AP) 0439 Bamill, LLC dba		-156.84	
8/26/2008	(AP) 0169 Windstream Kent		-109.90	
8/26/2008	(AP) 0141 Kentucky Utilit		-591.35	
8/26/2008	(AP) 0141 Kentucky Utilit		-3,750.02	
8/26/2008	(AP) 0141 Kentucky Utilit		-11.20	
8/26/2008	(AP) 0141 Kentucky Utilit		-930.88	
8/27/2008	(AP) 0136 Inter-County En		-12,872.24	
8/27/2008	(AP) 0136 Inter-County En		-10.01	
8/14/2008	(AP) 1144 Fouser Environm		-143.00	
8/14/2008	(AP) 0110 C.I. Thornburg		-897.75	
9/1/2008	(AP) 0998 USDA/Rural Deve		-5,411.87	
9/1/2008	(AP) 0998 USDA/Rural Deve		-3,572.12	
9/2/2008	(AP) 0908 Fleet One (MSC		-441.88	
9/3/2008	(AP) 0259 Lancaster Water		-125.00	
9/3/2008	(AP) 0259 Lancaster Water		-70.00	
9/3/2008	(AP) 0259 Lancaster Water		-125.00	
9/3/2008	(AP) 0259 Lancaster Water		-94.05	
9/3/2008	(AP) R570 Robin Parker		-24.50	
9/3/2008	(AP) R571 Eugene Patterso		-30.95	
9/4/2008	(AP) 0242 City Payroll Fu		-6,719.28	
9/4/2008	(AP) 0136 Inter-County En		-82.87	
9/4/2008	(AP) 0108 Central Record,		-107.25	
8/26/2008	(AP) 1245 CedarChem, LLC		-1,713.00	
8/8/2008	(AP) 0642 Service Special		-940.85	
8/23/2008	(AP) 0196 Univar USA Inc		-4,195.80	
8/27/2008	(AP) 1144 Fouser Environm		-86.00	
8/20/2008	(AP) 1144 Fouser Environm		-425.00	
9/1/2008	(AP) 0125 Feldman Electri		-280.00	
9/3/2008	(AP) 0375 Gleenline Imple		-83.10	
8/29/2008	(AP) 1144 Fouser Environm		-107.00	
8/29/2008	(AP) 0129 Garrard Automot		-13.72	
8/16/2008	(AP) 0129 Garrard Automot		-34.17	
9/5/2008	(AP) 0129 Garrard Automot		-91.11	
9/8/2008	(AP) 0358 Kentucky State		-368.28	
9/9/2008	(AP) 0259 Lancaster Water		-125.00	
9/9/2008	(AP) 0259 Lancaster Water		-70.00	
9/9/2008	(AP) 0259 Lancaster Water		-38.67	
9/9/2008	(AP) 0259 Lancaster Water		-71.25	
9/9/2008	(AP) 0259 Lancaster Water		-70.00	
9/9/2008	(AP) 0259 Lancaster Water		-128.86	
9/9/2008	(AP) 0259 Lancaster Water		-125.00	
9/9/2008	(AP) R572 Sean Cundiff		-86.33	
9/9/2008	(AP) R573 Rikki Payne		-53.75	
9/9/2008	(AP) R574 Dairy Freeze		-21.14	
9/3/2008	(AP) 1226 J & J Systems P		-387.50	
9/9/2008	(AP) 1237 Open World, Inc		-59.95	
9/9/2008	(AP) 0259 Lancaster Water		-59.21	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
9/9/2008	(AP) 0259 Lancaster Water		-54.88	
9/9/2008	(AP) R571 Eugene Patterso		-31.09	
9/9/2008	(AP) R575 Kathleen Horn		-65.79	
9/9/2008	(AP) R576 Misty Maggard		-15.12	
9/9/2008	(AP) R577 Zach Terry		-70.00	
8/20/2008	(AP) 0700 Lexington Heral		-705.02	
9/11/2008	(AP) 0225 City Water Depr		-5,000.00	
9/1/2008	(AP) 134740 C.I. Thornbur	897.75		
9/1/2008	(AP) 134741 Inter-County	10.01		
9/1/2008	(AP) 134741 Inter-County	12,872.24		
9/1/2008	(AP) 134742 Kentucky Util	591.35		
9/1/2008	(AP) 134742 Kentucky Util	930.88		
9/1/2008	(AP) 134742 Kentucky Util	11.20		
9/1/2008	(AP) 134742 Kentucky Util	3,750.02		
9/1/2008	(AP) 134743 Windstream Ke	109.90		
9/1/2008	(AP) 134744 Elite Petrole	295.00		
9/1/2008	(AP) 134745 Bamill, LLC d	156.84		
9/1/2008	(AP) 134746 Service Speci	3,675.88		
9/1/2008	(AP) 134747 USDA/Rural De	5,411.87		
9/1/2008	(AP) 134747 USDA/Rural De	3,572.12		
9/1/2008	(AP) 134748 Fouser Enviro	143.00		
9/3/2008	(AP) 134749 Fleet One (MS	441.88		
9/4/2008	(AP) 134750 City Payroll	6,719.28		
9/4/2008	(AP) 134751 Lancaster Wat	70.00		
9/4/2008	(AP) 134751 Lancaster Wat	125.00		
9/4/2008	(AP) 134751 Lancaster Wat	125.00		
9/4/2008	(AP) 134751 Lancaster Wat	94.05		
9/4/2008	(AP) 134752 Robin Parker	24.50		
9/4/2008	(AP) 134753 Eugene Patter	30.95		
9/10/2008	(AP) 134754 Central Recor	107.25		
9/10/2008	(AP) 134755 Feldman Elect	280.00		
9/10/2008	(AP) 134756 Garrard Autom	34.17		
9/10/2008	(AP) 134756 Garrard Autom	91.11		
9/10/2008	(AP) 134756 Garrard Autom	13.72		
9/10/2008	(AP) 134757 Inter-County	82.87		
9/10/2008	(AP) 134758 Univar USA In	4,195.80		
9/10/2008	(AP) 134759 Lancaster Wat	70.00		
9/10/2008	(AP) 134759 Lancaster Wat	70.00		
9/10/2008	(AP) 134759 Lancaster Wat	54.88		
9/10/2008	(AP) 134759 Lancaster Wat	38.67		
9/10/2008	(AP) 134759 Lancaster Wat	59.21		
9/10/2008	(AP) 134759 Lancaster Wat	71.25		
9/10/2008	(AP) 134759 Lancaster Wat	128.86		
9/10/2008	(AP) 134759 Lancaster Wat	125.00		
9/10/2008	(AP) 134759 Lancaster Wat	125.00		
9/10/2008	(AP) 134760 Kentucky Stat	368.28		
9/10/2008	(AP) 134761 Gleenline Imp	83.10		
9/10/2008	(AP) 134762 Service Speci	940.85		
9/10/2008	(AP) 134763 Lexington Her	705.02		
9/10/2008	(AP) 134764 Fouser Enviro	425.00		
9/10/2008	(AP) 134764 Fouser Enviro	86.00		
9/10/2008	(AP) 134764 Fouser Enviro	107.00		
9/10/2008	(AP) 134765 J & J Systems	387.50		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
9/10/2008	(AP) 134766 Open World, I	59.95		
9/10/2008	(AP) 134767 CedarChem, LL	1,713.00		
9/10/2008	(AP) 134768 Eugene Patter	31.09		
9/10/2008	(AP) 134769 Sean Cundiff	86.33		
9/10/2008	(AP) 134770 Rikki Payne	53.75		
9/10/2008	(AP) 134771 Dairy Freeze	21.14		
9/10/2008	(AP) 134772 Kathleen Horn	65.79		
9/10/2008	(AP) 134773 Misty Maggard	15.12		
9/10/2008	(AP) 134774 Zach Terry	70.00		
8/25/2008	(AP) 0110 C.I. Thornburg		-2,284.60	
9/2/2008	(AP) 0133 Hach Company		-154.74	
8/8/2008	(AP) 0642 Service Special		-715.07	
8/11/2008	(AP) 0642 Service Special		-473.40	
8/21/2008	(AP) 0110 C.I. Thornburg		-84.23	
8/25/2008	(AP) 1235 Micro-Comm, Inc		-269.00	
9/8/2008	(AP) 0133 Hach Company		-12.19	
9/11/2008	(AP) 1234 Baumann Paper C		-52.51	
9/10/2008	(AP) 1144 Fouser Environm		-91.00	
9/16/2008	(AP) 0116 Danville Office		-22.32	
9/9/2008	(AP) 0116 Danville Office		-35.99	
9/17/2008	(AP) 0831 Roger Hume		-866.68	
9/18/2008	(AP) 0141 Kentucky Utilit		-11.06	
9/18/2008	(AP) 0242 City Payroll Fu		-7,041.67	
9/17/2008	(AP) 134775 C.I. Thornbur	84.23		
9/17/2008	(AP) 134775 C.I. Thornbur	2,284.60		
9/17/2008	(AP) 134776 Danville Offi	22.32		
9/17/2008	(AP) 134776 Danville Offi	35.99		
9/17/2008	(AP) 134777 Hach Company	154.74		
9/17/2008	(AP) 134777 Hach Company	12.19		
9/17/2008	(AP) 134778 City Water De	5,000.00		
9/17/2008	(AP) 134779 Service Speci	715.07		
9/17/2008	(AP) 134779 Service Speci	473.40		
9/17/2008	(AP) 134780 Fouser Enviro	91.00		
9/17/2008	(AP) 134781 Baumann Paper	52.51		
9/17/2008	(AP) 134782 Micro-Comm, I	269.00		
9/18/2008	(AP) 134783 Kentucky Util	11.06		
9/18/2008	(AP) 134784 City Payroll	7,041.67		
9/18/2008	(AP) 134785 Roger Hume	866.68		
9/22/2008	(AP) 0192 Anthem BCBS KY		-2,242.14	
9/22/2008	(AP) 0704 Visa		-54.13	
9/22/2008	(AP) 0704 Visa		-180.19	
9/22/2008	(AP) 0104 AT&T Mobility		-194.56	
9/23/2008	(AP) 134786 AT&T Mobility	194.56		
9/23/2008	(AP) 134787 Anthem BCBS K	2,242.14		
9/23/2008	(AP) 134788 Visa	54.13		
9/23/2008	(AP) 134788 Visa	180.19		
9/23/2008	(AP) 0259 Lancaster Water		-70.00	
9/23/2008	(AP) 0259 Lancaster Water		-70.00	
9/23/2008	(AP) R578 Candice McQuear		-41.65	
9/18/2008	(AP) 1190 Office Depot		-42.00	
9/23/2008	(AP) 0110 C.I. Thornburg		-13.40	
9/24/2008	(AP) 0141 Kentucky Utilit		-3,811.07	
9/24/2008	(AP) 0141 Kentucky Utilit		-11.06	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
9/24/2008	(AP) 0141 Kentucky Utilit		-591.71	
9/24/2008	(AP) 0141 Kentucky Utilit		-958.57	
9/24/2008	(AP) 0169 Windstream Kent		-105.15	
9/25/2008	(AP) 0439 Bamill, LLC dba		-156.84	
9/25/2008	(AP) 0259 Lancaster Water		-70.00	
9/26/2008	(AP) 0136 Inter-County En		-12,376.03	
9/26/2008	(AP) 0136 Inter-County En		-10.21	
9/29/2008	(AP) 0201 Us Postal Servi		-344.74	
9/29/2008	(AP) 1152 Daner Business		-270.00	
9/30/2008	(AP) 1152 Daner Business		-114.65	
10/1/2008	(AP) A1038 Stacy Grow		-75.00	
10/1/2008	(AP) 0896 Larry R. Stinne		-75.00	
10/1/2008	(AP) 0663 Troy Deshon		-75.00	
10/1/2008	(AP) 0893 Greg Shearer		-75.00	
10/1/2008	(AP) 0488 Michael Davis		-75.00	
10/1/2008	(AP) 1202 Jeff Buchenroth		-75.00	
10/1/2008	(AP) 0739 East Lawn Care		-190.00	
9/29/2008	(AP) A1038 Stacy Grow		-150.00	
10/1/2008	(AP) 0358 Kentucky State		-358.64	
9/17/2008	(AP) 0110 C.I. Thornburg		-104.02	
9/17/2008	(AP) 1239 Graphic Control		-251.31	
9/16/2008	(AP) 1144 Fouser Environm		-50.00	
9/18/2008	(AP) 1144 Fouser Environm		-48.00	
9/18/2008	(AP) 1144 Fouser Environm		-775.00	
8/28/2008	(AP) 0143 Labtronix		-685.00	
10/2/2008	(AP) 0242 City Payroll Fu		-6,388.62	
10/3/2008	(AP) 0190 Division Of Une		-56.24	
10/3/2008	(AP) 0908 Fleet One (MSC		-491.82	
9/26/2008	(AP) 0366 Hr Direct		-135.03	
10/3/2008	(AP) 0160 Orkin Pest Cont		-41.09	
10/3/2008	(AP) R579 Kyle Cupp		-30.27	
10/3/2008	(AP) 0259 Lancaster Water		-94.73	
10/3/2008	(AP) R580 Donna League		-12.57	
10/3/2008	(AP) 0259 Lancaster Water		-57.43	
10/3/2008	(AP) 0259 Lancaster Water		-125.00	
10/3/2008	(AP) 0259 Lancaster Water		-70.00	
10/3/2008	(AP) 0259 Lancaster Water		-70.00	
10/3/2008	(AP) 0259 Lancaster Water		-26.80	
10/3/2008	(AP) R581 William Land		-43.20	
10/7/2008	(AP) 0136 Inter-County En		-86.65	
10/7/2008	(AP) 1237 Open World, Inc		-59.95	
10/7/2008	(AP) 0169 Windstream Kent		-159.47	
10/7/2008	(AP) 1006 Urgent Treatmen		-76.00	
10/7/2008	(AP) 0130 Garrard Hardwar		-63.28	
10/7/2008	(AP) 0130 Garrard Hardwar		-95.45	
10/7/2008	(AP) 0130 Garrard Hardwar		-132.38	
10/7/2008	(AP) 0130 Garrard Hardwar		-35.19	
10/1/2008	(AP) 0405 Utility Service		-3,083.03	
10/1/2008	(AP) 0405 Utility Service		-3,175.52	
9/29/2008	(AP) 1144 Fouser Environm		-397.00	
9/29/2008	(AP) 1144 Fouser Environm		-86.00	
10/7/2008	(AP) 0129 Garrard Automot		-69.95	
10/7/2008	(AP) 0108 Central Record,		-22.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
10/8/2008	(AP) 1191 EKWWOA		-180.00	
10/1/2008	(AP) 134789 C.I. Thornbur	13.40		
10/1/2008	(AP) 134790 Inter-County	10.21		
10/1/2008	(AP) 134790 Inter-County	12,376.03		
10/1/2008	(AP) 134791 Kentucky Util	958.57		
10/1/2008	(AP) 134791 Kentucky Util	11.06		
10/1/2008	(AP) 134791 Kentucky Util	591.71		
10/1/2008	(AP) 134791 Kentucky Util	3,811.07		
10/1/2008	(AP) 134792 Windstream Ke	105.15		
10/1/2008	(AP) 134793 Us Postal Ser	344.74		
10/1/2008	(AP) 134794 Lancaster Wat	70.00		
10/1/2008	(AP) 134794 Lancaster Wat	70.00		
10/1/2008	(AP) 134794 Lancaster Wat	70.00		
10/1/2008	(AP) 134795 Bamill, LLC d	156.84		
10/1/2008	(AP) 134796 Office Depot	42.00		
10/1/2008	(AP) 134797 Candice McQue	41.65		
10/1/2008	(AP) 134798 Michael Davis	75.00		
10/1/2008	(AP) 134799 Troy Deshon	75.00		
10/1/2008	(AP) 134800 East Lawn Car	190.00		
10/1/2008	(AP) 134801 Greg Shearer	75.00		
10/1/2008	(AP) 134802 Larry R. Stin	75.00		
10/1/2008	(AP) 134803 Daner Busines	270.00		
10/1/2008	(AP) 134803 Daner Busines	114.65		
10/1/2008	(AP) 134804 Jeff Buchenro	75.00		
10/1/2008	(AP) 134805 Stacy Grow	75.00		
10/2/2008	(AP) 134806 C.I. Thornbur	104.02		
10/2/2008	(AP) 134807 Labtronix	685.00		
10/2/2008	(AP) 134808 City Payroll	6,388.62		
10/2/2008	(AP) 134809 Kentucky Stat	358.64		
10/2/2008	(AP) 134810 Fouser Enviro	50.00		
10/2/2008	(AP) 134810 Fouser Enviro	775.00		
10/2/2008	(AP) 134810 Fouser Enviro	48.00		
10/2/2008	(AP) 134811 Graphic Contr	251.31		
10/2/2008	(AP) 134812 Stacy Grow	150.00		
10/6/2008	(AP) 134813 Orkin Pest Co	41.09		
10/6/2008	(AP) 134814 Division Of U	56.24		
10/6/2008	(AP) 134815 Lancaster Wat	57.43		
10/6/2008	(AP) 134815 Lancaster Wat	70.00		
10/6/2008	(AP) 134815 Lancaster Wat	70.00		
10/6/2008	(AP) 134815 Lancaster Wat	26.80		
10/6/2008	(AP) 134815 Lancaster Wat	94.73		
10/6/2008	(AP) 134815 Lancaster Wat	125.00		
10/6/2008	(AP) 134816 Hr Direct	135.03		
10/6/2008	(AP) 134817 Utility Servi	3,083.03		
10/6/2008	(AP) 134817 Utility Servi	3,175.52		
10/6/2008	(AP) 134818 Fleet One (MS	491.82		
10/6/2008	(AP) 134819 Fouser Enviro	397.00		
10/6/2008	(AP) 134819 Fouser Enviro	86.00		
10/6/2008	(AP) 134820 Kyle Cupp	30.27		
10/6/2008	(AP) 134821 Donna League	12.57		
10/6/2008	(AP) 134822 William Land	43.20		
10/9/2008	(AP) 134823 Central Recor	22.00		
10/9/2008	(AP) 134824 Garrard Autom	69.95		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
10/9/2008	(AP) 134825 Garrard Hardw	63.28		
10/9/2008	(AP) 134825 Garrard Hardw	35.19		
10/9/2008	(AP) 134825 Garrard Hardw	132.38		
10/9/2008	(AP) 134825 Garrard Hardw	95.45		
10/9/2008	(AP) 134826 Inter-County	86.65		
10/9/2008	(AP) 134827 Windstream Ke	159.47		
10/9/2008	(AP) 134828 Urgent Treatm	76.00		
10/9/2008	(AP) 134829 EKWWOA	180.00		
10/9/2008	(AP) 134830 Open World, I	59.95		
9/29/2008	(AP) 0110 C.I. Thornburg		-142.00	
10/2/2008	(AP) 1144 Fouser Environm		-460.00	
10/10/2008	(AP) 0831 Roger Hume		-865.74	
10/13/2008	(AP) 0116 Danville Office		-18.00	
10/13/2008	(AP) 0116 Danville Office		-35.99	
10/13/2008	(AP) 0534 Trans Union LLC		-125.00	
10/13/2008	(AP) 0803 Carter Printing		-75.00	
10/15/2008	(AP) 0169 Windstream Kent		-65.45	
10/15/2008	(AP) 1262 Justin T. Genco		-2,451.25	
10/16/2008	(AP) 0242 City Payroll Fu		-7,300.39	
10/15/2008	(AP) 134831 C.I. Thornbur	142.00		
10/15/2008	(AP) 134832 Danville Offi	18.00		
10/15/2008	(AP) 134832 Danville Offi	35.99		
10/15/2008	(AP) 134833 Windstream Ke	65.45		
10/15/2008	(AP) 134834 Trans Union L	125.00		
10/15/2008	(AP) 134835 Carter Printi	75.00		
10/15/2008	(AP) 134836 Roger Hume	865.74		
10/15/2008	(AP) 134837 Fouser Enviro	460.00		
10/15/2008	(AP) 134839 Justin T. Gen	2,451.25		
10/16/2008	(AP) 134840 City Payroll	7,300.39		
10/16/2008	(AP) A1120 Cash		-200.00	
10/17/2008	(AP) 0141 Kentucky Utilit		-11.10	
10/20/2008	(AP) 0704 Visa		-237.25	
10/20/2008	(AP) 1226 J & J Systems P		-140.00	
10/3/2008	(AP) 0498 Consolidated Pi		-393.96	
10/15/2008	(AP) 1144 Fouser Environm		-183.00	
10/8/2008	(AP) 1144 Fouser Environm		-1,025.00	
10/8/2008	(AP) 0113 Continental Hyd		-169.56	
10/6/2008	(AP) 0110 C.I. Thornburg		-648.00	
9/30/2008	(AP) 0110 C.I. Thornburg		-1,017.20	
10/21/2008	(AP) 0104 AT&T Mobility		-164.03	
10/20/2008	(AP) 134841 Kentucky Util	11.10		
10/20/2008	(AP) 134842 Visa	237.25		
10/20/2008	(AP) 134843 J & J Systems	140.00		
10/20/2008	(AP) 134844 Cash	200.00		
10/21/2008	(AP) 0192 Anthem BCBS KY		-2,242.14	
10/13/2008	(AP) 1142 Family Dollar S		-13.00	
10/3/2008	(AP) 0535 International S		-1,845.00	
10/8/2008	(AP) 0642 Service Special		-1,086.93	
9/15/2008	(AP) 0110 C.I. Thornburg		-1,183.25	
9/17/2008	(AP) 0161 Red Bud Supply,		-199.40	
10/1/2008	(AP) 0527 Greenline Imple		-159.44	
10/22/2008	(AP) 1201 Rons Mini Marke		-10.47	
10/22/2008	(AP) 0963 SimplexGrinnell		-408.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
10/23/2008	(AP) 0141 Kentucky Utilit		-3,709.83	
10/23/2008	(AP) 0141 Kentucky Utilit		-11.10	
10/23/2008	(AP) R582 Jessica Goins		-40.98	
10/23/2008	(AP) 0259 Lancaster Water		-84.02	
10/23/2008	(AP) 0259 Lancaster Water		-125.00	
10/23/2008	(AP) 0259 Lancaster Water		-125.00	
10/21/2008	(AP) 134845 AT&T Mobility	164.03		
10/21/2008	(AP) 134846 C.I. Thornbur	1,017.20		
10/21/2008	(AP) 134846 C.I. Thornbur	648.00		
10/21/2008	(AP) 134847 Continental H	169.56		
10/21/2008	(AP) 134848 Anthem BCBS K	2,242.14		
10/21/2008	(AP) 134849 Consolidated	393.96		
10/21/2008	(AP) 134850 Fouser Enviro	1,025.00		
10/21/2008	(AP) 134850 Fouser Enviro	183.00		
10/23/2008	(AP) 134851 C.I. Thornbur	1,183.25		
10/23/2008	(AP) 134852 Kentucky Util	11.10		
10/23/2008	(AP) 134852 Kentucky Util	3,709.83		
10/23/2008	(AP) 134853 Red Bud Suppl	199.40		
10/23/2008	(AP) 134854 Lancaster Wat	125.00		
10/23/2008	(AP) 134854 Lancaster Wat	125.00		
10/23/2008	(AP) 134854 Lancaster Wat	84.02		
10/23/2008	(AP) 134855 Greenline Imp	159.44		
10/23/2008	(AP) 134856 International	1,845.00		
10/23/2008	(AP) 134857 Service Speci	1,086.93		
10/23/2008	(AP) 134858 SimplexGrinne	408.00		
10/23/2008	(AP) 134859 Family Dollar	13.00		
10/23/2008	(AP) 134860 Rons Mini Mar	10.47		
10/23/2008	(AP) 134861 Jessica Goins	40.98		
10/23/2008	(AP) 0259 Lancaster Water		-125.00	
10/23/2008	(AP) 0259 Lancaster Water		-87.24	
10/23/2008	(AP) 0259 Lancaster Water		-62.61	
10/23/2008	(AP) R583 Karen Brammer		-37.76	
10/23/2008	(AP) R584 Wesley Back		-62.39	
9/30/2008	(AP) 0110 C.I. Thornburg		-84.26	
10/8/2008	(AP) 0270 H.D. Supply Wat		-498.04	
10/3/2008	(AP) 0270 H.D. Supply Wat		-223.08	
10/3/2008	(AP) 0270 H.D. Supply Wat		-963.20	
9/26/2008	(AP) 0270 H.D. Supply Wat		-446.16	
9/26/2008	(AP) 0270 H.D. Supply Wat		-464.17	
9/15/2008	(AP) 0270 H.D. Supply Wat		-892.32	
9/10/2008	(AP) 0270 H.D. Supply Wat		-105.00	
8/29/2008	(AP) 0270 H.D. Supply Wat		-5,188.66	
10/13/2008	(AP) 0110 C.I. Thornburg		-1,375.60	
9/20/2008	(AP) 0151 Lincoln County		-266.00	
10/24/2008	(AP) 1142 Family Dollar S		-37.44	
10/28/2008	(AP) 0169 Windstream Kent		-109.04	
10/28/2008	(AP) 0281 Lindas Custom S		-200.88	
10/28/2008	(AP) 0136 Inter-County En		-12,034.34	
10/28/2008	(AP) 0136 Inter-County En		-10.20	
9/12/2008	(AP) 0270 H.D. Supply Wat		-34.77	
10/21/2008	(AP) 0270 H.D. Supply Wat		-20.28	
10/29/2008	(AP) 0002 AT& T		-87.98	
10/29/2008	(AP) 0310 Stacy May, Coun		-204.00	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
10/30/2008	(AP) A1038 Stacy Grow		-79.20	
10/30/2008	(AP) 0242 City Payroll Fu		-7,864.83	
10/29/2008	(AP) 134862 Stacy May, Co	204.00		
10/30/2008	(AP) 134863 City Payroll	7,864.83		
10/30/2008	(AP) 134864 Stacy Grow	79.20		
11/1/2008	(AP) 0439 Bamill, LLC dba		-156.84	
11/3/2008	(AP) 0908 Fleet One (MSC		-148.36	
11/3/2008	(AP) 0195 Garrard County		-20.33	
11/4/2008	(AP) 0108 Central Record,		-66.00	
11/4/2008	(AP) 0160 Orkin Pest Cont		-41.09	
11/5/2008	(AP) 0136 Inter-County En		-67.79	
11/5/2008	(AP) 0388 Mulligan, Hill,		-1,075.00	
11/5/2008	(AP) 0471 Quick Stop		-281.02	
10/17/2008	(AP) 0121 Dix River Stone		-1,188.07	
11/10/2008	(AP) 0941 Farmers Nationa		-21,099.51	
11/10/2008	(AP) 0941 Farmers Nationa		-75,323.95	
11/11/2008	(AP) 1237 Open World, Inc		-59.95	
11/1/2008	(AP) 134865 AT& T	87.98		
11/1/2008	(AP) 134866 C.I. Thornbur	84.26		
11/1/2008	(AP) 134866 C.I. Thornbur	1,375.60		
11/1/2008	(AP) 134867 Inter-County	10.20		
11/1/2008	(AP) 134867 Inter-County	12,034.34		
11/1/2008	(AP) 134868 Lincoln Count	266.00		
11/1/2008	(AP) 134869 Windstream Ke	109.04		
11/1/2008	(AP) 134870 Lancaster Wat	87.24		
11/1/2008	(AP) 134870 Lancaster Wat	62.61		
11/1/2008	(AP) 134870 Lancaster Wat	125.00		
11/1/2008	(AP) 134871 H.D. Supply W	5,188.66		
11/1/2008	(AP) 134871 H.D. Supply W	105.00		
11/1/2008	(AP) 134871 H.D. Supply W	34.77		
11/1/2008	(AP) 134871 H.D. Supply W	892.32		
11/1/2008	(AP) 134871 H.D. Supply W	446.16		
11/1/2008	(AP) 134871 H.D. Supply W	464.17		
11/1/2008	(AP) 134871 H.D. Supply W	223.08		
11/1/2008	(AP) 134871 H.D. Supply W	963.20		
11/1/2008	(AP) 134871 H.D. Supply W	498.04		
11/1/2008	(AP) 134871 H.D. Supply W	20.28		
11/1/2008	(AP) 134872 Lindas Custom	200.88		
11/1/2008	(AP) 134873 Bamill, LLC d	156.84		
11/1/2008	(AP) 134874 Family Dollar	37.44		
11/1/2008	(AP) 134875 Karen Brammer	37.76		
11/1/2008	(AP) 134876 Wesley Back	62.39		
11/6/2008	(AP) 134877 Central Recor	66.00		
11/6/2008	(AP) 134878 Dix River Sto	1,188.07		
11/6/2008	(AP) 134879 Inter-County	67.79		
11/6/2008	(AP) 134880 Orkin Pest Co	41.09		
11/6/2008	(AP) 134881 Garrard Count	20.33		
11/6/2008	(AP) 134882 Mulligan, Hil	1,075.00		
11/6/2008	(AP) 134883 Quick Stop	281.02		
11/6/2008	(AP) 134884 Fleet One (MS	148.36		
11/11/2008	(AP) 0259 Lancaster Water		-70.00	
11/11/2008	(AP) 0259 Lancaster Water		-15.80	
11/11/2008	(AP) R585 Norm Smith		-109.20	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
11/11/2008	(AP) 0259 Lancaster Water		-70.00	
11/11/2008	(AP) 0259 Lancaster Water		-37.57	
11/11/2008	(AP) 0259 Lancaster Water		-125.00	
11/11/2008	(AP) 0259 Lancaster Water		-125.00	
11/11/2008	(AP) 0259 Lancaster Water		-125.00	
11/11/2008	(AP) 0259 Lancaster Water		-68.23	
11/11/2008	(AP) 0259 Lancaster Water		-62.81	
11/11/2008	(AP) 0259 Lancaster Water		-125.00	
11/11/2008	(AP) 0259 Lancaster Water		-102.10	
11/11/2008	(AP) 0259 Lancaster Water		-53.60	
11/11/2008	(AP) 0259 Lancaster Water		-34.45	
11/11/2008	(AP) R588 Nita Catching		-7.19	
11/11/2008	(AP) R586 Robbie Reynolds		-87.43	
11/12/2008	(AP) R589 Tiffany Warmout		-22.90	
11/12/2008	(AP) R590 Edith Cortez		-16.40	
11/12/2008	(AP) R591 Carolyn Burton		-35.55	
10/30/2008	(AP) 0110 C.I. Thornburg		-84.18	
10/31/2008	(AP) 1144 Fouser Environm		-36.00	
10/31/2008	(AP) 0110 C.I. Thornburg		-1,175.85	
8/28/2008	(AP) 0825 Danville Bottle		-31.00	
10/13/2008	(AP) 0825 Danville Bottle		-8.00	
10/13/2008	(AP) 0825 Danville Bottle		-11.60	
8/28/2008	(AP) 0825 Danville Bottle		-60.00	
10/16/2008	(AP) 1245 CedarChem, LLC		-1,309.50	
10/29/2008	(AP) 1144 Fouser Environm		-425.00	
10/28/2008	(AP) 1144 Fouser Environm		-198.00	
11/13/2008	(AP) 0242 City Payroll Fu		-7,381.67	
11/13/2008	(AP) 0358 Kentucky State		-469.80	
11/12/2008	(AP) 134885 Lancaster Wat	62.81		
11/12/2008	(AP) 134885 Lancaster Wat	70.00		
11/12/2008	(AP) 134885 Lancaster Wat	70.00		
11/12/2008	(AP) 134885 Lancaster Wat	125.00		
11/12/2008	(AP) 134885 Lancaster Wat	37.57		
11/12/2008	(AP) 134885 Lancaster Wat	102.10		
11/12/2008	(AP) 134885 Lancaster Wat	125.00		
11/12/2008	(AP) 134885 Lancaster Wat	68.23		
11/12/2008	(AP) 134885 Lancaster Wat	15.80		
11/12/2008	(AP) 134885 Lancaster Wat	125.00		
11/12/2008	(AP) 134886 Farmers Natio	75,323.95		
11/12/2008	(AP) 134887 Open World, I	59.95		
11/12/2008	(AP) 134888 Norm Smith	109.20		
11/12/2008	(AP) 134889 Robbie Reynol	87.43		
11/12/2008	(AP) 134890 Nita Catching	7.19		
11/12/2008	(AP) 134891 Lancaster Wat	53.60		
11/12/2008	(AP) 134891 Lancaster Wat	34.45		
11/12/2008	(AP) 134891 Lancaster Wat	125.00		
11/12/2008	(AP) 134892 Farmers Natio	21,099.51		
11/13/2008	(AP) 134893 City Payroll	7,381.67		
11/14/2008	(AP) 134894 C.I. Thornbur	1,175.85		
11/14/2008	(AP) 134894 C.I. Thornbur	84.18		
11/14/2008	(AP) 134895 Kentucky Stat	469.80		
11/14/2008	(AP) 134896 Danville Bott	60.00		
11/14/2008	(AP) 134896 Danville Bott	31.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
11/14/2008	(AP) 134896 Danville Bott	8.00		
11/14/2008	(AP) 134896 Danville Bott	11.60		
11/14/2008	(AP) 134897 Fouser Enviro	198.00		
11/14/2008	(AP) 134897 Fouser Enviro	425.00		
11/14/2008	(AP) 134897 Fouser Enviro	36.00		
11/14/2008	(AP) 134898 CedarChem, LL	1,309.50		
11/14/2008	(AP) 134899 Tiffany Warmo	22.90		
11/14/2008	(AP) 134900 Edith Cortez	16.40		
11/14/2008	(AP) 134901 Carolyn Burto	35.55		
11/17/2008	(AP) 0169 Windstream Kent		-64.64	
11/17/2008	(AP) 0141 Kentucky Utilit		-11.12	
11/17/2008	(AP) 0198 Greentree Appli		-650.00	
11/18/2008	(AP) 0704 Visa		-261.76	
11/18/2008	(AP) 0990 Deluxe Business		-165.90	
11/19/2008	(AP) 0225 City Water Depr		-5,000.00	
11/11/2008	(AP) 0498 Consolidated Pi		-400.00	
10/31/2008	(AP) 0270 H.D. Supply Wat		-307.50	
10/29/2008	(AP) 0270 H.D. Supply Wat		-44.88	
10/30/2008	(AP) 0270 H.D. Supply Wat		-1,120.00	
10/29/2008	(AP) 0270 H.D. Supply Wat		-19,880.00	
9/30/2008	(AP) 0243 Ky State Treasu		-13,038.88	
11/19/2008	(AP) 0831 Roger Hume		-810.75	
11/20/2008	(AP) 0104 AT&T Mobility		-179.83	
11/26/2008	(AP) 0242 City Payroll Fu		-6,970.11	
11/20/2008	(AP) 134902 Kentucky Util	11.12		
11/20/2008	(AP) 134903 Windstream Ke	64.64		
11/20/2008	(AP) 134904 Greentree App	650.00		
11/20/2008	(AP) 134905 City Water De	5,000.00		
11/20/2008	(AP) 134906 Ky State Trea	13,038.88		
11/20/2008	(AP) 134907 H.D. Supply W	19,880.00		
11/20/2008	(AP) 134907 H.D. Supply W	307.50		
11/20/2008	(AP) 134907 H.D. Supply W	44.88		
11/20/2008	(AP) 134907 H.D. Supply W	1,120.00		
11/20/2008	(AP) 134908 Consolidated	400.00		
11/20/2008	(AP) 134909 Visa	261.76		
11/20/2008	(AP) 134910 Roger Hume	810.75		
11/20/2008	(AP) 134911 Deluxe Busine	165.90		
11/25/2008	(AP) 134912 AT&T Mobility	179.83		
11/25/2008	(AP) 134913 City Payroll	6,970.11		
12/1/2008	(AP) 0116 Danville Office		-77.96	
12/1/2008	(AP) 0116 Danville Office		-32.02	
12/1/2008	(AP) 0192 Anthem BCBS KY		-1,868.45	
12/1/2008	(AP) 0169 Windstream Kent		-107.13	
12/1/2008	(AP) 0141 Kentucky Utilit		-3,669.48	
12/1/2008	(AP) 0141 Kentucky Utilit		-11.12	
12/1/2008	(AP) 0141 Kentucky Utilit		-525.18	
12/1/2008	(AP) 0439 Bamill, LLC dba		-156.84	
12/1/2008	(AP) 0136 Inter-County En		-15,229.01	
12/1/2008	(AP) 0136 Inter-County En		-10.54	
12/2/2008	(AP) 0160 Orkin Pest Cont		-41.09	
12/2/2008	(AP) 0116 Danville Office		-15.36	
12/3/2008	(AP) 0129 Garrard Automot		-2.38	
12/3/2008	(AP) 0129 Garrard Automot		-34.08	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
12/3/2008	(AP) 0129 Garrard Automot		-76.09	
12/3/2008	(AP) 0129 Garrard Automot		-33.00	
11/1/2008	(AP) 0130 Garrard Hardwar		-100.58	
11/24/2008	(AP) 0130 Garrard Hardwar		-54.32	
11/7/2008	(AP) 0130 Garrard Hardwar		-119.62	
11/3/2008	(AP) 0130 Garrard Hardwar		-250.00	
12/4/2008	(AP) R592 Rebecca Preston		-72.56	
12/4/2008	(AP) 0259 Lancaster Water		-52.44	
12/4/2008	(AP) 0259 Lancaster Water		-43.67	
12/4/2008	(AP) R593 Nancy Baker		-81.33	
12/4/2008	(AP) 0259 Lancaster Water		-85.88	
12/4/2008	(AP) R594 Kristen Collett		-39.12	
12/4/2008	(AP) 0136 Inter-County En		-86.82	
12/4/2008	(AP) 0002 AT& T		-91.09	
12/5/2008	(AP) 0358 Kentucky State		-368.54	
11/29/2008	(AP) 1290 CNA Surety		-100.00	
11/12/2008	(AP) 0126 Feldman Lumber		-128.63	
11/25/2008	(AP) 1144 Fouser Environm		-151.00	
11/25/2008	(AP) 1144 Fouser Environm		-425.00	
11/21/2008	(AP) 0642 Service Special		-4,014.34	
11/24/2008	(AP) 0270 H.D. Supply Wat		-19,243.80	
10/31/2008	(AP) 0642 Service Special		-21,306.18	
11/12/2008	(AP) 0143 Labtronix		-555.00	
11/7/2008	(AP) 0110 C.I. Thornburg		-783.11	
11/11/2008	(AP) 0133 Hach Company		-177.90	
11/11/2008	(AP) 1144 Fouser Environm		-125.00	
11/4/2008	(AP) 0196 Univar USA Inc		-4,943.32	
11/3/2008	(AP) 0110 C.I. Thornburg		-320.00	
11/25/2008	(AP) 0110 C.I. Thornburg		-83.99	
11/21/2008	(AP) 0110 C.I. Thornburg		-1,058.40	
12/8/2008	(AP) 0663 Troy Deshon		-40.00	
12/9/2008	(AP) 0471 Quick Stop		-329.81	
12/9/2008	(AP) 0259 Lancaster Water		-85.78	
12/9/2008	(AP) 0259 Lancaster Water		-88.76	
12/9/2008	(AP) 0259 Lancaster Water		-114.11	
12/9/2008	(AP) 0259 Lancaster Water		-31.74	
12/9/2008	(AP) 0259 Lancaster Water		-54.60	
12/9/2008	(AP) 0259 Lancaster Water		-70.21	
12/10/2008	(AP) R587 Brenda Staten		-56.77	
12/8/2008	(AP) 0893 Greg Shearer		-40.00	
12/8/2008	(AP) 0661 Paul Black		-40.00	
12/8/2008	(AP) 0488 Michael Davis		-40.00	
12/8/2008	(AP) A1038 Stacy Grow		-40.00	
12/8/2008	(AP) 1202 Jeff Buchenroth		-40.00	
12/8/2008	(AP) 0896 Larry R. Stinne		-40.00	
12/8/2008	(AP) 1292 Carla Payton		-20.00	
12/9/2008	(AP) 0108 Central Record,		-12.25	
12/9/2008	(AP) 1237 Open World, Inc		-59.95	
12/9/2008	(AP) 0137 Kentucky League		-16,681.00	
12/1/2008	(AP) 134914 Danville Offi	32.02		
12/1/2008	(AP) 134914 Danville Offi	77.96		
12/1/2008	(AP) 134915 Inter-County	10.54		
12/1/2008	(AP) 134915 Inter-County	15,229.01		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
12/1/2008	(AP) 134916 Kentucky Util	525.18		
12/1/2008	(AP) 134916 Kentucky Util	11.12		
12/1/2008	(AP) 134916 Kentucky Util	3,669.48		
12/1/2008	(AP) 134917 Windstream Ke	107.13		
12/1/2008	(AP) 134918 Anthem BCBS K	1,868.45		
12/1/2008	(AP) 134919 Bamill, LLC d	156.84		
12/5/2008	(AP) 134920 AT& T	91.09		
12/5/2008	(AP) 134921 Danville Offi	15.36		
12/5/2008	(AP) 134922 Garrard Autom	33.00		
12/5/2008	(AP) 134922 Garrard Autom	76.09		
12/5/2008	(AP) 134922 Garrard Autom	34.08		
12/5/2008	(AP) 134922 Garrard Autom	2.38		
12/5/2008	(AP) 134923 Garrard Hardw	100.58		
12/5/2008	(AP) 134923 Garrard Hardw	250.00		
12/5/2008	(AP) 134923 Garrard Hardw	119.62		
12/5/2008	(AP) 134923 Garrard Hardw	54.32		
12/5/2008	(AP) 134924 Inter-County	86.82		
12/5/2008	(AP) 134925 Orkin Pest Co	41.09		
12/5/2008	(AP) 134926 Lancaster Wat	85.88		
12/5/2008	(AP) 134926 Lancaster Wat	43.67		
12/5/2008	(AP) 134926 Lancaster Wat	52.44		
12/5/2008	(AP) 134927 Rebecca Prest	72.56		
12/5/2008	(AP) 134928 Nancy Baker	81.33		
12/5/2008	(AP) 134929 Kristen Colle	39.12		
12/9/2008	(AP) 134930 Central Recor	12.25		
12/9/2008	(AP) 134931 C.I. Thornbur	320.00		
12/9/2008	(AP) 134931 C.I. Thornbur	783.11		
12/9/2008	(AP) 134931 C.I. Thornbur	1,058.40		
12/9/2008	(AP) 134931 C.I. Thornbur	83.99		
12/9/2008	(AP) 134932 Feldman Lumbe	128.63		
12/9/2008	(AP) 134933 Hach Company	177.90		
12/9/2008	(AP) 134934 Labtronix	555.00		
12/9/2008	(AP) 134935 Univar USA In	4,943.32		
12/9/2008	(AP) 134936 H.D. Supply W	19,243.80		
12/9/2008	(AP) 134937 Kentucky Stat	368.54		
12/9/2008	(AP) 134938 Michael Davis	40.00		
12/9/2008	(AP) 134939 Service Speci	21,306.18		
12/9/2008	(AP) 134939 Service Speci	4,014.34		
12/9/2008	(AP) 134940 Paul Black	40.00		
12/9/2008	(AP) 134941 Troy Deshon	40.00		
12/9/2008	(AP) 134942 Greg Shearer	40.00		
12/9/2008	(AP) 134943 Larry R. Stin	40.00		
12/9/2008	(AP) 134944 Fouser Enviro	125.00		
12/9/2008	(AP) 134944 Fouser Enviro	151.00		
12/9/2008	(AP) 134944 Fouser Enviro	425.00		
12/9/2008	(AP) 134945 Jeff Buchenro	40.00		
12/9/2008	(AP) 134946 Open World, I	59.95		
12/9/2008	(AP) 134947 CNA Surety	100.00		
12/9/2008	(AP) 134948 Carla Payton	20.00		
12/9/2008	(AP) 134949 Stacy Grow	40.00		
12/10/2008	(AP) 134950 Kentucky Leag	16,681.00		
12/10/2008	(AP) 134951 Lancaster Wat	31.74		
12/10/2008	(AP) 134951 Lancaster Wat	88.76		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
12/10/2008	(AP) 134951 Lancaster Wat	85.78		
12/10/2008	(AP) 134951 Lancaster Wat	114.11		
12/10/2008	(AP) 134951 Lancaster Wat	70.21		
12/10/2008	(AP) 134951 Lancaster Wat	54.60		
12/10/2008	(AP) 134952 Quick Stop	329.81		
12/10/2008	(AP) R598 Courtney Walton		-36.22	
12/10/2008	(AP) R595 Katie Ray		-38.26	
12/10/2008	(AP) R596 Lora Hadding		-70.40	
12/10/2008	(AP) R597 Tina Parks		-54.79	
12/10/2008	(AP) 0388 Mulligan, Hill,		-620.00	
12/11/2008	(AP) 0920 Ray Higdon		-247.50	
12/12/2008	(AP) 0201 Us Postal Servi		-207.00	
12/11/2008	(AP) 0242 City Payroll Fu		-8,183.24	
12/11/2008	(AP) 134953 City Payroll	8,183.24		
12/11/2008	(AP) 134954 Mulligan, Hil	620.00		
12/11/2008	(AP) 134955 Ray Higdon	247.50		
12/11/2008	(AP) 134956 Brenda Staten	56.77		
12/11/2008	(AP) 134957 Katie Ray	38.26		
12/11/2008	(AP) 134958 Lora Hadding	70.40		
12/11/2008	(AP) 134959 Tina Parks	54.79		
12/11/2008	(AP) 134960 Courtney Walt	36.22		
12/12/2008	(AP) 134962 Us Postal Ser	207.00		
12/15/2008	(AP) 0169 Windstream Kent		-64.44	
12/16/2008	(AP) R599 Debbie Anderson		-13.49	
12/16/2008	(AP) 0259 Lancaster Water		-111.51	
12/16/2008	(AP) 0259 Lancaster Water		-125.00	
12/16/2008	(AP) 0259 Lancaster Water		-23.34	
12/16/2008	(AP) R600 Ryan Hunt		-101.66	
12/16/2008	(AP) 0141 Kentucky Utilit		-11.26	
12/17/2008	(AP) 134963 Kentucky Util	11.26		
12/17/2008	(AP) 134964 Windstream Ke	64.44		
12/17/2008	(AP) 134965 Lancaster Wat	125.00		
12/17/2008	(AP) 134965 Lancaster Wat	111.51		
12/17/2008	(AP) 134965 Lancaster Wat	23.34		
12/17/2008	(AP) 134966 Debbie Anders	13.49		
12/17/2008	(AP) 134967 Ryan Hunt	101.66		
12/12/2008	(AP) 1115 RSC Equipment R		-1,529.16	
12/9/2008	(AP) 0162 Reliance Fire P		-140.00	
12/9/2008	(AP) 0162 Reliance Fire P		-127.00	
12/9/2008	(AP) 0162 Reliance Fire P		-154.45	
12/9/2008	(AP) 0162 Reliance Fire P		-93.50	
12/19/2008	(AP) 134968 Reliance Fire	140.00		
12/19/2008	(AP) 134968 Reliance Fire	127.00		
12/19/2008	(AP) 134968 Reliance Fire	154.45		
12/19/2008	(AP) 134968 Reliance Fire	93.50		
12/19/2008	(AP) 134969 RSC Equipment	1,529.16		
12/22/2008	(AP) 0831 Roger Hume		-723.80	
12/23/2008	(AP) 0242 City Payroll Fu		-8,614.89	
12/23/2008	(AP) 0104 AT&T Mobility		-200.00	
12/23/2008	(AP) 134970 AT&T Mobility	200.00		
12/23/2008	(AP) 134971 City Payroll	8,614.89		
12/23/2008	(AP) 134972 Roger Hume	723.80		
12/23/2008	(AP) 0192 Anthem BCBS KY		-2,242.14	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
12/24/2008	(AP) 134973 Anthem BCBS K	2,242.14		
12/30/2008	(AP) 0201 Us Postal Servi		-320.35	
1/2/2009	(AP) 0169 Windstream Kent		-103.48	
1/2/2009	(AP) 0141 Kentucky Utilit		-1,595.27	
1/2/2009	(AP) 0141 Kentucky Utilit		-747.26	
1/2/2009	(AP) 0141 Kentucky Utilit		-17.92	
1/2/2009	(AP) 0141 Kentucky Utilit		-4,003.50	
1/2/2009	(AP) 0136 Inter-County En		-10,439.24	
1/2/2009	(AP) 0136 Inter-County En		-10.64	
1/2/2009	(AP) 0439 Bamill, LLC dba		-156.84	
1/2/2009	(AP) 0259 Lancaster Water		-125.00	
1/2/2009	(AP) 0259 Lancaster Water		-69.14	
1/2/2009	(AP) 0259 Lancaster Water		-120.08	
1/2/2009	(AP) 0259 Lancaster Water		-125.00	
1/2/2009	(AP) 0259 Lancaster Water		-70.00	
1/2/2009	(AP) 0259 Lancaster Water		-47.33	
1/2/2009	(AP) R601 Kasundra Smith		-55.86	
1/2/2009	(AP) R602 Kristen Hammond		-4.92	
1/2/2009	(AP) R603 Regina Garcia		-22.67	
1/2/2009	(AP) R604 Rebecca Newcomb		-14.25	
1/2/2009	(AP) R605 Jennifer Sears		-21.58	
1/5/2009	(AP) 0663 Troy Deshon		-75.00	
1/5/2009	(AP) 0893 Greg Shearer		-75.00	
1/5/2009	(AP) A1038 Stacy Grow		-75.00	
1/5/2009	(AP) 0896 Larry R. Stinne		-75.00	
1/5/2009	(AP) 1202 Jeff Buchenroth		-75.00	
1/2/2009	(AP) 0259 Lancaster Water		-125.00	
1/2/2009	(AP) 0259 Lancaster Water		-110.75	
1/2/2009	(AP) 0259 Lancaster Water		-103.42	
1/2/2009	(AP) 0259 Lancaster Water		-125.00	
1/2/2009	(AP) 0259 Lancaster Water		-70.00	
1/2/2009	(AP) 0160 Orkin Pest Cont		-41.09	
1/5/2009	(AP) 1203 Critchfield & C		-6,280.00	
1/5/2009	(AP) 0136 Inter-County En		-272.25	
1/6/2009	(AP) 0456 Kentucky Rural		-746.85	
1/6/2009	(AP) 0137 Kentucky League		-457.00	
1/6/2009	(AP) 1206 Mike Asberry		-600.00	
12/1/2008	(AP) 0130 Garrard Hardwar		-52.09	
12/9/2008	(AP) 0130 Garrard Hardwar		-30.82	
1/6/2009	(AP) 0130 Garrard Hardwar		-145.84	
12/29/2008	(AP) 0130 Garrard Hardwar		-420.00	
1/7/2009	(AP) 0190 Division Of Une		-95.61	
1/1/2009	(AP) 1237 Open World, Inc		-59.95	
1/1/2009	(AP) 0405 Utility Service		-3,083.03	
1/1/2009	(AP) 0405 Utility Service		-3,175.52	
1/2/2009	(AP) 0642 Service Special		-1,422.61	
12/12/2008	(AP) 0110 C.I. Thornburg		-125.79	
12/4/2008	(AP) 0110 C.I. Thornburg		-248.00	
12/23/2008	(AP) 1226 J & J Systems P		-1,499.98	
12/24/2008	(AP) 0642 Service Special		-375.00	
12/29/2008	(AP) 1144 Fouser Environm		-845.00	
12/12/2008	(AP) 0110 C.I. Thornburg		-767.00	
12/26/2008	(AP) 1144 Fouser Environm		-50.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
1/8/2009	(AP) 0242 City Payroll Fu		-9,358.37	
1/8/2009	(AP) 1207 Tom Robinson		-75.00	
12/5/2008	(AP) 1144 Fouser Environm		-118.00	
12/9/2008	(AP) 1144 Fouser Environm		-60.00	
12/4/2008	(AP) 0110 C.I. Thornburg		-1,775.60	
12/18/2008	(AP) 0825 Danville Bottle		-63.80	
12/18/2008	(AP) 0825 Danville Bottle		-34.80	
1/8/2009	(AP) 0194 Kentucky State		-160.00	
1/12/2009	(AP) 0471 Quick Stop		-412.60	
12/17/2008	(AP) 1146 Hayes Pipe Supp		-0.46	
11/25/2008	(AP) 1146 Hayes Pipe Supp		-0.46	
12/5/2008	(AP) 1146 Hayes Pipe Supp		-13.04	
12/18/2008	(AP) 1146 Hayes Pipe Supp		-84.20	
12/5/2008	(AP) 1146 Hayes Pipe Supp		-595.63	
11/25/2008	(AP) 1146 Hayes Pipe Supp		-595.63	
12/15/2008	(AP) 1146 Hayes Pipe Supp		-301.30	
12/15/2008	(AP) 1146 Hayes Pipe Supp		-301.30	
1/12/2009	(AP) 0358 Kentucky State		-408.94	
1/13/2009	(AP) A1038 Stacy Grow		-132.00	
1/14/2009	(AP) 0194 Kentucky State		-35.00	
1/14/2009	(AP) 0161 Red Bud Supply,		-30.75	
12/31/2008	(AP) 0110 C.I. Thornburg		-869.20	
12/29/2008	(AP) 0110 C.I. Thornburg		-846.39	
1/6/2009	(AP) 0133 Hach Company		-203.00	
1/7/2009	(AP) 0977 HD Supply Water		-725.00	
1/7/2009	(AP) 1245 CedarChem, LLC		-1,929.00	
1/6/2009	(AP) 1144 Fouser Environm		-82.00	
1/14/2009	(AP) 1142 Family Dollar S		-20.75	
1/15/2009	(AP) R606 Candace Rutledg		-91.26	
10/31/2008	(AP) 1197 Credit Bureau S		-35.00	
1/15/2009	(AP) 0259 Lancaster Water		-33.74	
1/15/2009	(AP) 0259 Lancaster Water		-70.00	
1/15/2009	(AP) R607 Nicole Maggard		-63.78	
1/15/2009	(AP) 0259 Lancaster Water		-61.22	
1/15/2009	(AP) 0831 Roger Hume		-730.38	
1/15/2009	(AP) 0371 Big E Insurance		-564.48	
1/20/2009	(AP) 0972 KWWOA		-190.00	
1/20/2009	(AP) 0704 Visa		-294.93	
1/20/2009	(AP) 0141 Kentucky Utilit		-11.23	
1/20/2009	(AP) 0104 AT&T Mobility		-180.98	
1/20/2009	(AP) 0192 Anthem BCBS KY		-2,989.52	
1/20/2009	(AP) 1142 Family Dollar S		-16.80	
1/8/2009	(AP) 0110 C.I. Thornburg		-50.47	
1/22/2009	(AP) 0242 City Payroll Fu		-8,627.36	
12/30/2008	(AP) 134975 Us Postal Ser	320.35		
1/5/2009	(AP) 134976 Inter-County	10.64		
1/5/2009	(AP) 134976 Inter-County	10,439.24		
1/5/2009	(AP) 134977 Kentucky Util	747.26		
1/5/2009	(AP) 134977 Kentucky Util	1,595.27		
1/5/2009	(AP) 134977 Kentucky Util	17.92		
1/5/2009	(AP) 134977 Kentucky Util	4,003.50		
1/5/2009	(AP) 134978 Orkin Pest Co	41.09		
1/5/2009	(AP) 134979 Windstream Ke	103.48		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
1/5/2009	(AP) 134980 Lancaster Wat	47.33		
1/5/2009	(AP) 134980 Lancaster Wat	70.00		
1/5/2009	(AP) 134980 Lancaster Wat	125.00		
1/5/2009	(AP) 134980 Lancaster Wat	120.08		
1/5/2009	(AP) 134980 Lancaster Wat	125.00		
1/5/2009	(AP) 134980 Lancaster Wat	69.14		
1/5/2009	(AP) 134980 Lancaster Wat	125.00		
1/5/2009	(AP) 134981 Bamill, LLC d	156.84		
1/5/2009	(AP) 134982 Troy Deshon	75.00		
1/5/2009	(AP) 134983 Greg Shearer	75.00		
1/5/2009	(AP) 134984 Larry R. Stin	75.00		
1/5/2009	(AP) 134985 Jeff Buchenro	75.00		
1/5/2009	(AP) 134986 Stacy Grow	75.00		
1/5/2009	(AP) 134987 Kasundra Smit	55.86		
1/5/2009	(AP) 134988 Kristen Hammo	4.92		
1/5/2009	(AP) 134989 Regina Garcia	22.67		
1/5/2009	(AP) 134990 Rebecca Newco	14.25		
1/5/2009	(AP) 134991 Jennifer Sear	21.58		
1/5/2009	(AP) 134992 Lancaster Wat	70.00		
1/5/2009	(AP) 134992 Lancaster Wat	125.00		
1/5/2009	(AP) 134992 Lancaster Wat	110.75		
1/5/2009	(AP) 134992 Lancaster Wat	103.42		
1/6/2009	(AP) 134993 Inter-County	272.25		
1/6/2009	(AP) 134994 Kentucky Rura	746.85		
1/6/2009	(AP) 134995 Critchfield &	6,280.00		
1/8/2009	(AP) 134996 Division Of U	95.61		
1/8/2009	(AP) 134997 City Payroll	9,358.37		
1/8/2009	(AP) 134998 Mike Asberry	600.00		
1/8/2009	(AP) 134999 Tom Robinson	75.00		
1/8/2009	(AP) 135000 C.I. Thornbur	248.00		
1/8/2009	(AP) 135000 C.I. Thornbur	125.79		
1/8/2009	(AP) 135000 C.I. Thornbur	767.00		
1/8/2009	(AP) 135001 Garrard Hardw	52.09		
1/8/2009	(AP) 135001 Garrard Hardw	145.84		
1/8/2009	(AP) 135001 Garrard Hardw	30.82		
1/8/2009	(AP) 135001 Garrard Hardw	420.00		
1/8/2009	(AP) 135002 Kentucky Leag	457.00		
1/8/2009	(AP) 135003 Utility Servi	3,083.03		
1/8/2009	(AP) 135003 Utility Servi	3,175.52		
1/8/2009	(AP) 135004 Service Speci	375.00		
1/8/2009	(AP) 135004 Service Speci	1,422.61		
1/8/2009	(AP) 135005 Fouser Enviro	50.00		
1/8/2009	(AP) 135005 Fouser Enviro	845.00		
1/8/2009	(AP) 135006 J & J Systems	1,499.98		
1/8/2009	(AP) 135007 Open World, I	59.95		
1/9/2009	(AP) 135008 C.I. Thornbur	1,775.60		
1/9/2009	(AP) 135009 Kentucky Stat	160.00		
1/9/2009	(AP) 135010 Danville Bott	63.80		
1/9/2009	(AP) 135010 Danville Bott	34.80		
1/9/2009	(AP) 135011 Fouser Enviro	118.00		
1/9/2009	(AP) 135011 Fouser Enviro	60.00		
1/13/2009	(AP) 135012 Kentucky Stat	408.94		
1/13/2009	(AP) 135013 Quick Stop	412.60		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
1/13/2009	(AP) 135014 Hayes Pipe Su	595.63		
1/13/2009	(AP) 135014 Hayes Pipe Su	0.46		
1/13/2009	(AP) 135014 Hayes Pipe Su	595.63		
1/13/2009	(AP) 135014 Hayes Pipe Su	13.04		
1/13/2009	(AP) 135014 Hayes Pipe Su	301.30		
1/13/2009	(AP) 135014 Hayes Pipe Su	301.30		
1/13/2009	(AP) 135014 Hayes Pipe Su	0.46		
1/13/2009	(AP) 135014 Hayes Pipe Su	84.20		
1/14/2009	(AP) 135015 Kentucky Stat	35.00		
1/14/2009	(AP) 135016 Stacy Grow	132.00		
1/16/2009	(AP) 135017 C.I. Thornbur	846.39		
1/16/2009	(AP) 135017 C.I. Thornbur	869.20		
1/16/2009	(AP) 135018 Hach Company	203.00		
1/16/2009	(AP) 135019 Red Bud Suppl	30.75		
1/16/2009	(AP) 135020 Lancaster Wat	70.00		
1/16/2009	(AP) 135020 Lancaster Wat	61.22		
1/16/2009	(AP) 135020 Lancaster Wat	33.74		
1/16/2009	(AP) 135021 Big E Insuran	564.48		
1/16/2009	(AP) 135022 Roger Hume	730.38		
1/16/2009	(AP) 135023 HD Supply Wat	725.00		
1/16/2009	(AP) 135024 Family Dollar	20.75		
1/16/2009	(AP) 135025 Fouser Enviro	82.00		
1/16/2009	(AP) 135026 Credit Bureau	35.00		
1/16/2009	(AP) 135027 CedarChem, LL	1,929.00		
1/16/2009	(AP) 135028 Candace Rutle	91.26		
1/16/2009	(AP) 135029 Nicole Maggar	63.78		
1/21/2009	(AP) 135030 AT&T Mobility	180.98		
1/21/2009	(AP) 135031 Kentucky Util	11.23		
1/21/2009	(AP) 135032 Anthem BCBS K	2,989.52		
1/21/2009	(AP) 135033 Visa	294.93		
1/21/2009	(AP) 135034 KWVOA	190.00		
1/22/2009	(AP) 135035 C.I. Thornbur	50.47		
1/22/2009	(AP) 135036 City Payroll	8,627.36		
1/22/2009	(AP) 135037 Family Dollar	16.80		
1/27/2009	(IC) Rita Gaines 144 Hil	175.00		
1/27/2009	(AP) 0141 Kentucky Utilit		-48.03	
1/27/2009	(AP) 0141 Kentucky Utilit		-1,190.91	
1/27/2009	(AP) 0141 Kentucky Utilit		-4,520.77	
1/27/2009	(AP) 0141 Kentucky Utilit		-1,727.63	
1/27/2009	(AP) 0169 Windstream Kent		-103.82	
1/27/2009	(AP) 0439 Bamill, LLC dba		-156.84	
1/27/2009	(AP) 0259 Lancaster Water		-70.00	
1/27/2009	(AP) 0259 Lancaster Water		-43.07	
1/27/2009	(AP) 0259 Lancaster Water		-60.82	
1/27/2009	(AP) 0259 Lancaster Water		-125.00	
1/27/2009	(AP) 0259 Lancaster Water		-70.00	
1/27/2009	(AP) R608 Eddie Anderson		-81.93	
1/27/2009	(AP) R609 Randy Prewitt		-9.18	
1/29/2009	(AP) 0136 Inter-County En		-8,917.10	
1/29/2009	(AP) 0136 Inter-County En		-10.62	
1/29/2009	(AP) 0116 Danville Office		-360.00	
2/2/2009	(AP) 0002 AT& T		-44.86	
2/2/2009	(AP) 0160 Orkin Pest Cont		-41.09	

**City of Lancaster**  
**Detailed Trial Balance 200 Water**  
**Entries From 7/1/2008 Through 6/30/2009**

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
2/2/2009	(AP) 0108 Central Record,		-231.00	
2/2/2009	(AP) 0108 Central Record,		-111.38	
2/3/2009	(AP) 0259 Lancaster Water		-70.00	
2/3/2009	(AP) 0259 Lancaster Water		-29.30	
2/3/2009	(AP) 0259 Lancaster Water		-70.00	
2/3/2009	(AP) R610 James Wilcoxson		-95.70	
2/3/2009	(AP) 0136 Inter-County En		-284.85	
2/5/2009	(AP) 0242 City Payroll Fu		-8,476.01	
12/31/2008	(AP) 0243 Ky State Treasu		-11,023.38	
2/5/2009	(AP) 0275 Whitaker Bank N		-67.12	
2/3/2009	(AP) 0129 Garrard Automot		-27.76	
12/31/2008	(AP) 1144 Fouser Environm		-83.00	
2/3/2009	(AP) 1144 Fouser Environm		-1,145.00	
2/3/2009	(AP) 0129 Garrard Automot		-84.95	
2/3/2009	(AP) 0129 Garrard Automot		-12.68	
2/3/2009	(AP) 0129 Garrard Automot		-107.65	
2/3/2009	(AP) 0977 HD Supply Water		-19,877.12	
1/13/2009	(AP) 0110 C.I. Thornburg		-1,008.00	
1/23/2009	(AP) 1144 Fouser Environm		-557.00	
1/5/2009	(AP) 0110 C.I. Thornburg		-84.42	
1/16/2009	(AP) 0110 C.I. Thornburg		-1,033.60	
1/16/2009	(AP) 0196 Univar USA Inc		-5,619.60	
1/30/2009	(AP) 1142 Family Dollar S		-27.00	
2/4/2009	(AP) 0358 Kentucky State		-382.65	
2/4/2009	(AP) 1237 Open World, Inc		-59.95	
2/4/2009	(AP) 0353 Shannons Truck		-792.03	
2/6/2009	(AP) 0116 Danville Office		-11.49	
2/6/2009	(AP) 0116 Danville Office		-35.99	
2/10/2009	(AP) 0471 Quick Stop		-475.57	
2/11/2009	(AP) R611 Vickie Henderso		-27.18	
2/11/2009	(AP) 0259 Lancaster Water		-42.82	
2/2/2009	(AP) 135038 Danville Offi	360.00		
2/2/2009	(AP) 135039 Inter-County	10.62		
2/2/2009	(AP) 135039 Inter-County	8,917.10		
2/2/2009	(AP) 135040 Kentucky Util	1,727.63		
2/2/2009	(AP) 135040 Kentucky Util	48.03		
2/2/2009	(AP) 135040 Kentucky Util	1,190.91		
2/2/2009	(AP) 135040 Kentucky Util	4,520.77		
2/2/2009	(AP) 135041 Windstream Ke	103.82		
2/2/2009	(AP) 135042 Lancaster Wat	70.00		
2/2/2009	(AP) 135042 Lancaster Wat	60.82		
2/2/2009	(AP) 135042 Lancaster Wat	70.00		
2/2/2009	(AP) 135042 Lancaster Wat	125.00		
2/2/2009	(AP) 135042 Lancaster Wat	43.07		
2/2/2009	(AP) 135043 Bamill, LLC d	156.84		
2/2/2009	(AP) 135044 Eddie Anderso	81.93		
2/2/2009	(AP) 135045 Randy Prewitt	9.18		
2/3/2009	(AP) 135046 Garrard Autom	84.95		
2/3/2009	(AP) 135046 Garrard Autom	12.68		
2/3/2009	(AP) 135046 Garrard Autom	27.76		
2/3/2009	(AP) 135046 Garrard Autom	107.65		
2/4/2009	(AP) 135047 AT& T	44.86		
2/4/2009	(AP) 135048 Central Recor	111.38		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
2/4/2009	(AP) 135048 Central Recor	231.00		
2/4/2009	(AP) 135049 C.I. Thornbur	84.42		
2/4/2009	(AP) 135049 C.I. Thornbur	1,008.00		
2/4/2009	(AP) 135049 C.I. Thornbur	1,033.60		
2/4/2009	(AP) 135050 Inter-County	284.85		
2/4/2009	(AP) 135051 Orkin Pest Co	41.09		
2/4/2009	(AP) 135052 Univar USA In	5,619.60		
2/4/2009	(AP) 135053 Lancaster Wat	70.00		
2/4/2009	(AP) 135053 Lancaster Wat	70.00		
2/4/2009	(AP) 135053 Lancaster Wat	29.30		
2/4/2009	(AP) 135054 HD Supply Wat	19,877.12		
2/4/2009	(AP) 135055 Family Dollar	27.00		
2/4/2009	(AP) 135056 Fouser Enviro	83.00		
2/4/2009	(AP) 135056 Fouser Enviro	1,145.00		
2/4/2009	(AP) 135056 Fouser Enviro	557.00		
2/4/2009	(AP) 135057 James Wilcoxs	95.70		
2/5/2009	(AP) 135100 City Payroll	8,476.01		
2/5/2009	(AP) 135101 Shannons Truc	792.03		
2/5/2009	(AP) 135102 Kentucky Stat	382.65		
2/5/2009	(AP) 135103 Open World, I	59.95		
2/11/2009	(AP) 135104 Danville Offi	35.99		
2/11/2009	(AP) 135104 Danville Offi	11.49		
2/11/2009	(AP) 135105 Ky State Trea	11,023.38		
2/11/2009	(AP) 135106 Whitaker Bank	67.12		
2/11/2009	(AP) 135107 Quick Stop	475.57		
1/28/2009	(AP) 0130 Garrard Hardwar		-280.21	
12/29/2008	(AP) 0130 Garrard Hardwar		-125.67	
12/22/2008	(AP) 0130 Garrard Hardwar		-74.41	
1/20/2009	(AP) 0130 Garrard Hardwar		-73.75	
2/10/2009	(AP) 0305 Living Waters C		-2,000.00	
2/3/2009	(AP) 0110 C.I. Thornburg		-812.25	
2/2/2009	(AP) 0110 C.I. Thornburg		-84.19	
1/30/2009	(AP) 1144 Fouser Environm		-461.00	
2/10/2009	(AP) 1144 Fouser Environm		-253.00	
1/14/2009	(AP) 1006 Urgent Treatmen		-38.00	
2/11/2009	(AP) 0642 Service Special		-825.00	
1/26/2009	(AP) 0110 C.I. Thornburg		-246.55	
1/26/2009	(AP) 0365 D & K Meter Rep		-800.00	
2/17/2009	(AP) 0259 Lancaster Water		-53.05	
2/17/2009	(AP) R612 Christina Ray		-71.95	
2/18/2009	(AP) 0141 Kentucky Utilit		-11.23	
2/18/2009	(AP) 0704 Visa		-127.19	
2/19/2009	(AP) 0242 City Payroll Fu		-7,821.82	
2/20/2009	(AP) 0104 AT&T Mobility		-200.00	
2/20/2009	(AP) 0192 Anthem BCBS KY		-2,914.78	
2/18/2009	(AP) 135108 C.I. Thornbur	246.55		
2/18/2009	(AP) 135108 C.I. Thornbur	812.25		
2/18/2009	(AP) 135108 C.I. Thornbur	84.19		
2/18/2009	(AP) 135109 Garrard Hardw	74.41		
2/18/2009	(AP) 135109 Garrard Hardw	125.67		
2/18/2009	(AP) 135109 Garrard Hardw	73.75		
2/18/2009	(AP) 135109 Garrard Hardw	280.21		
2/18/2009	(AP) 135110 Kentucky Util	11.23		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
2/18/2009	(AP) 135111 Lancaster Wat	53.05		
2/18/2009	(AP) 135111 Lancaster Wat	42.82		
2/18/2009	(AP) 135112 Living Waters	2,000.00		
2/18/2009	(AP) 135113 D & K Meter R	800.00		
2/18/2009	(AP) 135114 Service Speci	825.00		
2/18/2009	(AP) 135115 Visa	127.19		
2/18/2009	(AP) 135116 Urgent Treatm	38.00		
2/18/2009	(AP) 135117 Fouser Enviro	461.00		
2/18/2009	(AP) 135117 Fouser Enviro	253.00		
2/18/2009	(AP) 135118 Vickie Hender	27.18		
2/18/2009	(AP) 135119 Christina Ray	71.95		
2/19/2009	(AP) 135120 City Payroll	7,821.82		
2/20/2009	(AP) 135121 AT&T Mobility	200.00		
2/20/2009	(AP) 135122 Anthem BCBS K	2,914.78		
2/20/2009	(AP) A1120 Cash		-200.00	
2/19/2009	(AP) 0482 Bluegrass Agric		-297.00	
12/30/2008	(AP) 0464 INC Technical I		-840.75	
12/8/2008	(AP) 1122 AutoZone Inc		-66.04	
2/24/2009	(AP) 0831 Roger Hume		-726.15	
2/25/2009	(AP) 0439 Bamill, LLC dba		-156.84	
2/25/2009	(AP) 0169 Windstream Kent		-115.05	
2/25/2009	(AP) 0141 Kentucky Utilit		-104.49	
2/25/2009	(AP) 0141 Kentucky Utilit		-920.76	
2/25/2009	(AP) 0141 Kentucky Utilit		-4,054.76	
2/25/2009	(AP) 0141 Kentucky Utilit		-1,179.54	
2/25/2009	(AP) 0141 Kentucky Utilit		-66.49	
2/26/2009	(AP) 1298 Xtreme Style Si		-250.00	
2/27/2009	(AP) 0136 Inter-County En		-12,404.65	
2/27/2009	(AP) 0136 Inter-County En		-10.03	
3/3/2009	(AP) 0108 Central Record,		-104.00	
3/4/2009	(AP) 0136 Inter-County En		-401.17	
3/4/2009	(AP) R613 Michael Patrick		-97.70	
3/4/2009	(AP) 0259 Lancaster Water		-27.30	
3/4/2009	(AP) R614 Joan Robinson		-78.27	
3/4/2009	(AP) 0259 Lancaster Water		-46.73	
3/4/2009	(AP) R615 Duane King		-68.95	
3/4/2009	(AP) 0259 Lancaster Water		-56.05	
3/4/2009	(AP) R616 Mike Rhineheime		-78.94	
3/4/2009	(AP) 0259 Lancaster Water		-46.06	
3/4/2009	(AP) 0259 Lancaster Water		-125.00	
3/4/2009	(AP) 0259 Lancaster Water		-125.00	
3/4/2009	(AP) 0259 Lancaster Water		-125.00	
3/4/2009	(AP) 0259 Lancaster Water		-125.00	
3/4/2009	(AP) 0259 Lancaster Water		-125.00	
3/5/2009	(AP) 0242 City Payroll Fu		-7,399.44	
3/6/2009	(AP) 0371 Big E Insurance		-2,097.19	
3/6/2009	(AP) 0129 Garrard Automot		-6.54	
2/23/2009	(AP) 0110 C.I. Thornburg		-1,033.60	
2/19/2009	(AP) 0825 Danville Bottle		-34.00	
2/13/2009	(AP) 1144 Fouser Environm		-460.00	
2/27/2009	(AP) 1144 Fouser Environm		-262.00	
2/17/2009	(AP) 0143 Labtronix		-735.00	
3/3/2009	(AP) 1245 CedarChem, LLC		-1,128.00	
1/6/2009	(AP) 0116 Danville Office		-102.96	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
3/9/2009	(AP) 1237 Open World, Inc		-59.95	
3/9/2009	(AP) 0998 USDA/Rural Deve		-8,111.87	
3/9/2009	(AP) 0998 USDA/Rural Deve		-5,572.12	
3/10/2009	(AP) 0358 Kentucky State		-318.53	
2/28/2009	(AP) 0642 Service Special		-2,167.85	
2/28/2009	(AP) 0642 Service Special		-369.50	
2/28/2009	(AP) 0642 Service Special		-2,465.13	
2/10/2009	(AP) 0290 Vernon Manufact		-100.00	
2/11/2009	(AP) 0126 Feldman Lumber		-37.32	
2/11/2009	(AP) 0126 Feldman Lumber		-187.50	
3/9/2009	(AP) 0471 Quick Stop		-393.25	
3/11/2009	(AP) 0130 Garrard Hardwar		-867.05	
2/3/2009	(AP) 0573 Industrial Park		-504.76	
3/3/2009	(AP) 0116 Danville Office		-47.98	
2/28/2009	(AP) 1197 Credit Bureau S		-37.32	
3/12/2009	(AP) 0259 Lancaster Water		-74.21	
3/12/2009	(AP) 0259 Lancaster Water		-52.50	
3/12/2009	(AP) 0259 Lancaster Water		-27.94	
3/12/2009	(AP) 0259 Lancaster Water		-5.63	
3/12/2009	(AP) R617 Kathy Lane		-50.79	
3/12/2009	(AP) R618 Glen & Barbara		-72.50	
3/12/2009	(AP) R619 Deneca Dunn		-36.43	
3/16/2009	(AP) 0704 Visa		-348.56	
3/16/2009	(AP) 0141 Kentucky Utilit		-11.23	
3/10/2009	(AP) 1144 Fouser Environm		-101.00	
3/3/2009	(AP) 0110 C.I. Thornburg		-84.16	
3/9/2009	(AP) 0177 Usa Bluebook		-87.88	
3/5/2009	(AP) 0161 Red Bud Supply,		-197.64	
2/26/2009	(AP) 0110 C.I. Thornburg		-1,019.25	
3/9/2009	(AP) 0270 H.D. Supply Wat		-893.45	
3/18/2009	(AP) 0259 Lancaster Water		-70.00	
3/18/2009	(AP) 0259 Lancaster Water		-97.70	
3/18/2009	(AP) R620 Shonda Lemay &		-27.30	
3/18/2009	(AP) R621 Presciliano Per		-20.60	
3/18/2009	(AP) 0259 Lancaster Water		-104.40	
3/19/2009	(AP) 0242 City Payroll Fu		-7,211.13	
3/19/2009	(AP) 1303 Stoll Keenon Og		-5,119.05	
3/1/2009	(AP) 135123 Kentucky Util	920.76		
3/1/2009	(AP) 135123 Kentucky Util	1,179.54		
3/1/2009	(AP) 135123 Kentucky Util	104.49		
3/1/2009	(AP) 135123 Kentucky Util	66.49		
3/1/2009	(AP) 135123 Kentucky Util	4,054.76		
3/1/2009	(AP) 135124 Windstream Ke	115.05		
3/1/2009	(AP) 135125 Bamill, LLC d	156.84		
3/1/2009	(AP) 135126 INC Technical	840.75		
3/1/2009	(AP) 135127 Bluegrass Agr	297.00		
3/1/2009	(AP) 135128 Roger Hume	726.15		
3/1/2009	(AP) 135129 AutoZone Inc	66.04		
3/1/2009	(AP) 135130 Xtreme Style	250.00		
3/1/2009	(AP) 135131 Cash	200.00		
3/4/2009	(AP) 135132 Central Recor	104.00		
3/4/2009	(AP) 135133 Inter-County	10.03		
3/4/2009	(AP) 135133 Inter-County	12,404.65		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
3/5/2009	(AP) 135134 Inter-County	401.17		
3/5/2009	(AP) 135135 City Payroll	7,399.44		
3/5/2009	(AP) 135136 Lancaster Wat	125.00		
3/5/2009	(AP) 135136 Lancaster Wat	125.00		
3/5/2009	(AP) 135136 Lancaster Wat	125.00		
3/5/2009	(AP) 135136 Lancaster Wat	46.06		
3/5/2009	(AP) 135136 Lancaster Wat	46.73		
3/5/2009	(AP) 135136 Lancaster Wat	125.00		
3/5/2009	(AP) 135136 Lancaster Wat	56.05		
3/5/2009	(AP) 135136 Lancaster Wat	27.30		
3/5/2009	(AP) 135137 Michael Patri	97.70		
3/5/2009	(AP) 135138 Joan Robinson	78.27		
3/5/2009	(AP) 135139 Duane King	68.95		
3/5/2009	(AP) 135140 Mike Rhinehei	78.94		
3/9/2009	(AP) 135141 C.I. Thornbur	1,033.60		
3/9/2009	(AP) 135142 Danville Offi	102.96		
3/9/2009	(AP) 135143 Garrard Autom	6.54		
3/9/2009	(AP) 135144 Labtronix	735.00		
3/9/2009	(AP) 135145 Big E Insuran	2,097.19		
3/9/2009	(AP) 135146 Danville Bott	34.00		
3/9/2009	(AP) 135147 USDA/Rural De	8,111.87		
3/9/2009	(AP) 135147 USDA/Rural De	5,572.12		
3/9/2009	(AP) 135148 Fouser Enviro	460.00		
3/9/2009	(AP) 135148 Fouser Enviro	262.00		
3/9/2009	(AP) 135149 Open World, I	59.95		
3/9/2009	(AP) 135150 CedarChem, LL	1,128.00		
3/16/2009	(AP) 135151 Danville Offi	47.98		
3/16/2009	(AP) 135152 Feldman Lumbe	37.32		
3/16/2009	(AP) 135152 Feldman Lumbe	187.50		
3/16/2009	(AP) 135153 Garrard Hardw	867.05		
3/16/2009	(AP) 135154 Lancaster Wat	5.63		
3/16/2009	(AP) 135154 Lancaster Wat	27.94		
3/16/2009	(AP) 135154 Lancaster Wat	74.21		
3/16/2009	(AP) 135154 Lancaster Wat	52.50		
3/16/2009	(AP) 135155 Vernon Manufa	100.00		
3/16/2009	(AP) 135156 Kentucky Stat	318.53		
3/16/2009	(AP) 135157 Quick Stop	393.25		
3/16/2009	(AP) 135158 Industrial Pa	504.76		
3/16/2009	(AP) 135159 Service Speci	2,167.85		
3/16/2009	(AP) 135159 Service Speci	2,465.13		
3/16/2009	(AP) 135159 Service Speci	369.50		
3/16/2009	(AP) 135160 Credit Bureau	37.32		
3/16/2009	(AP) 135161 Kathy Lane	50.79		
3/16/2009	(AP) 135162 Glen & Barbar	72.50		
3/16/2009	(AP) 135163 Deneca Dunn	36.43		
3/19/2009	(AP) 135164 C.I. Thornbur	1,019.25		
3/19/2009	(AP) 135164 C.I. Thornbur	84.16		
3/19/2009	(AP) 135165 Kentucky Util	11.23		
3/19/2009	(AP) 135166 Red Bud Suppl	197.64		
3/19/2009	(AP) 135167 Usa Bluebook	87.88		
3/19/2009	(AP) 135168 City Payroll	7,211.13		
3/19/2009	(AP) 135169 Lancaster Wat	70.00		
3/19/2009	(AP) 135169 Lancaster Wat	104.40		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
3/19/2009	(AP) 135169 Lancaster Wat	97.70		
3/19/2009	(AP) 135170 H.D. Supply W	893.45		
3/19/2009	(AP) 135171 Visa	348.56		
3/19/2009	(AP) 135172 Fouser Enviro	101.00		
3/19/2009	(AP) 135173 Shonda Lemay	27.30		
3/19/2009	(AP) 135174 Presciliano P	20.60		
3/19/2009	(AP) 135175 Stoll Keenon	5,119.05		
3/20/2009	(AP) 1304 Bicknells Backh		-1,300.00	
3/20/2009	(AP) 0192 Anthem BCBS KY		-2,428.99	
3/20/2009	(AP) 0104 AT&T Mobility		-183.31	
3/23/2009	(AP) 0125 Feldman Electri		-439.00	
3/23/2009	(AP) 135176 AT&T Mobility	183.31		
3/23/2009	(AP) 135177 Feldman Elect	439.00		
3/23/2009	(AP) 135178 Anthem BCBS K	2,428.99		
3/23/2009	(AP) 135179 Bicknells Bac	1,300.00		
3/23/2009	(AP) 0831 Roger Hume		-717.69	
3/9/2009	(AP) 1245 CedarChem, LLC		-873.00	
3/26/2009	(AP) 0259 Lancaster Water		-125.00	
3/26/2009	(AP) 0259 Lancaster Water		-125.00	
3/26/2009	(AP) 0259 Lancaster Water		-125.00	
3/26/2009	(AP) 0259 Lancaster Water		-108.44	
3/26/2009	(AP) R622 Todd Folger		-16.56	
3/26/2009	(AP) 0259 Lancaster Water		-65.53	
3/26/2009	(AP) R623 Denise Wyman		-59.47	
3/27/2009	(AP) A1038 Stacy Grow		-14.00	
3/27/2009	(AP) 0136 Inter-County En		-10.32	
3/27/2009	(AP) 0136 Inter-County En		-10,860.81	
3/27/2009	(AP) 0141 Kentucky Utilit		-3,788.25	
3/27/2009	(AP) 0141 Kentucky Utilit		-43.12	
3/27/2009	(AP) 0141 Kentucky Utilit		-1,118.15	
3/27/2009	(AP) 0141 Kentucky Utilit		-704.93	
3/27/2009	(AP) 0169 Windstream Kent		-113.24	
3/27/2009	(AP) 0439 Bamill, LLC dba		-156.84	
3/27/2009	(AP) 0275 Whitaker Bank N		-35.00	
3/27/2009	(AP) 0201 Us Postal Servi		-343.09	
4/1/2009	(AP) A1038 Stacy Grow		-75.00	
4/1/2009	(AP) 0896 Larry R. Stinne		-75.00	
4/1/2009	(AP) 1202 Jeff Buchenroth		-75.00	
4/1/2009	(AP) 0663 Troy Deshon		-75.00	
4/1/2009	(AP) 0893 Greg Shearer		-75.00	
4/1/2009	(AP) 1207 Tom Robinson		-75.00	
4/1/2009	(AP) 1306 Robert Shults		-75.00	
4/1/2009	(AP) 1307 Robert Tudor		-75.00	
4/2/2009	(AP) 0242 City Payroll Fu		-8,095.54	
4/2/2009	(AP) 0259 Lancaster Water		-25.41	
4/2/2009	(AP) 0259 Lancaster Water		-51.97	
4/2/2009	(AP) 0259 Lancaster Water		-27.88	
4/2/2009	(AP) R624 Brandon Rife		-99.59	
4/2/2009	(AP) R625 James Carrier		-73.03	
4/2/2009	(AP) 1144 Fouser Environm		-1,342.00	
3/12/2009	(AP) 0110 C.I. Thornburg		-3,046.60	
4/2/2009	(AP) 1144 Fouser Environm		-98.00	
4/2/2009	(AP) 0259 Lancaster Water		-92.80	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
3/31/2009	(AP) 0306 Elite Petroleum		-295.00	
3/9/2009	(AP) 1245 CedarChem, LLC		-873.00	
3/18/2009	(AP) 0110 C.I. Thornburg		-295.24	
3/26/2009	(AP) 1144 Fouser Environm		-109.00	
3/27/2009	(AP) 1144 Fouser Environm		-1,015.00	
3/23/2009	(AP) 0110 C.I. Thornburg		-473.65	
4/1/2009	(AP) 0405 Utility Service		-3,083.03	
4/1/2009	(AP) 0405 Utility Service		-3,175.52	
4/3/2009	(AP) 0190 Division Of Une		-678.37	
4/6/2009	(AP) 0358 Kentucky State		-480.06	
2/26/2009	(AP) 0130 Garrard Hardwar		-51.18	
3/16/2009	(AP) 0130 Garrard Hardwar		-650.00	
3/13/2009	(AP) 0130 Garrard Hardwar		-9.46	
3/4/2009	(AP) 0130 Garrard Hardwar		-68.43	
4/7/2009	(AP) 0136 Inter-County En		-323.14	
4/7/2009	(AP) 1237 Open World, Inc		-59.95	
4/7/2009	(AP) 0259 Lancaster Water		-100.48	
3/27/2009	(AP) 0990 Deluxe Business		-278.95	
4/7/2009	(AP) R626 Dewey Camel		-32.20	
4/7/2009	(AP) R627 Dana Carrier		-24.52	
3/1/2009	(AP) 0471 Quick Stop		-288.41	
4/8/2009	(AP) 0108 Central Record,		-297.38	
4/10/2009	(AP) 1312 Danny & Ann Irv		-3.00	
4/10/2009	(AP) 1313 Kenneth & Peggy		-1.00	
4/10/2009	(AP) 1314 John Smith		-1.00	
4/10/2009	(AP) 1315 David & Debbie		-1.00	
4/10/2009	(AP) 1316 Lancaster Bapti		-1.00	
4/10/2009	(AP) 1317 St Williams Chu		-1.00	
4/10/2009	(AP) 1318 Ruth E. Rogers		-2.00	
4/10/2009	(AP) 1319 Michael & Garne		-1.00	
4/10/2009	(AP) 1320 Ralph E. Clark		-1.00	
4/10/2009	(AP) 1321 Louis Grimes		-1.00	
3/30/2009	(AP) 0113 Continental Hyd		-169.95	
3/30/2009	(AP) 0133 Hach Company		-154.95	
4/13/2009	(AP) 0116 Danville Office		-91.96	
4/13/2009	(AP) 0194 Kentucky State		-250.00	
4/13/2009	(AP) 1006 Urgent Treatmen		-319.00	
4/14/2009	(AP) 0160 Orkin Pest Cont		-1,627.50	
4/14/2009	(AP) 0704 Visa		-228.29	
4/14/2009	(AP) 0704 Visa		-344.05	
4/2/2009	(AP) 0642 Service Special		-296.22	
4/6/2009	(AP) 1226 J & J Systems P		-199.95	
4/6/2009	(AP) 1144 Fouser Environm		-17.50	
4/16/2009	(AP) 0242 City Payroll Fu		-6,912.60	
4/16/2009	(AP) 0141 Kentucky Utilit		-11.81	
3/23/2009	(AP) 0133 Hach Company		-3,187.95	
3/31/2009	(AP) 1295 Bell Engineerin		-6,096.83	
4/10/2009	(AP) 1322 Municipal & Fin		-6,375.00	
4/13/2009	(AP) 0129 Garrard Automot		-3.84	
4/13/2009	(AP) 0129 Garrard Automot		-107.17	
3/25/2009	(AP) 135180 Roger Hume	717.69		
4/1/2009	(AP) 135181 Inter-County	10.32		
4/1/2009	(AP) 135181 Inter-County	10,860.81		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
4/1/2009	(AP) 135182 Kentucky Util	43.12		
4/1/2009	(AP) 135182 Kentucky Util	704.93		
4/1/2009	(AP) 135182 Kentucky Util	1,118.15		
4/1/2009	(AP) 135182 Kentucky Util	3,788.25		
4/1/2009	(AP) 135183 Windstream Ke	113.24		
4/1/2009	(AP) 135184 Us Postal Ser	343.09		
4/1/2009	(AP) 135185 Lancaster Wat	65.53		
4/1/2009	(AP) 135185 Lancaster Wat	125.00		
4/1/2009	(AP) 135185 Lancaster Wat	125.00		
4/1/2009	(AP) 135185 Lancaster Wat	125.00		
4/1/2009	(AP) 135185 Lancaster Wat	108.44		
4/1/2009	(AP) 135186 Whitaker Bank	35.00		
4/1/2009	(AP) 135187 Bamill, LLC d	156.84		
4/1/2009	(AP) 135188 CedarChem, LL	873.00		
4/1/2009	(AP) 135189 Stacy Grow	14.00		
4/1/2009	(AP) 135190 Todd Folger	16.56		
4/1/2009	(AP) 135191 Denise Wyman	59.47		
4/1/2009	(AP) 135192 Troy Deshon	75.00		
4/1/2009	(AP) 135193 Greg Shearer	75.00		
4/1/2009	(AP) 135194 Larry R. Stin	75.00		
4/1/2009	(AP) 135195 Jeff Buchenro	75.00		
4/1/2009	(AP) 135196 Tom Robinson	75.00		
4/1/2009	(AP) 135197 Robert Shults	75.00		
4/1/2009	(AP) 135198 Robert Tudor	75.00		
4/1/2009	(AP) 135199 Stacy Grow	75.00		
4/2/2009	(AP) 135200 City Payroll	8,095.54		
4/3/2009	(AP) 135201 C.I. Thornbur	3,046.60		
4/3/2009	(AP) 135202 Lancaster Wat	27.88		
4/3/2009	(AP) 135202 Lancaster Wat	51.97		
4/3/2009	(AP) 135202 Lancaster Wat	92.80		
4/3/2009	(AP) 135202 Lancaster Wat	25.41		
4/3/2009	(AP) 135203 Fouser Enviro	98.00		
4/3/2009	(AP) 135203 Fouser Enviro	1,342.00		
4/3/2009	(AP) 135204 Brandon Riffe	99.59		
4/3/2009	(AP) 135205 James Carrier	73.03		
4/8/2009	(AP) 135206 Central Recor	297.38		
4/8/2009	(AP) 135207 C.I. Thornbur	295.24		
4/8/2009	(AP) 135207 C.I. Thornbur	473.65		
4/8/2009	(AP) 135208 Garrard Hardw	51.18		
4/8/2009	(AP) 135208 Garrard Hardw	68.43		
4/8/2009	(AP) 135208 Garrard Hardw	9.46		
4/8/2009	(AP) 135208 Garrard Hardw	650.00		
4/8/2009	(AP) 135209 Inter-County	323.14		
4/8/2009	(AP) 135210 Division Of U	678.37		
4/8/2009	(AP) 135211 Lancaster Wat	100.48		
4/8/2009	(AP) 135212 Elite Petrole	295.00		
4/8/2009	(AP) 135213 Kentucky Stat	480.06		
4/8/2009	(AP) 135214 Utility Servi	3,083.03		
4/8/2009	(AP) 135214 Utility Servi	3,175.52		
4/8/2009	(AP) 135215 Quick Stop	288.41		
4/8/2009	(AP) 135216 Deluxe Busine	278.95		
4/8/2009	(AP) 135217 Fouser Enviro	109.00		
4/8/2009	(AP) 135217 Fouser Enviro	1,015.00		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
4/8/2009	(AP) 135218 Open World, I	59.95		
4/8/2009	(AP) 135219 CedarChem, LL	873.00		
4/8/2009	(AP) 135220 Dewey Camel	32.20		
4/8/2009	(AP) 135221 Dana Carrier	24.52		
4/14/2009	(AP) 135222 Continental H	169.95		
4/14/2009	(AP) 135223 Danville Offi	91.96		
4/14/2009	(AP) 135224 Garrard Autom	3.84		
4/14/2009	(AP) 135224 Garrard Autom	107.17		
4/14/2009	(AP) 135225 Hach Company	3,187.95		
4/14/2009	(AP) 135225 Hach Company	154.95		
4/14/2009	(AP) 135226 Orkin Pest Co	1,627.50		
4/14/2009	(AP) 135227 Kentucky Stat	250.00		
4/14/2009	(AP) 135228 Visa	228.29		
4/14/2009	(AP) 135228 Visa	344.05		
4/14/2009	(AP) 135229 Urgent Treatm	319.00		
4/14/2009	(AP) 135230 Bell Engineer	6,096.83		
4/14/2009	(AP) 135231 Danny & Ann I	3.00		
4/14/2009	(AP) 135232 Kenneth & Peg	1.00		
4/14/2009	(AP) 135233 John Smith	1.00		
4/14/2009	(AP) 135234 David & Debbi	1.00		
4/14/2009	(AP) 135235 Lancaster Bap	1.00		
4/14/2009	(AP) 135236 St Williams C	1.00		
4/14/2009	(AP) 135237 Ruth E. Roger	2.00		
4/14/2009	(AP) 135238 Michael & Gar	1.00		
4/14/2009	(AP) 135239 Ralph E. Clar	1.00		
4/14/2009	(AP) 135240 Louis Grimes	1.00		
4/14/2009	(AP) 135241 Municipal & F	6,375.00		
4/16/2009	(AP) 135242 Kentucky Util	11.81		
4/16/2009	(AP) 135243 City Payroll	6,912.60		
4/16/2009	(AP) 135244 Service Speci	296.22		
4/16/2009	(AP) 135245 Fouser Enviro	17.50		
4/16/2009	(AP) 135246 J & J Systems	199.95		
3/23/2009	(AP) 1323 CMC, Inc		-113,886.00	
3/20/2009	(AP) 1238 Butners Excavat		-113,732.00	
4/20/2009	(AP) 135247 Butners Excav	113,732.00		
4/20/2009	(AP) 135248 CMC, Inc	113,886.00		
4/10/2009	(AP) 1313 Kenneth & Peggy	1.00		
4/21/2009	(AP) 0192 Anthem BCBS KY		-2,428.98	
4/21/2009	(AP) 0104 AT&T Mobility		-216.05	
4/15/2009	(AP) 1144 Fouser Environm		-265.00	
4/13/2009	(AP) 0161 Red Bud Supply,		-70.33	
3/31/2009	(AP) 0110 C.I. Thornburg		-2,349.25	
4/10/2009	(AP) 0110 C.I. Thornburg		-84.15	
4/9/2009	(AP) 1144 Fouser Environm		-86.00	
4/6/2009	(AP) 0133 Hach Company		-187.14	
3/31/2009	(AP) 1122 AutoZone Inc		-29.05	
4/21/2009	(AP) R628 Estella Pullum		-8.98	
4/21/2009	(AP) 0259 Lancaster Water		-116.02	
4/21/2009	(AP) R629 Chris Penix		-28.90	
4/21/2009	(AP) 0259 Lancaster Water		-96.10	
4/21/2009	(AP) R630 Wayne Davis		-52.83	
4/21/2009	(AP) 0259 Lancaster Water		-72.17	
4/21/2009	(AP) 0259 Lancaster Water		-125.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
4/21/2009	(AP) 0259 Lancaster Water		-125.00	
4/14/2009	(AP) 135232		-1.00	
4/22/2009	(AP) 135249 AT&T Mobility	216.05		
4/22/2009	(AP) 135250 C.I. Thornbur	2,349.25		
4/22/2009	(AP) 135250 C.I. Thornbur	84.15		
4/22/2009	(AP) 135251 Hach Company	187.14		
4/22/2009	(AP) 135252 Red Bud Suppl	70.33		
4/22/2009	(AP) 135253 Anthem BCBS K	2,428.98		
4/22/2009	(AP) 135254 Lancaster Wat	125.00		
4/22/2009	(AP) 135254 Lancaster Wat	96.10		
4/22/2009	(AP) 135254 Lancaster Wat	125.00		
4/22/2009	(AP) 135254 Lancaster Wat	72.17		
4/22/2009	(AP) 135254 Lancaster Wat	116.02		
4/22/2009	(AP) 135255 AutoZone Inc	29.05		
4/22/2009	(AP) 135256 Fouser Enviro	86.00		
4/22/2009	(AP) 135256 Fouser Enviro	265.00		
4/22/2009	(AP) 135257 Estella Pullu	8.98		
4/22/2009	(AP) 135258 Chris Penix	28.90		
4/22/2009	(AP) 135259 Wayne Davis	52.83		
4/16/2009	(IC) Utility Transfer th	47,744.17		
4/17/2009	(IC) Walter Rounsifer 11	175.00		
4/17/2009	(IC) William Fields 211	25.00		
4/17/2009	(IC) Brandon Houpp Maple	175.00		
4/20/2009	(IC) Scott Graham 330 We	50.00		
4/22/2009	(IC) Meredith Debord 209	30.00		
4/22/2009	(IC) Christy Coleman 111	30.00		
4/22/2009	(IC) Rick Simpson 212 S	30.00		
4/22/2009	(IC) Ted Green 408 Richm	30.00		
4/22/2009	(IC) Clara Arthur 103 Pr	30.00		
4/22/2009	(IC) James McCall 131 De	30.00		
4/22/2009	(IC) Ruth Huffman 332 St	30.00		
4/22/2009	(IC) PKSC INC. 315 Danvi	30.00		
4/22/2009	(IC) Kathleen Leavell 31	30.00		
4/22/2009	(IC) Roy Browning 409 S	30.00		
4/22/2009	(IC) Joe Coyle 115 Hill	30.00		
4/22/2009	(IC) Robin Parker Maple	50.00		
4/22/2009	(IC) Felix Maggard 88 Ca	30.00		
4/23/2009	(IC) Heather Durham 230	30.00		
4/23/2009	(IC) Greg Burnside 126 D	50.00		
4/23/2009	(IC) Ronald Gossett 123	30.00		
4/23/2009	(IC) Cynthia Burgess 112	30.00		
4/24/2009	(IC) Utility Transfer th	8,371.47		
3/31/2009	(AP) 0121 Dix River Stone		-251.57	
4/13/2009	(AP) 0642 Service Special		-725.40	
4/8/2009	(AP) 0196 Univar USA Inc		-6,017.76	
4/25/2009	(AP) 0900 Glenn E. Hurt		-650.00	
4/28/2009	(AP) 0169 Windstream Kent		-115.15	
4/28/2009	(AP) 0141 Kentucky Utilit		-368.08	
4/28/2009	(AP) 0141 Kentucky Utilit		-4,582.85	
4/28/2009	(AP) 0141 Kentucky Utilit		-17.02	
4/28/2009	(AP) 0141 Kentucky Utilit		-1,237.80	
4/28/2009	(AP) 0201 Us Postal Servi		-84.00	
4/29/2009	(AP) 0439 Bamill, LLC dba		-156.84	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
4/29/2009	(AP) 0002 AT& T		-103.96	
4/30/2009	(AP) 0242 City Payroll Fu		-7,284.40	
5/1/2009	(AP) 1327 Estes Engineeri		-3,581.25	
5/1/2009	(AP) 0136 Inter-County En		-9,147.99	
5/1/2009	(AP) 0136 Inter-County En		-10.56	
5/1/2009	(AP) 0141 Kentucky Utilit		-91.86	
5/1/2009	(AP) 0831 Roger Hume		-765.50	
5/5/2009	(AP) R632 Elizabeth Ross		-69.12	
5/5/2009	(AP) R633 Kristen Collett		-37.68	
4/2/2009	(AP) 0121 Dix River Stone		-643.61	
4/6/2009	(AP) 0121 Dix River Stone		-122.16	
4/1/2009	(AP) 0121 Dix River Stone		-119.19	
5/5/2009	(AP) 0108 Central Record,		-126.75	
5/5/2009	(AP) 0813 Marcia L. Wooto		-975.00	
5/5/2009	(AP) 0259 Lancaster Water		-125.00	
4/2/2009	(AP) 0126 Feldman Lumber		-42.50	
4/24/2009	(AP) 1144 Fouser Environm		-48.00	
5/1/2009	(AP) 1322 Municipal & Fin		-2,125.00	
4/27/2009	(AP) 0305 Living Waters C		-1,400.01	
4/30/2009	(AP) 1144 Fouser Environm		-97.00	
4/22/2009	(AP) 0110 C.I. Thornburg		-1,052.25	
5/1/2009	(AP) 0243 Ky State Treasu		-10,912.70	
4/15/2009	(AP) 0130 Garrard Hardwar		-42.54	
4/20/2009	(AP) 0130 Garrard Hardwar		-425.93	
4/3/2009	(AP) 0130 Garrard Hardwar		-174.14	
4/30/2009	(AP) 1144 Fouser Environm		-390.00	
4/1/2009	(AP) 0358 Kentucky State		-387.88	
4/30/2009	(AP) 0110 C.I. Thornburg		-2,178.25	
4/30/2009	(AP) 0110 C.I. Thornburg		-84.15	
5/5/2009	(AP) 1144 Fouser Environm		-425.00	
5/7/2009	(AP) 1144 Fouser Environm		-36.00	
4/1/2009	(AP) 0471 Quick Stop		-233.42	
5/13/2009	(AP) 0259 Lancaster Water		-56.22	
5/13/2009	(AP) 0259 Lancaster Water		-110.17	
5/13/2009	(AP) R634 Sabrina Bruner		-68.78	
5/13/2009	(AP) R635 Wendy Logan		-14.83	
5/13/2009	(AP) 0259 Lancaster Water		-125.00	
5/13/2009	(AP) R636 Larry Ebert		-84.55	
5/13/2009	(AP) 0259 Lancaster Water		-40.45	
5/5/2009	(AP) 0136 Inter-County En		-202.21	
5/5/2009	(AP) 1237 Open World, Inc		-59.95	
5/5/2009	(AP) 0259 Lancaster Water		-125.00	
5/5/2009	(AP) 0259 Lancaster Water		-70.00	
5/5/2009	(AP) 0259 Lancaster Water		-87.32	
5/5/2009	(AP) 0259 Lancaster Water		-55.88	
5/13/2009	(AP) 0259 Lancaster Water		-125.00	
5/13/2009	(AP) R637 Frances Hicks		-33.69	
5/13/2009	(AP) 0259 Lancaster Water		-36.31	
5/13/2009	(AP) R638 Shelanda Ngala		-16.40	
5/13/2009	(AP) 0259 Lancaster Water		-16.40	
5/14/2009	(AP) 0242 City Payroll Fu		-7,628.91	
5/15/2009	(AP) 0141 Kentucky Utilit		-11.52	
5/15/2009	(AP) 1332 Rick Sowder Exc		-800.00	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
5/15/2009	(AP) 1326 Grubbs Brothers		-5,000.00	
5/12/2009	(AP) 1144 Fouser Environm		-173.00	
5/12/2009	(AP) 0353 Shannons Truck		-35.00	
5/19/2009	(AP) 0169 Windstream Kent		-107.63	
5/19/2009	(AP) 0104 AT&T Mobility		-237.50	
5/20/2009	(AP) 0192 Anthem BCBS KY		-2,428.98	
5/21/2009	(AP) 1333 City Utility Fu		-7,370.48	
5/1/2009	(AP) 135260 AT& T	103.96		
5/1/2009	(AP) 135261 Dix River Sto	251.57		
5/1/2009	(AP) 135262 Kentucky Util	1,237.80		
5/1/2009	(AP) 135262 Kentucky Util	17.02		
5/1/2009	(AP) 135262 Kentucky Util	368.08		
5/1/2009	(AP) 135262 Kentucky Util	4,582.85		
5/1/2009	(AP) 135263 Windstream Ke	115.15		
5/1/2009	(AP) 135264 Univar USA In	6,017.76		
5/1/2009	(AP) 135265 Us Postal Ser	84.00		
5/1/2009	(AP) 135266 Bamill, LLC d	156.84		
5/1/2009	(AP) 135267 Service Speci	725.40		
5/1/2009	(AP) 135268 Glenn E. Hurt	650.00		
5/1/2009	(AP) 135269 City Payroll	7,284.40		
5/1/2009	(AP) 135270 Inter-County	10.56		
5/1/2009	(AP) 135270 Inter-County	9,147.99		
5/1/2009	(AP) 135271 Kentucky Util	91.86		
5/1/2009	(AP) 135272 Estes Enginee	3,581.25		
5/7/2009	(AP) 135273 Central Recor	126.75		
5/7/2009	(AP) 135274 C.I. Thornbur	1,052.25		
5/7/2009	(AP) 135275 Dix River Sto	119.19		
5/7/2009	(AP) 135275 Dix River Sto	122.16		
5/7/2009	(AP) 135275 Dix River Sto	643.61		
5/7/2009	(AP) 135276 Feldman Lumbe	42.50		
5/7/2009	(AP) 135277 Garrard Hardw	425.93		
5/7/2009	(AP) 135277 Garrard Hardw	174.14		
5/7/2009	(AP) 135277 Garrard Hardw	42.54		
5/7/2009	(AP) 135278 Inter-County	202.21		
5/7/2009	(AP) 135279 Ky State Trea	10,912.70		
5/7/2009	(AP) 135280 Lancaster Wat	70.00		
5/7/2009	(AP) 135280 Lancaster Wat	125.00		
5/7/2009	(AP) 135280 Lancaster Wat	125.00		
5/7/2009	(AP) 135280 Lancaster Wat	87.32		
5/7/2009	(AP) 135280 Lancaster Wat	55.88		
5/7/2009	(AP) 135281 Living Waters	1,400.01		
5/7/2009	(AP) 135282 Marcia L. Woo	975.00		
5/7/2009	(AP) 135283 Roger Hume	765.50		
5/7/2009	(AP) 135284 Fouser Enviro	48.00		
5/7/2009	(AP) 135284 Fouser Enviro	97.00		
5/7/2009	(AP) 135284 Fouser Enviro	390.00		
5/7/2009	(AP) 135285 Open World, I	59.95		
5/7/2009	(AP) 135286 Municipal & F	2,125.00		
5/7/2009	(AP) 135287 Elizabeth Ros	69.12		
5/7/2009	(AP) 135288 Kristen Colle	37.68		
5/13/2009	(AP) 135289 Kentucky Stat	387.88		
5/14/2009	(AP) 135290 C.I. Thornbur	84.15		
5/14/2009	(AP) 135290 C.I. Thornbur	2,178.25		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
5/14/2009	(AP) 135291 City Payroll	7,628.91		
5/14/2009	(AP) 135292 Lancaster Wat	16.40		
5/14/2009	(AP) 135292 Lancaster Wat	36.31		
5/14/2009	(AP) 135292 Lancaster Wat	40.45		
5/14/2009	(AP) 135292 Lancaster Wat	56.22		
5/14/2009	(AP) 135292 Lancaster Wat	125.00		
5/14/2009	(AP) 135292 Lancaster Wat	125.00		
5/14/2009	(AP) 135292 Lancaster Wat	110.17		
5/14/2009	(AP) 135293 Quick Stop	233.42		
5/14/2009	(AP) 135294 Fouser Enviro	425.00		
5/14/2009	(AP) 135294 Fouser Enviro	36.00		
5/14/2009	(AP) 135295 Sabrina Brune	68.78		
5/14/2009	(AP) 135296 Wendy Logan	14.83		
5/14/2009	(AP) 135297 Larry Ebert	84.55		
5/14/2009	(AP) 135298 Frances Hicks	33.69		
5/14/2009	(AP) 135299 Shelanda Ngal	16.40		
5/15/2009	(AP) 135300 Rick Sowder E	800.00		
5/15/2009	(AP) 135301 Grubbs Brothe	5,000.00		
5/20/2009	(AP) 135302 AT&T Mobility	237.50		
5/20/2009	(AP) 135303 Kentucky Util	11.52		
5/20/2009	(AP) 135304 Windstream Ke	107.63		
5/20/2009	(AP) 135305 Anthem BCBS K	2,428.98		
5/20/2009	(AP) 135306 Shannons Truc	35.00		
5/20/2009	(AP) 135307 Fouser Enviro	173.00		
5/21/2009	(AP) 135308 City Utility	7,370.48		
5/14/2009	(AP) 1144 Fouser Environm	0.00		
5/14/2009	(AP) 1111 Wilson Equipmen		-19.05	
5/11/2009	(AP) 0177 Usa Bluebook		-205.91	
4/30/2009	(AP) 0642 Service Special		-929.29	
5/20/2009	(AP) 0151 Lincoln County		-244.50	
5/19/2009	(AP) 0786 Equipment Sales		-67.81	
5/27/2009	(AP) 0141 Kentucky Utilit		-209.94	
5/27/2009	(AP) 0141 Kentucky Utilit		-3,981.67	
5/27/2009	(AP) 0141 Kentucky Utilit		-12.26	
5/27/2009	(AP) 0141 Kentucky Utilit		-850.35	
5/27/2009	(AP) 0439 Bamill, LLC dba		-156.84	
5/27/2009	(AP) 0141 Kentucky Utilit		-45.63	
5/27/2009	(AP) 0259 Lancaster Water		-90.70	
5/27/2009	(AP) 0259 Lancaster Water		-125.00	
5/27/2009	(AP) 0259 Lancaster Water		-89.55	
5/27/2009	(AP) 0259 Lancaster Water		-37.20	
5/27/2009	(AP) R640 Stevenson Hargi		-34.30	
5/27/2009	(AP) R641 Crystal Goins		-35.45	
5/28/2009	(AP) 0242 City Payroll Fu		-7,801.90	
5/28/2009	(AP) 1326 Grubbs Brothers		-10,000.00	
5/28/2009	(AP) 1295 Bell Engineerin		-3,936.05	
5/28/2009	(AP) 135309 City Payroll	7,801.90		
5/28/2009	(AP) 135310 Grubbs Brothe	10,000.00		
5/28/2009	(AP) 135311 Bell Engineer	3,936.05		
5/14/2009	(AP) 1144 Fouser Environm	0.00		
5/29/2009	(AP) 1144 Fouser Environm		-65.00	
5/29/2009	(AP) 1338 George & Sherry		-600.00	
5/29/2009	(AP) 0831 Roger Hume		-761.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
6/2/2009	(AP) 0002 AT& T		-105.61	
6/2/2009	(AP) 0136 Inter-County En		-39.38	
6/2/2009	(AP) 0136 Inter-County En		-11.10	
6/2/2009	(AP) 0108 Central Record,		-741.00	
6/4/2009	(AP) 1237 Open World, Inc		-59.95	
6/1/2009	(AP) 0129 Garrard Automot		-18.42	
5/20/2009	(AP) 0133 Hach Company		-186.53	
5/22/2009	(AP) 0133 Hach Company		-8.09	
5/26/2009	(AP) 1144 Fouser Environm		-50.00	
5/11/2009	(AP) 0143 Labtronix		-595.00	
5/28/2009	(AP) 0931 Rons Tire & Lub		-115.00	
5/10/2009	(AP) 0201 Us Postal Servi		-185.00	
5/12/2009	(AP) 1275 Southeastern La		-1,246.02	
5/27/2009	(AP) 1275 Southeastern La		-1,244.75	
6/4/2009	(AP) 0259 Lancaster Water		-125.00	
6/4/2009	(AP) 0259 Lancaster Water		-80.49	
6/4/2009	(AP) 0259 Lancaster Water		-27.94	
6/4/2009	(AP) 0259 Lancaster Water		-125.00	
6/4/2009	(AP) 0259 Lancaster Water		-24.29	
6/4/2009	(AP) R642 Veronica White		-44.51	
6/4/2009	(AP) R643 Emma Prewitt		-42.06	
6/4/2009	(AP) R644 Norman Holden		-100.71	
6/8/2009	(AP) 0358 Kentucky State		-361.92	
5/28/2009	(AP) 0270 H.D. Supply Wat		-1,482.14	
5/13/2009	(AP) 0121 Dix River Stone		-277.27	
5/12/2009	(AP) 0121 Dix River Stone		-293.93	
6/8/2009	(AP) 0471 Quick Stop		-531.34	
6/9/2009	(AP) 0137 Kentucky League		-9,338.25	
6/9/2009	(AP) 0136 Inter-County En		-131.91	
6/9/2009	(AP) 0136 Inter-County En		-13.44	
6/9/2009	(AP) 0259 Lancaster Water		-125.00	
6/9/2009	(AP) 0259 Lancaster Water		-88.01	
6/9/2009	(AP) R645 Cathy Bottom		-36.99	
6/9/2009	(AP) 0259 Lancaster Water		-125.00	
6/10/2009	(AP) 1138 KY State Treasu		-10.00	
6/11/2009	(AP) 0242 City Payroll Fu		-7,145.87	
6/11/2009	(AP) 0201 Us Postal Servi		-339.09	
6/15/2009	(AP) 0169 Windstream Kent		-64.69	
6/9/2009	(AP) A1038 Stacy Grow		-150.00	
5/28/2009	(AP) 1144 Fouser Environm		-469.00	
5/29/2009	(AP) 1144 Fouser Environm		-15.00	
6/2/2009	(AP) 0642 Service Special		-2,023.00	
5/28/2009	(AP) 0110 C.I. Thornburg		-84.14	
5/4/2009	(AP) 0130 Garrard Hardwar		-4.19	
5/9/2009	(AP) 0130 Garrard Hardwar		-337.04	
6/17/2009	(AP) 0141 Kentucky Utilit		-11.04	
4/29/2009	(AP) 0130 Garrard Hardwar		-64.33	
6/16/2009	(AP) 0259 Lancaster Water		-106.59	
6/16/2009	(AP) 0259 Lancaster Water		-72.28	
6/16/2009	(AP) 0259 Lancaster Water		-125.00	
6/16/2009	(AP) R646 Billie Brock		-18.41	
6/16/2009	(AP) R647 Gene Marquart		-52.72	
6/16/2009	(AP) 0259 Lancaster Water		-125.00	

**City of Lancaster**  
**Detailed Trial Balance 200 Water**  
**Entries From 7/1/2008 Through 6/30/2009**

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
6/1/2009	(AP) 135312 Kentucky Util	45.63		
6/1/2009	(AP) 135312 Kentucky Util	850.35		
6/1/2009	(AP) 135312 Kentucky Util	12.26		
6/1/2009	(AP) 135312 Kentucky Util	209.94		
6/1/2009	(AP) 135312 Kentucky Util	3,981.67		
6/1/2009	(AP) 135313 Lincoln Count	244.50		
6/1/2009	(AP) 135314 Usa Bluebook	205.91		
6/1/2009	(AP) 135315 Lancaster Wat	37.20		
6/1/2009	(AP) 135315 Lancaster Wat	125.00		
6/1/2009	(AP) 135315 Lancaster Wat	90.70		
6/1/2009	(AP) 135315 Lancaster Wat	89.55		
6/1/2009	(AP) 135316 Bamill, LLC d	156.84		
6/1/2009	(AP) 135317 Service Speci	929.29		
6/1/2009	(AP) 135318 Equipment Sal	67.81		
6/1/2009	(AP) 135319 Wilson Equipm	19.05		
6/1/2009	(AP) 135320 Stevenson Har	34.30		
6/1/2009	(AP) 135321 Crystal Goins	35.45		
5/29/2009	(AP) 135322 George & Sher	600.00		
6/1/2009	(AP) 135323 Roger Hume	761.00		
6/1/2009	(AP) 135324 Fouser Enviro	65.00		
6/3/2009	(AP) 135325 AT& T	105.61		
6/3/2009	(AP) 135326 Central Recor	741.00		
6/3/2009	(AP) 135327 Inter-County	39.38		
6/3/2009	(AP) 135327 Inter-County	11.10		
6/9/2009	(AP) 135328 Dix River Sto	293.93		
6/9/2009	(AP) 135328 Dix River Sto	277.27		
6/9/2009	(AP) 135329 Garrard Autom	18.42		
6/9/2009	(AP) 135330 Hach Company	186.53		
6/9/2009	(AP) 135330 Hach Company	8.09		
6/9/2009	(AP) 135331 Inter-County	131.91		
6/9/2009	(AP) 135331 Inter-County	13.44		
6/9/2009	(AP) 135332 Kentucky Leag	9,338.25		
6/9/2009	(AP) 135333 Labtronix	595.00		
6/9/2009	(AP) 135334 Us Postal Ser	185.00		
6/9/2009	(AP) 135335 Lancaster Wat	27.94		
6/9/2009	(AP) 135335 Lancaster Wat	24.29		
6/9/2009	(AP) 135335 Lancaster Wat	88.01		
6/9/2009	(AP) 135335 Lancaster Wat	125.00		
6/9/2009	(AP) 135335 Lancaster Wat	125.00		
6/9/2009	(AP) 135335 Lancaster Wat	80.49		
6/9/2009	(AP) 135335 Lancaster Wat	125.00		
6/9/2009	(AP) 135335 Lancaster Wat	125.00		
6/9/2009	(AP) 135336 H.D. Supply W	1,482.14		
6/9/2009	(AP) 135337 Kentucky Stat	361.92		
6/9/2009	(AP) 135338 Quick Stop	531.34		
6/9/2009	(AP) 135339 Rons Tire & L	115.00		
6/9/2009	(AP) 135340 Fouser Enviro	50.00		
6/9/2009	(AP) 135341 Open World, I	59.95		
6/9/2009	(AP) 135342 Southeastern	1,246.02		
6/9/2009	(AP) 135342 Southeastern	1,244.75		
6/9/2009	(AP) 135343 Veronica Whit	44.51		
6/9/2009	(AP) 135344 Emma Prewitt	42.06		
6/9/2009	(AP) 135345 Norman Holden	100.71		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
6/9/2009	(AP) 135346 Cathy Bottom	36.99		
6/11/2009	(AP) 135347 City Payroll	7,145.87		
6/11/2009	(AP) 135348 KY State Trea	10.00		
6/12/2009	(AP) 135349 Us Postal Ser	339.09		
6/9/2009	(AP) 1144 Fouser Environm		-337.00	
5/18/2009	(AP) 1275 Southeastern La		-1,234.17	
5/28/2009	(AP) 0281 Lindas Custom S		-48.97	
6/4/2009	(AP) 0110 C.I. Thornburg		-2,520.25	
6/8/2009	(AP) 1245 CedarChem, LLC		-1,692.00	
6/16/2009	(AP) 1325 John Smith Fenc		-125.00	
6/18/2009	(AP) 0169 Windstream Kent		-112.26	
6/18/2009	(AP) 0831 Roger Hume		-710.00	
6/19/2009	(AP) 0230 Garrard Co. Fis		-250.00	
6/22/2009	(AP) 0192 Anthem BCBS KY		-2,620.87	
6/18/2009	(AP) 135350 C.I. Thornbur	84.14		
6/18/2009	(AP) 135350 C.I. Thornbur	2,520.25		
6/18/2009	(AP) 135351 Garrard Hardw	64.33		
6/18/2009	(AP) 135351 Garrard Hardw	4.19		
6/18/2009	(AP) 135351 Garrard Hardw	337.04		
6/18/2009	(AP) 135352 Kentucky Util	11.04		
6/18/2009	(AP) 135353 Windstream Ke	64.69		
6/18/2009	(AP) 135353 Windstream Ke	112.26		
6/18/2009	(AP) 135354 Lancaster Wat	125.00		
6/18/2009	(AP) 135354 Lancaster Wat	125.00		
6/18/2009	(AP) 135354 Lancaster Wat	72.28		
6/18/2009	(AP) 135354 Lancaster Wat	106.59		
6/18/2009	(AP) 135355 Lindas Custom	48.97		
6/18/2009	(AP) 135356 Service Speci	2,023.00		
6/18/2009	(AP) 135357 Fouser Enviro	469.00		
6/18/2009	(AP) 135357 Fouser Enviro	15.00		
6/18/2009	(AP) 135357 Fouser Enviro	337.00		
6/18/2009	(AP) 135358 CedarChem, LL	1,692.00		
6/18/2009	(AP) 135359 Southeastern	1,234.17		
6/18/2009	(AP) 135360 John Smith Fe	125.00		
6/18/2009	(AP) 135361 Stacy Grow	150.00		
6/18/2009	(AP) 135362 Billie Brock	18.41		
6/18/2009	(AP) 135363 Gene Marquart	52.72		
6/18/2009	(AP) 135364 Roger Hume	710.00		
6/22/2009	(AP) 0259 Lancaster Water		-100.72	
6/22/2009	(AP) 0259 Lancaster Water		-44.81	
6/22/2009	(AP) R648 Bonnie Long		-24.28	
6/22/2009	(AP) R649 Nancy Baker		-80.19	
6/16/2009	(AP) 0116 Danville Office		-239.99	
6/9/2009	(AP) 1144 Fouser Environm		-101.00	
6/9/2009	(AP) 0110 C.I. Thornburg		-2,141.80	
6/18/2009	(AP) 1325 John Smith Fenc		-587.00	
6/23/2009	(AP) 0104 AT&T Mobility		-228.00	
6/23/2009	(AP) 0259 Lancaster Water		-125.00	
6/23/2009	(AP) 0259 Lancaster Water		-125.00	
6/15/2009	(AP) 0270 H.D. Supply Wat		-19,823.08	
6/25/2009	(AP) 0242 City Payroll Fu		-7,597.87	
6/24/2009	(AP) 135365 AT&T Mobility	228.00		
6/24/2009	(AP) 135366 C.I. Thornbur	2,141.80		

**City of Lancaster**  
**Detailed Trial Balance 200 Water**  
**Entries From 7/1/2008 Through 6/30/2009**

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-2010.00	accounts payable - water(Cont'd)			
6/24/2009	(AP) 135367 Danville Offi	239.99		
6/24/2009	(AP) 135368 Anthem BCBS K	2,620.87		
6/24/2009	(AP) 135369 Garrard Co. F	250.00		
6/24/2009	(AP) 135370 Lancaster Wat	100.72		
6/24/2009	(AP) 135370 Lancaster Wat	125.00		
6/24/2009	(AP) 135370 Lancaster Wat	44.81		
6/24/2009	(AP) 135370 Lancaster Wat	125.00		
6/24/2009	(AP) 135371 H.D. Supply W	19,823.08		
6/24/2009	(AP) 135372 Fouser Enviro	101.00		
6/24/2009	(AP) 135373 John Smith Fe	587.00		
6/24/2009	(AP) 135374 Bonnie Long	24.28		
6/24/2009	(AP) 135375 Nancy Baker	80.19		
6/25/2009	(AP) 135376 City Payroll	7,597.87		
6/26/2009	(AP) 0201 Us Postal Servi		-345.45	
200-2010.00	ACCOUNT TOTAL	1,371,794.33	-1,307,249.69	19,719.43
200-2050.00	Revenue Bonds Payable		-31,200.00	
200-2050.00	ACCOUNT TOTAL	0.00	0.00	-31,200.00
200-2055.00	Accrued Interest Coupons		-12,759.50	
200-2055.00	ACCOUNT TOTAL	0.00	0.00	-12,759.50
200-2065.00	Water Meter Deposits		-40,585.00	
200-2065.00	ACCOUNT TOTAL	0.00	0.00	-40,585.00
200-2070.00	KIA Note		-324,419.80	
200-2070.00	ACCOUNT TOTAL	0.00	0.00	-324,419.80
200-2080.00	Revenue Bond Pay. LT		-156,000.00	
200-2080.00	ACCOUNT TOTAL	0.00	0.00	-156,000.00
200-2085.00	Revenue Bond Raw Water Li		-959,300.00	
200-2085.00	ACCOUNT TOTAL	0.00	0.00	-959,300.00
200-3010.00	Contributed Capital		-2,193,839.84	
200-3010.00	ACCOUNT TOTAL	0.00	0.00	-2,193,839.84
200-3020.00	Retained Earnings		-1,697,962.87	
200-3020.00	ACCOUNT TOTAL	0.00	0.00	-1,697,962.87
200-3030.00	Retained Earnings - Reser		-83,273.00	
200-3030.00	ACCOUNT TOTAL	0.00	0.00	-83,273.00
200-4610.10	Metered Water Residential	0.00		
7/10/2008	(IC) Utility Transfer th		-21,774.02	
7/17/2008	(IC) Utility Transfer th		-9,592.76	
7/24/2008	(IC) Utility Transfer th		-6,827.82	
8/6/2008	(IC) Utility Transfer th		-13,649.19	
8/14/2008	(IC) Utility Transfer th		-13,626.09	
8/21/2008	(IC) Utility Transfer th		-7,702.13	
9/4/2008	(IC) Utility Transfer th		-8,809.02	
9/11/2008	(IC) Utility Transfer th		-20,328.08	
9/18/2008	(IC) Utility Transfer th		-5,081.32	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4610.10	Metered Water Residential(Cont'd)			
9/25/2008	(IC) Utility Transfer th		-7,295.74	
10/9/2008	(IC) Utility Transfer th		-20,700.66	
10/16/2008	(IC) Utility Transfer th		-9,271.28	
10/23/2008	(IC) Utility Transfer th		-8,207.56	
11/6/2008	(IC) Utility Transfer th		-10,634.75	
11/13/2008	(IC) Utility Transfer th		-16,779.41	
11/20/2008	(IC) Utility Transfer th		-4,701.16	
11/25/2008	(IC) Utility Transfer th		-4,262.05	
12/10/2008	(IC) Utility Transfer th		-22,353.93	
12/18/2008	(IC) Utility Transfer th		-9,756.29	
1/2/2009	(IC) Utility Transfer th		-6,192.05	
1/8/2009	(IC) Utility Transfer th		-14,618.08	
1/15/2009	(IC) Utility Transfer th		-14,764.71	
1/22/2009	(IC) Utility Transfer th		-7,861.09	
2/5/2009	(IC) Utility Transfer th		-8,275.90	
2/12/2009	(IC) Utility Transfer th		-15,590.15	
2/19/2009	(IC) Utility Transfer th		-3,450.51	
2/25/2009	(IC) Utility Transfer th		-4,640.41	
3/5/2009	(IC) Utility Transfer th		-10,303.61	
3/12/2009	(IC) Utility Transfer th		-18,836.01	
3/19/2009	(IC) Utility Transfer th		-3,908.48	
3/26/2009	(IC) Utility Transfer th		-5,295.29	
4/9/2009	(IC) Utility Transfer th		-18,070.08	
4/16/2009	(IC) Utility Transfer th		-8,765.61	
4/24/2009	(IC) Utility Transfer th		-8,102.07	
5/7/2009	(IC) Utility Transfer th		-11,712.02	
5/14/2009	(IC) Utility Transfer th		-15,161.80	
5/21/2009	(IC) Utility Transfer th		-7,136.05	
5/28/2009	(IC) Utility Transfer th		-2,148.98	
6/4/2009	(IC) Utility Transfer th		-8,083.36	
6/11/2009	(IC) Utility Transfer th		-18,144.23	
6/18/2009	(IC) Utility Transfer th		-5,074.49	
6/25/2009	(IC) Utility Transfer th		-7,147.03	
200-4610.10	ACCOUNT TOTAL	0.00	-444,635.27	-444,635.27
200-4610.20	Metered Water Commercial			
7/10/2008	(IC) Utility Transfer th	Prev Bal	0.00	-5,667.48
7/17/2008	(IC) Utility Transfer th		-423.48	
7/24/2008	(IC) Utility Transfer th		-307.63	
8/6/2008	(IC) Utility Transfer th		-3,366.97	
8/14/2008	(IC) Utility Transfer th		-2,020.43	
8/21/2008	(IC) Utility Transfer th		-380.79	
9/4/2008	(IC) Utility Transfer th		-2,340.79	
9/11/2008	(IC) Utility Transfer th		-3,138.74	
9/18/2008	(IC) Utility Transfer th		-110.79	
9/25/2008	(IC) Utility Transfer th		-112.81	
10/9/2008	(IC) Utility Transfer th		-5,943.29	
10/16/2008	(IC) Utility Transfer th		-338.29	
10/23/2008	(IC) Utility Transfer th		-161.98	
11/6/2008	(IC) Utility Transfer th		-1,073.89	
11/13/2008	(IC) Utility Transfer th		-4,259.01	
11/20/2008	(IC) Utility Transfer th		-195.43	
11/25/2008	(IC) Utility Transfer th		-31.25	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4610.20	Metered Water Commercial(Cont'd)			
12/10/2008	(IC) Utility Transfer th		-5,414.08	
12/18/2008	(IC) Utility Transfer th		-429.30	
1/2/2009	(IC) Utility Transfer th		-242.41	
1/8/2009	(IC) Utility Transfer th		-1,383.28	
1/15/2009	(IC) Utility Transfer th		-3,220.06	
1/22/2009	(IC) Utility Transfer th		-1,039.31	
2/5/2009	(IC) Utility Transfer th		-1,181.28	
2/12/2009	(IC) Utility Transfer th		-3,274.55	
2/19/2009	(IC) Utility Transfer th		-179.81	
2/25/2009	(IC) Utility Transfer th		-146.95	
3/5/2009	(IC) Utility Transfer th		-2,127.27	
3/12/2009	(IC) Utility Transfer th		-4,776.54	
3/19/2009	(IC) Utility Transfer th		-85.90	
3/26/2009	(IC) Utility Transfer th		-190.56	
4/9/2009	(IC) Utility Transfer th		-4,628.49	
4/16/2009	(IC) Utility Transfer th		-886.52	
4/24/2009	(IC) Utility Transfer th		-269.40	
5/7/2009	(IC) Utility Transfer th		-2,498.61	
5/14/2009	(IC) Utility Transfer th		-2,602.73	
5/21/2009	(IC) Utility Transfer th		-174.05	
5/28/2009	(IC) Utility Transfer th		-116.40	
6/4/2009	(IC) Utility Transfer th		-1,041.84	
6/11/2009	(IC) Utility Transfer th		-3,718.05	
6/18/2009	(IC) Utility Transfer th		-1,588.18	
6/25/2009	(IC) Utility Transfer th		-290.56	
200-4610.20	ACCOUNT TOTAL	0.00	-71,379.18	-71,379.18
200-4610.60	Metered Quarter Machines	0.00		
7/7/2008	(IC) Quarters		-254.25	
7/8/2008	(IC) Quarters		-400.00	
7/9/2008	(IC) Quarters		-149.00	
8/1/2008	(IC) Quarters		-757.75	
8/19/2008	(IC) Quarters		-518.25	
9/11/2008	(IC) Quarters		-776.75	
9/25/2008	(IC) Water Dispensers		-675.25	
10/22/2008	(IC) Quarters		-845.25	
12/2/2008	(IC) Quarters		-971.00	
1/2/2009	(IC) Quarters		-586.50	
1/23/2009	(IC) Quarters		-30.75	
2/10/2009	(IC) Quarters		-437.25	
4/7/2009	(IC) Quarters-Water Disp		-400.00	
4/8/2009	(IC) Quarters- Water Dis		-295.75	
5/26/2009	(IC) Quarters		-572.25	
6/3/2009	(IC) Quarters		-439.00	
200-4610.60	ACCOUNT TOTAL	0.00	-8,109.00	-8,109.00
200-4660.00	Resale Garrard Crab Orcha	0.00		
7/10/2008	(IC) Utility Transfer th		-6,842.85	
7/17/2008	(IC) Utility Transfer th		-43,004.11	
8/14/2008	(IC) Utility Transfer th		-46,452.68	
8/14/2008	(IC) Utility Transfer th		-7,253.85	
9/11/2008	(IC) Utility Transfer th		-7,441.80	
9/11/2008	(IC) Utility Transfer th		-50,527.05	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4660.00	Resale Garrard Crab Orcha(Cont'd)			
10/9/2008	(IC) Utility Transfer th		-8,847.93	
10/16/2008	(IC) Utility Transfer th		-54,378.79	
11/13/2008	(IC) Utility Transfer th		-53,424.43	
11/13/2008	(IC) Utility Transfer th		-7,211.16	
12/10/2008	(IC) Utility Transfer th		-8,835.13	
12/18/2008	(IC) Utility Transfer th		-43,747.98	
1/15/2009	(IC) Utility Transfer th		-8,462.20	
1/15/2009	(IC) Utility Transfer th		-35,667.42	
2/12/2009	(IC) Utility Transfer th		-9,514.88	
2/12/2009	(IC) Utility Transfer th		-32,875.78	
3/12/2009	(IC) Utility Transfer th		-42,345.69	
3/12/2009	(IC) Utility Transfer th		-10,983.01	
4/9/2009	(IC) Utility Transfer th		-9,066.18	
4/16/2009	(IC) Utility Transfer th		-38,092.04	
5/14/2009	(IC) Utility Transfer th		-40,031.16	
5/14/2009	(IC) Utility Transfer th		-9,756.95	
6/11/2009	(IC) Utility Transfer th		-42,474.40	
6/11/2009	(IC) Utility Transfer th		-10,096.43	
200-4660.00	ACCOUNT TOTAL	0.00	-627,333.90	-627,333.90
200-4710.00	Miscellaneous	Prev Bal	0.00	
7/1/2008	(IC) Kim Slone- 202 Lexi		-25.00	
7/7/2008	(IC) Lincoln Gilliam 103		-25.00	
7/8/2008	(IC) Church of Jesus 413		-25.00	
7/8/2008	(IC) Earl Thornton 247 W		-25.00	
7/25/2008	(IC) George Moberly 145		-25.00	
8/1/2008	(IC) Phillip Oakley 203		-25.00	
8/8/2008	(IC) Richard Bryant 113		-25.00	
8/22/2008	(IC) Yvette Moore 315 W.		-132.50	
8/25/2008	(IC) Carrie Griffin-122		-75.00	
9/2/2008	(IC) Bridgete Napier 316		-25.00	
9/2/2008	(IC) Returned check on K		-25.00	
9/2/2008	(IC) Judy Williams 303 C		-25.00	
9/15/2008	(IC) Raymond Lyons 41 Ma		-25.00	
9/15/2008	(IC) Joseph Lamb 257,245		-25.00	
10/2/2008	(IC) Jodie Newton 218 De		-25.00	
10/3/2008	(IC) Eddie Anderson Jr 1		-75.00	
10/6/2008	(IC) Amanda Taulbee 104		-25.00	
10/7/2008	(IC) Shirley Sams 114 Wo		-25.00	
10/6/2008	(IC) Return CK Fee		-25.00	
11/4/2008	(IC) Brad Meade-106 Herr		-25.00	
11/4/2008	(IC) Brad Meade-106 Herr		-25.00	
11/13/2008	(IC) Marty Robbins-97 Pl		-25.00	
11/14/2008	(IC) Wendall Osborne-374		-25.00	
11/21/2008	(IC) Ghonna Moberly-128		-25.00	
11/24/2008	(IC) Jeff Helton-287 Car		-25.00	
12/15/2008	(IC) David McQuerry 117		-25.00	
12/22/2008	(IC) Jeffrey Helton 287		-50.00	
1/6/2009	(IC) Jerry Green 115 Mye		-25.00	
1/8/2009	(IC) Nicole Norris 89 Ma		-25.00	
1/9/2009	(IC) Kathy Lane 409 Danv		-25.00	
1/16/2009	(IC) James McCall 131 De		-25.00	
1/20/2009	(IC) Patsy Ray 127 Pleas		-25.00	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4710.00	Miscellaneous(Cont'd)			
2/2/2009	(IC) Harold Pittman 149		-25.00	
2/2/2009	(IC) David Williams 104		-25.00	
2/4/2009	(IC) Shellie Puckett 117		-25.00	
2/6/2009	(IC) Tommy Chambers 120		-25.00	
2/12/2009	(IC) Kenneth Hurt 214 Ri		-25.00	
2/13/2009	(IC) Candice Wireman 101		-25.00	
2/20/2009	(IC) James Weaver 301 Ri		-25.00	
2/23/2009	(IC) Nancy Sams 368 Card		-25.00	
3/2/2009	(IC) Refund from HD Wate		-3,640.00	
3/5/2009	(IC) Richard Bryant-113		-25.00	
3/20/2009	(IC) Roy Davis-204 Richm		-25.00	
3/24/2009	(IC) Reimbursement on Ph		-7,774.30	
3/26/2009	(IC) Big "E" Insurance		-1,183.27	
4/1/2009	(IC) Geraldine Hunt-301		-25.00	
4/1/2009	(IC) Veronica White-119		-25.00	
4/3/2009	(IC) Terry Lucas-409 dan		-25.00	
4/3/2009	(IC) Sarah Workman-128 M		-75.00	
4/7/2009	(IC) Sold Scrap Metal to		-279.70	
4/8/2009	(IC) Nancy Sams-368 Card		-25.00	
4/9/2009	(IC) Shawwna Carney-213		-25.00	
4/13/2009	(IC) Nicole Norris-89 Ma		-25.00	
4/17/2009	(IC) William Fields 211		-25.00	
5/1/2009	(IC) Charles Richardson		-20.00	
5/1/2009	(IC) Doris Spurlin 409 D		-20.00	
5/5/2009	(IC) Kathy Brogli 201 Da		-25.00	
5/8/2009	(IC) David Merrill 319 D		-25.00	
5/8/2009	(IC) Wendell Osborne 374		-25.00	
5/13/2009	(IC) Bobby Ray 107 Price		-25.00	
5/26/2009	(IC) Samantha Williams 3		-75.00	
5/28/2009	(IC) Lisa Lynn 48 Oakwoo		-25.00	
5/21/2009	(IC) Daily deposit corre		-7,370.48	
6/1/2009	(IC) Phase II Water Proj		-297.38	
6/3/2009	(IC) Jamie Morton 105 Ha		-25.00	
6/5/2009	(IC) Connie Chambers 120		-25.00	
6/8/2009	(IC) Ferguson Pipe		-123.99	
6/9/2009	(IC) George Herbert 114		-25.00	
6/9/2009	(IC) Jeff Greer 149 High		-25.00	
6/12/2009	(IC) Adrienne Colyer 171		-25.00	
6/15/2009	(IC) Christopher Turner		-25.00	
6/26/2009	(IC) Cindy Peel 304 Card		-75.00	
200-4710.00	ACCOUNT TOTAL	0.00	-22,666.62	-22,666.62
200-4730.00	CESP Reimb Building	0.00		
6/18/2009	(IC) Garrard Fiscal Cour		-12,500.00	
200-4730.00	ACCOUNT TOTAL	0.00	-12,500.00	-12,500.00
200-4740.20	Water Deposits	0.00		
7/1/2008	(IC) Kevin Crawley- 128		-125.00	
7/1/2008	(IC) Kim Penix- 224 Card		-125.00	
7/1/2008	(IC) Vicky Boggs Maple H		-125.00	
7/1/2008	(IC) Mark Fite- 204 Hami		-125.00	
7/1/2008	(IC) Michael Baker 293 C		-125.00	
7/1/2008	(IC) Billy Broadus 105 S		-125.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.20	Water Deposits(Cont'd)			
7/7/2008	(IC) Jeffrey Helton 287		-125.00	
7/7/2008	(IC) Kristen Hammond 301		-125.00	
7/9/2008	(IC) Rebecca Potter 102		-125.00	
7/10/2008	(IC) Jeremy Phillips 46		-125.00	
7/14/2008	(IC) Mike Atkins 202 Car		-125.00	
7/14/2008	(IC) Justin Winkler 104		-125.00	
7/16/2008	(IC) Robin Parker Maple		-125.00	
7/17/2008	(IC) Bryan Agee 222 Card		-125.00	
7/22/2008	(IC) Joan Grimes-127 Pri		-125.00	
7/24/2008	(IC) Geraldine Penman Ma		-125.00	
7/25/2008	(IC) Tabitha Eversole 25		-125.00	
7/28/2008	(IC) Amy Johnson 111 Deb		-125.00	
7/28/2008	(IC) Robert Troxtle 110		-125.00	
8/1/2008	(IC) Sonda Hinds 130 Mye		-125.00	
8/1/2008	(IC) Richard Bryant 113		-125.00	
8/1/2008	(IC) Jean Miller 213 Ric		-125.00	
8/1/2008	(IC) Daniel Perkins 104		-125.00	
8/1/2008	(IC) Fred Maggard 313 Cr		-125.00	
8/5/2008	(IC) Rick Simpson 212 S		-125.00	
8/7/2008	(IC) Connie Alekna 216 S		-125.00	
8/8/2008	(IC) Kasundra Smith 236		-125.00	
8/8/2008	(IC) Richard Bryant 113		-125.00	
8/21/2008	(IC) Timmy Poynter 105 Y		-125.00	
8/21/2008	(IC) Charles Pittman 115		-125.00	
8/22/2008	(IC) Billy J. Dailey 125		-55.00	
8/25/2008	(IC) Steve Dearing-136 P		-125.00	
8/25/2008	(IC) Orin Johnson-194 Ca		-125.00	
9/2/2008	(IC) Earnestine Daley 40		-125.00	
9/2/2008	(IC) Lincoln Gilliam 117		-125.00	
9/2/2008	(IC) Richard Tudor 269 C		-125.00	
9/2/2008	(IC) Gloria Townsend 107		-125.00	
9/2/2008	(IC) Presciliano Perez 1		-125.00	
9/3/2008	(IC) Michael Patrick 130		-125.00	
9/4/2008	(IC) Isaac Maggard 211 H		-125.00	
9/4/2008	(IC) Glen & B. Gilliam 1		-125.00	
9/8/2008	(IC) Bridges in Comm.115		-150.00	
9/11/2008	(IC) Lora Hadding 216 St		-125.00	
9/18/2008	(IC) Candice McQueary 22		-125.00	
9/23/2008	(IC) Lillian Burrows-304		-125.00	
9/23/2008	(IC) Brittany Murphy-109		-125.00	
9/26/2008	(IC) Heather Durham-230		-125.00	
9/26/2008	(IC) Kathy Brogli-201 Da		-125.00	
10/1/2008	(IC) Jennifer Sears- 127		-125.00	
10/1/2008	(IC) Melissa Hulett 112		-125.00	
10/3/2008	(IC) Eddie Anderson Jr.		-125.00	
10/3/2008	(IC) Debbie Anderson 103		-125.00	
10/3/2008	(IC) Delinda Brown 111 W		-125.00	
10/9/2008	(IC) Tammy Preston 387 C		-125.00	
10/10/2008	(IC) Nancy Sams 368 Card		-125.00	
10/10/2008	(IC) Todd Folger 202 Car		-125.00	
10/13/2008	(IC) Tamarah Kuhn 114 A		-125.00	
10/16/2008	(IC) Chris Kendrick 116		-125.00	
10/17/2008	(IC) Christina Ray 101 M		-125.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.20	Water Deposits(Cont'd)			
10/17/2008	(IC) Jennifer Croll 139		-125.00	
10/20/2008	(IC) Terri Rhodus 106 Ma		-125.00	
10/20/2008	(IC) Michael Laswell 100		-125.00	
10/27/2008	(IC) Jackalope Printing		-125.00	
11/1/2008	(IC) Don Clayborn-123 Pr		-125.00	
11/3/2008	(IC) Tiffany Houp-105 Su		-125.00	
11/3/2008	(IC) Vernon Gilliam-103		-125.00	
11/3/2008	(IC) Kati Montgomery-103		-125.00	
11/3/2008	(IC) John & Henry Maggar		-125.00	
11/5/2008	(IC) Duane King-103 Sue		-125.00	
11/5/2008	(IC) Jackie Shyrock-115		-125.00	
11/5/2008	(IC) Bridgett Jackson-12		-125.00	
11/10/2008	(IC) Charlotte Brewer-10		-125.00	
11/11/2008	(IC) Pam Doan-Maple Hill		-55.00	
11/11/2008	(IC) Frank & Dana Deney-		-125.00	
11/13/2008	(IC) Thomas Peters-409 D		-125.00	
11/17/2008	(IC) James Moore-150 Car		-125.00	
11/17/2008	(IC) Wendy Logan-293 Car		-125.00	
11/20/2008	(IC) Kristen Collett-320		-125.00	
11/20/2008	(IC) Emma Stewart-302 KY		-125.00	
11/21/2008	(IC) Merle Tyree-229 W.		-125.00	
11/21/2008	(IC) Nancy Baker-117 Tur		-125.00	
11/24/2008	(IC) Kristen Hammond-104		-125.00	
11/25/2008	(IC) Melinda Starks-122		-125.00	
12/1/2008	(IC) Marty Robbins 103 W		-125.00	
12/1/2008	(IC) Latisha Austin 104		-125.00	
12/1/2008	(IC) Ryan Hund 201 Hamil		-125.00	
12/1/2008	(IC) John Maggard 388 Ca		-125.00	
12/1/2008	(IC) Nicole Maggard 313		-125.00	
12/2/2008	(IC) Lee DeForest 409 Da		-125.00	
12/3/2008	(IC) Charles Wiles 409 D		-125.00	
12/5/2008	(IC) Wayne Davis 105 Tur		-125.00	
12/15/2008	(IC) Jonathan Shell 649		-125.00	
12/18/2008	(IC) Cecil Byrd 351 Card		-125.00	
12/22/2008	(IC) Jessica Bailey 236		-125.00	
12/23/2008	(IC) Tammy Reyes 104 Sue		-125.00	
1/2/2009	(IC) Emma Gentry Maple H		-125.00	
1/2/2009	(IC) Candace Rutledge 11		-125.00	
1/2/2009	(IC) Angela Daugherty 30		-125.00	
1/2/2009	(IC) Shonda Lemay 117 Hi		-125.00	
1/2/2009	(IC) Regina Garcia 114 W		-125.00	
1/5/2009	(IC) Family Worship 129		-125.00	
1/6/2009	(IC) Dewey Camel 212 S C		-125.00	
1/8/2009	(IC) Lisa Domidion 409 D		-125.00	
1/9/2009	(IC) Estella Pullum 212		-125.00	
1/12/2009	(IC) Angela Suesz 146 Hi		-125.00	
1/12/2009	(IC) James Breeden 126 T		-125.00	
1/12/2009	(IC) Bobbi Gilliam 204 L		-125.00	
1/15/2009	(IC) Joseph Kincaid 214		-125.00	
1/16/2009	(IC) Tonya Chapman 363 C		-125.00	
1/16/2009	(IC) Adrianna Gilbert 12		-125.00	
1/16/2009	(IC) Veronica White 119		-125.00	
1/20/2009	(IC) Stevenson Hargis 10		-125.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.20	Water Deposits(Cont'd)			
1/22/2009	(IC) Kim Weddington 339		-125.00	
1/22/2009	(IC) Clara Arthur 103 Pr		-125.00	
1/23/2009	(IC) Debra Young 118 Mil		-125.00	
1/23/2009	(IC) Dallas Carpenter 13		-125.00	
1/26/2009	(IC) Gabe Sepko 108 Magn		-125.00	
1/26/2009	(IC) Randy Prewitt 323 D		-125.00	
1/27/2009	(IC) Rita Gaines 144 Hil		-125.00	
2/2/2009	(IC) Tanya Gonzalez 225		-125.00	
2/9/2009	(IC) Jerry Musick 127 Hi		-125.00	
2/9/2009	(IC) Crystal Goins 121 1		-125.00	
2/12/2009	(IC) Tammy Burkhart 109		-125.00	
2/13/2009	(IC) Elige Gregory 108 H		-125.00	
2/23/2009	(IC) Sarah Lay 212 S Cam		-125.00	
2/23/2009	(IC) Josh Wren 306 W. Bu		-125.00	
2/24/2009	(IC) Gene Marquart 150 C		-125.00	
3/2/2009	(IC) Linda Mc Maine 124		-125.00	
3/2/2009	(IC) Raymond Barnes 104		-125.00	
3/2/2009	(IC) Elizabeth Meadows 1		-125.00	
3/2/2009	(IC) Billie Brock 209 Ha		-125.00	
3/2/2009	(IC) Becky Osborne 205 C		-125.00	
3/2/2009	(IC) Mildred Eason 109 S		-125.00	
3/2/2009	(IC) Brandon Rife 404 St		-125.00	
3/2/2009	(IC) James Rogers 309 Le		-150.00	
3/2/2009	(IC) Cindy Peel 304 Card		-125.00	
3/2/2009	(IC) Julia Lopez 202 E.		-125.00	
3/3/2009	(IC) Sandra Wines 107 Co		-125.00	
3/5/2009	(IC) Lars Lyman-312 Card		-125.00	
3/9/2009	(IC) Betty Flores-128 Hi		-125.00	
3/9/2009	(IC) April Shearer-107 T		-125.00	
3/18/2009	(IC) Helen Ritter-127 Pr		-125.00	
3/19/2009	(IC) Elizabeth Ross-287		-125.00	
3/19/2009	(IC) Micah Hurst-101 Pri		-125.00	
3/25/2009	(IC) Justin Hale 105 Hil		-125.00	
3/25/2009	(IC) John Webb 305 Richm		-125.00	
3/26/2009	(IC) Justin Caldwell 117		-125.00	
4/1/2009	(IC) Martha Rigsby-101 T		-125.00	
4/1/2009	(IC) Mona Raines-115 Her		-125.00	
4/1/2009	(IC) Delinda Brown-212 S		-125.00	
4/3/2009	(IC) Amanda Chidester-20		-125.00	
4/3/2009	(IC) Brian Black-404 Sta		-125.00	
4/3/2009	(IC) Henry Maggard-336 S		-125.00	
4/3/2009	(IC) Sarah Workman-128 M		-125.00	
4/8/2009	(IC) Mavis Cornett-239 C		-125.00	
4/10/2009	(IC) Jose Tipton-103 Tur		-125.00	
4/10/2009	(IC) James Hale-101 Mill		-125.00	
4/10/2009	(IC) Robert Robinson-112		-125.00	
4/17/2009	(IC) Walter Rounsifer 11		-125.00	
4/17/2009	(IC) Brandon Houpp Maple		-125.00	
4/27/2009	(IC) Russell Preston 227		-125.00	
4/27/2009	(IC) Chassity Peak 226 C		-125.00	
5/1/2009	(IC) Keri Meredith Maple		-125.00	
5/1/2009	(IC) Natasha Baker Maple		-125.00	
5/4/2009	(IC) Judith Shearer 409		-125.00	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.20	Water Deposits(Cont'd)			
5/4/2009	(IC) David Sexton 207 Da		-125.00	
5/5/2009	(IC) Bill Mullins 102 Su		-125.00	
5/5/2009	(IC) Mary Smith 121 Lynn		-125.00	
5/7/2009	(IC) Donna Moberly 287 C		-125.00	
5/7/2009	(IC) Dennis Asher 202 Ca		-125.00	
5/8/2009	(IC) Lisa Burkhart 409 D		-125.00	
5/8/2009	(IC) Leonard Harrison 80		-125.00	
5/12/2009	(IC) Becky Dillion 105 M		-125.00	
5/13/2009	(IC) June Prater 66 Card		-125.00	
5/18/2009	(IC) Josh Goode 320 Card		-125.00	
5/18/2009	(IC) Jesse Maggard Jr 21		-125.00	
5/19/2009	(IC) Alesa Lansaw-222 Ha		-125.00	
5/21/2009	(IC) Amanda Smith-182 Ca		-125.00	
5/26/2009	(IC) Samantha Williams 3		-125.00	
5/26/2009	(IC) Kenneth Brandenburg		-125.00	
5/28/2009	(IC) Larry Flannery Jr.		-125.00	
6/1/2009	(IC) Alicia Duggins 409		-125.00	
6/1/2009	(IC) Patricia Story 217		-125.00	
6/1/2009	(IC) Nancy Kelly 102 Rid		-125.00	
6/1/2009	(IC) Christopher Turner		-125.00	
6/1/2009	(IC) Ashley Clark 101 Pr		-125.00	
6/2/2009	(IC) Mark Ross 216 Stanf		-125.00	
6/15/2009	(IC) Christopher Turner		-125.00	
6/15/2009	(IC) James Stinnett Mapl		-125.00	
6/15/2009	(IC) Sue Lawless 101 Buc		-125.00	
6/15/2009	(IC) Sandy Woods 107 1/2		-125.00	
6/17/2009	(IC) Amy Hart 309 Richmo		-125.00	
6/17/2009	(IC) Daniel Garwood 225		-125.00	
6/17/2009	(IC) Matthew Cobb 326 St		-125.00	
6/18/2009	(IC) Lawson Tire 101 Cra		-150.00	
6/19/2009	(IC) Darcy Walls 122 Her		-125.00	
200-4740.20	ACCOUNT TOTAL	0.00	-24,435.00	-24,435.00
200-4740.30	Interest			
	Prev Bal	0.00		
7/31/2008	(IC) Interest		-59.35	
8/31/2008	(IC) Interest		-66.55	
9/30/2008	(IC) Interest		-70.81	
10/31/2008	(IC) Interest		-78.25	
11/30/2008	(IC) Interest		-86.00	
12/31/2008	(IC) Interest		-77.17	
1/31/2009	(IC) interest		-78.32	
2/28/2009	(IC) interest		-69.62	
3/31/2009	(IC) interest		-80.07	
4/30/2009	(IC) interest		-65.14	
5/31/2009	(IC) interest		-33.54	
6/30/2009	(IC) Interest		-37.89	
200-4740.30	ACCOUNT TOTAL	0.00	-802.71	-802.71
200-4740.40	Turn on/off Charges			
	Prev Bal	0.00		
7/1/2008	(IC) Kevin Crawley- 128		-50.00	
7/1/2008	(IC) Kim Penix- 224 Card		-50.00	
7/1/2008	(IC) Nancy Johnson- 122		-30.00	
7/1/2008	(IC) Roy Browning- 409 S		-30.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
7/1/2008	(IC) Vicky Boggs Maple H		-50.00	
7/1/2008	(IC) Daniel Napier 102 M		-50.00	
7/1/2008	(IC) Mark Fite- 204 Hami		-50.00	
7/1/2008	(IC) Joe Jackson- 128 Mi		-30.00	
7/1/2008	(IC) Michael Baker 293 C		-50.00	
7/1/2008	(IC) Billy Broadus 105 S		-50.00	
7/2/2008	(IC) Nathan Mick- 311 Da		-50.00	
7/7/2008	(IC) Jeffrey Helton 287		-50.00	
7/7/2008	(IC) Kristen Hammond 301		-50.00	
7/7/2008	(IC) Leonard Smith 122 M		-50.00	
7/7/2008	(IC) Sue Brummett 101 Su		-50.00	
7/8/2008	(IC) Drexel Cook 249 Hal		-50.00	
7/9/2008	(IC) Brenda McFerron- Ma		-30.00	
7/9/2008	(IC) Rebecca Potter 102		-50.00	
7/9/2008	(IC) David Gibson 117 Ha		-50.00	
7/10/2008	(IC) Lan. Christian Chur		-50.00	
7/10/2008	(IC) Jeremy Phillips 46		-50.00	
7/11/2008	(IC) Billy J. Dailey 125		-50.00	
7/11/2008	(IC) Chris Whitworth 57		-50.00	
7/14/2008	(IC) Mike Atkins 202 Car		-50.00	
7/14/2008	(IC) Justin Winkler 104		-50.00	
7/14/2008	(IC) Josh Welch 217 Gale		-50.00	
7/15/2008	(IC) Lisa Muncie 129 Pri		-50.00	
7/16/2008	(IC) Robin Parker Maple		-50.00	
7/17/2008	(IC) Bryan Agee 222 Card		-50.00	
7/17/2008	(IC) Jackie Wilson 117 C		-50.00	
7/22/2008	(IC) Joan Grimes-127 Pri		-50.00	
7/22/2008	(IC) Steve Meadows-122 W		-30.00	
7/22/2008	(IC) Teresa Scott-323 Da		-30.00	
7/22/2008	(IC) Lancaster Tire-101		-30.00	
7/22/2008	(IC) Winnie Hall-111 Ham		-30.00	
7/23/2008	(IC) Sandy Crandell - 11		-30.00	
7/23/2008	(IC) Joe Jackson-128 Mil		-30.00	
7/23/2008	(IC) Earl Thornton-247 W		-30.00	
7/23/2008	(IC) Church of Jesus Chr		-30.00	
7/23/2008	(IC) Janefer Denson-109		-30.00	
7/23/2008	(IC) Maude Jones-115 Cav		-30.00	
7/23/2008	(IC) Carrie Griffin-122		-30.00	
7/23/2008	(IC) Tyrone Spillman-246		-30.00	
7/23/2008	(IC) Randy Grubbs-432 Ca		-30.00	
7/23/2008	(IC) Ameer Harrison-113 P		-30.00	
7/24/2008	(IC) Geraldine Penman Ma		-50.00	
7/24/2008	(IC) Jimmy Davis 128 Tot		-30.00	
7/25/2008	(IC) Tabitha Eversole 25		-50.00	
7/25/2008	(IC) Hubert Egner 132 Hi		-30.00	
7/25/2008	(IC) Marie Black 125 Hig		-30.00	
7/25/2008	(IC) A. & Paula Price 12		-30.00	
7/28/2008	(IC) Amy Johnson 111 Deb		-50.00	
7/28/2008	(IC) Robert Troxle 110		-50.00	
8/1/2008	(IC) Sonda Hinds 130 Mye		-50.00	
8/1/2008	(IC) Richard Bryant 113		-50.00	
8/1/2008	(IC) Clifton Getter 101		-30.00	
8/1/2008	(IC) Jean Miller 213 Ric		-50.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
8/1/2008	(IC) Daniel Perkins 104		-50.00	
8/1/2008	(IC) Fred Maggard 313 Cr		-50.00	
8/1/2008	(IC) Brenda Snellings 38		-30.00	
8/4/2008	(IC) Barbara Montgomery		-50.00	
8/5/2008	(IC) Irvin Group 112 Dic		-50.00	
8/5/2008	(IC) Rick Simpson 212 S		-50.00	
8/7/2008	(IC) Rose Holtzclaw 205		-20.00	
8/7/2008	(IC) Connie Alekna 216 S		-50.00	
8/8/2008	(IC) Kasundra Smith 236		-50.00	
8/8/2008	(IC) DAIDA Corp. 115 S.		-50.00	
8/8/2008	(IC) James Bushnell 202		-50.00	
8/8/2008	(IC) Richard Bryant 113		-50.00	
8/8/2008	(IC) Eric Bowman 108 Has		-50.00	
8/12/2008	(IC) Virgil Gibson 112 M		-50.00	
8/14/2008	(IC) Louise Barrett 117		-20.00	
8/14/2008	(IC) Judith Adams 108 Pi		-50.00	
8/18/2008	(IC) Christina Callihan		-50.00	
8/19/2008	(IC) Dewey McIntosh 104		-30.00	
8/19/2008	(IC) Richard Gosnell 132		-50.00	
8/21/2008	(IC) Timmy Poynter 105 Y		-50.00	
8/21/2008	(IC) Charles Pittman 115		-50.00	
8/22/2008	(IC) Judy Dawahare 211 L		-30.00	
8/22/2008	(IC) Lisa Carver 206 Ham		-30.00	
8/22/2008	(IC) Kenneth Caudill 124		-30.00	
8/22/2008	(IC) Takia Salyers 118 C		-30.00	
8/22/2008	(IC) Sammy Durham 211 Ha		-20.00	
8/22/2008	(IC) A. & Paula Price 12		-30.00	
8/22/2008	(IC) Ralph Vanover 108 H		-30.00	
8/25/2008	(IC) Melodie Devries-138		-30.00	
8/25/2008	(IC) Carrie Griffin-122		-30.00	
8/25/2008	(IC) Steve Dearing-136 P		-50.00	
8/25/2008	(IC) Orin Johnson-194 Ca		-50.00	
8/26/2008	(IC) Felix Maggard-88 Ca		-50.00	
8/26/2008	(IC) Earl French-212 S.		-50.00	
8/28/2008	(IC) James McCall 131 De		-50.00	
8/28/2008	(IC) Irvin Group 135 Hil		-50.00	
9/1/2008	(IC) Jovan Pennington 95		-30.00	
9/2/2008	(IC) Matt & B. Hughes 20		-50.00	
9/2/2008	(IC) Daneca Dunn 182 Car		-30.00	
9/2/2008	(IC) Roy Davis 111 Campb		-50.00	
9/2/2008	(IC) Earnestine Daley 40		-50.00	
9/2/2008	(IC) Karen Tomlin 102 De		-50.00	
9/2/2008	(IC) Lincoln Gilliam 117		-50.00	
9/2/2008	(IC) Richard Tudor 269 C		-50.00	
9/2/2008	(IC) Wilson Mgt. Maple H		-50.00	
9/2/2008	(IC) Gloria Townsend 107		-50.00	
9/2/2008	(IC) PKSC,LLC 245 Cardin		-50.00	
9/2/2008	(IC) PPKSC, LLC 257 Card		-50.00	
9/2/2008	(IC) PKSC,LLC 239 Cardin		-50.00	
9/2/2008	(IC) Presciliano Perez 1		-50.00	
9/3/2008	(IC) Earl French 108 Mag		-50.00	
9/3/2008	(IC) Michael Patrick 130		-50.00	
9/3/2008	(IC) Donnie Lane 230 Car		-20.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
9/4/2008	(IC) Isaac Maggard 211 H		-50.00	
9/4/2008	(IC) Glen & B. Gilliam 1		-50.00	
9/5/2008	(IC) Billy K. Carrier 11		-50.00	
9/8/2008	(IC) Bridges in Comm.115		-50.00	
9/9/2008	(IC) Blake Rentals 126 P		-50.00	
9/11/2008	(IC) Lora Hadding 216 St		-50.00	
9/12/2008	(IC) Connie Alekna 109 C		-50.00	
9/15/2008	(IC) Raymond Lyons 41 Ma		-30.00	
9/15/2008	(IC) Greg Whitley 102 Ri		-50.00	
9/15/2008	(IC) Joseph Lamb 257 Ca		-50.00	
9/15/2008	(IC) Joseph Lamb 245 Car		-50.00	
9/15/2008	(IC) Joseph Lamb 239 Car		-50.00	
9/16/2008	(IC) Kyle Cupp 116 Miles		-50.00	
9/17/2008	(IC) John East 113 Cave		-50.00	
9/18/2008	(IC) Mike Huffman 351 De		-50.00	
9/18/2008	(IC) Candice McQueary 22		-50.00	
9/19/2008	(IC) David Nalley 125 Hi		-50.00	
9/19/2008	(IC) Charlie Ray 135 Hil		-50.00	
9/23/2008	(IC) Judy Dawahare-211 L		-30.00	
9/23/2008	(IC) Moss Investments-73		-50.00	
9/23/2008	(IC) Winnie Hall-111 Ham		-30.00	
9/23/2008	(IC) Christy Coleman-111		-30.00	
9/23/2008	(IC) Lillian Burrows-304		-50.00	
9/23/2008	(IC) Brittany Murphy-109		-50.00	
9/24/2008	(IC) Takia Salyers-118 C		-30.00	
9/24/2008	(IC) George Herbert-114		-30.00	
9/24/2008	(IC) Daneca Dunn-182 Car		-30.00	
9/24/2008	(IC) Peggy Barker-116 Hi		-30.00	
9/24/2008	(IC) Edwina Lemay-101 Tu		-30.00	
9/24/2008	(IC) Roy Browning-409 S.		-30.00	
9/25/2008	(IC) Carl Van Pelt-118 T		-50.00	
9/26/2008	(IC) Tammy Hacker-405 Cr		-50.00	
9/26/2008	(IC) Jovan Pennington-95		-30.00	
9/26/2008	(IC) Heather Durham-230		-50.00	
9/26/2008	(IC) Kathy Brogli-201 Da		-50.00	
9/26/2008	(IC) Joanne Watson-114 P		-50.00	
9/26/2008	(IC) Joseph Serrano-107		-30.00	
9/26/2008	(IC) Delena Smith-112 De		-50.00	
10/1/2008	(IC) Jerry Green- 115 My		-50.00	
10/1/2008	(IC) Jennifer Sears- 127		-50.00	
10/1/2008	(IC) Barbara Montgomery		-50.00	
10/1/2008	(IC) Joe Jackson 128 Mil		-30.00	
10/1/2008	(IC) Melissa Hulett 112		-50.00	
10/1/2008	(IC) Shonda Falconberry		-50.00	
10/2/2008	(IC) A.& Paula Price 126		-30.00	
10/1/2008	(IC) Rebecca Newcomb 212		-30.00	
10/3/2008	(IC) Eddie Anderson Jr.		-50.00	
10/3/2008	(IC) Debbie Anderson 103		-50.00	
10/3/2008	(IC) Delinda Brown 111 W		-50.00	
10/3/2008	(IC) Lisa Smith 404 Stan		-50.00	
10/7/2008	(IC) Ruby Adams 121 Hill		-50.00	
10/9/2008	(IC) Tammy Preston 387 C		-50.00	
10/10/2008	(IC) Rebecca Preston 98		-50.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
10/10/2008	(IC) Nancy Sams 368 Card		-50.00	
10/10/2008	(IC) Todd Folger 202 Car		-50.00	
10/13/2008	(IC) Tamarah Kuhn 114 A		-50.00	
10/16/2008	(IC) Chris Kendrick 116		-50.00	
10/17/2008	(IC) Lora Shell 111 S Ca		-50.00	
10/17/2008	(IC) Christina Ray 101 M		-50.00	
10/17/2008	(IC) Jennifer Croll 139		-50.00	
10/20/2008	(IC) Terri Rhodus 106 Ma		-50.00	
10/20/2008	(IC) Michael Laswell 100		-50.00	
10/21/2008	(IC) Rebecca Newcomb 212		-30.00	
10/21/2008	(IC) Brenda McFerron Map		-30.00	
10/21/2008	(IC) Charles Pittman 115		-30.00	
10/22/2008	(IC) Georgia Smith 122 M		-30.00	
10/22/2008	(IC) Christy Coleman 111		-30.00	
10/23/2008	(IC) Rita Cornett 106 Ar		-30.00	
10/23/2008	(IC) Josh Howard 103 Sue		-20.00	
10/23/2008	(IC) Mona Perry 323 Danv		-30.00	
10/23/2008	(IC) Progressive Tool 13		-30.00	
10/27/2008	(IC) Roy Browning 409 S		-30.00	
10/27/2008	(IC) Jackalope Printing		-50.00	
11/1/2008	(IC) Don Clayborn-123 Pr		-50.00	
11/3/2008	(IC) Ghonna Moberly-128		-30.00	
11/3/2008	(IC) Carolyn Hopkins-215		-20.00	
11/3/2008	(IC) Tiffany Houpp-105 Su		-50.00	
11/3/2008	(IC) Danny Elam-146 Hill		-50.00	
11/3/2008	(IC) Vernon Gilliam-103		-50.00	
11/3/2008	(IC) Kati Montgomery-103		-50.00	
11/3/2008	(IC) John & Henry Maggar		-50.00	
11/4/2008	(IC) Brad Meade-106 Herr		-20.00	
11/4/2008	(IC) Joe Jackson-128 Mil		-30.00	
11/4/2008	(IC) Earl French=148 Hil		-50.00	
11/4/2008	(IC) Darrell Moberly-117		-50.00	
11/5/2008	(IC) Duane King-103 Sue		-50.00	
11/5/2008	(IC) Jackie Shyrock-115		-50.00	
11/5/2008	(IC) Bridgett Jackson-12		-50.00	
11/7/2008	(IC) Gerald Grubbs-312 C		-50.00	
11/7/2008	(IC) Carolyn Hopkins-215		-50.00	
11/7/2008	(IC) Doris Spurlin-409 D		-20.00	
11/10/2008	(IC) Charlotte Brewer-10		-50.00	
11/10/2008	(IC) Earl Foley-118 Pric		-50.00	
11/11/2008	(IC) Pam Doan-Maple Hill		-50.00	
11/11/2008	(IC) Frank & Dana Deney-		-50.00	
11/11/2008	(IC) Nathan Carrier-327		-50.00	
11/12/2008	(IC) Earl French-212 S.		-50.00	
11/13/2008	(IC) Thomas Peters-409 D		-50.00	
11/17/2008	(IC) James Moore-150 Car		-50.00	
11/17/2008	(IC) Wendy Logan-293 Car		-50.00	
11/19/2008	(IC) Russell Howell-110		-50.00	
11/20/2008	(IC) Kristen Collett-320		-50.00	
11/20/2008	(IC) Emma Stewart-302 KY		-50.00	
11/21/2008	(IC) Merle Tyree-229 W.		-50.00	
11/21/2008	(IC) Patrick Ray-386 Dee		-50.00	
11/21/2008	(IC) Nancy Baker-117 Tur		-50.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
11/24/2008	(IC) Joe Jennings-129a H		-50.00	
11/24/2008	(IC) Kristen Hammond-104		-50.00	
11/24/2008	(IC) Universal Guaranty-		-50.00	
11/24/2008	(IC) Joe Jackson-128 Mil		-30.00	
11/24/2008	(IC) Jeff Helton-287 Car		-30.00	
11/24/2008	(IC) Wanda Dailey-111 Ri		-30.00	
11/25/2008	(IC) Margaret Beasley-62		-30.00	
11/25/2008	(IC) Melinda Starks-122		-50.00	
12/1/2008	(IC) Paula Price- 126 He		-30.00	
12/1/2008	(IC) Marty Robbins 103 W		-50.00	
12/1/2008	(IC) U Got the Look 77 S		-50.00	
12/1/2008	(IC) Melodie Devries 138		-30.00	
12/1/2008	(IC) Latisha Austin 104		-50.00	
12/1/2008	(IC) Jovan Pennington 95		-30.00	
12/1/2008	(IC) Ryan Hund 201 Hamil		-50.00	
12/1/2008	(IC) John Maggard 388 Ca		-50.00	
12/1/2008	(IC) Nicole Maggard 313		-50.00	
12/2/2008	(IC) Lee DeForest 409 Da		-50.00	
12/3/2008	(IC) Charles Wiles 409 D		-50.00	
12/5/2008	(IC) Lancaster Tire 101		-30.00	
12/5/2008	(IC) Wayne Davis 105 Tur		-50.00	
12/9/2008	(IC) Sammy Durham 201 Ha		-50.00	
12/10/2008	(IC) Cathy Preston 128 T		-50.00	
12/15/2008	(IC) David McQuerry 117		-30.00	
12/15/2008	(IC) Kandi Grow 118 Pric		-50.00	
12/15/2008	(IC) Jonathan Shell 649		-50.00	
12/17/2008	(IC) Simon Norris 74 Mar		-30.00	
12/17/2008	(IC) Juanita Harrison Ma		-50.00	
12/18/2008	(IC) Cecil Byrd 351 Card		-50.00	
12/22/2008	(IC) Shawnda Buford 62 M		-50.00	
12/22/2008	(IC) Jessica Bailey 236		-50.00	
12/22/2008	(IC) Jeffrey Helton 287		-30.00	
12/23/2008	(IC) Tammy Reyes 104 Sue		-50.00	
12/24/2008	(IC) Brenda McFerron-Map		-30.00	
12/29/2008	(IC) Melissa Hulett-112		-30.00	
12/29/2008	(IC) James McCall-131 De		-30.00	
12/29/2008	(IC) Jeff Helton-287 Car		-30.00	
12/29/2008	(IC) Lora Shell-111 Camp		-30.00	
12/29/2008	(IC) George Herbert-114		-30.00	
12/29/2008	(IC) Carolyn Downs-212 W		-30.00	
1/2/2009	(IC) Emma Gentry Maple H		-50.00	
1/2/2009	(IC) Candace Rutledge 11		-50.00	
1/2/2009	(IC) Chasity Goins 212 C		-30.00	
1/2/2009	(IC) Angela Daugherty 30		-50.00	
1/2/2009	(IC) Shonda Lemay 117 Hi		-50.00	
1/2/2009	(IC) Regina Garcia 114 W		-50.00	
1/5/2009	(IC) Family Worship 129		-50.00	
1/2/2009	(IC) Michael Patrick 212		-50.00	
1/5/2009	(IC) Tim Nunemaker 202 C		-50.00	
1/5/2009	(IC) Sammy Durham 127 Hi		-20.00	
1/5/2009	(IC) Doris Spurlin 409 D		-20.00	
1/6/2009	(IC) Joetta Logan 216 St		-50.00	
1/6/2009	(IC) Dewey Camel 212 S C		-50.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
1/8/2009	(IC) Lisa Domidion 409 D		-50.00	
1/8/2009	(IC) Alvin Masters 110 H		-50.00	
1/8/2009	(IC) Arthur Price 126 He		-30.00	
1/9/2009	(IC) Christina Ray 121 H		-50.00	
1/12/2009	(IC) Estella Pullum 212		-50.00	
1/12/2009	(IC) Angela Suesz 146 Hi		-50.00	
1/12/2009	(IC) James Breeden 126 T		-50.00	
1/12/2009	(IC) Bobbi Gilliam 204 L		-50.00	
1/15/2009	(IC) Joseph Kincaid 214		-50.00	
1/15/2009	(IC) David Merrill 319 D		-30.00	
1/16/2009	(IC) Tonya Chapman 363 C		-50.00	
1/16/2009	(IC) Adrianna Gilbert 12		-50.00	
1/16/2009	(IC) Veronica White 119		-50.00	
1/20/2009	(IC) Stevenson Hargis 10		-50.00	
1/21/2009	(IC) Michelle Hopkins 12		-30.00	
1/21/2009	(IC) Judy Williams 303 C		-30.00	
1/21/2009	(IC) Juanita West 108 To		-30.00	
1/21/2009	(IC) Brenda Rowland 121		-30.00	
1/22/2009	(IC) Kim Weddington 339		-50.00	
1/22/2009	(IC) Hillary Gauntt 309		-30.00	
1/22/2009	(IC) Dawn Sims 110 Sunse		-30.00	
1/22/2009	(IC) Rita Cornett 106 Ar		-30.00	
1/22/2009	(IC) Lora Shell 111 S. C		-30.00	
1/22/2009	(IC) Amanda Taulbee 104		-30.00	
1/22/2009	(IC) William Fields 211		-30.00	
1/22/2009	(IC) Dana Carrier 489 Ca		-30.00	
1/22/2009	(IC) Shane Thomason 20 C		-30.00	
1/22/2009	(IC) James McCall 131 De		-30.00	
1/22/2009	(IC) Jason Wood 108 Haga		-30.00	
1/22/2009	(IC) Jackie Shyrock 115		-30.00	
1/22/2009	(IC) Brittany Murphy 109		-30.00	
1/22/2009	(IC) Stefanie Elam 117 C		-30.00	
1/22/2009	(IC) Charlotte Brewer 10		-30.00	
1/22/2009	(IC) Clara Arthur 103 Pr		-50.00	
1/22/2009	(IC) Chris Kendrick 116		-30.00	
1/23/2009	(IC) Carrie Griffin 122		-30.00	
1/23/2009	(IC) Debra Young 118 Mil		-50.00	
1/23/2009	(IC) Dallas Carpenter 13		-50.00	
1/23/2009	(IC) Vickie Henderson Ma		-30.00	
1/23/2009	(IC) Shawna Tuggle 103		-30.00	
1/26/2009	(IC) Gabe Sepko 108 Magn		-50.00	
1/26/2009	(IC) Betty Huffman 108 H		-50.00	
1/26/2009	(IC) Randy Prewitt 323 D		-50.00	
1/26/2009	(IC) Paula Price 126 Her		-30.00	
1/27/2009	(IC) Rita Gaines 144 Hil		-50.00	
2/2/2009	(IC) John Maggard 396 Ca		-30.00	
2/2/2009	(IC) Delinda Brown 111 W		-30.00	
2/2/2009	(IC) Roger Miller 205 Co		-50.00	
2/2/2009	(IC) Tera Norris 20 Divi		-50.00	
2/2/2009	(IC) David Merrill 319 D		-30.00	
2/2/2009	(IC) Kenneth Montgomery		-50.00	
2/2/2009	(IC) Tanya Gonzalez 225		-50.00	
2/2/2009	(IC) Robert Montgomery 1		-50.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
2/2/2009	(IC) Primary Properties		-50.00	
2/4/2009	(IC) Charles Pittman 115		-30.00	
2/9/2009	(IC) Jerry Musick 127 Hi		-50.00	
2/9/2009	(IC) Crystal Goins 121 1		-50.00	
2/9/2009	(IC) Luna & Wilson 113 T		-30.00	
2/12/2009	(IC) Tammy Burkhart 109		-50.00	
2/13/2009	(IC) Brenda Young 113 Bu		-50.00	
2/13/2009	(IC) Elige Gregory 108 H		-50.00	
2/17/2009	(IC) Charles Pittman 67		-50.00	
2/19/2009	(IC) Judy Adams 108 Pin		-50.00	
2/23/2009	(IC) John Maggard 396 Ca		-30.00	
2/23/2009	(IC) Sarah Lay 212 S Cam		-50.00	
2/23/2009	(IC) Shonda Falconberry		-30.00	
2/23/2009	(IC) Josh Wren 306 W. Bu		-50.00	
2/24/2009	(IC) Janet Lark 112 Cave		-30.00	
2/24/2009	(IC) Rebecca Preston 98		-30.00	
2/24/2009	(IC) Jeffrey Helton 287		-30.00	
2/24/2009	(IC) M. Hernandez 44 Car		-30.00	
2/24/2009	(IC) Brittany Murphy 109		-30.00	
2/24/2009	(IC) Melody Devries 138		-30.00	
2/24/2009	(IC) Gene Marquart 150 C		-50.00	
2/25/2009	(IC) Edwina LeMay 101 Tu		-30.00	
3/2/2009	(IC) Linda McMaine 124 L		-50.00	
3/2/2009	(IC) Raymond Barnes 104		-50.00	
3/2/2009	(IC) Elizabeth Meadows 1		-50.00	
3/2/2009	(IC) James Martin 408 Cr		-50.00	
3/2/2009	(IC) Rick Simpson 212 S		-30.00	
3/2/2009	(IC) Heather Durham 230		-30.00	
3/2/2009	(IC) Billie Brock 209 Ha		-50.00	
3/2/2009	(IC) Becky Osborne 205 C		-50.00	
3/2/2009	(IC) Mildred Eason 109 S		-50.00	
3/2/2009	(IC) Brandon Rife 404 St		-50.00	
3/2/2009	(IC) Horace Devries 324		-50.00	
3/2/2009	(IC) Brenda McFerron Map		-30.00	
3/2/2009	(IC) James Rogers 309 Le		-50.00	
3/2/2009	(IC) Roger Saylor 314 Ri		-50.00	
3/2/2009	(IC) Cindy Peel 304 Card		-50.00	
3/2/2009	(IC) Julia Lopez 202 E.		-50.00	
3/3/2009	(IC) Sandra Wines 107 Co		-50.00	
3/1/2009	(IC) Arthur & Paula Pric		-30.00	
3/5/2009	(IC) Lars Lyman-312 Card		-50.00	
3/9/2009	(IC) Betty Flores-128 Hi		-50.00	
3/9/2009	(IC) April Shearer-107 T		-50.00	
3/16/2009	(IC) Ernestine Daley-409		-50.00	
3/18/2009	(IC) Helen Ritter-127 Pr		-50.00	
3/18/2009	(IC) Cynthia Nery-117 Ma		-50.00	
3/18/2009	(IC) Carl Landrum-121 Ha		-50.00	
3/19/2009	(IC) Elizabeth Ross-287		-50.00	
3/19/2009	(IC) Micah Hurst-101 Pri		-50.00	
3/23/2009	(IC) Christy Coleman 111		-30.00	
3/23/2009	(IC) Jackie Shyrock 115		-30.00	
3/23/2009	(IC) Jeff Greer 149 High		-30.00	
3/24/2009	(IC) Kim Wrenn 125 Arvin		-30.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
3/24/2009	(IC) Cecil Byrd 251 Card		-30.00	
3/24/2009	(IC) James Mc Call 131 D		-30.00	
3/24/2009	(IC) Nancy Sams 368 Card		-30.00	
3/24/2009	(IC) Ronak & Nikul INC.		-50.00	
3/24/2009	(IC) Spurlin Apt. 409 Da		-20.00	
3/24/2009	(IC) Rita Cornett 106 Ar		-30.00	
3/24/2009	(IC) Frank Denney 222 Ha		-30.00	
3/24/2009	(IC) Roy Browning 409 S		-30.00	
3/24/2009	(IC) Umesh Patel 422 S C		-50.00	
3/24/2009	(IC) Lora Shell 111 S Ca		-30.00	
3/24/2009	(IC) Tiffany Phelps 113		-30.00	
3/24/2009	(IC) James Breeden 126 T		-30.00	
3/25/2009	(IC) Justin Hale 105 Hil		-50.00	
3/25/2009	(IC) John Webb 305 Richm		-50.00	
3/25/2009	(IC) Melinda Starks 122		-30.00	
3/25/2009	(IC) Mitchell Ray 111 Bu		-50.00	
3/26/2009	(IC) Jana Reynolds 315 W		-50.00	
3/26/2009	(IC) Lincoln Gilliam 117		-30.00	
3/26/2009	(IC) Charles Beard 220 R		-30.00	
3/26/2009	(IC) Justin Caldwell 117		-50.00	
4/1/2009	(IC) James McQuerry-115		-50.00	
4/1/2009	(IC) Brenda Mcferron-Map		-30.00	
4/1/2009	(IC) Martha Rigsby-101 T		-50.00	
4/1/2009	(IC) Cristy Laswell-210		-50.00	
4/1/2009	(IC) Kati Montgomery-103		-30.00	
4/1/2009	(IC) Mona Raines-115 Her		-50.00	
4/1/2009	(IC) Kim Weddington-339		-30.00	
4/1/2009	(IC) Delinda Brown-212 S		-50.00	
4/2/2009	(IC) Larry Ebert-118 Map		-50.00	
4/3/2009	(IC) Tyrone Spillman-246		-30.00	
4/3/2009	(IC) Amanda Chidester-20		-50.00	
4/3/2009	(IC) Brian Black-404 Sta		-50.00	
4/3/2009	(IC) Henry Maggard-336 S		-50.00	
4/3/2009	(IC) Sarah Workman-128 M		-50.00	
4/7/2009	(IC) Richard Rankin-111		-50.00	
4/8/2009	(IC) Kristen Dennis-110		-50.00	
4/8/2009	(IC) Mavis Cornett-239 C		-50.00	
4/10/2009	(IC) Jose Tipton-103 Tur		-50.00	
4/10/2009	(IC) James Hale-101 Mill		-50.00	
4/10/2009	(IC) Robert Robinson-112		-50.00	
4/13/2009	(IC) Phyllis Neace-124 B		-50.00	
4/17/2009	(IC) Walter Rounsifer 11		-50.00	
4/17/2009	(IC) Brandon Houpp Maple		-50.00	
4/20/2009	(IC) Scott Graham 330 We		-50.00	
4/22/2009	(IC) Meredith Debord 209		-30.00	
4/22/2009	(IC) Christy Coleman 111		-30.00	
4/22/2009	(IC) Rick Simpson 212 S		-30.00	
4/22/2009	(IC) Ted Green 408 Richm		-30.00	
4/22/2009	(IC) Clara Arthur 103 Pr		-30.00	
4/22/2009	(IC) James McCall 131 De		-30.00	
4/22/2009	(IC) Ruth Huffman 332 St		-30.00	
4/22/2009	(IC) PKSC INC. 315 Danvi		-30.00	
4/22/2009	(IC) Kathleen Leavell 31		-30.00	

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
4/22/2009	(IC) Roy Browning 409 S		-30.00	
4/22/2009	(IC) Joe Coyle 115 Hill		-30.00	
4/22/2009	(IC) Robin Parker Maple		-50.00	
4/22/2009	(IC) Felix Maggard 88 Ca		-30.00	
4/23/2009	(IC) Heather Durham 230		-30.00	
4/23/2009	(IC) Greg Burnside 126 D		-50.00	
4/23/2009	(IC) Ronald Gossett 123		-30.00	
4/23/2009	(IC) Cynthia Burgess 112		-30.00	
4/24/2009	(IC) Elige Gregory 108 H		-30.00	
4/24/2009	(IC) Josh Wren 306 W. Bu		-30.00	
4/27/2009	(IC) Russell Preston 227		-50.00	
4/27/2009	(IC) Eric Frye 925 Stanf		-30.00	
4/27/2009	(IC) First Southern 103		-50.00	
4/27/2009	(IC) Chassity Peak 226 C		-50.00	
4/27/2009	(IC) Tammy Preston 387 C		-30.00	
5/1/2009	(IC) Keri Meredith Maple		-50.00	
5/1/2009	(IC) Natasha Baker Maple		-50.00	
5/1/2009	(IC) Paula Price 126 Her		-30.00	
5/4/2009	(IC) Judith Shearer 409		-50.00	
5/4/2009	(IC) Barbara French 112		-50.00	
5/4/2009	(IC) David Sexton 207 Da		-50.00	
5/5/2009	(IC) Bill Mullins 102 Su		-50.00	
5/5/2009	(IC) Mary Smith 121 Lynn		-50.00	
5/7/2009	(IC) Donna Moberly 287 C		-50.00	
5/7/2009	(IC) Dennis Asher 202 Ca		-50.00	
5/8/2009	(IC) Roy Davis 111 Totte		-50.00	
5/8/2009	(IC) Wilson Mgt. Maple H		-20.00	
5/8/2009	(IC) Lisa Burkhart 409 D		-50.00	
5/8/2009	(IC) Leonard Harrison 80		-50.00	
5/8/2009	(IC) Koleta Condon 201 B		-50.00	
5/12/2009	(IC) Kyle Murphy 124 Hig		-50.00	
5/12/2009	(IC) Becky Dillion 105 M		-50.00	
5/12/2009	(IC) Kymillo VanOuter 21		-50.00	
5/12/2009	(IC) Arthur Ison 219 E.		-50.00	
5/13/2009	(IC) Matthew Hart 202 Co		-50.00	
5/13/2009	(IC) June Prater 66 Card		-50.00	
5/13/2009	(IC) Tony Merida 111 W.		-20.00	
5/13/2009	(IC) Tony Merida 109 W.		-20.00	
5/14/2009	(IC) Edward Benson 257 L		-50.00	
5/15/2009	(IC) Brenda McFerron Map		-30.00	
5/18/2009	(IC) Josh Goode 320 Card		-50.00	
5/18/2009	(IC) Jesse Maggard Jr 21		-50.00	
5/19/2009	(IC) Lonnie Napier 105 S		-50.00	
5/19/2009	(IC) Alesa Lansaw-222 Ha		-50.00	
5/19/2009	(IC) Van Winkle-233 Lexi		-50.00	
5/21/2009	(IC) Glenn Hill-102 N. P		-50.00	
5/21/2009	(IC) Amanda Smith-182 Ca		-50.00	
5/21/2009	(IC) John Maggard-388 Ca		-30.00	
5/21/2009	(IC) Michael Ray-108 Sce		-30.00	
5/21/2009	(IC) Michael Murphy-119		-30.00	
5/21/2009	(IC) Jennifer Gibson-201		-30.00	
5/22/2009	(IC) Judy Williams 303 C		-30.00	
5/22/2009	(IC) Debbie White 112 Tu		-30.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
5/22/2009	(IC) Sarah Lay 212 S Cam		-30.00	
5/22/2009	(IC) Tony Merida 112 Lex		-30.00	
5/22/2009	(IC) Elige Gregory 108 H		-30.00	
5/26/2009	(IC) Rita Gaines 144 Hil		-30.00	
5/26/2009	(IC) Clay Clark 218 W. M		-30.00	
5/26/2009	(IC) Brenda McFerron Map		-30.00	
5/26/2009	(IC) Ronald Maupin 284 C		-30.00	
5/26/2009	(IC) Carolyn Rosas 10 Ma		-30.00	
5/26/2009	(IC) Samantha Williams 3		-50.00	
5/26/2009	(IC) Kenneth Brandenburg		-50.00	
5/26/2009	(IC) Community Bank 108		-50.00	
5/26/2009	(IC) Roy Browning 409 S		-30.00	
5/27/2009	(IC) Barbara French 108		-50.00	
5/28/2009	(IC) Larry Flannery Jr.		-50.00	
6/1/2009	(IC) Angela Daugherty 95		-50.00	
6/1/2009	(IC) Alicia Duggins 409		-50.00	
6/1/2009	(IC) Patricia Story 217		-50.00	
6/1/2009	(IC) Nancy Kelly 102 Rid		-50.00	
6/1/2009	(IC) Sean Cundiff 120 Be		-50.00	
6/1/2009	(IC) Arthur Price 126 He		-30.00	
6/1/2009	(IC) Christopher Turner		-50.00	
6/1/2009	(IC) John Maggard 396 Ca		-30.00	
6/1/2009	(IC) Ashley Clark 101 Pr		-50.00	
6/1/2009	(IC) Cathy Bottom 158 Hi		-50.00	
6/2/2009	(IC) Mark Ross 216 Stanf		-50.00	
6/5/2009	(IC) Dolly Anderson 117		-50.00	
6/10/2009	(IC) Earl French 212 S C		-50.00	
6/12/2009	(IC) Evan Seagraves 107		-20.00	
6/12/2009	(IC) Ray Sturgeon 227 Wa		-50.00	
6/15/2009	(IC) Christopher Turner		-50.00	
6/15/2009	(IC) James Stinnett Mapl		-50.00	
6/15/2009	(IC) Sue Lawless 101 Buc		-50.00	
6/15/2009	(IC) Sandy Woods 107 1/2		-50.00	
6/17/2009	(IC) Josh Howard 104 Tur		-50.00	
6/17/2009	(IC) Amy Hart 309 Richmo		-50.00	
6/17/2009	(IC) Daniel Garwood 225		-50.00	
6/17/2009	(IC) Matthew Cobb 326 St		-50.00	
6/18/2009	(IC) Michael Warren 12 D		-50.00	
6/18/2009	(IC) Lawson Tire 101 Cra		-50.00	
6/19/2009	(IC) Darcy Walls 122 Her		-50.00	
6/22/2009	(IC) Gerald Grubbs 95 Ca		-50.00	
6/22/2009	(IC) Gerald Grubbs 103 C		-50.00	
6/22/2009	(IC) Chris Kendrick 116		-30.00	
6/22/2009	(IC) Donna Allen 320 Dan		-50.00	
6/23/2009	(IC) Russell Preston 649		-50.00	
6/23/2009	(IC) Simon Norris 74 Mar		-30.00	
6/24/2009	(IC) Jason Weathers 109		-30.00	
6/24/2009	(IC) Georgia Smith 122 M		-30.00	
6/24/2009	(IC) Gabriel Sepko 108 M		-30.00	
6/24/2009	(IC) James Bushnell 111		-50.00	
6/24/2009	(IC) Paula Price 126 Her		-30.00	
6/25/2009	(IC) Godfather's Pizza 2		-50.00	
6/25/2009	(IC) Lancaster Liquor 23		-50.00	

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-4740.40	Turn on/off Charges(Cont'd)			
6/25/2009	(IC) Peggy Foley 357 Dee		-50.00	
6/25/2009	(IC) Joseph Russell 120		-50.00	
6/26/2009	(IC) Lora Shell 111 S Ca		-30.00	
6/26/2009	(IC) Cindy Peel 304 Card		-30.00	
200-4740.40	ACCOUNT TOTAL	0.00	-22,670.00	-22,670.00
200-6010.20	Salaries/Wages Plant			
	Prev Bal	0.00		
7/11/2008	(PR) 7/11/2008 Payroll	4,730.33		
7/25/2008	(PR) 7/25/2008 Payroll	4,059.76		
8/8/2008	(PR) 8/8/2008 Payroll	4,236.68		
8/22/2008	(PR) 8/22/2008 Payroll	4,161.03		
9/5/2008	(PR) 9/5/2008 Payroll	4,791.38		
9/19/2008	(PR) 9/19/2008 Payroll	4,206.21		
10/3/2008	(PR) 10/3/2008 Payroll	4,112.91		
10/17/2008	(PR) 10/17/2008 Payroll	4,254.83		
10/31/2008	(PR) 10/31/2008 Payroll	4,847.22		
11/14/2008	(PR) 11/14/2008 Payroll	4,426.51		
11/28/2008	(PR) 11/28/2008 Payroll	4,116.83		
12/12/2008	(PR) 12/12/2008 Payroll	5,234.26		
12/26/2008	(PR) 12/26/2008 Payroll	5,295.56		
1/9/2009	(PR) 1/9/2009 Payroll	6,115.63		
1/23/2009	(PR) 1/23/2009 Payroll	5,367.35		
2/6/2009	(PR) 2/6/2009 Payroll	5,285.11		
2/20/2009	(PR) 2/20/2009 Payroll	4,889.19		
3/6/2009	(PR) 3/6/2009 Payroll	4,473.43		
3/20/2009	(PR) 3/20/2009 Payroll	4,325.95		
4/3/2009	(PR) 4/3/2009 Payroll	4,881.64		
4/17/2009	(PR) 4/17/2009 Payroll	4,432.58		
5/1/2009	(PR) 5/1/2009 Payroll	4,490.34		
5/15/2009	(PR) 5/15/2009 Payroll	4,449.45		
5/29/2009	(PR) 5/29/2009 Payroll	4,984.07		
6/12/2009	(PR) 6/12/2009 Payroll	4,428.20		
6/26/2009	(PR) 6/26/2009 Payroll	4,500.47		
200-6010.20	ACCOUNT TOTAL	121,096.92	0.00	121,096.92
200-6010.40	Salaries/Wages Distributi			
	Prev Bal	0.00		
7/11/2008	(PR) 7/11/2008 Payroll	2,098.55		
7/25/2008	(PR) 7/25/2008 Payroll	1,608.51		
8/8/2008	(PR) 8/8/2008 Payroll	932.54		
8/22/2008	(PR) 8/22/2008 Payroll	763.20		
9/5/2008	(PR) 9/5/2008 Payroll	806.13		
9/19/2008	(PR) 9/19/2008 Payroll	1,643.31		
10/3/2008	(PR) 10/3/2008 Payroll	1,483.20		
10/17/2008	(PR) 10/17/2008 Payroll	1,818.50		
10/31/2008	(PR) 10/31/2008 Payroll	1,686.25		
11/14/2008	(PR) 11/14/2008 Payroll	1,666.50		
11/28/2008	(PR) 11/28/2008 Payroll	1,668.50		
12/12/2008	(PR) 12/12/2008 Payroll	1,560.75		
12/26/2008	(PR) 12/26/2008 Payroll	1,841.00		
1/9/2009	(PR) 1/9/2009 Payroll	1,650.00		
1/23/2009	(PR) 1/23/2009 Payroll	1,753.88		
2/6/2009	(PR) 2/6/2009 Payroll	1,711.19		
2/20/2009	(PR) 2/20/2009 Payroll	1,567.13		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6010.40	Salaries/Wages Distributi(Cont'd)			
3/6/2009	(PR) 3/6/2009 Payroll	1,666.25		
3/20/2009	(PR) 3/20/2009 Payroll	1,650.00		
4/3/2009	(PR) 4/3/2009 Payroll	1,826.25		
4/17/2009	(PR) 4/17/2009 Payroll	1,304.00		
5/1/2009	(PR) 5/1/2009 Payroll	1,548.00		
5/15/2009	(PR) 5/15/2009 Payroll	1,877.75		
5/29/2009	(PR) 5/29/2009 Payroll	1,484.00		
6/12/2009	(PR) 6/12/2009 Payroll	1,499.00		
6/26/2009	(PR) 6/26/2009 Payroll	1,801.75		
200-6010.40	ACCOUNT TOTAL	40,916.14	0.00	40,916.14
200-6040.10	Empl Benef/Pension Raw Wa	0.00		
3/19/2009	(AP) 0242 City Payroll Fu	358.41		
200-6040.10	ACCOUNT TOTAL	358.41	0.00	358.41
200-6040.20	Empl Benef/Pension Plant	0.00		
6/26/2008	(AP) 0141 Kentucky Utilit	10.90		
6/26/2008	(AP) 0141 Kentucky Utilit	3,352.24		
7/1/2008	(AP) 0663 Troy Deshon	75.00		
7/1/2008	(AP) 0893 Greg Shearer	75.00		
7/1/2008	(AP) 0488 Michael Davis	75.00		
7/10/2008	(AP) 0242 City Payroll Fu	588.91		
7/11/2008	(PR) 7/11/2008 Payroll	349.61		
7/25/2008	(PR) 7/25/2008 Payroll	298.68		
7/21/2008	(AP) 0192 Anthem BCBS KY	1,494.76		
7/24/2008	(AP) 0242 City Payroll Fu	517.02		
8/8/2008	(PR) 8/8/2008 Payroll	314.08		
8/7/2008	(AP) 0242 City Payroll Fu	519.17		
8/22/2008	(PR) 8/22/2008 Payroll	307.76		
8/21/2008	(AP) 0242 City Payroll Fu	515.94		
8/22/2008	(AP) 0192 Anthem BCBS KY	1,494.76		
9/4/2008	(AP) 0242 City Payroll Fu	584.74		
9/5/2008	(PR) 9/5/2008 Payroll	355.49		
9/19/2008	(PR) 9/19/2008 Payroll	310.96		
9/18/2008	(AP) 0242 City Payroll Fu	522.82		
9/22/2008	(AP) 0192 Anthem BCBS KY	1,494.76		
10/1/2008	(AP) 0663 Troy Deshon	75.00		
10/1/2008	(AP) 0893 Greg Shearer	75.00		
10/1/2008	(AP) 0488 Michael Davis	75.00		
10/2/2008	(AP) 0242 City Payroll Fu	524.19		
10/3/2008	(PR) 10/3/2008 Payroll	302.54		
10/17/2008	(PR) 10/17/2008 Payroll	315.94		
10/16/2008	(AP) 0242 City Payroll Fu	516.96		
10/31/2008	(PR) 10/31/2008 Payroll	358.18		
10/30/2008	(AP) 0242 City Payroll Fu	603.92		
11/13/2008	(AP) 0242 City Payroll Fu	597.58		
11/14/2008	(PR) 11/14/2008 Payroll	327.96		
11/28/2008	(PR) 11/28/2008 Payroll	303.73		
11/26/2008	(AP) 0242 City Payroll Fu	516.96		
12/12/2008	(PR) 12/12/2008 Payroll	386.13		
12/11/2008	(AP) 0242 City Payroll Fu	657.72		
12/23/2008	(AP) 0242 City Payroll Fu	683.85		
12/26/2008	(PR) 12/26/2008 Payroll	392.64		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6040.20	Empl Benef/Pension Plant(Cont'd)			
12/23/2008	(AP) 0192 Anthem BCBS KY	2,242.14		
1/5/2009	(AP) 0663 Troy Deshon	75.00		
1/5/2009	(AP) 0893 Greg Shearer	75.00		
1/7/2009	(AP) 0190 Division Of Une	95.61		
1/8/2009	(AP) 0242 City Payroll Fu	775.93		
1/8/2009	(AP) 1207 Tom Robinson	75.00		
1/22/2009	(AP) 0242 City Payroll Fu	724.59		
1/9/2009	(PR) 1/9/2009 Payroll	518.60		
1/23/2009	(PR) 1/23/2009 Payroll	454.49		
2/5/2009	(AP) 0242 City Payroll Fu	713.49		
2/6/2009	(PR) 2/6/2009 Payroll	446.97		
1/14/2009	(AP) 1006 Urgent Treatmen	38.00		
2/19/2009	(AP) 0242 City Payroll Fu	660.04		
2/20/2009	(AP) 0192 Anthem BCBS KY	2,914.78		
2/20/2009	(PR) 2/20/2009 Payroll	413.14		
3/6/2009	(PR) 3/6/2009 Payroll	378.77		
3/20/2009	(PR) 3/20/2009 Payroll	374.65		
3/5/2009	(AP) 0242 City Payroll Fu	565.10		
3/19/2009	(AP) 0242 City Payroll Fu	555.28		
3/20/2009	(AP) 0192 Anthem BCBS KY	2,428.99		
4/1/2009	(AP) 0663 Troy Deshon	75.00		
4/1/2009	(AP) 0893 Greg Shearer	75.00		
4/1/2009	(AP) 1207 Tom Robinson	75.00		
4/1/2009	(AP) 1306 Robert Shults	75.00		
4/1/2009	(AP) 1307 Robert Tudor	75.00		
4/2/2009	(AP) 0242 City Payroll Fu	627.97		
4/3/2009	(AP) 0190 Division Of Une	678.37		
4/16/2009	(AP) 0242 City Payroll Fu	561.14		
4/3/2009	(PR) 4/3/2009 Payroll	408.77		
4/17/2009	(PR) 4/17/2009 Payroll	367.32		
4/21/2009	(AP) 0192 Anthem BCBS KY	2,428.98		
4/30/2009	(AP) 0242 City Payroll Fu	575.15		
5/14/2009	(AP) 0242 City Payroll Fu	564.19		
5/20/2009	(AP) 0192 Anthem BCBS KY	2,428.98		
5/1/2009	(PR) 5/1/2009 Payroll	364.70		
5/15/2009	(PR) 5/15/2009 Payroll	357.41		
5/29/2009	(PR) 5/29/2009 Payroll	392.65		
5/28/2009	(AP) 0242 City Payroll Fu	638.69		
6/11/2009	(AP) 0242 City Payroll Fu	562.88		
6/12/2009	(PR) 6/12/2009 Payroll	345.75		
6/26/2009	(PR) 6/26/2009 Payroll	337.23		
6/25/2009	(AP) 0242 City Payroll Fu	570.30		
200-6040.20	ACCOUNT TOTAL	47,081.95	0.00	47,081.95
200-6040.40	Empl Benef/Pension Dist			
7/1/2008	(AP) A1038 Stacy Grow	75.00		
7/1/2008	(AP) 0896 Larry R. Stinne	75.00		
7/10/2008	(AP) 0242 City Payroll Fu	136.52		
7/11/2008	(PR) 7/11/2008 Payroll	162.30		
7/25/2008	(PR) 7/25/2008 Payroll	124.60		
7/21/2008	(AP) 0192 Anthem BCBS KY	747.38		
7/24/2008	(AP) 0242 City Payroll Fu	108.83		
8/8/2008	(PR) 8/8/2008 Payroll	67.78		
	Prev Bal	0.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6040.40	Empl Benef/Pension Dist(Cont'd)			
8/7/2008	(AP) 0242 City Payroll Fu	125.89		
8/22/2008	(PR) 8/22/2008 Payroll	55.46		
8/21/2008	(AP) 0242 City Payroll Fu	103.03		
8/22/2008	(AP) 0192 Anthem BCBS KY	747.38		
8/26/2008	(AP) 0141 Kentucky Utilit	11.20		
9/4/2008	(AP) 0242 City Payroll Fu	108.83		
9/5/2008	(PR) 9/5/2008 Payroll	58.58		
9/19/2008	(PR) 9/19/2008 Payroll	127.01		
9/18/2008	(AP) 0242 City Payroll Fu	221.85		
9/22/2008	(AP) 0192 Anthem BCBS KY	747.38		
10/1/2008	(AP) A1038 Stacy Grow	75.00		
10/1/2008	(AP) 0896 Larry R. Stinne	75.00		
10/1/2008	(AP) 1202 Jeff Buchenroth	75.00		
10/2/2008	(AP) 0242 City Payroll Fu	200.23		
10/3/2008	(AP) 0190 Division Of Une	56.24		
10/3/2008	(PR) 10/3/2008 Payroll	115.87		
10/17/2008	(PR) 10/17/2008 Payroll	141.02		
10/16/2008	(AP) 0242 City Payroll Fu	245.50		
10/21/2008	(AP) 0192 Anthem BCBS KY	2,242.14		
10/31/2008	(PR) 10/31/2008 Payroll	133.01		
10/30/2008	(AP) 0242 City Payroll Fu	227.64		
11/13/2008	(AP) 0242 City Payroll Fu	224.98		
11/14/2008	(PR) 11/14/2008 Payroll	129.33		
11/28/2008	(PR) 11/28/2008 Payroll	128.51		
11/26/2008	(AP) 0242 City Payroll Fu	225.25		
12/1/2008	(AP) 0192 Anthem BCBS KY	1,868.45		
12/8/2008	(AP) 0663 Troy Deshon	40.00		
12/8/2008	(AP) 0893 Greg Shearer	40.00		
12/8/2008	(AP) 0661 Paul Black	40.00		
12/8/2008	(AP) 0488 Michael Davis	40.00		
12/8/2008	(AP) A1038 Stacy Grow	40.00		
12/8/2008	(AP) 1202 Jeff Buchenroth	40.00		
12/8/2008	(AP) 0896 Larry R. Stinne	40.00		
12/8/2008	(AP) 1292 Carla Payton	20.00		
12/12/2008	(PR) 12/12/2008 Payroll	121.80		
12/11/2008	(AP) 0242 City Payroll Fu	210.70		
12/23/2008	(AP) 0242 City Payroll Fu	248.54		
12/26/2008	(PR) 12/26/2008 Payroll	142.65		
1/5/2009	(AP) A1038 Stacy Grow	75.00		
1/5/2009	(AP) 1202 Jeff Buchenroth	75.00		
1/8/2009	(AP) 0242 City Payroll Fu	222.75		
1/20/2009	(AP) 0192 Anthem BCBS KY	2,989.52		
1/22/2009	(AP) 0242 City Payroll Fu	236.77		
1/9/2009	(PR) 1/9/2009 Payroll	139.13		
1/23/2009	(PR) 1/23/2009 Payroll	147.92		
2/5/2009	(AP) 0242 City Payroll Fu	231.01		
2/6/2009	(PR) 2/6/2009 Payroll	144.44		
2/19/2009	(AP) 0242 City Payroll Fu	211.56		
2/20/2009	(PR) 2/20/2009 Payroll	132.12		
3/6/2009	(PR) 3/6/2009 Payroll	140.57		
3/20/2009	(PR) 3/20/2009 Payroll	142.43		
3/5/2009	(AP) 0242 City Payroll Fu	224.99		
3/19/2009	(AP) 0242 City Payroll Fu	222.75		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6040.40	Empl Benef/Pension Dist(Cont'd)			
4/1/2009	(AP) A1038 Stacy Grow	75.00		
4/1/2009	(AP) 1202 Jeff Buchenroth	75.00		
4/2/2009	(AP) 0242 City Payroll Fu	246.54		
4/16/2009	(AP) 0242 City Payroll Fu	176.04		
4/3/2009	(PR) 4/3/2009 Payroll	157.66		
4/17/2009	(PR) 4/17/2009 Payroll	112.80		
4/30/2009	(AP) 0242 City Payroll Fu	208.98		
5/14/2009	(AP) 0242 City Payroll Fu	253.50		
5/1/2009	(PR) 5/1/2009 Payroll	126.77		
5/15/2009	(PR) 5/15/2009 Payroll	147.09		
5/29/2009	(PR) 5/29/2009 Payroll	116.90		
5/28/2009	(AP) 0242 City Payroll Fu	200.34		
6/11/2009	(AP) 0242 City Payroll Fu	202.37		
6/12/2009	(PR) 6/12/2009 Payroll	112.98		
6/22/2009	(AP) 0192 Anthem BCBS KY	2,620.87		
6/26/2009	(PR) 6/26/2009 Payroll	130.39		
6/25/2009	(AP) 0242 City Payroll Fu	243.24		
200-6040.40	ACCOUNT TOTAL	21,533.31	0.00	21,533.31
200-6040.50	Empl Benef/Pension Admin			
6/26/2008	(AP) 0281 Lindas Custom S	281.82		
7/7/2008	(AP) 0190 Division Of Une	157.23		
1/9/2009	(PR) 1/9/2009 Payroll	16.66		
1/23/2009	(PR) 1/23/2009 Payroll	17.28		
2/6/2009	(PR) 2/6/2009 Payroll	17.28		
2/20/2009	(PR) 2/20/2009 Payroll	16.66		
3/6/2009	(PR) 3/6/2009 Payroll	16.81		
3/20/2009	(PR) 3/20/2009 Payroll	13.20		
200-6040.50	ACCOUNT TOTAL	536.94	0.00	536.94
200-6150.10	Utilities Raw Wa			
6/26/2008	(AP) 0136 Inter-County En	10.56		
6/26/2008	(AP) 0136 Inter-County En	10,391.72		
7/3/2008	(AP) 0136 Inter-County En	81.97		
7/21/2008	(AP) 0141 Kentucky Utilit	11.13		
7/30/2008	(AP) 0136 Inter-County En	12,028.27		
7/30/2008	(AP) 0136 Inter-County En	9.62		
8/5/2008	(AP) 0136 Inter-County En	78.54		
8/19/2008	(AP) 0141 Kentucky Utilit	11.20		
8/27/2008	(AP) 0136 Inter-County En	12,872.24		
8/27/2008	(AP) 0136 Inter-County En	10.01		
9/4/2008	(AP) 0136 Inter-County En	82.87		
9/18/2008	(AP) 0141 Kentucky Utilit	11.06		
9/26/2008	(AP) 0136 Inter-County En	12,376.03		
9/26/2008	(AP) 0136 Inter-County En	10.21		
10/7/2008	(AP) 0136 Inter-County En	86.65		
10/17/2008	(AP) 0141 Kentucky Utilit	11.10		
10/28/2008	(AP) 0136 Inter-County En	12,034.34		
10/28/2008	(AP) 0136 Inter-County En	10.20		
11/5/2008	(AP) 0136 Inter-County En	67.79		
11/17/2008	(AP) 0141 Kentucky Utilit	11.12		
12/1/2008	(AP) 0136 Inter-County En	15,229.01		
12/1/2008	(AP) 0136 Inter-County En	10.54		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6150.10	Utilities Raw Wa(Cont'd)			
12/4/2008	(AP) 0136 Inter-County En	86.82		
12/16/2008	(AP) 0141 Kentucky Utilit	11.26		
1/2/2009	(AP) 0136 Inter-County En	10,439.24		
1/2/2009	(AP) 0136 Inter-County En	10.64		
1/5/2009	(AP) 0136 Inter-County En	272.25		
1/20/2009	(AP) 0141 Kentucky Utilit	11.23		
1/29/2009	(AP) 0136 Inter-County En	8,917.10		
1/29/2009	(AP) 0136 Inter-County En	10.62		
2/3/2009	(AP) 0136 Inter-County En	284.85		
2/18/2009	(AP) 0141 Kentucky Utilit	11.23		
2/25/2009	(AP) 0141 Kentucky Utilit	104.49		
2/27/2009	(AP) 0136 Inter-County En	12,404.65		
2/27/2009	(AP) 0136 Inter-County En	10.03		
3/4/2009	(AP) 0136 Inter-County En	401.17		
3/16/2009	(AP) 0141 Kentucky Utilit	11.23		
3/27/2009	(AP) 0136 Inter-County En	10.32		
3/27/2009	(AP) 0136 Inter-County En	10,860.81		
4/7/2009	(AP) 0136 Inter-County En	323.14		
4/16/2009	(AP) 0141 Kentucky Utilit	11.81		
5/1/2009	(AP) 0136 Inter-County En	9,147.99		
5/1/2009	(AP) 0136 Inter-County En	10.56		
5/1/2009	(AP) 0141 Kentucky Utilit	91.86		
5/5/2009	(AP) 0136 Inter-County En	202.21		
5/15/2009	(AP) 0141 Kentucky Utilit	11.52		
5/27/2009	(AP) 0141 Kentucky Utilit	45.63		
6/2/2009	(AP) 0136 Inter-County En	39.38		
6/2/2009	(AP) 0136 Inter-County En	11.10		
6/9/2009	(AP) 0136 Inter-County En	131.91		
6/9/2009	(AP) 0136 Inter-County En	13.44		
6/17/2009	(AP) 0141 Kentucky Utilit	11.04		
200-6150.10	ACCOUNT TOTAL	129,355.71	0.00	129,355.71
200-6150.20	Utilities Plant			
	Prev Bal	0.00		
7/30/2008	(AP) 0141 Kentucky Utilit	3,620.91		
7/30/2008	(AP) 0141 Kentucky Utilit	11.13		
8/26/2008	(AP) 0141 Kentucky Utilit	3,750.02		
9/24/2008	(AP) 0141 Kentucky Utilit	3,811.07		
9/24/2008	(AP) 0141 Kentucky Utilit	11.06		
10/23/2008	(AP) 0141 Kentucky Utilit	3,709.83		
10/23/2008	(AP) 0141 Kentucky Utilit	11.10		
12/1/2008	(AP) 0141 Kentucky Utilit	3,669.48		
12/1/2008	(AP) 0141 Kentucky Utilit	11.12		
1/2/2009	(AP) 0141 Kentucky Utilit	17.92		
1/2/2009	(AP) 0141 Kentucky Utilit	4,003.50		
1/27/2009	(AP) 0141 Kentucky Utilit	48.03		
1/27/2009	(AP) 0141 Kentucky Utilit	4,520.77		
1/27/2009	(AP) 0169 Windstream Kent	103.82		
2/25/2009	(AP) 0141 Kentucky Utilit	4,054.76		
2/25/2009	(AP) 0141 Kentucky Utilit	66.49		
3/27/2009	(AP) 0141 Kentucky Utilit	3,788.25		
3/27/2009	(AP) 0141 Kentucky Utilit	43.12		
4/28/2009	(AP) 0141 Kentucky Utilit	4,582.85		
4/28/2009	(AP) 0141 Kentucky Utilit	17.02		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6150.20	Utilities Plant(Cont'd)			
5/27/2009	(AP) 0141 Kentucky Utilit	3,981.67		
5/27/2009	(AP) 0141 Kentucky Utilit	12.26		
200-6150.20	ACCOUNT TOTAL	43,846.18	0.00	43,846.18
200-6150.50	Utilities City Hall			
	Prev Bal	0.00		
6/26/2008	(AP) 0141 Kentucky Utilit	407.26		
6/26/2008	(AP) 0141 Kentucky Utilit	917.19		
7/30/2008	(AP) 0141 Kentucky Utilit	460.49		
7/30/2008	(AP) 0141 Kentucky Utilit	836.65		
8/26/2008	(AP) 0141 Kentucky Utilit	591.35		
8/26/2008	(AP) 0141 Kentucky Utilit	930.88		
9/24/2008	(AP) 0141 Kentucky Utilit	591.71		
9/24/2008	(AP) 0141 Kentucky Utilit	958.57		
12/1/2008	(AP) 0141 Kentucky Utilit	525.18		
1/2/2009	(AP) 0141 Kentucky Utilit	1,595.27		
1/2/2009	(AP) 0141 Kentucky Utilit	747.26		
1/2/2009	(AP) 0160 Orkin Pest Cont	41.09		
1/27/2009	(AP) 0141 Kentucky Utilit	1,190.91		
1/27/2009	(AP) 0141 Kentucky Utilit	1,727.63		
2/25/2009	(AP) 0141 Kentucky Utilit	920.76		
2/25/2009	(AP) 0141 Kentucky Utilit	1,179.54		
3/27/2009	(AP) 0141 Kentucky Utilit	1,118.15		
3/27/2009	(AP) 0141 Kentucky Utilit	704.93		
4/28/2009	(AP) 0141 Kentucky Utilit	368.08		
4/28/2009	(AP) 0141 Kentucky Utilit	1,237.80		
5/27/2009	(AP) 0141 Kentucky Utilit	209.94		
5/27/2009	(AP) 0141 Kentucky Utilit	850.35		
200-6150.50	ACCOUNT TOTAL	18,110.99	0.00	18,110.99
200-6180.20	Chemicals Plant			
	Prev Bal	0.00		
6/17/2008	(AP) 0110 C.I. Thornburg	1,512.00		
6/18/2008	(AP) 0196 Univar USA Inc	3,898.80		
6/25/2008	(AP) 1245 CedarChem, LLC	1,309.50		
6/23/2008	(AP) 0133 Hach Company	192.83		
6/23/2008	(AP) 0177 Usa Bluebook	161.66		
6/27/2008	(AP) 0110 C.I. Thornburg	980.00		
6/27/2008	(AP) 0110 C.I. Thornburg	81.14		
7/3/2008	(AP) 0110 C.I. Thornburg	225.00		
7/11/2008	(AP) 0110 C.I. Thornburg	3,818.80		
7/30/2008	(AP) 0110 C.I. Thornburg	784.00		
7/30/2008	(AP) 0110 C.I. Thornburg	225.00		
8/14/2008	(AP) 0110 C.I. Thornburg	897.75		
8/26/2008	(AP) 1245 CedarChem, LLC	1,713.00		
8/23/2008	(AP) 0196 Univar USA Inc	4,195.80		
8/25/2008	(AP) 0110 C.I. Thornburg	2,284.60		
8/21/2008	(AP) 0110 C.I. Thornburg	84.23		
9/29/2008	(AP) 0110 C.I. Thornburg	142.00		
9/15/2008	(AP) 0110 C.I. Thornburg	1,183.25		
10/13/2008	(AP) 0110 C.I. Thornburg	1,375.60		
10/31/2008	(AP) 0110 C.I. Thornburg	1,175.85		
10/16/2008	(AP) 1245 CedarChem, LLC	1,309.50		
11/4/2008	(AP) 0196 Univar USA Inc	4,943.32		
11/3/2008	(AP) 0110 C.I. Thornburg	320.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6180.20	Chemicals Plant(Cont'd)			
11/25/2008	(AP) 0110 C.I. Thornburg	83.99		
11/21/2008	(AP) 0110 C.I. Thornburg	1,058.40		
12/12/2008	(AP) 0110 C.I. Thornburg	767.00		
12/4/2008	(AP) 0110 C.I. Thornburg	1,775.60		
12/31/2008	(AP) 0110 C.I. Thornburg	869.20		
1/7/2009	(AP) 1245 CedarChem, LLC	1,929.00		
1/16/2009	(AP) 0110 C.I. Thornburg	1,033.60		
1/16/2009	(AP) 0196 Univar USA Inc	5,619.60		
2/3/2009	(AP) 0110 C.I. Thornburg	812.25		
2/23/2009	(AP) 0110 C.I. Thornburg	1,033.60		
3/3/2009	(AP) 1245 CedarChem, LLC	1,128.00		
2/26/2009	(AP) 0110 C.I. Thornburg	1,019.25		
3/9/2009	(AP) 1245 CedarChem, LLC	873.00		
3/9/2009	(AP) 1245 CedarChem, LLC	873.00		
3/23/2009	(AP) 0110 C.I. Thornburg	473.65		
3/31/2009	(AP) 0110 C.I. Thornburg	2,349.25		
4/10/2009	(AP) 0110 C.I. Thornburg	84.15		
4/9/2009	(AP) 1144 Fouser Environm	86.00		
4/8/2009	(AP) 0196 Univar USA Inc	6,017.76		
4/22/2009	(AP) 0110 C.I. Thornburg	1,052.25		
4/30/2009	(AP) 0110 C.I. Thornburg	2,178.25		
5/12/2009	(AP) 1275 Southeastern La	1,246.02		
5/27/2009	(AP) 1275 Southeastern La	1,244.75		
5/18/2009	(AP) 1275 Southeastern La	1,234.17		
6/4/2009	(AP) 0110 C.I. Thornburg	2,520.25		
6/8/2009	(AP) 1245 CedarChem, LLC	1,692.00		
200-6180.20	ACCOUNT TOTAL	71,867.62	0.00	71,867.62
200-6200.10	Materials/Supplies Raw Wa			
	Prev Bal	0.00		
8/18/2008	(AP) 0306 Elite Petroleum	295.00		
1/14/2009	(AP) 1142 Family Dollar S	20.75		
3/11/2009	(AP) 0130 Garrard Hardwar	867.05		
3/31/2009	(AP) 0306 Elite Petroleum	295.00		
3/13/2009	(AP) 0130 Garrard Hardwar	9.46		
3/4/2009	(AP) 0130 Garrard Hardwar	68.43		
4/13/2009	(AP) 0161 Red Bud Supply,	70.33		
4/13/2009	(AP) 0642 Service Special	725.40		
5/15/2009	(AP) 1332 Rick Sowder Exc	800.00		
200-6200.10	ACCOUNT TOTAL	3,151.42	0.00	3,151.42
200-6200.20	Materials/Supplies Plant			
	Prev Bal	0.00		
6/17/2008	(AP) 0367 Ferguson Enterp	14.55		
6/20/2008	(AP) 0803 Carter Printing	195.00		
7/2/2008	(AP) 0739 East Lawn Care	480.00		
6/16/2008	(AP) 0815 Kolortech, Inc.	118.39		
7/2/2008	(AP) 0161 Red Bud Supply,	197.55		
6/12/2008	(AP) 0815 Kolortech, Inc.	86.25		
6/21/2008	(AP) 0130 Garrard Hardwar	541.60		
6/9/2008	(AP) 0130 Garrard Hardwar	20.00		
5/26/2008	(AP) 0130 Garrard Hardwar	51.92		
7/16/2008	(AP) 0152 Town & Country	620.70		
7/22/2008	(AP) 0130 Garrard Hardwar	34.14		
6/26/2008	(AP) 0130 Garrard Hardwar	38.68		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6200.20	Materials/Supplies Plant(Cont'd)			
6/24/2008	(AP) 0130 Garrard Hardwar	66.51		
7/29/2008	(AP) 0110 C.I. Thornburg	81.19		
8/8/2008	(AP) 0642 Service Special	940.85		
9/1/2008	(AP) 0125 Feldman Electri	280.00		
9/3/2008	(AP) 0375 Gleenline Imple	83.10		
9/3/2008	(AP) 1226 J & J Systems P	387.50		
9/2/2008	(AP) 0133 Hach Company	154.74		
9/8/2008	(AP) 0133 Hach Company	12.19		
9/22/2008	(AP) 0704 Visa	54.13		
9/22/2008	(AP) 0704 Visa	180.19		
9/17/2008	(AP) 0110 C.I. Thornburg	104.02		
9/17/2008	(AP) 1239 Graphic Control	251.31		
10/7/2008	(AP) 0130 Garrard Hardwar	63.28		
10/7/2008	(AP) 0130 Garrard Hardwar	95.45		
10/7/2008	(AP) 0130 Garrard Hardwar	132.38		
10/7/2008	(AP) 0130 Garrard Hardwar	35.19		
10/8/2008	(AP) 0113 Continental Hyd	169.56		
10/13/2008	(AP) 1142 Family Dollar S	13.00		
9/17/2008	(AP) 0161 Red Bud Supply,	199.40		
9/30/2008	(AP) 0110 C.I. Thornburg	84.26		
10/24/2008	(AP) 1142 Family Dollar S	37.44		
10/30/2008	(AP) 0110 C.I. Thornburg	84.18		
8/28/2008	(AP) 0825 Danville Bottle	31.00		
10/13/2008	(AP) 0825 Danville Bottle	8.00		
10/13/2008	(AP) 0825 Danville Bottle	11.60		
8/28/2008	(AP) 0825 Danville Bottle	60.00		
11/18/2008	(AP) 0704 Visa	261.76		
11/1/2008	(AP) 0130 Garrard Hardwar	100.58		
11/24/2008	(AP) 0130 Garrard Hardwar	54.32		
11/7/2008	(AP) 0130 Garrard Hardwar	119.62		
11/3/2008	(AP) 0130 Garrard Hardwar	250.00		
11/21/2008	(AP) 0642 Service Special	4,014.34		
10/31/2008	(AP) 0642 Service Special	21,306.18		
11/11/2008	(AP) 0133 Hach Company	177.90		
12/9/2008	(AP) 0162 Reliance Fire P	140.00		
12/9/2008	(AP) 0162 Reliance Fire P	127.00		
12/9/2008	(AP) 0162 Reliance Fire P	154.45		
12/9/2008	(AP) 0162 Reliance Fire P	93.50		
1/6/2009	(AP) 1206 Mike Asberry	600.00		
12/1/2008	(AP) 0130 Garrard Hardwar	52.09		
12/9/2008	(AP) 0130 Garrard Hardwar	30.82		
1/6/2009	(AP) 0130 Garrard Hardwar	145.84		
12/29/2008	(AP) 0130 Garrard Hardwar	420.00		
12/18/2008	(AP) 0825 Danville Bottle	63.80		
12/18/2008	(AP) 0825 Danville Bottle	34.80		
1/14/2009	(AP) 0161 Red Bud Supply,	30.75		
1/6/2009	(AP) 0133 Hach Company	203.00		
1/5/2009	(AP) 0110 C.I. Thornburg	84.42		
1/28/2009	(AP) 0130 Garrard Hardwar	280.21		
12/29/2008	(AP) 0130 Garrard Hardwar	125.67		
12/22/2008	(AP) 0130 Garrard Hardwar	74.41		
1/20/2009	(AP) 0130 Garrard Hardwar	73.75		
2/10/2009	(AP) 0305 Living Waters C	2,000.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6200.20	Materials/Supplies Plant(Cont'd)			
2/2/2009	(AP) 0110 C.I. Thornburg	84.19		
2/19/2009	(AP) 0482 Bluegrass Agric	297.00		
2/3/2009	(AP) 0573 Industrial Park	504.76		
3/3/2009	(AP) 0110 C.I. Thornburg	84.16		
3/9/2009	(AP) 0177 Usa Bluebook	87.88		
3/5/2009	(AP) 0161 Red Bud Supply,	197.64		
2/26/2009	(AP) 0130 Garrard Hardwar	51.18		
3/16/2009	(AP) 0130 Garrard Hardwar	650.00		
3/30/2009	(AP) 0113 Continental Hyd	169.95		
3/30/2009	(AP) 0133 Hach Company	154.95		
4/13/2009	(AP) 0116 Danville Office	91.96		
3/23/2009	(AP) 0133 Hach Company	3,187.95		
4/6/2009	(AP) 0133 Hach Company	187.14		
4/15/2009	(AP) 0130 Garrard Hardwar	42.54		
4/20/2009	(AP) 0130 Garrard Hardwar	425.93		
4/3/2009	(AP) 0130 Garrard Hardwar	174.14		
4/30/2009	(AP) 0110 C.I. Thornburg	84.15		
5/11/2009	(AP) 0177 Usa Bluebook	205.91		
5/20/2009	(AP) 0133 Hach Company	186.53		
5/22/2009	(AP) 0133 Hach Company	8.09		
5/28/2009	(AP) 0110 C.I. Thornburg	84.14		
5/4/2009	(AP) 0130 Garrard Hardwar	4.19		
5/9/2009	(AP) 0130 Garrard Hardwar	337.04		
4/29/2009	(AP) 0130 Garrard Hardwar	64.33		
6/16/2009	(AP) 0116 Danville Office	239.99		
200-6200.20	ACCOUNT TOTAL	44,644.20	0.00	44,644.20
200-6200.40	Materials/Supplies Dist			
7/2/2008	(AP) 0110 C.I. Thornburg	39.75		
6/20/2008	(AP) 0498 Consolidated Pi	282.08		
7/14/2008	(AP) 0270 H.D. Supply Wat	89.28		
7/18/2008	(AP) 0498 Consolidated Pi	760.00		
7/28/2008	(AP) 0498 Consolidated Pi	152.00		
7/11/2008	(AP) 0110 C.I. Thornburg	1,319.38		
7/16/2008	(AP) 0110 C.I. Thornburg	90.30		
7/21/2008	(AP) 0110 C.I. Thornburg	277.15		
7/23/2008	(AP) 0498 Consolidated Pi	1,603.50		
7/22/2008	(AP) 0989 Progressive Mac	743.00		
7/30/2008	(AP) 0110 C.I. Thornburg	89.46		
8/19/2008	(AP) 0704 Visa	393.75		
8/25/2008	(AP) 1235 Micro-Comm, Inc	269.00		
9/16/2008	(AP) 0116 Danville Office	22.32		
10/3/2008	(AP) 0498 Consolidated Pi	393.96		
10/6/2008	(AP) 0110 C.I. Thornburg	648.00		
9/30/2008	(AP) 0110 C.I. Thornburg	1,017.20		
10/8/2008	(AP) 0270 H.D. Supply Wat	498.04		
10/3/2008	(AP) 0270 H.D. Supply Wat	223.08		
10/3/2008	(AP) 0270 H.D. Supply Wat	963.20		
9/26/2008	(AP) 0270 H.D. Supply Wat	446.16		
9/26/2008	(AP) 0270 H.D. Supply Wat	464.17		
9/15/2008	(AP) 0270 H.D. Supply Wat	892.32		
9/10/2008	(AP) 0270 H.D. Supply Wat	105.00		
8/29/2008	(AP) 0270 H.D. Supply Wat	5,188.66		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6200.40	Materials/Supplies Dist(Cont'd)			
9/20/2008	(AP) 0151 Lincoln County	266.00		
9/12/2008	(AP) 0270 H.D. Supply Wat	34.77		
10/21/2008	(AP) 0270 H.D. Supply Wat	20.28		
10/17/2008	(AP) 0121 Dix River Stone	1,188.07		
11/11/2008	(AP) 0498 Consolidated Pi	400.00		
10/31/2008	(AP) 0270 H.D. Supply Wat	307.50		
10/29/2008	(AP) 0270 H.D. Supply Wat	44.88		
10/30/2008	(AP) 0270 H.D. Supply Wat	1,120.00		
10/29/2008	(AP) 0270 H.D. Supply Wat	19,880.00		
11/12/2008	(AP) 0126 Feldman Lumber	128.63		
11/24/2008	(AP) 0270 H.D. Supply Wat	19,243.80		
11/7/2008	(AP) 0110 C.I. Thornburg	783.11		
12/12/2008	(AP) 0110 C.I. Thornburg	125.79		
12/4/2008	(AP) 0110 C.I. Thornburg	248.00		
12/17/2008	(AP) 1146 Hayes Pipe Supp	0.46		
11/25/2008	(AP) 1146 Hayes Pipe Supp	0.46		
12/5/2008	(AP) 1146 Hayes Pipe Supp	13.04		
12/18/2008	(AP) 1146 Hayes Pipe Supp	84.20		
12/5/2008	(AP) 1146 Hayes Pipe Supp	595.63		
11/25/2008	(AP) 1146 Hayes Pipe Supp	595.63		
12/15/2008	(AP) 1146 Hayes Pipe Supp	301.30		
12/15/2008	(AP) 1146 Hayes Pipe Supp	301.30		
12/29/2008	(AP) 0110 C.I. Thornburg	846.39		
1/7/2009	(AP) 0977 HD Supply Water	725.00		
1/8/2009	(AP) 0110 C.I. Thornburg	50.47		
2/3/2009	(AP) 0977 HD Supply Water	19,877.12		
1/13/2009	(AP) 0110 C.I. Thornburg	1,008.00		
1/26/2009	(AP) 0110 C.I. Thornburg	246.55		
1/26/2009	(AP) 0365 D & K Meter Rep	800.00		
2/26/2009	(AP) 1298 Xtreme Style Si	250.00		
2/19/2009	(AP) 0825 Danville Bottle	34.00		
2/10/2009	(AP) 0290 Vernon Manufact	100.00		
2/11/2009	(AP) 0126 Feldman Lumber	37.32		
2/11/2009	(AP) 0126 Feldman Lumber	187.50		
3/9/2009	(AP) 0270 H.D. Supply Wat	893.45		
3/20/2009	(AP) 1304 Bicknells Backh	1,300.00		
3/12/2009	(AP) 0110 C.I. Thornburg	3,046.60		
3/18/2009	(AP) 0110 C.I. Thornburg	295.24		
3/31/2009	(AP) 0121 Dix River Stone	251.57		
4/2/2009	(AP) 0121 Dix River Stone	643.61		
4/6/2009	(AP) 0121 Dix River Stone	122.16		
4/1/2009	(AP) 0121 Dix River Stone	119.19		
4/2/2009	(AP) 0126 Feldman Lumber	42.50		
5/14/2009	(AP) 1111 Wilson Equipmen	19.05		
5/20/2009	(AP) 0151 Lincoln County	244.50		
5/19/2009	(AP) 0786 Equipment Sales	67.81		
5/28/2009	(AP) 1326 Grubbs Brothers	10,000.00		
5/29/2009	(AP) 1338 George & Sherry	600.00		
6/1/2009	(AP) 0129 Garrard Automot	18.42		
5/28/2009	(AP) 0270 H.D. Supply Wat	1,482.14		
5/13/2009	(AP) 0121 Dix River Stone	277.27		
5/12/2009	(AP) 0121 Dix River Stone	293.93		
6/16/2009	(AP) 1325 John Smith Fenc	125.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6200.40	Materials/Supplies Dist(Cont'd)			
6/9/2009	(AP) 0110 C.I. Thornburg	2,141.80		
6/18/2009	(AP) 1325 John Smith Fenc	587.00		
6/15/2009	(AP) 0270 H.D. Supply Wat	19,823.08		
200-6200.40	ACCOUNT TOTAL	129,210.28	0.00	129,210.28
200-6200.50	Materials/Supplies-Admin.      Prev Bal	0.00		
7/2/2008	(AP) 0260 Glynn Youngs La	566.25		
7/7/2008	(AP) 0125 Feldman Electri	434.00		
7/7/2008	(AP) 0125 Feldman Electri	297.44		
7/21/2008	(AP) 0704 Visa	239.39		
8/1/2008	(AP) 0439 Bamill, LLC dba	156.84		
7/31/2008	(AP) 0825 Danville Bottle	32.00		
7/31/2008	(AP) 0825 Danville Bottle	23.20		
9/1/2008	(AP) 0439 Bamill, LLC dba	156.84		
9/11/2008	(AP) 1234 Baumann Paper C	52.51		
9/9/2008	(AP) 0116 Danville Office	35.99		
9/23/2008	(AP) 0110 C.I. Thornburg	13.40		
9/25/2008	(AP) 0439 Bamill, LLC dba	156.84		
9/29/2008	(AP) 1152 Daner Business	270.00		
9/30/2008	(AP) 1152 Daner Business	114.65		
10/13/2008	(AP) 0534 Trans Union LLC	125.00		
10/20/2008	(AP) 0704 Visa	237.25		
11/4/2008	(AP) 0160 Orkin Pest Cont	41.09		
11/17/2008	(AP) 0198 Greentree Appli	650.00		
12/11/2008	(AP) 0920 Ray Higdon	247.50		
1/2/2009	(AP) 0439 Bamill, LLC dba	156.84		
12/23/2008	(AP) 1226 J & J Systems P	1,499.98		
1/20/2009	(AP) 1142 Family Dollar S	16.80		
1/27/2009	(AP) 0439 Bamill, LLC dba	156.84		
1/29/2009	(AP) 0116 Danville Office	360.00		
1/30/2009	(AP) 1142 Family Dollar S	27.00		
2/6/2009	(AP) 0116 Danville Office	11.49		
2/6/2009	(AP) 0116 Danville Office	35.99		
2/18/2009	(AP) 0704 Visa	127.19		
1/6/2009	(AP) 0116 Danville Office	102.96		
3/3/2009	(AP) 0116 Danville Office	47.98		
3/16/2009	(AP) 0704 Visa	348.56		
3/27/2009	(AP) 0990 Deluxe Business	278.95		
4/13/2009	(AP) 1006 Urgent Treatmen	319.00		
4/14/2009	(AP) 0704 Visa	228.29		
4/14/2009	(AP) 0704 Visa	344.05		
4/6/2009	(AP) 1226 J & J Systems P	199.95		
5/21/2009	(AP) 1333 City Utility Fu	7,370.48		
5/12/2009	(EX) Check Charge	64.00		
5/26/2009	(EX) Ret Lisa Lynn	25.78		
5/26/2009	(EX) Ret Adrienne Colyer	42.01		
5/29/2009	(EX) Ret Jessica Cannon	175.00		
200-6200.50	ACCOUNT TOTAL	15,789.33	0.00	15,789.33

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date		Debit	Credit	Ending Balance
200-6210.50	Miscellaneous-Admin	Prev Bal	0.00		
9/18/2008	(AP) 1190 Office Depot		42.00		
10/16/2008	(AP) A1120 Cash		200.00		
12/1/2008	(AP) 0439 Bamill, LLC dba		156.84		
12/9/2008	(AP) 1237 Open World, Inc		59.95		
2/20/2009	(AP) A1120 Cash		200.00		
3/23/2009	(AP) 0125 Feldman Electri		439.00		
4/7/2009	(AP) 1237 Open World, Inc		59.95		
6/4/2009	(AP) 1237 Open World, Inc		59.95		
5/10/2009	(AP) 0201 Us Postal Servi		185.00		
6/19/2009	(AP) 0230 Garrard Co. Fis		250.00		
200-6210.50	ACCOUNT TOTAL		1,652.69	0.00	1,652.69
200-6310.20	Services-Engineer Plant	Prev Bal	0.00		
8/20/2008	(AP) 0700 Lexington Heral		705.02		
3/31/2009	(AP) 1295 Bell Engineerin		6,096.83		
5/28/2009	(AP) 1295 Bell Engineerin		3,936.05		
200-6310.20	ACCOUNT TOTAL		10,737.90	0.00	10,737.90
200-6310.40	Services-Engineer Dist	Prev Bal	0.00		
10/15/2008	(AP) 1262 Justin T. Genco		2,451.25		
10/29/2008	(AP) 0310 Stacy May, Coun		204.00		
200-6310.40	ACCOUNT TOTAL		2,655.25	0.00	2,655.25
200-6320.50	Serviecs-Accounting Admin	Prev Bal	0.00		
7/3/2008	(AP) 0108 Central Record,		38.50		
7/16/2008	(AP) 0388 Mulligan, Hill,		340.00		
8/6/2008	(EX) ret ck Richard Brya		175.00		
10/7/2008	(AP) 1237 Open World, Inc		59.95		
10/22/2008	(AP) 0963 SimplexGrinnell		408.00		
11/1/2008	(AP) 0439 Bamill, LLC dba		156.84		
11/5/2008	(AP) 0388 Mulligan, Hill,		1,075.00		
11/18/2008	(AP) 0990 Deluxe Business		165.90		
11/29/2008	(AP) 1290 CNA Surety		100.00		
1/5/2009	(AP) 0896 Larry R. Stinne		75.00		
1/5/2009	(AP) 1203 Critchfield & C		6,280.00		
1/1/2009	(AP) 1237 Open World, Inc		59.95		
2/2/2009	(AP) 0160 Orkin Pest Cont		41.09		
2/5/2009	(AP) 0275 Whitaker Bank N		67.12		
3/6/2009	(AP) 0371 Big E Insurance		2,097.19		
3/9/2009	(AP) 1237 Open World, Inc		59.95		
3/27/2009	(AP) 0439 Bamill, LLC dba		156.84		
4/1/2009	(AP) 0896 Larry R. Stinne		75.00		
4/10/2009	(AP) 1312 Danny & Ann Irv		3.00		
4/10/2009	(AP) 1313 Kenneth & Peggy		1.00		
4/10/2009	(AP) 1314 John Smith		1.00		
4/10/2009	(AP) 1315 David & Debbie		1.00		
4/10/2009	(AP) 1316 Lancaster Bapti		1.00		
4/10/2009	(AP) 1317 St Williams Chu		1.00		
4/10/2009	(AP) 1318 Ruth E. Rogers		2.00		
4/10/2009	(AP) 1319 Michael & Garne		1.00		
4/10/2009	(AP) 1320 Ralph E. Clark		1.00		
4/10/2009	(AP) 1321 Louis Grimes		1.00		
4/14/2009	(AP) 0160 Orkin Pest Cont		1,627.50		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6320.50	Serviecs-Accounting Admin(Cont'd)			
4/10/2009	(AP) 1313 Kenneth & Peggy		-1.00	
5/1/2009	(AP) 1327 Estes Engineeri	3,581.25		
5/5/2009	(AP) 1237 Open World, Inc	59.95		
5/27/2009	(AP) 0439 Bamill, LLC dba	156.84		
6/10/2009	(AP) 1138 KY State Treasu	10.00		
200-6320.50	ACCOUNT TOTAL	16,879.87	-1.00	16,878.87
200-6340.10	Services-Raw Water	Prev Bal	0.00	
7/14/2008	(AP) A1038 Stacy Grow	150.00		
7/12/2008	(AP) 0900 Glenn E. Hurt	650.00		
1/20/2009	(AP) 0704 Visa	294.93		
2/28/2009	(AP) 0642 Service Special	2,167.85		
200-6340.10	ACCOUNT TOTAL	3,262.78	0.00	3,262.78
200-6340.20	Services-Treatment Plant	Prev Bal	0.00	
6/12/2008	(AP) 0642 Service Special	334.60		
6/4/2008	(AP) 0642 Service Special	393.17		
8/8/2008	(AP) 0642 Service Special	715.07		
8/11/2008	(AP) 0642 Service Special	473.40		
8/28/2008	(AP) 0143 Labtronix	685.00		
10/8/2008	(AP) 0642 Service Special	1,086.93		
10/1/2008	(AP) 0527 Greenline Imple	159.44		
11/12/2008	(AP) 0143 Labtronix	555.00		
1/2/2009	(AP) 0642 Service Special	1,422.61		
12/24/2008	(AP) 0642 Service Special	375.00		
2/11/2009	(AP) 0642 Service Special	825.00		
12/30/2008	(AP) 0464 INC Technical I	840.75		
2/17/2009	(AP) 0143 Labtronix	735.00		
2/28/2009	(AP) 0642 Service Special	369.50		
2/28/2009	(AP) 0642 Service Special	2,465.13		
4/25/2009	(AP) 0900 Glenn E. Hurt	650.00		
5/5/2009	(AP) 0813 Marcia L. Wooto	975.00		
4/27/2009	(AP) 0305 Living Waters C	1,400.01		
4/30/2009	(AP) 0642 Service Special	929.29		
5/11/2009	(AP) 0143 Labtronix	595.00		
6/2/2009	(AP) 0642 Service Special	2,023.00		
5/28/2009	(AP) 0281 Lindas Custom S	48.97		
200-6340.20	ACCOUNT TOTAL	18,056.87	0.00	18,056.87
200-6340.30	Services-Storage	Prev Bal	0.00	
7/3/2008	(AP) 0405 Utility Service	3,083.03		
7/3/2008	(AP) 0405 Utility Service	3,175.52		
7/31/2008	(AP) 0642 Service Special	3,675.88		
10/1/2008	(AP) 0405 Utility Service	3,083.03		
10/1/2008	(AP) 0405 Utility Service	3,175.52		
1/1/2009	(AP) 0405 Utility Service	3,083.03		
1/1/2009	(AP) 0405 Utility Service	3,175.52		
4/1/2009	(AP) 0405 Utility Service	3,083.03		
4/1/2009	(AP) 0405 Utility Service	3,175.52		
200-6340.30	ACCOUNT TOTAL	28,710.08	0.00	28,710.08

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date		Debit	Credit	Ending Balance
200-6340.40	Contract Services-Dist.	Prev Bal	0.00		
6/27/2008	(AP) 0439 Bamill, LLC dba		156.84		
7/2/2008	(AP) 0105 Bluegrass Area		486.73		
7/1/2008	(AP) 1237 Open World, Inc		59.95		
7/16/2008	(AP) 0831 Roger Hume		870.91		
8/18/2008	(AP) 0831 Roger Hume		872.32		
9/9/2008	(AP) 1237 Open World, Inc		59.95		
9/17/2008	(AP) 0831 Roger Hume		866.68		
10/1/2008	(AP) 0739 East Lawn Care		190.00		
10/10/2008	(AP) 0831 Roger Hume		865.74		
11/19/2008	(AP) 0831 Roger Hume		810.75		
12/22/2008	(AP) 0831 Roger Hume		723.80		
1/15/2009	(AP) 0831 Roger Hume		730.38		
2/24/2009	(AP) 0831 Roger Hume		726.15		
3/19/2009	(AP) 1303 Stoll Keenon Og		5,119.05		
3/23/2009	(AP) 0831 Roger Hume		717.69		
4/2/2009	(AP) 0642 Service Special		296.22		
4/10/2009	(AP) 1322 Municipal & Fin		6,375.00		
5/1/2009	(AP) 0831 Roger Hume		765.50		
5/29/2009	(AP) 0831 Roger Hume		761.00		
6/18/2009	(AP) 0831 Roger Hume		710.00		
200-6340.40	ACCOUNT TOTAL		22,164.66	0.00	22,164.66
200-6340.50	Services-Other Admin	Prev Bal	0.00		
7/14/2008	(AP) 0803 Carter Printing		33.00		
7/11/2008	(AP) 0803 Carter Printing		287.50		
7/25/2008	(AP) 0125 Feldman Electri		1,189.75		
7/31/2008	(AP) 1237 Open World, Inc		59.95		
8/8/2008	(AP) 1226 J & J Systems P		70.00		
9/26/2008	(AP) 0366 Hr Direct		135.03		
10/3/2008	(AP) 0160 Orkin Pest Cont		41.09		
10/7/2008	(AP) 1006 Urgent Treatmen		76.00		
10/13/2008	(AP) 0116 Danville Office		18.00		
10/13/2008	(AP) 0116 Danville Office		35.99		
10/20/2008	(AP) 1226 J & J Systems P		140.00		
10/28/2008	(AP) 0281 Lindas Custom S		200.88		
11/11/2008	(AP) 1237 Open World, Inc		59.95		
12/1/2008	(AP) 0116 Danville Office		77.96		
12/1/2008	(AP) 0116 Danville Office		32.02		
12/2/2008	(AP) 0160 Orkin Pest Cont		41.09		
12/2/2008	(AP) 0116 Danville Office		15.36		
12/10/2008	(AP) 0388 Mulligan, Hill,		620.00		
10/31/2008	(AP) 1197 Credit Bureau S		35.00		
1/15/2009	(AP) 0371 Big E Insurance		564.48		
2/4/2009	(AP) 1237 Open World, Inc		59.95		
2/25/2009	(AP) 0439 Bamill, LLC dba		156.84		
2/28/2009	(AP) 1197 Credit Bureau S		37.32		
4/29/2009	(AP) 0439 Bamill, LLC dba		156.84		
5/1/2009	(AP) 1322 Municipal & Fin		2,125.00		
5/15/2009	(AP) 1326 Grubbs Brothers		5,000.00		
6/5/2009	(EX) Ret CK Turner		175.00		
200-6340.50	ACCOUNT TOTAL		11,444.00	0.00	11,444.00

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date		Debit	Credit	Ending Balance
200-6420.10	Equipment Rental Raw Wa	Prev Bal	0.00		
9/29/2008	(AP) A1038 Stacy Grow		150.00		
6/9/2009	(AP) A1038 Stacy Grow		150.00		
200-6420.10	ACCOUNT TOTAL		300.00	0.00	300.00
200-6420.20	Equipment Rental Plant	Prev Bal	0.00		
12/12/2008	(AP) 1115 RSC Equipment R		1,529.16		
200-6420.20	ACCOUNT TOTAL		1,529.16	0.00	1,529.16
200-6500.10	Transportation Exp Raw Wa	Prev Bal	0.00		
8/1/2008	(AP) 0908 Fleet One (MSC		204.87		
9/2/2008	(AP) 0908 Fleet One (MSC		279.93		
2/3/2009	(AP) 0129 Garrard Automot		27.76		
2/3/2009	(AP) 0129 Garrard Automot		84.95		
2/3/2009	(AP) 0129 Garrard Automot		12.68		
3/9/2009	(AP) 0471 Quick Stop		393.25		
3/1/2009	(AP) 0471 Quick Stop		288.41		
200-6500.10	ACCOUNT TOTAL		1,291.85	0.00	1,291.85
200-6500.20	Transportation Exp Plant	Prev Bal	0.00		
7/22/2008	(AP) 0822 Turners Garage		533.59		
9/2/2008	(AP) 0908 Fleet One (MSC		161.95		
8/29/2008	(AP) 0129 Garrard Automot		13.72		
8/16/2008	(AP) 0129 Garrard Automot		34.17		
9/5/2008	(AP) 0129 Garrard Automot		91.11		
10/3/2008	(AP) 0908 Fleet One (MSC		281.99		
10/7/2008	(AP) 0129 Garrard Automot		69.95		
10/22/2008	(AP) 1201 Rons Mini Marke		10.47		
11/3/2008	(AP) 0908 Fleet One (MSC		148.36		
12/3/2008	(AP) 0129 Garrard Automot		2.38		
12/3/2008	(AP) 0129 Garrard Automot		34.08		
12/3/2008	(AP) 0129 Garrard Automot		76.09		
12/3/2008	(AP) 0129 Garrard Automot		33.00		
12/9/2008	(AP) 0471 Quick Stop		329.81		
1/12/2009	(AP) 0471 Quick Stop		412.60		
2/4/2009	(AP) 0353 Shannons Truck		792.03		
12/8/2008	(AP) 1122 AutoZone Inc		66.04		
3/6/2009	(AP) 0129 Garrard Automot		6.54		
4/1/2009	(AP) 0471 Quick Stop		233.42		
5/28/2009	(AP) 0931 Rons Tire & Lub		115.00		
6/8/2009	(AP) 0471 Quick Stop		531.34		
200-6500.20	ACCOUNT TOTAL		3,977.64	0.00	3,977.64
200-6500.40	Transportation Exp Dist	Prev Bal	0.00		
6/30/2008	(AP) 0908 Fleet One (MSC		752.70		
6/2/2008	(AP) 0129 Garrard Automot		6.99		
6/19/2008	(AP) 0129 Garrard Automot		88.68		
8/1/2008	(AP) 0908 Fleet One (MSC		315.56		
10/3/2008	(AP) 0908 Fleet One (MSC		209.83		
10/3/2008	(AP) 0535 International S		1,845.00		
10/30/2008	(AP) A1038 Stacy Grow		79.20		
11/5/2008	(AP) 0471 Quick Stop		281.02		
1/13/2009	(AP) A1038 Stacy Grow		132.00		
2/3/2009	(AP) 0129 Garrard Automot		107.65		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date		Debit	Credit	Ending Balance
200-6500.40	Transportation Exp Dist(Cont'd)				
3/31/2009	(AP) 1122 AutoZone Inc		29.05		
200-6500.40	ACCOUNT TOTAL		3,847.68	0.00	3,847.68
200-6500.50	Transportation Exp Admin	Prev Bal	0.00		
2/10/2009	(AP) 0471 Quick Stop		475.57		
4/13/2009	(AP) 0129 Garrard Automot		3.84		
4/13/2009	(AP) 0129 Garrard Automot		107.17		
200-6500.50	ACCOUNT TOTAL		586.58	0.00	586.58
200-6560.20	Insurance Plant	Prev Bal	0.00		
12/9/2008	(AP) 0137 Kentucky League		5,850.00		
200-6560.20	ACCOUNT TOTAL		5,850.00	0.00	5,850.00
200-6560.40	Insurance Vehicle/Equip D	Prev Bal	0.00		
12/9/2008	(AP) 0137 Kentucky League		1,300.00		
200-6560.40	ACCOUNT TOTAL		1,300.00	0.00	1,300.00
200-6565.30	Insurance Wat Towers	Prev Bal	0.00		
12/9/2008	(AP) 0137 Kentucky League		2,500.00		
200-6565.30	ACCOUNT TOTAL		2,500.00	0.00	2,500.00
200-6570.00	Liability Insurance	Prev Bal	0.00		
12/9/2008	(AP) 0137 Kentucky League		7,031.00		
1/6/2009	(AP) 0137 Kentucky League		457.00		
200-6570.00	ACCOUNT TOTAL		7,488.00	0.00	7,488.00
200-6580.00	Workmans Comp	Prev Bal	0.00		
7/1/2008	(AP) 0137 Kentucky League		10,040.00		
6/9/2009	(AP) 0137 Kentucky League		9,338.25		
200-6580.00	ACCOUNT TOTAL		19,378.25	0.00	19,378.25
200-6600.20	Advertising Plant	Prev Bal	0.00		
2/2/2009	(AP) 0108 Central Record,		231.00		
2/2/2009	(AP) 0108 Central Record,		111.38		
6/2/2009	(AP) 0108 Central Record,		741.00		
200-6600.20	ACCOUNT TOTAL		1,083.38	0.00	1,083.38
200-6600.50	Advertising Admin	Prev Bal	0.00		
10/7/2008	(AP) 0108 Central Record,		22.00		
10/13/2008	(AP) 0803 Carter Printing		75.00		
11/4/2008	(AP) 0108 Central Record,		66.00		
12/9/2008	(AP) 0108 Central Record,		12.25		
3/3/2009	(AP) 0108 Central Record,		104.00		
4/8/2009	(AP) 0108 Central Record,		297.38		
5/5/2009	(AP) 0108 Central Record,		126.75		
200-6600.50	ACCOUNT TOTAL		703.38	0.00	703.38
200-6720.10	Telephone Raw Wa	Prev Bal	0.00		
9/22/2008	(AP) 0104 AT&T Mobility		194.56		
10/21/2008	(AP) 0104 AT&T Mobility		164.03		
1/20/2009	(AP) 0104 AT&T Mobility		180.98		
2/20/2009	(AP) 0104 AT&T Mobility		200.00		
6/23/2009	(AP) 0104 AT&T Mobility		228.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date		Debit	Credit	Ending Balance
200-6720.10	ACCOUNT TOTAL		967.57	0.00	967.57
200-6720.20	Telephone Plant	Prev Bal	0.00		
6/26/2008	(AP) 0169 Windstream Kent		106.20		
7/30/2008	(AP) 0169 Windstream Kent		105.27		
8/26/2008	(AP) 0169 Windstream Kent		109.90		
9/24/2008	(AP) 0169 Windstream Kent		105.15		
10/28/2008	(AP) 0169 Windstream Kent		109.04		
12/1/2008	(AP) 0169 Windstream Kent		107.13		
12/23/2008	(AP) 0104 AT&T Mobility		200.00		
1/2/2009	(AP) 0169 Windstream Kent		103.48		
2/25/2009	(AP) 0169 Windstream Kent		115.05		
3/27/2009	(AP) 0169 Windstream Kent		113.24		
4/21/2009	(AP) 0104 AT&T Mobility		216.05		
4/28/2009	(AP) 0169 Windstream Kent		115.15		
5/19/2009	(AP) 0169 Windstream Kent		107.63		
6/18/2009	(AP) 0169 Windstream Kent		112.26		
200-6720.20	ACCOUNT TOTAL		1,725.55	0.00	1,725.55
200-6720.40	Telephone Dist	Prev Bal	0.00		
7/21/2008	(AP) 0104 AT&T Mobility		184.00		
8/20/2008	(AP) 0104 AT&T Mobility		187.86		
11/20/2008	(AP) 0104 AT&T Mobility		179.83		
3/20/2009	(AP) 0104 AT&T Mobility		183.31		
5/19/2009	(AP) 0104 AT&T Mobility		237.50		
6/2/2009	(AP) 0002 AT& T		105.61		
200-6720.40	ACCOUNT TOTAL		1,078.11	0.00	1,078.11
200-6720.50	Telephone Admin	Prev Bal	0.00		
7/8/2008	(AP) 0169 Windstream Kent		160.78		
7/15/2008	(AP) 0169 Windstream Kent		66.73		
8/14/2008	(AP) 0169 Windstream Kent		68.24		
10/7/2008	(AP) 0169 Windstream Kent		159.47		
10/15/2008	(AP) 0169 Windstream Kent		65.45		
10/29/2008	(AP) 0002 AT& T		87.98		
11/17/2008	(AP) 0169 Windstream Kent		64.64		
12/4/2008	(AP) 0002 AT& T		91.09		
12/15/2008	(AP) 0169 Windstream Kent		64.44		
2/2/2009	(AP) 0002 AT& T		44.86		
4/29/2009	(AP) 0002 AT& T		103.96		
6/15/2009	(AP) 0169 Windstream Kent		64.69		
200-6720.50	ACCOUNT TOTAL		1,042.33	0.00	1,042.33
200-6740.50	City Hall Admin	Prev Bal	0.00		
3/27/2009	(AP) 0275 Whitaker Bank N		35.00		
200-6740.50	ACCOUNT TOTAL		35.00	0.00	35.00
200-6750.50	Water Deposit Ref Admin	Prev Bal	0.00		
7/8/2008	(AP) 0259 Lancaster Water		70.00		
7/8/2008	(AP) 0259 Lancaster Water		125.00		
7/8/2008	(AP) 0259 Lancaster Water		63.27		
7/8/2008	(AP) 0259 Lancaster Water		125.00		
7/8/2008	(AP) 0259 Lancaster Water		70.00		
7/8/2008	(AP) 0259 Lancaster Water		70.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6750.50	Water Deposit Ref Admin(Cont'd)			
7/8/2008	(AP) 0259 Lancaster Water	107.17		
7/8/2008	(AP) R553 Shawwna Carney	6.73		
7/8/2008	(AP) R554 Michael Baker	125.00		
7/8/2008	(AP) R555 Tammy Burkhart	17.83		
7/8/2008	(AP) 0259 Lancaster Water	53.60		
7/8/2008	(AP) 0259 Lancaster Water	125.00		
7/8/2008	(AP) 0259 Lancaster Water	55.03		
7/8/2008	(AP) R556 Kristin Bartlet	71.40		
7/8/2008	(AP) R557 Elizabeth Ross	69.97		
7/22/2008	(AP) 0259 Lancaster Water	125.00		
7/22/2008	(AP) 0259 Lancaster Water	70.00		
7/22/2008	(AP) 0259 Lancaster Water	121.92		
7/22/2008	(AP) R558 Corey Jones	3.08		
7/23/2008	(AP) 0259 Lancaster Water	109.08		
7/23/2008	(AP) R559 Ted & Nannie Da	15.92		
7/28/2008	(AP) 0259 Lancaster Water	30.00		
7/28/2008	(AP) 0259 Lancaster Water	110.22		
7/28/2008	(AP) 0259 Lancaster Water	26.80		
7/28/2008	(AP) 0259 Lancaster Water	125.00		
7/28/2008	(AP) 0259 Lancaster Water	125.00		
7/28/2008	(AP) R560 Desiree Melise	14.78		
7/28/2008	(AP) R561 Larry Burchett	98.20		
8/6/2008	(AP) R562 Vicky Boggs	109.20		
8/6/2008	(AP) 0259 Lancaster Water	15.80		
8/6/2008	(AP) 0259 Lancaster Water	29.12		
8/6/2008	(AP) R563 Tabitha Eversol	95.88		
8/6/2008	(AP) 0259 Lancaster Water	100.50		
8/6/2008	(AP) 0259 Lancaster Water	83.17		
8/6/2008	(AP) 0259 Lancaster Water	125.00		
8/7/2008	(AP) 0259 Lancaster Water	70.00		
8/7/2008	(AP) 0259 Lancaster Water	70.00		
8/7/2008	(AP) 0259 Lancaster Water	26.80		
8/7/2008	(AP) R564 Justin Winkler	98.20		
8/14/2008	(AP) 0259 Lancaster Water	53.60		
8/14/2008	(AP) 0259 Lancaster Water	44.22		
8/14/2008	(AP) R565 Hazel Kunaschk	16.40		
8/14/2008	(AP) R566 Kevin Crawley	80.78		
8/20/2008	(AP) 0259 Lancaster Water	94.18		
8/20/2008	(AP) 0259 Lancaster Water	102.81		
8/20/2008	(AP) 0259 Lancaster Water	79.33		
8/20/2008	(AP) 0259 Lancaster Water	125.00		
8/20/2008	(AP) 0259 Lancaster Water	125.00		
8/20/2008	(AP) R567 Clifton Getter	30.82		
8/20/2008	(AP) R568 Sharon Bramble	22.19		
8/20/2008	(AP) R569 Hubert Egner	45.67		
9/3/2008	(AP) 0259 Lancaster Water	125.00		
9/3/2008	(AP) 0259 Lancaster Water	70.00		
9/3/2008	(AP) 0259 Lancaster Water	125.00		
9/3/2008	(AP) 0259 Lancaster Water	94.05		
9/3/2008	(AP) R570 Robin Parker	24.50		
9/3/2008	(AP) R571 Eugene Patterso	30.95		
9/9/2008	(AP) 0259 Lancaster Water	125.00		
9/9/2008	(AP) 0259 Lancaster Water	70.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6750.50	Water Deposit Ref Admin(Cont'd)			
9/9/2008	(AP) 0259 Lancaster Water	38.67		
9/9/2008	(AP) 0259 Lancaster Water	71.25		
9/9/2008	(AP) 0259 Lancaster Water	70.00		
9/9/2008	(AP) 0259 Lancaster Water	128.86		
9/9/2008	(AP) 0259 Lancaster Water	125.00		
9/9/2008	(AP) R572 Sean Cundiff	86.33		
9/9/2008	(AP) R573 Rikki Payne	53.75		
9/9/2008	(AP) R574 Dairy Freeze	21.14		
9/9/2008	(AP) 0259 Lancaster Water	59.21		
9/9/2008	(AP) 0259 Lancaster Water	54.88		
9/9/2008	(AP) R571 Eugene Patterso	31.09		
9/9/2008	(AP) R575 Kathleen Horn	65.79		
9/9/2008	(AP) R576 Misty Maggard	15.12		
9/9/2008	(AP) R577 Zach Terry	70.00		
9/5/2008	(EX) Return ck J Lamb	150.00		
9/23/2008	(AP) 0259 Lancaster Water	70.00		
9/23/2008	(AP) 0259 Lancaster Water	70.00		
9/23/2008	(AP) R578 Candice McQuear	41.65		
9/25/2008	(AP) 0259 Lancaster Water	70.00		
10/3/2008	(AP) R579 Kyle Cupp	30.27		
10/3/2008	(AP) 0259 Lancaster Water	94.73		
10/3/2008	(AP) R580 Donna League	12.57		
10/3/2008	(AP) 0259 Lancaster Water	57.43		
10/3/2008	(AP) 0259 Lancaster Water	125.00		
10/3/2008	(AP) 0259 Lancaster Water	70.00		
10/3/2008	(AP) 0259 Lancaster Water	70.00		
10/3/2008	(AP) 0259 Lancaster Water	26.80		
10/3/2008	(AP) R581 William Land	43.20		
10/23/2008	(AP) R582 Jessica Goins	40.98		
10/23/2008	(AP) 0259 Lancaster Water	84.02		
10/23/2008	(AP) 0259 Lancaster Water	125.00		
10/23/2008	(AP) 0259 Lancaster Water	125.00		
10/23/2008	(AP) 0259 Lancaster Water	125.00		
10/23/2008	(AP) 0259 Lancaster Water	87.24		
10/23/2008	(AP) 0259 Lancaster Water	62.61		
10/23/2008	(AP) R583 Karen Brammer	37.76		
10/23/2008	(AP) R584 Wesley Back	62.39		
11/11/2008	(AP) 0259 Lancaster Water	70.00		
11/11/2008	(AP) 0259 Lancaster Water	15.80		
11/11/2008	(AP) R585 Norm Smith	109.20		
11/11/2008	(AP) 0259 Lancaster Water	70.00		
11/11/2008	(AP) 0259 Lancaster Water	37.57		
11/11/2008	(AP) 0259 Lancaster Water	125.00		
11/11/2008	(AP) 0259 Lancaster Water	125.00		
11/11/2008	(AP) 0259 Lancaster Water	125.00		
11/11/2008	(AP) 0259 Lancaster Water	68.23		
11/11/2008	(AP) 0259 Lancaster Water	62.81		
11/11/2008	(AP) 0259 Lancaster Water	125.00		
11/11/2008	(AP) 0259 Lancaster Water	102.10		
11/11/2008	(AP) 0259 Lancaster Water	53.60		
11/11/2008	(AP) 0259 Lancaster Water	34.45		
11/11/2008	(AP) R588 Nita Catching	7.19		
11/11/2008	(AP) R586 Robbie Reynolds	87.43		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6750.50	Water Deposit Ref Admin(Cont'd)			
11/12/2008	(AP) R589 Tiffany Warmout	22.90		
11/12/2008	(AP) R590 Edith Cortez	16.40		
11/12/2008	(AP) R591 Carolyn Burton	35.55		
12/4/2008	(AP) R592 Rebecca Preston	72.56		
12/4/2008	(AP) 0259 Lancaster Water	52.44		
12/4/2008	(AP) 0259 Lancaster Water	43.67		
12/4/2008	(AP) R593 Nancy Baker	81.33		
12/4/2008	(AP) 0259 Lancaster Water	85.88		
12/4/2008	(AP) R594 Kristen Collett	39.12		
12/9/2008	(AP) 0259 Lancaster Water	85.78		
12/9/2008	(AP) 0259 Lancaster Water	88.76		
12/9/2008	(AP) 0259 Lancaster Water	114.11		
12/9/2008	(AP) 0259 Lancaster Water	31.74		
12/9/2008	(AP) 0259 Lancaster Water	54.60		
12/9/2008	(AP) 0259 Lancaster Water	70.21		
12/10/2008	(AP) R587 Brenda Staten	56.77		
12/10/2008	(AP) R598 Courtney Walton	36.22		
12/10/2008	(AP) R595 Katie Ray	38.26		
12/10/2008	(AP) R596 Lora Hadding	70.40		
12/10/2008	(AP) R597 Tina Parks	54.79		
12/16/2008	(AP) R599 Debbie Anderson	13.49		
12/16/2008	(AP) 0259 Lancaster Water	111.51		
12/16/2008	(AP) 0259 Lancaster Water	125.00		
12/16/2008	(AP) 0259 Lancaster Water	23.34		
12/16/2008	(AP) R600 Ryan Hunt	101.66		
1/2/2009	(AP) 0259 Lancaster Water	125.00		
1/2/2009	(AP) 0259 Lancaster Water	69.14		
1/2/2009	(AP) 0259 Lancaster Water	120.08		
1/2/2009	(AP) 0259 Lancaster Water	125.00		
1/2/2009	(AP) 0259 Lancaster Water	70.00		
1/2/2009	(AP) 0259 Lancaster Water	47.33		
1/2/2009	(AP) R601 Kasundra Smith	55.86		
1/2/2009	(AP) R602 Kristen Hammond	4.92		
1/2/2009	(AP) R603 Regina Garcia	22.67		
1/2/2009	(AP) R604 Rebecca Newcomb	14.25		
1/2/2009	(AP) R605 Jennifer Sears	21.58		
1/2/2009	(AP) 0259 Lancaster Water	125.00		
1/2/2009	(AP) 0259 Lancaster Water	110.75		
1/2/2009	(AP) 0259 Lancaster Water	103.42		
1/2/2009	(AP) 0259 Lancaster Water	125.00		
1/2/2009	(AP) 0259 Lancaster Water	70.00		
1/15/2009	(AP) R606 Candace Rutledg	91.26		
1/15/2009	(AP) 0259 Lancaster Water	33.74		
1/15/2009	(AP) 0259 Lancaster Water	70.00		
1/15/2009	(AP) R607 Nicole Maggard	63.78		
1/15/2009	(AP) 0259 Lancaster Water	61.22		
1/27/2009	(AP) 0259 Lancaster Water	70.00		
1/27/2009	(AP) 0259 Lancaster Water	43.07		
1/27/2009	(AP) 0259 Lancaster Water	60.82		
1/27/2009	(AP) 0259 Lancaster Water	125.00		
1/27/2009	(AP) 0259 Lancaster Water	70.00		
1/27/2009	(AP) R608 Eddie Anderson	81.93		
1/27/2009	(AP) R609 Randy Prewitt	9.18		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6750.50	Water Deposit Ref Admin(Cont'd)			
2/3/2009	(AP) 0259 Lancaster Water	70.00		
2/3/2009	(AP) 0259 Lancaster Water	29.30		
2/3/2009	(AP) 0259 Lancaster Water	70.00		
2/3/2009	(AP) R610 James Wilcoxson	95.70		
2/11/2009	(AP) R611 Vickie Henderso	27.18		
2/11/2009	(AP) 0259 Lancaster Water	42.82		
2/17/2009	(AP) 0259 Lancaster Water	53.05		
2/17/2009	(AP) R612 Christina Ray	71.95		
3/4/2009	(AP) R613 Michael Patrick	97.70		
3/4/2009	(AP) 0259 Lancaster Water	27.30		
3/4/2009	(AP) R614 Joan Robinson	78.27		
3/4/2009	(AP) 0259 Lancaster Water	46.73		
3/4/2009	(AP) R615 Duane King	68.95		
3/4/2009	(AP) 0259 Lancaster Water	56.05		
3/4/2009	(AP) R616 Mike Rhineheime	78.94		
3/4/2009	(AP) 0259 Lancaster Water	46.06		
3/4/2009	(AP) 0259 Lancaster Water	125.00		
3/4/2009	(AP) 0259 Lancaster Water	125.00		
3/4/2009	(AP) 0259 Lancaster Water	125.00		
3/4/2009	(AP) 0259 Lancaster Water	125.00		
3/12/2009	(AP) 0259 Lancaster Water	74.21		
3/12/2009	(AP) 0259 Lancaster Water	52.50		
3/12/2009	(AP) 0259 Lancaster Water	27.94		
3/12/2009	(AP) 0259 Lancaster Water	5.63		
3/12/2009	(AP) R617 Kathy Lane	50.79		
3/12/2009	(AP) R618 Glen & Barbara	72.50		
3/12/2009	(AP) R619 Deneca Dunn	36.43		
3/18/2009	(AP) 0259 Lancaster Water	70.00		
3/18/2009	(AP) 0259 Lancaster Water	97.70		
3/18/2009	(AP) R620 Shonda Lemay &	27.30		
3/18/2009	(AP) R621 Presciliano Per	20.60		
3/18/2009	(AP) 0259 Lancaster Water	104.40		
3/26/2009	(AP) 0259 Lancaster Water	125.00		
3/26/2009	(AP) 0259 Lancaster Water	125.00		
3/26/2009	(AP) 0259 Lancaster Water	125.00		
3/26/2009	(AP) 0259 Lancaster Water	108.44		
3/26/2009	(AP) R622 Todd Folger	16.56		
3/26/2009	(AP) 0259 Lancaster Water	65.53		
3/26/2009	(AP) R623 Denise Wyman	59.47		
4/2/2009	(AP) 0259 Lancaster Water	25.41		
4/2/2009	(AP) 0259 Lancaster Water	51.97		
4/2/2009	(AP) 0259 Lancaster Water	27.88		
4/2/2009	(AP) R624 Brandon Rife	99.59		
4/2/2009	(AP) R625 James Carrier	73.03		
4/2/2009	(AP) 0259 Lancaster Water	92.80		
4/7/2009	(AP) 0259 Lancaster Water	100.48		
4/7/2009	(AP) R626 Dewey Camel	32.20		
4/7/2009	(AP) R627 Dana Carrier	24.52		
4/21/2009	(AP) R628 Estella Pullum	8.98		
4/21/2009	(AP) 0259 Lancaster Water	116.02		
4/21/2009	(AP) R629 Chris Penix	28.90		
4/21/2009	(AP) 0259 Lancaster Water	96.10		
4/21/2009	(AP) R630 Wayne Davis	52.83		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6750.50	Water Deposit Ref Admin(Cont'd)			
4/21/2009	(AP) 0259 Lancaster Water	72.17		
4/21/2009	(AP) 0259 Lancaster Water	125.00		
4/21/2009	(AP) 0259 Lancaster Water	125.00		
4/8/2009	(EX) Ret ck Amanda Chide	175.00		
5/5/2009	(AP) R632 Elizabeth Ross	69.12		
5/5/2009	(AP) R633 Kristen Collett	37.68		
5/5/2009	(AP) 0259 Lancaster Water	125.00		
5/13/2009	(AP) 0259 Lancaster Water	56.22		
5/13/2009	(AP) 0259 Lancaster Water	110.17		
5/13/2009	(AP) R634 Sabrina Bruner	68.78		
5/13/2009	(AP) R635 Wendy Logan	14.83		
5/13/2009	(AP) 0259 Lancaster Water	125.00		
5/13/2009	(AP) R636 Larry Ebert	84.55		
5/13/2009	(AP) 0259 Lancaster Water	40.45		
5/5/2009	(AP) 0259 Lancaster Water	125.00		
5/5/2009	(AP) 0259 Lancaster Water	70.00		
5/5/2009	(AP) 0259 Lancaster Water	87.32		
5/5/2009	(AP) 0259 Lancaster Water	55.88		
5/13/2009	(AP) 0259 Lancaster Water	125.00		
5/13/2009	(AP) R637 Frances Hicks	33.69		
5/13/2009	(AP) 0259 Lancaster Water	36.31		
5/13/2009	(AP) R638 Shelanda Ngala	16.40		
5/13/2009	(AP) 0259 Lancaster Water	16.40		
5/27/2009	(AP) 0259 Lancaster Water	90.70		
5/27/2009	(AP) 0259 Lancaster Water	125.00		
5/27/2009	(AP) 0259 Lancaster Water	89.55		
5/27/2009	(AP) 0259 Lancaster Water	37.20		
5/27/2009	(AP) R640 Stevenson Hargi	34.30		
5/27/2009	(AP) R641 Crystal Goins	35.45		
6/4/2009	(AP) 0259 Lancaster Water	125.00		
6/4/2009	(AP) 0259 Lancaster Water	80.49		
6/4/2009	(AP) 0259 Lancaster Water	27.94		
6/4/2009	(AP) 0259 Lancaster Water	125.00		
6/4/2009	(AP) 0259 Lancaster Water	24.29		
6/4/2009	(AP) R642 Veronica White	44.51		
6/4/2009	(AP) R643 Emma Prewitt	42.06		
6/4/2009	(AP) R644 Norman Holden	100.71		
6/9/2009	(AP) 0259 Lancaster Water	125.00		
6/9/2009	(AP) 0259 Lancaster Water	88.01		
6/9/2009	(AP) R645 Cathy Bottom	36.99		
6/9/2009	(AP) 0259 Lancaster Water	125.00		
6/16/2009	(AP) 0259 Lancaster Water	106.59		
6/16/2009	(AP) 0259 Lancaster Water	72.28		
6/16/2009	(AP) 0259 Lancaster Water	125.00		
6/16/2009	(AP) R646 Billie Brock	18.41		
6/16/2009	(AP) R647 Gene Marquart	52.72		
6/16/2009	(AP) 0259 Lancaster Water	125.00		
6/22/2009	(AP) 0259 Lancaster Water	100.72		
6/22/2009	(AP) 0259 Lancaster Water	44.81		
6/22/2009	(AP) R648 Bonnie Long	24.28		
6/22/2009	(AP) R649 Nancy Baker	80.19		
6/23/2009	(AP) 0259 Lancaster Water	125.00		
6/23/2009	(AP) 0259 Lancaster Water	125.00		

City of Lancaster  
 Detailed Trial Balance 200 Water  
 Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6750.50	ACCOUNT TOTAL	19,453.66	0.00	19,453.66
200-6760.20	Lab Analysis Plant			
	Prev Bal	0.00		
6/24/2008	(AP) 1144 Fouser Environm	574.00		
6/24/2008	(AP) 1144 Fouser Environm	75.00		
7/8/2008	(AP) 1144 Fouser Environm	82.00		
7/22/2008	(AP) 1144 Fouser Environm	80.00		
7/29/2008	(AP) 1144 Fouser Environm	270.00		
8/5/2008	(AP) 1144 Fouser Environm	425.00		
8/14/2008	(AP) 1144 Fouser Environm	143.00		
8/27/2008	(AP) 1144 Fouser Environm	86.00		
8/20/2008	(AP) 1144 Fouser Environm	425.00		
8/29/2008	(AP) 1144 Fouser Environm	107.00		
9/10/2008	(AP) 1144 Fouser Environm	91.00		
9/16/2008	(AP) 1144 Fouser Environm	50.00		
9/18/2008	(AP) 1144 Fouser Environm	48.00		
9/18/2008	(AP) 1144 Fouser Environm	775.00		
9/29/2008	(AP) 1144 Fouser Environm	397.00		
9/29/2008	(AP) 1144 Fouser Environm	86.00		
10/2/2008	(AP) 1144 Fouser Environm	460.00		
10/15/2008	(AP) 1144 Fouser Environm	183.00		
10/8/2008	(AP) 1144 Fouser Environm	1,025.00		
10/31/2008	(AP) 1144 Fouser Environm	36.00		
10/29/2008	(AP) 1144 Fouser Environm	425.00		
10/28/2008	(AP) 1144 Fouser Environm	198.00		
11/25/2008	(AP) 1144 Fouser Environm	151.00		
11/25/2008	(AP) 1144 Fouser Environm	425.00		
11/11/2008	(AP) 1144 Fouser Environm	125.00		
12/29/2008	(AP) 1144 Fouser Environm	845.00		
12/26/2008	(AP) 1144 Fouser Environm	50.00		
12/5/2008	(AP) 1144 Fouser Environm	118.00		
12/9/2008	(AP) 1144 Fouser Environm	60.00		
1/6/2009	(AP) 1144 Fouser Environm	82.00		
12/31/2008	(AP) 1144 Fouser Environm	83.00		
2/3/2009	(AP) 1144 Fouser Environm	1,145.00		
1/23/2009	(AP) 1144 Fouser Environm	557.00		
1/30/2009	(AP) 1144 Fouser Environm	461.00		
2/10/2009	(AP) 1144 Fouser Environm	253.00		
2/13/2009	(AP) 1144 Fouser Environm	460.00		
2/27/2009	(AP) 1144 Fouser Environm	262.00		
3/10/2009	(AP) 1144 Fouser Environm	101.00		
4/2/2009	(AP) 1144 Fouser Environm	1,342.00		
4/2/2009	(AP) 1144 Fouser Environm	98.00		
3/26/2009	(AP) 1144 Fouser Environm	109.00		
3/27/2009	(AP) 1144 Fouser Environm	1,015.00		
4/6/2009	(AP) 1144 Fouser Environm	17.50		
4/15/2009	(AP) 1144 Fouser Environm	265.00		
4/24/2009	(AP) 1144 Fouser Environm	48.00		
4/30/2009	(AP) 1144 Fouser Environm	97.00		
4/30/2009	(AP) 1144 Fouser Environm	390.00		
5/5/2009	(AP) 1144 Fouser Environm	425.00		
5/7/2009	(AP) 1144 Fouser Environm	36.00		
5/12/2009	(AP) 1144 Fouser Environm	173.00		
5/12/2009	(AP) 0353 Shannons Truck	35.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6760.20	Lab Analysis Plant(Cont'd)			
5/14/2009	(AP) 1144 Fouser Environm	0.00		
5/14/2009	(AP) 1144 Fouser Environm	0.00		
5/29/2009	(AP) 1144 Fouser Environm	65.00		
5/26/2009	(AP) 1144 Fouser Environm	50.00		
5/28/2009	(AP) 1144 Fouser Environm	469.00		
5/29/2009	(AP) 1144 Fouser Environm	15.00		
6/9/2009	(AP) 1144 Fouser Environm	337.00		
6/9/2009	(AP) 1144 Fouser Environm	101.00		
200-6760.20	ACCOUNT TOTAL	16,306.50	0.00	16,306.50
200-6770.20	Postage Plant			
	Prev Bal	0.00		
7/16/2008	(AP) 0201 Us Postal Servi	319.35		
200-6770.20	ACCOUNT TOTAL	319.35	0.00	319.35
200-6770.50	Postage Admin			
	Prev Bal	0.00		
7/22/2008	(AP) 0201 Us Postal Servi	288.00		
9/29/2008	(AP) 0201 Us Postal Servi	344.74		
12/12/2008	(AP) 0201 Us Postal Servi	207.00		
12/30/2008	(AP) 0201 Us Postal Servi	320.35		
3/27/2009	(AP) 0201 Us Postal Servi	343.09		
4/28/2009	(AP) 0201 Us Postal Servi	84.00		
6/11/2009	(AP) 0201 Us Postal Servi	339.09		
6/26/2009	(AP) 0201 Us Postal Servi	345.45		
200-6770.50	ACCOUNT TOTAL	2,271.72	0.00	2,271.72
200-6800.50	Dues/Subscriptions Admin			
	Prev Bal	0.00		
7/2/2008	(AP) 0358 Kentucky State	365.66		
9/4/2008	(AP) 0108 Central Record,	107.25		
10/8/2008	(AP) 1191 EKWWOA	180.00		
11/13/2008	(AP) 0358 Kentucky State	469.80		
1/6/2009	(AP) 0456 Kentucky Rural	746.85		
1/8/2009	(AP) 0194 Kentucky State	160.00		
1/14/2009	(AP) 0194 Kentucky State	35.00		
1/20/2009	(AP) 0972 KWWOA	190.00		
3/10/2009	(AP) 0358 Kentucky State	318.53		
3/27/2009	(AP) A1038 Stacy Grow	14.00		
4/13/2009	(AP) 0194 Kentucky State	250.00		
200-6800.50	ACCOUNT TOTAL	2,837.09	0.00	2,837.09
200-6820.10	Kentucky River Fee Raw Wa			
	Prev Bal	0.00		
8/4/2008	(AP) 0243 Ky State Treasu	10,222.94		
9/30/2008	(AP) 0243 Ky State Treasu	13,038.88		
12/31/2008	(AP) 0243 Ky State Treasu	11,023.38		
5/1/2009	(AP) 0243 Ky State Treasu	10,912.70		
200-6820.10	ACCOUNT TOTAL	45,197.90	0.00	45,197.90
200-6850.10	RD Bond Payment Raw Wa			
	Prev Bal	0.00		
7/15/2008	(EX) City RD Accounts	2,003.00		
8/15/2008	(EX) City RD Accounts	2,003.00		
9/15/2008	(EX) City RD Accounts	2,003.00		
10/15/2008	(EX) City RD Accounts	2,003.00		
11/15/2008	(EX) City RD Accounts	2,003.00		
12/15/2008	(EX) City RD Accounts	2,003.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
200-6850.10	RD Bond Payment Raw Wa(Cont'd)			
1/15/2009	(EX) City RD Accounts	2,003.00		
2/15/2009	(EX) City RD Accounts	2,003.00		
3/15/2009	(EX) City RD Accounts	2,003.00		
4/15/2009	(EX) City RD Accounts	2,003.00		
5/1/2009	(EX) City RD Accounts	2,003.00		
6/15/2009	(EX) City RD Accounts	2,003.00		
200-6850.10	ACCOUNT TOTAL	24,036.00	0.00	24,036.00
200-6850.20	RD Bond Payment Plant			
	Prev Bal	0.00		
7/15/2008	(EX) City RD Accounts	500.00		
8/15/2008	(EX) City RD Accounts	500.00		
9/15/2008	(EX) City RD Accounts	500.00		
10/15/2008	(EX) City RD Accounts	500.00		
11/15/2008	(EX) City RD Accounts	500.00		
12/15/2008	(EX) City RD Accounts	500.00		
1/15/2009	(EX) City RD Accounts	500.00		
2/15/2009	(EX) City RD Accounts	500.00		
3/15/2009	(EX) City RD Accounts	500.00		
4/15/2009	(EX) City RD Accounts	500.00		
5/1/2009	(EX) City RD Accounts	500.00		
6/15/2009	(EX) City RD Accounts	500.00		
200-6850.20	ACCOUNT TOTAL	6,000.00	0.00	6,000.00
200-6850.30	RD Bond Payment Storag			
	Prev Bal	0.00		
7/15/2008	(EX) City RD Accounts	1,755.00		
8/15/2008	(EX) City RD Accounts	1,755.00		
9/15/2008	(EX) City RD Accounts	1,755.00		
10/15/2008	(EX) City RD Accounts	1,755.00		
11/15/2008	(EX) City RD Accounts	1,755.00		
12/15/2008	(EX) City RD Accounts	1,755.00		
1/15/2009	(EX) City RD Accounts	1,755.00		
2/15/2009	(EX) City RD Accounts	1,755.00		
3/15/2009	(EX) City RD Accounts	1,755.00		
4/15/2009	(EX) City RD Accounts	1,755.00		
5/1/2009	(EX) City RD Accounts	1,755.00		
6/15/2009	(EX) City RD Accounts	1,755.00		
200-6850.30	ACCOUNT TOTAL	21,060.00	0.00	21,060.00
200-6850.40	RD Bond Payment Dist			
	Prev Bal	0.00		
7/15/2008	(EX) City RD Accounts	752.00		
8/15/2008	(EX) City RD Accounts	752.00		
9/15/2008	(EX) City RD Accounts	752.00		
10/15/2008	(EX) City RD Accounts	752.00		
11/15/2008	(EX) City RD Accounts	752.00		
12/15/2008	(EX) City RD Accounts	752.00		
1/15/2009	(EX) City RD Accounts	752.00		
2/15/2009	(EX) City RD Accounts	752.00		
3/15/2009	(EX) City RD Accounts	752.00		
4/15/2009	(EX) City RD Accounts	752.00		
5/1/2009	(EX) City RD Accounts	752.00		
6/15/2009	(EX) City RD Accounts	752.00		

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date		Debit	Credit	Ending Balance
200-6850.40	ACCOUNT TOTAL		9,024.00	0.00	9,024.00
200-6870.20	KIA Bond Payment Plant	Prev Bal	0.00		
7/15/2008	(EX) City KIA Accounts		2,640.00		
8/15/2008	(EX) City KIA Accounts		2,640.00		
9/15/2008	(EX) City KIA Accounts		2,640.00		
10/15/2008	(EX) City KIA Accounts		2,640.00		
11/15/2008	(EX) City KIA Accounts		2,640.00		
12/15/2008	(EX) City KIA Accounts		2,640.00		
1/15/2009	(EX) City KIA Accounts		2,640.00		
2/15/2009	(EX) City KIA Accounts		2,640.00		
3/15/2009	(EX) City KIA Accounts		2,640.00		
4/15/2009	(EX) City KIA Accounts		2,640.00		
5/1/2009	(EX) City KIA Accounts		2,640.00		
6/15/2009	(EX) City KIA Accounts		2,640.00		
200-6870.20	ACCOUNT TOTAL		31,680.00	0.00	31,680.00
200-6870.40	KIA Bond Payment Dist	Prev Bal	0.00		
7/15/2008	(EX) City KIA Accounts		1,215.00		
8/15/2008	(EX) City KIA Accounts		1,215.00		
9/15/2008	(EX) City KIA Accounts		1,215.00		
10/15/2008	(EX) City KIA Accounts		1,215.00		
11/15/2008	(EX) City KIA Accounts		1,215.00		
12/15/2008	(EX) City KIA Accounts		1,215.00		
1/15/2009	(EX) City KIA Accounts		1,215.00		
2/15/2009	(EX) City KIA Accounts		1,215.00		
3/15/2009	(EX) City KIA Accounts		1,215.00		
4/15/2009	(EX) City KIA Accounts		1,215.00		
5/1/2009	(EX) City KIA Accounts		1,215.00		
6/15/2009	(EX) City KIA Accounts		1,215.00		
200-6870.40	ACCOUNT TOTAL		14,580.00	0.00	14,580.00
200-6875.40	RD Bond Payment (New)	Prev Bal	0.00		
9/1/2008	(AP) 0998 USDA/Rural Deve		5,411.87		
9/1/2008	(AP) 0998 USDA/Rural Deve		3,572.12		
3/9/2009	(AP) 0998 USDA/Rural Deve		8,111.87		
3/9/2009	(AP) 0998 USDA/Rural Deve		5,572.12		
200-6875.40	ACCOUNT TOTAL		22,667.98	0.00	22,667.98
200-6900.50	Sales & Usage Tax Admin	Prev Bal	0.00		
8/5/2008	(AP) 0358 Kentucky State		415.42		
9/8/2008	(AP) 0358 Kentucky State		368.28		
10/1/2008	(AP) 0358 Kentucky State		358.64		
11/3/2008	(AP) 0195 Garrard County		20.33		
12/5/2008	(AP) 0358 Kentucky State		368.54		
1/12/2009	(AP) 0358 Kentucky State		408.94		
2/4/2009	(AP) 0358 Kentucky State		382.65		
4/6/2009	(AP) 0358 Kentucky State		480.06		
4/1/2009	(AP) 0358 Kentucky State		387.88		
6/8/2009	(AP) 0358 Kentucky State		361.92		
200-6900.50	ACCOUNT TOTAL		3,552.66	0.00	3,552.66

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date		Debit	Credit	Ending Balance
200-6920.50	School Tax Admin	Prev Bal	0.00		
7/15/2008	(EX) Dept. of Revenue- K		1,425.51		
8/22/2008	(EX) School tax		1,236.26		
9/12/2008	(EX) Dept. of Revenue		1,090.87		
10/3/2008	(EX) Dept. of Revenue-K		1,237.69		
11/14/2008	(EX) Dept. of Revenue- K		1,189.96		
12/5/2008	(EX) Department of Reven		1,082.74		
1/13/2009	(EX) Dept. of Revenue- K		1,169.92		
2/4/2009	(EX) Dept. of Revenue-KE		1,345.58		
3/16/2009	(EX) Dept. of Revenue Ky		955.00		
4/6/2009	(EX) Dept. of Revenue-ke		1,226.62		
5/12/2009	(EX) Dept. of Revenue Ky		1,099.63		
6/8/2009	(EX) Dept. of Revenue-KE		1,263.18		
200-6920.50	ACCOUNT TOTAL		14,322.96	0.00	14,322.96
200-6980.50	Depreciation Admin	Prev Bal	0.00		
7/15/2008	(EX) City RD Accounts		196.00		
7/15/2008	(EX) City RD Accounts		275.00		
8/15/2008	(EX) City RD Accounts		275.00		
8/15/2008	(EX) City RD Accounts		196.00		
8/14/2008	(AP) 0225 City Water Depr		5,000.00		
9/15/2008	(EX) City RD Accounts		196.00		
9/15/2008	(EX) City RD Accounts		275.00		
9/11/2008	(AP) 0225 City Water Depr		5,000.00		
10/15/2008	(EX) City RD Accounts		275.00		
10/15/2008	(EX) City RD Accounts		196.00		
11/15/2008	(EX) City RD Accounts		196.00		
11/15/2008	(EX) City RD Accounts		275.00		
11/19/2008	(AP) 0225 City Water Depr		5,000.00		
12/15/2008	(EX) City RD Accounts		275.00		
12/15/2008	(EX) City RD Accounts		196.00		
1/15/2009	(EX) City RD Accounts		196.00		
1/15/2009	(EX) City RD Accounts		275.00		
2/15/2009	(EX) City RD Accounts		275.00		
2/15/2009	(EX) City RD Accounts		196.00		
3/15/2009	(EX) City RD Accounts		196.00		
3/15/2009	(EX) City RD Accounts		275.00		
4/15/2009	(EX) City RD Accounts		275.00		
4/15/2009	(EX) City RD Accounts		196.00		
5/1/2009	(EX) City RD Accounts		196.00		
5/1/2009	(EX) City RD Accounts		275.00		
6/15/2009	(EX) City RD Accounts		275.00		
6/15/2009	(EX) City RD Accounts		196.00		
200-6980.50	ACCOUNT TOTAL		20,652.00	0.00	20,652.00
200-6985.50	FEMA	Prev Bal	0.00		
3/23/2009	(AP) 1323 CMC, Inc		113,886.00		
3/20/2009	(AP) 1238 Butners Excavat		113,732.00		
200-6985.50	ACCOUNT TOTAL		227,618.00	0.00	227,618.00

City of Lancaster  
Detailed Trial Balance 200 Water  
Entries From 7/1/2008 Through 6/30/2009

Account	Description Transactions-Date	Debit	Credit	Ending Balance
=====	=====	=====	=====	=====
		4,073,850.64	-4,072,684.82	1,165.82
		=====	=====	=====
	Entry Count:	6074		
	<< End of Detail Trial Balance >>			



BOND-AUTHORIZING ORDINANCE  
IN CONNECTION WITH

\$455,000

"CITY OF LANCASTER WATER AND SEWER REVENUE BONDS, SERIES OF 1976"

\* \* \* \* \*

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF LANCASTER, KENTUCKY, PROVIDING FOR THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF CERTAIN ADDITIONS TO AND EXTENSIONS OF THE MUNICIPAL WATERWORKS AND WATER DISTRIBUTION SYSTEM FOR SAID CITY; AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF SAID CITY'S "WATER AND SEWER REVENUE BONDS, SERIES OF 1976" TO PAY THE COSTS OF SAID ACQUISITION, CONSTRUCTION AND INSTALLATION TO THE EXTENT NOT OTHERWISE PROVIDED TO BE PAID, SUCH BONDS TO BE ISSUED IN ACKNOWLEDGMENT OF THE SECURITY RIGHTS OF THE HOLDERS OF CERTAIN PREVIOUSLY ISSUED AND OUTSTANDING BONDS; PROVIDING FOR THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE INCOME AND REVENUES OF SAID SYSTEM; SETTING FORTH THE CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM THE INCOME AND REVENUES OF SAID SYSTEM AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS AND THE ENFORCEMENT THEREOF; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.

\* \* \* \* \*

ORDINANCE NO. \_\_\_\_\_

INDEX

- TABLE OF CONTENTS -

	<u>PAGES</u>
SECTION 1 - AUTHORIZATION OF THE PROJECT; DECLARATION OF NECESSITY	3 - 4
SECTION 2 - PROJECT TO BE MUNICIPALLY OWNED AND OPERATED	4
SECTION 3 - ACKNOWLEDGMENT OF PRIORITY OF THE 1951 BONDS AND THE 1963 BONDS WITH RESPECT TO THE INCOME AND REVENUES OF THE CITY'S WATER AND SEWER SYSTEM AND OF THE PARITY OF THE CITY'S 1968 BONDS WITH RESPECT TO THE SAME INCOME AND REVENUES	3 - 6
SECTION 4 - CONTINUATION OF SYSTEM	6 - 7
SECTION 5 - BOND ISSUE AUTHORIZED; NUMBER OF BONDS; REDEMPTION PROVISIONS; WHERE BONDS PAYABLE; HOW EXECUTED	7 - 11
SECTION 6 - BONDS MAY BE REGISTERED AS TO PRINCIPAL	11
SECTION 7 - FORM OF COUPON BONDS	11 - 18
SECTION 8 - PROVISIONS RELATING TO SALE OF BOND ISSUE	19 - 21
SECTION 9 - FHA MAY ELECT TO RECEIVE FULLY REGISTERED BOND; FULLY REGISTERED BOND FORM	21 - 29
SECTION 10 - DISPOSITION OF BOND PROCEEDS; CONSTRUC- TION FUND; CAPITALIZED INTEREST TO BOND FUND	29 - 33
SECTION 11 - OPERATION OF SYSTEM; FLOW OF FUNDS TO CONTINUE AS IN THE PAST; ACCUMULATION OF REVENUES	33 - 40
SECTION 12 - COVENANTS TO BONDHOLDERS	40 - 45
SECTION 13 - PARITY BONDS PERMITTED; TERMS	45 - 48
SECTION 14 - PROVISIONS OF ORDINANCE CONSTITUTE CONTRACT	49
SECTION 15 - TAX COVENANT	49 - 51
SECTION 16 - SPECIAL PROVISIONS REQUIRED BY FHA LOAN AGREEMENT	51
SECTION 17 - SEVERABILITY CLAUSE	51
SECTION 18 - REPEAL OF INCONSISTENT PROVISIONS	51
SECTION 19 - WHEN ORDINANCE EFFECTIVE	51
CERTIFICATION	52

AN ORDINANCE OF THE CITY OF LANCASTER, KENTUCKY, PROVIDING FOR THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF CERTAIN ADDITIONS TO AND EXTENSIONS OF THE MUNICIPAL WATERWORKS AND WATER DISTRIBUTION SYSTEM FOR SAID CITY; AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF SAID CITY'S "WATER AND SEWER REVENUE BONDS, SERIES OF 1976" TO PAY THE COSTS OF SAID ACQUISITION, CONSTRUCTION AND INSTALLATION TO THE EXTENT NOT OTHERWISE PROVIDED TO BE PAID, SUCH BONDS TO BE ISSUED IN ACKNOWLEDGMENT OF THE SECURITY RIGHTS OF THE HOLDERS OF CERTAIN PREVIOUSLY ISSUED AND OUTSTANDING BONDS; PROVIDING FOR THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE INCOME AND REVENUES OF SAID SYSTEM; SETTING FORTH THE CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM THE INCOME AND REVENUES OF SAID SYSTEM AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS AND THE ENFORCEMENT THEREOF; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.

\* \* \* \* \*

WHEREAS, the City of Lancaster, Kentucky, a city of the Fifth Class, situated wholly in Garrard County, Kentucky, has at this time insufficient City facilities for provision of adequate water service to the citizens and inhabitants of the City; and it is the opinion of the City Council of the City that the health, safety and general welfare of the City and of all of its citizens and inhabitants will be promoted and served by the construction and installation of improvements to its water system, to consist principally of facilities to provide sufficient storage, to enlarge existing lines, to eliminate deadend lines, to provide valving, and to eliminate problem areas which require excessive maintenance, all as described in the "Final Engineering Report for Improvements to the Water System of Lancaster, Kentucky," dated June 1976, prepared by Kenroy Engineers Incorporated, Lexington, Kentucky; and

WHEREAS, a Rate Ordinance and an Interim Financing Ordinance

are concurrently herewith being drafted for consideration by the City Council; plans and specifications have heretofore been prepared by the aforesaid Kennoy Engineers Incorporated and necessary permits have been secured from the Kentucky State Health Department, the State Highway Department and other agencies whose permits are required, and it is and has been the opinion of the Mayor and members of the City Council of the City that it is feasible to undertake the construction and installation of such new facilities on a self-liquidating basis through the issuance and sale of its Revenue Bonds; and

WHEREAS, it has been determined, upon the basis of public bids duly solicited in the manner required by law, and upon the basis of other indicated costs, that in order to finance the contemplated Project the City must borrow \$455,000, and in this connection the City has received an offer from the United States Department of Agriculture, Farmers Home Administration ("FHA"), to make a loan to the City in the principal amount of \$455,000, which offer has been duly accepted by the City by means of a certain Loan Resolution adopted by the City Council of the City, and the proceeds of which loan will be supplemented by a grant from the Appalachian Regional Commission (ARC) in the amount of \$150,000, the aggregate of which sums will be sufficient to pay the total costs of the Project; and

WHEREAS, it is now appropriate for the City to provide for borrowing the said sum of \$455,000 through issuance and sale of its "Water and Sewer Revenue Bonds, Series of 1976" (sometimes hereinafter the "1976 Bonds") according to authority of KRS 58.010 to 58.140, inclusive, the same to be payable as to both principal and interest solely from the income and revenues to be derived from the operation of said municipal water and sewer system and not constituting an indebtedness of the City within the meaning of

debt-limiting provisions of the Constitution of Kentucky, provided, however, that said 1976 Bonds, and the payment thereof, shall be subject to the rights and limitations hereinafter described with reference to the following bonds issued in the establishment and improvement of the City's water and sewer system, and which are still outstanding:

(A) One Hundred Thirty-One Thousand Dollars (\$131,000) principal amount of "City of Lancaster Water and Sewer Revenue Bonds," dated April 1, 1951, which Bonds mature in increments on April 1, in each of the years 1969 to 1983, inclusive. Said Bonds are hereinafter sometimes referred to as the "1951 Bonds." Said Bonds were authorized by an Ordinance adopted by the City Council of said City of Lancaster, Kentucky, on March 15, 1951; and

(B) Two Hundred Seventy-Six Thousand Dollars (\$276,000) principal amount of "City of Lancaster Water and Sewer Revenue Bonds, Series of 1963," dated April 1, 1963, which Bonds mature in various amounts on April 1 of the years 1969 to 1990, inclusive. Said Bonds are hereinafter sometimes referred to as the "1963 Bonds." Said Bonds were authorized by an Ordinance adopted by the City Council of said City of Lancaster, Kentucky, on June 6, 1963; and

(C) One Hundred Sixty-Nine Thousand Dollars (\$169,000) principal amount of "City of Lancaster Water and Sewer Revenue Bonds, Series of 1968, Series A" and Seventy-One Thousand Dollars (\$71,000) principal amount of "City of Lancaster Water and Sewer Revenue Bonds, Series of 1968, Series B", both dated April 1, 1968, which mature in various amounts on April 1 of the years 1970 to 1995, inclusive. Said Bonds are hereinafter sometimes referred to as the "1968 Bonds." They were authorized by an Ordinance adopted by the City Council of the City of Lancaster, Kentucky, on October 7, 1968,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LANCASTER, KENTUCKY, DOES ORDAIN AS FOLLOWS:

SECTION 1

AUTHORIZATION OF THE PROJECT;  
DECLARATION OF NECESSITY

It is hereby determined and declared to be necessary in the interests of the general welfare of the citizens and inhabitants

of the City of Lancaster, Kentucky (herein sometimes referred to as the "City"), that the City undertake at this time the acquisition, construction and installation of facilities for the improvement of the water system in said City, which facilities will constitute an improvement to and an extension of the City's existing combined water and sewer system, and which facilities (herein sometimes referred to as the "Project"), will be acquired, constructed and installed in accordance with the plans and specifications prepared for the City by Kennoy Engineers Incorporated, Lexington, Kentucky (hereinafter sometimes referred to as the "Engineers"). Immediate undertaking of such acquisition, construction and installation is hereby authorized.

SECTION 2

PROJECT TO BE MUNICIPALLY  
OWNED AND OPERATED

The acquisition, construction and installation of such facilities are undertaken by the City for public purposes and same shall constitute and be the City's municipal water and sewer system, including appurtenant facilities (hereinafter sometimes called the "System"), and so long as any of the Revenue Bonds, hereinafter authorized or permitted to be issued, shall remain outstanding and unpaid as to principal or interest, the System shall be municipally owned, controlled, operated and maintained by the City for the security and source of payment of the Bonds herein authorized to be issued and of the Bonds herein referred to as having heretofore been issued. The System shall be operated and the Project shall be acquired, constructed and installed pursuant to the provisions of the applicable statutes now in effect, which statutes have included, under the terms of the Bond Ordinances authorizing the Bonds heretofore issued, KRS 58.010 to 58.140, inclusive.

SECTION 3

ACKNOWLEDGMENT OF PRIORITY OF THE 1951 BONDS  
AND THE 1963 BONDS WITH RESPECT TO THE INCOME  
AND REVENUES OF THE CITY'S WATER AND SEWER SYSTEM AND OF  
THE PARITY OF THE CITY'S 1968 BONDS WITH RESPECT TO THE  
SAME INCOME AND REVENUES

Said City of Lancaster, Kentucky, hereby expressly acknowledges and recognizes that it has previously created for the benefit and protection of the owners and holders of the City's "Water and Sewer Revenue Bonds," dated April 1, 1951 (the 1951 Bonds) and the "Water and Sewer Revenue Bonds, Series of 1963," dated April 1, 1963 (the 1963 Bonds), as more particularly identified in the Preamble of this Ordinance, certain liens, pledges, and security rights relating to the City's municipal Water and Sewer System, all as set forth in said Bonds and in the City's Ordinances adopted, respectively, on March 15, 1961, and June 6, 1963; and it is hereby expressly recognized, acknowledged and covenanted that there shall be a strict accounting at all times of the income and revenues produced by the operation of said municipal Water and Sewer System, and that said prior liens, pledges, and other security rights are, with respect to such income and revenues, declared and ordained to be, and are recognized and acknowledged as being prior and superior to any and all liens, pledges, and other security rights heretofore created in connection with the issuance of said City's "Water and Sewer Revenue Bonds, Series of 1968," and hereinafter created in connection with the issuance of said City's "Water and Sewer Revenue Bonds, Series of 1976," until such time as said previously issued and outstanding 1951 and 1963 Bonds shall have been fully paid, both principal and interest, in accordance with the terms thereof. The City covenants, agrees and acknowledges that until both of said outstanding 1951 and 1963 Bond issues, identified in (A) and (B) above, have been

fully paid and discharged, said Bond issues shall be entitled to priority of payment from the existing Bond Fund, which is hereinafter recognized, continued and increased, and that the amortization requirements in connection with said outstanding 1951 and 1963 Bond issues shall be honored and paid into said Bond Fund prior to the application of any income and revenues for the account of the City's issue of "Water and Sewer Revenue Bonds, Series of 1968," heretofore authorized, or for the account of the City's issue of "Water and Sewer Revenue Bonds, Series of 1976," hereinafter authorized. It is recognized that by agreement with EDA, the holder of the 1968 Bonds, the 1976 Bonds will be issued on a parity with the 1968 Bonds.

#### SECTION 4

##### CONTINUATION OF SYSTEM

It is hereby determined and ordained that the works and facilities providing water service, and sanitary sewage collection, treatment and disposal service in and to said City of Lancaster, Kentucky, and vicinity, as they presently exist, and as they may hereafter from time to time be added to, extended and improved, shall continue to constitute a combined and consolidated municipal Water and Sewer System, and will continue to be officially designated as the "City of Lancaster Water and Sewer System " (the "System"); and so long as any of the 1951 Bonds, the 1963 Bonds, the 1968 Bonds, and the "Water and Sewer Revenue Bonds, Series of 1976," hereinafter authorized and permitted to be issued, remain outstanding, said Water and Sewer System shall be owned, controlled, operated, and maintained on a municipal combined and consolidated basis and on a revenue-producing basis for the security and source of payment of the Bonds heretofore issued and of the "Water and Sewer Revenue Bonds, Series of 1976," hereinafter authorized and permitted to be

issued (but subject to limitations and priorities as aforesaid). Said municipal Water and Sewer System (sometimes hereinafter referred to as the "System") is hereby ordained and declared to constitute a public project within the meaning and application of Chapter 58 of the Kentucky Revised Statutes.

Authority is hereby given for undertaking the construction and installation of certain improvements, additions, extensions and betterments to the System according to the plans and specifications heretofore prepared for the City by Kennoy Engineers Incorporated, Lexington, Kentucky (hereafter sometimes referred to as the "Project").

#### SECTION 5

#### BOND ISSUE AUTHORIZED; NUMBER OF BONDS; REDEMPTION PROVISIONS; WHERE BONDS PAYABLE; HOW EXECUTED

For the purpose of providing funds (not otherwise provided) to defray the costs of the described Project, including all necessary and proper appurtenances, and expenses incident thereto and incident to the issuance of the Bonds hereinafter referred to, there are hereby authorized to be issued the City's "Water and Sewer Revenue Bonds, Series of 1976," in the principal amount of Four Hundred Fifty-Five Thousand Dollars (\$455,000), consisting of 455 negotiable coupon Revenue Bonds, registrable as to principal only, in the denomination of One Thousand Dollars (\$1,000) each, with reservation of right on the part of the City to issue additional Bonds in the future, payable from the income and revenues of the System, subject to the conditions and restrictions hereinafter adopted and set forth. Such Bonds shall be offered at public sale as provided in Section 8 of this Ordinance, and if United States of America, Department of Agriculture, Farmers Home Administration (herein sometimes referred to as "FHA"), shall become the purchaser of all or any of the Bonds,

such purchaser shall be privileged to elect that the same be issued and delivered according to the "Form of Coupon Bonds," as prescribed in Section 7 hereof, or according to the "Form of Fully Registered Bond" as prescribed in Section 9 hereof. Said "Water and Sewer Revenue Bonds, Series of 1976," in either or both of said forms, are sometimes hereinafter referred to as the "Bonds."

Said "Water and Sewer Revenue Bonds, Series of 1976," hereby authorized, shall be numbered consecutively 1 to 455, inclusive; shall be dated as of the date of delivery to the purchaser thereof; shall mature as to principal in various amounts on April 1 in each of the years 1978 to 2016, inclusive, as set forth in the schedule appearing below; shall bear interest from their date until payment of principal, such interest to the respective maturity dates to be represented by semiannual interest coupons attached to the Bonds maturing semiannually on April 1 and October 1 of each year, and such interest to be at such rate or rates (averaging not in excess of the rate set forth in Section 8 hereof), as may be established by a supplemental Ordinance or Resolution upon the basis of competitive sale of the Bonds as hereinafter provided; the numbers and principal maturities of Coupon Bonds, and the installments of principal of Fully Registered Bonds, to be as set forth in the following schedule:

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
1 - 4	\$ 4,000	April 1, 1978
5 - 8	4,000	April 1, 1979
9 - 12	4,000	April 1, 1980
13 - 16	4,000	April 1, 1981
17 - 21	5,000	April 1, 1982
22 - 26	5,000	April 1, 1983
27 - 31	5,000	April 1, 1984
32 - 36	5,000	April 1, 1985
37 - 42	6,000	April 1, 1986
43 - 48	6,000	April 1, 1987

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
49 - 54	\$ 6,000	April 1, 1988
55 - 61	7,000	April 1, 1989
62 - 68	7,000	April 1, 1990
69 - 75	7,000	April 1, 1991
76 - 83	8,000	April 1, 1992
84 - 91	8,000	April 1, 1993
92 - 100	9,000	April 1, 1994
101 - 109	9,000	April 1, 1995
110 - 119	10,000	April 1, 1996
120 - 129	10,000	April 1, 1997
130 - 140	11,000	April 1, 1998
141 - 151	11,000	April 1, 1999
152 - 163	12,000	April 1, 2000
164 - 175	12,000	April 1, 2001
176 - 188	13,000	April 1, 2002
189 - 202	14,000	April 1, 2003
203 - 216	14,000	April 1, 2004
217 - 231	15,000	April 1, 2005
232 - 247	16,000	April 1, 2006
248 - 264	17,000	April 1, 2007
265 - 281	17,000	April 1, 2008
282 - 299	18,000	April 1, 2009
300 - 318	19,000	April 1, 2010
319 - 338	20,000	April 1, 2011
339 - 359	21,000	April 1, 2012
360 - 381	22,000	April 1, 2013
383 - 404	23,000	April 1, 2014
405 - 429	25,000	April 1, 2015
430 - 455	26,000	April 1, 2016

provided, however, that said Bonds numbered 49 to 455, inclusive (all Bonds maturing on and after April 1, 1988), and corresponding installments of principal in the case of Bonds in Fully Registered Form, shall be subject to redemption at the option of the City prior to maturity in whole or from time to time in part in inverse numerical order on any interest payment date on and after April 1, 1987, upon terms of par plus accrued interest without any redemption premium, and in the event any of the Bonds issued in Coupon Form are called for redemption as aforesaid, notice thereof identifying the Bonds to be redeemed shall be given by publication at least

once not less than thirty (30) days prior to the redemption date in a daily newspaper of general circulation throughout Kentucky, and in a financial newspaper or journal of general circulation among bond buyers published in New York, New York (and by ordinary mail to the holders of any registered Coupon Bonds then to be redeemed); provided, that so long as FHA is the owner of any of the Bonds, they may be redeemed at any time at par plus accrued interest, and without notice or redemption premium.

Both principal and interest of Bonds issued in Coupon Form shall be payable in lawful money of the United States of America at the principal office of The Garrard Bank & Trust Company, in the City of Lancaster, Garrard County, Kentucky, or, at the option of the holder, at the principal office of Chemical Bank, in the Borough of Manhattan, City and State of New York. Said Coupon Bonds shall be executed by a reproduced facsimile of the signature of the Mayor of the City, sealed with a reproduced facsimile of its corporate seal and attested by the manual signature of the City Clerk, and the interest coupons attached to said Bonds shall be executed with the facsimile signatures of said Mayor and City Clerk.

If any City officer whose signature or a facsimile of whose signature appears on any Bond or coupon shall cease to be such officer prior to delivery, every such signature, or facsimile signature, shall nevertheless be valid and binding for all purposes, the same as if such officer had continued in office until the time of delivery of such Bond or coupon. All of said Bonds (whether issued in Coupon Form, or in Fully Registered Form without coupons), together with the interest thereon, and any Bonds which may hereafter be issued on a basis of parity therewith subject to the conditions

and restrictions hereinafter set forth, shall be payable only out of the City of Lancaster Water and Revenue Bond and Interest Redemption Fund, Series of 1968," created by the Ordinance of October 7, 1968, and as hereinafter more specifically provided, and shall be a valid claim of the holder thereof only against said fund and the fixed portion or amount of the revenues of the System which the City has pledged to said Fund.

#### SECTION 6

##### BONDS MAY BE REGISTERED AS TO PRINCIPAL

Said Coupon Bonds and appurtenant interest coupons shall be fully negotiable, but upon presentation of any of said Bonds at the office of The Garrard Bank & Trust Company, in the City of Lancaster, Kentucky, hereby designated as the City's Bond Registrar in that connection, said Coupon Bonds may be registered as to principal in the name of the owner on the books in said Registrar's office, such registration to be noted on the reverse side of the Bonds by the Registrar, and thereafter the principal of such registered Coupon Bonds shall be payable only to the registered holder, his legal representatives or assigns. Such registered Coupon Bonds shall be transferable to another registered holder or back to bearer, only upon presentation to the Registrar with a legal assignment duly acknowledged or proved. Registration of any of such Coupon Bonds shall not affect the negotiability of the coupons thereto attached, but such coupons shall always be transferable by delivery merely.

#### SECTION 7

##### FORM OF COUPON BONDS

Said Coupon Bonds and appurtenant interest coupons shall be in substantially the following form, to-wit:

(FORM OF COUPON BOND)

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF GARRARD  
CITY OF LANCASTER  
WATER AND SEWER REVENUE BOND, SERIES OF 1976

Number \_\_\_\_\_

\$1,000

KNOW ALL MEN BY THESE PRESENTS:

That the City of Lancaster, in the County of Garrard and the Commonwealth of Kentucky, for value received, hereby promises to pay to bearer, or if this Bond be registered, to the registered holder hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of One Thousand Dollars (\$1,000), on the first day of April \_\_\_\_\_, and likewise from said special fund to pay interest on said sum from the date hereof until payment of principal at the rate of \_\_\_\_\_ percent (\_\_\_\_%) per annum, payable semiannually on the first days of April and October in each year, except as the provisions hereinafter set forth with respect to redemption may be and become applicable hereto, such interest as may accrue on and prior to the maturity of this Bond to be paid only upon presentation and surrender of the annexed interest coupons as the same severally mature, both principal and interest being payable in lawful money of the United States of America at the principal office of The Garrard Bank & Trust Company, in the City of Lancaster, Garrard County, Kentucky, or, at the option of the holder, at the principal office of Chemical Bank, in the Borough of Manhattan, City and State of New York.

This Bond is one of a duly authorized issue of Bonds, aggregating \$455,000, authorized by an Ordinance duly adopted as provided by law, issued for the purpose of paying the costs (to

the extent not otherwise provided to be paid) of acquiring, constructing and installing major additions, improvements and extensions to the City's municipal water and sewer system, together with necessary appurtenant facilities, and incidental expenses; and this Bond has been issued and said facilities and appurtenances are to be acquired, constructed and installed under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including, among others, Sections 58.010 to 58.140, inclusive, of the Kentucky Revised Statutes, all now in full force and effect.

The Bonds numbered 49 to 455, inclusive (all Bonds maturing on and after April 1, 1988), of the series of which this Bond is one and as may be outstanding from time to time, are subject to redemption at the option of said City prior to maturity, in whole or from time to time in part in inverse numerical order, on any interest payment date on or after April 1, 1987, upon terms of par plus accrued interest without any redemption premium, and in the event any of said Bonds are called for redemption as aforesaid, notice thereof identifying the Bonds to be redeemed will be given by publication at least once not less than thirty (30) days prior to the redemption date in a daily newspaper of general circulation throughout Kentucky, and in a financial newspaper or journal of general circulation among bond buyers published in New York, New York (and by ordinary mail to the holders of any registered Bonds then to be redeemed); provided, that so long as the United States of America, Farmers Home Administration, holds any of said Bonds, same are callable at any time at par and accrued interest and without redemption premium.

All of said Bonds as to which said City reserves and exercises the right of redemption and as to which notice as aforesaid

shall have been given and for the redemption of which, upon the terms aforesaid, funds are duly provided, will cease to bear interest on the redemption date. Notice of such redemption may be waived with the written consent of the holder of the Bond so called for redemption.

This Bond and the issue of which it forms a part, together with such additional Bonds ranking on a parity therewith as may hereafter be issued and outstanding from time to time under the conditions and restrictions set forth in the Ordinance authorizing the issuance of this Bond, are payable from and secured by an exclusive pledge of a fixed portion of the income and revenues to be derived from the operation of said municipal water and sewer system, which fixed portion shall be sufficient to pay the principal of and interest on this Bond and the issue of which it forms a part as and when the same become due and payable, and which shall be set aside into a special fund for that purpose identified as the "Water and Sewer Bond and Interest Redemption Fund, Series of 1968" established by an ordinance of the City adopted on October 7, 1968, in connection with the issuance by the City of its "City of Lancaster Water and Sewer Revenue Bonds, Series of 1968, Series A and Series B" (the "1968 Bonds").

It is provided in and by said Ordinance that the municipally owned and operated waterworks system of said City shall continue to be combined and consolidated with said sanitary sewer system, and said combined and consolidated water and sewer system is hereinafter sometimes referred to as the "Water and Sewer System," or "System"). It is provided in said Ordinance that additional Bonds ranking on a parity with the series of Bonds of which this Bond is one may be issued and outstanding, subject to conditions and restrictions set forth in the aforesaid Ordinance.

The Bonds of this series rank on a basis of parity and equality with the 1968 Bonds still outstanding, which Bonds are dated as of April 1, 1968.

This Bond and the issue of which it forms a part, together with such additional Bonds ranking on a parity therewith as may be issued and outstanding from time to time under the conditions and restrictions set forth in the Ordinance authorizing the issuance of this Bond, are payable only from and secured by a pledge of and lien upon a fixed portion of the gross income and revenues to be derived from the operation of said municipal water and sewer system, which fixed portion shall be sufficient to pay the principal of and interest on this Bond and the issue of which it forms a part as and when the same become due and payable, and the principal of and interest on the aforesaid 1968 Bonds, hereinabove identified, of which \$169,000 principal amount of Series A and \$71,000 principal amount of Series B are outstanding as of the date hereof, and which shall be set aside as a special fund for that purpose and identified as the City of Lancaster Water and Sewer Revenue Bond and Interest Redemption Fund, Series of 1968," provided, however, said City has previously issued its "Water and Sewer Revenue Bonds," dated April 1, 1951, of which \$141,000 remain outstanding and unpaid at the date hereof, and its "Water and Sewer Revenue Bonds, Series of 1963," dated April 1, 1963, of which \$276,000 remain outstanding and unpaid at the date hereof, and said bonds are

secured by prior pledges of and liens upon the said income and revenues of said System pledged to said fund, and will so remain until all of said previously issued bonds have been fully paid, both principal and interest.

This Bond and the issue of which it forms a part do not constitute an indebtedness of the City of Lancaster, Kentucky, within the meaning of any constitutional or statutory provisions or limitations. Said City covenants that it will fix, and if necessary adjust from time to time, such rates for use of the services and facilities of said municipal water and sewer system, and will collect and account for income and revenues therefrom, sufficient to pay promptly the interest on and principal of this issue of Bonds, and all other Bonds ranking on a parity therewith as may be issued and outstanding from time to time in accordance with the conditions and restrictions prescribed in that connection, and also to pay the costs of operation and maintenance of said system, after payment of all prior claims.

This Bond is fully negotiable but may be registered as to principal only in the name of the holder on the books of said City in the office of The Garrard Bank & Trust Company, in the City of Lancaster, Garrard County, Kentucky, duly designated as said City's Bond Registrar for that purpose, such registration being noted hereon by said Registrar, after which no transfer shall be valid unless such registered Bond be presented to said Registrar with a legal assignment duly acknowledged or proved, and such transfer is made on said books and similarly noted on the Bond, but it may be discharged from such registration by being similarly transferred and registered to bearer, after which it shall be transferable by delivery, but it may be again registered as before. The registration of this Bond

as to principal shall not restrain the negotiability of the coupons by delivery merely.

This Bond is exempt from taxation in the Commonwealth of Kentucky.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond and the issue of Bonds of which it is one, have existed, have happened, and have been performed in due time, form and manner as required by law; that the amount of this Bond, together with all other obligations of said City, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky; and that a sufficient portion of the income and revenues of said municipal water and sewer system has been pledged to and will be set aside into said special fund by said City for the prompt payment of the principal of and interest on all Bonds which by their terms and by the provisions of said Ordinance are payable therefrom, in addition to proper provision for the costs of operation and maintenance thereof, and for payment of prior claims.

IN WITNESS WHEREOF, said City of Lancaster, Garrard County, Kentucky, has caused this Bond to be executed by a reproduced facsimile of the signature of the Mayor of said City, and a reproduced facsimile of its corporate seal to be hereunto affixed, attested by the manual signature of the City Clerk; and the coupons hereto attached to be executed with the facsimile signatures of said Mayor and City Clerk, all as of the date of this Bond, which is \_\_\_\_\_.

CITY OF LANCASTER, KENTUCKY

(Facsimile of Seal)

By \_\_\_\_\_ (Facsimile Signature)  
Mayor

ATTEST:

\_\_\_\_\_  
(Manual Signature)  
City Clerk

(FORM OF COUPON)

No. \_\_\_\_\_ \$ \_\_\_\_\_

\*Unless the Bond to which this coupon is attached shall have been called for prior redemption,

On the first day of \_\_\_\_\_, 19\_\_\_, the City of Lancaster, Garrard County, Kentucky, will pay to bearer \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) out of its "Water and Sewer Bond and Interest Redemption Fund, Series of 1968," at the principal office of The Garrard Bank & Trust Company, in the City of Lancaster, Garrard County, Kentucky, or, at the option of the holder, at the principal office of Chemical Bank, in the Borough of Manhattan, City and State of New York, as provided in and being interest then due on its "Water and Sewer Revenue Bond, Series of 1976," Number \_\_\_\_\_.

CITY OF LANCASTER, KENTUCKY

By \_\_\_\_\_ (Facsimile Signature) Mayor

ATTEST:

\_\_\_\_\_  
(Facsimile Signature)  
City Clerk

\*(This redemption legend to appear only on coupons maturing on and after October 1, 1987).

(FORM OF REGISTRATION TO BE PRINTED ON THE BACK OF EACH BOND)

Date of Registration	In Whose Name Registered	City's Bond Registrar Officer's Signature and Title
:	:	:
:	:	:
:	:	:
:	:	:
:	:	:
:	:	:

SECTION 8

PROVISIONS RELATING TO SALE OF BOND ISSUE

The Bonds authorized by this Ordinance shall be publicly offered for sale as constituting 455 negotiable, bearer, Coupon Bonds, registrable as to principal only, in the denomination of \$1,000 each, in form as prescribed in Section 7 hereof, according to a "Notice of Sale of Bonds" conforming to the requirements of KRS Chapter 424 (and particularly KRS 424.140(3) and KRS 424.360), which shall be published one time, not less than seven (7) days nor more than twenty-one (21) days prior to the date therein specified for the opening and consideration of purchase bids, in each of the following: (a) The legal newspaper published in Garrard County, Kentucky, which is qualified under KRS 424.120 to publish advertisements for said City, (b) The Courier-Journal, Louisville, Kentucky, a legal newspaper having statewide circulation, and (c) The Daily Bond Buyer, New York, New York, a financial newspaper or journal of general circulation among bond buyers.

Said Notice shall state the name and amount of Bonds to be sold, the time of the sale and other details concerning the Bonds and the sale, and shall inform prospective bidders that a copy of the Official Notice of Bond Sale, setting out the maturities, security of the Bonds, provisions as to redemption prior to maturity, and related information, may be obtained from the City. Such Official Notice shall contain the following bidding requirements:

- A. Bidders are required to bid a cash price of not less than par value for the Bonds.
- B. Interest rates must be in multiples of 1/8 or 1/10%, not exceeding 5% per annum, with no more than one interest

rate per maturity to be stipulated by any bidder. Each Bond shall bear interest at a single rate from date to maturity.

C. Bids will be considered only for the entire Bond issue. No proposal will be considered to the effect that interest on any Bond maturing on any interest payment date be represented by more than one coupon.

D. Bidders (except the FHA) are required to deposit a good faith check (cashier's or certified check) in the minimum amount of 2% of the face amount of the Bonds, which good faith deposit may be applied as partial payment for the Bonds, or as liquidated damage in the event that such bidder, if successful, fails to comply with the terms of his bid.

E. Preference in award will be given to the bid resulting in the lowest net interest cost to the City.

F. The lowest net interest cost will be determined by deducting the total amount of any premium bid from the aggregate amount of interest upon the Bonds bid for, computed from the first day of the month following the date of sale of the Bonds (even though the Bonds will bear interest only from the date of delivery) to the final maturity specified in each respective bid.

G. Bidders shall be advised that FHA proposes to purchase at par, at a 5% interest rate, all of the \$455,000 principal amount of Bonds for which no other bid complying with the terms of the sale is received at an equally (or more) favorable net interest cost.

H. In the event any such other bid or bids are received meeting the bidding requirements, the bid of the FHA as to such Bond issue will be cancelled and withdrawn.

I. The City expects to deliver, and the successful bidder must be prepared to accept delivery of and pay for, the Bonds at the office of the City within 45 days after notice is given of the award. If said Bonds are not ready for delivery and payment within forty-five (45) days from the aforesaid date of sale, the successful bidder(s) shall be relieved of any liability to accept delivery of the Bonds, except that additional time may be required for delivery of Bonds purchased by the FHA.

J. The City reserves the right, in its discretion, to determine the best bid or bids, to waive any informality or irregularity and to reject any or all bids.

K. The City will furnish the Bonds at no cost to the successful bidder, other than full payment for the Bonds as bid.

L. The Bonds will be tendered within said 45-day period and the successful bidder will receive the approving legal opinion of Grafton, Ferguson, Fleischer & Harper, Municipal Bond Attorneys, Louisville, Kentucky, as to the legality and tax-exemption of the Bonds, without additional cost to the successful bidder.

In the event that there is no bid or that all bids are rejected, the City may re-advertise the sale pursuant to this Ordinance.

#### SECTION 9

#### FHA MAY ELECT TO RECEIVE FULLY REGISTERED BOND; FULLY REGISTERED BOND FORM

In the event that when the Bonds herein authorized and referred to are offered for public sale, FHA shall become the purchaser thereof, as provided in Section 8 hereof, and shall so

request, the City shall, at the option of such purchaser, issue a single Bond (hereinafter referred to as a "Fully Registered Bond"), amounting in the aggregate to the principal amount of the Bonds so purchased, maturing as to principal in installments corresponding to the principal maturities of the Coupon Bonds represented thereby. Such Fully Registered Bond shall be of type composition, on paper of sufficient weight and strength to prevent deterioration until the last day of maturity of any installment of principal as stated therein, and shall conform in size to standard practice. Such Fully Registered Bond shall, upon execution on behalf of the City (which execution shall be by manual signatures of the Mayor and City Clerk, and actual impression of the corporate seal), constitute a part or all of the Bond issue herein authorized and referred to, shall be non-negotiable, without interest coupons, registered as to principal and interest, payable as directed by the payee, and be in substantially the form hereinafter set forth.

The City hereby covenants and agrees with the registered owner and holder of such Fully Registered Bond that it will, at the request of such holder, at such holder's own expense and within ninety (90) days of such request, issue its negotiable, bearer, Coupon Bonds (registrable as to principal only) in the form as set forth in Section 7 hereof, in an amount or amounts in a multiple of \$1,000, in aggregate principal amount, maturing as to principal and bearing interest equivalent to the unpaid installments of principal then represented by such Fully Registered Bond which is surrendered in exchange therefor. Coupon Bonds shall be so issued and substituted only upon surrender to the City of the Fully Registered Bond, which shall immediately be cancelled by the City Treasurer, who shall act as Bond Registrar for the Fully Registered Bond.

Each such Fully Registered Bond shall be in substantially the following form:

(FORM OF FULLY REGISTERED BOND)

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF GARRARD  
CITY OF LANCASTER  
WATER AND SEWER REVENUE BOND, SERIES OF 1976

No. R-1

\$455,000

KNOW ALL MEN BY THESE PRESENTS:

That the City of Lancaster, in the County of Garrard, and the Commonwealth of Kentucky, for value received, hereby promises to pay to the registered holder hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of FOUR HUNDRED FIFTY-FIVE THOUSAND DOLLARS (\$455,000) on the first day of April in years and installments as follows:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
-------------	------------------	-------------	------------------	-------------	------------------

[Here the printer will print the maturities of the Bonds which the purchaser has elected to take in Fully Registered Form.]

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, without deduction for exchange or collection charges and in like coin or currency, at the rate of 5% per annum, semiannually on the first days of April and October in each year hereafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable to

the registered owner hereof at the address shown on the registration books of said City or, so long as the United States of America, Farmers Home Administration, is the registered owner of this Bond, at the office or address as may be designated by said Farmers Home Administration from time to time.

This Bond is the Bond in Fully Registered Form representing a total authorized issue of Bonds in the principal amount of \$455,000 issued by said City pursuant to the Constitution and Statutes of the Commonwealth of Kentucky, including, among others, Sections 58.010 to 58.140, inclusive, of the Kentucky Revised Statutes, and pursuant to a duly adopted Bond-authorizing Ordinance of said City, for the purpose of paying the costs (to the extent not otherwise provided to be paid) of the acquisition, construction and installation of major additions, improvements and extensions to the City's municipal water and sewer system, together with necessary appurtenant facilities, and incidental expenses.

This Bond and the issue of which it forms a part, together with such additional Bonds ranking on a parity therewith as may hereafter be issued and outstanding from time to time under the conditions and restrictions set forth in the aforesaid Ordinance authorizing the issuance of this Bond, are payable from and secured by an exclusive pledge of a fixed portion of the income and revenues to be derived from the operation of said municipal water and sewer system, which fixed portion shall be sufficient to pay the principal of and interest on this Bond and the issue of which it forms a part, and any such parity Bonds, as and when the same shall become due and payable, and which shall be set aside into a special fund for that purpose identified as the "Water and Sewer Revenue Bond and

Interest Redemption Fund, Series of 1968" established by an Ordinance of the City adopted on October 7, 1968, in connection with the issuance by the City of its "City of Lancaster Water and Sewer Revenue Bonds, Series of 1968, Series A and Series B" (the "1968 Bonds").

It is provided in and by said Ordinance that the municipally owned and operated waterworks system of said City shall continue to be combined and consolidated with said sanitary sewer system, and said combined and consolidated water and sewer system is hereinafter sometimes referred to as the "Water and Sewer System," or "System." It is provided in said Ordinance that additional Bonds ranking on a parity with the series of Bonds of which this Bond is one may be issued and outstanding, subject to conditions and restrictions set forth in the aforesaid Ordinance.

The Bonds of this series rank on a basis of parity and equality with the 1968 Bonds still outstanding, which Bonds are dated as of April 1, 1968.

This Bond and the issue of which it forms a part, together with such additional Bonds ranking on a parity therewith as may be issued and outstanding from time to time under the conditions and restrictions set forth in the Ordinance authorizing the issuance of this Bond, are payable only from and secured by a pledge of and lien upon a fixed portion of the gross income and revenues to be derived from the operation of said municipal Water and Sewer System, which

fixed portion shall be sufficient to pay the principal of and interest on this Bond and the issue of which it forms a part as and when the same become due and payable, and the principal of and interest on the aforesaid 1968 Bonds, hereinabove identified, of which \$169,000 principal amount of Series A and \$71,000 principal amount of Series B are outstanding as of the date hereof and which shall be set aside as a special fund for that purpose and identified as the "City of Lancaster Water and Sewer Revenue Bond and Interest Redemption Fund, Series of 1968," provided, however, said City has previously issued its "Water and Sewer Revenue Bonds," dated April 1, 1951, of which \$131,000 remain outstanding and unpaid at the date hereof, and its "Water and Sewer Revenue Bonds, Series of 1963," dated April 1, 1963, of which \$276,000 remain outstanding and unpaid at the date hereof, and said bonds are secured by prior pledges of and liens upon the same income and revenues of said system pledged to said fund, and will so remain until all of said previously issued bonds have been fully paid, both principal and interest.

This Bond and the issue of which it forms a part do not constitute an indebtedness of the City of Lancaster within the meaning of any constitutional or statutory provisions or limitations. Said City covenants that it will fix, and if necessary adjust from time to time, such rates and charges for the services and facilities of said municipal Water and Sewer System, and will collect and account for income and revenues therefrom, sufficient to pay all costs and expenses of operating and maintaining said System and to pay promptly when due after payment of all prior claims, the principal of and interest on this Bond and all other Bonds ranking on a parity therewith as may be issued and outstanding from time to time in accordance with the conditions and restrictions prescribed in that connection.

This Bond shall be registered as to principal and interest in the name of the holder hereof, after which it shall be transferable only upon presentation to the Treasurer of said City, as the Bond Registrar, with a written transfer duly acknowledged by the registered holder or his duly authorized attorney, which transfer shall be noted upon this Bond and upon the books of said City kept for that purpose.

As provided in said Bond-authorizing Ordinance, this Bond is exchangeable at the expense of the registered owner hereof at any time, upon ninety days' written notice, at the request of such registered owner and upon surrender of this Bond to said City at the office of the Treasurer of said City, in the City of Lancaster, Garrard County, Kentucky, for negotiable Coupon Bonds, payable to bearer, registrable as to principal only, in an amount or amounts in a multiple of \$1,000, consistent with the maturities hereof, in an aggregate principal amount equal to and maturing in conformity with the unpaid principal amount of this Bond, and in the form of such Coupon Bonds as provided in said Bond-authorizing Ordinance, with semiannual coupons annexed representing the accrual of interest corresponding to the rate herein provided.

Said City, at its option, shall have the right to prepay, on any interest payment date on and after April 1, 1987, in the inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid or such lesser portion thereof in multiples of One Thousand Dollars (\$1,000) as said City may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any redemption premium.

Notice of such prepayment shall be given by registered mail to the registered owner of this Bond or his assignee at least thirty days prior to the date fixed for prepayment. Notice of such prepayment may be waived with the written consent of the registered owner of this Bond. Provided, however, that so long as the United States of America, Farmers Home Administration, is the registered owner of this Bond, said Bond may be redeemed at any time in whole or in part, at par or face value and without notice or redemption premium.

Upon default in the payment of any principal or interest payment on this Bond or upon failure by said City to comply with any other provisions of this Bond or with the provisions of said Bond-authorizing Ordinance, the registered owner may, at his option, institute proceedings to enforce all rights and remedies provided by law or by said Bond-authorizing Ordinance.

This Bond is exempt from taxation in the Commonwealth of Kentucky.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, being the total authorized amount of Bonds of the issue of which this Bond forms a part, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, said City of Lancaster, Kentucky, has caused this Bond to be executed by its Mayor, its corporate seal to be hereunto affixed, and attested by its City Clerk, on the date of

this Bond, which is \_\_\_\_\_.

CITY OF LANCASTER, KENTUCKY

By \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(Seal of City)

PROVISION FOR REGISTRATION

This Bond shall be registered on the books of the City of Lancaster, Kentucky, kept for that purpose by the Treasurer of said City, as Bond Registrar, upon presentation hereof to said Treasurer, who shall make notation of such registration in the registration blank, and this Bond may thereafter be transferred only upon written transfer acknowledged by the registered holder or his attorney, such transfer to be made on said books and endorsed hereon.

(FORM OF REGISTRATION)

<u>Date of Registration</u>	<u>Name of Registered Holder</u>	<u>Signature of the City's Bond Registrar</u>
:	United States of America,	:
:	Farmers Home Administration :	:
:	[address may be designated :	:
:	by FHA]	:
:	:	:
:	:	:
:	:	:
:	:	:

SECTION 10

DISPOSITION OF BOND PROCEEDS; CONSTRUCTION FUND; CAPITALIZED INTEREST TO BOND FUND

The Treasurer of the City shall be the custodian of all funds belonging to and associated with the System, as expanded and

improved from time to time, and such funds shall be deposited in The Garrard Bank & Trust Company, in the City of Lancaster, Garrard County, Kentucky, or in such other bank or banks as the City Council may from time to time designate (hereinafter sometimes referred to as the "Depository Bank"). All such moneys of the City deposited in the Depository Bank in excess of the amount insured by the Federal Deposit Insurance Corporation ("FDIC") shall be secured by the Depository Bank in accordance with U. S. Treasury Department Circular No. 176. The Treasurer shall execute a fidelity bond in an amount and with a surety company approved by FHA so long as FHA is the holder of any of the Bonds; and FHA and the City shall be named co-obligees in such surety bond, and the amount thereof shall not be reduced without the written consent of FHA. The proceeds of said \$455,000 of Bonds shall be applied as follows:

Upon the issuance and delivery of any Bonds authorized by this Ordinance to be issued, the entire proceeds of the Bonds issued hereunder shall be deposited in the Depository Bank, which is a member of FDIC, into an account designated "City of Lancaster Water and Sewer System Construction Fund of 1976," hereby created (hereinafter sometimes referred to as the "Construction Fund"), and shall constitute a part of the Construction Fund and be applied, to the extent necessary, in paying the costs incident to acquiring, constructing and installing the Project, including expenses incurred in the issuance of the Bonds, and paying interim financing obligations incurred in connection with the Project as authorized by a separate Ordinance of the City; provided, however, any Bond proceeds so used to pay such interim financing obligations may be disbursed directly to the appropriate lending institution without the requirement of being

deposited to the Construction Fund. There shall also be deposited in the Construction Fund the proceeds of the grant made to the City by ARC for the purposes of the Project in an amount not to exceed \$150,000 (less any amounts thereof expended directly for authorized purposes) to supplement said Bond proceeds and assure completion of the Project.

From the Construction Fund, all sums representing accrued interest, if any, received from the Bond purchaser or purchasers, shall be transferred to the "Water and Sewer Revenue Bond and Interest Redemption Fund, Series of 1968," heretofore created (the "1968 Bond Fund"), together with an additional sum from Bond proceeds, if the Bond purchaser or purchasers so elect, estimated to be equal to interest which will accrue on all outstanding Bonds (or on temporary loans made in anticipation of the sale and delivery of the Bonds) during construction and development of the Project, and said sums shall be used and applied to the payment of interest next thereafter becoming due. Said deposit to said 1968 Bond Fund, if any, shall be adjusted to exclude amounts paid as interest by the City on interim loans at and prior to delivery of the Bond issue.

Disbursements from the Construction Fund shall be made by checks signed by the Treasurer of said City, and such disbursements shall be approved in writing by the Mayor and, if FHA is the purchaser of the Bonds, by FHA.

Pending disbursement, the Bond proceeds shall be deposited in the Depository Bank to the credit of the Construction Fund, as fore-said, and to the extent that such deposit causes the aggregate deposits by the City in said Depository Bank to be in excess of the amount insured by FDIC, the same shall be secured by a surety bond or

bonds furnished by a surety company or companies qualified to do business in Kentucky and approved by the City Council, or by a valid pledge of direct obligations of the United States Government, or obligations as to which the payment of principal and interest are guaranteed by the United States Government, having a market value at least equivalent to such deposit.

Where the moneys on deposit in the Construction Fund exceed the estimated disbursements on account of the Project for the next 90 days, the City shall direct the Depository Bank to invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, which shall mature not later than 18 months after the date of such investment and which shall be subject to redemption at any time by the holder thereof. The earnings from any such investments shall be deposited in the Construction Fund by the City.

In the event any unexpended balance shall remain in said Construction Fund after completion of the Project, and payment of all of the costs thereof, as certified by the Engineers, such unexpended balance, subject to the terms and conditions of the aforesaid FHA loan, and to FHA approval, shall be transferred and deposited in the 1968 Bond Fund, heretofore referred to, and shall be used at the earliest practicable date for the retirement of Bonds by purchase thereof (or principal prepayment) in inverse numerical and maturity order.

In the event that the amount hereinabove provided to be set aside from Bond proceeds for payment for interest during the construction and development of the Project should prove to be

insufficient for such purpose, additional moneys may, upon approval by FHA, be transferred from the said Construction Fund to the 1968 Bond Fund and so applied, inasmuch as interest during such period is a proper part of the cost of the Project, to the extent authorized by FHA.

Pending disbursements for the authorized purposes, the proceeds of all Bonds at any time issued pursuant to this Ordinance shall be subject to a first and paramount lien and charge in favor of the holders of Bonds issued and outstanding hereunder and for their further security.

#### SECTION 11

##### OPERATION OF SYSTEM; FLOW OF FUNDS TO CONTINUE AS IN THE PAST; ACCUMULATION OF REVENUES

From and after issuance and delivery of any Bonds herein authorized or permitted to be issued, and so long as any thereof remain outstanding and unpaid, the said system shall continue to be operated on a fiscal year basis (as provided in and by Ordinances which were adopted and approved on March 15, 1951 and June 6, 1963, hereinbefore referred to), beginning each April 1, and ending on the next March 31, and on that basis the income and revenues shall be collected, segregated, accounted for and distributed, as follows:

(A) A separate and special fund or account of said City, distinct and apart from all other funds and accounts, is created and is designated and identified as the "Lancaster Waterworks and Sewer System Revenue Fund" (hereinafter sometimes referred to as the "Revenue Fund"), which shall continue to be maintained with the Depository Bank; and said City covenants and agrees that it will continue to deposit therein, promptly as received from time to time, all cash revenues of the system as hereinafter defined. The moneys in the Revenue Fund from

time to time shall continue to be used and disbursed and applied by said City only for the purposes, and in the manner and order of priorities, specified in the succeeding subsections of this Section 11, (which incorporates in part the provisions of prior Ordinances of the City adopted March 15, 1951 and June 6, 1963), all as permitted by applicable statutes, as follows:

(B) A separate and special fund or account of said City was created in and by the aforesaid Ordinance of March 15, 1951, and confirmed by said Ordinance of June 6, 1963, distinct and apart from all other funds and accounts, and the same was designated and identified as the "Water and Sewer Revenue Bond and Interest Redemption Fund" (hereinafter for convenience sometimes referred to as the "Bond Fund"), which Fund shall continue to be maintained so long as any of the Bonds herein authorized or permitted to be issued are outstanding, in the Depository Bank; and all moneys deposited therein from time to time shall be used and disbursed and applied, and are hereby irrevocably pledged, solely for the purpose of paying the principal of and interest on (a) the previously issued and outstanding "City of Lancaster Water and Sewer Revenue Bonds," dated April 1, 1951, until payment thereof; and (b) the previously issued and outstanding "City of Lancaster Water and Sewer Revenue Bonds, Series of 1963," dated April 1, 1963, until payment thereof.

It is understood that the Bonds authorized by this Ordinance are subordinate and inferior to the outstanding Bonds mentioned in (a) and (b) of this Section 11(B), and said prior outstanding Bonds shall be paid, principal and interest, from the Bond Fund (including the Debt Service Reserve) on each date of payment of principal and interest, prior to application of any of said moneys in the 1968 Bond Fund,

created by the Ordinance of October 7, 1968, authorizing the 1968 Bonds, for payment of principal and interest on the Bonds dated April 1, 1968 (the "1968 Bonds") and the Bonds authorized by this Ordinance, which are on a parity therewith. If necessary, funds in the 1968 Bond Fund shall be transferred to the Bond Fund in order to prevent default in said 1951 Bonds and said 1963 Bonds.

The City shall, as aforesaid, transfer and deposit in said 1968 Bond Fund from the Construction Fund all sums received from any purchaser or purchasers of Bonds issued hereunder (the "1976 Bonds") as representing accrued interest on such Bonds to date of delivery. Thereafter, the City shall (after first transferring from the Revenue Fund to the Bond Fund the respective amounts required to be deposited in the Bond Fund pursuant to the provisions of the Ordinance of March 15, 1951, and the Ordinance of June 6, 1963, in connection with the previously issued and outstanding bonds hereinbefore referred to), transfer from the Revenue Fund to a fund heretofore created, and identified as the "City of Lancaster Water and Sewer Revenue Bond and Interest Redemption Fund, Series of 1968" (the "1968 Bond Fund"), on or before the 15th day of each month, sums not less than:

- (i) beginning with and including the month in which interest shall last be payable from Bond proceeds, a sum equal to one-sixth (1/6) of the next succeeding interest installment to become due on all 1968 Bonds and 1976 Bonds then outstanding;
- (ii) beginning with and including the month in which interest shall last be payable from Bond proceeds, a sum equal to one-twelfth (1/12) of ten percent of \$12,000 to accrue as a 1968 Debt Service Reserve, as provided in the Ordinance of October 7, 1968; said sum to be adjusted as required;
- (iii) beginning April 15, 1969, a sum equal to one-twelfth (1/12) of the principal of all 1968 and 1976 Bonds maturing on the next succeeding April 1.

All moneys deposited in the 1968 Bond Fund from time to time shall be used and disbursed and applied, and are hereby irrevocably pledged, solely for the purpose of paying the principal of and interest on all 1968 and 1976 Bonds, and additional parity Bonds, as may be issued from time to time under the authority of the Ordinance; provided, however, that all sums deposited in the 1968 Bond Fund in excess of semiannual interest payments and annual principal payments of the Bonds payable therefrom, being Series "A" and Series "B" of the 1968 Bonds, and the 1976 Bonds, shall constitute and accumulate within the 1968 Bond Fund as a Debt Service Reserve, hereby created, until such time as there shall be accumulated in such Reserve a sum equal to Twelve Thousand Dollars (\$12,000), or a larger sum if adjusted for the 1976 Bonds as hereinafter provided; and thereafter the aforesaid monthly deposits referred to in (ii) above may be discontinued; but subject to resumption whenever authorized disbursements from the 1968 Debt Service Reserve shall reduce the balance therein below the specified sum, the same to be continued for such period of time as may be required to restore and maintain the balance therein at such stipulated level.

As long as the 1976 Bonds are held or insured by FHA the City shall pay to FHA monthly the amounts required to be paid for installments of interest or principal on the 1976 Bonds, provided, however, that no payments shall be made which do not recognize the priorities of the 1951 and 1963 Bonds and the parity rights of the 1968 Bonds.

In the event further parity Bonds are issued pursuant to the conditions and restrictions hereinafter prescribed in that connection, the monthly deposits shall be adjusted as provided in this Ordinance.

Moneys from time to time in the 1968 Debt Service Reserve may be held in cash, in which event the same shall be secured by a valid pledge of bonds, notes, or certificates of indebtedness of the United States Government, or guaranteed as to principal and interest by the United States Government, having at all times an equal market value; or the same may, upon order of the City Council, be invested and re-invested in interest-bearing obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, maturing not later than the final maturity date of Bonds issued pursuant to this Ordinance, whichever date is the earlier. Income from any such investments shall be accumulated in said 1968 Debt Service Reserve, and may be invested in the same manner. Withdrawals shall be made from the said 1968 Debt Service Reserve, and transferred to the 1968 Bond Fund, if and to any extent required at any time to prevent default in the payment of principal of or interest on any Bonds which by their terms are payable from said Bond Fund, and if necessary, securities held as investments in said 1968 Debt Service Reserve shall be converted into cash for such purposes; and the City hereby irrevocably pledges all moneys and securities in the Debt Service Reserve for such specified purposes only. In the event any such permitted withdrawals are made, the deficiency in said fund shall be restored as soon as revenues are available, and as above set forth.

(C) A separate and special fund or account of said City was created in and by said Ordinance of March 15, 1951, and was confirmed and continued by said Ordinance of June 6, 1963, hereinbefore identified, and the same was designated and identified as the "Operation and Maintenance Fund."

After observing the priority of deposits set forth in (B) above, there shall continue to be set apart and deposited in this fund each month, ninety percent (90%) of the funds remaining in the Revenue Fund, as provided in said Ordinances of March 15, 1951 and June 6, 1963; provided, however, that to the extent the funds so deposited in said Operation and Maintenance Fund shall be in excess of the amounts sufficient to pay, as they accrue, the Annual Expenses of operating and maintaining the water and sewer system pursuant to the Annual Budget of Current Expenses, for which provision was made in the Ordinance of October 7, 1968, such excess may be transferred from the Operation and Maintenance Fund upon order of the City Council, and pursuant to said Ordinances of March 15, 1951, and June 6, 1963; provided, however, that from the date of this Ordinance no surplus funds may be expended except for the purposes of the system approved by FHA.

(D) After observing the priority of deposits set forth in (B) above, ten percent (10%) of the funds remaining in the Revenue Fund shall be transferred from the Revenue Fund each month and deposited in the "Depreciation Fund" created in and by the aforesaid Ordinance of March 15, 1951, and confirmed and continued by said Ordinance of June 6, 1963; and said "Depreciation Fund" shall continue to be maintained so long as any Bonds shall remain outstanding pursuant to this Ordinance.

In addition to the above deposits from the Revenue Fund, there shall also be deposited in the Depreciation Fund, as received, such connection fees or charges as may be exacted from users of the system, the proceeds of all property damage insurance (except public liability) maintained in connection with the system, and the cash

proceeds of any surplus, worn out or obsolescent properties of the system, if the same be sold upon order of the City Council. The term "cash revenues" of the system, as used in this Section, means all proceeds of service charges, and does not include the cash items enumerated in this paragraph. After observing the priority of deposits set forth in (A) to (C) above, there shall be set apart and paid into the Depreciation Fund each month not less than the amount required by FHA to be paid into said Fund, which amount shall be fixed by a resolution adopted by the City Council.

The Depreciation Fund shall be available and may be withdrawn and used by the City, upon appropriate certification to the Depository Bank, for the purpose of paying the cost of unusual or extraordinary repairs, renewals or replacements, not included in the Annual Budget of Current Expenses, and the cost of constructing additions and improvements to the system which will either enhance its revenue-producing capacity or provide a higher degree of service.

At any time when the accumulations in the Depreciation Fund shall exceed anticipated and foreseeable needs for authorized purposes, all or any portion of such excess may be invested and reinvested upon order of the City Council in interest-bearing obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, maturing or subject to redemption at the option of the holder not later than three (3) years after the date of investment; but as and when funds may be required for authorized purposes a sufficient portion thereof shall be converted into cash and so applied. All investments of money in the Depreciation Fund shall be carried to the credit of said Fund; all income from investments and any profit from the sale thereof shall be credited thereto; and any

expenses incident to investment or reinvestment, together with any loss from forced conversion of investments into cash, shall be charged thereto.

All payments into the above special funds shall be made on or before the fifteenth (15th) day of each month, except that when the fifteenth day of any month shall be a Sunday or a legal holiday, then such payment shall be made on the next succeeding business day.

All moneys held in any of the above special funds shall be kept apart from all other municipal funds and shall be deposited in the Depository Bank, and all such deposits which cause the aggregate of all deposits of the City therein to be in excess of the amount secured by FDIC, shall (unless invested as herein authorized) be secured by a surety bond or bonds or by pledge of direct obligations or by guaranteed bonds or securities of the United States Government having a market value equivalent to such deposit.

## SECTION 12

### COVENANTS TO BONDHOLDERS

The said City of Lancaster, Kentucky, hereby irrevocably covenants and agrees with the holder or holders of any and all Bonds at any time issued and outstanding pursuant to authority of this Ordinance, that so long as the same or any part thereof or interest thereon remain outstanding and unpaid:

(A) It will faithfully and punctually perform all duties with reference to said system and Project required by the Constitution and laws of the Commonwealth of Kentucky, and by the terms and provisions of this Ordinance.

(B) It will at all times operate said system on a revenue-producing basis, and will permit no free services to be rendered or afforded thereby.

(C) It will maintain the said system in good condition through application of revenues accumulated and set aside for

operation and maintenance, as herein provided; and will make unusual or extraordinary repairs, renewals and replacements, as the same may be required, through application of revenues accumulated and set aside into the Depreciation Fund.

(D) The City covenants and agrees that, so long as any of the Bonds are outstanding, it will not sell or otherwise dispose of any of the system facilities or any part thereof, and, except as provided for in this Ordinance, it will not create or permit to be created any charge or lien on the revenues thereof ranking equal or prior to the charge or lien of these Bonds. Notwithstanding the foregoing, the City may at any time permanently abandon the use of, or sell at fair market value, any of its system facilities, provided that:

(i) It is in compliance with all covenants and undertakings in connection with all of its Bonds or other obligations then outstanding and payable from the revenues of the system and the 1968 Debt Service Reserve for all Bonds payable from the 1968 Bond Fund has been fully established;

(ii) It will, in the event of sale, apply the proceeds to either (1) redemption of outstanding bonds in accordance with the provisions governing prepayment of bonds in advance of maturity, and in the order of priority set forth in this Ordinance, or (2) replacement of the facility so disposed of by another facility the revenues of which shall be incorporated into the system as hereinbefore provided;

(iii) It certifies, prior to any abandonment of use, that the facility to be abandoned is no longer economically feasible of producing net revenues; and

(iv) Notwithstanding all of the foregoing, no such sale, abandonment or transfer of system facilities shall be made so long as FHA owns any of the Bonds herein described, without the written consent and approval of FHA.

(E) It will establish, enforce, and collect rates and charges for services rendered and facilities afforded by said system; and the same shall be reasonable and just, taking into account and consideration the cost and value of the system, the costs of operating the same and maintaining it in a good state of repair, proper and necessary allowances for depreciation and for additions and extensions, and the amounts necessary for the orderly retirement of all outstanding Bonds and the accruing interest thereon (including the aforesaid previously issued and outstanding bonds of the series dated April 1, 1951 and April 1, 1963, respectively, as long as any thereof remain outstanding and unpaid), and the accumulation of reserves as herein provided; and such rates and charges shall be adequate to meet all such requirements as provided

in this Ordinance, and shall, if necessary, be adjusted from time to time in order to comply herewith. Said rates and charges shall additionally be adequate to fulfill all requirements of this Ordinance, and the Ordinances of March 15, 1951, June 6, 1963, and October 7, 1968, and provide 1.25 times coverage of principal and interest on all Bonds payable from the 1968 Bond Fund.

On or before the inception of initial operation of the Project additions to the system, the City will adopt a budget of Current Expenses for the system for the remainder of the then current fiscal year of the system, and thereafter, on or before the first day of each fiscal year so long as any Bonds are outstanding, it will adopt an Annual Budget of Current Expenses for the ensuing fiscal year, and will file a copy of each such Budget, and of any amendments thereto, in the office of the City Clerk, and furnish copies thereof to the holder of any Bond upon request. The term "Current Expenses," as herein used, includes all reasonable and necessary costs of operating, repairing, maintaining, and insuring the system, but shall exclude any allowance for depreciation, payments into the Depreciation Fund for extensions, improvements, and extraordinary repairs and maintenance, and payments into the Bond Fund and the Debt Service Reserve, and the 1968 Bond Fund and 1968 Debt Service Reserve. The City covenants that the Current Expenses incurred in any year will not exceed the reasonable and necessary amounts therefor, and that it will not expend any amount or incur any obligations for operation, maintenance and repairs in excess of the amounts provided for Current Expenses in the Annual Budget, except upon resolution or ordinance duly adopted by the City Council determining that such expenses are necessary in order to operate and maintain the system. At the same time, and in like manner, the City agrees that it will prepare an estimate of gross revenues to be derived from operation of the system for each fiscal year, and to the extent that said gross revenues are insufficient to provide for all payments required to be made into the Bond Fund and 1968 Bond Fund during such ensuing fiscal year, and to build up and maintain the reserves specified and enumerated in this Ordinance, and to pay Current Expenses, the City covenants and agrees that it will revise its rates and charges for services rendered by the system, so that the same will be adequate to meet all of such requirements.

(F) It will not at any time make any reduction in any prevailing schedule of rates and charges for use of the services and facilities of the system, without first obtaining the written determination of a Consulting Engineer of national reputation that the proposed reduction will not adversely affect the ability of the City to meet all the requirements set forth in this Ordinance (and in the aforesaid Ordinances of March 15, 1951, June 6, 1963, and October 7, 1968, so long as any Bonds remain outstanding pursuant thereto).

(G) It will at all times segregate the revenues of the system from all other revenues, moneys, and funds of the City,

and will promptly and regularly make application and distribution thereof into the special funds provided in this Ordinance (and in said identified previously adopted Ordinances), so long as any bonds remain outstanding pursuant thereto), in the manner and with due regard for the priorities herein attributed thereto.

(H) It will keep proper books of record and account, separate and clearly distinguishable from all other municipal records and accounts, showing complete and correct entries of all transactions relating to said system, and the same shall be available and open to inspection by any bondholder, and any agent or representative of a bondholder.

(I) It will, within ninety days after the end of each fiscal year, cause an audit to be made of the books of record and account pertinent to the system, by an independent state-licensed accountant not in the employ of the City on a monthly salary basis, showing all receipts and disbursements, with comments of the auditor concerning whether the books and records are being kept in compliance with this Ordinance and in accordance with recognized accounting practices, and will promptly mail a copy thereof to the original purchaser or purchasers of Bonds issued hereunder. If requested to do so, the City will furnish to any Bondholder a condensed form of the Balance Sheet, and a condensed form of the Operating Report, in reasonable detail. All expenses incurred in causing such audits to be made, and copies distributed, shall constitute proper expenses of operating and maintaining the system, and may be paid from revenues allocated for such purposes, as herein provided. Provided further, that so long as the Government holds any of the Bonds, the City shall furnish operating statements, and other financial statements, for the Project, and any facilities, the revenues of which are pledged to payment of the Bonds, in such form and substance, and for such periods, as may be requested by the Government.

(J) Any holder of said Bonds, or of any of the coupons, may either at law or in equity, by suit, action, mandamus, or other proceedings, enforce and compel performance by said City and its officers and agents of all duties imposed or required by law or this Ordinance in connection with the operation of said system, including the making and collecting of sufficient rates and segregation of the revenues and application thereof.

(K) If there be any default in the payment of the principal of or interest on any of said Bonds, then upon the filing of suit by any holder of said Bonds or any of the coupons, any court having jurisdiction of the action may appoint a receiver to administer said system on behalf of the City with power to charge and collect rates sufficient to provide for the payment of any Bonds or obligations outstanding against said system, and for the payment of Current Expenses, and to apply the revenues in conformity with this Ordinance and the provisions of said statute laws of Kentucky aforesaid.

(L) The City will cause each municipal officer or other person (other than depository banks) having custody of any moneys administered under the provisions of this Ordinance to be bonded at all times in an amount at least equal to the maximum amount of such moneys in his custody at any time; each such bond to have surety given by a surety corporation qualified to do business in Kentucky and approved by the City Council, and the premiums for such surety shall constitute a proper expense of operating the system, and may be paid from moneys available in the "Operation and Maintenance Fund."

(M) It will procure, and at all times maintain in force, insurance of all insurable properties constituting parts of, or being appurtenant to, the system, to the full insurable value thereof, against damage or destruction by fire, windstorm, and the hazards covered by the standard "extended coverage" policy endorsements or provisions, the premiums therefor to be paid from the Operation and Maintenance Fund; and will deposit all sums collected under the terms of such policies in the Depreciation Fund. Such insurance shall be in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed eighty per centum (80%) of the full insurable value of the damaged facility. So long as FHA owns any of the Bonds herein identified, said insurance coverage shall be subject to approval by FHA.

(N) The City will procure and at all times maintain Public Liability Insurance relating to the operation of the water and sewer system, with limits of not less than \$200,000 for one person and \$500,000 for more than one person involved in one accident to protect the City from claims for bodily injury and/or death; and not less than \$100,000 from claims for damage to property of others which may arise from the City's operations of the system. So long as FHA owns any of the Bonds, said insurance coverage shall be subject to FHA approval.

(O) If the City owns or operates a vehicle in the operation of the water and sewer system, the City will procure and at all times maintain Vehicular Public Liability Insurance with limits of not less than \$200,000 for one person and \$500,000 for more than one person involved in one accident to protect the City from claims for bodily injury and/or death, and not less than \$100,000 against claims for damage to property of others which may arise from the City's operation of vehicles. So long as FHA owns any of the Bonds, said insurance coverage shall be subject to FHA approval. Notwithstanding (M), (N), and (O), the City shall, during construction and thereafter so long as the Government holds any Bonds, carry insurance, and during construction require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Government may specify with insurance carriers acceptable to the Government.

(P) The City covenants and agrees that according to authority of KRS 96.930, et seq., it will provide that water service to any premises (whether such water service be furnished by a privately owned utility company or by a municipally owned water system) shall be discontinued upon delinquency of payment to the City for sanitary sewer service charges to the same premises, according to such reasonable contracts or regulations in that connection as may be effective from time to time.

### SECTION 13

#### PARITY BONDS PERMITTED; TERMS

The Bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to priority one over the other in the application of the revenues herein pledged for the payment thereof, regardless of the time or times of their issuance, it being the intention that there shall be no priority among the Bonds authorized to be issued under the provisions of this Ordinance, regardless of the fact that they may actually be issued and delivered at different times. No other bonds or other obligations shall be issued by the City and made payable from the revenues of the System unless the pledge of revenues for the same is expressly made subordinate and inferior to the lien and pledge herein created; provided, however, said City hereby reserves the right and privilege of issuing additional bonds, from time to time, payable from the revenues of said system, ranking on a basis of equality and parity as to security and source of payment with the Bonds herein authorized, for the following purposes and subject to the following conditions and restrictions:

(a) The City covenants and agrees that in the event the cost of construction or completion of the Project, as hereinbefore described, shall exceed the estimated dollar cost on which the amount of this Bond issue has been computed, it shall deposit into the Construction Fund the amount of such excess out of funds available to

it for such purpose. The City may provide such excess through the issuance of parity Bonds, to purchasers other than FHA, provided that it has obtained (i) the consent of the holders of at least two-thirds in principal amount of the Bonds outstanding if the Bonds have been issued, or (ii) the consent of FHA if the Bonds have not been issued.

(b) The City shall have the right to add new water and sewer system facilities and related auxiliary facilities by the issuance of one or more additional series of Bonds to be secured by a parity lien on and ratably payable from the revenues and any other security pledged to these Bonds, provided in each instance that:

(i) the facility or facilities to be built from the proceeds of the additional parity Bonds is or are made a part of the system and its or their revenues are pledged as additional security for the additional parity Bonds and the outstanding Bonds;

(ii) the City is in compliance with all covenants and undertakings in connection with all of its Bonds then outstanding and payable from the revenues of the system or any part thereof;

(iii) the annual net revenues, defined as gross revenues less Current Expenses of the system for the fiscal year next preceding the issuance of additional parity Bonds, are certified by an independent public accountant employed by the City, to have been equal to at least one and fifty hundredths (1.50) times the average annual requirements for principal and interest on all Bonds then outstanding and payable from the revenues of the system; provided, however, that if the 1976 Bonds are the only Bonds remaining outstanding, the figure of 1.50 shall be reduced to 1.20;

(iv) the estimated net revenues of the facility or facilities to be constructed or acquired with the proceeds of such additional Bonds (and any other funds pledged as security), when added to the estimated future net revenues of the then existing system shall be at least one and fifty hundredths (1.50) times the average annual debt service requirements for principal and interest on all outstanding Bonds payable from the revenues of the system and on the additional Bonds to be issued (provided, however, that if the 1976 Bonds are the only Bonds remaining outstanding, the figure of 1.50 shall be reduced to 1.20). The calculation of average annual debt service requirements for principal and interest on the additional Bonds to be issued shall be

determined on the basis of the principal of, and interest on, such Bonds being payable in approximately equal installments. Future net revenue estimates shall be furnished by a recognized independent consulting engineer and approved by the Mayor and City Council of the City.

(c) The City hereby covenants and agrees that in the event additional series of parity Bonds are issued, it shall:

(i) adjust the monthly deposits into the 1968 Bond Fund on the same basis as that prescribed in Section 11(B) hereof to reflect the average annual debt service on the additional Bonds;

(ii) adjust the total amount of the 1968 Debt Service Reserve to a sum to not less than the maximum annual debt service on the Bonds then outstanding and such additional parity Bonds, the additional debt service to be accumulated monthly in the manner hereinbefore provided;

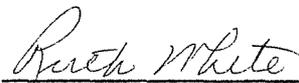
(iii) make such additional Bonds payable as to principal on April 1 of each year in which principal falls due and payable as to interest on April 1 and October 1 of each year.

(d) If in any subsequently issued series of Bonds secured by a parity lien on the revenues of the system it is provided that excess revenues in the Revenue Fund shall be used to redeem Bonds in advance of scheduled maturity or if the City at its option undertakes to redeem outstanding Bonds in advance of scheduled maturity, it is agreed and understood (subject to priority of redemption of outstanding bonds of the previously issued series dated April 1, 1951 and April 1, 1963, respectively, as provided in Section 11(D) hereof), (a) that calls of Bonds will be applied to each series of Bonds on an equal pro rata basis (reflecting the proportion of the original amount of each series of Bonds outstanding at the time of such call), and (b) that calls of Bonds will be in accordance with the call provisions of the respective Bond series. However, the City shall have the right to call, subject to the call provisions of the respective Bond series, any or all outstanding Bonds which may be called at par prior to calling any Bonds that are callable at a premium.

CERTIFICATION

The undersigned, City Clerk of the City of Lancaster, Kentucky, hereby certifies that the foregoing is a true copy of an Ordinance adopted by the City Council of said City at a meeting held on the \_\_\_\_ day of October, 1971, on the same occasion signed by the Mayor as evidence of his approval, attested under seal by me as City Clerk, duly enrolled in the official Ordinance Book, and ordered published.

WITNESS my hand and the seal of said City, this \_\_\_\_ day of October, 1971.

  
\_\_\_\_\_  
City Clerk

(SEAL)

The additional parity Bonds (sometimes herein referred to as "permitted" to be issued), the issuance of which is restricted and conditioned by this Section, shall be understood to mean Bonds payable from the revenues of said system on a basis of equality and parity with the Bonds herein specifically authorized, and shall not be deemed to include other bonds or obligations, the security and source of payment of which are subordinate and subject to the priority of the Bonds and parity Bonds herein authorized to be issued. The City expressly reserves the right to issue its bonds or other obligations payable from the revenues herein pledged, and not ranking on a basis of equality and parity with the Bonds and parity Bonds herein otherwise referred to, without any proof of previous earnings or net revenues, but only if such bonds or other obligations are issued to provide for additions or extensions or improvements of the system, and only if the same are issued in express recognition of the priorities, liens and rights created and existing for the security, source of payment, and protection of the said Bonds and parity Bonds herein authorized and permitted to be issued. Provided, however, that nothing in this Section is intended or shall be construed as a restriction upon the ordinary refunding of the initially authorized Bonds, and/or of any Bonds which may have been issued and are outstanding under any of the provisions of this Ordinance, and/or any of the Bonds of the aforesaid previously issued series dated April 1, 1951 and April 1, 1963, if such refunding does not operate to increase, in any year until the final maturity of the refunding Bonds, the aggregate of the principal and interest requirements of the Bond or Bonds to remain outstanding and the Bond or Bonds proposed to be refunded.

SECTION 14

PROVISIONS OF ORDINANCE CONSTITUTE CONTRACT

The provisions of this Ordinance shall constitute a contract between the City of Lancaster and the holders of the Bonds herein authorized and permitted to be issued, and after the issuance of any of the Bonds no change, variation, or alteration of any kind of the provisions of this Ordinance shall be made in any manner except as herein provided until such time as all of the said Bonds issued hereunder, and the interest thereon, have been paid in full.

SECTION 15

TAX COVENANT

(A) In this Section, unless a different meaning clearly appears from the context:

(i) "Code means the Internal Revenue Code of 1954 of the United States of America, Title 26 of the United States Code, as amended to the date of adoption of this Ordinance or as hereafter amended, including valid Regulations of the Department of the Treasury thereunder;

(ii) Reference to a provision of the Code by number or letter includes reference to any law hereafter enacted as amendment to or substitute for such provision;

(iii) Words which are used herein and in Section 103 of the Code shall have the meaning given to such words in or pursuant to said Section.

(B) The City shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the City on the Bonds shall, for the purposes of Federal income taxation, be exempt from income taxation under any valid provision of law.

(C) The City shall not permit at any time or times any of the proceeds of the Bonds or other funds of the City to

be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any such bond to be an "arbitrage bond" as defined in subsection (d) (2) of Section 103 of the Code as then in effect and to be subject to treatment under subsection (d)(1) of said Section as an obligation not described in subsection (a)(1) of said Section, unless, under any valid provision of law hereafter enacted, the interest paid by the City on the Bonds shall be excludable from the gross income of a recipient thereof for Federal income tax purposes without regard to compliance with the provisions of subsection (d) of Section 103 of the Code.

(D) In order to assure compliance with this Section, thereby better securing and protecting the Bonds and the City, the City from the date of adoption of this Ordinance covenants that it shall not purchase any obligation or invest or direct the Treasurer of Depository Bank to, and the Treasurer and Depository Bank shall not, invest the proceeds of said Bonds, or moneys in the aforesaid Funds, in any obligations that produce a yield in excess of such applicable maximum yield as may be permitted by the Code.

(E) The City further covenants that prior to the issuance of the Bonds and as a condition precedent to such issuance the City shall certify by issuance of a certificate, supplemental to this Ordinance, of a City officer having responsibility for the receipt, disbursement, use, and investment of the proceeds of the Bonds and the water and sewer revenues of the City, that on the basis of the facts, estimates, and circumstances in existence on the date of issue of the Bonds it is not expected that the proceeds of said issue of Bonds will be used in a manner that would cause such obligations to be arbitrage bonds, such certificate to be made in

accordance with the provisions of the applicable Internal Revenue Service Regulations adopted by the Department of the Treasury, Internal Revenue Service, pursuant to Section 103(d) of the Code, then in effect.

#### SECTION 16

##### SPECIAL PROVISIONS REQUIRED BY FHA LOAN AGREEMENT

By acceptance of the FHA Letter of Conditions, dated October 10, 1975, the City has agreed to abide by the conditions therein stated, and by this Section the City does hereby covenant with FHA that it will meet the conditions stated in numbered paragraphs 11 and 12, and paragraph 16 of said Letter of Conditions with reference to the qualifications of the treatment plant operator.

#### SECTION 17

##### SEVERABILITY CLAUSE

If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

#### SECTION 18

##### REPEAL OF INCONSISTENT PROVISIONS

All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of this Ordinance, are, to the extent of such conflict, hereby repealed.

#### SECTION 19

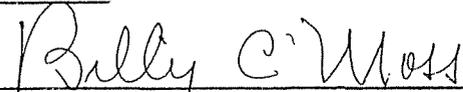
##### WHEN ORDINANCE EFFECTIVE

This Ordinance shall be in full force and effect from and

after its adoption, approval, attestation, and publication as provided by law.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF LANCASTER,  
KENTUCKY, at a meeting held on the 2nd day of August, 1976,  
on the same occasion signed in open session by the Mayor, attested  
under seal by the City Clerk, and ordered to be published in The  
Central Record, Lancaster, Kentucky, on the earliest possible date.

APPROVED:

  
\_\_\_\_\_  
BILLY C. MOSS  
Mayor  
City of Lancaster, Kentucky

(SEAL)

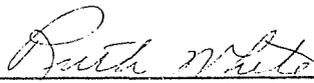
ATTEST:

  
\_\_\_\_\_  
RUTH WHITE  
City Clerk

CERTIFICATION

The undersigned, City Clerk of the City of Lancaster, Garrard County, Kentucky, hereby certifies that the foregoing is a true, complete and correct copy of an Ordinance adopted by the City Council of said City, signed by the Mayor thereof, and attested under seal by me as City Clerk upon the occasion of a properly convened meeting of the City Council of said City held on the 2nd day of August, 1976, as shown by the official records in my custody and under my control. I further certify that I have delivered a true copy of said Ordinance to The Central Record, a newspaper published in said City of Lancaster, Kentucky, and having the largest circulation therein, with directions that the same be published in full in the earliest possible issue thereof.

WITNESS my hand and the seal of said City, this 3rd day  
of August, 1976.

  
\_\_\_\_\_  
RUTH WHITE  
City Clerk  
City of Lancaster, Kentucky

(SEAL)

ORDINANCE NO. 2-10-2000

AN ORDINANCE OF THE CITY OF LANCASTER, KENTUCKY, PROVIDING FOR THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF MAJOR ADDITIONS AND IMPROVEMENTS TO THE CITY'S COMBINED WATER AND SEWER SYSTEM; AUTHORIZING THE ISSUANCE OF THE CITY'S WATER AND SEWER REVENUE BONDS, SERIES OF 2000, TO PAY A PORTION OF THE COSTS THEREOF, SUCH BONDS TO BE ISSUED IN ACKNOWLEDGMENT OF THE SECURITY RIGHTS OF THE HOLDERS OF CERTAIN PREVIOUSLY ISSUED AND OUTSTANDING OBLIGATIONS; MAKING AND CONFIRMING PROVISIONS FOR THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE REVENUES OF SAID SYSTEM, AND FOR THE ALLOCATION THEREOF TO VARIOUS SPECIAL FUNDS PREVIOUSLY AND HEREIN CREATED, IN ORDER TO PROVIDE FOR THE ORDERLY PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS HEREIN AUTHORIZED; SETTING FORTH CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM SAID REVENUES AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF THE BONDS HEREIN AUTHORIZED AND THE ENFORCEMENT THEREOF; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF THE BONDS HEREIN AUTHORIZED.

- TABLE OF CONTENTS -

	<u>PAGES</u>
PREAMBLE	1
SECTION 1. AFFIRMATION OF PREAMBLE RECITALS; AUTHORIZATION OF THE PROJECT; DECLARATION OF NECESSITY	3
SECTION 2. PROJECT TO BE MUNICIPALLY OWNED AND OPERATED	3
SECTION 3. ACKNOWLEDGMENT OF OUTSTANDING PRIOR OBLIGATIONS AND PRIOR SECURITIES THEREOF; 2000 BONDS AUTHORIZED; CERTAIN TERMS AND DETAILS	3
SECTION 4. PROVISIONS RELATING TO SALE OF BOND ISSUE	5
SECTION 5. 2000 BONDS TO BE ISSUED IN FULLY REGISTERED FORM; BOND FORM	7
SECTION 6. DISPOSITION OF 2000 BOND PROCEEDS; CONSTRUCTION FUND	11
SECTION 7. OPERATION OF SYSTEM; FLOW OF FUNDS; ACCUMULATION OF REVENUES	13
SECTION 8. COVENANTS TO BONDHOLDERS	15
SECTION 9. PARITY BONDS PERMITTED; TERMS	19
SECTION 10. PROVISIONS OF ORDINANCE CONSTITUTE CONTRACT	21
SECTION 11. TAX COVENANTS	21
SECTION 12. SEVERABILITY CLAUSE	23
SECTION 13. REPEAL OF INCONSISTENT PROVISIONS	23
SECTION 14. WHEN ORDINANCE EFFECTIVE	23
SIGNATURES AND CERTIFICATION	24

ORDINANCE NO. 2-10-2000

AN ORDINANCE OF THE CITY OF LANCASTER, KENTUCKY, PROVIDING FOR THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF MAJOR ADDITIONS AND IMPROVEMENTS TO THE CITY'S COMBINED WATER AND SEWER SYSTEM; AUTHORIZING THE ISSUANCE OF THE CITY'S WATER AND SEWER REVENUE BONDS, SERIES OF 2000, TO PAY A PORTION OF THE COSTS THEREOF, SUCH BONDS TO BE ISSUED IN ACKNOWLEDGMENT OF THE SECURITY RIGHTS OF THE HOLDERS OF CERTAIN PREVIOUSLY ISSUED AND OUTSTANDING OBLIGATIONS; MAKING AND CONFIRMING PROVISIONS FOR THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE REVENUES OF SAID SYSTEM, AND FOR THE ALLOCATION THEREOF TO VARIOUS SPECIAL FUNDS PREVIOUSLY AND HEREIN CREATED, IN ORDER TO PROVIDE FOR THE ORDERLY PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS HEREIN AUTHORIZED; SETTING FORTH CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM SAID REVENUES AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF THE BONDS HEREIN AUTHORIZED AND THE ENFORCEMENT THEREOF; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF THE BONDS HEREIN AUTHORIZED.

WHEREAS, the City of Lancaster, Garrard County, Kentucky (the "City"), has long owned and operated its municipal water facilities and sanitary sewer facilities as a revenue-producing, combined and consolidated municipal water and sewer system (the "System"), and the City currently has outstanding, payable from the revenues of the System, the following revenue bonds and obligations:

Water and Sewer Revenue Bonds, Series of 1976, dated August 15, 1978, in the outstanding principal amount of \$292,000 (the "1976 Bonds"), authorized by Ordinance adopted on August 2, 1976 (the "1976 Ordinance"), which 1976 Bonds are secured by a first pledge of the revenues of the System;

Water and Sewer Revenue Bonds, Series 1988, dated November 30, 1989, in the outstanding principal amount of \$1,148,000 (the "1988 Bonds"), authorized by Ordinance adopted on June 6, 1988 (the "1988 Ordinance"), which 1988 Bonds rank on a parity with the 1976 Bonds; and

Annual loan repayment obligations to the Kentucky Infrastructure Authority (the "Authority") in an outstanding principal amount not exceeding (as

of July 1, 2000) \$627,948 (the "1995 Loan"), incurred under a certain Assistance Agreement between the Authority and the City dated as of January 1, 1995 (the "1995 Agreement"), which 1995 Loan ranks subordinate as to security and source of payment to the 1976 Bonds and 1988 Bonds;

and the 1976 Bonds, 1988 Bonds and 1995 Loan are sometimes hereinafter referred to collectively as the "Prior Obligations"; and

WHEREAS, in order to finance the costs of additions and improvements to the System without any proof of previous earnings or net revenues, the City may issue additional bonds or obligations in express recognition of the priorities, pledges and rights created and existing for the security, source of payment and protection of the Prior Obligations; and

WHEREAS, plans and specifications have been prepared by Howard K. Bell Engineers, Inc., Lexington, Kentucky, and approved by the City Council and all State and other supervisory authorities having jurisdiction thereof, for the acquisition, construction and installation of major water service additions and improvements (the "Project") to the System; and it is the opinion and determination of the City Council that it is feasible to undertake the acquisition, construction and installation of the Project at this time; and

WHEREAS, it has been determined upon the basis of public bids for construction duly solicited in the manner required by law, and upon the basis of other costs and estimates, that the aggregate of all costs and expenses in connection with the Project will be \$1,800,000, and to provide such funds the City has received from the United States of America, Department of Agriculture, Rural Development ("USDA"), an offer to make a USDA loan to the City in the amount of \$600,000, which will be supplemented by a grant from USDA in the amount of \$700,000 and a Kentucky State Surplus Grant in the amount of \$500,000; and

WHEREAS, it is now appropriate for the City to provide for borrowing said sum of \$600,000 through issuance and sale of its Water and Sewer Revenue Bonds, Series of 2000 (the "2000 Bonds"), according to authority of Kentucky Revised Statutes ("KRS") Chapter 58; and the 2000 Bonds shall be payable as to both principal and interest (except as to capitalized interest) from the income and revenues to be derived from the operation of the System, as extended from time to time, and shall not constitute an indebtedness of the City within the meaning of any debt-limiting provisions of the Constitution and statutes of Kentucky, provided that the 2000 Bonds shall be subject to the prior and superior pledges and rights securing the outstanding Prior Obligations as herein provided;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF LANCASTER, KENTUCKY, ACTING BY AND THROUGH ITS COUNCIL, AS FOLLOWS:

SECTION 1

AFFIRMATION OF PREAMBLE RECITALS;  
AUTHORIZATION OF THE PROJECT; DECLARATION OF NECESSITY

All statements and recitals set forth in the preamble of this Ordinance, including the terms defined therein, are hereby affirmed and adopted as a part of this Ordinance.

It is hereby further determined and declared to be necessary in the interests of the general welfare of the citizens and inhabitants of the City that the City undertake at this time the acquisition, construction and installation of major water service additions and extensions (the "Project") to the City's combined municipal water and sewer system, all substantially according to the plans, specifications and designs prepared for the City by Howard K. Bell Engineers, Inc., Lexington, Kentucky (the "Engineers"). Immediate undertaking of such acquisition, construction and installation is hereby authorized.

SECTION 2

PROJECT AND SYSTEM TO BE MUNICIPALLY OWNED AND OPERATED

The acquisition, construction and installation of the Project is undertaken by the City for public purposes and same shall constitute and be a part of the City's combined municipal water and sewer system (the "System," as expanded and improved from time to time), and so long as any of the 2000 Bonds hereinafter authorized, or bonds issued on a parity therewith, shall remain outstanding and unpaid as to principal or interest, the System shall continue to be municipally owned, controlled, operated and maintained by the City on a combined and consolidated basis for the security and source of payment of the 2000 Bonds hereinafter authorized to be issued, and all other parity bonds which may be hereafter issued, subject, however, to the priorities set out in Section 3 hereinafter. The Project is to be acquired, constructed, installed and acquired and the System is to be operated pursuant to the provisions of KRS Chapter 58, now in full force and effect. The System, as expanded from time to time, and including the Project, is hereby declared to be a public project within the meaning and application of KRS 58.010 to 58.140, inclusive.

SECTION 3

ACKNOWLEDGMENT OF OUTSTANDING PRIOR OBLIGATIONS  
AND PRIOR SECURITIES THEREOF;  
2000 BONDS AUTHORIZED; CERTAIN TERMS AND DETAILS

The City acknowledges that it has previously issued or incurred, and that there are outstanding at this time, the Prior Obligations, as identified and described in the preamble hereof, and further that the 2000 Bonds herein authorized to be issued shall be subordinate as to security and source of payment to the outstanding Prior Obligations so long as same are outstanding and unpaid,

according to the provisions of and as set out in the next following sentence and in the last paragraph of this Section 3. It is acknowledged and affirmed by the City that the outstanding Prior Obligations possess respective prior and superior rights and pledges with respect to the System and its income and revenues, and nothing in this Ordinance shall be construed as impairing, amending or in any way diminishing said security rights, pledges and interests. The City hereby agrees and covenants that so long as the 2000 Bonds herein authorized are outstanding, it will not issue any bonds or obligations ranking on a parity with the outstanding Prior Obligations.

For the purpose of providing funds to defray the costs of the Project (to the extent not otherwise provided to be paid), including all necessary and proper appurtenances, and expenses incident thereto and incident to the issuance of the 2000 Bonds hereinafter authorized, there are hereby authorized to be issued the City's Water and Sewer Revenue Bonds, Series of 2000, in the principal amount of \$600,000 (the "2000 Bonds").

The 2000 Bonds shall be dated as of the date of their original delivery and shall be issuable as a single fully registered bond as hereinafter provided in Section 5, with reservation of right on the part of the City to issue additional bonds in the future, payable from the income and revenues of the System, subject to the conditions and restrictions hereinafter prescribed and set forth. The 2000 Bonds shall be offered at public sale as provided in Section 4 of this Ordinance.

The 2000 Bonds shall mature as to principal in installments on April 1 in each of the years 2003 to 2040, inclusive, as set forth in the schedule appearing below; and shall bear interest from their date until payment of principal, such interest to the respective principal maturity dates to be payable semiannually on April 1 and October 1 of each year, and such interest to be at such rate as may be established by a supplemental Resolution/ Municipal Order upon the basis of competitive sale of the 2000 Bonds as hereinafter provided. The annual installments of principal of the 2000 Bonds, in fully registered form as aforesaid, shall be due and payable on April 1 as set forth in the following schedule:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
2003	\$ 6,500	2016	\$ 11,000	2029	\$ 19,500
2004	6,500	2017	12,000	2030	20,500
2005	7,000	2018	12,000	2031	21,000
2006	7,500	2019	13,000	2032	22,500
2007	7,500	2020	13,000	2033	23,000
2008	8,000	2021	14,000	2034	24,500
2009	8,500	2022	14,500	2035	25,000
2010	8,500	2023	15,000	2036	26,500
2011	9,000	2024	16,000	2037	27,500
2012	9,500	2025	16,500	2038	28,500
2013	10,000	2026	17,000	2039	30,000
2014	10,000	2027	18,000	2040	31,500
2015	11,000	2028	18,500		

provided, however, that installments of principal of the 2000 Bonds shall be subject to prepayment at the option of the City prior to maturity in whole or from time to time in part in inverse order of maturities (less than all of a single maturity to be selected by lot) on any interest payment date on and after April 1, 2010, upon terms of par plus accrued interest without any prepayment premium, upon thirty (30) days' prior written notice mailed to the registered holder or holders of the 2000 Bonds; provided, that so long as USDA is the owner of any of the 2000 Bonds, the same may be prepaid in whole or in part at any time at par plus accrued interest, and without notice or prepayment premium. The 2000 Bonds may be prepaid only in increments of \$500.

Both principal of and interest on the 2000 Bonds shall be payable, without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, to the registered holder at the address shown on the registration books of the City or, so long as USDA is the registered holder, at the office or address as may be designated by USDA from time to time.

If any City officer whose signature appears on any 2000 Bond shall cease to be such officer prior to delivery, such signature shall nevertheless be valid and binding for all purposes, the same as if such officer had continued in office until the time of delivery of such 2000 Bond.

The 2000 Bonds, together with any bonds which may hereafter be issued on a basis of parity therewith subject to the conditions and restrictions hereinafter set forth, and the interest thereon, shall be payable only out of the Water and Sewer Revenue Bonds, 2000 Bond and Interest Sinking Fund (the "2000 Sinking Fund"), as hereinafter more specifically provided, and shall be a valid claim of the holder thereof only against the 2000 Sinking Fund and the fixed portion or amount of the revenues of the System which the City hereby pledges to the 2000 Sinking Fund, subject to the priorities set out in the first paragraph of this Section 3.

#### SECTION 4

##### PROVISIONS RELATING TO SALE OF BOND ISSUE

The 2000 Bonds authorized by this Ordinance shall be publicly offered for sale according to a Notice of Sale of Bonds conforming to the requirements of KRS Chapter 424 (and particularly KRS 424.140(3) and KRS 424.360), which shall be published one time, not less than seven (7) days nor more than twenty-one (21) days prior to the date therein specified (by and at the discretion of the Mayor of the City) for the opening and consideration of purchase bids, in each of the following: (a) the The Central Record, a legal newspaper published in Lancaster, Garrard County, Kentucky, which is qualified under KRS 424.120 to publish advertisements for the City; and (b) The Courier-Journal, Louisville, Kentucky, a legal newspaper having statewide circulation.

Such Notice shall state the name and amount of 2000 Bonds to be sold, the time of the sale and other details concerning the 2000 Bonds and the sale and shall inform prospective bidders that a copy of the Official Notice of Bond Sale, setting out the maturities, security of the 2000 Bonds,

provisions as to redemption prior to maturity, and related information, may be obtained from the City. Such Official Notice shall contain, *inter alia*, substantially the following bidding requirements:

(A) Bidders shall be limited to institutions or persons having knowledge and experience in financial and business matters who are capable of evaluating the merits and risks of the Bonds and who are not purchasing for more than one account and do not intend to redistribute the Bonds. The City will make available to any such qualified bidder, upon written request, any financial and other material information regarding the City and the System in the City's possession. Bidders are required to bid a cash price of not less than par value for the 2000 Bonds.

(B) The single interest rate for the 2000 Bonds must be in a multiple of 1/8 or 1/10 of one percent.

(C) Bids will be considered only for the entire 2000 Bond issue.

(D) Bidders (except USDA) are required to deposit a good faith check by cashier's check or certified check in the minimum amount of 2% of the face amount of the 2000 Bonds, which good faith deposit may be applied as partial payment for the 2000 Bonds, or as liquidated damages in the event that such bidder, if successful, fails to comply with the terms of his bid.

(E) Preference in award will be given to the bid resulting in the lowest net interest cost to the City.

(F) The lowest net interest cost will be determined by deducting the total amount of any premium bid from the aggregate amount of interest upon the 2000 Bonds, computed from the first day of the month following the date of sale of the 2000 Bonds (even though the 2000 Bonds will bear interest only from the date of delivery) to the final maturity specified in each respective bid.

(G) The City expects to deliver, and the successful bidder must be prepared to accept delivery of and pay for, the 2000 Bonds at the office of the City Clerk within 45 days after the date of sale thereof. If the 2000 Bonds are not ready for delivery and payment within forty-five days from the aforesaid date of sale, the successful bidder shall be relieved of any liability to accept delivery of the 2000 Bonds, except that 2000 Bonds purchased by any agency of the Federal government will be delivered to it at a place and time designated by such agency in accordance with its established practices and procedures.

(H) The City reserves the right, in its discretion, to determine the best bid or bids, to waive any informality or irregularity and to reject any or all bids.

(I) The City will furnish the 2000 Bonds, together with customary closing documents, including no-litigation certificate.

(J) The 2000 Bonds will be tendered within said 45-day period and the successful bidder will receive the approving legal opinion of Harper, Ferguson & Davis, Bond Counsel, Louisville,

Kentucky, as to the legality of and tax-exempt status of interest on the 2000 Bonds, without additional cost to the successful bidder.

In the event that there is no bid, or that all bids are rejected, the City may re-advertise the sale pursuant to this Ordinance.

Bond Counsel having submitted to the City Council forms of the Notice of Sale of Bonds and the Official Notice of Bond Sale, together with an Official Bid Form for use by all bidders except USDA, said documents are hereby approved and authorized for use in connection with the aforesaid sale of the 2000 Bonds.

## SECTION 5

### 2000 BONDS TO BE ISSUED IN FULLY REGISTERED FORM: BOND FORM

Upon the sale of the 2000 Bonds, the City shall issue a single 2000 Bond numbered R-1 (hereinafter referred to as the "Fully Registered Bond"). The Fully Registered Bond shall be in the aggregate principal amount of the 2000 Bond it represents, maturing as to principal in installments as set out in Section 3 hereof. The Fully Registered Bond shall be of type composition, on paper of sufficient weight and strength to prevent deterioration until the last day of maturity of any installment of principal as stated therein, and shall conform in size to standard practice. The Fully Registered Bond shall, upon execution on behalf of the City (which execution shall be by manual signatures of the Mayor and City Clerk of the City, and actual impression of the corporate seal), constitute a part of the 2000 Bond issue herein authorized and referred to, shall be non-negotiable, without interest coupons, registered as to principal and interest, payable as directed by the payee, and be in substantially the form hereinafter set forth.

The City hereby directs that books for the registration and for the transfer of the Fully Registered Bond shall be kept by the City Clerk, who is hereby appointed as Bond Registrar in connection with such Bond. The Fully Registered Bond shall be transferable only upon said Bond Registrar's book at the request of the registered holder thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the City Clerk duly executed by the registered holder or his duly authorized attorney. Upon such transfer of the Fully Registered Bond, the Bond Registrar shall complete (with the name of the transferee), date and execute the registration schedule appearing on the Fully Registered Bond and deliver the Fully Registered Bond to such transferee. The person in whose name the Fully Registered Bond shall be properly registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either principal thereof or interest thereon shall be made only to or upon the order of the registered holder thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Fully Registered Bond to the extent of the sum or sums so paid. The face amount of the Fully Registered Bond, portions of which mature on different dates, will be

reduced upon the payment of each maturity, and the City Clerk shall keep appropriate records of all payments (both principal and interest) with respect to the Fully Registered Bond.

The Fully Registered Bond shall be in substantially the following form (with appropriate insertions and modifications):

(FORM OF FULLY REGISTERED BOND)

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
CITY OF LANCASTER, KENTUCKY  
WATER AND SEWER REVENUE BOND, SERIES OF 2000

No. R-1

\$600,000

KNOW ALL MEN BY THESE PRESENTS:

That the City of Lancaster, in Garrard County, Commonwealth of Kentucky (the "City"), for value received, hereby promises to pay to the registered holder hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of SIX HUNDRED THOUSAND DOLLARS (\$600,000) on the first day of April in years and installments as follows:

Year   Principal      Year   Principal      Year   Principal

(Here printer will print the principal maturities for the 2000 Bonds)

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, without deduction for exchange or collection charges and in like coin or currency, at the rate of \_\_\_\_\_ percent (\_\_\_\_\_% ) per annum, semiannually on the first days of April and October in each year hereafter until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable to the registered holder hereof at the address shown on the registration books of the City or, so long as the United States of America, Department of Agriculture, is the registered holder of this Bond, at the office or address as may be designated by said Department of Agriculture from time to time.

This Bond is the Bond in fully registered form representing a total authorized issue of Bonds in the principal amount of \$600,000 issued by the City pursuant to the Constitution and Statutes of the Commonwealth of Kentucky, including among others Chapter 58 of the Kentucky Revised Statutes, and pursuant to a duly adopted Ordinance of the City, for the purpose of paying the costs (to the extent not otherwise provided to be paid) of the acquisition, construction and installation of major improvements and additions to the City's combined municipal water and sewer system (the "System"), together with appurtenant facilities, and incidental expenses.

This Bond and the issue which it represents, together with such additional bonds as may hereinafter be issued and outstanding from time to time in accordance with the conditions and restrictions set forth in the Ordinance authorizing the issuance of this Bond, are payable from and secured by a subordinated pledge of a fixed portion of the income and revenues to be derived from the operation of the System, subject to the priorities hereinafter recited, which fixed portion shall be sufficient to pay the principal of and interest on this Bond and the issue which it represents, and any outstanding parity bonds, as and when the same shall become due and payable, and which shall be set aside as a special fund for that purpose and identified as the "Water and Sewer Revenue Bonds, 2000 Bond and Interest Sinking Fund" (the "2000 Sinking Fund"); provided, however, the City has outstanding certain of its Water and Sewer Revenue Bonds, Series of 1976, and Series 1988, together with a certain 1995 loan repayment obligation to the Kentucky Infrastructure Authority, all of which are secured by pledges of the income and revenues of the System which are prior and superior to the security rights created for this Bond and the issue which it represents; and so long as any of said prior bonds and obligations are outstanding and unpaid, the City will comply in all respects with the requirements of the ordinances authorizing said bonds and obligations and it is acknowledged that this Bond and the issue which it represents are subject to the prior pledges and rights related to System revenues securing said outstanding prior bonds and obligations so long as any of the same remain outstanding and unpaid.

This Bond does not in any manner constitute an indebtedness of the City within the meaning of the Statutes and Constitution of Kentucky, and the City is not and shall not be obligated to pay this Bond or the interest hereon except from said special fund. The City, acting by and through its Council, covenants that it will fix, and if necessary adjust from time to time, such rates and charges for use of the services and facilities of the System and will collect and account for the income and revenues therefrom sufficient, after providing for the requirements of the ordinances and agreements authorizing said outstanding prior bonds and obligations, to pay promptly the interest on and principal of this issue of Bonds and all other bonds ranking on a parity therewith as may be issued and outstanding from time to time in accordance with the conditions and restrictions prescribed in that connection, as well as to pay the costs of operation and maintenance of the System.

This Bond shall be registered as to principal and interest in the name of the holder hereof, after which it shall be transferable only upon presentation to the City Clerk, as the Bond Registrar, with a written transfer duly acknowledged by the registered holder or his duly authorized attorney, which transfer shall be noted upon this Bond and upon the books of the City kept for that purpose.

The City, at its option, shall have the right to prepay, on any interest payment date on and after April 1, 2010, in the inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser portion thereof in multiples of Five Hundred Dollars (\$500) as the City may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any prepayment premium. Notice of such prepayment shall be given by registered mail to the registered holder of this Bond at least thirty (30) days prior to the date fixed for prepayment. Provided, however, that so long as the United States of America, Department of Agriculture, is the registered holder of this Bond, this Bond may be prepaid at any time, in whole or in part, at par or face value and without notice or prepayment premium.

Upon default in the payment of any principal or interest payment on this Bond or upon failure by the City to comply with any other provisions of this Bond or with the provisions of the Ordinance authorizing the issuance of this Bond, the registered holder may, at his option, institute proceedings to enforce all rights and remedies provided by law or by said ordinance.

This Bond is exempt from *ad valorem* taxation in the Commonwealth of Kentucky.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, being the total authorized amount of Bonds of the issue which this Bond represents, together with all other obligations of the City, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the City of Lancaster, in the Commonwealth of Kentucky, has caused this Bond to be executed by its Mayor, attested by the City Clerk, and its corporate seal to be hereunto affixed, on the date of this Bond, which is \_\_\_\_\_.

CITY OF LANCASTER, KENTUCKY

By \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(Seal of City)

PROVISION FOR REGISTRATION

This Bond shall be registered on the books of the City of Lancaster, Kentucky, kept for that purpose by the City Clerk, as Bond Registrar, upon presentation hereof to the City Clerk, who shall make notation of such registration in the registration blank, and this Bond may thereafter be transferred only upon written transfer acknowledged by the registered holder or his attorney, such transfer to be made on said books and endorsed hereon.

(FORM OF REGISTRATION)

<u>Date of Registration</u>	<u>Name of Registered Holder</u>	<u>Signature of the City Clerk as Bond Registrar</u>
	United States of America Department of Agriculture State Office 771 Corporate Dr., Suite 200 Lexington, Kentucky 40503*	

\*(To be inserted if USDA purchases the 2000 Bonds)

SECTION 6

DISPOSITION OF 2000 BOND PROCEEDS; CONSTRUCTION FUND

The Treasurer of the City shall be the custodian of all funds belonging to and associated with the System, as expanded and improved from time to time, and such funds shall be deposited in the bank or banks in Kentucky as the City Council may from time to time designate (hereinafter sometimes referred to, singularly and collectively, as the "Depository Bank"). All such moneys of the City deposited in the Depository Bank in excess of the amount insured by the Federal Deposit Insurance Corporation ("FDIC") shall be secured by the Depository Bank in accordance with U. S. Treasury Department Circular No. 176. The Treasurer shall execute a fidelity bond in an amount and with a surety company approved by USDA so long as it is the holder of any of the 2000 Bonds; and USDA and the City shall be named co-obligees in such surety bond, and the amount thereof shall not be reduced without the written consent of USDA. The proceeds of the 2000 Bonds shall be applied as follows:

Upon the issuance and delivery of the 2000 Bonds authorized by this Ordinance, the entire proceeds thereof shall be deposited in an account designated "City of Lancaster 2000 Water and Sewer System Construction Fund" (the "Construction Fund"), hereby created. Said 2000 Bond proceeds shall constitute a part of the Construction Fund and shall be applied, to the extent necessary, in paying the costs incident to constructing, installing and acquiring the Project, including expenses incurred in the issuance of the 2000 Bonds and paying interim financing obligations (both principal and interest) incurred in connection with the Project as authorized by said separate interim financing Resolution/Municipal Order of the City; provided, however, any 2000 Bond proceeds so used to pay such interim financing obligations may be disbursed directly to the appropriate lending institution(s) without the requirement of being deposited to the Construction Fund.

A sum in the Construction Fund estimated to be equal to interest which will accrue on the 2000 Bonds (following delivery thereof) during construction and development of the Project shall be earmarked, used and applied to the payment of interest on the 2000 Bonds next becoming due.

Disbursements from the Construction Fund shall be made by checks signed by the City, and such disbursements shall be authorized and approved in writing by the Mayor and, if USDA is the purchaser of the Bonds, by USDA.

Pending disbursement, the 2000 Bond proceeds shall be deposited, as aforesaid, in the Construction Fund, and to the extent that such deposit causes the aggregate deposits by the City in the Depository Bank to be in excess of the amount insured by FDIC, the same shall be secured by a surety bond or bonds furnished by a surety company or companies qualified to do business in Kentucky and approved by the Council of the City, or by a valid pledge of direct obligations of the United States Government, or obligations as to which the payment of principal and interest are guaranteed by the United States Government, having a market value at least equivalent to such deposit.

Where the moneys on deposit in the Construction Fund exceed the estimated disbursements on account of the Project for the next 30 days, the City shall direct the Depository Bank to invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, which shall mature not later than six months after the date of such investment and which shall be subject to redemption at any time by the holder thereof. The earnings from any such investments shall be deposited in the Construction Fund by the City, unless otherwise authorized by USDA.

In the event any unexpected balance shall remain in the Construction Fund after completion of the Project, and payment of all of the costs thereof, as certified by the Engineers, such unexpended balance, subject to the terms and conditions of the aforesaid USDA loan, and to USDA approval, shall be transferred and deposited in the Sinking Fund hereinafter identified and shall be used at the earliest practicable date for the retirement of 2000 Bonds by purchase thereof (or principal prepayment) in inverse numerical and maturity order.

In the event that the amount hereinabove provided to be set aside from 2000 Bond proceeds for payment for interest during the construction and development of the Project should prove to be insufficient for such purpose, additional moneys may, upon approval by USDA, be withdrawn from the Construction Fund and so applied, inasmuch as interest during such period is a proper part of the cost of the Project, to the extent authorized by USDA.

Pending disbursements for the authorized purposes, the proceeds of all 2000 Bonds at any time issued pursuant to this Ordinance shall be subject to a first and paramount lien and charge in favor of the holders of 2000 Bonds issued and outstanding hereunder and for their further security.

## SECTION 7

### OPERATION OF SYSTEM; FLOW OF FUNDS; ACCUMULATION OF REVENUES

All proceedings preliminary to and in connection with the issuance of the 1976 and 1988 Bonds, particularly the 1976 and 1988 Ordinances, whereby provision was made for the operation of the System on a revenue-producing basis, for the segregation, allocation and custody of revenues derived from the operation of the System, and for the enforcement and payment of the 1976 and 1988 Bonds, are hereby ratified and confirmed and shall continue in full force and effect, the same as if such provisions and proceedings were herein set out in full, and nothing herein shall be construed as altering, revising or amending said contractual relationships; and so long as the 1976 and 1988 Bonds remain outstanding and unpaid, the City shall maintain all funds required to be maintained and created or continued by the terms of the 1976 and 1988 Ordinances.

Consistent with the foregoing, it is hereby resolved and provided that from and after issuance and delivery of the 2000 Bonds herein authorized, and so long as any of the 2000 Bonds or parity bonds remain outstanding and unpaid, the System shall continue to be operated on a fiscal year basis, and on that basis the cash income and revenues of the System shall be collected, segregated, accounted for and distributed as follows:

(A) A separate and special fund or account of the City, distinct and apart from all other funds and accounts, was continued by the 1976 and 1988 Ordinances, identified as the "Lancaster Waterworks and Sewer System Revenue Fund" (the "Revenue Fund"), which shall be maintained in the Depository Bank; and the City covenants and agrees that it will deposit therein, promptly as received from time to time, all cash income and revenues of the System. The moneys in the Revenue Fund from time to time shall be allocated to the respective accounts and shall be used and applied by the City only for the purposes, and in the manner and order of priorities, specified in the 1976 and 1988 Ordinances. After making from the Revenue Fund the separate account allocations and all disbursements and payments required to be made in fulfillment of the contractual commitments made in connection with the respective Prior Obligations (as provided in the 1976 and 1988 Ordinances and the 1995 Agreement), the moneys in the Revenue Fund from time to time shall be used and disbursed and applied by the City, as permitted by applicable statutes, as follows:

(B) A separate and special fund or account of the City is hereby created to be maintained in the Depository Bank, distinct and apart from all other funds and accounts, designated and identified as the "Water and Sewer Revenue Bonds, 2000 Bond and Interest Sinking Fund" (the "2000 Sinking Fund"), which is hereby continued and shall be maintained so long as any of the 2000 Bonds herein authorized or parity bonds herein permitted to be issued are outstanding; and all moneys deposited therein from time to time shall be used and disbursed and applied, and are hereby irrevocably pledged, solely for the purpose of paying the principal of and interest on the 2000 Bonds and any parity bonds which may be issued and outstanding from time to time pursuant to the provisions of this Ordinance.

Following delivery of and payment for the 2000 Bonds herein authorized, there shall be transferred on or before the 15th day of each month from the Revenue Fund (having due regard to the priorities in connection with the respective outstanding Prior Obligations) to the 2000 Sinking Fund not less than the following amounts:

- (i) beginning with and including the month in which interest shall last be payable from all 2000 Bond proceeds, a sum equal to one-sixth (1/6) of the next succeeding interest installment to become due on all 2000 Bonds then outstanding; and
- (ii) beginning on April 15, 2002, a sum equal to one-twelfth (1/12) of the principal of all 2000 Bonds maturing on the next succeeding April 1.

In the event additional parity bonds are issued pursuant to the conditions and restrictions hereinafter prescribed in that connection, the monthly deposits to the 2000 Sinking Fund shall be increased to provide for payment of interest thereon and the principal thereof as the same respectively become due.

Moneys from time to time in the 2000 Sinking Fund may be held in cash, in which event the same shall be secured (to the extent not insured by FDIC) by a valid pledge of bonds, notes, or certificates of indebtedness of the United States Government having at all times an equal market value; or the same may, upon order of the Council, be invested and reinvested in interest-bearing obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, maturing no later than five (5) years from the date the investment is made, or the final maturity date of 2000 Bonds or parity bonds issued pursuant to this Ordinance, whichever date is the earlier. Income from any such investments shall be accumulated in the 2000 Sinking Fund, and may be invested in the same manner.

\* \* \* \* \*

The City has previously, by the 1976 and 1988 Ordinances, continued special funds for purposes of the 1976 and 1988 Bonds and the System, identified as the City's "Water and Sewer Revenue Bond and Interest Redemption Fund" (including the Debt Service Reserve therein), the "Operation and Maintenance Fund," and the "Depreciation Fund." All provisions relating to said identified special funds are hereby ratified, readopted and affirmed; said funds shall continue to be maintained according to the ordinances establishing same; and so long as the 2000 Bonds herein authorized are outstanding, the Revenue Fund, the Operation and Maintenance Fund and the Depreciation Fund shall continue in effect, with the City making such monthly transfers to the Operation and Maintenance Fund and the Depreciation Fund from the Revenue Fund as are required by the terms of the 1976 and 1988 Ordinances; provided that the monthly payments into the Depreciation Fund from the Revenue Fund with respect to the 2000 Bonds shall be at least \$275 so long as the 2000 Bonds are outstanding.

## SECTION 8

### COVENANTS TO BONDHOLDERS

In addition to and not in derogation of the covenants contained in the 1976 and 1988 Ordinances in favor of the holders of the 1976 and 1988 Bonds, the City hereby irrevocably covenants and agrees with the holder or holders of any and all 2000 Bonds and parity bonds at any time issued and outstanding pursuant to authority of this Ordinance that so long as the same or any part thereof or interest thereon remain outstanding and unpaid:

(A) It will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the Commonwealth of Kentucky, and by the terms and provisions of this Ordinance.

(B) It will at all times operate the System on a revenue-producing basis, and will permit no free services to be rendered or afforded thereby.

(C) It will maintain the System in good condition through application of revenues accumulated and set aside for operation and maintenance, as herein provided; and will make unusual or extraordinary repairs, renewals and replacements, as the same may be required, through application of revenues accumulated and set aside for such purposes.

(D) The City covenants and agrees that, so long as any of the 2000 Bonds are outstanding, it will not (subject to the pre-existing rights of the holders of the 1976 and 1988 Bonds) sell or otherwise dispose of any of the System facilities or any part thereof, and, except as provided for in this Ordinance, it will not create or permit to be created any charge or lien on the revenues thereof ranking equal or prior to the charge or lien of the 2000 Bonds. Notwithstanding the foregoing, the City may at any time permanently abandon the use of, or sell at fair market value, any of its System facilities, provided that:

(i) it is in compliance with all covenants and undertakings in connection with all of its 2000 Bonds then outstanding and payable from the revenues of the System;

(ii) it will, in the event of sale, apply the proceeds to either (1) redemption of outstanding 1976 and 1988 Bonds and then 2000 Bonds in accordance with the provisions governing prepayment of said bonds in advance of maturity, or (2) replacement of the facility so disposed of by another facility the revenues of which shall be incorporated into the System as hereinbefore provided;

(iii) it certifies, prior to any abandonment of use, that the facility to be abandoned is no longer economically feasible of producing net revenues; and

(iv) notwithstanding all of the foregoing, no such sale, abandonment or transfer of System facilities shall be made so long as USDA owns any of the 2000 Bonds herein authorized, without the written consent and approval of USDA.

(E) It will establish, enforce and collect rates and charges for services rendered and facilities afforded by the System; and the same shall be reasonable and just, taking into account and consideration the cost and value of the System, the costs of operating the same and maintaining it in a good state of repair, proper and necessary allowances for depreciation and for additions and extensions, and the amounts necessary for the orderly retirement of all outstanding bonds as aforesaid and the accruing interest thereon, and the accumulation of reserves as herein provided; and such rates and charges shall be adequate to meet all such requirements as provided in this Ordinance, and shall, if necessary, be adjusted from time to time in order to comply herewith.

On or before the date of issuance of the 2000 Bonds, the City will adopt a Budget of Current Expenses for the System for the remainder of the then current fiscal year of the System, and thereafter, on or before the first day of each fiscal year so long as any 2000 Bonds are outstanding, it will adopt an Annual Budget of Current Expenses for the ensuing fiscal year, and will file a copy of each such Budget, and of any amendments thereto, in the office of the City Clerk, and furnish copies thereof to the holder of any Bond upon request. The term "Current Expenses," as herein used, includes all reasonable and necessary costs of operating, repairing, maintaining and insuring the System, including payment of debt service on the Prior Obligations and any subordinate obligations, but shall exclude any allowance for depreciation, payments into the Depreciation Fund for extensions, improvements, and extraordinary repairs and maintenance and payments into the 2000 Sinking Fund. The City covenants that the Current Expenses incurred in any year will not exceed the reasonable and necessary amounts therefor, and that it will not expend any amount or incur any obligations for operation, maintenance and repairs in excess of the amounts provided for Current Expenses in the Annual Budget, except upon resolution duly adopted by the City Council determining that such expenses are necessary in order to operate and maintain the System. At the same time, and in like manner, the City agrees that it will prepare an estimate of cash income and revenues to be derived from operation of the System for each fiscal year, and to the extent that said cash income and revenues are insufficient to provide for all payments required to be made into the said sinking funds during such ensuing fiscal year, and to build up and maintain the reserves specified and referred to in Section 7 of this Ordinance, and to pay Current Expenses, the City covenants and agrees that it will revise its rates and charges for services rendered by the System, so that the same will be adequate to meet all of such requirements.

(F) It will not at any time make any reduction in any prevailing schedule of rates and charges for use of the services and facilities of the System without first obtaining the written determination of a Consulting Engineer of national reputation that the proposed reduction will not adversely affect the ability of the City to meet all the requirements set forth in this Ordinance.

(G) It will at all times segregate the revenues of the System from all other revenues, moneys, and funds of the City, and will promptly and regularly make application and distribution thereof into the special funds provided in this Ordinance, in the amount and with due regard for the priorities herein attributed thereto.

(H) It will keep proper books of record and account, separate and clearly distinguishable from all other municipal records and accounts, showing complete and correct entries of all transactions relating to the System, and the same shall be available and open to inspection by any Bondholder, and any agent or representative of a Bondholder.

(I) It will, within ninety (90) days after the end of each fiscal year, cause an audit to be made of the books of record and account pertinent to the System, by an independent state-licensed accountant not in the employ of the City on a monthly salary basis, showing all receipts and disbursements, and reflecting in reasonable detail the financial condition and records of the System, including the status of the several funds hereinbefore created, the status of the insurance and fidelity bonding, the number and type of connections, and the current rates and charges, with comments of the auditor concerning whether the books and records are being kept in compliance with this Ordinance and in accordance with recognized accounting practices, and will promptly cause a copy of the audit report to be filed in the office of the City Clerk where it will be available for public inspection, and will promptly mail a copy thereof to the original recipients of 2000 Bonds issued hereunder. If requested to do so, the City will furnish to any Bondholder a condensed form of the balance sheet, and a condensed form of the operating report, in reasonable detail. All expenses incurred in causing such audits to be made, and copies distributed, shall constitute proper expenses of operating and maintaining the System, and may be paid from revenues allocated for such purposes, as herein provided. Provided, so long as USDA holds any of the 2000 Bonds herein authorized, the City shall furnish operating and other financial statements in such form and substance and for such periods as may be requested by USDA.

(J) Any holder of 2000 Bonds may either at law or in equity, by suit, action, mandamus, or other proceedings, enforce and compel performance by said City and its officers and agents of all duties imposed or required by law or this Ordinance in connection with the operation of the System, including the making and collecting of sufficient rates and segregation of the revenues and application thereof.

(K) If there be any default in the payment of the principal of or interest on any of the 2000 Bonds, then upon the filing of suit by any holder of said Bonds, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the City (but not in derogation of any of the prior rights and security interests created in connection with the Prior Obligations), with power to charge and collect rates sufficient to provide for the payment of any bonds or obligations outstanding against the System, and for the payment of Current Expenses, and to apply the revenues in

conformity with this Ordinance and the provisions of said statute laws of Kentucky aforesaid.

(L) The City will cause each municipal officer or other person (other than depository banks) having custody of any moneys administered under the provisions of this Ordinance to be bonded at all times in an amount at least equal to the maximum amount of such moneys in his custody at any time; each such bond to have surety given by a surety corporation qualified to do business in Kentucky and approved by the City Council, and the premiums for such surety shall constitute a proper expense of operating the System, and may be paid from moneys available in the Operation and Maintenance Fund.

(M) It will procure, and at all times maintain in force, insurance of all insurable properties constituting parts of, or being appurtenant to, the System to the full insurable value thereof, against damage or destruction by fire, windstorm, and the hazards covered by the standard "extended coverage" policy endorsements or provisions, the premiums therefor to be paid from the Operation and Maintenance Fund; and will deposit all sums collected under the terms of such policies in the Depreciation Fund. Such insurance shall be in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed eighty percentum (80%) of the full insurable value of the damaged facility.

(N) The City will procure and at all times maintain public liability insurance relating to the operation of the System, with limits of not less than \$200,000 for one person and \$500,000 for more than one person involved in one accident to protect the City from claims for bodily injury and/or death; and not less than \$100,000 from claims for damage to property of others which may arise from the City's operation of the System.

(O) The City will carry suitable Workers' Compensation Insurance in accordance with law.

(P) If the City owns or operates a vehicle in the operation of the System, the City will procure and at all times maintain vehicular public liability insurance with limits of not less than \$200,000 for one person and \$500,000 for more than one person involved in one accident to protect the City from claims for bodily injury and/or death, and not less than \$100,000 against claims for damage to property of others which may arise from the City's operation of vehicles. Provided, notwithstanding (M), (N), (O) and (P) above, that so long as USDA holds any 2000 Bonds, the City will procure and maintain insurance of such types and amounts as USDA may specify.

(Q) So long as USDA is the holder of any bonds of the City, the City shall not issue any bonds or other obligations for the purpose of defeasing or otherwise terminating the lien of such bonds held by USDA without immediately prepaying all of such bonds held by USDA.

## SECTION 9

### PARITY BONDS PERMITTED; TERMS

The 2000 Bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to priority one over the other in the application of the revenues herein pledged, regardless of the time or times of their issuance, it being the intention that there shall be no priority among the 2000 Bonds authorized to be issued under the provisions of this Ordinance, regardless of the fact that they may actually be issued and delivered at different times. No other bonds or other obligations shall be issued by the City and made payable from the income and revenues of the System unless the pledge of revenues for the same is expressly made subordinate and inferior to the lien and pledge herein created; provided, however, the City hereby reserves the right and privilege of issuing additional bonds, from time to time, payable from the revenues of the System, ranking on a basis of equality and parity as to security and source of payment with the 2000 Bonds herein authorized, for the following purposes and subject to the following conditions and restrictions:

(A) The City covenants and agrees that in the event the cost of constructing the Project, together with incidental expenses, shall exceed the cost upon which the dollar amount of 2000 Bonds herein authorized has been computed, it shall pay the amount of such excess out of funds available to it for such purpose. The City may provide such excess (but only such excess) through the issuance of parity bonds, provided that it has obtained (i) the consent of USDA, and (ii) if any 2000 Bonds are owned by persons other than USDA, the consent of the holders of two-thirds in principal amount of the outstanding 2000 Bonds so held.

(B) The City shall have the right to add new System facilities and related auxiliary facilities by the issuance of one or more additional series of bonds to be secured by a parity lien on and ratably payable from the revenues and any other security pledged to the 2000 Bonds, provided in each instance that:

- (i) the facility or facilities to be built from the proceeds of the additional parity bonds is or are made a part of the System and its or their revenues are pledged as additional security for the additional parity bonds and the outstanding 2000 Bonds and parity bonds, if any;
- (ii) the City is in compliance with all covenants and undertakings in connection with all of its bonds then outstanding and payable from the income and revenues of the System or any part thereof;
- (iii) the net revenues (defined as gross revenues less Current Expenses as defined in Section 8(E) hereof) of the System for the fiscal year preceding the year of issuance of additional parity bonds are certified by an independent certified public accountant to have been equal to at least one and twenty hundredths (1.20) times the average annual requirements for principal and interest on all 2000 Bonds and parity bonds, if any, then outstanding; and

- (iv) the estimated average annual net revenues (on a fiscal year basis) of the facility or facilities to be constructed or acquired with the proceeds of such additional bonds (and any other funds pledged as security), when added to the estimated future average annual net revenues of the then existing System, shall be at least one and twenty hundredths (1.20) times the average annual debt service requirements for principal and interest on all outstanding 2000 Bonds and parity bonds, if any, then outstanding and on the additional bonds then to be issued. Future net revenue estimates shall be furnished by a recognized independent consulting engineer or firm of such engineers and shall be forecast over a period not exceeding five (5) years from the expected date of completion of the facility or facilities to be constructed or acquired in whole or in part with the proceeds of such additional bonds proposed to be issued. Provided, however, the foregoing conditions and limitations prescribed in subparagraph (iii) immediately above and this subparagraph (iv) may be waived or modified by the written consent of the holders of at least seventy-five percent (75%) in principal amount of the then outstanding 2000 Bonds and parity bonds, if any.

(C) The City hereby covenants and agrees that in the event additional series of parity bonds are issued, it shall:

- (i) adjust the monthly deposits into the Sinking Fund on the same basis as that prescribed in Section 7(B) hereof to reflect the annual debt service on the additional bonds;
- (ii) adjust and increase appropriately the monthly amount to be deposited into the Depreciation Fund in accord with controlling ordinances to give recognition to the facilities and equipment to be constructed or acquired with the proceeds of such additional bonds; and
- (iii) make such additional bonds payable as to principal on April 1 of each year in which principal falls due and payable as to interest on April 1 and October 1 of each year.

(D) The additional parity bonds (sometimes herein referred to as “permitted” to be issued), the issuance of which is restricted and conditioned by this Section, shall be understood to mean bonds payable from the revenues of the System on a basis of equality and parity with the 2000 Bonds herein specifically authorized, and shall not be deemed to include other bonds or obligations, the security and source of payment of which are subordinate and subject to the priority of the 2000 Bonds and parity bonds herein authorized to be issued. The City expressly reserves the right to issue its bonds or other obligations payable from the revenues herein pledged, and not ranking on a basis of equality and parity with the 2000 Bonds and parity bonds herein otherwise referred to, without any proof of previous earnings or net revenues, but only if such bonds or other obligations are issued to provide for additions or extensions or improvements of the System, and only if the same are issued in express recognition of the priorities, liens and rights created and existing for the security, source of payment, and protection of the 2000 Bonds and parity bonds herein authorized and permitted to be issued. Provided, however, that nothing in this Section is intended or shall be construed as a

restriction upon the ordinary refunding of the initially authorized 2000 Bonds, and/or of any bonds which may have been issued and are outstanding under any of the provisions of this Ordinance, if such refunding does not operate to increase, in any year until the final maturity of the refunding bonds, the aggregate of the principal and interest requirements of the bonds to remain outstanding and the bonds proposed to be refunded.

## SECTION 10

### PROVISIONS OF ORDINANCE CONSTITUTE CONTRACT

The provisions of this Ordinance shall constitute a contract between the City and the holders of the 2000 Bonds herein authorized and any parity bonds herein permitted to be issued, and after the issuance of any of the 2000 Bonds, no change, variation, or alteration of any kind of the provisions of this Ordinance shall be made in any manner except as herein provided until such time as all of the 2000 Bonds and parity bonds issued hereunder, and the interest thereon, have been paid in full.

## SECTION 11

### TAX COVENANTS

(A) The City covenants and agrees that the Project will be constructed expeditiously and the expenditure of the proceeds of the 2000 Bonds deposited in the Construction Fund for the payment of costs of the Project will be made promptly in order that the Project may be completed and in operation at the earliest possible date. The City further certifies and covenants with the holders of the 2000 Bonds that so long as any of the 2000 Bonds remain outstanding, moneys on deposit in any fund or account in connection with the 2000 Bonds, whether or not such moneys were derived from the proceeds of the sale of the 2000 Bonds or from any other sources, will not be invested or used in a manner which will cause the 2000 Bonds to be "arbitrage bonds" within the meaning of Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any lawful regulations promulgated or proposed thereunder as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Mayor and/or City Clerk, as the officers of the City charged with the responsibility for issuing the Bonds, are authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for evidencing compliance with federal "arbitrage bond" regulations, and any representations and certifications contained in such papers, documents, certificates and other instruments so executed shall be deemed to constitute representations and certifications of the City.

(B) The City further represents, warrants, agrees and covenants as follows:

(i) Within the meaning of Section 141 of the Code and the Income Tax Regulations issued thereunder, over the terms of the 2000 Bonds (i) less than 10% of the proceeds of the 2000 Bonds, if any, will be applied for any private business use, and the payment of principal of or interest on less than 10% of the amount of the 2000 Bonds, if any, will be secured directly or indirectly by

any interest in property used for a private business use, or payments in respect of such property, or will be derived directly or indirectly from payments (whether or not to the City) in respect of such property; (ii) at least 90% of the proceeds of the 2000 Bonds will be applied for a governmental use of the City; (iii) any private business use of the Project will be related to such governmental use of the City and will not be unrelated or disproportionate; and (iv) none of the proceeds of the 2000 Bonds will be used, directly or indirectly, to make or finance loans to private persons. It is reasonably expected that over the term of the 2000 Bonds (a) the Project will be available for general public use, in that it will be reasonably available for use by natural persons not engaged in a trade or business on the same basis as any other person or entity, (b) no nongovernmental person will have any special legal entitlement to use the Project, and (c) there will be no direct or indirect payments made with respect to the Project or the security of the 2000 Bonds by any persons or entities other than payments by the general public as described in clause (a) above.

(ii) Within the meaning of Section 148(f)(4)(B), it is reasonably expected at least 75% of the net proceeds (including investment proceeds) of the 2000 Bonds will be used for construction expenditures with respect to property which is owned by a governmental unit, at least 10% of such proceeds will be spent for the governmental purposes of the issue within six months from the date the 2000 Bonds are issued, at least 45% of such proceeds will be spent for such purposes within one year from such date, at least 75% of such proceeds will be spent for such purposes within eighteen months from such date, and at least 100% of such proceeds will be spent within two years from such date. It is also reasonably expected at least 50% of all proceeds (including investment proceeds) of the Bonds will be used for expenditures on the Project within six months, at least 60% will be so used within 12 months and 100% will be so used within 18 months from the date of issuance of the 2000 Bonds. If for any reason the arbitrage rebate requirements of Section 148(f) of the Code should be deemed to apply to the 2000 Bonds, the City will take all action necessary to comply therewith.

(iii) It is reasonably expected that during the term of the 2000 Bonds the Project will not be disposed of, provided, however, should there be any disposition of any personal property constituting a part of the Project because it is no longer suitable for its governmental purpose, it is reasonably expected that the fair market value of such personal property will not exceed 25% of its cost.

(iv) The weighted average maturity of the 2000 Bonds does not exceed 120% of the weighted average useful life of the facilities comprising the Project.

(v) The City has not heretofore expended any sums on the Project which are to be reimbursed from the proceeds of the 2000 Bonds, other than (a) certain preliminary expenditures such as engineering and planning costs not exceeding 20% of the 2000 Bond proceeds, (b) expenditures made within 60 days prior to the date of adoption of this Resolution, and (c) expenditures prior to which the City had adopted an official intent resolution regarding reimbursement from tax-exempt bond proceeds.

(vi) The 2000 Bonds are not federally guaranteed within the meaning of Section 149(b) of the Code.

(vii) The City will comply with the information reporting requirements of Section 149(e) of the Code.

(viii) The City will not use or permit the use of any of the funds provided by the 2000 Bonds in such manner as to, or take or omit to take any action which would, impair the exclusion from gross income for federal income tax purposes of interest on the 2000 Bonds. The City shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the City on the 2000 Bonds shall, for the purposes of federal income taxation, be excludable from gross income.

(ix) This Resolution is intended to and does constitute, in part, a declaration of official intent under applicable Income Tax Regulations.

## SECTION 12

### SEVERABILITY CLAUSE

If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

## SECTION 13

### REPEAL OF INCONSISTENT PROVISIONS

All ordinances, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

## SECTION 14

### WHEN ORDINANCE EFFECTIVE

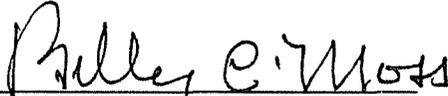
This Ordinance shall be in full force and effect from and after its adoption, approval, attestation and publication in summary form as provided by law. The summary of this Ordinance read at the meetings described below, prepared by a licensed attorney at law and including the title of this Ordinance, is hereby specifically approved and adopted for purposes of first and second readings and for the purpose of publication in summary form according to law.

ADOPTED BY THE COUNCIL OF THE CITY OF LANCASTER, KENTUCKY, upon second reading at a meeting held on the 16<sup>th</sup> day of October, 2000, following first reading on October 2, 2000, and upon such adoption signed by the Mayor in open session as evidence of his approval,

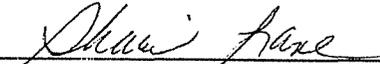
attested under seal by the City Clerk, ordered to be published in summary form according to law, and declared to be in full force and effect upon such publication.

APPROVED:

(SEAL)

  
\_\_\_\_\_  
Mayor  
City of Lancaster, Kentucky

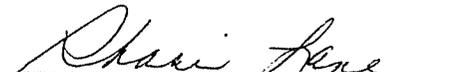
ATTEST:

  
\_\_\_\_\_  
City Clerk

CERTIFICATION

I, the undersigned, City Clerk of the City of Lancaster, Kentucky (the "City"), hereby certify that the foregoing is a true, complete and correct copy of an Ordinance finally adopted upon second reading by the Council of the City, signed by the Mayor thereof, and attested under seal by me as City Clerk upon the occasion of a properly convened meeting of the City Council held on the 16<sup>th</sup> day of October, 2000, as shown by the official records in my custody and under my control. I further certify that I have delivered an authorized summary of said Ordinance to the legal newspaper published in the City qualified under KRS Chapter 424 to publish legal documents on behalf of the City, with directions that the same be published in the earliest possible issue thereof.

WITNESS my hand this 18 day of October, 2000.

  
\_\_\_\_\_  
City Clerk  
City of Lancaster, Kentucky

CITY OF LANCASTER, KENTUCKY  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2008

COMPOSITE BOND AND INTEREST SCHEDULE  
 WATER AND SEWER REVENUE BONDS

Fis. Yr. Ending June 30	Series of 1976		(Sewer) Series of 1988		Series of 2000		Series of 2005 A	
	Apr.1 Bonds	Oct. & Apr. Interest	Apr.1 Bonds	Oct. & Apr. 1 Interest	Apr.1 Bonds	Oct. & Apr. 1 Interest	Apr. 1 Bonds	Oct. & Apr. 1 Interest
2009	18,000	8,700	29,000	47,950	8,500	24,369	2,700	10,824
2010	19,000	7,800	31,000	46,500	8,500	23,997	2,800	10,706
2011	20,000	6,850	32,000	44,950	9,000	23,625	3,000	10,583
2012	21,000	5,850	34,000	43,350	9,500	23,231	3,100	10,452
2013	22,000	4,800	35,000	41,650	10,000	22,816	3,200	10,316
2014	23,000	3,700	37,000	39,900	10,000	22,378	3,400	10,176
2015	25,000	2,550	39,000	38,050	11,000	21,941	3,500	10,028
2016	26,000	1,300	41,000	36,100	11,000	21,459	3,700	9,874
2017			43,000	34,050	12,000	20,978	3,900	9,713
2018			45,000	31,900	12,000	20,453	4,000	9,542
2019			47,000	29,650	13,000	19,928	4,200	9,367
2020			50,000	27,300	13,000	19,359	4,400	9,183
2021			52,000	24,800	14,000	18,791	4,600	8,991
2022			55,000	22,200	14,500	18,178	4,800	8,789
2023			57,000	19,450	15,000	17,544	5,000	8,579
2024			60,000	16,600	16,000	16,887	5,300	8,361
2025			63,000	13,600	16,500	16,187	5,500	8,129
2026			66,000	10,450	17,000	15,466	5,700	7,888
2027			70,000	7,150	18,000	14,722	6,000	7,639
2028			73,000	3,650	18,500	13,934	6,300	7,376
2029-45					300,000	92,007	162,300	71,519
	<u>\$174,000</u>	<u>\$41,550</u>	<u>\$959,000</u>	<u>\$579,250</u>	<u>\$557,000</u>	<u>\$488,250</u>	<u>\$247,400</u>	<u>\$258,035</u>

CITY OF LANCASTER, KENTUCKY  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2008

COMPOSITE BOND AND INTEREST SCHEDULE  
 WATER AND SEWER REVENUE BONDS

Fis. Yr. Ending June 30	Series of 2005 B		Total Due		Payments Required	Bond Balance
	Apr. 1 Bonds	Oct. & Apr. Interest	Bonds	Interest		
2009	2,000	7,145	60,200	98,988	156,688	2,045,300
2010	2,000	7,060	63,300	96,063	159,863	1,982,000
2011	2,100	6,975	66,100	92,983	159,083	1,915,900
2012	2,200	6,885	69,800	89,768	159,568	1,846,100
2013	2,300	6,792	72,500	86,374	158,874	1,773,600
2014	2,400	6,694	75,800	82,848	158,648	1,697,800
2015	2,500	6,592	81,000	79,161	160,161	1,616,800
2016	2,600	6,486	84,300	75,219	159,519	1,532,500
2017	2,700	6,375	61,600	71,116	132,716	1,470,900
2018	2,800	6,261	63,800	68,156	131,756	1,407,100
2019	3,000	6,142	67,200	65,087	132,287	1,339,900
2020	3,100	6,014	70,500	61,856	132,356	1,269,400
2021	3,200	5,882	73,800	58,464	132,264	1,195,600
2022	3,400	5,746	77,700	54,913	132,613	1,117,900
2023	3,500	5,602	80,500	51,175	131,675	1,037,400
2024	3,600	5,453	84,900	47,301	132,201	952,500
2025	3,800	5,300	88,800	43,216	132,016	863,700
2026	4,000	5,139	92,700	38,943	131,643	771,000
2027	4,100	4,969	98,100	34,480	132,580	672,900
2028	4,300	4,794	102,100	29,754	131,854	570,800
2029-45	<u>108,500</u>	<u>45,979</u>	<u>570,800</u>	<u>209,505</u>	<u>780,305</u>	<u>-0-</u>
	<u>\$168,100</u>	<u>\$168,285</u>	<u>\$2,105,500</u>	<u>\$1,535,370</u>	<u>\$3,638,670</u>	

KENTUCKY INFRASTRUCTURE AUTHORITY  
 1995J  
 LANCASTER, CITY OF  
 LOAN #93-06

1.70% Rate  
 \$23,127.73 P & I Calculation

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$781,462.00		
06/01/96	\$16,485.30	\$6,527.18	1.70%	\$23,012.48	\$781.46	\$0.00	\$23,793.94	\$764,976.70	\$2,379.39	\$2,379.39
12/01/96	\$16,625.42	\$6,502.30	1.70%	\$23,127.73	\$764.98	\$0.00	\$23,892.70	\$748,351.28	\$2,389.27	\$4,768.66
06/01/97	\$16,766.74	\$6,360.99	1.70%	\$23,127.73	\$748.35	\$0.00	\$23,876.08	\$731,584.53	\$2,387.61	\$7,156.27
12/01/97	\$16,909.26	\$6,218.47	1.70%	\$23,127.73	\$731.58	\$0.00	\$23,859.31	\$714,675.28	\$2,385.93	\$9,542.20
06/01/98	\$17,052.99	\$6,074.74	1.70%	\$23,127.73	\$714.68	\$0.00	\$23,842.40	\$697,622.29	\$2,384.24	\$11,926.44
12/01/98	\$17,197.94	\$5,929.79	1.70%	\$23,127.73	\$697.62	\$0.00	\$23,825.35	\$680,424.35	\$2,382.53	\$14,308.98
06/01/99	\$17,344.12	\$5,783.61	1.70%	\$23,127.73	\$680.42	\$0.00	\$23,808.15	\$663,080.23	\$2,380.82	\$16,689.79
12/01/99	\$17,491.54	\$5,636.18	1.70%	\$23,127.73	\$663.08	\$0.00	\$23,790.81	\$645,588.69	\$2,379.08	\$19,068.87
06/01/00	\$17,640.22	\$5,487.50	1.70%	\$23,127.73	\$645.59	\$0.00	\$23,773.32	\$627,948.47	\$2,377.33	\$21,446.21
12/01/00	\$17,790.16	\$5,337.56	1.70%	\$23,127.73	\$627.95	\$0.00	\$23,755.67	\$610,158.30	\$2,375.57	\$23,821.77
06/01/01	\$17,941.38	\$5,186.35	1.70%	\$23,127.73	\$610.16	\$0.00	\$23,737.88	\$592,216.92	\$2,373.79	\$26,195.56
12/01/01	\$18,093.88	\$5,033.84	1.70%	\$23,127.73	\$592.22	\$0.00	\$23,719.94	\$574,123.04	\$2,371.99	\$28,567.56
06/01/02	\$18,247.68	\$4,880.05	1.70%	\$23,127.73	\$574.12	\$0.00	\$23,701.85	\$555,875.36	\$2,370.18	\$30,937.74
12/01/02	\$18,402.79	\$4,724.94	1.70%	\$23,127.73	\$555.88	\$0.00	\$23,683.60	\$537,472.57	\$2,368.36	\$33,306.10
06/01/03	\$18,559.21	\$4,568.52	1.70%	\$23,127.73	\$537.47	\$0.00	\$23,665.20	\$518,913.36	\$2,366.52	\$35,672.62
12/01/03	\$18,716.96	\$4,410.76	1.70%	\$23,127.73	\$518.91	\$0.00	\$23,646.64	\$500,196.40	\$2,364.66	\$38,037.28
06/01/04	\$18,876.06	\$4,251.67	1.70%	\$23,127.73	\$500.20	\$0.00	\$23,627.92	\$481,320.34	\$1,035.82	\$39,073.10
12/01/04	\$19,036.50	\$4,091.22	1.70%	\$23,127.73	\$481.32	\$0.00	\$23,609.05	\$462,283.84		\$39,073.10
06/01/05	\$19,198.31	\$3,929.41	1.70%	\$23,127.73	\$462.28	\$0.00	\$23,590.01	\$443,085.53		\$39,073.10
12/01/05	\$19,361.50	\$3,766.23	1.70%	\$23,127.73	\$443.09	\$0.00	\$23,570.81	\$423,724.03		\$39,073.10
06/01/06	\$19,526.07	\$3,601.65	1.70%	\$23,127.73	\$423.72	\$0.00	\$23,551.45	\$404,197.95		\$39,073.10
12/01/06	\$19,692.04	\$3,435.68	1.70%	\$23,127.73	\$404.20	\$0.00	\$23,531.92	\$384,505.91		\$39,073.10
06/01/07	\$19,859.43	\$3,268.30	1.70%	\$23,127.73	\$384.51	\$0.00	\$23,512.23	\$364,646.48		\$39,073.10
12/01/07	\$20,028.23	\$3,099.50	1.70%	\$23,127.73	\$364.65	\$0.00	\$23,492.37	\$344,618.25		\$39,073.10
06/01/08	\$20,198.47	\$2,929.26	1.70%	\$23,127.73	\$344.62	\$0.00	\$23,472.34	\$324,419.78		\$39,073.10
12/01/08	\$20,370.16	\$2,757.57	1.70%	\$23,127.73	\$324.42	\$0.00	\$23,452.15	\$304,049.62		\$39,073.10
06/01/09	\$20,543.30	\$2,584.42	1.70%	\$23,127.73	\$304.05	\$0.00	\$23,431.78	\$283,506.32		\$39,073.10
12/01/09	\$20,717.92	\$2,409.80	1.70%	\$23,127.73	\$283.51	\$0.00	\$23,411.23	\$262,788.40		\$39,073.10
06/01/10	\$20,894.03	\$2,233.70	1.70%	\$23,127.73	\$262.79	\$0.00	\$23,390.51	\$241,894.37		\$39,073.10
12/01/10	\$21,071.62	\$2,056.10	1.70%	\$23,127.73	\$241.89	\$0.00	\$23,369.62	\$220,822.75		\$39,073.10
06/01/11	\$21,250.73	\$1,876.99	1.70%	\$23,127.73	\$220.82	\$0.00	\$23,348.55	\$199,572.01		\$39,073.10
12/01/11	\$21,431.36	\$1,696.36	1.70%	\$23,127.73	\$199.57	\$0.00	\$23,327.30	\$178,140.65		\$39,073.10
06/01/12	\$21,613.53	\$1,514.20	1.70%	\$23,127.73	\$178.14	\$0.00	\$23,305.87	\$156,527.12		\$39,073.10
12/01/12	\$21,797.25	\$1,330.48	1.70%	\$23,127.73	\$156.53	\$0.00	\$23,284.25	\$134,729.87		\$39,073.10
06/01/13	\$21,982.52	\$1,145.20	1.70%	\$23,127.73	\$134.73	\$0.00	\$23,262.46	\$112,747.35		\$39,073.10
12/01/13	\$22,169.37	\$958.35	1.70%	\$23,127.73	\$112.75	\$0.00	\$23,240.47	\$90,577.98		\$39,073.10
06/01/14	\$22,357.81	\$769.91	1.70%	\$23,127.73	\$90.58	\$0.00	\$23,218.30	\$68,220.16		\$39,073.10
12/01/14	\$22,547.86	\$579.87	1.70%	\$23,127.73	\$68.22	\$0.00	\$23,195.95	\$45,672.31		\$39,073.10
06/01/15	\$22,739.51	\$388.21	1.70%	\$23,127.73	\$45.67	\$0.00	\$23,173.40	\$22,932.80		\$39,073.10
12/01/15	\$22,932.80	\$194.93	1.70%	\$23,127.73	\$22.93	\$0.00	\$23,150.66	(\$0.00)		\$39,073.10
<b>Totals</b>	<b>\$781,462.00</b>	<b>\$143,531.81</b>		<b>\$924,993.81</b>	<b>\$16,899.65</b>	<b>\$0.00</b>	<b>\$941,893.46</b>		<b>\$39,073.10</b>	

BORROWER NAME: CITY OF LANCASTER  
 INTEREST RATE: 4.375  
 PRINCIPAL: 600,000  
 June 5, 2000

year	period	number	payment	interest	principal	balance
2001	1	1	26,250.00	26,250.00	0	600,000
2002	1	2	26,250.00	26,250.00	0	600,000
2003	1	3	32,750.00	26,250.00	6,500	593,500
2004	1	4	32,465.63	25,965.63	6,500	587,000
2005	1	5	32,681.25	25,681.25	7,000	580,000
2006	1	6	32,875.00	25,375.00	7,500	572,500
2007	1	7	32,546.88	25,046.88	7,500	565,000
2008	1	8	32,718.75	24,718.75	8,000	557,000
2009	1	9	32,868.75	24,368.75	8,500	548,500
2010	1	10	32,496.88	23,996.88	8,500	540,000
2011	1	11	32,625.00	23,625.00	9,000	531,000
2012	1	12	32,731.25	23,231.25	9,500	521,500
2013	1	13	32,815.63	22,815.63	10,000	511,500
2014	1	14	32,378.13	22,378.13	10,000	501,500
2015	1	15	32,940.63	21,940.63	11,000	490,500
2016	1	16	32,459.38	21,459.38	11,000	479,500
2017	1	17	32,978.13	20,978.13	12,000	467,500
2018	1	18	32,453.13	20,453.13	12,000	455,500
2019	1	19	32,928.13	19,928.13	13,000	442,500
2020	1	20	32,359.38	19,359.38	13,000	429,500
2021	1	21	32,790.63	18,790.63	14,000	415,500
2022	1	22	32,678.13	18,178.13	14,500	401,000
2023	1	23	32,543.75	17,543.75	15,000	386,000
2024	1	24	32,887.50	16,887.50	16,000	370,000
2025	1	25	32,687.50	16,187.50	16,500	353,500
2026	1	26	32,465.63	15,465.63	17,000	336,500
2027	1	27	32,721.88	14,721.88	18,000	318,500
2028	1	28	32,434.38	13,934.38	18,500	300,000
2029	1	29	32,625.00	13,125.00	19,500	280,500
2030	1	30	32,771.88	12,271.88	20,500	260,000
2031	1	31	32,375.00	11,375.00	21,000	239,000
2032	1	32	32,956.25	10,456.25	22,500	216,500
2033	1	33	32,471.88	9,471.88	23,000	193,500
2034	1	34	32,965.63	8,465.63	24,500	169,000
2035	1	35	32,393.75	7,393.75	25,000	144,000
2036	1	36	32,800.00	6,300.00	26,500	117,500
2037	1	37	32,640.63	5,140.63	27,500	90,000
2038	1	38	32,437.50	3,937.50	28,500	61,500
2039	1	39	32,690.63	2,690.63	30,000	31,500
2040	1	40	32,878.13	1,378.13	31,500	0
			1,293,787.61	693,787.61	600,000	

**City of Lancaster  
Debt Service Payments for Next Three Years**

<b>Series 1976 Bonds</b>	<b>Beginning Balance</b>	<b>Interest @ 10.0%</b>	<b>Principal Payment</b>	<b>Total Debt Service Payment</b>	<b>Ending Balance</b>
<b>2010</b>	156,000	15,600	19,000	34,600	137,000
<b>2011</b>	137,000	13,700	20,000	33,700	117,000
<b>2012</b>	117,000	11,700	21,000	32,700	96,000

<b>KIA 1995 Loan</b>	<b>Beginning Balance</b>	<b>Interest @1.7%</b>	<b>Principal Payment</b>	<b>Total Debt Service Payment</b>	<b>Ending Balance</b>
<b>2010</b>	283,506	4,644	41,612	46,255	241,894
<b>2011</b>	241,894	3,933	42,322	46,255	199,572
<b>2012</b>	199,572	3,211	43,045	46,255	156,527

<b>Series 2000 Bonds</b>	<b>Beginning Balance</b>	<b>Interest @ 4.375%</b>	<b>Principal Payment</b>	<b>Total Debt Service Payment</b>	<b>Ending Balance</b>
<b>2010</b>	548,500	23,997	8,500	32,497	540,000
<b>2011</b>	540,000	23,625	9,000	32,625	531,000
<b>2012</b>	531,000	23,231	9,500	32,731	521,500

<b>Series 2005A Bond:</b>	<b>Beginning Balance</b>	<b>Interest @4.375%</b>	<b>Principal Payment</b>	<b>Total Debt Service Payment</b>	<b>Ending Balance</b>
---------------------------	--------------------------	-------------------------	--------------------------	-----------------------------------	-----------------------

<b>2010</b>	244,700	10,706	2,800	13,506	241,900
<b>2011</b>	241,900	10,583	3,000	13,583	238,900
<b>2012</b>	238,900	10,452	3,100	13,552	235,800

	<b>Beginning Balance</b>	<b>Interest @4.25%</b>	<b>Principal Payment</b>	<b>Total Debt Service Payment</b>	<b>Ending Balance</b>
<b>Series 2005B Bond</b>					
<b>2010</b>	166,100	7,059	2,000	9,059	164,100
<b>2011</b>	164,100	6,974	2,100	9,074	162,000
<b>2012</b>	162,000	6,885	2,200	9,085	159,800



Book Asset Detail 7/01/07 - 6/30/08

FYE: 6/30/2008

Asset #	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
<b>Group: DISTRIBUTION SYSTEM</b>											
22	WATER DISTRIBUTION SYSTEM	1/01/51	69,235.00	0.00	0.00	69,235.00	0.00	69,235.00	0.00	S/L	28.6
23	WATER DISTRIBUTION SYSTEM	1/01/62	337.50	0.00	0.00	337.50	0.00	337.50	0.00	S/L	28.6
24	WATER DISTRIBUTION SYSTEM	1/01/64	20,000.00	0.00	0.00	20,000.00	0.00	20,000.00	0.00	S/L	28.6
25	WATER DISTRIBUTION SYSTEM	7/01/69	46,443.68	0.00	0.00	46,443.68	0.00	46,443.68	0.00	S/L	28.6
26	WATER DISTRIBUTION SYSTEM	7/01/72	20,000.00	0.00	0.00	20,000.00	0.00	20,000.00	0.00	S/L	28.6
27	WATER DISTRIBUTION SYSTEM	7/01/73	7,000.00	0.00	0.00	7,000.00	0.00	7,000.00	0.00	S/L	28.6
28	WATER DISTRIBUTION SYSTEM	7/01/74	4,200.00	0.00	0.00	4,200.00	0.00	4,200.00	0.00	S/L	28.6
29	WATER DISTRIBUTION SYSTEM	7/01/75	7,000.00	0.00	0.00	7,000.00	0.00	7,000.00	0.00	S/L	28.6
30	WATER DISTRIBUTION SYSTEM	7/01/76	11,000.00	0.00	0.00	11,000.00	0.00	11,000.00	0.00	S/L	28.6
31	WATER DISTRIBUTION SYSTEM	7/01/78	142,053.03	0.00	0.00	142,053.03	0.00	142,053.03	0.00	S/L	28.6
33	WASTE DISTRIBUTION SYSTEM	7/01/79	13,074.98	0.00	0.00	12,809.12	265.86	13,074.98	0.00	S/L	28.6
34	W & S LINES	7/01/80	10,989.13	0.00	0.00	10,381.16	384.24	10,765.40	223.73	S/L	28.6
35	PIPE LINE	7/01/80	2,493.76	0.00	0.00	2,355.72	87.19	2,442.91	50.85	S/L	28.6
36	2 SUCTION PUMP	7/01/80	450.00	0.00	0.00	425.06	15.73	440.79	9.21	S/L	28.6
37	W & S LINES	7/01/81	24,005.52	0.00	0.00	21,837.03	839.35	22,676.38	1,329.14	S/L	28.6
38	W & S LINES & PUMP STATION	7/01/81	51,527.15	0.00	0.00	46,872.75	1,801.65	48,674.40	2,852.75	S/L	28.6
39	DANVILLE ST. SEWER	7/01/81	46,557.46	0.00	0.00	42,351.91	1,627.88	43,979.79	2,577.67	S/L	28.6
40	DANVILLE ST. SEWERS ENGINE	7/01/81	2,000.00	0.00	0.00	1,819.34	69.93	1,889.27	110.73	S/L	28.6
41	GRAVITY FLOW LINES-GRUBB	7/01/81	15,770.00	0.00	0.00	14,345.52	551.40	14,896.92	873.08	S/L	28.6
42	RICHMOND ST. & SO. STATES A	11/01/82	5,320.31	0.00	0.00	4,653.46	186.02	4,839.48	480.83	S/L	28.6
43	WATER DISPENSER NO. 2 & ME	5/01/83	2,446.30	0.00	0.00	2,446.30	0.00	2,446.30	0.00	S/L	10.0
44	ROOF ON BLDG AT WATER PL	11/01/82	5,156.07	0.00	0.00	5,156.07	0.00	5,156.07	0.00	S/L	10.0
45	ENGINEERING PLAN 201	3/01/83	4,122.91	0.00	0.00	3,606.18	144.16	3,750.34	372.57	S/L	28.6
46	WATER LINES TO SOUTHERN S	7/01/83	4,628.10	0.00	0.00	3,886.02	161.82	4,047.84	580.26	S/L	28.6
47	PUMPS (2) RECONDITIONING	7/01/85	27,201.00	0.00	0.00	27,201.00	0.00	27,201.00	0.00	S/L	10.0
48	WATER LINES	1/01/59	1,250.00	0.00	0.00	1,250.00	0.00	1,250.00	0.00	S/L	28.5
49	WATER LINES	1/01/60	250.00	0.00	0.00	250.00	0.00	250.00	0.00	S/L	28.5
50	WATER LINES	1/01/61	200.00	0.00	0.00	200.00	0.00	200.00	0.00	S/L	28.5
51	WATER LINES	1/01/62	3,050.00	0.00	0.00	3,050.00	0.00	3,050.00	0.00	S/L	28.5
52	WATER LINES	1/01/63	1,850.00	0.00	0.00	1,850.00	0.00	1,850.00	0.00	S/L	28.5
53	WATER LINES	1/01/64	1,100.00	0.00	0.00	1,100.00	0.00	1,100.00	0.00	S/L	28.5
54	WATER LINES	1/01/65	50.00	0.00	0.00	50.00	0.00	50.00	0.00	S/L	28.5
55	WATER LINES	1/01/66	700.00	0.00	0.00	700.00	0.00	700.00	0.00	S/L	28.5
56	WATER LINES	7/01/72	150.00	0.00	0.00	150.00	0.00	150.00	0.00	S/L	28.5
57	WATER LINES	7/01/78	150.00	0.00	0.00	150.00	0.00	150.00	0.00	S/L	28.5
58	WATER LINES	7/01/94	14,760.50	0.00	0.00	6,728.96	517.91	7,246.87	7,513.63	S/L	28.5
83	ENGINEER NEW WATERLINE	3/01/99	3,406.60	0.00	0.00	946.25	113.55	1,059.80	2,346.80	S/L	30.0
84	ENGINEER NEW WATERLINE	6/01/99	10,224.46	0.00	0.00	2,754.96	340.82	3,095.78	7,128.68	S/L	30.0
89	WATER LINE EXT. FIRE DEPT	9/30/01	29,964.12	0.00	0.00	5,743.10	998.80	6,741.90	23,222.22	S/L	30.0
90	ENGINEERING & EASEMENTS	1/01/02	165,200.32	0.00	0.00	22,715.05	4,130.01	26,845.06	138,355.26	S/L	40.0
91	ADDITIONAL EASEMENT	4/19/02	675.00	0.00	0.00	87.21	16.88	104.09	570.91	S/L	40.0
92	RAW WATER TRANSMISSION A	7/28/01	695,875.00	0.00	0.00	102,931.54	17,396.88	120,328.42	575,546.58	S/L	40.0
93	RAW WATER PUMPS	1/01/02	456,000.00	0.00	0.00	125,400.00	22,800.00	148,200.00	307,800.00	S/L	20.0
94	BOOSTER PUMP STATION	6/30/02	221,268.51	0.00	0.00	55,317.15	11,063.43	66,380.58	154,887.93	S/L	20.0
95	TELEMETRY RAW WATER PU	6/30/02	57,136.80	0.00	0.00	14,284.20	2,856.84	17,141.04	39,995.76	S/L	20.0
96	ENGINEERING HYDRALIC ANA	6/30/02	14,999.80	0.00	0.00	3,749.95	749.99	4,499.94	10,499.86	S/L	20.0
98	10" PROPELLER METER	9/01/02	2,000.00	0.00	0.00	483.33	100.00	583.33	1,416.67	S/L	20.0
101	RAW WATER TRANSMISS BAL.	6/30/03	283,585.00	0.00	0.00	28,358.52	7,089.63	35,448.15	248,136.85	S/L	40.0
102	6 FIRE HYDRANTS	4/01/04	5,568.58	0.00	0.00	1,809.79	556.86	2,366.65	3,201.93	S/L	10.0

PAGE 02/04  
MULLIGANHILL CLEMENT  
5028938960  
07/21/2009 13:45

Asset #	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
<b>Group: DISTRIBUTION SYSTEM (continued)</b>											
109	4 value insertions	9/30/05	15,800.00	0.00	0.00	1,382.50	790.00	2,172.50	13,627.50	S/L	20.0
110	1 value insertion	11/03/05	3,950.00	0.00	0.00	329.17	197.50	526.67	3,423.33	S/L	20.0
113	water meters	1/01/07	10,855.38	0.00	0.00	542.77	1,085.54	1,628.31	9,227.07	S/L	10.0
114	new water improv. project	6/30/07	1,563,135.25	0.00	0.00	0.00	39,078.38	39,078.38	1,524,056.87	S/L	40.0
115	electrical work	1/01/07	3,750.00	0.00	0.00	187.50	375.00	562.50	3,187.50	S/L	10.0
117	new water project dist system final	7/01/07	75,005.00	0.00c	0.00	0.00	1,875.13	1,875.13	73,129.87	S/L	40.0
118	water distribution project	7/01/07	62,110.00	0.00c	0.00	0.00	2,070.33	2,070.33	60,039.67	S/L	30.0
<b>DISTRIBUTION SYSTEM</b>			<b>4,247,032.22</b>	<b>0.00c</b>	<b>0.00</b>	<b>909,917.80</b>	<b>120,338.71</b>	<b>1,030,256.51</b>	<b>3,216,775.71</b>		
<b>Group: EQUIPMENT &amp; VEHICLE</b>											
59	EQUIPMENT FOR PUMPING ST.	7/01/79	8,151.75	0.00	0.00	8,151.75	0.00	8,151.75	0.00	S/L	10.0
60	SNAPPER LAWN MOWER	6/01/83	1,049.95	0.00	0.00	1,049.95	0.00	1,049.95	0.00	S/L	5.0
61	METER TESTING MACHINE	8/01/83	675.00	0.00	0.00	675.00	0.00	675.00	0.00	S/L	5.0
62	BACKHOE-JOHN DEERE	12/01/83	10,200.00	0.00	0.00	10,200.00	0.00	10,200.00	0.00	S/L	5.0
63	1/2 1995 FORD F 350 TRUCK	8/01/95	12,999.00	0.00	0.00	12,999.00	0.00	12,999.00	0.00	S/L	5.0
64	WOODS FINISHING MOWER	4/01/96	2,475.00	0.00	0.00	2,475.00	0.00	2,475.00	0.00	S/L	5.0
65	PH / ISE METER	10/01/90	1,551.55	0.00	0.00	1,551.55	0.00	1,551.55	0.00	S/L	7.0
67	1995 FORD F-150 PICK UP	7/01/94	11,425.00	0.00	0.00	11,425.00	0.00	11,425.00	0.00	S/L	10.0
68	COMPUTER	7/01/94	2,680.00	0.00	0.00	2,680.00	0.00	2,680.00	0.00	S/L	5.0
77	COMPUTER	4/01/97	7,722.45	0.00	0.00	7,722.45	0.00	7,722.45	0.00	S/L	5.0
80	OFFICE FURNITURE	3/01/98	954.97	0.00	0.00	891.42	63.55	954.97	0.00	S/L	10.0
81	P C COMPUTER	8/01/98	4,527.94	0.00	0.00	4,527.94	0.00	4,527.94	0.00	S/L	5.0
82	COMPUTER & Y2K	3/01/99	2,398.50	0.00	0.00	2,398.50	0.00	2,398.50	0.00	S/L	5.0
86	1/2 JOHN DEERE BACKHOE	11/01/99	24,212.50	0.00	0.00	24,212.50	0.00	24,212.50	0.00	S/L	5.0
87	1/2 john deere lawn mower	7/20/00	1,709.64	0.00	0.00	1,709.64	0.00	1,709.64	0.00	S/L	7.0
88	concrete saw	2/01/01	919.96	0.00	0.00	919.96	0.00	919.96	0.00	S/L	5.0
97	COMPUTERS & SOFTWARE	1/01/02	24,906.39	0.00	0.00	24,906.39	0.00	24,906.39	0.00	S/L	5.0
99	1993 GMC DUMP TRUCK 1/3	7/31/02	5,333.33	0.00	0.00	5,244.46	88.87	5,333.33	0.00	S/L	5.0
100	1/2 2003 CHEVY S-10 P-UP	9/02/02	5,350.50	0.00	0.00	5,172.15	178.35	5,350.50	0.00	S/L	5.0
103	1/2 KAWASAKI 60" MOWER	5/21/04	3,200.00	0.00	0.00	1,973.33	640.00	2,613.33	586.67	S/L	5.0
104	trench box equipment	6/15/05	2,625.00	0.00	0.00	781.25	375.00	1,156.25	1,468.75	S/L	7.0
107	1/2 ford truck	7/07/05	10,929.00	0.00	0.00	4,371.60	2,185.80	6,557.40	4,371.60	S/L	5.0
108	1/2 jd mower	3/23/06	1,874.62	0.00	0.00	334.75	267.80	602.55	1,272.07	S/L	7.0
<b>EQUIPMENT &amp; VEHICLE</b>			<b>147,872.05</b>	<b>0.00c</b>	<b>0.00</b>	<b>136,373.59</b>	<b>3,799.37</b>	<b>140,172.96</b>	<b>7,699.09</b>		
<b>Group: LAND</b>											
1	LAND-WATER PROD.	1/01/51	12,500.00	0.00	0.00	0.00	0.00	0.00	12,500.00	Memo	0.0
10	LAND-BOOSTER PUMP-W.PROI	1/01/92	8,668.83	0.00	0.00	0.00	0.00	0.00	8,668.83	Memo	0.0
12	LAND-BOOSTER PUMP-W.PROI	1/01/93	397.70	0.00	0.00	0.00	0.00	0.00	397.70	Memo	0.0
18	LAND-WATER PLANT	7/01/78	8,000.00	0.00	0.00	0.00	0.00	0.00	8,000.00	Memo	0.0
21	LAND-DIS. SYSTEM	1/01/51	1,200.00	0.00	0.00	0.00	0.00	0.00	1,200.00	Memo	0.0
32	LAND-DIS. SYSTEM	1/01/79	6,000.00	0.00	0.00	0.00	0.00	0.00	6,000.00	Memo	0.0
<b>LAND</b>			<b>36,766.53</b>	<b>0.00c</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>36,766.53</b>		

PAGE 03/04  
MULLIGANHILL CLEMENT  
5028938960  
07/21/2009 13:46

FYE: 6/30/2008

Asset #	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
<b>Group: PLANT</b>											
69	WATER TRTMENT PLANT-PER	1/01/96	856,609.55	0.00	0.00	197,020.00	17,132.19	214,152.19	642,457.36	S/L	50.0
70	EQUIPMENT	1/01/96	388,000.00	0.00	0.00	223,100.00	19,400.00	242,500.00	145,500.00	S/L	20.0
71	WATER LINES	1/01/96	337,806.50	0.00	0.00	97,119.18	8,445.16	105,564.34	232,242.16	S/L	40.0
72	WATER PIPE-LEXINGTON ROA	7/01/95	7,500.00	0.00	0.00	2,156.25	187.50	2,343.75	5,156.25	S/L	40.0
73	GD. CO. WATER LINE EXTENSI	5/01/96	45,087.78	0.00	0.00	12,962.50	1,127.19	14,089.69	30,998.09	S/L	40.0
74	NEW MOTORS KY RIVER STAT	2/01/96	24,888.50	0.00	0.00	14,310.52	1,244.43	15,554.95	9,333.55	S/L	20.0
75	WATER TREATMENT PLANT-U.	7/01/96	100,761.90	0.00	0.00	22,167.40	2,015.24	24,182.64	76,579.26	S/L	50.0
78	STARTER FOR PUMPS	8/01/97	7,750.00	0.00	0.00	7,684.18	65.82	7,750.00	0.00	S/L	10.0
79	TURBIDIMETER	11/01/97	2,676.80	0.00	0.00	2,586.60	90.20	2,676.80	0.00	S/L	10.0
105	water system improvements	6/30/05	28,653.88	0.00	0.00	0.00	0.00	0.00	28,653.88	Memo	0.0
106	casements	6/15/05	4,500.00	0.00	0.00	234.38	112.50	346.88	4,153.12	S/L	40.0
111	new door water plant	4/06/06	4,033.30	0.00	0.00	504.16	403.33	907.49	3,125.81	S/L	10.0
116	new roof	12/03/07	69,790.00	0.00c	0.00	0.00	2,035.54	2,035.54	67,754.46	S/L	20.0
	<b>PLANT</b>		<b>1,878,058.21</b>	<b>0.00c</b>	<b>0.00</b>	<b>579,845.17</b>	<b>52,259.10</b>	<b>632,104.27</b>	<b>1,245,953.94</b>		
<b>Group: WATER PRODUCTION</b>											
2	WATER PRODUCTION	1/01/51	227,474.73	0.00	0.00	227,474.73	0.00	227,474.73	0.00	S/L	33.3
3	WATER PRODUCTION	7/01/64	8,000.00	0.00	0.00	8,000.00	0.00	8,000.00	0.00	S/L	33.3
4	WATER PRODUCTION	7/01/68	614,095.92	0.00	0.00	614,095.92	0.00	614,095.92	0.00	S/L	33.3
5	WATER PRODUCTION	7/01/76	1,000.00	0.00	0.00	930.27	30.03	960.30	39.70	S/L	33.3
6	WATER PRODUCTION	7/01/77	2,600.00	0.00	0.00	2,340.72	78.08	2,418.80	181.20	S/L	33.3
7	WATER PRODUCTION	7/01/78	172,917.33	0.00	0.00	150,484.79	5,192.71	155,677.50	17,239.83	S/L	33.3
8	WATER PRODUCTION	1/01/87	27,449.15	0.00	0.00	27,449.15	0.00	27,449.15	0.00	S/L	10.0
9	FILTER UNDERDRAIN SYSTEM	1/01/88	13,500.00	0.00	0.00	13,500.00	0.00	13,500.00	0.00	S/L	10.0
11	EMER-BOOSTER PUMP	1/01/92	21,000.00	0.00	0.00	15,750.00	1,050.00	16,800.00	4,200.00	S/L	20.0
13	BOOSTER PUMP	7/01/92	314,863.80	0.00	0.00	236,147.85	15,743.19	251,891.04	62,972.76	S/L	20.0
14	ENGINEER - WATER TREATME	1/01/93	46,926.00	0.00	0.00	0.00	0.00	0.00	46,926.00	Memo	0.0
15	ENGINEER-WATER TREATMEN	1/01/94	46,926.00	0.00	0.00	0.00	0.00	0.00	46,926.00	Memo	0.0
16	WATER TOWER	7/01/68	105,911.25	0.00	0.00	82,610.68	2,118.23	84,728.91	21,182.34	S/L	50.0
	<b>WATER PRODUCTION</b>		<b>1,602,664.18</b>	<b>0.00c</b>	<b>0.00</b>	<b>1,378,784.11</b>	<b>24,212.24</b>	<b>1,402,996.35</b>	<b>199,667.83</b>		
<b>Group: WATER TOWER</b>											
17	WATER TOWER	7/01/78	281,966.60	0.00	0.00	163,540.76	5,639.33	169,180.09	112,786.51	S/L	50.0
19	WATER TOWER	1/01/85	42,987.00	0.00	0.00	42,987.00	0.00	42,987.00	0.00	S/L	10.0
20	WATER TOWER REFURB	7/01/90	27,800.00	0.00	0.00	27,800.00	0.00	27,800.00	0.00	S/L	10.0
76	COMPLETE REN. STOCKYARD	5/30/97	72,948.00	0.00	0.00	38,298.00	3,647.40	41,945.40	31,002.60	S/L	20.0
85	COMPLETE RENO FIRE STA	10/01/98	84,567.00	0.00	0.00	36,998.06	4,228.35	41,226.41	43,340.59	S/L	20.0
	<b>WATER TOWER</b>		<b>510,268.60</b>	<b>0.00c</b>	<b>0.00</b>	<b>309,623.82</b>	<b>13,515.08</b>	<b>323,138.90</b>	<b>187,129.70</b>		
	<b>Grand Total</b>		<b>8,422,661.79</b>	<b>0.00c</b>	<b>0.00</b>	<b>3,314,544.49</b>	<b>214,124.50</b>	<b>3,528,668.99</b>	<b>4,893,992.80</b>		

PAGE 04/04  
MULLIGANHILL CLEMENT  
5028938960  
07/21/2009 13:45



Section 10

Blank Page



City of Lancaster KY Water System  
Operating and Maintenance Expenses

Account Number	Description	FY 2007-2008	FY 2008-2009		FY 2009-2010	
		Audited	Difference	Unaudited	Difference	Test Period
200-6010.20	Salaries/Wages Plant	110,800	10,297	121,097	(1,064)	120,033
200-6010.40	Salaries/Wages Distribution	24,599	16,317	40,916	(916)	40,000
200-6010.50	Salaries Admin	-	-	-	36,977	36,977
200-6040.10	Empl Benefits/Pension Raw	-	358	358	(358)	-
200-6040.20	Empl Benefits/Pension Plant	39,902	7,180	47,082	(2,082)	45,000
200-6040.40	Empl Benefits/Pension Distribution	14,178	7,355	21,533	3,467	25,000
200-6040.50	Empl Benefits/Pension Administration	3,341	(2,804)	537	263	800
200-6150.10	Utilities Raw Water	115,213	14,143	129,356	15,644	145,000
200-6150.20	Utilities Plant	37,597	6,249	43,846	(1,596)	42,250
200-6150.50	Utilities City Hall	4,738	13,373	18,111	(18,111)	-
200-6180.20	Chemicals Plant	57,703	14,165	71,868	632	72,500
200-6200.10	Materials/Supplies Raw	4,816	(1,665)	3,151	(576)	2,575
200-6200.20	Materials/Supplies Plant	24,689	19,955	44,644	25,356	70,000
200-6200.40	Materials/Supplies Distribution	45,290	83,920	129,210	(29,210)	100,000
200-6200.50	Materials/Supplies Administration	8,377	7,412	15,789	(7,589)	8,200
200-6210.50	Miscellaneous Administration	2,371	(718)	1,653	(653)	1,000
200-6310.10	Services-Engineer Raw	242	(242)	-	500	500
200-6310.20	Services-Engineer Plant	300	10,438	10,738	(10,238)	500
200-6310.30	Services-Engineer Storage	-	-	-	500	500
200-6310.40	Services-Engineer Distribution	-	2,655	2,655	(2,155)	500
200-6320.50	Services-Accounting Administration	8,648	8,231	16,879	(6,879)	10,000
200-6340.10	Services-Raw Water	4,785	(1,522)	3,263	237	3,500
200-6340.20	Services-Treatment Plant	16,807	1,250	18,057	(3,057)	15,000
200-6340.30	Services-Storage	49,634	(20,924)	28,710	11,290	40,000
200-6340.40	Contract Services-Distribution	10,123	12,042	22,165	(17,165)	5,000
200-6340.50	Services-Other Administration	34,683	(23,414)	11,269	23,731	35,000
200-6420.10	Equipment Rental Raw Water	-	300	300	200	500
200-6420.20	Equipment Rental Plant	-	1,529	1,529	(1,029)	500
200-6420.40	Equipment Rental Distribution	710	(710)	-	1,000	1,000
200-6500.10	Transportation Exp Raw	4,342	(3,050)	1,292	708	2,000
200-6500.20	Transportation Exp Plant	3,103	874	3,978	1,522	5,500
200-6500.40	Transportation Exp Distribution	1,888	1,960	3,848	3,652	7,500
200-6500.50	Transportation Exp Administration	-	587	587	113	700
200-6560.10	Insurance River/Boost P	1,650	(1,650)	-	1,750	1,750
200-6560.20	Insurance Plant	5,546	304	5,850	150	6,000
200-6560.40	Insurance Vehicle/Equipment	1,250	50	1,300	200	1,500
200-6565.30	Insurance Wat Towers	2,400	100	2,500	-	2,500
200-6570.00	Liability Insurance	6,486	1,002	7,488	512	8,000
200-6580.00	Workmans Compensation	9,254	10,124	19,378	(8,378)	11,000
200-6600.20	Advertising Plant	693	390	1,083	(583)	500
200-6600.50	Advertising Administration	339	365	703	(203)	500
200-6720.10	Telephone Raw Water	754	214	968	32	1,000
200-6720.20	Telephone Plant	1,815	(89)	1,726	374	2,100
200-6720.40	Telephone Distribution	1,464	(386)	1,078	422	1,500
200-6720.50	Telephone Administration	973	70	1,042	108	1,150
200-6740.50	City Hall Administration	1,271	(1,236)	35	(35)	-
200-6750.50	Water Deposit Ref Administration	23,476	(4,023)	19,454	4,846	24,300
200-6760.20	Lab Analysis Plant	13,394	2,913	16,307	3,694	20,000
200-6770.20	Postage Plant	123	196	319	181	500
200-6770.50	Postage Admin	-	2,272	2,272	(272)	2,000
200-6800.50	Dues/Subscriptions Admin	-	2,837	2,837	163	3,000
200-6900.50	Sales & Usage Tax Admin	4,791	(1,238)	3,553	1,447	5,000

Reconciliation of Test Period Amounts to Previous Results

Long-term employees retired, replaced by new employees with lower wage rates.
Long-term employees retired, replaced by new employees with lower wage rates.
Compensation for new clerk for water system.
Long-term employees retired, replaced by new employees with lower benefits.
Long-term employees retired, replaced by new employees with lower benefits.
Increased electrical rate from Inter-County Rural Electric Cooperative.
Lower estimated electric usage at plant.
No allocation of city hall utilities.
Increased water treatment chemical costs.
Lower estimated materials usage.
Increased materials usage for treatment plant.
Decreased materials usage for distribution system.
Decreased materials usage for water system administration.
Decreased miscellaneous administration expenses.
Normal engineering expenses
Normal accounting expenses.
Normal maintenance contractual services.
Normal maintenance contractual services.
Normal maintenance contractual services.
Normal equipment rental expenses.
Normal equipment rental expenses
Normal equipment rental expenses
Increased fuel charges.
Increased fuel charges.
Increased fuel charges.
Increased property insurance expenses.
Increased liability insurance expenses.
Decreased workers compensation insurance rates and lower compensation covered.
Lower amount of advertising for water treatment test results.
Increased amount of deposits refunded.
Increased number of laboratory tests.
Increased amount of sales tax collected for water customers.

200-6920.50	School Tax Administration	13,875	448	14,323	1,177	15,500	Increased amount of school tax collected.
200-6950.20	Contingency Plant	-	-	-	-	-	
200-6980.50	Depreciation Administration	36,048	(15,396)	20,652	45,348	66,000	Depreciation fund for new equipment purchases and emergencies.
	<b>Total Operating and Maintenance Expenses</b>	<b>754,480</b>	<b>182,808</b>	<b>937,288</b>	<b>74,047</b>	<b>1,011,335</b>	