

CITY OF PRATT, KANSAS

Primary Government Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2021

CITY OF PRATT, KANSAS
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For the Year Ended December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the City Commission
City of Pratt, Kansas
Pratt, Kansas

Adverse and Unmodified Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2021, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2021, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

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

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

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

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

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

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, and summary of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated December 20, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipal-services>. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2021 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2020, on the basis of accounting described in Note 1.



ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

August 15, 2022

CITY OF PRATT, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds							
General Fund	\$ 623,654	89	5,757,407	6,120,639	260,511	170,226	430,737
Special Purpose Funds							
Library Fund	10,516	-	183,772	183,773	10,515	-	10,515
Cemetery Fund	57,907	-	42,450	57,642	42,715	1,121	43,836
Noxious Weed Fund	10,894	-	22,971	11,980	21,885	50	21,935
Tort Liability Fund	363,525	-	76,947	-	440,472	-	440,472
Special Highway Fund	243,343	-	768,726	740,808	271,261	18,875	290,136
Convention and Tourism Fund	211,624	-	338,313	239,307	310,630	6,219	316,849
Fire Fighting Equipment Fund	21,949	-	46,024	42,500	25,473	-	25,473
Police 911 Fund	-	-	176,713	53,418	123,295	790	124,085
Special Police Fund	35,023	-	74,175	17,347	91,851	89,387	181,238
Employees Health Insurance Fund	7,984	-	-	1,994	5,990	-	5,990
Special Parks and Recreation Fund	34,428	-	385,640	691,043	(270,975)	28,087	(242,888)
Special Alcohol Fund	7,809	-	19,152	-	26,961	-	26,961
Capital Equipment Reserve Fund	1,057,115	-	724,565	587,737	1,193,943	241,993	1,435,936
Special Street Reserves Fund	265,366	-	481	-	265,847	-	265,847
Capital Improvement Fund	315,924	-	472,560	63,786	724,698	4,000	728,698
Fire Fighting Equipment Reserve Fund	17,053	-	42,536	37,289	22,300	-	22,300
ARPA Fund	-	-	495,709	3	495,706	-	495,706
Bond and Interest Fund							
Bond and Interest Fund	51,234	-	66,062	66,347	50,949	-	50,949
Business Funds							
Electric Utility Fund	202,381	53,205	12,403,968	12,659,549	5	334,783	334,788
Sanitation Fund	232,697	-	1,394,104	1,241,670	385,131	40,069	425,200
Wastewater Treatment Fund	166,038	-	970,942	942,411	194,569	16,856	211,425
Water Utility Fund	19,857	-	1,173,053	1,107,662	85,248	24,886	110,134
Electric Maintenance Reserve Fund	112,788	-	50,238	-	163,026	-	163,026
Electric Debt Service Fund	35,899	-	65	-	35,964	-	35,964
Wastewater Reserve Fund	3,444	-	6	-	3,450	-	3,450
Water Debt Service Fund	5,745	-	10	-	5,755	-	5,755
Water Reserve Fund	936	-	150,319	2,948	148,307	-	148,307
Water Debt Reserve Fund	5,370	-	9	-	5,379	-	5,379

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

CITY OF PRATT, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Trust Funds							
Park Improvement Trust Fund	\$ 8,373	-	12,403	16,147	4,629	-	4,629
Cemetery Trust Fund	363,286	-	658	-	363,944	-	363,944
Recreation Trust Fund	200,083	-	28,646	194,342	34,387	189,218	223,605
Total Primary Government (Excluding Agency Funds)	\$ 4,692,245	53,294	25,878,624	25,080,342	5,543,821	1,166,560	6,710,381
Composition of Cash				Certificates of Deposit		\$	1,501,800
				Checking Accounts			5,421,620
				Petty Cash			1,250
				Total Cash			6,924,670
				Agency Funds per Schedule 3			(214,289)
				Total Primary Government (Excluding Agency Funds)		\$	6,710,381

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

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Pratt, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Financial Reporting Entity

The City is a municipal corporation governed by an elected five-member commission. This financial statement does not include the related municipal entities shown below. A related municipal entity is an entity established to benefit the City and/or its constituents.

Airport Authority

The City's Airport Authority Board operates the City's airport. Bond issuances do not need to be approved by the City. Audited financial statements can be obtained by contacting the airport authority office.

Public Library

The City's Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Unaudited financial statements can be obtained by contacting the library.

Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2021.

Regulatory Basis Fund Types

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

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

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

Trust Fund – fund used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2021

Agency Fund – fund used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Basis of Accounting

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

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

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

NOTE 2 – BUDGETARY INFORMATION

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

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There was a budget amendment for this year for the Police 911 Fund.

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

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2021

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

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Capital Equipment Reserve Fund, Capital Improvement Fund, Fire Fighting Equipment Reserve Fund, Special Street Reserves Fund, and ARPA Fund.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

City of Pratt, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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

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

Concentration of Credit Risk

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2021.

At December 31, 2021, the City's carrying amount of deposits was \$6,924,670 and the bank balance was \$7,227,009. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$544,771 was covered by federal depository insurance and \$6,682,238 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2021

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2021.

NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Pratt, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2021 were as follows:

From	To	Regulatory Authority	Amount
General Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	\$ 169,000
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	44,000
Cemetery Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	8,000
Noxious Weed Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	2,000
Special Highway Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	40,000
Fire Fighting Equipment Fund	Fire Fighting Equipment Reserve Fund	K.S.A. 12-110b	42,500
Electric Utility Fund	General Fund	K.S.A. 12-825d	737,910
Electric Utility Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	288,300
Electric Utility Fund	Capital Improvement Fund	K.S.A. 12-1,118	415,000
Electric Utility Fund	Electric Maintenance Reserve Fund	K.S.A. 12-825d	50,000
Sanitation Fund	General Fund	K.S.A. 12-825d	150,000
Sanitation Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	50,000
Sanitation Fund	Capital Improvement Fund	K.S.A. 12-1,118	10,000
Wastewater Treatment Fund	General Fund	K.S.A. 12-825d	25,000
Wastewater Treatment Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	20,000
Wastewater Treatment Fund	Capital Improvement Fund	K.S.A. 12-1,118	2,500
Water Utility Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	108,500

NOTE 5 – LITIGATION

City of Pratt, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the City.

NOTE 6 – RISK MANAGEMENT

City of Pratt, Kansas is exposed to various risks of loss related to torts; damage to and destruction of assets; business interruptions; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than related to employee health benefits. Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

NOTE 7 – GRANTS AND SHARED REVENUES

City of Pratt, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2021

are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description

City of Pratt, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were \$446,364 for the year ended December 31, 2021.

Net Pension Liability

At December 31, 2021, the City's proportionate share of the collective net pension liability reported by KPERS was \$3,118,470. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2021

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **City of Pratt, Kansas** allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2021.

NOTE 10 – COMPENSATED ABSENCES

Vacation

The City's policy regarding vacation for all regular full-time employees is as follows:

Years Worked	Amount Earned
0-1	3.33 hours/month
2-9	6.67 hours/month
10-14	10.00 hours/month
15-29	10.00 hours/month (plus 1 day for each year over 15 years)
30 and over	20.00 hours/month

Vacation earned may not be taken until the employee completes one full year of continuous service. Unused vacation may not be carried over to the following year.

Discretionary Leave

Each employee, after the completion of his/her probationary period, shall be entitled to two days discretionary leave.

Sick Leave

The City's policy for sick leave permits all full-time employees to earn sick leave at the rate of eight working hours per calendar month. Employees retiring from the service of the City shall be compensated for unused sick leave at the following rate:

1. Employees retiring who have served the City for less than five continuous years shall receive no compensation for unused sick leave.
2. Employees retiring from the City who have served five or more continuous years and who have a minimum of 50 days of unused accumulated sick leave will be compensated at their hourly rate for up to a maximum of 20 days.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2021

NOTE 11 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City did not publish the financial statements within 30 days after quarter end for one of the required four quarters, which is a violation of K.S.A. 12-1608.

The City did not remit bond payments within 20 days of maturity, which is in violation of K.S.A. 10-130.

The City's Special Parks and Recreation fund has a negative ending cash balance, which is in violation of K.S.A. 10-1113 and a budget violation, which is in violation of K.S.A 79-2935.

NOTE 12 – CONDUIT DEBT

From time to time, **City of Pratt, Kansas** has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial, commercial, and recreational facilities deemed to be in the public interest. The bonds are generally payable from and secured by the project financed and if needed, additional assets or revenues of the private-sector or other entities serviced by the bond issuance. Upon repayment of the bonds, ownership of the acquired facilities frequently transfers to the private-sector or other entity served by the bond issuance, although such transfer will not occur in connection with the Pratt Community College Foundation issue referenced below, as the project financed with such bonds is recreational and located on City park property that is intended to remain as City park property. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statement. As of December 31, 2021, there was one industrial revenue bond outstanding for the Covenant Housing Corporation and one outstanding for the Pratt Community College Foundation Track/Sports Complex. The principal amount payable on the outstanding IRBs as of December 31, 2021 for Covenant Housing Corporation and Pratt Community College Foundation was \$1,030,000 and \$2,610,000, respectively.

NOTE 13 – DEBT RESTRICTIONS AND COVENANTS

KDHE Water Pollution Control Revolving Loans

City of Pratt, Kansas entered into a loan agreement with the Kansas Department of Health and Environment to fund improvements to the wastewater and sludge system improvements in the amount of \$4,385,168. The City is in compliance with the loan agreement as of December 31, 2021.

KDHE Water Supply Loan

City of Pratt, Kansas entered into a loan agreement with the Kansas Department of Health and Environment to fund improvements to the main street waterline in the amount of \$720,793. The City is in compliance with the loan agreement as of December 31, 2021.

NOTE 14 – LONG-TERM DEBT

City of Pratt, Kansas has the following types of long-term debt.

KDHE Revolving Loans

The City entered into a \$720,793 revolving loan agreement with the Kansas Department of Health and Environment to finance main street waterline improvements.

The City entered into a \$4,385,168 revolving loan agreement with the Kansas Department of Health and Environment to finance wastewater and sludge system improvements.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2021

The City entered into a \$1,950,000 revolving loan agreement with the Kansas Department of Health and Environment to finance improvements to the Pratt Airport waterline.

Low Interest Utility Loan

The City entered into a \$2,775,687 loan agreement on March 24, 2021 with the Kansas Treasurer acting on behalf of the State of Kansas to finance a large gas utility bill that occurred in February 2021.

Promissory Note

The City entered into a loan agreement with The Peoples Bank to fund improvements to the municipal building in the amount of \$241,000.

Lease Obligations

The City has entered into lease agreements for equipment. The leases contain a fiscal funding clause.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2021

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
KDHE Loans									
Kansas Water Supply Loan Fund Project No. 2528	3.82%	12/22/2008	\$ 720,793	2030	\$ 358,758	-	31,488	327,270	14,635
Kansas Water Pollution Control Revolving Project No. C20 1799 01	2.45%	10/2/2010	4,385,168	2031	1,823,131	-	139,056	1,684,075	43,820
Kansas Water Supply Loan Fund Project No. 2953	2.31%	5/5/2018	1,950,000	2041	* 1,762,888	149,950	599,250	1,313,588	34,690
Low Interest Utility Loan									
State of Kansas	0.25%	3/24/2021	2,775,687	2031	-	2,775,687	139,478	2,636,209	4,689
Promissory Note									
Municipal Building Improvements	3.97%	6/26/2019	241,000	2023	184,222	-	58,788	125,434	7,559
Leases									
Bucket Truck	3.20%	12/1/2016	246,437	2021	52,373	-	52,373	-	1,816
Street Sweeper	4.26%	8/24/2018	230,000	2027	163,777	-	20,578	143,199	6,977
Sanitation Truck	3.99%	9/19/2018	140,704	2023	87,705	-	28,101	59,604	3,497
Fire Truck	4.05%	11/1/2014	300,000	2024	134,345	-	31,113	103,232	6,076
2021 Sanitation Truck	1.95%	5/18/2021	149,784	2026	-	149,784	-	149,784	-
Electric Service Truck	3.98%	3/11/2019	144,386	2024	117,791	-	27,781	90,010	4,688
Total Contractual Indebtedness					\$ 4,684,990	3,075,421	1,128,006	6,632,405	128,447

* The Loan was finalized on March 23, 2021 and \$573,851 was forgiven.

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

		YEAR							Total	
		2022	2023	2024	2025	2026	2027-2031	2032-2036		2037-2041
Principal										
KDHE Loans	\$	229,318	235,468	241,792	248,295	175,975	1,213,076	623,721	357,288	3,324,933
Low Interest Utility Loan		282,066	282,772	283,480	284,189	284,900	1,218,802	-	-	2,636,209
Promissory Note		61,377	64,057	-	-	-	-	-	-	125,434
Capital Leases		141,335	146,479	120,309	54,844	56,474	26,388	-	-	545,829
Total Principal		714,096	728,776	645,581	587,328	517,349	2,458,266	623,721	357,288	6,632,405
Interest										
KDHE Loans		82,735	77,585	71,261	55,774	36,856	174,090	67,911	20,949	587,161
Low Interest Utility Loan		6,267	5,562	4,854	4,144	3,433	6,613	-	-	30,873
Promissory Note		4,970	2,537	-	-	-	-	-	-	7,507
Capital Leases		19,203	14,060	9,180	4,439	2,809	1,124	-	-	50,815
Total Interest		113,175	99,744	85,295	64,357	43,098	181,827	67,911	20,949	676,356
Total Principal and Interest		\$ 827,271	828,520	730,876	651,685	560,447	2,640,093	691,632	378,237	7,308,761

CITY OF PRATT, KANSAS

Regulatory-Required Supplementary Information

CITY OF PRATT, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds					
General Fund	\$ 6,578,802	-	6,578,802	6,120,639	(458,163)
Special Purpose Funds					
Library Fund	185,275	-	185,275	183,773	(1,502)
Cemetery Fund	67,665	-	67,665	57,642	(10,023)
Noxious Weed Fund	25,300	-	25,300	11,980	(13,320)
Tort Liability Fund	225,000	-	225,000	-	(225,000)
Special Highway Fund	929,254	-	929,254	740,808	(188,446)
Convention and Tourism Fund	418,429	-	418,429	239,307	(179,122)
Fire Fighting Equipment Fund	63,700	-	63,700	42,500	(21,200)
Police 911 Fund	156,012	-	156,012	53,418	(102,594)
Special Police Fund	46,701	-	46,701	17,347	(29,354)
Employees Health Insurance Fund	39,046	-	39,046	1,994	(37,052)
Special Parks and Recreation Fund	25,106	365,937	391,043	691,043	300,000
Special Alcohol Fund	23,483	-	23,483	-	(23,483)
Bond and Interest Fund					
Bond and Interest Fund	116,347	-	116,347	66,347	(50,000)
Business Funds					
Electric Utility Fund	11,858,487	2,775,687	14,634,174	12,659,549	(1,974,625)
Sanitation Fund	1,273,904	-	1,273,904	1,241,670	(32,234)
Wastewater Treatment Fund	990,751	-	990,751	942,411	(48,340)
Water Utility Fund	1,226,817	-	1,226,817	1,107,662	(119,155)
Electric Debt Service Fund	35,000	-	35,000	-	(35,000)
Water Debt Service Fund	5,716	-	5,716	-	(5,716)

CITY OF PRATT, KANSAS

General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 1,864,700	1,905,411	1,932,435	1,905,411
Motor Vehicle	268,666	270,872	235,709	35,163
Delinquent	29,803	14,337	-	(221,372)
Sales Tax	1,773,429	1,886,201	1,705,000	181,201
Neighborhood Revitalization Rebate	(117,060)	(123,228)	(116,491)	(6,737)
Intergovernmental				
Local Alcohol Liquor	14,495	19,129	18,366	763
Connecting Links	64,474	64,386	64,000	386
Motor Fuel Tax Refund	11,807	9,875	10,500	(625)
State and Federal Aid	343,779	2,396	220,000	(217,604)
Franchise Fees	187,868	203,680	207,000	(3,320)
Licenses, Fees and Permits	55,577	36,053	44,500	(8,447)
Charges for Services	129,092	228,742	183,000	45,742
Donations	126,268	1,440	-	1,440
Municipal Court Fines and Fees	195,553	306,476	225,000	81,476
Reimbursed Expenses	768	16,995	58,000	(41,005)
Interest Income	5,224	1,732	5,000	(3,268)
Sale of Assets	10,162	-	225,000	(225,000)
Transfers In	1,525,834	912,910	1,445,000	(532,090)
Total Receipts	\$ 6,490,439	5,757,407	6,462,019	992,114

CITY OF PRATT, KANSAS

General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
City Commission	\$ 132,849	54,535	57,130	(2,595)
City Manager	193,046	207,846	255,277	(47,431)
City Attorney	102,992	98,130	114,635	(16,505)
City Clerk/Utility Billing	432,018	465,335	498,311	(32,976)
Finance	370,151	384,974	363,438	21,536
Police	2,016,781	2,145,274	2,268,384	(123,110)
Animal Control	84,894	87,040	90,493	(3,453)
Municipal Court	203,370	186,121	232,782	(46,661)
Fire Protection	254,168	248,368	283,820	(35,452)
Planning and Inspection	149,774	135,806	258,459	(122,653)
Parks	334,729	340,261	387,633	(47,372)
Swimming Pool	105,385	157,349	171,690	(14,341)
Municipal Building	281,267	9,276	-	9,276
Recreation	379,153	574,755	472,752	102,003
Public Works	27,650	21,508	51,425	(29,917)
Maintenance	244,017	294,923	264,718	30,205
Cemetery	138,003	151,547	152,145	(598)
Special Streets	268,506	261,604	332,710	(71,106)
Special Police	10,000	-	5,000	(5,000)
Industrial Development	68,676	58,467	75,000	(16,533)
Contingencies	28,620	24,520	30,000	(5,480)
Transfers Out	203,501	213,000	213,000	-
Total Expenditures	6,029,550	6,120,639	6,578,802	(458,163)
Receipts Over (Under) Expenditures	460,889	(363,232)		
Unencumbered Cash - Beginning	162,765	623,654		
Prior Year Cancelled Encumbrance	-	89		
Unencumbered Cash - Ending	\$ 623,654	260,511		

CITY OF PRATT, KANSAS

Library Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 166,140	169,092	171,445	(2,353)
Motor Vehicle	24,226	24,195	21,002	3,193
Delinquent	2,946	1,419	-	1,419
Neighborhood Revitalization Rebate	(10,427)	(10,934)	(10,335)	(599)
Total Receipts	182,885	183,772	<u>182,112</u>	<u>1,660</u>
Expenditures				
Library Appropriations	182,884	183,773	<u>185,275</u>	<u>(1,502)</u>
Receipts Over (Under) Expenditures	1	(1)		
Unencumbered Cash - Beginning	10,515	10,516		
Unencumbered Cash - Ending	\$ <u>10,516</u>	<u>10,515</u>		

CITY OF PRATT, KANSAS

Cemetery Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Donations	\$ 2,352	100	-	22,250
Cemetery Services	16,600	22,250	15,000	(14,900)
Lot Sales	7,250	20,000	7,000	13,000
Interest Income	356	100	-	100
Total Receipts	26,558	42,450	22,000	20,450
Expenditures				
Personal Services	144	85	-	85
Contractual Services	6,377	12,680	12,500	180
Commodities	24,308	28,583	40,165	(11,582)
Capital Outlay	2,836	8,294	7,000	1,294
Transfers Out	10,000	8,000	8,000	-
Total Expenditures	43,665	57,642	67,665	(10,023)
Receipts Over (Under) Expenditures	(17,107)	(15,192)		
Unencumbered Cash - Beginning	75,014	57,907		
Unencumbered Cash - Ending	\$ 57,907	42,715		

CITY OF PRATT, KANSAS

Noxious Weed Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 17,141	21,672	22,061	(389)
Motor Vehicle	2,689	2,547	2,160	387
Delinquent	259	125	-	125
Neighborhood Revitalization Rebate	(1,074)	(1,408)	(1,330)	(78)
Interest Income	55	35	-	35
Total Receipts	19,070	22,971	22,891	80
Expenditures				
Contractual Services	-	3,071	3,350	(279)
Commodities	12,091	6,909	19,950	(13,041)
Transfers Out	2,000	2,000	2,000	-
Total Expenditures	14,091	11,980	25,300	(13,320)
Receipts Over (Under) Expenditures	4,979	10,991		
Unencumbered Cash - Beginning	5,915	10,894		
Unencumbered Cash - Ending	\$ 10,894	21,885		

CITY OF PRATT, KANSAS

Tort Liability Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 1,876	4,400	4,426	(26)
Motor Vehicle	3,064	629	564	65
Neighborhood Revitalization Rebate	(279)	(284)	(267)	(17)
Interest Income	1,545	722	-	722
Insurance	76,135	71,480	70,000	1,480
Total Receipts	82,341	76,947	74,723	2,224
Expenditures				
Contractual Services	-	-	225,000	(225,000)
Receipts Over (Under) Expenditures	82,341	76,947		
Unencumbered Cash - Beginning	281,184	363,525		
Unencumbered Cash - Ending	\$ 363,525	440,472		

CITY OF PRATT, KANSAS

Special Highway Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Gasoline Tax	\$ 170,825	188,073	152,520	35,553
Sales Tax	447,539	477,473	400,000	77,473
State and Federal Aid	128,548	83,762	-	83,762
Interest Income	1,844	481	3,000	(2,519)
Sales of Property	2,473	-	110,000	(110,000)
Miscellaneous	-	18,937	-	18,937
Total Receipts	<u>751,229</u>	<u>768,726</u>	<u>665,520</u>	<u>103,206</u>
Expenditures				
Personnel Services	168,334	174,245	258,625	(84,380)
Contractual Services	82,286	104,400	77,624	26,776
Commodities	188,992	199,013	218,450	(19,437)
Capital Outlay	275,790	195,595	307,000	(111,405)
Lease Payments	27,555	27,555	27,555	-
Transfers Out	70,000	40,000	40,000	-
Total Expenditures	<u>812,957</u>	<u>740,808</u>	<u>929,254</u>	<u>(188,446)</u>
Receipts Over (Under) Expenditures	(61,728)	27,918		
Unencumbered Cash - Beginning	<u>305,071</u>	<u>243,343</u>		
Unencumbered Cash - Ending	\$ <u>243,343</u>	<u>271,261</u>		

CITY OF PRATT, KANSAS
Convention and Tourism Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Under
Receipts				
Taxes and Shared Revenues				
Transient Guest Tax	\$ 302,650	337,775	360,000	(22,225)
Donations	200	-	-	-
State and Federal Aid	28,486	-	-	-
Reimbursements	-	-	20,000	(20,000)
Interest Income	1,114	538	-	538
Total Receipts	332,450	338,313	380,000	(41,687)
Expenditures				
Personal Services	90,160	27,175	125,929	(98,754)
Contractual Services	165,282	179,044	207,000	(27,956)
Commodities	20,485	1,375	25,500	(24,125)
Capital Outlay	37,406	31,713	60,000	(28,287)
Total Expenditures	313,333	239,307	418,429	(179,122)
Receipts Over (Under) Expenditures	19,117	99,006		
Unencumbered Cash - Beginning	192,507	211,624		
Unencumbered Cash - Ending	\$ 211,624	310,630		

CITY OF PRATT, KANSAS
Fire Fighting Equipment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 41,536	42,274	42,845	(571)
Motor Vehicle	6,056	6,049	5,249	800
Delinquent	736	355	-	355
Neighborhood Revitalization Rebate	(2,607)	(2,733)	(2,583)	(150)
Interest Income	207	79	-	79
Total Receipts	45,928	46,024	45,511	513
Expenditures				
Capital Outlay	-	-	21,200	(21,200)
Transfers Out	45,000	42,500	42,500	-
Total Expenditures	45,000	42,500	63,700	(21,200)
Receipts Over (Under) Expenditures	928	3,524		
Unencumbered Cash - Beginning	21,021	21,949		
Unencumbered Cash - Ending	\$ 21,949	25,473		

CITY OF PRATT, KANSAS

Police 911 Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
911 Distributions	\$ -	176,713	156,012	20,701
Expenditures				
Contractual Services	-	12,907	156,012	(143,105)
Commodities	-	1,568	-	1,568
Capital Outlay	-	38,943	-	38,943
Total Expenditures	-	53,418	156,012	(102,594)
Receipts Over (Under) Expenditures	-	123,295		
Unencumbered Cash - Beginning	-	-		
Unencumbered Cash - Ending	\$ -	123,295		

CITY OF PRATT, KANSAS

Special Police Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Vehicle Inspection Fees	\$ 10,500	15,920	10,000	5,920
State and Federal Aid	15,049	15,634	-	15,634
Reimbursed Expenses	-	42,375	-	42,375
Interest Income	1,098	246	-	246
Total Receipts	26,647	74,175	10,000	64,175
Expenditures				
Contractual Services	10,985	2,822	-	2,822
Capital Outlay	25,340	14,525	46,701	(32,176)
Total Expenditures	36,325	17,347	46,701	(29,354)
Receipts Over (Under) Expenditures	(9,678)	56,828		
Unencumbered Cash - Beginning	44,701	35,023		
Unencumbered Cash - Ending	\$ 35,023	91,851		

CITY OF PRATT, KANSAS
Employees Health Insurance Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Reimbursed Expenses	\$ -	-	30,000	(30,000)
Expenditures				
Contractual	1,062	1,994	39,046	(37,052)
Receipts Over (Under) Expenditures	(1,062)	(1,994)		
Unencumbered Cash - Beginning	9,046	7,984		
Unencumbered Cash - Ending	\$ 7,984	5,990		

CITY OF PRATT, KANSAS
Special Parks and Recreation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Alcohol Liquor Tax	\$ 14,495	19,129	18,367	762
Donations	140,025	365,937	-	365,937
State and Federal Aid	20,277	-	-	-
Interest Income	199	574	-	574
Total Receipts	174,996	385,640	18,367	367,273
Expenditures				
Capital Outlay	166,617	691,043	25,106	665,937
(a) Adjustment for Qualifying Budget Credits	-	-	365,937	(365,937)
Total Expenditures	166,617	691,043	391,043	300,000
Receipts Over (Under) Expenditures	8,379	(305,403)		
Unencumbered Cash - Beginning	26,049	34,428		
Unencumbered Cash - Ending	\$ 34,428	(270,975)		
(a) Adjustment for Qualifying Budget Credits				
Donations Over Amount Budgeted			\$ 365,937	

CITY OF PRATT, KANSAS

Special Alcohol Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Alcohol Liquor Tax	\$ 14,495	19,129	18,367	762
Interest Income	25	23	-	23
Total Receipts	14,520	19,152	18,367	785
Expenditures				
Program Distributions	13,137	-	23,483	(23,483)
Receipts Over (Under) Expenditures	1,383	19,152		
Unencumbered Cash - Beginning	6,426	7,809		
Unencumbered Cash - Ending	\$ 7,809	26,961		

CITY OF PRATT, KANSAS
Capital Equipment Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 3,693	2,141
Reimbursed Expenses	-	36,624
Transfers In	706,300	685,800
Total Receipts	709,993	724,565
Expenditures		
Capital Outlay	211,144	587,737
Receipts Over (Under) Expenditures	498,849	136,828
Unencumbered Cash - Beginning	558,266	1,057,115
Unencumbered Cash - Ending	\$ 1,057,115	1,193,943

CITY OF PRATT, KANSAS
Special Street Reserves Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 1,314	481
Expenditures	-	-
Receipts Over (Under) Expenditures	1,314	481
Unencumbered Cash - Beginning	264,052	265,366
Unencumbered Cash - Ending	\$ 265,366	265,847

CITY OF PRATT, KANSAS
Capital Improvement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 1,284	1,060
Transfers In	424,001	471,500
Total Receipts	425,285	472,560
Expenditures		
Capital Outlay	250,270	63,786
Receipts Over (Under) Expenditures	175,015	408,774
Unencumbered Cash - Beginning	140,909	315,924
Unencumbered Cash - Ending	\$ 315,924	724,698

CITY OF PRATT, KANSAS
Fire Fighting Equipment Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 48	36
Transfers In	45,000	42,500
Total Receipts	45,048	42,536
Expenditures		
Capital Outlay	37,189	37,289
Receipts Over (Under) Expenditures	7,859	5,247
Unencumbered Cash - Beginning	9,194	17,053
Unencumbered Cash - Ending	\$ 17,053	22,300

CITY OF PRATT, KANSAS
ARPA Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ -	34
Federal Aid	-	495,675
Total Receipts	-	495,709
Expenditures		
Contractual Services	-	3
Receipts Over (Under) Expenditures	-	495,706
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	495,706

CITY OF PRATT, KANSAS
Bond and Interest Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

			Current Year	
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 66,674	61,509	62,647	(1,138)
Delinquent	1,621	797	-	797
Motor Vehicle	1	7,627	8,571	(944)
Special Assessments	2,597	-	-	-
Neighborhood Revitalization Rebate	(4,257)	(3,996)	(3,777)	(219)
Bond Proceeds	739	-	-	-
Interest Income	344	125	-	125
Total Receipts	<u>67,719</u>	<u>66,062</u>	<u>67,441</u>	<u>(1,379)</u>
Expenditures				
Principal Payments	56,779	58,925	59,043	(118)
Interest Payments	9,568	7,422	7,304	118
Cash Basis Reserve	-	-	50,000	(50,000)
Total Expenditures	<u>66,347</u>	<u>66,347</u>	<u>116,347</u>	<u>(50,000)</u>
Receipts Over (Under) Expenditures	1,372	(285)		
Unencumbered Cash - Beginning	<u>49,862</u>	<u>51,234</u>		
Unencumbered Cash - Ending	\$ <u>51,234</u>	<u>50,949</u>		

CITY OF PRATT, KANSAS

Electric Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over (Under)
Receipts				
Electric Use Charges	\$ 8,426,864	9,329,447	10,850,000	(1,520,553)
Service Fees	4,832	5,746	7,000	(1,254)
State and Federal Aid	29,393	-	-	-
Interest Income	5,213	398	2,000	(1,602)
Sale of Property	208,761	278,991	184,710	94,281
Miscellaneous Income	20,158	12,482	10,000	2,482
Low Interest Utility Loan Proceeds	-	2,775,687	-	2,775,687
Reimbursed Expenses	19,520	1,217	20,000	(18,783)
Total Receipts	8,714,741	12,403,968	11,073,710	1,330,258
Expenditures				
Management	185,895	194,150	198,669	(4,519)
Production	6,109,934	9,623,605	8,283,635	1,339,970
Distribution	1,064,954	1,263,926	1,266,225	(2,299)
Lease Payment	86,658	86,658	86,658	-
Transfers Out	2,079,132	1,491,210	2,023,300	(532,090)
(a) Adjustment for Qualifying Budget Credits	-	-	2,775,687	(2,775,687)
Total Expenditures	9,526,573	12,659,549	14,634,174	(1,974,625)
Receipts Over (Under) Expenditures	(811,832)	(255,581)		
Unencumbered Cash - Beginning	1,014,213	202,381		
Prior Year Cancelled Encumbrance	-	53,205		
Unencumbered Cash - Ending	\$ 202,381	5		
(a) Adjustment for Qualifying Budget Credits				
Loan Proceeds Over Amount Budgeted			\$ 2,775,687	

CITY OF PRATT, KANSAS

Sanitation Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Refuse Charges	\$ 1,212,348	1,243,376	1,150,000	93,376
Interest Income	1,306	519	2,000	(1,481)
Reimbursed Expenses	500	-	-	-
Lease Proceeds	-	149,784	-	149,784
Miscellaneous Income	639	425	2,000	(1,575)
Total Receipts	<u>1,214,793</u>	<u>1,394,104</u>	<u>1,154,000</u>	<u>240,104</u>
Expenditures				
Personal Services	555,458	565,389	621,606	(56,217)
Contractual Services	338,553	347,550	336,250	11,300
Commodities	67,713	83,035	64,450	18,585
Capital Outlay	10,447	4,100	10,000	(5,900)
Lease Payment	31,597	31,596	31,598	(2)
Transfers Out	210,000	210,000	210,000	-
Total Expenditures	<u>1,213,768</u>	<u>1,241,670</u>	<u>1,273,904</u>	<u>(32,234)</u>
Receipts Over (Under) Expenditures	1,025	152,434		
Unencumbered Cash - Beginning	<u>231,672</u>	<u>232,697</u>		
Unencumbered Cash - Ending	<u>\$ 232,697</u>	<u>385,131</u>		

CITY OF PRATT, KANSAS
Wastewater Treatment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Sewer Service Charges	\$ 937,871	927,092	935,000	(7,908)
Storm Water Fees	38,671	31,174	40,000	(8,826)
Interest Income	221	319	-	319
Sale of Assets	-	11,200	-	11,200
Reimbursed Expenses	4,517	-	-	-
Miscellaneous Income	1,575	1,157	5,000	(3,843)
Total Receipts	982,855	970,942	980,000	(9,058)
Expenditures				
Personal Services	381,649	402,120	406,326	(4,206)
Contractual Services	138,443	151,425	129,300	22,125
Commodities	112,406	113,514	154,100	(40,586)
Capital Outlay	-	44,976	25,000	19,976
Principal Payments	135,711	139,056	141,070	(2,014)
Interest Payments	42,353	39,349	39,919	(570)
Service Fees	4,813	4,471	4,536	(65)
Sewer Line Maintenance	-	-	43,000	(43,000)
Transfers Out	15,000	47,500	47,500	-
Total Expenditures	830,375	942,411	990,751	(48,340)
Receipts Over (Under) Expenditures	152,480	28,531		
Unencumbered Cash - Beginning	13,558	166,038		
Unencumbered Cash - Ending	\$ 166,038	194,569		

CITY OF PRATT, KANSAS

Water Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Water Sales	\$ 1,101,006	1,121,216	1,140,000	(18,784)
State Water Tax	12,019	11,961	12,000	(39)
Interest Income	373	57	500	(443)
Sale of Assets	1,430	60	3,000	(2,940)
Miscellaneous Charges	16,744	20,374	15,000	5,374
Reimbursed Expenses	-	19,385	28,000	(8,615)
Total Receipts	<u>1,131,572</u>	<u>1,173,053</u>	<u>1,198,500</u>	<u>(25,447)</u>
Expenditures				
Personal Services	470,829	474,164	527,987	(53,823)
Contractual Services	92,448	108,432	106,354	2,078
Commodities	116,106	89,992	142,500	(52,508)
Capital Outlay	165,508	220,362	174,740	45,622
Principal Payments	30,216	56,887	86,510	(29,623)
Interest Payments	24,599	42,841	39,363	3,478
Service Fees	1,335	6,484	5,863	621
Contingencies	40,126	-	35,000	(35,000)
Transfers Out	225,500	108,500	108,500	-
Total Expenditures	<u>1,166,667</u>	<u>1,107,662</u>	<u>1,226,817</u>	<u>(119,155)</u>
Receipts Over (Under) Expenditures	(35,095)	65,391		
Unencumbered Cash - Beginning	<u>54,952</u>	<u>19,857</u>		
Unencumbered Cash - Ending	\$ <u>19,857</u>	<u>85,248</u>		

CITY OF PRATT, KANSAS
Electric Maintenance Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 378	238
Transfers In	50,000	50,000
Total Receipts	50,378	50,238
Expenditures	-	-
Receipts Over (Under) Expenditures	50,378	50,238
Unencumbered Cash - Beginning	62,410	112,788
Unencumbered Cash - Ending	\$ 112,788	163,026

CITY OF PRATT, KANSAS
Electric Debt Service Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Interest Income	\$ 178	65	-	65
Expenditures	-	-	35,000	(35,000)
Receipts Over (Under) Expenditures	178	65		
Unencumbered Cash - Beginning	35,721	35,899		
Unencumbered Cash - Ending	\$ 35,899	35,964		

CITY OF PRATT, KANSAS
Wastewater Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 16	6
Expenditures	-	-
Receipts Over (Under) Expenditures	16	6
Unencumbered Cash - Beginning	3,428	3,444
Unencumbered Cash - Ending	\$ 3,444	3,450

CITY OF PRATT, KANSAS**Water Debt Service Fund**

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Interest Income	\$ 29	10	-	10
Expenditures	-	-	5,716	(5,716)
Receipts Over (Under) Expenditures	29	10		
Unencumbered Cash - Beginning	5,716	5,745		
Unencumbered Cash - Ending	\$ 5,745	5,755		

CITY OF PRATT, KANSAS
Water Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 183	276
Transfers In	109,000	-
KDHE Loan Proceeds	1,400,192	150,043
Total Receipts	1,509,375	150,319
Expenditures		
Capital Outlay	1,547,207	2,948
Receipts Over (Under) Expenditures	(37,832)	147,371
Unencumbered Cash - Beginning	38,768	936
Unencumbered Cash - Ending	\$ 936	148,307

CITY OF PRATT, KANSAS
Water Debt Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 27	9
Expenditures	-	-
Receipts Over (Under) Expenditures	27	9
Unencumbered Cash - Beginning	5,343	5,370
Unencumbered Cash - Ending	\$ 5,370	5,379

CITY OF PRATT, KANSAS
Park Improvement Trust Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Donations	\$ 8,267	12,380
Interest Income	76	23
Total Receipts	8,343	12,403
Expenditures		
Commodities	1,113	-
Capital Outlay	13,024	16,147
Total Expenditures	14,137	16,147
Receipts Over (Under) Expenditures	(5,794)	(3,744)
Unencumbered Cash - Beginning	14,167	8,373
Unencumbered Cash - Ending	\$ 8,373	4,629

CITY OF PRATT, KANSAS
Cemetery Trust Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Donations	\$ 1,190	-
Interest Income	2,080	658
Total Receipts	3,270	658
Expenditures		
Commodities	54,650	-
Receipts Over (Under) Expenditures	(51,380)	658
Unencumbered Cash - Beginning	414,666	363,286
Unencumbered Cash - Ending	\$ 363,286	363,944

CITY OF PRATT, KANSAS
Recreation Trust Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Tournament Income	\$ 47,717	28,454
Donations	1,585	-
State and Federal Aid	42,495	-
Interest Income	772	192
Miscellaneous Income	3,000	-
Total Receipts	95,569	28,646
Expenditures		
Commodities	45,881	194,342
Receipts Over (Under) Expenditures	49,688	(165,696)
Unencumbered Cash - Beginning	150,395	200,083
Unencumbered Cash - Ending	\$ 200,083	34,387

CITY OF PRATT, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2021

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Sales Tax	\$ 16,105	353,083	330,595	38,593
Customer Deposits	165,534	75,037	64,875	175,696
Total	\$ 181,639	428,120	395,470	214,289