

CITY OF PRATT, KANSAS

Primary Government Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2020

CITY OF PRATT, KANSAS
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For the Year Ended December 31, 2020

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INDEPENDENT AUDITORS' REPORT

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

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, 2020 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

As described in Note 1, the financial statement is prepared by **City of Pratt, Kansas** on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **City of Pratt, Kansas** as of December 31, 2020, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **City of Pratt, Kansas** as of December 31, 2020, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The 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 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 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.

City of Pratt, Kansas' basic financial statement for the year ended December 31, 2019 (not presented herein), was audited by other auditors whose report was dated on June 17, 2020, and expressed an unmodified opinion on the basic financial statement. The 2019 basic financial statement and the other auditor's report are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2020 (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. The report of the other auditors state that the 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 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 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In their opinion, the 2019 comparative information was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2019, on the basis of accounting described in Note 1.

A handwritten signature in black ink that reads "Adams Brown, LLC". The signature is written in a cursive, flowing style.

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

December 20, 2021

CITY OF PRATT, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2020

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	\$ 162,765	-	6,490,439	6,029,550	623,654	240,285	863,939
Special Purpose Funds							
Library Fund	10,515	-	182,884	182,884	10,515	-	10,515
Cemetery Fund	75,014	-	26,558	43,665	57,907	753	58,660
Noxious Weed Fund	5,915	-	19,070	14,091	10,894	-	10,894
Tort Liability Fund	281,184	-	82,341	-	363,525	-	363,525
Special Highway Fund	305,071	-	751,229	812,957	243,343	11,580	254,923
Convention and Tourism Fund	192,507	-	332,450	313,333	211,624	5,788	217,412
Fire Fighting Equipment Fund	21,021	-	45,928	45,000	21,949	-	21,949
Special Police Fund	44,701	-	26,647	36,325	35,023	47,527	82,550
Employees Health Insurance Fund	9,046	-	-	1,062	7,984	-	7,984
Special Parks and Recreation Fund	26,049	-	174,996	166,617	34,428	-	34,428
Special Alcohol Fund	6,426	-	14,520	13,137	7,809	-	7,809
Capital Equipment Reserve Fund	558,266	-	709,993	211,144	1,057,115	-	1,057,115
Special Street Reserves Fund	264,052	-	1,314	-	265,366	-	265,366
Capital Improvement Fund	140,909	-	425,285	250,270	315,924	161,694	477,618
Fire Fighting Equipment Reserve Fund	9,194	-	45,048	37,189	17,053	-	17,053
Bond and Interest Fund							
Bond and Interest Fund	49,862	-	67,719	66,347	51,234	-	51,234
Business Funds							
Electric Utility Fund	1,014,213	-	8,714,741	9,526,573	202,381	321,648	524,029
Sanitation Fund	231,672	-	1,214,793	1,213,768	232,697	40,447	273,144
Wastewater Treatment Fund	13,558	-	982,855	830,375	166,038	14,475	180,513
Water Utility Fund	54,952	-	1,131,572	1,166,667	19,857	19,600	39,457
Electric Maintenance Reserve Fund	62,410	-	50,378	-	112,788	-	112,788
Electric Debt Service Fund	35,721	-	178	-	35,899	-	35,899
Wastewater Reserve Fund	3,428	-	16	-	3,444	-	3,444
Water Debt Service Fund	5,716	-	29	-	5,745	-	5,745
Water Reserve Fund	38,768	-	1,509,375	1,547,207	936	137,825	138,761
Water Debt Reserve Fund	5,343	-	27	-	5,370	-	5,370

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, 2020

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	\$ 14,167	-	8,343	14,137	8,373	9,200	17,573
Cemetery Trust Fund	414,666	-	3,270	54,650	363,286	-	363,286
Recreation Trust Fund	150,395	-	95,569	45,881	200,083	8,770	208,853
Total Primary Government (Excluding Agency Funds)	\$ 4,207,506	-	23,107,567	22,622,829	4,692,244	1,019,592	5,711,836
Composition of Cash				Certificates of Deposit		\$	1,501,800
				Checking Accounts			4,390,424
				Petty Cash			1,250
				Total Cash			5,893,474
				Agency Funds per Schedule 3			(181,638)
				Total Primary Government (Excluding Agency Funds)		\$	5,711,836

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

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2020

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, 2020.

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, 2020

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.

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 were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2020

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 and Special Street Reserves 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, 2020.

At December 31, 2020, the City's carrying amount of deposits was \$5,893,474 and the bank balance was \$6,467,325. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$572,203 was covered by federal depository insurance and \$5,895,122 was collateralized with securities held by the pledging financial institutions' agents in the City's name and letters of credit.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2020

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, 2020.

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, 2020 were as follows:

From	To	Regulatory Authority	Amount
General Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	\$ 159,500
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	44,001
Cemetery Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	10,000
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	70,000
Fire Fighting Equipment Fund	Fire Fighting Equipment Reserve Fund	K.S.A. 12-110b	45,000
Electric Utility Fund	General Fund	K.S.A. 12-825d	1,375,834
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	365,000
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	Capital Equipment Reserve Fund	K.S.A. 12-1,117	10,000
Wastewater Treatment Fund	Capital Improvement Fund	K.S.A. 12-1,118	5,000
Water Utility Fund	Water Reserve Fund	K.S.A. 12-825d	109,000
Water Utility Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	116,500

NOTE 5 – CAPITAL PROJECTS

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

	Project Authorization	Expenditures To Date
Airport Waterline Project	\$ 1,735,093	1,721,847

NOTE 6 – 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.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2020

NOTE 7 – RISK MANAGEMENT

City of Pratt, Kansas carries commercial insurance for risks of loss, including property, crime, general liability, inland marine, automobile, umbrella, workers' compensation, commercial output, linebacker, law enforcement, and cybersolutions. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 8 – 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 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 9 – 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 8.61% for the fiscal year ended December 31, 2020. Contributions to the pension plan from the City were \$429,283 for the year ended December 31, 2020.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2020

Net Pension Liability

At December 31, 2020, the City's proportionate share of the collective net pension liability reported by KPERS was \$4,700,889. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. 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.

NOTE 10 – 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, 2020.

NOTE 11 – 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.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2020

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.

NOTE 12 – 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.

NOTE 13 – RISKS AND UNCERTAINTIES

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the City is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2021.

NOTE 14 – 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 and commercial 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 entities serviced by the bond issuance. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. 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, 2020, there was one industrial revenue bond outstanding for the Covenant Housing Corporation. The bond is for a housing development. The principal amount payable on the housing development as of December 31, 2020 totaled \$1,360,000.

NOTE 15 – SUBSEQUENT EVENT

During February 2021, gas prices rose to extraordinary prices due to extreme weather and high demand. The City entered into an agreement with KMEA and Grand River Dam Authority (GRDA) for \$521,872 to be paid over 12 months for the City's share of costs. Further, to help relieve the cost burden, the State of Kansas offered low interest loans to cities who were affected by the event. **City of Pratt, Kansas** applied for a loan and received \$2,775,687.

CITY OF PRATT, KANSAS
Notes to Financial Statement
December 31, 2020

NOTE 16 – 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, 2020.

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, 2020.

NOTE 17 – 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.

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. As of December 31, 2020, the City has drawn down \$1,762,888 of the amount issued. This project is not complete as of year-end.

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, 2020

Changes in long-term liabilities for the City for the year ended December 31, 2020, 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	388,974	-	30,216	358,758	15,908
Kansas Water Pollution Control Revolving Project No. C20 1799 01	2.45%	10/02/2010	4,385,168	2031	1,958,842	-	135,711	1,823,131	47,165
Kansas Water Supply Loan Fund Project No. 2953	2.31%	5/5/2018	1,950,000 *	2041	362,696	1,400,192	-	1,762,888	10,026
Promissory Note									
Municipal Building Improvements	3.97%	6/26/2019	241,000	2023	241,000	-	56,778	184,222	9,568
Leases									
Bucket Truck	3.20%	12/1/2016	246,437	2021	103,313	-	50,940	52,373	3,249
Street Sweeper	4.26%	8/24/2018	230,000	2027	183,514	-	19,737	163,777	7,818
Sanitation Truck	3.99%	9/19/2018	140,704	2023	114,721	-	27,016	87,705	4,581
Fire Truck	4.05%	11/1/2014	300,000	2024	165,044	-	30,699	134,345	6,490
Electric Service Truck	3.98%	3/11/2019	144,386	2024	144,386	-	26,595	117,791	5,874
Total Contractual Indebtedness					\$ 3,662,490	1,400,192	377,692	4,684,990	110,679

* The City is still eligible to pull \$187,112 that is included as part of the total loan amount. 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								
		2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2041	Total
Principal										
KDHE Loans	\$	195,943	229,318	235,468	241,792	248,295	1,322,628	615,638	431,793	3,520,875
Promissory Note		59,034	61,377	63,811	-	-	-	-	-	184,222
Capital Leases		160,492	112,520	117,103	89,820	24,315	51,740	-	-	555,990
Total Principal		415,469	403,215	416,382	331,612	272,610	1,374,368	615,638	431,793	4,261,087
Interest										
KDHE Loans		75,084	82,735	77,585	71,261	55,774	190,371	78,940	30,496	662,246
Promissory Note		7,313	4,970	2,537	-	-	-	-	-	14,820
Capital Leases		22,506	16,290	11,707	7,393	3,240	3,328	-	-	64,464
Total Interest		104,903	103,995	91,829	78,654	59,014	193,699	78,940	30,496	741,530
Total Principal and Interest	\$	520,372	507,210	508,211	410,266	331,624	1,568,067	694,578	462,289	5,002,617

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, 2020

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	\$ 6,345,646	-	6,345,646	6,029,550	(316,096)
Special Purpose Funds					
Library Fund	188,050	-	188,050	182,884	(5,166)
Cemetery Fund	55,100	-	55,100	43,665	(11,435)
Noxious Weed Fund	22,300	-	22,300	14,091	(8,209)
Tort Liability Fund	210,750	-	210,750	-	(210,750)
Special Highway Fund	889,922	-	889,922	812,957	(76,965)
Convention and Tourism Fund	570,578	-	570,578	313,333	(257,245)
Fire Fighting Equipment Fund	65,700	-	65,700	45,000	(20,700)
Special Police Fund	19,000	23,212	42,212	36,325	(5,887)
Employees Health Insurance Fund	50,000	-	50,000	1,062	(48,938)
Special Parks and Recreation Fund	38,000	140,025	178,025	166,617	(11,408)
Special Alcohol Fund	20,000	-	20,000	13,137	(6,863)
Bond and Interest Fund					
Bond and Interest Fund	91,347	-	91,347	66,347	(25,000)
Business Funds					
Electric Utility Fund	11,398,436	-	11,398,436	9,526,573	(1,871,863)
Sanitation Fund	1,213,268	500	1,213,768	1,213,768	-
Wastewater Treatment Fund	962,857	-	962,857	830,375	(132,482)
Water Utility Fund	1,172,285	-	1,172,285	1,166,667	(5,618)
Electric Debt Service Fund	-	-	-	-	-
Water Debt Service Fund	-	-	-	-	-

CITY OF PRATT, KANSAS

General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

			Current Year		Variance
		Prior Year Actual	Actual	Budget	Over Over (Under)
Receipts					
Taxes and Shared Revenues					
Ad Valorem Property	\$	1,802,423	1,864,700	1,909,482	(44,782)
Motor Vehicle		259,313	268,666	226,887	41,779
Delinquent		66,294	29,803	-	(197,084)
Sales Tax		1,717,963	1,773,429	1,715,000	58,429
Neighborhood Revitalization Rebate		(150,224)	(117,060)	(111,245)	(5,815)
Intergovernmental					
Local Alcohol Liquor		18,005	14,495	18,690	(4,195)
Connecting Links		51,579	64,474	64,000	474
Motor Fuel Tax Refund		10,419	11,807	15,000	(3,193)
State and Federal Aid		38,452	343,779	50,000	293,779
Franchise Fees		206,070	187,868	215,250	(27,382)
Licenses, Fees and Permits		43,186	55,577	33,000	22,577
Charges for Services		183,121	129,092	221,100	(92,008)
Donations		1,413	126,268	-	126,268
Municipal Court Fines and Fees		218,384	195,553	176,500	19,053
Reimbursed Expenses		67,563	768	120,000	(119,232)
Interest Income		10,709	5,224	1,000	4,224
Sale of Assets		1,661	10,162	225,000	(214,838)
Transfers In		1,235,000	1,525,834	1,420,000	105,834
Total Receipts	\$	5,781,331	6,490,439	6,299,664	(36,112)

CITY OF PRATT, KANSAS**General Fund**

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
City Commission	\$ 73,270	132,849	78,830	54,019
City Manager	257,140	193,046	273,655	(80,609)
City Attorney	101,812	102,992	113,770	(10,778)
City Clerk/Utility Billing	414,139	432,018	510,475	(78,457)
Finance	341,623	370,151	334,189	35,962
Police	1,891,235	2,016,781	2,039,657	(22,876)
Animal Control	95,165	84,894	88,706	(3,812)
Municipal Court	201,814	203,370	228,522	(25,152)
Fire Protection	237,259	254,168	278,077	(23,909)
Planning and Inspection	143,847	149,774	267,060	(117,286)
Parks	395,435	334,729	447,003	(112,274)
Swimming Pool	126,176	105,385	171,540	(66,155)
Municipal Building	7,645	281,267	-	281,267
Recreation	394,408	379,153	423,745	(44,592)
Public Works	43,280	27,650	50,925	(23,275)
Maintenance	199,036	244,017	293,667	(49,650)
Cemetery	146,514	138,003	148,385	(10,382)
Special Streets	268,402	268,506	283,940	(15,434)
Special Police	-	10,000	5,000	5,000
Industrial Development	63,751	68,676	75,000	(6,324)
Contingencies	32,833	28,620	30,000	(1,380)
Transfers Out	185,000	203,501	203,500	1
Total Expenditures	<u>5,619,784</u>	<u>6,029,550</u>	<u>6,345,646</u>	<u>(316,096)</u>
Receipts Over (Under) Expenditures	161,547	460,889		
Unencumbered Cash - Beginning	751	162,765		
Prior Year Cancelled Encumbrance	<u>467</u>	<u>-</u>		
Unencumbered Cash - Ending	\$ <u>162,765</u>	<u>623,654</u>		

CITY OF PRATT, KANSAS
Library Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

			Current Year		
		Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts					
Taxes and Shared Revenues					
Ad Valorem Property	\$	162,469	166,139	170,140	(4,001)
Motor Vehicle		24,084	24,226	20,470	3,756
Delinquent		6,520	2,946	-	2,946
Neighborhood Revitalization Rebate		(13,548)	(10,427)	(9,912)	(515)
Total Receipts		179,525	182,884	180,698	2,186
Expenditures					
Library Appropriations		179,525	182,884	188,050	(5,166)
Receipts Over (Under) Expenditures		-	-		
Unencumbered Cash - Beginning		10,515	10,515		
Unencumbered Cash - Ending		\$ 10,515	10,515		

CITY OF PRATT, KANSAS

Cemetery Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Donations	\$ 86,594	2,352	-	16,600
Cemetery Services	15,900	16,600	15,000	(12,648)
Lot Sales	8,260	7,250	10,000	(2,750)
Miscellaneous	218	-	30,751	(30,751)
Interest Income	20	356	-	356
Total Receipts	110,992	26,558	55,751	(29,193)
Expenditures				
Personal Services	124	144	-	144
Contractual Services	8,715	6,377	12,100	(5,723)
Commodities	19,438	24,308	25,000	(692)
Capital Outlay	-	2,836	8,000	(5,164)
Transfers Out	8,000	10,000	10,000	-
Total Expenditures	36,277	43,665	55,100	(11,435)
Receipts Over (Under) Expenditures	74,715	(17,107)		
Unencumbered Cash - Beginning	299	75,014		
Unencumbered Cash - Ending	\$ 75,014	57,907		

CITY OF PRATT, KANSAS

Noxious Weed Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 18,380	17,141	17,500	(359)
Motor Vehicle	2,356	2,689	2,314	375
Delinquent	574	259	-	259
Neighborhood Revitalization Rebate	(1,531)	(1,074)	(1,020)	(54)
Interest Income	128	55	-	55
Total Receipts	19,907	19,070	18,794	276
Expenditures				
Contractual Services	813	-	2,850	(2,850)
Commodities	15,746	12,091	17,450	(5,359)
Transfers Out	1,000	2,000	2,000	-
Total Expenditures	17,559	14,091	22,300	(8,209)
Receipts Over (Under) Expenditures	2,348	4,979		
Unencumbered Cash - Beginning	3,567	5,915		
Unencumbered Cash - Ending	\$ 5,915	10,894		

CITY OF PRATT, KANSAS
Tort Liability Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

			Current Year		
		Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts					
Taxes and Shared Revenues					
Ad Valorem Property	\$	4,243	1,876	4,560	(2,684)
Motor Vehicle		111	3,064	549	2,515
Neighborhood Revitalization Rebate		(362)	(279)	(266)	(13)
Interest Income		3,106	1,545	-	1,545
Insurance		88,527	76,135	75,000	1,135
Total Receipts		95,625	82,341	79,843	2,498
Expenditures					
Contractual Services		50,812	-	210,750	(210,750)
Receipts Over (Under) Expenditures		44,813	82,341		
Unencumbered Cash - Beginning		236,371	281,184		
Unencumbered Cash - Ending	\$	281,184	363,525		

CITY OF PRATT, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Gasoline Tax	\$ 183,173	170,825	184,040	(13,215)
Sales Tax	423,726	447,539	430,000	17,539
State and Federal Aid	-	128,548	-	128,548
Interest Income	6,389	1,844	1,000	844
Sales of Property	12,110	2,473	-	2,473
Miscellaneous	250	-	5,000	(5,000)
Reimbursed Expenses	72,352	-	-	-
Total Receipts	698,000	751,229	620,040	131,189
Expenditures				
Personnel Services	176,300	168,334	211,417	(43,083)
Contractual Services	58,659	82,286	60,600	21,686
Commodities	199,255	188,992	218,350	(29,358)
Capital Outlay	346,334	275,790	302,000	(26,210)
Lease Payments	-	27,555	27,555	-
Transfers Out	165,000	70,000	70,000	-
Total Expenditures	945,548	812,957	889,922	(76,965)
Receipts Over (Under) Expenditures	(247,548)	(61,728)		
Unencumbered Cash - Beginning	552,619	305,071		
Unencumbered Cash - Ending	\$ 305,071	243,343		

CITY OF PRATT, KANSAS
Convention and Tourism Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Transient Guest Tax	\$ 384,464	302,650	400,000	(97,350)
Donations	-	200	-	200
State and Federal Aid	-	28,486	-	28,486
Reimbursements	-	-	15,000	(15,000)
Interest Income	2,977	1,114	1,500	(386)
Total Receipts	<u>387,441</u>	<u>332,450</u>	<u>416,500</u>	<u>(84,050)</u>
Expenditures				
Personal Services	129,939	90,160	184,128	(93,968)
Contractual Services	196,175	165,283	259,750	(94,467)
Commodities	27,356	20,484	44,700	(24,216)
Capital Outlay	99,459	37,406	82,000	(44,594)
Total Expenditures	<u>452,929</u>	<u>313,333</u>	<u>570,578</u>	<u>(257,245)</u>
Receipts Over (Under) Expenditures	(65,488)	19,117		
Unencumbered Cash - Beginning	<u>257,995</u>	<u>192,507</u>		
Unencumbered Cash - Ending	\$ <u>192,507</u>	<u>211,624</u>		

CITY OF PRATT, KANSAS
Fire Fighting Equipment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 40,618	41,536	42,529	(993)
Motor Vehicle	6,021	6,056	5,117	939
Delinquent	1,630	736	-	736
Neighborhood Revitalization Rebate	(3,387)	(2,607)	(2,478)	(129)
Interest Income	509	207	-	207
Total Receipts	45,391	45,928	45,168	760
Expenditures				
Capital Outlay	10,000	-	17,700	(17,700)
Transfers Out	37,500	45,000	48,000	(3,000)
Total Expenditures	47,500	45,000	65,700	(20,700)
Receipts Over (Under) Expenditures	(2,109)	928		
Unencumbered Cash - Beginning	23,130	21,021		
Unencumbered Cash - Ending	\$ 21,021	21,949		

CITY OF PRATT, KANSAS

Special Police Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over Under (Under)
		Actual	Budget	
Receipts				
Vehicle Inspection Fees	\$ 10,880	10,500	10,000	500
State and Federal Aid	-	15,049	-	15,049
Miscellaneous	8,280	-	-	-
Interest Income	2,203	1,098	1,000	98
Total Receipts	21,363	26,647	11,000	15,647
Expenditures				
Contractual Services	2,822	10,985	-	10,985
Capital Outlay	10,118	25,340	19,000	6,340
(a) Adjustment for Qualifying Budget Credits	-	-	23,212	(23,212)
Total Expenditures	12,940	36,325	42,212	(5,887)
Receipts Over (Under) Expenditures	8,423	(9,678)		
Unencumbered Cash - Beginning	36,278	44,701		
Unencumbered Cash - Ending	\$ 44,701	35,023		
(a) Adjustment for Qualifying Budget Credits				
State and Federal Aid Over Amount Budgeted			\$ 15,049	
JAG Grant Reimbursed in 2021			8,163	
Total			\$ 23,212	

CITY OF PRATT, KANSAS
Employees Health Insurance Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Receipts				
Reimbursed Expenses	\$ 1,568	-	50,000	(50,000)
Expenditures				
Contractual	-	1,062	50,000	(48,938)
Receipts Over (Under) Expenditures	1,568	(1,062)		
Unencumbered Cash - Beginning	7,478	9,046		
Unencumbered Cash - Ending	\$ 9,046	7,984		

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, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Over (Under)
Receipts				
Taxes and Shared Revenues				
Alcohol Liquor Tax	\$ 18,004	14,495	18,690	(4,195)
Donations	375	140,025	-	140,025
State and Federal Aid	-	20,277	-	20,277
Interest Income	381	199	-	199
Total Receipts	<u>18,760</u>	<u>174,996</u>	<u>18,690</u>	<u>156,306</u>
Expenditures				
Contractual Services	2,550	-	-	-
Capital Outlay	36,429	166,617	38,000	128,617
(a) Adjustment for Qualifying Budget Credits	-	-	140,025	(140,025)
Total Expenditures	<u>38,979</u>	<u>166,617</u>	<u>178,025</u>	<u>(11,408)</u>
Receipts Over (Under) Expenditures	(20,219)	8,379		
Unencumbered Cash - Beginning	42,855	26,049		
Prior Year Cancelled Encumbrance	<u>3,413</u>	<u>-</u>		
Unencumbered Cash - Ending	<u>\$ 26,049</u>	<u>34,428</u>		
(a) Adjustment for Qualifying Budget Credits				
Donations Over Amount Budgeted			\$ 140,025	

CITY OF PRATT, KANSAS**Special Alcohol Fund**

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Alcohol Liquor Tax	\$ 18,004	14,495	18,690	(4,195)
Interest Income	52	25	-	25
Total Receipts	18,056	14,520	<u>18,690</u>	<u>(4,170)</u>
Expenditures				
Program Distributions	16,500	13,137	<u>20,000</u>	<u>(6,863)</u>
Receipts Over (Under) Expenditures	1,556	1,383		
Unencumbered Cash - Beginning	4,870	6,426		
Unencumbered Cash - Ending	\$ <u>6,426</u>	<u>7,809</u>		

CITY OF PRATT, KANSAS
Capital Equipment Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 3,042	3,693
Transfers In	629,800	706,300
Total Receipts	632,842	709,993
Expenditures		
Capital Outlay	179,777	211,144
Receipts Over (Under) Expenditures	453,065	498,849
Unencumbered Cash - Beginning	105,201	558,266
Unencumbered Cash - Ending	\$ 558,266	1,057,115

CITY OF PRATT, KANSAS
Special Street Reserves Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 3,133	1,314
Miscellaneous	8,500	-
State Aid	100,000	-
Total Receipts	111,633	1,314
Expenditures		
Capital Outlay	104,055	-
Receipts Over (Under) Expenditures	7,578	1,314
Unencumbered Cash - Beginning	256,474	264,052
Unencumbered Cash - Ending	<u>\$ 264,052</u>	<u>265,366</u>

CITY OF PRATT, KANSAS
Capital Improvement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Loan Proceeds	\$ 241,000	-
Interest Income	1,191	1,284
Transfers In	209,000	424,001
	<u>451,191</u>	<u>425,285</u>
Total Receipts	451,191	425,285
Expenditures		
Capital Outlay	317,715	250,270
	<u>317,715</u>	<u>250,270</u>
Receipts Over (Under) Expenditures	133,476	175,015
Unencumbered Cash - Beginning	7,433	140,909
	<u>7,433</u>	<u>140,909</u>
Unencumbered Cash - Ending	\$ 140,909	315,924
	<u><u>140,909</u></u>	<u><u>315,924</u></u>

CITY OF PRATT, KANSAS
Fire Fighting Equipment Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 105	48
Transfers In	37,500	45,000
Total Receipts	37,605	45,048
Expenditures		
Capital Outlay	37,189	37,189
Receipts Over (Under) Expenditures	416	7,859
Unencumbered Cash - Beginning	8,778	9,194
Unencumbered Cash - Ending	\$ 9,194	17,053

CITY OF PRATT, KANSAS

Bond and Interest Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ -	66,671	69,436	(2,765)
Delinquent	3,435	1,624	-	1
Motor Vehicle	3,971	1	-	1,624
Special Assessments	14,851	2,597	-	2,597
Neighborhood Revitalization Rebate	(459)	(4,257)	(4,045)	(212)
Bond Proceeds	-	739	-	739
Interest Income	512	344	-	344
Total Receipts	22,310	67,719	65,391	2,328
Expenditures				
Principal Payments	-	56,779	56,779	-
Interest Payments	-	9,568	9,568	-
Cash Basis Reserve	-	-	25,000	(25,000)
Total Expenditures	-	66,347	91,347	(25,000)
Receipts Over (Under) Expenditures	22,310	1,372		
Unencumbered Cash - Beginning	27,552	49,862		
Unencumbered Cash - Ending	\$ 49,862	51,234		

CITY OF PRATT, KANSAS

Electric Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Electric Use Charges	\$ 9,360,229	8,426,864	10,850,000	(2,423,136)
Service Fees	7,148	4,832	7,000	(2,168)
State and Federal Aid	-	29,393	-	29,393
Interest Income	7,663	5,213	2,000	3,213
Sale of Property	266,959	208,761	225,000	(16,239)
Miscellaneous Income	17,259	20,158	25,000	(4,842)
Reimbursed Expenses	19,615	19,520	60,000	(40,480)
Total Receipts	<u>9,678,873</u>	<u>8,714,741</u>	<u>11,169,000</u>	<u>(2,454,259)</u>
Expenditures				
Management	185,743	185,895	197,217	(11,322)
Production	5,592,281	6,109,932	7,856,133	(1,746,201)
Distribution	1,273,165	1,064,954	1,285,127	(220,173)
Lease Payment	68,701	86,658	86,659	(1)
Transfers Out	1,617,800	2,079,134	1,973,300	105,834
Total Expenditures	<u>8,737,690</u>	<u>9,526,573</u>	<u>11,398,436</u>	<u>(1,871,863)</u>
Receipts Over (Under) Expenditures	941,183	(811,832)		
Unencumbered Cash - Beginning	<u>73,030</u>	<u>1,014,213</u>		
Unencumbered Cash - Ending	<u>\$ 1,014,213</u>	<u>202,381</u>		

CITY OF PRATT, KANSAS

Sanitation Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Refuse Charges	\$ 1,175,542	1,212,348	1,095,000	117,348
Interest Income	2,886	1,306	1,500	(194)
Reimbursed Expenses	-	500	-	500
Miscellaneous Income	814	639	5,000	(4,361)
Total Receipts	<u>1,179,242</u>	<u>1,214,793</u>	<u>1,101,500</u>	<u>113,293</u>
Expenditures				
Personal Services	519,507	555,458	565,971	(10,513)
Contractual Services	347,780	338,553	331,250	7,303
Commodities	79,768	67,713	64,450	3,263
Capital Outlay	4,493	10,447	10,000	447
Lease Payment	33,676	31,597	31,597	-
Transfers Out	160,000	210,000	210,000	-
(a) Adjustment for Qualifying Budget Credits	-	-	500	(500)
Total Expenditures	<u>1,145,224</u>	<u>1,213,768</u>	<u>1,213,768</u>	<u>-</u>
Receipts Over (Under) Expenditures	34,018	1,025		
Unencumbered Cash - Beginning	<u>197,654</u>	<u>231,672</u>		
Unencumbered Cash - Ending	\$ <u>231,672</u>	<u>232,697</u>		
(a) Adjustment for Qualifying Budget Credits				
Reimbursed Expenses Over Amount Budgeted			\$ 500	

CITY OF PRATT, KANSAS
Wastewater Treatment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Sewer Service Charges	\$ 911,438	937,871	920,000	17,871
Storm Water Fees	38,031	38,671	40,000	(1,329)
Interest Income	75	221	50	171
Reimbursed Expenses	-	4,517	-	4,517
Miscellaneous Income	3,386	1,575	-	1,575
Total Receipts	952,930	982,855	960,050	22,805
Expenditures				
Personal Services	386,660	381,649	423,430	(41,781)
Contractual Services	125,280	138,443	124,800	13,643
Commodities	123,899	112,406	149,100	(36,694)
Capital Outlay	7,250	-	25,000	(25,000)
Principal Payments	245,681	135,711	137,677	(1,966)
Interest Payments	47,685	42,353	42,967	(614)
Service Fees	5,359	4,813	4,883	(70)
Sewer Line Maintenance	-	-	40,000	(40,000)
Transfers Out	-	15,000	15,000	-
Total Expenditures	941,814	830,375	962,857	(132,482)
Receipts Over (Under) Expenditures	11,116	152,480		
Unencumbered Cash - Beginning	2,442	13,558		
Unencumbered Cash - Ending	\$ 13,558	166,038		

CITY OF PRATT, KANSAS

Water Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Water Sales	\$ 1,027,323	1,101,006	1,075,500	25,506
State Water Tax	12,217	12,019	11,000	1,019
Interest Income	321	373	150	223
Sale of Assets	706	1,430	2,000	(570)
Miscellaneous Charges	27,130	16,744	9,000	7,744
Reimbursed Expenses	3,852	-	38,000	(38,000)
Total Receipts	<u>1,071,549</u>	<u>1,131,572</u>	<u>1,135,650</u>	<u>(4,078)</u>
Expenditures				
Personal Services	499,064	470,829	504,645	(33,816)
Contractual Services	112,419	92,448	98,550	(6,102)
Commodities	133,907	116,106	148,700	(32,594)
Capital Outlay	128,246	165,508	183,390	(17,882)
Principal Payments	28,994	30,216	55,000	(24,784)
Interest Payments	18,386	24,599	27,000	(2,401)
Service Fees	1,438	1,335	3,500	(2,165)
Contingencies	33,937	40,126	35,000	5,126
Transfers Out	87,000	225,500	116,500	109,000
Total Expenditures	<u>1,043,391</u>	<u>1,166,667</u>	<u>1,172,285</u>	<u>(5,618)</u>
Receipts Over (Under) Expenditures	28,158	(35,095)		
Unencumbered Cash - Beginning	<u>26,794</u>	<u>54,952</u>		
Unencumbered Cash - Ending	\$ <u>54,952</u>	<u>19,857</u>		

CITY OF PRATT, KANSAS
Electric Maintenance Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 384	378
Transfers In	50,000	50,000
Total Receipts	50,384	50,378
Expenditures	-	-
Receipts Over (Under) Expenditures	50,384	50,378
Unencumbered Cash - Beginning	12,026	62,410
Unencumbered Cash - Ending	\$ 62,410	112,788

CITY OF PRATT, KANSAS
Electric Debt Service Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Interest Income	\$ 419	178	-	178
Expenditures	-	-	-	-
Receipts Over (Under) Expenditures	419	178		
Unencumbered Cash - Beginning	35,302	35,721		
Unencumbered Cash - Ending	\$ 35,721	35,899		

CITY OF PRATT, KANSAS
Wastewater Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 41	16
Expenditures	-	-
Receipts Over (Under) Expenditures	41	16
Unencumbered Cash - Beginning	3,387	3,428
Unencumbered Cash - Ending	\$ 3,428	3,444

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

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Receipts				
Interest Income	\$ 67	29	-	29
Expenditures	-	-	-	-
Receipts Over (Under) Expenditures	67	29		
Unencumbered Cash - Beginning	5,649	5,716		
Unencumbered Cash - Ending	\$ 5,716	5,745		

CITY OF PRATT, KANSAS
Water Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 420	183
Transfers In	-	109,000
Bond Proceeds	289,183	1,400,192
Total Receipts	289,603	1,509,375
Expenditures		
Capital Outlay	254,014	1,547,207
Receipts Over (Under) Expenditures	35,589	(37,832)
Unencumbered Cash - Beginning	3,179	38,768
Unencumbered Cash - Ending	\$ 38,768	936

CITY OF PRATT, KANSAS
Water Debt Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 63	27
Expenditures	-	-
Receipts Over (Under) Expenditures	63	27
Unencumbered Cash - Beginning	5,280	5,343
Unencumbered Cash - Ending	\$ 5,343	5,370

CITY OF PRATT, KANSAS
Park Improvement Trust Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Donations	\$ 19,112	8,267
Reimbursed Expenses	41,245	-
Interest Income	404	76
Total Receipts	<u>60,761</u>	<u>8,343</u>
Expenditures		
Commodities	27,632	1,113
Capital Outlay	51,360	13,024
Total Expenditures	<u>78,992</u>	<u>14,137</u>
Receipts Over (Under) Expenditures	(18,231)	(5,794)
Unencumbered Cash - Beginning	<u>32,398</u>	<u>14,167</u>
Unencumbered Cash - Ending	<u>\$ 14,167</u>	<u>8,373</u>

CITY OF PRATT, KANSAS
Cemetery Trust Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Donations	\$ 25	1,190
Interest Income	4,872	2,080
	<u>4,897</u>	<u>3,270</u>
Total Receipts	4,897	3,270
Expenditures		
Commodities	2,000	54,650
	<u>2,000</u>	<u>54,650</u>
Receipts Over (Under) Expenditures	2,897	(51,380)
Unencumbered Cash - Beginning	411,769	414,666
	<u>411,769</u>	<u>414,666</u>
Unencumbered Cash - Ending	\$ 414,666	363,286
	<u><u>414,666</u></u>	<u><u>363,286</u></u>

CITY OF PRATT, KANSAS
Recreation Trust Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Tournament Income	\$ 65,838	47,717
Donations	78,403	1,585
State and Federal Aid	-	42,495
Interest Income	1,377	772
Miscellaneous Income	-	3,000
Total Receipts	<u>145,618</u>	<u>95,569</u>
Expenditures		
Commodities	34,566	45,881
Capital Outlay	107,084	-
Total Expenditures	<u>141,650</u>	<u>45,881</u>
Receipts Over (Under) Expenditures	3,968	49,688
Unencumbered Cash - Beginning	<u>146,427</u>	<u>150,395</u>
Unencumbered Cash - Ending	<u>\$ 150,395</u>	<u>200,083</u>

CITY OF PRATT, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2020

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Sales Tax	\$ 5,024	303,709	292,629	16,104
Customer Deposits	146,678	74,616	55,760	165,534
Total	\$ 151,702	378,325	348,389	181,638