CITY OF PHILLIPSBURG

Phillipsburg, Kansas

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2024

MAPES & MILLER
Certified Public Accountants
Phillipsburg, Kansas 67661

CITY OF PHILLIPSBURG

For the Year Ended December 31, 2024

Bret Miles, Mayor

City Council

Don Roberts	Lauren Weinert
Brian Shrader	Terry McConnell
Jeanette Harris	Mike James

City Offices

Tim Driggs	City Administrator
Brandi Spray	City Clerk
Abigail Wahl	City Treasurer

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

For the Year Ended December 31, 2024

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CITY OF PHILLIPSBURG
Phillipsburg, Kansas

For the Year Ended December 31, 2024

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MAPES & MILLER LLP

CERTIFIED PUBLIC ACCOUNTANTS

A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

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

P.O. BOX 412, 230 MAIN ST
QUINTER, KS 67752
(785)754-2111

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Phillipsburg, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Phillipsburg, Kansas, a Municipal Financial Reporting Entity, as of and for the year ended December 31, 2024 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 matter 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 of Phillipsburg, Kansas as of December 31, 2024, 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 of Phillipsburg, as of December 31, 2024, 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 Opinion

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 of Phillipsburg, 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 of Phillipsburg 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 reasonable 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 of Phillipsburg's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

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 of Phillipsburg'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 of Phillipsburg's, Kansas 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, schedule of regulatory basis receipts and expenditures – agency funds, and regulatory basis receipts and expenditures – actual – related municipal entity (Schedules 1, 2, 3, and 4, 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*. The Water and Sewer Utility Allocation and Equipment Reserve Allocation (Schedules 5 and 6 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 nor 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. The information identified in the table of contents, as unaudited additional information has not been subjected to the auditing procedures applied in the audit of the basic financial statement and, accordingly, we express no opinion on the unaudited information.

Respectfully submitted,
Mapes & Miller LLP
Certified Public Accountants

October 6, 2025
Phillipsburg, Kansas

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2024

FUNDS	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund							
General Operating Fund	$ 445,810	$ 4,797	$ 1,495,279	$ 1,535,413	$ 410,473	$ 46,853	$ 457,326
Special Purpose Funds							
Equipment Reserve Fund	769,366	-	139,264	145,485	763,145	-	763,145
Library Fund	1,261	-	78,960	78,960	1,261	-	1,261
Employee Benefit Fund	195,984	-	258,657	204,640	250,001	2,120	252,121
Special Parks & Recreation Fund	39,250	-	9,548	307	48,491	-	48,491
Law Enforcement Fund	(4,385)	-	400,000	380,420	15,195	-	15,195
Fire Department Fund	137,144	-	75,368	121,711	90,801	204	91,005
Special Highway Fund	50,951	-	325,945	238,577	138,319	3,879	142,198
Fire Equipment Capital Outlay Fund	397,492	-	31,588	63,543	365,537	63,543	429,080
Industrial Development Fund	115,176	-	15,788	-	130,964	-	130,964
Foundation Grants Fund	113,008	-	-	113,008	-	-	-
Capital Improvements Fund	516,604	15,971	315,654	241,842	606,387	-	606,387
Partially Self-Funded Health Insurance Fund	17,650	-	210	-	17,860	-	17,860
Risk Management Reserve Fund	20,000	-	-	-	20,000	-	20,000
ARPA Grant Fund	105,296	-	375	105,671	-	46,130	46,130
Fight Addiction Fund	7,349	-	7,523	-	14,872	-	14,872
Bond & Interest Fund							
Bond & Interest Fund	14,311	-	148,083	141,865	20,529	-	20,529
Capital Projects Fund							
KDOT Airport Project Fund	(402,377)	57,891	130,961	4,320	(217,845) *	-	(217,845)
Airport Grant Fund	(439,502)	143,742	295,760	268,871	(268,871) *	183,059	(85,812)
Business Funds							
Water & Sewer Utility Fund	1,250,458	1,979	2,272,346	1,752,567	1,772,216	282,228	2,054,444
Solid Waste Fund	331,133	-	436,498	461,329	306,302	4,037	310,339
Aquatic Center Fund	344,263	-	673,096	569,277	448,082	99,584	547,666

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

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2024

FUNDS	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Trust Fund							
Endowment Fund	$ 20,088	$ -	$ 820	$ -	$ 20,908	$ -	$ 20,908
Related Municipal Entity							
Public Building Commission							
Aquatic Center Bond & Interest Fund	96,502	-	230,614	221,600	105,516	-	105,516
Aquatic Center Capital Projects Fund	138,555	-	-	-	138,555	-	138,555
Total Reporting Entity (Excluding Agency Funds)	$ 4,281,387	$ 224,380	$ 7,342,337	$ 6,649,406	$ 5,198,698	$ 731,637	$ 5,930,335

Composition of Cash	
Cash on Hand	$ 450
Checking Accounts	458,990
NOW Account	651,793
Money Market Account	1,768,494
Certificates of Deposit	2,840,548
Related Municipal Entity	244,071
Total Cash	5,964,346
Agency Funds Per Schedule 3	(34,011)
Total Reporting Entity (Excluding Agency Funds)	$ 5,930,335

* See Note 3, Cash Basis Exceptions

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

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

NOTES TO THE FINANCIAL STATEMENT
December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Financial Reporting Entity

The City of Phillipsburg, Kansas, is a municipal corporation governed by an elected mayor and an elected six member council. The regulatory financial statement presents the City of Phillipsburg, and one of its related municipal entities. The following related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents:

Public Building Commission. The City of Phillipsburg Public Building Commission Board operates the Public Building Commission for the purpose of providing additional and alternative methods for financing certain public buildings. The City levies taxes for the Public Building Commission. Bond issuances must be approved by the City. Complete financial records for the Public Building Commission may be reviewed at the City office.

(b) Regulatory Basis Fund Types

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities for the City for the year ended December 31, 2024.

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

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debts) 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.

Capital Projects Fund - used to account for the debt proceeds and other financial resources to be used for acquisition and construction of major capital facilities or equipment.

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

Trust Fund - funds 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.).

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

(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (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.

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds, and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.

2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

3. Public hearing on or before August 15th, but at least ten days after publication of notice hearing.

4. Adoption of the final budget on or before August 25th.

If the City is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The City held a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year ended December 31, 2024.

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.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts 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 Projects Funds, Trust Funds, Agency Funds, the related municipal entity, and the following:

Special Purpose Funds:
- Equipment Reserve Fund
- Foundation Grants Fund
- Capital Improvements Fund
- Partially Self-Funded Health Insurance Fund
- Risk Management Reserve Fund
- ARPA Grant Fund
- Fight Addiction Fund

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Cash Basis Violation – K.S.A. 10-1113 requires each fund to comply with the cash basis laws of Kansas. That is, no commitments or indebtedness should be incurred unless there is available cash in the fund. The City's Law Enforcement Fund had a negative cash balance in January and February 2024.

B. Fund Encumbrances – K.S.A. 10-1117 requires the Clerk to maintain a record of each fund's indebtedness and contracts creating a liability as well as maintaining all warrants or checks written. Encumbrances for contracts approved were not recorded on the books on December 31, 2024.

C. The City is not aware of any other noncompliance with Kansas statutes.

3. CASH BASIS EXCEPTIONS

A. The City received grants from the Kansas Department of Transportation (KDOT). The grant agreements require the City to expend the monies before they can request reimbursement, which caused the City to have negative unencumbered cash in the KDOT Airport Project Fund at December 31, 2024. K.S.A. 12-1664 provides an exception for a cash basis law violation for the intergovernmental grant funds to expend monies for grant purposes with the expectation of monies to be reimbursed to the City under conditions of the grant award. The City had $385,291 available as of December 31, 2024 from KDOT for the airport project.

B. The City received a Federal Aviation Administration (FAA) Grant. The grant agreement requires the City to expend the monies before they can request reimbursement, which caused the City to have negative unencumbered cash in the Airport Grant Fund at December 31, 2024. K.S.A. 12-1664 provides an exception for a cash basis law violation for the intergovernmental grant funds to expend monies for grant purposes with the expectation of monies to be reimbursed to the City under conditions of the grant award. As of December 31, 2024, the City still had $268,871 available of grant funds.

4. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located 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 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. All deposits were legally secured at December 31, 2024.

At December 31, 2024, the City's and Public Building Commission's carrying amount of deposits was $5,963,896 and the bank balance was $5,966,117. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance $744,071 was covered by federal depository insurance, and $5,222,046 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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.

5. INTERFUND TRANSFERS

A. Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Operating Fund	Law Enforcement Fund	Home Rule Ord. 1404	$ 400,000
General Operating Fund	Fire Department Fund	Home Rule Ord. 1405	50,000
General Operating Fund	Special Highway Fund	K.S.A. 12-1,119	240,000
Water & Sewer Utility Fund	Bond & Interest Fund	K.S.A. 12-825d	90,000
Solid Waste Fund	Equipment Reserve Fund	K.S.A. 12-825d	139,264

6. DEFINED BENEFIT PENSION PLAN

Plan description. The City 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South 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 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were $105,495 for the year ended December 31, 2024.

Net Pension Liability

At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $967,587. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. 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.

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City 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.

(b) Death and Disability Other Post Employment Benefits

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, 2024.

(c) Other Employee Benefits

Vacation

All employees of the City, except temporary and part-time employees, accumulate vacation leave at a rate of ten days per year after their first year of employment. The rate of accumulation increases to fifteen days per year after seven years of employment, and twenty days per year after eighteen years of employment. Following the first six months of employment, no more than 150% of accrued vacation days available per year for hourly employees and 200% of accrued vacation days for salaried employees may be carried over from one anniversary date of employment to the next. Employees are paid for all accumulated vacation leave, at their current wage rate, upon termination of employment. As of December 31, 2024, the City owed $68,231 of accumulated vacation leave to employees.

Sick leave

All employees of the City, except temporary and part-time employees, accumulate sick leave at a rate of twelve days per year. They may accumulate unlimited sick leave days. Upon termination of employment, no sick leave is paid to the employee.

8. RISK MANAGEMENT

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks.

During the year ended December 31, 2024, the City did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

9. OPERATING LEASE

The City entered into an amended lease agreement, dated August 5, 2020, with the Public Building Commission, a related municipal entity of the City, to lease the swimming pool recreational facility. The agreement states that the City will, during the term of the lease, keep and maintain the swimming pool facility and all parts in good condition and repair. The lease agreement provides for semi-annual lease payments. The City has imposed a 1% city-wide retailers' sales tax to cover these payments.

Future minimum rental commitments are as follows:

Year	Amount
2025	222,700
2026	223,700
2027	219,600
2028	220,500
2029	221,300
2030	102,000
Total Future Minimum Lease Payments	$ 1,209,800

10. CAPITAL PROJECTS

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

	Project Authorization	Expenditures to Date
FAA Airport Project-Power Pole Removal	$ 595,353	$ 328,623
FAA Master Plan	$ 298,746	$ 295,246
KS Airport Improvement Project	$ 379,510	$ 379,427
KS Airport–AWOS Project	$ 256,666	$ 200,200
KS Airport Improvement Project-Runway Ext.	$ 1,730,000	$ 1,584,306

11. SUBSEQUENT EVENTS

Management has evaluated events subsequent to year end through the date of this report, and does not believe any events through the date of this report have occurred, which effect the financial statement as presented.

12. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2024, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning Balance 1/1/2024	Additions	Reductions/ Payments	Ending Balance 12/31/2024	Interest/ Service Fees Paid
General Obligation Bonds									
2015 General Obligation Bonds	2.95%	6/1/2015	$ 1,635,000	8/1/2024	$ 55,000	$ -	$ 55,000	$ -	$ 1,254
Total General Obligation Bonds					55,000	-	55,000	-	1,254
KDHE Loans									
Kansas Public Water Supply-Quanz	2.54%	12/20/2018	$ 583,038	2/1/2042	415,648	-	17,853	397,795	10,445
Kansas Public Water Supply-AMR	1.65%	1/6/2020	$ 535,329	8/1/2030	377,381	-	51,291	326,090	6,016
Total KDHE Loans					793,029	-	69,144	723,885	16,461
Public Building Commission									
Series 2020 Revenue Bonds	2.00%	8/5/2020	$ 1,875,000	10/1/2030	1,330,000	-	195,000	1,135,000	26,600
Total Contractual Indebtedness					$ 2,178,029	$ -	$ 319,144	$ 1,858,885	$ 44,315

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

	KDHE Loans		Revenue Bond (Public Building Commission)		Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2025	70,450	15,155	200,000	22,700	270,450	37,855
2026	71,782	13,823	205,000	18,700	276,782	32,523
2027	73,140	12,465	205,000	14,600	278,140	27,065
2028	74,525	11,080	210,000	10,500	284,525	21,580
2029	75,937	9,667	215,000	6,300	290,937	15,967
2030-2034	165,913	32,883	100,000	2,000	265,913	34,883
2035-2039	124,011	17,478	-	-	124,011	17,478
2040-2042	68,127	2,617	-	-	68,127	2,617
	$ 723,885	$ 115,168	$ 1,135,000	$ 74,800	$ 1,858,885	$ 189,968

CITY OF PHILLIPSBURG, KANSAS

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2024

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

FUNDS	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Fund					
General Operating Fund	$ 1,964,700	$ -	$ 1,964,700	$ 1,535,413	$ (429,287)
Special Purpose Funds					
Library Fund	83,400	-	83,400	78,960	(4,440)
Employee Benefit Fund	381,000	-	381,000	204,640	(176,360)
Special Parks & Recreation Fund	43,284	-	43,284	307	(42,977)
Law Enforcement Fund	580,000	-	580,000	380,420	(199,580)
Fire Department Fund	167,530	-	167,530	121,711	(45,819)
Special Highway Fund	370,480	-	370,480	238,577	(131,903)
Fire Equipment Capital Outlay Fund	328,035	-	328,035	63,543	(264,492)
Industrial Development Fund	111,900	-	111,900	-	(111,900)
Bond & Interest Fund					
Bond & Interest Fund	152,965	-	152,965	141,865	(11,100)
Business Funds					
Water & Sewer Utility Fund	2,138,985	-	2,138,985	1,752,567	(386,418)
Solid Waste Fund	657,407	-	657,407	461,329	(196,078)
Aquatic Center Fund	717,360	-	717,360	569,277	(148,083)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 584,637	$ 605,754	$ (21,117)
Delinquent Tax	6,531	15,000	(8,469)
Motor Vehicle Tax	81,827	84,284	(2,457)
Recreational Vehicle Tax	1,727	2,337	(610)
Excise Tax	60	20	40
16/20M Vehicle Tax	2,051	2,538	(487)
Commercial Vehicle Tax	2,115	3,666	(1,551)
Watercraft Tax	837	612	225
Neighborhood Revitalization Rebate	(7,794)	(6,243)	(1,551)
Intangibles Tax	25,774	21,839	3,935
Special Assessment	136	1,300	(1,164)
Local Alcoholic Liquor Tax	9,549	10,367	(818)
Interest on Idle Funds	161,359	15,000	146,359
Franchise Tax	158,090	175,000	(16,910)
Animal Tags	1,868	3,200	(1,332)
Fines	18,764	23,000	(4,236)
Reimbursements	14,313	25,000	(10,687)
Campground Fees	8,965	8,000	965
Local Retailers' Sales Tax	315,654	300,000	15,654
Licenses & Permits	6,735	7,000	(265)
Other Cash Receipts	58	-	58
Miscellaneous	1,690	2,000	(310)
Building Rents	12,972	10,200	2,772
Cemetery Lots & Care	24,179	10,000	14,179
Airport Rents & Grains	5,831	9,000	(3,169)
Airport Aviation Gas & Oil	4,888	25,000	(20,112)
Airport Jet Fuel	5,350	22,000	(16,650)
Airport Courtesy Car	39	100	(61)
Airport Sales Tax Collected	921	4,000	(3,079)
Airport Miscellaneous	-	5,000	(5,000)
Zoning Applications	700	500	200
Transportation Passes	7,542	9,000	(1,458)
Northwest Kansas Transit	36,831	65,000	(28,169)
Bad Checks/Debt Collected	1,080	1,500	(420)
Total Receipts	1,495,279	$ 1,460,974	$ 34,305
EXPENDITURES			
General Government			
Personal Services	157,071	$ 160,000	$ (2,929)
Contractual Services	54,255	75,000	(20,745)
Commodities	82,662	35,000	47,662
Capital Outlay	4,180	35,000	(30,820)
Total General Government	298,168	305,000	(6,832)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Community Building			
Personal Services	$ 6,845	$ 20,000	$ (13,155)
Contractual Services	16,630	24,000	(7,370)
Commodities	1,566	8,000	(6,434)
Capital Outlay	-	10,000	(10,000)
Total Community Building	25,041	62,000	(36,959)
Municipal Court			
Personal Services	24,755	35,000	(10,245)
Contractual Services	12,068	18,000	(5,932)
Commodities	260	1,000	(740)
Total Municipal Court	37,083	54,000	(16,917)
Park Department			
Personal Services	22,164	35,000	(12,836)
Contractual Services	17,896	18,000	(104)
Commodities	7,433	15,000	(7,567)
Capital Outlay	1,348	7,000	(5,652)
Total Park Department	48,841	75,000	(26,159)
Cemetery			
Personal Services	22,437	30,000	(7,563)
Contractual Services	18,872	20,000	(1,128)
Commodities	3,589	10,000	(6,411)
Capital Outlay	906	5,000	(4,094)
Total Cemetery	45,804	65,000	(19,196)
Street Lighting			
Contractual Services	47,993	58,000	(10,007)
Airport			
Personal Services	31,951	36,000	(4,049)
Contractual Services	50,789	49,200	1,589
Commodities	19,221	52,000	(32,779)
Capital Outlay	6,778	51,000	(44,222)
Total Airport	108,739	188,200	(79,461)
Planning Department			
Contractual Services	350	3,000	(2,650)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Transportation Department			
Personal Services	$ 39,891	$ 55,000	$ (15,109)
Contractual Services	6,900	9,000	(2,100)
Commodities	4,764	6,000	(1,236)
Capital Outlay	4,153	5,000	(847)
Total Transportation Department	55,708	75,000	(19,292)
Library Support			
Personal Services	8,207	10,000	(1,793)
Contractual Services	48,789	49,000	(211)
Commodities	323	2,000	(1,677)
Total Library Support	57,319	61,000	(3,681)
Beautification			
Personal Services	4,168	9,000	(4,832)
Contractual Services	-	1,000	(1,000)
Commodities	3,357	3,000	357
Capital Outlay	-	5,000	(5,000)
Total Beautification	7,525	18,000	(10,475)
Shade Tree			
Contractual Services	200	5,000	(4,800)
Commodities	4	5,000	(4,996)
Capital Outlay	-	2,000	(2,000)
Total Shade Tree	204	12,000	(11,796)
Armory			
Personal Services	6,351	11,500	(5,149)
Contractual Services	10,113	16,000	(5,887)
Commodities	1,719	2,500	(781)
Capital Outlay	-	1,000	(1,000)
Total Armory	18,183	31,000	(12,817)
Concrete Improvements			
Contractual Services	-	25,000	(25,000)
Commodities	17,415	40,000	(22,585)
Total Concrete Improvements	17,415	65,000	(47,585)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Code Enforcement			
Personal Services	$ 816	$ 8,000	$ (7,184)
Contractual Services	69,915	5,000	64,915
Commodities	94	500	(406)
Total Code Enforcement	70,825	13,500	57,325
Animal Control			
Personal Services	4,229	6,000	(1,771)
Contractual Services	1,091	1,000	91
Commodities	895	2,000	(1,105)
Total Animal Control	6,215	9,000	(2,785)
Outgoing Transfers			
Law Enforcement Fund	400,000	580,000	(180,000)
Fire Department Fund	50,000	50,000	-
Special Highway Fund	240,000	240,000	-
Total Outgoing Transfers	690,000	870,000	(180,000)
Total Expenditures	1,535,413	$ 1,964,700	$ (429,287)
Receipts Over (Under) Expenditures	(40,134)		
UNENCUMBERED CASH, January 1, 2024	445,810		
Prior Year Cancelled Encumbrances	4,797		
UNENCUMBERED CASH, December 31, 2024	$ 410,473		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2024

EQUIPMENT RESERVE FUND

	Actual
RECEIPTS	
Incoming Transfer	
Solid Waste Fund	$ 139,264
EXPENDITURES	
Capital Outlay	145,485
Receipts Over (Under) Expenditures	(6,221)
UNENCUMBERED CASH, January 1, 2024	769,366
UNENCUMBERED CASH, December 31, 2024	$ 763,145

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-3

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

LIBRARY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 68,360	$ 70,828	$ (2,468)
Delinquent Tax	788	2,500	(1,712)
Motor Vehicle Tax	9,901	10,025	(124)
Recreational Vehicle Tax	209	278	(69)
Excise Tax	7	1	6
16/20M Vehicle Tax	249	302	(53)
Commercial Vehicle Tax	101	436	(335)
Watercraft Tax	256	73	183
Neighborhood Revitalization Rebate	(911)	(926)	15
Total Receipts	78,960	$ 83,517	$ (4,557)
EXPENDITURES			
Appropriation to Library Board	78,960	$ 83,400	$ (4,440)
Receipts Over (Under) Expenditures	-		
UNENCUMBERED CASH, January 1, 2024	1,261		
UNENCUMBERED CASH, December 31, 2024	$ 1,261		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

EMPLOYEE BENEFIT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 221,041	$ 228,994	$ (7,953)
Delinquent Tax	2,824	8,400	(5,576)
Motor Vehicle Tax	34,552	35,007	(455)
Recreational Vehicle Tax	729	971	(242)
Excise Tax	26	4	22
16/20M Vehicle Tax	865	1,054	(189)
Commercial Vehicle Tax	353	1,522	(1,169)
Watercraft Tax	893	254	639
Neighborhood Revitalization Rebate	(2,946)	(3,005)	59
Miscellaneous	-	1,050	(1,050)
Reimbursements	320	1,500	(1,180)
Total Receipts	258,657	$ 275,751	$ (17,094)
EXPENDITURES			
Social Security & Medicare	35,934	$ 54,000	$ (18,066)
Retirement	43,967	65,000	(21,033)
Workman's Compensation	110,797	31,500	79,297
Unemployment Insurance	478	5,500	(5,022)
Life & Disability Insurance	6,423	5,000	1,423
Account Administration	886	7,000	(6,114)
Health Savings Account Contribution	391	4,000	(3,609)
Health Insurance	4	199,000	(198,996)
Other Insurance Premium	5,760	10,000	(4,240)
Total Expenditures	204,640	$ 381,000	$ (176,360)
Receipts Over (Under) Expenditures	54,017		
UNENCUMBERED CASH, January 1, 2024	195,984		
UNENCUMBERED CASH, December 31, 2024	$ 250,001		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-5

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

SPECIAL PARKS & RECREATION FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Alcoholic Liquor Tax	$ 9,548	$ 10,367	$ (819)
EXPENDITURES			
Contractual Services	-	$ 8,284	$ (8,284)
Commodities	259	10,000	(9,741)
Capital Outlay	48	25,000	(24,952)
Total Expenditures	307	$ 43,284	$ (42,977)
Receipts Over (Under) Expenditures	9,241		
UNENCUMBERED CASH, January 1, 2024	39,250		
UNENCUMBERED CASH, December 31, 2024	$ 48,491		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-6

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

LAW ENFORCEMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Incoming Transfer			
General Operating Fund	$ 400,000	$ 580,000	$ (180,000)
EXPENDITURES			
Contractual Services	380,420	372,000	8,420
Capital Outlay	-	208,000	(208,000)
Total Expenditures	380,420	$ 580,000	$ (199,580)
Receipts Over (Under) Expenditures	19,580		
UNENCUMBERED CASH, January 1, 2024	(4,385)		
UNENCUMBERED CASH, December 31, 2024	$ 15,195		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-7

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

FIRE DEPARTMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Rural Fire Contracts	$ 10,368	$ 50,000	$ (39,632)
Grants & Gifts	15,000	-	15,000
Incoming Transfer			
General Operating Fund	50,000	50,000	-
Total Receipts	75,368	$ 100,000	$ (24,632)
EXPENDITURES			
City Fire Department			
Personal Services	8,387	$ 27,000	$ (18,613)
Contractual Services	14,724	20,000	(5,276)
Commodities	30,079	50,530	(20,451)
Capital Outlay	33,461	25,000	8,461
Rural Fire Department			
Contractual Services	19,163	10,000	9,163
Commodities	15,897	10,000	5,897
Capital Outlay	-	25,000	(25,000)
Total Expenditures	121,711	$ 167,530	$ (45,819)
Receipts Over (Under) Expenditures	(46,343)		
UNENCUMBERED CASH, January 1, 2024	137,144		
UNENCUMBERED CASH, December 31, 2024	$ 90,801		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-8

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

SPECIAL HIGHWAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Highway Connecting Links	$ 24,807	$ 30,000	$ (5,193)
Special Highway Tax	61,138	66,160	(5,022)
Sale of Equipment	-	5,000	(5,000)
Sales Tax Collected	-	500	(500)
Miscellaneous	-	5,000	(5,000)
Incoming Transfer			
General Operating Fund	240,000	240,000	-
Total Receipts	325,945	$ 346,660	$ (20,715)
EXPENDITURES			
Operating			
Personal Services	149,183	$ 117,980	$ 31,203
Contractual Services	12,320	60,000	(47,680)
Commodities	68,401	65,000	3,401
Capital Outlay	4,655	120,000	(115,345)
Administration			
Personal Services	3,818	7,000	(3,182)
Commodities	200	500	(300)
Total Expenditures	238,577	$ 370,480	$ (131,903)
Receipts Over (Under) Expenditures	87,368		
UNENCUMBERED CASH, January 1, 2024	50,951		
UNENCUMBERED CASH, December 31, 2024	$ 138,319		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-9

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

FIRE EQUIPMENT CAPITAL OUTLAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 27,347	$ 28,338	$ (991)
Delinquent Tax	315	-	315
Motor Vehicle Tax	3,962	4,011	(49)
Recreational Vehicle Tax	84	111	(27)
Excise Tax	3	-	3
16/20M Vehicle Tax	99	121	(22)
Commercial Vehicle Tax	41	174	(133)
Watercraft Tax	102	29	73
Neighborhood Revitalization Rebate	(365)	(370)	5
Incoming Transfer			
General Operating Fund	-	16,000	(16,000)
Total Receipts	31,588	$ 48,414	$ (16,826)
EXPENDITURES			
Capital Outlay	63,543	$ 328,035	$ (264,492)
Receipts Over (Under) Expenditures	(31,955)		
UNENCUMBERED CASH, January 1, 2024	397,492		
UNENCUMBERED CASH, December 31, 2024	$ 365,537		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-10

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

INDUSTRIAL DEVELOPMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 13,667	$ 14,162	$ (495)
Delinquent Tax	158	700	(542)
Motor Vehicle Tax	1,981	2,005	(24)
Recreational Vehicle Tax	42	56	(14)
Excise Tax	1	2	(1)
16/20M Vehicle Tax	50	60	(10)
Commercial Vehicle Tax	20	87	(67)
Watercraft Tax	51	15	36
Neighborhood Revitalization Rebate	(182)	(185)	3
Other	-	5,200	(5,200)
Total Receipts	15,788	$ 22,102	$ (6,314)
EXPENDITURES			
Contractual Services	-	$ 111,900	$ (111,900)
Receipts Over (Under) Expenditures	15,788		
UNENCUMBERED CASH, January 1, 2024	115,176		
UNENCUMBERED CASH, December 31, 2024	$ 130,964		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-11

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2024

FOUNDATION GRANTS FUND

	Actual
RECEIPTS	$ -
EXPENDITURES	
Contractual Services	45,888
Capital Outlay	67,120
Total Expenditures	113,008
Receipts Over (Under) Expenditures	(113,008)
UNENCUMBERED CASH, January 1, 2024	113,008
UNENCUMBERED CASH, December 31, 2024	$ -

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-12

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

CAPITAL IMPROVEMENT FUND

	Actual
RECEIPTS	
Local Retailers' Sales Tax	$ 315,654
EXPENDITURES	
Park	
Commodities	15,500
Street	
Commodities	14,888
Capital Outlay	185,638
Water Distribution	
Capital Outlay	25,816
Total Expenditures	241,842
Receipts Over (Under) Expenditures	73,812
UNENCUMBERED CASH, January 1, 2024	516,604
Prior Year Cancelled Encumbrances	15,971
UNENCUMBERED CASH, December 31, 2024	$ 606,387

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-13

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

PARTIALLY SELF-FUNDED HEALTH INSURANCE FUND

	Actual
RECEIPTS	
Interest on Idle Funds	$ 36
Other	174
Total Receipts	210
EXPENDITURES	-
Receipts Over (Under) Expenditures	210
UNENCUMBERED CASH, January 1, 2024	17,650
UNENCUMBERED CASH, December 31, 2024	$ 17,860

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-14

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

RISK MANAGEMENT RESERVE FUND

	Actual
RECEIPTS	$ -
EXPENDITURES	-
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2024	20,000
UNENCUMBERED CASH, December 31, 2024	$ 20,000

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-15

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

ARPA GRANT FUND

	Actual
RECEIPTS	
Interest on Idle Funds	$ 375
EXPENDITURES	
Personal Services	59,540
Capital Outlay	46,131
Total Expenditures	105,671
Receipts Over (Under) Expenditures	(105,296)
UNENCUMBERED CASH, January 1, 2024	105,296
UNENCUMBERED CASH, December 31, 2024	$ -

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-16

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

FIGHT ADDICTION FUND

	Actual
RECEIPTS	
Opioid Settlement	$ 7,523
EXPENDITURES	-
Receipts Over (Under) Expenditures	7,523
UNENCUMBERED CASH, January 1, 2024	7,349
UNENCUMBERED CASH, December 31, 2024	$ 14,872

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-17

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

BOND & INTEREST FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 54,341	$ 56,338	$ (1,997)
Delinquent Tax	317	2,000	(1,683)
Motor Vehicle Tax	3,833	3,894	(61)
Recreational Vehicle Tax	81	108	(27)
Excise Tax	3	1	2
16/20M Vehicle Tax	95	117	(22)
Commercial Vehicle Tax	99	169	(70)
Watercraft Tax	39	28	11
Neighborhood Revitalization Rebate	(725)	(350)	(375)
Incoming Transfer			
Water & Sewer Utility Fund	90,000	90,000	-
Total Receipts	148,083	$ 152,305	$ (4,222)
EXPENDITURES			
Commission & Postage	6	$ 6	$ -
Reserve for Cash	-	11,100	(11,100)
General Obligation Bond Principal	55,000	55,000	-
General Obligation Bond Interest	1,254	1,254	-
Quanz Loan Principal	17,853	17,853	-
Quanz Loan Interest	1,439	1,439	-
Quanz Loan Service Fee	9,006	9,006	-
Water Meters Loan Principal	51,291	51,291	-
Water Meters Loan Interest	1,276	1,276	-
Water Meters Loan Service Fee	4,740	4,740	-
Total Expenditures	141,865	$ 152,965	$ (11,100)
Receipts Over (Under) Expenditures	6,218		
UNENCUMBERED CASH, January 1, 2024	14,311		
UNENCUMBERED CASH, December 31, 2024	$ 20,529		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-18

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

KDOT AIRPORT PROJECT FUND

	Actual	
RECEIPTS		
State Grant	$ 130,961	
EXPENDITURES		
Contractual Services	4,320	
Receipts Over (Under) Expenditures	126,641	
UNENCUMBERED CASH, January 1, 2024	(402,377)	
Prior Year Cancelled Encumbrances	57,891	
UNENCUMBERED CASH, December 31, 2024	$ (217,845)	*

* See Note 3, Cash Basis Exceptions

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-19

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

AIRPORT GRANT FUND

	Actual	
RECEIPTS		
Federal Grant	$ 295,760	
EXPENDITURES		
Contractual	268,871	
Receipts Over (Under) Expenditures	26,889	
UNENCUMBERED CASH, January 1, 2024	(439,502)	
Prior Year Cancelled Encumbrances	143,742	
UNENCUMBERED CASH, December 31, 2024	$ (268,871)	*

* See Note 3, Cash Basis Exceptions

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

WATER & SEWER UTILITY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Water Department			
Water Sales	$ 1,526,223	$ 1,095,000	$ 431,223
Penalties	8,155	11,550	(3,395)
Sales Tax Collected	52,993	29,250	23,743
Miscellaneous	3,948	2,100	1,848
Coin Machine Water Sales	1,851	1,575	276
Water Protection Fee	7,669	5,250	2,419
Sale of Equipment	5,266	2,000	3,266
Return Check Charge	305	525	(220)
Water New Service	-	3,500	(3,500)
Connects/Disconnects	6,169	11,550	(5,381)
Allocation from Sewer Department	200,000	-	200,000
Total Water Department	1,812,579	1,162,300	650,279
Sewer Department			
Sewer Charges	452,039	465,000	(12,961)
Penalties	4,975	-	4,975
Sewer Dump Station Fees	2,753	3,150	(397)
Total Sewer Department	459,767	468,150	(8,383)
Total Receipts	2,272,346	$ 1,630,450	$ 641,896
EXPENDITURES			
Water Department			
Water Production			
Personal Services	26,125	$ 70,500	$ (44,375)
Contractual Services	129,867	102,525	27,342
Commodities	8,215	380,000	(371,785)
Capital Outlay	985	55,000	(54,015)
Total Water Production	165,192	608,025	(442,833)
Water Transmission & Distribution			
Personal Services	325,502	375,000	(49,498)
Contractual Services	99,911	190,000	(90,089)
Commodities	310,911	130,000	180,911
Capital Outlay	87,227	50,000	37,227
Total Water Transmission & Distribution	823,551	745,000	78,551
Water Commercial & General			
Personal Services	48,468	67,500	(19,032)
Contractual Services	26,055	40,000	(13,945)
Commodities	882	8,000	(7,118)
Total Water Commercial & General	75,405	115,500	(40,095)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

WATER & SEWER UTILITY FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Water Department (Cont.)			
Water Non-Operating			
Sales Tax	$ 46,449	$ 16,000	$ 30,449
Water Protection Fee	9,424	6,640	2,784
Clean Drinking Water Fee	8,835	6,320	2,515
Outgoing Transfers			
Equipment Reserve Fund	-	50,000	(50,000)
Bond & Interest Fund	90,000	90,000	-
Total Water Non-Operating	154,708	168,960	(14,252)
Total Water Department	1,218,856	1,637,485	(418,629)
Sewer Department			
Sewer Commercial & General			
Personal Services	76,457	108,500	(32,043)
Contractual Services	87,997	122,000	(34,003)
Commodities	38,745	205,000	(166,255)
Capital Outlay	85,889	5,000	80,889
Allocation to Water Department	200,000	-	200,000
Total Sewer Commercial & General	489,088	440,500	48,588
Sewer Administration			
Personal Services	31,921	40,000	(8,079)
Contractual Services	12,271	20,000	(7,729)
Commodities	431	1,000	(569)
Total Sewer Administration	44,623	61,000	(16,377)
Total Sewer Department	533,711	501,500	32,211
Total Expenditures	1,752,567	$ 2,138,985	$ (386,418)
Receipts Over (Under) Expenditures	519,779		
UNENCUMBERED CASH, January 1, 2024	1,250,458		
Prior Year Cancelled Encumbrances	1,979		
UNENCUMBERED CASH, December 31, 2024	$ 1,772,216		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-21

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

SOLID WASTE FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Fees Collected	$ 421,479	$ 425,000	$ (3,521)
Penalties	5,937	-	5,937
Sales Tax Collected	7	1,000	(993)
Sale of Dumpsters	2,850	3,000	(150)
Equipment Rental	78	5,500	(5,422)
Other Cash Receipts	-	1,000	(1,000)
Yard Waste Receipts	6,147	9,000	(2,853)
Total Receipts	436,498	$ 444,500	$ (8,002)
EXPENDITURES			
Operating			
Personal Services	127,726	$ 190,000	$ (62,274)
Contractual Services	109,851	220,000	(110,149)
Commodities	27,838	50,000	(22,162)
Capital Outlay	8,666	50,000	(41,334)
Administration			
Personal Services	35,830	67,407	(31,577)
Contractual Services	11,623	10,000	1,623
Commodities	531	20,000	(19,469)
Outgoing Transfer			
Equipment Reserve Fund	139,264	50,000	89,264
Total Expenditures	461,329	$ 657,407	$ (196,078)
Receipts Over (Under) Expenditures	(24,831)		
UNENCUMBERED CASH, January 1, 2024	331,133		
UNENCUMBERED CASH, December 31, 2024	$ 306,302		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-22

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2024

AQUATIC CENTER FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Retailers' Sales Tax	$ 631,308	$ 593,000	$ 38,308
Swimming Pool Concessions	13,518	14,500	(982)
Swimming Lessons-Outdoor	3,600	6,000	(2,400)
Swimming Pool Tickets-Outdoor	20,709	22,000	(1,291)
Sales Tax Collected	685	1,500	(815)
Swimming Lessons-Indoor	159	300	(141)
Swimming Pool Tickets-Indoor	3,038	3,200	(162)
Other	79	-	79
Total Receipts	673,096	$ 640,500	$ 32,596
EXPENDITURES			
Administration			
Personal Services	25,405	$ 41,000	$ (15,595)
Contractual Services	-	6,000	(6,000)
Commodities	50	4,000	(3,950)
Lease Payment	221,967	221,600	367
Operating-Outdoor			
Personal Services	82,798	97,000	(14,202)
Contractual Services	25,610	30,000	(4,390)
Commodities	67,958	40,000	27,958
Capital Outlay	-	61,760	(61,760)
Operating-Indoor			
Personal Services	106,595	75,000	31,595
Contractual Services	-	71,000	(71,000)
Commodities	35,700	50,000	(14,300)
Capital Outlay	3,194	20,000	(16,806)
Total Expenditures	569,277	$ 717,360	$ (148,083)
Receipts Over (Under) Expenditures	103,819		
UNENCUMBERED CASH, January 1, 2024	344,263		
UNENCUMBERED CASH, December 31, 2024	$ 448,082		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-23

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2024

ENDOWMENT FUND

	Actual
RECEIPTS	
Interest on Idle Funds	$ 820
EXPENDITURES	-
Receipts Over (Under) Expenditures	820
UNENCUMBERED CASH, January 1, 2024	20,088
UNENCUMBERED CASH, December 31, 2024	$ 20,908

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 3

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2024

AGENCY FUNDS

FUNDS	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Municipal Court Bonds	$ -	$ 226	$ 82	$ 144
Employee Flex Benefits	12,863	58,083	61,252	9,694
Meter Deposit	22,570	5,110	5,142	22,538
Fire Insurance Proceeds	1,635	-	-	1,635
Total	$ 37,068	$ 63,419	$ 66,476	$ 34,011

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 4-1

RELATED MUNICIPAL ENTITY
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2024

PUBLIC BUILDING COMMISSION
AQUATIC CENTER BOND & INTEREST FUND

	Actual
RECEIPTS	
Lease Income	$ 221,967
Interest on Idle Funds	8,647
Total Receipts	230,614
EXPENDITURES	
Principal	195,000
Interest	26,600
Total Expenditures	221,600
Receipts Over (Under) Expenditures	9,014
UNENCUMBERED CASH, January 1, 2024	96,502
UNENCUMBERED CASH, December 31, 2024	$ 105,516

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 4-2

RELATED MUNICIPAL ENTITY
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2024

PUBLIC BUILDING COMMISSION
AQUATIC CENTER CAPITAL PROJECTS FUND

	Actual
RECEIPTS	$ -
EXPENDITURES	-
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2024	138,555
UNENCUMBERED CASH, December 31, 2024	$ 138,555

CITY OF PHILLIPSBURG, KANSAS

ADDITIONAL SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2024

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 5

WATER AND SEWER UTILITY ALLOCATION
For the Year Ended December 31, 2024

SUMMARY FROM
WATER & SEWER UTILITY FUND

	Water	Sewer	Total
RECEIPTS	$ 1,812,579	$ 459,767	$ 2,272,346
EXPENDITURES	1,218,856	533,711	1,752,567
Receipts Over (Under) Expenditures	593,723	(73,944)	519,779
UNENCUMBERED CASH, January 1, 2024	289,636	960,822	1,250,458
Prior Year Cancelled Encumbrances	1,979	-	1,979
UNENCUMBERED CASH, December 31, 2024	$ 885,338	$ 886,878	$ 1,772,216

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 6

EQUIPMENT RESERVE ALLOCATION

For the Year Ended December 31, 2024

	Office	Solid Waste	Water	Sewer	Aquatic Center	Undesignated	Total
Receipts	$ -	$ 139,264	$ -	$ -	$ -	$ -	$ 139,264
Expenditures	-	35,985	39,425	39,425	-	30,650	145,485
Receipts Over (Under) Expenditures	-	103,279	(39,425)	(39,425)	-	(30,650)	(6,221)
UNENCUMBERED CASH, January 1, 2024	67,426	50,857	197,889	139,337	50,000	263,857	769,366
UNENCUMBERED CASH, December 31, 2024	$ 67,426	$ 154,136	$ 158,464	$ 99,912	$ 50,000	$ 233,207	$ 763,145

CITY OF PHILLIPSBURG, KANSAS

UNAUDITED ADDITIONAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2024

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Exhibit 1

UNAUDITED ADDITIONAL INFORMATION
December 31, 2024

Phillipsburg is a municipal corporation incorporated in 1872 and a city of the second class organized and existing under and pursuant to the Constitution and Laws of the State of Kansas. The City has a Mayor/Council form of government consisting of a Mayor and a six-member City Council who are elected by ward to four-year terms of office. The Mayor and Council set policy covering municipal governmental and administrative services and operations.

THE CITY

The City of Phillipsburg, Kansas (the "City") is situated in the northwest region of the State of Kansas. The City is approximately 240 miles northwest of Wichita and 150 miles northwest of Salina. Phillipsburg is the County seat of Phillips County.

EDUCATIONAL FACILITIES

Phillipsburg is the site of the offices of Unified School District No. 325 which provides a comprehensive curriculum for students in pre-school through grade twelve.

Post-secondary education is provided to the area by Fort Hays State University, as well as the Fort Hays Tech North Central in Beloit. Colby Community College also provides post-secondary education through outreach programs.

ECONOMIC AND DEMOGRAPHIC INFORMATION

LOCATION (City of Phillipsburg)

Distance in miles from:	Chicago:	754	Denver:	338	
	Los Angeles:	1,356	New York:	1,527	
	Kansas City:	325	Dallas:	610	
	Minneapolis:	647	St. Louis:	581	

POPULATION	Current Estimated	2020	2010	2000	1990	1980
City of Phillipsburg:	2,233	2,337	2,581	2,668	2,828	3,229
Phillips County:	4,733	4,981	5,642	6,001	6,590	7,406

PUBLIC SAFETY

The City of Phillipsburg contracts with Phillips County for law enforcement.

The City of Phillipsburg provides fire protection through a volunteer fire department.

UNAUDITED

UTILITIES

Electric service is provided to the area by Prairie Land Electric, with the electric utility an interconnected utility.

Natural gas is provided to the area by Midwest Energy, Inc.

The City of Phillipsburg owns and operates municipal water and wastewater utilities. The City also owns and operates the refuse collection service.

EMPLOYMENT HISTORY - Phillips County

Year	Average Unemployment Rate
2024	2.20%
2023	1.50%
2022	2.00%
2021	2.10%
2020	3.20%
2019	2.30%
2018	2.50%
2017	2.70%
2016	2.80%
2015	3.10%

	Civilian Work force	Total Employed	Unemployed
2024	2,430	2,353	77
2023	2,307	2,238	69
2022	2,704	2,649	55
2021	2,637	2,581	56
2020	2,743	2,655	88
2019	2,662	2,601	61
2018	2,862	2,790	72
2017	2,811	2,728	83
2016	2,870	2,790	80
2015	2,986	2,892	94
2014	2,951	2,848	103

Kansas Department of Commerce, Labor Market Info. Service (785-296-5000)
www.dol.ks.gov

MAJOR EMPLOYERS - Phillipsburg Area

Some of the larger employers in the area include:

Firm	Products/Service
Tamko Asphalt Products	Roofing Products
Phillips County Hospital	Health Care
Unified School District #325	Education
Phillips Co. Retirement Center	Long Term Care Facility
First National Bank	Banking
Kyle Railroad	Transportation
Summit Sustainable Ingredients, LLC	Ethanol & Distillers Grain
Coomes, Inc.	Transportation
Mineral-Right, Inc.	Water Treatment Products

UNAUDITED

CLIMATE

Average daily temperature:

January:	41 degrees
April:	57 degrees
July:	91 degrees
October:	73 degrees

Average annual precipitation:	28 inches
Average annual snowfall:	7 inches

BANK DEPOSITS - Phillipsburg - December 31

Year	Amount	Year	Amount
2015	304,136,850	2020	369,420,262
2016	301,091,132	2021	403,000,076
2017	330,979,720	2022	405,797,069
2018	313,959,643	2023	396,875,877
2019	355,145,072	2024	398,443,591

Source: Local banks - First National Bank, Farmers National Bank, & Farmers State Bank

GROSS RETAIL SALES - Phillips County

Year	Amount	Year	Amount
2015	141,058,549	2020	126,482,218
2016	136,503,301	2021	169,515,549
2017	132,002,610	2022	173,001,356
2018	146,155,180	2023	217,712,679
2019	131,619,545	2024	223,538,862

PHILLIPSBURG CITY SALES TAX COLLECTED BY STATE OF KANSAS

Year	Amount	Year	Amount
2015	799,621	2020	804,957
2016	762,991	2021	838,673
2017	789,280	2022	941,618
2018	808,424	2023	988,386
2019	819,954	2024	921,000

TAXABLE RETAIL SALES - Phillipsburg City

Year	Amount	Year	Amount
2015	38,740,396	2020	40,247,874
2016	38,149,566	2021	41,933,611
2017	39,464,021	2022	47,080,907
2018	40,421,212	2023	49,419,302
2019	40,947,676	2024	46,049,978

TAXABLE RETAIL SALES - Phillips County

Year	Amount	Year	Amount
2015	59,971,708	2020	60,199,314
2016	58,172,854	2021	82,338,248
2017	59,506,534	2022	71,975,928
2018	61,495,202	2023	76,381,572
2019	60,371,342	2024	73,526,768

Source: Kansas Department of Revenue, Amy Kramer (785-291-3580 or amy.kramer@ks.gov)

UNAUDITED

TRANSPORTATION

The Kyle Railroad Co. serves the area. Highways serving the area include Interstate 70 and Interstate 80, located 62 miles to the south and 65 miles to the north respectively, and Kansas Highway 36 and Kansas Highway 183.

Air transportation is provided to the area through the Phillipsburg Municipal Airport which has a 5,100 foot concrete runway. The airport is lighted and has private aircraft storage available.

Parcel service is provided by Federal Express, Pony Express, United Parcel Service, and the United States Post Office.

General Public Transportation in Phillips County is provided by the City of Phillipsburg as part of the Kansas Department of Transportation Program.

COMMUNITY SERVICES

The City of Phillipsburg is serviced by three banks and one credit union. Medical facilities are readily available through the twenty-five bed nonprofit Phillips County Hospital and the Phillips County Health Department. There are three medical doctors, three certified physician assistants, five nurse practitioners, one behavioral health specialist, two dentists and one optometrist providing medical services to the City as well as visiting specialists.

There are fourteen religious institutions located in Phillipsburg.

Located in or near the City are public parks, a golf course, tennis courts and swimming pools. Kirwin Federal Wildlife Refuge is only fifteen miles from the City and provides fishing, hunting, and wildlife watching.

Phillipsburg has three motels with a total of one hundred three rooms.

Phillipsburg has two weekly newspapers, the Phillips County Review and the Advocate of Phillips County, as well as an online newspaper MyPhillipsCountyOnline.com. Area residents receive a high quality cable system and high speed internet access through a fiber network to the homes and businesses, provided by Nex-Tech, Inc. KKAN-KQMA serves the area with AM/FM radio.

UNAUDITED

TAX STRUCTURE

The total sales tax rate (city, county, state) effective July 1, 2015, was 9.00%.

The property tax rate for various governmental entities is as follows:

PROPERTY TAX MILL LEVY RATES (Per $1,000 Assessed Valuation)

Levy Year	Budget Year	City of Phillipsburg	Phillips County	USD #325	Other	State	Total
2024	2025	68.472	115.003	44.355	2.266	1.500	231.596
2023	2024	70.9	107.313	42.78	2.424	1.500	224.917
2022	2023	68.717	104.232	42.38	2.497	1.500	219.326
2021	2022	68.569	100.576	42.754	1.939	1.500	215.338
2020	2021	65.101	91.610	42.066	2.014	1.500	202.291
2019	2020	61.024	90.180	42.392	2.016	1.500	197.112
2018	2019	61.01	92.097	43.921	2.046	1.500	200.574
2017	2018	62.801	93.780	44.197	2.032	1.500	204.310
2016	2017	61.532	97.609	43.704	2.210	1.500	206.555
2015	2016	58.606	91.386	43.718	1.792	1.500	197.002

ASSESSED VALUATION HISTORY

Year	Assessed Valuation of Taxable Tangible Property	Tangible Valuation of Motor Vehicles	Equalized Assessed Valuation of Taxable Tangible Property
2024	$ 15,396,118	$ 2,796,078	$ 18,192,196
2023	$ 14,173,602	$ 2,706,780	$ 16,880,382
2022	$ 12,945,688	$ 2,590,093	$ 15,535,781
2021	$ 12,203,595	$ 2,697,516	$ 14,901,111
2020	$ 12,047,745	$ 2,632,869	$ 14,680,614
2019	$ 11,574,213	$ 2,124,460	$ 13,698,673
2018	$ 11,161,384	$ 2,632,724	$ 13,794,108
2017	$ 10,510,208	$ 2,719,899	$ 13,230,107
2016	$ 10,409,798	$ 2,649,873	$ 13,059,671
2015	$ 10,196,292	$ 2,626,446	$ 12,822,738

UNAUDITED

Exhibit 6

CITY'S AUTHORITY TO INCUR DEBT

Equalized Assessed Valuation of Tangible Valuation For Computation of Bonded Debt Limitations	$	18,192,196
Legal limitation of Bonded Debt	$	5,457,659
Outstanding general obligation debt as of December 31, 2024	$	-
Exempt Debt	$	-
Net Debt against Statutory Debt limit capacity	$	-
Additional debt capacity	$	5,457,659
Direct debt per capita	$	-
Overlapping Indebtedness	$	848,694
Direct and overlapping debt	$	848,694
Direct and overlapping debt per capita	$	380
Direct debt as a percentage of Equalized Assessed Valuation		0.00%
Direct and overlapping debt as a percentage of Equalized Assessed Valuation		4.67%
Statutory direct debt as a percentage of Equalized Assessed Valuation		0.00%

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OVERLAPPING INDEBTEDNESS

The following table sets forth overlapping indebtedness as of December 31, 2024, and the percent attributable (on the basis of assessed valuation) to the City.

Taxing Jurisdiction	2024 Assessed Valuation	Outstanding General Obligation Indebtedness	Percent Applicable to the City	Amount Applicable to the City
Phillips County	$ 87,569,329	$ 4,827,165	17.58%	$ 848,694
U.S.D. #325	$ 54,077,644	$ -	26.21%	$ -

Outstanding General Obligation Debt
(As of December 31, 2024)

None are outstanding as of December 31, 2024.

Temporary Notes Outstanding
(As of December 31, 2024)

None are outstanding as of December 31, 2024.

Revenue Bonds Outstanding
(As of December 31, 2024)

None are outstanding as of December 31, 2024.

Outstanding Public Building Commission Revenue Bonds
(As of December 31, 2024)

Description of Indebtedness	Series	Original Amount	Amount Outstanding
PBC Revenue Bonds	2020	$ 1,875,000	$ 1,135,000

Loans Outstanding
(As of December 31, 2024)

Description of Indebtedness	Series	Original Amount	Amount Outstanding
Kansas Public Water Supply	2018	$ 583,038	$ 397,795
Kansas Public Water Supply	2020	$ 535,329	$ 326,090

Capital Lease Obligations
(As of December 31, 2024)

None are outstanding as of December 31, 2024.

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