

CITY OF PHILLIPSBURG

Phillipsburg, Kansas

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2018

MAPES & MILLER
Certified Public Accountants
Phillipsburg, Kansas 67661

CITY OF PHILLIPSBURG

For the Year Ended December 31, 2018

Lance Munyon, Mayor

City Council

Pete Rogers
Bret Miles
Terry McConnell

Lynette Voorhees
Michael Wisner
Mike James

City Offices

Tiffini Gross
Jordyn Tweedy

City Clerk
City Treasurer

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

For the Year Ended December 31, 2018

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CITY OF PHILLIPSBURG
Phillipsburg, Kansas

For the Year Ended December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Phillipsburg, Kansas

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, 2018 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 of 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 of the financial statement, the financial statement is prepared by the City of Phillipsburg, 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 matter 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 the City of Phillipsburg, Kansas as of December 31, 2018, 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 the City of Phillipsburg, Kansas, as of December 31, 2018, 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 2018 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 disbursements – agency funds, and schedule of 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 analysis and are not a required part of the 2018 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 2018 basic financial statement.

Mayor and City Council
City of Phillipsburg, Kansas
August 5, 2019
Page 3

The 2018 information has been subjected to the auditing procedures applied in the audit of the 2018 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 2018 basic financial statement or to the 2018 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 2018 information is fairly stated in all material respects in relation to the 2018 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

August 5, 2019
Phillipsburg, Kansas

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

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SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2018

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	\$ 218,600	\$ 60,759	\$ 1,091,385	\$ 1,067,731	\$ 303,013	\$ 17,750	\$ 320,763
Special Purpose Funds							
Equipment Reserve Fund	1,075,561	-	15,271	125,673	965,159	-	965,159
Library Fund	84	-	65,590	62,474	3,200	1,928	5,128
Employee Benefit Fund	180,364	-	560,971	546,214	195,121	40,456	235,577
Special Parks & Recreation Fund	33,847	-	7,415	3,000	38,262	-	38,262
Law Enforcement Fund	-	-	301,640	297,208	4,432	-	4,432
Fire Department Fund	-	-	67,836	55,822	12,014	2,300	14,314
Special Highway Fund	470,248	159	214,344	340,849	343,902	20,844	364,746
Fire Equipment Capital Outlay Fund	216,550	-	27,424	551	243,423	-	243,423
Industrial Development Fund	62,415	-	13,118	341	75,192	65	75,257
Foundation Grants Fund	25,000	-	52,000	45,132	31,868	39,144	71,012
Capital Improvements Fund	-	-	95,458	-	95,458	-	95,458
Airport Grant Fund	-	-	54,465	406,760	(352,295) *	352,295	-
Bond & Interest Fund							
Bond & Interest Fund	751,727	-	249,725	948,097	53,355	-	53,355
Capital Projects Fund							
Quanz Reservoir Project Fund	-	-	-	181,675	(181,675) *	181,675	-
Business Funds							
Water & Sewer Utility Fund	741,176	2,217	1,410,475	1,321,377	832,491	48,688	881,179
Solid Waste Fund	27,586	159	389,270	328,473	88,542	14,459	103,001
Aquatic Center Fund	144,253	-	493,143	506,390	131,006	3,132	134,138
Trust Fund							
Endowment Fund	10,040	-	79	-	10,119	-	10,119
Related Municipal Entity							
Public Building Commission							
Aquatic Center Bond & Interest Fund	80,172	-	226,014	226,115	80,071	-	80,071
Aquatic Center Capital Project Fund	138,555	-	-	-	138,555	-	138,555
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 4,176,178</u>	<u>\$ 63,294</u>	<u>\$ 5,335,623</u>	<u>\$ 6,463,882</u>	<u>\$ 3,111,213</u>	<u>\$ 722,736</u>	<u>\$ 3,833,949</u>

* See Note 3, Cash Basis Exceptions

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

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Statement 1
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SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2018

Composition of Cash	
Cash on Hand	\$ 450
Checking Accounts	13,699
NOW Account	168,766
Money Market Account	382,899
Certificates of Deposit	3,081,549
Related Municipal Entity	<u>218,626</u>
Total Cash	3,865,989
Agency Funds Per Schedule 3	<u>(32,040)</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 3,833,949</u>

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, 2018

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, 2018.

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.

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, 2018.

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, and the following:

Special Purpose Funds:
Equipment Reserve Fund
Foundation Grants Fund
Capital Improvements Fund
Airport Grant 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. The City is not aware of any noncompliance with Kansas statutes.

3. CASH BASIS EXCEPTIONS

- A. Authority is authorized under K.S.A. 74-8905 and the Loan Act to issue revenue bonds for the purpose of providing funds to implement the State's requirements under the Federal Act and to loan the same, together with available funds from the EPA costs. The City had a negative unencumbered cash balance in the Quanz Reservoir Project Fund at December 31, 2018, because the City must expend monies before they can receive the loan proceeds. K.S.A. 10-1116 provides an exception from a cash-basis law violation for the issuance of bonds. The City expended monies with the expectation of monies being reimbursed under conditions of the KDHE loan agreement.
- B. The City received a Federal Aviation Administration (FAA) Grant. The grant document 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, 2018. 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.

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, 2018.

At December 31, 2018, the City's carrying amount of deposits was \$3,865,539 and the bank balance was \$3,801,377. The bank balance was held by one banks resulting in a concentration of credit risk. Of the bank balance \$264,489 was covered by federal depository insurance, and \$3,536,888 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	\$ 301,640
General Operating Fund	Fire Department Fund	Home Rule Ord. 1405	50,000
General Operating Fund	Special Highway Fund	K.S.A. 12-1,119	130,657
Water & Sewer Utility Fund	Bond & Interest Fund	K.S.A. 12-825d	61,000
Solid Waste Fund	Equipment Reserve Fund	K.S.A. 12-825d	15,271

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 Comprehensive Annual 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 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$79,133 for the year ended December 31, 2018.

Net Pension Liability

At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$679,877. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. 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) 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. An employee can only carry over to the next year, one-half of their annual amount of vacation leave. Employees are paid for all accumulated vacation leave, at their current wage rate, upon termination of employment. As of December 31, 2018, the City owed \$56,548 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 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, 2018, 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 a lease agreement, dated September 1, 2011 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 retailer's sales tax to cover these payments.

Future minimum rental commitments are as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 222,403
2020	223,352
2021	223,803
2022	223,728
2023	218,103
2024-2028	1,117,575
2029-2031	<u>594,002</u>
Total Future Minimum Lease Payments	<u>\$ 2,822,966</u>

10. CAPITAL PROJECTS

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

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
Quanz Reservoir Project	\$ 920,675	\$ 181,675

11. SUBSEQUENT EVENTS

On January 21, 2019, the City signed a loan agreement with the Kansas Department of Health and Environment for a Kansas Public Water Supply Loan in an amount not to exceed \$460,837. Proceeds of the loan will be used to finance the cost of improvements to replace Quanz Reservoir and pump station. The approximate cost of the project is expected to \$920,675. The City was awarded a community Development Block Grant on April 15, 2019 in an amount of \$462,838 that will be used towards this project.

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, 2018, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning Balance 1/1/2018	Additions	Reductions/ Payments	Ending Balance 12/31/2018	Interest/ Service Fees Paid
General Obligation Bond									
2011 General Obligation Bonds	2.7-2.90%	09/01/11	\$ 245,000	9/1/2021	\$ 110,000	\$ -	\$ 25,000	\$ 85,000	\$ 3,000
2015 General Obligation Bonds	1.65-2.95%	06/01/15	\$ 1,635,000	8/1/2024	1,220,000	-	895,000	325,000	23,913
Total General Obligation Bonds					1,330,000	-	920,000	410,000	26,913
Public Building Commission Revenue Bonds Series 2011	3.0-4.1%	09/01/11	3,070,000	10/1/2031	2,350,000	-	135,000	2,215,000	91,115
Total Contractual Indebtedness					\$ 3,680,000	\$ -	\$ 1,055,000	\$ 2,625,000	\$ 118,028

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

Year	General Obligation Bond		Revenue Bond (Public Building Commission)		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 80,000	\$ 9,703	\$ 135,000	\$ 87,402	\$ 215,000	\$ 97,105
2020	85,000	8,112	140,000	83,353	225,000	91,465
2021	80,000	6,196	145,000	78,803	225,000	84,999
2022	55,000	4,115	150,000	73,727	205,000	77,842
2023	55,000	2,791	150,000	68,103	205,000	70,894
2024-2028	55,000	1,254	875,000	242,575	930,000	243,829
2029-2031	-	-	620,000	50,845	620,000	50,845
	<u>\$ 410,000</u>	<u>\$ 32,171</u>	<u>\$ 2,215,000</u>	<u>\$ 684,808</u>	<u>\$ 2,625,000</u>	<u>\$ 716,979</u>

CITY OF PHILLIPSBURG, KANSAS
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2018

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	\$ 1,939,927	\$ -	\$ 1,939,927	\$ 1,067,731	\$ (872,196)
Special Purpose Funds					
Library Fund	63,857	-	63,857	62,474	(1,383)
Employee Benefit Fund	796,132	-	796,132	546,214	(249,918)
Special Parks & Recreation Fund	35,787	-	35,787	3,000	(32,787)
Law Enforcement Fund	301,640	-	301,640	297,208	(4,432)
Fire Department Fund	75,000	-	75,000	55,822	(19,178)
Special Highway Fund	412,021	-	412,021	340,849	(71,172)
Fire Equipment Capital Outlay Fund	195,898	-	195,898	551	(195,347)
Industrial Development Fund	62,903	-	62,903	341	(62,562)
Bond & Interest Funds					
Bond & Interest Fund	1,026,248	-	1,026,248	948,097	(78,151)
Business Funds					
Water & Sewer Utility Fund	2,178,472	-	2,178,472	1,321,377	(857,095)
Solid Waste Fund	489,023	-	489,023	328,473	(160,550)
Aquatic Center Fund	626,306	-	626,306	506,390	(119,916)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem Tax	\$ 337,760	\$ 338,402	\$ (642)
Delinquent Tax	14,555	17,000	(2,445)
Motor Vehicle Tax	72,599	67,832	4,767
Intangibles Tax	27,687	23,490	4,197
Recreational Vehicle Tax	1,636	1,460	176
Excise Tax	85	114	(29)
16/20M Vehicle Tax	1,273	971	302
Commercial Vehicle	2,553	3,826	(1,273)
Watercraft Tax	372	352	20
Special Assessment	100	250	(150)
Local Alcoholic Liquor Tax	7,165	5,276	1,889
Interest on Idle Funds	41,129	27,818	13,311
Franchise Tax	161,685	177,000	(15,315)
Animal Tags	809	2,100	(1,291)
State Grants	1,196	36,000	(34,804)
Fines	45,717	55,000	(9,283)
Reimbursements	23,436	25,000	(1,564)
Campground Fees	3,401	4,200	(799)
Local Retailer's Sales Tax	229,926	225,000	4,926
Licenses & Permits	4,999	8,000	(3,001)
Other Cash Receipts	1,228	58,000	(56,772)
Nonfederal Grants & Gifts	-	200,000	(200,000)
Building Rents	13,640	16,000	(2,360)
Cemetery Lots & Care	5,455	9,000	(3,545)
Airport Rents & Grains	7,678	10,000	(2,322)
Airport Aviation Gas & Oil	24,305	25,000	(695)
Airport Courtesy Car	26	150	(124)
Airport Sales Tax Collected	2,187	3,000	(813)
Airport Miscellaneous	584	-	584
Zoning Applications	150	300	(150)
Transportation Passes	7,593	40,000	(32,407)
Northwest Kansas Transit	47,095	46,000	1,095
Bad Checks/Debt Collected	3,361	-	3,361
Total Receipts	<u>1,091,385</u>	<u>\$ 1,426,541</u>	<u>\$ (335,156)</u>
EXPENDITURES			
General Government			
Personal Services	107,266	\$ 95,000	\$ 12,266
Contractual Services	37,878	113,000	(75,122)
Commodities	11,425	20,000	(8,575)
Capital Outlay	240	194,368	(194,128)
Total General Government	<u>156,809</u>	<u>422,368</u>	<u>(265,559)</u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Community Building			
Personal Services	\$ 8,258	\$ -	\$ 8,258
Contractual Services	10,991	25,000	(14,009)
Commodities	3,724	20,000	(16,276)
Capital Outlay	332	124,798	(124,466)
Total Community Building	<u>23,305</u>	<u>169,798</u>	<u>(146,493)</u>
Custodian Department			
Personal Services	8,634	40,000	(31,366)
Contractual Services	659	7,000	(6,341)
Commodities	303	7,000	(6,697)
Capital Outlay	-	5,000	(5,000)
Total Custodian Department	<u>9,596</u>	<u>59,000</u>	<u>(49,404)</u>
Municipal Court			
Personal Services	23,783	35,000	(11,217)
Contractual Services	13,130	40,000	(26,870)
Commodities	102	4,237	(4,135)
Capital Outlay	-	5,000	(5,000)
Total Municipal Court	<u>37,015</u>	<u>84,237</u>	<u>(47,222)</u>
City Fire Department			
Personal Services	4,841	-	4,841
Contractual Services	547	-	547
Commodities	1,988	-	1,988
Capital Outlay	93	-	93
Total City Fire Department	<u>7,469</u>	<u>-</u>	<u>7,469</u>
Park Department			
Personal Services	19,032	25,000	(5,968)
Contractual Services	12,017	20,000	(7,983)
Commodities	5,587	10,000	(4,413)
Capital Outlay	729	20,000	(19,271)
Total Park Department	<u>37,365</u>	<u>75,000</u>	<u>(37,635)</u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Recreation Department			
Contractual Services	\$ 4,788	\$ 8,000	\$ (3,212)
Commodities	-	1,000	(1,000)
Capital Outlay	-	5,000	(5,000)
Total Recreation Department	4,788	14,000	(9,212)
Cemetery			
Personal Services	26,094	25,000	1,094
Contractual Services	5,922	10,000	(4,078)
Commodities	3,205	7,000	(3,795)
Capital Outlay	-	5,000	(5,000)
Total Cemetery	35,221	47,000	(11,779)
Street Lighting			
Contractual Services	48,219	60,000	-
Airport			
Personal Services	10,391	10,000	391
Contractual Services	23,133	50,000	(26,867)
Commodities	35,133	40,000	(4,867)
Capital Outlay	1,790	30,000	(28,210)
Total Airport	70,447	130,000	(59,553)
Planning Department			
Contractual Services	934	8,000	(7,066)
Transportation Department			
Personal Services	35,145	55,750	(20,605)
Contractual Services	10,243	9,000	1,243
Commodities	5,011	15,000	(9,989)
Capital Outlay	-	5,000	(5,000)
Total Transportation Department	50,399	84,750	(34,351)
Library Support			
Personal Services	8,836	-	8,836
Contractual Services	25,439	35,000	(9,561)
Commodities	345	-	345
Capital Outlay	332	12,500	(12,168)
Total Library Support	34,952	47,500	(12,548)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Beautification			
Personal Services	\$ 6,710	\$ -	\$ 6,710
Contractual Services	965	5,000	(4,035)
Commodities	1,887	7,000	(5,113)
Capital Outlay	-	5,000	(5,000)
Total Beautification	<u>9,562</u>	<u>17,000</u>	<u>(7,438)</u>
Shade Tree			
Contractual Services	5,630	5,000	630
Commodities	135	-	135
Total Shade Tree	<u>5,765</u>	<u>5,000</u>	<u>765</u>
Armory			
Personal Services	4,670	-	4,670
Contractual Services	12,094	17,000	(4,906)
Commodities	3,223	15,000	(11,777)
Capital Outlay	4,723	20,000	(15,277)
Total Armory	<u>24,710</u>	<u>52,000</u>	<u>(27,290)</u>
Concrete Improvements			
Commodities	<u>15,767</u>	<u>72,500</u>	<u>(56,733)</u>
Code Enforcement			
Personal Services	<u>2,079</u>	<u>-</u>	<u>2,079</u>
Neighborhood Revitalization Rebate	<u>9,273</u>	<u>4,317</u>	<u>4,956</u>
Animal Control			
Personal Services	855	-	855
Contractual Services	320	-	320
Commodities	584	-	584
Total Animal Control	<u>1,759</u>	<u>-</u>	<u>1,759</u>
Outgoing Transfers			
Equipment Reserve Fund	-	35,000	(35,000)
Special Highway Fund	130,657	200,817	(70,160)
Law Enforcement Fund	301,640	301,640	-
Fire Department Fund	50,000	50,000	-
Total Outgoing Transfers	<u>482,297</u>	<u>587,457</u>	<u>(105,160)</u>
Total Expenditures	<u>1,067,731</u>	<u>\$ 1,939,927</u>	<u>\$ (872,196)</u>
Receipts Over (Under) Expenditures	23,654		
UNENCUMBERED CASH, January 1, 2018	218,600		
Prior Year Cancelled Encumbrances	<u>60,759</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 303,013</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2018

EQUIPMENT RESERVE FUND

	<u>Actual</u>
RECEIPTS	
Incoming Transfer	
Solid Waste Fund	<u>\$ 15,271</u>
EXPENDITURES	
Capital Outlay	<u>125,673</u>
Receipts Over (Under) Expenditures	(110,402)
UNENCUMBERED CASH, January 1, 2018	<u>1,075,561</u>
UNENCUMBERED CASH, December 31, 2018	<u><u>\$ 965,159</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-3

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

LIBRARY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 50,830	\$ 50,700	\$ 130
Delinquent Tax	2,317	1,600	717
Motor Vehicle Tax	11,487	10,480	1,007
Recreational Vehicle Tax	257	226	31
Excise Tax	13	18	(5)
16/20M Vehicle Tax	223	150	73
Commercial Vehicle Tax	405	591	(186)
Watercraft Tax	58	54	4
	<u>65,590</u>	<u>\$ 63,819</u>	<u>\$ 1,771</u>
Total Receipts			
EXPENDITURES			
Library Insurance	3,035	\$ 3,200	\$ (165)
Appropriation to Library Board	58,060	59,990	(1,930)
Neighborhood Revitalization Rebate	1,379	667	712
	<u>62,474</u>	<u>\$ 63,857</u>	<u>\$ (1,383)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	3,116		
UNENCUMBERED CASH, January 1, 2018	<u>84</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 3,200</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

EMPLOYEE BENEFIT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 173,215	\$ 173,841	\$ (626)
Delinquent Tax	7,534	6,300	1,234
Motor Vehicle Tax	39,514	35,672	3,842
Recreational Vehicle Tax	883	768	115
Excise Tax	44	60	(16)
16/20M Vehicle Tax	587	511	76
Commercial Vehicle Tax	1,396	2,012	(616)
Watercraft Tax	165	185	(20)
Employee/Employer Contributions	334,868	408,000	(73,132)
Reimbursements	2,072	2,000	72
Other	693	-	693
	<u>560,971</u>	<u>\$ 629,349</u>	<u>\$ (68,378)</u>
Total Receipts			
EXPENDITURES			
Social Security & Medicare	71,950	\$ 125,000	\$ (53,050)
Retirement	82,709	125,000	(42,291)
Workman's Compensation	29,912	65,000	(35,088)
Unemployment Insurance	4,835	10,000	(5,165)
Life & Disability Insurance	2,673	10,000	(7,327)
Account Administration	599	5,097	(4,498)
Health Insurance	348,843	453,765	(104,922)
Neighborhood Revitalization Rebate	4,693	2,270	2,423
	<u>546,214</u>	<u>\$ 796,132</u>	<u>\$ (249,918)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	14,757		
UNENCUMBERED CASH, January 1, 2018	<u>180,364</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 195,121</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-5

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

SPECIAL PARKS & RECREATION FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Alcoholic Liquor Tax	\$ 7,165	\$ 5,276	\$ 1,889
Nonfederal Grants & Gifts	<u>250</u>	<u>3,000</u>	<u>(2,750)</u>
Total Receipts	<u>7,415</u>	<u>\$ 8,276</u>	<u>\$ (861)</u>
EXPENDITURES			
Contractual Services	3,000	\$ 20,000	\$ (17,000)
Commodities	-	3,000	(3,000)
Capital Outlay	<u>-</u>	<u>12,787</u>	<u>(12,787)</u>
Total Expenditures	<u>3,000</u>	<u>\$ 35,787</u>	<u>\$ (32,787)</u>
Receipts Over (Under) Expenditures	4,415		
UNENCUMBERED CASH, January 1, 2018	<u>33,847</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 38,262</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-6

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

LAW ENFORCEMENT FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Incoming Transfer			
General Operating Fund	<u>\$ 301,640</u>	<u>\$ 301,640</u>	<u>\$ -</u>
EXPENDITURES			
Contractual Services	<u>297,208</u>	<u>\$ 301,640</u>	<u>\$ (4,432)</u>
Receipts Over (Under) Expenditures	4,432		
UNENCUMBERED CASH, January 1, 2018	<u>-</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 4,432</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-7

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

FIRE DEPARTMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Office & Building Rent	\$ 1,500	\$ -	\$ 1,500
Rural Fire Contracts	16,336	25,000	(8,664)
Incoming Transfer			
General Operating Fund	50,000	50,000	-
	<u>67,836</u>	<u>\$ 75,000</u>	<u>\$ (7,164)</u>
Total Receipts			
EXPENDITURES			
City Fire Department			
Contractual Services	9,770	\$ 15,000	\$ (5,230)
Commodities	13,614	16,000	(2,386)
Capital Outlay	2,956	11,500	(8,544)
Rural Fire Department			
Contractual Services	8,909	6,000	2,909
Commodities	18,729	15,000	3,729
Capital Outlay	1,844	11,500	(9,656)
	<u>55,822</u>	<u>\$ 75,000</u>	<u>\$ (19,178)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	12,014		
UNENCUMBERED CASH, January 1, 2018	<u>-</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 12,014</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-8

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

SPECIAL HIGHWAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Highway Connecting Links	\$ 14,874	\$ 21,000	\$ (6,126)
Special Highway Tax	68,757	68,080	677
Sale of Equipment	51	4,000	(3,949)
Sales Tax Collected	5	300	(295)
Other Cash Receipts	-	3,600	(3,600)
Incoming Transfer			
General Operating Fund	130,657	200,817	(70,160)
	<u>214,344</u>	<u>\$ 297,797</u>	<u>\$ (83,453)</u>
Total Receipts			
EXPENDITURES			
Operating			
Personal Services	95,919	\$ 115,000	\$ (19,081)
Contractual Services	111,796	127,000	(15,204)
Commodities	111,591	60,000	51,591
Capital Outlay	-	97,021	(97,021)
Administration			
Personal Services	21,399	-	21,399
Contractual Services	144	-	144
Outgoing Transfer			
Equipment Reserve Fund	-	13,000	(13,000)
	<u>340,849</u>	<u>\$ 412,021</u>	<u>\$ (71,172)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	(126,505)		
UNENCUMBERED CASH, January 1, 2018	470,248		
Prior Year Cancelled Encumbrances	<u>159</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 343,902</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-9

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

FIRE EQUIPMENT CAPITAL OUTLAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 20,359	\$ 20,020	\$ 339
Delinquent Tax	927	650	277
Motor Vehicle Tax	4,594	4,192	402
Recreational Vehicle Tax	103	90	13
Excise Tax	5	7	(2)
16/20M Vehicle Tax	65	60	5
Commercial Vehicle Tax	162	236	(74)
Watercraft Tax	19	22	(3)
Other Cash Receipts	1,090	-	1,090
Nonfederal Grants & Gifts	100	5,000	(4,900)
	<u>27,424</u>	<u>\$ 30,277</u>	<u>\$ (2,853)</u>
Total Receipts			
EXPENDITURES			
Capital Outlay	-	\$ 195,631	\$ (195,631)
Neighborhood Revitalization Rebate	551	267	284
	<u>551</u>	<u>\$ 195,898</u>	<u>\$ (195,347)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	26,873		
UNENCUMBERED CASH, January 1, 2018	<u>216,550</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 243,423</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-10

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

INDUSTRIAL DEVELOPMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 10,180	\$ 10,010	\$ 170
Delinquent Tax	463	500	(37)
Motor Vehicle Tax	2,297	2,096	201
Recreational Vehicle Tax	51	45	6
Excise Tax	3	4	(1)
16/20M Vehicle Tax	33	30	3
Commercial Vehicle Tax	81	118	(37)
Watercraft Tax	10	11	(1)
	<u>13,118</u>	<u>\$ 12,814</u>	<u>\$ 304</u>
EXPENDITURES			
Contractual Services	65	\$ 62,770	\$ (62,705)
Neighborhood Revitalization Rebate	276	133	143
	<u>341</u>	<u>\$ 62,903</u>	<u>\$ (62,562)</u>
Receipts Over (Under) Expenditures	12,777		
UNENCUMBERED CASH, January 1, 2018	<u>62,415</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 75,192</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-11

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended December 31, 2018

FOUNDATION GRANTS FUND

	<u>Actual</u>
RECEIPTS	
Nonfederal Grant & Gifts	<u>\$ 52,000</u>
EXPENDITURES	
Contractual Services	<u>45,132</u>
Receipts Over (Under) Expenditures	6,868
UNENCUMBERED CASH, January 1, 2018	<u>25,000</u>
UNENCUMBERED CASH, December 31, 2018	<u><u>\$ 31,868</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-12

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

CAPITAL IMPROVEMENT FUND

	<u>Actual</u>
RECEIPTS	
Local Retailer's Sales Tax	<u>\$ 95,458</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	95,458
UNENCUMBERED CASH, January 1, 2018	<u>-</u>
UNENCUMBERED CASH, December 31, 2018	<u><u>\$ 95,458</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-13

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

AIRPORT GRANT FUND

	<u>Actual</u>
RECEIPTS	
Federal Grant	<u>\$ 54,465</u>
EXPENDITURES	
Contractual Services	<u>406,760</u>
Receipts Over (Under) Expenditures	(352,295)
UNENCUMBERED CASH, January 1, 2018	<u>-</u>
UNENCUMBERED CASH, December 31, 2018	<u><u>\$ (352,295) *</u></u>

* See Note 3, Cash Basis Exceptions

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-14

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

BOND & INTEREST FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 42,301	\$ 40,232	\$ 2,069
Delinquent Tax	1,614	1,500	114
Motor Vehicle Tax	9,548	8,723	825
Recreational Vehicle Tax	214	188	26
Excise Tax	11	16	(5)
16/20M Vehicle Tax	184	125	59
Commercial Vehicle Tax	337	492	(155)
Watercraft Tax	48	45	3
Local Retailer's Sales Tax	134,468	225,000	(90,532)
Incoming Transfer			
Water & Sewer Utility Fund	61,000	61,000	-
Total Receipts	<u>249,725</u>	<u>\$ 337,321</u>	<u>\$ (87,596)</u>
EXPENDITURES			
Commission & Postage	37	\$ 20,000	\$ (19,963)
Reserve for Cash	-	738,780	(738,780)
KLINK Bond Principal	25,000	25,000	-
KLINK Bond Interest	3,000	3,000	-
General Obligation Bond Principal Water	52,000	52,000	-
General Obligation Bond Interest Water	8,164	8,164	-
General Obligation Bond Principal Sewer	843,000	163,000	680,000
General Obligation Bond Interest Sewer	15,749	15,749	-
Neighborhood Revitalization Rebate	1,147	555	592
Total Expenditures	<u>948,097</u>	<u>\$ 1,026,248</u>	<u>\$ (78,151)</u>
Receipts Over (Under) Expenditures	(698,372)		
UNENCUMBERED CASH, January 1, 2018	<u>751,727</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 53,355</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-15

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

QUANZ RESERVOIR PROJECT FUND

	<u>Actual</u>
RECEIPTS	<u>\$ -</u>
EXPENDITURES	
Contractual Services	<u>181,675</u>
Receipts Over (Under) Expenditures	(181,675)
UNENCUMBERED CASH, January 1, 2018	<u>-</u>
UNENCUMBERED CASH, December 31, 2018	<u><u>\$ (181,675) *</u></u>

* See Note 3, Cash Basis Exceptions

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-16
Page 1 of 2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

WATER & SEWER UTILITY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Water Department			
Water Sales	\$ 894,835	\$ 1,050,000	\$ (155,165)
Penalties	10,973	20,000	(9,027)
Sales Tax Collected	14,442	25,000	(10,558)
Other Cash Receipts	45,489	5,000	40,489
Coin Machine Water Sales	972	2,000	(1,028)
Water Protection Fee	4,834	10,000	(5,166)
Sale of Equipment	761	3,000	(2,239)
Return Check Charge	400	1,000	(600)
New Service	-	2,000	(2,000)
Connects/Disconnects	8,202	8,750	(548)
Federal Grant	-	10,000	(10,000)
Total Water Department	<u>980,908</u>	<u>1,136,750</u>	<u>(155,842)</u>
Sewer Department			
Sewer Charges	426,473	407,000	19,473
Sewer Machine & Building Rental	-	1,500	(1,500)
Other Cash Receipts	-	100	(100)
Connects/Disconnects	-	15,000	(15,000)
Sewer Dump Station Fees	2,772	4,500	(1,728)
Sale of Equipment	322	10,000	(9,678)
Total Sewer Department	<u>429,567</u>	<u>438,100</u>	<u>(8,533)</u>
Total Receipts	<u>1,410,475</u>	<u>\$ 1,574,850</u>	<u>\$ (164,375)</u>
EXPENDITURES			
Water Department			
Production			
Personal Services	22,547	\$ 40,000	\$ (17,453)
Contractual Services	219,670	230,000	(10,330)
Commodities	11,275	50,000	(38,725)
Capital Outlay	1,800	120,750	(118,950)
Total Production	<u>255,292</u>	<u>440,750</u>	<u>(185,458)</u>
Transmission & Distribution			
Personal Services	217,093	210,000	7,093
Contractual Services	142,090	150,000	(7,910)
Commodities	166,055	214,257	(48,202)
Capital Outlay	39,076	140,000	(100,924)
Total Transmission & Distribution	<u>564,314</u>	<u>714,257</u>	<u>(149,943)</u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-16
Page 2 of 2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

WATER & SEWER UTILITY FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Water Department (Cont.)			
Water Commercial & General			
Personal Services	\$ 42,352	\$ 85,000	\$ (42,648)
Contractual Services	64,888	90,000	(25,112)
Commodities	2,082	10,000	(7,918)
Total Water Commercial & General	109,322	185,000	(75,678)
Total Water Department	928,928	1,340,007	(411,079)
Sewer Department			
Sewer Commercial & General			
Personal Services	68,642	115,000	(46,358)
Contractual Services	135,883	190,000	(54,117)
Commodities	31,508	75,000	(43,492)
Capital Outlay	38,714	140,000	(101,286)
Total Sewer Commercial & General	274,747	520,000	(245,253)
Sewer Administration			
Personal Services	14,430	-	14,430
Contractual Services	17,797	-	17,797
Commodities	816	-	816
Total Sewer Administration	33,043	-	33,043
Total Sewer Department	307,790	520,000	(212,210)
Other Expenditures			
Sales Tax	14,436	35,000	(20,564)
State Water Fee	4,760	10,000	(5,240)
Kansas Clean Drinking Water Fee	4,463	12,465	(8,002)
Outgoing Transfers			
Equipment Reserve Fund	-	200,000	(200,000)
Bond & Interest Fund	61,000	61,000	-
Total Other Expenditures	84,659	318,465	(233,806)
Total Expenditures	1,321,377	\$ 2,178,472	\$ (857,095)
Receipts Over (Under) Expenditures	89,098		
UNENCUMBERED CASH, January 1, 2018	741,176		
Prior Year Cancelled Encumbrances	2,217		
UNENCUMBERED CASH, December 31, 2018	\$ 832,491		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-17

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

SOLID WASTE FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Fees Collected	\$ 382,054	\$ 406,850	\$ (24,796)
Sales Tax Collected	-	1,000	(1,000)
Sale of Dumpsters	-	3,600	(3,600)
Equipment Rental	1,600	1,500	100
Other Cash Receipts	-	1,500	(1,500)
Yard Waste Receipts	5,616	7,500	(1,884)
	<u>389,270</u>	<u>\$ 421,950</u>	<u>\$ (32,680)</u>
Total Receipts			
EXPENDITURES			
Operating			
Personal Services	83,094	\$ 170,000	\$ (86,906)
Contractual Services	169,654	215,000	(45,346)
Commodities	26,383	54,000	(27,617)
Capital Outlay	389	18,173	(17,784)
Administration			
Personal Services	15,620	-	15,620
Contractual Services	17,339	-	17,339
Commodities	723	-	723
Outgoing Transfer			
Equipment Reserve Fund	15,271	31,850	(16,579)
	<u>328,473</u>	<u>\$ 489,023</u>	<u>\$ (160,550)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	60,797		
UNENCUMBERED CASH, January 1, 2018	27,586		
Prior Year Cancelled Encumbrances	159		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 88,542</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-18

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

AQUATIC CENTER FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Retailer's Sales Tax	\$ 459,851	\$ 450,000	\$ 9,851
Swimming Pool Concessions	8,026	15,000	(6,974)
Swimming Lessons	3,455	7,000	(3,545)
Swimming Pool Tickets	21,089	40,000	(18,911)
Sales Tax Collected	722	1,200	(478)
Non Federal Grants & Gifts	-	5,000	(5,000)
	<u>493,143</u>	<u>\$ 518,200</u>	<u>\$ (25,057)</u>
Total Receipts			
EXPENDITURES			
Administration			
Personal Services	45,213	\$ -	\$ 45,213
Contractual Services	22,575	-	22,575
Commodities	179	-	179
Lease Payment	224,878	230,000	(5,122)
Indoor Pool			
Personal Services	42,207	154,000	(111,793)
Contractual Services	60,970	150,000	(89,030)
Commodities	21,610	56,006	(34,396)
Capital Outlay	2,994	11,300	(8,306)
Outdoor Pool			
Personal Services	48,831	-	48,831
Contractual Services	11,963	-	11,963
Commodities	24,970	-	24,970
Outgoing Transfer			
Equipment Reserve Fund	-	25,000	(25,000)
	<u>506,390</u>	<u>\$ 626,306</u>	<u>\$ (119,916)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	(13,247)		
UNENCUMBERED CASH, January 1, 2018	<u>144,253</u>		
UNENCUMBERED CASH, December 31, 2018	<u>\$ 131,006</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-19

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended December 31, 2018

ENDOWMENT FUND

	<u>Actual</u>
RECEIPTS	
Interest on Idle Funds	<u>\$ 79</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	79
UNENCUMBERED CASH, January 1, 2018	<u>10,040</u>
UNENCUMBERED CASH, December 31, 2018	<u><u>\$ 10,119</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 3

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2018

AGENCY FUNDS

<u>FUNDS</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Municipal Court Bonds	\$ 82	\$ 9,672	\$ 8,654	\$ 1,100
Employee Flex Benefits	9,349	50,945	49,704	10,590
Meter Deposit	<u>20,760</u>	<u>5,740</u>	<u>6,150</u>	<u>20,350</u>
Total	<u>\$ 30,191</u>	<u>\$ 66,357</u>	<u>\$ 64,508</u>	<u>\$ 32,040</u>

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, 2018

PUBLIC BUILDING COMMISSION
AQUATIC CENTER BOND & INTEREST FUND

	Actual
RECEIPTS	
Lease Income	\$ 224,878
Interest on Idle Funds	1,136
Total Receipts	226,014
EXPENDITURES	
Principal Payment	135,000
Interest Expense	91,115
Total Expenditures	226,115
Receipts Over (Under) Expenditures	(101)
UNENCUMBERED CASH, January 1, 2018	80,172
UNENCUMBERED CASH, December 31, 2018	\$ 80,071

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, 2018

PUBLIC BUILDING COMMISSION
AQUATIC CENTER CAPITAL PROJECTS FUND

	<u>Actual</u>
RECEIPTS	<u>\$ -</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2018	<u>138,555</u>
UNENCUMBERED CASH, December 31, 2018	<u><u>\$ 138,555</u></u>

CITY OF PHILLIPSBURG, KANSAS
ADDITIONAL SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 5

WATER AND SEWER UTILITY ALLOCATION
For the Year Ended December 31, 2018

SUMMARY FROM
WATER & SEWER UTILITY FUND

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
RECEIPTS	<u>\$ 980,908</u>	<u>\$ 429,567</u>	<u>\$ 1,410,475</u>
EXPENDITURES	<u>1,013,587</u>	<u>307,790</u>	<u>1,321,377</u>
Receipts Over (Under) Expenditures	(32,679)	121,777	89,098
UNENCUMBERED CASH, January 1, 2018	367,786	373,390	741,176
Prior Year Cancelled Encumbrances	<u>2,058</u>	<u>159</u>	<u>2,217</u>
UNENCUMBERED CASH, December 31, 2018	<u><u>\$ 337,165</u></u>	<u><u>\$ 495,326</u></u>	<u><u>\$ 832,491</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 6

EQUIPMENT RESERVE ALLOCATION

For the Year Ended December 31, 2018

	Office	Solid Waste	Water	Sewer	Aquatic Center	Undesignated	Total
Receipts	\$ -	\$ 15,271	\$ -	\$ -	\$ -	\$ -	\$ 15,271
Expenditures	-	3,566	79,200	31,875	-	11,032	125,673
Receipts Over (Under) Expenditures	-	11,705	(79,200)	(31,875)	-	(11,032)	(110,402)
UNENCUMBERED CASH, January 1, 2018	67,720	97,379	386,198	176,500	50,000	297,764	1,075,561
UNENCUMBERED CASH, December 31, 2018	<u>\$ 67,720</u>	<u>\$ 109,084</u>	<u>\$ 306,998</u>	<u>\$ 144,625</u>	<u>\$ 50,000</u>	<u>\$ 286,732</u>	<u>\$ 965,159</u>

CITY OF PHILLIPSBURG, KANSAS
UNAUDITED ADDITIONAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Exhibit 1

UNAUDITED ADDITIONAL INFORMATION
December 31, 2018

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 North Central Area Vocational and Technical School 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	2010	2000	1990	1980	1970
City of Phillipsburg:	2,486	2,581	2,668	2,828	3,229	3,241
Phillips County:	5,317	5,642	6,001	6,590	7,406	7,888

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 waste water utilities. The City also owns and operates the refuse collection service.

EMPLOYMENT HISTORY - Phillips County

	<u>Year</u>	<u>Average Unemployment Rate</u>	
	2018	2.5%	
	2017	2.7%	
	2016	2.8%	
	2015	3.1%	
	2014	3.5%	
	2013	4.2%	
	2012	4.2%	
	2011	4.9%	
	2010	5.1%	
	2009	6.2%	

	<u>Civilian Work force</u>	<u>Total Employed</u>	<u>Unemployed</u>
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
2013	3,048	2,920	128
2012	3,128	2,996	132
2011	3,185	3,029	156
2010	3,103	2,946	157
2009	3,166	2,969	197

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:

<u>Firm</u>	<u>Products/Service</u>
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
Prairie Horizon Agri-Energy LLC	Ethanol & Distillers Grain
Coomes, Inc.	Transportation

UNAUDITED

CLIMATE

Average daily temperature:

January:	27 degrees
April:	54 degrees
July:	80 degrees
October:	57 degrees

Average annual precipitation: 25 inches

Average annual snowfall: 23 inches

BANK DEPOSITS - Phillipsburg - December 31

Year	Amount	Year	Amount
2009	229,561,739	2014	212,760,900
2010	245,076,602	2015	304,136,850
2011	297,256,081	2016	301,091,132
2012	286,758,309	2017	330,979,720
2013	298,336,493	2018	313,959,643

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

GROSS RETAIL SALES - Phillips County

Year	Amount	Year	Amount
2009	125,906,065	2014	158,619,485
2010	122,903,973	2015	141,058,549
2011	175,612,706	2016	136,503,301
2012	151,371,873	2017	132,002,610
2013	160,523,074	2018	146,155,180

PHILLIPSBURG CITY SALES TAX COLLECTED BY STATE OF KANSAS

Year	Amount	Year	Amount
2009	391,732	2014	822,148
2010	386,466	2015	799,621
2011	435,662	2016	762,991
2012	853,802	2017	789,280
2013	834,992	2018	808,424

TAXABLE RETAIL SALES - Phillipsburg City

Year	Amount	Year	Amount
2009	34,479,349	2014	41,107,400
2010	36,656,731	2015	38,740,396
2011	43,566,227	2016	38,149,566
2012	40,690,111	2017	39,464,021
2013	37,754,811	2018	40,421,212

TAXABLE RETAIL SALES - Phillips County

Year	Amount	Year	Amount
2009	49,485,668	2014	63,141,600
2010	52,079,343	2015	59,971,708
2011	60,623,600	2016	58,172,854
2012	59,716,108	2017	59,506,534
2013	55,559,592	2018	61,495,202

Source: Kansas Department of Revenue, Amy Kramer (785-291-3580)

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 4,500 foot asphalt 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. There are two medical doctors, three certified physician assistants, two nurse practitioners, 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, 2018 was 9.00%.

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

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

Levy Year	Budget Year	City of Phillipburg	Phillips County	USD #325	Other	State	Total
2018	2019	61.010	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
2014	2015	55.979	92.796	42.854	1.501	1.500	194.630
2013	2014	54.045	102.190	49.445	1.452	1.500	208.632
2012	2013	51.151	115.701	48.769	1.340	1.500	218.461
2011	2012	50.820	114.814	48.823	1.453	1.500	217.410
2010	2011	49.857	100.712	48.194	1.513	1.500	201.776
2009	2010	49.618	89.437	48.518	1.655	1.500	190.728

ASSESSED VALUATION HISTORY

Year	Assessed Valuation of Taxable Tangible Property	Tangible Valuation of Motor Vehicles	Equalized Assessed Valuation of Taxable Tangible Property
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
2014	\$ 10,065,188	\$ 2,741,503	\$ 12,806,691
2013	\$ 10,047,051	\$ 2,738,728	\$ 12,785,779
2012	\$ 10,005,718	\$ 2,728,947	\$ 12,734,665
2011	\$ 10,045,331	\$ 2,690,621	\$ 12,735,952
2010	\$ 9,929,583	\$ 2,839,157	\$ 12,768,740
2009	\$ 9,905,875		

UNAUDITED

CITY'S AUTHORITY TO INCUR DEBT

Equalized Assessed Valuation of Tangible Valuation For		
Computation of Bonded Debt Limitations	\$	13,794,108
Legal limitation of Bonded Debt	\$	4,138,232
Outstanding general obligation debt as of December 31, 2018	\$	410,000
Exempt Debt	\$	325,000
Net Debt against Statutory Debt limit capacity	\$	85,000
Additional debt capacity	\$	4,053,232
Direct debt per capita	\$	165
Overlapping Indebtedness	\$	542,888
Direct and overlapping debt	\$	952,888
Direct and overlapping debt per capita	\$	383
Direct debt as a percentage of Equalized Assessed Valuation		2.97%
Direct and overlapping debt as a percentage of Equalized Assessed Valuation		6.91%
Statutory direct debt as a percentage of Equalized Assessed Valuation		0.62%

UNAUDITED

OVERLAPPING INDEBTEDNESS

The following table sets forth overlapping indebtedness as of December 31, 2018, and the percent attributable (on the basis of assessed valuation) to the City.

<u>Taxing Jurisdiction</u>	<u>2018 Assessed Valuation</u>	<u>Outstanding General Obligation Indebtedness</u>	<u>Percent Applicable to the City</u>	<u>Amount Applicable to the City</u>
Phillips County	\$ 65,775,264	\$ 3,199,296	16.97%	\$ 542,888
U.S.D. #325	\$ 34,133,182	\$ -	30.79%	\$ -

Outstanding General Obligation Debt
(As of December 31, 2018)

<u>Description of Indebtedness</u>	<u>Series</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>	<u>Amount Included In Debt Limitation</u>
2011 G.O. Bonds	2011	\$ 245,000	\$ 85,000	\$ 85,000
2015 G.O. Bonds	2015	\$ 1,635,000	\$ 325,000	\$ -

Temporary Notes Outstanding
(As of December 31, 2018)

None are outstanding as of December 31, 2018.

Revenue Bonds Outstanding
(As of December 31, 2018)

None are outstanding as of December 31, 2018.

Outstanding Public Building Commission Revenue Bonds
(As of December 31, 2018)

<u>Description of Indebtedness</u>	<u>Series</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
PBC Revenue Bonds	2011	\$ 3,070,000	\$ 2,215,000

Loans Outstanding
(As of December 31, 2018)

None are outstanding as of December 31, 2018.

Capital Lease Obligations
(As of December 31, 2018)

None are outstanding as of December 31, 2018.

UNAUDITED