CITY OF PHILLIPSBURG

Phillipsburg, Kansas

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2023

MAPES & MILLER
Certified Public Accountants
Phillipsburg, Kansas 67661

CITY OF PHILLIPSBURG

For the Year Ended December 31, 2023

Bret Miles, Mayor

City Council

Pete Rogers	Tracy Sanson
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, 2023

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CITY OF PHILLIPSBURG
Phillipsburg, Kansas

For the Year Ended December 31, 2023

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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, 2023 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, 2023, 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, 2023, 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 14, 2024
Phillipsburg, Kansas

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2023

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	$ 494,817	$ -	$ 1,532,048	$ 1,581,055	$ 445,810	$ 42,669	$ 488,479
Special Purpose Funds							
Equipment Reserve Fund	743,100	-	64,266	38,000	769,366	-	769,366
Library Fund	1,261	-	74,030	74,030	1,261	-	1,261
Employee Benefit Fund	171,888	-	257,683	233,587	195,984	2,584	198,568
Special Parks & Recreation Fund	51,331	-	10,391	22,472	39,250	9,728	48,978
Law Enforcement Fund	155	-	319,000	323,540	(4,385)	-	(4,385)
Fire Department Fund	126,840	-	99,270	88,966	137,144	1,866	139,010
Special Highway Fund	35,747	-	295,857	280,653	50,951	1,923	52,874
Fire Equipment Capital Outlay Fund	367,870	-	29,622	-	397,492	-	397,492
Industrial Development Fund	100,365	-	14,811	-	115,176	-	115,176
Foundation Grants Fund	6,566	19,122	125,000	37,680	113,008	-	113,008
Capital Improvements Fund	443,666	1,012	319,659	247,733	516,604	25,565	542,169
Partially Self-Funded Health Insurance Fund	25,640	-	10	8,000	17,650	-	17,650
Risk Management Reserve Fund	20,000	-	-	-	20,000	-	20,000
ARPA Grant Fund	151,267	28,792	407	75,170	105,296	-	105,296
Fight Addiction Fund	595	-	6,754	-	7,349	-	7,349
Bond & Interest Fund							
Bond & Interest Fund	19,080	-	138,633	143,402	14,311	-	14,311
Capital Projects Fund							
KDOT Airport Project Fund	(1,305,233)	9,081	1,288,520	394,745	(402,377) *	247,661	(154,716)
Airport Grant Fund	-	-	-	439,502	(439,502) *	242,049	(197,453)
KDOT Street Project Fund	(744)	744	-	-	-	-	-

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, 2023

FUNDS	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Business Funds							
Water & Sewer Utility Fund	$ 946,501	$ 9,400	$ 1,618,892	$ 1,324,335	$ 1,250,458	$ 9,011	$ 1,259,469
Solid Waste Fund	295,286	-	451,504	415,657	331,133	1,179	332,312
Aquatic Center Fund	306,500	-	686,613	648,850	344,263	98,687	442,950
Trust Fund							
Endowment Fund	19,339	-	749	-	20,088	-	20,088
Related Municipal Entity							
Public Building Commission							
Aquatic Center Bond & Interest Fund	86,886	-	224,916	215,300	96,502	-	96,502
Aquatic Center Capital Projects Fund	138,555	-	-	-	138,555	-	138,555
Total Reporting Entity (Excluding Agency Funds)	$ 3,247,278	$ 68,151	$ 7,558,635	$ 6,592,677	$ 4,281,387	$ 682,922	$ 4,964,309

Composition of Cash	
Cash on Hand	$ 450
Checking Accounts	161,921
NOW Account	509,809
Money Market Account	1,253,591
Certificates of Deposit	2,840,549
Related Municipal Entity	235,057
Total Cash	5,001,377
Agency Funds Per Schedule 3	(37,068)
Total Reporting Entity (Excluding Agency Funds)	$ 4,964,309

* 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, 2023

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, 2023.

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 adoption of the final budget has been adjusted to on or before September 20th. 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, 2023.

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. Bond Payments – K.S.A. 10-130 requires the City to remit the bond principal and interest due to the state fiscal agent at least 20 days prior to maturity. The payment on the Series 2011 General Obligation Bond and the payment on the Series 2020 General Obligation Bond were not remitted 20 days prior to maturity.

B. 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 August, September and December 2023.

C. Budget Violation – The City was not in compliance with the budget laws as required by K.S.A. 79-2935, for the year ended December 31, 2023. The expenditures in the Law Enforcement Fund exceeded the budget.

D. Quarterly Publication – K.S.A. 12-1608 requires the City treasurer to publish quarterly financial statements by fund, within 30 days after each quarter ends. The financial statements were published, but not within 30 days of the quarters ending.

E. 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, 2023.

F. 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, 2023. 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 $525,954 available as of December 31, 2023 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, 2023. 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, 2023, the City still had $535,818 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, 2023.

At December 31, 2023, the City's and Public Building Commission's carrying amount of deposits was $5,000,927 and the bank balance was $5,039,567. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance $505,028 was covered by federal depository insurance, and $4,534,539 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	$ 319,000
General Operating Fund	Fire Department Fund	Home Rule Ord. 1405	50,000
General Operating Fund	Special Highway Fund	K.S.A. 12-1,119	210,000
Water & Sewer Utility Fund	Bond & Interest Fund	K.S.A. 12-825d	110,000
Solid Waste Fund	Equipment Reserve Fund	K.S.A. 12-825d	64,266

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 8.43% for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $99,642 for the year ended December 31, 2023.

Net Pension Liability

At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was $1,052,498. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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, 2023.

(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, 2023, the City owed $68,972 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, 2023, 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
2024	$ 221,600
2025	222,700
2026	223,700
2027	219,600
2028	220,500
2029-2030	323,300
Total Future Minimum Lease Payments	$ 1,431,400

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	$ 488,336
KS Airport Improvement Project	$ 379,510	$ 379,427
KS Airport–AWOS Project	$ 256,666	$ 230,986
KS Airport Improvement Project-Runway Ext.	$ 1,730,000	$ 1,601,491

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, 2023, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning Balance 1/1/2023	Additions	Reductions/ Payments	Ending Balance 12/31/2023	Interest/ Service Fees Paid
General Obligation Bonds									
2015 General Obligation Bonds	2.95%	6/1/2015	$ 1,635,000	8/1/2024	$ 110,000	$ -	$ 55,000	$ 55,000	$ 2,791
Total General Obligation Bonds					110,000	-	55,000	55,000	2,791
KDHE Loans									
Kansas Public Water Supply-Quanz	2.54%	12/20/2018	$ 583,038	2/1/2042	434,636	-	18,988	415,648	9,310
Kansas Public Water Supply-AMR	1.65%	1/6/2020	$ 535,329	8/1/2030	427,835	-	50,454	377,381	6,853
Total KDHE Loans					862,471	-	69,442	793,029	16,163
Public Building Commission									
Series 2020 Revenue Bonds	2.00%	8/5/2020	$ 1,875,000	10/1/2030	1,515,000	-	185,000	1,330,000	30,300
Total Contractual Indebtedness					$ 2,487,471	$ -	$ 309,442	$ 2,178,029	$ 49,254

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

	General Obligation Bond		KDHE Loans		Revenue Bond (Public Building Commission)		Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 55,000	$ 1,254	$ 69,144	$ 2,715	$ 195,000	$ 26,600	$ 319,144	$ 30,569
2025	-	-	70,450	5,447	200,000	22,700	270,450	28,147
2026	-	-	71,782	8,107	205,000	18,700	276,782	26,807
2027	-	-	73,140	10,493	205,000	14,600	278,140	25,093
2028	-	-	74,525	9,365	210,000	10,500	284,525	19,865
2029-2033	-	-	218,872	31,928	315,000	8,300	533,872	40,228
2034-2038	-	-	120,920	17,735	-	-	120,920	17,735
2039-2042	-	-	94,196	4,178	-	-	94,196	4,178
	$ 55,000	$ 1,254	$ 793,029	$ 89,968	$ 1,330,000	$ 101,400	$ 2,178,029	$ 192,622

CITY OF PHILLIPSBURG, KANSAS

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2023

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

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	$ 1,732,600	$ -	$ 1,732,600	$ 1,581,055	$ (151,545)
Special Purpose Funds					
Library Fund	77,970	-	77,970	74,030	(3,940)
Employee Benefit Fund	441,000	-	441,000	233,587	(207,413)
Special Parks & Recreation Fund	43,284	-	43,284	22,472	(20,812)
Law Enforcement Fund	318,500	-	318,500	323,540	5,040
Fire Department Fund	127,530	-	127,530	88,966	(38,564)
Special Highway Fund	340,480	-	340,480	280,653	(59,827)
Fire Equipment Capital Outlay Fund	399,950	-	399,950	-	(399,950)
Industrial Development Fund	110,150	-	110,150	-	(110,150)
Bond & Interest Fund					
Bond & Interest Fund	175,195	-	175,195	143,402	(31,793)
Business Funds					
Water & Sewer Utility Fund	2,196,985	-	2,196,985	1,324,335	(872,650)
Solid Waste Fund	652,407	-	652,407	415,657	(236,750)
Aquatic Center Fund	713,760	-	713,760	648,850	(64,910)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 519,499	$ 534,980	$ (15,481)
Delinquent Tax	16,860	15,000	1,860
Motor Vehicle Tax	77,512	83,759	(6,247)
Recreational Vehicle Tax	1,736	2,322	(586)
Excise Tax	(25)	20	(45)
16/20M Vehicle Tax	2,414	2,433	(19)
Commercial Vehicle Tax	2,591	3,642	(1,051)
Watercraft Tax	583	562	21
Neighborhood Revitalization Rebate	(9,659)	(7,609)	(2,050)
Intangibles Tax	30,439	28,051	2,388
State Aid - Transportation	6,800	-	6,800
Special Assessment	1,059	1,300	(241)
Local Alcoholic Liquor Tax	10,391	7,661	2,730
Interest on Idle Funds	144,269	15,000	129,269
Franchise Tax	179,971	150,000	29,971
Animal Tags	2,005	3,200	(1,195)
Federal Grants	54,401	30,000	24,401
Fines	22,011	21,000	1,011
Reimbursements	19,181	-	19,181
Campground Fees	16,678	6,000	10,678
Local Retailers' Sales Tax	319,659	280,000	39,659
Licenses & Permits	6,203	7,000	(797)
Other Cash Receipts	5,000	-	5,000
Miscellaneous	746	2,000	(1,254)
Building Rents	11,892	18,000	(6,108)
Cemetery Lots & Care	8,893	10,000	(1,107)
Airport Rents & Grains	6,045	9,000	(2,955)
Airport Aviation Gas & Oil	8,575	25,000	(16,425)
Airport Jet Fuel	2,155	15,000	(12,845)
Airport Courtesy Car	17	100	(83)
Airport Sales Tax Collected	971	4,000	(3,029)
Airport Miscellaneous	84	5,000	(4,916)
Zoning Applications	200	500	(300)
Transportation Passes	16,940	9,000	7,940
Northwest Kansas Transit	44,259	65,000	(20,741)
Bad Checks/Debt Collected	1,693	1,500	193
Total Receipts	1,532,048	$ 1,348,421	$ 183,627
EXPENDITURES			
General Government			
Personal Services	126,557	$ 160,000	$ (33,443)
Contractual Services	41,965	64,000	(22,035)
Commodities	23,072	35,000	(11,928)
Capital Outlay	107	45,000	(44,893)
Total General Government	191,701	304,000	(112,299)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Community Building			
Personal Services	$ 11,245	$ 30,000	$ (18,755)
Contractual Services	18,048	24,000	(5,952)
Commodities	1,177	11,900	(10,723)
Capital Outlay	107	8,000	(7,893)
Total Community Building	30,577	73,900	(43,323)
Municipal Court			
Personal Services	26,974	42,000	(15,026)
Contractual Services	9,681	21,000	(11,319)
Commodities	110	1,000	(890)
Total Municipal Court	36,765	64,000	(27,235)
Park Department			
Personal Services	45,057	19,000	26,057
Contractual Services	16,458	13,000	3,458
Commodities	20,797	15,000	5,797
Capital Outlay	18,993	18,000	993
Total Park Department	101,305	65,000	36,305
Cemetery			
Personal Services	16,779	27,000	(10,221)
Contractual Services	8,515	20,000	(11,485)
Commodities	2,707	15,000	(12,293)
Capital Outlay	-	10,000	(10,000)
Total Cemetery	28,001	72,000	(43,999)
Street Lighting			
Contractual Services	50,640	60,000	(9,360)
Airport			
Personal Services	25,792	36,000	(10,208)
Contractual Services	47,718	65,000	(17,282)
Commodities	21,493	52,000	(30,507)
Capital Outlay	216,885	51,000	165,885
Total Airport	311,888	204,000	107,888
Planning Department			
Contractual Services	1,681	4,000	(2,319)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Transportation Department			
Personal Services	$ 39,821	$ 55,000	$ (15,179)
Contractual Services	6,742	9,000	(2,258)
Commodities	12,598	6,000	6,598
Capital Outlay	68,001	25,000	43,001
Total Transportation Department	127,162	95,000	32,162
Library Support			
Personal Services	6,197	10,000	(3,803)
Contractual Services	53,932	49,000	4,932
Commodities	273	2,000	(1,727)
Capital Outlay	107	-	107
Total Library Support	60,509	61,000	(491)
Beautification			
Personal Services	6,139	10,000	(3,861)
Contractual Services	-	1,000	(1,000)
Commodities	7,908	3,000	4,908
Capital Outlay	130	16,000	(15,870)
Total Beautification	14,177	30,000	(15,823)
Shade Tree			
Contractual Services	575	7,000	(6,425)
Commodities	623	-	623
Total Shade Tree	1,198	7,000	(5,802)
Armory			
Personal Services	8,820	11,500	(2,680)
Contractual Services	10,670	18,000	(7,330)
Commodities	13,932	2,500	11,432
Capital Outlay	-	3,000	(3,000)
Total Armory	33,422	35,000	(1,578)
Concrete Improvements			
Contractual Services	-	25,000	(25,000)
Commodities	3,796	35,000	(31,204)
Total Concrete Improvements	3,796	60,000	(56,204)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Code Enforcement			
Personal Services	$ 1,929	$ 5,000	$ (3,071)
Contractual Services	4,372	5,000	(628)
Commodities	60	500	(440)
Total Code Enforcement	6,361	10,500	(4,139)
Animal Control			
Personal Services	1,967	6,000	(4,033)
Contractual Services	535	1,000	(465)
Commodities	370	2,000	(1,630)
Total Animal Control	2,872	9,000	(6,128)
Outgoing Transfers			
Law Enforcement Fund	319,000	318,200	800
Fire Department Fund	50,000	-	50,000
Equipment Reserve	-	50,000	(50,000)
Special Highway Fund	210,000	210,000	-
Total Outgoing Transfers	579,000	578,200	800
Total Expenditures	1,581,055	$ 1,732,600	$ (151,545)
Receipts Over (Under) Expenditures	(49,007)		
UNENCUMBERED CASH, January 1, 2023	494,817		
UNENCUMBERED CASH, December 31, 2023	$ 445,810		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023

EQUIPMENT RESERVE FUND

	Actual
RECEIPTS	
Incoming Transfer	
Solid Waste Fund	$ 64,266
EXPENDITURES	
Capital Outlay	38,000
Receipts Over (Under) Expenditures	26,266
UNENCUMBERED CASH, January 1, 2023	743,100
UNENCUMBERED CASH, December 31, 2023	$ 769,366

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-3

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

LIBRARY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 62,831	$ 64,702	$ (1,871)
Delinquent Tax	2,056	2,500	(444)
Motor Vehicle Tax	9,420	10,151	(731)
Recreational Vehicle Tax	211	282	(71)
Excise Tax	(4)	1	(5)
16/20M Vehicle Tax	299	295	4
Commercial Vehicle Tax	71	441	(370)
Watercraft Tax	314	68	246
Neighborhood Revitalization Rebate	(1,168)	(929)	(239)
Total Receipts	74,030	$ 77,511	$ (3,481)
EXPENDITURES			
Appropriation to Library Board	74,030	$ 77,970	$ (3,940)
Receipts Over (Under) Expenditures	-		
UNENCUMBERED CASH, January 1, 2023	1,261		
UNENCUMBERED CASH, December 31, 2023	$ 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, 2023

EMPLOYEE BENEFIT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 219,402	$ 225,941	$ (6,539)
Delinquent Tax	6,737	8,400	(1,663)
Motor Vehicle Tax	32,203	35,343	(3,140)
Recreational Vehicle Tax	724	980	(256)
Excise Tax	(12)	4	(16)
16/20M Vehicle Tax	889	1,027	(138)
Commercial Vehicle Tax	1,093	1,537	(444)
Watercraft Tax	246	237	9
Neighborhood Revitalization Rebate	(4,079)	(3,355)	(724)
Business Contributions	-	60,000	(60,000)
Miscellaneous	-	1,050	(1,050)
Reimbursements	480	3,675	(3,195)
Total Receipts	257,683	$ 334,839	$ (77,156)
EXPENDITURES			
Social Security & Medicare	35,471	$ 60,000	$ (24,529)
Retirement	43,520	80,000	(36,480)
Workman's Compensation	9,646	31,500	(21,854)
Unemployment Insurance	3,311	11,500	(8,189)
Life & Disability Insurance	974	5,000	(4,026)
Account Administration	599	5,000	(4,401)
Health Savings Account Contribution	-	4,000	(4,000)
Health Insurance	134,946	234,000	(99,054)
Other Insurance Premium	5,120	10,000	(4,880)
Total Expenditures	233,587	$ 441,000	$ (207,413)
Receipts Over (Under) Expenditures	24,096		
UNENCUMBERED CASH, January 1, 2023	171,888		
UNENCUMBERED CASH, December 31, 2023	$ 195,984		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-5

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

SPECIAL PARKS & RECREATION FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Alcoholic Liquor Tax	$ 10,391	$ 7,661	$ 2,730
EXPENDITURES			
Contractual Services	-	$ 8,284	$ (8,284)
Commodities	-	10,000	(10,000)
Capital Outlay	22,472	25,000	(2,528)
Total Expenditures	22,472	$ 43,284	$ (20,812)
Receipts Over (Under) Expenditures	(12,081)		
UNENCUMBERED CASH, January 1, 2023	51,331		
UNENCUMBERED CASH, December 31, 2023	$ 39,250		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-6

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

LAW ENFORCEMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Incoming Transfer			
General Operating Fund	$ 319,000	$ 318,200	$ 800
EXPENDITURES			
Contractual Services	323,540	$ 318,500	$ 5,040
Receipts Over (Under) Expenditures	(4,540)		
UNENCUMBERED CASH, January 1, 2023	155		
UNENCUMBERED CASH, December 31, 2023	$ (4,385)		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-7

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

FIRE DEPARTMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Rural Fire Contracts	$ 49,270	$ 30,000	$ 19,270
Incoming Transfer			
General Operating Fund	50,000	-	50,000
Total Receipts	99,270	$ 30,000	$ 69,270
EXPENDITURES			
City Fire Department			
Personal Services	7,406	$ 27,000	$ (19,594)
Contractual Services	14,218	20,000	(5,782)
Commodities	20,793	50,530	(29,737)
Capital Outlay	2,654	-	2,654
Rural Fire Department			
Contractual Services	17,208	10,000	7,208
Commodities	24,140	20,000	4,140
Capital Outlay	2,547	-	2,547
Total Expenditures	88,966	$ 127,530	$ (38,564)
Receipts Over (Under) Expenditures	10,304		
UNENCUMBERED CASH, January 1, 2023	126,840		
UNENCUMBERED CASH, December 31, 2023	$ 137,144		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-8

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

SPECIAL HIGHWAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Highway Connecting Links	$ 24,790	$ 30,000	$ (5,210)
Special Highway Tax	60,971	67,980	(7,009)
Sale of Equipment	-	5,000	(5,000)
Sales Tax Collected	8	500	(492)
Miscellaneous	88	5,000	(4,912)
Incoming Transfer			
General Operating Fund	210,000	210,000	-
Total Receipts	295,857	$ 318,480	$ (22,623)
EXPENDITURES			
Operating			
Personal Services	133,857	$ 117,980	$ 15,877
Contractual Services	27,209	60,000	(32,791)
Commodities	43,497	75,000	(31,503)
Capital Outlay	71,864	80,000	(8,136)
Administration			
Personal Services	4,076	7,000	(2,924)
Commodities	150	500	(350)
Total Expenditures	280,653	$ 340,480	$ (59,827)
Receipts Over (Under) Expenditures	15,204		
UNENCUMBERED CASH, January 1, 2023	35,747		
UNENCUMBERED CASH, December 31, 2023	$ 50,951		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-9

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

FIRE EQUIPMENT CAPITAL OUTLAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 25,142	$ 25,885	$ (743)
Delinquent Tax	823	-	823
Motor Vehicle Tax	3,768	4,060	(292)
Recreational Vehicle Tax	84	113	(29)
Excise Tax	(2)	-	(2)
16/20M Vehicle Tax	120	118	2
Commercial Vehicle Tax	28	177	(149)
Watercraft Tax	126	27	99
Neighborhood Revitalization Rebate	(467)	(394)	(73)
Incoming Transfer			
General Operating Fund	-	50,000	(50,000)
Total Receipts	29,622	$ 79,986	$ (50,364)
EXPENDITURES			
Capital Outlay	-	$ 399,950	$ (399,950)
Receipts Over (Under) Expenditures	29,622		
UNENCUMBERED CASH, January 1, 2023	367,870		
UNENCUMBERED CASH, December 31, 2023	$ 397,492		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-10

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

INDUSTRIAL DEVELOPMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 12,571	$ 12,940	$ (369)
Delinquent Tax	412	700	(288)
Motor Vehicle Tax	1,884	2,030	(146)
Recreational Vehicle Tax	42	56	(14)
Excise Tax	(1)	2	(3)
16/20M Vehicle Tax	60	59	1
Commercial Vehicle Tax	14	88	(74)
Watercraft Tax	63	14	49
Neighborhood Revitalization Rebate	(234)	(180)	(54)
Other	-	5,200	(5,200)
Total Receipts	14,811	$ 20,909	$ (6,098)
EXPENDITURES			
Contractual Services	-	$ 110,150	$ (110,150)
Receipts Over (Under) Expenditures	14,811		
UNENCUMBERED CASH, January 1, 2023	100,365		
UNENCUMBERED CASH, December 31, 2023	$ 115,176		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-11

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023

FOUNDATION GRANTS FUND

	Actual
RECEIPTS	
Nonfederal Grant & Gifts	$ 125,000
EXPENDITURES	
Contractual Services	15,215
Commodities	3,829
Capital Outlay	18,636
Total Expenditures	37,680
Receipts Over (Under) Expenditures	87,320
UNENCUMBERED CASH, January 1, 2023	6,566
Prior Year Cancelled Encumbrances	19,122
UNENCUMBERED CASH, December 31, 2023	$ 113,008

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-12

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

CAPITAL IMPROVEMENT FUND

	Actual
RECEIPTS	
Local Retailers' Sales Tax	$ 319,659
EXPENDITURES	
Street	
Commodities	55,077
Capital Outlay	123,907
Airport	
Contractual	41,836
Water Distribution	
Capital Outlay	26,913
Total Expenditures	247,733
Receipts Over (Under) Expenditures	71,926
UNENCUMBERED CASH, January 1, 2023	443,666
Prior Year Cancelled Encumbrances	1,012
UNENCUMBERED CASH, December 31, 2023	$ 516,604

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-13

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

PARTIALLY SELF-FUNDED HEALTH INSURANCE FUND

	Actual
RECEIPTS	
Interest on Idle Funds	$ 10
EXPENDITURES	
Contractual Services	8,000
Receipts Over (Under) Expenditures	(7,990)
UNENCUMBERED CASH, January 1, 2023	25,640
UNENCUMBERED CASH, December 31, 2023	$ 17,650

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-14

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

RISK MANAGEMENT RESERVE FUND

	Actual
RECEIPTS	$ -
EXPENDITURES	-
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2023	20,000
UNENCUMBERED CASH, December 31, 2023	$ 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, 2023

ARPA GRANT FUND

	Actual
RECEIPTS	
Interest on Idle Funds	$ 407
EXPENDITURES	
Personal Services	51,525
Capital Outlay	23,645
Total Expenditures	75,170
Receipts Over (Under) Expenditures	(74,763)
UNENCUMBERED CASH, January 1, 2023	151,267
Prior Year Cancelled Encumbrances	28,792
UNENCUMBERED CASH, December 31, 2023	$ 105,296

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-16

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

FIGHT ADDICTION FUND

	Actual
RECEIPTS	
Opioid Settlement Fund	$ 6,754
EXPENDITURES	-
Receipts Over (Under) Expenditures	6,754
UNENCUMBERED CASH, January 1, 2023	595
UNENCUMBERED CASH, December 31, 2023	$ 7,349

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-17

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

BOND & INTEREST FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	$ 24,399	$ 25,133	$ (734)
Delinquent Tax	762	2,000	(1,238)
Motor Vehicle Tax	3,590	3,883	(293)
Recreational Vehicle Tax	81	108	(27)
Excise Tax	(3)	1	(4)
16/20M Vehicle Tax	111	113	(2)
Commercial Vehicle Tax	120	169	(49)
Watercraft Tax	27	26	1
Neighborhood Revitalization Rebate	(454)	(397)	(57)
Incoming Transfer			
Water & Sewer Utility Fund	110,000	115,000	(5,000)
Total Receipts	138,633	$ 146,036	$ (7,403)
EXPENDITURES			
Commission & Postage	6	$ 6	$ -
Reserve for Cash	-	25,000	(25,000)
General Obligation Bond Principal	55,000	55,000	-
General Obligation Bond Interest	2,791	2,791	-
Quanz Loan Principal	18,988	21,586	(2,598)
Quanz Loan Interest	1,283	1,861	(578)
Quanz Loan Service Fee	8,027	11,643	(3,616)
Water Meters Loan Principal	50,454	50,455	(1)
Water Meters Loan Interest	1,454	1,454	-
Water Meters Loan Service Fee	5,399	5,399	-
Total Expenditures	143,402	$ 175,195	$ (31,793)
Receipts Over (Under) Expenditures	(4,769)		
UNENCUMBERED CASH, January 1, 2023	19,080		
UNENCUMBERED CASH, December 31, 2023	$ 14,311		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-18

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

KDOT AIRPORT PROJECT FUND

	Actual	
RECEIPTS		
State Grant	$ 1,288,520	
EXPENDITURES		
Contractual Services	49,050	
Capital Outlay	345,695	
Total Expenditures	394,745	
Receipts Over (Under) Expenditures	893,775	
UNENCUMBERED CASH, January 1, 2023	(1,305,233)	
Prior Year Cancelled Encumbrances	9,081	
UNENCUMBERED CASH, December 31, 2023	$ (402,377)	*

* 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, 2023

AIRPORT GRANT FUND

	Actual	
RECEIPTS	$ -	
EXPENDITURES		
Contractual	439,502	
Receipts Over (Under) Expenditures	(439,502)	
UNENCUMBERED CASH, January 1, 2023	-	
UNENCUMBERED CASH, December 31, 2023	$ (439,502)	*

* See Note 3, Cash Basis Exceptions

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-20

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

KDOT STREET PROJECT FUND

	Actual
RECEIPTS	$ -
EXPENDITURES	-
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2023	(744)
Prior Year Cancelled Encumbrances	744
UNENCUMBERED CASH, December 31, 2023	$ -

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

WATER & SEWER UTILITY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Water Department			
Water Sales	$ 1,107,991	$ 1,095,000	$ 12,991
Penalties	9,824	11,550	(1,726)
Sales Tax Collected	21,233	29,250	(8,017)
Miscellaneous	7,038	2,100	4,938
Coin Machine Water Sales	1,301	1,575	(274)
Long/Short	128	-	128
Bad Check/Debt Collected	120	-	120
Water Protection Fee	5,085	5,250	(165)
Sale of Equipment	3,424	2,000	1,424
Return Check Charge	280	525	(245)
Water New Service	-	3,500	(3,500)
Connects/Disconnects	7,124	11,550	(4,426)
Total Water Department	1,163,548	1,162,300	1,248
Sewer Department			
Sewer Charges	447,549	465,000	(17,451)
Penalties	4,626	-	4,626
Sewer Dump Station Fees	3,169	3,150	19
Total Sewer Department	455,344	468,150	(12,806)
Total Receipts	1,618,892	$ 1,630,450	$ (11,558)
EXPENDITURES			
Water Department			
Water Production			
Personal Services	44,385	$ 70,000	$ (25,615)
Contractual Services	102,502	102,525	(23)
Commodities	14,468	380,000	(365,532)
Capital Outlay	225	55,000	(54,775)
Total Water Production	161,580	607,525	(445,945)
Water Transmission & Distribution			
Personal Services	343,132	375,000	(31,868)
Contractual Services	74,859	190,000	(115,141)
Commodities	159,126	130,000	29,126
Capital Outlay	61,931	50,000	11,931
Total Water Transmission & Distribution	639,048	745,000	(105,952)
Water Commercial & General			
Personal Services	57,307	55,000	2,307
Contractual Services	23,342	40,000	(16,658)
Commodities	647	8,000	(7,353)
Total Water Commercial & General	81,296	103,000	(21,704)

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

WATER & SEWER UTILITY FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Water Department (Cont.)			
Water Non-Operating			
Sales Tax	$ 24,083	$ 16,000	$ 8,083
Water Protection Fee	4,834	6,640	(1,806)
Clean Drinking Water Fee	4,531	6,320	(1,789)
Outgoing Transfers			
Equipment Reserve Fund	-	50,000	(50,000)
Bond & Interest Fund	110,000	115,000	(5,000)
Total Water Non-Operating	143,448	193,960	(50,512)
Total Water Department	1,025,372	1,649,485	(624,113)
Sewer Department			
Sewer Commercial & General			
Personal Services	93,010	106,500	(13,490)
Contractual Services	85,742	122,000	(36,258)
Commodities	75,390	205,000	(129,610)
Capital Outlay	1,364	5,000	(3,636)
Total Sewer Commercial & General	255,506	438,500	(182,994)
Sewer Administration			
Personal Services	33,458	38,000	(4,542)
Contractual Services	9,595	20,000	(10,405)
Commodities	404	1,000	(596)
Total Sewer Administration	43,457	59,000	(15,543)
Outgoing Transfer			
Equipment Reserve Fund	-	50,000	(50,000)
Total Sewer Department	298,963	547,500	(248,537)
Total Expenditures	1,324,335	$ 2,196,985	$ (872,650)
Receipts Over (Under) Expenditures	294,557		
UNENCUMBERED CASH, January 1, 2023	946,501		
Prior Year Cancelled Encumbrances	9,400		
UNENCUMBERED CASH, December 31, 2023	$ 1,250,458		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-22

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

SOLID WASTE FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Fees Collected	$ 428,524	$ 421,000	$ 7,524
Penalties	5,554	-	5,554
Sales Tax Collected	302	1,000	(698)
Sale of Dumpsters	3,360	3,000	360
Equipment Rental	1,875	5,500	(3,625)
Other Cash Receipts	5,553	1,000	4,553
Yard Waste Receipts	6,336	9,000	(2,664)
Total Receipts	451,504	$ 440,500	$ 11,004
EXPENDITURES			
Operating			
Personal Services	149,230	$ 190,000	$ (40,770)
Contractual Services	113,409	215,000	(101,591)
Commodities	29,252	50,000	(20,748)
Capital Outlay	10,449	50,000	(39,551)
Administration			
Personal Services	38,857	67,407	(28,550)
Contractual Services	9,483	10,000	(517)
Commodities	711	20,000	(19,289)
Outgoing Transfer			
Equipment Reserve Fund	64,266	50,000	14,266
Total Expenditures	415,657	$ 652,407	$ (236,750)
Receipts Over (Under) Expenditures	35,847		
UNENCUMBERED CASH, January 1, 2023	295,286		
UNENCUMBERED CASH, December 31, 2023	$ 331,133		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-23

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

AQUATIC CENTER FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Retailers' Sales Tax	$ 639,318	$ 510,000	$ 129,318
Swimming Pool Concessions	15,160	13,000	2,160
Swimming Lessons-Outdoor	5,925	6,000	(75)
Swimming Pool Tickets-Outdoor	21,849	22,000	(151)
Sales Tax Collected	1,051	1,500	(449)
Swimming Lessons-Indoor	150	120	30
Swimming Pool Tickets-Indoor	3,160	3,000	160
Total Receipts	686,613	$ 555,620	$ 130,993
EXPENDITURES			
Administration			
Personal Services	9,978	$ 34,000	$ (24,022)
Contractual Services	6	6,000	(5,994)
Commodities	100	4,000	(3,900)
Lease Payment	217,400	225,000	(7,600)
Operating-Outdoor			
Personal Services	99,677	75,000	24,677
Contractual Services	132,937	71,000	61,937
Commodities	9,176	50,000	(40,824)
Capital Outlay	-	20,000	(20,000)
Operating-Indoor			
Personal Services	106,359	97,000	9,359
Contractual Services	23,805	30,000	(6,195)
Commodities	42,854	40,000	2,854
Capital Outlay	6,558	61,760	(55,202)
Total Expenditures	648,850	$ 713,760	$ (64,910)
Receipts Over (Under) Expenditures	37,763		
UNENCUMBERED CASH, January 1, 2023	306,500		
UNENCUMBERED CASH, December 31, 2023	$ 344,263		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-24

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023

ENDOWMENT FUND

	Actual
RECEIPTS	
Interest on Idle Funds	$ 749
EXPENDITURES	-
Receipts Over (Under) Expenditures	749
UNENCUMBERED CASH, January 1, 2023	19,339
UNENCUMBERED CASH, December 31, 2023	$ 20,088

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 3

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2023

AGENCY FUNDS

FUNDS	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Municipal Court Bonds	$ -	$ 758	$ 758	$ -
Employee Flex Benefits	12,499	62,737	62,373	12,863
Meter Deposit	21,450	6,510	5,390	22,570
Fire Insurance Proceeds	1,635	-	-	1,635
Total	$ 35,584	$ 70,005	$ 68,521	$ 37,068

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, 2023

PUBLIC BUILDING COMMISSION
AQUATIC CENTER BOND & INTEREST FUND

	Actual
RECEIPTS	
Lease Income	$ 217,400
Interest on Idle Funds	7,516
Total Receipts	224,916
EXPENDITURES	
Principal	185,000
Interest	30,300
Total Expenditures	215,300
Receipts Over (Under) Expenditures	9,616
UNENCUMBERED CASH, January 1, 2023	86,886
UNENCUMBERED CASH, December 31, 2023	$ 96,502

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, 2023

PUBLIC BUILDING COMMISSION
AQUATIC CENTER CAPITAL PROJECTS FUND

	Actual
RECEIPTS	$ -
EXPENDITURES	-
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2023	138,555
UNENCUMBERED CASH, December 31, 2023	$ 138,555

CITY OF PHILLIPSBURG, KANSAS

ADDITIONAL SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2023

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 5

WATER AND SEWER UTILITY ALLOCATION
For the Year Ended December 31, 2023

SUMMARY FROM
WATER & SEWER UTILITY FUND

	Water	Sewer	Total
RECEIPTS	$ 1,163,548	$ 455,344	$ 1,618,892
EXPENDITURES	1,025,372	298,963	1,324,335
Receipts Over (Under) Expenditures	138,176	156,381	294,557
UNENCUMBERED CASH, January 1, 2023	142,060	804,441	946,501
Prior Year Cancelled Encumbrances	9,400	-	9,400
UNENCUMBERED CASH, December 31, 2023	$ 289,636	$ 960,822	$ 1,250,458

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 6

EQUIPMENT RESERVE ALLOCATION

For the Year Ended December 31, 2023

	Office	Solid Waste	Water	Sewer	Aquatic Center	Undesignated	Total
Receipts	$ -	$ 64,266	$ -	$ -	$ -	$ -	$ 64,266
Expenditures	-	38,000	-	-	-	-	38,000
Receipts Over (Under) Expenditures	-	26,266	-	-	-	-	26,266
UNENCUMBERED CASH, January 1, 2023	67,426	24,591	197,889	139,337	50,000	263,857	743,100
UNENCUMBERED CASH, December 31, 2023	$ 67,426	$ 50,857	$ 197,889	$ 139,337	$ 50,000	$ 263,857	$ 769,366

CITY OF PHILLIPSBURG, KANSAS

UNAUDITED ADDITIONAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2023

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Exhibit 1

UNAUDITED ADDITIONAL INFORMATION
December 31, 2023

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	2020	2010	2000	1990	1980
City of Phillipsburg:	2,244	2,337	2,581	2,668	2,828	3,229
Phillips County:	4,761	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
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%
2014	3.50%

	Civilian Work force	Total Employed	Unemployed
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:	29 degrees
April:	53 degrees
July:	77 degrees
October:	56 degrees

Average annual precipitation:	23 inches
Average annual snowfall:	21 inches

BANK DEPOSITS - Phillipsburg - December 31

Year	Amount	Year	Amount
2014	212,760,900	2019	355,145,072
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

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

GROSS RETAIL SALES - Phillips County

Year	Amount	Year	Amount
2014	158,619,485	2019	131,619,545
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

PHILLIPSBURG CITY SALES TAX COLLECTED BY STATE OF KANSAS

Year	Amount	Year	Amount
2014	822,148	2019	819,954
2015	799,621	2020	804,957
2016	762,991	2021	838,673
2017	789,280	2022	941,618
2018	808,424	2023	988,386

TAXABLE RETAIL SALES - Phillipsburg City

Year	Amount	Year	Amount
2014	41,107,400	2019	40,947,676
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

TAXABLE RETAIL SALES - Phillips County

Year	Amount	Year	Amount
2014	63,141,600	2019	60,371,342
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

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 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 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 (Per $1,000 Assessed Valuation)

Levy Year	Budget Year	City of Phillipsburg	Phillips County	USD #325	Other	State	Total
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
2014	2015	55.979	92.796	42.854	1.501	1.500	194.630

ASSESSED VALUATION HISTORY

Year	Assessed Valuation of Taxable Tangible Property	Tangible Valuation of Motor Vehicles	Equalized Assessed Valuation of Taxable Tangible Property
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
2014	$ 10,065,188	$ 2,741,503	$ 12,806,691

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Exhibit 6

CITY'S AUTHORITY TO INCUR DEBT

Equalized Assessed Valuation of Tangible Valuation For Computation of Bonded Debt Limitations	$	16,880,382
Legal limitation of Bonded Debt	$	5,064,115
Outstanding general obligation debt as of December 31, 2023	$	55,000
Exempt Debt	$	55,000
Net Debt against Statutory Debt limit capacity	$	-
Additional debt capacity	$	5,064,115
Direct debt per capita	$	25
Overlapping Indebtedness	$	613,692
Direct and overlapping debt	$	668,692
Direct and overlapping debt per capita	$	298
Direct debt as a percentage of Equalized Assessed Valuation		0.33%
Direct and overlapping debt as a percentage of Equalized Assessed Valuation		3.96%
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, 2023, and the percent attributable (on the basis of assessed valuation) to the City.

Taxing Jurisdiction	2023 Assessed Valuation	Outstanding General Obligation Indebtedness	Percent Applicable to the City	Amount Applicable to the City
Phillips County	$ 72,319,200	$ 3,428,302	19.60%	$ 671,902
U.S.D. #325	$ 70,973,073	$ -	19.97%	$ -

Outstanding General Obligation Debt
(As of December 31, 2023)

Description of Indebtedness	Series	Original Amount	Amount Outstanding	Amount Included In Debt Limitation
2015 G.O. Bonds	2015	$ 1,635,000	$ 55,000	$ -

Temporary Notes Outstanding
(As of December 31, 2023)

None are outstanding as of December 31, 2023.

Revenue Bonds Outstanding
(As of December 31, 2023)

None are outstanding as of December 31, 2023.

Outstanding Public Building Commission Revenue Bonds
(As of December 31, 2023)

Description of Indebtedness	Series	Original Amount	Amount Outstanding
PBC Revenue Bonds	2020	$ 1,875,000	$ 1,330,000

Loans Outstanding
(As of December 31, 2023)

Description of Indebtedness	Series	Original Amount	Amount Outstanding
Kansas Public Water Supply	2018	$ 583,038	$ 415,648
Kansas Public Water Supply	2020	$ 535,329	$ 377,381

Capital Lease Obligations
(As of December 31, 2023)

None are outstanding as of December 31, 2023.

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