

CITY OF PHILLIPSBURG

Phillipsburg, Kansas

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2022

MAPES & MILLER
Certified Public Accountants
Phillipsburg, Kansas 67661

CITY OF PHILLIPSBURG

For the Year Ended December 31, 2022

Bret Miles, Mayor

City Council

Pete Rogers
Vickie Gibbs
Jeanette Harris

Tracy Sanson
Terry McConnell
Mike James

City Offices

Tiffini Gross
Abigail Wahl

City Clerk
City Treasurer

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

For the Year Ended December 31, 2022

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CITY OF PHILLIPSBURG
Phillipsburg, Kansas

For the Year Ended December 31, 2022

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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, 2022 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, 2022, 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, 2022, 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 disbursements – 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 9, 2023
Phillipsburg, Kansas

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Statement 1
Page 1 of 2

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2022

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	\$ 350,938	\$ 953	\$ 1,487,643	\$ 1,344,717	\$ 494,817	\$ 10,047	\$ 504,864
Special Purpose Funds							
Equipment Reserve Fund	785,205	-	14,141	56,246	743,100	-	743,100
Library Fund	1,261	-	75,971	75,971	1,261	1,915	3,176
Employee Benefit Fund	136,266	-	253,586	217,964	171,888	508	172,396
Special Parks & Recreation Fund	42,023	-	9,558	250	51,331	-	51,331
Law Enforcement Fund	300	-	307,000	307,145	155	-	155
Fire Department Fund	84,530	-	105,721	63,411	126,840	4,833	131,673
Special Highway Fund	20,050	-	277,947	262,250	35,747	5,324	41,071
Fire Equipment Capital Outlay Fund	335,159	-	35,249	2,538	367,870	-	367,870
Industrial Development Fund	85,171	-	15,194	-	100,365	-	100,365
Foundation Grants Fund	3,669	-	151,500	148,603	6,566	24,936	31,502
Capital Improvements Fund	580,164	-	295,396	431,894	443,666	141,916	585,582
Partially Self-Funded Health Insurance Fund	44,798	-	68,727	87,885	25,640	-	25,640
Risk Management Reserve Fund	20,000	-	-	-	20,000	-	20,000
ARPA Grant Fund	142,952	-	187,449	179,134	151,267	60,000	211,267
CDBG - CV Grant Fund	-	-	8,996	8,996	-	-	-
Fight Addiction Fund	-	-	595	-	595	-	595
Bond & Interest Fund							
Bond & Interest Fund	20,162	-	138,574	139,656	19,080	-	19,080
Capital Projects Fund							
KDOT Airport Project Fund	(263,891)	-	242,622	1,283,964	(1,305,233) *	1,277,207	(28,026)
Airport Grant Fund	(40,456)	-	40,456	-	-	-	-
KDOT Street Project Fund	(3,468)	-	2,724	-	(744) *	67	(677)
Quanz Reservoir Project Fund	(35,593)	25,025	10,568	-	-	-	-
CDBG Water Project Fund	(2,138)	-	2,138	-	-	-	-

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

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Statement 1
Page 1 of 2

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2022

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	\$ 863,428	\$ -	\$ 1,475,993	\$ 1,392,920	\$ 946,501	\$ 65,415	\$ 1,011,916
Solid Waste Fund	218,907	-	430,513	354,134	295,286	3,389	298,675
Aquatic Center Fund	185,640	-	632,554	511,694	306,500	996	307,496
Trust Fund							
Endowment Fund	19,286	-	74	21	19,339	-	19,339
Related Municipal Entity							
Public Building Commission							
Aquatic Center Bond & Interest Fund	86,271	-	219,615	219,000	86,886	-	86,886
Aquatic Center Capital Project Fund	138,555	-	-	-	138,555	-	138,555
 Total Reporting Entity (Excluding Agency Funds)	 <u>\$ 3,819,189</u>	 <u>\$ 25,978</u>	 <u>\$ 6,490,504</u>	 <u>\$ 7,088,393</u>	 <u>\$ 3,247,278</u>	 <u>\$ 1,596,553</u>	 <u>\$ 4,843,831</u>
				Composition of Cash			
				Cash on Hand			\$ 450
				Checking Accounts			238,953
				NOW Account			242,682
				Money Market Account			1,331,340
				Certificates of Deposit			2,840,548
				Related Municipal Entity			<u>225,442</u>
				 Total Cash			 4,879,415
				Agency Funds Per Schedule 3			<u>(35,584)</u>
							 <u>\$ 4,843,831</u>
							 (Excluding Agency Funds)

* 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, 2022

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, 2022.

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, 2022.

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
CDBG-CV 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. The City is not aware of any 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 Street Project Fund and the KDOT Airport Project Fund at December 31, 2022. 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 \$1,557,000 available as of December 31, 2022 from KDOT for the airport project. For the KDOT street project, the City still had \$744 available to draw down as of December 31, 2022.

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, 2022.

At December 31, 2022, the City’s and Public Building Commission’s carrying amount of deposits was \$4,878,965 and the bank balance was \$4,881,648. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance \$492,801 was covered by federal depository insurance, and \$4,388,847 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	\$ 307,000
General Operating Fund	Fire Department Fund	Home Rule Ord. 1405	50,000
General Operating Fund	Special Highway Fund	K.S.A. 12-1,119	190,000
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	14,141

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 8.90% for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$102,719 for the year ended December 31, 2022.

Net Pension Liability

At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERS was \$1,023,664. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. 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, 2022.

(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, 2022, the City owed \$70,624 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, 2022, 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.

The City pays a monthly fee to Freedom Claims Management for administration of hospital, health care, and prescription claims. Freedom Claims Management acts as a limited agent for the City in receiving and processing claims for benefits under the plan and disbursing claim payments under the plan. Blue Cross Blue Shield will process and pay all eligible claims above a \$7,000 threshold.

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:

<u>Year</u>	<u>Amount</u>
2023	\$ 215,300
2024	221,600
2025	222,700
2026	223,700
2027	219,600
2028-2030	<u>543,800</u>
Total Future Minimum Lease Payments	<u>\$ 1,646,700</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	\$ 1,148,674	\$ 1,045,875
FAA Airport Improvement Project	\$ 530,220	\$ 530,220
KS Airport Improvement Project	\$ 379,510	\$ 379,427
KS Airport–AWOS Project	\$ 231,000	\$ 0
KS Airport Improvement Project-Runway Ext.	\$ 1,730,000	\$ 1,419,119
KDOT Street Project	\$ 366,056	\$ 366,056

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, 2022, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning Balance 1/1/2022	Additions	Reductions/ Payments	Ending Balance 12/31/2022	Interest/ Service Fees Paid
General Obligation Bonds									
2015 General Obligation Bonds	2.75-2.95%	06/01/15	\$ 1,635,000	8/1/2024	\$ 165,000	\$ -	\$ 55,000	\$ 110,000	\$ 4,115
Total General Obligation Bonds					165,000	-	55,000	110,000	4,115
KDHE Loans									
Kansas Public Water Supply-Quanz	2.54%	12/20/18	\$ 583,038	2/1/2042	572,470	10,568	148,402 *	434,636	13,076
Kansas Public Water Supply-AMR	1.65%	01/06/20	\$ 535,329	8/1/2030	477,468	-	49,633	427,835	7,674
Total KDHE Loans					1,049,938	10,568	198,035	862,471	20,750
Public Building Commission									
Series 2020 Revenue Bonds	2.00%	08/05/20	\$ 1,875,000	10/1/2030	1,700,000	-	185,000	1,515,000	34,000
Total Contractual Indebtedness					\$ 2,914,938	\$ 10,568	\$ 438,035	\$ 2,487,471	\$ 58,865

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		KDHE Loans		Revenue Bond (Public Building Commission)		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 55,000	\$ 2,791	\$ 69,442	\$ 2,736	\$ 185,000	\$ 30,300	\$ 309,442	\$ 35,827
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	9,365	205,000	14,600	278,140	23,965
2028-2032	-	-	270,990	36,213	525,000	18,800	795,990	55,013
2033-2037	-	-	117,906	20,333	-	-	117,906	20,333
2038-2042	-	-	119,617	6,659	-	-	119,617	6,659
	\$ 110,000	\$ 4,045	\$ 862,471	\$ 91,575	\$ 1,515,000	\$ 131,700	\$ 2,487,471	\$ 227,320

* The City was authorized to receive loan proceeds of \$583,038. \$138,250 of the \$583,038 was forgiven by KDHE.

CITY OF PHILLIPSBURG, KANSAS
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022

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	\$ 1,522,382	\$ -	\$ 1,522,382	\$ 1,344,717	\$ (177,665)
Special Purpose Funds					
Library Fund	77,500	-	77,500	75,971	(1,529)
Employee Benefit Fund	663,000	-	663,000	217,964	(445,036)
Special Parks & Recreation Fund	55,972	-	55,972	250	(55,722)
Law Enforcement Fund	325,001	-	325,001	307,145	(17,856)
Fire Department Fund	160,129	-	160,129	63,411	(96,718)
Special Highway Fund	388,536	-	388,536	262,250	(126,286)
Fire Equipment Capital Outlay Fund	214,175	-	214,175	2,538	(211,637)
Industrial Development Fund	62,780	-	62,780	-	(62,780)
Bond & Interest Fund					
Bond & Interest Fund	169,132	-	169,132	139,656	(29,476)
Business Funds					
Water & Sewer Utility Fund	2,668,455	-	2,668,455	1,392,920	(1,275,535)
Solid Waste Fund	746,230	-	746,230	354,134	(392,096)
Aquatic Center Fund	778,052	-	778,052	511,694	(266,358)

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, 2022

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 487,460	\$ 503,394	\$ (15,934)
Delinquent Tax	14,570	15,000	(430)
Motor Vehicle Tax	117,866	80,814	37,052
Recreational Vehicle Tax	3,145	1,955	1,190
Excise Tax	54	12	42
16/20M Vehicle Tax	2,496	1,813	683
Commercial Vehicle Tax	5,332	2,717	2,615
Watercraft Tax	529	596	(67)
Neighborhood Revitalization Rebate	(9,479)	(7,518)	(1,961)
Intangibles Tax	31,004	27,796	3,208
City & County Revenue Sharing	-	56,780	(56,780)
Special Assessment	571	3,700	(3,129)
Local Alcoholic Liquor Tax	9,558	6,122	3,436
Interest on Idle Funds	40,943	30,000	10,943
Franchise Tax	172,704	147,000	25,704
Animal Tags	1,330	3,000	(1,670)
Federal Grants	-	30,000	(30,000)
Fines	22,641	23,000	(359)
Reimbursements	20,313	1,000	19,313
Campground Fees	8,585	10,500	(1,915)
Local Retailers' Sales Tax	295,396	249,000	46,396
Licenses & Permits	5,448	3,750	1,698
Other Cash Receipts	636	1,000	(364)
Miscellaneous	9,878	2,000	7,878
Nonfederal Grants & Gifts	12,913	15,000	(2,087)
Building Rents	17,207	15,000	2,207
Cemetery Lots & Care	7,860	10,000	(2,140)
Airport Rents & Grains	5,850	9,000	(3,150)
Airport Aviation Gas & Oil	17,563	19,000	(1,437)
Airport Jet Fuel	24,520	10,000	14,520
Airport Courtesy Car	15	100	(85)
Airport Sales Tax Collected	3,788	1,700	2,088
Airport Miscellaneous	-	4,500	(4,500)
Airport Reimbursements	100,000	-	100,000
Zoning Applications	200	500	(300)
Transportation Passes	8,499	10,000	(1,501)
Northwest Kansas Transit	45,953	65,000	(19,047)
Bad Checks/Debt Collected	2,295	2,500	(205)
Total Receipts	1,487,643	\$ 1,355,731	\$ 131,912
EXPENDITURES			
General Government			
Personal Services	93,399	\$ 230,000	\$ (136,601)
Contractual Services	70,422	50,000	20,422
Commodities	7,756	30,000	(22,244)
Capital Outlay	37	25,000	(24,963)
Total General Government	171,614	335,000	(163,386)

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, 2022

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Community Building			
Personal Services	\$ 13,293	\$ 20,000	\$ (6,707)
Contractual Services	15,776	20,000	(4,224)
Commodities	2,201	10,000	(7,799)
Capital Outlay	-	20,000	(20,000)
Total Community Building	<u>31,270</u>	<u>70,000</u>	<u>(38,730)</u>
Municipal Court			
Personal Services	31,196	30,000	1,196
Contractual Services	13,519	15,000	(1,481)
Commodities	110	1,000	(890)
Total Municipal Court	<u>44,825</u>	<u>46,000</u>	<u>(1,175)</u>
Park Department			
Personal Services	27,153	25,000	2,153
Contractual Services	13,329	12,000	1,329
Commodities	8,813	11,000	(2,187)
Capital Outlay	-	23,000	(23,000)
Total Park Department	<u>49,295</u>	<u>71,000</u>	<u>(21,705)</u>
Cemetery			
Personal Services	27,156	20,000	7,156
Contractual Services	6,549	17,000	(10,451)
Commodities	3,951	7,000	(3,049)
Capital Outlay	-	1,000	(1,000)
Total Cemetery	<u>37,656</u>	<u>45,000</u>	<u>(7,344)</u>
Street Lighting			
Contractual Services	<u>52,551</u>	<u>50,000</u>	<u>2,551</u>
Airport			
Personal Services	29,153	20,000	9,153
Contractual Services	38,858	55,000	(16,142)
Commodities	49,865	20,000	29,865
Capital Outlay	100,000	31,282	68,718
Total Airport	<u>217,876</u>	<u>126,282</u>	<u>91,594</u>
Planning Department			
Contractual Services	<u>1,492</u>	<u>800</u>	<u>692</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, 2022

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Transportation Department			
Personal Services	\$ 41,180	\$ 43,000	\$ (1,820)
Contractual Services	7,123	8,000	(877)
Commodities	5,033	10,000	(4,967)
Capital Outlay	-	2,000	(2,000)
Total Transportation Department	53,336	63,000	(9,664)
Library Support			
Personal Services	4,087	8,000	(3,913)
Contractual Services	48,225	48,000	225
Commodities	1,115	1,500	(385)
Capital Outlay	-	-	-
Total Library Support	53,427	57,500	(4,073)
Beautification			
Personal Services	8,111	8,000	111
Contractual Services	359	1,000	(641)
Commodities	7,545	1,000	6,545
Capital Outlay	-	5,000	(5,000)
Total Beautification	16,015	15,000	1,015
Shade Tree			
Contractual Services	1,134	1,500	(366)
Armory			
Personal Services	10,081	18,000	(7,919)
Contractual Services	16,309	20,000	(3,691)
Commodities	3,098	7,000	(3,902)
Capital Outlay	-	10,000	(10,000)
Total Armory	29,488	55,000	(25,512)
Concrete Improvements			
Contractual Services	-	25,000	(25,000)
Commodities	5,303	10,000	(4,697)
Total Concrete Improvements	5,303	35,000	(29,697)
Code Enforcement			
Personal Services	1,487	3,000	(1,513)
Contractual Services	25,710	-	25,710
Commodities	205	-	205
Total Code Enforcement	27,402	3,000	24,402

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, 2022

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Animal Control			
Personal Services	\$ 4,130	\$ 1,500	\$ 2,630
Contractual Services	500	1,000	(500)
Commodities	403	800	(397)
Total Animal Control	<u>5,033</u>	<u>3,300</u>	<u>1,733</u>
Outgoing Transfers			
Law Enforcement Fund	307,000	305,000	2,000
Fire Department Fund	50,000	50,000	-
Special Highway Fund	190,000	190,000	-
Total Outgoing Transfers	<u>547,000</u>	<u>545,000</u>	<u>2,000</u>
Total Expenditures	<u>1,344,717</u>	<u>\$ 1,522,382</u>	<u>\$ (177,665)</u>
Receipts Over (Under) Expenditures	142,926		
UNENCUMBERED CASH, January 1, 2022	350,938		
Prior Year Cancelled Encumbrances	<u>953</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 494,817</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2022

EQUIPMENT RESERVE FUND

	<u>Actual</u>
RECEIPTS	
Incoming Transfer	
Solid Waste Fund	<u>\$ 14,141</u>
EXPENDITURES	
Capital Outlay	<u>56,246</u>
Receipts Over (Under) Expenditures	(42,105)
UNENCUMBERED CASH, January 1, 2022	<u>785,205</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 743,100</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, 2022

LIBRARY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 59,087	\$ 61,008	\$ (1,921)
Delinquent Tax	1,814	2,500	(686)
Motor Vehicle Tax	14,778	10,006	4,772
Recreational Vehicle Tax	393	242	151
Excise Tax	7	1	6
16/20M Vehicle Tax	312	225	87
Commercial Vehicle Tax	664	336	328
Watercraft Tax	65	74	(9)
Neighborhood Revitalization Rebate	(1,149)	(931)	(218)
Total Receipts	<u>75,971</u>	<u>\$ 73,461</u>	<u>\$ 2,510</u>
EXPENDITURES			
Appropriation to Library Board	<u>75,971</u>	<u>\$ 77,500</u>	<u>\$ (1,529)</u>
Receipts Over (Under) Expenditures	-		
UNENCUMBERED CASH, January 1, 2022	<u>1,261</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 1,261</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, 2022

EMPLOYEE BENEFIT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 205,672	\$ 212,414	\$ (6,742)
Delinquent Tax	4,893	8,000	(3,107)
Motor Vehicle Tax	41,108	29,753	11,355
Recreational Vehicle Tax	1,083	720	363
Excise Tax	22	4	18
16/20M Vehicle Tax	726	668	58
Commercial Vehicle Tax	1,776	1,000	776
Watercraft Tax	195	219	(24)
Neighborhood Revitalization Rebate	(4,000)	(2,768)	(1,232)
Business Contributions	-	350,000	(350,000)
Miscellaneous	480	1,000	(520)
Reimbursements	1,631	3,500	(1,869)
	<u>253,586</u>	<u>\$ 604,510</u>	<u>\$ (350,924)</u>
EXPENDITURES			
Social Security & Medicare	33,617	\$ 110,000	\$ (76,383)
Retirement	39,217	110,000	(70,783)
Workman's Compensation	12,017	30,000	(17,983)
Unemployment Insurance	455	15,000	(14,545)
Life & Disability Insurance	975	6,000	(5,025)
Account Administration	606	2,000	(1,394)
Health Savings Account Contribution	-	2,000	(2,000)
Health Insurance	125,477	380,000	(254,523)
Other Insurance Premium	5,600	8,000	(2,400)
	<u>217,964</u>	<u>\$ 663,000</u>	<u>\$ (445,036)</u>
Receipts Over (Under) Expenditures	35,622		
UNENCUMBERED CASH, January 1, 2022	<u>136,266</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 171,888</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, 2022

SPECIAL PARKS & RECREATION FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Alcoholic Liquor Tax	\$ 9,558	\$ 8,000	\$ 1,558
EXPENDITURES			
Contractual Services	-	\$ 15,000	\$ (15,000)
Commodities	250	10,000	(9,750)
Capital Outlay	-	30,972	(30,972)
Total Expenditures	250	\$ 55,972	\$ (55,722)
Receipts Over (Under) Expenditures	9,308		
UNENCUMBERED CASH, January 1, 2022	42,023		
UNENCUMBERED CASH, December 31, 2022	\$ 51,331		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-6

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022

LAW ENFORCEMENT FUND

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
RECEIPTS			
Incoming Transfer			
General Operating Fund	\$ 307,000	<u>\$ 305,000</u>	<u>\$ 2,000</u>
EXPENDITURES			
Contractual Services	<u>307,145</u>	<u>\$ 325,001</u>	<u>\$ (17,856)</u>
Receipts Over (Under) Expenditures	(145)		
UNENCUMBERED CASH, January 1, 2022	<u>300</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 155</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, 2022

FIRE DEPARTMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Rural Fire Contracts	\$ 51,898	\$ 20,000	\$ 31,898
Sale of Equipment	775	-	775
Insurance Reimbursement	2,848	-	2,848
Miscellaneous	200	-	200
Incoming Transfer			
General Operating Fund	50,000	50,000	-
	<u>105,721</u>	<u>\$ 70,000</u>	<u>\$ 35,721</u>
EXPENDITURES			
City Fire Department			
Personal Services	5,076	\$ 20,000	\$ (14,924)
Contractual Services	7,985	15,000	(7,015)
Commodities	16,992	25,000	(8,008)
Capital Outlay	-	20,000	(20,000)
Rural Fire Department			
Contractual Services	8,996	20,000	(11,004)
Commodities	24,362	20,000	4,362
Capital Outlay	-	40,129	(40,129)
	<u>63,411</u>	<u>\$ 160,129</u>	<u>\$ (96,718)</u>
Receipts Over (Under) Expenditures	42,310		
UNENCUMBERED CASH, January 1, 2022	<u>84,530</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 126,840</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, 2022

SPECIAL HIGHWAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Highway Connecting Links	\$ 24,790	\$ 30,000	\$ (5,210)
Special Highway Tax	63,157	62,870	287
Sale of Equipment	-	5,000	(5,000)
Sales Tax Collected	-	500	(500)
Miscellaneous	-	5,000	(5,000)
Incoming Transfer			
General Operating Fund	<u>190,000</u>	<u>190,000</u>	<u>-</u>
Total Receipts	<u>277,947</u>	<u>\$ 293,370</u>	<u>\$ (15,423)</u>
EXPENDITURES			
Operating			
Personal Services	127,115	\$ 120,000	\$ 7,115
Contractual Services	10,018	60,000	(49,982)
Commodities	17,340	80,000	(62,660)
Capital Outlay	102,572	123,036	(20,464)
Administration			
Personal Services	4,917	5,000	(83)
Commodities	<u>288</u>	<u>500</u>	<u>(212)</u>
Total Expenditures	<u>262,250</u>	<u>\$ 388,536</u>	<u>\$ (126,286)</u>
Receipts Over (Under) Expenditures	15,697		
UNENCUMBERED CASH, January 1, 2022	<u>20,050</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 35,747</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, 2022

FIRE EQUIPMENT CAPITAL OUTLAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 23,635	\$ 24,401	\$ (766)
Delinquent Tax	725	1,500	(775)
Motor Vehicle Tax	5,911	4,002	1,909
Recreational Vehicle Tax	157	97	60
Excise Tax	3	1	2
16/20M Vehicle Tax	125	90	35
Commercial Vehicle Tax	266	135	131
Watercraft Tax	26	29	(3)
Neighborhood Revitalization Rebate	(460)	(372)	(88)
Miscellaneous	-	200	(200)
Nonfederal Grants & Gifts	4,818	-	4,818
Donations/Memorials	43	-	43
	<u>35,249</u>	<u>\$ 30,083</u>	<u>\$ 5,166</u>
EXPENDITURES			
Capital Outlay	<u>2,538</u>	<u>\$ 214,175</u>	<u>\$ (211,637)</u>
Receipts Over (Under) Expenditures	32,711		
UNENCUMBERED CASH, January 1, 2022	<u>335,159</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 367,870</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, 2022

INDUSTRIAL DEVELOPMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 11,817	\$ 12,201	\$ (384)
Delinquent Tax	363	700	(337)
Motor Vehicle Tax	2,956	2,001	955
Recreational Vehicle Tax	79	48	31
Excise Tax	1	4	(3)
16/20M Vehicle Tax	62	45	17
Commercial Vehicle Tax	133	67	66
Watercraft Tax	13	15	(2)
Neighborhood Revitalization Rebate	(230)	(186)	(44)
Miscellaneous	-	5,000	(5,000)
	<u>15,194</u>	<u>\$ 19,895</u>	<u>\$ (4,701)</u>
EXPENDITURES			
Contractual Services	-	\$ 62,780	\$ (62,780)
	<u>15,194</u>		
Receipts Over (Under) Expenditures			
UNENCUMBERED CASH, January 1, 2022	<u>85,171</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 100,365</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-11

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2022

FOUNDATION GRANTS FUND

	<u>Actual</u>
RECEIPTS	
Nonfederal Grant & Gifts	<u>\$ 151,500</u>
EXPENDITURES	
Contractual Services	23,667
Capital Outlay	<u>124,936</u>
Total Expenditures	<u>148,603</u>
Receipts Over (Under) Expenditures	2,897
UNENCUMBERED CASH, January 1, 2022	<u>3,669</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 6,566</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, 2022

CAPITAL IMPROVEMENT FUND

	<u>Actual</u>
RECEIPTS	
Local Retailers' Sales Tax	<u>\$ 295,396</u>
EXPENDITURES	
Street	
Capital Outlay	289,982
Airport	
Capital Outlay	<u>141,912</u>
Total Expenditures	<u>431,894</u>
Receipts Over (Under) Expenditures	(136,498)
UNENCUMBERED CASH, January 1, 2022	<u>580,164</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 443,666</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, 2022

PARTIALLY SELF-FUNDED HEALTH INSURANCE FUND

	<u>Actual</u>
RECEIPTS	
Interest on Idle Funds	\$ 17
Insurance Premiums	<u>68,710</u>
Total Receipts	<u>68,727</u>
EXPENDITURES	
Contractual Services	<u>87,885</u>
Receipts Over (Under) Expenditures	(19,158)
UNENCUMBERED CASH, January 1, 2022	<u>44,798</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 25,640</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-14

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022

RISK MANAGEMENT RESERVE FUND

	<u>Actual</u>
RECEIPTS	<u>\$ -</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2022	<u>20,000</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 20,000</u></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, 2022

ARPA GRANT FUND

	<u>Actual</u>
RECEIPTS	
Interest on Idle Funds	\$ 884
Federal Grant - ARPA	<u>186,565</u>
Total Receipts	<u>187,449</u>
EXPENDITURES	
Personal Services	90,397
Contractual Services	11,000
Capital Outlay	<u>77,737</u>
Total Expenditures	<u>179,134</u>
Receipts Over (Under) Expenditures	8,315
UNENCUMBERED CASH, January 1, 2022	<u>142,952</u>
UNENCUMBERED CASH, December 31, 2022	<u>\$ 151,267</u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-16

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022

CDBG - CV GRANT FUND

	<u>Actual</u>
RECEIPTS	
Federal Grant - CDBG-COVID	<u>\$ 8,996</u>
EXPENDITURES	
Grant Distribution	<u>8,996</u>
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2022	<u>-</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ -</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-17

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022

FIGHT ADDICTION FUND

	<u>Actual</u>
RECEIPTS	
Opioid Settlement Fund	<u>\$ 595</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	595
UNENCUMBERED CASH, January 1, 2022	<u>-</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 595</u></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, 2022

BOND & INTEREST FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 22,606	\$ 23,334	\$ (728)
Delinquent Tax	604	1,900	(1,296)
Motor Vehicle Tax	5,339	3,707	1,632
Recreational Vehicle Tax	138	90	48
Excise Tax	4	1	3
16/20M Vehicle Tax	82	83	(1)
Commercial Vehicle Tax	216	125	91
Watercraft Tax	25	27	(2)
Neighborhood Revitalization Rebate	(440)	(345)	(95)
Incoming Transfer			
Water & Sewer Utility Fund	110,000	122,000	(12,000)
Total Receipts	138,574	\$ 150,922	\$ (12,348)
EXPENDITURES			
Commission & Postage	6	\$ 100	\$ (94)
Reserve for Cash	-	23,080	(23,080)
General Obligation Bond Principal	55,000	55,000	-
General Obligation Bond Interest	4,115	4,115	-
Quanz Bond Principal	10,152	18,397	(8,245)
Quanz Bond Interest	1,802	1,534	268
Quanz Bond Service Fee	11,274	9,599	1,675
Water Meters Bond Principal	49,633	49,632	1
Water Meters Bond Interest	1,628	1,628	-
Water Meters Bond Service Fee	6,046	6,047	(1)
Total Expenditures	139,656	\$ 169,132	\$ (29,476)
Receipts Over (Under) Expenditures	(1,082)		
UNENCUMBERED CASH, January 1, 2022	20,162		
UNENCUMBERED CASH, December 31, 2022	\$ 19,080		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-19

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022

KDOT AIRPORT PROJECT FUND

	<u>Actual</u>
RECEIPTS	
State Grant - KDOT	\$ 224,495
Prior Year Cancelled Encumbrances	<u>18,127</u>
Total Receipts	<u>242,622</u>
EXPENDITURES	
Contractual Services	6,757
Capital Outlay	<u>1,277,207</u>
Total Expenditures	<u>1,283,964</u>
Receipts Over (Under) Expenditures	(1,041,342)
UNENCUMBERED CASH, January 1, 2022	<u>(263,891)</u>
UNENCUMBERED CASH, December 31, 2022	<u>\$ (1,305,233) *</u>

* 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, 2022

AIRPORT GRANT FUND

	<u>Actual</u>
RECEIPTS	
Federal Grant - FAA	<u>\$ 40,456</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	40,456
UNENCUMBERED CASH, January 1, 2022	<u>(40,456)</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ -</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-21

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022

KDOT STREET PROJECT FUND

	<u>Actual</u>
RECEIPTS	
State Grant - KDOT	<u>\$ 2,724</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	2,724
UNENCUMBERED CASH, January 1, 2022	<u>(3,468)</u>
UNENCUMBERED CASH, December 31, 2022	<u>\$ (744) *</u>

* See Note 3, Cash Basis Exceptions

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-22

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022

QUANZ RESERVOIR PROJECT FUND

	<u>Actual</u>
RECEIPTS	
KDHE Loan Proceeds	<u>\$ 10,568</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	10,568
UNENCUMBERED CASH, January 1, 2022	(35,593)
Prior Year Cancelled Encumbrances	<u>25,025</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ -</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-23

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022

CDBG WATER PROJECT FUND

	<u>Actual</u>
RECEIPTS	
Federal Grant - CDBG	<u>\$ 2,138</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	2,138
UNENCUMBERED CASH, January 1, 2022	<u>(2,138)</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ -</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-24
Page 1 of 2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022

WATER & SEWER UTILITY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Water Department			
Water Sales	\$ 979,336	\$ 900,000	\$ 79,336
Penalties	8,927	11,000	(2,073)
Sales Tax Collected	17,518	15,000	2,518
Miscellaneous	1,968	2,000	(32)
Coin Machine Water Sales	1,747	1,500	247
Water Protection Fee	4,714	5,000	(286)
Sale of Equipment	3,994	500	3,494
Return Check Charge	430	500	(70)
Connects/Disconnects	6,060	11,000	(4,940)
Total Water Department	<u>1,024,694</u>	<u>946,500</u>	<u>78,194</u>
Sewer Department			
Sewer Charges	444,675	425,000	19,675
Penalties	3,890	-	3,890
Sewer Dump Station Fees	2,725	3,000	(275)
Miscellaneous	9	-	9
Total Sewer Department	<u>451,299</u>	<u>428,000</u>	<u>23,299</u>
Total Receipts	<u>1,475,993</u>	<u>\$ 1,374,500</u>	<u>\$ 101,493</u>
EXPENDITURES			
Water Department			
Water Production			
Personal Services	69,090	\$ 120,000	\$ (50,910)
Contractual Services	96,640	130,000	(33,360)
Commodities	41,050	100,000	(58,950)
Capital Outlay	24,540	125,000	(100,460)
Total Water Production	<u>231,320</u>	<u>475,000</u>	<u>(243,680)</u>
Water Transmission & Distribution			
Personal Services	320,620	290,000	30,620
Contractual Services	88,015	200,000	(111,985)
Commodities	108,528	200,000	(91,472)
Capital Outlay	36,803	20,000	16,803
Total Water Transmission & Distribution	<u>553,966</u>	<u>710,000</u>	<u>(156,034)</u>
Water Commercial & General			
Personal Services	66,052	105,000	(38,948)
Contractual Services	22,793	75,000	(52,207)
Commodities	1,365	31,455	(30,090)
Total Water Commercial & General	<u>90,210</u>	<u>211,455</u>	<u>(121,245)</u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-24
Page 2 of 2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022

WATER & SEWER UTILITY FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Water Department (Cont.)			
Water Non-Operating			
Sales Tax	\$ 17,198	\$ 30,000	\$ (12,802)
Water Protection Fee	3,184	20,000	(16,816)
Clean Drinking Water Fee	2,985	15,000	(12,015)
Outgoing Transfers			
Equipment Reserve Fund	-	100,000	(100,000)
Bond & Interest Fund	110,000	122,000	(12,000)
Total Water Non-Operating	133,367	287,000	(153,633)
Total Water Department	1,008,863	1,683,455	(674,592)
Sewer Department			
Sewer Commercial & General			
Personal Services	107,827	110,000	(2,173)
Contractual Services	91,845	150,000	(58,155)
Commodities	134,610	100,000	34,610
Capital Outlay	-	70,000	(70,000)
Total Sewer Commercial & General	334,282	430,000	(95,718)
Sewer Administration			
Personal Services	38,637	50,000	(11,363)
Contractual Services	10,275	50,000	(39,725)
Commodities	863	5,000	(4,137)
Capital Outlay	-	200,000	(200,000)
Total Sewer Administration	49,775	305,000	(255,225)
Total Sewer Department	384,057	735,000	(350,943)
Outgoing Transfers			
Equipment Reserve Fund	-	250,000	(250,000)
Total Expenditures	1,392,920	\$ 2,668,455	\$ (1,275,535)
Receipts Over (Under) Expenditures	83,073		
UNENCUMBERED CASH, January 1, 2022	863,428		
UNENCUMBERED CASH, December 31, 2022	\$ 946,501		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-25

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022

SOLID WASTE FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Fees Collected	\$ 414,999	\$ 390,000	\$ 24,999
Penalties	3,983	-	3,983
Sales Tax Collected	302	1,000	(698)
Sale of Dumpsters	-	3,000	(3,000)
Equipment Rental	1,425	4,000	(2,575)
Miscellaneous	-	2,000	(2,000)
Yard Waste Receipts	6,444	8,000	(1,556)
Sale of Equipment	3,360	-	3,360
	<u>430,513</u>	<u>\$ 408,000</u>	<u>\$ 22,513</u>
EXPENDITURES			
Operating			
Personal Services	152,425	\$ 150,000	\$ 2,425
Contractual Services	111,052	150,000	(38,948)
Commodities	22,190	50,000	(27,810)
Capital Outlay	-	100,000	(100,000)
Administration			
Personal Services	43,522	100,000	(56,478)
Contractual Services	9,690	100,000	(90,310)
Commodities	1,114	30,000	(28,886)
Capital Outlay	-	16,230	(16,230)
Outgoing Transfer			
Equipment Reserve Fund	14,141	50,000	(35,859)
	<u>354,134</u>	<u>\$ 746,230</u>	<u>\$ (392,096)</u>
Receipts Over (Under) Expenditures	76,379		
UNENCUMBERED CASH, January 1, 2022	<u>218,907</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 295,286</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-26

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022

AQUATIC CENTER FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Retailers' Sales Tax	\$ 590,792	\$ 500,000	\$ 90,792
Swimming Pool Concessions	13,857	12,000	1,857
Swimming Lessons	4,820	5,000	(180)
Swimming Pool Tickets	21,838	21,000	838
Sales Tax Collected	1,247	1,000	247
Miscellaneous	-	1,000	(1,000)
	<u>632,554</u>	<u>\$ 540,000</u>	<u>\$ 92,554</u>
EXPENDITURES			
Administration			
Personal Services	39,456	\$ 50,000	\$ (10,544)
Contractual Services	6	50,000	(49,994)
Commodities	100	10,000	(9,900)
Lease Payment	217,767	250,000	(32,233)
Operating			
Personal Services	68,360	75,000	(6,640)
Contractual Services	30,338	60,000	(29,662)
Commodities	13,949	50,000	(36,051)
Capital Outlay	-	11,052	(11,052)
Swimming Pool			
Personal Services	85,744	100,000	(14,256)
Contractual Services	23,955	50,000	(26,045)
Commodities	26,782	40,000	(13,218)
Capital Outlay	5,237	32,000	(26,763)
	<u>511,694</u>	<u>\$ 778,052</u>	<u>\$ (266,358)</u>
Receipts Over (Under) Expenditures	120,860		
UNENCUMBERED CASH, January 1, 2022	<u>185,640</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 306,500</u>		

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 2-27

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2022

ENDOWMENT FUND

	<u>Actual</u>
RECEIPTS	
Interest on Idle Funds	<u>\$ 74</u>
EXPENDITURES	
Commodities	<u> 21</u>
Receipts Over (Under) Expenditures	53
UNENCUMBERED CASH, January 1, 2022	<u> 19,286</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 19,339</u></u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 3

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2022

AGENCY FUNDS

FUNDS	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Municipal Court Bonds	\$ -	\$ 2,282	\$ 2,282	\$ -
Employee Flex Benefits	12,695	78,264	78,460	12,499
Meter Deposit	21,090	6,790	6,430	21,450
Fire Insurance Proceeds	-	1,635	-	1,635
Total	\$ 33,785	\$ 88,971	\$ 87,172	\$ 35,584

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, 2022

PUBLIC BUILDING COMMISSION
AQUATIC CENTER BOND & INTEREST FUND

	<u>Actual</u>
RECEIPTS	
Lease Income	\$ 217,767
Interest on Idle Funds	<u>1,848</u>
Total Receipts	<u>219,615</u>
EXPENDITURES	
Principal Payment	185,000
Interest Expense	<u>34,000</u>
Total Expenditures	<u>219,000</u>
Receipts Over (Under) Expenditures	615
UNENCUMBERED CASH, January 1, 2022	<u>86,271</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 86,886</u></u>

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, 2022

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, 2022	<u>138,555</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 138,555</u></u>

CITY OF PHILLIPSBURG, KANSAS
ADDITIONAL SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 5

WATER AND SEWER UTILITY ALLOCATION
For the Year Ended December 31, 2022

SUMMARY FROM
WATER & SEWER UTILITY FUND

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
RECEIPTS	<u>\$ 1,024,694</u>	<u>\$ 451,299</u>	<u>\$ 1,475,993</u>
EXPENDITURES	<u>1,008,863</u>	<u>384,057</u>	<u>1,392,920</u>
Receipts Over (Under) Expenditures	15,831	67,242	83,073
UNENCUMBERED CASH, January 1, 2022	<u>126,229</u>	<u>737,199</u>	<u>863,428</u>
UNENCUMBERED CASH, December 31, 2022	<u>\$ 142,060</u>	<u>\$ 804,441</u>	<u>\$ 946,501</u>

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Schedule 6

EQUIPMENT RESERVE ALLOCATION

For the Year Ended December 31, 2022

	<u>Office</u>	<u>Solid Waste</u>	<u>Water</u>	<u>Sewer</u>	<u>Aquatic Center</u>	<u>Undesignated</u>	<u>Total</u>
Receipts	<u>\$ -</u>	<u>\$ 14,141</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,141</u>
Expenditures	<u>-</u>	<u>10,240</u>	<u>23,003</u>	<u>-</u>	<u>-</u>	<u>23,003</u>	<u>56,246</u>
Receipts Over (Under) Expenditures	<u>-</u>	<u>3,901</u>	<u>(23,003)</u>	<u>-</u>	<u>-</u>	<u>(23,003)</u>	<u>(42,105)</u>
UNENCUMBERED CASH, January 1, 2022	<u>67,426</u>	<u>20,690</u>	<u>220,892</u>	<u>139,337</u>	<u>50,000</u>	<u>286,860</u>	<u>785,205</u>
UNENCUMBERED CASH, December 31, 2022	<u>\$ 67,426</u>	<u>\$ 24,591</u>	<u>\$ 197,889</u>	<u>\$ 139,337</u>	<u>\$ 50,000</u>	<u>\$ 263,857</u>	<u>\$ 743,100</u>

CITY OF PHILLIPSBURG, KANSAS
UNAUDITED ADDITIONAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

CITY OF PHILLIPSBURG
Phillipsburg, Kansas

Exhibit 1

UNAUDITED ADDITIONAL INFORMATION
December 31, 2022

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.

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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>	
	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%	
	2013	4.20%	

	<u>Civilian Work force</u>	<u>Total Employed</u>	<u>Unemployed</u>
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
2013	3,048	2,920	128

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
Summit Sustainable Ingredients, LLC	Ethanol & Distillers Grain
Coomes, Inc.	Transportation
Mineral-Right, Inc.	Water Treatment Products

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CLIMATE

Average daily temperature:	
January:	27 degrees
April:	54 degrees
July:	79 degrees
October:	55 degrees
 Average annual precipitation:	 24 inches
Average annual snowfall:	21 inches

BANK DEPOSITS - Phillipsburg - December 31

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	298,336,493	2018	313,959,643
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

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

GROSS RETAIL SALES - Phillips County

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	160,523,074	2018	146,155,180
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

PHILLIPSBURG CITY SALES TAX COLLECTED BY STATE OF KANSAS

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	834,992	2018	808,424
2014	822,148	2019	819,954
2015	799,621	2020	804,957
2016	762,991	2021	838,673
2017	789,280	2022	941,618

TAXABLE RETAIL SALES - Phillipsburg City

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	37,754,811	2018	40,421,212
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

TAXABLE RETAIL SALES - Phillips County

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	55,559,592	2018	61,495,202
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

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

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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.

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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 Phillipburg	Phillips County	USD #325	Other	State	Total
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
2013	2014	54.045	102.190	49.445	1.452	1.500	208.632

ASSESSED VALUATION HISTORY

Year	Assessed Valuation of Taxable Tangible Property	Tangible Valuation of Motor Vehicles	Equalized Assessed Valuation of Taxable Tangible Property
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
2013	\$ 10,047,051	\$ 2,738,728	\$ 12,785,779

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CITY'S AUTHORITY TO INCUR DEBT

Equalized Assessed Valuation of Tangible Valuation For Computation of Bonded Debt Limitations	\$ 15,535,781
Legal limitation of Bonded Debt	\$ 4,660,734
Outstanding general obligation debt as of December 31, 2022	\$ 110,000
Exempt Debt	\$ 110,000
Net Debt against Statutory Debt limit capacity	\$ -
Additional debt capacity	\$ 4,660,734
Direct debt per capita	\$ 45
Overlapping Indebtedness	\$ 747,007
Direct and overlapping debt	\$ 857,007
Direct and overlapping debt per capita	\$ 354
Direct debt as a percentage of Equalized Assessed Valuation	0.71%
Direct and overlapping debt as a percentage of Equalized Assessed Valuation	5.52%
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, 2022, and the percent attributable (on the basis of assessed valuation) to the City.

Taxing Jurisdiction	2022 Assessed Valuation	Outstanding General Obligation Indebtedness	Percent Applicable to the City	Amount Applicable to the City
Phillips County	\$ 71,600,899	\$ 4,131,597	18.08%	\$ 747,007
U.S.D. #325	\$ 69,252,349	\$ -	18.69%	\$ -

Outstanding General Obligation Debt (As of December 31, 2022)

Description of Indebtedness	Series	Original Amount	Amount Outstanding	Amount Included In Debt Limitation
2015 G.O. Bonds	2015	\$ 1,635,000	\$ 110,000	\$ -

Temporary Notes Outstanding (As of December 31, 2022)

None are outstanding as of December 31, 2022.

Revenue Bonds Outstanding (As of December 31, 2022)

None are outstanding as of December 31, 2022.

Outstanding Public Building Commission Revenue Bonds (As of December 31, 2022)

Description of Indebtedness	Series	Original Amount	Amount Outstanding
PBC Revenue Bonds	2020	\$ 1,875,000	\$ 1,515,000

Loans Outstanding (As of December 31, 2022)

Description of Indebtedness	Series	Original Amount	Amount Outstanding
Kansas Public Water Supply	2018	\$ 583,038	\$ 434,636
Kansas Public Water Supply	2020	\$ 535,329	\$ 427,835

Capital Lease Obligations (As of December 31, 2022)

None are outstanding as of December 31, 2022.

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