

# OSAWATOMIE CITY COUNCIL

## AGENDA

December 12, 2013

6:30 p.m., Memorial Hall

1. Call to order
2. Roll Call
3. Pledge of Allegiance
4. Invocation – John Wastlund, Osawatomie Wesleyan Church
5. Consent Agenda
  - Consent Agenda items will be acted upon by one motion unless a Council member requests an item be removed for discussion and separate action*
  - A. Approve Minutes of November 14 Council Meetings
  - B. Approve December 12 Agenda
  - C. Appropriation Ordinance 2013-11
6. Presentations; Comments from the Public
  - A. John Wastlund, Osawatomie Wesleyan Church
  - B. Public Comments
    - Citizen participation will be limited to 5 minutes. Please stand & be recognized by the Mayor.*
7. Public Hearing – None
  - A. 2013 Budget Amendments Hearing
8. Unfinished Business
  - A. Approve the 2013 Budget Amendment
  - B. Street Sweeper Lease Purchase Financing
  - C. Contract Addendum with BG Consultants
9. New Business
  - A. Appointments – none
  - B. 2014 CMB Licenses
  - C. Volunteer Firefighter Stipends (at the request of Councilwoman Martin)
  - D. Executive Session – Security Information (15 min)
  - E. Concealed Carry Waiver
10. Council Reports
11. Mayor's Report
12. City Manager's Report
13. Executive Session – Financial Information and Trade Secrets of a Business (15 min)
14. Executive Session – Non-Elected Personnel (15 min)
15. Adjournment

*REGULAR MEETING – December 19, 2013*

*REGULAR MEETING – January 9, 2013*

November 14, 2013. The Council meeting was held in Memorial Hall. Mayor Govea called the meeting to order at 6:30 p.m. Council members present were Dickinson, Farley, Hampson, Hunter, LaDuex, and Martin. Absent were Maichel and Walmann. Also present were City Manager Cawby, City Attorney Wetzler, and City Clerk Elmquist. Visitors were John Marshall, Vickie Bechtel, Tim & Bridget Lewallen, Dave French, Robert Kerr, Ben Maimer, and Coleen Truelson.

**INVOCATION.** Tim Lewallen with the Victory Baptist Church delivered the invocation.

**CONSENT AGENDA.** Approval of the minutes of October 10 and October 24 Council Meetings, approval of November 14 Agenda, and approval of Appropriation Ordinance 2013-10. Motion made by LaDuex, seconded by Hunter to approve November 14 Agenda and Appropriation Ordinance 2013-10. Motion made by Hunter, seconded by Martin to approve amended minutes. Yeas: All.

Presentations, Comments from the Public:

Tim Lewallen is the assistant pastor at Victory Baptist Church. His focus is on the youth and he also is available for counseling.

Public Hearings: none

Unfinished Business:

**KDHE SEWER REVOLVING LOAN AGREEMENT.** The final step in the KDHE revolving loan process for the sewer plant project is to authorize the loan agreement. Motion made by LaDuex, seconded by Martin to approve the Ordinance authorizing the signing of the Loan Agreement. Yeas: All. The Ordinance was assigned No. 3716.

New Business:

**APPOINTMENTS.** none

**LMI SURVEY CONTRACT.** The City needs to perform a Low to Moderate Income (LMI) survey to be eligible for CDBG grants. Because of Federal problems, the City was unable to apply in 2012 or 2013. According to the state, the survey would be good until the City receive census numbers in 2022. Donna Crawford, Governmental Assistance Services (GAS), provided a bid of \$26,284 for conducting a door to door survey. The survey is to be completed by September 15, 2014 which provides adequate time to complete a 2014 CDBG application. Motion made by LaDuex, seconded by Hunter to approve the contract with GAS for \$26,284. Yeas: All

**STREET SWEEPER PURCHASE.** Several bids were received for new and used equipment to replace the street sweeper.

Year	Make	Model	Hours	Mileage	Price	Options	Status	Warranty
2005	Elgin	Eagle	5,472	46,018	95,000	Repaint - \$5,000	Will be rebuilt	90 days, less eng.
2008	Elgin	Eagle	2,345	52,057	151,000	none	As is, good condition	None
2010	Elgin	Eagle	78,925	4,772	155,000	none	As is, good condition	None
2013	Elgin	Eagle	new	new	256,495	none	new	unknown
2014	Tymo	600 - Regen Air	new	new	180,275	Hose/Cleaning Package	demo unit	unknown
2014	Tymo	600 - Regen Air	new	new	185,872	new	demo unit	unknown

Staff recommends purchase of the rebuilt 2005 Elgin Eagle truck mounted unit. Motion made by Hunter, seconded by LaDuex to authorize the City Manager to purchase the 2005 Elgin Eagle sweeper for

an amount not to exceed \$100,000 and to secure and execute a four-year lease purchase on the sweeper. Yeas: All.

**PLANT RELAY UPGRADES.** City Manager Cawby recommended an upgrade of the switch relays in the Power Plant—because of the problems experienced with switching power back in after a power outage from KCPL. The money will come from the \$45,000 budgeted for the breaker replacement. The replacement of the relays was estimated at \$29,088 by Mid-States Energy Works, the City's plant repair contractor. The new relays maintain a history file that tells when a fault happened, what phases were affected, and how much current was flowing at the time. If a SCADA control system is installed in the future, the relays can be monitored and controlled from a remote location. Motion made by Hunter, seconded by Hampson to approve the purchase and installation of the relays through Mid-States Energy Works for \$29,088. Yeas: All.

**PROPOSED BUDGET AMENDMENTS.** The issues of the funds needing amending were discussed. The funds were the General Operating Fund, Refuse Fund, Industrial Fund, Special Parks and Recreation Fund, Golf Course Fund, and Tourism Fund. Set public hearing for December 13.

**EMPLOYEE INCREASES.** City Manager Cawby presented options for increases for 2014 and the funding impact of each. Motion made by Hunter, seconded by Martin to approve .5% COLA, \$.15 rate increase, and a \$350 bonus. Yeas: All.

Council Reports:

Hampson: The Parks & Recreation Committee is working on different programs. There is an upcoming Ping Pong Tournament. Still looking at the Cal Ripken baseball program or going with something else.

Hunter: Economic & Community Development is searching for opportunities. The good and the bad about the community are being looked at.

LaDuex: Had the inaugural Border Wars Barbeque sanctioned contest. It was sponsored by the John Brown Foundation with a lot of cooperation from the City. There were a lot of positive comments said about the community. Were hoping for 10-15 entrants and had 27 compete.

Farley: The event was well put on and was one of the judges. Had talked with the City Manager about the public making an issue of the new Police Station needing to be inspected.

Mayor's Report: Attended the annual Miami County Elected Officials and Leadership Dinner. LKM is having a regional supper November 20. Selected northeast regional representative for LKM.

City Manager's Report: none

**EXECUTIVE SESSION – PERSONNEL MATTER OF NONELECTED PERSONNEL.** At 8:30 p.m. motion was made by Hunter, seconded by Hampson to recess into executive session for the purpose of discussing personnel matter of nonelected personnel, with City Attorney Wetzler to be present; and that the Council would reconvene the open meeting in this room at 8:50 p.m. Yeas: All. Meeting reconvened at 8:50 p.m. No action taken.

Motion made at 7:43 p.m. by Hunter, seconded by LaDuex to adjourn. Yeas: All.

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Ann Elmquist, City Clerk

# Record of Ordinances

ORDINANCE NO. 2013-11

DATE WARRANTS ISSUED:  
November 30, 2013

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AN ORDINANCE MAKING APPROPRIATION FOR THE PAYMENT OF CERTAIN CLAIMS.

Be it ordained by the Governing Body of the City of Osawatomie, Kansas

Section 1. That in order to pay the claims hereinafter stated which have been properly audited and approved, there is hereby appropriated out of the respective funds in the city treasury the sum required for each claim.

CLAIMANT	NATURE OF CLAIM OR SERVICE	CLAIM NUMBER	AMOUNT
KMEA	SPA Hydro Electricity	1405	2,705.83
KMEA	WAPA Hydro Electricity	1406	9,087.73
Century 21, Pool Realty	Commission	42726	1,500.00
Crawford Sales Company	Budweiser	42727	160.00
Classic Wood	Red Oak Bookcase	42728	493.00
AT&T	RTU'S	42729	221.96
Baker & Taylor	Books	42730	1,134.61
Bradley Air Conditioning	Replaced Belt and Filters	42731	485.89
Brenntag Mid-South, Inc.	Carbon Activ Aqua Nuchar	42732	16,511.58
Campbell Fire Protection	Fire Extinguisher Maintenance	42733	80.00
Champion Brands, LLC	Oil	42734	636.55
City of Osawatomie	Utilities	42735	11,046.99
CPI Tools	Cap Screw, Washer	42736	13.65
Edelman-Lyon Company	Replace Sensor in Front	42737	453.30
Family Center Farm & Home	Coupling, Reducer	42738	1,593.02
Helena Chemical Co.	Fescue	42739	616.15
Home Depot Credit Services	Conduit, Wallplates, Covers	42740	369.25
Th J.P. Cooke Co.	Animal Tags	42741	57.38
John Deere Landscapes	Total Vegetation Control	42742	710.34
Kansas City Wilbert	Grave Opeings	42743	750.00
Kansas Dept of Commerce	JTC Oil Lease-Dec	42744	1,000.00
Kansas One Call System	Locates	42745	32.40
Kansas State Treasurer	Training Funds	42746	807.50
Kelcon Technologies, Inc.	Remoted onto Email Server	42747	990.00
Killough Construction, Inc.	Asphalt	42748	137.00
Kriz-Davis Company	Ele Ballast	42749	8,403.62
Louisburg Ford Sales, Inc.	Nuts & Screws	42750	160.26
Lybarger Oil, Inc.	Fuel	42751	6,443.65
Mission Communications, LLC	Service Package Renewal	42752	1,258.20
Moon's Hometown Market	Buns, Chips	42753	884.24
Navrat's Office Products, Inc.	Receipt Books	42754	369.54
Pace Analytical Services, Inc.	Analytical Service	42755	301.00
Paola Do It Best Hardware	Caps, Plugs	42756	125.94
Precision Glass	Bronze Annealed Window	42757	74.38
Quill Corporation	Shredder, Ink Cartridge, Candy	42758	182.88
Rural Water Dist. #1	Service	42759	177.21
Suddenlink	Internet	42760	59.95
Triplett, Woolf & Garetson	Bond Counsel	42761	4,602.48
UPS Store	Package	42762	29.76
Wade Quarries	Gravel	42763	807.68

CLAIMANT	NATURE OF CLAIM OR SERVICE	CLAIM NUMBER	AMOUNT
Winkler, Domoney & Schultz	Municipal Court Judge	42764	2,060.00
Winterscheid Auto Parts	Filters, Battery, Headlight Switch	42765	1,239.67
ABA Pump Supply	Diagnostics and Repair Kit	42766	1,922.84
Altec Industries	Diagnose Leak in Upper Boom	42767	428.06
Bollings Bargain	100' Tape, Blue Chalk Line, Strap	42768	17.35
California Contractors Supplies	Cleaning Wipes, Impact Socket Set	42769	409.85
Chris Café	Food for Bands and Meet and Greet	42770	100.00
Dish Network	Service	42771	94.81
EMG, Inc.	Energy Consulting	42772	1,093.23
Environmental Laboratories, Inc.	Wastewater Sample Analysis	42773	240.00
Gallagher Benefit Services, Inc.	Administrative Fee	42774	382.00
HD Waterworks	Clamps, Inserta Valve	42775	7,445.72
Kansas Dept of Health & Environement	Water Operator Certificate	42776	20.00
Kansas Dept of Health & Environement	Analytical Services	42777	536.00
L&K Services, Inc.	Refuse	42778	32,832.26
Madden Rental	Portable Toilet Rental	42779	500.00
Miami County Fire District #1	Emergency Reporting	42780	310.50
Oil Patch Pump & Supply, Inc.	PVC Cap, Nipple	42781	7.25
Olathe Winwater Works	Clamps	42782	356.00
Osawatomie Chamber of Commerce	Appropriation	42783	10,000.00
Pepsi	Pop, CO2	42784	213.08
R&L Fire & Security Specialists	Monitoring Alarm System	42785	143.40
Red Bud Supply, Inc.	Exit Signs, Safety Glasses	42786	616.61
Salsbury Industries	Lockers	42787	2,727.00
Stanion Wholesale Electric Co	300 Amp Lighting Contractor, Clamps	42788	3,276.90
Suddenlink	Internet	42789	74.24
Turfwerks	Repair Irrigation System	42790	345.51
Visa	Lodging, DVD's Craft Supplies	42791	1,229.67
Visa	Lodging, Training Tables & Chairs	42792	3,287.84
Brad Waggoner	Pro Shop-Oct	42793	205.74
WinPro Solutions	Towels	42794	182.74
KMEA	GRDA Electricity	1407	81,909.75
Kansas Dept. of Revenue	Sales Tax	1408	9,004.84
Kansas Dept. of Revenue	Sales Tax	1409	295.06
Kansas Dept. of Revenue	Compensating Use Tax	1410	219.39
KMEA	EMP Electricity	1411	8,179.48
KMEA	Nearman Electricity	1412	27,184.61
City of Osawatomie	Petty Cash Reimbursement	1413	1,290.51
Reserve	Postage	42795	1,200.00
Don Cawby	Mileage, Meals, Transportation	42796	1,418.66
Applied Maintenance	Terry Lined Gloves, Screwdriver, Grip	42797	178.80
Baker & Taylor	Books	42798	408.27
BG Consultants	Consulting Services	42799	12,076.00
Brewers Automotive Repair	Trailer Tires, Batteries, Shorten Tailpipe	42800	399.30
BSN Sports	Basketballs, Vests	42801	440.42

## Record of Ordinances

DATE WARRANTS ISSUED:  
November 30, 2013

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CLAIMANT	NATURE OF CLAIM OR SERVICE	CLAIM NUMBER	AMOUNT
California Contractors Supplies, Inc.	14" Plastic Ties	42802	159.98
Century Link	RTU's	42803	236.56
Classic Wood, LLC	DVD Storage Cabinet	42804	490.00
Computers & More, LLC	Books	42805	168.00
Deaf Expression, Inc.	Interpreter	42806	215.10
Delta Dental	Dental Insurance	42807	2,969.19
Demco	CD 2 Ring Album, Labels	42808	219.52
Design Mechanical, Inc.	Replaced Old Condensate Piping	42809	1,967.85
Digital Graphics	LaserJet Toner	42810	174.43
Employee Screening Services	Drug Testing	42811	228.00
Exline	Emissions Testing	42812	11,600.00
Grainger	Wall Mount Heater	42813	201.38
Hasty Awards	Trophies and Awards	42814	65.82
Kansas City Power & Lights	Service	42815	1,180.79
Kansas Gas Service	Services	42816	2,752.38
Kansas Municipal Utilities	Registration-Power Plant Operator	42817	195.00
Kansas Recreation and Park Assoc	Membership	42818	275.00
KC Bobcat	Pin, Bushing, Cup Seal	42819	493.06
Kelcon Technologies, Inc.	Server Maintenance, Restarted Switch	42820	660.00
Killough Construction, Inc.	Asphalt	42821	1,088.50
Konecranes	2013 OSHA Compliance & Maintenance	42822	800.00
L&K Services, Inc.	Refuse	42823	460.00
Logan Contractors Supply, Inc.	Flags, Nails, Ear Plugs	42824	143.50
Miami County Sheriff's Office	Prisoner Care	42825	840.00
Monoprice, Inc.	Network Cables, Jacks, Wall Plates	42826	300.95
NEKLS	Registration, Domain Renewal	42827	150.25
NPG Newspapers	Wastewater Improvements Notice	42828	422.71
Osawatomie Pet Clinic	Examination	42829	328.25
Postmaster	Utility Billing	42830	1,000.00
Precision Glass	Adjust Doors and Install Door Sweep	42831	96.00
Reelectric Supply Company, LLC	Molded Cases, Circuit Breakers	42832	2,138.00
Ricoh Americas Corp.	Copier Lease	42833	183.90
Ricoh Americas Corp.	Copier Lease	42834	289.00
Ricoh Americas Corp.	Copies-PD	42835	973.64
Sprint	Services	42836	30.49
Suddenlink	Internet	42837	59.95
Superior Lamp, Inc.	4' Bulbs and LEDS	42838	1,409.39
Superior Vision	Vision Insurance	42839	582.32
Debbie Talley	Memorial Hall Janitorial	42840	375.00
Tri-county Ice Co., Inc.	Ice Machine	42841	50.00
Elizabeth Trigg	Postage, Index Cards, Books, Donuts	42842	100.59
United Healthcare	Health Insurance	42843	29,951.21
Westfall GMC Truck, Inc.	Thermostat, Gasket	42844	71.23
Wycoff's Locksmithing	Rekey Lock	42845	139.80
Zep Sales	Ice Melt	42846	54.00





## STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** December 12, 2013

**AGENDA ITEM:** 2013 Budget Amendment

**PRESENTER:** Don Cawby, City Manager

**ISSUE SUMMARY:** At the last meeting we reviewed our projected year end budget and identified budget amendments which needed to be made.

I have again included several summary spreadsheets and which provide the estimated status of the funds which require budget amendments. I have also included an official copy of the final budget amendment certification which each of you will need to sign.

**General Operating Fund.** This summer we revised the approved 2013 budget to increase by approximately \$72,000. The increase in the current year was for accounting changes in motor fuels, insurance and street department expenditures. Also, we added \$20,000 in housing demolition for 2013 which was not in the original budget and we expected court expenses to rise by about \$8,000. Now that we are a few weeks away from the end of the year, we are estimating that increase to only be around \$50,000. I expect us to underspend this amount, but am leaving room for emergencies or surprises.

**Refuse Fund.** The fund projects to have about \$15,800 in expenditures for 2013. This fund is essentially revenue neutral as the expenses and receipts are borne by L&K Services.

**Industrial Fund.** The expenditure limit needs to be increased by \$27,500 to cover the expenditure for the Zoysia at the Golf Course. The project was actually \$42,000 and was not conceived until 2013.

**Special Parks and Recreation Fund.** The Special Parks and Recreation Fund expenditure limit needs to be increased to cover the additional \$42,000 spent for the installation of playground equipment and mulch at the sports complex. The budget is only being increased by just under \$35,000 as the program had operational savings to cover the other costs associated with the



project. The increase amount is also equal to the grant we received from the Baehr Foundation for the project.

**Golf Course Fund.** As we have discussed, we have a significant shortfall in the Golf Course Fund for 2013 and need a budget amendment for approximately \$31,000 to cover expenses for this year. The Golf Course budget was established at about \$10,000 below 2012 expenses. There was a hope we could realize savings in 2013 because of personnel changes and the elimination of the golf cart loan payment. Instead, on the expenditure side, we made an accounting change which moved \$6,000 in insurance costs to the golf course. We also had the cart shed repair expenses of \$10,500, an unexpected debt payment of \$4,000 to fix a calculation error by the lender when we refinanced, and sales tax payments (which were not budgeted) of approximately \$6,000. These changes along with an increase in salaries, created about a \$31,000 increase over what we expected.

I met Monday with the Golf Course Advisory Board and I think we made some real strides in addressing some of the root problem. I plan to have an operation plan to present to the Council in January which will include a change in the fee structure, management of the course, and possibly operational changes. At the same time I will investigate second party operator option, but I don't expect much of a response.

I also plan to discuss the issue with the Economic & Community Development Committee in January for some guidance on this issue, as it affects quality of life and business recruitment.

**Tourism Fund.** Expenditures are estimated to be approximately \$19,000 over the original budget. This increase is caused by activities related to the John Brown Jamboree and the increase in event activities for 2013.

**COUNCIL ACTION NEEDED:** Conduct the public hearing and consider approval of the 2013 budget amendment.

**STAFF RECOMMENDATION TO COUNCIL:** Approve the budget amendment for 2013 and sign the certification page for submission to the County Clerk.

**Amended  
Certificate  
For Calendar Year 2013**

To the Clerk of Miami, State of Kansas  
We, the undersigned, duly elected, qualified, and acting officers of  
**City of Osawatomie**  
certify that: (1) the hearing mentioned in the attached publication was held;(2) after the Budget Hearing this Budget was duly approved and adopted as the maximum expenditure for the various funds for the year.

Table of Contents:			2013 Amended Budget		
<b>Fund</b>	<b><u>K.S.A.</u></b>	<b>Page No.</b>	<b>Amount of 2012 Tax that was Levied</b>	<b>Adopted 2013 Expenditures</b>	<b>Proposed Amended 2013 Expenditures</b>
General Fund	12-101a	2	576,535	2,140,661	2,190,000
Refuse Fund		3		376,700	392,500
Industrial Fund	12-1617h	4		41,500	69,000
Special Parks & Rec Fund		5		240,278	275,000
Public Safety Equipment Fund	12-110b	6			9,855
Golf Course Fund		7		249,090	280,000
Tourism Fund		8		46,250	65,000
<b>Totals</b>		xxxxxxxx	576,535	3,048,229	3,216,354
Summary of Amendments					

Attested date: \_\_\_\_\_

\_\_\_\_\_  
County Clerk

Assisted by:  
\_\_\_\_\_

Address:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Email:  
\_\_\_\_\_

\_\_\_\_\_  
Governing Body

**Revenue Changes  
2013**

<u>No.</u>	<u>Fund</u>	<u>Budgeted Revenues</u>	<u>Rev. Budget Revenues</u>	<u>Change</u>	<u>Final Est. Revenues</u>	<u>Change from Original</u>	<u>Change from Revised</u>
1	General Operating Fund	\$ 2,184,577	\$ 2,234,063	\$ 49,485	\$ 2,205,084	\$ 20,507	\$ (28,978)
2	Water Fund	823,124	877,049	53,925	798,339	(24,785)	(78,710)
3	Electric Fund	4,038,147	3,992,258	(45,889)	3,652,078	(386,069)	(340,180)
4	Employee Benefit Fund	634,419	618,395	(16,024)	629,872	(4,547)	11,477
5	Refuse Fund	377,000	377,000	-	386,734	9,734	9,734
6	Library Fund	22,600	10,500	(12,100)	14,181	(8,419)	3,681
7	Recreation Fund	13,456	13,456	-	11,641	(1,815)	(1,815)
8	Rural Fire Fund	43,720	43,720	-	12,325	(31,395)	(31,395)
9	Industrial Fund	16,000	36,000	20,000	36,318	20,318	318
10	Revolving Loan Fund	500	500	-	-	(500)	(500)
11	Special Parks and Recreation Fund	242,000	248,500	6,500	246,862	4,862	(1,638)
12	Street Improvements Fund	120,840	116,680	(4,160)	120,094	(746)	3,414
13	Bond & Interest Fund	747,778	743,683	(4,095)	744,512	(3,266)	829
14	Public Safety Equipment Fund	-	-	-	8	8	8
15	Insurance Proceeds Fund	15,500	15,500	-	-	(15,500)	(15,500)
16	Sewer Fund	776,124	776,124	-	812,422	36,298	36,298
17	Recreation Employee Benefits Fund	2,419	2,419	-	1,457	(962)	(962)
18	Golf Course Fund	247,183	295,872	48,689	279,875	32,692	(15,997)
19	Special Revenue - Fire Equipment	-	-	-	-	-	-
20	Special Revenue - 911 Fund	-	-	-	-	-	-
21	LLEBG Grant	-	-	-	-	-	-
22	Tourism Fund	52,350	60,149	7,799	60,962	8,612	813
23	Evidence Liability	-	-	-	-	-	-
24	Capital Improvements - General	85,000	135,000	50,000	118,000	33,000	(17,000)
25	Capital Improvements - Streets	-	-	-	-	-	-
26	Capital Improvements - Sewer	-	-	-	-	-	-
27	Capital Improvements - Grants	-	-	-	590,000	590,000	590,000
50	Cafeteria 125	79,196	60,000	(19,196)	43,310	(35,887)	(16,690)
51	Court ADSAP	3,000	3,000	-	750	(2,250)	(2,250)
52	Court Bonds	20,000	15,000	(5,000)	6,086	(13,915)	(8,915)
53	Forfeitures	3,000	-	(3,000)	400	(2,600)	400
54	Old Stone Church Donations	1,000	1,000	-	-	(1,000)	(1,000)
55	PayPal - Jamboree	-	90	90	-	-	(90)
<b>TOTAL</b>		<b>\$ 10,548,933</b>	<b>\$ 10,675,956</b>	<b>\$ 127,023</b>	<b>\$ 10,771,310</b>	<b>\$ 222,377</b>	<b>\$ 95,354</b>

**Expenditure Changes  
2013**

<u>No.</u>	<u>Fund</u>	<u>Original Expenditures</u>	<u>Rev. Budget Expenditures</u>	<u>Change</u>	<u>Final Est. Expenditures</u>	<u>Change from Original</u>	<u>Change from Revised</u>
1	General Operating Fund	\$ 2,140,660.54	\$ 2,212,654.61	\$ 71,994.07	\$ 2,189,999.80	\$ 49,339.26	\$ (22,654.81)
2	Water Fund	814,796.38	859,530.76	44,734.37	764,134.34	(50,662.04)	(95,396.42)
3	Electric Fund	4,017,520.17	3,952,610.51	(64,909.67)	3,711,688.01	(305,832.16)	(240,922.49)
4	Employee Benefit Fund	665,751.90	641,405.67	(24,346.24)	647,741.14	(18,010.76)	6,335.47
5	Refuse Fund	376,700.00	376,700.00	-	392,499.76	15,799.76	15,799.76
6	Library Fund	126,000.00	20,000.00	(106,000.00)	51,570.83	(74,429.17)	31,570.83
7	Recreation Fund	13,456.00	13,456.00	-	12,355.24	(1,100.76)	(1,100.76)
8	Rural Fire Fund	43,720.00	43,720.00	-	19,871.95	(23,848.05)	(23,848.05)
9	Industrial Fund	41,500.00	69,300.00	27,800.00	68,999.53	27,499.53	(300.47)
10	Revolving Loan Fund	-	-	-	-	-	-
11	Special Parks and Recreation Fund	240,278.40	269,902.79	29,624.39	275,000.12	34,721.72	5,097.33
12	Street Improvements Fund	129,000.00	122,000.00	(7,000.00)	113,524.35	(15,475.65)	(8,475.65)
13	Bond & Interest Fund	812,787.50	752,787.50	(60,000.00)	752,787.50	(60,000.00)	-
14	Public Safety Equipment Fund	-	-	-	9,855.17	9,855.17	9,855.17
15	Insurance Proceeds Fund	15,500.00	15,500.00	-	-	(15,500.00)	(15,500.00)
16	Sewer Fund	836,249.47	834,805.73	(1,443.75)	809,187.52	(27,061.95)	(25,618.20)
17	Recreation Employee Benefits Fund	2,419.00	2,419.00	-	1,457.19	(961.81)	(961.81)
18	Golf Course Fund	249,089.76	298,327.32	49,237.56	279,999.76	30,910.00	(18,327.56)
19	Special Revenue - Fire Equipment	-	-	-	-	-	-
20	Special Revenue - 911 Fund	9,897.41	-	(9,897.41)	-	(9,897.41)	-
21	LLEBG Grant	-	-	-	-	-	-
22	Tourism Fund	46,250.00	62,282.70	16,032.70	65,000.27	18,750.27	2,717.57
23	Evidence Liability	-	-	-	-	-	-
24	Capital Improvements - General	90,968.00	453,442.00	362,474.00	425,550.86	334,582.86	(27,891.14)
25	Capital Improvements - Streets	-	183,959.79	183,959.79	164,801.24	164,801.24	(19,158.55)
26	Capital Improvements - Sewer	-	-	-	-	-	-
27	Capital Improvements - Grants	525,000.00	-	(525,000.00)	228,486.93	(296,513.07)	228,486.93
50	Cafeteria 125	62,976.00	51,000.00	(11,976.00)	29,262.47	(33,713.53)	(21,737.53)
51	Court ADSAP	3,000.00	3,000.00	-	-	(3,000.00)	(3,000.00)
52	Court Bonds	20,000.00	15,000.00	(5,000.00)	6,882.01	(13,117.99)	(8,117.99)
53	Forfeitures	3,000.00	-	(3,000.00)	200.00	(2,800.00)	200.00
54	Old Stone Church Donations	1,000.00	1,000.00	-	-	(1,000.00)	(1,000.00)
55	PayPal - Jamboree	-	185.65	185.65	-	-	(185.65)
<b>TOTAL</b>		<b>\$ 11,287,520.54</b>	<b>\$ 11,254,990.02</b>	<b>\$ (32,530.52)</b>	<b>\$ 11,020,855.99</b>	<b>\$ (266,664.55)</b>	<b>\$ (234,134.03)</b>

**Projected Balances  
2013**

<u>No.</u>	<u>Fund</u>	<u>Beginning Balance</u>	<u>Orig. Eff. Balance</u>	<u>Change</u>	<u>Rev. Ending Balance</u>	<u>Change</u>	<u>Final Est. Balance</u>	<u>Change</u>
1	General Operating Fund	\$ 111,385	\$ 155,302	\$ 43,917	\$ 132,793	\$ 21,408	\$ 126,469	\$ 15,085
2	Water Fund	176,093	184,420	8,327	193,611	17,518	210,297	34,205
3	Electric Fund	443,556	464,182	20,627	483,203	39,647	383,946	(59,610)
4	Employee Benefit Fund	52,082	20,749	(31,333)	29,072	(23,011)	34,213	(17,870)
5	Refuse Fund	6,252	6,552	300	6,552	300	486	(5,766)
6	Library Fund	115,754	12,354	(103,400)	106,254	(9,500)	78,364	(37,389)
7	Recreation Fund	714	714	-	714	-	-	(714)
8	Rural Fire Fund	763	763	-	763	-	(6,784)	(7,547)
9	Industrial Fund	61,237	35,737	(25,500)	27,937	(33,300)	28,556	(32,681)
10	Revolving Loan Fund	72,758	73,258	500	73,258	500	72,758	-
11	Special Parks and Recreation Fund	91,073	92,794	1,721	69,670	(21,403)	62,935	(28,138)
12	Street Improvements Fund	99,272	91,112	(8,160)	93,952	(5,320)	105,841	6,569
13	Bond & Interest Fund	96,892	31,883	(65,009)	87,787	(9,105)	88,617	(8,275)
14	Public Safety Equipment Fund	9,847	9,847	-	9,847	-	-	(9,847)
15	Insurance Proceeds Fund	1	1	0	1	0	1	-
16	Sewer Fund	335,552	275,426	(60,126)	276,870	(58,682)	338,786	3,234
17	Recreation Employee Benefits Fund	-	-	-	-	-	-	-
18	Golf Course Fund	4,804	2,897	(1,907)	2,348	(2,456)	4,679	(125)
19	Special Revenue - Fire Equipment	-	-	-	-	-	-	-
20	Special Revenue - 911 Fund	9,897	-	(9,897)	9,897	-	9,897	-
21	LLEBG Grant	-	-	-	-	-	-	-
22	Tourism Fund	9,423	15,523	6,100	7,289	(2,134)	5,384	(4,039)
23	Evidence Liability	-	-	-	-	-	-	-
24	Capital Improvements - General	357,727	351,759	(5,968)	39,285	(318,442)	50,176	(307,551)
25	Capital Improvements - Streets	183,960	183,960	-	-	(183,960)	19,159	(164,801)
26	Capital Improvements - Sewer	-	-	-	-	-	-	-
27	Capital Improvements - Grants	-	-	-	-	-	361,513	361,513
50	Cafeteria 125	4,926	21,146	16,220	13,926	9,000	18,973	14,047
51	Court ADSAP	6,911	6,911	-	6,911	-	7,661	750
52	Court Bonds	6,521	6,521	-	6,521	-	5,725	(797)
53	Forfeitures	57	57	-	57	-	257	200
54	Old Stone Church Donations	-	-	-	-	-	-	-
55	PayPal - Jamboree	96	96	-	-	(96)	96	-
		\$ 2,239,041	\$ 2,009,233	\$ (213,588)	\$ 1,651,102	\$ (579,034)	\$ 1,613,781	\$ (249,546)

**Budget Amendment Estimate - All Funds  
2013**

<b>No.</b>	<b>Fund</b>	<b>Orig. Budget Expenditures</b>	<b>Rev. Budget Expenditures</b>	<b>Final Est. Expenditures</b>	<b>Final Est. from Original</b>	<b>Recommended Budget Amend.</b>
1	General Operating Fund	\$ 2,140,661	\$ 2,212,655	\$ 2,190,000	\$ 49,339	\$ 2,190,000
2	Water Fund	814,796	859,531	764,134	(50,662)	
3	Electric Fund	4,017,520	3,952,611	3,711,688	(305,832)	
4	Employee Benefit Fund	665,752	641,406	647,741	(18,011)	
5	Refuse Fund	376,700	376,700	392,500	15,800	392,500
6	Library Fund	126,000	20,000	51,571	(74,429)	
7	Recreation Fund	13,456	13,456	12,355	(1,101)	
8	Rural Fire Fund	43,720	43,720	19,872	(23,848)	
9	Industrial Fund	41,500	69,300	69,000	27,500	69,000
10	Revolving Loan Fund	-	-	-	-	
11	Special Parks and Recreation Fund	240,278	269,903	275,000	34,722	275,000
12	Street Improvements Fund	129,000	122,000	113,524	(15,476)	
13	Bond & Interest Fund	812,788	752,788	752,788	(60,000)	
14	Public Safety Equipment Fund	-	-	9,855	9,855	
15	Insurance Proceeds Fund	15,500	15,500	-	(15,500)	
16	Sewer Fund	836,249	834,806	809,188	(27,062)	
17	Recreation Employee Benefits Fund	2,419	2,419	1,457	(962)	
18	Golf Course Fund	249,090	298,327	280,000	30,910	280,000
19	Special Revenue - Fire Equipment	-	-	-	-	
20	Special Revenue - 911 Fund	9,897	-	-	(9,897)	
21	LLEBG Grant	-	-	-	-	
22	Tourism Fund	46,250	62,283	65,000	18,750	65,000
23	Evidence Liability	-	-	-	-	
24	Capital Improvements - General	90,968	453,442	425,551	334,583	
25	Capital Improvements - Streets	-	183,960	164,801	164,801	
26	Capital Improvements - Sewer	-	-	-	-	
27	Capital Improvements - Grants	525,000	-	228,487	(296,513)	
30	Clearing Fund	62,976	51,000	29,262	(33,714)	
50	Cafeteria 125	3,000	3,000	-	(3,000)	
51	Court ADSAP	20,000	15,000	6,882	(13,118)	
52	Court Bonds	3,000	-	200	(2,800)	
53	Forfeitures	1,000	1,000	-	(1,000)	
54	Old Stone Church Donations	-	186	-	-	
55	PayPal - Jamboree	-	-	-	-	
<b>TOTAL</b>		<b>\$ 10,672,545</b>	<b>\$ 11,000,845</b>	<b>\$ 10,591,223</b>	<b>\$ (81,321)</b>	

**Fund #01**  
**General Fund**

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>REVISED</b>	<b>ESTIMATE</b>	<b>APPROVED</b>
<b>BEGINNING CASH BALANCE</b>	\$ 103,364	\$ 54,598	\$ 526,937	\$ 30,824	\$ 111,385	\$ 111,385	\$ 126,469
<b>REVENUES</b>							
Property & Vehicle Taxes	\$ 511,638	\$ 575,434			\$ 595,365	\$ 601,532	\$ 589,985
Sales & Liquor Taxes	611,940	591,694	628,641	642,306	639,774	653,021	641,590
Grants	2,429	14,049	11,391	10,791	17,000	17,930	17,000
Franchise Fees	164,289	164,775	156,721	125,529	122,450	139,350	124,535
Admin. & Internal Fees	-	-	-	357,000	403,144	19,968	411,362
Licenses & Permits	49,582	36,685	36,554	27,016	24,980	51,065	28,300
Charges for Services	43,548	39,651	55,826	55,131	41,100	117,595	39,900
Fines & Fees	96,009	118,835	101,608	130,323	122,000	20,822	122,000
Interest	30,259	25,114	22,095	22,656	20,000	164,750	23,000
Transfers	684,500	763,182	824,511	263,963	216,000	383,144	219,000
Sale of Assets	-	-	1,750	6,025	8,000	4,600	1,000
Miscellaneous	53,716	39,329	53,616	22,515	24,250	31,306	22,250
<b>TOTAL REVENUES</b>	<b>\$ 2,247,910</b>	<b>\$ 2,368,749</b>	<b>\$ 1,892,714</b>	<b>\$ 1,663,253</b>	<b>\$ 2,234,063</b>	<b>\$ 2,205,084</b>	<b>\$ 2,239,922</b>
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 2,351,274</b>	<b>\$ 2,423,347</b>	<b>\$ 2,419,651</b>	<b>\$ 1,694,077</b>	<b>\$ 2,345,447</b>	<b>\$ 2,316,469</b>	<b>\$ 2,366,391</b>
<b>EXPENSES</b>							
<b>By Program</b>							
101 General Administration	\$ 601,629	\$ 507,121	\$ 528,084	\$ 554,617	\$ 608,315	\$ 602,335	\$ 650,953
102 Sports Complex	100,665	82,314	81,789	-	-	-	-
103 Police & Fire	917,716	996,466	934,374	876,039	912,510	908,981	923,434
104 John Brown Cabin	41,725	43,398	41,507	39,328	41,691	35,466	39,752
105 Streets & Alleys	266,642	332,091	284,437	235,595	256,986	266,668	255,808
106 Swimming Pool	33,417	34,669	38,954	38,006	17,700	4,376	17,870
107 Cemeteries	108,378	119,784	117,328	121,049	108,455	106,920	108,683
108 Lakes & Parks	21,630	18,895	8,110	186	-	-	-
109 Municipal Court Services	77,330	98,426	120,656	123,576	114,928	122,708	116,900
110 Levees & Stormwater	126,510	14,607	121,175	28,176	12,050	6,863	12,335
111 Library	-	115,786	112,413	113,324	140,019	135,683	141,979
<b>TOTAL EXPENSES</b>	<b>\$ 2,295,642</b>	<b>\$ 2,363,557</b>	<b>\$ 2,388,827</b>	<b>\$ 2,129,896</b>	<b>\$ 2,212,655</b>	<b>\$ 2,190,000</b>	<b>\$ 2,267,715</b>
Revenues Over Expenditures	\$ (47,732)	\$ 5,192	\$ (496,113)	\$ (466,643)	\$ 21,408	\$ 15,085	\$ (27,792)
<b>ENDING BALANCE</b>	<b>\$ 55,632</b>	<b>\$ 59,790</b>	<b>\$ 30,824</b>	<b>\$ (435,819)</b>	<b>\$ 132,793</b>	<b>\$ 126,469</b>	<b>\$ 98,677</b>
<i>as a percentage of expenses</i>	<i>2.4%</i>	<i>2.5%</i>	<i>1.3%</i>	<i>-20.5%</i>	<i>6.0%</i>	<i>5.8%</i>	<i>4.4%</i>

**Fund 01 - GENERAL FUND**  
**REVENUES**

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>REVISED</b>	<b>ESTIMATE</b>	<b>APPROVED</b>
<b>5100 TAXES</b>							
101 Ad Valorem Tax	\$ 452,215	\$ 510,994	\$ 432,233	\$ 477,203	\$ 534,383	\$ 537,005	\$ 516,859
102 Delinquent Ad Valorem Tax	8,877	17,249	17,886	23,241	12,960	13,559	16,000
<b>Subtotal TAXES</b>	<b>\$ 461,092</b>	<b>\$ 528,243</b>	<b>\$ 450,119</b>	<b>\$ 500,444</b>	<b>\$ 547,343</b>	<b>\$ 550,564</b>	<b>\$ 532,859</b>
<b>5200 INTERGOVERNMENTAL</b>							
201 City Sales Tax	\$ 242,597	\$ 232,888	\$ 241,692	\$ 245,948	\$ 245,892	\$ 249,087	\$ 246,331
202 County Sales Tax	294,913	286,796	307,604	310,121	315,684	323,073	316,821
203 City Comp Use Tax	68,094	66,085	75,716	83,658	28,054	33,250	28,054
204 County Comp Use Tax					46,600	44,278	46,600
205 Motor Vehicle Tax	49,826	46,375	50,360	45,790	47,081	50,310	55,936
206 Liquor Tax	6,336	5,926	3,630	2,580	3,544	3,333	3,784
215 RV Tax	720	816	731	696	692	657	803
216 16/20M Vechile Tax	-	-	-	273	249	-	387
220 Grant Receipts (Non-CDBG)	-	12,398	10,495	9,454	16,000	17,930	16,000
231 John Brown Cabin	2,429	1,652	897	1,337	1,000	-	1,000
<b>Subtotal INTERGOVERNMENTAL</b>	<b>\$ 664,914</b>	<b>\$ 652,934</b>	<b>\$ 691,123</b>	<b>\$ 699,856</b>	<b>\$ 704,796</b>	<b>\$ 721,919</b>	<b>\$ 715,716</b>
<b>5300 FRANCHISE FEES</b>							
301 Gas Company Franchise Fees	\$ 111,261	\$ 97,515	\$ 87,647	\$ 67,758	\$ 70,000	\$ 82,316	\$ 74,200
302 Cable TV Franchise Fees	35,744	43,201	35,085	27,253	21,150	20,500	19,035
303 Telephone Franchise Fees	16,303	22,582	29,596	28,424	29,500	34,435	29,500
304 Electric Franchise Fees	981	1,477	4,394	2,093	1,800	2,100	1,800
<b>Subtotal FRANCHISE FEES</b>	<b>\$ 164,289</b>	<b>\$ 164,775</b>	<b>\$ 156,721</b>	<b>\$ 125,529</b>	<b>\$ 122,450</b>	<b>\$ 139,350</b>	<b>\$ 124,535</b>
<b>5400 LICENSES AND PERMITS</b>							
401 CMB & Liquor Licenses	\$ 1,900	\$ 2,555	\$ 2,025	\$ 2,150	\$ 2,100	\$ 2,750	\$ 2,100
402 Animal Licenses	726	700	736	706	700	634	700
403 Building & Zoning Permits	37,247	23,173	24,202	16,946	15,080	9,514	18,000
404 Camping & Boating Permits	1,789	1,248	1,322	585	200	440	-
405 Micellaneous Permits	2,420	3,600	4,240	3,180	3,500	3,450	3,500
406 Contractors Licenses	5,500	5,410	4,030	3,450	3,400	3,180	4,000
<b>Subtotal LICENSES AND PERMITS</b>	<b>\$ 49,582</b>	<b>\$ 36,685</b>	<b>\$ 36,554</b>	<b>\$ 27,016</b>	<b>\$ 24,980</b>	<b>\$ 19,968</b>	<b>\$ 28,300</b>
<b>5500 CHARGES FOR SERVICES</b>							
501 Sale of Cemetery Lots	\$ 3,550	\$ 7,220	\$ 5,340	\$ 14,435	\$ 6,200	\$ 6,650	\$ 5,000
502 Cemetery Charges	25,790	12,885	35,625	24,395	25,000	27,690	25,000
503 Auditorium Rent	3,547	3,890	3,445	3,340	3,400	4,415	3,400
504 Memorial Hall Rent	4,285	3,830	4,650	4,085	4,000	4,025	4,000
506 Swimming Pool Fees	4,308	4,210	4,340	-	-	213	-
520 Animal Control Charges	1,034	3,808	2,426	8,876	2,500	7,052	2,500
533 Drug Screening	1,034	3,808				1,020	
<b>Subtotal CHARGES FOR SERVICES</b>	<b>\$ 43,548</b>	<b>\$ 39,651</b>	<b>\$ 55,826</b>	<b>\$ 55,131</b>	<b>\$ 41,100</b>	<b>\$ 51,065</b>	<b>\$ 39,900</b>
<b>5600 FINES AND FEES</b>							
601 Police Fines & Fees	\$ 95,809	\$ 114,900	\$ 98,824	\$ 127,389	\$ 120,000	\$ 116,065	\$ 120,000
603 Library Fines & Fees		3,935	2,784	2,934	2,000	1,530	2,000
<b>Subtotal FINES AND FEES</b>	<b>\$ 96,009</b>	<b>\$ 118,835</b>	<b>\$ 101,608</b>	<b>\$ 130,323</b>	<b>\$ 122,000</b>	<b>\$ 117,595</b>	<b>\$ 122,000</b>
<b>5700 INTEREST ON INVESTMENTS</b>							
701 Interest	\$ 30,259	\$ 25,114	\$ 22,095	\$ 22,656	\$ 20,000	\$ 20,822	\$ 23,000



**Fund 01 - GENERAL FUND  
REVENUES**

	<b>2009 ACTUAL</b>	<b>2010 ACTUAL</b>	<b>2011 ACTUAL</b>	<b>2012 ACTUAL</b>	<b>2013 REVISED</b>	<b>2013 ESTIMATE</b>	<b>2014 APPROVED</b>
<b>5800 MISCELLANEOUS</b>							
801 Miscellaneous	\$ 19,334	\$ 10,154	\$ 6,982	\$ 14,817	\$ 12,000	\$ 18,568	\$ 10,000
802 Reimbursed Expense	34,132	28,926	46,394	7,698	12,000	12,458	12,000
803 Council Scholarship	250	250	240	-	250	280	250
830 Transfer In from Electric	600,000	628,500	743,800	186,000	136,000	84,750	137,000
831 Transfer In from Sewer	39,500	84,500	77,900	39,000	39,000	39,000	39,000
833 Transfer In from Water	45,000	30,000	-	38,000	41,000	41,000	43,000
839 Transfer in from Library	-	20,182	2,811	963	-	-	-
Reimb - Utility Billing Admin			-	312,000	358,144	338,144	366,362
Reimb - Mechanic/Repair Fee			-	45,000	45,000	45,000	45,000
<b>Subtotal MISCELLANEOUS</b>	<b>\$ 738,216</b>	<b>\$ 802,511</b>	<b>\$ 878,127</b>	<b>\$ 643,478</b>	<b>\$ 643,394</b>	<b>\$ 579,200</b>	<b>\$ 652,612</b>
<b>5900 SALE OF FIXED ASSETS</b>							
901 Sale of Fixed Assets		\$ -	\$ 1,750	\$ 6,025	\$ 8,000	\$ 4,600	\$ 1,000
<b>TOTAL GENERAL FUND RECEIPTS</b>	<b>\$ 2,247,910</b>	<b>\$ 2,368,749</b>	<b>\$ 2,393,923</b>	<b>\$ 2,210,457</b>	<b>\$ 2,234,063</b>	<b>\$ 2,205,084</b>	<b>\$ 2,239,922</b>

## 01-101

General Administration

	<u>2009</u> <u>ACTUAL</u>	<u>2010</u> <u>ACTUAL</u>	<u>2011</u> <u>ACTUAL</u>	<u>2012</u> <u>ACTUAL</u>	<u>2013</u> <u>REVISED</u>	<u>2013</u> <u>ESTIMATE</u>	<u>2014</u> <u>APPROVED</u>
<b>7100. PERSONNEL SERVICES</b>							
101 Salaries	\$ 399,818	\$ 417,681	\$ 400,225	\$ 410,852	\$ 411,533	\$ 400,151	\$ 435,044
102 Salaries (Overtime)	102	797	272	8,082	18,673	7,481	17,986
<b>TOTAL PERSONNEL SERVICES</b>	<b>\$ 399,920</b>	<b>\$ 418,478</b>	<b>\$ 400,497</b>	<b>\$ 418,934</b>	<b>\$ 430,205</b>	<b>\$ 407,632</b>	<b>\$ 453,030</b>
<b>7200. CONTRACTUAL SERVICES</b>							
201 Communications	\$ 4,157	\$ 2,788	\$ 2,207	\$ 8,024	\$ 4,080	\$ 7,993	\$ 4,162
202 Utilities	3,496	6,067	2,056	1,653	4,080	1,584	4,162
203 Dues & Memberships	3,093	2,741	2,919	3,431	3,600	4,209	3,800
204 Insurance	3,525	10,104	5,509	5,948	21,000	20,957	27,000
205 Education, Meetings & Travel	5,994	4,771	4,085	6,643	7,500	7,002	5,500
206 Professional Services	121,458	30,376	37,488	47,079	50,000	54,781	50,000
207 Rentals	456	356	356	840	500	1,331	500
208 Printing & Advertising	4,485	3,035	2,877	1,986	3,700	3,337	3,800
209 Maint of Machinery & Equip	1,833	2,708	8,312	4,327	4,500	5,046	3,500
210 Maint of Buildings/Grounds	1,375	4,337	1,395	1,215	3,500	1,928	3,500
211 Memorial Hall Utilities	2,583	2,543	2,718	1,187	2,750	2,275	2,900
217 Memorial Hall Custodial	4,553	4,541	4,763	4,500	4,600	4,500	4,700
218 Housing Demolition			-	-	20,350	18,378	30,000
220 Other Contractual	559	1,056	13,771	5,370	16,500	3,663	16,500
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>\$ 157,567</b>	<b>\$ 75,423</b>	<b>\$ 88,457</b>	<b>\$ 92,204</b>	<b>\$ 146,660</b>	<b>\$ 136,984</b>	<b>\$ 160,023</b>
<b>7300. COMMODITIES</b>							
301 Office Supplies	\$ 2,304	\$ 1,244	\$ 2,183	\$ 4,910	\$ 4,000	\$ 5,425	\$ 3,000
302 Clothing & Personal Supplies	-	-	77	1,237	-	315	-
303 Chemical/Seed/Fertilizer	3,353	210	1,241	565	750	250	750
304 Machine Parts & Supplies	977	1,627	603	590	1,250	816	1,750
305 Building Material & Supplies	3,140	2,654	6,720	5,480	5,000	6,954	3,250
307 Apparatus & Tools	58	142	348	530	250	468	250
309 Motor Fuels & Lubricants	-	-	-	310	4,000	6,577	4,000
311 Memorial Hall Miscellaneous	15,124	656	120	179	500	2,078	500
314 Computer Software	-	-	599	-	-	5,304	-
317 Food (Not for Resale)	-	-	-	129	-	1,415	-
320 Other Commodities	816	637	2,890	1,744	4,000	12,240	2,000
<b>TOTAL COMMODITIES</b>	<b>\$ 25,772</b>	<b>\$ 7,170</b>	<b>\$ 14,782</b>	<b>\$ 15,674</b>	<b>\$ 19,750</b>	<b>\$ 41,841</b>	<b>\$ 15,500</b>
<b>7400. CAPITAL OUTLAY</b>							
403 Office Furniture & Equipment	-	-	\$ 305	\$ -	\$ 1,200	\$ 220	\$ 1,400
405 Operational/Construction Equip			2,027	-	1,500	1,500	2,000
407 Other Equipment			-				10,000
413 Computer Equip & Software	974	-	1,738	7,338	2,000	2,000	2,000
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$ 974</b>	<b>\$ 240</b>	<b>\$ 4,070</b>	<b>\$ 7,338</b>	<b>\$ 4,700</b>	<b>\$ 3,720</b>	<b>\$ 15,400</b>
<b>7700. OTHER EXPENSES</b>							
704 Election Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
705 Chamber of Commerce	15,000	-	15,000	15,000	-	5,000	-
706 Fireworks Display	1,900	5,074	5,028	5,268	6,700	6,878	6,700
713 Scholarship	250	300	250	200	300	280	300
<b>TOTAL OTHER EXPENSES</b>	<b>\$ 17,396</b>	<b>\$ 5,810</b>	<b>\$ 20,278</b>	<b>\$ 20,468</b>	<b>\$ 7,000</b>	<b>\$ 12,158</b>	<b>\$ 7,000</b>
<b>TOTAL GENERAL ADMINISTRATIO</b>	<b>\$ 601,629</b>	<b>\$ 507,121</b>	<b>\$ 528,084</b>	<b>\$ 554,617</b>	<b>\$ 608,315</b>	<b>\$ 602,335</b>	<b>\$ 650,953</b>

**Fund # 02**  
**Water**

	<b>2009 ACTUAL</b>	<b>2010 ACTUAL</b>	<b>2011 ACTUAL</b>	<b>2012 ACTUAL</b>	<b>2013 REVISED</b>	<b>2013 ESTIMATE</b>	<b>2014 PROPOSED</b>
<b>BEGINNING CASH BALANCE</b>	\$ 3,847	\$ 25,873	\$ (2,047)	\$ 43,575	\$ 176,093	\$ 176,093	\$ 210,297
<b>REVENUE</b>							
510 Sales and Charges	\$ 738,137	\$ 748,638	\$ 741,505	\$ 805,842	\$ 630,189	\$ 534,967	\$ 630,621
511 Wholesale Water					210,432	232,296	210,000
512 Bulk Water Sales	11,877	11,693	17,128	20,087	16,000	14,388	17,000
513 New Utility Services	5,250	-	800	1,500	1,000	-	1,000
Other Charges			3,286				
801 Miscellaneous Revenue	2,565	2,866	76	551	1,000	1,200	1,000
802 Reimbursed Expense	4,994	591	-	8,785	4,000	593	4,000
808 Water Protection Tax	3,436	4,338	4,313	3,426	2,836	3,302	3,555
813 Tower Lease	7,695	11,592	11,592	11,592	11,592	11,592	11,592
<b>TOTAL REVENUE</b>	<b>\$ 773,954</b>	<b>\$ 785,685</b>	<b>\$ 778,699</b>	<b>\$ 851,783</b>	<b>\$ 877,049</b>	<b>\$ 798,339</b>	<b>\$ 878,768</b>
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 777,801</b>	<b>\$ 811,558</b>	<b>\$ 776,652</b>	<b>\$ 895,358</b>	<b>\$ 1,053,142</b>	<b>\$ 974,432</b>	<b>\$ 1,089,065</b>
<b>EXPENSES</b>							
Personnel							
Salaries	\$ 190,621	\$ 165,349	\$ 177,303	\$ 137,261	\$ 128,959	129,323	\$ 139,438
Health Insurance	30,642	34,277	32,581	19,236	24,545	24,545	29,232
All Other Benefits	30,700	42,559	35,755	27,352	26,595	24,006	29,488
<b>Subtotal</b>	<b>251,963</b>	<b>242,185</b>	<b>245,639</b>	<b>183,849</b>	<b>180,099</b>	<b>177,874</b>	<b>198,159</b>
Operating Expenses							
Utilities	77,703	86,258	81,483	85,849	91,003	80,079	94,171
Treatment Chemicals	130,132	171,378	138,701	137,076	145,150	143,119	148,050
Professional Services	4,495	13,501	12,481	3,649	12,250	1,960	12,750
Machine Parts & Supplies	6,996	14,453	19,320	12,124	15,000	14,057	16,500
State Taxes & Fees	13,738	38,827	37,603	40,151	41,985	18,172	44,237
All Other Expenses	124,370	128,983	98,055	81,441	108,871	92,416	112,458
<b>Subtotal</b>	<b>357,434</b>	<b>453,400</b>	<b>387,642</b>	<b>360,290</b>	<b>414,259</b>	<b>349,803</b>	<b>428,167</b>
Capital Outlay	10,548	19,989	34,813	-	77,000	48,284	85,000
Debt Service	64,983	64,983	64,983	32,491	-	-	-
Transfers	67,000	30,000	-	65,235	100,827	100,827	102,827
Overhead Fees	-	-	-	77,400	87,346	87,346	89,314
<b>TOTAL EXPENSES</b>	<b>\$ 751,928</b>	<b>\$ 810,557</b>	<b>\$ 733,076</b>	<b>\$ 719,266</b>	<b>\$ 859,531</b>	<b>\$ 764,134</b>	<b>\$ 903,467</b>
Revenues Over Expenditures	\$ 22,026	\$ (24,872)	\$ 45,623	\$ 132,517	\$ 17,518	\$ 34,205	\$ (24,699)
<b>ENDING BALANCE</b>	<b>\$ 25,873</b>	<b>\$ 1,001</b>	<b>\$ 43,575</b>	<b>\$ 176,093</b>	<b>\$ 193,611</b>	<b>\$ 210,297</b>	<b>\$ 185,598</b>
<i>as a percentage of expenses</i>	<i>3.4%</i>	<i>0.1%</i>	<i>5.9%</i>	<i>24.5%</i>	<i>22.5%</i>	<i>27.5%</i>	<i>20.5%</i>

**Fund # 03**  
**Electric**

	<b>2009 ACTUAL</b>	<b>2010 ACTUAL</b>	<b>2011 ACTUAL</b>	<b>2012 ACTUAL</b>	<b>2013 REVISED</b>	<b>2013 ESTIMATE</b>	<b>2014 APPROVED</b>
<b>BEGINNING CASH BALANCE</b>	\$ 757,966	\$ 1,036,152	\$ 852,395	\$ 216,891	\$ 443,556	\$ 443,556	\$ 383,946
<b>REVENUE</b>							
Sales and Charges	\$ 3,271,573	\$ 3,529,088	\$ 3,612,738	\$ 3,476,687	\$ 3,570,686	\$ 3,230,177	\$ 3,754,871
Penalties and Fees	94,327	91,761	93,430	90,238	86,750	89,615	86,750
Utility Deposits	58,375	53,075	53,450	58,500	50,000	55,398	50,000
Sales Taxes Collected	97,081	106,511	113,888	109,636	109,852	103,261	114,826
Transfers In/Loan Reimb	-	-	22,000	291,162	160,970	160,970	-
Miscellaneous	116,565	14,540	52,716	56,740	14,000	12,658	14,000
<b>TOTAL REVENUE</b>	<b>\$ 3,637,921</b>	<b>\$ 3,794,975</b>	<b>\$ 3,948,224</b>	<b>\$ 4,082,963</b>	<b>\$ 3,992,258</b>	<b>\$ 3,652,078</b>	<b>\$ 4,020,446</b>
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 4,395,887</b>	<b>\$ 4,831,127</b>	<b>\$ 4,800,618</b>	<b>\$ 4,299,853</b>	<b>\$ 4,435,813</b>	<b>\$ 4,095,634</b>	<b>\$ 4,404,392</b>
<b>EXPENSES</b>							
Personnel							
Salaries	\$ 251,846	\$ 366,594	\$ 305,063	\$ 335,245	\$ 368,355	\$ 354,438	\$ 399,037
Health Insurance	34,263	22,533	21,279	31,187	43,381	43,381	49,254
All Other Benefits	58,338	69,144	65,635	64,783	73,549	66,924	81,052
<b>Subtotal</b>	<b>344,447</b>	<b>458,271</b>	<b>391,978</b>	<b>431,215</b>	<b>485,286</b>	<b>464,743</b>	<b>529,343</b>
Operating Expenses							
Purchased Power/Trans/Fuel	1,776,582	1,973,340	2,061,424	1,944,704	2,088,447	2,014,804	2,154,909
Insurance	56,487	70,219	72,910	75,958	63,000	61,630	60,060
Professional Services	12,880	26,794	39,886	16,245	35,000	12,010	37,000
Bldg & Mach Parts & Supplies	41,356	102,926	94,023	63,975	81,950	59,116	91,950
Motor Fuel	15,509	16,415	20,770	16,406	10,000	8,203	10,800
State & Local Taxes	105,248	123,080	131,481	125,583	127,352	121,062	125,149
Deposit Refunds/Interest	51,023	52,829	52,955	62,426	51,000	58,396	51,000
Other Expenses	87,708	105,832	137,694	72,787	152,973	124,116	145,544
<b>Subtotal</b>	<b>2,146,793</b>	<b>2,471,435</b>	<b>2,611,142</b>	<b>2,378,083</b>	<b>2,609,722</b>	<b>2,459,336</b>	<b>2,676,412</b>
Capital Expenses							
Poles/Transformers/Wire	14,010	46,295	39,407	32,366	60,000	44,372	60,000
Vehicles/Equipment	109,786	-	161,122	-	1,500	8,695	-
All Other	48,438	8,829	14,647	309,434	67,500	28,939	142,500
<b>Subtotal</b>	<b>172,234</b>	<b>55,124</b>	<b>215,176</b>	<b>341,800</b>	<b>129,000</b>	<b>82,005</b>	<b>202,500</b>
Debt Service	-	-	-	-	-	-	-
Transfers/Other Assistance	696,261	908,884	913,300	503,000	498,000	495,000	499,000
Loan for Street Project	-	-	452,132	-	-	-	-
Overhead Fees	-	-	-	202,200	230,603	210,603	235,859
<b>TOTAL EXPENSES</b>	<b>\$ 3,359,735</b>	<b>\$ 3,893,714</b>	<b>\$ 4,583,727</b>	<b>\$ 3,856,298</b>	<b>\$ 3,952,611</b>	<b>\$ 3,711,688</b>	<b>\$ 4,143,114</b>
<i>Expenses Less Transfers</i>	<i>\$ 2,663,474</i>	<i>\$ 2,984,830</i>	<i>\$ 3,218,296</i>	<i>\$ 3,353,298</i>	<i>\$ 3,454,611</i>	<i>\$ 3,216,688</i>	<i>\$ 3,644,114</i>
<i>Expenses Less Energy</i>	<i>1,583,153</i>	<i>1,920,374</i>	<i>2,070,171</i>	<i>1,911,594</i>	<i>1,864,164</i>	<i>1,696,884</i>	<i>1,988,205</i>
<i>Sales Less Energy Cost</i>	<i>\$ 1,589,318</i>	<i>\$ 1,647,509</i>	<i>\$ 1,644,744</i>	<i>\$ 1,622,221</i>	<i>\$ 1,568,989</i>	<i>\$ 1,304,988</i>	<i>\$ 1,686,712</i>
Revenues Over Expenditures	\$ 278,186	\$ (98,739)	\$ (635,504)	\$ 226,665	\$ 39,647	\$ (59,610)	\$ (122,667)
<i>Less Transfers</i>	<i>974,447</i>	<i>810,145</i>	<i>707,928</i>	<i>438,503</i>	<i>537,647</i>	<i>435,390</i>	<i>376,333</i>
<b>ENDING BALANCE</b>	<b>\$ 1,036,152</b>	<b>\$ 937,413</b>	<b>\$ 216,891</b>	<b>\$ 443,556</b>	<b>\$ 483,203</b>	<b>\$ 383,946</b>	<b>\$ 261,279</b>
<i>as a percentage of expenses</i>	<i>30.8%</i>	<i>24.1%</i>	<i>4.7%</i>	<i>11.5%</i>	<i>12.2%</i>	<i>10.3%</i>	<i>6.3%</i>

**Fund # 16**  
**Sewer**

	<b>2009 ACTUAL</b>	<b>2010 ACTUAL</b>	<b>2011 ACTUAL</b>	<b>2012 ACTUAL</b>	<b>2013 REVISED</b>	<b>2013 ESTIMATE</b>	<b>2014 APPROVED</b>
<b>BEGINNING CASH BALANCE</b>	\$ 386,964	\$ 449,525	\$ 428,138	\$ 361,440	\$ 335,552	\$ 335,552	\$ 338,786
<b>REVENUE</b>							
510 Sales/Charges	\$ 778,941	\$ 775,883	\$ 771,765	\$ 748,972	\$ 775,624	\$ 791,801	\$ 775,624
513 New Utility Services	400	700	350	-	500	-	500
802 Reimbursed Expense	3,060	339				20,621	
<b>TOTAL REVENUE</b>	<b>\$ 782,401</b>	<b>\$ 776,922</b>	<b>\$ 772,115</b>	<b>\$ 748,972</b>	<b>\$ 776,124</b>	<b>\$ 812,422</b>	<b>\$ 776,124</b>
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 1,169,365</b>	<b>\$ 1,226,447</b>	<b>\$ 1,200,253</b>	<b>\$ 1,110,413</b>	<b>\$ 1,111,675</b>	<b>\$ 1,147,974</b>	<b>\$ 1,114,910</b>
<b>EXPENSES</b>							
<b>By Object</b>							
Salaries & Wages	\$ 98,950	\$ 123,915	\$ 114,949	\$ 107,078	\$ 112,360	\$ 113,321	\$ 130,266
Utilities	25,852	40,380	35,475	33,363	35,000	31,408	40,000
Prof Services & Contract Maint	23,681	33,248	11,752	32,067	22,500	3,033	30,000
Chemicals	17,548	9,477	9,566	13,801	13,000	7,271	13,000
Parts & Supplies	32,503	24,954	25,489	18,013	25,000	26,656	25,000
All Other Capital Outlay	17,213	8,625	88,161	-	30,000	30,000	25,000
Debt Service	250,714	250,714	250,713	125,357	-	-	-
New Sewer Loan (interest only)		-	-	-	-	-	20,200
Transfer to Bond & Interest	200,000	200,000	200,000	310,000	434,000	434,000	435,000
Transfer to General Fund	39,500	84,500	77,900	39,000	39,000	39,000	39,000
Administrative Fee	-	-	-	62,400	71,629	71,629	73,272
Mechanic/Repair Fee	-	-	-	15,000	15,717	15,717	16,042
All Other Expenses	13,879	20,849	24,808	18,782	36,600	37,154	47,100
<b>TOTAL EXPENSES</b>	<b>\$ 719,840</b>	<b>\$ 796,662</b>	<b>\$ 838,813</b>	<b>\$ 774,861</b>	<b>\$ 834,806</b>	<b>\$ 809,188</b>	<b>\$ 893,880</b>
Revenues Over Expenditures	\$ 62,561	\$ (19,740)	\$ (66,698)	\$ (25,889)	\$ (58,682)	\$ 3,234	\$ (117,757)
<b>ENDING BALANCE</b>	<b>\$ 449,525</b>	<b>\$ 429,785</b>	<b>\$ 361,440</b>	<b>\$ 335,552</b>	<b>\$ 276,870</b>	<b>\$ 338,786</b>	<b>\$ 221,029</b>
<i>as a percentage of expenses</i>	<i>62.4%</i>	<i>53.9%</i>	<i>43.1%</i>	<i>43.3%</i>	<i>33.2%</i>	<i>41.9%</i>	<i>24.7%</i>

**Fund # 18**  
**Osawatomie Golf Course**

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>REVISED</b>	<b>ESTIMATE</b>	<b>PROPOSED</b>
<b>BEGINNING CASH BALANCE</b>	\$ 27,019	\$ 26,340	\$ (33)	\$ 3,328	\$ 4,804	\$ 4,804	\$ 6,438
<b>REVENUE</b>							
Greens & Range Fees	\$ 65,119	\$ 59,323	\$ 57,653	\$ 57,133	\$ 58,684	\$ 56,647	\$ 56,647
Member Fees	78,122	82,672	83,138	70,046	72,993	47,755	78,728
Cart Related Fees	50,853	41,672	36,409	23,488	25,618	39,299	39,299
Food & Beverage	42,228	37,961	37,558	39,338	42,877	24,349	24,349
Miscellaneous	10,386	1,856	2,684	21,189	9,700	13,575	8,755
Transfer from Electric	24,000	65,000	65,000	45,000	45,000	98,250	45,000
Loans from Other Funds	6,000	5,000	-	-	41,000	-	-
<b>TOTAL REVENUE</b>	<b>\$ 276,708</b>	<b>\$ 293,484</b>	<b>\$ 282,442</b>	<b>\$ 256,194</b>	<b>\$ 295,872</b>	<b>\$ 279,875</b>	<b>\$ 252,778</b>
<i>Less Transfers &amp; Loans</i>	\$ 246,708	\$ 223,484	\$ 217,442	\$ 200,694	\$ 209,872	\$ 181,625	\$ 207,778
<b>TOTAL RESOURCES AVAILABLE</b>	<b>303,727</b>	<b>319,824</b>	<b>\$ 282,409</b>	<b>\$ 259,522</b>	<b>\$ 300,675</b>	<b>\$ 284,679</b>	<b>\$ 259,216</b>
<b>EXPENSES</b>							
<b>By Object</b>							
Salaries & Wages	\$ 119,379	\$ 147,537	\$ 140,264	\$ 120,680	\$ 121,453	\$ 127,315	\$ 122,585
Utilities	13,296	15,666	15,649	15,998	17,253	14,132	18,116
Rentals	7,074	5,099	5,068	5,292	5,250	6,956	5,250
Chemicals/Seed/Fertilizer	20,774	20,102	14,583	14,970	15,000	17,238	14,000
Fuels	8,010	5,351	13,308	12,675	13,000	15,854	13,000
Food & Beverage	21,535	20,324	21,025	20,169	20,000	18,665	20,000
Construction Equipment	20,283	5,532	2,817	-	-	-	-
Seasonal Leases	9,639	3,871	-	-	-	-	-
Debt Service	19,693	34,941	45,832	28,188	17,312	21,371	22,772
All Other Expenditures	37,704	27,132	20,533	36,746	89,059	56,711	39,400
<b>TOTAL EXPENSES</b>	<b>\$ 277,387</b>	<b>\$ 285,555</b>	<b>\$ 279,081</b>	<b>\$ 254,718</b>	<b>\$ 298,327</b>	<b>\$ 278,241</b>	<b>\$ 255,123</b>
Revenues Over Expenditures	\$ (679)	\$ 7,929	\$ 3,361	\$ 1,475	\$ (2,456)	\$ 1,634	\$ (2,345)
<i>Less Transfers and Loans</i>	(30,679)	(62,071)	(61,639)	(43,525)	(88,456)	(96,616)	(47,345)
<b>ENDING BALANCE</b>	<b>\$ 26,340</b>	<b>\$ 34,269</b>	<b>\$ 3,328</b>	<b>\$ 4,804</b>	<b>\$ 2,348</b>	<b>\$ 6,438</b>	<b>\$ 4,093</b>
<i>as a percentage of expenses</i>	9.5%	12.0%	1.2%	1.9%	0.8%	2.3%	1.6%

**Notice of Budget Hearing for Amending the  
2013 Budget**

The governing body of

**City of Osawatomie**

will meet on the day of December 12, 2012 at 6:30 p.m. at Memorial Hall for the purpose of hearing and answering objections of taxpayers relating to the proposed amended use of funds.

Detailed budget information is available at City Hall  
and will be available at this hearing.

**Summary of Amendments**

<b>Fund</b>	2013 Adopted Budget			2013 Proposed Amended Expenditures
	Actual Tax Rate	Amount of Tax that was Levied	Expenditures	
General Fund	25.365	576,535	2,140,661	2,190,000
Refuse Fund			376,700	392,500
Industrial Fund			41,500	69,000
Special Parks & Rec Fund			240,278	275,000
Public Safety Equipment Fund			0	9,855
Golf Course Fund			249,090	280,000
Tourism Fund			46,250	65,000

Ann Elmquist  
Official Title: City Clerk



## STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** December 12, 2013

**AGENDA ITEM:** **Street Sweeper Financing**

**PRESENTER:** Don Cawby, City Manager

**ISSUE SUMMARY:** In the 2014 budget we budgeted \$30,000 for annual payments towards a street sweeper. At the November 14 meeting, you authorized me to negotiate the purchase of a refurbished 2005 Elgin Eagle street sweeper. I was able to get Key Equipment to throw in an entire new paint job (worth \$5,000) for the quoted \$95,000 price.

After securing a purchase price, I talked to First Option Bank, Key Equipment's financing branch, and our financial advisor Dave Arteberry. Key Equipment offered 4 years at 4.15% with the first payment up front and First Option Bank offered 4 years at 3.15% with payments in 2014. After receiving the First Option bid, Dave Arteberry and I believed the First Option loan was the right solution. The payments will range between \$22,000 and \$24,000 per year, which was better than our goal of \$25,000.

We will have some legal counsel costs related to the transaction for bond counsel review and I expect those to be around \$2,000.

Before the Council are the documents to finalize the financing of the street sweeper. It will require the passage of the attached ordinance. The lease purchase agreement and amortization schedule are attached.

**COUNCIL ACTION NEEDED:** Review the proposed ordinance and related financing.

**STAFF RECOMMENDATION TO COUNCIL:** Approve the ordinance as presented which authorizes the Mayor and City Clerk to execute the documents necessary to close the lease purchase agreement.



ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF OSAWATOMIE, KANSAS,  
AUTHORIZING THE EXECUTION OF A LEASE PURCHASE AGREEMENT  
BY THE CITY TO PROVIDE FOR THE ACQUISITION OF EQUIPMENT

WHEREAS, the governing body of the city of Osawatomie, Kansas (the "City"), according to K.S.A. 12-101 *et seq.* and K.S.A. 10-1116, has found it necessary to enter into a Lease Purchase Agreement to pay a portion of the costs of acquiring a street sweeper for the City (the "Equipment"), as more fully described in Section 1 below and in the Lease Purchase Agreement authorized by this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS:

SECTION 1. Authorization of Lease Purchase Agreement. The Lease Purchase Agreement between the City and First Option Bank, Osawatomie, Kansas and providing for financing the cost of a 2005 Elgin Eagle Mechanical Broom Street Sweeper (Refurbished), in substantially the form presented to the governing body on this date, is authorized and approved with such additions, revisions or corrections as may be approved by the Mayor and City Clerk. Their approval of any such changes shall be evidenced by their execution of the Lease Purchase Agreement.

SECTION 2. Execution of Lease Purchase Agreement. The Mayor and the City Clerk are authorized and directed to execute the Lease Purchase Agreement on behalf of the City and to execute any ancillary certificates or documents necessary to accomplish the purposes of this Ordinance and the Lease Purchase Agreement.

SECTION 3. Rental Payments. The Rental Payments required by the Lease Purchase Agreement shall be made from funds budgeted and appropriated for that purpose during the City's current budget year and other funds lawfully available to the City for such purpose, in accordance with the Lease Purchase Agreement, and as provided by law, and shall not be paid from any other moneys or sources (except to the extent paid from moneys attributable to proceeds from insurance policies, condemnation awards or awards resulting from defaults under certain circumstances).

SECTION 4. Non-Arbitrage Covenant. The City covenants that so long as any of the Rental Payments remain outstanding and unpaid under the Lease Purchase Agreement, it will not make or permit use of the proceeds from the Lease Purchase Agreement which, if such use had been reasonably expected on the date of execution and delivery, would have caused the Rental Payments to constitute "arbitrage bonds" within the meaning of Section 103(b)(2) of the Internal Revenue Code of 1986, as amended (the "Code"); and that it will comply with all applicable requirements of Section 148 of the Code and the applicable rules and regulations of the United States Treasury Department for so long as any of the Rental Payments under the Lease Purchase Agreement remain outstanding and unpaid. The City hereby further covenants to take all such

action in its power as may be required from time to time in order to assure the continued exclusion from gross income for the purpose of Federal income taxation of the interest component on the Rental Payments, and to comply with all provisions of the Code, as the same be amended, and any applicable rules and regulations of the United States Treasury Department under the Code.

SECTION 5. Designation as Qualified Tax-Exempt Obligations. The governing body of the City designates the Lease as a “qualified tax-exempt obligation” as defined in Section 265(b) (3) of the Code.

SECTION 6. Effective Date. This Ordinance shall be in force and take effect from and after its adoption and approval and its publication one time in the City’s official newspaper.

*[Remainder of Page Intentionally Left Blank]*

PASSED AND ADOPTED by the governing body of the City of Osawatomie, Kansas on December 12, 2013.

APPROVED AND SIGNED by the Mayor.

CITY OF OSAWATOMIE, KANSAS

By \_\_\_\_\_  
L. Mark Govea, Mayor

[seal]

ATTEST:

By \_\_\_\_\_  
Ann Elmquist, City Clerk

EXCERPT OF MINUTES

The governing body of the City of Osawatomie, Kansas, met in regular session at the usual meeting place in the City on December 12, 2013, at 6:30 p.m., with Mayor L. Mark Govea presiding and the following members of the governing body present:

The following members were absent:

Among other business, there was presented to the governing body, an Ordinance entitled:

AN ORDINANCE OF THE CITY OF OSAWATOMIE, KANSAS,  
AUTHORIZING THE EXECUTION OF A LEASE PURCHASE AGREEMENT  
BY THE CITY TO PROVIDE FOR THE ACQUISITION OF EQUIPMENT

The Ordinance was considered and discussed; and on motion of \_\_\_\_\_,  
seconded by \_\_\_\_\_, the Ordinance was adopted by a majority vote of all members  
present. The Ordinance was assigned No. \_\_\_\_.

\*\*\*\*

(Published in the Osawatomie Graphic, December 18, 2013) 1t

CITY CLERK'S  
CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of Minutes of the December 12, 2013, meeting of the governing body of the City of Osawatomie, Kansas.

[seal]

---

Ann Elmquist, City Clerk

## EQUIPMENT LEASE/PURCHASE AGREEMENT

This Equipment Lease/Purchase Agreement dated as of December \_\_\_, 2013, and entered into between First Option Bank, Osawatomie, Kansas, a Kansas bank (“Lessor”), and the City of Osawatomie, Kansas, a municipal corporation organized and existing under the laws of the State of Kansas (“Lessee”).

1. **Agreement.** Lessee agrees to lease from Lessor certain “Equipment” as described in Exhibit A, for the purposes and subject to the terms and conditions set forth in this Agreement. This Agreement (which includes all attached exhibits, together with any amendments and modifications made according to its terms) is referred to as the “Lease” or the “Agreement”.

2. **Term.** The “Commencement Date” for the Lease is the date when interest commences to accrue under the Lease, which shall be the Funding Date referred to in Exhibit A-1. On the Commencement Date, Lessor shall deposit the total principal amount referred to in Exhibit A-1 (i.e., \$95,000.00) with Lessee, and Lessee shall act as purchasing agent of Lessor. The “Lease Term” for the Lease means the Original Term and all Renewal Terms. The “Original Term” means the period from the Commencement Date for the Lease until the end of Lessee’s fiscal year (the “Fiscal Period”) in effect on the Commencement Date. The “Renewal Term” for the Lease is each term thereafter having a duration that is coextensive with the Fiscal Period.

3. **Representations and Covenants of Lessee.** Lessee represents, covenants and warrants for the benefit of Lessor on the date of this Lease and as of the Commencement Date as follows: (a) Lessee is a municipal corporation duly organized and existing under the constitution and laws of the State of Kansas (the “State”) with full power and authority under the constitution and laws of the State to enter into this Lease and the transactions contemplated by this Lease and to perform all of its obligations hereunder; (b) Lessee has duly authorized the execution and delivery of this Lease by proper action of its governing body at a meeting called and held in accordance with State law, or by other appropriate official approval, and all requirements have been met and procedures have occurred to ensure the validity and enforceability of this Lease; (c) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a municipal corporation; (d) Lessee has complied with such public bidding requirements as may be applicable to this Lease and the acquisition by Lessee of the Equipment; (e) during the Lease Term, the Equipment will be used by Lessee solely and exclusively for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee’s authority; (f) Lessee will annually provide Lessor with current financial statements, budgets, proof of appropriation for the next Fiscal Period, and such other financial information relating to the ability of Lessee to continue the Lease as may be requested by Lessor; and (g) Lessee has an immediate need for the Equipment listed on Exhibit A and expects to make immediate use of the Equipment.

4. **Tax and Arbitrage Representations.** Lessee represents as follows: (a) the estimated total costs of the Equipment listed in the Exhibit A will not be less than the total principal portion of the Rental Payments listed in the Rental Payment Schedule (Exhibit A-1); (b) the Equipment listed has been ordered or is expected to be ordered within 6 months of the

Commencement Date, and all amounts deposited with Lessee to pay for the Equipment, and interest earnings, will be expended on costs of the Equipment and the financing within 3 years of Commencement Date; (c) no proceeds of the Lease will be used to reimburse Lessee for expenditures made more than 60 days prior to the Commencement Date or, if earlier, more than 60 days prior to any official action taken to evidence an intent to finance; (d) Lessee has not created or established, and does not expect to create or establish, any sinking fund or similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments; (e) the Equipment has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in part, prior to the last maturity of Rental Payments; (f) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (“Code”), including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation; and (g) Lessee intends that this Lease not constitute a “true” lease for federal income tax purposes.

5. **Lease of Equipment.** Lessee demises, leases and lets the Equipment to Lessor, and in turn, Lessor demises, leases, transfers, and lets to Lessee, and Lessee acquires, rents, leases and hires from Lessor, the Equipment in accordance with the terms of this Agreement. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term provided by this Lease. At the end of the Original Term and at the end of each Renewal Term the Lease Term shall be automatically extended upon the successive appropriation by Lessee’s governing body of amounts sufficient to pay Rental Payments and other amounts payable under the Lease during the next succeeding Fiscal Period until all Rental Payments payable under the Lease have been paid in full, unless Lessee terminates this Lease under Section 7 or Section 22. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Lease.

6. **Continuation of Lease Term.** Lessee currently intends, subject to Section 7, to continue the Lease Term through the Original Term and all Renewal Terms and to pay the Rental Payments during such terms. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the maximum Lease Term can be obtained. Lessee currently intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds or to extend the Lease for any Renewal Term is within the discretion of the governing body of Lessee.

7. **Nonappropriation.** Lessee is only obligated to pay Rental Payments as may lawfully be made from funds budgeted and appropriated for that purpose. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments following the then current Original Term or Renewal Term, the Lease shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of

such termination at least 30 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If the Lease is terminated in accordance with this Section, Lessee agrees to peaceably deliver the Equipment to Lessor at the location(s) to be specified by Lessor.

8. **[Reserved].**

9. **Rental Payments.** Lessee shall promptly pay “Rental Payments” as described in Exhibit A-1, exclusively from legally available funds, to Lessor on the dates and in such amounts as provided in each Lease. Rental Payments consist of principal and interest portions. *Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.*

10. **RENTAL PAYMENTS TO BE UNCONDITIONAL.** EXCEPT AS PROVIDED IN SECTION 7, THE OBLIGATIONS OF LESSEE TO MAKE RENTAL PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION ANY FAILURE OF THE EQUIPMENT TO BE DELIVERED OR INSTALLED, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE EQUIPMENT OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES.

11. **Delivery; Installation; Acceptance.** Lessee has ordered the Equipment, and will cause the Equipment to be delivered and installed, if necessary, at the location specified, if so specified, and pay any and all delivery and installation costs in connection with the Equipment. Lessor shall provide Lessee with quiet use and enjoyment of the Equipment during the Lease Term.

12. **[Reserved.]**

13. **Use; Maintenance.** Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Lease. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body. Lessee agrees that it will, at Lessee’s own cost and expense, maintain, preserve and keep the Equipment in good repair and working order.

14. **Title.** Upon acceptance of the Equipment by Lessee, title to the Equipment shall vest in Lessee subject to Lessor’s rights under this Lease; provided that title shall immediately and without any action by Lessee vest in Lessor, and Lessee shall immediately surrender possession of the Equipment to Lessor, upon (a) any termination of the Lease other than



termination pursuant to Section 22, or (b) the occurrence of an Event of Default. Transfer of title to Lessor pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer.

15. **Security Interest.** To secure the payment of all of Lessee's obligations, upon the execution of such Lease, Lessee grants to Lessor a security interest constituting a first and exclusive lien on the Equipment and on all proceeds therefrom. Lessee agrees to execute such additional documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest in the Equipment. The Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated.

16. **Liens, Taxes, Other Governmental Charges and Utility Charges.** Lessee shall keep the Equipment free of all levies, liens and encumbrances except those created by the Lease. The parties to this Agreement contemplate that the Equipment will be used for governmental or proprietary purposes of Lessee and that the Equipment will therefore be exempt from all property taxes. If the use, possession or acquisition of any Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee shall pay such taxes or charges as the same may become due.

17. **Insurance.** At its own expense, Lessee shall during the Lease Term maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor, in an amount at least equal to the then applicable "Purchase Price" of the Equipment as described in Exhibit A-1; (b) liability insurance that protects Lessee from liability in form and amount customary and comparable to coverage on similar equipment owned by the Lessee; and (c) workers' compensation coverage as required by the laws of the State; provided that, Lessee may self-insure against the risks described in clauses (a) and (b). Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout each Lease Term, if requested by Lessor. Lessee shall not materially modify or cancel such insurance or self-insurance coverage without first giving written notice to Lessor before any such cancellation or modification.

18. **Advances.** In the event Lessee shall fail to keep the Equipment in good repair and working order, Lessor may, but shall be obligated to, maintain and repair the Equipment and pay the cost to do so. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term and Lessee agrees to pay such amounts so advanced by Lessor.

19. **Damage, Destruction and Condemnation.** If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or

corporation acting pursuant to governmental authority, Lessee and Lessor will cause the Net Proceeds to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment to substantially the same condition as existed prior to the event causing such damage, destruction, or condemnation, unless Lessee shall have exercised its option to purchase the Equipment pursuant to Section 22. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

For purposes of this Section, the term “Net Proceeds” shall mean (y) the amount of insurance proceeds received by Lessee for replacing, repairing, restoring, modifying, or improving damaged or destroyed Equipment, or (z) the amount remaining from the gross proceeds of any condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys’ fees, incurred in the collection thereof. If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement referred to herein, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pursuant to Section 22 purchase Lessor’s interest in the Equipment. The amount of the Net Proceeds, if any, remaining after completing such replacement, repair, restoration, modification or improvement or after purchasing Lessor’s interest in the Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Section 9.

20. **DISCLAIMER OF WARRANTIES.** LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO WHETHER EXPRESS OR IMPLIED, AND LESSEE ACCEPTS SUCH EQUIPMENT AS IS AND WITH ALL FAULTS. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THE LEASE OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE’S USE OF ANY ITEM, PRODUCT OR SERVICE PROVIDED FOR IN THE LEASE.

21. **Vendor’s Warranties.** Lessor irrevocably appoints Lessee as its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default under the Lease, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against Vendor. The term “Vendor” means any supplier or manufacturer of the Equipment as well as the agents or dealers of the manufacturer or supplier from whom Lessor purchased or is purchasing such Equipment. Lessee’s sole remedy for the breach of such warranty, indemnification or representation shall be against Vendor of the Equipment, and not against Lessor. Any such matter shall not affect the rights or obligations of Lessor with respect to the Lease, including the right to receive full and timely payments under the Lease. Lessee expressly acknowledges that Lessor makes no representations or warranties whatsoever as to the existence or the availability of such warranties by Vendor of the Equipment.

22. **Purchase Option.** Lessee shall have the option to purchase Lessor's interest in all of the Equipment, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon the following terms: (a) on the Rental Payment dates specified in the Lease, upon payment in full of the Rental Payments then due under such Lease plus the then applicable Purchase Price as referenced in Exhibit A-1; or (b) in the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in the Lease, on the day specified in Lessee's notice to Lessor of its exercise of the purchase option upon payment in full to Lessor of the Rental Payments then due under such Lease plus the then applicable Purchase Price plus accrued interest from the immediately preceding Rental Payment date to such purchase date.

23. **Assignment.** Lessor's right, title and interest in and to the Lease, including Rental Payments and any other amounts payable by Lessee hereunder and all proceeds from this Lease, may be assigned and reassigned to one or more assignees or sub-assignees by Lessor with the prior consent of Lessee (which shall not be unreasonably withheld); provided that any such assignment shall not be effective until (a) Lessee has received written notice, signed by the assignor, of the name and address of the assignee, and (b) it is registered on the registration books. Lessee shall retain all such notices as a register of all assignees in compliance with Section 149(a) of the Code, and shall make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents that may be reasonably requested by Lessor or any assignee to protect its interests and property assigned pursuant to this Section. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Lessee may have against Vendor. Assignments may include without limitation assignment of all of Lessor's security interest in and to the Equipment listed in the Lease and all rights in, to and under the Lease related to such Equipment. Lessee hereby agrees that Lessor may, subject to compliance with this Section, sell, dispose of, or assign this Lease through a pool, trust, limited partnership, or other similar entity, whereby one or more interests are created in this Lease, or in the Equipment listed in or the Rental Payments under the Lease.

None of Lessee's right, title and interest in, to and under the Lease or any portion of the Equipment listed in each Lease may be assigned, subleased, or encumbered by Lessee for any reason without obtaining prior written consent of Lessor.

24. **Events of Default.** Any of the following events shall constitute an "Event of Default" under a Lease: (a) failure by Lessee to pay any Rental Payment or other payment required to be paid under the Lease at the time specified; (b) failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor; (c) any statement, representation or warranty made by Lessee shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made; or (d) Lessee institutes any proceedings under any bankruptcy, insolvency, reorganization or similar law or a receiver or similar official is appointed for Lessee or any of its property.

25. **Remedies on Default.** Whenever any Event of Default exists, Lessor shall have the right, at its sole option and without any further demand or notice, to take one or any

combination of the following remedial steps: (a) by written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee under the Lease and other amounts payable by Lessee under the Lease to the end of the then current Original Term or Renewal Term to be immediately due and payable; (b) with or without terminating the Lease Term under the Lease, Lessor may enter the premises where the Equipment listed in the Lease is located and retake possession of such Equipment and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable for the difference between (i) the Rental Payments payable by Lessee pursuant to such Lease and other amounts related to such Lease of the Equipment that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under the Lease, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 7 of the Lease; and (c) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under the Lease or as a secured party in any or all of the Equipment. Any net proceeds from the exercise of any remedy under the Lease (after deducting all costs and expenses referenced in this Section) shall be applied to amounts due pursuant to the Lease and other amounts related to the Lease or Equipment. The exercise of any remedies in respect of any Event of Default shall not relieve Lessee of any other liabilities under any other lease or with respect to other Equipment listed in another lease.

26. **No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given now or hereafter existing at law or in equity.

27. **Notices.** All notices or other communications under any Lease shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties hereto at the addresses listed below (or at such other address as either party hereto shall designate in writing to the other for notices to such party), or to any assignee at its address as it appears on the registration books maintained by Lessee.

28. **[Reserved].**

29. **Miscellaneous Provisions.** The Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. References herein to "Lessor" shall be deemed to include each of its assignees and subsequent assignees from and after the effective date of each assignment as permitted by Section 23. In the event any provision of any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of the Lease. The Lease may be amended by mutual written consent of Lessor and Lessee. The Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease. This Lease shall be governed by and construed in accordance with the laws of the State.

30. **Kansas Statutory Requirements.**

(A) The amount or capital cost required to purchase the Equipment if paid for by cash is \$95,000.00.

(B) The annual average effective interest cost is 3.10%.

(C) The amount included in the payments for service, maintenance, insurance or other charges exclusive of the capital cost and interest cost is \$-0-.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

CITY OF OSAWATOMIE, KANSAS

By \_\_\_\_\_  
L. Mark Govea, Mayor

“LESSEE”

FRIST OPTION BANK  
Osawatomie, Kansas

By \_\_\_\_\_  
Name  
Title:

“LESSOR”

**EXHIBIT A  
TO  
EQUIPMENT LEASE AGREEMENT**

**Equipment**

2005 Elgin Eagle Mechanical Broom Street Sweeper (Refurbished)

Cab-over-chassis VIN#: 49HAADB25DV05456



**EXHIBIT A-1**  
**AMORTIZATION SCHEDULE**

<b>Principal</b> \$95,250.00	<b>Loan Date</b> 12-11-2013	<b>Maturity</b> 12-01-2017	<b>Loan No</b> 18244	<b>Call / Coll</b> 10b / 051	<b>Account</b>	<b>Officer</b> MKF	<b>Initials</b>
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** City of Osawatomie, KS  
439 Main St, PO Box 37  
Osawatomie, KS 66064

**Lender:** FIRST OPTION BANK  
601 MAIN  
P O BOX 277  
OSAWATOMIE, KS 66064

**Disbursement Date:** December 11, 2013  
**Interest Rate:** 3.100

**Repayment Schedule:** Installment  
**Calculation Method:** 365/360 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	06-01-2014	12,752.99	1,410.76	11,342.23	83,907.77
2	12-01-2014	12,752.99	1,322.25	11,430.74	72,477.03
<b>2014 TOTALS:</b>		<b>25,505.98</b>	<b>2,733.01</b>	<b>22,772.97</b>	
3	06-01-2015	12,752.99	1,135.88	11,617.11	60,859.92
4	12-01-2015	12,752.99	959.05	11,793.94	49,065.98
<b>2015 TOTALS:</b>		<b>25,505.98</b>	<b>2,094.93</b>	<b>23,411.05</b>	
5	06-01-2016	12,752.99	773.20	11,979.79	37,086.19
6	12-01-2016	12,752.99	584.42	12,168.57	24,917.62
<b>2016 TOTALS:</b>		<b>25,505.98</b>	<b>1,357.62</b>	<b>24,148.36</b>	
7	06-01-2017	12,752.99	390.51	12,362.48	12,555.14
8	12-01-2017	12,752.99	197.85	12,555.14	0.00
<b>2017 TOTALS:</b>		<b>25,505.98</b>	<b>588.36</b>	<b>24,917.62</b>	
<b>TOTALS:</b>		<b>102,023.92</b>	<b>6,773.92</b>	<b>95,250.00</b>	

**NOTICE:** This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.



## STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** December 12, 2013

**AGENDA ITEM:** **BG Consultants Contract Addendum No. 3**

**PRESENTER:** Don Cawby, City Manager

**ISSUE SUMMARY:** During the finalization of plans for the sludge press installation we learned that we have some boundary line discrepancies at the wastewater plant. The current plant is clearly on our property, but we may lack the land necessary to place the lean-to for the sludge bin where we believe it would best fit.

Therefore, I am recommending the following contract addendum with BG Consultants to do a survey of the entire property. The contract would increase by an amount not to exceed \$8,000. The work would resolve the boundary line discrepancies so that we either make plans to relocate the addition or to look at possible negotiating with the neighbors for additional land.

This survey would cover the entire plant and hopefully clear up any confusion over the boundaries. Funding for the survey will come from project savings or contingency funds in the project. We have approximately \$60,000 in contingency funds for the head works portion and \$33,000 for the sludge press portion.

**COUNCIL ACTION NEEDED:** Review and vote on the presented Contract Addendum No. 3.

**STAFF RECOMMENDATION TO COUNCIL:** Approve Contract Addendum No. 3 with BG Consultants for \$8,000 as presented.

**ADDENDUM NO. 3  
TO  
AGREEMENT FOR ENGINEERING SERVICES**

This Addendum No. 3 amending the Agreement for Engineering Services dated September 27, 2012 and titled 2012 WWTP Improvements City of Osawatomie, Kansas, party of the first part, hereinafter referred to as the “CLIENT”, and the firm of BG Consultants, Inc., located in Lawrence, Kansas, party of the second part, hereafter referred to as the “CONSULTANT”.

**The CLIENT requests that CONSULTANT provide survey services to perform a boundary survey to clarify the location of the WWTP property.**

These improvements will be hereinafter referred to as the “IMPROVEMENT”.

In consideration of these premises and the mutual covenants herein contained, the Parties hereto agree as follows:

**ARTICLE I  
SCOPE OF SERVICES  
TO BE PROVIDED BY THE CONSULTANT**

1. The CONSULTANT shall commence from the date of this agreement to provide the services required under this section.
2. The CONSULTANT will provide design services in accordance with the original contract for the additional IMPROVEMENT.
3. In the event the scope of additional work described in this contract changes, the scope of work and compensation paid to the CONSULTANT will be renegotiated.

**ARTICLE II  
RESPONSIBILITY OF THE CLIENT**

The CLIENT shall provide information, assistance and compensation as follows:

1. For additional services set forth in this Article I, Items 1 through 3 above, an hourly fee.
  - a. The total amount for work identified in Article I, Items 1 through 3, shall be billed hourly according to the original contract not to exceed **\$8,000.00**, unless specifically authorized by the CLIENT. The original maximum contract amount for section B shall be increased to \$208,896.00.
2. To provide compensation to the CONSULTANT as follows:
  - a. Payment will be in accordance with the *Original Contract Section 4*.

**ARTICLE III  
RESPONSIBILITY OF THE CONSULTANT**

The CONSULTANT Agrees to provide the following Additional Services as part of the overall scope of services for this project:

1. The CONSULTANT will provide design services in accordance with the original contract.
2. To accept compensation for the herein Additional Services, described in such amounts and at such periods as indicated in Article II Section 1a.

**ARTICLE IV  
MUTUAL AGREEMENTS**

It is Mutually-Agreed by the Parties Hereto:

1. This agreement amendment shall become part of the original agreement dated September 27, 2012.

IN WITNESS WHEREOF, said parties have caused this Agreement to be signed by their only authorized officers in four counterparts, each of which shall be deemed an original, on the day and year first written.

ATTEST:

CITY OF OSAWATOMIE, KS

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

ATTEST:

BG CONSULTANTS, INC.

\_\_\_\_\_  
Brian P. Kingsley, P.E.  
Principal

**Osawatomie WWTP Boundary Survey  
Osawatomie, KS**

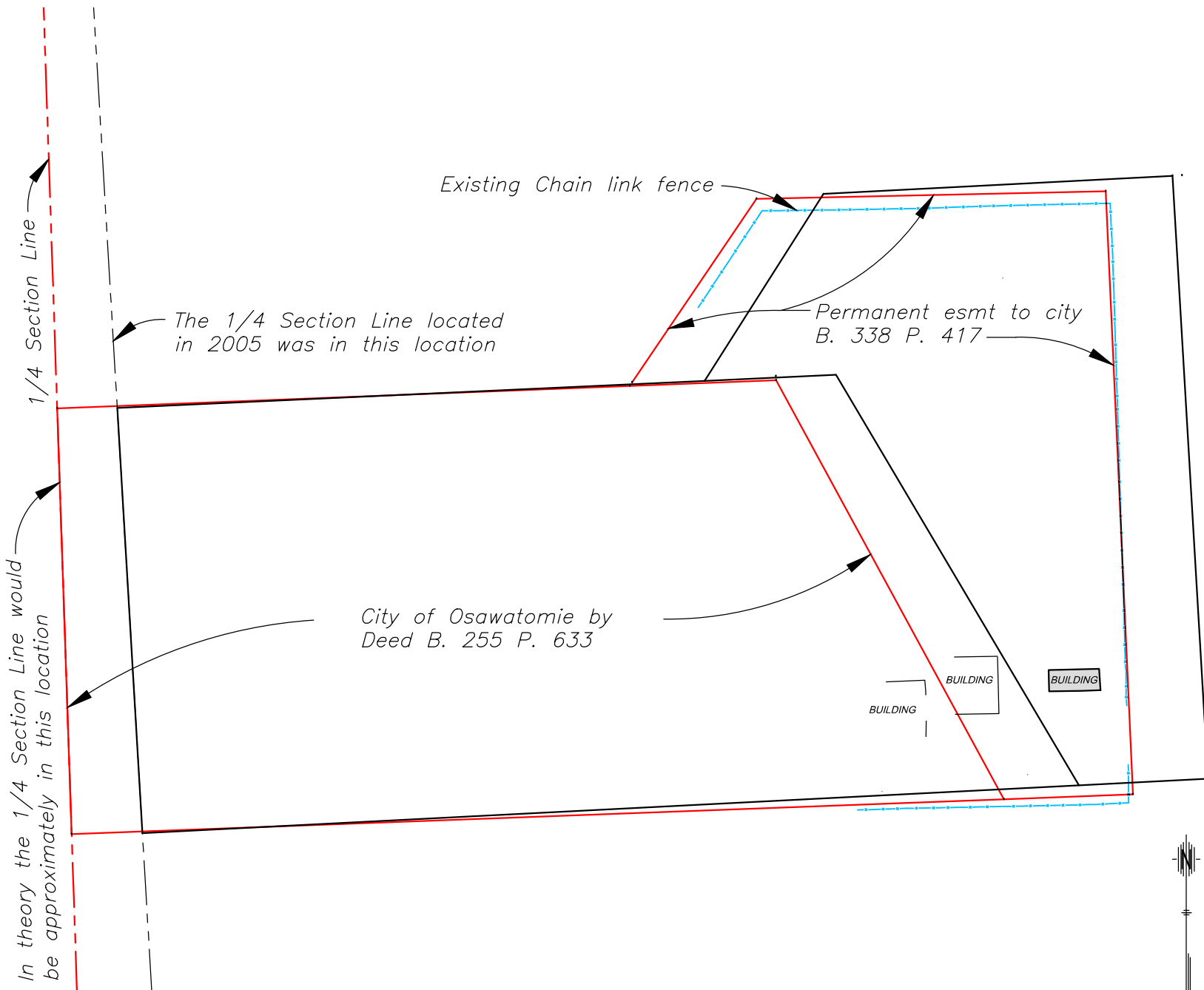
**Man-hour Estimate**

Task	Project Manager	Project Architect	Project Architect	Project Engineer	2-man Survey Crew	Sen. Project Surveyor	CAD Sys & Operator	Clerical	SUBTOTAL
1 <b>Research Public Records</b>									
Total Hours	0	0	0	0	0	10	0	0	10
Labor Rate	\$125.00	\$120.00	\$94.00	\$92.00	\$106.00	\$109.00	\$81.00	\$49.00	
Total Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,090.00	\$ -	\$ -	\$ 1,090.00

Task	Project Manager	Project Architect	Project Architect	Project Engineer	2-man Survey Crew	Sen. Project Surveyor	CAD Sys & Operator	Clerical	SUBTOTAL
2 <b>Field Survey</b>									
Total Hours	0	0	0	0	24	6	0	0	30
Labor Rate	\$125.00	\$120.00	\$94.00	\$92.00	\$106.00	\$109.00	\$81.00	\$49.00	
Total Labor	\$ -	\$ -	\$ -	\$ -	\$ 2,544.00	\$ 654.00	\$ -	\$ -	\$ 3,198.00

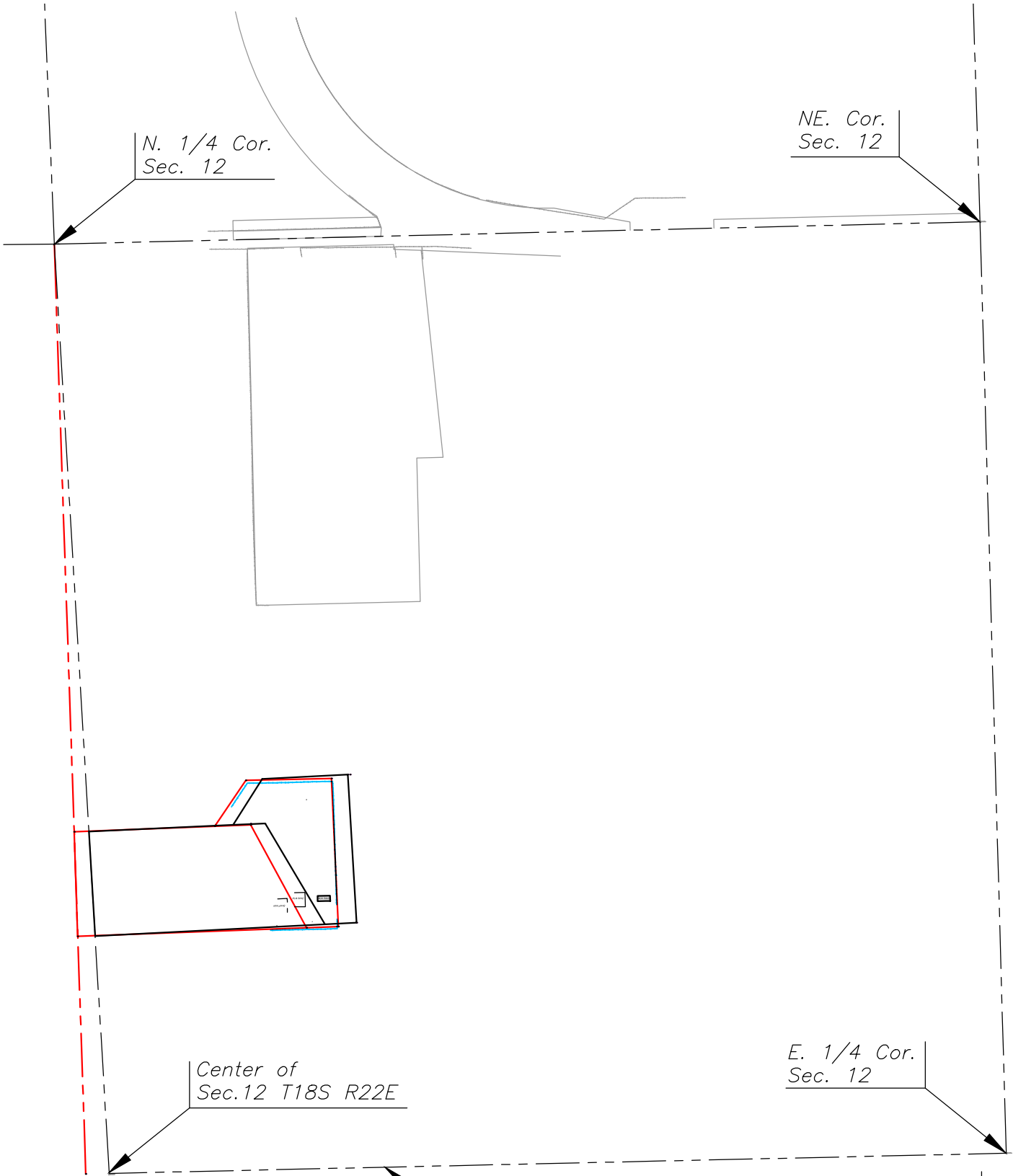
Task	Project Manager	Project Architect	Project Architect	Project Engineer	2-man Survey Crew	Sen. Project Surveyor	CAD Sys & Operator	Clerical	SUBTOTAL
3 <b>Exhibit Preperation and analyze field data</b>									
Total Hours	0	0	0	0	0	12	16	0	28
Labor Rate	\$125.00	\$120.00	\$94.00	\$92.00	\$106.00	\$109.00	\$81.00	\$49.00	
Total Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,308.00	\$ 1,296.00	\$ -	\$ 2,604.00

<b>Estimated Fee: \$</b>	<b>6,892.00</b>
<b>Not To Exceed Fee: \$</b>	<b>8,000.00</b>



N. 1/4 Cor.  
Sec. 12

NE. Cor.  
Sec. 12



Center of  
Sec.12 T18S R22E

E. 1/4 Cor.  
Sec. 12

*This side of the 1/4 section  
is obviously short*



**BG Consultants, Inc.**  
Engineering ■ Architecture ■ Surveying

www.bgicons.com

Preparation Date: Nov. 19, 2013

NOT TO SCALE

Engineer's Opinion of Probable Project Cost  
Headworks Improvements, Osawatomie, Kansas  
12-1061L  
September 4, 2012

ALTERNATIVE NO. 3A: NEW ¼ inch BAR SCREEN AND NEW GRIT CHAMBER

<u>Item</u> <u>Description</u>	<u>Estimated</u> <u>Quantity</u>	<u>Units</u>	<u>Unit</u> <u>Price</u>	<u>Total</u> <u>Price</u>
1 Mobilization	Lump Sum		\$ 23,500.00	\$ 23,500.00
2 Clearing and Grubbing	Lump Sum		\$ 500.00	\$ 500.00
3 Bypass Piping Installation	Lump Sum		\$ 6,500.00	\$ 6,500.00
4 Bypass Pumping Operations	Lump Sum		\$ 7,500.00	\$ 7,500.00
5 Concrete Structure Modifications	Lump Sum		\$ 42,500.00	\$ 42,500.00
6 Multi-Rake Mechanical Barscreen (1/4")	Lump Sum		\$ 108,500.00	\$ 108,500.00
7 Non Potable Washwater Assembly	Lump Sum		\$ 5,000.00	\$ 5,000.00
8 Washer Compactor Equipment	Lump Sum		\$ 68,000.00	\$ 68,000.00
9 Grit System Replacement	Lump Sum		\$ 110,000.00	\$ 110,000.00
10 New Equipment Installation	Lump Sum		\$ 27,000.00	\$ 27,000.00
11 Old Equipment Demolition	Lump Sum		\$ 12,000.00	\$ 12,000.00
12 Control Upgrade and Electrical Installation	Lump Sum		\$ 15,000.00	\$ 15,000.00
13 New Headworks Building	Lump Sum		\$ 175,000.00	\$ 175,000.00
			Construction Cost	\$ 601,000.00
			Contingency (10%)	\$ 60,100.00
			Total Construction	\$ 661,100.00
			Design Engineering	\$ 72,800.00
			Construction Inspection	\$ 59,500.00
			Legal, Administration and Financing	\$ 19,800.00
			<b>Total Opinion of Project Cost</b>	<b>\$ 813,200.00</b>

ALTERNATIVE NO. 3B: NEW 1/8 inch BAR SCREEN

<u>Item</u> <u>Description</u>	<u>Estimated</u> <u>Quantity</u>	<u>Units</u>	<u>Unit</u> <u>Price</u>	<u>Total</u> <u>Price</u>
1 Mobilization	Lump Sum		\$ 18,000.00	\$ 18,000.00
2 Clearing and Grubbing	Lump Sum		\$ 500.00	\$ 500.00
3 Bypass Piping Installation	Lump Sum		\$ 6,500.00	\$ 6,500.00
4 Bypass Pumping Operations	Lump Sum		\$ 6,000.00	\$ 6,000.00
5 Concrete Structure Modifications	Lump Sum		\$ 35,000.00	\$ 35,000.00
6 Multi-Rake Mechanical Barscreen (1/8")	Lump Sum		\$ 150,000.00	\$ 150,000.00
7 Non Potable Washwater Assembly	Lump Sum		\$ 5,000.00	\$ 5,000.00
8 Washer Compactor Equipment	Lump Sum		\$ 68,000.00	\$ 68,000.00
9 New Equipment Installation	Lump Sum		\$ 18,000.00	\$ 18,000.00
10 Old Equipment Demolition	Lump Sum		\$ 12,000.00	\$ 12,000.00
11 Control Upgrade and Electrical Installation	Lump Sum		\$ 15,000.00	\$ 15,000.00
			Construction Cost	\$ 334,000.00
			Contingency (10%)	\$ 33,400.00
			Total Construction	\$ 367,400.00
			Design Engineering	\$ 46,600.00
			Construction Inspection	\$ 35,200.00
			Legal, Administration and Financing	\$ 11,000.00
			<b>Total Opinion of Project Cost</b>	<b>\$ 460,200.00</b>



ENGINEERS OPINION OF PROBABLE COST  
 OSAWATOMIE WWTF BELT PRESS IMPROVEMENTS  
 7/25/2013  
 BG PROJECT NO. 13-1022L  
 OPTION NO. 4 AND 4A

Item No.	Description	Quantity	Units	Unit Cost	Total
1	Mobilization	1	LS	-	\$ 16,000.00
2	Existing Equipment Demolition	1	LS	-	\$ 6,500.00
3	Existing Concrete Demolition	1	LS	-	\$ 3,200.00
4	Sludge Pump Piping	1	LS	-	\$ 3,000.00
5	Wash water Piping	1	LS	-	\$ 1,500.00
6	Drain water Piping Interior	1	LS	-	\$ 2,500.00
7	Cake Pump Piping	1	LS	-	\$ 5,000.00
8	Belt Press Equipment Purchase	1	LS	-	\$ 215,000.00
9	Belt Press Equipment Installation	1	LS	-	\$ 21,500.00
10	Misc. Piping	1	LS	-	\$ 5,000.00
11	Lean-to Metal Sludge Storage Structure	1	LS	-	\$ 15,000.00
12	Sludge Storage Concrete Pad	1	LS	-	\$ 6,000.00
13	Drain water Piping Exterior	1	LS	-	\$ 4,000.00
14	Electrical Improvements	1	LS	-	\$ 30,000.00
Construction Subtotal					\$ 334,200.00
Construction Contingency (10%)					\$ 33,420.00
Design Engineering					\$ 40,104.00
Construction Inspection (2 months)					\$ 33,792.00
Administration					\$ 7,500.00
Legal Administration					\$ 5,000.00
<b>Total Project Cost</b>					<b>\$ 454,016.00</b>



## STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** December 12, 2013

**AGENDA ITEM:** 2014 CMB Permits

**PRESENTER:** Don Cawby, City Manager

**ISSUE SUMMARY:** Cereal Malt Beverage licenses are issued on a calendar basis and will expire December 31, 2013. The following establishments have filed for renewals in 2014:

- Casey's Retail Company – East Main
- Casey's Retail Company – 6th & Parker
- Gasmart LLC (Quick Stop)
- Hayden & Hayden, LLC (Oz Mart)
- Willard's, Inc. (Moon's Hometown Market)
- Osawatomie Golf Course (Bogey's)
- Pizza Hut
- Tail Gators
- Whistle Stop Cafe

**COUNCIL ACTION NEEDED:** Review and vote on the proposed licenses.

**STAFF RECOMMENDATION TO COUNCIL:** Approve the CMB licenses as presented.



## STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** December 12, 2013

**AGENDA ITEM:** **Concealed Carry Exemption**

**PRESENTER:** Don Cawby, City Manager

**ISSUE SUMMARY:** This past session the Legislature passed and Governor Brownback signed HB 2052 which authorizes the carrying of concealed weapons in state and municipal buildings unless metal detectors and personnel are stationed at each public entrance. The legislation was in effect as of July 1, but it allows cities time to assess buildings and make determinations by sending a waiver letter to the Attorney General. We sent a letter for a six-month waiver in June which provided us six months to develop security plans for each City owned building.

For your consideration will be a four-year exemption from the law passed upon adopted security plans. To do so, the Council will need to adopt a resolution to exempt certain buildings and then send a letter to the Attorney General making him aware of our action.

Attached is the League's recommended format for a letter to the Attorney General.

**COUNCIL ACTION NEEDED:** Review the proposed security plans in executive session and then consider the resolution which would provide the waiver.

**STAFF RECOMMENDATION TO COUNCIL:** Authorize the resolution and authorize the Mayor to sign the letter on behalf of the Council and send to the Attorney General.

DRAFT

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION EXEMPTING, UNTIL JANUARY 1, 2018, CERTAIN IDENTIFIED OSAWATOMIE MUNICIPAL BUILDINGS FROM THE REQUIREMENTS OF 2013 KAN. SESS. LAWS 551, CHAPTER 105, NEW SECTION 2, WHICH PRECLUDES KANSAS MUNICIPALITIES FROM PROHIBITING THE CARRYING OF CONCEALED HANDGUNS INTO CITY BUILDINGS.**

WHEREAS, the 2013 Kansas Legislature adopted New Section 2 of the 2013 Senate Substitute for House Bill No. 2052, which in part requires Kansas municipalities to allow carrying of concealed handguns in municipal buildings beginning on July 1, 2013 (“Section 2”); and

WHEREAS, Senate Substitute for House Bill No. 2052 is currently found at 2013 Kansas Session Laws 551, Chapter 105 (“the Law”); and

WHEREAS, Section 2(i) of the Law provides that municipalities are authorized to exempt municipal buildings for a period of four years beginning on January 1, 2014, from the requirements that municipalities allow the carrying of concealed handguns into municipal building; and

WHEREAS, pursuant to the authority set forth in Section 2(i) of the Law, the City of Osawatomie, desires to exempt its municipal buildings from the requirements that municipalities allow the carrying of concealed handguns into municipal buildings for a period of four years beginning on January 1, 2014.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS:

SECTION ONE. MUNICIPAL BUILDINGS EXEMPT. Pursuant to the authority set forth in Section 2(i) of the Law, the City of Osawatomie, Kansas hereby exempts the municipal buildings listed below from the provisions of Section 2 of the Law (a copy of which is attached hereto as Exhibit A) relating to municipalities prohibiting the carrying of a concealed handgun in municipal buildings as authorized by the personal and family protections act. It is the intent of the City that the exemption set forth herein shall extend for a period of four years beginning on January 1, 2014. As required by Section 2(i) of the Law, the below list of municipal buildings includes a legal description of the building locations.

**City Hall & Auditorium**

439 Main Street

LOT 8,9 & 10, BLOCK 31, Original Survey to the City of Osawatomie, Miami County, Kansas

**Police Department**

105 E. Main

The East 77.76 feet of lot 2 and the East 77.76 feet of Lot 3 and the East 77.76 feet of that strip of land 15 feet North and South by 142 feet East and West adjoining the North Side of the East 77.76 feet of Lot 2, Block 4, of Robert’s to the City of Osawatomie, Miami County, Kansas, according to the recorded plat thereof

**DRAFT**

509 1<sup>st</sup> Street

Lot 6, Block 4, Robert's Addition to the City of Osawatomie, Miami County, Kansas, according to the recorded plat thereof

**Library**

527 Brown

Lot 3-4 ,Block 76, Ellensville, William Chestnut's Addition to the City of Osawatomie, Miami County, Kansas

**Water & Electric Plant**

101 11<sup>th</sup> Street

*Need Legal*

**Wastewater Treatment Plant**

29366 W. 347<sup>th</sup> Street

*Need Legal*

**Public Works Warehouse**

820 Lincoln Avenue

*Need Legal*

**Electric Warehouse & Fire Station**

700 Walnut

Lots 12-15, Block 88, Ellensville Addition to the City of Osawatomie, Miami County, Kansas

**John Brown Cabin Museum**

1000 Main Street

*Need Legal*

**Memorial Hall**

411 11<sup>th</sup> Street

*Need Legal*

**Old Stone Church**

315 6<sup>th</sup> Street

*Need Legal*

**Golf Course & Animal Pound**

*Need Street Address*

*Need Legal*

SECTION 2. REASONS FOR EXEMPTING MUNICIPAL BUILDINGS. As required by Section 2(i) of the Law, the reasons for exempting the municipal buildings listed in Section 1 above from the provisions of Section 2 of the Law are as follows:

- Section 2(i) of the Law authorizes the City to seek such an exemption.
- The Governing Body of the City has determined that exempting its municipal buildings from the requirements of Section 2 of the Law is in the best interest of the community based on public safety issues related to the carrying of concealed firearms in City buildings.
- The City has a workplace violence and weapons policy that prohibits its employees from introducing firearms and dangerous weapons into the workplace.
- The four year exemption will afford the City additional time to review public safety issues related to the carrying of concealed firearms in City buildings.

**DRAFT**

- A security plan has been developed for the buildings being exempted which supplies adequate security to the occupants of the buildings and merits the prohibition of the carrying of a concealed handgun as authorized by the personal and family protection act.

SECTION 3. A security plan has been developed for the buildings being exempted which supplies adequate security to the occupants of the buildings and merits the prohibition of the carrying of a concealed handgun as authorized by the personal and family protection act. The prohibition shall continue until January 1, 2018.

SECTION 4. A copy of the security plan shall be maintained by the City Clerk and will be provided to the Kansas Attorney General or local law enforcement upon request. The security plan is not subject to disclosure under the Kansas open records act.

PASSED AND ADOPTED by the Governing Body of the City of Osawatomie, Kansas this 12th day of December, 2013, a majority being in favor thereof.

APPROVED AND SIGNED by the Mayor.

---

L. Mark Govea, Mayor

(SEAL)

ATTEST:

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Ann Elmquist, City Clerk

APPROVED AS TO FORM:

---

Richard S. Wetzler, City Attorney

December 13, 2013

Hon. Derek Schmidt  
Kansas Attorney General  
120 SW 10th Ave., 2nd Floor  
Topeka, KS 66612

RE: Notice of Four-Year Exemption

Dear Attorney General Schmidt:

On December 12, 2013 the Governing Body of the City of Osawatomie, pursuant to Section 2(i) of Kan. Sess. 2013 Ch. 105 approved the exemption of the following buildings from the requirements of said law:

City Hall & Auditorium	439 Main Street
Police Dept.	105 E. Main & 509 1 <sup>st</sup> Street
Library	527 Brown Avenue
Water & Electric Plant	101 11 <sup>th</sup> Street
Memorial Hall	411 11 <sup>th</sup> Street
Wastewater Treatment Plant (2)	29366 W. 347 <sup>th</sup> Street
Public Works Warehouse	820 Lincoln Avenue
Electric Warehouse & Fire Station	700 Walnut Avenue
John Brown Cabin Museum	1000 Main Street
Old Stone Church	315 6 <sup>th</sup> Street
Osawatomie Golf Course Clubhouse, Cart Rental Shed, & Customers' Golf Cart Shed with mechanics area	32942 W. Lakeside Drive
Osawatomie Golf Course Office	35685 W. 327 <sup>th</sup> Street
Animal Pound	35505 W. 327 <sup>th</sup> Street

The City understands that this exemption will end on December 31, 2017 unless further action is taken by the Governing Body to provide adequate security to the building as defined in the statute.

Respectfully submitted,

L. Mark Govea, Mayor

cc: Osawatomie Police Department



## MEMORANDUM

**To:** Mayor and City Council  
**From:** Don Cawby, City Manager  
**Re:** **Projects & Issues Update**  
**Date:** December 12, 2013

### Projects

**Sewer Plant Upgrades.** We found out this week that the projected start on the sewer plant construction will be in February, weather permitting. We have been trying to finalize KDHE paperwork so we can draw down our outstanding funds. We desperately want this finished before the end of the year so our books won't look messed up.

**Railbanking for Trail.** Last month I contacted our counterpart with the Union Pacific regarding getting the railbanked property turned over to us so it can be developed into a trail. Unfortunately, the discussions started out with the UP representatives saying they will not be donating the property to us and that they expected fair market value compensation. At that point, I let him know that is not what we expected and that we would stop and evaluate our options. I hope to make contact again after the first of the year to see if some attitudes have changed.

**Police Station.** Interior renovations are close to finished, but we will be waiting on the new backup generator and radio antennae, before we can relocate. Also, the Kastler's have indicated that they will be vacating the home by the end of December, so we will soon be putting out the home for bids. As a part of that process, I would like to present a land incentive program to the public which will provide the requirements to get free lots from the City.

**Sports Complex Building.** Plans are almost complete for the Sports Complex Building so we can submit the project for grant funding. We will be providing a basic floor plan to help us get good cost estimates and also to look at what we can do to keep down the cost of having to do full architectural drawings, such as pre-engineered buildings.

**Levees.** Yesterday, Bill Roseberry, Ted Bartlett and I met with representatives from FEMA regarding the Levee Assessment and Mapping Procedures (LAMP) pilot program for determining the eventual floodplain maps for the City. FEMA will be asking us to put together a Local team of stakeholders for inclusion in this process and they hope to begin meeting somewhere around the end of January. After the meeting yesterday, I felt confident that we made the right decision to hold off in beginning the Phase III improvements. The LAMP process should provide the information we need to evaluate the necessity of improvements to the levee when compared to other mitigation or response practices.



## Issues

**Employee Breakfast and Awards.** Earlier this year, the Council had indicated it would like to have a breakfast for employees at the end of the year to recognize employees with milestones in their service and to thank them for their hard work during the year. We are rapidly running out of time to do this, so I am providing this note as a reminder to start the conversation.

**Workers' Compensation.** On Monday we learned that our 2014 Workers' Compensation premiums will increase by 35%, or \$20,000, over 2013. I quickly asked our Safety Team to look at the rates and the issues causing this increase. I also tasked them with getting us to a Gold KMIT rating by 2016. The team met today with representatives from our insurer and our instructor from the KMU training program. We learned that there were errors in our calculation and also that our yearly evaluation was completed incorrectly. The KMIT representative said she would look at recalculating our rates and we hope that our premium will be reduced. Even with the calculation errors, I would still expect this year's premium increase to be significant because we had one claim in 2013 that put us \$60,000 over 2012.

**Water Line Replacement.** Brian Kingsley from BG Consultants will be at the Dec. 19 Council meeting to discuss options for moving water lines out of Main Street and also to talk about options for doing some other waterline projects. He has provided me some preliminary numbers but I wanted a chance to figure out how we could pay for the project before presenting it to you.

**Employee Wellness.** In the better late than never category, with half the year gone we finally met with our Wellness Coordinator from Gallagher Benefits and we will plan to have an Employee health fair in March of 2014. The health fair will include a blood draw and a health assessment. Employees will effectively lower their deductible by \$200 for each of these two items. The employee will also be eligible to lower their deductible another \$100 if they have their physician complete an annual physical form for them. The purpose of this year's screening program is to assess the health needs of our group which will provide us with the data necessary to tailor a program to our employee's needs for next year.

**West Lift Station.** The west sewer lift station has been a problem child for numerous years and has created backup issues for one household located next to the structure. I have also recently learned that the station requires weekly maintenance and put staff in a fairly hazardous situation on a regular basis. I wanted to let the Council know that I may be looking at some options for getting this lift station replaced. I expect it to be at or under \$75,000, but it is hard to know for sure until it has been reviewed. Should finish the year with better than expected balances in the Sewer Fund, I will likely task BG with starting some preliminary design work on replacing this lift station.

**Next Agenda.** For the meeting on the 19<sup>th</sup> I have planned just a few items: bid selection for the Police Station Garage/Sallyport, BG Presentation on waterline relocations, easement for Walmann Building, short KDHE presentation on an illegal dump cleanup program.

## Upcoming Meetings/Dates

Dec 19	Northland Property Annual Meeting
Dec 19	Council Meeting
Jan 9	Council Meeting

## Manager's Out of Town Schedule

Dec 18	MARC Fiberoptics Workshop
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**CITY OF OSAWATOMIE - BUDGET REPORT**

<b>DATE: Oct 2013</b>	<b>BUDGETED</b>	<b>REIMBS</b>	<b>EXPENDITURES</b>	<b>UNEN BALANCE</b>
<b>GENERAL</b>				
Administration	601,627.00		473,296.17	128,330.83
Sports Complex				-
Public Safety	906,283.00		725,767.44	180,515.56
John Brown Cabin	45,666.00		28,616.22	17,049.78
Public Works	237,059.00		206,625.65	30,433.35
Swimming Pool	18,146.00		4,375.56	13,770.44
Cemeteries	103,327.00		85,235.84	18,091.16
Parks & Lakes	-		-	-
Municipal Court	108,417.00		95,118.98	13,298.02
Levees & Storm Water	7,000.00		6,213.17	786.83
Library	140,136.00		104,282.29	35,853.71
<b>TOTAL</b>	<b>2,167,661.00</b>	<b>-</b>	<b>1,729,531.32</b>	<b>438,129.68</b>
<b>WATER</b>				
Administration	265,761.00		187,219.05	78,541.95
Water Treatment	854,353.00		279,077.34	575,275.66
Water Distribution	212,437.00		148,705.61	63,731.39
<b>TOTAL</b>	<b>1,332,551.00</b>	<b>-</b>	<b>615,002.00</b>	<b>717,549.00</b>
<b>ELECTRIC</b>				
Administration	762,610.00		745,178.80	17,431.20
Electric Production	2,459,643.00		1,817,099.37	642,543.63
Elect Transmission	583,267.00		370,353.38	212,913.62
<b>TOTAL</b>	<b>3,805,520.00</b>	<b>-</b>	<b>2,932,631.55</b>	<b>872,888.45</b>
EMPLOYMENT BENEFIT	613,556.00	73,860.81	626,497.14	60,919.67
REFUSE	376,700.00		291,128.76	85,571.24
LIBRARY	26,000.00		25,570.83	429.17
RECREATION	13,456.00		11,451.61	2,004.39
RURAL FIRE	43,720.00		19,871.95	23,848.05
INDUSTRIAL	41,500.00		57,716.53	(16,216.53)
REVOLVING LOAN	-			-
SPECIAL PARKS & REC	240,278.00	2,135.00	220,800.49	21,612.51
ST IMPROVEMENT	129,000.00	94.42	94,304.44	34,789.98
BOND & INTEREST	752,788.00		752,787.50	0.50
PUBLIC SAFETY EQUIP.			789.79	(789.79)
FIRE INS PROCEEDS	15,500.00		-	15,500.00
SEWER	836,250.00		757,095.14	79,154.86
REC EMP BENEFITS	2,419.00		1,344.01	1,074.99
GOLF COURSE	249,090.00	1,247.05	236,761.34	13,575.71
SPECIAL REV (FIRE EQUIP)			-	-
SPECIAL REVENUE (911)	9,897.00		-	9,897.00
LLEBG GRANT			-	-
TOURISM	46,250.00	385.05	60,049.78	(13,414.73)
DISASTER				-
CAPITAL - GENERAL	40,000.00		397,782.86	(357,782.86)
CAPITAL IMP. - STREET				-
CAPITAL IMP - SEWER			-	-
CAPITAL IMP - GRANTS			393,288.18	(393,288.18)
CAFETERIA 125 #50			29,262.47	(29,262.47)
COURT ADSAP #51	3,000.00		-	3,000.00
COURT BONDS #52	20,000.00		6,882.01	13,117.99
FOREITURES #53	3,000.00		200.00	2,800.00
OLD STONE CHURCH #54				-
PAY PAL #55				-
<b>GRAND TOTAL</b>	<b>10,768,136.00</b>	<b>77,722.33</b>	<b>9,260,749.70</b>	<b>1,585,108.63</b>

## CITY OF OSAWATOMIE - CASH FLOW REPORT

Date: Oct 2013	BEGINNING BALANCE	REVENUE	EXPENDITURES	CASH BALANCE	ENCUMBERANCES (ORD.)	CASH BALANCE 10/31/2013
GENERAL OPERATING	111,384.68	1,922,226.34	1,729,531.32	304,079.70		304,079.70
WATER	176,092.76	682,839.03	615,002.00	243,929.79		243,929.79
ELECTRIC	531,388.20	3,192,680.55	2,932,631.55	791,437.20		791,437.20
EMPLOYEE BENEFIT	52,082.33	613,755.13	552,636.33	113,201.13		113,201.13
REFUSE	6,251.94	322,794.03	291,128.76	37,917.21		37,917.21
LIBRARY	115,753.52	14,181.38	25,570.83	104,364.07		104,364.07
RECREATION	713.87	11,641.37	11,451.61	903.63		903.63
RURAL FIRE	762.88	12,325.32	19,871.95	(6,783.75)		(6,783.75)
INDUSTRIAL	61,237.37	34,318.25	57,716.53	37,839.09		37,839.09
REVOLVING LOAN	72,758.43	-	-	72,758.43		72,758.43
SPECIAL PARKS & REC	91,072.82	200,671.38	218,665.49	73,078.71		73,078.71
STREET IMPROVEMENTS	99,271.65	120,093.57	94,210.02	125,155.20		125,155.20
BOND & INTEREST	96,891.99	744,512.25	752,787.50	88,616.74		88,616.74
PUBLIC SAFETY EQUIP.	9,847.11	11.14	789.79	9,068.46		9,068.46
FIRE INS PROCEEDS	0.84	-	-	0.84		0.84
SEWER	335,551.80	689,479.89	757,095.14	267,936.55		267,936.55
RECREATION BENEFIT	-	1,457.19	1,344.01	113.18		113.18
GOLF COURSE	4,803.83	204,405.50	235,514.29	(26,304.96)		(26,304.96)
SPECIAL REVENUE (911)	9,897.41	-	-	9,897.41		9,897.41
LLEBG GRANT	-	-	-	-		-
TOURISM	9,423.13	59,361.55	59,664.73	9,119.95		9,119.95
EVIDENCE LIABILITY	14,361.29	-	-	14,361.29		14,361.29
CAPITAL - GENERAL	357,726.90	99,075.80	397,782.86	59,019.84		59,019.84
CAPITAL IMP. - STREETS	19,158.54	-	-	19,158.54		19,158.54
CAPITAL IMP - SEWER	-	-	-	-		-
CAPITAL IMP - GRANTS	164,801.26	590,000.00	393,288.18	361,513.08		361,513.08
CAFETERIA 125 # 50	4,925.74	43,309.59	29,262.47	18,972.86		18,972.86
COURT ADSAP # 51	6,911.00	750.00	-	7,661.00		7,661.00
COURT BONDS # 52	6,521.37	7,195.50	6,882.01	6,834.86		6,834.86
FORFEITURES # 53	57.29	400.00	200.00	257.29		257.29
OLD STONE CHURCH # 54	-	-	-	-		-
PAYPAL # 55	95.65	-	-	95.65		95.65
<b>TOTALS</b>	<b>2,359,745.60</b>	<b>9,567,484.76</b>	<b>9,183,027.37</b>	<b>2,744,202.99</b>	<b>-</b>	<b>2,744,202.99</b>