



Osawatomie
KANSAS

2024 RNR & Budget Hearing

**"Patience and perseverance have a magical effect
before which difficulties disappear and obstacles
vanish." – John Quincy Adams**

Progress Update on the 5 Goals

- **Clean the Community Up**
 - 4 of 5 condemned structures removed in 2023
 - 670+ Nuisance letters, door hangers or citations issued / Resurrected Nuisance Structure List
- **Repair and Replace Streets**
 - 16 (now 14) mill increase (with 2024 budget) and ½ cent sales tax for 10 years
 - Debt Issuance for 6th Street (2023)
 - Utility relocations underway and ongoing (Now)
 - 18th Street/Main Street Terrace/Walnut (complete)
 - Brown Ave. is under construction
 - 6th Street (begin early spring 2024)
- **Economic Development (Housing of all Types)**
 - ~ 6 new homes either constructed, under construction, or in plan review for 2023
 - 10 Acre project (Plat is with Planning Commission) RHID plus MIH / KHRC
 - Osawatomie Downtown Community Development Corporation (ODCDC)
- **Hard Infrastructure (Water/Wastewater/Electric)**
 - Revolving loan fund paperwork received / awaiting USDA Letter of Conditions (4th quarter 2024)
 - Debt Issuance for water mains (Brown & 6th in 2023)
 - 2024 Budget keeps operating transfers from utilities at 5%
- **Soft Infrastructure (Parks/Libraries/Trails/Community Spaces)**
 - Debt Issuance - KDOT - TA grant
 - Began the process to seek National Historic Park Site status with NPS for John Brown Park

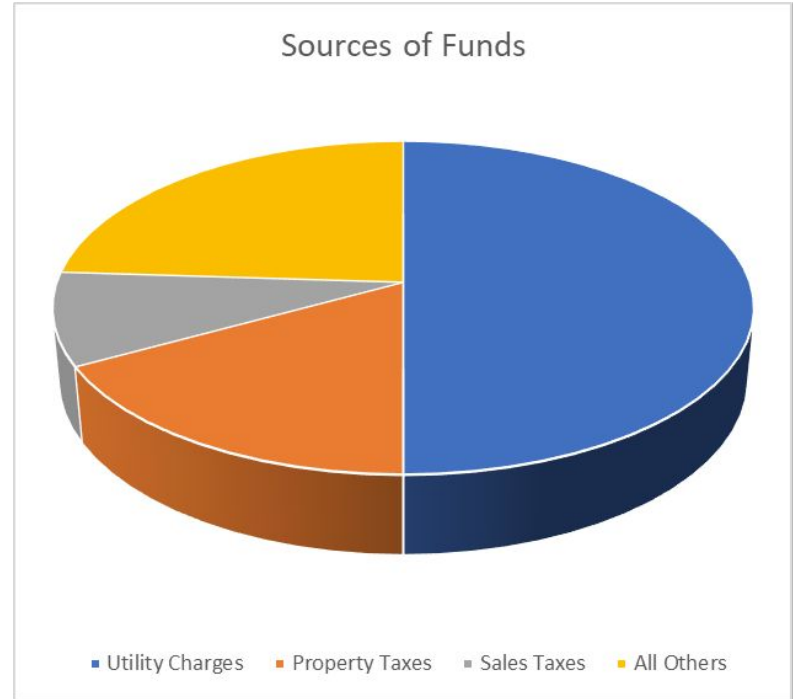
CONCERNS and GOALS

- **Recruitment and Retention - Right Sized Staff in a Tight Labor Market**
- **Keeping our Utilities Whole and Ensuring Utility Rates Keep Pace with Inflation**
- **Inflation Increasing at a Rate Equal to, or Greater than Growth in New Construction**
- **Downtown Development (Pull Factor)**
- **Turning Critics into Supporters**
- **Finishing Strong on What We've Started**

Sources of Revenues

Where does the City's money come from?

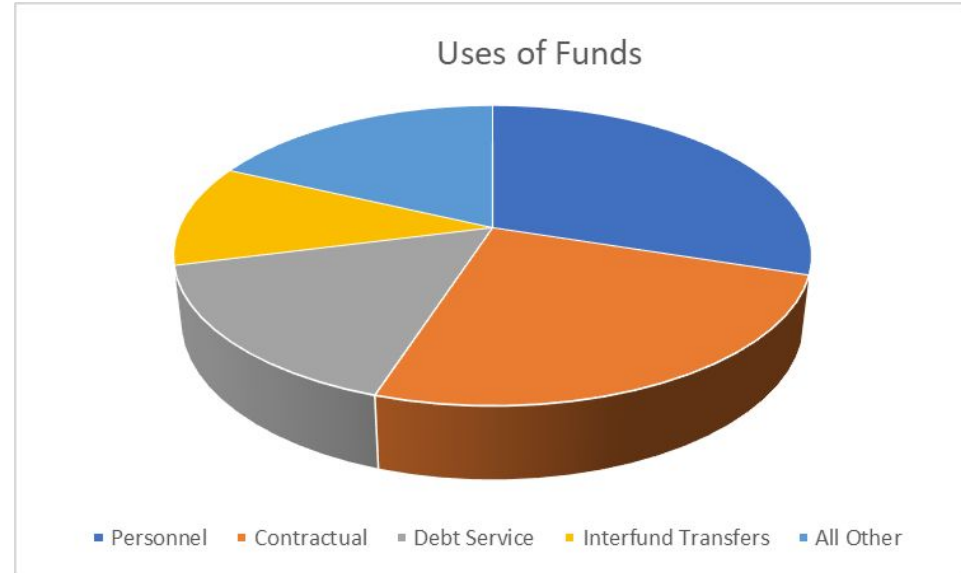
- 1.) Utility Charges = approximately 50% of all revenues
- 2.) Property Taxes = 17% of all revenues
- 3.) Sales Taxes = 9% of all revenues
- 4.) Everything else - Miscellaneous fees, charges and interfund transfers



Use of Funds

Where does the money go?

- 1.) Personnel Expenses ~ 34% (salaries/benefits)
- 2.) Contractual Services ~ 25% (BIG one - electricity purchases account for approximately half of this 25%)
- 3.) Debt Service ~ 12% (bonds for streets, generators, water & wastewater projects as well as lease purchases)
- 4.) Interfund Transfers ~ 11% (almost all of these are transfers FROM utilities to other funds)
- 5.) Everything Else ~ 18% (includes commodities, capital outlay, non-appropriated funds, etc.)



Department by Department Overview 2023 to 2024

Expenditures by Department	Actual 2022	Budget 2022	Budget 2023	Budget 2024
101 - Administration	\$931,995	\$758,812	\$862,544	\$845,871
102 - Code Enforcement	\$208,870	\$270,331	\$268,390	\$239,650
103 - Police	\$1,021,276	\$946,570	\$1,188,000	\$1,226,584
104 - Cabin	\$58,552	\$51,500	\$66,984	\$74,635
105 - Streets & Alleys	\$383,371	\$388,957	\$413,489	\$362,700
107 - Parks & Cemeteries	\$361,355	\$296,637	\$361,300	\$432,900
108 - Fire	\$107,928	\$118,950	\$124,954	\$136,750
109 - Municipal Court	\$192,527	\$0	\$0	\$196,742
110 - Levee & Stormwater (closed)	\$5,030	\$0	\$0	\$0
111 - Library	\$183,635	\$167,500	\$176,590	\$219,553
135 - Technology	\$164,365	\$0	\$0	\$0
TOTAL GENERAL FUND EXPENDITURES	\$3,618,903	\$2,999,257	\$3,462,251	\$3,735,385

Employee Benefits Fund Overview 2023 to 2024

		Actual	Budget	Budget	Budget
Expenditures		2022	2022	2023	2024
Personnel Services					
FICA	000-700.141	\$153,635	\$165,500	\$80,000	\$150,000
KPERS	000-700.143	\$181,539	\$300,000	\$140,000	\$75,000
KP&F	000-700-147	\$0	\$0	\$225,000	\$208,000
ICMA-RC MATCH	000-700.144	\$15,340	\$6,000	\$7,500	\$18,000
WORK COMP INSURANCE	000-700.145	\$71,535	\$75,000	\$55,500	\$78,000
UNEMPLOYMENT INSURANCE	000-700.146	\$4,088	\$4,500	\$10,500	\$26,000
MEDICAL INSURANCE	000-700.161	\$302,607	\$325,000	\$325,000	\$371,000
DENTAL INSURANCE	000-700.164	\$18,253	\$16,000	\$16,000	\$0
VISION INSURANCE	000-700.165	\$4,270	\$4,000	\$4,000	\$0
LIFE INSUR - EMPLOYER	000-700.167	\$2,025	\$0	\$2,000	\$2,600
Total		\$753,292	\$896,000	\$865,500	\$928,600

- Note: All employer paid benefits for employees in the city's utility funds are now paid for directly out of those respective utility funds.
- Health Insurance costs increased by 10% over last policy year.

Bond & Interest Fund Overview 2023 to 2024

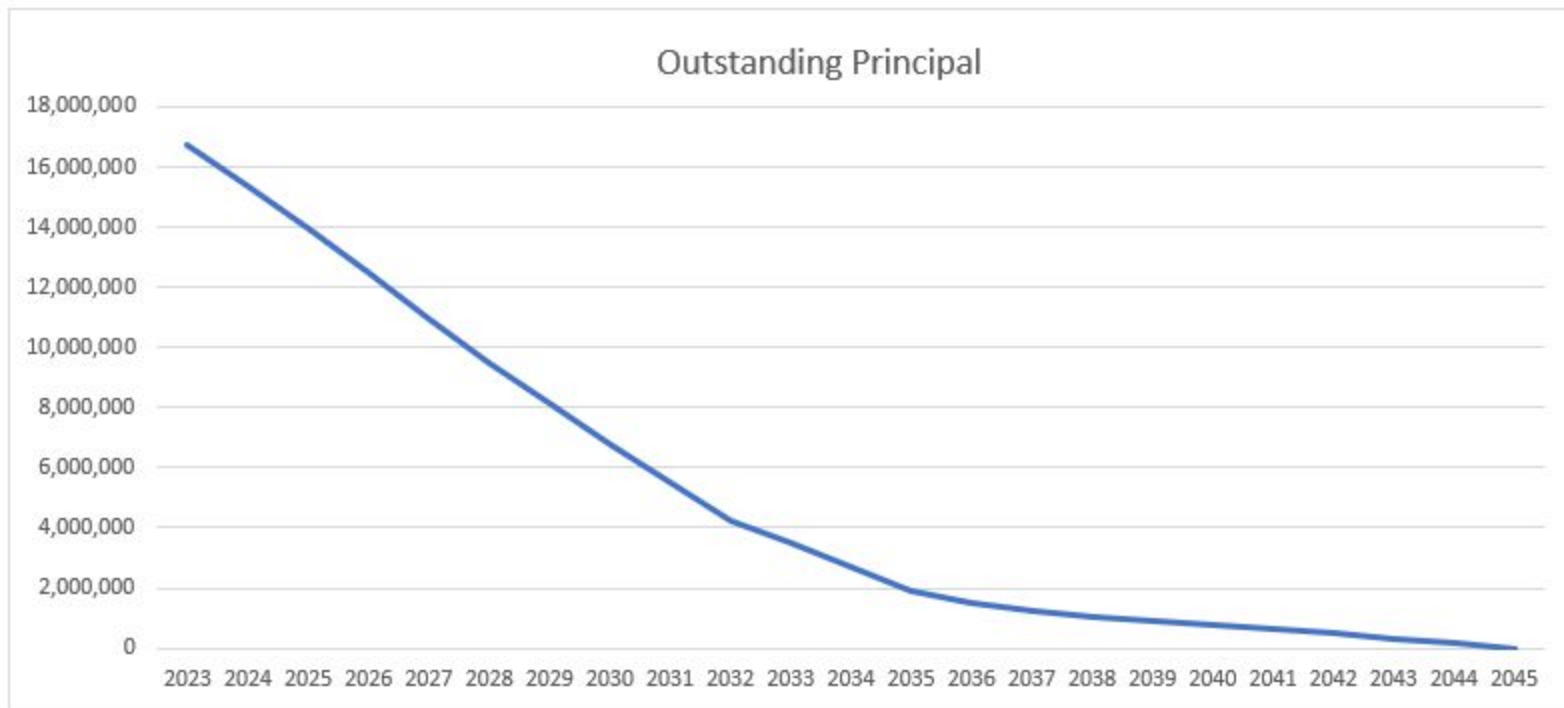
		Actual	Budget	Budget	Budget
Expenditures		2022	2022	2023	2024
Contractual Services					
OTHER SERVICES	111-700.299	\$2,800	\$45,000	\$45,000	\$4,740
Total		\$2,800	\$45,000	\$45,000	\$4,740
Debt Service					
BOND PRINCIPAL	000-700.501	\$520,000	\$925,000	\$1,051,445	\$1,204,675
BOND INTEREST	000-700.502	\$397,950	\$345,000	\$473,557	\$363,660
BOND REGISTRATION FEES	000-700.503	\$1	\$0	\$0	\$0
NOTE INTEREST	000-700.512	\$0	\$0	\$0	\$0
Total		\$917,951	\$1,270,000	\$1,525,002	\$1,568,335
Other Expenses					
CASH BASIS RESERVE	000-700.801	\$0	\$85,000	\$162,199	\$65,000
Total		\$0	\$85,000	\$162,199	\$65,000

Bond & Interest Fund Payments Due: 2024

Payments Due - 2024						
		<u>B&I</u>	<u>PSE</u>	<u>WWTP</u>	<u>Water</u>	<u>Electric</u>
2022A	\$710,450.00	\$596,778.00	\$7,104.50	\$106,567.50	\$0.00	\$0.00
2012A	\$44,950.00	\$44,950.00	\$0.00	\$0.00	\$0.00	\$0.00
2019A	\$84,740.00	\$84,740.00	\$0.00	\$0.00	\$0.00	\$0.00
2016A	\$592,730.00	\$349,395.00	\$0.00	\$176,820.00	\$66,515.00	\$0.00
2022 - WWTP	\$135,464.88	\$0.00	\$0.00	\$135,464.88	\$0.00	\$0.00
2021 Util. Loan	\$78,391.78	\$0.00	\$0.00	\$0.00	\$0.00	\$78,391.78
2015A Electric	\$426,900.00	\$0.00	\$0.00	\$0.00	\$0.00	\$426,900.00
TOTAL	\$2,073,626.66	\$1,075,863.00	\$7,104.50	\$418,852.38	\$66,515.00	\$505,291.78

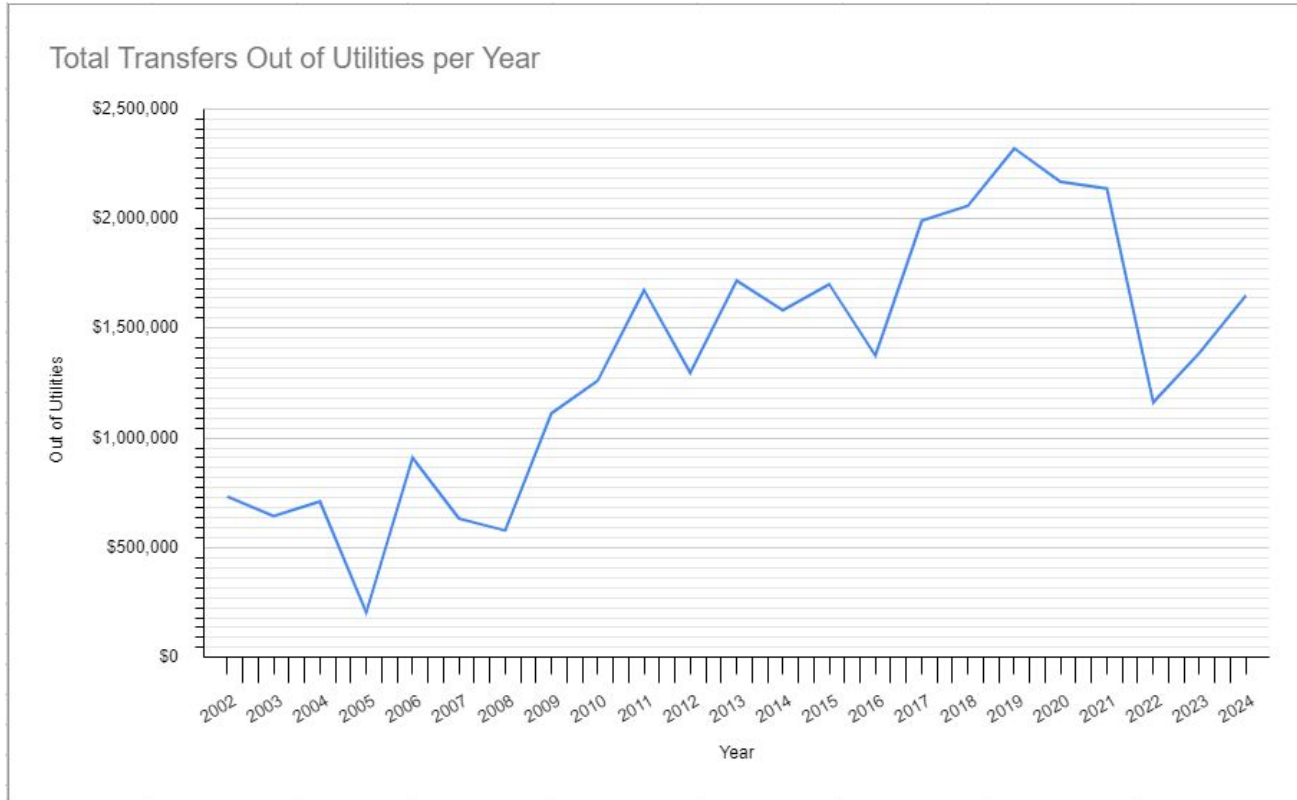
Order of Debt Retirements and when:

1. 2012 GO Refunding - 9/1/2027
2. 2022A Street Improvements - 3/1/2032
3. 2015A Elect. Rev. Bonds - 9/1/2035
4. 2019A Street Improvements - 9/1/2038
5. 2020 KDHE WWTP SRF - 3/1/2043
6. 2016A GO Bonds - 9/1/2045



1. Does not include Sewer Temp Note of \$346,000
2. Does not include \$600,000 principal payment made 3/1/2023 on Series 2022A Bonds
3. Does not include \$2,360,500 2020 KDHE SRF for WWTP

Transfers Out of Utilities



Takeaways from the 2024 Budget

- 1.) Health Insurance - Moved to ASO Contract with HSA
- 2.) Property Insurance - Moved to Elliott Insurance Group (Employers' Mutual)
- 3.) 2024 Budget has a planned **0% COLA** and **0% merit**
- 4.) Enterprise Lease Program
- 5.) Value of a mill for 2024 is \$36,292. In 2023 it was \$32,351.
- 6.) Budget for 2024: \$16,885,416 / 2023 was: \$15,138,050 - an 11% increase

Removing the 2024 increases in the following non-property tax funds: Public Safety Equip, (100%), Special Highway (6th Street - 352%), and Electric Fund (primarily due to adding OSH - 12%) results in an increase of \$1,270,000:

\$1,270,000 is an increase of 3%.