

**RESOLUTION NO. 908**

**BY THE CITY OF OSAWATOMIE, KANSAS**

**A RESOLUTION ESTABLISHING BUDGET POLICIES FOR FISCAL YEAR 2022.**

**WHEREAS**, the City of Osawatomie’s overriding goal is to provide its residents with a superior level of services with a budget that the community can afford; and

**WHEREAS**, the City of Osawatomie’s City Council through Resolutions 778, 779, 784 and 794 have begun to put in place a financial framework to assist them in managing the financial resources of the City; and

**WHEREAS**, it is only appropriate for the City Council begin a discussion of the broad set of budgetary policies that will guide this community over the coming decade; and

**WHEREAS**, the City Staff wishes to begin creating a Fund Balance Reserve equivalent to 90-days of the City’s General Fund expenditures (**25% of Annual Expenses**); and

**WHEREAS**, the COVID-19 pandemic has put even more pressure on the City’s budget both in the short- and long-term; and

**WHEREAS**, it is only appropriate that the City not simply adopt an annual budget but also set multi-year budgetary and financial policies to ensure the ongoing operation of the City.

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

**SECTION ONE:** That the following will serve as the Budgetary Policies of the City of Osawatomie, KS.

- A. The City will increase its mill rate in the General Fund from the Revenue Neutral Rate (RNR) of 27.669 to 44.433. This increase in mill rate will generate \$450,000 annually that will be dedicated to Street repairs, replacement and maintenance.
- B. The City will maintain the mill rate in the following funds equivalent to the RNR (for 2022) as calculated by the Miami County Clerk,
  - a. Employee Benefit Fund: 18.549
  - b. Bond and Interest Fund: 15.91
  - c. Special Law Enforcement Equipment Fund: .923
  - d. Industrial Development Fund: .185
- C. The City will continue the Solid Waste Utility consistent with Resolution 785 payable through annual property tax payments adjusting for the increase in the Waste Management Contract of 3% for each of the next three (3) years -- 2022, 2023 and 2024.
- D. The City will be updating Utility Rates that will become effective January 1, 2022 based on a rate study (update) that all utilities are charging an appropriate rate to both replace and maintain the existing infrastructure and cover normal operating costs.

- E. All Fees and Charges for services outside of the City's utilities will be reviewed during the annual budget process and any changes made effective on the 1<sup>st</sup> day of the new calendar year.

**SECTION TWO:** This Resolution will form the basis for all future *Budgetary Policy Resolutions* and serve as the "overall" Budgetary Policy of the City of Osawatomie, KS.

**PASSED AND APPROVED** by the Governing Body of the City of Osawatomie, Kansas, this 26<sup>th</sup> day of August, 2021, a majority voting in favor of.

**APPROVED** and signed by the Mayor.

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L. Mark Govea, Mayor

(SEAL)

ATTEST:

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Tammy Seamands, City Clerk