

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 1st 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 12th day of August, 2021, a majority voting in favor of.

APPROVED and signed by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk