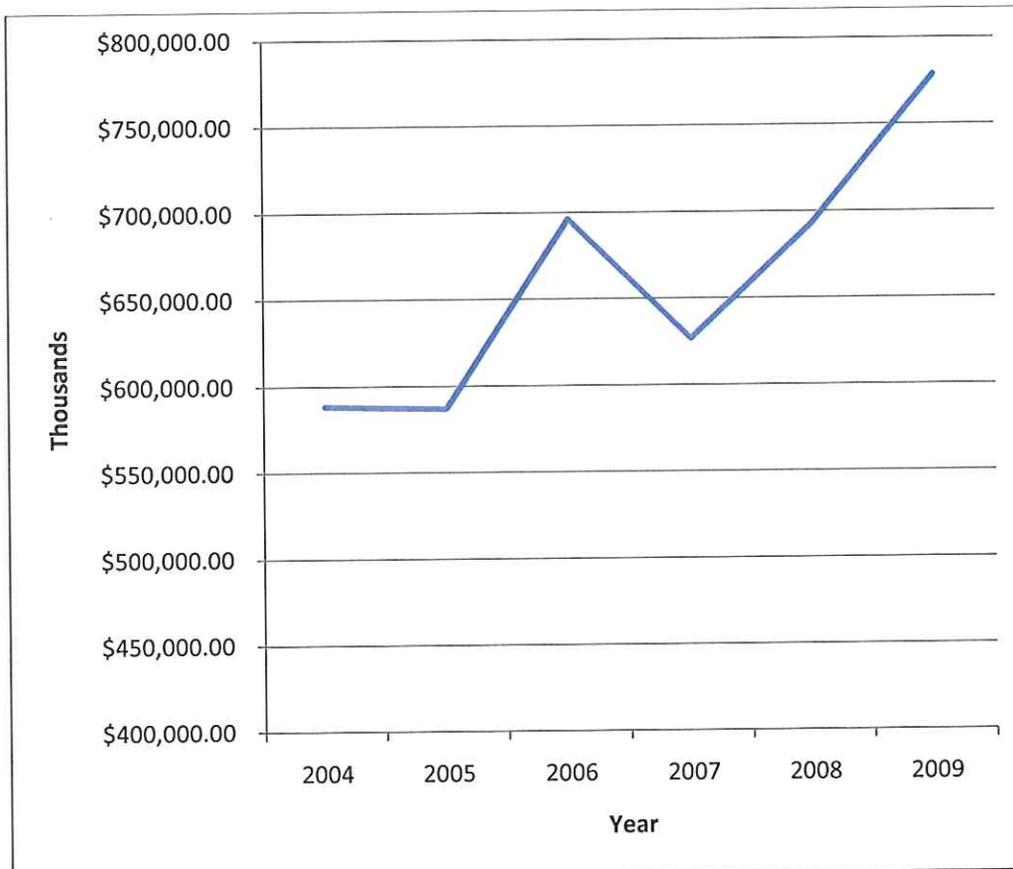


Budget Facts

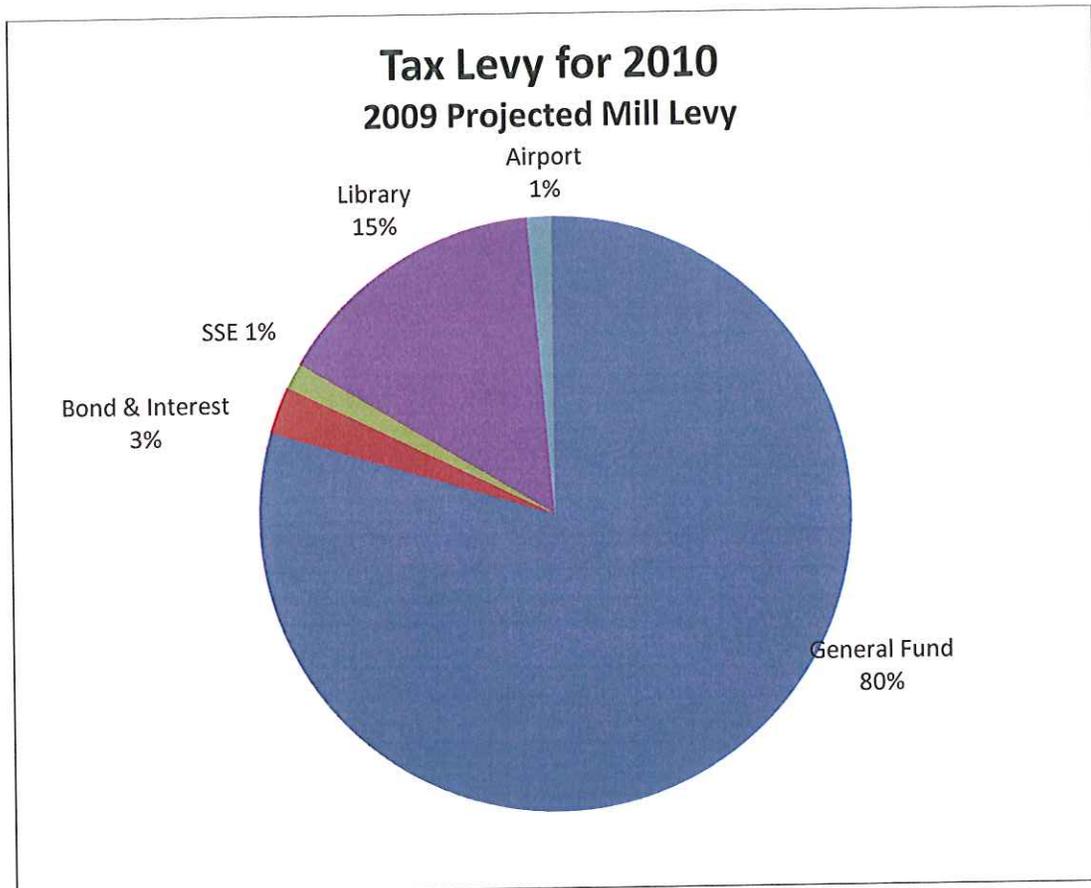
2009 Assessed Valuation (est.)	\$18,029,793
2008 Assessed Valuation	\$17,556,013
Percent Increase from 2008	2.70%
Ad Valorem Tax Levy 2009	\$778,722
Actual Property Tax Levy 2008	\$693,133
Difference in Property Tax Levied	\$85,589
Percent Difference in Property Tax Levied	12.35%

Ad Valorem Tax Levy History 2004-2009



Budget Facts

	2008 Mill Levy		Proposed 2009 Mill Levy	
General	380,681	21.683	594,484	34.390
Bond & Interest	62,366	3.552	19,961	1.107
Special Safety Equipment	10,528	0.599	11,129	0.617
Library	110,319	6.283	117,272	6.504
Airport	13,207	0.752	10,321	0.572
Special Parks & Recreation	116,032	6.609	0	0.000
	693,133	39.478	778,722	43.190



Budgeted Fund Descriptions:

The City maintains numerous funds used to provide City services. These appropriated funds include the following:

- General Fund
- Special Safety Equipment Reserve Fund
- Library Fund
- Airport Fund
- Bond & Interest Fund
- Electric Utility Fund
- Water Utility Fund
- Natural Gas Utility Fund
- Sewage Disposal Utility Fund
- Sanitation Utility Fund
- Special Highway Fund
- Special Parks & Recreation Fund
- Cemetery Fund

Governmental Funds

General Fund

The General Fund is the largest City tax-levied fund and pays for the majority of basic City functions. The City Council was asked to approve a \$2,293,545 general fund budget for 2010; up slightly from \$2,207,425 budgeted in 2009. The General Fund collects all general revenues and pays the majority of City salaries. The Enterprise Funds contribute to these salaries through interfund administrative transfers. Departments included within the General Fund include: Administration, Police, Utility Administration, Street, Property, Economic Development, Tree Board, Community Improvement, Recreation, Parks, and Aquatic Center.

Special Revenue Funds

Special Safety Equipment Reserve Fund

The Special Safety Equipment Reserve Fund is used to upgrade police vehicles and safety equipment with tax-levied funds.

Library Fund

This fund is used to account for the operations of the Osage City Public Library, which is funded primarily by property tax. The majority of this fund goes towards salaries and employee benefits for library employees. In prior years, the general administrative expenses were kept separate from the employee benefit expenses. To be in compliance with audit standards, however, the two have been combined into one tax levy.

Airport Fund

The Airport Fund receives revenue through a tax levy and hanger lease payments. The City rents six of its eight available spaces to individuals, which in 2008 resulted in \$9,292.61. Significant projects will be completed to the airport entrance and hanger access roads in 2010 through a 95%/5% grant from the Federal Aviation Administration. There will also be an overhaul of the existing runway lights due to the acceptance of a 90%/10% grant from the Kansas Department of Transportation.

Bond & Interest Fund

This fund is used to make principal and interest payments to retire City debt. Total expenditures are budgeted at \$569,380. The largest revenue sources (excluding interfund transfers) are Special Assessments (\$35,120), Ad Valorem tax (\$19,961), and Motor Vehicle Tax (\$9,786).

Special Highway Fund

The revenue for this fund is from a portion of the state and county gasoline tax. These monies are required by statute to be used specifically for the construction and rehabilitation of City roadways. Total expenditures are budgeted at \$98,935, with \$81,925 dedicated to debt service and the remainder being sent to KDOT for previous repairs completed on a portion of Market Street/K-31. The City expects to receive \$82,520 in gasoline tax revenue in 2010. Lawmakers occasionally motion repeal of the gasoline tax; therefore the City of Osage City is watching this revenue and staying abreast of any changes in the law.

Special Parks & Recreation Fund

2010 marks the consolidation of the Special Parks and Recreation fund with the General Fund. Going forward, all parks and recreation department expenses will be together in the same fund, which was not the case in the past. This fund will still receive revenue from liquor taxes, however. These monies will be collected and used for park capital improvements in the future.

Cemetery Trust Fund

No activity is appropriated in this fund for 2010 as burial fees, cemetery lot purchases, and maintenance costs of the cemetery are ran through the General Fund, specifically in the Property Department.

Enterprise Funds

Electric Utility Fund

The Electric Fund is supported by sales and charges for services by the electric utility. This fund pays for all wages and operating expenses of the utility, making this fund an enterprise fund. Total revenue for the Electric Fund in 2010 is \$3,995,915. Total expenditures are budgeted at \$4,028,055.

Water Utility Fund

The Water Fund is supported by sales and charges for services by the water utility. This fund pays for all wages and operating expenses of the utility, making this fund an enterprise fund. Total revenue for the Water fund in 2010 is \$1,123,000. Total expenditures are budgeted at \$1,055,405.

Natural Gas Utility Fund

The Natural Gas Fund is supported by sales and charges for services by the natural gas utility. This fund pays for all wages and operating expenses of the utility, making this fund an enterprise fund. Total revenue for the Natural Gas fund in 2010 is \$1,824,807. Total expenditures are budgeted at \$2,015,575.

Sewage Disposal Utility Fund

The Natural Gas Fund is supported by sales and charges for services by the sewage disposal utility. This fund pays for all wages and operating expenses of the utility, making this fund an enterprise fund. Total revenue for the Sewage Disposal fund in 2010 is \$247,188. Total expenditures are budgeted at \$217,180.

Sanitation Utility Fund

The Sanitation Fund is supported by sales and charges for services by the sanitation utility. This fund pays for all wages and operating expenses of the utility, making this fund an enterprise fund. Total revenue for the Sanitation fund in 2010 is \$306,000. Total expenditures are budgeted at \$334,020.

Non-Budgeted Fund Descriptions:

The City also has a number of other funds that are used for special circumstances. These are not required to be included in the annual budget because the revenues received have already been reported as expenditures in other City funds or the City is only the holder of the funds (not the owner). Funds included in these categories are:

- Special Enforcement Trust Fund
- Pool Capital Improvement Fund
- Capital Improvement Fund
- Equipment Reserve Fund
- Utility Deposits Fund
- Court Bond Fund
- Public Building Commission Fund
- Certificates of Participation Fund
- PBC Revenue Bonds Fund
- Golf Course Fund
- CDBG Fund

Special Revenue Funds

Special Enforcement Trust Fund

This fund is used to accrue money seized during drug investigations. The only activity seen in the past years has been a very minimal interest accumulation.

Pool Capital Improvement Fund

The Pool CIP Fund was created in 2003 with the implementation of a 1% City sales tax dedicated to the construction of the new aquatic center. Revenues come from sales tax transfers from the General Fund, and expenditures include debt service payments on the City's General Obligation Sales Tax bonds.

Capital Improvement Fund

This fund is used for expenditures for the Capital Improvement Plan and emergency projects once approved by the City Council.

Equipment Reserve Fund

The Equipment Reserve Fund is used for planned equipment or vehicle replacements that are approved by the City Council. This fund receives its revenues from interfund transfers from the General and Enterprise Funds.

Utility Deposits, Court Bond, & Golf Course Funds

These Agency Funds are funds that hold assets under an agency relationship for another entity or individual. The City requires utility deposits to be held until the account has been in good standing for 12 months, at which time the deposit is applied to the next utility bill(s). The Court Bond fund is a pass through fund that makes payments to the state after individuals first make a payment to the City for municipal court costs. The Osage City Country Club on occasion purchases pieces of equipment through the City. The financing for golf carts or mowers is set up with the City's name on the paperwork and the golf course will make payments to the City who then writes a check to the financial institution. The City does not involve its own monies any of these funds, which is the nature of an agency fund.

Public Building Commission Fund

One titled the Medical Arts Fund, this fund is used to account for projects and monies associated with the Osage City Public Building Commission. The projects that are linked with the PBC are the Medical Arts Facility and the City Lake Dam rehabilitation.

Certificates of Participation Fund

This fund was set up to track monies deposited in a money market account at Security Bank of Kansas City. The funds on deposit were excess proceeds from the sale of the 2004 Certificates of Participation associated with the Grandstands Project, which was never completed.

PBC Revenue Bonds Fund

This fund was set up to track monies deposited in a money market account at Security Bank of Kansas City. The funds on deposit were excess proceeds from the sale of the 2004 Public Building Commission Revenue Bonds associated with the construction of the Medical Arts Facility.

CDBG Fund

This fund tracks Community Development Block Grant payments from KanBuild, Inc. to the Kansas State Department of Commerce via the City.

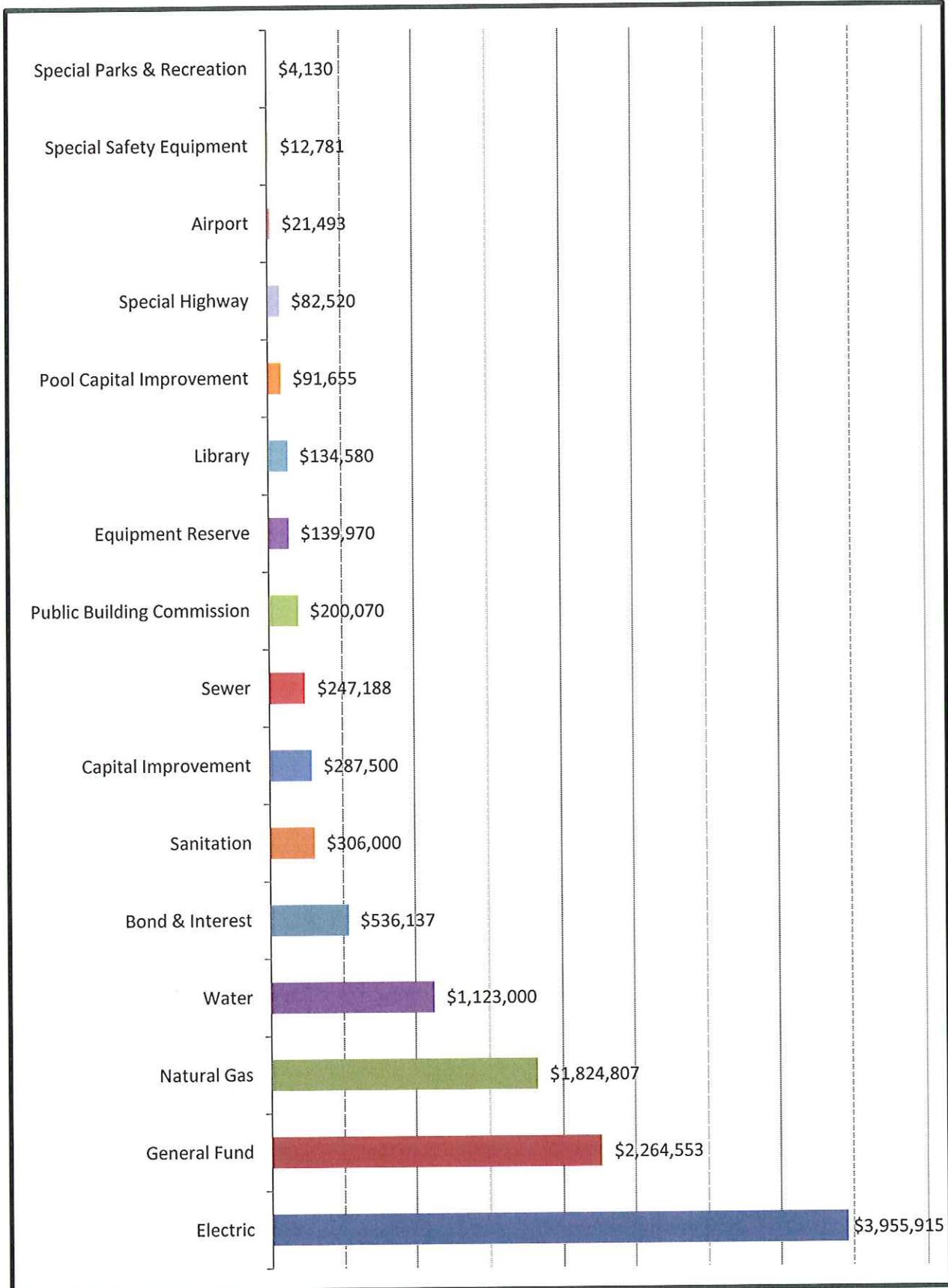
Revenue by Source

Department/Fund	Intergovernmental & Fees & Utility									
	Taxes	Sales Tax	Forfeitures	Permits	Payments	Assessments	Miscellaneous	Transfers	Grants	
General Administration	X	X	X	X				X		
Police	X		X							
Utility Administration	X									
Property	X			X						
Street	X			X						
Economic Development	X									
Tree Board	X			X						
Community Improvement	X			X						
Recreation	X			X						
Parks	X									
Aquatic Center	X			X						
Special Enforcement	X									X
Airport	X			X						
Library	X									
Bond & Interest	X	X				X				
Electric Administration				X	X					
Electric Production				X	X					
Electric Distribution				X	X					
Water Administration				X	X					
Water Production				X	X					
Water Distribution				X	X					
Gas Administration				X	X					
Gas Distribution				X	X					
Sewer				X	X					
Sanitation				X	X					
Special Highway		X								
Special Parks & Recreation	X									
Pool CIP		X								
CIP						X			X	
Equipment Reserve									X	
Utility Deposits									X	
Court Bond									X	
Public Building Commission				X						
Golf Course									X	
CDBG									X	

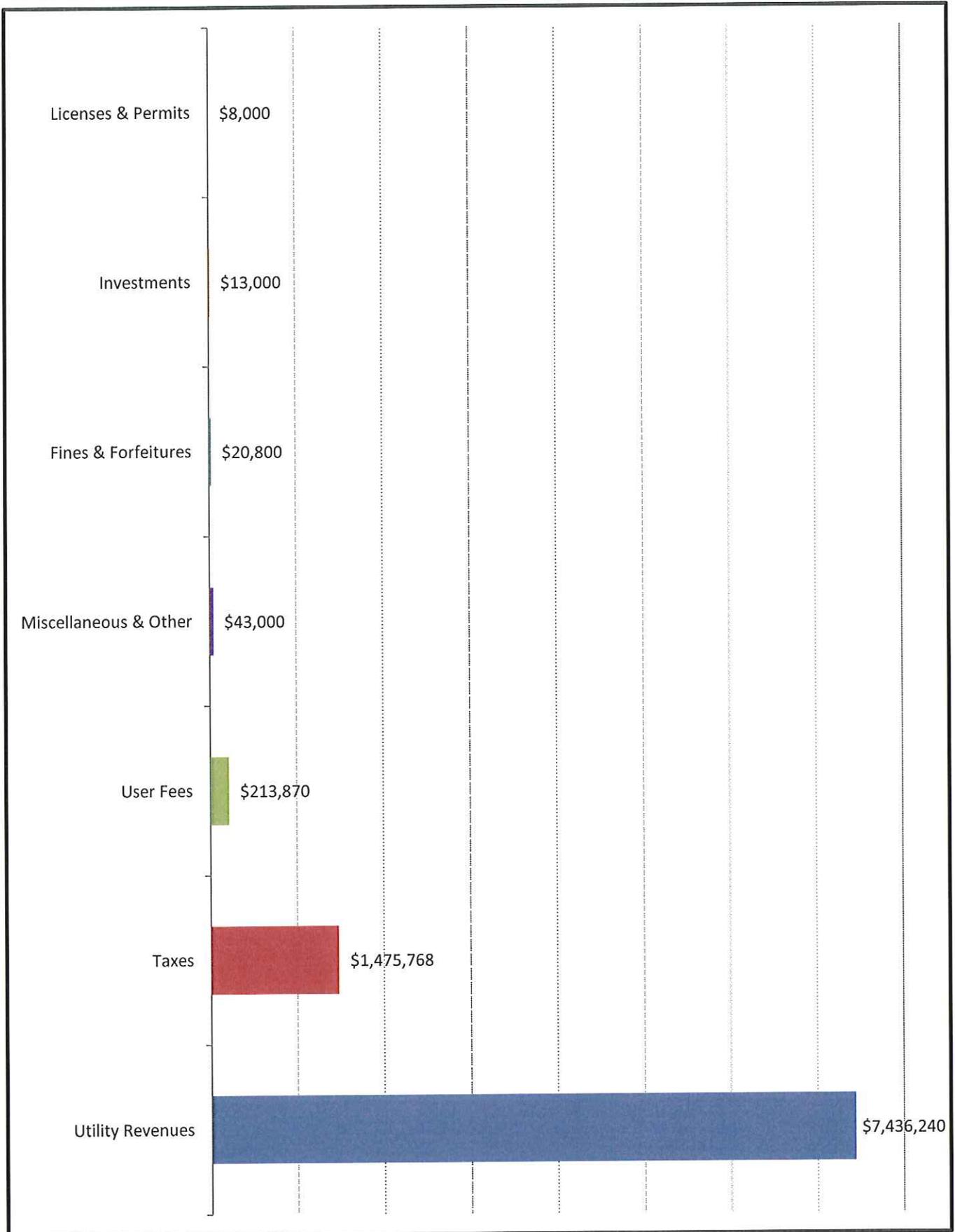
GENERAL FUND REVENUE HISTORY

#	Line Item	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 APPROVED	2010 PROPOSED
4000	AD VALOREM TAX	146,777.78	160,979.10	256,604.18	316,195.72	380,681.00	594,484.00
4001	DELINQUENT TAX	2,866.39	2,285.79	2,614.97	3,372.61	0.00	0.00
4002	MOTOR VEHICLE TAX	25,192.95	26,016.27	30,131.51	70,644.55	53,905.00	77,933.00
4003	LAVTR	0.00	0.00	0.00	0.00	0.00	0.00
4004	SPECIAL ASSESSMENTS	0.00	0.00	0.00	0.00	0.00	0.00
4005	LOCAL SALES TAX	143,259.35	143,527.88	144,686.51	140,118.16	135,000.00	130,000.00
4006	LOCAL ALCOHOLIC LIQUOR TAX	2,646.65	2,776.05	3,121.50	3,913.11	3,208.00	4,130.00
4007	CITY COUNTY REVENUE SHARING	0.00	0.00	0.00	0.00	0.00	0.00
4009	CONNECTING LINK	7,848.83	7,854.01	7,854.01	7,859.18	7,850.00	7,850.00
4010	BINGO TAX	0.00	0.00	0.00	0.00	0.00	0.00
4011	PROPERTY REDUCTION SALES TAX			0.00	140,193.12	143,980.00	136,000.00
4012	POOL SALES TAX	0.00	0.00	0.00	0.00	240,070.00	204,000.00
	Taxes	328,591.95	343,439.10	445,012.68	682,296.45	964,694.00	1,154,397.00
4100	FINES	6,862.49	17,810.32	20,474.67	14,572.78	10,000.00	20,000.00
4101	KBI FEES	75.00	1,445.00	350.00	825.00	400.00	800.00
	Fines & Forfeitures	6,937.49	19,255.32	20,824.67	15,397.78	10,400.00	20,800.00
4200	LICENSES	4,552.00	4,126.00	3,961.00	4,199.00	2,200.00	4,000.00
4201	LAKE PERMITS	1,478.00	0.00	0.00	0.00	0.00	0.00
4202	BUILDING PERMITS	3,835.50	4,584.50	5,066.90	3,959.00	5,800.00	4,000.00
	Licenses & Permits	9,865.50	8,710.50	9,027.90	8,158.00	8,000.00	8,000.00
4700	INTEREST ON IDLE FUNDS	70,453.28	122,207.31	216,401.72	109,669.54	130,000.00	13,000.00
	Investments	70,453.28	122,207.31	216,401.72	109,669.54	130,000.00	13,000.00
4300	BURIAL FEES	7,500.00	8,040.20	6,177.50	10,000.00	7,000.00	7,500.00
4301	CEMETERY LOTS	5,700.00	1,500.00	1,500.00	2,100.00	2,700.00	2,000.00
4302	LEASE / RENTAL	8,901.30	9,548.80	5,606.30	6,905.00	8,200.00	7,000.00
4303	BUILDING DEPOSIT	2,930.00	3,299.00	3,625.00	3,650.00	4,200.00	3,600.00
4304	SWIMMING POOL	34,323.15	32,154.90	28,390.45	27,429.69	31,000.00	27,000.00
4305	FRANCHISE FEES	31,255.62	30,602.50	30,119.52	30,679.36	31,000.00	30,000.00
4307.2	SPECIAL EVENT USER FEES	0.00	0.00	0.00	101.40	0.00	0.00
4307.3	YOUTH PROGRAM USER FEES	0.00	0.00	0.00	0.00	0.00	35,000.00
4308	CONCESSION	10,613.73	10,135.05	13,283.53	10,566.41	10,000.00	16,000.00
4309	ANIMAL CONTROL FEES	1,292.50	944.00	561.50	525.00	300.00	500.00
4310	WORLDS OF FUN PASS THRU	0.00	0.00	0.00	0.00	0.00	700.00
4311	BBQ BUCKS				1,482.00	1,480.00	1,480.00
4312	SPONSOR USER FEES				7,025.00	7,030.00	7,030.00
4313	VENDOR USER FEES				7,890.00	7,890.00	7,890.00
	User Fees	102,516.30	96,224.45	89,263.80	108,353.86	110,800.00	145,700.00
4600	TRANSFER FROM ELECTRIC	98,800.00	93,654.00	244,387.37	103,799.28	134,090.00	120,570.00
4601	TRANSFER FROM WATER	18,316.45	19,185.00	53,241.85	22,587.98	33,830.00	53,570.00
4602	TRANSFER FROM GAS	55,257.84	56,300.00	97,980.67	57,617.98	67,030.00	87,570.00
4603	TRANSFER FROM SEWER	6,895.00	6,853.98	14,032.83	6,765.96	6,930.00	7,000.00
4604	TRANSFER FROM SANITATION	20,000.00	20,000.00	17,426.17	9,832.74	10,140.00	10,500.00
4606	TRANSFER MISC.	0.00	348.72	8,575.56	0.00	51,777.00	21,446.00
4607	ADMINISTRATION FEES	458,395.44	481,788.86	263,228.26	509,714.25	644,280.00	594,500.00
4608	TRANSFER FROM SPECIAL SALES	143,130.51	148,483.73	115,869.59	0.00	0.00	0.00
	Transfers In	800,795.24	826,614.29	814,742.30	710,318.19	948,077.00	895,156.00
4501	GRANT PROCEEDS	0.00	328.60	256.34	0.00	0.00	0.00
	Grants	0.00	328.60	256.34	0.00	0.00	0.00
4800	REFUNDS & REIMBURSEMENTS	26,910.56	24,052.15	6,369.09	46,143.46	0.00	0.00
4801	MISCELLANEOUS	36,966.18	4,590.05	27,282.66	27,436.01	10,000.00	26,500.00
4802	SALE OF EQUIPMENT	1,100.00	49.30	10.80	0.00	0.00	0.00
4803	DONATIONS	0.00	500.00	0.00	1,305.00	0.00	1,000.00
	Miscellaneous & Other	64,976.74	29,191.50	33,662.55	74,884.47	10,000.00	27,500.00
	General Fund Total Revenue	1,384,136.50	1,445,971.07	1,629,191.96	1,709,078.29	2,181,971.00	2,264,553.00

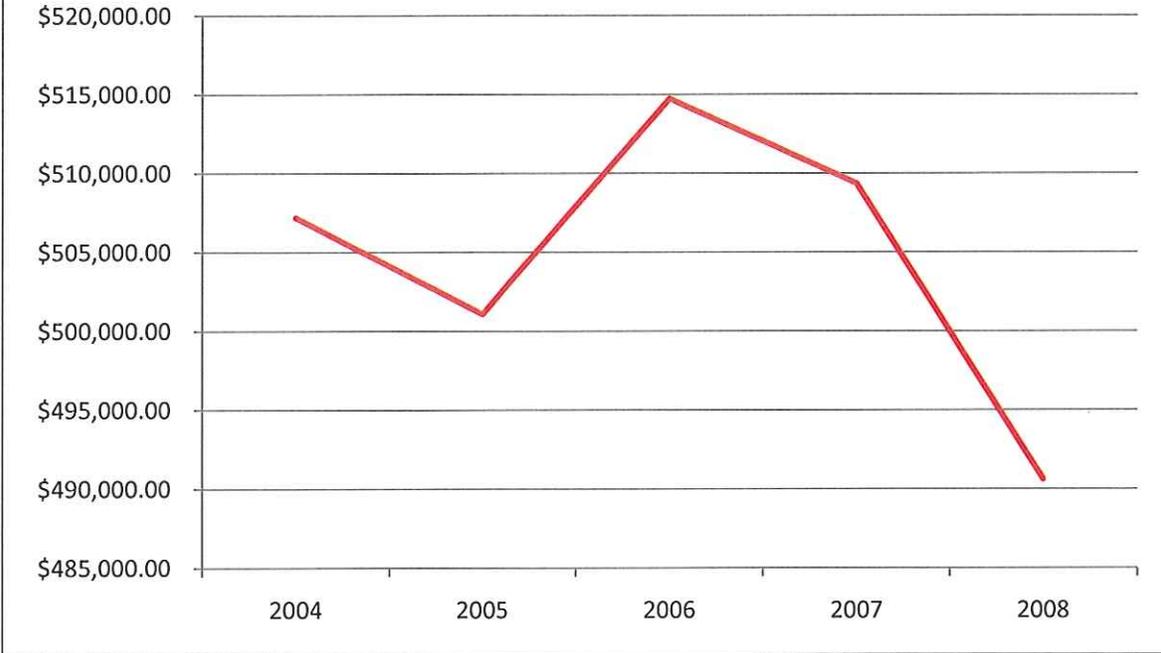
2010 Revenue by Fund



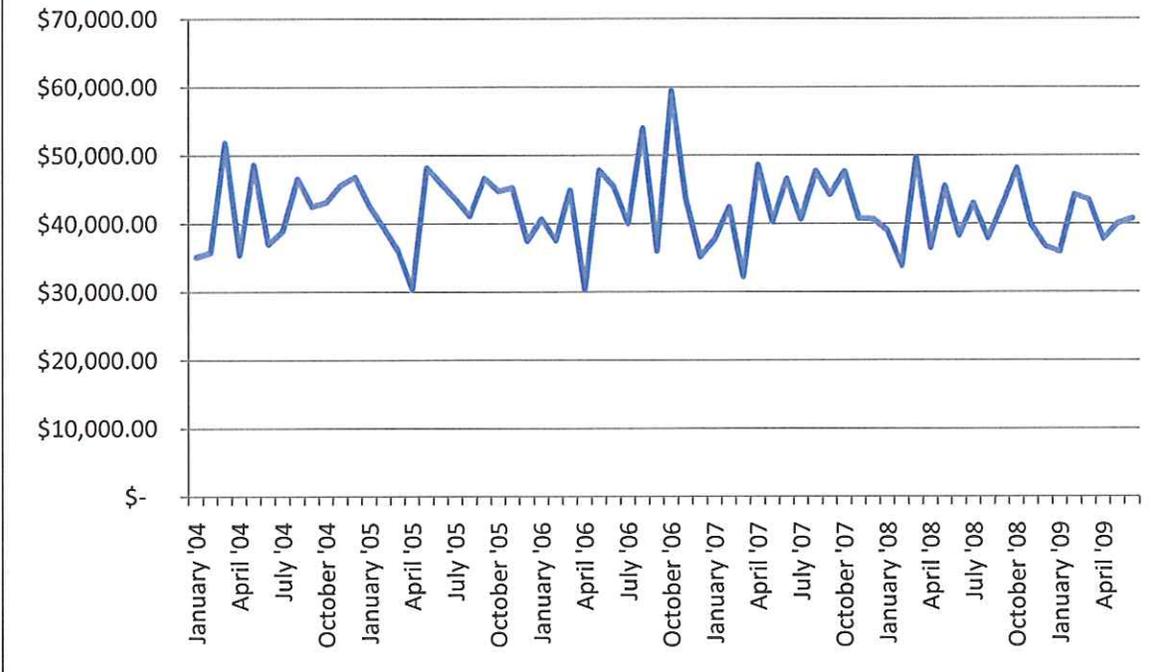
2010 Revenue Source all Funds



Annual Sales Tax Revenue Trends 2004 - 2008

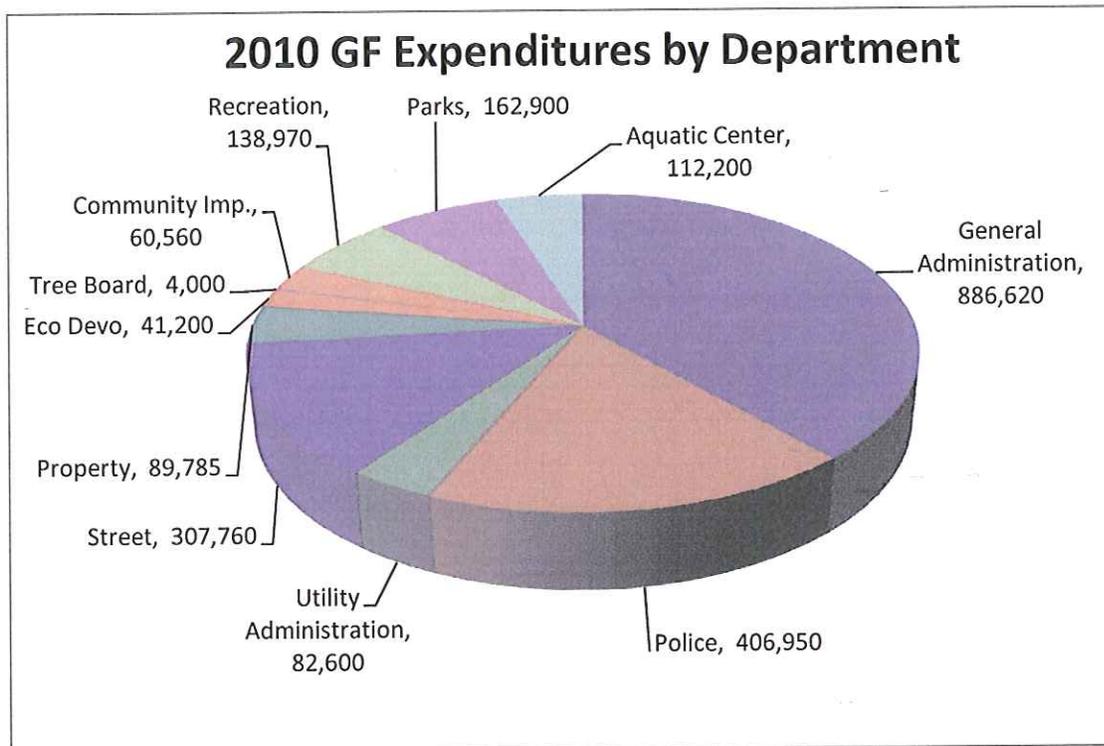


Monthly Sales Tax Revenue Trends January 2004 - June 2009



2008-2010 Expenditures by Department

	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Estimated</u>	<u>2010</u> <u>Budgeted</u>
General Fund			
General Administration	698,956	868,105	886,620
Police	351,853	394,550	406,950
Utility Administration	74,530	83,090	82,600
Street	279,276	346,540	307,760
Property	82,539	92,330	89,785
Eco Devo	43,134	41,200	41,200
Tree Board	3,967	4,000	4,000
Community Imp.	57,620	67,280	60,560
Recreation	-	-	138,970
Parks	166,395	191,440	162,900
Aquatic Center	108,949	118,890	112,200
Electric Production	2,311,568	3,114,860	2,679,940
Electric Distribution	326,747	345,670	331,065
Water Production	297,108	516,660	349,650
Water Distribution	104,183	128,640	124,350
Natural Gas Distribution	87,720	153,020	183,750
Sewage Disposal	193,829	226,000	217,180
Sanitation	260,852	392,450	334,020
Special Parks & Recreation	101,971	141,420	21,416
Totals	5,551,198	7,226,145	6,534,916



Statement of Actual Revenues, Expenditures, and Changes in Fund Balance for 2008

	General Fund	Special Safety Equip.	Library	Airport	Bond & Interest	Electric	Water	Gas	Sewer	Sanitation	Special Highway	Special Parks & Rec.	Cemetery	Totals
Beginning Fund Balance	228,228	53,908	-	48,295	13,832	665,349	266,477	390,694	174,944	153,433	75,618	(817)	14,475	2,084,437
Revenues:														
Taxes	682,296	35,762	129,261	16,424	218,133	-	-	-	-	-	83,252	66,811	-	1,231,941
Fines & Forfeitures	15,398	-	-	-	-	-	-	-	-	-	-	-	-	15,398
Licenses & Permits	8,158	-	-	-	-	-	-	-	-	-	-	-	-	8,158
Investments	109,670	-	-	-	-	-	-	-	-	-	-	-	-	109,670
User Fees	108,354	-	-	9,393	-	5,131	-	-	-	-	-	36,848	-	159,726
Transfers In	710,318	-	-	-	353,880	-	-	-	-	-	-	-	-	1,064,198
Grants & Other Srcs	-	-	-	-	14,287	-	-	-	-	-	-	-	-	14,287
Utility Revenues	-	-	-	-	-	3,536,501	914,307	1,755,302	191,936	279,815	5,626	-	-	6,683,486
Miscellaneous	74,884	-	-	20,347	-	12,615	2,805	1,239	136	10	-	4,467	-	116,504
Total Revenues	1,709,078	35,762	129,261	46,163	586,300	3,554,247	917,112	1,756,541	192,072	279,825	88,879	108,127	-	9,403,367
Expenditures:														
Personnel Costs	1,028,488	-	-	-	-	376,756	173,331	52,005	52,788	102,746	-	42,377	-	1,828,492
Contractual Services	415,516	-	-	38,357	-	137,307	139,267	30,667	19,280	82,607	-	32,685	-	895,687
Commodities	163,388	-	-	1,985	-	2,075,368	90,555	1,238,856	10,671	24,027	-	22,805	-	3,627,654
Capital Outlays	23,257	979	-	-	-	78,455	3,143	2,364	25,000	215	-	-	-	133,414
Non-Expense Items	11,007	-	129,261	-	-	78,721	17,820	38,442	-	-	-	2,263	-	277,515
Transfers Out	192,510	-	-	-	-	789,071	116,150	280,967	44,417	51,257	80,120	-	-	1,554,492
Debt Service	7,828	-	-	-	554,984	49,645	197,007	-	-	-	-	-	-	809,464
Capital Improvements	25,226	26,173	-	-	-	48,244	142,559	-	41,672	-	-	1,842	-	285,717
Total Expenditures	1,867,221	27,153	129,261	40,341	554,984	3,633,568	879,834	1,643,301	193,829	260,852	80,120	101,971	-	9,412,435
Fund Balance, ending	70,086	62,518	-	54,117	45,148	586,028	303,755	503,935	173,187	172,406	84,377	5,338	14,475	2,075,369

Statement of Projected Revenues, Expenditures, and Changes in Fund Balance for 2009

	General Fund	Special Safety Equip.	Library	Airport	Bond & Interest	Electric	Water	Gas	Sewer	Sanitation	Special Highway	Special Parks & Rec.	Cemetery	Totals
Beginning Fund Balance	70,086	62,518	-	54,117	45,148	586,028	303,755	503,935	173,187	172,406	84,377	5,338	14,475	9,403,367
Revenues:														
Taxes	964,694	16,000	129,263	16,102	108,179	-	-	-	-	-	87,510	128,138	-	1,449,886
Fines & Forfeitures	10,400	-	-	-	-	-	-	-	-	-	-	-	-	10,400
Licenses & Permits	8,000	-	-	-	-	-	-	-	-	-	-	-	-	8,000
Investments	130,000	-	-	-	-	-	-	-	-	-	-	-	-	130,000
User Fees	110,800	-	-	10,000	-	5,170	-	-	-	-	-	27,860	-	153,830
Transfers In	948,077	-	-	-	470,790	-	-	-	-	-	-	-	-	1,418,867
Grants & Other Srcs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility Revenues	-	-	-	-	-	4,170,872	1,066,240	1,917,247	197,990	289,710	-	-	-	7,642,059
Miscellaneous	10,000	-	-	-	-	12,000	4,000	-	500	-	-	1,500	-	28,000
Total Revenues	2,181,971	16,000	129,263	26,102	578,969	4,188,042	1,070,240	1,917,247	198,490	289,710	87,510	157,498	-	10,841,042
Expenditures:														
Personnel Costs	1,117,810	-	-	-	-	432,510	189,100	73,420	55,750	110,960	-	64,120	-	2,043,670
Contractual Services	408,780	-	-	10,300	-	209,130	334,260	59,600	34,370	102,610	-	43,080	-	1,202,130
Commodities	215,880	-	-	2,500	-	2,721,780	118,130	1,460,423	16,580	24,070	-	34,220	-	4,593,583
Capital Outlays	45,900	40,000	-	3,000	-	34,000	12,500	20,000	27,000	102,250	-	-	-	284,650
Non-Expense Items	8,650	-	129,263	-	-	101,290	19,600	44,350	-	-	-	-	-	303,153
Transfers Out	326,070	-	-	-	-	930,580	306,950	323,990	45,550	52,560	78,560	-	-	2,064,260
Debt Service	-	-	-	-	570,250	33,500	197,500	-	-	-	-	-	-	801,250
Capital Improvements	84,335	9,500	-	-	-	100,000	-	-	46,750	-	17,010	-	-	257,595
Total Expenditures	2,207,425	49,500	129,263	15,800	570,250	4,562,790	1,178,040	1,981,783	226,000	392,450	95,570	141,420	-	11,550,291
Fund Balance, ending	44,632	29,018	-	64,419	53,867	211,280	195,955	439,399	145,677	69,666	76,317	21,416	14,475	8,694,118

Statement of Projected Revenues, Expenditures, and Changes in Fund Balance for 2010

	General Fund	Special Safety Equip.	Library	Airport	Bond & Interest	Electric	Water	Gas	Sewer	Sanitation	Special Highway	Special Parks & Rec.	Cemetery	Totals
Beginning Fund Balance	44,632	29,018	-	64,419	53,867	211,280	195,955	439,399	145,677	69,666	76,317	21,416	14,475	8,694,118
Revenues:														
Taxes	1,154,397	12,781	134,580	12,493	64,867	-	-	-	-	-	82,520	4,130	-	1,465,768
Fines & Forfeitures	20,800	-	-	-	-	-	-	-	-	-	-	-	-	20,800
Licenses & Permits	8,000	-	-	-	-	-	-	-	-	-	-	-	-	8,000
Investments	13,000	-	-	-	-	-	-	-	-	-	-	-	-	13,000
User Fees	145,700	-	-	9,000	-	5,170	-	-	-	-	-	-	-	159,870
Transfers In	895,156	-	-	-	471,270	-	-	-	-	-	-	-	-	1,366,426
Grants & Other Srcs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility Revenues	-	-	-	-	-	3,938,745	1,119,500	1,824,807	247,188	306,000	-	-	-	7,436,240
Miscellaneous	27,500	-	-	-	-	12,000	3,500	-	-	-	-	-	-	43,000
Total Revenues	2,264,553	12,781	134,580	21,493	536,137	3,955,915	1,123,000	1,824,807	247,188	306,000	82,520	4,130	-	10,513,104
Expenditures:														
Personnel Costs	1,231,200	-	-	-	-	432,805	189,985	116,150	60,800	114,300	-	-	-	2,145,240
Contractual Services	425,920	-	-	10,300	-	183,340	169,415	50,705	30,880	91,750	-	-	-	962,310
Commodities	199,165	-	-	2,500	-	2,305,950	117,340	1,435,500	16,000	24,500	-	-	-	4,100,955
Capital Outlays	21,450	30,000	-	3,000	-	28,000	6,000	12,000	500	50,000	-	-	-	150,950
Non-Expense Items	9,100	-	131,164	-	-	97,250	20,000	46,650	-	-	-	-	-	304,164
Transfers Out	254,000	-	-	-	-	847,560	347,640	354,570	61,000	53,470	81,925	21,416	-	2,021,581
Debt Service	40,000	-	-	-	569,380	33,150	205,025	-	-	-	-	-	-	847,555
Capital Improvements	112,710	9,500	-	41,500	-	100,000	-	-	48,000	-	17,010	-	-	328,720
Total Expenditures	2,293,545	39,500	131,164	57,300	569,380	4,028,055	1,055,405	2,015,575	217,180	334,020	98,935	21,416	-	10,861,475
Fund Balance, ending	15,640	2,299	3,416	28,612	20,624	139,140	263,550	248,631	175,685	41,646	59,902	4,130	14,475	8,345,747

Long-Term Debt

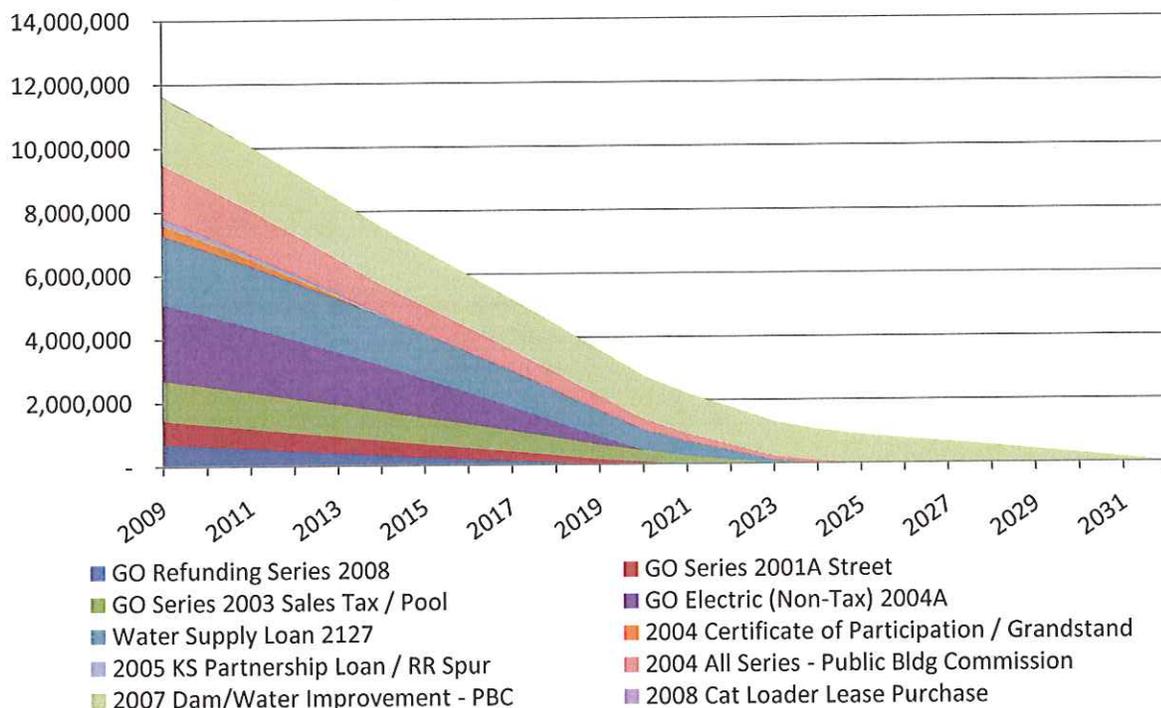
Annual budget constraints provide few opportunities to use operating budgets to finance the required investment in new and remedial infrastructure construction on an annual basis. Therefore, the City uses financial alternatives to make sure that infrastructure addition needs and remedial maintenance items are addressed.

The primary method of financing infrastructure upgrades or new construction is issuance of long-term bonds. These bonds come in the form of General Obligation, Revenue, and Special Assessment Bonds. The City has also used Certificates of Participation, a form of lease to purchase, to finance the cost of new facilities.

According to K.S.A. 10-308, cities may issues longer-term debt not to exceed 30 percent of total assessed valuation. However, such projects as sanitary sewer and water lines, municipal utility enlarging or improving, and certain intersection improvements do not count against the total “debt lid” as set forth in K.S.A. 10-309. The value of personal property and motor vehicles is counted with real estate property values to calculate total assessed valuation. In Osage City’s case, this total assessed valuation equals \$18,029,793 as of July 1, 2009. In gross terms, taking the total assessed value of property times the 30 percent debt lid limit, Osage City can legally issue debt equivalent to \$5,408,938. However, when those projects that are exempt from the debt lid are subtracted from the total, Osage City’s debt equals \$3,595,389 as of July 1, 2009.

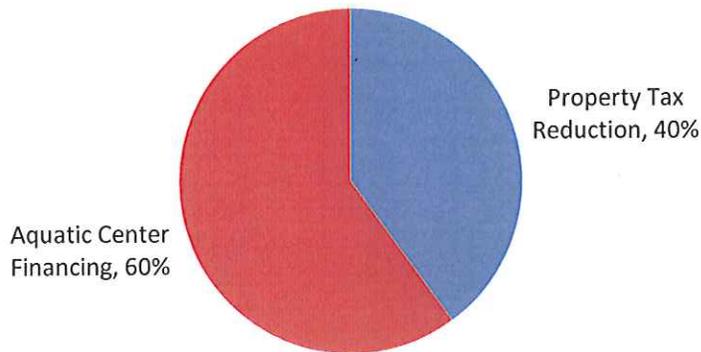
Currently Osage City has outstanding debt of \$12,361,933 but exempt projects reduce the direct debt to the \$3,595,389 total, meaning that Osage City has additional debt capacity of 1,813,549. The following graph shows collective balances on all long-term debt the City pays. It is an important goal for the City to reduce the amount of debt outstanding in the coming years.

Long-Term Debt Year End Balances



In the past the voters of Osage City have authorized financing for certain projects. In April 2003 the citizens of Osage City authorized the establishment of a 1% citywide retail sales tax. Six-tenths of the tax is used to pay for the costs of constructing a new pool, including the payment of principal and interest on bonds issued by the City to finance the aquatic center. Four-tenths of the tax is applied toward general property tax reduction in the City. Of the six-tenths, funds are first transferred to the Bond and Interest Fund to cover the debt payments on the sales tax bonds and the remainder is transferred to the Pool Capital Improvement Fund for payment of the Certificates of Participation for the pool pump house construction.

1 cent Sales Tax



Debt Summary (as of July 1, 2009)

Legal Limitation of Bonded Debt*	\$5,408,938
Outstanding General Obligation Debt	\$2,880,000
Outstanding Revenue Bonds Debt	\$0
Outstanding Other Debt	\$715,389
Debt Exempt from Debt Limit Calculation	\$8,766,544
Net Debt against Debt Limit Capacity	\$3,595,389
Additional Debt Capacity	\$1,813,549
Debt per capita (Population = 2846)	\$1,263
Debt as a Percentage of Assessed Valuation	19.94%

*K.S.A. 10-308

Full-Time Staffing Levels

The 2009 budget authorized 36 full-time positions, 10 part-time, and 26 seasonal positions. The 2010 budget calls for the same number of employees.

2010 full-time staff levels are broken down as follows:

General Administration Staff:

City Manager
City Clerk/Municipal Court Clerk
City Treasurer
2 Utility Billing Clerks

Police Department Staff:

Chief of Police
Assistant Chief of Police
4 Parole Officers

Utility Administration Staff:

Director of Utilities

Street Department Staff:

Street Superintendent
3 Equipment Operators

Property Department Staff:

Cemetery Sexton/Buildings Manager

Community Improvement Staff:

Facilities Director

Recreation Department Staff:

Parks and Recreation Director

Parks Department Staff:

Recreation Facilities Manager

Electric Department Staff:

Power Plant Superintendent
3 Power Plant Operators
Line Distribution Superintendent
2 Journeyman Linemen
Groundman

Water Department Staff:

Water Superintendent
2 Systems Operators

Gas Department Staff:

Gas Superintendent
Systems Operator

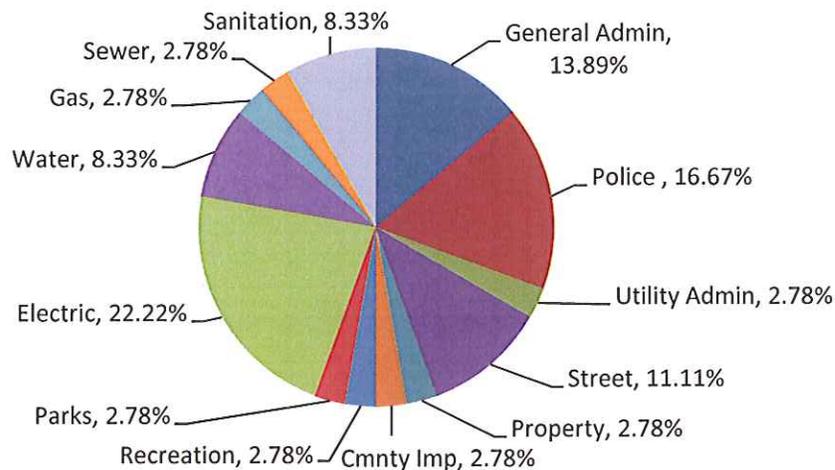
Sewer Department Staff:

Sewer Superintendent
Systems Operator

Sanitation Department Staff:

Sanitation Superintendent
Sanitation Driver
2 Sanitation Workers

Full-Time Staffing by Department





Organizational Chart

