

NOTICE OF BUDGET HEARING

The governing body of
Osage City, Kansas
will meet on the 10th day of August, 2004 at 7:00 p.m. at the City Council Chambers for the purpose of
hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of ad valorem tax

Detailed budget information is available at Osage City Hall and at www.osagecity.com
and will be available at this hearing.

BUDGET SUMMARY

Proposed Budget 2005 Expenditures and Amount of 2004 Ad Valorem Tax establish the maximum limits of the 2005 budget
Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	2003		2004		Proposed Budget 2005		
	Prior Year Actual Expenditures	Actual Tax Rate *	Current Year Est of Expenditures	Actual Tax Rate *	Expenditures	Amount of 2004 Ad Valorem Tax	Est. Tax Rate *
General	1,121,346	16.278	1,287,935	9.192	1,202,046	57,706	3.841
Special Safety Equipment	28,340	0.958	43,500	1.400	48,000	19,603	1.305
Library	67,808	4.024	66,921	4.024	96,338	89,225	5.939
Airport Fund	112,760	1.087	98,100	1.000	78,150	8,006	0.533
Employee Benefit	170,331	10.027	194,406	11.547	246,227	228,655	15.220
Library Employee Benefits			6,124	0.440	16,320	15,979	1.064
Bond & Interest	364,349	3.554	466,094	1.743	548,502	70,365	4.684
Industrial Development	948		13,000	0.186	29,000	2,395	0.159
Special Parks & Recreation	88,640		132,253	3.066	233,123	113,370	7.546
Special Highway	112,673		202,317		93,698		
Special City Sales Tax Fund	21,900		327,500		315,000		
Electric	2,288,793		3,145,301		2,734,911		
Water	577,575		697,108		746,460		
Natural Gas	1,193,814		1,522,045		1,659,017		
Sewage Disposal	129,991		147,556		205,824		
Sanitation	217,487		273,409		240,423		
Alcohol Safety			1,000		1,000		
Special Enforcement Trust			200				
Fire Insurance Proceeds	3,000						
Cemetery Trust							
Pool Capital Improvement	114,702		2,260,900		127,592		
Capital Improvement	201,078		1,130,913		280,000		
Equipment Reserve	55,472		47,623		107,444		
Sanitation Reserve	35,002						
Community Events Fund			13,688		18,600		
Utility Deposits	25,864		50,000		50,000		
Court Bond	50		1,000		1,000		
Water Upgrade Project	1,413,777		2,122,723				
Electric Upgrade Bond & Int.	263,552		80,463				
Electric Upgrade Bond Reserve			312,000				
Golf Course Improvement	19,175		6,439		6,439		
CDBG Heartland 89	8,492		2,123				
CDBG Heartland 91	30,780		30,780		2,565		
Totals	8,667,700	35.928	14,683,420	32.598	9,087,678	605,302	40.291
Less: Transfers	890,507		1,192,925		837,061		
Net Expenditure	7,777,193		13,490,495		8,250,617		
Total Tax Levied Assessed	506,709		470,152		xxxxxxxxxxxxxxxxxxxx		
Valuation	14,135,671		14,468,852		15,023,805		

Outstanding Indebtedness, January 1,	2002	2003	2004
G.O. Bonds	2,499,000	2,245,000	3,580,000
Revenue Bonds	3,105,000	3,010,000	2,895,000
Other	0		2,736,500
Lease Purchase Principal	35,853	40,840	23,382
Total	5,639,853	5,295,840	9,234,882

*Tax rates are expressed in mills

Clerk