TOWN OF OLATHE, COLORADO
FINANCIAL STATEMENTS &
INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2019

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KELLY NEAL SCATES, CPA, PC
CERTIFIED PUBLIC ACCOUNTANT

PO Box 249
Delta, Colorado 81416
Telephone 970-874-8641
Facsimile 970-874-8642
e-mail knscates@aol.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Town Board of Trustees
Town of Olathe, Colorado
Olathe, Colorado 81425

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Olathe, Colorado, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town of Olathe, Colorado's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Olathe, Colorado, as of December 31, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of change in net pension plan assets and schedule of contributions to pension plan on pages 4-10, 43-51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting or placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Matters (Continued)

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Olathe, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary schedules of the proprietary funds and Local Highway Finance Report are presented for purposes of additional analysis or legal and regulatory requirements and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary schedules for the proprietary funds and Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor fund financial statements, budgetary schedules for the proprietary funds and Local Highway Finance Report are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated September 29, 2020, on my consideration of the Town of Olathe, Colorado's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Olathe, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Olathe, Colorado's internal control over financial reporting and compliance.

Kelly Neal Scates, CPA, PC

September 29, 2020
Delta, Colorado

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF OLATHE

Management's Discussion and Analysis Fiscal Year Ending December 31, 2019

As management of the Town of Olathe (the "Town"), we offer readers of the Town's basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ending December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information provided in the financial statements.

FINANCIAL HIGHLIGHTS

- The Town's total cash and investments as of December 31, 2019 was $315,823 an increase of $77,894.
- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $6,997,315 (i.e. net position) as of December 31, 2019, an increase of $78,489 in comparison to the prior year.
- Governmental funds reported combined ending fund balance of $317,921, an increase of $69,024 in comparison with the prior year.
- The Town's fund balance for the General Fund was $18,155 an increase of $54,912 in comparison to the prior year.
- Long-term liabilities decreased by $17,023 during the 2019 fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic statements are comprised of three components: 1) governmental-wide financial statements, 2) fund financial statements and, 3) notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business.

The statement of net position presents information on all the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the differences reported as net position. Over time, the increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town in improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures reported in this statement for some items will result in cash flows in future periods (e.g. uncollected taxes and earned but unused personal time).

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from other functions that are intended to recover or a significant portion of their costs through user fees and charges (Business-type Activities).

The Governmental Activities of the Town include general government administration, police, public works, parks, recreation and the care and maintenance of the Community Center. The business-type Activities of the Town include the following utilities: water, sewer, and trash; in addition to service provided by activities, the care and maintenance of the Community Center.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The Town's funds can be divided into categories; Governmental Funds and Proprietary Funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements. The accounting method is called modified accrual accounting.

Because the focus of governmental funds in narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains two major government funds, the General Fund and the Road Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund.

The Town adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the General Fund and Road Fund to demonstrate compliance with the budget. Budgetary comparisons for all other funds are provided as schedules elsewhere in the report.

Proprietary Funds – The Town maintains one type of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town use a separate enterprise fund to account for each of its utility funds: Water, Sewer, and Trash Funds.

Notes to Financial Statements
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information
I addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's budgetary comparisons for the General Fund and Road Fund and statistical information for the police pension. The combining statements of nonmajor governmental funds and budgetary comparison schedules for proprietary funds are presented immediately following the required supplementary information on budgetary comparisons.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted, previously, net position may serve over time as a useful indicator of the Town's financial position. For the year ended December 31, 2019, the Town's combined assets and deferred outflow of resources exceeded liabilities and deferred inflows of resources by $6,997,305. There are $33,257 available unrestricted resources to meet the Town's general future financial obligations and $238,831 is available but restricted for Streets and Alleys in the Governmental Funds. For the business type activities there is $29,828 available in unrestricted resources.

By far the largest portion of net position is the investment in capital assets (net of related debt) of $6,551,883 (94% of net position). This amount reflects the investment in all capital assets e.g. infrastructure, land, buildings, and equipment, less any related debt used to acquire those assets that are still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources since capital assets themselves cannot be used to liquidate these liabilities.

The following table summarizes the Town's governmental and business-type net position for 2019.

Assets	Governmental Activities 2018	Governmental Activities 2019	Business Type Activities 2018	Business Type Activities 2019	Totals 2018	Totals 2019
Current and other assets	438,295	466,776	104,322	144,208	542,617	610,984
Capital assets	2,398,906	2,604,362	5,662,425	5,438,106	8,061,331	8,042,468
Total assets	2,837,201	3,071,138	5,766,747	5,582,314	8,603,948	8,653,452
Deferred Outflow of resource						
FPPA pension plan	62,835	106,682			62,835	106,682
Other Liabilities	57,842	55,019	48,734	33,480	106,576	88,499
Long-term liabilities	68,938	85,590	1,449,852	1,444,875	1,518,790	1,530,465
Total Liabilities	126,780	140,609	1,498,586	1,478,355	1,625,366	1,618,964
Deferred Inflows of resources						
Deferred property tax & pension	122,601	143,865			122,601	143,865
Net Position						
Investment in capital assets, net or related debt	2,280,642	2,558,652	4,212,573	3,993,231	6,493,215	6,551,883
Restricted	424,728	331,265	85,544	80,900	510,272	412,165
Unrestricted	-54,715	3,429	-29,956	29,828	-84,671	33,257
Total net position	2,650,655	2,893,346	4,268,161	4,103,959	6,918,816	6,997,305

An additional portion of net position, $412,165 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $33,257 (8% of net position), is currently available to meet the Town's ongoing obligations to citizens and creditors.

Change in Net Position

Governmental and business-type activities increased the Town's net position by $78,489 in 2019.

	Governmental Activities 2018	Governmental Activities 2019	Business Type Activities 2018	Business Type Activities 2019	Total 2018	Total 2019
Revenues						
Program Revenues						
Charges for services	$228,930	$296,920	$793,755	$791,386	$1,022,685	$1,088,306
Operating Grants	$167,371	$116,377			$167,371	$116,377
Capital Grants	$490,488	$206,191	$170,887	$13,030	$661,375	$219,221
General Revenues						
Property taxes	$115,450	$121,164			$115,450	$121,164
Sales tax and other	$416,257	$469,058			$416,257	$469,058
Franchise taxes	$60,960	$57,571			$60,960	$57,571
Intergovernmental	$42,999	$72,374			$42,999	$72,374
Miscellaneous	$7,651	$20,351			$7,651	$20,351
Interest Income	$560	$255	$1,039	$1,934	$1,599	$2,189
Transfers	$10,000		-$10,000			
Bond proceeds				$1,280,000		$1,280,000
Totals	$1,540,666	$1,360,261	$955,681	$2,086,350	$2,496,347	$3,446,611
Expenses						
General government	$123,367	$113,965			$123,367	$113,965
Public safety	$418,640	$505,776			$418,640	$505,776
Judicial	$18,436	$16,605			$18,436	$16,605
Parks	$219,156	$184,093			$219,156	$184,093
Public works	$253,819	$268,224			$253,819	$268,224
Recreation	$53,433	$13,345			$53,433	$13,345
Community Center	$14,281	$15,562			$14,281	$15,562
Water			$310,146	$320,822	$310,146	$320,822
Sewer			$416,405	$415,802	$416,405	$415,802
Trash			$180,686	$190,487	$180,686	$190,487
Bond principal - refunding				$1,278,704		$1,278,704
Bond issuance costs				$44,737		$44,737
Total expenses	$1,101,132	$1,117,570	$907,237	$2,250,552	$2,008,369	$3,368,122
Increase -Decrease in net	$439,534	$242,691	$48,444	-$164,202	$487,978	$78,489
Beginning	$2,211,087	$2,650,655	$4,219,717	$4,268,161	$6,430,804	$6,918,816
Ending	$2,650,621	$2,893,346	$4,268,161	$4,103,959	$6,918,782	$6,997,305

Governmental Activities

Governmental activities operations for the year resulted in an increase in net position of $242,691. Property taxes and sales taxes accounted for 43% of the total revenues.

Business-type Activities

Business-type activities operations for the year resulted in a decrease in net position of -$164,202. Charges for services accounted for 38% of total revenues.

FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

Governmental Funds – The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of 2019, the Town's governmental funds reported combined ending fund balances of $317,921, an increase of $69,024 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 99% of this total amount, $314,492 constitutes restricted fund balance, which is legally restricted for Tabor Emergency reserves, maintenance and repairs of Town roads, parks and recreation and the police pension. The remainder of the fund balance is assigned to subsequent year's expenditures.

The Town has two major governmental funds, the General Fund, which is the primary operating fund for the Town, and the Road Fund. At the end of 2019, unassigned fund balance of the General Fund was $18,155. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The fund balance of the Town's General Fund increased by $54,912 during 2019 due to unanticipated sales tax collected.

Proprietary Funds – The Town's proprietary funds statement provide the same type of information found in the government-wide financial statements, but in more detail.

The Town has three (3) enterprise funds; Water, Sewer and Trash. At the end of 2019, these funds represented the following net position amounts:

Fund	Water	Sewer	Trash	Total
Invested in capital assets, net of debt	$584,507	$3,168,224	$240,500	$3,993,231
Restricted net position		$80,900		$80,900
Unrestricted net position	-$56,646	$45,522	$40,952	$29,828
Total net position	$527,861	$3,294,646	$281,452	$4,103,959
Increase (decrease) in net position	-$24,331	-$145,159	$5,288	-$164,202

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town budgeted $771,289 for 2019 expenditures and transfers. Actual expenditures and transfers were $745,840. The 2019 budget for the General Fund was amended to increase expenditures by $59,645.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2019 was $8,042,468. The investment in capital assets includes land, land improvements, buildings, and equipment.

Town of Olathe's Capital Assets
(net of depreciation)

	Governmental activities		Business-type activities		Total	
	2018	2019	2018	2019	2018	2019
Land	$175,325	$175,325	$247,603	$247,603	$422,928	$422,928
Land Improvements	$161,370	$144,183			$161,370	$144,183
Infrastructure	$1,455,312	$1,771,572			$1,455,312	$1,771,572
Transmission and distribution systems			$4,537,060	$4,361,840	$4,537,060	$4,361,840
Buildings	$197,956	$442,566		$768,273	$197,956	$1,210,839
Equipment	$77,522	$70,716	$82,996	$60,390	$160,518	$131,106
Construction in progress	$282,095	$0	$794,766		$1,076,861	$0
Total	$2,349,580	$2,604,362	$5,662,425	$5,438,106	$8,012,005	$8,042,468

The Town's long-term liability activity for the year ending December 31, 2019 was as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
Capital leases	$68,939		$23,229	$45,710	$7,603
Total Governmental activities	$68,939	$0	$23,229	$45,710	$7,603
Business-type activities					
Water & Sewer Revenue Bonds	$1,292,148	$1,280,000	$1,317,148	$1,255,000	$35,000
Capital leases	$157,704		$23,116	$134,588	$20,267
Total Business-type activities	$1,449,852	$1,280,000	$1,340,264	$1,389,588	$55,267

REQUEST FOR INFORMATION: This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Town of Olathe, Colorado 419 Horton Ave., PO Box 789 Olathe, CO 81425

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWN OF OLATHE, COLORADO

Statement of Net Position

December 31, 2019

		Governmental Activities	Business-Type Activities	Total
Assets				
Cash & cash equivalents	$	159,896	58,385	218,281
Certificates of deposit		14,009	2,633	16,642
Receivables, net				
Accounts		12,501	59,834	72,335
Sales tax		78,377		78,377
Grants		30,498	-	30,498
Property tax		108,562		108,562
Due from other governments		5,389		5,389
Interfund balances		57,544	(57,544)	-
Temporarily Restricted				
Cash & cash equivalents			80,900	80,900
Capital Assets - net of accumulated depreciation				
Land, right of way and easements		175,325	247,603	422,928
Land improvements		144,183		144,183
Infrastructure		1,771,572		1,771,572
Transmission and distribution systems			4,361,840	4,361,840
Buildings and improvements		442,566	768,273	1,210,839
Equipment and vehicles		70,716	60,390	131,106
Total Assets		3,071,138	5,582,314	8,653,452
Deferred Outflows of Resources				
Pension related amounts		106,682		106,682
Liabilities				
Accounts Payable		31,017	15,990	47,007
Accrued payroll liabilities		9,276	5,004	14,280
Accrued vacation payable		14,726	9,003	23,729
Interest Payable			3,483	3,483
Non Current Liabilities				
Due Within One Year		7,603	55,267	62,870
Due In More Than One Year		38,107	1,389,608	1,427,715
Pension liability		39,880		39,880
Total Liabilities		140,609	1,478,355	1,618,964
Deferred Inflow of Resources				
Pension related amounts		35,303		35,303
Unavailable revenue - property tax		108,562		108,562
Total Deferred Inflow of Resources		143,865	-	143,865
Net Position				
Net investment in capital assets		2,558,652	3,993,231	6,551,883
Restricted for:				
Emergencies		41,553		41,553
Streets and alley's		238,831		238,831
Pension related amounts		32,840		32,840
Conservation trust		18,041		18,041
Debt service			80,900	80,900
Unrestricted		3,429	29,828	33,257
Total Net Position	$	2,893,346	4,103,959	6,997,305

The accompanying notes are an integral part of these financial statements.

TOWN OF OLATHE, COLORADO
Statement of Activities
For the year ended December 31, 2019

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:							
General government	$ 113,965	89,179	2,287	-	(22,499)		(22,499)
Public safety	505,776	18,965	-	-	(486,811)		(486,811)
Judicial	16,605	125,157	-	-	108,552		108,552
Parks	184,093	17,216	20,736	-	(146,141)		(146,141)
Public works	268,224	28,783	93,354	206,191	60,104		60,104
Recreation	13,345	9,985	-	-	(3,360)		(3,360)
Community center	15,562	7,635	-	-	(7,927)		(7,927)
Total governmental activities	1,117,570	296,920	116,377	206,191	(498,082)	-	(498,082)
BUSINESS-TYPE ACTIVITIES:							
Water	320,822	283,205		13,030		(24,587)	(24,587)
Sewer	415,802	312,516		-		(103,286)	(103,286)
Trash	190,487	195,665		-		5,178	5,178
Total business-type activities	927,111	791,386	-	13,030		(122,695)	(122,695)
Total	$ 2,044,681	1,088,306	116,377	219,221	(498,082)	(122,695)	(620,777)
General Revenues:							
Taxes							
Property taxes					$ 121,164		121,164
Sales taxes					469,058		469,058
Franchise and occupational taxes					57,571		57,571
Severance taxes					30,860		30,860
Motor vehicle taxes and registrations					41,514		41,514
Donations					10,740		10,740
Miscellaneous					9,611		9,611
Earnings on investments					255	1,934	2,189
Bond proceeds - refunding bonds						1,280,000	1,280,000
Bond principal - refunded bonds						(1,278,704)	(1,278,704)
Bond issuance costs including underwriter's discount					-	(44,737)	(44,737)
Total general revenues and transfers					740,773	(41,507)	699,266
Change in net position					242,691	(164,202)	78,489
NET POSITION - JANUARY 1					2,650,655	4,268,161	6,918,816
NET POSITION - DECEMBER 31					$ 2,893,346	4,103,959	6,997,305

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

TOWN OF OLATHE, COLORADO

Balance Sheet

Governmental Funds

December 31, 2019

		General Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$	5,267	138,588	16,041	159,896
Certificate of deposit		1,000	9,668	3,341	14,009
Due from other funds			92,918		92,918
Receivables, net					
Accounts		9,367	3,134		12,501
Sales tax		51,860	26,517		78,377
Grants			30,498		30,498
Property tax		108,562			108,562
Due from other governments		1,915	3,474		5,389
Total assets	$	177,971	304,797	19,382	502,150
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$	8,575	22,442		31,017
Accrued payroll liabilities		7,305	1,971		9,276
Due to other funds		35,374			35,374
Total liabilities		51,254	24,413	-	75,667
Deferred inflows of resources					
Deferred property tax revenue		108,562			108,562
Total deferred inflows of resources		108,562	-	-	108,562
Fund Balances:					
Restricted for:					
Emergency and potential refund			41,553		41,553
Streets and alley's			238,831		238,831
Conservation trust				18,041	18,041
Police Officer's retirement				1,341	1,341
Unassigned:					
General fund		18,155			18,155
Total fund balances		18,155	280,384	19,382	317,921
Total liabilities, deferred inflows and fund balances	$	177,971	304,797	19,382	502,150

The notes to the financial statements are an integral part of this statement.

TOWN OF OLATHE, COLORADO
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2019

Total fund balances for governmental funds		$	317,921
Total net position reported for governmental activities in the statement of net position is different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:			
Land	175,325		
Land improvements, net of $388,144 accumulated depreciation	144,183		
Infrastructure, net of $408,955 accumulated depreciation	1,771,572		
Buildings and improvements, net of $174,548 accumulated depreciation	442,566		
Equipment, net of $779,328 accumulated depreciation	70,716		
Total capital assets			2,604,362
Pension liabilities are applicable to future periods and not reported in the governmental funds			(39,880)
Deferred outflows of resources related to pensions are applicable to future periods, and, therefore, are not reported in the governmental funds. Deferred outflows of resources are related to the difference between projected and actual earnings on pension investments and the difference between contributions and proportionate share of contributions			106,682
Deferred inflows of resources related to pensions are applicable to future periods, and, therefore are not reported in the governmental funds. Deferred inflows of resources are related to the difference between expected and actual experience			(35,303)
Some of the grants will be received after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resouces in the governmental funds			-
Long-term liabilities applicable to the Town's governmental activities are not due are not due and payable in the current period and accordingly, are not reported as governmental fund liabilities. All liabilities, both current and long-term are reported in the statement of net position			
Capital leases payable	45,710		
Accrued vacation payable	14,726		
Total long-term liabilities			(60,436)
Total net position of governmental activities		$	2,893,346

The notes to the financial statements are an integral part of this statement.

TOWN OF OLATHE, COLORADO

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the year ended December 31, 2019

		General Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$	523,993	154,660		678,653
Licenses and permits		15,962			15,962
Intergovernmental		2,287	385,267	20,736	408,290
Miscellaneous		73,363	38,468	36	111,867
Public safety		18,965			18,965
Judicial		125,157			125,157
Parks		17,216			17,216
Recreation		10,725			10,725
Commuity center		17,635			17,635
Total revenues		805,303	578,395	20,772	1,404,470
EXPENDITURES					
Current:					
General government		103,356			103,356
Public safety		412,448		22,551	434,999
Judicial		16,715			16,715
Parks		164,038			164,038
Public works			193,523		193,523
Recreation		13,415			13,415
Community center		15,632			15,632
Capital outlay:					
Public safety		6,000			6,000
Public works			362,447		362,447
Debt service:					
Principal		14,105	9,124		23,229
Interest		131	1,961		2,092
Total expenditures		745,840	567,055	22,551	1,335,446
Excess (deficit) of revenues over expenditures		59,463	11,340	(1,779)	69,024
OTHER FINANCING SOURCES (USES)					
Operating transfers in		18,000		22,551	40,551
Operating transfers out		(22,551)		(18,000)	(40,551)
Total other financing sources (uses)		(4,551)	-	4,551	-
Net change in fund balances		54,912	11,340	2,772	69,024
FUND BALANCES, JANUARY 1		(36,757)	269,044	16,610	248,897
FUND BLANCES, DECEMBER 31	$	18,155	280,384	19,382	317,921

The notes to the financial statements are an integral part of this statement.

TOWN OF OLATHE, COLORADO
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
December 31, 2019

Net change in fund balances - total governmental funds	$	69,024
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays ($457,457) exceed depreciation ($95,271) in the current period.		254,782
Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source for financing, but in the statement of net position, the lease obligation is reorted as a liability. Repayment of the principal portion of the lease is an expenditure in the governmental funds but a reduction of a libility in the statement of net position.		
Capital lease payments		23,229
Some expenses reorted in the statement of activities do not require the use of current financial resources and, therefore, are not reorted as expenditures in the governmental funds.		
Net change in pension expense		23,517
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable avaliable financial resources and revenues are not recognized until they become both measurable and available. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.		
Grants receivable		-
Net change in accrued vacation payable		(3,853)
Change in net position of governmental activities	$	366,699

The notes to the financial statements are an integral part of this statement.

TOWN OF OLATHE, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2019

	Business-Type Activities - Enterprise Funds			
	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
ASSETS				
Current assets:				
Cash and cash equivalents	$ 124	28,385	29,876	58,385
Certificate of deposit		13	2,620	2,633
Accounts receivable, net of allowance for uncollectibles	12,310	30,992	16,532	59,834
Grants receivable				-
Total current assets	12,434	59,390	49,028	120,852
Temporarily restricted cash and cash equivalents		80,900		80,900
Property, plant and equipment - net of depreciation				
Land, right-of-way and easements	128,900	114,303	4,400	247,603
Transmission and distribution systems	227,570	4,134,270		4,361,840
Buildings and improvements	256,091	256,091	256,091	768,273
Equipment and vehicles	17,656	19,557	23,177	60,390
Total property plant and equipment - net	630,217	4,524,221	283,668	5,438,106
Total assets	642,651	4,664,511	332,696	5,639,858
LIABILITIES				
Current liabilities:				
Accounts payable	5,863	4,712	5,415	15,990
Accrued payroll liabilities	1,971	1,971	1,062	5,004
Accrued vacation payable	3,702	3,702	1,599	9,003
Due to other funds	57,544			57,544
Interest payable		3,483		3,483
Long term debt due in one year:				
Capital lease payable	7,603	7,603	5,061	20,267
Bonds payable		35,000		35,000
Total current liabilities	76,683	56,471	13,137	146,291
Long Term Debt				
Capital lease payable	45,710	45,710	43,168	134,588
Bonds payable net of $55,287 unamortized premium		1,310,287		1,310,287
Less amounts due in one year	(7,603)	(42,603)	(5,061)	(55,267)
Total net long term debt	38,107	1,313,394	38,107	1,389,608
Total liabilities	114,790	1,369,865	51,244	1,535,899
NET POSITION				
Net investment in capital assets	584,507	3,168,224	240,500	3,993,231
Restricted		80,900		80,900
Unrestricted	(56,646)	45,522	40,952	29,828
Total net position	$ 527,861	3,294,646	281,452	4,103,959

The notes to the financial statements are an integral part of this statement.

TOWN OF OLATHE, COLORADO

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

For the year ended December 31, 2019

		Business-type Activities - Enterprise Funds			
		Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
OPERATING REVENUES					
Charges for services	$	269,049	301,404	195,151	765,604
Late charge fees		9,780	-		9,780
Tap fees - unpledged		-	3,754		3,754
Pump station surcharge			5,506		5,506
Miscellaneous income		4,376	1,852	514	6,742
Total operating revenues		283,205	312,516	195,665	791,386
OPERATING EXPENSES					
Operations and maintenance		280,822	199,186	158,367	638,375
Depreciation		38,039	163,952	30,327	232,318
Total operating expenses		318,861	363,138	188,694	870,693
Operating income (loss)		(35,656)	(50,622)	6,971	(79,307)
NON-OPERATING REVENUES (EXPENSES)					
Interest income		256	1,568	110	1,934
Interest expense		(1,961)	(52,664)	(1,793)	(56,418)
Grants		13,030	-	-	13,030
Net nonoperating revenues (expenses)		11,325	(51,096)	(1,683)	(41,454)
Income (loss) before special items		(24,331)	(101,718)	5,288	(120,761)
OTHER FINANCING SOURCES (USES)					
Bond proceeds - refunding bonds			1,280,000		1,280,000
Bond principal - refunded bonds			(1,278,704)		(1,278,704)
Bond issuance costs including underwriter's discount			(44,737)		(44,737)
Net other financing sources (uses)		-	(43,441)	-	(43,441)
Change in net position		(24,331)	(145,159)	5,288	(164,202)
TOTAL NET POSITION, JANUARY 1		552,192	3,439,805	276,164	4,268,161
TOTAL NET POSITION, DECEMBER 31	$	527,861	3,294,646	281,452	4,103,959

The notes to the financial statements are an integral part of this statement.

TOWN OF OLATHE, COLORADO
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2019

	Business-type Activities - Enterprise Funds			
	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	$ 282,132	312,718	195,299	790,149
Payments to suppliers	(189,754)	(105,970)	(110,448)	(406,172)
Payments to employees	(94,201)	(97,631)	(54,329)	(246,161)
Net cash provided by (used in) operating activities	(1,823)	109,117	30,522	137,816
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(4,000)	(4,000)	-	(8,000)
Federal and state grants	13,030	-	-	13,030
Proceeds from refunding bonds and bond premium		1,336,403		1,336,403
Principal paid on long-term debt	(9,124)	(1,326,272)	(4,870)	(1,340,266)
Interest paid on long-term debt	(1,961)	(53,780)	(1,793)	(57,534)
Bond issuance costs		(44,737)		(44,737)
Net cash provided by (used in) capital and related financing activities	(2,055)	(92,386)	(6,663)	(101,104)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of certificate of deposit				-
Interest on investments	256	1,568	110	1,934
Net cash provided by (used in) investing activities	256	1,568	110	1,934
Net increase (decrease) in cash and cash equivalents	(3,622)	18,299	23,969	38,646
CASH AND CASH EQUIVALENTS, JANUARY 1	3,746	90,986	5,907	100,639
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 124	109,285	29,876	139,285
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income (loss)	$ (35,656)	(50,622)	6,971	(79,307)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	38,039	163,952	30,327	232,318
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(1,073)	202	(366)	(1,237)
Increase (decrease) in accounts payable	67	(1,217)	(4,481)	(5,631)
Increase (decrease) in accrued vacation payable	232	232	(32)	432
Increase (decrease) in accrued payroll liabilities	(3,432)	(3,430)	(1,897)	(8,759)
Increase (decrease) in due to other funds				-
Net cash provided by (used in) operating activities	$ (1,823)	109,117	30,522	137,816

The notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. THE FINANCIAL REPORTING ENTITY

The Town of Olathe, Colorado (referred to hereafter as the Town) is incorporated as a statutory Town under the laws of the State of Colorado with a Mayor- Town Board form of government. The financial statements of the Town have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. As required by generally accepted accounting principles, these financial statements present the Town of Olathe, Colorado a primary government. Based on criteria set forth by GASB, there are no component units for which the Town is financial accountable.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the Town) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double reporting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes levied by the Town, are presented as general revenues.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water, Sewer, and Trash are charges to customers for sales and services. The Water and Sewer Funds also recognize as operating revenue the portion of the tap fees intended to recover the cost of connecting new customers to the system. Operation expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements: The fund financial statements provide information about the Town's funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Separate statements for each fund category–*governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. The Town does not have *fiduciary* fund types.

The Town reports the following major governmental funds:

General Fund. This is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Road Fund. This fund accounts for the 1.33% sales tax dedicated to the construction and maintenance of the Town's streets and alleys.

The Town reports the following major enterprise funds:

Water Fund. This fund accounts for the operation, maintenance, and development of water services.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

Sewer Fund. This fund accounts for the operation, maintenance, and development of sewer services.

Trash Fund. This fund accounts for the operation and maintenance of trash collection services.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchanges, include sales taxes, grants, entitlements, and donations. On the accrual basis, revenues from sales taxes are recognized in the period for which the taxes are collected by vendors. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liabilities is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants and general revenues or operating funds transfers. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues or operating fund transfers.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES AND EQUITY

Deferred Outflows/Inflows of Resources. In addition to assets, the statement of net position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period (s) and will not be recognized as an inflow of resources (revenue) until that time. Property tax revenue that is related to a future period has been recorded as deferred inflows. Grants and entitlements received before eligibility requirements are met (e.g., cash advances) are recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

Deposits and Investments. The cash balances of substantially all funds are pooled for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at December 31, 2019, based on market prices. The individual funds' portions of the pool's fair value are presented as cash and cash equivalents or certificates of deposit. Earnings on the pooled funds are apportioned and paid or credited to the funds monthly based on the average monthly balance of each participating fund.

Cash and Cash Equivalents. The Town considers all cash on hand, demand deposits and short-term highly liquid investments with an original maturing date of three months or less to be cash equivalents.

Property Taxes. Property taxes are levied on December 15th and attach as a lien on property the following January 1st. They are payable in full by April 30th or in two equal installments due February 28th and June 15th. Property taxes levied in the current year and collected in the following year are reported as deferred inflow of resources at December 31st.

Restricted Assets. Restricted assets in governmental and enterprise funds include assets restricted by various covenants of bonds issues by the Town, including bond and interest funds, reserve funds, and unexpended proceeds of bond issues, if applicable. Restricted assets in the non-major governmental funds generally include assets restricted by grantors.

1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES AND EQUITY (continued)

Capital Assets. Capital assets, which include property, plant, and equipment, are defined by the Town as assets with an initial, individual cost of at least $5,000 and an estimated useful life in excess of two years.

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets are reported at estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Enterprise Fund construction costs are increased by interest incurred on bonds during the construction period and reduced by earnings from investment of any unexpended bond proceeds.

Depreciation is calculated using the straight-line method over the estimated useful lives, and no depreciation is recorded in the year of acquisition or construction of such assets. Capital assets acquired by capital lease are depreciated over the estimated useful lives and are included in depreciation expense in the appropriate fund. The estimated useful lives are as follows:

Buildings	30 years
Equipment, Furniture and Vehicles	3-30 years
Transmission and Distribution, Lines and Meters	30-40 years
Treatment and Filtration Plants	30 years
Reservoirs and Storage Facilities	100 years
Land Improvements	15 years
Infrastructure	20-25 years

1–SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES AND EQUITY (continued)

Long-Term Debt. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of the applicable bond premium or discount. Bond discounts, issuance costs, and deferred amounts on refunding associated with issuing bonds of proprietary-type funds or bonds issued or refunded after December 31, 2012 for governmental activities are expensed when the bond is issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences. The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid accumulated annual leave balances. The liability has been calculated using the vesting method, in which earned and eligible leave amounts for employees, will be paid as termination payments. The Town's policies do not allow for payment to employees who are expected to become eligible in the future to receive such payments upon termination.

1–SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. ASSETS, LIABILITIES AND EQUITY (continued)

Fund Equity. Beginning with fiscal year 2011, the Town implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance amounts that are not in spendable form, (such as inventory), or are required to be maintained intact;
- Restricted fund balance-amounts constrained to specific purposes by their providers, (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation;
- Committed fund balance-amounts constrained to specific purposes by a government itself, using its highest level of decision making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, The Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Town Council has provided otherwise in its commitment or assignment actions.

1–SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. BUDGETS AND BUDGETARY ACCOUNTING

The Town follows these procedures in establishing budgets:

a. Budgets are required by state law for all governmental and proprietary funds.
b. During September the proposed budget is submitted to the Town Board for the fiscal year commencing the following January 1.
c. Prior to December 31, the budget is adopted and appropriations are authorized by ordinance at the fund level for all funds. The legal level of budgetary control is at the individual fund level for all funds.
d. Budgets are adopted on a basis consistent with the accounting basis of all funds except for proprietary-type funds. In the proprietary funds, the Town budgets for capital outlays, transfers to and from reserve funds and bond principal and interest payments and does not budget for depreciation.
e. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class and in total by each fund. The total fund level constitutes the legal level of control. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to approval by ordinance from the Town Board. Within the fund level control basis, management may transfer appropriations without Board approval. Revisions to the budget were made throughout the year. Budget amounts included in the budgetary comparison schedules are based on the final legally amended budget.
f. Appropriations lapse at the end of each year, and the Town Board may adopt supplemental appropriations during the year. The Town Board may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Town's administrator or the revenue estimates must be changed by the Town Board when adopting supplemental appropriations.

Originally adopted budgeted expenditures, amendments and the final, amended budgeted expenditures for the year ended December 31, 2019 are as follows:

		Original Budget	Amendments	Final Budget
General Fund	$	771,289	20,290	791,579
Road Fund		679,650		679,650
Conservation Trust Fund		18,000		18,000
Police Pension Fund		25,000		25,000
Water Fund		324,000		324,000
Sewer Fund		305,900	1,318,688	1,624,588
Trash Fund		191,300		191,300
Total	$	2,315,139	1,338,978	3,654,117

2–DEPOSITS AND INVESTMENTS

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must at least be equal to 102% of the aggregate uninsured deposits.

CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy for deposits allows funds to be placed in any account that is guaranteed by the Federal Deposit Insurance Corporation with remaining amounts collateralized by securities pledged by the financial institution. As of December 31, 2019, none of the Town's bank balances of $288,279 were exposed to custodial credit risk as $266,642 was insured and $21,637 was collateralized by securities pledged by financial institutions.

INVESTMENTS

At December 31, 2019, the Town had the following investments:

Description	Weighted Maturity	Fair Value
Colotrust Prime	N/A	$87,687

Interest rate risk. The Town does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest including obligations of the United States and certain U.S. government agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptances of certain banks; commercial paper; local government investment pools; written repurchase agreements collateralized by certain authorized securities; certain money market funds; and guaranteed investment contracts. The Town's general investment policy is to apply the prudent-person rule: Prudence and protection of Town funds are the primary criteria. All investments and bid requests for investments are predicated on liquidity, yield, safety and interest of the local economy. As of December 31, 2019, the Town's investment in Colotrust Prime was rated AAAm by Standard & Poor's. Separate

2 – DEPOSITS & INVESTMENTS (continued)

Concentration of credit risk. Investments must be in accordance with Colorado statutes and the Town does not have an investment policy that limits the amount of investments in any single type of investment.

COLOTRUST issues a publicly available annual financial report that can be obtained on it's website at http://www.colotrust.com.

3–ALLOWANCE FOR UNCOLLECTIBLES

Receivables are stated net of allowances for uncollectibles, however, at December 31, 2019, the Town considered all accounts collectible and accordingly, no provision for an allowance is recorded.

4 – JOINT VENTURE

The Town is a participant with two other municipalities and two water districts in a joint venture to operate the Project 7 Water Authority, a water treatment facility. The Authority is governed by a board consisting of five appointed representatives from each of the participants. The Town is obligated by contract to purchase the treatment of 45 million gallons of water annually from the Authority so long as the Authority has any unpaid debt, other than from operating expenses. The rate is 90 cents per thousand gallons for 2019 and increases to $1.00 per thousand gallons in 2020 which results in a minimum annual purchase commitment of $45,000, but, the rate charged may be changed by action of the Authority. During 2019, the Town purchased treatment of 77,582,222 gallons for $69,824 and owed the Authority $4,297 at December 31, 2019 . Separate financial statements of Project 7 Water Authority are available from the Town or the Authority.

5 – CAPITAL ASSETS

Depreciation expense was charged to functions/programs of the Town as follows:

	Governmental		Business
General government	$ 10,979		
Public safety	10,314		
Parks	19,997		
Public works, including depreciation on infrastructure assets	72,375	Water	38,039
		Sewer	163,952
		Trash	30,327
Total	$ 113,665		232,318

5 - CAPITAL ASSETS (continued)

Capital asset activity for the year ended December 31, 2019, was as follows

		BEGINNING BALANCES	INCREASES	DECREASES	ENDING BALANCES
Governmental Activities					
Capital Assets Not Being Depreciated					
Land	$	175,325	-	-	175,325
Construction in progress		282,095		282,095	-
Total Capital Assets Not Being Depreciated		457,420	-	282,095	175,325
Capital Assets Being Depreciated					
Land improvements		532,327			532,327
Infrastructure, Road Network		1,804,907	375,620		2,180,527
Buildings		352,192	264,922		617,114
Equipment and vehicles		856,850	10,000		866,850
Total Capital Assets Being Depreciated		3,546,276	650,542	-	4,196,818
Less Accumulated Depreciation for:					
Land improvements		370,957	17,188		388,145
Infrastructure, Road Network		349,595	59,360		408,955
Buildings		154,236	20,312		174,548
Equipment and vehicles		779,328	16,805		796,133
Total Accumulated Depreciation		1,654,116	113,665	-	1,767,781
Total Capital Assets Being Depreciated, Net		1,892,160	536,877	-	2,429,037
Governmental Activity Capital Assets, Net	$	2,349,580	536,877	282,095	2,604,362
Business Type Activities					
Capital Assets Not Being Depreciated					
Land and Easements	$	247,603	-	-	247,603
Construction in progress		794,766		794,766	-
Total Capital Assets Not Being Depreciated		1,042,369	-	794,766	247,603
Capital Assets Being Depreciated					
Transmissions and Distribution Systems		1,139,015			1,139,015
Treatment Facilities		6,153,850			6,153,850
Building and Improvements		22,589	794,766		817,355
Equipment and Furniture		902,200	8,000		910,200
Total Capital Assets Being Depreciated		8,217,654	802,766	-	9,020,420
Less Accumulated Depreciation for:					
Transmission and Distribution Systems		885,901	25,544		911,445
Treatment Facilities		1,869,904	149,676		2,019,580
Building and Improvements		22,589	26,492		49,081
Equipment and Furniture		819,203	30,608		849,811
Total Accumulated Depreciation		3,597,597	232,320	-	3,829,917
Total Capital Assets Being Depreciated, Net		4,620,057	570,446	-	5,190,503
Business Type Activities, Capital Assets, Net	$	5,662,426	570,446	794,766	5,438,106

6 – EMPLOYEE RETIREMENT PLANS

Defined Contribution Plan:

The Town participates with several other counties, municipalities and special districts in Colorado and contributes to the Colorado Retirement Association (Association), a defined contribution plan, for all of its full time employees except police officers. Full time employees are eligible to participate after 90 days from the date of employment. The Association requires that both the employee and the Town contribute an amount equal to 3% of the employee's base salary each month. The Town's contributions for each employee, (and interest allocated to each employee's account), are fully vested after five years of continuous service. The Town contributions for and interest forfeited by, employees who leave employment before five years of service are used to reduce the Town's current period contribution requirement. For the year ended December 31, 2019, the Town made contributions and recognized $12,627 as expense and the employee's contributions totaled $12,627.

Statewide Defined Benefit Pension Plan for Police Officers:

The Town's police officers participate in the Statewide Defined Benefit Plan (SWDB), which is a cost sharing multiple employer defined benefit pension plan. The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at http://www.fppaco.org

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007, for members of affiliated Social Security employers, will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1st. The amount of any increase is based on the FPPA Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

6 – EMPLOYEE RETIREMENT PLANS (continued)

Statewide Defined Benefit Pension Plan for Police Officers: (continued)

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

The plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers are contributed at the rate of 10 percent and 8 percent, respectively, of base salary for a total contribution rate of 18 percent in 2018. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 22 percent of base salary in 2018. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the reentry group increased their required member contribution rate increase to 0.5 percent annually, beginning in 2015, through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

6 – EMPLOYEE RETIREMENT PLANS (continued)

Statewide Defined Benefit Pension Plan for Police Officers: (continued)

The contribution rate for members and employers of affiliated social security employers is 5 percent and 4 percent, respectively, of base salary for a total contribution rate of 9 percent in 2018. Per the 2014 member elections, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually, beginning in 2015, through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022.

Pension Liabilities / Asset, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At December 31, 2019, the Town reported a net pension liability of $39,880. The net pension liability was measured as of December 31, 2018, and was determined by an actuarial valuation as of January 1, 2018.

6 – EMPLOYEE RETIREMENT PLANS (continued)

Statewide Defined Benefit Pension Plan for Police Officers: (continued)

At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		Deferred Outflows of Resouces	Deferred Inflows of Resources
Difference between actual and expected experience	$	51,243	426
Changes in proportion and differences between contributions and proportionate share of contributions			3,505
Net difference between projected and actual earnings on pension plan investments			31,372
Changes in assumptions		38,623	
Contributions subsequent to the measurement date		16,816	
Total	$	106,682	35,303

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the plan year ended December 31		Amounts recognized in collective pension expense
2018	$	22,917
2019		16,368
2020		13,939
2021		23,063
2022		11,229
Thereafter		33,295

6 – EMPLOYEE RETIREMENT PLANS (continued)

Statewide Defined Benefit Pension Plan for Police Officers: (continued)

The actuarial valuations for the SWDB were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2018. The valuation used the following actuarial assumptions and other inputs:

Actuarial Valuation Date	January 1, 2018
Actuarial Method	Entry Age: Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return	7.5%
Projected Salary Increases	4.0% - 14.0%
including inflation at	2.5%
Cost of Living Adjustments (COLA)	0.00%

Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except there is a three year set-forward, meaning a disabled member age 70 will be valued as if they were a 73 year old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

6 – EMPLOYEE RETIREMENT PLANS (continued)

Statewide Defined Benefit Pension Plan for Police Officers: (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return, (expected returns, net of pension plan investment expense and inflation), are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Real Rate of Return
Global Equity	37.0%	8.03%
Equity Long/Short	9.0%	6.45%
Illiquid Alternatives	24.0%	10.00%
Fixed Income	15.0%	2.90%
Absolute Return	9.0%	5.08%
Managed Futures	4.0%	5.35%
Cash	2.0%	2.52%
Total	100.0%	

6 – EMPLOYEE RETIREMENT PLANS (continued)

Statewide Defined Benefit Pension Plan for Police Officers: (continued)

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount rate: Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects: (1) a long-term expected rate of return on pension plan investments, (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date, (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.71%, (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release, (H.15); and the resulting Single Discount Rate is 7.00%.

Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the Town's portion of the plan's net pension (asset) liability, calculated using a Single Discount Rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
$ 154,651	(49,326)	(55,320)

7 – COMMITMENTS

The Town has entered into a contract with the Tri-County Conservancy District to purchase water from the Dallas Creek Project as follows:

	Annual Purchase and Operations and Maintenance Commitment	Calendar Years	Annual Payment
Blocks One, Two and Three:	300 Acre Feet Annually	2021 through 2049	$ 25,384

The purchase price per acre foot shall not exceed the average cost of all municipal and industrial water for which the Tri-County Water Conservancy District is obligated to pay the United States for such water which is limited to $38,000,000. The purchase price is currently $77.61 per acre foot, with potential cost adjustments at no longer than five year intervals. Such annual payments are subject to adjustment as a result of rate adjustments. In addition, the Town pays the District a proportionate amount of the operations, maintenance and replacement costs of the project attributable to municipal and industrial use which were set at $4.00 per acre foot subject to annual adjustment.

8 – CAPITAL LEASE OBLIGATIONS

The Town leases police cars, a tractor and a shop building under leases classified as capital leases, however, the payments are subject to annual appropriation. The total original cost of all the capitalized assets is $1,109,340. The leased equipment is amortized on a straight line basis over 7 years, 10 years and 15 years, respectively, which is included in depreciation expense. Total accumulated amortization related to the leased equipment is $53,269 and is included in accumulated depreciation. The following is a schedule showing future minimum lease payments under capital leases by years and the present value of the minimum lease payments as of December 31, 2019.

	Tractor	Shop	Total
Interest rate	3.00%	3.89%	
Monthly payments	$1,100		
Semi-annual payments		$13,383	
2020	$7,703	26,766	34,469
2021		26,766	26,766
2022		26,766	26,766
2023		26,766	26,766
2024		26,766	26,766
2025-2027		66,916	66,916
Total minimum lease payments	7,703	200,746	208,449
Less: amount representing interest	78	28,072	28,150
	$ 7,625	172,674	180,299

9 – LONG-TERM LIABILITIES

During 2019, the Town issued $1,280,000 of Water & Sewer Revenue Refunding Bonds, Series 2019, to refund $1,278,704 of outstanding Water & Sewer Revenue Bonds, Series 2004. The reacquisition price of the refunded bonds equaled the net carrying amount of the old debt. As a result, the debt service payments were reduced by a total of $166,118 and resulted in a net present value savings of $102,620.

The Series 2019 bonds, including a premium of $56,403, were issued at interest rates ranging from 2.00% to 4.00% per annum and are payable in principal installments of $35,000 beginning in 2020 and increasing to $75,000 in 2044, plus interest payments on June 1st and December 1st each year. The bonds mature on December 1, 2044, bonds maturing after December 1, 2027 are callable. The bonds are collateralized by net water and sewer revenues but are payable from the Sewer Fund. The required reserve of $80,900 has been funded in the Sewer Fund.

Principal and interest payments for the years following December 31, 2019 are as follows:

Year	Principal	Interest	Total
2020 $	35,000	42,494	77,494
2021	35,000	41,794	76,794
2022	35,000	41,094	76,094
2023	35,000	40,393	75,393
2024	40,000	39,650	79,650
2025-2029	210,000	184,300	394,300
2030-2034	240,000	151,550	391,550
2035-2039	285,000	102,800	387,800
2040-2044	340,000	42,200	382,200
$	1,255,000	686,275	1,941,275

For the year ended December 31, 2019, no interest was capitalized to fixed assets and $2,092 in the governmental funds and $56,418 in the proprietary funds totaling $58,510 was charged to expense.

9 – LONG-TERM LIABILITIES (continued)

Long-term liability activity for the year ended December 31, 2019 was as follows:

		Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:						
Capital leases	$	68,939		23,229	45,710	7,603
Total Governmental activities	$	68,939	-	23,229	45,710	7,603
Business-type activities						
Water & Sewer Revenue Bonds	$	1,292,148	1,280,000	1,317,148	1,255,000	35,000
Capital leases		157,704		23,116	134,588	20,267
	$	1,449,852	1,280,000	1,340,264	1,389,588	55,267

10 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of Interfund balances as of December 31, 2019 is as follows:

A. Due From/To Other Funds

Receivable Fund	Payable Fund		Amount
Road Fund	Water Fund	$	57,544
	General Fund		35,374
		$	92,918

The balance that the General Fund and Water Fund owes is expected to be repaid in 2020.

B. Interfund Transfers

Interfund transfers to supplement the expenditures/expenses of other funds were as follows:

		Transfers in		
		General Fund	Police Pension Fund	Total
Transfers out:				
General Fund	$		22,551	22,551
Conservation Trust	$	18,000		18,000

11 – PARTICIPATION IN PUBLIC ENTITY RISK POOL

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Town is a participant in the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA operates as a common risk management and insurance program for 275 members participating in the Property and Casualty Pool and 143 members in the Workers' Compensation Pool. The Town pays an annual premium to CIRSA for its general insurance coverage and workers' compensation insurance coverage. The agreement for formation of CIRSA provides that CIRSA will be financed by member premiums and will reinsure through commercial companies for claims in excess of $1,000,000 for each insured event. The Town continues to carry commercial insurance for employee health and accident benefits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

12 – TAX, SPENDING AND DEBT LIMITATIONS

The State Constitution, Article X, Section 20, has several limitations regarding revenue raising, spending abilities, and other specific requirements of state and local governments. The Section is complex and subject to judicial interpretation. In November, 2018, the Town obtained voter approval to collect and retain all revenues without limitation under the Section. The Town believes it is in compliance with the requirements of the Section. However, the Town has made certain interpretations of the Section's language in order to determine its compliance. The emergency reserves required under the Section are restricted in the Road Fund.

13 – CONTINGENT LIABILITIES

Under the terms of federal and state grants, costs may be questioned as not being appropriate expenses that could lead to reimbursement to the granter agencies. Town management is not aware of any such expenses that would not be allowed.

The Town's insurance carrier has provided a full defense and indemnification for a claim pursuant to the Colorado Government Immunity Act, CRS 24-10-101 relating to a motor vehicle accident involving a Town employee. A motion to dismiss the claim was granted, but remains subject to possible appeal.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF OLATHE, COLORADO
Budgetary comparison schedule
General Fund
For the year ended December 31, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	Actual
REVENUES				
Taxes				
General property taxes	105,306	104,622	(684)	100,438
Specific ownership taxes	15,000	16,542	1,542	14,772
Penalty and interest on taxes	250		(250)	240
General sales and use taxes	276,500	314,398	37,898	277,589
Franchise tax equivalents	67,000	55,896	(11,104)	60,085
Occupation taxes	1,000	1,675	675	875
Severance tax	7,000	30,860	23,860	6,884
Total taxes	472,056	523,993	51,937	460,883
Licenses and permits				
General				
Business license	1,400	1,350	(50)	2,090
Building permits	7,100	8,013	913	762
Liquor license	350	123	(227)	345
Other permit fees	7,700	6,476	(1,224)	1,256
Annexation filing fees			-	4,281
Planning and zoning fees	1,000		(1,000)	525
Total licenses and permits	17,550	15,962	(1,588)	9,259
Intergovernmental				
State shared revenues				
Cigarette taxes	1,200	953	(247)	1,045
Mineral lease	1,000	1,334	334	682
Total Intergovernmental	2,200	2,287	87	1,727
Miscellaneous				
Earnings on investments	300	146	(154)	320
Miscellaneous	3,000	4,723	1,723	2,022
Miscellaneous refunds	250	1,766	1,516	39
Sale of assets	39,355	39,356	1	
Property lease	10,800		(10,800)	
Administrative fees	27,372	27,372	-	27,372
Total Miscellaneous	81,077	73,363	(7,714)	29,753

TOWN OF OLATHE, COLORADO
Budgetary comparison schedule
General Fund
For the year ended December 31, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	Actual
REVENUES				
Public Safety				
Animal licenses	400	275	(125)	255
Vehicle inspection fees	500	390	(110)	355
Miscellaneous	18,225	18,300	75	4,746
Total Public Safety	19,125	18,965	(160)	5,356
Judicial				
Traffic fines	125,000	122,142	(2,858)	104,857
Other code violations	10,000	2,980	(7,020)	6,622
Miscellaneous		35	35	25
Total Judicial	135,000	125,157	(9,843)	111,504
Parks				
Grants	23,805		(23,805)	166,000
Miscellaneous	2,300	5,471	3,171	9,209
Park rental fees	15,500	11,745	(3,755)	15,750
Total Parks	41,605	17,216	(24,389)	190,959
Recreation				
Contributions		330	330	2,750
Grants			-	50,000
Sponsors	500	410	(90)	
Program fees	6,000	4,850	(1,150)	5,190
Facilities rental	4,800	5,135	335	4,870
Total Recreation	11,300	10,725	(575)	62,810
Community center				
Contributions	10,000	10,000	-	2,000
Community center rental	7,060	7,635	575	9,110
Total Community center	17,060	17,635	575	11,110
Total Revenues before transfers in	796,973	805,303	8,330	883,361
TRANSFERS IN				
Transfers from Sewer Fund	15,961		(15,961)	10,000
Transfers from Conservation Trust for parks expenditures	18,000	18,000	-	18,000
Total Transfers In	33,961	18,000	(15,961)	28,000
Total General Fund revenues and transfers in	$ 830,934	823,303	(7,631)	911,361

TOWN OF OLATHE, COLORADO
Budgetary comparison schedule
General Fund
For the year ended December 31, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	Actual
EXPENDITURES				
General government				
Current				
Salaries	$ 37,288	37,399	(111)	35,712
Mayor and trustee wages	4,560	3,960	600	4,510
Employee benefits	9,997	9,730	267	11,039
Insurance	3,530	3,520	10	3,792
Workers' compensation	1,106	1,204	(98)	1,333
Auditing fees	2,500	2,500	-	2,500
Legal fees	2,500	2,985	(485)	7,390
Treasurer's fees	2,800	2,059	741	2,017
Clerk and recorder rees	900	49	851	619
Dues and membership fees	3,000	3,116	(116)	2,964
Travel and training	2,000	3,229	(1,229)	2,908
Meals	300	17	283	32
Publishing	1,000	324	676	831
Publications	175	139	36	166
Postage	2,500	2,180	320	2,091
Utilities	3,000	3,786	(786)	3,726
Telephone	4,500	3,706	794	4,000
Maintenance contracts	1,510	5,032	(3,522)	7,548
Office supplies	3,500	1,842	1,658	3,553
Supplies	1,500	1,990	(490)	917
Euipment rental	4,000	4,306	(306)	4,282
Building & facility repairs	500	268	232	263
Equipment repairs	1,000	92	908	289
Cleaning services	1,200	1,134	66	1,134
Fuel and oil	500		500	194
Miscellaneous expense	2,000	2,208	(208)	1,742
Bank fees	750	590	160	694
Donations & gifts	250	275	(25)	-
Economic development	2,500	2,500	-	2,500
Senior citizen assistance	1,000	1,000	-	1,000
Use tax expense	1,000	2,216	(1,216)	176
Election judges			-	150
Election supplies			-	2,131
Total Current	102,866	103,356	(490)	112,203

TOWN OF OLATHE, COLORADO
Budgetary comparison schedule
General Fund
For the year ended December 31, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	Actual
EXPENDITURES				
Public Safety				
Current				
Salaries	223,000	197,284	25,716	215,741
Part time wages	24,500	59,063	(34,563)	31,023
Employee benefits	40,800	39,439	1,361	46,044
Insurance	5,300	5,280	20	5,688
Workers' compensation	4,585	4,681	(96)	6,022
Legal fees	1,500		1,500	840
Contract services	49,197	49,191	6	43,234
Animal impound fees	1,000	160	840	56
Travel and training	5,000	638	4,362	656
Meals	500	39	461	65
Publishing		377	(377)	
Postage	125	4	121	116
Utilities	3,500	3,993	(493)	3,766
Telephone	5,000	5,130	(130)	2,591
Maintenance contracts	4,000	5,107	(1,107)	3,999
Office supplies	1,000	1,419	(419)	685
Clothing	4,000	2,203	1,797	2,849
Ammunition	2,000	3,245	(1,245)	3,499
Supplies	4,000	5,568	(1,568)	4,903
Equipment rental	1,450	2,175	(725)	1,560
Building and facility repairs	250	360	(110)	605
Equipment repairs	7,500	11,377	(3,877)	8,205
Fuel and oil	9,200	11,250	(2,050)	11,505
Miscellaneous expense	3,000	4,398	(1,398)	3,597
Donations & gifts	125	67	58	100
Total Current	400,532	412,448	(11,916)	397,349
Capital Outlay				
Capital Equipment	8,725	6,000	2,725	
Total Capital Outlay	8,725	6,000	2,725	-
Debt Service				
Principal	14,172	14,105	67	18,444
Interest	165	131	34	664
Total Debt Service	14,337	14,236	101	19,108
Total Public Safety expenditures	423,594	432,684	(9,090)	416,457
TRANSFERS OUT				
Transfer to Police Pension Fund	25,000	22,551	2,449	22,673
Total Public Safety expenditures and transfers	448,594	455,235	(6,641)	439,130

TOWN OF OLATHE, COLORADO
Budgetary comparison schedule
General Fund
For the year ended December 31, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	Actual
EXPENDITURES				
Judicial				
Current				
Part time wages	22,000	15,175	6,825	16,228
Employee benefits	1,800	1,224	576	1,308
Workers compensation	316	316	-	381
Juror fees	250		250	88
Travel and training	750		750	
Office supplies	400		400	199
Supplies			-	31
Miscellaneous	200		200	96
Total Judicial	25,716	16,715	9,001	18,331
Parks				
Current				
Salaries	45,700	45,438	262	43,890
Part time wages	57,000	49,972	7,028	45,334
Employee benefits	16,175	15,603	572	15,071
Insurance	2,824	2,816	8	3,034
Workers' compensation	1,422	1,521	(99)	1,714
Contract services	1,500		1,500	3,200
Dues and membership fees	130	130	-	130
Travel and training	250	642	(392)	324
Utilities	8,000	10,018	(2,018)	10,630
Telephone	625	275	350	175
Clothing	350	294	56	389
Event faciliation expense	2,500	2,351	149	2,380
Supplies	6,500	8,973	(2,473)	6,143
Mosquito control	130	18	112	65
Chemicals	4,000	3,828	172	4,820
Equipment rental	6,500	6,160	340	6,360
Equipment repairs and maintenanc	6,000	2,490	3,510	3,454
Building facility repairs	8,805	8,805	-	177
Fuel and oil	3,200	3,150	50	3,821
Miscellaneous expense	1,200	1,080	120	1,062
Donated playground equipment			-	53,642
Water assessments	500	474	26	460
Total Current	173,311	164,038	9,273	206,275
Capital Outlay				
Capital Equipment			-	4,000
Capital Improvements	15,000		15,000	103,594
Total Capital Outlay	15,000	-	15,000	107,594
Total Parks	188,311	164,038	24,273	313,869

TOWN OF OLATHE, COLORADO
Budgetary comparison schedule
General Fund
For the year ended December 31, 2019
(With comparative actual amounts for the year ended December 31, 2018)

		2019			2018
		Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	Actual
EXPENDITURES					
Recreation					
Current					
Wages		1,875	1,951	(76)	1,824
Part time wages		2,000	2,321	(321)	32,450
Employee benefits		705	723	(18)	3,100
Insurance		1,059	1,056	3	1,138
Workers' compensation		316	316	-	381
Utilities		600	816	(216)	790
Miscellaneous expense			112	(112)	60
Program expense		2,500	1,844	656	2,642
Special event				-	
Colorado Health Foundation Grant			4,276	(4,276)	11,046
Total Recreation		9,055	13,415	(4,360)	53,431
Community Center					
Current					
Wages		1,875	1,951	(76)	1,824
Part time wages		3,465	3,921	(456)	3,432
Employee benefits		820	851	(31)	793
Insurance		1,059	1,056	3	1,138
Workers' compensation		158	158	-	190
Utilities		4,000	3,033	967	2,980
Telephone		1,600	1,570	30	1,581
Supplies		600	674	(74)	701
Building and facility repairs		2,760	1,818	942	1,090
Cleaning services		700	600	100	550
Total Community Center		17,037	15,632	1,405	14,279
Total current expenditures		728,517	725,604	2,913	801,868
Total capital outlay expenditures		23,725	6,000	17,725	107,594
Total debt service expenditures		14,337	14,236	101	19,108
Total transfers out		25,000	22,551	2,449	22,673
Total General Fund expenditures and transfers out		791,579	768,391	23,188	951,243
Net change in fund balances		39,355	54,912	15,557	(39,882)
FUND BALANCES, JANUARY 1		(36,757)	(36,757)	-	3,125
FUND BALANCES, DECEMBER 31	$	2,598	18,155	15,557	(36,757)

TOWN OF OLATHE, COLORADO

Budgetary comparison schedule

Road Fund

For the year ended December 31, 2019

(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	Actual
REVENUES				
Taxes				
General sales taxes	137,000	154,660	17,660	138,668
Intergovernmental				
State shared revenues				
Highway users tax	58,500	63,354	4,854	64,337
Grants	329,400	250,399	(79,001)	280,280
County shared revenues				
Motor vehicle tax	27,500	34,501	7,001	29,310
Auto registrations	7,500	7,013	(487)	6,805
Grants	30,000	30,000	-	33,000
Miscellaneous				
Street Assessment Revenue	29,000	28,783	(217)	29,249
Miscellaneous	7,000	9,612	2,612	2,901
Investment Income	150	73	(77)	160
Total Revenues	626,050	578,395	(47,655)	584,710
EXPENDITURES				
Public Works				
Salaries	96,091	94,201	1,890	90,364
Employee benefits	26,572	25,861	711	24,978
Insurance	6,367	6,336	31	6,825
Workers' compensation	2,213	2,311	(98)	2,666
Auditing Fees	2,500	2,690	(190)	2,500
Legal fees	2,500	2,706	(206)	3,109
Contract services	500	173	327	488
Travel and training	250	359	(109)	112
Meals	100	245	(145)	148
Publishing	200	95	105	294
Postage	50	58	(8)	
Utilities	12,000	12,227	(227)	12,408
Telephone	1,000	1,162	(162)	1,252
Office supplies	100	411	(311)	43
Clothing	250	110	140	25
Supplies	5,000	10,228	(5,228)	6,528
Chemicals	750	433	317	110
Gravel	10,000		10,000	1,453
Administrative fee	6,843	6,843	-	6,843
Safety equipment	250	102	148	300
Building rent			-	1,283
Building and facility repairs	100		100	138
Equipment repairs and maintenance	8,800	5,114	3,686	6,740
Fuel and oil	5,500	4,471	1,029	4,928
Street materials	10,000	15,803	(5,803)	3,950
Main street beautification	10,000		10,000	15,753
Street signs	1,000	920	80	85
Miscellaneous expense	2,750	664	2,086	4,716
Total Current	211,686	193,523	18,163	198,039
Capital Outlay				
Capital improvements	456,839	362,447	94,392	349,863
Total Capital Outlay	456,839	362,447	94,392	349,863
Debt Service				
Principal	9,125	9,124	1	8,813
Interest	2,000	1,961	39	2,281
Total Debt Service	11,125	11,085	40	11,094
Total Road Fund expenditures	679,650	567,055	112,595	558,996
Other financing sources				
Lease proceeds			-	
Net change in fund balances	(53,600)	11,340	64,940	25,714
FUND BALANCES, JANUARY 1	269,044	269,044	-	243,330
FUND BALANCES, DECEMBER 31	$ 215,444	280,384	64,940	269,044

TOWN OF OLATHE, COLORADO
Schedule of Change in Net Pension (Asset) Liability
For the years ended December 31

Measurement Date (as of the previous fiscal year end)		2019	2018	2017	2016	2015	2014
Employer Portion of Net Pension Asset		0.03154403%	0.03428618%	0.03205707%	0.02836640%	0.02301823%	0.02325081%
Employer proportionate share of Net Pension (Asset) Liability	$	39,880	(49,326)	11,583	(500)	(25,978)	(20,791)
Employer Covered Payroll	$	210,203	211,301	200,548	137,511	103,514	100,987
Employer Proportionate Share of Net Pension (Asset) Liability as a Percentage of Covered Payroll		18.97%	-23.34%	5.78%	-0.36%	-25.10%	-20.59%

TOWN OF OLATHE, COLORADO
Schedule of Contributions to Pension Plan
For the year ended December 31

As of the previous fiscal year end	2019	2018	2017	2016	2015	2014
Required Employer Contributions	16,816	16,904	16,044	11,001	8,281	8,079
Employer Contributions Recognized by Plan	16,816	16,904	16,044	11,001	8,281	8,079
Difference	-	-	-	-	-	-
Employer Covered Payroll	210,203	211,301	200,548	137,511	103,514	100,987
Contributions as a Percentage of Employer Covered Payroll	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

SUPPLEMENTARY INFORMATION

TOWN OF OLATHE, COLORADO

Combining Balance Sheet

Non-Major Governmental Funds

For the year ended December 31, 2019

	Special Revenue Fund Conservation Trust	Police Pension Permanent Fund	Total Non-Major Governmental Funds
Assets			
Cash and Cash Equivalents	16,041		16,041
Certificates of Deposit	2,000	1,341	3,341
Total Assets	18,041	1,341	19,382
Liabilities and Fund Balances			
Liabilities			
Accounts Payable			-
Total Liabilities	-	-	-
Fund Balances			
Restricted for:			
Conservation trust	18,041		18,041
Police officer's retirement		1,341	1,341
Total Fund Balance	18,041	1,341	19,382
Total Liabilities and Fund Balance	18,041	1,341	19,382

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TOWN OF OLATHE, COLORADO
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget
Non-Major Governmental Funds
For the year ended December 31, 2019

	Special Revenue Fund Conservation Trust		Police Pension Permanent Fund		Total Non-Major Governmental Funds	
	Actual	Budget	Actual	Budget	Actual	Budget
Revenues						
Intergovernmental						
Lottery	20,736	18,000			20,736	18,000
Miscellaneous						
Investment income	36				36	-
Total Revenues	20,772	18,000	-	-	20,772	18,000
Expenditures						
Current						
Public Safety			22,551	25,000	22,551	25,000
Total Expenditures	-	-	22,551	25,000	22,551	25,000
Excess of Revenues Over (Under) Expenditures	20,772	18,000	(22,551)	(25,000)	(1,779)	(7,000)
Other Financing Sources (Uses)						
Operating Transfers In (Out)	(18,000)	(18,000)	22,551	25,000	4,551	7,000
Total Other Financing Sources (Uses)	(18,000)	(18,000)	22,551	25,000	4,551	7,000
Net Change in Fund Balance	2,772	-	-	-	2,772	-
Fund Balance, January 1	15,269	15,269	1,341	1,341	16,610	16,610
Fund Balance, December 31	18,041	15,269	1,341	1,341	19,382	16,610

TOWN OF OLATHE, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND TRANSFERS - ACTUAL AND BUDGET
WATER FUND - BUDGET BASIS OF ACCOUNTING
For the year ended December 31, 2019 with comparative actual amounts
for the year ended December 31, 2018

	2019			2018
	Original & Final Budget	Actual	Variance Favorable (Unfavorable)	Actual
REVENUES				
Charges for Services	282,000	269,049	(12,951)	285,274
Late charge fees	10,000	9,780	(220)	4,500
Tap Fees	3,000		(3,000)	
Investment Income	500	256	(244)	559
Grants	20,000	13,030	(6,970)	68,275
Miscellaneous	8,500	4,376	(4,124)	3,912
Total Revenues	324,000	296,491	(27,509)	362,520
EXPENDITURES				
Operations and Maintenance				
Salaries	96,091	94,433	1,658	89,660
Employee benefits	26,572	25,861	711	24,979
Insurance	6,354	6,336	18	6,978
Workers' compensation	2,213	2,311	(98)	2,666
Auditing fees	2,500	2,500	-	2,500
Legal fees	3,400	2,706	694	3,109
Engineering fees	5,000	481	4,519	
Contract services	500	982	(482)	185
Dues and membership fees	150	289	(139)	152
Travel and training	550	506	44	383
Publishing	200	151	49	240
Postage	1,000	805	195	767
Utilities	4,000	2,687	1,313	3,654
Telephone	1,000	1,078	(78)	903
Clothing	250	50	200	25
Supplies	10,050	9,541	509	6,170
Chemicals	750	433	317	110
Administrative fee	6,843	6,843	-	6,843
Safety equipment	150	763	(613)	140
Building rent			-	1,283
Building and facility repairs	100		100	138
Equipment repairs and maintenance	5,800	5,852	(52)	3,611
Other permits	250	250	-	250
Fuel and oil	5,000	4,374	626	4,928
Miscellaneous expense	2,500	846	1,654	4,183
Grants - professional services	20,000	14,979	5,021	19,123
Reservoir maintenance	2,500		2,500	1,569
Water usage	75,000	69,824	5,176	66,624
Water assessments	25,684	25,695	(11)	25,695
Water tank maintenance	2,500	246	2,254	2,588
Total Operations and Maintenance	306,907	280,822	26,085	279,456
Capital outlay				
Capital improvements	5,969	4,000	1,969	56,482
Debt service				
Principal	9,124	9,124	-	8,813
Interest	2,000	1,961	39	2,281
Total debt service	11,124	11,085	39	11,094
TOTAL EXPENDITURES	324,000	295,907	28,093	347,032

TOWN OF OLATHE, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND TRANSFERS - ACTUAL AND BUDGET
SEWER FUND - BUDGET BASIS OF ACCOUNTING
For the year ended December 31, 2019 with comparative actual amounts
for the year ended December 31, 2018

	2019			2018
	Original & Final Budget	Actual	Variance Favorable (Unfavorable)	Actual
REVENUES				
Charges for services	291,000	301,404	10,404	292,758
Late charge fees			-	4,500
Tap fees	7,200	3,754	(3,446)	3,753
Pump station surcharge	5,200	5,506	306	5,940
Investment income	300	1,568	1,268	240
Miscellaneous revenues	2,200	1,852	(348)	1,160
Grants			-	51,306
Bond proceeds	1,318,688	1,280,000	(38,688)	
Bond premium		56,403	56,403	
Underwriters discount		(17,715)	(17,715)	
Total Revenues	1,624,588	1,632,772	8,184	359,657
EXPENDITURES				
Operations and Maintenance				
Salaries	96,091	94,433	1,658	89,659
Employee Benefits	26,572	25,861	711	24,978
Insurance	6,357	6,336	21	6,825
Workers' compensation	2,219	2,311	(92)	2,666
Auditing fees	2,500	2,500	-	2,500
Legal fees	2,500	2,549	(49)	3,109
Engineering fees	1,000	158	842	
Contract services	5,000	3,518	1,482	3,560
Dues and membership fees	200	210	(10)	237
Travel and training	1,450	506	944	468
Publishing	100	151	(51)	240
Postage	750	805	(55)	767
Utilities	27,000	26,082	918	30,801
Telephone	2,800	3,205	(405)	2,767
Clothing	250	50	200	25
Supplies	5,050	5,072	(22)	6,124
Chemicals	4,000	607	3,393	110
Administrative fee	6,843	6,843	-	6,843
Safety equipment	250	722	(472)	50
Building rent			-	1,283
Building repairs and maintenance	100		100	325
Equipment repairs and maintenance	8,800	8,005	795	3,366
Other permits	2,700	2,676	24	2,678
Fuel and oil	5,000	4,374	626	4,928
Miscellaneous expense	500	1,156	(656)	4,127
Water assessments	1,200	1,056	144	1,025
Total Operations and Maintenance	209,232	199,186	10,046	199,461
Capital outlay				
Capital improvements		4,000	(4,000)	52,482
Total capital outlay	-	4,000	(4,000)	52,482
Debt Service				
Principal	1,355,012	1,326,272	28,740	35,315
Interest	60,344	55,061	5,283	61,224
Cost of issuance		27,022	(27,022)	
Total debt service	1,415,356	1,408,355	7,001	96,539
Transfers to other funds			-	10,000
TOTAL EXPENDITURES	1,624,588	1,611,541	13,047	358,482

TOWN OF OLATHE, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND TRANSFERS - ACTUAL AND BUDGET
TRASH FUND - BUDGET BASIS OF ACCOUNTING
For the year ended December 31, 2019 with comparative actual amounts
for the year ended December 31, 2018

	2019			2018
	Original & Final Budget	Actual	Variance Favorable (Unfavorable)	Actual
REVENUES				
Charges for services	190,500	195,151	4,651	191,913
Investment income	300	110	(190)	240
Miscellaneous revenues	500	514	14	45
Grants			-	51,306
Total Revenues	191,300	195,775	4,475	243,504
EXPENDITURES				
Operations and maintenance				
Salaries	53,133	52,400	733	50,275
Employee benefits	14,199	13,826	373	13,131
Insurance	2,471	2,484	(13)	2,654
Workers' compensation	1,265	1,362	(97)	1,523
Auditing fees	2,500	2,500	-	2,500
Legal fees	2,500	2,070	430	3,109
Contract services	750	51	699	62
Publishing	300	193	107	270
Postage	750	805	(55)	676
Utilities	2,500	1,363	1,137	1,953
Telephone	1,000	1,126	(126)	755
Clothing	250	50	200	25
Supplies	10,050	2,849	7,201	1,621
Adminstrative fee	6,843	6,843	-	6,843
Safety equipment	250	69	181	50
Building rent			-	700
Building repairs and maintenance	100		100	138
Equipment repairs and maintenance	13,800	15,085	(1,285)	12,678
Fuel and oil	5,000	3,543	1,457	5,001
Miscellaneous expense	2,500	705	1,795	3,645
Dumping fees	46,000	51,043	(5,043)	49,575
Total Operations and maintenance	166,161	158,367	7,794	157,184
Capital outlay				
Capital improvements	2,486		2,486	52,482
Total capital outlay	2,486	-	2,486	52,482
Debt Service				
Principal	4,870	4,870	-	4,686
Interest	1,822	1,793	29	2,006
Total Debt Service	6,692	6,663	29	6,692
Transfers to other funds	15,961		15,961	
TOTAL EXPENDITURES	191,300	165,030	26,270	216,358

LOCAL HIGHWAY FINANCE REPORT

ANNUAL HIGHWAY FINANCE REPORT - CY19

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City/County: Olathe

II - RECEIPTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Receipts from local sources

2. General Fund Appropriations:	$	0.00
3. Other local imposts: *(from A.3. 'Total' below)*	$	218,270.00
4. Miscellaneous local receipts: *(from A.4. 'Total' below)*	$	39,745.00
5. Transfers from toll facilities	$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	$	0.00
b. Bonds - Refunding Issues:	$	0.00
c. Notes:	$	0.00
SubTotal:	$	258,015.00

B. Private Contributions	$	0.00

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

Please no commas or dollar signs for the input

A.3. Other local imposts

a. Property Taxes and Assessments	$	0.00
b. Other Local Imposts		
1. Sales Taxes:	$	189487.00
2. Infrastructure and Impact Fees:	$	28783.00
3. Liens:	$	0.00
4. Licenses:	$	0.00
5. Specific Ownership and/or Other:	$	0.00
Total: *(a + b) carried to 'Other local imposts' above)*	$	218,270.00

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	$	73.00
b. Traffic fines & Penalities:	$	0.00
c. Parking Garage Fees:	$	0.00
d. Parking Meter Fees:	$	0.00
e. Sale of Surplus Property:	$	500.00
f. Charges for Services:	$	0.00
g. Other Misc. Receipts:	$	39172.00
h. Other:	$	0.00
Total: *(a through h) carried to 'Misc local receipts' above)*	$	39,745.00

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	$	62979.00
3. Other State funds:		
c. Motor Vehicle Registrations:	$	6930.00
d. Other (Specify): Comments: DOLA Grant	$	250399.00
e. Other (Specify): Comments: undefined	$	0.00
Total: *(1+3c,d,e)*	$	320,308.00

D. Receipts from Federal Government

Please no commas or dollar signs for the input

2. Other Federal Agencies

a. Forest Service:	$	0.00
b. FEMA:	$	0.00
c. HUD:	$	0.00
d. Federal Transit Administration:	$	0.00
e. U.S. Corp of Engineers	$	0.00
f. Other Federal:	$	0.00
Total: *(2a-f)*	$	0.00

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$	359,289.00
2. Maintenance:	$	137753.00
3. Road and street services		
a. Traffic control operations:	$	24795.00
b. Snow and ice removal:	$	18367.00
c. Other:	$	0.00
4. General administration & miscellaneous	$	24097.00
5. Highway law enforcement and safety	$	2755.00
Total: *(A.1-5)*	$	567,056.00

Please no commas or dollar signs for the input

B. Debt service on local obligations

1. Bonds		
a. Interest	$	0.00
b. Redemption	$	0.00
2. Notes		
a. Interest	$	0.00
b. Redemption	$	0.00
SubTotal: *(1+2)*	$	0.00

Please no commas or dollar signs for the input

C. Payments to State for Highways:	$	0.00

D. Payments to Toll Facilities: $ 0.00

Total Disbursements: *(A+B+C+D)* $ 567,056.00

Please no commas or dollar signs for the input

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

Please no commas or dollar signs for the input

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	$ 0.00	$ 0.00	$ 0.00
b. Engineering Costs:	$ 0.00	$ 0.00	$ 0.00
c. Construction			
1. New Facilities:	$ 0.00	$ 0.00	$ 0.00
2. Capacity Improvements:	$ 0.00	$ 0.00	$ 0.00
3. System Preservation:	$ 0.00	$ 0.00	$ 0.00
4. System Enhancement:	$ 0.00	$ 359289.00	$ 359,289.00
5. Total Construction:			$ 359,289.00
d. Total Capital Outlay: *(Lines A.1.a. + 1.b. + 1.c.5)*			$ 359,289.00

IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	$ 0.00	$ 0.00	$ 0.00	$ 0.00
1. Bonds (Refunding Portion)		$ 0.00	$ 0.00	$ 0.00
B. Notes (Total):	$ 0.00	$ 0.00	$ 0.00	$ 0.00

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliation
$ 269044.00	$ 578,323.00	$ 567,056.00	$ 280311.00	$ 0.00

Notes & Comments:

undefined

Please enter your name: Patty Gabriel

Please provide a telephone number where you may be reached: 9703235601

Save | Print Mode | Edit Mode

Please click on the "Save" button before viewing the data in a print format.

INDEPENDENT AUDITOR'S REPORT IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

KELLY NEAL SCATES, CPA, PC

CERTIFIED PUBLIC ACCOUNTANT

PO Box 249
Delta, Colorado 81416
Telephone 970-874-8641
Facsimile 970-874-8642
e-mail knscates@aol.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and Town Board of Trustees
Town of Olathe, Colorado
Olathe, Colorado 81425

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Olathe, Colorado, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town of Olathe, Colorado's basic financial statements, and have issued my report thereon dated September 29, 2020.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Town of Olathe, Colorado's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Olathe, Colorado's internal control. Accordingly, I do not express an opinion on the effectiveness of the Town of Olathe, Colorado's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Mayor and Town Board of Trustees
Town of Olathe, Colorado
Olathe, Colorado 81425
Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Olathe, Colorado's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Town of Olathe, Colorado's Response to Findings

The Town of Olathe, Colorado's response to the findings in my audit is described in the accompanying schedule of findings and questioned costs. The Town of Olathe, Colorado's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Kelly Neal Scates, CPA, PC

Delta, Colorado
September 29, 2020

For the year ended December 31, 2019 there were no instances of non-compliance required to be reported in accordance with *Government Auditing Standards*.

Finding 2018-1
Status: Corrected in 2020

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