TOWN OF OLATHE, COLORADO

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

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Soronen • Donley • Patterson
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Town Board of Trustees
Town of Olathe, Colorado
Grand Junction, Colorado

Opinions
We have audited the accompanying 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, 2021, 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.

In our 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, as of December 31, 2021, 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.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Olathe, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the Town of Olathe, Colorado's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

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- Obtain an understanding of internal control relevant to the audit 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 Town of Olathe, Colorado's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Olathe, Colorado's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, amount other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly 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 our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

The financial statements to the Town of Olathe, Colorado for the year ended December 31, 2021, were audited by another auditor who expressed an unmodified opinion on those statements on September 13, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Soronen, Donley, Patterson CPA's PC
September 23, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF OLATHE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDING DECEMBER 31, 2021

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, 2021. 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, 2021, was $596,656 an increase of $277,150.
- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $7,372,621 (i.e., net position) as of December 31, 2021, an increase of $211,171 in comparison to the prior year.
- Governmental funds reported combined ending fund balance of $600,910, an increase of $252,413 in comparison with the prior year.
- The Town's fund balance for the General Fund was $234,883 an increase of $197,037 in comparison to the prior year.
- Long-term liabilities decreased by $59,406 during the 2021 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 financials statements and, 3) notes to the financial statements. This report also contains supplementary information in addition to the basic 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 is 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 water, sewer, and trash.

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 is 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
In 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 of budgetary comparisons.

GOVERNMENT-WIDE 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, 2021, the Town's combined assets and deferred outflow of resources exceeded liabilities and deferred inflows of resources by $7,372,621. There are $359,581 available unrestricted resources to meet the Town's general future financial obligations and $249,698 is available but restricted for Streets and Alleys in the Governmental Funds. For the business type activities there is $74,615 available in unrestricted resources.

By far the largest portion of net position is the investment in capital assets (net of related debt) of $6,551,392 (89% 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 2021.

Assets	Governmental Activities 2020	Governmental Activities 2021	Business Type Activities 2020	Business Type Activities 2021	Totals 2020	Totals 2021
Current and Other Assets	$502,966	$830,014	$197,650	$193,213	$700,616	$1,023,227
Capital Assets	2,811,327	2,907,179	5,210,585	5,009,096	8,021,912	7,916,275
Total Assets	3,314,293	3,737,193	5,408,235	5,202,309	8,722,528	8,939,502
Deferred Outflow of Resources						
FPPA Pension Plan	85,213	87,227	0	0	85,213	87,227
Other Liabilities	46,574	41,315	88,475	37,694	135,049	79,009
Long-Term Liabilities	32,847	32,847	1,335,405	1,332,039	1,368,252	1,364,886
Total Liabilities	79,421	74,162	1,423,880	1,369,733	1,503,301	1,443,895
Deferred Inflows of Resources						
Deferred Property Tax & Pension	142,989	210,213	0	0	142,989	210,213
Net Position						
Investment in Capital Assets, Net of Related Debt	2,773,220	2,874,331	3,824,400	3,677,061	6,597,620	6,551,392
Restricted	386,323	380,748	80,900	80,900	467,223	461,648
Unrestricted	17,553	284,966	79,054	74,615	96,607	359,581
Total Net Position	$3,177,096	$3,540,045	$3,984,354	$3,832,576	$7,161,450	$7,372,621

A portion of net position, $461,648 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $359,581 (5% 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 $211,171 in 2021.

	Governmental Activities 2020	Governmental Activities 2021	Business Type Activities 2020	Business Type Activities 2021	Totals 2020	Totals 2021
Revenues						
Program Revenues						
Charges for Services	$267,762	$267,919	$854,022	$865,057	$1,121,784	$1,132,976
Operating Grants	107,401	313,385	0	0	107,401	313,385
Capital Grants	189,138	116,722	0	0	189,138	116,722
General Revenues						
Property Taxes	125,872	136,497	0	0	125,872	136,497
Sales Tax and Other	607,407	716,384	0	0	607,407	716,384
Franchise Taxes	54,862	54,412	0	0	54,862	54,412
Occupation Taxes	0	875	0	0	0	875
Severance Taxes	3,614	461	0	0	3,614	461
Motor Vehicle Taxes	37,337	38,767	0	0	37,337	38,767
Miscellaneous	10,684	7,975	0	0	10,684	7,975
Interest Income	22	25	691	75	713	100
Transfers	0	0	0	0	0	0
Total Revenues	1,404,099	1,653,422	854,713	865,132	2,258,812	2,518,554
Expenses						
General Government	129,688	129,772	0	0	129,688	129,772
Public Safety	494,256	599,609	0	0	494,256	599,609
Judicial	19,133	20,036	0	0	19,133	20,036
Parks	163,954	216,883	0	0	163,954	216,883
Public Works	289,900	309,784	0	0	289,900	309,784
Recreation	8,090	0	0	0	8,090	0
Community Center	15,328	14,389	0	0	15,328	14,389
Water	0	0	355,651	373,382	355,651	373,382
Sewer	0	0	418,946	449,038	418,946	449,038
Trash	0	0	199,721	194,490	199,721	194,490
Total Expenses	1,120,349	1,290,473	974,318	1,016,910	2,094,667	2,307,383
Increase in Net Position	283,750	362,949	(119,605)	(151,778)	164,145	211,171
Net Position – Beginning of Year	2,893,346	3,177,096	4,103,959	3,984,354	6,997,305	7,161,450
Net Position – End of Year	$3,177,096	$3,540,045	$3,984,354	$3,832,576	$7,161,450	$7,372,621

Governmental Activities
Governmental activities operations for the year resulted in an increase in net position of $362,949. Property and sales taxes accounted for 52% of the total revenues.

Business-type Activities
Business-type activities operations for the year resulted in a decrease in net position of ($151,778). Charges for services accounted for 99.9% 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 2021, the Town's governmental funds reported combined ending fund balances of $600,910, an increase of $252,415 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 61% of his total amount, $366,028 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 2021, unassigned fund balance of the General Fund was $234,882. 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 $197,037 during 2021 due to unanticipated sales tax collected and new operating grants.

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 2021, these funds represented the following net position amounts:

Fund	Water	Sewer	Trash	Total
Invested in Capital Assets, Net of Debt	$534,286	$2,931,290	$211,482	$3,677,058
Restricted Net Position	0	80,900	0	80,900
Unrestricted Net Position	(75,630)	68,514	81,734	74,618
Total Net Position	$458,656	$3,080,704	$293,216	$3,832,576
Increase (Decrease) in Net Position	($40,909)	($123,258)	$12,389	($151,778)

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town budgeted $983,116 for 2021 expenditures and transfers. Actual expenditures and transfers were $1,035,141.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2021 was $7,916,275. 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	
	2020	2021	2020	2021	2020	2021
Land	$175,325	$175,325	$247,603	$247,603	$422,928	$422,928
Land Improvements	237,998	239,447	0	0	237,998	239,447
Infrastructure	1,917,934	1,955,455	0	0	1,917,934	1,955,455
Transmission and Distribution Systems	0	0	4,187,011	4,024,109	4,187,011	4,024,109
Buildings	425,614	403,312	741,781	715,289	1,167,395	1,118,601
Equipment	54,456	133,640	31,185	22,095	85,641	155,735
Total	$2,811,327	$2,907,179	$5,207,580	$5,009,096	$8,018,907	$7,916,275

The Town's long-term liability activity for the year ending December 31, 2021 was as follows:

	Balance Beginning Of Year	Additions	Reductions	Balance End Of Year	Due Within One Year
Governmental Activities:					
Capital Leases	$38,107	$0	$5,260	$32,847	$5,260
Total Governmental Activities	$38,107	$0	$5,260	$32,847	$5,260
Business-Type Activities					
Water & Sewer Revenue					
Bonds	$1,220,000	$0	$35,000	$1,185,000	$35,000
Capital Leases	114,321	0	15,780	98,541	15,780
Total Business-Type Activities	$1,334,321	$0	$50,780	$1,283,541	$50,780

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, 2021

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash & Cash Equivalents	$397,799	$101,288	$499,087
Certificates of Deposit	14,028	2,641	16,669
Receivables, net			
Accounts	14,778	61,928	76,706
Sales Tax	127,920	0	127,920
Grants	0	0	0
Property Tax	139,583	0	139,583
Due from other Governments	13,863	0	13,863
Interfund Balances	53,544	(53,544)	0
Temporarily Restricted			
Cash & Cash Equivalents	0	80,900	80,900
Capital Assets (net of depreciation)			
Land, Right of Way and Easements	175,325	247,603	422,928
Land Improvements	239,447	0	239,447
Infrastructure	1,955,455	0	1,955,455
Transmission and Distribution Systems	0	4,024,109	4,024,109
Buildings and Improvements	403,312	715,289	1,118,601
Equipment and Vehicles	133,640	22,095	155,735
Pension Asset	68,499	0	68,499
TOTAL ASSETS	3,737,193	5,202,309	8,939,502
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	87,227	0	87,227
LIABILITIES			
Accounts Payable	9,806	14,626	24,432
Accrued Payroll Liabilities	11,216	6,039	17,255
Accrued Vacation Payable	20,293	13,546	33,839
Interest Payable	0	3,483	3,483
Non Current Liabilities			
Due Within One Year	5,467	54,709	60,176
Due In More Than One Year	27,380	1,277,330	1,304,710
TOTAL LIABILITIES	74,162	1,369,733	1,443,895
DEFERRED INFLOWS OF RESOURCES			
Pension Related Amounts	70,630	0	70,630
Unavailable Revenue - Property Tax	139,583	0	139,583
TOTAL DEFERRED INFLOW OF RESOURCES	210,213	0	210,213
NET POSITION			
Net Investment in Capital Assets	2,874,331	3,677,061	6,551,392
Restricted for:			
Emergencies	41,500	0	41,500
Streets and Alley's	249,698	0	249,698
Pension Related Amounts	86,437	0	86,437
Conservation Trust	3,113	0	3,113
Debt Service	0	80,900	80,900
Unrestricted	284,966	74,615	359,581
TOTAL NET POSITION	$3,540,045	$3,832,576	$7,372,621

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2021

		Program Revenues			Net (Expense) Revenues and Changes in Net Assets		
Governmental Activities	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
General Government	$129,772	$47,931	$180,292	$0	$98,451	$0	$98,451
Public Safety	599,609	99,261	0	0	(500,348)	0	(500,348)
Judicial	20,036	84,609	0	0	64,573	0	64,573
Parks	216,883	1,325	29,639	98,695	(87,224)	0	(87,224)
Public Works	309,784	28,824	93,454	18,027	(169,479)	0	(169,479)
Recreation	0	0	0	0	0	0	0
Community Center	14,389	5,969	10,000	0	1,580	0	1,580
Total Governmental Activities	1,290,473	267,919	313,385	116,722	(592,447)	0	(592,447)
Business-type Activities:							
Water	373,382	332,459	0	0	0	(40,923)	(40,923)
Sewer	449,038	325,733	0	0	0	(123,305)	(123,305)
Trash	194,490	206,865	0	0	0	12,375	12,375
Total Business-type Activities	1,016,910	865,057	0	0	0	(151,853)	(151,853)
Total	$2,307,383	$1,132,976	$313,385	$116,722	(592,447)	(151,853)	(744,300)

	Governmental Activities	Business-Type Activities	Total
General Revenues			
Taxes			
Property Tax	136,497	0	136,497
Sales Taxes	716,384	0	716,384
Franchise and Occupational Taxes	54,412	0	54,412
Occupation Taxes	875	0	875
Severance Taxes	461	0	461
Motor Vehicle Taxes and Registrations	38,767	0	38,767
Miscellaneous	7,975	0	7,975
Earnings on Investments	25	75	100
Total General Revenues & Transfers	955,396	75	955,471
Change in Net Position	362,949	(151,778)	211,171
Net Position - Beginning of the Year	3,177,096	3,984,354	7,161,450
Net Position - End of the Year	$3,540,045	$3,832,576	$7,372,621

The accompanying notes to the financial statements are an integral part of these statements

FUND FINANCIAL STATEMENTS

TOWN OF OLATHE, COLORADO

BALANCE SHEET - GOVERNMENTAL FUNDS

DECEMBER 31, 2021

	General Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$179,479	$217,192	$1,128	$397,799
Certificate of Deposit	1,003	9,679	3,346	14,028
Due from Other Funds	0	92,074	0	92,074
Receivables, net				
Accounts	11,426	3,352	0	14,778
Sales Tax	85,485	42,435	0	127,920
Grants	0	0	0	0
Property Tax	139,583	0	0	139,583
Due from Other Governments	9,355	4,508	0	13,863
TOTAL ASSETS	$426,331	$369,240	$4,474	$800,045
LIABILITIES:				
Accounts Payable	$4,708	$5,098	$0	$9,806
Accrued Payroll Liabilities	8,628	2,588	0	11,216
Due to Other Funds	38,530	0	0	38,530
TOTAL LIABILITIES	51,866	7,686	0	59,552
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	139,583	0	0	139,583
FUND BALANCES				
Restricted for:				
Emergency and Potential Refund	0	41,500	0	41,500
Streets and Alley's	0	320,054	0	320,054
Conservation Trust	0	0	3,133	3,133
Police Officer's Retirement	0	0	1,341	1,341
Unassigned				
General fund	234,882	0	0	234,882
TOTAL FUND BALANCE	234,882	361,554	4,474	600,910
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$426,331	$369,240	$4,474	$800,045

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

Amounts reported for governmental activities in the statement of net position are different because:

Total Fund Balances - Governmental Funds		$ 600,910
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Land	$ 175,325	
Land Improvements, net of $420,606 Accumulated Depreciation	239,447	
Infrastructure, net of $551,571 Accumulated Depreciation	1,955,455	
Building and Improvements, net of $209,086 Accumulated Depreciation	403,312	
Equipment, net of $613,924 Accumulated Depreciation	133,640	
Total Capital Assets		2,907,179
Pension assets are applicable to future periods and not reported in the governmental funds		68,499
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		87,227
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		(70,630)
Long-term liabilities applicable to the Town's governmental activities 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	32,847	
Accrued vacation payable	20,293	
Total long-term liabilities		(53,140)
Total Net Position - Governmental Activities		$ 3,540,045

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$670,502	$238,127	$0	$908,629
Licenses and Permits	6,473	0	0	6,473
Intergovernmental	180,292	150,247	21,641	352,180
Miscellaneous	48,055	30,226	4	78,285
Public Safety	99,261	0	0	99,261
Judicial	84,609	0	0	84,609
Parks	108,015	0	0	108,015
Recreation	0	0	0	0
Community Center	15,969	0	0	15,969
TOTAL REVENUES	1,213,176	418,600	21,645	1,653,421
EXPENDITURES				
Current:				
General Government	118,911	0	0	118,911
Public Safety	564,720	0	30,938	595,658
Judicial	20,036	0	0	20,036
Parks	193,147	0	0	193,147
Public Works	0	222,724	0	222,724
Recreation	0	0	0	0
Community Center	14,389	0	0	14,389
Capital Outlay:				
Public Safety	6,000	0	0	6,000
Parks	86,999	0	17,625	104,624
Public Works	0	118,829	0	118,829
Debt Service:				
Principal	0	5,354	0	5,354
Interest	0	1,337	0	1,337
TOTAL EXPENDITURES	1,004,202	348,244	48,563	1,401,009
Excess (Deficiency) of Revenues Over (Under) Expenditures	208,974	70,356	(26,918)	252,412
Other Financing Sources (Uses):				
Transfers In	19,000	0	30,938	49,938
Transfers Out	(30,938)	0	(19,000)	(49,938)
Total Other Financing Sources (Uses)	(11,938)	0	11,938	0
Net Change in Fund Balances	197,036	70,356	(14,980)	252,412
Fund Balance - Beginning of Year	37,846	291,198	19,454	348,498
Fund Balance - End of Year	$234,882	$361,554	$4,474	$600,910

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Amounts reported for governmental activities in the statement of activities are different because:	
Net Change in Fund Balances - Total Governmental Funds	$ 252,412
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 outlay exceeded depreciation in the current period.	97,962
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 reported as a liability. Repayment of the principal portion of the lease is an expenditure in the governmental funds, but a reduction of a liability in the statement of net position.	
Capital lease payments	5,354
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Net change in pension expense	7,221
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 available 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.	
Net change in accrued vacation payable	0
Change in Net Position of Governmental Activities	$ 362,949

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
ASSETS				
Current Assets				
Cash and Cash Equivalents	($14,896)	$46,389	$69,795	$101,288
Certificate of Deposit	0	13	2,628	2,641
Accounts Receivable (net of allowance)	13,712	30,477	17,739	61,928
Grants Receivable	0	0	0	0
Due from Other Funds	0	5,878	0	5,878
Total Current Assets	(1,184)	82,757	90,162	171,735
Temporarily Restricted Cash and Cash Equivalents	0	80,900	0	80,900
Capital Assets				
Land, Right-of-Way and Easements	128,900	114,303	4,400	247,603
Transmission and Distribution Systems	1,139,015	6,153,850	0	7,292,865
Buildings and Improvements	274,151	273,752	269,452	817,355
Equipment and Vehicles	212,114	215,393	460,140	887,647
Accumulated Depreciation	(1,187,047)	(2,559,664)	(489,663)	(4,236,374)
Net Capital Assets	567,133	4,197,634	244,329	5,009,096
TOTAL ASSETS	$565,949	$4,361,291	$334,491	$5,261,731
LIABILITIES				
Current Liabilities				
Accounts Payable	$7,105	$2,841	$4,681	$14,627
Accrued Payroll Liabilities	2,588	2,588	863	6,039
Accrued Vacation Payable	5,331	5,331	2,884	13,546
Due to Other Funds	59,422	0	0	59,422
Interest Payable	0	3,483	0	3,483
Long-Term Debt Due in One Year				
Capital Lease Payable	5,466	5,466	5,466	16,398
Bonds Payable	0	35,000	0	35,000
Total Current Liabilities	79,912	54,709	13,894	148,515
Long-Term Debt				
Capital Lease Payable	27,381	27,381	27,381	82,143
Bonds Payable net of $48,497 Unamortized Premium	0	1,198,497	0	1,198,497
Total Net Long-Term Debt	27,381	1,225,878	27,381	1,280,640
TOTAL LIABILITIES	107,293	1,280,587	41,275	1,429,155
NET POSITION				
Net Investment in Capital Assets	534,286	2,931,290	211,482	3,677,058
Restricted	0	80,900	0	80,900
Unrestricted	(75,630)	68,514	81,734	74,618
TOTAL NET POSITION	458,656	3,080,704	293,216	3,832,576
TOTAL LIABILITIES & NET POSITION	$565,949	$4,361,291	$334,491	$5,261,731

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
OPERATING REVENUES				
Charges for Services	$313,407	$305,903	$201,715	$821,025
Late Charge Fees	7,050	0	0	7,050
Tap Fees - Unpledged	0	4,334	0	4,334
Pump Station Surcharge	0	5,506	0	5,506
Miscellaneous Income	4,876	2,863	1,393	9,132
TOTAL OPERATING REVENUES	325,333	318,606	203,108	847,047
OPERATING EXPENSES				
Operations and Maintenance	344,666	244,181	184,140	772,987
Depreciation	27,379	165,093	9,013	201,485
TOTAL OPERATING EXPENSES	372,045	409,274	193,153	974,472
OPERATING INCOME (LOSS)	(46,712)	(90,668)	9,955	(127,425)
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	14	48	13	75
Interest Expense	(1,337)	(39,764)	(1,337)	(42,438)
Grants	7,126	7,126	3,758	18,010
TOTAL NON-OPERATING REVENUES (EXPENSES)	5,803	(32,590)	2,434	(24,353)
CHANGE IN NET POSITION	(40,909)	(123,258)	12,389	(151,778)
Net Position - Beginning of Year	499,565	3,203,962	280,827	3,984,354
Net Position - End of Year	$458,656	$3,080,704	$293,216	$3,832,576

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	$328,227	$323,300	$203,676	$855,203
Payments to Suppliers	(222,307)	(121,823)	(117,111)	(461,241)
Payments to Employees	(122,359)	(122,358)	(67,029)	(311,746)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(16,439)	79,119	19,536	82,216
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	0	0	0	0
Federal and State Grants	7,126	7,126	7,126	21,378
Principal Paid on Long-Term Debt	(5,260)	(43,627)	(5,260)	(54,147)
Interest Paid on Long-Term Debt	(1,337)	(39,764)	(1,337)	(42,438)
NET CASH CLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	529	(76,265)	529	(75,207)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on Investments	14	48	13	75
NET CHANGE IN CASH AND CASH EQUIVALENTS	(15,896)	2,902	20,078	7,084
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	1,000	124,400	52,345	177,745
CASH AND CASH EQUIVALENTS - END OF YEAR	($14,896)	$127,302	$72,423	$184,829
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Net Operating Income (Loss)	($46,712)	($90,668)	$9,955	($127,425)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:				
Depreciation	27,379	165,093	9,013	201,485
Changes in Operating Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	2,894	4,694	568	8,156
Increase (Decrease) in Accounts Payable	0	0	0	0
Increase (Decrease)in Accrued Vacation Payable	0	0	0	0
Increase (Decrease) in Accrued Payroll Liabilities	0	0	0	0
Increase (Decrease) in Due to Other Funds	0	0	0	0
NET CASH FLOWS FROM OPERATING ACTIVITIES	($16,439)	$79,119	$19,536	$82,216

The accompanying notes to the financial statements are an integral part of these statements

NOTE A - SUMMARY OF SIGNIFICANT ACCOUTING POLICIES

Financial Reporting Entity

The town of Olathe, Colorado (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.

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 of 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.

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 operation revenues of the Water, Sewer, and Trash funds are charges to customers for sales and services. The Water and Sewer Funds also recognize the portion of the tap fees intended to recover the cost of connecting new customers to the system as operating revenues. 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. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. The Town does not have any *fiduciary* fund types.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUTING POLICIES – continued

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 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.
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 the trash collection services.

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 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.

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUTING POLICIES – continued

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, 2021, 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.

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 their 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 not 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 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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUTING POLICIES – 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, 2021, 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 propriety 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.

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUTING POLICIES – continued

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. GAAP expenses over budgetary expenses for the Water, Sewer, and Trash fund for the year ending December 31, 2021, were $22,119; $124,739; and $3,659 respectively.
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 with adopting supplemental appropriations.

Originally adopted budgeted expenditures, amendments and the final, amended budgeted expenditures for the year ended December 31, 2021 are as follows:

	Original Budget	Amendments	Final Budget
General Fund	$983,116		$983,116
Road Fund	340,850	18,027	358,877
Conservation Trust Fund	37,000		37,000
Police Pension Fund	32,000		32,000
Water Fund	361,600		361,600
Sewer Fund	332,900		332,900
Trash Fund	200,200		200,200
Total	$2,287,666	18,027	$2,305,693

NOTE B – 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 PDPA. PDPA allow 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, 2021, none of the Town's bank balances of $596,656 were exposed to custodial credit risk as all of it was insured.

Investments

At December 31, 2021, the Town had the following investments:

Description	Weighted Maturity	Fair Value
Colotrust Prime	N/A	$88,370

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 investments 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, 2021, the Town's investment in Colotrust Prime was rated AAAm by Standard & Poor's.

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 its website at http://www.colotrust.com.

NOTE C – ALLOWANCE FOR UNCOLLECTIBLES

Receivables are stated net of an allowances for uncollectible amounts, however, at December 31, 2021, the Town considered all accounts collectible and accordingly, no provision for an allowance is recorded.

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities				
Capital Assets Not Being Depreciated				
Land	$175,325	$0	$0	$175,325
Total Capital Assets Not Being Depreciated	175,325	0	0	175,325
Capital Assets Being Depreciated				
Land Improvements	642,428	17,626	0	660,054
Infrastructure, Road Network	2,398,197	108,829	0	2,507,026
Buildings	620,474	0	8,076	612,398
Equipment and Vehicles	869,850	102,999	225,287	747,562
Total Capital Assets Being Depreciated	4,530,949	229,454	233,363	4,527,040
Less Accumulated Depreciation for:				
Land Improvements	404,430	16,177	0	420,607
Infrastructure, Road Network	480,263	71,308	0	551,571
Buildings	194,860	20,194	5,968	209,086
Equipment and Vehicles	815,394	23,812	225,284	613,922
Total Accumulated Depreciation	1,894,947	131,491	231,252	1,795,186
Total Capital Assets Being Depreciated, Net	2,636,002	97,963	2,111	2,731,854
Governmental Activity Capital Assets, Net	$2,811,327	$97,963	$2,111	$2,907,179
Business Type Activities				
Capital Assets Not Being Depreciated				
Land and Easements	$247,603	$0	$0	$247,603
Total Capital Assets Not Being Depreciated	247,603	0	0	247,603
Capital Assets Being Depreciated				
Transmissions and Distribution Systems	7,292,765	0	0	7,292,765
Buildings and Improvements	817,355	0	0	817,355
Equipment and Furniture	916,261	4,000	32,612	887,649
Total Capital Assets Being Depreciated	9,026,381	4,000	32,612	8,997,769
Less Accumulated Depreciation for:				
Transmissions and Distribution Systems	3,105,854	162,802	0	3,268,656
Buildings and Improvements	75,574	26,492	0	102,066
Equipment and Furniture	882,015	12,092	28,553	865,554
Total Accumulated Depreciation	4,063,443	201,386	28,553	4,236,276
Total Capital Assets Being Depreciated, Net	4,962,938	(197,386)	4,059	4,761,493
Business Type Activity Capital Assets, Net	$5,210,541	($197,386)	$4,059	$5,009,096

NOTE D - CAPITAL ASSETS - continued

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

	Governmental	Business-Type
General Government	$10,862	$0
Public Safety	11,171	0
Parks	23,736	0
Public Works	85,722	0
Water	0	27,379
Sewer	0	165,093
Trash	0	9,013
Total	$131,491	$201,485

NOTE E - 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. During 2021, the Town purchased treatment for $98,109 and owed the Authority $4,153 at December 31, 2021. Separate financial statements of Project 7 Water Authority are available from the Town or the Authority.

NOTE F - 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's contributions 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, 2021, the Town made contributions and recognized $15,183 as expense and the employee's contributions totaled $15,183.

Statewide Defined Benefit Pension Plan for Police Officers:

The Town's police officers participate in the Fire & Police Pension Association Defined Benefit System – Statewide Defined Benefit Plan ("Plan"), which is a cost sharing, multi-employer defined benefit pension plan. The Plan issues a publicly available comprehensive annual financial report that can be obtained on the Plan's website at http://www.fppaco.org. The Plan covers substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. The Plan was established in 1980 pursuant to Colorado Revised Statutes. The Plan is funded by the Town and police officers. There are no assets accumulated in a qualifying trust. The plan assets are included in the Fire & Police Members' Benefit Investment Fund Long-Term Pool and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP)assets and Separate Retirement Account (SRA) assets from eligible retired members).

NOTE F - EMPLOYEE RETIREMENT PLANS – continued

Contributions

Contribution rates for this Plan are set by state statute. Employer contributions rates can only be amended by state statue. Member contribution rates can be amended by state statute or by election of the membership.

Members of the Plan and their employers contributed at the rate of 8.0 percent of base salary, respectively, for total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the Plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12.0 percent of base salary. Employer contributions remained at 8.0 percent through December 31, 2020 and increased to 8.5 percent through December 31, 2021. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. In 2021, the total combined member and employer contribution rate was 19.0 percent. For the year ended December 31, 2021, the Town contributed and expensed $26,446 to the Plan.

Benefits

On May 23, 1983, the Colorado Revises Statutes were amended to allow the Trustees of the Plan to change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The amended statutes state that retirement age should not be less that age 55 or more than 60. The trustees subsequently elected to amend the retirement provisions, effective July 1, 1983, such that any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension. Effective January 1, 2021, members with combined age and years of service totaling 80 or more, with a minimum age of 50, will also quality for a normal retirement pension.

The annual normal retirement benefit is 2.0 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 for members of affiliated social security employers will be reduced by the amount of social security income the member receives annually, calculated as if the social security benefit started as of age 62 for benefits prior to 2007. Beginning January 1, 2007, members of affiliated social security employers will participate in the Fire & Police Pension Association supplemental social security program which will provide benefits equal to 1.0 percent of the average of the member’s highest three years base salary for each year of credited service up to ten years plus 1.25 percent for each year thereafter.

Benefits paid to retired members and beneficiaries may be increased annually on October 1. The amount is based on the FPPA Board of Director’s discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index. Benefit adjustment may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

In addition, upon retirement a member may receive additional benefits credited to the member’s “Separate Retirement Account” each year after January 1, 1988. Annually, at the discretion of the FPPA Board of Directors, the difference between the combined member/employer contribution and actuarially determined contribution rate may be allocated to the stabilization reserve account (SRA). If the cost of the Plan exceeds the combined member/employer contribution rate, funds from the SRA maybe used to make up the shortfall. Members do not vest in amounts credited to their Separate Retirement Account until retirement or disability.

NOTE F - EMPLOYEE RETIREMENT PLANS – continued

Members of plans reentering the system have a higher contribution rate. The Town is not part of the members that have reentered the system. As a result, their SRA has two components: the standard SRA and the reentry SRA. The reentry SRA cannot be used to subsidize the costs of the non-reentry members. The reentry SRA could be used to correct any deficiencies in the cost of participation of the entry members only. Effective July 1, 2020, the standard Separate Retirement Account contribution rate for members of the Statewide Defined Benefit Plan was set a 0 percent. The reentry Separate Retirement Account contribution rate was set at 4.5 percent for the year ending December 31, 2021. The Town did not have to contribute an amount at this rate because it has not had to “reenter” the system. A member is eligible for an early retirement after completion of 30 years of service of attainment of age 50 with a least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution. Alternatively, a member with a least five years of accredited service may leave contributions with the Plan and remain eligible for retirement pension at age 55 equal to 2.0 percent of the member’s average highest three year’s base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Membership

The Town currently has 1 fully vested, 2 partially vested, and 2 non-vested members.

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

At December 31, 2021, the Town reported a net pension asset of $68,499. The net pension asset was measured as of December 31, 2020 and was determined by an actuarial valuation as of January 1, 2021.

At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and Expected experience	$58,094	$272
Changes in Assumptions	29,133	0
Net difference between projected and actual investment earnings	0	70,358
Total	$87,727	$70,630

The following presents the Plan net amount of collective deferred inflows and outflows of resources that will be recognized in the collective pension expense for each of the subsequent five years and in the aggregate thereafter:

For the Plan year ended December 31	Amounts recognized in collective pension expense
2021	$ (7,696)
2022	1,430
2023	(10,407)
2024	1,563
2025	12,569
Thereafter	19,139

NOTE F - EMPLOYEE RETIREMENT PLANS - continued

The actuarial valuation for the Plan was used to determine the total pension asset and actuarially determined contributions for the fiscal year ending December 31, 2020. The valuation used the following actuarial assumptions and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2021	January 1, 2020
Actuarial Method	Entry Age: Normal	Entry Age: Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-Term Investment Rate of Return	7.00%	7.00%
Projected Salary Increases	4.25% - 11.25%	4.25% - 11.25%
including inflation at	2.50%	2.50%
Cost of Living Adjustments (COLA)	0.00%	0.00%

Statewide Defined Benefit Pension Plan and Statewide Death and Disability Plan for Police Officers:
The post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 annuitant mortality tables for males and females projected to 2018 using the MP-2017 projection scales and projected prospectively using the ultimate rates of the scale for all years. 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 2006 central rates from the RP-2014 disabled mortality tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, with minimum probability of 3% for males and 2% for females. The pre-retirement non-duty tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

The long-term expected rate of return on pension plan investments for the Long-Term Pool investments was determined using a building-block method in which best-estimate ranges of expected future real and nominal 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. Best estimates of arithmetic real rates of return for each major asset class included in both the statewide Defined Benefit Plan target asset allocation as of December 31, 2021, are summarized in the following table:

Asset Class	Target Allocation	Real Rate of Return
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income – Rates	10%	4.01%
Fixed Income – Credit	5%	5.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
Total	100%	

NOTE F - EMPLOYEE RETIREMENT PLANS - continued

Statewide Defined Benefit Pension Plan for Police Officers:
Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate the 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 the valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.00 percent (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 percent.

1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
$68,933	($68,499)	($182,309)

The following is a schedule of collective pension expense for the year ended December 31, 2020:

Service Cost	$39,920
Interest	65,947
Current-Period Benefit Changes	16,609
IRC 414(h)(2) Employer-paid Member Contributions	(27,687)
Member Purchases of Service Credit	(5,433)
Projected Earnings on Plan Investments	(66,461)
Pension Plan Administrative Expense	1,272
Recognition of Outflow of Resources Due to Liabilities	13,803
Recognition of Outflow of Resources Due to Assets	(19,070)
Total Pension Plan Expense	$18,900

NOTE G - 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 - 2049	$25,384

NOTE G – COMMITMENTS - continued

The purchase price per acre foot shall not exceed the average cost of all municipal and industrial water for which the Tri-Count 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 pay the District a proportionate amount of the operations, maintenance and replacement cost of the project attributable to municipal and industrial use which were set at $4.00 per acre foot subject to annual adjustment.

NOTE H - CAPITAL LEASE OBLIGATIONS

The Town leases a shop building under a lease classified as a capital lease, however, the payments are subject to annual appropriation. The total original cost of the capitalized assets is $1,059,688. The shop building is amortized on a straight-line basis over 30 years, which is included in depreciation expense. Total accumulated amortization related to the leased shop building is $105,969 and is included in accumulated depreciation. The following is a schedule showing future minimum lease payments under the capital lease by years and the present value of the minimum lease payments as of December 31, 2021.

	Shop
Interest Rate	3.89%
Semi-Annual Payments	$13,383
2022	26,766
2023	26,766
2024	26,766
2025	26,766
2026	26,766
2027	13,383
Total Minimum Lease Payments	147,213
Less: Amount representing Interest	15,825
	$131,388

NOTE I - 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 2021 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.

NOTE I - LONG-TERM LIABILITIES - continued

Principal and interest payments for the years following December 31, 2021, are as follows:

Year	Principal	Interest	Total
2022	$35,000	$41,094	$76,094
2023	35,000	40,394	75,394
2024	40,000	39,650	79,650
2025	40,000	38,800	78,800
2026	40,000	37,950	77,950
2027-2031	220,000	172,600	392,600
2032-2036	260,000	134,300	394,300
2037-2041	300,000	79,800	379,800
2042-2044	215,000	17,400	232,400
Total	$1,185,000	$601,988	$1,786,988

For the year ended December 31, 2021, no interest was capitalized to fixed assets and $1,337 in the governmental funds and $42,438 in the proprietary funds totaling $43,775 was charged to expense.

Long-term liability activity for the year ended December 31, 2021, was as follows:

	Balance Beginning Of Year	Additions	Reductions	Balance End Of Year	Due Within One Year
Governmental Activities:					
Capital Leases	$38,107	$0	$5,260	$32,847	$5,260
Total Governmental Activities	$38,107	$0	$5,260	$32,847	$5,260
Business-Type Activities					
Water & Sewer Revenue					
Bonds	$1,220,000	$0	$35,000	$1,185,000	$35,000
Capital Leases	114,321	0	15,780	98,541	15,780
Total Business-Type Activities	$1,334,321	$0	$50,780	$1,283,541	$50,780

NOTE J - 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, error 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 approximately 285 members participating int the property and Casualty Pool and 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.

NOTE K - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of Interfund balances as of December 31, 2021, is as follows:

Due From	To Others	
Road Fund	Water Fund	$59,422
	General Fund	32,652
		$92,074
Sewer Fund	Water Fund	$5,878

The balance that the General Fund and Water Fund owes is expected to be repaid in 2022.

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	$0	$30,938	$30,938
Conservation Trust	$19,000	$0	$19,000

NOTE L - 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.

NOTE M - 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.

NOTE N - SUBSEQUENT EVENT

Management has evaluated subsequent events through September 23, 2022, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF OLATHE, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021			2020
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Taxes				
General Property Taxes	$ 117,317	$ 117,042	$ (275)	$ 107,624
Specific Ownership Taxes	17,000	19,258	2,258	16,335
Penalty and Interest on Taxes	250	197	(53)	1,913
General Sales and Use Taxes	389,000	478,257	89,257	407,910
Franchise Tax Equivalents	70,000	54,412	(15,588)	54,862
Occupation Taxes	1,000	875	(125)	1,275
Severance Tax	3,000	461	(2,539)	2,339
Total Taxes	597,567	670,502	72,935	592,258
Licenses and Permits				
General				
Business License	1,600	1,265	(335)	1,070
Building Permits	8,100	2,759	(5,341)	13,448
Liquor License	350	123	(227)	245
Other Permit Fees	7,700	2,077	(5,623)	11,708
Planning and Zoning Fees	1,500	250	(1,250)	250
Total Licenses and Permits	19,250	6,474	(12,776)	26,721
Intergovernmental				
State Shared Revenues				
Cigarette Taxes	1,000	1,419	419	1,098
Mineral Lease	700	1,146	446	348
Government Grant	0	177,728	177,728	11,069
Total Intergovernmental	1,700	180,293	178,593	12,515
Miscellaneous				
Earnings on Investments	100	15	(85)	15
Miscellaneous	3,500	6,736	3,236	2,119
Property Lease	9,600	13,900	4,300	9,600
Administrative Fees	27,400	27,400	0	27,372
Total Miscellaneous	40,600	48,051	7,451	39,106
Public Safety				
Federal Grant	22,599	54,706	32,107	17,178
State Grant	37,000	18,110	(18,890)	21,712
Animal Licenses	400	170	(230)	180
Vehicle Inspection Fees	500	955	455	400
Miscellaneous	13,500	25,321	11,821	20,851
Total Public Safety	73,999	99,262	25,263	60,321

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021			2020
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Judicial				
Traffic Fines	130,000	78,113	(51,887)	90,700
Other Code Violations	6,000	5,360	(640)	3,430
Miscellaneous	0	1,136	1,136	0
Total Judicial	136,000	84,609	(51,391)	94,130
Parks				
Federal Grants	0	7,996	7,996	0
State Grants	64,000	98,695	34,695	99,855
Miscellaneous	2,000	585	(1,415)	10,000
Park Rental Fees	12,000	740	(11,260)	0
Total Parks	78,000	108,016	30,016	109,855
Recreation				
Contributions	0	0	0	0
Sponsors	0	0	0	0
Program Fees	0	0	0	120
Facilities Rental	0	0	0	4,800
Total Recreation	0	0	0	4,920
Community Center				
State Grants	10,000	10,171	171	0
Contributions	0	0	0	0
Community Center Rental	7,000	5,798	(1,202)	3,775
Total Community Center	17,000	15,969	(1,031)	3,775
Total Revenues Before Transfers In	964,116	1,213,176	249,060	943,601
TRANSFERS IN				
Transfers from Conservation Trust for Parks Expenditures	19,000	19,000	0	18,500
Total Transfers In	19,000	19,000	0	18,500
TOTAL REVENUES & TRANSFERS IN	$983,116	$1,232,176	$249,060	$962,101

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021			2020
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES				
General Government				
Current				
Salaries	39,700	43,333	(3,633)	38,944
Mayor and Trustee Wages	4,560	4,560	0	4,410
Employee Benefits	9,240	9,777	(537)	9,909
Insurance	5,060	5,085	(25)	4,488
Workers' Compensation	2,156	2,207	(51)	1,958
Auditing Fees	3,000	3,000	0	3,000
Legal Fees	2,500	3,108	(608)	2,963
Treasurer's Fees	3,200	2,344	856	2,160
Clerk and Recorder Fees	500	0	500	0
Dues and Membership Fees	3,200	3,250	(50)	3,279
Travel and Training	2,500	365	2,135	1,559
Meals	250	152	98	22
Publishing	1,000	449	551	527
Publications	100	210	(110)	15
Postage	2,500	1,537	963	1,433
Utilities	3,500	4,507	(1,007)	3,584
Telephone	4,500	4,598	(98)	4,110
Maintenance Contracts	7,500	7,548	(48)	7,548
Office Supplies	3,000	1,382	1,618	976
Supplies	2,000	1,806	194	6,669
Equipment Rental	4,000	3,881	119	3,839
Building & Facility Repairs	1,000	320	680	491
Equipment Repairs	1,000	289	711	346
Cleaning Services	1,000	0	1,000	284
Fuel and Oil	500	47	453	0
Miscellaneous Expense	3,000	3,127	(127)	5,997
Bank Fees	750	636	114	910
Donations & Gifts	2,000	0	2,000	560
Economic Development	3,000	9,700	(6,700)	2,500
Senior Citizen Assistance	1,000	1,000	0	0
Use Tax Expense	2,000	693	1,307	4,458
Election Judges	0	0	0	50
Election Supplies	0	0	0	830
Total Current	119,216	118,911	305	117,819

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021			2020
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES				
Public Safety				
Current				
Salaries	303,790	311,125	(7,335)	237,189
Part Time Wages	38,432	64,475	(26,043)	78,480
Employee Benefits	56,552	53,520	3,032	51,029
Insurance	7,617	7,661	(44)	6,857
Workers' Compensation	8,933	9,144	(211)	8,110
Legal Fees	1,000	1,541	(541)	1,000
Contract Services	52,110	52,107	3	48,147
Animal Impound Fees	1,000	160	840	0
Travel and Training	5,000	2,824	2,176	7,143
Meals	500	161	339	184
Publishing	0	0	0	0
Postage	100	148	(48)	0
Utilities	4,000	4,146	(146)	4,430
Telephone	6,000	5,460	540	4,134
Maintenance Contracts	5,500	5,524	(24)	5,311
Office Supplies	1,500	602	898	1,155
Clothing	2,000	2,560	(560)	623
Ammunition	3,000	655	2,345	4,510
Supplies	12,000	8,217	3,783	5,246
Equipment Rental	1,800	4,341	(2,541)	1,604
Building and Facility Repairs	500	184	316	123
Equipment Repairs	9,000	10,426	(1,426)	16,510
Fuel and Oil	11,000	11,475	(475)	10,223
Miscellaneous Expense	6,100	8,203	(2,103)	8,032
Donations & Gifts	100	61	39	33
Total Current	537,534	564,720	(27,186)	500,073
Capital Outlay				
Capital Equipment	0	6,000	(6,000)	3,360
Total Capital Outlay	0	6,000	(6,000)	3,360
Total Public Safety Expenditures	537,534	570,720	(33,186)	503,433
TRANFERS OUT				
Transfers to Police Pension Fund	32,000	30,938	1,062	26,297
Total Public Safety Expenditures and Transfers	569,534	601,658	(32,124)	529,730

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021			2020
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES				
Judicial				
Part Time Wages	24,632	17,549	7,083	15,895
Employee Benefits	1,958	1,415	543	1,283
Workers Compensation	616	631	(15)	559
Juror Fees	400	150	250	146
Travel and Training	500	0	500	0
Office Supplies	400	291	109	223
Supplies	0	0	0	500
Miscellaneous	1,000	0	1,000	0
Total Judicial	29,506	20,036	9,470	18,606
Parks				
Current				
Salaries	51,480	54,682	(3,202)	47,320
Part Time Wages	55,000	60,361	(5,361)	49,855
Employee Benefits	16,685	17,149	(464)	15,807
Insurance	4,063	4,068	(5)	3,590
Workers' Compensation	2,772	2,838	(66)	2,517
Contract Services	1,500	6,900	(5,400)	85
Dues and Membership Fees	150	135	15	135
Travel and Training	250	235	15	20
Utilities	8,000	7,843	157	8,623
Telephone	250	259	(9)	195
Clothing	350	291	59	229
Event Facilitation Expense	2,000	417	1,583	247
Supplies	7,000	7,461	(461)	4,927
Mosquito Control	100	43	57	0
Chemicals	3,500	3,589	(89)	66
Equipment Rental	6,500	3,720	2,780	3,584
Equipment Repairs & Maintenance	6,000	1,016	4,984	1,512
Building Facility Repairs	7,000	0	7,000	0
Fuel and Oil	3,500	3,643	(143)	2,412
Miscellaneous Expense	1,200	1,480	(280)	1,199
Grant Match	0	16,554	(16,554)	0
Water Assessments	500	463	37	485
Total Current	177,800	193,147	(15,347)	142,808
Capital Outlay				
Capital Equipment	0	0	0	0
Capital Improvements	70,000	86,999	(16,999)	110,101
Total Capital Outlay	70,000	86,999	(16,999)	110,101
Total Parks	247,800	280,146	(32,346)	252,909

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021			2020
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES				
Recreation				
Current				
Wages	0	0	0	2,188
Part Time Wages	0	0	0	1,403
Employee Benefits	0	0	0	673
Insurance	0	0	0	1,346
Workers' Compensation	0	0	0	559
Utilities	0	0	0	887
Miscellaneous Expense	0	0	0	153
Program Expense	0	0	0	915
Colorado Health Foundation Grant	0	0	0	0
Total Recreation	0	0	0	8,124
Community Center				
Current				
Wages	2,450	2,186	264	2,188
Part Time Wages	4,000	3,690	310	3,714
Employee Benefits	925	798	127	857
Insurance	1,525	1,525	0	1,346
Workers' Compensation	310	314	(4)	280
Utilities	3,500	2,872	628	2,364
Telephone	1,600	1,657	(57)	1,496
Supplies	450	297	153	1,991
Building and Facility Repairs	1,500	974	526	386
Cleaning Services	800	76	724	600
Total Community Center	17,060	14,389	2,671	15,222
Total Current Expenditures	881,116	911,203	(30,087)	802,652
Total Capital Outlay Expenditures	70,000	92,999	(22,999)	113,461
Total Debt Service Expenditures	0	0	0	0
Total Transfers Out	32,000	30,938	1,062	26,297
Total Expenditures & Transfers Out	983,116	1,035,140	(52,024)	942,410
NET CHANGES IN FUND BALANCE	0	197,036	301,084	19,691
FUND BALANCES, JANUARY 1	27,225	37,846	10,621	18,155
FUND BALANCES, DECEMBER 31	$27,225	$234,882	$311,705	$37,846

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

BUDGETARY COMPARISON SCHEDULE
ROAD FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES					
Taxes					
General Sales Tax	$192,000	$192,000	$238,127	$46,127	$199,497
Intergovernmental					
State Shared Revenues					
Highway Users Tax	47,000	47,000	56,328	9,328	46,318
Grants	0	18,027	25,153	25,153	89,283
County Shared Revenues					
Motor Vehicle Tax	40,000	40,000	38,767	(1,233)	37,337
Grants	30,000	30,000	30,000	0	30,000
Miscellaneous					
Street Assessment Revenue	29,000	29,000	28,824	(176)	28,804
Miscellaneous	2,750	2,750	1,393	(1,357)	10,680
Investment Income	100	100	8	(92)	7
Total Revenues	340,850	358,877	418,600	77,750	441,926
EXPENDITURES					
Public Works					
Salaries	118,350	118,350	122,359	(4,009)	98,013
Employee Benefits	30,150	30,150	30,114	36	27,114
Insurance	9,140	9,140	9,153	(13)	8,078
Workers' Compensation	4,320	4,320	4,414	(94)	3,915
Auditing Fees	3,000	3,000	3,000	0	3,000
Legal Fees	2,500	2,500	2,888	(388)	3,199
Contract Services	2,500	2,500	188	2,312	1,486
Travel and Training	650	650	66	584	118
Meals	100	100	253	(153)	25
Publishing	200	200	278	(78)	70
Postage	50	50	114	(64)	0
Utilities	12,000	12,000	12,219	(219)	16,724
Telephone	1,200	1,200	1,201	(1)	1,142
Office Supplies	1,250	1,250	553	697	57
Clothing	250	250	125	125	182
Supplies	5,500	5,500	4,685	815	3,581
Chemicals	800	800	1,120	(320)	240
Gravel	10,000	10,000	407	9,593	0
Administrative Fee	6,850	6,850	6,850	0	6,843
Safety Equipment	250	250	122	128	67
Building Facility Repairs	100	100	0	100	33
Equipment Repairs & Maintenance	7,000	7,000	4,055	2,945	3,503
Fuel and Oil	5,000	5,000	4,229	771	3,747
Street Materials	12,000	12,000	8,046	3,954	12,751
Main Street Beautification	0	0	5,361	(5,361)	3,574
Street Signs	8,500	8,500	214	8,286	1,040
Miscellaneous	2,500	2,500	710	1,790	3,052
Total Current	244,160	244,160	222,724	21,436	201,554
Capital Outlay					
Capital Improvements	90,000	108,027	118,829	(28,829)	220,669
Total Capital Outlay	90,000	108,027	118,829	(28,829)	220,669
Debt Service					
Principal	5,260	5,260	5,354	(94)	7,603
Interest	1,430	1,430	1,337	93	1,286
Total Debt Service	6,690	6,690	6,691	(1)	8,889
Total Road Fund Expenditures	340,850	358,877	348,244	(7,394)	431,112
NET CHANGES IN FUND BALANCE	0	0	70,356	85,144	10,814
FUND BALANCES, JANUARY 1	283,634	283,634	291,198	7,564	280,384
FUND BALANCES, DECEMBER 31	$283,634	$283,634	$361,554	$92,708	$291,198

The accompanying notes to the financial statements are an integral part of these statements

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)	2021	2020	2019	2018	2017	2016	2015	2014
Employer Portion of Net Pension Asset	0.031551571%	0.02851976%	3.15440300%	3.42861800%	3.20570700%	2.83664000%	2.30182300%	2.32508100%
Employer Proportionate Share of Net Pension (Asset) Liability	(68,499)	(16,130)	39,880	(49,326)	11,583	(500)	(25,978)	(20,791)
Employer Covered Payroll	311,125	243,550	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	-22.02%	-6.62%	18.97%	-23.34%	5.78%	-0.36%	-25.10%	-20.59%

The accompanying notes to the financial statements are an integral part of these statements

TOWN OF OLATHE, COLORADO

SCHEDULE OF CONTRIBUTIONS TO PENSION PLAN
FOR THE YEARS ENDED DECEMBER 31

As of the Previous Fiscal Year-End	2021	2020	2019	2018	2017	2016	2015	2014
Required Employer Contributions	26,446	19,484	16,816	16,904	16,044	11,001	8,281	8,079
Employer Contributions Recognized by Plan	26,446	19,484	16,816	16,904	16,044	11,001	8,281	8,079
Difference	0	0	0	0	0	0	0	0
Employer Covered Payroll	311,125	243,550	210,203	211,301	200,548	137,511	103,514	100,987
Contributions as a Percentage of Employer Covered Payroll	8.50%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

The accompanying notes to the financial statements are an integral part of these statements

SUPPLEMENTARY INFORMATION

TOWN OF OLATHE, COLORADO

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Fund Conservation Trust	Police Pension Permanent Fund	Total Non-Major Governmental Funds
ASSETS			
Cash and Cash Equivalents	$1,128	$0	$1,128
Certificate of Deposit	2,005	1,341	3,346
TOTAL ASSETS	$3,133	$1,341	$4,474
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	$0	$0	$0
TOTAL LIABILITIES	0	0	0
FUND BALANCES			
Restricted for:			
Conservation Trust	3,133	0	3,133
Police Officer's Retirement	0	1,341	1,341
TOTAL FUND BALANCE	3,133	1,341	4,474
TOTAL LIABILITIES AND FUND BALANCES	$3,133	$1,341	$4,474

The accompanying notes to the financial statements are an integral part of these statements

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, 2021

	Special Revenue Fund Conservation Trust		Police Pension Permanent Fund		Total Non-Major Governmental Funds	
	Actual	Budget	Actual	Budget	Actual	Budget
REVENUES						
Intergovernmental						
Lottery	$21,641	$19,000	$0	$0	$21,641	$19,000
Miscellaneous						
Investment Income	4	25	0	0	4	25
TOTAL REVENUES	21,645	19,025	0	0	21,645	19,025
EXPENDITURES						
Current:						
Public Safety	0	0	30,938	32,000	30,938	32,000
Capital Outlay:						
Public Safety	17,625	18,000	0	0	17,625	18,000
TOTAL EXPENDITURES	17,625	18,000	30,938	32,000	48,563	50,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,020	1,025	(30,938)	(32,000)	(26,918)	(30,975)
Other Financing Sources (Uses):						
Transfers In (Out)	(19,000)	(19,000)	30,938	32,000	11,938	13,000
Total Other Financing Sources (Uses)	(19,000)	(19,000)	30,938	32,000	11,938	13,000
Net Change in Fund Balances	(14,980)	(17,975)	0	0	(14,980)	(17,975)
Fund Balance - Beginning of Year	18,113	18,116	1,341	1,341	19,454	19,457
Fund Balance - End of Year	$3,133	$141	$1,341	$1,341	$4,474	$1,482

The accompanying notes to the financial statements are an integral part of these statements

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, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021			2020
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Charges for Services	$335,000	$313,407	($21,593)	$309,225
Late Charge Fees	10,000	7,050	(2,950)	1,690
Tap Fees	9,000	0	(9,000)	11,800
Investment Income	100	14	(86)	27
Grants	0	7,126	7,126	0
Miscellaneous	7,500	4,876	(2,624)	4,613
Total Revenues	361,600	332,473	(29,127)	327,355
EXPENDITURES				
Operations and Maintenance				
Salaries	118,350	122,359	(4,009)	99,642
Employee Benefits	30,150	30,114	36	27,108
Insurance	9,140	9,153	(13)	8,078
Workers' Compensation	4,320	4,414	(94)	3,915
Auditing Fees	3,000	3,000	0	3,000
Legal Fees	2,500	2,888	(388)	3,199
Engineering Fees	2,000	12,323	(10,323)	2,112
Contract Services	500	151	349	259
Dues and Membership Fees	150	279	(129)	339
Travel and Training	500	98	402	292
Publishing	300	188	112	43
Postage	1,500	1,092	408	1,020
Utilities	4,000	2,185	1,815	2,388
Telephone	1,200	1,201	(1)	1,142
Clothing	250	125	125	182
Supplies	16,250	9,252	6,998	15,187
Chemicals	850	1,120	(270)	240
Administrative Fee	6,850	6,850	0	6,843
Safety Equipment	250	87	163	67
Building and Facility Repairs	100	0	100	192
Equipment Repairs & Maintenance	5,000	3,296	1,704	2,700
Other Permits	250	250	0	250
Fuel and Oil	5,000	4,206	794	3,704
Miscellaneous Expense	2,000	649	1,351	2,461
Reservoir Maintenance	13,000	0	13,000	213
Water Usage	90,000	98,109	(8,109)	103,688
Water Assessments	26,000	25,845	155	25,845
Water Tank Maintenance	1,500	5,340	(3,840)	1,550
Total Operations and Maintenance	344,910	344,574	336	315,659
Capital Outlay				
Capital Improvements	10,000	0	10,000	3,000
Debt Service				
Principal	5,260	5,354	(94)	7,603
Interest	1,430	1,337	93	1,286
Total Debt Service	6,690	6,691	(1)	8,889
TOTAL EXPENDITURES	361,600	351,265	10,335	327,548
CHANGE IN NET POSITION	$0	($18,792)	($39,462)	($193)

The accompanying notes to the financial statements are an integral part of these statements

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, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021			2020
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Charges for Services	$315,000	$305,903	($9,097)	$304,553
Tap Fees	10,200	4,334	(5,866)	13,553
Pump Station Surcharge	5,200	5,506	306	5,507
Investment Income	1,000	48	(952)	652
Grants	0	7,126	7,126	0
Miscellaneous Revenues	1,500	2,863	1,363	3,997
Total Revenues	332,900	325,780	(7,120)	328,262
EXPENDITURES				
Operations and Maintenance				
Salaries	118,350	122,358	(4,008)	99,642
Employee Benefits	30,150	30,114	36	27,108
Insurance	9,140	9,153	(13)	8,078
Workers' Compensation	4,326	4,414	(88)	3,915
Auditing Fees	3,000	3,000	0	3,000
Legal Fees	2,500	2,888	(388)	3,199
Engineering Fees	5,000	2,370	2,630	2,748
Contract Services	6,500	6,704	(204)	5,609
Dues and Membership Fees	150	364	(214)	210
Travel and Training	600	189	411	118
Publishing	200	214	(14)	43
Postage	1,500	1,057	443	811
Utilities	25,000	26,929	(1,929)	24,866
Telephone	3,000	3,511	(511)	3,278
Clothing	250	125	125	182
Supplies	5,750	5,631	119	6,843
Chemicals	3,000	1,120	1,880	3,046
Administrative Fee	6,850	6,850	0	6,843
Safety Equipment	250	57	193	37
Building and Facility Repairs	1,100	164	936	33
Equipment Repairs & Maintenance	7,000	4,002	2,998	2,587
Other Permits	3,000	2,678	322	2,678
Fuel and Oil	5,000	4,183	817	3,659
Miscellaneous Expense	1,600	638	962	4,191
Bank Fees	0	350	(350)	350
Water Assessments	1,200	1,024	176	1,024
Total Operations and Maintenance	244,416	240,087	4,329	214,098
Capital Outlay				
Capital Improvements	5,000	4,000	1,000	3,000
Debt Service				
Principal	40,260	40,354	(94)	42,603
Interest	43,224	39,764	3,460	40,356
Total Debt Service	83,484	80,118	3,366	82,959
TOTAL EXPENDITURES	332,900	324,205	8,695	300,057
CHANGE IN NET POSITION	$0	$1,575	($15,815)	$28,205

The accompanying notes to the financial statements are an integral part of these statements

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, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021			2020
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Charges for Services	$200,000	$201,715	$1,715	$198,994
Investment Income	100	13	(87)	12
Grants	0	3,758	3,758	0
Miscellaneous Revenues	100	1,393	1,293	90
Total Revenues	200,200	206,879	6,679	199,096
EXPENDITURES				
Operations and Maintenance				
Salaries	68,190	67,029	1,161	55,543
Employee Benefits	16,460	15,769	691	14,440
Insurance	5,080	5,085	(5)	3,142
Workers' Compensation	3,080	3,153	(73)	2,237
Auditing Fees	3,000	3,000	0	3,000
Legal Fees	2,500	2,300	200	2,253
Contract Services	500	230	270	70
Publishing	300	313	(13)	143
Postage	1,000	1,057	(57)	811
Utilities	2,000	932	1,068	1,060
Telephone	1,200	1,201	(1)	1,141
Clothing	250	179	71	182
Supplies	8,250	5,699	2,551	9,564
Administrative Fee	6,850	6,850	0	6,843
Safety Equipment	250	0	250	37
Building Repairs & Maintenance	100	0	100	33
Equipment Repairs & Maintenance	10,500	13,086	(2,586)	6,427
Fuel and Oil	5,000	4,103	897	5,237
Miscellaneous Expense	2,000	526	1,474	1,387
Dumping Fees	47,000	53,534	(6,534)	54,214
Total Operations and Maintenance	183,510	184,046	(536)	167,764
Capital Outlay				
Capital Improvements	10,000	0	10,000	0
Debt Service				
Principal	5,260	5,354	(94)	5,061
Interest	1,430	1,337	93	1,630
Total Debt Service	6,690	6,691	(1)	6,691
TOTAL EXPENDITURES	200,200	190,737	9,463	174,455
CHANGE IN NET POSITION	$0	$16,142	($2,784)	$24,641

The accompanying notes to the financial statements are an integral part of these statements

LOCAL HIGHWAY FINANCE REPORT

COLORADO
Department of Transportation

Steps for printing your content and returning to 'Edit Mode

1. Click Ctrl + A on a Windows machine or Command + A on a Mac to select all data.
2. Right-click your mouse and select Print.
3. Confirm that print settings are correct - make sure "selection only" isn't checked.
4. Print hard copy or to PDF.
5. Click "Edit Mode" to return to modifying your data.
6. Remember to click "Save" to save any changes.

Annual Highway Finance Report - CY21

Email address: mgarrett@olatheco.us
City/County: Olathe

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes

A. Receipts from local sources

2. General Fund Appropriations:	$	0.00
3. Other local imposts: *from A.3. 'Total' below)*	$	299,025.55
4. Miscellaneous local receipts: *from A.4. 'Total' below)*	$	31,402.48
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:	$	330,428.03

B. Private Contributions	$	0.00

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes (Detail)

A.3. Other local imposts

a. Property Taxes &and Assessments	$	0.00
b. Other Local Imposts		
1. Sales Taxes:	$	270,201.33
2. Infrastructure and Impact Fees:	$	28,824.22
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)*	$	299,025.55

A.4. Miscellaneous local receipts

a. Interest on Investments:	$	8.48
b. Traffic fines and Penalities:	$	0.00
c. Parking Garage Fees:	$	0.00
d. Parking Meter Fees:	$	0.00
e. Sale of Surplus Property:	$	300.00
f. Charges for Services:	$	0.00
g. Other Misc. Receipts:	$	31,094.00
h. Other:	$	0.00
Total: *(a through h) carried to 'Misc local receipts' above)*	$	31,402.48

C. Receipts from State Government

1. Highway User Taxes:	$	55,724.49
3. Other State funds:		
c. Motor Vehicle Registrations:	$	0.00
d. Other (Specify): Comments: DOLA	$	18,026.68
e. Other (Specify): Comments: undefined	$	0.00
Total: *(1+3c,d,e)*	$	73,751.17

D. Receipts from Federal Government

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:	$	7,126.09
Total: *(2a-f)*	$	7,126.09

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$	101,650.34
2. Maintenance:	$	165,303.22
3. Road and street services		
a. Traffic control operations:	$	29,754.58
b. Snow and ice removal:	$	22,040.43
c. Other:	$	0.00
4. General administration and miscellaneous	$	26,130.22
5. Highway law enforcement and safety	$	3,306.06
Total: *(A.1-5)*	$	348,184.85

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

C. Payments to State for Highways:	$	0.00
D. Payments to Toll Facilities:	$	0.00

Total Disbursements: *(A+B+C+D)*	$ 348,184.85

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes - (Detail)

	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	$ 101,650.34	$ 101,650.34
5. Total Construction:			$ 101,650.34
d. Total Capital Outlay: *(Lines A.1.a. + 1.b. + 1.c.5)*			$ 101,650.34

Receipts, Disbursements & Costs

IV. Local Highway Debt Status

	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

Receipts, Disbursements & Costs

V - Local Road & Street Fund Balance

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliation
$ 277,180.00	$ 411,305.29	$ 348,184.85	$ 340,300.44	$ 0.00

Notes and Comments:
undefined

Please enter your name: Monique Garrett

Please provide a telephone number where you may be reached: 970-323-5601

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

Contact: Paige Castaneda | Email: Paige.Castaneda@state.co.us | Phone: 720-443-3102

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FORM FHWA-536e(Version 8.00) - CY21

Soronen • Donley • Patterson
Certified Public Accountants

Communication with Those Charged with Governance

September 23, 2022

To the Board of Directors
Town of Olathe
PO Box 3039
Grand Junction, CO 81502

We have audited the financial statement of the governmental activities, business-type activities, and each major fund of Town of Olathe for the year ended December 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 3, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Town of Olathe are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by Town of Olathe during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumption about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- Note D – Capital Assets
- Note F – Employee Retirement Plans

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 23, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Town's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Town of Olathe's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

The information is intended solely for the use of the Board of Directors and management of Town of Olathe and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Soronen Donley Patterson

Soronen, Donley, Patterson CPA's P.C.
September 23, 2022