TOWN OF OLATHE, COLORADO

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

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, 2022, 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, 2022, 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, among 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 the 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
We have previously audited the Town of Olathe, Colorado's financial statements, and we expressed an unmodified opinion on those financial statements in our report dated September 23, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Soronen Donley Patterson

Soronen, Donley, Patterson CPA's PC
July 20, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF OLATHE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022

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, 2022. 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, 2022, was $1,394,636, an increase of $797,980.
- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $8,405,449 (i.e., net position) as of December 31, 2022, an increase of $1,032,828 in comparison to the prior year.
- Governmental funds reported a combined ending fund balance of $906,849, an increase of $305,942 in comparison with the prior year.
- The Town's fund balance for the General Fund was $303,904, an increase of $69,022 in comparison to the prior year.
- Long-term liabilities decreased by $60,176 during the 2022 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 all 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 uses 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, 2022, the Town's combined assets and deferred outflow of resources exceeded liabilities and deferred inflows of resources by $8,405,449. There are $1,191,876 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 $606,802 available in unrestricted resources.

By far the largest portion of net position is the investment in capital assets (net of related debt) of $6,697,806 (79% 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 2022.

Assets	Governmental Activities 2021	Governmental Activities 2022	Business Type Activities 2021	Business Type Activities 2022	Totals 2021	Totals 2022
Current and Other Assets	$830,014	$1,251,955	$193,213	$725,396	$1,023,227	$1,977,351
Capital Assets	2,907,179	3,191,287	5,009,096	4,811,229	7,916,275	8,002,516
Total Assets	3,737,193	4,443,242	5,202,309	5,536,625	8,939,502	9,979,867
Deferred Outflow of Resources						
FPPA Pension Plan	87,227	77,700	0	0	87,227	77,700
Other Liabilities	41,315	41,315	37,694	37,694	79,009	79,009
Long-Term Liabilities	32,847	27,381	1,332,039	1,277,329	1,364,886	1,304,710
Total Liabilities	74,162	68,696	1,369,733	1,315,023	1,443,895	1,383,719
Deferred Inflows of Resources						
Deferred Property Tax & Pension	210,213	268,399	0	0	210,213	268,399
Net Position						
Investment in Capital Assets, Net of Related Debt	2,874,331	3,163,906	3,677,061	3,533,900	6,551,392	6,697,806
Restricted	380,748	434,867	80,900	80,900	461,648	515,767
Unrestricted	284,966	585,074	74,615	606,802	359,581	1,191,876
Total Net Position	$3,540,045	$4,183,847	$3,832,576	$4,221,602	$7,372,621	$8,405,449

A portion of net position, $515,767 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $1,191,876 (14% 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 $1,032,828 in 2022.

	Governmental Activities 2021	Governmental Activities 2022	Business Type Activities 2021	Business Type Activities 2022	Totals 2021	Totals 2022
Revenues						
Program Revenues						
Charges for Services	$267,919	$212,323	$865,057	$909,842	$1,132,976	$1,122,165
Operating Grants	313,385	363,822	0	0	313,385	363,822
Capital Grants	116,722	383,588	0	505,073	116,722	888,661
General Revenues						
Property Taxes	136,497	162,934	0	0	136,497	162,934
Sales Tax and Other	716,384	775,532	0	0	716,384	775,532
Franchise Taxes	54,412	65,184	0	0	54,412	65,184
Occupation Taxes	875	625	0	0	875	625
Severance Taxes	461	5,455	0	0	461	5,455
Motor Vehicle Taxes	38,767	43,016	0	0	38,767	43,016
Miscellaneous	7,975	8,609	0	0	7,975	8,609
Interest Income	25	106	75	1,820	100	1,926
Transfers	0	0	0	0	0	0
Total Revenues	1,653,422	2,021,194	865,132	1,416,735	2,518,554	3,437,929
Expenses						
General Government	129,772	169,324	0	0	129,772	169,324
Public Safety	599,609	670,337	0	0	599,609	670,337
Judicial	20,036	17,861	0	0	20,036	17,861
Parks	216,883	192,966	0	0	216,883	192,966
Public Works	309,784	314,110	0	0	309,784	314,110
Recreation	0	0	0	0	0	0
Community Center	14,389	12,794	0	0	14,389	12,794
Water	0	0	373,382	355,097	373,382	355,097
Sewer	0	0	449,038	429,876	449,038	429,876
Trash	0	0	194,490	242,736	194,490	242,736
Total Expenses	1,290,473	1,377,392	1,016,910	1,027,709	2,307,383	2,405,101
Increase in Net Position	362,949	643,802	(151,778)	389,026	211,171	1,032,828
Net Position – Beginning of Year	3,177,096	3,540,045	3,984,354	3,832,576	7,161,450	7,372,621
Net Position – End of Year	$3,540,045	$4,183,847	$3,832,576	$4,221,602	$7,372,621	$8,405,449

Governmental Activities
Governmental activities operations for the year resulted in an increase in net position of $643,802. Property and sales taxes accounted for 46% of the total revenues.

Business-Type Activities
Business-type activities operations for the year resulted in an increase in net position of $389,026. Charges for services accounted for 64% of total revenues.

FINANCIAL ANALYSIS OF GOVERNMENTAL 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 2022, the Town's governmental funds reported combined ending fund balances of $906,849, an increase of $305,942 in comparison with the prior year. Of the combined ending fund balances for all governmental funds, 66% of this total amount, $602,945 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 2022, unassigned fund balance of the General Fund was $303,904. 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 $69,022 during 2022 due to an increase in sales tax collected and new capital 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 2022, these funds represented the following net position amounts:

Fund	Water	Sewer	Trash	Total
Invested in Capital Assets, Net of Debt	$512,873	$2,813,054	$207,972	$3,533,899
Restricted Net Position	0	80,900	0	80,900
Unrestricted Net Position	361,393	147,384	98,024	606,801
Total Net Position	$874,266	$3,041,338	$305,996	$4,221,600
Increase (Decrease) in Net Position	$415,610	($39,366)	$12,780	$389,024

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town budgeted $1,597,743 for 2022 expenditures and transfers. Actual expenditures and transfers were $1,365,605.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2022, was $8,002,516. 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	
	2021	2022	2021	2022	2021	2022
Land	$175,325	$175,325	$247,603	$247,603	$422,928	$422,928
Land Improvements	239,447	501,133	0	0	239,447	501,133
Infrastructure	1,955,455	1,986,921	0	0	1,955,455	1,986,921
Transmission and Distribution Systems	0	0	4,024,109	3,861,207	4,024,109	3,861,207
Buildings	403,312	383,117	715,289	688,797	1,118,601	1,071,914
Equipment	133,640	144,791	22,095	13,622	155,735	158,413
Total	$2,907,179	$3,191,287	$5,009,096	$4,811,229	$7,916,275	$8,002,516

The Town's long-term liability activity for the year ended December 31, 2022, was as follows:

	Balance Beginning Of Year	Additions	Reductions	Balance End Of Year	Due Within One Year
Governmental Activities:					
Capital Leases	$32,847	$0	$5,466	$27,381	$5,681
Total Governmental Activities	$32,847	$0	$5,466	$27,381	$5,681
Business-Type Activities					
Water & Sewer Revenue					
Bonds	$1,185,000	$0	$35,000	$1,150,000	$35,000
Capital Leases	98,541	0	16,400	82,141	17,043
Total Business-Type Activities	$1,283,541	$0	$51,400	$1,232,141	$52,043

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, 2022

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash & Cash Equivalents	$716,466	$580,587	$1,297,053
Certificates of Deposit	14,042	2,641	16,683
Receivables, net			
Accounts	12,828	61,268	74,096
Sales Tax	134,888	0	134,888
Grants	35,930	0	35,930
Property Tax	142,948	0	142,948
Due from other Governments	13,717	0	13,717
Interfund Balances	0	0	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	501,133	0	501,133
Infrastructure	1,986,921	0	1,986,921
Transmission and Distribution Systems	0	3,861,207	3,861,207
Buildings and Improvements	383,117	688,797	1,071,914
Equipment and Vehicles	144,791	13,622	158,413
Pension Asset	181,136	0	181,136
TOTAL ASSETS	4,443,242	5,536,625	9,979,867
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	77,700	0	77,700
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	5,681	52,043	57,724
Due In More Than One Year	21,700	1,225,286	1,246,986
TOTAL LIABILITIES	68,696	1,315,023	1,383,719
DEFERRED INFLOWS OF RESOURCES			
Pension Related Amounts	125,451	0	125,451
Unavailable Revenue - Property Tax	142,948	0	142,948
TOTAL DEFERRED INFLOW OF RESOURCES	268,399	0	268,399
NET POSITION			
Net Investment in Capital Assets	3,163,906	3,533,900	6,697,806
Restricted for:			
Emergencies	41,500	0	41,500
Streets and Alley's	249,698	0	249,698
Pension Related Amounts	134,726	0	134,726
Conservation Trust	8,943	0	8,943
Debt Service	0	80,900	80,900
Unrestricted	585,074	606,802	1,191,876
TOTAL NET POSITION	$4,183,847	$4,221,602	$8,405,449

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, 2022

		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	$169,324	$47,480	$94,839	$0	($27,005)	$0	($27,005)
Public Safety	670,337	86,371	40,000	37,672	(506,294)	0	(506,294)
Judicial	17,861	36,634	0	0	18,773	0	18,773
Parks	192,966	53	25,809	285,930	118,826	0	118,826
Public Works	314,110	28,845	193,174	59,986	(32,105)	0	(32,105)
Recreation	0	5,200	0	0	5,200	0	5,200
Community Center	12,794	7,740	10,000	0	4,946	0	4,946
Total Governmental Activities	1,377,392	212,323	363,822	383,588	(417,659)	0	(417,659)
Business-type Activities:							
Water	355,097	339,681	0	430,817	0	415,401	415,401
Sewer	429,876	314,708	0	74,256	0	(40,912)	(40,912)
Trash	242,736	255,453	0	0	0	12,717	12,717
Total Business-type Activities	1,027,709	909,842	0	505,073	0	387,206	387,206
Total	$2,405,101	$1,122,165	$363,822	$888,661	(417,659)	387,206	(30,453)

	Governmental Activities	Business-Type Activities	Total
General Revenues			
Taxes			
Property Tax	162,934	0	162,934
Sales Taxes	775,532	0	775,532
Franchise and Occupational Taxes	65,184	0	65,184
Occupation Taxes	625	0	625
Severance Taxes	5,455	0	5,455
Motor Vehicle Taxes and Registrations	43,016	0	43,016
Miscellaneous	8,609	0	8,609
Earnings on Investments	106	1,820	1,926
Total General Revenues & Transfers	1,061,461	1,820	1,063,281
Change in Net Position	643,802	389,026	1,032,828
Net Position - Beginning of the Year	3,540,045	3,832,576	7,372,621
Net Position - End of the Year	$4,183,847	$4,221,602	$8,405,449

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, 2022

	General Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$169,846	$539,682	$6,938	$716,466
Certificate of Deposit	1,002	9,694	3,346	14,042
Due from Other Funds	0	0	0	0
Receivables, net				
Accounts	9,531	3,297	0	12,828
Sales Tax	92,001	42,887	0	134,888
Grants	35,930	0	0	35,930
Property Tax	142,948	0	0	142,948
Due from Other Governments	8,930	4,787	0	13,717
TOTAL ASSETS	$460,188	$600,347	$10,284	$1,070,819
LIABILITIES:				
Accounts Payable	$4,708	$5,098	$0	$9,806
Accrued Payroll Liabilities	8,628	2,588	0	11,216
Due to Other Funds	0	0	0	0
TOTAL LIABILITIES	13,336	7,686	0	21,022
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	142,948	0	0	142,948
FUND BALANCES				
Restricted for:				
Emergency and Potential Refund	0	41,500	0	41,500
Streets and Alley's	0	551,161	0	551,161
Conservation Trust	0	0	8,943	8,943
Police Officer's Retirement	0	0	1,341	1,341
Unassigned				
General fund	303,904	0	0	303,904
TOTAL FUND BALANCE	303,904	592,661	10,284	906,849
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$460,188	$600,347	$10,284	$1,070,819

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, 2022

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

Total Fund Balances - Governmental Funds		$ 906,849
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 $445,000 Accumulated Depreciation	501,133	
Infrastructure, net of $634,672 Accumulated Depreciation	1,986,921	
Building and Improvements, net of $229,280 Accumulated Depreciation	383,117	
Equipment, net of $635,737 Accumulated Depreciation	144,791	
Total Capital Assets		3,191,287
Pension assets are applicable to future periods and not reported in the governmental funds		181,136
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		77,700
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		(125,451)
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	27,381	
Accrued vacation payable	20,293	
Total long-term liabilities		(47,674)
Total Net Position - Governmental Activities		$ 4,183,847

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, 2022

	General Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$754,169	$255,561	$0	$1,009,730
Licenses and Permits	11,782	0	0	11,782
Intergovernmental	94,839	296,176	25,809	416,824
Miscellaneous	44,238	29,016	1	73,255
Public Safety	164,043	0	0	164,043
Judicial	36,634	0	0	36,634
Parks	285,983	0	0	285,983
Recreation	5,200	0	0	5,200
Community Center	17,740	0	0	17,740
TOTAL REVENUES	1,414,628	580,753	25,810	2,021,191
EXPENDITURES				
Current:				
General Government	158,462	0	0	158,462
Public Safety	680,422	0	26,235	706,657
Judicial	17,861	0	0	17,861
Parks	161,012	0	0	161,012
Public Works	0	217,386	0	217,386
Recreation	0	0	0	0
Community Center	12,794	0	0	12,794
Capital Outlay:				
Public Safety	6,000	0	0	6,000
Parks	302,820	0	0	302,820
Public Works	0	125,568	0	125,568
Debt Service:				
Principal	0	5,403	0	5,403
Interest	0	1,289	0	1,289
TOTAL EXPENDITURES	1,339,371	349,646	26,235	1,715,252
Excess (Deficiency) of Revenues Over (Under) Expenditures	75,257	231,107	(425)	305,939
Other Financing Sources (Uses):				
Transfers In	20,000	0	26,235	46,235
Transfers Out	(26,235)	0	(20,000)	(46,235)
Total Other Financing Sources (Uses)	(6,235)	0	6,235	0
Net Change in Fund Balances	69,022	231,107	5,810	305,939
Fund Balance - Beginning of Year	234,882	361,554	4,474	600,910
Fund Balance - End of Year	$303,904	$592,661	$10,284	$906,849

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, 2022

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

Net Change in Fund Balances - Total Governmental Funds	$	305,939
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.		283,776
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		5,403
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		48,684
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	$	643,802

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, 2022

	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
ASSETS				
Current Assets				
Cash and Cash Equivalents	$363,968	$129,932	$86,687	$580,587
Certificate of Deposit	0	13	2,628	2,641
Accounts Receivable (net of allowance)	12,449	31,682	17,137	61,268
Grants Receivable	0	0	0	0
Due from Other Funds	0	0	0	0
Total Current Assets	376,417	161,627	106,452	644,496
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	(1,213,926)	(2,721,677)	(498,638)	(4,434,241)
Net Capital Assets	540,254	4,035,621	235,354	4,811,229
TOTAL ASSETS	$916,671	$4,278,148	$341,806	$5,536,625
LIABILITIES				
Current Liabilities				
Accounts Payable	$7,105	$2,841	$4,680	$14,626
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	0	0	0	0
Interest Payable	0	3,483	0	3,483
Long-Term Debt Due in One Year				
Capital Lease Payable	5,681	5,681	5,681	17,043
Bonds Payable	0	35,000	0	35,000
Total Current Liabilities	20,705	54,924	14,108	89,737
Long-Term Debt				
Capital Lease Payable	21,700	21,700	21,700	65,100
Bonds Payable net of $45,186 Unamortized Premium	0	1,160,186	0	1,160,186
Total Net Long-Term Debt	21,700	1,181,886	21,700	1,225,286
TOTAL LIABILITIES	42,405	1,236,810	35,808	1,315,023
NET POSITION				
Net Investment in Capital Assets	512,873	2,813,054	207,973	3,533,900
Restricted	0	80,900	0	80,900
Unrestricted	361,393	147,384	98,025	606,802
TOTAL NET POSITION	874,266	3,041,338	305,998	4,221,602
TOTAL LIABILITIES & NET POSITION	$916,671	$4,278,148	$341,806	$5,536,625

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, 2022

	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
OPERATING REVENUES				
Charges for Services	$326,626	$308,076	$205,077	$839,779
Late Charge Fees	10,555	0	0	10,555
Tap Fees - Unpledged	0	938	0	938
Pump Station Surcharge	0	5,506	0	5,506
Miscellaneous Income	2,500	188	50,376	53,064
TOTAL OPERATING REVENUES	339,681	314,708	255,453	909,842
OPERATING EXPENSES				
Operations and Maintenance	326,930	228,791	232,471	788,192
Depreciation	26,879	162,013	8,975	197,867
TOTAL OPERATING EXPENSES	353,809	390,804	241,446	986,059
OPERATING INCOME (LOSS)	(14,128)	(76,096)	14,007	(76,217)
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	210	1,546	64	1,820
Interest Expense	(1,289)	(39,072)	(1,289)	(41,650)
Grants	430,817	74,256	0	505,073
TOTAL NON-OPERATING REVENUES (EXPENSES)	429,738	36,730	(1,225)	465,243
CHANGE IN NET POSITION	415,610	(39,366)	12,782	389,026
Net Position - Beginning of Year	458,656	3,080,704	293,216	3,832,576
Net Position - End of Year	$874,266	$3,041,338	$305,998	$4,221,602

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, 2022

	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	$281,522	$319,381	$256,056	$856,959
Payments to Suppliers	(216,861)	(118,722)	(170,639)	(506,222)
Payments to Employees	(110,069)	(110,069)	(61,834)	(281,972)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(45,408)	90,590	23,583	68,765
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	0	0	0	0
Federal and State Grants	430,817	74,256	0	505,073
Principal Paid on Long-Term Debt	(5,466)	(43,777)	(5,466)	(54,709)
Interest Paid on Long-Term Debt	(1,289)	(39,072)	(1,289)	(41,650)
NET CASH CLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	424,062	(8,593)	(6,755)	408,714
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on Investments	210	1,546	64	1,820
NET CHANGE IN CASH AND CASH EQUIVALENTS	378,864	83,543	16,892	479,299
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	(14,896)	127,302	72,423	184,829
CASH AND CASH EQUIVALENTS - END OF YEAR	$363,968	$210,845	$89,315	$664,128
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Net Operating Income (Loss)	($14,128)	($76,096)	$14,007	($76,217)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:				
Depreciation	26,879	162,013	8,975	197,867
Changes in Operating Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	1,263	(1,205)	601	659
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	(59,422)	5,878	0	(53,544)
NET CASH FLOWS FROM OPERATING ACTIVITIES	($45,408)	$90,590	$23,583	$68,765

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 financially 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 an 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.

New Accounting Pronouncements
For the year ended December 31, 2022, the Town implemented the provisions of GASB Statement No. 87, *Leases*, as amended, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. As a result, the Town's financial statements have been modified to reflect the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on the contract payment provisions.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUTING POLICIES – continued

Assets, Liabilities and Equity

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

Deposits and Investments. The cash balances of substantially all funds are pooled for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value as of December 31, 2022, 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 are attached 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 as of December 31st.

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 no depreciation is recorded in the year of acquisition or construction of such assets. Capital assets acquired by capital lease are depreciated over the estimated useful lives and 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, 2022, 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.

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.

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 October 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, 2022, were $21,413; $121,547; and $3,509 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 by adopting supplemental appropriations.

Originally adopted budgeted expenditures, amendments and the final amended budgeted expenditures for the year ended December 31, 2022, are as follows:

	Original Budget	Amendments	Final Budget
General Fund	$1,597,743	$18,000	$1,615,743
Road Fund	418,830	0	418,830
Conservation Trust Fund	20,000	0	20,000
Police Pension Fund	35,000	0	35,000
Water Fund	562,400	0	562,400
Sewer Fund	381,985	0	381,985
Trash Fund	201,050	50,376	251,426
Total	$3,217,008	$68,376	$3,285,384

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 allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The Market value of the collateral must at least be equal to 102% of the aggregate uninsured deposits.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy for deposits allows funds to be placed in any account that is guaranteed by the Federal Deposit Insurance Corporation with remaining amounts collateralized by securities pledged by the financial institution. As of December 31, 2022, none of the Town's bank balances of $1,394,636 were exposed to custodial credit risk as all of it was insured.

Investments

As of December 31, 2022, the Town had the following investments:

Description	Weighted Maturity	Fair Value
Colotrust Prime	N/A	$89,916

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, 2022, 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, as of December 31, 2022, the Town considered all accounts collectible and accordingly, no provision for an allowance is recorded.

TOWN OF OLATHE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022, 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	660,054	286,080	0	946,134
Infrastructure, Road Network	2,507,026	114,568	0	2,621,594
Buildings	612,398	0	0	612,398
Equipment and Vehicles	747,562	33,740	776	780,526
Total Capital Assets Being Depreciated	4,527,040	434,388	776	4,960,652
Less Accumulated Depreciation for:				
Land Improvements	420,607	24,394	0	445,001
Infrastructure, Road Network	551,571	83,101	0	634,672
Buildings	209,086	20,194	0	229,280
Equipment and Vehicles	613,922	22,589	776	635,735
Total Accumulated Depreciation	1,795,186	150,278	776	1,944,688
Total Capital Assets Being Depreciated, Net	2,731,854	284,110	0	3,015,964
Governmental Activity Capital Assets, Net	$2,907,179	$284,110	$0	$3,191,289
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	7,292,865	0	0	7,292,865
Buildings and Improvements	817,355	0	0	817,355
Equipment and Furniture	887,647	0	0	887,647
Total Capital Assets Being Depreciated	8,997,867	0	0	8,997,867
Less Accumulated Depreciation for:				
Transmissions and Distribution Systems	3,268,756	162,902	0	3,431,658
Buildings and Improvements	102,066	26,492	0	128,558
Equipment and Furniture	865,552	8,473	0	874,025
Total Accumulated Depreciation	4,236,374	197,867	0	4,434,241
Total Capital Assets Being Depreciated, Net	4,761,493	(197,867)	0	4,563,626
Business Type Activity Capital Assets, Net	$5,009,096	($197,867)	$0	$4,811,229

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	12,365	0
Parks	31,954	0
Public Works	95,435	0
Water	0	26,879
Sewer	0	162,013
Trash	0	8,975
Total	$150,616	$197,867

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 2022, the Town purchased treatment for $100,881 and owed the Authority $5,525 as of December 31, 2022. 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, 2022, the Town made contributions and recognized $14,558 as expense.

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. 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 2022, the total combined member and employer contribution rate was 21.0 percent. For the year ended December 31, 2022, the Town contributed and expensed $25,235 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 than 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 may be 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 at 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 at 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

Pension Liabilities/Asst, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:
As of December 31, 2022, the Town reported a net pension asset of $181,136. The net pension asset was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2022.

As of December 31, 2022, 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	$51,869	$4,225
Changes in Assumptions	25,831	0
Net difference between projected and actual investment earnings	0	121,226
Total	$77,700	$125,451

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
2023	$ (16,354)
2024	(28,894)
2025	(16,213)
2026	(4,554)
2027	10,799
Thereafter	7,466

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, 2021. The valuation used the following actuarial assumptions and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2022	January 1, 2021
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 that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of 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	Single Discount Rate Assumption	1% Increase
6.00%	7.00%	8.00%
($24,980)	($181,136)	($310,503)

The following is a schedule of collective pension expense for the year ended December 31, 2021:

Service Cost	$44,622
Interest	74,618
Current-Period Benefit Changes	1,705
IRC 414(h)(2) Employer-paid Member Contributions	(30,820)
Member Purchases of Service Credit	(5,952)
Projected Earnings on Plan Investments	(80,050)
Pension Plan Administrative Expense	1,506
Other Changes in Plan Fiduciary Net Position	(17)
Recognition of Outflow of Resources Due to Liabilities	14,120
Recognition of Outflow of Resources Due to Assets	(40,142)
Total Pension Plan Expense	($20,410)

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	2022 - 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-County Water Conservancy District is obligated to pay the United States for such water which is limited to $38,000,000. The purchase price is currently $77.61 per acre foot, with potential cost adjustments at no longer than five-year intervals. Such annual payments are subject to adjustment as a result of rate adjustments. In addition, the Town pays the District a proportionate amount of the operations, maintenance, and replacement 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, 2022.

	Shop
Interest Rate	3.89%
Semi-Annual Payments	$13,383
2023	26,766
2024	26,766
2025	26,766
2026	26,766
2027	13,383
Total Minimum Lease Payments	120,447
Less: Amount representing Interest	10,925
	$109,522

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, and 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, 2022, are as follows:

Year	Principal	Interest	Total
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	40,000	37,100	77,100
2028-2032	230,000	166,000	396,000
2033-2037	265,000	124,400	389,400
2038-2042	315,000	67,800	382,800
2043-2044	145,000	8,800	153,800
Total	$1,150,000	$560,894	$1,710,894

For the year ended December 31, 2022, no interest was capitalized to fixed assets and $1,289 in the governmental funds and $41,650 in the proprietary funds totaling $42,939 was charged to expense.

Long-term liability activity for the year ended December 31, 2022, was as follows:

	Balance Beginning Of Year	Additions	Reductions	Balance End Of Year	Due Within One Year
Governmental Activities:					
Capital Leases	$32,847	$0	$5,466	$27,381	$5,681
Total Governmental Activities	$32,847	$0	$5,466	$27,381	$5,681
Business-Type Activities					
Water & Sewer Revenue					
Bonds	$1,185,000	$0	$35,000	$1,150,000	$35,000
Capital Leases	98,541	0	16,400	82,141	17,043
Total Business-Type Activities	$1,283,541	$0	$51,400	$1,232,141	$52,043

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, 2022, is as follows:

Due From	To Others	
Road Fund	Water Fund	$0
	General Fund	0
		$0
Sewer Fund	Water Fund	$0

The were no interfund receivables or payables as of December 31, 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	$26,235	$26,235
Conservation Trust	$20,000	$0	$20,000

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 is currently a defendant in a lawsuit. Although the outcome of the lawsuit is not presently determinable, the opinion is the resolution of this matter will not have a material adverse effect on the financial condition of the Town.

NOTE N - SUBSEQUENT EVENT

Management has evaluated subsequent events through July 20, 2023, 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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022				2021
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES					
Taxes					
General Property Taxes	$ 139,583	$ 139,583	$ 139,361	$ (222)	$ 117,042
Specific Ownership Taxes	18,000	18,000	23,250	5,250	19,258
Penalty and Interest on Taxes	1,000	1,000	323	(677)	197
General Sales and Use Taxes	435,000	435,000	519,971	84,971	478,257
Franchise Tax Equivalents	60,000	60,000	65,184	5,184	54,412
Occupation Taxes	1,000	1,000	625	(375)	875
Severance Tax	1,000	1,000	5,455	4,455	461
Total Taxes	655,583	655,583	754,169	98,586	670,502
Licenses and Permits					
General					
Business License	1,600	1,600	605	(995)	1,265
Building Permits	8,100	8,100	5,582	(2,518)	2,759
Liquor License	350	350	368	18	123
Other Permit Fees	5,200	5,200	4,727	(473)	2,077
Planning and Zoning Fees	1,500	1,500	500	(1,000)	250
Total Licenses and Permits	16,750	16,750	11,782	(4,968)	6,474
Intergovernmental					
State Shared Revenues					
Cigarette Taxes	1,200	1,200	1,063	(137)	1,419
Mineral Lease	1,500	1,500	2,910	1,410	1,146
Government Grant	0	0	90,865	90,865	177,728
Total Intergovernmental	2,700	2,700	94,838	92,138	180,293
Miscellaneous					
Earnings on Investments	95	95	88	(7)	15
Miscellaneous	3,000	11,000	8,609	(2,391)	6,736
Property Lease	14,400	14,400	8,100	(6,300)	13,900
Administrative Fees	27,444	27,444	27,444	0	27,400
Total Miscellaneous	44,939	52,939	44,241	(8,698)	48,051
Public Safety					
Federal Grant	22,599	22,599	24,567	1,968	54,706
State Grant	84,007	94,007	107,812	13,805	18,110
Animal Licenses	400	400	230	(170)	170
Vehicle Inspection Fees	500	500	770	270	955
Miscellaneous	13,500	13,500	30,663	17,163	25,321
Total Public Safety	121,006	131,006	164,042	33,036	99,262

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022				2021
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES					
Judicial					
Traffic Fines	100,000	100,000	32,917	(67,083)	78,113
Other Code Violations	6,000	6,000	3,707	(2,293)	5,360
Miscellaneous	400	400	10	(390)	1,136
Total Judicial	106,400	106,400	36,634	(69,766)	84,609
Parks					
Federal Grants	0	0	0	0	7,996
State Grants	364,500	364,500	285,930	(78,570)	98,695
Miscellaneous	2,000	2,000	3	(1,997)	585
Park Rental Fees	12,000	12,000	50	(11,950)	740
Total Parks	378,500	378,500	285,983	(92,517)	108,016
Recreation					
Contributions	0	0	0	0	0
Sponsors	0	0	0	0	0
Program Fees	0	0	0	0	0
Facilities Rental	0	0	5,200	5,200	0
Total Recreation	0	0	5,200	5,200	0
Community Center					
State Grants	10,000	10,000	10,000	0	10,171
Contributions	0	0	0	0	0
Community Center Rental	6,000	6,000	7,740	1,740	5,798
Total Community Center	16,000	16,000	17,740	1,740	15,969
Total Revenues Before Transfers In	1,341,878	1,359,878	1,414,629	54,751	1,213,176
TRANSFERS IN					
Transfers from Conservation Trust for Parks Expenditures	0	0	20,000	20,000	19,000
Total Transfers In	0	0	20,000	20,000	19,000
TOTAL REVENUES & TRANSFERS IN	$1,341,878	$1,359,878	$1,434,629	$74,751	$1,232,176

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022				2021
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES					
General Government					
Current					
Salaries	42,411	42,411	42,678	(267)	43,333
Mayor and Trustee Wages	4,560	4,560	4,580	(20)	4,560
Employee Benefits	11,726	11,726	9,738	1,988	9,777
Insurance	5,756	5,756	5,756	0	5,085
Workers' Compensation	2,575	2,575	6,267	(3,692)	2,207
Auditing Fees	4,000	4,000	3,600	400	3,000
Legal Fees	3,500	3,500	13,714	(10,214)	3,108
Engineering Fees	0	0	385	(385)	0
Treasurer's Fees	3,500	3,500	2,784	716	2,344
Clerk and Recorder Fees	500	500	0	500	0
Dues and Membership Fees	3,500	3,500	5,525	(2,025)	3,250
Travel and Training	2,000	2,000	1,509	491	365
Meals	500	500	593	(93)	152
Publishing	1,000	1,000	1,925	(925)	449
Publications	500	500	0	500	210
Postage	2,500	2,500	4,428	(1,928)	1,537
Utilities	4,000	4,000	5,096	(1,096)	4,507
Telephone	4,500	4,500	4,566	(66)	4,598
Maintenance Contracts	7,500	7,500	4,772	2,728	7,548
Office Supplies	2,000	2,000	4,137	(2,137)	1,382
Supplies	2,000	2,000	2,029	(29)	1,806
Equipment Rental	4,000	4,000	3,507	493	3,881
Building & Facility Repairs	1,000	1,000	1,012	(12)	320
Equipment Repairs	1,000	1,000	11,759	(10,759)	289
Cleaning Services	0	0	1,766	(1,766)	0
Fuel and Oil	500	500	1,305	(805)	47
Miscellaneous Expense	2,500	2,500	4,703	(2,203)	3,127
Bank Fees	750	750	913	(163)	636
Donations & Gifts	1,500	1,500	609	891	0
Economic Development	240,865	240,865	6,440	234,425	9,700
Senior Citizen Assistance	1,000	1,000	1,000	0	1,000
Use Tax Expense	2,000	2,000	1,368	632	693
Election Judges	0	0	0	0	0
Election Supplies	0	0	0	0	0
Total Current	363,643	363,643	158,464	205,179	118,911

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022				2021
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES					
Public Safety					
Current					
Salaries	325,780	325,780	312,579	13,201	311,125
Part Time Wages	16,537	34,537	17,510	17,027	64,475
Employee Benefits	69,697	69,697	46,251	23,446	53,520
Insurance	8,635	8,635	9,634	(999)	7,661
Workers' Compensation	10,666	10,666	10,666	0	9,144
Legal Fees	1,000	1,000	27,816	(26,816)	1,541
Contract Services	54,963	54,963	124,625	(69,662)	52,107
Animal Impound Fees	1,000	1,000	4,151	(3,151)	160
Grant Expenses	1,650	1,650	2,810	(1,160)	0
Travel and Training	5,000	5,000	6,908	(1,908)	2,824
Meals	500	500	122	378	161
Postage	100	100	22	78	148
Utilities	4,000	4,000	6,074	(2,074)	4,146
Telephone	6,000	6,000	9,626	(3,626)	5,460
Maintenance Contracts	5,650	5,650	8,520	(2,870)	5,524
Office Supplies	1,500	1,500	1,826	(326)	602
Clothing	2,500	2,500	2,191	309	2,560
Ammunition	3,000	3,000	2,984	16	655
Supplies	12,000	12,000	10,233	1,767	8,217
Equipment Rental	2,000	2,000	8,327	(6,327)	4,341
Building and Facility Repairs	500	500	1,369	(869)	184
Equipment Repairs	9,200	9,200	8,663	537	10,426
Fuel and Oil	13,000	13,000	10,462	2,538	11,475
Miscellaneous Expense	4,200	4,200	5,220	(1,020)	8,203
Donations & Gifts	100	100	232	(132)	61
Total Current	559,178	577,178	638,821	(61,643)	564,720
Capital Outlay					
Capital Equipment	39,403	39,403	47,600	(8,197)	6,000
Total Capital Outlay	39,403	39,403	47,600	(8,197)	6,000
Total Public Safety Expenditures	598,581	616,581	686,421	(69,840)	570,720
TRANFERS OUT					
Transfers to Police Pension Fund	35,000	35,000	26,235	8,765	30,938
Total Public Safety Expenditures and Transfers	633,581	651,581	712,656	(61,075)	601,658

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022				2021
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES					
Judicial					
Part Time Wages	25,537	25,537	14,215	11,322	17,549
Employee Benefits	2,120	2,120	2,241	(121)	1,415
Workers Compensation	736	736	736	0	631
Juror Fees	1,400	1,400	130	1,270	150
Travel and Training	1,000	1,000	175	825	0
Office Supplies	400	400	364	36	291
Supplies	0	0	0	0	0
Miscellaneous	0	0	0	0	0
Total Judicial	31,193	31,193	17,861	13,332	20,036
Parks					
Current					
Salaries	53,025	53,025	55,408	(2,383)	54,682
Part Time Wages	55,000	55,000	39,949	15,051	60,361
Employee Benefits	16,869	16,869	15,644	1,225	17,149
Insurance	4,605	4,605	4,605	0	4,068
Workers' Compensation	3,310	3,310	3,310	0	2,838
Contract Services	1,300	1,300	1,812	(512)	6,900
Dues and Membership Fees	135	135	60	75	135
Travel and Training	250	250	0	250	235
Utilities	8,000	8,000	8,816	(816)	7,843
Telephone	230	230	448	(218)	259
Clothing	300	300	282	18	291
Event Facilitation Expense	2,000	2,000	780	1,220	417
Supplies	6,100	6,100	5,933	167	7,461
Mosquito Control	75	75	0	75	43
Chemicals	5,400	5,400	3,042	2,358	3,589
Gravel	5,000	5,000	0	5,000	0
Equipment Rental	6,500	6,500	8,480	(1,980)	3,720
Equipment Repairs & Maintenance	6,000	6,000	4,655	1,345	1,016
Building Facility Repairs	0	0	0	0	0
Fuel and Oil	4,000	4,000	4,361	(361)	3,643
Miscellaneous Expense	1,500	1,500	2,897	(1,397)	1,480
Grant Match	0	0	0	0	16,554
Water Assessments	500	500	530	(30)	463
Total Current	180,099	180,099	161,012	19,087	193,147
Capital Outlay					
Capital Equipment	8,000	8,000	16,740	(8,740)	0
Capital Improvements	364,500	364,500	286,080	78,420	86,999
Total Capital Outlay	372,500	372,500	302,820	69,680	86,999
Total Parks	552,599	552,599	463,832	88,767	280,146

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022				2021
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES					
Recreation					
Current					
Wages	0	0	0	0	0
Part Time Wages	0	0	0	0	0
Employee Benefits	0	0	0	0	0
Insurance	0	0	0	0	0
Workers' Compensation	0	0	0	0	0
Utilities	0	0	0	0	0
Miscellaneous Expense	0	0	0	0	0
Program Expense	0	0	0	0	0
Colorado Health Foundation Grant	0	0	0	0	0
Total Recreation	0	0	0	0	0
Community Center					
Current					
Wages	1,714	1,714	1,118	596	2,186
Part Time Wages	4,000	4,000	3,328	672	3,690
Employee Benefits	1,166	1,166	520	646	798
Insurance	1,727	1,727	1,727	0	1,525
Workers' Compensation	370	370	368	2	314
Utilities	3,500	3,500	3,665	(165)	2,872
Telephone	1,600	1,600	1,339	261	1,657
Supplies	450	450	271	179	297
Building and Facility Repairs	2,000	2,000	458	1,542	974
Cleaning Services	200	200	0	200	76
Total Community Center	16,727	16,727	12,794	3,933	14,389
Total Current Expenditures	1,150,840	1,168,840	988,952	179,888	911,203
Total Capital Outlay Expenditures	411,903	411,903	350,420	61,483	92,999
Total Debt Service Expenditures	0	0	0	0	0
Total Transfers Out	35,000	35,000	26,235	8,765	30,938
Total Expenditures & Transfers Out	1,597,743	1,615,743	1,365,607	250,136	1,035,140
NET CHANGES IN FUND BALANCE	(255,865)	(255,865)	69,022	(175,385)	197,036
FUND BALANCES, JANUARY 1	234,882	234,882	234,882	10,621	37,846
FUND BALANCES, DECEMBER 31	($20,983)	($20,983)	$303,904	($164,764)	$234,882

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022			2021
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Taxes				
General Sales Tax	$215,000	$255,561	$40,561	$238,127
Intergovernmental				
Federal Grants	0	140,000	140,000	0
State Shared Revenues				
Highway Users Tax	53,050	53,328	278	56,328
Grants	85,545	59,986	(25,559)	25,153
County Shared Revenues				
Motor Vehicle Tax	35,000	43,016	8,016	38,767
Grants	0	0	0	30,000
Miscellaneous				
Street Assessment Revenue	29,000	28,845	(155)	28,824
Miscellaneous	1,200	0	(1,200)	1,393
Investment Income	35	18	(17)	8
Total Revenues	418,830	580,754	161,924	418,600
EXPENDITURES				
Public Works				
Salaries	115,343	112,691	2,652	122,359
Employee Benefits	35,579	28,822	6,757	30,114
Insurance	10,362	10,361	1	9,153
Workers' Compensation	5,149	5,149	0	4,414
Auditing Fees	4,000	3,600	400	3,000
Legal Fees	3,500	2,329	1,171	2,888
Contract Services	12,000	7,348	4,652	188
Travel and Training	650	0	650	66
Meals	250	112	138	253
Publishing	350	182	168	278
Postage	50	0	50	114
Utilities	12,000	14,828	(2,828)	12,219
Telephone	1,200	761	439	1,201
Maintenance Contracts	1,000	213	787	0
Office Supplies	250	26	224	553
Clothing	250	243	7	125
Supplies	6,000	6,794	(794)	4,685
Chemicals	1,500	0	1,500	1,120
Gravel	10,000	865	9,135	407
Administrative Fee	6,861	6,861	0	6,850
Safety Equipment	250	83	167	122
Building Facility Repairs	250	140	110	0
Equipment Repairs & Maintenance	8,000	5,969	2,031	4,055
Fuel and Oil	5,000	6,770	(1,770)	4,229
Street Materials	12,000	1,971	10,029	8,046
Main Street Beautification	0	400	(400)	5,361
Street Signs and Lights	8,500	0	8,500	214
Miscellaneous	2,500	869	1,631	710
Total Current	262,794	217,387	45,407	222,724
Capital Outlay				
Capital Improvements	149,345	125,568	23,777	118,829
Total Capital Outlay	149,345	125,568	23,777	118,829
Debt Service				
Principal	5,466	5,403	63	5,354
Interest	1,225	1,289	(64)	1,337
Total Debt Service	6,691	6,692	(1)	6,691
Total Road Fund Expenditures	418,830	349,647	69,183	348,244
NET CHANGES IN FUND BALANCE	0	231,107	92,741	70,356
FUND BALANCES, JANUARY 1	361,554	361,554	0	291,198
FUND BALANCES, DECEMBER 31	$361,554	$592,661	$92,741	$361,554

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)	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer Portion of Net Pension Asset	0.033423990%	0.031551571%	0.02851976%	3.15440300%	3.42861800%	3.20570700%	2.83664000%	2.30182300%	2.32508100%
Employer Proportionate Share of Net Pension (Asset) Liability	(181,136)	(68,499)	(16,130)	39,880	(49,326)	11,583	(500)	(25,978)	(20,791)
Employer Covered Payroll	312,579	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	-57.95%	-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	2022	2021	2020	2019	2018	2017	2016	2015	2014
Required Employer Contributions	26,569	26,446	19,484	16,816	16,904	16,044	11,001	8,281	8,079
Employer Contributions Recognized by Plan	26,569	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	0
Employer Covered Payroll	312,579	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%	8.50%	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, 2022

	Special Revenue Fund Conservation Trust	Police Pension Permanent Fund	Total Non-Major Governmental Funds
ASSETS			
Cash and Cash Equivalents	$6,938	$0	$6,938
Certificate of Deposit	2,005	1,341	3,346
TOTAL ASSETS	$8,943	$1,341	$10,284
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	$0	$0	$0
TOTAL LIABILITIES	0	0	0
FUND BALANCES			
Restricted for:			
Conservation Trust	8,943	0	8,943
Police Officer's Retirement	0	1,341	1,341
TOTAL FUND BALANCE	8,943	1,341	10,284
TOTAL LIABILITIES AND FUND BALANCES	$8,943	$1,341	$10,284

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, 2022

	Special Revenue Fund Conservation Trust		Police Pension Permanent Fund		Total Non-Major Governmental Funds	
	Actual	Budget	Actual	Budget	Actual	Budget
REVENUES						
Intergovernmental						
Lottery	$25,809	$20,000	$0	$0	$25,809	$20,000
Miscellaneous						
Investment Income	1	10	0	0	1	10
TOTAL REVENUES	25,810	20,010	0	0	25,810	20,010
EXPENDITURES						
Current:						
Public Safety	0	0	26,235	35,000	26,235	35,000
Capital Outlay:						
Public Safety	20,000	20,000	0	0	20,000	20,000
TOTAL EXPENDITURES	20,000	20,000	26,235	35,000	46,235	55,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,810	10	(26,235)	(35,000)	(20,425)	(34,990)
Other Financing Sources (Uses):						
Transfers In (Out)	0	0	26,235	35,000	26,235	35,000
Total Other Financing Sources (Uses)	0	0	26,235	35,000	26,235	35,000
Net Change in Fund Balances	5,810	10	0	0	5,810	10
Fund Balance - Beginning of Year	3,133	3,133	1,341	1,341	4,474	4,474
Fund Balance - End of Year	$8,943	$3,143	$1,341	$1,341	$10,284	$4,484

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022			2021
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Charges for Services	$358,000	$326,626	($31,374)	$313,407
Late Charge Fees	10,000	10,555	555	7,050
Tap Fees	6,000	0	(6,000)	0
Investment Income	35	210	175	14
Grants	180,865	430,817	249,952	7,126
Miscellaneous	7,500	2,500	(5,000)	4,876
Total Revenues	562,400	770,708	208,308	332,473
EXPENDITURES				
Operations and Maintenance				
Salaries	115,343	112,691	2,652	122,359
Employee Benefits	35,580	28,822	6,758	30,114
Insurance	10,362	10,361	1	9,153
Workers' Compensation	5,148	5,149	(1)	4,414
Auditing Fees	4,000	3,600	400	3,000
Legal Fees	3,500	4,003	(503)	2,888
Engineering Fees	5,000	3,269	1,731	12,323
Contract Services	250	2,477	(2,227)	151
Dues and Membership Fees	300	307	(7)	279
Travel and Training	350	204	146	98
Publishing	100	0	100	188
Postage	1,500	326	1,174	1,092
Utilities	4,000	2,897	1,103	2,185
Telephone	1,200	825	375	1,201
Maintenance Contracts	1,000	892	108	0
Clothing	250	243	7	125
Supplies	15,200	4,267	10,933	9,252
Chemicals	1,500	178	1,322	1,120
Administrative Fee	6,861	7,019	(158)	6,850
Safety Equipment	250	0	250	87
Building and Facility Repairs	200	277	(77)	0
Equipment Repairs & Maintenance	5,000	4,337	663	3,296
Other Permits	250	250	0	250
Fuel and Oil	5,000	6,331	(1,331)	4,206
Miscellaneous Expense	1,800	748	1,052	649
Reservoir Maintenance	5,000	793	4,207	0
Water Usage	115,000	100,881	14,119	98,109
Water Assessments	26,000	25,846	154	25,845
Water Tank Maintenance	1,500	0	1,500	5,340
Total Operations and Maintenance	371,444	326,993	44,451	344,574
Capital Outlay				
Capital Improvements	184,265	0	184,265	0
Debt Service				
Principal	5,466	5,403	63	5,354
Interest	1,225	1,289	(64)	1,337
Total Debt Service	6,691	6,692	(1)	6,691
TOTAL EXPENDITURES	562,400	333,685	228,715	351,265
CHANGE IN NET POSITION	$0	$437,023	$437,023	($18,792)

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022			2021
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Charges for Services	$312,000	$308,076	($3,924)	$305,903
Tap Fees	11,400	938	(10,462)	4,334
Pump Station Surcharge	5,500	5,506	6	5,506
Investment Income	85	1,546	1,461	48
Grants	50,000	74,256	24,256	7,126
Miscellaneous Revenues	3,000	188	(2,812)	2,863
Total Revenues	381,985	390,510	8,525	325,780
EXPENDITURES				
Operations and Maintenance				
Salaries	115,343	112,691	2,652	122,358
Employee Benefits	35,581	28,822	6,759	30,114
Insurance	10,359	10,361	(2)	9,153
Workers' Compensation	5,150	5,149	1	4,414
Auditing Fees	4,000	3,600	400	3,000
Legal Fees	3,500	2,329	1,171	2,888
Engineering Fees	2,000	1,330	670	2,370
Contract Services	6,500	5,557	943	6,704
Dues and Membership Fees	500	486	14	364
Travel and Training	400	204	196	189
Publishing	250	0	250	214
Postage	1,500	327	1,173	1,057
Utilities	24,000	30,148	(6,148)	26,929
Telephone	3,000	2,983	17	3,511
Maintenance Contracts	1,000	892	108	0
Clothing	250	243	7	125
Supplies	6,300	2,069	4,231	5,631
Chemicals	3,000	178	2,822	1,120
Administrative Fee	6,861	6,940	(79)	6,850
Safety Equipment	250	0	250	57
Building and Facility Repairs	250	105	145	164
Equipment Repairs & Maintenance	6,000	1,848	4,152	4,002
Other Permits	1,000	2,678	(1,678)	2,678
Fuel and Oil	5,000	6,331	(1,331)	4,183
Miscellaneous Expense	1,600	1,309	291	638
Bank Fees	0	385	(385)	350
Water Assessments	1,200	1,890	(690)	1,024
Total Operations and Maintenance	244,794	228,855	15,939	240,087
Capital Outlay				
Capital Improvements	53,500	0	53,500	4,000
Debt Service				
Principal	40,466	40,403	63	40,354
Interest	43,225	39,072	4,153	39,764
Total Debt Service	83,691	79,475	4,216	80,118
TOTAL EXPENDITURES	381,985	308,330	73,655	324,205
CHANGE IN NET POSITION	$0	$82,180	$82,180	$1,575

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, 2022
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	2022				2021
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES					
Charges for Services	$200,000	$200,000	$205,077	$5,077	$201,715
Investment Income	50	50	64	14	13
Grants	0	0	0	0	3,758
Miscellaneous Revenues	1,000	51,376	50,376	(1,000)	1,393
Total Revenues	201,050	251,426	255,517	4,091	206,879
EXPENDITURES					
Operations and Maintenance					
Salaries	68,064	68,064	64,391	3,673	67,029
Employee Benefits	18,898	18,898	15,772	3,126	15,769
Insurance	5,756	5,756	5,756	0	5,085
Workers' Compensation	3,678	3,678	3,678	0	3,153
Auditing Fees	4,000	4,000	3,600	400	3,000
Legal Fees	3,500	3,500	2,329	1,171	2,300
Contract Services	500	500	164	336	230
Travel & Training	400	400	109	291	0
Publishing	200	200	327	(127)	313
Postage	1,200	1,200	1,454	(254)	1,057
Utilities	2,000	2,000	825	1,175	932
Telephone	1,200	1,200	892	308	1,201
Maintenance Contracts	500	500	243	257	0
Clothing	250	250	6,021	(5,771)	179
Supplies	8,250	8,250	178	8,072	5,699
Administrative Fee	6,861	6,861	6,940	(79)	6,850
Safety Equipment	250	250	0	250	0
Building Repairs & Maintenance	250	250	0	250	0
Equipment Repairs & Maintenance	10,000	60,376	53,308	7,068	13,086
Fuel and Oil	5,000	5,000	6,483	(1,483)	4,103
Miscellaneous Expense	2,000	2,000	1,412	588	526
Dumping Fees	49,000	49,000	58,655	(9,655)	53,534
Total Operations and Maintenance	191,757	242,133	232,537	9,596	184,046
Capital Outlay					
Capital Improvements	2,600	2,600	0	2,600	0
Debt Service					
Principal	5,467	5,467	5,403	64	5,354
Interest	1,226	1,226	1,289	(63)	1,337
Total Debt Service	6,693	6,693	6,692	1	6,691
TOTAL EXPENDITURES	201,050	251,426	239,229	12,197	190,737
CHANGE IN NET POSITION	$0	$0	$16,288	$16,288	$16,142

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 - CY22

Email address: sdillon@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)*	$	326,772.00
4. Miscellaneous local receipts: *from A.4. 'Total' below)*	$	153.00
5. Transfers from toll facilities	$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	$	0.00
b. Bonds - Refunding Issues:	$	0.00
c. Notes:	$	0.00
SubTotal:	$	326,925.00

B. Private Contributions	$	0.00

A.3.¦ Other local imposts

a. Property Taxes &and Assessments	$	0.00
b. Other Local Imposts		
1. Sales Taxes:	$	297,927.00
2. Infrastructure and Impact Fees:	$	28,845.00
3. Liens:	$	0.00
4. Licenses:	$	0.00
5. Specific Ownership and/or Other:	$	0.00
Total: *(a + b) carried to 'Other local imposts' above)*	$	326,772.00

A.4.¦ Miscellaneous local receipts

a. Interest on Investments:	$	0.00
b. Traffic fines and Penalities:	$	0.00
c. Parking Garage Fees:	$	0.00
d. Parking Meter Fees:	$	0.00
e. Sale of Surplus Property:	$	0.00
f. Charges for Services:	$	0.00
g. Other Misc. Receipts:	$	153.00
h. Other:	$	0.00
Total: *(a through h) carried to 'Misc local receipts' above)*	$	153.00

C. Receipts from State Government

1. Highway User Taxes:	$	0.00
3. Other State funds:		
c. Motor Vehicle Registrations:	$	0.00
d. Other (Specify): Comments: Grants	$	59,986.00
e. Other (Specify): Comments: undefined	$	0.00
Total: *(1+3c,d,e)*	$	59,986.00

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

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$	125,568.00
2. Maintenance:	$	139,117.00
3. Road and street services		
a. Traffic control operations:	$	27,823.00
b. ¦Snow and ice removal:	$	18,549.00
c. Other:	$	0.00
4. General administration and miscellaneous	$	25,041.00
5. Highway law enforcement and safety	$	2,782.00
Total: *(A.1-5)*	$	338,880.00

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)*	$	338,880.00

	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	$ 125,568.00	$ 125,568.00
5. Total Construction:			$ 125,568.00
d. Total Capital Outlay: *(Lines A.1.a. + 1.b. + 1.c.5)*			$ 125,568.00

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

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
$ 340,300.00	$ 386,911.00	$ 338,880.00	$ 388,331.00	$ 0.00

Notes and Comments:
undefined

Please enter your name: Sara Dillon

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

Save Print Mode Edit Mode

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

Contact: Paige Castaneda | Email: Paige.Castaneda@state.co.us | Phone: 303.512.4914

FORM FHWA-536e(Version 9.00) - CY22

Communication with Those Charged with Governance

July 20, 2023

To the Board of Directors
Town of Olathe
PO Box 3039
Olathe, CO 81425

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, 2022. 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 January 5, 2023. 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 the Town of Olathe are described in Note A to the financial statements. GASB Statement No. 87, *Leases,* was adopted during the year ended December 31, 2022. We noted no transactions entered into by the 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.

706 South 9th Street · Grand Junction, Colorado 81501 · phone: 970.241.8346 · fax: 970.242.8784

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 20, 2023.

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 of our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, which 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 the 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.
July 20, 2023