Soronen • Donley • Patterson
Certified Public Accountants

Communication with Those Charged with Governance

September 30, 2025

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, 2024. 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 9, 2025. 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. 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 September 30, 2025.

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.

<u>Other Matters</u>

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.

<u>Restriction on Use</u>

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.
September 30, 2025

Soronen • Donley • Patterson
Certified Public Accountants

Communication of Internal Control Related Matters

To the Board of Directors and Management of Town of Olathe.

Introduction

Your auditor must evaluate the control deficiencies identified during the audit and determine if they are significant deficiencies or material weaknesses. If they are either of these, then this information must be communicated in writing and repeated until fixed. Your auditor does not have a choice but to do this; it is part of auditing standards and what you hired them to do. Even though some points will be repeat items that you are aware of and have decided not to alter, they still are required to be in the management report.

The management letter is a tool to bring to light certain aspects of the organization that may need improvement or could lead to errors or manipulation. I hope the following management letter is informative to you and leads to discussions that can improve operations.

Definition of Internal Control

Internal controls cover a number of different topics but basically are processes that can help you achieve your operational goals, assist in the reliability of information, and ensure compliance with laws and regulations. When looking at internal controls, the first step is to look at the control environment in which the company operates.

1) Does management convey the message that integrity and ethical values cannot be compromised, and do employees receive and understand that message?

2) Does management specify the level of competence needed for particular jobs?

3) Is management's way of assigning authority and responsibility, and organizing and developing its personnel appropriate?

4) Does management enter into high-risk ventures or are they conservative in accepting risks?

5) What is management's attitude toward accounting functions, reliability of financial reporting, and safeguarding assets?

6) Are internal and external risks that influence the success or failure of the company's objectives identified, and assessed?

7) Are there controls in place to ensure established policy and control over activities?

8) Are information systems in place, to get the right information, to the right person, at the right time?

9) Are systems monitored to make sure they are functioning as planned?

Limitations on our Study of Internal Control

In planning and performing our audit of the financial statements of Town of Olathe as of and for the year ended December 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered Town of Olathe's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

Definition of Control Deficiency & Material Weakness

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the organization' financial statements will not be prevented, or detected and corrected, on a timely basis.

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

<u>Control Deficiencies</u>

1) <u>Segregation of Duties</u>

   A basic premise in internal control is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. You have members of your staff that have access to all phases of transactions. The small size of the company's office staff limits segregation of duties, but certain steps can be taken to lower risk of unintentional and intentional errors.

2) The Organization is responsible for the preparation and accuracy of its financial statements. Your auditor, as a service to you, prepared the financial statements. As part of assessing risk of misstatement on your financial statements, we tried to identify whether your staff maintains knowledge of United States General Accepted Accounting Principles (GAAP) and identifies and addresses changes in GAAP. This is a management point that is probably cost prohibitive. Your staff concentrates on the day to day operations, and having staff keep up on all aspects of GAAP would not be cost justified. However, this management point is required to be disclosed to you. The question is if the staff had that knowledge, would they make different decisions on how your financial statements were presented? I believe the communication between the staff and our firm is sufficient to minimize the risk.

<u>Definition of Material Weaknesses</u>

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We believe that the following deficiencies constitute material weaknesses.

<u>Material Weaknesses</u>

3) None

This communication is intended solely for the information and use of management, board of directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Soronen, Donley, Patterson CPA's PC

September 30, 2025

TOWN OF OLATHE, COLORADO

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2024

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-11
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet – Governmental Funds	16
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Net Position – Proprietary Funds	20
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	21
Statement of Cash Flows – Proprietary Funds	22
Notes to the Financial Statements	23-38
Required Supplementary Information	
Budgetary Comparison Schedules – Major Governmental Funds	
General Fund	40-45
Road Fund	46
Schedule of Change in Net Pension Plan (Asset) Liability	47
Schedule of Contributions to Pension Plan	48
Supplementary Information	
Combining Balance Sheet – Non-Major Governmental Funds	50
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Actual and Budget – Non-Major Governmental Funds	51
Schedule of Revenues, Expenses and Transfers – Actual and Budget – Water Fund	52
Schedule of Revenues, Expenses and Transfers – Actual and Budget – Sewer Fund	53
Schedule of Revenues, Expenses and Transfers – Actual and Budget – Trash Fund	54
Local Highway Finance Report	55-60

Soronen • Donley • Patterson
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, 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, 2024, 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, 2024, 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.

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

- 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, and the Local Highway Finance report 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, and the Local Highway Finance report 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 June 24, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, 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
September 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF OLATHE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024

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, 2024. 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, 2024, were $1,877,122, an increase of $204,516.
- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $8,885,757 (i.e., net position) as of December 31, 2024, an increase of $462,510 in comparison to the prior year.
- Governmental funds reported a combined ending fund balance of $1,552,056, an increase of $417,712 in comparison with the prior year.
- The Town's fund balance for the General Fund was $495,841, an increase of $164,178 in comparison to the prior year.
- Long-term liabilities decreased by $66,813 during the 2024 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 on 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, 2024, the Town's combined assets and deferred outflow of resources exceeded liabilities and deferred inflows of resources by $8,885,757. There are $1,197,905 available unrestricted resources to meet the Town's general future financial obligations and $1,004,431 is available but restricted to Streets and Alleys in the Governmental Funds. For the business type activities there is $722,357 available in unrestricted resources.

By far the largest portion of net position is the investment in capital assets (net of related debt) of $6,493,346 (73% 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 2024.

Assets	Governmental Activities 2023	Governmental Activities 2024	Business Type Activities 2023	Business Type Activities 2024	Totals 2023	Totals 2024
Current and Other Assets	$1,318,462	$1,738,431	$742,238	$820,295	$2,060,700	$2,558,726
Capital Assets	3,115,190	3,168,205	4,661,360	4,674,138	7,776,550	7,842,343
Total Assets	4,433,652	4,906,636	5,403,598	5,494,433	9,837,250	10,401,069
Deferred Outflow of Resources						
FPPA Pension Plan	75,497	59,191	0	0	75,497	59,191
Other Liabilities	60,624	20,293	38,668	17,038	99,292	37,331
Long-Term Liabilities	21,700	187,873	1,222,032	1,161,124	1,243,732	1,348,997
Total Liabilities	83,324	208,166	1,260,700	1,178,162	1,343,024	1,386,328
Deferred Inflows of Resources						
Deferred Property Tax & Pension	146,476	188,175	0	0	146,476	188,175
Net Position						
Investment in Capital Assets,						
Net of Related Debt	3,071,580	2,980,332	3,439,327	3,513,014	6,510,907	6,493,346
Restricted	897,399	1,113,606	80,900	80,900	978,299	1,194,506
Unrestricted	311,370	475,548	622,671	722,357	1,435,240	1,197,905
Total Net Position	$4,280,349	$4,569,486	$4,142,898	$4,316,271	$8,423,247	$8,885,757

A portion of net position, $1,194,506 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $1,197,905 (13% 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 $462,510 in 2024.

	Governmental Activities 2023	Governmental Activities 2024	Business Type Activities 2023	Business Type Activities 2024	Totals 2023	Totals 2024
Revenues						
Program Revenues						
Charges for Services	$204,781	$217,173	$889,960	$994,262	$1,094,741	$1,211,435
Operating Grants	135,280	181,635	0	0	135,280	181,635
Capital Grants	28,333	0	0	200,000	28,333	200,000
General Revenues						
Property Taxes	168,707	200,204	0	0	168,707	200,204
Sales Tax and Other	818,947	974,267	0	0	818,947	974,267
Franchise Taxes	65,705	63,524	0	0	65,705	63,524
Occupation Taxes	375	375	0	0	375	375
Severance Taxes	6,283	5,165	0	0	6,283	5,165
Motor Vehicle Taxes	40,050	43,215	0	0	40,050	43,215
Miscellaneous	14,920	97,837	0	0	14,920	97,837
Interest Income	4,782	4,104	5,729	6,947	10,511	11,051
Transfers	0	0	0	0	0	0
Total Revenues	1,488,163	1,787,499	895,689	1,201,209	2,383,852	2,988,708
Expenses						
General Government	202,767	226,758	0	0	202,767	226,758
Public Safety	643,951	712,723	0	0	643,951	712,723
Judicial	21,062	16,071	0	0	21,062	16,071
Parks	215,408	219,149	0	0	215,408	219,149
Public Works	292,767	299,920	0	0	292,767	299,920
Recreation	0	0	0	0	0	0
Community Center	15,706	23,741	0	0	15,706	23,741
Water	0	0	370,640	396,653	370,640	396,653
Sewer	0	0	408,388	410,905	408,388	410,905
Trash	0	0	195,365	220,278	195,365	220,278
Total Expenses	1,391,661	1,498,362	974,393	1,027,836	2,366,054	2,526,198
Increase in Net Position	96,502	289,137	(78,704)	173,373	17,798	462,510
Net Position – Beginning of Year	4,183,847	4,280,349	4,221,602	4,142,898	8,405,449	8,423,247
Net Position – End of Year	$4,280,349	$4,569,486	$4,142,898	$4,316,271	$8,423,247	$8,885,757

Governmental Activities
Governmental activities operations for the year resulted in an increase in net position of $289,137. Property and sales taxes accounted for 65% of the total revenues.

Business-Type Activities
Business-type activities operations for the year resulted in an increase in net position of $173,373. Charges for services accounted for 83% 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 2024, the Town's governmental funds reported combined ending fund balances of $1,552,056, an increase of $417,712 in comparison with the prior year. Of the combined ending fund balances for all governmental funds, 68% of this total amount, $1,056,215 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 2024, unassigned fund balance of the General Fund was $495,841. 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 $164,178 during 2024.

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 2024, these funds represented the following net position amounts:

Fund	Water	Sewer	Trash	Total
Invested in Capital Assets, Net of Debt	$675,052	$2,636,274	$201,688	$3,513,014
Restricted Net Position	0	80,900	0	80,900
Unrestricted Net Position	413,625	160,008	148,724	722,357
Total Net Position	$1,088,677	$2,877,182	$350,412	$4,316,271
Increase (Decrease) in Net Position	$214,938	($75,226)	$33,661	$173,373

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town budgeted $1,291,535 for 2024 expenditures and transfers. Actual expenditures and transfers were $1,164,510.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2024, was $7,842,343. 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	
	2023	2024	2023	2024	2023	2024
Land	$175,325	$175,325	$247,603	$247,603	$422,928	$422,928
Land Improvements	464,717	467,635	0	0	464,714	467,635
Infrastructure	1,925,622	1,839,085	0	0	1,925,622	1,839,085
Transmission and Distribution Systems	0	0	3,706,865	3,753,710	3,706,865	3,753,710
Buildings	394,284	390,684	662,305	635,813	1,056,589	1,026,497
Equipment	133,335	109,386	44,587	37,012	177,922	146,398
Right to Use Leased Assets	0	186,090	0	0	0	186,090
Total	$3,093,280	$3,168,205	$4,661,360	$4,674,138	$7,754,640	$7,842,343

The Town's long-term liability activity for the year ended December 31, 2024, was as follows:

	Balance Beginning Of Year	Additions	Reductions	Balance End Of Year	Due Within One Year
Governmental Activities:					
Note Payable	$21,700	$0	$5,905	$15,795	$6,136
Lease Liabilities	0	203,007	30,929	172,078	25,893
Total Governmental Activities	$21,700	$203,007	$36,834	$187,873	$32,029
Business-Type Activities					
Water & Sewer Revenue					
Bonds	$1,115,000	$0	$40,000	$1,075,000	$40,000
Note Payable	65,100	0	17,715	47,385	18,408
Total Business-Type Activities	$1,180,100	$0	$57,715	$1,122,385	$58,408

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, 2024

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash & Cash Equivalents	$1,316,744	$462,568	$1,779,312
Certificates of Deposit	14,269	2,641	16,910
Receivables, net			
Accounts	20,809	74,186	94,995
Sales Tax	190,889	0	190,889
Grants	39,339	200,000	239,339
Property Tax	147,036	0	147,036
Due from other Governments	9,345	0	9,345
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	467,635	0	467,635
Infrastructure	1,839,085	0	1,839,085
Transmission and Distribution Systems	0	3,753,710	3,753,710
Buildings and Improvements	390,684	635,813	1,026,497
Equipment and Vehicles	109,386	37,012	146,398
Right to Use Leased Assets	186,090	0	186,090
TOTAL ASSETS	4,906,636	5,494,433	10,401,069
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Due to Pensions	59,191	0	59,191
LIABILITIES			
Accrued Liabilities	20,293	13,546	33,839
Accrued Interest Payable	0	3,492	3,492
Lease Liabilities			
Due Within One Year	25,893	0	25,893
Due In More Than One Year	146,185	0	146,185
Non Current Liabilities			
Due Within One Year	6,136	58,408	64,544
Due In More Than One Year	9,659	1,102,716	1,112,375
TOTAL LIABILITIES	208,166	1,178,162	1,386,328
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Due to Pensions	1,800	0	1,800
Deferred Revenue Due to Grants	39,339	0	39,339
Unavailable Revenue - Property Taxes	147,036	0	147,036
TOTAL DEFERRED INFLOW OF RESOURCES	188,175	0	188,175
NET POSITION			
Net Investment in Capital Assets	2,980,332	3,513,014	6,493,346
Restricted for:			
Emergencies	41,500	0	41,500
Streets and Alley's	1,004,431	0	1,004,431
Pension Related Amounts	58,732	0	58,732
Conservation Trust	8,943	0	8,943
Debt Service	0	80,900	80,900
Unrestricted	475,548	722,357	1,197,905
TOTAL NET POSITION	$4,569,486	$4,316,271	$8,885,757

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, 2024

		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	$226,758	$66,040	$15,208	$0	($145,510)	$0	($145,510)
Public Safety	712,723	109,343	65,828	0	(537,552)	0	(537,552)
Judicial	16,071	4,913	0	0	(11,158)	0	(11,158)
Parks	219,149	966	24,363	0	(193,820)	0	(193,820)
Public Works	299,920	28,895	61,236	0	(209,789)	0	(209,789)
Recreation	0	0	0	0	0	0	0
Community Center	23,741	7,016	15,000	0	(1,725)	0	(1,725)
Total Governmental Activities	1,498,362	217,173	181,635	0	(1,099,554)	0	(1,099,554)
Business-type Activities:							
Water	396,653	409,534	0	200,000	0	212,881	212,881
Sewer	410,905	330,969	0	0	0	(79,936)	(79,936)
Trash	220,278	253,759	0	0	0	33,481	33,481
Total Business-type Activities	1,027,836	994,262	0	200,000	0	166,426	166,426
Total	$2,526,198	$1,211,435	$181,635	$200,000	(1,099,554)	166,426	(933,128)

	Governmental Activities	Business-Type Activities	Total
General Revenues			
Taxes			
Property Tax	200,204	0	200,204
Sales Taxes	974,267	0	974,267
Franchise and Occupational Taxes	63,524	0	63,524
Occupation Taxes	375	0	375
Severance Taxes	5,165	0	5,165
Motor Vehicle Taxes and Registrations	43,215	0	43,215
Miscellaneous	97,837	0	97,837
Earnings on Investments	4,104	6,947	11,051
Total General Revenues & Transfers	1,388,691	6,947	1,395,638
Change in Net Position	289,137	173,373	462,510
Net Position - Beginning of the Year	4,280,349	4,142,898	8,423,247
Net Position - End of the Year	$4,569,486	$4,316,271	$8,885,757

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, 2024

	General Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$346,477	$963,555	$6,712	$1,316,744
Certificate of Deposit	1,003	9,694	3,572	14,269
Due from Other Funds	0	0	0	0
Receivables, net				
Accounts	17,291	3,518	0	20,809
Sales Tax	127,259	63,630	0	190,889
Grants	39,339	0	0	39,339
Property Tax	147,036	0	0	147,036
Due from Other Governments	3,811	5,534	0	9,345
TOTAL ASSETS	$682,216	$1,045,931	$10,284	$1,738,431
LIABILITIES:				
Due to Other Funds	$0	$0	$0	$0
TOTAL LIABILITIES	0	0	0	0
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	39,339	0	0	39,339
Deferred Property Tax Revenue	147,036	0	0	147,036
TOTAL DEFERRED INFLOWS OF RESOURCES	186,375	0	0	186,375
FUND BALANCES				
Restricted for:				
Emergency and Potential Refund	0	41,500	0	41,500
Streets and Alley's	0	1,004,431	0	1,004,431
Conservation Trust	0	0	8,943	8,943
Police Officer's Retirement	0	0	1,341	1,341
Unassigned				
General fund	495,841	0	0	495,841
TOTAL FUND BALANCE	495,841	1,045,931	10,284	1,552,056
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$682,216	$1,045,931	$10,284	$1,738,431

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, 2024

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

Total Fund Balances - Governmental Funds		$ 1,552,056
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds		3,168,205
Pension assets and deferred outflows are not current, therefore, are not reported in governmental funds		
Deferred Outflows, Pensions		59,191
Deferred Inflows, Pensions		(1,800)
Long-term liabilities and related items are not due and payable in the current year and therefore, are not reported in governmental funds		
Note Payable	15,795	
Lease Liabilities	172,078	
Accrued Liabilities	20,293	
Total Long-Term Liabilities and Related Items		(208,166)
Total Net Position - Governmental Activities		$ 4,569,486

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, 2024

	General Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$919,844	$323,691	$0	$1,243,535
Licenses and Permits	20,550	0	0	20,550
Intergovernmental	15,208	104,451	24,363	144,022
Miscellaneous	145,654	30,672	0	176,326
Public Safety	175,172	0	0	175,172
Judicial	4,914	0	0	4,914
Parks	966	0	0	966
Recreation	0	0	0	0
Community Center	22,016	0	0	22,016
TOTAL REVENUES	1,304,324	458,814	24,363	1,787,501
EXPENDITURES				
Current:				
General Government	216,331	0	0	216,331
Public Safety	625,066	0	27,223	652,289
Judicial	16,071	0	0	16,071
Parks	172,357	0	0	172,357
Public Works	0	198,589	0	198,589
Recreation	0	0	0	0
Community Center	23,741	0	0	23,741
Capital Outlay:				
Public Safety	0	0	0	0
Parks	48,839	0	0	48,839
Public Works	0	0	0	0
Debt Service:				
Principal	30,929	5,803	0	36,732
Interest	3,952	888	0	4,840
TOTAL EXPENDITURES	1,137,286	205,280	27,223	1,369,789
Excess (Deficiency) of Revenues Over (Under) Expenditures	167,038	253,534	(2,860)	417,712
Other Financing Sources (Uses):				
Transfers In	24,363	0	27,223	51,586
Transfers Out	(27,223)	0	(24,363)	(51,586)
Total Other Financing Sources (Uses)	(2,860)	0	2,860	0
Net Change in Fund Balances	164,178	253,534	0	417,712
Fund Balance - Beginning of Year	331,663	792,397	10,284	1,134,344
Fund Balance - End of Year	$495,841	$1,045,931	$10,284	$1,552,056

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, 2024

Amounts reported for governmental activities in the statement of activities are different because:	
Net Change in Fund Balances - Total Governmental Funds	$ 417,712
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.	(127,757)
Some capital additions were financed. In governmental funds, the financing arrangement is considered a source for financing, but in the statement of net position, the obligation is reported as a liability. Repayment of the principal portion is an expenditure in the governmental funds, but a reduction of a liability in the statement of net position.	
Note Payments	5,803
Lease Liability Payments	30,929
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	(37,550)
Change in Net Position of Governmental Activities	$ 289,137

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, 2024

	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
ASSETS				
Current Assets				
Cash and Cash Equivalents	$200,408	$137,061	$125,099	$462,568
Certificate of Deposit	0	13	2,628	2,641
Accounts Receivable (net of allowance)	18,548	31,757	23,881	74,186
Grants Receivable	200,000	0	0	200,000
Due from Other Funds	0	0	0	0
Total Current Assets	418,956	168,831	151,608	739,395
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	1,340,182	6,153,850	0	7,494,032
Buildings and Improvements	274,151	273,752	269,452	817,355
Equipment and Vehicles	212,114	254,793	460,140	927,047
Accumulated Depreciation	(1,264,500)	(3,030,890)	(516,509)	(4,811,899)
Net Capital Assets	690,847	3,765,808	217,483	4,674,138
TOTAL ASSETS	$1,109,803	$4,015,539	$369,091	$5,494,433
LIABILITIES				
Current Liabilities				
Accrued Liabilities	$5,331	$5,331	$2,884	$13,546
Due to Other Funds	0	0	0	0
Interest Payable	0	3,492	0	3,492
Long-Term Debt Due in One Year				
Note Payable	6,136	6,136	6,136	18,408
Bonds Payable	0	40,000	0	40,000
Total Current Liabilities	11,467	54,959	9,020	75,446
Long-Term Debt				
Note Payable	9,659	9,659	9,659	28,977
Bonds Payable net of $38,738 Unamortized Premium	0	1,073,739	0	1,073,739
Total Net Long-Term Debt	9,659	1,083,398	9,659	1,102,716
TOTAL LIABILITIES	21,126	1,138,357	18,679	1,178,162
NET POSITION				
Net Investment in Capital Assets	675,052	2,636,274	201,688	3,513,014
Restricted	0	80,900	0	80,900
Unrestricted	413,625	160,008	148,724	722,357
TOTAL NET POSITION	1,088,677	2,877,182	350,412	4,316,271
TOTAL LIABILITIES & NET POSITION	$1,109,803	$4,015,539	$369,091	$5,494,433

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, 2024

	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
OPERATING REVENUES				
Charges for Services	$384,341	$308,039	$219,685	$912,065
Late Charge Fees	11,510	0	0	11,510
Tap Fees - Unpledged	6,000	10,200	0	16,200
Pump Station Surcharge	0	5,475	0	5,475
Fuel Surcharge	0	0	34,075	34,075
Miscellaneous Income	7,683	7,256	0	14,939
TOTAL OPERATING REVENUES	409,534	330,970	253,760	994,264
OPERATING EXPENSES				
Operations and Maintenance	372,070	217,804	210,456	800,330
Depreciation	23,695	155,758	8,935	188,388
TOTAL OPERATING EXPENSES	395,765	373,562	219,391	988,718
OPERATING INCOME (LOSS)	13,769	(42,592)	34,369	5,546
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	2,057	4,710	180	6,947
Interest Expense	(888)	(37,344)	(888)	(39,120)
Grant Income	200,000	0	0	200,000
TOTAL NON-OPERATING REVENUES (EXPENSES)	201,169	(32,634)	(708)	167,827
CHANGE IN NET POSITION	214,938	(75,226)	33,661	173,373
NET POSITION - BEGINNING OF YEAR	873,739	2,952,408	316,751	4,142,898
NET POSITION - END OF YEAR	$1,088,677	$2,877,182	$350,412	$4,316,271

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, 2024

	Water Fund	Sewer Fund	Trash Fund	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	$406,524	$333,014	$249,132	$988,670
Payments to Suppliers	(274,017)	(115,707)	(153,432)	(543,156)
Payments to Employees	(108,000)	(108,000)	(62,802)	(278,802)
NET CASH FLOWS FROM OPERATING ACTIVITIES	24,507	109,307	32,898	166,712
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(201,167)	0	0	(201,167)
Federal and State Grants	0	0	0	0
Principal Paid on Long-Term Debt	(5,904)	(49,101)	(5,904)	(60,909)
Interest Paid on Long-Term Debt	(888)	(37,344)	(888)	(39,120)
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(207,959)	(86,445)	(6,792)	(301,196)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on Investments	2,057	4,710	180	6,947
NET CHANGE IN CASH AND CASH EQUIVALENTS	(181,395)	27,572	26,286	(127,537)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	381,803	190,402	101,441	673,646
CASH AND CASH EQUIVALENTS - END OF YEAR	$200,408	$217,974	$127,727	$546,109
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Net Operating Income (Loss)	$13,769	($42,592)	$34,369	$5,546
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:				
Depreciation	23,695	155,758	8,935	188,388
Changes in Operating Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(3,010)	2,044	(4,628)	(5,594)
Increase (Decrease) in Accounts Payable	(7,359)	(3,317)	(4,915)	(15,591)
Increase (Decrease)in Accrued Liabilities	(2,588)	(2,588)	(863)	(6,039)
Increase (Decrease) in Due to Other Funds	0	0	0	0
NET CASH FLOWS FROM OPERATING ACTIVITIES	$24,507	$109,305	$32,898	$166,710

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING 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 of 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 ACCOUNTING 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 are reported as other financing sources.

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Deposits and Investments. The cash balances of substantially all funds are pooled for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value as of December 31, 2024, 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 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 ACCOUNTING 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, 2024, 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 ACCOUNTING 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, 2024, were $17,791; $149,854; and $3,031 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, 2024, are as follows:

	Original Budget	Amendments	Final Budget
General Fund	$1,273,935	$17,600	$1,291,535
Road Fund	384,617	0	384,617
Conservation Trust Fund	20,000	0	20,000
Police Pension Fund	38,000	0	38,000
Water Fund	963,962	0	963,962
Sewer Fund	491,814	0	491,814
Trash Fund	337,057	0	337,057
Total	$3,509,385	$17,600	$3,526,985

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 100% 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, 2024, none of the Town's bank balances of $1,877,122 were exposed to custodial credit risk as all of it was insured.

Investments

As of December 31, 2024, the Town had the following investments:

Description	Weighted Maturity	Fair Value
Colotrust Prime	N/A	$99,871

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, 2024, 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, 2024, the Town considered all accounts collectible and accordingly, no provision for an allowance is recorded.

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024, 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
Other Capital Assets				
Land Improvements	946,134	39,339	0	985,472
Infrastructure, Road Network	2,647,215	0	0	2,647,215
Buildings and Improvements	644,431	16,816	0	661,246
Equipment and Vehicles	700,545	9,500	18,000	692,047
Right to Use Leased Assets	0	203,007	0	203,007
Total Capital Assets Being Depreciated	4,938,325	268,662	18,000	5,188,987
Less Accumulated Depreciation/Amortization:				
Land Improvements	481,419	36,418	0	517,837
Infrastructure, Road Network	721,592	86,538	0	808,130
Buildings	249,810	20,752	0	270,562
Equipment and Vehicles	567,210	16,308	857	582,661
Right to Use Leased Assets	0	16,917	0	16,917
Total Accumulated Depreciation/Amortization	2,020,370	176,933	857	2,196,107
Total Capital Assets Being Depreciated, Net	2,917,955	(91,729)	17,143	2,992,880
Governmental Activity Capital Assets, Net	$3,093,280	($91,729)	$17,143	$3,168,205
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
Other Capital Assets				
Transmissions and Distribution Systems	7,292,865	201,167	0	7,494,032
Buildings and Improvements	817,355	0	0	817,355
Equipment and Furniture	927,047	0	0	927,047
Total Capital Assets Being Depreciated	9,037,267	201,167	0	9,486,036
Less Accumulated Depreciation for:				
Transmissions and Distribution Systems	3,586,000	154,322	0	3,740,322
Buildings and Improvements	155,050	26,492	0	181,542
Equipment and Furniture	882,460	7,574	0	890,034
Total Accumulated Depreciation	4,623,510	189,269	0	4,811,898
Total Capital Assets Being Depreciated, Net	4,413,757	(149,869)	0	4,674,138
Business Type Activity Capital Assets, Net	$4,661,360	($149,869)	$0	$4,921,741

NOTE D - CAPITAL ASSETS - continued

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

	Governmental	Business-Type
General Government	$10,428	$0
Public Safety	2,015	0
Parks	46,792	0
Public Works	100,443	0
Water	0	23,695
Sewer	0	155,758
Trash	0	8,935
Total	$159,678	$188,388

NOTE E - JOINT VENTURE

Pursuant to an Establishing Contract dated September 29, 1977, the Town District is a participant with two other municipalities and three water districts in a joint venture to operate the Project 7 Water Authority, a water treatment facility. The Authority is governed by a six member board consisting of an appointed representative from each of the participants. The Town is obligated within the Establishing Contract to purchase the treatment of a minimum of 45 million gallons of water annually from the Authority so long as the Authority has any unpaid debt other than for operating expenses, at volume rates set by the Authority's Board of Directors. The volume rate for treated water deliveries for 2024 was $1.95 per thousand gallons, which results in a 2024 minimum annual purchase commitment of $87,750 but the volume charged may be changed by action of the Authority's Board of Directors.

Using data provided by the Authority, during the years ended December 31, 2024, the Town purchased treatment 76,601,000 gallons for $141,424. Separate financial statements from 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, 2024, the Town made contributions and recognized $16,323 as expense.

NOTE F - EMPLOYEE RETIREMENT PLANS – continued

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).

Contributions

Contribution rates for this Plan are set by state statute. Employer contributions rates can only be amended by state statute. 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 2024 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 2024, the total combined member and employer contribution rate was 21.0 percent. For the year ended December 31, 2024, the Town contributed and expensed $27,223 to the Plan.

Benefits

On May 23, 1983, the Colorado Revised 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 be qualified 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.

NOTE F - EMPLOYEE RETIREMENT PLANS – continued

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 for the shortfall. Members do not vest in amounts credited to their Separate Retirement Account until retirement or disability.

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, 2024, the Town reported a net pension asset of $0. The net pension asset was measured as of December 31, 2023, and was determined by an actuarial valuation as of January 1, 2024.

As of December 31, 2024, 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	$37,462	$1,800
Changes in Assumptions	21,729	0
Net difference between projected and actual investment earnings	0	0
Total	$59,191	$1,800

NOTE F - EMPLOYEE RETIREMENT PLANS - continued

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
2025	$ 14,545
2026	21,485
2027	30,718
2028	4,173
2029	5,149
Thereafter	8,215

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, 2023. The valuation used the following actuarial assumptions and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2024	January 1, 2023
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 60% 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.

NOTE F - EMPLOYEE RETIREMENT PLANS - continued

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, 2023, are summarized in the following table:

Asset Class	Target Allocation	Real Rate of Return
Global Equity	35%	8.33%
Equity Long/Short	6%	7.27%
Private Markets	34%	10.31%
Fixed Income – Rates	10%	5.35%
Fixed Income – Credit	5%	5.89%
Absolute Return	9%	6.39%
Cash	1%	4.32%
Total	100%	

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 4.05 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
$110,301	$0	$0

NOTE F - EMPLOYEE RETIREMENT PLANS – continued

The following is a schedule of collective pension expense for the year ended December 31, 2023:

Service Cost	$30,928
Interest	53,389
Current-Period Benefit Changes	2,345
IRC 414(h)(2) Employer-paid Member Contributions	(22,806)
Member Purchases of Service Credit	(2,731)
Projected Earnings on Plan Investments	(52,429)
Pension Plan Administrative Expense	1,347
Other Changes in Plan Fiduciary Net Position	(21)
Recognition of Outflow of Resources Due to Liabilities	13,262
Recognition of Outflow of Resources Due to Assets	(6,121)
Total Pension Plan Expense	$17,163

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	2023 - 2049	$25,834

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 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 is $9.00 per acre foot as of December 31, 2024.

NOTE H - LEASE OBLIGATIONS

The Town is a lessee in various non-cancelable lease agreements for vehicles. The lease terms range from 2 to 5 years and include options to purchase the vehicles at the end of the lease. As of December 31, 2024, the Town is not expected to exercise the purchase options. The Town recognizes a right-to-use lease asset and a corresponding lease liability for these agreements in accordance with GASB Statement No. 87.

As of December 31, 2024, the Town recognized leased vehicles of $186,090 (net of 16,917 of accumulated amortization) and lease liabilities of $172,078. During the year, the Town made $34,881 in lease payments, of which $30,929 reduced the lease liability and $3,952 was recognized as interest expense.

NOTE H - LEASE OBLIGATIONS - continued

The following table presents the Town's future minimum lease payments as of December 31, 2024:

2025	$ 34,881
2026	34,881
2027	63,057
2028	63,057
Total Minimum Lease Payments	195,876
Less: Amount representing Interest	23,798
	$172,078

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 2020 and increasing to $75,000 in 2044, plus interest payments on June 1st and December 1st each year. The bonds mature on December 1, 2044, 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.

The Town also has outstanding debt on a shop building. Semiannual payments of $13,383 are made including interest at 3.89%. The loan matures in May 2027 and is collateralized by the real estate.

Principal and interest payments for the years following December 31, 2024, are as follows:

Year	Principal	Interest	Total
2025	$64,545	$41,021	$105,566
2026	65,509	39,207	104,716
2027	53,128	37,355	90,483
2028	45,000	35,900	80,900
2029	45,000	34,550	79,550
2030-2034	240,000	151,550	391,550
2035-2039	285,000	102,800	387,800
2040-2044	340,000	42,200	382,200
Total	$1,138,182	$484,583	$1,622,765

For the year ended December 31, 2024, no interest was capitalized to fixed assets and $888 in the governmental funds and $39,120 in the proprietary funds totaling $40,008 was charged to expense.

NOTE I - LONG-TERM LIABILITIES - continued

Long-term liability activity for the year ended December 31, 2024, was as follows:

	Balance Beginning Of Year	Additions	Reductions	Balance End Of Year	Due Within One Year
Governmental Activities:					
Note Payable	$21,700	$0	$5,905	$15,795	$6,136
Total Governmental Activities	$21,700	$0	$5,905	$15,795	$6,136
Business-Type Activities					
Water & Sewer Revenue					
Bonds	$1,115,000	$0	$40,000	$1,075,000	$40,000
Note Payable	65,100	0	17,715	47,385	18,408
Total Business-Type Activities	$1,180,100	$0	$57,715	$1,122,385	$58,408

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 in 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 - 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 L - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of Interfund balances as of December 31, 2024, is as follows:

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

There were no interfund receivables or payables as of December 31, 2024.

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	$27,223	$27,223
Conservation Trust	$24,363	$0	$24,363

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.

NOTE N - SUBSEQUENT EVENT

Management has evaluated subsequent events through September 30, 2025, 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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES					
Taxes					
General Property Taxes	$ 143,787	$ 143,787	$ 158,836	$ 15,049	$ 145,778
Specific Ownership Taxes	20,000	20,000	28,213	8,213	22,493
Penalty and Interest on Taxes	300	300	13,155	12,855	436
General Sales and Use Taxes	623,000	623,000	650,576	27,576	546,674
Franchise Tax Equivalents	65,000	65,000	63,524	(1,476)	65,705
Occupation Taxes	750	750	375	(375)	375
Severance Tax	6,500	6,500	5,165	(1,335)	6,283
Total Taxes	859,337	859,337	919,844	60,507	787,744
Licenses and Permits					
General					
Business License	500	500	1,005	505	243
Building Permits	7,600	7,600	10,239	2,639	16,749
Liquor License	350	350	1,125	775	100
Other Permit Fees	4,500	4,500	8,181	3,681	13,489
Planning and Zoning Fees	1,700	1,700	0	(1,700)	0
Total Licenses and Permits	14,650	14,650	20,550	5,900	30,581
Intergovernmental					
State Shared Revenues					
Cigarette Taxes	900	900	1,213	313	1,506
Mineral Lease	3,354	3,354	1,695	(1,659)	2,893
Government Grant	150,000	150,000	12,300	(137,700)	0
Total Intergovernmental	154,254	154,254	15,208	(139,046)	4,399
Miscellaneous					
Earnings on Investments	1,000	1,000	3,317	2,317	4,152
Miscellaneous	2,800	2,800	97,837	95,037	14,920
Property Lease	16,800	16,800	16,200	(600)	15,500
Administrative Fees	28,300	28,300	28,300	0	27,292
Total Miscellaneous	48,900	48,900	145,654	96,754	61,864
Public Safety					
Federal Grant	30,847	30,847	30,847	0	24,807
State Grant	92,747	92,747	87,550	(5,197)	56,302
Animal Licenses	400	400	225	(175)	115
Vehicle Inspection Fees	600	600	300	(300)	400
Miscellaneous	42,000	59,600	56,249	(3,351)	46,917
Total Public Safety	166,594	184,194	175,171	(9,023)	128,541

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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES					
Judicial					
Traffic Fines	5,000	5,000	3,171	(1,829)	1,876
Other Code Violations	6,000	6,000	1,742	(4,258)	2,770
Miscellaneous	250	250	0	(250)	0
Total Judicial	11,250	11,250	4,913	(6,337)	4,646
Parks					
Federal Grants	0	0	0	0	0
State Grants	0	0	0	0	0
Miscellaneous	50	50	366	316	280
Park Rental Fees	7,500	7,500	600	(6,900)	1,325
Total Parks	7,550	7,550	966	(6,584)	1,605
Recreation					
Contributions	0	0	0	0	0
Sponsors	0	0	0	0	0
Program Fees	0	0	0	0	0
Facilities Rental	0	0	0	0	0
Total Recreation	0	0	0	0	0
Community Center					
State Grants	15,000	15,000	15,000	0	10,000
Contributions	0	0	901	901	0
Community Center Rental	13,400	13,400	6,115	(7,285)	7,630
Total Community Center	28,400	28,400	22,016	(6,384)	17,630
Total Revenues Before Transfers In	1,290,935	1,308,535	1,304,322	(4,213)	1,037,010
TRANSFERS IN					
Transfers from Conservation Trust for Parks Expenditures	20,000	20,000	24,363	4,363	28,206
Total Transfers In	20,000	20,000	24,363	4,363	28,206
TOTAL REVENUES & TRANSFERS IN	$1,310,935	$1,328,535	$1,328,685	$150	$1,065,216

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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES					
General Government					
Current					
Salaries	46,000	46,000	44,652	1,348	42,225
Mayor and Trustee Wages	6,120	6,120	5,800	320	3,040
Employee Benefits	9,943	9,943	9,172	771	7,750
Insurance	12,428	12,428	12,405	23	6,064
Workers' Compensation	2,529	2,529	2,220	309	2,615
Auditing Fees	3,200	3,200	3,300	(100)	3,200
Legal Fees	11,500	11,500	21,673	(10,173)	17,500
Contract Services	0	0	6,465	(6,465)	0
Treasurer's Fees	3,500	3,500	3,484	16	2,838
Clerk and Recorder Fees	300	300	0	300	18
Dues and Membership Fees	4,000	4,000	5,450	(1,450)	5,950
Travel and Training	3,000	3,000	2,455	545	295
Meals	1,500	1,500	1,256	244	904
Publishing	1,000	1,000	1,443	(443)	635
Publications	400	400	743	(343)	483
Postage	4,000	4,000	5,928	(1,928)	4,054
Utilities	5,250	5,250	4,998	252	4,409
Telephone	4,000	4,000	2,667	1,333	2,920
Maintenance Contracts	12,800	12,800	4,584	8,216	9,150
Office Supplies	5,000	5,000	9,350	(4,350)	4,642
Supplies	3,000	3,000	7,959	(4,959)	4,206
Equipment Rental	5,500	5,500	1,918	3,582	5,770
Building & Facility Repairs	750	750	1,082	(332)	1,063
Equipment Repairs	2,500	2,500	19	2,481	257
Cleaning Services	2,500	2,500	1,929	571	5,081
Fuel and Oil	750	750	427	323	235
Miscellaneous Expense	15,500	15,500	11,332	4,168	3,594
Bank Fees	2,000	2,000	791	1,209	1,082
Donations & Gifts	2,000	2,000	2,500	(500)	2,125
Economic Development	136,473	136,473	32,546	103,927	38,021
Senior Citizen Assistance	1,000	1,000	1,000	0	1,000
Use Tax Expense	5,000	5,000	(2,403)	7,403	8,194
Election Judges	300	300	(969)	1,269	969
Election Supplies	1,500	1,500	969	531	969
Capital Equipment Expense	0	0	9,186	(9,186)	648
Total Current	315,243	315,243	216,331	98,912	191,906

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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES					
Public Safety					
Current					
Salaries	331,944	331,944	323,568	8,376	300,875
Part Time Wages	18,800	18,800	26,032	(7,232)	16,091
Employee Benefits	64,800	64,800	55,188	9,612	48,781
Insurance	38,511	38,511	38,488	23	9,096
Workers' Compensation	10,479	10,479	10,169	310	10,834
Legal Fees	5,500	5,500	3,838	1,662	10,473
Contract Services	67,500	67,500	76,544	(9,044)	63,995
Animal Impound Fees	3,000	3,000	3,093	(93)	720
Grant Expenses	1,500	1,500	982	518	50
Travel and Training	5,250	5,250	10,602	(5,352)	7,284
Meals	2,750	2,750	2,521	229	3,024
Postage	50	50	37	13	57
Utilities	7,500	7,500	4,783	2,717	5,034
Telephone	8,900	8,900	7,718	1,182	7,147
Maintenance Contracts	10,000	10,000	3,023	6,977	5,968
Office Supplies	2,000	2,000	1,491	509	7,161
Clothing	9,000	9,000	548	8,452	11,033
Ammunition	3,000	3,000	0	3,000	4,183
Supplies	10,000	12,738	7,748	4,990	10,415
Equipment Rental	2,250	2,250	632	1,618	1,742
Building and Facility Repairs	1,000	1,000	18,416	(17,416)	32,033
Equipment Repairs	15,000	15,000	4,950	10,050	25,850
Fuel and Oil	14,000	14,000	11,645	2,355	12,102
Miscellaneous Expense	6,000	6,000	2,569	3,431	8,415
Donations & Gifts	500	500	500	0	700
Total Current	639,234	641,972	615,085	26,887	603,063
Capital Outlay					
Capital Equipment	30,000	44,862	44,862	0	12,000
Total Capital Outlay	30,000	44,862	44,862	0	12,000
Total Public Safety Expenditures	669,234	686,834	659,947	26,887	615,063
TRANFERS OUT					
Transfers to Police Pension Fund	38,000	38,000	27,223	10,777	26,755
Total Public Safety Expenditures and Transfers	707,234	724,834	687,170	37,664	641,818

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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
EXPENDITURES					
Judicial					
Part Time Wages	17,320	17,320	14,270	3,050	17,230
Employee Benefits	2,750	2,750	1,114	1,636	1,371
Workers Compensation	723	723	0	723	747
Juror Fees	300	300	0	300	1,420
Travel and Training	700	700	686	14	280
Office Supplies	200	200	0	200	14
Supplies	0	0	0	0	0
Miscellaneous	0	0	0	0	0
Total Judicial	21,993	21,993	16,070	5,923	21,062
Parks					
Current					
Salaries	58,000	58,000	63,572	(5,572)	59,089
Part Time Wages	50,000	50,000	45,425	4,575	38,495
Employee Benefits	17,100	17,100	16,902	198	16,015
Insurance	6,031	6,031	6,008	23	4,851
Workers' Compensation	3,251	3,251	2,942	309	3,362
Contract Services	1,050	1,050	786	264	0
Dues and Membership Fees	150	150	191	(41)	145
Travel and Training	150	150	165	(15)	171
Utilities	9,500	9,500	7,561	1,939	6,920
Telephone	430	430	528	(98)	209
Clothing	700	700	368	332	595
Event Facilitation Expense	7,500	7,500	384	7,116	1,674
Supplies	7,350	7,350	7,664	(314)	6,028
Mosquito Control	100	100	0	100	0
Chemicals	7,000	7,000	4,747	2,253	5,804
Gravel	0	0	0	0	0
Equipment Rental	7,350	7,350	9,610	(2,260)	7,666
Equipment Repairs & Maintenance	6,000	6,000	1,639	4,361	5,405
Building Facility Repairs	0	0	0	0	0
Fuel and Oil	4,000	4,000	2,614	1,386	4,704
Miscellaneous Expense	1,200	1,200	1,251	(51)	1,548
Grant Match	0	0	0	0	0
Water Assessments	575	575	0	575	1,093
Total Current	187,437	187,437	172,357	15,080	163,774
Capital Outlay					
Capital Equipment	15,000	15,000	9,500	5,500	0
Capital Improvements	0	0	39,339	(39,339)	3,192
Total Capital Outlay	15,000	15,000	48,839	(33,839)	3,192
Total Parks	202,437	202,437	221,196	(18,759)	166,966

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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024				2023
	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	8,320	8,320	1,868	6,452	32
Part Time Wages	4,700	4,700	7,813	(3,113)	6,373
Employee Benefits	2,420	2,420	749	1,671	508
Insurance	3,467	3,467	3,444	23	1,819
Workers' Compensation	361	361	361	0	374
Utilities	3,800	3,800	3,785	15	3,514
Telephone	960	960	993	(33)	1,254
Supplies	500	500	492	8	270
Building and Facility Repairs	2,500	2,500	4,238	(1,738)	1,561
Cleaning Services	0	0	0	0	0
Total Community Center	27,028	27,028	23,743	3,285	15,705
Total Current Expenditures	1,190,935	1,193,673	1,043,586	150,087	995,510
Total Capital Outlay Expenditures	45,000	59,862	93,701	(33,839)	15,192
Total Debt Service Expenditures	0	0	0	0	0
Total Transfers Out	38,000	38,000	27,223	10,777	26,755
Total Expenditures & Transfers Out	1,273,935	1,291,535	1,164,510	127,025	1,037,457
NET CHANGES IN FUND BALANCE	37,000	37,000	164,175	(126,875)	27,759
FUND BALANCES, JANUARY 1	331,663	331,663	331,663	10,621	303,904
FUND BALANCES, DECEMBER 31	$368,663	$368,663	$495,838	($116,254)	$331,663

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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024			2023
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Taxes				
General Sales Tax	$289,000	$323,691	$34,691	$272,273
Intergovernmental				
Federal Grants	0	0	0	0
State Shared Revenues				
Highway Users Tax	53,498	61,236	7,738	52,678
Grants	0	0	0	28,333
County Shared Revenues				
Motor Vehicle Tax	40,500	43,215	2,715	40,050
Grants	0	0	0	0
Miscellaneous				
Street Assessment Revenue	29,000	29,885	885	28,882
Miscellaneous	1,000	0	(1,000)	104
Investment Income	400	787	387	630
Total Revenues	413,398	458,814	45,416	422,950
EXPENDITURES				
Public Works				
Salaries	117,700	113,539	4,161	108,500
Employee Benefits	27,800	25,331	2,469	25,239
Insurance	2,332	3,086	(754)	10,916
Workers' Compensation	5,059	4,749	310	5,230
Auditing Fees	3,200	3,300	(100)	3,200
Legal Fees	3,000	120	2,880	0
Contract Services	4,000	10,233	(6,233)	603
Travel and Training	400	186	214	0
Meals	250	75	175	74
Publishing	300	0	300	32
Postage	100	394	(294)	0
Utilities	13,000	13,362	(362)	11,234
Telephone	1,260	1,261	(1)	913
Maintenance Contracts	500	216	284	1,613
Office Supplies	250	0	250	30
Clothing	300	498	(198)	125
Supplies	8,000	5,992	2,008	1,213
Chemicals	900	0	900	0
Gravel	7,500	0	7,500	0
Administrative Fee	7,075	7,075	0	6,923
Safety Equipment	200	33	167	151
Building Facility Repairs	300	393	(93)	0
Equipment Repairs & Maintenance	6,000	2,375	3,625	5,521
Fuel and Oil	6,000	4,660	1,340	5,746
Street Materials	12,000	0	12,000	2,741
Main Street Beautification	1,000	56	944	38
Street Signs and Lights	8,000	939	7,061	0
Miscellaneous	1,500	716	784	442
Total Current	237,926	198,589	39,337	190,484
Capital Outlay				
Capital Improvements	140,000	0	140,000	26,039
Total Capital Outlay	140,000	0	140,000	26,039
Debt Service				
Principal	5,904	5,803	101	5,650
Interest	787	888	(101)	1,041
Total Debt Service	6,691	6,691	0	6,691
Total Road Fund Expenditures	384,617	205,280	179,337	223,214
NET CHANGES IN FUND BALANCE	28,781	253,534	(133,921)	199,736
FUND BALANCES, JANUARY 1	792,397	792,397	0	592,661
FUND BALANCES, DECEMBER 31	$821,178	$1,045,931	($133,921)	$792,397

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)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer Portion of Net Pension Asset	0.019670630%	0.024684156%	0.033423990%	0.031551571%	0.02851976%	3.15440300%	3.42861800%	3.20570700%	2.83664000%	2.30182300%
Employer Proportionate Share of Net Pension (Asset) Liability	-	21,910	(181,136)	(68,499)	(16,130)	39,880	(49,326)	11,583	(500)	(25,978)
Employer Covered Payroll	323,568	300,875	312,579	311,125	243,550	210,203	211,301	200,548	137,511	103,514
Employer Proportionate Share of Net Pension (Asset) Liability as a Percentage of Covered Payroll	0.00%	7.28%	-57.95%	-22.02%	-6.62%	18.97%	-23.34%	5.78%	-0.36%	-25.10%

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	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Required Employer Contributions	27,503	25,574	26,569	26,446	19,484	16,816	16,904	16,044	11,001	8,281
Employer Contributions Recognized by Plan	27,503	25,574	26,569	26,446	19,484	16,816	16,904	16,044	11,001	8,281
Difference	0	0	0	0	0	0	0	0	0	0
Employer Covered Payroll	323,568	300,875	312,579	311,125	243,550	210,203	211,301	200,548	137,511	103,514
Contributions as a Percentage of Employer Covered Payroll	8.50%	8.50%	8.50%	8.50%	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, 2024

	Special Revenue Fund Conservation Trust	Police Pension Permanent Fund	Total Non-Major Governmental Funds
ASSETS			
Cash and Cash Equivalents	$6,712	$0	$6,712
Certificate of Deposit	2,231	1,341	3,572
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, 2024

	Special Revenue Fund Conservation Trust		Police Pension Permanent Fund		Total Non-Major Governmental Funds	
	Actual	Budget	Actual	Budget	Actual	Budget
REVENUES						
Intergovernmental						
Lottery	$24,363	$20,000	$0	$0	$24,363	$20,000
Miscellaneous						
Investment Income	0	0	0	0	0	0
TOTAL REVENUES	24,363	20,000	0	0	24,363	20,000
EXPENDITURES						
Current:						
Public Safety	0	0	27,223	38,000	27,223	38,000
Capital Outlay:						
Public Safety	24,363	20,000	0	0	24,363	20,000
TOTAL EXPENDITURES	24,363	20,000	27,223	38,000	51,586	58,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(27,223)	(38,000)	(27,223)	(38,000)
Other Financing Sources (Uses):						
Transfers In (Out)	0	0	27,223	38,000	27,223	38,000
Total Other Financing Sources (Uses)	0	0	27,223	38,000	27,223	38,000
Net Change in Fund Balances	0	0	0	0	0	0
Fund Balance - Beginning of Year	8,943	8,943	1,341	1,341	10,284	10,284
Fund Balance - End of Year	$8,943	$8,943	$1,341	$1,341	$10,284	$10,284

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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024			2023
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Charges for Services	$386,000	$384,341	($1,659)	$346,920
Late Charge Fees	11,000	11,510	510	9,650
Tap Fees	6,000	6,000	0	6,000
Investment Income	500	2,057	1,557	1,521
Grants	182,399	200,000	17,601	0
Miscellaneous	5,000	7,683	2,683	6,022
Total Revenues	590,899	611,591	20,692	370,113
EXPENDITURES				
Operations and Maintenance				
Salaries	117,700	113,643	4,057	108,500
Employee Benefits	27,800	25,331	2,469	25,239
Insurance	2,332	3,086	(754)	10,916
Workers' Compensation	5,059	4,749	310	5,230
Auditing Fees	3,200	3,300	(100)	3,200
Legal Fees	3,000	1,330	1,670	1,834
Engineering Fees	5,000	4,581	419	2,246
Contract Services	300	2,353	(2,053)	135
Dues and Membership Fees	150	0	150	79
Travel and Training	500	113	387	74
Publishing	150	0	150	32
Postage	1,260	394	866	448
Utilities	4,000	2,224	1,776	1,923
Telephone	1,200	1,261	(61)	913
Maintenance Contracts	850	692	158	1,593
Clothing	300	498	(198)	125
Supplies	0	2,009	(2,009)	1,009
Chemicals	500	0	500	0
Administrative Fee	7,075	7,075	0	6,923
Safety Equipment	250	33	217	209
Building and Facility Repairs	300	376	(76)	42
Equipment Repairs & Maintenance	5,000	5,510	(510)	2,995
Other Permits	250	2,869	(2,619)	343
Fuel and Oil	7,000	4,083	2,917	5,605
Miscellaneous Expense	1,000	143	857	386
Reservoir Maintenance	5,000	0	5,000	2,521
Water Usage	145,000	141,424	3,576	110,781
Water Assessments	27,300	25,847	1,453	25,847
Water Tank Maintenance	30,275	19,146	11,129	2,724
Total Operations and Maintenance	401,751	372,070	29,681	321,872
Capital Outlay				
Capital Improvements	555,520	201,167	354,353	20,881
Debt Service				
Principal	5,904	5,803	101	5,650
Interest	787	888	(101)	1,041
Total Debt Service	6,691	6,691	0	6,691
TOTAL EXPENDITURES	963,962	579,928	384,034	349,444
CHANGE IN NET POSITION	($373,063)	$31,663	$404,726	$20,669

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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024			2023
	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES				
Charges for Services	$308,500	$308,039	($461)	$309,548
Tap Fees	5,000	10,200	5,200	0
Pump Station Surcharge	5,500	5,475	(25)	5,506
Investment Income	3,000	4,710	1,710	4,180
Grants	0	0	0	0
Miscellaneous Revenues	1,000	7,256	6,256	225
Total Revenues	323,000	335,680	12,680	319,459
EXPENDITURES				
Operations and Maintenance				
Salaries	117,700	113,743	3,957	108,500
Employee Benefits	27,800	25,331	2,469	25,239
Insurance	2,332	3,086	(754)	10,916
Workers' Compensation	5,059	4,749	310	5,230
Auditing Fees	3,200	3,300	(100)	3,200
Legal Fees	3,000	0	3,000	0
Engineering Fees	3,000	7,977	(4,977)	1,083
Contract Services	6,500	6,683	(183)	8,460
Dues and Membership Fees	500	85	415	355
Travel and Training	500	100	400	74
Publishing	200	0	200	32
Postage	1,260	394	866	448
Utilities	27,000	24,869	2,131	23,789
Telephone	3,255	3,512	(257)	2,732
Maintenance Contracts	1,000	692	308	1,593
Clothing	300	498	(198)	125
Supplies	3,350	2,306	1,044	1,967
Chemicals	500	0	500	0
Administrative Fee	7,075	7,075	0	6,923
Safety Equipment	250	47	203	209
Building and Facility Repairs	300	320	(20)	8
Equipment Repairs & Maintenance	3,500	2,937	563	4,525
Other Permits	2,700	0	2,700	2,586
Fuel and Oil	6,000	4,083	1,917	5,587
Miscellaneous Expense	2,580	246	2,334	379
Bank Fees	0	385	(385)	389
Water Assessments	2,000	1,063	937	2,436
Total Operations and Maintenance	230,861	213,481	17,380	216,785
Capital Outlay				
Capital Improvements	174,610	4,422	170,188	39,398
Debt Service				
Principal	45,904	5,803	40,101	40,650
Interest	40,439	37,344	3,095	38,181
Total Debt Service	86,343	43,147	43,196	78,831
TOTAL EXPENDITURES	491,814	261,050	230,764	335,014
CHANGE IN NET POSITION	($168,814)	$74,630	$243,444	($15,555)

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, 2024
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
REVENUES					
Charges for Services	$218,360	$218,360	$253,760	$35,400	$206,091
Investment Income	35	35	180	145	28
Grants	0	0	0	0	0
Miscellaneous Revenues	32,180	32,180	0	(32,180)	0
Total Revenues	250,575	250,575	253,940	3,365	206,119
EXPENDITURES					
Operations and Maintenance					
Salaries	133,599	133,599	67,713	65,886	62,892
Employee Benefits	29,741	29,741	14,253	15,488	13,280
Insurance	11,504	11,504	3,856	7,648	6,064
Workers' Compensation	7,227	7,227	6,917	310	3,736
Auditing Fees	4,800	4,800	3,300	1,500	3,200
Legal Fees	1,000	1,000	90	910	0
Contract Services	500	500	1,595	(1,095)	42
Travel & Training	900	900	251	649	74
Publishing	200	200	0	200	32
Postage	2,000	2,000	394	1,606	448
Utilities	4,000	4,000	938	3,062	833
Telephone	1,920	1,920	1,920	0	913
Maintenance Contracts	4,800	4,800	692	4,108	1,393
Clothing	600	600	498	102	125
Supplies	12,600	12,600	7,950	4,650	6,150
Administrative Fee	7,075	7,075	7,075	0	6,923
Safety Equipment	500	500	19	481	91
Building Repairs & Maintenance	600	600	539	61	0
Equipment Repairs & Maintenance	30,000	30,000	14,311	15,689	12,734
Fuel and Oil	6,800	6,800	4,223	2,577	5,729
Miscellaneous Expense	2,000	2,000	123	1,877	386
Dumping Fees	68,000	68,000	73,900	(5,900)	60,377
Total Operations and Maintenance	330,366	330,366	210,557	119,809	185,422
Capital Outlay					
Capital Improvements	0	0	0	0	0
Debt Service					
Principal	5,904	5,904	5,803	101	5,650
Interest	787	787	888	(101)	1,041
Total Debt Service	6,691	6,691	6,691	0	6,691
TOTAL EXPENDITURES	337,057	337,057	217,248	119,809	192,113
CHANGE IN NET POSITION	($86,482)	($86,482)	$36,692	$123,174	$14,006

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

LOCAL HIGHWAY FINANCE REPORT

This application was created by a Google Apps Script user   Report abuse   Learn more

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 - CY24

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

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes

A. Receipts from local sources

2. General Fund Appropriations:	$	0.00
3. Other local imposts: *from A.3. 'Total' below)*	$	395,800.60
4. Miscellaneous local receipts: *from A.4. 'Total' below)*	$	1,776.47
5. Transfers from toll facilities	$	989.50
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:	$	398,566.57
B. Private Contributions	$	0.00

A.3.¦ Other local imposts

a. Property Taxes &and Assessments	$	0.00
b. Other Local Imposts		
1. Sales Taxes:	$	366,905.69
2. Infrastructure and Impact Fees:	$	28,894.91
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)*	$	395,800.60

A.4.¦ Miscellaneous local receipts

a. Interest on Investments:	$	786.97
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:	$	989.50
h. Other:	$	0.00
Total: *(a through h) carried to 'Misc local receipts' above)*	$	1,776.47

C. Receipts from State Government

1. Highway User Taxes:	$	61,236.28
3. Other State funds:		
c. Motor Vehicle Registrations:	$	0.00
d. Other (Specify): Comments: undefined	$	0.00
e. Other (Specify): Comments: undefined	$	0.00
Total: *(1+3c,d,e)*	$	61,236.28

D. Receipts from Federal Government

2. Other Federal Agencies		
a. Forest Service:	$	0.00
b. FEMA:	$	0.00
c. HUD:	$	0.00

This application was created by a Google Apps Script user | Report abuse | Learn more

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

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$ 28,894.91
2. Maintenance:	$ 127,308.56
3. Road and street services	
a. Traffic control operations:	$ 25,461.71
b. Snow and ice removal:	$ 16,974.47
c. Other:	$ 0.00
4. General administration and miscellaneous	$ 22,915.54
5. Highway law enforcement and safety	$ 2,546.17
Total: *(A.1-5)*	$ 224,101.36

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

III - Disbursements for Road & Street Purposes

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$	28,894.91
2. Maintenance:	$	127,308.56
3. Road and street services		
a. Traffic control operations:	$	25,461.71
b. ¦Snow and ice removal:	$	16,974.47
c. Other:	$	0.00
4. General administration and miscellaneous	$	22,915.54
5. Highway law enforcement and safety	$	2,546.17
Total: *(A.1-5)*	$	224,101.36

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)*	$	224,101.36

Receipts, Disbursements & Costs

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

A. ON NATIONAL B. OFF NATIONAL

	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	$ 28,894.91	$ 28,894.91
5. Total Construction:			$ 28,894.91
d. Total Capital Outlay: *(Lines A.1.a. + 1.b. + 1.c.5)*			$ 28,894.91

Receipts, Disbursements & Costs

IV. Local Highway Debt Status

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

Receipts, Disbursements & Costs

IV. Local Highway Debt Status

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

Receipts, Disbursements & Costs

V - Local Road & Street Fund Balance

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliation
$ 528,171.01	$ 459,802.85	$ 224,101.36	$ 763,872.50	$ 0.00

Notes and Comments:

undefined

Please enter your name: Monique Garrett

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

Save | Print Mode | Edit Mode

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