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POPULAR ANNUAL
FINANCIAL REPORT





OLATHE
K A N S A S

A MESSAGE FROM THE DIRECTOR OF ECONOMY

Dear Olathe Residents,

One of our City's primary responsibilities is to be great stewards of taxpayer dollars in order to provide the exceptional services our residents expect. As part of our commitment to stewardship and transparency, we are pleased to present the City of Olathe 2022 Popular Annual Financial Report (PAFR). It is our goal that this document will provide you with a concise, easy-to-digest overview of the City's financial position and equip you with the information you need to feel confident that your tax dollars are being spent in a responsible way.

In the following report, you will find information about how we collect, allocate, and administer your tax dollars, as well as key goals and accomplishments. The information in the 2022 PAFR is derived from an extensive and more robust financial document, the Annual Comprehensive Financial Report (ACFR), and does not include information on all of the City's funds or component units.

The ACFR is prepared in accordance with generally accepted accounting principles (GAAP) and audited by Allen, Gibbs & Houlik, L.C.. As such, it provides much more detail, full disclosure of all material events, both financial and non-financial, as well as required supplementary and historical statistical information required by GAAP that may not be included in this PAFR.

For the fourth time, the City of Olathe has earned the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA), most recently for the 2021 PAFR. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious

national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive this award, a government unit must publish a PAFR, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.

Further, GFOA's Triple Crown recognizes governments who have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award, and the Distinguished Budget Presentation Award for a fiscal year. I am pleased to announce the City of Olathe has been recognized as a 2021 Triple Crown winner.

The City of Olathe has provided exceptional city services to the community for 166 years. During this time, the City has experienced massive growth and our services and programs have expanded and evolved, but our commitment to stewardship and financial transparency has remained the same. The City's financial position is strong, ensuring we are future-ready and able to sustain our long tradition of providing the exceptional services our residents expect for many years to come.

If you're interested in learning more about the City's financial position, please visit OlatheKS.gov/Government/Finance-Services/Financial-Reports.



Jamie Robichaud,
Director of Economy

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CONTACT US

The Finance Division is committed to providing clear and transparent reporting of the City's financial activities. We hope this report has been helpful in providing a brief overview of the City and its finances.

Questions concerning any of the information provided in this report or requests for additional financial information may be directed to:

City of Olathe Finance Division
Attention: Chief Financial Officer
Olathe City Hall
100 E. Santa Fe St
Olathe, KS 66061



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

**City of Olathe
Kansas**

For its Annual Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

SECTION 1

**CITY OF
OLATHE, KANSAS**



OLATHE ●

FORM OF GOVERNMENT

In 1986, Olathe voters selected a modified mayor-council-manager form of government.

Under Charter Ordinance No. 28, this form of government calls for a Mayor and two Council members elected by the City as a whole and four Council members elected by wards.

The governing body is generally referred to as the "City Council." As the policy makers, the City Council passes resolutions and ordinances, approves the budget, appoints citizens to advisory boards, and hires the City Manager, Municipal Judge and City Auditor.

The Mayor, four ward representatives and two at-large Council members are elected to four-year staggered terms.

CITY OF OLATHE WARDS



Mayor
John Bacon



At Large &
Mayor Pro Tem
Kevin Gilmore



At Large
Wes McCoy



Ward 1
Robyn Essex



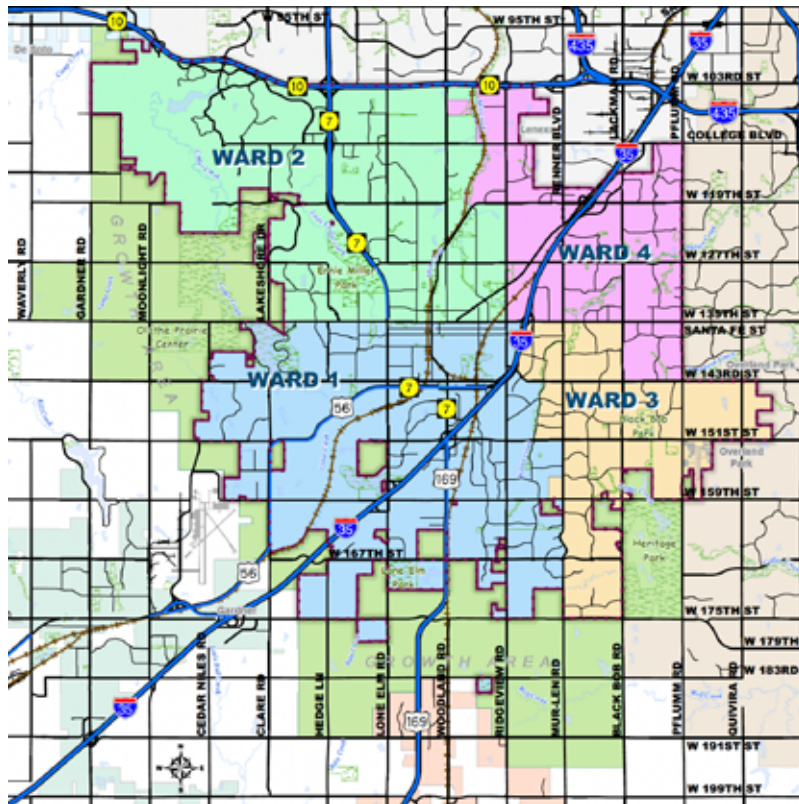
Ward 2
Adam Mickelson



Ward 3
LeEtta Felter



Ward 4
Marge Vogt



COMMUNITY PROFILE

As Reported - OlatheKS.gov/visitors/about-olathe

Olathe (o lay' tha)

The Shawnee Indian word for "beautiful"

Incorporated

1857

Location

Twenty miles southwest of downtown Kansas City, along the historic Oregon-California & Santa Fe Trails. Olathe is accessed via Interstate I-35.

Form of Government

Mayor-Council-Manager

County Seat

Johnson County, Kansas

Population

151,780

Median Age

34 years

City Land Mass

64.78 square miles

Park Space Per Resident

549 square feet

Paved Streets

1,368 total land miles

Elevation

1,100 feet



Olathe Market Facts

Per Capita Personal Income

\$84,535

Average Home Value

\$381,941

Median Value of Owner Occupied Housing

\$273,600

Unemployment Rate

2.5%



Olathe Household Facts

Average Household Size: 2.88

Average Family Size: 3.28

Occupied Housing Units: 50,070

Total Housing Units: 51,820



Olathe Employment Information

Retail Trade: 15.2%

Health Care & Social Assistance: 13.5%

Hospitality & Food Service: 10.7%

Education: 9.2%

Manufacturing: 7.9%

Wholesale Trade: 7.7%

Construction: 7.0%

Admin/Support/Waste Mgmt/Remediation: 6.4%

Finance & Insurance: 4.8%

Other: 17.6%



Olathe Top 5 Employers

GARMIN International - 4,600

Olathe Unified School District - 4,500

Olathe Health System - 2,500

Johnson County Government - 2,400

Farmers Insurance - 1,733

SECTION 2

**CITY TAX, REVENUE,
AND DEPARTMENT
EXPLANATIONS**

TAX EXPLANATION

SALES TAX

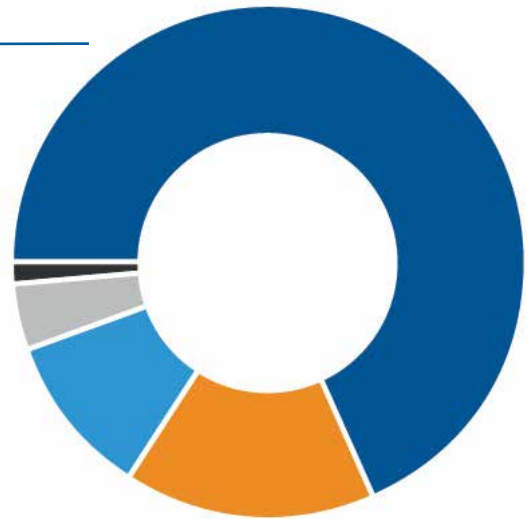
The **2022 Sales Tax rate of 9.475%** is divided among three different taxing entities.

The State of Kansas receives 6.500%, Johnson County receives 1.475%, and the City of Olathe receives 1.500%. Of the City's 1.500% sales tax, 1.000% is a general sales tax, 0.375% is specifically used for street maintenance, and 0.125% is dedicated to park projects.

Any change in sales tax must be approved by a majority of voters. Both the Street Maintenance Sales Tax and Park Sales Tax renewal measures passed 79% and 77%, respectively in 2023.

Where do your sales tax dollars go?

■ State of Kansas	68.60%
■ Johnson County	15.60%
■ Olathe General Fund	10.50%
■ Olathe Street Maintenance Sales Tax	4.00%
■ Olathe Park Sales Tax	1.30%



PROPERTY TAX

The **2022 Property Tax rate for the City of Olathe is 24.241 mills.**

Taxes paid by Olathe property owners not only fund the city government, but the county, state, community college, and school district. The City receives 20.15% of total property revenues.

Where do your property taxes go?

■ Olathe School District	54.16%
■ City of Olathe	20.15%
■ Johnson County	17.28%
■ Johnson County Community College	7.16%
■ State of Kansas	1.25%



CITY REVENUES AND EXPENSES



Olathe has many dedicated funds to keep track of tax revenue and budget for specific needs. The largest of these, the General Fund, pays for most major government functions.

General Fund: Three Year Trend

	2020	2021	2022
General Fund Revenues	\$107,917,776	\$121,086,049	\$134,818,369
General Fund Expenditures	\$108,108,165	\$115,688,013	\$115,550,535



General Fund Revenue Sources



Total Revenues: \$134,818,369

General Fund Expenditure Sources



Total Expenditures: \$115,550,535

CITY NET POSITION

The Statement of Net Position presents information on the City's assets, liabilities, deferred inflows, and deferred outflows, with the difference being the Net Position.

Net Position represents the difference between what the city owns, and what the city owes. This is an important measure and indicator of the City's overall financial health. In 2022, the City increased its net position. Not included in the below

comparison is information on the Olathe Public Housing Authority, which is legally separate from the primary government. Information on this discretely presented component unit, including financial data, can be found in the more comprehensive ACFR.

	Governmental Activities	Business-Type Activities	Total 2022	Total 2021
NET POSITION				
Current Assets	367,485,513	87,566,842	455,052,355	421,306,245
Capital Assets, Net of Depreciation	840,777,052	389,503,321	1,230,280,373	1,186,070,721
Deferred Outflows of Resources	36,894,856	7,038,352	43,933,208	28,732,998
Total Assets and Deferred Outflows	1,245,157,421	484,108,515	1,729,265,936	1,636,109,964
Current Liabilities	104,803,640	1,843,614	106,647,254	78,874,698
Non-Current Liabilities	402,502,303	146,880,282	549,382,585	508,038,441
Deferred Inflows of Resources	70,765,133	3,497,620	74,262,753	83,453,686
Total Liabilities and Deferred Inflows	578,071,076	152,221,516	730,292,592	670,366,825
Net Investment in Capital Assets	514,551,384	280,604,883	795,156,267	766,438,866
Restricted Net Position	122,512,791	9,365,758	131,878,549	109,413,246
Unrestricted Net Position	30,022,170	41,916,358	71,938,528	89,891,027
Total Net Position	667,086,345	331,886,999	998,973,344	965,743,139



CITY ASSETS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

	2018	2019	2020	2021	2022
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PUBLIC SAFETY

Police	<i>Stations</i>	1	1	1	1	1
	<i>Patrol units</i>	58	60	60	62	62
Fire stations	<i>Stations</i>	7	7	7	8	8

PUBLIC WORKS

Streets (miles)		1,275	1,306	1,372	1,345	1,368
Water and sewer	<i>Water mains (miles)</i>	600	600	600	627	632
	<i>Acre wellfield</i>	95	95	95	95	190
	<i>Sanitary sewers (miles)</i>	449	449	449	461	465
Solid waste	<i>Collection trucks</i>	43	43	43	44	44

COMMUNITY SERVICES

Acreage		1,559	1,559	1,916	1,916	1,916
Parks		45	45	45	43	43
Swimming Facilities		5	5	5	6	6
Trails (miles)		36	40	40	43	45



DEPARTMENTS, DIRECTORS, AND OVERVIEWS

CITY ADMINISTRATION

The Olathe City Manager provides direct oversight of all City Departments, including Police, Fire, Legal, and the City's four focus areas. Quality of Life, Infrastructure, Exceptional Services, and Economy are focus areas that support the overall work on the City.



City Manager's Office

Administer policies laid out by city council, prepare annual budget, build community relationships and work with other government jurisdictions.

City Manager

Michael Wilkes

Deputy City Manager

Susan Sherman

Divisions

- Organizational Development



QUALITY OF LIFE

Director

Mike Sirna

Divisions

- Library
- Parks & Recreation
- Animal Care & Control
- Community Enhancement
- Housing & Transportation
- Information Technology
- Knowledge/Asset Management





INFRASTRUCTURE

Director
Mary Jaeger

Divisions

- Engineering
- Vehicle Maintenance
- Field Operations
- Facilities
- Transportation
- Environmental Services
- Stormwater
- Solid Waste



EXCEPTIONAL SERVICES

Director
Erin Vader

Divisions

- Human Resources
- Communications & Marketing
- Customer Experience
- City Clerk
- Project Management



ECONOMY

Director
Jamie Robichaud

Divisions

- Finance
- Community Development



LEGAL

Municipal Judge
Katie McElhinney

City Attorney
Ron Shaver

Divisions

- Prosecution
- City Attorney
- Court Administration

PUBLIC SAFETY



FIRE

Chief

Jeff DeGraffenreid

Divisions

- Planning & Administration
- Emergency Services
- Community Risk Reduction



POLICE

Chief

Mike Butaud

Divisions

- Administration
- Support Services
- Patrol
- Investigations
- Special Operations
- Personnel/Training



BUDGET PRIORITIES



1. The City will continuously evaluate its financial position to ensure stability of resources.
2. The City will minimize the use of debt issued for periods over 10 years to preserve bonding flexibility and capacity. General obligation debt of twenty or more years will be reserved for legacy projects of city-wide significance.
3. The City will provide a balanced revenue structure that is responsive to economic conditions.
4. The City will adopt a balanced budget where all operating expenditures will be paid by operating revenues without reliance on reserves or one-time revenue sources.
5. The City Council will hold public hearings, which will allow for public input on budgetary spending.
6. The budget will establish legal spending limits for budgeted funds.
7. The budget will establish reserves to account for maintenance of capital assets.
8. The budget will apply excess revenues to one-time expenditures.
9. The budget will address major capital improvement projects that reflect the priorities of the community and the City Council.
10. The budget will fund exceptional city services and the top priorities of the community at the lowest sustainable tax rate.

