



BUILT ON WHAT MATTERS



2021 Annual Budget

FrederickCO.gov





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Frederick
Colorado**

For the Fiscal Year Beginning

January 1, 2020

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Town of Frederick, Colorado**, for its Annual Budget for the fiscal year beginning **January 1, 2020**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide and as a communication device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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LETTER OF TRANSMITTAL



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January 1, 2021

Citizens of the Town of Frederick
Honorable Mayor Tracie Crites
Frederick Board of Trustees

Dear Citizens, Mayor Crites, and Board of Trustees of the Town of Frederick:

It is with great pleasure that I present to the citizens, the Mayor, and the Board of Trustees the 2021 Budget for the Town of Frederick. This is one of the most important processes and decisions the Board of Trustees is responsible for each year. This budget, which is compliant with state statute and follows the modified accrual method, outlines the direction and presents the goals and outcomes that will be achieved during the 2021 calendar year. This document is a result of the direction provided by the Board and the hard work and diligence of both the Board and the town staff. The budget represents operational and maintenance objectives, capital improvements, and anticipates the future needs of the organization for the benefit of the citizens we proudly serve.

Budget Development and Foundation

As we embark on 2021, we expect to see growth and development continue while we deliver high-level services to the community. The Town of Frederick budget is developed through a collaborative process between and with citizens, the Board of Trustees, and staff. All three are instrumental in the process and its success. The key factors that guide the development of the budget include a focus to achieve Frederick's mission and a trajectory toward the community vision. For 2021, the individual components that facilitate this direction continue to be embodied in the Frederick Strategic Plan, *Our Strategic Foundation*. The foundations and strategies of the strategic plan as supported by the Board of Trustees include:

Foundation 1: Community Amenities

Strategy 1: Maintain and enhance the current culture, park, and trail systems.

Strategy 2: Plan, design and implement culture, park, and trail improvements.

Foundation 2: Community and Economic Vitality

Strategy 1: Economic development.

Strategy 2: Neighborhood livability.

Strategy 3: Community vitality.

Foundation 3: Community Safety

Strategy 1: Provide and maintain public safety in our community.

Strategy 2: Emergency preparedness.

Strategy 3: Provide and maintain safe infrastructure in our community.

Foundation 4: Facilities and Infrastructure

Strategy 1: Provide a high-quality and reliable water supply and manage drainage appropriately.

Strategy 2: Maintain an adequate and safe transportation system.

Strategy 3: Provide and maintain safe, reliable, and cost-effective electric service.

Strategy 4: New and existing buildings and facilities.

Foundation 5: Fiscal Responsibility and Operational Excellence

Strategy 1: Maintain fiscal sustainability and flexibility.

Strategy 2: Enhance public trust and confidence.

Strategy 3: Deliver efficient, effective and innovative government services.

As part of the 2021 budget development, we continued to create meaningful links back to *Our Strategic Foundation* by transitioning to a Program Based Budget (PBB). When our transition to PBB is complete, we will have a more transparent and comprehensive understanding of where dollars are allocated and how those dollars accomplish elements of the community's strategic plan, which as a result will create outcomes that achieve our organizational mission. In addition, a Program Based Budget will provide the Board and community the opportunity to provide critical and meaningful feedback on which programs they want to see additional emphasis placed. This will allow financial resources to be allocated appropriately to meet the demands of those programs.

Budget - By the Numbers

While the financial resources available are limited in local government, we continue to have healthy fund balance levels across all funds. These fund levels are based on policies provided by the Town Board to achieve a 180 days unreserved General Fund balance level. At the end of 2021, we anticipate this to be 250 days for the General Fund.

The following tables contain basic statistics for the town budget. Revenue resources include both estimated beginning fund balance, revenues, and transfers in for fiscal year 2021. Expenditures include both expenditures and transfers out. Total projected fund balance across all funds at the end of 2021 is \$45,493,601.

Fund	Revenue Resources	Estimated Expenditures
General Fund	\$18,973,566	\$8,920,983
Street and Alley Fund	6,660,826	2,268,118
Water Fund	16,570,762	3,937,034
Storm Water Fund	6,398,058	908,816
Conservation Trust Fund	148,304	250
Golf Fund	533,248	1,009,978
Open Space Fund	3,494,697	439,352
Park Fund	3,155,658	1,075,788
Capital Facilities Fund	6,447,889	270,640
Events Fund	183,638	186,000
Historic Preservation Fund	3,481	1,000
Art in Public Places Fund	146,934	40,000
Public Safety Fund	338,403	0
Oil Royalty Improvement Fund	1,553,096	57,000
Total	\$64,608,560	\$19,114,959

General Fund

In 2021, we anticipate economic growth to continue. We are projecting 2020 General Fund revenues to come in higher than budgeted by approximately 8.3% percent or \$884,026. The majority of these revenues are associated with an increase in building permit fees, state grants, and sales taxes.

At the end of 2021, the General Fund is expected to have an ending unreserved fund balance of 250 days or 68.5 percent of the total general fund budget operating costs. This is especially important for bond holders and investors when evaluating our financial condition. The town continues to champion its AA rating.

- Revenues:
 - Total Revenues decrease from 2020 actuals: (14.4%) | (\$1,657,055)
 - Total Revenues: \$9,796,771
 - Sales Tax Revenue is expected to decrease compared to 2020 Actuals by approximately \$468,805
 - Sales Tax-Public Safety Revenue is expected to decrease compared to 2020 Actuals by approximately \$416,317
 - Sales Tax-Building Revenue is expected to decrease compared to 2020 Actuals by approximately \$221,612
 - Building Permit Revenue is expected to decrease compared to the 2020 Actuals by approximately \$153,220
 - Transfers in to the General Fund include the transfer of \$576,011 from the Street and Alley Fund.
- Expenditures:
 - Total Expenditures increase from 2020 actuals: 28.4% | \$2,168,736
 - Total Expenditures: \$9,796,771
 - Transfers out of the General Fund include the transfer of \$689,940 to the Capital Improvement Fund and \$70,000 to the Events Fund.
- Staffing:
 - Economic Development: One (1) Director FTE
 - Town Attorney: One (1) Attorney FTE
 - Police: Two (2) Officer and one (1) Commander FTE
 - Engineering: One (1) Inspector and one (1) Engineer FTE
 - Public Works: One (1) Technician, one (1) Supervisor, and one (1) Assistant Director FTE
- Capital:
 - Engineering: Inspection equipment and Speed Light program
 - Public Works:
 - Vehicle and excavation/construction equipment
 - Water meter read system replacement
 - PW lot paving for erosion mitigation
 - Administration: Financial software package upgrade
 - Planning: Centennial Park improvements

Street and Alley Fund

The 2021 budget for the Street and Alley Fund will see an increase of expenditures compared to the projection for 2020 by approximately 42% percent or \$1,310,083. The increase can be directly attributed to additions in Capital Improvement Projects (CIP) for the community for the 2021 budget year.

In 2021, we will continue to focus on roadway and pedestrian maintenance projects, including the pavement maintenance program, concrete alley projects, roadway striping, gravel road maintenance, and sidewalk maintenance. In addition, funding is included to replace vehicles and equipment.

Lastly, debt services in the amount of \$408,700, associated with Colorado Boulevard improvements since 2006, are included in the Street and Alley Fund. As always, the town is committed to ensuring full and prompt payment to avoid negative impacts to its AA rating.

- Revenues:
 - Total Revenues decrease from 2020 actuals: (10.6%) | (\$529,576)
 - Total Revenues: \$4,427,068
 - Transfers in to the Street and Alley Fund include the transfer of \$921,068 from Street and Alley Fund Balance
- Expenditures:
 - Total Expenditures increase from 2020 actuals: 36.4% | \$1,182,971
 - Total Expenditures: \$4,427,068
 - Debt Services
 - Street Sweeper: \$46,968
 - Roadway Bond: \$408,700
 - Transfers out of the Street and Alley Fund include the transfer of \$2,159,450 to the Capital Improvement Fund
- Capital:
 - Downtown alley improvements
 - Pavement maintenance program
 - Concrete maintenance program
 - Street lighting system replacement
 - Public Works vehicle(s), trailer(s), and slice shed replacement

Water Fund

The town continues to be proactive in the planning for new water sources in which the town is an active and engaged partner. Specifically, the town is involved with both the Northern Integrated Supply Project (NISP) and the Windy Gap Water Project. In addition, funds have been budgeted for the construction of a large 30" water line to provide adequate water pressure and supply to east Frederick developments. An update of the Water Conservation Plan and development of a Potable Water Master Plan that began in 2020 for the evaluation of Town water needs, is on schedule for 2021 completion.

- Revenues:
 - Total Revenues decrease from 2020 actuals: (4.93%) | (\$544,299)
 - Total Revenues: \$10,478,284

- Water Consumption rate change + 5%
- Transfers in to the Water Fund include the transfer of \$5,242,784 from Water Fund Balance
- Expenditures:
 - Total Expenditures increase from 2020 actuals: 119.8% | \$5,711,248
 - Total Expenditures: \$10,478,284
 - Transfers out of the Water Fund include the transfer of \$6,541,250 to the Capital Improvement Fund
- Capital:
 - Development of Potable Water Master Plan
 - Update of Water Conservation Plan
 - Windy Gap Water allocation
 - 30" Central Weld Water Line
 - NISP Water allocation

Conservation Trust Fund

This fund is generated by lottery proceed revenues. Fund usage must be reported annually to the Department of Revenue and is generally earmarked in Frederick for park improvements and maintenance of parks. For these purposes, we focus on the cost of physical assets rather than the personnel costs for ease of tracking and reporting requirements. In the fund, we attempt to collect revenues over several years to focus on large capital needs at the various park and open space areas.

- Revenues:
 - Total Revenues decrease from 2020 actuals: (4.9%) | (\$3,467)
 - Total Revenues: \$66,050
- Expenditures:
 - Total Expenditures decrease from 2020 actuals: (25%) | (\$22,118)
 - Total Expenditures: \$66,050
 - Transfers out of the Conservation Trust Fund include the transfer of \$65,800 to the Capital Improvement Fund
- Capital:
 - Summit View Estates playground replacement and pour-in-place surfacing

Capital Facilities Fund

Capital Facilities revenue is generated through an impact fee charged for each new construction permit in the town. The funds collected are utilized for capital projects in the community to meet the needs of the growth that is occurring. Funds collected at this time are designated for lease purchase payments of the Public Works building constructed in 2014.

- Revenues:
 - Total Revenues decrease from 2020 actuals: (41.4%) | (\$234,550)
 - Total Revenues: \$331,000
- Expenditures:
 - Total Expenditures decrease from 2020 actuals: (31.2%) | (\$150,684)
 - Total Expenditures: \$331,000

- Public Works facility debt service
- Transfers out of the Capital Facilities Fund include the transfer of \$60,360 to the Capital Facilities Fund Balance

Storm Water Fund

The town's Storm Water Fund will continue to focus on maintenance and upkeep of its drainage and storm water network. In addition, funds have been budgeted for the completion of a storm water master plan that will focus on developing a dynamic long-term planning document for the town's storm water management program.

- Revenues:
 - Total Revenues decrease from 2020 actuals: (4.3%) | (\$51,971)
 - Total Revenues: \$10,478,284
 - Transfers in to the Storm Water Fund include the transfer of \$161,566 from Storm Water Fund Balance
- Expenditures:
 - Total Expenditures increase from 2020 actuals: 87.2% | \$530,037
 - Total Expenditures: \$10,478,284
 - Transfers out of the Storm Water Fund include the transfer of \$228,750 to the Capital Improvement Fund
- Capital:
 - Storm Water Master Plan
 - Countryside storm water conveyance repair
 - Carriage Hills retaining wall replacement
 - Public Works vehicle and trailer replacements
 - Public Works equipment replacement

Golf Course Fund

In 2020, an allocation was made from the General Fund to help continue to support golf course operations as we continue to work toward reducing General Fund support in future years.

- Revenues:
 - Total Revenues increase from 2020 actuals: 218.3% | \$1,182,796
 - Total Revenues: \$2,147,618
 - Transfers in to the Golf Course Fund include the transfer of \$1,598,818 from the Golf Course Fund Balance
- Expenditures:
 - Total Expenditures increase from 2020 actuals: 102.7% | \$1,088,204
 - Total Expenditures: \$2,147,618
 - Transfers out of the Golf Course Fund include the transfer of \$1,137,640 to the Capital Improvement Fund
- Capital:
 - Vehicle Lease Program and course maintenance equipment
 - Replacement of maintenance facility
 - Course path concrete pour
 - Irrigation analysis and replacement
 - Construction of on-course shelter and restrooms

- Replacement of HVAC and water heater

Events Fund

The purpose of this fund is for the coordination and celebration of the town's many community events. The town hosts several annual events including Miners Day, Frederick in Flight, Tree Lighting, Chainsaws and Chuckwagons, DIY Day and Tiny Terror Town. These events continue to bring the community together to celebrate the town, its people and heritage. An allocation from the General Fund is provided to support town events and the remaining balance is funded through sponsorships.

- Revenues:
 - Total Revenues increase from 2020 actuals: 163.6% | \$115,461
 - Total Revenues: \$186,000
 - Transfers in to the Events Fund include the transfer of \$70,000 from the General Fund and \$24,750 from Events Fund Balance
- Expenditures:
 - Total Expenditures increase from 2020 actuals: 123.5% | \$102,779
 - Total Expenditures: \$186,000

Park Improvement Fund

The Park Improvement Fund is designated for park maintenance and capital projects within the many parks that the town owns and maintains. An impact fee is charged for new construction on each permit and these funds are designated for capital projects. Also, transfers from franchise fees are utilized for operations of this fund as there is no meaningful revenue stream for the maintenance of town parks from which to operate. In total, the town maintains over 300 acres of parkland in at least 16 parks.

- Revenues:
 - Total Revenues increase over 2020 actuals: 82.8% | \$761,328
 - Total Revenues: \$1,679,988
- Expenditures:
 - Total Expenditures decrease over 2020 actuals: (17.3%) | (\$352,853)
 - Total Expenditures: \$1,679,988
 - Transfers out of the Park Improvement Fund include the transfer of \$604,200 to the Capital Improvement Fund
- Capital:
 - Crist Park shelter and irrigation replacement
 - Frederick Recreation Area shelter replacement and one additional shelter
 - Colorado Blvd irrigation pump(s) replacement and expansion
 - Centennial Park improvements (development and electrical/utility expansion)
 - Public Works equipment replacement: skidsteer, RTV(s), tractor(s), backhoe, refurbish plow truck(s), mower(s)

Open Space Fund

While the Open Space Fund is not an enterprise fund, it does function similar to one in that it has designated revenue sources and only those revenues are used for expenses through the fund. These revenues include a dedicated one-half (.5) percent sales tax and a capital impact fee for open space exclusively. Notable items in this budget includes a component of further open space expansion and trail development this calendar year.

- Revenues:
 - Total Revenues increase from 2020 actuals: 87.4% | \$1,262,086
 - Total Revenues: \$2,705,052
 - Transfers in to the Open Space Fund include the transfer of \$1,694,052 from Open Space Fund Balance
- Expenditures:
 - Total Expenditures increase from 2020 actuals: 52.6% | \$932,447
 - Total Expenditures: \$2,705,052
 - Transfers out of the Open Space Fund include the transfer of \$2,265,700 to the Capital Improvement Fund
- Capital:
 - Purchase of old gravel mine for community open space
 - Mendoza Trail development for elementary school access
 - Frederick Way Trail expansion for K-8 school access
 - Public Works equipment replacement: skidsteer, RTV(s), tractor(s), backhoe, refurbish plow truck(s)

Public Safety Fund

Established in 2020, Public Safety Fund fees collected are to be used for capital improvements, including police protection planning, preliminary architectural and engineering services, architectural and engineering design studies, land surveys, land acquisition, site and off-site improvements associated with new or expanded facilities, and the purchase of public safety and police apparatus and equipment.

- Revenues:
 - Total Revenues decrease from 2020 actuals: (27.4%) | (\$60,559)
 - Total Revenues: \$160,000
- Expenditures:
 - Total Expenditures decrease from 2020 actuals: (100%) | (\$54,074)
 - Total Expenditures: \$0
 - Transfers out of the Public Safety Fund include the transfer of \$338,403 to the Capital Improvement Fund

Capital Projects Fund

A Capital Improvement Fund was created in 2021 in order to account for proper segregation of funding for facility maintenance and capital projects, not included in enterprise funds. Transfers from nine (9) funds occurred for the additions of permanent structural changes or property restorations to ensure efficient use of public funds.

Transfers From:

General Fund	\$ 689,940
Street and Alley Fund	2,159,450
Conservation Fund	65,000
Public Safety Fund	338,403
Water Fund	6,541,250
Storm Water Fund	228,750
Golf Fund	1,137,640
Park Improvement Fund	604,200
Open Space Fund	<u>2,265,700</u>
	\$14,030,333

Current and Future Outlook

Frederick's 6.555 property tax mill levy is the fourth lowest mill levy out of the 30 municipalities in Weld County. From a tax perspective, this is an advantage for property owners in the community. However, with only \$6.56 of every \$1,000 of assessed property value going to the town, the ability to provide critical core services can be challenging. Additionally, out of the 30 municipalities in Weld County, Frederick continues to have one of the lowest sales tax rate at 3.5 percent. One and one half (1.5) percent of that is restricted which leaves only two (2) percent for general purposes. All of the other municipalities with tax rates lower than Frederick have populations of less than one thousand except for one, which has a population equal to forty percent of Frederick's population. Consequently, Frederick must do more with less for its citizens and we continue to meet or exceed those expectations.

As discussed previously and based on the information provided in the previous paragraph, the town should continue to critically evaluate the need for additional revenue sources to meet the needs of the community and grow responsibly with the community. It has been discussed previously that this may be in the form of sales taxes in which visitors and community members alike make a conscious choice to contribute to the revenue sources versus a mill levy, where the citizens are asked to contribute to the additional revenue. While each has its pros and cons, the sales tax revenue has a larger upside and can be dedicated for specific purposes such as infrastructure or public safety.

Acknowledgement

I want to recognize the valuable and significant contributions provided by the department directors and their teams to identify and communicate the needs within their respective departments that align with the community's goals and objectives. Most notably, the Finance team has dedicated a substantial amount of time to prepare the budget and provide critical analysis of data to make a comprehensive budget document we can all be proud of. Thank you to each and every one of you for your dedication, time and support for this organization and the community.

Sincerely,



Bryan Ostler
Town Manager

INTRODUCTION



TOWN GOVERNMENT



Mayor Tracie Crites



Mayor Pro Tem Dan March



Trustee Rusty O'Neal



Trustee Kevin Brown



Trustee Mark Lamach



Trustee Adam Mahan

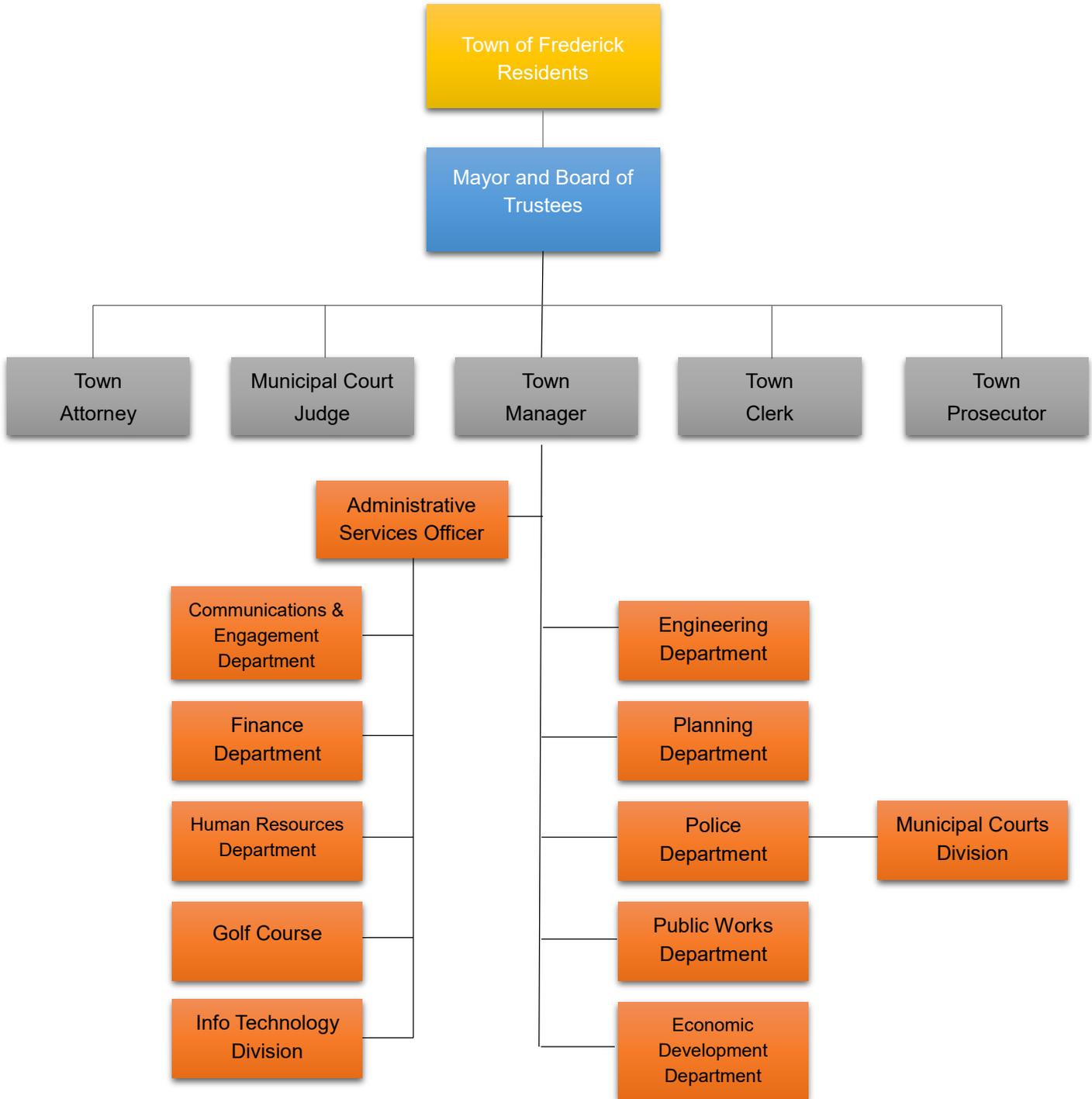


Trustee Windi Padia

TOWN MANAGER AND DEPARTMENT DIRECTORS

Bryan Ostler	Town Manager
Jason Leslie	Administrative Services Officer
Kurtis Adams	Finance Manager
Kevin Ash	Engineering Director
Ryan Johnson	Economic Development Director
Cindy Kamigaki	GIS Manager
Meghan Martinez	Town Clerk
Jason Meyers	Town Attorney
Lauren Mueller	Human Resources Director
Todd Norris	Police Chief
Tim Schwartz	Golf Course General Manager
Jennifer Simmons	Planning Director
Kent VanDyne	Public Works Director
Angela Wilson	Communications & Engagement Manager

ORGANIZATIONAL CHART



Elected Positions	Appointed Positions	Staffed Positions
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BOARDS AND COMMISSIONS

Commissions at the Town of Frederick serve in an advisory capacity to the Board of Trustees. Commissions have been established for the primary topics critical to the operation of Frederick town government. Current Boards and Commissions for the Town of Frederick include the following:

Building Appeals Board

Frederick Arts Commission

Historic Preservation Advisory Commission

Parks, Open Space & Trails Commission

Planning Commission

Urban Renewal Authority

Scholarship Commission

Citizen Participation

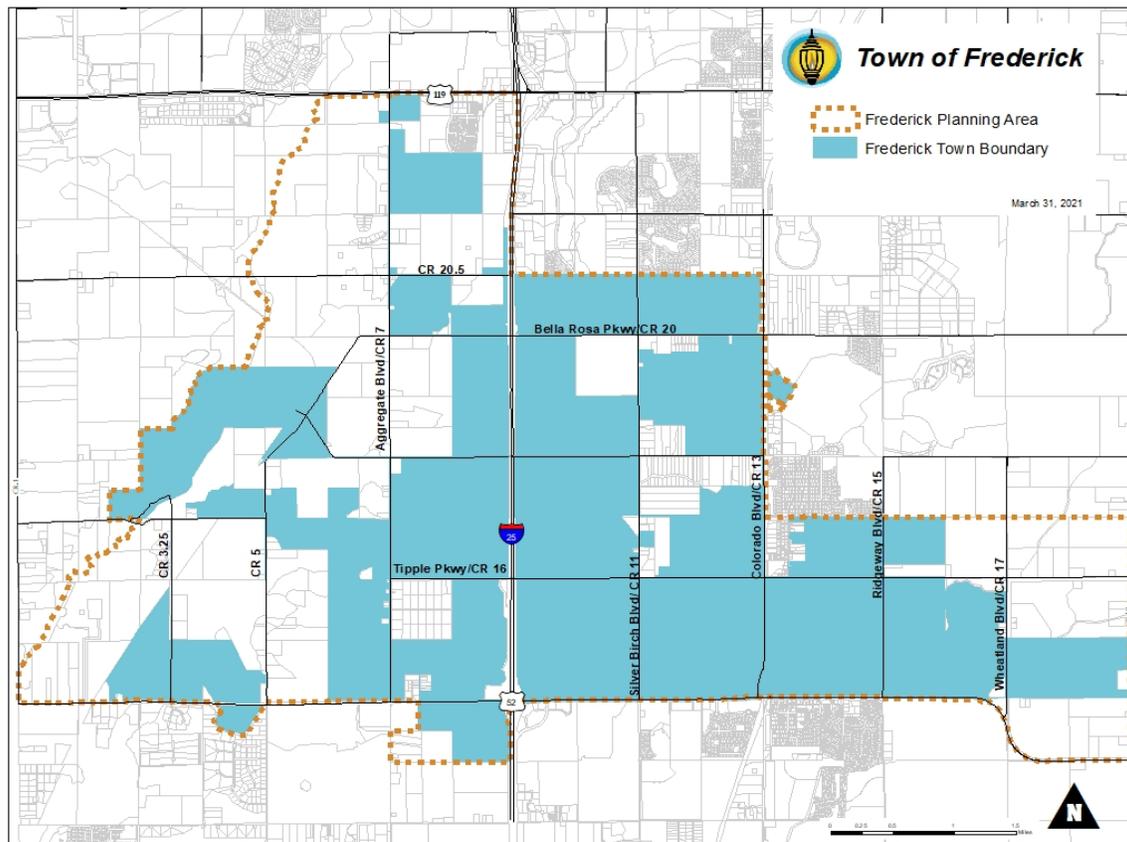
Commissioners are appointed by the Board of Trustees based on their personal and professional backgrounds relevant to the policy topic. The commission structure provides an excellent opportunity to gain community input in policy-making for the Town of Frederick.

The Town of Frederick greatly appreciates the efforts of citizen volunteers in studying special community issues, obtaining public comment on key projects, and offering recommendations to the Board of Trustees on any number of matters.

Staff Representation

Each commission is staffed by at least one designated member of the town's professional staff. That staff member is responsible for overseeing and maintaining membership on the respective commission.

TOWN MAP



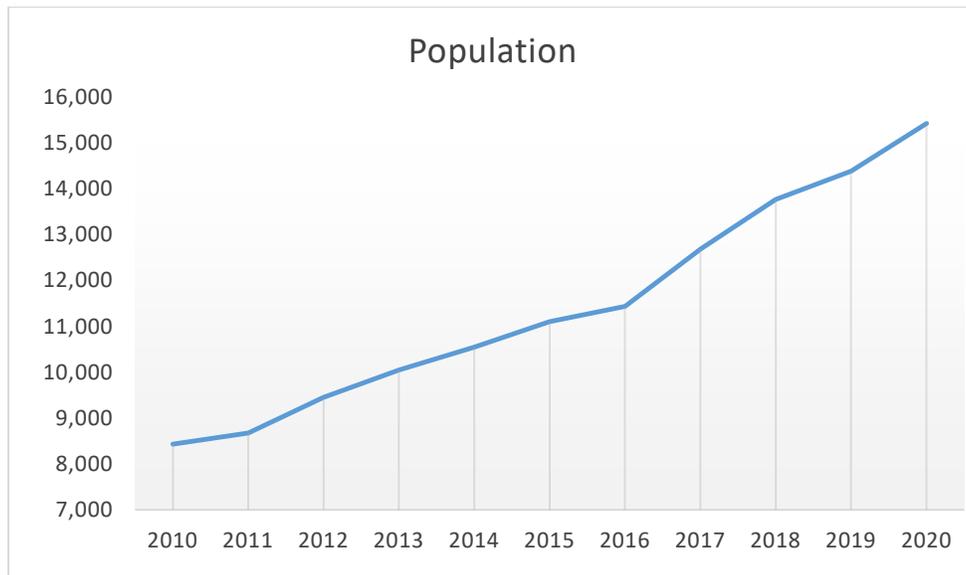
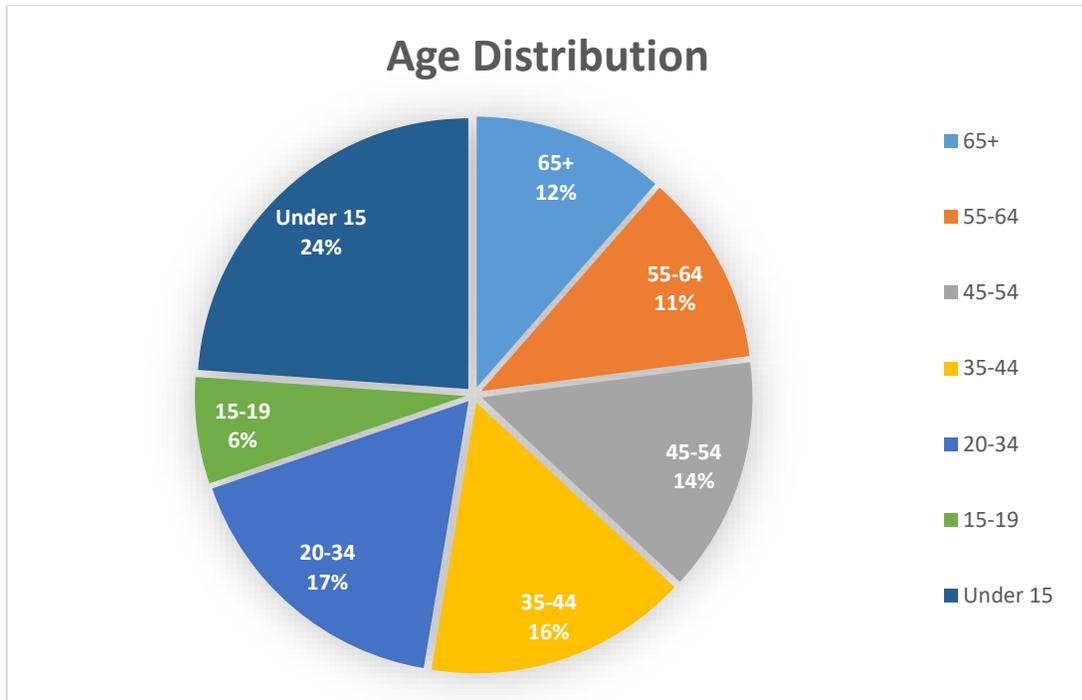
GENERAL INFORMATION

History and Location

The Town of Frederick was incorporated in 1907 and is located on Colorado's beautiful Front Range of the Rocky Mountains. The town is comprised of approximately 16 square miles of area, both east and west of Interstate 25, south of State Highway 119, and along State Highway 52. Its current population of over 15,000 residents enjoy the town's central location which allows easy access to the Denver and northern metropolitan areas. The transportation network opens up a wide variety of major attractions less than 30 minutes away. At the center of the Carbon Valley area, which also includes Firestone, Dacono, Mead and Erie, Frederick plays the role of community hub for a larger population of 67,000.

Demographics

With a median age of 36.6, Frederick has a young population that has grown more than 53 percent in the past seven years. The current population is approximately 15,427. Approximately 96 percent of the population has a high school degree or higher, 26.2 percent have a Bachelor's degree or higher and 11.2 percent have a graduate/professional degree. The median income is \$102,224.



Employment by Industry

Occupation	% of Workforce
Management, business, science and arts	43.4%
Service occupations	13.8%
Sales and office	21.2%
Natural resources, construction, and maintenance	8.1%
Production, transportation and material moving	13.5%

Major Employers in the Area

EMPLOYER	PERCENT OF TOTAL TOWN EMPLOYMENT
St. Vrain Valley School District	9.7%
Otterbox	6.6%
Sparton Medical System of Colorado	6.2%
Varra Companies, Inc	4.0%
Premier Manufacturing	3.8%
Transwest Truck Trailer RV	3.0%

Scope of Services

The Town of Frederick provides the following major services:

- Public Safety
- Parks, Trails and Open Space
- Town Facilities
- Town Management and Public Representation
- Economic Development
- Community Development and Engineering
- Support Services
- Water Utility
- Storm Water Utility
- Golf Course Facility

Employees and Benefits

The town currently has approximately 85 regular, full-time positions (exempt and non-exempt) for 2021. In addition, a varying number are employed on a seasonal/part-time basis. The Town of Frederick neither recognizes nor bargains with any employee union.

The town operates under a performance-based pay system. A benchmark survey is conducted every three years using a variety of resources to establish a salary schedule. Employees are evaluated annually and are eligible at that time to receive salary adjustments based on their performance. Actual salaries and benefits are calculated into the budget system assuming each authorized position is filled for the entire budget period.

Other benefits provided to town employees include vacation leave, sick leave, and paid holidays. Health care benefits include medical, dental, disability plans, and life insurance. The town does offer pretax options on health care premiums which allow employees to realize tax savings.

The town has established retirement plans for employees. Regular, full-time employees are eligible to participate in the plan. The town will match up to six percent (6%) of the salary for the employees who choose to participate. Voluntary contributions up to the maximum allowed by law of the base wage are encouraged under the plan.

Employees of the town that serve as sworn police officers are required to participate in a police pension plan. In 2021, each officer must contribute eleven and a half percent (11.5%) of their gross weekly wages and the town contributes eight and a half percent (8.5%) to the police pension.

Frederick provides benefits for Life and Accidental Death and Disability for each employee who incurs disability or death. The total life insurance payout is \$50,000.

Budget Process

The budget has been structured and prepared using the guidelines of the Governmental Finance Officers Association (GFOA). Two sources, Governmental Accounting, Auditing and Financial Reporting (GAAFR) and the Governmental Accounting Standards Board (GASB) guide the financial reporting and annual budget process. The Town of Frederick prepares its budget on a calendar-year basis as required by state statute. The budget must be balanced or show a revenue surplus. "Balanced Budget" is defined as a "balance between total estimated expenditures and total anticipated revenues, including surpluses." This means that the appropriated expenditures cannot exceed the sum of the revenues and beginning fund balance. The Town of Frederick's definition of a "Balanced Budget" complies with the statutory requirements for the State of Colorado located in C.R.S. 29-1-103 (2).

Budget Term

The budget term begins the first day of January and ends on the last day of December.

Basis of Budgeting

The budget parallels the methods of accounting used for the town's funds. Modified accrual basis is used for all governmental fund operations. Proprietary and fiduciary funds use full accrual basis. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available and expenditures are recorded when a liability is incurred except for debt service and compensated absences. The town considers the revenue and expenditures if collected or incurred within 60 days of the end of the fiscal period. Under the full accrual basis of accounting, revenues are recorded when earned and expenditures are recorded when a liability is incurred without consideration of the timing of related cash flows. The basis of accounting used in the budget is the same as the basis of accounting used in the financial statements.

Budget Recommendation

The proposed budget provides a complete financial plan for each fund of the town and includes appropriate financial statements for each type of fund showing comparative figures for the last completed fiscal year, comparative figures for the current year, and recommendations for the upcoming year.

Budget Development Process

Month	Residents	Mayor & Town Board	Town Administration
January		<p><u>Budget Guidance</u> Town Board holds goal setting sessions to identify priorities and level of service expectations for the upcoming budget year.</p>	
February			
March			
April			
May			
June	<p><u>Civic Engagement</u> Residents are encouraged to attend Community Tour & Talks and other events, including Town Board meetings to discuss how the Town should invest resources and focus to achieve outcomes.</p>		<p><u>Capital Improvement Plan</u> CIP Plan is updated</p> <p><u>Town Manager identifies Budget Priorities</u> Town Manager defines priorities based on Board direction</p>
July			<p><u>Proposed Budget Development</u> Departments prepare proposals and make recommendations based on priority and service level. The Town Manager develops a balanced Proposed Budget within the Town Board guidance</p>
August			<p><u>Proposed Budget</u> Staff presents Proposed Budget for consideration no later than October 15th.</p>
September		<p><u>Budget Work Sessions</u> Town staff meets with the Town Board to provide background information on the Proposed Budget. The Town Board requests additional information on specific budget issues from staff.</p>	<p><u>Budget Response & Refinement</u> Town staff respond to inquiries from Town Board and make modifications as suggested</p>
October			
November	<p><u>Budget Public Hearing(s)</u> Residents comment on the proposed budget and offer suggestions to the Town.</p>		
December		<p><u>Final Budget Adoption</u> The Town Board makes final decisions and adopts the Town of Frederick Budget for the upcoming fiscal year. Must be completed no later than December 15th.</p>	

Note: This table does not include monthly civic engagement processes such as the Downtown Frederick Business Association meetings, home-owner association meetings, chamber of commerce meetings, etc.

Budget Preparation

The budget process starts early each year at the Town Board goal-setting sessions. During the goal-setting sessions, the Town Board establishes goals and objectives for the upcoming year and provides direction to the Town Manager for future budgets.

In June, the finance department prepares core data, including salary information, health insurance information, workers' compensation information, general insurance, and other allocated costs. This data is presented with current period data and revenue projections for both the current year as well as the upcoming year. The worksheets containing this data are then distributed to departments along with the Capital Improvement Plan worksheets, capital request forms, employee education request forms, and budget instructions.

Departments review Board goals and objectives and then meet internally to develop their budget requests. Each department must have their budget requests along with all other budget-related forms submitted by the first week in July to the finance department and the Town Manager. The finance department compiles the documents and prepares them for the individual budget meetings between the Town Manager and the departments. The meetings usually take place early in the month of August. Upon conclusion of the meetings, decisions are made about what will be included in the proposed budget. The proposed budget document is submitted to the Town Board no later than October 15, with work sessions as requested and determined necessary by the Board following the submittal.

Public Hearings

The Town Manager's proposed budget is a matter of public record and is open to the public for inspection. At a minimum, one public hearing is held on the proposed budget. Appropriate notice of the time and place of the hearing is placed in a newspaper of general circulation.

Adoption of Budget and Appropriation of Funds

In accordance with state statutes, on or before the fifteenth (15th) day of December, the Town Board shall adopt a balanced budget by ordinance for the ensuing year. The Board appropriates sums of money, as it deems necessary, to defray all expenditures.

Budget Amendments

The adopted budget can be amended during the year by presenting the Town Board with a resolution for approval. Generally, budget amendments are used for one-time items such as project-related grants, or other one-time expenses that could not have been reasonably predicted during the budget process.

Supplemental Appropriation

The Town Board can make supplemental appropriations from actual and anticipated revenues and prior year reserves as long as the total amount budgeted does not exceed the actual or anticipated revenue total or the available reserve balance. No appropriation can be made which exceeds the revenues, reserves or other funds anticipated or available except for emergencies due to accident or an unforeseen event arising after the adoption of the annual appropriation.

Encumbrance Carryover

If a fund has unpaid purchase orders at the end of a fiscal year and a commitment for the expenditure of funds, those related appropriations are encumbered and carried over to the ensuing fiscal year as a reservation of fund balance. All other appropriations lapse at year-end.

Budget Decreases

The budget can also be decreased below approved levels during the fiscal year. Changes in service demands, economic conditions, projected growth limits, Board goals and direction may cause such budget reductions. Should the need arise, each service area is responsible for developing a plan to reduce expenses. If the Town Manager directs budget reductions, the Board will be informed immediately and the appropriations will be set aside through administrative action. While this administrative action does not lower the appropriations within a fund, expenditures are prevented. If the circumstances leading to the reduction in budget changes, the appropriation may be made available for expenditure.

Level of Control and Budget Transfers

Control of expenditures is exercised at the fund level. Department heads are responsible for all expenditures made against appropriations within their departments and may allocate resources within the fund. The town may transfer appropriated monies between spending agencies within a fund or from one fund to another provided:

- The transfer is made from a fund in which the amount appropriated exceeds the amount needed to accomplish the purpose specified by the appropriation.
- The purpose for which the funds were initially appropriated no longer exists.
- A transfer may also include a subsidy of funding from one fund to support program needs of another fund.

FINANCIAL POLICIES



REVENUE POLICIES

The Town of Frederick strives to achieve and maintain a balanced and diverse revenue structure. Because Frederick is a community that is continuing to grow and change, annual revenues can vary widely and fluctuate a great deal, and cannot always be used year-to-year as a sound revenue base. Major revenue sources in the General Fund are sales/use tax, property tax, severance taxes, franchise charges, fines and forfeitures, user fees, and charges.

With regard to user fees, the amount of a fee shall not exceed the overall cost of providing the facility, infrastructure, or service for which the fee is imposed. In calculating the cost of fees, direct or indirect costs may be included. The town reviews all fees for licenses, permits, fines, and other miscellaneous charges as part of the annual budgetary process.

EXPENDITURE POLICIES

The General Fund is comprised of eight departments consisting of Town Board, Administration, Finance, Engineering, Planning, Police, Public Works, and Buildings. Each department can be further broken down into a variety of divisions and/or programs. Expenditures are classified as the following:

- **Personnel Services:** includes salaries for full-time and part-time employees, overtime pay, insurance, retirement, and other personnel-related costs.
- **Contract Services:** includes services that are typically provided by an outside vendor such as SWAT team services, legal services, and audit services.
- **Commodity:** encompasses administrative costs such as office supplies, uniforms, small tools, ammunition, salt, sand and gravel, fuel, and computers, to name a few.
- **Other Charges:** includes items such as insurance, memberships and subscriptions, costs associated with Santa Cops, and Fishing Clinic, among others.
- **Capital Outlay:** consists of fixed assets over \$5,000 and a useful life of greater than one year. This expenditure area consists of major projects, land, buildings, and other infrastructure.
- **Debt Service:** consists of street improvement revenue bonds, a Public Works facility loan, and an Urban Renewal Authority business park loan.

TAXPAYERS' BILL OF RIGHTS (TABOR)

Colorado voters approved an amendment to the Colorado Constitution that placed limits on revenue and expenditures of the State and all local governments in 1992. Even though the limit is placed on both revenue and expenditures, the constitutional amendment ultimately applies to a limit on revenue collections. Growth in revenue is limited to the increase in the Denver-Boulder-Greeley Consumer Price Index plus Local Growth (new construction and annexation minus demolition). This percentage is added to the preceding year's revenue base, giving the dollar limit allowed for revenue collection in the ensuing year. Any revenue collected over the limit must be refunded in the subsequent year. Towns have the option of placing a ballot question before the voters asking for approval on retaining revenue over the limit. Federal grants and/or

gifts to the town are not included in the revenue limit. Town “Enterprise Funds” (Stormwater and Water) are exempt from the imposed limits.

On November 4, 2013, voters within the town approved the collection, retention, and expenditure of the full revenue generated by the town commencing on January 1, 2012 and subsequent years. Therefore, the town is not subject to the revenue limitations of the TABOR amendment.

RESERVES POLICY

A top priority of the Town Board is to improve the fiscal health of the town. Revenue projections are conservative and authorized expenditures are closely monitored. In stable economic times, the combination of these two strategies leads to revenue collections higher than actual expenditures. The accumulation of these reserves protects the town from uncontrollable increases in expenditures or unforeseen reductions in revenue, or a combination of the two. It also allows for the prudent financing of capital construction and replacement projects.

Undesignated Reserves

Article X, Section 20 of the Colorado Constitution requires a three percent (3%) reserve for emergencies. The use of this reserve is restricted to the purpose for which it was established and can be used solely for declared emergencies.

Designated Reserves

The Town Board has determined that additional reserves be established to provide for unforeseen reductions in revenues in the current year if budgeted revenues are less than actual revenues, and expenditures including encumbrances, are greater than actual. The reserve target is equal to 180 days of approved General Fund operating expenditures.

CAPITAL IMPROVEMENT FUNDS

The town has a significant financial investment in streets, public facilities, parks, natural areas, and other capital improvements. The Town Board voiced a commitment to, and investment in, the town’s capital projects. Estimated costs for capital projects are based on present value and funding sources are identified for each project. Operating and maintenance costs are identified at the time projects are approved. A variety of funding sources have been identified for capital improvements, including Conservation Trust Fund, Capital Facilities Fund, bonds, and a variety of grant funds.

DEBT POLICIES

The Town of Frederick recognizes that the primary purpose of capital facilities is to support provision of services to residents. Using debt financing to meet the capital needs of the town must be evaluated according to two tests: efficiency and equity. The test of efficiency equates to the highest rate of return for a given investment of resources. The test of equity requires a determination of who should pay for the cost of capital improvements. In meeting the demand for additional capital facilities, the town strives to balance the load between debt financing and “pay as you go” methods. The town realizes failure to meet the demands of growth may inhibit

its continued economic viability, but also realizes that too much debt may have detrimental effects. Through the rigorous testing of the need for additional debt-financed facilities and the means by which the debt will be repaid, the town strikes an appropriate balance between service demands and the amount of debt.

Occasionally, the town uses lease-purchase financing for the provision of new and replacement equipment and vehicles to ensure the timely replacement of these items. This strategy also decreases the impact of the cost to the user department by spreading the costs over several years. This method can also be used to acquire real property. The type of lease that the town uses is termed a conditional sales lease or capital lease, which in effect is a purchase rather than a rental. For purposes of securing credit ratings and monitoring annual debt service as a percentage of operating expenditures, lease-purchase financing is considered a long-term liability of the town, although subject to annual appropriation, and therefore will be issued under the same conditions as long-term debt.

CASH MANAGEMENT AND INVESTMENT POLICIES

Colorado Law governs general provisions for the town's investment strategies. The investment policy for the town shall apply to the investment of all general and special funds of the Town of Frederick over which it exercises financial control. The town's objectives for cash management and investments are:

- Observe investment management objectives of safety, liquidity, and yield.
- Preservation of capital through the protection of investment principal.
- Maintenance of sufficient liquidity to meet the town's cash needs.
- Diversification of the types and maturities of investments purchased to avoid incurring unreasonable credit or market risk regarding a specific security, maturity periods, or institution.
- Maximization of the rate of return for prevailing market conditions for eligible securities.
- Conformance with all federal, state, and other legal requirements.

The Town Board assigns responsibilities for the collection of town funds and cash management functions to the Town Manager. The Finance Director is responsible for the investment of all funds. The standard of prudence to be used for managing the town's assets is the "prudent man" standard of CRS 15-1-304 (CRS 24-75-601.1 (2)) rule which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived."

The Finance Director and designees are authorized to invest funds of the town in accordance with the town policies and Colorado Law in any of the following investments:

- **U.S. Treasury Obligations:** Treasury Bills, Treasury Notes, Treasury Bonds, and Treasury Strips with maturities not exceeding five years from the date of purchase.
- **Federal Instrumentality Securities:** Debentures, discount notes, callable securities, step-up securities, and stripped principal or coupons with maturities not exceeding five years from the date of trade settlement. If a Federal Instrumentality Security carries a rating lower than the highest category by any Nationally Recognized Statistical Rating Organization (NRSRO), the security is eligible for purchase subject to the following limitations: the final maturity (from the date of trade settlement) may not exceed the statutory limit stated in C.R.S. 24-75-601 and the security must be rated at least AA- or the equivalent by at least two NRSROs, and not less by any. Subordinated debt shall not be purchased. For securities authorized in this paragraph, the town shall limit the combined total of investments to no more than 90 percent of the total portfolio and 30 percent per issuer.
- **Commercial Paper:** Issued by domestic corporations with maturities not exceeding 270 days from the date of purchase, which at the time of purchase is rated at least A-1, or the equivalent by at least two NRSROs, and rated not less by all NRSROs that rate the commercial paper. If the commercial paper issuer has senior debt outstanding, it must be rated at least AA, or the equivalent at the time of purchase by at least two NRSROs, and rated not less by all NRSROs that rate the issuer. The aggregate investment in commercial paper, banker's acceptances, and corporate debt shall not exceed 50 percent of the town's investment portfolio, and no more than 5 percent of the town's investment portfolio may be invested in the obligations of any one issuer.
- **Corporate Debt:** With a maturity not exceeding three years from the date of trade settlement, issued by any corporation or bank organized and operating within the United States. The debt must be rated at least AA- or the equivalent by at least two NRSROs, and rated not less by any NRSRO that rates it. The aggregate investment in corporate debt, commercial paper, and banker's acceptances shall not exceed 50 percent of the town's investment portfolio, and no more than 5 percent of the town's investment portfolio may be invested in the obligations of any one issuer.
- **Local Government Investment Pools:** Pursuant to CRS 24-75-702 that 1) are "no-load" (no commission or fee shall be charged on purchases or sales of shares); 2) have a constant net asset value of \$1.00 per share; 3) limit assets of the pool to those authorized by state statute; 4) have a maximum stated maturity and weighted average maturity in accordance with Rule 2a-7 of the Investment Company Act of 1940; and 5) have a rating of AAA or the equivalent by one or more NRSROs.
- **Repurchase Agreements:** With a termination date of 180 days or less collateralized by U.S. Treasury obligations or Federal Instrumentality securities listed in a. and b. above with a final maturity not exceeding ten years. The purchased securities shall have a minimum market value including accrued interest of 102 percent of the dollar value of

the transaction. Collateral shall be held by the town's third-party custodian bank, and the market value of the collateral securities shall be marked-to-the market daily. Repurchase Agreements shall be entered into only with broker/ dealers recognized as Primary Dealers by the Federal Reserve Bank of New York, or with firms that have a Primary Dealer within their holding company structure. Approved Repurchase Agreement counterparties if rated, shall have a short-term credit rating of at least A-1 or the equivalent and a long-term credit rating of at least A or the equivalent by each NRSRO that rates them.

- **Non-Negotiable Certificates of Deposit:** With a maturity not exceeding one year in any FDIC insured state or national bank located in Colorado that is an eligible public depository as defined in CRS 11-10.5-103. Certificates of deposit that exceed FDIC insurance limits shall be collateralized as required by the Public Deposit Protection Act. In addition, at the time of purchase, issuing banks shall meet the credit criteria set forth in the section of this investment policy, "Selection of Banks".
- **Eligible Banker's Acceptances:** With maturities not exceeding 180 days, issued by FDIC insured state or national banks. Banker's Acceptances shall be rated at least A-1, or the equivalent at the time of purchase by at least two NRSROs and rated not less by all NRSROs that rate the instrument. If the issuing bank has senior debt outstanding, it must be rated at least AA or the equivalent at the time of purchase by at least two NRSROs and rated not less by all NRSROs that rate the bank. The aggregate investment in banker's acceptances, commercial paper, and corporate debt shall not exceed 50 percent of the town's investment portfolio, and no more than 5 percent of the town's investment portfolio may be invested in the obligations of any one issuer.
- **Money Market Mutual Funds:** Registered under the Investment Company Act of 1940 that: 1) are "no-load" (no commission or fee shall be charged on purchases or sales of shares); 2) have a constant net asset value of \$1.00 per share; 3) limit assets of the fund to those authorized by state statute; 4) have a maximum stated maturity and weighted average maturity in accordance with Rule 2a-7 of the Investment Company Act of 1940; and 5) have a rating of AAA or the equivalent by one or more NRSROs.

RISK MANAGEMENT

The goal of the town is to protect the assets of the town and provide a safe work environment for the town's employees. This goal is accomplished by planning for the negative consequences of any decision, process, or action by using risk control, risk retention, and risk transfer strategies. More specifically, the main features of this program are as follows:

- Delivering loss control programs such as defensive driving education, confined space entry education, safe lifting education, blood-borne pathogens education, and a variety of other safety education measures to prevent or at least lessen the severity of workplace injuries, which saves money. Loss control also includes random audits of town facilities to detect safety hazards, in order to make services safe for the public.

- Reviewing town contracts for the proper insurance requirements and to ensure the town is properly designated on the contractor insurance policy.
- Monitoring changes in the law at the federal and state levels to determine if any changes affect the way the town delivers services, which in turn creates a liability for the town.
- Developing the financial resources to pay for expected and unexpected losses. This might include managing a self-insurance fund to contain the cost of most losses and purchasing insurance policies to protect the town against catastrophic losses.
- Complying with Colorado laws as they relate to operating a self-insurance program.
- Monitoring the exposure in all town programs and services that may involve the town in future liabilities.
- Establishing a Health and Safety Committee for employees.

COMPLETE FINANCIAL POLICY DOCUMENT

The Financial Policies section of the Town of Frederick 2021 Budget document does not include the full verbiage of the town's Financial Policies. In an effort to reduce the length of this document, the portions that are included here are most specific to the budget. The Town of Frederick's Financial Policies are available in their entirety at www.FrederickCO.gov.

BUDGET OVERVIEW



FUND ACCOUNTING

Fund accounting is used both for budgeting and accounting purposes. Each fund is established for a specific purpose and is considered a separate accounting entity. The Board must approve or appropriate any expenditure from the various funds, including expenditures from reserves. The authorization is generally done prior to the beginning of each fiscal year, but can be done by the Town Board anytime during the year if funds are available. In government, “appropriate” or “appropriation” is used instead of “authorize” or “authorization.” All of the Town of Frederick funds require appropriations before money can be expended.

Town Fund Types

Governmental

General Fund

Special Revenue Funds

Debt Service Funds

Capital Project Funds

Proprietary

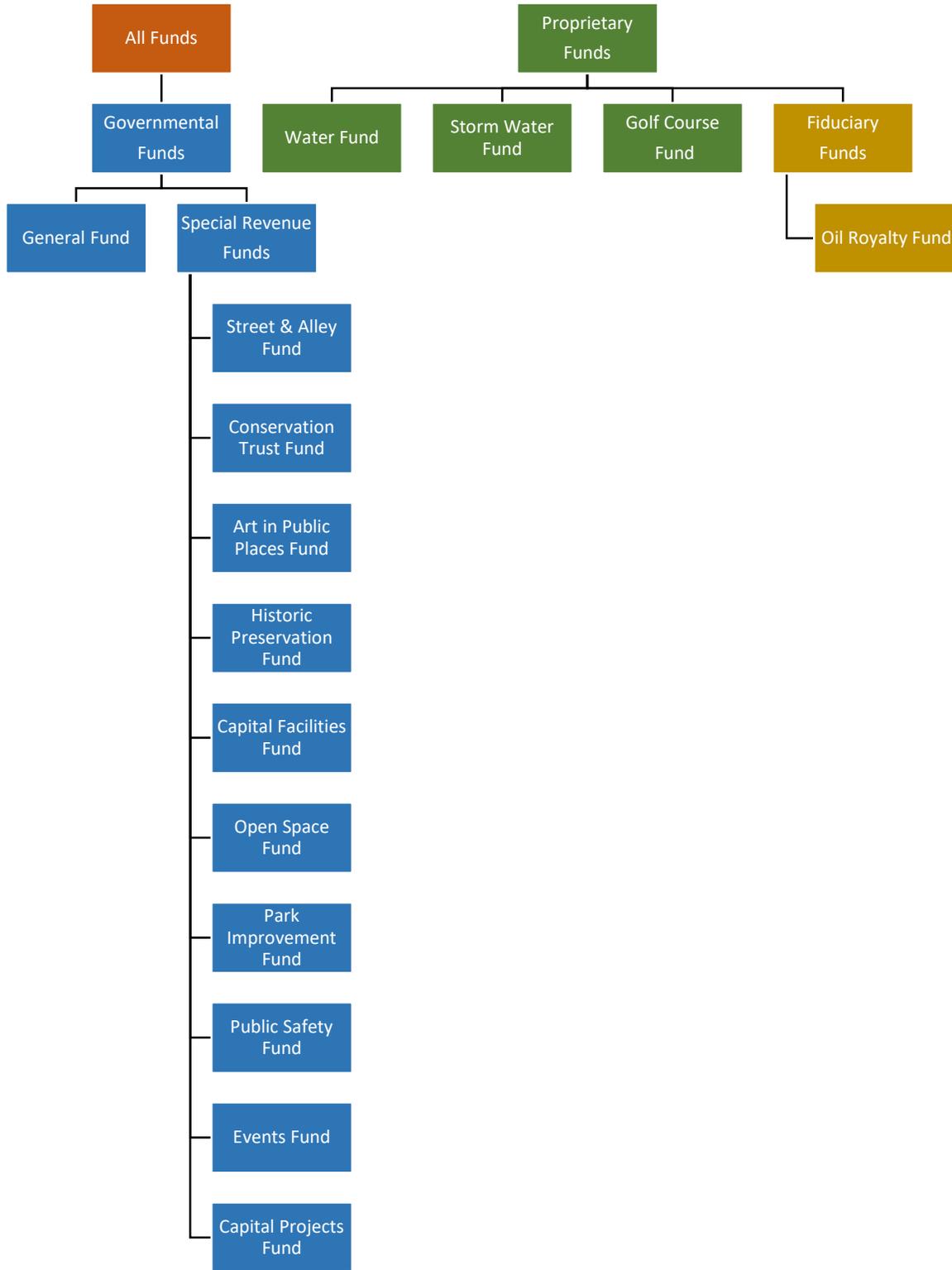
Enterprise Funds

Internal Service Funds

Fiduciary

Trust and Agency Funds

FUND STRUCTURE



DEPARTMENT INVOLVEMENT BY FUND

The chart below lists each of the funds that the town maintains and indicates which departments are active within each fund.

	Admin	Engineering	Finance	Public Works	Planning	Town Board	Police	Buildings	Golf Course
Governmental Funds									
General Fund	✓	✓	✓	✓	✓	✓	✓	✓	
Special Revenue Funds									
Street and Alley Fund	✓	✓	✓	✓					
Conservation Trust Fund				✓	✓				
Park Improvement Fund	✓		✓	✓	✓				
Open Space Fund	✓		✓	✓	✓				
Events Fund	✓								
Capital Facilities Fund	✓								
Art in Public Places Fund	✓								
Public Safety Fund							✓		
Capital Projects Fund	✓	✓	✓	✓	✓	✓	✓	✓	✓
Historic Preservation Fund	✓								
Proprietary Funds									
Water Fund	✓	✓	✓	✓					
Storm Water Fund	✓	✓	✓	✓					
Golf Course Fund			✓						✓
Fiduciary Funds									
Oil Royalty Fund						✓			

GOVERNMENTAL FUNDS

General Fund

The General Fund accounts for all transactions of the Town of Frederick not accounted for in other funds and is the town's primary operating fund. This fund represents an accounting for the town's ordinary operations financed from taxes and other general revenues and is the town's most significant fund in relation to overall expenditures. Financing is primarily provided by ad valorem property taxes, sales taxes, and other taxes.

Special Revenue Funds

Special Revenue Funds are established for the purpose of accounting for monies received by the Town of Frederick that are restricted in nature and can only be utilized for specific purposes.

Streets and Alley Fund

This fund was established to account for resources used for the acquisition, construction, and maintenance of assets and capital facilities that are associated with alleys and roads in the Town of Frederick. The revenues in this fund are primarily derived from motor- vehicle related taxes, impact fees, and grants.

Conservation Trust Fund

This fund was established as required by Section 31-25-220, Colorado Revised Statutes, 1973 to account for monies received from the State of Colorado for Conservation Trust Fund (lottery) purposes. Funding can be used for the acquisition, development, and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on any public site. New conservation sites are defined in statute as being interests in land and water, acquired after establishment of a conservation trust fund, for park or recreation purposes, for all types of open space, including but not limited to flood plains, green belts, agricultural lands or scenic areas, or for any scientific, historic, scenic, recreation, aesthetic or similar purpose.

Park Improvement Fund

This fund was established in 1975 and amended in 2012 to account for resources used in the purchase of lands for additional parks and the improvement of existing parks in the town. Revenues for this fund are primarily impact fees, grants, and transfers from other funds.

Open Space Fund

This fund was created in 2000 after voters approved a half percent sales tax to be used to acquire, preserve and develop on a limited basis open space land in and around the Town of Frederick. The primary revenue for this fund is a half percent sales tax.

Capital Facilities Fund

Capital Facilities Funds are created to account for resources used for the acquisition, construction, and maintenance of assets and major capital facilities other than those financed

by proprietary funds and trust funds. These funds are established to maintain a separate accounting of specific capital projects.

Art in Public Places Fund

Created in 2012 by the Board of Trustees, the Art in Public Places Fund provides a dedicated source of funds for the acquisition of works of art, the maintenance and repair of works of art, and the expenses of the administration of the Art in Public Places program. The revenues for this fund are largely from the fee that is charged to internal funds for capital projects with values that exceed \$25,000.

Historic Preservation Fund

In 2013, the book “Images of America, Around Frederick” was penned by author Sean Scott. Mr. Scott donated all of the royalties from the book to the Town of Frederick. This fund was established to account for those revenues.

Public Safety Fund

Established in 2020, Public Safety Fund fees collected are to be used for capital improvements, including without limitation, police protection planning, preliminary architectural and engineering services, architectural and engineering design studies, land surveys, land acquisition, site improvements and off-site improvements associated with new or expanded facilities; the construction of buildings and facilities; and the purchase of public safety and police apparatus and equipment, including communications equipment, with an average useable life of at least five years, and other similar expenditures necessary to adequately protect and defend new development and its inhabitants while maintaining the Frederick Police Department’s current insurance services organization rating. The fee established by the Frederick Public Safety Impact Fee Study is a reasonable fee sufficient to cover the costs of administration, inspection, publication of notice and similar matters for this fund will be charged to applicants for building permits based on the nature of proposed development. The fee schedule will be adopted by resolution periodically by the Board of Trustees and shall include rates for commercial/industrial, single-family residential and multi-family residential.

Events Fund

This fund was established in 2013 to create a more effective accounting method for events that receive sponsorships and donations in order to be successful. The revenues for this fund come from donations and transfers from the General Fund.

Capital Projects Fund

This fund was established in 2020 to create a more effective accounting treatment for capital improvement projects. Transfers from nine (9) funds occurred for the additions of permanent structural changes or property restorations for proper tracking and distribution from a singular fund.

PROPRIETARY FUNDS

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the Town Board has decided that periodic determination of net income is appropriate for accountability purposes. The town has three qualified Enterprise Funds including Water, Storm Water, and Golf Course.

FIDUCIARY FUNDS

Oil Royalty Trust Fund

The Board of Trustees designated the Frederick Oil Royalty Trust Fund to be used to support the Frederick High School Scholarship Program, community organization grants, economic development programs, and those governmental purposes the Board may designate from time to time. Revenues in this fund are primarily royalties and interest.

COMPONENT UNITS

Frederick Urban Renewal Authority

The audited financial statements include the financial information for the Frederick Urban Renewal Authority (FURA). The Authority is a legally separate entity and as such, is responsible for producing its own annual budget document. Consequently, the budget for the Authority is not included or considered part of the town's budget.

NOTES AND ASSUMPTIONS

The following notes and assumptions were used to build the various detail budgets for revenues and expenditures and are applicable for all funds except in cases where specifically noted. The overall driving factors were established through joint efforts with the Town Manager, the finance department, and Town Board. Fund Balance is the excess or deficiency of the assets of a fund over its liabilities at any point in time. This is shown in the following schedules as revenues minus expenditures, and plus other financing sources (uses) plus beginning fund balance, to derive the ending fund balance.

TOTAL COMBINED TOWN BUDGET

The 2021 proposed budget is balanced as defined in the introduction section of this document, with a “balance between total estimated expenditures and total anticipated revenues, including surpluses.” This means that the appropriated expenditures cannot exceed the sum of the revenues and beginning fund balance.

The budget shown below is a consolidated budget that contains all of the fund budgets for the organization.

2021 BUDGET - ALL FUNDS	General Fund	Special Revenue Funds	Capital Funds	Enterprise Funds	Trust and Agency Funds	Total All Funds	% of Total Rev. & Exp.
BEGINNING BALANCE:	11,141,144	8,562,667	3,811,816	61,802,029	1,522,287	86,839,943	
REVENUES:							
CHARGES FOR SERVICES	-	785,000	330,000	4,176,800	-	5,291,800	24.65%
FINES AND FORFEITURES	114,000	-	-	-	-	114,000	0.53%
PROPERTY TAXES	2,616,760	-	-	-	-	2,616,760	12.19%
SALES TAXES	5,036,500	1,860,000	-	-	-	6,896,500	32.12%
LICENSES AND PERMITS	1,248,000	530,000	-	2,494,500	-	4,272,500	19.90%
MISCELLANEOUS	205,652	921,350	1,000	89,000	41,500	1,258,502	5.86%
OTHER TAXES	-	926,000	-	-	-	926,000	4.31%
GRANTS	-	92,000	-	-	-	92,000	0.43%
TOTAL REVENUES	9,220,912	5,114,350	331,000	6,760,300	41,500	21,468,062	100.00%
OTHER SOURCES/USES:							
TRANSFERS IN	-	73,000	14,030,333	172,059	-	14,275,392	
TRANSFERS OUT	759,940	32,000	-	-	-	791,940	
TOTAL OTHER SOURCES/USES	(759,940)	41,000	14,030,333	172,059	-	13,483,452	
EXPENDITURES:							
PERSONNEL SERVICES	6,372,056	1,840,118	-	1,839,855	-	10,052,029	30.22%
CONTRACT SERVICES	1,065,654	1,225,740	-	3,365,633	15,000	5,672,027	17.05%
COMMODITY	777,286	265,300	-	455,600	-	1,498,186	4.50%
OTHER CHARGES	556,987	236,400	-	181,750	42,000	1,017,137	3.06%
CAPITAL OUTLAY	265,000	33,950	14,130,333	12,990	-	14,442,273	43.42%
DEBT SERVICE	-	409,000	170,640	-	-	579,640	1.74%
TOTAL EXPENDITURES	9,036,983	4,010,508	14,300,973	5,855,828	57,000	33,261,292	100.00%
ENDING BALANCE:	10,565,133	9,707,509	3,872,176	62,878,560	1,506,787	88,530,165	

ANALYSIS OF SIGNIFICANT CHANGES IN ANTICIPATED FUND BALANCE

The following analysis focuses on available fund balances of town funds anticipated to increase or decrease by ten (10) percent or more.

	Anticipated FY 2021 Beginning Balance	Anticipated FY 2021 Ending Balance	Increase (Decrease)	Percent Change
Street and Alley Fund				
Fund Balance Available for Appropriation	5,084,014	4,162,946	(921,068)	-18.1%

Discussion:

The revenues and expenditures for this fund are relatively stable. The decrease in fund balance is attributed to replacement of equipment and vehicles, and capital projects such as downtown alley improvements and our on-going pavement management program.

	Anticipated FY 2021 Beginning Balance	Anticipated FY 2021 Ending Balance	Increase (Decrease)	Percent Change
Park Improvement Fund				
Fund Balance Available for Appropriation	1,441,255	199,267	(1,241,988)	-86.2%

Discussion:

The decrease in fund balance in this fund is associated with capital expenditures. This fund is restricted and consequently does build up large fund balances until projects that meet the requirements of funding are ready to move forward.

	Anticipated FY 2021 Beginning Balance	Anticipated FY 2021 Ending Balance	Increase (Decrease)	Percent Change
Open Space Fund				
Fund Balance Available for Appropriation	1,868,017	173,965	(1,694,052)	-90.7%

Discussion:

The decrease in fund balance in this fund is associated with capital expenditures. This fund is restricted and consequently does build up large fund balances until projects that meet the requirements of funding are ready to move forward.

	Anticipated FY 2021 Beginning Balance	Anticipated FY 2021 Ending Balance	Increase (Decrease)	Percent Change
Golf Course Fund				
Fund Balance Available for Appropriation	128,115	(1,470,703)	(1,598,818)	-1248.0%

Discussion:

It is the intention of the Town for this fund to be self sustaining long-term and a transfer from the General Fund is only to balance out the budgeted expenditures for 2021.

Art in Public Places Fund	Anticipated FY 2021 Beginning Balance	Anticipated FY 2021 Ending Balance	Increase (Decrease)	Percent Change
Fund Balance Available for Appropriation	45,324	6,324	(39,000)	-86.0%

Discussion:

The decrease in the fund balance is associate with a increase in anticipated expenses for 2021.

Events Fund	Anticipated FY 2021 Beginning Balance	Anticipated FY 2021 Ending Balance	Increase (Decrease)	Percent Change
Fund Balance Available for Appropriation	83,224	58,474	(24,750)	-29.7%

Discussion:

The fund balance decrease in this fund is associated with utilizing fund balance for community events in 2021. Generally this fund does not have a significant fund balance as annual revenues typically are aligned with annual expenditures.

Water Fund	Anticipated FY 2021 Beginning Balance	Anticipated FY 2021 Ending Balance	Increase (Decrease)	Percent Change
Fund Balance Available for Appropriation	31,030,825	25,788,041	(5,242,784)	-16.9%

Discussion:

The decrease in fund balance is attributed financing additional resources for the Town's future water needs. Maintaining a strong fund balance is imperative.

SUMMARY OF CAPITAL EXPENDITURES

The following summary includes capital expenditures of town funds that exceed \$100,000.

General Fund

Project Description	Capital Expenditure Amount	Recurring?
Development Obligations	\$500,000	Yes

Discussion:

This capital expenditure is related to new development infrastructure obligations of the Town, to include Centennial Park improvements and associated land development, and paving of the Public Works lot to mitigate erosion.

Centennial Park Improvements	\$200,000	No
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Discussion:

Following the completion of the master design process for this park, it include shelters, equipment, playground and/or other similar improvements. There will be a long-term impact in our operational costs to maintain this improvement. We expect an increase of approximately 2% for the additional improvement maintenance.

Street & Alley Fund

Project Description	Capital Expenditure Amount	Recurring?
Alley Paving	\$200,000	Yes

Discussion:

This project is in it's fifth year as the Town moved toward paving the alleyways downtown. This cost is expected to recur until all of the alleys have been paved. At the current rate, all alleys will be paved in 3 more years.

Pavement Maintenance Program	\$1,500,000	Yes
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Discussion:

This is an ongoing project to provide overlay, milling, and surface repairs to Frederick streets. A 5-year program has been established so that streets can be reviewed and repaired before larger capital costs are needed to keep roads open.

Public Works Slice Shed	\$195,000	No
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Discussion:

This is a one-time capital expenditure to construct and replace a 40' x 80' x 16' slice shed for salt and sand storage.

Open Space Fund

Project Description	Capital Expenditure Amount	Recurring?
Open Space Purchase	\$2,000,000	No

Discussion:

This purchase of an old gravel mine for open space will allow community collaboration between the Town, City of Longmont, and CPW.

Water Fund

Project Description	Capital Expenditure Amount	Recurring?
Northern Integrated Supply Project	\$950,000	Yes
<u>Discussion:</u> NISP is a project that will provide additional future water supplies. This is a complicated project with many participants and substantial short and long-term costs. Currently, the Town is closely monitoring all activity and changes and is making proactive changes in our financial approach to this project.		
Windy Gap Water Project	\$3,250,000	No
<u>Discussion:</u> Participation in the Windy Gap project will provide the Town with additional future water supplies. This is a one-time capital expenditure that will have an annual assessment that will be rolled into our operational costs. That assessment is expected to be less than \$30,000 per year.		
Central Weld Water Line	\$2,000,000	No
<u>Discussion:</u> This is a one-time capital expenditure that will provide adequate water pressure and supply to the water tank serving the east side of Frederick. This 30" line will add the required capacity for east side future developments.		
Advanced Metering Infrastructure - Water Meter Software	\$200,000	No
<u>Discussion:</u> This is a one-time capital expenditure consisting of a water meter software package that will upload meter readings on a monthly basis. The updated system will replace drive-by manual water meter readings, by incorporating AMI compatible meter upgrades.		

Storm Water Fund

Project Description	Capital Expenditure Amount	Recurring?
Countryside Storm Water Conveyance	\$100,000	No
<u>Discussion:</u> This project will be to install the necessary Countryside storm water conveyance required to drain water properly and maintain a standard water level depth during storms.		

Golf Course Fund

Project Description	Capital Expenditure Amount	Recurring?
Maintenance Facility	\$400,000	No
<u>Discussion:</u> This project will be to demolish and replace the current golf maintenance facility.		
Cart Path - Concrete	\$485,000	No
<u>Discussion:</u> This project will be to pour concrete over the existing dirt pathway along the golf course.		

Significant Operating Impacts of Capital Investments							
General Fund							
Development Obligations	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	0.7	0.6	0.5	0.5	0.4	0.4	2.7
Program & Facility Operating	\$ 50,000	\$ 45,000	\$ 40,500	\$ 36,450	\$ 32,805	\$ 29,525	\$ 204,755
Total Operating Costs	\$ 50,000	\$ 45,000	\$ 40,500	\$ 36,450	\$ 32,805	\$ 29,525	\$ 204,755
General Fund							
Centennial Park Improvements	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	0.7	0.6	0.5	0.5	0.4	0.4	2.7
Program & Facility Operating	\$ 20,000	\$ 18,000	\$ 16,200	\$ 14,580	\$ 13,122	\$ 11,810	\$ 81,902
Total Operating Costs	\$ 20,000	\$ 18,000	\$ 16,200	\$ 14,580	\$ 13,122	\$ 11,810	\$ 81,902
Street & Alley Fund							
Alley Paving	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	1.3	1.2	1.1	0.9	0.9	0.8	5.3
Program & Facility Operating	\$ 20,000	\$ 18,000	\$ 16,200	\$ 14,580	\$ 13,122	\$ 11,810	\$ 81,902
Total Operating Costs	\$ 20,000	\$ 18,000	\$ 16,200	\$ 14,580	\$ 13,122	\$ 11,810	\$ 81,902
Street & Alley Fund							
Pavement Maintenance	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	1.7	1.5	1.4	1.2	1.1	1.0	6.9
Program & Facility Operating	\$ 150,000	\$ 135,000	\$ 121,500	\$ 109,350	\$ 98,415	\$ 88,574	\$ 614,265
Total Operating Costs	\$ 150,000	\$ 135,000	\$ 121,500	\$ 109,350	\$ 98,415	\$ 88,574	\$ 614,265
Street & Alley Fund							
Public Works Slice Shed	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	0.4	0.4	0.3	0.3	0.3	0.2	1.6
Program & Facility Operating	\$ 19,500	\$ 17,550	\$ 15,795	\$ 14,216	\$ 12,794	\$ 11,515	\$ 79,854
Total Operating Costs	\$ 19,500	\$ 17,550	\$ 15,795	\$ 14,216	\$ 12,794	\$ 11,515	\$ 79,854
Open Space Fund							
Open Space Purchase	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	2.0	1.8	1.6	1.4	1.3	1.2	8.0
Program & Facility Operating	\$ 200,000	\$ 180,000	\$ 162,000	\$ 145,800	\$ 131,220	\$ 118,098	\$ 819,020
Total Operating Costs	\$ 200,000	\$ 180,000	\$ 162,000	\$ 145,800	\$ 131,220	\$ 118,098	\$ 819,020

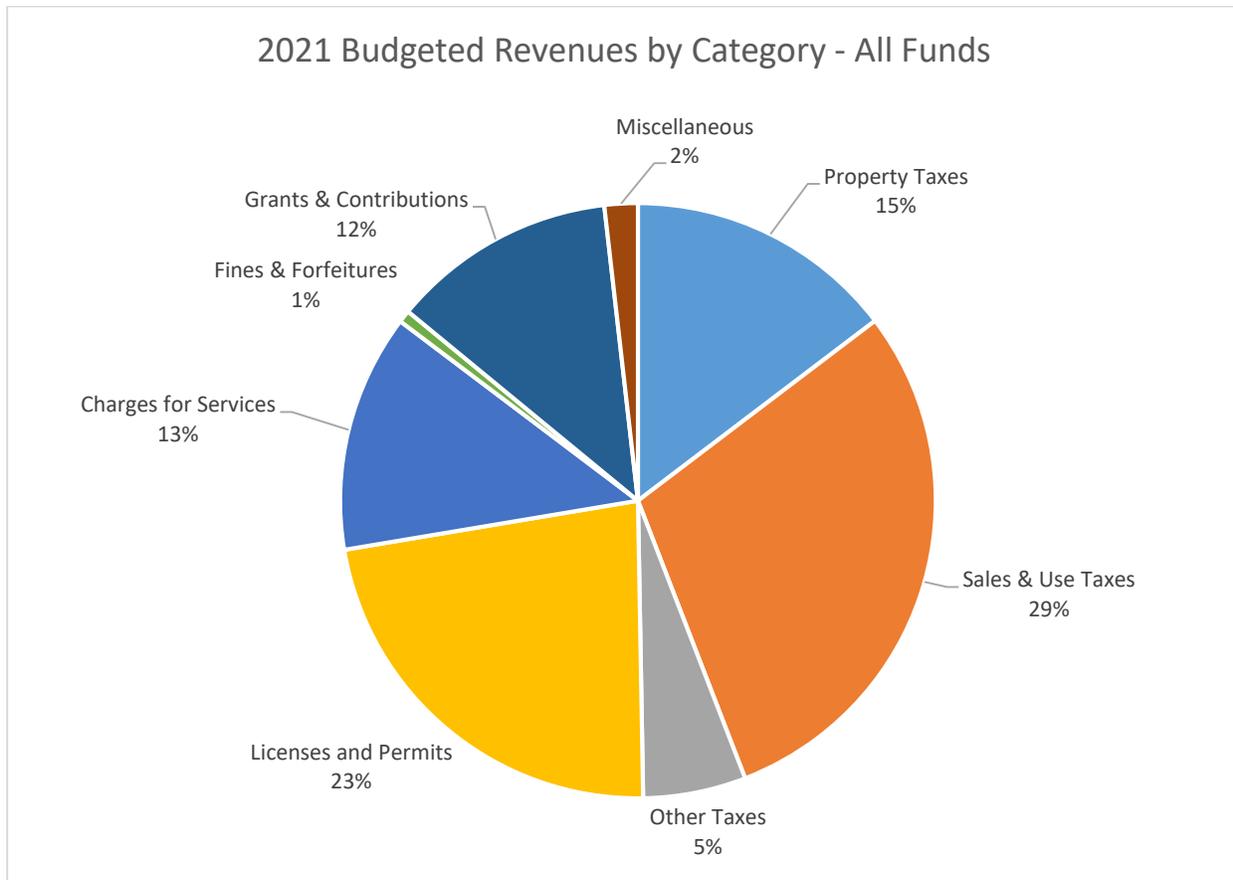
Significant Operating Impacts of Capital Investments							
Water Fund							
Northern Integrated Supply Project	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	1.3	1.2	1.1	0.9	0.9	0.8	5.3
Program & Facility Operating	\$ 95,000	\$ 85,500	\$ 76,950	\$ 69,255	\$ 62,330	\$ 56,097	\$ 389,035
Total Operating Costs	\$ 95,000	\$ 85,500	\$ 76,950	\$ 69,255	\$ 62,330	\$ 56,097	\$ 389,035
Water Fund							
Windy Gap Water Project	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	2.0	1.8	1.6	1.4	1.3	1.2	8.0
Program & Facility Operating	\$ 325,000	\$ 292,500	\$ 263,250	\$ 236,925	\$ 213,233	\$ 191,909	\$ 1,330,908
Total Operating Costs	\$ 325,000	\$ 292,500	\$ 263,250	\$ 236,925	\$ 213,233	\$ 191,909	\$ 1,330,908
Water Fund							
Central Weld Water Line	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	1.3	1.2	1.1	0.9	0.9	0.8	5.3
Program & Facility Operating	\$ 200,000	\$ 180,000	\$ 162,000	\$ 145,800	\$ 131,220	\$ 118,098	\$ 819,020
Total Operating Costs	\$ 200,000	\$ 180,000	\$ 162,000	\$ 145,800	\$ 131,220	\$ 118,098	\$ 819,020
Water Fund							
AMI Water Meter Software	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	0.7	0.6	0.5	0.5	0.4	0.4	2.7
Program & Facility Operating	\$ 20,000	\$ 18,000	\$ 16,200	\$ 14,580	\$ 13,122	\$ 11,810	\$ 81,902
Total Operating Costs	\$ 20,000	\$ 18,000	\$ 16,200	\$ 14,580	\$ 13,122	\$ 11,810	\$ 81,902
Storm Water Fund							
Countryside Storm Water Conveyance	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	0.7	0.6	0.5	0.5	0.4	0.4	2.7
Program & Facility Operating	\$ 10,000	\$ 9,000	\$ 8,100	\$ 7,290	\$ 6,561	\$ 5,905	\$ 40,951
Total Operating Costs	\$ 10,000	\$ 9,000	\$ 8,100	\$ 7,290	\$ 6,561	\$ 5,905	\$ 40,951
Golf Course Fund							
Maintenance Facility	FY21	FY22	FY23	FY24	FY25	FY26	TOTAL
New Personnel (FTEs)	0.7	0.6	0.5	0.5	0.4	0.4	2.7
Program & Facility Operating	\$ 48,500	\$ 43,650	\$ 39,285	\$ 35,357	\$ 31,821	\$ 28,639	\$ 198,612
Total Operating Costs	\$ 48,500	\$ 43,650	\$ 39,285	\$ 35,357	\$ 31,821	\$ 28,639	\$ 198,612

REVENUE OVERVIEW

The town strives to maintain a strong, diverse revenue base recognizing that dependence upon any individual revenue source would make revenue yields more vulnerable to economic cycles. All revenues are conservatively projected and are monitored and updated as necessary. The town utilized the Colorado Legislative Council as the primary source for forecasted Denver-Boulder-Greeley Consumer Price Index (CPI). Additionally, the town considers reports published by economists in the Colorado State Office of Planning and Budgeting. The methodology used for each revenue type is further explained under each revenue type. The following table identifies the CPI for each year from 2016 to 2020 that were used in forecasting:

Year	2016	2017	2018	2019	2020
Consumer Price Index (CPI)	2.8%	2.4%	3.0%	3.8%	3.9%

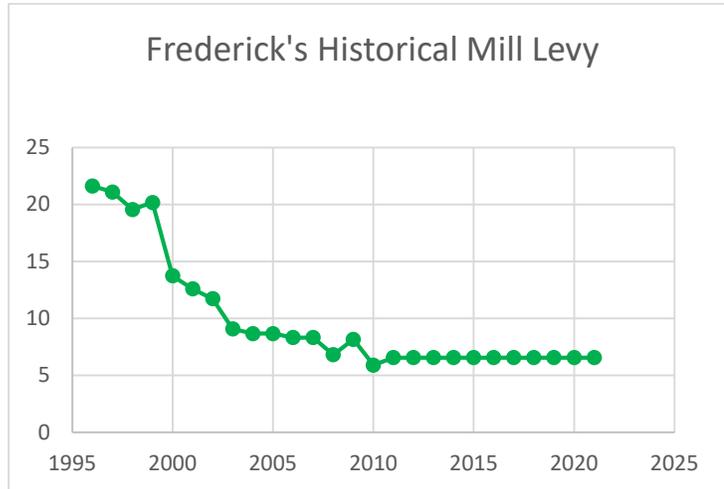
The following chart consolidates and summarizes the town’s revenue by source:



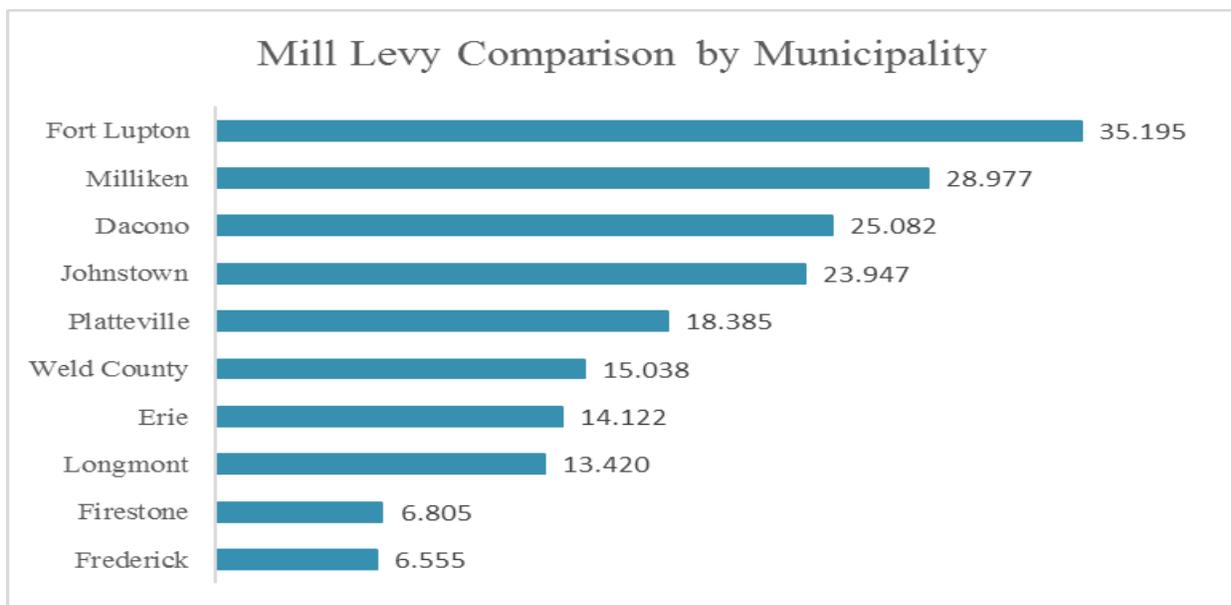
The following are descriptions of the town’s revenue resources, associated forecasting assumptions and revenue trends.

Property Tax

Property taxes are levied on December 31, and attach as an enforceable lien on property as of January 1. Taxes are due January 1. Installation payments are due at the end of February and June 15th. Single payments are due on or before April 30. Taxes are delinquent, if not paid, as of June 15th. If the taxes are not paid within subsequent periods, the property may be sold at a public auction. Weld County bills and collects all of the property taxes and remits collections to the Town on a monthly basis after deducting a one percent (1%) collection fee.



The mill levy rate for Frederick in 2021 will remain at the 2020 level of 6.555 mills. One mill represents \$1 for every \$1,000 in assessed property value. Property tax is calculated by multiplying the mill levy by the assessed valuation of a property. Property Tax revenue is forecast each year based on assessed valuations as determined by Weld County and applying the town’s current mill levy rate.



Property Tax Revenues by Category				
Category	2019 Budget Taxes Levied	2020 Budget Taxes Levied	2021 Budget Taxes Levied	% Change 2020 to 2021
Vacant Land	32,845	49,228	51,242	4.1%
Residential	700,357	839,003	882,609	5.2%
Commercial	336,962	444,199	490,594	10.4%
Industrial	155,922	250,411	395,023	57.7%
Agricultural	5,515	5,109	5,002	-2.1%
Oil & Gas	459,007	1,052,937	755,733	-28.2%
State Assessed	181,211	138,123	228,606	65.5%
Minerals	74	69	1,423	1958.1%
Total Revenue	1,871,894	2,779,079	2,810,233	

The changes in property tax revenues can vary substantially by category. One of the most volatile categories is Oil and Gas because the valuation depends on well production, which is calculated annually. For the 2021 budget, several categories showed substantial changes since 2020 was a reassessment year and values were adjusted. The budget projections for property tax revenues are based on the Certification of Valuation which is provided annually by Weld County. The town does not make any adjustments to the calculations that they provide.

Sales Tax

The Town of Frederick collects a three and a half percent (3.5%) tax on sales of tangible personal property and specific services. Sales taxes are collected by the retailer and are reported to the State of Colorado on either a monthly, quarterly, or annual basis. The State then collects Frederick's portion of the sales taxes and remits it to the town monthly. Two percent (2.0%) of the town's sales tax goes into the General Fund for operations, One percent (1.0%) goes into the General Fund specifically for public safety operations. The other half percent (.5%) goes into the Open Space Fund.

Sales taxes are forecasted using historical trends for the past five years combined with knowledge of new businesses that are locating in the town. While the businesses in Frederick have been stable, sales tax revenue is often one of the first indicators when there is a downward shift in the economy. Consequently, the town is conservative in the revenue estimates in this category in an effort to eliminate any serious shortfall.

Use Tax

A use tax is levied as a complement to the town sales tax at three and a half percent (3.5%) and is imposed upon taxable purchases where a sales tax was not legally imposed. The Use Tax consists of two (2) types, the Building Material Use Tax and the Motor Vehicle Use Tax. Depending upon the type of transaction, the use tax may be paid upon issuance of a building permit, upon purchase/registration of a motor vehicle. All use tax totals 3.5 cents on every dollar and is distributed in the same manner as the sales tax. Use taxes are projected using trend analysis based

on actual revenues received during the past seven years as well as knowledge of new housing developments and approximate timelines for that development.

Excise Tax

Excise taxes are taxes on the sale, or production for sale, of specific goods or a tax on a good produced for sale, or sold within a country or licenses for specific activities. In Frederick, there are two such taxes, tobacco and severance.

Tobacco Products Tax - State of Colorado taxes wholesale distributors of tobacco products at the rate of 84 cents per pack. State tax stamps are issued to the distributors as evidence of payment. Each year an amount of state funds from the tax on tobacco products is distributed to counties and municipalities that do not impose any fee, license, or tax on cigarettes. The amount received is based on the proportion of State sales tax collected in each municipality. Tobacco tax revenue projections are calculated using trend analysis based on actual revenues over the past seven years.

Severance Tax - Colorado severance tax is imposed upon nonrenewable natural resources that are removed from the earth in Colorado. The tax is calculated on the gross income from oil and gas and carbon dioxide production. Seventy percent (70%) of the tax money collected is used by the State to fund grant programs. The remaining thirty percent (30%) is divided and distributed to counties and local governments. The division is based on the residence of certain mineral and energy industry workers. Severance tax is difficult to project as the fluctuations from year to year can be substantial. Revenue projections for severance tax are forecasted using a combination of trend analysis as well as information that we receive from the oil and gas industry and other sources.

Franchise Charges

The town maintains two specific franchise charges: cable television franchise charge and gas/electric franchise charges.

Cable Franchise - This fee is compensation for the benefits and privileges granted under the franchise agreement. The fees are in consideration of permission to use town streets and rights-of-way for the provision of cable services. The franchise fee is five percent (5%) of the gross revenues. Revenue projection is completed using trend analysis.

Gas/Electric Franchise - The town currently has a nonexclusive franchise agreement with Kinder Morgan/Source Gas for the right to furnish, sell and distribute natural gas to residents and businesses within the community. The agreement provides them with access to public property to provide these services. In consideration for this franchise, the company pays the town a sum equal to two percent. Revenue projection is completed using trend analysis.

Fines and Forfeitures

The Municipal Court assesses fees to parties found guilty of any municipal offense through the court system. This category also includes revenues from police activities such as fingerprinting and Santa Cops. These revenues are projected using trend analysis and actual data from the past seven years.

Licenses and Permits

Licenses and permits are established by ordinance to allow the town to collect various licenses or permit fees. These licenses and permit fees allow the purchaser to perform or provide specific services or goods within the town. There are several types of licenses and permits required within the town. The following identifies the more significant licenses or permit fees.

Building Permit Fees

Building permit fees are based on the dollar valuation of the construction work to be performed. The valuation is determined using the cost per square foot published in the Building Safety Journal. Permit fees are established by ordinance and are budgeted based on local economic trends. Building permit fees are forecasted using current year activity.

Intergovernmental Revenues

Intergovernmental revenues are transfers from any fund into another fund.

Charges for Services

User-based fees are established to help defray the cost of operations such as park rentals, trash collection, and charges for utilities.

Utility Charges

Utility charges are user-based fees that are charged for the participation with the town's utility services. Those services include water and storm water. These revenues are projected using trend analysis and knowledge of upcoming rate changes.

Water Charges - The water rates include both a base rate and a usage per thousand-gallon rate for water consumption. The residential base rate includes the first 3,000 gallons of usage and is used for system improvements and maintenance of existing infrastructure. The 2021 budget includes a five percent (5%) increase in the usage rate.

Storm Water Charges - The storm water rate is based on the quantity of impermeable surfaces for each parcel or residential dwelling. Development decreases the ground surface that can absorb water, so the town must accommodate this change by improving and increasing the drainage infrastructure to decrease the potential of flooding.

Impact Fees

Impact fees are charged as a part of the building permit process and allow the town to take into consideration the effect a new development will have on parks, open space, drainage, and streets among others. Public Safety impact fees are also collected for capital improvements, police protection planning, architectural and engineering design studies, land surveys and acquisition, and site improvements associated with new or expanded facilities. Impact fees are forecast using the current year's activities.

Other Revenues

The other revenue category includes revenue from investments, rents, insurance proceeds, reimbursement of expenses, and other miscellaneous revenue sources. Trend analysis is used for forecasting these revenues.

Grants

Revenue from grant programs will be recorded here. Grants that the town has received in the past include law enforcement grants such as LEAF and DUI grants, as well as grants for park development and FEMA grants to rebuild after the community sustained damage from flooding. Grant funds are budgeted based on knowledge of upcoming grant applications that have been submitted or awarded to the town.

Road and Bridge

Weld County imposes a separate countywide mill levy for construction and maintenance of roads and bridges. Funds are shared with local governments and are distributed based on the percent of assessed valuation to total countywide assessed valuation. Revenues are forecast using trend analysis.

Highway Users Tax

The Highway Users Tax Fund (HUTF) is a state collected, locally shared revenue. HUTF revenues are based on a variety of formulas that include revenues based on motor fuel taxes, driver's license, and motor vehicle registration fees. The HUTF is distributed monthly among the state, counties, and municipalities based on a formula that takes into account the number of vehicles registered and the miles of streets in each municipality relative to the same data in other municipalities. These funds may be spent on new construction, safety, reconstruction, improvement, repair and maintenance, and capacity improvements. These sources may not be used for administrative purposes. Highway Users Tax is forecast based on information provided by the state.

Motor Vehicle Registration Fees

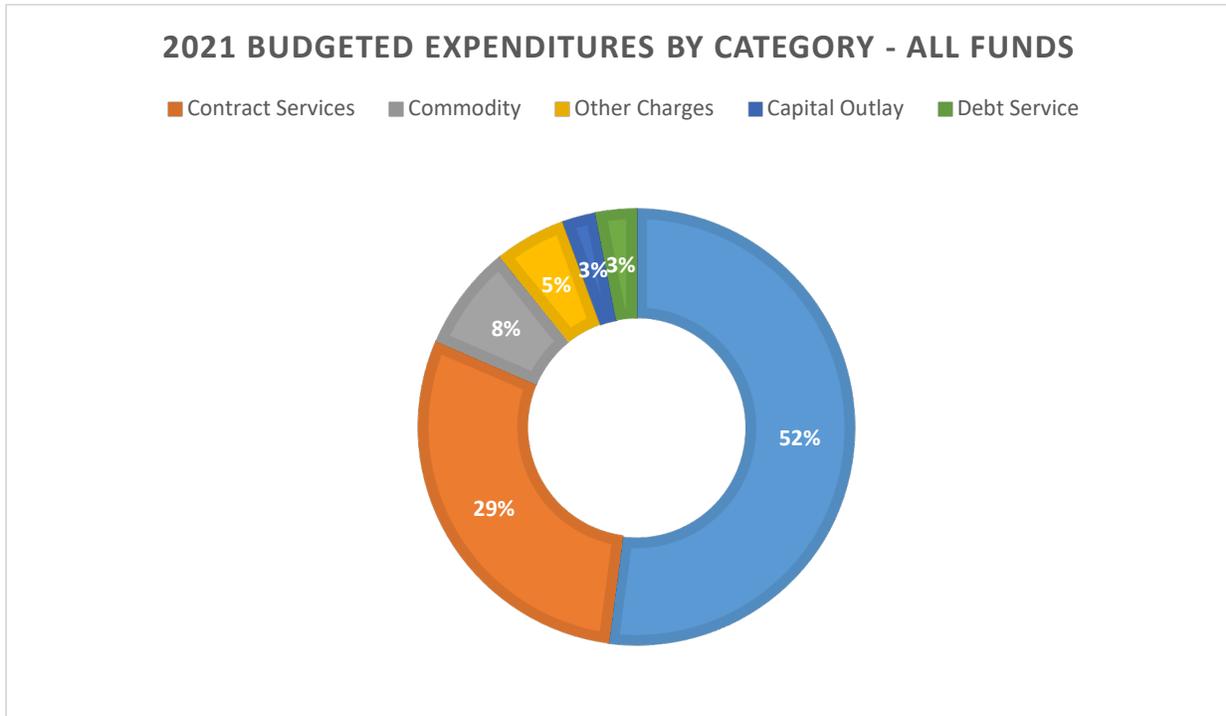
Motor vehicle registration fees are state imposed on the registration of a vehicle. Fees are primarily based on the weight of the vehicle (as published by the manufacturer) and the age of the vehicle. In addition to the base fees, there are numerous add-on fees that are imposed. The

revenue received by a county, or town is “actual” fees collected for the month based on the number and type of vehicles registered. Trend analysis is used to project future revenues.

EXPENDITURES/EXPENSE OVERVIEW

The Town of Frederick categorizes the expenses in each fund by function. The categories of expenses include: personnel services, contract services, commodity, other charges, capital outlay, and debt service. Each category is detailed below.

The following chart consolidates and summarizes the town’s expenditures by category:



Note: The 2021 Budgeted Expenditures by Category chart does not include transfers.

Personnel Services

This category includes all costs associated with town personnel including salaries/wages, payroll taxes, unemployment taxes, health insurance, workers’ compensation insurance, and retirement contributions. Costs for this category are calculated by allocating each employee’s time and associated costs to the appropriate fund/funds. As a service-based entity, this is one of the largest expenses for the town as a whole.

Contract Services

The contract services category includes all expenses that the town incurs with businesses or individuals on a regular basis. Examples of such expenses include consulting services, engineering services, legal services, architectural services, infrastructure maintenance, concrete replacement, economic development, crack sealing, street striping, billing services, utility bill

printing, advertising, auditing, postage, copy machine maintenance, software maintenance, investment banking, etc.

Commodity

This category includes all items purchased in the normal course of business and includes items such as computers and software, fuel, general supplies, office supplies, small tools, small equipment, safety supplies, lab supplies, uniforms, meter supplies, vehicle supplies, ice slicer, mosquito control supplies, etc.

Other Charges

This category includes items that are one-time or miscellaneous expenses including branding, commission grants, youth programming, Thanksgiving Dinner in a Box, general liability insurance, professional memberships, election expenses, Community Tour & Talk, depreciation, plant investment fees, electric rebates, tree sale program, etc.

Capital Outlay

Items expensed in this category must meet the requirements of a capital purchase. To qualify the item must have a purchase price that is \$5,000 or greater and must have a life expectancy of more than one year. Examples of costs in this category include large equipment such as fork lifts, commercial mowers, street sweepers, plow trucks, new parks, new buildings, building remodels, infrastructure expansions, new waterlines, playground equipment, new streets, new trails, bridges, street widening, etc.

Debt Service

Debt service items are costs associated with approved debt issuances for the town. The debt can be the result of a bond issuance, lease purchase or other contractual obligation. The town currently allows the individual funds account for their individual debt and does not roll it all together in a debt service fund.

DEBT SERVICE AND FINANCIAL OBLIGATIONS

All of the Town of Frederick's debt service and financial obligations are appropriated each budget year.

Legal Debt Limit

The Town of Frederick is a statutory town. The Colorado Revised Statutes provides that general obligation indebtedness for all purposes shall not at any time exceed three percent (3%) of the actual value, as determined by the County Assessor of the taxable property in the town.

As of December 31, 2020, the town has general obligation debt outstanding. The town's debt is within the legal debt limit as demonstrated by the table below:

Estimated Actual Value (determined by County Assessor)	\$2,494,143,032
Debt Limit: 3% of Actual Value	\$74,824,291
Total Bonded Debt	\$2,360,000
Legal Debt Margin	\$72,464,291
Total Bonded Debt Applicable to Limit as a % of Debt Limit	3.15%

The town has a lease purchase agreement for the public works building. The payment is made out of the Capital Facilities Fund. The payment is \$169,640 per year and the lease ends in 2033.

Public Works Building	\$1,754,083
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The town also has a lease purchase agreement for a street sweeper. The payment is made out of the Street and Alley Fund. The payment is \$46,968 per year and the lease ends in 2021.

Street Sweeper	\$45,782
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General Obligation Bonds, Series 2015A

In 2015, the Town of Frederick issued \$3,030,000 of General Obligation Bonds to refinance debt that was originally issued in 2006 to reconstruct Colorado Blvd north of Highway 52 to Bella Rosa. This project included the median and lighting improvements.

The following is detail of principal and interest requirements by year:

2015A Sales & Use Tax Street Bond

Year	Principal	Interest	Total
2020	\$240,000	\$73,000	\$313,000
2021	\$245,000	\$65,800	\$310,800
2022	\$260,000	\$56,000	\$316,000
2023	\$270,000	\$45,600	\$315,600
2024	\$280,000	\$34,800	\$314,800
2025	\$290,000	\$23,600	\$313,600
2026	\$300,000	\$12,000	\$312,000
Total	\$1,885,000	\$310,000	\$2,195,000

General Obligation Bonds, Series 2015B

In 2015, the Town of Frederick issued \$1,105,000 of General Obligation Bonds to reconstruct sections of Colorado Blvd north of Highway 52 to Bella Rosa Parkway.

The following is detail of principal and interest requirements by year:

2015B Sales & Use Tax Street Bond

Year	Principal	Interest	Total
2020	\$65,000	\$29,850	\$94,850
2021	\$70,000	\$27,900	\$97,900
2022	\$70,000	\$25,800	\$95,800
2023	\$75,000	\$23,000	\$98,000
2024	\$75,000	\$20,000	\$95,000
2025	\$80,000	\$17,000	\$97,000
2026	\$80,000	\$13,800	\$93,800
2027	\$85,000	\$10,600	\$95,600
2028	\$90,000	\$7,200	\$97,200
2029	\$90,000	\$3,600	\$93,600
Total	\$780,000	\$178,750	\$958,750

STRATEGIC FOUNDATION





Our Mission

Provide a safe, inviting, and culturally vibrant community that fosters economic growth and opportunity through diversity and creativity, while preserving our heritage.

Our Vision

A diverse and progressive community rich in opportunity and tradition.

FACILITIES AND INFRASTRUCTURE

Strategic Foundation

Objectives & Strategies

Facilities & Infrastructure



The Town of Frederick operates and maintains a broad range of facilities and infrastructure which are critical to our community, including buildings, roadways, water lines, storm water and electric utilities, etc. As the town continues to grow, additional facilities and infrastructure will be necessary to meet the needs of the community and its residents. Limited federal and state funding necessitates that we balance the costs to provide, staff and maintain new assets with the demands of maintaining our existing facilities and infrastructure. We will continue to partner with other agencies and special districts such as the Central Weld County Water District, the Left Hand Water District and the St. Vrain Sanitation District to ensure service excellence for our citizens.

- I. Provide a high quality and reliable water supply and manage drainage appropriately**
 - A. Meet or exceed all State and Federal standards, and keep complete and accurate records of all testing and results
 - B. Ensure new development provides system improvements that meet town standards
 - C. Maintain existing infrastructure in all areas of town
 - D. Partner with outside agencies when appropriate to continue to provide high quality, cost-effective service to our customers
- II. Maintain an adequate and safe transportation system**
 - A. Maintain acceptable levels of accessibility and service life for all roads with town limits
 - B. Maintain appropriate signage throughout town
 - C. Continue to explore options related to public transportation by partnering with State and Local agencies
- III. Provide and maintain safe, reliable, and cost-effective electric service**
 - A. Partner with outside agencies as needed to meet the needs of our community
 - B. Meet or exceed all Local, State, and Federal standards related to safety, efficiency, and reliability
 - C. Continue to seek innovations related to electric service, in order to provide reliable and cost-effective service to our customers
- IV. New and existing buildings and facilities**
 - A. Ensure proper maintenance, upkeep, and security for all town-owned and leased buildings, structures, water storage facilities, equipment and material storage facilities, property, recreation areas, and other town assets
 - B. Ensure new development is environmentally sound, sustainable, and can provide the resources necessary to support the cost of new infrastructure and facilities required to serve that development

ECONOMIC AND COMMUNITY VITALITY

Strategic Foundation

Objectives & Strategies

<p style="text-align: center;">Economic & Community Vitality</p>  <p>Economic vitality refers to a community’s capacity to be economically competitive, resilient and attractive to private and public enterprise. This requires strength to withstand the ups and downs of an economic cycle. To remain economically vital, Frederick must grow its economy, diversify its capital, and attract and retain talent. Community vitality refers to our town’s diversity, adaptability, and sustainability as an inclusive and participative community. In order for our community to remain vital, we must maintain our local charm and character while accommodating new residential, commercial and light industrial development. Employing smart planning techniques will allow us to hold on to our small-town feel, while we continue to create diverse housing and business opportunities for residents and business owners alike. An economically vital Frederick will require a team effort between regional organizations, neighboring municipalities and other public entities, and the private sector.</p>	<p>I. Economic Development</p> <ul style="list-style-type: none"> A. Invest in public improvements, and encourage business, residential, and land owners to do the same B. Support the efforts of the Frederick Downtown Business Association C. Create an economic development plan with focuses on the Downtown area, industrial park development, retail corridors, and primary employment. D. To continue downtown revitalization efforts, evaluate the value and need for a Business Improvement District (BID) E. Diversify the economic revenue based by establishment of new commercial retail development <p>II. Neighborhood Livability</p> <ul style="list-style-type: none"> A. Create neighborhoods with diverse housing types and affordability B. Maintain and enhance attractive neighborhoods in compliance with the town’s Comprehensive Plan C. Cultivate partnerships with residential neighborhoods and HOA’s that foster quality neighborhoods D. Direct and guide growth in the community through appropriate annexation, zoning, planning, and land use development <p>III. Community Vitality</p> <ul style="list-style-type: none"> A. Promote a healthy community by providing opportunities for all community members to lead healthy and active lifestyles B. Provide and maintain park and trail systems within and between neighborhoods C. Actively engage with residents and other community members to promote awareness of and participation in town-sponsored and other community events and amenities D. Partner with special districts and other outside agencies to strengthen our position as a regional cultural and recreational destination E. Protect our Brand’s integrity and use it to increase visibility and awareness of Frederick, both locally and regionally.
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FISCAL RESPONSIBILITY AND OPERATIONAL EXCELLENCE

Strategic Foundation

Objectives & Strategies

Fiscal Responsibility & Operational Excellence



The Town of Frederick will effectively manage its financial resources. Our staff will strive to deliver excellent services at the most reasonable cost. We will ensure that Frederick citizens receive great value for their tax dollars, and that town programs, services and capital projects benefit the community as a whole. The town will continuously refine and improve our effectiveness and methods of service delivery through process improvement and performance measures. We will identify and implement collaboration strategies with other public and private entities in order to ensure excellence. We will continue to strive for public trust and confidence.

- I. Maintain fiscal sustainability and flexibility**
 - A. Make prudent investments by maintaining a conservative portfolio that safeguards principle while maximizing returns
 - B. Manage debt responsibly by borrowing only for substantial long-term assets
 - C. Maintain our current assets in order to minimize the need for replacement
 - D. Ensure the Capital Plan is sustainable so that reserves are appropriately funded and the operating impact of capital is sustainable and affordable
- II. Enhance public trust and confidence**
 - A. Provide services in an open, honest and forthright manner, and encourage public engagement in local government
 - B. Provide value and excellence to our customers by effectively balancing efficiency and cost containment with innovation and customer convenience
 - C. Respect our customers by providing reasonable and responsible tax and utility rates, while ensuring that priority programs are maintained
- III. Deliver efficient, effective and innovative government services**
 - A. Optimize the use of technology to drive efficiency and productivity, and continue to seek innovative ways to improve performance across all areas of the organization
 - B. Continue to develop and implement safety initiatives to achieve safety goals, and continue to focus on employee health and wellness
 - C. Promote a values-driven organizational culture that reinforces ethical behavior, encourages ongoing professional development, and empowers our employees to provide excellent internal and external customer service

COMMUNITY SAFETY

Strategic Foundation

Objectives & Strategies

<p style="text-align: center;">Community Safety</p> <div style="text-align: center;">  </div> <p>The safety of our community and its citizens is of the utmost importance. A sense of safety is vital to the welfare and comfort of those who choose to live here, work here, or visit here. Our challenge is to help generate and foster a sense of community care and pride by partnering with residents to create and support a safe, healthy environment for all who call Frederick home. We will continuously work to promote enhanced levels of public safety, livability, and attractiveness of residential and commercial property throughout our town. We will continue to partner with neighboring municipalities and counties, as well as with special districts such as the Frederick-Firestone Fire Protection District to protect and preserve all we value about living and working in a safe and healthy community.</p>	<ul style="list-style-type: none"> I. Provide and maintain public safety in our community <ul style="list-style-type: none"> A. Enhance the public’s perception of the importance of community safety through both formal and informal channels B. Be responsive and effective in dealing with reported crime C. Reduce traffic accidents through education, engineering, and enforcement D. Respond to quality of life issues impacting the citizens of Frederick E. Ensure the Frederick Police Department has the necessary equipment and personnel training to provide safety and protection to our community and its citizens II. Emergency Preparedness <ul style="list-style-type: none"> A. Partner with neighboring municipalities and cooperating agencies to maintain an effective Emergency Preparedness program B. Undergo regular training with all stakeholders so that we are well prepared in case of an emergency, and can assist citizens as needed during and after the emergency C. Maintain appropriate levels of financial reserve in the event of a financial emergency, so that the town operations are minimally disrupted III. Provide and maintain safe infrastructure in our community <ul style="list-style-type: none"> A. Require building inspections for both new construction and existing remodels in order to ensure uniform safety standards are met B. Partner with FFFPD to ensure timely fire inspections of town-owned and leased buildings C. Provide community education on water and/or electric supply safety D. Maintain landscaping on town-owned property so that parks and other amenities are safe, attractive, and accessible to our citizens
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COMMUNITY AMENITIES

Strategic Foundation

Objectives & Strategies

<p style="text-align: center;">Community Amenities</p> <div style="text-align: center;">  </div> <p>The Town of Frederick is dedicated to providing its residents a wide array of regional recreational, cultural, educational, and leisure amenities and events, which enhance their quality of life and encourage visitors to come and enjoy what Frederick has to offer. In addition to providing and maintaining numerous parks, trails, playgrounds, and other recreational amenities, the town enjoys close partnerships with special districts such as the Carbon Valley Park and Recreation District, the St. Vrain Valley School District, the High Plains Library District, and others.</p>	<ul style="list-style-type: none"> I. Maintain and enhance the current culture, parks, and trail systems <ul style="list-style-type: none"> A. Maintain the attractiveness and usability of our current amenities such as benches, shade structures, playground and other recreational equipment, historic buildings, and public art pieces through regular maintenance and repair B. Maintain the health and beauty of our natural amenities such as Milavec Lake, Bulrush Wetlands, and other open space areas C. Maintain an inventory, condition assessment, and maintenance program for both natural and man-made amenities within our community to help preserve them for future generations II. Plan, design and implement culture, park and trail improvements <ul style="list-style-type: none"> A. Provide innovative, creative, and interactive features in parks, trails, and cultural amenities to promote learning and creativity B. Develop a clear and strategic Public Art Plan that features a variety of mediums that reflect the vibrancy of our community C. Develop effective funding alternatives for current and future amenities
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Our Strategic Goals

Our Strategic Goals are items that we aspire to accomplish within a one to ten-year timeline and beyond. These goals demonstrate our Vision, exemplify our Mission, and inspire us to live our Values as a community so many are proud to call home.

SHORT-TERM GOALS (0 - 3 year timeframe)

	<p>Improve street lighting throughout the Town.</p>
	<p>Assist in the development of a hotel/conference center.</p>
	<p>Use GPS to locate all used and unused utility lines within town.</p>
	<p>Complete a town-wide water service plan.</p>
	<p>Automate raw water meter readings (SCADA).</p>
	<p>Create an emergency plan for all town-owned buildings.</p>
	<p>Implement a cross-connection control program for the town's water distribution system.</p>
	<p>Update the records management system in the Police department.</p>
	<p>Implement a succession planning program for all positions in the Town of Frederick.</p>
	<p>Improve drainage in the downtown area.</p>

MID-TERM GOALS (4 - 6 year timeframe)

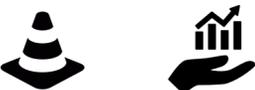
	<p>Continue working on NISP and Windy Gap water projects.</p>
	<p>Improve parking in Downtown Frederick.</p>
	<p>MS4 Permitting.</p>
	<p>Continue to improve sidewalk and trail connectivity both east and west of I-25.</p>
	<p>Maintain our streets at a Remaining Service Life (RSL) of 13 or better.</p>
	<p>Create a plan/policy regarding affordable housing and senior housing options within Frederick.</p>
	<p>Rebrand all street signs in town with the new Frederick logo.</p>
	<p>Perform updates to the amenities in Crist Park.</p>
	<p>Install fitness stations/signage on trails throughout Frederick.</p>

LONG-TERM GOALS (7 - 10 year timeframe)

	<p>Create a Civic Center complex to house government offices.</p>
	<p>Work expansion of public transportation in and around Frederick.</p>
	<p>Build a cultural/performing arts/multi-use center.</p>
	<p>Move to raw water irrigation in all parks.</p>
	<p>Continue to encourage economic development and retail expansion in Frederick.</p>
	<p>Pave all gravel roads within the town limits.</p>
	<p>Widening of Hwy 52 - CDOT/Dacono partnership.</p>
	<p>ADA compliance for all streets, sidewalks, and other public right-of-ways throughout town.</p>

ON-GOING GOALS

These goals are a continuous focus for the Town of Frederick.

	<p>Ensure that all master plans are updated regularly.</p>
	<p>Keep town’s standards, codes, specs, etc. updated to ensure compliance with all local, state and federal laws.</p>
	<p>Maintain existing infrastructure and facilities. Ensure proper care and maintenance of all town assets.</p>
	<p>Ensure sidewalk and trail connectivity in all new developments in Frederick.</p>
	<p>Continue to seek state and federal grant funding opportunities.</p>
	<p>Explore affordable housing options within Frederick.</p>
	<p>Maintain a 100-day reserve fund balance in all funds, and a 180-day reserve fund balance in the general fund.</p>
	<p>Continued process improvement training for town staff, and continued work on succession planning.</p>
	<p>Continued focus on economic development and retail expansion in Frederick. Attract primary job providers.</p>
	<p>Continued emergency preparedness/EOC training.</p>
	<p>Maintain safe playgrounds and parks by maintaining landscaping and trees and performing regular playground safety checks.</p>
	<p>Focus on environmental protection by holding oil & gas companies accountable for following safety regulations and implementing public improvements.</p>

LONG RANGE PLAN

The Town of Frederick has completed a ten-year financial forecast in order to provide a long-term view of the General Fund's operating budget. The town uses this multi-year financial forecasting as a planning and communication tool. The revenue and expenditure assumptions are updated annually to reflect current decisions made by the Town Board as well as indicate current economic trends while anticipating future outcomes based on continuous monitoring of the economic climate in the area. The financial forecast model combines projections of future revenues and expenditures based on historical analysis and economic factors with planned improvements, expected changes, expirations of grants, and future changes in service delivery.

Forecast Assumptions

Revenues

- In 2021, we also anticipate that an economic development project consisting of 50 acres will begin construction, generating additional sales and property tax revenues.

Expenditures

- The inflation factor used in the model for expenditures is 2.125 percent for 2021.
- The inflation factor used in the model for expenditures is 2.875 percent for 2022 through 2025.
- The inflation factor used in the model for expenditures is 3.25 percent for 2026 through 2029.
- Capital expenditures have been projected based on our current equipment schedules. Annual expenditure changes as the result of capital purchases, such as increases in insurance premiums after adding new vehicles to the fleet, have been factored in on an annual basis.
- Staffing costs and staffing level increases have been projected based on the current level of growth in the community. For the financial plan, two full-time officers have been added each of the following years: 2021, 2023, 2025, 2026, and 2027. Other staffing assumptions in 2021 include adding a full-time Economic Development Director, Town Attorney, Police Commander, two Police Officers, Building Inspector, Development Engineer, Public Works Technician, PW Facilities Supervisor, and PW Assistant Director.

Analysis

The plan as presented, depicts 2020 with a General Fund increase in fund balance by \$3.8M. These excess revenues have been utilized to balance the 2021 projected budget. Tax and fee revenues are anticipated to decrease by 15%, the Administration Department is expected to increase operating expenditures by 60% due to the addition of Town Attorney and Economic Development departments, and the Police Department will be expanding in personnel and technology cost categories by 23%. An additional \$689,940 in revenues will be transferred to the newly created Capital Projects Fund for designated capital improvements. Despite using fund balance to balance the budget in 2021, the Board objective of maintaining a minimum of 180 days of operating costs in reserves is still being met. This long-term projection helps to show the potential resources that may be available and identify areas where additional resources are likely needed if the local residential growth trends remain the same as they have been in the recent past.

General Fund	2020 Actual	2021 Adopted Budget	2021 Projected Budget	2022 Projected	2023 Projected	2024 Projected
Beginning Fund Balance	7,930,362	11,756,153	11,756,153	11,180,142	12,113,262	13,600,606
Revenues:						
Taxes & Fees	9,083,353	7,653,260	7,653,260	7,882,858	8,119,344	8,362,924
Licenses & Permits	1,522,601	1,248,000	1,248,000	1,285,440	1,324,003	1,363,723
Fines & Forfeitures	140,572	114,000	114,000	117,420	120,943	124,571
Earnings on Investment	204,061	31,000	31,000	31,930	32,888	33,875
Miscellaneous Revenue	181,447	174,500	174,500	179,735	185,127	190,681
Grants & Contributions	321,793	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Total Operating Revenues	11,453,827	9,220,760	9,220,760	9,497,383	9,782,304	10,075,773
Operating Expenditures:						
Administration	1,593,254	2,564,768	2,564,768	2,219,269	1,883,073	1,937,212
Finance	231,515	195,198	195,198	199,346	205,077	210,973
Courts Division	137,918	132,203	132,203	135,012	138,894	142,887
Legislative	446,007	289,661	289,661	295,816	304,321	313,070
Engineering	727,701	491,619	491,619	502,066	516,500	531,350
Planning	421,828	122,162	122,162	124,758	128,345	132,035
Police	3,424,659	4,211,176	4,211,176	4,200,663	4,241,433	4,283,374
Public Works & Buildings	392,266	340,104	340,104	347,331	357,317	367,590
Transfers Out	0	759,940	759,940	40,000	40,000	40,000
Total Operating Expenditures	7,375,147	9,106,831	9,106,831	8,064,262	7,814,960	7,958,490
Net Operating Revenues (Loss)	4,078,680	113,929	113,929	1,433,120	1,967,344	2,117,283
Capital Expenditures:						
Administration	0	43,750	43,750	400,000	400,000	0
Finance	0	0	0	0	0	0
Courts Division	0	0	0	0	0	0
Legislative	0	0	0	0	0	0
Engineering	0	12,288	12,288	0	0	0
Planning	0	305,000	305,000	0	0	0
Police	179,112	0	0	100,000	80,000	80,000
Public Works & Buildings	73,776	328,902	328,902	0	0	0
Total Capital Expenditures	252,889	689,940	689,940	500,000	480,000	80,000
Net Change in Fund Balance	3,825,791	(576,011)	(576,011)	933,120	1,487,344	2,037,283
Ending Fund Balance	11,756,153	11,180,142	11,180,142	12,113,262	13,600,606	15,637,890

General Fund	2025 Projected	2026 Projected	2027 Projected	2026 Projected	2027 Projected	2028 Projected	2029 Projected
Beginning Fund Balance	15,637,890	17,819,790	20,138,355	22,597,463	25,193,192	27,919,156	30,789,062
Revenues:							
Taxes & Fees	8,613,812	8,872,226	9,138,393	9,412,544	9,694,921	9,985,768	10,285,341
Licenses & Permits	1,404,635	1,446,774	1,490,177	1,534,883	1,580,929	1,628,357	1,677,208
Fines & Forfeitures	128,308	132,157	136,122	140,206	144,412	148,744	153,206
Earnings on Investment	34,891	35,937	37,016	38,126	39,270	40,448	41,661
Miscellaneous Revenue	196,401	202,293	208,362	214,613	221,051	227,683	234,513
Grants & Contributions	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Operating Revenues	10,378,047	10,689,388	11,010,070	11,340,372	11,680,583	12,031,000	12,391,930
Operating Expenditures:							
Administration	1,992,907	2,050,203	2,109,146	2,177,693	2,248,468	2,321,543	2,396,994
Finance	217,039	224,092	231,375	238,895	246,659	254,676	262,953
Courts Division	146,995	151,772	156,705	161,798	167,056	172,486	178,092
Legislative	322,071	332,538	343,346	354,505	366,026	377,922	390,204
Engineering	546,626	564,391	582,734	601,673	621,227	641,417	662,263
Planning	135,831	140,245	144,803	149,509	154,368	159,385	164,565
Police	4,326,521	4,387,133	4,449,714	4,514,330	4,581,046	4,649,930	4,721,053
Public Works & Buildings	378,158	390,448	403,138	416,240	429,768	443,735	458,156
Transfers Out	50,000	50,000	50,000	50,000	60,000	60,000	60,000
Total Operating Expenditures	8,116,147	8,290,823	8,470,962	8,664,643	8,874,619	9,081,094	9,294,279
Net Operating Revenues (Loss)	2,261,900	2,398,565	2,539,108	2,675,729	2,805,964	2,949,907	3,097,651
Capital Expenditures:							
Administration	0	0	0	0	0	0	0
Finance	0	0	0	0	0	0	0
Courts Division	0	0	0	0	0	0	0
Legislative	0	0	0	0	0	0	0
Engineering	0	0	0	0	0	0	0
Planning	0	0	0	0	0	0	0
Police	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Public Works & Buildings	0	0	0	0	0	0	0
Total Capital Expenditures	80,000						
Net Change in Fund Balance	2,181,900	2,318,565	2,459,108	2,595,729	2,725,964	2,869,907	3,017,651
Ending Fund Balance	17,819,790	20,138,355	22,597,463	25,193,192	27,919,156	30,789,062	33,806,714

FUND SUMMARIES



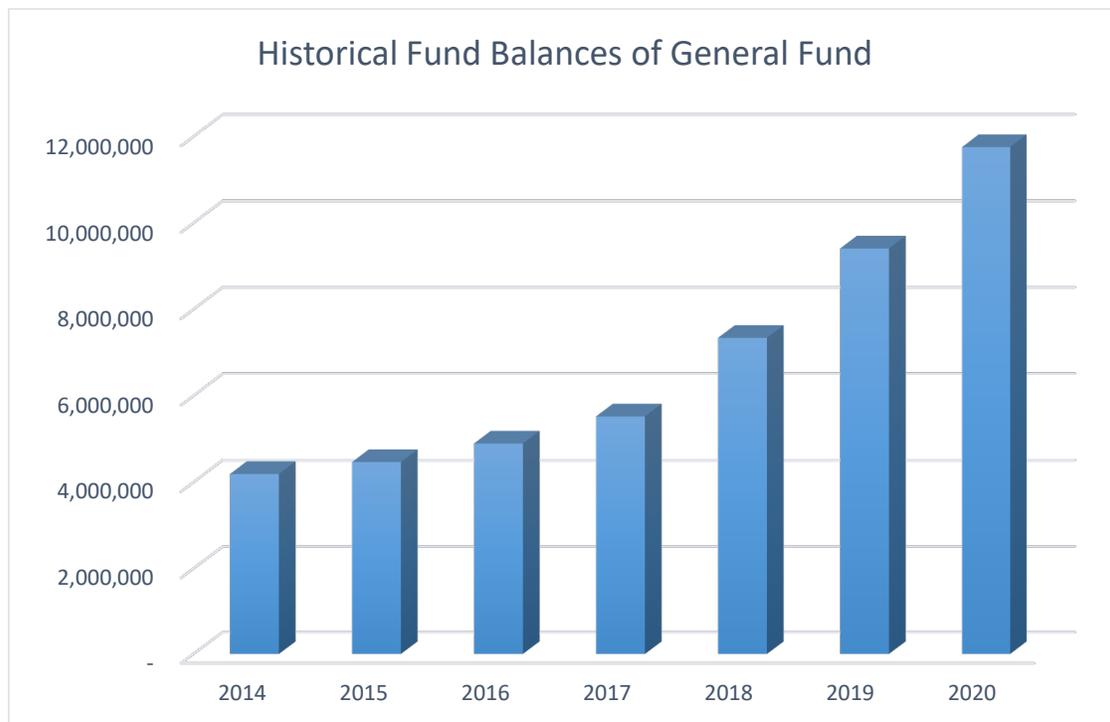
GENERAL FUND



GENERAL FUND

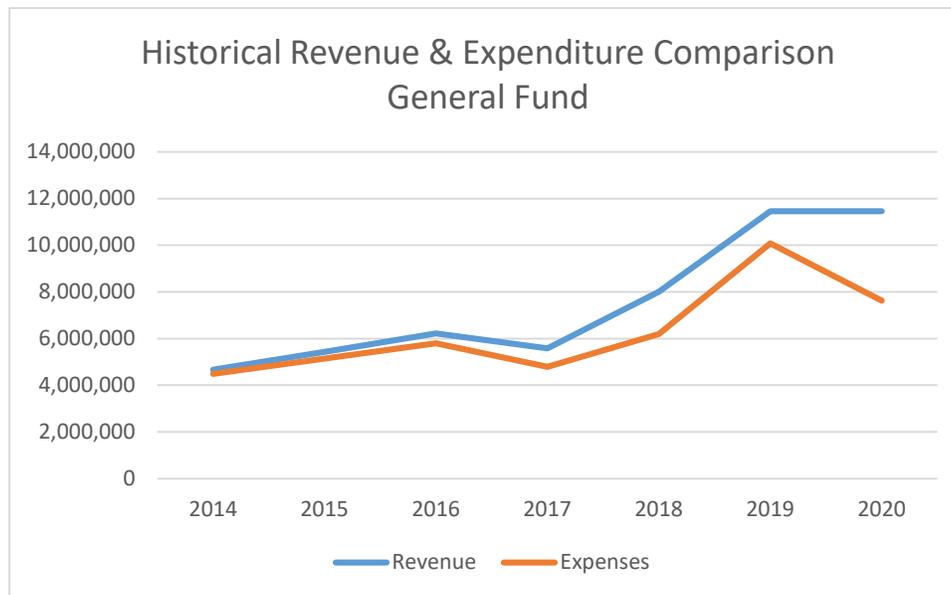
The General Fund accounts for all financial resources except those required by federal, state, or local regulation to be accounted for in another fund. The revenues and expenditures in this fund are accounted for using a modified accrual basis. Services that are included in the General Fund include town administration, police protection, legal services, planning, engineering, human resources, and facility maintenance.

One of the primary goals of the town is to maintain a healthy fund balance. In recent years, the revenue collected has exceeded expenditures, which has provided the town an opportunity to build cash reserves that can be used when needed. Currently, the 2021 budget as planned provides the town with reserves equivalent to 250 days of operating expenses. Prudent financial planning over the years has allowed the town to maintain its AA rating with the credit-rating agency Standard and Poor’s. The following graph depicts the changes in the fund balance for the town. The more recent economic rebound and resulting surpluses are also evident.



Note: The historical fund balance chart combines the fund balance for the General Fund, Art in Public Places Fund, Events Fund, and The Historical Preservation Fund. The audited financials combine the three (3) small governmental funds with the much larger General Fund for reporting purposes.

The increases in fund balance in recent years are the result of budget surpluses. A budget surplus occurs when the revenue received is higher than the expenses incurred. As the following graph illustrates, the town has had budget surpluses in the General Fund every year since 2010.



While the economy is continuing to improve, the fund balance in 2021 is expected to slightly decrease by 5%. Revenue projections for the year have been conservatively estimated and expenditures have been estimated with a 28.4% percent increase compared to 2020. Revenues for the General Fund are primarily tax-based. Currently, the town has the fourth lowest mill levy and the sixth lowest sales tax rate in the county. When low taxes are combined with very rapid residential growth, demand for services increases faster than the revenue necessary to meet those expectations. A Town of Frederick resident with a home valued at \$250,000 currently pays \$117.08 in property taxes to the town. In the long-term, to meet the demand an in-depth analysis will be critical for this fund in terms of revenue streams, as well as service levels.

The 2021 Budget includes revenues of \$9,220,760 and net transfers of (\$759,940) for a total of \$8,460,820, a decrease of \$2,993,007 compared to the 2020 Budget. The decrease is primarily due to a projected decrease in tax and fee revenues. New businesses in the Town of Frederick, however, have contributed to a general slight increase in sales tax collections and strong economic growth in the area has resulted in higher building permit and business license revenues. The 2021 Budget includes expenditures of \$9,036,831, and transfers out of \$759,940. The transfers out include a \$689,940 transfer to the Capital Projects Fund for future capital improvements and \$70,000 to the Events Fund. Anticipated expenditures are \$2,168,735 higher than 2020 actuals, due to the transfer amount to the Capital Facility Fund and an increase in Administration and Police Department expenditures.



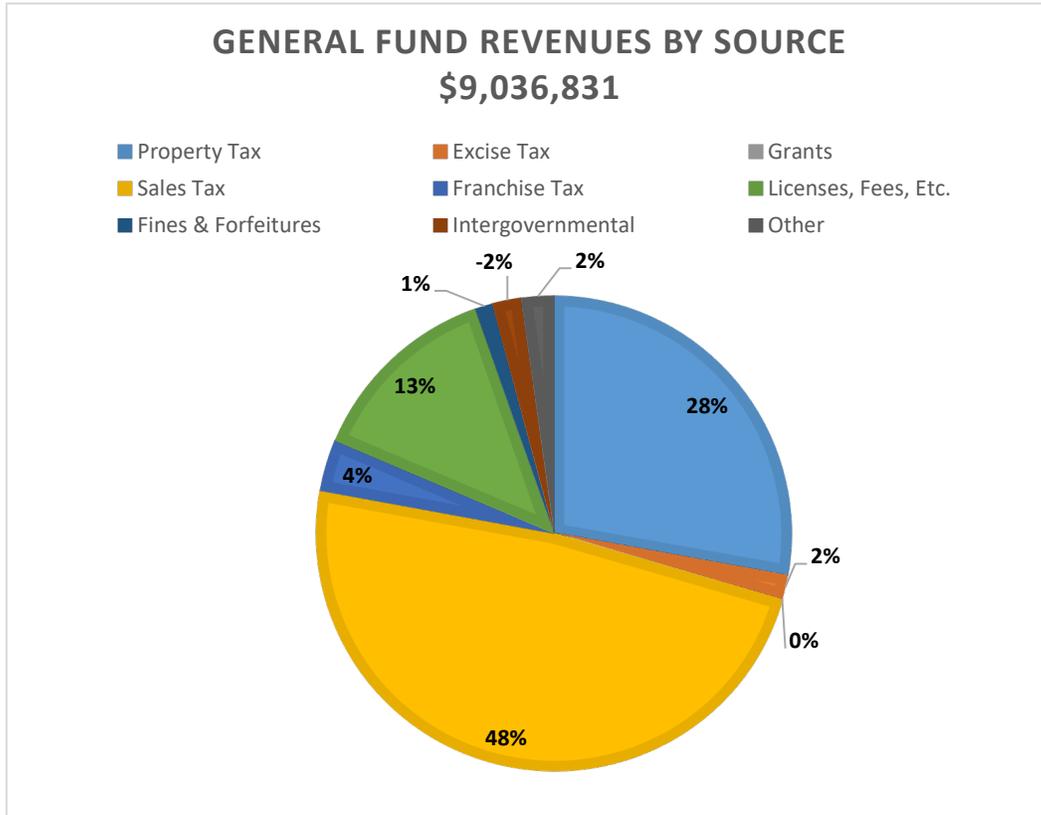
1 - Administrative Services Building

GENERAL FUND BUDGET

General Fund	2019 Actuals	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	7,339,684	7,497,609	7,497,609	11,141,144
<u>Revenues:</u>				
Taxes & Fees	6,193,415	6,860,662	9,791,706	7,653,260
Licenses & Permits	1,761,056	998,500	1,668,523	1,248,000
Fines & Forfeitures	154,533	123,500	157,027	114,000
Earnings on Investment	128,144	56,800	233,915	31,000
Miscellaneous Revenue	433,969	323,657	194,021	174,500
Grants & Contributions	45,286	41,500	8,124	-
<i>Transfers In</i>	(2,375,000)	2,165,181	-	-
Total Operating Revenues	6,341,403	10,569,800	12,053,316	9,220,760
<u>Expenditures:</u>				
Administration	1,015,765	2,307,693	2,326,424	2,275,607
Economic Development	-	-	-	119,459
Town Attorney	-	-	-	213,452
Finance	111,572	229,468	210,900	195,198
Courts Division	121,061	146,005	149,762	132,203
Legislative	467,806	444,702	422,420	289,661
Engineering	583,584	471,623	778,698	503,907
Planning	304,500	396,326	356,285	427,162
Police	3,109,547	3,960,355	3,852,062	4,211,176
Public Works & Buildings	379,293	358,431	313,228	553,006
Buildings				116,000
<i>Transfers Out</i>	90,350	-	-	759,940
Total Expenditures	6,183,478	8,314,603	8,409,780	9,796,771
Excess (Deficiency) of Revenues and Other Sources over Expenditures	157,925	2,255,197	3,643,536	(576,011)
Ending Fund Balance	7,497,609	9,752,806	11,141,144	10,565,133

General Fund Revenues

General Fund revenues are primarily made up of property taxes, excise taxes, licenses, fees, fines, grants, franchise taxes, donations, interest, and other intergovernmental funds. Taxes make up 85 percent (85%) of the total revenues projected for 2021. The chart below shows the proportion of each major revenue source to the total General Fund Revenues.



The General Fund Revenue Sources table below lists the major revenue sources, as well as the amounts that are projected for 2021.

General Fund Revenue Sources		
Source	Amount	% of Total
Property Tax	2,616,760	29%
Excise Tax	155,000	2%
Grants	0	0%
Sales Tax	4,550,000	50%
Franchise Tax	331,500	4%
Licenses, Fees, Etc.	1,248,000	14%
Fines & Forfeitures	114,000	1%
Intergovernmental	-183,929	-2%
Other	205,500	2%

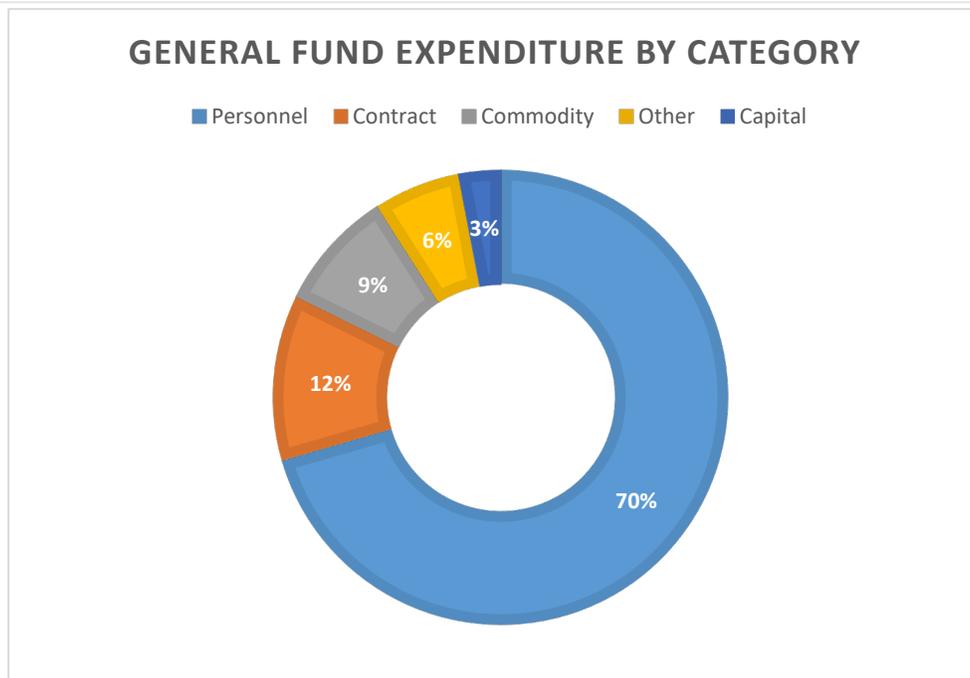
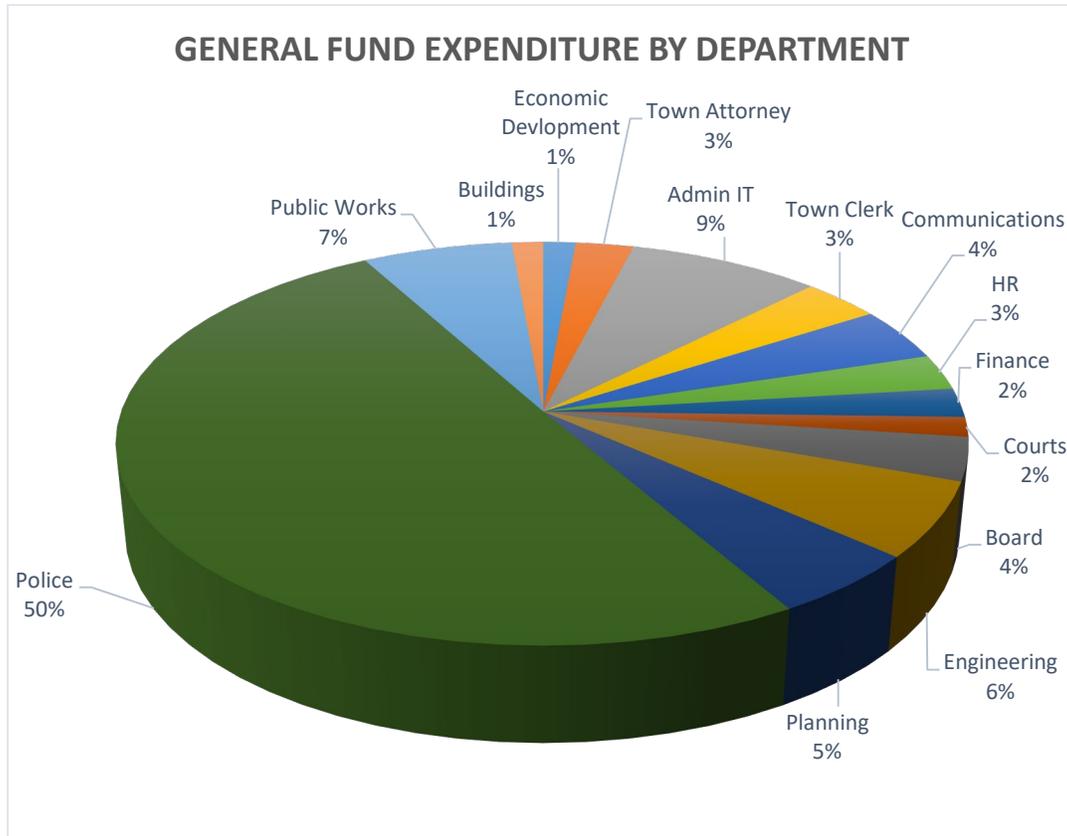
General Fund Expenditures

Expenditures in the General Fund are separated by department and/or division and then by category. The departments/divisions that exist in the General Fund are the Town Board, General Administration, Finance, Courts, Engineering, Police, Planning, Public Works, and Buildings. The expense categories that are used include personnel services, contract services, commodity, other charges, capital outlay, and debt service. Capital outlay for the 2021 Budget includes an expense of \$200,000 for Centennial Park improvements and \$300,000 for asphalt paving of the Public Works lot.

GENERAL FUND EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Board	22,211	132,250	3,000	132,200	289,661	---	---	289,661
Finance	144,388	13,250	29,360	8,200	195,198	---	---	195,198
Administration	237,551	141,000	9,000	39,275	426,826	250,000	---	676,826
Communications	221,264	57,250	10,856	71,000	360,370	---	---	360,370
Human Resources	116,642	3,800	7,000	111,800	239,242	---	---	239,242
Courts	84,353	42,950	4,700	200	132,203	---	---	132,203
Engineering	382,907	29,000	49,000	28,000	488,907	15,000	---	503,907
Economic Development	73,809	9,500	3,300	32,850	119,459	---	---	119,459
Town Attorney	167,802	9,500	3,300	32,850	213,452	---	---	213,452
Police	3,803,115	168,504	174,700	64,857	4,211,176	---	---	4,211,176
Information Technology	92,246	185,650	431,070	1,400	710,366	---	---	710,366
Town Clerk	236,233	35,500	8,650	8,420	288,803	---	---	288,803
Planning	341,612	79,800	5,750	0	427,162	---	---	427,162
Public Works	447,771	46,700	32,600	25,935	553,006	---	---	553,006
Building	0	111,000	5,000	0	116,000	---	---	116,000
Totals	\$6,371,904	\$1,065,654	\$777,286	\$556,987	\$8,771,831	\$265,000	\$0	\$9,036,831
Total Cash Available								\$20,216,973
Ending Fund Balance								11,180,142
% of Total Budget	70.51%	11.79%	8.60%	6.16%	97.07%	2.93%	0.00%	100.00%

The services that are provided by the General Fund are very labor-intensive, especially with regard to police services and the expenditures reflect this with personnel costs making up seventy percent (70%) of the costs. The charts below detail the expenditures for the General Fund by department and by category.



GENERAL FUND DEPARTMENT SUMMARIES

ADMINISTRATION

	2019	2020	2020	2021
<u>Administration Budget</u>	Actual	Approved Budget	Year End Projections	Budget
Personnel Services	107,739	232,933	235,868	479,162
Contract Services	108,471	141,000	147,729	160,000
Commodity	14,272	9,000	9,415	15,600
Other Charges	11,687	39,275	12,638	104,975
Total Operating	242,170	422,208	405,650	759,737
Capital Outlay	(3,528)	250,000	-	250,000
Debt Service	-	-	-	-
Total Expenditures	238,642	672,208	405,650	1,009,737
FTE's	5.55	5.55	5.55	8.40

Overview and Description

The Town of Frederick Administration office is made up of the Town Manager, Town Clerk, Human Resources, Communications, and Information Technology (IT). Below is an overview of the specific tasks and responsibilities within Administration.

Town Manager

The Town Manager is appointed by the Mayor and Board of Trustees and serves at the pleasure of the Town Board. The Town Manager's office is responsible for managing and coordinating the day-to-day operations of the town and responsible for the enforcement of all policies, laws, and ordinances. The Town Manager implements the Town Board goals and objectives, and is responsible for the coordination of all municipal programs and services, making recommendations to the Mayor and Town Board as appropriate concerning the operation, affairs, and future needs of the town. The Town Manager participates in Town Board meetings without the right to vote, to keep the Town Board advised on the operation, financial condition, and needs of the town.

A duty that is the direct responsibility of the Town Manager is the preparation of the town's annual budget. The budget reflects the expected revenue and projected expenses for the ensuing year and is the subject of public hearings. The Town Manager, in carrying out the responsibilities of fiscal planning and other areas of town government, has the authority to appoint the heads of the various departments and divisions.

Town Manager Goals and Key Performance Indicators (KPI)

Strategic Foundation: Fiscal Responsibility & Operational Excellence

Objective:

Maintain fiscal sustainability and flexibility

Strategy:

Manage debt responsibly by borrowing only for substantial long-term assets

Measure	2018	2019	2020	Comments
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Workload:

Performance:

Bond Rating	AA	AA	AA	
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Strategic Foundation: Economic & Community Vitality

Objective:

Economic Development

Strategy:

Diversify the economic revenue based by establishment of a new commercial retail development

Measure	2018	2019	2020	Comments
---------	------	------	------	----------

Workload:

No. of potential investors communicated with, annually	N/A	4	3	
--	-----	---	---	--

Performance:

No. of commercial retail development project applications submitted	0	5	4	
---	---	---	---	--

Strategic Foundation: Economic & Community Vitality

Objective:

Community Vitality

Strategy:

Partner with special districts and other outside agencies to strengthen our position as a regional cultural and recreational destination

Measure	2018	2019	2020	Comments
---------	------	------	------	----------

Workload:

No. of community partner and local business contacts, annually	150	176	162	
--	-----	-----	-----	--

Performance:

Strategic Foundation: Fiscal Responsibility & Operational Excellence**Objective:**

Enhance public trust and confidence

Strategy:

Provide value and excellence to our customers by effectively balancing efficiency and cost containment with innovation and customer convenience

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of eligible cross-trained positions	N/A	43	50	
<i>Performance:</i>				
Successes realized from succession planning	1	7	6	

Strategic Foundation: Economic & Community Vitality**Objective:**

Economic Development

Strategy:

Invest in public improvements, and encourage business, residential, and land owners to do the same

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of grants applied for	N/A	10	2	
<i>Performance:</i>				
Amount of grant awards, dollars	N/A	35,556	\$25,000	

Town Attorney

Beginning in 2021, the Town will establish a legal department internally to assist in executing the established vision of the Town Board under the direction of the Town Manager. The Town Attorney is appointed by the Mayor and Board of Trustees and serves at the pleasure of the Town Board. The Town Attorney provides assistance and legal advice to the Board of Trustees, other boards and commissions, and staff members related to a broad range of advanced legal matters involving municipal law, including but not limited to: construction and other contracts; real property; state and federal constitutional law; zoning and land use; liquor licensing; taxation; open records; election law; municipal code interpretation, drafting and enforcement; governmental liability and immunity; human resources law and enforcement.

The Town Attorney drafts Town ordinances, resolutions, policies, contracts, and other legal documents, confers with staff regarding Town-wide and departmental policies and procedures, and coordinates with outside counsel regarding litigation on behalf of the Town. This

department works cooperatively with outside counsel that may be retained in certain specialty areas such as water rights, urban renewal, and economic development.

The Town Attorney also advises the Board of Trustees and staff members of potential problems or concerns and makes recommendations for changes or improvements, and provides verbal and written information as requested, including legal opinions. The department will research, interpret and apply laws, court decisions, and other legal authority in the preparation of opinions and briefs.

Economic Development

Beginning in 2021, the Town will establish an Economic Development Department internally to assist in executing the established vision of the Town Board under the direction of the Town Manager. Economic Development is the process designed to promote and stimulate the creation of wealth in a community. The Economic Development Department concentrates on the following four main areas of success: business attraction and marketing, business retention and expansion, supporting small businesses and workforce development. The Economic Development Department also strives to diversify the Town's revenues, increase the generation of Sales and Use Taxes and establish Frederick as a preferred business location. The Department is responsible for the Town's business incentive programs.

Communications and Engagement

Communications and Engagement serves the communications, community programming and events function for the Town of Frederick. This includes public relations (PR) and media relations duties such as press releases, articles, press kits, press events (i.e. park openings, art dedications, etc.), and creating other communications for residents such as social media, the weekly email newsletter, and the monthly newsletter that is included with utility bills. It also includes community programming such as the Community Tour and Talks and the Adopt a Place Program. The Communications and Engagement Manager, along with the Communications & Engagement Specialist, is responsible for all facets of web design, implementation, project coordination, site appearance, navigation, search engine optimization, ongoing maintenance, content management, and workflow. The Communications and Engagement department is also responsible for the extension and protection of the new brand which includes marketing materials (the Community Spotlight, the general information brochure, etc.), local and regional advertising, and advising other departments on the successful implementation of the brand in necessary projects as well as advocating for the proper use of the brand. Communications and Engagement also coordinates and manages all of the town's community events such as Miners Day, Frederick in Flight, DIY Day, Chainsaws and Chuckwagons, Finale Fridays, and the Frederick Festival of Lights tree lighting in December. It also serves as chair of the Miners Day Committee and is responsible for coordinating youth programming throughout the community. Communications and Engagement also supports other departments by creating communications, marketing materials, and advising from a communications perspective on necessary projects.

Communications and Engagement Goals and Key Performance Indicators (KPI)

Strategic Foundation: Economic and Community Vitality

Objective:

Neighborhood Livability

Strategy:

Cultivate partnerships with residential neighborhoods and HOA's that foster quality neighborhoods

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Community BBQ Tour stops	12	12	7	8 planned. Prairie Greens cancelled.
<i>Performance:</i>				
Number of residents attending	1154	1191	412	

Strategic Foundation: Economic and Community Vitality

Objective:

Community Vitality

Strategy:

Actively engage with residents and other community members to promote awareness of and participation in town-sponsored and other community events and amenities

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Facebook posts	369	475	737	Increase with COVID-19 info.
<i>Performance:</i>				
Number of Facebook Engagements	373,455	138,977	123,153	

Strategic Foundation: Fiscal Responsibility and Operational Excellence

Objective:

Enhance public trust and confidence

Strategy:

Provide services in an open, honest and forthright manner, and encourage public engagement in local government

Measure	2018	2019	2020	Comments
<i>Workload</i>				
Average Number of hours spent on the website per week	N/A	N/A	8	
<i>Performance:</i>				
Website Readability Score	9.3	9.2	9.5	
<i>Performance:</i>				
Visits to Website	219,858	223,436	229,568	

Strategic Foundation: Fiscal Responsibility and Operational Excellence

Objective:

Enhance public trust and confidence

Strategy:

Provide services in an open, honest and forthright manner, and encourage public engagement in local government

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Frederick Flash editions	49	49	49	
<i>Performance:</i>				
Number of Frederick Flash subscribers	1,270	1,503	1,560	Residents do not need to come in-person for new utilities. They are not asked to sign up for FF through online utility sign up.
<i>Performance:</i>				
Percentage of Frederick Flash clicks	7.71%	6.30%	6.60%	

Human Resources

The Human Resources department is responsible for the day-to-day management and the overall direction of the town’s Human Resources programs and activities. The Human Resources Director oversees all activities surrounding employee pay, benefits, performance evaluation, worker’s compensation, safety and risk management, personnel policies and procedures, recruiting, training, staffing, and general liability insurance for the town.

Human Resources Goals and Key Performance Indicators (KPI)

Strategic Foundation:

Objective:

Deliver efficient, effective and innovative government services.

Strategy:

Optimize the use of technology to drive efficiency and productivity.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of payroll checks issued	1976	2210	2756	
<i>Performance:</i>				
Percent of payroll checks issued correctly, with no errors	97%	98%	99%	

Strategic Foundation:

Objective:

Deliver efficient, effective and innovative government services

Strategy:

Promote a values-driven organizational culture that reinforces ethical behavior, encourages ongoing professional development, and empowers our employees to provide excellent internal and external customer service

Measure:	2018	2019	2020	Comments
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Workload:

Number of trainings made available to employees	1	1	8	
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Performance:

Percent of employees who participated in Town-sponsored training	100%		50%	
--	------	--	-----	--

Strategic Foundation:

Objective:

Deliver efficient, effective and innovative government services

Strategy:

Continue to develop and implement safety initiatives to achieve safety goals, and continue to focus on employee health and wellness

Measure:	2018	2019	2020	Comments
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Workload:

Number of hours dedicated to risk management efforts	500	600	500	
--	-----	-----	-----	--

Performance:

Score obtained on the CIRSA property / casualty audit. Passing score is 80%	92%	94%	94%	
---	-----	-----	-----	--

Strategic Foundation:

Objective:

Deliver efficient, effective and innovative government services

Strategy:

Continue to develop and implement safety initiatives to achieve safety goals, and continue to focus on employee health and wellness

Measure:	2018	2019	2020	Comments
-----------------	-------------	-------------	-------------	-----------------

Workload:

Number of Worker's Compensation claims	10	5	4	
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Performance:

Average number of days to submit an injury to workers compensation insurance once the injury has been reported to Human Resources	1	0.4	3.7	
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Town Clerk

The Frederick Town Clerk is the official keeper of all town documents. This includes maintaining records, implementing the State Archive approved record retention and record retrieval. The clerk’s office utilizes an electronic filing program that enables staff to access information easily. The clerk’s office is responsible for completing all open records requests in a timely manner and managing the process in which said requests are completed.

The clerk’s office is also responsible for assembling the packets for the Town Board meetings. In addition to assembling packets for the meetings, the clerk is responsible for documenting all meetings of the Board of Trustees. This includes minute preparation and recording of meetings. The clerk is responsible for the publication and recording of all documents.

The clerk’s office also administers all municipal regular and coordinated elections as well as handles all business and liquor licensing for the town.

Town Clerk Goals and Key Performance Indicators (KPI)

Strategic Foundation: Fiscal Responsibility and Organizational Excellence				
Objective:				
Enhance Public Trust and Confidence				
Strategy:				
Provide services in an open, honest, and forthright manner; and encourage public engagement in local government				
Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Open Records Requests received	49	74	79	
<i>Performance:</i>				
Percentage of Open Records Requests closed within 3 day timeframe	100%	100%	100%	
<i>Performance:</i>				
Percentage of open records requests completed	100%	100%	100%	

Strategic Foundation: Fiscal Responsibility and Organizational Excellence

Objective:

Enhance public trust and confidence

Strategy:

Provide services in an open, honest, and forthright manner; and encourage public engagement in local government

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of meeting minutes processed	33	34	29	
<i>Performance:</i>				
Percentage of meeting minutes presented for adoption at the following meeting	100%	100%	100%	

Strategic Foundation: Fiscal Responsibility and Organizational Excellence

Objective:

Enhance public trust and confidence

Strategy:

Provide services in an open, honest, and forthright manner; and encourage public engagement in local government

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Agendas Processed	54	62	54	Board, FURA, LLA, FMD
<i>Performance:</i>				
Percentage of agendas distributed at least 3 days prior to meeting	100%	100%	100%	

Strategic Foundation: Fiscal Responsibility and Organizational Excellence

Objective:

Enhance public trust and confidence

Strategy:

Provide services in an open, honest, and forthright manner; and encourage public engagement in local government

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of ordinances adopted and eligible for codification and/or indexing	22	27	16	
<i>Performance:</i>				
Percentage of ordinances codified and/or indexed	100%	100%	100%	

Strategic Foundation: Fiscal Responsibility and Organizational Excellence

Objective:

Enhance public trust and confidence

Strategy:

Provide services in an open, honest, and forthright manner; and encourage public engagement in local government

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Liquor License Applications received	15	17	18	Includes temporary use applications
<i>Performance:</i>				
Percentage of Liquor License Applications Processed/Completed	100%	100%	100%	

Information Technology

The Information Technology (IT) division is a newly formed division for the Town of Frederick. IT refers to anything related to computing technology such as networking, hardware, software, the Internet, and the people that work with these technologies. It is the use of computers to store, retrieve, transmit and manipulate data or information. Prior to 2019, this function existed primarily within the Planning Department in the General Fund with commodity costs being shared by all departments.

Information Technology Goals and Key Performance Indicators (KPI)

Strategic Foundation: Fiscal Responsibility & Operational Excellence

Objective:

Deliver efficient, effective and innovative government services.

Strategy:

Optimize the use of technology to drive efficiency and productivity and continue to seek innovative way to improve performance.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Network Support Tickets Requ	646	721	735	
<i>Performance:</i>				
Tickets Solved	644	703	721	
Percent Reopened	12%	10%	7%	
Percent Resolved	100%	98%	98%	

Strategic Foundation: Fiscal Responsibility & Operational Excellence

Objective:

Deliver efficient, effective and innovative government services.

Strategy:

Optimize the use of technology to drive efficiency and productivity and continue to seek innovative way to improve performance.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Large IT projects	5	8	13	
<i>Performance:</i>				
Completed on time and on our under budget	100%	100%	100%	

Strategic Foundation: Fiscal Responsibility & Operational Excellence

Objective:

Deliver efficient, effective and innovative government services.

Strategy:

Optimize the use of technology to drive efficiency and productivity and continue to seek innovative way to improve performance.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Public Facing Mapping Applications/Data	39	71	106	
<i>Performance:</i>				
Total views	19,905	35,980	39,278	

Strategic Foundation: Fiscal Responsibility & Operational Excellence

Objective:

Deliver efficient, effective and innovative government services.

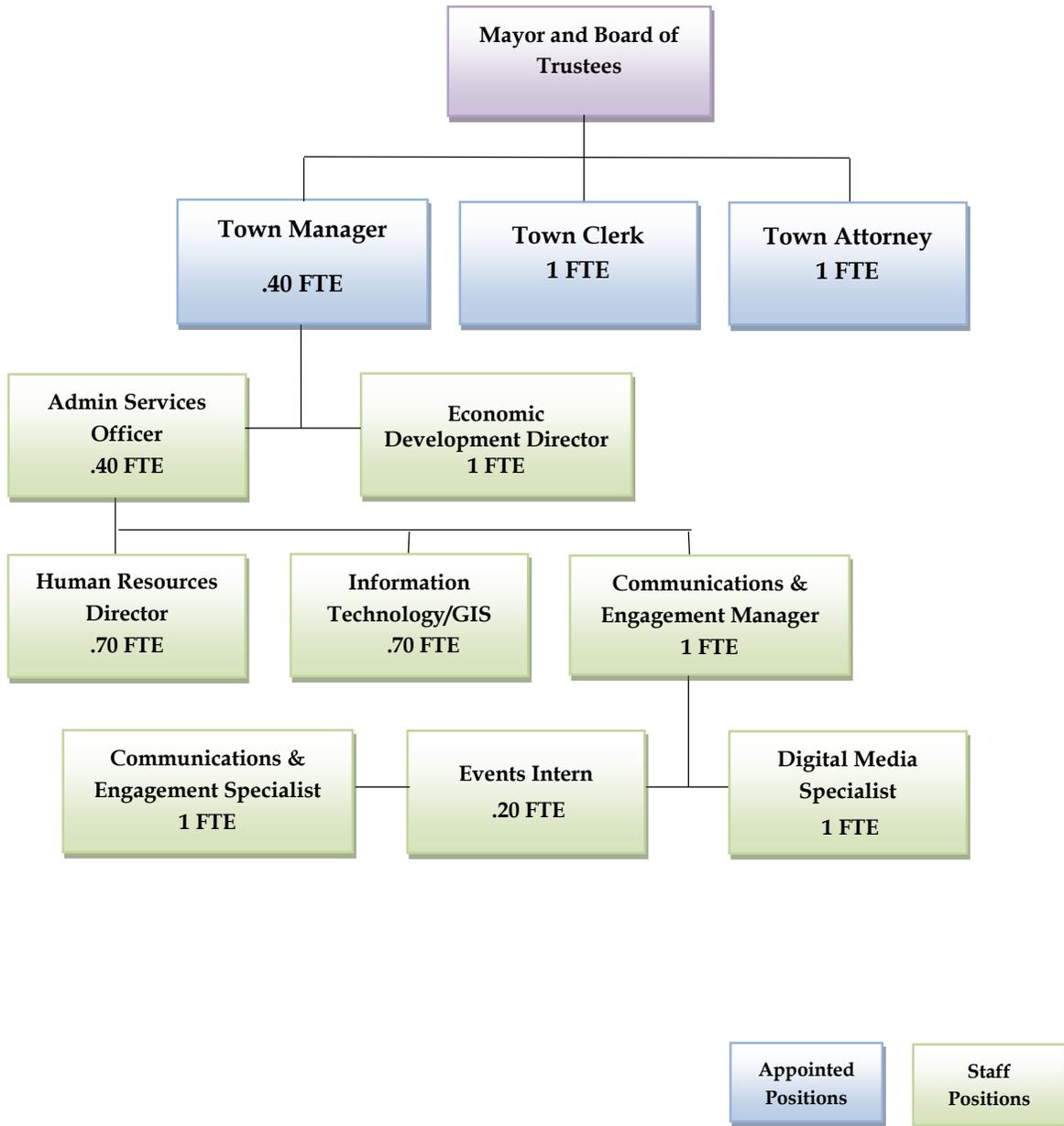
Strategy:

Optimize the use of technology to drive efficiency and productivity and continue to seek innovative way to improve performance.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Website Response Time				
Number of page views	419,346	358,315	329,171	
Number of total searches	20,570	19,643	17,447	
<i>Performance:</i>				
Average generation time	.9s	.71s	.61s	

ORGANIZATIONAL CHART

ADMINISTRATION DEPARTMENT - 8.40 FTE*



*Note: FTE's that are less than one indicate that position is allocated between more than one fund.

TOWN BOARD

	2019	2020	2020	2021
Town Board Budget	Actual	Approved Budget	Year End Projections	Budget
Personnel Services	15,717	15,752	20,575	22,211
Contract Services	287,960	288,750	360,752	132,250
Commodity	17,930	23,000	22,373	3,000
Other Charges	146,200	117,200	42,308	132,200
Total Operating	467,806	444,702	446,007	289,661
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	467,806	444,702	446,007	289,661
FTE's	0.00	0.00	0.00	0.00

Overview and Description

The Frederick Town Board is elected by the citizens of Frederick and serves at the pleasure and with honor as the elected body representing the citizens' and the Town's best interests. The Board is comprised of a Mayor and six (6) Trustees. The Mayor does not vote on items taken up for consideration during the regular board meetings unless there is a tie in which the Mayor will break the tie. Terms are four (4) years for each position and are staggered to ensure continuity and transfer of knowledge from previous Boards to standing Boards. Due to Colorado law, members of the Board shall serve no more than eight (8) consecutive years in one position at which time the individual shall be term-limited. The Board of Trustees are responsible for setting the direction of the town and adoption of the laws and policies of the town. It is the task of the Town Manager to ensure this direction and the objectives of the Board are carried out.

The Board appoints the following positions:

Town Manager
Town Attorney
Town Treasurer

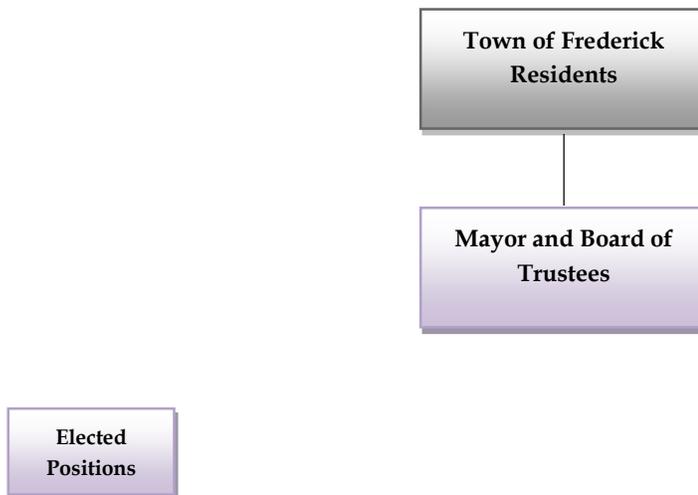
Town Clerk
Municipal Judge

The 2021 Budget for the Town Board reflects a flat budget compared to 2020. The Town Board budget includes legal expenses, election expenses and miscellaneous expenses which includes the Community Tour and Talks. The Community Tour and Talks schedule for 2021 is as follows:

Date	Location
May 19, 2021	Wyndham Hill Clubhouse
June 2, 2021	Prairie Greens Clubhouse
June 16, 2021	Crist Park
June 30, 2021	Johnson Farm
July 7, 2021	Rinn Valley Park
July 21, 2021	Eagle Valley Park
August 18, 2021	Savannah Park
September 1, 2021	Countryside Park

ORGANIZATIONAL CHART

TOWN BOARD - 0 FTE



FINANCE

	2019	2020	2020	2021
<u>Finance Budget</u>	Actual	Approved Budget	Year End Projections	Budget
Personnel Services	69,633	186,368	169,351	144,388
Contract Services	18,467	9,250	8,134	13,250
Commodity	13,177	29,360	35,640	29,360
Other Charges	10,294	4,490	18,390	8,200
Total Operating	111,572	229,468	231,515	195,198
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	111,572	229,468	231,515	195,198
FTE's	1.75	1.75	1.75	1.40

Overview and Description

The Finance Department provides a wide range of comprehensive financial support services to the Mayor and Board of Trustees, Town Manager and all town departments. These services include accounting, financial administration and reporting, budgeting, internal audits, treasury/cash management, investments, grant management, external audit management, asset management, billing and accounts receivable, accounts payable, purchasing, reception and cashing. Additionally, the finance department provides support to the Frederick Urban Renewal Authority (FURA) by assisting with the long-term projections, performing tax increment financing analysis, managing tax collections and disbursements in accordance with various contracts with other taxing districts.

Finance Goals and Key Performance Indicators (KPI)

Strategic Foundation: Fiscal Responsibility and Operational Excellence				
Objective:				
Enhance public trust and confidence				
Strategy:				
Provide services in an open, honest and forthright manner.				
Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Did Comprehensive Annual Financial Report meet the requirements for the Certificate of Excellence from GFOA.	Yes	Yes	Yes	
<i>Performance:</i>				
Consecutive years that the Comprehensive Annual Financial Report received the Certificate of Excellence	5	6	n/a	
Strategic Foundation: Fiscal Responsibility and Operational Excellence				
Objective:				
Enhance public trust and confidence				
Strategy:				
Provide value and excellence to our customers by effectively balancing efficiency and cost containment.				
Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Produce a budget that shows long term sustainability and is eligible for GFOA's Distinguished Budget Award.	Yes	Yes	Yes	
<i>Performance:</i>				
Consecutive number of years Budget document received GFOA Distinguished Budget Award	2	3	4	
Strategic Foundation: Fiscal Responsibility and Operational Excellence				
Objective:				
Deliver efficient, effective, innovative government services.				
Strategy:				
Optimize the use of technology to drive efficiency and productivity				
Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of shut-off calls placed	1,365	1,292	71	Due to the Coronavirus pandemic, utility shut-off was indefinitely placed on hold as of 3/1/20
<i>Performance:</i>				
Percent of shut-off calls successfully delivered	87.0%	90.0%	91.5%	

Strategic Foundation: Fiscal Responsibility and Operational Excellence

Objective:

Deliver efficient, effective, innovative government services.

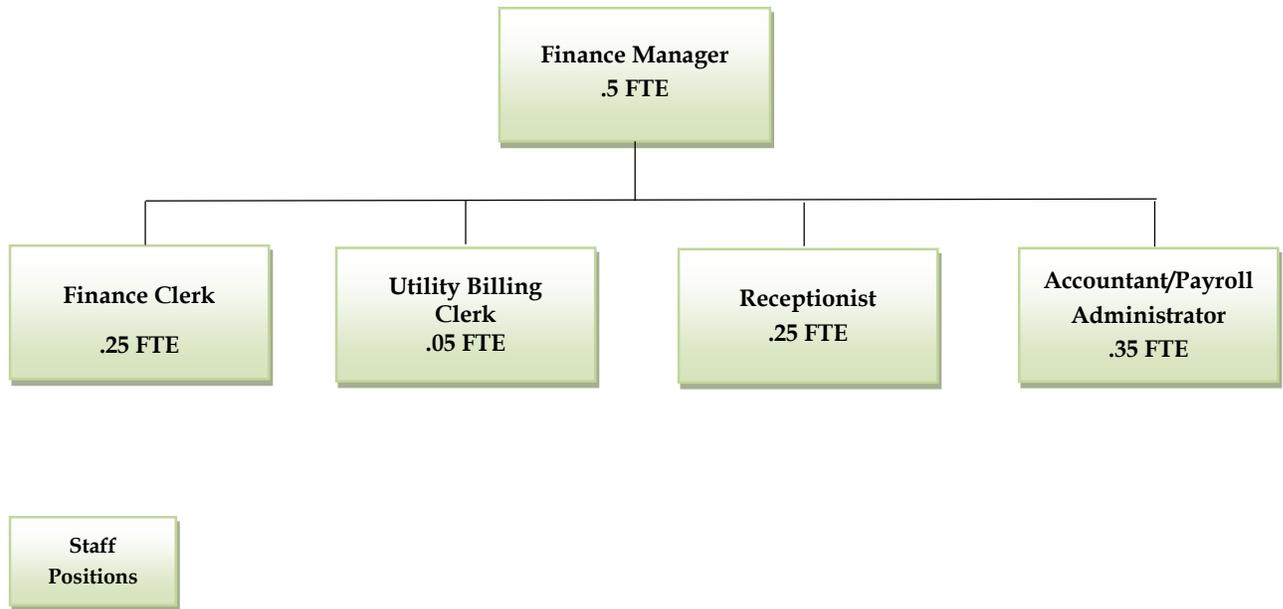
Strategy:

Optimize the use of technology to drive efficiency and productivity

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of AP invoices processed	3,231	3,807	3,321	
<i>Performance:</i>				
Percentage of AP checks issued correctly the first time	99%	99%	99%	

ORGANIZATIONAL CHART

FINANCE DEPARTMENT - 1.40 FTE*



*Note: FTE's that are less than one indicate that the position is allocated between more than one fund.

MUNICIPAL COURT

<u>Municipal Court Budget</u>	2019 Actual	2020 Approved Budget	2020 Year End Projections	2021 Budget
Personnel Services	80,585	84,180	82,389	84,353
Contract Services	33,853	57,200	44,980	42,950
Commodity	5,276	2,000	7,706	4,700
Other Charges	1,346	2,625	2,843	200
Total Operating	121,061	146,005	137,918	132,203
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	121,061	146,005	137,918	132,203
FTE's	1.00	1.00	1.00	1.00

Overview and Description

The Frederick Municipal Court is dedicated to providing an environment that instills confidence in and respect for the judicial system in general and the Frederick Municipal Court specifically. It is the mission of the court to ensure there is an accessible and open court process where due process of law and fundamental fairness are afforded to all who appear before the court, and that customer service by administrative staff is of the highest priority.

The Town of Frederick Municipal Court convenes the first and second Thursdays of the month at the Town of Frederick Police Station/Municipal Court. Currently, Jeff Cahn presides as the town's municipal judge. The judge is appointed by the Town Board. The role of the court is to adjudicate cases, protect the rights of parties and impose sentences consistent with community values.

The 2021 budget reflects changes in salaries and health insurance costs as well as slight decreases in contract service costs for legal fees and professional services.

Municipal Court Goals and Key Performance Indicators (KPI)

Strategic Foundation: Community Safety				
Objective:				
Provide and maintain public safety in our community				
Strategy:				
Enhance the public's perception of the importance of community safety through both formal and informal channels				
Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of cases that were eligible for and offered the opportunity to participate in the restorative justice	1	3	0	
<i>Performance:</i>				
Number of participants that completed the program	1	0	0	RJ program has not been utilized due to COVID 19

Strategic Foundation: Fiscal Responsibility and Operational Excellence				
Objective:				
Deliver efficient, effective and innovative government services				
Strategy:				
Continue to seek innovative ways to improve performance across all areas of the organization				
Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of cases	811	804	646	Total cases to date - numbers are down due to COVID 19
<i>Performance:</i>				
Percentage of cases closed within 90 days	N/A	85%	75%	Number of cases closed are decreased due to COVID 19 and the inability to hold court for 2 months

Strategic Foundation: Fiscal Responsibility and Operational Excellence				
Objective:				
Deliver efficient, effective and innovative government services				
Strategy:				
Continue to seek innovative ways to improve performance across all areas of the organization				
Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of files maintained	811	804	646	
<i>Performance:</i>				
Percentage of files that can be retrieved in less that 15 minutes that meet established standards for completeness and accuracy	N/A	98%	98%	

Strategic Foundation: Fiscal Responsibility and Operational Excellence

Objective:

Deliver efficient, effective and innovative government services

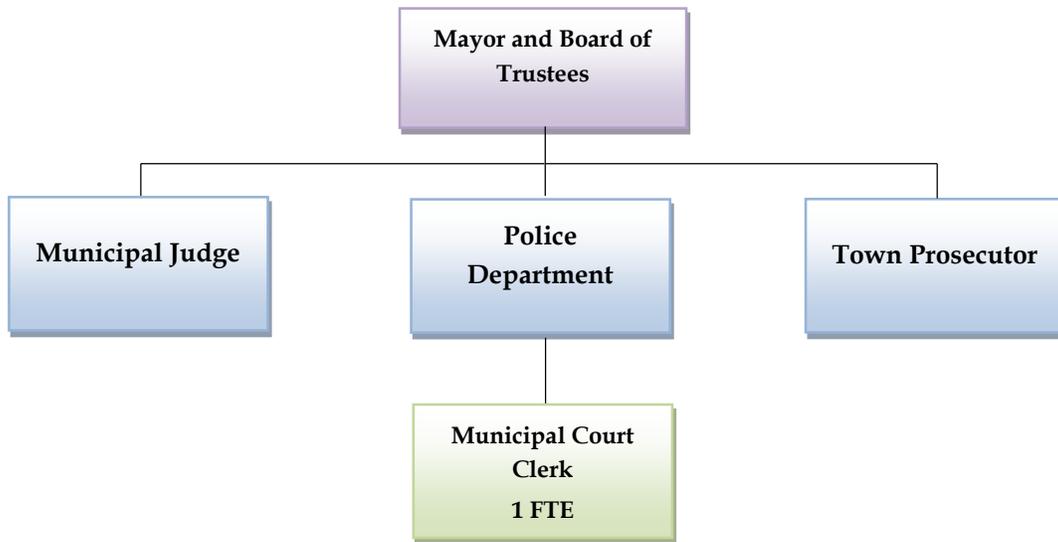
Strategy:

Continue to seek innovative ways to improve performance across all areas of the organization

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Total number of cases with fines assessed	N/A	743	646	
<i>Performance:</i>				
Percentage of cases collected within the designated timeframe	N/A	85%	65%	% down due to COVID 19

ORGANIZATIONAL CHART

MUNICIPAL COURTS DIVISION - 1.0 FTE



ENGINEERING

	2019	2020	2020	2021
<u>Engineering Budget</u>	Actual	Approved Budget	Year End Projections	Budget
Personnel Services	113,417	224,699	176,934	382,907
Contract Services	420,822	219,500	518,101	29,000
Commodity	17,066	10,674	4,996	49,000
Other Charges	6,279	6,750	25,396	28,000
Total Operating	557,584	461,623	725,427	488,907
Capital Outlay	26,000	10,000	2,274	15,000
Debt Service	-	-	-	-
Total Expenditures	583,584	471,623	727,701	503,907
FTE's	1.90	1.90	1.90	3.90

Overview and Description

The Engineering Department includes the Building Division that manages the building permit process, and the Engineering Division that reviews development proposals and inspects construction of public improvements for compliance with adopted codes, construction standards, and master plans. This department also manages transportation operations and pavement management/preservation programs, stormwater and floodplain issues, and the Bulrush Wetlands.

Enterprise funds managed by the Engineering Department are the water utility, including both potable and raw water irrigation supply and distribution, and the stormwater utility. These enterprise funds are self-supportive, funded entirely by impact fees assessed on new development and rates charged to customers for services that are provided to them.

The Building Division's top priority is to apply the town's adopted building codes properly in order to ensure a safe building environment for our citizens and businesses. Public education is paramount, coupled with timely plan review and appropriate building code application and enforcement.

The Engineering Division ensures that existing and future residents and businesses served by the town's transportation system and utilities receive safe, reliable, and efficient services. The division develops, updates, and implements master plans for each of these areas. This requires coordination with surrounding municipal, special district, county, and state agencies. It also includes compliance with local, state, and federal regulations.

Engineering Goals and Key Performance Indicators (KPI)

Strategic Foundation: Community Safety

Objective:

Provide and maintain public safe infrastructure in our community

Strategy:

Require building inspections for both new construction and existing remodels in order to ensure standards are met

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Pending permit applications	30	45	42	
<i>Performance:</i>				
Average days from permit application submittal to permit issued (commercial/residential)	4	3	4	

Strategic Foundation: Facilities & Infrastructure

Objective:

Provide a high quality and reliable water supply and manage drainage appropriately

Strategy:

Ensure new development provides system improvements that meet Town standards

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Development Applications received	45	37	43	
<i>Performance:</i>				
Average number of days to review and complete submittals	3	3	6	

Strategic Foundation: Community Safety

Objective:

Provide and maintain safe infrastructure in our community

Strategy:

Require building inspections for both new construction and existing remodels in order to ensure standards are met

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Document the number of calls/emails regarding building permit questions	500	610	580	
<i>Performance:</i>				
Percentage of calls/emails returned within a 24 hour period.	100%	98%	99%	

Strategic Foundation: Fiscal Responsibility & Operational Excellence

Objective:

Deliver efficient, effective and innovative government services

Strategy:

Promote a values driven organizational culture that encourages ongoing professional development

Measure	2018	2019	2020	Comments
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Workload:

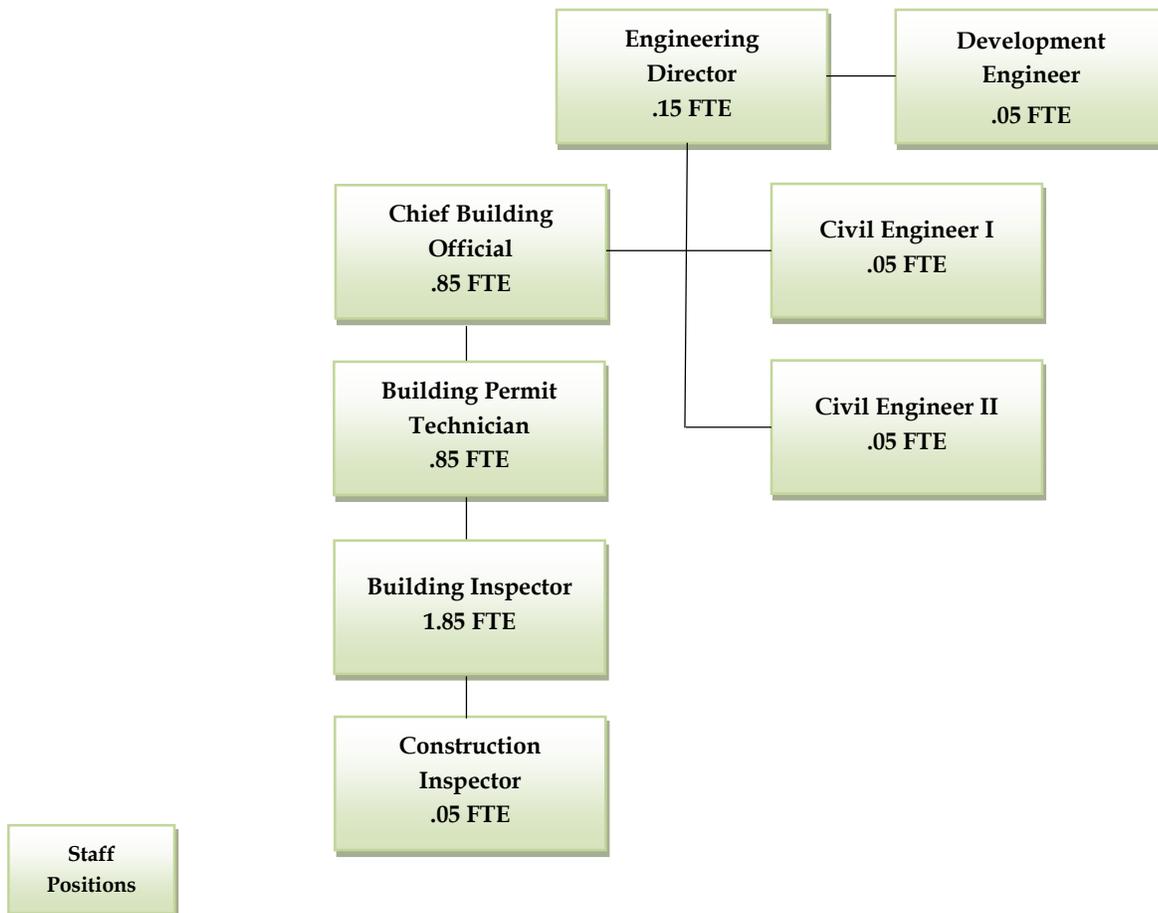
Each department employee is to attend a	2	8	0	Covid-19 cancelled conferences
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Performance:

Percentages of Conferences and trainings are to be tracked and information learned is to be summarized	100.00%	200.00%	0.00%
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ORGANIZATIONAL CHART

ENGINEERING DEPARTMENT - 3.90 FTE*



*Note: FTE's that are less than one indicate that position is allocated between more than one fund.

PLANNING

	2019	2020	2020	2021
<u>Planning Budget</u>	Actual	Approved Budget	Year End Projections	Budget
Personnel Services	250,727	289,846	299,484	341,764
Contract Services	16,224	76,870	16,736	79,800
Commodity	30,569	18,850	95,162	5,750
Other Charges	6,979	10,760	10,446	-
Total Operating	304,500	396,326	421,828	427,314
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	304,500	396,326	421,828	427,314
FTE's	2.70	2.70	2.70	3.55

Overview and Description

The Planning Department currently has the following positions: Planning Director, Planner II, Planner I, and Administrative Assistant. The department administers amendments to the Land Use Code and Comprehensive Plan. These amendments may be driven by developers, citizens, staff, the Board of Trustees, or Planning Commission. Accordingly, the department processes all land use applications for the town. This includes annexations, zoning, concept plans, sketch plans, preliminary plats, final plats, conditional use plans, site plans, subdivision amendments, variances and waivers, minor modifications, as well as preliminary and final development plans. These applications may be developer or citizen-driven.

Contacts to the department include requests for specific information related to ongoing developments, zoning inquiries/verifications, address verification, setback information, permitted use inquiries, questions of jurisdiction, and developers looking for property that will suit their vision. Staff spend considerable time coordinating elements of applications with the applicant and other staff/agencies reviewing the application.

Various fees and deposits are collected for applications and specific requests such as a zoning verification letter or temporary use. Application fees are set fees to cover administrative costs that are not tracked for each project such as Town Clerk and Planning Commission secretary time for processing of packets and coordinating signatures on final documents. Additionally, the Town Clerk spends time coordinating final documentation prior to recording all necessary documents. Application deposits are established to estimate the cost of processing an application. Applicants sign an agreement for payment that establishes the understanding that they, the applicant, are responsible for paying for any town staff time for review of the project. The deposit is simply an estimate of what the application might cost. If the project review costs less than the deposit, the town refunds the difference. If the project review costs more than the deposit, the applicant is

responsible for paying all costs above the deposit. The Finance Department processes a statement on a monthly basis to let applicants know the status of their deposit. When necessary, bills are generated for applicants.

The Planning Department utilizes data from the town’s GIS system in coordination with the Administration Department. The addresses within the GIS system are used to populate both the Building Permit software as well as the utility billing software. Specific mapping is completed to assist the Court, Police Department, Town Clerk, Engineering, Communications and Engagement, Public Works, and others as needed. An extensive set of online interactive mapping systems has been implemented and continues to be updated to offer additional resources. The online map provides a variety of useful information to citizens, staff, land development, and real estate professionals.

The Planning Department is also responsible for providing staff to the Planning Commission and Parks, Open Space, and Trails Commission. These commissions are responsible for enacting the Comprehensive Plan and the Parks, Open Space and Trails Master Plan and Downtown Plan. Coordination with the Engineering and Public Works Departments are essential for these plans to be successful.

Significant work is also spent managing the data related to town-owned properties such as parks and open space. New parks projects are generally designed and managed through Planning.

Planning Goals and Key Performance Indicators (KPI)

Strategic Foundation: Economic and Community Vitality

Objective:

Neighborhood Livability.

Strategy:

Direct and guide growth in the community through appropriate annexation, zoning, planning, and land use development.

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Total development applications submitted	54	61	44	
<i>Performance:</i>				
Average number of days for planning department's first application review	17	21	18	

Strategic Foundation: Economic and Community Vitality

Objective:

Neighborhood Livability.

Strategy:

Direct and guide growth in the community through appropriate annexation, zoning, planning and land use development

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Land Use Code and Comprehensive Plan Amendments	2	2	0	
<i>Performance:</i>				
Number of Land Use Code and Comprehensive Plan Amendments approved by the Board	2	2	0	

Strategic Foundation: Economic and Community Vitality

Objective:

Neighborhood Livability.

Strategy:

Direct and guide growth in the community through appropriate annexation, zoning, planning, and land use development.

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of annexation applications submitted.	3	1	3	Each annexation plat is counted as an individual annexation
<i>Performance:</i>				
Number of annexation applications	3	1	0	Each annexation plat is counted as an individual annexation

Strategic Foundation: Economic and Community Vitality

Objective:

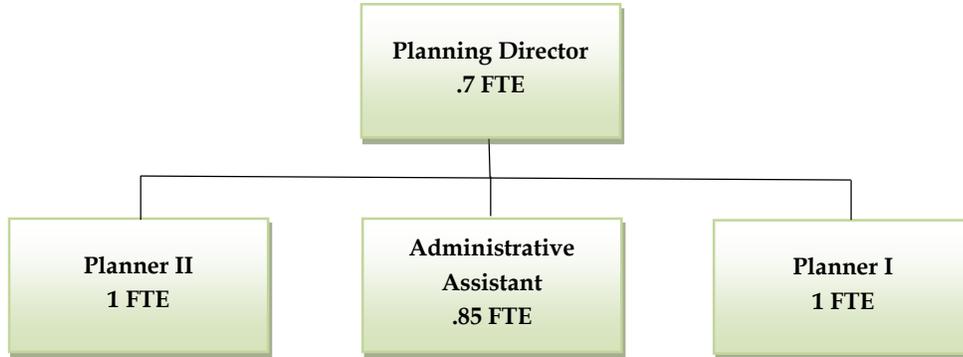
Community Vitality.

Strategy:

Actively engage with residents and other community members to promote awareness of and participation in town-sponsored and other community events and amenities.

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of temporary use applications submitted.	10	23	2	
<i>Performance:</i>				
Average number of days for resolution	22	33	14	

ORGANIZATIONAL CHART
PLANNING DEPARTMENT - 3.55 FTE*



**Staff
Positions**

*Note: FTE's that are less than one indicate that position is allocated between more than one fund.

POLICE

	2019	2020	2020	2021
<u>Police Budget</u>	Actual	Approved Budget	Year End Projections	Budget
Personnel Services	2,487,433	3,312,283	3,004,000	3,803,115
Contract Services	151,094	159,527	135,713	168,504
Commodity	299,726	190,400	188,304	174,700
Other Charges	112,671	112,600	122,135	64,857
Total Operating	3,050,923	3,774,810	3,450,153	4,211,176
Capital Outlay	58,624	185,545	153,619	-
Debt Service	-	-	-	-
Total Expenditures	3,109,547	3,960,355	3,603,772	4,211,176
FTE's	26.90	29.90	29.90	31.00

Overview and Description

The police department has an authorized strength of twenty-five police officers, a part-time police officer, two full-time community service officers, one full-time records supervisor/evidence technician, one part-time secretary, and three seasonal crossing guards.

There is at least one police officer on duty at all times every day. Schedules are structured to provide more officers during times of the day known for more calls for service. Due to staff schedules, it frequently happens that there is only one Frederick police officer on duty, particularly on weekends and during the early hours of the morning. It has long been the practice for officers from all of the departments in this area, including the sheriff's office and the state patrol, to back each other up when needed. That sometimes means that a Frederick officer will respond to Firestone or Dacono to handle a call when officers in either of those jurisdictions are busy. In turn, the same assistance is provided to Frederick by officers from other agencies. All officers in this area, except the state patrol, operate on the same radio network and are in constant contact with each other and with the Weld County Regional Communications Center, also known as dispatch.

Dispatch services are provided to all law enforcement agencies in Weld County, including all fire protection districts, by the Weld County Regional Communications Center. This provides for all agencies to have the ability to communicate quickly with each other when handling emergencies. This also provides for good coordination between agencies in the day-to-day provision of services to the public. The cost to agencies such as Frederick is low; much lower than the town could do on its own.

Much of the work done by officers can be reviewed by citizens on the town website by looking at the case reports for the police department. The case reports are thumbnail summaries of reports

completed by the officers and they are posted weekly. Maps showing the locations of reported crimes are posted each month.

Patrol services are the majority of the work done by the department. Patrol officers are on duty twenty-four hours a day, seven days a week. These officers respond to calls for service and take proactive enforcement measures on their own.

Many reports of crime require additional investigation – to determine what happened, to identify those responsible, to recover stolen property, to gather evidence, to compile affidavits for filing in court, to serve search and arrest warrants, and to document all of it. The department has two detectives to do this additional work in order to leave the patrol officers sufficient time to handle calls for service.

When fully staffed, the community services unit of the department has two community service officers. Their schedule provides that at least one is on duty seven days a week mainly during daylight hours. These officers are not armed and they are not police officers under Colorado law. They receive a variety of training. They enforce municipal ordinances that regulate such things as weeds, rubbish, junk cars, and stray dogs. They usually are the ones who transport impounded dogs to the Longmont Humane Society. They assist at school crossings when crossing guards are absent. The St. Vrain Valley School District provides compensation to the town for the crossing guards.

The department also provides certain fee-based services. Dog and cat licenses, vehicle identification number checks, fingerprints, sex offender registration, warrant service, clearance letters, color copies, and sign retrieval all have nominal fees.

The town has an agreement with the St. Vrain Valley School District to provide police officers at Frederick High School and Thunder Valley K-8 School during the school year. The school district pays for a portion of the officers' annual compensation for services as School Resource Officers. This is the busiest and one of the most important assignments for a police officer in this department.

The Police Department's 2021 budget shows increases in costs as a result of two full-time officer positions and one full-time commander being added, and increased contractual costs for Emergency Operations Management, and police vehicle and related emergency vehicle equipment replacements.

Police Goals and Key Performance Indicators (KPI)

Strategic Foundation: Community Safety				
Objective:				
Provide and maintain public safety in our community				
Strategy:				
Be responsive and effective in dealing with reported crime				
Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Criminal Offenses (not traffic, code or service calls)	665	708	673	
<i>Performance:</i>				
Average number of days for a case to be reviewed an closed or released to another jurisdiction.	NA	NA	N/A	
Strategic Foundation: Community Safety				
Objective:				
Provide and maintain public safety in our community				
Strategy:				
Enhance public perception of the importance of community safety through formal and informal channels				
Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Community Outreach events attended by officers or staff	58	63	27	Dog Walker Watch, BBQ Tour, Santa Cops
<i>Performance:</i>				
Number of officer or staff hours participating in outreach programs	433	445	199	Limited due to pandemic
Strategic Foundation: Community Safety				
Objective:				
Emergency Preparedness				
Strategy:				
Undergo regular training with all stakeholders so that we are well prepared in case of emergency				
Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Maintain Colorado POST required minimum training standards	24hrs/5	24hrs/5	24hrs/5	24 hours of training in 5 categories
<i>Performance:</i>				
Percentage of officers to complete POST Required training	100%	100%	100%	

Strategic Foundation: Community Safety**Objective:**

Provide and maintain public safety in our community

Strategy:

Be responsive and effective in dealing with reported crime

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of calls for service	10,855	11,231	10,724	
<i>Performance:</i>				
Number of reports written	1,372	1,478	1,225	

Strategic Foundation: Community Safety**Objective:**

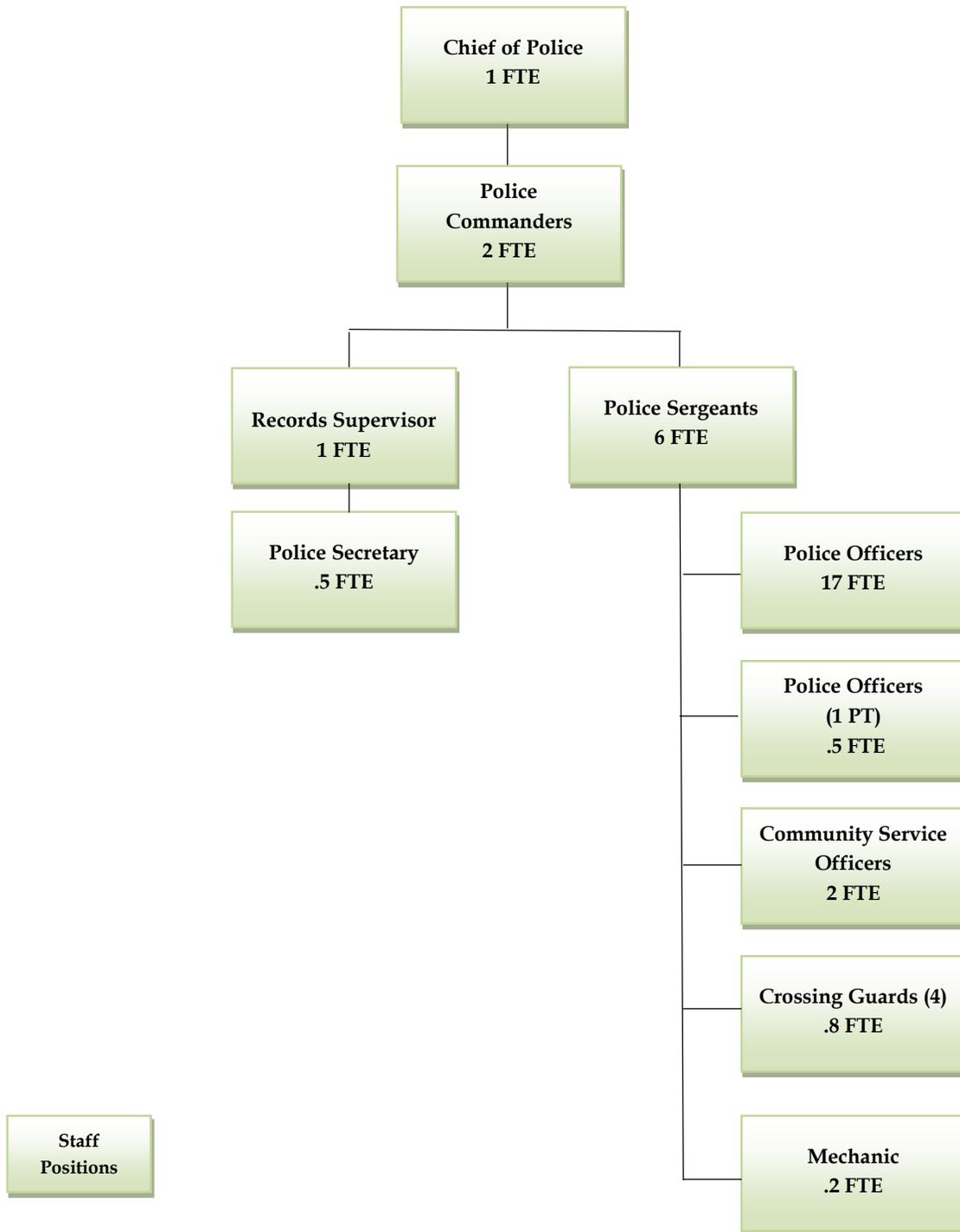
Provide and Maintain public safety in our community

Strategy:

Respond to quality of life issues impacting the citizens of Frederick

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of code warnings issued	491	694	408	
<i>Performance:</i>				
Number of property abatements - non-voluntary compliance	7	17	8	Process was changed on 2018 to update abatement process
<i>Performance:</i>				
Number of warning brought into compliance within 30 days - Voluntary compliance	11	86	90	Process was changed in 2018 to update abatement process

ORGANIZATIONAL CHART
POLICE DEPARTMENT - 31.00 FTE



PUBLIC WORKS

	2019	2020	2020	2021
<u>Public Works Budget</u>	Actual	Approved Budget	Year End Projections	Budget
Personnel Services	207,913	274,461	226,908	447,771
Contract Services	46,579	45,460	45,537	46,700
Commodity	36,254	13,100	26,800	32,600
Other Charges	24,867	25,410	16,858	25,935
Total Operating	315,613	358,431	316,103	553,006
Capital Outlay	63,680	-	-	-
Debt Service	-	-	-	-
Total Expenditures	379,293	358,431	316,103	553,006
FTE's	2.25	2.25	2.25	4.75

Overview and Description

The Town of Frederick Public Works Department is responsible for the operations and maintenance of all town streets, (paved and unpaved), road right-of-ways, parks, open space, trails, water distribution system, stormwater system, and all town-owned buildings. To complete these priorities, the department is comprised of a Public Works Director, Assistant Director, three supervisors, thirteen full-time maintenance employees, one full-time mechanic, one full-time mechanic supervisor, and one full-time Administrative Assistant. The Public Works Director and his supervisory staff coordinate these efforts to ensure the services delivered by the department are carried out and a high level of service is attained. The administrative assistant within the department assists these efforts by handling calls and requests for services, coordinating service and work orders, and administrative duties for the director and supervisory staff. The remaining balance of the department is allocated within the various enterprise and general funds which they assist.

Public Works Goals and Key Performance Indicators (KPI)

Strategic Foundation: Facilities & Infrastructure

Objective:

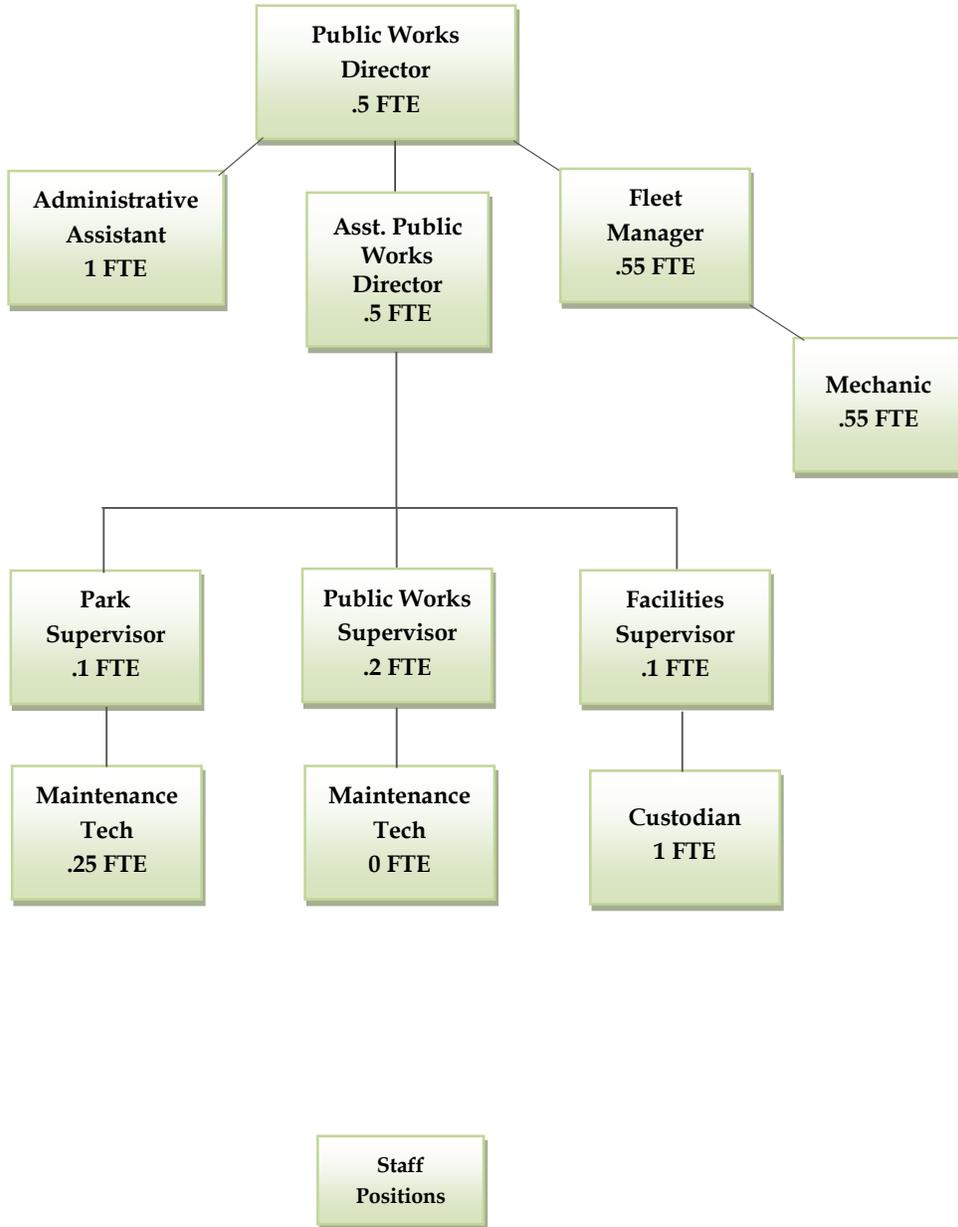
New and existing buildings and facilities

Strategy:

Ensure proper maintenance, upkeep and security for all Town owned and leased assets

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of scheduled preventative maintenance services	N/A	18	30	
<i>Performance:</i>				
Percentage of completed preventative maintenance services	N/A	100%	100%	
<i>Workload:</i>				
Number of unscheduled/emergency maintenance/repairs services	N/A	30	26	
<i>Performance:</i>				
Percentage of unscheduled/emergency repairs completed within 48 hours	N/A	75%	100%	

ORGANIZATIONAL CHART PUBLIC WORKS DEPARTMENT - 4.75 FTE*



*Note: FTE's that are less than one indicate that position is allocated between more than one fund.

BUILDINGS

	2019	2020	2020	2021
<u>Buildings Budget</u>	Actual	Approved Budget	Year End Projections	Budget
Personnel Services	20,516	56,184	58,929	-
Contract Services	189,954	81,000	69,014	111,000
Commodity	6,804	5,000	21,996	5,000
Other Charges	30,720	32,750	-	-
Total Operating	247,994	174,934	149,939	116,000
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	247,994	174,934	149,939	116,000
FTE's	0.50	0.50	0.50	0.00

Overview and Description

The Building Fund is designed to handle the administrative, maintenance, and utility costs within all of the facilities of the town. The Building Fund also can handle the development and construction of new facilities as necessary. The 2021 Budget has decreased primarily as a result of prior General Fund Custodian personnel costs being reallocated across different funds.

SPECIAL REVENUE FUNDS



STREET AND ALLEY FUND



STREET AND ALLEY FUND

The Fund is responsible for the maintenance and preservation of over 91 centerline miles of paved roadways, Manual on Uniform Traffic Control Devices (MUTCD) compliance of regulatory and street signs, snow plowing, pest control, and gravel road maintenance. The fund accomplishes these widespread tasks through a cooperative effort between the Public Works and Engineering Departments.

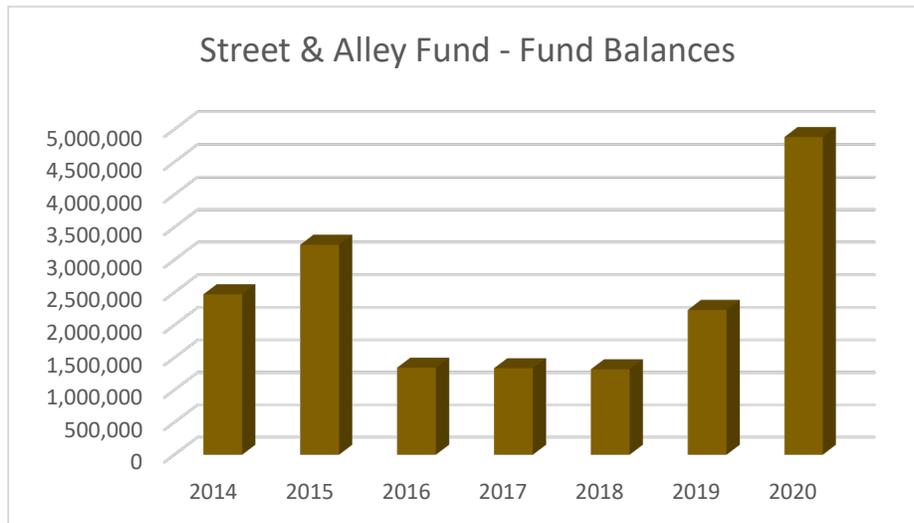
The Street and Alley Fund receives the majority of its funding from the collection of taxes and fees by Weld County and the State of Colorado including the Highway User Tax Funds (HUTF). These taxes and fees are collected by the County and then forwarded to the town on a monthly basis. Also included in the Street and Alley Fund are revenues and expenditures associated with residential trash collection services and road impact fees. Impact fees are collected at the time builders apply for a building permit for a new residence or business. The town allows builders to defer these impact fees until the time that final inspection occurs. These fees are used for the widening of arterial streets, improving intersections, installing traffic signal controls or other improvement to Frederick's transportation system driven by the increased demand of customers and areas served by Frederick. Impact fees are managed by the Engineering Department to make improvements in conjunction with new development and as the need for more capacity on an arterial street or at a specific intersection increases.

The Town is currently working to improve not only the streets in Frederick, but also the downtown alleys. In 2016, a seven year paving program to pave the existing alleys began. Funding has been appropriated to continue the program in 2021.

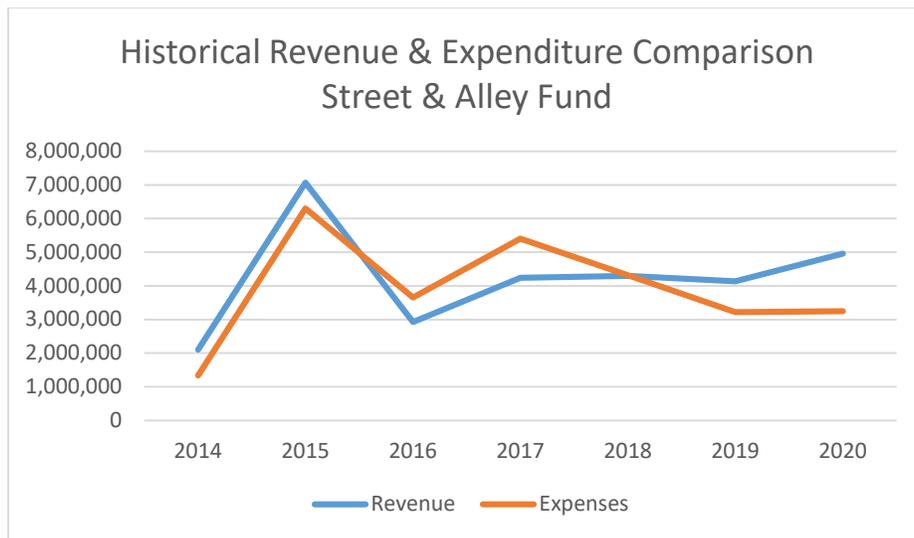


1 - Concrete Alley Project

Street and Alley Fund - Fund Balance and Fund Summary



The increase in fund balance in recent years is the result of budget surpluses. As the following graph illustrates, the town has had budget surpluses in the Street and Alley Fund from 2014-2015, and from 2019-2020.



Fund balance in 2021 is expected to decrease from the 2020 levels due to a transfer out to the Capital Projects Fund.

The 2021 budget for the Street and Alley Fund includes revenues of \$3,506,000, an increase of \$228,665 compared to the 2020 Budget. This increase is primarily a result of an influx in taxes received in 2021. The 2021 Budget includes expenditures of \$4,427,068, an increase of \$1,149,733 compared to the 2020 Budget. This increase is attributed to a \$2,159,450 transfer out to the Capital Projects Fund, which is designated for projects such as concrete and alley maintenance, and pavement maintenance and rehabilitation.



2 - Westview subdivision street, curb, and gutter



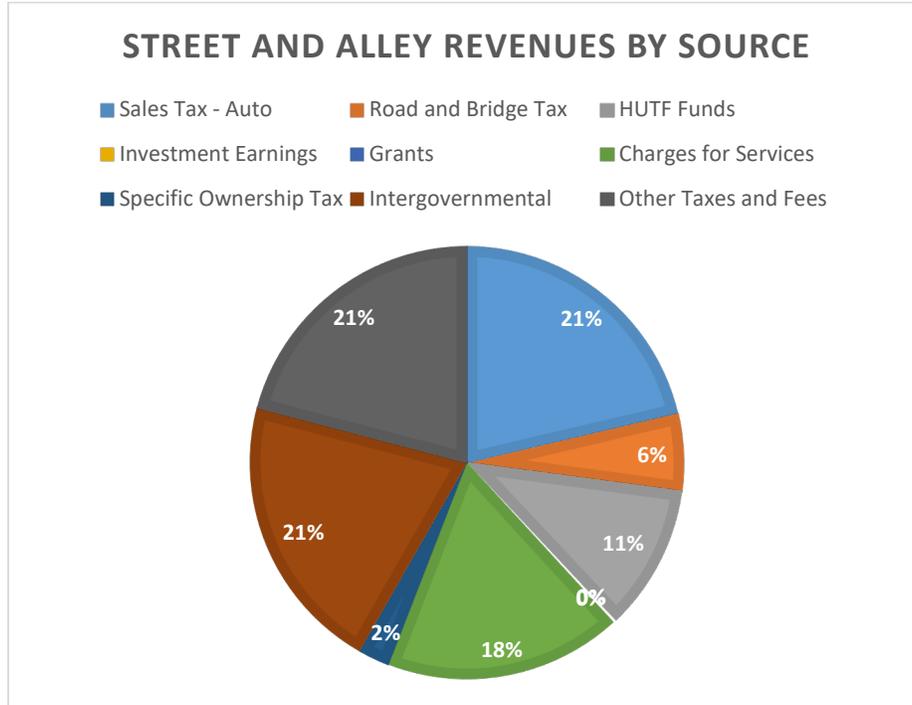
3 - 5th and Colorado Blvd. Round-a-bout

Street and Alley Fund Budget

Street & Alley Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	1,320,326	3,168,826	3,168,826	3,168,826	4,881,372
Revenues:					
Taxes & Fees	3,364,529	3,118,932	2,212,000	3,763,369	2,770,000
Charges for Services	738,879	645,442	705,000	800,105	725,000
Earnings on Investment	93,712	-	10,000	-	10,000
Miscellaneous Revenue	1,105,003	393,170	30,000	393,170	1,000
<i>Transfers In</i>	-	-	320,335	-	-
Total Operating Revenues	5,302,123	4,157,544	3,277,335	4,956,644	3,506,000
Expenditures:					
Operations	1,951,231	1,298,826	1,598,485	1,382,744	1,858,618
Capital	837,412	1,211,003	1,271,000	1,453,204	-
Debt Service	411,850	51,725	407,850	408,150	409,000
<i>Transfers Out</i>	253,130	-	14,000	-	2,159,450
Total Expenditures	3,453,623	2,561,554	3,291,335	3,244,098	4,427,068
Excess (Deficiency) of Revenues Over Expenditures	1,848,500	1,595,990	(14,000)	1,712,546	(921,068)
Ending Fund Balance	3,168,826	4,764,816	3,154,826	4,881,372	3,960,304

Street and Alley Fund Revenues

Street and Alley Fund revenues are primarily made up of motor vehicle related taxes, impact fees, and grants. The chart below shows the proportion of each major revenue source to the total Street and Alley Fund revenues.



The Street and Alley Fund Revenue Sources table below lists the major revenue sources, as well as the amounts that are projected for 2021.

Street and Alley Fund Revenue Sources		
Source	Amount	% of Total
Sales Tax - Auto	945,000	21%
Road and Bridge Tax	255,000	6%
HUTF Funds	480,000	11%
Investment Earnings	10,000	0%
Grants	0	0%
Charges for Services	785,000	18%
Specific Ownership Tax	105,000	2%
Intergovernmental	921,068	21%
Other Taxes and Fees	926,000	21%

Street and Alley Fund Expenditures

The Street and Alley Fund contains operating expenses of \$1,858,618 and debt service expense of \$409,000.

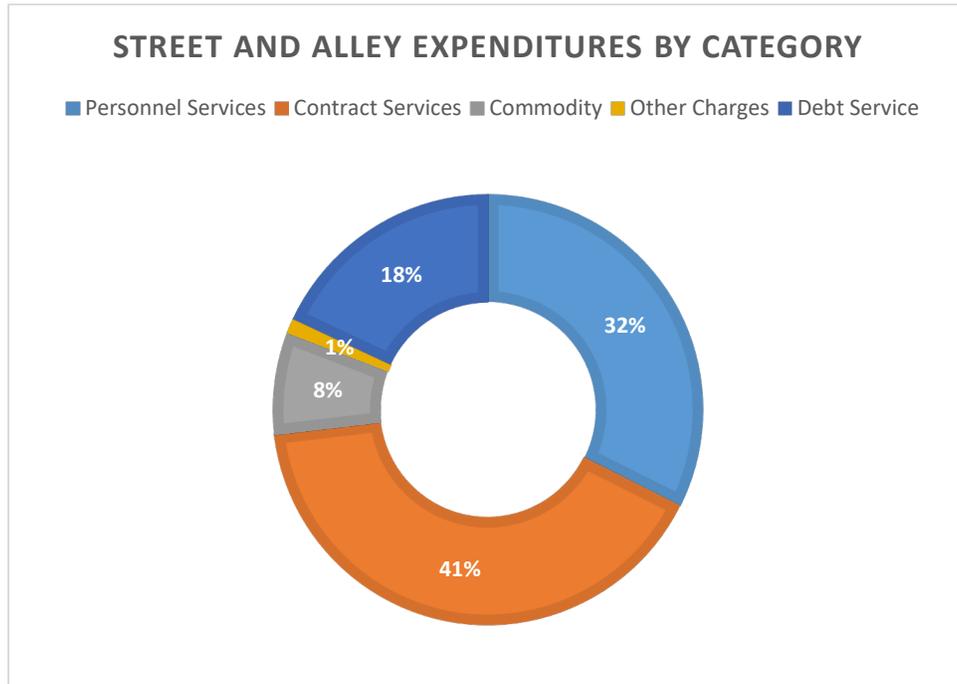
STREET AND ALLEY FUND EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Engineering	0	40,000	1,300	2,000	43,300	---	---	43,300
Public Works	0	884,200	172,500	2,250	1,058,950	---	---	1,058,950
General Operations	733,968	400	0	22,000	756,368	---	409,000	1,165,368
Totals	\$733,968	\$924,600	\$173,800	\$26,250	\$1,858,618	\$0	\$409,000	\$2,267,618
Total Cash Available								\$6,227,922
Ending Fund Balance								\$3,960,304

Projects Funded in 2021 Budget

- Downtown alley improvements
- Pavement maintenance program
- Concrete maintenance program
- Street sign replacement program
- Contractual road obligations
- Exterior storage building at Public Works facility
- Public Works vehicle and trailer replacements

The chart below details the expenditures for the Street and Alley Fund by category. In 2021, the largest expenditure will be contract services which includes infrastructure maintenance costs and refuse collection and electronic recycling costs. Capital projects include the construction of an exterior storage building at the Public Works facility, street sign replacements, pavement improvements, and the concrete alleys program.



Street and Alley Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	1.65
Operations	6.00
Total	7.65

Street and Alley Fund Goals and KPIs

In addition to the projects that have been funded in the 2021 Budget, the Street and Alley Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Street and Alley Fund Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Community Safety

Objective:

Provide and maintain public safety in our community

Strategy:

Respond to quality of life issues impacting the citizens of Frederick

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of calls/emails concerning transportation concerns	40	37	52	
<i>Performance:</i>				
Percentage of transportation related calls/emails responded to in 48 hour period	97%	98%	94%	

Strategic Foundation: Facilities & Infrastructure

Objective:

Maintain an adequate and safe transportation system

Strategy:

Maintain acceptable levels of accessibility and service life for all roads within Town Limits

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Annual inspection and updates to the Towns roadway rating system.	Yes	No	No	
<i>Performance:</i>				
Percentage of roads/streets that have a Remaining Service Life greater than or equal to 13	67%	25%	57%	

Strategic Foundation: Facilities & Infrastructure

Objective:

Maintain an adequate and safe transportation system

Strategy:

Maintain acceptable levels of accessibility and service life for all roads within Town Limits

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of street right-of-way permit applications submitted	44	41	97	
<i>Performance:</i>				
Average number of days to complete the review	2	2	3	

Strategic Foundation: Facilities & Infrastructure**Goal:**

Maintain an adequate and safe transportation system

Objective:

Maintain acceptable levels of accessibility and service life for all roads within Town limits

Measure	2018	2019	2020	Comments
---------	------	------	------	----------

Workload:

Miles of roads scheduled for cracksealing	26	26	17	
---	----	----	----	--

Performance:

Miles of roads that were cracksealed	26	26	17	
--------------------------------------	----	----	----	--

Workload:

Number of pothole service orders received	8	13	36	
---	---	----	----	--

Performance:

Average days to complete pot hole service orders	1	1	1	
--	---	---	---	--

Strategic Foundation: Facilities & Infrastructure**Objective:**

New and existing buildings and facilities

Strategy:

Ensure proper maintenance, upkeep and security for all Town owned and leased assets

Measure	2018	2019	2020	Comments
---------	------	------	------	----------

Number of scheduled preventative maintenance services	18	18	30	
---	----	----	----	--

Performance:

Percentage of completed preventative maintenance services	100%	100%	100%	
---	------	------	------	--

Workload:

Number of unscheduled/emergency maintenance/repairs services	30	30	26	
--	----	----	----	--

Performance:

Percentage of unscheduled/emergency repairs completed within 48 hours	75%	75%	100%	
---	-----	-----	------	--

Strategic Foundation: Facilities and Infrastructure**Objective:**

Maintain an adequate and safe transportation system

Strategy:

Maintain acceptable levels of accessibility and service life for all roads within Town limits

Measure	2018	2019	2020	Comments
---------	------	------	------	----------

Workload:

Miles of streets in Town to be serviced by street sweeper	78	78	78	
---	----	----	----	--

Performance:

Average number of times each street is swept per year	5	5	6	
---	---	---	---	--

CONSERVATION TRUST FUND



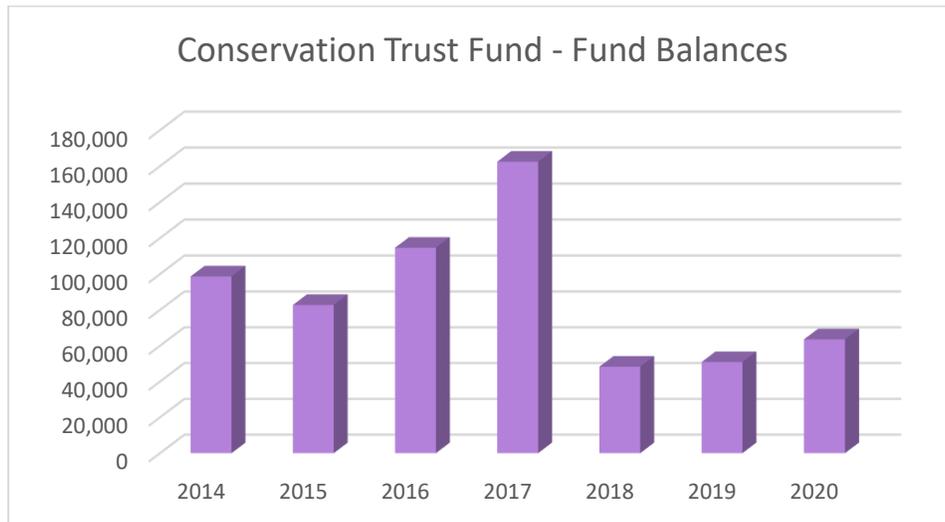
CONSERVATION TRUST FUND

The Conservation Trust Fund was established so that the town is eligible to receive funds from state lottery proceeds. These revenues are distributed quarterly, on a per capita basis by the Department of Local Affairs (DOLA). These funds are restricted in their use and can only be used for the acquisition, development, improvement and maintenance of new conservation sites, or for recreational purposes on a publicly owned site such as a park.

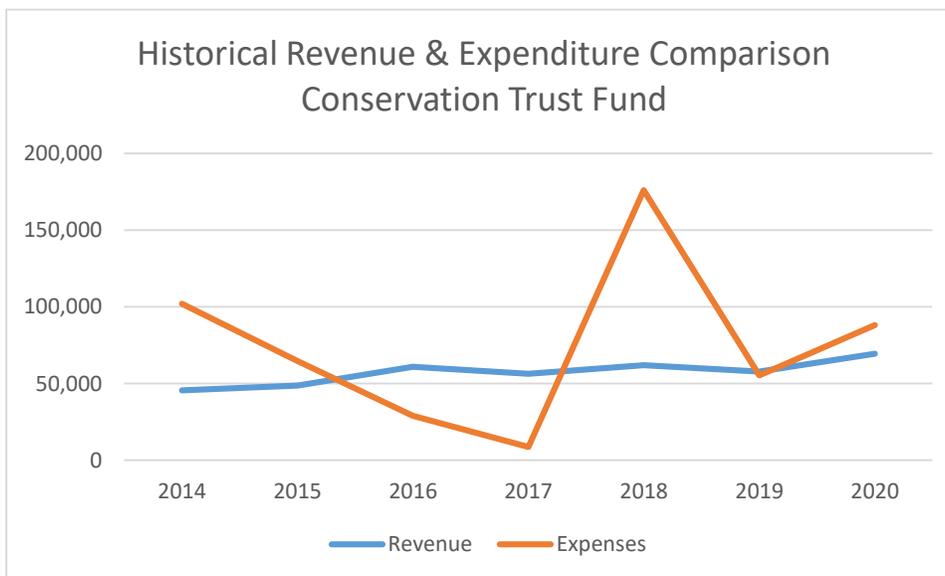


1 – Skate Park

Conservation Trust Fund - Fund Balance and Fund Summary



The decreases in fund balance are the result of planned park improvements that were funded during those years. As the following graph illustrates, the Town has had budget surpluses in the Conservation Trust Fund in years where smaller capital projects were identified. Due to the nature of the revenues in this fund, income remains fairly stable from year-to-year.



Fund balance in 2021 is expected to decrease from 2020 levels, due to a transfer out to the Capital Projects Fund.

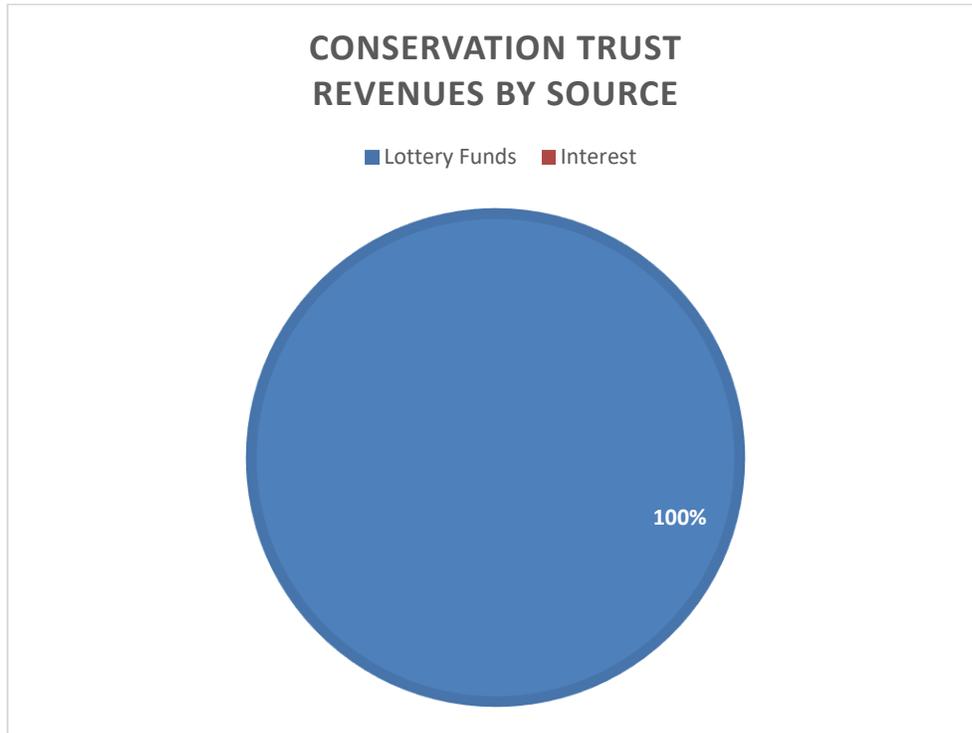
The 2021 Budget for the Conservation Trust Fund includes revenues of \$66,050, an increase of \$12,800 compared to the 2020 Budget. This increase is primarily due to an increased population in Frederick. The 2021 Budget includes expenditures of \$65,250. This amount is \$25,000 less than what was budgeted in 2020.

Conservation Trust Fund Budget

Conservation Trust Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	48,300	82,254	82,254	82,254	38,390
<u>Revenues:</u>					
Intergovernmental	72,689	51,450	53,200	61,740	66,000
Earnings on Investment	57	-	50	-	50
<i>Transfers In</i>		-	37,000		
Total Operating Revenues	<u>72,746</u>	<u>51,450</u>	<u>90,250</u>	<u>61,740</u>	<u>66,050</u>
<u>Expenditures:</u>					
Other	6,347	8,003	10,000	9,604	-
Capital Outlay	32,445	80,000	80,250	96,000	250
<i>Transfers Out</i>		-	-		65,000
Total Expenditures	<u>38,792</u>	<u>88,003</u>	<u>90,250</u>	<u>105,604</u>	<u>65,250</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>33,954</u>	<u>(36,553)</u>	<u>-</u>	<u>(43,864)</u>	<u>800</u>
Ending Fund Balance	<u>82,254</u>	<u>45,701</u>	<u>82,254</u>	<u>38,390</u>	<u>39,190</u>

Conservation Trust Fund Revenues

Conservation Trust Fund revenues come from State lottery proceeds and the interest that is earned on those funds, which is illustrated below.



The Conservation Trust Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2019.

Conservation Trust Fund Revenue Sources		
Source	Amount	% of Total
Lottery Proceeds	66,000	100%
Interest	50	0%

Conservation Trust Fund Expenses

The Conservation Trust Fund does not have normal operating costs, as this fund is primarily used for capital improvements. The capital outlay in this fund is \$250 which is nonrecurring and a \$65,000 transfer out to the Capital Projects Fund, which will be used for a pour-in-place playground in Summit View Estates.

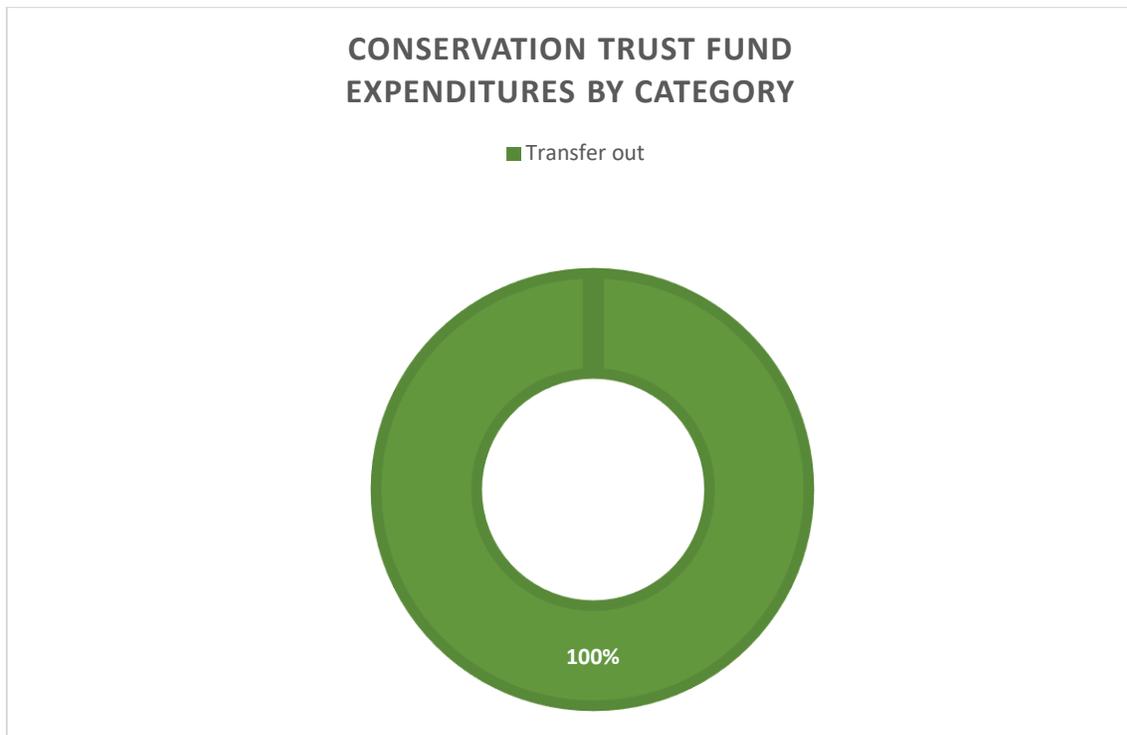
CONSERVATION TRUST FUND EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Operations	0	0	0	250	250	---	---	250
Totals	\$0	\$0	\$0	\$250	\$250	\$0	\$0	\$250
Total Cash Available								\$39,440
Ending Fund Balance								\$39,190
% of Total Budget	0.00%	0.00%	0.00%	100.00%	100.00%	0.00%	0.00%	100.00%

Projects Funded in 2021 Budget

- Summit View Estates pour-in-place improvements

The chart below details the expenditures for the Conservation Trust Fund by category. The only category of expenditure will be the transfer out to the Capital Projects Fund, which includes the costs for playground improvements.



Conservation Trust Fund - Full Time Employees

Department	No. of Full Time Employees
Administration & Operations	0
Total	0

Conservation Trust Fund Goals and KPIs

In addition to the projects that have been funded in the 2021 Budget, the Conservation Trust Fund does establish goals and key performance indicators that tie back to our strategic plan and are detailed below.

Conservation Trust Fund Goals and Key Performance Indicators

Performance Measures

Strategic Foundation: Community Amenities

Objective:

Maintain and enhance the current culture, park and trail system

Strategy:

Maintain the attractiveness and usability of our current amenities such as benches, shade structures, and playgrounds.

Measure	2018	2019	2020	Comments
<i>Performance:</i>				
Number of capital improvement projects budgeted	1	1	2	
<i>Performance:</i>				
Number of capital projects completed within the budgetary cycle	1	1	2	

PARK IMPROVEMENT FUND



PARK IMPROVEMENT FUND

The Park Improvement Fund was created for the purchase, development, and maintenance of parks throughout the town.

In 2010, the Parks, Open Space, and Trails Master Plan were completed. This plan provides a roadmap to achieve the goals established by the Board of Trustees. The Parks, Open Space, and Trails Commission, a committee composed of citizens, uses the master plan to provide recommendations to the Board of Trustees on the topics of parks, open space, and trail development and maintenance. The Commission recommends a number of projects for completion:

- Execution of master plan
- Hiring maintenance staff with knowledge of and responsibility for care of trees and landscaping
- Replacing dead trees with new trees
- Installing shrubs in the parks to meet park standards
- Improving ADA accessibility at parks
- Improving maintenance of play bays that currently have Engineered Wood Fiber (EWF)
- Creating an overall maintenance plan

Currently, the town maintains over 319 acres of parks. The facilities/parks that the town maintains are shown in the chart below.

Facility Name	Location	Amenities
Bulrush Wetland Park	6140 Wetland Park Road	47 acres of parkland, trails, outdoor classroom, educational signs, bird watching
Centennial Park	630 Eighth Street	Benches, picnic tables, picnic shelters, playground, restrooms, trails, art features, boulder climbing area, multi-use field, fitness stations
Coal Ridge Park	305 ½ Warwick Street	Benches, picnic shelter, picnic tables, multi-use field, playground
Confluence Park	5549 Drake Way	Picnic shelters, picnic tables
Countryside Park	5730 Russell Circle	Benches, multi-use field
Creekway	5724 Wetland Loop	Picnic shelters, picnic tables
Crist Park	105 Fifth Street	Picnic shelters, picnic tables, splash pad, playground, gazebo, benches, art features, restrooms, bocce courts
Eagle Valley Park	4819 Osprey Circle	Benches, multi-use field, picnic shelters, picnic tables, playground, trails

Facility Name	Location	Amenities
Firefighters' Park	11 Walnut Street	Picnic shelters, picnic tables, playground, sport court
Fox Run Park	5365 Fox Run Boulevard	Benches, picnic shelter, picnic tables, playground, basketball court, swings, trails, pickle ball court
Frederick Entryway Park	6016 Colorado Boulevard	Art features, benches, trails, water feature
Frederick Recreation Area	8201 Colorado Boulevard	129 acres of parkland, basketball court, benches, trails, dog park, fishing, horseshoe pits, non-motorized boating, pavilion, picnic shelters, picnic tables, restrooms, sport court
No Name Creek West Park	9120 Harlequin Circle	Picnic shelters, picnic tables, slide, playground, benches, sport court, volleyball
No Name Eagle Park	5750 Pintail Way	Benches, picnic shelters, picnic tables, playground
Rinn Valley Park	3390 Rinn Valley Drive	Multi-use field, picnic shelters, picnic tables, playground, trails
Savannah Park	6201 ½ Ralston Street	Benches, multi-use field, picnic shelters, picnic tables, playground
Summit View Estates Park	5134 ½ Mount Pawnee Avenue	Picnic shelters, picnic tables, playground, sport court
Frederick Skate Park	5357 County Road 18	Art features, skate park

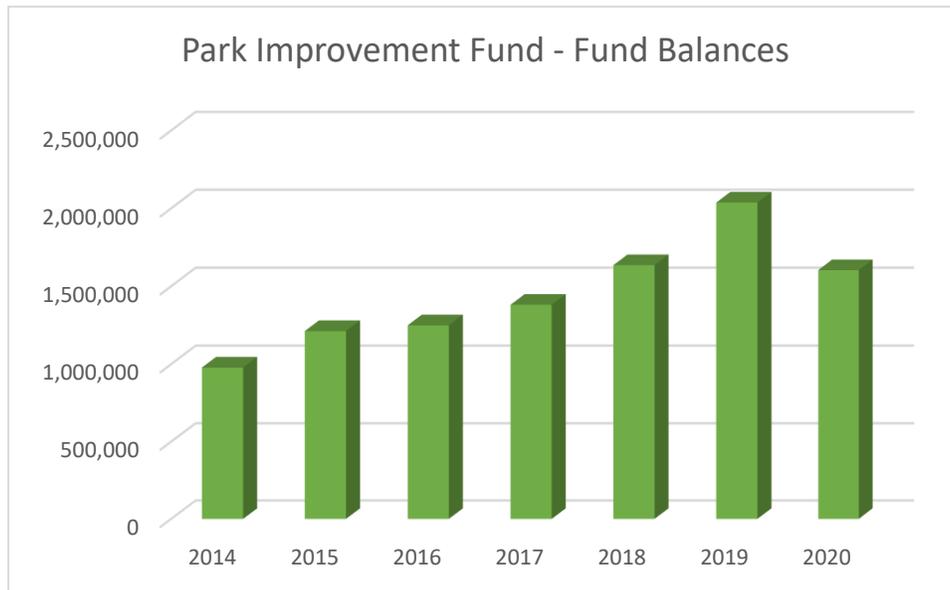


1 - Frederick Recreation Area

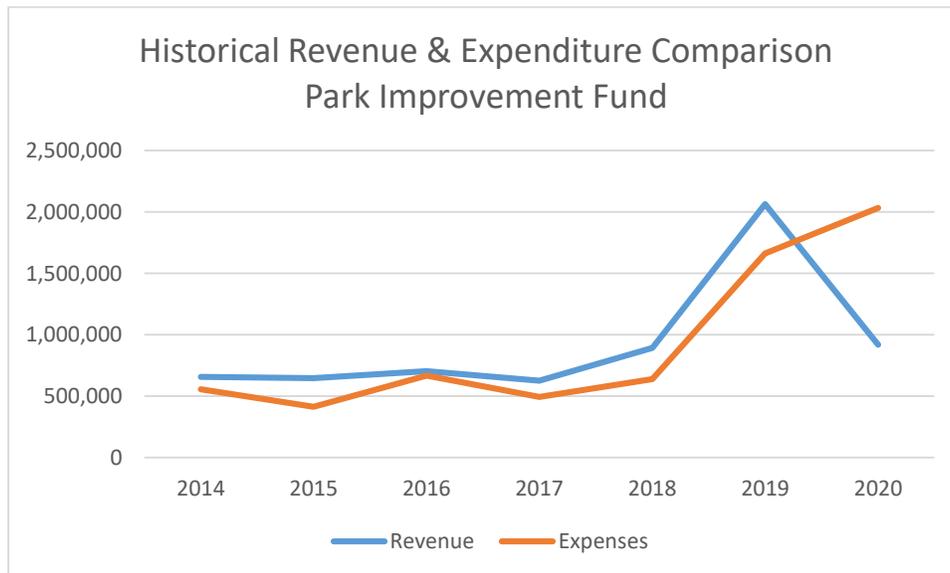


2 - Centennial Park

Park Improvement Fund - Fund Balance and Fund Summary



As the following graph illustrates, the fund balance decreased due to expenditures related to the skate park construction project.



Note: This fund relies on revenues and transfers in - both are included as revenues in this chart.

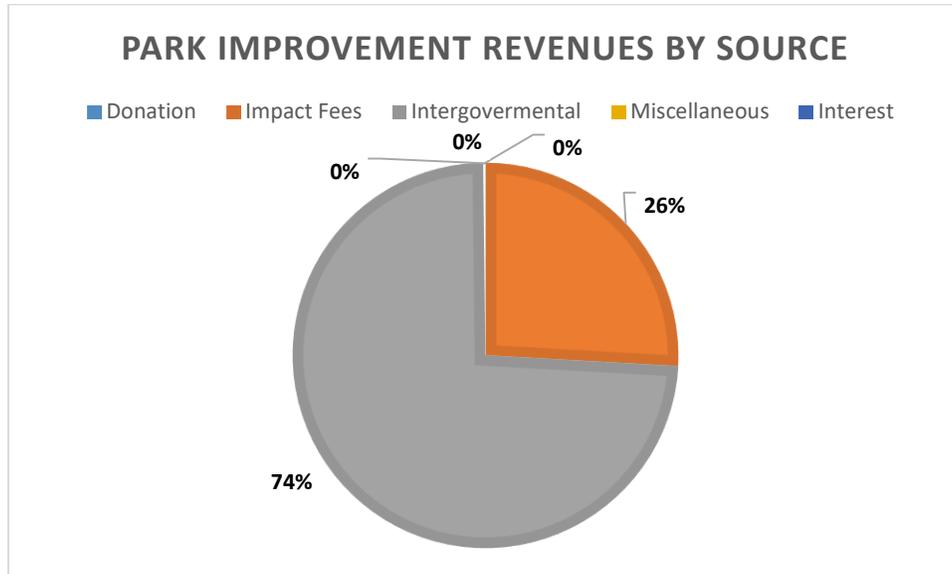
The 2021 Budget for the Park Improvement Fund includes revenues of \$438,000, an increase of \$123,200 compared to the 2020 Budget. The 2021 Budget includes expenditures of \$1,679,988, an increase of \$472,825 compared to the 2020 Budget. The increase in budgeted expenditures is attributed to a transfer out to the Capital Projects Fund.

Park Improvement Fund Budget

Park Improvement Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	1,635,678	2,717,658	2,717,658	2,717,658	1,441,255
Revenues:					
Licenses and Permits	1,817,980	762,140	413,300	914,568	436,500
Earnings on Investment	44,548	-	1,500	-	1,500
Miscellaneous Revenue	22,140	70,120	-	84,144	-
<i>Transfers In</i>	675,000	-	792,363	-	-
Total Operating Revenues	2,559,668	832,260	1,207,163	998,712	438,000
Expenditures:					
Operations & Maintenance	647,566	717,750	726,663	861,300	1,075,788
Capital Lease	-	-	-	-	-
Capital Outlay	813,122	1,178,179	465,000	1,413,815	-
<i>Transfers Out</i>	17,000	-	15,500	-	604,200
Total Expenditures	1,477,688	1,895,929	1,207,163	2,275,115	1,679,988
Excess (Deficiency) of Revenues and Other Sources over Expenditures	1,081,980	(1,063,669)	-	(1,276,403)	(1,241,988)
Ending Fund Balance	2,717,658	1,653,989	2,717,658	1,441,255	199,267

Park Improvement Fund Revenues

Revenues for this fund are primarily impact fees, grants, and transfers from other funds.



The Park Improvement Fund Revenue Sources table below, lists the revenue sources as well as the amounts that are projected for 2021.

Park Improvement Fund Revenue Sources		
Source	Amount	% of Total
Donation	0	0%
Impact Fees	435,000	26%
Intergovernmental	1,241,988	74%
Miscellaneous	1,500	0%
Interest	1,500	0%

Park Improvement Fund Expenditures

The Park Improvement Fund shows operating expenses of \$1,075,788. The services provided by this fund are labor-intensive as illustrated below.

PARK IMPROVEMENT FUND EXPENSE SUMMARY

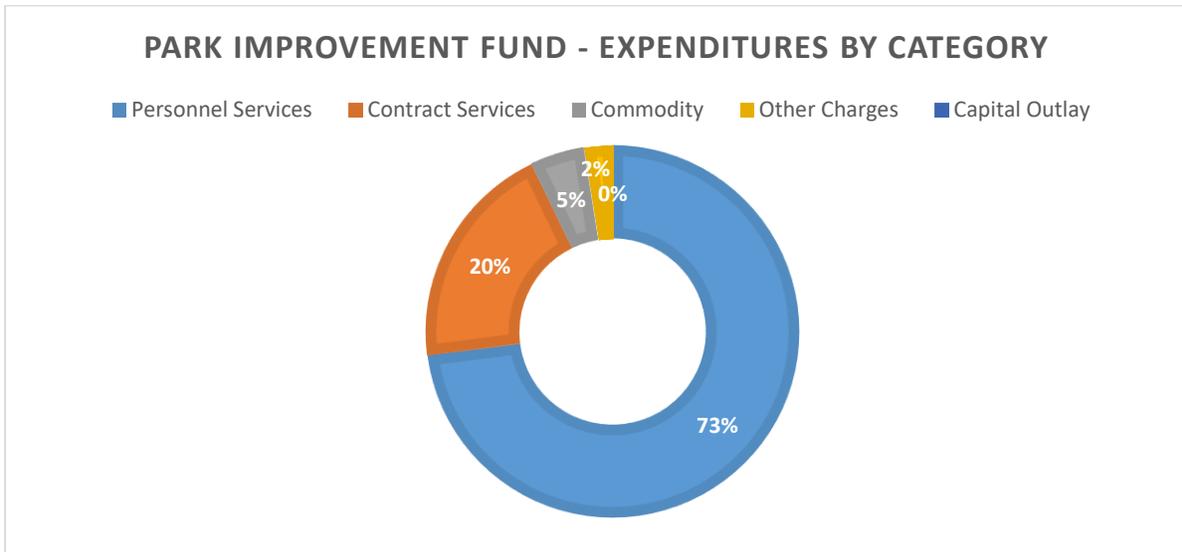
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Planning	0	0	0	7,000	7,000	---	---	7,000
Public Works	0	213,640	50,500	19,500	283,640	---	---	283,640
General Operations	785,148	0	0	0	785,148	---	---	785,148
Totals	\$785,148	\$213,640	\$50,500	\$26,500	\$1,075,788	\$0	\$0	\$1,075,788

Total Cash Available								\$1,275,055
Ending Fund Balance								\$199,267
% of Total Budget	72.98%	19.86%	4.69%	2.46%	100.00%	0.00%	0.00%	100.00%

Projects Funded in 2021 Budget

- Irrigation Pump Replacement
- Crist Park Shelter
- FRA Shelter
- Additional FRA Shelter
- Centennial Park Utilities
- No Name Sun Shade
- Crist Park Irrigation
- Irrigation Expansion
- Gateway Lights

The chart below details the expenditures for the Park Improvement Fund by category. In 2021, the largest projected expenditures will be personnel services and a transfer out to the Capital Projects Fund.



Park Improvement Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	.60
Operations	8.25
Total	8.85

Park Improvement Fund Goals and KPIs

In addition to the projects that have been funded in the 2020 Budget, the Park Improvement Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Park Improvement Fund Goals and Key Performance Indicators (KPI)

Strategic Foundation: Economic and Community Vitality

Objective:

Community Vitality.

Strategy:

Provide and maintain park and trail systems within and between neighborhoods.

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of park improvement projects planned	1	4	4	
<i>Performance:</i>				
Percentage of projects completed on schedule	100%	100%	100%	

Strategic Foundation: Community Amenities

Objective:

Maintain and enhance the current culture, park and trail system

Strategy:

Maintain the attractiveness and usability of our current amenities such as benches, shade structures, playgrounds

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Acres of parks	319	319	323	Additional Skate Park
<i>Performance:</i>				
Average star rating of the parks	3.2	3.5	3.5	
<i>Performance:</i>				
Hours spent maintaining parks and park related equipment	N/A	904	806	Less time because of COVID

OPEN SPACE FUND



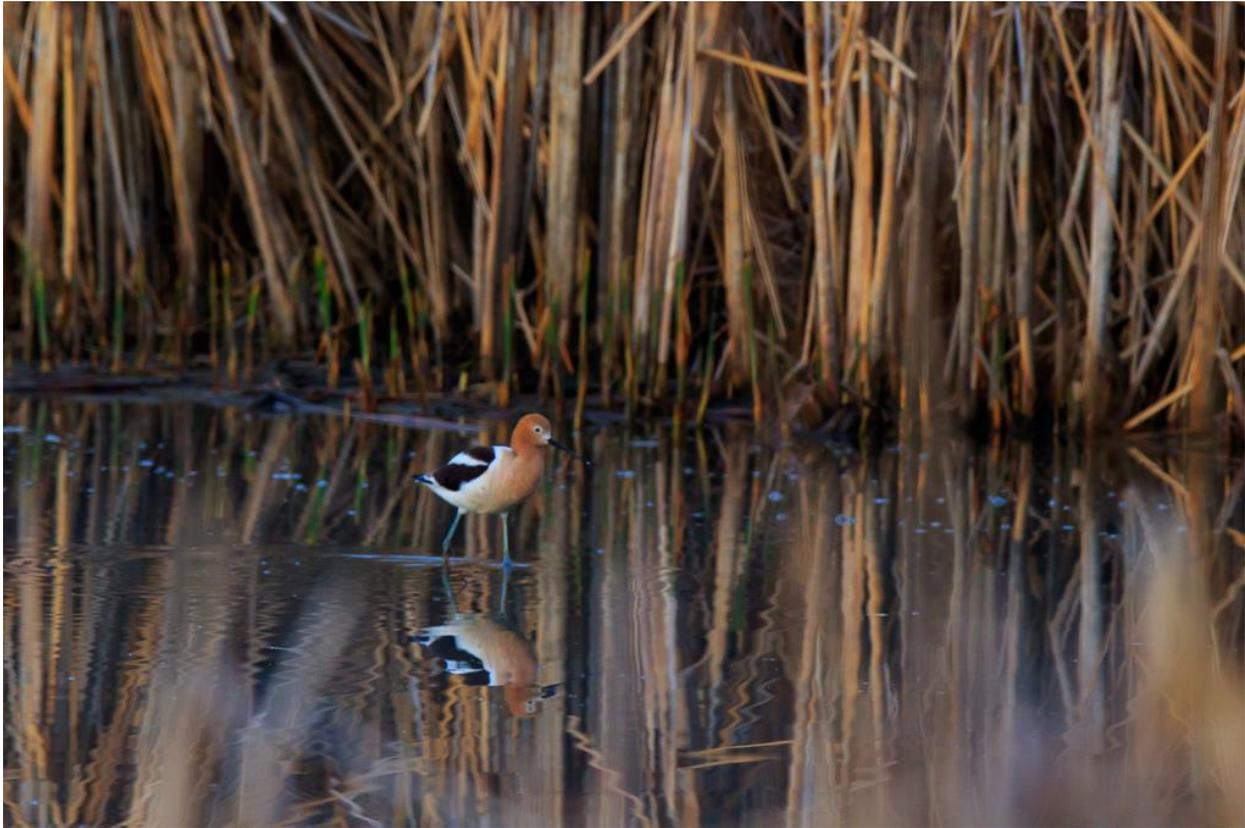
OPEN SPACE FUND

The Open Space Fund was created for the purchase, development, and maintenance of open space. The fund receives revenue from two sources: an open space fee that is assessed with each building permit for new construction and a one-half (.5) cent per dollar sales and use tax which became effective January 1, 2000.

The use of the Open Space Fund is defined in Section 4.93 of the Municipal Code as being used for open space acquisition, development, and maintenance. As open space is intended to be “open,” development of open space is limited.

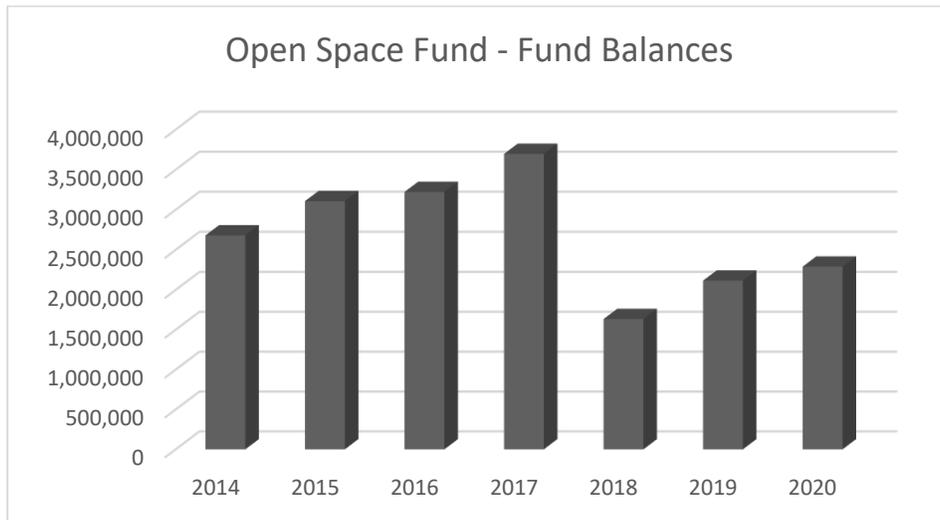
Trails - At the end of the 2020 fiscal year, there were 15.95 miles of town-owned trails.

Open Space - The town currently owns approximately 593 acres of open space which is spread throughout town.

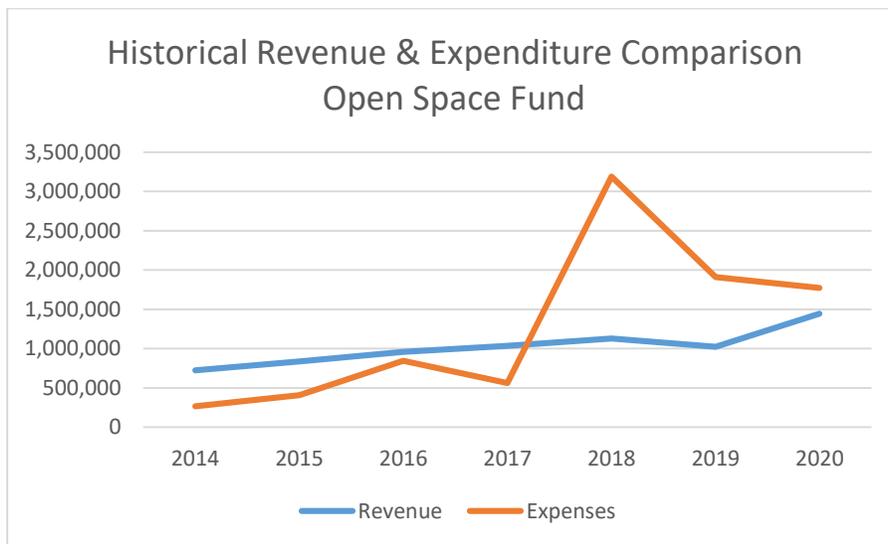


7 - Bulrush Open Space

Open Space Fund – Fund Balance and Fund Summary



The decreases in fund balance from 2018 through 2020 are the result of increased expenditures during those years. As the following graph illustrates, the town has had budget surpluses in the Open Space Fund from 2014 through 2017.



Note: This fund relies on revenues and transfers in - both are included as revenues in this chart.

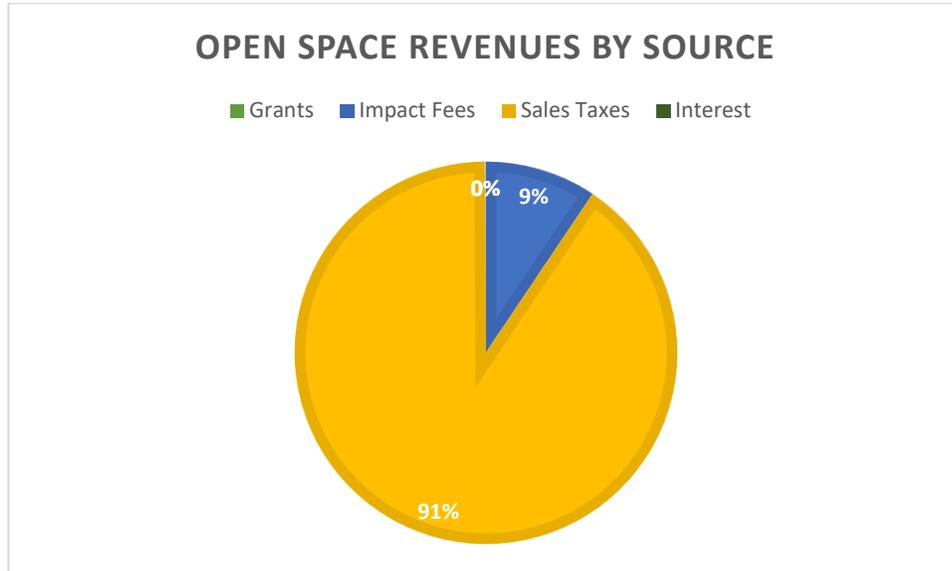
The 2021 Budget for the Open Space Fund includes revenues of \$1,011,000, an increase of \$175,000 compared to the 2020 Budget. The 2021 Budget includes expenditures of \$2,705,052, an increase of \$1,612,280 compared to the 2020 Budget. The 2021 expenditures are higher because of a \$2,265,700 transfer out to the Capital Projects Fund.

Open Space Fund Budget

Open Space Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	1,634,771	2,483,697	2,483,697	2,483,697	1,868,017
<u>Revenues:</u>					
Taxes & Fees	1,238,051	1,130,723	835,000	1,356,868	1,010,000
Grants & Contributions	57,600	-	-	-	-
Earnings on Investment	28,191	-	1,000	-	1,000
Miscellaneous Revenue	-	-	-	-	-
<i>Transfers In</i>	-	-	256,772	-	-
Total Operating Revenues	<u>1,323,842</u>	<u>1,130,723</u>	<u>1,092,772</u>	<u>1,356,868</u>	<u>1,011,000</u>
<u>Expenditures:</u>					
Operations & Maintenance	279,154	246,778	344,272	296,134	438,152
Capital Outlay	135,164	1,397,012	746,000	1,676,414	1,200
<i>Transfers Out</i>	60,598	-	2,500	-	2,265,700
Total Expenditures	<u>474,916</u>	<u>1,643,790</u>	<u>1,092,772</u>	<u>1,972,548</u>	<u>2,705,052</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>848,926</u>	<u>(513,067)</u>	<u>-</u>	<u>(615,680)</u>	<u>(1,694,052)</u>
Ending Fund Balance	<u>2,483,697</u>	<u>1,970,630</u>	<u>2,483,697</u>	<u>1,868,017</u>	<u>173,965</u>

Open Space Fund Revenues

Revenues for this fund come from a one-half (.5) cent sales tax, impact fees, grants, transfers in and other miscellaneous sources. In the previous table, the miscellaneous category includes transfers in from other funds.



The Open Space Fund Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2021.

Open Space Fund Revenue Sources		
Source	Amount	% of Total
Grants	0	0%
Impact Fees	95,000	9%
Sales Taxes	915,000	91%
Interest	1,000	0%
Intergovernmental	0	0%

Open Space Fund Expenditures

Expenditures in the Open Space Fund include operating costs of \$428,152, capital outlay of \$1,200, and a \$2,265,700 transfer out to the Capital Projects Fund. The transfer to the Capital Projects Fund includes costs for the open space purchase, trail expansion, and vehicle and equipment replacements.

OPEN SPACE IMPROVEMENT FUND EXPENSE SUMMARY

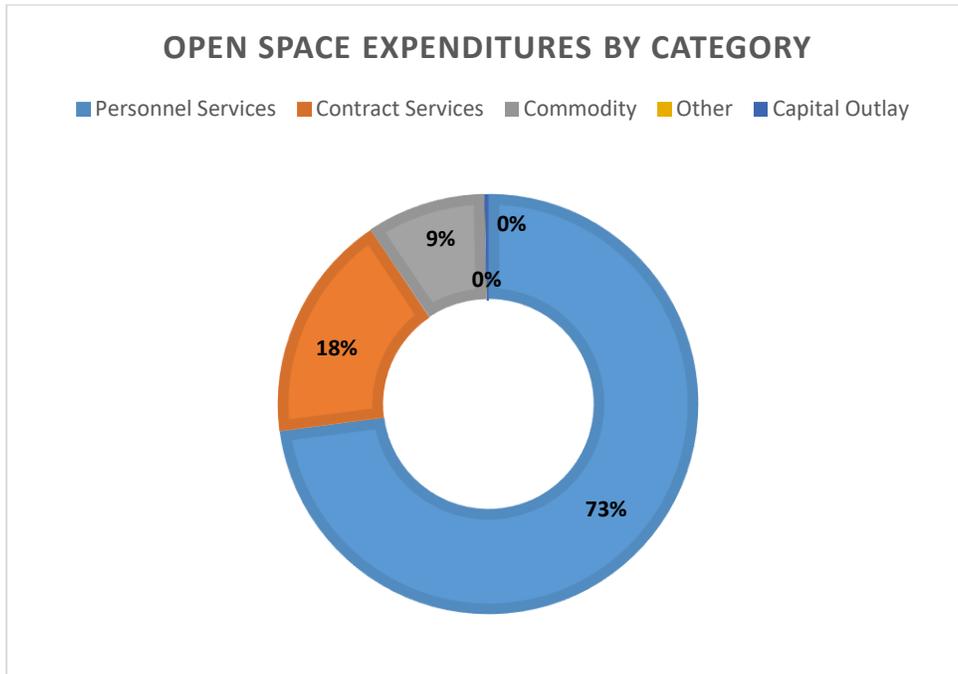
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Planning	0	35,000	0	0	35,000	1,200	---	36,200
Public Works	0	42,500	40,000	150	82,650	---	---	82,650
General Operations	320,502	0	0	0	320,502	---	---	320,502
Totals	\$320,502	\$77,500	\$40,000	\$150	\$438,152	\$1,200	\$0	\$439,352

Total Cash Available	\$613,317
Ending Fund Balance	\$173,965

Projects Funded in 2021 Budget

- Open Space Purchase
- Mendoza Trail improvements
- Frederick Way Trail improvements

The chart below details the expenditures for the Open Space Fund by category. In 2021, the largest incurred cost will be a transfer out to the Capital Projects Fund, which includes expenditures for open space purchase, trail expansion, and vehicle and equipment replacements.



Open Space Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	.65
Operations	2.40
Total	3.05

Open Space Fund Goals and KPI's

In addition to the projects that have been funded in the 2020 Budget, the Open Space Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Open Space Fund Goals and Key Performance Indicators (KPI)**Strategic Foundation: Economic and Community Vitality****Objective:**

Community Vitality.

Strategy:

Provide and maintain park and trail systems within and between neighborhoods.

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Linear feet of trails added.	1013.5	0	5000	
<i>Performance:</i>				
Percent of trail projects completed on time and budget.	100%	0%	0%	

Strategic Foundation: Community Amenities**Objective:**

Maintain and enhance the current culture, park and trail system

Strategy:

Maintain the attractiveness and usability of our current amenities such as benches, shade structures, playgrounds

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Acres of Open Space/Wetlands to maintain	406	406	406	
<i>Workload:</i>				
Miles of trails to maintain	15.95	15.95	16.9	

EVENTS FUND



EVENTS FUND

The Events Fund is responsible for the execution of the town's community events such as Miners Day, Frederick in Flight, DIY Day, Chainsaws and Chuckwagons, Tiny Terror Town, Finale Fridays, and the Frederick Festival of Lights tree lighting in December. Frederick prioritizes community events as a way to engage the community, bring neighbors together, and give businesses the opportunity to connect with their community. Creating and enhancing unique events also creates a regional draw to showcase the Town of Frederick and further brand recognition with a regional audience. They also provide entertainment for residents in a growing community where typical entertainment venues haven't taken root yet. With many of the events occurring downtown, they are also an integral strategy for downtown revitalization.

Revenues are derived primarily from donations and transfers from other funds.

FREDERICK DIY DAY: MAY 15

DIY Day is an event where local professionals and local experts come out and share their knowledge and expertise and help our residents learn something new. This event is intended to reinforce our "Built on What Matters" brand and encourage folks to roll up their sleeves and expand their talents.



FREDERICK IN FLIGHT: JUNE 25 - 27

Frederick in Flight is one of our largest festivals, drawing folks from all over the region to see over thirty balloons take to the sky at once. Balloons launch in the mornings on Friday, Saturday, and Sunday and there is a balloon glow Saturday evening.



CHAINSAWS & CHUCKWAGONS: JULY 14 - 17

Chainsaws & Chuckwagons is a fun, unique event that features a four-day carving competition where professional chainsaw carvers transform large logs into works of art. There are food trucks, live entertainment, and quick carve auctions.



MINERS DAY: SEPTEMBER 19

This year marks the 17th year that Miners Day will bring the community together to celebrate our history with entertainment, food and fun! The parade kicks off the day's events at 10:00 am and the fun continues all day with live music, kid's events, food trucks, a beer garden and vendor booths. The day ends with an amazing fireworks show that begins around 9:00 pm.



TINY TERROR TOWN: OCTOBER 23

Tiny Terror Town is the Town's annual Halloween event where the community can discover the tiniest frights on the Front Range, including the world's tiniest haunted house! This is a family friendly event that serves as a safe place for kids and families to trick-or-treat and enjoy Halloween activities.

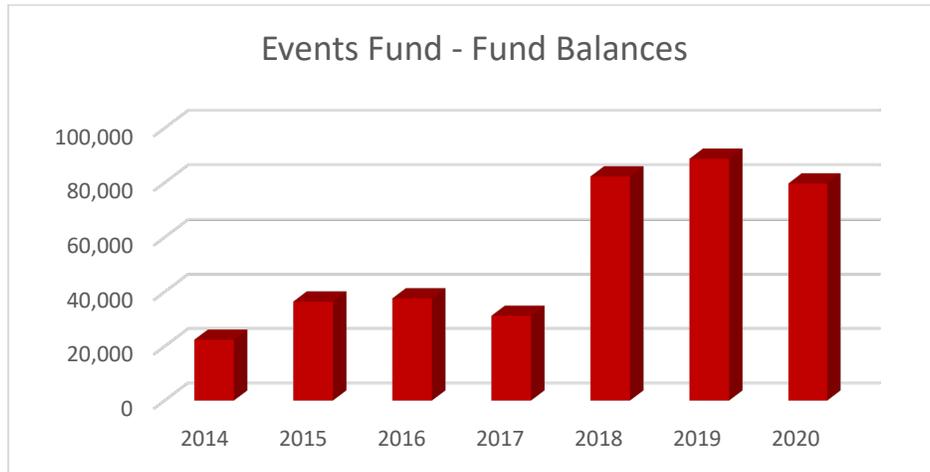


FESTIVAL OF LIGHTS: DECEMBER 4

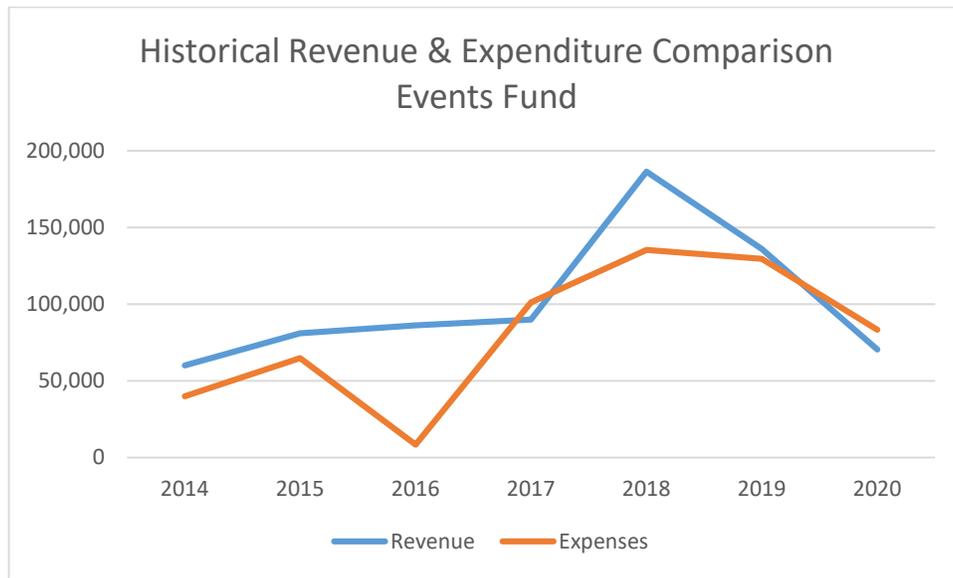
The annual tree lighting ceremony will include traditional festival fun including horse-drawn carriage rides, hot cocoa, ice carving, live music, parade and photos with Santa. It's an amazing start to the holiday season.



Events Fund - Fund Balance and Fund Summary



As the following graph illustrates, the town has had mostly budget surpluses since the fund’s inception in 2013.



Note: This fund relies on revenues and transfers in - both are included as revenues in this chart.

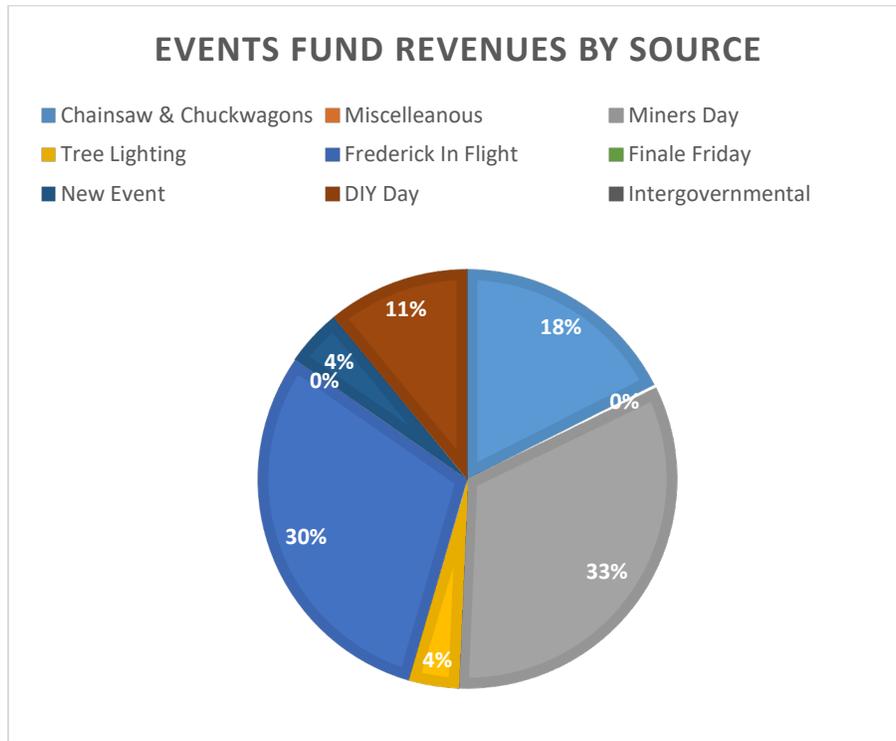
The 2021 Budget for the Events Fund includes revenues of \$91,250 and transfers in of \$70,000, a decrease of \$35,750 compared to the 2020 Budget. The 2021 Budget includes expenditures of \$186,000. This amount is the same as what was budgeted in 2020.

Events Fund Budget

Events Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	82,270	92,388	92,388	92,388	83,224
Revenues:					
Grants & Contributions	97,353	70,189	91,000	84,227	91,000
Miscellaneous Revenue	1,678	-	250	-	250
<i>Transfers In</i>	40,000	-	94,750	-	70,000
Total Operating Revenues	139,031	70,189	186,000	84,227	161,250
Expenditures:					
Operations	128,913	77,642	183,500	93,170	183,500
Capital Outlay	-	184	2,500	221	2,500
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	128,913	77,826	186,000	93,391	186,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	10,118	(7,637)	-	(9,164)	(24,750)
Ending Fund Balance	92,388	84,751	92,388	83,224	58,474

Events Fund Revenues

Revenues for this fund come from event sponsorships, donations, and transfers in from other funds.



The Events Fund Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2021.

Events Fund Revenue Sources		
Source	Amount	% of Total
Tiny Terror Town	0	0%
Chainsaw & Chuckwagons	16,000	9%
Miscellaneous	250	0%
Miners Day	30,000	16%
Tree Lighting	3,500	2%
Frederick In Flight	27,500	15%
Finale Friday	0	0%
New Event	4,000	2%
DIY Day	10,000	5%
Intergovernmental	94,750	51%

Events Fund Expenditures

The Events Fund contains operating expenses related to hosting community events. The fund rarely has any capital or debt-related expenses.

EVENTS FUND EXPENSE SUMMARY

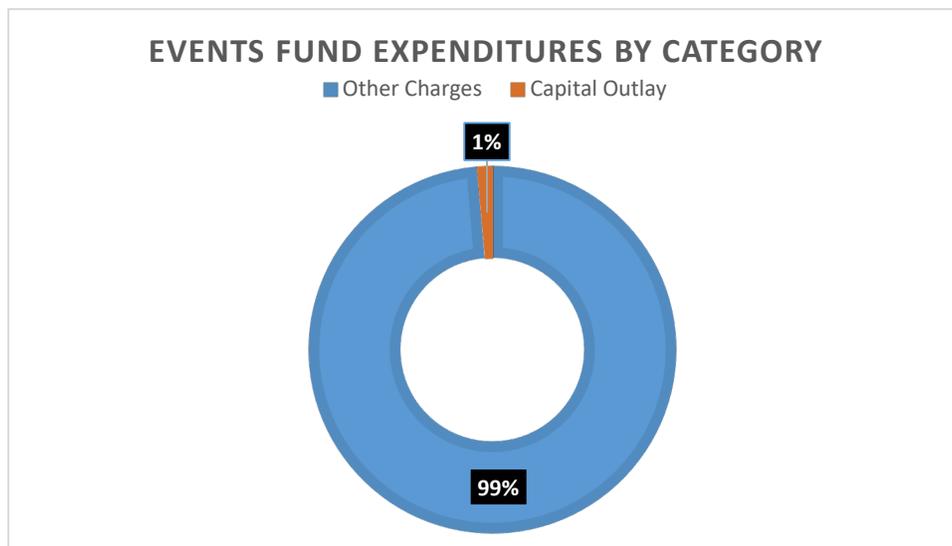
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Events	0	0	0	183,500	183,500	2,500	---	186,000
Totals	\$0	\$0	\$0	\$183,500	\$183,500	\$2,500	\$0	\$186,000

Total Cash Available	\$244,474
Ending Fund Balance	\$58,474

Projects Funded in 2021 Budget

- Miners Day
- Frederick in Flight
- Chainsaws and Chuckwagons
- Tree Lighting
- DIY Day
- Tiny Terror Town
- New Town Event

The chart below details the expenditures for the Events Fund by category.



Events Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	0
Operations	0
Total	0

Events Fund Goals and KPIs

In addition to the projects that have been funded in the 2021 Budget, the Events Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Events Fund Goals and Key Performance Indicators (KPI)**Strategic Foundation: Economic and Community Vitality****Objective:**

Community Vitality

Strategy:

Actively engage with residents and other community members to promote awareness of and participation in town-sponsored and other community events and amenities

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of Events offered	25	19	17	Fewer events due to COVID; added Ask A Bee Keeper, Story Time in the Garden and Garlic Planting Class.
<i>Performance:</i>				
Number of Volunteer Hours	796	1134	280	Fewer events due to COVID: utilized minimum number of volunteers due to COVID.

Strategic Foundation: Economic and Community Vitality**Objective:**

Community Vitality

Strategy:

Partner with special districts and other outside agencies to strengthen our position as a regional cultural and recreational destination

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Hours spent on Sponsorship Recruitment	N/A	230	115	Fewer events due to COVID.
<i>Performance:</i>				
Sponsorship Dollars	\$116,895	\$137,103	\$42,603	Fewer events due to COVID.

Strategic Foundation: Fiscal Responsibility & Operational Excellence

Objective:

Enhance public trust and confidence

Strategy:

Provide services in an open, honest and forthright manner, and encourage public engagement in local government

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of event surveys received	N/A	47	117	
<i>Performance:</i>				
Average rating from vendors	N/A	73.30%	83.20%	
<i>Performance:</i>				
Average rating from attendees	N/A	73.30%	79.89%	

CAPITAL FACILITIES FUND



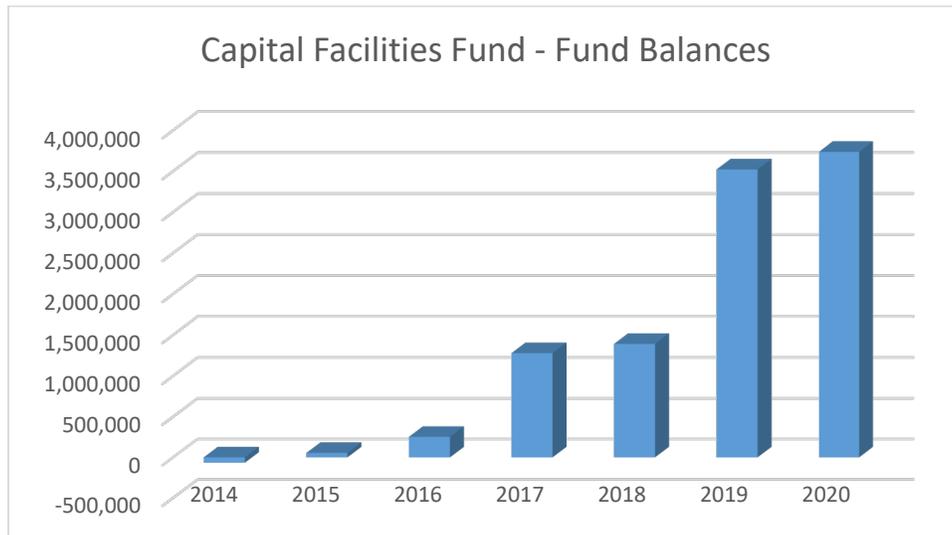
CAPITAL FACILITIES FUND

The Capital Facilities Fund was created to account for resources used for the acquisition, construction, and maintenance of assets and major capital facilities other than those financed by proprietary funds and trust funds. This fund was established to maintain a separate accounting of specific capital projects.

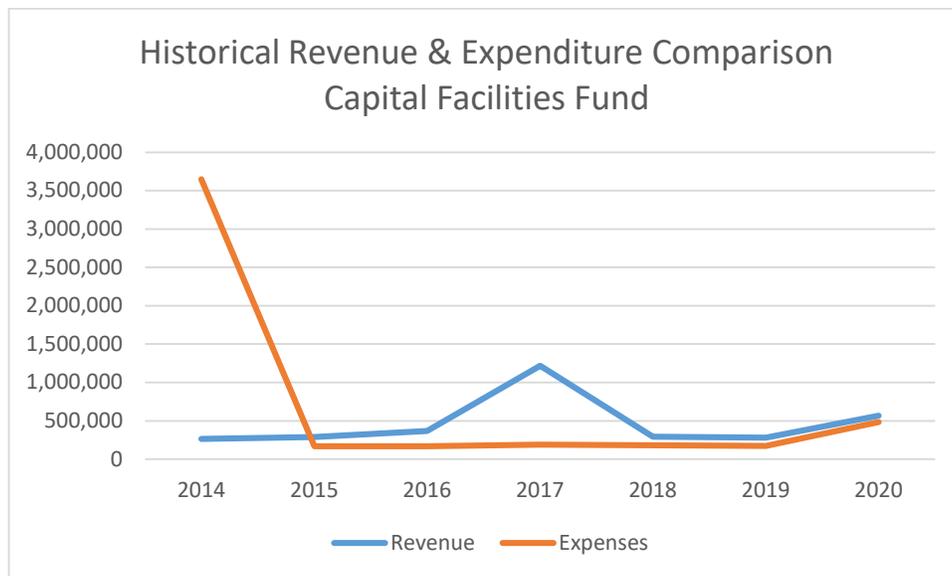


1 - Public Works Facility

Capital Facilities Fund - Fund Balance and Fund Summary



As the following graph illustrates, the town generally has small budget surpluses each year. The construction of a new public works facility impacted the revenues and expenditures in 2013 and 2014, and transfers in for 2019 and 2020 are for future capital facility needs.



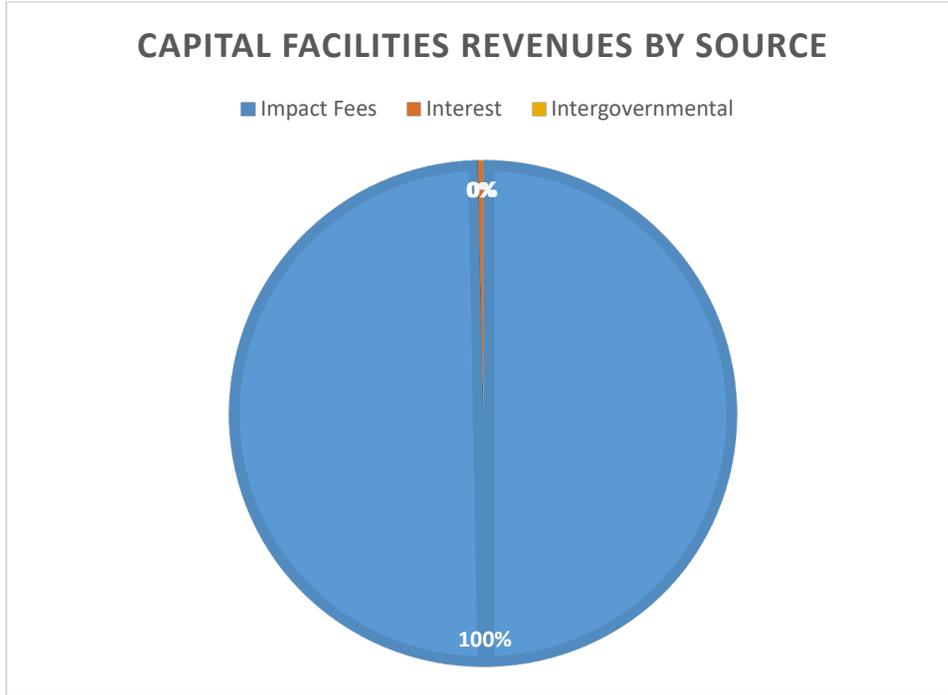
The 2021 Budget for the Capital Facilities Fund includes revenues of \$331,000, a decrease of \$2,304,970 compared to the 2020 Budget. The decrease is due to no transfer in of funds in 2021. The 2021 Budget includes expenditures of \$270,640.

Capital Facilities Fund Budget

Capital Facilities Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	1,389,915	3,651,719	3,651,719	3,651,719	3,811,816
<u>Revenues:</u>					
Taxes and Fees	433,187	511,550	277,500	613,860	330,000
Grants & Contributions	-	-	-	-	-
Miscellaneous Revenue	48,257	-	1,000	-	1,000
<i>Transfers In</i>	1,950,000	-	2,357,470	-	-
Total Operating Revenues	<u>2,431,444</u>	<u>511,550</u>	<u>2,635,970</u>	<u>613,860</u>	<u>331,000</u>
<u>Expenditures:</u>					
Capital Outlay	169,640	378,136	170,800	453,763	270,640
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	<u>169,640</u>	<u>378,136</u>	<u>170,800</u>	<u>453,763</u>	<u>270,640</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>2,261,804</u>	<u>133,414</u>	<u>2,465,170</u>	<u>160,097</u>	<u>60,360</u>
Ending Fund Balance	<u>3,651,719</u>	<u>3,785,133</u>	<u>6,116,889</u>	<u>3,811,816</u>	<u>3,872,176</u>

Capital Facilities Fund Revenues

Revenues for this fund come primarily from impact fees and interest.



The Capital Facilities Fund - Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2021.

Capital Facilities Fund Revenue Sources		
Source	Amount	% of Total
Impact Fees	330,000	100%
Interest	1,000	0%
Intergovernmental	0	0%

Capital Facilities Fund Expenditures

The expenditures in this fund are related to capital outlay and debt service only. Currently, there is only debt service expense related to the lease purchase for the construction of the public works building.

CAPITAL FACILITIES FUND EXPENSE SUMMARY

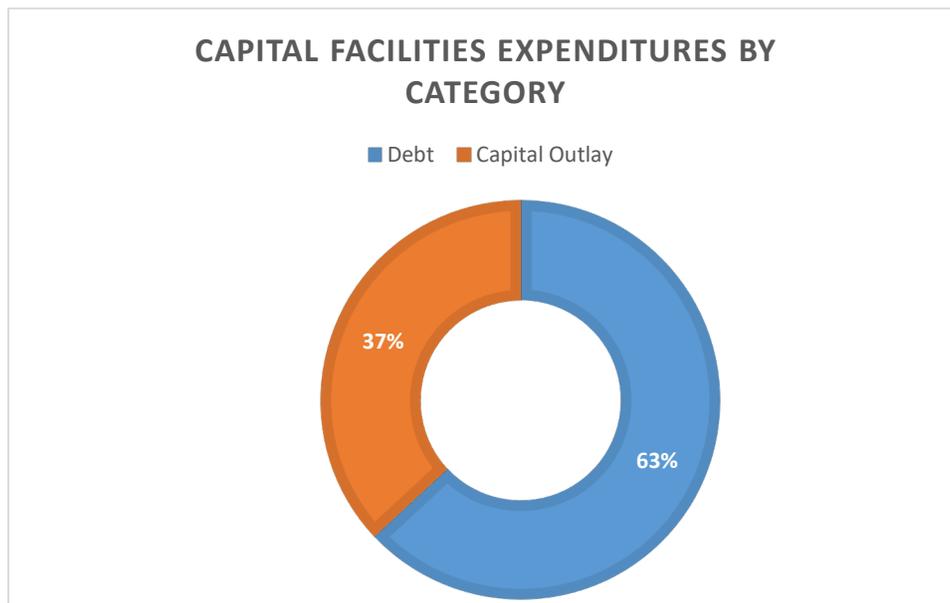
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Capital Facilities	0	0	0	1,000	1,000	100,000	169,640	270,640
Totals	\$0	\$0	\$0	\$1,000	\$1,000	\$100,000	\$169,640	\$270,640

Total Cash Available								\$4,142,816
Ending Fund Balance								\$3,872,176
% of Total Budget	0.00%	0.00%	0.00%	0.37%	0.37%	36.95%	62.68%	100.00%

Items Funded in 2021 Budget

- Debt payments associated with capital facilities
- Building Maintenance and improvement

The chart below details the expenditures for the Capital Facilities Fund by category. Due to the nature of this fund, there are only two expense categories: debt services and capital outlay.



When projects are funded by the Capital Facilities Fund, goals and key performance indicators are assigned that tie back into our strategic plan. Currently, this fund does not have any new projects being funded in 2021.

CAPITAL PROJECTS FUND



CAPITAL PROJECTS FUND

A Capital Improvement Fund was created in 2021 in order to account for proper segregation of funding for facility maintenance and capital projects, not included in enterprise funds. Transfers from nine (9) funds occurred for the additions of permanent structural changes or property restorations to ensure efficient use of public funds.

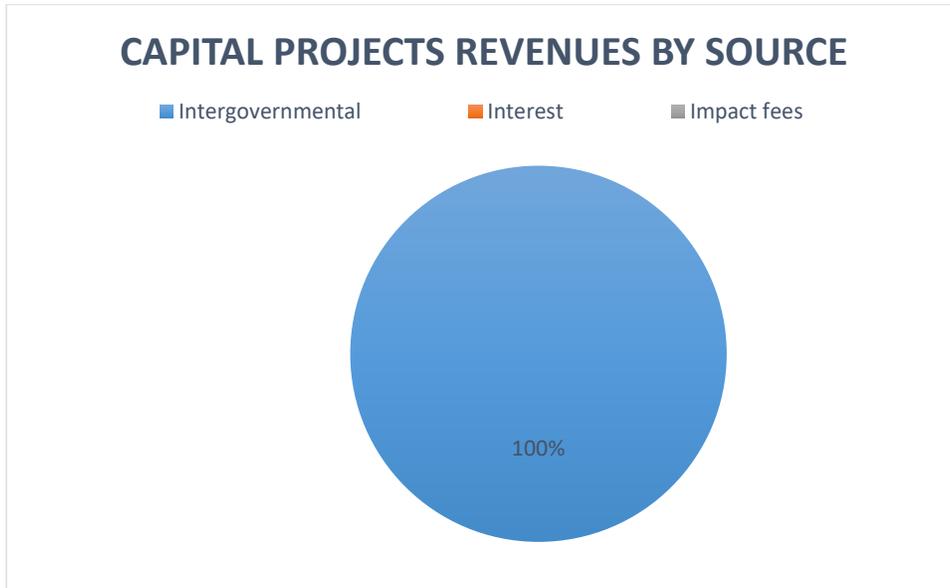
Transfers From:

General Fund	\$ 689,940
Street and Alley Fund	2,159,450
Conservation Fund	65,000
Public Safety Fund	338,403
Water Fund	6,541,250
Storm Water Fund	228,750
Golf Fund	1,137,640
Park Improvement Fund	604,200
Open Space Fund	<u>2,265,700</u>
	\$14,030,333



Capital Projects Fund Revenues

Revenues for this fund come primarily from Intergovernmental transfers.



The Capital Facilities Fund Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2021.

Capital Projects Fund Revenue Sources		
Source	Amount	% of Total
Intergovernmental	14,030,333	100%
Interest	0	0%
Impact fees	0	0%

Capital Projects Fund Expenditures

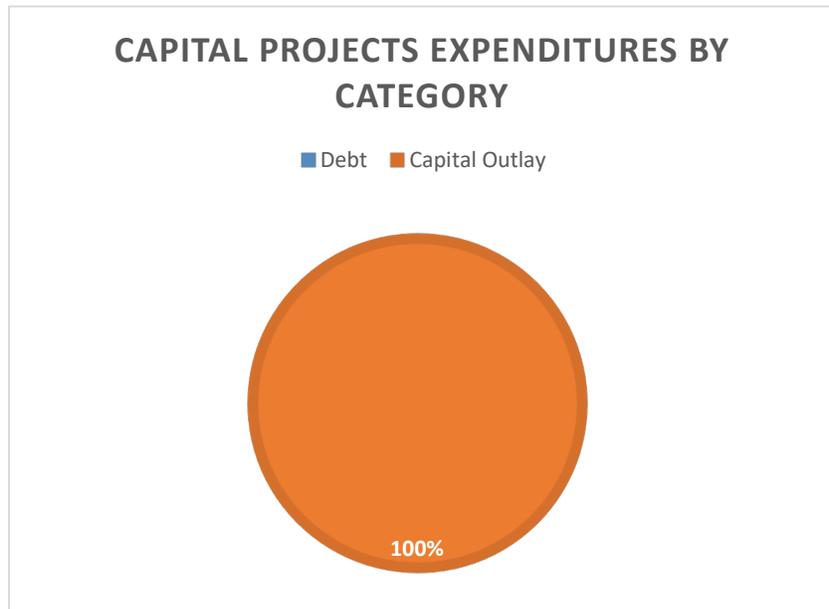
The expenditures in this fund are related to capital outlay.

CAPITAL IMPROVEMENT FUND EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Capital Projects	0	0	0	0	0	14,030,333	---	14,030,333
Totals	\$0	\$0	\$0	\$0	\$0	\$14,030,333	\$0	\$14,030,333

Total Cash Available								\$ 14,030,333
Ending Fund Balance								0
% of Total Budget	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%

The chart below details the expenditures for the Capital Projects Fund by category. Due to the nature of this fund, there is only one expense category of Capital Outlay.



2021 Proposed Capital Improvement Program - By Fund

2021 Projects	Funding Sources									
	General Fund	Street & Alley Fund	Water Fund	Storm Water Fund	Park Imp. Fund	Open Space Fund	Public Safety Fund	Golf Fund	Conserv. Trust Fund	Project Total
Administration										
Financial Software	43,750	43,750	43,750	43,750						175,000
Subtotal	43,750	43,750	43,750	43,750	-	-	-	-	-	175,000
Engineering										
Countryside				100,000						100,000
Carriage Hills				20,000						20,000
30" CW Water Line			2,000,000							2,000,000
WGFP			2,250,000							2,250,000
WG Storage			1,000,000							1,000,000
NISP			950,000							950,000
Alley Project		200,000								200,000
PMP Local		1,000,000								1,000,000
PMP Arterial		500,000								500,000
Concrete Maintenance		30,000								30,000
Streetlights		30,000								30,000
2 Vehicles - Dependent on New positions	12,288									12,288
Subtotal	12,288	1,760,000	6,200,000	120,000	-	-	-	-	-	8,092,288
Planning										
OS Purchase						2,000,000				2,000,000
Centennial Park Improvements	200,000									200,000
Summit View Estates	70,000								65,000	135,000
Mendoza Trail (GF amount a Grant)	20,000					50,000				70,000
Frederick Way Trail (GF amount a Grant)	15,000					25,000				40,000
Subtotal	305,000	-	-	-	-	2,075,000	-	-	65,000	2,445,000
Police										
Vehicle Lease Program							338,403			338,403
Subtotal	-	-	-	-	-	-	338,403	-	-	338,403
Public Works										
Vehicle Lease Program	28,902	32,500	32,500							93,902
Skidsteer Replacement		17,000	17,000	17,000	17,000	17,000				85,000
RTV1		10,350			10,350	10,350				31,050
RTV2		10,350			10,350	10,350				31,050
Backhoe		24,000	24,000	24,000	24,000	24,000				120,000
E7 Plow Truck Refurbish 1		15,000	15,000	15,000	15,000	15,000				75,000
E8 Plow Truck Refurbish 2		9,000	9,000	9,000	9,000	9,000				45,000
Tractor 1					50,000	50,000				100,000
Tractor 2					50,000	50,000				100,000
Light Tower		5,000			5,000	5,000				15,000
Toro Wing Mower 1					70,000					70,000
Toro Wing Mower 2					70,000					70,000
Irrigation Pump Replacement					50,000					50,000
Crist Park Shelter					30,000					30,000
FRA Shelter					30,000					30,000
Additional FRA Shelter					30,000					30,000
AMI Water Meters			200,000							200,000
Centennial Park Utilities					20,000					20,000
No Name Sun Shade					16,000					16,000
Slice Shed		195,000								195,000
Crist Park Irrigation					40,000					40,000
Irrigation Expansion					20,000					20,000
Pave Lot	300,000									300,000
Gateway Lights		37,500			37,500					75,000
Subtotal	328,902	355,700	297,500	65,000	604,200	190,700	-	-	-	1,842,002
Golf										
Vehicle Lease Program								11,640		11,640
Blower								9,000		9,000
Mower								31,000		31,000
Turf Cart / Utility Cart								18,000		18,000
Maintenance Facility								400,000		400,000
Cart Path Concrete								485,000		485,000
Irrigation Update								30,000		30,000
Irrigation Pump								15,000		15,000
On Course Shelter								80,000		80,000
Tables and Chairs								15,000		15,000
Beam Maintenance								10,000		10,000
Parking Lot								10,000		10,000
HVAC/Water Cooler								23,000		23,000
Subtotal	-	-	-	-	-	-	-	1,137,640	-	1,137,640
Grand Total by Funding Source	689,940	2,159,450	6,541,250	228,750	604,200	2,265,700	338,403	1,137,640	65,000	14,030,333

GOLF COURSE FUND



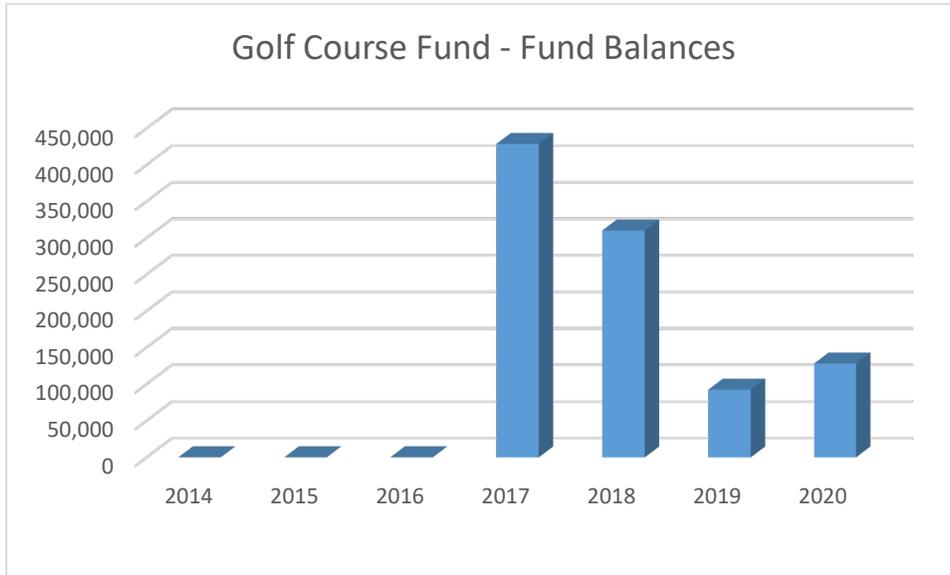
GOLF COURSE FUND

The Golf Course Fund was created in 2017 to account for the operation of the town-owned Bella Rosa Golf Course, which was previously included in the Park Improvement Fund. Bella Rosa is a regulation nine-hole golf course. The facility includes the golf course, a pro shop, and a restaurant. The course is open year-round and offers residents and visitors with an opportunity to get out and get some exercise and social time. The Golf Course offers a Men’s League, a Women’s League and Youth programming focused on getting the next generation excited about the sport of golf. Beginning in 2018, Bella Rosa started hosting many new events focusing on introducing a new audience to the sport. Some of these events include Glow Ball, Family Golf Day, Craft Beer and Nine, and Wine and Nine.

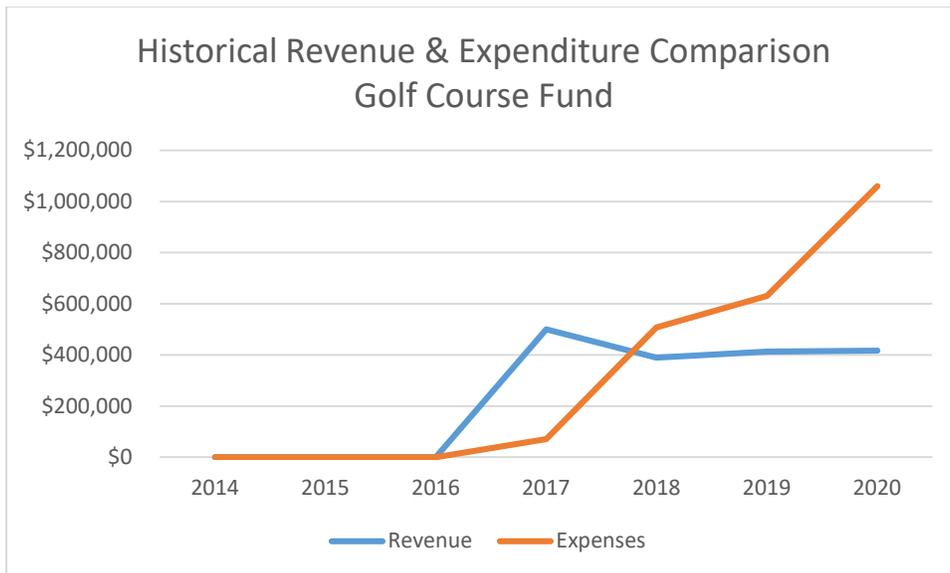


1 - Bella Rosa Golf Course

Golf Course Fund – Fund Balance and Fund Summary



As the following graph illustrates, the Golf Course Fund has incurred a 3-year consecutive net loss. This negative fund equity is supplemented by an annual transfer of funds from the General Fund.



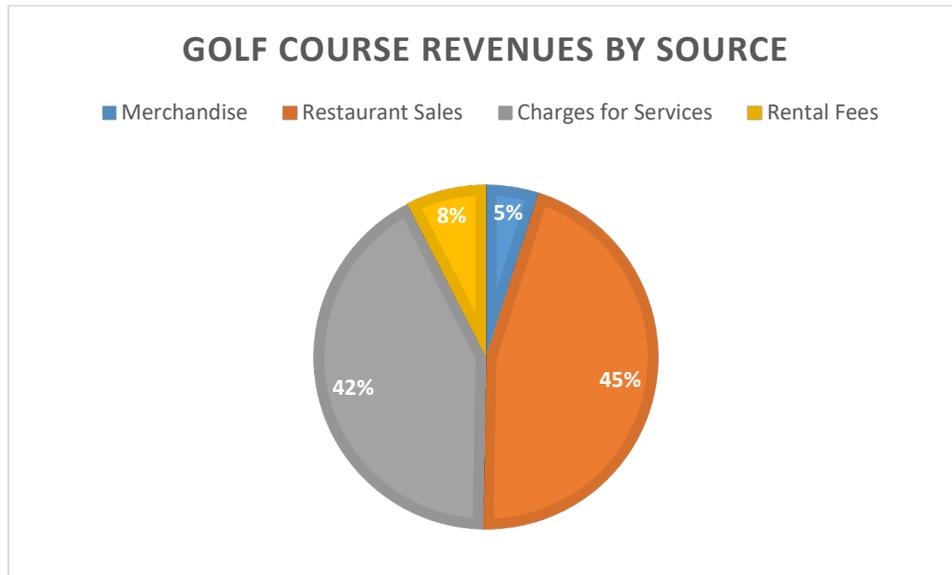
The 2021 Budget for the Golf Course Fund includes revenues of \$548,800 and expenditures of \$2,147,618.

Golf Course Fund Budget

Golf Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	310,208	(15,552)	(15,552)	(15,552)	128,115
<u>Revenues:</u>					
Grants & Contributions	-	-	15,000	-	10,000
Miscellaneous Revenue	400,745	364,867	699,597	416,022	538,800
<i>Transfers In</i>	165,350	-	264,428	787,059	
Total Operating Revenues	<u>566,095</u>	<u>364,867</u>	<u>979,025</u>	<u>1,203,081</u>	<u>548,800</u>
<u>Expenditures:</u>					
Operations & Maintenance	839,927	908,320	937,483	1,014,510	996,988
Capital Outlay	31,928	37,420	41,542	44,904	12,990
<i>Transfers Out</i>	20,000	-	-	-	1,137,640
Total Expenditures	<u>891,855</u>	<u>945,740</u>	<u>979,025</u>	<u>1,059,414</u>	<u>2,147,618</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>(325,760)</u>	<u>(580,873)</u>	<u>-</u>	<u>143,667</u>	<u>(1,598,818)</u>
Ending Fund Balance	<u>(15,552)</u>	<u>(596,425)</u>	<u>(15,552)</u>	<u>128,115</u>	<u>(1,470,703)</u>

Golf Course Fund Revenue

Revenues for this fund come from green fees, the driving range, club rentals, cart rental, merchandise sales, restaurant sales, lessons and other miscellaneous sources.



The Golf Course Fund Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2021.

Golf Course Revenue Sources		
Source	Amount	% of Total
Merchandise	27,000	5%
Restaurant Sales	249,000	45%
Charges for Services	231,800	42%
Rental Fees	41,000	7%

Golf Course Fund Expenditures

The expenditures in this fund are all related to the operation and maintenance of Bella Rosa Golf Course and its restaurant ‘The Back 9 at Bella Rosa.’ As this is the fourth year that the town has operated the course and second full year of restaurant operations, all of the expenses are fairly new and the 2021 Budget expenditures were projected based on existing contracts for items such as golf carts and projected restaurant costs. Capital expenditures of \$12,990 are for purchases of equipment. The Golf Course Fund will also have a transfer out to the Capital Projects Fund in the amount of \$1,137,640.

GOLF FUND EXPENSE SUMMARY

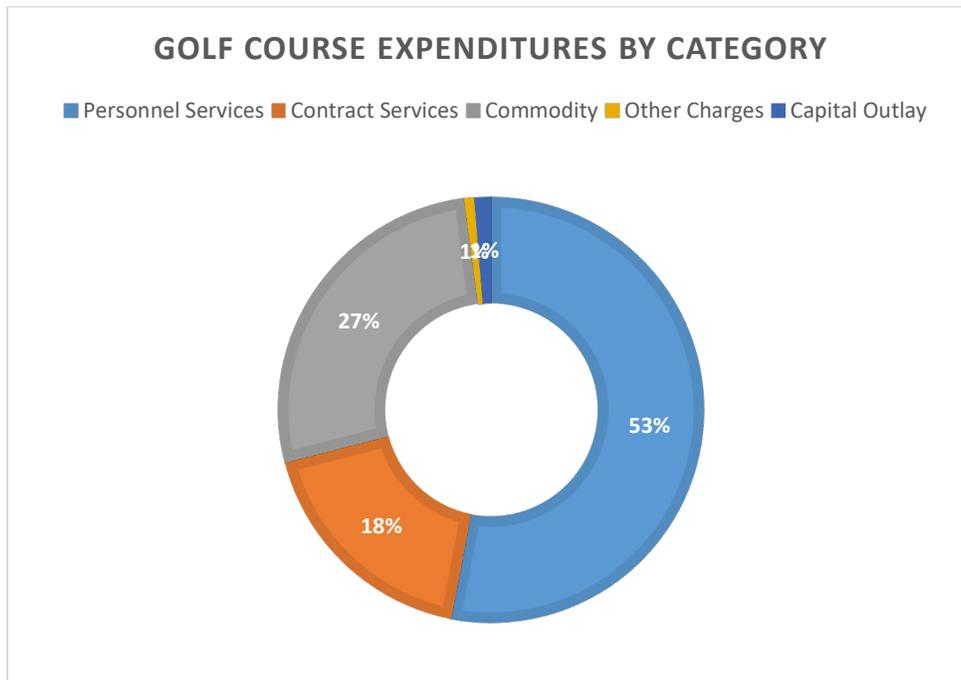
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Golf Course	349,896	155,248	156,000	3,500	664,644	12,990	---	677,634
Golf Restaurant	185,809	26,085	116,700	3,750	332,344	---	---	332,344
Totals	\$535,705	\$181,333	\$272,700	\$7,250	\$996,988	\$12,990	\$0	\$1,009,978

Total Cash Available (\$460,725)
 Ending Fund Balance (\$1,470,703)

Projects Funded in 2021 Budget

- Maintenance facility improvements
- Concrete cart path construction
- Course shelter installation
- Water Heater replacement and installation
- Irrigation improvements
- Mower replacement

The chart below details the expenditures for the Golf Course Fund by category.



Golf Course Fund - Full Time Employees

Department	No. of Full Time Employees
Golf Course Operations	3.00
Golf Course Restaurant	3.00
Total	6.00

Golf Course Fund Goals and KPIs

In addition to the projects that have been funded in the 2020 Budget, the Golf Course Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Golf Course Fund Goals and Key Performance Indicators (KPI)**Strategic Foundation: Youth program participation & growth****Objective:**

Expose junior golfers to Bella Rosa youth programs.

Strategy:

Implement multiple programs (beginner, intermediate, advanced) to attract all ages and abilities.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Juniors signed up for junior golf	100	110	108	
<i>Performance:</i>				
Juniors that completed program	98	107	105	Spring class cancelled due to COVID

Strategic Foundation: Outing round execution & growth**Objective:**

To host well organized and quality golf outings to groups of all sizes.

Strategy:

Visit local businesses/schools with outing information to generate interest in outings and leagues.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of outing rounds scheduled	525	620	650	
<i>Performance:</i>				
Number of outing rounds played	410	525	125	March through July events cancelled

Strategic Foundation: Annual pass revenues**Objective:**

To develop customer loyalty through annual pass sales.

Strategy:

Market annual pass programs at the golf course and distribution channels.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of annual passes sold	55	58	55	Passes extended 3 months due to COVID-19 closure
<i>Performance:</i>				
Annual pass revenue	\$27,540	\$29,058	\$22,371	

Strategic Foundation: Driving range revenues**Objective:**

Grow our driving range participation through our punch card program.

Strategy:

Market our driving range punch card programs through our distribution channels.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of punch cards sold	83	87	70	Decrease due to closure
<i>Performance:</i>				
Punch card revenues	\$6,460	\$6,699	\$5,689	

Strategic Foundation: Golf Shop merchandise sales & growth**Objective:**

To sell quality merchandise branded with our course logo.

Strategy:

Increase sales through creative displays & upselling.

Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of merchandise items sold	2,772	2,850	2,244	Decrease due to closure
<i>Performance:</i>				
Merchandise revenue	34,107	37,250	28,777	Decrease due to closure

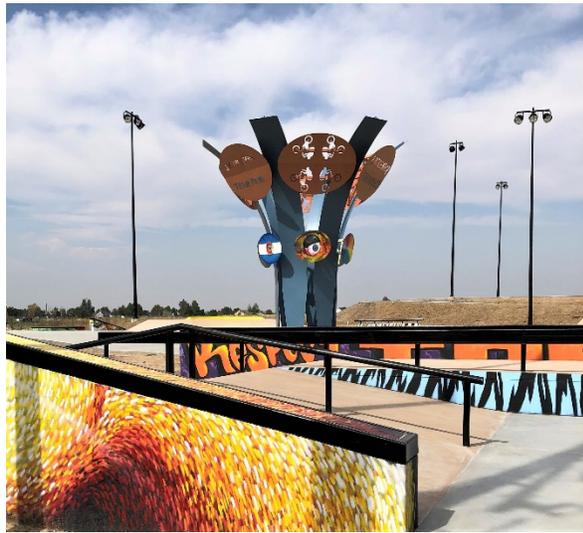
ART IN PUBLIC PLACES FUND



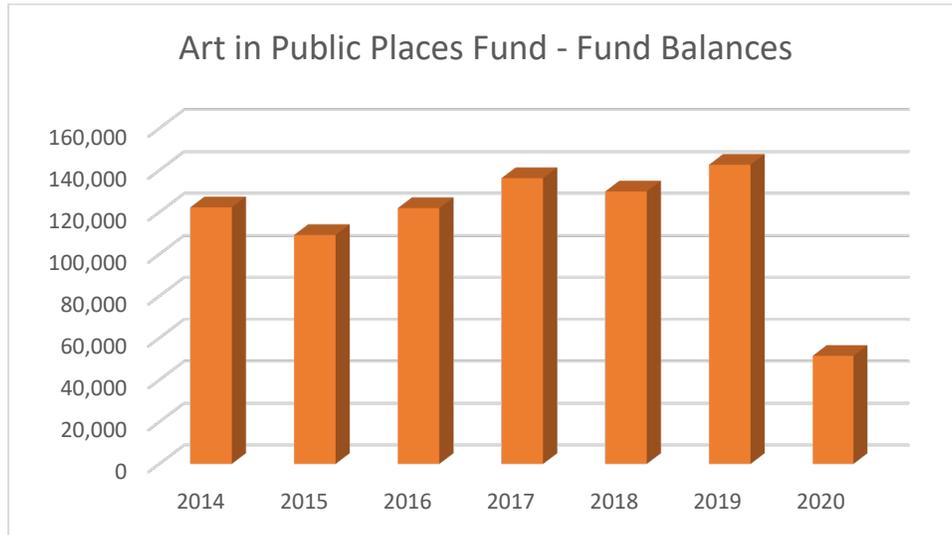
ART IN PUBLIC PLACES FUND

The Art in Public Places Program was created in 1999 to enhance the image of the town through the creation and placement of art within the community. The fund was established in November 2012 by Ordinance 1107, to account for the dedicated revenues for the acquisition of works of art, maintenance and repair of works of art, and the expenses for the administration of Art in Public Places. Revenues for this fund are primarily transfers from other funds. The transfers are based on one percent of construction costs for capital projects costing more than \$25,000.

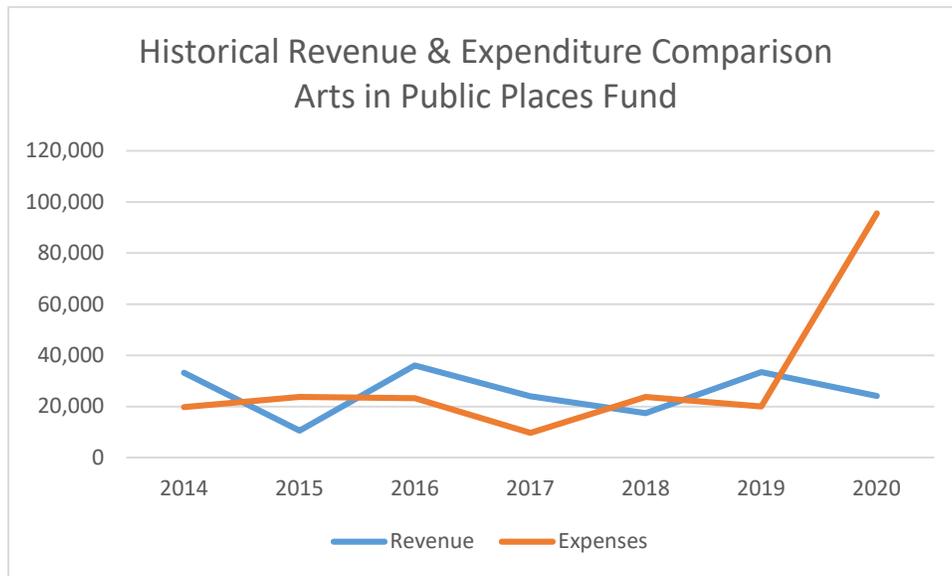
The Art in Public Places program is administered by the Frederick Arts Commission. The Commission is appointed by the Board of Trustees. One of the commission's core functions is to suggest placement of public art in the community. The Commission seeks to place interesting a unique pieces of art throughout the community such as wood sculpture, bronze sculpture, murals of various mixed media, modern sculpture, and interactive pieces.



Art in Public Places Fund – Fund Balance and Fund Summary



As the following graph illustrates, the town revenues for this fund fluctuate a great deal. Historical expenditures have been fairly consistent, however, since there is a substantial fund balance, more art projects can be funded and higher expenditures are likely in the future.



Note: This fund relies on revenues and transfers in - both are included as revenues in this chart.

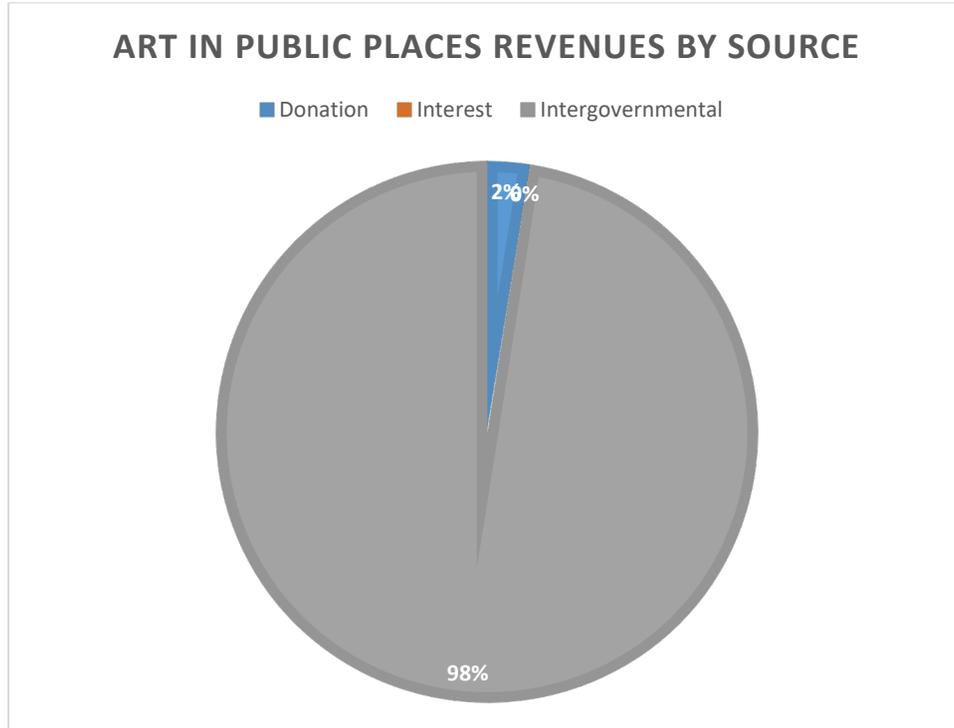
The 2021 Budget for the Art in Public Places Fund includes revenues of \$1,000, a decrease of \$23,000 compared to the 2020 Budget. The 2021 Budget includes expenditures of \$40,000. This amount is \$16,000 higher than what was budgeted in 2020.

Art in Public Places Budget

Art in Public Places Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	129,916	145,934	145,934	145,934	68,324
<u>Revenues:</u>					
Grants & Contributions	-	710	1,000	852	1,000
Miscellaneous Revenue	2,650	400	-	480	-
<i>Transfers In</i>	32,478	-	23,000	23,000	-
Total Operating Revenues	35,128	1,110	24,000	24,332	1,000
<u>Expenditures:</u>					
Operations & Maintenance	1,940	791	10,000	949	10,000
Capital Outlay	17,170	84,161	14,000	100,993	30,000
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	19,110	84,952	24,000	101,942	40,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	16,018	(83,842)	-	(77,610)	(39,000)
Ending Fund Balance	145,934	62,092	145,934	68,324	29,324

Art in Public Places Revenue

Revenues for this fund come from donations, art shows, and transfers from other funds. The transfers in from other funds is by far the largest revenue source. The municipal code in Frederick requires a contribution to the Art in Public Places Fund for all construction projects funded by the town. The contribution amount is equal to one percent of the construction costs for all projects with a value that exceeds \$25,000.



The Art in Public Places Fund Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2021.

Art in Public Places Fund Revenue Sources		
Source	Amount	% of Total
Donation	1,000	3%
Interest	0	0%
Intergovernmental	39,000	98%

Art in Public Places Fund Expenditures

This fund has expenditures that are related to art projects. The \$30,000 in expenditures are classified as nonrecurring capital outlay and contract services for maintenance.

ARTS FUND EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Art in Public Places	0	10,000	0	0	10,000	30,000	---	40,000
Totals	\$0	\$10,000	\$0	\$0	\$10,000	\$30,000	\$0	\$40,000

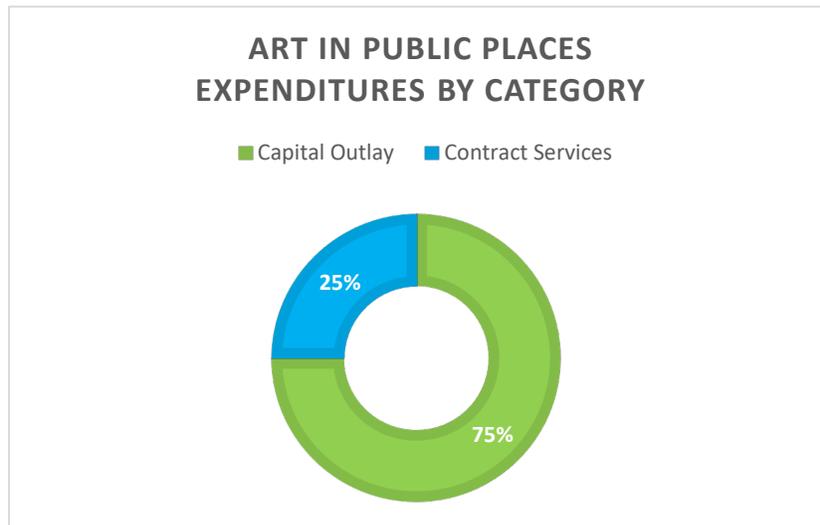
Total Cash Available \$69,324

Ending Fund Balance \$29,324

Projects Funded in 2021 Budget

- Art purchases

The chart below details the expenditures for the Art in Public Places Fund by category. Due to the nature of this fund, the only expenditure categories in 2021 are capital outlay and contract services.



Art in Public Places Fund Goals and KPIs

In addition to the projects that have been funded in the 2021 Budget, the Art in Public Places Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Art in Public Places Fund Goals and Key Performance Indicators (KPI)

Strategic Foundation: Community Amenities				
Objective:				
Plan, design and implement culture, park and train improvements				
Strategy:				
Provide innovative, creative and interactive features in parks, trails, and cultural amenities to promote learning and creat				
Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of new art pieces placed in the community	14	10	5	
<i>Performance:</i>				
Number of new art pieces placed within 90 days of completion of the piece	4	0	5	
Strategic Foundation: Community Amenities				
Objective:				
Maintain and enhance the current culture, park and trail systems				
Strategy:				
Maintain condition assessment and maintenance program for man-made amenities				
Measure:	2018	2019	2020	Comments
<i>Workload:</i>				
Number of art pieces the received regular maintenance	35	46	50	
<i>Performance:</i>				
Percentage of art pieces that needed maintenance and received it	100%	100%	100%	

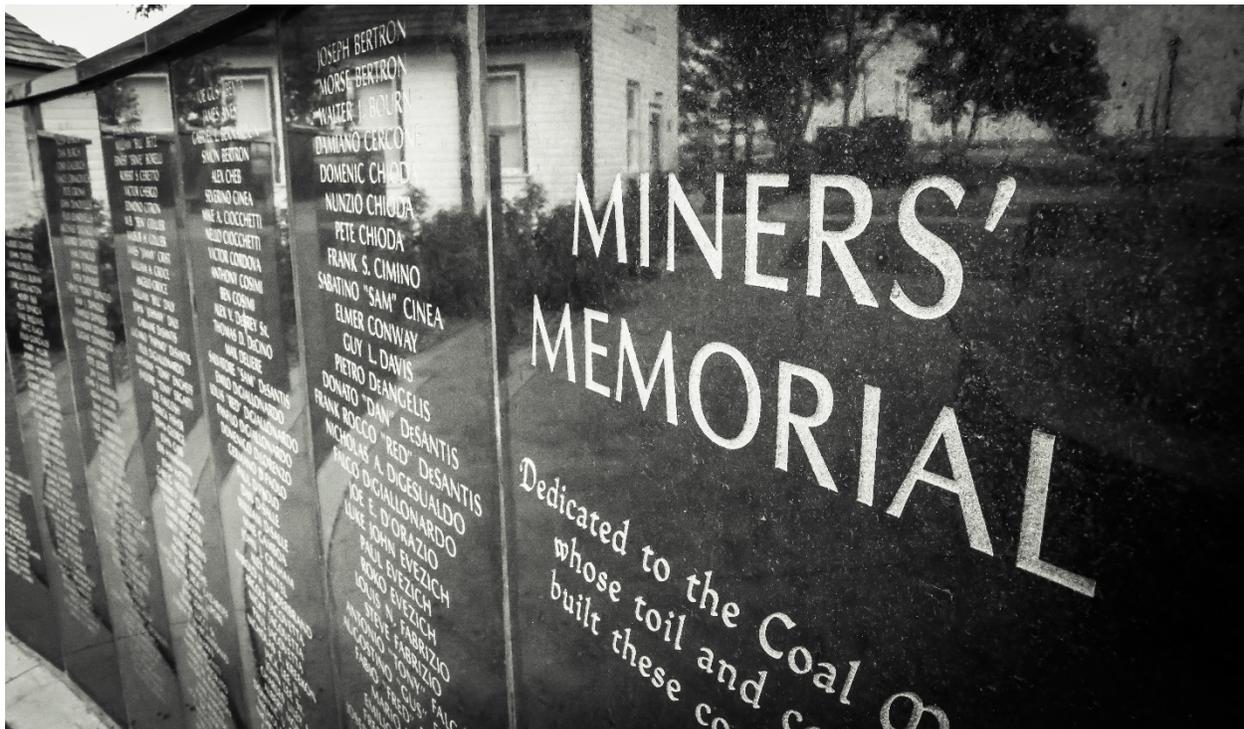
HISTORIC PRESERVATION FUND



HISTORIC PRESERVATION FUND

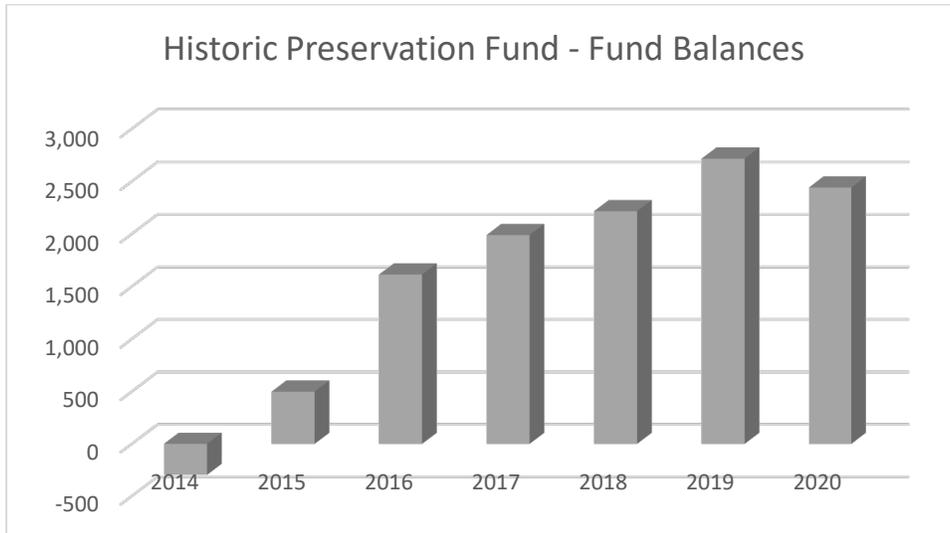
The Historic Preservation Fund was established September of 2013. In 2013, Historic Preservation Commission Member, W. Sean Scott, authored *Around Frederick*, a history book about Frederick. Mr. Scott requested that the royalty payments from the sale of his book be given to the town. This fund is used to account for those royalties and any expenses deemed appropriate.

The Historic Fund is utilized by the Historic Preservation Advisory Commission. The Commission is appointed by the Board of Trustees and works to preserve the rich history of the Town of Frederick. To this end, the Commission assists in the management of the Frederick Museum which is the only museum in the Carbon Valley area. The commission focuses on preservation of documents, cataloging and inventorying the town's collection of historic items, and assisting town staff in the preservation in areas of historical significance.

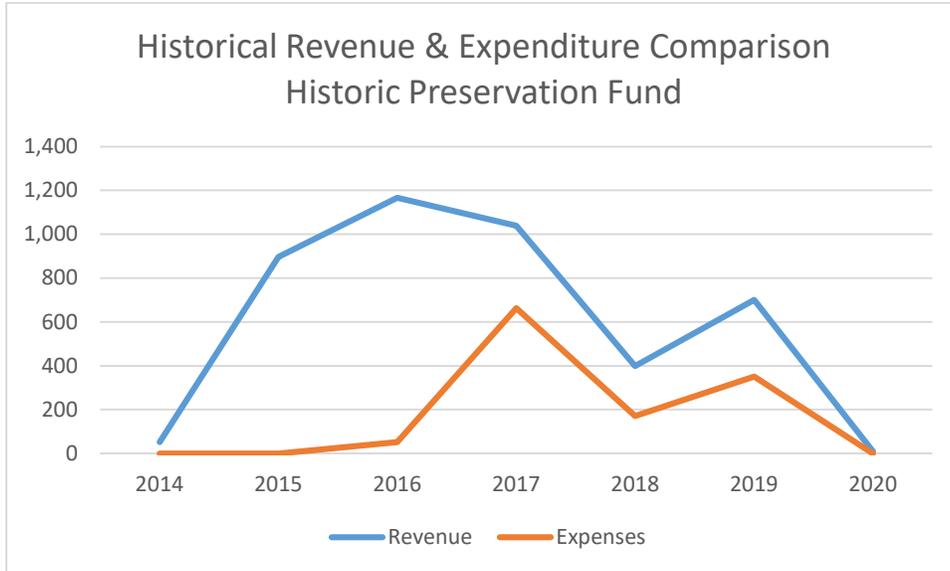


1 - Historic City Hall in Crist Park

Historic Preservation Fund - Fund Balance and Fund Summary



This is a fairly small fund in relation to fund balance and as the following graph illustrates, the town revenues for this fund fluctuate a great deal, as do the expenditures.



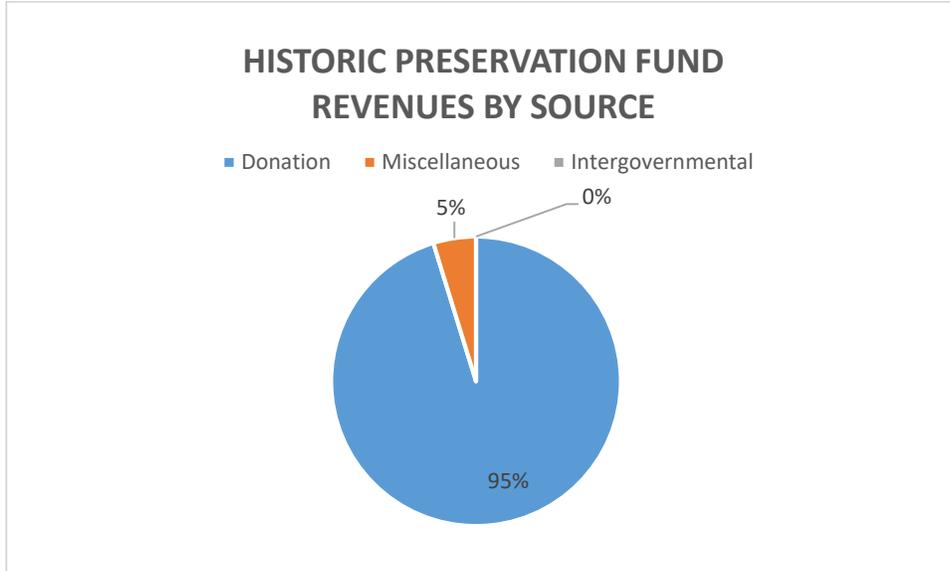
The 2021 Budget for the Historic Preservation Fund includes revenues of \$1,050. There are no grant revenues budgeted in 2021. The 2021 Budget includes expenditures of \$1,000. This amount is \$50 less than the 2020 budget.

Historic Preservation Fund Budget

Historic Preservation Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	2,216	2,431	2,431	2,431	2,443
<u>Revenues:</u>					
Grants & Contributions	-	-	1,000	-	1,000
Miscellaneous Revenue	472	10	50	12	50
<i>Transfers In</i>	-	-	-	-	-
Total Operating Revenues	472	10	1,050	12	1,050
<u>Expenditures:</u>					
Operations & Maintenance	257	-	1,050	-	1,000
Capital Outlay	-	-	-	-	-
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	257	-	1,050	-	1,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	215	10	-	12	50
Ending Fund Balance	2,431	2,441	2,431	2,443	2,493

Historic Preservation Fund Revenues

Revenues for this fund come from royalties, grants, donations and transfers in.



The Historic Preservation Fund Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2021.

Historic Preservation Fund Revenue Sources		
Source	Amount	% of Total
Donation	1,000	95%
Miscellaneous	50	5%
Intergovernmental	0	0%

Historic Preservation Fund Expenditures

The expenditures for this fund are all operational in nature.

HISTORIC FUND EXPENSE SUMMARY

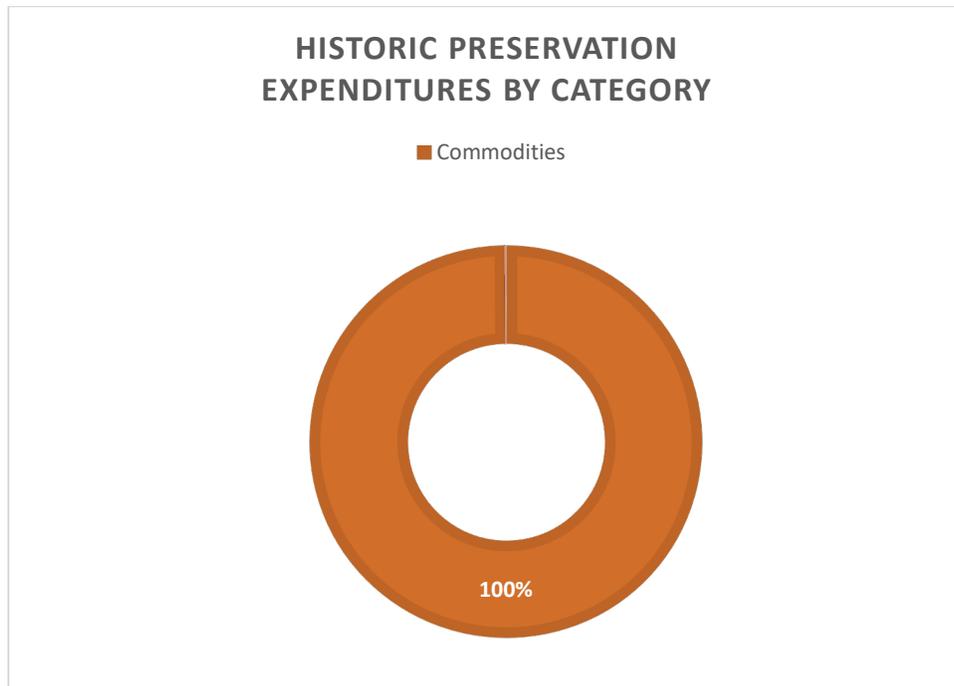
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Historic Preservation	0	0	1,000	0	1,000	---	---	1,000
Totals	\$0	\$0	\$1,000	\$0	\$1,000	\$0	\$0	\$1,000

Total Cash Available								\$3,493
Ending Fund Balance								\$2,493
% of Total Budget	0.00%	0.00%	100.00%	0.00%	100.00%	0.00%	0.00%	100.00%

Projects Funded in 2021 Budget

- Museum maintenance

The chart below details the expenditures for the Historic Preservation Fund by category. Due to the nature of this fund, the only expenditure category in 2021 is commodities.



Historic Preservation Fund Goals and KPIs

In addition to the projects that have been funded in the 2021 Budget, the Historic Preservation Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Historic Preservation Fund Goals and Key Performance Indicators

Strategic Foundation: Community Amenities

Objective:

Plan, Design, and Implement Culture; Park and Trail Improvements

Strategy:

Provide Innovative, creative, and interactive features in parks, trails, and cultural amenities to promote learning and community engagement.

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of town events that the historic commission could participate in	1	8	2	
<i>Performance:</i>				
Number of events that the historic commission did participate in	1	2	2	

PUBLIC SAFETY FUND



PUBLIC SAFETY FUND

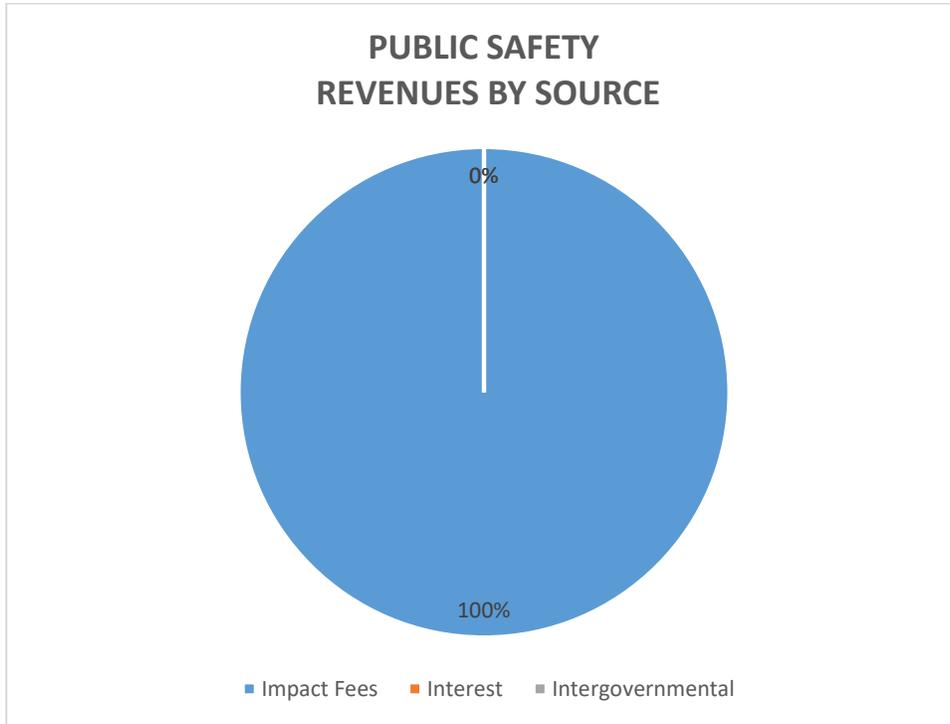
The Town of Frederick established a Public Safety Impact Fee and Fund in 2020. The fee collected is to be used for capital improvements including, without limitation, police protection planning, preliminary architectural and engineering services, architectural and engineering design studies, land surveys, land acquisition, site improvements and off-site improvements associated with new or expanded facilities; the construction of buildings and facilities; and the purchase of public safety and police apparatus and equipment, including communications equipment, with an average useable life of at least five years, and other similar expenditures necessary to adequately protect and defend new development and its inhabitants while maintaining the Frederick Police Department's current insurance services organization rating.

The fee established by the Frederick Public Safety Impact Fee Study is a reasonable fee sufficient to cover the costs of administration, inspection, publication of notice and similar matters for this fund will be charged to applicants for building permits based on the nature of proposed development. The fee schedule will be adopted by resolution periodically by the Board of Trustees and shall include rates for commercial/industrial, single-family residential and multi-family residential.



Public Safety Fund Revenues

Revenues for this fund are derived primarily from impact fees.



The Public Safety Fund Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2021.

Public Safety Fund Revenue Sources		
Source	Amount	% of Total
Impact Fees	160,000	100%
Interest	0	0%
Intergovernmental	0	0%

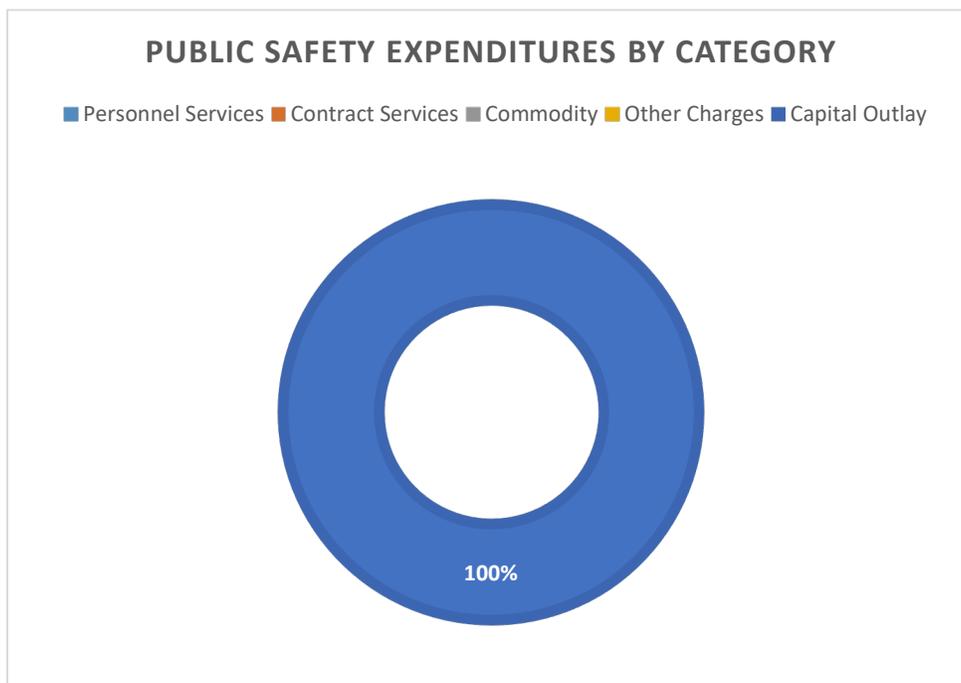
Public Safety Fund Expenditures

The expenditures in this fund are related to capital improvements with no projected expenses in 2021. Thus the Fund Balance for 2021 is projected to increase to \$338,403 in the second year of the fund’s existence. This entire amount is budgeted to be transferred to the newly created Capital Projects Fund to properly segregate planned capital outlays.

PUBLIC SAFETY FUND EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Capital Improvements	0	0	0	0	0	---	---	0
Totals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Available								\$ 338,403
Ending Fund Balance								\$ 338,403

The chart below details the expenditures for the Public Safety Fund by category. Due to the nature of this fund, there is only one expense category of Capital Outlay.



PROPRIETARY FUND



WATER FUND



WATER FUND

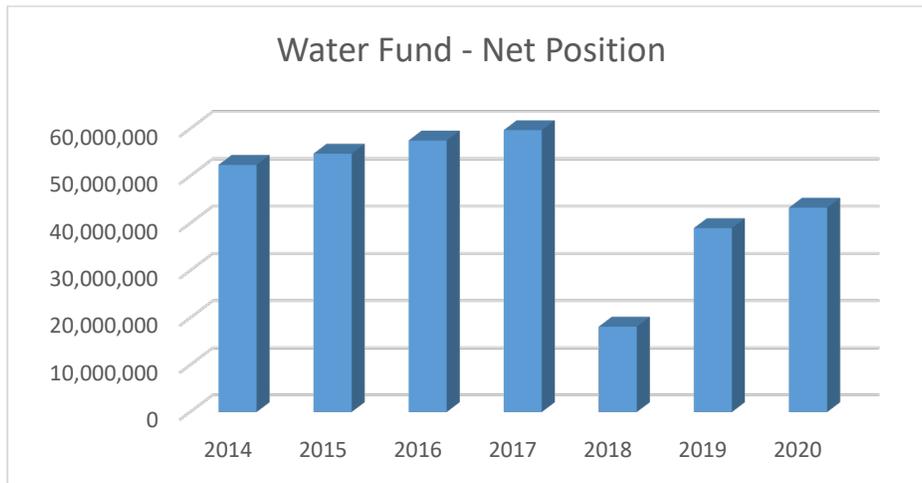
The Town of Frederick Water Fund is an enterprise fund responsible for the operations, maintenance, and capital-related items of the town water distribution system. This includes the repair and installation of lines into the system, reading of all meters for billing purposes, and monitoring the testing and compliance of the distribution system. The fund includes plant investment fees collected at the time builders apply for a building permit for a new residence or business. These fees are used for the extension of water lines or other improvements to Frederick's water system driven by the increased demand by customers and areas serviced in Frederick. In recent years, a major role of this fund has been to fund the development of a raw water irrigation system. This allows existing and future residents to use lower cost untreated irrigational water and preserve high quality mountain water supplies, such as Colorado-Big Thompson (CBT), for potable water needs for the future demands of the water utility.

Before a building permit can be issued for any new construction, the applicant must dedicate water rights to the town or at the discretion of the Town Board, pay the town cash in lieu of the dedication requirement. The water dedication requirement for a single-family dwelling unit with a 5/8" tap is 1.0 shares of CBT water. If a permit applicant pays cash in lieu, the cash is held in this fund and is used by the town to purchase water rights. The town now has the ability to purchase some shares of CBT up to the cap as determined by the policies of Northern Water, who manages and operates the CBT system. The town also considers opportunities to acquire native water rights through the purchase of shares in local irrigation companies.

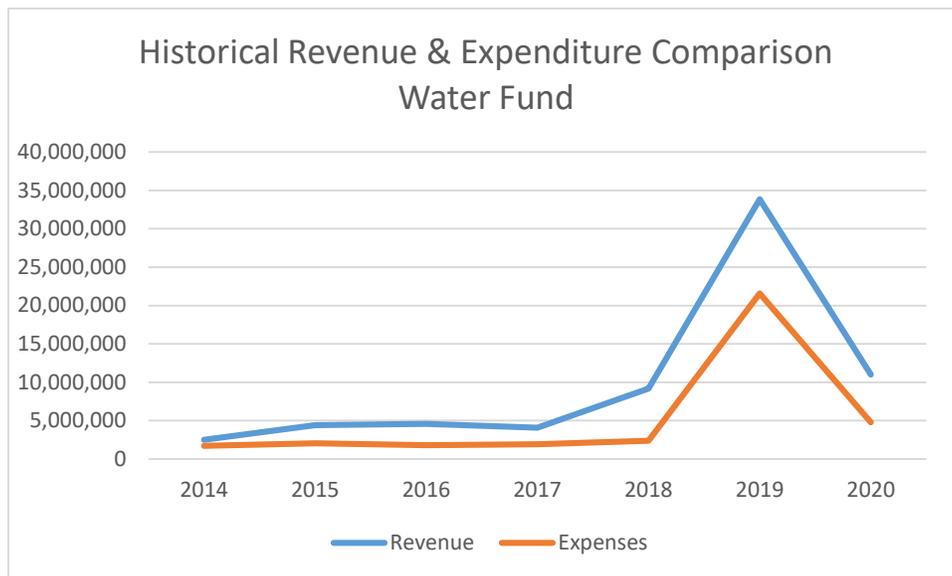
The Town Board has elected to participate in the Northern Integrated Supply Project (NISP) as the best alternative to meet the town's potable water supply needs out to 2030. This high quality water supply would provide the town with a firm yield of 2,600 acre feet of water per year. NISP would develop a new water supply for the region by storing water that now flows unused out of Colorado, beyond what is required through river compacts.

In order to fund the NISP project, complete approved capital improvement projects, and maintain the existing infrastructure, it will be necessary to consider water rate increases.

Water Fund - Fund Balance and Fund Summary



The increases in net position in prior years are the result of budget surpluses. As the following graph illustrates, the town has had budget surpluses in the Water Fund until recent water purchases.



Note: This graph reflects all revenues and expenses.

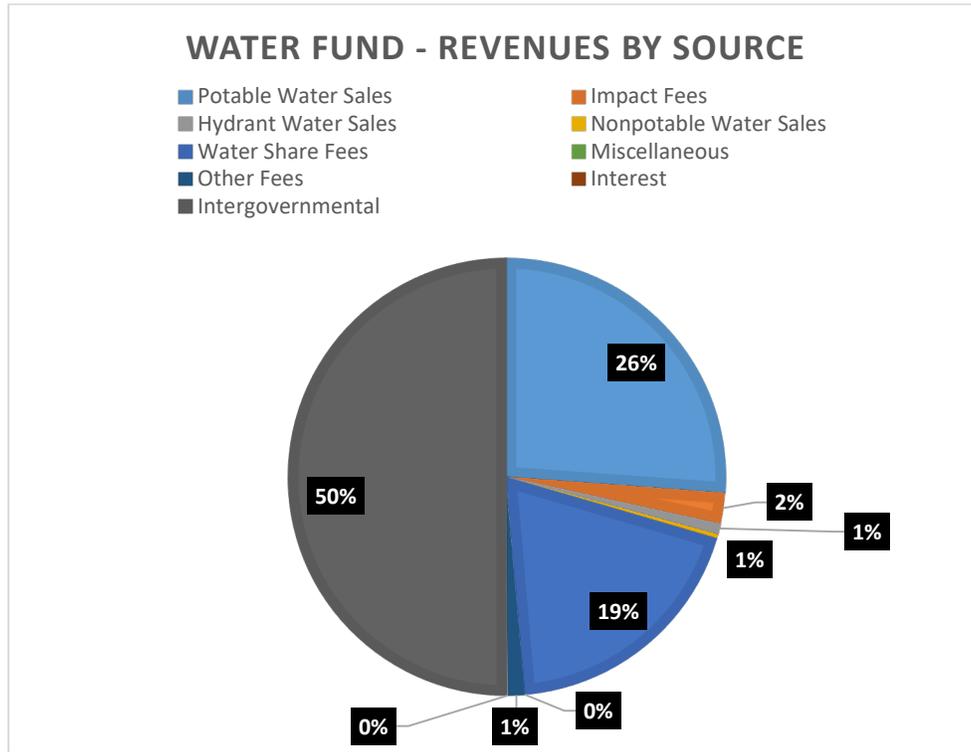
The 2021 Budget for the Water Fund includes total revenues of \$2,884,500, a decrease of \$462,300 compared to the 2020 budget. The 2021 Budget includes total expenditures of \$10,478,284, including a \$6,451,250 transfer out to the Capital Projects Fund. Costs anticipated in 2021 include capital costs of \$4,200,000 for participation in NISP and Windy Gap.

Water Fund Budget

Water Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	18,155,834	24,341,012	24,341,012	24,341,012	31,030,825
<u>Revenues:</u>					
Charges for Services	3,264,504	3,295,731	2,399,200	3,954,877	2,864,500
Miscellaneous Revenue	116,890	247,570	23,000	297,084	20,000
<i>Transfers In</i>					
Total Operating Revenues	<u>3,381,394</u>	<u>3,543,301</u>	<u>2,422,200</u>	<u>4,251,961</u>	<u>2,884,500</u>
<u>Expenses:</u>					
Operations and Maintenance	1,856,349	2,186,628	2,436,468	2,623,954	3,937,034
Capital	272	2,155,069	5,832,000	2,586,083	-
Depreciation	317,868	-	375,000	-	-
Debt	-	-	-	-	-
<i>Transfers Out</i>	5,750	-	13,005,750	-	6,541,250
Total Operating Expenses	<u>2,180,239</u>	<u>4,341,697</u>	<u>21,649,218</u>	<u>5,210,036</u>	<u>10,478,284</u>
Operating Income (Loss)	<u>1,201,155</u>	<u>(798,396)</u>	<u>(19,227,018)</u>	<u>(958,075)</u>	<u>(7,593,784)</u>
<u>Non-Operating Revenues (Expenses):</u>					
Tap Fees	236,535	167,450	100,000	200,940	100,000
Capital Investment Fees	4,717,560	6,205,790	2,165,000	7,446,948	2,241,000
<i>Transfers In</i>	-	-	3,946,268	-	-
Interest Expense	29,928	-	10,000	-	10,000
Total Non-Operating Revenues (Expenses)	<u>4,984,023</u>	<u>6,373,240</u>	<u>6,221,268</u>	<u>7,647,888</u>	<u>2,351,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenses	<u>6,185,178</u>	<u>5,574,844</u>	<u>(13,005,750)</u>	<u>6,689,813</u>	<u>(5,242,784)</u>
Ending Fund Balance	<u>24,341,012</u>	<u>29,915,856</u>	<u>11,335,262</u>	<u>31,030,825</u>	<u>25,788,041</u>

Water Fund Revenues

Water Fund revenues are primarily made up of water sales to customers, impact fees, tap fees and hydrant water sales. The chart below shows the proportion of each major revenue source to the total Water Fund revenues.



The Water Fund Revenue Sources table below lists the major revenue sources, as well as the amounts that are projected for 2021.

Water Fund Revenue Sources		
Source	Amount	% of Total
Potable Water Sales	2,740,000	26%
Impact Fees	236,000	2%
Hydrant Water Sales	85,000	1%
Nonpotable Water Sales	35,000	0%
Water Share Fees	2,000,000	19%
Miscellaneous	10,000	0%
Other Fees	119,500	1%
Interest	10,000	0%
Intergovernmental	5,242,784	50%

Water Fund Expenditures

The Water Fund shows operating expenses of \$3,937,034. The services provided by this fund are labor intensive as illustrated below.

WATER FUND EXPENSE SUMMARY

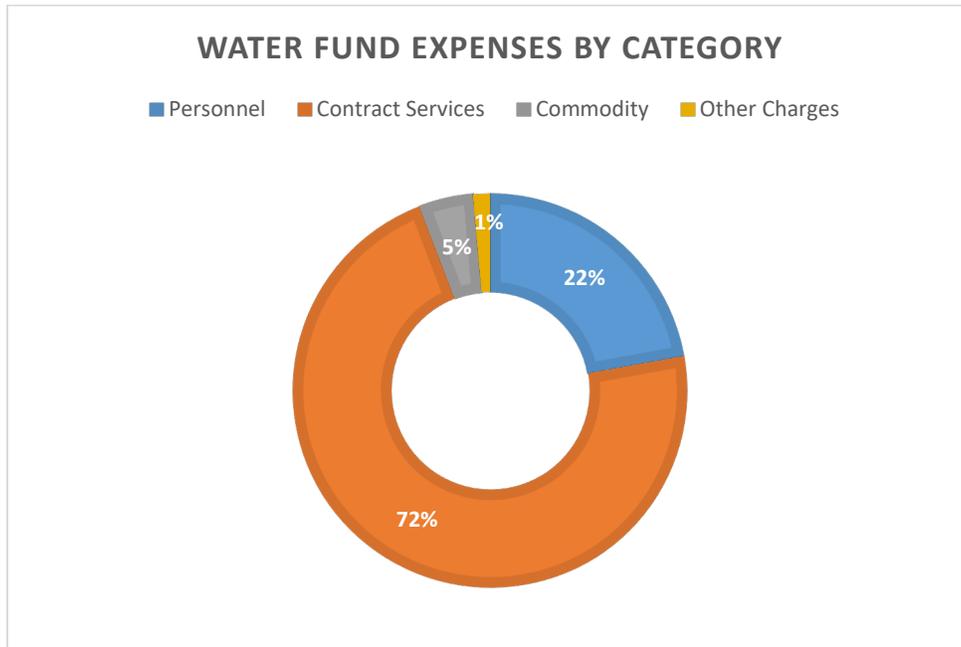
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
General Admin	578,590	157,600	0	25,000	761,190	---	---	761,190
General Operations	294,244	0	0	25,000	319,244	---	---	319,244
Engineering	0	2,612,500	0	2,000	2,614,500	---	---	2,614,500
Public Works	0	64,900	177,200	0	242,100	---	---	242,100
Totals	\$872,834	\$2,835,000	\$177,200	\$52,000	\$3,937,034	\$0	\$0	\$3,937,034

Total Cash Available	\$29,725,075
Ending Fund Balance	\$25,788,041

Projects Funded in 2021 Budget

- Water Conservation Plan update
- Windy Gap Water allocation
- Raw water line extension
- NISP Water allocation
- AMI Water meters

The chart below details the expenditures for the Water Fund by category. Clearly in 2021 the largest expenditure will be for contract services, which includes costs for legal fees. The Other Charges category is also a significant expenditure because it includes pass-thru costs for new water taps that are paid to Central Weld County Water District.



Water Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	3.10
Operations	5.45
Total	8.55

Water Fund Goals and KPIs

In addition to the projects that have been funded in the 2021 Budget, the Water Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Water Fund Goals and Key Performance Indicators (KPI)

Strategic Foundation: Community Safety

Objective:

Provide and maintain public safety in our community

Strategy:

Respond to quality of life issues impacting the citizens of Frederick

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of calls/emails concerning water concerns	26	30	45	
<i>Performance:</i>				
Percentage of water related calls/emails responded to in 48 hour period	95%	95%	85%	

Strategic Foundation: Facilities & Infrastructure

Objective:

Provide a high quality and reliable water supply and manage drainage appropriately

Strategy:

Ensure new development provides system improvements that meet Town standards

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Total number of plans/items submitted	35	25	43	
<i>Performance:</i>				
Average number of-hours for engineering department's first application review	2	2	6	

Strategic Foundation: Community Safety

Objective:

Provide and maintain safe infrastructure in our community

Strategy:

Provide community education on water

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of community/outreach events offered	1	0	1	
<i>Performance:</i>				
Number of community/outreach events supported	1	0	1	

Strategic Foundation: Facilities & Infrastructure

Objective:

Provide a high quality and reliable water supply and manage drainage appropriately

Strategy:

Ensure new development provides system improvements that meet Town standards

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Linear feet of new raw water infrastructure installed	931	440	300	
<i>Performance:</i>				
Acres of park maintained with raw water	149.19	155.57	159.1	

Strategic Foundation: Facilities and Infrastructure

Objective:

Provide a high quality and reliable water supply and manage drainage appropriately

Strategy:

Maintain existing infrastructure in all areas of Town

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of fire hydrants flushed annually	175	222	58	Spring flushing was not done because of COVID.
<i>Performance:</i>				
Percentage of hydrants flushed annually	72%	85%	20%	Flushed on a as needed status only in fall.

STORMWATER FUND



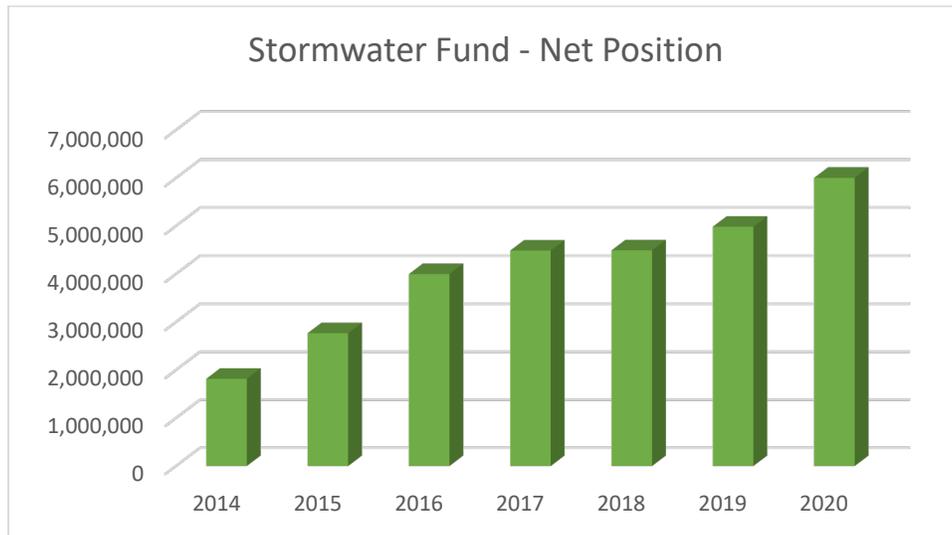
STORMWATER FUND

The Stormwater Fund was established with the creation of the stormwater utility in 2008, for the purpose of protecting people and property from harm and damage resulting from uncontrolled and unplanned stormwater runoff. This allows the movement of emergency vehicles during flood events and minimizes inconveniences to businesses and citizens from storm events. It's accomplished by funding the construction, operation, and maintenance of the stormwater system along with the administration of the stormwater utility. This fund is an enterprise fund, which is primarily supported by monthly fees charged to customers and by impact fees. The utility service area includes the entire Frederick town limits and the unincorporated area of Evanston.

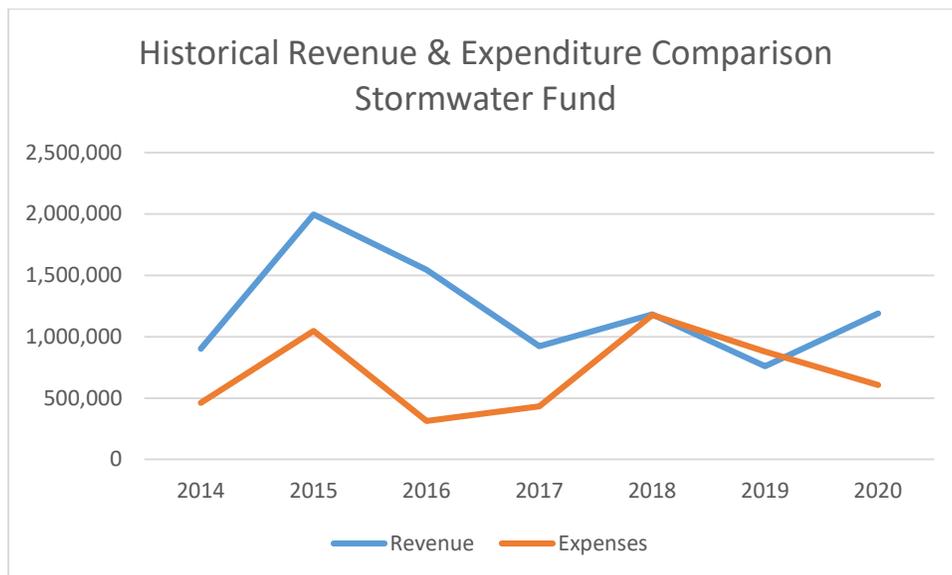
The Stormwater Fund is also responsible for the design and construction of capital improvements and the costs of capital equipment for the utility. Planned capital improvements are needed to serve new development and growth in the town. Funding for new capital projects comes mainly from impact fees that are charged to new development.

The capital improvement fees are set to ensure that new development is contributing its fair share to the costs of construction of capital improvement projects needed to support new development. Following a review of the stormwater capital improvement fees in 2011, current fees were set at \$977 per lot for single-family residential units and \$0.488 per square foot of building footprint and all asphalt, concrete, packed gravel or other type of hard or impervious material or surface coverage for multi-family, commercial, and industrial uses. Capital improvement projects are currently identified in the "South Weld I-25 Master Drainage Plan" and the "Idaho Creek Master Drainage Study" as adopted by the Town Board.

Stormwater Fund - Fund Balance and Fund Summary



The increases in net position in recent years are the result of budget surpluses. As the following graph illustrates, the town has had budget surpluses in the Stormwater Fund since 2014.



Note: This graph reflects all revenues and expenses.

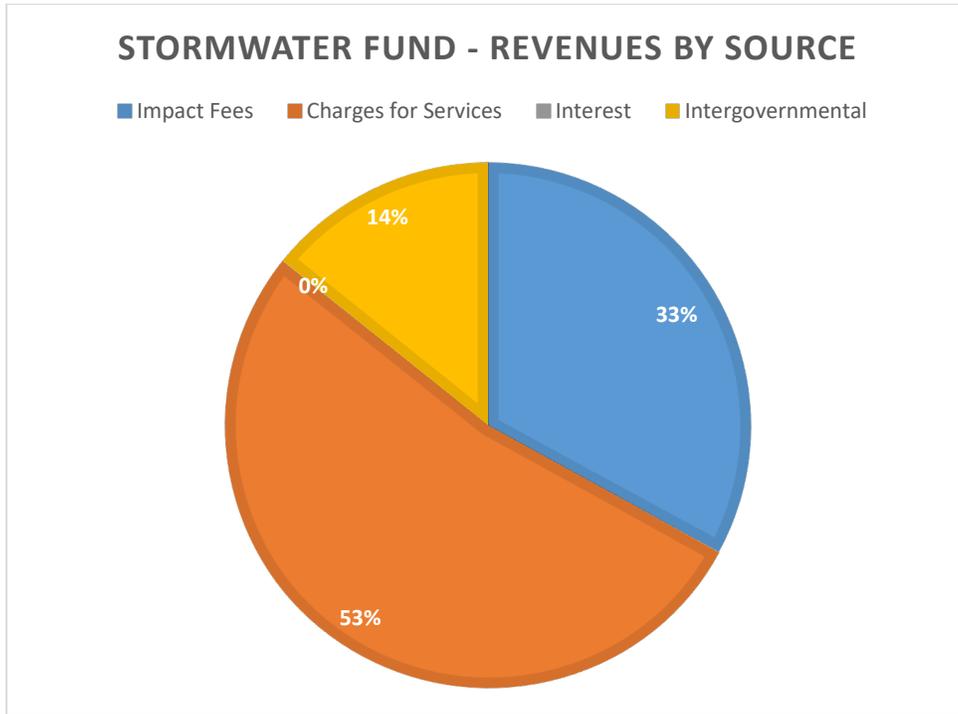
The 2021 Budget for the Stormwater Fund includes total revenues of \$976,000, of which \$600,000 are operating revenues. This amount is \$145,000 lower than what was budgeted in 2020, due to properly realigning a reduction of Miscellaneous Revenues. The 2021 Budget includes total expenditures of \$1,137,566, which is \$16,566 lower than what was budgeted in 2020.

Stormwater Fund Budget

Storm Water Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	4,492,935	5,422,058	5,422,058	5,422,058	6,172,548
<u>Revenues:</u>					
Charges for Services	667,734	591,824	590,000	710,189	600,000
Miscellaneous Revenue	-	9	230,000	11	-
<i>Transfer In</i>		-	-		
Total Operating Revenues	<u>667,734</u>	<u>591,833</u>	<u>820,000</u>	<u>710,200</u>	<u>600,000</u>
<u>Expenses:</u>					
Operations and Maintenance	409,741	320,070	726,748	384,084	908,816
Capital Improvements	8,100	86,647	118,000	103,976	-
<i>Transfers Out</i>	1,000	-	276,252	-	228,750
Total Operating Expenses	<u>418,841</u>	<u>406,717</u>	<u>1,121,000</u>	<u>488,060</u>	<u>1,137,566</u>
Operating Income (Loss)	<u>248,893</u>	<u>185,116</u>	<u>(301,000)</u>	<u>222,139</u>	<u>(537,566)</u>
<u>Non-Operating Revenues (Expenses):</u>					
Capital Revenues	637,365	440,292	300,000	528,350	375,000
Miscellaneous Revenue	-	-	1,000	-	-
Interest Expense	42,865	-	-	-	1,000
Total Non-Operating Revenues (Expenses)	<u>680,230</u>	<u>440,292</u>	<u>301,000</u>	<u>528,350</u>	<u>376,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenses	<u>929,123</u>	<u>625,408</u>	<u>-</u>	<u>750,490</u>	<u>(161,566)</u>
Ending Fund Balance	<u>5,422,058</u>	<u>6,047,466</u>	<u>5,422,058</u>	<u>6,172,548</u>	<u>6,010,982</u>

Stormwater Fund Revenues

Stormwater Fund revenues are primarily made up of customer receipts and impact fees. The chart below shows the proportion of each major revenue source to the total Stormwater Fund revenues.



The Stormwater Fund revenue sources table below lists the major revenue sources, as well as the amounts that are projected for 2021.

Stormwater Fund Revenue Sources		
Source	Amount	% of Total
Impact Fees	375,000	33%
Charges for Services	600,000	53%
Interest	1,000	0%
Intergovernmental	161,566	14%

Stormwater Fund Expenditures

Stormwater expenditures for the 2021 Budget are both operating and capital in nature. All capital projects will now be funded by the Capital Projects Fund. The Stormwater Fund has a budgeted \$228,750 transfer out to the Capital Projects Fund, designated towards a stormwater master plan, vehicle, trailer, and equipment replacements for Public Works.

STORMWATER FUND EXPENSE SUMMARY

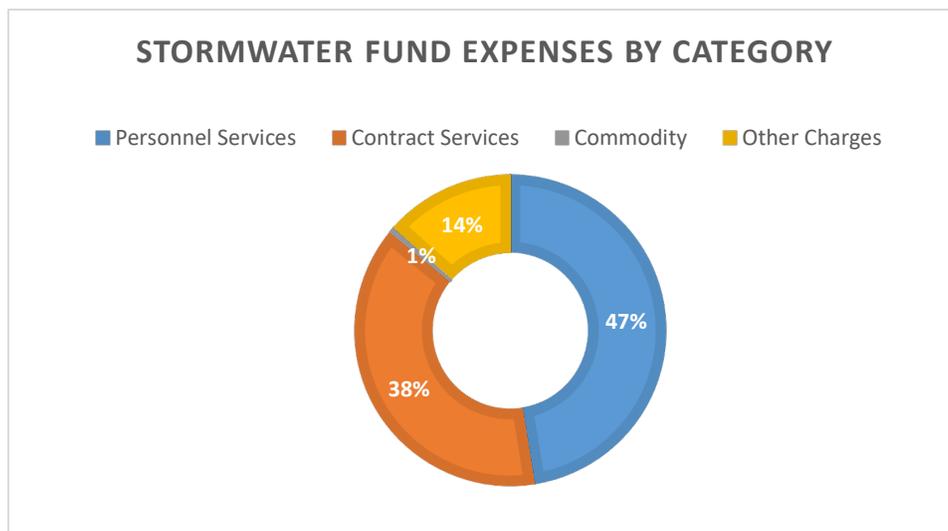
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Engineering	0	230,500	0	1,000	231,500	---	---	231,500
Public Works	0	96,050	5,700	0	101,750	---	---	101,750
General Operations	431,316	22,750	0	121,500	575,566	---	---	575,566
Totals	\$431,316	\$349,300	\$5,700	\$122,500	\$908,816	\$0	\$0	\$908,816

Total Cash Available	\$6,919,798
Ending Fund Balance	\$6,010,982

Projects Funded in 2021 Budget

- Stormwater Master Plan
- Public Works vehicle and trailer replacement
- Public Works equipment replacement

The chart below details the expenditures for the Stormwater Fund by category. This fund is fairly capital and labor intensive and the 2021 expenditures reflect that.



Stormwater - Full Time Employees

Department	No. of Full Time Employees
Administration	.70
Operations	3.20
Total	3.90

Stormwater Fund Goals and KPIs

In addition to the projects that have been funded in the 2021 Budget, the Stormwater Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Storm Water Fund Goals and Key Performance Indicators**Strategic Foundation: Community Safety****Goal:**

Provide and maintain public safety in our community

Objective:

Respond to quality of life issues impacting the citizens of Frederick

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of calls/emails concerning drainage	5	10	12	
<i>Performance:</i>				
Percentage of drainage related calls/emails responded to in 48 hour period	95%	95%	98%	

Strategic Foundation: Facilities & Infrastructure**Objective:**

Provide a high quality and reliable water supply and manage drainage appropriately

Strategy:

Ensure new development provides system improvements that meet Town standards

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of floodplain permit applications	2	4	3	
<i>Performance:</i>				
Percentage of permits reviewed in 2 week period.	100%	100%	100%	

Strategic Foundation: Facilities & Infrastructure**Objective:**

Provide a high quality and reliable water supply and manage drainage appropriately

Strategy:

Ensure that new development provides system improvements that meet Town standards

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Total number of plans/items submitted	41	30	43	
<i>Performance:</i>				
Average number of hours for engineering department's first application review	3	3	6	

Strategic Foundation: Facilities & Infrastructure**Objective:**

Provide a high quality and reliable water supply and manage drainage appropriately

Strategy:

Ensure that new development provides system improvements that meet Town standards

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Linear feet of public drainage infrastructure	N/A	60,500	66,710	Town-wide
<i>Performance:</i>				
Linear feet of public drainage infrastructure inspected and accepted	N/A	5,133	6,210	

FIDUCIARY FUND



OIL ROYALTY TRUST FUND

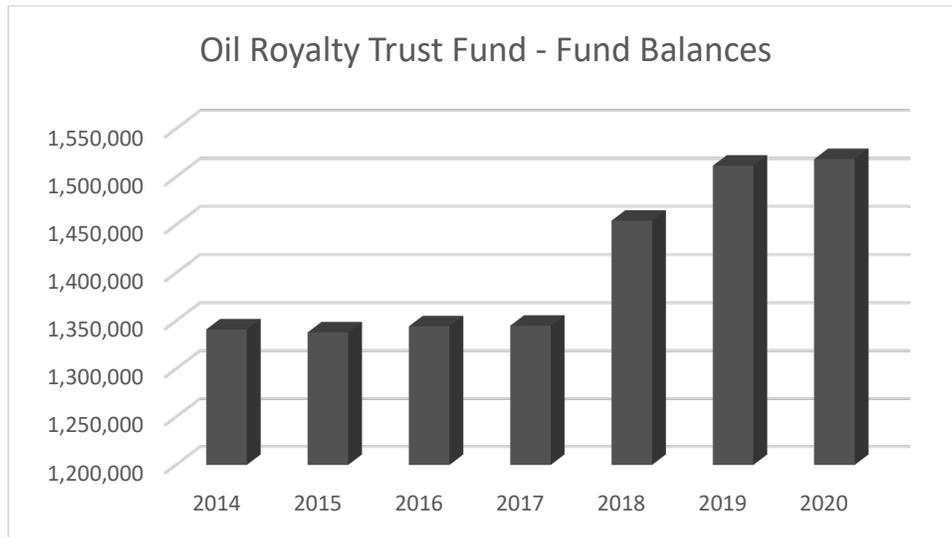


OIL ROYALTY TRUST FUND

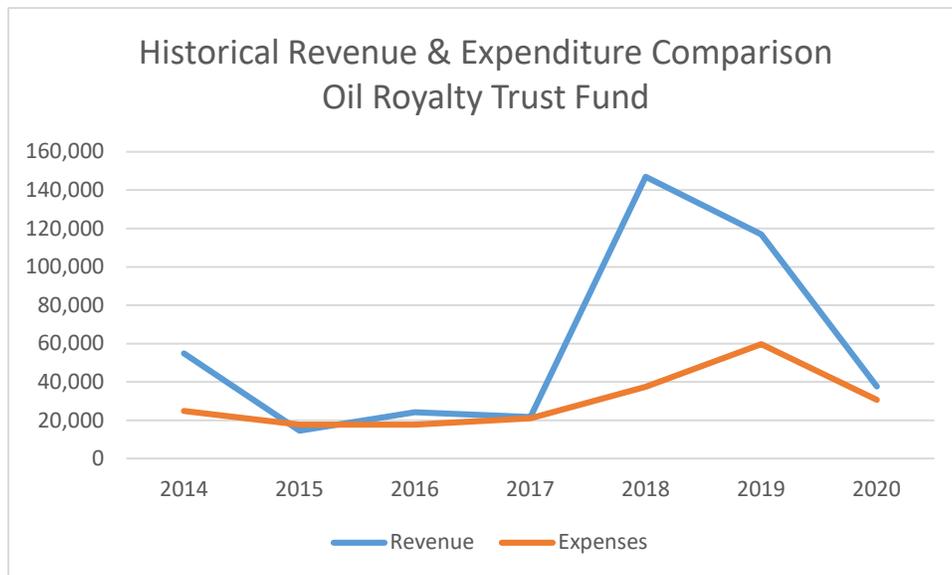
The Oil Royalty Trust Fund was established to receive revenues from oil royalties. The funds are then used for capital improvements, economic development purposes, and other community beneficial programs including donations to non-profit organizations and the Frederick Scholarship Program.

The Frederick Scholarship Program is administered by the Scholarship Commission who is appointed by the Board of Trustees. The program awards scholarships to residents of the Town of Frederick that seek continuing and higher education. The program focuses on areas of exemplary citizenship, commitment to community and higher education, scholastic and personal achievement, and personification of the Frederick brand promise. The Community Funding Program is administered by the Board of Trustees, who oversee any and all requests for donations from non-profit organizations. This program allows these organizations to request support for initiatives, events, and programming that contributes to the positive image of Frederick. Requests must demonstrate a financial need and exhibit how the event connects to the Frederick community.

Oil Royalty Trust Fund - Fund Balance and Fund Summary



Increases in fund balance are the result of budget surpluses. As the following graph illustrates, the town has had slight budget surpluses in the Oil Royalty Fund from 2014 through 2020.



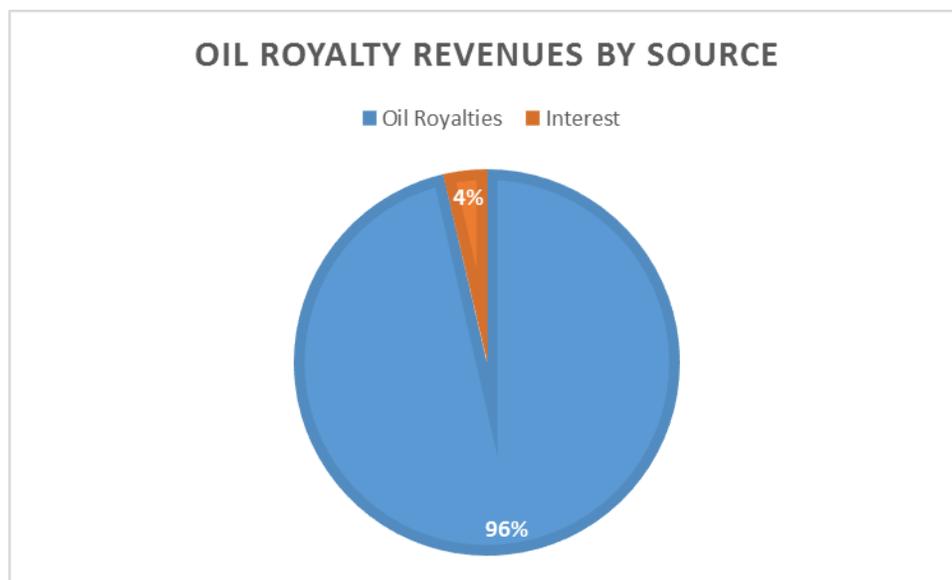
The 2021 Oil Royalty Trust Fund Budget includes total revenues of \$41,500, which reflects no change from the 2020 Budget. The 2021 Budget includes total expenditures of \$57,000, which is a \$3,500 increase from what was budgeted in 2020.

Oil Royalty Trust Fund Budget

Oil Royalty Trust Fund	2019 Actuals	2020 Actuals Jan - Oct	2020 Adopted Budget	2020 Year-End Estimates	2021 Proposed Budget
Beginning Fund Balance	1,454,364	1,511,596	1,511,596	1,511,596	1,522,287
Revenues:					
Intergovernmental	95,568	37,666	40,000	45,199	40,000
Earnings on Investment	21,397	-	1,500	-	1,500
Miscellaneous Revenue	-	-	-	-	-
Transfers In	-	-	12,000	-	-
Total Operating Revenues	116,965	37,666	53,500	45,199	41,500
Expenditures:					
Operations & Maintenance	59,733	28,757	53,500	34,508	57,000
Capital Lease	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Expenditures	59,733	28,757	53,500	34,508	57,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	57,232	8,909	-	10,691	(15,500)
Ending Fund Balance	1,511,596	1,520,505	1,511,596	1,522,287	1,506,787

Oil Royalty Fund Revenues

Oil Royalty Trust Fund revenues are primarily made up of royalties collected from oil production in the area and interest earned. The chart below shows the proportion of each major revenue source to the total Oil Royalty Trust Fund Revenues.



The Oil Royalty Fund Revenue Sources table below lists the major revenue sources, as well as the amounts that are projected for 2021.

Oil Royalty Revenue Sources		
Source	Amount	% of Total
Oil Royalties	40,000	96%
Interest	1,500	4%

Oil Royalty Fund Expenditures

The expenditures in this fund are all operating in nature. There are no capital outlay or debt service costs.

OIL ROYALTY IMPROVEMENT FUND EXPENSE SUMMARY

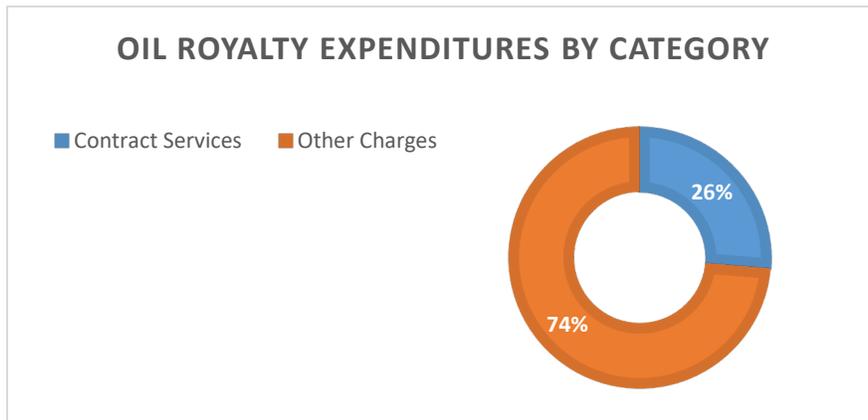
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Oil Royalty	0	15,000	0	42,000	57,000	---	---	57,000
Totals	\$0	\$15,000	\$0	\$42,000	\$57,000	\$0	\$0	\$57,000

Total Cash Available	\$1,563,787
Ending Fund Balance	\$1,506,787

Projects Funded in 2021 Budget

- Scholarships
- Donations to local programs

The chart below details the expenditures for the Oil Royalty Trust Fund by category. In 2021, the largest expenditure will be other charges, which includes scholarships and donations to local agencies.



Oil Royalty Trust - Fund Full Time Employees

Department	No. of Full Time Employees
Administration	0
Operations	0
Total	0

Oil Royalty Trust Fund Goals and KPIs

In addition to the projects that have been funded in the 2020 Budget, the Oil Royalty Trust Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Oil Royalty Trust Fund Goals and Key Performance Indicators (KPI)**Strategic Foundation: Economic and Community Vitality****Goal:**

Community Vitality.

Objective:

Partner with special districts and other outside agencies to strengthen our position as a regional cultural and recreational destination

Measure	2018	2019	2020	Comments
<i>Workload:</i>				
Number of community grant applications received	9	7	3	
<i>Performance:</i>				
Percentage of community grant applications funded	100%	100%	100%	

APPENDIX



GLOSSARY OF TERMS

ACCRUAL BASIS OF ACCOUNTING: The method of accounting under which revenues are recorded when they are earned and expenditures are recorded when goods and services are received.

ANNUAL BUDGET: A budget applicable to a single fiscal year.

APPROPRIATION: A legal authorization made by the Town Board to make expenditures for a specific purpose.

ASSESSED VALUATION: The estimated value placed on real and personal property by the appraiser for the county as the basis for levying property taxes. It is currently 7.96% of the market value.

ASSETS: Property owned that is regarded as having value.

AUDIT: An official systemic inspection of an organizations accounts and of resource utilization.

BALANCED BUDGET: A balance between total estimated expenditures and total anticipated revenues, including surpluses.

BOND: A debt instrument that is generally used to borrow money for major capital projects, such as the construction of a building.

BUDGET: A financial plan of estimated expenditures for a given period of time and the estimated revenues that will fund them.

CAPITAL OUTLAY: Expenditures for the acquisition of capital assets. Capital items must cost more than \$5,000 and have an expected life of greater than one year.

COMMODITY: Items that are purchased in the normal course of business such as office supplies, tools, small equipment, vehicle supplies, etc.

CONTRACT SERVICES: Services that are handled through a contract-type arrangement. This includes legal fees, engineering design services, architectural services, infrastructure maintenance services, etc.

CPI: Consumer price index.

DEBT: A financial obligation resulting from borrowed money.

DEBT SERVICE: Payment of interest and principle due on long-term debt.

DEPARTMENT: Major unit of organization in the town.

DEPRECIATION: The decrease in value of physical assets due to wear and tear, deterioration, action of physical elements or obsolescence.

DESIGNATED RESERVES: The portion of a fund's balance that is restricted for a specific purpose and is not available for appropriation.

DISTINGUISHED BUDGET PRESENTATION AWARDS PROGRAM: A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

DIVISION: Sub-unit of a department.

DOLA: Department of Local Affairs.

ENTERPRISE FUNDS: Funds that are self-supporting with the major revenue coming from user's fees.

ETS: Enterprise Technology Service.

EXPENDITURES: Payment for goods or services, including operational expenses that require the current or future use of net current assets, debt and capital outlays.

FISCAL YEAR: The 12-month period to which the budget applies. The Town of Frederick's fiscal year begins January 1 and ends December 31.

FUND: An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

FUND BALANCE: On-hand available cash balances which are realized in prior fiscal years less current liabilities and are available for designation as a funding source for future budget years.

GAAP: Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules and procedures that define accepted accounting principles.

GENERAL FUND: Accounts for resources not accounted for in another fund.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB): The authoritative accounting and financial reporting standard setting body for government entities.

GOVERNMENTAL FINANCE OFFICERS ASSOCIATIONS (GFOA): A professional association of approximately 17,500 state, provincial and local government finance officers in the United States and Canada.

GOVERNMENTAL FUND: Used to account for the sources, uses and balances of a government's general government financial resources and the related governmental fund liabilities.

GRANT: Money given by an organization, often a government, to be used for a specific purpose.

IT: Information technology.

LEAF: Law Enforcement Assistance Fund

LEASE PURCHASE: A financial arrangement that permits the town to pay for the use of buildings and equipment over a period of time with a lease that ultimately allows a purchase at the end of lease.

LEVY: To impose taxes, special assessments or service charges for the support of city activities.

MEDIAN: A figure that lies at the midpoint of a frequency distribution. There are equal numbers above and below it.

MILL: A property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed valuation.

MODIFIED ACCRUAL ACCOUNTING: A basis of accounting in which expenditures are accrued and revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual since expenditures are immediately incurred as a liability while revenues are not recorded until they are actually received or are measurable and available.

NISP: Northern Integrated Supply Project – A proposed water storage and distribution project.

OPERATING BUDGET: The portion of the budget that pertains to daily operations providing basic governmental services. It includes items such as salaries, utilities and supplies.

OTHER CHARGES: One-time or miscellaneous expenses including things such as branding, commission grants, youth programming, general liability insurance, depreciation, etc.

PERSONNEL SERVICES: Salaries, wages, benefits and other employee related costs.

PROJECTION: Estimation of future revenues and/or expenditures.

PROPERTY TAX: Property taxes are levied on both real and personal property according to the property's assessed valuation and the tax rate applied.

PROPRIETARY FUNDS: Used to account for a government's continuing business-type organizations and activities.

REVENUE: Monies that the town receives as income such as tax payments, fines, grants and interest income.

SPECIAL REVENUE FUNDS: A fund that is used to account for resources which are restricted for a specific purpose.

TRANSFERS: Amounts transferred from one fund to another.

UNDESIGNATED RESERVES: The portion of a fund's balance that is not restricted for a specific purpose and is available for appropriation.

TRANSFER SUMMARY

	Transfers In	From	Transfers Out	To
GENERAL FUND				
General Fund	\$576,011	Street & Alley Fund	\$70,000	Events Fund
			689,940	Capital Project Fund
SPECIAL REVENUE FUNDS				
Event Fund	\$70,000	General Fund		
Street & Alley Fund			\$2,159,450	Capital Project Fund
Conservation Trust Fund			65,000	Capital Project Fund
Public Safety Fund			338,403	Capital Project Fund
Water Fund			6,541,250	Capital Project Fund
Strom Water Fund			228,750	Capital Project Fund
Golf Fund			1,137,640	Capital Project Fund
Park Improvement Fund			604,200	Capital Project Fund
Open Space Fund			2,265,700	Capital Project Fund

Fund Transfers

Fund transfers are used in multiple funds that the town utilizes on an annual basis. The transfers from the Park Improvement Fund is supported by revenues related to parks. The Art in Public Places Fund is supported by a one percent fee charged to capital construction projects valued at greater than \$25,000 and those funds are managed via transfers. The Events Fund, Golf Fund, and Capital Facilities Fund is supplemented by a transfer from the General Fund.

STAFFING SUMMARY

Fund/Department	2019 Actual	2020 Budgeted	2021 Budget
Governmental Funds			
General Fund:			
Administration	5.55	5.55	8.40
Finance	1.75	1.75	1.40
Courts Division	1.00	1.00	1.00
Planning	2.70	2.70	3.55
Police	26.90	27.95	31.00
Public Works	2.25	2.25	3.75
Engineering	1.90	1.90	3.90
Buildings	0.50	0.50	0.00
General Fund Total	42.55	43.60	53.00
Street & Alley Fund	4.85	4.85	7.65
Conservation Trust Fund	0.00	0.00	0.00
Park Improvement Fund	9.40	9.40	8.85
Open Space Fund	3.80	3.80	3.05
Capital Facilities Fund	0.00	0.00	0.00
Events Fund	0.00	0.00	0.00
Golf Course Fund	6.60	6.00	6.00
Art In Public Places Fund	0.00	0.00	0.00
Historic Preservation Fund	0.00	0.00	0.00
Proprietary Funds			
Water Fund	5.95	5.95	8.55
Storm Water Fund	4.40	4.40	3.90
Electric Fund	0.00	0.00	0.00
Fiduciary Funds			
Oil Royalty Fund	0.00	0.00	0.00
Total FTE's:	77.55	78.00	91.00

Changes to FTEs in 2021

There were thirteen additional full-time positions approved in the 2021 Budget. The positions added town-wide include an Economic Development Director, Town Attorney, Town Hall Receptionist, Digital Media Specialist, Building Inspector, Construction Inspector, Development Review Engineer, Police Commander, Police Officer (2), Assistant Public Works Director, Facilities Supervisor, and Maintenance Technician. All positions are allocated to different funds based on the amount of time spent in each fund. The table above reflects the allocations of all employees.

