



BUILT ON WHAT MATTERS



2023 Annual Budget

FrederickCO.gov





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Frederick
Colorado**

For the Fiscal Year Beginning

January 01, 2022

Christopher P. Morrill

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, 2022**. 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, 2023

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 2023 Budget for the Town of Frederick. This is one of the most important processes and decisions that the Board of Trustees undertake 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 2023 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 2023, 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 2023, 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: Effective, Efficient & Strategic Government Operations

Strategy 1: Analyze and develop a strategy regarding political capital and potential resources to aid in further implementing this Strategic Plan.

Strategy 2: Complete an update to the Municipal Code in connection with updating the Land Use Code.

Foundation 2: Community and Economic Vitality

Strategy 1: Continue the master planning process for Frederick Recreation Area, considering other nearby planning areas, their impacts, and needs.

Strategy 2: Continue implementing our retail attraction strategy to target regional and destination opportunities, traditional and non-traditional grocers, and sit-down eating establishments.

Strategy 3: Complete analysis on revitalization strategies for 5th Street, engaging all stakeholders and strategic partners, including Downtown beautification, a cultural center with potential programming for youth, and a re-visioning of Crist Park to include lighting and safety improvements.

Strategy 4: Continue work on updating the Comprehensive Plan and Downtown Plan.

Strategy 5: Continue work on updating the Land Use Code in connection with the Municipal Code.

Foundation 3: Dynamic, Inclusive & Connected Community

Strategy 1: Implement new ways to increase accessibility for public engagement including both traditional and non-traditional means.

Foundation 4: Strategic, Reliable & Sustainable Infrastructure

Strategy 1: Complete work on a short-term and long-term Facilities Master Plan taking into account the growth needs of the Town.

Strategy 2: Study the economic impacts of municipal services in the Downtown relative to future growth needs of the community and the organization.

Foundation 5: Safe & Secure

Strategy 1: Continue efforts to implement commitments made resulting from the public safety sales tax initiative.

Strategy 2: Continue to foster and improve the relationship quality with public safety/emergency agencies seeking ways to collaborate and leverage resources where feasible.

Foundation 6: Fiscally Responsible Governance

Strategy 1: Continue analysis of the short-term and long-term financial position of the Bella Rosa Golf Course to address needs with existing facilities and restaurant operations.

Strategy 2: Implement tools to enhance organizational transparency regarding budget and project performance as evidence of being responsible stewards of valuable public resources.

As part of the 2023 budget development, we continued to create meaningful links back to *Our Strategic Foundation* in our third year of Program Based Budgeting (PBB). Transparency and comprehensive understanding of where dollars are allocated and how those dollars accomplish elements of the community's strategic plan, will create outcomes that achieve our organizational mission. In addition, maintaining 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 policy provided by the Town Board to achieve a 180 days unreserved General Fund balance level. At the end of 2023, we anticipate this to be 286 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 2023. Expenditures include both expenditures and transfers out. Total projected fund balance across all funds at the end of 2023 is \$169,659,554.

Fund	Revenue Resources	Estimated Expenditures
General Fund	\$29,360,551	\$16,551,000
Street and Alley Fund	9,698,136	7,546,250
Water Fund	145,363,232	10,793,650
Storm Water Fund	9,649,850	3,426,250
Conservation Trust Fund	309,911	5,000
Golf Fund	1,787,656	1,710,150
Open Space Fund	6,347,904	1,509,450
Park Improvement Fund	732,000	732,000
Capital Facilities Fund	6,531,832	350,000
Facilities Fund	630,000	630,000
Fleet Fund	1,200,705	1,130,500
Events Fund	416,422	281,000
Art in Public Places Fund	30,000	30,000
Public Safety Fund	744,239	250,000
Oil Royalty Trust Fund	1,892,367	90,000
Total	\$214,694,804	\$45,035,250

General Fund

In 2023, we anticipate economic growth to taper and in some instances decrease from the minimal revenue gain in 2022. We are projecting 2022 General Fund revenues to come in slightly higher than budgeted by approximately 2.6% percent or \$391,480. The majority of these revenues are associated with an increase in sales tax, and license and permit fees.

At the end of 2023, the General Fund is expected to have an ending unreserved fund balance of 286 days or 77 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 expected to increase from 2022 Actuals: 3.7% | \$568,320
 - Total projected Revenues: \$15,866,500
 - Sales Tax and Fee Revenues expected to increase compared to 2022 Actuals by approximately \$1,348,601
 - License and Permit Revenues expected to increase compared to 2022 Actuals by approximately \$100,371
 - Miscellaneous Revenues expected to decrease compared to 2022 Actuals by approximately (\$50,818)
 - Transfers In to the General Fund include the transfer of \$250,000 from the Public Safety Fund, for the annual Police Department Body Cam & Taser Program

- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 11.3% | \$1,677,789
 - Total Expenditures: \$16,551,000
 - Community & Economic Development Department
 - Building Division moved from Engineering to C&ED
 - GIS Division moved from IT to C&ED
 - Planning Division will utilize \$600,000 of General Fund, Fund Balance in executing a Comp Plan/Downtown Plan and Contract LUC Code Update
 - Transfers Out of the General Fund include:
 - \$183,250 to Events Fund
 - \$629,100 to Golf Fund
- Staffing:
 - Community & Economic Development: One (1) Economic Development Specialist
 - Police: One (1) Police Officer FTE
- Capital:
 - General Master Plans: Frederick Recreation Area, Downtown Outdoor Recreation, Bella Rosa Golf Course, Centennial Park
 - Community & Economic Development: 5th Street Revitalization
 - Police Department: Body Cam & Taser Program

Street and Alley Fund

The 2023 budget for the Street and Alley Fund will see an increase of expenditures compared to the projection for 2022 by approximately 44.8% percent or \$2,336,234. The increase can be directly attributed to additions in Capital Improvement Projects (CIP) for the community in the 2023 budget year.

In 2023, we will continue to focus on intersection improvements, a speed management program, 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 \$413,600, 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 expected to increase from 2022 Actuals: 7.8% | \$348,241
 - Total Revenues: \$4,787,000
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 44.8% | \$2,336,234
 - Total Expenditures: \$7,546,250
 - Debt Services (Roadway Bond): \$408,800
- Capital:
 - Engineering:
 - Silver Birch/Bella Rose Pkwy Intersection Improvement
 - Silver Birch/Godding Hollow Intersection Improvement
 - Colorado Boulevard Maintenance Project
 - Public Improvement Obligations – Prosperity & Carriage Hills

- Concrete & Alleyway Maintenance
- Street Lights
- Frederick Speed Management Program
- Pavement Maintenance Program
- Concrete Repair
- Public Works:
 - Vactor Truck (share)
 - Front-end Wheel Loader (share)
 - Concrete & Asphalt Saw
 - Mini Excavator (share)

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 Colorado Big Thompson (CBT) water unit obligations and unit incentives for commercial development.

- Revenues:
 - Total Revenues expected to increase from 2022 Actuals: 28.1% | \$2,995,723
 - Total Revenues: \$13,670,900
 - Water Consumption rate change +5%
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 485.9% | \$8,572,485
 - Total Expenditures: \$10,793,650
- Staffing:
 - One (1) Water Maintenance I FTE
- Capital:
 - Northern Integrated Supply Project (NISP)
 - Colorado Big Thompson (CBT) Unit Purchases
 - Booster Pump-Raw Water System
 - Third Pump-West Pump Station
 - Windy Gap Storage
 - Public Improvement Obligations-Prosperity
 - Irrigation Central Control
 - Vactor Truck (share)
 - Front-end Wheel Loader (share)
 - Mini Excavator (share)

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 expected to increase from 2022 Actuals: 15% | \$12,358
 - Total Revenues: \$95,000
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 100% | \$5,000
 - Total Expenditures: \$5,000

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 expected to increase from 2022 Actuals: 46.9% | \$142,008
 - Total Revenues: \$445,000
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 1.0% | \$3,318
 - Total Expenditures: \$350,000
 - Public Works facility debt service and capital outlay

Storm Water Fund

The town's Storm Water Fund will continue to focus on maintenance and upkeep of its drainage and storm water network. The high groundwater table in downtown Frederick causes sump pump activity and discharge, which impacts public infrastructure. As a result, funds have been budgeted for high groundwater table investigation and remediation. In addition, completion of the town's Storm Water Master Plan will identify drainage improvements and subsequent installation.

- Revenues:
 - Total Revenues expected to increase from 2022 Actuals: 29.0% | \$349,273
 - Total Revenues: \$1,550,000
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 455.9% | \$2,810,001
 - Total Expenditures: \$3,426,250
- Staffing:
 - One (1) Storm Water Lead FTE
- Capital:
 - Engineering:
 - Groundwater Impact Project
 - Storm Water Improvement OSP Project
 - Public Works:
 - Vector Truck (share)
 - Front-end Wheel Loader (share)
 - Mini Excavator (share)

Golf Course Fund

In 2022, an allocation was made from the General Fund to assist golf course operations as the Town works toward reducing General Fund support in future years.

- Revenues:
 - Total Revenues expected to decrease from 2022 Actuals: (11.8%) | (\$216,510), due to a planned subsidy decrease from General Fund
 - Total Revenues: \$1,612,650
 - Transfers In to the Golf Course Fund include the transfer of \$629,100 from the General Fund
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: .7% | \$12,721
 - Total Expenditures: \$1,710,150
- Capital:
 - Capital Equipment Program
 - Bella Rosa Master Plan
 - Parks Pavement Preservation (share)

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, Festival of Lights, Chainsaws and Chuckwagons, New Year's Eve, and Tiny Terror Town. These events continue to bring the community together to celebrate the town, its people and heritage. A 50% subsidy from the General Fund and a \$40K commitment from the Board are provided to support town events, with the remaining balance funded through sponsorships.

- Revenues:
 - Total Revenues expected to decrease from 2022 Actuals: (\$2.8%) | (\$8,354)
 - Total Revenues: \$281,000
 - Transfers In to the Events Fund include the transfer of \$143,250 from the General Fund and \$40,000 from the Legislative Department (Board) of the General Fund
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 36.3% | \$75,988
 - Total Expenditures: \$281,000

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 expected to increase over 2022 Actuals: 52.1% | \$250,902
 - Total Revenues: \$732,000
- Expenditures:
 - Total Expenditures expected to decrease over 2022 Actuals: (53.7%) | (\$630,002)
 - Total Expenditures: \$732,000

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 include an Open Space Management Plan and trail system projects and preservation in 2023.

- Revenues:
 - Total Revenues expected to increase from 2022 Actuals: 11.2% | \$160,334
 - Total Revenues: \$1,583,000
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 161.7% | \$932,788
 - Total Expenditures: \$1,509,450
- Staffing:
 - One (1) Parks & Golf Equipment Technician FTE
- Capital:
 - Colorado Blvd Median Project
 - Bella Rosa Trail Project
 - Capital Equipment Program (share)
 - Master Plans-Frederick Recreation Area, Bella Rosa, Centennial Park (share)
 - Maintenance Shop Improvement
 - Mendoza Open Space Legal Assistance
 - Open Space Management Plan
 - Parks Pavement Preservation (share)
 - Tree Program
 - Trails Preservation Program
 - William Bailey Tree Replacement
 - Front-end Wheel Loader (share)
 - Mini Excavator (share)

Facilities Fund

This fund was created in 2022 to operate, maintain, and renovate Town buildings and sites. It establishes standards and best practices for managing buildings and support systems, equipment, and furniture. Recurring revenues are generated by monthly department allocations into the fund, based upon building square footage utilization.

- Revenues:
 - Total Revenues expected to increase from 2022 Actuals: 28.2% | \$138,500
 - Total Revenues: \$630,000
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 28.2% | \$138,448
 - Total Expenditures: \$630,000
- Staffing:
 - One (1) Facilities Technician I FTE
- Capital:
 - Court Room Remodel

Fleet Fund

This new fund was created in 2022 to maintain municipal vehicles and heavy equipment. Services include fleet management, vehicle repair, preventative maintenance, quality control inspections, procurement, and administering service and parts contracts with vendors. Recurring revenues are generated by monthly department allocations into the fund, based upon vehicle utilization.

- Revenues:
 - Total Revenues expected to increase from 2022 Actuals: 95.9% | \$553,307
 - Total Revenues: \$1,130,500
- Expenditures:
 - Total Expenditures expected to increase from 2022 Actuals: 123.0% | \$623,512
 - Total Expenditures: \$1,130,500

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 rates 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 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 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 Chad teVelde



Trustee Kevin Brown



Trustee Mark Lamach



Trustee Adam Mahan

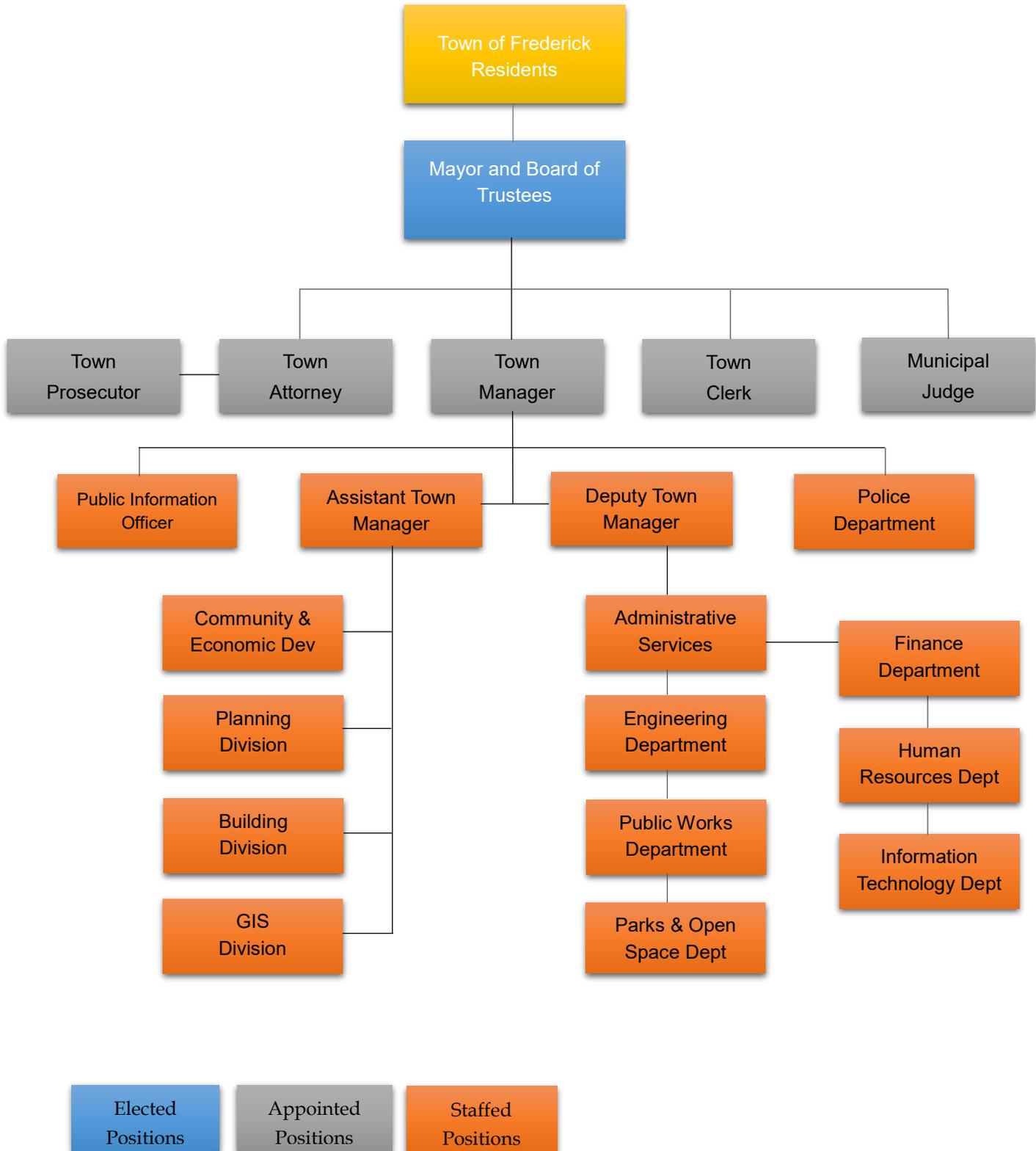


Trustee Windi Padia

TOWN MANAGER AND DEPARTMENT DIRECTORS

Bryan Ostler	Town Manager
Jason Leslie	Deputy Town Manager
Kurtis Adams	Finance Director
Kevin Ash	Engineering Director
Ryan Johnson	Assistant Town Manager
Colby Johnson	Parks & Open Space Director
Cindy Kamigaki	GIS Manager
Rena Lehr	Public Information Officer
Meghan Martinez	Town Clerk
Jason Meyers	Town Attorney
Vacant	Human Resources Director
Todd Norris	Police Chief
Kent VanDyne	Public Works Director

ORGANIZATIONAL CHART



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

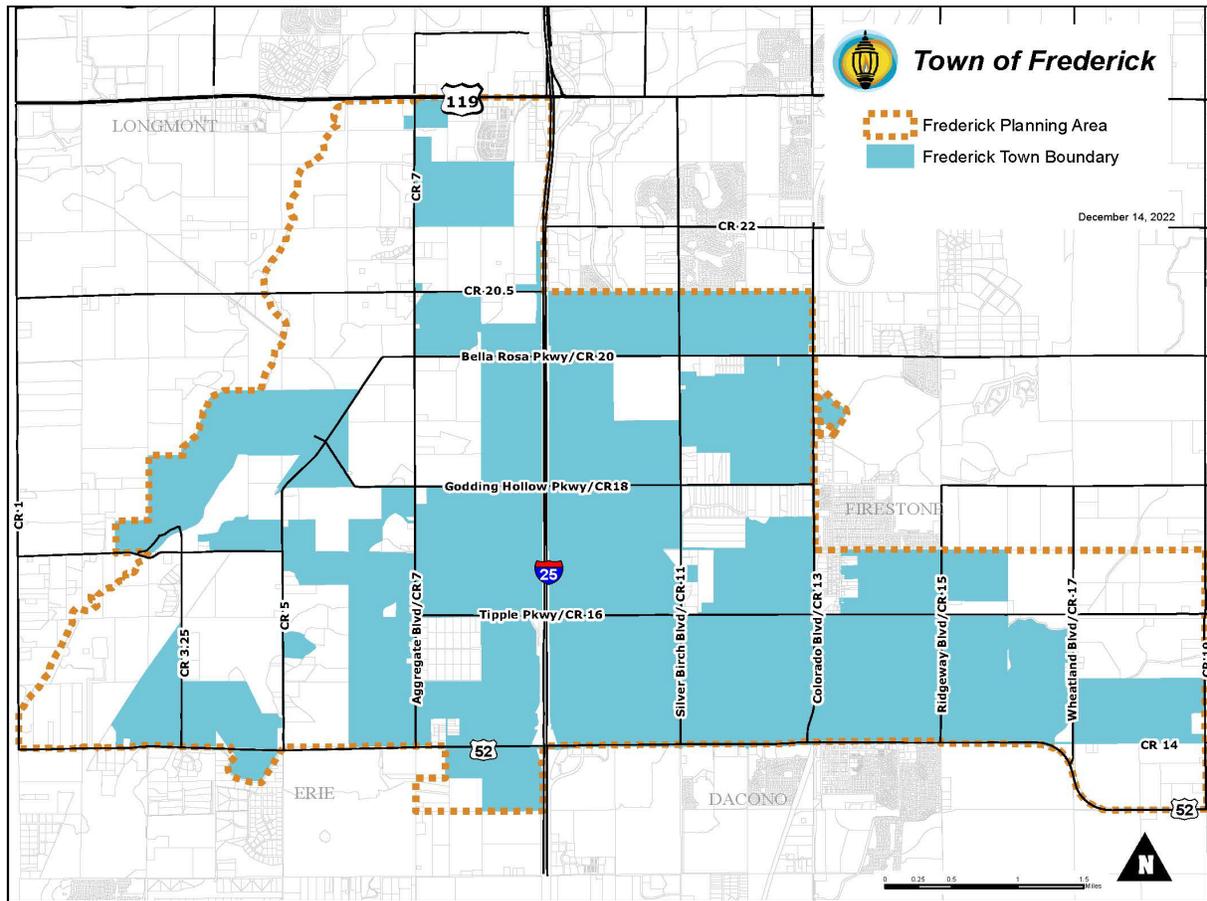
Commissioners are appointed by the Board of Trustees based on their personal and professional backgrounds relevant to the policy topic. The commission structure provides an excellent opportunity to gain community input in policy-making for the Town of Frederick.

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



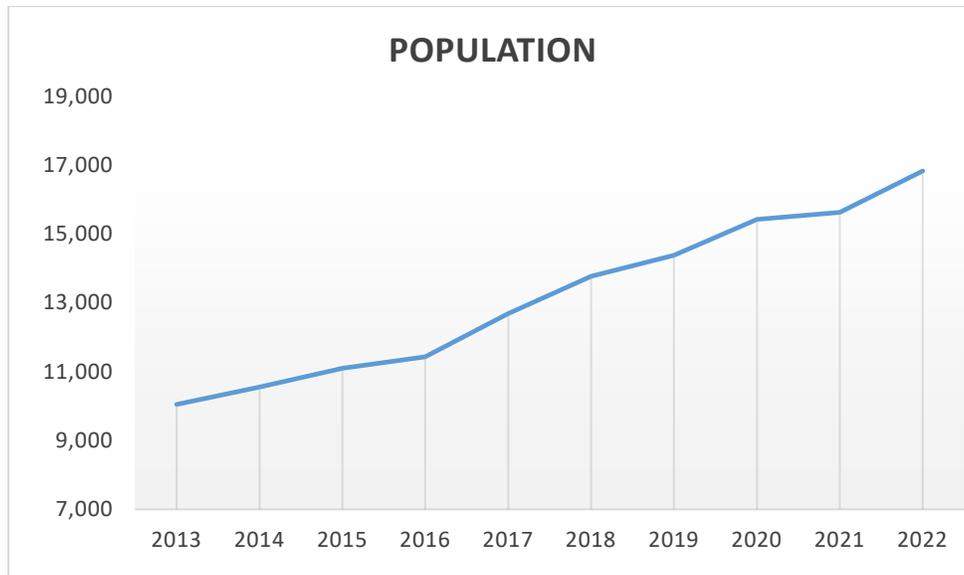
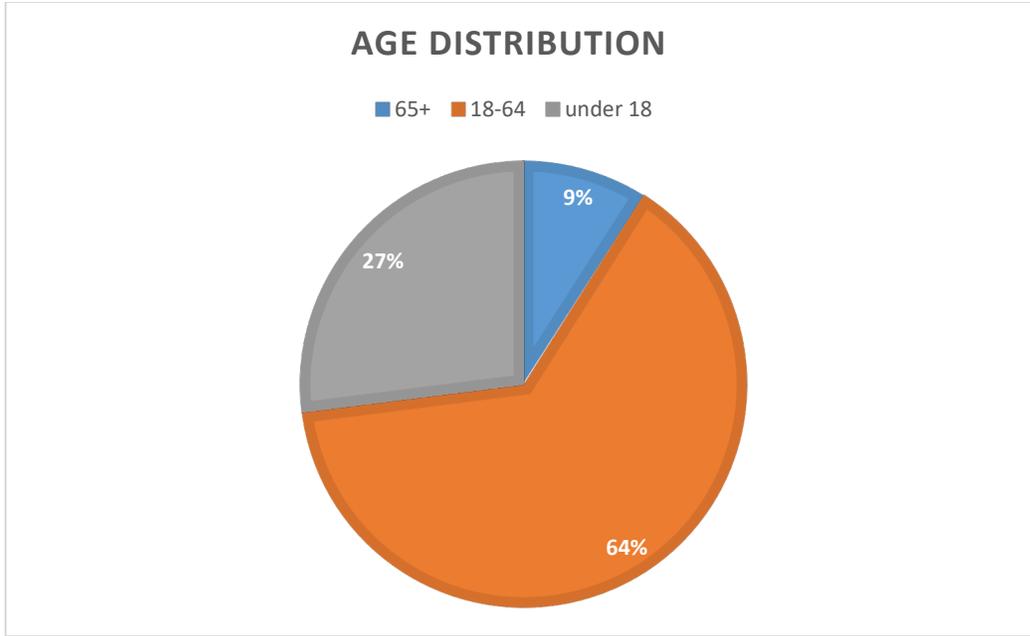
GENERAL INFORMATION

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 16,000 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 and Dacono, Frederick plays the role of community hub for a larger population of 39,761.

Demographics

With a median age of 36.8, Frederick has a young population that has grown more than 76 percent in the past ten years. The current population is approximately 16,835. Approximately 96 percent of the population has a high school degree or higher, 25 percent have a Bachelor’s degree or higher and 10 percent have a graduate/professional degree. The median income is \$104,888.



Employment by Industry

Occupation	% of Workforce
Management, Business, and Financial Operations	18.7%
Service Occupations	13.2%
Sales and Office	21.8%
Construction, Extraction, and Maintenance	7.8%
Production, Transportation, and Material Moving	13.2%
Professional and Related Occupations	25.3%

Major Employers in the Area

EMPLOYER	2022 EMPLOYMENT
Otterbox	194
Agilent Technologies	180
FCI Constructors	158
PCS Ferguson	144
Varra Companies, Inc.	119
Hirsh Precision Products	105
Metal Sales Manufacturing	100

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 118 regular, full-time positions (exempt and non-exempt) for 2023. 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 ten percent (10%) 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 2023, 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			
September		<p><u>Proposed Budget</u> Staff presents Proposed Budget for consideration no later than October 15th.</p>	
October		<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>	
November	<p><u>Budget Public Hearing(s)</u> Residents comment on the proposed budget and offer suggestions to the Town.</p>		<p><u>Budget Response & Refinement</u> Town staff respond to inquiries from Town Board and make modifications as suggested</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” (Storm Water 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 Deputy Town Manager 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 2023 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

Proprietary

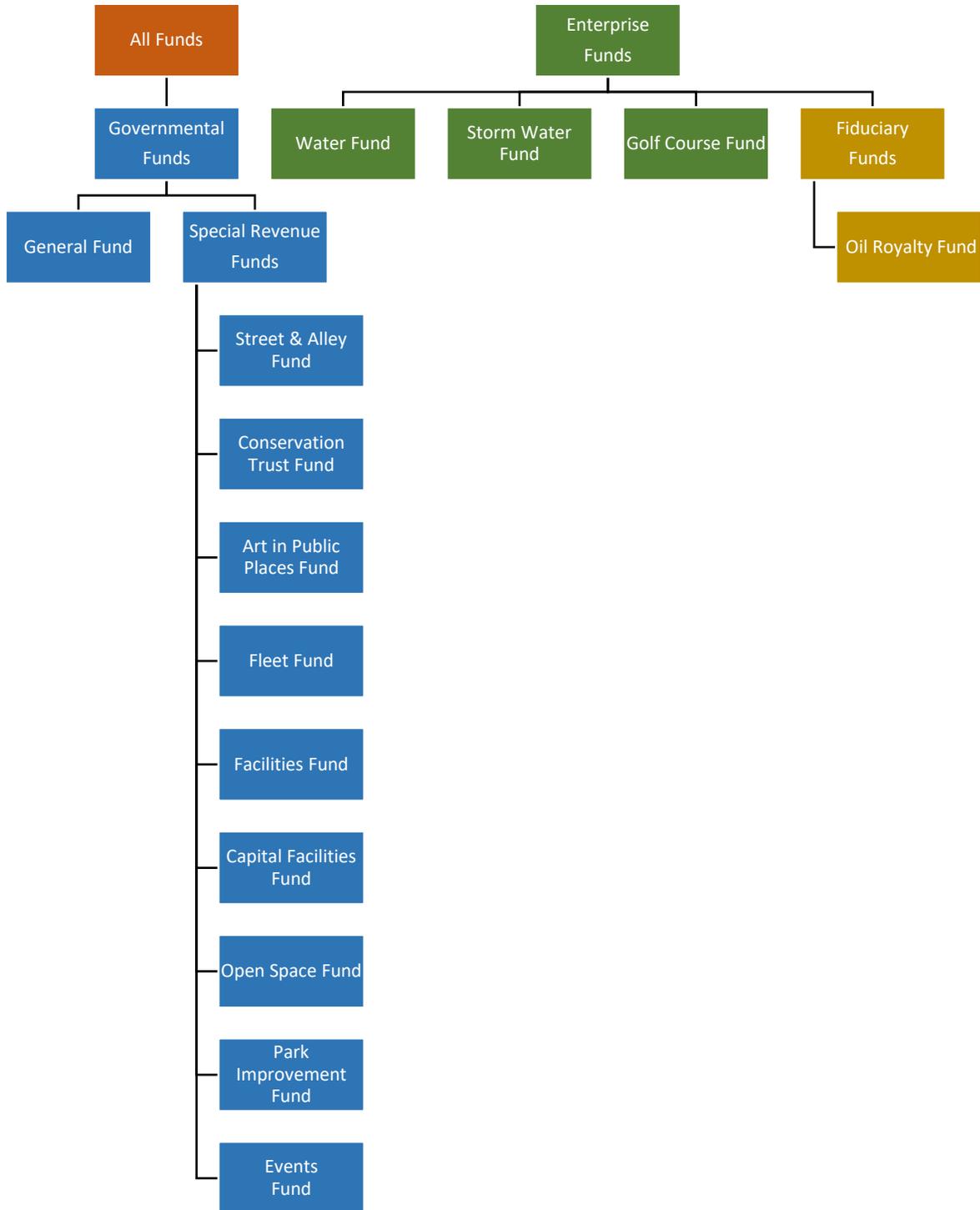
Enterprise Funds

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	Economic Dev-Admin	Town Board	Police	Economic Dev-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							✓		
Fleet Fund	✓	✓	✓	✓	✓	✓	✓		✓
Facilities Fund				✓	✓			✓	
Proprietary Funds									
Water Fund	✓	✓	✓	✓				✓	
Storm Water Fund	✓	✓	✓	✓					
Golf Course Fund			✓						✓
Fiduciary Funds									
Oil Royalty Trust 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 for 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.

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.

Facilities Fund

This new fund was created in 2022 to operate, maintain, and renovate Town buildings and sites. It established standards and best practices for managing buildings and support systems, equipment, and furniture. The General Fund, Building Department, also moved to this new fund.

Fleet Fund

This new fund was created in 2022 to maintain municipal vehicles and heavy equipment. Services will include fleet management, vehicle repair, preventative maintenance, quality control inspections, procurement, and administering service and parts contracts with vendors.

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.

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 2023 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.

	General Fund	Special Revenue Funds	Capital Funds	Enterprise Funds	Trust and Agency Funds	Total All Funds	% of Total Rev. & Exp.
2023 BUDGET - ALL FUNDS							
BEGINNING BALANCE:	13,494,051	10,608,817	6,086,832	139,967,188	1,732,367	171,889,255	
<i>REVENUES:</i>							
CHARGES FOR SERVICES	-	991,000	-	5,263,200	-	6,254,200	15.65%
FINES AND FORFEITURES	108,000	-	-	-	-	108,000	0.27%
PROPERTY TAXES	3,296,000	-	-	-	-	3,296,000	8.25%
SALES TAXES	7,660,500	3,023,000	-	-	-	10,683,500	26.73%
LICENSES AND PERMITS	1,385,000	1,050,000	445,000	10,168,900	-	13,048,900	32.65%
MISCELLANEOUS	1,300,000	103,000	-	772,350	160,000	2,335,350	5.84%
OTHER TAXES	1,063,000	2,281,000	-	-	-	3,344,000	8.37%
GRANTS	804,000	97,750	-	-	-	901,750	2.26%
TOTAL REVENUES	15,616,500	7,545,750	445,000	16,204,450	160,000	39,971,700	100.00%
<i>OTHER SOURCES/USES:</i>							
TRANSFER IN	250,000	1,954,750	-	629,100	-	2,833,850	
TRANSFER OUT	667,250	250,000	-	-	-	917,250	
TOTAL OTHER SOURCES/USES	(417,250)	1,704,750	-	629,100	-	1,916,600	
<i>EXPENDITURES:</i>							
PERSONNEL SERVICES	7,517,600	2,754,000	-	2,688,850	-	12,960,450	29.38%
CONTRACT SERVICES	3,291,150	2,710,350	25,000	4,725,700	15,000	10,767,200	24.41%
COMMODITY	1,175,500	451,750	-	722,500	-	2,349,750	5.33%
OTHER CHARGES	3,669,500	321,300	-	516,000	75,000	4,581,800	10.39%
CAPITAL OUTLAY	230,000	5,218,000	150,000	7,277,000	-	12,875,000	29.18%
DEBT SERVICE	-	408,800	175,000	-	-	583,800	1.32%
TOTAL EXPENDITURES	15,883,750	11,864,200	350,000	15,930,050	90,000	44,118,000	100.00%
ENDING BALANCE:	12,809,551	7,995,117	6,181,832	140,870,688	1,802,367	169,659,554	

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 2023 Beginning Balance	Anticipated FY 2023 Ending Balance	Increase (Decrease)	Percent Change
Street and Alley Fund				
Fund Balance Available for Appropriation	4,911,136	2,151,886	(2,759,250)	-56.2%

Discussion:

The revenues and expenditures for this fund are relatively stable. The decrease in Fund Balance is attributed to intersection improvements, concrete and alleyway maintenance, and the pavement maintenance program.

	Anticipated FY 2023 Beginning Balance	Anticipated FY 2023 Ending Balance	Increase (Decrease)	Percent Change
Conservation Trust Fund				
Fund Balance Available for Appropriation	214,911	304,911	90,000	41.9%

Discussion:

This fund's revenues are lottery proceeds from the state. The fund is restricted in both revenues and qualified expenditures. As such, this fund frequently builds up a substantial Fund Balance before larger, more impactful capital projects are completed.

	Anticipated FY 2023 Beginning Balance	Anticipated FY 2023 Ending Balance	Increase (Decrease)	Percent Change
Storm Water Fund				
Fund Balance Available for Appropriation	8,099,850	3,540,600	(4,559,250)	-56.3%

Discussion:

The decrease in Fund Balance is associated with capital expenditures. This fund is restricted and consequently does incur Fund Balance increases until projects are identified that meet funding requirements. Identified capital projects include a ground water impact project, drainage improvements, and equipment acquisition for 2023.

SUMMARY OF CAPITAL EXPENDITURES

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

Street & Alley Fund

Project Description	Capital Expenditure Amount	Recurring?
Silver Birch/Bella Rosa Pkwy Intersection Improvermer	\$300,000	Yes
<u>Discussion:</u> This is a TMP PAC-1 Tier-3 project with improvements consisting of improved operations, widening, drainage, and pedestrian walkways.		
Silver Birch/Godding Hollow Intersection Improvemen	\$2,045,000	Yes
<u>Discussion:</u> This is a TMP PAC-4 Tier-2 project implementing public improvements included with the Clearview Villages subdivision, consisting of a traffic signal contribution and the upgrade of a four-way stop to a signalized interesection.		
Pavement Maintenance Program	\$950,000	Yes
<u>Discussion:</u> 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.		
Colorado Blvd Capital Maintenance	\$800,000	No
<u>Discussion:</u> This is a one-time capital expenditure to address complaints related to a 3-mile section of the main arterial thoroughfare between Hwy 52 and Bella Rosa Parkway. It will address current pavement damage, and improve ride quality and roadway appearance.		
Public Improvement Obligations-Prosperity	\$151,000	No
<u>Discussion:</u> During the Prosperity development review process, roadway and waterline improvements were identified to be constructed by the developer and reimbursed by the Town.		
Concrete and Alleyway Maintenance	\$200,000	Yes
<u>Discussion:</u> Alleyways in the downtown area were assessed in 2016 with the intent to pave existing dirt sections and improve infrastructure.		
Public Improvement Obligations-Carriage Hills	\$174,000	No
<u>Discussion:</u> Roadway improvements for the extension of Maple Street adjacent to Town property, are required as part of the Carriage Hills Filing 1 Replat A development. The improvements as identified are the responsibility of the developer to construct, with the actual cost of construction to be reimbursed by the Town.		

Open Space Fund

Project Description	Capital Expenditure Amount	Recurring?
Master Plans-FRA, Bella Rosa, Centennial	\$150,000	No
<u>Discussion:</u> This professional service is shared between four funds, for a variety of master plans related to the Frederick Recreation Area, Bella Rosa Golf Course, and Centennial Park.		
Open Space Management Plan	\$125,000	No
<u>Discussion:</u> This plan will assist the Board in creating a sustainable strategy for parks maintenance and expansion of the Town's open spaces and trail system.		

Water Fund

Project Description	Capital Expenditure Amount	Recurring?
Northern Integrated Supply Project	\$1,575,000	Yes
<u>Discussion:</u> NISP will provide 2,600 acre-feet of a new reliable water source for the Town's future development. The project consists of permitting, design, and construction for water storage of a Northern Colorado water source.		
Windy Gap Water Project	\$900,000	Yes
<u>Discussion:</u> Participation in the Windy Gap project will provide the Town with additional future water supplies. Funds will be used to meet the terms of the Windy Gap Dry Creek Storage Agreement between the Town and CWCWD, allowing the Town to firm seven unfirmed owned units. The Town will possess a long-term lease of 2,000 acre-feet from CWCWD in Dry Creek Reservoir.		
Vactor Truck	\$110,000	No
<u>Discussion:</u> This is a one-time shared capital expenditure to replace a 5-year old existing truck, in order to provide continued maintenance to stormwater drainage, water leaks, and utility excavation.		
Colorado Big Thompson Unit Purchases	\$2,100,000	Yes
<u>Discussion:</u> CBT water unit purchasing remains a Board priority to meet previous obligations and to provide commercial development incentives.		
Booster Pump-Raw Water System	\$120,000	No
<u>Discussion:</u> This booster pump will increase the pressure that services the properties off of the raw waterline in Tipple Parkway, as the demands on that line have increased and the raw water master plan identified the need for boosting the pressure east of Colorado Blvd.		
Third Pump-West Pump Station	\$100,000	No
<u>Discussion:</u> The pump station was designed for three pumps but due to budgetary constraints only one pump was installed when it was originally constructed. This improvement will increase the capacity of the west pump station to meet the demands of the Town's raw water customers.		

Storm Water Fund

Project Description	Capital Expenditure Amount	Recurring?
Groundwater Impact Project	\$500,000	Yes

Discussion:

The high groundwater table in the downtown areas creates regular sump pump activity and discharge, which negatively impacts public infrastructure. These are allocated funds for investigation and remediation.

Drainage Improvement OSP Project	\$1,390,000	No
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Discussion:

The Storm Water Master Plan has identified design and construction components to improve the Town's drainage system.

Vactor Truck	\$200,000	No
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Discussion:

This is a one-time shared capital expenditure to replace a 5-year old existing truck, in order to provide continued maintenance to stormwater drainage, water leaks, and utility excavation.

Significant Operating Impacts of Capital Investments							
Street & Alley Fund							
Silver Birch / Bella Rosa Intersection	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	0.6	0.5	0.4	0.4	0.4	0.3	2.3
Program & Facility Operating	\$ 30,000	\$ 27,000	\$ 24,300	\$ 21,870	\$ 19,683	\$ 17,715	\$ 122,853
Total Operating Costs	\$ 30,000	\$ 27,000	\$ 24,300	\$ 21,870	\$ 19,683	\$ 17,715	\$ 122,853
Street & Alley Fund							
Silver Birch / Godding Intersection	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.1	1.0	0.9	0.8	0.7	0.6	4.5
Program & Facility Operating	\$ 204,500	\$ 184,050	\$ 165,645	\$ 149,081	\$ 134,172	\$ 120,755	\$ 837,448
Total Operating Costs	\$ 204,500	\$ 184,050	\$ 165,645	\$ 149,081	\$ 134,172	\$ 120,755	\$ 837,448
Street & Alley Fund							
Pavement Maintenance	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.4	1.3	1.2	1.0	0.9	0.8	5.9
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
Street & Alley Fund							
Colo Blvd Capital Maintenance	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	0.3	0.3	0.3	0.2	0.2	0.2	1.4
Program & Facility Operating	\$ 80,000	\$ 72,000	\$ 64,800	\$ 58,320	\$ 52,488	\$ 47,239	\$ 327,608
Total Operating Costs	\$ 80,000	\$ 72,000	\$ 64,800	\$ 58,320	\$ 52,488	\$ 47,239	\$ 327,608
Street & Alley Fund							
Public Improve Oblig-Prosperity	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.7	1.5	1.3	1.2	1.1	1.0	6.8
Program & Facility Operating	\$ 15,100	\$ 13,590	\$ 12,231	\$ 11,008	\$ 9,907	\$ 8,916	\$ 61,836
Total Operating Costs	\$ 15,100	\$ 13,590	\$ 12,231	\$ 11,008	\$ 9,907	\$ 8,916	\$ 61,836
Street & Alley Fund							
Public Improve Oblig-Carriage Hills	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.7	1.5	1.3	1.2	1.1	1.0	6.8
Program & Facility Operating	\$ 17,400	\$ 15,660	\$ 14,094	\$ 12,685	\$ 11,416	\$ 10,275	\$ 71,255
Total Operating Costs	\$ 17,400	\$ 15,660	\$ 14,094	\$ 12,685	\$ 11,416	\$ 10,275	\$ 71,255
Street & Alley Fund							
Concrete & Alleyway Maintenance	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.7	1.5	1.3	1.2	1.1	1.0	6.8
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
Open Space Fund							
Master Plans-FRA, Bella Rosa, Cent	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.1	1.0	0.9	0.8	0.7	0.6	4.5
Program & Facility Operating	\$ 15,000	\$ 13,500	\$ 12,150	\$ 10,935	\$ 9,842	\$ 8,857	\$ 61,427
Total Operating Costs	\$ 15,000	\$ 13,500	\$ 12,150	\$ 10,935	\$ 9,842	\$ 8,857	\$ 61,427
Open Space Fund							
OS Management Plan	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.1	1.0	0.9	0.8	0.7	0.6	4.5
Program & Facility Operating	\$ 6,250	\$ 5,625	\$ 5,063	\$ 4,556	\$ 4,101	\$ 3,691	\$ 25,594
Total Operating Costs	\$ 6,250	\$ 5,625	\$ 5,063	\$ 4,556	\$ 4,101	\$ 3,691	\$ 25,594

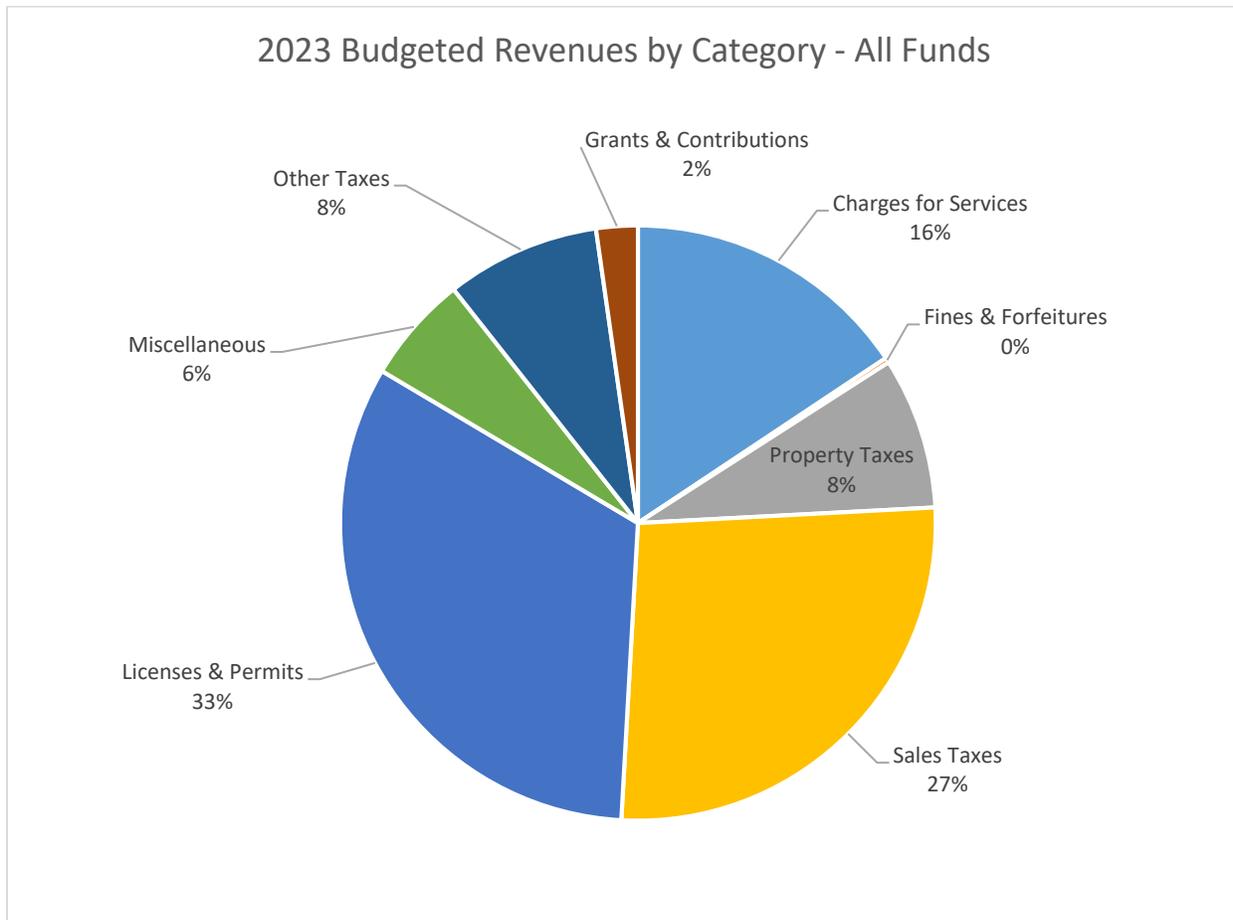
Significant Operating Impacts of Capital Investments							
Water Fund							
Northern Integrated Supply Project	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.1	1.0	0.9	0.8	0.7	0.6	4.5
Program & Facility Operating	\$ 78,750	\$ 70,875	\$ 63,788	\$ 57,409	\$ 51,668	\$ 46,501	\$ 322,489
Total Operating Costs	\$ 78,750	\$ 70,875	\$ 63,788	\$ 57,409	\$ 51,668	\$ 46,501	\$ 322,489
Water Fund							
Windy Gap Water Project	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.7	1.5	1.3	1.2	1.1	1.0	6.8
Program & Facility Operating	\$ 90,000	\$ 81,000	\$ 72,900	\$ 65,610	\$ 59,049	\$ 53,144	\$ 368,559
Total Operating Costs	\$ 90,000	\$ 81,000	\$ 72,900	\$ 65,610	\$ 59,049	\$ 53,144	\$ 368,559
Water Fund							
Vactor Truck	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.1	1.0	0.9	0.8	0.7	0.6	4.5
Program & Facility Operating	\$ 11,000	\$ 9,900	\$ 8,910	\$ 8,019	\$ 7,217	\$ 6,495	\$ 45,046
Total Operating Costs	\$ 11,000	\$ 9,900	\$ 8,910	\$ 8,019	\$ 7,217	\$ 6,495	\$ 45,046
Water Fund							
CBT Unit Purchases	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	0.6	0.5	0.4	0.4	0.4	0.3	2.3
Program & Facility Operating	\$ 21,000	\$ 18,900	\$ 17,010	\$ 15,309	\$ 13,778	\$ 12,400	\$ 85,997
Total Operating Costs	\$ 21,000	\$ 18,900	\$ 17,010	\$ 15,309	\$ 13,778	\$ 12,400	\$ 85,997
Water Fund							
Booster Pump-Raw Water System	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.1	1.0	0.9	0.8	0.7	0.6	4.5
Program & Facility Operating	\$ 12,000	\$ 10,800	\$ 9,720	\$ 8,748	\$ 7,873	\$ 7,086	\$ 49,141
Total Operating Costs	\$ 12,000	\$ 10,800	\$ 9,720	\$ 8,748	\$ 7,873	\$ 7,086	\$ 49,141
Water Fund							
Third Pump-West Pump Station	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	0.6	0.5	0.4	0.4	0.4	0.3	2.3
Program & Facility Operating	\$ 1,000	\$ 900	\$ 810	\$ 729	\$ 656	\$ 590	\$ 4,095
Total Operating Costs	\$ 1,000	\$ 900	\$ 810	\$ 729	\$ 656	\$ 590	\$ 4,095
Storm Water Fund							
Groundwater Impact Project	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	0.6	0.5	0.4	0.4	0.4	0.3	2.3
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
Storm Water Fund							
Drainage Improvement OSP	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	0.6	0.5	0.4	0.4	0.4	0.3	2.3
Program & Facility Operating	\$ 139,000	\$ 125,100	\$ 112,590	\$ 101,331	\$ 91,198	\$ 82,078	\$ 569,219
Total Operating Costs	\$ 139,000	\$ 125,100	\$ 112,590	\$ 101,331	\$ 91,198	\$ 82,078	\$ 569,219
Storm Water Fund							
Vactor Truck	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
New Personnel (FTEs)	1.1	1.0	0.9	0.8	0.7	0.6	4.5
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

REVENUE OVERVIEW

The town strives to maintain a strong, diverse revenue base recognizing that a dependence upon any individual revenue source would make revenue yields more vulnerable to economic cycles. All revenues are conservatively projected, 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 increase (decrease) for each year from 2018 to 2022 that were used in forecasting:

Year	2018	2019	2020	2021	2022
Consumer Price Index (CPI)	1.9%	2.3%	1.4%	7.0%	7.1%

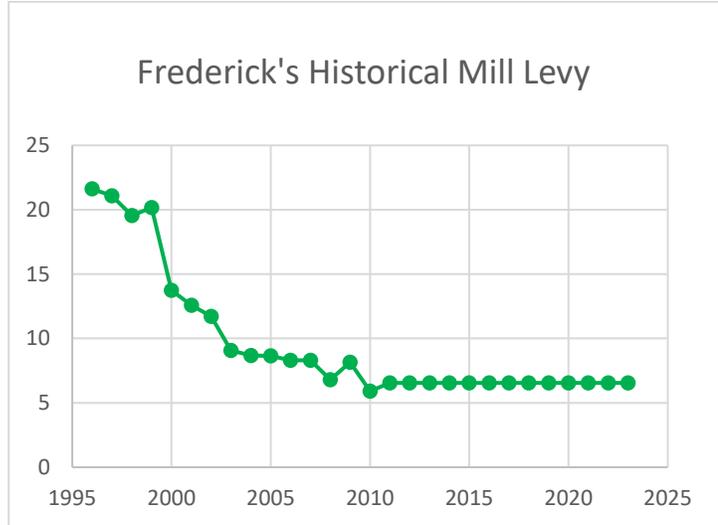
The following chart consolidates and summarizes the town’s revenue by source:



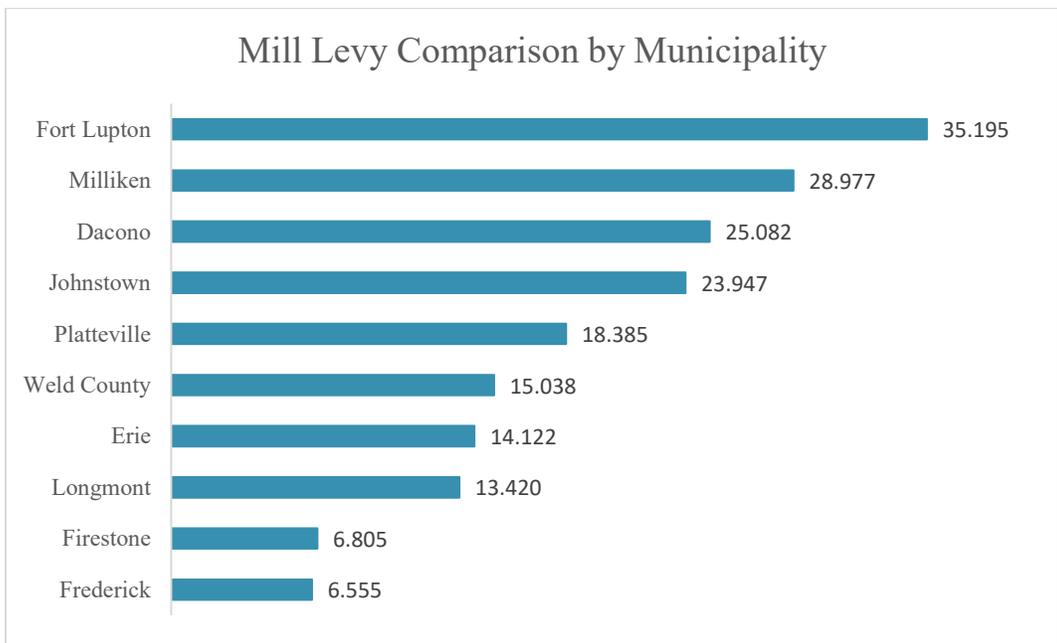
The following are descriptions of the town’s revenue resources, associated forecasting assumptions and revenue trends.

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 taxes are not paid within subsequent periods, the property may be sold at a public auction. Weld County bills and collects all 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 2023 will remain at the 2022 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 forecasted each year based on assessed valuations determined by Weld County and applying the town’s current mill levy rate.



Property Tax Revenues by Category				
Category	2021 Budget Taxes Levied	2022 Budget Taxes Levied	2023 Budget Taxes Levied	% Change 2022 to 2023
Vacant Land	49,228	74,617	57,974	-22.3%
Residential	839,003	997,482	1,038,819	4.1%
Commercial	444,199	547,387	575,685	5.2%
Industrial	250,411	373,098	411,028	10.2%
Agricultural	5,109	4,809	4,440	-7.7%
Oil & Gas	1,052,937	194,007	1,161,422	498.7%
State Assessed	138,123	234,795	237,022	0.9%
Minerals	69	1,351	0	-100.0%
Total Revenue	2,779,079	2,427,545	3,486,389	

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 2023 budget, several categories showed substantial changes since 2022 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 the 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's 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 2023 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 surface 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 affect a new development will have on parks, open space, drainage and streets among others. 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. The town makes an effort to secure grant funding whenever possible. 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.

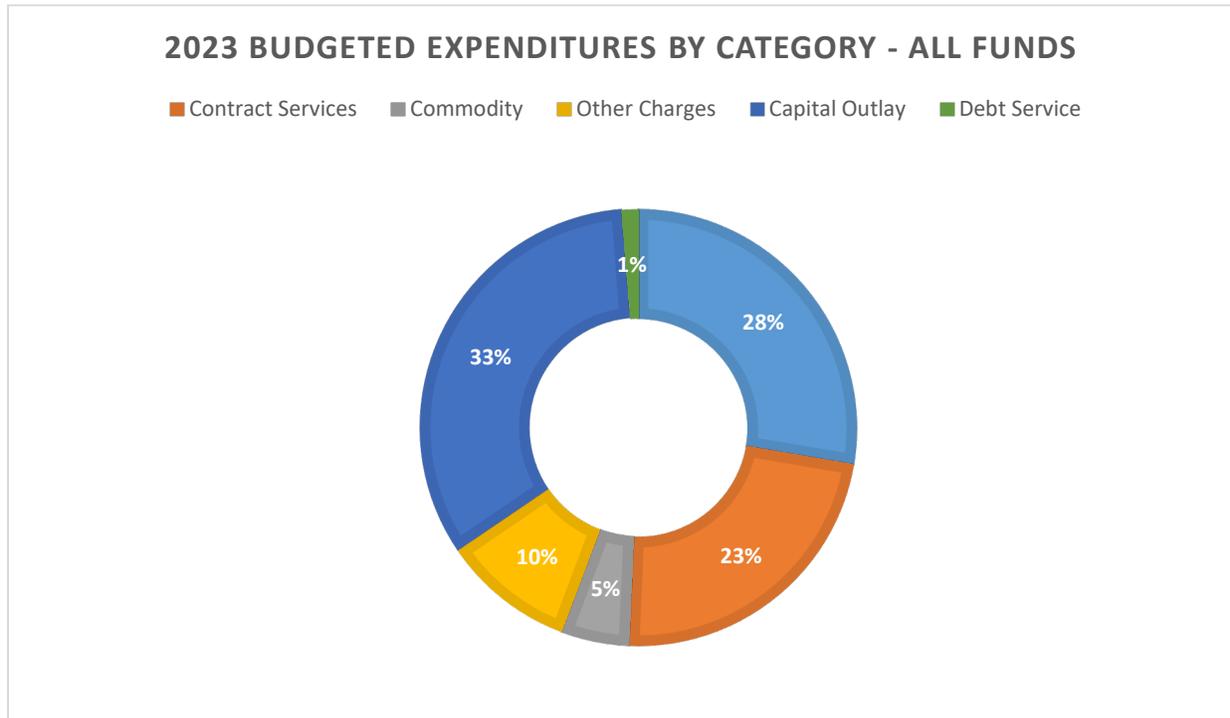
Motor Vehicle Registration Fees

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 2023 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 employees 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 in a Box, general liability insurance, professional memberships, election expenses, community BBQ tour, 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, electric transformers, 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, 2022, 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)	\$3,178,173,029
Debt Limit: 3% of Actual Value	\$95,345,191
Total Bonded Debt	\$1,715,000
Legal Debt Margin	\$93,630,191
Total Bonded Debt Applicable to Limit as a % of Debt Limit	1.8%

The town has a lease purchase agreement for the Public Works facility. The payment is generated out of the Capital Facilities Fund. The payment is \$169,640 per year and the lease ends in 2033.

Public Works Building	\$1,533,534
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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 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
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	\$1,400,000	\$171,200	\$1,571,200

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
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	\$645,000	\$121,000	\$766,000

STRATEGIC FOUNDATION



TOWN OF FREDERICK STRATEGIC PLAN 2022-2023



MISSION STATEMENT: Our Mission is to foster an exceptional and inclusive community that is Built on What Matters.

VALUES: We are FRED (Family, Respect, Empower, Dedicated).



EFFECTIVE, EFFICIENT & STRATEGIC GOVERNMENT OPERATIONS – As an employer of choice, the Town of Frederick will lead the region in a culture of efficiency, innovation, and strategic partnerships in all municipal services to far exceed the community's expectations and exemplify the fact that Frederick is Built on What Matters, its people.

- 1.1 Analyze and develop a strategy regarding political capital and potential resources to aid in further implementing this Strategic Plan.
- 1.2 Complete an update to the Municipal Code in connection with 2.5 below.



COMMUNITY AND ECONOMIC VITALITY – Frederick is a community that fosters economic, recreational, cultural, and environmental vitality and builds upon and enhances a variety of economic opportunities.

- 2.1 Continue the master planning process for Frederick Recreation Area, considering other nearby planning areas, their impacts, and needs.
- 2.2 Continue implementing our retail attraction strategy to target regional and destination opportunities, traditional and non-traditional grocers, and sit-down eating establishments.
- 2.3 Complete analysis on revitalization strategies for 5th Street, engaging all stakeholders and strategic partners, including Downtown beautification, a cultural center with potential programming for youth, and a re-visioning of Crist Park to include lighting and safety improvements.
- 2.4 Continue work on updating the Comprehensive Plan and Downtown Plan.
- 2.5 Continue work on updating the Land Use Code in connection with 1.2 above.



DYNAMIC, INCLUSIVE & CONNECTED COMMUNITY – Frederick is represented by diverse nonprofit, cultural, business, and geographic participation. Residents actively engage in activities and initiatives; they are encouraged and supported to address important community needs and issues.

- 3.1 Implement new ways to increase accessibility for public engagement including both traditional and non-traditional means.



STRATEGIC, RELIABLE & SUSTAINABLE INFRASTRUCTURE – Frederick is dedicated to investing in existing and future transportation, water, storm water, and technology while planning for sustainable growth and development.

- 4.1 Complete work on a short-term and long-term Facilities Master Plan taking into account the growth needs of the Town.
- 4.2 Study the economic impacts of municipal services in the Downtown relative to future growth needs of the community and the organization.



SAFE & SECURE – Residents of Frederick experience safety and peace of mind knowing they live in the safest community in Colorado.

- 5.1 Continue efforts to implement commitments made resulting from the public safety sales tax initiative.
- 5.2 Continue to foster and improve the relationship quality with public safety/emergency agencies seeking ways to collaborate and leverage resources where feasible.



FISCALLY RESPONSIBLE GOVERNANCE – The Town of Frederick plans for, identifies, leverages, and utilizes resources that reflect exemplary stewardship for those who live in Frederick and those who will seek out Frederick in the future.

- 6.1 Continue analysis of the short-term and long-term financial position of the Bella Rosa Golf Course to address needs with existing facilities and restaurant operations.
- 6.2 Implement tools to enhance organizational transparency regarding budget and project performance as evidence of being responsible stewards of valuable public resources.

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 2023, there are planned increases in sales tax and property tax revenues, due to historical sales growth trends and county provided certifications for assessed property valuation.
- Economic development projects continue to bring additional manufacturing business expansion, research and development, attracting unique talent and additional facilities and infrastructure. Commercial growth contributes to increases in permit, plan review, and property tax revenues.

Expenditures

- The inflation factor used in the model for expenditures is 2.125 percent for 2023.
- The inflation factor used in the model for expenditures is 2.875 percent for 2024 through 2027.
- The inflation factor used in the model for expenditures is 3.250 percent for 2028 through 2033.
- 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: 2024, 2025, 2026, 2027, and 2028. Other staffing assumptions in 2023 include adding a full-time Economic Development Specialist, Facilities Technician I, Parks & Golf Equipment Technician, Police Officer, Storm Water Lead, and Water Maintenance I.

Analysis

Actual revenues for 2022 are projected to come in 2.6% higher than planned, primarily due to an increase in sales tax revenues. Also, there were no incurred capital expenditures in 2022 that exceeded the \$5K capitalization threshold. The plan as presented, depicts 2022 with a General Fund increase in fund balance by \$425K. These excess revenues have been utilized to balance the 2023 projected budget. Tax and fee revenues are anticipated to increase by 12% and Grant revenues are expected to decrease 58%, due to the final American Rescue Plan Act allocation being received in 2022. Expenditures are expected to increase an overall 9.7% due to general Town economic expansion and the related staff growth to meet operational needs. Total fund balance is expected to decrease (\$684,500) due to planned professional services in the Economic Development Department, Planning Division. The Board objective of maintaining a minimum of 180 days of operating costs in reserves is still being met, with an anticipated 286 days of operational activity being supported in the event of an economic emergency. The below 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 and commercial growth trends remain the same as they have been in the recent past.

	2022	2023	2023	2024	2025	2026
General Fund	Actual	Adopted Budget	Projected Budget	Projected	Projected	Projected
Beginning Fund Balance	13,069,082	13,494,050	13,494,050	12,809,550	13,125,653	13,966,221
Revenues:						
Taxes & Fees	11,271,399	12,620,000	12,620,000	12,998,600	13,388,558	13,790,215
Licenses & Permits	684,129	784,500	784,500	808,035	832,276	857,244
Fines & Forfeitures	120,224	108,000	108,000	111,240	114,577	118,015
Earnings on Investment	578,149	625,000	625,000	643,750	663,063	682,954
Miscellaneous Revenue	725,818	675,000	675,000	695,250	716,108	737,591
Grants & Contributions	1,918,461	804,000	804,000	828,120	852,964	878,553
<i>Transfers In</i>	-	250,000	250,000	257,500	265,225	273,182
Total Operating Revenues	15,298,180	15,866,500	15,866,500	16,342,495	16,832,770	17,337,753
Operating Expenditures:						
Administration	2,803,538	2,901,600	2,901,600	2,563,259	2,236,953	2,301,265
Internal Services	2,459,797	2,896,500	2,896,500	2,958,051	3,043,095	3,130,584
Economic Development	394,949	705,850	705,850	720,849	741,574	762,894
Town Attorney	266,083	390,300	390,300	398,594	410,053	421,842
Finance	169,205	203,250	203,250	207,569	213,537	219,676
Courts Division	79,562	132,200	132,200	135,009	138,891	142,884
Legislative	240,209	215,000	215,000	219,569	225,881	232,375
Engineering	393,639	138,000	138,000	140,933	144,984	149,153
Planning	281,574	983,200	983,200	1,004,093	1,032,961	1,062,658
Police	5,207,621	6,297,100	6,297,100	6,350,913	6,453,502	6,559,040
Public Works	509,835	790,750	790,750	807,553	830,771	854,655
<i>Transfers Out</i>	2,067,200	667,250	667,250	40,000	40,000	40,000
Total Operating Expenditures	14,873,211	16,321,000	16,321,000	15,546,392	15,512,201	15,877,027
Net Operating Revenues (Loss)	424,969	(454,500)	(454,500)	796,103	1,320,569	1,460,726
Capital Expenditures:						
Administration	0	0	0	400,000	400,000	0
Economic Development	0	50,000	50,000	0	0	0
Finance	0	0	0	0	0	0
Courts	0	0	0	0	0	0
Legislative	0	0	0	0	0	0
Engineering	0	0	0	0	0	0
Planning	0	100,000	100,000	0	0	0
Police	0	80,000	80,000	80,000	80,000	80,000
Public Works	0	0	0	0	0	0
Total Capital Expenditures	0	230,000	230,000	480,000	480,000	80,000
Net Change in Fund Balance	424,968	(684,500)	(684,500)	316,103	840,569	1,380,726
Ending Fund Balance	13,494,050	12,809,550	12,809,550	13,125,653	13,966,221	15,346,948
Operating Expense Avg per Day	40,749	44,715	44,715	42,593	42,499	43,499
Estimated FB Life (Days)	331	286	286	308	329	353

	2027	2028	2029	2030	2031	2032	2033
General Fund	Projected						
Beginning Fund Balance	15,346,948	16,862,492	18,475,750	20,188,812	21,994,410	23,884,131	25,869,570
Revenues:							
Taxes & Fees	14,203,921	14,630,039	15,068,940	15,521,008	15,986,638	16,466,238	16,960,225
Licenses & Permits	882,962	909,451	936,734	964,836	993,781	1,023,595	1,054,302
Fines & Forfeitures	121,555	125,202	128,958	132,826	136,811	140,916	145,143
Earnings on Investment	703,443	724,546	746,283	768,671	791,731	815,483	839,948
Miscellaneous Revenue	759,718	782,510	805,985	830,165	855,070	880,722	907,144
Grants & Contributions	904,909	932,056	960,018	988,819	1,018,483	1,049,038	1,080,509
<i>Transfers In</i>	281,377	289,819	298,513	307,468	316,693	326,193	335,979
Total Operating Revenues	17,857,886	18,393,622	18,945,431	19,513,794	20,099,207	20,702,184	21,323,249
Operating Expenditures:							
Administration	2,367,426	2,435,490	2,505,510	2,586,939	2,671,015	2,757,823	2,847,452
Internal Services	3,220,588	3,325,257	3,433,328	3,544,911	3,660,121	3,779,074	3,901,894
Economic Development	784,827	810,334	836,670	863,862	891,937	920,925	950,855
Town Attorney	433,970	448,074	462,637	477,673	493,197	509,226	525,776
Finance	225,992	233,336	240,920	248,750	256,834	265,181	273,799
Courts Division	146,992	151,769	156,702	161,794	167,053	172,482	178,087
Legislative	239,056	246,826	254,847	263,130	271,682	280,511	289,628
Engineering	153,441	158,428	163,576	168,893	174,382	180,049	185,901
Planning	1,093,210	1,128,739	1,165,423	1,203,299	1,242,407	1,282,785	1,324,475
Police	6,667,613	6,804,310	6,945,450	7,091,177	7,241,641	7,396,994	7,557,396
Public Works	879,227	907,801	937,305	967,767	999,220	1,031,695	1,065,225
<i>Transfers Out</i>	50,000	50,000	50,000	50,000	60,000	60,000	60,000
Total Operating Expenditures	16,262,341	16,700,365	17,152,368	17,628,195	18,129,487	18,636,745	19,160,489
Net Operating Revenues (Loss)	1,595,544	1,693,258	1,793,063	1,885,598	1,969,721	2,065,439	2,162,760
Capital Expenditures:							
Administration	0	0	0	0	0	0	0
Economic Development	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	0	0	0	0	0	0	0
Total Capital Expenditures	80,000						
Net Change in Fund Balance	1,515,544	1,613,258	1,713,063	1,805,598	1,889,721	1,985,439	2,082,760
Ending Fund Balance	16,862,492	18,475,750	20,188,812	21,994,410	23,884,131	25,869,570	27,952,330
Operating Expense Avg per Day	44,554	45,754	46,993	48,296	49,670	51,060	52,494
Estimated FB Life (Days)	378	404	430	455	481	507	532

FUND SUMMARIES



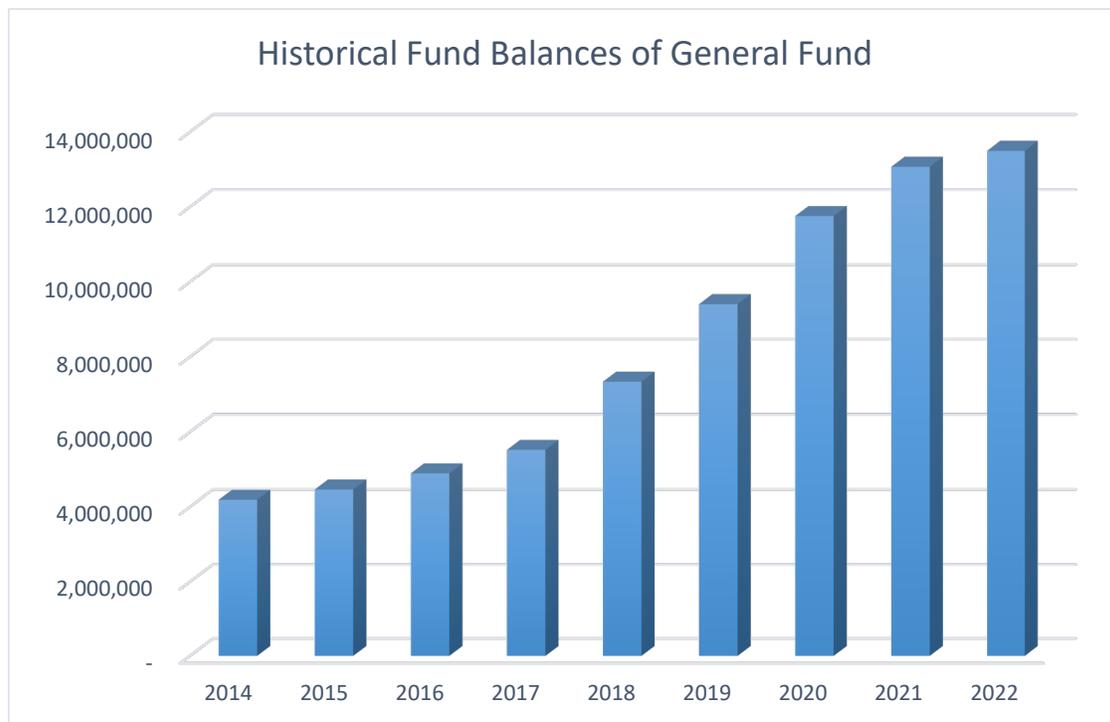
GENERAL FUND



GENERAL FUND

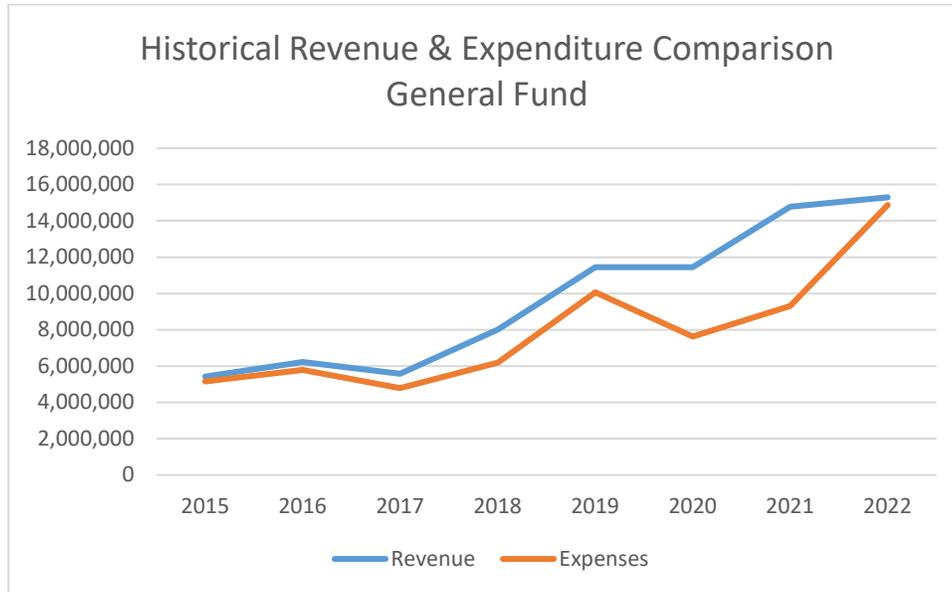
The General Fund accounts for all financial resources except those required by federal, state, or local regulation to be accounted for in another fund. The revenues and expenditures in this fund are accounted for using a modified accrual basis. Services that are included in the General Fund include town 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 2023 budget as planned provides the town with reserves equivalent to 286 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, and Events Fund. The audited financials combine the two (2) 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 2015.



The economy is expected to taper and in some instances decline in 2023, and with conservative spending in 2022, General Fund fund balance increased by roughly \$425,000. There is a projected \$1M increase in property tax revenues and \$1.3M increase in sales tax for 2023. As a result of added personnel to meet the demands of increased department operations, expenditures have a planned increase of 11% or \$1.6M compared to 2022. 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 2023 budget includes revenues of \$15,866,500, a slight increase of \$568,320 compared to 2022 actuals. The minor increase is primarily due to a projected increase in tax and fee revenues, in addition to a reduction of budgeted grant revenue, related to the conclusion of awarded federal ARPA monies. New businesses in the Town of Frederick, continue to contribute an increase in sales tax collections. The 2023 budget contains expenditures of \$16,551,000, to include transfers out of \$667,250. The transfers out include \$183,250 to the Events Fund and \$484,000 to the Golf Fund. Anticipated expenditures are \$1,677,789 higher than 2022 actuals, to include a 5% wage increase to Town personnel comprised of COLA and eligible merit, a 20% group insurance increase to Town-incurred medical premiums, up to a 10% retirement match for Town personnel, and two additional General Fund FTEs to support the Town Strategic Plan.



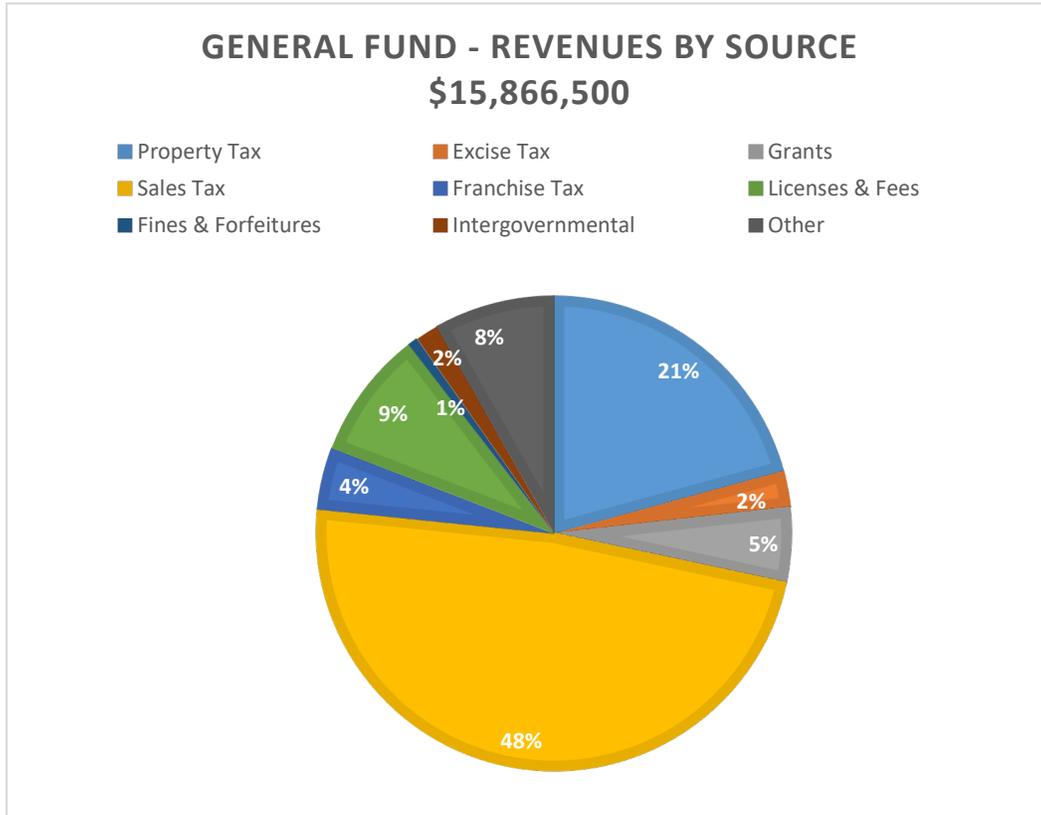
1 - Administrative Services Building

GENERAL FUND BUDGET

General Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	9,824,164	13,069,082	13,069,082	13,069,082	13,494,051
<u>Revenues:</u>					
Taxes & Fees	11,105,183	9,392,832	10,748,200	11,271,399	12,620,000
Licenses & Permits	1,558,677	570,108	839,500	684,129	784,500
Fines & Forfeitures	128,515	100,186	125,000	120,224	108,000
Earnings on Investment	83,985	481,791	502,000	578,149	625,000
Miscellaneous Revenue	562,384	604,849	736,000	725,818	675,000
Grants & Contributions	947,400	1,918,461	1,956,000	1,918,461	804,000
<i>Transfers In</i>	576,011	-	-	-	250,000
Total Operating Revenues	14,962,155	13,068,227	14,906,700	15,298,180	15,866,500
<u>Expenditures:</u>					
Administration	2,014,292	2,336,281	2,603,350	2,803,538	2,901,600
Internal Services	-	2,049,831	3,078,000	2,459,797	2,896,500
Economic Development	114,741	329,124	363,500	394,949	755,850
Town Attorney	120,078	221,736	190,300	266,083	390,300
Finance	392,423	141,004	176,750	169,205	203,250
Courts	136,832	66,301	123,900	79,562	132,200
Legislative	365,772	200,174	310,000	240,209	215,000
Engineering	561,063	328,033	384,700	393,639	138,000
Planning	525,813	234,645	777,000	281,574	1,083,200
Police	5,030,538	4,339,684	4,488,500	5,207,621	6,377,100
Public Works & Buildings	856,867	424,862	343,500	509,835	790,750
<i>Transfers Out</i>	1,598,818	2,067,200	2,067,200	2,067,200	667,250
Total Expenditures	11,717,237	12,738,876	14,906,700	14,873,211	16,551,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	3,244,918	329,351	-	424,969	(684,500)
Ending Fund Balance	13,069,082	13,398,433	13,069,082	13,494,051	12,809,551

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 76 percent (76%) of the total revenues projected for 2023. 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 2023.

General Fund Revenue Sources		
Source	Amount	% of Total
Property Tax	3,296,000	21%
Excise Tax	395,000	2%
Grants	804,000	5%
Sales Tax	7,660,500	48%
Franchise Tax	668,000	4%
Licenses & Fees	1,385,000	9%
Fines & Forfeitures	108,000	1%
Intergovernmental	250,000	2%
Other	1,300,000	8%

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 General Administration, Finance, Courts, Town Board, Police, Public Works-Administration, Public Works-Engineering, Economic Development-Administration, Economic Development-Planning, Economic Development-Building, and Economic Development-GIS. The expense categories that are used include personnel services, contract services, commodity, other charges, capital outlay, and debt service. Capital outlay for the 2023 budget includes an expense of \$25,000 for a Downtown Outdoor Recreation Master Plan, \$50,000 for 5th Street Revitalization, \$75,000 for a shared cost of Master Plans related to the Frederick Recreation Area, Bella Rosa Golf Course, and Centennial Park, and \$80,000 for the Police Department Body Camera and Taser Program.

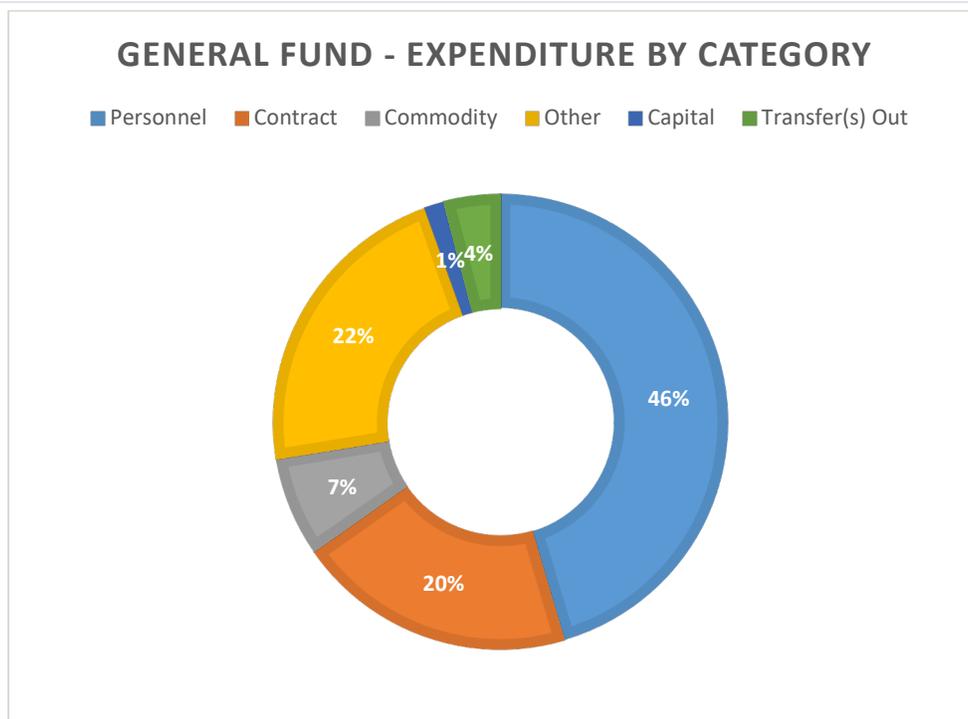
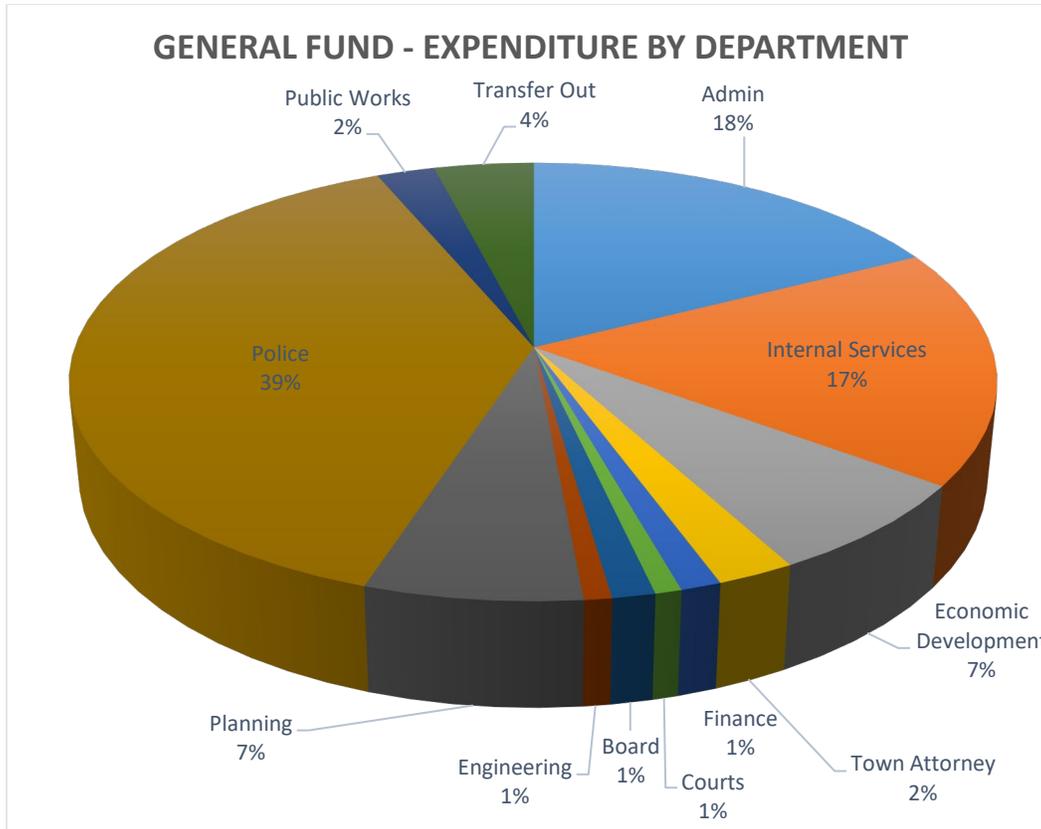
**TOWN OF FREDERICK
ANNUAL BUDGET
FY 2023**

GENERAL FUND | EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Town Manager	276,500	42,500	21,500	13,500	354,000	---	---	354,000
Town Clerk	277,000	69,000	26,000	6,000	378,000	---	---	378,000
Town Attorney	150,000	218,800	11,500	10,000	390,300	---	---	390,300
Legislative	29,500	110,500	20,000	55,000	215,000	---	---	215,000
Courts	57,100	63,100	10,500	1,500	132,200	---	---	132,200
Community and Engagement	278,000	45,000	24,500	61,850	409,350	---	---	409,350
Human Resources	260,000	78,750	18,500	219,000	576,250	---	---	576,250
Finance	161,000	9,250	27,000	6,000	203,250	---	---	203,250
Finance-Internal Services	115,000	10,000	11,500	2,760,000	2,896,500	---	---	2,896,500
Police	4,670,500	939,000	293,800	393,800	6,297,100	80,000	---	6,377,100
Public Works	264,500	11,900	10,000	3,500	289,900	100,000	---	389,900
Engineering	63,000	50,000	15,000	10,000	138,000	---	---	138,000
ED - Admin	122,000	262,400	11,500	57,350	453,250	50,000	---	503,250
ED - Planning	270,000	784,850	24,500	3,850	1,083,200	---	---	1,083,200
ED - Building	360,000	20,000	18,000	2,850	400,850	---	---	400,850
ED - Geographic Information :	163,500	78,100	8,700	2,300	252,600	---	---	252,600
Information Technology		498,000	623,000	63,000	1,184,000	---	---	1,184,000
Totals	\$7,517,600	\$3,291,150	\$1,175,500	\$3,669,500	\$15,653,750	\$230,000	\$0	\$15,883,750

Total Cash Available								\$28,693,301
Ending Fund Balance								\$12,809,551
% of Total Budget	47.33%	20.72%	7.40%	23.10%	98.55%	1.45%	0.00%	100.00%

The services that are provided by the General Fund are very labor-intensive, especially with regard to police services. The expenditures reflect this with personnel costs accounting for forty-five percent (45%) of total expenses. The charts below detail the expenditures for the General Fund by department and by category.



GENERAL FUND DEPARTMENT SUMMARIES

ADMINISTRATION DEPARTMENT

	2021	2022	2022	2023
Administration Budget	Actual	Approved Budget	Year End Projections	Approved Budget
Personnel Services	1,220,945	1,053,591	1,157,670	1,241,500
Contract Services	407,376	807,951	887,765	952,050
Commodity	39,719	615,267	676,046	725,000
Other Charges	267,277	316,841	348,140	373,350
Total Operating	1,935,317	2,793,650	3,069,621	3,291,900
Capital Outlay	-	203,250	203,250	-
Debt Service	-	-	-	-
Total Expenditures	1,935,317	2,996,900	3,272,871	3,291,900
FTE's	9.05	8.65	8.65	7.90

Overview and Description

The Town of Frederick Administration office is made up of the Town Manager, Town Clerk, Human Resources, Community Engagement, 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)

Performance Measures

Strategic Foundation: Fiscally Responsible Governance

Objective:

Maintain fiscal sustainability and flexibility

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Performance:</i>				
Bond Rating	AA	AA	AA	

Strategic Foundation: Community and Economic Vitality

Objective:

Economic Development

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
No. of potential investors communicated with, annually.	3	2	4	
<i>Performance:</i>				
No. of commercial retail development project applications submitted.	4	3	0	

Strategic Foundation: Community and Economic 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:	2020	2021	2022	Comments
<i>Workload:</i>				
No. of community partner and local business contacts, annually.	162	168	220	

Strategic Foundation: Fiscally Responsible Governance**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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of eligible cross-trained positions.	50	52	57	
<i>Performance:</i>				
Successes realized from succession planning.	6	5	4	

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

Economic Development

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of grants applied for.	2	4	8	
<i>Performance:</i>				
Amount of grant awards, dollars.	\$25,000	\$2,652,848	\$2,343,892	

Town Attorney

Beginning in 2021, the Town established 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.

Communications & Engagement Department

The Communications & Engagement Department oversees development, implementation, and leadership in the areas of public relations, marketing, internal and external communications, community outreach and town-wide events. Externally, we build and maintain partnerships with governmental agencies, residents, neighborhood organizations, nonprofits, businesses and faith groups. Internally, we partner with all other departments in planning and creating communications and marketing strategies, as well as advising on brand integrity and consistency.

We develop innovative ways to explain complex subjects using a broad range of communication tools, including video, press releases and events, newsletters, brochures, posters, flyers, articles, various social media channels and the Town’s website.

The Communications & Engagement Department develops and implements a comprehensive and strategic community relations plan designed to broaden the Town’s outreach to residents, visitors, partnering agencies and current and potential future businesses.

Communications & Engagement Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Community and Economic Vitality

Objective:

Neighborhood Livability

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Community BBQ Tour stops	7	8	5	Program was changed to one stop per month. Five stops in five months.
<i>Performance:</i>				
Number of residents attending	412	601	584	

Strategic Foundation: Community and Economic 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Facebook posts	737	900	529	Post pandemic level of information decreased number of info posts to community.
<i>Performance:</i>				
Number of Facebook Engagements	123,153	211,222	157,884	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Enhance public trust and confidence

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Frederick Flash editions	49	50	50	
<i>Performance:</i>				
Number of Frederick Flash subscribers	1,560	2,170	3,698	
<i>Performance:</i>				
Percentage of Frederick Flash clicks	6.60%	5.09%	4.40%	Content style of writing has more info in blurb. More subscribers will lower the click open rate percentage.

Human Resources Department

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 Department Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Effective, Efficient & Strategic Government Operations

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of trainings made available to employees.	8	1	2	
<i>Performance:</i>				
Percent of employees who participated in Town-sponsored training.	50%	96%	94%	

Strategic Foundation: Effective, Efficient & Strategic Government Operations

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of hours dedicated to risk management efforts.	500	800	825	
<i>Performance:</i>				
Score obtained on the CIRSA property / casualty audit. Passing score is 80%.	94%	88%	88%	

Strategic Foundation: Effective, Efficient & Strategic Government Operations

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Worker's Compensation claims.	4	10	12	
<i>Performance:</i>				
Average number of days to submit an injury to workers compensation insurance once the injury has been reported to Human Resources.	3.7	0.9	0.9	

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)

Performance Measures

Strategic Foundation: Fiscally Responsible Governance

Objective:

Enhance Public Trust and confidence.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Open Records Requests received.	79	117	138	
<i>Performance:</i>				
Percentage of Open Records Requests closed within 3 day timeframe.	100%	97%	92%	
<i>Performance:</i>				
Percentage of open records requests completed.	100%	100%	100%	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Enhance public trust and confidence.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of meeting minutes processed.	29	22	35	
<i>Performance:</i>				
Percentage of meeting minutes presented for adoption at the following meeting.	100%	100%	100%	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Enhance public trust and confidence.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Agendas Processed.	54	56	46	
<i>Performance:</i>				
Percentage of agendas distributed at least 3 days prior to meeting.	100%	100%	100%	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Enhance public trust and confidence.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of ordinances adopted and eligible for codification and/or indexing.	16	16	12	
<i>Performance:</i>				
Percentage of ordinances codified and/or indexed.	100%	100%	100%	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Enhance public trust and confidence.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Liquor License Applications received.	18	24	25	
<i>Performance:</i>				
Percentage of Liquor License Applications Processed/Completed within 90 Days.	100%	100%	100%	

Information Technology Department

The Information Technology (IT) Department of the town is currently outsourced as a contractual service for computer technology needs related to networking, hardware, software, security, backup, and technical support.

Information Technology Department Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Fiscally Responsible Governance

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Network Support Tickets Requested	735	837	972	
<i>Performance:</i>				
Tickets Solved	721	820	968	
Percent Reopened	7%	6%	6%	
Percent Resolved	98%	98%	100%	

Strategic Foundation: Fiscally Responsible Governance

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Large IT projects	13	11	9	
<i>Performance:</i>				
Completed on time and on our under budget	100%	100%	100%	

Strategic Foundation: Fiscally Responsible Governance

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Public Facing Mapping Applications/Data	106	128	132	
<i>Performance:</i>				
Total views	39,278	50,966	67,235	

Strategic Foundation: Fiscally Responsible Governance

Objective:

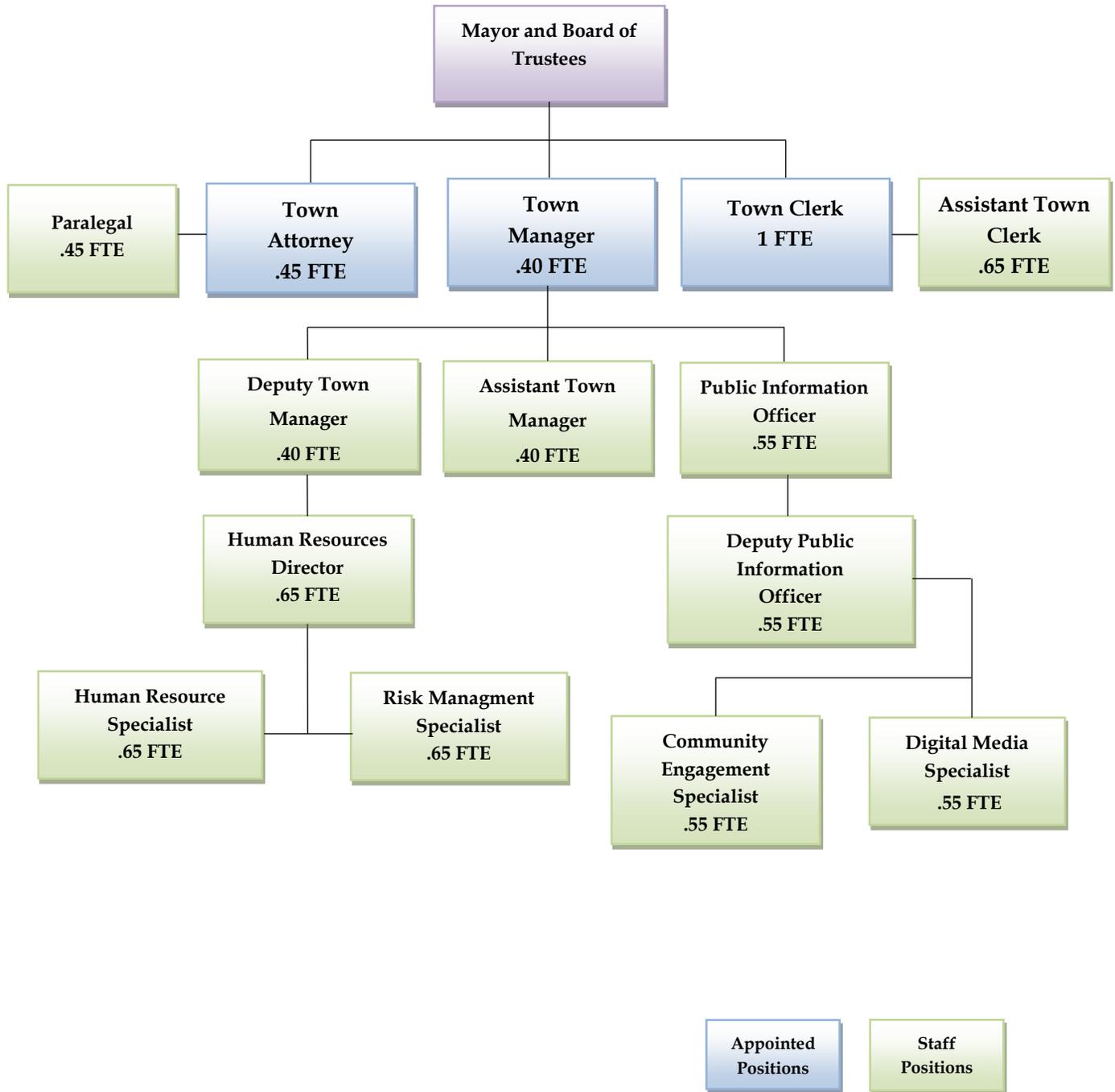
Deliver efficient, effective and innovative government services.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Website Response Time				
Number of page views	329,171	398,899	407,356	
Number of total searches	17,447	16,911	17,232	
<i>Performance:</i>				
Average generation time	.61s	.58s	.62s	

ORGANIZATIONAL CHART
ADMINISTRATION DEPARTMENT - 7.90 FTE*



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

TOWN BOARD

Town Board Budget	2021 Actual	2022 Approved Budget	2022 Year End Projections	2023 Approved Budget
Personnel Services	20,872	29,711	32,959	29,500
Contract Services	150,134	135,500	123,456	110,500
Commodity	15,885	50,000	22,345	20,000
Other Charges	130,038	95,000	61,449	55,000
Total Operating	316,929	310,211	240,209	215,000
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	316,929	310,211	240,209	215,000
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:

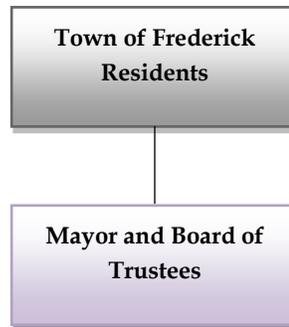
Town Manager
Town Attorney
Town Treasurer

Town Clerk
Municipal Judge

The 2023 budget for the Town Board reflects a slight decrease compared to 2022, due to properly allocating legal services within the Town Attorney’s budget. 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 2023 is as follows:

Date	Location
May 17, 2023	Wyndham Hill Clubhouse
June 21, 2023	Prairie Greens
July 19, 2023	Countryside Park
August 16, 2023	Rinn Valley Park
September 20, 2023	Frederick Recreation Area

**ORGANIZATIONAL CHART
TOWN BOARD - 0 FTE**



Elected Positions

FINANCE DEPARTMENT

	2021	2022	2022	2023
Finance Dept - Budget	Actual	Approved Budget	Year End Projections	Approved Budget
Personnel Services	163,410	153,416	134,032	161,000
Contract Services	13,085	400	7,700.60	9,250
Commodity	35,427	40,950	22,477	27,000
Other Charges	18,279	12,000	4,995	6,000
Total Operating	230,201	206,766	169,205	203,250
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	230,201	206,766	169,205	203,250
FTE's	1.40	1.75	1.75	1.55

	2021	2022	2022	2023
Finance - Internal Services Budget	Actual	Approved Budget	Year End Projections	Approved Budget
Personnel Services	-	110,000	97,662	115,000
Contract Services	-	10,000	8,492	10,000
Commodity	-	11,500	9,766	11,500
Other Charges	-	2,946,500	2,343,877	2,760,000
Total Operating	-	3,078,000	2,459,797	2,896,500
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	-	3,078,000	2,459,797	2,896,500
FTE's	0.00	0.00	0.00	0.00

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.

The Finance Internal Services Division was created in 2022 to properly segregate Town costs associated with Unemployment Tax, Workers' Compensation, Group Insurance, Bank & Merchant Fees, Property/Casualty Insurance, and Audit.

Finance Department Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Fiscally Responsible Governance

Objective:

Enhance public trust and confidence

Strategy:

Provide services in an open, honest and forthright manner.

Measure:	2020	2021	2022	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 from GFOA.	7	8	9	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Enhance public trust and confidence

Strategy:

Provide value and excellence to our customers by effectively balancing efficiency and cost containment.

Measure:	2020	2021	2022	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.	4	5	6	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Deliver efficient, effective, innovative government services.

Strategy:

Optimize the use of technology to drive efficiency and productivity

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of shut-off calls placed	71	708	813	
<i>Performance:</i>				
Percent of shut-off calls successfully delivered.	91.5%	90.0%	90.0%	

Strategic Foundation: Fiscally Responsible Governance

Objective:

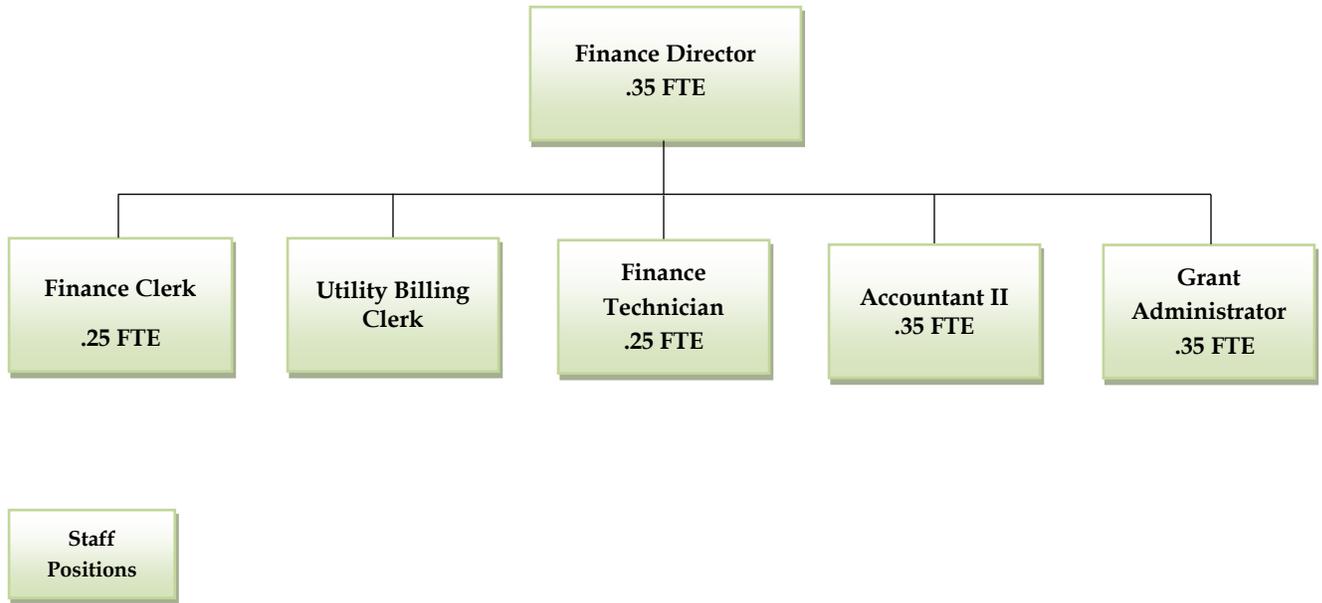
Deliver efficient, effective, innovative government services.

Strategy:

Optimize the use of technology to drive efficiency and productivity

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of AP invoices processed	3,321	3,797	4,328	
<i>Performance:</i>				
Percentage of AP checks issued correctly the first time	99%	99%	99%	

**ORGANIZATIONAL CHART
FINANCE DEPARTMENT - 1.55 FTE***



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

MUNICIPAL COURT

Municipal Court Budget	2021 Actual	2022 Approved Budget	2022 Year End Projections	2023 Approved Budget
Personnel Services	84,312	74,562	34,365	57,100
Contract Services	44,935	43,900	37,976	63,100
Commodity	7,698	4,700	6,319	10,500
Other Charges	2,841	200	903	1,500
Total Operating	139,786	123,362	79,562	132,200
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	139,786	123,362	79,562	132,200
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 2023 budget reflects a slight overall increase, with a reduction to Personnel and increases to Contract Services and Commodity expenditures.

Municipal Court Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Safe & Secure

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of cases that were eligible for and offered the opportunity to participate in the restorative justice	0	0	0	
<i>Performance:</i>				
Number of participants that completed the program	0	0	0	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Deliver efficient, effective and innovative government services.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of cases	646	897	1,164	
<i>Performance:</i>				
Percentage of cases closed within 90 days	75%	85%	63%	Many of the cases are deferred sentences and will be open for a year

Strategic Foundation: Fiscally Responsible Governance

Objective:

Deliver efficient, effective and innovative government services.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of files maintained	646	897	1,164	
<i>Performance:</i>				
Percentage of files that can be retrieved in less that 15 minutes that meet established standards for completeness and accuracy	98%	98%	98%	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Deliver efficient, effective and innovative government services.

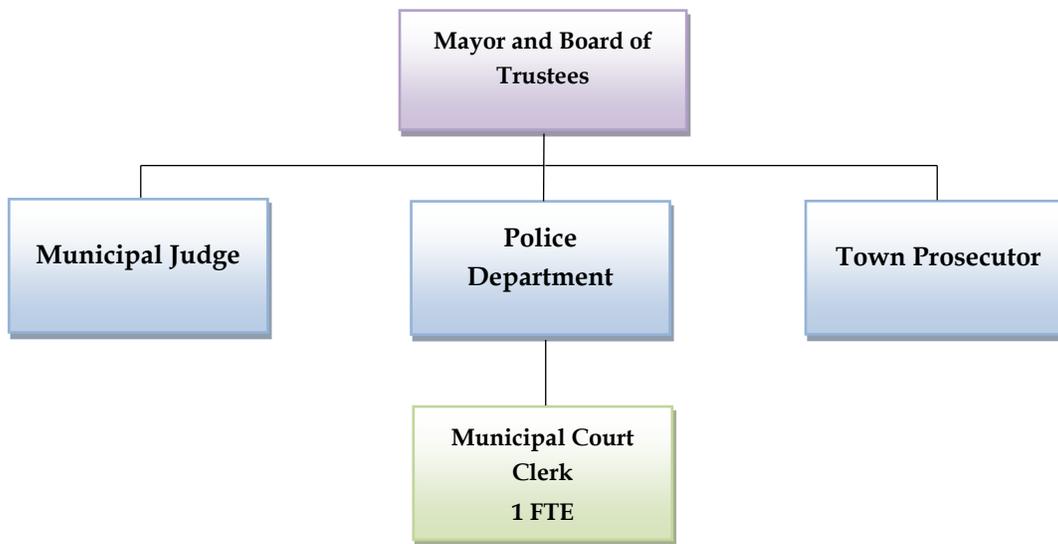
Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Total number of cases with fines assessed	646	897	1,164	
<i>Performance:</i>				
Percentage of cases collected within the designated timeframe	65%	75%	94%	

ORGANIZATIONAL CHART

MUNICIPAL COURTS DIVISION - 1.0 FTE



PUBLIC WORKS - ADMINISTRATION

Public Works - Administration Budget	2021 Actual	2022 Approved Budget	2022 Year End Projections	2023 Approved Budget
Personnel Services	449,824	301,219	465,165	264,500
Contract Services	162,413	20,000	20,928	11,900
Commodity	40,200	16,600	17,587	10,000
Other Charges	28,658	5,800	6,155	3,500
Total Operating	681,095	343,619	509,835	289,900
Capital Outlay	-	-	-	100,000
Debt Service	-	-	-	-
Total Expenditures	681,095	343,619	509,835	389,900
FTE's	3.75	2.80	2.80	1.75

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, storm water 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.

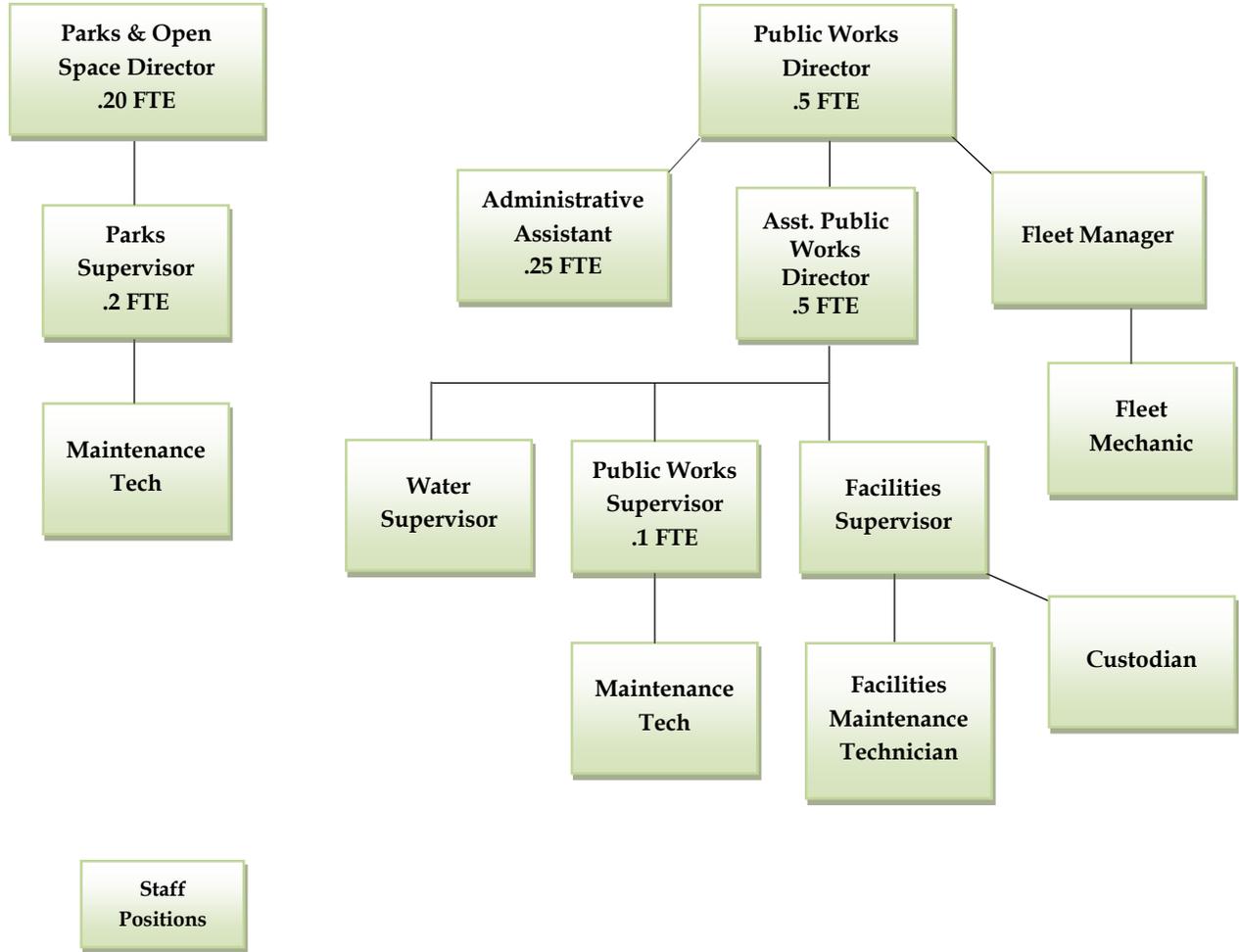
Public Works – Administration Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation:		Strategic, Reliable & Sustainable Infrastructure		
Objective:				
New and existing buildings and facilities.				
Strategy:				
Ensure proper maintenance, upkeep and security for all Town owned and leased assets.				
Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of scheduled preventative maintenance services.	30	11	0	
<i>Workload:</i>				
Number of repairs, installs, etc.	N/A	240	0	
<i>Performance:</i>				
Percentage of repairs, installs completed.	N/A	80%	0%	
<i>Performance:</i>				
Percentage of completed preventative maintenance services.	100%	100%	100%	
<i>Workload:</i>				
Number of unscheduled/emergency maintenance/repairs services.	26	5	0	
<i>Performance:</i>				
Percentage of unscheduled/emergency repairs completed within 48 hours.	100%	100%	100%	

ORGANIZATIONAL CHART

PUBLIC WORKS - ADMINISTRATION DEPARTMENT - 1.75 FTE*



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

PUBLIC WORKS - ENGINEERING

Public Works - Engineering Budget	2021 Actual	2022 Approved Budget	2022 Year End Projections	2023 Approved Budget
Personnel Services	373,711	304,671	179,705	63,000
Contract Services	42,580	40,000	142,623	50,000
Commodity	43,698	30,700	42,787	15,000
Other Charges	25,396	9,000	28,525	10,000
Total Operating	485,385	384,371	393,639	138,000
Capital Outlay	15,000	-	-	-
Debt Service	-	-	-	-
Total Expenditures	500,385	384,371	393,639	138,000
FTE's	3.90	3.15	3.15	0.45

Overview and Description

The Engineering Department ensures that existing and future residents and businesses served by the town's transportation system and utilities receive safe, reliable, and efficient services. The department 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.

Enterprise funds managed by the Engineering Department include the water utility, potable and raw water irrigation supply and distribution, and the storm water 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.

In late 2022, the Building Division of Engineering was restructured under the Community and Economic Development Department, with a direct reporting relationship change from Engineering Director to Assistant Town Manager. As a result, the majority of the FTE associated with General Fund, Engineering also shifted to Community and Economic Development.

Engineering Department Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Strategic, Reliable & Sustainable Infrastructure

Objective:

Provide a high quality and reliable water supply, efficient transportation, and manage drainage appropriately.

Strategy:

Ensure new development provides system improvements that meet Town standards.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Development Applications received	43	49	27	
<i>Performance:</i>				
Average number of days to review and complete submittals	6	5	6	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Deliver efficient, effective and innovative government services.

Strategy:

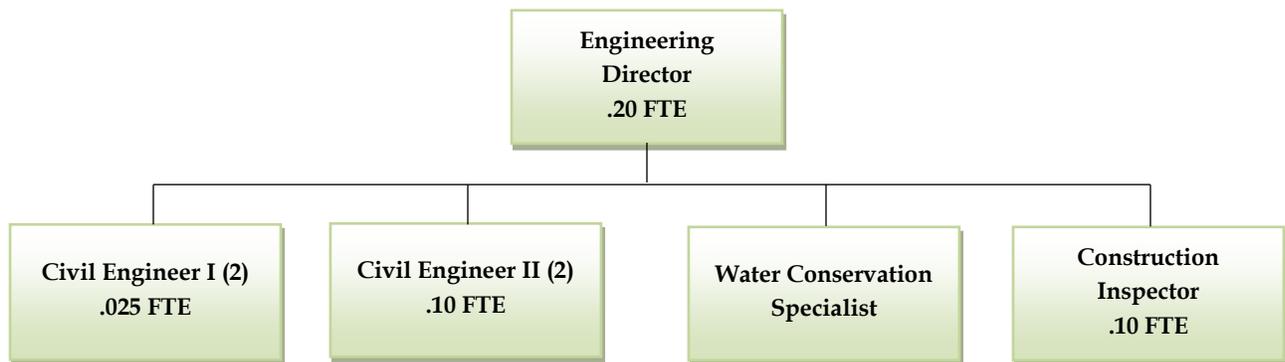
Promote a values driven organizational culture that encourages ongoing professional development.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Each department employee is to attend a	0	4	10	
<i>Performance:</i>				
Percentages of Conferences and trainings are to be tracked and information learned is to be summarized and delivered to the rest of the team	0%	50%	75%	

ORGANIZATIONAL CHART

PUBLIC WORKS - ENGINEERING DEPARTMENT - .45 FTE*

Staff Positions



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

COMMUNITY & ECONOMIC DEVELOPMENT - ADMINISTRATION

Community & Economic Development - Administration Budget	2021 Actual	2022 Approved Budget	2022 Year End Projections	2023 Approved Budget
Personnel Services	66,473	73,809	106,307	122,000
Contract Services	14,400	9,500	228,648	262,400
Commodity	6,087	3,300	10,021	11,500
Other Charges	27,780	32,850	49,973	57,350
Total Operating	114,740	119,459	394,949	453,250
Capital Outlay	-	-	-	50,000
Debt Service	-	-	-	-
Total Expenditures	114,740	119,459	394,949	503,250
FTE's	1.00	1.00	1.00	1.10

Overview and Description

Beginning in 2021, the Town also established 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.

Community & Economic Development Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Community and Economic Vitality

Objective:

Community and Economic Vitality.

Strategy:

Diversify economic revenue based by establishment of a new commercial retail development and other development to boost daytime population.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
No. of businesses awarded Town Incentive program.	N/A	2	2	
<i>Performance:</i>				
Amount of jobs created or retained through the incentive program.	N/A	97	175	

Strategic Foundation: Dynamic, Inclusive & Connected Community

Objective:

Dynamic, Inclusive & Connected Community.

Strategy:

Implement new ways to increase accessibility for business engagement including both Traditional and Non-Traditional Means.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
No. of unique engagements with existing Frederick business contacts, annually.	162	168	220	
<i>Performance:</i>				
Visits with Top Ten Employers	N/A	N/A	3	
Quarterly Held Business Roundtable events	N/A	N/A	2	
BRE surveys completed	N/A	N/A	24	
Business Parks surveyed	N/A	N/A	4	

ORGANIZATIONAL CHART

COMMUNITY & ECONOMIC DEVELOPMENT - ADMIN DEPARTMENT - 1.10 FTE*



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

Staff
Positions

COMMUNITY & ECONOMIC DEVELOPMENT - PLANNING

Community & Economic Development - Planning Budget	2021 Actual	2022 Approved Budget	2022 Year End Projections	2023 Approved Budget
Personnel Services	418,697	406,502	70,186	270,000
Contract Services	86,777	341,000	204,019	784,850
Commodity	15,226	26,600	6,369	24,500
Other Charges	1,671	2,750	1,001	3,850
Total Operating	522,372	776,852	281,574	1,083,200
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	522,372	776,852	281,574	1,083,200
FTE's	3.55	4.50	4.00	3.00

Overview and Description

The Planning Division currently has the following positions: Planning Manager, Senior Planner, Planner II, Planner I, and Administrative Assistant. The division 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 division 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 Division 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 Division 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.

Community & Economic Development - Planning Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Community and Economic Vitality

Objective:

Neighborhood Livability.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Total development applications submitted.	44	37	27	
<i>Performance:</i>				
Average number of days for planning department's first application review.	18	22	21	

Strategic Foundation: Community and Economic Vitality

Objective:

Neighborhood Livability.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Land Use Code and Comprehensive Plan Amendments.	0	2	4	
<i>Performance:</i>				
Number of Land Use Code and Comprehensive Plan Amendments approved by the Board.	0	2	4	

Strategic Foundation: Community and Economic Vitality

Objective:

Neighborhood Livability.

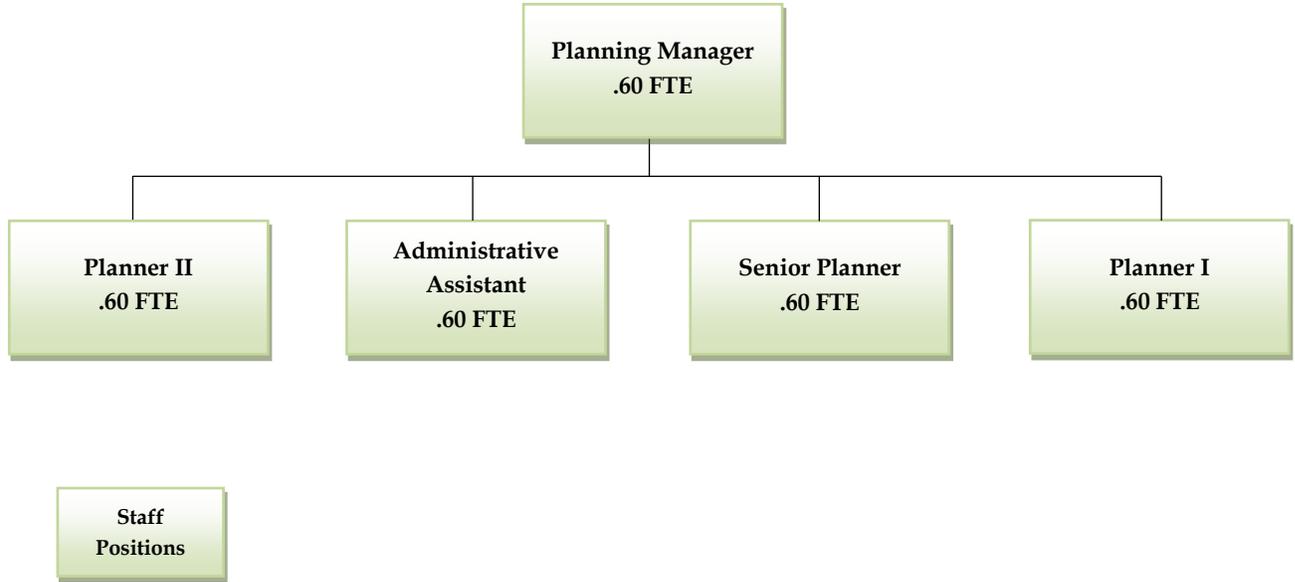
Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of annexation applications submitted.	3	2	0	
<i>Performance:</i>				
Number of annexation applications approved.	0	2	0	

ORGANIZATIONAL CHART

COMMUNITY & ECONOMIC DEVELOPMENT - PLANNING DIVISION - 3.00 FTE*



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

COMMUNITY & ECONOMIC DEVELOPMENT - GIS

Community & Economic Development - GIS Budget	2021 Actual	2022 Approved Budget	2022 Year End Projections	2023 Approved Budget
Personnel Services	-	85,400	100,375	163,500
Contract Services	-	77,000	75,037	78,100
Commodity	-	26,500	9,728	8,700
Other Charges	-	-	-	2,300
Total Operating	-	188,900	185,141	252,600
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	-	188,900	185,141	252,600
FTE's	1.00	1.00	1.00	1.30

Overview and Description

The Geographic Information System (GIS) division consists of computer hardware, software, and data. Use of GIS data allows staff to analyze and visually present information tied to a spatial location. GIS as a tool lets team FRED visualize, question, analyze, and interpret data to understand relationships, patterns, and trends. The GIS division's vision is to efficiently provide geospatial intelligence, applications, and accessibility to improve communication and decision-making, to better service our customers with GIS.

Community & Economic Development - GIS Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Fiscally Responsible Governance

Objective:

Good Governance.

Strategy:

Establish core principles, determine short and long-term objectives, defining optional database structure and monitoring process again the plan.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
GIS Strategic Plan	N/A	N/A	N/A	
<i>Performance:</i>				
Alignment with FRED	N/A	N/A	100%	
GIS Authority and Clear Lines of Responsik	N/A	N/A	100%	
Create a GIS User Group	N/A	N/A	100%	
GIS Collaboration with other Departments	N/A	N/A	80%	Not all departments use GIS
Maintain a visable GIS Project Board	N/A	N/A	0%	Working on finding the correct tool
Annual Update to the Strategic Plan	N/A	N/A	100%	

Strategic Foundation: Safe & Secure

Objective:

Data Security and integration.

Strategy:

performance.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
GIS Datasets, Organization and Security	N/A	N/A	N/A	
<i>Performance:</i>				
Replace publishing services that are referenced back to the Enterprise geodatabase.	N/A	100%	100%	
Maintain security model for the enterprise system.	N/A	100%	100%	
Upgrade SQL and ArcGIS Server to a more relavant platform.	N/A	0%	0%	
Integrate GIS with Town exisiting software applications for a more robust and authoritative data library.	N/A	20%	40%	Tyler, Accela, Cartegraph, Water Shares
Complete annual audit on all data.	N/A	100%	100%	

Strategic Foundation: Strategic, Reliable & Sustainable Infrastructure

Objective:

Data Management and Automations.

Strategy:

Development applications and tools to help drive data solutions to assist staff in streamlining process, data gathering, and town wide authoritative data collection.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
External, Internal Web application, Field applications and Desktop Software	N/A	N/A	N/A	
<i>Performance:</i>				
External Web Applications	N/A	N/A	18	
Internal Web Applications	N/A	N/A	4	
External Story Maps	N/A	N/A	3	
Field Mobility Applications	N/A	N/A	2	
Licenses	N/A	N/A	31	
Integrations	N/A	N/A	3	

Strategic Foundation: Community and Economic Vitality

Objective:

Provide transparency tools for internal and external users.

Strategy:

Optimize online mapping tools to help provide data to users internal and external, and tell Frederick's story.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of views of Map webpage	N/A	N/A	102,863	
Number of map views	N/A	N/A	48,599	
Number of dashboard views	N/A	N/A	1,172	
Number of story map views	N/A	N/A	8,634	

ORGANIZATIONAL CHART

COMMUNITY & ECONOMIC DEVELOPMENT - GIS DIVISION - 1.30 FTE*



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

COMMUNITY & ECONOMIC DEVELOPMENT - BUILDING

Community & Economic Development - Building Budget	2021 Actual	2022 Approved Budget	2022 Year End Projections	2023 Approved Budget
Personnel Services	58,929	-	-	360,000
Contract Services	69,014	111,000	118,567	20,000
Commodity	21,996	5,000	6,593	18,000
Other Charges	-	-	-	2,850
Total Operating	149,939	116,000	125,160	400,850
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	149,939	116,000	125,160	400,850
FTE's	0.00	2.55	2.55	3.60

Overview and Description

The Building Division is designed to handle the administrative, maintenance, and utility costs within all of the facilities of the town. The division also can handle the development and construction of new facilities as necessary.

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

The 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.

In late 2022, the Building Division of Engineering was restructured under the Community and Economic Development Department, with a direct reporting relationship change from Engineering Director to Assistant Town Manager. As a result, the majority of the FTE Personnel costs associated with General Fund, Engineering also shifted to Community and Economic Development.

Community & Economic Development - Building Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Community & Economic Vitality

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Total Permits Issued	1066	845	883	
<i>Performance:</i>				
Average days from permit application submittal to permit issued (commercial/residential)	12	9	7	

Strategic Foundation: Strategic, Reliable & Sustainable Infrastructure

Objective:

Residential Construction.

Strategy:

Process permit applications within the 14 day requirement.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
1 and 2 Family Dwellings Permitted	336	331	480	

Strategic Foundation: Strategic, Reliable & Sustainable Infrastructure

Objective:

Commercial Construction.

Strategy:

Process permit applications within the 14-day requirement

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Commercial Construction Permitted	7	10	11	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Provide training and testing opportunities for all employees.

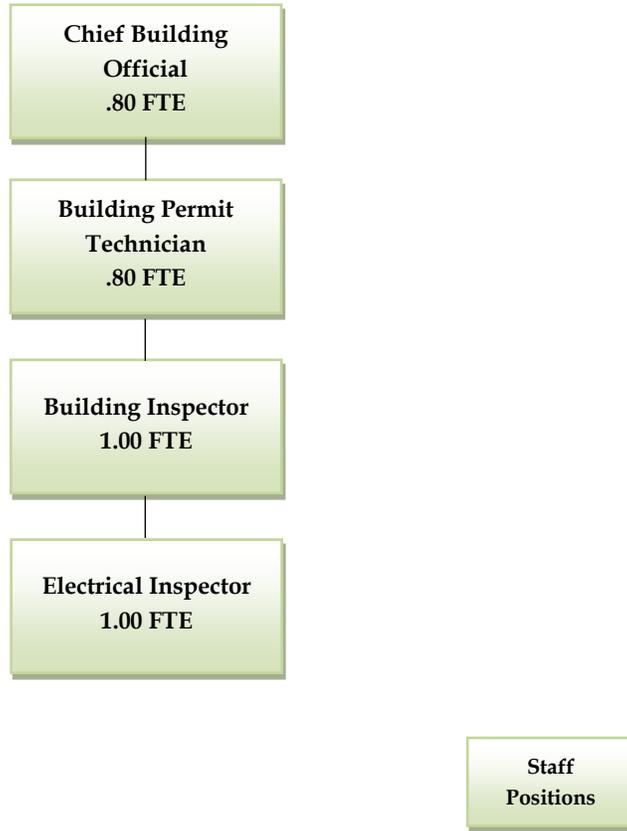
Strategy:

Enroll in study programs and take ICC certifications tests.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Inspector ICC Training	0	0	0	Did not meet goals
<i>Performance:</i>				
ICC tests taken	0	0	0	Did not meet goals

ORGANIZATIONAL CHART

COMMUNITY & ECONOMIC DEVELOPMENT - BUILDING DIVISION - 3.60 FTE*



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

POLICE DEPARTMENT

Police Department Budget	2021 Actual	2022 Approved Budget	2022 Year End Projections	2023 Approved Budget
Personnel Services	4,143,362	3,942,633	3,862,444	4,670,500
Contract Services	169,407	153,900	776,541	939,000
Commodity	269,275	302,600	242,969	293,800
Other Charges	174,653	88,050	325,668	393,800
Total Operating	4,756,697	4,487,183	5,207,621	6,297,100
Capital Outlay	-	-	-	80,000
Debt Service	-	-	-	-
Total Expenditures	4,756,697	4,487,183	5,207,621	6,377,100
FTE's	31.00	34.00	34.00	38.00

Overview and Description

The Police Department has an authorized strength of twenty-two police officers, nine sergeants, two commanders, one chief, a part-time police officer, two community service officers, one victim advocate coordinator, one 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 viewing 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 2023 budget shows increases in costs as a result of an additional full-time officer, increased contractual costs for Emergency Operations Management, and police vehicle and related emergency vehicle equipment replacements.

Police Department Goals and Key Performance Indicators (KPI)

Performance Measures

Strategic Foundation: Safe & Secure

Objective:

Provide and maintain public safety in our community.

Strategy:

Be responsive and effective in dealing with reported crime.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Criminal Offenses (not traffic, code or service calls)	673	686	793	
<i>Performance:</i>				
Average number of days for a case to be reviewed an closed or released to another jurisdiction.	NA	N/A	N/A	

Strategic Foundation: Safe & Secure

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Community Outreach events attended by officers or staff	27	74	63	
<i>Performance:</i>				
Number of officer or staff hours participating in outreach programs	199	535	579	

Strategic Foundation: Safe & Secure

Objective:

Emergency Preparedness.

Strategy:

Undergo regular training with all stakeholders so that we are well prepared in case of emergency.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Maintain Colorado POST required minimum training standards	24hrs/5	24hrs/5	24hrs/5	
<i>Performance:</i>				
Percentage of officers to complete POST Required training	100%	100%	100%	

Strategic Foundation: Safe & Secure**Objective:**

Provide and maintain public safety in our community.

Strategy:

Be responsive and effective in dealing with reported crime.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of calls for service	10,724	11,403	11,041	MDT provider was changed in Nov changing the way stats were collected.
<i>Performance:</i>				
Number of reports written	1,225	1,179	1,213	

Strategic Foundation: Safe & Secure**Objective:**

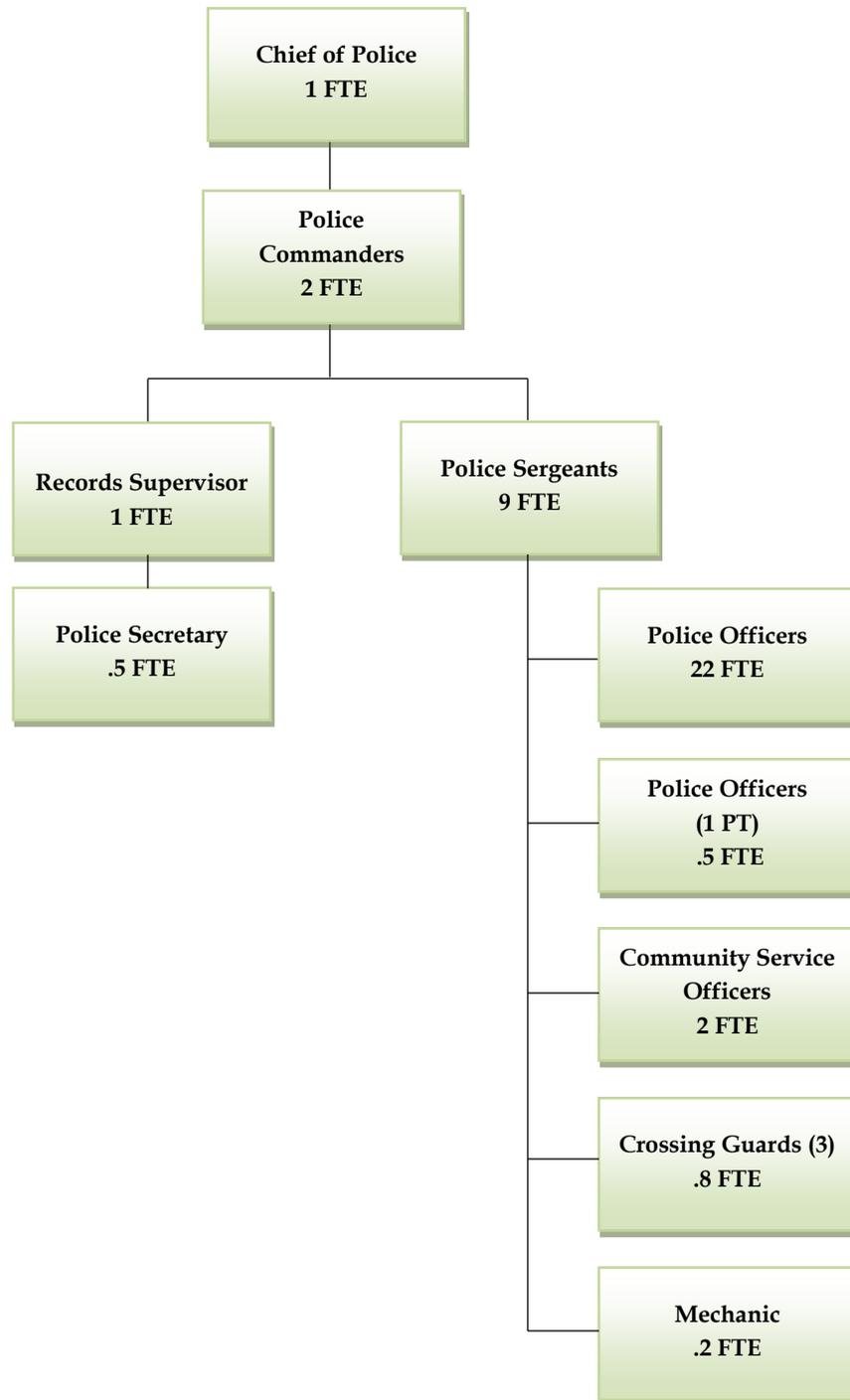
Provide and Maintain public safety in our community.

Strategy:

Respond to quality of life issues impacting the citizens of Frederick.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of code warnings issued	408	571	408	Only 1 CSO for part of 2022
<i>Performance:</i>				
Number of property abatements - non-voluntary compliance	8	7	2	
<i>Performance:</i>				
Number of warnings brought into compliance within 30 days - Voluntary compliance	90	145	383	Court Transitioned to Town Clerk improved stat tracking

ORGANIZATIONAL CHART POLICE DEPARTMENT - 38.00 FTE



Staff
Positions

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.

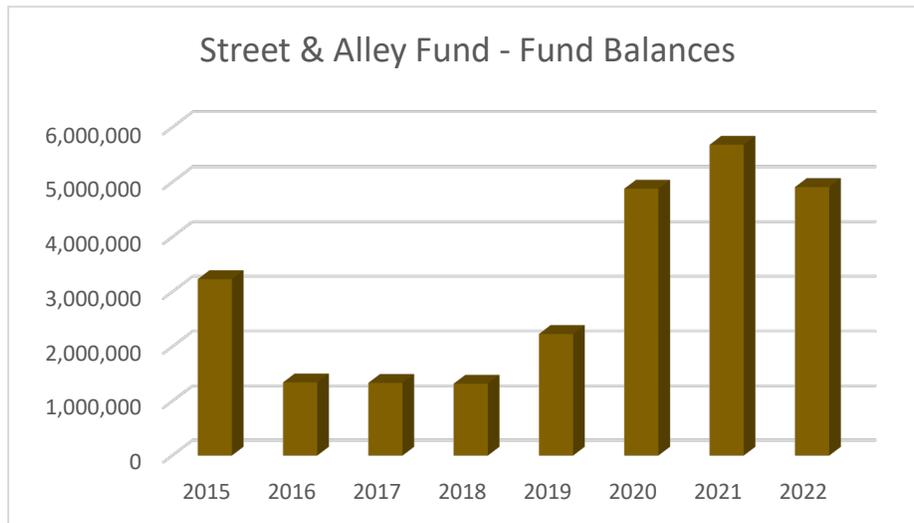
The Street and Alley Fund receives the majority of its funding from the collection of taxes and fees by Weld County and the State of Colorado including the Highway User Tax Funds (HUTF). These taxes and fees are collected by the County and then forwarded to the town on a monthly basis. Also included 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 2023.

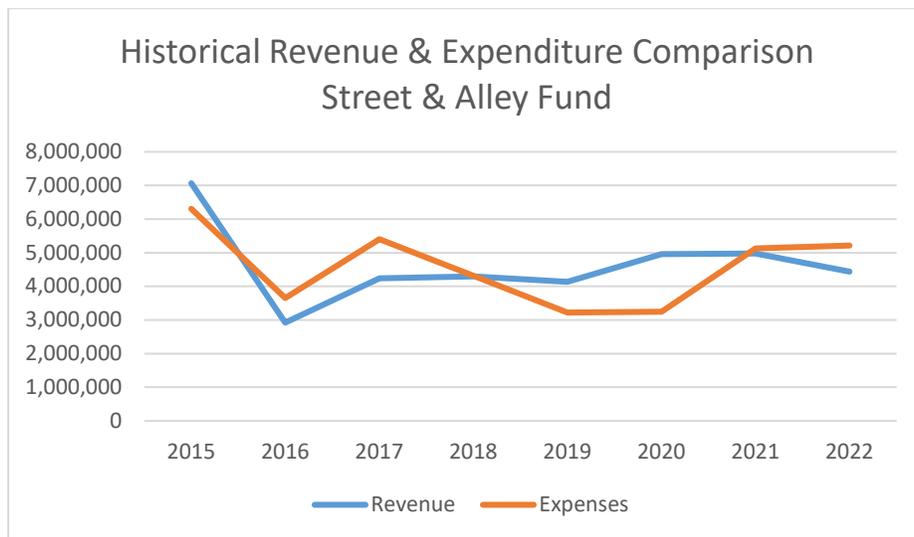


1 - Concrete Alley Project

Street and Alley Fund - Fund Balance and Fund Summary



The decrease in fund balance is attributed to expenses tied to capital projects. As the following graph illustrates, the 2022 budgeted capital projects resulted in a slight net loss. Fund balance in 2023, however, is expected to decrease as a result of large infrastructure improvements throughout the Town.



The 2023 budget for the Street and Alley Fund includes revenues of \$4,787,000, a decrease of \$683,000, compared to the 2022 Budget. This decrease is primarily a result of a projected decline in issued building permits and associated fees. The 2023 budget includes expenditures of \$7,546,250, an increase of \$2,321,600 compared to the 2022 budget. This increase is attributed to \$4,715,000 in capital projects, such as concrete and alley maintenance, pavement maintenance, and intersection improvements.



2 - Colorado Blvd & Tipple Parkway Intersection Improvement - Before



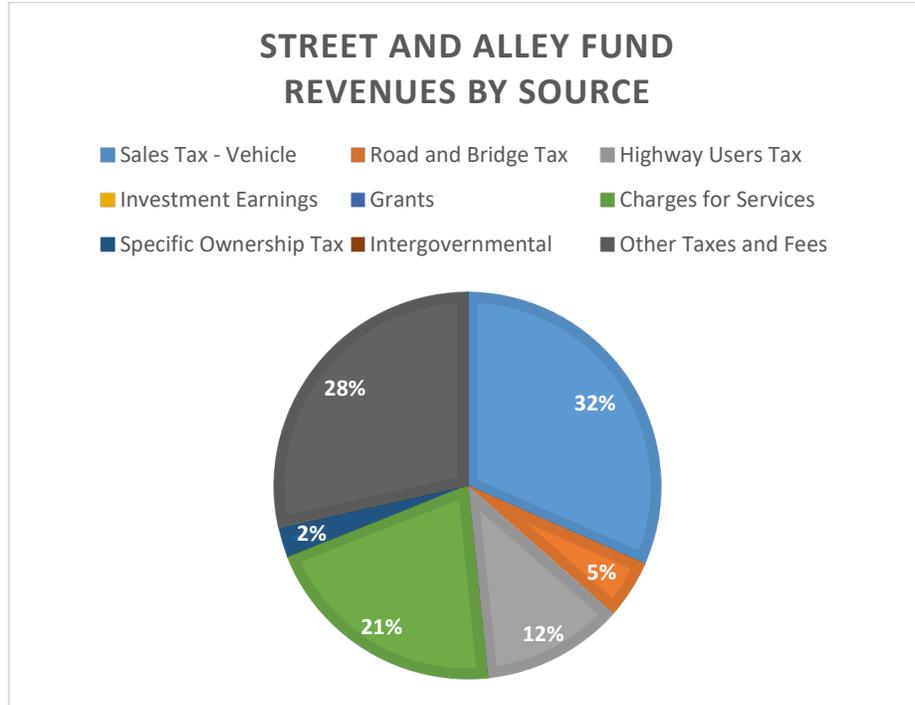
3 - Colorado Blvd & Tipple Parkway Intersection Improvement - After

Street and Alley Fund Budget

Street & Alley Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	4,742,424	5,682,393	5,682,393	5,682,393	4,911,136
<u>Revenues:</u>					
Taxes & Fees	4,195,517	2,884,400	4,613,000	3,461,280	3,791,000
Charges for Services	846,316	801,548	857,000	961,858	991,000
Earnings on Investment	-	-	-	-	-
Miscellaneous Revenue	15,367	13,018	-	15,621	5,000
<i>Transfers In</i>	-	-	-	-	-
Total Operating Revenues	5,057,200	3,698,966	5,470,000	4,438,759	4,787,000
<u>Expenditures:</u>					
Operations & Maintenance	1,776,309	1,507,861	1,815,850	1,809,434	2,422,450
Capital Outlay	1,355,611	2,792,131	3,000,000	3,350,558	4,715,000
Debt Service	409,300	41,688	408,800	50,025	408,800
<i>Transfers Out</i>	576,011	-	-	-	-
Total Expenditures	4,117,231	4,341,680	5,224,650	5,210,016	7,546,250
Excess (Deficiency) of Revenues Over Expenditures	939,969	(642,714)	245,350	(771,257)	(2,759,250)
Ending Fund Balance	5,682,393	5,039,679	5,927,743	4,911,136	2,151,886

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 2023.

Street and Alley Fund Revenue Sources		
Source	Amount	% of Total
Sales Tax - Vehicle	1,515,000	32%
Road and Bridge Tax	232,000	5%
Highway Users Tax	568,000	12%
Investment Earnings	0	0%
Grants	0	0%
Charges for Services	991,000	21%
Specific Ownership Tax	117,000	2%
Intergovernmental	0	0%
Other Taxes and Fees	1,364,000	28%

Street and Alley Fund Expenditures

The Street and Alley Fund contains operating expenses of \$2,278,200 and debt service expense of \$408,800.

**TOWN OF FREDERICK
ANNUAL BUDGET
FY 2023**

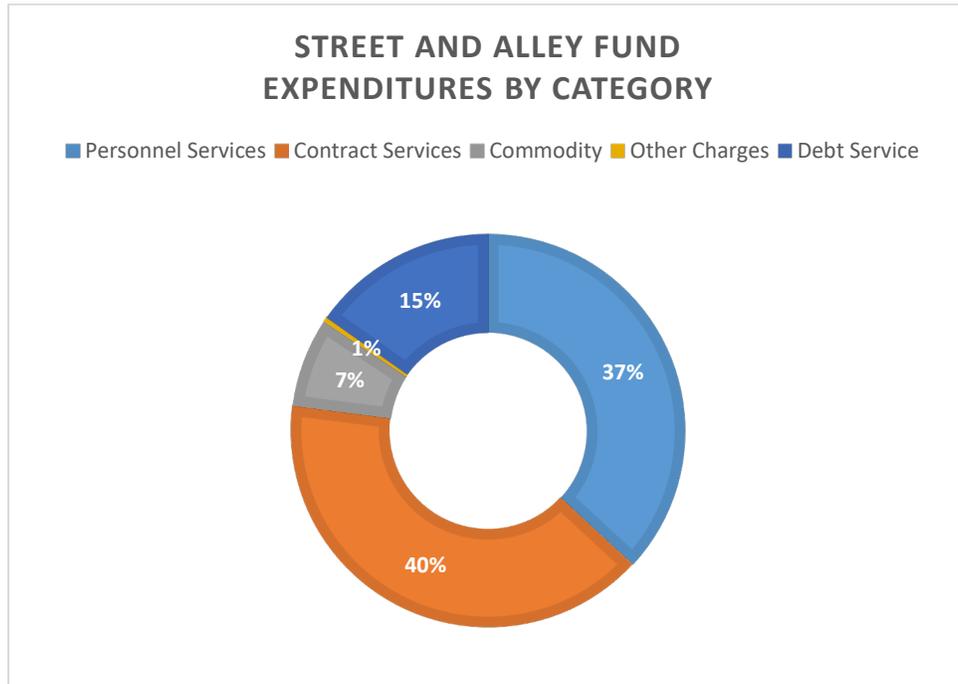
STREET & ALLEY FUND | EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Engineering	---	25,000	10,000	5,000	40,000	4,745,000	---	4,785,000
Public Works	---	1,053,500	185,750	1,300	1,240,550	114,250	---	1,354,800
General Operations	991,000	150	---	6,500	997,650	---	408,800	1,406,450
Totals	\$991,000	\$1,078,650	\$195,750	\$12,800	\$2,278,200	\$4,859,250	\$408,800	\$7,546,250
Total Cash Available								\$9,698,136
Ending Fund Balance								\$2,151,886
% of Total Budget	13.13%	14.29%	2.59%	0.17%	30.19%	64.39%	5.42%	100.00%

Projects Funded in 2023 Budget

- Pavement Maintenance Program
- Concrete and Alleyway Maintenance Program
- Colorado Blvd Maintenance Project
- Colorado Blvd Median Project
- Concrete Repair
- Frederick Speed Management Program
- Silver Birch Blvd/Godding Hollow Intersection Imp
- Silver Birch Blvd/Bella Rosa Pkwy Intersection Imp
- Town Public Improvement Obligations-Prosperity
- Town Public Improvement Obligations-Carriage Hills
- Street Lights
- Traffic Signal Upgrade
- Front End Wheel Loader
- Saw (Concrete & Asphalt)
- Mini Excavator

The chart below details the expenditures for the Street and Alley Fund by category. In 2023, the largest expenditure will be contract services, which includes infrastructure maintenance costs and refuse collection and electronic recycling costs. Capital projects include street light replacements, pavement improvements, and the concrete alleys program.



Street and Alley Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	4.65
Operations	5.20
Total	9.85

Street and Alley Fund Goals and KPIs

In addition to the projects that have been funded in the 2023 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: Safe & Secure

Objective:

Provide and maintain public safety in our community.

Strategy:

Respond to quality of life issues impacting the citizens of Frederick.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of calls/emails concerning transportation concerns.	52	62	109	
<i>Performance:</i>				
Percentage of transportation related calls/emails responded to in 48 hour period.	94%	96%	95%	

Strategic Foundation: Strategic, Reliable & Sustainable 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Annual inspection and updates to the Towns roadway rating system.	No	No	Yes	Pavement Assessment 8/22
<i>Performance:</i>				
Percentage of roads/streets that have a Remaining Service Life greater than or equal to 13.	57%	62%	70%	

Strategic Foundation: Strategic, Reliable & Sustainable 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of street right-of-way permit applications submitted.	97	85	89	
<i>Performance:</i>				
Average number of days to complete the review.	3	2	3	

Strategic Foundation: Strategic, Reliable & Sustainable 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Miles of roads scheduled for cracksealing	17	24	22	
<i>Performance:</i>				
Miles of roads that were cracksealed	17	24	0	
<i>Workload:</i>				
Number of pothole service orders received	36	40	85	
<i>Performance:</i>				
Average days to complete pot hole service orders	1	1	1	

Strategic Foundation: Strategic, Reliable & Sustainable Infrastructure**Goal:**

New and existing buildings and facilities.

Objective:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of scheduled preventative maintenance services	30	165	125	
<i>Performance:</i>				
Percentage of completed preventative maintenance services	100%	100%	100%	
<i>Workload:</i>				
Number of unscheduled/emergency maintenance/repairs services	26	48	30	
<i>Performance:</i>				
Percentage of unscheduled/emergency repairs completed within 48 hours	100%	80%	100%	

Strategic Foundation: Strategic, Reliable & Sustainable 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Miles of streets in Town to be serviced by street sweeper	78	82	220	All swept miles in town
<i>Performance:</i>				
Average number of times each street is swept per year	6	6	10	

CONSERVATION TRUST FUND



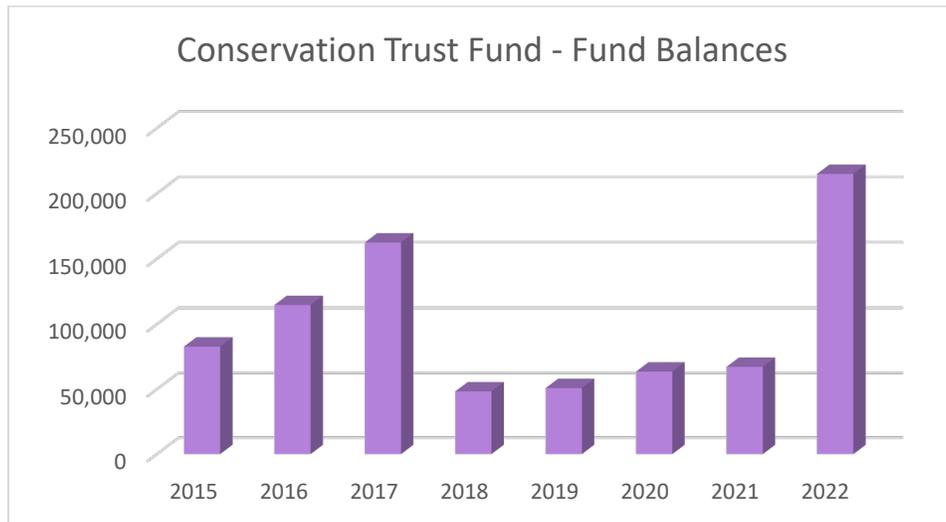
CONSERVATION TRUST FUND

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.

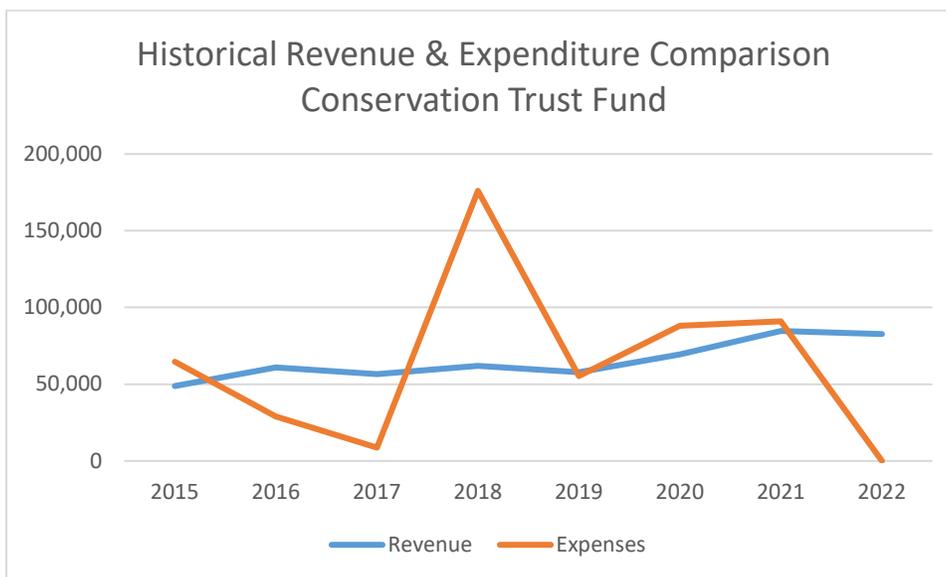


1 – Skate Park

Conservation Trust Fund - Fund Balance and Fund Summary



The increase in fund balance is the result of received state lottery proceeds, but a delay in planned park improvements now scheduled for 2023. As the following graph illustrates, the Town has had fluctuation in Conservation Trust Fund expenses 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.



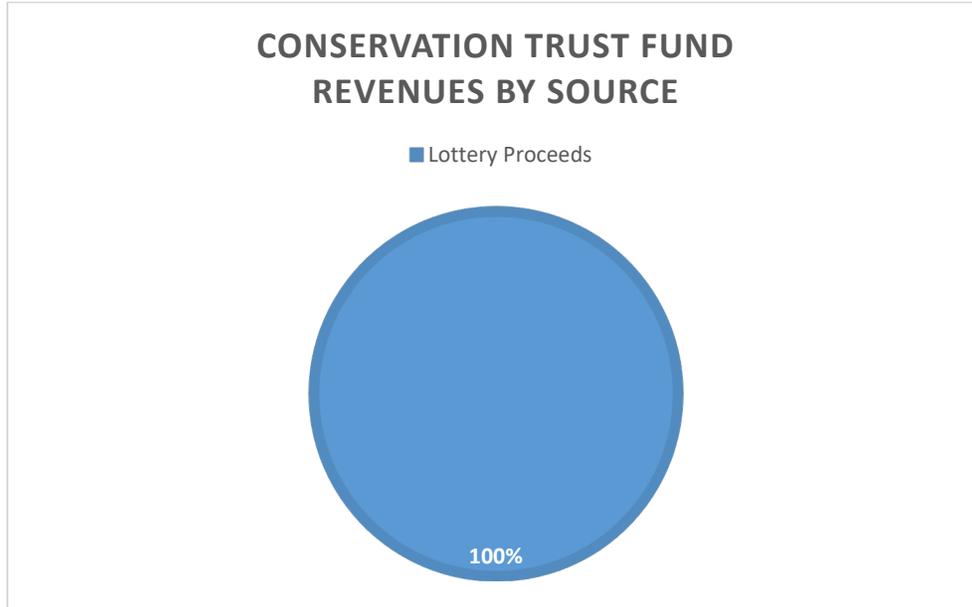
The 2023 budget for the Conservation Trust Fund includes revenues of \$95,000, an increase of \$19,000 compared to the 2022 budget. This increase is primarily due to an increased population in Frederick. The 2023 budget includes expenditures of \$5,000 in capital-related needs. This amount is \$4,750 more than what was budgeted in 2022.

Conservation Trust Fund Budget

Conservation Trust Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	73,603	132,269	132,269	132,269	214,911
<u>Revenues:</u>					
Intergovernmental	84,672	68,868	76,000	82,642	95,000
Earnings on Investment	-	-	-	-	-
<i>Transfer In</i>	-	-	-	-	-
Total Operating Revenues	<u>84,672</u>	<u>68,868</u>	<u>76,000</u>	<u>82,642</u>	<u>95,000</u>
<u>Expenditures:</u>					
Other	26,006	-	250	-	2,500
Capital Outlay	-	-	-	-	2,500
<i>Transfer Out</i>	-	-	-	-	-
Total Expenditures	<u>26,006</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>5,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>58,666</u>	<u>68,868</u>	<u>75,750</u>	<u>82,642</u>	<u>90,000</u>
Ending Fund Balance	<u>132,269</u>	<u>201,137</u>	<u>208,019</u>	<u>214,911</u>	<u>304,911</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 2022.

Conservation Trust Fund Revenue Sources		
Source	Amount	% of Total
Lottery Proceeds	95,000	100%
Interest	0	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 \$5,000 which is nonrecurring.

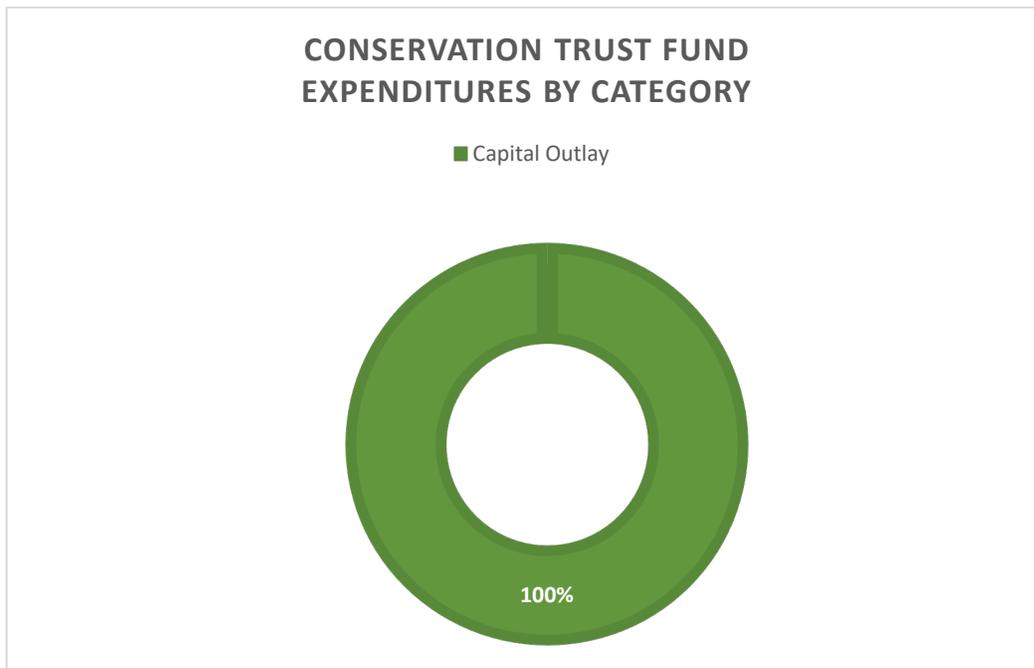
**ANNUAL BUDGET
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CONSERVATION TRUST FUND | EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Operations	0	0	0	2,500	2,500	2,500	---	5,000
Totals	\$0	\$0	\$0	\$2,500	\$2,500	\$2,500	\$0	\$5,000

Total Cash Available								\$309,911
Ending Fund Balance								\$304,911
% of Total Budget	0.00%	0.00%	0.00%	50.00%	50.00%	50.00%	0.00%	100.00%

The chart below details the expenditures for the Conservation Trust Fund by category. The only category of expenditure will be the transfer out for Capital Outlay.



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 2023 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 (KPI)

Performance Measures

Strategic Foundation: Community and Economic Vitality

Objective:

Increase park and open space land inventory.

Strategy:

Increase park and open space lands through responsible and sustainable land acquisitions.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of parcels targeted for	N/A	N/A	0	
<i>Performance:</i>				
Number of acres aquired	N/A	N/A	0	

Strategic Foundation: Strategic, Reliable and Sustainable Infrastructure

Objective:

Enhance the parks, open spaces and trails system with capital and in-house improvements.

Strategy:

Improve the safety, attractiveness, accessibility and usability of outdoor recreation infrastructure.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of projects	N/A	N/A	0	
<i>Performance:</i>				
Number of projects completed on	N/A	N/A	0%	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Provide for strategic long-term planning for the parks system.

Strategy:

Ensure investments made to the POST system are financially & operationally sustainable and are in-line with approved plans.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Strategic Plans initiated with CT Funds	N/A	N/A	0	
<i>Performance:</i>				
Percentage of plans completed	N/A	N/A	0%	

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

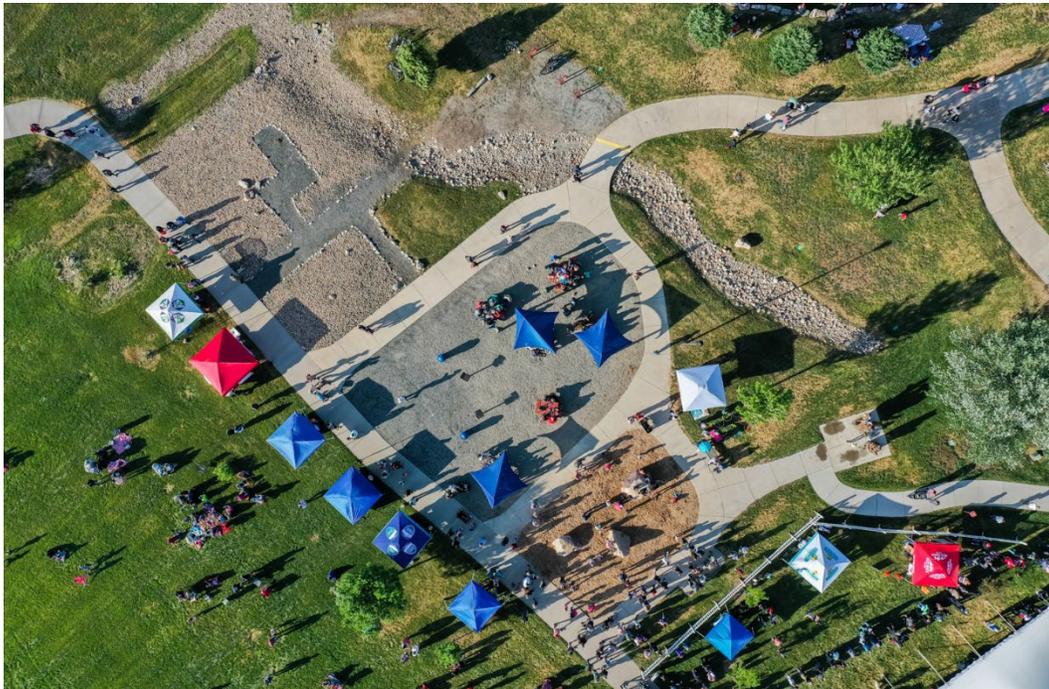
Currently, the town maintains over 319 acres of parks. The facilities/parks that the town maintains are shown in the chart below.

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

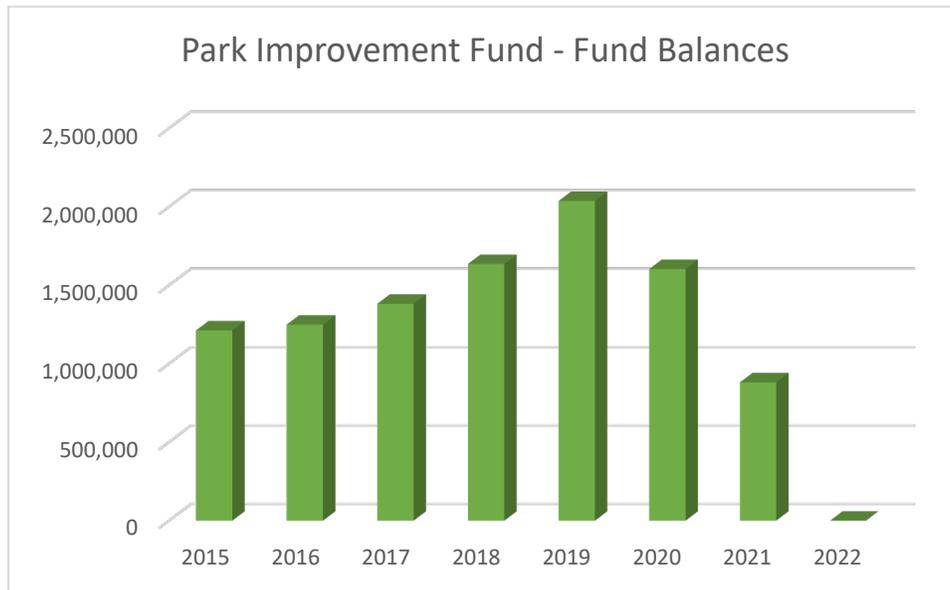


1 - Frederick Recreation Area - Milavec Reservoir

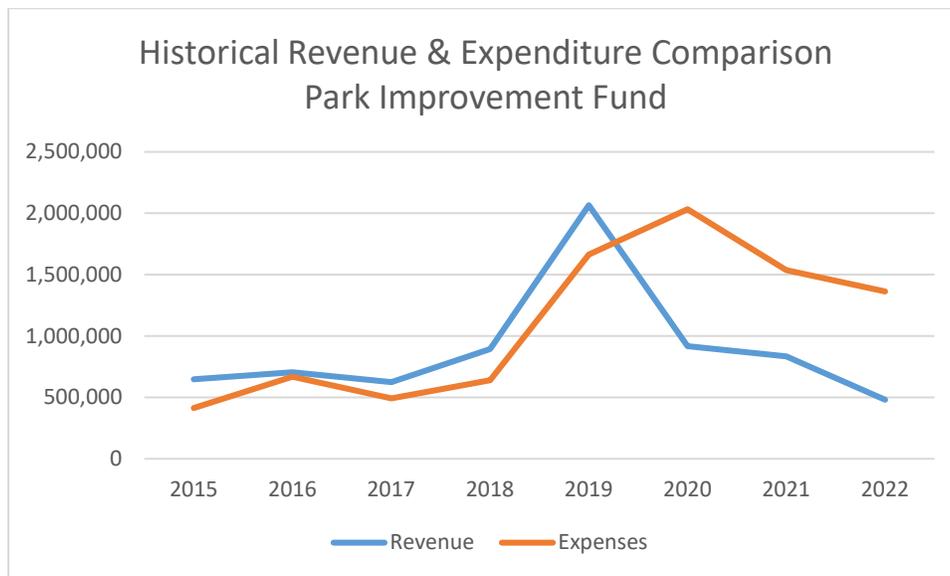


2 - Centennial Park

Park Improvement Fund - Fund Balance and Fund Summary



As the following graph illustrates, the fund balance decreased primarily due to a reduction in received park improvement fees. As such, operational levels have been adjusted down, while still prioritizing general park maintenance with limited resources.



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

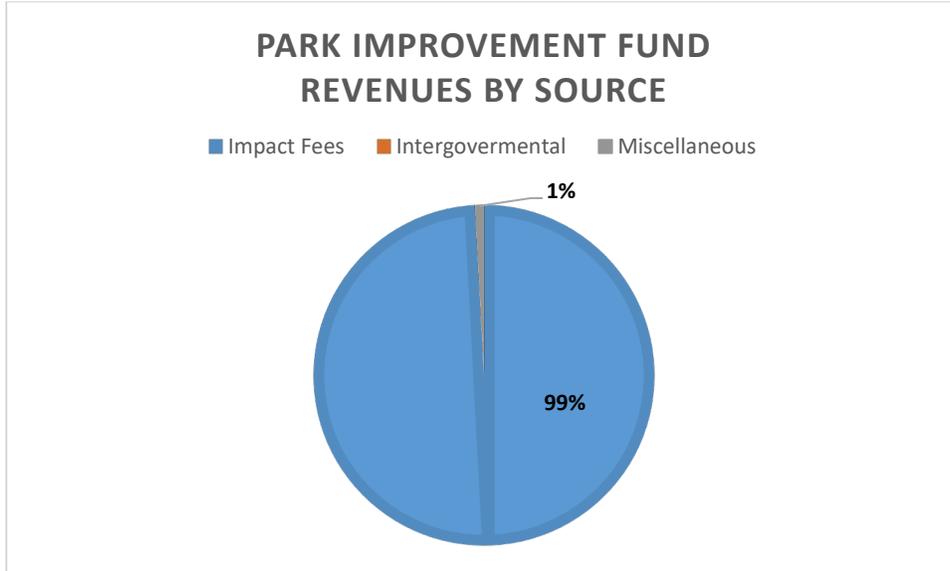
The 2023 budget for the Park Improvement Fund includes revenues of \$732,000, a decrease of \$453,400 compared to the 2022 budget. The 2023 budget includes expenditures of \$732,000, also a decrease of \$385,800 compared to the 2022 budget. The decrease in budgeted expenditures is attributed to the primary revenue source of park improvement fees expected to decline in 2023.

Park Improvement Fund Budget

Park Improvement Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	1,582,268	880,904	880,904	880,904	-
Revenues:					
Taxes and Fees	794,511	394,355	1,175,400	473,226	725,000
Charges for Services	3,475	-	-	-	-
Earnings on Investment	-	-	-	-	-
Miscellaneous Revenue	37,243	6,560	10,000	7,872	7,000
<i>Transfers In</i>	-	-	-	-	-
Total Operating Revenues	835,229	400,915	1,185,400	481,098	732,000
Expenditures:					
Operations & Maintenance	1,171,355	836,213	1,117,800	971,306	732,000
Capital Lease	-	-	-	-	-
Capital Outlay	365,238	325,580	-	390,696	-
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	1,536,593	1,161,794	1,117,800	1,362,002	732,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(701,364)	(760,879)	67,600	(880,904)	-
Ending Fund Balance	880,904	120,025	948,504	-	-

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 2023.

Park Improvement Fund Revenue Sources		
Source	Amount	% of Total
Donation	0	0%
Impact Fees	725,000	99%
Intergovernmental	0	0%
Miscellaneous	7,000	1%
Interest	0	0%

Park Improvement Fund Expenditures

The Park Improvement Fund shows operating expenses of \$732,000. The services provided by this fund are labor-intensive as illustrated below.

**TOWN OF FREDERICK
ANNUAL BUDGET
FY 2023**

PARK IMPROVEMENT FUND | EXPENSE SUMMARY

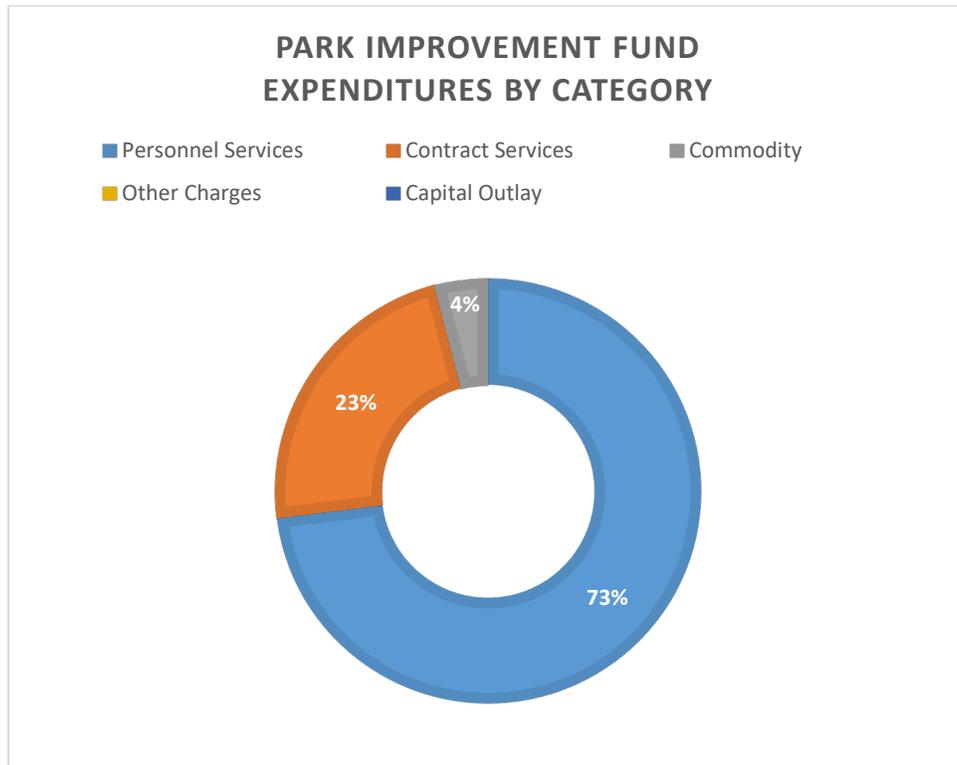
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Public Works	---	168,000	30,500	---	198,500	---	---	198,500
General Operations	533,500	---	---	---	533,500	---	---	533,500
Totals	\$533,500	\$168,000	\$30,500	\$0	\$732,000	\$0	\$0	\$732,000

Total Cash Available								\$732,000
Ending Fund Balance								\$0
% of Total Budget	72.88%	22.95%	4.17%	0.00%	100.00%	0.00%	0.00%	100.00%

Projects Funded in 2023 Budget

- No Capital Projects in 2023

The chart below details the expenditures for the Park Improvement Fund by category. In 2023, the largest projected expenditures will be personnel services and contract services for park maintenance.



Park Improvement Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	1.15
Operations	2.70
Total	3.85

Park Improvement Fund Goals and KPIs

In addition to the projects that have been funded in the 2023 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)

Performance Measures

Strategic Foundation: Community and Economic Vitality

Objective:

Maintain the current parks system.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Acres of parks	323	323	302	
<i>Performance:</i>				
Hours spent maintaining parks and park related equipment	806	1200	7500	

Strategic Foundation: Strategic, Reliable and Sustainable Infrastructure

Objective:

Enhance the parks system with capital and in-house improvements.

Strategy:

Improve the safety, attractiveness, accessibility and usability of park infrastructure.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of projects	N/A	N/A	10	
<i>Performance:</i>				
Number of projects completed on schedule	N/A	N/A	100%	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Provide for strategic long-term planning for the parks system.

Strategy:

Ensure investments made to the parks system are financially & operationally sustainable and are in-line with approved plans.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Annual Action Plans for operations and staff	N/A	N/A	9	
<i>Performance:</i>				
Percentage of plans completed	N/A	N/A	100%	

OPEN SPACE FUND



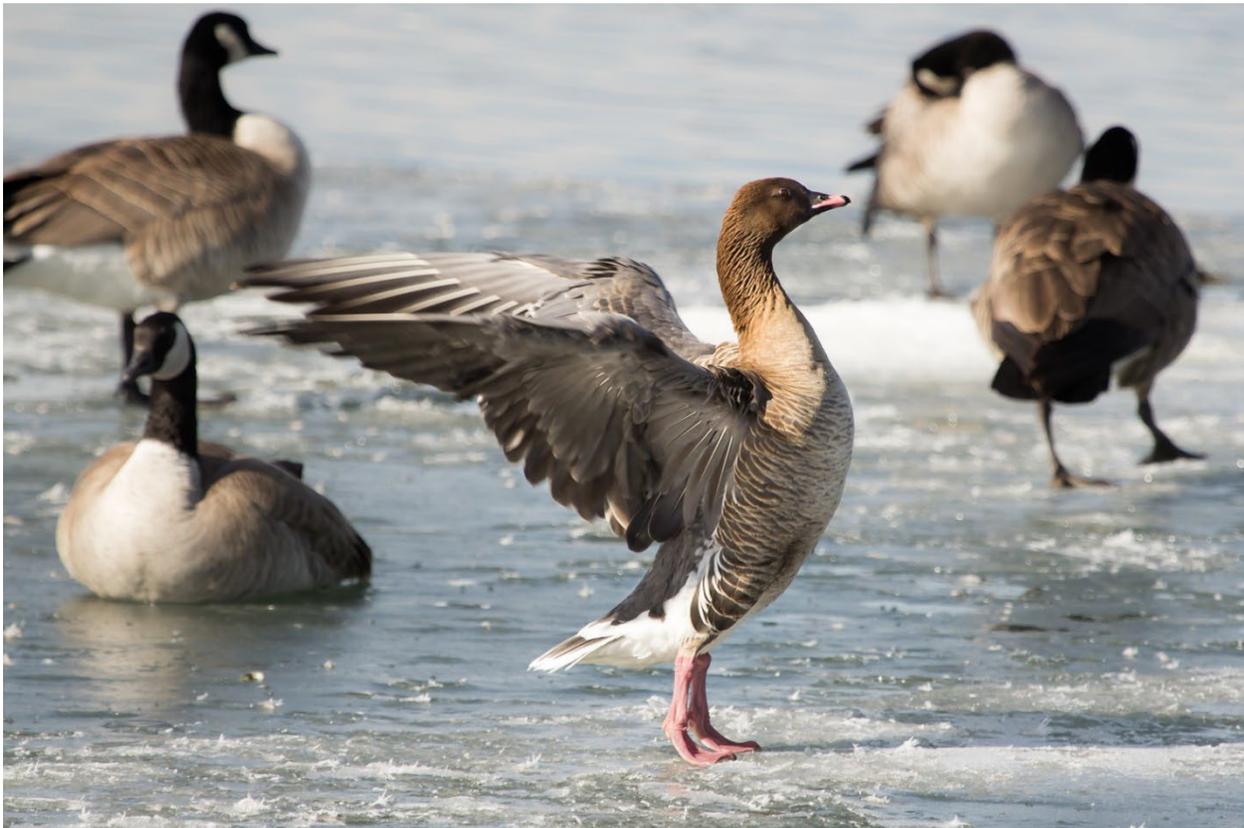
OPEN SPACE FUND

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.

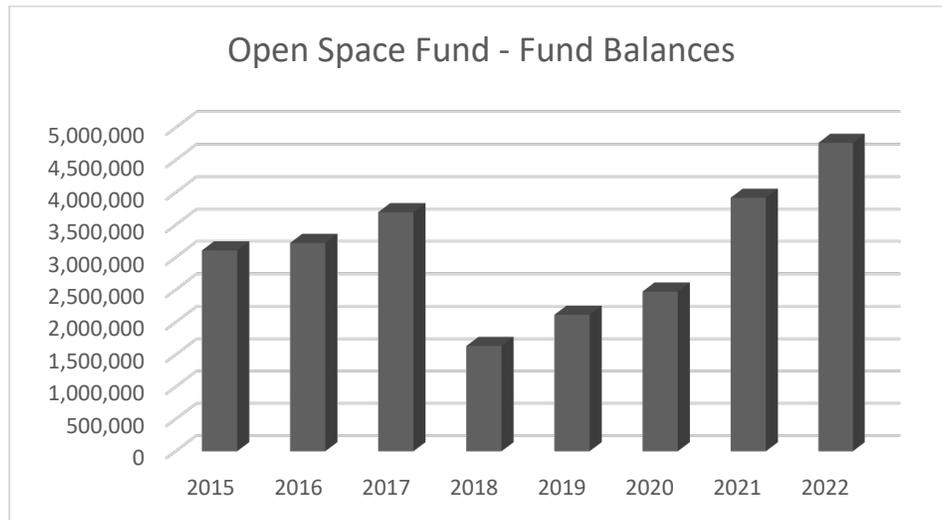
Trails - At the end of the 2022 fiscal year, there were 15.95 miles of town-owned trails.

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

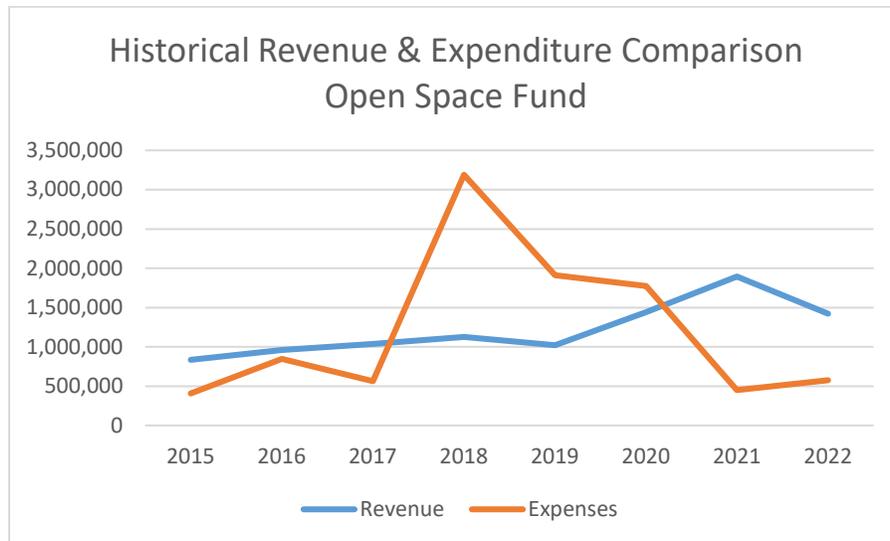


7 - Bulrush Open Space

Open Space Fund – Fund Balance and Fund Summary



As the following graph illustrates, the town incurs patterns of fund balance increase from tax and fee revenue surplus in preparation for capital acquisition and maintenance. Planned Open Space acquisition and trail system expansion in 2022 was delayed. 2023 capital projects consist of an Open Space Management Plan, equipment program, an assortment of master plans, tree program, and trails preservation.



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

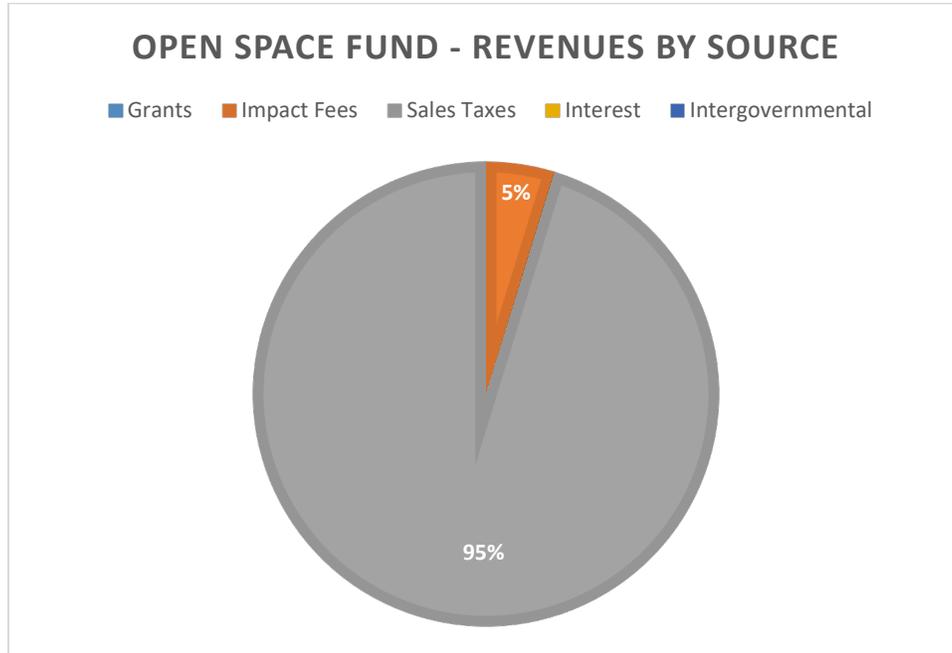
The 2023 budget for the Open Space Fund includes revenues of \$1,583,000, which is aligned to the same revenue projection as 2022. Budgeted expenditures are \$1,509,450, an increase of \$613,450 compared to the 2022 budget. Planned 2023 expenditures are higher due to expected equipment & infrastructure maintenance, small equipment acquisition, shared heavy equipment replacement, and a professional service management plan.

Open Space Fund Budget

Open Space Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	2,473,152	3,918,901	3,918,901	3,918,901	4,764,904
<u>Revenues:</u>					
Taxes & Fees	1,888,669	1,184,905	1,565,000	1,421,886	1,583,000
Grants & Contributions	-	-	-	-	-
Earnings on Investment	-	-	-	-	-
Miscellaneous Revenue	6,126	650	-	780	-
<i>Transfers In</i>	-	-	-	-	-
Total Operating Revenues	1,894,795	1,185,555	1,565,000	1,422,666	1,583,000
<u>Expenditures:</u>					
Operations & Maintenance	314,311	474,228	591,500	569,073	1,203,200
Capital Outlay	134,735	6,324	304,500	7,589	306,250
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	449,046	480,552	896,000	576,662	1,509,450
Excess (Deficiency) of Revenues and Other Sources over Expenditures	1,445,749	705,003	669,000	846,003	73,550
Ending Fund Balance	3,918,901	4,623,904	4,587,901	4,764,904	4,838,454

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 2023.

Open Space Fund Revenue Sources		
Source	Amount	% of Total
Grants	0	0%
Impact Fees	75,000	5%
Sales Taxes	1,508,000	95%
Interest	0	0%
Intergovernmental	0	0%

Open Space Fund Expenditures

Expenditures in the Open Space Fund include operating costs of \$1,203,200 and capital outlay of \$306,250. These capital expenditures include equipment & infrastructure maintenance, small equipment acquisition, shared heavy equipment replacement, a professional service management plan, and an assortment of master plans.

**TOWN OF FREDERICK
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OPEN SPACE FUND | EXPENSE SUMMARY

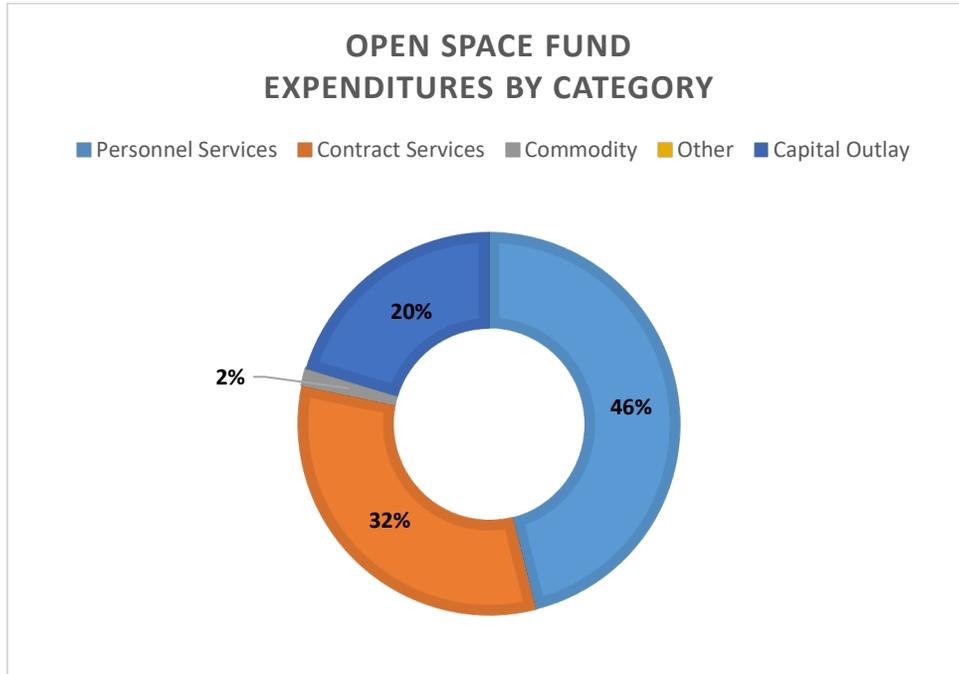
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Public Works	---	490,200	22,500	---	512,700	306,250	---	818,950
General Operations	690,500	---	---	---	690,500	---	---	690,500
Totals	\$690,500	\$490,200	\$22,500	\$0	\$1,203,200	\$306,250	\$0	\$1,509,450

Total Cash Available								\$6,347,904
Ending Fund Balance								\$4,838,454
% of Total Budget	45.75%	32.48%	1.49%	0.00%	79.71%	20.29%	0.00%	100.00%

Projects Funded in 2023 Budget

- Colorado Blvd Median Project
- Bella Rosa Trail Project
- Capital Equipment Program (shared)
- Master Plans-Frederick Recreation Area, Bella Rosa Golf Course, & Centennial Park
- Maintenance Shop Improvement
- Mendoza Open Space Legal Assistance
- Open Space Management Plan
- Parks Pavement Preservation (shared)
- Tree Program
- William Bailey Tree Replacement
- Trail Preservation Program
- Front End Wheel Loader (shared)
- Mini Excavator (shared)

The chart below details the expenditures for the Open Space Fund by category. In 2023, the largest incurred cost will be Personnel Services, which are existing staff dedicated to the operational activity of the fund. An additional Equipment Technician FTE was approved in the 2023 budget, with effort dedicated to the Open Space Fund.



Open Space Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	1.30
Operations	3.50
Total	4.80

Open Space Fund Goals and KPI's

In addition to the projects that have been funded in the 2023 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)

Performance Measures

Strategic Foundation: Community and Economic Vitality

Objective:

Maintain the current open space and trails system.

Strategy:

Maintain the attractiveness and usability of our current open spaces and trails.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Acres of open space	323	323	439	
<i>Performance:</i>				
Hours spent maintaining open spaces	806	1200	2400	
<i>Workload:</i>				
Miles of trails	17	17	17	
<i>Performance:</i>				
Hours spent maintaining open spaces	806	1200	2400	

Strategic Foundation: Strategic, Reliable and Sustainable Infrastructure

Objective:

Enhance the open space and trails system with capital and in-house improvements.

Strategy:

Improve the safety, attractiveness, accessibility and usability of open space and trail infrastructure.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of projects	N/A	N/A	6	
<i>Performance:</i>				
Number of projects completed on schedule	N/A	N/A	100%	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Provide for strategic long-term planning for the open space and trails system.

Strategy:

Ensure investments made to the OST system are financially & operationally sustainable and are in-line with approved plans.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Annual Action Plans for operations and staff	N/A	N/A	9	
<i>Performance:</i>				
Percentage of plans completed	N/A	N/A	100%	

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, Chainsaws and Chuckwagons, Tiny Terror Town, 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 IN FLIGHT: JUNE 23 - 25

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 20 - 22

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 16

This year marks the 19th 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 10:00am 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 21

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.

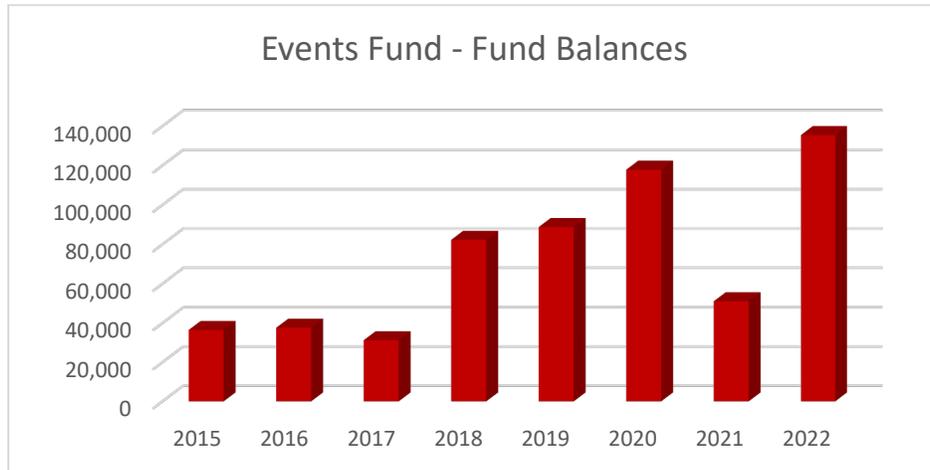


FESTIVAL OF LIGHTS: DECEMBER 2

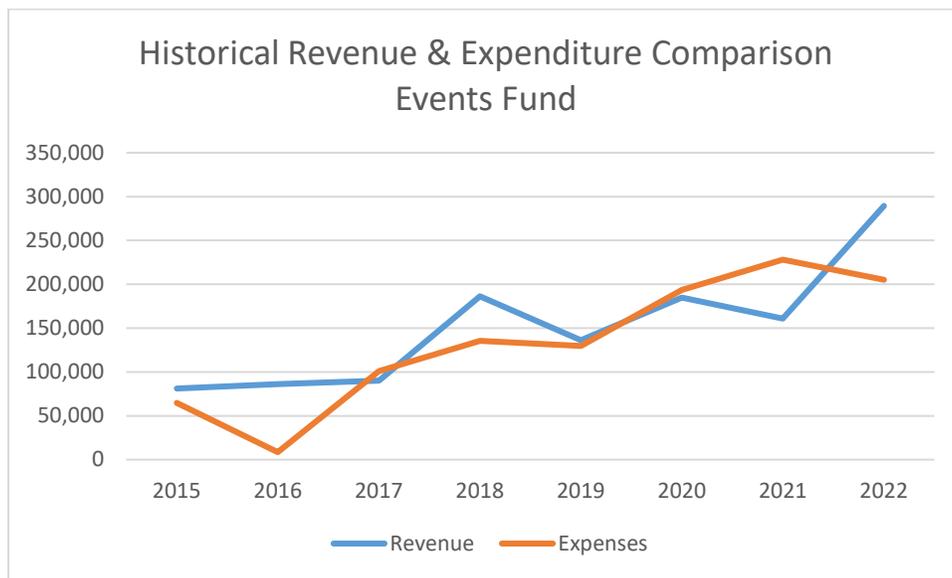
The annual tree lighting ceremony will include traditional festival fun including horse-drawn carriage rides, hot cocoa, ice carving, live music, parade and photos with Santa. It's an amazing start to the holiday season.



Events Fund - Fund Balance and Fund Summary



As the following graph illustrates, the town has had consistent 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.

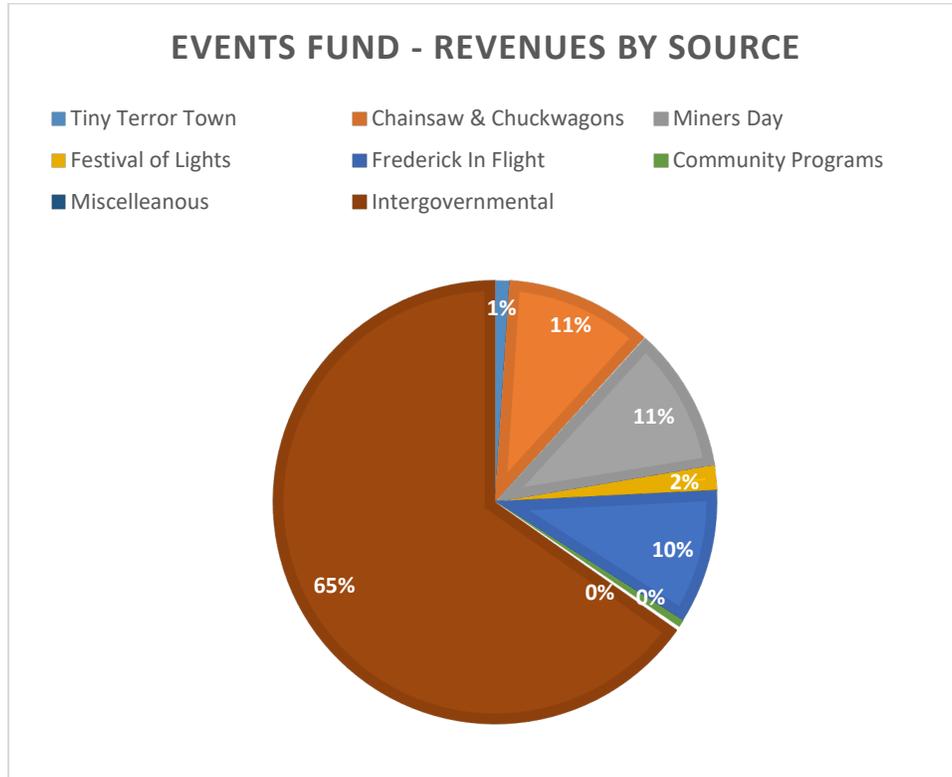
The 2023 budget for the Events Fund includes revenues of \$97,750 and transfers in of \$183,250 consisting of a General Fund subsidy and Board commitment, which consists of a \$17,000 increase in total budgeted revenue from 2022. Between sponsorship revenue and transfers in, revenues were set to match expenditures, for a total Town event(s) budget of \$281,000 in planned expenditures.

Events Fund Budget

Events Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	118,285	51,080	51,080	51,080	135,422
Revenues:					
Grants & Contributions	90,880	96,962	169,250	116,354	97,750
Miscellaneous Revenue	-	-	-	-	-
<i>Transfers In (from GF & Board)</i>	70,000	173,000	94,750	173,000	183,250
Total Operating Revenues	160,880	269,962	264,000	289,354	281,000
Expenditures:					
Operations	163,722	170,843	264,000	205,012	278,500
Capital Outlay	64,363	-	-	-	2,500
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	228,085	170,843	264,000	205,012	281,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(67,205)	99,119	-	84,343	-
Ending Fund Balance	51,080	150,199	51,080	135,422	135,422

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 primary Town events, as well as projected sponsorship revenues.

Events Fund Revenue Sources		
Source	Amount	% of Total
Tiny Terror Town	3,000	1%
Chainsaw & Chuckwagons	30,000	11%
Miners Day	30,000	11%
Festival of Lights	5,000	2%
Frederick In Flight	27,500	10%
Community Programs	1,500	1%
Miscellaneous	750	0%
Intergovernmental	183,250	65%

Events Fund Expenditures

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

**TOWN OF FREDERICK
ANNUAL BUDGET
FY 2023**

EVENTS FUND | EXPENSE SUMMARY

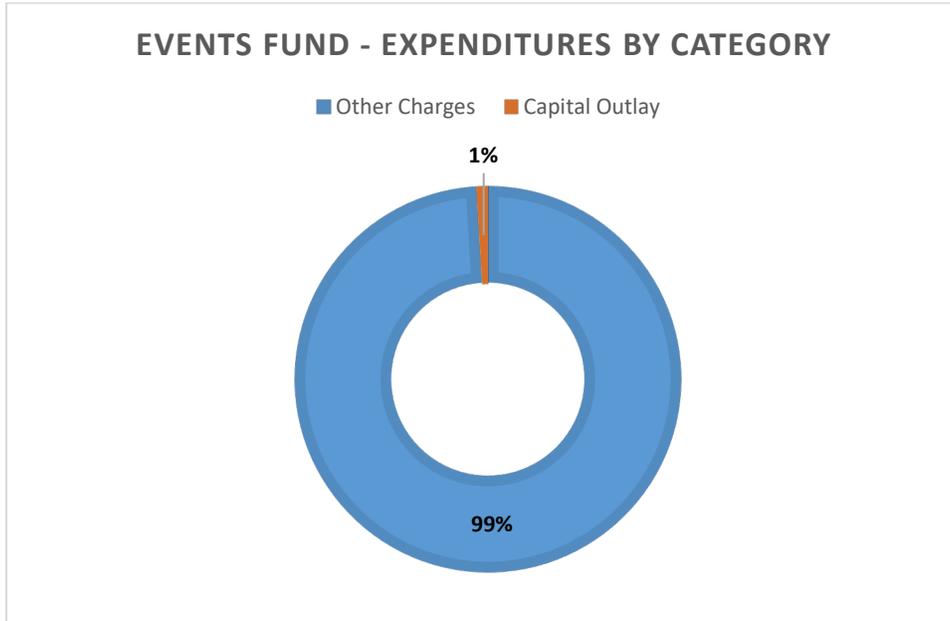
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Events	0	0	0	281,000	281,000	---	---	281,000
Totals	\$0	\$0	\$0	\$281,000	\$281,000	\$0	\$0	\$281,000

Total Cash Available								\$416,422
Ending Fund Balance								\$135,422
% of Total Budget	0.00%	0.00%	0.00%	100.00%	100.00%	0.00%	0.00%	100.00%

Projects Funded in 2023 Budget

- Miners Day
- Frederick in Flight
- Chainsaws and Chuckwagons
- Festival of Lights
- Tiny Terror Town

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 2023 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)

Performance Measures

Strategic Foundation: Community and Economic 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of Events offered	17	29	28	
<i>Performance:</i>				
Number of Volunteer Hours	280	532	753	

Strategic Foundation: Community and Economic 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Hours spent on Sponsorship Recruitment	115	160	180	
<i>Performance:</i>				
Sponsorship Dollars	\$42,603	\$90,880	\$97,777	

Strategic Foundation: Fiscally Responsible Governance

Objective:

Enhance public trust and confidence

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of event surveys received	117	118	83	
<i>Performance:</i>				
Average rating from vendors	83.20%	89.69%	NA	Vendor responses not captured in survey format.
<i>Performance:</i>				
Average rating from attendees	79.89%	84.56%	81.60%	

CAPITAL FACILITIES FUND



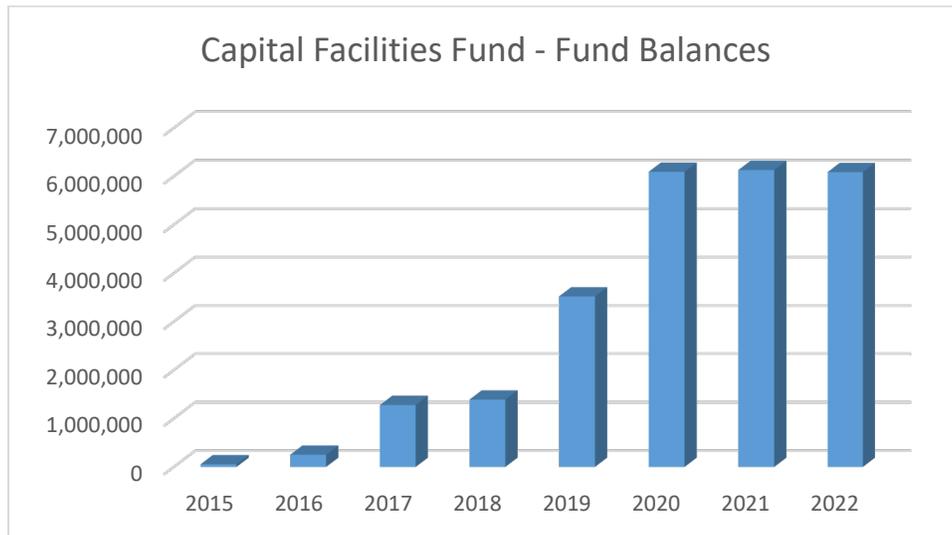
CAPITAL FACILITIES FUND

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.

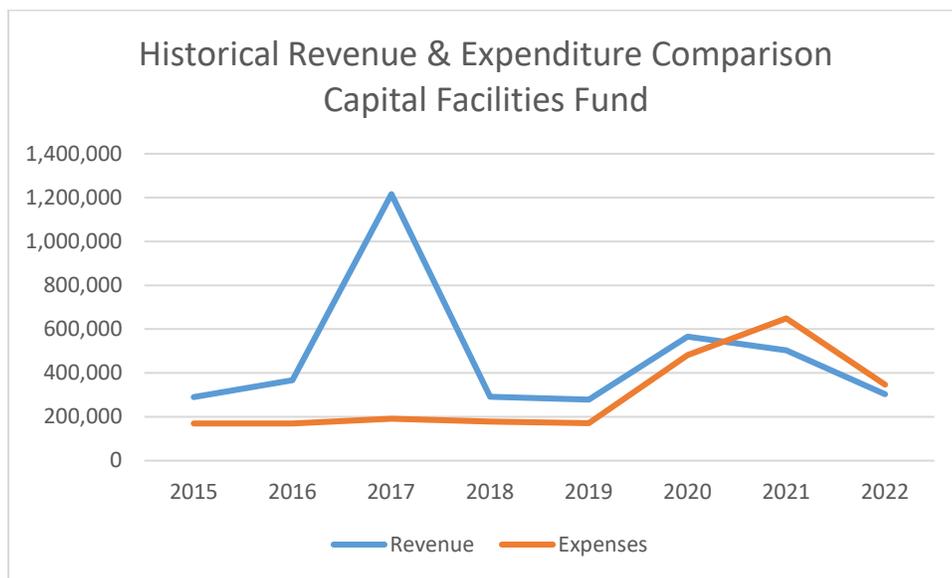


1 - Public Works Facility

Capital Facilities Fund - Fund Balance and Fund Summary



As the following graph illustrates, the town generally has small budget surpluses each year, with a consistent fund balance of \$6M since 2020. Approved Board transfers in 2019 & 2020 from General Fund added significant funding for potential new construction of town facilities in the future. Fund balance is expected to remain relatively flat in 2023 with the potential contracting of professional services for a facilities master plan.



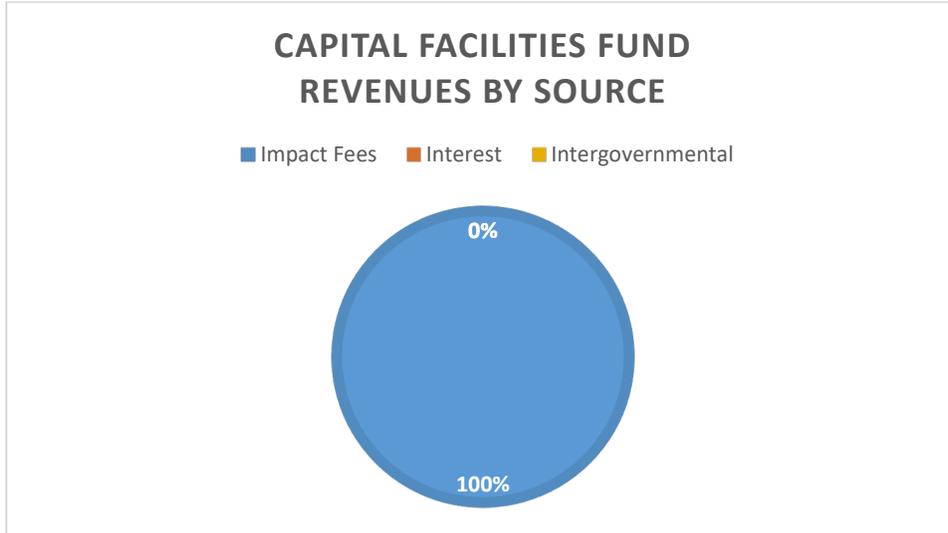
The 2023 budget for the Capital Facilities Fund includes revenues of \$445,000, an increase of \$95,000 compared to the 2022 budget. The increase is due to a higher projection of taxes and fees collected in 2023. Expenditures are predicted to increase an estimated \$3,318 in 2023, remaining consistent with 2022 capital outlay and debt service levels.

Capital Facilities Fund Budget

Capital Facilities Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	6,276,293	6,130,522	6,130,522	6,130,522	6,086,832
<u>Revenues:</u>					
Taxes and Fees	494,513	252,493	350,000	302,992	445,000
Miscellaneous Revenue	8,900	-	-	-	-
<i>Transfers In</i>	-	-	-	-	-
Total Operating Revenues	<u>503,413</u>	<u>252,493</u>	<u>350,000</u>	<u>302,992</u>	<u>445,000</u>
<u>Expenditures:</u>					
Capital Outlay	479,544	119,261	176,000	143,113	176,000
Debt Service	169,640	169,640	174,000	203,568	174,000
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	<u>649,184</u>	<u>288,901</u>	<u>350,000</u>	<u>346,682</u>	<u>350,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>(145,771)</u>	<u>(36,408)</u>	<u>-</u>	<u>(43,690)</u>	<u>95,000</u>
Ending Fund Balance	<u>6,130,522</u>	<u>6,094,114</u>	<u>6,130,522</u>	<u>6,086,832</u>	<u>6,181,832</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 2023.

Capital Facilities Fund Revenue Sources			
Source	Amount	% of Total	
Impact Fees	445,000	100%	
Interest	0	0%	
Intergovernmental	0	0%	

Capital Facilities Fund Expenditures

The expenditures in this fund are related to debt service and capital outlay only. Currently, there is only debt service related to the lease purchase and construction of the Public Works facility.

**TOWN OF FREDERICK
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CAPITAL FACILITIES FUND | EXPENSE SUMMARY

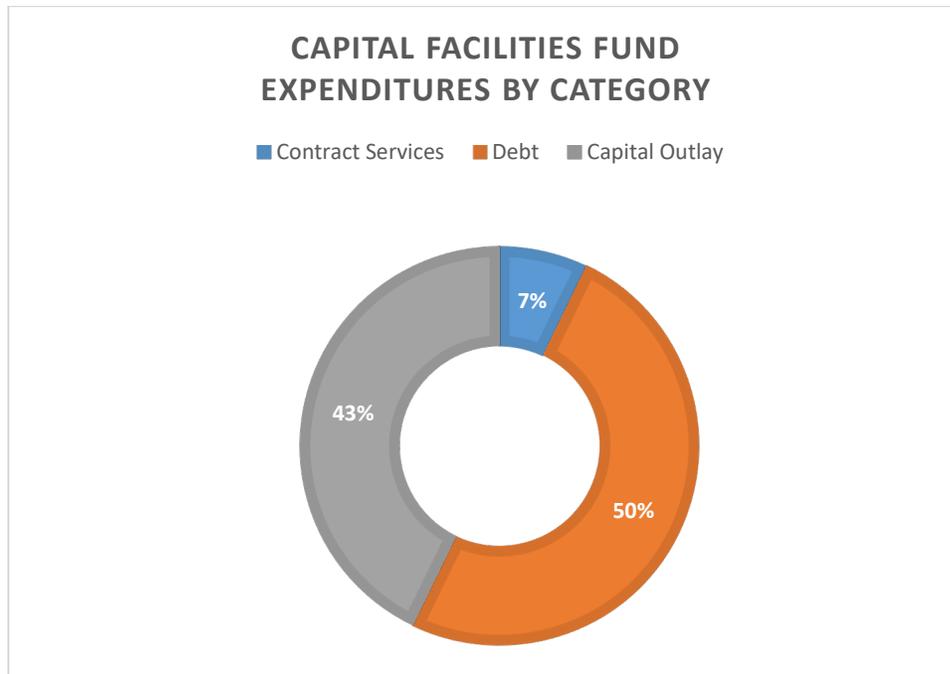
	Personnel	Contract	Commodity	Other	Total Operating Costs	Capital	Debt	Total
	Services	Services		Charges		Outlay	Service	
Capital Facilities	0	25,000	0	0	25,000	150,000	175,000	350,000
Totals	\$0	\$25,000	\$0	\$0	\$25,000	\$150,000	\$175,000	\$350,000

Total Cash Available								\$6,531,832
Ending Fund Balance								\$6,181,832
% of Total Budget	0.00%	7.14%	0.00%	0.00%	7.14%	42.86%	50.00%	100.00%

Items Funded in 2023 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 the fund, there are typically only two primary expense categories: debt services and capital outlay.



FACILITIES FUND



FACILITIES FUND

The Facilities Fund was created in 2022 to account for resources used to operate, maintain, and renovate town buildings and sites. It established standards and best practices for managing buildings and support systems, equipment, and furniture. While an initial transfer in from the General Fund occurred in 2022, the fund will meet operational expenses moving forward, by monthly fund revenue transfers based upon departmental usage of building square footage.

The Facilities Department maintains town owned buildings and grounds by taking preventative measures to avoid costs associated with repair and replacement of building systems components and contents. The department's mission is to maintain and improve upon an environment where town employees and residents can feel safe, comfortable, and productive.

An additional Facilities Maintenance Technician was approved in the 2023 budget as a dedicated FTE to support the regular maintenance of town facilities.



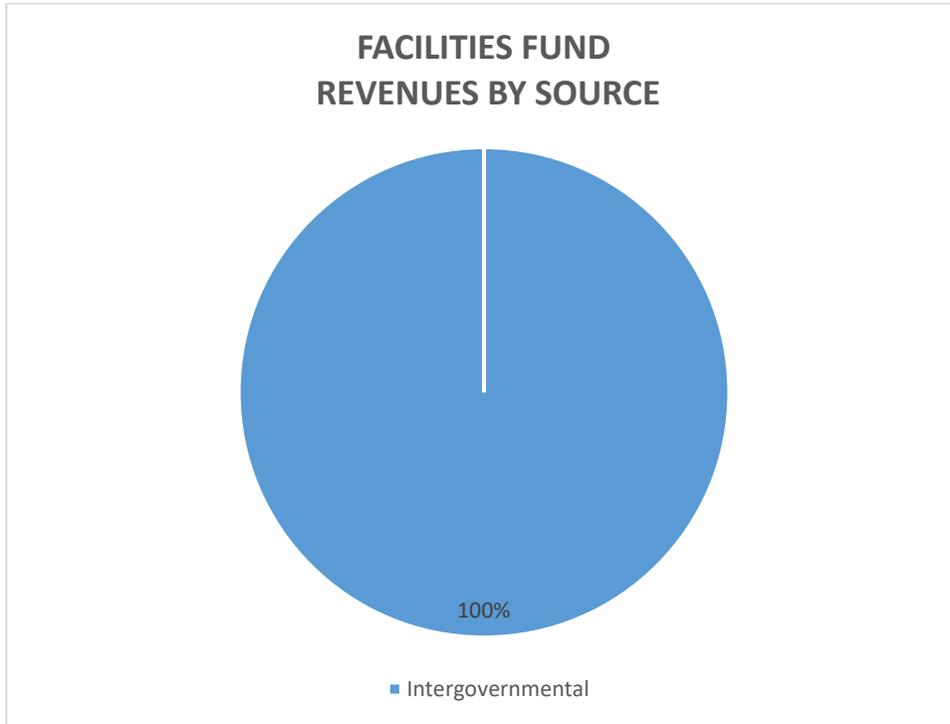
1 - Town Hall Facility

Facilities Fund Budget

Facilities Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	-	-	-	-	-
<u>Revenues:</u>					
Department Allocation	-	-	-	-	630,000
Miscellaneous Revenue	-	-	-	-	-
<i>Transfers In (from General)</i>	-	445,000	445,000	491,500	-
Total Operating Revenues	-	445,000	445,000	491,500	630,000
<u>Expenditures:</u>					
Operations & Maintenance	-	409,072	445,000	490,860.56	605,000
Capital Outlay	-	533	-	640	25,000
Debt Service	-	-	-	-	-
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	-	409,605	445,000	491,500	630,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	-	35,395	-	-	-
Ending Fund Balance	-	35,395	-	-	-

Facilities Fund Revenues

Revenues for this fund are received from monthly departmental allocations based upon usage of building square footage.



The Facilities Fund-Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2023.

Facilities Fund Revenue Sources		
Source	Amount	% of Total
Impact Fees	0	0%
Interest	0	0%
Intergovernmental	630,000	100%

Facilities Fund Expenditures

The expenditures in this fund are related to facilities operations, maintenance, and capital outlay.

**TOWN OF FREDERICK
ANNUAL BUDGET
FY 2023**

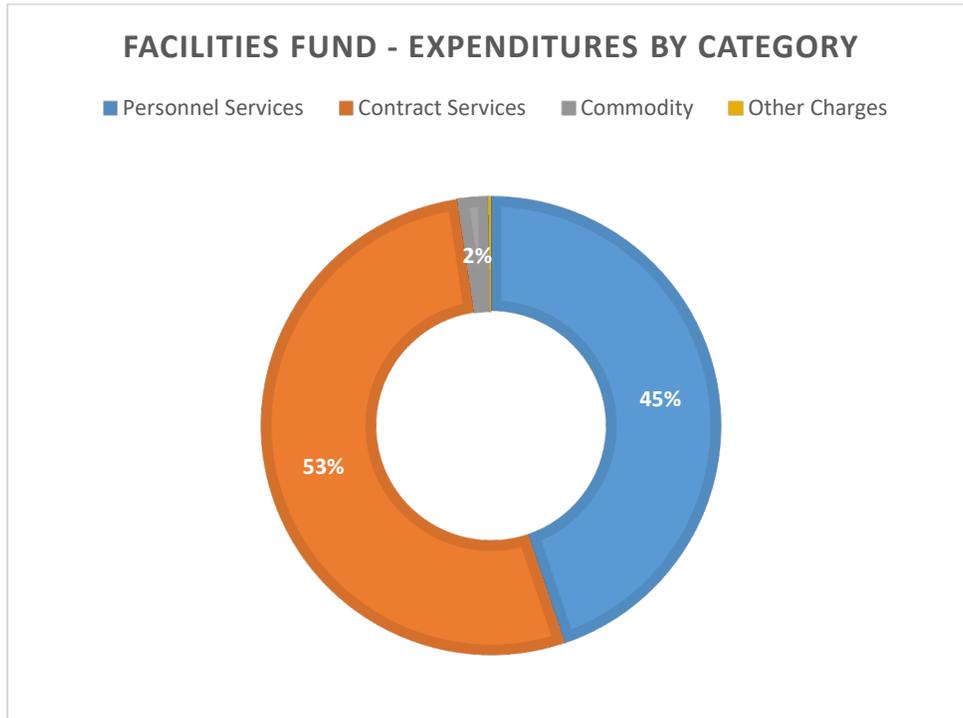
FACILITIES FUND | EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Operational Expenses	271,000	320,000	13,000	1,000	605,000	25,000	---	630,000
Totals	\$271,000	\$320,000	\$13,000	\$1,000	\$605,000	\$25,000	\$0	\$630,000
Total Cash Available								\$630,000
Ending Fund Balance								\$0
% of Total Budget	43.02%	50.79%	2.06%	0.16%	96.03%	3.97%	0.00%	100.00%

Items Funded in 2023 Budget

- Allocated personnel wage and fringe
- Building maintenance, improvement, and utilities
- Operational and commodity expenses
- Court Room remodel & renovation

The chart below details the expenditures for the Facilities Fund by category. In 2023, the largest incurred cost will be Contract Services, which consists of building utility costs, maintenance, and professional services such as cleaning, pest control, and mat service. An additional Facilities Maintenance Technician FTE was approved in the 2023 budget.



Facilities Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	1.00
Operations	2.00
Total	3.00

Facilities Fund Goals and KPI's

In addition to the projects that have been funded in the 2023 budget, the Facilities Fund establishes goals and key performance indicators that tie back to our strategic plan and are detailed below.

Performance Measures

Strategic Foundation: Strategic, Reliable & Sustainable Infrastructure				
Objective:				
New and existing buildings and facilities				
Strategy:				
Ensure proper maintenance, upkeep and security for all Town owned and leased assets				
Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of scheduled preventative maintenance services.	30	11	42	
<i>Performance:</i>				
Percentage of completed preventative maintenance services.	100%	100%	100%	
Strategic Foundation: Strategic, Reliable & Sustainable Infrastructure				
Objective:				
New and existing buildings and facilities				
Strategy:				
Ensure proper maintenance, upkeep and security for all Town owned and leased assets				
Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of unscheduled repairs and installs.	N/A	240	102	
<i>Performance:</i>				
Percentage of repairs and installs completed.	N/A	80%	100%	
Strategic Foundation: Strategic, Reliable & Sustainable Infrastructure				
Objective:				
New and existing buildings and facilities				
Strategy:				
Ensure proper maintenance, upkeep and security for all Town owned and leased assets				
Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of unscheduled immediate need/emergency maintenance/repairs services.	26	5	36	
<i>Performance:</i>				
Percentage of unscheduled/emergency repairs completed or contained within 48 hours.	100%	100%	100%	

FLEET FUND



FLEET FUND

The Fleet Fund was created in 2022 to account for resources used to maintain municipal vehicles and heavy equipment. Services include fleet management, vehicle repair, preventative maintenance, quality control inspections, procurement, and administering service and parts contracts with vendors. While an initial transfer in from the General Fund occurred in 2022, the fund will meet operational expenses moving forward, by monthly fund revenue transfers based upon departmental usage of vehicles.

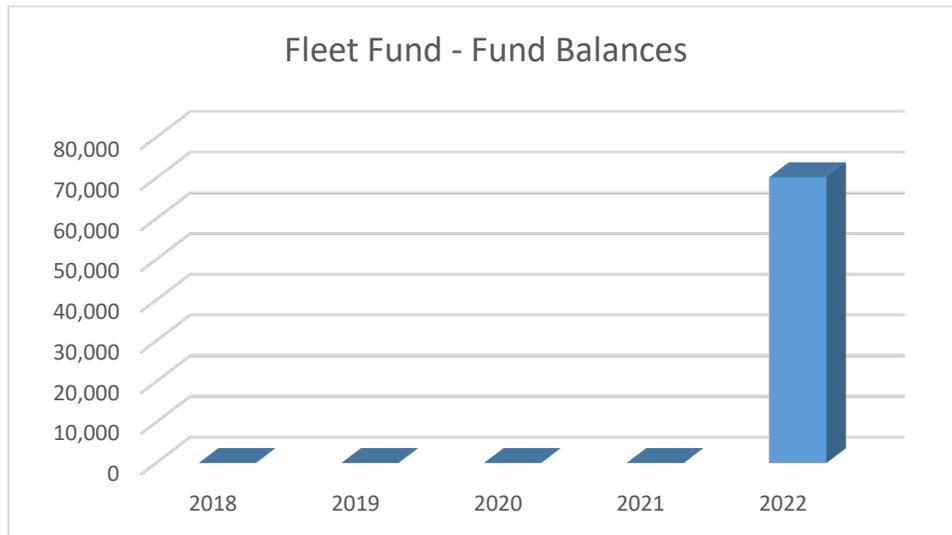
The Fleet Services Department is a support department within the Town of Frederick and employs 2 Fleet Technicians and 1 Fleet Manager. Fleet Services maintains and repairs the diverse fleet that are owned and operated by the Town. This is performed in-house at the Fleet Services Shop in the Public Works building and utilizes vendors, suppliers, dealerships, and manufacturers to provide parts, supplies and off-site services in the maintenance and repair of the fleet. Fleet Services maintains an on-hand inventory of commonly used parts and supplies/consumables for the fleet to minimize down time. The department also manages and monitors on-site fuel tanks and a cloud-based tracking system, which records and reports asset meters. Assessments are made on Town owned assets and recommendations are presented to specific departments on asset retirement, acquisition, and optimization. Fleet Services collaborates with departments to plan, specify, and purchase current and future asset needs, while also furnishing and installing any aftermarket or upfit tools and equipment requested. The department assists in development and presentation of town policy pertaining to fleet usage, also ensuring compliance with FMCSA and DOT regulations. Finally, the department provides training and feedback to operators to encourage safe operation, longevity, and efficiency.



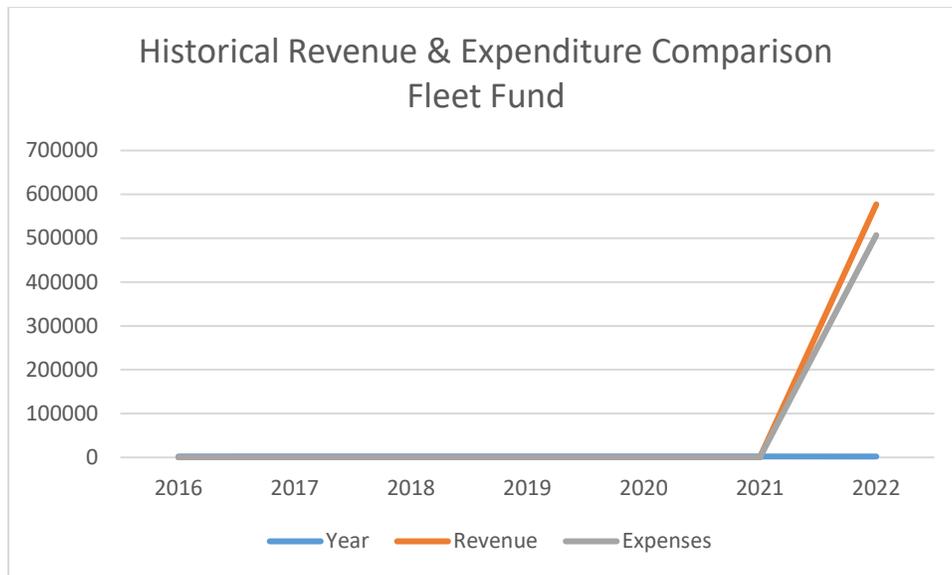
1 - Events Van



Fleet Fund - Fund Balance and Fund Summary



In the initial year of its establishment, the Fleet Fund was subsidized through a General Fund Transfer In. 2022 expense projections indicate that there will be an estimated \$70,000 available fund balance to conclude the fiscal year. Monthly department allocations will fund the 2023 operational budget and any unspent resources will continue to slowly increase fund balance levels.



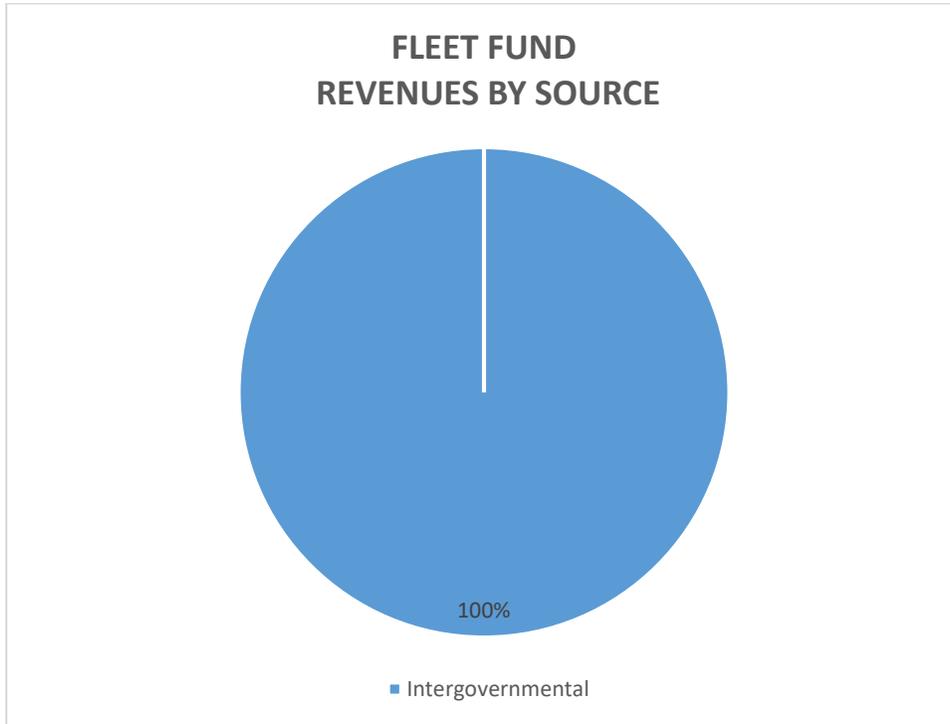
The 2023 budget for the Fleet Fund includes revenues of \$1,130,500, from monthly departmental transfers in. Budgeted expenditures also consist of \$1,130,500, an increase of \$598,550 compared to the 2022 budget, which consists of allocated personnel costs, vehicle and equipment maintenance, professional services, fuel and lubricants, and other commodity costs. Planned 2023 expenditures are higher due to properly segregating \$507,000 in vehicle lease costs.

Fleet Fund Budget

Fleet Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	-	-	-	-	70,205
<u>Revenues:</u>					
Department Allocation	-	-	-	-	1,130,500
Miscellaneous Revenue	-	4,369	-	5,243	-
<i>Transfers In (from General)</i>	-	571,950	571,950	571,950	-
Total Operating Revenues	-	576,319	571,950	577,193	1,130,500
<u>Expenditures:</u>					
Operations & Maintenance	-	416,007	524,450	499,208	1,115,500
Capital Outlay	-	6,483	7,500	7,780	15,000
Debt Service	-	-	-	-	-
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	-	422,490	531,950	506,988	1,130,500
Excess (Deficiency) of Revenues and Other Sources over Expenditures	-	153,829	40,000	70,205	-
Ending Fund Balance	-	153,829	40,000	70,205	70,205

Fleet Fund Revenues

Revenues for this fund are received from monthly departmental allocations. The approved methodology for funding will be based upon departmental usage of town vehicles.



The Fleet Fund-Revenue Sources table below lists the revenue sources, as well as the amounts that are projected for 2023.

Fleet Fund Revenue Sources		
Source	Amount	% of Total
Impact Fees	0	0%
Interest	0	0%
Intergovernmental	1,130,500	73%

Fleet Fund Expenditures

The expenditures in this fund are related to vehicle operations, maintenance, and lease costs.

**TOWN OF FREDERICK
ANNUAL BUDGET
FY 2023**

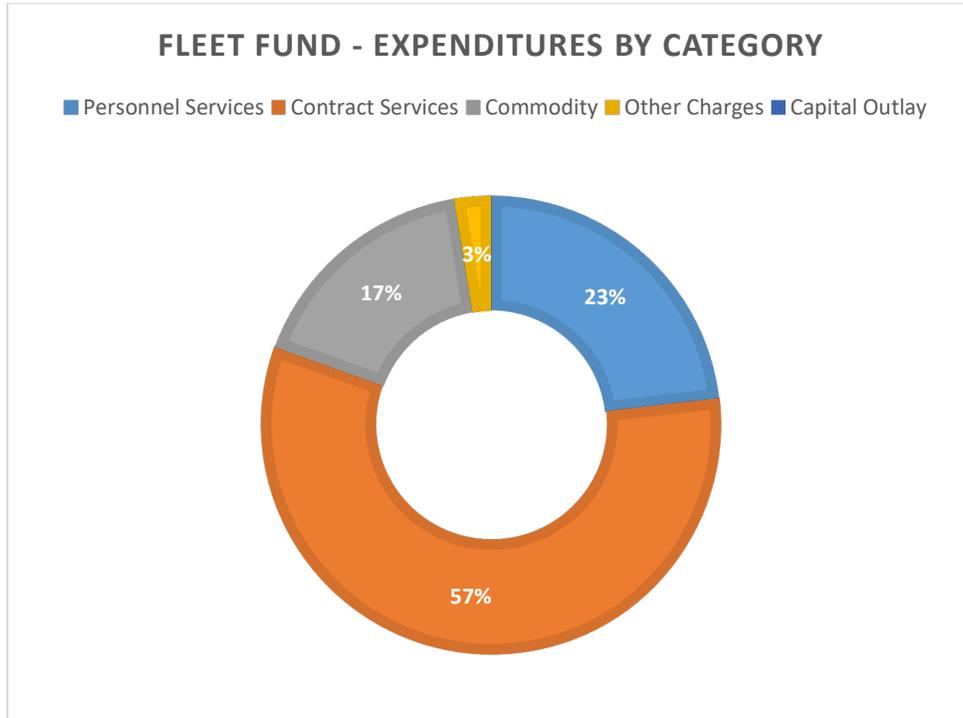
FLEET FUND | EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Operational Expenses	262,000	648,500	191,000	29,000	1,130,500	---	---	1,130,500
Totals	\$262,000	\$648,500	\$191,000	\$29,000	\$1,130,500	\$0	\$0	\$1,130,500
Total Cash Available								\$1,200,705
Ending Fund Balance								\$70,205
% of Total Budget	23.18%	57.36%	16.90%	2.57%	100.00%	0.00%	0.00%	100.00%

Items Funded in 2023 Budget

- Allocated personnel wage and fringe
- Vehicle and heavy equipment maintenance
- Operational and commodity expenses
- Vehicle lease expense

The chart below details the expenditures for the Fleet Fund by category. In 2023, the largest incurred cost will be Contract Services, which consists of vehicle lease expense.



Fleet Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	1.00
Operations	2.00
Total	3.00

Fleet Fund Goals and KPI's

In addition to the projects that have been funded in the 2023 budget, the Fleet Fund established new goals and key performance indicators that have not been previously tracked. While 2022 data is not present, it's beneficial to outline future measures that tie back to our strategic plan which are detailed below.

Performance Measures

Strategic Foundation: Effective, Efficient & Strategic Government Operations

Objective:

Prevent lost time failures or break downs of vehicles or equipment.

Strategy:

Thorough preventative maintenance inspections can identify issues before failure.

Measure:	2020	2021	2022	Comments
-----------------	-------------	-------------	-------------	-----------------

<i>Workload:</i> Preventative maintenance and inspection.	N/A	N/A	0	
--------------------------------------------------------------	-----	-----	---	--

<i>Performance:</i> Preventative maintenance performed one time.	N/A	N/A	0	
---------------------------------------------------------------------	-----	-----	---	--

Strategic Foundation: Effective, Efficient & Strategic Government Operations

Objective:

Prevent repairs having to come back after repair has been performed.

Strategy:

Ensure technicians are properly diagnosing issues and repairing items correctly the first time.

Measure:	2020	2021	2022	Comments
-----------------	-------------	-------------	-------------	-----------------

<i>Workload:</i> Diagnostic repairs.	N/A	N/A	0	
-----------------------------------------	-----	-----	---	--

<i>Performance:</i> Repeat repairs for same or similar complaint.	N/A	N/A	0	
----------------------------------------------------------------------	-----	-----	---	--

Strategic Foundation: Effective, Efficient & Strategic Government Operations

Objective:

Minimize service calls outside of the shop.

Strategy:

Properly identify issues or trends and repair issues before breakdowns occur.

Measure:	2020	2021	2022	Comments
-----------------	-------------	-------------	-------------	-----------------

<i>Workload:</i> Repair campaigns of common failures on similar assets.	N/A	N/A	0	
----------------------------------------------------------------------------	-----	-----	---	--

<i>Performance:</i> Campaign not completed in projected time line.	N/A	N/A	0%	
-----------------------------------------------------------------------	-----	-----	----	--

GOLF COURSE FUND



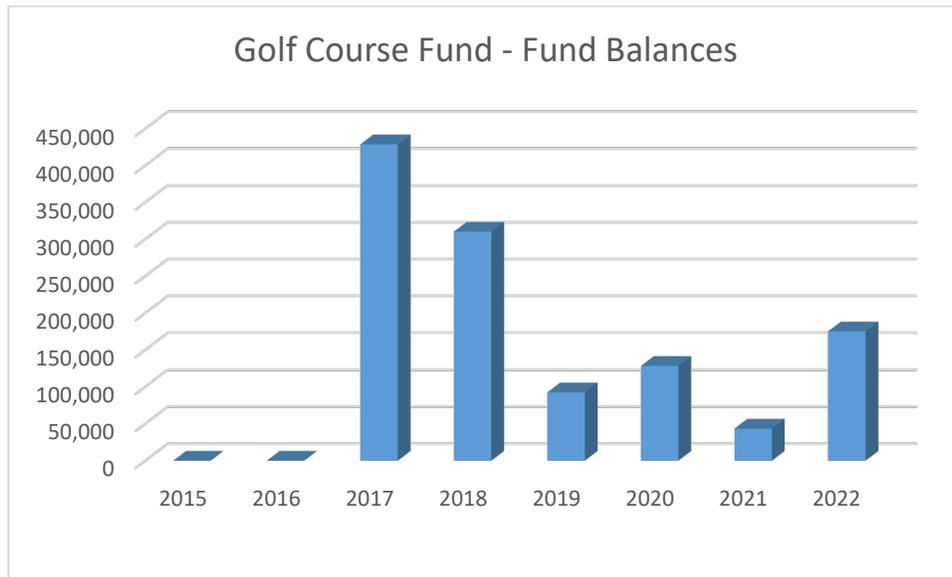
GOLF COURSE FUND

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 be outside and enjoy local exercise and social activity. 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.

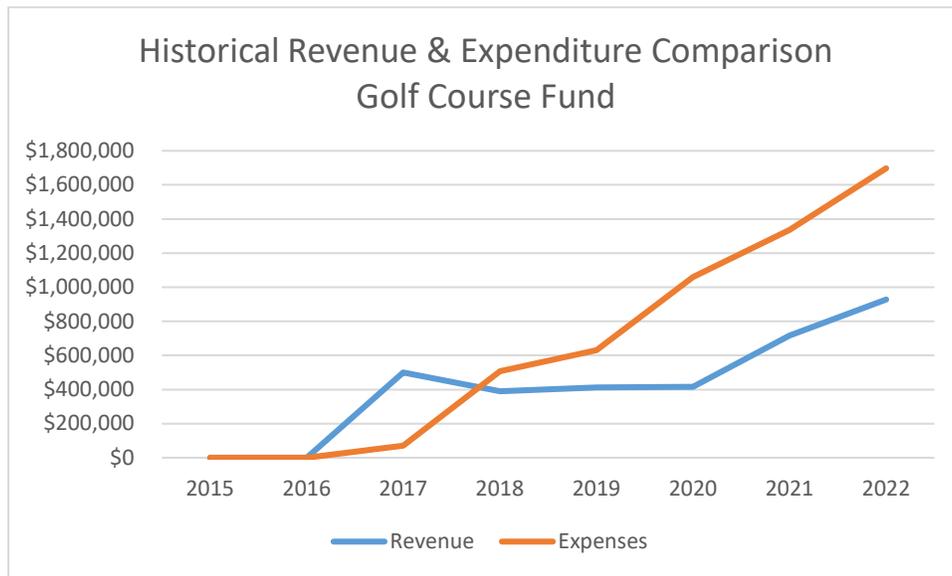


1 - Bella Rosa Golf Course

Golf Course Fund – Fund Balance and Fund Summary



As the following graph illustrates, the Golf Course Fund continues to incur a regular net loss. This negative fund equity is supplemented by an annual transfer of funds from the General Fund.



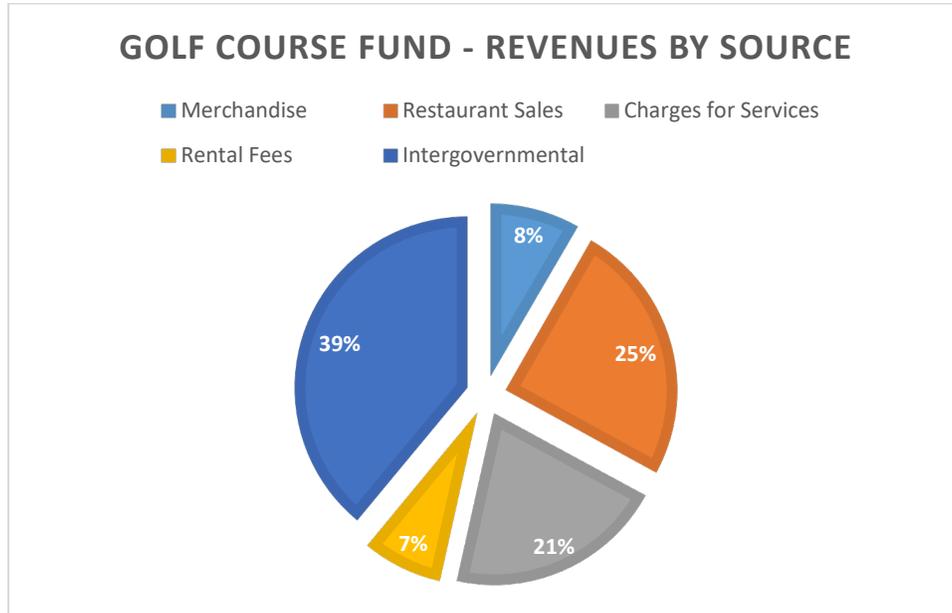
The 2023 budget for the Golf Course Fund includes revenues of \$1,612,650 with a planned \$629,100 transfer in from General Fund. Planned Charges for Services revenue has increased \$57,495 from 2022 and the Board provided direction to reduce the General Fund subsidy down to 40% for the course and no subsidization for the restaurant. Budgeted expenditures are \$1,710,150, a slight increase of \$82,200 compared to the 2022 budget, due to planned capital outlay of \$107,500 for an equipment program and Bella Rosa Golf Master Plan.

Golf Course Fund Budget

Golf Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	199,998	43,275	43,275	43,275	175,006
<u>Revenues:</u>					
Charges for Services	705,506	767,546	726,700	921,055	978,550
Grants & Contributions	-	-	-	-	-
Miscellaneous Revenue	11,665	5,713	-	6,855	5,000
<i>Transfers In (from General)</i>	1,598,818	901,250	901,250	901,250	629,100
Total Operating Revenues	2,315,989	1,674,508	1,627,950	1,829,160	1,612,650
<u>Expenditures:</u>					
Operations & Maintenance	1,311,946	1,396,394	1,603,450	1,675,673	1,602,650
Capital Outlay	-	18,131	24,500	21,757	107,500
Depreciation	23,126	-	-	-	-
<i>Transfers Out</i>	1,137,640	-	-	-	-
Total Expenditures	2,472,712	1,414,524	1,627,950	1,697,429	1,710,150
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(156,723)	259,984	-	131,731	(97,500)
Ending Fund Balance	43,275	303,259	43,275	175,006	77,506

Golf Course Fund Revenue

Revenues for this fund are derived 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 2023.

Golf Course Revenue Sources		
Source	Amount	% of Total
Merchandise	134,000	8%
Restaurant Sales	397,350	25%
Charges for Services	331,200	21%
Rental Fees	121,000	8%
Intergovernmental	629,100	39%

Golf Course Fund Expenditures

The expenditures in this fund are related to the operations and maintenance of Bella Rosa Golf Course and the 'The Back 9 at Bella Rosa' restaurant, totaling \$1,602,650. Capital expenditures of \$107,500 consist of equipment replacement and a course master plan.

**TOWN OF FREDERICK
ANNUAL BUDGET
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GOLF FUND | EXPENSE SUMMARY

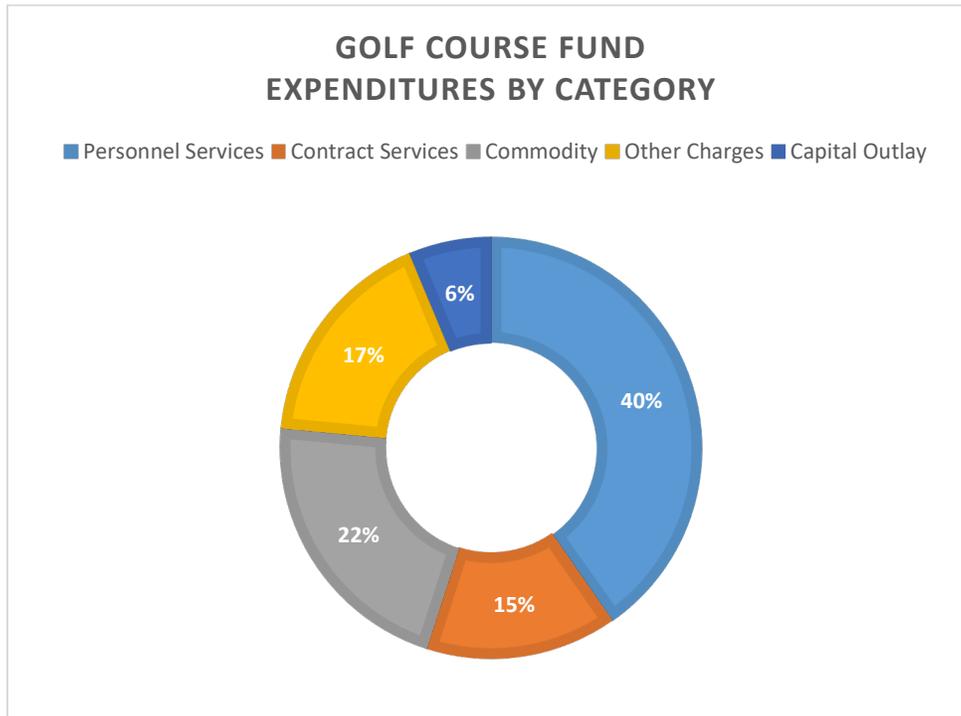
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Golf Course	520,500	234,800	167,000	278,000	1,200,300	107,500	---	1,307,800
Golf Restaurant	168,350	16,500	201,000	16,500	402,350	---	---	402,350
Totals	\$688,850	\$251,300	\$368,000	\$294,500	\$1,602,650	\$107,500	\$0	\$1,710,150

Total Cash Available								\$1,787,656
Ending Fund Balance								\$77,506
% of Total Budget	40.28%	14.69%	21.52%	17.22%	93.71%	6.29%	0.00%	100.00%

Projects Funded in 2023 Budget

- Equipment replacement program
- Bella Rosa Course Master Plan

The chart below details the expenditures for the Golf Course Fund by category. In 2023, the largest cost category is Personnel Services, which is existing staff dedicated to the operational activity of the fund.



Golf Course Fund - Full Time Employees

Department	No. of Full Time Employees
Golf Course Operations	5.00
Golf Course Restaurant	3.00
Total	8.00

Golf Course Fund Goals and KPIs

In addition to the projects that have been funded in the 2023 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)

Performance Measures

Strategic Foundation: Dynamic, Inclusive & Connected Community

Objective:

Expose junior golfers to Bella Rosa youth programs.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Juniors signed up for junior golf	108	132	151	
<i>Performance:</i>				
Juniors that completed program	105	127	147	

Strategic Foundation: Dynamic, Inclusive & Connected Community

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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of outing rounds scheduled	650	645	725	
<i>Performance:</i>				
Number of outing rounds played	125	575	690	

Strategic Foundation: Dynamic, Inclusive & Connected Community

Objective:

To develop customer loyalty through annual pass sales.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of annual passes sold	55	88	98	
<i>Performance:</i>				
Annual pass revenue	\$22,371	\$39,314	\$42,488	

Strategic Foundation: Dynamic, Inclusive & Connected Community

Objective:

Grow our driving range participation through our punch card program.

Strategy:

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

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of punch cards sold	70	132	94	
<i>Performance:</i>				
Punch card revenues	\$5,689	\$9,675	\$6,415	Daily range revenue \$50,611

Strategic Foundation: Dynamic, Inclusive & Connected Community

Objective:

To sell quality merchandise branded with our course logo.

Strategy:

Increase sales through creative displays & upselling.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of merchandise items sold	2,244	4,263	4,947	
<i>Performance:</i>				
Merchandise revenue	\$28,777	\$58,167	\$73,555	

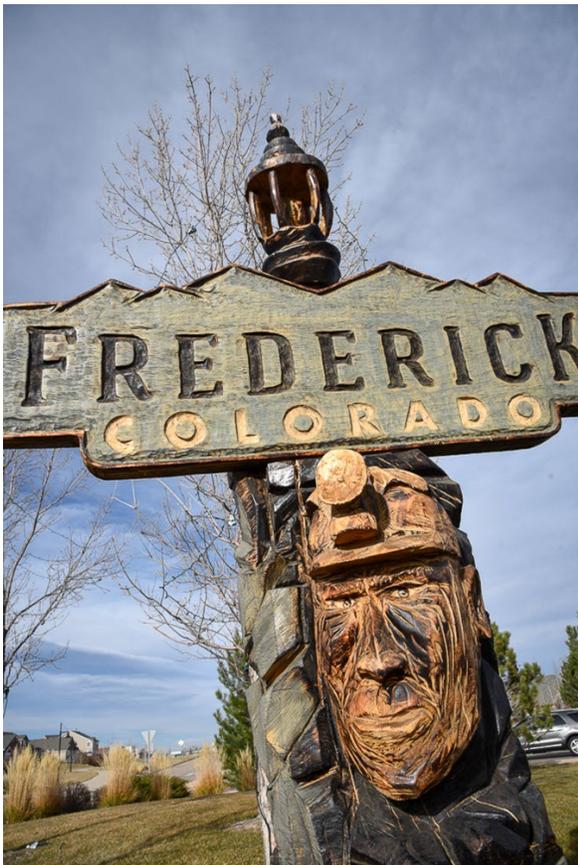
ART IN PUBLIC PLACES FUND



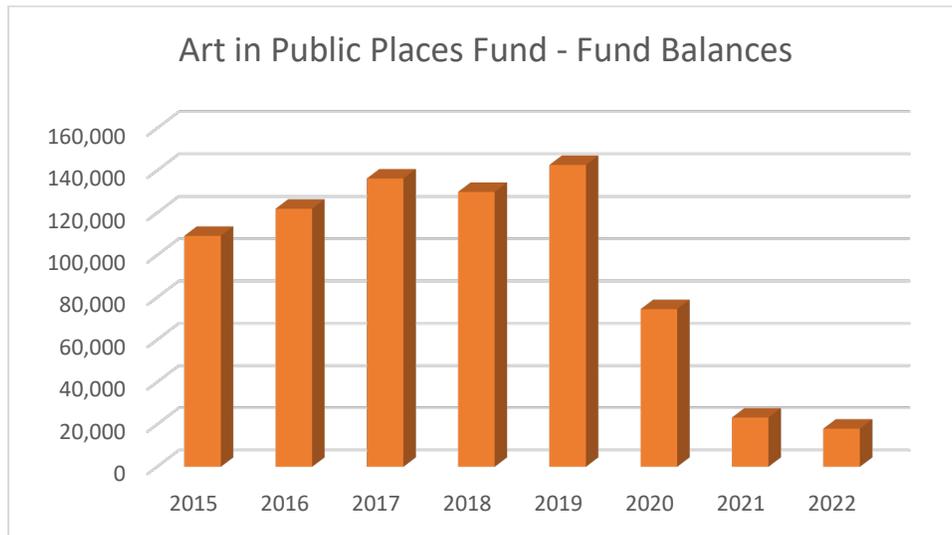
ART IN PUBLIC PLACES FUND

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 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 (1) percent of construction costs for capital projects costing more than \$25,000.

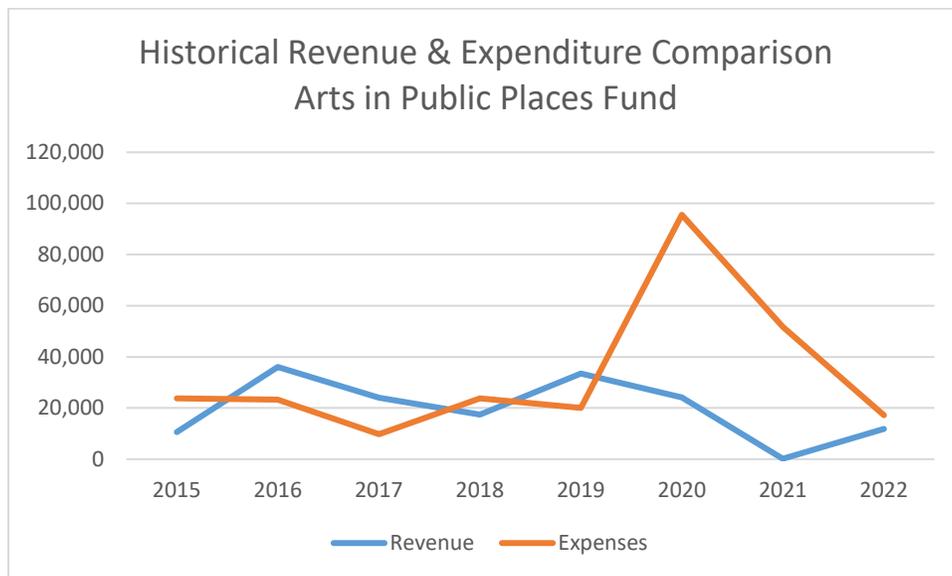
The Art in Public Places program is administered by the Frederick Arts Commission. The Commission is appointed by the Board of Trustees. One of the commission's core functions is to suggest placement of public art in the community. The Commission seeks to place interesting and unique pieces of art throughout 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



The source of revenues for the Art Fund are primarily from a one percent transfer of annual construction costs from the Street & Alley Fund. Historical expenditures have been fairly consistent, with limited maintenance to art sculpture and budgeted capital outlay for future purchases. A relatively low fund balance is maintained for additional art projects or emergency repair.



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

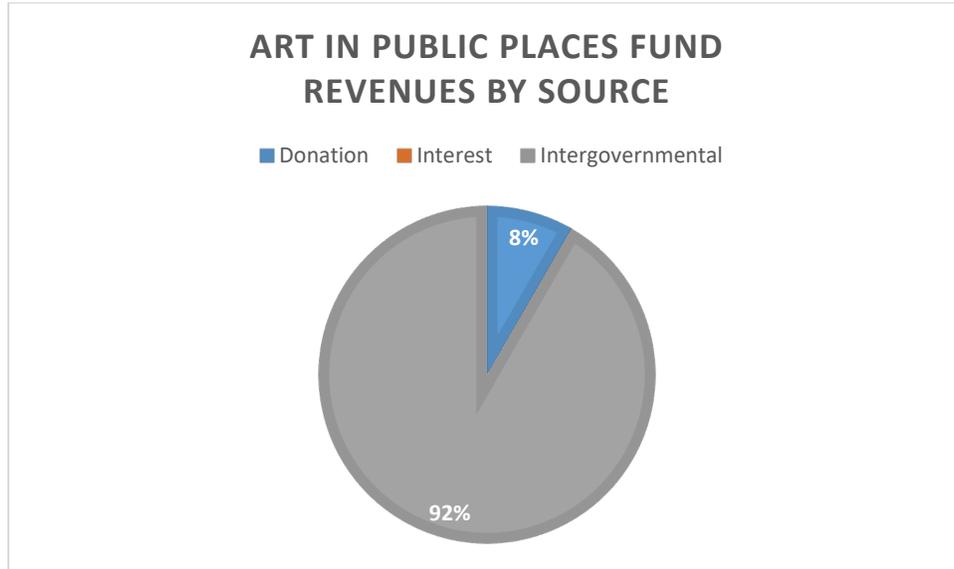
The 2023 budget for the Art in Public Places Fund includes revenues of \$12,000, which is a consistent transfer estimation as the 2022 budget. Planned 2023 expenditures are relatively flat compared to 2022 for scheduled art maintenance and acquisition of new public art.

Art in Public Places Budget

Art in Public Places Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	74,930	23,277	23,277	23,277	18,000
Revenues:					
Grants & Contributions	155	1,000	1,000	1,200	1,000
Miscellaneous Revenue	-	-	-	-	-
<i>Transfer In</i>	-	10,698	11,000	10,698	11,000
Total Operating Revenues	155	11,698	12,000	11,898	12,000
Expenditures:					
Operations & Maintenance	5,023	4,428	10,000	5,313	10,000
Capital Outlay	46,785	10,142	30,000	11,861	20,000
<i>Transfer Out</i>	-	-	-	-	-
Total Expenditures	51,808	14,570	40,000	17,175	30,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(51,653)	(2,872)	(28,000)	(5,277)	(18,000)
Ending Fund Balance	23,277	20,405	(4,723)	18,000	-

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 2023.

Art in Public Places Fund Revenue Sources		
Source	Amount	% of Total
Donation	1,000	8%
Interest	0	0%
Intergovernmental	11,000	92%

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 \$10,000 in contract services for maintenance.

**TOWN OF FREDERICK
ANNUAL BUDGET
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ART IN PUBLIC PLACES FUND | EXPENSE SUMMARY

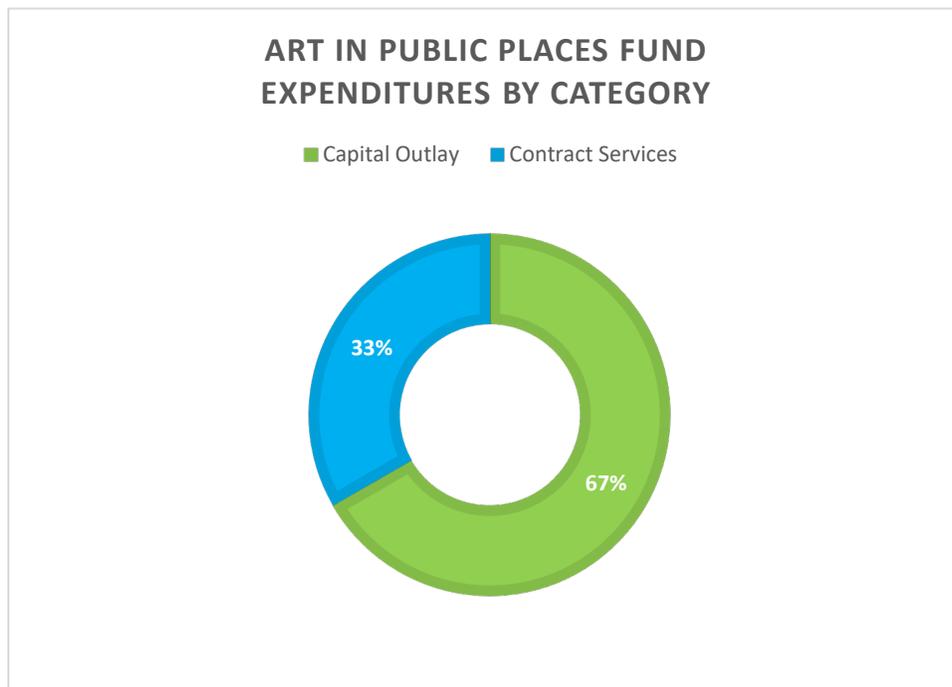
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Art in Public Places	---	10,000	---	---	10,000	20,000	---	30,000
Totals	\$0	\$10,000	\$0	\$0	\$10,000	\$20,000	\$0	\$30,000

Total Cash Available								\$30,000
Ending Fund Balance								(\$0)
% of Total Budget	0.00%	33.33%	0.00%	0.00%	33.33%	66.67%	0.00%	100.00%

Projects Funded in 2023 Budget

- Art acquisition and maintenance

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 2023 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 2023 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)

Performance Measures

Strategic Foundation: Dynamic, Inclusive & Connected Community

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 creativity

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of new art pieces placed in the community.	5	8	7	
<i>Performance:</i>				
Number of new art pieces placed within 90 days of completion of the piece.	5	8	7	

Strategic Foundation: Dynamic, Inclusive & Connected Community

Objective:

Maintain and enhance the current culture, park and trail systems

Strategy:

Maintain condition assessment and maintenance program for man-made amenities

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of art pieces the received regular maintenance.	50	75	63	
<i>Performance:</i>				
Percentage of art pieces that needed maintenance and received it.	100%	80%	100%	

PUBLIC SAFETY FUND



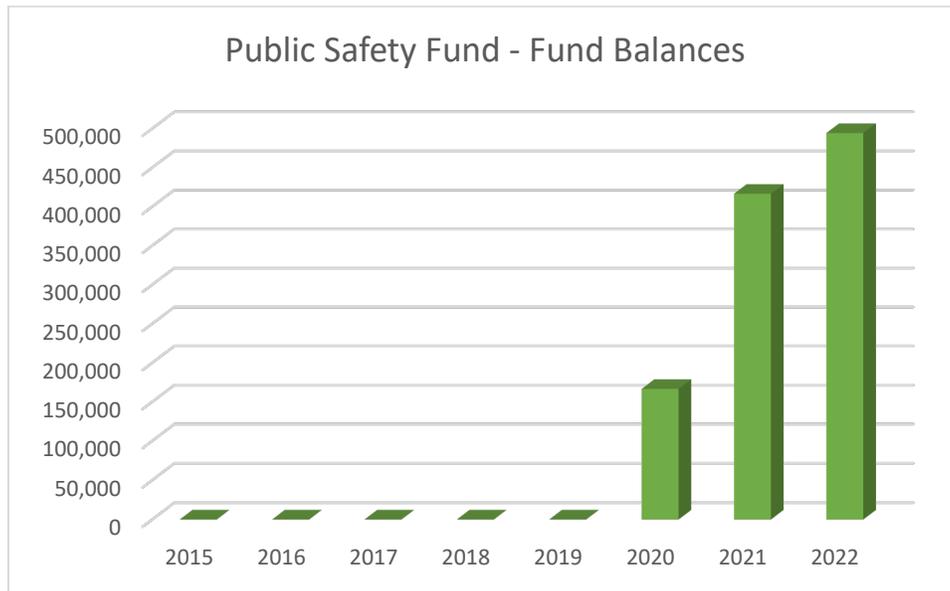
PUBLIC SAFETY FUND

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.

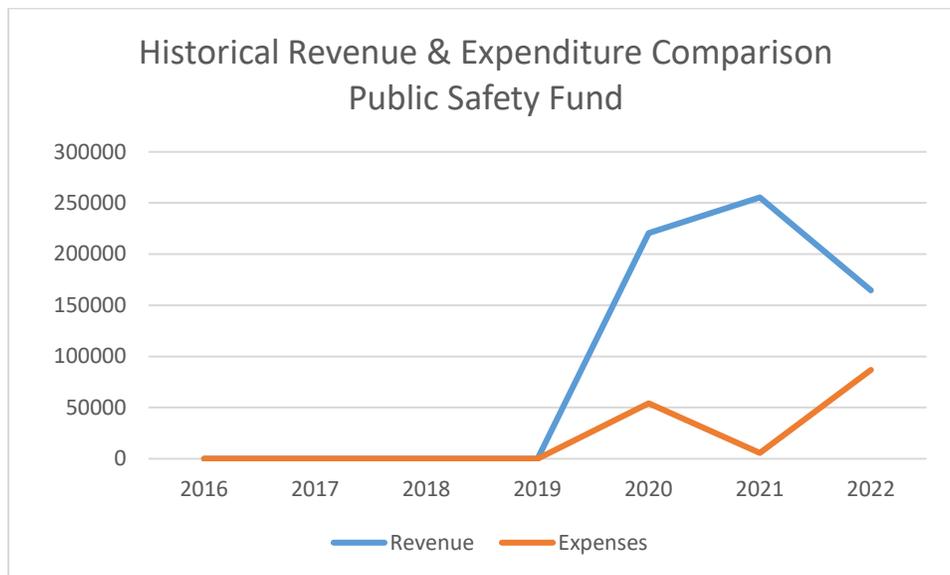
The fee established by the Frederick Public Safety Impact Fee Study is a reasonable fee sufficient to cover the costs of administration, inspection, publication of notice and similar matters for this fund will be charged to applicants for building permits based on the nature of proposed development. 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 – Fund Balance and Fund Summary



In the third year of its existence, unspent permit and fee revenues have contributed towards a 2022 fund balance of approximately \$495,000. The impact fee collections are dedicated towards allowable capital improvements in future years. Fund Balance will fluctuate as CIP needs are identified and approved by the Board.



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

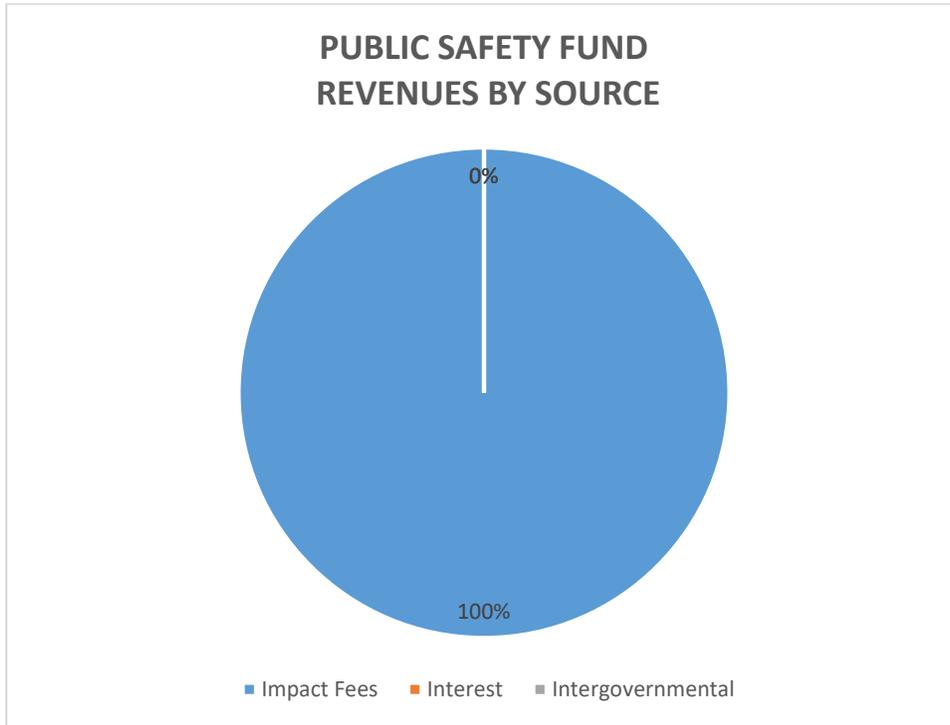
The 2023 budget for the Public Safety Fund includes projected revenues of \$250,000, a decrease of (\$118,000) compared to the 2022 budget. Planned 2023 expenditures consist of a \$250,000 transfer out to the General Fund for Police Department body camera, taser improvements, and a building remodel for additional office space.

Public Safety Fund Budget

Public Safety Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	166,819	416,495	416,495	416,495	494,239
<u>Revenues:</u>					
Permits & Fees	255,469	137,162	368,000	164,594	250,000
Miscellaneous Revenue	-	-	-	-	-
Transfers In	-	-	-	-	-
Total Operating Revenues	255,469	137,162	368,000	164,594	250,000
<u>Expenditures:</u>					
Capital Outlay	5,793	86,851	88,000	86,851	-
Transfers Out	-	-	-	-	250,000
Total Expenditures	5,793	86,851	88,000	86,851	250,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures	249,676	50,311	280,000	77,744	-
Ending Fund Balance	416,495	466,806	696,495	494,239	494,239

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 2023.

Public Safety Fund Revenue Sources		
Source	Amount	% of Total
Impact Fees	250,000	100%
Interest	0	0%
Intergovernmental	0	0%

Public Safety Fund Expenditures

The expenditures in this fund are related to capital improvements with a budgeted transfer out for 2023. Fund Balance is to projected remain the same in the third year of the fund’s existence. This balance is restricted towards approved CIP needs and will continue to be transferred to the General Fund to properly segregate planned capital outlay.

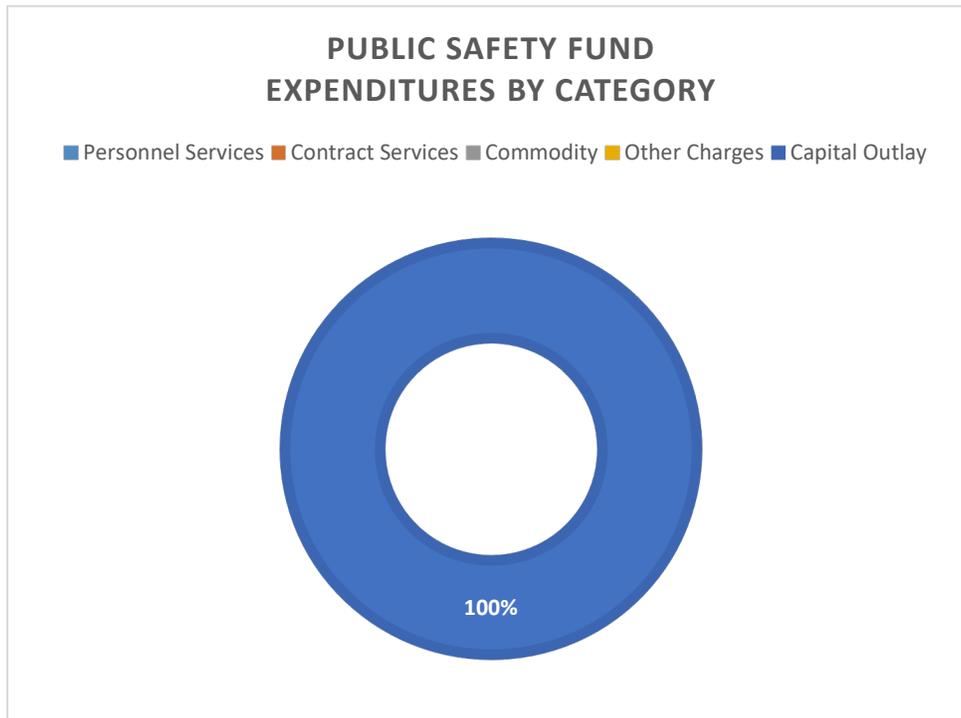
**TOWN OF FREDERICK
ANNUAL BUDGET
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PUBLIC SAFETY FUND | EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Operational Expenses	0	0	0	0	0	250,000	---	250,000
Totals	\$0	\$0	\$0	\$0	\$0	\$250,000	\$0	\$250,000

Total Cash Available								\$744,239
Ending Fund Balance								\$494,239
% of Total Budget	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

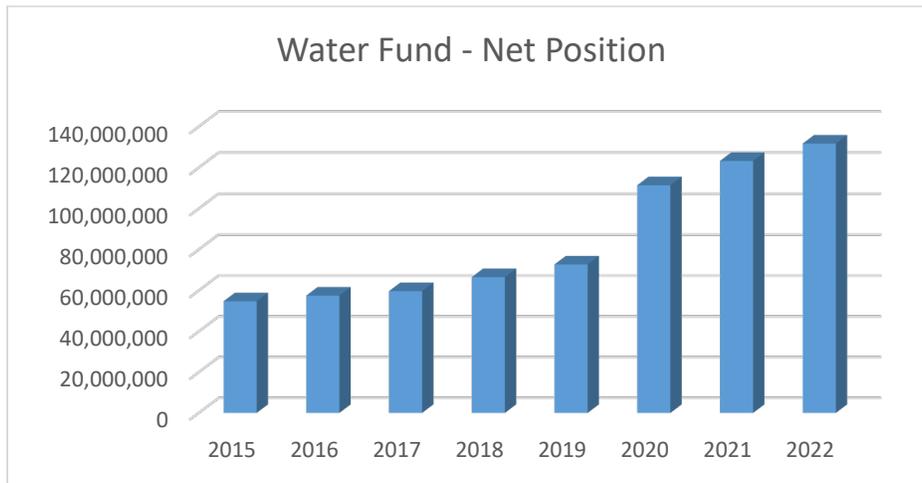
The Town of Frederick Water Fund is an enterprise fund responsible for the operations, maintenance, and capital-related items of the town water distribution system. This includes the repair and installation of lines into the system, reading of all meters for billing purposes, and monitoring the testing 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.

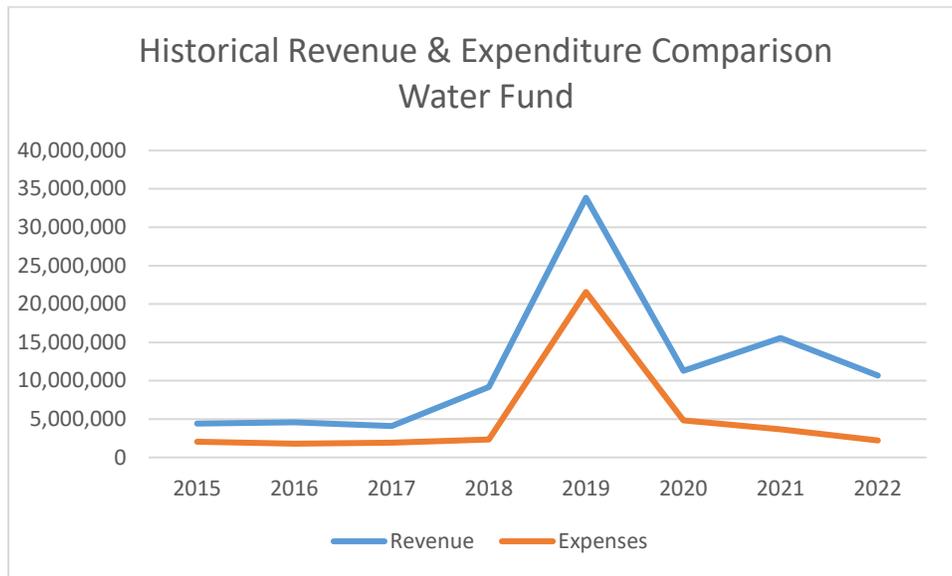
The Town Board has elected to participate in the Northern Integrated Supply Project (NISP) as the best alternative to meet the town's potable water supply needs out to 2030. This high quality water supply would provide the town with a firm yield of 2,600 acre feet of water per year. NISP would develop 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, a steady increase in fund balance has occurred since 2015. This increase is two-fold: 1) Operational expenses are significantly less than received charges for service and fee revenues, and 2) The sale of the Electric Utility Fund in 2020 for approximately \$30M, greatly increased the overall net position in a single year.



Note: This graph reflects all revenues and expenses.

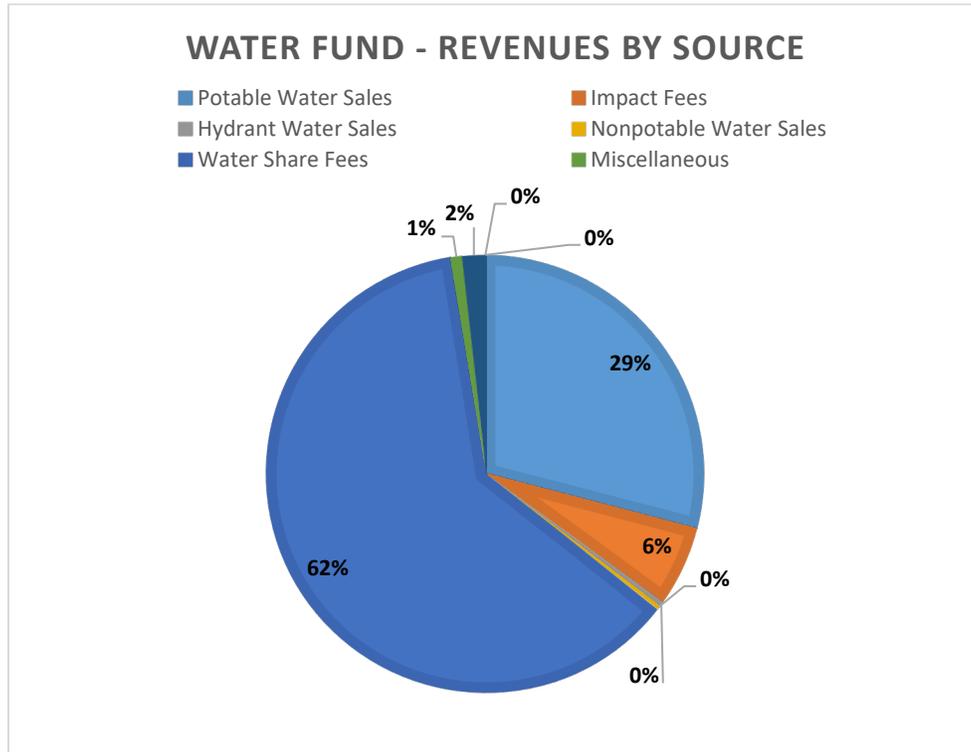
The 2023 budget for the Water Fund includes operating revenues of \$4,183,900, a slight increase of \$352,900 compared to the 2022 budget. Planned operating expenditures are \$5,770,400 and \$5,023,250 is dedicated towards capital outlay, consisting of participation in the Northern Integrated Supply Project, Colorado Big Thompson unit water purchases, and the Windy Gap Storage project.

Water Fund Budget

Water Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	111,356,945	123,238,320	123,238,320	123,238,320	131,692,332
Revenues:					
Charges for Services	3,760,965	3,560,610	3,253,000	4,272,732	4,063,900
Miscellaneous Revenue	57,277	34,361	578,000	41,233	120,000
Total Operating Revenues	3,818,242	3,594,971	3,831,000	4,313,965	4,183,900
Expenses:					
Operations & Maintenance	3,668,581	1,850,971	4,356,000	2,221,165	5,770,400
Capital Outlay	-	-	-	-	5,023,250
Depreciation	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Operating Expenses	3,668,581	1,850,971	4,356,000	2,221,165	10,793,650
Operating Income (Loss)	149,661	1,744,000	(525,000)	2,092,800	(6,609,750)
Non-Operating Revenues (Expenses):					
Tap Fees	-	119,524	303,000	143,429	207,000
Capital Investment Fees	11,731,714	5,181,486	16,296,000	6,217,783	9,280,000
Interest Expense	-	-	-	-	-
Transfer In	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	11,731,714	5,301,010	16,599,000	6,361,211	9,487,000
Excess (Deficiency) of Revenues and Other Sources over Expenses	11,881,375	7,045,010	16,074,000	8,454,012	2,877,250
Ending Fund Balance	123,238,320	130,283,330	139,312,320	131,692,332	134,569,582

Water Fund Revenues

Water Fund revenues primarily consist 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 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 2023.

Water Fund Revenue Sources		
Source	Amount	% of Total
Potable Water Sales	3,970,000	29.0%
Impact Fees	809,000	5.9%
Hydrant Water Sales	50,000	0.4%
Nonpotable Water Sales	40,000	0.3%
Water Share Fees	8,453,000	61.8%
Miscellaneous	120,000	0.9%
Other Fees	228,900	1.7%
Interest	0	0.0%
Intergovernmental	0	0.0%

Water Fund Expenditures

Planned operating expenses for the Water Fund are \$5,770,400. The services provided by this fund are labor intensive as illustrated below.

**TOWN OF FREDERICK
ANNUAL BUDGET
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WATER FUND | EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
General Admin	855,000	90,000	---	105,000	1,050,000	---	---	1,050,000
Engineering	---	3,951,400	25,000	9,000	3,985,400	4,857,000	---	8,842,400
Public Works	323,000	180,500	226,000	5,500	735,000	166,250	---	901,250
Totals	\$1,178,000	\$4,221,900	\$251,000	\$119,500	\$5,770,400	\$5,023,250	\$0	\$10,793,650

Total Cash Available \$145,363,232

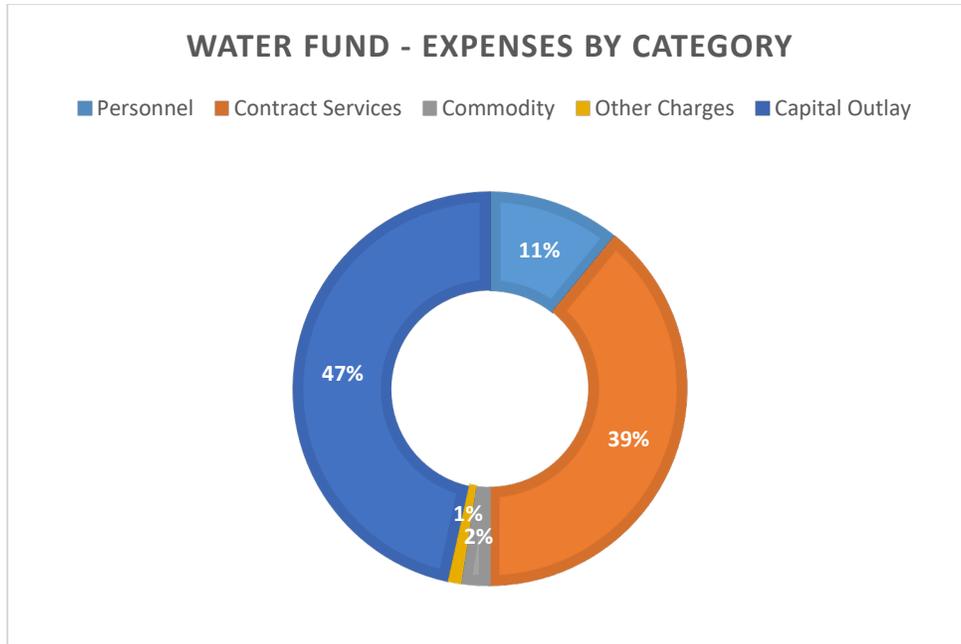
Ending Fund Balance \$134,569,582

% of Total Budget	10.91%	39.11%	2.33%	1.11%	53.46%	46.54%	0.00%	100.00%
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Projects Funded in 2023 Budget

- Windy Gap Storage water allocation
- Town Public Improvement Obligations-Prosperity
- Northern Integrated Supply Project water allocation
- Colorado Big Thompson (CBT) Unit Purchases
- Booster Pump-Raw Water System
- Third Pump-West Pump Station
- Master Plans-Frederick Recreation Area, Bella Rosa Golf Course, Centennial Park (share)
- Irrigation Central Control
- Vactor Truck (share)
- Front End Wheel Loader (share)
- Mini Excavator (share)

The chart below details the expenditures for the Water Fund by category. The continued largest cost category is capital outlay, with contract services closely following, consisting of Engineering professional services, water assessments, and Central Weld water purchases.



Water Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	7.40
Operations	3.35
Total	10.75

Water Fund Goals and KPIs

In addition to the projects that have been funded in the 2023 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)

Performance Measures

Strategic Foundation: Safe & Secure

Objective:

Provide and maintain public safety in our community.

Strategy:

Respond to quality of life issues impacting the citizens of Frederick.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of calls/emails concerning water concerns	45	100	90	
<i>Performance:</i>				
Percentage of water related calls/emails responded to in 48 hour period	85%	80%	80%	

Strategic Foundation: Strategic, Reliable & Sustainable 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Total number of plans/items submitted	43	52	26	
<i>Performance:</i>				
Average number of-hours for engineering department's first application review	6	2	3	

Strategic Foundation: Safe & Secure

Objective:

Provide and maintain safe infrastructure in our community.

Strategy:

Provide community education on water.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of community/outreach events offered	1	0	0	Updated Water Efficiency Plan identifies events/programs to implement
<i>Performance:</i>				
Number of community/outreach events supported	1	0	0	Town Board has agreed to fund an FTE in 2023 for Community Programs

Strategic Foundation: Strategic, Reliable & Sustainable 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Linear feet of new raw water infrastructure installed	300	2100	0	No new raw water infrastructure was installed in 2022
<i>Performance:</i>				
Acres of park maintained with raw water	159.1	167.2	167.2	

Strategic Foundation: Strategic, Reliable & Sustainable Infrastructure

Objective:

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

Strategy:

Maintain existing infrastructure in all areas of Town.

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of fire hydrants flushed annually	58	150	218	
<i>Performance:</i>				
Percentage of hydrants flushed annually	20%	25%	33%	

STORM WATER FUND



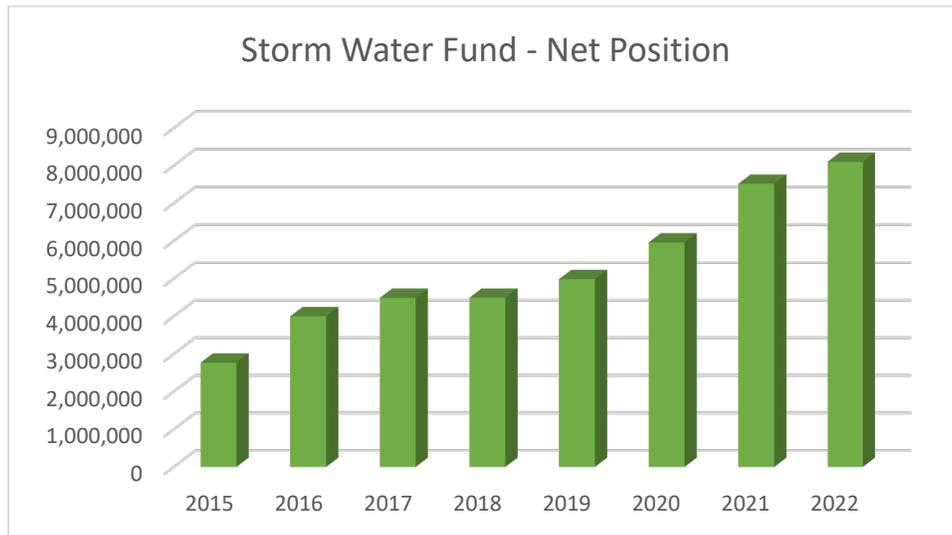
STORM WATER FUND

The Storm Water Fund was established with the creation of the storm water utility in 2008, for the purpose of protecting people and property from harm and damage resulting from uncontrolled and unplanned storm water 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 storm water system along with the administration of the storm water 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.

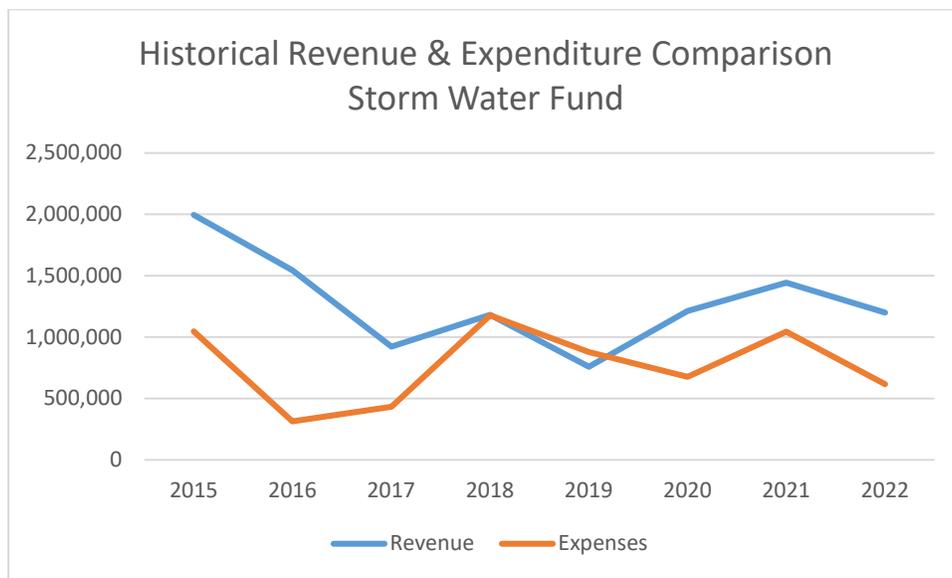
The Storm Water Fund is also responsible for the design and construction of capital improvements and the costs of capital equipment for the utility. Planned capital improvements are needed to serve new development and growth in the town. Funding for new capital projects comes mainly from impact fees 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 storm water 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 Storm Water Master Plan as adopted by the Town Board.

Storm Water 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, a steady increase in fund balance has occurred since 2105. This increase is due to operational expenses remaining lower than received charges for service and fee revenues.



Note: This graph reflects all revenues and expenses.

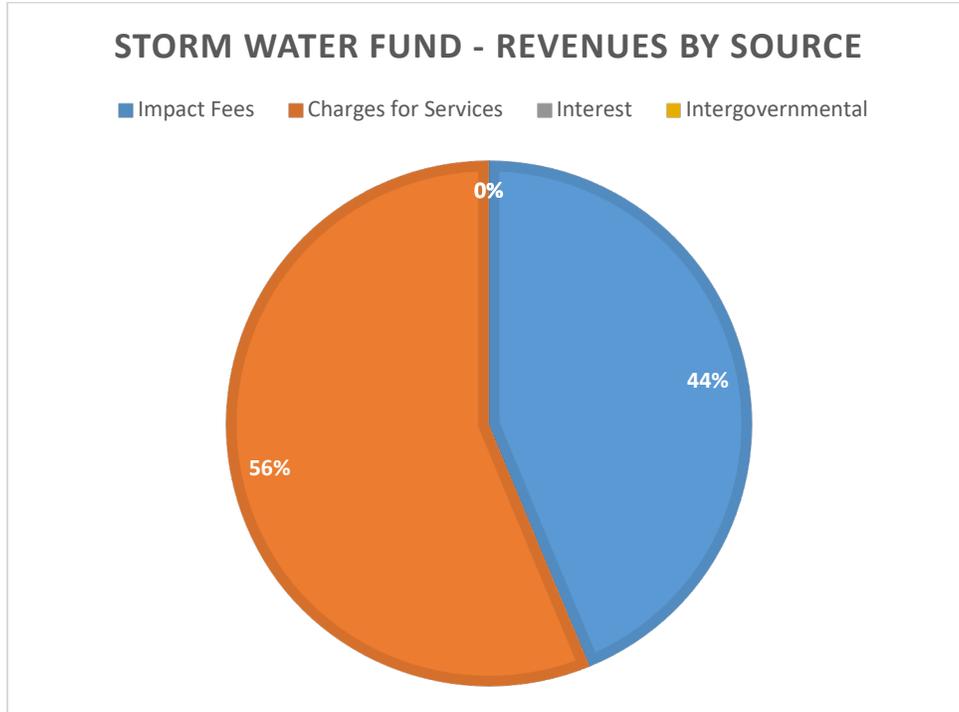
The 2023 budget for the Storm Water Fund includes total revenues of \$1,550,000, of which \$872,000 are operating revenues. This amount is \$96,000 less than what was budgeted in 2022, due to a decrease in capital and miscellaneous revenues. Planned expenditures are \$3,426,250, which is \$2,745,250 more than what was budgeted in 2022 due to \$2,146,250 in capital projects and a \$599,000 increase in operations and maintenance.

Storm Water Fund Budget

Storm Water Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	5,978,831	7,515,372	7,515,372	7,515,372	8,099,850
<u>Revenues:</u>					
Charges for Services	756,571	634,053	745,000	760,864	872,000
Miscellaneous Revenue	159,969	4,839	-	5,806	-
Total Operating Revenues	916,540	638,892	745,000	766,671	872,000
<u>Expenses:</u>					
Operations & Maintenance	1,044,076	513,541	681,000	616,249	1,280,000
Capital Outlay	-	-	-	-	2,146,250
Transfer Out (CIP)	-	-	-	-	-
Total Operating Expenses	1,044,076	513,541	681,000	616,249	3,426,250
Operating Income (Loss)	(127,536)	125,351	64,000	150,421	(2,554,250)
<u>Non-Operating Revenues (Expenses):</u>					
Capital Revenues	526,437	329,400	771,000	395,280	613,000
Miscellaneous Revenue	-	32,314	130,000	38,777	65,000
Interest Expense	-	-	-	-	-
Transfer In	1,137,640	-	-	-	-
Total Non-Operating Revenues (Expenses)	1,664,077	361,713	901,000	434,056	678,000
Excess (Deficiency) of Revenues and Other Sources over Expenses	1,536,541	487,065	965,000	584,478	(1,876,250)
Ending Fund Balance	7,515,372	8,002,437	8,480,372	8,099,850	6,223,600

Storm Water Fund Revenues

Storm Water Fund revenues primarily consist of customer receipts and impact fees. The chart below shows the proportion of each major revenue source to total Storm Water Fund revenues.



The Storm Water Fund – Revenue Sources table below lists the major revenue sources, as well as the amounts that are projected for 2023.

Storm Water Fund Revenue Sources		
Source	Amount	% of Total
Impact Fees	678,000	44%
Charges for Services	872,000	56%
Interest	0	0%
Intergovernmental	0	0%

Storm Water Fund Expenditures

Storm Water expenditures for the 2023 budget are both operating and capital in nature. The Storm Water Fund has \$2,146,250 budgeted for capital outlay, designated towards a Groundwater Impact Project, Storm Water Drainage Improvement OSP, a Vactor Truck, Front End Wheel Loader, and a Mini Excavator.

**TOWN OF FREDERICK
ANNUAL BUDGET
FY 2023**

STORM WATER FUND | EXPENSE SUMMARY

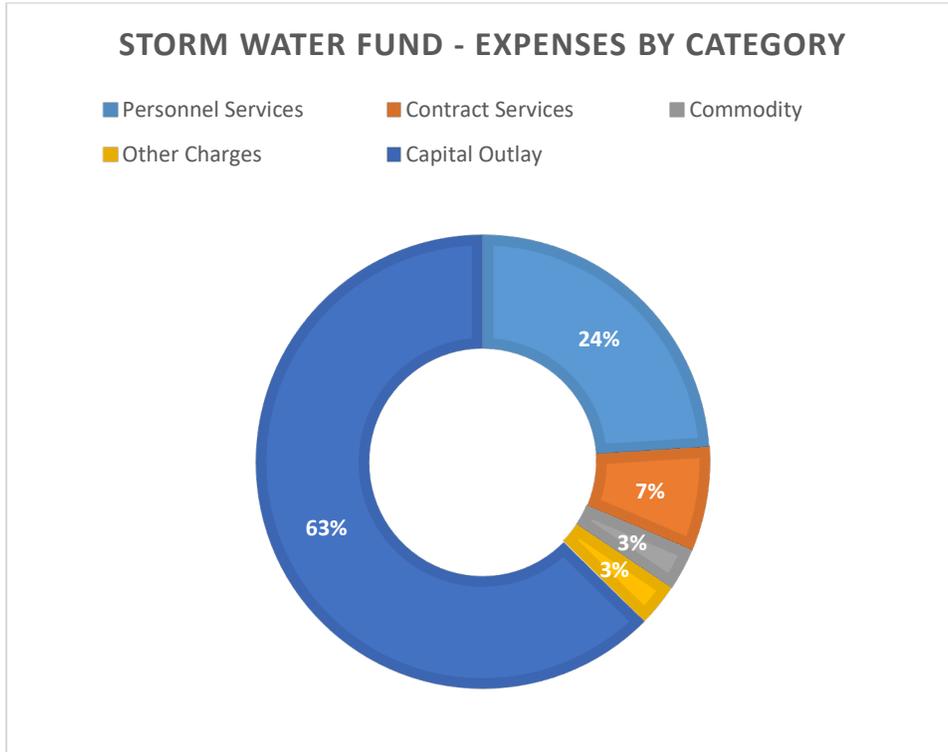
	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Engineering	---	47,500	27,000	2,000	76,500	1,890,000	---	1,966,500
Public Works	---	200,000	76,500	---	276,500	256,250	---	532,750
General Operations	822,000	5,000	---	100,000	927,000	---	---	927,000
Totals	\$822,000	\$252,500	\$103,500	\$102,000	\$1,280,000	\$2,146,250	\$0	\$3,426,250

Total Cash Available								\$9,649,850
Ending Fund Balance								\$6,223,600
% of Total Budget	23.99%	7.37%	3.02%	2.98%	37.36%	62.64%	0.00%	100.00%

Projects Funded in 2023 Budget

- ARPA Groundwater Impact Project
- Stormwater Improvement OSP Project
- Vactor Truck (75% share)
- Wheel Loader (25% share)
- Mini Excavator (25% share)

The chart below details the expenditures for the Storm Water Fund by category. This fund is fairly capital and labor intensive as reflected in the 2023 cost categories.



Storm Water Fund - Full Time Employees

Department	No. of Full Time Employees
Administration	5.05
Operations	3.75
Total	8.80

Storm Water Fund Goals and KPIs

In addition to the projects that have been funded in the 2023 budget, the Storm Water 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 (KPI)

Performance Measures

Strategic Foundation: Safe & Secure

Goal:

Provide and maintain public safety in our community

Objective:

Respond to quality of life issues impacting the citizens of Frederick

Measure:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of calls/emails concerning drainage.	12	10	8	
<i>Performance:</i>				
Percentage of drainage related calls/emails responded to in 48 hour period.	98%	95%	100%	

Strategic Foundation: Strategic, Reliable & Sustainable 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of floodplain permit applications.	3	2	5	
<i>Performance:</i>				
Percentage of permits reviewed in 2 week period.	100%	0%	75%	

Strategic Foundation: Strategic, Reliable & Sustainable 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Total number of plans/items submitted.	43	52	46	
<i>Performance:</i>				
Average number of hours for engineering department's first application review.	6	3	5	

Strategic Foundation: Strategic, Reliable & Sustainable 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Linear feet of public drainage infrastructure.	66,710	68,348	79,767	
<i>Performance:</i>				
Linear feet of public drainage infrastructure inspected and accepted.	6,210	1,638	11,419	

FIDUCIARY FUND



OIL ROYALTY TRUST FUND

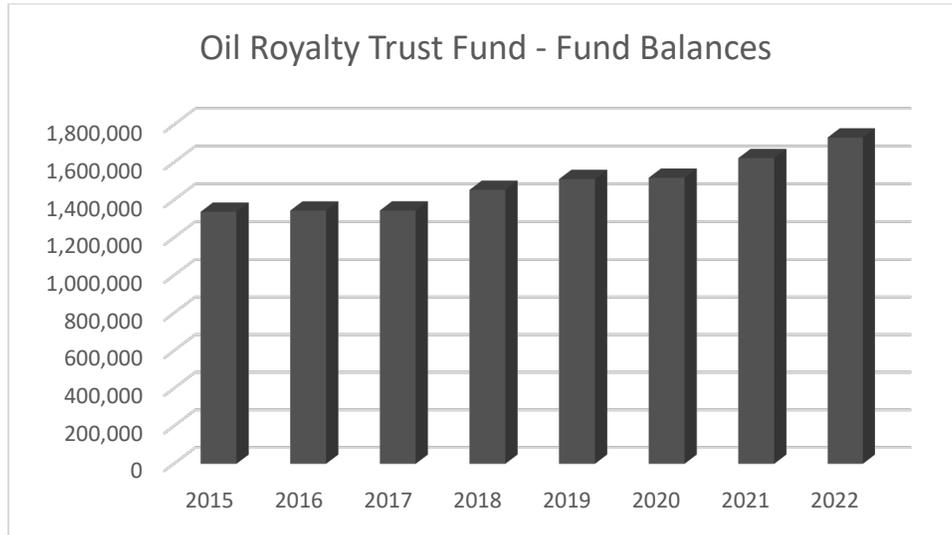


OIL ROYALTY TRUST FUND

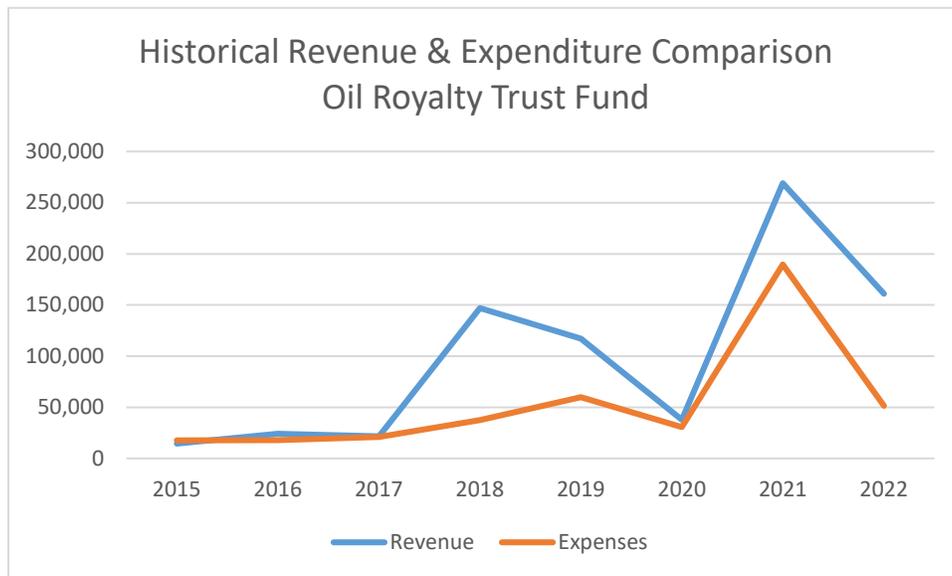
The Oil Royalty Trust Fund was established to receive revenues from oil royalties. The funds are then used for capital improvements, economic development purposes, and other community beneficial programs including donations to non-profit organizations and the Frederick Scholarship Program.

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 a steady fund balance gain in the Oil Royalty Trust Fund from 2015 through 2022.



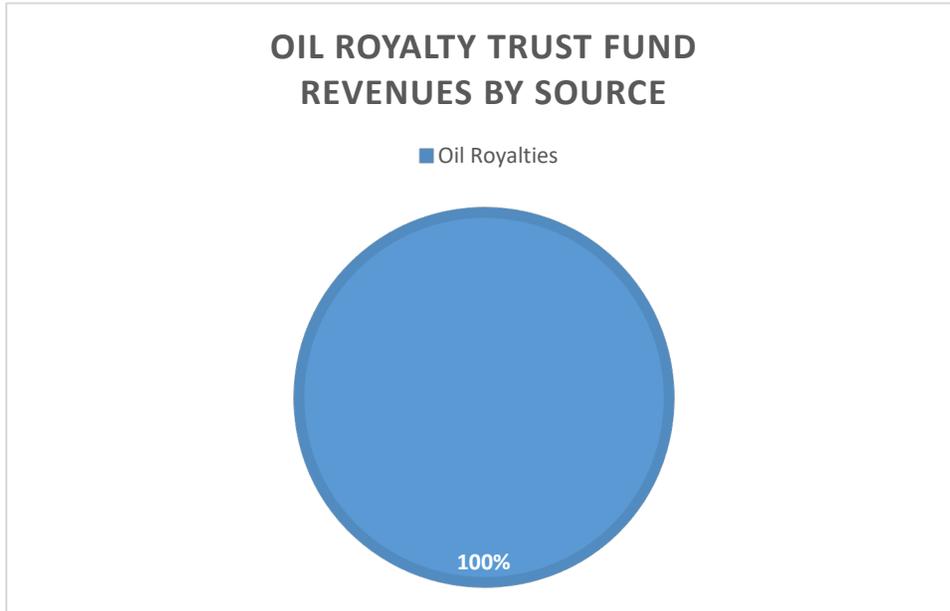
The 2023 Oil Royalty Trust Fund budget includes total revenues of \$160,000, which reflects a \$10,000 increase from the 2022 budget due to an increase in projected royalties. The 2023 budget includes total expenditures of \$90,000, which is a \$15,000 increase in expected scholarships and donations from what was budgeted in 2022.

Oil Royalty Trust Fund Budget

Oil Royalty Trust Fund	2021 Actuals	2022 Actuals Jan - Oct	2022 Adopted Budget	2022 Year-End Estimates	2023 Proposed Budget
Beginning Fund Balance	1,543,514	1,622,962	1,622,962	1,622,962	1,732,367
Revenues:					
Intergovernmental	269,033	134,171	150,000	161,005	160,000
Earnings on Investment	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-
<i>Transfers In</i>	-	-	-	-	-
Total Operating Revenues	<u>269,033</u>	<u>134,171</u>	<u>150,000</u>	<u>161,005</u>	<u>160,000</u>
Expenditures:					
Operations & Maintenance	150,085	-	15,000	-	15,000
Donation & Scholarship	39,500	43,000	60,000	51,600	75,000
<i>Transfers Out</i>	-	-	-	-	-
Total Expenditures	<u>189,585</u>	<u>43,000</u>	<u>75,000</u>	<u>51,600</u>	<u>90,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>79,448</u>	<u>91,171</u>	<u>75,000</u>	<u>109,405</u>	<u>70,000</u>
Ending Fund Balance	<u>1,622,962</u>	<u>1,714,133</u>	<u>1,697,962</u>	<u>1,732,367</u>	<u>1,802,367</u>

Oil Royalty Trust Fund Revenues

Oil Royalty Trust Fund revenues are primarily made up of royalties collected from oil production in the surrounding 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 Trust Fund - Revenue Sources table below lists the major revenue sources, as well as the amounts that are projected for 2023.

Oil Royalty Trust Fund Revenue Sources		
Source	Amount	% of Total
Oil Royalties	160,000	100%
Interest	0	0%
Intergovernmental	0	0%

Oil Royalty Trust Fund Expenditures

The expenditures in this fund consist of professional services, community donations, and scholarships. There are no capital outlay or debt service costs.

**TOWN OF FREDERICK
ANNUAL BUDGET
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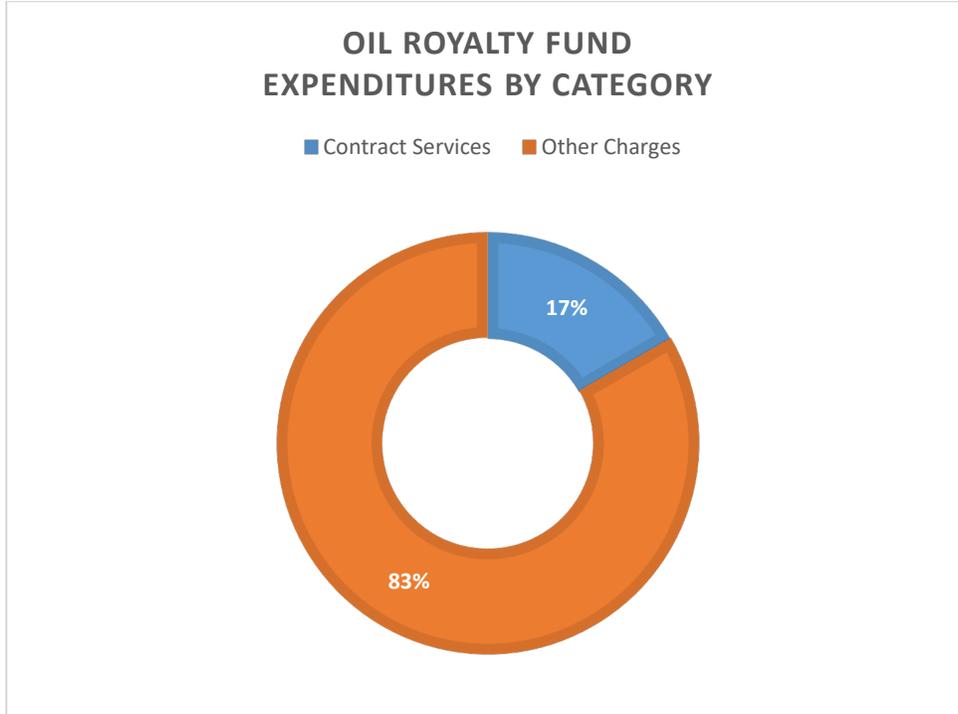
OIL ROYALTY TRUST FUND | EXPENSE SUMMARY

	Personnel Services	Contract Services	Commodity	Other Charges	Total Operating Costs	Capital Outlay	Debt Service	Total
Oil Royalty	---	15,000	---	75,000	90,000	---	---	90,000
Totals	\$0	\$15,000	\$0	\$75,000	\$90,000	\$0	\$0	\$90,000
Total Cash Available								\$1,892,367
Ending Fund Balance								\$1,802,367
% of Total Budget	0.00%	16.67%	0.00%	83.33%	100.00%	0.00%	0.00%	100.00%

Projects Funded in 2023 Budget

- Scholarships
- Donations to local programs

The chart below details the expenditures for the Oil Royalty Trust Fund by category. In 2023, 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 2023 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)

Performance Measures

Strategic Foundation: Community and Economic 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:	2020	2021	2022	Comments
<i>Workload:</i>				
Number of community grant applications received	3	2	5	
<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.

COMPONENT UNIT: Legally separate organizations for which the elected officials of the agency are financially accountable.

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.

FIDUCIARY FUND: Used to account for resources that a government holds as a trustee or agent on behalf of an outside party that cannot be used to support the government's own programs.

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.

FULL-TIME EQUIVALENT: Commonly referred to as FTE, an agency generally considers a full-time equivalent employee to be valued at 2,080 annual working hours.

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.

GAAFR: Governmental Accounting, Auditing, and Financial Reporting. Commonly referred to as the "Blue Book," the GAAFR provides practical guidance to accounting and auditing professionals working on behalf of state and local governments.

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.

PBB: Program Based Budgeting.

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.

TABOR: The Taxpayers' Bill of Rights is an amendment to the Colorado Constitution enacted by voters in 1992 that limits the amount of revenue that governments in Colorado can retain and spend.

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				
	\$250,000	Public Safety Fund		
			\$629,100	Golf Fund
			\$183,250	Event Fund
SPECIAL REVENUE FUNDS				
Art in Public Places Fund	\$11,000	Street & Alley Fund		
Events Fund	\$183,250	General Fund		
Golf Fund	\$629,100	General Fund		

Fund Transfers

Fund transfers are used in multiple funds that the town utilizes on an annual basis. The Public Safety Fund regularly transfers received impact fees to the General Fund to support Police Department capital projects. The Art in Public Places Fund is supported by a one percent fee charged to capital construction projects valued at greater than \$25,000, which is managed by annual transfers from the Street and Alley Fund. The Events Fund is supported by a regular \$40,000 Board contribution and 50% subsidy from the General Fund to support event operations. Finally, the Golf Fund is sustained by regular transfers from the General Fund, with a concerted effort in reducing that subsidy in future years.

STAFFING SUMMARY

Fund/Department	2022 Actual	2022 Budgeted	2023 Budget
Governmental Funds			
<u>General Fund:</u>			
Administration	8.65	8.65	7.00
Economic Development-Admin	0.70	0.70	1.10
Economic Development-Planning	4.50	4.50	3.00
Economic Development-Buildings	0.00	0.00	3.60
Economic Development-GIS	0.00	0.00	1.30
Town Attorney	0.90	0.90	0.90
Finance	1.75	1.75	1.55
Courts	1.00	1.00	1.00
Police	33.00	33.00	38.00
Public Works	2.80	2.80	1.75
Engineering	3.15	3.15	0.45
General Fund Total	56.45	56.45	59.65
Street & Alley Fund	8.28	8.28	9.80
Conservation Trust Fund	0.00	0.00	0.00
Park Improvement Fund	6.54	6.54	5.45
Open Space Fund	5.83	5.83	7.60
Capital Facilities Fund	0.00	0.00	0.00
Events Fund	0.00	0.00	0.00
Golf Course Fund	7.00	7.00	8.00
Art In Public Places Fund	0.00	0.00	0.00
Fleet Fund	3.10	3.10	3.00
Facilities Fund	2.00	2.00	3.00
Proprietary Funds			
Water Fund	8.74	8.74	11.75
Storm Water Fund	5.71	5.71	8.75
Fiduciary Funds			
Oil Royalty Fund	0.00	0.00	0.00
Total FTEs:	103.65	103.65	117.00

Changes to FTEs in 2023

There were six additional full-time positions approved in the 2023 budget. The positions added town-wide include an Economic Development Specialist, Facilities Technician I, Parks & Golf Equipment Technician, Police Department Officer, Storm Water Lead, and Water Maintenance I. All positions are allocated across town funds based on the amount of time and effort spent on fund activities. The table above reflects the allocations of all employees.