

Built On What Matters



Annual Comprehensive Financial Report

*For fiscal year ended
December 31, 2023*



Town of Frederick, Colorado

Annual Comprehensive Financial Report

For the fiscal year ended
December 31, 2023



Prepared by the Finance Department for the Town of Frederick

Town of Frederick, Colorado
Annual Comprehensive Financial Report
For the year ended, December 31, 2023

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June 30, 2024

To the Honorable Mayor Tracie Crites, Town Board Members, and the Citizens of Frederick, Colorado:

It is my pleasure to present the Annual Comprehensive Financial Report (“ACFR”) of the Town of Frederick, Colorado (the “Town”), for the fiscal year ended December 31, 2023. State law requires the Town to publish audited financial statements for each fiscal year. This document is intended to satisfy that requirement and provide readers with a more complete and comprehensive understanding of the Town.

The Town assumes responsibility for the accuracy of the data, completeness, and fairness of the presentation, including all disclosures in this report. To provide a reasonable basis for making those representations, the Town has established an internal control framework designed to protect Town assets and compile reliable information in conformance with U.S. Generally Accepted Accounting Principles (GAAP). Because internal control costs should not outweigh the benefits, the Town’s internal controls have been designed to provide reasonable (not absolute) assurance that the financial statements are free of any material misstatements.

The Town’s financial statements have been audited by John Cutler & Associates, LLC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town for the year ended December 31, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town’s financial statements for the year ended December 31, 2023, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor’s report is presented as the first component of the financial section of this report.

Generally Accepted Accounting Principles (GAAP) require management to provide an introduction and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter is intended to complement the MD&A and should be read in conjunction with it.



Profile of the Town

The Town of Frederick is nestled on Colorado's stunning Front Range of the Rocky Mountains, situated approximately 25 miles north of the state capital of Denver. Spanning 15.96 square miles, it extends across both east and west of Interstate 25, south of State Highway 119, and north of State Highway 52. With a current population of 16,835 residents, the town's central location offers convenient access to the Denver and northern metropolitan areas, with numerous major attractions reachable in under 30 minutes. Serving as the hub of the Carbon Valley area, which includes Firestone and Dacono, Frederick hosts a larger population of 39,761.

At an elevation of around 5,000 feet, Frederick enjoys an average of 300 days of sunshine annually. The climate is characterized by its dry and cool conditions, attracting health-conscious individuals and outdoor enthusiasts year-round. The town boasts beautiful parks, scenic trails, open spaces, a golf course, and Milavec Lake, catering to the interests of outdoor enthusiasts.

Frederick was incorporated as a statutory municipality in 1907, with state statutes establishing a Council-Manager form of government. The Town Board comprises six members and one Mayor, all elected at large to staggered four-year terms. Executive power resides with the Town Board, which appoints the Town Manager to oversee day-to-day operations. The Town Manager is accountable to the Town Board for the efficient administration of all town affairs.

The Town provides a comprehensive range of municipal services, including police protection, code enforcement, public records management, sanitation and recycling, street and infrastructure

maintenance, cultural arts and events, community development, planning and zoning, park construction and maintenance, and general administrative duties. Additionally, the Town manages potable and non-potable water services and stormwater operations as part of its enterprise functions. The legally separate Frederick Urban Renewal Authority also delivers various services.

The Town Budget, adopted annually, serves as the cornerstone of the Town's financial planning and control. The process commences each spring with Town Board goal-setting sessions, during which goals and objectives for the upcoming year are established. Departments then utilize these goals to formulate their budget requests. Following compilation by the Finance Director, the operating budget is submitted to the Town Board. At least one budget hearing is held annually, affording taxpayers the opportunity to provide input before final adoption. The budget is legally enacted and adopted by resolution prior to December 15 each year, becoming operative on January 1. Budget appropriations are made on a fund basis, and all appropriations, including those for capital improvements, lapse at year-end.

Understanding the information presented in the financial statements is enhanced by considering the broader environment within which the Town operates.

Factors Affecting Financial Conditions

Local economy: There has been substantial growth in Frederick for the past several years. As a result of the recession, growth did continue but at a much slower pace from 2008 to 2010. Since 2011 the pace has quickly increased back to pre-recession levels. In 2023, the Town experienced residential growth of 7 percent and commercial growth of 11 percent. Due to the location of Frederick, employment in the area is diverse with opportunities in nearly every possible sector including transportation, utilities, manufacturing, government, professional and business services, education and health, and leisure. The largest employment area in 2023 for the Town was the private sector with Mark Young Construction, the provider of general contracting, new construction, site improvements, and renovations, being the number one employer in Frederick.

Sales and use tax is the primary source of General Fund revenues (56%) followed by property tax (17%), totaling 73 percent of the General Fund revenues for fiscal year 2023. The Town's sales tax base is well diversified which has contributed to fairly dependable revenues over the years. With the substantial population growth that the Town has experienced, we have also had an increase in tax revenues of 127 percent from 2019 to 2023. It is anticipated that continued population and commercial growth will continue to increase both the sales and property tax revenues.

The fiscal health of the Town of Frederick remains strong. As outlined in the Management's Discussion and Analysis, the Town has maintained a healthy financial position through sound financial management. We exercise strong fiscal discipline and continually review operations, being ever vigilant to find new efficiencies and cost reduction measures.

Long-term financial planning: The Town takes a long-range approach to capital spending through the adoption of a ten-year capital plan. The ten-year capital plan is continually refined to set the stage for continued financial stability, sustainable economic growth, development and

maintenance of a vibrant and growing community. Some of the primary issues facing the Town are those related to downtown revitalization, economic sustainability, commercial growth, public safety, and upgrading and improving aging infrastructure.

Major Initiatives: Capital projects that were completed in 2023 include Northern Integrated Supply Project (NISP), Windy Gap Water Storage, Pavement Maintenance, Concrete & Alleyway Maintenance, Intersection Improvement Design(s) of Silver Birch Blvd & Godding Hollow and Silver Birch Blvd & Bella Rosa Pkwy, Colorado Big Thompson Water Unit Purchases, a variety of Parks & Open Space Master Plans, Parks & Trails Improvements, and Public Works Equipment acquisition such as a Vector Truck and Front-End Wheel Loader.

Capital projects that were started in 2023 and will continue in 2024 are the second phase of Colorado Boulevard Street Maintenance, construction of the above-mentioned intersections, Carriage Hills Public Improvement Obligation, Groundwater Impact Project, Storm Water Drainage Improvement OSP, and 5th Street Revitalization.



Reporting Achievements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Frederick for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. This was the ninth year that the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of the Annual Comprehensive Financial Report could not have been accomplished without the efficient and dedicated service of a highly qualified staff. Their cooperation and assistance is necessary and appreciated. I would like to thank all personnel who helped and contributed to the preparation of this report. I also want to acknowledge the thorough and professional manner in which our independent auditors, John Cutler and Associates, LLP, conducted their audit. Finally, we wish to thank the Mayor and Town Board for their continued support.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kurtis P. Adams".

Kurtis P. Adams
Finance Director

Town Officials as of June 30, 2024



EXECUTIVE BRANCH:

Tracie Crites, Mayor
Kurtis Adams, Treasurer
Tricia David, Clerk

TOWN BOARD:

Tracie Crites.....Mayor

Kevin Brown.....Mayor Pro Tem
Adam Mahan.....Trustee
Dan March.....Trustee

Mark LamachTrustee
Windi Padia.....Trustee
Chad teVelde.....Trustee

COURTS:

Vacant.....Municipal Judge

DEPARTMENT DIRECTORS AND ADMINISTRATORS:

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.....IT & GIS Manager
Renaee Lehr.....Public Information Officer
Tricia David.....Town Clerk
Jason Meyers.....Town Attorney
Todd NorrisChief of Police
Tim Schwartz.....Golf Course General Manager
Kent VanDyne.....Public Works Director
Vacant.....Director of People & Culture

Town Board



Tracie Crites
Mayor



Dan March
Trustee



Adam Mahan
Trustee



Kevin Brown
Mayor Pro Tem



Mark Lamach
Trustee



Windi Padia
Trustee



Chad teVelde
Trustee



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

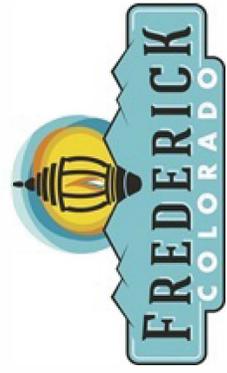
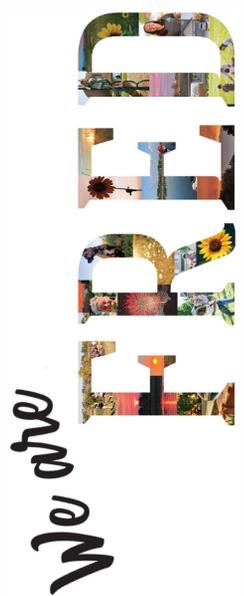
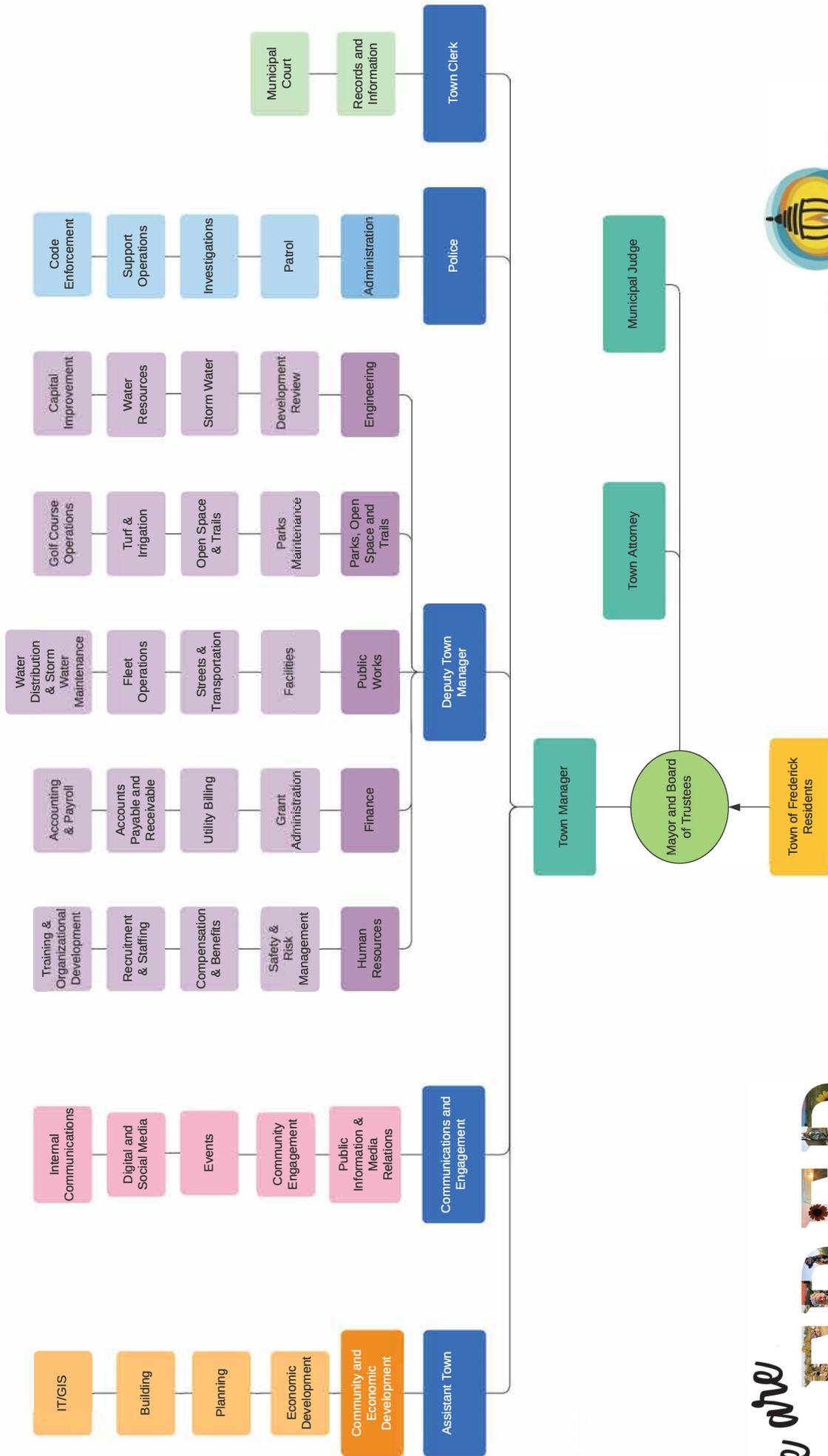
**Town of Frederick
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrill

Executive Director/CEO



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Independent Auditor's Report





JOHN CUTLER & ASSOCIATES

Honorable Mayor and Members of the Town Council
Town of Frederick
Frederick, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Frederick (the "Town") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Frederick as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows and the budgetary comparison schedules for the general and major special revenue funds, thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Frederick, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures of the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required budgetary and pension information on pages 38-44 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund schedules and State Compliance information as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The combining and individual fund schedules and State Compliance have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules and State Compliance are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We did not audit the statistical section and do not express an opinion on it.

John Cutler & Associates, LLC

June 27, 2024

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Management's Discussion and Analysis

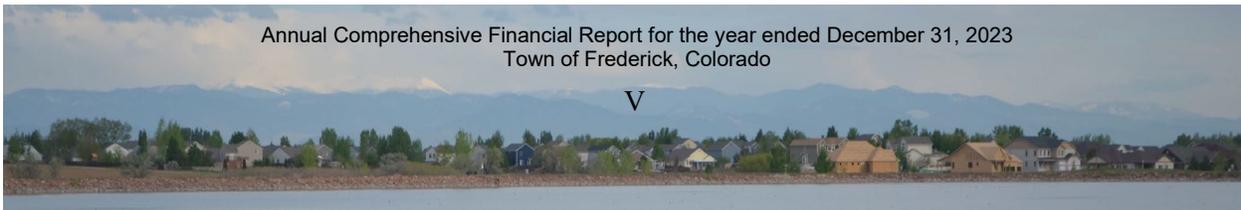


Management's Discussion and Analysis

This section of the annual financial report offers readers of the Town of Frederick a discussion and analysis of the Town's financial performance during the year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information furnished in the Town's financial statements, which immediately follow this section.

Financial Highlights

- Assets and deferred outflow of resources for the Town exceeded liabilities and deferred inflow of resources by \$209,452,728, an increase of \$12,185,933 or 6.2 percent. This positive shift primarily stems from an \$8,951,560 increase in assets attributed to investments in construction projects, water shares, and equipment purchases. Additionally, there was a reduction of \$2,496,405 in liabilities, contributing to the overall improvement in the Town's financial position.
- As of December 31, 2023, the net position for governmental activities was \$67,940,110, an increase of \$5,730,280 or 9.2 percent from December 31, 2022. Business-type activities reported a net position of \$141,512,618, up \$6,455,653 or 4.8 percent during the same period. With a \$4,074,176 increase in governmental assets related to construction projects and equipment purchases, and a \$4,877,384 increase in business-type assets associated with construction projects, water shares, and equipment purchases, the growth in assets represents a substantial contribution to the overall increase in net position.
- General revenues account for \$28,759,455 or 61.4 percent of all revenues. The Town had \$18,044,199 in program specific revenues in the form of charges for services, operating grants and contributions, and capital contributions.
- The Town had \$26,237,077 in expenses related to governmental activities, of which \$5,465,020 were offset by program specific charges for services and operating grants and contributions. Tax revenues of \$23,301,594 and other general revenues of \$3,200,673, as shown on the Statement of Activities, offset the costs.
- The Town had water and storm water charges for service income, totaling \$5,069,356. Grants and capital contribution revenues for these funds totaled \$6,887,160. The cost of providing water and storm water services totaled \$7,077,285.
- Outlays for capital assets were primarily comprised of street infrastructure, water shares, vehicles, and equipment. See the Capital Assets Section of the Financial Statements for detail.
- The Town's governmental funds have outstanding debt consisting of capital leases, FURA tax increment revenue bonds, and the 2015 sales and use tax bond totaling \$5,336,574 at December 31, 2023.
- The Town's business-type funds have no outstanding debt at December 31, 2023.



Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town’s basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) specific fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town’s finances in a manner similar to a private-sector business.

There are two government-wide financial statements:

Statement of net position – This statement presents information on all of the Town’s assets, liabilities, deferred inflows and deferred outflows, with the difference between them being reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

Statement of activities – This statement presents information showing how the Town of Frederick’s net position changed during 2023. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods (e.g. uncollected taxes and earned but unused personal time).

The government-wide financial statements reflect three distinct activities:

Governmental Activities – These activities are primarily supported by taxes and intergovernmental revenues. The Governmental Activities of the Town of Frederick include general government, public safety (police), public works, community development and events.

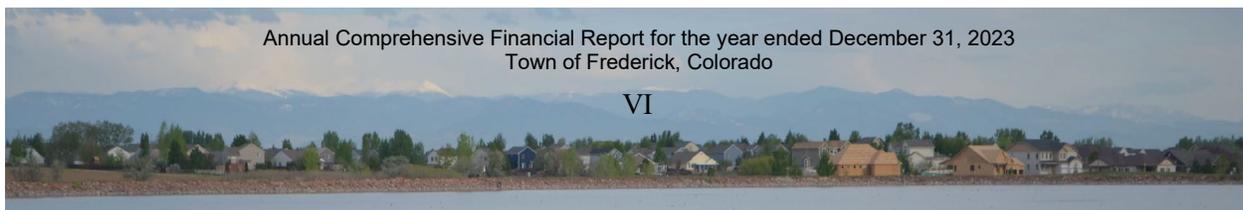
Business-type Activities – These activities are supported by user fees and service charges which are intended to recover all of their costs. The Business-type Activities of the Town of Frederick include Water, Storm Water and Golf. Governmental activities and business-type activities combined comprise the primary government.

Component Units – There is only one entity that is legally separate and is reported separately from the primary government; however, the Town of Frederick is financially accountable for it. That entity is the Frederick Urban Renewal Authority (FURA). It is reported as part of the Town as a blended component unit.

Governmental activities and business-type activities combine to comprise the primary government. The government wide financial statements begin on page 1 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law and bond covenants; however, the Town Board establishes other funds to help control and manage money for particular purposes. All of the Town’s funds can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.



Governmental Funds – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *short-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s short-term financing requirements. The accounting method used is *modified accrual* accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and other major funds. The minor funds are combined in the *Other Governmental Funds* into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Governmental fund financial statements begin on page A-3 of this report.

Proprietary Funds – The Town of Frederick maintains one type of proprietary fund. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses an enterprise fund to account for its Water, Storm Water, and Golf Course Funds. These funds are considered major funds of the Town of Frederick.

Proprietary fund statements begin on page A-6 of this report.

Fiduciary Funds – The Town of Frederick maintains one type of fiduciary fund. Fiduciary funds are used to account for assets held in trust by the government for the benefit of individuals or other entities. The Oil Royalty Fund is the only fiduciary fund held by the Town.

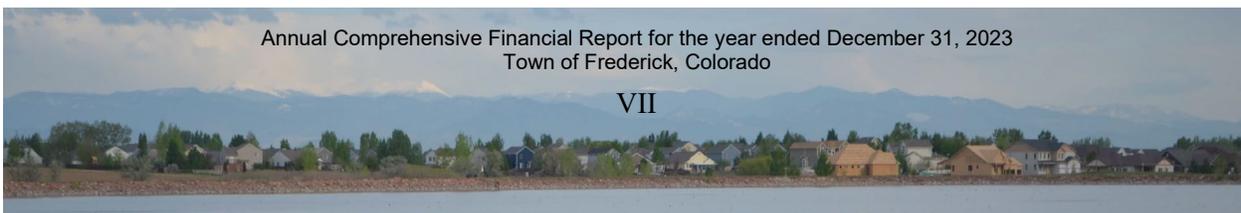
Fiduciary fund statements begin on page A-9 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Town and fund financial statements. The notes can be found on pages A-11 to A-35 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information. This includes the required supplemental data required for non-major fund information and budgetary comparison schedules. The budgetary comparisons are included on pages B-1 to B-5 and D-1 to D-6 of this report.



Financial Analysis of the Town as a Whole

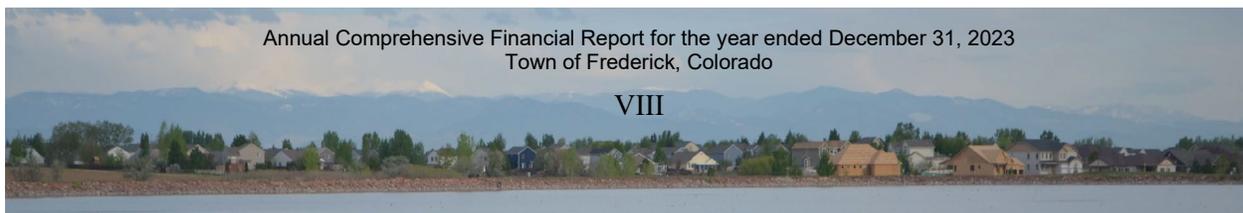
As noted previously, net position may serve over time as a useful indicator of the Town's financial position. For the year ending December 31, 2023, the Town's combined assets exceeded liabilities and deferred inflows of resources by \$209,452,728.

TOWN OF FREDERICK, COLORADO CONDENSED STATEMENT OF NET POSITION 2022/2023

	Governmental Activities		Business-Type Activities		Total	
	2022	2023	2022	2023	2022	2023
Assets						
Current Assets	43,968,190	47,023,227	40,415,784	41,534,214	84,383,974	88,557,441
Capital Assets - Net	37,058,705	38,077,844	97,143,186	100,902,140	134,201,891	138,979,984
Total Assets	81,026,895	85,101,071	137,558,970	142,436,354	218,585,865	227,537,425
Deferred Outflow of Resources						
Related to Pensions	984,382	2,011,226	-	-	984,382	2,011,226
Liabilities						
Current Liabilities	6,066,574	5,830,033	2,314,725	538,192	8,381,299	6,368,225
Long-Term Liabilities	5,274,026	4,592,431	187,280	385,544	5,461,306	4,977,975
Total Liabilities	11,340,600	10,422,464	2,502,005	923,736	13,842,605	11,346,200
Deferred Inflows of Resources						
Related to Pensions	1,603,844	644,643	-	-	1,603,844	644,643
Deferred Property Tax Revenue	6,857,003	8,105,080	-	-	6,857,003	8,105,080
Net Position						
Net Investment in Capital Assets	32,084,867	33,394,626	97,143,186	100,902,140	129,228,053	134,296,766
Restricted	706,000	863,000	-	-	706,000	863,000
Unrestricted	29,418,963	33,682,484	37,913,779	40,610,478	67,332,742	74,292,962
Total Net Position at December 31	62,209,830	67,940,110	135,056,965	141,512,618	197,266,795	209,452,728

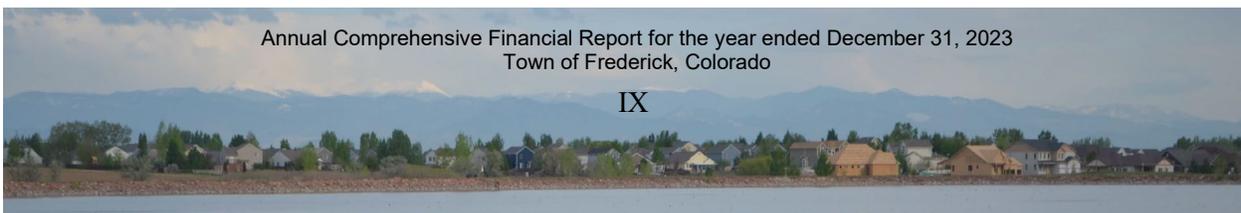
The largest portion of the Town of Frederick's net position (64.1 percent) reflects its investment in capital assets (e.g. land, buildings, etc.), less any related debt still outstanding (current and long-term), that was used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the Town's ongoing obligations to citizens and creditors.

The restricted portion of net position (0.41 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position (\$74,292,962) is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors. The Town reports positive balances in all three categories of net position, for the government as a whole, as well as for its separate Governmental and Business-type Activities.



TOWN OF FREDERICK, COLORADO
CONDENSED STATEMENT OF ACTIVITIES
2022/2023

Revenues	Governmental Activities		Business-Type Activities		Total	
	2022	2023	2022	2023	2022	2023
Program Revenues						
Charges for Services	2,293,603	3,234,700	6,270,397	5,692,019	8,564,000	8,926,719
Operating Grants and Contributions	272,106	260,546	-	-	272,106	260,546
Capital Grants and Contributions	2,576,606	1,969,774	6,239,219	6,887,160	8,815,825	8,856,934
General Revenues						
Property Taxes	5,077,584	6,645,590	-	-	5,077,584	6,645,590
Sales and Use Taxes	11,838,805	15,223,988	-	-	11,838,805	15,223,988
Franchise Taxes	787,489	805,321	-	-	787,489	805,321
Other Taxes	546,374	626,695	-	-	546,374	626,695
Interest	452,815	1,437,426	580,206	1,615,188	1,033,021	3,052,614
Other Revenues	772,805	2,664,657	-	-	772,805	2,664,657
Loss on Disposal of Assets	-	(259,410)	-	-	-	(259,410)
Total Revenues	24,618,187	32,609,287	13,089,822	14,194,367	37,708,009	46,803,654
Expenses						
General Government	8,683,402	10,443,961	-	-	8,683,402	10,443,961
Public Safety	4,645,756	7,041,464	-	-	4,645,756	7,041,464
Public Works	7,463,259	5,514,610	-	-	7,463,259	5,514,610
Parks and Recreation	-	-	-	-	-	-
Economic Development	1,591,238	1,637,561	-	-	1,591,238	1,637,561
Interest on Long-Term Debt	314,937	1,599,411	-	-	314,937	1,599,411
Water	-	-	6,362,623	5,205,866	6,362,623	5,205,866
Storm Water	-	-	791,640	1,871,419	791,640	1,871,419
Golf Course	-	-	1,557,110	1,303,429	1,557,110	1,303,429
Total Expenses	22,698,592	26,237,007	8,711,373	8,380,714	31,409,965	34,617,721
Excess (deficiency) before transfers	1,919,595	6,372,280	4,378,449	5,813,653	6,298,044	12,185,933
Transfers	(901,250)	(642,000)	901,250	642,000	-	-
Prior Period Adjustment	-	-	-	-	-	-
Change in Net Position	1,018,345	5,730,280	5,279,699	6,455,653	6,298,044	12,185,933
NET POSITION, Beginning	61,191,485	62,209,830	129,777,266	135,056,965	190,968,751	197,266,795
NET POSITION, Ending	<u>62,209,830</u>	<u>67,940,110</u>	<u>135,056,965</u>	<u>141,512,618</u>	<u>197,266,795</u>	<u>209,452,728</u>



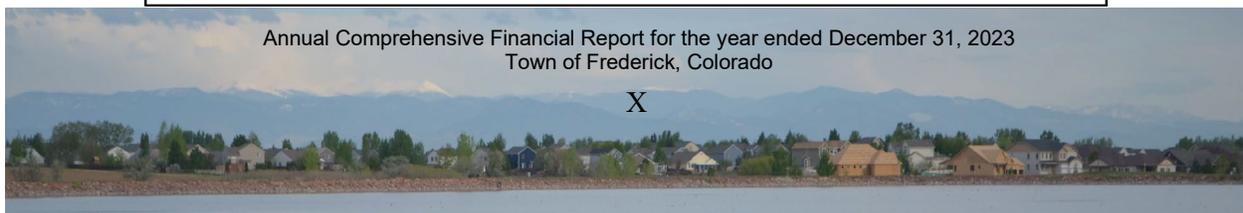
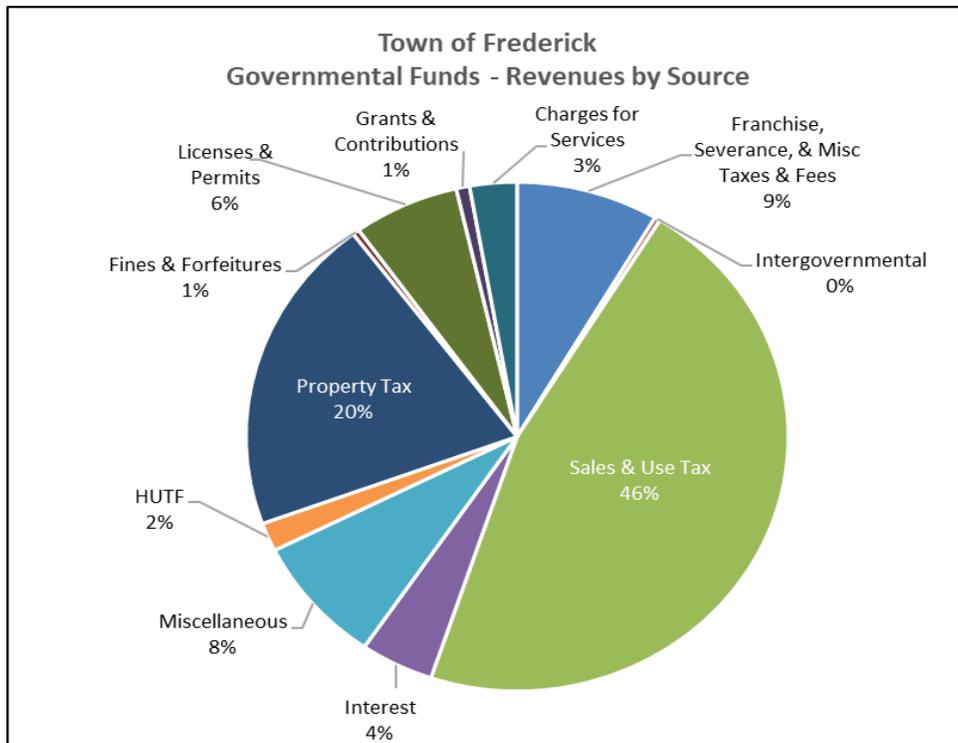
Financial Analysis of the Town’s Funds

Governmental Activities. The focus of the Town of Frederick’s governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements.

As of the end of the 2023 fiscal year, the Town’s governmental funds reported a combined ending fund balance of \$34,134,784, reflecting an increase of \$4,061,833. This growth was supported by an overall governmental revenue increase of \$8,250,510, marking a significant increase of 33.5 percent. The primary drivers of this revenue surge include a \$4,451,498 increase in Taxes and Fees, a \$928,510 increase in Licenses and Permits, and a \$984,611 increase in Interest Income. Noteworthy changes in restricted fund balances include a \$936,038 allocation for Street Improvements, a \$219,148 increase earmarked for future Parks and Open Space commitments, and a substantial \$1,239,126 increase specifically designated for Open Space. Additionally, the Unassigned General Fund Balance saw an increase of \$2,507,557, while \$800,000 was allocated from Developer Escrow for a project scheduled for 2025.

General Fund revenue experienced a significant increase of \$7,041,383, driven by notable growth in several key areas. Specifically, there was a substantial increase of \$3,734,924 in Taxes and Fees, primarily attributed to a surge in sales tax and property tax revenue. Licenses and Permits also contributed to this growth with an increase of \$928,510, while Interest Income saw a boost of \$506,669, supported by an average annual percentage yield (APY) exceeding 5 percent in 2023. With the heightened revenues from sales and property taxes, the Town possesses the capacity to foster growth both in the commercial and residential sectors.

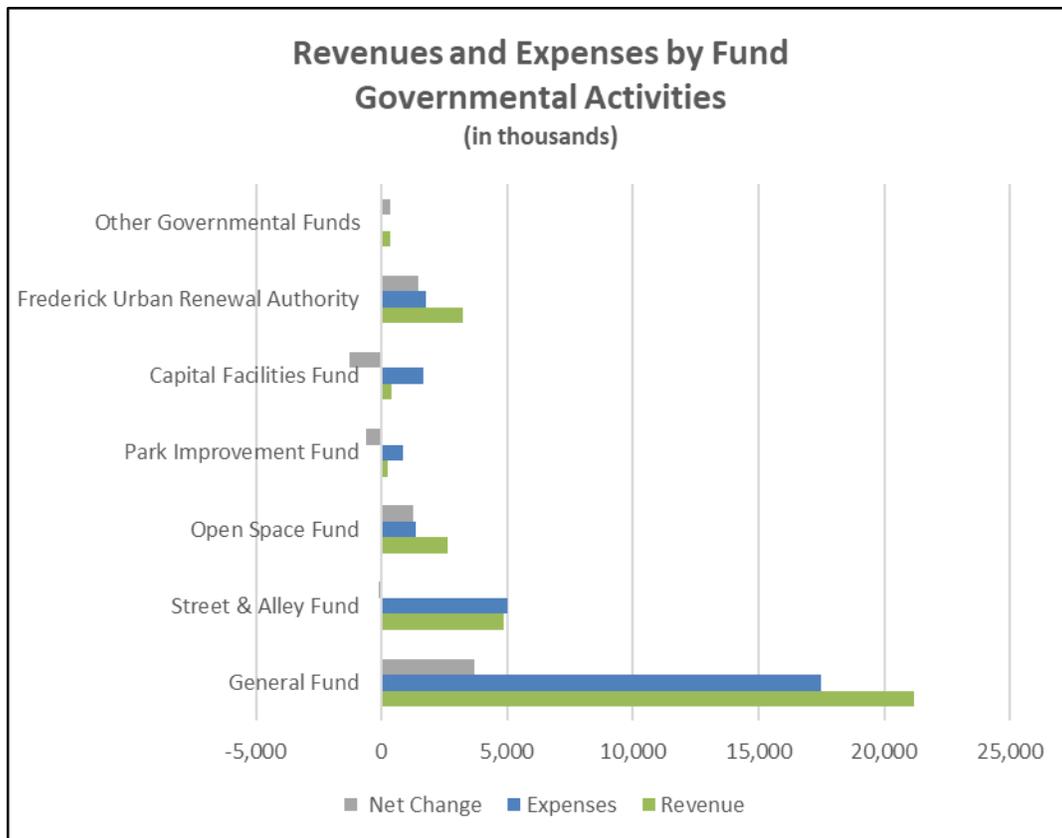
Revenue in the Street & Alley Fund realized an increase of \$106,470, while the Capital Facilities Fund experienced a slight increase of \$30,010. These gains were only achieved because of Interest Income, totaling \$230,148 for Street & Alley and \$220,587 for Capital Facilities. The Open Space Fund recorded a substantial increase of \$654,613, driven primarily by growth of \$506,026 in sales tax revenue. However, the Park Improvement Fund reported a decrease of (\$216,795), largely due to lower than expected nonrecurring park improvement fees.



Governmental expenditures for the current year rose by \$2,524,326, marking a 9.8 percent increase. This includes \$1,922,162 allocated to General Government, \$1,671,973 to Public Safety, \$661,703 to Public Works, and \$1,299,434 to Debt Service principal. The rise in expenditures can be largely attributed to heightened operational requirements stemming from the overall growth of the Town, as well as investments in street infrastructure improvements and the acquisition of heavy equipment. Additionally, the increase in Debt Service principal reflects payments made towards retiring a Public Works facility loan, in anticipation of constructing a new Public Works facility in 2024 and 2025.

With a 33.5 percent increase in revenue and a 9.8 percent increase in expenditures, the overall fund balance grew by \$4,061,833, representing a 13.5 percent increase from 2023. The Statement of Net Position indicates a combined net position for governmental activities of \$67,940,110, marking a significant increase of \$5,730,280 compared to 2023.

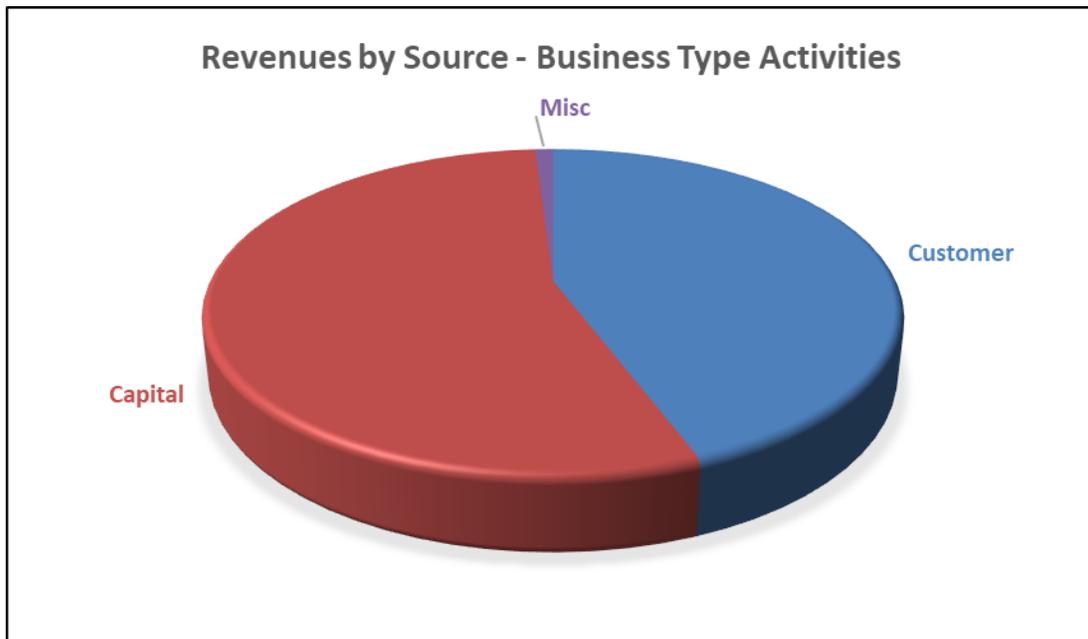
The graph below provides the program revenue and expenses for each governmental activity as well as providing net change.



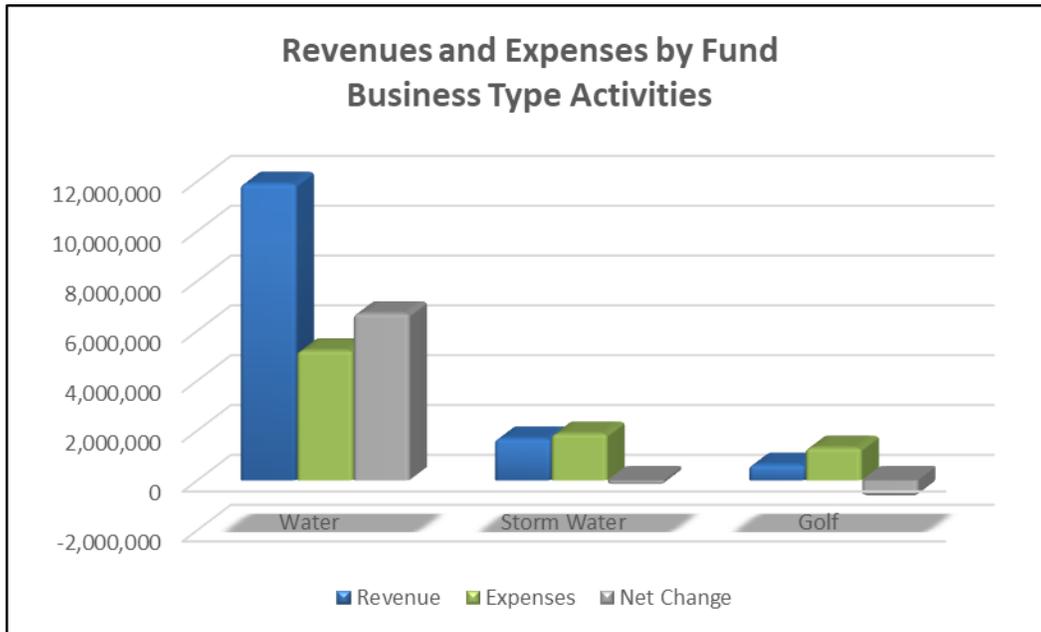
Business-type Activities. Net position of business-type activities increased by \$6,455,653 primarily due to an increase in Cash and Investments and Net Investment in Capital Assets, including raw water lines and water rights acquisition and projects. The Water Fund's Net Position increased \$6,692,704 primarily due to increased Interest Income and a reduction of Operating Expenses. Storm Water Fund decreased by (\$198,285) due to increased Operations and the Golf Course decreased (\$680,766) due to a net loss before contributions and transfers. Golf Course operations ceased restaurant activity in 2023 by the Board of Trustees, in order to reduce General Fund subsidization. This net position is dedicated solely to finance the continuing operations of the water, storm water, and golf course operations.

Revenues for the Town's business-type activities, net of any Transfer(s) Out, were \$14,836,367, an increase of 6 percent or \$845,295. Within the operational category, there was a decline in operating revenues of (\$578,378) and a corresponding reduction in expenses of (\$330,659), resulting in a net operational decrease of (\$247,719). The primary contributor to the overall revenue increase of 6 percent is non-operating revenue, particularly from interest income, which realized a significant increase of \$1,034,980. This overall financial performance highlights the Town's effective management in optimizing operational activity and maximizing non-operational revenue streams.

As you can see from the following graph, the two highest sources of revenue for business-type activities are Capital Contributions and Customer Charges for Services.



The following graph provides program revenue and expenses for each of the business-type activities operated by the Town.



General Fund Budgetary Highlights

The General Fund is the chief operating fund of the Town. It accounts for all of the general services provided by the Town. In 2023, total fund balance increased by 23.5 percent or \$2,664,367. The unassigned fund balance of the General Fund at the end of 2023 totaled \$13,145,802 while the total fund balance was \$14,008,802. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to General Fund expenditures. For 2023, unassigned fund balance represents approximately 75.1 percent of total General Fund expenditures and transfers out, while total fund balance represents 80.1 percent of that same amount.

The Town budgeted \$16,946,250 for General Fund expenditures for the year ended December 31, 2023 and actual expenditures were \$17,496,214, exceeding the budget by (\$549,964.) This overage was driven by General Government spending, which exceeded budget by 4.1 percent or (\$406,434), primarily due to the addition of unbudgeted full-time equivalents (FTE) and equipment costs. Public Safety expenses were 9.9 percent or (\$693,194) over budget, attributed to the establishment of a victim services department and additional FTE not originally planned. In contrast, Public Works spending was 55.5 percent or \$439,124 under budget, stemming from staffing shortages and delays in equipment purchases. Capital Outlay spending was 37.8 percent or \$110,540 under budget, largely due to delays in planned capital projects. On the revenue side, excluding transfers, the Town budgeted \$17,475,750 for 2023 but realized actual revenues of \$21,194,707. This significant surplus was driven by stronger-than-anticipated revenues from sales taxes, use taxes, and license and permit fees, boosted by unexpected large-scale commercial growth not initially budgeted for.

Capital Assets and Debt Administration

Capital Assets

By the end of 2023, the Town had invested \$138,979,984 in a broad range of capital assets, including land, buildings, site improvements, infrastructure, vehicles and other equipment. This amount represents an increase of \$4,778,093 or 3.6 percent from last year. Additional information on the Town's capital assets can be found in Note 4 of the financial statements. Total accumulated depreciation expense was \$31,462,952 in the governmental activities and \$10,635,141 in the business-type activities. There have been no significant changes in the condition level of the capital assets of the Town.

Long-Term Debt

At year-end, the Town's governmental funds had outstanding capital leases, accrued compensated absences, Sales and Use Tax Revenue Refunding Bonds Series 2015A and Sales and Use Tax Revenue Bonds Series 2015B outstanding, and 2018 FURA Tax Increment Revenue Bonds, which totaled \$5,336,574 at December 31, 2023.

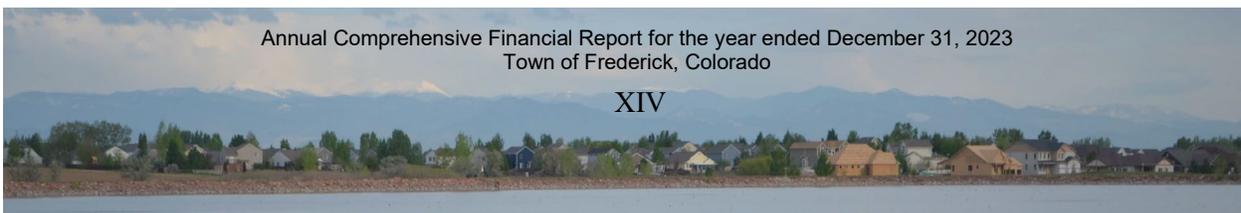
The Town's business-type funds have accrued compensated absences totaling \$428,382 at December 31, 2023.

Additional information on the Town's long-term debt can be found in Note 5 on pages 24 to 26 of this report.

Fiduciary Fund Activities

Oil Royalty Trust Fund

The fund received \$119,239 in oil royalty and investment revenues and paid out \$34,200 in scholarships and support of other community organizations. The fund balance on December 31, 2023, is \$1,757,555.



Economic Factors and Next Year's Budgets and Rates

The annual budget ensures the efficient and effective uses of Town funds, as well as highlights the priority objectives. Direction for the upcoming year is established by the Board when the budget is adopted, funds are appropriated and resources are allocated.

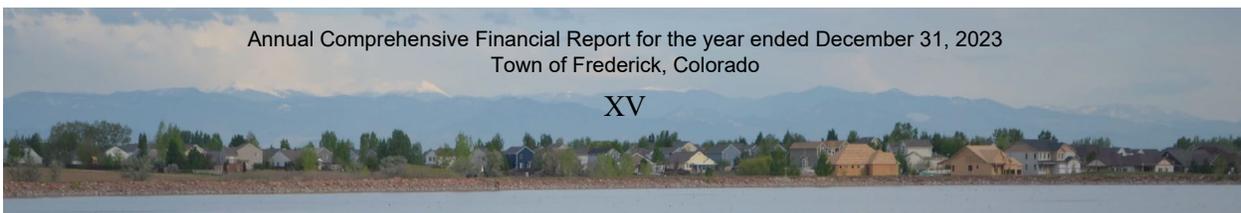
The following factors were taken into account when adopting the budget for 2023:

- The Town has forecast most revenues as relatively steady from 2022 through 2023. Revenues from sales taxes are expected to continually increase as a result of an increase of one percent (1.0%) with the passage of a Public Safety Sales Tax.
- The Town has conservatively forecasted new growth which was projected at 350 homes and the mill levy for property tax revenues has been set at a steady 6.555.
- Expenditures exceed revenues by \$2,229,700, reflecting a consistent increase in Capital Outlay for the 2023 budget year. Capital projects planned for 2023 include vehicle and heavy equipment acquisition, police department equipment upgrades, unit water purchases, pavement maintenance, concrete and alleyway maintenance, intersection improvements, and parks and trail improvements. The difference between revenues and expenditures will be filled by accumulated fund balances, which grew from steady revenue growth and lower than expected expenditures in recent years.
- There are six new full-time positions included 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 to different funds based on the amount of time spent in each fund.
- The Town's business-type activities are expected to have revenues that remain steady compared to 2023 actuals. There was no rate increase in the Storm Water fund. There was a 5% increase in the usage rates in the Water fund that went into effect January 1, 2023.

Contacting the Town's Financial Management

This financial report is designed to provide the Town's citizens, taxpayers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the monies it receives. If you have questions about this report or need additional financial information, contact:

Town of Frederick Finance Department
311 Fifth Street
Frederick, Colorado 80530-0435
(720) 382-5500



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Basic Financial Statements



TOWN OF FREDERICK, COLORADO

STATEMENT OF NET POSITION

As of December 31, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTALS	
			2023	2022
ASSETS				
Cash and Investments	\$ 39,139,157	\$ 40,997,036	\$ 80,136,193	\$ 76,831,428
Restricted Cash and Investments	844,840	-	844,840	12,603
Receivables				
Property Taxes	4,530,371	-	4,530,371	3,282,294
Sales and Other	2,349,758	-	2,349,758	2,032,928
Accounts	-	460,521	460,521	597,265
Prepaid Items	-	221,743	221,743	190
Inventory	-	14,015	14,015	14,015
Interfund Activity	159,101	(159,101)	-	-
Net Pension Asset	-	-	-	1,613,251
Capital Assets, Not Depreciated	6,614,892	90,266,999	96,881,891	93,261,891
Capital Assets, Depreciated				
Net of Accumulated Depreciation	31,462,952	10,635,141	42,098,093	40,940,000
TOTAL ASSETS	<u>85,101,071</u>	<u>142,436,354</u>	<u>227,537,425</u>	<u>218,585,865</u>
DEFERRED OUTFLOWS OF RESOURCES				
Related to Pensions	<u>2,011,226</u>	<u>-</u>	<u>2,011,226</u>	<u>984,382</u>
LIABILITIES				
Accounts Payable	1,587,549	359,723	1,947,272	4,678,367
Accrued Salaries and Benefits	-	19,457	19,457	51,741
Accrued Interest	8,016	-	8,016	33,155
Developer Escrow	2,195,814	-	2,195,814	1,888,733
Deposits	-	116,174	116,174	100,061
Advances from Oil Royalty Fund	1,000,000	-	1,000,000	1,000,000
Due within One Year				
Compensated Absences	65,336	42,838	108,174	111,670
Bonds, Loans and Leases	973,318	-	973,318	517,572
Due in More Than One Year				
Compensated Absences	588,020	385,544	973,564	1,005,040
Net Pension Liability	294,511	-	294,511	-
Bonds, Loans and Leases	3,709,900	-	3,709,900	4,456,266
TOTAL LIABILITIES	<u>10,422,464</u>	<u>923,736</u>	<u>11,346,200</u>	<u>13,842,605</u>
DEFERRED INFLOWS OF RESOURCES				
Related to Pensions	644,643	-	644,643	1,603,844
Deferred Property Tax Revenue	<u>8,105,080</u>	<u>-</u>	<u>8,105,080</u>	<u>6,857,003</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>8,749,723</u>	<u>-</u>	<u>8,749,723</u>	<u>8,460,847</u>
Net Investment in Capital Assets	33,394,626	100,902,140	134,296,766	129,228,053
Restricted for Emergencies	863,000	-	863,000	706,000
Unrestricted	33,682,484	40,610,478	74,292,962	67,332,742
TOTAL NET POSITION	<u>\$ 67,940,110</u>	<u>\$ 141,512,618</u>	<u>\$ 209,452,728</u>	<u>\$ 197,266,795</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF FREDERICK, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 10,443,961	\$ 2,079,840	\$ 253,588	\$ 195,331
Public Safety	7,041,464	133,260	6,958	197,527
Public Works	5,514,610	1,016,290	-	1,346,376
Parks and Recreation	-	5,310	-	230,540
Economic Development	1,637,561	-	-	-
Interest and Other Fiscal Charges	1,599,411	-	-	-
Total Governmental Activities	26,237,007	3,234,700	260,546	1,969,774
Business-Type Activities				
Water	5,205,866	3,607,843	-	6,887,160
Electric	-	-	-	-
Storm Water	1,871,419	1,461,513	-	-
Golf Course	1,303,429	622,663	-	-
Total Business-Type Activities	8,380,714	5,692,019	-	6,887,160
Total Primary Government	\$ 34,617,721	\$ 8,926,719	\$ 260,546	\$ 8,856,934

GENERAL REVENUES

Sales Taxes
Property Taxes
Franchise Taxes
Other Taxes
Interest
Other

TRANSFERS

SPECIAL ITEM

Loss of Disposal of Capital Assets

TOTAL GENERAL REVENUES
AND TRANSFERS

CHANGE IN NET POSITION

NET POSITION, Beginning, as Restated

NET POSITION, Ending

The accompanying notes are an integral part of the financial statements.

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
		2023	2022
\$ (7,915,202)	\$ -	\$ (7,915,202)	\$ (6,912,979)
(6,703,719)	-	(6,703,719)	(4,366,546)
(3,151,944)	-	(3,151,944)	(4,815,632)
235,850	-	235,850	445,055
(1,637,561)	-	(1,637,561)	(1,591,238)
(1,599,411)	-	(1,599,411)	(314,937)
<u>(20,771,987)</u>	<u>-</u>	<u>(20,771,987)</u>	<u>(17,556,277)</u>
-	5,289,137	5,289,137	4,251,316
-	-	-	-
-	(409,906)	(409,906)	452,658
<u>-</u>	<u>(680,766)</u>	<u>(680,766)</u>	<u>(905,731)</u>
-	4,198,465	4,198,465	3,798,243
(20,771,987)	4,198,465	(16,573,522)	(13,758,034)
15,223,988	-	15,223,988	11,838,805
6,645,590	-	6,645,590	5,077,584
805,321	-	805,321	787,489
626,695	-	626,695	546,374
1,437,426	1,615,188	3,052,614	1,033,021
2,664,657	-	2,664,657	772,805
(642,000)	642,000	-	-
<u>(259,410)</u>	<u>-</u>	<u>(259,410)</u>	<u>-</u>
<u>26,502,267</u>	<u>2,257,188</u>	<u>28,759,455</u>	<u>20,056,078</u>
5,730,280	6,455,653	12,185,933	6,298,044
<u>62,209,830</u>	<u>135,056,965</u>	<u>197,266,795</u>	<u>190,968,751</u>
<u>\$ 67,940,110</u>	<u>\$ 141,512,618</u>	<u>\$ 209,452,728</u>	<u>\$ 197,266,795</u>

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Governmental Fund Financial Statements



TOWN OF FREDERICK, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2023

	GENERAL FUND	STREET AND ALLEY FUND	OPEN SPACE FUND	PARK IMPROVEMENT FUND	CAPITAL FACILITIES FUND
ASSETS					
Cash and Investments	\$ 17,177,432	\$ 5,281,424	\$ 6,607,978	\$ 5,160	\$ 4,848,709
Restricted Cash and Investments	-	800,000	-	-	-
Taxes Receivable	4,530,371	-	-	-	-
Accounts Receivable	2,102,561	147,197	-	-	-
Prepaid Items	-	-	-	-	-
Advances to Other Funds	209,101	-	-	-	-
TOTAL ASSETS	\$ 24,019,465	\$ 6,228,621	\$ 6,607,978	\$ 5,160	\$ 4,848,709
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ 1,307,523	\$ 200,355	\$ 66,296	\$ 2,265	\$ 6,135
Accrued Liabilities	-	-	-	-	-
Developer Escrows and Deposits	598,060	1,595,835	-	1,919	-
Advances from Other Funds	-	1,000,000	-	-	-
TOTAL LIABILITIES	1,905,583	2,796,190	66,296	4,184	6,135
DEFERRED INFLOWS OF RESOURCES					
Deferred Property Tax Revenue	4,530,371	-	-	-	-
Deferred Revenue	3,574,709	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	8,105,080	-	-	-	-
FUND BALANCE					
Fund Balance					
Nonspendable	-	-	-	-	-
Restricted for Emergencies	863,000	-	-	-	-
Restricted for Developer Escrow	-	800,000	-	-	-
Restricted for Open Space	-	-	6,541,682	-	-
Restricted for Street Improvements	-	2,632,431	-	-	-
Restricted for Parks and Recreation	-	-	-	-	-
Restricted for Public Safety	-	-	-	-	-
Committed for Parks, Open Space, and Capital Outlay	-	-	-	976	4,842,574
Unassigned	13,145,802	-	-	-	-
TOTAL FUND BALANCE	14,008,802	3,432,431	6,541,682	976	4,842,574
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 24,019,465	\$ 6,228,621	\$ 6,607,978	\$ 5,160	\$ 4,848,709

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

Long-term liabilities and related assets are not due and payable in the current period and are not reported in the fund. These include Bonds Payable of (\$2,939,029), Premium on Bonds (\$80,251), Lease Assets (\$1,663,938), Compensated Absences (\$653,356), Accrued Interest Payable (\$8,016), Net Pension Liability (\$294,511), Deferred Outflows Related to Pensions \$2,011,226, and Deferred Inflows Related to Pensions of (\$644,643).

Net position of governmental activities

The accompanying notes are an integral part of the financial statements.

FREDERICK URBAN RENEWAL AUTHORITY	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		2023	2022
		\$ 4,429,807	\$ 788,647
44,840	-	844,840	12,603
-	-	4,530,371	3,282,294
100,000	-	2,349,758	2,032,928
-	-	-	190
-	-	209,101	171,852
<u>\$ 4,574,647</u>	<u>\$ 788,647</u>	<u>\$ 47,073,227</u>	<u>\$ 42,436,351</u>

\$ 4,975	\$ -	\$ 1,587,549	\$ 2,536,252
-	-	-	-
-	-	2,195,814	1,888,733
50,000	-	1,050,000	1,081,412
<u>54,975</u>	<u>-</u>	<u>4,833,363</u>	<u>5,506,397</u>

-	-	4,530,371	3,282,294
-	-	3,574,709	3,574,709
<u>-</u>	<u>-</u>	<u>8,105,080</u>	<u>6,857,003</u>

-	-	-	190
-	-	863,000	706,000
-	-	800,000	-
-	-	6,541,682	5,302,556
-	-	2,632,431	3,568,469
-	335,093	335,093	226,254
-	453,554	453,554	487,163

4,519,672	-	9,363,222	9,144,074
-	-	13,145,802	10,638,245

<u>4,519,672</u>	<u>788,647</u>	<u>34,134,784</u>	<u>30,072,951</u>
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<u>\$ 4,574,647</u>	<u>\$ 788,647</u>		
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38,077,844	37,058,705
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<u>(4,272,518)</u>	<u>(4,921,826)</u>
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<u>\$ 67,940,110</u>	<u>\$ 62,209,830</u>
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TOWN OF FREDERICK, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2023

	GENERAL FUND	STREET AND ALLEY FUND	OPEN SPACE FUND	PARK IMPROVEMENT FUND	CAPITAL FACILITIES FUND
REVENUES					
Taxes and Fees	\$ 15,381,358	\$ 3,705,823	\$ 2,379,126	\$ 230,540	\$ 144,150
Licenses and Permits	2,079,840	-	-	-	-
Intergovernmental	-	-	-	-	663
Charges for Services	-	918,839	-	5,310	-
Fines and Forfeitures	133,260	-	-	-	-
Grants and Contributions	260,546	-	-	-	-
Interest	724,826	230,148	239,624	104	220,587
Miscellaneous	2,614,877	12,610	-	3,775	33,395
TOTAL REVENUES	21,194,707	4,867,420	2,618,750	239,729	398,795
EXPENDITURES					
General Government	9,972,334	-	-	-	172,018
Public Safety	6,990,294	-	-	-	-
Public Works	351,626	3,333,558	1,187,760	853,429	-
Economic Development	-	-	-	-	-
Capital Outlay	181,960	1,243,826	191,864	-	-
Debt Service					
Principal	-	345,000	-	-	1,465,293
Interest and Other Fiscal Charges	-	69,200	-	-	43,437
TOTAL EXPENDITURES	17,496,214	4,991,584	1,379,624	853,429	1,680,748
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,698,493	(124,164)	1,239,126	(613,700)	(1,281,953)
OTHER FINANCING SOURCES (USES)					
Transfers In	445,124	-	-	654,000	-
Transfers Out	(1,479,250)	(11,874)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,034,126)	(11,874)	-	654,000	-
NET CHANGE IN FUND BALANCES	2,664,367	(136,038)	1,239,126	40,300	(1,281,953)
FUND BALANCES, Beginning	11,344,435	3,568,469	5,302,556	(39,324)	6,124,527
PRIOR PERIOD ADJUSTMENT	-	-	-	-	-
FUND BALANCES, Beginning, as restated	11,344,435	3,568,469	5,302,556	(39,324)	6,124,527
FUND BALANCES, Ending	\$ 14,008,802	\$ 3,432,431	\$ 6,541,682	\$ 976	\$ 4,842,574

The accompanying notes are an integral part of the financial statements.

FREDERICK URBAN RENEWAL AUTHORITY	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		2023	2022
\$ 3,220,793	\$ 197,527	\$ 25,259,317	\$ 20,807,819
-	-	2,079,840	1,151,330
-	108,839	109,502	110,455
-	-	924,149	935,496
-	-	133,260	115,361
-	-	260,546	272,106
3,273	18,864	1,437,426	452,815
-	-	2,664,657	772,805
<u>3,224,066</u>	<u>325,230</u>	<u>32,868,697</u>	<u>24,618,187</u>
-	-	10,144,352	8,222,190
-	-	6,990,294	5,318,321
-	-	5,726,373	5,064,670
1,637,561	-	1,637,561	1,591,238
-	-	1,617,650	4,641,416
56,342	-	1,866,635	567,201
69,362	-	181,999	235,502
<u>1,763,265</u>	<u>-</u>	<u>28,164,864</u>	<u>25,640,538</u>
<u>1,460,801</u>	<u>325,230</u>	<u>4,703,833</u>	<u>(1,022,351)</u>
-	-	1,099,124	-
<u>-</u>	<u>(250,000)</u>	<u>(1,741,124)</u>	<u>(901,250)</u>
<u>-</u>	<u>(250,000)</u>	<u>(642,000)</u>	<u>(901,250)</u>
1,460,801	75,230	4,061,833	(1,923,601)
3,058,871	713,417	30,072,951	32,355,355
-	-	-	(358,803)
<u>3,058,871</u>	<u>713,417</u>	<u>30,072,951</u>	<u>31,996,552</u>
<u>\$ 4,519,672</u>	<u>\$ 788,647</u>	<u>\$ 34,134,784</u>	<u>\$ 30,072,951</u>

TOWN OF FREDERICK, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Activities
are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	\$ 4,061,833
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay, \$1,617,650, exceeded depreciation expense, (\$2,473,525) and loss on disposal (\$259,410) in the current period.	(1,115,285)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These include lease payments of \$2,000,960, bond payments of \$401,341, amortization of bond premium \$22,743, change in accrued compensated absences of \$255,266, and change in accrued interest payable of \$25,139.	2,705,449
Deferred Charges related to pensions are not recognized in the governmental funds. However, for the government-wide funds that amount is capitalized and amortized.	<u>78,283</u>
Change in Net Position of Governmental Activities	<u><u>\$ 5,730,280</u></u>

The accompanying notes are an integral part of the financial statements.

Proprietary Fund Financial Statements



TOWN OF FREDERICK, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPE
 As of December 31, 2023

	WATER FUND	STORM WATER FUND	GOLF COURSE FUND	TOTALS	
				2023	2022
ASSETS					
Current Assets					
Cash and Investments	\$ 35,880,438	\$ 5,116,148	\$ 450	\$ 40,997,036	\$ 39,894,944
Accounts Receivable	328,934	131,587	-	460,521	597,265
Prepaid Items	221,743	-	-	221,743	-
Inventory	-	-	14,015	14,015	14,015
Total Current Assets	<u>36,431,115</u>	<u>5,247,735</u>	<u>14,465</u>	<u>41,693,315</u>	<u>40,506,224</u>
Noncurrent Assets					
Capital Assets, net of Accumulated Depreciation	<u>97,827,177</u>	<u>2,788,962</u>	<u>286,001</u>	<u>100,902,140</u>	<u>97,143,186</u>
TOTAL ASSETS	<u>134,258,292</u>	<u>8,036,697</u>	<u>300,466</u>	<u>142,595,455</u>	<u>137,649,410</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	323,727	20,442	15,554	359,723	2,142,115
Accrued Expenses	-	-	19,457	19,457	51,741
Advances from Other Funds	-	-	159,101	159,101	90,440
Compensated Absences	<u>19,895</u>	<u>13,819</u>	<u>9,124</u>	<u>42,838</u>	<u>20,808</u>
Total Current Liabilities	<u>343,622</u>	<u>34,261</u>	<u>203,236</u>	<u>581,119</u>	<u>2,305,104</u>
Noncurrent Liabilities					
Deposits	58,108	42,984	15,082	116,174	100,061
Compensated Absences	<u>179,056</u>	<u>124,368</u>	<u>82,120</u>	<u>385,544</u>	<u>187,280</u>
Total Noncurrent Liabilities	<u>237,164</u>	<u>167,352</u>	<u>97,202</u>	<u>501,718</u>	<u>287,341</u>
TOTAL LIABILITIES	<u>580,786</u>	<u>201,613</u>	<u>300,438</u>	<u>1,082,837</u>	<u>2,592,445</u>
NET POSITION					
Net Investment in Capital Assets	97,827,177	2,788,962	286,001	100,902,140	97,143,186
Unrestricted	<u>35,850,329</u>	<u>5,046,122</u>	<u>(285,973)</u>	<u>40,610,478</u>	<u>37,913,779</u>
TOTAL NET POSITION	<u>\$ 133,677,506</u>	<u>\$ 7,835,084</u>	<u>\$ 28</u>	<u>\$ 141,512,618</u>	<u>\$ 135,056,965</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF FREDERICK, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE
Year Ended December 31, 2023

	WATER FUND	STORM WATER FUND	GOLF COURSE FUND	TOTALS	
				2023	2022
OPERATING REVENUES					
Charges for Services	\$ 3,554,402	\$ 1,452,652	\$ 558,726	\$ 5,565,780	\$ 6,082,139
Miscellaneous	53,441	8,861	63,937	126,239	188,258
TOTAL OPERATING REVENUES	3,607,843	1,461,513	622,663	5,692,019	6,270,397
OPERATING EXPENSES					
Operations	4,790,989	1,704,952	1,270,514	7,766,455	8,074,567
Depreciation	414,877	166,467	32,915	614,259	636,806
TOTAL OPERATING EXPENSES	5,205,866	1,871,419	1,303,429	8,380,714	8,711,373
OPERATING INCOME	(1,598,023)	(409,906)	(680,766)	(2,688,695)	(2,440,976)
NON-OPERATING REVENUES (EXPENSES)					
Interest Income	1,403,567	211,621	-	1,615,188	580,206
TOTAL NON-OPERATING REVENUES (EXPENSES)	1,403,567	211,621	-	1,615,188	580,206
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(194,456)	(198,285)	(680,766)	(1,073,507)	(1,860,770)
Capital Contributions	6,887,160	-	-	6,887,160	6,239,219
Transfers In	-	-	642,000	642,000	901,250
CHANGES IN NET POSITION	6,692,704	(198,285)	(38,766)	6,455,653	5,279,699
NET POSITION, Beginning	126,984,802	8,033,369	38,794	135,056,965	130,796,967
PRIOR PERIOD ADJUSTMENT	-	-	-	-	(1,019,701)
NET POSITION, Beginning, as restated	126,984,802	8,033,369	38,794	135,056,965	129,777,266
NET POSITION, Ending	\$ 133,677,506	\$ 7,835,084	\$ 28	\$ 141,512,618	\$ 135,056,965

The accompanying notes are an integral part of the financial statements.

TOWN OF FREDERICK, COLORADO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND TYPE
 Year Ended December 31, 2023
 Increase (Decrease) in Cash and Cash Equivalents

	WATER FUND	STORM WATER FUND	GOLF COURSE FUND	TOTALS	
				2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 3,738,435	\$ 1,467,320	\$ 623,008	\$ 5,828,763	\$ 6,058,197
Cash payments to Employees	(784,109)	(471,600)	(865,606)	(2,121,315)	(2,121,315)
Cash Paid to Suppliers	(5,848,019)	(1,190,464)	(422,782)	(7,461,265)	(3,862,878)
Net Cash Provided (Used) by Operating Activities	<u>(2,893,693)</u>	<u>(194,744)</u>	<u>(665,380)</u>	<u>(3,753,817)</u>	<u>74,004</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Payments (to) from Other Funds	-	-	710,661	710,661	991,690
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>710,661</u>	<u>710,661</u>	<u>991,690</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of Property and Equipment	(3,975,006)	(355,007)	(43,200)	(4,373,213)	(14,352,935)
Grants and Contributions	-	-	-	-	41,745
Capital Contributions	6,887,160	-	-	6,887,160	6,239,219
Deposits from Customers	17,744	-	(1,631)	16,113	(5,017)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>2,929,898</u>	<u>(355,007)</u>	<u>(44,831)</u>	<u>2,530,060</u>	<u>(8,076,988)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	1,403,567	211,621	-	1,615,188	580,206
Net Cash Provided by Investing Activities	<u>1,403,567</u>	<u>211,621</u>	<u>-</u>	<u>1,615,188</u>	<u>580,206</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,439,772	(338,130)	450	1,102,092	(6,431,088)
CASH AND INVESTMENTS, Beginning	34,440,666	5,454,278	-	39,894,944	46,326,032
CASH AND INVESTMENTS, Ending	<u>\$ 35,880,438</u>	<u>\$ 5,116,148</u>	<u>\$ 450</u>	<u>\$ 40,997,036</u>	<u>\$ 39,894,944</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (1,598,023)	\$ (409,906)	\$ (680,766)	\$ (2,688,695)	\$ (2,440,976)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities					
Depreciation and Amortization	414,877	166,467	32,915	614,259	636,806
Changes in Assets and Liabilities					
Accounts Receivable	130,592	5,807	345	136,744	(212,200)
Prepaid Items	(221,743)	-	-	(221,743)	192,914
Accounts Payable	(1,734,725)	(36,014)	(11,653)	(1,782,392)	1,716,248
Accrued Expenses	-	-	(32,284)	(32,284)	28,658
Compensated Absences	115,329	78,902	26,063	220,294	152,554
Total Adjustments	<u>(1,295,670)</u>	<u>215,162</u>	<u>15,386</u>	<u>(1,065,122)</u>	<u>2,514,980</u>
Net Cash Provided by Operating Activities	<u>\$ (2,893,693)</u>	<u>\$ (194,744)</u>	<u>\$ (665,380)</u>	<u>\$ (3,753,817)</u>	<u>\$ 74,004</u>

The accompanying notes are an integral part of the financial statements.

Fiduciary Fund Financial Statements



TOWN OF FREDERICK, COLORADO

STATEMENT OF NET POSITION
OIL ROYALTY TRUST FUND
December 31, 2023

	<u>PRIVATE PURPOSE TRUST</u>
ASSETS	
Cash and Investments	\$ 756,444
Accounts Receivable	1,111
Advances to Other Funds	<u>1,000,000</u>
TOTAL ASSETS	<u>1,757,555</u>
LIABILITIES	
Accounts Payable	<u>-</u>
NET POSITION	<u>\$ 1,757,555</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 1,757,555</u></u>

The accompanying notes are an integral part of the financial statements.

TOWN OF FREDERICK, COLORADO

STATEMENT OF CHANGES IN NET POSITION
 OIL ROYALTY TRUST FUND
 Year Ended December 31, 2023

	<u>PRIVATE PURPOSE TRUST</u>
ADDITIONS	
Oil Royalties	\$ 89,215
Interest	<u>30,024</u>
TOTAL ADDITIONS	<u>119,239</u>
DEDUCTIONS	
Scholarships	26,000
Donations	8,200
Miscellaneous	<u>-</u>
TOTAL DEDUCTIONS	<u>34,200</u>
CHANGE IN NET POSITION	85,039
NET POSITION, Beginning	<u>1,672,516</u>
NET POSITION, Ending	<u><u>\$ 1,757,555</u></u>

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements



TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Frederick, Colorado was incorporated in 1907. The Town is governed by a Mayor and six-member council elected by the residents. The accounting policies of the Town of Frederick, Colorado (the “Town”) conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the Town of Frederick has considered the possibility of inclusion of additional entities in its basic financial statements. The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if Town officials appoint a voting majority of the organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Frederick Urban Renewal Authority

The Frederick Urban Renewal Authority (the “Authority”) is considered to be financially accountable to the Town. The purpose of the Authority is to improve condition of blighted areas of the Town. The Authority is considered to be part of the Town for financial reporting purposes because its resources are entirely for the direct benefit of the Town and is blended into the Town’s financial statements as a special revenue fund. Separate financial statements are not available. The basis for blending of the component unit is that its governing body is the same as the governing body of the Town, plus three additional representatives. Management of the Town also has operational responsibility for the Authority.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, the Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

The *Street and Alley Fund* accounts for revenues from specific sources and to account for the construction and maintenance of the Town's streets and alleys

The *Open Space Fund* accounts for allocated impact fees and sales tax revenues approved by voters to provide funding for the acquisition and maintenance of open space areas within the Town.

The *Park Improvement Fund* accounts for allocated impact fees, grants, and contributions to provide funding for the acquisition and maintenance of parks and recreation areas within the Town.

The *Capital Facilities Fund* accounts for allocated impact fee revenues to provide funding for the acquisition of property and equipment, construction of streets, drainage, and planning and engineering studies.

The *Frederick Urban Renewal Authority Fund* Accounts for the activities of the Urban Renewal Authority.

The Town reports the following major proprietary funds:

The *Water Fund* accounts for the financial activities associated with the provision of water services.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

The *Storm Water Fund* accounts for the financial activities associated with the provision of drainage services.

The *Golf Course Fund* accounts for the financial activities associated with the operation of the Bella Rosa Golf Course.

Additionally, the Town reports the following fund type:

The *Fiduciary Fund* accounts for the activities of the Town's oil royalties.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less.

Investments are recorded at fair value.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property and equipment of the Town is depreciated using the straight line method over the following estimated useful lives:

Buildings	20 - 50 years
Water System	10 - 50 years
Machinery and Equipment	5 - 10 years
Vehicles	5 - 10 years
Infrastructure	10 - 30 years

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

Employees of the Town are allowed to accumulate unused vacation time up to 160 hours if they have less than 15 years of service. Employees with over 15 years can accumulate 400 hours. Upon termination of employment from the Town, an employee will be compensated for all accrued vacation time at their current pay rate. Employees are not compensated for any of their accrued sick time.

These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the governmental fund types. A liability has been recorded in the government-wide financial statements for the accrued compensated absences.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Debt issuance costs are reported as expenses in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represent a consumption of net assets that applies to future periods and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources expense/expenditure until then.

In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact. The Town did not report any nonspendable fund balance as of December 31, 2023.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Town has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. The Town has also classified the Open Space Fund as restricted because its use is restricted by taxpayer initiative, the Street and Alley Fund as restricted as the revenues are restricted through taxpayer initiatives and State Statute, and the Conservation Trust Fund is classified as restricted because its revenues are restricted by State Statute.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (ordinance) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town reports the fund balances of the Park Improvement Fund and the Capital Facilities Fund as committed as the Town has passed ordinances to create impact fees that are committed for the costs of infrastructure necessary to support new development.
- Assigned – This classification includes amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classification (Continued)

- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Town would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned.

Property Taxes

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the Town on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- In October, the Town staff submits to the Town Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgets and Budgetary Accounting (Continued)

- Budgets for the General, Special Revenue, and Private Purpose Trust Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the enterprise funds are presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

Legal Compliance

At December 31, 2023, actual expenditures exceeded budgeted amounts by the following amounts, for the following funds:

General Fund	\$ 1,361,964
Capital Facilities	\$ 1,158,730
Conservation Trust Fund	\$ 18,839
Park Improvement Fund	\$ 121,429

This may be a violation of State statute.

NOTE 3: DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2023 follows:

Petty Cash	\$ 1,400
Cash Deposits	17,553,268
Investments	<u>64,182,809</u>
Total	<u>\$ 81,737,477</u>

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

The above amounts are classified in the statement of net position as follows:

Cash and Investments	\$ 80,136,193
Restricted Cash and Investments	844,840
Fiduciary Funds	<u>756,444</u>
Total	<u>\$ 81,737,477</u>

Cash in the amount of \$44,840 is restricted for debt service and capital improvements in the Frederick Urban Renewal Authority Fund and \$800,000 is restricted for developer escrow in the Street and Alley Fund.

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2023, State regulatory commissioners have indicated that all financial institutions holding deposits for the Town are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits.

The Town has no policy regarding custodial credit risk for deposits.

At December 31, 2023, the Town had deposits with financial institutions with a carrying amount of \$17,553,268. The bank balances with the financial institutions were \$17,581,331. Of these balances, \$673,716 was covered by federal depository insurance and \$16,907,615 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments

As of December 31, 2023, the Town had the following investments and maturities:

<u>Type of Investment</u>	Fair Value	Maturities (in Years)	
		0 – 1 Years	1 – 5 Years
Local Government Investment Pools	<u>\$ 64,182,809</u>	<u>\$ 64,182,809</u>	<u>\$ -</u>

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The above investments are authorized for all funds and fund types used by Colorado municipalities.

Local Government Investment Pools

The Town had invested \$49,346,426 in the Colorado Surplus Asset Fund Trust (CSAFE) an investment vehicle established for local government entities in Colorado pursuant to Title 24, Article 75, Part 7 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. The State Securities Commissioner administers and enforces the requirements of creating and operating the Pools. CSAFE reports its underlying investments at amortized and is considered a qualifying external investment pool under GASB Statement 79. CSAFE operates similar to money market funds where each share is equal in value to \$1.00. The fair value of the position in the pools is the same as the value of the pooled shares.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Local Government Investment Pools (Continued)

CSAFE is rated AAAM by Standard and Poor's. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities are owned by the pools and held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pools. Investments of the pools comply with state statutes, consisting of U.S. Treasury bills, notes and note strips, repurchase agreements, U.S. Instrumentalities, Commercial Paper, Bank Deposits and Money Market Funds. CSAFE does not have any limitations or restrictions on participant withdrawals.

The Town had invested \$14,836,383 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAM by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables. This investment is valued using Level 2 inputs.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant observable inputs.

The Town had no investments requiring categorization as of December 31, 2023.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2023 is summarized below:

	Balances <u>12/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>12/31/2023</u>
Governmental Activities				
Capital Assets, not depreciated				
Land	\$ 6,614,892	\$ -	\$ -	\$ 6,614,892
Capital Assets, depreciated				
Lease Assets	-	2,134,424	-	2,134,424
Buildings	7,286,161	-	463,236	6,822,925
Improvements other than buildings	13,602,411	73,703	-	13,676,114
Infrastructure	46,564,375	1,165,188	-	47,729,563
Equipment	<u>3,984,479</u>	<u>378,759</u>	-	<u>4,363,238</u>
Total Capital Assets, depreciated	<u>71,437,426</u>	<u>3,752,074</u>	<u>463,236</u>	<u>74,726,264</u>
Less Accumulated Depreciation				
Lease Assets	-	310,597	-	310,597
Buildings	2,097,593	216,101	203,826	2,109,868
Improvements	4,350,185	462,659	-	4,812,844
Infrastructure	32,155,123	1,160,680	-	33,315,803
Equipment	<u>2,390,712</u>	<u>323,488</u>	-	<u>2,714,200</u>
Total Accumulated Depreciation	<u>40,993,613</u>	<u>2,473,525</u>	<u>203,826</u>	<u>43,263,312</u>
Total Capital Assets, depreciated, Net	<u>30,443,813</u>	<u>1,278,549</u>	<u>259,410</u>	<u>31,462,952</u>
Governmental Activities, Capital Assets, Net	<u>\$ 37,058,705</u>	<u>\$ 1,278,549</u>	<u>\$ 259,410</u>	<u>\$ 38,077,844</u>

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

Governmental Activities

General Government	\$ 633,158
Public Safety	51,170
Public Works	<u>1,789,197</u>
Total	<u>\$ 2,473,525</u>

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 4: CAPITAL ASSETS (Continued)

	Balances <u>12/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>12/31/2023</u>
Business-Type Activities				
Capital Assets, not depreciated				
Land	\$ 1,229,794	\$ -	\$ -	\$ 1,229,794
Water Rights	81,765,376	3,620,000	-	85,385,376
System Enhancement	1,019,000	-	-	1,019,000
Construction in Progress	<u>2,632,829</u>	<u>-</u>	<u>-</u>	<u>2,632,829</u>
Total Capital Assets, not depreciated	<u>86,646,999</u>	<u>3,620,000</u>	<u>-</u>	<u>90,266,999</u>
Capital Assets, depreciated				
Intangible Assets	74,850	-	74,850	-
Buildings	490,826	-	-	490,826
Utility Systems	16,272,845	-	-	16,272,845
Infrastructure	118,333	10,700	-	129,033
Equipment	<u>1,430,002</u>	<u>742,513</u>	<u>-</u>	<u>2,172,515</u>
Total Capital Assets, depreciated	<u>18,386,856</u>	<u>753,213</u>	<u>74,850</u>	<u>19,065,219</u>
Less: Accumulated Depreciation				
Intangible Assets	74,850	-	74,850	-
Buildings	228,769	12,645	-	241,414
Utility Systems	6,737,627	382,252	-	7,119,879
Infrastructure	4,340	-	-	4,340
Equipment	<u>845,083</u>	<u>219,362</u>	<u>-</u>	<u>1,064,445</u>
Total Accumulated Depreciation	<u>7,890,669</u>	<u>614,259</u>	<u>74,850</u>	<u>8,430,078</u>
Total Capital Assets, depreciated, Net	<u>10,496,187</u>	<u>138,955</u>	<u>-</u>	<u>10,635,141</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 97,143,186</u>	<u>\$ 3,758,954</u>	<u>\$ -</u>	<u>\$ 100,902,140</u>

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

Business-type Activities

Water Fund	\$ 414,877
Storm Water Fund	166,467
Golf Course Fund	<u>32,915</u>
Total	<u>\$ 614,259</u>

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2023.

	<u>Balance</u> <u>12/31/2022</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/2023</u>	<u>Due In</u> <u>One Year</u>
General Obligation Bonds					
2015 Revenue and Refunding Bonds	\$ 1,715,000	\$ -	\$ 345,000	\$ 1,370,000	\$ 355,000
2015 Bond Premium	102,994	-	22,743	80,251	-
Debt from Direct Borrowings					
Direct Placements					
2018 FURA Tax Increment					
Revenue Bonds	1,625,370	-	56,341	1,569,029	61,036
PW Facility – Loan	1,530,474	-	1,530,474	-	-
Vehicle Leases	-	2,134,424	470,486	1,663,938	557,282
Compensated Absences	<u>908,622</u>	<u>-</u>	<u>255,266</u>	<u>653,356</u>	<u>65,336</u>
Total	<u>\$ 5,882,460</u>	<u>\$ 2,134,424</u>	<u>\$ 2,680,310</u>	<u>\$ 5,336,574</u>	<u>\$ 1,038,654</u>

Compensated Absences are expected to be liquidated primarily with resources of the General Fund. The Town currently estimates that 10% of the accrued compensated absences shown above will be liquidated currently.

2015 Revenue Refunding Bonds

In December 2015, the Town issued Sales and Use Tax Revenue Refunding Bonds Series 2015A and Sales and Tax Revenue Bonds Series 2015B to refund the Town's 2006 Revenue Bonds and to finance capital improvements and bond issuance costs. Principal and interest payments are due annually on December 15 through December 15, 2029. Interest accrues at rates ranging from 2.00% of 4.00%.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: LONG-TERM DEBT (Continued)

2015 Revenue Refunding Bonds (Continued)

The Bonds maturing on and before December 15, 2021, are not subject to redemption prior to their respective maturity dates. The Bonds maturing on and after December 15, 2022 are subject to redemption prior to maturity, at the option of the Town, in whole or in part, and if in part in such order of maturities as the Town shall determine and by lot within a maturity, on December 15, 2021 and on any date thereafter, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date. There is no provision for the acceleration of maturity of the principal of the Bonds in the event of default in the payment of principal or interest on the Bonds.

2018 FURA Tax Increment Revenue Bonds

In June 2018, the Frederick Urban Renewal Authority (FURA) was authorized for up to \$3,550,000 in Tax Increment Revenue Bonds Series 2018 to finance capital improvements within the Meadowlark Business Park Plan Area and to finance bond issuance costs. These bonds are issued as a draw down bond and funds will be available to the FURA as requested. As of December 31, 2023, the FURA has drawn \$1,878,057 on these bonds. Principal and Interest on the amounts drawn are due annually on December 1, 2018, through December 1, 2040. Interest is currently accruing at rates ranging from 2.848% to 4.832%. This is a variable rate equal to 80% of the Taxable Rate, which is 3.0% plus the five-year Federal Home Loan Bank Des Moines Fixed Advance regular rate as of the date of the date of the draw request. This rate shall not exceed 8.00% per annum.

The Bonds maturing on and after December 31, 2018, are subject to redemption prior to maturity at the redemption price set forth in the 2018 Bond Agreement. In the event of default, the principal and accrued interest on the Bonds shall be immediately due and payable.

Vehicle Leases

The Town entered into non-cancelable 48- and 60-month leases for vehicles. The leases require individual monthly payments ranging from \$485 to \$1,790. The 48-month leases will have a final payment on December 31, 2027, and the 60-month lease payments will end December 31, 2028. The vehicles are capitalized under lease assets.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: LONG-TERM DEBT(Continued)

Future Debt Service Requirements

Annual debt service requirements for the general obligation bonds as of December 31, 2023, are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 355,000	\$ 54,800	\$ 409,800
2025	370,000	40,600	410,600
2026	380,000	25,800	405,800
2027	85,000	10,600	95,600
2028	90,000	7,200	97,200
2029	<u>90,000</u>	<u>3,600</u>	<u>93,600</u>
Total Debt Service Requirements	<u>\$ 1,370,000</u>	<u>\$ 142,600</u>	<u>\$ 1,512,600</u>

Annual debt service requirements for the outstanding FURA Tax Increment Revenue Bonds as of December 31, 2023, are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 61,036	\$ 68,791	\$ 129,827
2025	65,733	66,072	131,805
2026	75,122	63,347	138,469
2027	75,122	60,234	135,356
2028	89,208	57,275	146,483
2029-2033	509,621	225,948	735,569
2034-2038	561,492	116,545	678,037
2039-2040	<u>131,695</u>	<u>13,849</u>	<u>145,544</u>
Total Debt Service Requirements	<u>\$ 1,569,029</u>	<u>\$ 672,061</u>	<u>\$ 2,241,090</u>

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: LONG-TERM DEBT(Continued)

Annual debt service requirements for the outstanding lease vehicles as of December 31, 2023, are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 557,282	\$ 65,559	\$ 622,841
2025	441,474	43,602	485,076
2026	369,700	26,208	395,908
2027	228,823	11,642	240,466
2028	<u>68,659</u>	<u>2,627</u>	<u>69,286</u>
Total Debt Service Requirements	<u>\$ 1,663,938</u>	<u>\$ 149,638</u>	<u>\$ 1,813,576</u>

Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2023.

	<u>Balance</u> <u>12/31/2022</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/2023</u>	<u>Due In</u> <u>One Year</u>
Accrued Compensated Absences	\$ 208,088	\$ 220,294	\$ -	\$ 428,382	\$ 42,838
Total	<u>\$ 208,088</u>	<u>\$ 220,294</u>	<u>\$ -</u>	<u>\$ 428,382</u>	<u>\$ 42,838</u>

Compensated Absences are expected to be liquidated with resources of the Proprietary Funds and the Town currently estimates that 10% of the accrued compensated absences shown above will be liquidated currently.

NOTE 6: INTERFUND AMOUNTS

The Oil Royalty Trust Fund loaned the Street Fund \$1,000,000 for street improvements due September 2041. A repayment schedule will be developed as part of the 2025 budget process.

The Golf Fund owes the General Fund \$159,101 due to timing of cash payments made by the General Fund on behalf of the Golf Fund.

The Urban Renewal Authority received an advance of \$50,000 from the General Fund and will be repaid to the General Fund as part of the 2025 budget adoption.

Below is a schedule of interfund transfers made during the year ended December 31, 2023.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 6: INTERFUND AMOUNTS (Continued)

<u>Transfers To Other Funds</u>	<u>Transfers From Other Funds</u>	<u>Amount</u>
General Fund	Golf Course Fund	<u>\$ 642,000</u>
Total		<u>\$ 642,000</u>

The transfer to the Golf Fund was made to offset additional operating and capital costs in the Golf Fund. These transfers are budgeted annually.

NOTE 7: TAX ABATEMENTS

The Town entered into a Developer Incentive agreement with a local business under Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31 of the Colorado Revised Statutes (“C.R.S.”) and under C.R.S. § 30-11-123 which provides that the Town may negotiate incentive payments to taxpayers who establish new business facilities or who expand existing business facilities.

During the year ended December 31, 2016, the Town entered into an incentive agreement with a new local business to promote economic development within the Town and to generate employment opportunities for residents of the Town. Under this agreement, the Town abated sales taxes and interest totaling \$13,456, \$9,582 and \$0 for the years ended December 31, 2021, 2022, and 2023, respectively. In addition, this agreement provided for permit and plan review fee waivers totaling \$0, \$0, and \$0 for the years ended December 31, 2021, 2022, and 2023, respectively.

NOTE 8: DEFINED BENEFIT PENSION PLAN

Statewide Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. The Town contributes to the Statewide Defined Benefit Pension Plan (“SWDB Plan”), a cost-sharing multiple-employer defined benefit pension plan, which is administered by the FPPA. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB Plan have been determined using the economic resources measurement focus and the accrual basis of accounting.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

Summary of Significant Accounting Policies (Continued)

Pensions. The Town contributes to the Statewide Defined Benefit Pension Plan (“SWDB Plan”), a cost-sharing multiple-employer defined benefit pension plan, which is administered by the FPPA. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB Plan have been determined using the economic resources measurement focus and the accrual basis of accounting.

The Plan assets are included in the Fire & Police Members’ Benefit Investment Fund and the Fire & Police Members’ Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Separate Retirement Account assets from eligible retired members).

General Information about the Pension Plan

Plan description. The SWDB Plan provides retirement benefits for members and beneficiaries according to plan provisions as enacted and governed by FPPA’s Pension Fund Board of Trustees. Colorado Revised Statutes (“CRS”), as amended, establishes basic benefit provisions under the SWDB Plan. FPPA issues an annual, publicly-available financial report that includes the assets of the SWDB Plan. That report may be obtained on FPPA’s website at <http://www.fppaco.org>.

Benefits provided. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2022, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member’s highest three years’ pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

General Information about the Pension Plan (Continued)

Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution.

Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Contributions. The SWDB Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB Plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2023, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2023 to a total of 12 percent of pensionable earnings. Employer contributions are 8 percent in 2022 and 2023. Employer contributions will increase 0.5 percent annually beginning in 2023 through 2030 to a total of 13 percent of pensionable earnings. In 2022, members of the SWDB plan and their employers are contributing at the rate of 12 percent and 9 percent, respectively, of pensionable earnings for a total contribution rate of 21 percent.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

General Information about the Pension Plan (Continued)

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 6.0 percent and 4.5 percent, respectively, of pensionable earnings for a total contribution rate of 10.5 percent in 2021. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the Town reported a liability of \$294,511 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2023. Standard update procedures were used to roll forward the total pension liability to December 31, 2023. The Town's proportion of the net pension asset was based on the Town's contributions to the SWDB Plan for the calendar year 2022 relative to the total contributions of participating employers to the SWDB Plan. At December 31, 2022, the Town's proportion was 0.3318%, which was an increase of 0.03412% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Town recognized a pension expense of \$251,652. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$637,514	\$36,149
Net difference between projected and actual earnings on pension plan investments	\$666,469	N/A
Changes in proportion and differences between contributions recognized and proportionate share of contributions	N/A	\$608,494
Change in assumptions and other inputs	\$377,308	N/A
Contributions subsequent to the measurement date	\$329,935	N/A
Total	\$2,011,226	\$644,643

\$329,935 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31	
2023	\$86,872
2024	\$212,751
2025	\$328,496
2026	\$480,900
2027	\$45,375
Thereafter	(\$117,746)

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial assumptions. The actuarial valuations for the SWDB were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2022. The valuations used the following actuarial assumptions and other inputs:

Total Pension Liability:

Actuarial Valuation Date	January 1, 2023
Actuarial Method	Entry Age Normal
Amortization Method	N/A
Amortization Period	N/A
Long-term investment Rate of Return*	7.00 percent
Projected salary increases*	4.25 – 11.25 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 2.5%	

Actuarially Determined Contributions:

Actuarial Valuation Date	January 1, 2022
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term investment Rate of Return*	7.0 percent
Projected salary increases*	4.25-11.25 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 2.5%	

For determining the total pension liability and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected to projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years, the Fire & Police Pension Association's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent).

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.00%	8.93%
Equity Long/Short	6.00%	7.47%
Private Markets	34.00%	10.31%
Fixed Income - Rates	10.00%	5.45%
Fixed Income - Credit	5.00%	6.90%
Absolute Return	9.00%	6.49%
Cash	1.00%	3.92%
Total	100.00%	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 8: DEFINED BENEFIT PENSION PLANS (Continued)

Statewide Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Discount rate. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan’s projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.05 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

Sensitivity of the Town’s proportionate share of the net pension liability to changes in the discount rate. Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan’s net pension liability/(asset), calculated using a Single Discount Rate of 7.00 percent, as well as what the plan’s net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)	\$2,030,318	\$294,511	(\$1,143,300)

Pension plan fiduciary net position. Detailed information about the SWDB Plan’s fiduciary net position is available in FPPA’s comprehensive annual financial report which can be obtained at <http://www.fppaco.org>.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 9: OTHER RETIREMENT COMMITMENTS

Deferred Compensation Plan

All full-time employees are eligible to participate in an involuntary 401a Deferred Comp Plan and a voluntary 457b Deferred Comp Plan. The Plan is administered by the Colorado Retirement Association. The Town matches up to 10% of employee contributions. The Town contributed \$463,222, \$492,887 and \$597,785 to the plan for the years ended December 31, 2021, 2022 and 2023, respectively, equal to the required contribution.

NOTE 10: RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Town carries commercial insurance to cover these risks. The Town has not had any claims that exceeded insurable amounts for the last three years.

NOTE 11: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. On November 5, 2013, voters within the Town approved the collection, retention and expenditure the full amount of the town taxes, grants and all other revenue collected from all sources including property taxes, received in 2012 and each subsequent year, without regard to any revenue or expenditure limitations including those contained in Article X, Section 20 of the Colorado constitution or any other law.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2023, the emergency reserve of \$863,000 was recorded in the General Fund.

Land Swap Agreement

The Public Works building lease was paid in full in 2023 using funds from the Capital Facilities Fund. The Town entered into a land swap agreement with Agilent Technologies to obtain a new lot across the street, 7400 Eagle Blvd, where a new public works building will be constructed. Under the terms of the land swap agreement, the Town will continue using the current Public Works Building / lot until the new building is constructed in 2026.

TOWN OF FREDERICK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 12: SUBSEQUENT EVENTS

Potential subsequent events were considered through June 27, 2024. It was determined that the following event should be disclosed:

The Town of Frederick intends to finance the construction of a Public Works facility through the issuance of Certificates of Participation (COPS) anticipated in fiscal year 2024 or 2025. Management began preliminary discussions with financial advisors and legal counsel regarding the structure and terms of COPS issuance. The ultimate issuance and terms of the COPS are subject to market conditions, regulatory approvals, and the final approval by Town of Frederick's governing body.

Required Supplementary Information



TOWN OF FREDERICK, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Taxes and Fees	\$ 12,620,000	\$ 15,381,358	\$ 2,761,358	\$ 11,646,434
Licenses and Permits	784,500	2,079,840	1,295,340	1,151,330
Fines and Forfeitures	108,000	133,260	25,260	115,361
Grants and Contributions	902,750	260,546	(642,204)	272,106
Interest	625,000	724,826	99,826	218,157
Miscellaneous	2,435,500	2,614,877	179,377	749,936
TOTAL REVENUES	<u>17,475,750</u>	<u>21,194,707</u>	<u>3,718,957</u>	<u>14,153,324</u>
EXPENDITURES				
General Government	9,565,900	9,972,334	(406,434)	8,222,190
Public Safety	6,297,100	6,990,294	(693,194)	5,318,321
Public Works	790,750	351,626	439,124	1,077,407
Capital Outlay	292,500	181,960	110,540	-
TOTAL EXPENDITURES	<u>16,946,250</u>	<u>17,496,214</u>	<u>(549,964)</u>	<u>14,617,918</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>529,500</u>	<u>3,698,493</u>	<u>3,168,993</u>	<u>(464,594)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	444,250	445,124	874	-
Transfers Out	<u>(667,250)</u>	<u>(1,479,250)</u>	<u>(812,000)</u>	<u>(901,250)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(223,000)</u>	<u>(1,034,126)</u>	<u>(811,126)</u>	<u>(901,250)</u>
NET CHANGE IN FUND BALANCE	306,500	2,664,367	2,357,867	(1,365,844)
FUND BALANCE, Beginning	<u>13,717,677</u>	<u>11,344,435</u>	<u>(2,373,242)</u>	<u>13,069,082</u>
PRIOR PERIOD ADJUSTMENT	-	-	-	(358,803)
FUND BALANCES, Beginning, as restated	<u>-</u>	<u>11,344,435</u>	<u>-</u>	<u>12,710,279</u>
FUND BALANCE, Ending	<u>\$ 14,024,177</u>	<u>\$ 14,008,802</u>	<u>\$ (15,375)</u>	<u>\$ 11,344,435</u>

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

STREET AND ALLEY FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Taxes and Fees	\$ 3,791,000	\$ 3,705,823	\$ (85,177)	\$ 3,727,934
Charges for Services	991,000	918,839	(72,161)	931,151
Interest	-	230,148	230,148	86,206
Miscellaneous	5,000	12,610	7,610	15,659
TOTAL REVENUES	<u>4,787,000</u>	<u>4,867,420</u>	<u>80,420</u>	<u>4,760,950</u>
EXPENDITURES				
Public Works	2,422,450	3,333,558	(911,108)	2,174,909
Capital Outlay	4,715,000	1,243,826	3,471,174	4,287,378
Debt Service				
Principal	408,800	345,000	63,800	330,000
Interest	-	69,200	(69,200)	82,587
TOTAL EXPENDITURES	<u>7,546,250</u>	<u>4,991,584</u>	<u>2,554,666</u>	<u>6,874,874</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,759,250)</u>	<u>(124,164)</u>	<u>2,635,086</u>	<u>(2,113,924)</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(11,874)	(11,874)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(11,874)</u>	<u>(11,874)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(2,759,250)</u>	<u>(136,038)</u>	<u>2,623,212</u>	<u>(2,113,924)</u>
FUND BALANCE, Beginning	<u>4,911,136</u>	<u>3,568,469</u>	<u>(1,342,667)</u>	<u>5,682,393</u>
FUND BALANCE, Ending	<u>\$ 2,151,886</u>	<u>\$ 3,432,431</u>	<u>\$ 1,280,545</u>	<u>\$ 3,568,469</u>

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

OPEN SPACE FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Taxes	\$ 1,583,000	\$ 2,327,945	\$ 744,945	\$ 1,821,919
Open Space Fees	-	51,181	51,181	90,820
Grants and Contributions			-	
Interest Income	-	239,624	239,624	50,748
Miscellaneous	-	-	-	650
TOTAL REVENUES	<u>1,583,000</u>	<u>2,618,750</u>	<u>1,035,750</u>	<u>1,964,137</u>
EXPENDITURES				
Public Works	1,203,200	1,187,760	15,440	536,345
Capital Outlay	306,250	191,864	114,386	44,137
TOTAL EXPENDITURES	<u>1,509,450</u>	<u>1,379,624</u>	<u>129,826</u>	<u>580,482</u>
NET CHANGE IN FUND BALANCES	73,550	1,239,126	1,165,576	1,383,655
FUND BALANCES, Beginning	<u>4,764,904</u>	<u>5,302,556</u>	<u>537,652</u>	<u>3,918,901</u>
FUND BALANCES, Ending	<u>\$ 4,838,454</u>	<u>\$ 6,541,682</u>	<u>\$ 1,703,228</u>	<u>\$ 5,302,556</u>

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

PARK IMPROVEMENT FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Park Impact Fees	\$ 725,000	\$ 230,540	\$ (494,460)	\$ 440,710
Charges for Services	-	5,310	5,310	4,345
Interest Income	-	104	104	4,909
Miscellaneous	7,000	3,775	(3,225)	6,560
TOTAL REVENUES	<u>732,000</u>	<u>239,729</u>	<u>(492,271)</u>	<u>456,524</u>
EXPENDITURES				
Public Works	732,000	853,429	(121,429)	1,276,009
Capital Outlay	-	-	-	100,743
TOTAL EXPENDITURES	<u>732,000</u>	<u>853,429</u>	<u>(121,429)</u>	<u>1,376,752</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(613,700)</u>	<u>(613,700)</u>	<u>(920,228)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	654,000	654,000	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>654,000</u>	<u>654,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	40,300	40,300	(920,228)
FUND BALANCES, Beginning	<u>-</u>	<u>(39,324)</u>	<u>(39,324)</u>	<u>880,904</u>
FUND BALANCES, Ending	<u>\$ -</u>	<u>\$ 976</u>	<u>\$ 976</u>	<u>\$ (39,324)</u>

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

FREDERICK URBAN RENEWAL AUTHORITY
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Taxes	\$ 3,090,500	\$ 3,220,793	\$ 130,293	\$ 2,659,986
Interest Income	100	3,273	3,173	990
Miscellaneous	3,000	-	(3,000)	-
TOTAL REVENUES	<u>3,093,600</u>	<u>3,224,066</u>	<u>130,466</u>	<u>2,660,976</u>
EXPENDITURES				
Economic Development	\$ 1,882,450	\$ 1,637,561	\$ 244,889	\$ 1,591,238
Debt Service				
Principal	56,500	56,342	158	65,732
Interest and Other Fiscal Charges	-	69,362	(69,362)	69,924
TOTAL EXPENDITURES	<u>1,938,950</u>	<u>1,763,265</u>	<u>175,685</u>	<u>1,726,894</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,154,650</u>	<u>1,460,801</u>	<u>306,151</u>	<u>934,082</u>
NET CHANGE IN FUND BALANCES	1,154,650	1,460,801	306,151	934,082
FUND BALANCES, Beginning	<u>3,173,888</u>	<u>3,058,871</u>	<u>(115,017)</u>	<u>2,124,789</u>
FUND BALANCES, Ending	<u>\$ 4,328,538</u>	<u>\$ 4,519,672</u>	<u>\$ 191,134</u>	<u>\$ 3,058,871</u>

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Town's proportionate share of the Net Pension Liability (Asset)	0.108%	0.119%	0.127%	0.116%	0.103%	0.096%	0.102%	0.118%	0.298%	0.332%
	\$ (96,865)	\$ (134,339)	\$ (2,238)	\$ 42,056	\$ 148,621	\$ 121,550	\$ (57,570)	\$ (256,284)	\$ (1,631,251)	\$ 294,511
Town's proportionate share of the Net Pension Liability (Asset)										
Town's covered payroll	\$ 941,000	\$ 1,068,711	\$ 1,230,975	\$ 1,191,312	\$ 1,208,518	\$ 1,288,016	\$ 1,500,466	\$ 1,500,466	\$ 1,896,336	\$ 7,309,050
Town's proportionate share of the Net Pension Liability (Asset) as a percentage of its covered payroll	-10.3%	-12.6%	-0.2%	3.5%	12.3%	9.4%	-3.8%	-17.1%	-86.0%	4.0%
Plan fiduciary net position as a percentage of the total pension liability	105.8%	106.8%	100.1%	98.2%	98.2%	95.2%	101.9%	106.7%	116.2%	97.6%

Notes:

This schedule is reported as of December 31, as that is the plan year end.

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Statutorily required contributions	\$ 42,824	\$ 49,239	\$ 47,653	\$ 48,341	\$ 51,521	\$ 60,019	\$ 75,854	\$ 204,749	\$ 292,362	\$ 329,935
Contributions in relation to the Statutorily required contributions	42,824	49,239	47,653	48,341	51,521	60,019	75,854	204,749	292,362	329,935
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 1,068,711	\$ 1,230,975	\$ 1,191,312	\$ 1,208,518	\$ 1,288,016	\$ 1,500,466	\$ 1,896,336	\$ 5,118,725	\$ 7,309,050	\$ 3,473,005
Contributions as a percentage of covered payroll	4.01%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	9.50%

Notes:

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

Other Supplementary Information
Combining and Individual Fund Schedules



TOWN OF FREDERICK, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 December 31, 2023

	SPECIAL REVENUE			
	CONSERVATION TRUST FUND	PUBLIC SAFETY FUND	TOTALS	
			2023	2022
ASSETS				
Cash and Investments	\$ 335,093	\$ 453,554	\$ 788,647	\$ 715,415
TOTAL ASSETS	<u>\$ 335,093</u>	<u>\$ 453,554</u>	<u>\$ 788,647</u>	<u>\$ 715,415</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ 1,998
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,998</u>
FUND BALANCE				
Fund Balance				
Restricted for Parks & Recreation	335,093	-	335,093	226,254
Restricted for Public Safety	<u>-</u>	<u>453,554</u>	<u>453,554</u>	<u>487,163</u>
TOTAL FUND BALANCE	<u>335,093</u>	<u>453,554</u>	<u>788,647</u>	<u>713,417</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 335,093</u>	<u>\$ 453,554</u>	<u>\$ 788,647</u>	<u>\$ 715,415</u>

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 Year Ended December 31, 2023

	<u>SPECIAL REVENUE</u>			
	CONSERVATION	PUBLIC	TOTALS	
	TRUST FUND	SAFETY FUND	2023	2022
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Public Safety Impact Fee	-	197,527	197,527	155,493
Intergovernmental	108,839	-	108,839	93,985
Interest Income	-	18,864	18,864	4,023
Miscellaneous	-	-	-	-
 TOTAL REVENUES	 <u>108,839</u>	 <u>216,391</u>	 <u>325,230</u>	 <u>253,501</u>
EXPENDITURES				
Capital Outlay	-	-	-	88,848
 TOTAL EXPENDITURES	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>88,848</u>
 (UNDER) EXPENDITURES	 <u>108,839</u>	 <u>216,391</u>	 <u>325,230</u>	 <u>164,653</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(250,000)	(250,000)	-
 TOTAL OTHER FINANCING SOURCES (USES)	 <u>-</u>	 <u>(250,000)</u>	 <u>(250,000)</u>	 <u>-</u>
 NET CHANGE IN FUND BALANCES	 <u>108,839</u>	 <u>(33,609)</u>	 <u>75,230</u>	 <u>164,653</u>
FUND BALANCES, Beginning	<u>226,254</u>	<u>487,163</u>	<u>713,417</u>	<u>548,764</u>
FUND BALANCES, Ending	<u>\$ 335,093</u>	<u>\$ 453,554</u>	<u>\$ 788,647</u>	<u>\$ 713,417</u>

See the accompanying independent auditors' report.

Budgetary Comparison Schedules



TOWN OF FREDERICK, COLORADO

CAPITAL FACILITIES FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Capital Improvement Fees	\$ -	\$ 144,150	\$ 144,150	\$ 264,523
Intergovernmental	445,000	663	(444,337)	16,470
Interest Income	-	220,587	220,587	87,782
Miscellaneous	-	33,395	33,395	-
TOTAL REVENUES	<u>445,000</u>	<u>398,795</u>	<u>(46,205)</u>	<u>368,775</u>
EXPENDITURES				
General	-	172,018	(172,018)	-
Capital Outlay	176,000	-	176,000	120,310
Debt Service				
Principal	174,000	1,465,293	(1,291,293)	171,469
Interest	-	43,437	(43,437)	82,991
TOTAL EXPENDITURES	<u>350,000</u>	<u>1,680,748</u>	<u>(1,330,748)</u>	<u>374,770</u>
NET CHANGE IN FUND BALANCES	95,000	(1,281,953)	(1,376,953)	(5,995)
FUND BALANCES, Beginning	<u>6,086,832</u>	<u>6,124,527</u>	<u>37,695</u>	<u>6,130,522</u>
FUND BALANCES, Ending	<u>\$ 6,181,832</u>	<u>\$ 4,842,574</u>	<u>\$ (1,339,258)</u>	<u>\$ 6,124,527</u>

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

CONSERVATION TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Intergovernmental	\$ 95,000	\$ 108,839	\$ 13,839	\$ 93,985
TOTAL REVENUES	95,000	108,839	13,839	93,985
EXPENDITURES				
Parks and Recreation	2,500	-	2,500	-
Capital Outlay	2,500	-	2,500	-
NET CHANGE IN FUND BALANCE	90,000	108,839	(18,839)	93,985
FUND BALANCE, Beginning	214,911	226,254	11,343	132,269
FUND BALANCE, Ending	\$ 304,911	\$ 335,093	\$ 30,182	\$ 226,254

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

PUBLIC SAFETY FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Public Safety Impact Fee	\$ 250,000	\$ 197,527	\$ (52,473)	\$ 155,493
Interest Income	-	18,864	18,864	4,023
TOTAL REVENUES	250,000	216,391	(33,609)	159,516
EXPENDITURES				
Parks and Recreation	-	-	-	-
Capital Outlay	-	-	-	88,848
TOTAL EXPENDITURES	-	-	-	88,848
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	250,000	216,391	33,609	70,668
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(250,000)	(250,000)	-	-
NET CHANGE IN FUND BALANCE	-	(33,609)	33,609	70,668
FUND BALANCE, Beginning	494,239	487,163	(7,076)	416,495
FUND BALANCE, Ending	\$ 494,239	\$ 453,554	\$ (40,685)	\$ 487,163

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

WATER FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Charges for Services	\$ 4,063,900	\$ 3,554,402	\$ (509,498)	\$ 4,338,402
Contributions	9,487,000	6,887,160	(2,599,840)	6,239,219
Reimbursed Expenses	-	1,250	1,250	9,865
Interest Income	-	1,403,567	1,403,567	514,867
Miscellaneous	120,000	52,191	(67,809)	26,453
TOTAL REVENUES	<u>13,670,900</u>	<u>11,898,570</u>	<u>(1,772,330)</u>	<u>11,128,806</u>
EXPENDITURES				
Operations	5,770,400	4,790,989	979,411	5,904,553
Capital Outlay	5,023,250	3,975,007	1,048,243	13,168,056
Depreciation Expense	-	414,877	(414,877)	458,070
TOTAL EXPENDITURES	<u>10,793,650</u>	<u>9,180,873</u>	<u>1,612,777</u>	<u>19,530,679</u>
CHANGE IN NET POSITION, Budget Basis	<u>\$ 2,877,250</u>	2,717,697	<u>\$ (159,553)</u>	(8,401,873)
GAAP BASIS ADJUSTMENTS				
Capital Outlay		<u>3,975,007</u>		<u>13,168,056</u>
CHANGE IN NET POSITION, GAAP Basis		<u>6,692,704</u>		<u>4,766,183</u>
NET POSITION, Beginning		126,984,802		123,238,320
PRIOR PERIOD ADJUSTMENT		-		(1,019,701)
FUND BALANCES, Beginning, as restated		<u>126,984,802</u>		<u>122,218,619</u>
NET POSITION, Ending		<u>\$ 133,677,506</u>		<u>\$ 126,984,802</u>

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

STORM WATER FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Drainage Fees	\$ 872,000	\$ 1,452,652	\$ 580,652	\$ 1,211,047
Reimbursed Expenses	-	-	-	32,314
Interest Income	-	211,621	211,621	65,339
Miscellaneous	678,000	8,861	(669,139)	937
TOTAL REVENUES	<u>1,550,000</u>	<u>1,673,134</u>	<u>123,134</u>	<u>1,309,637</u>
EXPENDITURES				
Operations	1,280,000	1,704,952	(424,952)	660,124
Capital Outlay	2,146,250	355,007	1,791,243	102,795
Depreciation Expense	-	166,467	(166,467)	131,516
TOTAL EXPENDITURES	<u>3,426,250</u>	<u>2,226,426</u>	<u>1,199,824</u>	<u>894,435</u>
CHANGE IN NET POSITION, Budget Basis	<u>\$ (1,876,250)</u>	<u>(553,292)</u>	<u>\$ 1,322,958</u>	415,202
GAAP BASIS ADJUSTMENTS				
Capital Outlay		<u>355,007</u>		<u>102,795</u>
CHANGE IN NET POSITION, GAAP Basis		<u>(198,285)</u>		<u>517,997</u>
NET POSITION, Beginning		<u>8,033,369</u>		<u>7,515,372</u>
NET POSITION, Ending		<u>\$ 7,835,084</u>		<u>\$ 8,033,369</u>

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

GOLF COURSE FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Golf Fees and Passes	\$ -	\$ 325,268	\$ 325,268	\$ 310,273
Merchandise Sales	-	126,077	126,077	123,880
Rental Income	-	107,381	107,381	98,537
Miscellaneous	983,550	63,937	(919,613)	118,689
Transfers In	629,100	642,000	12,900	901,250
TOTAL REVENUES	1,612,650	1,264,663	(347,987)	1,552,629
EXPENDITURES				
Operations	1,602,650	1,270,514	332,136	1,509,890
Capital Outlay	107,500	43,200	64,300	39,253
Depreciation Expense	-	32,915	(32,915)	47,220
TOTAL EXPENDITURES	1,710,150	1,346,629	363,521	1,596,363
CHANGE IN NET POSITION, Budget Basis	\$ (97,500)	(81,966)	\$ 15,534	(43,734)
GAAP BASIS ADJUSTMENTS				
Capital Outlay		43,200		39,253
CHANGE IN NET POSITION, GAAP Basis		(38,766)		(4,481)
NET POSITION, Beginning		38,794		43,275
NET POSITION, Ending		\$ 28		\$ 38,794

See the accompanying independent auditors' report.

TOWN OF FREDERICK, COLORADO

OIL ROYALTY TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023

	2023		VARIANCE Positive (Negative)	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Oil Royalties	\$ 160,000	\$ 89,215	\$ (70,785)	\$ 168,725
Investment Income	-	30,024	30,024	9,113
TOTAL REVENUES	160,000	119,239	(40,761)	177,838
EXPENDITURES				
Purchased Services	90,000	-	90,000	-
Scholarships	-	26,000	(26,000)	34,000
Donations	-	8,200	(8,200)	16,000
Miscellaneous	-	-	-	78,284
TOTAL EXPENDITURES	90,000	34,200	55,800	128,284
CHANGE IN NET POSITION	70,000	85,039	15,039	49,554
NET POSITION, Beginning	1,732,367	1,672,516	(59,851)	1,622,962
NET POSITION, Ending	\$ 1,802,367	\$ 1,757,555	\$ (44,812)	\$ 1,672,516

See the accompanying independent auditors' report.

Other Financial Information



Town of Frederick
 Debt Service Requirements
 Governmental Activities
 December 31, 2023

Sales & Use Tax Revenue Bonds - Series 2015A
 Street Improvements

Year	Principal	Interest	Total Payment	Principal Balance
2023	\$ 270,000	\$ 45,600	\$ 315,600	\$ 870,000
2024	280,000	34,000	314,000	590,000
2025	290,000	23,600	313,600	300,000
2026	300,000	12,000	312,000	-
	\$ 1,140,000	\$ 115,200	\$ 1,255,200	

Town of Frederick
 Debt Service Requirements
 Governmental Activities
 December 31, 2023

Sales & Use Tax Revenue Bonds - Series 2015B
 Street Improvements

Year	Principal	Interest	Total Payment	Principal Balance
2023	\$ 75,000	\$ 23,000	\$ 98,000	\$ 500,000
2024	75,000	20,000	95,000	425,000
2025	80,000	17,000	97,000	345,000
2026	80,000	13,800	93,800	265,000
2027	85,000	10,600	95,600	180,000
2028	90,000	7,200	97,200	90,000
2029	90,000	3,600	93,600	-
	\$ 575,000	\$ 95,200	\$ 670,200	

Town of Frederick
 Debt Service Requirements
 Governmental Activities
 December 31, 2023

Public Works Facility Loan - 2013

Year	Principal	Interest	Total Payment	Principal Balance
2023	\$ 1,465,292	\$ 43,437	\$ 1,508,730	-
2024				-
2025				-
2026				-
2027				-
2028				-
2029				-
2030				-
2031				-
2032				-
2033				-
	\$ 1,465,292	\$ 43,437	\$ 1,508,730	

Town of Frederick
Debt Service Requirements
Governmental Activities
December 31, 2023

Frederick Urban Renewal Authority (FURA) Series 2018 - Meadowlark Business Park

Year	Principal	Interest	Total Payment	Principal Balance
2023	\$ 56,341	\$ 70,937	\$ 127,278	\$ 1,569,029
2024	61,036	68,791	129,827	1,507,993
2025	65,733	66,072	131,805	1,442,260
2026	75,122	63,347	138,469	1,367,138
2027	75,122	60,234	135,356	1,292,016
2028	89,208	57,275	146,483	1,202,808
2029	93,904	53,420	147,324	1,108,904
2030	103,293	49,528	152,821	1,005,611
2031	103,293	45,245	148,538	902,318
2032	103,293	41,075	144,368	799,025
2033	105,838	36,680	142,518	693,187
2034	105,838	32,309	138,147	587,349
2035	105,838	27,937	133,775	481,511
2036	118,566	23,630	142,196	362,945
2037	118,566	18,744	137,310	244,379
2038	112,684	13,925	126,609	131,695
2039	107,507	9,254	116,761	24,188
2040	24,188	4,595	28,783	-
	\$ 1,625,370	\$ 742,998	\$ 2,368,368	

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT		City or County:	State:
		Town of Frederick	Colorado
This Information From The Records Of: Town of Frederick		Prepared By: Phone:	Kurtis Adams 720-382-5562
		YEAR ENDING :	December 2023

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,168,521
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	89,278
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	0	b. Snow and ice removal	79,429
3. Other local imposts (from page 2)	2,780,506	c. Other	27,240
4. Miscellaneous local receipts (from page 2)	495,288	d. Total (a. through c.)	106,669
5. Transfers from toll facilities		4. General administration & miscellaneous	2,224,789
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	4,589,258
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	69,200
7. Total (1 through 6)	3,275,794	b. Redemption	345,000
B. Private Contributions		c. Total (a. + b.)	414,200
C. Receipts from State government (from page 2)	660,176	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	3,935,971	b. Redemption	
		c. Total (a. + b.)	
		3. Total (1.c + 2.c)	414,200
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	5,003,458

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)		0		
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	184,804	3,935,971	5,003,458	(882,683)	

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2023	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	230,148
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,125,474	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	518,776	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	136,255	g. Other Misc. Receipts	265,140
6. Total (1. through 5.)	2,780,506	h. Other	
c. Total (a. + b.)	2,780,506	i. Total (a. through h.)	495,288
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	595,365	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	64,811	d. Federal Transit Admin	
d. Other (Specify) - CDOT Grant	0	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	64,811	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	660,176	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			
(4). System Enhancement & Operation		2,168,521	2,168,521
(5). Total Construction (1) + (2) + (3) + (4)		2,168,521	2,168,521
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		2,168,521	2,168,521
			(Carry forward to page 1)
Notes and Comments:			

Statistical Information



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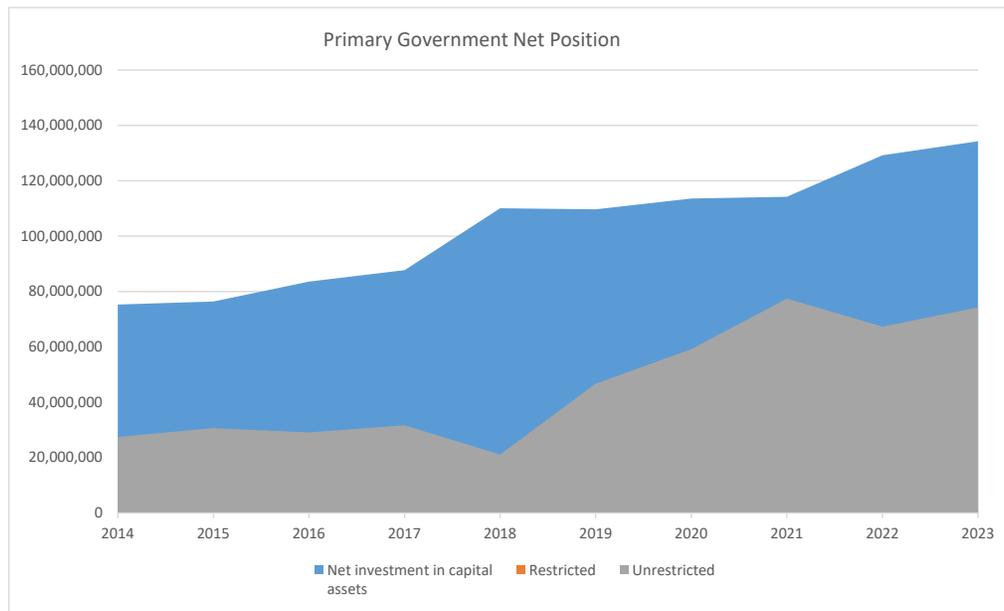
Town of Frederick, Colorado
Annual Comprehensive Financial Report
For the year ended, December 31, 2023

STATISTICAL SECTION (Unaudited)

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Town of Frederick
Net Position by Component
Last Ten Calendar Years
(accrual basis of accounting)
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net investment in capital assets	23,276,472	22,508,531	23,620,697	25,490,193	28,641,572	28,075,094	30,070,047	29,743,765	32,084,867	33,394,626
Restricted	242,000	260,000	305,000	308,000	388,000	485,000	600,000	720,000	706,000	863,000
Unrestricted	9,908,300	11,850,350	11,912,877	13,221,009	13,325,429	20,278,853	25,177,906	31,086,523	29,418,963	33,682,484
Total governmental activities net position	33,426,772	34,618,881	35,838,574	39,019,202	42,355,001	48,838,947	55,847,953	61,550,288	62,209,830	67,940,110
Business-type Activities										
Net investment in capital assets	51,999,376	53,925,352	59,976,867	62,221,808	81,455,372	81,587,757	83,495,640	84,446,758	97,143,186	100,902,140
Restricted	0	0	0	0	0	0	0	0	0	0
Unrestricted	17,555,838	18,818,628	17,236,594	18,453,382	7,799,224	26,429,952	34,040,134	46,350,209	37,913,779	40,610,478
Total business-type activities net position	69,555,214	72,743,980	77,213,461	80,675,190	89,254,596	108,017,709	117,535,774	130,796,967	135,056,965	141,512,618
Net Position										
Net investment in capital assets	75,275,848	76,433,883	83,597,564	87,712,001	110,096,944	109,662,851	113,565,687	114,190,523	129,228,053	134,296,766
Restricted	242,000	260,000	305,000	308,000	388,000	485,000	600,000	720,000	706,000	863,000
Unrestricted	27,464,138	30,668,978	29,149,471	31,674,391	21,124,653	46,708,805	59,218,040	77,436,732	67,332,742	74,292,962
Total primary government net position	102,981,986	107,362,861	113,052,035	119,694,392	131,609,597	156,856,656	173,383,727	192,347,255	197,266,795	209,452,728



Notes: As per GASB 63, 2011 and prior in the chart above represent: Net Assets as opposed to Net Position; Invested in capital assets, net of related debt as opposed to net investment in capital assets.

Sources: Current and prior years' financial statements.

Town of Frederick
Changes in Net Position
Last Ten Calendar Years
(accrual basis of accounting)
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities:										
General Government	2,052,774	2,712,183	2,403,069	2,051,006	2,390,057	2,799,200	4,063,755	5,258,822	8,683,402	10,443,961
Public Safety	2,497,099	2,464,806	2,708,584	2,711,375	2,786,937	3,075,246	3,587,463	4,707,524	4,645,756	7,041,464
Public Works	4,094,069	3,195,499	4,504,214	4,733,571	5,745,509	5,483,548	5,748,372	7,050,619	7,463,259	5,514,610
Parks and Recreation	101,977	64,722	28,982	8,673	13,026	6,347	8,168	26,006	-	-
Economic Development	-	64,133	37,735	16,687	27,291	874,841	859,926	1,567,599	1,591,238	1,637,561
Interest and Other Fiscal Charges	243,252	292,793	183,648	180,851	282,843	202,785	210,015	247,157	314,937	1,599,411
Total Governmental Activities	8,989,171	8,794,136	9,866,232	9,702,163	11,245,663	12,441,967	14,477,699	18,857,727	22,698,592	26,237,007
Business-type Activities:										
Water	1,637,432	1,950,134	1,793,615	1,767,997	2,223,019	2,174,489	2,986,616	3,668,581	6,362,623	5,205,866
Electric	3,052,655	3,324,686	3,190,848	3,547,917	3,789,743	821,618	-	-	-	-
Storm Water	440,034	1,024,458	313,676	413,483	449,860	417,841	668,548	1,044,076	791,640	1,871,419
Golf Course	-	-	-	70,852	507,460	871,855	987,596	1,335,072	1,557,110	1,303,429
Interest and Other Fiscal Charges	-	3,751	4,775	335	-	-	-	-	-	-
Total business-type activities net position	5,130,121	6,303,029	5,302,914	5,800,584	6,970,082	4,285,803	4,642,760	6,047,729	8,711,373	8,380,714
Total Primary Government	14,119,292	15,097,165	15,169,146	15,502,747	18,215,745	16,727,770	19,120,459	24,905,456	31,409,965	34,617,721
Program Revenues										
Governmental Activities										
Charges for services:										
General Government	-	988,534	1,004,770	1,030,910	1,442,963	1,761,056	1,572,430	1,558,677	1,151,330	2,079,840
Public Safety	118,538	105,128	104,833	117,732	130,952	154,533	140,162	128,515	115,361	133,260
Public Works	1,166,471	565,625	655,248	759,626	762,762	835,662	856,512	943,204	1,022,567	1,016,290
Parks and Recreation	53,855	53,945	65,450	66,115	4,250	3,100	140	3,475	4,345	5,310
Operating grants and contributions	138,000	209,241	95,578	136,958	137,599	142,739	480,504	947,400	272,106	260,546
Capital grants and contributions	1,375,858	1,809,581	1,762,777	3,112,685	2,453,625	5,027,582	4,477,221	3,979,600	2,576,606	1,969,774
Total Governmental Activities	2,852,722	3,732,054	3,688,656	5,224,026	4,932,151	7,924,672	7,526,969	7,560,871	5,142,315	5,465,020
Business-type Activities										
Charges for services:										
Water	2,040,313	2,778,118	3,036,789	2,846,688	4,027,061	3,404,903	4,143,521	3,818,242	4,374,720	3,607,843
Electric	3,687,074	3,343,979	3,776,204	4,005,965	5,769,597	315,236	-	-	-	-
Storm Water	615,505	501,313	495,316	510,966	674,009	667,734	737,423	916,540	1,244,298	1,461,513
Golf Course	-	-	-	48,038	386,593	399,311	416,022	717,171	651,379	622,663
Capital grants and contributions	787,557	3,269,927	2,853,484	1,791,449	5,751,417	5,670,276	7,959,441	12,258,151	6,239,219	6,887,160
Total business-type activities	7,130,449	9,893,337	10,161,793	9,203,106	16,608,677	10,457,460	13,256,407	17,710,104	12,509,616	12,579,179
Total Primary Government	9,983,171	13,625,391	13,850,449	14,427,132	21,540,828	18,382,132	20,783,376	25,270,975	17,651,931	18,044,199
Net (Expense)/Revenue										
Governmental Activities	(6,136,449)	(5,062,082)	(6,177,576)	(4,478,137)	(6,313,512)	(4,517,295)	(6,950,730)	(11,296,856)	(17,556,277)	(20,771,987)
Business-type Activities	2,000,328	3,590,308	4,858,879	3,402,522	9,638,595	6,171,657	8,613,647	11,662,375	3,798,243	4,198,465
Total primary government and expenses	(4,136,121)	(1,471,774)	(1,318,697)	(1,075,615)	3,325,083	1,654,362	1,662,917	365,519	(13,758,034)	(16,573,522)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Sales Taxes	3,170,132	3,320,802	3,806,495	4,074,972	4,540,572	5,678,575	8,756,258	10,647,145	11,838,805	15,223,988
Property Taxes	1,299,539	1,301,235	1,635,113	1,412,799	2,075,205	2,415,798	3,848,770	5,895,042	5,077,584	6,645,590
Franchise Taxes	143,600	159,215	185,358	218,111	272,401	574,238	602,322	606,370	787,489	805,321
Other Taxes	344,692	757,243	646,904	616,383	691,348	950,782	955,299	742,939	546,374	626,695
Interest	91,689	72,094	144,015	132,577	322,981	349,189	146,346	83,988	452,815	1,437,426
Other	97,505	87,644	551,257	1,191,542	579,469	496,355	439,713	622,525	772,805	2,664,657
Transfers	428,485	416,268	428,127	12,381	1,167,335	(138,600)	(787,059)	(1,598,818)	(901,250)	(642,000)
Loss on Disposal of Assets	(95,125)	-	-	-	-	(15,424)	(1,913)	-	-	(259,410)
Total Governmental Activities	5,480,517	6,114,501	7,397,269	7,658,765	9,649,311	10,310,913	13,959,736	16,999,191	18,574,622	26,502,267
Business-type Activities:										
Other Taxes	-	-	-	-	-	-	-	-	-	-
Interest	88,407	14,726	38,729	71,588	108,146	311,554	117,359	-	580,206	1,615,188
Other	-	-	-	-	-	-	-	-	-	-
Transfers	(428,485)	(416,268)	(428,127)	(12,381)	(1,167,335)	138,600	787,059	1,598,818	901,250	642,000
Sale of Electric Utility	-	-	-	-	-	18,000,000	-	-	-	-
Loss on Disposal of Assets	-	-	-	-	-	(5,858,698)	-	-	-	-
Total Business-type Activities	(340,078)	(401,542)	(389,398)	59,207	(1,059,189)	12,591,456	904,418	1,598,818	1,481,456	2,257,188
Total primary government	5,140,439	5,712,959	7,007,871	7,717,972	8,590,122	11,751,724	14,864,154	18,593,509	20,056,078	28,759,455
Changes in Net Position										
Governmental Activities	(655,932)	1,052,419	1,219,693	3,180,628	3,335,799	5,793,618	7,009,006	5,702,335	1,018,345	5,730,280
Business-type Activities	1,660,250	3,188,766	4,469,481	3,461,729	8,579,406	18,763,113	9,518,065	13,261,193	5,279,699	6,455,653
Total primary government	1,004,318	4,241,185	5,689,174	6,642,357	11,915,205	24,556,731	16,527,071	18,963,528	6,298,044	12,185,933

Notes: As per GASB 63, 2011 and prior in the chart above represent: Net Assets as opposed to Net Position; Invested in capital assets, net of related debt as opposed to net investment in capital assets.

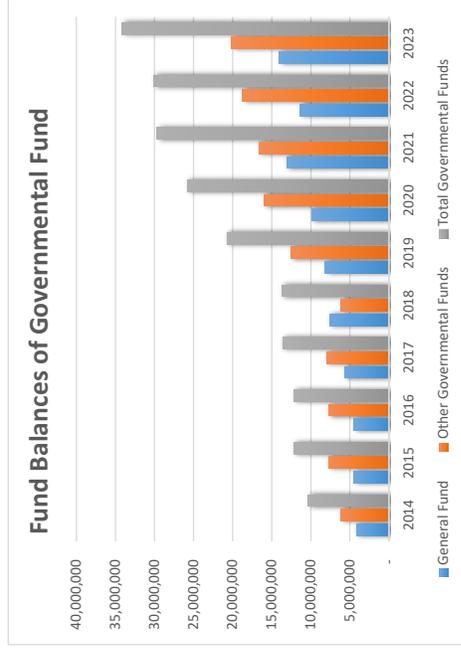
GASB 34 implemented in 2004

Sources: Current and prior years' financial statements.

Town of Frederick
Fund Balances of Governmental Funds
Last Ten Calendar Years
(modified accrual basis of accounting)
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	331,365	263,129	305,600	318,763	407,288	496,504	605,653	720,000	706,000	863,000
Unassigned	3,858,131	4,201,944	4,589,110	5,372,329	7,161,226	7,674,611	9,218,511	12,039,017	10,638,245	13,145,802
Nonspendable	-	-	-	-	-	-	-	310,065	190	-
Total General Fund	4,189,496	4,465,073	4,894,710	5,691,092	7,568,514	8,171,115	9,824,164	13,069,082	11,344,435	14,008,802
All Other Governmental Funds										
Restricted	-	-	-	-	-	-	-	9,601,294	9,584,442	10,762,760
Unassigned	6,162,079	7,690,319	7,372,474	7,915,855	6,138,565	12,572,552	15,989,894	-	-	-
Committed	-	-	-	-	-	-	-	7,011,426	9,144,074	9,363,222
Total all other governmental funds	6,162,079	7,690,319	7,372,474	7,915,855	6,138,565	12,572,552	15,989,894	16,612,720	18,728,516	20,125,982
Governmental Funds	10,351,575	12,155,392	12,267,184	13,606,947	13,707,079	20,743,667	25,814,058	29,681,802	30,072,951	34,134,784

General Fund	4,189,496	4,465,073	4,465,073	5,691,092	7,568,514	8,171,115	9,824,164	13,069,082	11,344,435	14,008,802
Other Governmental Funds	6,162,079	7,690,319	7,690,319	7,915,855	6,138,565	12,572,552	15,989,894	16,612,720	18,728,516	20,125,982
Total Governmental Funds	10,351,575	12,155,392	12,155,392	13,606,947	13,707,079	20,743,667	25,814,058	29,681,802	30,072,951	34,134,784



Notes: As per GASB 63, 2011 and prior in the chart above represent: Net Assets as opposed to Net Position; Invested in capital assets, net of related debt as opposed to net investment in capital assets; and does not include the Frederick Urban Renewal Authority component unit, only the primary government.

Sources: Current and prior years' financial statements.

Town of Frederick
Changes in Fund Balances of Governmental Funds
Last Ten Calendar Years
(modified accrual basis of accounting)
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes and Fees	6,347,354	7,039,439	7,986,322	8,220,307	9,976,301	13,064,018	18,334,043	21,874,412	20,807,819	25,259,317
Licenses and Permits	643,944	988,534	1,004,770	1,030,910	1,442,963	1,761,056	1,572,430	1,558,677	1,151,330	2,079,840
Intergovernmental	45,583	48,749	60,809	56,422	61,810	72,689	259,759	93,572	110,455	109,502
Charges for Services	517,266	563,016	650,755	726,727	692,550	741,980	779,524	849,791	935,496	924,149
Fines and Forfeitures	118,538	105,128	104,833	117,732	130,952	154,533	140,162	128,515	115,361	133,260
Grants and Contributions	138,000	525,682	155,038	1,394,192	207,100	2,440,116	603,700	947,400	272,106	260,546
Interest	91,689	72,094	144,015	132,577	322,981	349,189	146,346	83,988	452,815	1,437,426
Miscellaneous	97,505	120,645	551,256	1,191,543	579,470	496,356	439,713	622,525	772,805	2,664,657
Total Revenues	7,999,879	9,463,287	10,657,798	12,870,410	13,414,127	19,079,937	22,275,677	26,158,880	24,618,187	32,868,697
Expenditures										
General Government	1,912,372	2,533,095	2,219,557	1,856,447	2,126,884	2,550,887	3,745,264	4,573,819	8,222,190	10,144,352
Public Safety	2,371,300	2,392,800	2,598,966	2,570,384	2,788,195	3,050,923	3,538,167	4,624,856	5,318,321	6,990,294
Public Works	1,613,740	1,851,679	2,662,390	3,079,193	3,239,336	3,513,022	3,208,844	3,775,308	5,064,670	5,726,373
Parks and Recreation	101,977	64,722	28,982	8,673	13,026	6,347	8,168	26,006	-	-
Economic Development	-	64,133	37,735	16,687	27,291	874,841	859,926	1,567,599	1,591,238	1,637,561
Capital Outlay	3,813,945	1,359,383	3,063,703	3,376,541	6,455,837	1,917,650	4,677,656	1,444,699	4,641,416	1,617,650
Miscellaneous	1,480	1,649	3,777	51,631	3,454	-	-	-	-	-
Debt Service										
Principal	344,869	403,382	373,722	379,878	382,491	402,123	491,286	490,194	567,201	1,866,635
Interest	207,281	221,778	207,618	203,594	304,604	222,692	232,746	213,651	235,502	181,999
Total Expenditures	10,366,964	8,892,621	11,196,450	11,543,028	15,341,118	12,538,485	16,762,057	16,716,132	25,640,538	28,164,864
Excess of revenues over (under) expenditures	(2,367,085)	570,666	(538,652)	1,327,382	(1,926,991)	6,541,452	5,513,620	9,442,748	(1,022,351)	4,703,833
Other Financing Sources (Uses)										
Transfers In	460,009	559,034	455,224	532,208	1,428,840	2,927,478	2,399,470	576,011	-	1,099,124
Transfers Out	(31,524)	(142,766)	(27,097)	(519,827)	(261,505)	(3,066,078)	(3,186,529)	(2,174,829)	(901,250)	(1,741,124)
Proceeds from Issuance of Debt	-	4,419,938	222,317	-	859,788	633,700	384,533	-	-	-
Proceeds from Sale of Capital Assets	-	(3,505,000)	-	-	-	-	-	-	-	-
Capital Leases	-	(98,055)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	428,485	1,233,151	650,444	12,381	2,027,123	495,100	(402,526)	(1,598,818)	(901,250)	(642,000)
Net Change in fund balances	(1,938,600)	1,803,817	111,792	1,339,763	100,132	7,036,552	5,111,094	7,843,930	(1,923,601)	4,061,833
Debt Service as a percentage of noncapital expenditure	8.43%	8.30%	7.15%	7.14%	7.73%	5.88%	5.99%	4.61%	3.82%	7.72%

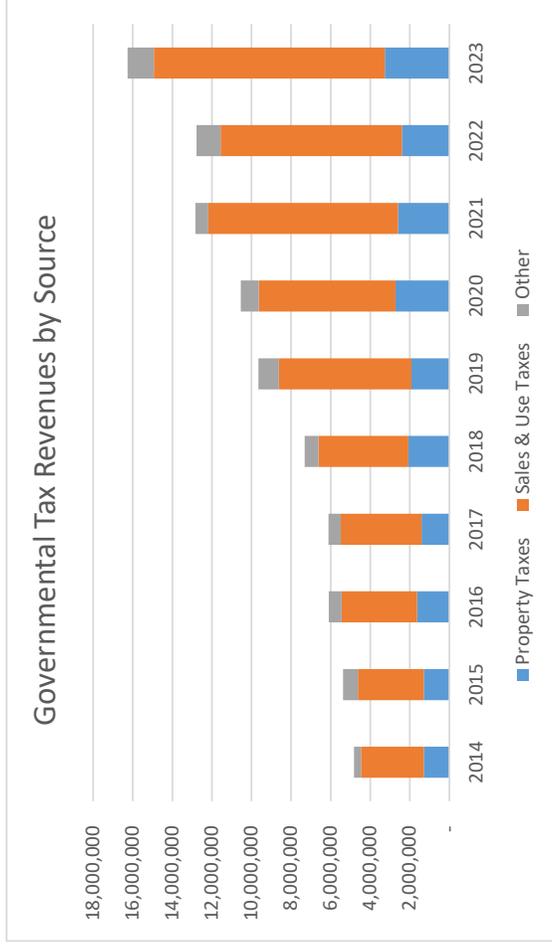
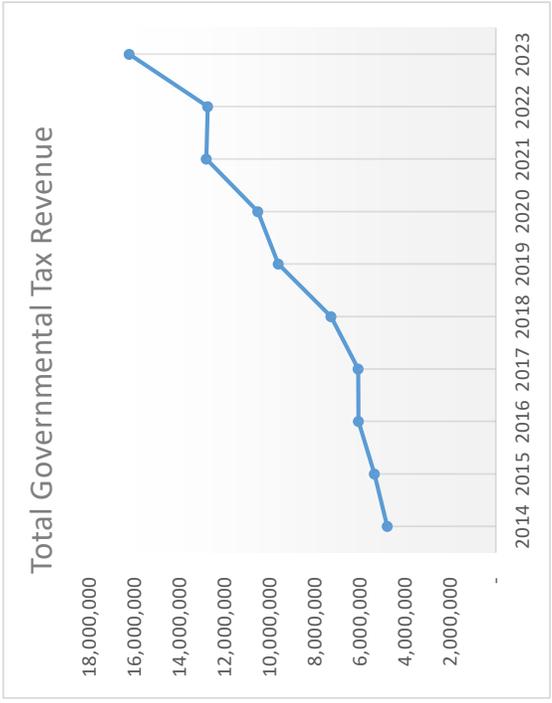
Notes: As per GASB 63, 2011 and prior in the chart above represent: Net Assets as opposed to Net Position; Invested in capital assets, net of related debt as opposed to net investment in capital assets; and does not include the Frederick

The fluctuations in fund balance in 2013 and 2014 are the result of revenues and expenditures for a large capital project. Revenues were recognized in 2013 with expenditures not being recognized until 2014.

Sources: Current and prior years' financial statements.

Town of Frederick
Governmental Tax Revenue by Source
Last Ten Calendar Years
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Property Taxes	1,299,539	1,301,235	1,635,113	1,412,799	2,075,205	1,917,235	2,718,267	2,603,105	2,402,846	3,269,391
Sales & Use Taxes	3,170,132	3,320,802	3,806,495	4,074,972	4,540,572	6,693,631	6,920,061	9,578,841	9,151,390	11,664,177
Other	344,692	757,243	646,904	616,383	691,348	1,034,492	903,785	646,906	1,223,310	1,322,247
Total Governmental Revenue	4,814,363	5,379,280	6,088,512	6,104,154	7,307,125	9,645,358	10,542,113	12,828,852	12,777,547	16,255,815



Town of Frederick
Sales Tax Collections by Category (Sample Accounts Only)
Last Ten Calendar Years
(Unaudited)

Year	Grocery & Convenience	Restaurants	Machinery	Auto Sales & Service	Other Retail	Entertainment	Utilities	Total Sample Accounts	Total Sales Tax Collections
2023	698,548	620,932	2,399,055	1,164,247	1,227,752	366,914	578,596	7,056,044	9,408,059
% Total	9.9%	8.8%	34.0%	16.5%	17.4%	5.2%	8.2%	100.0%	
2022	619,116	550,326	2,126,258	1,031,861	1,088,144	325,192	512,803	6,253,701	8,338,268
2021	570,885	507,453	1,960,614	951,475	1,003,373	299,859	472,854	5,766,513	7,688,684
2020	379,391	337,237	1,302,960	632,319	666,809	199,276	314,243	3,832,236	5,109,648
2019	372,687	331,277	1,279,935	621,145	655,026	195,755	308,690	3,764,514	4,948,423
2018	237,245	229,753	746,697	466,998	501,960	127,363	187,299	2,497,315	4,540,572
2017	200,086	177,836	689,864	334,563	352,617	105,917	167,009	2,027,892	4,074,972
2016	136,521	132,925	429,659	268,779	289,335	73,864	107,781	1,438,864	2,019,809
2015	138,953	102,300	338,762	182,886	184,937	61,542	91,030	1,100,410	1,838,011
2014	128,842	87,600	216,108	176,216	229,080	86,164	92,470	1,016,479	1,758,477

Notes: Information in this chart does not include all accounts but is representative of overall business collections.

Sales taxes represented in this table include the sales tax collected by the State of Colorado and do not include sales taxes associated with motor vehicle sales or use taxes.

Sales tax rate for the Town of Frederick is 3.5%. 2.0% is designated to General Fund, 1% to Public Safety Fund, and .5% to Open Space Fund.

Detailed sales tax reports for periods prior to 2009 are not available for analysis and have not been included.

Source: Colorado Department of Revenue

Town of Frederick
 Direct and Overlapping Sales Tax Rates
 Last Ten Calendar Years
 (Unaudited)

Year	Town of Frederick Direct Sales Tax Rate	Overlapping Rates		Combined Direct and Overlapping Sales Tax Rates
		State of Colorado Sales Tax Rate	Weld County Sales Tax Rate	
2014	2.5%	2.9%	0.0%	5.4%
2015	2.5%	2.9%	0.0%	5.4%
2016	2.5%	2.9%	0.0%	5.4%
2017	2.5%	2.9%	0.0%	5.4%
2018	2.5%	2.9%	0.0%	5.4%
2019	2.5%	2.9%	0.0%	5.4%
2020	3.5%	2.9%	0.0%	6.4%
2021	3.5%	2.9%	0.0%	6.4%
2022	3.5%	2.9%	0.0%	6.4%
2023	3.5%	2.9%	0.0%	6.4%

Source: State of Colorado Department of Revenue

Town of Frederick
Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years
(Unaudited)

Year Ended December 31	Assessed Value										Total Taxable Assessed Value	Estimated Actual Value	Assessed Value as a Percentage of Actual Value (1)	Direct Tax Rate (2)(3)
	Vacant Land	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Oil & Gas Production	State Assessed	Minerals						
2023	13,384,060	195,254,860	123,297,750	76,349,080	671,800	293,047,470	30,388,490	0	732,393,510	4,157,463,246	17.62%	6.555		
2022	8,844,220	158,477,350	87,871,910	62,704,430	677,340	177,181,010	36,159,030	0	531,915,290	3,178,173,029	16.74%	6.555		
2021	11,383,210	152,171,150	83,554,890	56,918,020	733,580	29,596,740	35,819,270	206,080	370,382,940	2,828,452,959	13.09%	6.555		
2020	7,817,310	134,646,690	74,890,870	60,262,860	763,110	115,291,030	34,875,090	217,130	428,764,090	2,648,278,032	16.19%	6.555		
2019	7,510,060	127,994,420	67,813,010	38,201,560	779,330	160,631,090	31,421,400	10,550	434,361,420	2,494,143,032	17.42%	6.555		
2018	5,010,720	106,843,220	51,453,440	23,786,740	841,340	70,024,000	27,644,680	11,350	285,615,490	1,954,844,977	14.61%	6.555		
2017	6,694,110	101,332,550	50,457,020	18,237,600	842,730	85,033,850	29,778,450	385,600	292,761,910	1,882,411,918	15.55%	6.555		
2016	4,201,850	84,296,920	43,711,800	16,228,660	685,200	20,468,730	29,001,630	520,240	199,115,030	1,415,284,993	14.07%	6.555		
2015	6,102,640	78,756,020	42,783,530	15,636,280	686,810	59,103,270	31,462,360	384,380	234,915,290	1,398,972,880	16.79%	6.555		
2014	3,916,590	60,429,070	39,635,170	14,722,570	567,140	36,963,140	29,390,850	2,380	185,626,910	1,027,204,921	18.07%	6.555		

Source: Weld County Treasurer

- (1) Exempt properties are excluded from this calculation.
- (2) Includes base tax rate only. Additional rates for debt service have been excluded. Additional tax rates were charged in 2008. The additional rate attributed to debt service was 1.76%.
- (3) Tax rates are per \$1,000 of assessed value.

Town of Frederick
Property Tax Rates - Direct and Overlapping Governments
Last Ten Calendar Years per \$1,000 of Assessed Valuation
(Unaudited)

<u>Levy Year</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Town of Frederick	6.555	6.555	6.555	6.555	6.555	6.555	6.555	6.555	6.555	6.555
Town of Frederick Bond	-	-	-	-	-	-	-	-	-	-
AIMS Junior College	6.333	6.325	6.308	6.317	6.305	6.354	6.354	6.354	6.307	6.336
Carbon Valley Rec	6.710	6.794	7.055	5.955	4.619	4.427	4.427	4.427	4.427	4.427
Carriage Hills Metro	50.000	50.000	50.000	55.275	55.275	55.664	55.664	55.664	55.346	55.346
Frederick-Firestone Fire	11.360	11.360	11.360	11.360	11.360	14.409	14.409	14.409	15.394	15.118
Frederick-Firestone Fire Bond	0.890	0.761	0.698	0.698	0.601	0.404	0.404	0.404	-	-
High Plains Library	3.267	3.308	3.271	3.256	3.252	3.217	3.217	3.217	3.181	3.196
Marketplace Metro	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000
Mountain View Fire	11.747	11.747	11.747	11.747	16.247	13.274	13.274	13.274	16.247	16.247
Mountain View Fire Bond	-	-	-	-	-	1.400	1.400	1.400	-	-
Northern Colorado Water	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
School Dist. RE1J Longmont	53.673	53.887	56.945	56.394	56.385	57.559	57.559	57.559	58.385	58.385
School Dist. RE8 Fort Lupton	19.563	15.755	21.379	22.146	19.480	18.313	18.313	18.313	18.336	18.336
St Vrain Sanitation	0.685	0.585	0.519	0.517	0.519	0.484	0.484	0.484	0.383	0.317
Weld County	15.800	15.800	15.800	15.800	15.038	15.038	15.038	15.038	15.038	12.024
Wildflower Metro #1	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000
Wildflower Metro #2	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000
Wildflower Metro #3	50.000	50.000	50.000	50.000	50.000	55.670	55.670	55.670	50.156	50.325
Wyndham Hill Metro #1	50.000	50.000	50.000	50.000	55.275	55.663	55.663	55.663	57.220	59.403
Wyndham Hill Metro #2	50.000	50.000	50.000	50.000	55.275	55.663	55.663	55.663	57.220	64.553
Wyndham Hill Metro #3	50.000	50.000	50.000	50.000	55.275	55.663	55.663	55.663	57.220	59.403

Note: Not all of these entities overlap every parcel in the Town.

Source: Weld County Assessors Office.

Town of Frederick
Property Tax Levies and Collections
Last Ten Calendar Years
(Unaudited)

Year Ended December 31	Total Taxable Assessed Value	Town of Frederick Levy	Taxes Levied for the Year (1)	Collected within the		Collections and Adjustments in Subsequent Years (3)	Total Collections to Date	
				Tax Amount (2)	Percentage of Levy		Tax Amount	Percentage of Levy
2023	500,731,380	6.555	3,282,294	3,269,902	99.62%	-511	3,269,391	99.61%
2022	344,074,428	6.555	2,255,408	2,255,408	100.00%	-4,888	2,250,520	99.78%
2021	397,550,721	6.555	2,605,945	2,605,945	100.00%	-5,052	2,600,893	99.81%
2020	424,316,692	6.555	2,781,396	2,781,396	100.00%	-716	2,780,680	99.97%
2019	280,420,067	6.555	1,838,153	1,828,771	99.49%	-2,739	1,826,032	99.34%
2018	292,713,770	6.555	1,918,738	1,916,056	99.86%	-92	1,915,964	99.86%
2017	199,093,850	6.555	1,305,060	1,304,627	99.97%	-34	1,304,594	99.96%
2016	234,915,290	6.555	1,539,869	1,539,209	99.96%	-130	1,539,079	99.95%
2015	185,626,910	6.555	1,216,784	1,213,055	99.69%	-2,746	1,210,308	99.47%
2014	184,068,438	6.555	1,206,569	1,198,241	99.31%	-5,307	1,192,934	98.87%
2013	193,296,090	6.555	1,267,056	1,264,563	99.80%	-2,019	1,262,544	99.64%

Notes:

- (1) Taxes levied is for the year of which levied.
- (2) Treasurers' Tax Distribution.
- (3) YTD Treasurers Tax Distributions. Negative values reflect subsequent rebates and adjustments.

Source: Weld County Treasurer

Town of Frederick
Principal Property Taxpayers
Current Year and Four Years Prior
(Unaudited)

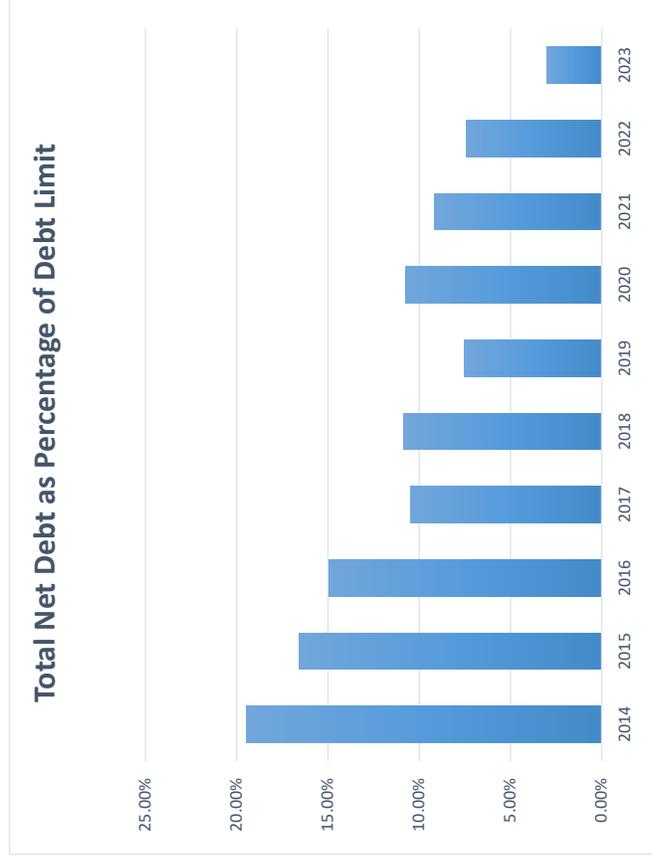
Property Owner	2019			2020			2021			2022			2023		
	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
CRESTONE PEAK RESOURCES, LP	133,499,590	1	72.63%	103,078,830	1	115.53%	23,092,370	3	9.67%	153,371,810	1	64.24%	166,923,290	1	44.61%
KERR-MCGEE OIL & GAS ONSHORE LP	6,132,260	5	3.34%							3,104,310	9	1.30%	101,682,910	2	27.18%
AGILENT TECHNOLOGIES INC	9,071,380	4	4.94%	30,755,910	2	34.47%	24,801,560	2	10.39%	30,095,250	2	12.61%	38,149,040	3	10.20%
SPINDLE HILL ENERGY LLC	22,491,800	2	12.24%	24,915,300	3	27.92%	25,152,300	1	10.54%	23,423,800	3	9.81%	24,551,700	4	6.56%
EXTRACTION OIL & GAS LLC	17,575,060	3	9.56%	7,024,580	4	7.87%	3,422,390	7	1.43%	13,103,000	4	5.49%	15,491,610	5	4.14%
AK CONSOLIDATED	4,356,870	6	2.37%	4,356,870	5	4.88%	4,473,250	5	1.87%	5,075,000	6	2.13%	6,849,450	6	1.83%
KERR-MCGEE GATHERING LLC	3,391,240	8	1.85%	4,029,950	6	4.52%	4,542,410	4	1.90%	6,824,580	5	2.86%	6,295,110	7	1.68%
GEP INVESTMENTS INC															
FR FREDERICK LLC	3,577,270	7	1.95%	3,577,270	7	4.01%	3,740,990	6	1.57%	3,740,990	7	1.57%	4,957,840	9	1.33%
LGI HOMES - COLORADO LLC															
METAL SALES MANUFACTURING CORP	3,100,090	9	1.69%	3,100,090	8	3.47%	3,204,380	8	1.34%	3,204,380	8	1.34%			
STAR PRECISION INC	2,962,860	10	1.61%	2,962,860	9	3.32%	3,016,000	9	1.26%	3,016,000	10	1.26%			
ASBURY CO LEX LLC							2,897,300	10	1.21%						
AUTOMOTIVE SERVICES INC				2,697,000	10	3.02%									
LITTLE MIGHT LLLP															
ENCANA OIL & GAS (USA) INC															
KP KAUFFMAN COMPANY INC															
YES COMPANIES LLC															
OIRE COLORADO C LLC															
DDW PROPERTIES LLC															
QWEST CORPORATION															
SOURCEGAS DISTRIBUTION LLC															
Assessed Value	203,058,330			183,801,660			89,225,270			238,738,740			374,167,440		

Town of Frederick
 Computation of Legal Debt Margin
 As of December 31, 2023
 (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debit Limit - 3% of Actual Valuation	30,816,148	39,212,204	42,458,550	56,472,358	58,645,349	74,824,291	79,448,341	84,853,589	95,345,191	124,723,897
Total net debt applicable to limit	5,995,722	6,506,631	6,353,827	5,909,257	6,351,579	5,622,640	8,548,193	7,798,634	7,092,943	3,752,890
Legal Debt Margin	24,820,426	32,705,573	36,104,723	50,563,101	52,293,770	69,201,651	70,900,148	77,054,955	88,252,248	120,971,007

Total net debt applicable to the limit
 as a percentage of debt limit

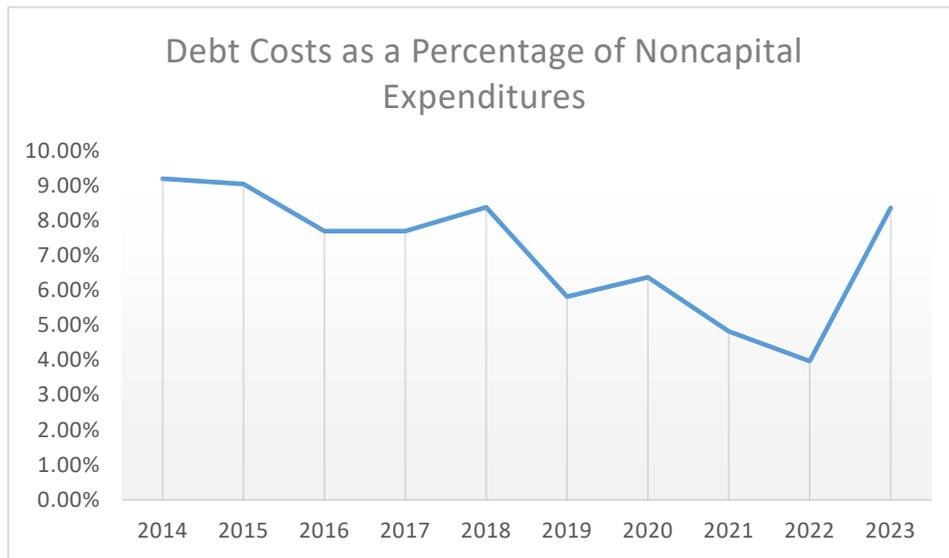
19.46%	16.59%	14.96%	10.46%	10.83%	7.51%	10.76%	9.19%	7.44%	3.01%
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Source: Town of Frederick Finance Department
<https://www.weldgov.com/Government/Departments/Assessor/Taxing-Authority-Information/Abstract-Reports>

Town of Frederick
Ratio of Total Debt Service Expenditures
To Noncapital Governmental Expenditures
Last Ten Years
(Unaudited)

Year	Debt Service Requirements			Total Debt Service	Percentage of Non-capital Expenditures
	Direct Operating Expense	Principal	Interest		
2014	6,000,869	344,869	207,281	552,150	9.20%
2015	6,908,078	403,382	221,778	625,160	9.05%
2016	7,551,407	373,722	207,618	581,340	7.70%
2017	7,583,015	379,878	203,594	583,472	7.69%
2018	8,198,186	382,491	304,604	687,095	8.38%
2019	9,996,020	400,981	180,509	581,490	5.82%
2020	11,360,369	491,286	232,746	724,032	6.37%
2021	14,567,588	490,194	213,651	703,845	4.83%
2022	20,196,419	567,201	235,502	802,703	3.97%
2023	24,498,580	1,866,635	181,999	2,048,634	8.36%



Source: Current and Previous Financial Statements, Town Finance Department.

Town of Frederick
Ratio of Outstanding Debt by Type
Last Ten Calendar Years
(Unaudited)

Year	Governmental Activities						Business-Type Activities						Debt to Assessed		
	Sales & Use Revenue Bonds 2015	Bond Premium 2015	Sales & Use Revenue Bonds 2006	Public Works Facility Loan 2013	FURA Tax Incremental Revenue Bonds	Vehicle/Equipment Lease	Water Revenue Note 2002	Water Note	Total Primary Government	Actual Value of Property	Percentage of Personal Income	Per Capita	Percentage of Personal Income	Per Capita	
2014	-	-	3,505,000	2,329,494	-	-	-	-	5,834,494	0.6%	1.3%	533.95	0.5%	213.19	
2015	4,077,195	-	-	2,241,759	-	-	1,792,000	8,110,954	0.6%	1.7%	710.68	0.5%	196.42		
2016	3,774,452	-	-	2,151,097	-	222,317	896,106	7,043,972	0.5%	1.4%	600.56	0.4%	202.35		
2017	3,250,000	-	-	2,056,975	-	176,309	-	5,483,284	0.3%	1.0%	439.44	0.4%	178.85		
2018	2,965,000	-	-	1,959,485	-	133,908	-	5,058,393	0.3%	0.8%	375.25	0.3%	155.30		
2019	2,665,000	-	-	1,858,504	-	90,408	-	4,613,912	0.2%	0.7%	318.07	0.3%	134.35		
2020	2,360,000	148,480	-	1,751,023	1,756,836	45,782	-	6,062,121	0.2%	0.8%	401.31	0.2%	118.95		
2021	2,045,000	125,743	-	1,642,688	1,691,103	-	-	5,504,534	0.2%	0.7%	359.42	0.2%	107.26		
2022	1,715,000	102,994	-	1,530,474	1,625,370	-	-	4,973,838	0.2%	0.5%	295.45	0.2%	90.91		
2023	1,370,000	80,251	-	-	1,569,029	1,663,938	-	4,683,218	0.1%	0.5%	278.18	0.0%	98.84		

Source: Current and Prior Year Financial Statements, Town Bond and Loan Documents

Town of Frederick
 Computation of Direct and Overlapping Activities Debt
 Last Ten Calendar Years
 (Unaudited)

Jurisdiction	Debt Outstanding	Estimated Percentage Applicable to Town (2)	Estimated Amount Applicable to Town
Direct:			
Town of Frederick			
Sales and Use Tax Revenue and Revenue Refunding Bonds	1,450,251		
Public Works Loan	0		
Frederick Urban Renewal Authority Equipment Lease	1,569,029		
	<u>1,663,938</u>		
Total Direct Debt	<u>\$ 4,683,218</u>	100.00%	<u>\$ 4,683,218</u>
Overlapping:			
St. Vrain Valley School District	<u>410,709,870</u>	3.92%	16,099,827
Total Overlapping Debt	<u>\$ 410,709,870</u>		<u>\$ 16,099,827</u>
Total District and Overlapping Debt			<u>\$ 20,783,045</u>

Notes: (1) Computation of overlapping debt includes only one major governmental unit and excludes several special districts that only partially overlap the Town.

(2) Computation of the debt portion applicable to the Town of Frederick was determined by the ratio of assessed value of the portion of the applicable district located within the Town.

Sources: Current and prior year financial statements for the Town of Frederick and St. Vrain Valley School District.

Town of Frederick
Revenue Bond Coverage
Governmental Funds
Last Ten Calendar Years

Year	Total Revenues (1)	Less: Operating Expense (2)	Net Available Revenue	Debt Service			Coverage Ratio
				Principal (3)	Interest (4)	Total	
2014	4,814,363	1,961	4,812,402	225,000	157,510	382,510	12.59
2015	5,379,280	1,249	5,378,031	320,000	87,586	407,586	13.20
2016	6,088,512	1,382	6,087,130	280,000	131,700	411,700	14.79
2017	6,104,154	1,050	6,103,104	285,000	126,100	411,100	14.85
2018	7,307,125	1,050	7,306,075	285,000	120,400	405,400	18.02
2019	9,645,358	1,050	9,644,308	300,000	111,850	411,850	23.42
2020	10,542,113	1,050	10,541,063	305,000	102,850	407,850	25.85
2021	12,828,852	1,050	12,827,802	315,000	93,700	408,700	31.39
2022	12,777,547	1,050	12,776,497	330,000	81,800	411,800	31.03
2023	16,255,815	1,050	16,254,765	345,000	68,600	413,600	39.30

(1) Total Revenues include base sales and use tax revenues only.

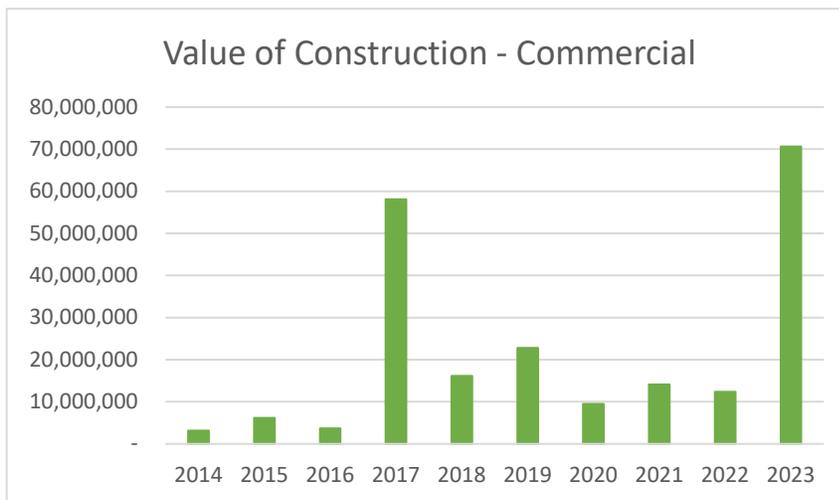
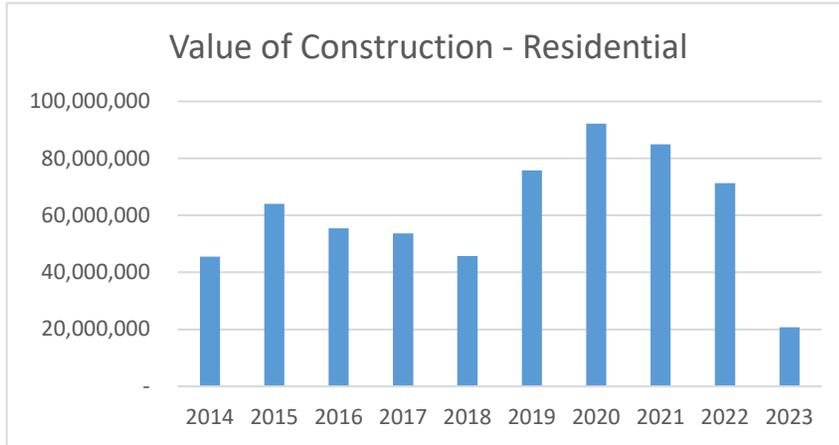
(2) Operating expenses include bank charges. Detailed operating expenses are not available for the years 2007 to 2008.

(3) Principal in 2015 includes Revenue Bonds 2015 Series A & Series B. In 2007 to 2014 it includes the 2006 Revenue Bonds.

(4) Interest in 2015 includes Revenue Bonds 2015 Series A & Series B. In 2007 to 2014 it includes the 2006 Revenue Bonds.

Town of Frederick
Building Permits and Value of Construction
Last Ten Calendar Years
(Unaudited)

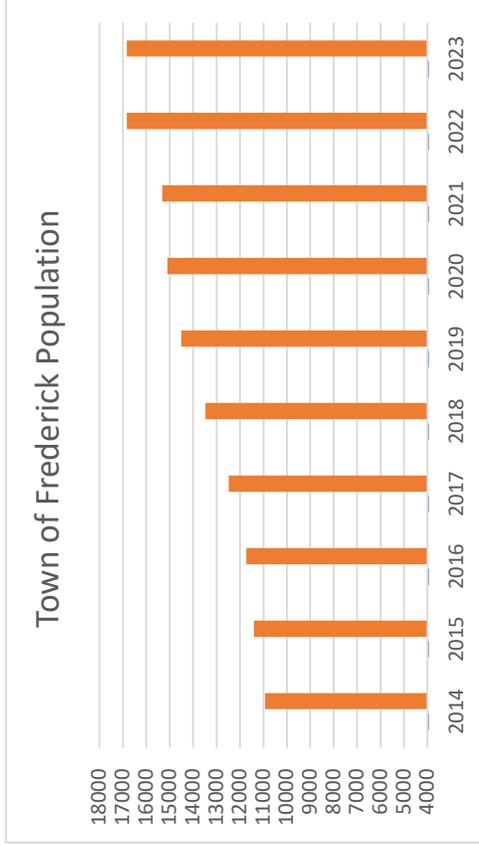
Year	Number of New Residential Building Permits	Value of Construction for New Residential Construction	Number of New Commercial/Industrial Permits	Total Value of Construction for New Commercial/Industrial Buildings
2014	165	45,525,710	3	3,179,801
2015	238	64,015,820	5	6,175,594
2016	199	55,411,830	3	3,680,000
2017	229	53,664,764	9	58,068,534
2018	178	45,734,775	8	16,142,400
2019	291	75,793,271	14	22,801,916
2020	364	92,240,744	7	9,493,376
2021	331	84,895,839	10	14,106,191
2022	268	71,336,318	8	12,351,499
2023	93	20,697,324	10	70,600,508



Source: Permit information is provided by the Town Building Department.

Town of Frederick
Demographic and Economic Statistics
Last Ten Calendar Year
(Unaudited)

Year	Personal Income (1)	County Population	Population (2)	Per Capita Income (3)	Median		School Enrollment	Unemployment Rate (2)(4)
					Age (2)	Unemployment Rate (2)(4)		
2014	11,284,659,000	276,379	10,927	40,830	34.2	3,010	3.9%	
2015	12,201,617,000	285,174	11,413	42,787	34.8	2,957	3.4%	
2016	12,593,779,000	294,932	11,729	42,701	33.7	2,702	2.7%	
2017	13,549,771,207	304,633	12,478	44,479	34.1	2,795	2.9%	
2018	15,050,180,620	314,305	13,480	47,884	34.4	2,924	3.0%	
2019	15,875,122,116	324,492	14,506	48,923	36.3	3,026	4.1%	
2020	17,394,833,126	334,169	15,106	52,054	36.6	3,082	6.4%	
2021	18,425,331,756	343,846	15,315	53,586	35.4	3,143	3.4%	
2022	19,803,503,328	350,176	16,835	56,553	36.8	3,524	3.0%	
2023	21,156,756,120	359,442	16,835	58,860	36.8	3,606	3.0%	



Sources:

- (1) U.S. Department of Commerce Bureau of Economic Analysis - Weid County.
- (2) U.S. Census Bureau and Denver Regional Council of Governments.
- (3) Calculation based on Personal Income and Population.
- (4) United States Department of Labor - Bureau of Labor Statistics.

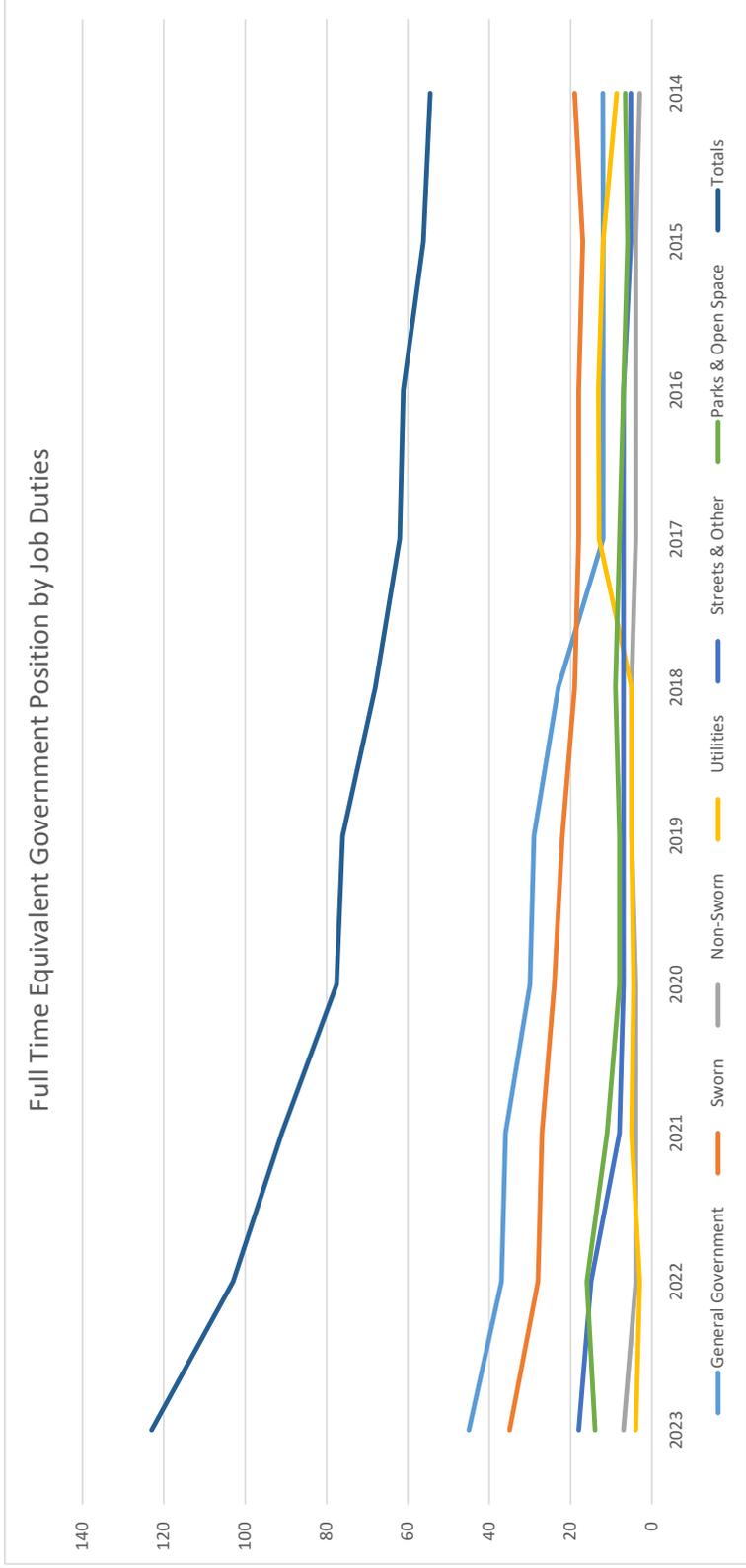
Town of Frederick
Private Principal Employers
Current Year and Five Years Ago
(Unaudited)

<u>Employer</u>	2023			2019		
	Rank	Estimated Number of Employees	Percentage of Total City Employment	Rank	Estimated Number of Employees	Percentage of Total City Employment
Mark Young Construction	1	250	2.9%			
Agilent Technologies	2	225	2.6%			
Western States Contracting	3	200	2.3%			
Otter Products	4	173	2.0%	2	214	2.8%
FCI Constructors	5	150	1.7%			
Raptor Materials	6	120	1.4%			
Metal Sales Manufacturing	7	94	1.1%	7	98	1.3%
McDonald Farms	8	85	1.0%	8	95	1.2%
Hirsch Precision Products	9	74	0.8%			
Maysteel Manufacturing	10	55	0.6%			
PCS Ferguson				10	89	1.2%
Varra Companies, Inc				4	131	1.7%
Premier Manufacturing				5	123	1.6%
St. Vrain Valley School District				1	307	4.0%
Transwest Truck Trailer RV				6	99	1.3%
Stevinson Lexus				9	92	1.2%
Spartan Medical Systems				3	202	2.6%
Total		1426	16.3%		1450	18.8%

Source: Frederick Town Economic Development Department.

Town of Frederick
Full Time Equivalent Town Government Positions
 Last Ten Calendar Years
 (Unaudited)

Function	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government	45	37	36	30	29	23	12	12	12	12
Public Safety										
Sworn	35	28	27	24	22	19	18	18	17	19
Non-Sworn	7	4	4	4	5	5	4	4	4	3
Public Works										
Utilities	4	3	5	5	5	5	13	13	12	9
Streets & Other	18	15	8	7	7	7	7	7	5	5
Parks & Open Space	14	16	11	8	8	9	8	7	6	7
Totals	123	103	91	78	76	68	62	61	56	55



Notes: Allocation methods changed in 2013.
 General Government category includes Administration, Finance, Planning, and Engineering Departments.
 Source: Town Human Resource Department.

Town of Frederick
Operating Indicators by Function
Last Ten Calendar Years
(Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government										
Registered voters	6,606	7,267	8,197	8,322	8,499	8,733	10,671	11,225	11,362	12,036
Elected officials	7	7	7	7	7	7	7	7	7	7
Full-Time employees	54	56	60	56	68	76	78	91	103	123
Part-Time employees	3	3	9	9	9	7	13	19	21	37
Seasonal employees	18	12	6	6	6	6	7	10	11	20
Public Safety										
Vehicle Accidents	143	150	158	166	174	183	192	201	211	222
Adult Arrests	175	183	193	202	212	223	234	246	258	271
Juvenile Arrests	58	61	64	67	71	74	78	82	86	90
Person Crimes	55	58	60	63	67	70	73	77	81	85
Property Crimes	200	210	220	231	243	255	268	281	295	310
Public Works										
Miles of streets	86.99	88.36	90.07	91.97	96.00	98.72	98.72	104.74	107.92	108.22
Utilities										
Total number of water service connections	3437	3551	3671	3779	3891	4020	4296	4526	4218	4326
Number of utility accounts	4250	4415	4653	4745	5098	5425	5845	6396	5728	5854
Number of new utility accounts	165	238	213	85	353	327	420	551	176	87

Source: Various Town of Frederick Departments.

Town of Frederick
 Capital Asset Statistics by Function
 Last Ten Calendar Years
 (Unaudited)

	<u>2014</u>	<u>2014</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Public Safety										
Patrol units	15	16	14	18	18	18	19	35	45	48
Public Works										
Miles of streets	86.99	88.36	90.07	91.97	96.00	98.72	98.72	104.74	107.92	108.22
Number of streets	275	275	275	278	391	405	405	405	403	404
Miles of sidewalks	60.46	62.41	66.17	69.42	99.8	119.274	119.274	131.32	139.28	139.28
Number of traffic lights	2	3	3	3	4	4	4	4	4	4
Parks & Open Space										
Number of parks	16	17	18	18	18	18	18	20	20	20
Acreage of Parks	297.73	302.63	320.00	320.00	320.00	320.00	320.00	380.44	380.44	380.44
Number of Playgrounds	10	12	12	12	12	12	12	17	17	17
Miles of Trails	17.5	17.56	17.81	17.81	16.4	16.4	16.4	22.39	22.39	22.39
Acreage of Open Space	406.2	406.2	406.2	406.2	406.2	406.2	406.2	532.8	532.8	532.8
Number of Waterparks/Splash Pads	1	1	1	1	1	1	1	1	1	1
Number of Park Shelters	17	19	20	20	20	20	20	20	20	20
Number of Museums	1	1	1	1	1	1	1	1	1	1
Utilities										
Miles of Water Mains	49.92	60.47	61.35	61.78	62.35	62.92	65.21	68.76	71.9	72.2
Water Storage Capacity (in millions of gallons)	2.58	2.58	2.58	2.28	2.58	2.58	2.58	2.58	2.58	2.58
Number of fire hydrants	413	485	485	490	510	530	592	619	627	650
Maximum daily capacity of water lines	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Number of power poles	229	230	230	230	225	*n/a	*n/a	*n/a	*n/a	*n/a

Source: Various Town of Frederick Departments.

*Utilities-Number of power poles: no longer applicable due to sale of electric utility to United Power.