



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL

FROM: LESLIE EDWARDS, FINANCE DIRECTOR

RE: AN ORDINANCE ADOPTING THE 2023 BUDGET AND APPROPRIATING SUMS OF MONEY TO VARIOUS FUNDS AND SPENDING AGENCIES, AND APPROVING THE 2023-2027 CAPITAL PROGRAM, IN THE AMOUNT AND FOR THE PURPOSES SET FORTH BELOW FOR THE TOWN OF FRISCO, COLORADO FOR THE 2023 BUDGET YEAR

DATE: OCTOBER 25, 2022

Summary and Background: It is with pleasure that we present Ordinance 22-14 to adopt the 2023 budget and 5 year Capital Program for the Town of Frisco, in accordance with Local Government Budget Law.

Analysis: This ordinance adopts expenditures totaling \$65,039,122; revenues and reserves of \$90,518,694 are adequate to meet those expenditures, leaving an total ending fund balance of \$25,479,571 at the end of 2023. Detail of this by fund is available in the attached proposed ordinance, as well as a department level detail in the attached full proposed budget.

Note that a portion of this projected balance is unavailable for spending due to reasons including investment in capital assets, inventory, emergency TABOR reserves (as required by the State of Colorado), and required debt reserves. These unavailable portions of reserves are projected at \$11,475,251. This results in a projected Ending Available Fund Balances for all funds, as of 12/31/2023, at \$14,004,320 (see table below under Financial Impact).

Changes since 1st Reading:

Increased Non-Profit Discretionary Grants by \$3,000 to accommodate grants approved by Town Council at the October 11, 2022 Town Council meeting. The total amount budgeted for such grants is now \$117,050.

Financial Impact: Overall, the Town's fund reserves demonstrate the Town is prepared to weather an economic downturn with a 7 month reserve in the General Fund and conservative and strategic budget approach. Additionally, the Town maintains a contingency plan, identifying core and less essential spending that can be trimmed from the budget, as needed.

In summary, total ending fund balances for all funds equals \$25.5M. The table below provides a snapshot financial summary at the end of 2023 for all of the Town's funds, including detail of the portions of fund balances that unavailable for spending.

ALL FUNDS SUMMARY				
Funds	2023 Proposed Ending Balance	Estimated Unavailable Fund Balance	2023 Projected Available Fund Balance	Reason unavailable
General Fund	\$ 9,355,369	\$ 789,480	\$ 8,565,889	TABOR reserve, inventory
Capital Improvement Fund	454,249	-	454,249	
Historic Preservation Fund	1,030	-	1,030	
Conservation Trust Fund	13,350	-	13,350	
Water Fund	9,986,100	6,291,073	3,695,027	Net Investment in Capital Assets
Open Space Fund	12,556	-	12,556	
Housing Fund	18,662	-	18,662	
Insurance Reserve Fund	687,833	-	687,833	
Nicotine Tax Fund	692,378	-	692,378	
Lodging Tax Fund	524,605	10,181	514,424	Inventory
Marina Fund	3,733,439	4,384,517	(651,078)	Net Investment in Capital Assets, Debt reserve
Total All Funds	\$ 25,479,571	\$ 11,475,251	\$ 14,004,320	

Alignment with Strategic Plan: This budget has been prepared with Council's Strategic Plan and Goals at the forefront of decision-making.

Staff Recommendation: Staff recommends Council approve Ordinance 22-14 on second reading, an ordinance adopting the 2023 budget for the Town of Frisco.

Reviews and Approvals: This report has been reviewed and approved by:
Tom Fisher, Town Manager
Diane McBride, Assistant Town Manager