

**Town of Frisco, Colorado**  
**Comprehensive Annual Financial Report**  
**For the Year Ended December 31, 2019**



**Prepared by the Town of Frisco**  
**Finance Department**  
**Bonnie Moinet, Finance Director**

**Town of Frisco, Colorado  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2019**

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## INTRODUCTORY SECTION





# TOWN of FRISCO

P.O. Box 4100 • Frisco, Colorado 80443

June 10, 2020

**To the Honorable Mayor, Members of the Town Council and the Citizens of the Town of Frisco:**

The Town of Frisco is pleased to present the comprehensive annual financial report, prepared in accordance with generally accepted accounting principles (GAAP), for the year ended December 31, 2019. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Town government. The Town management has established an internal control structure designed to ensure accurate financial reporting and to safeguard the assets of the Town. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Town of Frisco's financial statements for the year ended December 31, 2019 have been issued an unmodified ("clean") opinion by McMahan and Associates, L.L.C., a firm of licensed certified public accountants. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Frisco's MD&A can be found immediately following the report of the independent auditors.

## **Overview and Governmental Structure**

Frisco has a rich and varied past, serving as a home, a workplace and a playground for groups as disparate as the Ute Indians, trappers, miners and avid outdoor recreationalists. The Town was first officially chartered in 1879 and by 1882 two railroads had laid tracks to the newly-formed community. The mining boom, along with the businesses, hotels, and saloons that came with it, lasted well into the 1900s. Frisco, however, was hit hard by the Great Depression. In 1930, only 18 full-time residents remained. But Frisco rebounded, showing a remarkable resiliency in difficult times. This resiliency now helps to define the mountain character of the Town, even as it continues to develop into a modern, sustainable, family-oriented community.

The Town of Frisco has approximately 3,000 full-time residents and became officially chartered as a Colorado home-rule municipality in 1988. The Town is roughly 70 miles west of Denver, at an elevation of 9,097 feet above sea-level. It is situated along Ten Mile Creek, in the shadow of 12,900-foot Peak One of the Ten Mile mountain range,

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bordered on the east by Lake Dillon reservoir and is largely surrounded by wilderness areas owned by the U.S. Forest Service. Often referred to as the heart of Summit County, the Town is conveniently located off of Interstate 70 and very near to four major ski resorts. As such, Frisco serves as a central gathering point for tourists and an attractive location for second homeowners.

The government operates under the council-manager form of government. Policymaking and legislative authority are vested in the Town Council, which consists of a mayor and six-member council. The Town Council is responsible for, among other things, passing ordinances, adopting the budget and hiring the Town Manager. The Town Manager is responsible for carrying out the policies and ordinances of the Town Council and for overseeing day-to-day operations.

The Town provides a full range of services, including police protection, street construction and maintenance, infrastructure, water services, community development and planning, cultural events, and recreational programs. Sewer and wastewater services are provided by a legally separate entity, the Frisco Sanitation District, which the Town does not manage. Two Town-owned rental properties also help to provide affordable space for local non-profit groups and commercial entities. In addition, the Town operates and maintains a vast array of recreational amenities, including the Frisco Bay Marina, the Frisco Historic Park and Museum, the Frisco Adventure Park at the Peninsula Recreation Area, the Frisco Nordic Center, the Frisco/Copper Visitor Information Center, numerous multi-purpose ball fields, a disc-golf course, a skateboard park, an extensive paved trail system for all-season use, and several parks, campgrounds and picnic facilities.

The Town Council is required to adopt a final budget by no later than thirty (30) days prior to the beginning of the fiscal year. This annual budget serves as the foundation for the Town of Frisco's financial planning and control. The budget is prepared by fund, function and department. Department Directors may transfer resources within a department. Transfers between departments require the Town Manager's approval while transfers between funds must be approved by Town Council. Adjustments to the budget may be conducted during the fiscal year after Town Council review and approval via ordinance.

In order to accomplish goals set for 2019, it is important to note the primary goal of the Town Council as set forth in its mission statement:

*To preserve a family-oriented and economically vibrant community that thrives on citizen involvement, respects our natural environment, and enhances our quality of life.*

The mission statement and other tools, including, but not limited to, the Home Rule Charter, the Municipal Code, the Town Council Strategic Plan, the Master Plan, the Economic Development Strategy, the Environmental Sustainability and Stewardship (ES2) Framework Plan, the Housing Action Plan, the Three Mile Plan, the Peninsula Recreation Area Master Plan, the Marina Master Plan, the Frisco Historic Park and Museum Master Plan and Department policies all provide guidance to the Town Council

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and Town staff in their task of making decisions regarding daily operations and long-term planning.

## **Factors Affecting Financial Condition**

**Local Economy:** The Town of Frisco, as a central location within Summit County boasting convenient highway access, relies on tourism as its main economic driver. The proximity to many world-class ski resorts and a wide variety of other outdoor recreational attractions, including Lake Dillon and millions of acres of protected wilderness, draws visitors from around the globe. The high demand for primary and secondary homes in this natural setting has also increased the impact of the real estate market on the local economy. The town includes two very distinct commercial areas: Summit Boulevard and Main Street. Summit Boulevard (Colorado Highway 9) is the main thoroughfare leading from Interstate 70 through Frisco toward Breckenridge. This is an automobile-friendly commercial area where most of the national and regional chain stores, restaurants and lodgers are located. With Wal-Mart, Safeway, Whole Foods, Natural Grocers, Holiday Inn, Outer Range Brewing, five fast-food restaurants and numerous other enterprises, this area, by far, generates the greatest amount of revenue for the Town. Just off of Summit Boulevard, the Town also has a series of mainly construction-related light industrial facilities and warehouses. In contrast, Main Street hosts many of the locally-owned retail, restaurant and lodging companies for which Frisco is known. Main Street is a quaint, pedestrian-friendly area that gives the Town much of its unique mountain character and community feel. The Town also hosts a series of very popular special events on Main Street throughout the summer and winter months, including the Colorado BBQ Challenge, Frisco's Fantastic Fourth of July Celebration and Wassail Days.

Major industries in 2019 included tourism, real estate, health care, education and governmental service. Many local retailers, restaurants, and lodgers rely heavily upon the tourist trade, but they also rely upon the turnover of local properties to spur on redevelopment. World-class health care providers and the location of St. Anthony's Summit Medical Center just outside of municipal limits help to drive traffic to the area's merchants. The local school system and county governments also contribute to the well-being of the local economy. Major employers in 2019 included Wal-Mart, Safeway, Whole Foods, Town of Frisco, Holiday Inn, Outer Range Brewing, and an assortment of lodging, restaurant, retail and construction-related businesses. In addition, a number of entities outside of the municipal limits provide employment for a large portion of the Frisco populace. These include Copper Mountain Ski Resort, St. Anthony's Summit Medical Center, and the Summit County School District. However, many employees currently working in Frisco, largely due to high housing costs and a shortage of housing in Frisco and in Summit County, commute from other areas.

**Steps Taken to Meet Financial Challenges:** The Town continues to be financially sound. The effects of a major national economic downturn became apparent locally at the end of 2008, and revenues dropped by over \$1 million in 2009. In 2010 and 2011, revenues began to stabilize and solid growth once again returned in 2012, lasting through the present day. Because Town management relies on a conservative projection philosophy, a build-up of reserves prior to 2008 allowed the Town to maintain



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levels of governmental service throughout the downturn. Council also had the flexibility to approve various capital project expenditures that otherwise might not have occurred. A review of the Town's financial position at that time, performed by Moody's Investors Service, resulted in a two-level bond issuer rating upgrade, from A3 to A1. This favorable bond rating allowed the Town to refund 2002 Certificates of Participation (COPs) on Town Hall and issue new COPs for construction of the Frisco Adventure Park. In 2017, the Town refunded a portion of these COPs and entered into a bank lease with a more favorable interest rate. Additionally in 2019, the Town issued Marina Enterprise Revenue Bonds to address the increasing demand for access to the Marina, increase user capacity of the system facilities and enhance visitor experience. These COPs, revenue bonds and lease, along with a small property lease, constitute the Town's debt liabilities.

The primary challenge the Frisco government faces in both the short- and long-term continues to be a dependence on sales tax revenues. In 2019, sales tax revenues comprised approximately 64% of General Fund revenues. As sales tax revenues are extremely volatile and susceptible to many outside forces beyond the direct control of Town government, Frisco has consistently focused on developing strategies to address the issue. In 2005, the Town began local sales tax collection. Compliance rates immediately surged and remain well above average. Town Council has also supported efforts to attract more stable and varied sales tax generators.

The Town took several steps in 2019 to stabilize revenues by restructuring its water rates and implementing short-term rental regulations. Both of these actions assure that users are aiding with maintenance of the Town's infrastructure and complying with local legislature. The Town will continue to monitor the impacts of these steps to determine if these programs will provide expected results, although the economic impacts of the COVID19 pandemic in early 2020 may hamper those efforts in the short term.

After years of uncertainty surrounding the development of a Town-owned piece of land bordering Interstate 70, the Town came to terms on an agreement to bring organic grocer Whole Foods, Inc. to the site; the grand opening occurred at the end of April 2014. Additional restaurants and retailers were brought in to help anchor the site. Soon after, another organic grocer, Natural Grocers, opened nearby. This concentration of multiple conveniently located grocery options (including Wal-mart and Safeway) has helped Frisco become a major shopping hub for Summit County locals and travelers along the I-70 corridor. Infrastructure improvements for the Town's two commercial areas, Main Street and Summit Boulevard, have helped to drive further commercial activity. A long overdue full reconstruction of Main Street was completed ahead of schedule in 2016, the first time in over 20 years that the Town's arguably most important asset was improved and updated.

In accordance with the Peninsula Recreation Area Master Plan, the Town also began the first phase of construction of the Frisco Adventure Park in 2010. The scope of this project aimed to increase Frisco's visibility as a primary travel destination with the addition of world-class recreational amenities, including a tubing hill, a bike terrain park and a new day lodge. These facilities not only generate revenue for the General Fund in the short-term and a possible Enterprise Fund in the long-term, but also bolster sales

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and lodging tax revenues by attracting additional year-round guests. The Town will revisit the Peninsula Recreation Area Master Plan in 2020 to prioritize possible upgrades in the future.

Additional challenges for the Town of Frisco include the approach of both residential and commercial build-out, a severe shortage of affordable housing, economic volatility on the national level and an unpredictable climate. In regards to the approach of build-out, the geography of the Town largely prevents any expansion. As such, most development efforts are now focused on the redevelopment of existing properties. Frisco also has a very large second-homeowner population, with second homes accounting for approximately 67% of all homes in the Town. The demand for mountain valley real property, particularly in the Rocky Mountain region, has driven the price of housing up, making it difficult for young families to relocate to Frisco or to remain. Employers, including the Town of Frisco, have had difficulty in attracting and retaining employees as a result.

To help address the challenge, a Town-owned parcel of land, termed the Peak One Parcel, was annexed in early 2009 with the intention of developing attainable housing. In accordance with the Peak One Master Plan, ground was broken in 2010. Phase I was completed in 2011, phases II and III were completed in 2013, and phases IV and V were completed in 2014 and 2015, respectively. In late 2006, citizens of Summit County approved a measure enacting a 0.125% additional sales tax and an impact fee on new construction to fund affordable housing projects. Voters approved an additional increase of 0.6% in late 2016, increasing the affordable housing special district sales tax to 0.725% beginning in 2017.

A portion of these funds were used in 2018 to complete an eight-unit affordable housing project entitled Mary Ruth Place, with four units being available for rent to Town of Frisco employees, and an additional four units being available for rent to the greater Frisco community employee base. A portion of these funds were also used to initiate a buy-down program for four units at Coyote Village, with two units available to Town of Frisco employees for purchase, and the remaining two units available to the greater Frisco workforce for purchase. Two other employee rental units were constructed, using Capital Improvement Fund revenues, as part of the full remodel and expansion of the Town's Public Works facility. The Town Council has engaged in a public process, including the formation of a Housing Task Force, to determine goals for the future use of these revenues and remains committed to addressing attainable housing issues moving forward.

To best plan for political, economic and climatic uncertainty, the Town relies greatly on the knowledge and experience gained during the so-called "Great Recession", which had the largest local impact from 2008 – 2010. The conservative budgetary and reserve philosophies that form the basis of revenue and expenditure projections provide for flexibility. The Long-term Financial Planning section below goes into more detail as to policies that will also help to ensure the Town's financial stability during periods of volatility moving forward.

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The most significant capital projects in 2019 were related to major infrastructure improvements at the Marina, trails enhancements, completion of the expansion of the Town's Public Works facility, and the upkeep and improvement of other existing infrastructure, including streets, recreational assets and Town facilities. Additional significant capital expenditures included multi-use paved pathway enhancements, environmental sustainability projects, updates to the Town's planning and zoning documents, and master planning and engineering for upcoming major projects.

## **Long-Term Financial Planning**

The Town of Frisco has remained diligent in planning for the long-term financial well-being of the community. In addition to higher-level master planning and conservative revenue and expenditure projection philosophies, the long-term financial planning process has included the development of the Town Council's 2019-2020 Strategic Plan, the implementation of reserve policies, the development of a governmental service prioritization plan, and the preparation of a Long-Range Capital Improvement Plan.

The Town Council has set forth reserve policies which affect the General Fund, the Capital Improvements Fund, each Enterprise Fund (Water and Marina), and insurance and benefits in general. General Fund reserves are set at the equivalent of seven (7) months of fund expenditures for the prior year. Favorable General Fund balances above the required reserves at the end of each year are now required by Council to be transferred into the Capital Improvements Fund. Both the Water Fund and the Marina Fund are required to maintain an excess in reserve equaling 33.3% of the prior year's expenditures. The Town has also set aside limited funds in the Insurance Reserve Fund, which will be used to augment expenditures on employee benefits and insurance, should the need arise.

To plan for the inevitable economic volatility that comes with a heavy reliance on tourism, real estate and a favorable climate, Town staff has been directed to prioritize, by department, each service provided to the community. Staff has relied on internal deliberation and the input of the public to accomplish this task. Services have been categorized as core, desired and non-essential. Should budget cuts become necessary, those services in the non-essential category would be analyzed first. In this way, the Town Council, management and staff hope to avoid across-the-board cuts which may have a negative effect on core and/or desired services.

Capital improvements include any projects requiring debt obligation or borrowing, any acquisition or lease of land, the purchase of major equipment or vehicles valued in excess of \$5,000 with a life expectancy of at least five (5) years, the construction of new buildings or facilities, building improvements that enhance the value of the structure and are not routine expense, major studies with costs in excess of \$5,000 requiring the employment of outside professional services, and the replacement of existing facilities with a life span of at least five (5) years. However, it is important to note that capital expenditures often have a direct impact on the General Fund as new facilities and/or amenities incur operations and maintenance costs in future years. As such, it becomes even more important to plan for future capital expenditures. Staff is required, on an annual basis, to prepare a Long-Range Capital Improvement Plan for each fund. The

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Plans include a five-year outlook containing a concise summary of proposed capital improvements and equipment and their associated maintenance and/or operating costs. Revenue and expenditure assumptions, required staffing levels and relevant supporting information as to their necessity and impact are also included.

## **Acknowledgements**

The preparation and completion of this report could not have been accomplished without the efforts of the Finance Department staff and other Town Departments. Special thanks are extended to all members of the independent certified public accounting firm for their able assistance and for the professional manner in which they have accomplished this assignment. We would also like to thank the Mayor, Town Council and the Town Manager for their interest and support in planning and conducting the financial operations of the Town in a fiscally responsible and progressive manner.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Bonnie Moinet".

Bonnie Moinet  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Frisco**  
**Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morill*

Executive Director/CEO



**ORGANIZATIONAL CHART**

**CITIZENS OF FRISCO**

**TOWN COUNCIL**

Town Attorney  
Prosecuting Attorney  
Municipal Court  
Judge

**Town Manager**

Boards & Commissions

Town Clerk  
Executive Assistant

**COMMUNITY DEVELOPMENT DEPARTMENT**

Planning  
Zoning  
Building

**PUBLIC WORKS DEPARTMENT**

Streets  
Buildings  
Fleet  
Grounds  
Water

**POLICE DEPARTMENT**

Administration  
Municipal Court  
Law Enforcement  
Investigation

**RECREATION AND CULTURAL DEPARTMENT**

Adventure Park  
Marina  
Historic Park  
Summer/Winter Programs & Activities  
Athletic Events

**FINANCE DEPARTMENT**

Audit  
Budget  
Revenue  
Human Resources  
Payroll  
Accounts Payable  
Utility Billing

**MARKETING & COMMUNICATIONS DEPARTMENT**

Marketing  
Special Events  
Information Center

**TOWN OF FRISCO, COLORADO**  
**LIST OF ELECTED AND ADMINISTRATIVE OFFICIALS**  
**December 31, 2019**

**Elected Officials**

Mayor	Gary Wilkinson
Mayor Pro-tem	Hunter Mortensen
Council Members	Melissa Sherburne
	Dan Fallon
	Rick Ihnken
	Deborah Shaner
	Jessica Burley

**Administrative Officials**

Town Manager	Nancy Kerry
Assistant Town Manager/ Recreation Director	Diane McBride
Town Attorney	Thad Renaud
Town Clerk	Deborah Wohlmuth
Finance Director	Bonnie Moinet
Police Chief	Tom Wickman
Public Works Director	Jeff Goble
Acting Community Development Director	Bill Gibson
Marketing Director	Vanessa Agee

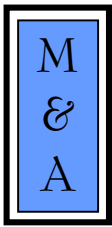
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## FINANCIAL SECTION





# MCMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

CHAPEL SQUARE, BLDG C  
245 CHAPEL PLACE, SUITE 300  
P.O. Box 5850, AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM  
MAIN OFFICE: (970) 845-8800  
FACSIMILE: (970) 845-8108  
E-MAIL: MCMAHAN@MCMAHANCPA.COM

## INDEPENDENT AUDITOR'S REPORT

**To the Mayor and Town Council  
Town of Frisco, Colorado**

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Frisco, Colorado (the "Town"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the Town's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the 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 Frisco, Colorado as of December 31, 2019, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Member: American Institute of Certified Public Accountants*

PAUL J. BACKES, CPA, CGMA  
MICHAEL N. JENKINS, CA, CPA, CGMA  
DANIEL R. CUDAHY, CPA, CGMA

AVON: (970) 845-8800  
ASPEN: (970) 544-3996  
FRISCO: (970) 668-3481

**INDEPENDENT AUDITOR'S REPORT**  
**To the Mayor and Town Council**  
**Town of Frisco, Colorado**

***Other Matters***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis in Section B and the Schedule of Employer's Proportionate Share of the Net Pension Asset / Liability and the Schedule of Town Contributions in Section E be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 procedures 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.

The fund budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison information in section E has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements taken as a whole. The introductory section, the supplementary information in section F, and the statistical tables in Section G, as listed in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the Town's financial statements. The supplementary information in section F, as listed in the Table of Contents, is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

*McMahan and Associates, L.L.C.*

**McMahan and Associates, L.L.C.**  
**June 10, 2020**

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**



# Town of Frisco, Colorado

## Management's Discussion and Analysis

### December 31, 2019

As management of the Town of Frisco, ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vii of this report.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements include three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

In 2019, a vibrant economy, along with favorable climate conditions, a strong tourism market and development of a retail complex, continued to contribute to replenishment of the Town's reserves to levels that will provide stability for the long term.

**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.

The Statement of Net Position presents information on all Town assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. 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 are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected revenues such as grants or earned but unused vacation leave.)

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, public safety, community development, public works, and culture and recreation. The business-type activities of the Town are water and marina operations.

The government-wide financial statements can be found on pages C-1 and C-2 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. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental and proprietary 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 near-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 near-term financing requirements.

## Overview of the Financial Statements (continued)

**Governmental funds (continued):** 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 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 near-term financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for all funds to demonstrate compliance with the state budget statutes.

**Proprietary funds:** The Town maintains two proprietary funds commonly known as enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water operations and the marina operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for its business-type service provided by the Town, which are considered to be major funds of the Town.

The basic proprietary fund financial statements can be found on pages C7 – C9 of this report. The Town also presents a budgetary comparison for its proprietary funds.

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found in Section D of this report.

**Government-wide financial analysis:** As mentioned earlier, the government-wide financial statements are designed to provide readers with a broad overview and long-term analysis of the Town's finances, in a manner similar to a private-sector business.

## Overview of the Financial Statements (continued)

### Government-wide financial analysis (continued):

The following schedule shows the Town's net position for 2019 and 2018.

#### Town of Frisco's Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2019	2018	2019	2018	2019	2018
<b>Assets:</b>						
Current and other assets	\$28,779,526	\$24,835,155	\$8,932,115	\$6,407,583	\$37,711,641	\$31,242,738
Capital assets	44,093,428	43,478,795	12,521,630	9,155,965	56,615,058	52,364,760
<b>Total Assets</b>	<u>72,872,954</u>	<u>68,313,850</u>	<u>21,453,745</u>	<u>15,563,548</u>	<u>94,326,699</u>	<u>83,877,498</u>
<b>Deferred Outflows of Resources:</b>	561,688	280,464	-	-	561,688	280,464
<b>Liabilities:</b>						
Other liabilities	1,677,466	2,470,848	57,799	15,564	1,735,265	2,486,412
Long-term liabilities	3,838,993	3,790,659	5,560,048	19,998	9,399,041	3,810,657
<b>Total Liabilities</b>	<u>5,516,459</u>	<u>6,261,507</u>	<u>5,617,847</u>	<u>35,562</u>	<u>11,134,306</u>	<u>6,297,069</u>
<b>Deferred Inflows of Resources</b>	206,292	238,460	-	-	206,292	238,460
<b>Net Position:</b>						
Net investment in capital assets	40,482,656	39,594,729	8,734,281	9,155,965	49,216,937	48,750,694
Restricted	6,586,228	1,409,259	-	664,551	6,586,228	2,073,810
Unrestricted	20,643,007	21,090,459	7,101,617	5,707,470	27,744,624	26,797,929
<b>Total Net Position</b>	<u>\$67,711,891</u>	<u>\$62,094,447</u>	<u>\$15,835,898</u>	<u>\$15,527,986</u>	<u>\$83,547,789</u>	<u>\$77,622,433</u>

The largest portions of the Town's assets are reflected in the investment in capital assets (i.e. land, buildings, improvements, and equipment). Capital assets account for 60% of the total assets. The Town uses these assets to provide services to its citizens. The Town's remaining assets are generally available to pay liabilities or fund operations. At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The Town's capital assets before depreciation increased \$4,250,307 due to various Marina infrastructure projects, addition to the Public Works facility, housing projects and replacement of fleet at the marina. Additionally, the Town purchased vehicles, equipment and computers. The Town's capital assets before depreciation increased \$6,602,443, primarily due to significant Marina infrastructure projects, which were funded by the issuance of \$5,450,000 in bonds. Additionally, the Town completed expansion of the Public Works facility, housing projects and replacement of fleet at the marina and purchased vehicles, equipment and computers.



## Overview of the Financial Statements (continued)

### Government-wide financial analysis (continued):

The following schedule provides financial information from the Town's Statement of Activities for 2019 and 2018:

#### Town of Frisco's Changes in Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2019	2018	2019	2018	2019	2018
<b>REVENUES:</b>						
Program revenues:						
Charges for services	\$4,479,966	\$4,277,557	\$2,580,618	\$2,555,235	\$7,060,584	\$6,832,792
Operating grants and contributions	309,791	308,543	34,830	27,570	344,621	336,113
Capital grants and contributions	421,975	30,000	225,910	647,832	647,885	677,832
General revenues:						
Property taxes	168,930	168,344	-	-	168,930	168,344
Sales and use taxes	11,835,668	11,001,605	-	-	11,835,668	11,001,605
Real estate transfer tax	1,542,417	1,415,715	-	-	1,542,417	1,415,715
Franchise taxes	326,461	318,602	-	-	326,461	318,602
Lodging taxes	555,084	534,342	-	-	555,084	534,342
Other taxes	440,671	404,064	-	-	440,671	404,064
Gain on asset disposition	69,527	2,127,677	5,400	24,922	74,927	2,152,599
Interest and other	518,165	449,434	217,625	100,764	735,790	550,198
<b>Total Revenues</b>	<b>20,668,655</b>	<b>21,035,883</b>	<b>3,064,383</b>	<b>3,356,323</b>	<b>23,733,038</b>	<b>24,392,206</b>
<b>EXPENSES:</b>						
Program expenses:						
General government	4,781,244	5,805,422	-	-	4,781,244	5,805,422
Public safety	1,510,270	1,326,397	-	-	1,510,270	1,326,397
Public works	2,981,562	2,777,951	-	-	2,981,562	2,777,951
Community development	1,890,312	1,838,271	-	-	1,890,312	1,838,271
Culture and recreation	3,789,171	3,634,564	-	-	3,789,171	3,634,564
Housing	51,025	45,547	-	-	51,025	45,547
Interest	147,620	155,488	-	-	147,620	155,488
Marina Fund	-	-	1,663,817	1,231,122	1,663,817	1,231,122
Water Fund	-	-	1,092,653	1,006,302	1,092,653	1,006,302
<b>Total Expenses</b>	<b>15,051,204</b>	<b>15,583,640</b>	<b>2,756,470</b>	<b>2,237,424</b>	<b>17,807,674</b>	<b>17,821,063</b>
<b>Increase in Net Position</b>	<b>5,617,451</b>	<b>5,452,243</b>	<b>307,913</b>	<b>1,118,899</b>	<b>5,925,364</b>	<b>6,571,142</b>
<b>Net Position-Beginning</b>	<b>62,094,440</b>	<b>56,642,197</b>	<b>15,527,985</b>	<b>14,409,086</b>	<b>77,622,425</b>	<b>71,051,283</b>
<b>Net Position - Ending</b>	<b>\$67,711,891</b>	<b>\$62,094,440</b>	<b>\$15,835,898</b>	<b>\$15,527,985</b>	<b>\$83,547,789</b>	<b>\$77,622,425</b>

## Overview of the Financial Statements (continued)

**Governmental activities:** Governmental activities increased the Town's net position by \$5,617,451 in 2019. Key elements of this increase are as follows:

- The following sources of revenue exceeded original budget projections as follows: licenses and building and development fees - \$14,270; city and county sales taxes - \$817,057; investment income - \$154,958; SCHA 5A taxes - \$518,610; Real Estate Investment Fees – \$242,417; Nordic Center fees - \$146,785; recreation and Adventure Park fees - \$109,539; and lodging taxes - \$30,083.
- All governmental activities were subsidized by tax revenue.

**Business-type activities:** Business-type activities increased the Town's net position by \$307,913 in 2019. Key elements of this increase are as follows:

- Total user charges exceeded original budgeted amounts by \$333,312.
- Plant investment fee projections were under budget by \$150,910.
- Aggregate operating expenses, including capital outlay, were under budget projections by \$603,745.

## Financial Analysis of the Town's Funds

As mentioned earlier in this analysis, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds:** The focus of the Town'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. In particular the fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. In February 2009, the Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This standard left unchanged the total amount reported as fund balance, but substantially altered the categories and terminology used to describe its components. This approach focuses not on financial resources available for appropriation but on "the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the fund can be spent". The Town of Frisco implemented this new standard in 2011.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$22,482,282; an increase of \$5,090,576 from the prior year's ending fund balances. The following schedule details ending fund balances for the past several years:

<b>Fund</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
General	\$6,248,219	\$5,267,734	\$5,662,752	\$7,292,712	\$8,140,974
Capital Improvement	2,174,649	4,402,501	7,188,940	5,859,534	8,140,533
Conservation Trust	68,698	47,692	23,594	50,897	50,287
Open Space	11,684	11,752	11,846	12,112	12,398
Summit County Housing 5A	951,566	1,235,989	2,390,015	3,412,355	5,289,173
Insurance Reserve	199,065	200,223	201,811	205,191	210,027
Lodging Tax	341,371	438,710	545,551	558,904	687,877
Historic Preservation	-	-	-	-	1,013
	<u>\$9,995,252</u>	<u>\$11,604,601</u>	<u>\$16,024,509</u>	<u>\$17,391,705</u>	<u>\$22,482,282</u>

## Financial Analysis of the Town's Funds (continued)

**Governmental Funds (continued):** The General Fund is the chief operating fund of the Town of Frisco. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$7,399,718 while the total fund balance increased from 2018 to \$8,140,974. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to fund expenditures. Unassigned fund balance represents 62% of total 2019 General Fund expenditures, while total fund balance represents 69% of that same amount.

The fund balance of the Town of Frisco's General Fund increased by \$848,262 during the current fiscal year. Key factors for 2019 are as follows:

- General Fund revenues were \$1,505,589 more than final budget projections, an indication that the local, state and national economies are recovering.
- 2019 expenditures were less than budgeted by \$1,225,270, primarily due to overall conservative spending and unfilled positions for part of the year.
- Fund balance in excess of the 7 month reserve that is required to be transferred to the Capital Improvement Fund exceeded final budget projections by \$2,653,603.

The Capital Improvement Fund has a total fund balance of \$8,140,533, an increase of \$2,280,999 from the prior year. The major revenue source for the Capital Improvement Fund is Real Estate Investment Fees ("REIF") and a transfer from the General Fund when there is an excess over required General Fund reserves. The Town's debt service is managed from this fund, as are expenditures for capital projects and equipment. Key factors for 2019 are as follows:

- The Town's debt service for 2019 totaled \$434,134: \$218,500 for 2010 Certificates of Participation; \$85,634 for lease purchase; \$100,000 for lease purchase payment for the 1<sup>st</sup> and Main Street building; and \$30,000 for repayment of a loan from the Water Fund
- The Town expended \$2,745,945 on capital projects: \$564,005 for 2<sup>nd</sup> and Belford pathway improvements; \$372,894 for design of amenities at the Frisco Adventure Park; \$89,577 for completion of expansion of the Public Works facility; \$95,395 for trails enhancements and the remainder (\$1,624,074) for vehicle and equipment purchases, various street and pathway projects, technology purchases and facility improvements.
- Revenues from REIF were over budget projections by \$242,417.
- A transfer into this fund from the General Fund (see above) exceeded budget by \$2,653,603.

The SCHA 5A Fund has a total fund balance of \$5,289,173, an increase of \$1,876,818 from 2018. Key factors for 2019 are as follows:

- Sales tax revenues generated were over budget by \$518,610.
- Some major capital housing projects that were originally budgeted in 2019 were not completed, resulting in expenditures under budget by \$2,042,954.

The Town's non-major governmental combined fund balances increased \$84,497.

**Proprietary funds:** The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail

Unrestricted net position for the Water Fund at the end of the current fiscal year was \$5,360,283 while the Marina Fund reported unrestricted net position of \$1,741,334.

## Financial Analysis of the Town's Funds (continued)

**Budget variances in the General Fund:** The Town's General Fund revenues exceeded budget by \$1,505,589 while General Fund expenditures were under budget by \$1,225,270. Aside from the variance in the amount of required transfer to the Capital Improvement Fund discussed in the fund balance section, the General Fund's significant budget variances are detailed as follows:

<u>Account</u>	<b>Final Budget Variance: Positive (Negative)</b>	<u>Reason</u>
<b>Revenues:</b>		
Sales Taxes	\$817,057	Increased tourism and increased consumer confidence
Other Taxes	77,671	Increased revenues from recreational and medical marijuana taxes and severance tax
Licenses/Permits	14,270	Business and development permits increased significantly, indicating recovery from economic downturn
Investment Income	154,958	Improving interest rates and increased balances
Charges for Services	340,271	Frisco Adventure Park, Nordic Center, special events, recreation fees, fines, and building and facility rents higher than budgeted
<b>Expenditures:</b>		
General Government	116,866	Lower health insurance fees and liability insurance than final budget
Public Safety	255,314	Vacant positions throughout year
Public Works	188,367	Road, building and vehicle repairs less than anticipated; vacant positions
Culture and Recreation	557,174	Vacancies in positions as a result of recruiting challenges
Community Development	107,549	Costs associated with special events less than anticipated

**Capital assets:** The Town's government-wide capital assets, net of accumulated depreciation, increased due to infrastructure improvements and additions and replacements of equipment and vehicles. Additional information as well as a detailed classification of the Town's net capital assets can be found in the Notes to the Financial Statements in Section D of this report.

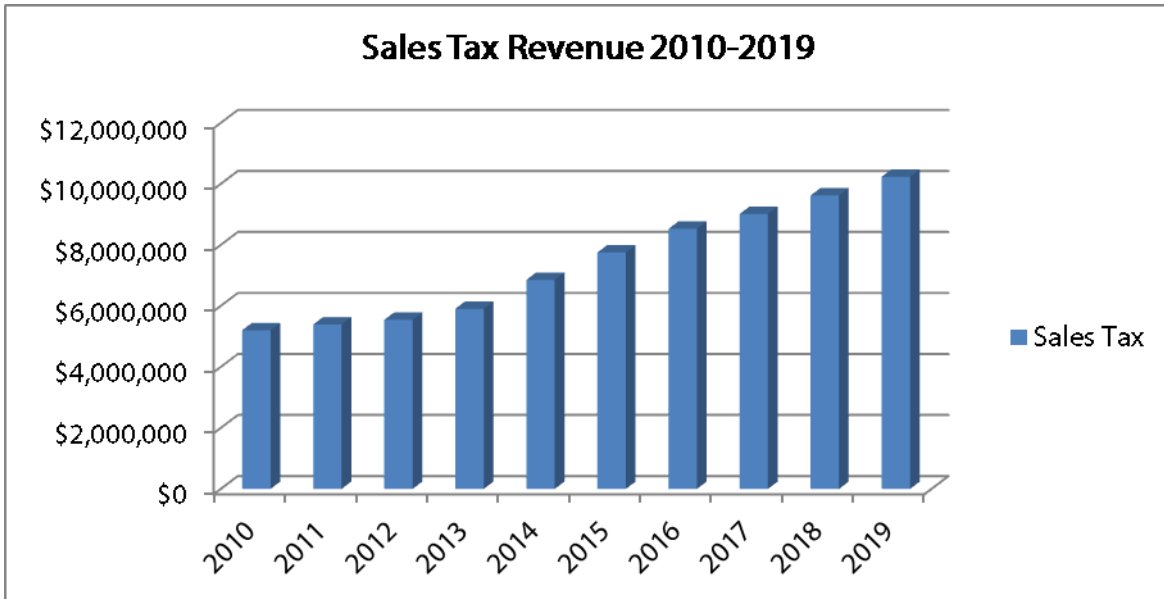
## Financial Analysis of the Town's Funds (continued)

**Long-term debt:** At the end of the current fiscal year, the Town had a total of \$9,399,041 in long-term liabilities, detailed as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
Certificates of Participation:					
Series 2010A	\$475,000	\$ -	\$(200,000)	\$275,000	\$210,000
Issuance Premium	1,526	-	(889)	637	-
Net Certificates of Participation	476,526	-	(200,889)	275,637	210,000
Lease Purchases:					
First & Main, L.L.C	965,686	-	(61,373)	904,313	63,827
Vectra Bank Colorado	2,459,300	-	(21,200)	2,438,100	21,800
Net Capital Leases	3,424,986	-	(82,573)	3,342,413	85,627
Net pension liability	-	129,084	-	129,084	-
Compensated Absences	286,200	685,846	(326,236)	645,810	258,324
<b>Total Governmental Activities</b>					
<b>Long -term Liabilities</b>	<u>\$4,187,712</u>	<u>\$814,930</u>	<u>(\$609,698)</u>	<u>\$4,392,944</u>	<u>\$553,951</u>
<b>Business-type Activities:</b>					
Revenue bonds	\$ -	\$5,450,000	\$ -	\$5,450,000	\$ -
Issuance premium	-	65,351	(2178)	63,173	-
Compensated Absences	33,329	124,095	(79,299)	78,125	31,250
<b>Total Business-type Activities</b>					
<b>Long-term Liabilities</b>	<u>\$33,329</u>	<u>\$5,639,446</u>	<u>(\$81,477)</u>	<u>\$5,591,298</u>	<u>\$31,250</u>

Additional information regarding the Town's long-term debt can be found in the Notes to the Financial Statements in Section D of this report.

**Sales Tax:** Sales tax revenues account for approximately 64% of total General Fund revenues and are the primary source for providing funds for general operations and maintenance for the Town of Frisco. The Town began self-collection of City sales tax as of July 1, 2005, which has led to increased collections. The following chart indicates changes in sales tax over the past ten years:



**Request for Information:**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Frisco, Finance Director, PO Box 4100, Frisco, Colorado 80443.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**Town of Frisco, Colorado**  
**Statement of Net Position**  
**December 31, 2019**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and investments - Unrestricted	21,527,612	5,557,433	27,085,045
Cash and investments - Restricted	145,606	2,132,636	2,278,242
Receivables, net:			
Property taxes assessed	198,084	-	198,084
Other taxes	1,059,706	-	1,059,706
Intergovernmental	1,371,687	-	1,371,687
Employees	27,649	-	27,649
Other	204,949	263,171	468,120
Non-current	65,748	-	65,748
Internal balances	(898,698)	898,698	-
Notes receivable	4,500,000	-	4,500,000
Interest receivable	517,808	-	517,808
Inventories	46,956	80,177	127,133
Prepaid items	12,419	-	12,419
Capital assets - Not being depreciated	8,858,968	310,856	9,169,824
Capital assets - net of accumulated depreciation	35,234,460	12,210,774	47,445,234
<b>Total Assets</b>	<b>72,872,954</b>	<b>21,453,745</b>	<b>94,326,699</b>
<b>Deferred Outflows of Resources:</b>			
Deferred charge on refunding	7,278	-	7,278
Pension-related deferred outflows	554,410	-	554,410
<b>Total Deferred Outflows of Resources</b>	<b>561,688</b>	<b>-</b>	<b>561,688</b>
<b>Liabilities:</b>			
Accounts payable	838,195	3,841	842,036
Interest payable	37,090	22,708	59,798
Unearned revenue	106,925	-	106,925
Deposits payable	141,305	-	141,305
Compensated absences:			
Due within one year	258,324	31,250	289,574
Due in more than one year	387,486	46,875	434,361
Debt payable:			
Due within one year	295,627	-	295,627
Due in more than one year	3,322,423	5,513,173	8,835,596
Net pension liability			
Due in more than one year	129,084	-	129,084
<b>Total Liabilities</b>	<b>5,516,459</b>	<b>5,617,847</b>	<b>11,134,306</b>
<b>Deferred Inflows of Resources:</b>			
Property taxes	193,011	-	193,011
Pension-related deferred inflows - SWDB	13,281	-	13,281
<b>Total Deferred Inflows of Resources</b>	<b>206,292</b>	<b>-</b>	<b>206,292</b>
<b>Net Position:</b>			
Net Investment in capital assets	40,482,656	8,734,281	49,216,937
Restricted:			
TABOR emergency reserve	621,000	-	621,000
Affordable housing	5,289,173	-	5,289,173
Conservation Trust Fund	50,287	-	50,287
Economic development	624,755	-	624,755
Historic preservation	1,013	-	1,013
Unrestricted	20,643,007	7,101,617	27,744,624
<b>Total Net Position</b>	<b>67,711,891</b>	<b>15,835,898</b>	<b>83,547,789</b>

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



**Town of Frisco, Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2019**

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Functions/Programs:</b>							
Governmental activities:							
General government	4,781,244	373,077	259,018	-	(4,149,149)		(4,149,149)
Public safety	1,510,270	40,329	7463	-	(1,462,478)		(1,462,478)
Public works	2,981,562	12,590	-	391,975	(2,576,997)		(2,576,997)
Community development	1,890,312	417,968	-	30,000	(1,442,344)		(1,442,344)
Culture and recreation	3,689,171	3,422,827	43,310	-	(223,034)		(223,034)
Housing	51,025	213,175	-	-	162,150		162,150
Interest on long-term debt	147,620	-	-	-	(147,620)		(147,620)
<b>Total - Governmental activities</b>	<u>15,051,204</u>	<u>4,479,966</u>	<u>309,791</u>	<u>421,975</u>	<u>(9,839,472)</u>		<u>(9,839,472)</u>
Business-type activities:							
Water	1,092,653	1,001,193	-	225,910		134,450	134,450
Marina	1,663,817	1,579,425	34,830	-		(49,562)	(49,562)
<b>Total - Business-type activities</b>	<u>2,756,470</u>	<u>2,580,618</u>	<u>34,830</u>	<u>225,910</u>		<u>84,888</u>	<u>84,888</u>
<b>Total</b>	<u>17,807,674</u>	<u>7,060,584</u>	<u>344,621</u>	<u>647,885</u>	<u>(9,839,472)</u>	<u>84,888</u>	<u>(9,754,584)</u>
<b>General revenues:</b>							
Taxes:							
Sales and use taxes					11,835,668	-	11,835,668
Real estate transfer fees					1,542,417	-	1,542,417
Franchise taxes					326,461	-	326,461
Lodging taxes					555,084	-	555,084
Property and specific ownership taxes					168,930	-	168,930
Miscellaneous taxes					440,671	-	440,671
Investment earnings					424,493	217,625	642,118
Gain on asset disposition					69,527	5,400	74,927
Miscellaneous					93,672	-	93,672
<b>Total - General revenues and transfers</b>					<u>15,456,923</u>	<u>223,025</u>	<u>15,679,948</u>
<b>Change in Net Position</b>					5,617,451	307,913	5,925,364
<b>Net Position - January 1</b>					<u>62,094,440</u>	<u>15,527,985</u>	<u>77,622,425</u>
<b>Net Position - December 31</b>					<u>67,711,891</u>	<u>15,835,898</u>	<u>83,547,789</u>

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

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**FUND FINANCIAL STATEMENTS**



**Town of Frisco, Colorado**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2019**

	<b>General Fund</b>	<b>Summit County Housing Authority 5A Fund</b>	<b>Capital Improvement Fund</b>	<b>Non- major Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>					
Cash and investments - Unrestricted	7,287,389	4,983,848	8,446,335	810,040	21,527,612
Cash and investments - Restricted	500	-	145,106	-	145,606
Receivables, net of allowance for uncollectible accounts:					
Property taxes	198,084	-	-	-	198,084
Other taxes	656,922	314,216	-	88,568	1,059,706
Intergovernmental	979,712	-	391,975	-	1,371,687
Employees	27,649	-	-	-	27,649
Other	154,109	-	50,840	-	204,949
Non-current	65,748	-	-	-	65,748
Inventory	33,834	-	-	13,122	46,956
Prepaid items	2,444	-	9,975	-	12,419
<b>Total Assets</b>	<b>9,406,391</b>	<b>5,298,064</b>	<b>9,044,231</b>	<b>911,730</b>	<b>24,660,416</b>
<b>Liabilities and Fund Equity:</b>					
<b>Liabilities:</b>					
Accounts/vouchers payable	620,227	-	5,000	128	625,355
Accrued payroll and related liabilities	212,840	-	-	-	212,840
Internal balances	-	-	898,698	-	898,698
Unearned revenue	106,925	-	-	-	106,925
Deposits payable	132,414	8,891	-	-	141,305
<b>Total Liabilities</b>	<b>1,072,406</b>	<b>8,891</b>	<b>903,698</b>	<b>128</b>	<b>1,985,123</b>
<b>Deferred inflows of Resources:</b>					
Property taxes	193,011	-	-	-	193,011
<b>Total Deferred Inflows of Resources</b>	<b>193,011</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193,011</b>
<b>Fund Balances:</b>					
Non-spendable	102,026	-	9,975	13,122	125,123
Restricted	621,000	5,289,173	145,106	676,055	6,731,334
Committed	-	-	7,985,452	222,425	8,207,877
Assigned	18,230	-	-	-	18,230
Unassigned	7,399,718	-	-	-	7,399,718
<b>Total Fund Balances</b>	<b>8,140,974</b>	<b>5,289,173</b>	<b>8,140,533</b>	<b>911,602</b>	<b>22,482,282</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>9,406,391</b>	<b>5,298,064</b>	<b>9,044,231</b>	<b>911,730</b>	<b>24,660,416</b>

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

**Town of Frisco, Colorado**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**December 31, 2019**

<b>Governmental Funds Total Fund Balances</b>		22,482,282
 <b>Amounts reported for governmental activities in the Statement of Net Positions are different because:</b>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of capital assets	66,844,483	
Accumulated depreciation	<u>(22,751,055)</u>	44,093,428
 Other long-term assets and deferred outflows of resources are not available for current period expenditures and, therefore, are not reported in the funds.		
Long-term promissory note	4,500,000	
Interest receivable on long-term promissory note	517,808	
Deferred refunding costs	7,278	
Pension-related deferred outflows of resources - SWDB	<u>554,410</u>	5,579,496
 Long-term liabilities and deferred inflows of resources, including debt payable, interest payable, compensated absences and pension related deferred inflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds.		
Certificates of Participation	(275,000)	
Premium on issuance of Certificates of Participation	(637)	
Capital leases	(3,342,413)	
Accrued interest	(37,090)	
Net pension liability - SWDB	(129,084)	
Accrued compensated absences	(645,810)	
Pension-related deferred inflows of resources - SWDB	<u>(13,281)</u>	<u>(4,443,315)</u>
 <b>Net Position of Governmental Activities</b>		 <u><u>67,711,891</u></u>

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

**Town of Frisco, Colorado**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2019**

	<b>General Fund</b>	<b>Summit County Housing Authority 5A Fund</b>	<b>Capital Improvement Fund</b>	<b>Non- major Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>					
Taxes	11,153,119	1,618,610	1,542,417	555,083	14,869,229
Licenses, permits, and fees	654,070	124,399	-	-	778,469
Intergovernmental revenue	276,481	-	391,974	65,777	734,232
Charges for services	3,645,371	-	-	-	3,645,371
Investment income	219,958	94,819	136,049	20,361	471,187
Rental income	-	88,776	-	-	88,776
Miscellaneous	85,240	-	7,796	9,797	102,833
<b>Total Revenues</b>	<u>16,034,239</u>	<u>1,926,604</u>	<u>2,078,236</u>	<u>651,018</u>	<u>20,690,097</u>
<b>Expenditures:</b>					
Current:					
General government	4,084,286	48,442	1,500	-	4,134,228
Public safety	1,457,574	-	-	-	1,457,574
Community development	1,505,557	-	-	325,937	1,831,494
Public works	1,989,535	-	-	-	1,989,535
Culture and recreation	2,844,351	-	-	240,584	3,084,935
Capital outlay	-	1,344	2,745,945	-	2,747,289
Debt service:					
Principal	-	-	282,573	-	282,573
Interest	-	-	141,420	-	141,420
<b>Total Expenditures</b>	<u>11,881,303</u>	<u>49,786</u>	<u>3,171,438</u>	<u>566,521</u>	<u>15,669,048</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>4,152,936</u>	<u>1,876,818</u>	<u>(1,093,202)</u>	<u>84,497</u>	<u>5,021,049</u>
<b>Other Financing Sources (Uses):</b>					
Sale of assets	-	-	69,527	-	69,527
Interfund transfers	(3,304,674)	-	3,304,674	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(3,304,674)</u>	<u>-</u>	<u>3,374,201</u>	<u>-</u>	<u>69,527</u>
<b>Net Change in Fund Balances</b>	848,262	1,876,818	2,280,999	84,497	5,090,576
<b>Fund Balances - January 1</b>	<u>7,292,712</u>	<u>3,412,355</u>	<u>5,859,534</u>	<u>827,105</u>	<u>17,391,706</u>
<b>Fund Balances - December 31</b>	<u>8,140,974</u>	<u>5,289,173</u>	<u>8,140,533</u>	<u>911,602</u>	<u>22,482,282</u>

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

**Town of Frisco, Colorado**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and**  
**Changes in Fund Balances to the Statement of Activities**  
**For the Year Ended December 31, 2019**

<b>Net Change in Fund Balance of Governmental Funds</b>		<b>5,090,576</b>
 <b>Amounts reported for governmental activities in the Statement of Activities are different because:</b>		
 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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation, adjusted for disposal losses incurred:		
Depreciation expense	(1,988,441)	
Capital outlay	<u>2,603,083</u>	614,642
 The issuance of long-term debt (i.e., certificates of participation and capital leases) provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the amount of principal repayments, less debt proceeds, if any, reported in the governmental funds.		
Principal repayments	<u>282,573</u>	282,573
 Some revenues reported in the Statement of Activities do not provide sources of current financial resources and therefore are not reported as revenue in the governmental funds.		
Pension revenue	<u>42,166</u>	42,166
 Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Accrued interest income	(46,695)	
Change in accrued compensated absences	(359,610)	
Change in accrued interest	<u>(6,201)</u>	<u>(412,506)</u>
 <b>Change in Net Position of Governmental Activities</b>		 <b><u>5,617,451</u></b>

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

**Town of Frisco, Colorado**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2019**

	<b>Business-type Activities</b>		
	<b>Enterprise Fund - Water Fund</b>	<b>Enterprise Fund - Marina Fund</b>	<b>Total</b>
<b>Assets:</b>			
<b>Current assets:</b>			
Cash and investments - Unrestricted	4,222,829	1,334,604	5,557,433
Cash and investments - Restricted	-	2,132,636	2,132,636
Accounts receivable	251,905	11,266	263,171
Inventories	30,212	49,965	80,177
<b>Total - Current assets</b>	<b>4,504,946</b>	<b>3,528,471</b>	<b>8,033,417</b>
<b>Long-term assets:</b>			
Internal balances	898,698	-	898,698
Land and other non depreciable assets	110,670	200,186	310,856
Property, plant and equipment, net of accumulated depreciation	5,920,579	6,290,195	12,210,774
<b>Total - Long-term assets</b>	<b>6,929,947</b>	<b>6,490,381</b>	<b>13,420,328</b>
<b>Total Assets</b>	<b>11,434,893</b>	<b>10,018,852</b>	<b>21,453,745</b>
<b>Liabilities:</b>			
<b>Current liabilities:</b>			
Accounts payable	566	3,275	3,841
Interest payable	-	22,708	22,708
Current portion of compensated absences	17,118	14,132	31,250
<b>Total - Current liabilities</b>	<b>17,684</b>	<b>40,115</b>	<b>57,799</b>
<b>Noncurrent liabilities:</b>			
Compensated absences, net of current portion	25,677	21,198	46,875
Debt, net of current portion	-	5,513,173	5,513,173
<b>Total - Noncurrent liabilities</b>	<b>25,677</b>	<b>5,534,371</b>	<b>5,560,048</b>
<b>Total Liabilities</b>	<b>43,361</b>	<b>5,574,486</b>	<b>5,617,847</b>
<b>Net Position</b>			
Net investment in capital assets	6,031,249	2,703,032	8,734,281
Unrestricted	5,360,283	1,741,334	7,101,617
<b>Total Net Position</b>	<b>11,391,532</b>	<b>4,444,366</b>	<b>15,835,898</b>

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



**Town of Frisco, Colorado**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2019**

	<b>Business-type Activities</b>		
	<b>Enterprise Fund - Water Fund</b>	<b>Enterprise Fund - Marina Fund</b>	<b>Total</b>
<b>Operating Revenues:</b>			
Charges for services	980,287	1,579,425	2,559,712
Water meter sales	19,502	-	19,502
Intergovernmental - Operating grants	-	34,830	34,830
Other operating	1,404	-	1,404
<b>Total Operating Revenues</b>	<b>1,001,193</b>	<b>1,614,255</b>	<b>2,615,448</b>
<b>Operating Expenses:</b>			
Salaries and benefits	404,393	612,797	1,017,190
Administrative fees	42,500	20,000	62,500
Professional fees	72,757	26,447	99,204
Supplies	20,199	64,240	84,439
Utilities	63,427	20,003	83,430
Repairs and maintenance	48,416	36,824	85,240
General expenses	78,206	237,272	315,478
Water meter replacements	37,400	-	37,400
Depreciation	325,355	308,349	633,704
<b>Total Operating Expenses</b>	<b>1,092,653</b>	<b>1,325,932</b>	<b>2,418,585</b>
<b>Operating Income (Loss)</b>	<b>(91,460)</b>	<b>288,323</b>	<b>196,863</b>
<b>Non-Operating Revenue (Expenses):</b>			
Investment income	113,387	104,238	217,625
Gain (loss) on asset disposal	-	5,400	5,400
Interest expense	-	(228,690)	(228,690)
Cost of issuance	-	(109,195)	(109,195)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>113,387</b>	<b>(228,247)</b>	<b>(114,860)</b>
<b>Income Before Capital Contributions</b>	<b>21,927</b>	<b>60,076</b>	<b>82,003</b>
<b>Capital Contributions:</b>			
Plant investment fees	225,910	-	225,910
<b>Total Capital Contributions</b>	<b>225,910</b>	<b>-</b>	<b>225,910</b>
<b>Change in Net Position</b>	<b>247,837</b>	<b>60,076</b>	<b>307,913</b>
<b>Net Position - January 1</b>	<b>11,143,695</b>	<b>4,384,290</b>	<b>15,527,985</b>
<b>Net Position - December 31</b>	<b>11,391,532</b>	<b>4,444,366</b>	<b>15,835,898</b>

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

**Town of Frisco, Colorado**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2019**

	<b>Business-type Activities</b>		
	<b>Enterprise Fund - Water Fund</b>	<b>Enterprise Fund - Marina Fund</b>	<b>Total</b>
<b>Cash Flows From Operating Activities:</b>			
Cash received from customers and others	974,519	1,612,012	2,586,531
Cash paid to suppliers for goods and services	(361,111)	(417,281)	(778,392)
Cash paid to employees for services	(383,402)	(588,992)	(972,394)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>230,006</u>	<u>605,739</u>	<u>835,745</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Plant investment fees received	225,910	-	225,910
Debt proceeds	-	5,515,351	5,515,351
Cost of issuance	-	(109,195)	(109,195)
Sale of capital assets	-	5,400	5,400
Interest expense	-	(205,982)	(205,982)
Acquisition of capital assets	(60,199)	(3,939,170)	(3,999,369)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>165,711</u>	<u>1,266,404</u>	<u>1,432,115</u>
<b>Cash Flows From Investing Activities:</b>			
Interest received	113,387	104,238	217,625
Principal received on loan receivable	10,186	-	10,186
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>123,573</u>	<u>104,238</u>	<u>227,811</u>
<b>Net Change in Cash and Investments</b>	519,290	1,976,381	2,495,671
<b>Cash and Investments - January 1</b>	<u>3,703,539</u>	<u>1,490,859</u>	<u>5,194,398</u>
<b>Cash and Investments - December 31</b>	<u>4,222,829</u>	<u>3,467,240</u>	<u>7,690,069</u>
<b>Cash and Investments</b>			
Cash and investments - Unrestricted	4,222,829	1,334,604	5,557,433
Cash and investments - Restricted	-	2,132,636	2,132,636
<b>Total Cash and Investments</b>	<u>4,222,829</u>	<u>3,467,240</u>	<u>7,690,069</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	(91,460)	288,323	196,863
<b>Adjustments:</b>			
Depreciation	325,355	308,349	633,704
(Increase) decrease in accounts receivable	(26,674)	(2,243)	(28,917)
Increase (decrease) in accounts payable	347	1,261	1,608
(Increase) decrease in inventory	1,447	(11,578)	(10,131)
Increase (decrease) in accrued benefits	20,991	23,805	44,796
Increase (decrease) in debt premium	-	(2,178)	(2,178)
<b>Total Adjustments</b>	<u>321,466</u>	<u>317,416</u>	<u>638,882</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>230,006</u>	<u>605,739</u>	<u>835,745</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**



**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**

**I. Summary of Significant Accounting Policies**

The Town of Frisco, Colorado (the "Town") was incorporated in 1988, under the provisions of Article XX of the Colorado Constitution and Municipal Home Rule Act of 1971. The Town operates under an elected Mayor and Town Council. The Town's major operations include public safety, public works, culture and recreation, community development, administration (general government), and operation of water utilities and the marina. The Town is located in Summit County, Colorado.

The Town's financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP and used by the Town are discussed below.

**A. Reporting Entity**

The reporting entity consists of (a) the primary government, i.e., the Town, and (b) organizations for which the Town is financially accountable. The Town is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either 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. Consideration is also given to other organizations which are fiscally dependent, i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the Town. Organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

The accompanying financial statements present the primary government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Town's operations. There is one blended component unit reported in the Town's financial statements: The Town of Frisco Finance Authority (the "Authority"). The Authority has been blended into the Capital Improvement Fund.

**Town of Frisco Finance Authority (the "Authority")**

The Authority was formed in 2002 for the purpose of facilitating Town financings, including the acquisition of real estate, property, and improvements for lease to the Town. The Authority issued Certificates of Participation in 2002 to finance improvements to the Frisco Bay Lakefront Park and Marina, and in 2010 to refinance the 2002 series, as well as finance the construction of recreational amenities at the Frisco Adventure Park.

The formation of the Authority was approved by the Town, and its operations are governed by a Board of Directors appointed by the Town Council. Upon dissolution of the Authority and retirement of all liabilities, all property of the Authority is to be transferred to the Town. While the Town is not legally obligated to pay the indebtedness of the Authority, the Town has agreed to consider providing funds, if needed, to the Authority to make the scheduled debt service payments of the Authority.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**B. Government-wide and Fund Financial Statements**

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Government-wide financial statements report on information of all of the activities of the Town and its component units. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's public safety, public works, culture and recreation, community development, and administration functions are classified as governmental activities. The Water Fund and Marina Fund are classified as business-type activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's governmental functions and business-type activities. The governmental functions are also supported by general government revenues (sales taxes, property and specific ownership taxes, investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the governmental function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

**C. Fund Financial Statements**

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures/expenses.

The fund focus is on current available resources and budget compliance.

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 *Summit County Housing Authority 5A Fund* accounts for collections of a tax and related development impact fees to be used specifically for affordable housing purposes.

The *Capital Improvement Fund* accounts for the Town's real estate transfer fees which are restricted by ordinance for the acquisition of and improvements to the Town's governmental assets.

The Town reports the following proprietary or business-type funds:

The *Water Fund* accounts for the provision of water services to the Town's residents.

The *Marina Fund* accounts for rental fees and services and concessions that take place on the Town's lakefront property.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

**1. Long-term Economic Focus and Accrual Basis**

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

**2. Current Financial Focus and Modified Accrual Basis**

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt and compensated absences are recorded only when payment is due.

Franchise fees, licenses, and interest associated with current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Sales and lodging taxes collected by vendors at year end on behalf of the Town are also recognized as revenue if collected within 30 days after year end. Expenditure driven grants are recognized as revenue when qualified expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

**3. Financial Statement Presentation**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent to the value of the interfund services provided and other charges between the Town's water function and marina function and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the water function.

Amounts reported as program revenues include 1) charges to customers and applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

**3. Financial Statement Presentation (continued)**

Proprietary funds distinguish operating revenues and expenses from non-operating 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. The principal operating revenues of the Town's enterprise funds are the operation of the water system within the Town and lakefront rentals and concessions. Operating expenses for the enterprise funds include operating expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**E. Financial Statement Accounts**

**1. Cash, Cash Equivalents, and Investments**

The Town pools deposits and investments of all funds. Each fund's share of the pool is readily identified by the Town's internal records.

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the Town.

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, have been classified as restricted assets on the balance sheet because their use is limited by the applicable covenants. Restricted assets also include certain deposits that have been limited as to usage pursuant to escrow and similar agreements.

Investments are stated at fair value. The change in fair value and amortized cost of investments is recognized as an increase or decrease to investment assets and investment income.

Pursuant to its Charter, the Town has adopted, by ordinance, an investment policy governing the types of institutions and investments with which it may deposit funds and transact business. Under this policy, the Town may invest in the following type of obligation which corresponds with state statutes:

- U.S. Treasury obligations
- Federal instrumentality securities (AAA)
- Prime commercial paper (A1)
- Eligible banker's acceptances (A1)
- Repurchase agreements collateralized by certain authorized securities
- Local government investment pools (AAAm or AAA or AAA/V-1)
- Non-negotiable certificates of deposit subject to FDIC and/or PDPA
- Money market mutual funds (AAAm, AAA, AAA/V-1)
- Negotiable certificates of deposit subject to FDIC and/or PDPA

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**E. Financial Statement Accounts (continued)**

**2. Receivables**

Receivables are reported net of an allowance for uncollectible accounts.

**3. Inventory and Prepaid Items**

All inventories are valued at cost using the first-in, first-out method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

The Town uses the consumption method to account for prepaid items. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

**4. Pensions**

The Town's police department participates in the Statewide Defined Benefit Plan (the "SWDB") administered by the Fire and Police Pension Association of Colorado ("FPPA"). The SWDB is a cost-sharing multiple-employer defined benefit plan. The net pension asset (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 have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**5. Capital Assets**

Capital assets, which include land, buildings, improvements, equipment, vehicles and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements.

Capital assets are defined by the Town as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at cost where historical records are available and at an estimated historical cost where no historical record exists. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets.



**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**E. Financial Statement Accounts (continued)**

**5. Capital Assets (continued)**

Capital assets (excluding land, certain intangibles, and projects in progress) are depreciated, using the straight-line method, over the following estimated useful lives:

Buildings	25 - 40 years
Building improvements	7 - 25 years
Infrastructure	5 - 30 years
Vehicles	5 - 15 years
Equipment	5 - 10 years

**6. Long-term Debt**

Long-term debt is reported as a liability on the government-wide and proprietary fund type financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. The unamortized portion of the bond premiums and discounts is netted against bonds payable for presentation on the government-wide and proprietary fund Statement of Net Position.

At the governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as expenditures/expense when incurred.

**7. Compensated Absences**

Vested or accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the obligated governmental fund. Amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in the governmental-activities column in the government-wide financial statements. Vested or accumulated vacation and sick leave of the proprietary fund type is recorded as an expense and liability of that fund as the benefits accrue to employees.

**8. Deferred Outflows of Resources and Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The Town has two items that qualify for reporting under this category on the government-wide Statement of Net Position: deferred charge on refunding and pension-related deferred outflows.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**II. Summary of Significant Accounting Policies (continued)**

**E. Financial Statement Accounts (continued)**

**8. Deferred Outflows of Resources and Inflows of Resources (continued)**

A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Pension-related deferred outflows comprise pension contributions made after the measurement date, and the difference between projected and actual earnings, which will be recognized as a reduction of the net pension liability in future periods. For further details, see Note V.E.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has two items that qualify for reporting in the category. Property taxes, reported in the governmental Balance Sheet and on the Statement of Net Position, are deferred and recognized as an inflow of resources in the period that the amounts become available. Collective deferred inflows related to the Town's net pension obligation are reported on the Statement of Net Position and are amortized over the average remaining service life of all active and inactive SWDB members. For further details, see Note V.E.

**9. Fund Equity**

Governmental accounting standards establish fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include Non-spendable, Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity to the level of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned fund balance is limited to negative residual fund balance. For further details on the various fund balance classifications, refer to Note IV.L.

The Town has adopted a minimum fund balance policy for the General Fund in an amount of seven months of prior year actual expenditures.

**10. Interfund Transactions**

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**F. Significant Accounting Policies**

**1. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires the Town's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

**2. Credit Risk**

Receivables in the Town's funds are primarily due from other governments. Management believes that the credit risk related to these receivables is minimal.

**3. Restricted and Unrestricted Resources**

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

**II. Reconciliation of Government-wide and Fund Financial Statements**

These financial statements include a reconciliation between the total fund balances of all governmental funds as presented on the Governmental Funds Balance Sheet and the net position of governmental activities as reported in the government-wide Statement of Net Position. Additionally, these financial statements include a reconciliation between the total net change in fund balances of all governmental funds as presented on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the change in net position of governmental activities as reported in the government-wide Statement of Activities.

**III. Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

An annual budget and appropriation ordinance is adopted by Town Council in accordance with the Town's Home Rule Charter.

Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year-end.

The Town followed these procedures in preparing, approving, and enacting its budget for 2019.

(1) For the 2019 budget year, prior to August 25, 2018, the County Assessor sent to the Town a certified assessed valuation of all taxable property within the Town's boundaries.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**III. Stewardship, Compliance, and Accountability (continued)**

**A. Budgetary Information (continued)**

- (2) Prior to the end of the 2018 fiscal year, the Town Manager submitted to the Town Council a budget and accompanying message.
- (3) Prior to December 15, 2018, the Town computed and certified to the County Commissioners a levy rate that derived the necessary property taxes as computed in the proposed budget.
- (4) After a required publication of "Notice of Proposed Budget", the Town adopted the proposed budget and an appropriation resolution which legally appropriated expenditures for the upcoming year.
- (5) After adoption of the budget ordinance, the Town may make the following changes:
  - a) transfer appropriated money between funds;
  - b) approve supplemental appropriations to the extent of revenues in excess of those estimated in the budget;
  - c) approve emergency appropriations; and
  - d) reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2018 were collected in 2019, and taxes certified in 2019 will be collected in 2020. Taxes are due on January 1 in the year of collection; however, they may be paid in either one installment (no later than April 30) or two equal installments (not later than February 28 and June 15) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of 1% per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16.

Expenditures/expenses in the General Fund exceeded their respective appropriations for the year, which may be a violation of Colorado state budget statutes.

**B. TABOR Amendment**

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending for fiscal years ending after December 31, 1995. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved \$621,000 of the December 31, 2019 year-end fund balance in the General Fund for this purpose, which is the approximate required reserve amount.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**III. Stewardship, Compliance, and Accountability (continued)**

**B. TABOR Amendment (continued)**

The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

On November 7, 2000, voters of the Town approved a ballot question that permitted the Town to retain and spend all revenues collected in 2001 and subsequent years, without limitation.

**IV. Detailed Notes on all Funds**

**A. Deposits and Investments**

**1. Deposits**

The Town's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). Amounts on deposit in excess of \$250,000, the FDIC-insured limit at each participating institution, must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The collateral pool is to be maintained by another institution or held in trust for all the uninsured public as a group. The fair value of the collateral must equal or exceed 102% of the uninsured deposits. At December 31, 2019, the carrying value of the Town's deposits was \$4,969,472. The bank balance of these accounts was \$4,969,472.

At the end of 2019, the Town held deposits and investments with the following maturities:

	Standard & Poor's Rating (Fitch)	Carrying Amounts	Maturities	
			Less than one year	Less than five years
<b>Deposits:</b>				
Petty cash	Not Rated	\$ 4,340	4,340	-
Checking	Not Rated	3,321,428	3,321,428	-
Savings and money market	Not Rated	1,648,044	1,648,044	-
Certificates of deposit*	Not Rated	1,517,715	546,324	971,391
<b>Investments:</b>				
United States instrumentality	AA+	2,222,233	-	2,222,233
Certificates of deposit**	Not Rated	2,176,394	721,020	1,455,374
Investment pools	AAAm (AAAf)	18,473,133	18,473,133	-
<b>Total</b>		<u>\$ 29,363,287</u>	<u>24,714,289</u>	<u>4,648,998</u>

\*Non-negotiable

\*\*Negotiable

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**A. Deposits and Investments (continued)**

**1. Deposits (continued)**

The Town's cash and investments are presented on the Statement of Net Position as follows:

**Reconciliation to Statement of Net Position:**

Cash and investments - Unrestricted	\$ 27,085,045
Cash and investments - Restricted	2,278,242
<b>Total</b>	<b><u><u>\$ 29,363,287</u></u></b>

**2. Investments**

The Town measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At December 31, 2019, the Town had the following recurring fair value measurements:

<u>Investments Measured at Fair Value</u>	<u>Total</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. agencies	\$ 2,222,233	-	2,222,233	-
Negotiable certificates of deposit	2,176,394	-	2,176,394	-
<b>Total</b>	<b><u><u>\$ 4,398,627</u></u></b>	<b><u><u>-</u></u></b>	<b><u><u>4,398,627</u></u></b>	<b><u><u>-</u></u></b>
<u>Investments Measured at Amortized Cost</u>	<u>Total</u>			
C-SAFE	\$ 1,433,582			
CSIP (Local Government Investment Pool)	2,190,536			
<b>Total</b>	<b><u><u>\$ 3,624,118</u></u></b>			
<u>Investments Measured at Net Asset Value</u>	<u>Total</u>			
COLOTRUST	\$ 14,849,015			
<b>Total</b>	<b><u><u>\$ 14,849,015</u></u></b>			

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**A. Deposits and Investments (continued)**

**2. Investments (continued)**

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Negotiable certificates of deposits classified in Level 2 are generally valued based upon a matrix or model pricing method.

*Interest Rate Risk:* In accordance with the Town's investment policy, the government manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than twenty-four months. In the event the Town's portfolio consists of callable securities, the final maturity date of the security is used as the maturity of the security in order to disclose the maximum liability in the Town's financial reports.

*Credit Risk:* State law and Town policy limit investments to those authorized by State statutes, including U.S. agencies and 2a7-like pools. The Town's investment policy is to apply the prudent-investor rule: A prudent investor shall exercise the judgment and care, under circumstances prevailing, which men of prudence, discretion and intelligence exercise in the management of the property of one another, not in regard to speculation, but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of their capital.

*Concentration of Credit Risk:* The Town diversifies its investments by security type, individual financial institutions, and maturities. Investments may only be made in those financial institutions which are insured by the FDIC, the Federal Home Mortgage Association, the Federal Savings and Loan Insurance Corporation, congressionally authorized mortgage lenders and investments that are federally guaranteed. A minimum of 50% of the investable assets of the Town will be maintained in US Treasury obligations, Federal instrumentality securities, repurchase agreements, and local government investment pools. Financial institutions holding Town funds must provide the Town with a statement of collateral in the form of a listing of securities pledged, and a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

*Pools:* The Town's holdings in investment pools are comprised of balances with COLOTRUST, CSIP and C-SAFE, which are investment vehicles established for local government entities in Colorado to pool surplus funds. They operate similarly to money market funds, whereby each share is equal in value to \$1. Investments of the trusts consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. The Town has no regulatory oversight for the pools. Investment balances in the pools are not subject to limitations or restrictions on withdrawals.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**B. Receivables**

Receivables as of December 31, 2019 for the Town's funds, including applicable allowances for uncollectible accounts, were as follows:

	<b>General Fund</b>	<b>Summit County Housing 5A</b>	<b>Capital Improvement Fund</b>	<b>Lodging Tax Fund</b>	<b>Water Fund</b>	<b>Marina Fund</b>	<b>Total</b>
Property taxes	\$ 198,084	-	-	-	-	-	198,084
Other taxes	656,922	314,216	-	88,568	-	-	1,059,706
Intergovernmental	979,712	-	391,975	-	-	-	1,371,687
Employees	27,649	-	-	-	-	-	27,649
Other	154,109	-	50,840	-	251,905	11,266	468,120
Non-current	65,748	-	-	-	-	-	65,748
Gross Receivables	<u>2,082,224</u>	<u>314,216</u>	<u>442,815</u>	<u>88,568</u>	<u>251,905</u>	<u>11,266</u>	<u>3,190,994</u>
Less: Allowance for uncollectibles	-	-	-	-	-	-	-
<b>Net Receivables</b>	<u><u>\$ 2,082,224</u></u>	<u><u>314,216</u></u>	<u><u>442,815</u></u>	<u><u>88,568</u></u>	<u><u>251,905</u></u>	<u><u>11,266</u></u>	<u><u>3,190,994</u></u>

**C. Governmental Note Receivable**

On June 3, 2013, the Town accepted a \$4,500,000 Promissory Note from Brynn Grey X, LLC ("Brynn Grey") as proceeds for the sale of land. The Promissory Note, which is secured by a Deed of Trust on the land, matures in June 2033, and bears simple interest at 2.25% per annum. However, if Brynn Grey completes construction of certain buildings on the land securing the promissory note before June 3, 2018, the Promissory Note is to bear simple interest at 1.75% per annum. The agreement was amended July 28, 2017 to modify the construction completion requirement to include covenanted work force housing. Brynn Grey has since satisfied the construction requirements, so the Promissory Note bears simple interest at 1.75% per annum. As of December 31, 2019, the Town has accrued interest of \$517,808 receivable with respect to the Promissory Note.

No payment of interest or principal is due during the first 10 years of the Promissory Note's term, with annual blended payments due beginning June 3, 2024 as follows:

2024	\$ 200,000
2025	200,000
2026	200,000
2027	200,000
2028	200,000
2029 - 2032	1,000,000
2033	4,659,587
<b>Total</b>	<u><u>\$ 6,659,587</u></u>



**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**D. Capital Assets**

Governmental capital asset activity for the year ended December 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Governmental Activities:</i>				
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 7,954,195	-	-	7,954,195
Intangibles	381,528	-	-	381,528
Construction in progress	1,667,460	418,011	(1,562,226)	523,245
<b>Total Capital Assets Not Being Depreciated</b>	<u>10,003,183</u>	<u>418,011</u>	<u>(1,562,226)</u>	<u>8,858,968</u>
<b>Capital Assets Being Depreciated:</b>				
Buildings and improvements	11,663,323	1,452,857	-	13,116,180
Infrastructure and improvements	36,485,018	1,226,041	-	37,711,059
Equipment and vehicles	6,773,145	1,068,391	(683,260)	7,158,276
Total Capital Assets Being Depreciated	<u>54,921,486</u>	<u>3,747,289</u>	<u>(683,260)</u>	<u>57,985,515</u>
Less Accumulated Depreciation For:				
Buildings and improvements	(3,724,351)	(346,892)	-	(4,071,243)
Infrastructure and improvements	(13,077,546)	(977,952)	-	(14,055,498)
Equipment and vehicles	(4,643,977)	(663,597)	683,260	(4,624,314)
Total Accumulated Depreciation	<u>(21,445,874)</u>	<u>(1,988,441)</u>	<u>683,260</u>	<u>(22,751,055)</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>33,475,612</u>	<u>1,758,848</u>	<u>-</u>	<u>35,234,460</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 43,478,795</u>	<u>2,176,859</u>	<u>(1,562,226)</u>	<u>44,093,428</u>

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**D. Capital Assets (continued)**

Business-type capital asset activity for the year ended December 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Business-type Activities:</i>				
<b>Capital Assets Not Being Depreciated:</b>				
Land, easements and water rights	\$ 102,562	-	-	102,562
Projects in progress	848,992	28,499	(669,197)	208,294
<b>Total Capital Assets Not Being Depreciated</b>	<u>951,554</u>	<u>28,499</u>	<u>(669,197)</u>	<u>310,856</u>
<b>Capital Assets Being Depreciated:</b>				
Buildings and improvements	6,094,907	29,248	-	6,124,155
Infrastructure and improvements	9,635,845	4,585,807	-	14,221,652
Equipment and vehicles	1,818,973	25,012	(14,079)	1,829,906
<b>Total Capital Assets Being Depreciated</b>	<u>17,549,725</u>	<u>4,640,067</u>	<u>(14,079)</u>	<u>22,175,713</u>
Less Accumulated Depreciation For:				
Buildings and improvements	(3,880,877)	(163,918)	-	(4,044,795)
Infrastructure and improvements	(4,227,275)	(306,996)	-	(4,534,271)
Equipment and vehicles	(1,237,162)	(162,790)	14,079	(1,385,873)
<b>Total Accumulated Depreciation</b>	<u>(9,345,314)</u>	<u>(633,704)</u>	<u>14,079</u>	<u>(9,964,939)</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>8,204,411</u>	<u>4,006,363</u>	<u>-</u>	<u>12,210,774</u>
<b>Business-type Activities Capital Assets, Net</b>	<u>\$ 9,155,965</u>	<u>4,034,862</u>	<u>(669,197)</u>	<u>12,521,630</u>

Depreciation expense for 2019 was charged to Town functions as follows:

<b>Governmental Activities:</b>	
General government	\$ 418,506
Public safety	47,848
Public works	907,034
Community development	15,377
Culture and recreation	599,676
<b>Total Depreciation Expense - Governmental Activities</b>	<u>\$ 1,988,441</u>
<b>Business-type Activities:</b>	
Water Fund	\$ 325,355
Marina Fund	308,349
<b>Total Depreciation Expense - Business-type Activities</b>	<u>\$ 633,704</u>

At December 31, 2019, the Town had \$6,802,302 of fully depreciated assets.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**E. Operating Leases**

The Town is committed under various leases for buildings, office space, and equipment. For accounting purposes, these leases are considered to be operating leases, and therefore, the liability and the related assets have not been recorded in these financial statements.

**F. Interfund Receivables, Payables, and Transfers**

**1. Loan Agreement – Water Fund and Capital Improvement Fund**

Effective December 31, 2014, the Town's Capital Improvement Fund was authorized to borrow \$1,000,000 from the Town's Water Fund in order to pay for Main Street improvements completed in 2014. Interest will be calculated annually on December 1, beginning in 2015 and continuing through 2029, at a rate equal to the average annual interest rate earned on the Town's idle funds during the preceding eleven months as multiplied by amounts outstanding each year at December 1. Beginning in 2015, blended interest and principal payments of \$30,000 will be paid annually through December 1, 2019. Beginning in 2020, payments will include interest plus a portion of the outstanding balance necessary by estimate to result in full payment of the remaining outstanding amount no later than December 1, 2029.

At December 31, 2019, the principal amount outstanding on this loan was \$898,698. Interest payments made by the Capital Improvement Fund to the Water Fund during 2019 totaled \$19,814, representing an interest rate of 2.18% per annum for the year.

**2. Internal Balances**

Balances due between funds at December 31, 2019 were as follows:

<u>Due To</u>	<u>Due From</u>	<u>Balance</u>	<u>Purpose</u>
Water Fund	Capital Fund	\$ 898,698	Main Street improvements

**3. Transfers**

The following interfund transfers occurred during the year ended December 31, 2019:

<u>Transferred To</u>	<u>Transferred From</u>	<u>Amount Transferred</u>	<u>Purpose of Transfer</u>
Capital Fund	General Fund	\$ 3,304,674	Fund capital projects

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**G. Long-term Liabilities**

Governmental Activities:

**1. Refunding Certificates of Participation, Series 2010A**

On June 3, 2010, the Authority issued \$1,950,000 in Refunding Certificates of Participation to advance refund Series 2002 Certificates of Participation maturing December 1, 2010 through 2021 with total principal due of \$1,765,000 and bearing interest rates from 4% to 5%. The 2010A Refunding Certificates of Participation bear interest ranging from 2% to 4% and mature in annual increments from December 1, 2010 through 2021.

The net proceeds of \$1,917,775 were deposited with UMB Corporate Trust Services, as trustee, to provide for all future debt service payments on the advance refunded Series 2002 certificates. The reacquisition price exceeded the net carrying amount of the old certificates by \$237,706. This amount is being netted against the new debt and amortized over the life of remaining life of the debt.

**2. Lease Purchases**

**A. First & Main Frisco, L.L.C.**

On April 1, 2015, the Town executed a lease purchase agreement with First & Main Frisco, L.L.C. for the purchase of certain real property in the amount of \$1,200,000 and bearing interest at 4% per annum. Blended principal and interest payments are due beginning April 1, 2015 in the amount of \$36,000 and continuing January 1, 2016 through January 1, 2031 in the amount of \$100,000.

**B. ZB, N.A., dba Vectra Bank Colorado**

On August 24, 2017 the Town executed a non-taxable lease purchase agreement with ZB, N.A., dba Vectra Bank Colorado to advance refund Series 2010B Certificates of Participation maturing 2021 through 2030 with total rent payments due of \$2,487,000 and bearing interest at 2.6% per annum, to be paid annually December 1, 2017 through 2030.

The net proceeds of \$2,412,441 were deposited with UMB Corporate Trust Services, as trustee, to provide for all future debt service payments on the advance refunded Series 2010B Certificates of Participation.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**G. Long-term Liabilities (continued)**

Governmental Activities (continued):

**3. Annual Debt Service Requirements – Governmental Activities**

Aggregate annual debt service requirements to maturity for governmental activities are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 295,627	111,051	406,678
2021	303,781	99,526	403,307
2022	313,136	89,754	402,890
2023	315,197	80,598	395,795
2024	321,369	71,349	392,718
2025 - 2029	1,676,309	211,423	1,887,732
2030 - 2031	391,994	13,914	405,908
<b>Total</b>	<b>\$ 3,617,413</b>	<b>677,615</b>	<b>4,295,028</b>

Business-type Activities:

**4. Marina Revenue Bonds**

On February 26, 2019, the Town, through its Marina Enterprise Fund, issued \$5,450,000 in Marina Enterprise Revenue Bonds, Series 2019. The bonds, which mature through December 1, 2048, bear interest at 5% per annum. Net proceeds are being used to pay construction costs for marina expansion, debt-related issuance costs, and to fund a debt reserve account. Repayment of the bonds will be from the revenues of the Marina Enterprise Fund, with interest payments on June 1 and December 1, beginning in 2019, and annual principal payments due December 1, beginning in 2021.

Debt service requirements to maturity for business-type activities are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ -	272,500	272,500
2021	75,000	272,500	347,500
2022	80,000	268,750	348,750
2023	85,000	264,750	349,750
2024	90,000	260,500	350,500
2025 - 2029	560,000	1,227,250	1,787,250
2030 - 2034	765,000	1,067,750	1,832,750
2035 - 2039	1,030,000	851,250	1,881,250
2040 - 2044	1,365,000	562,500	1,927,500
2045 - 2048	1,400,000	180,000	1,580,000
<b>Total</b>	<b>\$ 5,450,000</b>	<b>5,227,750</b>	<b>10,677,750</b>

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**H. Long-term Liabilities – Compensated Absences**

The Town has a policy allowing the accumulation of paid vacation and sick leave, subject to certain maximum limits. In accordance with GAAP, the Town's approximate liability for vacation and sick pay earned by employees at December 31, 2019 has been reflected in the proprietary type fund financial statements and in the governmental activities column of the government-wide financial statements. The General Fund has been used in prior years to liquidate the liability for compensated absences related to governmental activities. The proprietary funds are used to liquidate the liability for compensated absences related to business-type activities.

**I. Long-term Liabilities – Debt Service Schedule**

Long-term liability activity for the year ended December 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
<i>Certificates of Participation:</i>					
Series 2010A	\$ 475,000	-	(200,000)	275,000	210,000
Issuance premium	1,526	-	(889)	637	-
Certificates of Participation, net	<u>476,526</u>	<u>-</u>	<u>(200,889)</u>	<u>275,637</u>	<u>210,000</u>
<i>Lease Purchases:</i>					
First & Main, L.L.C.	965,686	-	(61,373)	904,313	63,827
Vectra Bank Colorado	2,459,300	-	(21,200)	2,438,100	21,800
Capital leases, net	<u>3,424,986</u>	<u>-</u>	<u>(82,573)</u>	<u>3,342,413</u>	<u>85,627</u>
Net pension liability	-	129,084	-	129,084	-
Compensated absences	<u>286,200</u>	<u>685,846</u>	<u>(326,236)</u>	<u>645,810</u>	<u>258,324</u>
<b>Total Governmental Activities Long-term Liabilities</b>	<b><u>\$ 4,187,712</u></b>	<b><u>814,930</u></b>	<b><u>(609,698)</u></b>	<b><u>4,392,944</u></b>	<b><u>553,951</u></b>
<b>Business-type Activities:</b>					
Revenue bonds	\$ -	5,450,000	-	5,450,000	-
Issuance premium	-	65,351	(2,178)	63,173	-
Revenue bonds, net	<u>-</u>	<u>5,515,351</u>	<u>(2,178)</u>	<u>5,513,173</u>	<u>-</u>
Compensated absences	<u>33,329</u>	<u>124,095</u>	<u>(79,299)</u>	<u>78,125</u>	<u>31,250</u>
<b>Total Business-type Activities Long-term Liabilities</b>	<b><u>\$ 33,329</u></b>	<b><u>5,639,446</u></b>	<b><u>(81,477)</u></b>	<b><u>5,591,298</u></b>	<b><u>31,250</u></b>

**J. Reporting Requirements**

The Town is compliant in ongoing disclosure requirements to the secondary bond market in accordance with the Securities and Exchange Commission's Rule 215c2-12.

**K. Refunded Debt**

At various dates, the Town has invested proceeds from refunding debt issues in securities issued by the U.S. government and related agencies and held in escrow trust accounts. The amounts placed in these escrow trust accounts and the interest to be earned on the investments have been timed to adequately meet all debt service requirements of the Town's refunded certificates of participation.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**K. Refunded Debt (continued)**

The escrow trust accounts are administered by the trustees and are restricted for the retirement of the refunded debt. The liability for the refunded certificates and the related securities and escrow accounts are not included in the accompanying financial statements, as the Town is only contingently liable for the refunded debt and therefore, the refunded bonds are considered to be extinguished debt. The Town is unable to determine the amount of defeased certificates outstanding at December 31, 2019.

**L. Fund Balance Disclosures**

The Town classifies governmental fund balances as follows:

*Non-spendable* – includes fund balance amounts inherently non-spendable since they represent inventories, prepaid items, and long-term portions of loans receivable.

*Spendable Fund Balance:*

*Restricted* - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

*Committed* - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority, which is the Town Council. The Town Council must take formal action through either an ordinance or a resolution – both of which are equally binding – to establish, modify or rescind committed fund balance amounts.

*Assigned* – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Town Council or its management designees. The Town Manager has the authority to establish, modify or rescind assigned fund balance to a specific department or project within a fund, as stated in the Town's adopted financial policies.

*Unassigned* – includes residual positive fund balance within the General Fund, which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Town's restricted amounts are to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit this, such as grant agreements that require dollar for dollar spending. Additionally, the Town would first use committed, then assigned, and lastly unassigned amounts when expenditures are made.

The Town's General Fund has a seven month required reserve based on prior year expenditures.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**IV. Detailed Notes on all Funds (continued)**

**L. Fund Balance Disclosures (continued)**

As of December 31, 2019, fund balances are composed of the following:

<u>Classification</u>	<u>General Fund</u>	<u>Summit County</u>			<u>Total Governmental Funds</u>
		<u>Housing Authority 5A Fund</u>	<u>Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	
<b>Non-spendable:</b>					
Inventories	\$ 33,834	-	-	13,122	46,956
Prepays	2,444	-	9,975	-	12,419
Long-term receivables	65,748	-	-	-	65,748
<b>Restricted:</b>					
State constitution:					
TABOR reserve	621,000	-	-	-	621,000
Conservation Trust	-	-	-	50,287	50,287
Debt service	-	-	145,106	-	145,106
Historic preservation	-	-	-	1,013	1,013
Voter-approved measures for:					
Affordable housing	-	5,289,173	-	-	5,289,173
Economic development	-	-	-	624,755	624,755
<b>Committed:</b>					
Council resolutions:					
Insurance reserve	-	-	-	210,027	210,027
Open space	-	-	-	12,398	12,398
Capital projects	-	-	7,985,452	-	7,985,452
<b>Assigned:</b>					
Internal balances	-	-	-	-	-
Due from other governments	7,534	-	-	-	7,534
Cash held for others	10,696	-	-	-	10,696
<b>Unassigned</b>	<b>7,399,718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,399,718</b>
<b>Total</b>	<b>\$ 8,140,974</b>	<b>5,289,173</b>	<b>8,140,533</b>	<b>911,602</b>	<b>22,482,282</b>

**V. Other Information**

**A. Marina Lease Agreement**

In 1994, the Town entered into a lease agreement (the "Lease") with the City and County of Denver ("Denver"), through Denver's Board of Water Commissioners (the "Water Board"), whereby the Town was granted the exclusive right to occupy and use certain real property and water surface covering real property at the Dillon Reservoir (collectively, the "Marina Property"). Under the Lease, the Town is authorized to use the Marina Property for marina operations and other recreational activities, as approved by the Water Board. No water rights were granted to the Town through the Lease.

The Lease calls for the Town to pay annual rent equal to 4% of gross revenue generated from the Marina Property from all sources, including mooring fees collected by the Town. The Town incurred an expense of \$61,035 in connection with the Lease during 2019.



**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**B. Colorado River Cooperative Agreement**

On December 31, 2018 the Town held \$664,551 of funds received via the Summit County Board of Commissioners and their participation in the Colorado River Cooperative Agreement (the "CRCA"). The CRCA is a cooperative agreement with the Denver Water Board and multiple agencies that have an interest in the use and impacts of the Colorado River and its tributaries. The Marina must use the amounts received for pier redevelopment, including the dredging and excavation of the Marina boat mooring and dock areas. During 2019 the Town used these funds for Marina improvements.

**C. Deferred Compensation Plan**

The Town offers its full time, year-round employees a deferred compensation plan created in accordance with section 457 of the Internal Revenue Code (the "457 Plan"). The 457 Plan permits eligible employees to defer a portion of their salary until future years.

All compensation deferred under the 457 Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the participants and their beneficiaries. Compensation deferred under the 457 Plan is not available to employees until termination, retirement, death, or unforeseeable emergency.

The Town does not contribute to the 457 Plan; however, the Town does match participating employees' contributions through a contribution to the Town's 401(a) plan as discussed below. Employees may elect to defer any percentage of their annual compensation, provided that the total annual contribution does not exceed limitations established by the Internal Revenue Service.

Investment decisions within the 457 Plan are determined by the individual participants and, therefore, the 457 Plan's investment concentration varies between participants.

The Town is the Trustee of the 457 Plan and, accordingly, has no liability for losses under the plan. However, the Town does have the duty of due care that would be required of an ordinary prudent investor. Consequently, the 457 Plan is not part of the Town's financial statements.

**D. Pension Plan - Section 401(a) Plan**

In 2008, the Town established a qualified money purchase pension plan under section 401(a) of the Internal Revenue Code (the "Pension Plan"). The Pension Plan is administered by ICMA Retirement Corporation ("ICMA").

The Pension Plan is a defined contribution plan, in which benefits depend solely on amounts contributed and investment earnings. Employees do not make contributions to the Pension Plan. Rather, the Town makes contributions to the Pension Plan to match a portion of employee contributions to the 457 Plan. Under the terms of the Pension Plan, the Town contributes 3% of each participating employee's salary during the first two years of eligibility and one additional percent for each succeeding year, to a maximum of 7%.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**D. Pension Plan - Section 401(a) Plan (continued)**

Town employees are eligible to participate in the Pension Plan upon employment, provided they make elective contributions to the 457 Plan. For employees hired after January 1, 2005, vesting of the Town's contribution is 33% after the first year of employment, with an additional vesting of 33% per year through the third year, when vesting is 100%. Employees hired before January 1, 2005 were 100% vested upon employment.

Pension Plan investment purchases are determined by the individual participants, and therefore, the Pension Plan's investment concentration varies between participants.

The Town's annual pension cost of \$203,926 for the Pension Plan was equal to the Town's required and actual contribution.

The Town may use the plan's forfeitures to pay the costs of the plan or to fund employer contributions. During 2019 the Town used \$1,632 of forfeitures to fund contributions. The forfeitures available for spending at December 31, 2019 totaled \$1,286.

While the Town is trustee of the Pension Plan, it has no liability for losses under the Pension Plan. Accordingly, the Pension Plan is not part of the Town's financial statements.

**E. FPPA Statewide Defined Benefit Plan**

*Plan Description:* The Statewide Defined Benefit Plan (the "SWDB") is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided they are not already covered by a statutorily exempt plan. As of August 1, 2003, the SWDB may include clerical and other personnel from fire districts whose services are auxiliary to fire protection.

*Contributions:* Determined by state statute or by election of the members, contributions are set at a level that enables all benefits to be fully funded at the retirement date of all members. Employers and employees are contributing at a rate of 8% and 10%, respectively, of base salary for a total contribution rate of 18% through 2018. In 2014, the members elected to increase the member contribution rate 0.5% annually from 2015 through 2022 to a total of 12% of base salary. Employer contributions will remain at 8% resulting in a combined contribution rate of 20% in 2022. Contributions from members and employers of plans re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 22% of base salary through 2018. It is a local decision on who pays the additional 4% contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5% annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24%.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**E. FPPA Statewide Defined Benefit Plan (continued)**

*Benefits:* On May 23, 1983, the Colorado Revised Statutes were amended to allow the Trustees of the SWDB to change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The amended statutes state that retirement age should not be less than age 55 or more than age 60. The Trustees subsequently elected to amend the retirement provisions, effective July 1, 1983, such that any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. Benefits paid to retired members are evaluated 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.

In addition, upon retirement a member may receive additional benefits credited to the member's Separate Retirement Account ("SRA") each year after January 1, 1988. These are attributable to contributions in excess of the actuarially determined pension cost and the allocation of the net Fire & Police Members' Benefit Investment Fund earnings and losses thereon. Members do not vest in amounts credited to their SRA until retirement, and the SWDB may use such stabilization reserve amounts to reduce pension cost in the event such cost exceeds contributions. It was previously mentioned that re-entry members have a higher contribution rate. As a result, their SRA has two components: the standard SRA and the re-entry SRA.

The component of a member's SRA attributable to the higher contribution rate is considered the re-entry SRA. The re-entry SRA cannot be used to subsidize the costs for the non-re-entry members. Effective July 1, 2014, the standard SRA contribution rate for members of the SWDB was set at 0 percent. The re-entry SRA contribution rate was set at 3.7 percent.

A member is eligible for an early retirement at age 50 with at least 5 years of credited services or after 30 years of 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 SWDB and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**E. FPPA Statewide Defined Benefit Plan (continued)**

*Net Pension (Asset) Liability:* At December 31, 2019, the SWDB's fiduciary net position is exceeded by the total pension liability; consequently, the Town reported a liability of \$129,084 for its proportionate share of the SWDB's net pension asset. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2019. The Town's proportion of the net pension liability was based on Town contributions to the SWDB for the calendar year 2018, relative to the total contributions of participating employers to the SWDB.

At the December 31, 2018 measurement, the Town's proportionate share was 0.102109%, as compared to 0.129007% at the December 31, 2017 measurement.

For the year ended December 31, 2019, the Town recognized pension revenue of \$42,166.

At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 165,863	1,379
Change of assumptions or other inputs	125,015	-
Net difference between projected and actual earnings on pension plan investments	101,546	-
Changes in proportionate share of contributions	101,923	11,902
Difference between actual and reported contributions recognized	591	-
Contributions subsequent to measurement date	59,472	-
	<u>\$ 554,410</u>	<u>13,281</u>

Contributions subsequent to the measurement date of December 31, 2018 – which are reported as deferred outflows of resources related to pensions – will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending December 31,</b>	<b>Amortization</b>
2020	\$ 85,608
2021	64,410
2022	56,549
2023	86,080
2024	47,776
Thereafter	141,234
	<u>\$ 481,657</u>

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**E. FPPA Statewide Defined Benefit Plan (continued)**

*Actuarial assumptions:* The collective total pension liability and actuarially-determined contributions in the December 31, 2018 actuarial valuation were determined using the following actuarial assumptions and other inputs:

<u>Actuarial Assumptions</u>	<u>Total Pension Liability</u>	<u>Actuarially Determined Contributions</u>
	2019	2018
Actuarial Valuation Date - January 1	2019	2018
Actuarial method	Entry Age	Entry Age
	Normal	Normal
Amortization Method	N/A	Level % of Payroll, open
Amortization Period	N/A	30 years
Long-term Investment Rate of Return	7.0	7.5%
Projected Salary Increases	4.25% -	4.0% - 14.0%
Cost of Living Adjustments (COLA)	0.0%	0.0%
Includes inflation at	2.5%	2.5%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. 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, 2019 and were used in the rollforward calculation of total pension liability as of December 31, 2018. Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**E. FPPA Statewide Defined Benefit Plan (continued)**

*Actuarial assumptions (continued):* 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, 2018 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long Term Expected Real Rate of Return</b>
Global Equity	37.00%	8.03%
Equity Long / Short	9.00%	6.45%
Illiquid Alternatives	24.00%	10.00%
Fixed Income	15.00%	2.90%
Absolute Return	9.00%	5.08%
Managed Futures	4.00%	5.35%
Cash	2.00%	2.52%
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.

*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%; the municipal bond rate is 3.71% (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%.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**E. FPPA Statewide Defined Benefit Plan (continued)**

*Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate:* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Collective net pension liability (asset)	\$490,270,474	\$ 126,427,453	\$(175,373,752)
Proportionate share of net pension liability (asset)	\$ 500,611	\$ 129,084	\$ (179,073)

*Pension plan fiduciary net position:* Detailed information about the SWDB's fiduciary net position is available in FPPA's comprehensive annual financial report, which can be obtained at: [http://www.fppaco.org/annual\\_reports.htm](http://www.fppaco.org/annual_reports.htm).

**F. FPPA Death and Disability Plan**

*Plan Description:* Police officers of the Town contribute to the Statewide Death and Disability Plan ("SWDD"). The SWDD is a cost-sharing multiple-employer defined benefit death and disability plan administered by FPPA. Contributions to the SWDD are used solely for the payment of death and disability benefits. The SWDD was established in 1980 pursuant to Colorado Revised Statutes.

SWDD benefits provide 24-hour coverage for both on- and off-duty members not eligible for normal retirement under a defined benefit plan, and members who have not met 25 years of accumulated service and age 55 under a money purchase plan.

In the case of an on-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire but were still working. Death and disability benefits are free from state and federal taxes in the event that a member's disability is determined to be the result of an on-duty injury or an occupational disease.

*Funding Policy:* Prior to 1997, the SWDD was primarily funded by the State of Colorado (the "State"), whose contributions were established by Colorado statute. In 1997, the State made a one-time contribution of \$39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated.

The SWDD is funded by member or on-behalf of member contributions. Members hired on or after January 1, 1997, began contributing 2.4 percent of base salary to the SWDD. Contributions may be increased 0.1 percent biennially by the FPPA Board. As of January 1, 2017, the contribution rate is 2.7 percent of base salary. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The 2.7 percent contribution may be paid entirely by the Town or member, or it may be split between the Town and the member as determined at the local level. The Town paid \$20,072 on-behalf of members to the SWDD at December 31, 2019.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**F. FPPA Death and Disability Plan (continued)**

FPPA issues a publicly available comprehensive annual financial report which includes additional information on the SWDD. That report can be obtained at <https://www.fppaco.org/annual-reports.html>.

**G. Retirement Health Savings Account**

Effective January 1, 2019, the Town established a Retirement Health Savings Account ("RHSA") for employees after their sick leave balance exceeds 480 hours. RHSA accounts are offered as a benefit to employees in an effort to assist employees and their qualified dependents post-employment. In accordance with IRS regulations and the RHSA plan document, funds in an RHSA can only be used for approved medical, dental, and vision premiums for the employee and their qualified dependents. Funds deposited into an employee's RHSA cannot be accessed until the employee separates from the Town.

For vested employees with sick leave balances exceeding 480 hours at the end of the calendar year, those hours exceeding 480 hours are exchanged for the equivalent to the employee's rate of pay on December 31 and deposited into the employee's RHSA. This exchange takes place in January of the following year and does not occur earlier, even in the case of a separation of service.

The RHSA plan is administered by ICMA under an agreement which shall be in effect until 2024 and will automatically renew for each succeeding year unless terminated in writing by either party 60 days prior to the end of year.

Employees are 100% vested at all times.

RHSA investment purchases are determined by the individual participants, and therefore, the RHSA's investment concentration varies between participants.

The Town's contributed \$38,487 to RHSA for 2019.

While the Town is trustee of the RHSA, it has no liability for losses under the RHSA plan. Accordingly, the RHSA is not part of the Town's financial statements.

**H. Cafeteria Plan**

The Town offers a cafeteria compensation plan organized under Section 125 of the Internal Revenue Code, which includes dependent care and health expense reimbursement. No cost to the Town is recognized as the plan is a salary reduction plan.

**I. Risk Management**

**1. Colorado Intergovernmental Risk Sharing Agency**

The Town is also exposed to the risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. To address such risks, the Town is a participant in a public entity risk pool administered by Colorado Intergovernmental Risk Sharing Agency ("CIRSA").



**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**I. Risk Management (continued)**

**1. Colorado Intergovernmental Risk Sharing Agency (continued)**

CIRSA's operations are funded by contributions from member governments. Coverage is provided in the amount of \$500,000 per claim or occurrence for property, \$600,000 per claim or occurrence for liability, and \$150,000 per claim or occurrence for crime. CIRSA has also acquired additional excess coverage from outside sources. While the Town may be liable for any losses in excess of this coverage, the Town does not anticipate such losses at December 31, 2019. The deductible amount paid by the Town for each incident in 2019 was \$1,000; there is no change in coverage from past years. All settlements for the year ended December 31, 2019 were under the maximum coverage allowed.

Surpluses or deficits realized by CIRSA for any given year are subject to change for such reasons as interest earnings on invested amounts for those years and funds, re-estimation of losses for those years and funds, and credits or distributions from surplus for those years and funds.

The Town's share of CIRSA's assets, liabilities and fund equity as of December 31, 2018 (the latest year for which audited data is available) is as follows:

<u>Property and Casualty Pool</u>	<u>Equity Ratio</u>	<u>Share of Surplus (Deficit) Dec. 31/19</u>
Operating Fund	0.710%	\$ 32,755
Loss Fund	0.627%	104,370
Pooled Excess Fund	0.273%	(15,788)
Reserve Fund	0.683%	62,622

CIRSA's combined financial information for the year ended December 31, 2019 (the latest year for which audited data is available) is summarized as follows:

<b>Assets:</b>	
Cash and investments	\$ 80,357,222
Other assets	6,997,623
<b>Total assets</b>	<u>\$ 87,354,845</u>
 <b>Total liabilities</b>	 <u>\$ 37,380,157</u>
 <b>Net position</b>	 <u>\$ 49,974,688</u>
Total contributions and other revenues	\$ 29,379,298
Total expenses and distributions	(32,625,512)
<b>Change in net position</b>	<u>\$ (3,246,214)</u>

A copy of CIRSA's audit report can be obtained by writing to CIRSA, 3665 Cherry Creek North Drive, Denver, CO 80209, or by calling (800)-228-7136.

**Town of Frisco, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2019**  
**(Continued)**

**V. Other Information (continued)**

**I. Risk Management (continued)**

**2. Workers Compensation and Health Insurance**

The Town is exposed to various risks of loss related to workers' compensation, unemployment, and general liability. The Town has acquired commercial coverage for these risks and any settled claims are not expected to exceed the commercial insurance coverage. There is no change in coverage from past years, and settlements have not exceeded coverage for each of the past three fiscal years.

The Town also offers health insurance to certain employees through the City's self-funded health plan with excess coverage underwritten by a commercial carrier. Liabilities for retained risk claims are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported ("IBNR").

The following is a summary of the changes in the balances of claims liabilities during 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Unpaid (prepaid) claims, beginning of year	\$ 171,276	78,230
New claims incurred	966,324	1,379,689
Claim payments	<u>(992,900)</u>	<u>(1,286,643)</u>
Unpaid (prepaid) claims, end of year	<u>\$ 144,700</u>	<u>171,276</u>

**J. Claims and Contingencies**

**1. Legal Claims**

During the normal course of business, the Town incurs claims and other assertions against it from various agencies and individuals. The Town and legal counsel intend to vigorously defend such claims. In the opinion of the Town's management, such claims would not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the Town at December 31, 2019.

**2. Federal Funds**

Funds received from Federal grants and programs are subject to audit and disallowance on ineligible costs. Management of the Town feels any potential questioned or disallowed costs would not materially affect the fairness of the presentation of the financial statements at December 31, 2019.

**K. Subsequent Event**

The spread of COVID-19 may have operational, economic and financial impacts on the Town. The significance and duration of the potential impacts cannot be reasonably estimated at this time.

**REQUIRED SUPPLEMENTARY INFORMATION**



**Town of Frisco, Colorado**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	2019			Final Budget Variance Positive (Negative)	2018
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
<b>Taxes:</b>					
General property	160,000	160,000	159,915	(85)	158,901
Specific ownership	8,000	8,000	9,015	1,015	9,443
City sales tax	4,525,000	4,525,000	4,973,994	448,994	4,679,210
County sales tax	4,875,000	4,875,000	5,243,063	368,063	4,928,635
Franchise fees	320,000	320,000	326,461	6,461	318,602
Other taxes	363,000	363,000	440,671	77,671	404,064
<b>Total - Taxes</b>	<b>10,251,000</b>	<b>10,251,000</b>	<b>11,153,119</b>	<b>902,119</b>	<b>10,498,855</b>
<b>License and Permits:</b>					
Business and liquor licenses	130,000	130,000	178,777	48,777	154,999
Development	109,000	109,000	104,106	(4,894)	87,052
Building	275,000	275,000	326,326	51,326	385,328
Short term rental licenses	125,000	125,000	44,276	(80,724)	-
Other	800	800	585	(215)	515
<b>Total - License and Permits</b>	<b>639,800</b>	<b>639,800</b>	<b>654,070</b>	<b>14,270</b>	<b>627,894</b>
<b>Intergovernmental:</b>					
Highway users	110,000	110,000	135,520	25,520	137,839
County road and bridge	73,000	73,000	81,724	8,724	80,930
Grants	20,000	20,000	7,463	(12,537)	27,022
Motor vehicle registration	15,500	15,500	38,349	22,849	24,392
Other	3,500	3,500	13,425	9,925	3,614
<b>Total - Intergovernmental</b>	<b>222,000</b>	<b>222,000</b>	<b>276,481</b>	<b>54,481</b>	<b>273,797</b>
<b>Charges for Services:</b>					
Nordic Center	345,600	345,600	492,385	146,785	418,495
Historic Park	12,500	12,500	13,952	1,452	16,241
Special events	540,500	540,500	521,194	(19,306)	528,896
Recreation fees	286,500	286,500	336,257	49,757	300,212
Frisco Adventure Park fees	1,948,500	1,948,500	2,058,039	109,539	2,103,355
Building rents	60,000	60,000	120,715	60,715	44,043
Police services and fines	49,000	49,000	40,329	(8,671)	47,275
Administration fees	62,500	62,500	62,500	-	62,500
<b>Total - Charges for Services</b>	<b>3,305,100</b>	<b>3,305,100</b>	<b>3,645,371</b>	<b>340,271</b>	<b>3,521,017</b>
<b>Investment Income</b>	<b>65,000</b>	<b>65,000</b>	<b>219,958</b>	<b>154,958</b>	<b>126,495</b>
<b>Other Revenues:</b>					
Other	45,750	45,750	85,240	39,490	56,673
<b>Total - Other Revenues</b>	<b>45,750</b>	<b>45,750</b>	<b>85,240</b>	<b>39,490</b>	<b>56,673</b>
<b>Total Revenues</b>	<b>14,528,650</b>	<b>14,528,650</b>	<b>16,034,239</b>	<b>1,505,589</b>	<b>15,104,731</b>

(Continued)

**Town of Frisco, Colorado**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**  
**(Continued)**

	2019			Final Budget Variance Positive (Negative)	2018
	Original Budget	Final Budget	Actual		Actual
<b>Expenditures:</b>					
<b>General Government:</b>					
Interdepartmental services	2,853,225	2,853,225	2,754,236	98,989	2,479,461
Legislative	71,236	71,236	73,109	(1,873)	67,705
Finance	325,572	325,572	320,662	4,910	309,140
Municipal Court	25,009	25,009	25,114	(105)	23,233
Administrative	861,110	861,110	830,965	30,145	780,582
Discretionary funds	65,000	65,000	80,200	(15,200)	55,586
<b>Total - General Government</b>	<u>4,201,152</u>	<u>4,201,152</u>	<u>4,084,286</u>	<u>116,866</u>	<u>3,715,707</u>
<b>Public Safety:</b>					
Police and animal control	1,712,888	1,712,888	1,457,574	255,314	1,404,537
<b>Community Development:</b>					
Planning and building department	719,042	719,042	692,609	26,433	690,858
Marketing and communications	582,333	582,333	549,194	33,139	559,169
Community relations	311,731	311,731	263,754	47,977	272,279
<b>Total - Community Development</b>	<u>1,613,106</u>	<u>1,613,106</u>	<u>1,505,557</u>	<u>107,549</u>	<u>1,522,306</u>
<b>Public Works:</b>					
Streets/properties - Maintenance/improvements	2,177,902	2,177,902	1,989,535	188,367	1,891,301
<b>Culture and Recreation:</b>					
Historic Park	323,539	323,539	261,656	61,883	259,301
Special events	842,830	842,830	713,113	129,717	736,161
Recreation	426,578	426,578	382,686	43,892	366,456
Frisco Adventure Park	1,307,679	1,307,679	1,149,405	158,274	1,145,278
Nordic Center	500,899	500,899	337,491	163,408	242,214
<b>Total - Culture and Recreation</b>	<u>3,401,525</u>	<u>3,401,525</u>	<u>2,844,351</u>	<u>557,174</u>	<u>2,749,410</u>
<b>Total Expenditures</b>	<u>13,106,573</u>	<u>13,106,573</u>	<u>11,881,303</u>	<u>1,225,270</u>	<u>11,283,261</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	1,422,077	1,422,077	4,152,936	2,730,859	3,821,470
<b>Other Financing Sources (Uses):</b>					
Transfers (out)	(651,071)	(651,071)	(3,304,674)	(2,653,603)	(2,191,510)
<b>Total Other Financing Sources (Uses)</b>	<u>(651,071)</u>	<u>(651,071)</u>	<u>(3,304,674)</u>	<u>(2,653,603)</u>	<u>(2,191,510)</u>
<b>Net Change in Fund Balance</b>	771,006	771,006	848,262	77,256	1,629,960
<b>Fund Balance - January 1</b>	<u>6,107,427</u>	<u>6,107,427</u>	<u>7,292,712</u>	<u>1,185,285</u>	<u>5,662,752</u>
<b>Fund Balance - December 31</b>	<u>6,878,433</u>	<u>6,878,433</u>	<u>8,140,974</u>	<u>1,262,541</u>	<u>7,292,712</u>

**Town of Frisco, Colorado**  
**Summit County Housing Authority 5A Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	<u>2019</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2018</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
County sales tax	1,100,000	1,100,000	1,618,610	518,610	1,393,760
Developer impact fees	115,000	115,000	124,399	9,399	118,316
Investment income	9,000	9,000	94,819	85,819	33,324
Rental income	70,320	70,320	88,776	18,456	6,938
<b>Total Revenues</b>	<u>1,294,320</u>	<u>1,294,320</u>	<u>1,926,604</u>	<u>632,284</u>	<u>1,552,338</u>
<b>Expenditures:</b>					
General government	82,740	82,740	48,442	34,298	45,463
Capital outlay	2,010,000	2,010,000	1,344	2,008,656	1,842,920
<b>Total Expenditures</b>	<u>2,092,740</u>	<u>2,092,740</u>	<u>49,786</u>	<u>2,042,954</u>	<u>1,888,383</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	(798,420)	(798,420)	1,876,818	2,675,238	(336,045)
<b>Other Financing Sources (Uses):</b>					
Sale of assets	-	-	-	-	1,358,385
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,358,385</u>
<b>Net Change in Fund Balance</b>	(798,420)	(798,420)	1,876,818	2,675,238	1,022,340
<b>Fund Balance - January 1</b>	<u>2,903,636</u>	<u>2,903,636</u>	<u>3,412,355</u>	<u>508,719</u>	<u>2,390,015</u>
<b>Fund Balance - December 31</b>	<u>2,105,216</u>	<u>2,105,216</u>	<u>5,289,173</u>	<u>3,183,957</u>	<u>3,412,355</u>

**Town of Frisco, Colorado**  
**Schedule of Town's Proportionate Share of Net Pension (Asset) Liability**  
**Statewide Defined Benefit Plan**  
**Fire and Police Pension Association of Colorado**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

	Measurement period ending December 31,					
	2018	2017	2016	2015	2014	2013
Town's portion of the net pension (asset) liability	0.102109%	0.129007%	0.147306%	0.134622%	0.137171%	0.176403%
Town's proportionate share of the net pension (asset) liability	129,084	(185,598)	53,226	(2,375)	(154,808)	(157,737)
Town's covered payroll	681,688	756,313	756,488	659,263	618,088	772,725
Town's proportionate share of the net pension (asset) liability as a percentage of its covered payroll	-18.9%	24.5%	-7.0%	0.4%	25.0%	20.4%
Plan fiduciary net position as a percentage of the total pension (asset) liability	95.20%	106.30%	98.21%	100.10%	106.80%	105.80%

\* Information is only available beginning in measurement year 2013.

**Town of Frisco, Colorado**  
**Schedule of Town Contributions**  
**Statewide Defined Benefit Plan**  
**Fire and Police Pension Association of Colorado**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

	Fiscal years ending December 31,					
	2019	2018	2017	2016	2015	2014
Contractually required contribution	59,472	54,535	60,505	60,519	52,741	49,447
Actual contributions	(59,472)	(54,535)	(60,505)	(60,519)	(52,741)	(49,447)
<b>Contribution deficiency (excess)</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Town's covered payroll	743,400	681,688	756,313	756,488	659,263	618,088
Contributions as a percentage of covered payroll	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

\*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2014



**Town of Frisco, Colorado**  
**Notes to the Required Supplementary Information**  
**December 31, 2019**

**I. Budgetary Information**

Budgets for governmental funds are prepared in accordance with accounting principles generally accepted in the United States of America by the Town's Finance Department and adopted by Town Council following a public hearing.

Any change in the total to a fund's budget requires approval of Town Council. All unexpended annual appropriations lapse at year-end. Budgets for these projects are appropriated in the following year.

**II. Notes to the Schedule of Town's Proportionate Share of Net Pension (Asset) Liability**

**A. Changes to Assumptions or Other Inputs**

**1. Changes Since the January 1, 2017 Actuarial Valuation**

- No changes.

**2. Changes Since the January 1, 2016 Actuarial Valuation**

- No changes.

**3. Changes Since the January 1, 2015 Actuarial Valuation**

Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees are a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except that it is a three-year set-forward, meaning a disabled member age 70 will be valued as if they were a 73-year-old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

**4. Changes Since the January 1, 2014 Actuarial Valuation**

For determining the total pension liability, the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality, is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB, are used.

**B. Changes of Benefit Terms**

No changes during the years presented.

**C. Changes of Size or Composition of Population Covered by Benefit Terms**

No changes during the years presented.

**Town of Frisco, Colorado**  
**Notes to the Required Supplementary Information**  
**December 31, 2019**  
**(Continued)**

**III. Notes to the Schedule of Town Contributions**

**A. Changes to Assumptions or Other Inputs**

No changes during the years presented.

**B. Changes of Benefit Terms**

No changes during the years presented.

**C. Changes of Size or Composition of Population Covered by Benefit Terms**

No changes during the years presented.

**SUPPLEMENTARY INFORMATION**



**Town of Frisco, Colorado**  
**Capital Improvement Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	<u>2019</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2018</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
Taxes - Real estate transfer fees	1,300,000	1,300,000	1,542,417	242,417	1,415,715
Intergovernmental - Grants	404,496	404,496	391,974	(12,522)	-
Investment income	50,000	50,000	136,049	86,049	116,072
Miscellaneous	73,440	73,440	7,796	(65,644)	-
<b>Total Revenues</b>	<u>1,827,936</u>	<u>1,827,936</u>	<u>2,078,236</u>	<u>250,300</u>	<u>1,531,787</u>
<b>Expenditures:</b>					
General government - Agent fees	2,000	2,000	1,500	500	1,500
Capital outlay	5,021,457	5,021,457	2,745,945	2,275,512	5,400,413
Debt service:					
Principal	302,573	302,573	282,573	20,000	274,712
Interest	131,561	131,561	141,420	(9,859)	145,370
<b>Total Expenditures</b>	<u>5,457,591</u>	<u>5,457,591</u>	<u>3,171,438</u>	<u>2,286,153</u>	<u>5,821,995</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(3,629,655)</u>	<u>(3,629,655)</u>	<u>(1,093,202)</u>	<u>2,536,453</u>	<u>(4,290,208)</u>
<b>Other Financing Sources (Uses):</b>					
Sale of assets	175,000	175,000	69,527	(105,473)	769,292
Transfers in	651,071	651,071	3,304,674	2,653,603	2,195,510
<b>Total Other Financing Sources (Uses)</b>	<u>826,071</u>	<u>826,071</u>	<u>3,374,201</u>	<u>2,548,130</u>	<u>2,964,802</u>
<b>Net Change in Fund Balance</b>	<u>(2,803,584)</u>	<u>(2,803,584)</u>	<u>2,280,999</u>	<u>5,084,583</u>	<u>(1,329,406)</u>
<b>Fund Balance - January 1</b>	<u>4,300,726</u>	<u>4,300,726</u>	<u>5,859,534</u>	<u>1,558,808</u>	<u>7,188,940</u>
<b>Fund Balance - December 31</b>	<u>1,497,142</u>	<u>1,497,142</u>	<u>8,140,533</u>	<u>6,643,391</u>	<u>5,859,534</u>

**Town of Frisco, Colorado**  
**Enterprise Fund - Water Fund**  
**Schedule of Revenues, Expenses and Change in Fund Net Position**  
**Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	<u>2019</u>			<b>Variance Positive (Negative)</b>	<u>2018</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>Operating Revenues:</b>					
Charges for service - User charges	900,000	900,000	980,287	80,287	964,017
Water meter sales	5,000	5,000	19,502	14,502	23,841
Other operating	-	-	1,404	1,404	1,684
<b>Total Operating Revenues</b>	<u>905,000</u>	<u>905,000</u>	<u>1,001,193</u>	<u>96,193</u>	<u>989,542</u>
<b>Operating Expenses:</b>					
Salaries and benefits	380,631	380,631	404,393	(23,762)	353,367
Administrative fees	42,500	42,500	42,500	-	42,500
Professional fees	85,000	85,000	72,757	12,243	80,095
Supplies	49,000	49,000	20,199	28,801	20,515
Utilities	70,000	70,000	63,427	6,573	55,823
Repair and maintenance	80,000	80,000	48,416	31,584	51,058
General expenses	65,800	65,800	78,206	(12,406)	83,660
Capital outlay	437,000	437,000	60,199	376,801	889,329
Water meter replacements	40,000	40,000	37,400	2,600	14,830
<b>Total Operating Expenses</b>	<u>1,249,931</u>	<u>1,249,931</u>	<u>827,497</u>	<u>422,434</u>	<u>1,591,177</u>
<b>Operating Income (Loss)</b>	<u>(344,931)</u>	<u>(344,931)</u>	<u>173,696</u>	<u>518,627</u>	<u>(601,635)</u>
<b>Non-operating Revenues (Expenses):</b>					
Intergovernmental - Non-operating grants	-	-	-	-	12,531
Investment income	45,000	45,000	113,387	68,387	79,896
Gain (loss) on asset disposal	4,000	4,000	-	(4,000)	6,775
Loan principal receipt	30,000	30,000	10,186	(19,814)	16,398
Plant investment fees	75,000	75,000	225,910	150,910	169,244
<b>Total Non-operating Revenues (Expenses)</b>	<u>154,000</u>	<u>154,000</u>	<u>349,483</u>	<u>195,483</u>	<u>284,844</u>
<b>Change in Net Position - Budget Basis</b>	<u>(190,931)</u>	<u>(190,931)</u>	<u>523,179</u>	<u>714,110</u>	<u>(316,791)</u>
<b>Reconciliation to GAAP Basis:</b>					
<b>Adjustments:</b>					
Loan principal receipt			(10,186)		(16,398)
Capitalized assets			60,199		889,329
Depreciation			(325,355)		(304,453)
<b>Change in Net Position - GAAP Basis</b>			<u>247,837</u>		<u>251,687</u>

**Town of Frisco, Colorado**  
**Enterprise Fund - Marina Fund**  
**Schedule of Revenues, Expenses and Change in Fund Net Position**  
**Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	<u>2019</u>			<u>2018</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u> <u>Actual</u>
<b>Operating Revenues:</b>				
Charges for service - User charges	1,326,400	1,326,400	1,579,425	253,025
Intergovernmental - Operating grants	27,000	27,000	34,830	7,830
<b>Total Operating Revenues</b>	<u>1,353,400</u>	<u>1,353,400</u>	<u>1,614,255</u>	<u>260,855</u>
<b>Operating Expenses:</b>				
Salaries and benefits	565,764	565,764	612,797	(47,033)
Administrative fees	20,000	20,000	20,000	-
Professional fees	45,000	45,000	26,447	18,553
Supplies	114,600	114,600	64,240	50,360
Utilities	30,000	30,000	20,003	9,997
Repair and maintenance	66,000	66,000	36,824	29,176
General expenses	284,000	284,000	237,272	46,728
Capital outlay	4,012,700	4,012,700	3,939,170	73,530
<b>Total Operating Expenses</b>	<u>5,138,064</u>	<u>5,138,064</u>	<u>4,956,753</u>	<u>181,311</u>
<b>Operating Income (Loss) - Budget Basis</b>	<u>(3,784,664)</u>	<u>(3,784,664)</u>	<u>(3,342,498)</u>	<u>442,166</u>
<b>Non-operating Revenues (Expenses):</b>				
Debt proceeds	5,000,000	5,000,000	5,450,000	450,000
Debt premium	-	-	65,351	65,351
Intergovernmental - Non-operating grants	-	-	-	466,057
Investment income	10,000	10,000	104,238	94,238
Gain (loss) on asset disposal	6,600	6,600	5,400	(1,200)
Cost of issuance	-	-	(109,195)	(109,195)
Principal repayment	(300,000)	(300,000)	-	300,000
Interest expense	-	-	(228,690)	(228,690)
<b>Total Non-operating Revenues (Expenses)</b>	<u>4,716,600</u>	<u>4,716,600</u>	<u>5,287,104</u>	<u>570,504</u>
<b>Change in Net Position - Budget Basis</b>	<u>931,936</u>	<u>931,936</u>	<u>1,944,606</u>	<u>1,012,670</u>
<b>Reconciliation to GAAP Basis:</b>				
<b>Adjustments:</b>				
Debt proceeds			(5,450,000)	-
Premium on debt issuance			(65,351)	-
Capitalized assets			3,939,170	540,227
Depreciation			(308,349)	(251,432)
<b>Change in Net Position - GAAP Basis</b>			<u>60,076</u>	<u>867,213</u>

## NON-MAJOR GOVERNMENTAL FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

*Conservation Trust Fund* – This fund is used to account for receipt and disbursement of lottery funds. Each year, the State of Colorado distributes a percentage of profits from the sale of lottery tickets to municipalities which may only be used to maintain, acquire or construct recreational facilities, park facilities or open space.

*Historic Preservation Fund* – This fund was established for the purpose of accepting donations from the public for preservation and restoration of the Town's historic artifacts.

*Insurance Reserve Fund* – This fund was established by resolution in 2005 to set aside an amount equivalent to six months' of insurance expenditures to cover substantial insurance claims and unforeseen increases in the cost of providing insurance.

*Lodging Tax Fund* – This fund accounts for the voter-approved 2.35% tax imposed on lodging establishments. Expenditures are restricted to economic development, special events, advertising and promotion, recreation amenities and similar use.

*Open Space Fund* – This fund accounts for the acquisition and maintenance of open space.



**Town of Frisco, Colorado**  
**Combining Balance Sheet**  
**Non-major Governmental Funds**  
**December 31, 2019**

	<b>Special Revenue Funds</b>					<b>Total Non-major Governmental Funds</b>
	<b>Conservation Trust Fund</b>	<b>Historic Preservation Fund</b>	<b>Insurance Reserve Fund</b>	<b>Lodging Tax Fund</b>	<b>Open Space Fund</b>	
<b>Assets:</b>						
Cash and cash equivalents - Unrestricted	50,287	1,013	210,027	536,315	12,398	810,040
Receivables, net of allowance for uncollectible accounts:						
Other taxes	-	-	-	88,568	-	88,568
Inventory	-	-	-	13,122	-	13,122
<b>Total Assets</b>	<u>50,287</u>	<u>1,013</u>	<u>210,027</u>	<u>638,005</u>	<u>12,398</u>	<u>911,730</u>
<b>Liabilities and Fund Equity:</b>						
<b>Liabilities:</b>						
Accounts/vouchers payable	-	-	-	128	-	128
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128</u>	<u>-</u>	<u>128</u>
<b>Fund Balances:</b>						
Non-spendable	-	-	-	13,122	-	13,122
Restricted	50,287	1,013	-	624,755	-	676,055
Committed	-	-	210,027	-	12,398	222,425
<b>Total Fund Balances</b>	<u>50,287</u>	<u>1,013</u>	<u>210,027</u>	<u>637,877</u>	<u>12,398</u>	<u>911,602</u>
<b>Total Liabilities and Fund Balances</b>	<u>50,287</u>	<u>1,013</u>	<u>210,027</u>	<u>638,005</u>	<u>12,398</u>	<u>911,730</u>



**Town of Frisco, Colorado**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-major Governmental Funds**  
**For the Year Ended December 31, 2019**

	<b>Special Revenue Funds</b>					<b>Total Non-major Governmental Funds</b>
	<b>Conservation Trust Fund</b>	<b>Historic Preservation Fund</b>	<b>Insurance Reserve Fund</b>	<b>Lodging Tax Fund</b>	<b>Open Space Fund</b>	
<b>Revenues:</b>						
Taxes	-	-	-	555,083	-	555,083
Intergovernmental revenue	35,777	-	-	30,000	-	65,777
Investment income	1,253	13	4,836	13,974	285	20,361
Miscellaneous	-	1,000	-	8,797	-	9,797
<b>Total Revenues</b>	<b>37,030</b>	<b>1,013</b>	<b>4,836</b>	<b>607,854</b>	<b>285</b>	<b>651,018</b>
<b>Expenditures:</b>						
Community development	-	-	-	325,937	-	325,937
Culture and recreation	37,640	-	-	202,944	-	240,584
<b>Total Expenditures</b>	<b>37,640</b>	<b>-</b>	<b>-</b>	<b>528,881</b>	<b>-</b>	<b>566,521</b>
<b>Net Change in Fund Balances</b>	<b>(610)</b>	<b>1,013</b>	<b>4,836</b>	<b>78,973</b>	<b>285</b>	<b>84,497</b>
<b>Fund Balances - January 1</b>	<b>50,897</b>	<b>-</b>	<b>205,191</b>	<b>558,904</b>	<b>12,113</b>	<b>827,105</b>
<b>Fund Balances - December 31</b>	<b>50,287</b>	<b>1,013</b>	<b>210,027</b>	<b>637,877</b>	<b>12,398</b>	<b>911,602</b>

**Town of Frisco, Colorado**  
**Special Revenue Funds - Conservation Trust Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	2019			Final Budget Variance Positive (Negative)	2018
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Intergovernmental - Lottery proceeds	29,000	29,000	35,777	6,777	29,677
Investment income	300	300	1,253	953	619
<b>Total Revenues</b>	<u>29,300</u>	<u>29,300</u>	<u>37,030</u>	<u>7,730</u>	<u>30,296</u>
<b>Expenditures:</b>					
Culture and recreation	39,600	39,600	37,640	1,960	2,993
<b>Total Expenditures</b>	<u>39,600</u>	<u>39,600</u>	<u>37,640</u>	<u>1,960</u>	<u>2,993</u>
<b>Net Change in Fund Balance</b>	(10,300)	(10,300)	(610)	9,690	27,303
<b>Fund Balance - January 1</b>	<u>47,894</u>	<u>47,894</u>	<u>50,897</u>	<u>3,003</u>	<u>23,594</u>
<b>Fund Balance - December 31</b>	<u><u>37,594</u></u>	<u><u>37,594</u></u>	<u><u>50,287</u></u>	<u><u>12,693</u></u>	<u><u>50,897</u></u>

**Town of Frisco, Colorado**  
**Special Revenue Funds - Historic Preservation Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	2019			Final Budget Variance Positive (Negative)	2018
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Miscellaneous	1,000	1,000	1,000	-	-
Investment income	-	-	13	13	-
<b>Total Revenues</b>	<b>1,000</b>	<b>1,000</b>	<b>1,013</b>	<b>13</b>	<b>-</b>
<b>Expenditures:</b>					
Capital projects	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>1,000</b>	<b>1,000</b>	<b>1,013</b>	<b>13</b>	<b>-</b>
<b>Fund Balance - January 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>1,000</b>	<b>1,000</b>	<b>1,013</b>	<b>13</b>	<b>-</b>

**Town of Frisco, Colorado**  
**Special Revenue Funds - Insurance Reserve Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	2019			Final Budget Variance Positive (Negative)	2018
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Investment income	1,800	1,800	4,836	3,036	3,380
<b>Total Revenues</b>	<u>1,800</u>	<u>1,800</u>	<u>4,836</u>	<u>3,036</u>	<u>3,380</u>
<b>Expenditures:</b>					
Claims liability	65,000	65,000	-	65,000	-
<b>Total Expenditures</b>	<u>65,000</u>	<u>65,000</u>	<u>-</u>	<u>65,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(63,200)	(63,200)	4,836	68,036	3,380
<b>Fund Balance - January 1</b>	<u>203,612</u>	<u>203,612</u>	<u>205,191</u>	<u>1,579</u>	<u>201,811</u>
<b>Fund Balance - December 31</b>	<u><u>140,412</u></u>	<u><u>140,412</u></u>	<u><u>210,027</u></u>	<u><u>69,615</u></u>	<u><u>205,191</u></u>

**Town of Frisco, Colorado**  
**Special Revenue Funds - Lodging Tax Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	<u>2019</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2018</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
Lodging tax	525,000	525,000	555,083	30,083	534,342
Intergovernmental - Local grants	30,000	30,000	30,000	-	30,000
Charges for services	300	300	-	(300)	262
Investment income	5,000	5,000	13,974	8,974	9,465
Miscellaneous	7,700	7,700	8,797	1,097	10,085
<b>Total Revenues</b>	<u>568,000</u>	<u>568,000</u>	<u>607,854</u>	<u>39,854</u>	<u>584,154</u>
<b>Expenditures:</b>					
Community development	347,865	347,865	325,937	21,928	271,883
Culture and recreation	224,500	224,500	202,944	21,556	298,915
<b>Total Expenditures</b>	<u>572,365</u>	<u>572,365</u>	<u>528,881</u>	<u>43,484</u>	<u>570,798</u>
<b>Net Change in Fund Balance</b>	(4,365)	(4,365)	78,973	83,338	13,356
<b>Fund Balance - January 1</b>	<u>559,455</u>	<u>559,455</u>	<u>558,904</u>	<u>(551)</u>	<u>545,548</u>
<b>Fund Balance - December 31</b>	<u><u>555,090</u></u>	<u><u>555,090</u></u>	<u><u>637,877</u></u>	<u><u>82,787</u></u>	<u><u>558,904</u></u>

**Town of Frisco, Colorado**  
**Special Revenue Funds - Open Space Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	2019			Final Budget Variance Positive (Negative)	2018
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Investment income	175	175	285	110	267
<b>Total Revenues</b>	<b>175</b>	<b>175</b>	<b>285</b>	<b>110</b>	<b>267</b>
<b>Expenditures:</b>					
Culture and recreation	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>175</b>	<b>175</b>	<b>285</b>	<b>110</b>	<b>267</b>
<b>Fund Balance - January 1</b>	<b>12,021</b>	<b>12,021</b>	<b>12,113</b>	<b>92</b>	<b>11,846</b>
<b>Fund Balance - December 31</b>	<b>12,196</b>	<b>12,196</b>	<b>12,398</b>	<b>202</b>	<b>12,113</b>

**Town of Frisco, Colorado**  
**Capital Improvement Fund**  
**Schedule of Capital Outlay Expenditures**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Amounts for December 31, 2018)**

	2019			Final Budget Variance Positive (Negative)	2018
	Original Budget	Final Budget	Actual		Actual
<b>Capital Outlay:</b>					
Alley paving	175,000	175,000	142,315	32,685	142,002
Asphalt overlay and resurface road	100,000	100,000	37,649	62,351	290,109
Building relocation costs	100,000	100,000	5,175	94,825	-
Community care center	-	-	-	-	20,000
Computers and technology	170,000	170,000	216,386	(46,386)	61,217
Consultant - Historic preservation	25,000	25,000	4,226	20,774	10,517
Crack fill streets and bike paths	50,000	50,000	53,797	(3,797)	3,349
Curb replacement	50,000	50,000	52,032	(2,032)	34,227
Design/construction - Public Works facility	67,500	67,500	89,577	(22,077)	1,262,626
Electric vehicle charging station	-	-	9,262	(9,262)	35,956
Environmental sustainability	-	-	-	-	454
Equipment and vehicle leases	37,500	37,500	22,279	15,221	22,922
Facility capital repair	58,488	58,488	62,478	(3,990)	-
Feasibility study - Fieldhouse at PRA	10,000	10,000	8,151	1,849	-
Frisco Adventure Park amenity expansion	2,200,000	2,200,000	372,894	1,827,106	893,780
First and Main building	5,000	5,000	6,587	(1,587)	6,033
Galena project housing	-	-	-	-	991,254
Granite/Galena alley paving	-	-	-	-	943
Lake Hill analysis/support	100,000	100,000	47,593	52,407	-
Playground/site improvement at town parks	125,000	125,000	43,167	81,833	-
Property purchases	-	-	-	-	852,045
Storm system study	-	-	-	-	34,780
Summit Blvd. sidewalk (Walmart)	-	-	-	-	2,736
Tap grant	489,969	489,969	564,005	(74,036)	73,440
Town Hall dumpster enclosure	65,000	65,000	240	64,760	-
Traffic study - CDOT exit 203	-	-	-	-	112,500
Trails enhancement	100,000	100,000	95,395	4,605	61,777
Update planning documents	100,000	100,000	69,728	30,272	74,984
Vehicles and equipment	993,000	993,000	829,309	163,691	412,762
Wayfinding	-	-	13,700	(13,700)	-
<b>Total Expenditures - Capital Outlay</b>	<b>5,021,457</b>	<b>5,021,457</b>	<b>2,745,945</b>	<b>2,275,512</b>	<b>5,400,413</b>

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**LOCAL HIGHWAY FINANCE REPORT**



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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Town of Frisco, CO
		YEAR ENDING : December 2019
This Information From The Records Of (example - City of _ or County of Town of Frisco, CO)	Prepared By: Dylan Olchin/Town Accountant	Phone: (970) 668-9137

**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
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	387,852
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	96,793
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	1,022,024	b. Snow and ice removal	457,240
3. Other local imposts (from page 2)	135,674	c. Other	
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	457,240
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	365,933
a. Bonds - Original Issues		6. Total (1 through 5)	1,307,818
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,157,698	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government (from page 2)</b>	150,120	2. Notes:	
<b>D. Receipts from Federal Government (from page 2)</b>	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	1,307,818	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	1,307,818

**IV. LOCAL HIGHWAY DEBT STATUS**  
(Show all entries at par)

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

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	1,307,818	1,307,818	0	0

**Notes and Comments:**

<b>LOCAL HIGHWAY FINANCE REPORT</b>		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2019	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	135,674	g. Other Misc. Receipts	
6. Total (1. through 5.)	135,674	h. Other	
c. Total (a. + b.)	135,674	i. Total (a. through h.)	0
	(Carry forward to page 1)		(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	135,520	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	14,600	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	14,600	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	150,120	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs		0	0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		180,827	180,827
(4). System Enhancement & Operation		207,025	207,025
(5). Total Construction (1) + (2) + (3) + (4)		0	387,852
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		0	387,852
			(Carry forward to page 1)
<b>Notes and Comments:</b>			

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## STATISTICAL SECTION

This part of the Town of Frisco's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

*Financial Trends* – These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

*Revenue Capacity* – These schedules contain information to help the reader assess the government's most significant local revenue source: Town and county sales tax.

*Debt Capacity* – These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

*Demographic and Economic Information* – These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

*Operating Information* – These schedules contain service and infrastructure data to help readers understand how the information in the government's financial report relates to the services the government provides and the activities it performs.



**Town of Frisco, Colorado**  
**Government-wide Net Position by Category**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 29,823,965	\$ 30,848,672	\$ 30,105,686	\$ 30,243,989	\$ 32,040,179	\$ 34,078,693	\$ 36,042,985	\$ 35,805,489	\$ 39,594,729	\$ 40,482,656
Restricted	442,000	781,946	869,064	880,133	1,136,803	1,980,373	2,179,572	1,152,548	1,409,259	6,586,228
Unrestricted	8,808,664	6,648,940	8,017,252	12,710,588	12,037,042	12,679,733	14,249,460	19,684,169	21,090,452	20,643,007
<b>Subtotal Governmental Activities Net Position</b>	<u>39,074,629</u>	<u>38,279,558</u>	<u>38,992,002</u>	<u>43,834,710</u>	<u>45,214,024</u>	<u>48,738,799</u>	<u>52,472,017</u>	<u>56,642,206</u>	<u>62,094,440</u>	<u>67,711,891</u>
<b>Business-type Activities</b>										
Net Investment in Capital Assets	7,857,164	7,762,155	7,999,727	7,802,593	7,948,393	7,723,018	7,521,763	8,281,537	9,155,965	8,734,281
Restricted for CRCA projects	-	-	-	-	-	-	-	198,940	664,551	-
Unrestricted	3,877,339	4,064,798	3,992,272	4,505,019	4,791,659	5,368,258	6,095,350	5,928,610	5,707,470	7,101,617
<b>Subtotal Business-type Activities Net Position</b>	<u>11,734,503</u>	<u>11,826,953</u>	<u>11,991,999</u>	<u>12,307,612</u>	<u>12,740,052</u>	<u>13,091,276</u>	<u>13,617,113</u>	<u>14,409,087</u>	<u>15,527,986</u>	<u>15,835,898</u>
<b>Total Primary Government Net Position</b>	<u>\$ 50,809,132</u>	<u>\$ 50,106,511</u>	<u>\$ 50,984,001</u>	<u>\$ 56,142,322</u>	<u>\$ 57,954,076</u>	<u>\$ 61,830,075</u>	<u>\$ 66,089,130</u>	<u>\$ 71,051,293</u>	<u>\$ 77,622,426</u>	<u>\$ 83,547,789</u>

**Town of Frisco, Colorado**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 2,636,309	\$ 2,560,698	\$ 2,618,326	\$ 2,813,821	\$ 3,014,175	\$ 3,215,368	\$ 3,372,782	\$ 3,632,450	\$ 5,805,422	\$ 4,781,244
Public Safety	1,302,380	1,272,798	1,353,334	1,441,587	1,450,837	1,311,274	1,464,245	1,517,580	1,326,397	1,510,270
Public Works	2,331,184	2,772,067	2,523,672	2,463,718	2,661,950	2,604,258	2,390,051	2,697,095	2,777,951	2,981,562
Community Development	1,153,120	1,191,969	1,051,224	1,186,800	1,194,044	1,422,842	1,512,826	1,635,078	1,838,271	1,890,312
Culture and Recreation	1,498,443	2,098,979	2,387,598	2,665,626	2,813,730	2,673,080	3,098,379	3,538,985	3,634,564	3,689,171
Housing	196,697	198,887	171,015	201,348	179,043	69,091	42,728	181,102	45,547	51,025
Interest on long-term debt	163,719	268,101	238,667	246,315	228,200	271,129	262,753	255,106	155,488	147,620
Total Governmental Activities Expenses	9,281,852	10,363,499	10,343,836	11,019,215	11,541,979	11,567,042	12,143,764	13,457,396	15,583,640	15,051,204
Business-type Activities:										
Interest on long-term debt	14,336	7,665	5,824	4,840	4,144	3,427	2,702	5,287	-	228,690
Water Fund	775,773	771,209	823,419	875,880	1,025,562	1,016,423	1,097,277	1,137,475	1,006,302	1,092,653
Marina Fund	802,476	858,980	944,530	874,024	977,565	980,887	951,376	998,766	1,231,122	1,435,127
Total Business-type Activities Expenses	1,592,585	1,637,854	1,773,773	1,754,744	2,007,271	2,000,737	2,051,355	2,141,528	2,237,424	2,756,470
<b>Total Primary Government Expenses</b>	<b>10,874,437</b>	<b>12,001,353</b>	<b>12,117,609</b>	<b>12,773,959</b>	<b>13,549,250</b>	<b>13,567,779</b>	<b>14,195,119</b>	<b>15,598,924</b>	<b>17,821,064</b>	<b>17,807,674</b>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	287,911	287,617	298,642	339,703	439,635	433,333	350,659	288,696	263,086	373,077
Public Safety	24,407	19,982	26,717	31,499	26,898	19,356	41,461	35,748	47,275	40,329
Public Works	17,819	23,530	15,830	13,052	9,447	10,997	8,422	4,480	5,270	12,590
Community Development	209,383	225,698	213,588	263,445	274,096	287,170	194,122	290,400	468,573	417,968
Culture and Recreation	680,245	1,246,113	1,550,609	2,048,170	2,184,285	2,708,891	2,998,380	3,283,299	3,368,099	3,422,827
Housing	53,040	58,691	76,515	54,950	200,279	139,848	116,626	36,745	125,254	213,175
Operating Grants and Contributions	237,379	235,399	233,261	225,754	306,029	323,147	363,938	364,857	308,543	309,791
Capital Grants and Contributions	64,645	182,189	188,375	396,097	112,228	78,510	78,614	65,668	30,000	421,975
Total Governmental Activities Program Revenues	1,574,829	2,279,219	2,603,537	3,372,670	3,552,897	4,001,252	4,152,222	4,369,893	4,616,100	5,211,732
Business-type Activities:										
Charges for Services:										
Water	804,291	885,274	804,159	1,112,007	802,865	891,006	900,407	906,696	989,542	1,001,193
Marina	764,486	827,234	751,417	793,406	1,021,668	1,288,181	1,439,922	1,535,817	1,565,693	1,579,425
Operating Grants and Contributions	20,982	20,868	4,975	18,915	26,376	26,385	27,645	32,622	27,570	34,830
Capital Grants and Contributions	36,226	-	-	104,046	532,386	117,137	153,241	331,623	647,832	225,910
Total Business-type Activities Program Revenues	1,625,985	1,733,376	1,560,551	2,028,374	2,383,295	2,322,709	2,521,215	2,806,758	3,230,637	2,841,358
<b>Total Program Revenues</b>	<b>3,200,814</b>	<b>4,012,595</b>	<b>4,164,088</b>	<b>5,401,044</b>	<b>5,936,192</b>	<b>6,323,961</b>	<b>6,673,437</b>	<b>7,176,651</b>	<b>7,846,737</b>	<b>8,053,090</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(7,543,304)	(7,816,179)	(7,501,632)	(7,400,230)	(7,760,882)	(7,294,661)	(7,728,789)	(8,832,397)	(10,812,052)	(9,691,852)
Business-type Activities	47,736	103,187	(207,398)	278,470	380,168	325,399	472,562	670,517	993,213	313,578
Interest on Long Term Debt	(178,055)	(275,766)	(244,491)	(251,155)	(232,344)	(274,556)	(265,455)	(260,393)	(155,488)	(376,310)
<b>Total Primary Government Net (Expense) Revenue</b>	<b>(7,673,623)</b>	<b>(7,988,758)</b>	<b>(7,953,521)</b>	<b>(7,372,915)</b>	<b>(7,613,058)</b>	<b>(7,243,818)</b>	<b>(7,521,682)</b>	<b>(8,422,273)</b>	<b>(9,974,327)</b>	<b>(9,754,584)</b>
<b>General Revenues and Transfers</b>										
Governmental Activities:										
Taxes:										
Property Taxes	165,309	163,923	131,194	133,336	133,516	135,115	151,002	154,136	168,344	168,930
Sales and use Taxes	5,342,233	5,513,403	5,675,383	6,044,997	7,006,282	7,929,300	8,722,133	10,288,559	11,001,605	11,835,668
Real Estate Transfer Tax	565,093	792,486	805,152	920,533	1,044,365	1,487,185	1,389,027	1,293,352	1,415,715	1,542,417
Franchise Taxes	297,721	300,992	287,203	313,906	328,507	319,524	320,432	323,924	318,602	326,461
Lodging Taxes	239,089	261,429	285,434	325,768	388,199	426,458	471,041	490,541	534,342	555,084
Other Taxes	25,871	27,602	57,740	55,795	179,962	302,658	356,527	393,420	404,064	440,671
Transfers	42,500	42,500	62,500	(21,445)	-	-	-	-	-	-
Interest and Other	92,901	186,874	1,148,141	4,716,360	287,565	283,144	314,599	313,756	2,577,111	587,692
Total General Activities	6,770,717	7,289,209	8,452,747	12,489,250	9,368,396	10,883,384	11,724,761	13,257,688	16,419,783	15,456,923
Business-type Activities										
Transfers	(42,500)	(42,500)	(62,500)	21,445	-	-	-	-	-	-
Interest and Other	68,689	39,430	440,771	20,538	56,416	29,252	55,977	126,744	125,686	223,025
Total Business-type Activities	26,189	(3,070)	378,271	41,983	56,416	29,252	55,977	126,744	125,686	223,025
<b>Total General Revenues and Transfers</b>	<b>6,796,906</b>	<b>7,286,139</b>	<b>8,831,018</b>	<b>12,531,233</b>	<b>9,424,812</b>	<b>10,912,636</b>	<b>11,780,738</b>	<b>13,384,432</b>	<b>16,545,469</b>	<b>15,679,948</b>
<b>Changes in Net Position</b>										
Governmental Activities	(936,306)	(795,071)	712,448	4,842,705	1,379,314	3,317,594	3,733,219	4,170,185	5,452,243	5,617,451
Business-type Activities	59,589	92,452	165,049	315,613	432,440	351,224	525,837	791,974	1,118,899	307,913
<b>Total Government Changes in Net Position</b>	<b>\$ (876,717)</b>	<b>\$ (702,619)</b>	<b>\$ 877,497</b>	<b>\$ 5,158,318</b>	<b>\$ 1,811,754</b>	<b>\$ 3,668,818</b>	<b>\$ 4,259,056</b>	<b>\$ 4,962,159</b>	<b>\$ 6,571,142</b>	<b>\$ 5,925,364</b>

**Town of Frisco, Colorado**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2010	2011 (*)	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Fund</b>										
Reserved for:										
Prepaid items and inventory	\$ 23,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Long-term loans receivable	23,920	-	-	-	-	-	-	-	-	-
Emergencies	442,000	-	-	-	-	-	-	-	-	-
Unreserved:										
Designated for capital projects	10,000	-	-	-	-	-	-	-	-	-
Undesignated, reported in:										
General Fund	2,462,794	-	-	-	-	-	-	-	-	-
Non-Spendable	-	40,412	40,865	63,151	54,861	49,193	46,433	63,425	66,363	102,026
Restricted	-	309,000	350,000	332,000	377,000	478,000	468,000	596,000	626,000	621,000
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	195,282	425,285	497,510	419,941	244,002	16,396	14,637	14,662	18,230
Unassigned	-	2,631,208	2,944,642	3,767,001	5,045,942	5,477,024	4,736,905	4,988,690	6,585,687	7,399,718
<b>Total General Fund</b>	<u>2,962,611</u>	<u>3,175,902</u>	<u>3,760,792</u>	<u>4,659,662</u>	<u>5,897,744</u>	<u>6,248,219</u>	<u>5,267,734</u>	<u>5,662,752</u>	<u>7,292,712</u>	<u>8,140,974</u>
<b>All Other Governmental Funds</b>										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Designated for capital projects	274,861	-	-	-	-	-	-	-	-	-
Capital Improvement Fund	3,898,350	-	-	-	-	-	-	-	-	-
Other Non-Major Governmental Funds	1,188,048	-	-	-	-	-	-	-	-	-
Non-Spendable	-	-	-	-	-	14,070	13,194	12,597	12,140	23,097
Restricted	-	472,946	519,064	865,682	1,077,331	1,665,273	2,028,323	3,144,301	4,152,007	6,110,334
Committed	-	658,159	633,174	608,475	643,286	2,067,690	4,295,350	7,204,859	5,934,846	8,207,877
Assigned	-	3,232,313	4,064,942	3,169,091	1,215,757	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<u>5,361,259</u>	<u>4,363,418</u>	<u>5,217,180</u>	<u>4,643,248</u>	<u>2,936,374</u>	<u>3,747,033</u>	<u>6,336,867</u>	<u>10,361,757</u>	<u>10,098,993</u>	<u>14,341,308</u>
<b>Total Governmental Funds</b>										
Reserved	489,817	-	-	-	-	-	-	-	-	-
Unreserved	7,834,053	-	-	-	-	-	-	-	-	-
Non-Spendable	-	40,412	40,865	63,151	54,861	63,263	59,627	76,022	78,503	125,123
Restricted	-	781,946	869,064	1,197,682	1,454,331	2,143,273	2,496,323	3,740,301	4,778,007	6,731,334
Committed	-	658,159	633,174	608,475	643,286	2,067,690	4,295,350	7,204,859	5,934,846	8,207,877
Assigned	-	3,427,595	4,490,227	3,666,601	1,635,698	244,002	16,396	14,637	14,662	18,230
Unassigned	-	2,631,208	2,944,642	3,767,001	5,045,942	5,477,024	4,736,905	4,988,690	6,585,687	7,399,718
<b>Total Governmental Funds Balance</b>	<u>\$ 8,323,870</u>	<u>\$ 7,539,320</u>	<u>\$ 8,977,972</u>	<u>\$ 9,302,910</u>	<u>\$ 8,834,118</u>	<u>\$ 9,995,252</u>	<u>\$ 11,604,601</u>	<u>\$ 16,024,509</u>	<u>\$ 17,391,705</u>	<u>\$ 22,482,282</u>

(\*) GASB Statement No. 54 was implemented in 2011, changing fund balance categories.



**Town of Frisco, Colorado**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Revenues</b>										
Taxes	\$ 6,636,888	\$ 7,059,836	\$ 7,242,107	\$ 7,794,319	\$ 9,080,831	\$ 10,600,007	\$ 11,410,162	\$ 12,943,932	\$ 13,842,672	\$ 14,869,229
Licenses, Permits, and Fees	348,234	366,526	379,410	429,595	604,633	554,513	459,556	482,663	746,210	778,469
Intergovernmental Revenue	269,820	359,307	353,497	249,217	251,625	260,675	264,873	325,407	333,474	734,232
Charges for Services	919,204	1,473,766	1,810,988	2,299,298	2,527,796	3,042,026	3,379,179	3,526,155	3,521,279	3,645,371
Investment Income	79,631	46,219	24,054	18,426	26,019	25,702	68,115	115,715	289,622	471,187
Capital Interest Subsidy	-	52,189	52,189	48,040	48,405	48,510	48,614	35,668	-	-
Rental Income	-	-	-	-	-	-	-	-	6,938	88,776
Reimbursements	-	-	-	318,057	33,823	-	-	-	-	-
Miscellaneous	71,026	128,057	135,166	94,419	97,401	116,920	119,634	50,820	66,758	102,833
<b>Total Revenues</b>	<u>8,324,803</u>	<u>9,485,900</u>	<u>9,997,411</u>	<u>11,251,371</u>	<u>12,670,533</u>	<u>14,648,353</u>	<u>15,750,133</u>	<u>17,480,360</u>	<u>18,806,953</u>	<u>20,690,097</u>
<b>Expenditures</b>										
General Government	2,344,072	2,392,648	2,233,891	2,501,631	2,869,845	2,974,825	3,101,416	3,172,809	3,762,670	4,134,228
Public Safety	1,247,748	1,222,019	1,316,176	1,411,394	1,405,463	1,289,834	1,464,557	1,473,245	1,404,537	1,457,574
Community Development	1,153,994	1,232,307	1,229,758	1,347,553	1,327,128	1,398,025	1,492,743	1,614,258	1,821,221	1,831,494
Public Works	1,627,492	1,703,666	1,674,290	1,700,686	1,748,004	1,635,124	1,680,766	1,832,232	1,891,301	1,989,535
Culture and Recreation	1,436,439	1,599,962	1,773,975	1,939,011	2,068,343	2,244,931	2,454,242	2,907,825	3,024,286	3,084,935
Capital Outlay	6,578,913	1,695,474	779,913	1,819,204	3,479,100	5,481,490	3,147,180	1,368,598	7,243,333	2,747,289
Debt Service:										
Cost of issuance	127,831	-	-	-	-	-	-	74,559	-	-
Principal	219,186	277,534	409,078	502,582	665,122	780,197	578,488	524,621	274,712	282,573
Interest	146,135	219,859	828,328	211,538	206,668	244,383	246,992	212,837	145,370	141,420
<b>Total Expenditures</b>	<u>14,881,810</u>	<u>10,343,469</u>	<u>10,245,409</u>	<u>11,433,599</u>	<u>13,769,673</u>	<u>16,048,809</u>	<u>14,166,384</u>	<u>13,180,984</u>	<u>19,567,430</u>	<u>15,669,048</u>
<b>Excess of Revenues</b>										
<b>Over/(Under) Expenditures</b>	<u>(6,557,007)</u>	<u>(857,569)</u>	<u>(247,998)</u>	<u>(182,228)</u>	<u>(1,099,140)</u>	<u>(1,400,456)</u>	<u>1,583,749</u>	<u>4,299,376</u>	<u>(760,477)</u>	<u>5,021,049</u>
<b>Other Financing Sources/(Uses)</b>										
Certificate of Participation proceeds	4,450,000	-	-	-	-	-	-	2,487,000	-	-
Premium on COPs issued	20,791	-	-	-	-	-	-	-	-	-
Capital interest subsidy	24,645	-	-	-	-	-	-	-	-	-
Payment to refund bond escrow agent	(1,917,775)	-	-	-	-	-	-	(2,412,441)	-	-
Lease Purchase Proceeds	366,579	-	494,859	370,922	477,184	1,765,000	-	-	-	-
Sales of Assets	6,436	73,020	1,191,790	136,240	153,163	796,590	25,600	45,973	2,127,677	69,527
Transfers In	2,700,000	-	-	-	-	-	-	3,350,000	2,191,510	3,304,674
Transfers Out	(2,700,000)	-	-	-	-	-	-	(3,350,000)	(2,191,510)	(3,304,674)
<b>Total Other Financing Sources (Uses)</b>	<u>2,950,676</u>	<u>73,020</u>	<u>1,686,649</u>	<u>507,162</u>	<u>630,347</u>	<u>2,561,590</u>	<u>25,600</u>	<u>120,532</u>	<u>2,127,677</u>	<u>69,527</u>
<b>Net Change in Fund Balances</b>	<u>\$ (3,606,331)</u>	<u>\$ (784,549)</u>	<u>\$ 1,438,651</u>	<u>\$ 324,934</u>	<u>\$ (468,793)</u>	<u>\$ 1,161,134</u>	<u>\$ 1,609,349</u>	<u>\$ 4,419,908</u>	<u>\$ 1,367,200</u>	<u>\$ 5,090,576</u>
Debt Service as a Percentage of Noncapital Expenditures	4.4%	5.8%	13.1%	7.4%	8.5%	9.7%	7.5%	6.2%	3.4%	3.3%

**Town of Frisco, Colorado**  
**General Governmental Tax Revenues by Source**  
**(Major Component of Revenue Base)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Revenue Source</b>										
City Sales Tax	\$ 2,577,170	\$ 2,643,657	\$ 2,727,768	\$ 2,916,281	\$ 3,397,819	\$ 3,842,561	\$ 4,189,692	\$ 4,372,568	\$ 4,679,210	\$ 4,973,995
County Sales Tax	2,618,520	2,741,574	2,810,720	2,979,759	3,444,028	3,899,533	4,328,048	4,630,816	4,928,635	5,243,063
Housing Authority Tax	146,438	128,311	136,896	148,941	164,435	186,973	204,393	1,285,174	1,393,760	1,618,610
Property Tax	159,896	158,539	126,029	127,301	126,849	128,253	143,493	145,468	158,901	159,915
Lodging Tax	239,089	261,290	285,434	325,768	388,199	426,458	471,041	490,541	534,342	555,083
Real Estate Investment Fee Tax	565,093	792,486	805,152	920,533	1,044,365	1,487,185	1,389,027	1,293,353	1,415,715	1,542,417
Franchise Tax	297,721	300,992	287,203	313,906	328,507	319,524	320,432	323,924	318,602	326,461
Specific Ownership Tax	5,413	5,384	5,165	6,035	6,667	6,862	7,509	8,668	9,443	9,015
Miscellaneous Tax	27,547	27,602	57,740	55,795	179,962	302,658	356,527	393,420	404,064	440,671
<b>Total Revenues</b>	<u>\$ 6,636,887</u>	<u>\$ 7,059,835</u>	<u>\$ 7,242,107</u>	<u>\$ 7,794,319</u>	<u>\$ 9,080,831</u>	<u>\$ 10,600,007</u>	<u>\$ 11,410,162</u>	<u>\$ 12,943,932</u>	<u>\$ 13,842,672</u>	<u>\$ 14,869,230</u>
% change from prior year	1.7%	6.4%	2.6%	7.6%	16.5%	16.7%	7.6%	13.4%	6.9%	7.4%
<b>Percentage of Total</b>										
City Sales Tax	38.8%	37.4%	37.7%	37.4%	37.4%	36.3%	36.7%	33.8%	33.8%	33.5%
County Sales Tax	39.5%	38.8%	38.8%	38.2%	37.9%	36.8%	37.9%	35.8%	35.6%	35.3%
Housing Authority Tax	2.2%	1.8%	1.9%	1.9%	1.8%	1.8%	1.8%	9.9%	10.1%	10.9%
Property Tax	2.4%	2.2%	1.7%	1.6%	1.4%	1.2%	1.3%	1.1%	1.1%	1.1%
Lodging Tax	3.6%	3.7%	3.9%	4.2%	4.3%	4.0%	4.1%	3.8%	3.9%	3.7%
Real Estate Investment Fee Tax	8.5%	11.2%	11.1%	11.8%	11.5%	14.0%	12.2%	10.0%	10.2%	10.4%
Franchise Tax	4.5%	4.3%	4.0%	4.0%	3.6%	3.0%	2.8%	2.5%	2.3%	2.2%
Specific Ownership Tax	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Miscellaneous Tax	0.4%	0.4%	0.8%	0.7%	2.0%	2.9%	3.1%	3.0%	2.9%	3.0%
<b>Total Revenues</b>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Source: Town of Frisco Financial Statements

**Town of Frisco, Colorado**  
**Taxable Sales and Sales Tax Collections by Category**  
**Last Ten Fiscal Years**

	2010		2011		2012		2013		2014		2015		2016		2017		2018		2019		
<b>Taxable Sales</b>																					
Retail - General	\$33,022,900	25%	\$ 35,877,800	27%	\$37,765,575	27%	\$ 38,616,625	26%	\$38,779,875	23%	\$40,289,125	21%	\$41,582,225	20%	\$42,519,550	19%	\$46,533,150	19%	\$56,365,700	22%	
Grocery	17,481,150	13%	17,482,825	13%	17,006,300	12%	27,351,950	19%	30,163,475	18%	38,176,500	20%	43,208,775	20%	46,184,100	21%	48,818,750	20%	50,172,400	20%	
Restaurants	23,241,375	18%	24,423,825	18%	25,124,850	18%	17,475,500	12%	29,173,050	17%	33,187,975	17%	36,862,925	17%	37,483,825	17%	40,972,200	17%	42,527,275	17%	
Hotels & Inns	7,872,025	6%	8,158,625	6%	9,174,875	7%	9,872,450	7%	11,744,800	7%	12,671,750	7%	13,103,850	6%	12,961,625	6%	13,576,800	6%	12,608,700	5%	
Utility	9,793,225	8%	8,851,300	7%	8,245,450	6%	9,122,625	6%	10,014,700	6%	10,388,350	5%	10,022,475	5%	10,203,600	5%	10,023,600	5%	9,678,675	4%	
Home Improvement	6,317,750	5%	6,723,675	5%	6,872,700	5%	7,092,575	5%	8,489,475	5%	9,262,600	5%	10,704,500	5%	12,575,300	6%	16,000,550	7%	17,224,000	7%	
Automotive	6,870,225	5%	7,559,800	6%	6,889,925	5%	7,709,400	5%	8,060,875	5%	8,466,700	4%	9,318,900	4%	9,076,550	4%	8,966,450	4%	9,878,825	4%	
Recreation	6,811,950	5%	7,031,000	5%	6,400,750	5%	7,572,575	5%	7,657,350	4%	8,955,050	5%	9,413,650	4%	9,232,025	4%	9,865,900	4%	9,878,675	4%	
Liquor	4,397,400	3%	4,587,250	3%	4,791,875	3%	5,331,200	4%	5,806,625	3%	7,661,150	4%	8,858,600	4%	8,797,750	4%	9,614,100	4%	9,278,775	4%	
Home Furnishings	4,042,775	3%	3,735,975	3%	4,477,825	3%	5,090,125	3%	5,647,100	3%	6,097,875	3%	8,037,600	4%	8,485,400	4%	7,954,225	3%	6,964,650	3%	
Vacation Rentals	3,119,725	2%	3,271,550	2%	3,915,200	3%	4,347,575	3%	5,284,475	3%	6,059,050	3%	7,315,175	3%	9,508,150	4%	11,560,775	5%	14,113,375	6%	
Clothing	2,115,600	2%	2,255,175	2%	2,492,750	2%	2,779,150	2%	2,937,025	2%	3,119,125	2%	3,822,725	2%	4,280,900	2%	4,620,075	2%	4,552,900	2%	
Gifts	1,462,525	1%	1,771,250	1%	2,326,925	2%	2,193,025	1%	2,853,600	2%	2,871,750	1%	3,129,850	1%	2,958,025	1%	3,170,775	1%	2,883,775	1%	
Marijuana	-	0%	-	0%	-	0%	-	0%	2,406,450	1%	4,319,100	2%	5,327,100	2%	5,911,825	3%	5,943,125	2%	6,468,725	3%	
Health & Beauty	1,458,575	1%	1,234,600	1%	1,274,900	1%	1,416,300	1%	915,850	1%	1,066,850	1%	1,442,575	1%	1,426,850	1%	1,635,450	1%	1,966,425	1%	
Arts & Crafts	1,180,675	1%	974,375	1%	941,050	1%	900,750	1%	860,775	1%	866,350	0%	947,325	0%	1,107,450	0%	1,207,800	1%	1,368,275	1%	
<b>Total</b>	<b>\$ 130,036,575</b>	<b>100%</b>	<b>\$ 134,771,125</b>	<b>100%</b>	<b>\$ 138,584,700</b>	<b>100%</b>	<b>\$ 147,630,825</b>	<b>100%</b>	<b>\$ 171,324,750</b>	<b>100%</b>	<b>\$ 193,811,200</b>	<b>100%</b>	<b>\$ 213,185,525</b>	<b>100%</b>	<b>\$ 225,296,475</b>	<b>100%</b>	<b>\$ 240,470,350</b>	<b>100%</b>	<b>\$ 255,911,225</b>	<b>100%</b>	

	2010 (*)		2011 (*)		2012 (*)		2013 (*)		2014 (*)		2015 (*)		2016 (*)		2017 (*)		2018 (*)		2019 (*)	
<b>Sales Tax Collected</b>																				
Retail - General	\$1,320,916	25%	\$ 1,435,112	27%	\$1,510,623	27%	\$ 1,544,665	26%	\$1,551,195	23%	\$1,611,565	21%	\$1,683,289	20%	\$1,700,782	19%	\$1,861,326	19%	\$2,254,628	22%
Grocery	\$699,246	13%	699,313	13%	690,252	12%	699,020	12%	1,026,539	18%	1,127,060	20%	1,228,351	20%	1,927,364	21%	1,952,750	20%	2,006,896	20%
Restaurants	\$929,655	18%	976,953	18%	1,004,994	18%	1,094,078	19%	1,166,922	17%	1,326,719	17%	1,466,517	17%	1,498,353	17%	1,638,888	17%	1,701,091	17%
Hotels & Inns	\$314,881	6%	326,345	6%	366,995	7%	364,905	6%	469,792	7%	506,870	7%	524,154	6%	515,465	6%	543,074	6%	504,348	5%
Utility	\$391,729	8%	354,052	7%	329,818	6%	394,898	7%	400,588	6%	403,495	5%	400,899	5%	415,534	5%	400,944	4%	386,902	4%
Home Improvement	\$252,710	5%	268,947	5%	274,908	5%	283,707	5%	339,579	5%	370,504	5%	428,180	5%	503,012	6%	640,022	7%	688,960	7%
Automotive	\$274,809	5%	302,362	6%	275,597	5%	308,376	5%	322,435	5%	338,666	4%	372,756	4%	363,062	4%	342,658	4%	387,153	4%
Recreation	\$272,478	5%	281,240	5%	256,030	5%	302,903	5%	306,294	4%	358,202	5%	376,546	4%	369,281	4%	394,636	4%	387,147	4%
Liquor	\$175,896	3%	183,490	3%	191,675	3%	213,248	4%	232,265	3%	306,446	4%	346,344	4%	351,910	4%	384,564	4%	371,151	4%
Home Furnishings	\$161,711	3%	149,439	3%	179,113	3%	203,605	3%	225,844	3%	243,915	3%	243,504	4%	339,416	4%	318,169	3%	278,586	3%
Vacation Rentals	\$124,789	2%	130,862	3%	156,608	3%	173,903	3%	211,379	3%	242,362	3%	292,607	3%	380,326	4%	482,431	5%	564,535	6%
Clothing	\$84,624	2%	90,207	2%	99,710	2%	111,166	2%	117,481	2%	124,765	2%	152,909	2%	171,236	2%	184,803	2%	182,116	2%
Gifts	\$58,501	1%	70,850	1%	93,077	2%	87,721	1%	107,344	2%	114,870	1%	125,194	1%	118,321	1%	126,831	1%	115,351	1%
Marijuana	-	0%	-	0%	-	0%	-	0%	96,258	1%	172,784	2%	213,084	2%	236,477	3%	237,725	2%	258,749	3%
Health & Beauty	\$58,343	1%	49,384	1%	50,996	1%	56,652	1%	36,634	1%	42,674	1%	57,703	1%	57,074	1%	65,418	1%	78,657	1%
Office	\$47,227	1%	38,975	1%	37,642	1%	36,030	1%	34,431	1%	34,654	0%	37,893	0%	44,298	0%	48,312	1%	54,731	1%
Arts & Crafts	\$33,948	1%	33,284	1%	35,350	1%	30,356	1%	27,970	0%	26,915	0%	19,491	0%	15,948	0%	16,263	0%	15,448	0%
<b>Total</b>	<b>\$ 5,201,463</b>	<b>100%</b>	<b>\$ 5,390,845</b>	<b>100%</b>	<b>\$ 5,543,388</b>	<b>100%</b>	<b>\$ 5,905,233</b>	<b>100%</b>	<b>\$ 6,852,990</b>	<b>100%</b>	<b>\$ 7,752,448</b>	<b>100%</b>	<b>\$ 8,527,421</b>	<b>100%</b>	<b>\$ 9,011,859</b>	<b>100%</b>	<b>\$ 9,818,814</b>	<b>100%</b>	<b>\$ 10,236,449</b>	<b>100%</b>

Revenues and sales taxes are reported by category. Publication of revenues and sales taxes paid by a specific individual business is prohibited (Frisco Town Code Section 160-3.3).

Source: Town of Frisco Sales Tax Reports

(\*) Sales tax collected includes penalties and interest for late filings.

**Town of Frisco, Colorado  
Direct and Overlapping Sales Tax Rates  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Town of Frisco</b>	<b>Summit County</b>	<b>State of Colorado</b>	<b>Special District SCHA</b>	<b>Total</b>
2010	2.00%	2.75%	2.90%	0.125%	7.775%
2011	2.00%	2.75%	2.90%	0.125%	7.775%
2012	2.00%	2.75%	2.90%	0.125%	7.775%
2013	2.00%	2.75%	2.90%	0.125%	7.775%
2014	2.00%	2.75%	2.90%	0.125%	7.775%
2015	2.00%	2.75%	2.90%	0.125%	7.775%
2016	2.00%	2.75%	2.90%	0.125%	7.775%
2017	2.00%	2.75%	2.90%	0.725%	8.375%
2018	2.00%	2.75%	2.90%	0.725%	8.375%
2019	2.00%	2.75%	2.90%	0.725%	8.375%

SCHA = Summit Combined Housing Authority

Source: Town of Frisco

**Town of Frisco, Colorado**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended December 31</b>	<b>Residential Property</b>	<b>Commercial &amp; Industrial Property</b>	<b>Vacant &amp; Agricultural Property</b>	<b>State Assessed</b>	<b>Tax-Exempt Property (1)</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
2010	121,948,300	58,252,590	9,515,580	2,261,970	(7,088,055)	191,978,840	0.798	1,773,527,010	10.82%
2011	97,099,380	50,124,330	7,915,720	2,535,720	(6,897,170)	157,675,150	0.798	1,428,753,740	11.04%
2012	98,265,000	49,966,770	8,024,510	3,289,950	(7,152,781)	159,546,230	0.798	1,445,828,980	11.03%
2013	97,741,030	49,960,620	7,781,030	3,485,300	(7,144,447)	158,967,980	0.798	1,439,060,360	11.05%
2014	99,013,910	51,214,520	7,145,550	3,408,490	(7,145,527)	160,782,470	0.798	1,456,917,990	11.04%
2015	111,708,420	57,215,610	7,552,220	3,453,070	(7,285,660)	179,929,320	0.798	1,638,616,050	10.98%
2016	113,382,220	59,152,950	6,161,630	3,475,090	(7,569,380)	182,171,890	0.798	1,661,604,940	10.96%
2017	122,504,530	66,069,220	7,028,550	3,605,210	(7,331,050)	199,207,520	0.798	1,965,945,320	10.13%
2018	123,094,770	66,599,240	7,027,120	3,433,300	(7,448,810)	200,154,430	0.798	1,941,086,430	10.31%
2019	151,629,541	79,732,410	7,043,715	3,462,646	(7,573,443)	241,868,312	0.798	2,431,861,935	9.95%

(1) Tax-Exempt Property is not included in any other columns and therefore is not taken out of Total Taxable Assessed Value

Source: Summit County Assessor's Office

**Town of Frisco, Colorado**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

<b>Tax Year</b>	<b>Collection Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections to Levy</b>
2009	2010	153,606	152,802	99.48%	752	153,554	99.97%
2010	2011	153,199	152,900	99.80%	(328)	152,572	99.59%
2011	2012	125,825	125,556	99.79%	195	125,751	99.94%
2012	2013	127,318	127,135	99.86%	(43)	127,092	99.82%
2013	2014	126,849	126,677	99.86%	(72)	126,605	99.81%
2014	2015	128,304	127,899	99.68%	162	128,061	99.81%
2015	2016	143,584	143,261	99.78%	(2)	143,259	99.77%
2016	2017	145,373	145,199	99.88%	97	145,296	99.95%
2017	2018	158,968	158,625	99.78%	70	158,695	99.83%
2018	2019	159,723	159,595	99.92%	(1)	159,594	99.92%

Property taxes are levied in year X1 and are paid in the following year X2

Source: Summit County Treasurer's Office

**Town of Frisco, Colorado**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Direct</b>	<b>Overlapping</b>			<b>Total</b>	
	<b>Town of Frisco</b>	<b>Summit County</b>	<b>Summit School District</b>	<b>Lake Dillon Fire Protection District</b>		<b>Frisco Sanitation District</b>
2010	0.798	12.595	18.364	8.279	0.000	40.036
2011	0.798	12.796	20.202	8.284	0.000	42.080
2012	0.798	12.824	20.031	9.021	0.000	42.674
2013	0.798	12.789	20.275	9.014	0.000	42.876
2014	0.798	15.173	20.135	9.016	0.000	45.122
2015	0.798	15.072	19.618	9.026	0.000	44.514
2016	0.798	15.086	21.151	9.023	0.000	46.058
2017	0.798	14.986	20.525	9.003	0.000	45.312
2018	0.798	19.643	20.417	9.007	0.000	49.865
2019	0.798	19.280	19.092	9.055	0.000	48.225

Sources: Summit County Assessor's Office, Summit County School District, Lake Dillon Fire District, Town of Frisco Financial Statements

**Town of Frisco, Colorado**  
**Legal Debt Margin**  
**Fiscal Year 2019**

	<b>Assessed Value</b>
Maximum Debt Allowed:	
Actual Value	2,431,861,935
Debt Limit (3% of valuation)	0.03
<b>Legal Debt Limit</b>	<b>\$ 72,955,858</b>
Debt Applicable to Limit:	
Total Bonds Outstanding	\$ 5,725,637
Less: Sales and Use Tax Revenue Bonds	-
<b>Debt Subject to Limitation</b>	<b>\$ 5,725,637</b>
Debt Limit	\$ 72,955,858
less: Total Net Debt Applicable to Limit	5,725,637
<b>Legal Debt Margin</b>	<b>\$ 67,230,221</b>
Total Net Debt Applicable to Limit as a percentage of debt limit	7.8%

Note: Per Colorado Revised Statutes, Section 31-15-302, legal debt margin is limited to 3% of actual taxable value, excepting general obligation debt serviced by enterprise funds and revenue bonds.

Sources: Summit County Assessor's Office and Town of Frisco Financial Statements



**Town of Frisco, Colorado**  
**Frisco Marina Revenue Bonds**  
**Last Ten Fiscal Years**

Fiscal Year Ended December 31	Operating Revenues	Operating Expenses Excluding Depreciation	Net Non-Operating Revenues (Expenses) (2)	Net Revenue Available for Debt Service	Current Debt Service Requirements (1)			Times Coverage
					Principal	Interest	Total	
2019 (*)	\$ 1,614,255	\$ 4,956,753	\$ 5,287,104	\$ 1,944,606	\$ -	\$ 208,160	\$ 208,160	9.34

(\*) 2019 was the first year debt was issued.

(1) The Marina issued Revenue Bonds Series 2019, dated February 26, 2019, in the amounts of \$5,450,000 to finance Marina project improvements.

(2) Net non-operating revenues (expenses) excludes interest expense on external debt, book value of disposed capital assets, bond issuance costs, and the amortization of the bond discount. It includes proceeds from the sale of capital assets.

Source: Town of Frisco's current year's financial statements.

**Town of Frisco, Colorado**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business-Type Activities	Total Primary Government	Median Family Income (1)	Outstanding Debt per Median Income	Population	Outstanding Debt Per Capita
	Capital Leases	Certificates of Participation	Ground Lease and Lease Option	Revenue Bonds					
2008	195,183	1,875,000	-	-	2,070,183	81,300	3.93%	2,806	738
2009	132,405	1,765,000	-	-	1,897,405	85,100	4.49%	2,852	665
2010	354,797	4,395,790	-	-	4,750,587	87,200	1.84%	2,694	1,763
2011	237,263	4,232,281	-	-	4,469,544	88,600	1.98%	2,675	1,671
2012	488,044	4,064,070	-	-	4,552,114	89,800	1.97%	2,712	1,679
2013	526,384	3,891,168	-	-	4,417,552	92,100	2.08%	2,753	1,605
2014	508,445	3,718,584	-	-	4,227,029	90,800	2.15%	2,829	1,494
2015	1,668,248	3,541,319	-	-	5,209,567	86,600	1.66%	2,890	1,803
2016	1,269,759	3,359,381	-	-	4,629,140	81,500	1.76%	2,931	1,579
2017	3,504,698	672,780	-	-	4,177,478	88,600	2.12%	3,123	1,338
2018	3,424,986	476,526	-	-	3,901,512	90,600	2.32%	3,194	1,222
2019	3,342,313	275,637	-	5,450,000	9,067,950	89,100	0.98%	*	*

\* Statistics not yet released for 2019

Notes: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.  
Population and Personal Income information is found in the Demographic and Economic Statistics schedule.

Sources: State of Colorado, Department of Local Affairs (DOLA), Demography Office, Town of Frisco Financial Statements

(1) Information from the Summit Combined Housing Authority's Annual Area Median Income (AMI) for a four-person household, Summit County only.

**Town of Frisco, Colorado**  
**Computation of Direct and Overlapping Debt**  
**Fiscal Year 2019**

<u>Jurisdiction</u>	<u>2019 Assessed Value</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Town</u>	<u>Amount Applicable to Town</u>
Direct Debt:				
Town of Frisco	\$ 241,868,312	\$ 9,067,950	100.00%	\$ 9,067,950
<i>Total Direct Debt</i>				
Summit County	2,257,439,910	-	10.71%	-
Summit School District	2,247,566,630	79,200,000	10.76%	8,522,982
Lake Dillon Fire Protection District	1,043,172,660	-	23.19%	-
Frisco Sanitation District	259,053,770	-	93.37%	-
<i>Total Direct and Overlapping Debt</i>		79,200,000		
<b>Total Direct and Overlapping Debt</b>				<b>\$ 17,590,932</b>

Sources: Assessed value data used to estimate applicable percentages provided by Summit County Assessor's Office. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of outstanding debt of those overlapping governments that are borne by the residents and businesses of the Town. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

**Town of Frisco, Colorado  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Frisco Population (1)</b>	<b>Summit County Population (1)</b>	<b>Median Family Income (2)</b>	<b>Per Capita Income (3)</b>	<b>School Enrollment (4)</b>	<b>Unemployment Rate (5)</b>
2008	2,806	27,464	81,300	45,957	808	3.8%
2009	2,852	27,783	85,100	41,321	816	6.40%
2010	2,694	28,073	87,200	42,835	811	7.80%
2011	2,675	27,906	88,600	44,800	815	7.50%
2012	2,712	28,145	89,800	46,220	815	7.20%
2013	2,753	28,637	92,100	49,369	770	4.40%
2014	2,829	29,404	90,800	50,685	807	3.40%
2015	2,890	29,928	86,600	54,615	832	2.50%
2016	2,931	30,367	81,500	58,386	963	2.10%
2017	3,123	30,555	88,600	64,446	965	1.50%
2018	3,194	30,974	90,600	67,736	1,014	1.60%
2019	*	*	89,100	*	1,023	2.70%

\* Statistics not yet released for 2019

Sources:

- (1) Information from the State of Colorado, Department of Local Affairs (DOLA), Demography Office.
- (2) Information from the Summit Combined Housing Authority's Annual Area Median Income (AMI) for a four person household, Summit County only.
- (3) Bureau of Economic Analysis, U.S. Department of Commerce, Summit County only
- (4) Summit County School District
- (5) Colorado Department of Labor and Employment - LMI Gateway, Summit County

**Town of Frisco, Colorado  
Principal Employers  
Fiscal Year 2019**

<b>Employer</b>	<b>Employee # Range 2018</b>	<b>(1) Percentage of Total County Employment</b>
St. Anthony Summit Medical Center *	100 - 249	0.005 - 0.013%
Summit High School *	100 - 249	0.005 - 0.013%
Whole Foods	100 - 249	0.005 - 0.013%
KCNC	100 - 249	0.005 - 0.013%
Wal-Mart	100 - 249	0.005 - 0.013%
Summit Middle School *	50 - 99	0.005 - 0.013%
Outer Range Brewery	50 - 99	0.003 - 0.005%
Holiday Inn/New Vision Hotel Two	50 - 99	0.003 - 0.005%
Safeway	50 - 99	0.003 - 0.005%
Summit County Ambulance *	50 - 99	0.003 - 0.005%
Summit Stage *	50 - 99	0.003 - 0.005%
Town of Frisco	50 - 99	0.003 - 0.005%
<b>(1) Total Employees within Summit County:</b>	<b>20,870</b>	

\* Business not within municipal limits of the Town of Frisco

Number of employees is only given in ranges

(1) Colorado LMI Gateway  
Unable to get total employees within Town of Frisco  
Information is not available for previous years

**Town of Frisco, Colorado**  
**Full-Time Equivalent Town Government Employees by Function / Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
General Government *	9	9	9	8	9	9	9	9	10	10
Public Safety	15	15	15	16	15	16	17	17	17	18
Public Works	19	19	19	19	19	19	20	21	21	21
Community Development	6	6	6	6	6	6	6	6	8	8
Culture and Recreation	11	11	11	14	14	16	17	19	21	32
Water	3	3	3	3	3	4	4	3	3	3
Marina	2	2	2	3	3	3	3	4	4	4
<b>Total</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>69</b>	<b>69</b>	<b>73</b>	<b>76</b>	<b>79</b>	<b>84</b>	<b>96</b>

Note: Full-time equivalents are for budgeted positions as of December 31st.

Source: Town of Frisco Human Resources

\* Does not include Town Council (7)

**Town of Frisco, Colorado**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b><u>General Government</u></b>										
Council meetings	20	20	22	20	22	21	25	25	24	23
Business licenses	1,193	1,321	1,357	1,464	1,457	1,472	1,498	1,539	1,539	1,579
Sales tax licenses	848	900	934	967	1,003	1,034	1,096	1,117	1,257	1,795
Elections	1	0	0	1	0	0	1	0	1	0
<b><u>Public Safety</u></b>										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	8	8	8	8	8	8	8	8	8	8
Physical arrests	141	176	215	175	157	186	135	116	133	95
Traffic violations	1,411	1,288	951	631	883	638	653	367	501	245
Parking violations	23	35	22	16	44	30	23	49	80	81
<b><u>Public Works</u></b>										
Miles of streets	17.75	17.75	18	18	18	18	18	19	19	19
Total Town area (square miles)	2	2	2	2	2	2	2	2	2	2
<b><u>Community Development</u></b>										
Building permits issued	154	167	158	169	157	209	190	196	239	357
COs issued	35	124	91	83	73	46	59	52	72	87
Planning Commission meetings	18	13	15	16	16	14	14	24	20	20
<b><u>Culture and Recreation</u></b>										
Parks	10	10	10	10	10	10	10	10	10	10
Historic Park and Museum	1	1	1	1	1	1	1	1	1	1
Skateboard parks	1	1	1	1	1	1	1	1	1	1
Volleyball courts	1	1	1	1	1	1	1	1	1	1
Tennis courts	2	2	2	2	2	2	2	2	2	2
Miles of trails	11.5	11.5	12	12	12	12	12	12	12	12
Nordic ski trails	43 km	43 km	43 km	43 km	43 km	43 km	43 km	43 km	43 km	43km
Outdoor ice rinks	1	1	1	1	1	1	1	1	1	1
Baseball, soccer, and multi-use fields	2	2	2	2	2	2	2	2	2	2
Bike Park	0	1	1	1	1	1	1	1	1	1
<b><u>Housing</u></b>										
Impact Fees (\$2 or less/sq ft, new construction)	34,626 sq ft	29,812 sq ft	45,101 sq ft	40,613 sq ft	105,053 sq ft	85,066 sq ft	70,176 sq ft	24,035 sq ft	69,580 sq ft	67,846 sq ft
<b><u>Municipal Water</u></b>										
Number of water service connections	1,925	2,105	1,903	1,906	1,935	1,954	1,960	1,998	2,036	2,008
Daily average water consumption in million gallons	0.786 mgd	0.658 mgd	0.740 mgd	0.607 mgd	0.600 mgd	0.617 mgd	.657 mgd	.736 mgd	.699 mgd	.685 mgd
Miles of water mains	32.5	32.5	32.5	32.8	33	33	33	33	33	33
<b><u>Marina</u></b>										
Service and storage buildings	4	4	4	4	4	4	4	4	4	4
Offices	1	1	1	1	1	1	1	1	1	1
Lighthouses	1	1	1	1	1	1	1	1	1	1
Restaurants	1	1	1	1	1	1	1	1	1	1
Docks	11	11	13	12	12	11	12	12	12	15
Paddle boats	44	45	45	62	33	36	56	31	53	80
Power boats	15	14	14	14	10	14	14	13	12	17

Source: Town of Frisco Human Resources