



City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: March 11, 2014
Subject: December 2013 Financial Report Update

Summary of the December 2013 General Fund Financial Report (Please note the numbers in this Report are not audited and subject to change until the Comprehensive Annual Financial Report is presented to Council)

REVENUES:

- Through December 2013, the City of Englewood collected **\$40,901,820 or \$1,012,021 or 2.5 percent more** than last year (See the chart on page 4 and the attached full report for details on changes in revenue in past year).
- The City collected \$2,900,715 in property and \$266,881 in specific ownership taxes through December.
- **Year-to-date sales and use tax revenues were \$23,433,775 or \$1,070,157 (4.8 percent) more than December 2012.**
- Cigarette tax collections were up \$5,470 compared to last year.
- Franchise fee collections were \$170,422 more than last year.
- Licenses and permit collections were \$463,219 more than 2012.
- Intergovernmental revenues were \$377,518 less than the prior year.
- Charges for services increased \$28,320 from last year.
- Recreation revenues decreased \$195,199 from 2012.
- Fines and forfeitures were \$63,746 less than last year.
- Investment income was \$94,268 less than last year.
- Miscellaneous revenues were \$68,198 less than last year.
- Net rent revenues from McLellan Reservoir were \$573,526.

OUTSIDE CITY:

- Outside City sales and use tax receipts (cash basis) were up \$87,156 or 1.3 percent compared to last year.
- At this time potential refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is \$1,150,000.

CITY CENTER ENGLEWOOD (AREA 1):

- Sales and use tax collection through December 2013 were \$3,113,935 or \$14,380 less than last year during the same period.

EXPENDITURES:

- Expenditures through December were \$40,125,363 or \$140,224 less than the \$40,265,587 expended through December 2012. The City's refund of sales and use tax claims through December 2013 totaled \$31,272.

REVENUES OVER/UNDER EXPENDITURES:

- **Unaudited revenues exceeded expenditures by \$776,457 compared to expenditures exceeding revenues by \$375,788 year-to-date 2012.**

TRANSFERS:

- Net 2013 transfers-in to date of \$1,066,568 were made by the end of December 2013.

FUND BALANCE:

- **The estimated year-end total fund balance is \$10,913,838 or 26.7 percent of unaudited revenue. The ending 2013 unassigned fund balance is \$7,015,707 or 17.1 percent of revenue.**
- The 2013 estimated Long Term Asset Reserve (LTAR) balance is \$2,619,375 (please refer to page 18).

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected \$3,669,505 in revenue and spent \$3,084,423 year-to-date. Estimated year-end fund balance is \$952,201.

General Fund Comparative Revenue, Expenditure & Fund Balance Report as of December 31, 2013

Percentage of Year Completed = 100%

Fund Balance January 1	\$ 8,626,388	\$ 9,070,810	\$ 9,070,810	\$ 8,817,685	\$ 8,817,685	\$ 8,494,679	\$ 8,494,679			
Revenues	2013				2012			2011		
	Budget	Dec-13	% Budget	YE Estimate	Dec-12	Dec-12	% YTD	Dec-11	Dec-11	% YTD
Property Tax	2,898,000	2,900,715	100.09%	2,900,715	2,874,816	2,874,816	100.00%	2,994,213	2,994,213	100.00%
Specific Ownership Tax	230,000	266,881	116.04%	266,881	243,293	243,293	100.00%	246,062	246,062	100.00%
Sales & Use Taxes	22,336,277	23,433,775	104.91%	23,433,775	22,363,618	22,363,618	100.00%	21,737,110	21,737,110	100.00%
Cigarette Tax	184,000	195,088	106.03%	195,088	189,618	189,618	100.00%	190,763	190,763	100.00%
Franchise Fees	3,067,552	3,101,310	101.10%	3,101,310	2,930,888	2,930,888	100.00%	2,631,393	2,631,393	100.00%
Hotel/Motel Tax	9,000	12,039	133.77%	12,039	10,395	10,395	100.00%	9,820	9,820	100.00%
Licenses & Permits	767,153	1,446,578	188.56%	1,446,578	983,359	983,359	100.00%	778,536	778,536	100.00%
Intergovernmental Revenue	1,657,018	1,488,204	89.81%	1,488,204	1,865,722	1,865,722	100.00%	1,724,807	1,724,807	100.00%
Charges for Services	3,277,773	3,469,845	105.86%	3,469,845	3,441,525	3,441,525	100.00%	3,384,318	3,384,318	100.00%
Recreation	2,629,173	2,420,443	92.06%	2,420,443	2,615,642	2,615,642	100.00%	2,635,221	2,635,221	100.00%
Fines & Forfeitures	1,368,450	1,317,707	96.29%	1,317,707	1,381,453	1,381,453	100.00%	1,284,758	1,284,758	100.00%
Interest	100,000	(10,223)	-10.22%	(10,223)	84,045	84,045	100.00%	91,034	91,034	100.00%
EMRF Rents	638,829	573,526	89.78%	573,526	551,295	551,295	100.00%	425,159	425,159	100.00%
Miscellaneous	156,294	285,932	182.94%	285,932	354,130	354,130	100.00%	173,381	173,381	100.00%
Total Revenues	39,319,519	40,901,820	104.02%	40,901,820	39,889,799	39,889,799	100.00%	38,306,575	38,306,575	100.00%
Expenditures										
Legislation	330,436	280,920	85.01%	280,920	316,043	316,043	100.00%	298,731	298,731	100.00%
City Attorney	783,147	719,781	91.91%	719,781	712,036	712,036	100.00%	706,841	706,841	100.00%
Court	962,993	922,245	95.77%	922,245	886,249	886,249	100.00%	848,775	848,775	100.00%
City Manager	679,653	675,844	99.44%	675,844	658,047	658,047	100.00%	639,184	639,184	100.00%
Human Resources	481,392	408,551	84.87%	408,551	469,343	469,343	100.00%	430,792	430,792	100.00%
Financial Services	1,583,684	1,533,060	96.80%	1,533,060	1,464,305	1,464,305	100.00%	1,446,313	1,446,313	100.00%
Information Technology	1,340,211	1,336,590	99.73%	1,336,590	1,373,943	1,373,943	100.00%	1,332,766	1,332,766	100.00%
Public Works	5,308,257	5,234,382	98.61%	5,234,382	5,202,903	5,202,903	100.00%	5,259,875	5,259,875	100.00%
Fire Department	7,889,065	8,002,677	101.44%	8,002,677	8,100,554	8,100,554	100.00%	7,666,842	7,666,842	100.00%
Police Department	11,520,191	11,226,157	97.45%	11,226,157	10,788,935	10,788,935	100.00%	10,395,239	10,395,239	100.00%
Community Development	1,324,774	1,113,710	84.07%	1,113,710	1,262,451	1,262,451	100.00%	1,359,264	1,359,264	100.00%
Library	1,251,293	1,174,656	93.88%	1,174,656	1,180,771	1,180,771	100.00%	1,145,613	1,145,613	100.00%
Recreation	5,711,776	5,402,600	94.59%	5,402,600	5,649,246	5,649,246	100.00%	5,717,147	5,717,147	100.00%
Debt Service	2,062,574	2,005,830	97.25%	2,005,830	2,056,951	2,056,951	100.00%	2,096,463	2,096,463	100.00%
Contingency	150,000	88,360	58.91%	88,360	143,810	143,810	100.00%	152,423	152,423	100.00%
Total Expenditures	41,379,446	40,125,363	96.97%	40,125,363	40,265,587	40,265,587	100.00%	39,496,268	39,496,268	100.00%
Excess revenues over (under) expenditures	(2,059,927)	776,457	-37.69%	776,457	(375,788)	(375,788)		(1,189,693)	(1,189,693)	
Net transfers in (out)	1,139,574	1,066,568	93.59%	1,066,568	628,913	628,913	100.00%	1,512,699	1,512,699	100.00%
Total Fund Balance	\$ 7,706,035	\$ 10,913,835	141.63%	\$ 10,913,835	\$ 9,070,810	\$ 9,070,810	100.00%	\$ 8,817,685	\$ 8,817,685	100.00%

Fund Balance Analysis

Total Fund Balance	\$ 7,706,035	\$ 10,913,835	\$ 10,913,835	\$ 9,070,810	\$ 8,817,685
Restricted Fund Balance					
-Emergencies (TABOR)	1,150,000	1,200,000	1,200,000	1,200,000	1,150,000
Committed Fund Balance					
-LTAR	2,619,375	2,619,375	2,619,375	2,619,375	2,406,649
-COPS Grant	298,512	78,753	78,753	298,512	298,512
Restricted/Committed	\$ 4,067,887	\$ 3,898,128	\$ 3,898,128	\$ 4,117,887	\$ 3,855,161
Estimated Unassigned Fund Balance	\$ 3,638,148	\$ 7,015,707	\$ 7,015,707	\$ 4,952,923	\$ 4,962,524
As a percentage of projected revenues	8.89%	17.15%	17.15%	12.42%	12.95%
As a percentage of projected expenditures	9.07%	17.48%	17.48%		
Target	3,931,952	-	5,897,928		



City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: March 11, 2014
Subject: February 2014 Financial Report

Please note any references to 2013 have not been audited and are subject to change until the annual audit and Comprehensive Annual Financial Report is completed and presented to City Council.

REVENUES:

- Through February 2014, the City of Englewood collected **\$7,072,632 or \$636,673 or 9.9 percent more** than last year (See the chart on page 3 and the attached full report for details on changes in revenue in past year. February typically generates about ten percent of the year's total revenues.
- The City collected \$57,720 in property taxes and \$27,352 in specific ownership tax through February.
- **Year-to-date sales and use tax revenues were \$4,860,608 or \$407,580 (9.1 percent) more than February 2013**
- Cigarette tax collections were down \$732 compared to last year.
- Franchise fee collections were \$50,536 more than last year.
- Licenses and permit collections were \$152,758 more than February 2013.
- Intergovernmental revenues were \$96,730 more than the prior year.
- Charges for services decreased \$50,371 from last year.
- Recreation revenues decreased \$1,449 from 2013.
- Fines and forfeitures were \$10,099 less than last year.
- Investment income was \$31,497 more than last year.
- Miscellaneous revenues were \$11,240 less than last year.
- Rent revenues from McLellan Reservoir were \$117,465.

OUTSIDE CITY:

- Outside City sales and use tax receipts (cash basis) were up \$88,405 or 5.2 percent compared to last year.
- At this time potential refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is \$1,150,000.

CITY CENTER ENGLEWOOD (CCE):

- Sales and use tax revenue collected through February 2014 were \$593,530 or \$39,778 less than last year during the same period.

EXPENDITURES:

- Expenditures through February were \$5,697,309 or \$1,081,826 (23.4 percent) more than the \$4,615,483 expended through February 2013; *this was due to having three payrolls in January*. The City refunded \$828 sales and use tax claims through February 2014; the City of Englewood refunded \$4,747 in February 2013.

REVENUES OVER/UNDER EXPENDITURES:

- Revenues exceeded expenditures by \$1,375,323 this year compared to revenues exceeding expenditures by \$1,820,476 in 2013.

TRANSFERS:

- Net 2014 transfers-in to date of \$848,820 were made by the end of February 2014 (please refer to page 17).

FUND BALANCE:

- The estimated total fund balance is \$9,706,048 or 24.4 percent of revenue. The estimated unreserved/undesignated reserves for 2014 are estimated at \$5,886,673 or 14.8 percent of estimated revenues.
- The 2013 estimated Long Term Asset Reserve (LTAR) balance is \$2,619,375 (please refer to page 17).

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected \$878,929 in revenues and spent \$1,249,955 year-to-date. Estimated year-end fund balance is (\$379,797).

City of Englewood, Colorado

February 2014 Financial Report

The annual budget serves as the foundation for the City’s financial planning and control, and provides a comprehensive plan to provide high quality services to the Englewood community. Based upon conservative revenue estimates, the budget quantifies in dollars the many services and amenities the citizens of Englewood receive. The City has prepared a balanced budget and it is one where revenues plus beginning fund balance are equal to or exceed expenditures.

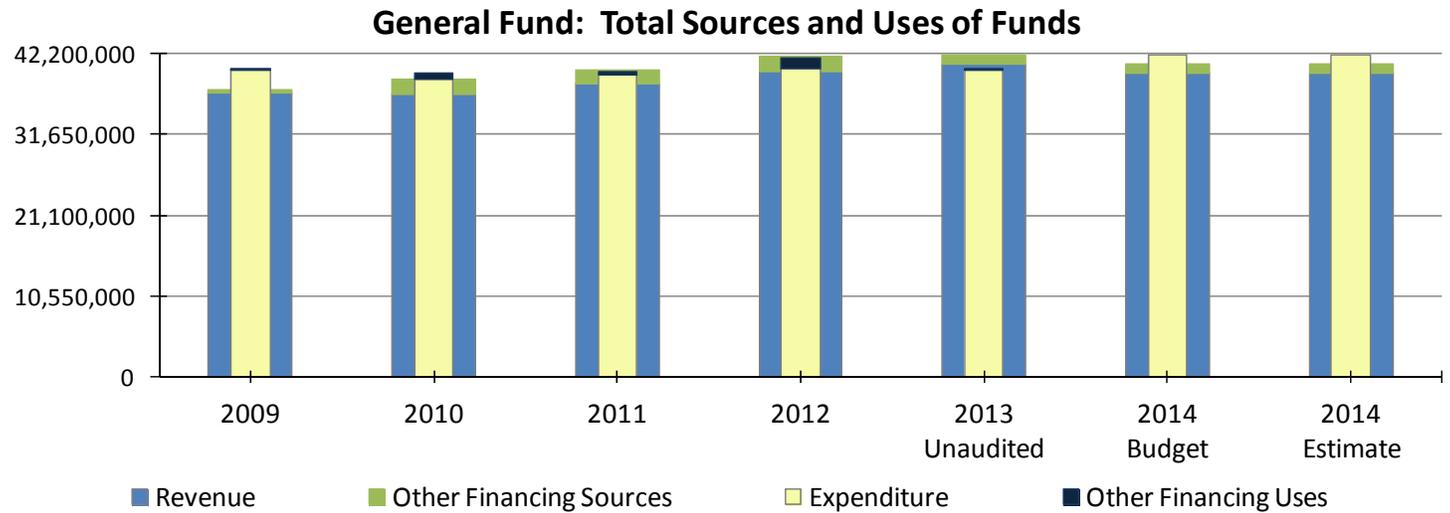
The monthly financial report provides on a periodic basis the review of the actual revenues and expenditures as compared to the budget. This point in time analysis compares the current year to the prior year and determines if the revenues and expenditures are on track with the budget. By monitoring the financial condition of the City, City staff and Council can work together to take action, if necessary, to maintain service levels, employees, and fiscal health of the City.

GENERAL FUND OVERVIEW AND ANALYSIS

The General Fund accounts for the major “governmental” activities of the City. These activities include “direct” services to the public such as police, fire, public works, parks and recreation, and library services. General government also provides administrative and oversight services through the offices of city manager and city attorney; the departments of information technology, finance and administrative services, community development, human resources, municipal court and legislation. Debt service, lease payments, and other contractual payments are also commitments of the General Fund.

General Fund - Surplus and Deficit

The graph below depicts the history of sources and uses of funds from 2009 to 2014 Budget. As illustrated, both surpluses and deficits have occurred in the past. The gap has narrowed over the past few years by reducing expenditures, freezing positions, negotiating lower-cost health benefits, increased revenue collections. Continued efforts will be required to balance revenues and expenditures, especially with persistent upward pressure on expenditures due to increases in the cost of energy, wages and benefits.



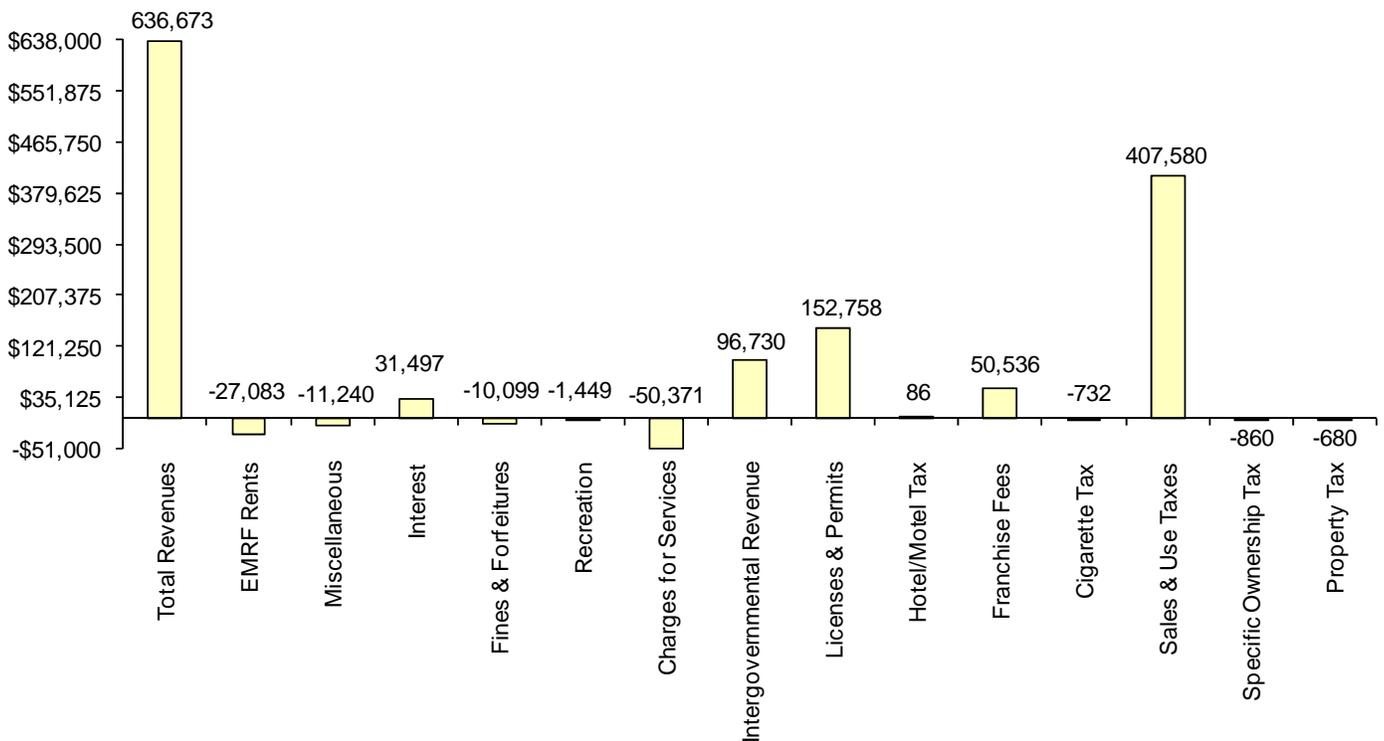
The table on the next page summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended February, 2014. Comparative figures for years 2013 and 2012 are presented as well. The table also highlights the dollar and percentage changes between those periods.

	Jan-14	2014 vs 2013 Increase (Decrease)		Jan-13	2013 vs 2012 Increase (Decrease)		Jan-12
General Fund							
Year-To-Date Revenue	\$ 7,072,632	\$ 636,673	9.89%	\$ 6,435,959	\$ 266,278	4.32%	\$ 6,169,681
Year-To-Date Expenditure	\$ 5,697,309	\$ 1,081,826	23.44%	\$ 4,615,483	\$ (29,575)	(.64%)	\$ 4,645,058
Net Revenue (Expenditure)	\$ 1,375,323	\$ (445,153)		\$ 1,820,476	\$ 295,853		\$ 1,524,623
Unassigned Fund Balance	\$ 5,886,673	\$ (1,129,034)	(16.09%)	\$ 7,015,707	\$ 2,062,784	41.65%	\$ 4,952,923
Sales & Use Tax Revenue YTD	\$ 4,860,608	\$ 407,580	9.15%	\$ 4,453,028	\$ 226,187	5.35%	\$ 4,226,841
Outside City Sales & Use Tax YTD	\$ 1,772,009	\$ 88,405	5.25%	\$ 1,683,604	\$ 26,831	1.62%	\$ 1,656,773

General Fund Revenues

The City of Englewood’s total budgeted revenue is \$39,670,112. Total revenue collected through February 2014 was \$7,072,632 or \$636,673 (9.9 percent) more than was collected in 2013. The chart below illustrates changes in General Fund revenues this year as compared to last year.

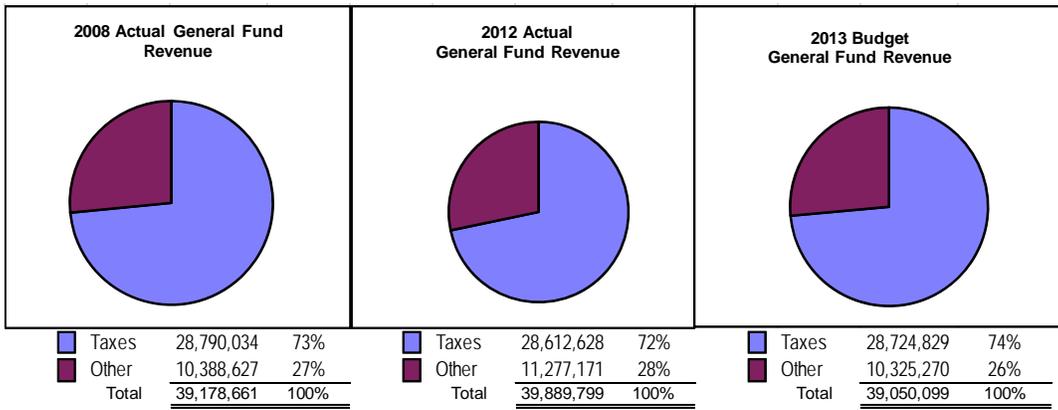
2014 Year-To-Date Change in General Fund Revenue as Compared to Prior Year



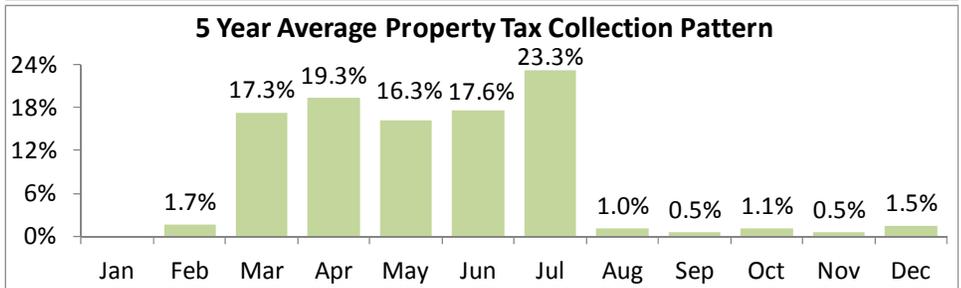
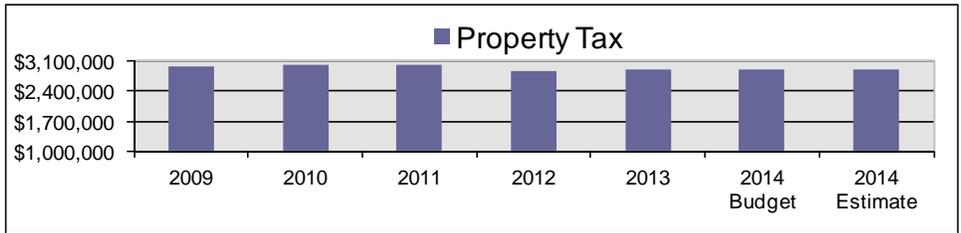
General Fund - Taxes

The General Fund obtains most of its revenue from taxes. In 2013 total unaudited revenues were \$40,901,820 of which \$29,909,808 (73.1 percent) came from tax collections. Taxes include property, sales and use, specific ownership, cigarette, utilities, franchise fees, and hotel/motel. The pie charts on the next page illustrate the contribution of taxes to total revenue for 2009, 2013 unaudited and 2014 Budget. Taxes as a percentage of total revenue have declined slightly as other fees and charges have been increased to help offset rising costs and relatively flat tax revenues.

General Fund Revenues - Taxes vs. Other



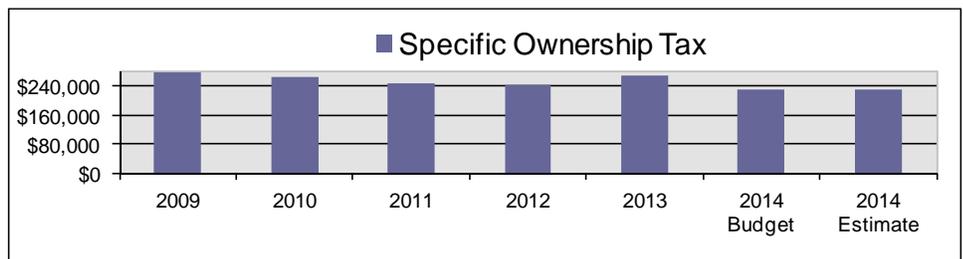
Property taxes: These taxes are collected based on the assessed value of all the properties in the City and the mill levy assessed against the property. The City's total 2012 mill levy collected in 2013 is 8.124 mills. The 2013 mill levy for general operations collected in 2014 is 5.880 mills. Voters approved a separate, dedicated mill levy for principal and interest payments on the City's general obligation debt for the construction of parks and recreation projects. The dedicated general obligation debt mill levy is accounted



Property Tax Mill Levy	2009	2010	2011	2012	2013	2014 Budget	2014 Estimate
General Fund	5.880	5.880	5.880	5.880	5.880	5.880	5.880
Debt Service Fund	1.947	2.031	2.130	1.741	1.914	2.244	2.244
Total Mill Levy	7.827	7.911	8.010	7.621	7.794	8.124	8.124

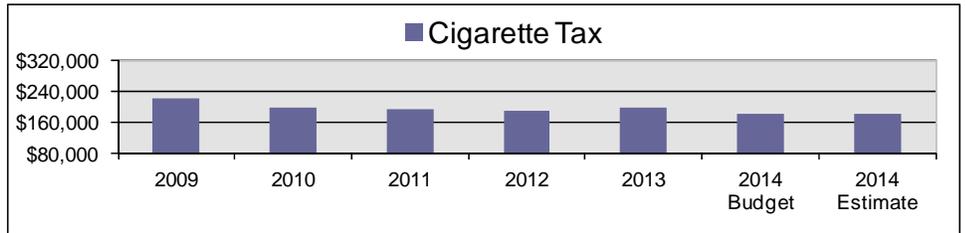
for in the Debt Service Fund. The dedicated general obligation debt mill levy dedicated for the City's general obligation debt collected in 2012 is 2.244 mills. Property tax collections declined from \$2,971,303 in 2009 to \$2,900,715 in 2013. This was a decrease of \$70,588 or 2.4 percent. In 2013 the City collected \$2,900,715 or 9.7 percent of 2013 total taxes and 7.1 percent of total revenues from property taxes. The City budgeted \$2,898,000 for 2014; and collected \$57,720 February 2014. The estimate for the year is \$2,898,000.

Specific ownership: These taxes are based on the age and type of motor vehicles, wheeled trailers, semi-trailers, etc. These taxes are collected by the County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected \$276,414 in 2009 and \$266,881 in 2013 which is a decrease of \$9,533 or 3.5 percent. The City collected \$266,881 in 2013 which is less than one percent of total revenues and total taxes. The City budgeted \$230,000 for 2014 and collected \$27,352 through February 2014. The estimate for the year is \$230,000.



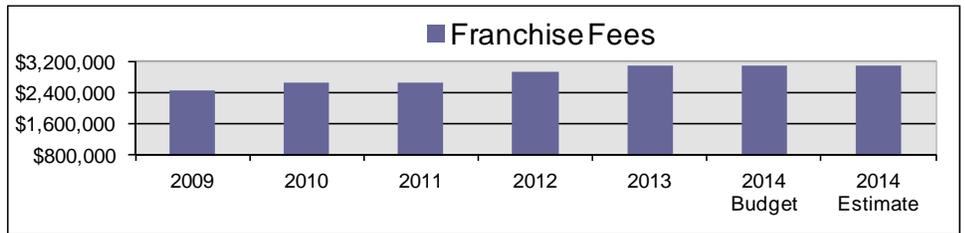
Cigarette Taxes: The State of Colorado levies a \$.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen

significantly in the past and continue to fall after the 2009 federal tax increase of approximately \$.62 per pack went into effect. This federal tax increase will fund the State Children’s Health Insurance Program (SCHIP). In 2009 the City collected \$218,449, but in 2013 the City collected \$195,088, which is a decrease of \$23,361 or 10.7 percent. These taxes accounted for less than one percent of total taxes and less than one percent of total revenues in 2013. The City budgeted \$179,000 for the year and collected \$31,989 through February 2014, which is \$732 or 2.2 percent less than the \$32,721 collected through February 2014. The estimate for the year is \$179,000.

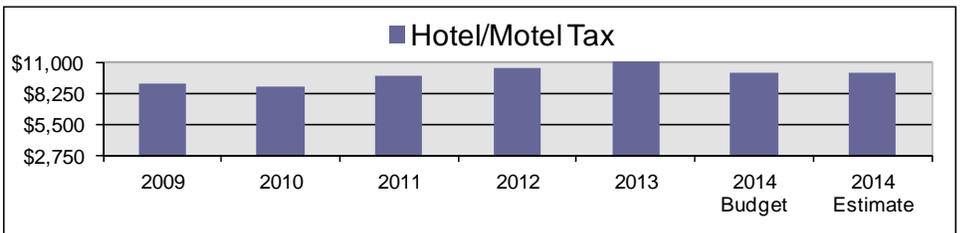


Franchise Fees: The City collects a number of taxes on various utilities. This includes franchise tax on water, sewer, and public services, as well as occupational tax on telephone services. The City collected \$2,452,611 in 2009 and \$3,101,310 in 2013, an increase of

\$648,699 or 26.5 percent. These taxes accounted for 10.5 percent of taxes and 7.6 percent of total revenues in 2013. The City budgeted \$3,069,500 for the year; collections through February totaled \$357,987 compared to \$307,451 collected during the same period last year. The estimate for the year is \$3,069,500.

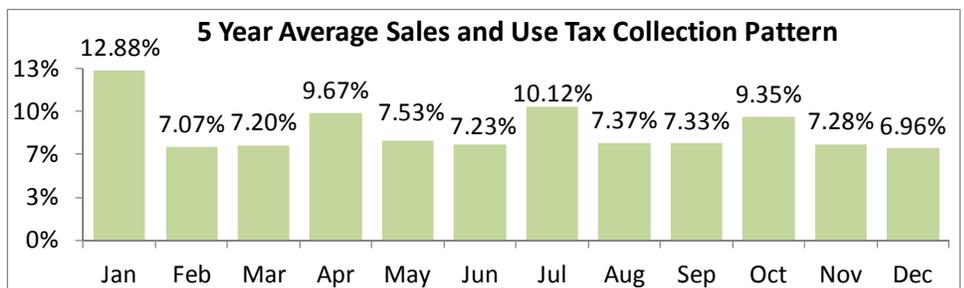
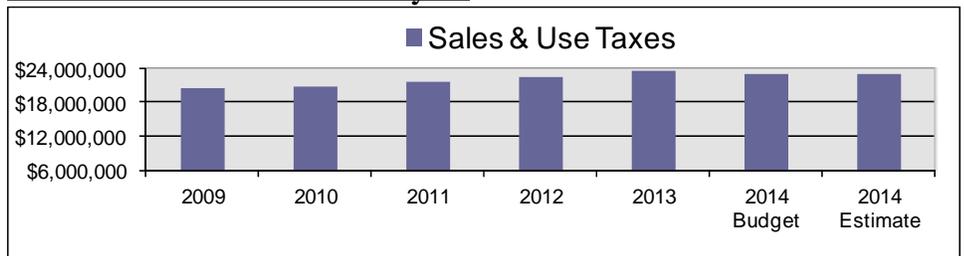


Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted \$10,000 for the year and has collected \$2,144 through February 2014. The estimate for the year is \$10,000.



Sales and Use Taxes Analysis

Sales and use taxes are the most important (and volatile) revenue sources for the City. Sales and use taxes generated 78.4 percent of all taxes and 57.4 percent of total revenues collected in 2012. In 2009, this tax generated \$20,624,659 for the City of Englewood; in 2013 the City collected \$23,433,775, an increase of \$2,809,116 (13.6 percent). This tax is levied on the sale price of taxable goods. Sales tax is calculated by multiplying the sales price of taxable goods times the sales tax rate of 3.5 percent. Vendors no longer receive a fee for collecting and remitting their sales/use taxes. Taxes for the current month are due to the City by the twentieth day of the following month. The City budgeted \$22,883,003 for 2014. Sales and Use Tax revenue (cash basis) through February 2014 was \$1,670,881 while revenue year-to-date for February 2013 was \$1,612,088, an increase of \$58,793 or 3.6 percent.

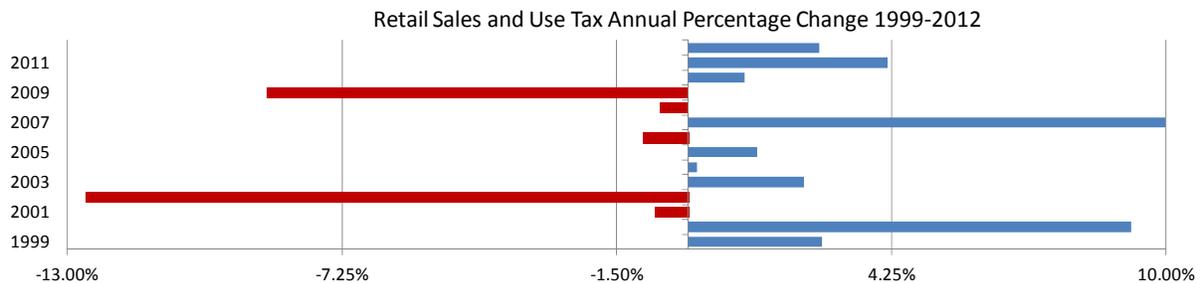


Collections (cash basis) for February 2014 were \$1,670,881 while collections for February 2013 and February 2012 were \$1,612,088 and \$1,469,750 respectively. February 2014 collections were 3.6 percent or \$58,793 more than February 2013 collections and \$201,131 or 13.7 percent more than December 2012 collections.

Based on the last five years of sales tax collection data, December contributes 19.6 percent of total year’s sales tax collections; if this pattern holds this year, 80.4 percent is left to collect over the remainder of the year. Based on year-to-date collections, the City will collect an additional \$19,359,458 over the remainder of the year for a total of \$24,081,960. Collections through December were 106.1 percent of last December’s collections. If this were applied to the entire year, the total collected would be \$24,484,193. The average of the two forecasts is \$24,283,077 (\$1,400,074 or 6.1 percent over the amount budgeted for the year). The estimate for the year remains at the amount originally budgeted until more information is collected and analyzed.

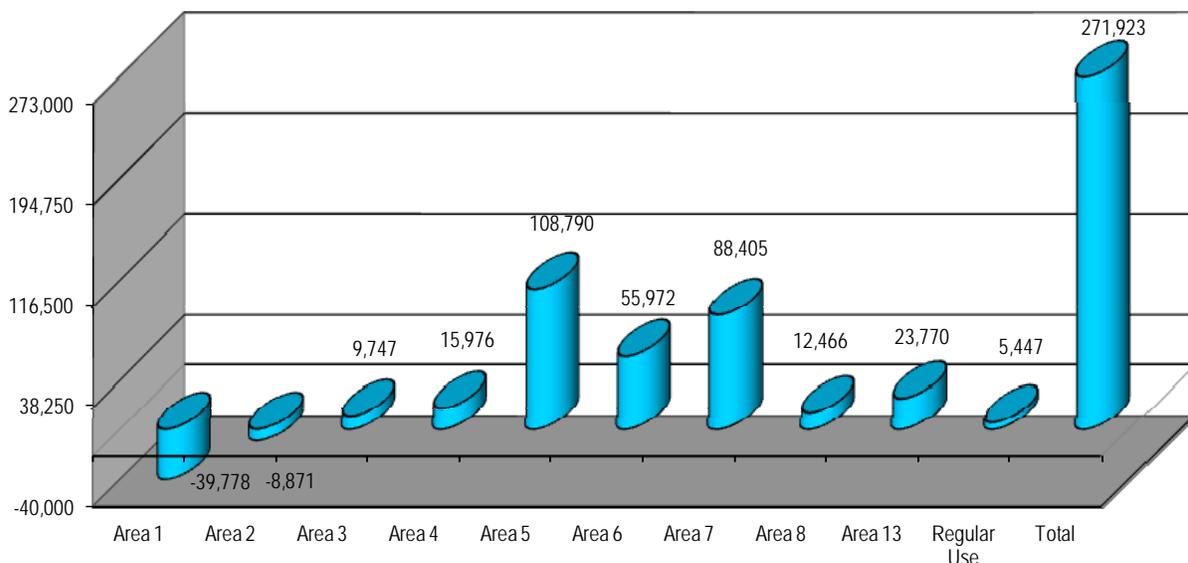
Outside City sales and use tax collections through February totaled \$1,772,009 equaling an increase of approximately \$88,405 from 2013 collections.

This revenue source tends to ebb and flow (often dramatically) with the economy, growing during economic expansions and contracting during downturns. The past three years of sales tax collections have been exceptionally erratic making it extremely difficult to make accurate short or long term forecasts. It is important to continually review and analyze sales and use tax data including trends in the various geographic areas of the City.



The next chart, “Change in Sales/Use Tax Collections by Area 2014 vs. 2013” provides for the month the annual sales and use tax increases and decreases in the various geographic areas. Economic conditions, judged by sales and use tax collections, appears to be a “mixed bag” with some geographic areas increasing and some decreasing compared to the same period last year.

Change in Sales/Use Tax Collections by Area 2014 vs 2013

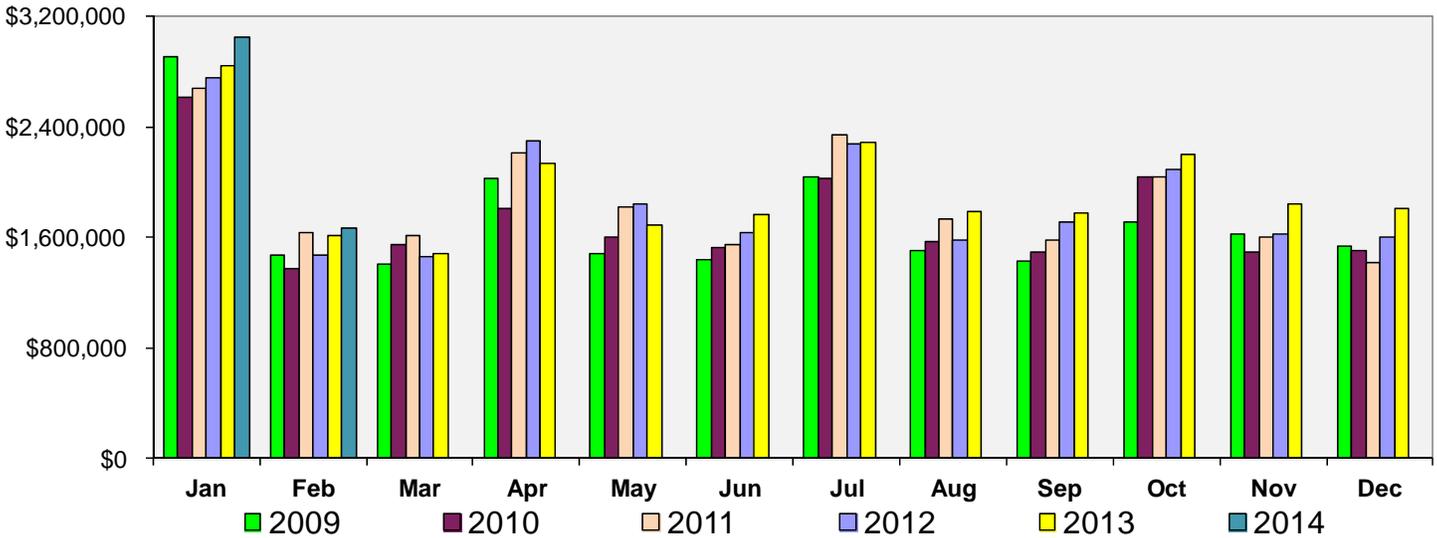


Please note that the geographic map of the sales tax areas was changed within the first quarter of 2012, and hopefully makes more sense. Some of the areas will look skewed until more comparable data is available in 2013. EURA Areas 9 & 10 and EURA Areas 11 & 12 were incorporated into Areas 1, 2 and 6. Specific changes include:

- Area 1 east boundary will change at Bannock St/Englewood Pkwy east to Acoma St south to Jefferson Ave/Hampden Ave/US 285
- Split the address down the middle of the streets for Area 2 and Area 3: Bannock St and Sherman St
- Split the address down the middle of the streets for Area 3 and Area 4: Belleview Ave, Fox St and Logan St
- The north and south side of the street included in Area 1: Jefferson Avenue
- The north and south side of the street included in Area 2: Jefferson Ave/Hampden Ave/US 285

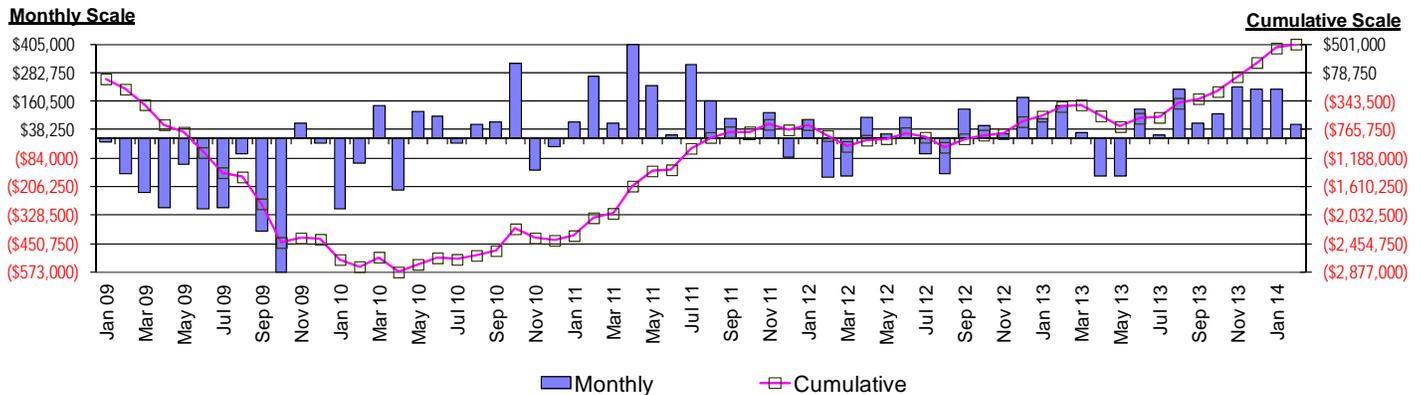
The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2009 through 2014.

2009-2014 YTD Sales/Use Tax Collections by Month - Cash Basis



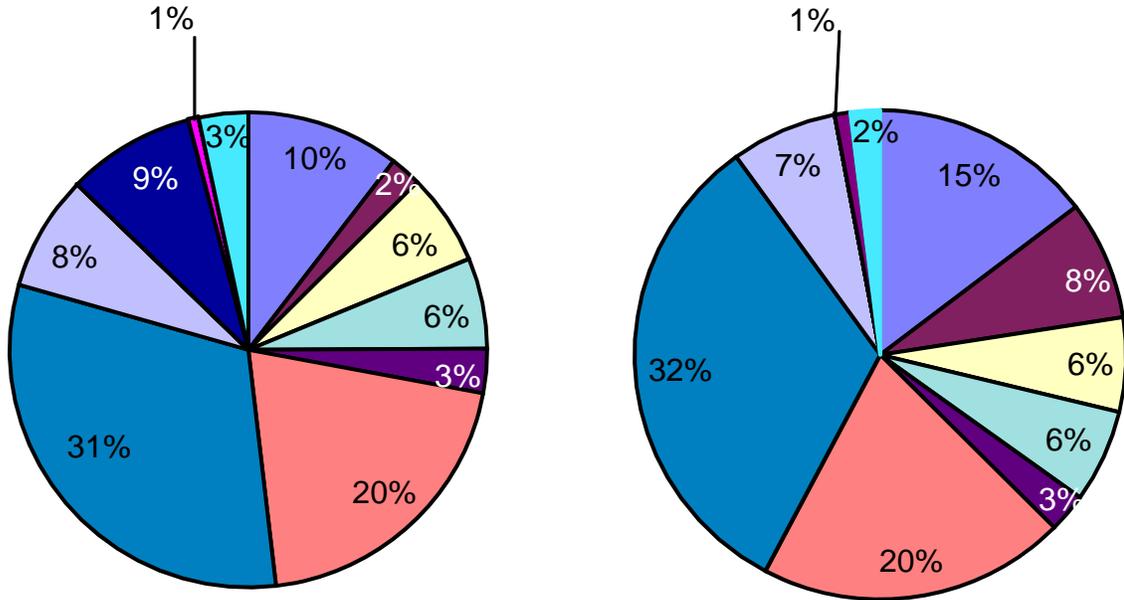
The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented. For the period presented, the bar graph depicts the change in collections for a month as compared to the prior year, while the cumulative line graph is based on the beginning period monthly change in sales and use tax collections as adjusted by each consecutive month change.

2009 - 2014 Monthly Change Sales and Use Tax Receipts



Sales tax collections are reported by various geographic areas as illustrated in the following pie charts. These illustrate the changing collection patterns for 2009 and 2013.

Geographic Sales Tax Collection Areas



2009 Actual Cash Receipts by Area

Area 1	10%	Area 8	8%
Area 2	2%	Area 9 & 10	9%
Area 3	6%	Area 11 & 12	1%
Area 4	6%	Area 13	0%
Area 5	3%	Regular Use	3%
Area 6	20%		
Area 7	31%		

2013 Unaudited Cash Receipts by Area

Area 1	15%	Area 8	7%
Area 2	8%	Area 9 & 10	0%
Area 3	6%	Area 11 & 12	0%
Area 4	6%	Area 13	1%
Area 5	3%	Regular Use	2%
Area 6	20%		
Area 7	32%		

A brief description and analysis of the significant geographic areas follows:

Area 1: This geographic area accounts for the sales tax collections from CityCenter Englewood. CityCenter Englewood had collections of \$593,530 year-to-date or 6.3 percent less than was collected during the same period last year.

Area 4: This geographic area's collections are up 6.2 percent from last year.

Area 5: This area includes the remodeled King Soopers. Collections are 158.7 percent higher than last year (King Soopers was not open last year).

Area 6: This geographic area is up 7.6 percent from last year.

Area 7: This geographic area records the outside city sales tax collections (Outside City). Outside City has been the geographic area responsible for much of the sales tax growth (and decline) in past years. Outside City collections have increased .3 percent from the same period last year. The chart below illustrates this area's contribution to total sales and use taxes (cash basis) as well as total revenues since 2009 for collections through the month of December. The importance of Outside City has declined as a percentage of sales and use tax collections but it continues to remain an important impact on the City's General Fund as illustrated by the following:

	2010	2011	2012	2013	2014
Total Sales and Use Taxes	3,976,590	4,310,866	4,225,288	4,450,579	4,722,502
Outside City Collections	1,411,923	1,676,973	1,656,773	1,683,604	1,772,009
Percentage of Total	35.5%	38.9%	39.2%	37.8%	37.5%
Total General Fund Revenues	5,612,079	6,244,660	6,169,681	6,435,959	7,072,632
Outside City Collections	1,411,923	1,676,973	1,656,773	1,683,604	1,772,009
Percentage of Revenues	25.2%	26.9%	26.9%	26.2%	25.1%

The City records the proceeds of some returns from Outside City into an unearned revenue (liability) account. The criteria staff uses to decide if proceeds should be placed in the unearned account is if a reasonable probability exists for another municipality to claim the revenue. This account currently has a balance of \$1,150,000 to cover intercity claims. The City paid \$828 in refunds including intercity sales/use tax claims through February 2014 compared to \$4,747 through February 2013. At this time *potential* refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed.

Area 8: This geographic area consists of collections from public utilities. Collections through February were 3.8 percent more than last year. Weather conditions, energy usage conservation, and rising energy prices play an important role in revenue collections. Collections could increase or decrease if the remainder of the year is significantly hotter/colder than normal.

Area 13: This geographic area encompasses the Kent Place Development. Collections through February were \$55,287 compared to \$31,517 last year. It is difficult to make comparison between 2014 and 2013 as not all the vendors were in operation in 2013.

Other Sales Tax Related Information

Finance and Administrative Services Department collected \$17,098 in sales and use tax audit revenues and general collections of balances on account through the month of February 2014, this compares to \$13,201 collected in 2013 and \$5,176 collected in 2012.

Of the 57 sales tax accounts reviewed in the various geographic areas, 36 (63 percent) showed improved collections and 21 (37 percent) showed reduced collections this year compared to the same period last year.

The Department issued 73 new sales tax licenses through February 2014; 66 and 72 were issued through February 2013 and 2012 respectively.

City records indicate that year-to-date eight businesses closed (seven were outside the physical limits of Englewood) and 73 opened (55 of them were outside the physical limits of Englewood).

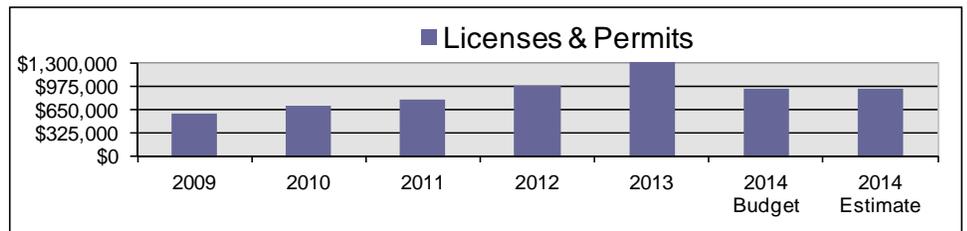
General Fund - Other Revenue

Other revenues (including McLellan rent) accounted for \$10,992,012 or 26.9 percent of the total revenues for 2013. The City budgeted \$10,400,609 for 2014.

The next page provides additional information on the significant revenue sources of the General Fund:

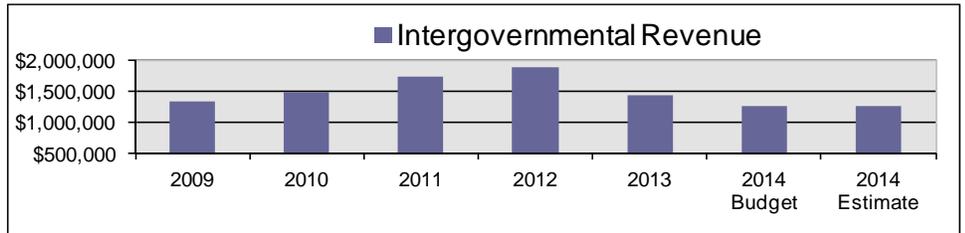
Licenses and Permits: This revenue category includes fees from business and building licenses and permits.

This revenue source generated \$1,446,578 during 2013 or 3.5 percent of total revenue and 13.2 percent of total other revenue. This revenue



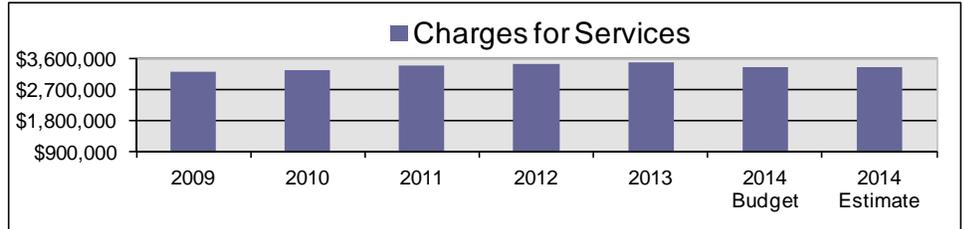
source totaled \$588,328 in 2009 and increased to \$1,446,578 in 2013, a 145.9 percent increase. The City budgeted \$882,550 for 2014 and year-to-date collected \$318,419 or \$152,758 (92.2 percent) more than the \$165,661 collected through February 2014. The estimate for the year is \$882,550.

Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at \$1,243,281 for 2014. This revenue source totaled \$1,319,282 in 2009 and the City

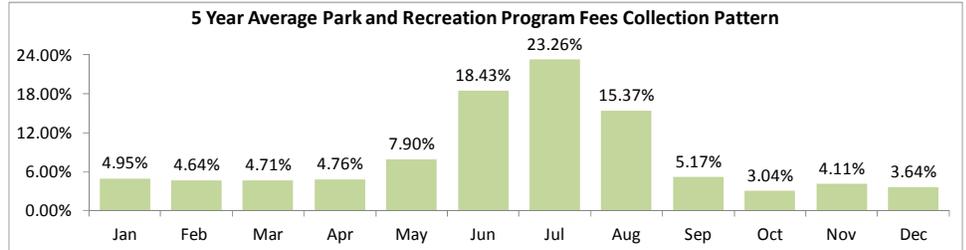
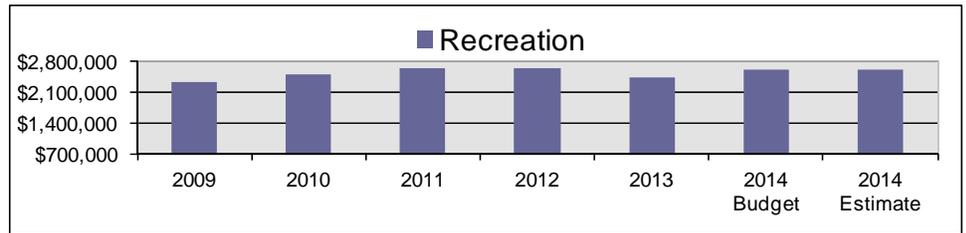


collected \$1,488,204 in 2013, an 12.8 percent increase. The City collected \$207,281 through February 2014 this is \$96,730 more than the \$110,551 collected in the same period in 2013. The estimate for the year is \$1,243,281.

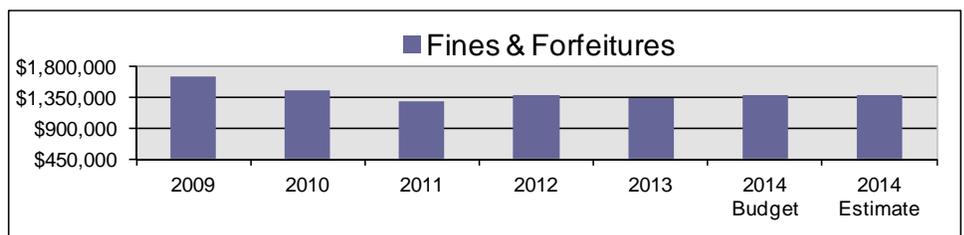
Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at \$3,340,803 for 2014. This revenue source totaled \$3,185,443 in 2009 and increased to \$3,469,845 in 2013, an 8.5 percent increase. Total collected year-to-date was \$510,665 or \$50,371 (nine percent) less than the \$561,036 collected year-to-date in 2013. The estimate for the year is \$3,340,803.



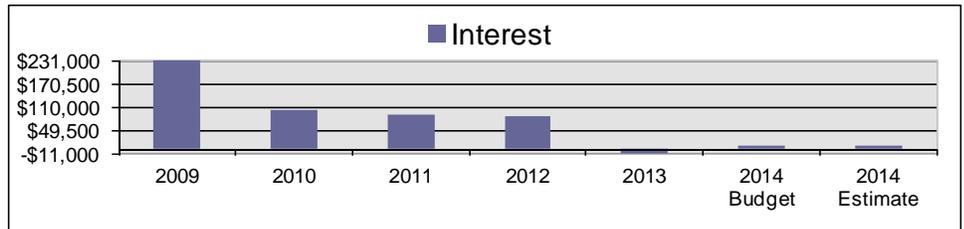
Recreation: This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at \$2,594,232 for 2014. This revenue source totaled \$2,315,598 in 2009 and increased to \$2,420,443 in 2013, a 4.5 percent increase. Total collections through February 2014 were \$256,233 compared to \$257,682 collected in 2013. The estimate for the year is \$2,594,232.



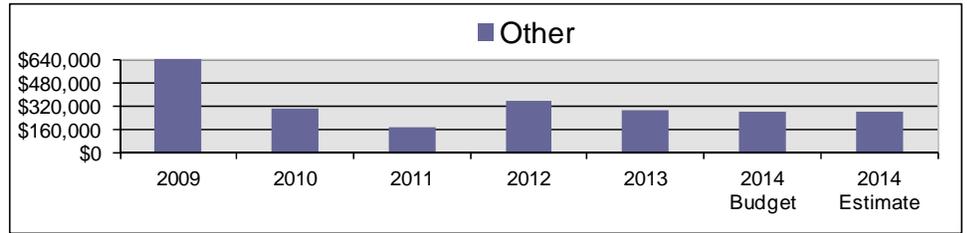
Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2014 budget for this source is \$1,368,450. This revenue source totaled \$1,639,678 in 2009 and decreased to \$1,317,707 in 2013, a 19.6 percent decrease. Total collected year-to-date was \$226,243 or \$10,099 (4.3 percent) less than the \$236,342 collected in the same time period last year. The estimate for the year is \$1,368,450.



Interest: This is the amount earned on the City's cash investments. The 2014 budget for this source is \$8,164. This revenue source totaled \$230,000 in 2009 and decreased to a loss of \$10,233 in 2013, a 104.4 percent decrease. The City earned \$39,210 through February 2014; while the City earned \$7,713 through February 2013. The estimate for the year is \$8,164.



Other: This source includes all revenues that do not fit in another revenue category. The 2014 budget for this source is \$324,300. This revenue source totaled \$635,982 in 2009 and decreased to \$285,932 in 2013, a 55 percent decrease. Total collected year-to-date is \$59,316 (15.9 percent) less than the \$70,556 collected last year during the same period. The estimate for the year is \$324,050.



Economic Incentives

The City of Englewood uses economic incentives to attract and maintain businesses. Businesses are the City’s lifeblood, not only do they generate sales and property taxes but they provide employment and shopping opportunities for citizens.

Englewood Economic Development Incentives Granted

Business	Public Use of Incentive Funds
King Soopers (Federal and Belleview)	Storm sewer replacement, water line improvements, access modifications and electrical line undergrounding.
Oxford LCP	Construct sidewalk enhancements in the public right of way.
Flood Middle School	Relocate City Ditch and sanitary sewer line, upgrade water line and underground electrical lines.
Restaurant at Englewood Market Place	Landscaping, maintenance and ADA ramp.
Cadence dba Broadbell LLC for Sprouts	
Farmers Market	Intersection and signalized intersection.

General Fund - Expenditures

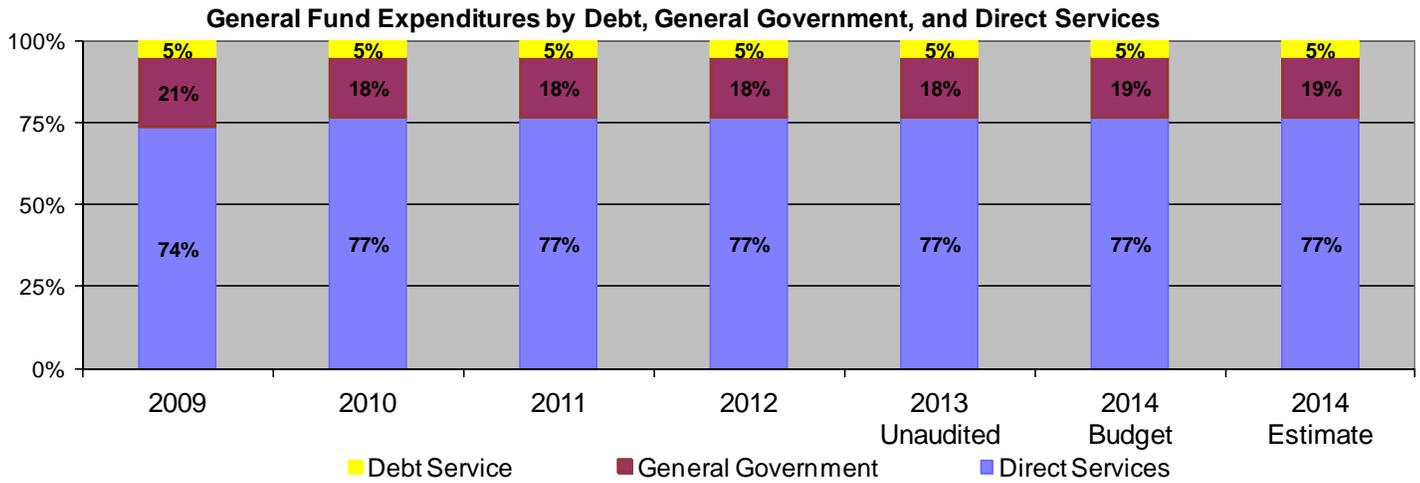
In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the desired result of the services delivered to the citizens of Englewood. The five outcomes identified are intended to depict Englewood as:

- ▶ A City that provides and maintains quality infrastructure,
- ▶ A safe, clean, healthy, and attractive City,
- ▶ A progressive City that provides responsive and cost efficient services,
- ▶ A City that is business friendly and economically diverse, and
- ▶ A City that provides diverse cultural, recreational, and entertainment opportunities.

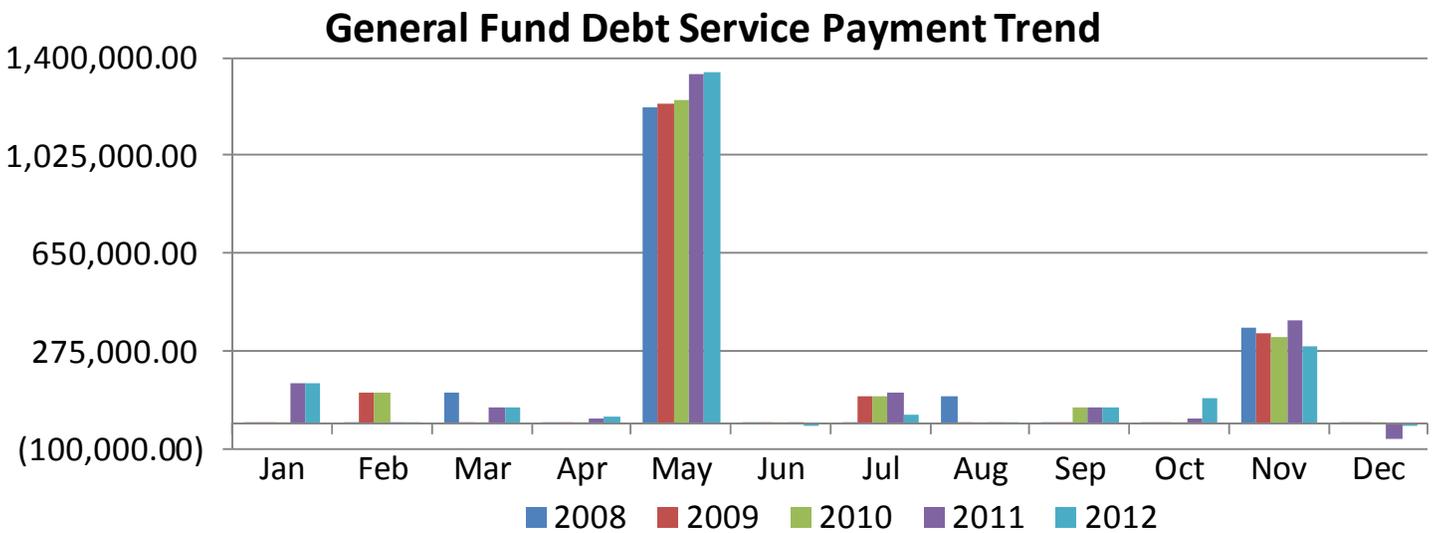
Outcome based budgeting is an additional tool the City Council and staff use to better develop ways to serve our citizens. This type of budgeting is refined and reviewed on an on-going basis to help us better focus our resources in meeting the objectives of our citizens.

The City budgeted total expenditures at \$42,126,719 for 2014, this compares to \$40,125,363 (estimated) and \$40,265,587 expended in 2013 and 2012 respectively. Budgeted expenditures for 2014 general government (City Manager, Human Resources, etc.) totals \$7,812,457 or 18.5 percent of the total. Direct government expenditures (Police, Fire, etc.) are budgeted at \$32,305,442 or 76.7 percent of the total. Debt service (fixed costs) payments are \$2,008,820 or 4.8 percent of the total. Total expenditures through February were \$5,697,309 compared to \$4,615,483 in 2013 and \$4,645,058 in 2012. February 2014 expenditures are higher than previous years’ due to having three payrolls in the month. The expenditure estimate for the year is \$42,126,719.

The chart below illustrates the breakdown of expenditures into debt service, general and direct government services.



Based on the past five years, the following graph depicts the debt service payments cash outflow. The majority of debt service payments are typically made in May and November each year.



The schedule on the next page provides the expenditure for each of the General Fund departments for the years 2008 through 2014 Budget.

Expenditure	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Unaudited	2014 Budget	2014 Estimate
General Government							
Legislation	346,044	309,870	298,731	316,043	280,920	354,570	354,570
City Manager	674,170	659,882	639,184	658,047	675,844	703,758	703,758
City Attorney	678,038	702,228	706,841	712,036	719,781	818,514	818,514
Municipal Court	914,494	901,469	848,775	886,249	922,245	1,026,895	1,026,895
Human Resources	456,275	419,422	430,792	469,343	408,551	468,826	468,826
Finance & Administrative Services	1,575,923	1,445,581	1,446,313	1,464,305	1,533,060	1,625,150	1,625,150
Information Technology	1,360,237	1,280,660	1,332,766	1,373,943	1,336,590	1,378,942	1,378,942
Community Development	1,366,437	1,301,473	1,359,264	1,262,451	1,113,710	1,235,802	1,235,802
Contingencies	160,578	48,138	152,423	143,810	88,360	200,000	200,000
Contribution to Component Unit(s)	800,000	-	-	-	-	-	-
General Government Subtotal	8,332,196	7,068,723	7,215,089	7,286,227	7,079,061	7,812,457	7,812,457
Direct Services							
Public Works	5,152,891	5,137,364	5,259,875	5,202,903	5,234,382	5,504,669	5,504,669
Police	10,183,890	10,312,633	10,395,239	10,788,935	11,226,157	11,543,760	11,543,760
Fire	7,320,268	7,425,903	7,666,842	8,100,554	8,002,677	8,202,319	8,202,319
Library	1,275,554	1,284,083	1,145,613	1,180,771	1,174,656	1,250,536	1,250,536
Parks and Recreation	5,727,968	5,811,809	5,717,147	5,649,246	5,402,600	5,804,158	5,804,158
Direct Services Subtotal	29,660,571	29,971,792	30,184,716	30,922,409	31,040,472	32,305,442	32,305,442
Debt Service							
Debt Service-Civiccenter	1,571,752	1,570,705	1,658,857	1,570,921	2,005,830	1,573,000	1,573,000
Debt Service-Other	233,456	290,122	437,606	486,030		435,820	435,820
Debt Service Subtotal	1,805,208	1,860,827	2,096,463	2,056,951	2,005,830	2,008,820	2,008,820
Total Expenditure	39,797,975	38,901,342	39,496,268	40,265,587	40,125,363	42,126,719	42,126,719
% Expenditure Change	2.01%	-2.25%	1.53%	1.95%	-0.35%	4.62%	0.00%
Other Financing Uses							
Transfers Out	177,011	750,000	301,246	1,339,330	73,006	0	0
Total Other Financing Uses	177,011	750,000	301,246	1,339,330	73,006	0	0
Total Uses of Funds	39,974,986	39,651,342	39,797,514	41,604,917	40,198,369	42,126,719	42,126,719
% Uses of Funds Change	1.40%	-0.81%	0.37%	4.54%	-3.38%	1.25%	0.00%

The chart below provides per capita the General Fund expenditure information categorized into direct and general government services and debt service. Also provided is the per capita General Obligation Debt accounted for in the Debt Service Fund.

	2009	2010	2011	2012	2013	2014 Budget	2014 Estimate
Population*	30,761	30,354	30,720	31,138	31,138	31,138	31,138
General Fund							
General Government Services	\$ 271	\$ 233	\$ 235	\$ 232	\$ 248	\$ 248	\$ 231
Direct Services	\$ 964	\$ 987	\$ 983	\$ 969	\$ 1,001	\$ 1,001	\$ 985
Public Works	\$ 168	\$ 169	\$ 171	\$ 169	\$ 175	\$ 175	\$ 162
Police	\$ 331	\$ 340	\$ 338	\$ 334	\$ 351	\$ 351	\$ 346
Fire	\$ 238	\$ 245	\$ 250	\$ 246	\$ 248	\$ 248	\$ 259
Library	\$ 41	\$ 42	\$ 37	\$ 37	\$ 40	\$ 40	\$ 38
Parks & Recreation	\$ 186	\$ 191	\$ 186	\$ 184	\$ 187	\$ 187	\$ 181
Debt Service	\$ 59	\$ 61	\$ 68	\$ 67	\$ 66	\$ 66	\$ 66
Total Expenditure Per Capita	\$ 1,294	\$ 1,282	\$ 1,286	\$ 1,268	\$ 1,315	\$ 1,315	\$ 1,283
Debt Service Fund							
General Obligation Debt Per Capita	\$ 36	\$ 36	\$ 31	\$ 31	\$ 31	\$ 36	\$ 36

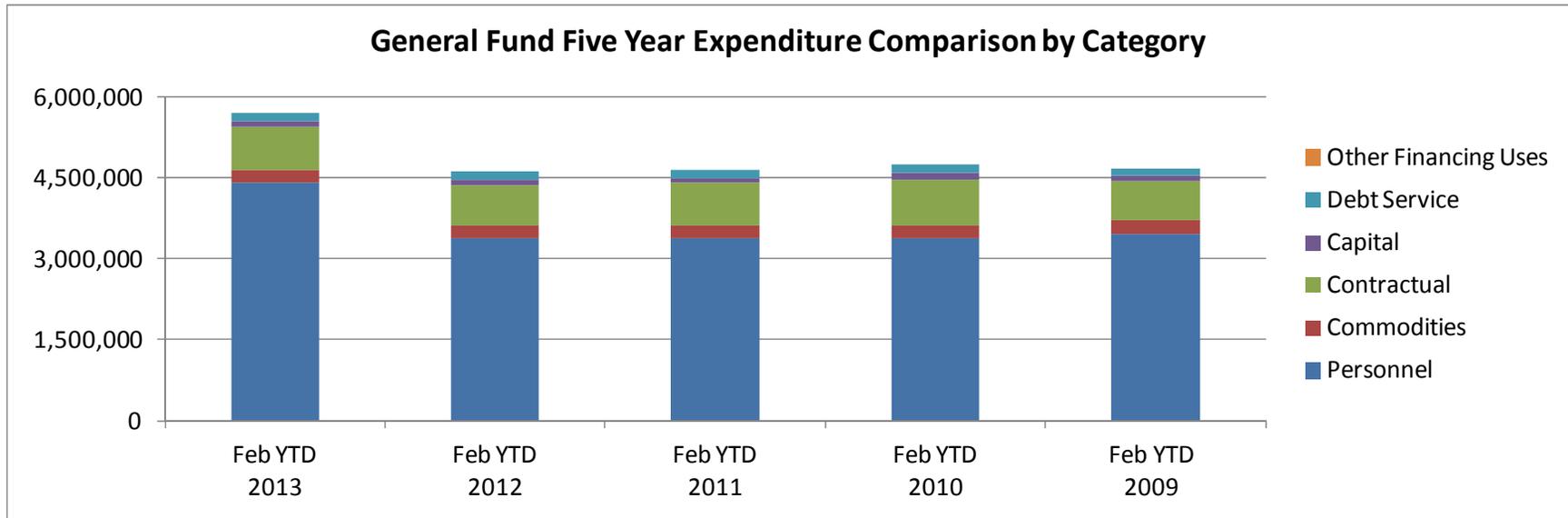
* Source: Colorado Department of Local Affairs Municipal Population Estimates By County

City of Englewood, Colorado

General Fund - Five Year Expenditure Comparison by Category

	Feb YTD 2013	YTD % Change	% of Total	Feb YTD 2012	YTD % Change	% of Total	Feb YTD 2011	YTD % Change	% of Total	Feb YTD 2010	YTD % Change	% of Total	Feb YTD 2009	% of Total
Personnel services														
Salaries and wages	3,196,868	28.920%	7.589%	2,479,653	-0.380%	6.032%	2,489,204	-1.620%	6.255%	2,530,253	-3.980%	6.381%	2,635,012	6.592%
Overtime	93,143	55.060%	0.221%	60,070	-29.400%	0.146%	85,089	47.560%	0.214%	57,662	5.260%	0.145%	54,782	0.137%
Benefits	1,128,884	34.390%	2.680%	839,983	4.360%	2.043%	804,924	1.840%	2.023%	790,362	2.110%	1.993%	774,065	1.936%
Personnel services total	4,418,895	30.750%	10.490%	3,379,707	0.010%	8.221%	3,379,217	0.030%	8.491%	3,378,277	-2.470%	8.520%	3,463,860	8.665%
Commodities total	235,282	7.030%	0.559%	219,820	-10.080%	0.535%	244,461	6.620%	0.614%	229,288	-4.570%	0.578%	240,266	0.601%
Contractual services total	788,716	3.070%	1.872%	765,215	-2.090%	1.861%	781,541	-7.660%	1.964%	846,388	16.240%	2.135%	728,141	1.821%
Capital total	100,513	3.560%	0.239%	97,059	12.350%	0.236%	86,392	-42.020%	0.217%	149,014	32.670%	0.376%	112,317	0.281%
Total Expenditures	5,543,406	24.240%	13.159%	4,461,801	-0.660%	10.853%	4,491,611	-2.420%	11.286%	4,602,966	1.280%	11.609%	4,544,584	11.369%
Debt service total	153,905	0.140%	0.365%	153,683	0.150%	0.374%	153,447	1.320%	0.386%	151,444	25.270%	0.382%	120,893	0.302%
Other financing uses total	0			0			0			0			0	
Total Uses of Funds	5,697,311	23.440%	13.524%	4,615,484	-0.640%	11.227%	4,645,058	-2.300%	11.672%	4,754,410	1.910%	11.991%	4,665,477	11.671%
Annual Total	42,126,719	2.473%		41,110,026	3.298%		39,797,514	0.369%		39,651,356	-0.810%		39,974,987	
YTD % of Annual Total	13.524%			11.227%			11.672%			11.991%			11.671%	

16



General Fund - Transfers

The General Fund has provided funds to and has received funds from Special Revenue Funds, Capital Projects Funds, and Internal Service Funds in order to buffer temporary gaps in revenue and expenditure amounts. In 2013 the General Fund is not in the position to provide funding to the Capital Projects Funds but has received the following net transfers:

Source of Funds	2014 Budget Amount	2014 YTD Net Amount	2013 Net Annual Amount
Special Revenue Funds			
Neighborhood Stabilization Program Fund	\$ -	\$ -	\$ (73,006)
Capital Project Funds			
Public Improvement Fund (PIF)	835,820	435,820	989,574
Enterprise Funds			
Golf Course Fund	63,000	63,000	-
Internal Service Funds			
Central Services Fund	50,000	50,000	50,000
Servicenter Fund	300,000	300,000	100,000
Net Transfers In (Out) Total	\$ 1,248,820	\$ 848,820	1,066,568

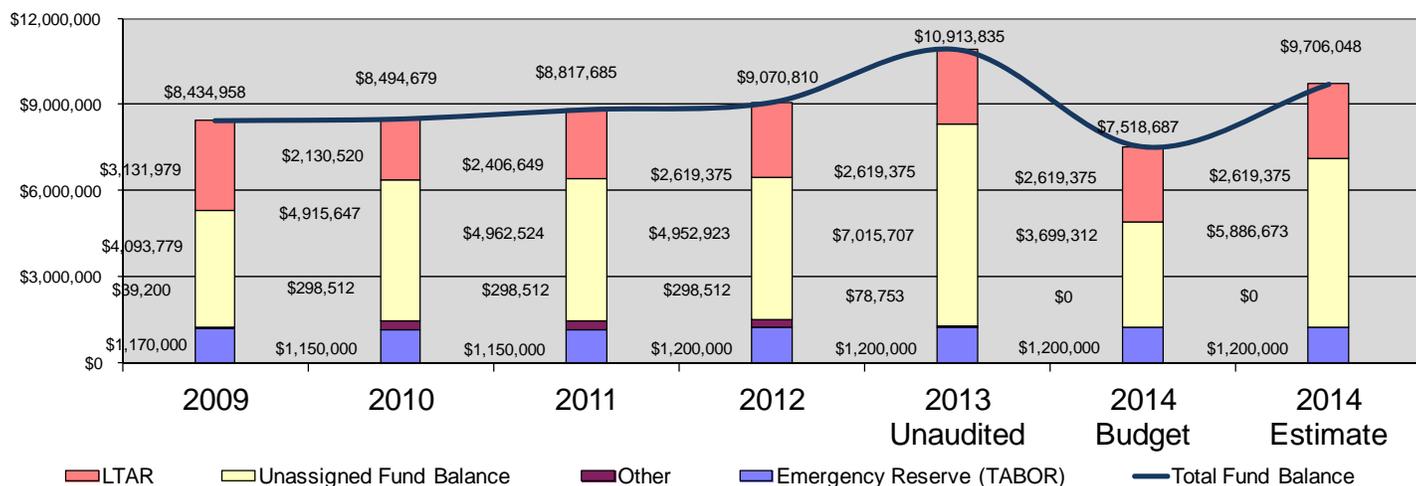
General Fund - Fund Balance

The City designates the fund balance into two categories, restricted and unrestricted. The portion of the fund balance which is restricted is referred to as the “Reserves” while the unrestricted portion is referred to as the unassigned fund balance. The unassigned fund balance represents funds the City sets aside for a “rainy day”. Another way to view these unrestricted funds is as a stabilization fund, the intent of which is to smooth over unexpected fluctuations in revenues and expenditures. The fund balance is normally built up when revenues exceed expenditures. In the past, excess funds have been transferred out, usually for capital projects identified in the Multiple Year Capital Plan (MYCP). The estimated unassigned fund balance is not adequate to provide for a transfer from the General Fund to the capital projects funds.

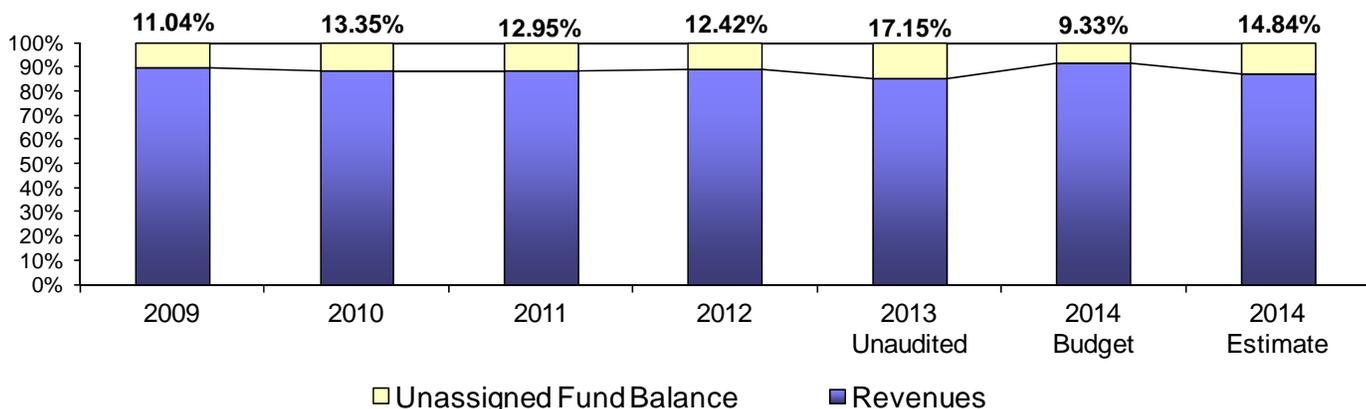
Long Term Asset Reserve (LTAR) At the 2008 Budget workshop, City Council discussed and directed staff to establish a General Fund reserve account to accumulate funds from the sale, lease, or earnings from long-term assets. It was also determined that these funds should be used in a careful, judicious and strategic manner. The funds restricted in this account are to be expended if the funds are appropriated in the annual budget or by supplemental appropriation. The balance at the end of December 2013 is \$2,619,375.

COPS Grant Reserve There was \$298,512 originally reserved to pay the City’s required portion of the COPS Grant. The funds originated in the LTAR. In 2013, \$219,760 was be drawn down and the remaining \$78,753 will be drawn down in 2014 so there is no estimated ending COPS Grant Reserve for 2014. The COPS Grant has funded the Impact Team which is included in the 2014 Budget.

General Fund - Fund Balance



Unassigned Fund Balance As A Percentage of Revenue



The City's General Fund ended 2013 with total reserves of \$10,913,835, and an unassigned fund balance of \$7,015,707 or 17.2 percent of revenues (17.5 percent of expenditures). The budgeted total reserves for 2014 are \$7,518,687 with an unassigned fund balance of \$3,699,312 or 9.3 percent of budgeted revenues or 8.8 percent of budgeted expenditures. Estimated total reserves for 2014 are \$9,706,048 with an unassigned fund balance of \$5,886,673 or 14.8 percent of estimated revenues and 14 percent of projected expenditures. The \$5,886,673 would allow the City to operate for approximately 51 days (using average daily estimated expenditures) if all other revenues and financing sources ceased. In these times of economic uncertainty, it is more important than ever to maintain reserves to help the City make up for revenue shortfalls and unexpected expenditure increases given that the one-time transfers made to the General Fund to help maintain reserves are no longer available.

PUBLIC IMPROVEMENT FUND OVERVIEW

The Public Improvement Fund (PIF) accounts for the City's "public-use" capital projects (e.g. roads, bridges, pavement, etc.). The PIF funding is from the collection of vehicle and building use taxes, intergovernmental revenues, interest income, and other miscellaneous sources.

Provided for your information is a table on the next page that illustrates the PIF Year-To-Date (YTD) revenues and expenditures for the years 2011 through 2013. The dollar and percentage change between each year is also provided. The Estimated Ending Fund Balance is included in order to account for the remaining PIF appropriation in addition to the remaining annual revenue anticipated for the fund.

Public Improvement Fund (PIF)	2014	2014 vs 2013 Increase (Decrease)		2013	2013 vs 2012 Increase (Decrease)		2012
YTD Revenues	\$ 878,929	\$ 666,725	314.19%	\$ 212,204	\$ 4,636	2.23%	\$ 207,568
YTD Expenditures	1,249,955	\$ 114,025	10.04%	1,135,930	\$ (184,083)	(13.95%)	1,320,013
Net Revenues (Expenditures)	\$ (371,026)	\$ 552,700		\$ (923,726)	\$ 188,719		\$ (1,112,445)
Beginning PIF Fund Balance	\$ 1,905,453			\$ 1,320,371			\$ 934,251
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	\$ 1,534,427			\$ 396,645			\$ (178,194)
Plus: Remaining Annual Revenue	2,130,071			3,068,635			1,603,596
Less: Remaining Annual Appropriation	(4,044,295)			(2,584,254)			(1,354,821)
Estimated Ending Fund Balance	\$ (379,797)			\$ 881,026			\$ 70,581
Unappropriated Fund Balance as of December 31,				\$ 785,553			\$ 540,125

The three main funding sources for the PIF are Vehicle Use Tax, Building Use Tax and Arapahoe County Road and Bridge Tax.

	2014 Estimate	2014 Adopted Budget	2014 Vs 2013			2013 Vs 2012			2012 YTD Actual
			2014 YTD Actual	Amount	%	2013 YTD Actual	Amount	%	
Vehicle Use Tax	\$ 1,300,000	\$ 1,300,000	\$ 113,202	\$ (13,757)	-11%	\$ 126,959	\$ (135)	0%	\$ 127,094
Building Use Tax	\$ 1,500,000	\$ 1,500,000	\$ 758,403	\$ 694,405	1085%	\$ 63,999	\$ (1,091)	-2%	\$ 65,089
Arapahoe County Road and Bridge Tax	\$ 199,000	\$ 199,000	\$ 9,926	\$ 73	1%	\$ 9,854	\$ 275	3%	\$ 9,579

Vehicle Use Tax is based on the valuation of new vehicles purchased by City of Englewood residents. This tax is collected and remitted by Arapahoe County at the time the vehicle is registered. **Building Use Tax** is based on the valuation of building permits issued by the City of Englewood. These revenue sources are monitored periodically to determine the revision of the 2013 Estimate. **Arapahoe County Road and Bridge Tax** is restricted to the construction and maintenance of streets and bridges. This tax is based on a mill levy established by Arapahoe County multiplied by the City's assessed valuation multiplied by 50%.

2014 Year-To-Date City Funds At-A-Glance

(Please refer to "Funds Glossary" for a Brief Description of Funds and Fund Types)

	Beginning Balance	Revenue	Expenditure	Other Sources (Uses)	Restricted/ Committed Balance	Estimated Ending Balance
Governmental Fund Types (Fund Balance)						
General Fund	10,913,832	6,955,168	5,697,311	(2,365,642)	3,919,375	5,886,673
Special Revenue Funds						
Conservation Trust	1,526,069	5,567	35,987	(1,415,579)	-	80,070
Open Space	1,878,961	6,164	27,923	(1,844,900)	-	12,302
Donors	538,116	13,037	23,313	-	-	527,840
Community Development	-	9,493	28,988	19,495	-	-
Malley Center Trust	256,088	936	-	-	-	257,023
Parks & Recreation Trust	456,411	1,666	1,239	-	-	456,837
Debt Service Fund						
General Obligation Bond	46,839	22,202	220	-	-	68,820
Capital Projects Funds						
PIF	1,905,453	888,855	60,681	(3,113,424)	-	(379,797)
MYCP	792,754	1,964	154,043	(601,796)	-	38,880
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	11,487,009	653,460	1,290,612	-	-	10,849,857
Sewer	4,206,955	2,761,985	1,761,030	-	1,000,000	4,207,910
Stormwater Drainage	1,128,456	85,958	12,122	-	102,500	1,099,792
Golf Course	891,719	68,434	192,689	(63,000)	215,773	488,691
Concrete Utility	315,615	140,756	39,159	-	-	417,212
Housing Rehabilitation	1,218,829	14,315	8,750	-	-	1,224,395
Internal Service Funds						
Central Services	133,693	51,168	47,656	(50,000)	-	87,204
ServiCenter	1,415,804	418,966	311,676	(300,000)	-	1,223,094
CERF	1,615,138	143,292	-	-	-	1,758,430
Employee Benefits	53,304	1,039,869	1,408,894	-	-	(315,721)
Risk Management	85,748	2,404	822,333	-	-	(734,181)

CLOSING

The Finance and Administrative Services Department staff works closely with the City Manager's Office and the various departments to help identify revenue and expenditure threats, trends and opportunities as well as strategies to balance revenues and expenditures. I will continue to provide Council with monthly reports. It is important to frequently monitor the financial condition of the City so City staff and Council can work together to take action, if necessary, to maintain service levels, employees, and fiscal health of the City.

I plan to discuss this report with Council at an upcoming study session. If you have any questions regarding this report, I can be reached at **303.762.2401**.

FUNDS GLOSSARY

Capital Equipment Replacement Fund (CERF) – Accounts for the accumulation of funds for the scheduled replacement of City-owned equipment and vehicles.

Capital Projects Funds account for financial resources to be used for the acquisition and/or construction of major capital facilities (other than those financed by proprietary funds).

FUNDS GLOSSARY

Central Services Fund – Accounts for the financing of printing services and for maintaining an inventory of frequently used or essential office supplies provided by Central Services to other departments of the City on a cost reimbursement basis.

Community Development Fund – Accounts for the **art** Shuttle Program which is funded in part by the Regional Transportation District (RTD). **art** provides riders free transportation to 19 stops connecting CityCenter Englewood, businesses in downtown Englewood, and the medical facilities in and near Craig Hospital and Swedish Medical Center.

Concrete Utility Fund – Accounts for revenues and expenses associated with maintaining the City's sidewalks, curbs and gutters.

Conservation Trust Fund – Accounts for the acquisition of parks and open space land not previously owned by the City and for improvements to existing park and recreation facilities. Financing is provided primarily from State Lottery funds.

Debt Service Funds account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond and loan principal and interest from special assessment levies when the government is obligated in some manner for payment.

Donors' Fund – Accounts for funds donated to the City for various specified activities.

Employee Benefits Fund – Accounts for the administration of providing City employee benefit programs: medical, dental, life, and disability insurance.

Enterprise Funds account for operations that: (a) are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the City Council has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management controls, accountability or other purposes.

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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

General Obligation Bond Fund – Accounts for the accumulation of monies for payment of General Obligation Bond principal and interest.

Golf Course Fund – Accounts for revenues and expenses associated with the operations of the Englewood Municipal Golf Course.

Governmental Funds distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). These funds focus on the near-term *inflows and outflows of spendable resources*, as well as on balances of spendable resources available at the end of the year.

Housing Rehabilitation Fund – Accounts for revenues and expenses associated with the City's housing rehabilitation program.

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

MOA – Museum of Outdoor Arts

Malley Center Trust Fund – Accounts for a trust established by Elsie Malley to be used for the benefit of the Malley Senior Recreation Center.

Multi-Year Capital Projects Fund (MYCP) - Accounts for the acquisition and/or construction of major capital improvements and facilities. Financing is provided primarily with transfers from other City Funds.

Open Space Fund – Accounts for the acquisition of parks and open space land not previously owned by the City and for improvements to existing park and recreation facilities. Financing is provided from the Arapahoe County Open Space Sales Tax of .25%. The Open Space Tax was created on February 1, 2004 and expires on December 31, 2023.

FUNDS GLOSSARY

Parks and Recreation Trust Fund – Accounts for a trust established by the City, financed primarily by donations, to be used exclusively for specific park and recreation projects.

Proprietary Funds account for operations that are financed and operated in a manner similar to private business enterprises. It is the intent that the cost of providing such goods or services will be recovered through user charges.

Public Improvement Fund (PIF) – Accounts for the acquisition and/or construction of major capital improvements and facilities. Financing is provided primarily from building and vehicle use taxes.

Risk Management Fund – Accounts for the administration of maintaining property and liability and workers' compensation insurance.

ServiCenter Fund – Accounts for the financing of automotive repairs and services provided by the ServiCenter to other departments of the City, or to other governmental units, on a cost reimbursement basis.

Sewer Fund – Accounts for revenues and expenses associated with providing wastewater services to the City of Englewood residents and some county residents.

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Storm Drainage Fund – Accounts for revenues and expenses associated with maintaining the City's storm drainage system.

Water Fund – Accounts for revenues and expenses associated with providing water services to City of Englewood residents.

General Fund Comparative Revenue, Expenditure & Fund Balance Report as of February 28, 2014

Percentage of Year Completed = 17%

Fund Balance January 1	\$ 8,726,474	\$ 10,913,835	\$ 10,913,835	\$ 9,070,810	\$ 9,070,810	\$ 8,817,685	\$ 8,817,685			
Revenues	2014				2013			2012		
	Budget	Feb-14	% Budget	YE Estimate	Dec-13	Feb-13	% YTD	Dec-12	Feb-12	% YTD
Property Tax	2,898,000	57,720	1.99%	2,898,000	2,900,715	58,400	2.01%	2,874,816	20,087	0.70%
Specific Ownership Tax	230,000	27,352	11.89%	230,000	266,881	28,212	10.57%	243,293	24,934	10.25%
Sales & Use Taxes	22,883,003	4,860,608	21.24%	22,883,003	23,433,775	4,453,028	19.00%	22,363,618	4,226,841	18.90%
Cigarette Tax	179,000	31,989	17.87%	179,000	195,088	32,721	16.77%	189,618	30,302	15.98%
Franchise Fees	3,069,500	357,987	11.66%	3,069,500	3,101,310	307,451	9.91%	2,930,888	313,247	10.69%
Hotel/Motel Tax	10,000	2,144	21.44%	10,000	12,039	2,058	17.09%	10,395	1,676	16.12%
Licenses & Permits	882,250	318,419	36.09%	882,250	1,446,578	165,661	11.45%	983,359	117,273	11.93%
Intergovernmental Revenue	1,243,281	207,281	16.67%	1,243,281	1,488,204	110,551	7.43%	1,865,722	231,297	12.40%
Charges for Services	3,345,353	510,665	15.26%	3,345,353	3,469,845	561,036	16.17%	3,441,525	496,229	14.42%
Recreation	2,594,232	256,233	9.88%	2,594,232	2,420,443	257,682	10.65%	2,615,642	252,501	9.65%
Fines & Forfeitures	1,368,450	226,243	16.53%	1,368,450	1,317,707	236,342	17.94%	1,381,453	254,723	18.44%
Interest	8,164	39,210	480.28%	8,164	(10,223)	7,713	-75.45%	84,045	19,080	22.70%
EMRF Rents	638,829	117,465	18.39%	638,829	573,526	144,548	25.20%	551,295	132,748	24.08%
Miscellaneous	320,050	59,316	18.53%	320,050	285,932	70,556	24.68%	354,130	48,743	13.76%
Total Revenues	39,670,112	7,072,632	17.83%	39,670,112	40,901,820	6,435,959	15.74%	39,889,799	6,169,681	15.47%
Expenditures										
Legislation	354,570	48,594	13.71%	354,570	280,920	30,483	10.85%	316,043	41,491	13.13%
City Attorney	818,514	102,858	12.57%	818,514	719,781	83,592	11.61%	712,036	90,195	12.67%
Court	1,026,895	139,701	13.60%	1,026,895	922,245	104,479	11.33%	886,249	98,946	11.16%
City Manager	703,758	133,769	19.01%	703,758	675,844	112,045	16.58%	658,047	113,693	17.28%
Human Resources	468,826	49,451	10.55%	468,826	408,551	45,059	11.03%	469,343	49,855	10.62%
Financial Services	1,625,150	228,828	14.08%	1,625,150	1,533,060	169,359	11.05%	1,464,305	167,246	11.42%
Information Technology	1,378,942	205,447	14.90%	1,378,942	1,336,590	190,024	14.22%	1,373,943	165,795	12.07%
Public Works	5,504,669	783,762	14.24%	5,504,669	5,234,382	625,631	11.95%	5,202,903	668,237	12.84%
Fire Department	8,202,319	1,125,667	13.72%	8,202,319	8,002,677	900,929	11.26%	8,100,554	937,295	11.57%
Police Department	11,543,760	1,749,617	15.16%	11,543,760	11,226,157	1,420,751	12.66%	10,788,935	1,331,751	12.34%
Community Development	1,235,802	163,879	13.26%	1,235,802	1,113,710	123,994	11.13%	1,262,451	127,085	10.07%
Library	1,250,536	161,997	12.95%	1,250,536	1,174,656	161,864	13.78%	1,180,771	157,021	13.30%
Recreation	5,804,158	628,935	10.84%	5,804,158	5,402,600	479,693	8.88%	5,649,246	530,350	9.39%
Debt Service	2,008,820	153,905	7.66%	2,008,820	2,005,830	153,933	7.67%	2,056,951	153,447	7.46%
Contingency	200,000	20,899	10.45%	200,000	88,360	13,647	15.44%	143,810	12,651	8.80%
Total Expenditures	42,126,719	5,697,309	13.52%	42,126,719	40,125,363	4,615,483	11.50%	40,265,587	4,645,058	11.54%
Excess revenues over (under) expenditures	(2,456,607)	1,375,323	-55.98%	(2,456,607)	776,457	1,820,476		(375,788)	1,524,623	
Net transfers in (out)	1,248,820	848,820	67.97%	1,248,820	1,066,568	150,000	14.06%	628,913	1,306,739	207.78%
Total Fund Balance	\$ 7,518,687	\$ 13,137,978	174.74%	\$ 9,706,048	\$ 10,913,835	\$ 11,041,286	101.17%	\$ 9,070,810	\$ 11,649,047	128.42%

Fund Balance Analysis

Total Fund Balance	\$ 7,518,687	\$ 13,137,978	\$ 9,706,048	\$ 10,913,835	\$ 9,070,810
Restricted Fund Balance					
-Emergencies (TABOR)	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Committed Fund Balance					
-LTAR	2,619,375	2,619,375	2,619,375	2,619,375	2,619,375
-COPS Grant	-	28,374	-	78,753	298,512
Restricted/Committed	\$ 3,819,375	\$ 3,847,749	\$ 3,819,375	\$ 3,898,128	\$ 4,117,887
Estimated Unassigned Fund Balance	\$ 3,699,312	\$ 9,290,229	\$ 5,886,673	\$ 7,015,707	\$ 4,952,923
As a percentage of projected revenues	9.33%	23.42%	14.84%	17.15%	12.42%
As a percentage of budgeted revenues	9.33%	23.42%	14.84%		
Target	3,967,011	-	5,950,517		

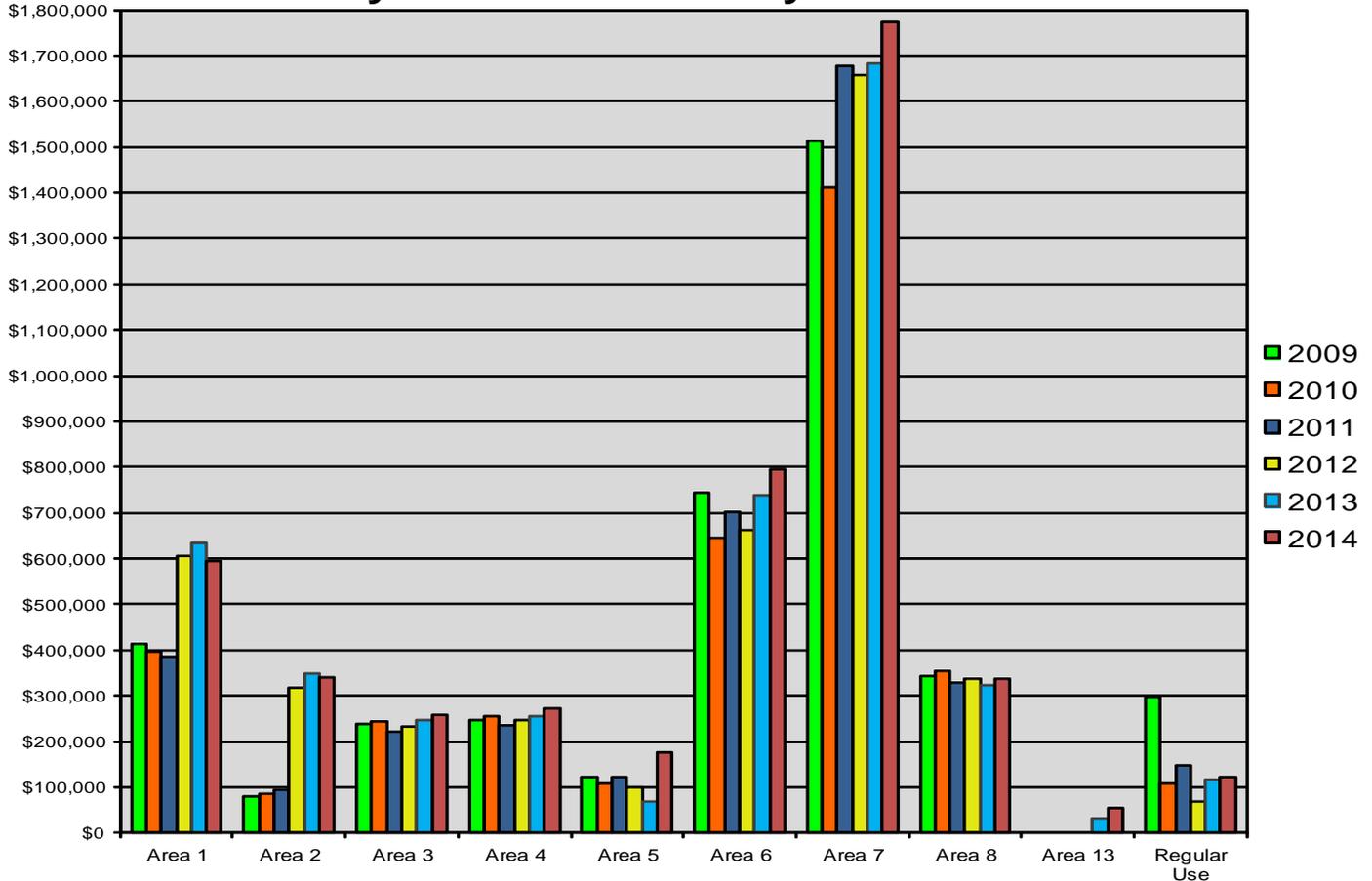
**Sales & Use Tax Collections Year-to-Date Comparison
for the month of February 2013**

Cash Basis

	2009	% Change	2010	% Change	2011	% Change	2012	% Change	2013	% Change	2014	% Change
Area 1	414,645	-8.36%	395,502	-11.01%	384,368	-2.82%	605,339	57.49%	633,308	4.62%	593,530	-6.28%
Area 2	81,351	0.14%	84,944	7.43%	94,059	10.73%	318,120	238.21%	349,457	9.85%	340,586	-2.54%
Area 3	239,646	12.08%	244,685	10.15%	221,744	-9.38%	233,797	5.44%	247,127	5.70%	256,875	3.94%
Area 4	246,995	-25.91%	256,622	-15.11%	234,362	-8.67%	246,568	5.21%	256,782	4.14%	272,757	6.22%
Area 5	122,545	13.58%	108,316	-7.93%	122,800	13.37%	99,308	-19.13%	68,545	-30.98%	177,334	158.71%
Area 6	744,704	-0.37%	644,635	-6.47%	702,046	8.91%	661,505	-5.77%	739,179	11.74%	795,151	7.57%
Area 7	1,513,273	-0.14%	1,411,923	-24.04%	1,676,973	18.77%	1,656,773	-1.20%	1,683,604	1.62%	1,772,009	5.25%
Area 8	342,173	-5.34%	353,992	-9.30%	328,184	-7.29%	336,257	2.46%	324,496	-3.50%	336,962	3.84%
Area 13					0	0.00%	0	0.00%	31,517	0.00%	55,287	75.42%
Regular Use	298,374	332.28%	108,657	73.05%	148,941	37.08%	67,620	-54.60%	116,564	72.38%	122,011	4.67%
Subtotal	4,003,705	13.97%	3,609,276	-13.38%	3,913,477	8.43%	4,225,288	7.97%	4,450,579	5.33%	4,722,502	6.11%
Area 9 and 10	351,492	-0.89%	342,718	-2.50%	370,346	8.06%	0	-100.00%	0	0.00%	0	0.00%
Area 11 and 12	26,676	-2.56%	24,596	-7.80%	27,043	9.95%	0	-100.00%	0	0.00%	0	0.00%
Subtotal	378,168	-1.01%	367,314	-2.87%	397,388	8.19%	0	-100.00%	0	0.00%	0	0.00%
Total	4,381,873	-3.67%	3,976,590	-9.25%	4,310,866	8.41%	4,225,288	-1.99%	4,450,579	5.33%	4,722,502	6.11%

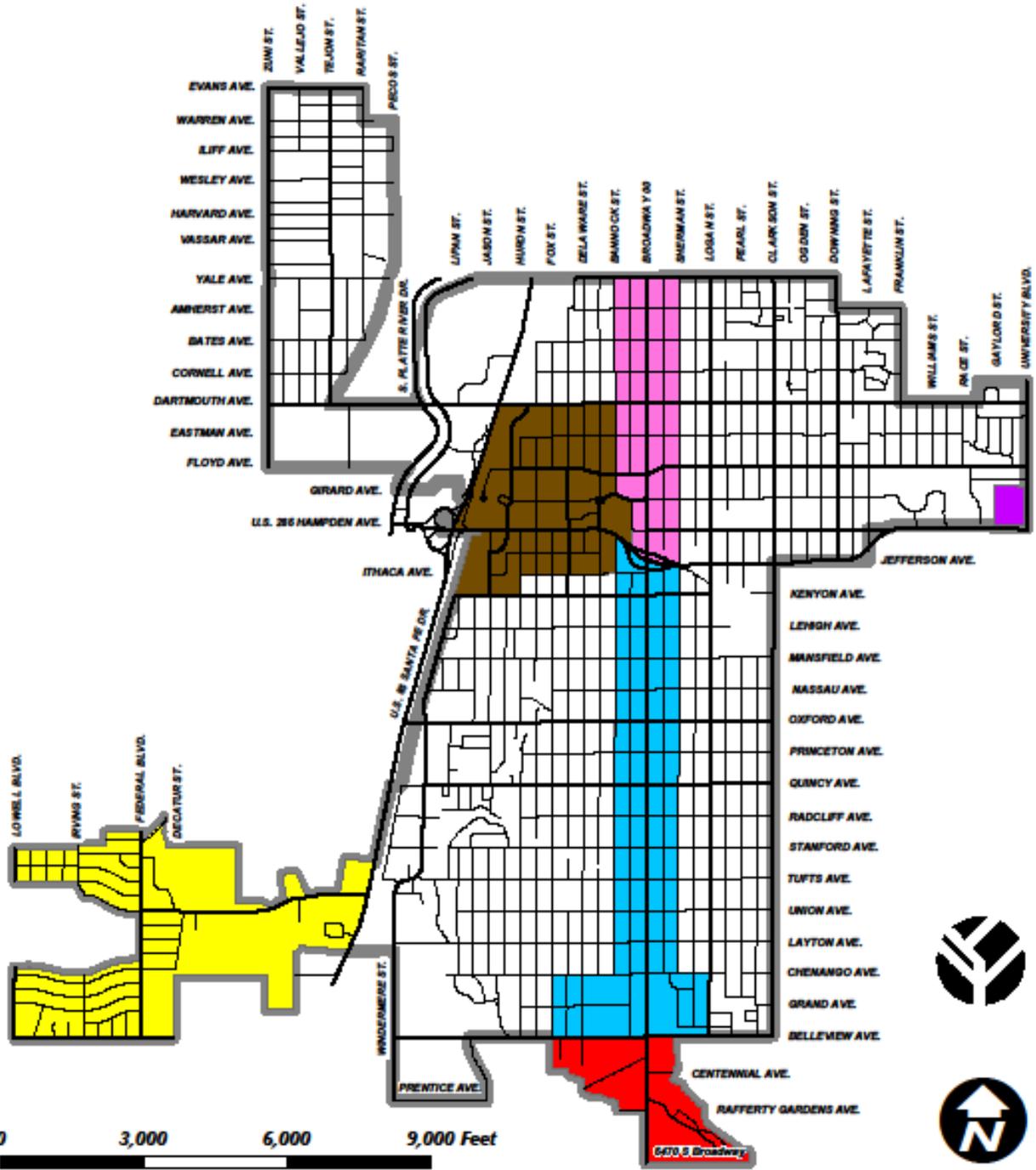
Refunds	468	-98.94%	74,921	15914.21%	7,976	-89.35%	42,821	436.86%	4,747	-88.91%	828	-82.55%
Audit & Collections Revenue**	271,936	57.73%	30,558	-88.76%	99,834	226.71%	5,176	-94.82%	13,201	155.07%	17,098	29.52%
**Included Above												
Unearned Sales Tax	600,000	-7.69%	600,000	0.00%	1,100,000	83.33%	1,150,000	4.55%	1,150,000	0.00%	1,150,000	0.00%
Building Use	24,514	-91.33%	51,565	110.35%	49,658	-3.70%	65,089	31.07%	63,999	-1.68%	717,938	1021.80%
Vehicle Use	175,252	-20.08%	146,625	-16.34%	136,125	-7.16%	235,269	72.83%	249,869	6.21%	226,070	-9.52%

February YTD Collections by Area 2009-2014



Area Descriptions

Area 1 - CityCenter (Formerly Cinderella City)	Area 5 - Federal and Bellevue W of Santa Fe
Area 2 - S of Yale, north & south side of Jefferson Ave/US 285 between Bannock and Sherman	Area 6 - All other City locations
Area 3 - S of Jefferson Ave/US 285 between Bannock & Sherman and north side of Bellevue between Logan & Delaware	Area 7 - Outside City limits
Area 4 - Broadway and Bellevue (Between Fox and Sherman and south side of Bellevue and to the Southern City Limits)	Area 8 - Public Utilities
	Area 13 - Hampden Avenue (US 285) and University Boulevard



City of Englewood, Colorado: Sales Tax Areas

- | | | |
|---------|---------|--------------------------|
| Area 1* | Area 4 | Arterials and Collectors |
| Area 2* | Area 5 | Local Streets |
| Area 3 | Area 13 | Englewood City Limits |

Areas Not Depicted on Map:
 Area 6 - Other City Locations* Area 7 - Outside City Limits Area 8 - Public Utilities
 * Includes EURA designated Areas 9, 10, 11, & 12