



City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: April 10, 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 **\$40,901,819 or \$1,012,020 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 \$40,125,364 or \$140,223 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 \$10,913,833 or 26.7 percent of unaudited revenue. The ending 2013 Unassigned Fund Balance is \$6,875,705 or 16.8 percent of revenue. The Unassigned Fund Balance decreased due to a required increase in TABOR reserves.**
- 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			
	2013				2012			2011		
	Budget	Dec-13	% Budget	YE Estimate	Dec-12	Dec-12	% YTD	Dec-11	Dec-11	% YTD
Revenues										
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	285,931	182.94%	285,931	354,130	354,130	100.00%	173,381	173,381	100.00%
Total Revenues	39,319,519	40,901,819	104.02%	40,901,819	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	1,336,591	99.73%	1,336,591	1,373,943	1,373,943	100.00%	1,332,766	1,332,766	100.00%
Public Works	5,308,257	5,234,383	98.61%	5,234,383	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	5,402,599	94.59%	5,402,599	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	40,125,364	96.97%	40,125,364	40,265,587	40,265,587	100.00%	39,496,268	39,496,268	100.00%
Excess revenues over (under) expenditures	(2,059,927)	776,455	-37.69%	776,455	(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	\$ 10,913,833	141.63%	\$ 10,913,833	\$ 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	\$ 10,913,833	\$ 10,913,833	\$ 9,070,810	\$ 8,817,685					
Restricted Fund Balance										
-Emergencies (TABOR)	1,150,000	1,340,000	1,340,000	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	\$ 4,038,128	\$ 4,038,128	\$ 4,117,887	\$ 3,855,161					
Estimated Unassigned Fund Balance	\$ 3,638,148	\$ 6,875,705	\$ 6,875,705	\$ 4,952,923	\$ 4,962,524					
As a percentage of projected revenues	8.89%	16.81%	16.81%	12.42%	12.95%					
As a percentage of projected expenditures	9.07%	17.14%	17.14%							
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: April 7, 2014
Subject: March 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 March 2014, the City of Englewood collected **\$10,251,690 or \$745,832 (7.9 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. March typically generates about ten percent of the year's total revenues.
- The City collected \$717,302 in property taxes and \$48,907 in specific ownership tax through March.
- **Year-to-date sales and use tax revenues were \$6,469,235 or \$537,079 (nine percent) more than March 2013**
- Cigarette tax collections were down \$1,296 compared to last year.
- Franchise fee collections were \$63,125 more than last year.
- Licenses and permit collections were \$130,721 more than March 2013.
- Intergovernmental revenues were \$42,400 more than the prior year.
- Charges for services decreased \$53,261 from last year.
- Recreation revenues decreased \$4,438 from 2013.
- Fines and forfeitures were \$4,023 more than last year.
- Investment income was \$8,111 more than last year.
- Miscellaneous revenues were \$11,897 less than last year.
- Net Rent revenues from McLellan Reservoir were \$176,198.

OUTSIDE CITY:

- Outside City sales and use tax receipts (cash basis) were up \$76,268 or 3.6 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 March 2014 were \$842,852 or \$41,384 less than last year during the same period.

EXPENDITURES:

- Expenditures through March were \$9,855,959 or \$186,817 (1.9 percent) more than the \$9,669,142 expended through March 2013. The City refunded \$51,122 sales and use tax claims through March 2014; the City of Englewood refunded \$9,465 in March 2013.

REVENUES OVER/UNDER EXPENDITURES:

- Revenues exceeded expenditures by \$395,731 this year compared to expenditures exceeding revenues by \$163,284 in 2013.

TRANSFERS:

- Net 2014 transfers-in to date of \$848,820 were made by the end of March 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 \$5,746,671 or 14.5 percent of estimated revenues.
- The 2014 estimated Long Term Asset Reserve (LTAR) balance is \$2,619,375 (please refer to page 17).

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected \$1,072,994 in revenues and spent \$1,350,108 year-to-date. Estimated year-end fund balance is (\$379,797).

City of Englewood, Colorado

March 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.

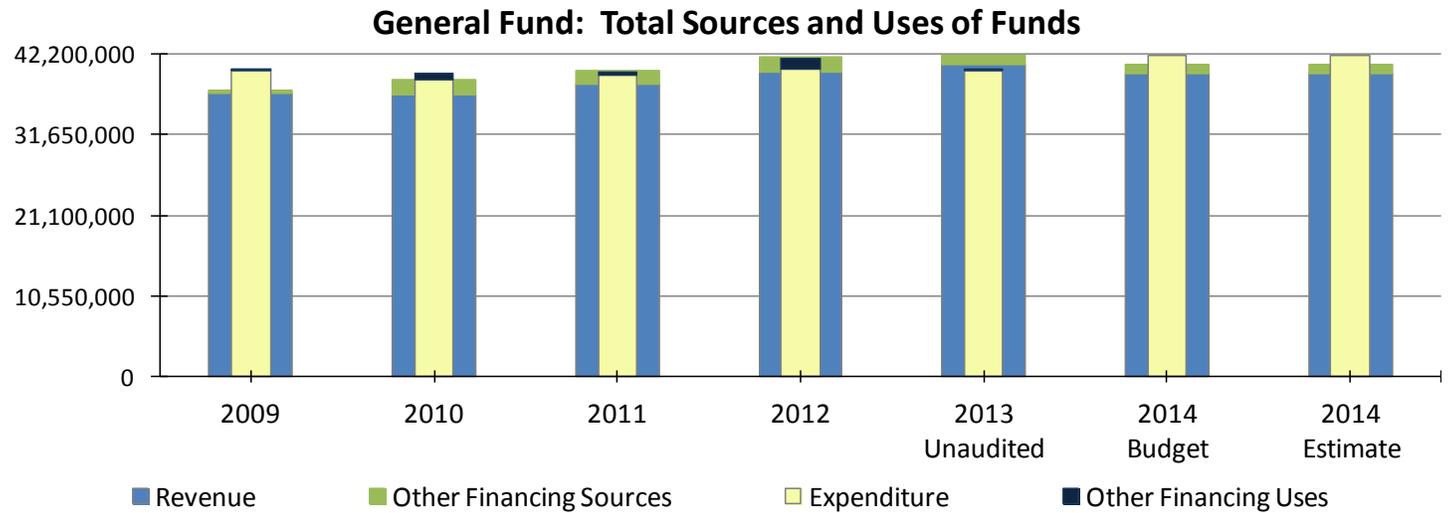
The monthly financial report provides on a periodic basis the review of the actual revenues and expenditures as compared to the budget. This point in time analysis compares the current year to the prior year and determines if the revenues and expenditures are on track with the budget. By monitoring the 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.



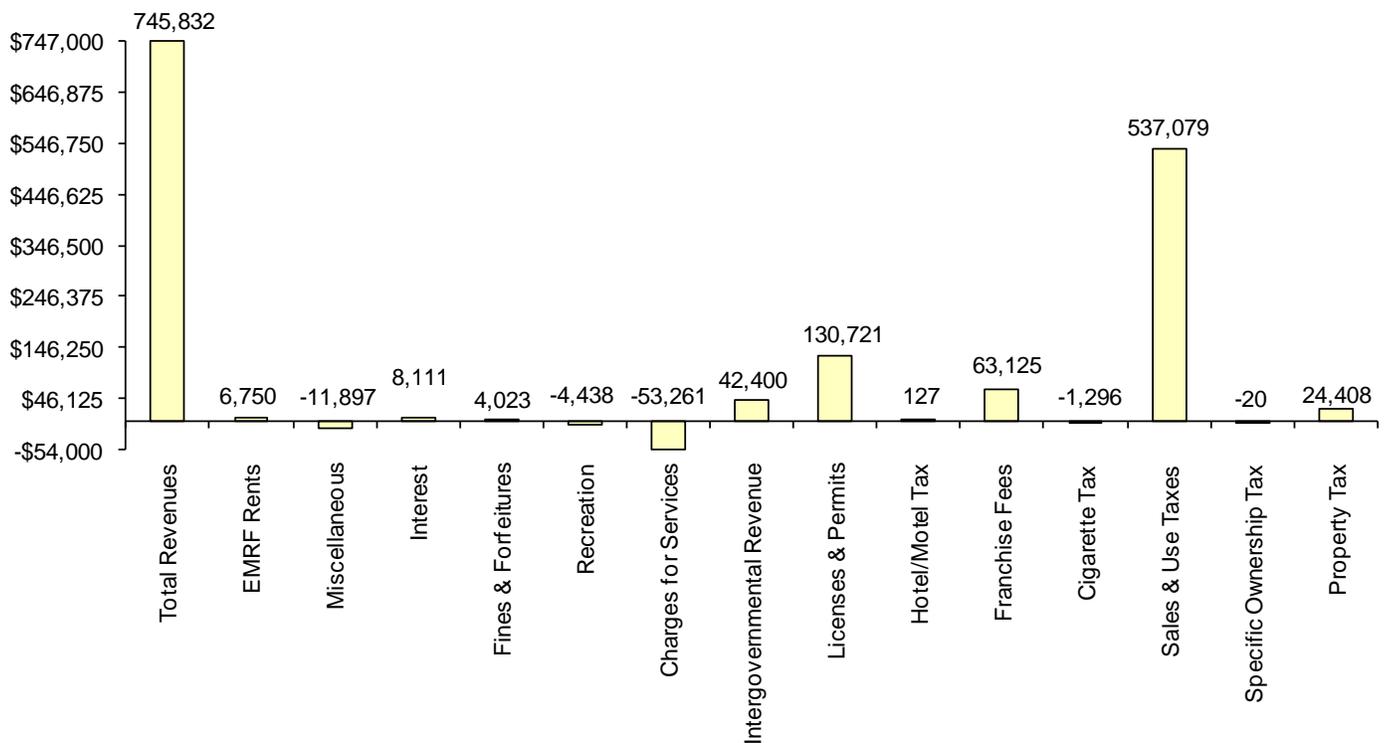
The table on the next page summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended March, 2014. Comparative figures for years 2013 and 2012 are presented as well. The table also highlights the dollar and percentage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

	Mar-14	2014 vs 2013 Increase (Decrease)		Mar-13	2013 vs 2012 Increase (Decrease)		Mar-12
General Fund							
Year-To-Date Revenue	\$ 10,251,690	\$ 745,832	7.85%	\$ 9,505,858	\$ 275,367	2.98%	\$ 9,230,491
Year-To-Date Expenditure	9,855,959	\$ 186,817	1.93%	9,669,142	\$ (105,951)	(1.08%)	9,775,093
Net Revenue (Expenditure)	\$ 395,731	\$ 559,015		\$ (163,284)	\$ 381,318		\$ (544,602)
Unassigned Fund Balance	\$ 5,746,671	\$ (1,129,034)	(16.42%)	\$ 6,875,705	\$ 1,922,782	38.82%	\$ 4,952,923
Sales & Use Tax Revenue YTD	\$ 6,469,235	\$ 537,079	9.05%	\$ 5,932,156	\$ 249,811	4.40%	\$ 5,682,345
Outside City Sales & Use Tax YTD	\$ 2,182,172	\$ 76,268	3.62%	\$ 2,105,904	\$ 66,650	3.27%	\$ 2,039,254

General Fund Revenues

The City of Englewood's total budgeted revenue is \$39,670,112. Total revenue collected through March 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.

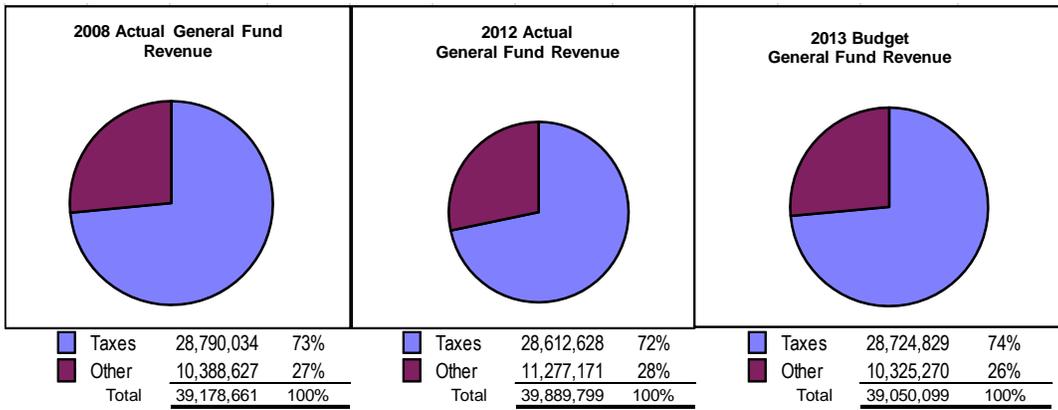
2014 Year-To-Date Change in General Fund Revenue as Compared to Prior Year



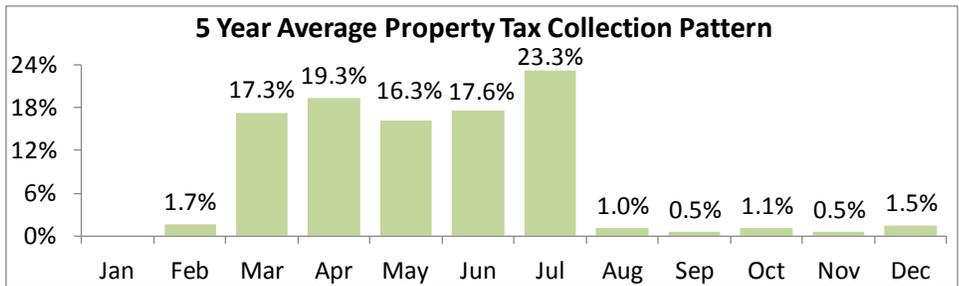
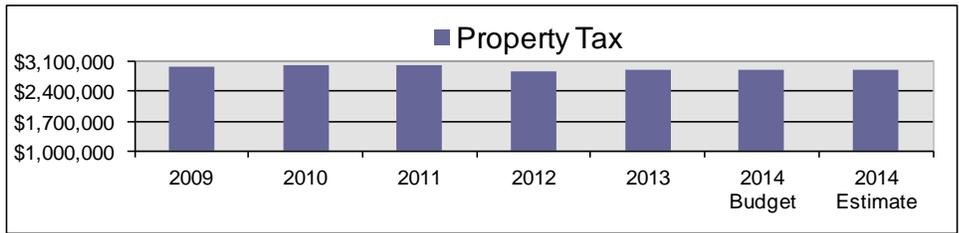
General Fund - Taxes

The General Fund obtains most of its revenue from taxes. In 2013 total unaudited revenues were \$40,901,819 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



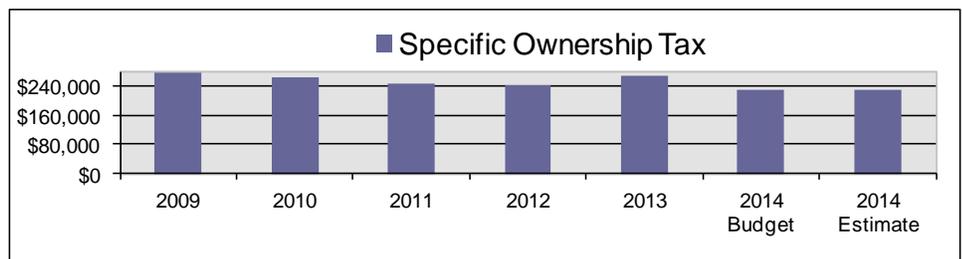
Property taxes: These taxes are collected based on the assessed value of all the properties in the City and the mill levy assessed against the property. The City's total 2012 mill levy collected in 2013 is 8.124 mills. The 2013 mill levy for general operations collected in 2014 is 5.880 mills. Voters 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

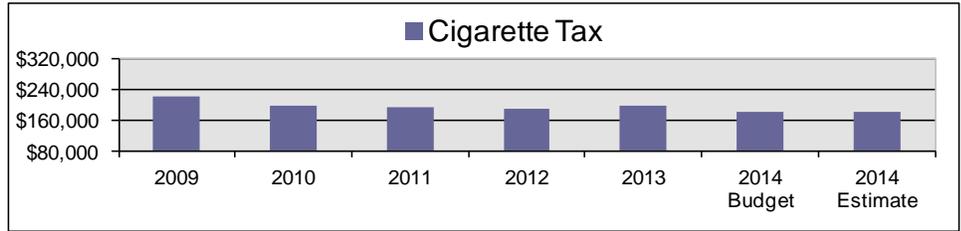
for in the Debt Service Fund. The dedicated general obligation debt mill levy dedicated for the City's general obligation debt collected in 2012 is 2.244 mills. Property tax collections declined from \$2,971,303 in 2009 to \$2,900,715 in 2013. This was a decrease of \$70,588 or 2.4 percent. In 2013 the 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 \$717,302 March 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 \$48,907 through March 2014. The estimate for the year is \$230,000.



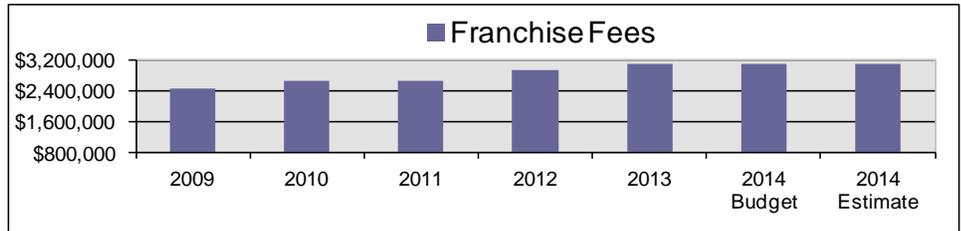
Cigarette Taxes: The State of Colorado levies a \$.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen

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 \$47,631 through March 2014, which is \$1,296 or 2.6 percent less than the \$48,927 collected through March 2014. The estimate for the year is \$179,000.

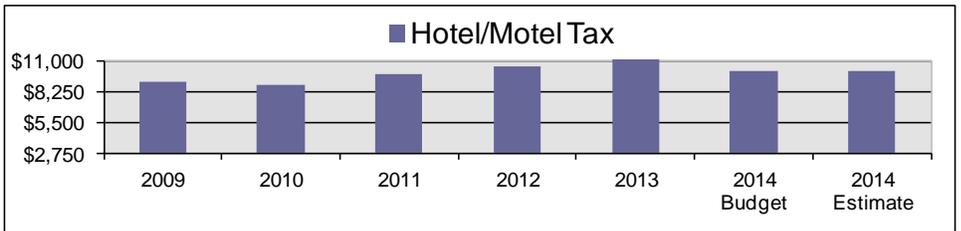


Franchise Fees: The City collects a number of taxes on various utilities. This includes franchise tax on water, sewer, and public services, as well as occupational tax on telephone services. The City collected \$2,452,611 in 2009 and \$3,101,310 in 2013, an increase of

\$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 March totaled \$590,006 compared to \$526,881 collected during the same period last year. The estimate for the year is \$3,069,500.

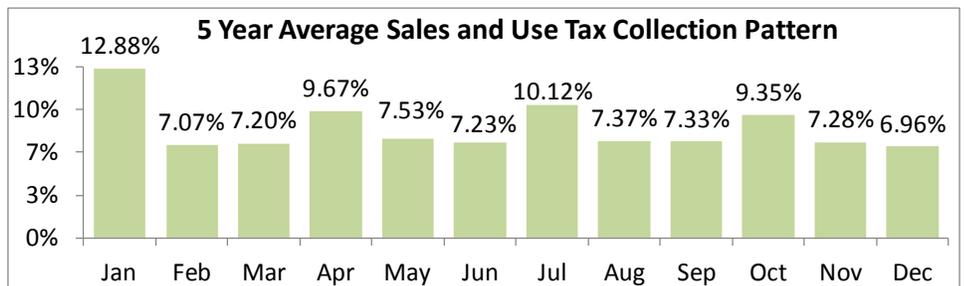
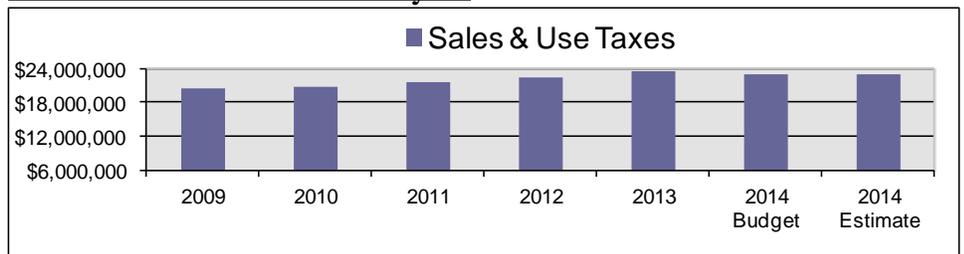


Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted \$10,000 for the year and has collected \$2,960 through March 2014. The estimate for the year is \$10,000.



Sales and Use Taxes Analysis

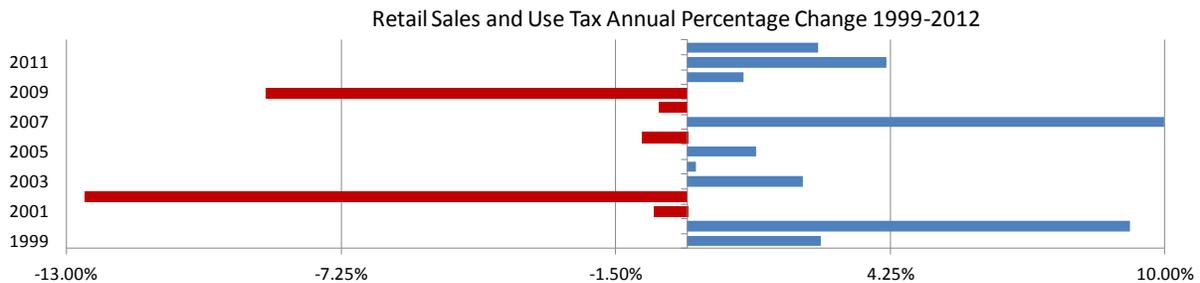
Sales and use taxes are the most important (and volatile) revenue sources for the City. Sales and use taxes generated 78.4 percent of all taxes and 57.4 percent of total revenues collected in 2012. In 2009, this tax generated \$20,624,659 for the City of Englewood; in 2013 the City collected \$23,433,775, 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 March 2014 was \$6,380,373 while revenue year-to-date for March 2013 was \$5,929,894, an increase of \$450,479 or 7.6 percent.



Collections (cash basis) for March 2014 were \$1,607,871 while collections for March 2013 and March 2012 were \$1,479,315 and \$1,455,644 respectively. March 2014 collections were 8.7 percent or \$158,555 more than March 2013 collections and \$151,938 or 10.4 percent more than March 2012 collections.

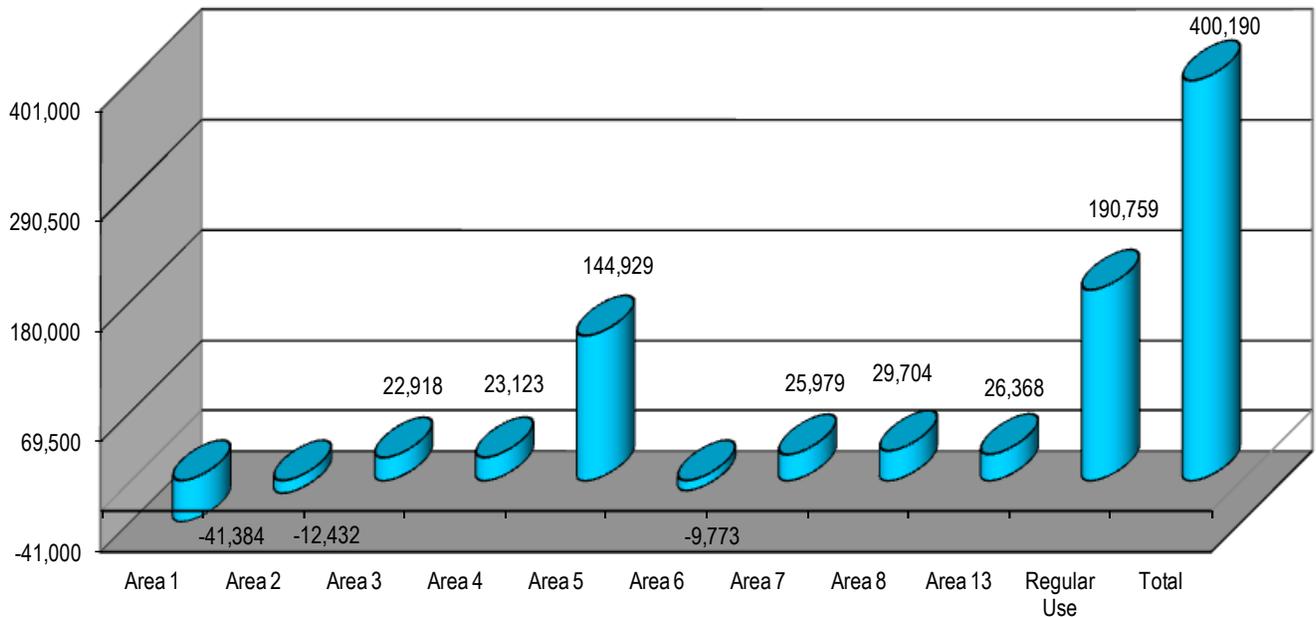
Based on the last five years of sales tax collection data, December contributes 26.5 percent of total year’s sales tax collections; if this pattern holds this year, 73.5 percent is left to collect over the remainder of the year. Based on year-to-date collections, the City will collect an additional \$17,684,784 over the remainder of the year for a total of \$24,065,157. Collections through December were 107.6 percent of last December’s collections. If this were applied to the entire year, the total collected would be \$25,213,684. The average of the two forecasts is \$24,639,571 (\$1,756,568 or 7.7 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.

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

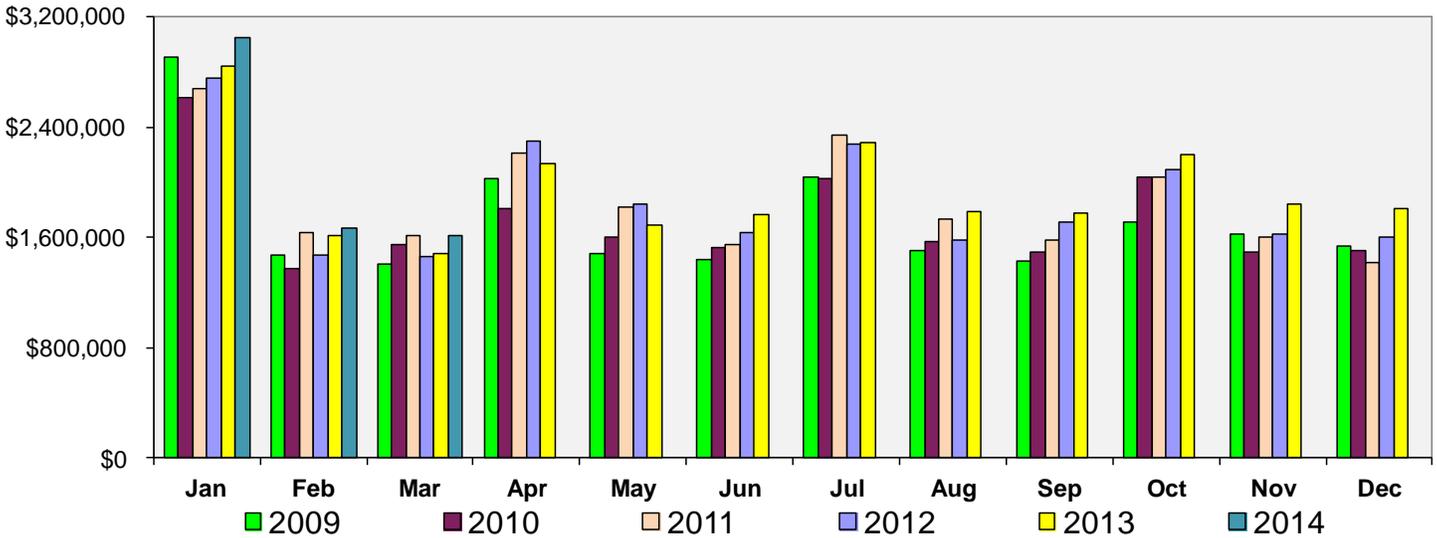


Please note that the geographic map of the sales tax areas was changed within the first quarter of 2012, and hopefully makes more sense. Some of the areas will look skewed until more comparable data is available in 2013. EURA Areas 9 & 10 and EURA Areas 11 & 12 were incorporated into Areas 1, 2 and 6.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

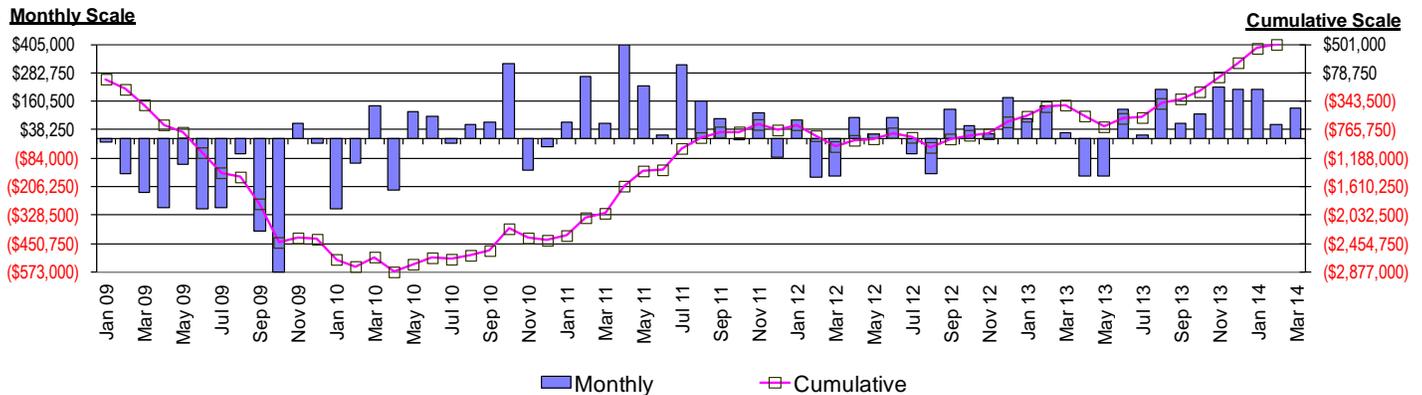
The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2009 through 2014.

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



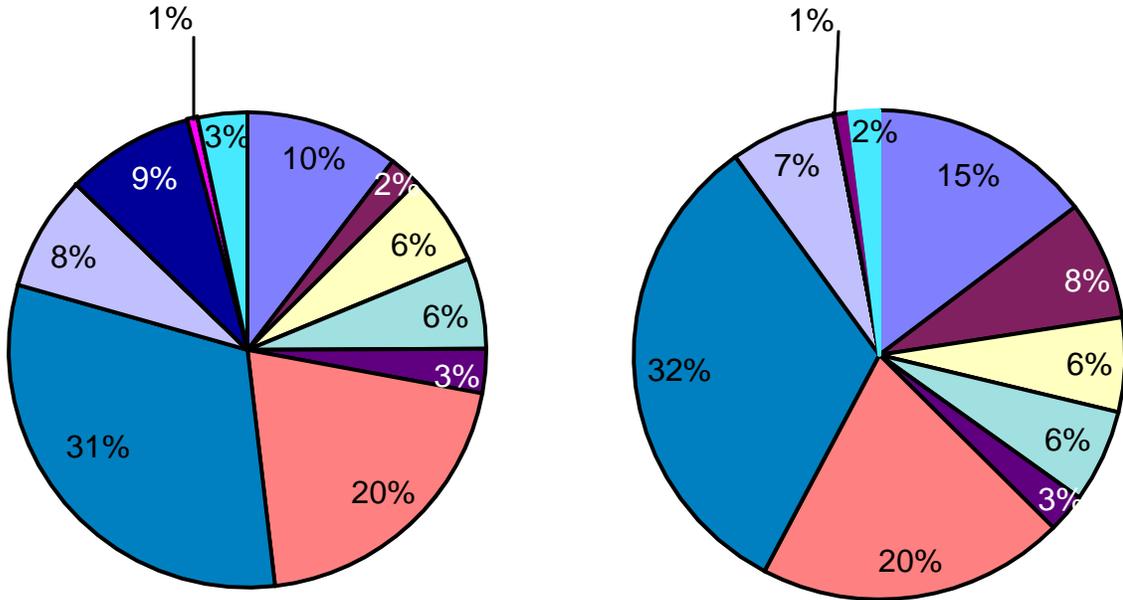
The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented. For the period presented, the bar graph depicts the change in collections for a month as compared to the prior year, while the cumulative line graph is based on the beginning period monthly 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 \$842,852 year-to-date or 4.7 percent less than was collected during the same period last year..

Area 5: This area includes the remodeled King Soopers. Collections are 154.7 percent higher than last year.

Area 6: This geographic area is down one 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 3.6 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	5,527,819	5,927,125	5,680,931	5,929,894	6,330,084
Outside City Collections	1,753,178	2,215,184	2,039,254	2,105,904	2,131,883
Percentage of Total	31.7%	37.4%	35.9%	35.5%	33.7%
Total General Fund Revenues	8,885,976	9,363,300	9,230,491	9,505,858	10,251,690
Outside City Collections	1,753,178	2,215,184	2,039,254	2,105,904	2,131,883
Percentage of Revenues	19.7%	23.7%	22.1%	22.2%	20.8%

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 \$51,122 in refunds including intercity sales/use tax claims through March 2014 compared to \$30,998 through March 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 March were 6.3 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 March were \$76,864 compared to \$50,496 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 March 2014, this compares to \$30,998 collected in 2013 and \$7,533 collected in 2012.

Of the 56 sales tax accounts reviewed in the various geographic areas, 33 (59 percent) showed improved collections and 23 (41 percent) showed reduced collections this year compared to the same period last year.

The Department issued 95 new sales tax licenses through March 2014; 104 and 123 were issued through March 2013 and 2012 respectively.

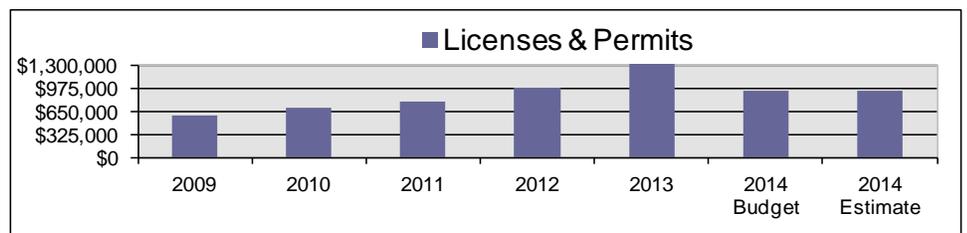
City records indicate that year-to-date 21 businesses closed (16 were outside the physical limits of Englewood) and 95 opened (67 of them were outside the physical limits of Englewood).

General Fund - Other Revenue

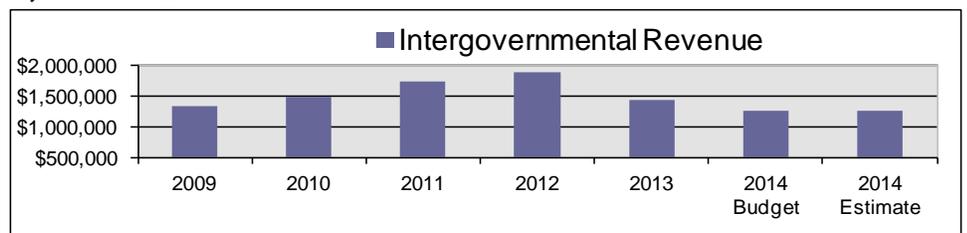
Other revenues (including McLellan rent) accounted for \$10,992,012 or 26.9 percent of the total revenues for 2013. The City budgeted \$10,400,609 for 2014.

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 \$391,566 or \$130,721 (50.1 percent) more than the \$260,845 collected through March 2014. The estimate for the year is \$882,550.

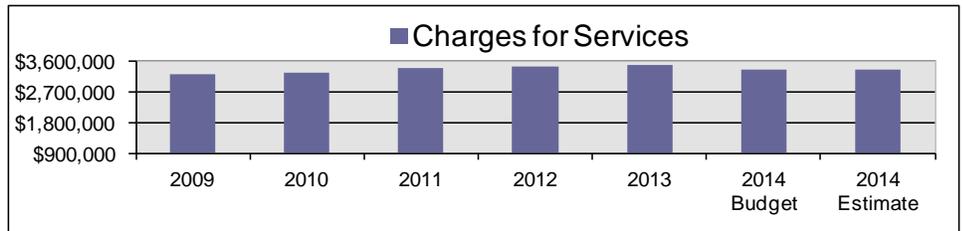


Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at \$1,243,281 for 2014. This revenue source totaled \$1,319,282 in 2009 and the City

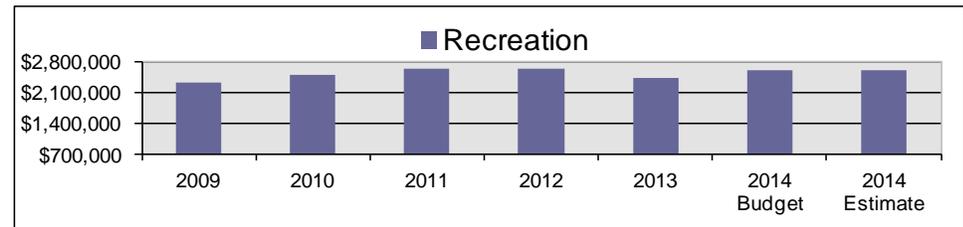


collected \$1,488,204 in 2013, an 12.8 percent increase. The City collected \$237,738 through March 2014 this is \$42,400 more than the \$195,338 collected in the same period in 2013. The estimate for the year is \$1,243,281.

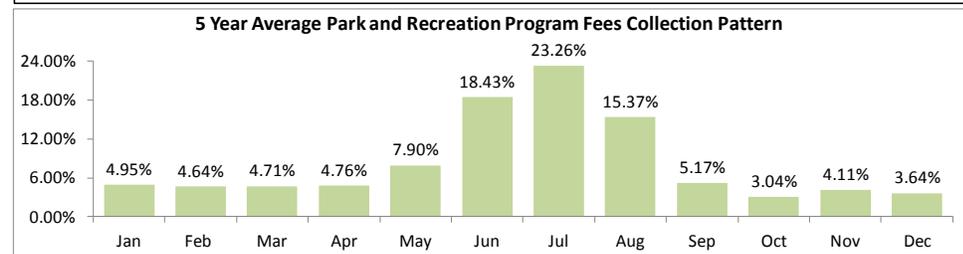
Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at \$3,340,803 for 2014. This revenue source totaled \$3,185,443 in 2009 and increased to \$3,469,845 in 2013, an 8.5 percent increase. Total collected year-to-date was \$781,865 or \$53,261 (6.4 percent) less than the \$835,126 collected year-to-date in 2013. The estimate for the year is \$3,345,353.



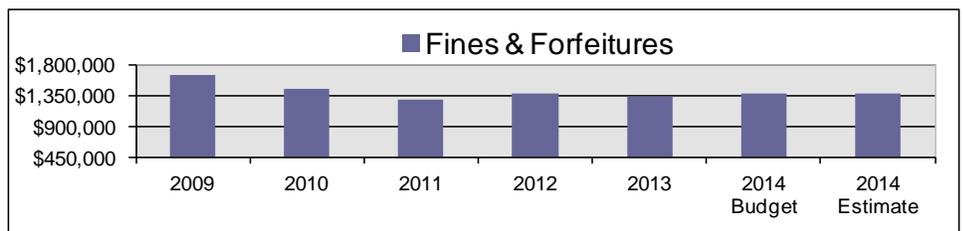
Recreation: This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at



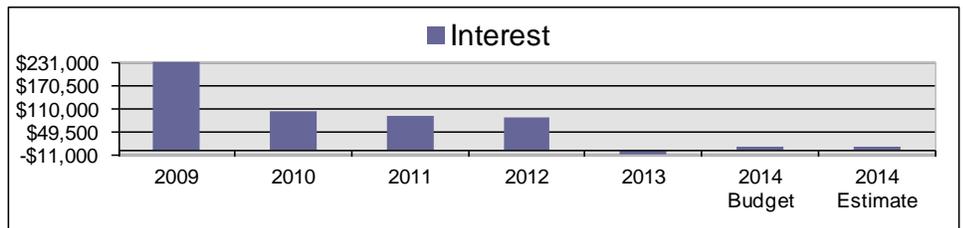
\$2,594,232 for 2014. This revenue source totaled \$2,315,598 in 2009 and increased to \$2,420,443 in 2013, a 4.5 percent increase. Total collections through March 2014 were \$351,308 compared to \$355,746 collected in 2013. The estimate for the year is \$2,594,232.



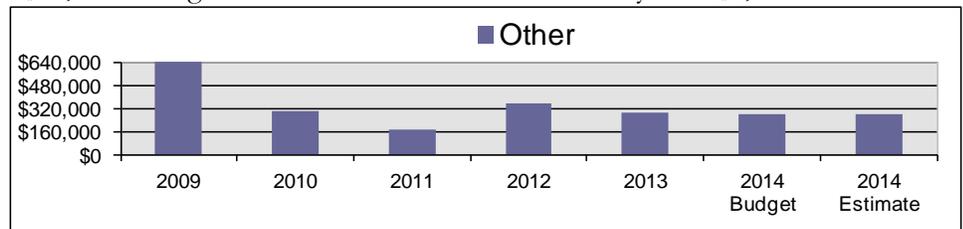
Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2014 budget for this source is \$1,368,450. This revenue source totaled \$1,639,678 in 2009 and decreased to \$1,317,707 in 2013, a 19.6 percent decrease. Total collected year-to-date was \$355,182 or \$4,023 (1.2 percent) more than the \$351,159 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 \$18,629 through March 2014; while the City earned \$10,518 through March 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 \$320,050. This revenue source totaled \$635,982 in 2009 and decreased to \$285,931 in 2013, a 55 percent decrease. Total collected year-to-date is \$63,163 (15.9 percent) less than the \$75,060 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 Bellevue)	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

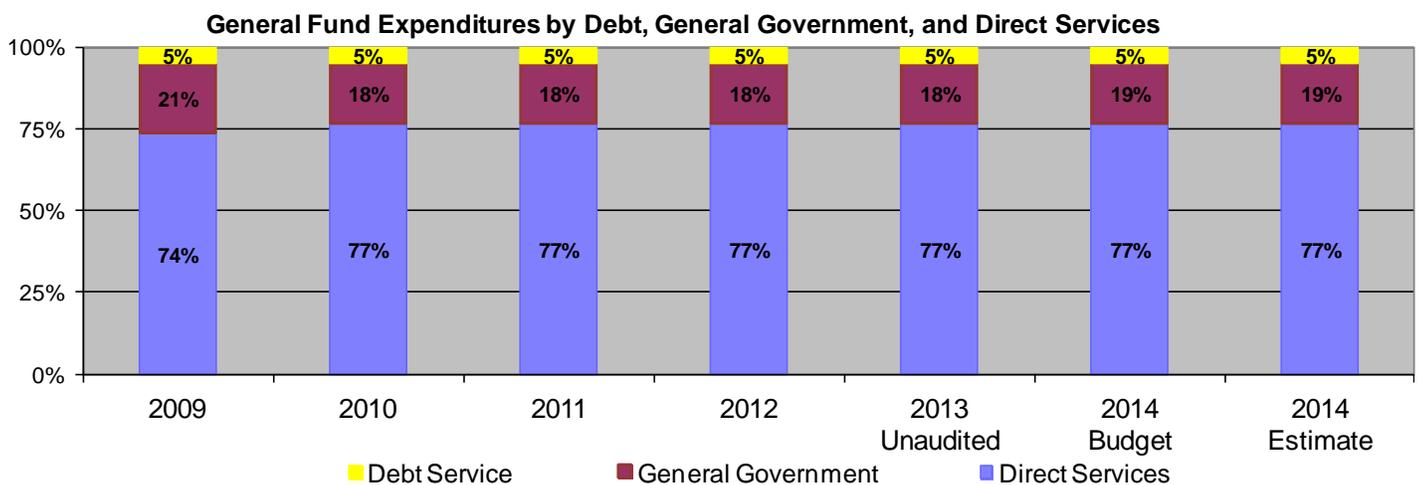
In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the desired result of the services delivered to the citizens of Englewood. The five outcomes identified are intended to depict Englewood as:

- ▶ 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.

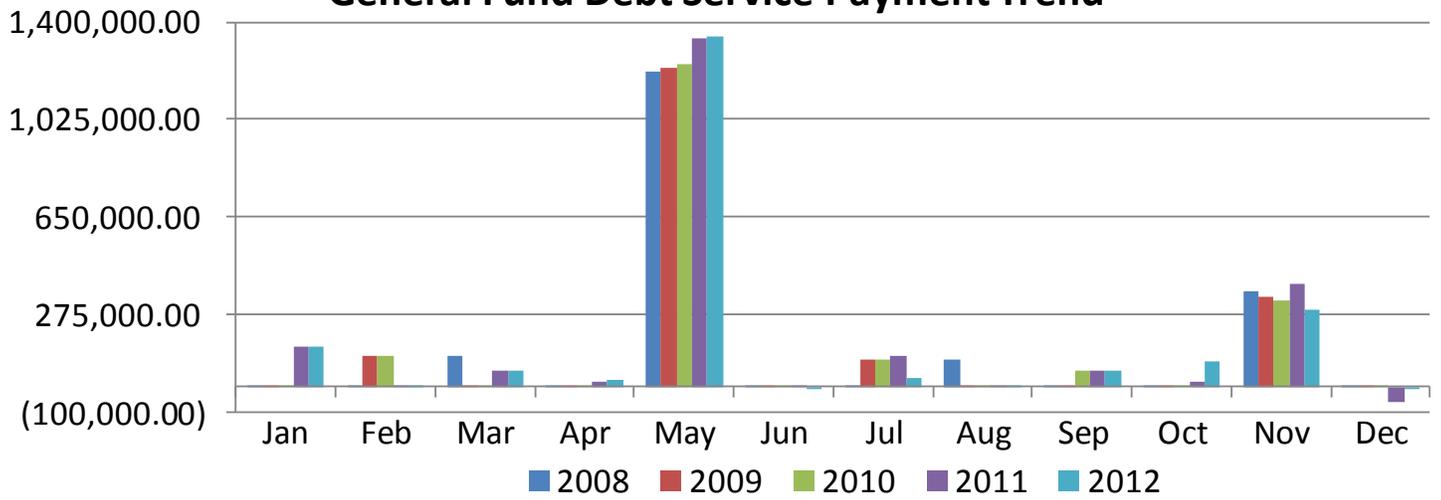
The City budgeted total expenditures at \$42,126,719 for 2014, this compares to \$40,125,364 (estimated) and \$40,265,587 expended in 2013 and 2012 respectively. Budgeted expenditures for 2014 general government (City Manager, Human Resources, etc.) totals \$7,812,457 or 18.5 percent of the total. Direct 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 March were \$9,855,969 compared to \$9,669,142 in 2013 and \$9,775,093 in 2012. 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.

General Fund Debt Service Payment Trend



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

	2009	2010	2011	2012	2013	2014	2014
Expenditure	Actual	Actual	Actual	Actual	Unaudited	Budget	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	2014
						Budget	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

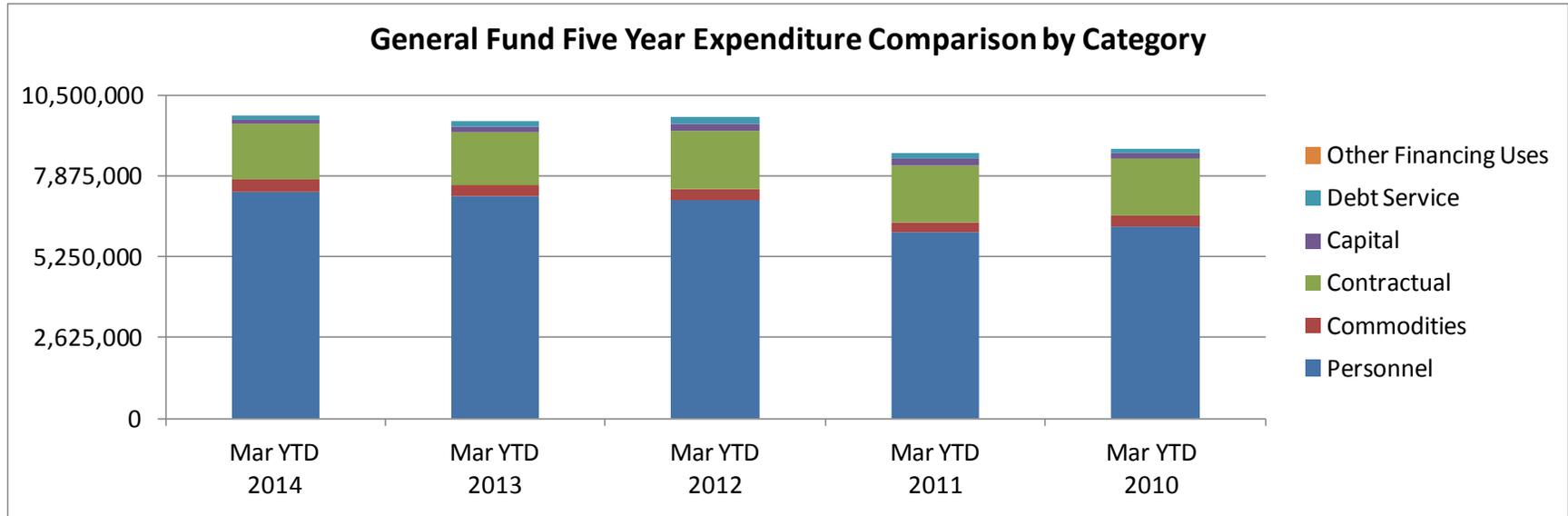
* Source: Colorado Department of Local Affairs Municipal Population Estimates By County

City of Englewood, Colorado

General Fund - Five Year Expenditure Comparison by Category

	Mar YTD 2014	YTD % Change	% of Total	Mar YTD 2013	YTD % Change	% of Total	Mar YTD 2012	YTD % Change	% of Total	Mar YTD 2011	YTD % Change	% of Total	Mar YTD 2010	% of Total
Personnel services														
Salaries and wages	4,849,430	-2.170%	11.512%	4,956,778	-0.190%	12.057%	4,966,389	19.500%	12.479%	4,155,958	-3.430%	10.481%	4,303,505	10.765%
Overtime	164,993	16.120%	0.392%	142,088	-10.210%	0.346%	158,240	82.130%	0.398%	86,885	-1.320%	0.219%	88,044	0.220%
Benefits	2,353,790	11.310%	5.587%	2,114,617	7.270%	5.144%	1,971,305	9.610%	4.953%	1,798,476	-1.910%	4.536%	1,833,486	4.587%
Personnel services total	7,368,213	2.150%	17.491%	7,213,482	1.660%	17.547%	7,095,933	17.460%	17.830%	6,041,319	-2.950%	15.236%	6,225,035	15.572%
Commodities total	381,749	1.630%	0.906%	375,624	1.650%	0.914%	369,521	9.230%	0.929%	338,310	-7.710%	0.853%	366,572	0.917%
Contractual services total	1,799,863	4.420%	4.272%	1,723,703	-8.800%	4.193%	1,890,041	1.840%	4.749%	1,855,886	1.200%	4.681%	1,833,822	4.587%
Capital total	150,978	4.310%	0.358%	144,737	-30.490%	0.352%	208,235	6.130%	0.523%	196,212	-8.110%	0.495%	213,521	0.534%
Total Expenditures	9,700,803	2.570%	23.028%	9,457,546	-1.110%	23.005%	9,563,730	13.430%	24.031%	8,431,727	-2.400%	21.265%	8,638,950	21.611%
Debt service total	155,155	-26.680%	0.368%	211,599	0.110%	0.515%	211,363	0.960%	0.531%	209,359	71.410%	0.528%	122,143	0.306%
Other financing uses total	0			0			0			0			0	
Total Uses of Funds	9,855,958	0.000%	23.396%	9,669,145	0.000%	23.520%	10,109,093	0.000%	24.562%	8,641,086	0.000%	21.793%	8,761,093	21.916%
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	23.396%			23.520%			25.401%			21.793%			21.916%	

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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

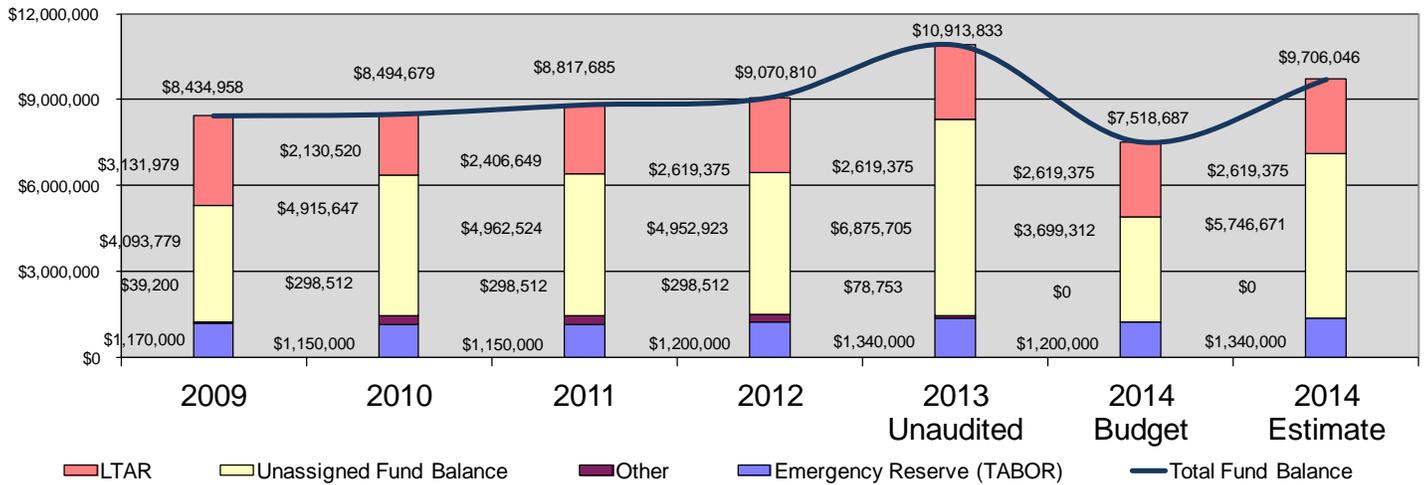
General Fund - Fund Balance

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.

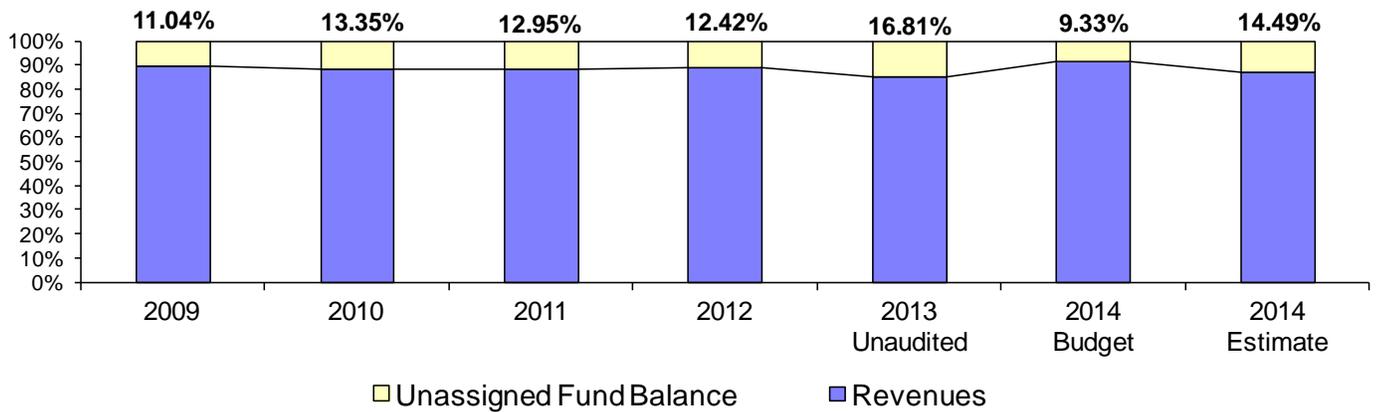
Long Term Asset Reserve (LTAR) At the 2008 Budget workshop, City Council discussed and directed staff to establish a General Fund reserve account to accumulate funds from the sale, lease, or earnings from long-term assets. It was also determined that these funds should be used in a careful, judicious 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 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 \$10,913,833, and an unassigned fund balance of \$6,875,705 or 16.8 percent of revenues (17.1 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 \$9,706,046 with an unassigned fund balance of \$5,746,671 or 14.5 percent of estimated revenues and 13.6 percent of projected expenditures. The \$5,746,671 would allow the City to operate for approximately 49.8 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 vs 2013 Increase		2013	2013 vs 2012 Increase		2012
	2014	(Decrease)		(Decrease)		
YTD Revenues	\$ 1,072,994	\$ 561,184 109.65%	\$ 511,810	\$ (226,695) (30.70%)	\$ 738,505	
YTD Expenditures	1,350,108	\$ (553,257) (29.07%)	1,903,365	\$ 558,935 41.57%	1,344,430	
Net Revenues (Expenditures)	\$ (277,114)	\$ 1,114,441	\$ (1,391,555)	\$ (785,630)	\$ (605,925)	
Beginning PIF Fund Balance	\$ 1,905,453		\$ 1,320,371		\$ 934,251	
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	\$ 1,628,339		\$ (71,184)		\$ 328,326	
Plus: Remaining Annual Revenue	1,936,006		2,892,853		1,406,660	
Less: Remaining Annual Appropriation	(3,944,142)		(1,816,819)		(1,664,559)	
Estimated Ending Fund Balance	\$ (379,797)		\$ 1,004,850		\$ 70,427	
Unappropriated Fund Balance as of December 31,			<u>\$ 785,553</u>		<u>\$ 540,125</u>	

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

	2014	2014	2014 Vs 2013			2013	2013 Vs 2012		2012
	Estimate	Adopted Budget	YTD Actual	Amount	%	YTD Actual	Amount	%	YTD Actual
Vehicle Use Tax	\$ 1,300,000	\$ 1,300,000	\$ 224,574	\$ (130,171)	-37%	\$ 354,745	\$ 146,251	70%	\$ 208,494
Building Use Tax	\$ 1,500,000	\$ 1,500,000	\$ 845,745	\$ 716,430	554%	\$ 129,315	\$ (51,307)	-28%	\$ 180,622
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	10,075,493	9,855,958	(338,287)	3,919,375	6,875,705
Special Revenue Funds						
Conservation Trust	1,526,069	85,505	50,697	(1,480,807)	-	80,070
Open Space	1,878,961	2,944	55,546	(1,814,057)	-	12,302
Donors	538,116	16,068	59,140	-	-	495,045
Community Development	-	18,662	53,336	34,674	-	-
Malley Center Trust	256,088	533	-	-	-	256,621
Parks & Recreation Trust	456,411	773	1,816	-	-	455,367
Debt Service Fund						
General Obligation Bond	46,839	273,702	2,739	-	-	317,801
Capital Projects Funds						
PIF	1,905,453	1,072,994	98,510	(3,259,735)	-	(379,797)
MYCP	792,754	1,156	304,657	(439,518)	-	49,735
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	11,487,009	913,190	1,909,154	-	-	10,491,046
Sewer	4,206,955	3,981,361	2,552,904	-	1,000,000	4,635,412
Stormwater Drainage	1,128,456	107,158	18,803	-	102,500	1,114,311
Golf Course	891,719	179,739	378,531	(63,000)	215,773	414,155
Concrete Utility	315,615	180,124	64,208	-	-	431,531
Housing Rehabilitation	1,218,829	18,914	18,695	-	-	1,219,049
Internal Service Funds						
Central Services	133,693	74,088	74,602	(50,000)	-	83,180
ServiCenter	1,415,804	608,147	492,942	(300,000)	-	1,231,009
CERF	1,615,138	208,433	31,877	-	-	1,791,693
Employee Benefits	53,304	1,874,002	1,899,752	-	-	27,554
Risk Management	85,748	1,440,176	861,750	-	-	664,174

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 March 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 March 31, 2014

Percentage of Year Completed = 25%

Fund Balance January 1	\$ 8,726,474	\$ 10,913,833	\$ 10,913,833	\$ 9,070,810	\$ 9,070,810	\$ 8,817,685	\$ 8,817,685			
	2014				2013			2012		
	Budget	Mar-14	% Budget	YE Estimate	Dec-13	Mar-13	% YTD	Dec-12	Mar-12	% YTD
Revenues										
Property Tax	2,898,000	717,302	24.75%	2,898,000	2,900,715	692,894	23.89%	2,874,816	670,540	23.32%
Specific Ownership Tax	230,000	48,907	21.26%	230,000	266,881	48,927	18.33%	243,293	45,311	18.62%
Sales & Use Taxes	22,883,003	6,469,235	28.27%	22,883,003	23,433,775	5,932,156	25.31%	22,363,618	5,682,345	25.41%
Cigarette Tax	179,000	47,631	26.61%	179,000	195,088	48,927	25.08%	189,618	46,296	24.42%
Franchise Fees	3,069,500	590,006	19.22%	3,069,500	3,101,310	526,881	16.99%	2,930,888	519,630	17.73%
Hotel/Motel Tax	10,000	2,960	29.60%	10,000	12,039	2,833	23.53%	10,395	2,355	22.66%
Licenses & Permits	882,250	391,566	44.38%	882,250	1,446,578	260,845	18.03%	983,359	187,075	19.02%
Intergovernmental Revenue	1,243,281	237,738	19.12%	1,243,281	1,488,204	195,338	13.13%	1,865,722	315,025	16.88%
Charges for Services	3,345,353	781,865	23.37%	3,345,353	3,469,845	835,126	24.07%	3,441,525	753,135	21.88%
Recreation	2,594,232	351,308	13.54%	2,594,232	2,420,443	355,746	14.70%	2,615,642	368,070	14.07%
Fines & Forfeitures	1,368,450	355,182	25.96%	1,368,450	1,317,707	351,159	26.65%	1,381,453	390,071	28.24%
Interest	8,164	18,629	228.18%	8,164	(10,223)	10,518	-102.89%	84,045	19,164	22.80%
EMRF Rents	638,829	176,198	27.58%	638,829	573,526	169,448	29.54%	551,295	174,331	31.62%
Miscellaneous	320,050	63,163	19.74%	320,050	285,931	75,060	26.25%	354,130	57,143	16.14%
Total Revenues	39,670,112	10,251,690	25.84%	39,670,112	40,901,819	9,505,858	23.24%	39,889,799	9,230,491	23.14%
Expenditures										
Legislation	354,570	69,186	19.51%	354,570	280,920	44,387	15.80%	316,043	66,896	21.17%
City Attorney	818,514	162,549	19.86%	818,514	719,781	168,138	23.36%	712,036	176,267	24.76%
Court	1,026,895	221,035	21.52%	1,026,895	922,245	218,861	23.73%	886,249	206,331	23.28%
City Manager	703,758	188,567	26.79%	703,758	675,844	191,913	28.40%	658,047	187,662	28.52%
Human Resources	468,826	83,739	17.86%	468,826	408,551	85,886	21.02%	469,343	111,484	23.75%
Financial Services	1,625,150	374,206	23.03%	1,625,150	1,533,060	355,004	23.16%	1,464,305	356,154	24.32%
Information Technology	1,378,942	309,326	22.43%	1,378,942	1,336,591	328,734	24.59%	1,373,943	320,100	23.30%
Public Works	5,504,669	1,409,709	25.61%	5,504,669	5,234,383	1,324,429	25.30%	5,202,903	1,292,362	24.84%
Fire Department	8,202,319	2,058,055	25.09%	8,202,319	8,002,677	2,049,340	25.61%	8,100,554	2,129,038	26.28%
Police Department	11,543,760	3,034,122	26.28%	11,543,760	11,226,157	2,955,111	26.32%	10,788,935	2,804,570	25.99%
Community Development	1,235,802	268,472	21.72%	1,235,802	1,113,710	257,890	23.16%	1,262,451	343,389	27.20%
Library	1,250,536	272,576	21.80%	1,250,536	1,174,656	306,692	26.11%	1,180,771	301,828	25.56%
Recreation	5,804,158	1,224,298	21.09%	5,804,158	5,402,599	1,134,103	20.99%	5,649,246	1,232,215	21.81%
Debt Service	2,008,820	155,155	7.72%	2,008,820	2,005,830	211,849	10.56%	2,056,951	211,363	10.28%
Contingency	200,000	24,964	12.48%	200,000	88,360	36,805	41.65%	143,810	35,434	24.64%
Total Expenditures	42,126,719	9,855,959	23.40%	42,126,719	40,125,364	9,669,142	24.10%	40,265,587	9,775,093	24.28%
Excess revenues over (under) expenditures	(2,456,607)	395,731	-16.11%	(2,456,607)	776,455	(163,284)		(375,788)	(544,602)	
Net transfers in (out)	1,248,820	848,820	67.97%	1,248,820	1,066,568	639,574	59.97%	628,913	972,739	154.67%
Total Fund Balance	\$ 7,518,687	\$ 12,158,384	161.71%	\$ 9,706,046	\$ 10,913,833	\$ 9,547,100	87.48%	\$ 9,070,810	\$ 9,245,822	101.93%

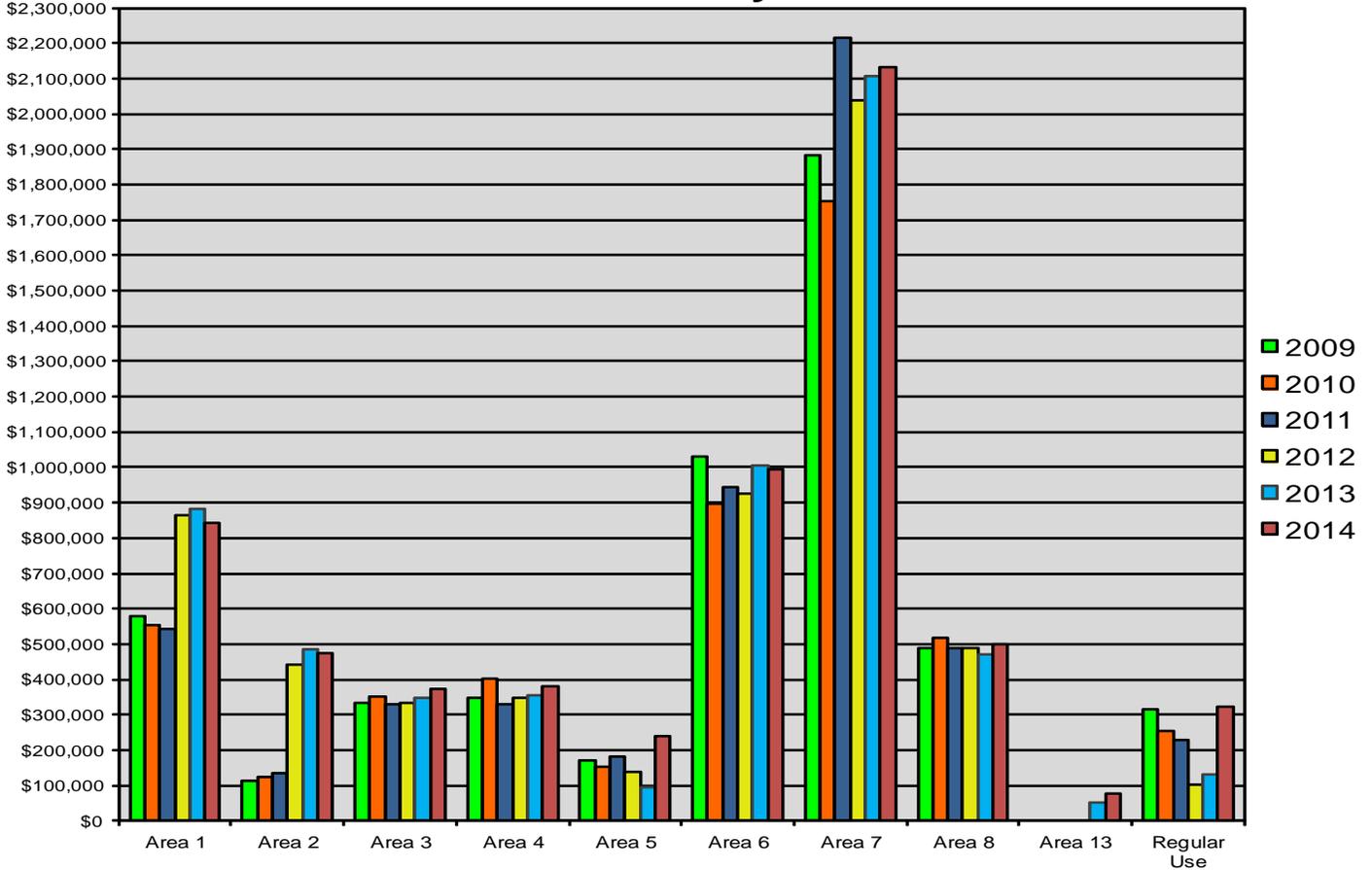
Fund Balance Analysis										
Total Fund Balance	\$ 7,518,687	\$ 12,158,384	\$ 9,706,046	\$ 10,913,833	\$ 9,070,810					
Restricted Fund Balance										
-Emergencies (TABOR)	1,200,000	1,340,000	1,340,000	1,340,000	1,200,000					
Committed Fund Balance										
-LTAR	2,619,375	2,619,375	2,619,375	2,619,375	2,619,375					
-COPS Grant	-	6,332	-	78,753	298,512					
Restricted/Committed	\$ 3,819,375	\$ 3,965,707	\$ 3,959,375	\$ 4,038,128	\$ 4,117,887					
Estimated Unassigned Fund Balance	\$ 3,699,312	\$ 8,192,677	\$ 5,746,671	\$ 6,875,705	\$ 4,952,923					
As a percentage of projected revenues	9.33%	20.65%	14.49%	16.81%	12.42%					
As a percentage of budgeted revenues	9.33%	20.65%	14.49%							
Target	3,967,011	-	5,950,517							

**Sales & Use Tax Collections Year-to-Date Comparison
for the month of March 2014**

Cash Basis

	2009	% Change	2010	% Change	2011	% Change	2012	% Change	2013	% Change	2014	% Change
Area 1	577,970	-7.52%	554,978	-10.97%	542,301	-2.28%	864,011	59.32%	884,236	2.34%	842,852	-4.68%
Area 2	113,420	-5.08%	124,817	13.61%	133,358	6.84%	442,954	232.15%	485,014	9.50%	472,583	-2.56%
Area 3	334,027	7.49%	351,555	14.68%	328,489	-6.56%	334,209	1.74%	349,346	4.53%	372,264	6.56%
Area 4	348,162	-24.09%	402,456	-3.76%	329,893	-18.03%	347,401	5.31%	356,052	2.49%	379,175	6.49%
Area 5	169,272	11.83%	151,168	-6.76%	181,379	19.98%	138,336	-23.73%	93,652	-32.30%	238,581	154.75%
Area 6	1,032,320	3.94%	896,909	-14.09%	943,344	5.18%	924,519	-2.00%	1,003,841	8.58%	994,068	-0.97%
Area 7	1,883,374	-6.20%	1,753,178	-24.48%	2,215,184	26.35%	2,039,254	-7.94%	2,105,904	3.27%	2,131,883	1.23%
Area 8	488,490	-8.89%	516,438	-11.74%	487,595	-5.59%	487,887	0.06%	470,388	-3.59%	500,091	6.31%
Area 13					0	0.00%	0	0.00%	50,496	0.00%	76,864	52.22%
Regular Use	315,884	287.41%	254,305	237.78%	227,422	-10.57%	102,360	-54.99%	130,963	27.94%	321,722	145.66%
Subtotal	5,262,920	10.34%	5,005,804	-11.34%	5,388,965	7.65%	5,680,931	5.42%	5,929,894	4.38%	6,330,084	6.75%
Area 9 and 10	492,391	-2.43%	488,777	-0.73%	500,649	2.43%	0	-100.00%	0	0.00%	0	0.00%
Area 11 and 12	37,647	-2.38%	33,238	-11.71%	37,512	12.86%	0	-100.00%	0	0.00%	0	0.00%
Subtotal	530,038	-2.43%	522,015	-1.51%	538,160	3.09%	0	-100.00%	0	0.00%	0	0.00%
Total	5,792,958	-6.40%	5,527,819	-4.58%	5,927,125	7.22%	5,680,931	-4.15%	5,929,894	4.38%	6,330,084	6.75%
Refunds	7,566	-92.38%	115,761	1430.05%	18,813	-83.75%	82,548	338.78%	9,465	-88.53%	51,122	440.11%
Audit & Collections												
Revenue**	298,426	31.77%	214,903	-27.99%	100,808	-53.09%	7,533	-92.53%	30,998	311.47%	17,098	-44.84%
**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	69,911	-76.86%	116,868	67.17%	86,641	-25.86%	180,622	108.47%	129,315	-28.41%	845,746	554.02%
Vehicle Use	267,528	-16.38%	205,901	-23.04%	204,874	-0.50%	316,669	54.57%	358,089	13.08%	337,443	-5.77%

March YTD Collections by Area 2009-2014



Area Descriptions

Area 1 - CityCenter (Formerly Cinderella City)

Area 2 - S of Yale, north & south side of Jefferson Ave/US 285 between Bannock and Sherman

Area 3 - S of Jefferson Ave/US 285 between Bannock & Sherman and north side of Bellevue between Logan & Delaware

Area 4 - Broadway and Bellevue (Between Fox and Sherman and south side of Bellevue and to the Southern City Limits)

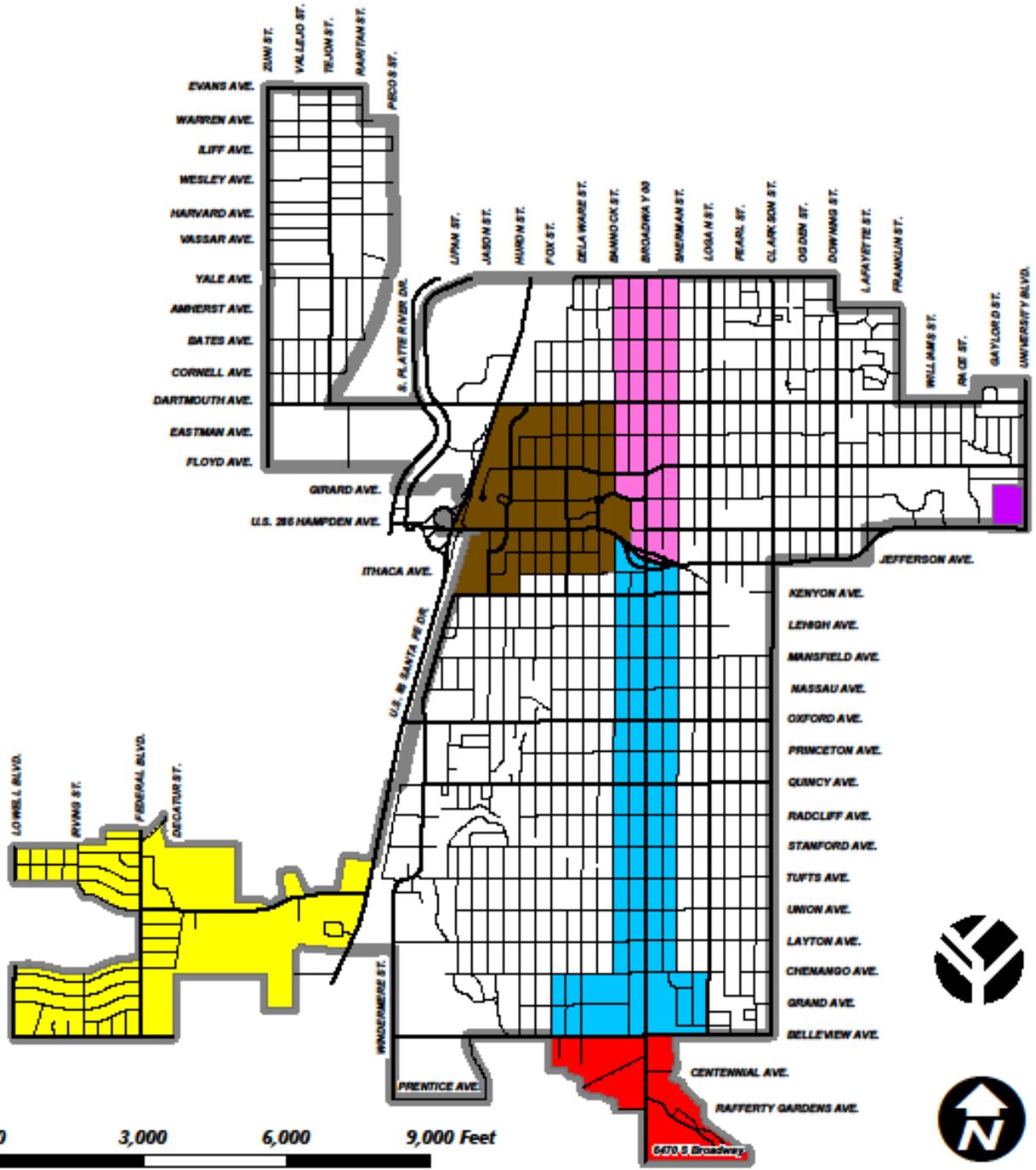
Area 5 - Federal and Bellevue W of Santa Fe

Area 6 - All other City locations

Area 7 - Outside 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